

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

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## Management's Responsibility for Financial Reporting

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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.

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Chairperson

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Chief Financial Officer

May 20, 2020



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## Independent Auditor's Report

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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 19 through 27 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 20, 2020

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

December 31	2019	2018
<b>Financial assets</b>		
Cash (Note 1)	\$ 3,013,767	\$ 4,218,084
Accounts receivable	1,873,232	283,331
MFA debt reserve	155,000	155,000
	<b>5,041,999</b>	<b>4,656,415</b>
<b>Financial liabilities</b>		
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
	<b>10,959,675</b>	<b>11,886,927</b>
<b>Net debt</b>	<b>(5,917,676)</b>	<b>(7,230,512)</b>
<b>Non-financial assets</b>		
Tangible capital assets (Note 3)	25,662,689	26,664,873
Prepaid expenses	285,095	316,638
	<b>25,947,784</b>	<b>26,981,511</b>
<b>Accumulated surplus (Note 4)</b>	<b>\$ 20,030,108</b>	<b>\$ 19,750,999</b>

Approved on behalf of the Board:

*Karla Kazalin*

Chairperson

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

<b>For the year ended December 31</b>	<b>2019</b>	<b>2019</b>	<b>2018</b>
	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>
<b>Revenue</b>			
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
	<b>19,606,960</b>	<b>18,978,743</b>	<b>18,656,343</b>
<b>Expenses (Note 6)</b>			
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
	<b>19,327,851</b>	<b>16,428,724</b>	<b>17,860,751</b>
<b>Annual surplus (Note 9)</b>	<b>279,109</b>	<b>2,550,019</b>	<b>795,592</b>
<b>Accumulated surplus, beginning of year</b>	<b>19,750,999</b>	<b>19,750,999</b>	<b>18,955,407</b>
<b>Accumulated surplus, end of year</b>	<b>\$ 20,030,108</b>	<b>\$ 22,301,018</b>	<b>\$ 19,750,999</b>

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

<b>For the year ended December 31</b>	<b>2019</b>	<b>2019</b>	<b>2018</b>
	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>
<b>Annual surplus</b>	<b>\$ 279,109</b>	<b>\$ 2,550,019</b>	<b>\$ 795,592</b>
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)
<b>Change in net debt</b>	<b>1,312,836</b>	<b>952,779</b>	<b>1,611,825</b>
<b>Net debt, beginning of year</b>	<b>(7,230,512)</b>	<b>(7,230,512)</b>	<b>(8,842,337)</b>
<b>Net debt, end of year</b>	<b>\$ (5,917,676)</b>	<b>\$ (6,277,733)</b>	<b>\$ (7,230,512)</b>

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

<b>For the year ended December 31</b>	<b>2019</b>	<b>2018</b>
<b>Cash flows provided by (used in) operating activities</b>		
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>
<b>Cash flows provided by (used in) capital activities</b>		
Acquisition of tangible capital assets	<u>(2,010,356)</u>	<u>(2,002,431)</u>
<b>Cash flows provided by (used in) financing activities</b>		
Repayment of long-term debt	<u>(709,796)</u>	<u>(682,495)</u>
<b>Increase (decrease) in cash during the year</b>	<b>(1,204,317)</b>	<b>1,112,197</b>
<b>Cash, beginning of year</b>	<u><b>4,218,084</b></u>	<u><b>3,105,887</b></u>
<b>Cash, end of year</b>	<u><b>\$ 3,013,767</b></u>	<u><b>\$ 4,218,084</b></u>



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## Okanagan Regional Library District Summary of Significant Accounting Policies

December 31, 2019

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**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.

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## Okanagan Regional Library District Summary of Significant Accounting Policies

December 31, 2019

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- 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.

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

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	<u>3,190,266</u>
	<b>\$ 5,792,851</b>
Add: Actuarial additions until maturity	<u>4,265,391</u>
	<u><b>\$ 10,058,242</b></u>

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

**December 31, 2019**

**3. Tangible Capital Assets**

**2019**

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

**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
	<b>\$ 20,030,108</b>	<b>\$ 19,750,999</b>

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
<b>Balance, beginning of year</b>	<b>\$ 16,052,025</b>	<b>\$ 16,270,994</b>
<b>Add:</b>		
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
<b>Deduct:</b>		
Amortization	(3,012,540)	(2,903,895)
<b>Balance, end of year</b>	<b>\$ 15,759,637</b>	<b>\$ 16,052,025</b>

**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
	<b>\$ 19,327,851</b>	<b>\$ 16,428,724</b>	<b>\$ 17,860,751</b>

**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.

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

**December 31, 2019**

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**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.



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

**December 31, 2019**

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**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>

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**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.

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**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
<b>Revenue</b>			
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>
<b>Expenses</b>			
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>
<b>Excess of revenues over expenses</b>	<b>3,291,649</b>	<b>2,550,019</b>	<b>3,699,486</b>
<b>Net interfund transfers:</b>			
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>
<b>Change in fund balance</b>	<b>(201,412)</b>	<b>1,980,034</b>	<b>(115,576)</b>
<b>Surplus, beginning of year</b>	<b>256,153</b>	<b>256,153</b>	<b>371,729</b>
<b>Surplus, end of year</b>	<b>\$ 54,741</b>	<b>\$ 2,236,187</b>	<b>\$ 256,153</b>

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

<b>For the year ended December 31</b>	<b>2019</b>	<b>2019</b>	<b>2018</b>
	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>
<b>Municipalities</b>			
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
	<b>14,262,493</b>	<b>14,258,838</b>	<b>13,900,884</b>
<b>First Nation Members</b>			
Westbank First Nation	409,247	409,247	394,811
	<b>14,671,740</b>	<b>14,668,085</b>	<b>14,295,695</b>
<b>Regional Districts</b>			
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
	<b>2,730,023</b>	<b>2,730,023</b>	<b>2,669,775</b>
	<b>\$ 17,401,763</b>	<b>\$ 17,398,108</b>	<b>\$ 16,965,470</b>

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

<b>For the year ended December 31</b>	<b>2019</b>		<b>2018</b>
	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>
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
<b>Total before adjustment</b>	<b>1,680,479</b>	<b>1,123,009</b>	<b>1,261,331</b>
Interdepartment rent	<b>(634,682)</b>	<b>(634,682)</b>	<b>(634,682)</b>
<b>Total</b>	<b>\$ 1,045,797</b>	<b>\$ 488,327</b>	<b>\$ 626,649</b>

**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						
<i>Downtown</i>	1,164,393	950,445	9,604	2,124,442	2,070,986	2,043,006
<i>Mission</i>	523,302	182,447	2,484	708,233	598,762	578,931
<i>Rutland</i>	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						
<i>Central</i>	193,956	107,521	2,679	304,156	295,939	309,754
<i>Oyama</i>	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)
<b>Total</b>	<b>\$ 7,369,432</b>	<b>\$3,945,127</b>	<b>\$ 196,136</b>	<b>\$11,510,695</b>	<b>\$11,074,422</b>	<b>\$10,561,489</b>

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

<b>For the year ended December 31</b>	<b>2019</b>	<b>2019</b>	<b>2018</b>
	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>
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
<b>Total</b>	<b>\$ 1,442,097</b>	<b>\$ 1,604,780</b>	<b>\$ 1,335,215</b>

**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
<b>Total</b>	<b>\$ 3,442,821</b>	<b>\$ 1,378,849</b>	<b>\$ (605,940)</b>	<b>\$ -</b>	<b>\$ 4,215,730</b>