



# REGINA PUBLIC LIBRARY BOARD

Consolidated Financial Statements

December 31, 2025



To the Chairperson and Members of Regina Public Library:

## Opinion

We have audited the consolidated financial statements of Regina Public Library and its subsidiaries (the "Library"), which comprise the consolidated statement of financial position as at December 31, 2025, and the consolidated statement of operations and accumulated surplus, changes 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, 2025, 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.

## Independent Auditor's Report *(continued from previous page)*

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### 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.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Library as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes 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 24, 2026

*MNP LLP*

Chartered Professional Accountants

**MNP**

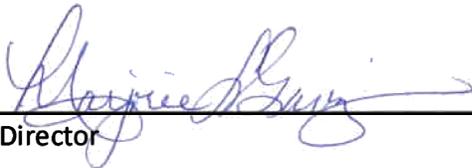
**REGINA PUBLIC LIBRARY BOARD**  
**Consolidated Statement of Financial Position**

As at December 31, 2025

(000's)

	<u>2025</u>	<u>2024</u>
<b>FINANCIAL ASSETS</b>		
Cash (Note 3)	\$ 30,128	\$ 29,608
Accounts receivable	2,770	894
	<b>32,898</b>	<b>30,502</b>
<b>FINANCIAL LIABILITIES</b>		
Accounts payable and accrued liabilities	2,464	2,202
Deferred revenue	211	139
Asset retirement obligation (Note 6)	1,105	1,083
Employee benefits obligations (Note 4)	695	703
	<b>4,475</b>	<b>4,127</b>
<b>Net financial assets</b>	<b>28,423</b>	<b>26,375</b>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Note 5)	15,918	13,800
Prepaid expenses	1,030	569
	<b>16,948</b>	<b>14,369</b>
<b>Accumulated surplus (Note 7)</b>	<b>\$ 45,371</b>	<b>\$ 40,744</b>

See accompanying notes

  
 Director

  
 Director

## REGINA PUBLIC LIBRARY BOARD

### Consolidated Statement of Operations and Accumulated Surplus

Year ended December 31, 2025

(000's)

	2025 <u>Budget</u>	<u>2025</u>	<u>2024</u>
<b>REVENUE</b>			
City of Regina tax levy	\$ 28,547	\$ 28,438	\$ 25,487
Grants-in-lieu of taxes	1,541	1,622	1,538
Provincial services agreement	631	626	628
Donations	250	107	64
Interest	789	1,070	1,330
Other grants	251	410	363
Other revenue	416	478	472
	<u>32,425</u>	<u>32,751</u>	<u>29,882</u>
<b>EXPENSES (Note 12)</b>			
Library Services	12,438	11,771	11,742
Customer Experience	9,169	8,510	8,096
Service Innovation	3,389	3,174	3,068
Finance & Strategy	2,332	1,966	1,983
Governance	84	163	101
Accretion	22	22	21
Amortization	2,802	2,518	2,453
	<u>30,236</u>	<u>28,124</u>	<u>27,464</u>
<b>Surplus</b>	<b>2,189</b>	<b>4,627</b>	<b>2,418</b>
Accumulated surplus, beginning of year		<b>40,744</b>	38,326
<b>Accumulated surplus, end of year</b>		<b>\$ 45,371</b>	<b>\$ 40,744</b>

See accompanying notes

## REGINA PUBLIC LIBRARY BOARD

### Consolidated Statement of Changes in Net Financial Assets

Year ended December 31, 2025

(000's)	2025	2024
Surplus	\$ 4,627	\$ 2,418
Acquisition of tangible capital assets	(4,636)	(2,152)
Amortization of tangible capital assets	2,518	2,453
Proceeds on sale of tangible capital assets	-	3
Write down of tangible capital assets	-	3
	(2,118)	307
Acquisition of prepaid expenses	(1,030)	(569)
Use of prepaid expenses	569	510
	(461)	(59)
<b>Increase in net financial assets</b>	<b>2,048</b>	<b>2,666</b>
Net financial assets, beginning of year	26,375	23,709
<b>Net financial assets, end of year</b>	<b>\$ 28,423</b>	<b>\$ 26,375</b>

*See accompanying notes*

**REGINA PUBLIC LIBRARY BOARD**  
**Consolidated Statement of Cash Flows**  
Year ended December 31, 2025

(000's)	2025	2024
<b>OPERATING ACTIVITIES</b>		
Surplus	\$ 4,627	\$ 2,418
Add back non-cash items:		
Amortization of tangible capital assets	2,518	2,453
Write down of tangible capital assets	-	3
Changes in non-cash working capital items:		
(Increase) decrease in accounts receivable	(1,876)	991
Increase in prepaid expenses	(461)	(59)
Increase in accounts payable and accrued liabilities	262	180
Increase in deferred revenue	72	23
Increase in asset retirement obligation	22	21
Decrease in employee benefits obligations	(8)	(83)
<b>Cash provided by operating activities</b>	<b>5,156</b>	<b>5,947</b>
<b>CAPITAL ACTIVITIES</b>		
Acquisition of tangible capital assets	(4,636)	(2,152)
Proceeds on sale of tangible capital assets	-	3
<b>Cash applied to capital activities</b>	<b>(4,636)</b>	<b>(2,149)</b>
<b>INVESTING ACTIVITIES</b>		
Decrease in investments	-	15,362
<b>Cash provided by investing activities</b>	<b>-</b>	<b>15,362</b>
<b>Increase in cash and cash equivalents</b>	<b>520</b>	<b>19,160</b>
Cash and cash equivalents, beginning of year	29,608	10,448
<b>Cash and cash equivalents, end of year</b>	<b>\$ 30,128</b>	<b>\$ 29,608</b>

*See accompanying notes*

# REGINA PUBLIC LIBRARY BOARD

## Notes to the Consolidated Financial Statements

Year ended December 31, 2025

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### 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.

### 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, asset retirement obligation, 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, 2025

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### 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 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 m̄maw̄yatit̄an centre. In the current year, the Library's share of SILS was 21.11% (2024 – 21.88%) and of m̄maw̄yatit̄an centre was 5.79% (2024 – 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, 2025

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### 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
Technology	5 years
Land improvements	20 years
Library Materials	8 years
Shelving	25 years
Fleet	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) *Asset retirement obligation*

A liability for an asset retirement obligation is recognized at the best estimate of the amount required to retire a tangible capital asset (or a component thereof) at the financial statement date when there is a legal obligation for the Library to incur retirement costs in relation to a tangible capital asset (or component thereof), the past transaction or event giving rise to the liability has occurred, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount can be made. The best estimate of the liability includes all costs directly attributable to asset retirement activities, based on information available at December 31, 2025. The best estimate of an asset retirement obligation incorporates a present value technique, when the cash flows required to settle or otherwise extinguish an asset retirement obligation are expected to occur over extended future periods.

When a liability for an asset retirement obligation is initially recognized, a corresponding asset retirement cost is capitalized to the carrying amount of the related tangible capital asset (or component thereof). The asset retirement cost is amortized over the useful life of the related asset.

**REGINA PUBLIC LIBRARY BOARD**  
**Notes to the Consolidated Financial Statements**  
**Year ended December 31, 2025**

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**2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

At each financial reporting date, the Library reviews the carrying amount of the liability. The Library recognizes period-to-period changes to the liability due to the passage of time as accretion expense. Changes to the liability arising from revisions to either the timing, the amount of the original estimate of undiscounted cash flows or the discount rate are recognized as an increase or decrease to the carrying amount of the related tangible capital asset.

The Library continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

*g) Financial instruments*

The Library’s financial instruments are measured as follows:

<u>Financial Statement Component</u>	<u>Measurement</u>
Cash	Cost
Accounts receivable	Cost or amortized cost
Accounts payable and accrued liabilities	Cost or amortized cost

All financial instruments are initially measured at their fair value. The fair value of a financial instrument is the amount of consideration that would be agreed upon in an arm’s length transaction between knowledgeable, willing parties who are under no compulsion to act. The fair value of a financial instrument on initial recognition is the transaction price, which is the fair value of the consideration given or received.

All the Library’s financial instruments are subsequently measured at amortized cost following initial recognition. Transaction costs related to financial instruments classified as amortized cost are added to the carrying value of the investment.

When an impairment is indicated, and when actual impairment has occurred, the financial instrument’s carrying value is reduced to its realizable value and a loss is recorded in the statement of operations.

# REGINA PUBLIC LIBRARY BOARD

## Notes to the Consolidated Financial Statements

Year ended December 31, 2025

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### 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Credit 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

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

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.

Price risk is the risk that the value of a security or investment will decrease over time. The Library is subject to price risk as its Guaranteed Investment Certificates have fixed interest rates. The Library is not exposed to significant price risk as return on the Guaranteed Investment Certificates would never fall below the initial investment value.

#### h) *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.

#### i) 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.

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.

# REGINA PUBLIC LIBRARY BOARD

## Notes to the Consolidated Financial Statements

Year ended December 31, 2025

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### 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

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 SK Arts is made up of a combination of Lottery and non-Lottery funding. This is made possible through the Partnership Agreement between SK Arts 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 SK Arts as a portion of the total envelope of funds available for the program(s) through which this grant was adjudicated and approved.

### 3. CASH

	<b>2025</b>	2024
	<b>(000's)</b>	(000's)
Cash	\$ 29,335	\$ 28,932
SILS cash (restricted)	793	676
	<b>\$ 30,128</b>	<b>\$ 29,608</b>

The Library has an authorized line of credit available to a maximum amount of \$500,000 (2024 - \$500,000). The Library did not draw on these funds during the year (2024 - \$nil).

Funds are invested in an interest-bearing account earning interest at a rate of CIBC Monthly Average Prime (MAP) less 2.50% on balance \$0.00 - \$999,999.99 and CIBC MAP less 1.50% on balance \$1,000,000 and over.

### 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, 2025. 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 3.2% (2024 - 3.4%). Compensation rates for In-scope employees are assumed to increase at an average rate of 2.50% per annum, while compensation rates for Out-of-scope employees are assumed to increase at an average rate of 4.70% per annum and thereafter.

# REGINA PUBLIC LIBRARY BOARD

## Notes to the Consolidated Financial Statements

Year ended December 31, 2025

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### 4. EMPLOYEE BENEFITS OBLIGATIONS (continued)

The Library's accrued employee benefits liability and benefits plan expense are disclosed below: The obligation amount of \$433,000 (2024 - \$518,000) is unfunded and will be paid from future revenues.

<b>Accrued benefits liability</b>	<b>2025</b>	<b>2024</b>
	<b>(000's)</b>	<b>(000's)</b>
Accrued benefits obligation, beginning of year	\$ 518	\$ 555
Current period benefit cost	29	29
Interest on accrued benefit obligation	19	21
Experience gain	(133)	(13)
Less: benefits paid	-	(74)
Accrued benefit obligation, end of year	433	518
Unamortized net actuarial gain	262	185
Accrued benefits liability, end of year	\$ 695	\$ 703

<b>Employee benefits related expense</b>	<b>2025</b>	<b>2024</b>
	<b>(000's)</b>	<b>(000's)</b>
Benefit expense		
Current period benefit cost	\$ 29	\$ 29
Amortization of net actuarial gains	(55)	(60)
Total benefit expense	(26)	(31)
Interest expense		
Interest cost on accrued benefit obligations	18	21
Total benefit plan related expense	\$ (8)	\$ (10)

Actual benefits payments for the year were \$ Nil (2024 - \$74,000).

# REGINA PUBLIC LIBRARY BOARD

## Notes to the Consolidated Financial Statements

Year ended December 31, 2025

### 5. TANGIBLE CAPITAL ASSETS

Tangible capital assets consist of the following:

	<b>2025</b>	2024
	<b>(000's)</b>	(000's)
Buildings and leasehold improvements	\$ 5,532	\$ 4,878
Construction in progress	1,870	285
Furnishings and information technology	1,455	1,633
Land	326	326
Land improvements	99	110
Library materials	5,845	5,971
Shelving	738	525
Vehicles	53	72
	<b>\$ 15,918</b>	<b>\$ 13,800</b>

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)
<b>2025</b>					
Buildings and leasehold improvements	\$ 15,499	\$ -	\$ -	\$ 1,002	\$ 16,501
Construction in progress	285	2,587	-	(1,002)	1,870
Furnishings and information technology	3,904	421	893	-	3,432
Land	326	-	-	-	326
Land improvements	230	-	-	-	230
Library materials (Note 14)	12,145	1,381	1,567	-	11,959
Shelving	1,028	247	-	-	1,275
Vehicles	250	-	-	-	250
<b>2025 Totals</b>	<b>\$ 33,667</b>	<b>\$ 4,636</b>	<b>\$ 2,460</b>	<b>\$ -</b>	<b>\$ 35,843</b>
<b>2024 Totals</b>	<b>\$ 33,622</b>	<b>\$ 2,152</b>	<b>\$ 2,107</b>	<b>\$ -</b>	<b>\$ 33,667</b>

# REGINA PUBLIC LIBRARY BOARD

## Notes to the Consolidated Financial Statements

Year ended December 31, 2025

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### 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)
<b>2025</b>				
Buildings and leasehold improvements	\$ 10,621	\$ 348	\$ -	\$ 10,969
Furnishings and information technology	2,271	599	893	1,977
Land improvements	120	11	-	131
Library materials	6,174	1,507	1,567	6,114
Shelving	503	34	-	537
Vehicles	178	19	-	197
<b>2025 Totals</b>	<b>\$ 19,867</b>	<b>\$ 2,518</b>	<b>\$ 2,460</b>	<b>\$ 19,925</b>
<b>2024 Totals</b>	<b>\$ 19,515</b>	<b>\$ 2,453</b>	<b>\$ 2,101</b>	<b>\$ 19,867</b>

The Library purchased and expensed works of art of \$3,200 during the year (2024 - \$5,300).

### 6. ASSET RETIREMENT OBLIGATION

The Library's asset retirement obligation, recognized under PS 3280 – Asset Retirement Obligation, arises because the Central Library contains asbestos, which represents a health hazard upon demolition or renovation of the building. *The Occupational Health and Safety Regulations, 2020* outlines the legal obligation to remove asbestos. The Library recognized this obligation as estimated at January 1, 2021. The value of the obligation was based on an external assessment conducted at the end of 2021 discounted at a rate of 2% to January 1, 2021. In subsequent periods, the liability is adjusted for accretion. The rate used for 2025 is 2%.

It is anticipated remediation of the obligation arising due to PS 3280 – Asset Retirement Obligation will take place within the next five years.

# REGINA PUBLIC LIBRARY BOARD

## Notes to the Consolidated Financial Statements

Year ended December 31, 2025

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### 7. 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:

	<b>2025</b>	2024
	<b>(000's)</b>	(000's)
Appropriated surplus:		
Operating reserve	\$ 2,735	\$ 2,219
Central Library development reserve	<b>18,618</b>	18,563
Branch libraries development reserve	<b>4,991</b>	3,409
Building maintenance reserve	<b>848</b>	830
Shelving, Furniture & Equipment reserve	<b>149</b>	260
Technology reserve	<b>1,438</b>	1,173
mâdawêyatitân centre reserve	<b>150</b>	100
Fleet reserve	<b>197</b>	167
Dunlop art projects reserve	<b>90</b>	80
SILS	<b>597</b>	611
	<b>29,813</b>	27,412
Obligations to be funded from future revenues:		
Employee benefits obligations	<b>(433)</b>	(518)
Investment in tangible capital assets	<b>15,918</b>	13,800
Unappropriated surplus	<b>73</b>	50
<b>Accumulated surplus</b>	<b>\$ 45,371</b>	<b>\$ 40,744</b>

# REGINA PUBLIC LIBRARY BOARD

## Notes to the Consolidated Financial Statements

Year ended December 31, 2025

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### 8. 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)	Operations Centre Lease (000's)	Other (000's)	Total (000's)
2026	\$ 356	\$ 221	\$ 118	\$ 2,836	\$ 3,531
2027	356	110	121	324	911
2028	356	-	124	48	528
2029	356	-	127	2	485
2030	361	-	64	2	427
<b>Total payments</b>	<b>\$ 1,785</b>	<b>\$ 331</b>	<b>\$ 554</b>	<b>\$ 3,212</b>	<b>\$ 5,882</b>

# REGINA PUBLIC LIBRARY BOARD

## Notes to the Consolidated Financial Statements

Year ended December 31, 2025

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### 9. INVESTMENT IN GOVERNMENT PARTNERSHIPS

SILS was incorporated in 2009 as a non-profit membership corporation by the twelve 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:

	<b>2025</b>	2024
	<b>(000's)</b>	(000's)
<b>Statement of Financial Position</b>		
Financial assets	\$ 3,821	\$ 3,332
Financial liabilities	676	677
<b>Net financial assets</b>	<b>3,145</b>	2,655
Non-financial assets:		
Prepaid expenses	28	364
<b>Accumulated surplus</b>	<b>\$ 3,173</b>	\$ 3,019
<b>Statement of Operations</b>		
Revenue	\$ 1,418	\$ 1,428
Expenses	1,265	1,281
<b>Surplus</b>	<b>\$ 153</b>	\$ 147

# REGINA PUBLIC LIBRARY BOARD

## Notes to the Consolidated Financial Statements

Year ended December 31, 2025

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### 9. INVESTMENT IN GOVERNMENT PARTNERSHIPS (continued)

The financial statements shown are proportionately consolidated with the Library financial statements at 21.11% (2024 – 21.88%) representing the Library's interest in SILS. After eliminating inter-company transactions, the following amounts have been included in the consolidated financial statements:

	<u>2025</u> <u>(000's)</u>	<u>2024</u> <u>(000's)</u>
<b>Statement of Financial Position</b>		
Financial assets	\$ 795	\$ 718
Financial liabilities	133	137
Net financial assets	662	581
Non-financial assets:		
Prepaid expenses	6	80
Accumulated surplus	\$ 668	\$ 661
<b>Statement of Operations</b>		
Revenue	\$ 245	\$ 252
Expenses	236	215
Surplus	\$ 9	\$ 37

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, 2025, SILS plans to continue operations for the foreseeable future.

# REGINA PUBLIC LIBRARY BOARD

## Notes to the Consolidated Financial Statements

Year ended December 31, 2025

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### 9. 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:

	<u>2025</u> <u>(000's)</u>	<u>2024</u> <u>(000's)</u>
<b>Tangible Capital Assets</b>	<b>\$ 30,421</b>	<b>\$ 31,550</b>
<b>Statement of Operations</b>		
Revenue	\$ -	\$ 28
Expenses	931	896
(Deficit)	\$ (931)	\$ (868)

# REGINA PUBLIC LIBRARY BOARD

## Notes to the Consolidated Financial Statements

Year ended December 31, 2025

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### 9. 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 (2024 – 5.79%) and 5.7% of operating revenue and expenses (2024 – 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:

	<b>2025</b>	<b>2024</b>
	<b>(000's)</b>	<b>(000's)</b>
<b>Tangible Capital Assets</b>	<b>\$ 1,761</b>	<b>\$ 1,827</b>
<b>Statement of Operations</b>		
Revenue	\$ -	\$ 2
Expenses	<b>133</b>	131
(Deficit)	<b>\$ (133)</b>	\$ (129)

Included in the Library's partnership share of expenses is amortization relating to the mâmawêyatitân centre building for \$65,391 (2024 – \$65,391).

### 10. 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 consecutive years of earnings. During the year, employees contributed 8.25% (2024 – 8.8%) of their earnings below the CPP maximum and 12.25% (2024 - 13.1%) of earnings above the CPP maximum. The Library contributed 8.25% (2024 - 9.8%) of their earnings below the CPP maximum and 12.25% (2024 – 14.6%) of earnings above the CPP maximum.

## **REGINA PUBLIC LIBRARY BOARD**

### **Notes to the Consolidated Financial Statements**

**Year ended December 31, 2025**

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#### **10. PENSION AND BENEFIT PLANS (continued)**

The financial statements as at December 31, 2024 indicate the plan had a surplus of net assets available to pay accrued pension benefits of \$245,379,000 (2023 – \$165,658,000). 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 \$1,091,000 (2024 - \$1,253,000) were expensed during the year.

#### **11. 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, 2024 indicate a surplus of net assets available for benefits of \$19,258,000 (2023 - \$22,199,000).

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 (2024 - 0.46%). The Library recorded disability premium costs of \$55,000 for the year (2024 - \$54,000).

# REGINA PUBLIC LIBRARY BOARD

## Notes to the Consolidated Financial Statements

Year ended December 31, 2025

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### 12. EXPENSES BY OBJECT

	<b>2025 Budget (000's)</b>	<b>2025 (000's)</b>	<b>2024 (000's)</b>
Wages, benefits and honoraria	\$ 17,451	\$ 16,632	\$ 16,206
Purchased goods and services	9,941	8,933	8,763
Interest	20	19	21
Accretion	22	22	21
Amortization	2,802	2,518	2,453
	<b>\$ 30,236</b>	<b>\$ 28,124</b>	<b>\$ 27,464</b>

### 13. 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 made up 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:

- Marketing and Communications
- Community Engagement and Programming

# REGINA PUBLIC LIBRARY BOARD

## Notes to the Consolidated Financial Statements

Year ended December 31, 2025

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### 13. SEGMENTED INFORMATION (continued)

- Facilities Infrastructure and Services and
- Collections

3. Service Innovation - Innovation is crucial to the continued success of any organization. It's about looking forward to what might be or what could be. It's about adapting services to make sure they fit with what customers will need and want: maybe there are new ways to provide services. Maybe there are new services that could be offered. Libraries must evolve and demonstrate their worth or run the risk of becoming relics of the past.

Service Innovation is comprised of:

- People and Culture
- 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 funds development function.
- Finance
  - Planning and Research
  - Development
5. Governance – The Library is governed by a publicly appointed board of directors.

### 14. LIBRARY MATERIALS

	<b>2025</b>		<b>2025</b>		<b>2024</b>
	<b>Budget</b>		<b>(000's)</b>		<b>(000's)</b>
	<b>(000's)</b>		<b>(000's)</b>		<b>(000's)</b>
Books	\$ 1,170	\$	1,174	\$	1,215
DVDs	178		178		171
Sound recordings	26		29		35
	<b>\$ 1,374</b>	\$	<b>1,381</b>	\$	<b>1,421</b>

Purchases of serials/periodicals of \$103,000 (2024 - \$104,000) and digital content of \$1,397,000 (2024 - \$1,239,000) were expensed during the year.

# REGINA PUBLIC LIBRARY BOARD

## Notes to the Consolidated Financial Statements

Year ended December 31, 2025

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### 15. CONTRACTUAL RIGHTS

The Library has signed agreements with SK Arts 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:

<b>Year</b>	<b>Amount</b>
2026	155,364
2027	120,000
2028	120,000
2029	120,000

### 16. RELATED PARTY TRANSACTIONS

The Library is related to the City of Regina by virtue of City Council appointing the Board of Directors and approving the mill rate that funds the Library's operations. During the year, the Library entered into the following transactions in the normal course of operations:

- Tax revenue received with associated fees deducted
- Shared services and programs

The following related party transactions with the City of Regina are included in the consolidated financial statements:

	<b>2025</b>	<b>2024</b>
	<b>(000's)</b>	<b>(000's)</b>
Accounts receivable	\$ 2,591	\$ 749
Accounts payable and accrued liabilities	302	217
Revenue	30,211	27,063
Expenses	760	627

These transactions occurred during the normal course of operations at fair market value.

### 17. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with current year's presentation.