

LETTER OF UNDERSTANDING

This Agreement made in duplicate

The 29 day of Sept A.D. 2016

BETWEEN:

THE TOWN OF HINTON

In the Province of Alberta

(hereinafter referred to as the "Town")

And

THE TOWN OF HINTON LIBRARY BOARD

(hereinafter referred to as the "Board")

The Town of Hinton (the "Town") and the Town of Hinton Library Board (the "Board") seek to clarify and formalize their relationship. To this end, the Town and the Board associate in a spirit of cooperation and open communication while preserving their individual corporate identities, in order to provide maximum benefit to the region.

The Town and the Board understand that:

- The Hinton Library (the "Library") provides a community service on behalf of the Town.
- Benefits to the region are greatest when the Town and the Board work cooperatively to maximize the use of available resources.
- The Town and the Board intend for the delivery of the most effective library service possible, while recognizing the dependence of quality service upon financial, physical and human resources.
- The Town provides services to the Board which includes but is not limited to accounting services such as record keeping, accounts payable and payroll services; library facilities and their maintenance; insurance; labor relations and general human resources services and consulting services.
- There are areas which require flexibility and cooperation from the Town and the Board.

Therefore, the Town and the Board agree as follows:

1. That their relationship will be governed by the *Libraries Act* and *Libraries Regulation* of the Province of Alberta.
2. That the Board will annually present their budget to Town Council, following consultation with the Town during their annual budget process, to ensure adequate funding is identified and approved to provide a level of library service expected by the community.
3. That all employees of the Library, including the Manager of Library Services, are employees of the Town of Hinton for the purposes of benefits, pensions, paygrids and the collective agreement. The Manager of Library Services will report to and take direction from the Library Board. All other employees of the library report to and take direction from the Manager of Library Services. The Library Board retains full management control over the Library as defined in the *Libraries Act*.

As per Board policy, the Board alone is responsible for the employment (including hiring, supervising, evaluation, termination, and the like) of the Manager of Library Services. The Board or the Manager of Library Services may utilize the Town's management team for advice and guidance.

4. That the Board will follow the Town's Salary Grid and benefits packages and will pay costs incurred therein. All Library staff members are expected to participate in the Town's Safety Program.
5. In the event a Grievance is presented to the Manager of Library Services, the Human Resources Manager will be notified by the Manager of Library Services prior to a response given in writing to the Union. If the Grievance is not resolved at 1st Step, the Director of Community Services will be notified and brought up-to-speed on the issue. The Director, in consultation with HR, will proceed with the Grievance from that 2nd Step forward.
6. Complaints investigated by Human Resources will be reported directly to the Library Board and Manager of Library Services dependent on the nature of the complaint(s) by the Chief Administrative Officer and Human Resources Manager or their delegates.
7. Communications:
 - a. Political link: The formal communication link is between the Mayor and the Board Chair. An informal link occurs between Board members at large and Town Councillors. A special link exists in the person of the Council member appointed to serve as Board member, in that that individual may be expected to report to Council on Library matters and to the Board on Council matters affecting Library operation. Town Council and the Library Board will meet as required for discussion of budget, planning, and other matters of mutual concern.
 - b. Service link: Questions from the general public directed to the Town regarding the Library will be channeled directly to the Library Board and Manager of Library Services. Similarly, the Library will direct questions pertaining to Town operations to the Town CAO.
 - c. Administrative link: Administrative liaison for information sharing between the Library and the Town is between the Manager of Library Services and the Town's Director of Community Services. In general, communications may be delegated to designated employees in either organization when situations warrant.

In order to facilitate communications, the Manager of Library Services (or designate) may be invited to attend meetings with Town personnel. Similarly the Director of Community Services (or designate) may be invited to attend Board meetings and/or meetings with Library personnel.

Library issues requiring Council consideration at a regular meeting of Council are conveyed to the Director of Community Services who arranges for their addition to the meeting agenda. The Board may make representation directly to Council as a duly constituted delegation to the Council meeting. Results of Council deliberations on library matters are routinely communicated to the Manager of Library Services by the Director of Community Services, notwithstanding the aforementioned political link.

Similarly issues requiring Board consideration at a regular meeting of the Board are conveyed to the Manager of Library Services who arranges for the addition to the meeting agenda. Results of Board deliberations are communicated by the

Manager of Library Services to the Director of Community Services for distribution as required.

8. That the Town provides the Board with a facility, the Library Building, in which library business may be conducted for the provision of library services and programs to the community. The Library Building is wholly owned by the Town.

The Town ensures that costs associated with operating the facility, such as maintenance, utilities, and the like, are included in the Town's annual funding of the Board. Such costs are to be included in the Library's estimates of operating expenses. Costs for utilities are recorded as expenditures in the Library's budget as part of the grant-in-kind.

9. Budget Process: The Board and Manager of Library Services prepare the Library's annual budget proposal in accordance with the process, including deadline dates (in addition to Section 8 of the Libraries Act), established by Council in order to facilitate Council's budget deliberations and approval. At all times, the Chief Administrative Officer (or designate) keeps the Manager of Library Services apprised of developments in the processes.

As per the Libraries Act, the Board annually requests from Council an appropriation for the purpose of supplying library services and programs to the community. Facility costs are generally excluded from those which the annual municipal appropriation is intended to cover and may be noted as a separate item for budget purposes.

During the budget process, the Town's Chief Administrative Officer (or designate) will convey to the Manager of Library Services the estimated amounts for insurance, audit fees, WCB costs, salary, benefit or other costs related to Library staff incurred by the Town (including arising from any claims made against the Town) and any other costs impacting the Library's budget. In addition, amounts may be submitted to the Manager of Library Services for items which the Town elects to show as costs it incurs relevant to the facility or services rendered. These additional items will be recorded in the Library's Expenditures and in Revenue as "grant-in-kind for charge backs," and will not impact the Library's budget and municipal appropriation request.

The Board determines the amount of the appropriation request according to the perceived library needs of the community, the considered level of service to meet these needs, and the type and quantity of resources required to achieve the desired level of service.

Notwithstanding Town guidelines for the budget process, the Board's request for funding from the Town includes both "operating" and "capital" items, as defined by the Board policy. However, should the proposal for capital assistance be sufficiently large, in the opinion of the Board, to warrant separate consideration by Council, the Board may request capital funding in the form of a special grant, in addition to operating funds in the form of an annual municipal appropriation.

The Manager of Library Services will convey to the Chief Administrative Officer (or designate) the amount of the appropriation that will be requested by the Board according to the established deadline dates.

The Board will present annually the Library's budget to Council with the format of presentation determined by the Board. Within the presentation package, the Board will identify the municipal appropriation being requested from Council.

Annual Municipal Appropriation

In response to the Board's request, Council provides an annual appropriation to the Library intended to maximize benefit to the region. In particular, Council and the Board will work together to achieve maximum levels of funding from supplementary sources, such as provincial library grants based on matching funds.

In addition to an annual appropriation, Council may allocate special grants for various purposes, such as capital purchases and special events.

Notwithstanding anything to the contrary herein, nothing in this Agreement shall require the Town to make any particular appropriation or otherwise fetter the discretion of the Town's Council to approve or deny any funding requested by the Board.

Once the appropriation has been made by Council, the Board has the sole authority to allocate use of the funds in accordance with the Libraries Act.

10. That accounting services required by the Board, including but not limited to record keeping, accounts payable and receivable, payroll services, and the like, are provided to the Board by the Town. The Board agrees to abide by Town accounting practices and procedures, including audits (while also complying with applicable legislation), and retention of records.
11. That all Library facilities, furnishings, capital equipment, and other holdings are adequately insured under the Town's insurance policies. Costs of such insurances are included as expenditures in the Library budget.
12. That Library staff will help administer the rental of the Teck Coal meeting room on behalf of the Town. Rental rates are set by the Board, and revenues from room rental are retained by the Library.
13. That the Library staff may participate in Town functions (e.g. Town Christmas Party), Town meetings (e.g. Community Services Directors' Meetings), Town programs special committees, special functions and the like. The Library may also choose to participate in joint advertising, public relations and promotional efforts with the Town.
14. That the terms of this Letter of Understanding will be reviewed one year after initial acceptance, and are thereafter subject to review every three (3) years, at a time mutually agreeable to the Town and the Board. Either party to the agreement may notify the other in writing of proposed amendments prior to the three-year review. This agreement remains in effect unless the review deems any amendments appropriate.

Either party may terminate this agreement at any time without cause by providing notice in writing to the other party of not less than six (6) months.

