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Financial Information Act - Statement of Financial Information

Library Name: Greater Victoria Public Library

Fiscal Year Ended: 2021

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- 10) Statement of Changes in Financial Position
- 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: 2021

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.

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

Board Approval Form

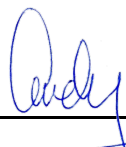
Financial Information Act - Statement of Financial Information

NAME OF LIBRARY <i>Greater Victoria Public Library</i>	FISCAL YEAR END (YYYY) 2021
LIBRARY ADDRESS 735 Broughton Street	TELEPHONE NUMBER 250-480-4875
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 2021 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)

25-05-2022

DD-MM-YYYY

SIGNATURE OF THE LIBRARY DIRECTOR



DATE SIGNED (DD-MM-YYYY)

25-05-2022

DD-MM-YYYY

Management Report

Financial Information Act - Statement of Financial Information

Library Name: Greater Victoria Public Library

Fiscal Year Ended: 2021

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)** 05-25-2022

**Name,
Library Director [Print]**

Ms. Maureen Sawa

**Signature,
Library Director**



**Date
(MM-DD-YYYY)** 05-25-2022

Financial Statements of

**GREATER VICTORIA PUBLIC
LIBRARY BOARD**

Year ended December 31, 2021

GREATER VICTORIA PUBLIC LIBRARY BOARD

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Year ended December 31, 2021

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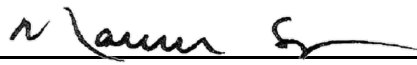
MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS


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, 2021
- 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, 2021 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 24, 2022

GREATER VICTORIA PUBLIC LIBRARY BOARD

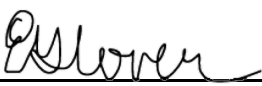

Statement of Financial Position

December 31, 2021, with comparative information for 2020

	2021	2020
Financial assets:		
Cash and cash equivalents	\$ 6,377,959	\$ 5,988,874
Accounts receivable	334,191	178,058
Investments (note 2)	3,257,464	3,191,445
	<u>9,969,614</u>	<u>9,358,377</u>
Financial liabilities:		
Accounts payable and accrued liabilities	1,056,165	1,041,323
Accrued payroll, vacation and sick leave benefits	90,213	139,507
Deferred revenue (note 3)	448,739	785,088
Employee future benefit obligation (note 4)	376,190	398,014
	<u>1,971,307</u>	<u>2,363,932</u>
Net financial assets	7,998,307	6,994,445
Non-financial assets:		
Tangible capital assets (note 5)	8,142,302	7,860,202
Prepaid expenses and deposits	671,762	699,604
	<u>8,814,064</u>	<u>8,559,806</u>
Commitments (note 11)		
Accumulated surplus (note 6)	\$ 16,812,371	\$ 15,554,251

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, 2021, with comparative information for 2020

	Budget (note 9)	2021	2020
Revenue:			
Municipal contributions (note 7)	\$ 18,434,006	\$ 18,287,225	\$ 18,078,728
Fines, fees and printing	333,400	115,027	185,515
Government transfers:			
Provincial	642,339	632,707	632,707
Investment income	74,000	88,896	106,985
Contracts for service	28,450	29,840	29,840
Donations (note 8)	77,500	634,494	103,720
Total revenue	19,589,695	19,788,189	19,137,495
Expenses:			
Salaries and benefits	14,520,580	12,106,483	11,498,289
Library materials	870,000	1,370,399	1,217,943
Supplies and services	1,172,076	1,852,323	1,179,224
Building occupancy	842,841	919,655	776,354
Other	335,383	251,469	235,987
Amortization	1,800,000	2,027,550	1,985,809
Loss on currency exchange	-	2,190	3,507
Total expenses	19,540,880	18,530,069	16,897,113
Annual surplus	48,815	1,258,120	2,240,382
Accumulated surplus, beginning of year	15,554,251	15,554,251	13,313,869
Accumulated surplus, end of year	\$ 15,603,066	\$ 16,812,371	\$ 15,554,251

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, 2021, with comparative information for 2020

	Budget (note 9)	2021	2020
Annual surplus	\$ 48,815	\$ 1,258,120	\$ 2,240,382
Acquisition of tangible capital assets in cash and financed by capital lease	(2,070,067)	(2,309,650)	(2,015,496)
Amortization of tangible capital assets	1,800,000	2,027,550	1,985,809
	(221,252)	976,020	2,210,695
Acquisition (purchase) of prepaid expenses	-	27,842	(259,641)
Change in net financial assets	(221,252)	1,003,862	1,951,054
Net financial assets, beginning of year	6,994,445	6,994,445	5,043,391
Net financial assets, end of year	\$ 6,773,193	\$ 7,998,307	\$ 6,994,445

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

GREATER VICTORIA PUBLIC LIBRARY BOARD

Statement of Cash Flows

Year ended December 31, 2021, with comparative information for 2020

	2021	2020
Cash provided by (used in):		
Operating activities:		
Annual surplus	\$ 1,258,120	\$ 2,240,382
Items not involving cash:		
Amortization of tangible capital assets	2,027,550	1,985,809
Changes in non-cash operating assets and liabilities:		
Accounts receivable	(156,133)	52,300
Accounts payable and accrued liabilities	14,842	339,275
Accrued payroll, vacation and sick leave benefits	(49,294)	(279,834)
Employee future benefit obligation	(21,824)	(49,306)
Deferred revenue	(336,349)	109,332
Prepaid expenses and deposits	27,842	(259,641)
Net change in cash from operating activities	2,764,754	4,138,317
Capital activities:		
Acquisition of tangible capital assets	(2,309,650)	(2,015,496)
Investing activities:		
Increase in investments	(66,019)	(73,096)
Change in cash and cash equivalents	389,085	2,049,725
Cash and cash equivalents, beginning of year	5,988,874	3,939,149
Cash and cash equivalents, end of year	\$ 6,377,959	\$ 5,988,874

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

GREATER VICTORIA PUBLIC LIBRARY BOARD

Notes to Financial Statements

Year ended December 31, 2021

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, 2021

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, 2021

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, 2021

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, 2021

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 0.60% to 2.96%, and mature at varying dates to 2024.

Included in investments is \$4,460 (2020 - \$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:

	2021	2020
Deferred municipal contributions and government grants	\$ 275,256	\$ 169,163
Restricted donations	173,483	615,925
	<u>\$ 448,739</u>	<u>\$ 785,088</u>

GREATER VICTORIA PUBLIC LIBRARY BOARD

Notes to Financial Statements (continued)

Year ended December 31, 2021

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:

	2021	2020
Obligations for retirement gratuity	\$ 376,190	\$ 398,014

Information about the Board's obligation is as follows:

	2021	2020
Balance, beginning of year	\$ 398,014	\$ 447,320
Current benefit cost and interest	23,704	(31,418)
Benefits paid	(45,528)	(17,888)
Balance, end of year	\$ 376,190	\$ 398,014

Included in the statement of operations is \$23,704 in expenses (2020 - \$31,418) related to future benefit obligations.

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

	2021	2020
Discount rate for present value of future benefits	2.3 %	1.4 %
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, 2021

4. Employee future benefit obligation (continued):

Pension plan:

The Board and its employees contribute to the Municipal Pension 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 are based on a formula. As at December 31, 2020, the plan has about 220,000 active members and approximately 112,000 retired members. Active members include approximately 42,000 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 \$916,563 (2020 - \$902,432) for employer contributions while employees contributed \$810,037 (2020 - \$801,680) to the Plan in fiscal 2020.

The next valuation will be as at December 31, 2021, with results available later 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, 2021

5. Tangible capital assets:

2021	Library materials collection	Building improvements	Shelving	Computer equipment	Furniture and equipment	Automotive	Software	Total
Cost:								
Balance, beginning of year	\$ 28,269,373	\$ 1,454,883	\$ 1,764,715	\$ 1,713,874	\$ 3,750,600	\$ 148,672	\$ 211,826	\$ 37,313,943
Additions	1,545,377	57,072	371,221	147,565	116,716	74,199	-	2,312,150
Disposals	-	-	-	-	(2,500)	-	-	(2,500)
Balance, end of year	29,814,750	1,511,955	2,135,936	1,861,439	3,864,816	222,871	211,826	39,623,593
Accumulated amortization:								
Balance, beginning of year	23,476,072	721,250	1,156,467	1,176,909	2,610,771	136,559	175,713	29,453,741
Amortization	1,604,662	79,199	48,973	136,958	128,253	25,894	3,611	2,027,550
Balance, end of year	25,080,734	800,449	1,205,440	1,313,867	2,739,024	162,453	179,324	31,481,291
Net book value, end of year	\$ 4,734,016	\$ 711,506	\$ 930,496	\$ 547,572	\$ 1,125,792	\$ 60,418	\$ 32,502	\$ 8,142,302

GREATER VICTORIA PUBLIC LIBRARY BOARD

Notes to Financial Statements (continued)

Year ended December 31, 2021

5. Tangible capital assets (continued):

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, 2021

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, 2021

6. Accumulated surplus:

Accumulated surplus consists of:

	2021	2020
Surplus:		
Invested in tangible capital assets	\$ 8,142,302	\$ 7,860,202
Unfunded employee future benefit obligation	(145,876)	(208,405)
Total surplus	7,996,426	7,651,797
Reserves:		
Capital improvement reserve	1,718,248	1,624,974
Operating reserve	1,761,910	2,625,293
Contingency reserve	3,499,795	2,795,668
Replacement reserve	1,835,992	856,519
Total reserves	8,815,945	7,902,454
	\$ 16,812,371	\$ 15,554,251

7. Municipal contributions:

The following municipal contributions have been included in revenue:

	2021	2020
District of Saanich	\$ 5,876,003	\$ 6,026,800
City of Victoria	5,329,027	5,240,489
City of Langford	2,045,413	1,930,654
District of Oak Bay	1,123,074	1,197,358
Township of Esquimalt	950,311	961,294
Township of Esquimalt - new branch	208,500	-
District of Central Saanich	941,995	943,821
City of Colwood	879,672	845,062
Town of View Royal	550,781	547,158
District of Metchosin	258,601	262,245
District of Highlands	123,847	123,847
	\$ 18,287,224	\$ 18,078,728

GREATER VICTORIA PUBLIC LIBRARY BOARD

Notes to Financial Statements (continued)

Year ended December 31, 2021

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.

	2021	2020
General endowment	\$ 401,393	\$ 362,655
T. Harry Wilson	86,754	78,322
	<u>\$ 488,147</u>	<u>\$ 440,977</u>

Included in donations is \$28,385 (2020 - \$34,689) 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 27, 2020. The chart below reconciles the approved financial plan to figures reported in these financial statements.

	Budget amount
Revenues:	
Operating budget	\$ 19,810,947
Transfers from other funds	(221,252)
Total revenue	19,589,695
Expenses:	
Operating budget	19,810,947
Amortization expense	1,800,000
Capital expenditures	(2,070,067)
Total expenses	19,540,880
Annual surplus	<u>\$ 48,815</u>

GREATER VICTORIA PUBLIC LIBRARY BOARD

Notes to Financial Statements (continued)

Year ended December 31, 2021

10. Economic dependency:

Approximately 92% (2020 - 94%) 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 a contractual obligation for facilities and IT service contracts. Estimated commitments for the next five years is as follows:

2022	305,433
2023	28,410
2024	29,280
2025	30,100
2026	-
	\$ 393,223

12. Trust funds:

During the year, \$359,088 of funds held in Trust by the Board for the Juan de Fuca Branch Reserve Fund were transferred to the building owners for administrative and financial oversight. The Board no longer holds these funds held in Trust. Trust funds have not been included in the statement of financial position nor have their activities been included in the statement of operations and accumulated surplus.

Schedule of Debt

Financial Information Act - Statement of Financial Information

Library Name: Greater Victoria Public Library

Fiscal Year Ended: 2021

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: 2021

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: 2021

		Total Remuneration	Total Expenses
<u>Board Members</u>	<u>Position</u>		
Alto, M			
Appleton, Andrew	Trustee	\$ -	\$ -
Beaton, E	Trustee	\$ -	\$ -
Begoray, Deborah	Trustee	\$ -	\$ -
Boyd, Matthew	Trustee	\$ -	\$ -
Davis, Joy	Trustee	\$ -	\$ -
Glover, Elysia	Trustee	\$ -	\$ -
Harper, Karen	Trustee	\$ -	\$ -
Holthuis, Annemieke	Vice-Chair	\$ -	\$ -
Kobayashi, Doug	Trustee	\$ -	\$ -
Lemon, Gery	Trustee	\$ -	\$ -
MacKinnon, Andy	Chair	\$ -	\$ -
Roessingh, Karel	Trustee	\$ -	\$ -
Salstrom, Matthew	Trustee	\$ -	\$ -
Santini, Kathy	Trustee	\$ -	\$ -
Seaton, Dianna	Trustee	\$ -	\$ -
Thompson, Bob	Trustee	\$ -	\$ -
Vermeulen, Jane	Trustee	\$ -	\$ -
Total Board Members		\$ -	\$ -

Detailed Employees Exceeding \$75,000

Andersen, Kirsten	\$ 82,781	\$ 324
Au, John	\$ 83,035	\$ 860
Barnes, Melina	\$ 90,578	\$ 3,433
Bingham, Matthew	\$ 89,725	\$ 560
Brimmell, Andrea	\$ 98,015	\$ 1,350
Brown, Phillippa	\$ 92,277	\$ 58

	Total Remuneration	Total Expenses
<u>Detailed Employees Exceeding \$75,000 (continued)</u>		
Cherriere, Cory	\$ 87,437	\$ 1,240
Ferreira, Fatima	\$ 77,731	\$ 170
Flores_Agoitia, Luis	\$ 77,902	\$ 2,974
Fraser, Bonnie	\$ 81,671	\$ 1,377
Gillette, Eileen	\$ 116,268	\$ 610
Harrison, Sarah	\$ 84,696	\$ 198
Joyce, Darrell	\$ 91,034	\$ 288
Kendrick, Tracy	\$ 92,267	\$ -
Lamonja, Juan _Alexis	\$ 96,431	\$ 635
Ma, Aiyang	\$ 77,713	\$ 100
Mccoy, David	\$ 87,180	\$ 288
Mckinnon, Paul	\$ 133,522	\$ 3,619
Munro, Scott	\$ 77,766	\$ 100
Neilson, Victoria	\$ 77,715	\$ 241
Patel, Vruti	\$ 78,092	\$ -
Pearse, Leah	\$ 76,826	\$ 323
Ridgway, Kelly	\$ 84,959	\$ -
Riecken, Lara	\$ 87,147	\$ 119
Rogers, Rachel	\$ 88,393	\$ 1,995
Rowan, Jennifer	\$ 84,979	\$ 100
Sawa, Maureen	\$ 187,599	\$ 100
Sutherland, Nicole	\$ 75,093	\$ -
Tatton, Devon	\$ 77,360	\$ 2,501
Tuapin, Orlando	\$ 76,532	\$ 859
Van_Der_Linde, Deborah	\$ 76,937	\$ 250
Weissl, Jeanne	\$ 76,102	\$ 295
Windecker, Jennifer	\$ 137,502	\$ 540
Wood, Daphne	\$ 134,411	\$ 2,314

Total Detailed Employees Exceeding \$75,000	\$ 3,137,676	\$ 27,819
Total Employees Equal to or Less Than \$75,000	\$ 6,768,564	
Consolidated Total	\$ 9,906,240	\$ 27,819

Reconciliation

Base Salary Renumeration (Not incl Taxable Benefits)	\$ 9,906,240
Receiver General of Canada - Employer portion of EI & CPP	\$ 618,378
Employer portion of other employment benefit contributions	\$ 1,581,865
Total Salaries and Benefits	\$ 12,106,483

Total Salaries and Benefits per Statement of Revenue and Expenses **\$ 12,106,483**

Statement of Severance Agreements

Financial Information Act - Statement of Financial Information

Library Name: Greater Victoria Public Library

Fiscal Year Ended: 2021

There were 1 severance agreements made between (GVPL) Library and its non-unionized employees during fiscal year 2021.

These agreements represent 3 months' compensation.

Schedule of Changes in Financial Position

Financial Information Act - Statement of Financial Information

Library Name: Greater Victoria Public Library

Fiscal Year Ended: 2021

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: 2021

Name of Individual, Firm or Corporation	Total Amount Paid During Fiscal Year
Affinity Staffing Inc	\$ 189,353
Amazon	\$ 32,714
ARI Financial Services T46163	\$ 27,028
BC Hydro	\$ 40,911
BC Libraries Cooperative	\$ 154,609
BC Life & Casualty Company	\$ 46,151
BC Moving and Storage Ltd.	\$ 53,421
Bibliotheca Canada Inc.	\$ 355,746
British Columbia Pension Corporation	\$ 1,726,600
Brodart Co.	\$ 32,509
CDW Canada Inc	\$ 204,506
Chase Office Interiors	\$ 67,924
City of Victoria	\$ 139,139
CUPE Local 410	\$ 174,981
CVS Midwest Tape, LLC	\$ 372,295
District of Saanich	\$ 52,058
Divina Rattan	\$ 36,620
Greater Victoria Labour Relations Association	\$ 63,635
GVLRA / CUPE LTD TRUST	\$ 211,370
Jonathan Morgan & Company Limited	\$ 458,301
Kanopy, Inc	\$ 85,229
Kwik Supply Inc	\$ 26,087
Library Bound Inc	\$ 949,965
Library Services Centre	\$ 32,231
MCM Interiors Ltd	\$ 41,188
Ministry of Finance	\$ 173,000
Monk Office Supply Ltd	\$ 118,287
Munro's Book Store Ltd	\$ 157,043
OverDrive Inc	\$ 410,490
Pacific Blue Cross	\$ 297,373
Paladin Security	\$ 196,638
Pinton Forrest & Madden Group Inc	\$ 45,623

Name of Individual, Firm or Corporation (continued)

Prices Alarms (Systems Division)	\$	35,068
Receiver General - Payroll Remits RP0002	\$	2,691,444
Ricoh Canada Inc	\$	52,133
Shaw Business Solutions	\$	323,987
Shaw Cable	\$	34,928
SirsiDynix (Canada) Inc	\$	132,356
Softchoice LP	\$	95,859
Suburban Motors	\$	84,381
Tricom Building Maintenance Ltd	\$	312,004
West Shore Parks and Recreation	\$	423,604
Whitehots Inc	\$	313,978
Wilson M. Beck Insurance Services Inc.	\$	124,780
Work Safe BC	\$	33,540

Total (Suppliers with payments exceeding \$25,000)	\$	11,631,088
Total (Suppliers where payments are \$25,000 or less)	\$	1,061,426
Consolidated Total	\$	12,692,514

Reconciliation of Above to Statement of Revenue and Expenditures

Total of aggregate payments exceeding \$25,000 paid to suppliers (A)	\$	11,631,088
Consolidated total of payments of \$25,000 or less paid to suppliers (B)	\$	1,061,426

Reconciling items

1. Add Remuneration and Expenses	\$	9,934,059
2. Deduct employee's portion of employment benefit contributions	\$	(3,552,625)
3. GST rebates on expenditures	\$	(268,458)
4. Capital lease principal and debt repayments	\$	-
5. Amortization expense	\$	2,027,551
6. Tangible capital asset additions net of contributed assets	\$	(2,309,652)
7. Loss on disposal of assets	\$	-
8. Loss on currency exchange	\$	2,190
9. Municipal cost recovery for building maintenance	\$	-
10. Decrease in employee future benefit obligation	\$	(21,824)
11. Increase in non-salary prepaid expenses	\$	27,842
12. Decrease in salary accrued expenses	\$	(1,527)
Total per Statement of Revenue and Expenditure	\$	18,530,070
Variance		Nil