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Financial Information Act - Statement of Financial Information

Library Name:	Grand Forks Public Library Association
Fiscal Year Ended:	31 December 2019

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Submission Checklist

Financial Information Act - Statement of Financial Information

Library Name: Grand Forks Public Library Association

Fiscal Year Ended: 31 December 2019

Due Date: May 15th, 2020

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.
f)	<input checked="" type="checkbox"/>	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.
		Schedule of Remuneration and Expenses, including:
	<input checked="" type="checkbox"/>	i) An alphabetical list of employees (first and last names) earning over \$75,000
	<input checked="" type="checkbox"/>	ii) Total amount of expenses paid to or on behalf of each employee under 75,000
	<input checked="" type="checkbox"/>	iii) If the total wages and expenses differs from the audited financial statements, an explanation is required
g)	<input checked="" type="checkbox"/>	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.
	<input checked="" type="checkbox"/>	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.
		Schedule of Payments for the Provision of Goods and Services including:
h)	<input checked="" type="checkbox"/>	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.

Board Approval Form

Financial Information Act - Statement of Financial Information

NAME OF LIBRARY <i>Grand Forks Public Library Association</i>		FISCAL YEAR END (YYYY) 2019
LIBRARY ADDRESS 7342 5th Street Box 1539		TELEPHONE NUMBER 250-442-3944
CITY Grand Forks	PROVINCE BC	POSTAL CODE VOH1H0
NAME OF THE CHAIRPERSON OF THE LIBRARY BOARD Mary Kierans		TELEPHONE NUMBER 604-306-1797
NAME OF THE LIBRARY DIRECTOR Cari Lynn Gawletz		TELEPHONE NUMBER 250-442-8382

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 31 December 2018 for Grand Forks & District Public Library as required under Section 2 of the Financial Information Act.

SIGNATURE OF THE CHAIRPERSON OF THE LIBRARY BOARD*

DATE SIGNED (DD-MM-YYYY)



05-05-2020

SIGNATURE OF THE LIBRARY DIRECTOR

DATE SIGNED (DD-MM-YYYY)



05-05-2020

Management Report

Financial Information Act - Statement of Financial Information

Library Name: Grand Forks Public Library Association
Fiscal Year Ended: 31 December 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, Kemp Harvey Burch Kientz Inc., 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 [Library name]

**Name. Chairperson of the
Library Board [Print]**

Mary Kierans

**Signature,
Chairperson of the Library
Board**



**Date
(MM-DD-YYYY)** 05-05-2020

**Name,
Library Director [Print]**

Cari Lynn Gawletz

**Signature,
Library Director**



**Date
(MM-DD-YYYY)** 05-05-2020

GRAND FORKS PUBLIC LIBRARY ASSOCIATION

Financial Statements

Year Ended December 31, 2019

GRAND FORKS PUBLIC LIBRARY ASSOCIATION
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Year Ended December 31, 2019

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INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Boards of Grand Forks Public Library Association

We have reviewed the accompanying financial statements of Grand Forks Public Library Association (the Library) that comprise the statement of financial position as at December 31, 2019, and the statements of operations and accumulated surplus, changes in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards (PSAS), 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.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Grand Forks Public Library Association as at December 31, 2019, and the results of its operations and its cash flows for the year then ended in accordance with PSAS.

Grand Forks, British Columbia
 March 21, 2020

KH Burch Kientz Inc.
 CHARTERED PROFESSIONAL ACCOUNTANTS

GRAND FORKS PUBLIC LIBRARY ASSOCIATION
Statement of Operations and Accumulated Surplus
Year Ended December 31, 2019

	Budget 2019	Total 2019	Total 2018
REVENUES			
Government funding	\$ 459,639	\$ 452,608	\$ 451,222
Donations and fundraising	3,000	162,904	27,710
Other grants	500	9,900	1,035
Miscellaneous recoveries and rentals	5,030	7,478	7,548
Fines and fees	1,450	2,122	2,424
Gains (losses) on disposal of tangible capital assets	-	(1,012)	(513)
	469,619	634,000	489,426
EXPENSES			
Amortization of tangible assets	33,279	33,279	23,753
Collection	8,500	9,723	8,838
Facility	49,980	51,545	44,086
General operating expenses	23,200	24,596	26,982
Services and events	7,650	7,259	6,899
Technology	7,300	4,398	5,999
Wages and benefits	340,489	334,984	328,456
	470,398	465,784	445,013
ANNUAL SURPLUS (DEFICIT)	(779)	168,216	44,413
ACCUMULATED SURPLUS - BEGINNING OF YEAR	321,252	321,251	276,838
ACCUMULATED SURPLUS - END OF YEAR	\$ 320,473	\$ 489,467	\$ 321,251

GRAND FORKS PUBLIC LIBRARY ASSOCIATION**Statement of Financial Position****December 31, 2019**

	2019	2018
FINANCIAL ASSETS		
Cash and cash equivalents <i>(Note 6)</i>	\$ 230,653	\$ 249,000
Accounts receivable	4,400	1,000
Goods and services tax recoverable	7,545	2,288
	<u>242,598</u>	<u>252,288</u>
LIABILITIES		
Accounts payable	8,260	12,728
Payroll payables	10,728	11,403
Deferred contributions	477	57,408
	<u>19,465</u>	<u>81,539</u>
NET FINANCIAL ASSETS	<u>223,133</u>	<u>170,749</u>
NON-FINANCIAL ASSETS		
Prepaid expenses	3,061	3,061
Tangible capital assets <i>(Note 7) (Schedule 1)</i>	263,273	147,441
	<u>266,334</u>	<u>150,502</u>
ACCUMULATED SURPLUS	<u>\$ 489,467</u>	<u>\$ 321,251</u>

COMMITMENTS *(Note 9)***ON BEHALF OF THE BOARD OF DIRECTORS***Mary Kierans*_____
Director*MBL*_____
Director

GRAND FORKS PUBLIC LIBRARY ASSOCIATION**Statement of Changes in Net Financial Assets****Year Ended December 31, 2019**

	Budget 2019	2019	2018
ANNUAL SURPLUS (DEFICIT)	\$ (779)	\$ 168,216	\$ 44,413
Amortization of tangible capital assets	33,279	33,279	23,752
Purchase of tangible capital assets	(32,500)	(150,123)	(35,230)
Proceeds on disposal of tangible capital assets	-	-	1,185
Loss on disposal of assets	-	1,012	513
Decrease in prepaid expenses	-	-	1,238
	779	(115,832)	(8,542)
INCREASE IN NET FINANCIAL ASSETS	-	52,384	35,871
NET FINANCIAL ASSETS - BEGINNING OF YEAR	170,749	170,749	134,878
NET FINANCIAL ASSETS - END OF YEAR	\$ 170,749	\$ 223,133	\$ 170,749

GRAND FORKS PUBLIC LIBRARY ASSOCIATION**Statement of Cash Flows****Year Ended December 31, 2019**

	2019	2018
OPERATING ACTIVITIES		
Cash receipts from customers	\$ 574,680	\$ 546,346
Cash paid to suppliers and employees	(437,647)	(415,527)
Goods and services tax	(5,257)	(102)
Cash flow from operating activities	131,776	130,717
INVESTING ACTIVITIES		
Purchase of tangible capital assets	(150,123)	(35,230)
Proceeds on disposal of tangible capital assets	-	1,185
Cash flow used by investing activities	(150,123)	(34,045)
INCREASE (DECREASE) IN CASH FLOW	(18,347)	96,672
Cash & cash equivalents - beginning of year	249,000	152,328
CASH & CASH EQUIVALENTS - END OF YEAR	\$ 230,653	\$ 249,000
CASH & CASH EQUIVALENTS CONSISTS OF:		
Cash and bank	\$ 127,031	\$ 146,112
Redeemable term deposits	103,622	102,888
	\$ 230,653	\$ 249,000

GRAND FORKS PUBLIC LIBRARY ASSOCIATION**Notes to Financial Statements****Year Ended December 31, 2019**

1. PURPOSE OF THE LIBRARY

Grand Forks Public Library Association (the "Library") is a not-for-profit organization operating under the provisions of the Library Act of British Columbia [RSBC 1996]. As a registered charity the Library is exempt from the payment of income tax under Section 149(1) of the Income Tax Act.

The mission of the Library is to open doors to a world of information, education and recreation, thereby enhancing the economic, social and cultural vitality of the community.

The Library is economically dependent on the Regional District Kootenay Boundary (RDKB) to provide operating grants to pay the Library operational expenses.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements were prepared in accordance with Canadian public sector accounting standards (GAAP) and, in management's opinion, with consideration of materiality and within the framework of the following accounting policies:

Revenue recognition

Restricted transfers from governments are deferred and recognized as revenue in the year in which the stipulations are met. Unrestricted transfers are recognized as revenue when received.

Donations and fundraising received for a specific purpose are deferred and recognized as revenue in the year in which the stipulations are met. All other donations and fundraising are recognized as revenue when received.

Miscellaneous recoveries and rentals are recognized as revenue upon receipt.

Fines and fees are recognized as revenue upon receipt.

Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Significant areas requiring the use of management estimates relate to accrued liabilities and the determination of the useful lives of tangible capital assets. Actual results may differ from the estimates.

Pension contributions

The Library has a pension agreement with the Municipal Pension Plan which is a defined benefit multi-employer plan. These contributions are expensed as incurred.

Cash and cash equivalents

Cash includes cash and cash equivalents. Cash equivalents are investments in redeemable term deposits, with terms of one year or less. The carrying amounts approximate fair value.

Non-financial assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They may have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

(continues)

GRAND FORKS PUBLIC LIBRARY ASSOCIATION**Notes to Financial Statements****Year Ended December 31, 2019****2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****Tangible capital assets**

Tangible capital assets are recorded at cost, which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost of the tangible capital assets is amortized on a straight-line basis over the estimated useful lives of the assets as follows.

Books and other media	10 years
Equipment and furnishings	10 years
Computer equipment	5 years
Leasehold improvements	10 years
Computer software	1 year

Amortization commences when the asset is put into use. Amortization in the year of acquisition is at one-half of the normal rate. No amortization is taken in the year of disposition.

Contributed tangible capital assets are not recorded and no donation receipt is issued. During the current year there were no contributed capital assets.

Non-statutory reserves

Non-statutory reserves are amounts set aside from past and current operations and are not governed by bylaw.

Financial instruments

Financial assets include cash, redeemable term deposits, and accounts receivable and are reported at amortized cost. Financial liabilities include accounts payable and deferred income and are reported at amortized cost.

3. GOVERNMENT TRANSFERS

	2019		2018
Provincial			
Provincial operating grant	\$ 27,555	\$	27,555
BC OneCard grant	10,250		10,250
Resource sharing grant	6,744		6,744
Library Literacy grant	3,396		3,517
	47,945		48,066
Federal			
Student employment grant	7,033		6,766
Regional District of Kootenay Boundary			
Operating contract	397,630		396,390
	\$ 452,608	\$	451,222

GRAND FORKS PUBLIC LIBRARY ASSOCIATION**Notes to Financial Statements****Year Ended December 31, 2019****4. BUDGET FIGURES**

There are differences between the budgeting model used by the Library and generally accepted accounting principles established by PSAB, certain budgeted amounts have been reclassified to reflect the presentation adopted under PSAB. The reconciliation of budgeted results to reported results is as follows:

	2019 Budget
Approved balanced budget	<u>0</u>
Less: amortization	<u>(33,279)</u>
Add: budgeted tangible capital asset acquisitions	<u>32,500</u>
Budgeted operating surplus as presented	<u>\$ (779)</u>

5. ACCUMULATED SURPLUS

	2019	2018
Unrestricted surplus	\$ 371,709	\$ 203,493
Non-statutory reserves		
Acquisitions & special programming	30,000	30,000
Short Term Bridge Funding Reserve	25,000	25,000
Sick leave contingency fund	22,000	22,000
Building repairs contingency fund	20,200	20,200
Capital expenditures fund	15,000	15,000
Labour relations contingency fund	2,563	2,563
Reserve fund	2,995	2,995
	<u>\$ 489,467</u>	<u>\$ 321,251</u>

6. CASH AND CASH EQUIVALENTS

All cash and cash equivalents are held at the Grand Forks Credit Union.

	2019	2018
Chequing, savings and equity shares	\$ 127,031	\$ 146,112
Term deposits		
One year redeemable term deposit with interest at 0.85%, matures August 2, 2020	10,516	10,438
One year redeemable term deposit with interest at 1.50%, matures December 18, 2020	28,911	28,667
One year term deposit with interest at 0.85%, matures February 23, 2020	63,868	63,455
Accrued Interest	327	328
	<u>\$ 230,653</u>	<u>\$ 249,000</u>

GRAND FORKS PUBLIC LIBRARY ASSOCIATION**Notes to Financial Statements****Year Ended December 31, 2019****7. TANGIBLE CAPITAL ASSETS**

	Cost	Accumulated amortization	2019 Net book value	2018 Net book value
Books and other media	\$ 842,850	\$ 698,049	\$ 144,801	\$ 128,100
Equipment and furnishings	194,411	180,034	14,377	11,304
Computer equipment	25,711	8,788	16,923	8,037
Leasehold improvements	114,621	27,449	87,172	-
Computer software	9,743	9,743	-	-
	\$ 1,187,336	\$ 924,063	\$ 263,273	\$ 147,441

8. MUNICIPAL PENSION PLAN

The Library and its employees contribute to the Municipal Pension Plan (the Plan), a jointly trustee 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 provided are based on a formula.

The most recent valuations for the Plan, based on the December 31, 2018 Actuarial report, indicated that there is a funding surplus and that the indexing of 2.15% per year is sustainable in the long term. A new valuation occurs every three years, with the next one to be performed as at December 31, 2021.

Employers participating in the Plan record their pension expenses as the amount of 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 the individual employers participating in the Plan.

9. COMMITMENTS

The Library entered into a one year lease agreement with the City of Grand Forks for the space occupied as the Grand Forks Public Library. The annual commitment under this agreement is \$13,000 per year payable in two instalments in June and December of each year. At any time after January 1, 2020, both parties will, by written notice, schedule to amend the amount of the agreement. Should a new rate not be reached prior to June 1, 2020, the rate of \$15,000 per year shall apply. As at the financial statement date, the agreement has not been amended.

GRAND FORKS PUBLIC LIBRARY ASSOCIATION
Schedule of Tangible Capital Assets
Year Ended December 31, 2019

(Schedule 1)

	Computer Equipment	Computer Software	Office Furniture & Equipment	Leasehold Improvements	Books & Tapes	Total
Costs						
Opening balances	\$ 108,501	\$ 9,743	\$ 189,336	\$ 22,861	\$ 802,791	\$ 1,133,232
Additions	13,228	-	5,075	91,760	40,059	150,122
Dispositions	(96,018)	-	-	-	-	(96,018)
	25,711	9,743	194,411	114,621	842,850	1,187,336
Accumulated amortization						
Opening balance	100,464	9,743	178,032	22,861	674,691	985,791
Dispositions	(95,007)	-	-	-	-	(95,007)
Amortization	3,330	-	2,002	4,588	23,359	33,279
Closing accumulated amortization	8,787	9,743	180,034	27,449	698,050	924,063
Tangible capital assets, net of amortization	\$ 16,924	\$ -	\$ 14,377	\$ 87,172	\$ 144,800	\$ 263,273

Schedule of Debt

Financial Information Act - Statement of Financial Information

Library Name: Grand Forks Public Library Association

Fiscal Year Ended: 31 December 2019

The **Grand Forks Public Library Association** has no long term debt.

Schedule of Guarantee and Indemnity

Financial Information Act - Statement of Financial Information

Library Name: Grand Forks Public Library Association

Fiscal Year Ended: 31 December 2019

Grand Forks Public Library Association 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: Grand Forks Public Library Association

Fiscal Year Ended: 31 December 2019

	Total Remuneration (Wages/Salaries)	Total Expenses (Reimbursement for Conferences/Mileage etc.)
Board Members		
1)	\$	\$
2)	\$	\$
3)	\$	\$
Total Board Members	\$	\$

Detailed Employees Exceeding \$75,000		
1)	\$	\$
2)	\$	\$
3)	\$	\$
Total Detailed Employees Exceeding \$75,000	\$	\$

Total Employees Equal to or Less Than \$75,000	\$283,995.74	\$2876.09
Consolidated Total* (Sum of column)	\$283,995.74	\$2876.09
Total Employer Premium for Canada Pension Plan and Employment Insurance (Component of Receiver General for Canada Supplier Payment)	DO NOT USE	\$18,226.47

Reconciliation of above to Statement of Revenue and Expenditure

Expense	Amount
Wages and salaries	\$283,995.74
EI Expense	\$6,194.29
CPP Expense	\$12,302.18
WCB Expense	\$559.62
Pensions Expense	\$20,421.36
GroupHealth Expense	\$15,044.04
MSP Expense	\$1971.65
Total	\$336152.68

Statement of Severance Agreements

Financial Information Act - Statement of Financial Information

Library Name: Grand Forks Public Library Association

Fiscal Year Ended: 31 December 2019

There were no severance agreements made between the Grand Forks Public Library Association and its non-unionized employees during fiscal year 2019.

Schedule of Changes in Financial Position

Financial Information Act - Statement of Financial Information

Library Name: Grand Forks Public Library Association

Fiscal Year Ended: 31 December 2019

A Statement of Changes in Financial Position has not been prepared because this information is provided in the Financial Statements.

Schedule of Payments Made For the Provision of Goods and Services

Financial Information Act - Statement of Financial Information

Library Name: Grand Forks Public Library Association

Fiscal Year Ended: 31 December 2019

Name of Individual, Firm or Corporation	Total Amount Paid During Fiscal Year
1) City of Grand Forks	\$28,397.79
2) Plan B Contractors Inc.	\$88,570.83
3)Receiver General	\$74,070.25
4)United Library Services	\$31,909.02
Total (Suppliers with payments exceeding \$25,000)	\$222,947.89
Total (Suppliers where payments are \$25,000 or less)	\$75,684.37
Consolidated Total	\$298,632.26

Reconciliation of Goods and Services

Total of Suppliers with Payments Exceeding \$25,000		\$ 222,947.89
Consolidated Total of Supplier Payments of \$25,000 or Less		\$75,684.37
Reconciling Items		
	Wages and Benefits	\$ 283,995.74
	Amortization Expenses	\$ 33,279
	Capitalized Renovation Expenses	-\$150,123
Total Per Statement of Revenue and Expenditure		\$ 465,784
Variance*		\$ NIL