

CORPORATION OF THE TOWNSHIP

OF MALAHIDE

Consolidated Financial Statements

December 31, 2022

CORPORATION OF THE TOWNSHIP OF MALAHIDE
Consolidated Financial Statements
For The Year Ended December 31, 2022

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MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying consolidated financial statements are the responsibility of the management of Corporation of the Township of Malahide and have been prepared in accordance with Canadian public sector accounting standards.

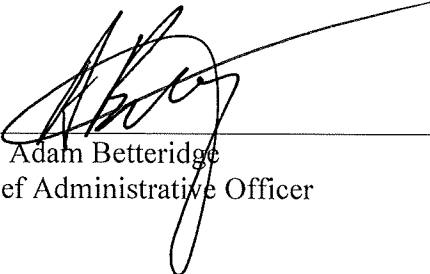
These consolidated financial statements include:

- Independent Auditors' Report
- Consolidated Statement of Financial Position
- Consolidated Statement of Operations and Accumulated Surplus
- Consolidated Statement of Change in Net Financial Assets
- Consolidated Statement of Cash Flows
- Notes to the Consolidated Financial Statements
- Consolidated Schedule of Segment Disclosure

The Chief Administrative Officer and the Director of Finance are responsible for ensuring that management fulfills its responsibility for financial reporting and is ultimately responsible for reviewing the consolidated financial statements before they are submitted to Council for approval.

The integrity and reliability of Corporation of the Township of Malahide reporting systems are achieved through the use of formal policies and procedures, the careful selection of employees and an appropriate division of responsibilities. These systems are designed to provide reasonable assurance that the financial information is reliable and accurate.

The consolidated financial statements have been audited on behalf of the Members of Council, Inhabitants and Ratepayers of Corporation of the Township of Malahide by Graham Scott Enns LLP in accordance with Canadian generally accepted auditing standards.



Mr. Adam Betteridge
Chief Administrative Officer



Mr. Adam Boylan
Director of Finance

Aylmer, Ontario
June 15, 2023



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INDEPENDENT AUDITORS' REPORT

To the Members of Council, Inhabitants, and Rate Payers of **Corporation of the Township of Malahide**:

Opinion

We have audited the consolidated financial statements of **Corporation of the Township of Malahide**, which comprise the consolidated statement of financial position as at December 31, 2022, and the consolidated statement of operations and accumulated surplus, statement of change in net assets, consolidated statement of remeasurement gains and losses, and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the Municipality's consolidated financial statements present fairly, in all material respects, the financial position of the Municipality as at December 31, 2022, 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

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

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.



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INDEPENDENT AUDITORS' REPORT (CONTINUED)

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements (Continued)

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 consolidated 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 Municipality'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 Municipality'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 consolidated 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 Municipality to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated 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.

St. Thomas, Ontario

June 15, 2023

Graham Scott Enns LLP

CHARTERED PROFESSIONAL ACCOUNTANTS

Licensed Public Accountants

CORPORATION OF THE TOWNSHIP OF MALAHIDE

Consolidated Statement of Financial Position As At December 31, 2022

	2022	2021
	<u>\$</u>	<u>\$</u>
FINANCIAL ASSETS		
Cash	5,428,773	6,115,273
Investments (Note 2)	7,039,829	4,524,248
Taxes receivable (Note 4)	1,173,245	1,536,753
Accounts receivable (Note 5)	<u>1,348,877</u>	<u>2,086,522</u>
Total financial assets	<u>14,990,724</u>	<u>14,262,796</u>
FINANCIAL LIABILITIES		
Deferred revenue - obligatory reserve funds (Note 10)	2,521,314	2,368,437
Accounts payable and accrued liabilities	2,329,246	3,038,844
Net long-term liabilities (Note 8)	<u>3,369,509</u>	<u>3,605,324</u>
Total financial liabilities	<u>8,220,069</u>	<u>9,012,605</u>
NET FINANCIAL ASSETS	<u>6,770,655</u>	<u>5,250,191</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 7)	45,606,904	46,913,648
Inventories	206,793	139,352
Prepaid expenses	<u>43,974</u>	<u>42,319</u>
Total non-financial assets	<u>45,857,671</u>	<u>47,095,319</u>
TOTAL NET ASSETS	<u>52,628,326</u>	<u>52,345,510</u>
NET ASSETS IS COMPRISED OF:		
ACCUMULATED SURPLUS (NOTE 9)	52,603,401	51,804,244
ACCUMULATED REMEASUREMENT GAINS	<u>24,925</u>	<u>541,266</u>
	<u>52,628,326</u>	<u>52,345,510</u>

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

CORPORATION OF THE TOWNSHIP OF MALAHIDE

Consolidated Statement of Operations and Accumulated Surplus For The Year Ended December 31, 2022

	Budget (Note 14) \$	Actual 2022 \$	Actual 2021 \$
REVENUES			
Property taxation	7,956,374	7,924,329	7,545,357
Taxation from other governments	921,979	738,187	716,440
User charges, licenses, permits	2,698,760	2,771,240	2,404,145
Local improvement levies and development charges	6,372	565,389	548,217
Government transfers:			
Federal	-	970,100	400,000
Provincial	988,424	1,711,653	2,022,517
Other municipalities	1,378,352	1,512,195	1,422,625
Investment income	40,500	225,295	171,344
Penalties and interest on taxes	188,000	177,181	210,715
Other, fines and donations	33,000	13,862	7,326
Gain (loss) on disposal of tangible capital assets	-	(277,075)	(51,959)
Total revenues	<u>14,211,761</u>	<u>16,332,356</u>	<u>15,396,727</u>
EXPENSES			
General government	1,329,061	1,288,669	1,467,408
Fire and police protection	2,484,175	2,491,205	2,477,796
Other protective services	501,206	575,959	590,973
Transportation services	6,056,102	6,048,251	5,618,986
Waterworks and sewer	1,410,637	1,518,733	1,442,624
Garbage collection and disposal	736,008	736,764	671,367
Health services	51,564	48,425	49,051
Recreation and cultural services	1,827,551	1,694,621	1,545,045
Planning and zoning	226,745	205,218	219,267
Agriculture	161,251	925,354	327,169
Total expenses (Note 15)	<u>14,784,300</u>	<u>15,533,199</u>	<u>14,409,686</u>
ANNUAL SURPLUS (DEFICIT)	(572,539)	799,157	987,041
ACCUMULATED SURPLUS, BEGINNING OF YEAR	<u>51,804,244</u>	<u>51,804,244</u>	<u>50,817,203</u>
ACCUMULATED SURPLUS, END OF YEAR (NOTE 9)	<u><u>51,231,705</u></u>	<u><u>52,603,401</u></u>	<u><u>51,804,244</u></u>

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

CORPORATION OF THE TOWNSHIP OF MALAHIDE

**Consolidated Statement of Change in Net Financial Assets
For The Year Ended December 31, 2022**

	Budget (Note 14) \$	Actual 2022 \$	Actual 2021 \$
ANNUAL SURPLUS	(572,539)	799,157	987,041
Acquisition of tangible capital assets	(1,576,368)	(1,576,368)	(2,687,359)
Amortization of tangible capital assets	2,595,587	2,595,587	2,599,782
Proceeds on disposal of tangible capital assets	-	10,450	5,760
Change in inventories and prepaid expenses	-	(69,096)	(15,448)
Loss on disposal of tangible capital assets	-	277,075	51,959
Change in accumulated remeasurement gains	<u>-</u>	<u>(516,341)</u>	<u>72,690</u>
CHANGE IN NET FINANCIAL ASSETS	446,680	1,520,464	1,014,425
NET FINANCIAL ASSETS, BEGINNING OF YEAR	<u>5,250,191</u>	<u>5,250,191</u>	<u>4,235,766</u>
NET FINANCIAL ASSETS, END OF YEAR	<u><u>5,696,871</u></u>	<u><u>6,770,655</u></u>	<u><u>5,250,191</u></u>

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

CORPORATION OF THE TOWNSHIP OF MALAHIDE

**Consolidated Statement of Remeasurement Gains and Losses
For The Year Ended December 31, 2022**

	2022	2021
	<u>\$</u>	<u>\$</u>
ACCUMULATED REMEASUREMENT GAINS, BEGINNING OF YEAR	541,266	468,576
Unrealized gains (loss) attributable to investments	(533,078)	72,690
Amounts reclassified to statement of operations through realization of (gain) loss on sale	<u>16,737</u>	<u>-</u>
Change in accumulated remeasurement gains	<u>(516,341)</u>	<u>72,690</u>
ACCUMULATED REMEASUREMENT GAINS, END OF YEAR	<u>24,925</u>	<u>541,266</u>
Accumulated remeasurement gains is comprised of:		
Investments	<u>24,925</u>	<u>541,266</u>

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

CORPORATION OF THE TOWNSHIP OF MALAHIDE

Consolidated Statement of Cash Flows For The Year Ended December 31, 2022

	2022	2021
	<u>\$</u>	<u>\$</u>
OPERATING ACTIVITIES		
Annual surplus	799,157	987,041
Add (deduct) items not involving cash:		
Amortization of tangible capital assets	2,595,587	2,599,782
Loss on disposal of investments	16,737	-
Loss (gain) on disposal of tangible capital assets	<u>277,075</u>	<u>51,959</u>
	3,688,556	3,638,782
Change in non-cash assets and liabilities related to operations (Note 15 [b])	<u>475,336</u>	<u>594,085</u>
	<u>4,163,892</u>	<u>4,232,867</u>
INVESTING ACTIVITIES		
Purchase of investments	(3,213,659)	(153,130)
Redemption of investments	<u>165,000</u>	<u>-</u>
	<u>(3,048,659)</u>	<u>(153,130)</u>
CAPITAL ACTIVITIES		
Acquisition of tangible capital assets	(1,576,368)	(2,687,359)
Proceeds on disposal of tangible capital assets	<u>10,450</u>	<u>5,760</u>
	<u>(1,565,918)</u>	<u>(2,681,599)</u>
FINANCING ACTIVITIES		
Short-term debt financing issued (repaid) for tangible capital assets	-	(1,250,000)
Long-term debt advances	-	1,250,000
Long-term debt repayment	<u>(235,815)</u>	<u>(204,637)</u>
	<u>(235,815)</u>	<u>(204,637)</u>
NET CHANGE IN CASH	(686,500)	1,193,501
CASH, BEGINNING OF YEAR	<u>6,115,273</u>	<u>4,921,772</u>
CASH, END OF YEAR	<u>5,428,773</u>	<u>6,115,273</u>

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

CORPORATION OF THE TOWNSHIP OF MALAHIDE

Notes to the Consolidated Financial Statements For The Year Ended December 31, 2022

The Corporation of the Township of Malahide (the "Municipality") is a municipality in the Province of Ontario. It conducts its operations guided by the provisions of provincial statutes such as the Municipal Act, Municipal Affairs Act and related legislation.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the Municipality are prepared by management in accordance with Canadian public sector accounting standards. Significant aspects of the accounting policies adopted by the Municipality are as follows:

Reporting Entity

The consolidated financial statements reflect the assets, liabilities, revenues, expenses of the reporting entity. The reporting entity is comprised of all organizations, committees and local boards accountable for the administration of their financial affairs and resources to the Municipality and which are owned or controlled by the Municipality.

Consolidated Entities

There are no organizations or local boards that are consolidated in these financial statements.

Proportionate Consolidation

The East Elgin Community Complex, a joint local board with the Town of Aylmer, is consolidated on a proportionate basis. Operation of the facility is shared equally between the two municipalities.

The Aylmer Area Secondary Water Supply System and the Port Burwell Area Secondary Water Supply System have been consolidated on a proportionate basis, based upon the water flow used by the Municipality in proportion to the total water flow provided by the joint boards.

Basis of Accounting

The consolidated financial statements are prepared using the accrual basis of accounting. Revenues are recognized as they are earned 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.

CORPORATION OF THE TOWNSHIP OF MALAHIDE

Notes to the Consolidated Financial Statements For The Year Ended December 31, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 excess of revenues over expenses, provides the Change in Net Financial Assets for the year.

i) Tangible capital assets

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 as follows:

Transportation infrastructure	20 to 50 years
Water system infrastructure	15 to 100 years
Wastewater infrastructure	50 to 100 years
Land improvements	10 to 50 years
Buildings	10 to 95 years
Machinery and equipment	2 to 10 years
Vehicles	7 to 20 years

Amortization begins the first month of the year following the year the asset is placed in service and continues to the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

ii) Contributions of tangible capital assets

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and also are recorded as revenue.

iii) Inventories

Inventories held for consumption are recorded at the lower of cost and replacement cost.

iv) Works of art and cultural and historic assets

Works of art and cultural and historic assets are not recorded as assets in these financial statements.

CORPORATION OF THE TOWNSHIP OF MALAHIDE

Notes to the Consolidated Financial Statements For The Year Ended December 31, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Revenue

Government transfers, contributions and other amounts are received from third parties pursuant to legislation, regulation or agreement and may only be used in the conduct of certain programs, in the completion of specific work. In addition, certain user charges and fees which have been collected but for which the related services have yet to be performed. Revenue is recognized in the period when the related expense are incurred, services preformed.

Accounting for County and School Board Transactions

Although the Municipality collects taxation on behalf of the County of Elgin and the School Boards, the taxation, other revenues, expenses, assets and liabilities with respect to the operations of the County and the school boards are not reflected in these financial statements.

Government Transfers

Government transfers are recognized in the consolidated financial statements as revenues in the financial period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met including performance and return requirements, and reasonable estimates of the amounts can be determined. Any amount received but restricted is recorded as deferred revenue in accordance with Section 3100 of the Public Sector Accounting Handbook and recognized as revenue in the period in which the resources are used for the purpose specified.

In addition, the Municipality periodically receives senior government capital funding in the form of infrastructure grants and receives ongoing funding from both senior levels of government as a result of an allocation of the gas tax funds.

Employee Benefit Plans

The Municipality accounts for its participation in the Ontario Municipal Employees Retirement System (OMERS), a multi-employer public sector pension fund, as a defined contribution plan. The OMERS plan specifies the retirement benefits to be received by the employees based on length of service and rates of pay. Employee benefits include post employment benefits. Post employment benefits are subject to actuarial valuations and are accrued in accordance with the projected benefit method, prorated on service and management's best estimate of salary escalation and retirement ages of employees. Any actuarial gains and losses related to past service of employees are amortized over the expected average remaining service period.

CORPORATION OF THE TOWNSHIP OF MALAHIDE

Notes to the Consolidated Financial Statements For The Year Ended December 31, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Tax Revenues

In 2022 the Municipality received \$8,662,516 (2021 - \$8,261,797) in property tax revenues for municipal purposes. The authority to levy and collect property taxes is established under the Municipal Act 2001, the Assessment Act, the Education Act, and other legislation.

The amount of the total annual property tax levy is determined each year through Council's approval of the annual budget. Municipal tax rates are set annually by Council for each class or type of property, in accordance with legislation and Council-approved policies, in order to raise the revenue required to meet operating budget requirements. Education tax rates are established by the Province each year in order to fund costs of education on a Province-wide basis.

Taxation revenues are recorded at the time billings are issued. Additional property tax revenue can be added throughout the year, related to new properties that become occupied, or that become subject to property tax, after the return of the annual assessment roll used for billing purposes. The Municipality may receive supplementary assessment rolls over the course of the year from MPAC that identify new or omitted assessments. Property taxes for these supplementary/omitted amounts are then billed according to the approved tax rate for the property class.

Taxation revenues in any year may also be reduced as a result of reductions in assessment value rising from assessment and/or tax appeals. Each year, an amount is identified to cover the estimated amount of revenue loss attributable to assessment appeals, tax appeals or other deficiencies in tax revenue (e.g. uncollectible amounts, write-offs, etc.).

Investment Income

Investment income consists of interest, dividends and realized gains or losses on sale of investments is recognized as revenue in the period when it is earned. Unrealized gains and losses on investments are recognized in the accumulated remeasurement gains and losses until settlement. Once realized, these gains and losses are recognized as revenue or expenses in the consolidated statement of operations. When required by funding government or related Act, investment income earned on deferred revenue is added to the investment and forms part of the deferred revenue balance.

CORPORATION OF THE TOWNSHIP OF MALAHIDE

Notes to the Consolidated Financial Statements For The Year Ended December 31, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Valuation of financial assets and liabilities

The Municipality's financial assets and liabilities are measured as follows:

- [i] Cash at fair value
- [ii] Portfolio investments at fair value
- [iii] Accounts receivable at amortized cost
- [iv] Accounts payable and accrued liabilities at amortized cost
- [v] Debt at amortized cost

Unrealized gains and losses from changes in the fair value of financial instruments are recognized in the consolidated statement of remeasurement gains and losses. When the restricted nature of a financial instrument and any related changes in fair value create a liability, unrealized gains and losses are recognized as deferred revenue.

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

For financial instruments measure using amortized cost, the effective interest rate method is used to determine interest revenue or expenses. Transaction costs are a component of cost for financial instruments measured using cost or amortized costs. Transaction costs are expensed for financial instruments measured at fair value. Investment management fees are expensed as incurred. The purchase and sale of cash equivalents and portfolio investments are accounted for using trade-date accounting. The Municipality does not use foreign currency contracts or any other type of derivative financial instruments of trading or speculative purposes.

Environmental Provisions and Contaminated Sites

The Municipality may be exposed to litigation or other costs of remediation due to contaminated properties in it's jurisdiction. A liability for remediation is recognized in the financial statements when an environmental standard exists, contamination exceeds the standard, the government is responsible for the remediation and a reasonable estimate of the liability can be made. As at December 31, 2022 there were no properties that the Municipality was responsible to remedy and as such no liability has been accrued.

CORPORATION OF THE TOWNSHIP OF MALAHIDE

Notes to the Consolidated Financial Statements For The Year Ended December 31, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates

The preparation of consolidated financial statements in conformity with Canadian accounting standards for public sector entities 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. In addition, the Municipality's implementation of the Public Sector Accounting Handbook PS3150 has required management to make estimates of historical cost and useful lives of tangible capital assets. These estimates and assumptions are based on the best information and judgment and may differ significantly from actual results.

2. INVESTMENTS

Investments are comprised of the following:

	2022		2021	
	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
	Cost	Market	Cost	Market
One pooled bond securities funds	4,178,605	3,902,615	2,848,099	2,831,311
One pooled equity securities funds	2,654,355	2,971,605	1,134,880	1,692,937
Consolidated - One pooled bond	<u>180,505</u>	<u>165,609</u>	<u>-</u>	<u>-</u>
	<u>7,013,465</u>	<u>7,039,829</u>	<u>3,982,979</u>	<u>4,524,248</u>

During the year, the Municipality earned \$182,723 (2021 - \$153,130) of income in the investments and reported unrealized gain (loss) of (\$533,078) (2021 - \$72,690) on the schedule of remeasurement gains (losses) and a realized gain (loss) of (\$16,737) (2021 - \$nil) on the statement of operations.

All of the above investments are valued as Level 1 investments. The investments are valued based on the degree to which the fair value is observable, as follows:

- [i] Level 1 - Fair value measurements are those derived from quoted prices (in active markets);
- [ii] Level 2 - Fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the assets, either directly (i.e. as prices) or indirectly (i.e. derived from prices);
- [iii] Level 3 - Fair value measurements are those derived from valuation techniques that include inputs for the asset that are not based on observable data (unobservable inputs).

CORPORATION OF THE TOWNSHIP OF MALAHIDE

Notes to the Consolidated Financial Statements For The Year Ended December 31, 2022

3. FINANCIAL INSTRUMENT RISKS

Risks and Concentrations

The Municipality is exposed to various risks through its financial instruments. The following analysis provides a measure of the Municipality's risk exposure and concentrations at the balance sheet date.

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 risk, interest rate risk and other price risk. The Municipality is mainly exposed to interest and price risk.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Municipality is exposed to interest rate risk on its fixed rate long-term debt. As the interest rates are fixed the Municipality doesn't believe that interest rate risk is a significant risk.

Price Risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Municipality is exposed to price risk through its investments in quoted One Fund investments. The following details the Municipality's portfolio sensitivity to a 1.0% increase or decrease in the market prices. At December 31, 2022, if market prices had a 1% increase or decrease with all other variables remaining the same the increase or decrease in accumulated remeasurement gains and losses on the investments for the year would have totaled \$68,700 (2021 - \$45,200).

It is management's opinion that the Municipality is not exposed to significant currency risk.

Liquidity Risk

Liquidity risk is the risk that a Municipality will encounter difficulty in meeting obligations associated with financial liabilities. The Municipality is exposed to this risk mainly in respect of its accounts payable, accrued liabilities and long-term debt. The Municipality doesn't believe that liquidity risk is a significant risk.

CORPORATION OF THE TOWNSHIP OF MALAHIDE

Notes to the Consolidated Financial Statements For The Year Ended December 31, 2022

3. FINANCIAL INSTRUMENT RISKS (CONTINUED)

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 Municipality's main credit risks relate to its accounts receivable and taxes receivable. The Municipality manages this risk by monitoring active receivable balances and forces tax sale on properties considered unrecoverable.

At year end, the Municipality had approximately \$308,000 (2021 - \$111,000) in accounts receivable over 90 days of which the Municipality has deemed no allowance is necessary. The balances of taxes and utility receivables (water and sewer) are normally collectible from the property owner and the Municipality is able to force tax sale on properties to recover. In some instances the property owner may challenge property values which will in impact future recovery of taxes and potential repayments to the property owners. The Municipality actively monitors these assessment challenges and provides provisions when reasonable estimates can be made. At year end the Municipality has provided an allowance of \$nil (2021 - \$nil) for these assessment challenges and \$10,303 (2021 - \$168,934) in potential uncollectible tax assessments.

CORPORATION OF THE TOWNSHIP OF MALAHIDE

Notes to the Consolidated Financial Statements For The Year Ended December 31, 2022

4. TAXES RECEIVABLE

	2022	2021
	<u>\$</u>	<u>\$</u>
Current taxes receivable	570,831	664,356
Arrears taxes receivable	495,551	850,731
Penalties and interest	117,166	190,600
Allowance for doubtful accounts	<u>(10,303)</u>	<u>(168,934)</u>
	<u>1,173,245</u>	<u>1,536,753</u>

The Municipality makes annual estimates and allowances for potential exposure to property tax appeals, reassessments, environmental and collection issues. Included in the taxes receivable is approximately \$nil (2021 - \$600,000) of taxes, penalties and interest that is due from specific gas pipeline properties that are under going various appeals and financial restructuring. The Municipality's estimated it's exposure to loss on these balances is to be between 25% to 30% if it is determined that nothing is recoverable from these properties, but these arrears amounts were fully collected during the year.

5. ACCOUNTS RECEIVABLE

	2022	2021
	<u>\$</u>	<u>\$</u>
Accounts receivable - trade and other	521,620	331,359
Government grants and funding - municipal, provincial, federal	348,284	1,282,099
Water and sewer receivables	306,513	270,994
Government remittances	<u>172,460</u>	<u>202,070</u>
	<u>1,348,877</u>	<u>2,086,522</u>

6. TEMPORARY ADVANCES

The Municipality has available \$3,025,000 of short-term financing, with interest at a variable rate, for specific capital asset purchases with the Royal Bank of Canada. At year end, the balance drawn on this facility was \$nil (2021 - \$nil).

CORPORATION OF THE TOWNSHIP OF MALAHIDE

**Notes to the Consolidated Financial Statements
For The Year Ended December 31, 2022**

7. TANGIBLE CAPITAL ASSETS

December 31, 2022				
Cost	Opening	Additions	Disposals and Adjustments	Ending
<u>Infrastructure</u>				
Transportation infrastructure	46,369,796	889,616	(223,497)	47,035,915
Water system infrastructure	5,360,039	3,897	-	5,363,936
Wastewater system infrastructure	<u>3,969,627</u>	<u>-</u>	<u>-</u>	<u>3,969,627</u>
Infrastructure Total	<u>55,699,462</u>	<u>893,513</u>	<u>(223,497)</u>	<u>56,369,478</u>
<u>General</u>				
Land	747,882	-	-	747,882
Land improvements	4,818,399	44,582	(8,605)	4,854,376
Buildings	15,482,143	25,685	-	15,507,828
Machinery and equipment	3,166,673	116,424	(63,037)	3,220,060
Vehicles	<u>6,490,064</u>	<u>362,571</u>	<u>(188,307)</u>	<u>6,664,328</u>
General Total	30,705,161	549,262	(259,949)	30,994,474
Work in Progress	<u>236,442</u>	<u>133,593</u>	<u>(194,885)</u>	<u>175,150</u>
Total Cost	<u>86,641,065</u>	<u>1,576,368</u>	<u>(678,331)</u>	<u>87,539,102</u>
 Accumulated Amortization				
	Opening	Amortization	Disposals and Adjustments	Ending
<u>Infrastructure</u>				
Transportation infrastructure	25,368,931	1,297,348	(135,590)	26,530,689
Water system infrastructure	1,724,693	90,120	-	1,814,813
Wastewater system infrastructure	<u>821,225</u>	<u>48,981</u>	<u>-</u>	<u>870,206</u>
Infrastructure Total	<u>27,914,849</u>	<u>1,436,449</u>	<u>(135,590)</u>	<u>29,215,708</u>
<u>General</u>				
Land improvements	1,701,615	121,074	(3,872)	1,818,817
Buildings	4,649,535	406,032	(188,307)	4,867,260
Machinery and equipment	1,967,472	328,193	(63,037)	2,232,628
Vehicles	<u>3,493,946</u>	<u>303,839</u>	<u>-</u>	<u>3,797,785</u>
General Total	<u>11,812,568</u>	<u>1,159,138</u>	<u>(255,216)</u>	<u>12,716,490</u>
Total Accumulated Amortization	<u>39,727,417</u>	<u>2,595,587</u>	<u>(390,806)</u>	<u>41,932,198</u>
 Net Book Value				
	Opening			Ending
<u>Infrastructure</u>				
Transportation infrastructure	21,000,865			20,505,226
Water system infrastructure	3,635,346			3,549,123
Wastewater system infrastructure	<u>3,148,402</u>			<u>3,099,421</u>
	27,784,613			27,153,770
<u>General</u>				
Land	747,882			747,882
Land improvements	3,116,784			3,035,559
Buildings	10,832,608			10,640,568
Machinery and equipment	1,199,201			987,432
Vehicles	<u>2,996,118</u>			<u>2,866,543</u>
	18,892,593			18,277,984
Work in progress	<u>236,442</u>			<u>175,150</u>
Total Net Book Value	<u>46,913,648</u>			<u>45,606,904</u>

CORPORATION OF THE TOWNSHIP OF MALAHIDE

**Notes to the Consolidated Financial Statements
For The Year Ended December 31, 2022**

7. TANGIBLE CAPITAL ASSETS (CONTINUED)

December 31, 2021				
Cost	Opening	Additions	Disposals and Adjustments	Ending
<u>Infrastructure</u>				
Transportation infrastructure	45,568,100	1,054,500	(252,804)	46,369,796
Water system infrastructure	5,360,039	-	-	5,360,039
Wastewater system infrastructure	<u>3,969,627</u>	<u>-</u>	<u>-</u>	<u>3,969,627</u>
Infrastructure Total	<u>54,897,766</u>	<u>1,054,500</u>	<u>(252,804)</u>	<u>55,699,462</u>
<u>General</u>				
Land	747,882	-	-	747,882
Land improvements	4,811,436	13,982	(7,019)	4,818,399
Buildings	14,168,582	1,313,561	-	15,482,143
Machinery and equipment	3,050,446	183,332	(67,105)	3,166,673
Vehicles	<u>6,365,814</u>	<u>124,250</u>	<u>-</u>	<u>6,490,064</u>
General Total	29,144,160	1,635,125	(74,124)	30,705,161
Work in progress	<u>238,708</u>	<u>23,749</u>	<u>(26,015)</u>	<u>236,442</u>
Total Cost	<u><u>84,280,634</u></u>	<u><u>2,713,374</u></u>	<u><u>(352,943)</u></u>	<u><u>86,641,065</u></u>

Accumulated Amortization				
	Opening	Amortization	Disposals and Adjustments	Ending
<u>Infrastructure</u>				
Transportation infrastructure	24,211,430	1,353,428	(195,927)	25,368,931
Water system infrastructure	1,624,470	100,223	-	1,724,693
Wastewater system infrastructure	<u>781,556</u>	<u>39,669</u>	<u>-</u>	<u>821,225</u>
Infrastructure Total	<u>26,617,456</u>	<u>1,493,320</u>	<u>(195,927)</u>	<u>27,914,849</u>
<u>General</u>				
Land improvements	1,572,012	136,622	(7,019)	1,701,615
Buildings	4,301,928	347,607	-	4,649,535
Machinery and equipment	1,809,178	224,557	(66,263)	1,967,472
Vehicles	<u>3,096,270</u>	<u>397,676</u>	<u>-</u>	<u>3,493,946</u>
General Total	10,779,388	1,106,462	(73,282)	11,812,568
Total Accumulated Amortization	<u>37,396,844</u>	<u>2,599,782</u>	<u>(269,209)</u>	<u>39,727,417</u>

Net Book Value		
	Opening	Ending
<u>Infrastructure</u>		
Transportation infrastructure	21,356,670	21,000,865
Water system infrastructure	3,735,569	3,635,346
Wastewater system infrastructure	<u>3,188,071</u>	<u>3,148,402</u>
	28,280,310	27,784,613
<u>General</u>		
Land	747,882	747,882
Land improvements	3,239,424	3,116,784
Buildings	9,866,654	10,832,608
Machinery and equipment	1,241,268	1,199,201
Vehicles	<u>3,269,544</u>	<u>2,996,118</u>
	18,364,772	18,892,593
Work in progress	<u>238,708</u>	<u>236,442</u>
Total Net Book Value	<u><u>46,883,790</u></u>	<u><u>46,913,648</u></u>

CORPORATION OF THE TOWNSHIP OF MALAHIDE

Notes to the Consolidated Financial Statements For The Year Ended December 31, 2022

8. NET LONG-TERM LIABILITIES

- a) The balance of net long-term liabilities reported on the Consolidated Statement of Financial Position consists of the following:

	2022	2021
	<u>\$</u>	<u>\$</u>
Total long-term liabilities incurred by the Municipality and outstanding at the end of the year	3,375,520	3,617,007
Tile drainage loans assumed by the individual	<u>(6,011)</u>	<u>(11,683)</u>
Total long-term liabilities at the end of the year	<u>3,369,509</u>	<u>3,605,324</u>

- b) Principal repayments are summarized as follows:

	Development Charges	Tax Revenue	User Charges	Total
2023	113,927	130,151	-	244,078
2024	113,927	138,710	-	252,637
2025	113,927	138,890	-	252,817
2026	69,776	82,476	-	152,252
2027	69,776	87,252	-	157,028
Beyond	<u>837,312</u>	<u>1,473,385</u>	<u>-</u>	<u>2,310,697</u>
Total	<u>1,318,645</u>	<u>2,050,864</u>	<u>-</u>	<u>3,369,509</u>

- c) Interest rates range from 2.74% to 4.06%. Interest expense on long-term liabilities in 2022 amounted to \$113,027 (2021 - \$106,989).
- d) The Municipality is contingently liable for municipal debt with respect to tile drainage loans. The total amount outstanding as at December 31, 2022 is \$6,011 (2021 - \$11,683) and is not recorded on the Consolidated Statement of Financial Position.
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CORPORATION OF THE TOWNSHIP OF MALAHIDE

Notes to the Consolidated Financial Statements For The Year Ended December 31, 2022

9. ACCUMULATED SURPLUS

The accumulated surplus consists of individual fund surplus and reserves as follows:

	2022	2021
	<u>\$</u>	<u>\$</u>
SURPLUS		
General revenue fund	291,127	223,023
Consolidated water boards reserves	795,787	658,527
Consolidated East Elgin Community Centre Complex reserve	81,547	67,154
Benefiting land owners	(726,851)	(413,045)
Invested in tangible capital assets	45,606,904	46,913,648
Cemetery care and maintenance	7,261	7,261
Funded (unfunded) capital projects	(96,327)	(96,327)
Reserves	<u>10,013,462</u>	<u>8,049,327</u>
	55,972,910	55,409,568
AMOUNTS TO BE RECOVERED		
Net long-term debt	<u>(3,369,509)</u>	<u>(3,605,324)</u>
ACCUMULATED SURPLUS	<u>52,603,401</u>	<u>51,804,244</u>
RESERVES		
Reserves set aside for specific purposes by council:		
Working capital	1,314,038	856,775
Contingencies	417,572	32,409
Roadway purposes	224,774	1,233,815
Water and sewer purposes	1,247,361	1,079,192
Asset replacement purposes	6,445,927	3,283,731
Other municipal services	<u>363,790</u>	<u>1,563,405</u>
Total reserves	<u>10,013,462</u>	<u>8,049,327</u>

CORPORATION OF THE TOWNSHIP OF MALAHIDE

Notes to the Consolidated Financial Statements For The Year Ended December 31, 2022

10. DEFERRED REVENUE - OBLIGATORY RESERVE FUNDS

A requirement of the public sector accounting principles of the Chartered Professional Accountants of Canada, is that obligatory reserve funds be reported as deferred revenue. This requirement is in place as provincial legislation restricts how these funds may be used and under certain circumstances these funds may possibly be refunded. The balances in the obligatory reserve funds of the Municipality are summarized below:

	2022	2021
	<u>\$</u>	<u>\$</u>
Development charges and parkland	654,820	652,201
Canada Community Building Fund	1,033,744	725,731
Building department funds	637,528	606,677
Other	<u>195,222</u>	<u>383,828</u>
	<u>2,521,314</u>	<u>2,368,437</u>

11. PENSION AGREEMENTS

The Municipality makes contributions to the Ontario Municipal Employees Retirement Fund (OMERS), which is a multi-employer plan, on behalf of its staff. The plan is a defined benefit plan which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay. Each year, an independent actuary determines the funding status of OMERS Primary Pension Plan (the Plan) by comparing the actuarial value of invested assets to the estimated present value of all pension benefits the members have earned to date. The most recent actuarial valuation of the Plan was conducted December 31, 2022, and the results of this valuation disclosed actuarial liabilities of \$128.8 billion in respect of benefits accrued for service with actuarial assets at that date of \$122.1 billion leaving an actuarial deficit of \$6.7 billion.

Since any surpluses or deficits are a joint responsibility of all Ontario municipalities and their employees, the Municipality does not recognize any share of the OMERS Pension surplus or deficit in these consolidated financial statements.

The amount contributed to OMERS for 2022 was \$244,000 (2021 - \$245,000).

CORPORATION OF THE TOWNSHIP OF MALAHIDE

Notes to the Consolidated Financial Statements For The Year Ended December 31, 2022

12. OPERATIONS OF THE SCHOOL BOARDS AND COUNTY OF ELGIN

During 2022, requisitions were made by the School Boards and the County of Elgin requiring the Municipality to collect taxes and payments in lieu of property taxes on their behalf. The amounts collected and remitted are summarized below:

	School Boards \$	County \$
Taxation	2,107,539	7,399,492
Share of payments in lieu of taxes	<u>35,818</u>	<u>660,696</u>
Amounts requisitioned	<u>2,143,357</u>	<u>8,060,188</u>

13. CONTINGENT LIABILITIES

From time to time, the Municipality is subject to claims and lawsuits that arise in the ordinary course of business. These claims may be covered by the Municipality's insurance up to a maximum amount per occurrence. In the opinion of management, any litigation, if successful would not have a material impact on the financial position of the Municipality.

Estimated costs to settle claims are based on available information and projections of estimated future expenses developed based on the Municipality's historical experience. Claims are reported as an operating expense in the year of the loss, where the costs are deemed to be likely and can be reasonably determined. Claim provisions are reported as a liability in the consolidated statement of financial position.

CORPORATION OF THE TOWNSHIP OF MALAHIDE

**Notes to the Consolidated Financial Statements
For The Year Ended December 31, 2022**

14. BUDGET FIGURES

The operating budget approved by the council of the Municipality for 2022 is reflected on the consolidated statement of operations. Budget figures have been reclassified for the purposes of these financial statements to comply with PSAB reporting requirements. These adjustments include reserve transfers, capital expenditures, amortization and debt financing and repayment.

	Approved Budget \$	Adjustments \$	PSAB Budget \$
	<u> </u>	<u> </u>	<u> </u>
REVENUES			
Property taxation	7,956,374	-	7,956,374
Taxation from other governments	921,979	-	921,979
User charges	2,071,715	627,045	2,698,760
Local improvement levies	6,372	-	6,372
Government transfers			
Provincial	988,424	-	988,424
Other municipalities	1,105,848	272,504	1,378,352
Investment income	40,500	-	40,500
Penalties and interest on taxes	188,000	-	188,000
Other	33,000	-	33,000
Reserve transfers and long-term debt proceeds	<u>254,139</u>	<u>(254,139)</u>	<u>-</u>
Total revenues	<u>13,566,351</u>	<u>645,410</u>	<u>14,211,761</u>
EXPENSES			
General government	2,934,104	(1,605,043)	1,329,061
Fire and police protection	2,188,328	295,847	2,484,175
Other protective services	552,040	(50,834)	501,206
Transportation services	4,449,660	1,606,442	6,056,102
Waterworks and sewers	1,332,680	77,957	1,410,637
Garbage collection and disposal	736,008	-	736,008
Health services	51,564	-	51,564
Recreation and cultural services	954,157	873,394	1,827,551
Planning and zoning	212,735	14,010	226,745
Agriculture	<u>155,075</u>	<u>6,176</u>	<u>161,251</u>
Total expenses	<u>13,566,351</u>	<u>1,217,949</u>	<u>14,784,300</u>
BUDGETED ANNUAL SURPLUS	<u><u>-</u></u>	<u><u>(572,539)</u></u>	<u><u>(572,539)</u></u>

CORPORATION OF THE TOWNSHIP OF MALAHIDE

**Notes to the Consolidated Financial Statements
For The Year Ended December 31, 2022**

15. SUPPLEMENTARY INFORMATION:

	2022	2021
	<u>\$</u>	<u>\$</u>
[a] Current fund expenditures by object:		
Contracted services	5,440,536	4,530,048
Salaries, wages and employee benefits	4,278,940	4,260,153
Amortization	2,595,587	2,599,782
Materials	2,940,499	2,752,836
Transfer to others	164,610	159,878
Long-term debt interest	113,027	106,989
	<u>15,533,199</u>	<u>14,409,686</u>

[b] Change in non-cash assets and liabilities related to operations:

Taxes receivable	363,508	13,063
Accounts receivable	737,645	(144,878)
Inventories and prepaid expenses	(69,096)	(15,448)
Accounts payable and accrued liabilities	(709,598)	282,162
Deferred revenue - obligatory reserve funds	152,877	459,186
	<u>475,336</u>	<u>594,085</u>

CORPORATION OF THE TOWNSHIP OF MALAHIDE

Notes to the Consolidated Financial Statements For The Year Ended December 31, 2022

16. SEGMENTED INFORMATION

The Municipality is a diversified municipal government institution that provides a wide range of services to its citizens, including contract police services, fire, roads, community services, water and sewer. For management reporting purposes the Municipality's operations and activities are organized and reported by Fund. Funds were created for the purpose of recording specific activities to attain certain objectives in accordance with special regulations, restrictions or limitations.

The Municipality services are provided by departments and their activities are reported in these funds. Certain departments that have been separately disclosed in the segmented information, along with the services they provided, are as follows:

General government

General government is comprised of municipal council, corporate management and program support.

Protection services

Protection services are comprised of the fire, police, conservation authority, building inspection and animal control, emergency measures and provincial offences.

Transportation services

Transportation services are comprised of roads, bridges, winter control, parking and street lighting.

Environmental services

Environmental services are comprised of the provision of safe drinking water, the collection and treatment of waste water and waste collection, disposal and recycling.

Health services

Health services are comprised of public health services and cemeteries.

CORPORATION OF THE TOWNSHIP OF MALAHIDE

Notes to the Consolidated Financial Statements For The Year Ended December 31, 2022

16. SEGMENTED INFORMATION (CONTINUED)

Recreation and cultural services

Recreation and cultural services are comprised of parks, recreation programs, recreation and community facilities, and cultural services.

Planning and development

Planning and development is comprised of planning and zoning, commercial and industrial development, economic development and tourism, and agricultural and reforestation.

For each reported segment, revenues and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information. The General Revenue Fund reports on municipal services that are funded primarily by taxation such as property and business tax revenues. Taxation and payments-in-lieu of taxes are apportioned to General Revenue Fund services based on the Fund's net surplus. Certain government transfers, transfer from other funds, and other revenues have been apportioned based on a percentage of budgeted expenses.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in Note 1. For additional information see the Consolidated Schedule of Segment Disclosure.

CORPORATION OF THE TOWNSHIP OF MALAHIDE

**Consolidated Schedule of Segment Disclosure
For The Year Ended December 31, 2022**

	General Government	Protection Services	Transportation Services	Environmental Services	Health Services	Recreation Services	Planning and Development Services	Total
	\$	\$	\$	\$	\$	\$	\$	\$
REVENUES								
Taxation and local improvements	2,668,259	1,235,193	3,411,591	119,734	49,564	863,365	314,810	8,662,516
Sales of services and regulatory fees	77,092	94,190	56,234	2,152,055	1,175	366,036	24,459	2,771,241
Government transfers	983,532	38,214	2,723,546	131,217	-	272,504	44,935	4,193,948
Other	390,522	8,207	-	275,349	-	-	307,648	981,726
Gain (loss) on disposal of tangible capital assets	-	-	(277,075)	-	-	-	-	(277,075)
	<u>4,119,405</u>	<u>1,375,804</u>	<u>5,914,296</u>	<u>2,678,355</u>	<u>50,739</u>	<u>1,501,905</u>	<u>691,852</u>	<u>16,332,356</u>
EXPENSES								
Salaries, wages and employees benefits	996,884	812,720	1,545,314	120,586	1,432	518,409	283,595	4,278,940
Long-term debt interest	-	67,082	622	-	-	44,622	701	113,027
Materials	113,375	352,494	1,540,714	154,471	30,692	724,605	24,148	2,940,499
Contracted services, rents and financial	145,098	1,246,303	1,367,002	1,756,515	15,694	107,982	801,942	5,440,536
External transfers	-	164,610	-	-	-	-	-	164,610
Amortization	<u>33,312</u>	<u>423,955</u>	<u>1,594,600</u>	<u>223,924</u>	<u>607</u>	<u>299,003</u>	<u>20,186</u>	<u>2,595,587</u>
	<u>1,288,669</u>	<u>3,067,164</u>	<u>6,048,252</u>	<u>2,255,496</u>	<u>48,425</u>	<u>1,694,621</u>	<u>1,130,572</u>	<u>15,533,199</u>
ANNUAL SURPLUS (DEFICIT)	<u>2,830,736</u>	<u>(1,691,360)</u>	<u>(133,956)</u>	<u>422,859</u>	<u>2,314</u>	<u>(192,716)</u>	<u>(438,720)</u>	<u>799,157</u>

CORPORATION OF THE TOWNSHIP OF MALAHIDE

**Consolidated Schedule of Segment Disclosure
For The Year Ended December 31, 2021**

	General Government	Protection Services	Transportation Services	Environmental Services	Health Services	Recreation Services	Planning and Development Services	Total
	\$	\$	\$	\$	\$	\$	\$	\$
REVENUES								
Taxation and local improvements	820,493	2,381,503	3,297,105	583,975	42,734	848,286	287,701	8,261,797
Sales of services and regulatory fees	9,331	101,225	20,325	2,006,309	-	224,892	42,063	2,404,145
Government transfers	1,055,399	30,694	2,101,462	318,660	-	287,525	51,402	3,845,142
Other	378,159	2,375	-	283,795	-	3,211	270,062	937,602
Gain (loss) on disposal of tangible capital assets	-	-	(51,959)	-	-	-	-	(51,959)
	<u>2,263,382</u>	<u>2,515,797</u>	<u>5,366,933</u>	<u>3,192,739</u>	<u>42,734</u>	<u>1,363,914</u>	<u>651,228</u>	<u>15,396,727</u>
EXPENSES								
Salaries, wages and employees benefits	1,136,421	758,702	1,575,081	121,353	4,485	422,191	241,920	4,260,153
Long-term debt interest	-	70,955	837	-	-	34,175	1,022	106,989
Materials	145,306	387,372	1,280,439	149,139	25,250	675,391	89,939	2,752,836
Contracted services, rents and financial	154,868	1,256,554	1,113,483	1,677,671	18,709	114,936	193,827	4,530,048
External transfers	-	159,878	-	-	-	-	-	159,878
Amortization	<u>30,813</u>	<u>435,308</u>	<u>1,649,145</u>	<u>165,827</u>	<u>607</u>	<u>298,352</u>	<u>19,730</u>	<u>2,599,782</u>
	<u>1,467,408</u>	<u>3,068,769</u>	<u>5,618,985</u>	<u>2,113,990</u>	<u>49,051</u>	<u>1,545,045</u>	<u>546,438</u>	<u>14,409,686</u>
ANNUAL SURPLUS (DEFICIT)	<u>795,974</u>	<u>(552,972)</u>	<u>(252,052)</u>	<u>1,078,749</u>	<u>(6,317)</u>	<u>(181,131)</u>	<u>104,790</u>	<u>987,041</u>