

**OKANAGAN REGIONAL
LIBRARY DISTRICT
Financial Statements
For the year ended December 31, 2020**

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Management's Responsibility for Financial Reporting

The accompanying financial statements of the Okanagan Regional Library District have been approved by the Board. The preparation of these financial statements is the responsibility of management.

The financial statements were prepared by our external auditor in accordance with Canadian public sector accounting standards. Certain amounts used in the preparation of the financial statements are based on management's best estimates and judgments. Actual results could differ as additional information becomes available in the future. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the financial statements are presented fairly, in all material respects. Management has reviewed these financial statements and has taken responsibility for them.

The Okanagan Regional Library District maintains systems of internal accounting and administrative controls of high quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the Okanagan Regional Library District's assets are appropriately accounted for and adequately safeguarded.

The Board is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements.

The Board meets periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the annual report, the consolidated financial statements and the external auditor's report.

The financial statements have been audited by BDO Canada LLP Chartered Professional Accountants in accordance with Canadian generally accepted auditing standards on behalf of the Board. The independent auditor's report expresses their opinion on these financial statements. The auditors have full and free access to the accounting records and to the Board of the Okanagan Regional Library District.



Chairperson



Chief Financial Officer

May 19, 2021



Independent Auditor's Report

To the Board of Trustees of the Okanagan Regional Library District

Opinion

We have audited the financial statements of Okanagan Regional Library District (the "Library District"), which comprise the statement of financial position as at December 31, 2020, and the statements of operation and accumulated surplus, changes in net debt, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Library District as at December 31, 2020, and the statements of operations and accumulated surplus, change in net debt, and cash flows for the year then ended in accordance with Canadian accounting standards for public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Library District in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Unaudited Information

We have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the schedules on pages 18 through 23 of the Library District's financial statements.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for public sector accounting, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Library District's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Library District or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Library District's financial reporting process.



Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Library District's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Library District's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Library District to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Chartered Professional Accountants

Vernon, British Columbia
May 19, 2021

**Okanagan Regional Library District
Statement of Financial Position**

December 31	2020	2019
Financial assets		
Cash (Note 1)	\$ 6,367,044	\$ 3,013,767
Accounts receivable	470,170	1,873,232
MFA debt reserve	155,000	155,000
	<u>6,992,214</u>	<u>5,041,999</u>
Financial liabilities		
Accounts payable and accrued liabilities	757,736	744,174
Wages payable	171,564	150,879
Deferred revenue	136,231	6,380
Long-term debt (Note 2)	9,320,055	10,058,242
	<u>10,385,586</u>	<u>10,959,675</u>
Net debt	<u>(3,393,372)</u>	<u>(5,917,676)</u>
Non-financial assets		
Tangible capital assets (Note 3)	24,576,077	25,662,689
Prepaid expenses	333,962	285,095
	<u>24,910,039</u>	<u>25,947,784</u>
Accumulated surplus (Note 4)	<u>\$21,516,667</u>	<u>\$ 20,030,108</u>

Approved on behalf of the Board:

Sherry Philpot Adkins

Chairperson

**Okanagan Regional Library District
Statement of Operations and Accumulated Surplus**

For the year ended December 31	2020	2020	2019
	Actual	Budget	Actual
Revenue			
Assessments (Schedule 2)	\$ 18,331,660	\$ 18,331,441	\$ 17,401,763
Province of British Columbia grant	1,085,840	1,008,000	1,008,382
Other grant revenue	93,601	55,500	151,019
Other revenue (Schedule 3)	600,913	458,088	1,045,796
	20,112,014	19,853,029	19,606,960
Expenses (Note 6)			
Amortization	2,670,105	-	3,012,540
Children's programs	10,049	30,114	36,351
Delivery/transportation			
Operating expenses	84,884	95,168	83,049
Direct local branch expenses (Schedule 4)	10,846,310	11,762,302	11,510,695
Electronic materials	1,286,938	829,500	885,934
Headquarters supportive services			
Salaries and benefits	2,391,493	2,403,762	2,357,185
Operating (Schedule 5)	1,330,537	1,868,166	1,442,097
Loss on disposal of tangible capital assets	5,139	-	-
	18,625,455	16,989,012	19,327,851
Annual surplus (Note 9)	1,486,559	2,864,017	279,109
Accumulated surplus, beginning of year	20,030,108	20,030,108	19,750,999
Accumulated surplus, end of year	\$ 21,516,667	\$ 22,894,125	\$ 20,030,108

**Okanagan Regional Library District
Statement of Change in Net Debt**

For the year ended December 31	2020	2020	2019
	Actual	Budget	Actual
Annual surplus	\$ 1,486,559	\$ 2,864,017	\$ 279,109
Acquisition of tangible capital assets	(1,588,631)	(1,770,500)	(2,010,356)
Amortization of tangible capital assets	2,670,105	-	3,012,540
Loss on disposal of tangible capital assets	5,139	-	-
Increase (decrease) of prepaid expenses	(48,867)	-	31,543
Change in net debt	2,524,305	1,093,517	1,312,836
Net debt, beginning of year	(5,917,676)	(5,917,676)	(7,230,512)
Net debt, end of year	\$ (3,393,371)	\$ (4,824,159)	\$ (5,917,676)

**Okanagan Regional Library District
Statement of Cash Flows**

For the year ended December 31	2020	2019
Cash flows provided by (used in) operating activities		
Cash receipts from assessments, grants, and other revenue	\$ 21,603,721	\$ 17,875,450
Cash paid to employees and suppliers	(15,372,332)	(15,855,963)
Interest received	41,207	88,848
Interest paid	(592,500)	(592,500)
	<u>5,680,096</u>	<u>1,515,835</u>
Cash flows provided by (used in) capital activities		
Acquisition of tangible capital assets	<u>(1,588,632)</u>	<u>(2,010,356)</u>
Cash flows provided by (used in) financing activities		
Repayment of long-term debt	<u>(738,187)</u>	<u>(709,796)</u>
Increase (decrease) in cash during the year	3,353,277	(1,204,317)
Cash, beginning of year	<u>3,013,767</u>	<u>4,218,084</u>
Cash, end of year	\$ 6,367,044	\$ 3,013,767

Okanagan Regional Library District Summary of Significant Accounting Policies

December 31, 2020

Nature of Business The Okanagan Regional Library District (the "Library District") provides equitable access to relevant educational, recreational, and cultural library resources to residents within the service regions.

Basis of Presentation It is the Library District's policy to follow accounting principles generally accepted for municipalities in the Province of British Columbia. The financial statements include the account of all funds for the Library District. All interfund transfers have been eliminated. They have been prepared using guidelines issued by the Public Sector Accounting Board ("PSAB") of Chartered Professional Accountants of Canada.

MFA Debt Reserve As a condition of borrowing through Regional Districts (Note 2), a portion of the loan proceeds are withheld by the Regional Districts to be used as a debt reserve for the Municipal Finance Authority.

Tangible Capital Assets

Tangible capital assets are recorded at cost less accumulated amortization. Cost includes all costs directly attributable to acquisition or construction of the tangible capital asset including transportation costs, installation costs, design and engineering fees, legal fees and site preparation costs. Contributed tangible capital assets are recorded at fair value at the time of the donation, with a corresponding amount recorded as revenue. Amortization is recorded over the estimated life of the tangible capital asset commencing once the asset is available for productive use as follows:

Buildings	2.5% declining balance
Vehicles	20% declining balance
Computer equipment	25% declining balance
Shelving	40 years, straight line
Carts, tables, & chairs	5% declining balance
Electronics & miscellaneous	15% declining balance
Book inventory	2 to 15 years, straight line

Revenue Recognition Assessment revenue is invoiced quarterly and is recorded when it becomes due on the first day of the last month of each quarter. The schedule of due dates is set by the Library Act. Revenue from grants is recorded when received and when conditions specified in the grant are met. Other revenue is recorded when the service has been provided or when performance has been achieved and the revenue is reasonably collectible.

Government Transfers

Government transfers, which include legislative grants, are recognized in the financial statements in the period in which events giving rise to the transfers occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amount can be made.

Okanagan Regional Library District Summary of Significant Accounting Policies

December 31, 2020

- Reserve Funds** The Library District has established several reserves relating to future capital expenses and operating expenses. Amounts transferred to and from these reserves are per approval of the Board of Trustees for the Library District.
- Use of Estimates** The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.
- Financial Instruments** The Library District's financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities, wages payable and long-term debt. Unless otherwise noted, it is management's opinion that the Library District is not exposed to significant interest, currency, liquidity or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values, unless otherwise noted.

**Okanagan Regional Library District
Notes to Financial Statements**

December 31, 2020

1. Cash

Cash is held in a financial institution earning interest at an average rate of 0.88% (2019 - 2.05%) per annum.

2. Long-Term Debt

The Regional District of the Central Okanagan was authorized (Regional District of Central Okanagan, Okanagan Regional Library District Borrowing Loan Authorization Bylaw No. 1236, 2008) to borrow \$4,500,000 from the Municipal Finance Authority on behalf of the Library District.

The Regional District of North Okanagan was authorized (Regional District of North Okanagan, Okanagan Regional Library District Borrowing Loan Authorization Bylaw No. 2436, 2010) to borrow \$11,000,000 from the Municipal Finance Authority on behalf of the Library District.

	2020	2019
Debenture payable to the Municipal Finance Authority of British Columbia, with semi annual interest payments of \$65,250 and annual principal payments of \$151,118, interest rate at 2.90%, due November 20, 2028.	\$ 2,229,332	\$ 2,461,971
Debenture payable to the Municipal Finance Authority of British Columbia, with semi annual interest payments of \$231,000 and annual principal payments of \$369,399, interest rate at 4.20%, due April 4, 2031.	<u>7,090,723</u>	<u>7,596,271</u>
	<u>\$ 9,320,055</u>	<u>\$ 10,058,242</u>

Principal payments estimated to be required in each of the next five years and thereafter is as follows:

2021	\$ 520,517
2022	520,517
2023	520,517
2024	520,517
2025	520,517
Thereafter	<u>2,669,749</u>
	\$ 5,272,334
Add: Actuarial additions until maturity	<u>4,047,721</u>
	<u>\$ 9,320,055</u>

**Okanagan Regional Library District
Notes to Financial Statements**

December 31, 2020

3. Tangible Capital Assets

2020

	Land	Buildings	Vehicles	Computer Equipment	Shelving	Carts, Tables & Chairs	Electronics & Miscellaneous	Book Inventory	Total
Cost, beginning of year	\$ 983,134	\$ 20,675,786	\$ 137,624	\$ 1,292,886	\$ 2,774,686	\$ 1,759,222	\$ 765,463	\$ 17,032,171	\$ 45,420,972
Additions	-	-	-	403,445	1,494	43,090	62,460	1,078,142	1,588,631
Disposals	-	-	-	(98,890)	(36,390)	(12,986)	(27,236)	(4,065,260)	(4,240,762)
Cost, end of year	\$ 983,134	\$ 20,675,786	\$ 137,624	\$ 1,597,441	\$ 2,739,790	\$ 1,789,326	\$ 800,687	\$ 14,045,053	\$ 42,768,841
Accumulated amortization, beginning of year	\$ -	\$ 3,862,498	\$ 79,785	\$ 723,680	\$ 1,293,978	\$ 769,879	\$ 513,906	\$ 12,514,557	\$ 19,758,283
Amortization	-	420,332	11,568	218,440	68,495	51,468	42,010	1,857,792	2,670,105
Disposals	-	-	-	(98,890)	(36,390)	(9,686)	(25,397)	(4,065,261)	(4,235,624)
Accumulated amortization, end of year	\$ -	\$ 4,282,830	\$ 91,353	\$ 843,230	\$ 1,326,083	\$ 811,661	\$ 530,519	\$ 10,307,088	\$ 18,192,764
Net carrying amount, end of year	\$ 983,134	\$16,392,956	\$ 46,271	\$ 754,211	\$ 1,413,707	\$ 977,665	\$ 270,168	\$ 3,737,965	\$ 24,576,077

**Okanagan Regional Library District
Notes to Financial Statements**

December 31, 2020

3. Tangible Capital Assets (continued)

2019

	Land	Buildings	Vehicles	Computer Equipment	Shelving	Carts, Tables & Chairs	Electronics & Miscellaneous	Book Inventory	Total
Cost, beginning of year	\$ 983,134	\$ 20,675,786	\$ 89,189	\$ 1,192,705	\$ 2,774,348	\$ 1,640,736	\$ 675,474	\$ 15,567,495	\$ 43,598,867
Additions	-	-	48,435	255,887	338	118,486	89,989	1,497,221	2,010,356
Disposals	-	-	-	(155,706)	-	-	-	(32,545)	(188,251)
Cost, end of year	\$ 983,134	\$ 20,675,786	\$ 137,624	\$ 1,292,886	\$ 2,774,686	\$ 1,759,222	\$ 765,463	\$ 17,032,171	\$ 45,420,972
Accumulated amortization, beginning of year	\$ -	\$ 3,431,388	\$ 65,326	\$ 741,553	\$ 1,224,745	\$ 715,244	\$ 462,894	\$ 10,292,844	\$ 16,933,994
Amortization	-	431,110	14,459	137,833	69,233	54,635	51,012	2,254,258	3,012,540
Disposals	-	-	-	(155,706)	-	-	-	(32,545)	(188,251)
Accumulated amortization, end of year	\$ -	\$ 3,862,498	\$ 79,785	\$ 723,680	\$ 1,293,978	\$ 769,879	\$ 513,906	\$ 12,514,557	\$ 19,758,283
Net carrying amount, end of year	\$ 983,134	\$ 16,813,288	\$ 57,839	\$ 569,206	\$ 1,480,708	\$ 989,343	\$ 251,557	\$ 4,517,614	\$ 25,662,689

**Okanagan Regional Library District
Notes to Financial Statements**

December 31, 2020

4. Accumulated Surplus

The Library District segregates its accumulated surplus in the following categories:

	2020	2019
Financial equity		
General fund (Schedule 1)	\$ 98,532	\$ 54,741
Equity in tangible capital assets (Note 5)	15,411,211	15,759,637
Reserve funds (Schedule 6)	6,006,924	4,215,730
	\$21,516,667	\$ 20,030,108

Equity in tangible capital assets represents amounts already spent and invested in infrastructure and other non-financial assets.

Reserve funds represent funds set aside by the Board of Trustees for specific purposes.

5. Equity in Tangible Capital Assets

	2020	2019
Balance , beginning of year	\$ 15,759,637	\$ 16,052,025
Add:		
Contribution for long-term debt reduction	738,187	709,796
Contribution for tangible capital assets	1,588,631	2,010,356
Deduct:		
Amortization	(2,670,105)	(3,012,540)
Loss on disposal of tangible capital assets	(5,139)	-
Balance , end of year	\$ 15,411,211	\$ 15,759,637

**Okanagan Regional Library District
Notes to Financial Statements**

December 31, 2020

6. Expenses by Object

	2020	2020	2019
	Actual	Budget	Actual
Advertising and marketing	\$ 65,007	\$ 49,475	\$ 61,668
Amortization	2,670,105	-	3,012,540
Association dues and memberships	20,147	19,380	16,824
Board and committee expenses	3,533	20,141	12,766
Board strategic planning	1,407	300,000	-
Collection agency	1,083	14,566	3,474
Book binding and mending	4,473	21,250	3,522
Computer maintenance and telecommunications	523,807	498,000	549,576
Electronic materials	1,286,938	829,500	885,934
Insurance	57,368	55,363	53,676
Interest, bank charges and foreign exchange	12,275	11,500	15,311
Long term debt interest	592,500	592,500	592,500
Loss on disposal of capital assets	5,139	-	-
Maintenance and utilities	1,638,844	1,767,655	1,715,678
Penticton library contract	46,090	46,000	46,530
Postage and freight	31,006	60,200	53,320
Professional fees	106,073	97,489	72,238
Programs	76,376	80,631	120,989
Rent	1,831,708	1,836,500	1,952,188
Staff development	117,777	236,184	242,093
Sundry	-	162,181	-
Supplies	297,373	185,578	157,205
Telephone	29,150	25,000	25,463
Transportation	98,552	136,668	120,906
Wages and benefits	9,108,724	9,943,251	9,613,450
	\$ 18,625,455	\$ 16,989,012	\$ 19,327,851

7. Credit Facility

The Library District has a credit facility agreement with a financial institution which provides a revolving line of credit of \$750,000 with an interest rate of prime plus 0.3%. At December 31, 2020, the Library District had drawn \$Nil (2019 - \$Nil) on this agreement.

**Okanagan Regional Library District
Notes to Financial Statements**

December 31, 2020

8. Pension Liability

The Library District and its employees contribute to the Municipal Pension Plan (the "Plan"), a jointly trusted pension plan. The Board of Trustees, representing plan members and employers, is responsible for administering the Plan, including investment of the assets and administration of benefits. The Plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2018, the Plan has about 205,000 active members and approximately 101,000 retired members. Active members include approximately 40,000 contributors from local governments.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plan. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plan. This rate may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

The most recent valuation as of December 31, 2018, indicated a \$2,866 million funding surplus for basic pension benefits on a going concern basis.

The Library District paid \$585,482 (2019 - \$603,192) for employer contributions to the Plan in fiscal 2020.

The next valuation will be as at December 31, 2021, with results available in late 2022.

Employers participating in the Plan record their pension expense as the amount of the employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the Plan records accrued liabilities and accrued assets for the Plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the Plan.

**Okanagan Regional Library District
Notes to Financial Statements**

December 31, 2020

9. Budget Information

The budget adopted by the Board of Trustees was prepared on a modified accrual basis while PSAB requires a full accrual basis. The budget figures anticipated use of surpluses accumulated in previous years to reduce current year expenses in excess of current year revenues to \$nil. In addition, the budget expensed all tangible capital expenses rather than including amortization expense. As a result, the budget figures presented in the statements of operations and change in net debt represent the budget adopted by the Board of Trustees with adjustments as follows:

	<u>2020</u>
Budget surplus (deficit) for the year as per board budget	\$ -
Add:	
Transfers to reserve funds budgeted for in expenses	953,000
Transfers to tangible capital assets budgeted for in expenses - books and material	2,408,500
Long-term debt reduction - principal	<u>520,517</u>
	3,882,017
Less:	
Transfers from reserve funds budgeted for in expenses	<u>(1,018,000)</u>
Budget surplus per statement of operations and accumulated surplus	<u>\$ 2,864,017</u>

**Okanagan Regional Library District
Schedule 1 - Current Fund Operations
(Unaudited)**

For the year ended December 31	2020	2020	2019
	Actual	Budget	Actual
Revenue			
Assessments (Schedule 2)	\$ 18,331,660	\$ 18,331,441	\$ 17,401,763
Province of British Columbia	1,085,840	1,008,000	1,008,382
Other grant revenue	93,601	55,500	151,019
Other revenue (Schedule 3)	600,913	458,088	1,045,796
	<u>20,112,014</u>	<u>19,853,029</u>	<u>19,606,960</u>
Expenses			
Children's programs	10,049	30,114	36,351
Direct local branch expenses (Schedule 4)	10,846,310	11,762,302	11,510,695
Delivery/transportation			
Operating expenses	84,884	95,168	83,049
Electronic materials	1,286,938	829,500	885,934
Headquarters supportive services			
Salaries and benefits	2,391,493	2,403,762	2,357,185
Operating (Schedule 5)	1,330,537	1,868,166	1,442,097
	<u>15,950,211</u>	<u>16,989,012</u>	<u>16,315,311</u>
Excess of revenues over expenses	4,161,803	2,864,017	3,291,649
Net interfund transfers:			
Net contributions to tangible capital fund			
For long-term debt reduction	(738,187)	(520,517)	(709,796)
For tangible capital assets	(1,588,631)	(2,408,500)	(2,010,356)
Contribution from reserve fund (Schedule 6)			
Building maintenance (Owned)	2,500	30,000	-
Building maintenance (Non-owned)	20,925	50,000	139,032
Donation	128,218	-	161,468
Furnishings	125,761	250,000	104,956
Technology & software	302,524	323,000	122,049
Staff appreciation and development	33	-	30,000
Strategic planning	604	330,000	-
Vehicle	-	35,000	48,435
Contributions to reserve funds (Schedule 6)			
Building maintenance (Owned)	(60,000)	(60,000)	(60,000)
Building maintenance (Non-owned)	(25,000)	(25,000)	(25,000)
Capital building project	(1,114,000)	(114,000)	(635,854)
Donation	(318,759)	-	(297,079)
Furnishings	(145,000)	(145,000)	(145,000)
Staff appreciation and development	(1,500)	(1,500)	(1,500)
Strategic planning	(302,000)	(302,000)	(2,000)
Technology & software	(393,000)	(293,000)	(171,416)
Vehicle replacement	(12,500)	(12,500)	(41,000)
	<u>(4,118,012)</u>	<u>(2,864,017)</u>	<u>(3,493,061)</u>
Change in fund balance	43,791	-	(201,412)
Surplus, beginning of year	54,741	-	256,153
Surplus, end of year	\$ 98,532	\$ -	\$ 54,741

**Okanagan Regional Library District
Schedule 2 - Assessments
(Unaudited)**

For the year ended December 31	2020	2020	2019
	Actual	Budget	Actual
Municipalities			
Armstrong	\$ 199,174	\$ 199,174	\$ 180,947
Coldstream	474,344	474,344	459,076
Enderby	109,240	109,240	99,955
Golden and Area	323,431	323,431	301,794
Kelowna	6,813,465	6,813,465	6,389,123
Keremeos	56,310	56,310	49,232
Lake Country	667,661	667,661	633,373
Lumby	71,745	71,746	62,619
Oliver	209,691	209,691	187,594
Osoyoos	264,777	264,777	254,205
Peachland	266,471	266,471	247,985
Princeton	127,406	127,186	123,252
Revelstoke	358,643	358,643	325,069
Salmon Arm	764,990	764,990	757,820
Sicamous	151,676	151,676	145,915
Spallumcheen	217,209	217,209	202,473
Summerland	524,891	524,891	499,643
Vernon	1,859,497	1,859,497	1,813,366
West Kelowna	1,600,118	1,600,118	1,529,052
	15,060,739	15,060,520	14,262,493
First Nation Members			
Westbank First Nation	427,089	427,089	409,247
	15,487,828	15,487,609	14,671,740
Regional Districts			
Central Okanagan	318,091	318,091	312,460
Columbia - Shuswap	860,703	860,703	811,651
North Okanagan	773,371	773,371	728,054
Okanagan - Similkameen	891,667	891,667	877,858
	2,843,832	2,843,832	2,730,023
	\$ 18,331,660	\$ 18,331,441	\$ 17,401,763

**Okanagan Regional Library District
Schedule 3 - Other Revenue
(Unaudited)**

For the year ended December 31	2020	2020	2019
	Actual	Budget	Actual
Actuarial earnings	\$ 217,670	\$ 135,488	\$ 189,278
Bank interest	41,207	35,000	88,848
Book bag revenue	591	1,630	1,699
Copying and printing	14,190	39,500	46,117
Donation revenue	218,859	-	307,220
Fines, damaged and lost books	72,140	225,000	221,634
Interdepartment rent	634,682	634,682	634,682
Meeting room rental	20,290	18,000	28,157
Non resident charges	950	2,720	2,782
Sundry	15,016	750	160,061
Total before adjustment	1,235,595	1,092,770	1,680,478
Interdepartment rent	(634,682)	(634,682)	(634,682)
Total	\$ 600,913	\$ 458,088	\$ 1,045,796

**Okanagan Regional Library District
Schedule 4 - Direct Local Branch Expenses
(Unaudited)**

For the year ended December 31

Branch	Salaries & Benefits	Building	Other	2020 Total	2020 Budget	2019 Total
Armstrong	\$ 136,452	\$ 62,018	\$ 3,601	\$ 202,071	\$ 209,480	205,733
Book Deposits	-	-	3,190	3,190	3,200	2,000
Cherryville	17,058	10,680	4,709	32,447	39,255	35,552
Enderby	109,312	68,553	2,389	180,254	190,446	185,430
Falkland	46,733	16,656	1,835	65,224	73,345	70,005
Golden	112,336	89,733	12,967	215,036	214,569	327,391
Hedley	14,821	2,695	45	17,561	18,699	16,526
Kaleden	45,203	14,518	2,791	62,512	69,136	66,333
Kelowna						
Downtown	1,078,048	954,140	24,824	2,057,012	2,211,511	2,124,442
Mission	423,557	171,555	4,082	599,194	714,972	708,233
Rutland	459,964	307,575	5,609	773,148	788,184	776,903
Keremeos	93,242	35,664	3,102	132,008	157,552	155,004
Lake Country						
Central	173,111	105,929	3,448	282,488	318,538	304,156
Oyama	25,879	8,707	3,335	37,921	46,513	41,363
Lumby	87,693	16,721	2,601	107,015	126,205	122,552
Naramata	37,196	21,621	2,716	61,533	68,601	64,669
North Shuswap	47,839	29,070	4,893	81,802	94,067	95,932
Okanagan Falls	65,346	49,953	2,793	118,092	120,304	118,095
Oliver	143,225	127,466	332	271,023	270,039	247,927
Osoyoos	131,876	52,052	3,069	186,997	209,080	202,920
Peachland	110,353	64,085	2,873	177,311	180,688	180,695
Princeton	59,807	31,710	2,031	93,548	102,703	98,110
Revelstoke	121,044	58,508	11,007	190,559	220,788	200,662
Salmon Arm	443,874	272,258	5,835	721,967	742,839	850,993
Sicamous	95,286	60,930	1,187	157,403	164,590	161,061
Silver Creek	18,401	10,334	27	28,762	36,702	32,865
South Shuswap	129,300	51,801	3,416	184,517	199,441	197,527
Summerland	188,094	181,047	4,891	374,032	435,823	418,184
Vernon	1,079,486	699,709	14,056	1,793,251	1,895,097	1,854,781
West Kelowna & Learning Lab	497,356	335,602	10,567	843,525	886,047	854,346
Branch shared expenses	755,227	-	206,482	961,709	953,888	962,987
Total before adjustment	6,747,119	3,911,290	354,703	11,013,112	11,762,302	11,683,377
Interdepartment rent net of interest costs	-	(166,802)	-	(166,802)	-	(172,682)
Total	\$ 6,747,119	\$3,744,488	\$ 354,703	\$10,846,310	\$11,762,302	\$11,510,695

**Okanagan Regional Library District
Schedule 5 - Headquarters Operating Expenses
(Unaudited)**

For the year ended December 31	2020	2020	2019
	Actual	Budget	Actual
Advertising and marketing	\$ 64,341	\$ 47,475	\$ 61,237
Association dues and membership	20,147	19,380	16,824
Binding and mending	4,473	21,250	3,522
Board and committee expenses	3,533	20,141	12,766
Board strategic plan	1,407	300,000	-
Computer maintenance and telecommunications	528,444	500,217	603,136
Insurance	57,368	55,363	53,676
Interest, bank charges and foreign exchange	12,275	11,500	15,311
Interest on long-term debt	130,500	130,500	130,500
Maintenance and utilities	175,125	172,800	154,216
Penticton library contract	46,090	46,000	46,530
Postage and freight	8,700	22,400	19,614
Professional fees	106,073	97,489	72,238
Sundry	1,083	176,747	3,474
Supplies	57,259	87,250	82,489
Staff development	87,888	120,754	128,927
Telephone	12,236	7,000	6,712
Transportation	13,595	31,900	30,925
Total	\$ 1,330,537	\$ 1,868,166	\$ 1,442,097

**Okanagan Regional Library District
Schedule 6 - Reserve Fund Continuity
(Unaudited)**

For the year ended December 31

	2019	Contributions	Expenses	Transfers	2020
Branch furnishings	\$ 586,670	\$ 145,000	\$ (125,761)	\$ -	\$ 605,909
Building maintenance					
Owned buildings	419,197	60,000	(2,500)	-	476,697
Non-owned building	358,200	25,000	(20,925)	-	362,275
Capital building projects	1,539,318	1,114,000	-	-	2,653,318
Donation	409,065	318,759	(128,218)	-	599,606
Integrated Library Systems (ILS)	170,221	-	-	-	170,221
IT replacement	272,619	393,000	(302,524)	-	363,095
Rent stabilization	82,729	-	-	-	82,729
Staff development	96,320	-	-	-	96,320
Staff appreciation	11,382	1,500	(33)	-	12,849
Strategic planning	201,934	302,000	(604)	-	503,330
Vehicle replacement	68,075	12,500	-	-	80,575
Total	\$ 4,215,730	\$ 2,371,759	\$ (580,565)	\$ -	\$ 6,006,924