SCHEDULE C PROCESS

Schedule C is an amendment to the Marigold Agreement that outlines Marigold's per capita levy rates for municipalities and library boards. The most recent attached Schedule C is for 2017 and 2018.

Schedule C Committee is an ad hoc committee of the Marigold Board, comprised of 5 Board members, some of whom are also municipal councilors. The responsibility of this committee is to recommend the upcoming term (e.g., years) and per capita levy rates, taking into consideration past and future trends, timelines and factors impacting the Marigold Community. The Executive reviews the recommendations before presenting the amendment for discussion at the Marigold Board AGM.

Following approval by the Marigold Board, Schedule C and attachments are mailed to the Mayor of every member municipality, with copies to the CAOs and library board chairs. Marigold requests that every municipality presents Schedule C to Council for consideration and returns a signed Schedule C to Marigold before September 30, 2016.

FACTORS FOR CONSIDERATION

■ The Bank of Canada inflation-control target[1] of 2% was taken into consideration when the levy rates for 2017 and 2018 were presented to the Marigold Board.

■ Marigold Board has committed to harmonizing levy rates for all municipalities because Marigold residents have access to the same library services, including digital content, book deposits and mail service.

■ Marigold's service population has increased 2 ½ times from 2004 to present. Marigold's services have also expanded and adapted to meet public and community demands; therefore, Marigold's operations have outgrown the space available in the current Strathmore location. To better serve Marigold member municipalities, increased space is needed for delivery service, staging and dispersing IT equipment, managing supplies from an expanded purchasing program, as well as adequate space for meetings and training.

■ Marigold is located in a 60-year-old building that requires frequent and costly repairs. Marigold is taking a proactive approach by saving surplus revenue each year to purchase land and to pay for the expansion or relocation of the headquarters building. An Architectural consultant has been hired to conduct a feasibility study to determine space needs and building options. Marigold has appealed to Municipal Affairs for capital funding and is also appealing for a change to the Alberta Libraries Act to allow library systems like Marigold to borrow money for capital building projects.

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[1] http://www.bankofcanada.ca/core-functions/monetary-policy/inflation/

- To keep up with increased public service demands, Marigold has recently added services including:
    - expanded delivery system with more vehicles and scheduled deliveries
    - downloadable eBooks, music, and eResources
    - increased IT[2] infrastructure and support, including an IT spending credit for equipment upgrades in member libraries
    - more training for member library staff, board members and patrons
    - more programs, supplies and equipment that encourage interaction among community members at the library
    - purchasing program for discounts on IT equipment, furniture, and supplies

- Marigold will purchase over $1,000,000 of print and audiovisual material and digital content in 2016. Significant vendor discounts and free shipping extend purchasing volume.

- Marigold commits to resource sharing among Alberta's public libraries by providing services grants (cash back) to member libraries. In 2016, the grants to member libraries will total $610,000.

- Use of public libraries in Marigold is growing; therefore, support costs are also increasing. For example, items loaned between libraries to fill patron requests increased ↑30% in 2015.

- Year over year operational costs have increased:
    - cost of larger vehicles to handle increased delivery volume
    - digital content contracts (costed on total population in Marigold)
    - computer hardware, software and licenses
    - TRAC[3] and TAL[4] levies (costed on population)
    - automation and out-sourcing to expedite turnaround time for library materials
    - utility, caretaking, and landscaping costs for headquarters
    - insurance costs
    - transportation costs for consultants and IT staff, whose visits to Marigold libraries increased ↑63% in 2015

OVERVIEW

- *Value of Your Investment Reports* for municipalities show that the value of Marigold services exceeds the investment (see attached report for your municipality).

- Marigold has successfully achieved goals and objectives identified in Marigold's strategic plan, *Vision 2015*. *Vision 2015* was developed by stakeholders in Marigold communities and identified priorities to provide efficient and cost effective library services and support, such as more technical support, programming, training for member library staff, downloadable eBooks and digital content.

- A new Strategic Plan has been prepared and adopted by Marigold Board. One of the key strategies of VISION 2018 is to invest in an enlarged building.

- Marigold serves nearly 300,000 residents in 44 municipalities located in south central Alberta:
    - 37 public libraries
    - 12 book deposits
    - online access to 3.29 million circulating items, digital content and services on the TRAC online catalogue
    - access to collections and services in all Marigold libraries and TRAC
    - Library to You (L2U) mail service for homebound residents and patrons in remote communities

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[2] IT: Information Technology – infrastructure planning, implementation and ongoing support for the integrated library system (Polaris), Marigold telecommunications, computer hardware and software, and RISE videoconference system.

[3] TRAC: The Regional Automation Consortium, involving 175 libraries in Marigold, Yellowhead, Northern Lights and Peace library systems.

[4] TAL: The Alberta Library, which provides support for electronic resources, training and advocacy for all member libraries in Alberta.