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### Financial Information Act – Statement of Financial Information

**Library Name:** Cranbrook Public Library

**Fiscal Year Ended:** 31 December 2023

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  - b. Statement of Assets and Liabilities
- 6) Schedule of Debt
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- 9) Statement of Severance Agreements
- 10) Statement of Changes in Financial Position
- 11) Schedule of Payments for the Provision of Goods and Services

## SUBMISSION CHECKLIST

### Financial Information Act - Statement of Financial Information

**Library Name:** Cranbrook Public Library

**Fiscal Year Ended:** 31 December 2023

- 
- a)  Approval of Statement of Financial Information
- 
- b)  A Management Report signed and dated by the Library Board and Library Director
- 
- c) An operational statement including:
- i) Statement of Income
  - ii) Statement of Changes in Financial Position, or, if omitted, an explanation in the Notes to the Financial Statements (audited<sup>1</sup> financial statements)
- 
- d)  Statement of assets and liabilities (audited<sup>1</sup> financial statements)
- 
- e)  Schedule of debts (audited<sup>1</sup> 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.
- 
- f)  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) 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.
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<sup>1</sup> 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.

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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.

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h)  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.

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## BOARD APPROVAL FORM

### Financial Information Act - Statement of Financial Information

<b>NAME OF LIBRARY</b> Cranbrook Public Library	<b>FISCAL YEAR END (YYYY)</b> 2023	
<b>LIBRARY ADDRESS</b> 1212 2nd Street North	<b>TELEPHONE NUMBER</b> 250 426 4063	
<b>CITY</b> Cranbrook	<b>PROVINCE</b> BC	<b>POSTAL CODE</b> V1C 4T6
<b>NAME OF THE CHAIRPERSON OF THE LIBRARY BOARD</b> Lee-Ann Crane	<b>TELEPHONE NUMBER</b> 250 426 4063	
<b>NAME OF THE LIBRARY DIRECTOR</b> Ursula Brigl	<b>TELEPHONE NUMBER</b> 250 426 4063 ext. 1001	

#### **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 2023 for Cranbrook Public Library as required under Section 2 of the Financial Information Act.*

<b>SIGNATURE OF THE CHAIRPERSON OF THE LIBRARY BOARD</b>	<b>DATE SIGNED (DD-MM-YYYY)</b>
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11-04-2024

<b>SIGNATURE OF THE LIBRARY DIRECTOR</b>	<b>DATE SIGNED (DD-MM-YYYY)</b>
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11-04-2024

## MANAGEMENT REPORT

### Financial Information Act - Statement of Financial Information

**Library Name:** Cranbrook Public Library

**Fiscal Year Ended:** 31 December 2023

## 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 Cranbrook Public Library

**Name, Chairperson of  
the Library Board**

Lee-Ann Crane

**Signature, Chairperson  
of the Library Board**



**Date**

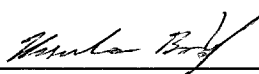
**(MM-DD-YYYY)**

11-04-2024

**Name, Library Director**

Ursula Brigl

**Signature, Library  
Director**



**Date**

**(MM-DD-YYYY)**

11-04-2024

# **FINANCIAL STATEMENTS**

## **Financial Information Act - Statement of Financial Information**

**Library Name:** Cranbrook Public Library

**Fiscal Year Ended:** 31 December 2023

The Audited Financial Statements for the year ending 31 December 2023 include the following:

- Statement of Financial Position
- Statement of Operations
- Statement of Changes in Net Financial Assets
- Statement of Cash Flows
- Notes to Financial Statements
- Supplementary Schedule 1 – Statement of Operating Activities
- Supplementary Schedule 2 – Statement of Changes in Reserves

**Cranbrook Public Library**  
**Financial Statements**  
December 31, 2023

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## Managements' Responsibility for Financial Reporting

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### To the Directors of the Board:

In accordance with Sections 11 and 26 of the Library Act, I am pleased to submit the 2023 financial statements for the Cranbrook Public Library, together with the report of our auditors, BDO Canada LLP.

The preparation of the financial statements is the responsibility of the Library's management. The statements have been prepared in accordance with Canadian public sector accounting standards.

Financial statements are not precise since they include certain amounts based on estimates and judgments. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the financial statements are presented fairly in all material respects.

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

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

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

DocuSigned by:

*Ursula Brigl*

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Ursula Brigl  
Chief Librarian

April 11, 2024





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## Independent Auditor's Report

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To the Members of the Board of the Cranbrook Public Library

### Opinion

We have audited the accompanying financial statements of the Cranbrook Public Library, which comprise the statement of financial position as at December 31, 2023, and the statements of operations, changes in net financial assets and cash flows for the year then ended, and 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 Cranbrook Public Library 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.

### Basis for Opinion

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



## Independent Auditor's Report (Continued)

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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.

Chartered Professional Accountants

Cranbrook, British Columbia  
April 11, 2024

## Cranbrook Public Library Statement of Financial Position

December 31	2023	2022
<b>Financial Assets</b>		
Cash and cash equivalents (Note 2)	\$ 289,632	\$ 249,455
Temporary investments (Note 3)	236,776	-
Accounts receivable (Note 5)	30,843	28,792
	<b>557,251</b>	<b>278,247</b>
<b>Liabilities</b>		
Accounts payable and accrued liabilities (Note 5)	158,657	131,743
Deferred revenue (Note 4)	19,292	21,780
Capital lease obligation (Note 6)	1,104	3,360
	<b>179,053</b>	<b>156,883</b>
<b>Net Financial Assets</b>	<b>378,198</b>	<b>121,364</b>
<b>Non-Financial Assets</b>		
Tangible capital assets (Note 9)	400,626	420,100
Prepaid expenses	34,010	883
	<b>434,636</b>	<b>420,983</b>
<b>Accumulated Surplus</b>	<b>\$ 812,834</b>	<b>\$ 542,347</b>

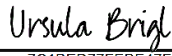
On behalf of the Board

DocuSigned by:



Member

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Chief Librarian

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## Cranbrook Public Library Statement of Operations

<b>For the year ended December 31</b>	<b>2023</b>	<b>2023</b>	<b>2022</b>
	(Note 11)		
	<i>Budget</i>	<i>Actual</i>	<i>Actual</i>
<b>Revenue</b>			
Grants			
- Province of British Columbia	\$ 102,777	\$ 102,777	\$ 100,193
- City of Cranbrook (Note 5)	715,850	715,850	665,029
- Regional District of East Kootenay (Note 5)	178,963	178,963	166,257
- Library Enhancement Grant	-	316,984	-
- Other	97,923	24,571	31,997
Donations	41,528	42,059	41,098
Meeting room rental	5,340	7,476	10,598
Internal and other revenue	24,280	40,535	17,428
	<u>1,166,661</u>	<u>1,429,215</u>	<u>1,032,600</u>
<b>Expenses</b>			
Amortization	109,000	110,572	109,446
Accounting and administration	39,828	38,860	42,199
Building maintenance and occupancy (Note 5)	81,009	84,071	80,834
Loss on disposal of tangible capital assets	-	-	248
Meeting room	5,410	11,817	10,529
Programs and services	48,967	60,097	45,739
Salaries, wages and benefits	808,649	784,023	744,788
Technology	71,857	69,288	64,473
	<u>1,164,720</u>	<u>1,158,728</u>	<u>1,098,256</u>
<b>Annual surplus (deficit)</b>	-	<b>270,487</b>	<b>(65,656)</b>
<b>Accumulated surplus, beginning of year</b>	<u>542,347</u>	<u>542,347</u>	<u>608,003</u>
<b>Accumulated surplus, end of year</b>	<u>\$ 542,347</u>	<u>\$ 812,834</u>	<u>\$ 542,347</u>

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

## Cranbrook Public Library Statement of Changes in Net Financial Assets

<u>For the year ended December 31</u>	<u>2023</u>	<u>2023</u>	<u>2022</u>
	(Note 11)		
	<i>Budget</i>	<i>Actual</i>	<i>Actual</i>
<b>Annual surplus (deficit)</b>	\$ -	\$ 270,487	\$ (65,656)
Acquisition of tangible capital assets	(106,448)	(91,098)	(107,027)
Amortization of tangible capital assets	109,000	110,572	109,446
Loss on disposal of tangible capital assets	-	-	248
Change in prepaid expenses	-	(33,127)	(883)
	<u>2,552</u>	<u>(13,653)</u>	<u>1,784</u>
<b>Change in net financial assets for the year</b>	2,552	256,834	(63,872)
<b>Net financial assets, beginning of year</b>	<u>121,364</u>	<u>121,364</u>	<u>185,236</u>
<b>Net financial assets, end of year</b>	<u>\$ 123,916</u>	<u>\$ 378,198</u>	<u>\$ 121,364</u>

## Cranbrook Public Library Statement of Cash Flows

For the year ended December 31	2023	2022
<b>Operating transactions</b>		
Annual surplus (deficit)	\$ 270,487	\$ (65,656)
Items not involving cash		
Income from receipt of contributed tangible assets	(5,606)	(4,521)
Amortization	110,572	109,446
Loss on disposal of tangible capital assets	-	248
Income from interest accrual	(2,313)	-
Changes in non-cash operating balances		
Accounts receivable	(2,051)	(8,886)
Prepaid expenses	(33,127)	(884)
Accounts payable and accrued liabilities	26,914	(10,522)
Deferred revenue	(2,488)	21,780
	<b>362,388</b>	<b>41,005</b>
<b>Capital transaction</b>		
Acquisition of tangible capital assets	(85,492)	(102,505)
<b>Investing transaction</b>		
Acquisition of temporary investments	(234,463)	-
<b>Financing transaction</b>		
Repayment of obligations under capital lease	(2,256)	(5,613)
<b>Net change in cash and cash equivalents</b>	<b>40,177</b>	<b>(67,113)</b>
Cash and cash equivalents, beginning of year	249,455	316,568
<b>Cash and cash equivalents, end of year</b>	<b>\$ 289,632</b>	<b>\$ 249,455</b>

## Cranbrook Public Library Notes to the Financial Statements

**December 31, 2023**

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### 1. Significant Accounting Policies

**Basis of Presentation**                      The Cranbrook Public Library is incorporated under the Library Act of British Columbia and provides library services for Cranbrook and District.

**Basis of Accounting**                      The financial statements of the Library are the representations of management and are prepared in accordance with Canadian generally accepted accounting policies established by the Public Sector Accounting Board ("PSAB") of the Canadian Institute of Chartered Professional Accountants.

**Economic Dependence**                      Approximately 60% of the Library's revenues are grants from The Corporation of the City of Cranbrook. The ongoing operations of the Library and its ability to meet its service objectives is proportionately dependant upon the level of such support.

**Cash and Cash  
Equivalents**                                      Management considers all highly liquid investments with maturity of three months or less at acquisition to be cash equivalents.

**Tangible Capital Assets**                      Tangible capital assets are recorded at cost less accumulated amortization and are classified according to their functional use. Cost includes all costs directly attributable to the acquisition or construction of the tangible capital assets. Amortization is recorded on a straight-line basis over the estimated life of the tangible capital asset commencing once the asset is put into use. Donated tangible capital assets are recorded at fair value at the time of the donation unless fair value can not be reasonably measured. Leases entered into that transfer substantially all the benefits and risks associated with ownership are recorded as the acquisition of a tangible capital asset and the incurrence of an obligation.

Estimated useful lives of tangible capital assets are as follows:

Print collection	10 years
Audio-visual collection	3 years
Furnishings and equipment	5 to 10 years
Landscaping and sculptures	15 years
Equipment under capital lease	5 years

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## Cranbrook Public Library Notes to the Financial Statements

December 31, 2023

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### 1. Significant Accounting Policies (continued)

<b>Revenue Recognition</b>	<p>Unrestricted grants, contributions and charges 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.</p> <p>Grants, contributions or other funding which has externally imposed restrictions is recognized as revenue in the period in which the resources are used for the purpose or purposes specified. Funding received before this criterion has been met is reported as deferred revenue on the statement of financial position until the period in which the specified purpose or related expense is incurred.</p> <p>Contributions received in-kind are recognized as revenue in the period received at the fair market value at the time of the contribution.</p>
<b>Contributed Services</b>	<p>Volunteers contribute services to assist the Library in carrying out its operations. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.</p>
<b>Government Transfers</b>	<p>Government transfers, which include legislative grants, are recognized as revenue in the period in which events giving rise to the transfers occur providing the transfers are authorized, any eligibility criteria and stipulations have been met, and reasonable estimates of the amounts can be determined.</p>
<b>Pension Expenditures</b>	<p>The Library participates in a multi-employer deferred benefit pension plan. The plan is accounted for as a defined contribution plan.</p>
<b>Use of Estimates</b>	<p>The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.</p>



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## Cranbrook Public Library Notes to the Financial Statements

**December 31, 2023**

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### 1. Significant Accounting Policies (continued)

#### Financial Instruments

Cash and equity instruments quoted in an active market are measured at fair value. Accounts receivable, accounts payable, and long-term debt are measured at cost or amortized cost. The carrying amount of each of these financial instruments is presented on the statement of financial position.

Unrealized gains and losses from changes in the fair value of financial instruments are recognized in the statement of remeasurement gains and losses. Upon settlement, the cumulative gain or loss is reclassified from the statement of remeasurement gains and losses and recognized in the statement of operations. Interest and dividends attributable to financial instruments are reported in the statement of operations.

When investment income and realized and unrealized gains and losses from changes in the fair value of financial instruments are externally restricted, the investment income and fair value changes are recognized as revenue in the period in which the resources are used for the purpose specified.

For financial instruments measured using amortized cost, the effective interest rate method is used to determine interest revenue or expense.

All financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations.

Transaction costs are added to the carrying value for financial instruments measured using cost or amortized cost. Transaction costs are expensed for financial instruments measured at fair value.

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### 2. Cash and Cash Equivalents

Included in cash and cash equivalents are amounts of \$121,284 (2022 - \$125,606) which have been internally restricted for future technology, capital and collection expenditures.

The Library has available a bank overdraft facility of up to \$100,000 which it uses to finance its operations. This facility bears interest at prime plus 1.3%. There was no balance outstanding at December 31, 2023 (2022 - \$Nil).

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## Cranbrook Public Library Notes to the Financial Statements

**December 31, 2023**

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### 3. Temporary Investments

Temporary investments are recorded at cost, unless the market value of temporary investments has declined below cost, in which case they are written down to market value.

	2023	2022
GIC, 1 year term, interest rate of 5.45%, matures in October 2024	<b>\$ 236,776</b>	<b>\$ -</b>

The entire balance of temporary investments has been internally restricted for future technology, capital, and collection expenditures.

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### 4. Deferred Revenue

	2023	2022
Provincial Covid 19 Relief & Recovery Grant	\$ 3,768	\$ 10,397
Provincial Emergency Planning & Preparedness Grant	11,383	11,383
RDEK S.T.E.A.M. Grant	4,141	-
	<b>\$ 19,292</b>	<b>\$ 21,780</b>

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## Cranbrook Public Library Notes to the Financial Statements

**December 31, 2023**

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### 5. Related Party Transactions

The Library is managed by the Cranbrook Public Library Board, a corporation created under the Library Act. This Board is appointed by the Corporation of the City of Cranbrook Council annually and consists of nine members, one of whom is elected by the Council and two of whom are appointed by Regional District of East Kootenay. All remaining members are not related to the Library or the City.

Transactions with the Corporation of the City of Cranbrook during the year are as follows:

- (a) The Library received operating grant revenue of \$894,813 (2022 - \$831,286) from the City of Cranbrook. This grant includes \$178,963 (2022 - \$166,257) from the Regional District of East Kootenay, representing 20% of the City's operating grant to the Library, and is shown separately on the Statement of Operations.
- (b) The building occupied by the Library is owned by the Corporation of the City of Cranbrook and is currently being leased for nil consideration.
- (c) Included in building maintenance and occupancy costs is \$84,071 (2022 - \$80,834) comprised of maintenance, insurance, janitorial, and utilities, of which the Library has or will reimburse the City of Cranbrook.
- (d) The amount payable to the City of Cranbrook at the year end and included in accounts payable and accrued liabilities is \$75,466 (2022 - \$84,252).
- (e) Included in the accounts receivables balance is \$7,088 (2022 - \$10,000) receivable from the City of Cranbrook for reimbursement of MTS building revenue.

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by related parties.

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## Cranbrook Public Library Notes to the Financial Statements

**December 31, 2023**

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### 6. Capital Lease Obligation

The Library is committed to the following capital lease obligation:

	2023	2022
Computer server lease, minimum monthly payments of \$202, interest rate 7.29%, expires June 2024	\$ 1,104	\$ 3,360

Interest paid relating to the above obligations on capital lease and included in interest and bank charges was \$171 (2022 - \$409).

Combined interest and principal payments for the next year are as follows:

Year	Amount
2024	\$ 1,126
Imputed interest	(22)
	\$ 1,104

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## Cranbrook Public Library Notes to the Financial Statements

**December 31, 2023**

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### **7. Retirement Benefits and Pension Liability**

The Library and its employees contribute to the Municipal Pension Plan (a jointly-trusted pension plan). The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of the assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits provided are based on a formula. As at December 31, 2023, the plan has about 240,000 active members and approximately 124,000 retired members. Active members include approximately 43,000 contributors from local governments.

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

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

The Cranbrook Public Library paid \$38,569 (2022 - \$42,088) for employer contributions to the plan in fiscal 2023.

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

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

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### **8. Endowment Funds**

The Cranbrook Public Library has accumulated \$35,246 (2022 - \$31,524) in an endowment fund held by the Community Foundation of the Kootenay Rockies. This fund is not included in the assets or net assets of the Library. The income earned on this fund held by the Foundation is donated annually to the Cranbrook Public Library and is included in donation revenue.

## Cranbrook Public Library Notes to the Financial Statements

**December 31, 2023**

### 9. Tangible Capital Assets

	Print Collection	Audio-Visual Collection	Furniture & Equipment	Equipment Under Capital Lease	Landscape & Sculptures	2023 Total
Cost, beginning of year	\$ 477,808	\$ 27,865	\$ 308,821	\$ 30,162	\$ 69,913	\$ 914,569
Purchases	54,775	11,231	25,092	-	-	91,098
Disposals	(50,376)	(7,511)	(4,896)	(20,021)	-	(82,804)
Cost, end of year	<u>482,207</u>	<u>31,585</u>	<u>329,017</u>	<u>10,141</u>	<u>69,913</u>	<u>922,863</u>
Accumulated amortization, beginning of year	258,512	17,721	125,851	24,128	68,257	494,469
Amortization	48,221	10,528	44,133	6,034	1,656	110,572
Disposals	(50,376)	(7,511)	(4,896)	(20,021)	-	(82,804)
Accumulated amortization, end of year	<u>256,357</u>	<u>20,738</u>	<u>165,088</u>	<u>10,141</u>	<u>69,913</u>	<u>522,237</u>
Net carrying amount, end of year	<u>\$ 225,850</u>	<u>\$ 10,847</u>	<u>\$ 163,929</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 400,626</u>

During the year the Library received \$5,265 (2022 - \$1,755) of contributed print collection and \$341 (2022 - \$1,560) of contributed audio-visual collection which have been capitalized and of which the offset is reported as donation revenue in the statement of operations.

**Cranbrook Public Library  
Notes to the Financial Statements**

**December 31, 2023**

**7. Tangible Capital Assets (continued)**

	Print Collection	Audio-Visual Collection	Furniture & Equipment	Equipment Under Capital Lease	Landscape & Sculptures	2022 Total
Cost, beginning of year	\$ 477,439	\$ 30,104	\$ 282,817	\$ 30,162	\$ 69,913	\$ 890,435
Purchases	54,799	10,169	42,059	-	-	107,027
Disposals	(54,430)	(12,408)	(16,055)	-	-	(82,893)
Cost, end of year	<b>477,808</b>	<b>27,865</b>	<b>308,821</b>	<b>30,162</b>	<b>69,913</b>	<b>914,569</b>
Accumulated amortization, beginning of year	265,162	20,841	99,973	18,096	63,596	467,668
Amortization	47,780	9,288	41,685	6,032	4,661	109,446
Disposals	(54,430)	(12,408)	(15,807)	-	-	(82,645)
Accumulated amortization, end of year	<b>258,512</b>	<b>17,721</b>	<b>125,851</b>	<b>24,128</b>	<b>68,257</b>	<b>494,469</b>
Net carrying amount, end of year	<b>\$ 219,296</b>	<b>\$ 10,144</b>	<b>\$ 182,970</b>	<b>\$ 6,034</b>	<b>\$ 1,656</b>	<b>\$ 420,100</b>

## Cranbrook Public Library Notes to the Financial Statements

**December 31, 2023**

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### 10. Commitments and Contingencies

#### a) Operating lease commitments

The Library has an operating lease with estimated annual minimum payments of \$6,552 until August 2023.

The Library has an operating lease with estimated annual minimum payments of \$2,673 until May 2029.

#### b) Maintenance and service contracts

The Library has a maintenance and service contract with estimated annual minimum payments of \$34,010 until December 2024.

The Library has an additional maintenance and service contract with estimated annual minimum payments of \$2,744 until February 2027.

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### 11. Budget

The Budget adopted by the Board of Trustees on May 18, 2023 was not prepared on a basis consistent with that used to report actual results (Public Sector Accounting Standards). The budget was prepared on a modified accrual basis while Public Sector Accounting Standards now require a full accrual basis. The budget figures anticipated use of surpluses accumulated from previous years to reduce current year expenditures in excess of current year revenues to \$Nil.

In addition, the budget included all tangible capital expenditures and amortization expense. As a result, the budget figures presented in the statements of operations and change in net financial assets represent the Budget adopted by the Board on May 18, 2023 with adjustments as follows:

	2023
Budgeted deficit for the year	\$ -
Add: Capital expenditures	106,448
Budgeted transfers to accumulated surplus	11,608
Less: Amortization	(109,000)
Budgeted transfers from accumulated surplus	(9,056)
Adjusted budget surplus per statement of operations	\$ -



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## Cranbrook Public Library Notes to the Financial Statements

December 31, 2023

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### 12. Financial Instruments

#### General objectives, policies, and processes

The Library Board has overall responsibility for the determination of the Library's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure effective implementation of the objectives and policies to the Chief Librarian. The Library Board receives reports from the Chief Librarian and the City of Cranbrook throughout the year, through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets.

The Library's financial instruments are exposed to certain financial risks, including credit risk and liquidity risk. There have not been any changes from the prior year in the Library's exposure to the above risks or the policies, procedures, and methods it uses to manage and measure risks.

#### Credit Risk

The Library is exposed to credit risk through the possibility of non-collection of its accounts and contributions receivable. The majority of the Library's receivables are normally from government entities and the City of Cranbrook which minimizes the risk of non-collection. The Library also makes sure it meets all the eligibility criteria for the amounts to ensure they will collect the amounts outstanding. The Library measures impairment based on how long the amounts have been outstanding. As of December 31, 2023, all receivables were current and due from the government.

#### Liquidity Risk

Liquidity risk is the risk that the Library will not be able to meet its financial obligations as they fall due. The Library has a planning and budgeting process in place to help determine the funds required to support the Library's normal operating requirements on an ongoing basis. The Library ensures that there are sufficient funds to meet its short-term requirements, taking into account its anticipated cash flows from operations and its holdings of cash and cash equivalents. As of December 31, 2023 all accounts payable were due in under ninety days.

#### Interest Rate Risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Library is exposed to interest rate risk through its investments.

The Library manages its interest rate risk by investing in stable and consistent investments, such as Guaranteed Investment Certificates (GICs). These investments offer consistent returns, with a lower sensitivity to interest rate changes compared to longer-term investments. The Library measures its exposure to interest rate risk based on the nature of the investment and the current market interest rate fluctuations.

## Cranbrook Public Library Supplementary Schedule 1 - Statement of Operating Activities

For the year ended December 31	2023	2023	2022
	<i>Budget</i>	<b>Actual</b>	Actual
<b>Revenue</b>			
Grants			
Province of British Columbia			
- Per capita grant	\$ 102,777	\$ 102,777	\$ 83,552
- Library enhancement grant	-	316,984	-
- Other grants	-	-	16,641
City of Cranbrook	715,850	715,850	665,029
Regional District of East Kootenay	178,963	178,963	166,257
Other	97,923	24,571	31,997
	<u>1,095,513</u>	<u>1,339,145</u>	<u>963,476</u>
Other revenue			
Donations	41,528	42,059	41,098
Internal and other revenue	24,280	40,171	17,088
Meeting room rental	5,340	7,476	10,598
	<u>1,166,661</u>	<u>1,428,851</u>	<u>1,032,260</u>
<b>Expenditures</b>			
Accounting and administration	39,828	38,860	42,199
Building maintenance and occupancy costs	81,009	84,071	80,834
Meeting room	5,410	11,817	10,529
Programs and services	48,967	60,097	42,869
Salaries, wages and benefits	808,649	784,023	744,788
Technology	71,857	69,288	64,473
	<u>1,055,720</u>	<u>1,048,156</u>	<u>985,692</u>
<b>Interfund transfers</b>			
Collections	68,310	66,006	64,967
Furnishings and equipment	38,138	25,092	42,059
	<u>106,448</u>	<u>91,098</u>	<u>107,026</u>
<b>Excess (deficiency) of revenue over expenditures</b>	4,493	289,597	(60,458)
<b>Debt repayment</b>	-	(2,256)	(5,613)
<b>Net transfers from (to) reserves</b>	(4,493)	(287,341)	66,071
<b>Operating fund, beginning and end of year</b>	\$ -	\$ -	\$ -

**Cranbrook Public Library**  
**Supplementary Schedule 2 - Statement of Changes in Reserves**

**For the year ended December 31**

	Technology Reserve	General Reserve	Projects Reserve	Manual Training School Reserve	2023 Total	2022 Total
<b>Revenue</b>						
Other	\$ -	\$ -	\$ 364	\$ -	\$ 364	\$ 340
<b>Expenditures</b>						
Other	-	-	-	-	-	(2,870)
<b>Excess of revenue over expenditures</b>	-	-	364	-	364	(2,530)
<b>Transfers</b>						
Transfers for expenditures	-	-	(2,553)	(4,287)	(6,840)	(68,434)
Transfers to reserves	7,391	-	234,463	-	241,854	2,363
Operating surplus (deficit)	-	9,433	42,894	-	52,327	-
	7,391	9,433	274,804	(4,287)	287,341	(66,071)
<b>Change in fund balance</b>	7,391	9,433	275,168	(4,287)	287,705	(68,601)
<b>Reserve balance, beginning of year,</b>	1,552	98,195	16,859	9,000	125,606	194,207
<b>Reserve balance, end of year</b>	\$ 8,943	\$ 107,628	\$ 292,027	\$ 4,713	\$ 413,311	\$ 125,606

## **SCHEDULE OF DEBT**

### **Financial Information Act - Statement of Financial Information**

**Library Name:** Cranbrook Public Library

**Fiscal Year Ended:** 31 December 2023

The Cranbrook Public Library has no long-term debt.

## **SCHEDULE OF GUARANTEE AND INDEMNITY**

### **Financial Information Act - Statement of Financial Information**

**Library Name:** Cranbrook Public Library

**Fiscal Year Ended:** 31 December 2023

Cranbrook Public Library has not given any guarantee or indemnity under the Guarantees and Indemnities Regulation.

## Schedule 8 - Remuneration and Expenses

### Financial Information Act - Statement of Financial Information

<b>Library Name:</b>	Cranbrook Public Library
<b>Fiscal Year Ended:</b>	31 December 2023

**Table 1: Total Remuneration and Expenses - Board and Employees**

<b>Board Members</b>	<b>Total Remuneration (Wages/Salaries)</b>	<b>Total Expenses (Reimbursement for Conferences/ Mileage etc.)</b>
None		
<b>Total Board Members</b>	-	-

<b>Detailed Employees Exceeding \$75,000</b>	<b>Total Remuneration (Wages/Salaries)</b>	<b>Total Expenses (Reimbursement for Conferences/ Mileage etc.)</b>
Brigl, Ursula	115,984	2,068
Selby, Michael	76,552	-
<b>Total Employees Exceeding \$75,000</b>	<b>192,536</b>	<b>2,068</b>

<b>Total Employees Equal to or Less Than \$75,000</b>	<b>Total Remuneration (Wages/Salaries)</b>	<b>Total Expenses (Reimbursement for Conferences/ Mileage etc.)</b>
	461,859	307

<b>Consolidated Total</b>	<b>Total Remuneration (Wages/Salaries)</b>	<b>Total Expenses (Reimbursement for Conferences/ Mileage etc.)</b>
	<b>654,395</b>	<b>2,374</b>

**Table 2: Total Employer Premium to Receiver General for Canada**

<b>Total Employer Premium for Canada Pension Plan and Employment Insurance (Component of Receiver General for Canada Supplier Payment)</b>	44,022
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**Table 3: Reconciliation of Remuneration and Expenses**

<b>Total Remuneration</b>	<b>Amount</b>
<b>Total Remuneration</b>	<b>654,395</b>

<b>Reconciling Items</b>	<b>Amount</b>
Extended Health Benefits Plan	29,318
Municipal Pension Plan	38,409
Professional Development	5,089
Employer CPP & EI Contributions	44,022
Vacation & Sick Leave Accruals - net	9,804
WorkSafeBC	611
Employee Expenses	2,374
<b>Total Reconciling Items</b>	<b>129,628</b>

<b>Total Per Statement of Revenue &amp; Expenditure</b>	<b>Amount</b>
<b>Total Per Statement of Revenue &amp; Expenditure</b>	<b>784,023</b>

<b>Variance</b>	<b>Amount</b>
<b>Variance</b>	<b>-</b>

**Variance explanation (if required):**

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## STATEMENT OF SEVERANCE AGREEMENTS

### Financial Information Act - Statement of Financial Information

**Library Name:** Cranbrook Public Library

**Fiscal Year Ended:** 31 December 2023

There were no severance agreements made between Cranbrook Public Library and its non-unionized employees during fiscal year 2023.



## **SCHEDULE OF CHANGES IN FINANCIAL POSITION**

### **Financial Information Act - Statement of Financial Information**

**Library Name:** Cranbrook Public Library

**Fiscal Year Ended:** 31 December 2023

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

## Schedule 11 - Provision of Goods and Services

### Financial Information Act - Statement of Financial Information

<b>Library Name:</b>	Cranbrook Public Library
<b>Fiscal Year Ended:</b>	31 December 2023

**Table 1: Suppliers of Goods and Services**

Name of Individual, Firm or Corporation	Total Amount Paid During Fiscal Year
City of Cranbrook	96,490
SirsiDynix	68,355
Receiver General - employer contributions only	44,022
United Library Services Inc.	39,987
Municipal Pension Plan - employer contributions only	38,409
Chambers of Commerce - employer contributions only	29,318
<b>Total to All Suppliers Exceeding \$25,000</b>	<b>316,581</b>
<b>Total to Suppliers where Payments are \$25,000 or Less</b>	<b>190,246</b>
<b>Consolidated Total</b>	<b>506,827</b>

**Table 2: Reconciliation of Goods and Services**

Payments to Vendors	Amount
Total of Suppliers with Payments Exceeding \$25,000	316,581
Consolidated Total of Supplier Payments of \$25,000 or Less	190,246
Reconciling Items	Amount
Accounts Receivable	7,088
GST Receivable	23,754
Net Employee Remuneration and Expenses	666,574
Payroll Clearing Account	1
Prepaid Expenses	-
Debt Capitalization	-
Credit Card Payable	-
<b>Total Reconciling Items</b>	<b>651,901</b>

<b>Reconciliation</b>	<b>Amount</b>
<b>Total per Statement of Revenue and Expenditure</b>	<b>1,158,728</b>
<b>Total Variance</b>	<b>-</b>

<b>Variance Explanation (if required)</b>