

To: CAO for the Electoral Area Services Committee
From: Mike Veenbaas, Director of Financial Services

Date: 2019-03-12
File No: 7960-02

Subject: Fraser Valley Regional Library Service – Electoral Areas

INTENT

This report is intended to advise the Electoral Area Services Committee of information pertaining to the Fraser Valley Regional Library Service Area. Staff is not looking for a recommendation and has forwarded this information should members want more clarification to discuss the item further.

STRATEGIC AREA(S) OF FOCUS

Support Healthy & Sustainable Community

BACKGROUND

As a follow up to the budget discussion held at the February EASC meeting, Staff were requested to bring forward a report to provide further information regarding the Fraser Valley Regional Library (FVRL) service that Electoral Areas participate in.

DISCUSSION

Established in 1930, FVRL was the first of its kind in North America. Today it is the largest public library system in British Columbia, with 25 community libraries serving over 700,000 people in its service area. Within the Regional District there are branches in Abbotsford (3), Mission, Chilliwack (3), Agassiz, Hope, Yale and Boston Bar. The Board of FVRL is comprised of 15 elected officials appointed annually from all the member municipalities and regional districts. FVRD's representative is Director Adamson.

The FVRL funding model is based on two ideologies:

- the local government is directly responsible for the library location – capital replacement, utilities, building maintenance.
- FVRL is responsible for the location's operating costs which includes staffing, administration, IT and the library collection.

The local government's costs are directly funded by the specific local government and do not form part of the FVRL budget. As such, FVRD Electoral Areas do not pay into the capital costs of the branches in Abbotsford, Mission, Chilliwack or Hope.

The FVRL operating costs are allocated to members based on a number of methods including direct and indirect costs using formulas as set by their Board. Direct costs include location specific staffing costs whereas indirect costs include administration centre costs and overhead type items. The FVRL requisition for FVRD comprises of the direct staffing costs for operating the Yale and Boston Bar library branches, a share of the administration type costs (admin, HR, payroll, IT, finance, marketing, communications, etc.) and support services (library materials, inter-library loans, etc).

To some extent, the model accounts for electoral area library membership using branches funded by a municipal government (Hope, Agassiz, Mission & Chilliwack). It should be noted that this is only the operating cost of the branches, representing a good financial arrangement for electoral areas.

COST

The requisition received from FVRL is funded via the Electoral Area Wide Regional Library service area. The service area has a legacy capital reserve with a balance of \$144,000 and an operating surplus balance of \$61,000.

CONCLUSION

The purpose of this report is to provide some background information on the Electoral Area Fraser Valley Regional Library service area in an effort to help inform the Electoral Area Services Committee.

COMMENT BY:

Paul Gipps, Chief Administrative Officer

Not available for comment.