

**TOWN OF COLLINGWOOD**

**PUBLIC LIBRARY BOARD**

**FINANCIAL REPORT**

**DECEMBER 31, 2024**

Draft for Discussion

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**COLLINGWOOD PUBLIC LIBRARY BOARD**  
**TABLE OF CONTENTS**  
**AS AT DECEMBER 31, 2024**

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Management's responsibility for the financial report	1
Independent auditor's report	2
Statement of financial position	4
Statement of operations	5
Statement of change in net debt	6
Statement of cash flow	7
Notes to the financial statements	8
Schedule 1 - Schedule of tangible capital assets	12

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## COLLINGWOOD PUBLIC LIBRARY BOARD

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### MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL REPORT

The accompanying financial statements of the Collingwood Public Library Board ("the Board") are the responsibility of the Board's management and have been prepared in accordance with Canadian public sector accounting standards, established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada, as described in Note 1 to the financial statements.

The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The Board's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded, and reliable financial information is available on a timely basis for preparation of the financial statements. These systems are monitored and evaluated by management. The Board meets with management and the external auditor to review the financial statements and discuss any significant financial reporting or internal control matters prior to their approval.

The financial statements have been audited by Baker Tilly SGB LLP, independent external auditor appointed by the Town. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the Board's financial statements.

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Treasurer  
June 26, 2025

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Chief Executive Officer, Library  
June 26, 2025

## INDEPENDENT AUDITOR'S REPORT

To the Members of the Collingwood Public Library Board, Members of Council, Inhabitants and Ratepayers of the Town of Collingwood:

### **Opinion**

We have audited the financial statements of the Collingwood Public Library Board ("the Board"), which comprise the statement of financial position as at December 31, 2024, and the statements of operations, change in net debt and cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Board as at December 31, 2024, and its results of operations and 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 Board 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 Board's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Board or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Board'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 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 Board'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 Board'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 Board 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.

Baker Tilly SGB LLP  
Chartered Professional Accountants  
Licensed Public Accountants  
Collingwood, Ontario  
June 26, 2025

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**COLLINGWOOD PUBLIC LIBRARY BOARD**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT DECEMBER 31**

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	2024	2023
	\$	\$
<b>Financial assets</b>		
Due from Town of Collingwood - reserves (Note 6)	54,923	53,549
<b>Liabilities</b>		
Employee future benefits payable (Note 5)	<u>124,390</u>	114,850
Net debt	(69,467)	(61,301)
Tangible capital assets - net (Schedule 1)	<u>627,201</u>	637,515
Accumulated surplus (Note 6)	<u>557,734</u>	576,214
Approved	<hr/> <hr/>	

The accompanying notes are an integral part of  
these financial statements

**COLLINGWOOD PUBLIC LIBRARY BOARD**  
**STATEMENT OF OPERATIONS**  
**FOR THE YEAR ENDED DECEMBER 31**

	Budget 2024	Actual 2024	Actual 2023
	\$ (Note 4)	\$	\$
<b>Revenues</b>			
Government grants	34,513	<b>70,930</b>	36,035
Fees	18,000	<b>19,570</b>	17,582
Donations, fundraising and miscellaneous	9,500	<b>16,299</b>	13,724
Rentals	20,000	<b>25,789</b>	24,229
Municipal contributions	1,703,925	<b>1,705,725</b>	1,619,317
	<u>1,785,938</u>	<u><b>1,838,313</b></u>	<u>1,710,887</u>
<b>Expenses</b>			
Amortization	-	<b>125,343</b>	125,953
Audio visual	1,000	<b>945</b>	808
Automation	14,000	<b>12,093</b>	31,265
Children's department	5,000	<b>4,312</b>	3,512
Conventions, conferences and memberships	2,000	<b>1,834</b>	3,460
Education	10,000	<b>8,399</b>	5,132
Heat, light and water	52,755	<b>56,393</b>	51,433
Insurance	14,716	<b>13,320</b>	13,524
Maintenance - building	73,610	<b>74,252</b>	81,724
Maintenance - equipment	1,000	<b>841</b>	688
Office	14,000	<b>14,793</b>	12,764
Printer copier	8,000	<b>4,735</b>	9,419
Public relations	6,000	<b>43,355</b>	14,394
Salaries and benefits (Note 3)	1,502,157	<b>1,472,391</b>	1,361,690
Security	15,000	<b>10,468</b>	-
Special events	9,000	<b>6,538</b>	4,283
Telephone	6,700	<b>6,781</b>	7,324
	<u>1,734,938</u>	<u><b>1,856,793</b></u>	<u>1,727,373</u>
<b>Annual surplus (deficit)</b>	51,000	<b>(18,480)</b>	(16,486)
Accumulated surplus at beginning of year	576,214	<b>576,214</b>	592,700
<b>Accumulated surplus at end of year (Note 6)</b>	<u>627,214</u>	<u><b>557,734</b></u>	<u>576,214</u>

The accompanying notes are an integral part of  
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**COLLINGWOOD PUBLIC LIBRARY BOARD**  
**STATEMENT OF CHANGE IN NET DEBT**  
**FOR THE YEAR ENDED DECEMBER 31**

	Budget 2024 \$ (Note 4)	Actual 2024 \$	Actual 2023 \$
Annual surplus (deficit)	51,000	(18,480)	(16,486)
Acquisition of tangible capital assets	(7,000)	(115,029)	(114,385)
Amortization of tangible capital assets	-	125,343	125,953
<b>Change in net debt</b>	44,000	(8,166)	(4,918)
Net debt at beginning of year	(61,301)	(61,301)	(56,383)
<b>Net debt at end of year</b>	(17,301)	(69,467)	(61,301)

The accompanying notes are an integral part of  
these financial statements



**COLLINGWOOD PUBLIC LIBRARY BOARD**  
**STATEMENT OF CASH FLOW**  
**FOR THE YEAR ENDED DECEMBER 31**

	2024	2023
	\$	\$
Cash flows from (for):		
Operating activities		
Annual deficit	(18,480)	(16,486)
Non-cash items:		
Amortization of tangible capital assets	125,343	125,953
	<u>106,863</u>	109,467
Changes in:		
Due from Town of Collingwood	(1,374)	(1,292)
Employee future benefits payable	9,540	6,210
	<u>115,029</u>	114,385
Net change in cash from operations		
Capital activities		
Acquisition of tangible capital assets	(115,029)	(114,385)
	<u>-</u>	<u>-</u>
<b>Net change in cash position</b>	<b>-</b>	<b>-</b>
<b>Cash position at beginning and end of year</b>	<b>-</b>	<b>-</b>

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these financial statements

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**COLLINGWOOD PUBLIC LIBRARY BOARD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS AT DECEMBER 31, 2024**

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**Nature of operations**

The Collingwood Public Library Board is a corporate body as specified under the Library Act and is a registered charity and, as such, is exempt from income tax and may issue income tax receipts to donors.

The primary role of the Public Library is to provide services to the general public.

**1. Summary of significant accounting policies**

The financial statements of the Collingwood Public Library Board are the representation of management prepared in accordance with local government accounting standards established by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada.

The focus of PSAB financial statements is on the financial position of the Board and the changes thereto. The statement of financial position includes all of the assets and liabilities of the Board. Financial assets are those assets which could provide resources to discharge existing liabilities or finance future operations. Accumulated surplus represents the financial position and is the difference between assets and liabilities. This provides information about the Board's overall future revenue requirements and its ability to finance activities and meet its obligations. Significant aspects of the accounting policies adopted by the Board are as follows:

**(a) Basis of accounting**

Sources of revenues 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 or services and the creation of a legal obligation to pay.

**(b) Leases**

Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risks incidental to ownership of the property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

**(c) Revenue recognition**

Revenue from government grants, donations and fundraising are recognized when received and compliance with the terms and conditions of the funding have been satisfied. Revenue from fees, miscellaneous and municipal contributions are recognized when received.

**(d) Use of estimates**

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. The most significant estimates are useful lives of tangible capital assets and the amount for employee future benefits payable. Actual results could differ from those estimates.

**(e) Pension plan**

The Board offers a pension plan for its full-time employees through the Ontario Municipal Employee Retirement System ("OMERS"). OMERS is a multi-employer, contributory, public sector pension fund established for employees of municipalities, local boards and school boards in Ontario. Participating employers and employees are required to make plan contributions based on participating employees' contributory earnings. The Municipality accounts for its participation in OMERS as a defined contribution plan and recognizes the expense related to this plan as contributions are made, even though OMERS is itself a defined benefit plan.

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**COLLINGWOOD PUBLIC LIBRARY BOARD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS AT DECEMBER 31, 2024**

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**1. Summary of significant accounting policies (continued)**

**(f) Financial instruments**

The financial instruments of the Board consist of due from the Town of Collingwood. Amounts due from the Town of Collingwood are recognized at cost.

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

The Standards require an organization to classify fair value measurements using a fair value hierarchy, which includes three levels of information that may be used to measure fair value:

- Level 1 - Unadjusted quoted market prices in active markets for identical assets or liabilities;
- Level 2 - Observable or corroborated inputs, other than level 1, such as quoted prices for similar assets or liabilities in inactive markets or market data for substantially the full term of the assets or liabilities; and
- Level 3 - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets and liabilities.

**(g) Other post-employment benefits**

Employee future benefits other than pension provided by the Municipality include medical, dental and life insurance benefits. These plans provide benefits to employees when they are no longer providing active service. Employee future benefit expense is recognized in the period in which the employees render services on an accrual basis.

The accrued benefit obligations and the current service costs are calculated using the projected benefit method, prorated on service, and based on assumptions that reflect management's best estimates. The current service cost for a period is equal to the actuarial present value of benefits attributed to employees' services rendered in the period. Past service costs arising from plan amendments are amortized on a straight-line basis over the average remaining service period of employees active at the date of amendment. The excess of the net actuarial gains or losses over 10% of the accrued benefit obligation is amortized to expense over the average remaining service period of active employees to full eligibility.

**(h) Non-financial assets**

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year, together with the annual surplus, provides the change in net debt for the year.

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

Furniture, fixtures and equipment	- 5 to 20 years
Library collection	- 10 years
Computer hardware	- 5 years

One half of the annual amortization is charged in the year of acquisition and in the year of disposal. The building in which the library operates is owned by the Town of Collingwood and is not reflected in the Board's tangible capital assets.

The Board owns four special book collections. Due to their historical or valuable nature, they are not included in the library's regular library collection for circulation to the public. As such, these collections are also not included in the Board's tangible capital assets.

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**COLLINGWOOD PUBLIC LIBRARY BOARD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS AT DECEMBER 31, 2024**

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**2. Statement of remeasurement gains and losses**

A statement of remeasurement gains and losses has not been provided because there were no remeasurement gains or losses during the year.

**3. Pension agreement**

The employees of the Board participate in the Ontario Municipal Employees Retirement Savings Plan ("OMERS"). Although the plan has a defined retirement benefit for employees, the related obligation of the Board cannot be identified. The Board has applied defined contribution plan accounting as it has insufficient information to apply defined benefit plan accounting. The OMERS plan has several unrelated participating municipalities and costs are not specifically attributed to each participant. Amounts paid to OMERS during the year totaled \$96,223 (2023 - \$83,236).

OMERS is a multi-employer plan, therefore any pension plan surpluses or deficits are a joint responsibility of Ontario municipal organizations and their employees. The most recent actuarial valuation of the Plan was conducted at December 31, 2024. The results of this valuation disclosed total actuarial liabilities of \$142.5 (2023 - \$136.2) billion in respect of benefits accrued for service with actuarial assets at that date of \$139.6 (2023 - \$132.0) billion, indicating a going concern funding deficit of \$2.9 (2023 - \$4.2) billion.

**4. Budget amounts**

The budget approved for 2024 is reflected on the statement of operations and statement of change in net debt. The budgets established for capital investment in tangible capital assets are on a project oriented basis, the costs of which may be carried out over one or more years and, therefore, may not be comparable with the current year's actual expenditure amounts. Budget figures have been reclassified for the purposes of these financial statements to comply with PSAB reporting requirements.

**COLLINGWOOD PUBLIC LIBRARY BOARD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS AT DECEMBER 31, 2024**

**5. Employee future benefits payable**

The Collingwood Public Library Board pays certain benefits on behalf of its retired employees for extended health and dental benefits. The Board recognizes these post-retirement costs in the period in which the employees render the services. The accrued benefit obligation at December 31, 2024 is based on actuarial reports dated January 15, 2024. Actuarial valuations will be prepared every third year or when there are significant changes to the workforce.

Information about the defined benefit plan is as follows:

	2024 \$	2023 \$
Accrued plan liability at beginning of year	114,850	108,640
Current service cost	9,663	8,475
Interest cost	3,582	3,056
Actuarial gain	817	735
Benefits paid for the year	(4,522)	(6,056)
Accrued plan liability and accrued benefit obligation at end of year	<b>124,390</b>	114,850

The main actuarial assumptions employed for the valuations were as follows:

- (i) Salary increase rate - Future general inflation levels, as measured by changes in the Consumer Price Index (CPI), were assumed at 3.20% (2023 - 3.20%).
- (ii) Interest (discount) rate - The obligation as at December 31, 2024, of the present value of future liabilities and the expense was determined using an annual discount rate of 3.75% (2023 - 2.50%).
- (iii) Health care costs - Health care costs were assumed to increase at a rate of 7.00% in 2024 (2023 - 4.00%).
- (iv) Dental and vision costs - Dental and vision costs were assumed to increase at a rate of 4.00% in 2024 (2023 - 4.3%).

**6. Accumulated surplus**

Accumulated surplus consists of the following:

	2024 \$	2023 \$
Invested in tangible capital assets	627,201	637,515
Unfunded employee future benefits	(124,390)	(114,850)
	<b>502,811</b>	522,665
Reserves set aside for specific purposes:		
Library capital	779	779
Library general	43,903	36,903
Library internet	10,241	15,867
Total reserve funds	<b>54,923</b>	53,549
Total accumulated surplus	<b>557,734</b>	576,214

**COLLINGWOOD PUBLIC LIBRARY BOARD**  
**SCHEDULE 1**  
**SCHEDULE OF TANGIBLE CAPITAL ASSETS**  
**FOR THE YEAR ENDED DECEMBER 31**

	Furniture Fixtures and Equipment	Library Collection	Computer Hardware	<b>2024 Total</b>	2023 Total
	\$	\$	\$	\$	\$
Cost					
Balance at beginning of year	221,596	1,136,811	46,010	<b>1,404,417</b>	1,381,239
Additions	-	109,402	5,627	<b>115,029</b>	114,385
Disposals	(12,082)	(90,985)	(7,078)	<b>(110,145)</b>	(91,207)
Balance at end of year	<u>209,514</u>	<u>1,155,228</u>	<u>44,559</u>	<b><u>1,409,301</u></b>	<u>1,404,417</u>
Accumulated amortization					
Balance at beginning of year	156,093	581,375	29,434	<b>766,902</b>	732,156
Amortization	12,714	105,735	6,894	<b>125,343</b>	125,953
Disposals	(12,082)	(90,985)	(7,078)	<b>(110,145)</b>	(91,207)
Balance at end of year	<u>156,725</u>	<u>596,125</u>	<u>29,250</u>	<b><u>782,100</u></b>	<u>766,902</u>
Net book value at end of year	<u>52,789</u>	<u>559,103</u>	<u>15,309</u>	<b><u>627,201</u></b>	<u>637,515</u>

The accompanying notes are an integral part of  
these financial statements

**Collingwood Library  
Surplus Reconciliation  
December 31, 2024**

Rounded to nearest \$1,000		\$ 2024	\$ 2023	\$ 2022
Revenue per internal f/s	12	207,000	171,000	144,000
Expenses per internal f/s	12	(2,105,000)	(1,977,000)	(1,734,000)
Budgeted Town contribution	12	<u>1,968,000</u>	<u>1,914,000</u>	<u>1,731,000</u>
Surplus per internal f/s		70,000	108,000	141,000
Adjustments:				
Town contribution adjustment	[1]	(262,000)	(295,000)	(327,000)
DC transfer (Note 1)	12	(71,000)	(78,000)	(78,000)
Overhead allocation	12	264,000	264,000	264,000
Amortization expense	TB	(125,000)	(126,000)	(123,000)
Transfer to reserve (Note 2)	12	7,000	7,000	7,000
Book purchases capitalized	TCA-1	109,000	109,000	120,000
Capital Fund Fundraising revenue and Provincial Funding		-	-	-
Change in employee future benefits	202	<u>(10,000)</u>	<u>(6,000)</u>	<u>(6,000)</u>
Reconciled Surplus (deficit)		(18,000)	(17,000)	(2,000)
Surplus / (Deficit) per audited f/s		<u>(18,000)</u>	<u>(17,000)</u>	<u>(2,000)</u>
Unreconciled difference		<u>-</u>	<u>-</u>	<u>-</u>

Note 1    Transfer of DC funds is not considered revenue for audited f/s purposes

Note 2    Transfer to reserve is not considered expense for audited f/s purposes

[1]            1,968,000    Budgeted Contribution  
                  1,706,000    TB l/s 405 rounded  
                  262,000