

STRATHCONA COUNTY LIBRARY BOARD
FINANCIAL STATEMENTS
Year ended December 31, 2021

STRATHCONA COUNTY LIBRARY BOARD
Financial Statements
Year ended December 31, 2021

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Management Report

The accompanying financial statements of Strathcona County Library Board are the responsibility of management. The financial statements have been prepared by management in accordance with Canadian public sector accounting standards. The preparation of the financial statements necessarily includes some amounts which are based on the best estimates and judgements of management.

The Library maintains systems of internal accounting and administrative controls that are designed to provide reasonable assurance that transactions are appropriately authorized and accurately recorded, and that the Library's assets are properly accounted for and adequately safeguarded.

The financial statements have been audited by Ernst & Young LLP, the external auditors, in accordance with Canadian Generally Accepted Auditing Standards on behalf of Strathcona County Library Board. Their report to the Board, stating the scope of their examination and opinion on the financial statements, follows.

A handwritten signature in black ink, appearing to read "S. Siga", written over a horizontal line.

Sharon Siga
Chief Executive Officer
March 21, 2022

A handwritten signature in black ink, appearing to read "C. Tomlinson", written over a horizontal line.

Candace Tomlinson
Accountant
March 21, 2022

Independent auditor's report

To the Members of the
Strathcona County Library Board

Opinion

We have audited the financial statements of the **Strathcona County Library Board** [the "Library"], which comprise the statement of financial position as at December 31, 2021, and the statement of operations and accumulated surplus, statement of change in net debt and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Library as at December 31, 2021, and its results of operations 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 *Auditor's responsibilities for the audit of the 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 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 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 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 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 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 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Edmonton, Canada
March 21, 2022

Ernst & Young LLP

Chartered Professional Accountants



A member firm of Ernst & Young Global Limited

STRATHCONA COUNTY LIBRARY BOARD
Statement of Financial Position
As at December 31, 2021, with comparative information for 2020


	<u>2021</u>	<u>2020</u>
FINANCIAL ASSETS		
Cash floats	\$ 1,154	\$ 1,156
Due from Strathcona County (Note 2, Note 10)	6,731,409	6,104,572
Trade and other receivables	44,835	31,389
	<u>6,777,398</u>	<u>6,137,117</u>
FINANCIAL LIABILITIES		
Accounts payable and accrued liabilities	970,967	886,092
Long-term debt (Note 3, Note 10)	16,705,226	17,599,666
	<u>17,676,193</u>	<u>18,485,758</u>
NET DEBT	<u>(10,898,795)</u>	<u>(12,348,641)</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 4)	22,530,408	23,216,623
Prepaid expenses	109,686	125,204
	<u>22,640,094</u>	<u>23,341,827</u>
ACCUMULATED SURPLUS (Note 5)	<u>\$ 11,741,299</u>	<u>\$ 10,993,186</u>

Commitments (Note 9)

See accompanying notes to the financial statements.



Strathcona County Library Board
March 21, 2022



Strathcona County Library Board
March 21, 2022

STRATHCONA COUNTY LIBRARY BOARD
Statement of Operations and Accumulated Surplus
Year ended December 31, 2021, with comparative information for 2020

	2021 Actuals	2021 Budget	2020 Actuals
REVENUE			
Government transfers (Note 6, Note 10)	\$ 10,527,554	\$ 10,497,008	\$ 10,363,892
Other revenues	229,357	152,238	373,071
Interest income (Note 2, Note 10)	141,712	113,234	146,649
Penalties and fines	9,254	12,000	28,370
User fees and charges	11,678	23,823	16,053
TOTAL REVENUE	10,919,555	10,798,303	10,928,035
EXPENSES			
Salaries, wages and benefits	6,459,967	6,727,776	6,571,089
Amortization of tangible capital assets	1,211,803	1,221,114	1,338,047
Administrative charges (Note 7, Note 10)	816,268	794,352	719,050
Interest on long-term debt (Note 10)	772,489	772,489	811,651
Supplies and materials	732,810	749,450	700,456
Contracted and general services	175,107	244,128	196,362
Loss on disposal of tangible capital assets	-	-	393
Other expenses	2,998	4,600	4,312
TOTAL EXPENSES	10,171,442	10,513,909	10,341,360
ANNUAL SURPLUS	748,113	284,394	586,675
ACCUMULATED SURPLUS, BEGINNING OF YEAR	10,993,186	10,993,186	10,406,511
ACCUMULATED SURPLUS, END OF YEAR	\$ 11,741,299	\$ 11,277,580	\$ 10,993,186

See accompanying notes to the financial statements.

STRATHCONA COUNTY LIBRARY BOARD**Statement of Change in Net Debt**

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

	2021 Actuals	2021 Budget	2020 Actuals
ANNUAL SURPLUS	\$ 748,113	\$ 284,394	\$ 586,675
Acquisition of tangible capital assets	(525,588)	(643,692)	(607,949)
Amortization of tangible capital assets	1,211,803	1,221,114	1,338,047
Loss on disposal of tangible capital assets		-	393
	686,215	577,422	730,491
Acquisition of prepaid expenses	(108,812)	-	(119,902)
Use of prepaid expenses	124,330	-	58,084
	15,518	-	(61,818)
DECREASE IN NET DEBT	1,449,846	861,816	1,255,348
NET DEBT, BEGINNING OF YEAR	(12,348,641)	(12,348,641)	(13,603,989)
NET DEBT, END OF YEAR	\$ (10,898,795)	\$ (11,486,825)	\$ (12,348,641)

See accompanying notes to the financial statements.

STRATHCONA COUNTY LIBRARY BOARD

Statement of Cash Flows

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

	<u>2021</u>	<u>2020</u>
NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES:		
OPERATING		
Annual surplus	\$ 748,113	\$ 586,675
Items not involving cash:		
Amortization of tangible capital assets	1,211,803	1,338,047
Loss on disposal of tangible capital assets	-	393
Changes to non-cash assets and liabilities:		
Trade and other receivables	(13,446)	58,383
Accounts payable and accrued liabilities	84,875	176,530
Prepaid expenses	15,518	(61,818)
Cash provided by operating activities	<u>2,046,863</u>	<u>2,098,210</u>
CAPITAL		
Acquisition of tangible capital assets	<u>(525,588)</u>	<u>(607,949)</u>
Cash applied to capital activities	<u>(525,588)</u>	<u>(607,949)</u>
INVESTING		
Change in due from Strathcona County (Note 2, Note 10)	(626,837)	(635,094)
Change in cash floats	2	425
Cash applied to investing activities	<u>(626,835)</u>	<u>(634,669)</u>
FINANCING		
Long-term debt repaid	<u>(894,440)</u>	<u>(855,592)</u>
Cash applied to financing activities	<u>(894,440)</u>	<u>(855,592)</u>
CHANGE IN CASH DURING THE YEAR	-	-
CASH, BEGINNING OF YEAR	-	-
CASH, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>
Cash paid for interest on long-term debt	\$ 779,731	\$ 818,578
Cash received from interest	\$ 141,712	\$ 146,649

See accompanying notes to the financial statements.

STRATHCONA COUNTY LIBRARY BOARD

Notes to Financial Statements

Year ended December 31, 2021

Strathcona County Library Board (the Library) operates a library under the authority of the *Alberta Libraries Act*. The Library is a not-for-profit organization and a registered charity under the *Income Tax Act* of Canada, and is not subject to any federal or provincial income taxes.

1. SIGNIFICANT ACCOUNTING POLICIES

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

a) Basis of Accounting

The financial statements are prepared using the accrual basis of accounting. Revenues are recognized in the year in which they are earned and measurable. Expenses are recognized as they are incurred and measurable based upon receipt of goods or services and/or the creation of the legal obligation to pay.

b) Government Transfers

Government transfers are recognized in the financial statements as revenues in the period the events giving rise to the transfer have occurred, provided that the transfer is authorized, eligibility criteria have been met, and reasonable estimates of the amount can be made. Stipulations are terms imposed by a transferring government regarding the use of transferred resources or the actions that must be performed in order to keep a transfer. Any unfulfilled stipulations related to a government transfer would preclude recognition of revenue until such time that all stipulations have been met.

c) Revenue Recognition

Funds that are restricted by a third party are recorded as deferred revenue until the fiscal year the service is performed or the related expenditure is incurred.

Unrestricted contributions are recognized as revenue in the year they are received or receivable. The Library Board may then choose to restrict these funds internally by putting these funds into a reserve. Reserves are part of the Accumulated Surplus.

d) Gifts in Kind

Contributed materials and supplies are recorded at fair value when they would have otherwise been purchased and when a fair value can be reasonably estimated. Contributed services of volunteers are not recognized in these financial statements as their fair value cannot be reasonably determined.

e) Pension Plans

The Library is a member of the Local Authorities Pension Plan (LAPP) and the APEX Supplementary Pension Plan (APEX). Both LAPP and APEX are multi-employer defined benefit pension plans. Contributions to the plans for current and past service are recorded as expenses in the year in which they become due.

STRATHCONA COUNTY LIBRARY BOARD

Notes to Financial Statements

Year ended December 31, 2021

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

f) Non-Financial Assets

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

i. 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 tangible asset cost is amortized on a straight-line basis over the estimated useful life as follows:

Asset	Useful Life – Years
Buildings	50
Machinery & Equipment	4 – 10
Library Materials	10
Vehicles	20

One-half of the annual 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.

ii. Contributions of Tangible Capital Assets

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

iii. Leases

Leases are classified as capital or operating leases. Leases that transfer substantially all the benefits and risks incidental to ownership of property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

iv. Cultural and Historical Assets

Works of art for public display are not recorded as tangible capital assets and are not amortized.

g) Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the amounts of revenue and expenses during the reporting period. Where measurement uncertainty exists, the financial statements have been prepared within reasonable limits of materiality.

Estimates have been used to determine accrued liabilities and tangible capital asset amortization periods.

Actual results could differ from those estimates.

STRATHCONA COUNTY LIBRARY BOARD
Notes to Financial Statements
Year ended December 31, 2021

2. DUE FROM STRATHCONA COUNTY

The Library does not maintain its own operating bank account and has funds on deposit with Strathcona County, which are available for operations when needed. The funds earn interest at a rate equivalent to that which Strathcona County earns on its short-term investments and cash and cash equivalents. Strathcona County holds term deposits and notes, savings accounts, government guaranteed bonds and corporate bonds that have effective interest rates of 0.55% to 3.66% (2020 – 0.80% to 3.66%) with maturity dates from January 2022 to August 2031 (2020 – January 2021 to August 2031).

3. LONG-TERM DEBT

Strathcona County holds debentures repayable to Government of Alberta, Treasury Board and Finance for the acquisition of tangible capital assets related to the Library. These debentures bear interest at rates ranging from 4.04% to 4.74% (2020 – 4.04% to 4.74%), and mature in periods 2034 through 2036 (2020 – 2034 through 2036). Debenture debt is issued on the credit and security of Strathcona County at large. The Library has an agreement with Strathcona County to repay principal and interest equivalent to what is paid by Strathcona County to Government of Alberta, Treasury Board and Finance.

Long-term debt principal and interest payments are due as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 935,055	\$ 739,116	\$ 1,674,171
2023	977,518	696,653	1,674,171
2024	1,021,913	652,258	1,674,171
2025	1,068,328	605,843	1,674,171
2026	1,116,857	557,314	1,674,171
Thereafter	11,585,555	2,441,024	14,026,579
Total Long-Term Debt	<u>\$ 16,705,226</u>	<u>\$ 5,692,208</u>	<u>\$ 22,397,434</u>

STRATHCONA COUNTY LIBRARY BOARD

Notes to Financial Statements

Year ended December 31, 2021

4. TANGIBLE CAPITAL ASSETS

Cost	Balance at December 31, 2020	Additions	Disposals	Balance at December 31, 2021
Buildings	\$ 25,000,000	\$ -	\$ -	\$ 25,000,000
Machinery & Equipment	2,678,950	54,799	(48,559)	2,685,190
Library Materials	5,994,229	481,555	(595,914)	5,879,870
Vehicles	499,697	-	-	499,697
Assets Under Construction	10,766	(10,766)	-	-
	\$ 34,183,642	\$ 525,588	\$ (644,473)	\$ 34,064,757

Accumulated Amortization	Balance at December 31, 2020	Disposals	Amortization Expense	Balance at December 31, 2021
Buildings	\$ 5,250,000	\$ -	\$ 500,000	\$ 5,750,000
Machinery & Equipment	2,393,167	(48,559)	93,114	2,437,722
Library Materials	3,061,511	(595,914)	593,704	3,059,301
Vehicles	262,341	-	24,985	287,326
	\$ 10,967,019	\$ (644,473)	\$ 1,211,803	\$ 11,534,349

Net Book Value	Net Book Value December 31, 2020	Net Book Value December 31, 2021
Buildings	\$ 19,750,000	\$ 19,250,000
Machinery & Equipment	285,783	247,468
Library Materials	2,932,718	2,820,569
Vehicles	237,356	212,371
Assets Under Construction	10,766	-
	\$ 23,216,623	\$ 22,530,408

a) Assets under Construction

Assets under construction are amortized when the assets are put into service. At December 31, 2021, there are no assets under construction (2020 - \$10,766).

b) Contributed Tangible Capital Assets

Contributed tangible capital assets are recognized at fair market value at the date of contribution. No contributed tangible capital assets were received in 2021 or 2020.

c) Write-down of Tangible Capital Assets

The Library did not write down any tangible capital assets in 2021 or 2020.

STRATHCONA COUNTY LIBRARY BOARD
Notes to Financial Statements
Year ended December 31, 2021

5. ACCUMULATED SURPLUS

Accumulated surplus is composed of equity in tangible capital assets and reserves as follows:

	2021	2020
Equity in Tangible Capital Assets:		
Tangible Capital Assets (Note 4)	\$ 22,530,408	\$ 23,216,623
Long-Term Debt (Note 3)	(16,705,226)	(17,599,666)
	<u>5,825,182</u>	<u>5,616,957</u>
Reserves:		
Stabilization & Contingency Reserves	160,289	160,289
Project Reserves	207,584	169,792
Special Purpose Reserves	608,661	352,989
Infrastructure Lifecycle, Maintenance and Replacement Reserves	4,939,583	4,693,159
	<u>5,916,117</u>	<u>5,376,229</u>
	<u>\$ 11,741,299</u>	<u>\$ 10,993,186</u>

6. GOVERNMENT TRANSFERS

The following government transfers have been included in revenues:

	2021 Actuals	2021 Budget	2020 Actuals
Municipal Government			
Strathcona County	<u>\$ 9,946,445</u>	<u>\$ 9,946,445</u>	<u>\$ 9,803,144</u>
Provincial Government			
Alberta Municipal Affairs - Unconditional Per Capita Grant	530,563	530,563	530,563
	<u>530,563</u>	<u>530,563</u>	<u>530,563</u>
Federal Government			
Canada Summer Jobs	39,462	10,000	4,200
Young Canada Works	11,084	10,000	25,985
	<u>50,546</u>	<u>20,000</u>	<u>30,185</u>
Total Government Transfers	<u>\$ 10,527,554</u>	<u>\$ 10,497,008</u>	<u>\$ 10,363,892</u>

STRATHCONA COUNTY LIBRARY BOARD

Notes to Financial Statements

Year ended December 31, 2021

7. ADMINISTRATIVE CHARGES

Operating expenditures include administrative charges from Strathcona County as follows:

	2021 Actuals	2021 Budget	2020 Actuals
Building Maintenance	\$ 534,421	\$ 516,638	\$ 459,110
Personnel Services	179,072	179,072	168,474
Financial Services	36,936	36,936	38,220
Information Technology Services	26,410	26,409	26,560
Insurance	26,429	20,549	19,347
Fleet Services	13,000	14,748	7,339
	<u>\$ 816,268</u>	<u>\$ 794,352</u>	<u>\$ 719,050</u>

8. PENSION PLANS

Local Authorities Pension Plan

Library employees participate in the LAPP, a defined benefit pension plan established in 1962 for the employees of local authorities in Alberta. LAPP is administered under the *Alberta Public Sector Pensions Act*.

The Library was required to make current service contributions to LAPP of 9.39% (2020 – 9.39%) of pensionable payroll up to the yearly maximum pensionable earnings (YMPE) and 13.84% (2020 – 13.84%) thereafter. Employees of the Library are required to make current service contributions of 8.39% (2020 – 8.39%) of pensionable salary up to the YMPE, and 12.84% (2020 – 12.84%) thereafter.

Total current service contributions by the Library to LAPP in 2021 were \$466,284 (2020 - \$500,166). Total current service contributions by the employees of the Library to LAPP in 2021 were \$420,418 (2020 - \$449,830).

As stated in their 2020 Annual Report, LAPP serves 275,863 members and 433 employers. It is financed by employer and employee contributions and investment earnings of the LAPP fund. At December 31, 2020 (the last date for which information is available), LAPP reported an actuarial surplus of \$4,961,337,000.

APEX

The APEX supplementary pension plan is an Alberta Urban Municipality Association sponsored defined benefit pension plan covered under the provisions of the *Alberta Employment Pension Plans Act*. It commenced on July 23, 2009 and provides supplementary pension benefits to a prescribed class of employees. The plan supplements the LAPP.

Contributions are made by the prescribed class of employees and the Library. The employees and the Library are required to make current service contributions to APEX of 2.61% (2020 – 2.61%) and 3.85% (2020 – 3.85%), respectively, of pensionable earnings up to \$162,278 (2020 - \$154,611).

Total current service contributions by the Library to APEX in 2021 were \$31,521 (2020 - \$31,397). Total current service contributions by the employees of the Library to APEX in 2021 were \$20,691 (2020 - \$21,285).

The cost of post-retirement benefits for APEX is fully funded.

STRATHCONA COUNTY LIBRARY BOARD

Notes to Financial Statements

Year ended December 31, 2021

9. COMMITMENTS

Maintenance Contract

The Library has a maintenance contract for various Radio Frequency Identification equipment. The minimum contract payment for 2022 is \$23,083.

Metro-Area Group Library Network (MAGNET)

The Library is committed to an annual payment for central site computer and support services under the MAGNET co-owners agreement. The Library's share of central costs in 2022 is \$28,086. The Library may terminate its participation by delivering written notice to the MAGNET committee on or before December 31st of any year to become effective on December 31st of the year immediately following.

Metro Edmonton Federation of Libraries (MEFL)

The Library is committed to an annual payment for the Writer in Residence program under the MEFL Libraries agreement. The Library's share of central costs in 2022 is \$18,889. The Library may terminate its participation by delivering written notice to the MEFL committee before December 1st of any year to become effective on December 31st of the year immediately following.

Agreements with Strathcona County

The Library has chosen to contract some services supplied by Strathcona County departments. Service Level Agreements were signed with Human Resources (HR), Information Technology Services (ITS), Fleet Services (FLT) and the Finance & Strategic Management Division (FSM) in 2021. These agreements formalize arrangements for the provision of specified services. These agreements expire on December 31, 2022. An annual review for all agreements will take place by June 30 of each year. The future contracts at this time are as follows:

	FSM	FLT	ITS	HR	Total
2022	36,936	11,435	28,255	180,059	256,685

Facility Collaboration Agreement with Strathcona County

The Library is located in the Strathcona County Community Centre. The Library is committed to pay a portion of the on-going operating costs (i.e. building site maintenance, janitorial services, utilities, security, mail and snow removal), to Strathcona County under the Facility Collaboration Agreement. The term of the agreement is November 1, 2010 to October 31, 2060.

This amount will change on a yearly basis depending on the cost of the services required. The future contracts at this time are as follows:

2022	\$ 523,711
2023	470,917
2024	470,917
2025	470,917
2026	470,917
Thereafter	15,932,692
	<u>\$ 18,340,071</u>

STRATHCONA COUNTY LIBRARY BOARD

Notes to Financial Statements

Year ended December 31, 2021

10. RELATED PARTIES

Related parties to the Library include the Library Board, key management personnel and Strathcona County. Key management personnel is defined by the Library as the Chief Executive Officer.

Related party transactions with the Library Board and key management personnel primarily consist of compensation related payments and are considered to be undertaken on similar terms and conditions to those adopted if the entities were dealing at arm's length.

Transactions with Strathcona County are included within these financial statements. See Notes 2, 3, 6, 7 and 9. These transactions are in the normal course of operations and are recorded at the exchange amounts as established and agreed to by the related parties.

11. COMPARATIVE INFORMATION

Certain comparative information has been reclassified to conform to the current year's presentation.

12. COVID-19 PANDEMIC

In 2021, the COVID-19 pandemic continued to affect Canada including Strathcona County, with a significant number of cases. The Library has followed all recommendations of the local, provincial and national health authorities, as applicable. The Library closed to the public December 13, 2020 and reopened on March 16, 2021. The Library closed to the public again on April 7, 2021 and reopened on June 15, 2021.

At this stage, the impact on the business and results of the Library have not been significant, and based on our experience to date, we expect this to remain the case. We will continue to follow various government policies and advice, and, in parallel, we will do our utmost to continue operations in the best and safest way possible without jeopardizing the health of staff and patrons.