



Library Board Report

To: Chair and Members of the Bruce County Public Library Board

From: Lynn Hatten, Deputy Treasurer

Date: June 19, 2024

Re: 2023 Library Board Audited Financial Statements

Staff Recommendation:

The 2023 Library Board Audited Financial Statements report is for information.

Background:

The 2023 audited Library Board Financial Statements as prepared by BDO Canada LLP and presented to the County Council by the Managing Partner, Traci Smith, as part of the County's consolidated 2023 audit are attached. Also attached are the Statement of Revenue and Expenditures for the 2023 fiscal period.

BDO states in their Independent Auditor's Report that:

"In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the County of Bruce Library Board as at December 31, 2023 and its results of operations, its change in net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards."

2023 operations ended with a \$91,059 surplus. According to approved procedures, the remaining surplus forms part of the corporate surplus/deficit and is not retained for Library purposes. The main drivers of the surplus are as follows:

- Net Salaries and Benefits were a \$80,000 surplus due to vacancies and new staff in the department.
- Overall Revenue surplus of \$26,000 due to unbudgeted grants in addition to higher than anticipated printing charges and fines.
- Insurance Premiums exceeded budget by \$10,000 as a result of per use premiums for events that exceeded initial expectations.

As of 2019 the County started allocating program support and facilities overheads costs to the various departments to represent the true costs of operating. Program support, including Human Resources, Information Technology and Corporate Services, is allocated based on Full Time Equivalents, and Facility costs are distributed based on square footage occupied. This process is reflected in the 2023 financial statements.

The activity during 2023 related to the reserves is summarized in the attached Reserve Fund Schedule as of December 31, 2023. A separate report is being presented on the County's new revised structure and policy for 2024.

Note 1 of the financial statements provides an outline of two new accounting standards implemented for 2023, Asset Retirement Obligations (AROs) and Financial Instruments. No AROs were identified in the library's asset inventory. In relation to Financial Instruments, there were no financial implications of the standard implementation, and the additional notes requirements have been addressed in Note 7 of the statements to meet the new requirements.

Note 3 of the Financial Statements outlines the tangible capital assets of the Library Board. The County Library assets total \$4,063,163 based on historical value. Applying the fixed straight-line depreciation, if we were to sell all assets today, the amount would total \$1,539,585.

The following outlines budgeted spending per capita based on the most recent census population data for Bruce County. The County continues to operate with no user fees for out of County users and no internet charges.

YEAR	LIBRARY LEVY	CENSUS	PER CAPITA
2020	\$3,999,054	68,147	\$58.68
2021	\$4,057,077	72,017	\$56.33
2022	\$4,491,701	72,017	\$62.37
2023	\$4,589,874	72,017	\$63.73
2024	\$4,947,242	72,017	\$68.70

Financial/Staffing/Legal/IT Considerations:

There are no staffing, legal or IT considerations associated with this report. The financial considerations are included in the report for information.

Interdepartmental Consultation:

This report has been shared with the Director of Library Services

Link to Strategic Plan:

None Identified.

Respectfully submitted,

Lynn Hatten, Deputy Treasurer