

**OKANAGAN REGIONAL
LIBRARY DISTRICT
Financial Statements**
For the year ended December 31, 2022

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Management's Responsibility for Financial Reporting

The accompanying financial statements of the Okanagan Regional Library District have been approved by the Board. The preparation of these financial statements is the responsibility of management.

The financial statements were prepared by our external auditor in accordance with Canadian public sector accounting standards. Certain amounts used in the preparation of the financial statements are based on management's best estimates and judgments. Actual results could differ as additional information becomes available in the future. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the financial statements are presented fairly, in all material respects. Management has reviewed these financial statements and has taken responsibility for them.

The Okanagan Regional Library District maintains systems of internal accounting and administrative controls of high quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the Okanagan Regional Library District's assets are appropriately accounted for and adequately safeguarded.

The Board is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements.

The Board meets periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the annual report, the consolidated financial statements and the external auditor's report.

The financial statements have been audited by BDO Canada LLP Chartered Professional Accountants in accordance with Canadian generally accepted auditing standards on behalf of the Board. The independent auditor's report expresses their opinion on these financial statements. The auditors have full and free access to the accounting records and to the Board of the Okanagan Regional Library District.

_____ Chairperson

_____ Chief Financial Officer

May 4, 2023

Independent Auditor's Report

To the Board of Trustees of the Okanagan Regional Library District

Opinion

We have audited the financial statements of Okanagan Regional Library District (the "Library District"), which comprise the statement of financial position as at December 31, 2022, and the statements of operation and accumulated surplus, changes in net debt, and 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 District as at December 31, 2022, and the statements of operations and accumulated surplus, change in net debt, and cash flows for the year then ended in accordance with Canadian accounting standards for 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 District 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.

Unaudited Information

We have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the schedules on pages 18 through 23 of the Library District's financial statements.

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

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

Those charged with governance are responsible for overseeing the Library District'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 District'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 District'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 District 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.

Chartered Professional Accountants

Kelowna, British Columbia
May 4, 2023

**Okanagan Regional Library District
Statement of Financial Position**

December 31	2022	2021
Financial assets		
Cash (Note 1)	\$ 11,501,425	\$ 7,695,351
Accounts receivable	401,295	494,579
MFA debt reserve	215,000	155,000
	<u>12,117,720</u>	<u>8,344,930</u>
Financial liabilities		
Accounts payable and accrued liabilities	3,239,778	613,311
Wages payable	245,007	237,581
Deferred revenue	35,339	35,339
Long-term debt (Note 2)	13,741,113	8,552,341
	<u>17,261,237</u>	<u>9,438,572</u>
Net debt	<u>(5,143,517)</u>	<u>(1,093,642)</u>
Non-financial assets		
Tangible capital assets (Note 3)	27,511,087	23,766,413
Prepaid expenses	199,193	180,828
	<u>27,710,280</u>	<u>23,947,241</u>
Accumulated surplus (Note 4)	<u>\$ 22,566,763</u>	<u>\$ 22,853,599</u>

Approved on behalf of the Board:

_____ Chairperson

**Okanagan Regional Library District
Statement of Operations and Accumulated Surplus**

For the year ended December 31	2022	2022	2021
	Actual	Budget	Actual
Revenue			
Assessments (Schedule 2)	\$ 18,839,504	\$ 18,777,951	\$ 18,409,755
Province of British Columbia grant	1,009,411	1,008,000	1,008,382
Other grant revenue	221,630	55,500	79,160
Other revenue (Schedule 3)	737,531	617,376	762,665
	<u>20,808,076</u>	<u>20,458,827</u>	<u>20,259,962</u>
Expenses (Note 6)			
Amortization	2,279,287	-	2,286,297
Children's programs	35,310	30,623	19,209
Delivery/transportation operating	115,865	97,071	85,506
Direct local branch expenses (Schedule 4)	12,639,041	12,073,923	11,185,267
Electronic materials	1,651,733	1,285,608	1,439,297
Headquarters supportive services			
Salaries and benefits	2,683,207	2,605,552	2,609,834
Operating (Schedule 5)	1,690,469	1,766,946	1,297,620
	<u>21,094,912</u>	<u>17,859,723</u>	<u>18,923,030</u>
Annual surplus (Note 9)	(286,836)	2,599,104	1,336,932
Accumulated surplus, beginning of year	22,853,599	22,853,599	21,516,667
Accumulated surplus, end of year	\$ 22,566,763	\$ 25,452,703	\$ 22,853,599

**Okanagan Regional Library District
Statement of Change in Net Debt**

For the year ended December 31	2022	2022	2021
	Actual	Budget	Actual
Annual surplus	\$ (286,836)	\$ 2,599,104	\$ 1,336,932
Acquisition of tangible capital assets	(6,023,899)	-	(1,488,429)
Amortization of tangible capital assets	2,279,287	-	2,286,297
Gain (loss) on disposal of tangible capital assets	(62)	-	13,336
Proceeds from disposal of tangible capital assets	-	-	25,132
Increase (decrease) of prepaid expenses	(18,365)	-	153,134
Change in net debt	(4,049,875)	2,599,104	2,299,730
Net debt, beginning of year	(1,093,642)	(1,093,642)	(3,393,372)
Net debt, end of year	\$ (5,143,517)	\$ 1,505,462	\$ (1,093,642)

**Okanagan Regional Library District
Statement of Cash Flows**

For the year ended December 31	2022	2021
Cash flows provided by (used in) operating activities		
Cash receipts from assessments, grants, and other revenue	\$ 18,246,668	\$ 20,086,556
Cash paid to employees and suppliers	(13,368,885)	(16,119,657)
Interest received	216,419	34,769
Interest paid	(393,000)	(442,350)
	<u>4,701,202</u>	<u>3,559,318</u>
Cash flows provided by (used in) capital activities		
Acquisition of tangible capital assets	(6,023,900)	(1,488,429)
Proceeds from sale of capital assets	-	25,132
	<u>(6,023,900)</u>	<u>(1,463,297)</u>
Cash flows provided by (used in) financing activities		
Repayment of long-term debt	5,188,772	(767,714)
Receipts from MFA debt	(60,000)	-
	<u>5,128,772</u>	<u>(767,714)</u>
Increase in cash during the year	3,806,074	1,328,307
Cash, beginning of year	<u>7,695,351</u>	<u>6,367,044</u>
Cash, end of year	<u>\$ 11,501,425</u>	<u>\$ 7,695,351</u>

Okanagan Regional Library District Summary of Significant Accounting Policies

December 31, 2022

Nature of Business The Okanagan Regional Library District (the "Library District") provides equitable access to relevant educational, recreational, and cultural library resources to residents within the service regions.

Basis of Presentation It is the Library District's policy to follow accounting principles generally accepted for municipalities in the Province of British Columbia. The financial statements include the account of all funds for the Library District. All interfund transfers have been eliminated. They have been prepared using guidelines issued by the Public Sector Accounting Board ("PSAB") of Chartered Professional Accountants of Canada.

MFA Debt Reserve As a condition of borrowing through Regional Districts (Note 2), a portion of the loan proceeds are withheld by the Regional Districts to be used as a debt reserve for the Municipal Finance Authority.

Tangible Capital Assets Tangible capital assets are recorded at cost less accumulated amortization. Cost includes all costs directly attributable to acquisition or construction of the tangible capital asset including transportation costs, installation costs, design and engineering fees, legal fees and site preparation costs. Contributed tangible capital assets are recorded at fair value at the time of the donation, with a corresponding amount recorded as revenue. Amortization is recorded over the estimated life of the tangible capital asset commencing once the asset is available for productive use as follows:

Buildings	2.5% declining balance
Vehicles	20% declining balance
Computer equipment	25% declining balance
Shelving	40 years, straight line
Carts, tables, & chairs	5% declining balance
Electronics & miscellaneous	15% declining balance
Book inventory	2 to 15 years, straight line

Revenue Recognition Assessment revenue is invoiced quarterly and is recorded when it becomes due on the first day of the last month of each quarter. The schedule of due dates is set by the Library Act. Revenue from grants is recorded when received and when conditions specified in the grant are met. Other revenue is recorded when the service has been provided or when performance has been achieved and the revenue is reasonably collectible.

Government Transfers Government transfers, which include legislative grants, are recognized in the financial statements in the period in which events giving rise to the transfers occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amount can be made.

**Okanagan Regional Library District
Summary of Significant Accounting Policies**

December 31, 2022

Reserve Funds The Library District has established several reserves relating to future capital expenses and operating expenses. Amounts transferred to and from these reserves are per approval of the Board of Trustees for the Library District.

Use of Estimates The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

Financial Instruments The Library District's financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities, wages payable and long-term debt. Unless otherwise noted, it is management's opinion that the Library District is not exposed to significant interest, currency, liquidity or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values, unless otherwise noted.

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**Okanagan Regional Library District
Notes to Financial Statements**

December 31, 2022

1. Cash

Cash is held in a financial institution earning interest at an average rate of 2.40% (2021 - 0.55%) per annum.

2. Long-Term Debt

The Regional District of the Central Okanagan was authorized (Regional District of Central Okanagan, Okanagan Regional Library District Borrowing Loan Authorization Bylaw No. 1236, 2008) to borrow \$4,500,000 from the Municipal Finance Authority on behalf of the Library District.

The Regional District of North Okanagan was authorized (Regional District of North Okanagan, Okanagan Regional Library District Borrowing Loan Authorization Bylaw No. 2436, 2010) to borrow \$11,000,000 from the Municipal Finance Authority on behalf of the Library District.

The Regional District of the Central Okanagan was authorized (Regional District of Central Okanagan, Okanagan Regional Library District Borrowing Loan Authorization Bylaw No. 1236, 2021) to borrow \$6,000,000 from the Municipal Finance Authority on behalf of the Library District for the construction of a new library branch in the City of West Kelowna

	2022	2021
Debenture payable to the Municipal Finance Authority of British Columbia, with semi annual interest payments of \$65,250 and annual principal payments of \$151,118, interest rate at 2.90%, due November 20, 2028.	\$ 1,735,765	\$ 1,987,388
Debenture payable to the Municipal Finance Authority of British Columbia, with semi annual interest payments of \$80,850 and annual principal payments of \$404,379, interest rate at 4.20%, due April 4, 2031.	6,005,348	6,564,953
Debenture payable to the Municipal Finance Authority of British Columbia, with semi annual interest payments of \$100,800 and annual principal payments of \$136,666, interest rate at 1.68%, due April 8, 2052.	6,000,000	-
	\$ 13,741,113	\$ 8,552,341

Principal payments estimated to be required in each of the next five years and thereafter is as follows:

2023	\$ 692,163
2024	692,163
2025	692,163
2026	692,163
2027	692,163
Thereafter	5,185,281
	\$ 8,646,096
Add: Actuarial additions until maturity	5,095,017
	\$ 13,741,113

**Okanagan Regional Library District
Notes to Financial Statements**

December 31, 2022

3. Tangible Capital Assets

2022

	Land	Buildings	Vehicles	Computer Equipment	Shelving	Carts, Tables & Chairs	Electronics & Miscellaneous	Book Inventory	Total
Cost, beginning of year	\$ 983,134	\$ 20,820,489	\$ 182,585	\$ 1,608,443	\$ 2,747,699	\$ 1,821,309	\$ 783,767	\$ 11,529,649	\$ 40,477,075
Additions	-	4,440,665	-	299,619	32,828	101,927	6,977	1,141,883	6,023,899
Disposals	-	-	-	(119,763)	(2,768)	(9,565)	(3,229)	(1,242,508)	(1,377,833)
Cost, end of year	\$ 983,134	\$ 25,261,154	\$ 182,585	\$ 1,788,299	\$ 2,777,759	\$ 1,913,671	\$ 787,515	\$ 11,429,024	\$ 45,123,141
Accumulated amortization, beginning of year	\$ -	\$ 4,692,654	\$ 79,663	\$ 914,324	\$ 1,392,060	\$ 859,194	\$ 534,920	\$ 8,237,847	\$ 16,710,662
Amortization	-	403,196	20,584	218,493	69,444	53,522	37,889	1,476,159	2,279,287
Disposals	-	-	-	(119,763)	(2,768)	(9,565)	(3,229)	(1,242,570)	(1,377,895)
Accumulated amortization, end of year	\$ -	\$ 5,095,850	\$ 100,247	\$ 1,013,054	\$ 1,458,736	\$ 903,151	\$ 569,580	\$ 8,471,436	\$ 17,612,054
Net carrying amount, end of year	\$ 983,134	\$ 20,165,304	\$ 82,338	\$ 775,245	\$ 1,319,023	\$ 1,010,520	\$ 217,935	\$ 2,957,588	\$ 27,511,087

**Okanagan Regional Library District
Notes to Financial Statements**

December 31, 2022

3. Tangible Capital Assets (continued)

2021

	Land	Buildings	Vehicles	Computer Equipment	Shelving	Carts, Tables & Chairs	Electronics & Miscellaneous	Book Inventory	Total
Cost, beginning of year	\$ 983,134	\$ 20,675,786	\$ 137,624	\$ 1,597,441	\$ 2,739,790	\$ 1,789,326	\$ 800,687	\$ 14,045,053	\$ 42,768,841
Additions	-	144,703	94,177	131,211	10,625	34,933	16,666	1,056,114	1,488,429
Disposals	-	-	(49,216)	(120,209)	(2,716)	(2,950)	(33,586)	(3,571,518)	(3,780,195)
Cost, end of year	\$ 983,134	\$ 20,820,489	\$ 182,585	\$ 1,608,443	\$ 2,747,699	\$ 1,821,309	\$ 783,767	\$ 11,529,649	\$ 40,477,075
Accumulated amortization, beginning of year	\$ -	\$ 4,282,830	\$ 91,353	\$ 843,230	\$ 1,326,083	\$ 811,661	\$ 530,519	\$ 10,307,088	\$ 18,192,764
Amortization	-	409,824	25,730	191,303	68,693	50,483	37,987	1,502,277	2,286,297
Disposals	-	-	(37,420)	(120,209)	(2,716)	(2,950)	(33,586)	(3,571,518)	(3,768,399)
Accumulated amortization, end of year	\$ -	\$ 4,692,654	\$ 79,663	\$ 914,324	\$ 1,392,060	\$ 859,194	\$ 534,920	\$ 8,237,847	\$ 16,710,662
Net carrying amount, end of year	\$ 983,134	\$ 16,127,835	\$ 102,922	\$ 694,119	\$ 1,355,639	\$ 962,115	\$ 248,847	\$ 3,291,802	\$ 23,766,413

The net book value of tangible capital assets not being amortized because they are under construction (included in buildings) is \$4,440,665 (2021 - \$NIL).

**Okanagan Regional Library District
Notes to Financial Statements**

December 31, 2022

4. Accumulated Surplus

The Library District segregates its accumulated surplus in the following categories:

	2022	2021
Financial equity		
General fund (Schedule 1)	\$ 1,601,126	\$ 7,753
Equity in tangible capital assets (Note 5)	13,985,101	15,369,261
Reserve funds (Schedule 6)	6,980,536	7,476,585
	\$22,566,763	\$ 22,853,599

Equity in tangible capital assets represents amounts already spent and invested in infrastructure and other non-financial assets.

Reserve funds represent funds set aside by the Board of Trustees for specific purposes.

5. Equity in Tangible Capital Assets

	2022	2021
Balance, beginning of year	\$ 15,369,261	\$ 15,411,211
Add:		
Contribution for long-term debt reduction	811,228	767,714
Contribution for tangible capital assets	6,023,899	1,488,429
Contribution from reserve funds	60,000	-
Deduct:		
Amortization	(2,279,287)	(2,286,297)
Increase in debt	(6,000,000)	(11,796)
Balance, end of year	\$ 13,985,101	\$ 15,369,261

**Okanagan Regional Library District
Notes to Financial Statements**

December 31, 2022

6. Expenses by Object

	2022	2022	2021
	Actual	Budget	Actual
Advertising and marketing	\$ 147,448	\$ 64,595	\$ 60,825
Amortization	2,279,287	-	2,286,297
Association dues and memberships	15,208	19,768	21,447
Board and committee expenses	4,364	20,141	-
Board strategic planning	20,000	300,000	-
Book binding and mending	10,776	21,250	7,537
Collection agency	(602)	9,566	1,942
Communications	82,158	78,400	98,574
Computer maintenance and telecommunications	505,763	474,363	489,354
Electronic materials	1,651,733	1,285,608	1,439,297
Insurance	62,626	58,470	18,481
Interest, bank charges and foreign exchange	(4,580)	11,500	9,619
Long term debt interest	393,000	442,350	442,350
Maintenance and utilities	2,766,749	1,819,058	1,649,321
Penticton library contract	36,740	46,920	41,030
Postage and freight	47,995	61,404	38,985
Professional fees	84,251	85,159	94,533
Programs	73,897	91,631	37,960
Rent	1,965,740	1,898,436	1,878,142
Staff development	245,676	250,573	129,406
Sundry	2,266	99,022	-
Supplies	272,141	175,474	320,629
Transportation	133,959	139,401	97,959
Wages and benefits	10,298,317	10,314,475	9,759,342
	\$21,094,912	\$ 17,767,564	\$ 18,923,030

7. Credit Facility

The Library District has a credit facility agreement with a financial institution which provides a revolving line of credit of \$750,000 with an interest rate of prime plus 0.3%. At December 31, 2022, the Library District had drawn \$Nil (2021 - \$Nil) on this agreement.

**Okanagan Regional Library District
Notes to Financial Statements**

December 31, 2022

8. Pension Liability

The Library District and its employees contribute to the Municipal Pension Plan (the "Plan"), a jointly trusted pension plan. The Board of Trustees, representing plan members and employers, is responsible for administering the Plan, including investment of the assets and administration of benefits. The Plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2021, the Plan has about 227,000 active members and approximately 118,000 retired members. Active members include approximately 42,000 contributors from local governments.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plan. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plan. This rate may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

The most recent valuation as of December 31, 2021, indicated a \$3,761 million funding surplus for basic pension benefits on a going concern basis.

The Library District paid \$608,715 (2021 - \$593,808) for employer contributions to the Plan in fiscal 2022.

The next valuation will be as at December 31, 2024, with results available in late 2025.

Employers participating in the Plan record their pension expense as the amount of the employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the Plan records accrued liabilities and accrued assets for the Plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the Plan.

Okanagan Regional Library District
Notes to Financial Statements

December 31, 2022

9. Budget Information

The budget adopted by the Board of Trustees was prepared on a modified accrual basis while PSAB requires a full accrual basis. The budget figures anticipated use of surpluses accumulated in previous years to reduce current year expenses in excess of current year revenues to \$nil. In addition, the budget expensed all tangible capital expenses rather than including amortization expense. As a result, the budget figures presented in the statements of operations and change in net debt represent the budget adopted by the Board of Trustees with adjustments as follows:

	<u>2022</u>
Budget surplus (deficit) for the year as per board budget	\$ -
Add:	
Transfers to reserve funds budgeted for in expenses	710,083
Transfers to tangible capital assets budgeted for in expenses - books and material	2,176,468
Long-term debt reduction - principal	<u>760,719</u>
	3,647,270
Less:	
Transfers from reserve funds budgeted for in expenses	<u>(956,007)</u>
Budget surplus per statement of operations and accumulated surplus	<u>\$ 2,691,263</u>

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**Okanagan Regional Library District
Schedule 1 - Current Fund Operations
(Unaudited)**

For the year ended December 31	2022	2022	2021
	Actual	Budget	Actual
Revenue			
Assessments (Schedule 2)	\$ 18,839,504	\$ 18,777,951	\$ 18,409,755
Province of British Columbia	1,009,411	1,008,000	1,008,382
Other grant revenue	221,630	55,500	79,160
Other revenue (Schedule 3)	737,531	617,376	762,665
Branch building and furnishing funding	5,940,000	-	-
	26,748,076	20,458,827	20,259,962
Expenses			
Children's programs	35,310	30,623	19,209
Delivery/transportation operating	115,865	97,071	85,506
Direct local branch expenses (Schedule 4)	12,639,041	12,073,923	11,185,267
Electronic materials	1,651,733	1,285,608	1,439,297
Headquarters supportive services			
Salaries and benefits	2,683,207	2,605,552	2,609,834
Operating (Schedule 5)	1,690,469	1,766,946	1,297,620
	18,815,625	17,859,723	16,636,733
Excess of revenues over expenses	7,932,451	2,599,104	3,623,229
Net interfund transfers:			
Net contributions to tangible capital fund			
For long-term debt reduction	(811,228)	(760,719)	(767,714)
For tangible capital assets	(6,023,899)	(2,176,468)	(1,488,429)
Disposal of tangible capital assets	-	-	11,796
Contribution from reserve fund (Schedule 6)			
Branch furnishings	141,990	165,000	98,698
Building maintenance (owned)	-	30,000	36,846
Building maintenance (non-owned)	952,840	50,000	151,423
Capital Building Project	729,582	-	-
Donation	136,085	-	110,652
Staff appreciation and development	339	-	-
Strategic planning	20,000	330,000	-
Technology & software	275,609	341,007	37,064
Vehicle replacement	-	40,000	94,177
Contributions to reserve funds (Schedule 6)			
Branch furnishings	(145,879)	(145,000)	(145,000)
Building maintenance (owned)	(60,000)	(60,000)	(60,000)
Building maintenance (non-owned)	(925,582)	(32,000)	(32,000)
Capital building project	-	(114,000)	(1,064,000)
Donation	(218,039)	-	(310,444)
Staff appreciation and development	(1,500)	(1,500)	(1,500)
Strategic planning	(72,000)	(72,000)	(72,000)
Technology & software	(311,970)	(311,008)	(301,077)
Vehicle replacement	(25,426)	25,425	(12,500)
	(6,339,078)	(2,691,263)	(3,714,008)
Change in fund balance	1,593,373	(92,159)	(90,779)
Surplus, beginning of year	7,753	-	98,532
Surplus, end of year	\$ 1,601,126	\$ (92,159)	\$ 7,753

**Okanagan Regional Library District
Schedule 2 - Assessments
(Unaudited)**

For the year ended December 31	2022	2022	2021
	Actual	Budget	Actual
Municipalities			
Armstrong	\$ 199,614	\$ 199,614	\$ 197,754
Coldstream	483,524	479,289	465,295
Enderby	111,713	111,713	108,510
Golden and Area	335,517	335,518	326,761
Kelowna	7,044,023	7,044,024	6,926,536
Keremeos	58,756	58,755	57,651
Lake Country	723,274	723,274	690,842
Lumby	75,602	75,602	73,551
Oliver	216,332	216,331	209,005
Osoyoos	271,014	271,014	270,166
Peachland	265,993	265,992	261,461
Princeton	132,188	120,555	115,497
Revelstoke	395,328	395,328	369,274
Salmon Arm	766,363	766,363	756,341
Sicamous	158,162	134,866	133,014
Spallumcheen	222,990	222,990	216,982
Summerland	526,161	526,161	521,791
Vernon	1,908,964	1,886,576	1,856,067
West Kelowna	1,636,180	1,636,180	1,596,395
	15,531,698	15,470,145	15,152,893
First Nation Members			
Westbank First Nation	452,133	452,133	438,437
	15,983,831	15,922,278	15,591,330
Regional Districts			
Central Okanagan	316,605	316,605	315,478
Columbia - Shuswap	876,472	876,472	854,822
North Okanagan	790,423	790,423	778,242
Okanagan - Similkameen	872,173	872,173	869,883
	2,855,673	2,855,673	2,818,425
	\$ 18,839,504	\$ 18,777,951	\$ 18,409,755

**Okanagan Regional Library District
Schedule 3 - Other Revenue
(Unaudited)**

For the year ended December 31	2022	2022	2021
	Actual	Budget	Actual
Actuarial earnings	\$ 255,731	\$ 255,731	\$ 247,198
Bank interest	216,419	35,000	34,769
Book bag revenue	1,010	1,630	1,086
Copying and printing	23,809	39,500	20,945
Donation revenue	197,519	-	333,114
Fines, damaged and lost books	28,676	202,500	47,915
Gain on disposal of tangible capital asset	-	-	13,336
Interdepartment rent	647,376	634,682	634,682
Meeting room rental	3,483	19,207	944
Non resident charges	1,420	2,720	1,710
Sundry	9,464	61,088	61,648
Total before adjustment	1,384,907	1,252,058	1,397,347
Interdepartment rent	(647,376)	(634,682)	(634,682)
Total	\$ 737,531	\$ 617,376	\$ 762,665

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**Okanagan Regional Library District
Schedule 4 - Direct Local Branch Expenses
(Unaudited)**

For the year ended December 31

Branch	Salaries & Benefits	Building	Other	2022 Total	2022 Budget	2021 Total
Armstrong	\$ 169,625	\$ 71,546	\$ 1,732	\$ 242,903	\$ 220,160	\$ 229,675
Book Deposits	-	-	3,190	3,190	3,200	-
Cherryville	28,147	13,081	5,356	46,584	42,783	37,332
Enderby	136,210	71,087	3,038	210,335	199,894	197,574
Falkland	51,931	16,824	2,220	70,975	77,049	63,040
Golden	128,265	67,669	26,777	222,711	230,490	204,110
Hedley	16,135	5,039	13	21,187	20,347	16,857
Kaleden	70,364	15,016	2,169	87,549	73,886	66,380
Kelowna						
Downtown	1,169,147	991,212	23,096	2,183,455	2,301,251	2,173,441
Mission	490,122	513,497	26,551	1,030,170	731,573	649,064
Rutland	499,572	340,710	3,786	844,068	821,254	790,435
Keremeos	113,435	43,169	2,756	159,360	163,698	148,798
Lake Country						
Central	223,924	110,592	3,323	337,839	333,164	291,455
Oyama	(517)	931	105	519	47,484	34,493
Lumby	112,577	23,052	3,299	138,928	136,075	125,700
Naramata	44,662	22,231	1,399	68,292	73,452	63,522
North Shuswap	58,798	32,050	3,374	94,222	98,323	89,693
Okanagan Falls	74,489	53,173	3,409	131,071	128,817	121,614
Oliver	171,446	120,660	4,965	297,071	277,005	263,217
Osoyoos	162,580	46,005	2,821	211,406	217,664	204,711
Peachland	118,979	73,519	1,209	193,707	189,798	180,318
Princeton	59,771	32,721	1,763	94,255	107,845	93,661
Revelstoke	173,944	50,287	43,187	267,418	236,391	216,089
Salmon Arm	483,533	277,191	3,730	764,454	774,388	776,288
Sicamous	114,902	52,093	2,230	169,225	173,028	154,405
Silver Creek	32,723	10,735	2,336	45,794	39,570	36,469
South Shuswap	149,729	54,801	4,114	208,644	207,848	202,426
Summerland	204,400	209,245	1,083	414,728	451,244	386,936
Vernon	1,216,036	1,352,825	23,176	2,592,037	1,944,862	1,955,084
West Kelowna & Learning Lab	541,872	349,441	6,346	897,659	925,661	896,464
Branch shared expenses	900,947	-	177,326	1,078,273	825,719	838,703
Total before adjustment	7,717,748	5,020,402	389,879	13,128,029	12,073,923	11,507,954
Interdepartment rent net of interest costs	-	(488,988)	-	(488,988)	-	(322,833)
Total	\$ 7,717,748	\$4,531,414	\$ 389,879	\$12,639,041	\$12,073,923	\$11,185,121

**Okanagan Regional Library District
Schedule 5 - Headquarters Operating Expenses
(Unaudited)**

For the year ended December 31	2022	2022	2021
	Actual	Budget	Actual
Advertising and marketing	\$ 146,385	\$ 64,595	\$ 59,469
Association dues and membership	15,207	19,768	21,685
Binding and mending	10,776	21,250	7,537
Board and committee expenses	4,364	20,141	-
Board strategic plan	20,000	300,000	-
Communications	43,438	60,152	56,875
Computer maintenance and telecommunications	540,111	496,662	507,033
Insurance	62,626	58,470	18,481
Interest, bank charges and foreign exchange	(4,580)	11,500	9,619
Interest on long-term debt	231,300	130,500	130,500
Maintenance and utilities	285,018	178,856	175,126
Penticton library contract	36,740	46,920	41,030
Postage and freight	7,971	22,848	7,988
Professional fees	84,251	85,159	94,533
Sundry	1,664	9,566	1,941
Supplies	54,556	77,544	77,515
Staff development	142,621	130,477	83,627
Transportation	8,021	32,538	4,661
Total	\$ 1,690,469	\$ 1,766,946	\$ 1,297,620

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**Okanagan Regional Library District
Schedule 6 - Reserve Fund Continuity
(Unaudited)**

For the year ended December 31

	2021	Contributions	Expenses	Transfers	2022
Branch furnishings	\$ 654,513	\$ 145,879	\$ (141,990)	\$ -	\$ 658,402
Building maintenance (owned)	536,697	60,000	-	-	596,697
Building maintenance (non-owned)	385,253	925,582	(952,840)	-	357,995
Capital building projects	3,572,615	-	(729,582)	-	2,843,033
Donation	799,398	218,039	(136,085)	-	881,352
Integrated Library Systems (ILS)	170,221	-	-	-	170,221
Materials	(36,846)	-	-	-	(36,846)
Rent stabilization	82,729	-	-	-	82,729
Staff development	96,320	-	(339)	-	95,981
Staff appreciation	14,350	1,500	-	-	15,850
Strategic planning	575,330	72,000	(20,000)	-	627,330
Technology & software	627,107	311,970	(275,609)	-	663,468
Vehicle replacement	(1,102)	25,426	-	-	24,324
Total	\$ 7,476,585	\$ 1,760,396	\$ (2,256,445)	\$ -	\$ 6,980,536