

Board Agenda: Feb 5, 2024, 7:15 pm

Sparwood Public Library Association

Chair: Rose Sharma

Location: Meeting will occur on Microsoft Teams.

Regular Agenda

1. Approve Minutes of January 22, 2024 (attached)

Be it resolved that the minutes of the January 22, 2024 Sparwood Board of Trustees meeting are approved.

2. Approve Agenda

Be it resolved that the agenda for February 5, 2024 is approved.

3. Sparwood Public Library Policy Framework (Laurie Klassen, covering report attached)

The Board has engaged Laurie Klassen through the Columbia Basin Trust, who has been working on updating SPL's policy framework. This is the first set of policies to review, and in future meetings the Board will review others. The draft policies are [available here for your review](#) prior to the meeting.

Be it resolved that part A (Introduction and Policy Manual Administration) and Part B (Governance) be adopted, and that the following policies are repealed:

1.4 Organisation and Structure Regarding Policy

1.5 Sparwood Public Library Board Composition and Operation

4. Consultant biweekly updates (attached)

Be it resolved that the Feb 2, 2024 Consultant Update is received.

5. Correspondence

The board has received the following formal correspondence:

- a. Legal opinion: Directors and Officers Insurance for Libraries (Kootenay Library Federation)
- b. For Information: Powers and Duties of PLA Board Members (BC Ministry of Municipal Affairs)

Be it resolved that all correspondence has been received.

Board Minutes: January 22, 2024

Sparwood Public Library Association

Present:

Rose Sharma
Suzanne Georgiou-Morey
Debbie Fraser
Sam Atwal
Harold Baytaluke
Lois Halko
Samantha Chenier

Guest:

Anne O'Shea, consultant

Andrea

Location: Virtual meeting on Microsoft Teams

The meeting was called to order at 7:19 MST

1. Approve Minutes of December 18, 2023

Motion by Sam Atwal, Seconded by Suzanne Georgiou-Morey: *Be it resolved that the minutes of the December 18, 2023 Sparwood Board of Trustees meeting are approved.*

2. Approve Agenda

Motion by Lois Halko, Seconded by Sam Atwal: *Be it resolved that the agenda for January 22, 2024 is approved.*

3. Confirm Board Membership and Contacts

The Board reviewed the membership list and confirmed that Trustee Samantha Chenier was elected at the 2023 AGM and has not formally resigned from the Board and is a continuing member of the Board. The membership list was updated and has been shared with the Board.

Action items:

- Board members are asked to send their mailing address to Anne O'Shea for SPL's annual records if you have not shared it in the meeting chat previously.

Motion by Harold Baytaluke, Seconded by Suzanne Georgiou-Morey: *Be it resolved that the updated Board Membership document is confirmed.*

4. Preliminary 2023 Financials

The board reviewed the January 1 – December 31 financials. SPL's financial statements will be prepared by the accountant and will return to the Board for approval at an upcoming meeting.

Motion by Lois Halko, Seconded by Suzanne Georgiou-Morey: *Be it resolved that the preliminary January-December 2023 Profit and Loss statement is received.*

Action item: Suzanne will review the cleaning contract, speak with Sandra and look at options.

5. Draft reopening plan (see in camera minutes)

6. Consultant biweekly updates

The board reviewed reports from Anne O'Shea summarizing operational matters. Hungry confirmed that he had checked on the water and it was fine. He switched off the hand valve and switched to the drip line.

Action items:

- Anne will add replacement of the valve to the list of building improvements listed in the Reopening Plan.
- Anne will reach out to the fire department to provide a security code if they need it.

Motion by Sam Atwal, Seconded by Suzanne Georgiou-Morey: *Be it resolved that the January 6, 2024 and January 19, 2024 Consultant Updates are received.*

7. Correspondence

- a. Email Re: Sparwood Library – Jan 9 2024
- b. Email from Rose Sharma Re: Sparwood Library -Jan 12 2024
- c. Email re: Library Closure – Jan 5 2024
- d. Email from Rose Sharma Re: Library Closure – Jan 12 2024
- e. Letter from Rose Sharma to Fernie Heritage Library – Jan 12 2024

Motion by Harold Baytaluke, Seconded by Sam Atwal: *Be it resolved that all correspondence has been received.*

8. CVITP Taxes

SPL has been approved by CRA to host a Community Volunteer Income Tax Clinic.

Action item: Lois will reach out to Shana Boseman, who previously ran the clinics in the library, to explore options for 2024.

9. Investigation standard

The Trustees previously discussed creating a standard for investigations. Sam circulated a template for the board.

Action item: Trustees will review the template circulated by email, and discuss at a future meeting.

10. Voting by Council Representatives

There has been an ongoing discussion about whether the local government appointee is a voting member of the Board of Trustees. The Ministry has confirmed in writing that the district appointed board member is a full voting member under the Library Act.

Action item: Anne will recirculate the Ministry email and will share a link to the Library Act.

11. Board term limits.

It is unclear how long some board members have been on the board. Section 36(4) of the Library Act states that “no member may serve for more than 8 consecutive years.”

- Suzanne will check the library records to confirm when Hungry was originally elected.
- If Suzanne is unable to locate this in the binder, Anne will check with the Libraries Branch to see when Hungry was first listed as a Trustee.

12. Bargaining (see in camera minutes)

13. Adjournment





The meeting adjourned at 8:39pm

Sparwood Public Library Association – 2024 Policy Manual Revision January 30, 2024

Policies and Effective Board Governance – Why are Policies Important?

Every board decision is made through the lens of established policies. This process is called governance: the proper administration of approved policies to achieve an overarching vision and mission for the Sparwood Public Library Association. Policies set the ground rules and provides structure.

Specifically:




-  As a board member, you understand your role and responsibilities.
-  You understand how decision-making power is delegated among the various members of the association.
-  Thorough policies and an effective board makes the board more desirable for potential new board members.
-  Ensures the association is accountable to its stakeholders.

Ultimately, policies are a reference tool for appropriate action, ethical decision making and for dealing with potential or actual conflicts.¹

Process

The Sparwood Public Library Association policy manual revisions to be completed and approved by the board by March 4, 2024.

Upon adoption of the new policies, it is incumbent on the board to review policies annually. (As outlined in the draft board calendar) The board to consider the following when reviewing policies:

-  Have there been changes to the BC Library Act?
-  Have there been changes to the organizational structure? (The unionization of the front-line employees is an example of a change to the organizational structure.)
-  Have there been instances of policy violation over the last year or situations that occurred not addressed in the current policies?

Annual reviews will ensure that the policy manual is a “living document” and integral to the governance of the Sparwood Public Library.

¹ Board Source Website – What are nonprofit policies?

Sparwood Public Library Association – Consultant’s Update

Date: February 2, 2024
To: Sparwood Public Library Board of Trustees
From: Anne O’Shea, consultant

Summary of Activities

Since January 22nd, I have:

- Met with Laurie Klassen (Columbia Basin Trust) and provided feedback on the draft policy framework, the first section of which is ready for Board review
- Updated the Recommendations for Reopening document included in this board package
- Requested governance supports from the Kootenay Library Federation
- Contacted several people in search of an interim supervisor.
- Began drafting a job description for a Library Director
- Began work on recommended opening hours and staffing levels for reopening.

Operational Updates

- I contacted the Sparwood Fire Department to see if they needed an updated alarm code. They do not have alarm code records – but if the Library would like them to have the code, it should be noted in the Fire Safety Plan. The Fire Safety Plan is normally under lock near the front door. It would be helpful to have someone go on site and update this document with the new code. Please contact Anne if you are able to take this on.
- The new circulation computer has arrived at SunCo in Cranbrook. I am looking for a volunteer to take the older computer to SunCo so they can transfer the settings and software to the new computer, and then drop it back to the library. Please contact Anne if you are able to take this on.
- SPL is signed up for the BC Summer Reading Club and I have ordered the core materials. Additional materials (t-shirts, tattoos, and baseball caps) can be ordered in March if desired. Print materials should arrive in April, and the medals will arrive in early July.
- Reached out to United Library Services (SPL’s book vendor) and initiated conversations about ordering new materials.
- Initiated conversations with local libraries to identify an interim supervisor.

Board Communications

- The Board has received the following correspondence for your review, which is included in the Feb 5 board package:
 - Legal opinion: Directors and Officers Insurance for Libraries (from the Kootenay Library Federation)
 - For Information: Powers and Duties of PLA Board Members (from the BC Ministry of Municipal Affairs)

Upcoming Board matters

- The next meeting will be Wednesday February 21, 7:15 MST on Microsoft Teams. The link will be circulated in the meeting invitation and in the board package.
- Preparing and approving annual financial statements and SOFI
- Submitting annual Ministry grant funding report
- Submitting 2022 and 2023 operational data to the Ministry
- Response to PLB Request letter, dated November 24, 2023
- Planning for the AGM

Contract update

Total contract hours	120
Hours used previously	65.25
Hours used Jan 22 - Feb 2, 2024	10.0
Hours remaining before March 4th	44.75

Anne O'Shea

From: Anne O'Shea
Sent: January 18, 2024 3:55 PM
To: sharmar1@shaw.ca; suzanne_georgiou@yahoo.com; Lois Halko; Sam Atwal; Harold Baytaluke; Debbie Fraser
Subject: Legal opinion: Directors and Officers Insurance for Library Boards
Attachments: D O Insurance Blog by Colin Edstrom.pdf

Hi Sparwood board members,

Attached please find a legal opinion which was sought by the Kootenay Library Federation regarding whether libraries should carry D&O insurance to protect the directors and officers of the library from possible litigation and damages. As you can see, the recommendation is that libraries should carry this insurance.

This is not an area of SPL that I have been asked to investigate to date, but please let me know if you want any support from me. For now, just passing it along as information.

Thanks
Anne



Anne O'Shea (she/her)
Principal Strategist

Phone 778-233-2800

Email anne@craftstrategic.ca

<https://craftstrategic.ca/>

Why Director & Officer Insurance Makes Sense for Libraries

Directors and Officers liability insurance (“D & O Insurance”) provides financial protection to directors and officers of a library if they are sued as a result of the performance of their duties. Although the *Library Act* provides some immunity from personal liability for directors and officers, it is prudent to have D & O Insurance.

What is D&O Insurance?

D & O insurance is third-party insurance that typically covers legal fees, settlement, and financial losses when an insured is held liable or a complaint is made against a director or officer. It can be a valuable tool for organizations as – depending on the scope of the policy – the insurer will cover the legal fees if an outside party brings a claim against the directors and officers of an organization.

Duties of Officers & Directors, and Section 54 of the *Library Act*

Directors and officers are expected to perform honestly, in good faith, and in the best interest of the library. Section 54 of the *Library Act* provides protection to members, officers, and employees from personal liability for acts done in the performance of their duties and in the exercise of their powers. Section 54 of the *Library Act*, does not provide a defence for personal liability where the member, officer, or employee exercised their powers or duties:

- a) with dishonesty, gross negligence or malicious or willful misconduct; or
- b) where the cause of action is libel or slander.

The exclusions are somewhat self-explanatory. If a director or officer engages in the above behaviour, their actions should not be protected by the Library.

If the *Library Act* provides protection, then Why Should My Library have D & O insurance?

Mistakes happen. Or sometimes individuals bring frivolous claims. Litigation is expensive, regardless of whether a director or officer has a strong defence. Libraries may think that section 54 of the *Library Act* provides sufficient protection for possible claims and D & O Insurance is unnecessary.

D & O Insurance provides coverage for defending a lawsuit (including legal fees, judgment, and settlement). Even if a person brings a claim against a director or officer that should be protected by section 54 of the *Library Act*, the Library will still have to defend the claim. This could involve drafting a Reply in Small Claims Court or a Response to Notice of Civil Claim in Supreme Court;

bringing an application to dismiss the claims; negotiating a settlement; or – worse – taking the entire case to trial. All of which is time consuming, expensive, and stressful.

Without D & O Insurance the Library would be responsible to pay the legal fees to defend a claim or complaint where a director or officer is sued personally for a matter covered by Section 54 of the *Library Act*. D & O insurance is may not cover matters that are expressly excluded by section 54 of the *Library Act* (e.g. dishonesty, gross negligence or malicious or willful misconduct, or libel or slander) as such actions are intentional and do not generally arise out of the performance of duties. For example, D & O insurance will not protect a director if he or she engages in theft. Its intent is to provide added protection where a director or officer is alleged to have done something wrong (e.g., negligence as opposed to gross negligence) in the performance of their duties.

That said, D & O insurance is not free. It comes with a cost. A library will have to pay a premium and, in case of a settlement or payout, a deductible. It is also true that directors and officers of a library are rarely sued. Whether this cost is sufficient to outweigh the downside of defending against a claim will be an individual library decision.

Recommendation

We recommend D & O insurance for a few reasons:

- it may cover legal fees, damages, and settlement where a claim is brought against a director or officer of the library;
- the library may not have enough funds to settle or pay damages, whereas – depending on the level of insurance – an insurer does have access to enough funds pay such amounts; and
- it is a good recruitment and retention tool as many directors will not agree to sit on a library board without sufficient coverage.

That said, D & O Insurance may not make sense for each library as the monetary value of a potential claim against a director or officer is likely low. A corporation engaged in millions of dollars of transactions will want to have D & O insurance notwithstanding similar protections in the *Business Corporations Act*. The stakes are high if a shareholder claims that the directors were negligent in the performance of their duties. Libraries may not view their risks the same way.

Deciding what policy and coverage your specific library will need is a case-by-case assessment that should be discussed with an insurance provider.

Anne O'Shea

From: Anne O'Shea
Sent: January 22, 2024 6:13 PM
To: Rose & Pal Sharma; suzanne_georgiou@yahoo.com; Sam Atwal; Lois Halko; Debbie Fraser; Harold Baytaluke; Samanthacharlene77@gmail.com
Subject: FW: For Information: Powers and Duties of PLA Board Members

Dear board members, please see the information below which was sent from the Ministry staff for distribution to the Board. See you momentarily.

-Anne

From: Wass, Adrienne MUNI:EX <Adrienne.Wass@gov.bc.ca>
Sent: Monday, January 22, 2024 4:30 PM
To: Anne O'Shea <anne@craftstrategic.ca>
Subject: For Information: Powers and Duties of PLA Board Members

Hello Anne,

Please find information below to share with the Sparwood Library Board.

When a council member is appointed to a PLA board, they have the same rights and responsibilities as other trustees as per [Section 35 \(1\) of the Library Act](#). Council appointees can vote and hold executive positions on the board. In terms of best practices, the Public Libraries Branch (PLB) encourages local government funders to appoint an elected representative to the library board to help support effective library governance.

Composition of the library board

35 (1) The library board is to consist of

- (a) not fewer than 5 or more than 9 members, elected by the members of the public library association from among themselves, and
- (b) any person appointed to be a member of the library board by a municipal council or regional district board under subsection (2).

(2) A local government that provides assistance to the public library association by way of a grant may

- (a) appoint a representative from the council or from the directors of the participating areas to be a member of the library board for the financial year in which the grant or contribution is made, and
- (b) dismiss the appointee, with or without cause, and appoint another.

Thank you,
Adrienne

Adrienne Wass (she/her)

Library Consultant, Public Libraries Branch | Local Government Division

BC Ministry of Municipal Affairs (Victoria)

Toll Free (BC only): 1-800-663-7051 | Mobile: 778-679-0409

I gratefully acknowledge that I live, work and play on the unceded, traditional territories of the T'Sou-ke and Sc'ianew First Nations.