

**OKANAGAN REGIONAL
LIBRARY DISTRICT
Financial Statements**
For the year ended December 31, 2021

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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 18, 2022



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BDO Canada LLP
2706 - 30th Avenue
Suite 202
Vernon BC V1T 2B6 Canada

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, 2021, 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, 2021, 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.

BDO Canada LLP

Chartered Professional Accountants

Vernon, British Columbia
May 18, 2022

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

December 31	2021	2020
Financial assets		
Cash (Note 1)	\$ 7,695,351	\$ 6,367,044
Accounts receivable	494,579	470,170
MFA debt reserve	155,000	155,000
	8,344,930	6,992,214
Financial liabilities		
Accounts payable and accrued liabilities	613,311	757,736
Wages payable	237,581	171,564
Deferred revenue	35,339	136,231
Long-term debt (Note 2)	8,552,341	9,320,055
	9,438,572	10,385,586
Net debt	(1,093,642)	(3,393,372)
Non-financial assets		
Tangible capital assets (Note 3)	23,766,413	24,576,077
Prepaid expenses	180,828	333,962
	23,947,241	24,910,039
Accumulated surplus (Note 4)	\$ 22,853,599	\$ 21,516,667

Approved on behalf of the Board:

Sherry Philpotts Adhikary

Chairperson

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

For the year ended December 31	2021	2021	2020
	Actual	Budget	Actual
Revenue			
Assessments (Schedule 2)	\$ 18,409,755	\$ 18,409,755	\$ 18,331,660
Province of British Columbia grant	1,008,382	1,008,000	1,085,840
Other grant revenue	79,160	55,500	93,601
Other revenue (Schedule 3)	762,665	495,926	600,913
	<u>20,259,962</u>	<u>19,969,181</u>	<u>20,112,014</u>
Expenses (Note 6)			
Amortization	2,286,297	-	2,670,105
Children's programs	19,209	30,262	10,049
Delivery/transportation operating	85,506	95,168	84,884
Direct local branch expenses (Schedule 4)	11,185,267	11,995,299	10,846,310
Electronic materials	1,439,297	850,238	1,286,938
Headquarters supportive services			
Salaries and benefits	2,609,834	2,496,020	2,391,493
Operating (Schedule 5)	1,297,620	1,817,433	1,330,537
Loss on disposal of tangible capital assets	-	-	5,139
	<u>18,923,030</u>	<u>17,284,420</u>	<u>18,625,455</u>
Annual surplus (Note 9)	1,336,932	2,684,761	1,486,559
Accumulated surplus, beginning of year	<u>21,516,667</u>	<u>21,516,667</u>	<u>20,030,108</u>
Accumulated surplus, end of year	<u>\$ 22,853,599</u>	<u>\$ 24,201,428</u>	<u>\$ 21,516,667</u>

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

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

<u>For the year ended December 31</u>	<u>2021</u>	<u>2021</u>	<u>2020</u>
	Actual	Budget	Actual
Annual surplus	\$ 1,336,932	\$ 2,684,761	\$ 1,486,559
Acquisition of tangible capital assets	(1,488,429)	-	(1,588,631)
Amortization of tangible capital assets	2,286,297	-	2,670,105
Gain (loss) on disposal of tangible capital assets	13,336	-	(5,139)
Proceeds from disposal of tangible capital assets	25,132	-	-
Increase (decrease) of prepaid expenses	153,134	-	(48,867)
Change in net debt	2,299,730	2,684,761	2,524,305
Net debt, beginning of year	(3,393,372)	(3,393,372)	(5,917,677)
Net debt, end of year	\$ (1,093,642)	\$ (708,611)	\$ (3,393,372)

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

For the year ended December 31	2021	2020
Cash flows provided by (used in) operating activities		
Cash receipts from assessments, grants, and other revenue	\$ 20,086,556	\$ 21,603,721
Cash paid to employees and suppliers	(16,119,657)	(15,372,332)
Interest received	34,769	41,207
Interest paid	(442,350)	(592,500)
	<u>3,559,318</u>	<u>5,680,096</u>
Cash flows provided by (used in) capital activities		
Acquisition of tangible capital assets	(1,488,429)	(1,588,632)
Proceeds from sale of capital assets	25,132	-
	<u>(1,463,297)</u>	<u>(1,588,632)</u>
Cash flows provided by (used in) financing activities		
Repayment of long-term debt	(767,714)	(738,187)
	<u>(767,714)</u>	<u>(738,187)</u>
Increase in cash during the year	1,328,307	3,353,277
Cash, beginning of year	6,367,044	3,013,767
Cash, end of year	\$ 7,695,351	\$ 6,367,044

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

Okanagan Regional Library District Summary of Significant Accounting Policies

December 31, 2021

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

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

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

**Tangible Capital
Assets**

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

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

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

**Government
Transfers**

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

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

December 31, 2021

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, 2021

1. Cash

Cash is held in a financial institution earning interest at an average rate of 0.55% (2020 - 0.88%) 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 the Central Okanagan was authorized (Regional District of Central Okanagan, Okanagan Regional Library District Borrowing Loan Authorization Bylaw No. 1236, 2021) to borrow \$8,000,000 from the Municipal Finance Authority on behalf of the Library District for the construction of a new library branch in the City of West Kelowna.

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.

	2021	2020
Debt 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.	\$ 1,461,618	\$ 1,723,784
Debt 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.	7,090,723	7,596,271
	\$ 8,552,341	\$ 9,320,055

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

2021	\$ 520,517
2022	520,517
2023	520,517
2024	520,517
2025	520,517
Thereafter	2,499,030
	\$ 5,101,615
Add: Actuarial additions until maturity	3,450,726
	\$ 8,552,341

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

December 31, 2021

3. Tangible Capital Assets

2021

	Land	Buildings	Vehicles	Computer Equipment	Shelving	Carts, Tables & Chairs	Electronics & Miscellaneous	Book Inventory	Total
Cost, beginning of year	\$ 983,134	\$ 20,675,786	\$ 137,624	\$ 1,597,441	\$ 2,739,790	\$ 1,789,326	\$ 800,687	\$ 14,045,053	\$ 42,768,841
Additions	-	144,703	94,177	131,211	10,625	34,933	16,666	1,056,114	1,488,429
Disposals	-	-	(49,216)	(120,209)	(2,716)	(2,950)	(33,586)	(3,571,518)	(3,780,195)
Cost, end of year	\$ 983,134	\$ 20,820,489	\$ 182,585	\$ 1,608,443	\$ 2,747,699	\$ 1,821,309	\$ 783,767	\$ 11,529,649	\$ 40,477,075
Accumulated amortization, beginning of year	\$ -	\$ 4,282,830	\$ 91,353	\$ 843,230	\$ 1,326,083	\$ 811,661	\$ 530,519	\$ 10,307,088	\$ 18,192,764
Amortization	-	409,824	25,730	191,303	68,693	50,483	37,987	1,502,277	2,286,297
Disposals	-	-	(37,420)	(120,209)	(2,716)	(2,950)	(33,586)	(3,571,518)	(3,768,399)
Accumulated amortization, end of year	\$ -	\$ 4,692,654	\$ 79,663	\$ 914,324	\$ 1,392,060	\$ 859,194	\$ 534,920	\$ 8,237,847	\$ 16,710,662
Net carrying amount, end of year	\$ 983,134	\$ 16,127,835	\$ 102,922	\$ 694,119	\$ 1,355,639	\$ 962,115	\$ 248,847	\$ 3,291,802	\$ 23,766,413

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

December 31, 2021

3. Tangible Capital Assets (continued)

2020

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

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

December 31, 2021

4. Accumulated Surplus

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

	2021	2020
Financial equity		
General fund (Schedule 1)	\$ 7,753	\$ 98,532
Equity in tangible capital assets (Note 5)	15,369,261	15,411,211
Reserve funds (Schedule 6)	7,476,585	6,006,924
	\$ 22,853,599	\$ 21,516,667

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

	2021	2020
Balance, beginning of year	\$ 15,411,211	\$ 15,759,637
Add:		
Contribution for long-term debt reduction	767,714	738,187
Contribution for tangible capital assets	1,488,429	1,588,631
Deduct:		
Amortization	(2,286,297)	(2,670,105)
Disposal of tangible capital assets	(11,796)	(5,139)
Balance, end of year	\$ 15,369,261	\$ 15,411,211

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

December 31, 2021

6. Expenses by Object

	2021	2021	2020
	Actual	Budget	Actual
Advertising and marketing	\$ 60,825	\$ 50,425	\$ 65,007
Amortization	2,286,297	-	2,670,105
Association dues and memberships	21,447	19,380	20,147
Board and committee expenses	-	20,141	3,533
Board strategic planning	-	300,000	1,407
Book binding and mending	7,537	21,250	4,473
Collection agency	1,942	14,566	1,083
Communications	98,574	76,400	29,150
Computer maintenance and telecommunications	489,354	459,050	523,807
Electronic materials	1,439,297	850,238	1,286,938
Insurance	18,481	56,470	57,368
Interest, bank charges and foreign exchange	9,619	11,500	12,275
Long term debt interest	442,350	592,500	592,500
Loss on disposal of capital assets	-	-	5,139
Maintenance and utilities	1,649,321	1,800,907	1,638,844
Penticton library contract	41,030	46,000	46,090
Postage and freight	38,985	62,260	31,006
Professional fees	94,533	83,489	106,073
Programs	37,960	80,779	76,376
Rent	1,878,142	1,873,230	1,831,708
Staff development	129,406	243,494	117,777
Sundry	-	99,022	-
Supplies	320,629	187,764	297,373
Transportation	97,959	136,668	98,552
Wages and benefits	9,759,342	10,198,887	9,108,724
	\$ 18,923,030	\$ 17,284,420	\$ 18,625,455

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, 2021, the Library District had drawn \$Nil (2020 - \$Nil) on this agreement.

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

December 31, 2021

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 \$593,808 (2020 - \$585,482) for employer contributions to the Plan in fiscal 2021.

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, 2021

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>2021</u>
Budget surplus (deficit) for the year as per board budget	\$ -
Add:	
Transfers to reserve funds budgeted for in expenses	738,075
Transfers to tangible capital assets budgeted for in expenses - books and material	2,371,985
Long-term debt reduction - principal	<u>520,776</u>
	3,630,836
Less:	
Transfers from reserve funds budgeted for in expenses	<u>(946,075)</u>
Budget surplus per statement of operations and accumulated surplus	<u>\$ 2,684,761</u>

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

For the year ended December 31	2021	2021	2020
	Actual	Budget	Actual
Revenue			
Assessments (Schedule 2)	\$ 18,409,755	\$ 18,409,755	\$ 18,331,660
Province of British Columbia	1,008,382	1,008,000	1,085,840
Other grant revenue	79,160	55,500	93,601
Other revenue (Schedule 3)	762,665	495,926	600,913
	<u>20,259,962</u>	<u>19,969,181</u>	<u>20,112,014</u>
Expenses			
Children's programs	19,209	30,262	10,049
Delivery/transportation operating	85,506	95,168	84,884
Direct local branch expenses (Schedule 4)	11,185,267	11,995,299	10,846,635
Electronic materials	1,439,297	850,238	1,286,938
Headquarters supportive services			
Salaries and benefits	2,609,834	2,496,020	2,391,168
Operating (Schedule 5)	1,297,620	1,817,433	1,330,537
	<u>16,636,733</u>	<u>17,284,420</u>	<u>15,950,211</u>
Excess of revenues over expenses	3,623,229	2,684,761	4,161,803
Net interfund transfers:			
Net contributions to tangible capital fund			
For long-term debt reduction	(767,714)	(520,776)	(738,187)
For tangible capital assets	(1,488,429)	(2,371,985)	(1,588,631)
Disposal of tangible capital assets	11,796	-	-
Contribution from reserve fund (Schedule 6)			
Branch furnishings	98,698	165,000	125,761
Building maintenance (owned)	36,846	30,000	2,500
Building maintenance (non-owned)	151,423	50,000	20,925
Donation	110,652	-	128,218
Staff appreciation and development	-	-	33
Strategic planning	-	330,000	604
Technology & software	37,064	331,075	302,524
Vehicle replacement	94,177	40,000	-
Contributions to reserve funds (Schedule 6)			
Branch furnishings	(145,000)	(145,000)	(145,000)
Building maintenance (owned)	(60,000)	(60,000)	(60,000)
Building maintenance (non-owned)	(32,000)	(32,000)	(25,000)
Capital building project	(1,064,000)	(114,000)	(1,114,000)
Donation	(310,444)	-	(318,759)
Staff appreciation and development	(1,500)	(1,500)	(1,500)
Strategic planning	(72,000)	(72,000)	(302,000)
Technology & software	(301,077)	(301,075)	(393,000)
Vehicle replacement	(12,500)	(12,500)	(12,500)
	<u>(3,714,008)</u>	<u>(2,684,761)</u>	<u>(4,118,012)</u>
Change in fund balance	(90,779)	-	43,791
Surplus, beginning of year	98,532	-	54,741
Surplus, end of year	\$ 7,753	\$ -	\$ 98,532

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

For the year ended December 31	2021	2021	2020
	Actual	Budget	Actual
Municipalities			
Armstrong	\$ 197,754	\$ 197,754	\$ 199,174
Coldstream	465,295	465,295	474,344
Enderby	108,510	108,510	109,240
Golden and Area	326,761	326,761	323,431
Kelowna	6,926,536	6,926,536	6,813,465
Keremeos	57,651	57,651	56,310
Lake Country	690,842	690,842	667,661
Lumby	73,551	73,551	71,745
Oliver	209,005	209,005	209,691
Osoyoos	270,166	270,166	264,777
Peachland	261,461	261,461	266,471
Princeton	115,497	115,497	127,406
Revelstoke	369,274	369,274	358,643
Salmon Arm	756,341	756,341	764,990
Sicamous	133,014	133,014	151,676
Spallumcheen	216,982	216,982	217,209
Summerland	521,791	521,791	524,891
Vernon	1,856,067	1,856,067	1,859,497
West Kelowna	1,596,395	1,596,395	1,600,118
	15,152,893	15,152,893	15,060,739
First Nation Members			
Westbank First Nation	438,437	438,437	427,089
	15,591,330	15,591,330	15,487,828
Regional Districts			
Central Okanagan	315,478	315,478	318,091
Columbia - Shuswap	854,822	854,822	860,703
North Okanagan	778,242	778,242	773,371
Okanagan - Similkameen	869,883	869,883	891,667
	2,818,425	2,818,425	2,843,832
	\$ 18,409,755	\$ 18,409,755	\$ 18,331,660

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

For the year ended December 31	2021	2021	2020
	Actual	Budget	Actual
Actuarial earnings	\$ 247,198	\$ 135,488	\$ 217,670
Bank interest	34,769	35,000	41,207
Book bag revenue	1,086	1,630	591
Copying and printing	20,945	39,500	14,190
Donation revenue	333,114	-	218,859
Fines, damaged and lost books	47,915	202,500	72,140
Gain on disposal of tangible capital asset	13,336	-	-
Interdepartment rent	634,682	634,682	634,682
Meeting room rental	944	18,000	20,290
Non resident charges	1,710	2,720	950
Sundry	61,648	61,088	15,016
Total before adjustment	1,397,347	1,130,608	1,235,595
Interdepartment rent	(634,682)	(634,682)	(634,682)
Total	\$ 762,665	\$ 495,926	\$ 600,913

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

For the year ended December 31

Branch	Salaries & Benefits	Building	Other	2021 Total	2021 Budget	2020 Total
Armstrong	\$ 162,623	\$ 64,598	\$ 2,454	\$ 229,675	\$ 214,390	202,071
Book Deposits	-	-	-	-	3,200	3,190
Cherryville	23,149	10,680	3,503	37,332	40,563	32,447
Enderby	125,226	68,201	4,147	197,574	194,722	180,254
Falkland	46,736	14,349	1,955	63,040	74,449	65,224
Golden	115,437	67,923	20,750	204,110	221,382	215,036
Hedley	14,030	2,827	-	16,857	19,001	17,562
Kaleden	48,235	14,549	3,596	66,380	70,770	62,511
Kelowna						
Downtown	1,142,898	1,003,859	26,684	2,173,441	2,268,318	2,057,011
Mission	474,402	171,729	2,933	649,064	718,202	599,194
Rutland	488,215	296,757	5,463	790,435	806,766	773,148
Keremeos	106,794	39,322	2,682	148,798	159,899	132,008
Lake Country						
Central	181,200	108,038	2,217	291,455	324,347	282,489
Oyama	21,298	12,876	319	34,493	47,264	37,921
Lumby	94,510	24,798	6,392	125,700	129,033	107,016
Naramata	41,475	21,612	435	63,522	70,602	61,532
North Shuswap	56,464	30,379	2,850	89,693	95,377	81,802
Okanagan Falls	72,933	45,355	3,326	121,614	125,005	118,092
Oliver	152,363	98,701	12,153	263,217	271,126	271,023
Osoyoos	147,599	52,530	4,582	204,711	212,396	186,997
Peachland	113,079	66,360	879	180,318	185,239	177,311
Princeton	57,205	33,024	3,432	93,661	104,722	93,548
Revelstoke	142,005	59,499	14,585	216,089	227,123	190,559
Salmon Arm	477,924	273,129	25,235	776,288	762,350	721,967
Sicamous	99,816	51,572	3,017	154,405	169,453	157,403
Silver Creek	26,206	9,001	1,262	36,469	38,711	28,762
South Shuswap	145,074	54,853	2,499	202,426	202,634	184,517
Summerland	203,277	181,046	2,613	386,936	441,898	374,032
Vernon	1,183,103	755,783	16,198	1,955,084	1,915,773	1,793,251
West Kelowna & Learning Lab	550,853	339,831	5,780	896,464	906,039	843,525
Branch shared expenses	680,774	-	157,929	838,703	974,545	961,709
Total before adjustment	7,194,903	3,973,181	339,870	11,507,954	11,995,299	11,013,112
Interdepartment rent net of interest costs	-	(322,833)	-	(322,833)	-	(166,802)
Total	\$ 7,194,903	\$3,650,348	\$ 339,870	\$11,185,121	\$11,995,299	\$10,846,310

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

For the year ended December 31	2021		2020
	Actual	Budget	Actual
Advertising and marketing	\$ 59,469	\$ 48,425	\$ 64,341
Association dues and membership	21,685	19,380	20,147
Binding and mending	7,537	21,250	4,473
Board and committee expenses	-	20,141	3,533
Board strategic plan	-	300,000	1,407
Communications	56,875	58,400	12,236
Computer maintenance and telecommunications	507,033	461,267	528,444
Insurance	18,481	56,470	57,368
Interest, bank charges and foreign exchange	9,619	11,500	12,275
Interest on long-term debt	130,500	130,500	130,500
Maintenance and utilities	175,126	177,065	175,125
Moving, storage and rent	-	2,060	-
Penticton library contract	41,030	46,000	46,090
Postage and freight	7,988	22,400	8,700
Professional fees	94,533	83,489	106,073
Sundry	1,941	113,847	1,083
Supplies	77,515	87,585	57,259
Staff development	83,627	125,754	87,888
Transportation	4,661	31,900	13,595
Total	\$ 1,297,620	\$ 1,817,433	\$ 1,330,537

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

For the year ended December 31

	2020	Contributions	Expenses	Transfers	2021
Branch furnishings	\$ 608,210	\$ 145,000	\$ (98,697)	\$ -	\$ 654,513
Building maintenance (owned)	476,697	60,000	(36,846)	-	499,851
Building maintenance (non-owned)	359,973	32,000	(151,423)	-	240,550
Capital building projects	2,653,318	1,064,000	-	-	3,717,318
Donation	599,606	310,444	(110,652)	-	799,398
Integrated Library Systems (ILS)	170,221	-	-	-	170,221
Rent stabilization	82,729	-	-	-	82,729
Staff development	96,320	-	-	-	96,320
Staff appreciation	12,850	1,500	-	-	14,350
Strategic planning	503,330	72,000	-	-	575,330
Technology & software	363,095	301,076	(37,064)	-	627,107
Vehicle replacement	80,575	12,500	(94,177)	-	(1,102)
Total	\$ 6,006,924	\$ 1,998,520	\$ (528,859)	\$ -	\$ 7,476,585

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