

**CORPORATION OF THE
MUNICIPALITY OF SOUTH BRUCE
CONSOLIDATED FINANCIAL REPORT
DECEMBER 31, 2020**

CORPORATION OF THE MUNICIPALITY OF SOUTH BRUCE

DECEMBER 31, 2020

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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
August 31, 2021



Treasurer
August 31, 2021

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, 2020, 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, 2020, 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 LLP
CHARTERED PROFESSIONAL ACCOUNTANTS
LICENSED PUBLIC ACCOUNTANTS

Walkerton, Ontario
August 31, 2021

**CORPORATION OF THE
MUNICIPALITY OF SOUTH BRUCE**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31**

	2020	2019
	\$	\$
Financial assets		
Cash (Note 2)	6,817,996	4,943,281
Portfolio investments (Note 3)	699,989	687,362
Taxes receivable	429,056	494,479
Accounts receivable	939,533	816,453
Long-term receivables (Note 4)	1,894,915	2,462,205
Long-term investments (Note 5)	1,997,087	1,970,850
	12,778,576	11,374,630
Liabilities		
Accounts payable and accruals	1,651,672	1,723,955
Deferred revenue - obligatory reserve funds (Note 6)	1,008,505	1,011,554
Deferred revenue - other (Note 6)	1,125,506	614,622
Landfill closure and post-closure liability (Note 7)	388,103	383,252
Long-term liabilities (Note 8)	4,093,634	4,431,862
	8,267,420	8,165,245
Net financial assets	4,511,156	3,209,385
Non-financial assets		
Tangible capital assets (Schedule 1, 2 and Note 10)	63,596,812	64,811,629
Prepaid expenses	1,842,041	1,476,322
	65,438,853	66,287,951
Accumulated surplus (Note 11)	69,950,009	69,497,336

Approved

Robert J. Buehler

Mayor

Sept 1, 2021

Date

The accompanying notes are an integral part of
these financial statements

CORPORATION OF THE MUNICIPALITY OF SOUTH BRUCE

CONSOLIDATED STATEMENT OF OPERATIONS FOR THE YEAR ENDED DECEMBER 31

	Budget 2020	Actual 2020	Actual 2019
	\$ (Note 12)	\$	\$
Revenues			
Net property taxation (Note 14)	5,063,567	5,073,837	4,777,837
Taxation from other governments	25,795	25,784	25,698
User charges and fees	4,170,031	3,993,308	4,217,156
Government transfers	958,415	1,061,313	1,539,191
Donations and sale of goods	734,388	696,597	464,389
Investment income (Note 3 and 5)	142,150	133,167	153,839
Penalties and interest on property taxation (Note 4)	81,000	127,248	165,202
	11,175,346	11,111,254	11,343,312
Expenses			
General government	1,332,058	1,418,512	943,471
Protection services	1,731,963	1,750,795	1,757,643
Transportation services	2,725,407	4,526,417	4,275,040
Environmental services	2,056,043	3,171,367	2,899,260
Health services	117,168	152,047	137,088
Recreation and cultural services	985,515	1,034,872	1,227,226
Planning and development	117,265	147,296	149,277
	9,065,419	12,201,306	11,389,005
Net revenues (expenses)	2,109,927	(1,090,052)	(45,693)
Other			
Grants and transfers related to capital			
Government transfers	636,000	601,047	701,372
Capital cost recoveries	24,000	-	-
Donations	1,177,481	406,805	194,430
Capital contribution (Note 10)	-	519,830	7,621
Gain (loss) on disposal of tangible capital assets	-	15,043	20,375
	1,837,481	1,542,725	923,798
Annual surplus	3,947,408	452,673	878,105
Accumulated surplus, beginning of year		69,497,336	68,619,231
Accumulated surplus, end of year (Note 11)		69,950,009	69,497,336

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 2020	Actual 2020	Actual 2019
	\$ (Note 12)	\$	\$
Annual surplus	3,947,408	452,673	878,105
Acquisition of tangible capital assets	-	(1,436,980)	(3,185,327)
Amortization of tangible capital assets	-	2,962,236	2,744,764
Loss (gain) on disposal of tangible capital assets	-	(15,043)	(20,375)
Proceeds on disposal of tangible capital assets	-	19,316	99,319
Contributed tangible capital assets	-	(314,712)	-
Acquisition of prepaid expenses	-	(365,719)	(650,940)
Change in net financial assets	3,947,408	1,301,771	(134,454)
Net financial assets, beginning of year		3,209,385	3,343,839
Net financial assets, end of year		4,511,156	3,209,385

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

	2020	2019
	\$	\$
Cash flows from (for):		
Operating activities		
Annual surplus	452,673	878,105
Non-cash items:		
Amortization of tangible capital assets	2,962,236	2,744,764
Loss (gain) on disposal of tangible capital assets	(15,043)	(20,375)
Contributed tangible capital assets	(314,712)	-
Landfill closure and post-closure liability	4,851	37,749
	3,090,005	3,640,243
Changes in:		
Portfolio investments	(12,628)	1,497
Taxes receivable	65,423	(67,075)
Accounts receivable	(123,080)	343,148
Prepaid expenses	(365,719)	(650,940)
Accounts payable and accruals	(72,284)	845,670
Net change in cash from operations	2,581,717	4,112,543
Capital activities		
Acquisition of tangible capital assets	(1,436,980)	(3,185,327)
Proceeds on disposal of tangible capital assets	19,316	99,319
Net change in cash from capital	(1,417,664)	(3,086,008)
Investing activities		
Purchase of GICs	(26,237)	(1,008,240)
Long-term receivables	567,290	348,282
Net change in cash from investing	541,053	(659,958)
Financing activities		
Long-term liabilities repaid	(338,227)	(444,401)
Deferred revenue - obligatory reserve funds and other	507,836	345,000
Net change in cash from financing	169,609	(99,401)
Net change in cash position	1,874,715	267,176
Cash position, beginning of year	4,943,281	4,676,105
Cash position, end of year	6,817,996	4,943,281

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, 2020

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
Teeswater Town Hall 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	3.30%
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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, 2020

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, 2020

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, 2020

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:

	<u>2020</u>	2019
	\$	\$
Unrestricted	4,683,985	3,317,105
Restricted (Note 6)	2,134,011	1,626,176
	6,817,996	4,943,281

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, 2020

3. Portfolio investments

The Municipality has unrestricted investments in The One Investment Program of \$699,989 (2019 - \$687,362). During the year, portfolio investments earned income of \$12,628 (2019 - \$9,480).

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. The investments include a money market portfolio and equity fund with a cost of \$699,989 (2019 - \$687,362).

	2020	2019
	\$	\$
Carrying value	699,989	687,362
Market value	706,515	680,682

4. Long-term receivables

Long-term receivables consist of the following:

	2020	2019
	\$	\$
Sewer loan receivable, industry contributions, 0% interest annual repayments, due 2020 and 2023	-	386,000
Sewer loan receivable, 3.6% interest rate, quarterly repayments, due 2028	1,260,752	1,418,655
Sewer loan receivable, 4.1% interest rate, quarterly repayments, due 2038	634,163	657,550
	1,894,915	2,462,205

Interest earned on the loans receivable during the year was \$79,413 (2019 - \$83,833). 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, 2020

5. Long-term investments

	<u>2020</u>	2019
	\$	\$
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, CCS, 2.6% interest rate, due September, 2022	517,238	504,120
GIC, Summerland, 2.6% interest rate, due September, 2023	517,239	504,120
	1,997,087	1,970,850

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 and GICs during the year was \$38,287 (2019 - \$12,051). 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 (2019 - \$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, 2020

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:

	2020	2019
	\$	\$
Obligatory reserve funds		
Community well being (NWMO)	795,282	628,927
Federal gas tax	190,485	363,059
Parkland levies	22,738	19,568
	1,008,505	1,011,554
Other		
Government grant funding	558,002	318,000
Planning deposits	116,572	82,572
Other NWMO programs	449,307	211,995
Other	1,625	2,055
	1,125,506	614,622
	2,134,011	1,626,176

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

	2020	2019
	\$	\$
Balance, beginning of year	1,011,554	430,098
Interest earned	6,597	9,145
Restricted funds received	474,066	657,511
Revenue recognized	(483,712)	(85,200)
Balance, end of year	1,008,505	1,011,554

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

	2020	2019
	\$	\$
Balance, beginning of year	614,622	851,078
Restricted funds received	1,517,535	836,218
Revenue recognized	(1,006,651)	(1,072,674)
Balance, end of year	1,125,506	614,622

CORPORATION OF THE MUNICIPALITY OF SOUTH BRUCE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2020

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 \$610,500 (2019 -\$622,100).

Carrick Mildmay landfill site

As at December 31, 2020, the Municipality has recognized in the financial statements a funded liability of \$187,012 (2019 - \$189,084). This liability represents 77% 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 \$55,186 will be accrued as the remaining capacity of 31,840 cubic meters is utilized, which is expected to be over the next 25 years.

Teeswater Culross landfill site

As at December 31, 2020, the Municipality has recognized in the financial statements a funded liability of \$161,309 (2019 - \$153,629). This liability represents 64% of the present value of the estimated costs and is based on a total capacity of 83,370 cubic meters and a discount rate of 2.00%. The balance of the liability of \$81,311 will be accrued as the remaining capacity of 26,870 cubic meters is utilized, which is expected to be over the next 10 years.

Carlsruhe landfill site

As at December 31, 2020, the Municipality has recognized in the financial statements a funded liability of \$39,782 (2019 - \$40,538). 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 5 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, 2020

8. Long-term liabilities

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

	2020	2019
	\$	\$
Ontario Infrastructure loan payable, 3.11% interest, payable \$19,262 quarterly principal and interest, due February, 2024.	237,292	305,627
Ontario Infrastructure loan payable, 3.6% interest, payable \$49,886 quarterly principal and interest, due February, 2029.	1,418,794	1,563,979
Ontario Infrastructure loan payable, 3.9% interest, payable \$43,345 quarterly principal and interest, due February, 2033.	1,787,353	1,888,547
Ontario Infrastructure loan payable, 4.1% interest, payable \$12,694 quarterly principal and interest, due February, 2039.	650,195	673,709
	4,093,634	4,431,862

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

	Principal	Interest
	\$	\$
2021	350,658	150,089
2022	363,550	137,197
2023	376,919	123,828
2024	332,546	110,415
2025	325,376	98,322
Thereafter	2,344,585	724,874

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 \$160,605 (2019 - \$173,442).

CORPORATION OF THE MUNICIPALITY OF SOUTH BRUCE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2020

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.

OMERS is a multi-employer plan, therefore any pension plan surpluses or deficits are a joint responsibility of Ontario municipal organizations and their employees. As a result, the Municipality does not recognize any share of the OMERS pension surplus or deficit. The most recent actuarial valuation of the Plan was conducted at December 31, 2020.

The amount contributed to OMERS for the current year was \$151,959 (2019 - \$128,812) 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 \$975,982 (2019 - \$538,009) 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 \$314,712 (2019 - \$NIL). This amount is included in Capital contribution.

(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, 2020

11. Accumulated surplus

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

	2020	2019
	\$	\$
Investment in tangible capital assets:		
Invested in tangible capital assets	63,596,812	64,811,629
Tangible capital assets financed by long-term liabilities and to be funded in future years	(2,124,861)	(2,165,298)
Total investment in tangible capital assets	61,471,951	62,646,331
Surplus (Deficit):		
General area taxation	(56,669)	271,881
Teeswater-Culross Cemetery Board	141,525	132,737
Formosa Community Centre	24,068	20,059
Total surplus	108,924	424,677
Reserves set aside for specific purposes by Council		
Current purposes	209,966	209,966
Capital purposes	8,159,168	6,216,362
Total reserves	8,369,134	6,426,328
Total accumulated surplus	69,950,009	69,497,336

12. Budget amounts

The operating budget approved by Council for 2020 is reflected on the consolidated statements of operations. 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, 2020

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 2020
	\$
Financial assets	2,517,711
Liabilities	256,318
Net financial assets	2,261,393
Non-financial assets	1,398,521
Accumulated surplus	3,659,914
General surplus	147,713
Invested in tangible capital assets	1,395,643
Reserves and reserve funds	2,116,558
	3,659,914
Revenues	3,007,471
Expenses	3,193,011
Annual surplus	(185,540)

14. Net property taxation

Net property taxation consists of:

	2020	2019
	\$	\$
Taxation revenue	9,086,700	8,543,308
Amount levied and remitted to School Boards	(1,299,574)	(1,266,244)
Amount levied and remitted to the County of Bruce	(2,713,289)	(2,499,227)
Net property taxation	5,073,837	4,777,837

CORPORATION OF THE MUNICIPALITY OF SOUTH BRUCE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2020

15. Commitments

- (a) Contractual capital commitments of approximately \$1,730,398 (2019 - \$17,550) are not reflected in the consolidated financial statements. This amount, for which funding is in place, represents incomplete contracts as at December 31, 2020.
- (b) On December 1, 2019, 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, 2022. The first year annual fee for the contract is \$680,871 plus HST. Each subsequent year the fee will be negotiated between the parties, and if no agreement is reached the prior year fee plus the yearly change in the Consumer Price Index will apply.
- (c) The Municipality entered into an agreement for part of the Municipality's curbside garbage collection. The annual fee for 2020 is \$52,242. The term of the agreement ends in 2021.
- (d) The minimum annual payments for operating agreements for the next five years are as follows:
- | | |
|------|-----------|
| 2021 | \$985,856 |
| 2022 | \$755,399 |
| 2023 | \$748,500 |
| 2024 | \$757,518 |
| 2025 | \$769,456 |

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 \$147,453 (2019 - \$208,544).
- (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 \$86,754 (2019 - \$85,056) 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:

	2020	2019
	\$	\$
Ontario Home Renewal Program	10,512	10,512
Cemetery Perpetual Care and Maintenance	76,242	74,544

CORPORATION OF THE MUNICIPALITY OF SOUTH BRUCE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2020

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, 2020

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.

19. COVID-19

On March 11, 2020, the World Health Organization categorized COVID-19 as a pandemic and thus had a significant impact on the finances and services of the Municipality. At the time of these consolidated financial statements, the Municipality has undertaken the following in responding to the COVID-19 pandemic:

- COVID-19 financial relief measures (late penalties and interest were temporarily waived)
- Increased effort occurring to get all municipal services and payment options online
- Additional financial impacts due to program cancellation and reduced rentals
- Office closures and restrictions in place as required
- Staff training and regular communications to ensure health guidelines are followed
- Increased policy development and communications to ensure all staff are following provincial legislation and health guidelines
- Daily use of self-screening application
- A work-from-home protocol and all staff working in two teams has continued since the beginning of the pandemic
- All Council and committee meetings are held virtually
- Increased signage regarding health and safety protocols in place at all facilities and parks

At this time COVID-19 continues to impact the Municipality. The extent of the impact, duration and severity on the financial position and operations of the Municipality is unknown at this time.

**CORPORATION OF THE
MUNICIPALITY OF SOUTH BRUCE**

**SCHEDULE 1
CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Land	Land Improvements	Buildings	Vehicles, Machinery and Equipment	Roads	Water & Sewers	Work in Progress	Total
	\$	\$	\$	\$	\$	\$	\$	\$
Cost								
Balance, beginning of year	1,233,591	1,176,145	21,415,116	9,614,921	54,193,804	22,015,702	538,009	110,187,288
Additions	-	26,521	72,337	256,174	638,179	319,437	439,044	1,751,692
Disposals	-	(11,785)	-	(68,598)	(62,879)	-	-	(143,262)
Transfers	-	-	-	-	1,071	-	(1,071)	-
Balance, end 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
Accumulated amortization								
Balance, beginning of year	67,893	677,804	9,087,427	4,185,345	27,062,475	4,294,715	-	45,375,659
Amortization	897	35,673	488,984	558,008	1,560,999	317,675	-	2,962,236
Disposals	-	(8,053)	-	(68,598)	(62,338)	-	-	(138,989)
Balance, end of year	68,790	705,424	9,576,411	4,674,755	28,561,136	4,612,390	-	48,198,906
Net book value, end of year	1,164,801	485,457	11,911,042	5,127,742	26,209,039	17,722,749	975,982	63,596,812

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, 2019**

	Land	Land Improvements	Buildings	Vehicles, Machinery and Equipment	Roads	Water & Sewers	Work in Progress	Total
	\$	\$	\$	\$	\$	\$	\$	\$
Cost								
Balance, beginning of year	1,233,591	1,151,651	21,301,183	9,018,932	52,885,647	21,527,415	531,119	107,649,538
Additions	-	31,155	113,933	1,017,767	1,442,211	482,183	98,078	3,185,327
Disposals	-	(6,661)	-	(436,225)	(151,009)	(37,414)	-	(631,309)
Transfers	-	-	-	14,447	16,955	43,518	(91,188)	(16,268)
All assets, end of year	1,233,591	1,176,145	21,415,116	9,614,921	54,193,804	22,015,702	538,009	110,187,288
Accumulated amortization								
Balance, beginning of year	66,998	644,078	8,602,974	4,055,501	25,805,807	4,024,446	-	43,199,804
Amortization	895	36,901	484,453	540,979	1,394,362	287,174	-	2,744,764
Disposals	-	(3,175)	-	(411,135)	(137,694)	(16,905)	-	(568,909)
Balance, end of year	67,893	677,804	9,087,427	4,185,345	27,062,475	4,294,715	-	45,375,659
Net book value, end of year	1,165,698	498,341	12,327,689	5,429,576	27,131,329	17,720,987	538,009	64,811,629

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
ACTUAL FOR THE YEAR ENDED DECEMBER 31, 2020**

	General Government	Protection Services	Transportation Services	Environmental Services	Health Services	Recreation and Cultural Services	Planning and Development	Total
	\$	\$	\$	\$	\$	\$	\$	\$
Revenues								
Net property taxation	745,541	969,365	1,525,387	1,150,750	65,578	551,584	65,632	5,073,837
Taxation from other governments	25,784	-	-	-	-	-	-	25,784
User charges and fees	75,383	245,643	1,125,517	2,173,306	99,286	244,418	29,755	3,993,308
Government transfers	967,000	5,000	57,347	21,536	-	-	10,430	1,061,313
Donations and sale of goods	635,186	11,475	13,491	-	16,652	11,038	8,755	696,597
Investment income	109,202	-	144	23,821	-	-	-	133,167
Penalties and interest on property taxation	47,835	-	-	-	79,413	-	-	127,248
	2,605,931	1,231,483	2,721,886	3,369,413	260,929	807,040	114,572	11,111,254
Expenses								
Salaries, wages and benefits	886,820	424,083	745,650	212,764	24,478	400,019	18,482	2,712,296
Interest on long-term liabilities	-	-	71,569	89,036	-	-	-	160,605
Materials and supplies	456,185	148,664	758,090	789,563	42,830	349,791	33,982	2,579,105
Contracted services	231,873	950,070	266,992	1,048,407	9,582	31,293	34,846	2,573,063
Rents, financial expenses and external transfers	18,611	91,618	878,697	112,515	46,729	36,306	29,525	1,214,001
Amortization expense	28,223	100,410	1,778,319	840,532	19,128	187,663	7,961	2,962,236
Interfuncional charges	(203,200)	35,950	27,100	78,550	9,300	29,800	22,500	-
	1,418,512	1,750,795	4,526,417	3,171,367	152,047	1,034,872	147,296	12,201,306
Net revenues (expenses)	1,187,419	(519,312)	(1,804,531)	198,046	108,882	(227,832)	(32,724)	(1,090,052)

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
ACTUAL FOR THE YEAR ENDED DECEMBER 31, 2020**

	General Government	Protection Services	Transportation Services	Environmental Services	Health Services	Recreation and Cultural Services	Planning and Development	Total
	\$	\$	\$	\$	\$	\$	\$	\$
Other								
Grants and transfers related to capital								
Government transfers	-	-	564,249	-	-	-	36,798	601,047
Donations	-	70,401	147,638	-	46,000	132,900	9,866	406,805
Capital contribution	-	-	-	519,830	-	-	-	519,830
Gain (loss) on disposal of tangible capital assets	-	-	18,775	-	-	-	(3,732)	15,043
	-	70,401	730,662	519,830	46,000	132,900	42,932	1,542,725
Annual surplus (deficit)	1,187,419	(448,911)	(1,073,869)	717,876	154,882	(94,932)	10,208	452,673

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
ACTUAL FOR THE YEAR ENDED DECEMBER 31, 2019**

	General Government	Protection Services	Transportation Services	Environmental Services	Health Services	Recreation and Cultural Services	Planning and Development	Total
	\$	\$	\$	\$	\$	\$	\$	\$
Revenues								
Net property taxation	570,003	971,944	1,507,670	1,058,945	57,970	544,260	67,045	4,777,837
Taxation from other governments	25,698	-	-	-	-	-	-	25,698
User charges and fees	42,868	225,180	1,101,622	2,281,620	91,707	464,785	9,374	4,217,156
Government transfers	1,427,723	15,385	55,824	19,266	-	3,658	17,335	1,539,191
Donations and sale of goods	340,408	20,716	16,419	5,100	49,033	16,810	15,903	464,389
Investment income	113,562	-	(513)	40,790	-	-	-	153,839
Penalties and interest on property taxation	81,370	-	-	83,832	-	-	-	165,202
	<u>2,601,632</u>	<u>1,233,225</u>	<u>2,681,022</u>	<u>3,489,553</u>	<u>198,710</u>	<u>1,029,513</u>	<u>109,657</u>	<u>11,343,312</u>
Expenses								
Salaries, wages and benefits	698,340	454,959	704,860	189,986	22,954	494,370	38,094	2,603,563
Interest on long-term liabilities	-	-	75,657	97,734	-	-	-	173,391
Materials and supplies	303,016	169,778	758,976	413,278	40,756	445,611	23,074	2,154,489
Contracted services	112,605	916,726	241,819	1,199,513	1,124	35,867	20,534	2,528,188
Rents, financial expenses and external transfers	1,901	96,340	856,279	116,031	44,293	36,480	37,149	1,188,473
Amortization expense	26,809	93,590	1,610,849	805,868	18,861	185,548	8,426	2,749,951
Interfuncional charges	(199,200)	26,250	26,600	76,850	9,100	29,350	22,000	(9,050)
	<u>943,471</u>	<u>1,757,643</u>	<u>4,275,040</u>	<u>2,899,260</u>	<u>137,088</u>	<u>1,227,226</u>	<u>149,277</u>	<u>11,389,005</u>
Net revenues (expenses)	<u>1,658,161</u>	<u>(524,418)</u>	<u>(1,594,018)</u>	<u>590,293</u>	<u>61,622</u>	<u>(197,713)</u>	<u>(39,620)</u>	<u>(45,693)</u>

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
ACTUAL FOR THE YEAR ENDED DECEMBER 31, 2019**

	General Government	Protection Services	Transportation Services	Environmental Services	Health Services	Recreation and Cultural Services	Planning and Development	Total
	\$	\$	\$	\$	\$	\$	\$	\$
Other								
Grants and transfers related to capital								
Government transfers	-	-	693,676	-	-	7,696	-	701,372
Donations	41,838	29,680	46,797	-	76,115	-	-	194,430
Capital contribution	-	-	-	7,621	-	-	-	7,621
Gain (loss) on disposal of tangible capital assets	-	-	56,980	(22,770)	(3,486)	-	(10,349)	20,375
	41,838	29,680	797,453	(15,149)	72,629	7,696	(10,349)	923,798
Annual surplus (deficit)	1,699,999	(494,738)	(796,565)	575,144	134,251	(190,017)	(49,969)	878,105

The accompanying notes are an integral part of
these financial statements

Kendra Reinhart

From: Guy Gallant
Sent: September 2, 2021 3:44 PM
To: Kendra Reinhart; Leanne Martin
Subject: FW: FCC AgriSpirit Fund Response - Farm & Agriculture Safety and Rescue Service Program
Attachments: FCC AgriSpirit Fund FA.pdf; proposal.pdf; FCC Integrity declaration (1515) EN.pdf; FCC EFT form_English - Cl.pdf; FCC_Promotional Plan 2021.pdf

Afternoon,

Looks like the announcement of the Agri spirit fund is now official.

We had requested 25,000\$ and have been granted 16,000\$ so I will incorporate this in the capital items next year that fit this grants scope and look at all the various funding opportunities. We have until the end of 2023 to complete the "project" so this should be achievable.

I will announce this in the September Activity report

Thanks
Guy

-----Original Message-----

From: Farm Credit Canada AS [mailto:agrispirit-agriesprit@fcc-fac.ca]
Sent: Thursday, September 02, 2021 3:27 PM
To: Guy Gallant <firechief@southbruce.ca>
Subject: FCC AgriSpirit Fund Response - Farm & Agriculture Safety and Rescue Service Program

Congratulations!

On behalf of Farm Credit Canada (FCC), we're pleased to confirm that your project Farm & Agriculture Safety and Rescue Service Program may be eligible receive funding in the amount of \$16,000.

A) Your next steps:

1. Review the attached Funding Agreement and your original application.

i) Ensure your application still accurately describes your project. If specifics about allowed or disallowed expenses were discussed during our phone call, and they differ from the original application, please note them on the Funding Agreement, on the last page.

ii) If your organization agrees to the terms of the Funding Agreement:

- complete the signature(s) as required
- initial each page as read
- scan all pages of the document

2. Complete the attached Integrity Declaration Form with information from the organization that will be receiving the funds.

- If you are a non-profit organization partnering with a registered charity or municipality, only the partner organization (charity or municipality) is required to complete this form.
- For registered charities and non-profit organization, a full list of all members of the Board of Directors is required (including title, their residential address and date of birth). The form expands to include as many sections as required to include your entire board.

3. Review the attached Promotional Plan. Reference your original application to verify that in addition to permanent signage, you indicated several ways you would promote FCC's involvement.

Complete the Promotional Plan, including descriptions, estimated dates and signature, and scan the document.

4. Complete the attached EFT (electronic funds transfer) form. To ensure we enter your account information accurately, attach one of the following: a VOID cheque, bank letter with account information, or a copy of your deposit slip. Note: if you are a non-profit organization partnering with a registered charity or municipal body, the EFT information required is that of the partnered registered charity or municipal body.

Finally, email all scanned documents (the entire Funding Agreement, the Integrity Declaration form, the Promotional Plan, the EFT form as well as the VOID cheque, bank letter with account information or a copy of your deposit slip) to AgriSpirit@fcc.ca as soon as possible to avoid delays in receiving your funding. All documents must be received by FCC no later than December 31, 2021.

B) Due Diligence & confirmation of funding:

Receipt of this funding is pending a satisfactory background check by FCC using the information provided in your Integrity Declaration Form.

If any concerns surface, FCC will contact you to discuss them. If the background check is satisfactory, we will release the funds to you as soon as possible.

Funding can be used as soon as it is received by your organization. Your receipts and invoices must not be dated before you receive the funds.

C) Publicly announcing your funding:

FCC will be sending out a national news release to announce the recipients of the FCC AgriSpirit Fund once the new government is sworn in later this fall. Do not make any public announcements about receiving funding from the FCC AgriSpirit Fund until after our media announcement. As mentioned on our recent call, this information must remain confidential until the announcement is made by FCC.

D) Tasks to come:

1. Permanent signage

Once you've returned the required documents, we'll send you a variety of FCC logos for your use. You can use our logo for electronic or printed materials and to create permanent signage recognizing FCC's donation. Another option is to have us create signage for you, at our expense. If that is your preference, you'll be able to choose among available options by using an online request form that will be included in the logo email.

2. Project completion report

This winter, we'll be sending you a hyperlink via email that you'll use to submit project completion information and scanned documents. You'll need to include the following to close out your funding agreement:

- receipts or invoices for purchases made with funding provided through the FCC AgriSpirit Fund
- photos of the completed project
- a photo of the permanent signage for the project
- media clippings or news events issued about the FCC AgriSpirit Fund
- an itemized statement showing how the funds were spent

Submit the completion details to FCC at any time after completion of your project (but no later than December 31, 2023), as agreed to in your application. If you require the link sooner, please let us know.

If you have any questions, contact Amanda Wood at 306-780-3865 or Genevieve Sauer (bilingual) at 306-800-6783 or agrispirit@fcc.ca.

Thanks for the opportunity to be a part of your community. We look forward to working with you and wish you great success with your project.

Sincerely,

The Community Investment Team
Farm Credit Canada