

**CORPORATION OF THE
MUNICIPALITY OF SOUTH BRUCE**

CONSOLIDATED FINANCIAL REPORT

DECEMBER 31, 2022

CORPORATION OF THE MUNICIPALITY OF SOUTH BRUCE

DECEMBER 31, 2022

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CORPORATION OF THE MUNICIPALITY OF SOUTH BRUCE

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL REPORT

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

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

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

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



CAO/Clerk
October 10, 2023



Treasurer
October 10, 2023

BAKER TILLY SGB LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Members of Council, Inhabitants and Ratepayers of **The Municipality of South Bruce:**

Opinion

We have audited the consolidated financial statements of the The Municipality of South Bruce (the "Municipality"), which comprise the consolidated statement of financial position as at December 31, 2022, and the consolidated statements of operations, change in net financial assets and cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Municipality as at December 31, 2022, and its consolidated results of operations and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the 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 consolidated 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 these 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 relating 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.

BAKER TILLY SGB LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT CONTINUED

Auditor's 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 financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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.

Baker Tilly SGB

BAKER TILLY SGB LLP
CHARTERED PROFESSIONAL ACCOUNTANTS
LICENSED PUBLIC ACCOUNTANTS
Walkerton, Ontario
October 10, 2023

CORPORATION OF THE MUNICIPALITY OF SOUTH BRUCE

CONSOLIDATED STATEMENT OF OPERATIONS FOR THE YEAR ENDED DECEMBER 31

| | Budget 2022 | Actual 2022 | Actual 2021 |
|--|-----------------|--------------------|----------------|
| | \$ (Note 12) | \$ | \$ |
| Revenues | | | |
| Net property taxation (Note 14) | 5,677,738 | 5,722,891 | 5,550,950 |
| Taxation from other governments | 25,845 | 25,912 | 25,792 |
| User charges and fees | 4,375,728 | 4,611,460 | 4,442,452 |
| Government transfers | 956,450 | 1,027,505 | 1,084,694 |
| Donations and sale of goods | 2,506,487 | 2,067,798 | 2,037,625 |
| Investment income (Note 3 and 5) | 135,900 | 254,839 | 144,010 |
| Penalties and interest on property taxation (Note 4) | 75,000 | - 131,923 | 153,993 |
| | 13,753,148 | 13,842,328 | 13,439,516 |
| Expenses | | | |
| General government | 3,097,057 | 2,813,139 | 2,665,467 |
| Protection services | 1,796,426 | 2,031,357 | 1,836,255 |
| Transportation services | 3,031,798 | 5,257,276 | 4,681,464 |
| Environmental services | 2,038,691 | 2,958,334 | 2,852,806 |
| Health services | 143,981 | 241,157 | 153,628 |
| Recreation and cultural services | 1,087,709 | 1,412,055 | 1,188,667 |
| Planning and development | 124,337 | 139,053 | 118,588 |
| Social and family services | 24,700 | 38,098 | - |
| | 11,344,699 | 14,890,469 | 13,496,875 |
| Net revenues (expenses) | 2,408,449 | (1,048,141) | (57,359) |
| Other | | | |
| Grants and transfers related to capital | | | |
| Government transfers | 4,572,925 | 2,912,112 | 1,147,731 |
| Donations | 3,183,152 | 2,459,611 | 940,544 |
| Capital contribution (Note 10) | 543,690 | 342,119 | 216,550 |
| Gain (loss) on disposal of tangible capital assets | 12,500 | 10,218 | (21,139) |
| | 8,312,267 | 5,724,060 | 2,283,686 |
| Annual surplus | 10,720,716 | 4,675,919 | 2,226,327 |
| Accumulated surplus, beginning of year | | 72,176,336 | 69,950,009 |
| Accumulated surplus, end of year (Note 11) | | 76,852,255 | 72,176,336 |

The accompanying notes are an integral part of
these financial statements

CORPORATION OF THE MUNICIPALITY OF SOUTH BRUCE

CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS FOR THE YEAR ENDED DECEMBER 31

| | Budget 2022 | Actual 2022 | Actual 2021 |
|--|-----------------|--------------------|----------------|
| | \$ (Note 12) | \$ | \$ |
| Annual surplus | 10,720,716 | 4,675,919 | 2,226,327 |
| Acquisition of tangible capital assets | - | (8,255,702) | (3,541,816) |
| Amortization of tangible capital assets | - | 3,074,910 | 2,952,698 |
| Loss (gain) on disposal of tangible capital assets | - | (10,218) | 21,139 |
| Proceeds on disposal of tangible capital assets | - | 21,970 | 42,218 |
| Contributed tangible capital assets | - | (196,800) | - |
| Use of prepaid expense | - | 570,675 | 354,243 |
| Change in net financial assets | 10,720,716 | (119,246) | 2,054,809 |
| Net financial assets, beginning of year | | 6,565,965 | 4,511,156 |
| Net financial assets, end of year | | 6,446,719 | 6,565,965 |

The accompanying notes are an integral part of
these financial statements

CORPORATION OF THE MUNICIPALITY OF SOUTH BRUCE

CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED DECEMBER 31

| | 2022 | 2021 |
|---|--------------------|--------------------|
| | \$ | \$ |
| Cash flows from (for): | | |
| Operating activities | | |
| Annual surplus | 4,675,919 | 2,226,327 |
| Non-cash items: | | |
| Amortization of tangible capital assets | 3,074,910 | 2,952,698 |
| Loss (gain) on disposal of tangible capital assets | (10,218) | 21,139 |
| Contributed tangible capital assets | (196,800) | - |
| Landfill closure and post-closure liability | 3,900 | 35,680 |
| | 7,547,711 | 5,235,844 |
| Changes in: | | |
| Portfolio investments | (1,113,145) | (26,761) |
| Taxes receivable | 209,639 | (122,330) |
| Accounts receivable | (2,443,396) | (272,008) |
| Prepaid expenses | 570,675 | 354,243 |
| Accounts payable and accruals | 1,585,467 | (619,464) |
| Net change in cash from operations | 6,356,951 | 4,549,524 |
| Capital activities | | |
| Acquisition of tangible capital assets | (8,255,702) | (3,541,816) |
| Proceeds on disposal of tangible capital assets | 21,970 | 42,218 |
| Net change in cash from capital | (8,233,732) | (3,499,598) |
| Investing activities | | |
| Long-term investments | 1,061,374 | (26,896) |
| Long-term receivables | 216,132 | 56,674 |
| Net change in cash from investing | 1,277,506 | 29,778 |
| Financing activities | | |
| Long-term liabilities repaid | (363,540) | (350,657) |
| Deferred revenue - obligatory reserve funds and other | (476,185) | 214,338 |
| Net change in cash from financing | (839,725) | (136,319) |
| Net change in cash position | (1,439,000) | 943,385 |
| Cash position, beginning of year | 7,761,381 | 6,817,996 |
| Cash position, end of year | 6,322,381 | 7,761,381 |

The accompanying notes are an integral part of
these financial statements

CORPORATION OF THE MUNICIPALITY OF SOUTH BRUCE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022

Nature of operations

The Municipality of South Bruce (the "Municipality") is a lower-tier Municipality located in the County of Bruce, Province of Ontario, Canada. 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 the representation of management prepared in accordance with local government accounting standards established by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada.

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

(a) Basis of consolidation

These consolidated financial statements reflect assets, liabilities, revenues and expenses of the Municipality. They include the activities of all committees of Council and the following organizations which are accountable to, and owned or controlled by the Municipality:

Teeswater-Culross Cemetery Board
Formosa Community Centre Board

Excluded are Funds Held in Trust which are administered by the Municipality and reported on separately.

A government partnership exists where the Municipality has shared control over the board or entity. The Municipality's pro-rata share of assets, liabilities, revenues and expenses are reflected in the financial statements using the proportionate consolidation method. The Municipality's proportionate interest in the following government partnership is reflected in the consolidated financial statements:

| | |
|----------------------------------|-------|
| Bruce Area Solid Waste Recycling | 3.24% |
|----------------------------------|-------|

All interfund assets and liabilities and sources of financing and expenses have been eliminated.

(b) Basis of accounting

Sources of financing and expenses are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they become available and measurable. Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

CORPORATION OF THE MUNICIPALITY OF SOUTH BRUCE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022

1. Summary of significant accounting policies (continued)

(c) Cash and cash equivalents

Cash and cash equivalents include cash on deposit, short-term deposits with a maturity of less than three months at acquisition and temporary bank overdrafts which form an integral part of the Municipality's cash management.

(d) Portfolio investments

Portfolio investments are recorded at cost unless there has been a decline in the market value which is other than temporary in nature in which case the investments are written down to market value.

(e) Deferred revenue

Revenue restricted by legislation, regulation, or agreement and not available for general municipal purposes is reported as deferred revenue on the consolidated statement of financial position. The revenue is reported on the consolidated statement of operations in the year in which it is used for the specified purpose.

(f) Non-financial assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year, together with the annual surplus, provides the consolidated 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:

| | |
|-----------------------------------|------------------|
| Land improvements | - 15 to 25 years |
| Buildings | - 25 to 50 years |
| Vehicles, machinery and equipment | - 4 to 50 years |
| Roads | - 8 to 100 years |
| Water & sewers | - 75 years |

(ii) Contribution 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.

CORPORATION OF THE MUNICIPALITY OF SOUTH BRUCE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022

1. Summary of significant accounting policies (continued)

(iii) Leases

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

(iv) Intangible assets

Intangible assets are not recognized as assets in the financial statements.

(g) Revenue recognition

User charges and fees and other revenues are recognized when related goods or services are provided and collectibility is reasonably assured.

Investment income is recognized in the period earned. Investment income earned on obligatory reserve funds is added to the fund balance and forms part of the respective deferred revenue balance and is recognized in the period in which eligible expenditures are made.

Donations, sale of goods, other grants, capital contributions and taxation from other governments are recognized on an accrual basis.

(h) Taxation and related revenues

Property tax billings are prepared by the municipality based on assessment rolls issued by the Municipal Property Assessment Corporation. Tax rates are established annually by Municipal council, incorporating amounts to be raised for local services. A normal part of the assessment process is the issue of supplementary assessment rolls, which provide updated information with respect to changes in property assessment. Once a supplementary assessment roll is received, the Municipality determines the taxes applicable and renders supplementary tax billings. Taxation revenues are recorded at the time tax billings are issued.

Assessments and the related property taxes are subject to appeal. Taxes are recorded at estimated amounts when they meet the definition of an asset, have been authorized and the taxable event occurs. For property taxes, the taxable event is the period for which the tax is levied. Taxes receivable are recognized net of allowance for anticipated uncollectable amounts.

The municipality is entitled to collect interest and penalties on overdue taxes. These revenues are recorded in the period the interest and penalties are levied.

(i) County and School Boards

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

CORPORATION OF THE MUNICIPALITY OF SOUTH BRUCE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022

1. Summary of significant accounting policies (continued)

(j) Government transfers

Government transfers are recognized in the consolidated financial statements as revenues in the period in which the events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met and reasonable estimates of the amounts can be made. Conditional government transfer revenue is recognized to the extent the conditions imposed on it have been fulfilled. Unconditional transfer revenue is recognized when monies are receivable. Government transfers for acquisition of tangible capital assets are recognized in the period in which eligible expenditures are made.

(k) Use of estimates

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. The Municipality's implementation of the Public Sector Handbook PS 3150 has required management to make estimates of historical cost, useful lives and amortization of tangible capital assets. In addition, estimates have been made of closure and post-closure costs related to landfill sites. Actual results could differ from those estimates.

(l) Pension plan

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

2. Cash

Cash consists of the following:

| | 2022 | 2021 |
|---------------------|------------------|------------------|
| | \$ | \$ |
| Unrestricted | 4,450,217 | 5,413,031 |
| Restricted (Note 6) | 1,872,164 | 2,348,350 |
| | 6,322,381 | 7,761,381 |

Restricted cash relates to obligatory reserve funds and other deferred revenue as described in Note 6 below.

CORPORATION OF THE MUNICIPALITY OF SOUTH BRUCE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022

3. Portfolio investments

Portfolio investments consist of the following:

| | 2022 | 2021 |
|--|------------------|----------------|
| | \$ | \$ |
| One Investment Funds | 747,863 | 726,750 |
| GIC, Summerland, 2.6% interest rate, due September, 2023 | 544,484 | - |
| GIC, Tandia CU, 4.6% interest rate, due September, 2023 | 547,547 | - |
| | 1,839,894 | 726,750 |

The Municipality has unrestricted investments in Guaranteed Investment Certificates of \$1,092,031 (2021 - \$NIL). During the year, guaranteed investment certificate investments earned income of \$30,658 (2021 - \$26,686).

The Municipality has unrestricted investments in The One Investment Program of \$747,863 (2021 - \$726,750). During the year, the One Investment Program earned income of \$94,890 (2021 - \$26,634). The One Investment Program is designed specifically for the municipal and broader Ontario public sector. The investments held within the Program are at their purchase cost.

| | 2022 | 2021 |
|----------------|---------|---------|
| | \$ | \$ |
| Carrying value | 747,863 | 726,750 |
| Market value | 753,431 | 784,308 |

4. Long-term receivables

Long-term receivables consist of the following:

| | 2022 | 2021 |
|--|------------------|------------------|
| | \$ | \$ |
| Municipal drain receivable, 3% to 4% interest rate, quarterly repayments, due 2023 to 2026 | 98,248 | 145,316 |
| Sewer loan receivable, 3.6% interest rate, quarterly repayments, due 2028 | 948,648 | 1,092,738 |
| Sewer loan receivable, 4.1% interest rate, quarterly repayments, due 2038 | 575,213 | 600,187 |
| | 1,622,109 | 1,838,241 |

Interest earned on the loans receivable during the year was \$62,340 (2021 - \$79,911). This amount has been included in penalties and interest on property taxation on the consolidated statement of operations.

CORPORATION OF THE MUNICIPALITY OF SOUTH BRUCE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022

5. Long-term investments

| | 2022 | 2021 |
|---|----------------|------------------|
| | \$ | \$ |
| Note receivable, Westario Power Inc., 4.12%, interest only receivable quarterly | 292,498 | 292,498 |
| 366.8 Common shares, Westario Power Inc. | 670,112 | 670,112 |
| GIC, Summerland, 2.6% interest rate, due September, 2023 | - | 530,687 |
| GIC, CCS, 2.6% interest rate, due September, 2022 | - | 530,686 |
| | 962,610 | 2,023,983 |

The Westario Power Inc. investments arose on November 1, 2000 as a result of the sale of the Mildmay Teeswater Hydro Electric Commission to Westario Power Inc.

Interest earned on the note receivable during the year was \$12,050 (2021 - \$12,084). This amount has been included in investment income on the consolidated statement of operations.

The Municipality owns 3.7% of the outstanding common shares of Westario Power Inc. The shares are generally not exposed to interest rate risk. The fair value of these shares is not determinable at this time. Dividends of \$29,344 (2021 - \$29,344) were received on these shares during the year and is also included in investment income.

CORPORATION OF THE MUNICIPALITY OF SOUTH BRUCE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022

6. Deferred revenue - obligatory reserve funds and other

A requirement of 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 be refunded.

The balance of deferred revenue is made up as follows:

| | 2022 | 2021 |
|--|------------------|-----------|
| | \$ | \$ |
| Obligatory reserve funds | | |
| Near term investment (Nuclear Waste Management Organization) | 7,433 | 775,000 |
| Community well being (Nuclear Waste Management Organization) | 610,966 | 443,823 |
| Federal gas tax | 194,940 | 97,640 |
| Parkland levies | 42,609 | 33,798 |
| | 855,948 | 1,350,261 |
| Other | | |
| Government grant funding | 197,779 | 434,271 |
| Planning deposits | 200,303 | 169,916 |
| Other NWMO programs | 562,916 | 391,424 |
| Other | 55,218 | 2,478 |
| | 1,016,216 | 998,089 |
| | 1,872,164 | 2,348,350 |

The net change during the year for the obligatory reserve funds is made up as follows:

| | 2022 | 2021 |
|----------------------------|----------------|-------------|
| | \$ | \$ |
| Balance, beginning of year | 1,350,261 | 1,008,505 |
| Interest earned | 19,315 | 1,589 |
| Restricted funds received | 1,192,812 | 1,436,645 |
| Revenue recognized | (1,706,440) | (1,096,478) |
| Balance, end of year | 855,948 | 1,350,261 |

The net change during the year for the other deferred revenue is made up as follows:

| | 2022 | 2021 |
|----------------------------|------------------|-------------|
| | \$ | \$ |
| Balance, beginning of year | 998,089 | 1,125,506 |
| Restricted funds received | 2,362,460 | 2,643,538 |
| Revenue recognized | (2,344,333) | (2,770,955) |
| Balance, end of year | 1,016,216 | 998,089 |

CORPORATION OF THE MUNICIPALITY OF SOUTH BRUCE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022

7. Landfill closure and post-closure liability

Solid waste landfill closure and post-closure care requirements are defined in accordance with industry standards and include final covering and landscaping of the landfill, removal of ground water and leachates and ongoing environmental monitoring, site inspection and maintenance. These costs will be incurred as each landfill site stops accepting waste, with the post-closure care expected to continue for an additional 20 years. The total future closure and post-closure care costs are estimated to be \$613,351 (2021 -\$631,109).

Carrick Mildmay landfill site

As at December 31, 2022, the Municipality has recognized in the financial statements a funded liability of \$217,891 (2021 - \$199,284). This liability represents 79% of the present value of the estimated costs and is based on a total capacity of 137,400 cubic meters and a discount rate of 2.00%. The balance of the liability of \$59,610 will be accrued as the remaining capacity of 29,515 cubic meters is utilized, which is expected to be over the next 33 years.

Teeswater Culross landfill site

As at December 31, 2022, the Municipality has recognized in the financial statements a funded liability of \$170,010 (2021 - \$182,201). This liability represents 57% of the present value of the estimated costs and is based on a total capacity of 113,370 cubic meters and a discount rate of 2.00%. The balance of the liability of \$126,058 will be accrued as the remaining capacity of 48,270 cubic meters is utilized, which is expected to be over the next 13 years.

Carlsruhe landfill site

As at December 31, 2022, the Municipality has recognized in the financial statements a funded liability of \$39,782 (2021 - \$42,298). This liability represents 100% of the present value of the estimated costs and is based on a total capacity of 18,800 cubic meters and a discount rate of 2.00%. This landfill is closed and therefore has annual post-closure estimated for the next 4 years.

Management's estimate for site closure and post-closure care liability is subject to measurement uncertainty. The estimate is based on assumptions contained in engineer's reports as to capacity, site life expectancy and usage. Actual results could differ significantly from these estimates because of the uncertainty related to future cost estimates, and future use of the landfill site.

CORPORATION OF THE MUNICIPALITY OF SOUTH BRUCE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022

8. Long-term liabilities

(a) Long-term liabilities consist of the following:

| | 2022 | 2021 |
|---|------------------|-----------|
| | \$ | \$ |
| Ontario Infrastructure loan payable, 3.11% interest, payable \$19,262 quarterly principal and interest, due February, 2024. | 94,104 | 166,807 |
| Ontario Infrastructure loan payable, 3.6% interest, payable \$49,886 quarterly principal and interest, due February, 2029. | 1,112,339 | 1,268,312 |
| Ontario Infrastructure loan payable, 3.9% interest, payable \$43,345 quarterly principal and interest, due February, 2033. | 1,572,794 | 1,682,155 |
| Ontario Infrastructure loan payable, 4.1% interest, payable \$12,694 quarterly principal and interest, due February, 2039. | 600,201 | 625,703 |
| | 3,379,438 | 3,742,977 |

(b) Payments anticipated for the next 5 years and thereafter are as follows:

| | Principal | Interest |
|------------|-----------|----------|
| | \$ | \$ |
| 2023 | 376,919 | 123,828 |
| 2024 | 332,546 | 110,415 |
| 2025 | 325,376 | 98,322 |
| 2026 | 337,777 | 85,922 |
| 2027 | 350,650 | 73,048 |
| Thereafter | 1,656,170 | 248,118 |

The annual principal and interest payments required to service these liabilities are within the annual debt repayment limit prescribed by the Ministry of Municipal Affairs. Total interest charges on long-term liabilities for the year reported on the consolidated statement of operations are \$135,148 (2021 - \$148,103).

CORPORATION OF THE MUNICIPALITY OF SOUTH BRUCE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022

9. Pension agreements

The employees of the Corporation of the Municipality of South Bruce participate in the Ontario Municipal Employees Retirement Saving Plan ("OMERS"). Although the plan has a defined retirement benefit for employees, the related obligation of the Municipality cannot be identified. The Municipality has applied defined contribution plan accounting as it has insufficient information to apply defined benefit plan accounting. As a result, the Municipality does not recognize any share of the OMERS pension surplus or deficit.

OMERS is a multi-employer plan, therefore any pension plan surpluses or deficits are a joint responsibility of Ontario municipal organizations and their employees. The most recent actuarial valuation of the Plan was conducted at December 31, 2022. The results of this valuation disclosed total actuarial liabilities of \$130.3 billion (2021 - \$120.8 billion) in respect of benefits accrued for service with actuarial assets as that date of \$123.6 billion (2021 - \$117.7 billion), indicating a going concern deficit of \$6,700 million (2021 - \$3,100 million).

The amount contributed to OMERS for the current year was \$214,946 (2021 - \$192,504) for current service.

10. Tangible capital assets

Schedules 1 and 2 provide information on the tangible capital assets of the Municipality by major asset class as well as accumulated amortization of the assets controlled. The reader should be aware of the following information relating to tangible capital assets:

(a) Work in progress

Work in progress with a value of \$5,187,850 (2021 - \$1,180,821) has not been amortized. Amortization of these assets will commence when the asset is put into service.

(b) Contributed tangible capital assets

Contributed tangible capital assets have been recognized at fair market value at the date of contribution. The value of contributed assets received during the year is \$196,800 (2021 - \$NIL). This amount is included in Capital contribution on the consolidated statement of operations.

(c) Tangible capital assets disclosed at nominal values

Where an estimate of fair value could not be made, the tangible capital asset was recognized at a nominal value. Land is the only category where nominal values were assigned.

(d) Works of art and historical treasures

No works of art nor historical treasures are held by the Municipality.

CORPORATION OF THE MUNICIPALITY OF SOUTH BRUCE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022

11. Accumulated surplus

Accumulated surplus consists of individual fund surplus, reserves and reserve funds as follows:

| | 2022 | 2021 |
|--|-------------------|-------------------|
| | \$ | \$ |
| Investment in tangible capital assets: | | |
| Invested in tangible capital assets | 69,487,278 | 64,121,438 |
| Tangible capital assets financed by long-term liabilities and to be funded in future years | (1,781,718) | (1,976,193) |
| Total investment in tangible capital assets | 67,705,560 | 62,145,245 |
| Surplus (Deficit): | | |
| General area taxation | (82,253) | 216,129 |
| Teewater-Culross Cemetery Board | 268,171 | 311,214 |
| Formosa Community Centre | 22,729 | 24,127 |
| Total surplus | 208,647 | 551,470 |
| Reserves set aside for specific purposes by Council | | |
| Current purposes | 209,966 | 209,966 |
| Capital purposes | 8,728,082 | 9,269,655 |
| Total reserves | 8,938,048 | 9,479,621 |
| Total accumulated surplus | 76,852,255 | 72,176,336 |

12. Budget amounts

The operating budget approved by Council for 2022 is reflected on the consolidated statements of operations and change in net financial assets. The budgets established for capital investment in tangible capital assets are on a project oriented basis, the costs of which may be carried out over one or more years and, therefore, may not be comparable with the current year's actual expenditure amounts and not budgeted. The budgeted figures as presented for comparison purposes are unaudited.

CORPORATION OF THE MUNICIPALITY OF SOUTH BRUCE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022

13. Government partnerships

The following summarizes the financial position and operations of the municipal joint board, Bruce Area Solid Waste Recycling. The Municipality of South Bruce's pro-rata share of these amounts has been reported in the financial statements using the proportionate consolidation method:

| | Bruce Area Solid Waste Recycling 2022 |
|-------------------------------------|--|
| | \$ |
| Financial assets | 1,989,111 |
| Liabilities | 230,105 |
| Net financial assets | 1,759,006 |
| Non-financial assets | 1,516,006 |
| Accumulated surplus | 3,275,012 |
| General surplus | 212,637 |
| Invested in tangible capital assets | 1,508,281 |
| Reserves and reserve funds | 1,554,094 |
| | 3,275,012 |
| Revenues | 4,000,874 |
| Expenses | 4,255,089 |
| Annual surplus (deficit) | (254,215) |

14. Net property taxation

Net property taxation consists of:

| | 2022 | 2021 |
|---|--------------------|-------------|
| | \$ | \$ |
| Taxation revenue | 10,152,308 | 9,744,291 |
| Amount levied and remitted to School Boards | (1,314,384) | (1,303,098) |
| Amount levied and remitted to the County of Bruce | (3,115,033) | (2,890,243) |
| Net property taxation | 5,722,891 | 5,550,950 |

CORPORATION OF THE MUNICIPALITY OF SOUTH BRUCE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022

15. Commitments

- (a) Contractual capital commitments of approximately \$5,411,873 (2021 - \$3,165,258) are not reflected in the consolidated financial statements. This amount represents incomplete contracts as at December 31, 2022.
- (b) On December 1, 2021, the Municipality entered into an operating agreement with Veolia Water Canada Inc. for the operation and maintenance of the Municipality's water and wastewater facilities. The term of the agreement ends January 31, 2025. The first year annual fee for the contract is \$704,702 plus HST. Each subsequent year the fee will change with the Consumer Price Index.
- (c) The Municipality entered into an agreement for part of the Municipality's curbside garbage collection. The annual fee for 2023 is \$61,646. The term of the agreement ends in 2023.
- (d) The minimum annual payments for operating agreements for the next three years are as follows:
- | | |
|------|-------------|
| 2023 | \$1,752,715 |
| 2024 | \$804,608 |
| 2025 | \$817,817 |

16. Contingencies

- (a) In the ordinary course of business, various claims and lawsuits are brought against the Municipality. It is the opinion of management that the settlement of these actions will not result in any material liabilities beyond any amounts already accrued. No provision has been made for pending expropriations of land beyond the payments already made to affected property owners. Any payment made by the Municipality pursuant to claims, lawsuits or expropriations will be charged in the year of settlement.
- (b) Appeals of the current value assessment of properties in the Municipality may be in process. The impact on taxation revenue as a result of settlement of these appeals is not determinable at this time. The effect on taxation of the settlement of these appeals will be recorded in the fiscal year in which they can be determined.
- (c) The Municipality is contingently liable to the Province of Ontario for long-term liabilities outstanding for tile drainage loans in the amount of \$105,533 (2021 - \$118,774).
- (d) Applications for property tax rebates for vacant commercial and industrial buildings may be in process. The impact on taxation revenue as a result of these rebates is not determinable at this time. The effect on taxation of these rebates will be recorded in the fiscal year in which they can be determined.

17. Trust funds

The trust funds administered by the Municipality amounting to \$92,509 (2021 - \$89,893) have not been included in the consolidated statement of financial position nor have the operations been included in the consolidated statement of operations. The trust funds are comprised of the following:

| | 2022 | 2021 |
|---|--------|--------|
| | \$ | \$ |
| Ontario Home Renewal Program | 10,512 | 10,512 |
| Cemetery Perpetual Care and Maintenance | 81,997 | 79,381 |

CORPORATION OF THE MUNICIPALITY OF SOUTH BRUCE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022

18. Segmented information

The Municipality of South Bruce is a diversified municipal government organization that provides a wide range of services to its citizens such as police, fire, roadways, water, sewer, waste, and recreation and cultural services. Distinguishable functional segments have been separately disclosed in the segmented information. Schedules 3 and 4 provide information on the segmented information of the municipality.

Property taxation revenue is prorated to each segment based on budgeted expenses. The Ontario Municipal Partnership Fund grant is allocated to general government. The nature of the segments and the activities that they encompass are as follows:

General government

This segment includes the revenues and expenses that relate to the operations of the Municipality itself and unallocated items that cannot be directly attributed to any specific segment. General administration, council activities and maintenance of municipal buildings are included in the functions of general government.

Protection services

Protection services are comprised of police services, fire protection, emergency plan, building inspections, and animal control.

Transportation services

Transportation services are comprised of the Municipality's roadways, storm sewers, sidewalks, street lighting, and winter control.

Environmental services

Environmental services are comprised of water and sewer services. It represents costs for the Municipality to treat and distribute the Municipality's drinking water and ensures that it meets all provincial standards. It also includes the collection and treatment of waste water.

Environmental also consists of providing waste and recycling collection and the operation of the two landfill sites.

Health services

Health services are comprised of support to the medical clinic operations and a cemetery.

Recreation and cultural services

This area provides services meant to improve the health and development of the Municipality's citizens. The Municipality operates and maintains parks, arenas, swimming pools, and community centres. The Municipality also provides library services and recreational programs.

CORPORATION OF THE MUNICIPALITY OF SOUTH BRUCE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022

18. Segmented information (continued)

Planning and development

This segment is responsible for planning and zoning including the Official plan for residential and commercial, review of property development plans, and economic development services for the Municipality.

Social and family services

This area provides services meant to improve the family services of the Municipality's citizens. The Municipality operates child care services, providing a before and after school program. This is a new service in 2022 that the Municipality is now providing, therefore in 2021, all amounts are \$NIL.

19. Comparative figures

Certain comparative figures have been reclassified to conform with the financial statement presentation adopted in current year.

**CORPORATION OF THE
MUNICIPALITY OF SOUTH BRUCE**

**SCHEDULE 1
CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2022**

| | Land | Land | Buildings | Vehicles, Machinery and Equipment | Roads | Water & Sewers | Work in Progress | Total |
|------------------------------------|------------------|------------------|-------------------|---|-------------------|-------------------|---------------------|--------------------|
| | Land | Improvements | | | | | | |
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Cost | | | | | | | | (Note 19) |
| Balance, beginning of year | 1,456,709 | 1,297,590 | 22,508,373 | 10,179,169 | 55,768,957 | 22,390,352 | 1,180,821 | 114,781,971 |
| Additions | - | 71,174 | 826,606 | 1,340,686 | 983,452 | 108,023 | 5,122,561 | 8,452,502 |
| Disposals | - | - | - | (116,411) | (17,977) | - | - | (134,388) |
| Transfers | 50,450 | 109,881 | - | 702,731 | 252,470 | - | (1,115,532) | - |
| Balance, end of year | 1,507,159 | 1,478,645 | 23,334,979 | 12,106,175 | 56,986,902 | 22,498,375 | 5,187,850 | 123,100,085 |
| Accumulated amortization | | | | | | | | |
| Balance, beginning of year | 69,687 | 743,944 | 10,089,354 | 5,000,478 | 29,842,206 | 4,914,864 | - | 50,660,533 |
| Amortization | 897 | 47,290 | 523,177 | 655,423 | 1,543,717 | 304,406 | - | 3,074,910 |
| Disposals | - | - | - | (104,659) | (17,977) | - | - | (122,636) |
| Balance, end of year | 70,584 | 791,234 | 10,612,531 | 5,551,242 | 31,367,946 | 5,219,270 | - | 53,612,807 |
| Net book value, end of year | 1,436,575 | 687,411 | 12,722,448 | 6,554,933 | 25,618,956 | 17,279,105 | 5,187,850 | 69,487,278 |

The accompanying notes are an integral part of
these financial statements

**CORPORATION OF THE
MUNICIPALITY OF SOUTH BRUCE**

**SCHEDULE 2
CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2021**

| | Land | Land Improvements | Buildings | Vehicles, Machinery and Equipment | Roads | Water & Sewers | Work in Progress | Total |
|---------------------------------|-----------|----------------------|------------|---|------------|-------------------|---------------------|-------------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Cost | | | | | | | | |
| Balance, beginning of year | 1,233,591 | 1,190,881 | 21,487,453 | 9,802,497 | 54,770,175 | 22,335,139 | 975,982 | 111,795,718 |
| Additions | 223,118 | 53,986 | 805,317 | 639,817 | 1,207,649 | 55,213 | 556,716 | 3,541,816 |
| Disposals | - | - | - | (314,340) | (240,087) | - | (1,136) | (555,563) |
| Transfers | - | 52,723 | 215,603 | 51,195 | 31,220 | - | (350,741) | - |
| All assets, end of year | 1,456,709 | 1,297,590 | 22,508,373 | 10,179,169 | 55,768,957 | 22,390,352 | 1,180,821 | 114,781,971 |
| Accumulated amortization | | | | | | | | |
| Balance, beginning of year | 68,790 | 705,424 | 9,576,411 | 4,674,755 | 28,561,136 | 4,612,390 | - | 48,198,906 |
| Amortization | 897 | 38,520 | 512,943 | 593,173 | 1,504,691 | 302,474 | - | 2,952,698 |
| Disposals | - | - | - | (267,450) | (223,621) | - | - | (491,071) |
| Balance, end of year | 69,687 | 743,944 | 10,089,354 | 5,000,478 | 29,842,206 | 4,914,864 | - | 50,660,533 |
| Net book value, end of year | 1,387,022 | 553,646 | 12,419,019 | 5,178,691 | 25,926,751 | 17,475,488 | 1,180,821 | 64,121,438 |

The accompanying notes are an integral part of
these financial statements

CORPORATION OF THE MUNICIPALITY OF SOUTH BRUCE

SCHEDULE 3 CONSOLIDATED SCHEDULE OF SEGMENTED REVENUES AND EXPENSES FOR THE YEAR ENDED DECEMBER 31, 2022

| | General Government | Protection Services | Transportation Services | Environmental Services | Health Services | Recreation and Cultural Services | Planning and Development | Social and Family Services | Total |
|--|-----------------------|------------------------|----------------------------|---------------------------|--------------------|-------------------------------------|-----------------------------|-------------------------------|--------------------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Revenues | | | | | | | | | |
| Net property taxation | 1,562,327 | 906,216 | 1,529,406 | 1,028,428 | 72,632 | 548,700 | 62,722 | 12,460 | 5,722,891 |
| Taxation from other governments | 25,912 | - | - | - | - | - | - | - | 25,912 |
| User charges and fees | 141,718 | 197,966 | 1,222,969 | 2,457,629 | 107,203 | 437,882 | 17,491 | 28,602 | 4,611,460 |
| Government transfers | 821,100 | 10,399 | 103,879 | 31,394 | - | 44,517 | 6,473 | 9,743 | 1,027,505 |
| Donations and sale of goods | 1,953,586 | 34,316 | 25,002 | - | 33,564 | 18,430 | 2,900 | - | 2,067,798 |
| Investment income | 191,151 | - | - | 63,371 | - | - | 317 | - | 254,839 |
| Penalties and interest on property taxation | 69,583 | - | - | 62,340 | - | - | - | - | 131,923 |
| | <u>4,765,377</u> | <u>1,148,897</u> | <u>2,881,256</u> | <u>3,643,162</u> | <u>213,399</u> | <u>1,049,529</u> | <u>89,903</u> | <u>50,805</u> | <u>13,842,328</u> |
| Expenses | | | | | | | | | |
| Salaries, wages and benefits | 1,214,844 | 571,349 | 969,547 | 241,732 | 35,120 | 568,672 | 17,716 | 31,191 | 3,650,171 |
| Interest on long-term liabilities | - | - | 63,352 | 71,796 | - | - | - | - | 135,148 |
| Materials and supplies | 548,804 | 285,332 | 947,253 | 449,021 | 100,262 | 427,644 | 27,038 | 6,907 | 2,792,261 |
| Contracted services | 1,209,661 | 892,134 | 456,975 | 1,202,055 | 8,501 | 80,002 | 40,832 | - | 3,890,160 |
| Rents, financial expenses and external transfers | 7,026 | 98,740 | 1,013,102 | 92,041 | 59,698 | 66,296 | 20,588 | - | 1,357,491 |
| Amortization expense | 45,132 | 155,670 | 1,780,851 | 818,841 | 27,904 | 237,345 | 9,167 | - | 3,074,910 |
| Interfuncional charges | (212,328) | 28,132 | 26,196 | 82,848 | 9,672 | 32,096 | 23,712 | - | (9,672) |
| | <u>2,813,139</u> | <u>2,031,357</u> | <u>5,257,276</u> | <u>2,958,334</u> | <u>241,157</u> | <u>1,412,055</u> | <u>139,053</u> | <u>38,098</u> | <u>14,890,469</u> |
| Net revenues (expenses) | <u>1,952,238</u> | <u>(882,460)</u> | <u>(2,376,020)</u> | <u>684,828</u> | <u>(27,758)</u> | <u>(362,526)</u> | <u>(49,150)</u> | <u>12,707</u> | <u>(1,048,141)</u> |

The accompanying notes are an integral part of
these financial statements

**CORPORATION OF THE
MUNICIPALITY OF SOUTH BRUCE**

**SCHEDULE 3
CONSOLIDATED SCHEDULE OF SEGMENTED REVENUES AND EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2022**

| | General Government | Protection Services | Transportation Services | Environmental Services | Health Services | Recreation and Cultural Services | Planning and Development | Social and Family Services | Total |
|--|-----------------------|------------------------|----------------------------|---------------------------|--------------------|-------------------------------------|-----------------------------|-------------------------------|-----------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Other | | | | | | | | | |
| Grants and transfers related to capital | | | | | | | | | |
| Government transfers | 21,504 | 60,160 | 2,410,369 | 69,510 | - | 350,569 | - | - | 2,912,112 |
| Donations | 1,660,322 | 69,055 | 212,061 | 21,000 | 384,839 | 108,972 | 3,362 | - | 2,459,611 |
| Capital contribution | - | - | - | 342,119 | - | - | - | - | 342,119 |
| Gain (loss) on disposal of tangible capital assets | 23 | 11,141 | - | (1,181) | - | 235 | - | - | 10,218 |
| | 1,681,849 | 140,356 | 2,622,430 | 431,448 | 384,839 | 459,776 | 3,362 | - | 5,724,060 |
| Annual surplus (deficit) | 3,634,087 | (742,104) | 246,410 | 1,116,276 | 357,081 | 97,250 | (45,788) | 12,707 | 4,675,919 |

The accompanying notes are an integral part of
these financial statements

CORPORATION OF THE MUNICIPALITY OF SOUTH BRUCE

SCHEDULE 4 CONSOLIDATED SCHEDULE OF SEGMENTED REVENUES AND EXPENSES FOR THE YEAR ENDED DECEMBER 31, 2021

| | General Government | Protection Services | Transportation Services | Environmental Services | Health Services | Recreation and Cultural Services | Planning and Development | Social and Family Services | Total |
|--|-----------------------|------------------------|----------------------------|---------------------------|--------------------|-------------------------------------|-----------------------------|-------------------------------|-----------------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Revenues | | | | | | | | | |
| Net property taxation | 1,468,297 | 917,970 | 1,462,071 | 1,056,300 | 65,012 | 520,880 | 60,420 | - | 5,550,950 |
| Taxation from other governments | 25,792 | - | - | - | - | - | - | - | 25,792 |
| User charges and fees | 93,309 | 230,882 | 1,162,626 | 2,398,067 | 263,788 | 286,692 | 7,088 | - | 4,442,452 |
| Government transfers | 896,040 | 20,900 | 131,389 | 24,643 | - | - | 11,722 | - | 1,084,694 |
| Donations and sale of goods | 1,921,149 | 33,759 | 21,238 | - | 11,923 | 33,762 | 15,794 | - | 2,037,625 |
| Investment income | 127,453 | - | 372 | 15,675 | - | - | 510 | - | 144,010 |
| Penalties and interest on property taxation | 76,822 | - | - | 77,171 | - | - | - | - | 153,993 |
| | 4,608,862 | 1,203,511 | 2,777,696 | 3,571,856 | 340,723 | 841,334 | 95,534 | - | 13,439,516 |
| Expenses | | | | | | | | | |
| Salaries, wages and benefits | 1,099,168 | 500,732 | 842,463 | 226,724 | 29,486 | 486,138 | 16,376 | - | 3,201,087 |
| Interest on long-term liabilities | - | - | 67,541 | 80,563 | - | - | - | - | 148,104 |
| Materials and supplies | 276,957 | 204,895 | 783,835 | 484,068 | 53,150 | 373,698 | 14,666 | - | 2,191,269 |
| Contracted services | 1,312,201 | 882,336 | 362,925 | 1,030,394 | 1,499 | 45,658 | 34,652 | - | 3,669,665 |
| Rents, financial expenses and external transfers | 139,357 | 92,800 | 867,815 | 130,125 | 35,365 | 52,236 | 39,306 | - | 1,357,004 |
| Amortization expense | 42,917 | 119,142 | 1,729,485 | 821,632 | 24,828 | 200,954 | 7,988 | - | 2,946,946 |
| Interfuncional charges | (205,133) | 36,350 | 27,400 | 79,300 | 9,300 | 29,983 | 5,600 | - | (17,200) |
| | 2,665,467 | 1,836,255 | 4,681,464 | 2,852,806 | 153,628 | 1,188,667 | 118,588 | - | 13,496,875 |
| Net revenues (expenses) | 1,943,395 | (632,744) | (1,903,768) | 719,050 | 187,095 | (347,333) | (23,054) | - | (57,359) |

The accompanying notes are an integral part of
these financial statements

**CORPORATION OF THE
MUNICIPALITY OF SOUTH BRUCE**

**SCHEDULE 4
CONSOLIDATED SCHEDULE OF SEGMENTED REVENUES AND EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2021**

| | General Government | Protection Services | Transportation Services | Environmental Services | Health Services | Recreation and Cultural Services | Planning and Development | Social and Family Services | Total |
|--|-----------------------|------------------------|----------------------------|---------------------------|--------------------|-------------------------------------|-----------------------------|-------------------------------|------------------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Other | | | | | | | | | |
| Grants and transfers related to capital | | | | | | | | | |
| Government transfers | - | - | 976,143 | 20,735 | - | 150,853 | - | - | 1,147,731 |
| Donations | 84,589 | 115,620 | 10,000 | - | 433,408 | 292,977 | 3,950 | - | 940,544 |
| Capital contribution | - | - | - | 216,550 | - | - | - | - | 216,550 |
| Gain (loss) on disposal of tangible capital assets | (5,639) | (18,400) | 6,102 | (3,302) | - | 100 | - | - | (21,139) |
| | 78,950 | 97,220 | 992,245 | 233,983 | 433,408 | 443,930 | 3,950 | - | 2,283,686 |
| Annual surplus (deficit) | 2,022,345 | (535,524) | (911,523) | 953,033 | 620,503 | 96,597 | (19,104) | - | 2,226,327 |

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these financial statements