



REGINA PUBLIC LIBRARY BOARD

Consolidated Financial Statements

December 31, 2021

To the Chairperson and Members of Regina Public Library:

Opinion

We have audited the consolidated financial statements of Regina Public Library (the "Library"), which comprise the consolidated statement of financial position as at December 31, 2021, and the consolidated statement of operations and changes in accumulated surplus, change in net financial assets and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Library as at December 31, 2021, and the results of its consolidated operations, changes in its net financial assets and its consolidated 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 Auditor's Responsibilities for the Audit of the consolidated Financial Statements section of our report. We are independent of the Library in accordance with the ethical requirements that are relevant to our audit of the consolidated 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 Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Library's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Library or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated 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 consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Library's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Library's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Library to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Library to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Regina, Saskatchewan

March 22, 2022

MNP LLP

Chartered Professional Accountants

MNP

REGINA PUBLIC LIBRARY BOARD

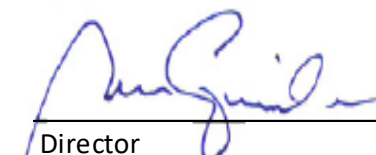
Consolidated Statement of Financial Position

As at December 31, 2021


(000's)

	<u>2021</u>	<u>2020</u>
FINANCIAL ASSETS		
Cash (Note 3)	\$ 22,372	\$ 19,162
Accounts receivable	652	658
	23,024	19,820
FINANCIAL LIABILITIES		
Accounts payable and accrued liabilities	2,267	1,661
Deferred revenue	99	158
Employee benefits obligations (Note 4)	927	944
	3,293	2,763
Net financial assets	19,731	17,057
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 5)	15,026	15,491
Prepaid expenses	413	376
	15,439	15,867
Accumulated surplus (Note 6)	\$ 35,170	\$ 32,924

See accompanying notes



Director



Director

REGINA PUBLIC LIBRARY BOARD

Consolidated Statement of Operations and Changes in Accumulated Surplus

Year ended December 31, 2021

(000's)

	2021 Budget	2021	2020
REVENUE			
City of Regina tax levy	\$ 22,731	\$ 22,813	\$ 22,085
Grants-in-lieu of taxes	1,522	1,477	1,513
Provincial services agreement	613	624	604
Donations	257	51	35
Interest	202	198	256
Other grants	246	361	465
Other revenue	518	341	325
Gain on disposal of tangible capital assets	-	-	4
	26,089	25,865	25,287
EXPENSES (Note 11)			
Library Services	12,021	10,600	10,931
Customer Experience	5,292	5,470	5,249
Service Innovation	3,266	3,009	3,106
Finance & Strategy	1,954	1,750	1,430
Governance	121	80	59
Amortization	2,750	2,710	2,698
	25,404	23,619	23,473
Surplus	685	2,246	1,814
Accumulated surplus, beginning of year		32,924	31,110
Accumulated surplus, end of year		\$ 35,170	\$ 32,924

See accompanying notes

REGINA PUBLIC LIBRARY BOARD**Consolidated Statement of Change in Net Financial Assets****Year ended December 31, 2021**

(000's)

	<u>2021</u>	<u>2020</u>
Surplus	\$ 2,246	\$ 1,814
Acquisition of tangible capital assets	(2,248)	(2,155)
Amortization of tangible capital assets	2,710	2,698
Proceeds on sale of tangible capital assets	-	4
Gain on disposal of tangible capital assets	-	(4)
Write down of tangible capital assets	3	-
	465	543
Acquisition of prepaid expenses	(413)	(376)
Use of prepaid expenses	376	381
	(37)	5
Increase in net financial assets	2,674	2,362
Net financial assets, beginning of year	17,057	14,695
Net financial assets, end of year	\$ 19,731	\$ 17,057

See accompanying notes

REGINA PUBLIC LIBRARY BOARD
Consolidated Statement of Cash Flows
Year ended December 31, 2021

(000's)	<u>2021</u>	<u>2020</u>
OPERATING ACTIVITIES		
Surplus	\$ 2,246	\$ 1,814
Add back non-cash items:		
Amortization of tangible capital assets	2,710	2,698
Gain on disposal of tangible capital assets	-	(4)
Write down of tangible capital assets	3	-
Changes in non-cash working capital items:		
Decrease (increase) in accounts receivable	6	(7)
(Increase) decrease in prepaid expenses	(37)	5
Increase (decrease) in accounts payable and accrued liabilities	606	(736)
(Decrease) increase in deferred revenue	(59)	35
Decrease in employee benefits obligations	(17)	(8)
Cash provided by operating activities	5,458	3,797
CAPITAL ACTIVITIES		
Acquisition of tangible capital assets	(2,248)	(2,155)
Proceeds on sale of tangible capital assets	-	4
Cash applied to capital activities	(2,248)	(2,151)
Increase in cash and cash equivalents	3,210	1,646
Cash and cash equivalents, beginning of year	19,162	17,516
Cash and cash equivalents, end of year	\$ 22,372	\$ 19,162

See accompanying notes

REGINA PUBLIC LIBRARY BOARD

Notes to the Consolidated Financial Statements

Year ended December 31, 2021

1. PURPOSE OF THE ORGANIZATION

The Regina Public Library Board (the "Library") is governed by *The Public Libraries Act 1996* to facilitate equitable access to basic library services by all residents of Saskatchewan. The Library's vision is to be a dynamic hub of literacy, lifelong learning, curiosity, and new ideas, integral to the economic and social vibrancy of Regina. The Library inspires individuality, connection, and diversity. The Library is a registered charity and not subject to income tax.

During the year, there continued to be a global outbreak of COVID-19 (coronavirus), which had a significant impact on businesses through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. Although a degree of uncertainty remains, the Library does not anticipate a material impact on future operations.

2. SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements have been prepared in accordance with Canadian public-sector accounting standards.

The preparation of the consolidated financial statements required management to make estimates and assumptions that affect the reported amount of assets and liabilities at the date of the financial statements, as well as the reported amount of revenues and expenses during the period. Accordingly, actual results could differ from those estimates. Estimates and assumptions are reviewed periodically, and as adjustments become necessary, they are reported in surplus in the period in which they become known. Significant estimates include employee benefit obligations, contribution of tangible capital assets, the amortization of tangible capital assets, and provision on tax appeals.

The significant accounting policies used in the preparation of these consolidated financial statements are summarized below:

a) *Basis of consolidation*

These consolidated financial statements include the accounts of the Library and the Library's proportionate share of government partnerships.

b) *Budget*

Operating and capital budgets reflect the amounts approved by the Library Board of Directors, with the subsequent mill rate required to support the budgets approved by City of Regina Council. The budget is reported on an accrual basis, consistent with principles applied in the consolidated financial statements.

REGINA PUBLIC LIBRARY BOARD

Notes to the Consolidated Financial Statements

Year ended December 31, 2021

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

The Library may carry forward unspent funds from the operating and/or capital budgets for significant projects and/or equipment, but these adjustments are not reflected in the consolidated financial statements.

c) *Government Partnerships*

Government partnerships represents contractual agreements between the Library and a party or parties outside the Library reporting entity. The partners have significant, clearly defined common goals, make a financial investment in a partnership, share control of decision making, and share, on an equitable basis, the significant risks and benefits associated with the operations of the partnerships. Government partnerships are accounted for on a proportionate, consolidated basis whereby the Library's pro-rata share of the partnership's assets, liabilities, revenue and expenses are combined on a line-by-line basis after adjusting the accounting policies to a basis consistent with the accounting policies of the Library. Intercompany balances and transactions between the Library and the Partnerships have been eliminated.

The Library's interest in government partnerships include the Saskatchewan Information & Library Services Consortium Inc. (SILS) and māmawēyatitān centre. In the current year, the Library's share of SILS was 22.07% (2020 – 22.15%) and of māmawēyatitān centre was 5.79% (2020 – 5.79%).

d) *Employee benefit plans*

The Library is a member of the Regina Civic Employees' Superannuation and Benefit Plan and the Regina Civic Employees' Long Term Disability Plan, which are multiemployer plans. The Library's contributions to the pension and disability plans are expensed as incurred.

The Library has a post-employment obligation for sick leave and severance payments earned by long service employees which is expected to be paid out upon retirement or termination. The obligations have been determined on an actuarial basis using the projected benefit method prorated on services. Experience gains/losses are amortized over the estimated average remaining service life of the employee group.

REGINA PUBLIC LIBRARY BOARD

Notes to the Consolidated Financial Statements

Year ended December 31, 2021

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

e) *Tangible capital assets*

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

Buildings	20 - 50 years
Leasehold improvements	lease term
Furnishings and information technology:	
Furniture and equipment	10 years
Audio visual and security	5 years
Computer hardware	3 – 5 years
Computer software	3 – 8 years
Land improvements	20 years
Library Materials	8 years
Shelving	25 years
Vehicles	8 years

Assets under construction are not amortized until the asset is available for productive use.

Purchases of works of art are expensed.

Purchases of digital content including serials/periodicals, movies, music, online courses and tutorials, eBooks, and eAudiobooks are expensed. Purchases of digital content including annual licenses for access to databases are expensed over the subscription period.

f) *Non-financial assets*

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

g) *Revenue recognition*

Taxation revenue is recognized in the fiscal period the tax assessment was levied against property owners. The City of Regina administers the assessment and collection of the Library mill rate and remits tax revenues to the Library. Tax revenues are recorded net of a provision for potential losses on outstanding assessment appeals and uncollected taxes.

Unless the grant is restricted, grant revenue is recognized when the funds are received. If the grant is restricted by the contributor, the revenue is deferred and recognized when the conditions of the funding have been met.

REGINA PUBLIC LIBRARY BOARD

Notes to the Consolidated Financial Statements

Year ended December 31, 2021

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Donation revenue is recognized in the period in which the funds are received unless the donation is restricted. If the donation is restricted by the contributor, the revenue is deferred and recognized when the conditions of the donation have been met.

Other revenue, such as fines, interest and exhibits, is recognized when received or when goods or services have been provided.

The amount reported in these consolidated financial statements as grant revenue from the Saskatchewan Arts Board is made up of a combination of Lottery and non-Lottery funding. This is made possible through the Partnership Agreement between the Saskatchewan Arts Board and SaskCulture Inc., which is the Trustee for the Culture Section of Saskatchewan Lotteries Trust Fund for Sport, Culture and Recreation. Under the terms of this agreement for the applicable period, SaskCulture allocated a specified amount of Lottery funds to the Saskatchewan Arts Board as a portion of the total envelope of funds available for the program(s) through which this grant was adjudicated and approved.

h) Risk

Credit risk is the risk of financial loss to the Library if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The organization has minimal credit risk since it has minimal accounts receivable.

Liquidity risk is the risk that the Library will not be able to meet its financial obligations as they become due. The staff on behalf Regina Public Library manages liquidity risk by continually monitoring cash flow requirements to ensure that it has sufficient funds to meet obligations when they become due.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The Library is not exposed to significant interest rate risk.

REGINA PUBLIC LIBRARY BOARD

Notes to the Consolidated Financial Statements

Year ended December 31, 2021

3. CASH

	2021 (000's)	2020 (000's)
Unrestricted cash	\$ 21,742	\$ 18,529
SILS cash	630	633
	<u>\$ 22,372</u>	<u>\$ 19,162</u>

The Library has an authorized line of credit available to a maximum amount of \$500,000 (2020 - \$500,000). The Library did not draw on these funds during the year (2020 - \$nil).

Funds are invested in an interest-bearing account earning interest at a rate of CIBC Monthly Average Prime Rate less 1.50% (2020 - Average Prime Rate less 1.50%).

4. EMPLOYEE BENEFITS OBLIGATIONS

The Library's Collective Agreement with the Canadian Union of Public Employees ("CUPE") provides for a partial pay out of accumulated sick leave credits on termination or retirement for eligible employees with at least 10 years of service. Eligible out-of-scope employees receive severance payments on termination.

An actuarial valuation of vested sick leave and severance payments was completed using the benefit method at December 31, 2021. The actuarial valuation was based on assumptions about future events including employee turnover and mortality, wage and salary increases, sick leave usage and interest rates. The discount rate used to determine the unfunded employee benefit is 1.9% (2020 - 1.1%). Compensation rates for In-scope employees are assumed to increase at an average rate of 2.25% per annum, while compensation rates for Out-of-scope employees are assumed to increase at an average rate of 2.25% per annum.

REGINA PUBLIC LIBRARY BOARD

Notes to the Consolidated Financial Statements

Year ended December 31, 2021

4. EMPLOYEE BENEFITS OBLIGATIONS (continued)

The Library's accrued employee benefits liability and benefits plan expense are disclosed below:
The obligation amount of \$791,000 (2020 - \$836,000) is unfunded and will be paid from future revenues.

Accrued benefits liability	2021 (000's)	2020 (000's)
Accrued benefits obligation, beginning of year	\$ 836	\$ 747
Current period benefit cost	52	46
Interest on accrued benefit obligation	9	18
Experience gain	(49)	58
Less: benefits paid	(57)	(33)
Accrued benefit obligation, end of year	791	836
Unamortized net actuarial gain	136	108
Accrued benefits liability, end of year	\$ 927	\$ 944

Employee benefits related expense	2021 (000's)	2020 (000's)
Benefit expense		
Current period benefit cost	\$ 52	\$ 46
Amortization of net actuarial gains	(21)	(39)
Total benefit expense	31	7
Interest expense		
Interest cost on accrued benefit obligations	9	18
Total benefit plan related expense	\$ 40	\$ 25

Actual benefits payments for the year were \$57,000 (2020 - \$33,000).

REGINA PUBLIC LIBRARY BOARD

Notes to the Consolidated Financial Statements

Year ended December 31, 2021

5. TANGIBLE CAPITAL ASSETS

Tangible capital assets consist of the following:

	2021 (000's)	2020 (000's)
Buildings and leasehold improvements	\$ 5,689	\$ 6,001
Construction in progress	64	14
Furnishings and information technology	2,312	2,401
Land	329	329
Land improvements	145	156
Library Materials	6,047	6,117
Shelving	357	363
Vehicles	83	110
	\$ 15,026	\$ 15,491

Tangible capital asset cost:

	Beginning of Year (000's)	Additions (000's)	Disposals and Write Downs (000's)	Transfers (000's)	End of Year (000's)
2021					
Buildings and leasehold improvements	\$ 15,382	\$ -	\$ -	\$ -	\$ 15,382
Construction in progress	14	64	-	(14)	64
Furnishings and information technology	4,803	717	583	14	4,951
Land	329	-	-	-	329
Land improvements	230	-	-	-	230
Library materials (Note 13)	12,197	1,454	1,464	-	12,187
Shelving	873	13	-	-	886
Vehicles	218	-	-	-	218
2021 Totals	\$ 34,046	\$ 2,248	\$ 2,047	\$ -	\$ 34,247
2020 Totals	\$ 33,982	\$ 2,155	\$ 2,091	\$ -	\$ 34,046

REGINA PUBLIC LIBRARY BOARD**Notes to the Consolidated Financial Statements**Year ended December 31, 2021

5. TANGIBLE CAPITAL ASSETS (continued)

Accumulated amortization:

	Beginning of Year (000's)	Amortization Expense (000's)	Disposals and Write Downs (000's)	End of Year (000's)
2021				
Buildings and leasehold improvements	\$ 9,381	\$ 312	\$ -	\$ 9,693
Furnishings and information technology	2,402	817	580	2,639
Land improvements	74	11	-	85
Library materials	6,080	1,524	1,464	6,140
Shelving	510	19	-	529
Vehicles	108	27	-	135
2021 Totals	\$ 18,555	\$ 2,710	\$ 2,044	\$ 19,221
2020 Totals	\$ 17,948	\$ 2,698	\$ 2,091	\$ 18,555

The Library purchased and expensed works of art of \$14,222 during the year (2020 - \$25,596).

REGINA PUBLIC LIBRARY BOARD

Notes to the Consolidated Financial Statements

Year ended December 31, 2021

6. ACCUMULATED SURPLUS

The Board of Directors has established internally restricted reserves for specific future purposes. These appropriated reserves may be used or increased at the discretion of the Board of Directors. The summary of appropriated and unappropriated surplus is as follows:

	2021 (000's)	2020 (000's)
Appropriated surplus:		
Capital project reserve	\$ 12,816	\$ 11,387
Operating reserve	1,705	1,705
Technology reserve	950	950
Vehicle reserve	37	7
Dunlop art projects reserve	206	195
SILS	220	216
	15,934	14,460
Obligations to be funded from future revenues:		
Employee benefits obligations	(791)	(836)
Investment in tangible capital assets	15,026	15,491
Unappropriated surplus	5,001	3,809
Accumulated surplus	\$ 35,170	\$ 32,924

REGINA PUBLIC LIBRARY BOARD

Notes to the Consolidated Financial Statements

Year ended December 31, 2021

7. COMMITMENTS AND CONTINGENCIES

Operating leases

The Library is committed to the following payments for operating leases and service agreements:

	George Bothwell Branch lease (000's)	Regent Place Branch lease (000's)	Other (000's)	Total (000's)
2022	\$ 346	\$ 203	\$ 458	\$ 1,007
2023	346	221	111	678
2024	346	221	18	585
2025	350	221	-	571
2026	356	221	-	577
Total payments	\$ 1,744	\$ 1,087	\$ 587	\$ 3,418

REGINA PUBLIC LIBRARY BOARD

Notes to the Consolidated Financial Statements

Year ended December 31, 2021

8. INVESTMENT IN GOVERNMENT PARTNERSHIPS

SILS was incorporated in 2009 as a non-profit membership corporation by the ten public library systems in Saskatchewan. The purpose of SILS is to develop and maintain a single integrated library information system and provide a common experience for library users throughout the province. SILS is funded by member libraries and grants from the Ministry of Education. The member libraries share in annual operating expenses based on a service level formula.

The condensed supplementary financial information of SILS is as follows:

	2021 (000's)	2020 (000's)
Statement of Financial Position		
Financial assets	\$ 2,897	\$ 2,884
Financial liabilities	682	689
Net financial assets	2,215	2,195
Non-financial assets:		
Prepaid expenses	321	326
Accumulated surplus	\$ 2,536	\$ 2,521
Statement of Operations		
Revenue	\$ 1,262	\$ 1,282
Expenses	1,246	1,117
Surplus	\$ 16	\$ 165

REGINA PUBLIC LIBRARY BOARD

Notes to the Consolidated Financial Statements

Year ended December 31, 2021

8. INVESTMENT IN GOVERNMENT PARTNERSHIPS (continued)

The financial statements shown are proportionately consolidated with the Library financial statements at 22.07% (2020 – 22.15%) representing the Library's interest in SILS. After eliminating inter-company transactions, the following amounts have been included in the consolidated financial statements:

	2021	2020
	(000's)	(000's)
Statement of Financial Position		
Financial assets	\$ 628	\$ 627
Financial liabilities	139	141
Net financial assets	489	486
Non-financial assets:		
Prepaid expenses	71	73
Accumulated surplus	\$ 560	\$ 559
Statement of Operations		
Revenue	\$ 221	\$ 225
Expenses	219	180
Surplus	\$ 2	\$ 45

In the event that SILS is dissolved, the Library is responsible for its share of any costs in excess of the net assets of SILS. At December 31, 2021, SILS plans to continue operations for the foreseeable future.

REGINA PUBLIC LIBRARY BOARD

Notes to the Consolidated Financial Statements

Year ended December 31, 2021

8. INVESTMENT IN GOVERNMENT PARTNERSHIPS (continued)

The Library entered into a master agreement with the City of Regina and the Board of Education of the Regina School Division No. 4 and constructed an integrated educational/library/community facility in the North Central area of the City of Regina known as the māmawêyatitân centre. The purpose of the partnership is to develop and operate a Facility as an integrated gathering place for the community and to deliver programs and services to the public. Any distribution (recovery) of annual operating surplus (deficit) is shared between the partners according to their respective usage of the services.

The condensed supplementary financial information of the māmawêyatitân centre is as follows:

	2021	2020
	(000's)	(000's)
Tangible Capital Assets	\$ 35,105	\$ 36,325
Statement of Operations		
Revenue	\$ 10	\$ 5
Expenses	814	700
(Deficit)	\$ (804)	\$ (695)

REGINA PUBLIC LIBRARY BOARD

Notes to the Consolidated Financial Statements

Year ended December 31, 2021

8. INVESTMENT IN GOVERNMENT PARTNERSHIPS (continued)

The above financial information has been proportionately consolidated with the Library's financial statements at the Library's partnership share of 5.79% of capital expenditures (2020 – 5.79%) and 5.7% of operating revenue and expenses (2020 – 5.7%). After adjusting the accounting policies to be consistent with those of the Library and eliminating transactions between the partnership and the Library, the following amounts have been included in the Library's consolidated financial statements:

	2021 (000's)	2020 (000's)
Tangible Capital Assets	\$ 2,033	\$ 2,103

Statement of Operations

Revenue	\$ 1	\$ -
Expenses	126	127
(Deficit)	\$ (125)	\$ (127)

Included in the Library's partnership share of expenses is amortization relating to the mâdawêyatitân centre building for \$70,638 (2020 – \$69,042).

9. PENSION AND BENEFIT PLANS

The Library is a member of the Regina Civic Employees' Superannuation and Benefit Plan (the "Plan") which is overseen by its own Administrative Board. All eligible permanent employees of the Library are members of the Plan. This multiemployer plan provides defined retirement benefits and is integrated with the Canada Pension Plan ("CPP"). The Plan provides a lifetime monthly pension based on an employee's years of service and the average of their best five consecutive years of earnings. During the year, employees contributed 8.8% (2020 – 8.8%) of their earnings below the CPP maximum and 13.1% (2020 - 13.1%) of earnings above the CPP maximum. The Library contributed 9.8% (2020 - 9.8%) of their earnings below the CPP maximum and 14.6% (2020 – 14.6%) of earnings above the CPP maximum.

REGINA PUBLIC LIBRARY BOARD

Notes to the Consolidated Financial Statements

Year ended December 31, 2021

9. PENSION AND BENEFIT PLANS (continued)

The financial statements as at December 31, 2020 indicate the plan had a surplus of net assets available to pay accrued pension benefits of \$147,960,000 (2019 - 108,185,000). The plan is a multiemployer defined benefit plan, therefore neither benefits nor contributions are segregated by employer.

The Plan has been accounted for using the method appropriate for defined contribution plans and, as such, the amount of pension expense is equal to the contributions required for the year. Pension costs of \$1,000,000 (2020 - \$1,017,000) were expensed during the year.

10. LONG TERM DISABILITY BENEFIT PLAN

The Library is a member of the Regina Civic Employees' Long Term Disability Plan ("Disability Plan"). The financial statements as of December 31, 2020 indicate a surplus of net assets available for benefits of \$32,547,000 (2019 - \$31,502,000).

The Disability Plan is a multiemployer plan and consequently, identification of individual employer's assets is not available from the Plan managers. Accordingly, no portion of the surplus has been recognized as an asset or expense reduction in the financial statements. The Plan has been accounted for using the method appropriate for defined contribution plans and, as such, the amount of benefit expense is equal to the contributions required for the year. Contribution rates for the current year were 0.46% for both employees and employers (2020 - 0.46%). The Library recorded disability premium costs of \$43,000 for the year (2020 - \$43,000).

REGINA PUBLIC LIBRARY BOARD

Notes to the Consolidated Financial Statements

Year ended December 31, 2021

11. EXPENSES BY OBJECT

	2021 Budget (000's)	2021 (000's)	2020 (000's)
Wages, benefits and honoraria	\$ 14,866	\$ 13,602	\$ 13,017
Purchased goods and services	7,765	7,297	7,739
Interest	23	10	18
Amortization	2,750	2,710	2,699
	<u>\$ 25,404</u>	<u>\$ 23,619</u>	<u>\$ 23,473</u>

12. SEGMENTED INFORMATION

The Library provides a wide range of services to the citizens of Regina. The following segmented information reflects the broad organizational structure of the Library.

1. Library Services – This area is responsible for the effective and efficient delivery of public services throughout the entire system. In addition to providing extensive physical and digital library collections, library services provide programming, public meeting rooms, free internet access, public computers and laptops, 3D printers, virtual reality stations, and gaming access.

Library Services also encompasses a Digital Media Studio, the Prairie History Room, and Outreach Services for disabled and homebound customers.

Library Services is comprised of the following areas:

- Central Library
- Branch Libraries – Eight branch locations serve residents throughout Regina
- Dunlop Art Gallery – The Library houses two art galleries, one at Central Adult Library and the other at Sherwood Village Branch Library and
- RPL Film Theatre

2. Customer Experience – This area is responsible for leading and championing customer service throughout the Library. It provides an environment conducive to the provision of exceptional customer service by mapping the customer journey and proactively identifying opportunities for continuous improvement.

Customer Experience is made up of the following units:

- People and Culture
- Marketing and Communications

REGINA PUBLIC LIBRARY BOARD

Notes to the Consolidated Financial Statements

Year ended December 31, 2021

12. SEGMENTED INFORMATION (continued)

- Facilities Infrastructure and Services and
- Collections

3. Service Innovation – This area is responsible for driving service improvements across the system by fostering and supporting innovation, leveraging current emerging technologies, and building partnerships with other organizations. Its role is to seek out ideas to maximize the customer experience and act on opportunities for continuous improvement across all Library operations.

Service Innovation is comprised of:

- Community Engagement and Programming
- Digital Service Innovation
- Information Technology

4. Finance & Strategy – This area is responsible for managing all aspects of the Library's financial resources. It also leads the Library's ongoing risk management assessment, champions both the operational planning and research functions for the library, drives organizational efficiency through business process review and project management, and oversees the fund development function.

Finance & Strategy is comprised of:

- Finance
- Budget and Business Process
- Planning and Research
- Development

5. Governance – The Library is governed by a publicly appointed board of directors.

REGINA PUBLIC LIBRARY BOARD

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13. LIBRARY MATERIALS

	2021 Budget (000's)	2021 (000's)	2020 (000's)
Books	\$ 1,138	\$ 1,136	\$ 916
eBooks & eAudiobooks	450	-	-
DVDs	260	259	227
Sound recordings	70	59	87
	\$ 1,918	\$ 1,454	\$ 1,230

Purchases of serials/periodicals of \$95,000 (2020 - \$121,000) and digital content of \$1,090,000 (2020 - \$981,000) were expensed during the year.

14. CONTRACTUAL RIGHTS

The Library has signed agreements with Saskatchewan Arts Board and Canada Council for the Arts that will provide future funding for programming.

Future collection for the Library from the above entities is estimated as follows:

<u>Year</u>	<u>Amount</u>
2022	153,540
2023	120,000