



Newfoundland & Labrador
Public Libraries

Annual Report

2022-23

Submitted by

**The Provincial Information
and
Library Resources Board**

TABLE OF CONTENTS

Cover	1
Table of Contents	2
List of Appendices	2
Board Members	16
Board Structures	18
Financial Statements	20
Staffing Complement	50
Letter from Chair	3
Board Structures	4
Provincial	4
Regional and Local	4
Entity Overview	4
Library Funding	4
Staff Complement.....	5
Library Locations.....	5
Highlights and Partnerships	5
Library Services.....	7
Library Facilities.....	8
Library Materials.....	9
Technical Services (cataloguing and processing)	9
Special Projects/Activities	10
Report on Performance 2022 – 23	11
Issue: Sustainability of the Public Library System.....	11
Opportunities and Challenges	14



Newfoundland & Labrador
Public Libraries

PROVINCIAL ADMINISTRATION DIVISION
48 St. George's Avenue, Stephenville, NL A2N 1K9

Honourable Krista Lynn Howell
Minister of Education
Department of Education
P. O. Box 8700
St. John's, NL
A1B 4J6

Dear Minister Howell:

I am pleased to submit, on behalf of the Provincial Information and Library Resources Board, the annual report for the year 2022-23.

This report was prepared in accordance with the requirements of a category one entity under the **Public Libraries Act** and the **Transparency and Accountability Act**. The outcomes reported in this document detail the Newfoundland and Labrador Public Libraries' performance in addressing the strategic issues outlined in the 2020-23 Strategic Plan.

On behalf of the entire Board, I offer our sincere thanks to all our local and divisional board members, staff, partners and patrons who have contributed to or used our services during this past year. I also want to acknowledge the support we have received from the Department of Education and Government. Your continued use of and support for our services are sincerely appreciated.

As the Provincial Information and Library Resources Board, we are accountable for the results reported herein. My signature below is indicative of the Board's accountability for the actual results.

Sincerely,

Myrtice Alpen, Chair

BOARD STRUCTURES

Provincial Information and Library Resources Board

The Provincial Information and Library Resources Board (PILRB - the Board) is a category one Government entity established, under the authority of the **Public Libraries Act**, to oversee the operation of the public library services in the province, now commonly referred to as the Newfoundland and Labrador Public Libraries (NLPL - the organization). The organization has existed, in some form, since 1935.

The PILRB is a provincial board composed of representatives of regional library boards and appointees of the Lieutenant-Governor in Council. The provincial Board has not less than 10 and not more than 15 members which include: (a) a representative from each regional library board appointed by that board; (b) the chairperson of the St. John's Library Board appointed by that board; and (c) up to six other members appointed by the Lieutenant-Governor in Council. A list of board members as of March 31, 2023, is found in Appendix 1.

Regional and Local Library Boards

There are 94 public library locations throughout the province. Each local library is operated by a local library board consisting of five to nine members, with the exception of the three libraries in St. John's, which operate under the St. John's Library Board. A representative of each local library board is appointed to a regional library board, which assists the PILRB to ensure services and programs are consistent throughout the different regions of the province and aids in the development and implementation of policies. The structure of the boards is outlined in Appendix 2.

ENTITY OVERVIEW

Information on the PILRB's Mandate, Lines of Business, Primary Clients and Vision can be found at the PILRB's website at <https://www.nlpl.ca/mandate>.

Library Funding

The public library system is funded, primarily, by the Provincial Government in the form of an annual operating grant. In 2022-23, the grant that was recognized in the financial statements was \$11,725,079.

Many municipalities regularly contribute to the operation of public libraries either by providing direct funding or in-kind contributions. The funding provided from municipalities in 2022-23 was low; however, the in-kind contributions were significant. These in-kind contributions, in the form of free or low-cost rent, snow clearing, maintenance, etc., which are not included in the budget figures, were estimated to exceed \$1,000,000.

The remainder of the funding was self-generated from fees for service and donations. The total operating and capital budget for 2022-23 was \$12,142,310.

The PILRB's fiscal position is audited annually by the Office of the Auditor General. The Auditor General's report and the audited financial statements for 2022-23 are attached in Appendix 3.

Staff Complement

In order to provide library services throughout the province, the organization relies on a dedicated and competent workforce. As of March 31, 2023, PILRB had a total staff complement of 195 full and part-time permanent employees, and 172 substitute (casual) employees who are called to work in one or more of our library sites when regular staff take leave. The bargaining unit employees, including substitutes, are represented by the Canadian Union of Public Employees (CUPE). There were also approximately 700 volunteer library board members and many other individuals who volunteered to support their public library. The organizational chart is found in Appendix 4.

Library Locations

There are 94 public libraries located throughout the province. These libraries are divided into four regions:

Western Newfoundland	29	(includes 5 in Labrador)
Central Newfoundland	33	
Eastern Newfoundland	29	
St. John's	3	

Of the 94 public libraries, 30 are located in schools, 36 are located in municipal buildings, four are located in Government buildings and 24 are located in PILRB owned or leased facilities.

Highlights and Partnerships

During 2022-23, the PILRB continued to maintain excellent partnerships with a number of groups and agencies which contribute to the provision of quality library services and programs:

- Many municipalities supported public libraries with funding or in-kind contributions, including a partnership between the St. John's Public Library Board and the City of St. John's to establish a Mobile Outreach Unit for promotion of library services and programs. This was the second year of this partnership.
- The Corner Brook Library hosted their first Writer in Residence (Hannah Jenkins) this past year in partnership with Memorial University of Newfoundland (MUN), Grenfell Campus.
- The Newfoundland and Labrador English School District continued to provide space for 30 school/public libraries as well as cleaning and maintenance services.
- The Department of Transportation and Infrastructure continued to be a valuable partner in helping to identify and correct issues with buildings or properties and with the tendering process.

- The Toronto Dominion Bank and Library and Archives Canada supported the TD Summer Reading Program, and the Canadian Council for the Arts supported the Literary Readings Program. Both programs, offered in partnership with public libraries, helped enhance literacy.
- A.C. Hunter Public Library and Sun Life continued their partnership to operate the Sun Life Financial Musical Instrument Lending Library. This initiative provides access to 150 musical instruments. For additional information about the program, visit <https://nlpl.ca/programs/musiclibrary/about.html>
- Canada Post continued to support the Library Book Rate, a reduced postal rate for mailing of library materials from library to library and library to end-users. This rate helped provide library services to remote communities without library facilities and made it economical to share library materials between libraries.
- In partnership with CBC Newfoundland and Labrador, PILRB hosted another successful NL Reads. The 2023 nominated works were “Urchin” by Kate Story, “The Wards” by Terry Doyle, “The Love Olympics” by Claire Wilkshire, and the eventual winner, “The Good Women of Safe Harbour” by Bobbi French. The competition was held entirely online over four months. The four Reader Advocates (Mado Christie, Nancy Baker, Ida Linehan, and Adam Walsh) submitted videos advocating for their book, which were featured on the NLPL YouTube channel. Additional content consisted of videos submitted by the authors and author interviews conducted by NLPL staff. Voting concluded on Monday, March 14, with the winner announced on the CBC NL St. John's Morning Show on Thursday, March 16, 2023.
- The NLPL continued its partnership with the Office of Employment Equity for Persons with Disabilities (OEEPD). Under its Career Development Placement program, a Digital Preservation Clerk was employed to help digitize and make accessible historic images of Newfoundland and Labrador held at the Provincial Resource Library in St. John's.
- The Winter Sport lending library was installed in Clarenville in January of 2023. Donations from the community and continued administrative support from Snowboard NL have made this collection possible. Patrons can borrow skis, ski poles, boots, winter coats, snowshoes, snowboards, and other winter snow sport equipment from the library.
- The Gander and Deer Lake Flybrary continued to operate in 2022-23. It is a partnership with the Gander and Deer Lake Airport Authority and the Gander and Deer Lake Public Library. A collection of library materials is set up in the departures area of the airport, and books are free for passengers to take. A wide selection of books is offered to airport travelers.
- The NLPL has partnered with the Murphy Centre to launch a remote literacy program at Corner Brook, Stephenville, Port aux Basques, Gander, Carbonear, Bay Roberts, Burin, Placentia, Clarenville, Mount Pearl and Fogo Island Public Libraries. The Murphy Centre provided the libraries with Chrome books for patron use. Staff at the Murphy Centre regularly present virtual workshops on a variety of topics from basic computer skills to online fraud prevention, while the library provides participants with access to the program space and equipment for participants. This partnership will continue in 2023.
- To support Corner Brook's new Indigenous Collection, the Corner Brook Public Library partnered with Qalipu artists Marcus Gosse, Jordan Bennett, and Jenny Brake. The artists provided artwork which is now on display in the main atrium of the library. This is the second year of this partnership.

- To help provide library materials to citizens of the province with print impairments, the NLPL continued to be a member of the Centre for Equitable Library Access.
- Partnered with the Department of Finance to facilitate the distribution information and applications of the Home Heating Supplement program to members of the general public.
- In the fall of 2022, NLPL's Library on the Go van and Food First NL visited St. John's community centres located at Buckmaster's Circle, Froude Avenue, MacMorran, Rabbittown, and Virginia Park. These monthly visits allow Library staff to speak with community members about library services and programs and sign-up new members. Each month, Library on the Go brings different library materials for people to check-out, as well as pick-up returns.
- Food on the Move and Library on the Go plan to continue their partnership into this summer and beyond.
- The Happy Valley-Goosebay and Cartwright Public Libraries partnered with CBC/Radio-Canada to host Labrador in Focus photography workshops for youth. These workshops are led by Reporter Heidi Atter and are part of CBC/Radio-Canada's two-year pilot Library Partnerships Program.
- NLPL distributed 12,000 bookmarks on behalf of the Office of the Privacy Commissioner of Canada, educating Newfoundlanders and Labradorians to online privacy protection. This was the third consecutive year for this program.
- In partnership with the TD Ready Commitment (Connected Communities), NLPL presented a province-wide celebration of the Black community living within Newfoundland & Labrador during Black History Month. Free events and programming were held online and in-person, including book clubs featuring titles available with unlimited eBook access for February. NLPL contracted with the Social Fabric Institute Inc to complete a Diversity Audit (Race & Ethnicity) on programs and collections available at the A.C. Hunter Library in St. John's, as a result of this partnership.
- The Corner Brook and Happy Valley-Goose Bay Libraries partnered with La Fédération des francophones de Terre-Neuve et du Labrador (FFTNL) to host the Festival littéraire de Terre-Neuve et Labrador which included author readings, musical performances, and a book sale.
- There were many other organizations and agencies that assisted PILRB on a daily basis. That support, which was critical to the effective and efficient operation of public libraries, was truly appreciated by the boards and staff.

Library Services

COVID-19 had a considerable negative impact on library usage statistics in 2020-21. On March 16, 2020, the PILRB suspended operations due to the COVID-19 Health Crisis. Public libraries were closed to the public for 14 weeks, and upon reopening, public access to libraries was restricted for the remainder of the 2020-21 fiscal year.

When library activities began to return to normal in 2021-22 it resulted in large increases in library usage statistics when compared to the activity of 2020-21. In 2022-23 while usage of public libraries became normalized, in some categories, large fluctuations in statistics can still be observed as library patrons returned to a non-restricted library environment.

Each year PILRB records various statistics to help determine trends and evaluate the effectiveness of library programs and services. The following statistical summaries, from 2022-23, provide an overview of activities in the areas monitored:

- Of the 510,550 residents of the province (2020 Census, Statistics Canada), 470,041 people (92% per cent) had direct access (within a 30-minute drive) to a range of library and information services through 94 public library facilities. One hundred per cent of the population had access to library materials either through library facilities or outreach initiatives such as digital library services, electronic resources and Books by Mail.
- 215,937 individuals were registered as library patrons representing 42 per cent of the population with direct access to a public library.
- 1,315,663 items of library material were circulated to patrons. This is an average of six items per patron and represents an eight per cent increase in circulation over the previous year.
- 162,674 reference requests were processed. This represents the number of written and verbal inquiries processed by staff and represents an increase of 14 per cent over last year.
- 170,566 interlibrary loans were processed. This represents the number of items transferred from one library to another, within or outside Newfoundland and Labrador Public Libraries, and is a 20 per cent increase compared to the previous year.
- 7,890 library programs were offered, with a total of 72,140 people participating. There was a 172 per cent increase in the number of programs and a 157 per cent increase in the number of people participating compared to the previous year.
- 479,446 items (371,127 e-books and 108,319 audiobooks) were checked out from our digital library service. This is a comparable number of checked out items when compared to the previous year.
- 59,563 computer use sessions (30-minute blocks were recorded from 215 public computers). This represents a 59 per cent increase compared to the previous year.
- 573,802 wireless sessions were recorded, which represents the number of times patrons connected to the public library using their own computer or device. This represents a three per cent increase over the previous year.

Library Facilities

- The Town of Torbay will continue to rent space in a commercial building until December 31, 2023, in order to operate a public library in Torbay. This has been the seventh consecutive year that the town has rented this space.
- The renovation of the AC Hunter 2nd floor began in May and was completed in November. The \$100,000 budget provided by the PILRB allowed for the purchase of new flooring, painting and shelving. In addition to \$25,000 for lighting provided by Transportation and Infrastructure, these upgrades have significantly improved the 2nd floor, making it brighter, cleaner, and more modern looking. The St. John's Public Libraries Board also allocated \$15,000 to the project, some of which has been spent on new furnishings to complete the space.

The renovation allowed the NLPL to rethink the AC Hunter as a whole and as a result, some collections were moved between the 2nd and 3rd floors to encourage our patrons to make use of the entire library. This has had the desired effect, and patrons are discovering and using new areas of the collection and the library that they had not before.

- Finishing work on the Port aux Basques public library was completed in April/May of 2022. This brought the renovation project to a completion. The renovation included installing a new HVAC and ventilation system, replacing the interior floor, wash room facilities, emergency doors and placing new weeping tile around the foundation of the library. At a cost of \$225,000 this project was undertaken to remediate drainage issues, and water damage to the library.
- The Town of Conception Bay South began construction of an 8,000 square foot building in 2021 that in January 2023 became the home of the Conception Bay South Public Library. The new library will serve a population of 26,000.
- The NLPL conducted major repairs to the King's Point public library, including significant work on securing the crawl space, foundation and floor, completed at a cost of \$88,000. The work will continue in 2023, with roofing repairs to include new shingles, soffit, fascia and eavestrough.
- The NLPL performed renovations to the public washrooms at the Arnold's Cove public library at a cost of \$6,000.

Library Materials

- 31,772 copies of new library materials were purchased for public library sites around the province. This represents an increase of 1,325 items from the previous year.
- 3,732 copies were purchased through local fundraising initiatives. This represents an increase of 140 items.
- \$977,500 was allocated for library materials in the following categories:
 - \$478,160 for books;
 - \$60,000 for periodicals;
 - \$64,100 for electronic information services;
 - \$86,000 for DVDs;
 - \$16,000 for audio books;
 - \$157,600 for the digital library;
 - \$50,525 for licenses and fees;
 - \$2,500 for table top board games; and
 - \$62,615 for miscellaneous items: binding, fees, supplies, freight, etc.

Technical Services (Cataloguing and Processing)

- 35,504 items were received in technical services. This represents the total materials that are received in the division and require some action.
- 38,000 copies of library materials, including new purchases, donations and existing materials, were catalogued. This is 3,386 items more than the previous year. Cataloguing is a process where information relating to library materials is entered into a database according to standardized rules and practices.

Standardized organization of materials is crucial for user access, and facilitates the tracking and management of library collections. Most, but not all, materials received or processed are catalogued.

- 36,344 items were processed. Processing includes the stamping, repairing, covering and labelling of library materials in preparation for circulation. This represents a decrease of 4,213 items from the previous year.
- 7,203 online e-registrations (5,859 new library patrons, and 1,344 online account adjustments) were processed in 2022-2023. This represents a 17 per cent increase over the previous year.

Special Projects/Activities

- In response to the COVID-19 pandemic the Department of Health and Community Services provided to the NLPL, 500 cases of COVID-19 Rapid Antigen Tests for distribution to the members of the public through the public library system. This program began in December 2022 and will continue well into 2023.
- Early Literacy initiatives continued with a focus on enhancing programming and services for children birth to six years old and their caregivers through staff training/support, new programming and resources.
- Programming resource materials continued to be acquired and distributed to sites. These materials included toy kits, storytime resource books and story time kits. An internal online guide has been created so that staff may easily access story time information, resources, videos and appropriate links. A separate public guide, which shares early literacy information and library services for children birth to 6 years old, is also available to staff and patrons to reference.

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REPORT ON PERFORMANCE

ISSUE: SUSTAINABILITY OF THE PUBLIC LIBRARY SYSTEM

Many changes have occurred over the past 20 years that impact public library services. Changes such as the impact of technology, declining rural populations, shifting demographics from rural to urban centers, the increasing costs to provide basic library services, and client expectations affect where libraries are located, how libraries function, what services are provided and options for service delivery. These issues are also affected by an increasingly challenging fiscal situation. Per capita, the NLPL system has more libraries than any other library system in Canada. In June 2016, the NLPL system underwent a third-party organizational and service review by Ernst and Young LLP (EY). Utilizing this document as a base, in April 2018, NLPL developed a Future State Plan to help create a strong and vibrant public library system that can serve the residents of the province for the foreseeable future.

Goal: By March 31, 2023, the PILRB will have improved library services.

Objective 1: By March 31, 2023, the PILRB will have continued implementation of selected options in the Future State Plan for NLPL.

Indicators:

- Implemented selected options of the NLPL Network Cyber Security Review.
- Recruited a Director of Library Operations.
- Introduced a Cultural Pass Program.
- Complete a Diversity Audit (Race and Ethnicity) of the A.C. Hunter Public Library Collection.
- Updated the Intergraded library System to the latest version “Enterprise”.
- Launch a full suite of NLPL webpages.

Implemented selected options of the NLPL Network Cyber Security Review

The Information Technology and Information Division undertook a review of the NLPL’s Network Cyber Security system. The review was completed in March 2022, and while no security system is 100% secure the review did find that the system was strong, and had good procedures and practices in place. The report recommended the need for some additional threat mitigation to be put in place, and these items were implemented in 2022-23. These steps include:

- Implement an advanced web security platform.
- Install advanced end point protection software.
- Configure servers to support localized firewalls where applicable.
- Configure staff computers to use a DNS based security product.

- Implement data encryption where applicable.
- Continued and regular Cyber Awareness training for staff.

Recruited a Director of Library Operations

The PILRB has a staffing complement of 367 full-time, part-time and casual employees. With this large number of staff, the recruitment, monitoring, and resolution of staff issues can be complex and challenging. Prior to May 2021, the NLPL did not have a dedicated Human Resource Consultant to address staff issues. Instead these staff issues were being absorbed by the Director of Regional Services along with other Directors and Division Managers. With the recruitment of a dedicated Human Resource Consultant it permitted the NLPL to restructure the former position of the Director of Regional Services to a Director of Library Operations. On March 16 2023, the restructure of the organization was completed when a letter of offer was issued to conclude the recruitment process. The new Director of Library Operations commenced work on May 8 2023, and would fulfill the role, and act as a provincial librarian, a deficiency recognized in the NLPL's Future State Plan.

Introduced a Cultural Pass Program

On March 23 2023, the NLPL successfully launched the Connect Pass. The Connect Pass is a Cultural Pass program that permits Newfoundland and Labrador residents to book a pass for free admission to a wide range of museums, art galleries, parks, recreational facilities, performing arts shows and sporting events. More about the Connect Pass can be found here: [About the NLPL Connect Pass - Newfoundland & Labrador Public Libraries](#). The Connect Pass has been extremely well received with patrons being able to access 56 venues, from 34 partnership organizations. In the first eight weeks of the program 931 passes were reserved or issued.

Complete a Diversity Audit (Race and Ethnicity) of the A.C. Hunter Public Library Collection.

The NLPL contracted the Social Fabric Institute to conduct a diversity audit of materials added to the A.C. Hunter library materials collection in the past five years in the following four areas: picture books, juvenile biography, adult biography, and adult fiction. Important feedback and recommendations were received in the form of a report. Further discussions were held and an action plan developed with the primary goal to correct the subject headings, racism and bias identified in the NLPL catalogue. This is a widespread issue in library catalogues across North America and not unique to NLPL. However, NLPL is one of the first library organization to audit its own collection and begin the process of achieving true inclusion with its library catalogue. An internal two-year Equity Action Plan had been developed in response to recommendations included in the Diversity Audit. NLPL will be moving forward with several initiatives to enhance services to equity-seeking communities.

Updated the Intergraded library System to the latest version “Enterprise”

On March 30 2023 the NLPL upgraded our Horizon catalogue interface with our new online public access catalogue called Enterprise. This new interface will provide patrons with a modern and intuitive way to browse our catalogue and request items from libraries across the province. Over the next few months adjustments will be made as we make minor changes to improve the functionality of the Enterprise system. Enterprise has many new features such as a more advanced search function. Enterprise gives you the ability to limit your search results to include or exclude certain information like author, format, language, audience, etc. This will make it easier for users to locate the material they are looking for quickly and easily.

Launch a full suite of NLPL webpages

The redesign of the main webpage of the NLPL website was completed in 2022. In 2023 the redesign of the subsequent and subsidiary web pages was completed. In March 2023 the website was released to staff for their familiarization and feedback. The subsequent public launch of the website has been delayed by retention and recruitment challenges within the Information Technology, Information Management Division. However, a successful recruitment process was completed in May 2023, and once an orientation period has been completed, it is anticipated that the new website will be updated with the new webpage design.

Discussion of Results 2022-2023

The Board was successful in its 2022-23 objective of continuing to implement select options of the PILRB’s Future State Plan.

The plan called for the Board to take six actions to improve public library services and meet the 2022-23 plan.

In the seven major public library usage categories, six of the categories saw usage increases over the previous year, as the public library activities and patrons return to a normalized state after the effects the COVID-19 public health crisis had on day-to-day operations.

The largest increases came in the provision library programs and computer use sessions, which saw a 172 and 59 per cent increase respectively over the previous year. This was expected, as library operations activity increased in 2022-23 as the effects of COVID-19 on operations were reduced. The Digital Library continues to be well used: maintaining the 50 per cent increase in usage that occurred during the pandemic.

Discussion of Results 2020-2023

The Board was also successful in meeting its three-year goal of improving library services in Newfoundland Labrador. Along with the improvements completed in 2022-23. Since 2021, the Board has improved libraries services through:

- The recruitment of a Regional librarian for the Provincial Resource Division.
- Introduction of A Province Wide Holds System.

- Introduced Indigenous Library Collections in St. John's, Corner Brook, Grand Falls-Windsor, and Happy Valley Goose Bay.
- Upgraded our Public Access Computers to the latest operating system.
- Expanded our online digital library, enhanced online registrations, expanded our library programming by creating online videos for patrons which can be found here: [Newfoundland & Labrador Public Libraries - YouTube](#) .
- The recruitment of a Human Resource Consultant.
- The recruitment of a Digital Preservation Clerk (DPC) who is working on the digital preservation and organization of historic material held in the Newfoundland and Labrador Collection at PRL.

The Board continues to roll out Every Child Ready to Read program to increase awareness of the role public libraries play in childhood literacy and development

Over the Strategic Planning period of 2020 through 2023, of the seven major public library usage categories, two of the categories saw usage increases over the three-year period. The largest increase came in the Digital library which saw an increase of 48 percent increase (479,446 sessions in 2023 up from 324,208 in 2020). This service continues to be well used by patrons as the restrictions introduced by the COVID-19 pandemic brought increased awareness and content. Our Inter library loans also performed strongly with a 26 percent increase during this time frame (170,566 in 2020 up from 135,711 in 2017). This is attributed to the introduction of our new System Wide Holds system, that made patron access to library materials across the province easier and faster. The other remaining five categories are still recovering from the negative affects the Covid-19 pandemic had on operations. However, in 2023, these five categories saw increases in usage when compared to 2022, indicating a return to normalized library operations.

OPPORTUNITIES AND CHALLENGES

During 2022-23, a number of opportunities and challenges important to the Board were identified. They include:

Utilization of Service Delivery Standards

Six of the 18 recommendations in EY's report on the Organization and Service Review are centred on the establishment of service delivery standards. While the establishment of standards is helpful in determining service delivery gaps, in order to achieve the newly developed standards, additional funding of approximately \$9.8 million is required. If an increase in funding is not provided, the standards cannot be achieved. The organization will then be perceived as underperforming because it cannot reach its established standards. The report on the Organization and Service Review did not address the scenario of how practical service standards would be if no new funding was forthcoming.

Even though standards have been developed, the organization may have to accept that in the confines of the fiscal challenges that all levels of government currently face, it may be some time before the standards can be realized.

The PILRB has implemented all recommendations that required no additional funding. The remaining recommendations cannot be implemented without additional monetary resources.

Digital Library

The importance of our digital resources continues to increase. The Board provides more digital online access and enhanced online registrations as a result of the pandemic. PILRB's digital library service continues to be well used by patrons as the restrictions introduced by the COVID-19 pandemic brought increased awareness and content. Circulation last year was stable at 479,446 items, maintaining the 50 per cent increase since the beginning of the pandemic in March 2020. The digital library was the most circulated collection in the NLPL system, accounting for 26 per cent of the 1.7 million items circulated in 2022-23. This steady performance illustrates the desire for patrons to access library material remotely. In 2022-23, 7,203 online requests for either new library cards or updates to existing patron records were received. This is a 17 percent increase over the previous year. This service allows downloading of electronic books and audiobooks, from within the library or home, to a variety of devices. This rising demand will put increased pressure on the NLPL's limited library materials collection budget and will require the NLPL to closely monitor and evaluate its purchases in relation to physical versus online library material.

Early Literacy

Early literacy remains a priority, with continued annual spending to enhance library spaces and programming for our youngest patrons. Every Child Ready to Read Program remains as the foundation for early literacy education and promotion.

Outreach and partnerships with groups serving children and families will be expanded upon, and new resources to support early literacy made available to all patrons. Provision of the online services will continue in the future.

COVID-19 Pandemic

It has been a year since the NLPL emerged from nearly two years of COVID-19 pandemic restrictions to return to a normal state of operations. All public library activities resumed with the following exceptions: all Plexi Glass and Lexan circulation desk barriers remained in place, and library fines (only) were still suspended.

The COVID-19 pandemic certainly had an impact on public library operations. The biggest impacts were the escalation of use and demand of the NLPL Digital Library and a shift from physical face-to-face programming to professionally-developed online programming through online streaming services.

With the return of the NLPL to full operations, library patrons continue to expect that the alternate delivery mechanisms that were developed and implemented during the pandemic continue. Services such as an expansive Digital Library, and online programming are now seen as fundamental services the NLPL should provide on an ongoing basis. The NLPL will find this challenging as additional resources or diversion of resources away from other areas of operation will be necessary to maintain these services. Patron behaviour is expected to continue to shift, but the long-term impact of these changes will still need to be determined.

Appendix 1
Provincial Information and Library Resources Board
Members

Provincial Information and Library Resources Board

Board Membership as of March 31, 2023

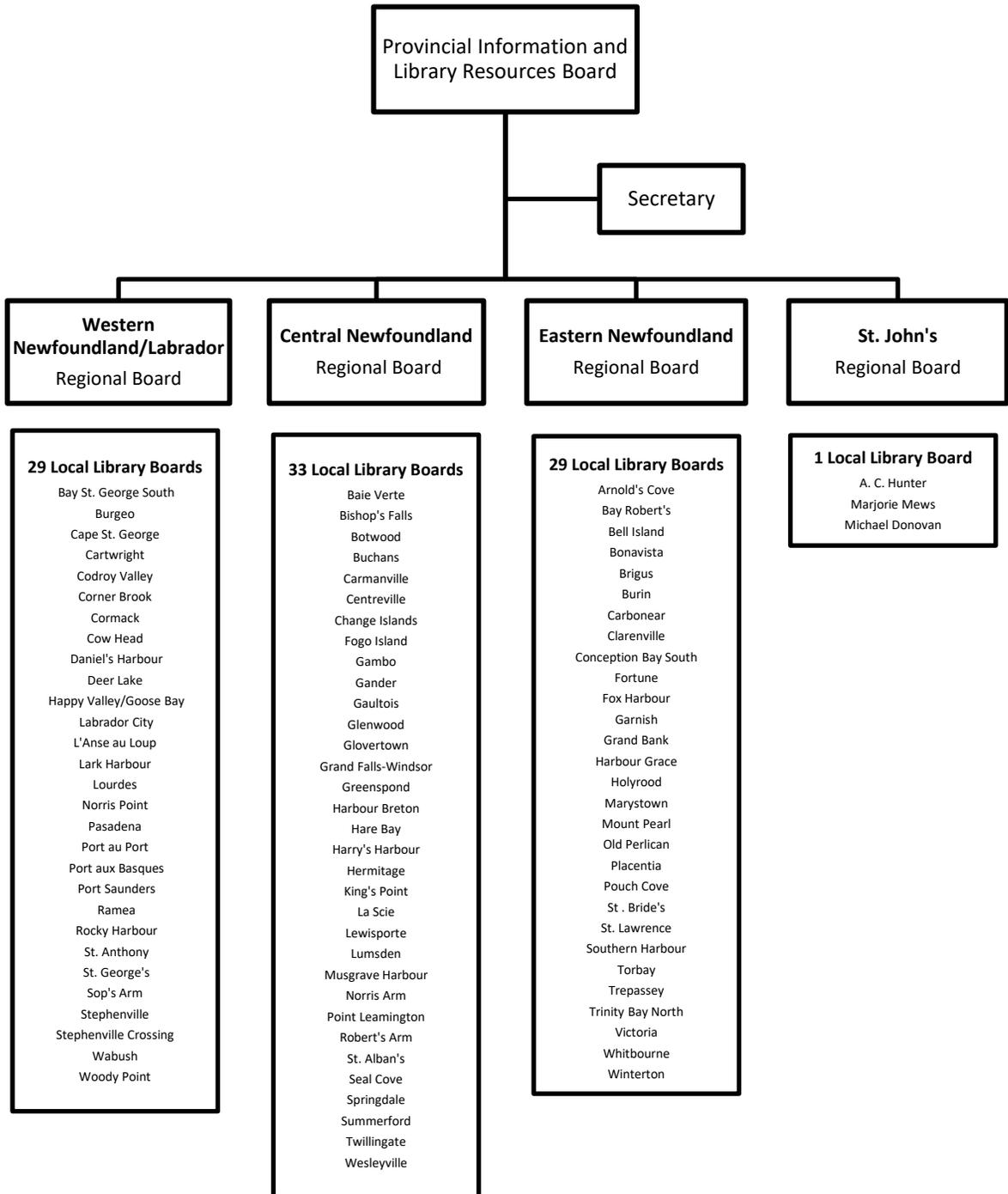
Name	Location	Appointment Type
Alpen, Myrtice (Chair)	Lewisporte	Central Board Representative
Barnes, Steve	Grand Bank	Eastern Board Representative
Tobin, Monique	St. John's	St. John's Board Representative
Short, Colin	Port aux Basques	Western and Labrador Board Representative
Butler, Joan (Executive Officer)	Conception Bay South	Lieutenant-Governor in Council
Lovelady, Lisa	St. John's	Lieutenant-Governor in Council
Sheppard, Derrick	St. John's	Lieutenant-Governor in Council
McKellar, Sandra	Conception Bay South	Lieutenant-Governor in Council
Wicks Morrow, Hilary (Vice Chair)	St. John's	Lieutenant-Governor in Council

* Note – As of March 31, 2023, there was a Lieutenant-Governor in Council appointment vacant. This appointment is in the process of being filled.

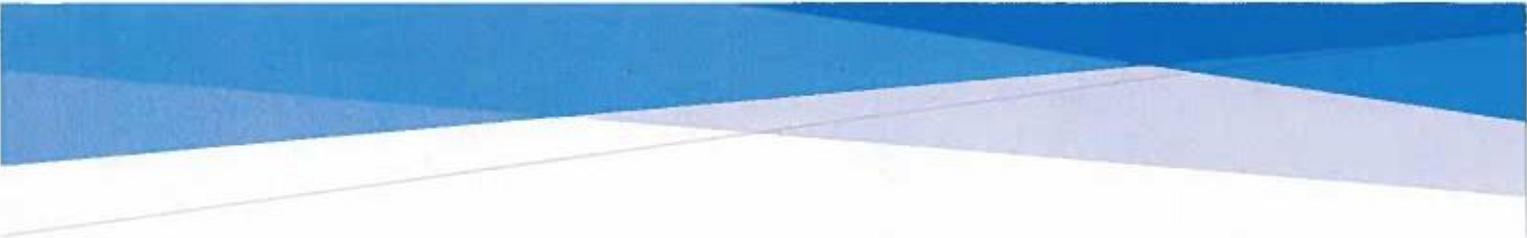
Appendix 2
Newfoundland and Labrador
Public Libraries
Board Structures
March 31, 2023

Newfoundland and Labrador Public Libraries

Board Structures



Appendix 3
Provincial Information and
Library Resources Board
Audited Financial Statements
2022-23



**PROVINCIAL INFORMATION AND
LIBRARY RESOURCES BOARD**

FINANCIAL STATEMENTS

MARCH 31, 2023

Management's Report

Management's Responsibility for the Provincial Information and Library Resources Board Financial Statements

The financial statements have been prepared by management in accordance with Canadian public sector accounting standards and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all of the notes to the financial statements, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that transactions are properly authorized, assets are safeguarded and liabilities are recognized.

Management is also responsible for ensuring that transactions comply with relevant policies and authorities and are properly recorded to produce timely and reliable financial information.

The Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and exercises these responsibilities through the Board. The Board reviews internal financial information periodically and external audited financial statements yearly.

The Auditor General conducts an independent audit of the annual financial statements of the Board in accordance with Canadian generally accepted auditing standards, in order to express an opinion thereon. The Auditor General has full and free access to financial management of the Provincial Information and Library Resources Board.

On behalf of the Provincial Information and Library Resources Board.



Mr. Andrew Hunt, BBA, CPA, CGA
Executive Director



OFFICE OF THE AUDITOR GENERAL
NEWFOUNDLAND AND LABRADOR

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Provincial Information and Library
Resources Board
Stephenville, Newfoundland and Labrador

Opinion

I have audited the financial statements of the Provincial Information and Library Resources Board, which comprise the statement of financial position as at March 31, 2023, and the statements of operations, rereasurement gains and losses, change in net financial assets, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Provincial Information and Library Resources Board as at March 31, 2023, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Provincial Information and Library Resources Board in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and my auditor's report thereon. The annual report is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I will not express any form of assurance conclusion thereon.

Independent Auditor's Report (cont.)

In connection with my audit of the financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated. When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Provincial Information and Library Resources Board'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 cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Provincial Information and Library Resources Board's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My 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 my 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, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 my 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.

Independent Auditor's Report (cont.)

- 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 Provincial Information and Library Resources 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 Provincial Information and Library Resources Board's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Provincial Information and Library Resources 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.

I 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 I identify during my audit.



DENISE HANRAHAN, CPA, CMA, MBA, ICD.D
Auditor General

July 17, 2023
St. John's, Newfoundland and Labrador

PROVINCIAL INFORMATION AND LIBRARY RESOURCES BOARD
STATEMENT OF FINANCIAL POSITION
As at March 31

	2023	2022
FINANCIAL ASSETS		Restated (Note 18)
Cash	\$ 2,247,088	\$ 2,784,213
Accounts receivable (Note 3)	61,779	68,930
Due from Province	158,000	-
Portfolio investments (Note 4)	105,949	117,124
	2,572,816	2,970,267
LIABILITIES		
Accounts payable and accrued liabilities (Note 5)	690,967	773,672
Employee future benefits (Note 6)	589,201	598,305
Deferred revenue (Note 7)	381,864	485,053
Asset retirement obligations (Notes 10 & 18)	193,250	193,250
	1,855,282	2,050,280
Net financial assets	717,534	919,987
NON-FINANCIAL ASSETS		
Inventories held for use	52,453	56,381
Prepaid expenses	151,140	119,902
Tangible capital assets (Note 11)	1,493,951	1,363,686
	1,697,544	1,539,969
Accumulated surplus	\$ 2,415,078	\$ 2,459,956
Accumulated surplus is comprised of:		
Accumulated operating surplus	\$ 2,332,621	\$ 2,366,324
Accumulated remeasurement gains	82,457	93,632
	\$ 2,415,078	\$ 2,459,956
Contractual obligations (Note 9)		
Trusts under administration (Note 12)		

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

Signed on behalf of the Board: 
Chairperson


Member

PROVINCIAL INFORMATION AND LIBRARY RESOURCES BOARD
STATEMENT OF OPERATIONS
For the Year Ended March 31

	2023 Budget	2023 Actual	2022 Actual
	Unaudited (Note 14)		Restated (Note 18)
REVENUE			
Province of Newfoundland and Labrador			
Operating grant	\$ 11,490,200	\$ 11,605,079	\$ 11,309,056
Capital grant	120,000	120,000	120,000
Adult literacy project	-	113,899	28,916
Early literacy program	-	59,093	75,989
Kinderstart	-	68,315	-
Canada and NL summer jobs	-	10,556	-
Digital literacy exchange program (Federal Gov't)	-	1,372	-
Miscellaneous	50,000	71,317	44,494
Fines and lost library materials	5,000	5,571	2,768
Interest	25,000	118,318	22,332
Gain on disposal of tangible capital assets	-	-	473
St. John's outreach – mobile van	-	13,792	36,585
AC Hunter – local board contribution	-	15,354	-
CBS new location – local board contribution	-	56,669	-
Dividend revenue	-	4,732	4,061
Privately funded projects (Note 8)	-	21,194	21,121
	11,690,200	12,285,261	11,665,795
EXPENSES (Note 17)			
Administration	2,230,567	2,556,976	2,427,410
Amortization	-	314,454	287,831
Adult literacy project	-	109,017	28,916
Digital literacy exchange program (Federal Gov't)	-	1,372	-
Early literacy program	-	59,093	75,989
Kinderstart	-	68,315	-
Library collection	1,618,353	1,668,505	1,725,654
Library operations	7,685,582	7,185,430	6,959,734
Privately funded projects (Note 8)	-	22,223	20,568
Public computer access	377,234	319,787	336,153
St. John's outreach – mobile van	-	13,792	3,577
	11,911,736	12,318,964	11,865,832
Annual operating deficit	(221,536)	(33,703)	(200,037)
Accumulated operating surplus, beginning of year	2,366,324	2,366,324	2,566,361
Accumulated operating surplus, end of year	\$ 2,144,788	\$ 2,332,621	\$ 2,366,324

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

PROVINCIAL INFORMATION AND LIBRARY RESOURCES BOARD
STATEMENT OF REMEASUREMENT GAINS AND LOSSES
For the Year Ended March 31

2023

2022

Accumulated remeasurement gains, beginning of year	\$ 93,632	\$ 83,078
Unrealized gains (losses) attributable to:		
Portfolio investments	(11,175)	10,554
Accumulated remeasurement gains, end of year	\$ 82,457	\$ 93,632

**The accompanying notes and supplementary schedules are an
integral part of these financial statements.**

PROVINCIAL INFORMATION AND LIBRARY RESOURCES BOARD
STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
For the Year Ended March 31

	2023 Budget	2023 Actual	2022 Actual
	Unaudited (Note 14)		Restated (Note 18)
Annual operating deficit	\$(221,536)	\$ (33,703)	\$ (200,037)
Changes in other non-financial assets			
Use of prepaid expenses	-	119,902	120,831
Acquisition of prepaid expenses	-	(151,140)	(119,902)
Net use of inventories held for use	-	3,928	4,072
	-	(27,310)	5,001
Changes in tangible capital assets			
Acquisition of tangible capital assets	-	(444,719)	(397,488)
Amortization of tangible capital assets	-	314,454	287,831
	-	(130,265)	(109,657)
Effect of remeasurement gains for the year	-	(11,175)	10,554
Decrease in net financial assets	(221,536)	(202,453)	(294,139)
Net financial assets, beginning of year	919,987	919,987	1,214,126
Net financial assets, end of year	\$ 698,451	\$ 717,534	\$ 919,987

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

PROVINCIAL INFORMATION AND LIBRARY RESOURCES BOARD
STATEMENT OF CASH FLOWS
For the Year Ended March 31

2023

2022

Operating transactions

Annual operating deficit	\$ (33,703)	\$ (200,037)
Adjustment for non-cash items		
Amortization	314,454	287,831
Gain on disposal of tangible capital assets	-	(473)

	280,751	87,321
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Change in non-cash operating items

Accounts receivable	7,151	(30,142)
Due from Province	(158,000)	-
Accounts payable and accrued liabilities	(82,705)	111,376
Employee future benefits	(9,104)	(52,679)
Deferred revenue	(103,189)	19,355
Inventories held for use	3,928	4,072
Prepaid expenses	(31,238)	929

Cash (applied to) provided from operating transactions	(92,406)	140,232
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Capital transactions

Acquisition of tangible capital assets	(444,719)	(397,488)
Proceeds from disposal of tangible capital assets	-	473

Cash applied to capital transactions	(444,719)	(397,015)
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Financing transactions

Repayments of obligations under capital lease	-	(3,398)
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Cash applied to financing transactions	-	(3,398)
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Decrease in cash	(537,125)	(260,181)
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Cash, beginning of year	2,784,213	3,044,394
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Cash, end of year	\$ 2,247,088	\$ 2,784,213
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The accompanying notes and supplementary schedules are an integral part of these financial statements.

PROVINCIAL INFORMATION AND LIBRARY RESOURCES BOARD
SCHEDULE OF OPERATING GRANTS TO LOCAL LIBRARIES
For the Year Ended March 31

2023

2022

Eastern Division

Arnold's Cove	\$ 6,614	\$ 6,426
Bay Roberts	75,003	74,479
Bell Island	1,087	925
Bonavista	6,900	4,834
Brigus	8,642	8,886
Burin	1,036	1,012
Carbonear	41,232	41,054
Catalina	5,037	4,900
Clareville	16,874	21,822
Conception Bay South	112,977	10,663
Fortune	906	677
Fox Harbour	5,404	5,403
Garnish	739	627
Grand Bank	13,496	9,591
Harbour Grace	11,147	11,676
Holyrood	6,580	6,380
Marystown	851	698
Mount Pearl	13,907	11,776
Old Perlican	747	74
Placentia	27,352	26,764
Pouch Cove	1,824	1,798
St. Brides	8,046	7,765
St. Lawrence	1,203	728
Torbay	28,788	27,956
Trepassey	9,491	9,203
Victoria	883	972
Whitbourne	3,162	2,843
Winterton	570	536
	410,498	300,468

PROVINCIAL INFORMATION AND LIBRARY RESOURCES BOARD
SCHEDULE OF OPERATING GRANTS TO LOCAL LIBRARIES (cont.)
For the Year Ended March 31

2023

2022

Central Division

Baie Verte	6,765	7,469
Bishop's Falls	1,421	2,091
Botwood	11,181	11,565
Buchans	1,102	689
Carmanville	1,841	893
Centerville	1,297	1,275
Change Islands	639	581
Fogo	1,447	1,186
Gambo	9,847	9,852
Gander	50,439	50,156
Gaultois	2,647	3,324
Glenwood	1,333	1,406
Glovertown	1,691	1,803
Grand Falls-Windsor	5,529	6,551
Greenspond	4,494	4,548
Harbour Breton	698	653
Hare Bay	1,256	1,109
Harry's Harbour	5,064	4,915
Hermitage	1,696	606
King's Point	4,871	4,708
La Scie	543	934
Lewisporte	11,111	12,833
Lumsden	624	624
Musgrave Harbour	965	980
Norris Arm	2,097	2,103
Point Leamington	1,602	1,676
Robert's Arm	4,752	4,443
St. Albans	5,196	5,791
Seal Cove	824	1,320
Springdale	1,108	3,347
Summerford	3,748	1,188
Twillingate	1,818	1,346
Wesleyville	705	1,865

150,351

153,830

PROVINCIAL INFORMATION AND LIBRARY RESOURCES BOARD
SCHEDULE OF OPERATING GRANTS TO LOCAL LIBRARIES (cont.)
For the Year Ended March 31

	2023	2022
Western Newfoundland - Labrador Division		
Bay St. George South	738	1,535
Burgeo	1,186	1,094
Cape St. George	1,473	881
Cartwright	546	741
Codroy Valley	422	673
Cormack	1,817	2,126
Corner Brook	204,211	203,074
Cow Head	7,425	7,744
Daniel's Harbour	1,434	1,589
Deer Lake	18,149	16,546
Happy Valley	2,324	2,267
Labrador City	30,617	28,898
L'Anse au Loup	877	1,027
Lark Harbour	786	790
Lourdes	701	911
Norris Point	2,968	3,207
Pasadena	3,544	5,360
Port au Port	1,285	1,327
Port aux Basques	19,490	15,023
Port Saunders	5,455	5,843
Ramea	769	687
Rocky Harbour	464	480
St. Anthony	5,038	2,984
St. George's	1,096	1,418
Sops Arm	1,625	1,353
Stephenville	58,356	54,577
Stephenville Crossing	1,792	1,426
Wabush	2,240	2,504
Woody Point	9,661	5,973
	386,489	372,058
	\$ 947,338	\$ 826,356

PROVINCIAL INFORMATION AND LIBRARY RESOURCES BOARD
NOTES TO FINANCIAL STATEMENTS
March 31, 2023

1. Nature of operations

The Provincial Information and Library Resources Board (the Board) operates under the authority of the Public Libraries Act. The purpose of the Board is to operate the public libraries in the Province. A majority of the members of the Board are appointed by the Lieutenant-Governor in Council. The Board reports to the Minister of Education.

The reporting entity for the purpose of these financial statements is the Board's head office and divisional offices. These financial statements include expenditures for grants made to local libraries under the jurisdiction of the three divisional library boards detailed in the Schedule to the financial statements. Funds raised by local libraries are not reflected in these financial statements.

The Board is a Crown entity of the Province of Newfoundland and Labrador and as such is not subject to Provincial or Federal income taxes.

2. Summary of significant accounting policies

(a) Basis of accounting

The Board is classified as an Other Government Organization as defined by Canadian public sector accounting standards (CPSAS). These financial statements have been prepared by the Board's management in accordance with CPSAS for provincial reporting entities established by the Canadian Public Sector Accounting Board (PSAB). Outlined below are the significant accounting policies followed.

(b) Financial instruments

The Board's financial instruments recognized in the statement of financial position consist of cash, accounts receivable, due from Province, portfolio investments and accounts payable and accrued liabilities. The Board generally recognizes a financial instrument when it enters into a contract which creates a financial asset or financial liability. Financial assets and financial liabilities are initially measured at cost, which is the fair value at the time of acquisition.

The Board subsequently measures all of its financial assets and financial liabilities at cost except for portfolio investments in equity instruments that are quoted in an active market, which are measured at fair value. Financial assets measured at cost include cash, accounts receivable and due from Province. Financial liabilities measured at cost include accounts payable and accrued liabilities.

The carrying values of cash, accounts receivable, due from Province and accounts payable and accrued liabilities approximate current fair value due to their nature and the short-term maturity associated with these instruments.

PROVINCIAL INFORMATION AND LIBRARY RESOURCES BOARD
NOTES TO FINANCIAL STATEMENTS
March 31, 2023

2. Summary of significant accounting policies (cont.)

(b) Financial instruments (cont.)

The Board uses the quoted market price as at the fiscal year end to measure the fair value of its portfolio investments. 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.

(c) Cash

Cash includes cash in bank.

(d) Tangible capital assets

Tangible capital assets are recorded at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement, betterment or retirement of the assets. Cost includes overhead directly attributable to construction and development, as well as interest costs that are directly attributable to the acquisition or construction of the asset.

The cost, less residual value, of the tangible capital assets, excluding land, is amortized on a straight-line basis over their estimated useful lives as follows:

Buildings	40 years
Building improvements	10 years
Furniture and equipment	10 years
Motor vehicles	5 years
Computer equipment	3 years
Software	5 years
Assets under capital lease	10 years

2. Summary of significant accounting policies (cont.)

(d) Tangible capital assets (cont.)

Tangible capital assets are written down when conditions indicate that they no longer contribute to the Board's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the statement of operations.

Contributed tangible capital assets are recorded as revenue at their fair market value on the date of donation, except in circumstances where fair value cannot be reasonably determined, which are then recognized at nominal value. Transfers of tangible capital assets from related parties are recorded at carrying value.

(e) Inventories held for use

Inventories held for use include office supplies and postage, and are recorded at the lower of historical cost and replacement cost.

(f) Prepaid expenses

Prepaid expenses include subscriptions, insurance and licenses, and are charged to expenses over the periods expected to benefit from it.

(g) Employee future benefits

Employee future benefits include severance pay and accumulating non-vesting sick leave benefits.

- (i) Severance is accounted for on an accrual basis and is calculated based upon years of service and salary levels at the cessation of the plans.
- (ii) The cost of accumulating non-vesting sick leave benefits is actuarially determined using management's best estimates of long-term inflation rates, compensation increases, discount rate and remaining service life.

Under the Public Libraries Act, certain employees of the Board are subject to the Public Service Pensions Act, 2019. Employee contributions are matched by the Board and remitted to Provident¹⁰ from which pensions will be paid to employees when they retire. This plan is a multi-employer defined benefit plan, providing a pension on retirement based on the member's age at retirement, length of service and the average of their best 6 years of earnings for service on or after January 1, 2015, and, for service before January 1, 2015, the higher of the average of the frozen best 5 years of earnings up to January 1, 2015, or the average of the best 6 years of earnings for all service.

Employee future benefits expenses are included with salaries and benefits in the Board's financial statements.

2. Summary of significant accounting policies (cont.)

(h) Revenues

Revenues are recorded on an accrual basis in the period in which the transactions or events which gave rise to the revenues occurred. When the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable, revenues are recorded when received.

Dividend revenue on portfolio investments is recognized when the dividend is declared.

Government transfers (Province of Newfoundland and Labrador and Government of Canada grants) are recognized as revenues when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation related to the liabilities are settled.

Contributions from other sources are deferred when restrictions are placed on their use by the contributor, and are recognized as revenue when used for the specific purpose.

(i) Expenses

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year is recorded as an expense in that year.

Transfers include operating grants to local libraries. These transfers are recorded as expenses when the transfer is authorized and eligibility criteria have been met by the recipient.

(j) Measurement uncertainty

The preparation of financial statements in conformity with CPSAS requires management to make estimates and assumptions that affect the reporting amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the financial statements and the reported amounts of the revenues and expenses during the period. Items requiring the use of significant estimates include the estimated cost of asset retirement obligations, the expected future life of tangible capital assets and the probability of future sick leave benefits utilized by employees.

Estimates are based on the best information available at the time of preparation of the financial statements and are reviewed annually to reflect new information as it becomes available. Measurement uncertainty exists in these financial statements. Actual results could differ from these estimates.

PROVINCIAL INFORMATION AND LIBRARY RESOURCES BOARD
NOTES TO FINANCIAL STATEMENTS
March 31, 2023

2. Summary of significant accounting policies (cont.)

(k) Asset Retirement Obligations

On April 1, 2022, the Board adopted PS 3280 - Asset Retirement Obligations. The new accounting standard addresses the reporting of legal obligations associated with the retirement of tangible capital assets, such as asbestos removal in retired buildings by public sector entities. The standard was adopted on the modified retroactive basis at the date of adoption.

3. Accounts receivable

	<u>2023</u>	<u>2022</u>
Federal Government		
Harmonized Sales Tax	\$ 29,485	\$ 57,449
Digital Literacy Exchange Program	1,372	-
Other	30,922	11,481
	<u>\$ 61,779</u>	<u>\$ 68,930</u>

There is no allowance for doubtful accounts since all amounts are considered collectible.

4. Portfolio investments

Portfolio investments consist of 1,678 shares of Sun Life Financial Inc. which were given to the Board as a result of the demutualization of Sun Life Assurance Company of Canada. The carrying value of the shares is equal to their market price at the time of transfer to the Board.

	<u>Market Value</u>		<u>Carrying Value</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Investments held directly				
Sun Life Financial Inc				
- 1,678 shares	\$ 105,949	\$117,124	\$ 23,492	\$ 23,492

5. Accounts payable and accrued liabilities

	<u>2023</u>	<u>2022</u>
Accounts payable	\$ 78,086	\$ 179,983
Accrued salaries and benefits	612,881	593,689
	<u>\$ 690,967</u>	<u>\$ 773,672</u>

PROVINCIAL INFORMATION AND LIBRARY RESOURCES BOARD
NOTES TO FINANCIAL STATEMENTS
March 31, 2023

6. Employee future benefits

Employee future benefits consists of:

	<u>2023</u>	<u>2022</u>
Severance pay	\$ 43,909	\$ 43,909
Accumulating non-vesting sick leave benefit liability (a)	<u>545,292</u>	<u>554,396</u>
	<u>\$ 589,201</u>	<u>\$ 598,305</u>

(a) Accumulating non-vesting sick leave benefit liability

	<u>2023</u>	<u>2022</u>
Accrued accumulating non-vesting sick leave benefit obligation, end of year	\$ 426,230	\$ 438,446
Unamortized actuarial gain, end of year	<u>119,062</u>	<u>115,950</u>
Accumulating non-vesting sick leave benefit liability, end of year	<u>\$ 545,292</u>	<u>\$ 554,396</u>

(b) Change in accumulating non-vesting sick leave benefit liability

	<u>2023</u>	<u>2022</u>
Current year benefit cost	\$ 50,324	\$ 50,772
Interest on accrued benefit obligation	15,573	13,647
Amortization of actuarial gains	<u>(20,242)</u>	<u>(19,335)</u>
Accumulating non vesting sick leave benefit expense	<u>45,655</u>	<u>45,084</u>
Benefit payments	<u>(54,759)</u>	<u>(53,293)</u>
Change in accumulating non-vesting sick leave benefit liability	<u>\$ (9,104)</u>	<u>\$ (8,209)</u>

PROVINCIAL INFORMATION AND LIBRARY RESOURCES BOARD
NOTES TO FINANCIAL STATEMENTS
March 31, 2023

6. Employee future benefits (cont.)

(c) Employee future benefits

(i) Severance pay

Employees of the Board as at March 31, 2018, as represented by the Canadian Union of Public Employees (CUPE), were entitled to severance pay. No further severance will accrue for these employees after March 31, 2018.

Executives, managers, and non-management/non-union employees of the Board were entitled to severance pay. No further severance will accrue for these employees after May 31, 2018.

CUPE employees who had at least one year of eligible service as at March 31, 2018 and executives, managers, and non-management/non-union employees who had at least one year of eligible service as at May 31, 2018 had the option of receiving their severance entitlement during the fiscal year ended March 31, 2019, or deferring it to a later date.

The severance liability as at March 31, 2023 represents severance owing to employees who deferred receiving their severance entitlement.

(ii) Accumulating non-vesting sick leave benefits

All unionized employees hired before May 4, 2004, are credited with 2 days per month and all unionized employees hired thereafter are credited with 1 day per month for use as paid absences in the year due to illness. Employees are allowed to accumulate unused sick day credits each year, up to the allowable maximum provided in their respective employment agreement. Accumulated credits may be used in future years to the extent that the employee's illness exceeds the current year's allocation of credits. The use of accumulated sick days for sick leave compensation ceases on termination of employment. The benefit costs and liabilities related to the plan are included in the financial statements. For the year ended March 31, 2023, a sick leave liability was calculated for 190 employees.

The accrued benefit obligation for accumulating non-vesting sick leave benefits for the year ended March 31, 2023, is based on an actuarial extrapolation for accounting purposes to March 31, 2023 (valuation date as of March 31, 2021).

The actuarial extrapolation is based on assumptions about future events. The economic assumptions used in this extrapolation are the Board's best estimates of compensation increases of 3.50% per annum and discount rate of 4.47%. Other assumptions used in the extrapolation include estimates of expected termination rates, utilization rates and mortality rates.

PROVINCIAL INFORMATION AND LIBRARY RESOURCES BOARD
NOTES TO FINANCIAL STATEMENTS
March 31, 2023

6. Employee future benefits (cont.)

(c) Employee future benefits (cont.)

(ii) Accumulating non-vesting sick leave benefits (cont.)

Actuarial assumptions are reviewed and assessed on a regular basis to ensure that the accounting assumptions take into account various changing conditions and reflect the Board's best estimate of expectations over the long term.

Experience gains or losses are amortized over 14 years, which is the estimated average remaining service life of active employees. The amortization amount will be included as an expense in the financial statements commencing in the year subsequent to the year in which the experience gain or loss arose.

(iii) Pension contributions

The Board and its employees contribute to the Public Service Pension Plan in accordance with the Public Service Pensions Act, 2019 (the Act). The plan is administered by Provident¹⁰, including payment of pension benefits to employees to whom the Act applies.

The plan provides a pension to employees based on their age at retirement, length of service and rates of pay. The maximum contribution rate for eligible employees was 11.85% (2022 - 11.85%). The Board's contributions equal the employees' contributions to the plan. Total Public Service Pension Plan expense for the Board for the year ended March 31, 2023, was \$406,127 (2022 - \$422,632).

Employees who do not qualify to participate in the Public Service Pension Plan (for example, part-time employees) participate in the Government Money Purchase Pension Plan (GMPP). The GMPP is a defined contribution plan which was established under the Government Money Purchase Pension Plan Act. Employees are required to contribute 5% of regular earnings which is matched by the Board. Employees may make additional voluntary contributions, however, the maximum amount for all contributions may not exceed the lesser of 18% of an employee's earnings and the maximum amount allowed as specified under the Income Tax Act. Total GMPP expense for the Board for the year ended March 31, 2023, was \$111,058 (2022 - \$109,354).

PROVINCIAL INFORMATION AND LIBRARY RESOURCES BOARD
NOTES TO FINANCIAL STATEMENTS
March 31, 2023

7. Deferred revenue

Deferred revenues are set aside for specific purposes as required either by legislation, regulation or agreement. As at March 31, 2023, the Board reported the following:

	Balance at beginning of year	Receipts during year	Transferred to revenue	Balance at end of year
Provincial source revenue	\$ 366,884	\$ 110,574	\$ 241,307	\$ 236,151
Other source revenue	118,169	116,222	88,678	145,713
	<u>\$ 485,053</u>	<u>\$ 226,796</u>	<u>\$ 329,985</u>	<u>\$ 381,864</u>

Deferred revenue relates to grants received for specific programs such as literacy initiatives, musical instrument lending and library materials which have not yet been spent for these purposes by the Board. These amounts will be recognized as revenue when the specific program expenses are incurred.

8. Privately funded projects

The Board delivered various privately funded projects as follows:

Revenue	<u>2023</u>	<u>2022</u>
Sun Life Musical Instruments Lending Program	\$ 6,785	\$ 7,960
TD Black History Month	13,741	12,789
TD Summer Reading Program	258	372
United Way	410	-
	<u>\$21,194</u>	<u>\$21,121</u>
Expenses		
Sun Life Musical Instruments Lending Program	\$ 6,785	\$ 7,407
TD Black History Month	15,180	12,789
TD Summer Reading Program	258	372
	<u>\$22,223</u>	<u>\$20,568</u>

PROVINCIAL INFORMATION AND LIBRARY RESOURCES BOARD
NOTES TO FINANCIAL STATEMENTS
March 31, 2023

9. Contractual obligations

The Board has entered into lease agreements for postal equipment and various rental properties throughout the Province. Future minimum lease payments are as follows:

2024	\$ 799,415
2025	724,906
2026	682,906
2027	638,474
2028	427,670
Thereafter	<u>5,223,439</u>
	<u>\$ 8,496,810</u>

10. Asset retirement obligations

Effective April 1, 2022 the Board implemented PS3280 Asset Retirement Obligations standard. Asset retirement obligations are comprised of the following:

	<u>2023</u>	<u>2022</u> (Note 18)
Buildings	<u>\$193,250</u>	<u>\$193,250</u>
	<u>\$193,250</u>	<u>\$193,250</u>

The Board has recorded asset retirement obligations related to 19 local library board buildings owned by the Board.

11. Tangible capital assets

Original cost

	Balance March 31, 2022 (Note 18)	Additions	Disposals	Balance March 31, 2023
Land	\$ 285,907	\$ -	\$ -	\$ 285,907
Buildings	1,758,867	-	-	1,758,867
Building improvements	2,662,159	109,373	-	2,771,532
Asset retirement obligations	193,250	-	-	193,250
Furniture and equipment	1,954,743	230,086	23,627	2,161,202
Motor vehicles	271,936	-	-	271,936
Computer equipment	990,028	105,260	49,249	1,046,039
Software	168,688	-	-	168,688
	<u>\$ 8,285,578</u>	<u>\$ 444,719</u>	<u>\$ 72,876</u>	<u>\$ 8,657,421</u>

PROVINCIAL INFORMATION AND LIBRARY RESOURCES BOARD

NOTES TO FINANCIAL STATEMENTS

March 31, 2023

11. Tangible capital assets (cont.)

Accumulated Amortization

	Balance March 31, 2022	Amortization	Disposals	Balance March 31, 2023	Net book value March 31, 2023	Net book value March 31, 2022
	(Note 18)					(Note 18)
Land	\$ -	\$ -	\$ -	\$ -	\$ 285,907	\$ 285,907
Buildings	1,540,725	30,064	-	1,570,789	188,078	218,142
Building improvements	2,130,029	108,289	-	2,238,318	533,214	532,130
Asset retirement obligations	182,067	1,198	-	183,265	9,985	11,183
Furniture and equipment	1,808,588	60,312	23,627	1,845,273	315,929	146,155
Motor vehicles	163,594	31,734	-	195,328	76,608	108,342
Computer equipment	928,201	82,857	49,249	961,809	84,230	61,827
Software	168,688	-	-	168,688	-	-
	\$6,921,892	\$ 314,454	\$ 72,876	\$7,163,470	\$1,493,951	\$1,363,686

PROVINCIAL INFORMATION AND LIBRARY RESOURCES BOARD

NOTES TO FINANCIAL STATEMENTS

March 31, 2023

12. Trusts under administration

Trust funds administered by the Board have not been included in the financial statements as expenditures of these funds are not controlled by the Board. The balances of funds held in trust are as follows:

	<u>2023</u>	<u>2022</u>
Local libraries - deposits	\$ 272,277	\$ 265,664
Provincial/Territorial Public Library Council	80,203	82,703
	<u>\$ 352,480</u>	<u>\$ 348,367</u>

Funds raised by some local libraries have been deposited with the Board to cover the cost of wages for additional opening hours and for the purchase of books, periodicals and computers. The balance on deposit at March 31, 2023 consists of cash of \$160,696 (2022 - \$155,396), and 9,239 shares (2022 - 9,136 shares) of various Investor Group Mutual Funds held in trust for the St. John's Public Library Board which were donated to the Board. The carrying value of the mutual funds is recognized at \$111,581 (2022 - \$110,268), as determined by the average cost at the time the shares were acquired by the Board. The fair market value of these shares at March 31, 2023 was \$172,305 (2022 - \$176,861).

The Provincial/Territorial Public Library Council is a national public library group comprising the provincial/territorial public library directors or senior policy advisors whose mandate is to facilitate the coordination of cross-jurisdictional public-library initiatives and to act as a point of contact with national library organizations and the Federal government. The membership fees are paid annually into an account for operational support and special projects. The group has established guidelines regarding funding expenditures.

13. Related party transactions

Province of Newfoundland and Labrador

The Board receives grant funding from the Province of Newfoundland and Labrador. During the year, the Board received or was owed grants totaling \$11,835,653 (2022 - \$11,540,844). The Board recognized \$11,966,386 (2022 - \$11,533,961) in revenue from the Province of Newfoundland and Labrador. These transactions are in the normal course of business measured at the exchange amount.

PROVINCIAL INFORMATION AND LIBRARY RESOURCES BOARD

NOTES TO FINANCIAL STATEMENTS

March 31, 2023

14. Budget

The Board's budget is prepared on a cash basis and approved by the Board of Directors. The 2023 budget expenses exceeded the Board's budgeted revenues and the expected difference would be funded from cash surpluses carried forward from prior years. Budgeted figures included in the financial statements are not audited.

15. Donated acquisitions

Donated acquisitions include gifts of artwork, books, periodicals, DVDs and other library resources that the Board has received. Donated acquisitions are not reflected in the Board's financial statements.

During the year, the Board issued receipts for non-cash donations of \$12,114 (2022 - \$14,591). Tax receipts are issued to the donor based on established rates per policy or an appraised value.

16. Financial risk management

The Board recognizes the importance of managing risks and this includes policies, procedures and oversight designed to reduce risks identified to an appropriate threshold. The Board is exposed to credit risk, liquidity risk and market risk through its financial instruments. There was no significant change in the Board's exposure to these risks or its processes for managing these risks from the prior year.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Board's main credit risk relates to cash, accounts receivable and due from Province. The Board's maximum exposure to credit risk is the carrying amounts of these financial instruments. The Board is not exposed to significant credit risk with its cash because this financial instrument is held with a chartered bank. The Board is not exposed to significant credit risk related to its accounts receivable and due from Province as it has policies and procedures for the monitoring and collection of its accounts receivable and due from Province so as to mitigate potential credit losses. Any estimated impairment of these accounts receivable and due from Province have been provided for through a provision for doubtful accounts. At the present time there is no provision for doubtful accounts as all amounts are considered collectible.

Liquidity risk

Liquidity risk is the risk that the Board will be unable to meet its contractual obligations and financial liabilities. The Board manages liquidity risk by monitoring its cash flows and ensuring that it has sufficient resources available to meet its contractual obligations and financial liabilities. The Board's exposure to liquidity risk relates mainly to its accounts payable and accrued liabilities, and contractual obligations. The future minimum payments required from the Board in relation to its contractual obligations are outlined in Note 9.

PROVINCIAL INFORMATION AND LIBRARY RESOURCES BOARD
NOTES TO FINANCIAL STATEMENTS
March 31, 2023

16. Financial risk management (cont.)

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency (foreign exchange) risk, interest rate risk and other price risk. The Board is not exposed to significant foreign exchange risk. In addition, the Board is not exposed to significant interest rate risk related to cash because of its nature.

The Board is exposed to other price risk on its portfolio investments (equity investments) as the investments are quoted in an active market in which share pricing can fluctuate. The Board's maximum other price risk is limited to the fair value of the shares as at March 31, 2023. As the Board's investment consists of 1,678 shares, any price fluctuation of \$1 to the quoted market price will result in an unrecognized gain or loss of \$1,678 for the Board.

17. Expenses by Object

	2023 Budget	2023 Actual	2022 Actual
	Unaudited (Note 14)		
Amortization	\$ -	\$ 314,454	\$ 287,831
Books and Periodicals	927,500	974,924	953,166
Computerization of Libraries	420,586	338,219	343,336
Conference and Workshops	30,000	15,906	35,308
Freight and Postage	58,250	46,773	39,554
Library Operations (Grants)	1,038,658	947,338	826,356
Insurance	93,314	94,611	90,119
Miscellaneous	-	47	3,762
Office and Library Supplies	102,211	113,330	95,455
Pandemic – COVID-19	25,000	10,257	69,516
Professional Fees	71,000	78,662	26,992
Rental of Premises	365,590	365,590	365,590
Repairs and Maintenance	22,000	44,919	6,037
Salaries and Benefits	8,618,827	8,847,219	8,635,444
Telephone	46,600	45,618	47,441
Travel	92,200	81,097	39,925
	\$ 11,911,736	\$ 12,318,964	\$ 11,865,832

PROVINCIAL INFORMATION AND LIBRARY RESOURCES BOARD
NOTES TO FINANCIAL STATEMENTS
March 31, 2023

18. Comparative Figures Restatement and Reclassification

Previous to the year ended 31 March 2023, the Board did not record an asset retirement obligation related to future asset retirement costs. PSAB standards require that a liability and a capital asset be recognized in the financial statements. In order to comply with CPSAS, a retroactive adjustment was made to recognize tangible capital assets, accumulated amortization and a liability related to asset retirement costs. This resulted in the restatement of certain amounts in the prior period as follows:

Comparative Restatement 2021-2022

	<u>2022</u>	<u>2022 Restated</u>	<u>Change</u>
Statement of Financial Position:			
Asset retirement obligations	\$ -	\$ 193,250	\$ 193,250
Tangible capital assets	1,352,503	1,363,686	11,183
Net financial assets	1,113,237	919,987	(193,250)
Accumulated operating surplus	2,548,391	2,366,324	(182,067)
Statement of Operations:			
Accumulated operating surplus beginning of the year	2,748,428	2,566,361	(182,067)
Accumulated operating surplus end of year	2,548,391	2,366,324	(182,067)
Statement of Change in Net Financial Assets:			
Net financial assets, beginning of year	1,407,376	1,214,126	(193,250)
Net financial assets, end of year	1,113,237	919,987	(193,250)
Note 10 - Asset retirement obligations			
Asset retirement obligations	-	193,250	193,250
Note 11 - Tangible capital assets			
Original cost	8,092,328	8,285,578	193,250
Accumulated amortization	6,739,825	6,921,892	182,067
Net book value	1,352,503	1,363,686	11,183

Certain other comparative figures for 2022 have been reclassified to conform to the presentation adopted in 2023.

PROVINCIAL INFORMATION AND LIBRARY RESOURCES BOARD
NOTES TO FINANCIAL STATEMENTS
March 31, 2023

19. Non-financial assets

The recognition and measurement of non-financial assets is based on their service potential. These assets will not provide resources to discharge liabilities of the Board. For non-financial assets, the future economic benefit consists of their capacity to render service to further the Board's objectives.

Appendix 4
Newfoundland and Labrador
Public Libraries
Staff Organizational Chart

PROVINCIAL INFORMATION & LIBRARY RESOURCES BOARD
Staff Organizational Chart

