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Financial Information Act - Statement of Financial Information

Library Name: Fraser Valley Regional Library District
Fiscal Year Ended: December 31, 2022

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- 11) Schedule of Payments for the Provision of Goods and Services

Submission Checklist

Financial Information Act - Statement of Financial Information

Library Name: Fraser Valley Regional Library District

Fiscal Year Ended: December 31, 2022

a)	<input checked="" type="checkbox"/>	Approval of Statement of Financial Information
b)	<input checked="" type="checkbox"/>	A Management Report signed and dated by the Library Board and Library Director
An operational statement including:		
c)	<input checked="" type="checkbox"/>	i) Statement of Income
	<input checked="" type="checkbox"/>	ii) Statement of Changes in Financial Position, or, if omitted, an explanation in the Notes to the Financial Statements (audited ¹ financial statements)
d)	<input checked="" type="checkbox"/>	Statement of assets and liabilities (audited ¹ financial statements)
e)	<input checked="" type="checkbox"/>	Schedule of debts (audited ¹ financial statements) If there is no debt, or if the information is found elsewhere in the SOFI, an explanation must be provided in the Schedule.
		Schedule of guarantee and indemnity agreements including the names of the entities involved and the amount of money involved. If no agreements, or if the information is found elsewhere in the SOFI, an explanation must be provided in the Schedule.
g)	<input checked="" type="checkbox"/>	Schedule of Remuneration and Expenses, including:
		i) An alphabetical list of employees (first and last names) earning over \$75,000
		ii) Total amount of expenses paid to or on behalf of each employee under 75,000
		iii) If the total wages and expenses differs from the audited financial statements, an explanation is required
		iv) A list, by name and position, of Library Board Members with the amount of any remuneration paid to or on behalf of the member.
		v) The number of severance agreements started during the fiscal year and the range of months` pay covered by the agreement, in respect of excluded employees. If there are no agreements to report, an explanation is required.
h)	<input checked="" type="checkbox"/>	Schedule of Payments for the Provision of Goods and Services including:
		i) An alphabetical list of suppliers receiving over \$25,000 and a consolidated total for those suppliers receiving less than \$25,000. If the total differs from the Audited Financial Statements, an explanation is required.

¹ Municipal Libraries and Regional Library Districts must provide audited financial statements as per the *Libraries Act* section 11(2) and 26(2) (a). Audited statements are not required for the SOFI but if available, please include them.

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

Board Approval Form

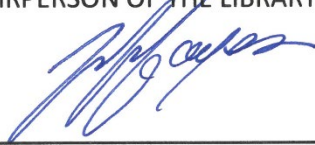
Financial Information Act - Statement of Financial Information

NAME OF LIBRARY <i>Fraser Valley Regional Library District</i>	FISCAL YEAR END (YYYY) 2022
LIBRARY ADDRESS 34589 Delair Road	TELEPHONE NUMBER 604-859-7141
CITY Abbotsford	PROVINCE BC
	POSTAL CODE V2S 5Y1
NAME OF THE CHAIRPERSON OF THE LIBRARY BOARD Councillor Mike Hayes	TELEPHONE NUMBER 604-465-4772
NAME OF THE LIBRARY DIRECTOR Scott Hargrove	TELEPHONE NUMBER 604-859-7141

DECLARATION AND SIGNATURES

We, the undersigned, certify that the attached is a correct and true copy of the Statement of Financial Information of the year ended December 31, 2022 for Fraser Valley Regional Library District as required under Section 2 of the Financial Information Act.

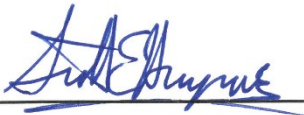
SIGNATURE OF THE CHAIRPERSON OF THE LIBRARY BOARD*



DATE SIGNED (DD-MM-YYYY)

10-05-2023

SIGNATURE OF THE LIBRARY DIRECTOR



DATE SIGNED (DD-MM-YYYY)

10-05-2023

Management Report

Financial Information Act - Statement of Financial Information

Library Name: Fraser Valley Regional Library District
Fiscal Year Ended: December 31, 2022

MANAGEMENT REPORT

The Financial Statements contained in this Statement of Financial Information under the *Financial Information Act* have been prepared by management in accordance with Canadian generally accepted accounting principles and the integrity and objectivity of these statements are management's responsibility.

Management is also responsible for all other schedules of financial information and for ensuring this information is consistent, where appropriate, with the information contained in the financial statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

The Board of the Library is responsible for ensuring that management fulfils its responsibilities for financial reporting and internal control and for approving the financial information included in the Statement of Financial Information.

The external auditors, BDO Canada LLP, conduct an independent examination, in accordance with generally accepted auditing standards, and express their opinion on the financial statements. Their examination does not relate to the other schedules of financial information required by the *Financial Information Act*. Their examination includes a review and evaluation of the board's system of internal control and appropriate tests and procedures to provide reasonable assurance that the financial statements are presented fairly.

On behalf of Fraser Valley Regional Library District

**Name. Chairperson of the
Library Board [Print]
Signature,
Chairperson of the Library
Board**



Councillor Mike Hayes

**Date
(MM-DD-YYYY)** 05-10-2023

**Name,
Library Director [Print]
Signature,
Library Director**



Scott Hargrove

**Date
(MM-DD-YYYY)** 05-10-2023

Fraser Valley Regional Library District
Financial Statements
For the year ended December 31, 2022

Fraser Valley Regional Library District
Financial Statements
For the year ended December 31, 2022

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Unit 1100 -Royal Centre
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Management's Responsibility for the Financial Statements

The accompanying financial statements of Fraser Valley Regional Library District (the "Library") are the responsibility of management and have been prepared in accordance with Canadian public sector accounting standards as recommended by the Public Sector Accounting Board of Chartered Professional Accountants Canada. A summary of the significant accounting policies are described in the financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The Library's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the financial statements. These systems are monitored and evaluated by management.

The Board of Directors meets with management and the external auditors to review the financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the financial statements.

The financial statements have been audited by BDO Canada LLP, independent external auditors appointed by the Library. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the Library's financial statements.

Scott Hargrove,
Chief Executive Officer

Nancy Gomerich,
Director of Finance

May 2, 2023



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Independent Auditor's Report

**To the Library Board
Fraser Valley Regional Library District**

Opinion

We have audited the financial statements of Fraser Valley Regional Library District (the "Library"), which comprise the Statement of Financial Position as at December 31, 2022 and the Statements of Operations, Changes in Net Financial Assets and Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Library as at December 31, 2022 and its results of operations, changes in net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of this 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 these 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.

BDO Canada LLP

Chartered Professional Accountants


Vancouver, British Columbia


May 2, 2023

**Fraser Valley Regional Library District
Statement of Financial Position**

December 31	2022	2021
Financial Assets		
Cash and cash equivalents	\$ 823,212	\$ 1,394,483
Portfolio investments (Note 3)	14,122,710	11,880,166
Accounts receivable	237,974	167,871
	15,183,896	13,442,520
Liabilities		
Accounts payable and accrued liabilities (Note 4)	2,217,675	1,498,254
Deferred revenue	319,673	230,584
Deposits	386,161	326,555
Employee future benefits (Note 5)	2,520,300	2,548,800
	5,443,809	4,604,193
Net Financial Assets	9,740,087	8,838,327
Non-Financial Assets		
Tangible capital assets (Note 6)	9,820,024	9,461,719
Prepaid expenses and deposits	860,875	383,904
	10,680,899	9,845,623
Accumulated Surplus (Note 7)	\$ 20,420,986	\$ 18,683,950

On behalf of the Board of Trustees:


 _____ Trustee


 _____ Trustee

**Fraser Valley Regional Library District
Statement of Operations**

For the year ended December 31

	Budget 2022	2022	2021
Revenue			
Member assessments	\$ 28,381,847	\$ 28,387,450	\$ 27,675,293
Government transfers	1,463,491	1,669,333	1,449,451
Fees and other revenue	247,583	211,582	196,316
Donations	88,000	41,279	64,831
Interest	71,500	258,831	17,852
	<u>30,252,421</u>	<u>30,568,475</u>	<u>29,403,743</u>
Expenses			
Salaries and benefits	21,000,464	19,494,679	18,820,865
Library materials	1,757,200	2,082,468	1,843,978
Operating (Schedule)	3,706,363	3,580,533	3,168,504
Library interlink	130,000	102,449	79,359
Amortization	3,715,260	3,560,845	3,538,861
Loss on disposal of tangible capital assets	-	10,465	46,054
	<u>30,309,287</u>	<u>28,831,439</u>	<u>27,497,621</u>
Annual Surplus (Deficit)	(56,866)	1,737,036	1,906,122
Accumulated Surplus, beginning of year	18,683,950	18,683,950	16,777,828
Accumulated Surplus, end of year	\$ 18,627,084	\$ 20,420,986	\$ 18,683,950

**Fraser Valley Regional Library District
Statement of Changes in Net Financial Assets**

For the year ended December 31

	Budget 2022	2022	2021
Annual surplus	\$ (56,866)	\$ 1,737,036	\$ 1,906,122
Acquisition of tangible capital assets	(5,107,538)	(3,929,615)	(3,452,161)
Amortization of tangible capital assets	3,715,260	3,560,845	3,538,861
Loss on disposal of tangible capital assets	-	10,465	46,054
	(1,392,278)	(358,305)	132,754
Acquisition of prepaid expenses	-	(766,613)	(461,941)
Use of prepaid expenses	-	289,642	583,640
	\$ -	\$ (476,971)	\$ 121,699
Change in net financial assets for the year	(1,449,144)	901,760	2,160,575
Net financial assets, beginning of year	8,838,327	8,838,327	6,677,752
Net financial assets, end of year	\$ 7,389,183	\$ 9,740,087	\$ 8,838,327

Fraser Valley Regional Library District
Statement of Cash Flows

December 31	2022	2021
Operating transactions		
Annual surplus	\$ 1,737,036	\$ 1,906,122
Item not involving cash:		
Employee future benefits expense	345,700	325,300
Loss on disposal of tangible capital assets	10,465	46,054
Amortization of tangible capital assets	3,560,845	3,538,861
Changes in non-cash operating items		
Accounts receivable	(70,103)	23,124
Accounts payable and accrued liabilities	719,421	93,067
Deferred revenue	89,089	(34,714)
Deposits	59,606	(2,919)
Employee future benefits paid	(374,200)	(389,400)
Prepaid expenses and deposits	(476,971)	121,699
	<u>5,600,888</u>	<u>5,627,194</u>
Capital transaction		
Acquisition of tangible capital assets	<u>(3,929,615)</u>	<u>(3,452,161)</u>
Investing transaction		
Proceeds from disposition of portfolio investments	8,800,000	7,500,000
Subscriptions of portfolio investments	<u>(11,042,544)</u>	<u>(9,417,252)</u>
	<u>(2,242,544)</u>	<u>(1,917,252)</u>
Net increase in cash for the year	(571,271)	257,781
Cash, beginning of year	<u>1,394,483</u>	<u>1,136,702</u>
Cash, end of year	<u>\$ 823,212</u>	<u>\$ 1,394,483</u>

Fraser Valley Regional Library District Notes to Financial Statements

December 31, 2022

1. Nature of Business

The Fraser Valley Regional Library District (the "Library") was established by an Order in Council by the Lieutenant Governor of the Province of British Columbia. The Library's principal activity is to provide library services, including operation of 25 public libraries and centralized administrative services to member municipalities and unincorporated areas, in the Fraser Valley and Greater Vancouver Regional Districts. The Library is a registered charity under the Income Tax Act (Canada) and is not subject to income taxes.

2. Significant Accounting Policies

(a) Basis of Accounting

The Library prepares its financial statements in accordance with Canadian public sector accounting standards as prescribed by the Public Sector Accounting Board.

(b) Non-Financial Assets

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

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

Buildings	- 7 to 20 years
Furniture and equipment	- 4 to 20 years
Computer equipment	- 2 to 7 years
Computer software	- 2 to 7 years
Automated library system	- 7 years
Library materials	- 3 to 5 years

The cost of electronic resources, including e-books, audio books and databases, is expensed when acquired as they are generally licensed on an annual basis and the Library does not own or control access to them.

Tangible capital assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may exceed its long-term services potential.

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

December 31, 2022

2. Significant Accounting Policies (Continued)

(c) Prepaid Expenses

A prepaid expense is a cash disbursement or other transfer of economic resources, for services to be received over one or more future periods. It is recorded as an asset at the time of incurrence and recognized as expenses over the periods when the benefits are received.

(d) Portfolio Investments

Portfolio investments, consisting of Municipal Finance Authority Pooled Investments that are carried at market value.

(e) Government Transfers

Government transfers are recognized as revenue when authorized and any eligibility criteria have been met unless the transfer contains stipulations that create a liability. If the transfer contains stipulations that create a liability, the related revenue is recognized in the period that the liability is extinguished.

(f) Revenue Recognition

Unrestricted contributions are recognized as revenue in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Restricted contributions are recognized as revenue in the period in which the conditions of the funding have been met.

(g) Financial Instruments

The Library's financial instruments consist of cash, accounts receivable, portfolio investments, accounts payable and accrued liabilities, and deposits. Unless otherwise noted, it is management's opinion that the Library is not exposed to significant currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values, unless otherwise noted. The Library's investment in pooled funds is subject to interest rate risks due to their investment interest bearing instruments.

December 31, 2022

2. Significant Accounting Policies (Continued)

(h) Employee Future Benefits

The Library and its employees make contributions to the Municipal Pension Plan (the "Plan") and the employees accrue future benefits under this plan based on number of years of service. As the plan is a multi-employer plan, the Library's contributions are expensed as incurred (Note a).

Under the terms of the collective agreement and compensation policies, retirement benefits and compensated absences benefits are also available to the Library's employees. Employees are entitled to certain employee benefits on retirement. These include retiring allowance, additional vacation pay in the year of retirement for employees with at least ten years of service, and six months of health benefits after retirement. Compensated absences include supplemental vacation pay and longer-term sick leave. The costs of these benefits are actuarially determined based on number of years of service and best estimates of retirement ages and expected future salary and wage increases. The liabilities under this plan are accrued based on projected benefits prorated as the employees render services necessary to earn the future benefits (Note b).

(i) Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant items subject to such estimates and assumptions include the useful lives of tangible capital assets and obligations related to employee future benefits. Actual results could differ from those estimates. These estimates are reviewed periodically and as adjustments become necessary, they are reported in the statement of operations in the year in which they become known.

(j) Liability for Contaminated Sites

Contaminated sites are a result of contamination of a chemical, organic or radioactive material or live organism that exceeds an environmental standard, being introduced into soil, water or sediment. A liability for remediation of contaminated sites is recognized when all of the following criteria are met:

- i. an environmental standard exists;
- ii. contamination exceeds the environmental standard;
- iii. the Library is directly responsible or accepts responsibility; and
- iv. is directly responsible; or
- v. accepts responsibility; and
- vi. a reasonable estimate of the amount can be made.

There were no contaminated sites identified on sites that are no longer in use and there were no unexpected events identified for these sites during the year.

Fraser Valley Regional Library District
Notes to Financial Statements

December 31, 2022

2. Significant Accounting Policies (Continued)

(k) Expenses by Object and Segmented Information

The Library is a sole purpose organization and therefore does not report by function and does not provide segmented information. The Statement of Operations presents expenses by object.

3. Portfolio Investments

The balance consists of Municipal Finance Authority Pooled Investments with interest rates fluctuating based on market rates of interest.

4. Accounts Payable and Accrued Liabilities

	<u>2022</u>	<u>2021</u>
Amounts due to suppliers	\$ 1,159,716	\$ 705,400
Salaries and benefits accruals	<u>1,057,959</u>	<u>792,854</u>
	<u>\$ 2,217,675</u>	<u>\$ 1,498,254</u>

5. Employee Future Benefits

(a) Municipal Pension Plan

The Library and its employees contribute to the Municipal Pension Plan (the "Plan"), a jointly trustee pension plan. The Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the Plan, including investment of the assets and administration of benefits. The Plan is a multi-employer contributory pension plan. Basic pension benefits provided are defined. The Plan has about 217,000 active members and approximately 181,000 retired members. The Plan holds assets in excess of \$74 million.

Every three years, an actuarial valuation is performed to assess the financial position of the Plan and adequacy of plan funding. The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2021 indicated a \$3.761 million funding surplus for basic pension benefits of the Plan as a whole. The actuaries do not attribute portions of any surplus or deficit to individual employers. Defined contribution plan accounting is applied to the Plan as the Plan exposes the participating entities to actuarial risks associated with current and former employees of the entities, with the result that there is a no consistent and reliable basis for allocating the obligation Plan assets and costs to the individual entities participating in the Plan.

Fraser Valley Regional Library District
Notes to Financial Statements

December 31, 2022

5. Employee Future Benefits (Continued)

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

The Library paid \$1,278,719 (2021 - \$1,310,767) for employer contributions while employees contributed \$1,182,576 (2021 - \$1,159,547) to the Plan during fiscal 2022.

(b) Retirement Benefits and Compensated Absences

The Library provides post-employment retirement and compensated absence benefits to all regular full-time and part-time employees. These benefits are not separately funded.

An actuarial valuation of these benefits was performed to determine the Library's accrued benefit obligation and liability as at December 31, 2018 which was extrapolated to December 31, 2022. The liability at December 31, 2022 was \$2,520,300 (2021 - \$2,548,800), comprised as follows:

	2022	2021
Opening accrued benefit obligation	\$ 2,875,600	\$ 3,007,400
Add: Current service costs	244,100	237,000
Add: Interest on accrued benefit obligation	70,300	54,200
Add: Actuarial (gain) loss	107,600	(33,600)
Less: Benefits paid during the year	(374,200)	(389,400)
Closing accrued benefit obligation	2,923,400	2,875,600
Less: Unamortized actuarial loss	(403,100)	(326,800)
Benefit liability	\$ 2,520,300	\$ 2,548,800

Amortization of actuarial loss in the amount of \$31,300 has been recorded in the current year.

Actuarial assumptions used to determine the Library's accrued benefit liability are as follows:

	2022	2021
Discount rate (long-term borrowing rate)	4.50%	2.50%
Productivity and merit wage and salary increases averaging	3.00%	2.70%
Estimated average remaining service life of employees (years)	13	12

December 31, 2022

5. Employee Future Benefits (Continued)

(b) Retirement Benefits and Compensated Absences (Continued)

The following is a description of the post-employment retirement and compensated absences benefits:

Post-employment Retirement Benefits

(i) Retiring Allowance

Employees retiring from the service of the Library shall be paid at the rate of two days' pay for each year of service with the Library to a maximum of forty-eight working days.

(ii) Vacation Pay in Year of Retirement

Employees with at least ten years of service in the year of retirement are paid the same vacation pay that they would have earned if they had continued in employment to the end of the retirement calendar year.

(iii) Extended Health and Dental Benefits ("Health Benefits")

Health benefits for employees retiring from the service of the Library continue for the first six months of retirement, under the same cost-sharing arrangements as when employed.

Compensated Absences

(i) Supplemental Vacation Pay

Employees receive an additional week (pro-rated for part-time employees) of vacation pay upon reaching specified years' of service with the Library.

(ii) Longer-term Sick Leave

Employees are credited monthly with 10.5 hours for each month of service to a maximum sick leave bank of 1,120 hours. Banked sick leave credits may be used to pay for hours not worked by the respective employee due to personal, or specified family sickness.

**Fraser Valley Regional Library District
Notes to Financial Statements**

December 31, 2022

6. Tangible Capital Assets

	Land	Buildings	Furniture and Equipment	Computer Equipment	Computer Software	Automated Library System	Library Materials	2022 Total	2021 Total
Cost, beginning of year	\$ 115,000	\$ 2,081,358	\$ 936,457	\$ 1,390,852	\$ 787,599	\$ 858,453	\$ 18,459,721	\$24,629,440	\$ 24,940,278
Additions	-	620,752	19,246	117,464	262,688	-	2,909,465	3,929,615	3,452,161
Disposals	-	(13,359)	(8,641)	-	-	-	(3,036,926)	(3,058,926)	(3,762,999)
Cost, end of year	115,000	2,688,751	947,062	1,508,316	1,050,287	858,453	18,332,260	25,500,129	24,629,440
Accumulated amortization, beginning of year	-	1,484,229	604,458	744,202	787,599	632,282	10,914,951	15,167,721	15,345,805
Amortization expense	-	64,050	74,379	250,998	9,708	51,391	3,110,319	3,560,845	3,538,861
Disposals	-	(2,894)	(8,641)	-	-	-	(3,036,926)	(3,048,461)	(3,716,945)
Accumulated amortization, end of year	-	1,545,385	670,196	995,200	797,307	683,673	10,988,344	15,680,105	15,167,721
Net carrying amount, end of year	\$ 115,000	\$ 1,143,366	\$ 276,866	\$ 513,116	\$ 252,980	\$ 174,780	\$ 7,343,916	\$ 9,820,024	\$ 9,461,719

Fraser Valley Regional Library District
Notes to Financial Statements

December 31, 2022

7. Accumulated Surplus

Accumulated Surplus is categorized as follows:

	<u>2022</u>	<u>2021</u>
Unappropriated General Surplus	\$ 2,177,428	\$ 5,477,981
Reserves - General		
Information systems investments	1,357,092	1,123,090
Building, equipment and vehicles	712,458	261,045
Library collections	546,487	451,013
i(dea) Centre & Innovation	75,910	62,225
Specific programs	140,900	15,214
Administrative Centre Expansion	<u>2,521,625</u>	<u>-</u>
Subtotal (Unappropriated General Surplus plus Reserves - General)	<u>7,531,900</u>	<u>7,390,568</u>
Reserves - Member salary & benefit reserve	<u>2,210,252</u>	<u>1,450,340</u>
Subtotal (Unappropriated General Surplus plus all Reserves)	<u>9,742,152</u>	<u>8,840,908</u>
Unfunded employee future benefits	(2,065)	(2,581)
Investment in non-financial assets	<u>10,680,899</u>	<u>9,845,623</u>
	<u>\$ 20,420,986</u>	<u>\$ 18,683,950</u>

The Unappropriated General Surplus is the amount of Accumulated Surplus remaining after deducting the other appropriated surplus balances (see below). A surplus balance is available to temporarily finance operations until planned revenues (i.e. member assessments, fees, grants etc.) are received, or for other operating or capital purposes as determined by the Board, to the extent that it is available as cash.

The Reserves are Accumulated Surplus that have been set aside by decision of the Board for a specified purpose. In the normal course of operations, these funds will be used to finance the future services or capital works for which they have been appropriated. Following is an explanation of the intended purpose of each Reserve:

(a) Information Systems Investment Reserve

To fund capital expenditures for new or existing information systems assets (computer hardware and software).

(b) Building, Equipment and Vehicles Reserve

To fund capital expenditures for the Administration Centre (building & furnishings, parking lot, and equipment), vehicle, and library branch copiers.

**Fraser Valley Regional Library District
Notes to Financial Statements**

December 31, 2022

7. Accumulated Surplus (Continued)

(c) Library Collections Reserve

To fund library material expenditures for one-time or special collection additions, and for new and expanding libraries.

(d) i(dea) Centre & Innovation

To fund support for i(dea) Centre initiatives and other initiatives that seek to improve customer service and organizational value.

(e) Specific Programs

To fund various specific operating and capital expenditures for specific programs.

(f) Administrative Centre Expansion

To fund all or portion of the expansion of the Administrative Centre.

(g) Member Salary & Benefits Reserve

This reserve is allocated to each member organization in accordance with Board policy. The reserve balance is to fund library expenditures, or reduce member organization levies, to the extent of the member organization reserve balance, as requested by the member organization and approved by the Board.

Unfunded employee future benefits is the portion of the Employee Future Benefits Liability of \$2,520,300 (2021 - \$2,548,800) (Note (b)) that is not funded. The unfunded liability was proportionately attributed to specific member organizations when initially accounted for, based on their share of direct staffing salary and benefits (in the 2016 Budget). The board approved the member organizations to fund their respective shares in 2021.

Investment in Non-Financial Assets is equal to the book value of the tangible capital assets and prepaids. In the normal course of operations the tangible capital assets and prepaids will not be available to finance operations, but will be consumed/used to provide services, and the debt will be repaid by future period revenues.

Fraser Valley Regional Library District
Notes to Financial Statements

December 31, 2022

8. Contingencies and Contractual Obligations

The Library rents vehicles under operating leases that expire at various dates to 2027 and whose lease payments in the current year totaled \$111,524 (2021 - \$102,104). The library has also entered into multi-year contracts to receive services. The total minimum payments over the next 5 years are as follows:

2023	\$1,116,917
2024	\$843,230
2025	\$161,908
2026	\$27,846
2027	\$18,564

9. Economic Dependence

The Library is economically dependent on the member municipalities for its continued operations.

**Fraser Valley Regional Library District
Schedule of Operating Expenses**

December 31	Budget 2022	2022	2021
Administration building	\$ 372,500	\$ 388,835	\$ 384,075
Administrative and board expenses	74,928	65,479	55,099
Banking	48,724	39,350	46,897
Furniture and equipment	66,840	73,384	55,658
Human resources	408,230	335,942	185,674
Information systems	1,464,419	1,335,583	1,234,744
Library programs	248,043	173,281	117,525
Marketing	171,183	148,440	151,164
Member salary and benefit reserve grants	-	49,156	102,163
Mileage and miscellaneous	67,242	18,526	18,504
Office supplies	206,715	219,622	190,353
Postage and courier	40,133	20,609	17,191
Professional fees	224,160	403,572	324,106
Telephone and fax	123,310	111,665	112,253
Vehicle operations	189,936	197,089	173,098
	\$3,706,363	\$3,580,533	\$ 3,168,504

Schedule of Debt

Financial Information Act - Statement of Financial Information

Library Name: Fraser Valley Regional Library District

Fiscal Year Ended: December 31, 2022

The Fraser Valley Regional Library District has no long term debt.

Schedule of Guarantee and Indemnity

Financial Information Act - Statement of Financial Information

Library Name: Fraser Valley Regional Library District
Fiscal Year Ended: December 31, 2022

Fraser Valley Regional Library District has not given any guarantee or indemnity under the Guarantees and Indemnities Regulation.

Schedule of Remuneration and Expenses

Financial Information Act - Statement of Financial Information

Library Name: Fraser Valley Regional Library District
Fiscal Year Ended: December 31, 2022

	Total Remuneration (Wages / Salaries)	Total Expenses (Reimbursement for Conferences / Mileage etc)
Board Members		
ADAMSON, DENNIS	-	-
ARNASON, PETRINA	-	-
BARKMAN, LES	-	-
BINDER, ROD	-	-
CHESNEY, DAVID	-	-
DRIESSEN, PATRICIA	-	-
HAYES, MIKE	-	-
JACKSON, ALLEN	-	-
KANAKOS, JEANNIE	-	-
KNOTT, SUSAN	-	-
LUM, JASON	-	-
MARTENS, BARBARA	-	-
MARTIN, GAYLE	-	-
McCURRACH, NANCY	-	-
McCUTCHEON, JEN	-	-
NEWBIGGING, PAULINE	-	-
PALMER, GERRY	-	-
PARTRISGE, MICHELE	-	-
PLECAS, DANNY	-	-
READ, NICOLE	-	-
SCHILLER, SUNNY	-	-
SCHWICHTENBERG, KERSTIN	-	-
SMITH, VICTOR	-	-
SVENDSEN, RYAN	-	-
WALLACE, ROSEMARY	-	-
Total Board Members	\$ -	\$ -
Detailed Employees Exceeding \$75,000		
ARMSTRONG, JESSICA	\$ 83,980.22	\$ 4,885.48
BANNON, KELLEY	119,439.35	3,629.54
CHAMPAGNE, CRISTINA	80,148.31	-
CONROY, CHRISTINE	89,304.96	218.47
DUQUETTE, EMILY	87,454.15	211.15
EASON, CHESTER	81,033.96	-
FOUQUETTE, NATALIE	81,282.85	-
GARDEN, JACQUELYNNE	88,718.43	4,815.99
GILL, BALBIR SINGH	85,747.18	-
GLENTWORTH, NICOLE	119,439.09	121.83
GOMERICH, NANCY	148,798.55	4,125.02
GRAY, NATALIE	75,686.82	-
HARGROVE, SCOTT	216,261.27	2,271.20
KELLY, DEAN	119,439.35	707.47
KENDZE, DEBORAH	118,649.15	80.00
KINCAID, PATRICK	79,725.23	-
KREITNER, HANS	95,357.30	1,004.00
KRISTIN, SHAWNA	119,439.35	537.62
LAKHANPAL, SUNITA	94,179.80	-
MARSHALL, DIANA	84,336.88	842.70
MITCHELL, DEVAN	119,439.35	1,274.72
MORRIS, LIZA	85,529.25	4,824.08

NARVER, JEFF	148,798.55	494.29
NEUMANN, DENNIS	84,199.40	-
PARENT, JANEEN	80,554.05	-
RANDHAWA, SARWAN SINGH	96,446.44	-
RAVEN, DARREN	86,463.56	-
RENSHAW, CATHY	148,798.55	1,195.74
RUSSELL, HILARY	119,439.35	76.00
SCHINDEL, AFTON	89,176.48	84.82
SCOULAR, HEATHER	165,657.30	1,287.21
SHUMYLA, DIANE	78,407.42	1,093.25
SIDHU, MINAKSHI	87,100.39	157.02
SLEIMAN, JO-ANN	119,439.35	-
TURENKO, LUDA	87,454.15	555.00
VACEK, LEWIS	77,128.64	424.15
VENKATESAN, MUNIYAPPAN	76,101.62	-
WATSON, CATHY	97,452.85	505.00
WOODBURY, LONDON	83,530.04	-

Total Detailed Employees Exceeding \$75,000	\$ 3,999,538.94	\$ 35,421.75
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Total Detailed Employees Less than \$75,000	\$ 11,901,059.40	\$ 11,752.04
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Consolidated Total	\$ 15,900,598.34	\$ 47,173.79
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Total Employer Premium for Canada Pension Plan and Employment Insurance (Component of Receiver General for Canada Supplier Payment)		\$ 1,033,332.95
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Reconciliation of Remuneration and Expenses

Reconciling Items

Total Remuneration		\$ 15,900,598.34
Reconciling Items		
2020 Payroll Accrual	\$ (792,854.00)	
2021 Payroll Accrual	1,057,959.00	
Employer Paid Benefits:		
CPP	729,739.00	
EI	303,593.95	
Pension	1,283,959.85	
Extended Health	572,054.31	
Other Employee Expenses	439,628.55	
	<u>439,628.55</u>	
Total of Reconciling Items		<u>3,594,080.66</u>

Total Remuneration and Expenses		19,494,679.00
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Total Salaries and benefits per Financial Statements	\$	19,494,679.00
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Variance		-
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Statement of Severance Agreements

Financial Information Act - Statement of Financial Information

Library Name: Fraser Valley Regional Library District

Fiscal Year Ended: December 31, 2022

There were no severance agreements made between Fraser Valley Regional Library District and its non-unionized employees during fiscal year 2022.

Schedule of Changes in Financial Position

Financial Information Act - Statement of Financial Information

Library Name: Fraser Valley Regional Library District

Fiscal Year Ended: December 31, 2022

A Statement of Changes in Financial Position has not been prepared because this information is provided in the Financial Statements.

Schedule of Payments Made For the Provision of Goods and Services

Financial Information Act - Statement of Financial Information

Library Name: Fraser Valley Regional Library District

Fiscal Year Ended: December 31, 2022

Name of Individual, Firm, or Corporation	Total
4imprint Inc	\$ 31,856.79
BADA Services	220,489.87
Baker & Taylor Inc.	60,324.95
BC Hydro	25,443.40
BCLibraries Cooperative	433,973.35
BDO Canada LLP	142,169.47
Bibliocommons Inc	101,186.70
Bibliotheca Canada Inc	113,251.00
Campus Discount	26,419.62
Celayix Software	34,440.00
Centre for Equitable Library Access	47,180.89
Ceridian Canada Ltd.	120,269.54
City of Abbotsford	104,818.17
City of Mission	191,836.91
Clarion Hotel & Conference Centre	45,232.96
Ebsco Canada Ltd.	73,695.01
ECS Electrum Charging Solutions	35,709.06
Employer Health Tax	86,749.03
Enterprise Paper Co Ltd	25,105.86
Grand & Toy	110,884.89
GroupHEALTH Global Benefit Sys	953,922.51
Highway Three Solutions (2013)	72,223.56
HUB International Ins Brokers	88,300.00
Innovative Interfaces Global Ltd	243,007.43
Kanopy	50,568.00
Library Bound Inc.	1,307,335.25
Lyngsoe Systems Inc	44,098.00
MIZA Architects Inc.	42,785.41
Municipal Pension Plan	1,283,959.85
Norton Rose Fulbright Canada LLP	189,136.80
Open Door Technology Inc	62,016.40
OverDrive Inc	994,876.27

Penny's Cleaning Service Ltd	107,335.67
Petro-Canada Superpass	50,852.36
Public Library Interlink	116,225.30
R.F. BINNIE & ASSOCIATES LTD.	39,872.75
Receiver General for Canada	1,033,332.95
Ricoh Canada Inc	46,823.88
Ryder Truck Rentals Canada Ltd	130,356.82
Skyway West	377,128.88
Strohmaier Excavating (2019) Ltd.	395,111.53
TELUS -9372	80,122.16
TELUS Mobility	54,038.41
TNG Canada	49,296.13
TPD Canada HQ	70,126.88
United Library Services Inc.	1,633,163.48
WorkSafe BC	91,777.77
X10 Networks	737,448.09

Total Suppliers with Payments Exceeding \$25,000	\$ 12,376,280.01
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Total Suppliers than \$25,000	\$ 1,109,874.49
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Consolidated Total	\$ 13,486,154.50
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Reconcillation to Financial Statements

Consolidated total of Supplier Payments	\$ 13,486,154.50
Less: Bus Passes netted against revenue*	<u>(298,137.55)</u>

Adjusted Consolidated Total of Vendor Payments	\$ 13,188,016.95
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Reconciling Items

Add: Total Remuneration	\$ 15,900,598.34
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Capital Reconciling Transactions

Less: Capital Expenditures	(3,929,615.00)	
Add: Ammortization	3,560,845.00	
Add: Loss on Disposal	<u>10,465.00</u>	
		(358,305.00)

Other Reconciling Items

Add: 2021 Prepaid Expenses	383,904.00	
Less: 2022 Prepaid Expenses	(860,875.00)	
Less: 2021 Accounts Payable Due to Suppliers	(705,400.00)	
Add: 2022 Accounts Payable paid	1,159,716.00	
Less: 2021 Employee Future Benefits	(2,548,800.00)	
Add: 2022 Employee Future Benefits timing differences*	152,283.71	
		<u>101,128.71</u>

Total Expenditure	\$	28,831,439.00
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Total Expenditure per Statement of Revenue and Expenses	28,831,439.00
Variance	-

*Bus pass revenues are an expense that is netted off against revenue within our financial statements. Bus passes are sold as a service for another entity.

*Expenditures in the statements are on an accrual basis, whereas amounts paid are on a cash basis. It is important to note that not all payments are expenditures and that not all expenditures are payments. It is not practical to reconcile to those sets of data.

*Payments on the Statement of Operations are shown net of GST. The Statement of Vendor balances above are inclusive of sales tax.