

Financial Statements of

**NORTH BAY PUBLIC
LIBRARY BOARD**

And Independent Auditor's Report thereon

Year ended December 31, 2023

**KPMG LLP**

Times Square
1760 Regent Street, Unit 4
Sudbury, ON P3E 3Z8
Canada
Telephone 705 675 8500
Fax 705 675 7586

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of the North Bay Public Library Board

Opinion

We have audited the accompanying financial statements of the North Bay Public Library Board (the Entity), which comprise:

- the statement of financial position as at December 31, 2023
- the statement of operations and accumulated surplus for the year then ended
- the statement of changes in net financial assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements")

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the North Bay Public Library Board as at December 31, 2023, and its results of operations, its 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 our report.

We are independent of the Entity 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.

Emphasis of Matter – Comparative Information

We draw attention to Note 2 to the financial statements ("Note 2"), which explains that certain comparative information presented for the year ended December 31, 2022 has been restated as a result of the modified retroactive adoption of the asset retirement obligation standard. Note 2 explains the reason for the restatement and also explains the adjustments that were applied to restate certain comparative information.



Page 2

Our opinion is not modified in respect of this matter.

Other Matter – Comparative Information

As part of our audit of the financial statements for the year ended December 31, 2023, we also audited the adjustments that were applied to restate certain comparative information presented for the year ended December 31, 2022 as a result of a change in accounting policy. In our opinion, such adjustments are appropriate and have been properly applied.

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 Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditor's Responsibility 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 the 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.



Page 3

- 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 Entity'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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Entity 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 represents the underlying transactions and events in a manner that achieves fair presentation.
- 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.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, stylized font and is underlined with a single horizontal stroke.

Chartered Professional Accountants, Licensed Public Accountants

Sudbury, Canada

February 28, 2025

NORTH BAY PUBLIC LIBRARY BOARD

Statement of Financial Position

December 31, 2023, with comparative information for 2022

	2023	2022 (Restated - note 2)
Financial assets		
Cash	\$ 20,500	\$ 500
Accounts receivable (note 3)	13,221	17,590
Due from the Corporation of the City of North Bay	1,123,274	999,086
	1,156,995	1,017,176
Financial liabilities		
Accounts payable and accrued liabilities	278,935	264,877
Employee future benefits (note 4)	298,573	264,873
Asset retirement obligation (note 5)	121,586	121,586
Deferred revenue	13,326	13,326
	712,420	664,662
Net financial assets	444,575	352,514
Non-financial assets		
Tangible capital assets (note 6)	3,787,172	3,355,021
Prepaid expenses	32,504	56,535
	3,819,676	3,411,556
Accumulated surplus (note 10)	\$ 4,264,251	\$ 3,764,070

The accompanying notes are an integral part of this financial statement.

Approved:

Director

Director

NORTH BAY PUBLIC LIBRARY BOARD

Statement of Operations and Accumulated Surplus

Year ended December 31, 2023, with comparative information for 2022

	Budget 2023 (note 9)	Actual 2023	Actual 2022 (Restated - note 2)
Revenue:			
Tax levy	\$ 2,609,418	\$ 2,609,418	\$ 2,609,418
Capital contributions	-	527,711	316,736
Reserve transfer	141,061	-	-
Provincial operating grants	108,211	111,295	110,879
Fees, service charges and donations	10,050	29,329	12,619
Facility rentals and other	27,300	17,668	16,055
Fines	20,000	15,459	14,731
Interest	-	4,754	2,169
Total revenue	2,916,040	3,315,634	3,082,607
Expenses:			
Salaries and employee benefits	2,271,884	2,084,599	2,024,808
Library building	115,771	134,774	138,995
Administration	169,793	169,858	160,227
Purchased services	72,592	72,666	71,241
Operating	92,000	61,470	56,218
Minor capital purchases	4,000	4,712	13,165
Amortization	190,000	285,587	249,989
Other	-	1,787	1,193
Total expenses	2,916,040	2,815,453	2,715,836
Annual surplus	-	500,181	366,771
Accumulated surplus, beginning of year	-	3,764,070	3,465,388
Adjustment on adoption of the asset retirement obligation standard (note 2)	-	-	(68,089)
Accumulated surplus, end of year	\$ -	\$ 4,264,251	\$ 3,764,070

The accompanying notes are an integral part of this financial statement.

NORTH BAY PUBLIC LIBRARY BOARD

Statement of Change in Net Financial Assets

Year ended December 31, 2023, with comparative information for 2022

	Budget 2023 (note 9)	Actual 2023	Actual 2022 (Restated - note 2)
Annual surplus	\$ -	\$ 500,181	\$ 366,771
Acquisition of tangible capital assets	-	(717,738)	(474,348)
Amortization of tangible capital assets	190,000	285,587	249,989
Prepaid expenses	-	24,031	(13,259)
Change in net financial assets	190,000	92,061	129,153
Net financial assets, beginning of year, as previously stated	352,514	352,514	344,947
Adjustment on adoption of the asset retirement obligation standard (note 2)	-	-	(121,586)
Net financial assets, beginning of year, as restated	352,514	352,514	223,361
Net financial assets, end of year	\$ 542,514	\$ 444,575	\$ 352,514

The accompanying notes are an integral part of this financial statement.

NORTH BAY PUBLIC LIBRARY BOARD

Statement of Cash Flows

Year ended December 31, 2023, with comparative information for 2022

	2023	2022
		(Restated - note 2)
Cash provided by (used in):		
Operating activities:		
Annual surplus	\$ 500,181	\$ 366,771
Items not involving cash:		
Amortization of tangible capital assets	285,587	249,989
Employee future benefits expense	59,100	62,700
	844,868	679,460
Change in non-cash assets and liabilities:		
Accounts receivable	4,369	(163)
Due from The Corporation of the City of North Bay	(124,188)	(173,020)
Prepaid expenses	24,031	(13,259)
Accounts payable and accrued liabilities	14,058	18,830
Net change in cash from operating activities	763,138	511,848
Capital activities:		
Acquisition of tangible capital assets	(717,738)	(474,348)
Net change in cash from capital activities	(717,738)	(474,348)
Investing activities		
Employee future benefits paid	(25,400)	(37,500)
Net change in cash from investing activities	(25,400)	(37,500)
Net change in cash	20,000	-
Cash, beginning of year	500	500
Cash, end of year	\$ 20,500	\$ 500

The accompanying notes are an integral part of this financial statement.

NORTH BAY PUBLIC LIBRARY BOARD

Notes to Financial Statements

Year ended December 31, 2023

The North Bay Public Library Board (the "Library") is a Board of the Corporation of the City of North Bay which is incorporated under the Ontario Public Library Act. The Library makes available a wide variety of reading, electronic and audio-visual materials to the citizens of North Bay and its surrounding area.

1. Significant accounting policies:

The financial statements of the Library are prepared by management in accordance with Canadian generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants of Canada. Significant aspects of the accounting policies adopted by the Library are as follows:

(a) Basis of accounting:

Sources of financing and expenses are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they become available and measurable, expenses are recognized as they are incurred and measurable as a result of receipt of goods and the creation of a legal obligation to pay.

(b) Tangible capital assets:

Tangible capital assets are recorded at cost less accumulated amortization. Cost includes all costs directly attributable to acquisition or construction, development of the tangible capital asset including transportation costs, installation costs, design and engineering fees, legal fees and site preparation costs.

Amortization is recorded on a straight-line basis over the estimated life of the tangible capital asset commencing once the asset is available for productive use as follows:

Asset	Useful Life - Years
Building	100
Building betterments	Remaining service life building
Equipment	4 - 15
Books, CDs, videos	2 - 10

Construction in progress is not subject to amortization as the assets are not in productive use.

(c) Contributions of tangible capital assets:

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

NORTH BAY PUBLIC LIBRARY BOARD

Notes to Financial Statements (continued)

Year ended December 31, 2023

1. Significant accounting policies (continued):

(d) Post-employment benefits:

The Library sponsors a defined benefit supplementary health plan for certain employees and retirees funded on a pay-as-you-go basis and a defined benefit pension plan. The Library has adopted the following practices:

- (i) The cost of the accrued benefit obligation for the post-employment supplementary health plan is actuarially determined using the projected health benefit method pro-rated on service and management's estimate of retirement age and health costs.
- (ii) actuarial gains (losses) on the accrued benefit obligation arise from the difference between actual and expected experience and from changes in the actuarial assumptions used to determine the accrued benefit obligation. Actuarial gains (losses) are amortized benefit obligation. Actuarial gains *losses) are amortized over the average remaining service period of active employees.
- (iii) the Library is an employer member of the Ontario Municipal Employees Retirement Fund (the "Plan") which is a multi-employer, defined benefit pension plan. The Library has adopted defined contribution plan accounting principles for this Plan because insufficient information is available to apply defined benefit plan accounting principles.

(e) Revenue recognition:

The Library receives revenue from a variety of sources and applies the following recognition policies:

- (i) Municipal contributions are recognized in the period to which the related expenses are incurred.
- (ii) Government transfers are recognized in the period in which the events giving rise to the transfer occurred, provided that the transfer is authorized and the amount can be reasonably estimated. Government grants are recognized when approved to the extent the related expenses have been incurred and collection can be reasonably assured.
- (iii) Fee and user fee revenue is recognized when the cash is collected.
- (iv) Interest and other income is recognized in the period in which it is earned.

(f) Deferred revenue:

Deferred revenue represents funds which have been applied for and collected but for which the related services have yet to be performed. These amounts will be recognized as revenues in the fiscal year the services are performed.

NORTH BAY PUBLIC LIBRARY BOARD

Notes to Financial Statements (continued)

Year ended December 31, 2023

1. Significant accounting policies (continued):

(g) Financial instruments:

All financial instruments are initially recorded on the statement of financial position at fair value. All investments held in equity instruments that trade in an active market are recorded at fair value. Management has elected to record investments at fair value as they are managed and evaluated on a fair value basis. Freestanding derivative instruments that are not equity instruments that are quoted in an active market are subsequently measured at fair value.

Unrealized changes in fair value are recognized in the statement of remeasurement gains and losses until they are realized, when they are transferred to the statement of operations.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred.

Where a decline in fair value is determined to be other than temporary, the amount of the loss is removed from accumulated remeasurement gains and losses and recognized in the statement of operation. On sale, the amount held in accumulated remeasurement gains and

losses associated with that instrument is removed from accumulated remeasurement gains and recognized in the statement of operations. Financial instruments are classified into fair value hierarchy Levels 1, 2 or 3 for the purposes of describing the basis of the inputs used to determine the fair market value of those amounts recorded a fair value, as described below:

Level 1 - Fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Fair value measurements are those derived from market-based inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly.

Level 3 - Fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data.

(h) Asset retirement obligation:

An asset retirement obligation is recognized when, as at the financial reporting date, all of the following criteria are met:

- (i) There is a legal obligation to incur retirement costs in relation to a tangible capital asset;
- (ii) The past transaction or event giving rise to the liability has occurred;
- (iii) It is expected that the future economic benefits will be given up; and
- (iv) A reasonable estimate of the amount can be made.

NORTH BAY PUBLIC LIBRARY BOARD

Notes to Financial Statements (continued)

Year ended December 31, 2023

1. Significant accounting policies (continued):

(h) Asset retirement obligation (continued):

The liability for the removal of asbestos in the building owned by the Library has also been recognized based on estimated future expenses on closure of the site and post-closure care.

The recognition of a liability resulted in an accompanying increase to the respective tangible capital assets. The increase to the tangible capital assets is being amortized in accordance with the depreciation accounting policies outlined in note 1(b).

(i) 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 dates of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Significant items subject to such estimates and assumptions include the carrying amount of tangible capital assets and valuation allowances for receivables. Actual results could differ from those estimates. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the year in which they become known.

2. Change in accounting policies:

The Library adopted the following standards concurrently beginning January 1, 2022 prospectively: PS 1201 *Financial Statement Presentation*, PS 2601 *Foreign Currency Translation*, PS 3041 *Portfolio Investments* and PS 3450 *Financial Instruments*.

PS 1201 *Financial Statement Presentation* replaces PS 1200 *Financial Statement Presentation*. This standard establishes general reporting principles and standards for the disclosure of information in government financial statements. The standard introduces the Statement of Remeasurement Gains and Losses separate from the Statement of Operations. Requirements in PS 2601 *Foreign Currency Translation*, PS 3450 *Financial Instruments*, and PS3041 *Portfolio Investments*, which are required to be adopted at the same time, can give rise to the presentation of gains and losses as remeasurement gains and losses.

PS 2601 *Foreign Currency Translation* replaces PS 2600 *Foreign Currency Translation*. The standard requires monetary assets and liabilities denominated in a foreign currency and nonmonetary items denominated in a foreign currency that are reported as fair value, to be adjusted to reflect the exchange rates in effect at the financial statement date. Unrealized gains and losses arising from foreign currency changes are presented in the new Statement of Remeasurement Gains and Losses. PS 3041 *Portfolio Investments* replaces PS 3040 *Portfolio Investments*. The standard provides revised guidance on accounting for, and presentation and disclosure of, portfolio investments to conform to PS 3450 *Financial Instruments*. The distinction

NORTH BAY PUBLIC LIBRARY BOARD

Notes to Financial Statements (continued)

Year ended December 31, 2023

2. Change in accounting policies (continued):

between temporary and portfolio investments has been removed in the new standard, and upon adoption, PS 3030 *Temporary Investments* no longer applies.

PS 3450 *Financial Instruments* establishes accounting and reporting requirements for all types of financial instruments including derivatives. The standard requires fair value measurement of derivatives and portfolio investments in equity instruments that are quoted in an active market. All other financial instruments will generally be measured at cost or amortized cost. Unrealized gains and losses arising from changes in fair value are presented in the Statement of Remeasurement Gains and Losses. A statement of remeasurement gains and losses has not been included as there are no matters to report therein.

Establishing fair value

The fair value of guarantees and letters of credit are based on fees currently charged for similar agreements or on the estimated cost to terminate them or otherwise settle the obligations with the counterparties at the reported borrowing date.

Fair value hierarchy

The following provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which fair value is observable:

Level 1 - fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3 - fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair value hierarchy requires the use of observable market inputs whenever such inputs exist. A financial instrument is classified to the lowest level of the hierarchy for which a significant input has been considered in measuring fair value. There was no impact from the adoption of this standard.

On January 1, 2022, the Library adopted Public Accounting Standard PS 3280 *Asset Retirement Obligations*. The new accounting standard addresses the reporting of legal obligations associated with the retirement of certain tangible capital assets, such as asbestos removal in retired buildings by public sector entities. The standard was adopted on the modified retrospective basis at the date of adoption. Under the modified retrospective method, the discount rate and assumptions used on initial recognition are those as of the date of adoption of the standard.

NORTH BAY PUBLIC LIBRARY BOARD

Notes to Financial Statements (continued)

Year ended December 31, 2023

2. Change in accounting policies (continued):

On January 1, 2022, the Library recognized an asset retirement obligation relating to the building owned by the Library that contain asbestos. The building was originally purchased in 1966, and the liability was measured as of the date of purchase of the buildings when the liability was assumed. The building had an expected useful life of 100 years, and the estimate has not been changed since purchase.

In accordance with the provisions of this new standard, the Library reflected the following adjustments at January 1, 2022:

- (i) An increase of \$121,586 to the buildings capital asset account, representing the original estimate of the obligation as of the date of purchase, and an accompanying increase of \$68,89 to accumulated amortization, representing 56 years of increased amortization had the liability originally been recognized.
- (ii) An asset retirement obligation in the amount of \$121,586, representing an estimate of the current obligation.
- (iii) A decrease to accumulated surplus of \$68,089, as a result of the recognition of the liability and accompanying increase in amortization expense.

Furthermore, the Library reflected the following adjustment at December 31, 2022:

- (i) An increase to expenses and a corresponding increase to accumulated amortization of \$1,216, representing the annual amortization of the building capital asset.

3. Accounts receivable:

	2023	2022
Government of Canada (HST)	\$ 5,551	\$ 13,322
Other	7,670	4,268
	\$ 13,221	\$ 17,590

4. Employee future benefits:

	2023	2022
Sick leave plan	\$ 197,273	\$ 179,873
Supplementary health benefits	101,300	85,000
	\$ 298,573	\$ 264,873

NORTH BAY PUBLIC LIBRARY BOARD

Notes to Financial Statements (continued)

Year ended December 31, 2023

4. Employee future benefits (continued):

Reconciliation of accrued benefits obligations to accrued benefit liabilities

	2023	2022
Accrued benefit obligation, end of year	\$ 332,573	\$ 313,773
Unamortized net actuarial losses	(34,000)	(48,900)
	\$ 298,573	\$ 264,873

Prior to August 31, 1987 the Board provided its employees with a sick leave plan whereby employees could accumulate sick leave credits and be entitled to a cash payment with they left the Board's employment. With the introduction of a long-term disability plan on August 31, 1987 this sick leave plan was discontinued and as such no sick leave credits have accumulated since. The outstanding accrued liability is to cover sick leave credits accumulated prior to August 31, 1987.

In addition, the Library has a defined supplementary health benefit plan that provides medical, dental and life insurance to certain eligible Library employees who retire from current employment. The supplementary health benefit liability estimates the expense of each member's benefit under the plan taking into consideration projections of benefit costs to and during retirement up to the age of 65.

The Library measures its accrued benefit obligations for accounting purposes as at December 31 of each year. The most recent actuarial valuation of the plan for funding purposes was December 31, 2021 and the next valuation date will be as at January 1, 2024. Information about the Library's defined supplementary health benefit and sick leave plan is as follows:

	2023	2022
Sick leave benefits:		
Accrued benefit, beginning of year	\$ 179,873	\$ 162,373
Amortization of unamortized actuarial gains/losses	14,200	15,900
Service cost of the year	18,200	19,600
Interest expense for the year	8,500	5,300
Benefits paid during the year	(23,500)	(23,300)
Accrued benefit liability, end of year	\$ 197,273	\$ 179,873

NORTH BAY PUBLIC LIBRARY BOARD

Notes to Financial Statements (continued)

Year ended December 31, 2023

4. Employee future benefits (continued):

	2023	2022
Supplementary benefits:		
Accrued benefit, beginning of year	\$ 85,000	\$ 77,300
Amortization of unamortized actuarial gains/losses	7,700	10,400
Service cost of the year	6,200	8,400
Interest expense for the year	4,300	3,100
Benefits paid during the year	(1,900)	(14,200)
Accrued benefit liability, end of year	\$ 101,300	\$ 85,000

The accrued benefit obligation for employee future benefits at December 31, 2023 is based on an actuarial valuation for accounting purposes. These actuarial valuations were based on assumptions about future events. The economic assumptions used in these valuations are the municipality's best estimates of expected rates of the following:

	2023	2022
Salaries	3.00%	3.00%
Discount on sick leave benefits	4.30%	4.60%
Discount on supplemental health benefits	4.30%	4.60%
Dental premium rates	4.00%	4.00%
Expected average remaining service life - sick leave benefits	11 years	11 years
Expected average remaining service life - supplemental health benefits	11 years	11 years
Health premium care rates	5.72% in 2023, reducing to 3.86% by 2042	

5. Asset retirement obligation:

The Library owns and operates a building that are known to have asbestos, which represents a health hazard upon demolition of the building and there is a legal obligation to remove or remediate it. Following the adoption of PS 3280 *Asset Retirement Obligation*, the Library recognized an obligation relating to the removal and post-removal care of the asbestos in the building as estimated at January 1, 2022. The obligation is determined based on the estimated undiscounted cash flows that will be required in the future to remove or remediate the asbestos containing material in accordance with current legislation.

The transition and recognition of asset retirement obligations involved an accompanying increase to the building capital assets and the restatement of prior year numbers (see note 2).

NORTH BAY PUBLIC LIBRARY BOARD

Notes to Financial Statements (continued)

Year ended December 31, 2023

5. Asset retirement obligation (continued):

Changes to the asset retirement obligation in the year are as follows:

	2023	2022
Balance, beginning of year	\$ 121,586	\$ -
Adjustment for adoption of PS 3280 asset retirement obligation standard	-	121,586
Opening balance, as restated	121,586	121,586
Less: obligations settled during the year	-	-
Balance, end of year	\$ 121,586	\$ 121,586

NORTH BAY PUBLIC LIBRARY BOARD

Notes to Financial Statements (continued)

Year ended December 31, 2023

6. Tangible capital assets:

Cost	Balance at December 31, 2022 (Restated - note 2)	Additions	Disposals / asset transfer	Balance at December 31, 2023
Land	\$ 62,776	\$ -	\$ -	\$ 62,776
Buildings	3,222,329	273,770	-	3,496,099
Equipment	808,536	82,969	-	891,505
Books, CD's, videos	3,361,659	199,555	(172,704)	3,388,510
Construction in progress	275,833	161,444	-	437,277
Total	\$ 7,731,133	\$ 717,738	\$ (172,704)	\$ 8,276,167

Accumulated Amortization	Balance at December 31, 2022 (Restated - note 2)	Disposals and write-downs	Amortization	Balance at December 31, 2023
Land	\$ -	\$ -	\$ -	\$ -
Buildings	823,207	-	90,902	914,109
Equipment	745,299	-	43,589	788,888
Books, CD's, videos	2,807,606	(172,704)	151,096	2,785,998
Construction in progress	-	-	-	-
Total	\$ 4,376,112	\$ (172,704)	\$ 285,587	\$ 4,488,995

	Net book value, December 31, 2022 (Restated - note 2)	Net book value, December 31, 2023
Land	\$ 62,776	\$ 62,776
Buildings	2,399,122	2,581,990
Equipment	63,237	102,617
Books, CD's, videos	554,053	602,512
Construction in progress	275,833	437,277
Total	\$ 3,355,021	\$ 3,787,172

NORTH BAY PUBLIC LIBRARY BOARD

Notes to Financial Statements (continued)

Year ended December 31, 2023

6. Tangible capital assets (continued):

Cost	Balance at December 31, 2021 (Restated - note 2)	Additions	Disposals / asset transfer	Balance at December 31, 2022
Land	\$ 62,776	\$ -	\$ -	\$ 62,776
Buildings	3,222,329	-	-	3,222,329
Equipment	762,517	46,019	-	808,536
Books, CD's, videos	3,348,816	179,181	(166,338)	3,361,659
Construction in progress	26,685	249,148	-	275,833
Total	\$ 7,423,123	\$ 474,348	\$ (166,338)	\$ 7,731,133

Accumulated Amortization	Balance at December 31, 2021 (Restated - note 2)	Disposals and write-downs	Amortization	Balance at December 31, 2022
Land	\$ -	\$ -	\$ -	\$ -
Buildings	745,993	-	77,214	823,207
Equipment	712,384	-	32,915	745,299
Books, CD's, videos	2,834,084	(166,338)	139,860	2,807,606
Construction in progress	-	-	-	-
Total	\$ 4,292,461	\$ (166,338)	\$ 249,989	\$ 4,376,112

	Net book value, December 31, 2021 (Restated - note 2)	Net book value, December 31, 2022
Land	\$ 62,776	\$ 62,776
Buildings	2,476,336	2,399,122
Equipment	50,133	63,237
Books, CD's, videos	514,732	554,053
Construction in progress	26,685	275,833
Total	\$ 3,130,662	\$ 3,355,021

NORTH BAY PUBLIC LIBRARY BOARD

Notes to Financial Statements (continued)

Year ended December 31, 2023

7. Related party transactions:

The expenditures noted in Schedule 1 for purchased services are paid to the Corporation of the City of North Bay. These expenditures are measured at exchange amounts and consist of financial services, human resources, legal, information technology, telephone and internet.

8. Economic dependence:

The Library is dependent on fund transfers from the Corporation of the City of North Bay. The ability of the Library to continue service delivery in its present form is dependent on this funding.

9. Budget:

The budgeted figures presented for comparative purposes are those approved by the Board of Directors. They have been reclassified to conform with these statements.

10. Accumulated surplus:

The Library's accumulated surplus balance at year end consists of the following:

	2023	2022
		(Restated - note 2)
Invested in tangible capital assets (note 6)	\$ 3,787,172	\$ 3,355,021
Reserve funds	897,238	795,505
Amounts to be funded from future revenues	(420,159)	(386,456)
	<hr/> \$ 4,264,251	<hr/> \$ 3,764,070

11. Pension agreements:

OMERS provides pension services to more than 500,000 active retired members of approximately 1,000 employers. Each year an independent actuary determines the funding status of OMERS primary pension plan (the "Plan") by comparing actuarial value of invested assets to estimated present value of all pension benefits that members have earned to date. Because OMERS is a multi-employer plan, any pension surpluses or deficits are a joint responsibility of the Ontario municipal organizations and their employees. As a result, the Library does not recognize any share of the OMERS pension surplus or deficit. Contributions made by the Library to OMERS for 2023 were \$117,809 (2022 - \$113,251).

NORTH BAY PUBLIC LIBRARY BOARD

Schedule 1 - Detailed Schedule of Expenses

For the Year Ended December 31, 2023

	2023 Budget	2023 Actual	2022 Actual (Restated - note 2)
Salaries and benefits:			
Salaries	\$ 1,755,792	\$ 1,570,391	\$ 1,575,039
Overtime	6,500	8,057	7,553
Benefits	509,592	506,151	442,216
	2,271,884	2,084,599	2,024,808
Operating:			
Book repairs and processing	20,000	15,825	16,074
Electronic materials	72,000	45,645	40,144
	92,000	61,470	56,218
Library building:			
Building maintenance costs	36,000	62,266	60,075
Utility costs	62,271	56,576	64,256
Insurance costs	17,500	15,932	14,664
	115,771	134,774	138,995
Administration:			
Office supplies	10,500	8,710	8,791
Telephone	5,500	5,678	5,641
Postage / courier	4,000	5,716	5,002
Membership fees	1,000	1,578	908
Promotion costs	3,000	8,470	3,980
Professional development	4,900	1,449	2,058
Audit / treasurer fees	10,423	10,953	10,681
Collection agency fees	500	350	365
Photocopy costs	2,000	5,458	-
Systems maintenance contract	30,000	33,858	42,375
Other contracts and miscellaneous costs	87,970	78,227	71,398
Employee parking	10,000	9,411	9,028
	169,793	169,858	160,227
Purchased Services:			
Purchased services (note 7)	72,592	72,666	71,241
Minor capital purchases and other:			
Furniture and equipment	4,000	4,712	13,165
One-time costs	-	1,787	1,193
Amortization of tangible capital assets	190,000	285,587	249,989
	194,000	292,086	264,347
Total expenditures	\$ 2,916,040	\$ 2,815,453	\$ 2,715,836