

**SASKATOON PUBLIC LIBRARY**

***CONSOLIDATED FINANCIAL  
STATEMENTS***

***December 31, 2022***

DRAFT

## Independent Auditor's Report

To the Board of Trustees of  
Saskatoon Public Library

### Opinion

We have audited the consolidated financial statements of Saskatoon Public Library (the "Library"), which comprise the consolidated statement of financial position as at December 31, 2022, and the consolidated statements of operations, changes in net financial assets and cash flow for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (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, 2022, and the results of its operations, changes in net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards ("PSAS").

### 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.

### Unaudited Supplementary Information

We draw attention to the fact that the supplementary information included in Schedules 1 to 4 does not form part of the financial statements. We have not audited or reviewed this supplementary information and, accordingly, we do not express an opinion, a review conclusion or any other form of assurance on this supplementary information.

### 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 PSAS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Library's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Library or to cease operations, or has no realistic alternative but to do so.

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

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Library to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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  
October 18, 2023

**Saskatoon Public Library**  
**Consolidated Statement of Financial Position**

As at December 31, 2022  
(in thousands of dollars)

	2022	2021
<b>FINANCIAL ASSETS</b>		
Cash and Cash Equivalents (Note 3)	\$ 345	\$ 409
Due from Related Parties (Note 12)	29,968	25,948
Accounts Receivable	106	96
Interest Receivable	76	77
Deposit	16	16
Investments (Note 5)	19,068	18,465
<b>Total Financial Assets</b>	<b>49,579</b>	45,011
<b>FINANCIAL LIABILITIES</b>		
Accounts Payable	2,272	2,312
Employee Wages and Benefits Payable	1,068	783
Deferred Revenue	717	11
<b>Total Financial Liabilities</b>	<b>4,057</b>	3,106
<b>Total Net Financial Assets</b>	<b>45,522</b>	41,905
<b>NON-FINANCIAL ASSETS</b>		
Tangible Capital Assets (Note 6)	32,428	29,279
Prepaid Expenses	430	389
Inventory	9	-
<b>Accumulated Surplus</b>	<b>\$ 78,389</b>	\$ 71,573

See accompanying notes

Approved by the Board of Directors:

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**Cherl Starr, Vice-Chair, SPL Board**

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**Jim Siemens, Chair, SPL Board**

# Saskatoon Public Library Consolidated Statement of Operations

For the year ended December 31, 2022

(in thousands of dollars)

	2022 Budget	2022 Actual	2021 Actual
<b>REVENUES</b>			
Taxation	\$ 28,976	\$ 28,718	\$ 27,448
Provincial Funding for Library Consortium	-	15	16
Provincial Grants	688	738	760
Interest	-	771	284
Other Revenue	129	255	436
<b>TOTAL REVENUES</b>	<u>29,793</u>	<u>30,497</u>	<u>28,944</u>
<b>EXPENSES</b>			
Administration	3,497	3,327	3,415
Direct Library Services	7,688	7,549	7,326
Local Branch Services	8,748	8,985	8,591
Services to Branches	1,746	1,784	1,068
<b>TOTAL EXPENSES</b>	<u>21,679</u>	<u>21,645</u>	<u>20,400</u>
Excess of Revenues over Expenses	8,114	8,852	8,544
Amortization Expense (Note 6)	2,017	2,017	2,153
Loss on Disposal of Tangible Capital Assets	-	19	-
<b>Surplus of Revenue over Expenses</b>	6,097	6,816	6,391
Accumulated Surplus, Beginning of Year		71,573	65,182
<b>Accumulated Surplus, End of Year</b>		<u><u>\$ 78,389</u></u>	<u><u>\$ 71,573</u></u>

See accompanying notes

**Saskatoon Public Library**  
**Consolidated Statement of Changes in Net Financial Assets**  
As at December 31, 2022

	2022 Budget Note 10	2022 Actual	2021 Actual
Surplus of Revenues over Expenses	\$ 8,914	\$ 6,816	\$ 6,391
Acquisition of Tangible Capital Assets	\$ (5,184)	\$ (5,185)	\$ (2,748)
Loss on Disposal of Tangible Capital Assets	-	19	-
Amortization of Tangible Capital Assets	2,017	2,017	2,153
	<u>(3,167)</u>	<u>(3,149)</u>	<u>(595)</u>
Net Change in Prepaid Expenses	-	(41)	(117)
Net Change in Inventory	-	(9)	-
	<u>(3,167)</u>	<u>(3,199)</u>	<u>(712)</u>
Increase in Net Financial Assets	5,747	3,617	5,679
Net Financial Assets, Beginning of Year	41,905	41,905	36,226
<b>Net Financial Assets, End of Year</b>	<u>\$ 47,652</u>	<u>\$ 45,522</u>	<u>\$ 41,905</u>

See accompanying notes

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# Saskatoon Public Library Consolidated Statement of Cash Flow

As at December 31, 2022  
(in thousands of dollars)

	2022	2021
<b>Operating Activities:</b>		
Surplus of revenues over expenses	\$ 6,816	\$ 6,391
Changes in Non-Cash Items		
Loss on Disposal of Tangible Capital Assets	19	-
Amortization of Tangible Capital Assets	2,017	2,153
Changes in Working Capital		
Due from Related Parties	(4,020)	(5,028)
Accounts Receivable	(10)	79
Interest Receivable	1	(22)
Accounts Payable	(55)	786
Employee Benefits Payable	285	(78)
Deferred Revenue	706	(52)
Prepaid Expenses	(41)	(117)
Inventory	(9)	-
	<b>5,709</b>	4,112
<b>Investing Activities:</b>		
Purchase of Investments	(4,405)	(5,090)
Proceeds from disposal of Investments	3,802	1,030
	<b>(603)</b>	(4,060)
<b>Capital Activities:</b>		
Purchase of Tangible Capital Assets	(5,170)	(2,524)
<b>Decrease in Cash and Cash Equivalents</b>	<b>(64)</b>	<b>(2,472)</b>
<b>Cash and Cash Equivalents, Beginning of Year</b>	<b>409</b>	<b>2,881</b>
<b>Cash and Cash Equivalents, End of Year</b>	<b>\$ 345</b>	<b>\$ 409</b>

See accompanying notes

**SASKATOON PUBLIC LIBRARY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**  
(In thousands of dollars)

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**1. PURPOSE AND AUTHORITY**

Saskatoon Public Library (the “Library”) offers services and programs under the authority of The Public Libraries Act, 1996. The Library’s purpose is to ensure the provision of library services, as set out in the Act, within the boundaries of the Library’s municipal area as established by regulation. The Library is exempt from income taxes under the Income Tax Act.

**2. ACCOUNTING POLICIES**

These consolidated financial statements have been prepared in accordance with Canadian Public Sector Accounting Standards (“PSAS”) as recommended by the Chartered Professional Accountants of Canada (“CPA Canada”).

**A) BASIS OF CONSOLIDATION**

- i) These consolidated financial statements reflect the general fund's assets, liabilities, revenues, and expenses and reserve funds. In addition, the consolidated reporting entity includes the Library’s interest in the Saskatchewan Information & Library Services Consortium (“SILS”) which has been proportionately consolidated. Any balances or transactions between the Library and SILS have been eliminated through the consolidation process.

**B) ACCOUNTING POLICIES**

- i) **Cash and Cash Equivalents**  
Cash is comprised of cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value, with maturities of three months or less from the date of acquisition.
- ii) **Investments**  
All investments are recorded at amortized cost using the effective interest rate method.

Temporary investments consist of Canada treasury bills, commercial acceptances, and commercial paper.

Portfolio investments consist of municipal government and corporate bonds. Premiums and discounts are amortized over the life of the investment. Investment transactions are accounted for at the settlement date. Investment income is recorded on an accrual basis.

When there has been a loss in a value of an investment other than a temporary decline, the investment is written down to recognize the loss and the loss is recognized in the consolidated statement of operations.

**SASKATOON PUBLIC LIBRARY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**  
(In thousands of dollars)

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**2. ACCOUNTING POLICIES** (continued)

iii) Financial and Non-financial Assets and Liabilities

Financial assets and financial liabilities have been presented separately from the non-financial assets of the Library on the Consolidated Statement of Financial Position. A financial asset is defined as an asset that can be used to discharge existing liabilities or finance future operations and is not for consumption in the ordinary course of operations. A financial liability is a contractual obligation to deliver cash and another financial asset to another entity. Non-financial assets are typically employed to provide future services and have useful lives extending beyond the current year. Non-financial assets include tangible capital assets and prepaid expenses.

iv) Tangible Capital Assets

Tangible capital assets are recorded at a cost that includes all amounts directly attributable to the acquisition, construction, development, or betterment of the asset. The cost less residual value of the tangible capital assets is amortized on a straight-line basis over their estimated useful lives as follows:

Library Assets

Buildings	50 years
Land Improvements	30 years
Furniture and Fixtures	20 years
Machinery and Equipment	min. 5 years
Books and Audio-Visual information	10 years
Periodicals	2 years
Computer Equipment	4 years

Amortization is charged monthly in the year of acquisition, and no amortization is charged in the year of disposal. Assets under construction are not amortized until the asset is available for use. Interest costs for the construction and development of tangible capital assets are capitalized.

a) Buildings and Leasehold Improvements

The Library operates several facilities on municipal reserve and other City of Saskatoon (the "City") land where residual ownership reverts to the City. These buildings have not been capitalized. Leasehold Improvements paid for by the Library in City-owned buildings have been capitalized and amortized.

b) Cultural, historical and works of art

The Library owns various works of art and historical artifacts. These assets are not recorded as tangible capital assets and are expensed as acquired.

v) Revenues, Expenses and Donations

Taxation revenue is recognized when authorized, the taxable event occurred, and collectability is expected.

**SASKATOON PUBLIC LIBRARY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**  
(In thousands of dollars)

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**2. ACCOUNTING POLICIES** (continued)

v) Revenues, Expenses and Donations (continued)

Government transfers and restricted contributions are recognized as revenue when authorized, all eligibility criteria are met, the amount can be estimated, and collection is reasonably assured except when and to the extent, stipulations that give rise to an obligation, revenue is recognized in the statement of operations as the stipulation liabilities are settled.

Unrestricted contributions are recognized as revenue when received or receivable if the amount received can be reasonably estimated and collection is reasonably assured. Restricted contributions are recognized as revenue in the year-related expenses incurred.

Revenue from other fees and services is recognized in the year they are earned.

Expenses are reported on an accrual basis of accounting, and expenses are accounted for in the period in which the goods and services are acquired, and a liability is incurred.

vi) Employee Benefits

Employees of the Library participate in a multi-employer defined benefit pension plan. The Library follows defined contribution accounting for its participation in the plan. Accordingly, the Library expenses all contributions it is required to make in the year.

vii) Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses for the year. Actual results could differ from these estimates. Significant estimates include the amortization of tangible capital assets.

viii) Related Party

Parties are considered related when one party can exercise control or shared control over the other; it could be an individual or an entity. Key management personnel include members of council, general managers, and their close family members, including their spouses and dependents. The disclosure includes information about the types of related party transactions and the relationship underlying them, mainly when they have occurred at a value different from that which would have been arrived at if the parties were unrelated: and they have, or could have, a material financial effect on the financial statements.

ix) Future Accounting Policies Changes

A number of new standards and amendments to standards which may impact the Library are not yet effective for the year ended December 31, 2022 and have not been applied in preparing these consolidated financial statements. In particular, the following new standards and amendments to standards are effective for financial statements beginning on or after:

PS2601	Foreign Currency Translation	April 1, 2022
PS3041	Portfolio Investments	April 1, 2022
PS3280	Asset Retirement Obligations	April 1, 2022
PS3450	Financial Instruments	April 1, 2022
PS1201	Financial Statement Presentation	April 1, 2022
PS3400	Revenue	April 1, 2023

The extent of the impact of adopting these standards is not known at this time.

**SASKATOON PUBLIC LIBRARY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**  
(In thousands of dollars)

**3. CASH AND CASH EQUIVALENTS**

	<b>2022</b>	2021
Cash and cash equivalents	<b>\$ 14</b>	\$ 193
Cash and cash equivalents (SILS)	<b>331</b>	216
	<b>\$ 345</b>	\$ 409

**4. INVESTMENT IN GOVERNMENT PARTNERSHIPS**

In 2008, the Saskatoon Public Library entered into a partnership with the Regina Public Library, the Saskatchewan Regional Libraries, and the Province of Saskatchewan to establish a single integrated library information system for the province, providing a common experience for library users throughout the Province. Subsequently, SILS was incorporated on November 6, 2009, as a non-profit organization. SILS is funded by grants from the Ministry of Education, the Government of Saskatchewan, and the member libraries. The member libraries share annual operating expenses based on a service level formula.

The condensed supplementary financial information of SILS is as follows:

	<b>2022</b>	2021
<b>Statement of Financial Position</b>		
Financial Assets	<b>\$ 3,001</b>	\$ 2,897
Financial Liabilities	<b>621</b>	682
Net Financial Assets	<b>2,380</b>	2,215
Non-Financial Assets	<b>325</b>	321
<b>Accumulated Surplus</b>	<b>\$ 2,705</b>	\$ 2,536
<b>Statement of Operations</b>		
Revenue	<b>1,346</b>	1,261
Expenses	<b>1,177</b>	1,245
<b>Annual Surplus</b>	<b>\$ 169</b>	\$ 16

**SASKATOON PUBLIC LIBRARY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**  
(In thousands of dollars)

**4. INVESTMENT IN GOVERNMENT PARTNERSHIPS (continued)**

The financial statements shown above are proportionately consolidated with the Library's financial statements at 24.86% (2021 – 25.36%) of the Library's interest in SILS. After eliminating intercompany transactions, the following amounts have been included in the consolidated financial statements:

	2022	2021
<b>Statement of Financial Position</b>		
Financial Assets	\$ 746	\$ 685
Financial Liabilities	154	123
<b>Net Financial Assets</b>	<b>591</b>	562
Non-Financial Assets	81	81
<b>Accumulated Surplus</b>	<b>\$ 672</b>	\$ 643
<b>Statement of Operations</b>		
Revenue	38	320
Expenses	(9)	(316)
<b>Annual Surplus</b>	<b>\$ 29</b>	\$ 4

**5. INVESTMENTS**

	Cost		Market	
	2022	2021	2022	2021
SILS Current investments	\$ 80	\$ 508	\$ 80	\$ 500
SILS Long-term investments	318	-	318	-
Portfolio investments	18,670	17,957	17,817	17,817
	<b>\$ 19,068</b>	\$ 18,465	<b>\$ 18,215</b>	\$ 18,317

Municipal government and corporate bonds had maturities between 2023 –2026 (2021, 2022-2026) with effective interest rates of 0.95% to 3.75% (2021, 0.95% to 3.75%). SILS investments consist of term deposits that mature in July 2023 and 2024 to 2027 with effective interest rates of 3.75% to 4.55% (2021; with effective interest rates of 0.75%)

**SASKATOON PUBLIC LIBRARY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**  
(In thousands of dollars)

**6. TANGIBLE CAPITAL ASSETS**

	Cost			Accumulated Amortization				Net Book Value		
	Opening Balance	Additions	Disposals & Write-downs	Balance End of Year	Accumulated Amortization Beginning of Year	Disposals & write-downs	Amortization	Accumulated Amortization End of Year	Tangible Capital Assets 2022	2021
Land	\$ 9,278	\$ -	\$ -	\$ 9,278	\$ -	\$ -	\$ -	\$ -	\$ 9,278	\$ 9,278
Land Improvements	341	-	-	341	(273)	-	(11)	(284)	57	68
Buildings	8,633	-	-	8,633	(2,405)	-	(173)	(2,578)	6,055	6,228
Machinery & Equipment	-	111	-	111	-	-	(12)	(12)	99	-
Furniture & Fixtures	5,868	102	(291)	5,679	(1,556)	272	(285)	(1,569)	4,110	4,312
Computer Equipment	1,039	52	(2)	1,089	(871)	2	(107)	(976)	113	168
Books	10,220	1,081	(1,010)	10,291	(5,549)	1,010	(932)	(5,471)	4,820	4,671
Audio-Visual Materials	5,165	479	(533)	5,111	(2,931)	533	(468)	(2,866)	2,245	2,234
Periodicals	117	65	(59)	123	(63)	59	(29)	(33)	90	54
Work In Progress	2,266	3,295	-	5,561	-	-	-	-	5,561	2,266
<b>Total</b>	<b>\$ 42,927</b>	<b>\$ 5,185</b>	<b>\$(1,895)</b>	<b>\$ 46,216</b>	<b>\$(13,648)</b>	<b>\$ 1,876</b>	<b>\$(2,017)</b>	<b>\$(13,788)</b>	<b>\$ 32,428</b>	<b>\$ 29,279</b>

**SASKATOON PUBLIC LIBRARY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**  
(In thousands of dollars)

**7. LIBRARY RESERVES AND APPROPRIATED BALANCES**

	2022 Beginning Balance	2022 Ending Balance
Capital Expansion Reserve	\$ 16,551	<b>\$ 17,080</b>
Equipment Replacement Reserve	2,635	<b>2,634</b>
New Central Library Reserve	14,443	<b>16,667</b>
Maintenance Reserves	4,917	<b>5,526</b>
Materials Stabilization Reserve	166	<b>169</b>
Levy Stabilization Reserve	416	<b>424</b>
Materials Purchase Reserve	99	<b>292</b>
IT Reserve	2,027	<b>2,121</b>
Other Funds	397	<b>376</b>
<b>Total Library Reserves and Funds</b>	<b>\$ 41,651</b>	<b>\$ 45,289</b>
Library Tangible Capital Assets	29,279	<b>32,428</b>
SILS Accumulated Surplus	643	<b>672</b>
<b>Consolidated Accumulated Surplus</b>	<b>\$ 71,573</b>	<b>\$ 78,389</b>

A) Library Reserves

Of the total Reserve balance of \$ 45,290 (2021 - \$ 41,651), \$ 29,416 (2021 - \$25,611) has been committed for future expenditures based on 2022 and prior years' Capital Budgets and Board approvals.

The Library's Board of Trustees directs the withdrawal of funding from these reserves.

B) SILS Reserves & Surplus

The Saskatoon Public Library's share of SILS net financial assets is \$672 for 2022 (2021 - \$643).

**SASKATOON PUBLIC LIBRARY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**  
(In thousands of dollars)

**8. PURCHASE OF LIBRARY MATERIALS**

For information purposes, the following is information on the Library's purchases of library materials for 2022 compared to the 2021 actual and 2022 budgets.

<b>Tangible Capital Assets (Note 6)</b>	2022 Budget	<b>2022 Actual</b>	2021 Actual
Books	\$ 1,172	<b>\$ 1,081</b>	\$ 965
Audio-Visual Materials	550	<b>479</b>	364
Periodicals	74	<b>65</b>	58
<b>Total Tangible Capital Assets</b>	<b>1,796</b>	<b>1,625</b>	1,387
Library Materials	800	<b>798</b>	812
<b>Total Purchases of Library Materials</b>	<b>\$ 2,596</b>	<b>\$ 2,443</b>	\$ 2,199

**9. PENSION EXPENSE**

Employees of the Library participate in retirement plans with the City of Saskatoon (a related party), which is responsible for the plans. The General Superannuation Plan is treated as a multi-employer defined benefit plan for the purpose of the Library's financial statements. It provides a benefit integrated with the Canada Pension Plan and is based on years of contributory service times as a percentage of average earnings. The Part-Time and Seasonal Employee Superannuation Plan is a defined contribution plan. It provides a benefit based on the annuity purchased with the funds in the employee's account (i.e. a money purchase plan). Pension fund assets are invested entirely in marketable investments of organizations external to the City and its subsidiaries.

The board of trustees, representing plan members and employers, is responsible for administering the plans, including investment of assets and administration of benefits. As of December 31, 2022, General Superannuation Plan had 180 active members and 127 retired members; the Seasonal and Non-Permanent Part-Time Employees Plan had 19 active members. The Library's obligation to the plans is limited to making required payments to match amounts contributed by employees for current services. The library records its pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). Because the plan records accrued liabilities and accrued assets in aggregate, this results in no consistent and reliable basis for allocating the obligation, assets and costs separately to the various employers participating in the plans (City of Saskatoon, Saskatoon Public Library, SaskTel Centre, Remai Modern, and TCU Place.)

Pension expense for the year amounted to \$992 (2021 - \$ 950) and is included in wages/benefits.

**10. BUDGETED FIGURES**

Budgeted figures represent the Library's operating budget and have been derived from the estimates approved by the Board of Trustees on September 15, 2021.

**SASKATOON PUBLIC LIBRARY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**  
(In thousands of dollars)

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**11. COMMITMENTS**

The Library is obligated under long-term agreements for premises leased from the City of Saskatoon, Saskatoon Housing Authority, and Sienna Sabra LP. Minimum future payments not related to maintenance and utility costs required under these agreements over the next five years are as follows:

2023	\$ 584
2024	470
2025	385
2026	291
2027	1

The Library has an administrative, facility service, and energy management agreement with the City of Saskatoon. The fees with these agreements are set annually and disclosed in note 12.

The Library has \$6,920 of contracts with various parties for the New Central Library project over the next five years as follows:

2023	\$ 2,303
2024	1,831
2025	1,977
2026	643
2027	166

**12. RELATED PARTY TRANSACTIONS**

The Library leases several buildings from the City of Saskatoon at no cost; ownership of the buildings remains with the City and reverts to them should the Library vacate the premises. The Library annually pays the City of Saskatoon for the administration service agreement \$315 (2021, \$315), the facility service agreement \$1,436 (2021, \$1,434), and the energy management agreement \$15 (2021, \$13), which are recorded under the Administration and Local Branch Services in the Consolidated Statement of Operations.

The Library's due/from balance is due from the City of Saskatoon to the Library for their investments held by the City of Saskatoon, net of other receivable and payable balances.

**13. DEFERRED REVENUE**

Saskatoon Public Library holds a \$100 deposit for a sale transaction that is expected to be completed in 2026.

**14. SUBSEQUENT EVENT**

Subsequent to the year ended December 31, 2022, the Library announced the construction of the New Central Library was delayed as bids for the project came in over budget. The matter is currently being assessed and the future impact this has on the project is currently unknown. As at December 31, 2022, \$14,561 are included in the statement of financial position within tangible capital assets. The breakdown of this includes \$9,000 of land and \$5,561 of work in process. No adjustments have been made to the carrying values of these tangible capital assets as a result of the announcement.

**Schedule 1**  
**Saskatoon Public Library**  
**Schedule of Reserves**  
**As at December 31, 2022**  
**(in thousands of dollars)**  
**(Unaudited)**

	<b>2022 Beginning Balance</b>	<b>Transfers to Reserves</b>	<b>Net Additions to Tangible Capital Assets</b>	<b>Transfers out ( Expenses)</b>	<b>Donations</b>	<b>Interest / Other Earnings</b>	<b>2022 Ending Balance</b>
<b>Library Reserves</b>							
Capital Expansion Reserve	\$ 16,551	\$ 350	\$ -	\$ (26)	\$ -	\$ 205	\$ 17,080
Equipment Replacement Reserve	2,635	146	(174)	(6)	-	33	2,634
New Central Library Reserve	14,443	5,270	(3,381)	-	-	335	16,667
Maintenance Reserves	4,917	553	(45)	-	-	101	5,526
Materials Stabilization Reserve	166	-	-	-	-	3	169
Material Purchase Reserve	99	2,596	(2,423)	-	-	20	292
Levy Stabilization	416	-	-	-	-	8	424
IT Reserve	2,027	58	(2)	-	-	38	2,121
Other Funds	397	7	-	(397)	355	14	376
<b>Total Library Reserves and Funds</b>	<b>41,651</b>	<b>8,980</b>	<b>(6,025)</b>	<b>(429)</b>	<b>355</b>	<b>757</b>	<b>45,289</b>
Library Tangible Capital Assets	\$ 29,279	-	3,149	-	-	-	\$ 32,428
SILS Accumulated Surplus	643	-	-	(9)	-	38	672
<b>Consolidated Accumulated Surplus</b>	<b>\$ 71,573</b>	<b>\$ 8,980</b>	<b>\$ (2,876)</b>	<b>\$ (438)</b>	<b>\$ 355</b>	<b>\$ 795</b>	<b>\$ 78,389</b>

**Schedule 2**  
**Saskatoon Public Library**  
**Schedule of Capital Operation**  
For the Year Ended December 31, 2022  
(in thousands of dollars)  
(Unaudited)

	2022	2021
<b>SOURCE OF FUNDS</b>		
Equipment Replacement Reserve	\$ 174	\$ 93
Information Technology Reserve	2	36
New Central Library Reserve	3,381	1,206
Maintenance Reserves	3	26
Materials Purchase Reserve	1,625	1,387
	<u>5,185</u>	<u>2,748</u>
<b>EXPENSES</b>		
Equipment Replacement	111	31
Information Technology	52	36
Branch Renovations	102	2
Collection	1,625	1,387
Work in Progress	3,295	1,292
<b>INVESTMENT IN TANGIBLE CAPITAL ASSETS</b>	<u>5,185</u>	<u>2,748</u>
<b>Unexpended Capital Financing, Beginning of Year</b>	-	-
<b>Unexpended Capital Financing, End of Year</b>	<u>\$ -</u>	<u>\$ -</u>

**Schedule 3**  
**Saskatoon Public Library**  
**Schedule of General Fund Revenues and Expenditures**  
For the Year Ended December 31, 2022  
(in thousands of dollars)  
(Unaudited)

	2022 Budget	2022 Actual	2021 Actual
<b>REVENUES</b>			
<b>Taxation</b>			
Property Levy	\$ 28,895	\$ 28,615	\$ 27,352
Municipal Service Agreement	81	103	96
	<u>28,976</u>	<u>28,718</u>	<u>27,448</u>
<b>Government Grants</b>			
Province of Saskatchewan	688	711	744
<b>Other Revenue</b>			
Other	129	316	455
	<u>129</u>	<u>316</u>	<u>455</u>
<b>TOTAL REVENUE</b>	<u>29,793</u>	<u>29,745</u>	<u>28,647</u>
<b>EXPENSES</b>			
<b>Administration</b>			
Wages/Benefits, Honoraria/Grants	2,082	2,234	2,131
Purchase of Goods & Services	1,329	963	1,176
Tax Abatements	85	85	75
	<u>3,496</u>	<u>3,282</u>	<u>3,382</u>
<b>Direct Library Services</b>			
Wages/Benefits, Honoraria/Grants	5,952	6,240	5,925
Purchase of Goods & Services	936	512	589
Library Materials	800	798	812
	<u>7,688</u>	<u>7,550</u>	<u>7,326</u>
<b>Local Branch Services</b>			
Wages/Benefits, Honoraria/Grants	6,026	6,430	5,700
Purchase of Goods & Services	2,722	2,555	2,891
	<u>8,748</u>	<u>8,985</u>	<u>8,591</u>
<b>Services to Branches</b>			
Wages/Benefits, Honoraria/Grants	424	610	443
Purchase of Goods & Services	1,323	1,137	611
	<u>1,747</u>	<u>1,747</u>	<u>1,054</u>
<b>TOTAL EXPENSES</b>	<u>21,679</u>	<u>21,564</u>	<u>20,353</u>
<b>Revenues less Expenses</b>	\$ 8,114	\$ 8,181	\$ 8,294
Transfers to Reserves	(8,114)	(8,116)	(7,093)
<b>Net General Fund</b>	<u>\$ -</u>	<u>\$ 65</u>	<u>\$ 1,201</u>

Schedule 3 includes only those revenues and expenses reflected in the Library's Annual Operating Budget, which is prepared to identify the Library's property tax requirement.

**Schedule 4**  
**Saskatoon Public Library**  
**Schedule of Expenses by Object**  
**For the Year Ended December 31, 2022**  
(in thousands of dollars)  
(Unaudited)

	2022 Budget	Administration	Direct Library Services	Local Branch Services	Services to Branches	<b>2022 Actual</b>	2021 Actual
Wages/Benefits, Honoraria/Grants	\$ 14,484	\$ 2,234	\$ 6,240	\$ 6,430	\$ 610	\$ 15,514	\$ 14,199
Purchased Goods and Services	6,310	963	512	2,555	1,137	\$ 5,167	5,267
Library Materials (Note 8)	800	-	798	-	-	\$ 798	812
Tax Abatements	85	85	-	-	-	\$ 85	75
	<u>\$ 21,679</u>	<u>\$ 3,282</u>	<u>\$ 7,550</u>	<u>\$ 8,985</u>	<u>\$ 1,747</u>	<u>\$ 21,564</u>	<u>\$ 20,353</u>

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