

---

# Financial statements of Oshawa Public Library Board

December 31, 2023

---

---

|   |      |
|---|------|
| Independent Auditor's Report                      | 1-2  |
| Statement of financial position                   | 3    |
| Statement of operations                           | 4    |
| Statement of change in net debt                   | 5    |
| Statement of cash flows                           | 6    |
| Notes to the financial statements                 | 7-12 |
| Schedule – Schedule of reserves and reserve funds | 13   |

---

## Independent Auditor's Report

To the Board Members, Members of Council, Inhabitants and  
Ratepayers of the Corporation of the City of Oshawa

### Opinion

We have audited the financial statements of Oshawa Public Library Board (the "Library"), which comprise statement of financial position as at December 31, 2023, and the statements of operations, change in net debt and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Library as at December 31, 2023, and the results of its operations, changes in net debt, 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 ("Canadian GAAS"). 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.

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 GAAS 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 GAAS, 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.

*Deloitte LLP*

Chartered Professional Accountants  
Licensed Public Accountants  
June 17, 2024

**Oshawa Public Library Board**  
**Statement of financial position**  
As at December 31, 2023

|  | Notes | <b>2023</b>        | 2022        |
|--|-------|--------------------|-------------|
|  |       | <b>\$</b>          | <b>\$</b>   |
| <b>Financial assets</b>                  |       |                    |             |
| Cash                                     |       | <b>2,298,270</b>   | 3,821,911   |
| Due from City of Oshawa                  |       | <b>3,799,326</b>   | 4,021,264   |
| Accounts receivable                      |       | <b>106,624</b>     | 234,517     |
|  |       | <b>6,204,220</b>   | 8,077,692   |
| <b>Liabilities</b>                       |       |                    |             |
| Accounts payable and accrued liabilities |       | <b>553,361</b>     | 471,071     |
| Employee future benefits                 | 5     | <b>4,092,688</b>   | 4,118,209   |
| Deferred revenue                         | 6     |                    |             |
| Grants                                   |       | <b>100,000</b>     | —           |
| Development charges                      |       | <b>3,802,147</b>   | 4,029,224   |
| Jess Hann Branch                         |       | <b>444,021</b>     | 584,238     |
|  |       | <b>8,992,217</b>   | 9,202,742   |
| Net debt                                 |       | <b>(2,787,997)</b> | (1,125,050) |
| <b>Non-financial assets</b>              |       |                    |             |
| Tangible capital assets                  | 7     | <b>2,024,972</b>   | 1,980,074   |
| Prepaid expenses                         |       |                    |             |
| General                                  |       | <b>37,615</b>      | 61,050      |
| Jess Hann Branch                         |       | <b>444,021</b>     | 584,238     |
|  |       | <b>2,506,608</b>   | 2,625,362   |
| <b>Accumulated (deficit) surplus</b>     | 8     | <b>(281,389)</b>   | 1,500,312   |

The accompanying notes are an integral part of the financial statements.

Approved by the Board

  
\_\_\_\_\_, Director

  
\_\_\_\_\_, Director

## Oshawa Public Library Board

### Statement of operations

Year ended December 31, 2023

| Notes   | Budget<br>\$      | 2023<br>Actual<br>\$ | 2022<br>Actual<br>\$ |
|---|-------------------|----------------------|----------------------|
| <b>Revenue</b>  |                   |                      |                      |
| Operating   |                   |                      |                      |
| Municipal contribution                                | 9,464,580         | 9,252,185            | 9,279,000            |
| Provincial operating grants                           | 215,400           | 215,441              | 215,441              |
| Other government grants                               | 40,000            | 24,359               | 385,214              |
| Donations   | 150,500           | 182,663              | 174,157              |
| Development charges earned                            | 640,700           | 640,154              | —                    |
| Interest  | 22,000            | 196,748              | 82,195               |
| Fines   | 20,000            | 60,158               | 55,714               |
| Service charges                                       | 40,000            | 53,384               | 38,886               |
|   | <b>10,593,180</b> | <b>10,625,092</b>    | 10,230,607           |
| <b>Expenses</b>                                       |                   |                      |                      |
| Salaries  | 5,757,085         | 5,842,665            | 4,950,609            |
| Employee benefits                                     | 1,651,671         | 1,477,333            | 1,410,253            |
| Digital media and periodicals                         | 410,000           | 418,415              | 391,383              |
| Utilities   | 267,407           | 225,056              | 222,818              |
| Other supplies  | 97,000            | 127,879              | 120,246              |
| Rents   | 195,000           | 185,468              | 182,453              |
| Maintenance   | 298,500           | 408,296              | 320,097              |
| General   | 559,422           | 557,152              | 500,895              |
| Contribution to library renovations<br>and expansion  | 685,000           | 682,004              | 548,581              |
| Amortization  | 595,000           | 592,029              | 619,219              |
|   | <b>10,516,085</b> | <b>10,516,297</b>    | 9,266,554            |
| Annual surplus  | 77,095            | 108,795              | 964,053              |
| Accumulated surplus (deficit),<br>beginning of year   | 1,500,312         | 1,500,312            | 536,259              |
| Reserve funds transferred to City                     | —                 | (1,890,496)          | —                    |
| <b>Accumulated surplus (defecit),<br/>end of year</b> | <b>1,577,407</b>  | <b>(281,389)</b>     | 1,500,312            |

The accompanying notes are an integral part of the financial statements.

**Oshawa Public Library Board**  
**Statement of change in net debt**  
Year ended December 31, 2023

|   | <b>Budget</b>    | <b>2023<br/>Actual</b> | 2022<br>Actual |
|---|------------------|------------------------|----------------|
|   | \$               | \$                     | \$             |
| <b>Annual surplus</b>                   | <b>77,095</b>    | <b>108,795</b>         | 964,053        |
| Reserve funds transferred to City       | —                | <b>(1,890,496)</b>     |                |
| Acquisition of tangible capital assets  | <b>(566,128)</b> | <b>(636,927)</b>       | (509,718)      |
| Amortization                            | <b>595,000</b>   | <b>592,029</b>         | 619,219        |
|   | <b>105,967</b>   | <b>(1,826,599)</b>     | 1,073,554      |
| Increase (decrease) in prepaid expenses | —                | <b>163,652</b>         | (564,880)      |
| Change in net debt                      | <b>105,967</b>   | <b>(1,662,947)</b>     | 508,674        |
| Net debt, beginning of year             | —                | <b>(1,125,050)</b>     | (1,633,724)    |
| <b>Net debt, end of year</b>            | <b>105,967</b>   | <b>(2,787,997)</b>     | (1,125,050)    |

The accompanying notes are an integral part of the financial statements.

**Oshawa Public Library Board****Statement of cash flows**

Year ended December 31, 2023

|  | Notes | 2023<br>\$         | 2022<br>\$ |
|--|-------|--------------------|------------|
| <b>Operating activities</b>                |       |                    |            |
| Annual surplus                             |       | <b>108,795</b>     | 964,053    |
| Reserve funds transferred to City          | 3     | <b>(1,890,496)</b> | —          |
| Item not involving cash                    |       |                    |            |
| Amortization                               |       | <b>592,029</b>     | 619,219    |
| Changes in non-cash assets and liabilities |       |                    |            |
| Due from City of Oshawa                    |       | <b>221,938</b>     | (554,251)  |
| Accounts receivable                        |       | <b>127,893</b>     | (131,097)  |
| Accounts payable and accrued liabilities   |       | <b>82,290</b>      | (160,520)  |
| Employee future benefits                   |       | <b>(25,521)</b>    | 144,365    |
| Deferred revenue                           |       | <b>(267,294)</b>   | 1,113,478  |
| Prepaid expense                            |       | <b>163,652</b>     | (564,880)  |
|  |       | <b>(886,714)</b>   | 1,430,367  |
| <b>Capital activity</b>                    |       |                    |            |
| Acquisition of tangible capital assets     |       | <b>(636,927)</b>   | (509,718)  |
| (Decrease) increase in cash                |       | <b>(1,523,641)</b> | 920,649    |
| Cash, beginning of year                    |       | <b>3,821,911</b>   | 2,901,262  |
| <b>Cash, end of year</b>                   |       | <b>2,298,270</b>   | 3,821,911  |

The accompanying notes are an integral part of the financial statements.



## **1. Significant accounting policies**

The financial statements of the Oshawa Public Library Board ("Library Board") are the representations of management prepared in accordance with generally accepted accounting principles as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

The significant accounting policies adopted by the Library Board are as follows:

### *Basis of accounting*

The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting recognizes revenues in the year in which transactions or events occur that give rise to the revenue. Expenses are recognized as they are incurred and measurable based upon receipt of goods or services and/or the legal obligation to pay.

### *Non-financial assets*

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

#### *(a) Tangible capital assets*

Tangible capital assets are recorded at cost. The cost, less residual value of the tangible capital assets, is amortized on a straight-line basis over their estimated useful lives as follows:

|                    |          |
|--------------------|----------|
| Collections        | 7 years  |
| Furniture          | 10 years |
| Computer equipment | 5 years  |
| Vehicles           | 10 years |

#### *(b) Leases*

Leases are classified as operating or capital leases. Leases which transfer substantially all of 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 payments are charged to expenses as incurred.

#### *(c) Prepaid expenses – Jess Hann Branch*

The Library entered into an agreement with the lessor of the Jess Hann library branch. Under this agreement rent was prepaid for the term of the lease and an equivalent donation made to the Library Board. The prepaid rent is being expensed over the term of the lease. The donation was deferred and is being amortized to income over the term of the lease.

### *Post-employment benefits*

The present value of providing employees with post-employment benefits is recognized as employees earn these entitlements through service.

**1. Significant accounting policies (continued)**

*Deferred revenue*

Certain grants contain conditions specifying the use of the funds received. Any unspent portion of conditional grants is reported as deferred revenue.

The City receives development charge contributions on behalf of the Library Board under authority of provincial legislation and a by-law of the City of Oshawa. These funds by their nature are restricted in their use and until applied to applicable capital works are recorded as deferred revenue. Amounts applied to qualifying capital projects are recorded as revenue in the fiscal year the funds are expended.

*Reserve and reserve funds*

Certain amounts, as approved by the Board, are set aside in reserves for future operating and capital purposes. Transfers to/from reserves and reserve funds are recorded when approved.

*Government transfers*

Government transfers are recognized as revenues by the Library in the period during which the transfer is authorized and any eligibility criteria are met. Government transfers are deferred if they are restricted through stipulations that require specific actions or programs to be carried out in order to keep the transfer. For such transfers, revenue is recognized when the stipulation has been met.

*Investment income*

Investment income earned (other than development charge funds) are reported as revenue in the year earned. Investment income earned on unspent development charge funds is added to the deferred revenue balance.

*Budget figures*

The budget figures included in the statements of operations and change in net debt were derived from the original budget as approved by the Board with adjustments to present the information on a basis consistent with Public Sector Accounting Standards.

*First time adoption of new accounting standards*

Effective January 1, 2023, the Library adopted PS 3280 Asset Retirement Obligations. The adoption of the new standard had no impact on the financial statements of the Library, as no asset retirement obligations were identified.

Effective January 1, 2023, the Library adopted PS 3450 Financial Instruments prospectively. The adoption of the new standard had no impact on the financial statements of the Library, as no financial instruments were identified that required a change in measurement under the new standard.

*Use of estimates*

The preparation of financial statements in conformity with Canadian public sector accounting standards 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 reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. Accounts subject to estimates include employee future benefits, certain accrued liabilities and net book value of tangible capital assets.

**2. Contribution to Library renovations and expansion**

During the year, the Library incurred costs of \$682,004 (\$548,581 in 2022) in respect of renovations and expansion to library branches. As the renovations and expansion pertain to buildings owned by the City and are not recorded as tangible capital assets in the Library's financial statements, the amount paid has been expensed in the Library's financial statements. The total of contributions to Library renovations and expansion were funded as follows:

|  | <b>2023</b>    | 2022    |
|--|----------------|---------|
|  | \$             | \$      |
| Contributions funded from City held Development Charge Reserve Funds |                |         |
| Parks Recreation Library and Cultural study                          | <b>34,107</b>  | —       |
| Design of library in new recreation centre                           | <b>505,346</b> | —       |
|  | <b>539,453</b> | —       |
| Contributions funded from Library Board budget                       |                |         |
| Maintenance and repairs  | <b>142,551</b> | 548,581 |
|  | <b>682,004</b> | 548,581 |

**3. Capital Reserve transferred to the City of Oshawa**

In 2023, the City's Facilities Services staff assumed the responsibility from the Oshawa Public Library Board for the planning, management and execution of capital projects at the McLaughlin and Northview Library Branches. The Library was required to transfer the uncommitted balance of the Library's capital reserve fund to the City. The capital amount to be transferred was \$1,890,496. Further the Library's budgeted 2023 contribution to the reserve fund of \$212,395 would be transferred to the newly created reserve held by the City.

**4. Pension agreement**

The Library makes contributions to the Ontario Municipal Employees Retirement Fund ("OMERS"), which is a multi-employer plan, on behalf of eligible staff members. The plan is a defined benefit plan which specifies the amount of retirement benefit to be received by the employee based on the length of service and rates of pay. Contributions paid by the Library in 2023 were \$511,256 (\$416,080 in 2022).

As at December 31, 2023, the OMERS plan had a funding deficit of approximately \$4.2 billion. Because OMERS is a multi-employer plan, any pension plan surpluses or deficits are a joint responsibility of Ontario municipal organizations and their employees. As a result, the library does not recognize any share of the OMERS pension surplus or deficit.

**5. Employee future benefits**

Employee future benefits are comprised as follows:

|  | <b>2023</b>      | 2022      |
|--|------------------|-----------|
|  | \$               | \$        |
| Accumulated sick leave benefit plan entitlements | <b>928,299</b>   | 962,428   |
| Post-employment benefits                         | <b>3,164,389</b> | 3,155,781 |
|  | <b>4,092,688</b> | 4,118,209 |

**5. Employee future benefits (continued)**

*(a) Accumulated sick leave benefit plan entitlements*

Under the sick leave benefit plan, applicable only to employees hired prior to January 1, 1992, unused sick leave can accumulate, and employees may become entitled to a cash payment when they leave the Library's employment.

*(b) Post-employment benefits*

The Library makes available to qualifying employees certain non-pension post-employment benefits for extended health care and life insurance.

The significant actuarial assumptions adopted in estimating the Library's employee future benefits are as follows:

|                                 |   |
|---------------------------------|---|
| Discount rate                   | 4.6% (Post-employment benefits and sick leave benefits) |
| Future inflation rates          | 3% for salary, 2% general inflation                     |
| Medical benefit cost escalation | 5.8% (reducing yearly to 4.5% after 4 years)            |

The Library has established a reserve to mitigate the future impact of these obligations as detailed on the Schedule of Reserves and Reserve Funds. The balance of the sick leave reserve is \$114,081 (\$108,940 in 2022).

The date of the most recent actuarial valuation for accounting purposes was December 31, 2023.

Information about the Library's employee future benefits is as follows:

*Continuity of accrued benefit liability*

|  | <b>2023</b>      | 2022      |
|--|------------------|-----------|
|  | \$               | \$        |
| Accrued benefit liability, beginning of year | <b>4,118,209</b> | 3,973,844 |
| Expenses for the year                        | <b>124,175</b>   | 292,195   |
| Benefits paid                                | <b>(149,696)</b> | (147,830) |
| Accrued benefit liability, end of year       | <b>4,092,688</b> | 4,118,209 |

*Reconciliation of accrued benefit obligation*

|   | <b>2023</b>      | 2022      |
|---|------------------|-----------|
|   | \$               | \$        |
| Accrued benefit obligation at December 31 | <b>2,802,996</b> | 2,577,628 |
| Unamortized actuarial gain                | <b>1,289,692</b> | 1,540,581 |
|   | <b>4,092,688</b> | 4,118,209 |

*Expense*

|   | <b>2023</b>      | 2022    |
|---|------------------|---------|
|   | \$               | \$      |
| Current service cost                    | <b>99,975</b>    | 176,012 |
| Amortization of actuarial (gain) loss   | <b>(103,234)</b> | (545)   |
| Interest on accrued benefit obligations | <b>127,630</b>   | 116,728 |
|   | <b>124,371</b>   | 292,195 |

**6. Deferred revenue**

Deferred revenue represents development charges, donations, charges and municipal contributions which have been collected but for which the related services have yet to be performed. These amounts will be recognized as revenue in the fiscal year the related services are performed. The following is the current status of the deferred revenue:

|   | <b>2023</b>      | 2022      |
|---|------------------|-----------|
|   | \$               | \$        |
| Obligation Reserve Fund - development charges | <b>3,802,147</b> | 4,029,224 |
| Deferred revenue                              |                  |           |
| Jess Hann Branch                              | <b>444,021</b>   | 584,238   |
| Grants  | <b>100,000</b>   | —         |
|   | <b>4,346,168</b> | 4,613,462 |

Continuity of deferred revenue is as follows:

|                                   | <b>Development charges</b> | <b>Jess Hann Branch</b> | <b>Other</b>   | <b>2023 Total</b> | 2022 Total |
|-----------------------------------|----------------------------|-------------------------|----------------|-------------------|------------|
|                                   | \$                         | \$                      | \$             | \$                | \$         |
| Balance, beginning of year        | <b>4,029,224</b>           | <b>584,238</b>          | —              | <b>4,613,462</b>  | 3,499,984  |
| Developer contributions collected | <b>285,864</b>             | —                       | —              | <b>285,864</b>    | 522,612    |
| Interest earned                   | <b>127,213</b>             | —                       | —              | <b>127,213</b>    | 29,998     |
| Grants                            | —                          | —                       | <b>100,000</b> | <b>100,000</b>    | —          |
| Other                             | —                          | —                       | —              | —                 | 701,085    |
|                                   | <b>413,077</b>             | —                       | <b>100,000</b> | <b>513,077</b>    | 1,253,695  |
| Revenue recognized                | <b>(640,154)</b>           | <b>(140,217)</b>        | —              | <b>(780,371)</b>  | (140,217)  |
| Balance, end of year              | <b>3,802,147</b>           | <b>444,021</b>          | <b>100,000</b> | <b>4,346,168</b>  | 4,613,462  |

**7. Tangible capital assets**

|                                 | <b>Collections</b> | <b>Furniture</b> | <b>Computer equipment</b> | <b>Vehicles</b> | <b>2023 Total</b> | 2022 Total |
|---------------------------------|--------------------|------------------|---------------------------|-----------------|-------------------|------------|
|                                 | \$                 | \$               | \$                        | \$              | \$                | \$         |
| <b>Cost</b>                     |                    |                  |                           |                 |                   |            |
| Balance, beginning of year      | <b>4,757,235</b>   | <b>801,650</b>   | <b>153,201</b>            | <b>73,778</b>   | <b>5,785,864</b>  | 5,929,900  |
| Additions                       | <b>579,128</b>     | <b>46,254</b>    | <b>11,545</b>             | —               | <b>636,927</b>    | 509,718    |
| Write-offs                      | <b>(736,140)</b>   | —                | —                         | —               | <b>(736,140)</b>  | (653,754)  |
|                                 | <b>4,600,223</b>   | <b>847,904</b>   | <b>164,746</b>            | <b>73,778</b>   | <b>5,686,651</b>  | 5,785,864  |
| <b>Accumulated amortization</b> |                    |                  |                           |                 |                   |            |
| Balance, beginning of year      | <b>2,908,212</b>   | <b>734,458</b>   | <b>152,053</b>            | <b>11,067</b>   | <b>3,805,790</b>  | 3,840,325  |
| Amortization expense            | <b>559,411</b>     | <b>23,626</b>    | <b>1,614</b>              | <b>7,378</b>    | <b>592,029</b>    | 619,219    |
| Write-offs                      | <b>(736,140)</b>   | —                | —                         | —               | <b>(736,140)</b>  | (653,754)  |
| Balance, end of year            | <b>2,731,483</b>   | <b>758,084</b>   | <b>153,667</b>            | <b>18,445</b>   | <b>3,661,679</b>  | 3,805,790  |
| Net book value, end of year     | <b>1,868,740</b>   | <b>89,820</b>    | <b>11,079</b>             | <b>55,333</b>   | <b>2,024,972</b>  | 1,980,074  |

**Oshawa Public Library Board**  
**Notes to the financial statements**  
December 31, 2023

**8. Accumulated surplus**

Accumulated surplus consists of the following:

|                                       | <b>2023</b>        | 2022        |
|---------------------------------------|--------------------|-------------|
|                                       | \$                 | \$          |
| Unfunded employee future benefits     | <b>(4,092,688)</b> | (4,118,209) |
| Reserves and reserve funds (Schedule) | <b>1,786,327</b>   | 3,638,447   |
| Invested in capital assets            | <b>2,024,972</b>   | 1,980,074   |
|                                       | <b>(281,389)</b>   | 1,500,312   |

**9. Budget**

The budget adopted by the Library Board was not prepared on a basis consistent with that used to report actual results. The budget was prepared on a modified accrual basis while Canadian public sector accounting standards require a full accrual basis. The budget expensed all tangible capital expenditures 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 Council February 1, 2019, with adjustments as follows:

|  | <b>2023</b>       | <b>Development</b> |                     |                      | <b>Budget</b>    |                   |
|--|-------------------|--------------------|---------------------|----------------------|------------------|-------------------|
|  | <b>Approved</b>   | <b>Interfund</b>   | <b>arges earned</b> | <b>Capital Asset</b> | <b>Presented</b> |                   |
|  | <b>Budget</b>     | <b>transfers</b>   | <b>expended</b>     | <b>Amortization</b>  | <b>Benefits</b>  |                   |
|  | \$                |                    | \$                  | \$                   | \$               |                   |
| Revenue  | <b>10,053,180</b> | —                  | <b>540,000</b>      | —                    | —                | <b>10,593,180</b> |
| Expenses   |                   |                    |                     |                      |                  |                   |
| Staffing costs                                       | <b>7,434,257</b>  | —                  | —                   | —                    | <b>(25,500)</b>  | <b>7,408,757</b>  |
| Library materials                                    | <b>989,200</b>    | —                  | —                   | <b>(579,200)</b>     | —                | <b>410,000</b>    |
| Purchased services                                   | <b>565,128</b>    | —                  | —                   | —                    | —                | <b>565,128</b>    |
| Other costs  | <b>852,200</b>    | —                  | —                   | —                    | —                | <b>852,200</b>    |
| Interfund transfers                                  | <b>212,395</b>    | <b>(212,395)</b>   | —                   | —                    | —                | —                 |
| Contribution to library<br>renovations and expansion | —                 | —                  | <b>685,000</b>      | —                    | —                | <b>685,000</b>    |
| Amortization   | —                 | —                  | —                   | <b>595,000</b>       | —                | <b>595,000</b>    |
|  | <b>10,053,180</b> | <b>(212,395)</b>   | <b>685,000</b>      | <b>15,800</b>        | <b>(25,500)</b>  | <b>10,516,085</b> |
| Annual surplus                                       | —                 | <b>212,395</b>     | <b>(145,000)</b>    | <b>(15,800)</b>      | <b>25,500</b>    | <b>77,095</b>     |

**Oshawa Public Library Board**  
**Schedule – Schedule of reserves and reserve funds**  
Year ended December 31, 2023

|                                     | <b>Balance,<br/>beginning<br/>of year</b> | <b>Interest<br/>earned</b> | <b>Donations</b> | <b>Appropriations<br/>to (from)</b> | <b>2023<br/>Balance,<br/>end of year</b> | <b>2022<br/>Balance,<br/>end of year</b> |
|-------------------------------------|---|----------------------------|------------------|-------------------------------------|--|--|
|                                     | \$  | \$                         | \$               | \$                                  | \$                                       | \$                                       |
| <b>Reserves</b>                     |   |                            |                  |                                     |  |  |
| Capital                             | <b>2,082,780</b>                          | —                          | —                | <b>(2,053,058)</b>                  | <b>29,722</b>                            | 2,082,780                                |
| Operating                           |   |                            |                  |                                     |  |  |
| Equipment                           | <b>474,159</b>                            | <b>25,460</b>              | —                | —                                   | <b>499,619</b>                           | 474,159                                  |
| Growth and program<br>development   | <b>600,000</b>                            | <b>32,445</b>              | —                | —                                   | <b>632,445</b>                           | 600,000                                  |
| Major maintenance<br>and repairs    | —   | —                          | —                | <b>109,522</b>                      | <b>109,522</b>                           | —  |
| Program materials                   | <b>200,000</b>                            | <b>10,815</b>              | —                | —                                   | <b>210,815</b>                           | 200,000                                  |
| Friends of the library              | <b>42,932</b>                             | <b>3,128</b>               | <b>33,507</b>    | <b>(25,027)</b>                     | <b>54,540</b>                            | 42,932                                   |
| South Oshawa library                | <b>107,214</b>                            | <b>6,045</b>               | —                | <b>(1,364)</b>                      | <b>111,895</b>                           | 107,214                                  |
|                                     | <b>3,507,085</b>                          | <b>77,893</b>              | <b>33,507</b>    | <b>(1,969,927)</b>                  | <b>1,648,558</b>                         | 3,507,085                                |
| Bequest reserve funds               | <b>22,419</b>                             | <b>1,269</b>               | —                | —                                   | <b>23,688</b>                            | 22,419                                   |
| Sick leave                          |   |                            |                  |                                     |  |  |
| Reserve – held by<br>City of Oshawa | <b>108,943</b>                            | <b>5,138</b>               | —                | —                                   | <b>114,081</b>                           | 108,943                                  |
|                                     | <b>3,638,447</b>                          | <b>84,300</b>              | <b>33,507</b>    | <b>(1,969,927)</b>                  | <b>1,786,327</b>                         | 3,638,447                                |