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Financial Information Act - Statement of Financial Information

Library Name: Greater Victoria Public Library

Fiscal Year Ended: 2020

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- 11) Schedule of Payments for the Provision of Goods and Services

Submission Checklist

Financial Information Act - Statement of Financial Information

Library Name: Greater Victoria Public Library

Fiscal Year Ended: 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
c)	<input checked="" type="checkbox"/>	An operational statement including: 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.
g)	<input checked="" type="checkbox"/>	Schedule of Remuneration and Expenses, including: i) An alphabetical list of employees (first and last names) earning over \$75,000
	<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
	<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.
h)	<input checked="" type="checkbox"/>	Schedule of Payments for the Provision of Goods and Services including: i) An alphabetical list of suppliers receiving over \$25,000 and a consolidated total for those suppliers receiving less than \$25,000. If the total differs from the Audited Financial Statements, an explanation is required.

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

Board Approval Form

Financial Information Act - Statement of Financial Information

NAME OF LIBRARY <i>Greater Victoria Public Library</i>		FISCAL YEAR END (YYYY) 2020
LIBRARY ADDRESS 735 Broughton Street		TELEPHONE NUMBER 250-940-4875
CITY Victoria	PROVINCE British Columbia	POSTAL CODE V8W 3H2
NAME OF THE CHAIRPERSON OF THE LIBRARY BOARD Andy MacKinnon		TELEPHONE NUMBER 250-474-3167
NAME OF THE LIBRARY DIRECTOR Ms. Maureen Sawa		TELEPHONE NUMBER 250-413-0356

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 2020 for Greater Victoria 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)



25-05-2021

SIGNATURE OF THE LIBRARY DIRECTOR

DATE SIGNED (DD-MM-YYYY)



25-05-2021

Management Report

Financial Information Act - Statement of Financial Information

Library Name: Greater Victoria Public Library

Fiscal Year Ended: 2020

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

On behalf of Greater Victoria Public Library

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

Andy MacKinnon

**Signature,
Chairperson of the Library
Board**



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

05-25-2021

**Name,
Library Director [Print]**

Maureen Sawa

**Signature,
Library Director**



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

05-25-2021

Financial Statements of

**GREATER VICTORIA PUBLIC
LIBRARY BOARD**

And Independent Auditors' Report thereon

Year ended December 31, 2020

GREATER VICTORIA PUBLIC LIBRARY BOARD

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Year ended December 31, 2020

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MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS


The accompanying financial statements of the Greater Victoria Public Library Board (the "Board") are the responsibility of the Board's management and have been prepared in compliance with legislation, and in accordance with generally accepted accounting principles established by the Public Sector Accounting Board of The Chartered Professional Accountants of Canada. A summary of the significant accounting policies are described in note 1 to the financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The Board's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the financial statements. These systems are monitored and evaluated by management.

The Board's Finance Committee meets with management and the external auditors to review the financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the financial statements.

The financial statements have been audited by KPMG LLP, independent external auditors appointed by the Board. The accompanying Independent Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the Board's financial statements.



Chief Executive Officer

Director of Finance



KPMG LLP
St. Andrew's Square II
800-730 View Street
Victoria BC V8W 3Y7
Canada
Telephone (250) 480-3500
Fax (250) 480-3539

INDEPENDENT AUDITORS' REPORT

To the Members of Greater Victoria Public Library Board

Opinion

We have audited the financial statements of the Greater Victoria Public Library Board (the "Entity"), which comprise:

- the statement of financial position as at December 31, 2020
- the statement of operations for the year then ended
- the statement of changes in net financial assets for the year then ended
- the statements of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2020 and its results of operations, its changes in net financial assets and its cash flows for the year then ended in accordance with Canadian 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 "Auditors' Responsibilities for the Audit of the Financial Statements" section of our auditors' report.

We are independent of the Entity 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.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, 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 Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

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

Auditors' 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 auditors' 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 the 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 Entity'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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Entity 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.
- 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.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, stylized font. Below the signature is a horizontal line that starts under the 'K' and ends under the 'P'.

Chartered Professional Accountants

Victoria, Canada
May 25, 2021

GREATER VICTORIA PUBLIC LIBRARY BOARD

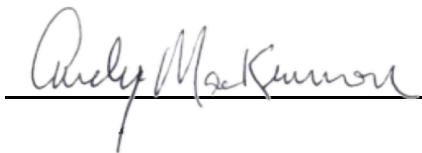
Statement of Financial Position

December 31, 2020, with comparative information for 2019

	2020	2019
Financial assets:		
Cash and cash equivalents	\$ 5,988,874	\$ 3,939,149
Accounts receivable	178,058	230,358
Investments (note 2)	3,191,445	3,118,349
	<u>9,358,377</u>	<u>7,287,856</u>
Financial liabilities:		
Accounts payable and accrued liabilities	1,041,323	702,048
Accrued payroll, vacation and sick leave benefits	139,507	419,341
Deferred revenue (note 3)	785,088	675,756
Employee future benefit obligation (note 4)	398,014	447,320
	<u>2,363,932</u>	<u>2,244,465</u>
Net financial assets	6,994,445	5,043,391
Non-financial assets:		
Tangible capital assets (note 5)	7,860,202	7,830,515
Prepaid expenses and deposits	699,604	439,963
	<u>8,559,806</u>	<u>8,270,478</u>
Commitments (note 11)		
Accumulated surplus (note 6)	\$ 15,554,251	\$ 13,313,869

The accompanying notes are an integral part of these financial statements.

On behalf of the Library Board:



Trustee



Trustee

GREATER VICTORIA PUBLIC LIBRARY BOARD

Statement of Operations

Year ended December 31, 2020, with comparative information for 2019

	Budget (note 9)	2020	2019
Revenue:			
Municipal contributions (note 7)	\$ 18,434,006	\$ 18,078,728	\$ 17,400,121
Fines, fees and printing	523,400	185,515	564,593
Government transfers:			
Provincial	642,339	632,707	632,707
Federal	-	-	4,741
Investment income	74,000	106,985	175,073
Contracts for service	28,450	29,840	29,560
Donations (note 8)	77,500	103,720	234,482
Total revenue	19,779,695	19,137,495	19,041,277
Expenses:			
Salaries and benefits	14,674,065	11,498,289	12,676,324
Library materials	870,000	1,217,943	529,122
Supplies and services	1,148,724	1,179,224	1,372,713
Building occupancy	827,933	776,354	839,951
Other	358,906	235,987	341,312
Amortization	1,798,000	1,985,809	1,949,440
Loss on currency exchange	-	3,507	1,208
Total expenses	19,677,628	16,897,113	17,710,070
Annual surplus	102,067	2,240,382	1,331,207
Accumulated surplus, beginning of year	13,313,869	13,313,869	11,982,662
Accumulated surplus, end of year	\$ 13,415,936	\$ 15,554,251	\$ 13,313,869

The accompanying notes are an integral part of these financial statements.

GREATER VICTORIA PUBLIC LIBRARY BOARD

Statement of Change in Net Financial Assets

Year ended December 31, 2020, with comparative information for 2019

	Budget (note 9)	2020	2019
Annual surplus	\$ 102,067	\$ 2,240,382	\$ 1,331,207
Acquisition of tangible capital assets in cash and financed by capital lease	(2,150,067)	(2,015,496)	(1,967,893)
Amortization of tangible capital assets	1,798,000	1,985,809	1,949,440
	(250,000)	2,210,695	1,312,754
Purchase of prepaid expenses	-	(259,641)	(290,396)
Change in net financial assets	(250,000)	1,951,054	1,022,358
Net financial assets, beginning of year	5,043,391	5,043,391	4,021,033
Net financial assets, end of year	\$ 4,793,391	\$ 6,994,445	\$ 5,043,391

The accompanying notes are an integral part of these financial statements.

GREATER VICTORIA PUBLIC LIBRARY BOARD

Statement of Cash Flows

Year ended December 31, 2020, with comparative information for 2019

	2020	2019
Cash provided by (used in):		
Operating activities:		
Annual surplus	\$ 2,240,382	\$ 1,331,207
Items not involving cash:		
Amortization of tangible capital assets	1,985,809	1,949,440
Changes in non-cash operating assets and liabilities:		
Accounts receivable	52,300	(129,430)
Accounts payable and accrued liabilities	339,275	(28,562)
Accrued payroll, vacation and sick leave benefits	(279,834)	(652,437)
Employee future benefit obligation	(49,306)	4,618
Deferred revenue	109,332	7,245
Prepaid expenses and deposits	(259,641)	(290,396)
Net change in cash from operating activities	4,138,317	2,191,685
Capital activities:		
Acquisition of tangible capital assets	(2,015,496)	(1,967,893)
Investing activities:		
Increase in investments	(73,096)	(89,414)
Change in cash and cash equivalents	2,049,725	134,378
Cash and cash equivalents, beginning of year	3,939,149	3,804,771
Cash and cash equivalents, end of year	\$ 5,988,874	\$ 3,939,149

The accompanying notes are an integral part of these financial statements.

GREATER VICTORIA PUBLIC LIBRARY BOARD

Notes to Financial Statements

Year ended December 31, 2020

Greater Victoria Public Library Board (the "Board") was established under the Library Act of British Columbia. Its principal activity is the operation of the public libraries serving residents of the Cities of Victoria, Colwood and Langford, the Town of View Royal, the Township of Esquimalt and the Districts of Central Saanich, Highlands, Metchosin, Oak Bay and Saanich.

The Board also provides service to residents of the communities of Willis Point, Durrance, Malahat, and of the Esquimalt, Songhees, Tsawout, Tsartlip and Becher Bay Reserves.

The Board is a registered charity and is exempt from income tax.

In March 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization and measures taken by various governments to contain the virus have affected economic activity. The Board has taken a number of measures to monitor and mitigate the effects of COVID-19, including implementing social distancing and sanitation policies for library premises.

While governments and central banks have reacted with monetary and fiscal interventions designed to stabilize economic conditions, the duration and extent of the impact of the COVID-19 outbreak on financial markets as well as the effectiveness of government and central bank responses remains unclear at this time. Management will continue to monitor and adapt as the Board sees fit.

1. Significant accounting policies:

The financial statements of Greater Victoria Public Library Board are prepared by management in accordance with Canadian public sector accounting standards. Significant accounting policies adopted by the Board are as follows:

(a) Reporting entity:

The financial statements include the combination of all the assets, liabilities, revenues, expenses, and changes in net financial assets of the Board. The Board does not control any external entities and accordingly, no entities have been consolidated with the financial statements. Inter-fund balances and transactions have been eliminated.

(b) Basis of accounting:

The Board follows the accrual method of accounting for revenues and expenses. Revenues are normally recognized in the year in which they are earned and measurable. Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and/or the creation of a legal obligation to pay.

GREATER VICTORIA PUBLIC LIBRARY BOARD

Notes to Financial Statements (continued)

Year ended December 31, 2020

1. Significant accounting policies (continued):

(c) Revenue recognition:

Fines are recorded when received as a result of the difficulty in determining collectability.

Receipts that are restricted by legislation or by agreement with external parties are deferred and reported as deferred revenue. When qualifying expenses are incurred, deferred revenue are brought into revenue in equal amounts.

(d) Government transfers:

Government transfers are recognized in the financial statements as revenues in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made. Government transfers with stipulations are recognized as revenue when authorized and eligibility criteria have been met, except when and to the extent the transfer gives rise to an obligation that meets the definition of a liability.

(e) Cash equivalents:

Cash equivalents include short-term highly liquid investments with a term to maturity of 90 days or less at acquisition or redeemable without penalty.

(f) Investments:

Investments are recorded at cost plus accrued interest. Investment income is reported as revenue in the period earned. When required by the funding government or related Act, investment income earned on deferred revenue is added to the investment and forms part of the deferred revenue balance. When there has been a loss in value that is other than a temporary decline in value, the respective investment is written down to recognize the loss.

GREATER VICTORIA PUBLIC LIBRARY BOARD

Notes to Financial Statements (continued)

Year ended December 31, 2020

1. Significant accounting policies (continued):

(g) Non-financial assets:

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

(i) Tangible capital assets:

Tangible capital assets are recorded at cost which includes amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets are amortized on a declining balance basis, except for library materials collection which is amortized on a straight line basis, over their estimated useful lives as follows:

Asset	Rate
Library materials collection	7 years
Building improvements	10%
Shelving	5%
Computer equipment	20%
Furniture and equipment	10%
Software	10 - 100%
Automotive	30%

Amortization is charged in the year of acquisition and in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

When a tangible capital asset no longer contributes to the Board's ability to provide services, its carrying amount is written down to its residual value.

GREATER VICTORIA PUBLIC LIBRARY BOARD

Notes to Financial Statements (continued)

Year ended December 31, 2020

1. Significant accounting policies (continued):

(g) Non-financial assets (continued):

(ii) Contributions of tangible capital assets:

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and also are recorded as revenue.

(iii) Leased tangible capital assets:

Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as leased tangible capital assets. All other leases are accounted for as operating leases and the related payments are charged to expenses as incurred.

(iv) Works of art and cultural and historic assets:

Works of art and cultural and historic assets are not recorded as assets in these financial statements.

(h) Contaminated sites:

Contaminated sites are defined as the result of contamination being introduced in air, soil, water or sediment of a chemical, organic, or radioactive material or live organism that exceeds an environmental standard. A liability for remediation of contaminated sites is recognized, net of any expected recoveries, when all of the following criteria are met:

- (i) an environmental standard exists
- (ii) contamination exceeds the environmental standard
- (iii) the Board is directly responsible or accepts responsibility for the liability
- (iv) future economic benefits will be given up, and
- (v) a reasonable estimate of the liability can be made

(i) Employee future benefits:

- (i) The Board pays a retirement gratuity directly to employees upon retirement. The cost of this benefit is actuarially determined based on periods of service and best estimates of retirement ages and expected future salary increases. The obligation under this benefit is accrued based on projected benefits as the employees render services necessary to earn the future benefit. Actuarial gains and losses are recognized immediately in the statement of operations.
- (ii) The Board and its employees make contributions to the Municipal Pension Plan, which provides benefits directly to employees upon retirement. These contributions are expensed as incurred.

GREATER VICTORIA PUBLIC LIBRARY BOARD

Notes to Financial Statements (continued)

Year ended December 31, 2020

1. Significant accounting policies (continued):

(j) Use of estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the period. Estimates and assumptions include obligations related to employee future benefits and accrued liabilities. Actual results could differ from these estimates.

2. Investments:

Investments include Municipal Finance Authority pooled investment funds which are recorded at cost plus earnings reinvested in the funds, and investments in guaranteed investment certificates. Investments held in the year earn interest at rates varying from 1.10% to 2.96%, and mature at varying dates to 2022.

Included in investments is \$128,839 in cash held by investment manager BMO Nesbitt Burns.

3. Deferred revenue:

Deferred revenue, reported on the statement of financial position, is made up of the following:

	2020	2019
Deferred municipal contributions and government grants	\$ 169,163	\$ 237,872
Restricted donations	615,925	437,884
	<u>\$ 785,088</u>	<u>\$ 675,756</u>

GREATER VICTORIA PUBLIC LIBRARY BOARD

Notes to Financial Statements (continued)

Year ended December 31, 2020

4. Employee future benefit obligation:

The Board provides one month salary as benefit on retirement to its employees. The estimated amounts due are as follows:

	2020	2019
Obligations for retirement gratuity	\$ 398,014	\$ 447,320

Information about the Board's obligation is as follows:

	2020	2019
Balance, beginning of year	\$ 447,320	\$ 442,702
Current benefit cost and interest	(31,418)	44,886
Benefits paid	(17,888)	(40,268)
Balance, end of year	\$ 398,014	\$ 447,320

Included in the statement of operations is \$31,418 in recoveries (2019 - \$44,886 in expenses) related to future benefit obligations.

The significant actuarial assumptions used in estimating employee future benefit obligations are as follows:

	2020	2019
Discount rate for present value of future benefits	1.4 %	2.5 %
Rate of annual salary increases, including inflation	2.0 %	2.0 %

GREATER VICTORIA PUBLIC LIBRARY BOARD

Notes to Financial Statements (continued)

Year ended December 31, 2020

4. Employee future benefit obligation (continued):

Pension plan:

The Board 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 overseeing the management of the Plan, including investment of the assets and administration of benefits. The plan is a multi-employer contributory pension plan. Basic pension benefits provided are based on a formula. As at December 31, 2019, the plan has about 213,000 active members and approximately 106,000 retired members. Active members include approximately 41,000 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 actuarial valuation for the Municipal Pension Plan as at December 31, 2018, indicated a \$2,866 million funding surplus for basic pension benefits on a going concern basis.

The Board paid \$902,432 (2019 - \$963,271) for employer contributions while employees contributed \$801,680 (2019 - \$854,678) to the Plan in fiscal 2020.

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

Employers participating in the plan record their pension expense 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 to individual employers participating in the plan.

GREATER VICTORIA PUBLIC LIBRARY BOARD

Notes to Financial Statements (continued)

Year ended December 31, 2020

5. Tangible capital assets:

2020	Library materials collection	Building improvements	Shelving	Computer equipment	Furniture and equipment	Automotive	Software	Total
Cost:								
Balance, beginning of year	\$ 26,921,713	\$ 1,417,082	\$ 1,605,007	\$ 1,536,090	\$ 3,495,549	\$ 148,672	\$ 207,326	\$ 35,331,439
Additions	1,347,660	37,801	159,708	210,776	255,051	-	4,500	2,015,496
Disposals	-	-	-	(32,992)	-	-	-	(32,992)
Balance, end of year	28,269,373	1,454,883	1,764,715	1,713,874	3,750,600	148,672	211,826	37,313,943
Accumulated amortization:								
Balance, beginning of year	21,891,505	639,593	1,124,454	1,066,255	2,483,713	131,367	164,037	27,500,924
Disposals	-	-	-	(32,992)	-	-	-	(32,992)
Amortization	1,584,567	81,657	32,013	143,646	127,058	5,192	11,676	1,985,809
Balance, end of year	23,476,072	721,250	1,156,467	1,176,909	2,610,771	136,559	175,713	29,453,741
Net book value, end of year	\$ 4,793,301	\$ 733,633	\$ 608,248	\$ 536,965	\$ 1,139,829	\$ 12,113	\$ 36,113	\$ 7,860,202

GREATER VICTORIA PUBLIC LIBRARY BOARD

Notes to Financial Statements (continued)

Year ended December 31, 2020

5. Tangible capital assets (continued):

2019	Library materials collection	Building improvements	Shelving	Computer equipment	Furniture and equipment	Automotive	Software	Total
Cost:								
Balance, beginning of year	\$ 25,259,620	\$ 1,335,712	\$ 1,605,007	\$ 1,347,703	\$ 3,463,021	\$ 148,672	\$ 203,811	\$ 33,363,546
Additions	1,662,093	81,370	-	188,387	32,528	-	3,515	1,967,893
Balance, end of year	26,921,713	1,417,082	1,605,007	1,536,090	3,495,549	148,672	207,326	35,331,439
Accumulated amortization:								
Balance, beginning of year	20,295,994	553,063	1,099,162	948,801	2,371,287	123,950	159,227	25,551,484
Amortization	1,595,511	86,530	25,292	117,454	112,426	7,417	4,810	1,949,440
Balance, end of year	21,891,505	639,593	1,124,454	1,066,255	2,483,713	131,367	164,037	27,500,924
Net book value, end of year	\$ 5,030,208	\$ 777,489	\$ 480,553	\$ 469,835	\$ 1,011,836	\$ 17,305	\$ 43,289	\$ 7,830,515

Included in tangible capital assets are leased assets with cost and accumulated amortization of \$575,528 and \$486,794 (2019 - \$575,528 and \$486,794) respectively.

GREATER VICTORIA PUBLIC LIBRARY BOARD

Notes to Financial Statements (continued)

Year ended December 31, 2020

5. Tangible capital assets (continued):

(a) Contributed tangible capital assets:

There were no tangible capital assets contributed during the years presented.

(b) Write-down of tangible capital assets:

No write-down of capital assets occurred during the years presented.

(c) Work of art and historical treasures:

The Board manages and controls various works of art and non-operational historical cultural assets including artifacts, paintings and sculptures located at branch sites and public display areas. These assets are not recorded as tangible capital assets and are not amortized.

(d) Ownership of premises:

Land and buildings for the twelve library branches are owned or leased by the respective municipalities in which the branches are located or in accordance with title registration. The Central Branch building, located at 735 Broughton Street, Victoria, is jointly owned by the City of Victoria, Township of Esquimalt, Districts of Saanich and Oak Bay and the Town of View Royal. Shared Services BC, a division of the BC Ministry of Citizens' Services has an option to purchase the premises of the Central Branch if it ceases to be used for library purposes.

The fair value of the cost to lease the premises has not been recognized in the statement of operations.

GREATER VICTORIA PUBLIC LIBRARY BOARD

Notes to Financial Statements (continued)

Year ended December 31, 2020

6. Accumulated surplus:

Accumulated surplus consists of:

	2020	2019
Surplus:		
Invested in tangible capital assets	\$ 7,860,202	\$ 7,830,515
Unfunded employee future benefit obligation	(208,405)	(208,405)
Total surplus	7,651,797	7,622,110
Reserves:		
Capital improvement reserve	1,624,974	1,518,757
Operating reserve	2,625,293	1,972,022
Contingency reserve	2,795,668	1,464,461
Replacement reserve	856,519	736,519
Total reserves	7,902,454	5,691,759
	\$ 15,554,251	\$ 13,313,869

7. Municipal contributions:

The following municipal contributions have been included in revenue:

	2020	2019
District of Saanich	\$ 6,026,800	\$ 5,890,304
City of Victoria	5,240,489	4,958,458
City of Langford	1,930,654	1,862,234
District of Oak Bay	1,197,358	1,188,789
Township of Esquimalt	961,294	909,408
District of Central Saanich	943,821	892,918
City of Colwood	845,062	829,362
Town of View Royal	547,158	510,969
District of Metchosin	262,245	229,676
District of Highlands	123,847	128,003
	\$ 18,078,728	\$ 17,400,121

GREATER VICTORIA PUBLIC LIBRARY BOARD

Notes to Financial Statements (continued)

Year ended December 31, 2020

8. Donations:

Included in donation revenue are distributions from the following endowment funds held at the Victoria Foundation. These funds are shown below in their endowed amounts.

	2020	2019
General endowment	\$ 362,655	\$ 351,068
T. Harry Wilson	78,322	76,007
	<u>\$ 440,977</u>	<u>\$ 427,075</u>

Included in donations is \$34,689 (2019 - \$43,925) of unrestricted donations which have not been dedicated to any specific projects or programs and have not been spent. As no external restrictions were placed on the use of the funds, the amounts have been recognized as revenue when received.

9. Budget data:

The budget data presented in these financial statements is based upon the operating budget approved by the Board on October 22, 2019. The chart below reconciles the approved financial plan to figures reported in these financial statements.

	Budget amount
Revenues:	
Operating budget	\$ 20,029,695
Less:	
Transfers from other funds	(250,000)
Total revenue	19,779,695
Expenses:	
Operating budget	20,029,695
Amortization expense	1,798,000
Less:	
Capital expenditures	(2,150,067)
Total expenses	19,677,628
Annual surplus	<u>\$ 102,067</u>

GREATER VICTORIA PUBLIC LIBRARY BOARD

Notes to Financial Statements (continued)

Year ended December 31, 2020

10. Economic dependency:

Approximately 94% (2019 - 91%) of the Board's revenues are derived from contributions from municipalities participating under the Library Operating Agreement (the "Agreement"). Should this Agreement be cancelled or not renewed, management is of the opinion that continued viability of operations would not be assured.

11. Commitments:

The Board has entered into operating leases for premises and equipment, and has a contractual obligation for janitorial services. Estimated commitments for the duration of the lease terms which end in 2021 are \$221,000.

12. Trust funds:

Trust funds administered by the Board for the Juan de Fuca Branch Reserve Fund amount to \$359,088 (2019 - \$409,092) and have not been included in the statement of financial position nor have their activities been included in the statement of operations and accumulated surplus.

The trust was established to hold and administer reserves to fund major building maintenance and renewals.

GREATER VICTORIA PUBLIC LIBRARY BOARD

Statement of Financial Position by Fund

December 31, 2020, with comparative information for 2019

Schedule 1

	Operating fund	Capital fund	Reserve fund	Endowment fund	Capital improvement fund	2020	2019
Financial assets:							
Cash and cash equivalents	\$ 3,173,178	\$ -	\$ 2,714,906	\$ 88,148	\$ -	\$ 5,976,232	\$ 3,939,149
Accounts receivable	178,058	-	-	-	-	178,058	230,358
Investments	-	-	1,566,471	-	1,624,974	3,191,445	3,118,349
	3,351,236	-	4,281,377	88,148	1,624,974	9,345,735	7,287,856
Financial liabilities:							
Accounts payable and accrued liabilities	1,028,681	-	-	-	-	1,028,681	702,048
Accrued payroll, vacation and sick leave benefits	139,507	-	-	-	-	139,507	419,341
Deferred revenue	785,088	-	-	-	-	785,088	675,756
Employee future benefit obligation	398,014	-	-	-	-	398,014	447,320
	2,351,290	-	-	-	-	2,351,290	2,244,465
Net financial assets (net debt)	999,946	-	4,281,377	88,148	1,624,974	6,994,445	5,043,391
Non-financial assets:							
Tangible capital assets	-	7,860,202	-	-	-	7,860,202	7,830,515
Prepaid expenses and deposits	699,604	-	-	-	-	699,604	439,963
	699,604	7,860,202	-	-	-	8,559,806	8,270,478
Accumulated surplus	\$ 1,699,550	\$ 7,860,202	\$ 4,281,377	\$ 88,148	\$ 1,624,974	\$ 15,554,251	\$ 13,313,869

GREATER VICTORIA PUBLIC LIBRARY BOARD

Statement of Operations and Accumulated Surplus by Fund

Year ended December 31, 2020, with comparative information for 2019

Schedule 2

	Operating fund	Capital fund	Reserve fund	Endowment fund	Capital improvement fund	2020	2019
Revenue:							
Municipal contributions	\$ 18,078,728	\$ -	\$ -	\$ -	\$ -	18,078,728	\$ 17,400,121
Fines, fees, photocopying	185,515	-	-	-	-	185,515	564,593
Government transfers:						-	
Provincial	632,707	-	-	-	-	632,707	632,707
Federal	-	-	-	-	-	-	4,741
Investment income	35,030	-	-	427	71,528	106,985	175,073
Contracts for service	29,840	-	-	-	-	29,840	29,560
Donations	46,349	-	-	22,682	34,689	103,720	234,482
Total revenue	19,008,169	-	-	23,109	106,217	19,137,495	19,041,277
Expenses:							
Salaries and benefits	11,498,289	-	-	-	-	11,498,289	12,676,324
Library materials	1,178,374	-	39,569	-	-	1,217,943	529,122
Supplies and services	1,179,224	-	-	-	-	1,179,224	1,372,713
Building occupancy	776,354	-	-	-	-	776,354	839,951
Other	235,987	-	-	-	-	235,987	341,312
Amortization	1,985,809	-	-	-	-	1,985,809	1,949,440
Loss on currency exchange	3,507	-	-	-	-	3,507	1,208
Total expenses	16,857,544	-	39,569	-	-	16,897,113	17,710,070
Annual surplus (deficiency)	2,150,625	-	(39,569)	23,109	106,217	2,240,382	1,331,207
Transfer to replacement reserve	(120,000)	-	120,000	-	-	-	-
Transfer from replacement reserve	-	-	-	-	-	-	-
Transfer from contingency reserve	-	-	-	-	-	-	-
Transfer to contingency reserve	(1,331,208)	-	1,331,208	-	-	-	-
Investment in tangible capital assets	(2,015,496)	2,015,496	-	-	-	-	-
Amortization of tangible capital assets	1,985,809	(1,985,809)	-	-	-	-	-
Transfer Prior Year to Reserve	-	-	-	-	-	-	-
Accumulated surplus, beginning of year	1,029,820	7,830,515	2,869,738	65,039	1,518,757	13,313,869	11,982,662
Accumulated surplus, end of year	\$ 1,699,550	\$ 7,860,202	\$ 4,281,377	\$ 88,148	\$ 1,624,974	\$ 15,554,251	\$ 13,313,869

Schedule of Debt

Financial Information Act - Statement of Financial Information

Library Name: Greater Victoria Public Library

Fiscal Year Ended: 2020

The **Greater Victoria Public Library** has no long term debt.

Schedule of Guarantee and Indemnity

Financial Information Act - Statement of Financial Information

Library Name: Greater Victoria Public Library

Fiscal Year Ended: 2020

Greater Victoria Public Library has not given any guarantee or indemnity under the Guarantees and Indemnities Regulation.

Schedule of Remuneration and Expenses

Financial Information Act - Statement of Financial Information

Library Name: Greater Victoria Public Library

Fiscal Year Ended: 2020

		Total Remuneration	Total Expenses
<u>Board Members</u>	<u>Position</u>		
Andrew Appleton	Trustee	\$ -	\$ -
Andy MacKinnon	Vice-Chair	\$ -	\$ -
Annemieke Holthuis	Trustee	\$ -	\$ -
Bob Thompson	Trustee	\$ -	\$ -
Deborah Begoray	Chair	\$ -	\$ -
Dianna Seaton	Trustee	\$ -	\$ -
Doug Kobayashi	Trustee	\$ -	\$ -
Elysia Glover	Trustee	\$ -	\$ -
Gery Lemon	Trustee	\$ -	\$ -
Jane Vermeulen	Trustee	\$ -	\$ -
Jeremy Loveday	Trustee	\$ -	\$ -
Joy Davis	Trustee	\$ -	\$ -
Karel Roessingh	Trustee	\$ -	\$ -
Karen Harper	Trustee	\$ -	\$ -
Kathy Santini	Trustee	\$ -	\$ -
Matthew Boyd	Trustee	\$ -	\$ -
Matthew Salstrom	Trustee	\$ -	\$ -
Susan Laidlaw	Trustee	\$ -	\$ -
Tzu-I Chung	Trustee	\$ -	\$ -
Total Board Members		\$ -	\$ -

Detailed Employees Exceeding \$75,000

Aiyang Ma	\$ 79,901	\$ -
Alexis Lamonja	\$ 93,995	\$ 635
Alison Karen Wong	\$ 77,217	\$ 233
Andrea Brimmell	\$ 100,271	\$ 1,081
Bonnie Fraser	\$ 81,614	\$ 764
Cheryl Landry	\$ 79,158	\$ 353

Schedule of Remuneration and Expenses

Financial Information Act - Statement of Financial Information

Library Name: Greater Victoria Public Library
Fiscal Year Ended: 2020

	Total Remuneration	Total Expenses
<u>Detailed Employees Exceeding \$75,000 (continued)</u>		
Cory Cherriere	\$ 89,250	\$ 1,060
Daphne Wood	\$ 150,256	\$ 2,314
Darrell Joyce	\$ 91,119	\$ 1,233
Deborah Van der Linde	\$ 76,469	\$ 250
Debra Main	\$ 142,716	\$ 649
Devon Tatton	\$ 81,475	\$ 2,401
Divina Rattan	\$ 87,597	\$ -
Eillean Gillette	\$ 114,408	\$ 1,306
Fatima Ferreira	\$ 79,376	\$ 179
Heather Murch	\$ 75,004	\$ -
Helen Hughes	\$ 79,479	\$ 540
Jennifer Rowan	\$ 92,256	\$ -
Jennifer Windecker	\$ 140,371	\$ 540
John Au	\$ 86,139	\$ 540
Kirsten Andersen	\$ 83,737	\$ 312
Kristine-Ann Marshall	\$ 76,760	\$ 540
Lara Riecken	\$ 89,028	\$ 119
Leah Pearse	\$ 79,102	\$ 223
Luis Flores Agoitia	\$ 76,258	\$ 1,286
Martin Brooks	\$ 76,837	\$ -
Matthew Bingham	\$ 89,144	\$ -
Maureen Sawa	\$ 204,261	\$ -
Melina Barnes	\$ 89,082	\$ 3,036
Orlando Taupin	\$ 76,544	\$ 859
Paul McKinnon	\$ 131,903	\$ 733

Phillippa Brown	\$ 94,198	\$ -
Rachel Rogers	\$ 90,886	\$ 1,995
Sarah Harrison	\$ 85,707	\$ 2,897
Scott Munro	\$ 79,418	\$ -
Tracy Kendrick	\$ 93,827	\$ 277
Victoria Neilson	\$ 79,328	\$ 141
Vruti Patel	\$ 78,749	\$ -
Total Detailed Employees Exceeding \$75,000	\$ 3,572,837	\$ 26,497
Total Employees Equal to or Less Than \$75,000	\$ 5,809,637	
Consolidated Total	\$ 9,382,474	\$ 26,497

Reconciliation

Base Salary Renumeration (Not incl Taxable Benefits)	\$ 9,382,474
Receiver General of Canada - Employer portion of EI & CPP	\$ 561,511
Employer portion of other employment benefit contributions	\$ 1,554,304
Total Salaries and Benefits	\$ 11,498,289

Total Salaries and Benefits per Statement of Revenue and Expenses **\$ 11,498,289**

* A Reconciliation to the financial statements is required, and any variance must be explained.

* Renumeration for some individuals includes higher than normal vacation payouts due to the extraordinary circumstances of COVID-19

* The Total Remuneration column and the Total Expenses Column **MUST REMAIN SEPARATE** throughout the form.

Statement of Severance Agreements

Financial Information Act - Statement of Financial Information

Library Name: Greater Victoria Public Library

Fiscal Year Ended: 2020

There were no severance agreements made between the Greater Victoria Public Library and its non-unionized employees during fiscal year 2020.

These agreements represent nil compensation.

Schedule of Changes in Financial Position

Financial Information Act - Statement of Financial Information

Library Name: Greater Victoria Public Library

Fiscal Year Ended: 2020

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: Greater Victoria Public Library

Fiscal Year Ended: 2020

Name of Individual, Firm or Corporation	Total Amount Paid During Fiscal Year
Affinity Staffing Inc	\$ 244,261
BC Hydro	\$ 38,469
BC Libraries Cooperative	\$ 248,289
BC Life & Casualty Company	\$ 51,233
Bibliotheca Canada Inc.	\$ 749,088
British Columbia Pension Corporation	\$ 1,708,973
CDW Canada Inc	\$ 65,382
Chase Office Interiors	\$ 31,842
Communico LLC	\$ 32,000
Cupe Local 410	\$ 150,534
CVS Midwest Tape, LLC	\$ 437,180
Dell Canada Inc	\$ 38,295
District of Saanich	\$ 59,543
Greater Victoria Labour Relations Association	\$ 29,829
GVLRA / CUPE LTD TRUST	\$ 185,404
Image Group	\$ 27,903
Island Floor Centre Ltd.	\$ 37,409
IslandLink Library Federation	\$ 28,044
Jonathan Morgan & Company Limited	\$ 189,630
Library Bound Inc	\$ 782,955
Library Services Centre	\$ 26,767
Minister of Finance	\$ 48,634
Monk Office Supply Ltd	\$ 288,672
Munro's Book Store Ltd	\$ 79,987
Pacific Blue Cross	\$ 465,689
Paladin Security	\$ 126,875
Receiver General	\$ 2,402,948
Ricoh Canada Inc	\$ 57,280
Shaw Business Solutions	\$ 218,853
SirsiDynix (Canada) Inc	\$ 44,833
Softchoice LP	\$ 152,583
The Corporation of the City of Victoria	\$ 150,483

Schedule of Payments Made For the Provision of Goods and Services

Financial Information Act - Statement of Financial Information

Library Name: Greater Victoria Public Library
Fiscal Year Ended: 2020

Name of Individual, Firm or Corporation (continued)

Tricom Building Maintenance Ltd	\$ 273,458
United Library Services Inc	\$ 34,264
West Shore Parks and Recreation	\$ 213,575
Whitehots Inc	\$ 248,938
Wilson M. Beck Insurance Services Inc.	\$ 61,893
Work Safe BC	\$ 34,783
Total (Suppliers with payments exceeding \$25,000)	\$ 10,066,775
Total (Suppliers where payments are \$25,000 or less)	\$ 920,996
Consolidated Total	<u>\$ 10,987,770</u>

Reconciliation of Above to Statement of Revenue and Expenditures

Total of aggregate payments exceeding \$25,000 paid to suppliers (A)	\$ 10,066,775
Consolidated total of payments of \$25,000 or less paid to suppliers (B)	\$ 920,996

Reconciling items

1. Add Remuneration and Expenses	\$ 9,408,971
2. Deduct employee's portion of employment benefit contributions	\$ (2,924,982)
3. GST rebates on expenditures	\$ (248,186)
4. Capital lease principal and debt repayments	\$ -
5. Amortization expense	\$ 1,985,809
6. Tangible capital asset additions net of contributed assets	\$ (2,015,932)
7. Loss on disposal of assets	\$ -
8. Loss on currency exchange	\$ 3,507
9. Municipal cost recovery for building maintenance	\$ (127,117)
10. Increase in employee future benefit obligation	\$ (49,305)
11. Increase in non-salary prepaid expenses	\$ (259,642)
12. Increase in salary accrued expenses	\$ 136,221
Total per Statement of Revenue and Expenditure	<u>\$ 16,897,114</u>
Variance	<u>Nil</u>