



NOTICE OF MEETING

Okanagan Regional Library Board of Trustees
will meet virtually via Microsoft Teams
on Wednesday, May 20, 2020

REGULAR MEETING
9:30 AM – 10:30 AM

IN-CAMERA MEETING
10:30 AM – 11:00 AM

Public wishing to attend the regular meeting
must provide their e-mail contact information to lsamson@orl.bc.ca
by 3:00 PM Tuesday, May 19, 2020
in order to receive an e-mail invitation

**AGENDA
LIBRARY BOARD MEETING
HELD VIRTUALLY VIA MICROSOFT TEAMS
WEDNESDAY, MAY 20, 2020
9:30 AM – 10:30 AM**

"The purposes of this (Library Act) are...to encourage the extension and use of public library service throughout British Columbia...to enable the delivery of public service in British Columbia...to support improvements in Public Library service."

1. CALL TO ORDER / INTRODUCTION OF GUESTS

9:30 AM

2. INTRODUCTION OF LATE ITEMS

3. ADOPTION OF THE AGENDA (pgs. 2-3)

9:31 AM

MOTION 1:

THAT the Agenda be adopted.

4. ADOPTION OF THE MINUTES (pgs. 4-8)

9:32 AM

MOTION 2:

THAT the Minutes of the Regular Library Board Meeting held February 19, 2020 be approved.

5. COMMITTEE REPORTS

5.1. FINANCE COMMITTEE – Chair David Mattes

a) Final Report to the Board – Presented by Markus Schrott, BDO Canada LLP (pgs. 9-34) 26

b) 2019 Audited Financial Statements – (pgs. 35-57)

MOTION 3:

THAT the Auditor's Report be received for information.

MOTION 4:

Recommendation from the Finance Committee

THAT the draft 2019 Audited Financial Statements be approved.

c) Statement of Financial Information (SOFI) Report Year 2019 (Pgs. 58-70)

MOTION 5:

THAT the 2019 Statement of Financial Information Report be received for information.

d) **Appoint Auditor for 2020 Audit**

MOTION 6:

Recommendation from the Finance Committee

THAT BDO Canada LLP be appointed as auditor for the Okanagan Regional Library 2020 audit.

e) **Internal Financial Statements to March 31, 2020** – CFO Jeremy Sundin (pgs. 71-78)

MOTION 7:

THAT the Internal Financial Statement Report to March 31, 2020 be received for information.

f) **Budget 2021** (for information only)

- Initial discussion, proposed timeframe and any input from the Board

5.2. POLICY AND PLANNING COMMITTEE: Strategic Planning

- Consultant Daphne Wood is expected to call in to provide a brief update

5.3. BC LIBRARY TRUSTEES' ASSOCIATION (BCLTA) – Liaison Erin Carlson

6. 2019 ANNUAL REPORT (pgs. 79-90)

PROPOSED MOTION 8:

THAT the 2019 Annual Report be approved.

7. STAFF REPORTS – IMPACTS OF COVID-19 ON THE ORL

- a) Summary and general timelines – CEO Don Nettleton (ogs. 91-94)
- b) Projects and services – DPS Monica Gaucher & Christine McPhee (pgs. 95-102)
- c) Initial financial affects – CFO Jeremy Sundin (pg. 103)

8. BOARD CHAIR REPORT – Karla Kozakevich

9. TRUSTEE REPORTS

10. NEXT MEETING – Wednesday, September 16, 2020

11. ADJOURNMENT

MOTION 9:

THAT the meeting be adjourned.

*Note: These Minutes Have Not Yet
Been Approved by the Board*

**DRAFT MINUTES
LIBRARY BOARD OF TRUSTEES MEETING
HELD AT LIBRARY HEADQUARTERS, BOARDROOM
1430 KLO ROAD, KELOWNA, BC
WEDNESDAY, FEBRUARY 19, 2020**

"The purposes of this (Library Act) are...to encourage the extension and use of public library service throughout British Columbia...to enable the delivery of public service in British Columbia...to support improvements in Public Library service."

TRUSTEES IN ATTENDANCE:

Karla Kozakevich, OSRD, Board Chair
Pat Cochrane, Coldstream
Tundra Baird, Enderby
Loyal Wooldridge, Kelowna
Sherry Philpott-Adhikary, Keremeos
Todd McKenzie, Lake Country
Lorelei Fiset, Lumby (Alt)
Larry Schwartzenberger, Oliver (Alt)
Brian Harvey, Osoyoos
George Elliott, Princeton
Michael Brooks-Hill, Revelstoke

Tim Lavery, Salmon Arm
Bob Evans, Sicamous
Andrew Casson, Spallumcheen
Erin Carlson, Summerland
Kari Gares, Vernon
Jason Friesen, West Kelowna
Wayne Carson, CORD
Jay Simpson, CSRD
Amanda Shatzko, NORD
Christopher Derickson, WFN

TRUSTEES ABSENT:

Linda Fisher, Armstrong
Caleb Moss, Golden

Patrick Van Minsel, Peachland

ADMINISTRATIVE STAFF IN ATTENDANCE:

Don Nettleton, Chief Executive Officer
Christine McPhee, Director of Public Services South
Monica Gaucher, Director of Public Services North
Jeremy Sundin, Chief Financial Officer
Carla Phillips, Director of Human Resources
Jeff Campbell, Chief Technology Officer
Michal Utoko, Director of Marketing and Communications
Leah Samson, Administrative Services Manager (Recording Secretary)

GUESTS IN ATTENDANCE:

Betty Jean Tyner, C.U.P.E. Representative
Tara Thompson, P.E.A. Representative
Scott Wells, ORL Fundraising Consultant

CALL TO ORDER

Outgoing Chair Kozakevich presided over the meeting until the election of officers. She called the meeting to order at 10:03 AM and introduced the guests and new board trustees Councillor George Elliott representing Princeton, Councillor Kari Gares representing Vernon, and alternate trustees Councillor Larry Schwartzenberger representing Oliver and Councillor Lorelei Fiset representing Lumby.

OUTGOING CHAIR REMARKS

Chair Kozakevich thanked the Committee Chairs, members and staff for their work over the past year.

1. AGENDA REVIEW

MOTION 1

***It was moved and seconded
THAT the Agenda be adopted.
CARRIED***

2. APPROVAL OF PREVIOUS MINUTES

MOTION 2

***It was moved and seconded
THAT the minutes of the Library Board of Trustees Regular Meeting held November 20, 2019 be adopted.
CARRIED***

3. ANNUAL ELECTIONS AND APPOINTMENTS

CEO Don Nettleton presided over the election of the board chair.

3.1. Nominations Report

MOTION 3

***It was moved and seconded
THAT the Nominations Report be received for information.
CARRIED***

3.2. Elect Chair and Vice Chair

Library Act Part 3 Section 19 (1)

The library board must elect a chair and a vice chair at the first meeting in each year.

Elections were held and nominations were called from the floor.

- a) Chair: Karla Kozakevich was elected by acclamation for another term.

Newly elected Chair Kozakevich resumed chairing the remainder of the meeting.

- b) Vice Chair: Sherry Philpott-Adhikary was elected by acclamation.

3.3. Elect Board Officers

Policy Section II: Board Organization and Structure

Standing Committees

Standing Committees are the Policy and Planning Committee, the Finance Committee, and the Personnel Committee. Chairs of all Standing Committees are elected from amongst all members for a one-year term, at the first meeting of each year.

Nominations were called from the floor.

- a) Finance Committee Chair:
David Mattes was elected by acclamation for another term.
- b) Policy and Planning Committee Chair:
Pat Cochrane was elected by acclamation as the new chair.
- c) Personnel Committee Chair:
Sherry Philpott-Adhikary was elected by acclamation for another term.

3.4. Appoint BC Library Trustees' Association Liaison

Policy Section II: Board Organization and Structure

"The Board shall appoint, annually, a British Columbia Library Trustees' Association liaison, from amongst its members. BCLTA relies on liaisons to distribute BCLTA information to Board members. The liaison also informs and educates Board members about BCLTA, its services and programs, and encourages discussion between the ORL Board and BCLTA on issues of mutual concern."

The Board reappointed Councillor Erin Carlson as the BCLTA Liaison for another term.

3.5. Appoint Committee Members

Policy Section II: Board Organization and Structure

Chair Kozakevich will consult with the Standing Committee Chairs to appoint members for a one-year term.

3.6. Appoint Signing Officers

Policy Section II: Board Organization and Structure

"Signing officers shall include the Secretary, plus the Chair or presiding officer at the meeting (usually the Vice-Chair) the signing officers shall include one of the Secretary to the Board, the Chief Financial Officer, the Directors of Public Services, the Director of Human Resources together with one of the Finance Committee Chair and the Board Chair."

MOTION 4

It was moved and seconded

THAT the following positions be appointed as ORL Signing Officers for 2020:

- ***Board Chair***
- ***Finance Committee Chair***
- ***CEO/Secretary to the Board***
- ***Chief Financial Officer***
- ***Director of Public Services, North***
- ***Director of Public Services, South***
- ***Director of Human Resources***

CARRIED

4. STAFF REPORTS

4.1. FUNDRAISING PRESENTATION – Scott Wells, Fundraising Consultant

The Board viewed a presentation on fundraising efforts to date under a pilot project that began about 2.5 years ago. The ORL has raised \$107,200 for various projects including the ongoing revitalization of the downtown Kelowna branch.

4.2. CFO REPORT – Jeremy Sundin

The Board received a report which indicates that the ORL's financial results to November 30, 2019 are generally consistent with expectation and there does not appear to be anything that requires specific board attention at this time.

MOTION 5

It was moved and seconded

THAT the CFO Report be received for information.

CARRIED UNANIMOUSLY

4.3. CEO REPORT – Don Nettleton

The Board received a report which included the following updates:

- 12 staff members have retired from the ORL over the past year
- development of a new hire training program is well underway
- the Oliver Branch is relocating to a local shopping mall
- construction on the Revelstoke Branch RevLab project will begin soon and is expected to reach completion by July
- sections of the downtown Kelowna Branch are being painted in preparation for the creation of a new teen zone
- staffing adjustments by attrition are underway in the Summerland Branch which will bring it closer into alignment under the Financial Allocation Model Analysis
- everyone is invited to a public ceremony at the Vernon Branch on Saturday, February 22, which will recognize a \$75,000 donation towards a new technology lab
- Mr. Nettleton and key staff have almost completed the annual constituent unit presentations within the ORL jurisdiction, which update communities on library events and trends.

MOTION 6

It was moved and seconded

THAT the CEO Report be received for information.

CARRIED

5. BOARD CHAIR REPORT – Karla Kozakevich

Chair Kozakevich reported further on funding for the new technology lab in the Vernon branch. She also thanked board members for their participation in the strategic planning session that was held in January and put a call out for volunteers to sit on the ad hoc board strategic planning committee.

6. BC LIBRARY TRUSTEES ASSOCIATION (BCLTA) REPORT – Erin Carlson

Councillor Carlson reported on the upcoming annual BCLTA Forum and AGM, and also advised that the Association is recruiting for an executive director to replace Babs Kelly, who is moving to a new position.

7. TRUSTEE REPORTS

Osoyoos Councillor Brian Harvey reported that he is working with their community librarian to improve outreach on library related events through event listings on their council website.

Several board members thanked Mr. Nettleton for presenting to their local councils on library related activities.

8. NEXT REGULAR BOARD MEETING – Wednesday, May 20, 2020

9. MOTION TO ADJOURN

MOTION 7

It was moved and seconded

THAT the regular meeting of the Library Board of Trustees be adjourned.

CARRIED

The meeting adjourned at 11:02 AM.

Okanagan Regional Library District

Final Report to the Board of Trustees

May 20, 2020



Prepared by:





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BDO Canada LLP
Landmark Technology Centre
400 - 1631 Dickson Ave
Kelowna, BC V1Y 0B5

May 20, 2020

Members of the Board of Trustees
Okanagan Regional Library District

Dear Members of the Board of Trustees (the “Board”):

We are pleased to present the results of our audit of the financial statements of Okanagan Regional Library District (the “Library District”), which comprise the statement of financial position as at December 31, 2019, and the statements of operations, change in net debt and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information. The purpose of our report is to summarize certain aspects of the audit that we believe to be of interest to the Board.

Our audit and therefore this report will not necessarily identify all matters that may be of interest to the Board in fulfilling its responsibilities.

This report has been prepared solely for the use of the Board and should not be distributed without our prior consent. Consequently, we accept no responsibility to a third party that uses this communication.

We wish to express our appreciation for the co-operation we received during the audit from the Library District’s management and staff who have assisted us in carrying out our work. We look forward to meeting with you to discuss the contents of this report and any other matters that you consider appropriate.

Yours truly,

Markus Schrott, BBA, CPA, CA

Partner through a corporation
BDO Canada LLP
Chartered Professional Accountants

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Section 1

Important Canadian Auditing Standards Topics



STATUS OF THE AUDIT

As of the date of this final report, we have substantially completed our audit of the 2019 financial statements pending the completion of the items highlighted below. These items will need to be completed prior to issuance of our audit report on the financial statements.

COMPLETION OF AUDIT

- Receipt of signed management representation letter
- Subsequent events review through to financial statement approval date

FINANCIAL STATEMENTS

- Approval of financial statements by the Finance Committee

We conducted our audit in accordance with Canadian generally accepted auditing standards. The objective of our audit was to obtain reasonable, not absolute, assurance about whether the financial statements are free from material misstatement. The scope of the work performed was substantially the same as that described in our Planning Report to the Board dated February 28, 2020.

INDEPENDENCE

At the core of the provision of external audit services is the concept of independence. Canadian generally accepted auditing standards require us to communicate to the Board at least annually, all relationships between BDO Canada LLP and its related entities and the Library District and its related entities, that, in our professional judgment, may reasonably be thought to bear on our independence with respect to the audit of the Library District.

Our annual letter confirming our independence was previously provided to you in our audit planning letter. We confirm that as of the date of this letter that we remain independent with respect to the Library District.

MATERIALITY

Misstatements, including omitted financial statement disclosures, are considered to be material if they, individually or in aggregate, could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As communicated to you in our Planning Report to the Board, preliminary materiality was \$535,000. Final materiality remained at \$535,000 as the final numbers did not differ greatly from the preliminary figures.

RESPONSIBILITIES OF THE AUDITOR

It is important for the Board of Trustees to understand the responsibilities that rest with the Library District and its management and those that belong to the auditor. The audit of financial statements does not relieve management or those charged with governance of their responsibilities as outlined in our Planning Report to the Board dated February 28, 2020. A summary of the auditor's responsibilities is as follows:

- The auditor's responsibility is to express an opinion on each financial statement based on an audit thereof;
- An audit is performed to obtain reasonable, but not absolute, assurance as to whether the financial statements are free of material misstatement and, owing to the inherent limitations of an audit, there is an unavoidable risk that some misstatements of the financial statements will not be detected (particularly intentional misstatements concealed through collusion), even though the audit is properly planned and performed;
- The audit includes:
 - (i) Assessing the risks of material misstatement of the financial statements, whether due to fraud or error;
 - (ii) Obtaining an understanding of the entity and its environment including internal control in order to plan the audit and to assess the risk that the financial statements may contain misstatements that, individually or in the aggregate, are material to the financial statements taken as a whole;
 - (iii) Examining, on a test basis, evidence supporting the amounts and disclosures in each financial statement;
 - (iv) Assessing the accounting principles used and their application; and
 - (v) Assessing the significant estimates made by management;
- When the auditor's risk assessment includes an expectation of the operating effectiveness of controls, sufficient appropriate audit evidence is obtained through tests of controls to support the assessment, but the scope of the auditor's review of internal control is insufficient to express an opinion as to the effectiveness or efficiency of the entity's controls; and
- The auditor will express an opinion as to whether the each financial statement presents fairly in all material respects, in accordance with Canadian generally accepted accounting principles, the financial position, results of operations and cash flows of the entity.

Further details regarding our responsibilities are outlined in our engagement letter which was included in our Planning Report to the Board dated February 28, 2020.

AUDIT FINDINGS

As part of our ongoing communications with you, we are required to have a discussion on our views about significant qualitative aspects of the Library District's accounting practices, including accounting policies, accounting estimates and financial statement disclosures. In order to have a frank and open discussion, these matters will be discussed verbally with you. A summary of the key discussion points are as follows:

ACCOUNTING AND AUDIT MATTERS

Budget Allocation

Given that there is a risk that management may manage purchases to match the budget by deferring costs to a later period; accruing and expensing costs to utilize unused budgeted funds; or allocating costs to different expense categories, we performed the following procedures to mitigate this risk:

- Reviewed expense accounts for capital items;
- Performed a search for unrecorded liabilities; and
- Performed variance analysis of current year in comparison to prior year and to budget.

During the course of these audit procedures, it was assessed that the budget allocations are reasonable.

Estimates - Useful Life of Capital Assets

Given the size and type of the Library District's tangible assets, a risk was raised with regard to the useful life of capital assets, such that an error in this estimate could have a material impact on the financial statement. In order to mitigate this risk, we performed the following procedures:

- Reviewed estimated useful life of tangible capital assets for the purpose of depreciation to determine that they are reasonable and consistently applied.

It was determined estimated useful life of tangible capital assets are reasonable and consistently applied.

Reserves

The reserve accounts are reconciled once per year at year end. As such, allocation errors could have a material impact on capital assets and purchases. In addition, transactions are sometimes posted directly to reserve accounts, instead of being transferred through the operating fund making reconciliation difficult. In order to mitigate these risks, we performed the following procedures:

- Obtained general ledger print outs and:
 - a. Agreed changes to appropriate source documentation;
 - b. Manually reconciled accounts with significant transactions; and
 - c. Checked arithmetic accuracy.

It was determined that the balances in reserve funds are reasonable.

AUDIT FINDINGS (Continued)

MANAGEMENT REPRESENTATIONS

During the course of our audit, management made certain representations to us. These representations were verbal or written and therefore explicit, or they were implied through the financial statements. Management provided representations in response to specific queries from us, as well as unsolicited representations. Such representations were part of the evidence gathered by us to be able to draw reasonable conclusions on which to base our audit opinion. These representations were documented by including in the audit working papers memoranda of discussions with management and written representations received from management.

A summary of the representation we have requested from management can be requested from management or us.

ACCOUNTING ADJUSTMENTS

We discussed all significant adjusting journal entries that we proposed during the course of our audit with management. Management receives a copy of these adjustments and they are reviewed and approved by management. Copies of adjustments if so required can be requested of management or us.

FINANCIAL STATEMENT DISCLOSURE OMISSIONS

During the course of our audit we noted no circumstances where required financial statement disclosure was either avoided or requested to be left out by management.

UNADJUSTED AUDIT DIFFERENCES

During the course of our audit, we did not identify any unadjusted audit differences more than trivial to bring to your attention.

FRAUD DISCUSSION

Canadian generally accepted auditing standards require us to discuss fraud risk with the Board on an annual basis. As an update to the discussion held with the Board during the planning of our audit, we have prepared the following comments:

Required Discussion	BDO Response	Question to Board
<p>Details of existing oversight processes with regards to fraud.</p>	<p>Based on our discussions during the planning of our audit, the Board’s oversight processes include:</p> <ul style="list-style-type: none"> • Board charters; • Discussions at Board meetings; • Review of related party transactions; and • Consideration of tone at the top. • Review of controls and control environment with management. 	<p>Are there any new processes or changes in existing processes relating to fraud since the date of our previous discussions, that we should be aware of?</p>
<p>Knowledge of actual, suspected or alleged fraud.</p>	<p>Currently, we are not aware of any actual, suspected or alleged fraud.</p>	<p>Are you aware of any instances of actual, suspected or alleged fraud affecting the Library District?</p>

AUDITORS’ RESPONSIBILITIES FOR DETECTING FRAUD

We are responsible for planning and performing the audit to obtain reasonable assurance that the financial statements are free of material misstatements, whether caused by error or fraud.

The likelihood of not detecting a material misstatement resulting from fraud is higher than the likelihood of not detecting a material misstatement resulting from error, because fraud may involve collusion as well as sophisticated and carefully organized schedules designed to conceal it.

FRAUD DISCUSSION (Continued)

OVERVIEW OF PROCEDURES DESIGNED TO DETECT FRAUD

Management Override of Controls Risk

Canadian Audit Standard 240.32 requires auditors to consider the potential risk of management override of controls and management biases with estimates. In order to mitigate this risk, we performed the following procedures:

- Tested the appropriateness of routine and non-routine journal entries recorded to the general ledger; and
- Reviewed accounting estimates and considered their appropriateness.

From the extent of our testing we determined that no management override of controls occurred and that estimates were free of clear management bias.

Fraud Risk Related to Revenue Recognition

Canadian Audit Standard 240.26 requires that auditors presume there are risks of fraud related to revenue recognition and the types of revenue, revenue transactions and assertions that give rise to such risks must be evaluated. In order to mitigate this risk, we performed the following additional procedures:

- Reviewed the adequacy of controls over revenue;
- Performed analytical procedures to determine the reasonableness of the revenue; and
- Performed additional audit procedures designed specifically to detect potential fraudulent transactions in the revenue streams. This was primarily performed by testing additional samples and items related to revenue to increase the overall testing.

From the extent of our testing we determined that no fraud related to revenue recognition was identified.

INTERNAL CONTROL MATTERS

During the course of our audit, we performed the following procedures with respect to the Library District's internal control environment:

- Documented operating systems to assess the design and implementation of control activities that were relevant to the audit.
- Discussed and considered potential audit risks with management.

The results of these procedures were considered in determining, the extent and nature of substantive audit testing required.

We are required to report to you in writing, significant deficiencies in internal control that we have identified during the audit. A significant deficiency is defined as a deficiency or combination of deficiencies in internal control that, in the auditor's professional judgment, is of sufficient importance to merit the attention of those charged with governance.

During the course of our audit, there were no significant deficiencies in internal control noted.

OTHER REQUIRED COMMUNICATIONS

Professional standards require independent auditors to communicate with those charged with governance certain matters in relation to an audit. In addition to the points communicated within this letter, the table below summarizes these additional required communications.

Communication Required	Auditors' Response
Potential effect on the financial statements of any material contingencies or commitments, such as pending litigation, that are required to be disclosed in the financial statements.	There are no material contingencies or commitments that need to be disclosed in the financial statements other than normal course items.
Matters involving non-compliance with laws and regulations.	We noted no instances of non-compliance with laws or regulations during the course of our audit.
Material uncertainties related to events and conditions that may cast significant doubt on the Library District's ability to continue as a going concern.	There is no going concern issue noted.
Disagreements with management about matters that, individually or in aggregate, could be significant to the Library District's financial statements or our audit report.	No disagreements were noted with management.
Significant related party transactions that are not in the normal course of operations and which involve significant judgments made by management concerning measurement or disclosure.	None noted.
Discussion of whether subsequent events are appropriately disclosed or resulted in adjustments.	No subsequent events noted.
Discussion of whether scope limitations were present, preventing us from carrying out our audit completely.	No scope limitations were noted.
Discussion of whether the audit report required modifications or a qualified audit report was issued.	No report modifications were needed and the opinion was unqualified.

Section 2

Audit Process Summary



AUDIT STRATEGY

The overall audit strategy for the yearend audit of the Library District remained consistent with the strategy that we discussed in our planning letter. To briefly recap that information, BDO performed a risk based audit which allows us to focus our effort on higher risk areas and other areas of concern for management or those charged with governance.

Two basic audit approaches generally exist for auditors to utilize and the use of a particular approach depends largely on the auditors overall assessment of the entity including the control environment and risk. For the audit of the Library District we took a combined approach. This means that we relied on the control functions of the Library District for at least some of our testing. The following is meant for discussion purposes only and is intended to facilitate conversation surrounding how key financial statement areas of the Library District were audited. The summaries below are not meant to be an exhaustive description of the procedures we performed.

STATEMENT OF FINANCIAL POSITION APPROACH

Financial Assets	
Accounts Receivable	As a primary procedure we review larger accounts receivable balances by obtaining supporting documentation and then vouching receivables to subsequent collection. This testing provides support for the existence and valuation of the receivables. As supplementary tests, we perform cut off tests to ensure that amounts have been recorded in the proper period and we also conduct certain reasonability testing on amounts, especially if they are significantly aged.
Tangible Capital Assets	We obtained the asset registers and recalculate the register(s) to check for accuracy and consistency. We focus our testing on larger capital asset additions (with a sample of smaller items) and vouch those additions to supporting documentation. For book purchases we rely on controls in place and verify that the controls for the purchasing and accurate recording of books is consistently followed.
Financial Liabilities	
Accounts Payable and Accrued Liabilities	Our primary risk is that liabilities are not recorded or are under recorded. As a result, perform cut-off testing to ensure that expenses / purchases have been recorded in the proper period. We also do a review of all significant accruals.
Long Term Debt	We obtain loan statements directly from MFA and confirm the loan balance. 3 rd party documentation provides the greatest audit support for balances.

AUDIT STRATEGY (Continued)

STATEMENT OF FINANCIAL POSITION APPROACH (Continued)

Surplus	
Reserves	We obtain and review continuity schedules for each reserve. We agree opening balances and investigate unusual items.
Equity in Tangible Capital Assets (TCA)	We obtain and review continuity schedules for equity in TCA. We generally perform a recalculation of the fund to ensure it matches with the capital assets recorded.

STATEMENT OF OPERATIONS APPROACH

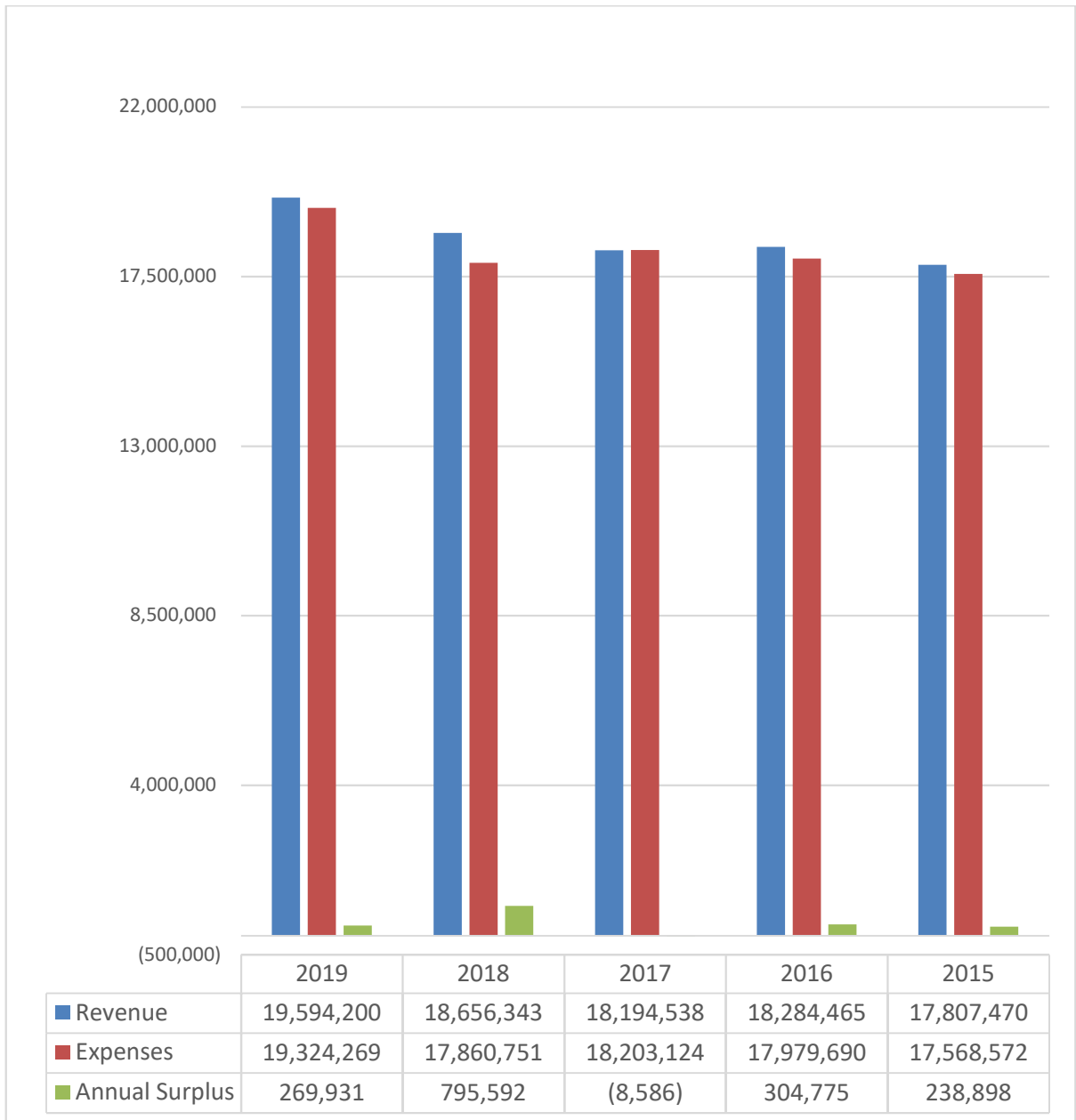
Revenue	
Assessments	We agree assessment revenue to amounts approved by the Board in the annual budget. We also perform test calculations to ensure each municipality's portion is reasonable and accurate.
Grants	We obtain copies of the funding agreements and agree them to the revenue recorded. We assess if the grants should be recorded as revenue or deferred for future years. We also review the minutes for any new grants that were discussed to ensure the grants have been recorded or deferred.
Fines, damaged and lost books	We obtain a sample of fines, damaged and lost book revenue and agree the amount from the system to what was recorded in the general ledger.
Expenses	
Purchases / Expenses	We perform test of controls on a cyclical basis. This tests the various input and output controls for the purchase system. We also perform a detailed comparison of budget to actual by significant account grouping and follow-up on significant variances.
Interest on Long Term Debt	We obtain the long term debt schedules from MFA and agree the amount of interest and actuarial gains per the schedules to the amount recorded in the general ledger. We also perform a recalculation of the interest expense to make sure the amount recorded is reasonable.

Section 3

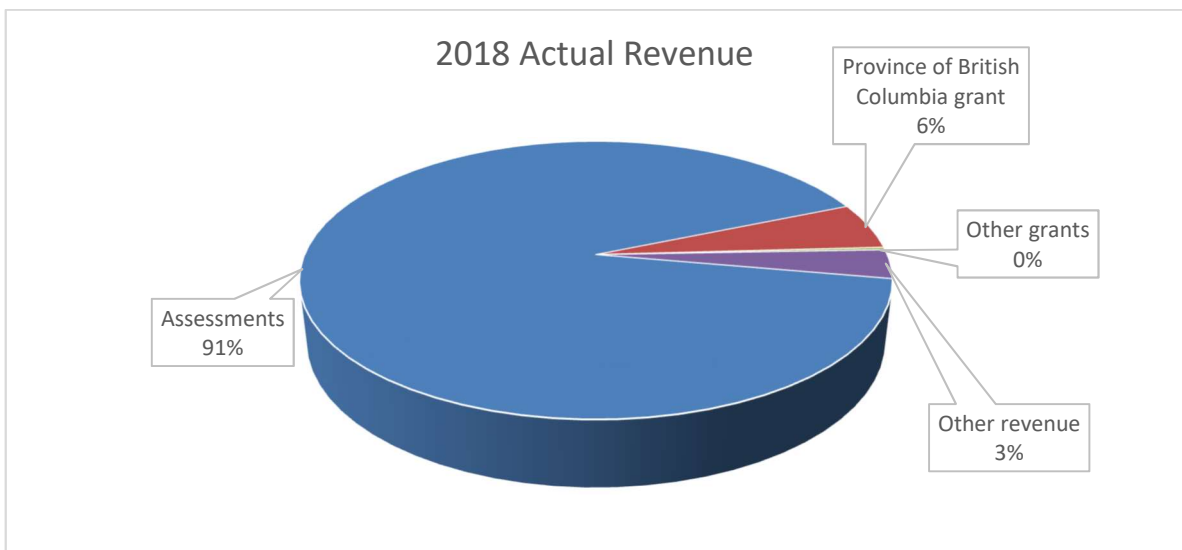
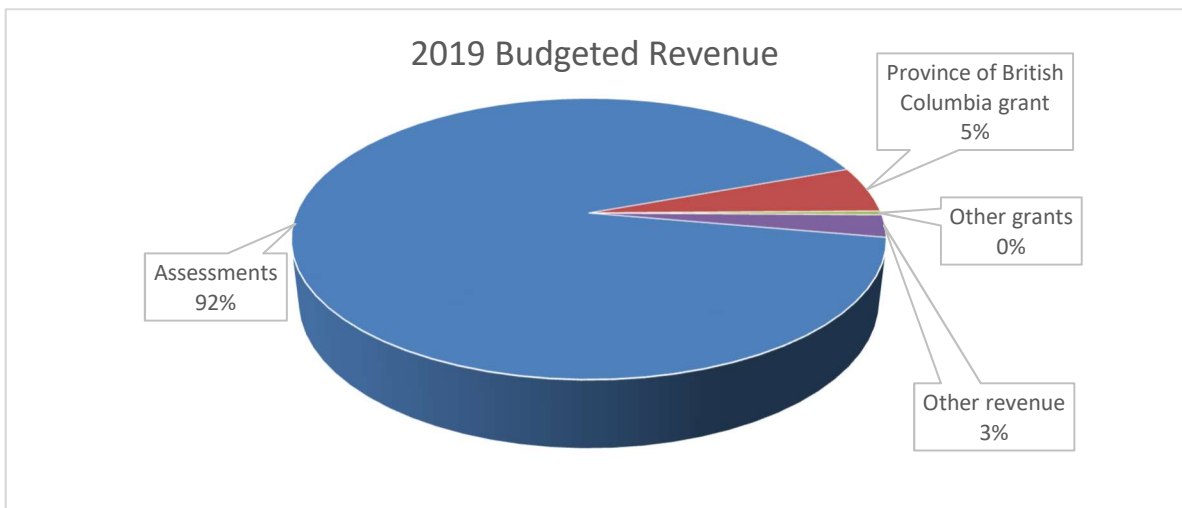
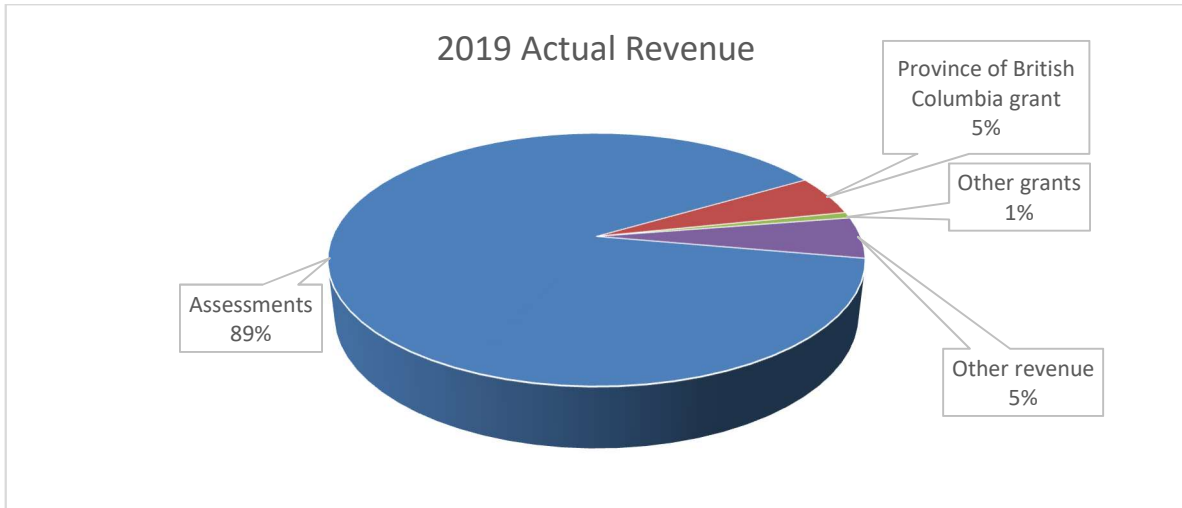
Financial Highlights



TOTAL REVENUE, EXPENSES, AND ANNUAL SURPLUS

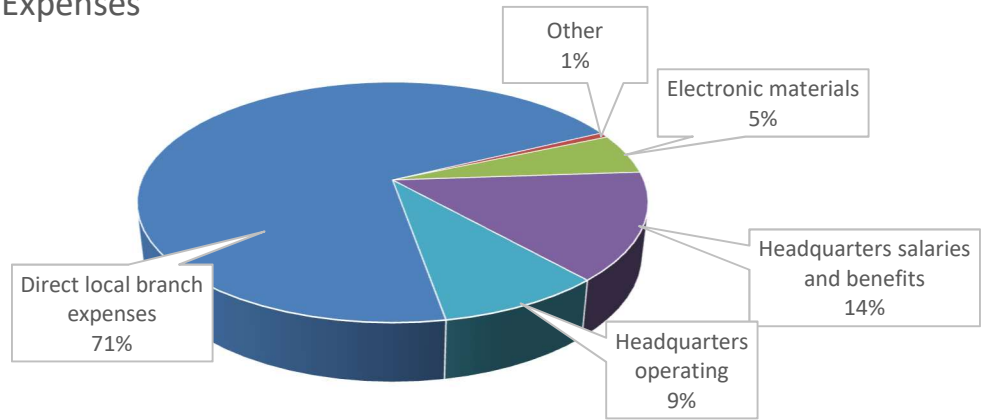


REVENUE ANALYSIS

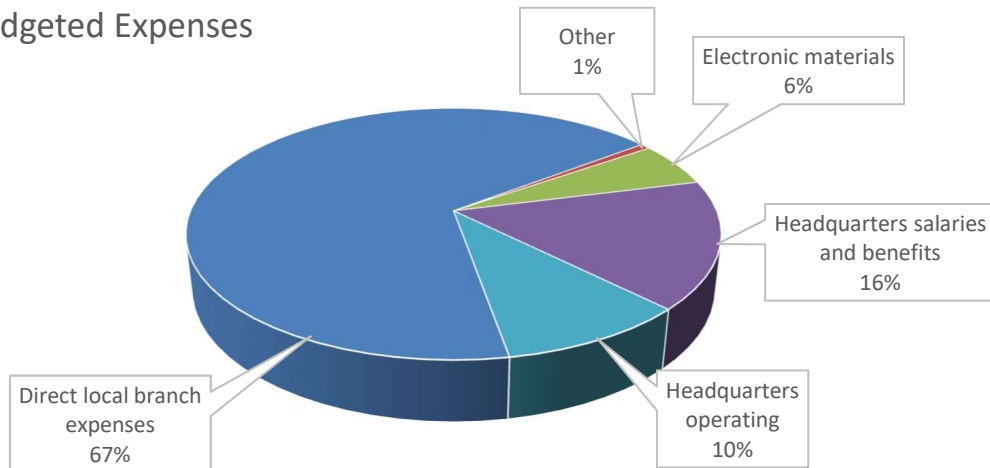


OPERATING EXPENSES BY FUNCTION

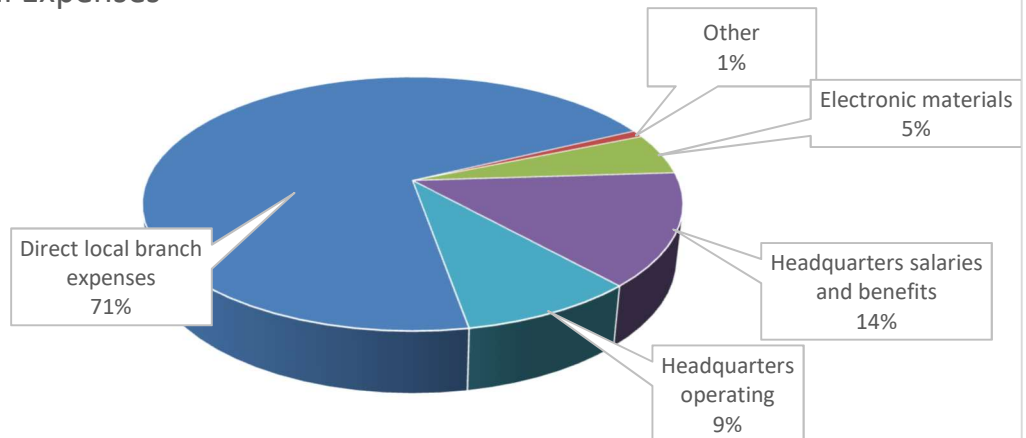
2019 Actual Expenses



2019 Budgeted Expenses

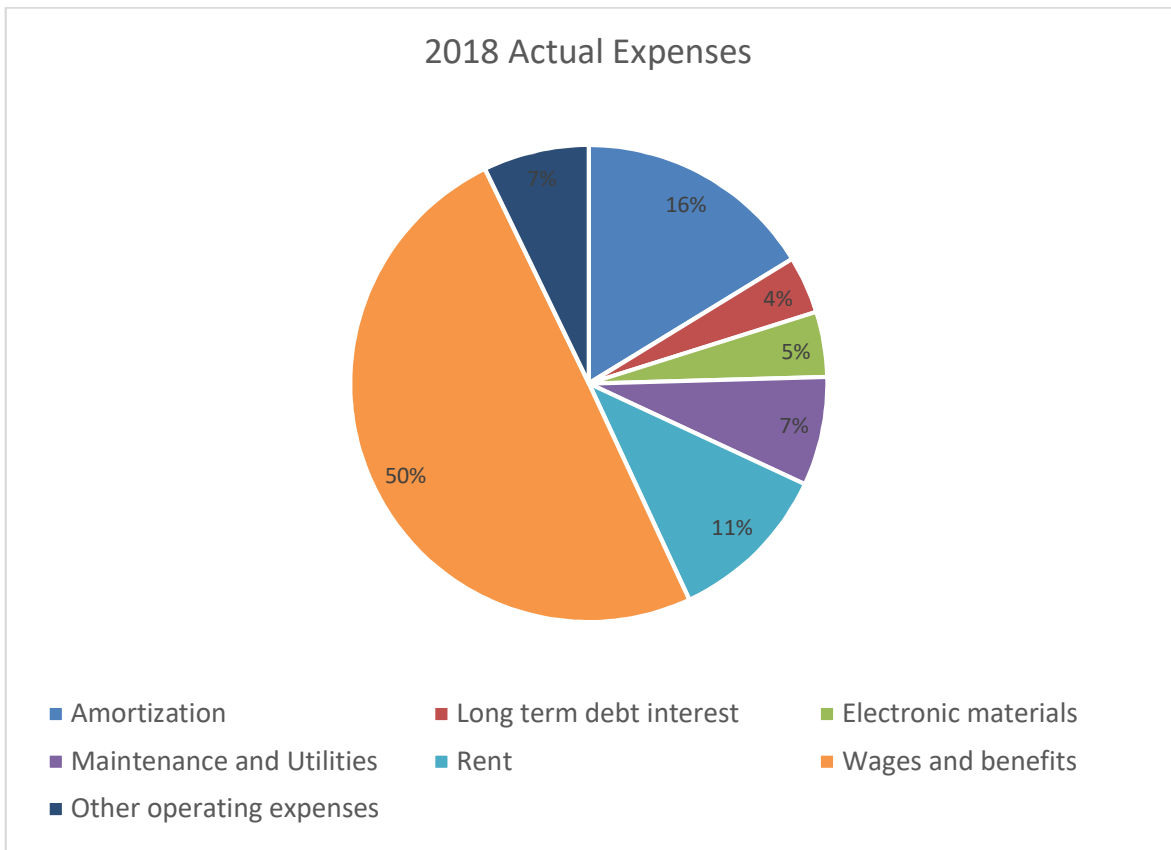
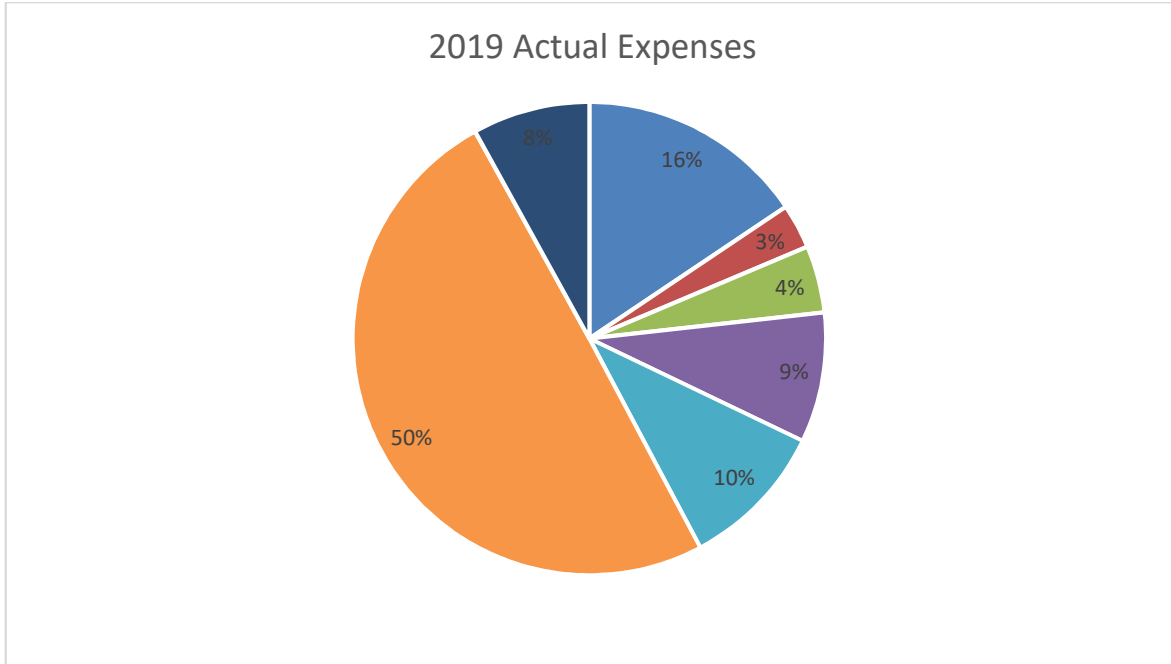


2018 Actual Expenses



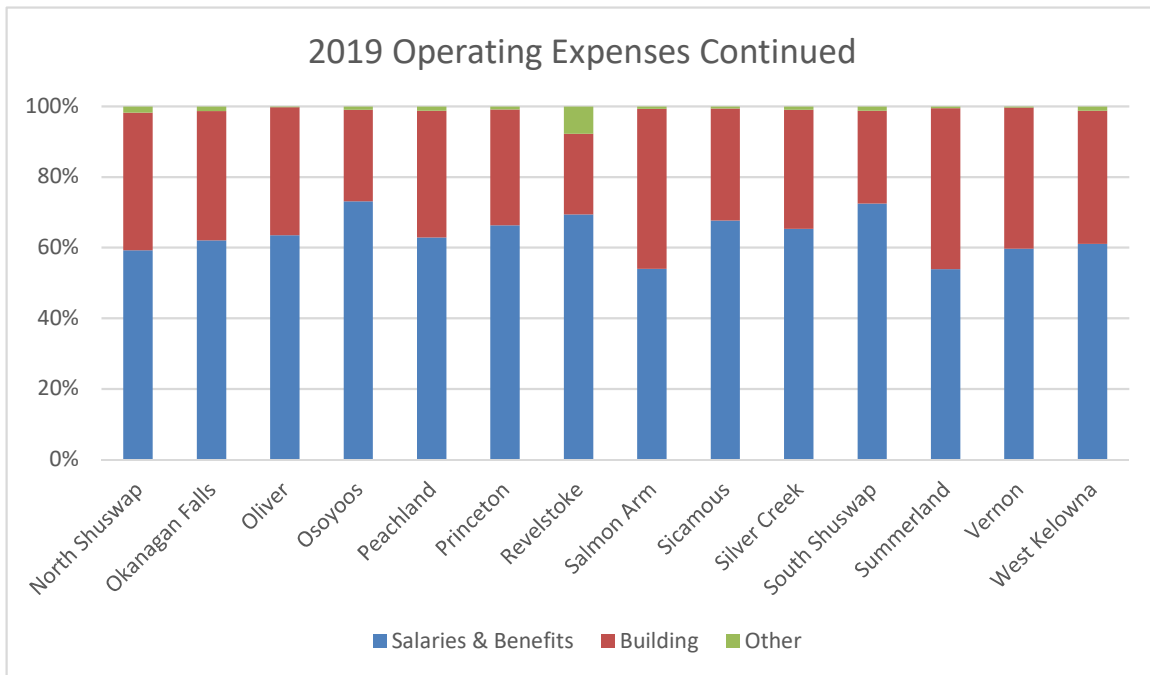
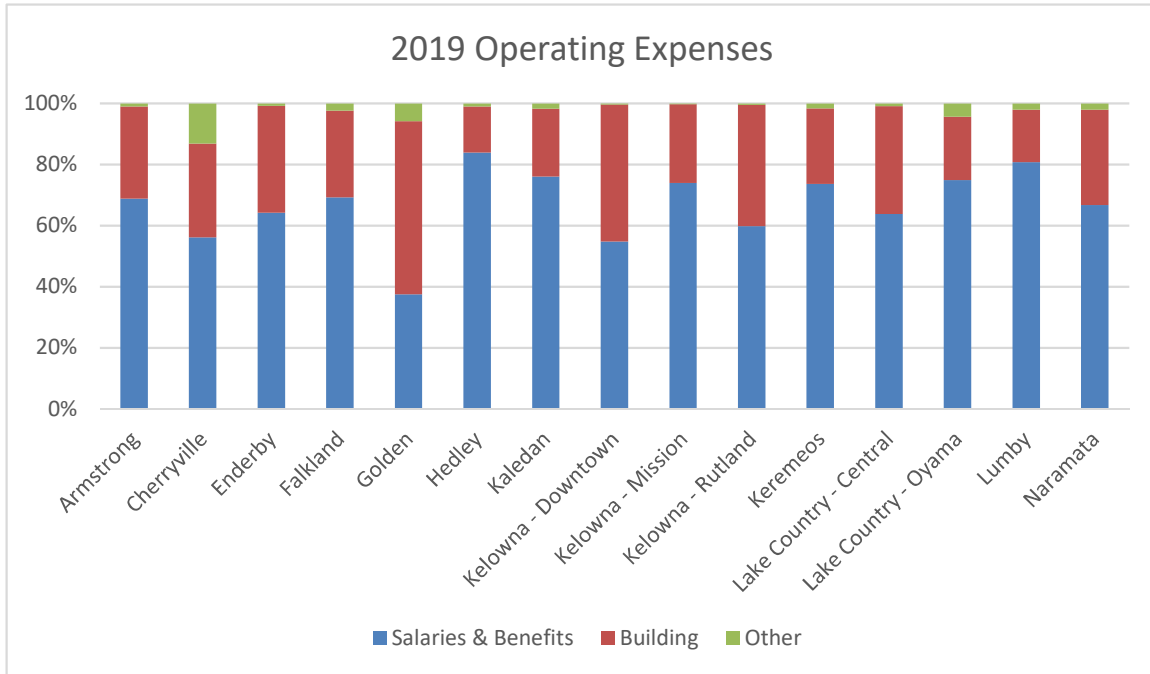
* Any expense less than 5% of total expenses is included in other. Amortization expense is not included above.

OPERATING EXPENSES BY OBJECT



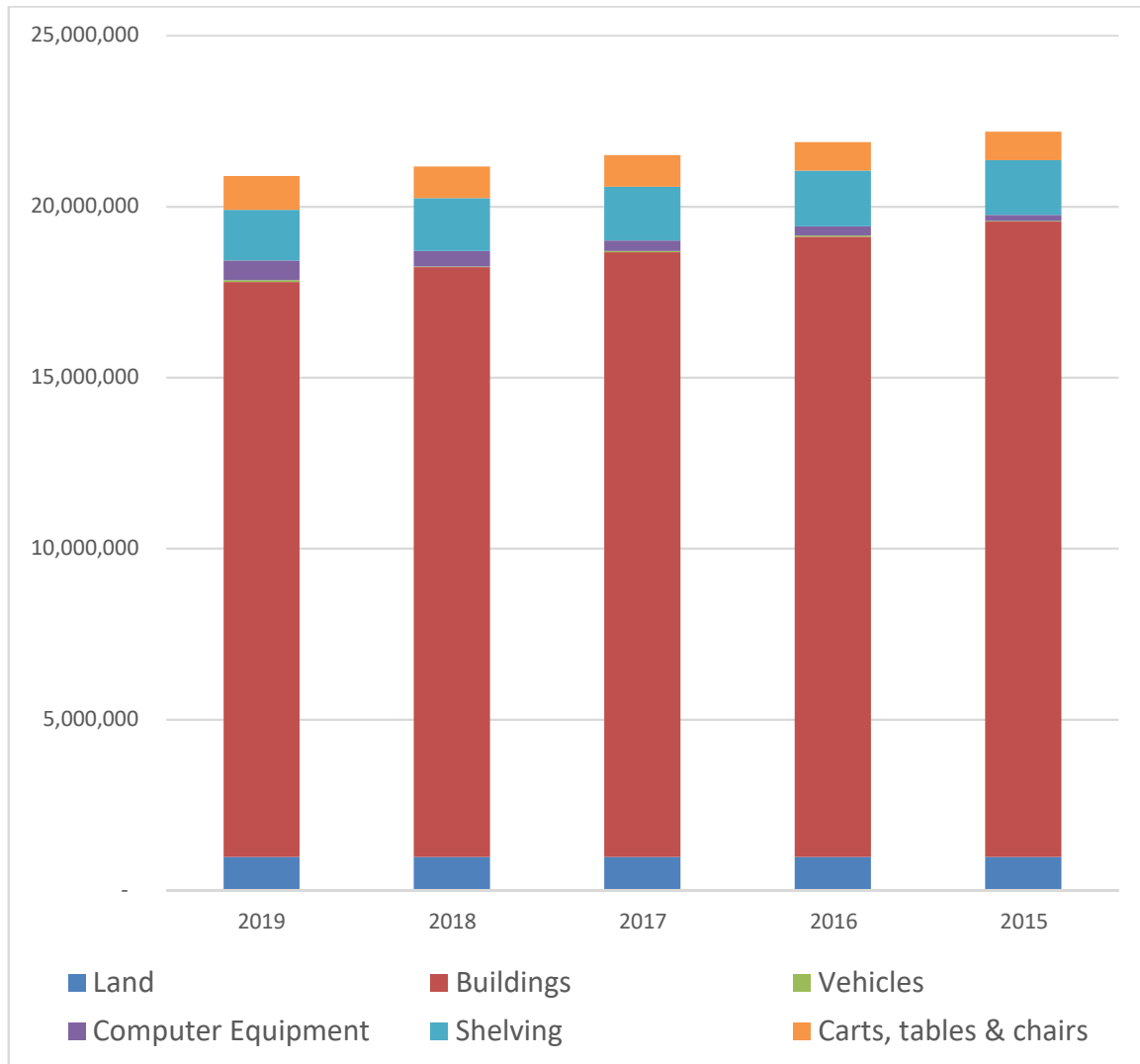
* Any expense less than 3% of total expenses is included in other operating expenses

ALLOCATION OF OPERATING EXPENSES BY BRANCH



CAPITAL ASSET ANALYSIS - CATEGORY BREAKDOWN

	2019	2018	2017	2016	2015
Tangible capital assets					
Beginning of year	26,664,873	27,566,327	28,390,034	29,130,149	27,168,126
Purchases	2,010,356	2,002,431	1,902,060	2,041,724	5,099,166
Disposals	-	-	(40,790)	(25,902)	(3,829)
Amortization	(3,012,540)	(2,903,885)	(2,684,977)	(2,755,937)	(3,133,314)
End of year	25,662,689	26,664,873	27,566,327	28,390,034	29,130,149



* Amounts above do not include the capitalized book inventory.

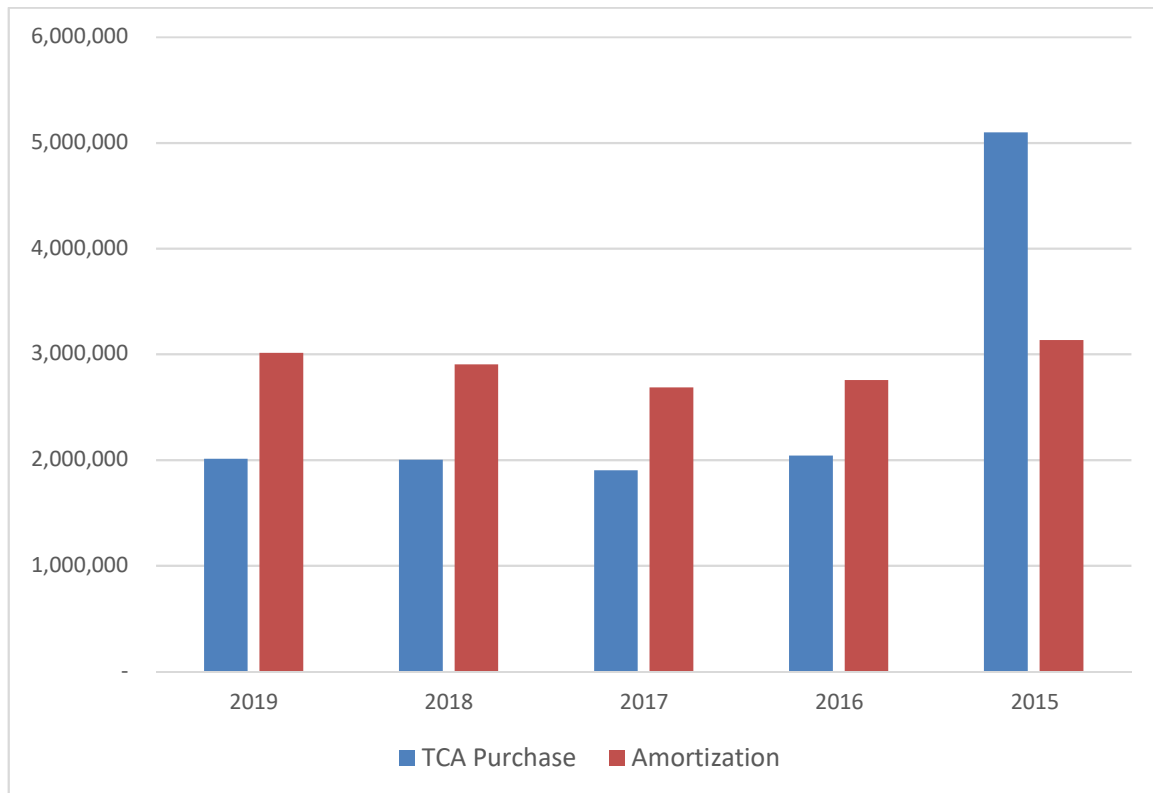
CAPITAL ASSET ANALYSIS - TCA FINANCIAL INDICATOR

As assets age, the TCA Financial Indicator percentage will decrease. The newer the assets, the longer the remaining life of the asset and the higher the percentage.

The formula is as follows:

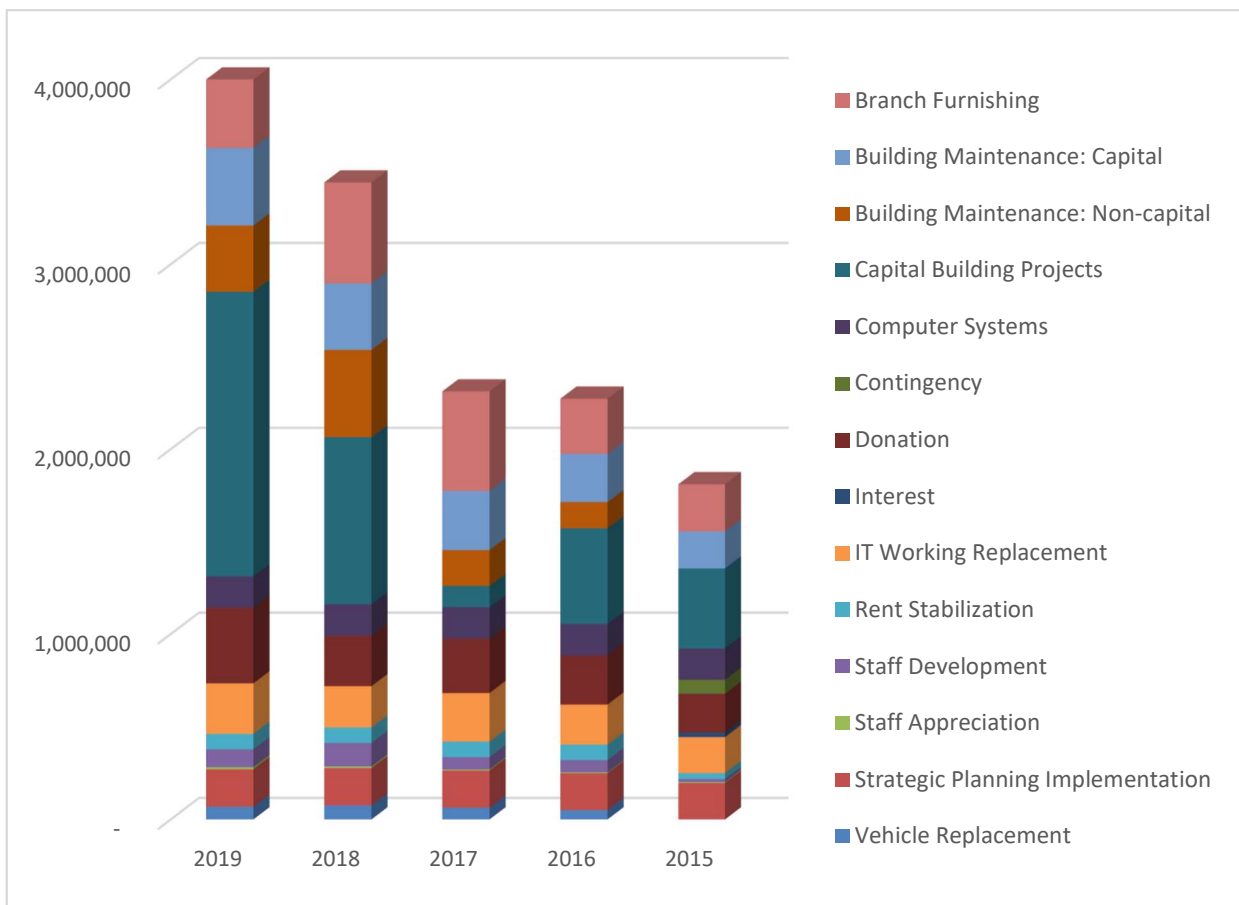
$$\text{Age of TCA Financial Indicator} = \frac{\text{Net Book Value of TCA}}{\text{Historical Cost of TCA}}$$

	2019	2018	2017	2016	2015
Building	81%	83%	86%	88%	90%
Books	27%	34%	41%	41%	34%
Carts, Tables & Chairs	56%	56%	58%	57%	58%
Computer	44%	38%	30%	26%	17%
Electronics & Miscellaneous	33%	31%	57%	55%	55%
Shelving	53%	56%	58%	59%	59%
Vehicles	42%	27%	33%	42%	31%
Total	56%	61%	65%	65%	62%



RESERVE ANALYSIS

	2019	2018	2017	2016	2015
Reserve Funds					
Branch Furnishing	586,670	546,626	538,650	299,186	255,703
Building Maintenance					
Capital	419,197	359,197	320,000	260,000	200,000
Non-capital	358,200	472,231	194,250	141,960	-
Capital Building Projects	1,539,318	903,464	114,464	517,553	432,169
Computer Systems	170,221	170,221	170,221	170,221	170,221
Contingency	-	-	-	-	75,007
Donation	409,065	273,454	294,439	265,426	209,805
Interest	-	-	-	-	25,000
IT Working Replacement	272,619	223,253	262,285	216,288	131,117
Rent Stabilization	82,729	82,729	82,729	82,729	32,652
Staff Development	96,320	126,320	66,320	66,320	16,020
Staff Appreciation	11,382	9,882	6,382	4,882	4,882
Strategic Planning Implementation	201,934	199,934	199,934	197,934	193,934
Vehicle Replacement	68,075	75,510	63,010	50,510	-
	<u>4,215,730</u>	<u>3,442,821</u>	<u>2,312,684</u>	<u>2,273,009</u>	<u>1,810,477</u>



* This does not include the equity in tangible capital assets.

Section 4

BDO Resources





BDO PROFILE

BDO is one of Canada's largest accounting services firms providing assurance and accounting, taxation, financial advisory, risk advisory, financial recovery and consulting services to a variety of publicly traded and privately held companies.

BDO serves its clients through 105 offices across Canada. As a member firm of BDO International Limited, BDO serves its multinational clients through a global network of over 1,300 offices in 151 countries. Commitment to knowledge and best practice sharing ensures that expertise is easily shared across our global network and common methodologies and information technology ensures efficient and effective service delivery to our clients.

Outlined below is a summary of certain BDO resources which may be of interest to the Board.

PSAB PUBLICATIONS

BDO's national and international accounting and assurance department issues publications on the transition and application of Public Sector Accounting Standards (PSAB) as well as common differences between PSAB and Canadian generally accepted accounting principles.

For additional information on PSAB including links to archived publications and model financial statements, refer to:

<https://www.bdo.ca/en-ca/industries/public-sector/overview/>

**OKANAGAN REGIONAL
LIBRARY DISTRICT
Financial Statements**
For the year ended December 31, 2019

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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 20, 2020

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, 2019, 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, 2019, 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 20, 2020

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

<u>December 31</u>	<u>2019</u>	<u>2018</u>
Financial assets		
Cash (Note 1)	\$ 3,013,767	\$ 4,218,084
Accounts receivable	1,873,232	283,331
MFA debt reserve	155,000	155,000
	<u>5,041,999</u>	<u>4,656,415</u>
Financial liabilities		
Accounts payable and accrued liabilities	744,174	962,145
Wages payable	150,879	97,603
Deferred revenue	6,380	59,141
Long-term debt (Note 2)	10,058,242	10,768,038
	<u>10,959,675</u>	<u>11,886,927</u>
Net debt	<u>(5,917,676)</u>	<u>(7,230,512)</u>
Non-financial assets		
Tangible capital assets (Note 3)	25,662,689	26,664,873
Prepaid expenses	285,095	316,638
	<u>25,947,784</u>	<u>26,981,511</u>
Accumulated surplus (Note 4)	<u>\$ 20,030,108</u>	<u>\$ 19,750,999</u>

Approved on behalf of the Board:

_____ Chairperson

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

For the year ended December 31	2019	2019	2018
	Actual	Budget	Actual
Revenue			
Assessments (Schedule 2)	\$ 17,401,763	\$ 17,398,108	\$ 16,965,470
Province of British Columbia grant	1,008,382	1,008,808	1,008,062
Other grant revenue	151,019	83,500	56,162
Other revenue (Schedule 3)	1,045,796	488,327	626,649
	19,606,960	18,978,743	18,656,343
Expenses (Note 6)			
Amortization	3,012,540		2,903,885
Children's programs	36,351	19,719	44,032
Delivery/transportation			
Operating expenses	83,049	96,088	87,656
Direct local branch expenses (Schedule 4)	11,510,695	11,074,422	10,563,233
Electronic materials	885,934	938,061	787,801
Headquarters supportive services			
Salaries and benefits	2,357,185	2,695,654	2,138,929
Operating (Schedule 5)	1,442,097	1,604,780	1,335,215
	19,327,851	16,428,724	17,860,751
Annual surplus (Note 9)	279,109	2,550,019	795,592
Accumulated surplus, beginning of year	19,750,999	19,750,999	18,955,407
Accumulated surplus, end of year	\$ 20,030,108	\$ 22,301,018	\$ 19,750,999

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

<u>For the year ended December 31</u>	<u>2019</u>	<u>2019</u>	<u>2018</u>
	Actual	Budget	Actual
Annual surplus	\$ 279,109	\$ 2,550,019	\$ 795,592
Acquisition of tangible capital assets	(2,010,356)	(1,597,240)	(2,002,431)
Amortization of tangible capital assets	3,012,540	-	2,903,885
Increase (decrease) of prepaid expenses	31,543	-	(85,221)
Change in net debt	1,312,836	952,779	1,611,825
Net debt, beginning of year	(7,230,512)	(7,230,512)	(8,842,337)
Net debt, end of year	\$ (5,917,676)	\$ (6,277,733)	\$ (7,230,512)

DRAFT - SUBJECT TO CHANGE

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

For the year ended December 31	2019	2018
Cash flows provided by (used in) operating activities		
Cash receipts from assessments, grants, and other revenue	\$ 17,875,450	\$ 18,760,748
Cash paid to employees and suppliers	(15,855,963)	(14,320,962)
Interest received	88,848	51,087
Interest paid	(592,500)	(693,750)
	<u>1,515,835</u>	<u>3,797,123</u>
Cash flows provided by (used in) capital activities		
Acquisition of tangible capital assets	<u>(2,010,356)</u>	<u>(2,002,431)</u>
Cash flows provided by (used in) financing activities		
Repayment of long-term debt	<u>(709,796)</u>	<u>(682,495)</u>
Increase (decrease) in cash during the year	(1,204,317)	1,112,197
Cash, beginning of year	<u>4,218,084</u>	<u>3,105,887</u>
Cash, end of year	<u>\$ 3,013,767</u>	<u>\$ 4,218,084</u>

DRAFT - SUBJECT TO CHANGE

**Okanagan Regional Library District
Summary of Significant Accounting Policies**

December 31, 2019

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 50 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, 2019

- 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, 2019

1. Cash

Cash is held in a financial institution earning interest at an average rate of 2.05% (2018 - 1.74%) 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.

	2019	2018
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.	\$ 2,461,971	\$ 2,685,662
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.	7,596,271	8,082,376
	\$ 10,058,242	\$ 10,768,038

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

2020	\$ 520,517
2021	520,517
2022	520,517
2023	520,517
2024	520,517
Thereafter	3,190,266
	\$ 5,792,851
Add: Actuarial additions until maturity	4,265,391
	\$ 10,058,242

Okanagan Regional Library District
Notes to Financial Statements

December 31, 2019

3. Tangible Capital Assets

	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, 2019

3. Tangible Capital Assets (continued)

2018

	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	\$ 1,026,537	\$ 2,729,633	\$ 1,592,386	\$ 574,900	\$ 14,578,443	\$ 42,250,008
Additions	-	-	-	263,055	44,715	48,350	100,574	1,545,737	2,002,431
Disposals	-	-	-	(96,887)	-	-	-	(556,685)	(653,572)
Cost, end 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
Accumulated amortization, beginning of year	\$ -	\$ 2,989,225	\$ 59,361	\$ 720,353	\$ 1,155,520	\$ 666,535	\$ 425,380	\$ 8,667,307	\$ 14,683,681
Amortization	-	442,163	5,965	118,087	69,225	48,709	37,514	2,182,222	2,903,885
Disposals	-	-	-	(96,887)	-	-	-	(556,685)	(653,572)
Accumulated amortization, end of year	\$ -	\$ 3,431,388	\$ 65,326	\$ 741,553	\$ 1,224,745	\$ 715,244	\$ 462,894	\$ 10,292,844	\$ 16,933,994
Net carrying amount, end of year	\$ 983,134	\$ 17,244,398	\$ 23,863	\$ 451,152	\$ 1,549,603	\$ 925,492	\$ 212,580	\$ 5,274,651	\$ 26,664,873

Okanagan Regional Library District
Notes to Financial Statements

December 31, 2019

4. Accumulated Surplus

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

	2019	2018
Financial equity		
General fund (Schedule 1)	\$ 54,741	\$ 256,153
Equity in tangible capital assets (Note 5)	15,759,637	16,052,025
Reserve funds (Schedule 6)	4,215,730	3,442,821
	\$ 20,030,108	\$ 19,750,999

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

	2019	2018
Balance, beginning of year	\$ 16,052,025	\$ 16,270,994
Add:		
Contribution for long-term debt reduction	709,796	682,495
Contribution for tangible capital assets	2,010,356	1,822,643
Contribution from reserve funds	-	179,788
Deduct:		
Amortization	(3,012,540)	(2,903,895)
Balance, end of year	\$ 15,759,637	\$ 16,052,025

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

December 31, 2019

6. Expenses by Object

	2019	2019	2018
	Actual	Budget	Actual
Advertising and marketing	\$ 61,668	\$ 55,778	\$ 40,458
Amortization	3,012,540		2,903,890
Association dues and memberships	16,824	19,380	14,822
Board and committee expenses	12,766	20,141	7,083
Book binding and mending	3,522	30,000	11,570
Computer maintenance and telecommunications	549,576	567,560	468,164
Electronic materials	885,934	938,061	787,801
Insurance	53,676	52,020	55,363
Interest, bank charges and foreign exchange	15,311	8,160	10,082
Long term debt interest	592,500	693,750	693,750
Maintenance and utilities	1,715,678	1,391,334	1,318,988
Penticton library contract	46,530	40,000	36,190
Postage and freight	53,320	59,200	49,700
Professional fees	72,238	77,489	91,437
Programs	120,989	93,755	65,766
Rent	1,952,188	2,114,329	1,989,029
Staff development	242,093	162,503	221,005
Sundry	3,474	71,317	-
Supplies	157,205	133,866	127,984
Telephone	25,463	32,050	20,946
Transportation	120,906	133,988	124,536
Wages and benefits	9,613,450	9,734,043	8,822,187
	\$ 19,327,851	\$ 16,428,724	\$ 17,860,751

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, 2019, the Library District had drawn \$Nil (2018 - \$Nil) on this agreement.

Okanagan Regional Library District
Notes to Financial Statements

December 31, 2019

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 \$603,192 (2018 - \$578,801) for employer contributions to the Plan in fiscal 2019.

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, 2019

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>2019</u>
Budget surplus (deficit) for the year as per board budget	\$ (54,588)
Add:	
Transfers to reserve funds budgeted for in expenses	569,985
Transfers to tangible capital assets budgeted for in expenses - books and material	1,597,240
Long-term debt reduction - principal	<u>520,517</u>
Budget surplus per statement of operations and accumulated surplus	<u>\$ 2,550,019</u>

10. Subsequent Events

Subsequent to year end, the impact of COVID-19 in Canada and on the global economy increased significantly. As the impacts of COVID-19 continue, there could be further impact on the Library District, its residents, employees, suppliers and other third party business associates that could impact the timing and amounts realized on the Library District's assets and future ability to deliver services and projects. At this time, the full potential impact of COVID-19 on the Library District is not known. Although the disruption from the virus is expected to be temporary, given the dynamic nature of these circumstances, the duration of disruption and the related financial impact cannot be reasonably estimated at this time.

11. Comparative Figures

Certain comparative figures have been restated to conform to the presentation adopted for the current year.

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

For the year ended December 31	2019	2019	2018
	Actual	Budget	Actual
Revenue			
Assessments (Schedule 2)	\$ 17,401,763	\$ 17,398,108	\$ 16,965,470
Province of British Columbia	1,008,382	1,008,808	1,008,062
Other grant revenue	151,019	83,500	56,162
Other revenue (Schedule 3)	1,045,796	488,327	626,649
	<u>19,606,960</u>	<u>18,978,743</u>	<u>18,656,343</u>
Expenses			
Children's programs	36,351	19,719	44,032
Direct local branch expenses (Schedule 4)	11,510,695	11,074,422	10,563,233
Delivery/transportation			
Operating expenses	83,049	96,088	87,647
Electronic materials	885,934	938,061	787,801
Headquarters supportive services			
Salaries and benefits	2,357,185	2,695,654	2,138,929
Operating (Schedule 5)	1,442,097	1,604,780	1,335,215
	<u>16,315,311</u>	<u>16,428,724</u>	<u>14,956,857</u>
Excess of revenues over expenses	3,291,649	2,550,019	3,699,486
Net interfund transfers:			
Net contributions to tangible capital fund			
For long-term debt reduction	(709,796)	(520,517)	(682,495)
For tangible capital assets	(2,010,356)	(1,597,240)	(2,002,430)
Contribution from reserve fund (Schedule 6)			
Building maintenance (Owned)	-	-	20,803
Building maintenance (Non-owned)	139,032	-	-
Donation	161,468	-	104,120
Furnishings	104,956	-	137,024
Technology & software	122,049	-	165,883
Staff appreciation and development	30,000	-	-
Vehicle	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)	(277,982)
Capital building project	(635,854)	(114,000)	(789,000)
Donation	(297,079)	-	(83,135)
Furnishings	(145,000)	(145,000)	(145,000)
Staff appreciation and development	(1,500)	(1,500)	(61,500)
Strategic planning	(2,000)	(2,000)	(2,000)
Technology & software	(171,416)	(126,850)	(126,850)
Vehicle replacement	(41,000)	(12,500)	(12,500)
	<u>(3,493,061)</u>	<u>(569,985)</u>	<u>(3,815,062)</u>
Change in fund balance	(201,412)	1,980,034	(115,576)
Surplus, beginning of year	256,153	256,153	371,729
Surplus, end of year	\$ 54,741	\$ 2,236,187	\$ 256,153

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

For the year ended December 31	2019	2019	2018
	Actual	Budget	Actual
Municipalities			
Armstrong	\$ 180,947	\$ 180,947	\$ 184,237
Coldstream	459,076	459,076	442,409
Enderby	99,955	99,955	102,651
Golden and Area	301,794	301,794	304,814
Kelowna	6,389,123	6,389,123	6,208,386
Keremeos	49,232	49,232	53,531
Lake Country	633,373	633,373	607,575
Lumby	62,619	62,619	66,967
Oliver	187,594	187,594	190,682
Osoyoos	254,205	254,205	256,572
Peachland	247,985	247,985	251,213
Princeton	123,252	123,038	129,032
Revelstoke	325,069	325,069	321,092
Salmon Arm	757,820	757,820	712,793
Sicamous	145,915	145,484	145,421
Spallumcheen	202,473	202,473	203,005
Summerland	499,643	499,643	491,685
Vernon	1,813,366	1,810,356	1,757,829
West Kelowna	1,529,052	1,529,052	1,470,990
	14,262,493	14,258,838	13,900,884
First Nation Members			
Westbank First Nation	409,247	409,247	394,811
	14,671,740	14,668,085	14,295,695
Regional Districts			
Central Okanagan	312,460	312,460	304,452
Columbia - Shuswap	811,651	811,651	818,812
North Okanagan	728,054	728,054	727,892
Okanagan - Similkameen	877,858	877,858	818,619
	2,730,023	2,730,023	2,669,775
	\$ 17,401,763	\$ 17,398,108	\$ 16,965,470

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

For the year ended December 31	2019		2018
	Actual	Budget	Actual
Actuarial earnings	\$ 189,278	\$ 135,488	\$ 161,979
Bank interest	88,848	22,600	51,087
Book bag revenue	1,699	-	1,921
Copying and printing	46,117	23,730	48,921
Donation revenue	307,220	-	85,071
Fines, damaged and lost books	221,634	232,509	229,700
Interdepartment rent	634,682	634,682	634,682
Meeting room rental	28,157	14,000	35,648
Non resident charges	2,782	-	3,575
Sundry	160,062	60,000	8,747
Total before adjustment	1,680,479	1,123,009	1,261,331
Interdepartment rent	(634,682)	(634,682)	(634,682)
Total	\$ 1,045,797	\$ 488,327	\$ 626,649

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

For the year ended December 31

Branch	Salaries & Benefits	Building	Other	2019 Total	2019 Budget	2018 Total
Armstrong	\$ 141,632	\$ 61,979	\$ 2,122	\$ 205,733	\$ 206,513	\$ 201,227
Book Deposits	-	-	2,000	2,000	3,000	3,190
Cherryville	19,950	10,904	4,698	35,552	46,332	33,609
Enderby	119,110	64,791	1,529	185,430	192,373	189,495
Falkland	48,489	19,873	1,643	70,005	68,940	65,566
Golden	122,570	185,702	19,119	327,391	220,845	199,134
Hedley	13,869	2,484	173	16,526	22,657	20,390
Kaleden	50,434	14,751	1,148	66,333	72,224	66,253
Kelowna						
Downtown	1,164,393	950,445	9,604	2,124,442	2,070,986	2,043,006
Mission	523,302	182,447	2,484	708,233	598,762	578,931
Rutland	464,355	308,371	4,177	776,903	798,900	743,626
Keremeos	114,054	38,367	2,583	155,004	145,219	150,614
Lake Country						
Central	193,956	107,521	2,679	304,156	295,939	309,754
Oyama	30,982	8,561	1,820	41,363	46,208	36,074
Lumby	99,011	20,974	2,567	122,552	126,079	122,158
Naramata	43,126	20,210	1,333	64,669	63,849	63,568
North Shuswap	56,822	37,357	1,753	95,932	98,336	89,219
Okanagan Falls	73,310	43,150	1,635	118,095	115,756	114,904
Oliver	157,331	89,904	692	247,927	265,983	269,384
Osoyoos	148,306	52,682	1,932	202,920	194,745	208,891
Peachland	113,496	64,959	2,240	180,695	180,569	175,251
Princeton	65,070	32,195	845	98,110	92,949	100,661
Revelstoke	139,181	45,850	15,631	200,662	212,205	198,278
Salmon Arm	459,012	385,624	6,357	850,993	715,697	697,121
Sicamous	108,944	51,185	932	161,061	146,926	149,774
Silver Creek	21,467	11,066	332	32,865	50,901	37,401
South Shuswap	143,082	52,044	2,401	197,527	168,644	169,925
Summerland	225,404	190,615	2,165	418,184	420,124	404,863
Vernon	1,106,711	741,523	6,547	1,854,781	1,883,096	1,785,698
West Kelowna & Learning Lab	521,328	322,275	10,743	854,346	802,256	639,547
Branch shared expenses	880,735	-	82,252	962,987	747,409	866,659
Total before adjustment	7,369,432	4,117,809	196,136	11,683,377	11,074,422	10,734,171
Interdepartment rent net of interest costs	-	(172,682)	-	(172,682)	-	(172,682)
Total	\$ 7,369,432	\$3,945,127	\$ 196,136	\$11,510,695	\$11,074,422	\$10,561,489

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

<u>For the year ended December 31</u>	<u>2019</u>	<u>2019</u>	<u>2018</u>
	Actual	Budget	Actual
Advertising and marketing	\$ 61,237	\$ 46,545	\$ 38,700
Association dues and membership	16,824	19,380	14,822
Binding and mending	3,522	30,000	11,570
Board and committee expenses	12,766	20,141	7,083
Computer maintenance and telecommunications	603,136	573,580	417,468
Insurance	53,676	52,020	55,363
Interest, bank charges and foreign exchange	15,311	8,160	10,082
Interest on long-term debt	130,500	231,750	231,750
Maintenance and utilities	154,216	140,988	159,798
Penticton library contract	46,530	40,000	36,190
Postage and freight	19,614	21,300	12,981
Professional fees	72,238	77,489	91,437
Sundry	3,474	71,317	-
Supplies	82,489	83,105	61,967
Staff development	128,927	162,503	156,468
Telephone	6,712	6,000	7,089
Transportation	30,925	20,502	22,447
Total	\$ 1,442,097	\$ 1,604,780	\$ 1,335,215

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

For the year ended December 31

	2018		Contributions		Expenses		Transfers		2019	
Branch furnishings	\$	546,626	\$	145,000	\$	(104,956)	\$	-	\$	586,670
Building maintenance										
Owned buildings		359,197		60,000		-				419,197
Non-owned building		472,232		25,000		(139,032)				358,200
Capital building projects		903,464		635,854		-				1,539,318
Donation		273,454		297,079		(161,468)				409,065
Integrated Library Systems (ILS)		170,221		-		-				170,221
IT replacement		223,252		171,416		(122,049)				272,619
Rent stabilization		82,729		-		-				82,729
Staff development		126,320		-		(30,000)				96,320
Staff appreciation		9,882		1,500		-				11,382
Strategic planning		199,934		2,000		-				201,934
Vehicle replacement		75,510		41,000		(48,435)				68,075
Total	\$	3,442,821	\$	1,378,849	\$	(605,940)	\$	-	\$	4,215,730

REPORT

File No. 100.20

To: Okanagan Regional Library Finance Committee

From: Chief Financial Officer

Date: May 10, 2020

Subject: Okanagan Regional Library, 2019 Statement of Financial Information (SOFI)

RECOMMENDATION

THAT the Committee approve the 2019 Statement of Financial Information.

BACKGROUND

The *Financial Information Act* (FIA) is provincial legislation that requires local governments, including Library District's, to prepare the following statements and schedules of financial information annually:

1. Table of contents
2. Financial Information Act submission checklist
3. Board approval form
4. Management report
5. Financial statements
 - a. Statement of Revenue and Expenditures (Statement of Operations)
 - b. Statement of Assets and Liabilities (Statement of Financial Position)
6. Schedule of debts;
7. Schedule of guarantee and indemnity agreements;
8. Statement of remuneration and expenses
 - a. Schedule showing the total amount of remuneration and the total amount of expenses paid to or on behalf of each member of the Board;
 - b. Schedule showing remuneration and expenses paid to or on behalf of each employee that exceeds \$75,000;
9. Statement of severance agreements;
10. Statement of Changes in Financial Position
11. Schedule of Payments for the Provision of Goods and Services

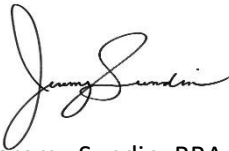
DISCUSSION

The above statements and schedules have been included as Appendices to this report. Those statements and/or schedule that require signature will be signed following approval of the Statement of Financial Information by the Finance Committee. The authority to approve the Statement of Financial Information was delegated by the Board of Directors to the Finance Committee.

CONCLUSION

The Statement of Financial Information is a legislative requirement of the Okanagan Regional Library. Staff have assembled the required information in acceptable format and are presenting it to the Finance Committee for the Committee's consideration and approval.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Jeremy Sundin". The signature is fluid and cursive, with a large initial "J" and "S".

Jeremy Sundin, BBA, CPA, CA
Chief Financial Officer

Report Appendices

Report appendices include:

- Financial Information Act submission checklist
- Board approval form
- Management report
- Schedule of guarantee and indemnity agreements;
- Statement of remuneration and expenses
 - Schedule showing the total amount of remuneration and the total amount of expenses paid to or on behalf of each member of the Board;
 - Schedule showing remuneration and expenses paid to or on behalf of each employee that exceeds \$75,000;
- Statement of severance agreements;
- Schedule of Payments for the Provision of Goods and Services

The following are not included with this report but are instead included with the Library's audited financial statements:

- Financial statements
 - Statement of Revenue and Expenditures (Statement of Operations)
 - Statement of Assets and Liabilities (Statement of Financial Position)
- Schedule of debts;
- Statement of Changes in Financial Position

Submission Checklist

Financial Information Act - Statement of Financial Information

Library Name: Okanagan Regional Library

Fiscal Year Ended: December 31, 2019

a)	<input checked="" type="checkbox"/>	Approval of Statement of Financial Information
b)	<input checked="" type="checkbox"/>	A Management Report signed and dated by the Library Board and Library Director
An operational statement including:		
c)	<input checked="" type="checkbox"/>	i) Statement of Income
	<input checked="" type="checkbox"/>	ii) Statement of Changes in Financial Position, or, if omitted, an explanation in the Notes to the Financial Statements (audited ¹ financial statements)
d)	<input checked="" type="checkbox"/>	Statement of assets and liabilities (audited ¹ financial statements)
e)	<input checked="" type="checkbox"/>	Schedule of debts (audited ¹ financial statements) If there is no debt, or if the information is found elsewhere in the SOFI, an explanation must be provided in the Schedule.
		Schedule of guarantee and indemnity agreements including the names of the entities involved and the amount of money involved. If no agreements, or if the information is found elsewhere in the SOFI, an explanation must be provided in the Schedule.
g)	<input checked="" type="checkbox"/>	Schedule of Remuneration and Expenses, including:
		i) An alphabetical list of employees (first and last names) earning over \$75,000
		ii) Total amount of expenses paid to or on behalf of each employee under 75,000
		iii) If the total wages and expenses differs from the audited financial statements, an explanation is required
		iv) A list, by name and position, of Library Board Members with the amount of any remuneration paid to or on behalf of the member.
		v) The number of severance agreements started during the fiscal year and the range of months` pay covered by the agreement, in respect of excluded employees. If there are no agreements to report, an explanation is required.
h)	<input checked="" type="checkbox"/>	Schedule of Payments for the Provision of Goods and Services including:
		i) An alphabetical list of suppliers receiving over \$25,000 and a consolidated total for those suppliers receiving less than \$25,000. If the total differs from the Audited Financial Statements, an explanation is required.

¹ Municipal Libraries and Regional Library Districts must provide audited financial statements as per the *Libraries Act* section 11(2) and 26(2) (a). Audited statements are not required for the SOFI but if available, please include them.

As per the *Libraries Act* section 40(3)(a) Public Library Associations must prepare annual financial statements in accordance with generally accepted accounting principles. This also applies to Library Federations.

Board Approval Form

Financial Information Act - Statement of Financial Information

NAME OF LIBRARY Okanagan Regional Library	FISCAL YEAR END (YYYY) December 31, 2019	
LIBRARY ADDRESS 1430 K.L.O. Road	TELEPHONE NUMBER 250-860-4033	
CITY Kelowna	PROVINCE B.C.	POSTAL CODE V1W 3P6
NAME OF THE CHAIRPERSON OF THE LIBRARY BOARD Karla Kozakevich	TELEPHONE NUMBER 250-492-0237	
NAME OF THE LIBRARY DIRECTOR Don Nettleton, CEO	TELEPHONE NUMBER 250-860-4033	

DECLARATION AND SIGNATURES

We, the undersigned, certify that the attached is a correct and true copy of the Statement of Financial Information of the year ended December 31, 2019 Okanagan Regional Library as required under Section 2 of the Financial Information Act.

SIGNATURE OF THE CHAIRPERSON OF THE LIBRARY BOARD*

DATE SIGNED (DD-MM-YYYY)

DD-MM-YYYY

SIGNATURE OF THE LIBRARY DIRECTOR

DATE SIGNED (DD-MM-YYYY)

DD-MM-YYYY

Management Report

Financial Information Act - Statement of Financial Information

Library Name: Okanagan Regional Library
Fiscal Year Ended: December 31, 2019

MANAGEMENT REPORT

The Financial Statements contained in this Statement of Financial Information under the *Financial Information Act* have been prepared by management in accordance with Canadian generally accepted accounting principles and the integrity and objectivity of these statements are management's responsibility.

Management is also responsible for all other schedules of financial information and for ensuring this information is consistent, where appropriate, with the information contained in the financial statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

The Board of the Library is responsible for ensuring that management fulfils its responsibilities for financial reporting and internal control and for approving the financial information included in the Statement of Financial Information.

The external auditors, BDO Canada LLP, conduct an independent examination, in accordance with generally accepted auditing standards, and express their opinion on the financial statements. Their examination does not relate to the other schedules of financial information required by the *Financial Information Act*. Their examination includes a review and evaluation of the board's system of internal control and appropriate tests and procedures to provide reasonable assurance that the financial statements are presented fairly.

On behalf of Okanagan Regional Library

Name. Chairperson of the Library Board [Print]	<u>Karla Kozakevich</u>	
Signature, Chairperson of the Library Board	_____	Date (MM-DD-YYYY) _____

Name, Library Director [Print]	<u>Don Nettleton</u>	
Signature, Library Director	_____	Date (MM-DD-YYYY) _____

Schedule of Guarantee and Indemnity

Financial Information Act - Statement of Financial Information

Library Name: Okanagan Regional Library
Fiscal Year Ended: December 31, 2019

Okanagan Regional Library has not given any guarantee or indemnity under the Guarantees and Indemnities Regulation.

Schedule of Remuneration and Expenses

Financial Information Act - Statement of Financial Information

Library Name: Okanagan Regional Library

Fiscal Year Ended: December 31, 2019

NAME		MEMBER AREA	POSITION	REMUNERATION	EXPENSES
BAIRD	TUNDRA	ENDERBY	DIRECTOR	\$ -	\$ 743
BROOKS-HILL	MICHAEL	REVELSTOKE	DIRECTOR	\$ -	\$ 448
CARLSON	ERIN	SUMMERLAND	DIRECTOR	\$ -	\$ 900
CARSON	WAYNE	REG. DIST. OF CENTRAL OKANAGAN	DIRECTOR	\$ -	\$ 433
CASSON	ANDREW	SPALLUMCHEEN	DIRECTOR	\$ -	\$ 378
COBLE	JORDAN	WESTBANK FIRST NATION	ALT. DIRECTOR	\$ -	\$ 12
COCHRANE	PAT	COLDSTREAM	DIRECTOR	\$ -	\$ 400
ELLIOTT	GEORGE	PRINCETON	ALT. DIRECTOR	\$ -	\$ 392
EVANS	BOB	SICAMOUS	DIRECTOR	\$ -	\$ 715
FISHER	LINDA	ARMSTRONG	DIRECTOR	\$ -	\$ 378
FRIESSEN	JASON	WEST KELOWNA	DIRECTOR	\$ -	\$ 47
GARES	KARI	VERNON	ALT. DIRECTOR	\$ -	\$ 441
GRICE	AIMEE	OLIVER	ALT. DIRECTOR	\$ -	\$ 131
HARVEY	BRIAN	OSOYOOS	DIRECTOR	\$ -	\$ 1,070
HODGE	CHARLIE	KELOWNA	ALT. DIRECTOR	\$ -	\$ 12
HOLMES	DOUG	SUMMERLAND	ALT. DIRECTOR	\$ -	\$ 69
KONEK	TOM	WESTBANK FIRST NATION	DIRECTOR	\$ -	\$ 23
KOZAKEVICH	KARLA	REG. DIST. OF OKANAGAN-SIMILKAMEEN	CHAIR	\$ -	\$ 906
LAVERY	TIM	SALMON ARM	DIRECTOR	\$ -	\$ 866
MATTES	DAVID	OLIVER	DIRECTOR	\$ -	\$ 764
MCKENZIE	TODD	LAKE COUNTRY	DIRECTOR	\$ -	\$ 133
MCLEAN	RANDY	PRINCETON	DIRECTOR	\$ -	\$ 196
MINDNICH	LORI	LUMBY	DIRECTOR	\$ -	\$ 620
MOSS	CALEB	GOLDEN	DIRECTOR	\$ -	\$ -
NAHAL	DAVIL	VERNON	DIRECTOR	\$ -	\$ 12
PHILPOTT-ADHIKARY	SHERRY	KEREMEOS	DIRECTOR	\$ -	\$ 912
SHATZKO	AMANDA	REG. DIST. OF NORTH OKANAGAN	DIRECTOR	\$ -	\$ 342
SIMPSON	JAY	REG. DIST. OF COLUMBIA SHUSWAP	DIRECTOR	\$ -	\$ 780
VAN MINSEL	PATRICK	PEACHLAND	DIRECTOR	\$ -	\$ 12
WOOLDRIDGE	LOYAL	KELOWNA	DIRECTOR	\$ -	\$ 23
TOTAL BOARD MEMBERS				\$ -	\$ 12,158

Schedule of Remuneration and Expenses (Continued)

Financial Information Act - Statement of Financial Information

Library Name: Okanagan Regional Library

Fiscal Year Ended: December 31, 2019

NAME	POSITION	REMUNERATION	EXPENSES
CAMPBELL, JEFF	CHIEF TECHNOLOGY OFFICER	\$ 109,014	\$ 2,367
GAUCHER, MONICA	DIRECTOR OF PUBLIC SERVICE	\$ 121,194	\$ 3,041
HAYMAN, ALISON	BRANCH HEAD	\$ 75,274	\$ 2,360
LAITINEN, JAMES	HEAD OF COLLECTION DEVELOPMENT	\$ 77,254	\$ 148
MCGEE, CHANTELE	VIRTUAL BRANCH HEAD	\$ 75,582	\$ -
MCPHEE, CHRISTINE	DIRECTOR OF PUBLIC SERVICE	\$ 107,857	\$ 6,979
NETTLETON, DON	CHIEF EXECUTIVE OFFICER	\$ 150,978	\$ 4,333
NICHOLSON, KRISTY-LEE	REFERENCE & INSTRUCTION SUPERVISOR	\$ 76,014	\$ 1,647
PHILLIPS, CARLA	DIRECTOR OF HUMAN RESOURCES	\$ 98,692	\$ 3,287
STEPHENSON, CHRISTOPHER	BRANCH HEAD	\$ 79,402	\$ 1,622
SUNDIN, JEREMY	CHIEF FINANCIAL OFFICER	\$ 109,491	\$ 3,234
THOMPSON, TARA	COMMUNITY ENGAGEMENT COORDINATOR	\$ 87,286	\$ 3,523
UTKO, MICHAL	DIRECTOR OF MARETING & COMMUNICATIONS	\$ 76,577	\$ 1,255
WHU, JESSICA	BRANCH HEAD	\$ 76,857	\$ 4,064
YOUMANS, LINDA	YOUTH COLLECTIONS & SYSTEM LIBRARIAN	\$ 75,661	\$ 379
EMPLOYEES OVER \$75,000		\$ 1,397,133	\$ 38,239
EMPLOYEES UNDER \$75,000		\$ 6,715,979	
TOTAL		\$ 8,113,112	

Explanatory note: the differences between this Schedule and the financial statements are attributed to taxable benefits and timing. The remuneration above is reported based on the year it's paid pursuant to Canada Revenue Agency requirements, where it's accounted for in the financial statements when it has been earned.

Statement of Severance Agreements

Financial Information Act - Statement of Financial Information

Library Name: Okanagan Regional Library

Fiscal Year Ended: December 31, 2019

There were no severance agreements made between the Okanagan Regional Library and its non-unionized employees during fiscal year 2019.

Schedule of Payments Made For the Provision of Goods and Services

Financial Information Act - Statement of Financial Information

Library Name: Okanagan Regional Library

Fiscal Year Ended: December 31, 2019

NAME OF INDIVIDUAL, FIRM OR CORPORATION	AMOUNT PAID
1068823 BC LTD	\$ 95,095
654412 BC LTD	\$ 55,026
6-4 BUILDING MAINTENANCE	\$ 95,095
ABSOLUTELY HAMMERED CONTRACTING INC.	\$ 35,362
ACE COURIER SERVICES	\$ 35,001
AL STOBER CONSTRUCTION LTD	\$ 25,669
ALTEA HOLDING LTD	\$ 72,003
BC HYDRO	\$ 65,129
BAKER AND TAYLOR BOOKS	\$ 281,069
BDO CANADA LLP	\$ 26,934
BIBLIOCOMMONS INC	\$ 44,370
BLACK PRESS GROUP LTD.	\$ 34,627
BRITISH COLUMBIA LIBRARIES COOPERATIVE	\$ 212,429
CALLAHAN CONSTRUCTION COMPANY	\$ 212,923
CANADIAN UNION OF PUBLIC EMPLOYEES	\$ 101,320
CAPITAL NEWS CENTRE	\$ 166,320
CARE SYSTEMS SERVICES LTD	\$ 33,666
CARMI JANITORIAL SERVICES	\$ 31,383
CHURHILL WFN LTD PARTNERSHIP	\$ 92,669
CO-OPERATORS GENERAL INSURANCE	\$ 56,653
CORPORATE EXPRESS	\$ 33,872
COUNTRY COURT HOLDINGS	\$ 50,012
COMMERCIAL SIGNS	\$ 26,632
CVS MIDWEST TAPE	\$ 109,571
DIRECTDIAL.COM	\$ 234,633
EQUITABLE LIFE OF CANADA	\$ 448,706
FFD DEVITO INVESTMENTS	\$ 44,888
FORTIS BC	\$ 97,695
INDEL INDUSTRIES	\$ 30,596
HOULE ELECTRIC LIMITED	\$ 39,281
INNOVATIVE INTERFACES GLOBAL	\$ 81,696
IRL IDEALEASE LTD	\$ 99,485
KELOWNA, CITY OF	\$ 850,954

LAKE COUNTRY, DISTRICT OF	\$ 94,271
LIBRARY BOUND INC	\$ 183,568
MACKENZIE INVESTMENTS	\$ 53,380
MANULIFE C/O COLLIERS INTERNATIONAL	\$ 251,883
LINKEDIN IRELAND UNLIMITED	\$ 26,486
MINISTER OF FINANCE	\$ 210,983
MONAHAN AGENCY LTD.	\$ 275,950
MUNICIPAL PENSION PLAN	\$ 1,137,437
OCLC INC	\$ 39,067
OSOYOOS, TOWN OF	\$ 52,052
OVERDRIVE INC	\$ 504,237
PALADIN SECURITY GROUP LTD	\$ 159,266
PEACHLAND VILLAGE MALL LTD	\$ 54,791
PENTICTON PUBLIC LIBRARY	\$ 46,530
PRINCETON, TOWN OF	\$ 31,710
PRO JANITORIAL	\$ 47,345
PROFORMA INSPIRED PROMOTIONS	\$ 47,041
RAINCOAST BOOKS	\$ 122,747
RECEIVER GENERAL OF CANADA	\$ 1,914,378
REGIONAL DISTRICT OF CENTRAL OKANAGAN	\$ 345,993
REGIONAL DISTRICT OF COLUMBIA SHUSWAP	\$ 65,043
REGIONAL DISTRICT OF NORTH OKANAGAN	\$ 831,399
REGIONAL DISTRICT OF OKANAGAN SIMILKAMEEN	\$ 29,807
REVELSTOKE, CITY OF	\$ 47,718
ROYAL BANK VISA	\$ 200,009
SANA KLEEN JANITORIAL	\$ 48,188
SCOTT WELLS	\$ 31,500
SECURE LINKS	\$ 94,634
SHAW CABLE AND COMMUNICATIONS	\$ 68,278
SICAMOUS, DISTRICT OF	\$ 53,744
SOURCE OFFICE FURNISHING	\$ 91,993
STARGARDEN SOFTWARE LTD.	\$ 33,978
SUNCOR ENERGY PRODUCTS	\$ 39,006
TELUS COMMUNICATIONS	\$ 44,302
THE CLEANING COMPANY	\$ 68,398
CO-OPERATORS GENERAL INSURANCE, THE	\$ 56,653
UNITED LIBRARY SERVICES LTD	\$ 517,324
WESTERN GATEWAY INVESTMENT LTD	\$ 255,678
WHISPER ROOM INC	\$ 40,085
WORKSAFE BC	\$ 25,190
XEROX CANADA INC	\$ 42,040

TOTAL SUPPLIERS WITH PAYMENTS EXCEEDING \$25,000	\$ 12,204,846
TOTAL SUPPLIERS WHERE PAYMENTS ARE \$25,000 OR LESS	\$ 1,236,668
CONSOLIDATED TOTAL	\$ 13,441,514

Explanatory note:

The total in this Schedule will differ from the Statement of Operations in the audited financial statements for the following reasons:

- The financial statements are prepared on an accrual basis while this Schedule is prepared on a cash basis;
- The Schedule includes amounts paid for GST while the expenses in the financial statements do not;
- The Schedule includes employee and employer amounts paid, while the financial statements would only include the employer amounts;
- The financial statements include a provision for amortization while the Schedule does not because amortization is a non-cash expense;
- The Schedule includes amounts paid that were capitalized (not expensed) by the organization; capitalized expenditures do not appear on the Statement of Operations.

REPORT

File No. 100.21

To: Okanagan Regional Library Board of Directors
 From: Chief Financial Officer
 Date: May 13, 2020
 Subject: Financial Update Report to March 31, 2020 (3 Months)

RECOMMENDATION

THAT the Board receive the CFO's report - Financial Update Report to March 31, 2020 for information.

BACKGROUND

The attached **Appendix 1** provides the Board with an interim financial report (receipts and disbursements) to March 31, 2020, along with the annual budget and other useful information such as variances. The report has been prepared on a modified cash basis, meaning not all accounting accruals have been made. This report will briefly discuss some of the financial information that staff felt may be of interest to the Board.

DISCUSSION

Receipts – Tax Levy

The results are consistent with expectation. All first quarter member levy's have been received or accrued and recorded by the end of March.

Receipts – Government Grants, Own Resources and Other Income

The Province of B.C. grant, which makes up about 2/3 of this category, has been received and was nearly identical to budget. The ORL is still waiting to receive payments related to the Grants – Federal and Other that come each year. The fines, damaged and replacement material charges are low; this will be monitored and further investigated if the trend continues. Interest is exceeding budget, but only modestly. There is a bit more Sundry income than expected, but the nature of this income is fairly sporadic making the timing difficult to capture in the budget periods.

From Reserves

These amounts are accounting adjustments and relate to planned draws out of the reserves for technology replacement, strategic plan implementation, building maintenance, furnishings and amounts from the donation reserves for programming and other capital expenditures.

Total Receipts (Income)

Total receipts and transfers to March 31st totaled \$5,641,383 representing 26.2% of budgeted receipts. These results are in line with budget and expectation.

Disbursements

At first glance remuneration and benefits appear well under budget, however there was a pay period that ran from March 19 to April 1st and was posted to April (as the system is designed to do) - even though almost all of the days fell in March. This suggests we should see an uptick in April to level out the actual to budget comparison (in other words “to close the gap”). When this same report is run to the end of April, this expectation is met:

Extracted **January 1, 2020 to April 30, 2020** information:

	ACTUAL	BUDGET	VARIANCE
	YR. TO D	YR. TO D	YR. TO D
DISBURSEMENTS			
REMUNERATION AND FRINGE BENEFITS			
REMUNERATION	2,724,269	2,755,999	31,730
FRINGE BENEFITS	564,087	586,857	22,771
WCB	8,973	10,037	1,064
	3,297,329	3,352,894	55,564

*In percent terms the variance decreases to just 1.66% of the budget to April 30, 2020.

The rent and property expenses are almost perfectly succinct with the budget.

Library materials is only slight over the budget figure, which can be attributed to the timing of the purchases.

The other expenses category as a whole is under budget by \$89,505 to March 31st. There’s nothing that really stands out in this category. Program materials, supplies and technology are some of the items a bit more under budget but expectation is that we would see these come up as the months go on, with a caveat for the impact of COVID19.

Total disbursements before capital expenditures and reserve transactions is \$4,464,218, which is 24.6% spent 3 months into the year.

The capital expenditures, with the exception of the books and other physical material purchases, will be recorded by year-end as many of these transactions are accounting adjustments related to reserve funded activities. The capitalized book purchases are a little behind schedule, however we expect the purchase rate could increase and close this gap as the year progresses.

With some exception, the transfers to reserves are all made at year-end.

Total disbursements to March 31, 2020 are \$4,823,744

The net receipts over disbursements to March 31, 2020 are \$817,639. The net receipts amount is driven by the Provincial grant of more than one million, which is received all at once in March, while the expenses that it covers are incurred throughout the whole year.

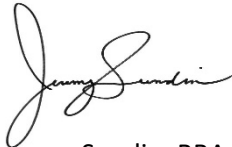
BUDGET AND COST IMPACTS

There are no budget or cost impacts that would derive from this report.

CONCLUSION

The ORL's financial results to March 31st are generally consistent with expectation, and there does not appear to be anything that requires specific Board attention at this time.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Jeremy Sundin". The signature is fluid and cursive, with the first name "Jeremy" and last name "Sundin" clearly distinguishable.

Jeremy Sundin, BBA, CPA, CA
Chief Financial Officer

Okanagan Regional Library

Appendix 1

Interim Financial Report

(Receipts & Disbursements)

January 1, 2020 to March 31, 2020

**OKANAGAN REGIONAL LIBRARY
RECEIPTS & DISBURSEMENTS
For the three month period ending March 31, 2020**

	ACTUAL YR.TO D	BUDGET YR.TO D	VARIANCE YR.TO D	BUDGET -YEAR--	VARIANCE -From Annual--	% RECEIVED -Annual--
RECEIPTS						
TAX LEVY ON MUNICIPALITIES AND REGIONAL DISTRICTS						
ARMSTRONG, CITY	\$49,794	\$49,794	\$0	\$199,174	-\$149,381	25.0%
CENTRAL OKANAGAN RD	\$79,523	\$79,523	\$0	\$318,091	-\$238,568	25.0%
COLDSTREAM, DISTRICT	\$118,586	\$118,586	\$0	\$474,344	-\$355,758	25.0%
COLUMBIA SHUSWAP RD	\$215,176	\$215,176	\$0	\$860,703	-\$645,527	25.0%
ENDERBY, CITY	\$27,310	\$27,310	\$0	\$109,240	-\$81,930	25.0%
GOLDEN, CITY	\$80,858	\$80,858	\$0	\$323,431	-\$242,573	25.0%
KELOWNA, CITY	\$1,703,366	\$1,703,366	\$0	\$6,813,465	-\$5,110,099	25.0%
KEREMEOS, VILLAGE	\$14,078	\$14,078	\$0	\$56,310	-\$42,233	25.0%
LAKE COUNTRY, DISTRICT	\$166,915	\$166,915	\$0	\$667,661	-\$500,746	25.0%
LUMBY, VILLAGE	\$17,937	\$17,937	\$0	\$71,746	-\$53,810	25.0%
NORTH OKANAGAN RD	\$193,343	\$193,343	\$0	\$773,371	-\$580,028	25.0%
OLIVER, TOWN	\$52,423	\$52,423	\$0	\$209,691	-\$157,268	25.0%
OKANAGAN SIMILKAMEEN RD	\$222,917	\$222,917	\$0	\$891,667	-\$668,750	25.0%
OSOYOOS, TOWN	\$66,194	\$66,194	\$0	\$264,777	-\$198,583	25.0%
PEACHLAND, DISTRICT	\$66,618	\$66,618	\$0	\$266,471	-\$199,853	25.0%
PRINCETON, TOWN	\$31,797	\$31,797	\$0	\$127,186	-\$95,390	25.0%
REVELSTOKE, CITY	\$89,661	\$89,661	\$0	\$358,643	-\$268,982	25.0%
SALMON ARM, CITY	\$191,248	\$191,248	\$0	\$764,990	-\$573,743	25.0%
SICAMOUS, DISTRICT	\$37,919	\$37,919	\$0	\$151,676	-\$113,757	25.0%
SPALLUMCHEEN, TOWNSHIP	\$54,302	\$54,302	\$0	\$217,209	-\$162,907	25.0%
SUMMERLAND, DISTRICT	\$131,223	\$131,223	\$0	\$524,891	-\$393,668	25.0%
VERNON, CITY	\$464,874	\$464,874	\$0	\$1,859,497	-\$1,394,623	25.0%
WESTBANK FIRST NATION	\$106,772	\$106,772	\$0	\$427,089	-\$320,317	25.0%
WEST KELOWNA, CITY	\$400,029	\$400,030	\$0	\$1,600,118	-\$1,200,089	25.0%
	\$4,582,860	\$4,582,860	\$0	\$18,331,441	-\$13,748,581	25.0%

**OKANAGAN REGIONAL LIBRARY
RECEIPTS & DISBURSEMENTS**
For the three month period ending March 31, 2020

	ACTUAL YR.TO D	BUDGET YR.TO D	VARIANCE YR.TO D	BUDGET -YEAR--	VARIANCE -From Annual--	% RECEIVED -Annual--
RECEIPTS (continued)						
FROM GOVERNMENT & OWN RESOURCES						
PROV OF B.C. - PER CAPITA GRANT	\$1,008,382	\$1,008,000	\$0	\$1,008,000	\$0	100.0%
GRANTS - FEDERAL	\$0	\$12,250	\$12,250	\$49,000	-\$49,000	0.0%
GRANTS - OTHER	\$0	\$1,625	\$1,625	\$6,500	-\$6,500	0.0%
CIRC. REV. - FINES & DAMAGED BKS	\$25,842	\$56,250	\$30,408	\$225,000	-\$199,158	11.5%
MEETING ROOM RENTAL	\$1,271	\$4,500	\$3,229	\$18,000	-\$16,729	7.1%
INTERNET PRINTING REVENUE	\$5,404	\$7,494	\$2,090	\$29,975	-\$24,571	18.0%
KEYCARD REVENUE	\$615	\$62	-\$553	\$250	\$365	245.9%
INTEREST AND EXCHANGE	\$11,398	\$8,750	-\$2,648	\$35,000	-\$23,602	32.6%
COPIER REVENUE	\$1,971	\$2,381	\$410	\$9,525	-\$7,554	20.7%
SUNDRY INCOME	\$3,744	\$1,250	-\$2,494	\$5,000	-\$1,256	74.9%
MFA ACTUARIAL, DEBT REDUCTION	\$0	\$0	\$0	\$135,488	-\$135,488	0.0%
INTER LIBRARY LOANS-NET	-\$104	\$0	\$104	-\$150	\$46	69.5%
SUBTOTAL GOVERNMENT & OWN RESOI	\$1,058,523	\$1,102,562	\$44,421	\$1,521,588	-\$463,447	69.6%
TRANSFERS FROM RESERVES	\$0	\$0	\$0	\$1,048,000	-\$1,048,000	0.0%
ORL OWNED BULDINGS RENT CHARGEBA	\$0	\$0	\$0	\$634,682	-\$634,682	0.0%
TOTAL RECEIPTS	5,641,383	5,685,423	44,421	21,535,711	-15,894,710	26.2%

**OKANAGAN REGIONAL LIBRARY
RECEIPTS & DISBURSEMENTS
For the three month period ending March 31, 2020**

	ACTUAL YR.TO D	BUDGET YR.TO D	VARIANCE YR.TO D	BUDGET -YEAR--	VARIANCE -From Annual--	% SPENT -Annual--
DISBURSEMENTS						
REMUNERATION AND FRINGE BENEFITS						
REMUNERATION	1,889,651	2,066,999	177,348	8,267,997	-6,378,346	22.9%
FRINGE BENEFITS	394,652	440,143	45,491	1,760,572	-1,365,920	22.4%
WCB	6,221	7,528	1,307	30,112	-23,891	20.7%
	2,290,525	2,514,670	224,145	10,058,681	-7,768,156	22.8%
RENT AND PROPERTY EXPENSES						
RENT	461,732	465,749	4,017	2,471,182	-2,009,450	18.7%
LTD PRINCIPAL AND INTEREST	600,399	600,399	-0	1,113,017	-512,618	53.9%
PROPERTY EXPENSES	425,075	438,084	13,008	1,752,335	-1,327,260	24.3%
	1,487,206	1,504,232	17,025	5,336,534	-3,849,328	27.9%
LIBRARY MATERIALS	433,459	410,000	-23,459	829,500	-396,041	52.3%
OTHER EXPENSES						
BINDING & MENDING	313	5,313	5,000	21,250	-20,937	1.5%
BOARD EXPENSES.	2,109	5,035	2,926	20,141	-18,032	10.5%
BOOK DEPOSIT GRANTS	0	0	0	3,200	-3,200	0.0%
COLLECTION AGENCY	751	3,641	2,891	14,566	-13,815	5.2%
EQUIPMENT REPAIRS & RENEWALS	8,621	3,315	-5,306	13,260	-4,639	65.0%
FAMA/REALLOCATIONS	0	0	0	162,181	-162,181	0.0%
INSURANCE	0	0	0	55,363	-55,363	0.0%
INTEREST & BANK CHARGES	1,232	2,875	1,643	11,500	-10,268	10.7%
MARKETING & COMMUNICATIONS	6,132	11,869	5,736	47,475	-41,343	12.9%
MEMBERSHIPS	7,197	4,845	-2,352	19,380	-12,183	37.1%
PENTICTON LIBRARY FEE	0	0	0	46,000	-46,000	0.0%
POSTAGE & FREIGHT	8,418	15,565	7,147	62,260	-53,842	13.5%
PROFESSIONAL FEES	16,829	24,372	7,543	97,489	-80,660	17.3%
PROGRAMS	15,222	28,908	13,686	115,631	-100,409	13.2%
RECRUITMENT, TRAVEL & SUNDRY	659	3,844	3,185	15,374	-14,715	4.3%
STAFF DEVELOPMENT & MEETINGS	17,863	26,345	8,482	105,380	-87,517	17.0%
STRATEGIC PLANNING	4,345	0	0	300,000	-295,655	1.4%
SUPPLIES	19,170	33,595	14,425	134,378	-115,208	14.3%
TECHNOLOGY EXPENSES	111,941	124,500	12,559	498,000	-386,059	22.5%

**OKANAGAN REGIONAL LIBRARY
RECEIPTS & DISBURSEMENTS
For the three month period ending March 31, 2020**

	ACTUAL YR.TO D	BUDGET YR.TO D	VARIANCE YR.TO D	BUDGET -YEAR--	VARIANCE -From Annual--	% SPENT -Annual--
DISBURSEMENTS (continued)						
TELEPHONE & INTERNET	4,578	6,250	1,672	25,000	-20,422	18.3%
TRANSPORTATION	27,649	34,167	6,518	136,668	-109,019	20.2%
VIRTUAL BRANCH	0	3,750	3,750	15,000	-15,000	0.0%
	253,029	338,188	89,505	1,919,496	-1,666,467	13.2%
DISBURSEMENTS BEFORE CAPITAL EXPENDITURES AND TRANSFERS TO RESERVES	4,464,218	4,767,090	307,217	18,144,211	-13,679,993	24.6%
CAPITAL EXPENDITURES						
BOOKS AND OTHER PHYSICAL MATERIALS	359,526	442,625	83,099	1,770,500	-1,410,974	20.3%
TECHNOLOGY ASSETS	0	0	0	323,000	-323,000	0.0%
FURNITURE, EQUIPMENT & OTHER	0	0	0	315,000	-315,000	0.0%
	359,526	442,625	83,099	2,408,500	-2,048,974	14.9%
TRANSFERS TO RESERVES						
TO BRANCH FURNISHING RESERVE	0	0	0	145,000	-145,000	
TO CAPITAL PROJECTS RESERVE	0	0	0	114,000	-114,000	
TO IT REPLACEMENT RESERVE	0	0	0	323,000	-323,000	
TO NON-OWNED BUILDING MNTC RESERVE	0	0	0	25,000	-25,000	
TO OWNED BUILDING MNTC RESERVE	0	0	0	60,000	-60,000	
TO STAFF APPRECIATION OR DEVELOPMENT I	0	0	0	1,500	-1,500	
TO STRATEGIC INITIATIVES RESERVE	0	0	0	302,000	-302,000	
TO VEHICLE REPLACEMENT RESERVE	0	0	0	12,500	-12,500	
	0	0	0	983,000	-983,000	
TOTAL DISBURSEMENTS	4,823,744	5,298,556	474,811	21,535,711	-16,711,967	
NET DISBURSEMENTS OVER RECEIPTS	817,639	386,867	-430,390	0	817,257	



ITEM 6

OKANAGAN REGIONAL LIBRARY



2019 ANNUAL REPORT

VISION

THE ORL PROVIDES FOR LEARNING, INNOVATION, CREATIVITY AND A CONNECTED COMMUNITY.

Library Board Agenda - May 20, 2020

Welcome

It's not hard to look back and find a memory of the library experience that was meaningful to you. For some, it was a safe and warm place for others, a place to study, meet friends and explore the worlds in books, magazines and library materials. Okanagan Regional Library, like libraries across the world, is changing, evolving and adapting to serve patrons with new technologies, more versatile spaces, new experiences, and programs to inspire and educate.

There will always be a place for books in our libraries, but in 2019 ORL took significant steps to ensure that STEAM [Science, Technology, Engineering, Art, Math] learning, the Making movement, digital literacy and 21st-century technology has a place in our branches. With

the opening of a new Learning Lab that is heavily focused on technology and digital skills as well as the official openings of the Kelowna Maker Space, Golden Maker Lab we charted a new and exciting course for the ORL.

Through continued support from the local governments, charities, patron and business donations, we continue to look for new opportunities where we can enhance the lives of the community members.

We continue to work to make sure that ORL is a valuable part of the community and a useful resource to all people.



Karla Kozakevich
Library Board Chair



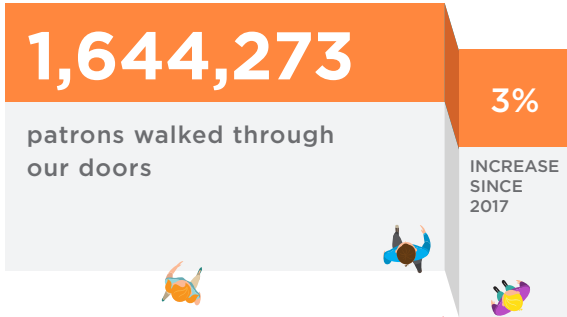
Don Nettleton
Chief Executive Officer

In 2019 ORL Saw a Significant Increase in Programming and In-Person Attendance.



patrons attended ORL programs and used Library meeting spaces

8% increase since 2017





Library Board Agenda - May 20, 2020

Summer Reading Club

continued to work to maintain literacy skills during the summer period. Total registration was 6,006 an increase of 5% over 2018. SRC programs offered increased 15% to a total of 285, and total attendance at those programs increased 4% from 2018 to 13,181 children.

Steam Programming

continued to build as more staff became trained and more shared system-wide resources were purchased. Most branches were able to offer at least some technology-related programs.

2,409,939

patrons visited our website

7% INCREASE SINCE 2017



American Sign Language Programs

were also offered at several branches in partnership with other organizations.

Adult Programming

continued to evolve, including activities like book clubs, language learning groups, games groups, technology training sessions, and local interest speakers covering a wide range of topics. Kelowna branch also once again hosted citizenship ceremonies for new Canadians.



1164

hours spent learning new languages through Rosetta Stone

10% INCREASE SINCE 2017

3,864

adults attended programs

8% INCREASE SINCE 2017



An elementary student, a refugee from Syria, was on a tour of our branch in complete awe smiling the whole time; he hadn't been allowed to access books where he was from. He proudly told me that he'd read 22 novels since September. He said they were only easier chapter books than his friends read, since he was just learning English; but he wanted to read as much as he could while he is in Canada, in case he doesn't get to stay. He was incredibly polite and thanked me for helping him get a library card, for giving the tour and for showing him how to use the e-resources. He was excited to show his siblings what they too could read.

-Vernon Library Staff

649,679

ORL eBooks & eAudio checkouts



56%

INCREASE SINCE 2017



2,689,749

physical books, magazines and other materials borrowed

6% DECREASE SINCE 2017



434,274

PressReader articles read

-26%

DECREASE SINCE 2017

DECREASE DUE TO DISCONTINUATION OF POPULAR NEWSPAPERS



Library Board Agenda - May 20, 2020

Increased Focus on Digital Learning

In 2019 we started to introduce digital learning centers in some of our branches. In February, on the lands of Westbank First Nation, we opened the Westside Learning lab. This branch includes an audio recording booth and technology, video recording equipment, technology to convert old formats to digital, a multipurpose teaching room, a laptop teaching lab, and other digital equipment. This was followed in July by a digital learning space in the Kelowna branch with some of the same sorts of equipment and staffing, and in October by a digital training space in Golden branch of the ORL. Much of the equipment was provided through generous donations from corporate and public sponsors, and other partners.

Train and Hire Technology Assistants

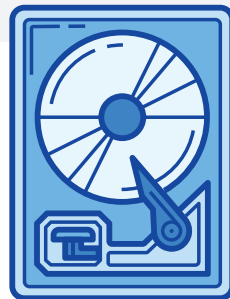
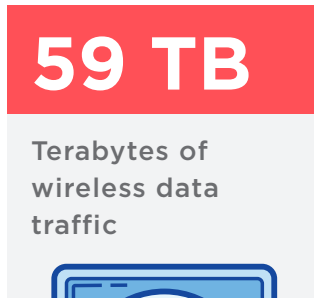
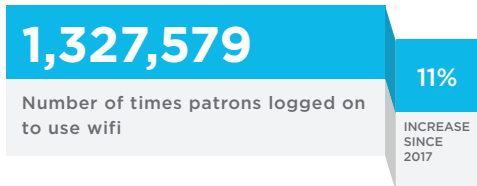
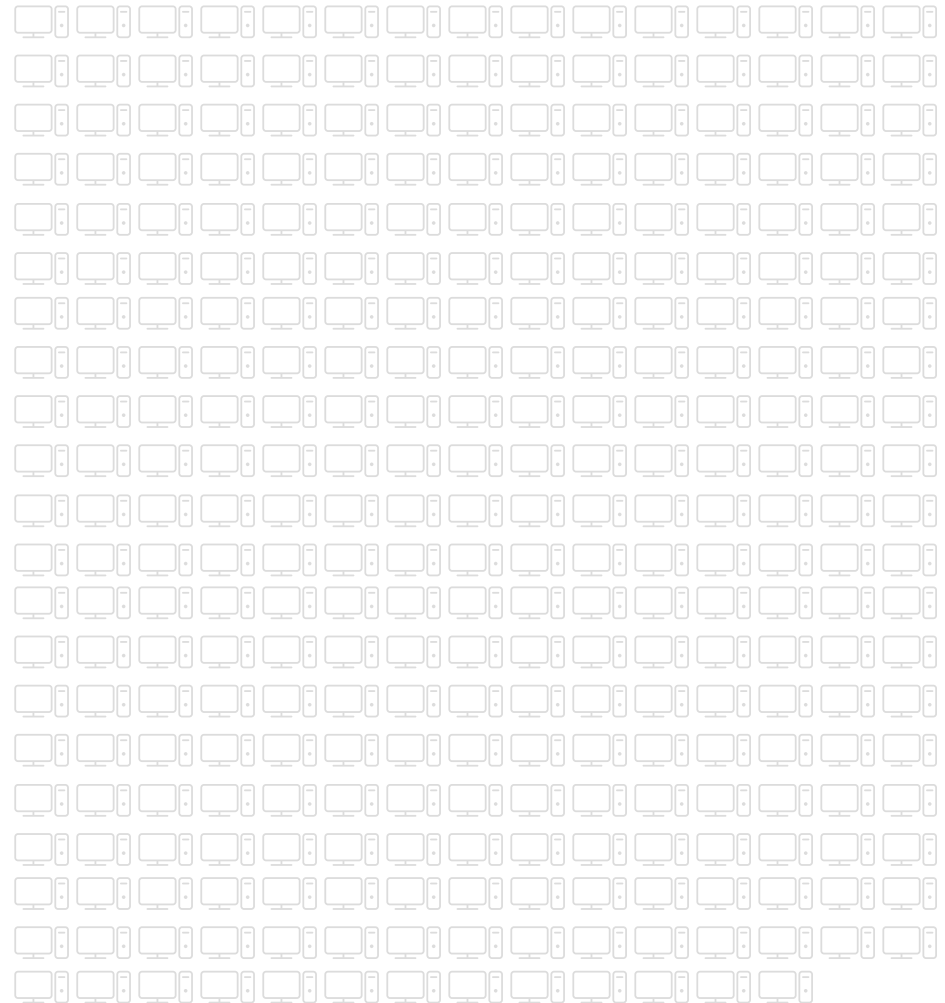
We also continued to train and hire technology assistants in several locations whose training and primary work focused on assistance with digital teaching and learning. We are also working with regular library staff to train and develop familiarity with new technology and opportunities.

Upgrade Our Network and Bandwidth

We continued to upgrade our network and bandwidth so that we are responsive and current. In several of our communities, we are the main public internet service and have been a catalyst to new connectivity for the community being brought in.

We added a significant number of additional public use computers to a total of 355 (26% above 2017). Along with our increased bandwidth and wifi, citizens and visitors in all of our communities have access to the full range of resources available on the web. And from the number of logins, hours of wifi use, and terabytes of wireless traffic, we can see it is increasingly well used.

This continues to help level the playing field for all members of the community

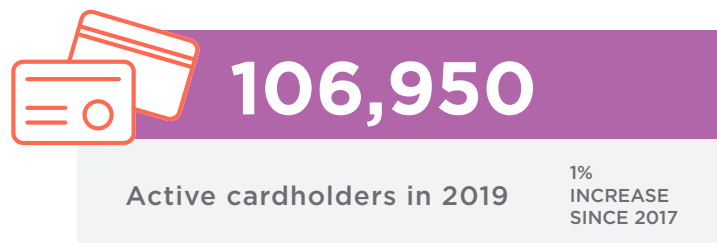


Championed by one of our librarians with a special passion and background in this field, we developed an online list of “diversability” resources for children and teens with unique challenges. This also included a list of service providers. These ideas and lists have been picked up by communities right across Canada, as this is something that fills a needed vacuum for people dealing with these challenges.

We also were able to host a diversability staff training program, which had over 75 attendees. This allowed for library workers from our system to get some additional training and networking to help deliver better support to their communities.

We continue to run all of our library staff through training in safety and particularly in dealing with the homeless and disadvantaged segments of our society. This has helped to keep our branches safe while at the same time ensuring inclusiveness for people of all backgrounds and socioeconomic status.

We also hosted the first provincial CATS conference with Kootenay Library Federation with about 80 attendees from around the province and Alberta covering a variety of youth services programs.





Library Board Agenda - May 20, 2020

We held a special training session for the library board and senior staff on inclusion and diversity.

We continued to build sustainable partnerships with other organizations. This is a gradual process; we work with literacy groups to help support literacy training, Okanagan College for training spaces, and other groups. UBC-O has a dedicated space in our downtown Kelowna branch to provide services to students, while we have a pickup branch offering our resources within the UBCO library at the Kelowna campus. We also work with local schools and homeschoolers to partner in education.

As previously mentioned we were able to partner with Columbia Basin Trust to renovate the Golden Library and purchase equipment for the new technology lab in Golden. This has greatly increased the opportunities for connectivity and training in the Golden community. Although it opened in late fall, it is already seeing a number of training sessions and users. The Columbia Basin Trust will also be partnering with us in 2020 to complete renovations and purchase equipment for a similar learning lab in Revelstoke.

In 2019 the communities spoke out about the importance of ORL and the impact we have on the people of those regions. We look forward to 2020 and the opportunities that it will bring, and we will continue to innovate and evolve to meet the needs of the people we serve.

2,505

hours spent learning new skills through Lynda.com

14% INCREASE SINCE 2017



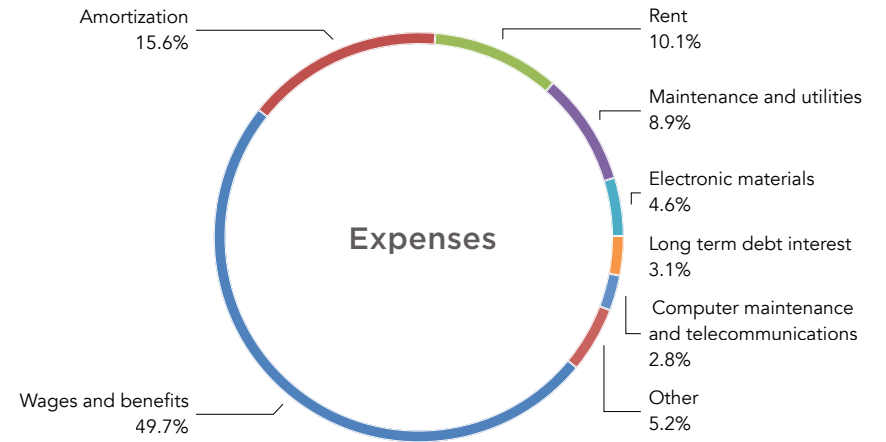
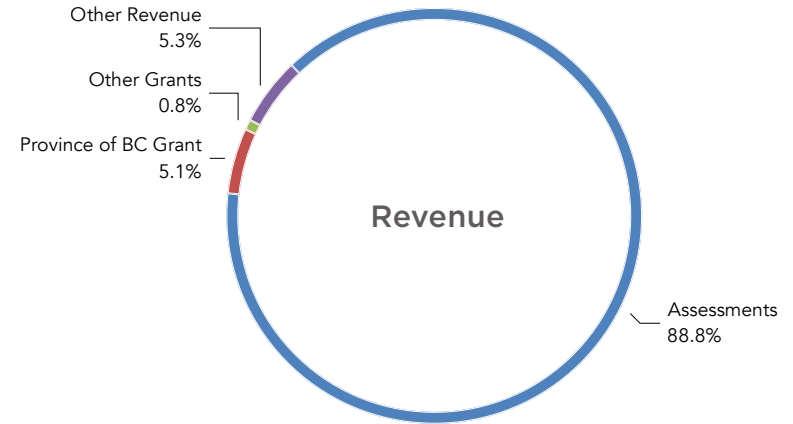
Okanagan Regional Library District

For the year ended December 31

	2019	2019	2018
	Actual	Budget	Actual
Revenue			
Assessments	\$ 17,401,763	\$ 17,398,108	\$ 16,965,470
Province of British Columbia grant	1,008,382	1,008,808	1,008,062
Other grant revenue	151,019	83,500	56,162
Other revenue	1,045,796	488,327	626,649
	19,606,960	18,978,743	18,656,343

Expenses

	2019	2019	2018
	Actual	Budget	Actual
Advertising and marketing	\$ 61,668	\$ 55,778	\$ 40,458
Amortization	3,012,540	-	2,903,890
Association dues and memberships	16,824	19,380	14,822
Board and committee expenses	12,766	20,141	7,083
Book binding and mending	3,522	30,000	11,570
Computer maintenance and telecommunications	549,576	567,560	468,164
Electronic materials	885,934	938,061	787,801
Insurance	53,676	52,020	55,363
Interest, bank charges and foreign exchange	15,311	8,160	10,082
Long term debt interest	592,500	693,750	693,750
Maintenance and utilities	1,715,678	1,391,334	1,318,988
Penticton library contract	46,530	40,000	36,190
Postage and freight	53,320	59,200	49,700
Professional fees	72,238	77,489	91,437
Programs	120,989	93,755	65,766
Rent	1,952,188	2,114,329	1,989,029
Staff development	242,093	162,503	221,005
Sundry	3,474	71,317	-
Supplies	157,205	133,866	127,984
Telephone	25,463	32,050	20,946
Transportation	120,906	133,988	124,536
Wages and benefits	9,613,450	9,734,043	8,822,187
	\$ 19,327,851	\$ 16,428,724	\$ 17,860,751



Need Help? Contact Us!

Visit us at your nearest ORL library,

www.orl.bc.ca/hours-locations or email us at info@orl.bc.ca

Call the toll-free eBook Help Line: 1-855-853-2665

31 ORL LIBRARY BRANCHES

Armstrong	Osoyoos
Cherryville	Oyama
Enderby	Peachland
Falkland	Princeton
Golden	Revelstoke
Hedley	Rutland
Kaleden	Salmon Arm
Kelowna	Sicamous
Keremeos	Silver Creek
Lake Country	South Shuswap
Lumby	Summerland
Mission	UBC-O
Naramata	Vernon
North Shuswap	Westbank
Okanagan Falls	Westside Learning Lab
Oliver	Administration

CONTACT INFORMATION



info@orl.bc.ca



www.orl.bc.ca



OKRegLib



#ORLreads

CEO Summary report to the Board regarding COVID19 and the ORL for March and April 2020

Timeline of activities:

Starting in early March, the pandemic leaped to prominence in Canada. In the Library and ORL world in particular, we were pretty well left to find and determine our own way safely forward. Unlike the major large municipal libraries and small public libraries, we were not directed or mandated by actions of the municipality or the province, other than the general directions to everyone of the provincial health officer.

The key milestones timeline wise for the ORL were:

For March

- The week of March 9, community discussion and initial indications of travel restrictions and closing of borders started to appear. Thursday and Friday March 12,13 libraries across much of Ontario and other provinces started withdrawing their services and then being directed to shut their doors to the public with a few hours or less notice. The BC Government and schools held off giving direction other than people should avoid unnecessary travel and not go away for spring break. If they did or were just returning, a 2 week self isolation period was required. We focused our efforts on identifying any staff who reported they were ill and ensuring that they stayed away from work and others in close connection were aware.
- After monitoring news and the Library Directors links all weekend, the ORL made the decision to stop all public programming on Monday morning, March 16. By noon, it became apparent that most recreational services were being shut down by towns across the province, including many of our own members. The anxiety of the public and our staff and the discussions with other library directors led our management team to make the decision to close all buildings and services at end of day Monday March 16
- For the next 3 days, the senior management team focused their time on planning for the safe work of staff. The professional librarians, working from home, got engaged on the Microsoft Teams software which we had just rolled out a short time before, creating training courses and options, and brainstorming on creating and strengthening virtual services for the public.
- The management team prepared instructions for starting one or two employees resuming work in our buildings on Friday. This occurred in several of our branches, but the community anxiety was increasing and the directions of the health officer was to stay home unless work was deemed essential. We concluded at that time that for an example to the community and to avoid risk to our staff and the organization we would totally shut down work in all of our buildings until the situation changed.
- Over the next week, we continued to sort out working from home issues for some branch staff, particularly in smaller outlying communities so that throughout that week and beyond pretty well all employees were productively engaged in working from home.

For April

- Over the month of April we continued to develop and man virtual services. We created an online chat, a telephone help service, email help service, and a lot of zoom and u-tube programming was begun
- The key leaders were working long hours trying to keep ahead of and organize the numerous teams which were working to roll out the various aspect of the work. A separate detailed report outlining all that was accomplished by staff during this period is a separate item at the Board meeting and will be presented by staff. Considering that we were starting from almost ground zero in a world of uncertainty, a significant amount of great work was accomplished.

Staffing and Layoff Summary

- A commitment was made to all staff when the shutdown occurred that they would be paid as per their scheduled hours up until the end of the next pay period, which ended April 1, but after that would depend upon the situation.
- All casual and on call shifts were cancelled after the first pay period which ended April 1, and any fully casual employees were given ROE slips if requested.
- All 47 student pages were given their 2 week layoff notice in late March.
- As the government supports such as the CERB program were announced (where earning any money was initially disallowed) it was quickly apparent that employees who had depended significantly on on-call work were significantly worse off and so we provided the option of layoff for all who this would assist as of the April 15 pay end. After discussions with the unions, 25 of our employees opted for this option.
- As of April 15, we provided 2 week notice to 9 of our employees at headquarters due to feeling that their work was not required for sometime and training options did not relate as directly to their positions.
- **Layoff summary totals:** By the end of April we had laid off 142 of our 304 employees (46% of headcount, but we had maintained the bulk of our permanent staff) The 142 layoffs included 61 auxilliary, 47 pages, 25 perm/voluntary, and 9 direct layoffs.
- As late April progressed, we were seriously trying to evaluate how much longer we should continue to maintain our staffing levels. We did not want to lay off only to have to bring back in a matter of a day or week as layoffs have significant non monetary impacts as well. We had contingency plans should it look like the return to work would be months or weeks. However, over the last days of April indications started coming from Dr Henry and the premier, and from other provinces that we could soon begin to phase in restoration of some services within as soon as a couple of weeks. This would require staff in all of our branches and so additional layoffs were postponed until the longer term plans and needs were fully known.

Other Covid activities

- Some other significant steps were we early on cancelled or significantly reduced most janitorial services as of the end of March, giving 2 weeks notice to our contractors.
- We also took the opportunity to move ahead with already lined up headquarters building work including painting of the lobby, the staff room, the Boardroom and a meeting room so that it would not impact those sensitive to odors while staff were out of the building.

Some new equipment to assist with virtual meetings was also installed in our Boardroom and in the Kalamalka meeting room.

- A couple of our memberships have proven to be critically important during this time – our membership in the Canadian Urban Library Congress including the 44 largest Canadian libraries had directors meeting virtually once a week, as did the Association of BC Public Library Directors. This allowed us to share ideas, keep in sync with what others were doing, and develop or coordinate reliable information and direction to ensure that we could work safely and guide us in our service initiatives.

Looking Forward to May and beyond

- **Phase 1 restoration of services:** - The key thrust for Library leadership and branch staff is directing all efforts on the first phase restoration of branch services (called curbside delivery), while still maintaining the virtual services. Although this sounds simple, the planning and paperwork etc to meet the necessary worksafe requirements for opening safe workplace is huge and requires a lot of thought, effort and documentation to ensure the risk has been addressed at 30 different sites. As soon as the first steps to get staff into the branches are completed, there is a lot of tasks required to restart our delivery and main book distribution and circulation systems to allow the public to start to place holds, staff to fill and move the holds from where they are to the requested location, and then the door/curbside delivery. A major component of this is the reopening of the book returns and then getting these moved safely to quarantine until they are safe. All current studies and N American libraries have settled that 72 hours is the necessary quarantine time. Obviously, where to find space and how to do that will differ slightly in each branch depending upon volumes and space. The other huge task is identifying and scheduling the staff that we will need and setting up work areas and supports so that they can maintain social distancing, have any necessary PPE, and deal with any other covid challenges.
- **Planning for additional restoration of services phases** – As soon as phase 1 is rolling, we will have staff doing detail planning for identification and rollout of additional phases. The timing for each of these will depend upon how phase 1 has gone, and how well the BC plan for phase 2 and beyond is working. Current expectations are that we could be in phase 1 for several weeks before we are able to jump to additional services. Getting back to larger live public programming phase could a year or two off depending upon the covid related advances such as vaccines and treatments. Each ORL restoration phase will involve identifying the additional risks to staff and public and having plans in place to deal with them safely. We will be building off of phase 1, but particularly once we get to having the public throughout our buildings we will need to keep changing and adapting. We are in close contact with the greater Canadian Library community and working to ensure that we try to identify and deal similarly with each issue – though our timing will likely vary in each region.
- **Looking forward to 2021 and beyond:** - Later this fall or by early next spring, as we get past the crisis mode of operations, we will begin to have time to restart the strategic planning process that had to be set aside due to covid19. We were almost midway in the plan development, which had been aggressively scheduled to come to the May Board meeting for review and final approval. The plan was that we would have used

the summer and early fall to develop the operational plans to start to implement various aspects of the plan. Though in some ways it would have been nice to have had the plans developed, in many other ways the timing is fortuitous for the ORL. The new normal and world at the end of year 2020 and beyond is likely to be so changed from what early 2020 appeared to be that a new plan at the end of the year should be much more relevant and useful to us going forward. And there would definitely have been no opportunity to have been able to divert management time toward developing the operational details and communication to our users and public with all efforts focused on covid19.

Don Nettleton, ORL CEO

(10 minutes +5 minute Q&A)

ORL Services during COVID Closures – Summary Report (COVID Online Library Service)

This report is not inclusive, but rather a snapshot of the key activities, services, and programming conducted since March 17. Programming and services continue to date.

NEW LIBRARY MEMBERS

Within days of closing the libraries, we enabled a web form to allow community member to register for library cards online. Since March 17, 970 people have joined a library system with no open libraries! New members have joined from all our communities. In addition, 170 people have contacted staff by phone or chat to renew library cards which had not been used for more than 2 years. This demand clearly demonstrates the importance of library access to our communities in time of crisis.

ONGOING LIVE PROGRAMMING

Immediately after closing our doors, teams were established to help our staff continue the vital community programming they run for their communities. Some online programming is available for everyone across the whole system, and some local programming, that supports important, specific, local social connection has moved online as well. Staff across the system have increased their technical skills, experimented with new techniques, and continued to support important library relationships online. Some examples include:

- Print Disabled Telephone Book Club (aka The Readers). This is a new place especially created for print disabled seniors to connect with others and discuss books. The Readers has helped participants find their voice and connect to others. Participants have stated they are pleasantly surprised that this program was available. One participant, after stating she didn't have much to say, talked for close to 30 minutes. The Readers welcomes new people and look forward to connecting different people, from around the valley, to each other.
- Zoom Mandarin Mondays. Mandarin teachers and learners meet and interact online to learn and maintain their language skill. This was an active face-to-face group at the Kelowna Branch before the closure, who were very happy the library could facilitate them to continue connecting and learning together online.
- Online Coding Club. This is a weekly live online program where a Tech Assistant instructs children ages 7-13 on how to code using open-source web-based programs. These programs are limited registration, and consistently full, and are recorded to allow additional customers to watch them later.
- Online Recreational Math Club. This is a weekly live program where a Tech Assistant instruct young people aged 12-16 on how to unravel math riddles, simplify logic problem, dive into techniques that can be used to make math make sense.

- Weekly PJ Story times (via Zoom) on Tuesdays at 6:30pm
- Wednesday weekly story time (via Zoom) at 11am
- Friday weekly story time (via Zoom) at 11:30am
- Every other Thursday Baby Time at 1pm
- Online Trivia Game Nights every Friday night.
- Online board game design workshops every Tuesday night.
- Online Knitting Groups. Several branches are reconnecting their knitters (many seniors) via zoom, having fun learning zoom technology while sharing their crafting skills.
- System wide virtual (Zoom) Book Clubs.
 - War and Peace Bookclub meets every Thursday
 - Other regular meetings on specific book titles each week
 - Many of our small branches also host local online book club meetings, primarily attended by local customers and functioning to maintain important social connections at this time of isolation.

ACTIVITIES/VIDEOS/NEWSLETTERS

- Many branches have filmed short videos (such as story time, rhyme time, or a STEAM activity) and posted them on their local branch Facebook pages. Example: https://www.facebook.com/pg/revelstokebranch/videos/?ref=page_internal
- Weekly STEAM Newsletters. These are updated weekly and contain a list of library recommended STEM activities, podcasts, programs and more for all ages. They are designed for families who are looking for education and fun activities that they can do at home for free. <https://www.orl.bc.ca/kids-teens/steam>
- STEAM videos on YouTube. These are 5-10-minute tutorials for how to do STEAM projects at home using readily available materials or open-source software. Examples include building projects, art projects, and digital media projects. <https://www.youtube.com/playlist?list=PLISSNm-sbtsD2s1sS8CjWkWj9Wo67P9uH>
- Activity of the Week. This is a weekly steam activity sheet that is designed to use household items. Each activity may appeal to a variety of age ranges. They are made to provide families activities that don't involve screens. <https://www.orl.bc.ca/kids-teens/steam>
- Custom Booklists for kids and teens. This online service, which has existed for years, provides children book recommendation on what to read next. It continues to be popular during our branch closure, with the bulk of requests coming from 10-14 year olds. <https://www.orl.bc.ca/kids-teens/what-to-read-next>
- On-demand stories/rhymes. The youth services team is recording rhymes, flannel stories, oral stories, fingerplays, and songs for families that cannot attend a zoom or live storytime. https://www.youtube.com/channel/UCiy4T6VMz4yONtY_F4VAIHA/featured
- New Family Fun page on our website, updated regularly, which features vetted family friendly websites full of activities for parents and children. <https://www.orl.bc.ca/kids-teens/parents-teachers/family-fun>
- New Adult Programming and Activities page has been added to the website to help keep adults connected during this time <https://www.orl.bc.ca/read-listen-watch/programs-for-adults>

- Reading Challenges in many branches. Some are for children, others for adults, all challenging readers to complete a reading goal. These have had huge uptake with our customers, for example, 982 people engaging with the Sicamous/Enderby/Armstrong children’s isolation reading challenge.
- Various online branch specific contests such as bingos, coloring contests, treasure hunts, scavenger hunts.

CHAT SERVICE/HELP EMAIL

- Online chat and email help service started March 26. This report covers the first five weeks of activity in which 627 questions were answered. The types of questions fielded were:
 - Library card, resetting PIN 56%
 - General troubleshooting for accessing e-books or databases 22%
 - Book and book recommendations 9%
 - Programming 3%
 - Covid-19 and related 3%
 - Other/Miscellaneous 8%

PHONE SERVICE

- We were able to set up a toll-free phone line, that operates through Microsoft Teams, enabling staff to answer the phones from home. Since phone service launched on April 21, and since then have averaged about 10 calls per day. While the volume is not high, the questions are ones that were very difficult to manage over chat. Our phone team routinely helps people troubleshoot access to our e-resources. Many of the phone calls take 20 to 30 minutes, and staff have reported how happy customers—especially our seniors—are to have such patient and skilled help to get them up and running using new technologies to access everything from books to newspapers, ebooks to streaming films.

E-RESOURCE USAGE (statistics available up to the end of April)

- **Databases:** across all databases usage is up 66% over April last year. A couple of especially high performing databases include the Home Repair Reference Center – usage has more than doubled, and Global Road Warrior – which has tripled.
- **Encyclopedia Britannica:** This resource consists of the traditional reference encyclopedia – up 5x over last year, the Young Adults Encyclopeida up 8x, and the Kids Encyclopeida – which has increased 20x over last year.
- **Lynda.com** usage has more than tripled, and this will reflect a combination of increased use by the public, and by our staff who are using Lynda as a training resource
- **Niche Academy** is a new tool for online tutorials. One main use is to provide embedded tutorials on our website showing customers how to get started with and use our online resources. This tool just launched a few weeks before we closed, and in April had almost 4500 views. Again this will be a combination of customer usage, and staff usage – as staff are using these tutorials to gain greater expertise in our online resources

- **Newspapers and Magazines:** PressReader is our most popular platform for online newspapers and magazines, and the number of articles read is up 90% over last April. RB Digital magazine use is up 60%, and Canadian Newstand usage has nearly tripled.
- **EBooks and EAudio:** We have seen a 40% increase in usage of our Overdrive eBook collection, Tumblebooks for Kids and Young Adults has nearly doubled in usage.
- **Streaming Video:** Our existing video streaming platform, IndieFlix, saw a nearly 400% increase in usage. We have also launched a new video streaming platform Kanopy - that was offering a free trial period at this time. Kanopy includes feature films and access to The Great Courses. We will be keeping this product as an ongoing part of our collection after the trial period. This new service had 300 views in the first 10 days after its launch.

COMMUNITY ENGAGEMENT

System – Access Services

- Worked with IT department and support services to repurpose and prepare (IT set-up and barcode/cataloguing) a set of 8 tablets (4 iPads & 4 Samsung tables) to be used for video communications for residents at Hospice House in Kelowna
- Long-Term Care Homes: We are currently reaching out to long term care homes throughout the system service areas letting them know about The Readers group as well as the options available to patrons with print disabilities through CELA & NNELS. Have made initial contact with 45 care homes with some initial conversations happening with a few homes

System – Youth Services

- Contacted each school district in our region to provide information on resources that can help their students and families. School districts were happy to receive this information with several posting ORL information on their respective websites.
- Connected with Childhood Connections- Okanagan Family and Childcare Society, who in turn are sharing our information to all their many partners.

System – Tech Assistants Team

- Heather Marnier and Mina Aiur are part of a team, Okanagan Makers Alliance, that are printing PPE for health care workers. Here's an example of some coverage of their project:
https://www.kelownacapnews.com/news/okanagan-group-uses-3d-printing-to-make-face-shields-for-interior-health/?fbclid=IwAR3-XXkrSEep3eSRV-T_SUgOBOBJE0hIS1DU292T832KmagR7BtzydK-ut0

COMMUNITY CONNECTIONS

Our physical branches may be closed but staff continue to maintain their existing community partnerships to ensure we are working together as collaboratively as we can. Across the system our staff are reaching out and connecting with their communities through local facebook groups, local papers and radio stations and many other channels. Here are a few examples.

- On Monday, March 23 Head of Youth Services participated in a 30-minute interview with Chris Walker on CBC Radio's Daybreak South promoting ORL's new and upcoming online services like

the eLibrary Card, Custom Booklists, Tumblebooks, RB Digital and eCollections for Kids & Teens. The focus of the show was “What to do with kids at home.”

- Kelowna & District Genealogical Society extended their ‘Genealogists in Residence’ program to a virtual setting, asking the library to promote their program on our social media so all Kelowna branch patrons & visitors are aware that family history support is still standing by.
- Cultural District Roundtable Meetings – Our Kelowna Branch Head continues to sit in on Cultural District meetings. The Cultural District, composed of over 25 partners, is kept informed about the library’s role and our new programs/services at twice monthly meetings. We also cross promote other local opportunities that appeal to our patrons/followers, and pass information with peers and colleagues from around Kelowna.
- Read Local Okanagan – A 4-evening virtual author reading series was developed by this organization and driven by local writers in the Central Okanagan. Kelowna branch heavily promoted this opportunity. 68 people attended the readings through early April, and \$680 was raised. The Kelowna Friends of the Library was pleased to be nominated as 1 of the 4 non-profits to receive a share of these proceeds raised.
- Naramata Artists - Naramata artists have been contacted inviting them to use the library windows to exhibit their artwork in a “Walk-by Exhibition”. Methods of hanging the art are currently being explored.
- Connected with Town of Princeton admin staff to connect patrons with our online resources through their website, social media links, access to LED ticker board and by weekly ads in newspaper. We are working closely to gather feedback from the public on what programs are wanted and needed as well as continuing to work on access to walking trails to possibly start a Storytime walk that families can do while still adhering to social distancing guidelines.
- School District 58 (Princeton area schools). Connected with teacher contacts, principals and admin staff to facilitate connection and support within the community. Guided them to our teacher support with online learning, eResources and Libraryplus.ca. Working in conjunction with them to tailor programs to best support locally. Feedback has been very positive.
- Off the Shelf: News from the Library. Off the Shelf is published weekly on mynaramata.com. The article is to connect local readers to library e-resources, local and system wide programs and well as online phone/chat help. The article is presented in a friendly style, rather than an ad, to preserve the personal connections many Naramata citizens have made with their community library.
- In partnership with Turning Points, the ORL was able to donate 3 computers to the new shelter space at the Vernon Curling Club, to help shelter residents access information, online forms, and entertainment. Vernon Branch Heads Kristy Hennings and Alison Hayman will be returning to the shelter in the next week to create Access cards for shelter residents who would like to access the ORL’s extensive eResource collections.
<https://www.vernonmorningstar.com/news/covid-19-vernon-library-keeps-shelter-occupants-connected/>
- Vernon Branch Heads worked with Interior Health and the Cammy LeFleur Street Clinic to offer free naloxone kits, naloxone testing, harm reduction materials, and registration for library cards at a booth outside the library on cheque day this past week. We are planning more outreach with Cammy LeFleur as the pandemic continues.

Staff throughout our system are also continuing to actively promote our services through our own Facebook, Twitter, Meet Up accounts as well as their local community contacts such as:

- Local Community Facebook pages
- Local Elementary school websites
- Local School PAC groups
- Local Homeschooling groups
- Snowbirds Facebook groups
- Articles in local papers
- Central Okanagan Family Hub Facebook page
- Local Bulletin Boards
- Interior Health
- Local Daycare Groups
- Teacher Librarians
- Local Chambers of Commerce
- Local Literacy Associations
- North and South Community Resources
- And more

FEEDBACK AND DATA

Qualitative and quantitative data is not robust primarily due to the new avenues of providing service, staff learning how to zoom, difficulty in keeping track of people attending online sessions, collecting comments. As we continue to provide virtual programs, we will learn and streamline our data collection process. In stating this, we do have some comments from public, provided below, followed by limited quantitative.

- Re: ORL YouTube/Steam Videos: “Your team is absolutely incredible – the value you’re putting out is incredible. I wish I could share it with more school districts, instead of just my one elementary school. This is pure gold via our teachers!”
- Received via our CHAT or Help email service:
 - I have enjoyed borrowing books online for about a year, but during this time of staying home during the pandemic, it has been a God-send!
 - Thanks so much for all you are doing to help your members during this time. It is really appreciated...
 - Thanks a ton! What a great introduction and welcome to the Okanagan Regional Library! Take good care.
 - First day impressed with your selections think it's easy to use look forward to checking a book out
 - You have been more than helpful...I was sad when the library closed.
 - I miss the library...I consider you essential.
 - A customer on getting set up to borrow ebooks for the first time “Today is better than my birthday!”
- Re: online book club meetings:

- I just wanted to let you know that I appreciated the Book Club Zoom meeting today. It was great to see some faces and review the book Washington Black!! Great idea having the meeting online however I do prefer the in-person meetings at the library.
- Re: YouTube Steam Videos:
 - “This looks so fun!! Thanks Okanagan Regional Library! Anyone else want to try this? We could do a standard 8.5x11 paper catapult challenge: What would most people have that we use as an item to launch – maybe a marker lid? We could compare distances travelled??”
 - School District North Okanagan Shuswap: “Check this out!”
 - Thanks for this great video! Very informative and easy to follow.
 - “I thought we'd tried all the dough/slimes in our house, but this one was new - my daughter loved it.”
 - “Fun and informative. Worth a peruse”.
- Re: On-Demand rhymes, stories, songs, fingerplays:
 - Only thing my 2 yr old has sat through!! Thank you.
 - You are now part of our morning routine...the big kids have it memorized!
 - This is fantastic! My dude’s 5, and as soon as he heard “zoom, zoom, zoom” he started singing along.
- Re: online reading contests
 - Thank you for doing the reading log contest! I have already put in my first entry! I am hoping I can win the Indigo gift card so I can buy something cool. It was very nice that you made this contest during these tough times. My sister is also doing the reading log. Thanks again, have a great day!
- Re: online live story times
 - Today's Virtual Story Time was SOOOOO wonderful! I wish you could have seen & heard the children waving at the screen and saying "HI ARDIE"!!!
 - I gave them all stamps when you finished (although MY stamps are not scented, they made do). We are so excited to know that you may be doing more of these Story Times in the future.
 - Please keep us posted and we will join in again!
 - Thank you so much for being there for us during this time!
 - Storytime was a hit at our house this morning! Thanks for bringing a piece of our routine back to us. Attending Storytime, even virtually, was a balm for all our souls.
 - This is so great!! Thank you so much for making this happen. It’s adding such a nice piece of normalcy to Zenna’s world right now, and I dearly appreciate that

Some Numbers:

- VE updates their branch Instagram every two days and adding to our ‘stories’ daily to cross promote all of the STEAM and children’s programming happening system wide. They currently have 497 followers. <https://www.instagram.com/orlvernonlibrary/>
- In the last 28 days, views on the Vernon/ Cherryville/ Lumby/ Falkland Facebook page are up 37%, ‘likes’ are up 164%, and its had 1604 users engage with our posts, up 104%.
- Sample Zoom Storytime Attendance
 - **March 28:** 16 children and 7 adults attended.

- **April 1:** 66 adults and more than 120 children.
- **April 8:** 35 adults and more than 70 children.
- **April 15:** 26 adults and more than 52 children.
- **April 22:** 52 Children and 24 adults
- Sample Pre-Recorded Video (YouTube or Facebook) Numbers
 - First Rhyme Time video on March 27, to date viewed 2800 times.
 - SA staff member singing story time songs viewed over 2000 times.
 - ORL You Tube site with STEAM and Stories created March 30 with 3,766 views of those videos.

LOOKING FORWARD

- Summer Reading Club. The British Columbia Library Association has received funding from the BC Ministry of Education to assist in a province wide digital participation component to this program. Available to all public libraries will be an online SRC registration, digital features for tracking reading progress, weekly online programs and weekly offline activities. The ORL will also be providing live online programs for our ORL customers as well as many local branch offline contests and activities.
- We are actively working to resume lending of physical materials, through a curbside pick-up model. This model emphasizes staff and community safety, while allowing customers to once again have books in their hands. This service will be available in all our communities with an estimated start date of June 2.

Although physical branches are closed, our library system is still very active supporting our communities through online programming, help through phone, chat, or email service, access to robust collection of online books, magazines, newspapers, movies and music, and assisting anyone who needs help in using our electronic resources. We are now actively working on how to continue to support this important online engagement while slowly beginning to increase services at our physical locations.

MEMORANDUM

File No. 100.22

To: Okanagan Regional Library Board of Directors
From: Chief Financial Officer
Date: May 14, 2020
Subject: Preliminary COVID19 Financial Observations

RECOMMENDATION

THAT the Board receive the CFO's Memo regarding preliminary COVID19 financial observations.

BACKGROUND

In March of this year the ORL made the unprecedented move to temporarily close all physical library branches due to the threat posed by the COVID19 worldwide pandemic.

As the Board knows a significant proportion of staff, mainly those part-time and casual but also some others, were laid off. Some sooner than others, and following legal (collective agreement and/or employment legislated) notice periods.

DISCUSSION

Payroll is down by approximately 130 head count (from an average of 270 to presently about 140) effective April 30th. The numbers were also lower before this date, but this is when the full extent of the staff reductions were observed. Partial (lesser) reductions have also been observed in earlier pay periods. This is now resulting in a payroll savings of \$72,000 to \$85,000 per pay period.

There have also been savings in other areas of building maintenance and security, but these are still being tallied. Charges from most vendors arrive via invoice following the month of service and are paid in the subsequent weeks, which is too recent to report on in most cases. With ORL's approval, a number of the vendors also moved up semi-regular services such as window cleaning, floor waxing or carpet cleaning - so the timing of these services may obscure the actual savings until later in the year.

There will be some offset to these savings as there were enhancements to online/digital services, and new protective supplies and equipment are going to be needed to resume in branch operations.

The CFO is compiling this information and will provide any further information and detail that is available at the regular Board meeting.

CONCLUSION

The financial impacts of the COVID19 situation are being observed and gathered. This memo is intended to provide brief, high level insights as to what can be expected.

Respectfully submitted,

Jeremy Sundin, BBA, CPA, CA
Chief Financial Officer