

**CONSOLIDATED FINANCIAL REPORT**

**THE CORPORATION OF THE  
TOWNSHIP OF BLACK RIVER-MATHESON**

**DISTRICT OF COCHRANE**

**YEAR ENDED DECEMBER 31, 2020**

## INDEX

### THE CORPORATION OF THE TOWNSHIP OF BLACK RIVER-MATHESON

	<b>Page Number</b>
Management's Responsibility for the Financial Statements	1
Auditors' Report	2 - 3
Consolidated Statement of Financial Position	4
Consolidated Statement of Operations	5
Consolidated Statement of Change in Net Financial Assets	6
Consolidated Statement of Cash Flows	7
Notes to the Consolidated Financial Statements	8 - 24
Trust Funds	
– Notice to Reader	25
– Statement of Continuity and Financial Position	26
– Notes to the Financial Statements	26

## MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The accompanying financial statements of the Corporation of the Township of Black River-Matheson are the responsibility of the Corporation of the Township of Black River-Matheson's management and have been prepared in compliance with legislation, and in accordance with generally accepted accounting principles for local governments established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. A summary of the significant accounting policies are described in Note 1 to the financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The Corporation of the Township of Black River-Matheson's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the financial statements. These systems are monitored and evaluated by Management.

Council meets with Management and the external auditors to review the financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the financial statements.

The financial statements have been audited by Kemp Elliott & Blair LLP, independent external auditors appointed by the Corporation of the Township of Black River-Matheson. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the Corporation of the Township of Black River-Matheson's financial statements.

DocuSigned by:

CASSANDRA CHILD

F472CBA5699E4C8

Clerk-Treasurer  
Cassandra Child

## **INDEPENDENT AUDITORS' REPORT**

To the Members of Council, Inhabitants and Ratepayers  
of the Corporation of the Township of Black River-Matheson:

### **Opinion**

We have audited the consolidated financial statements of the Corporation of the Township of Black River-Matheson, 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 flows 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 financial position of the Corporation of the Township of Black River-Matheson as at December 31, 2020, and the results of its operations, change in net financial assets 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 *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Corporation of the Township of Black River-Matheson in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

In preparing the consolidated financial statements, management is responsible for assessing the Corporation of the Township of Black River-Matheson's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Corporation of the Township of Black River-Matheson or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Corporation of the Township of Black River-Matheson's financial reporting process.

### **Auditors' Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation of the Township of Black River-Matheson'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 Corporation of the Township of Black River-Matheson's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Corporation of the Township of Black River-Matheson to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Kemp Elliott & Blair LLP

*Kemp Elliott & Blair LLP*

Licensed Public Accountants  
New Liskeard, Ontario  
October 26, 2021

Chartered Professional Accountants

**THE CORPORATION OF THE TOWNSHIP OF BLACK RIVER-MATHESON**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT DECEMBER 31, 2020**


---

<b>FINANCIAL ASSETS</b>	2020	2019
Cash	\$ 614,409	\$ 782,735
Short-term investments – note 5	6,902,154	7,018,323
Taxes receivable	477,156	345,767
Accounts receivable	971,926	758,010
Long-term receivable – tile drainage – note 10	35,426	27,505
	9,001,071	8,932,340
 <b>LIABILITIES</b>		
Accounts payable and accrued liabilities	1,023,938	1,147,243
Employee sick leave payable – note 15	18,865	20,493
Landfill closure and post-closure liability – note 7	138,000	135,500
Deferred revenue – other – note 8	238,047	162,312
Deferred revenue – obligatory reserve fund – note 9	575,869	473,023
Municipal debt – tile drainage – note 10	35,426	27,505
Municipal debt – other – note 11	759,762	69,284
	2,789,907	2,035,360
 <b>NET FINANCIAL ASSETS</b>	 6,211,164	 6,896,980
 <b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets – note 17	15,372,722	14,497,612
Inventories of supplies	469,021	203,996
	15,841,743	14,701,608
 <b>ACCUMULATED SURPLUS – note 13</b>	 \$ 22,052,907	 \$ 21,598,588

Contingent liabilities and commitments – note 15

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

On behalf of Council:

DocuSigned by:  
  
 EFF011D209AC484...  
 Mayor

DocuSigned by:  
  
 F472CBA5699F4C8  
 Clerk-treasurer

**THE CORPORATION OF THE TOWNSHIP OF BLACK RIVER-MATHESON**  
**CONSOLIDATED STATEMENT OF OPERATIONS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

---

	2020 Budget (Note 12)	2020 Actual	2019 Actual
<b>REVENUES</b>			
Operating revenues			
Municipal taxation	\$ 4,084,115	\$ 4,096,974	\$ 3,932,804
Water, sewer and garbage charges	969,252	993,552	1,011,244
User charges	164,710	199,189	210,381
Provincial grants	1,461,660	1,647,974	1,963,504
Federal grants	-	8,916	34,143
Investment income	130,000	238,901	150,924
Penalties and interest on taxes	46,000	49,568	58,222
Provincial Offences Act revenues	25,000	16,765	37,817
Gain on disposal of tangible capital assets	-	-	24,254
Other	10,500	70,539	89,247
	<u>6,891,237</u>	<u>7,322,378</u>	<u>7,512,540</u>
Capital revenues			
Provincial grants	675,705	472,258	24,306
Federal grants	284,186	51,488	200,310
	<u>959,891</u>	<u>523,746</u>	<u>224,616</u>
Total revenues	<u>7,851,128</u>	<u>7,846,124</u>	<u>7,737,156</u>
<b>EXPENDITURES</b>			
General government	1,199,882	1,188,488	1,461,703
Protection to persons and property	1,076,615	1,005,657	986,950
Transportation services	2,867,262	2,496,357	2,732,995
Environmental services	1,067,477	1,061,941	1,176,943
Health services	413,674	422,925	387,567
Social and family services	565,674	567,138	530,281
Recreation and cultural services	529,367	505,243	563,744
Planning and development	60,660	144,056	217,643
Total expenditures	<u>7,780,611</u>	<u>7,391,805</u>	<u>8,057,826</u>
<b>ANNUAL SURPLUS (DEFICIT)</b>	70,517	454,319	(320,670)
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR</b>	<u>21,598,588</u>	<u>21,598,588</u>	<u>21,919,258</u>
<b>ACCUMULATED SURPLUS, END OF YEAR – note 13</b>	<u>\$ 21,699,105</u>	<u>\$ 22,052,907</u>	<u>\$ 21,598,588</u>

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

**THE CORPORATION OF THE TOWNSHIP OF BLACK RIVER-MATHESON**  
**CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

---

	2020 Budget (Note 12)	2020 Actual	2019 Actual
<b>ANNUAL SURPLUS (DEFICIT)</b>	\$ 70,517	\$ 454,319	\$ (320,670)
Acquisition of tangible capital assets	(1,093,132)	(1,576,478)	(1,582,271)
Amortization of tangible capital assets	683,000	701,368	682,606
Proceeds from sale of tangible capital assets	-	-	24,750
Gain on disposal of tangible capital assets	-	-	(24,254)
Acquisition of inventories of supplies	-	(265,025)	(51,151)
Decrease in net financial assets	(339,615)	(685,816)	(1,270,990)
Net financial assets, beginning of year	6,896,980	6,896,980	8,167,970
<b>NET FINANCIAL ASSETS, END OF YEAR</b>	<b>\$ 6,557,365</b>	<b>\$ 6,211,164</b>	<b>\$ 6,896,980</b>

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



**THE CORPORATION OF THE TOWNSHIP OF BLACK RIVER-MATHESON**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

---

<b>OPERATIONS</b>	<u>2020</u>	<u>2019</u>
Annual surplus (deficit)	\$ 454,319	\$ (320,670)
Charges not affecting cash –		
Amortization of tangible capital assets	701,368	682,606
Gain on disposal of tangible capital assets	-	(24,254)
	<u>1,155,687</u>	<u>337,682</u>
Other sources (uses) of cash –		
Change in taxes receivable	(131,389)	(21,178)
Change in accounts receivable	(213,916)	(81,198)
Change in accounts payable and accrued liabilities	(123,305)	356,108
Change in employee sick leave payable	(1,628)	(14,466)
Change in accrued landfill closure and post-closure liability	2,500	8,500
Change in deferred revenue – other	75,735	127,649
Change in deferred revenue – obligatory reserve funds	102,846	311,693
Change in inventories of supplies	(265,025)	(51,151)
	<u>(554,182)</u>	<u>635,957</u>
Total cash provided by operations	<u>601,505</u>	<u>973,639</u>
<b>CAPITAL TRANSACTIONS</b>		
Acquisition of tangible capital assets	(1,576,478)	(1,582,271)
Proceeds from sale of tangible capital assets	-	24,750
Total cash used for capital transactions	<u>(1,576,478)</u>	<u>(1,557,521)</u>
<b>INVESTING TRANSACTIONS</b>		
Redemption (acquisition) of short-term investments	<u>116,169</u>	<u>(106,821)</u>
<b>FINANCING TRANSACTIONS</b>		
Municipal debt proceeds	722,000	-
Municipal debt repayments	(31,522)	(17,314)
Total cash provided by (used for) financing transactions	<u>690,478</u>	<u>(17,314)</u>
<b>DECREASE IN CASH</b>	(168,326)	(708,017)
Cash, beginning of year	<u>782,735</u>	<u>1,490,752</u>
<b>CASH, END OF YEAR</b>	<u>\$ 614,409</u>	<u>\$ 782,735</u>
<b>REPRESENTED BY</b>		
Cash	<u>\$ 614,409</u>	<u>\$ 782,735</u>

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

# THE CORPORATION OF THE TOWNSHIP OF BLACK RIVER-MATHESON

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2020

---

The Corporation of the Township of Black River-Matheson is a township in the Province of Ontario, Canada. It conducts its operations guided by the provisions of provincial statutes such as the Municipal Act 2001, Provincial Offences Act and other related legislation.

#### 1. **Accounting policies**

The consolidated financial statements of the Corporation of the Township of Black River-Matheson are the representation of management and council and are prepared in accordance with generally accepted accounting principles for local government as recommended by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada as prescribed for Ontario municipalities by the Ministry of Municipal Affairs and Housing.

#### **Use of estimates**

Management has made estimates and assumptions that affect the amounts reported in preparing these consolidated financial statements. Significant areas requiring the use of management estimates relate to the determination of tangible capital assets historical cost, estimated useful life and related amortization and landfill post-closure liability.

#### **Basis of consolidation**

The consolidated financial statements reflect financial assets, liabilities, operating revenues and expenditures, reserves and changes in investment in tangible capital assets of the Township and include the activities of all committees of Council and the following boards, municipal enterprises and utilities which are under the control of Council:

The Corporation of the Township of Black River-Matheson Library Board  
The Corporation of the Township of Black River-Matheson Museum Committee

Separate schedules for these boards have also been prepared. All interfund assets and liabilities and sources of financing and expenditures have been eliminated.

#### **Non-consolidated entities**

The following local boards, joint local boards, municipal enterprises and utilities are not consolidated:

*Porcupine Health Unit*  
*Cochrane District Social Services Administration Board*

Although these are joint local boards they run autonomously to provide those services mandated by the Province. The Township has no control over these programs or their financing. These joint local boards are not proportionately consolidated. The yearly requisitions of these boards are expensed by the Township in its statements.

#### **Accounting for school board transactions**

The taxation, other revenues, expenditures, assets and liabilities with respect to the operations of the school boards are not reflected in these statements.

#### **Inventories of supplies**

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

# THE CORPORATION OF THE TOWNSHIP OF BLACK RIVER-MATHESON

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2020

---

#### 1. Accounting policies – continued

##### Trust funds

Trust funds and their related operations administered by the Township are not consolidated, but are reported separately on the “Trust Funds Statement of Continuity and Financial Position”.

##### Municipal drains

Municipal drain construction and maintenance expenses are recorded as incurred. Financing is reflected at the same time. Generally, costs will be covered by the province or landowners with the Township only responsible for costs allocated to Township roads.

##### Short-term investments

Short-term investments are recorded at cost. Investment income earned on surplus funds is reported as revenue in the period earned.

##### 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 costs, less the residual values, of the tangible capital assets are amortized on a straight-line basis over their estimated useful lives as follows:

Land improvements	10 to 50 years
Buildings	25 to 50 years
Vehicles	15 to 25 years
Equipment	5 to 50 years
Underground networks	40 to 50 years
Roads	7 to 50 years
Bridges	75 years
Culverts	30 years

A full year of amortization is charged in the year of acquisition and no amortization is charged in the year of disposal. Assets under construction are not amortized until the asset is available for use.

The Township has no capitalization threshold for land and buildings, a capitalization threshold of \$10,000 for infrastructure systems and \$2,500 for all other assets. Individual assets of lesser value are expensed, unless they are pooled, because, collectively, they have significant value.

##### Deferred revenue – other

The Township receives certain amounts pursuant to funding agreements that may only be used in the conduct of certain programs or in the delivery of specific services and transactions. These amounts are recorded as deferred revenue and are recognized as revenue in the fiscal year the eligibility criteria has been met except when stipulations are present and to the extent that the transfer give rise to an obligation that meets the definition of a liability.

##### Deferred revenue – obligatory reserve funds

The Township receives Federal Gas Tax funding under the authority of the Federal legislation. These funds, by their nature, are restricted in their use and until applied to specific expenses, are recorded as deferred revenue. Amounts applied to qualifying expenses are recorded as revenue in the fiscal period they are expended.

# THE CORPORATION OF THE TOWNSHIP OF BLACK RIVER-MATHESON

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2020

---

1. **Accounting policies – continued**

**Revenue recognition**

*Government transfers (provincial and federal grants)*

Government transfers are transfers from senior levels of government that are not the result of an exchange transaction and are not expected to be repaid in the future. Government transfers without eligibility criteria or stipulations are recognized as revenue when the transfer is authorized. A transfer with eligibility criteria is recognized as revenue when the transfer is authorized and all eligibility criteria have been met. A transfer with or without eligibility criteria but with stipulation is recognized as revenue in the period the transfer is authorized and all eligibility criteria have been met, except where and to the extent that the transfer gives rise to an obligation that meets the definition of a liability. Government transfers that meet the definition of a liability are recognized as revenue as the liability is extinguished.

*Taxation and related revenues*

Property tax billings are prepared by the Township based on assessment rolls issued by the Municipal Property Assessment Corporation ("MPAC"). Tax rates are established annually by Council, incorporating amounts to be raised for local services and amounts the Township is required to collect on behalf of the Province of Ontario in respect of education taxes. 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 Township determines the taxes applicable and renders supplementary tax billings. Taxation revenues are recorded when they meet the definition of an asset, the tax is authorized and the taxable event has occurred. Assessments and the related property taxes are subject to appeal. Tax adjustments as a result of appeals are recorded when the results of the appeal process are known.

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

*Fees, service charges and other revenue*

Fees, service charges and other revenue are recognized when earned.

2. **Operations of school boards**

Further to note 1, the taxation levied on behalf of and due to the school boards is:

	2020	2019
	<u>\$ 1,314,730</u>	<u>\$ 1,306,496</u>

3. **Contributions to Joint Boards**

Further to note 1, the following contributions were made by the Township to these boards:

	2020	2019
Porcupine Health Unit	<u>\$ 90,052</u>	<u>\$ 90,052</u>
Cochrane District Social Services Administration Board (CDSSAB)	<u>\$ 865,605</u>	<u>\$ 801,360</u>

4. **Trust Funds**

Trust funds administered by the Township amounting to \$200,120 (2019 \$193,625) have not been included in the "Consolidated Statement of Financial Position" nor have their operations been included in the "Consolidated Statement of Operations". A separate set of financial statements is prepared for the trust funds.

# THE CORPORATION OF THE TOWNSHIP OF BLACK RIVER-MATHESON

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2020

5.	<b>Short-term investments</b>	Market Value	Cost	Cost
		2020	2020	2019
	Investments held through The ONE Investment Program:			
	Bond portfolio	\$ 2,073,481	\$ 2,074,872	\$ 2,353,319
	Universe Corporate Bond portfolio	2,541,194	2,441,089	2,357,367
	Equity portfolio	3,093,711	2,386,193	2,307,637
		<u>\$ 7,708,386</u>	<u>\$ 6,902,154</u>	<u>\$ 7,018,323</u>

6. **Correction of the prior period**

The Township discovered in 2020 that there was an error in their inventory list, and it has been overstated by \$186,224 for several years now. As a result, December 31, 2019 figures, presented for comparative purposes, have been restated from those previously reported as follows:

	As previously reported	Increase (decrease)	As restated
Statement of Financial Position			
Inventories of supplies	\$ 390,220	\$ (186,224)	\$ 203,996
Accumulated surplus	21,784,812	(186,224)	21,598,588
Statement of Operations			
Accumulated surplus, beginning of year	22,105,482	(186,224)	21,919,258
Accumulated surplus, end of year	27,784,812	(186,224)	21,598,588

There was no impact on the statement of net financial assets in 2019.

7. **Landfill closure and post-closure liability**

The liability for closure and post-closure of the landfill sites has been recognized using the present value of the estimated closure and post-closure costs, based upon the usage of the sites' capacity.

The discount factor used for all 5 sites is 2.7% net of inflation of 2.2%. Figures used for the calculation of the liability for closure and post-closure costs of each site is detailed below:

	<u>Matheson</u>	<u>Val Gagne</u>	<u>Butler Lake</u>	<u>Ramore</u>	<u>Munroe</u>	<u>Total</u>
Total capacity (m <sup>3</sup> )	126,000	166,606	5,000	51,238	26,000	374,844
Landfilled area (m <sup>3</sup> )	43,652	17,562	2,147	15,686	4,438	83,485
Remaining capacity (m <sup>3</sup> )	82,348	149,044	2,853	35,552	21,562	291,359
Estimated life (yrs)	72	39	85	62	62	-
Post-closure care (yrs)	2	5	5	5	5	-
Liability at Dec 31, 2020 (\$)	65,000	9,000	24,000	26,000	14,000	138,000
Closure costs (\$)	235,600	50,000	50,000	50,000	70,000	455,600
Post-closure costs (\$)	34,000	55,000	35,000	35,000	45,000	204,000
Liability remaining to be recognized (\$)	204,600	96,000	61,000	59,000	101,000	521,600

# THE CORPORATION OF THE TOWNSHIP OF BLACK RIVER-MATHESON

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2020

8. **Deferred revenue – other**

Deferred revenue – other consists of the following:

	December 31 2019	Funds Received	Revenue Earned	December 31 2020
Provincial government	\$ 162,312	\$ 94,169	\$ 18,434	\$ 238,047

9. **Deferred revenue – obligatory reserve funds**

Deferred revenue – obligatory reserve funds consist of the following:

	December 31 2019	Funds Received	Revenue Earned	December 31 2020
Federal Gas Tax	\$ 473,023	\$ 154,334	\$ 51,488	\$ 575,869

10. **Long-term receivables / municipal debt – tile drainage**

The Township is liable for long-term liabilities with respect to tile drainage assistance loans for which the responsibility for the payment of principal and interest has been assumed by the benefiting landowners. The total amount outstanding as at December 31, 2020 is \$35,426 (2019 \$27,505) and is reflected as municipal debt and long-term receivables on the Consolidated Statement of Financial Position.

11. **Municipal debt**

The balance of the municipal debt reported on the “Consolidated Statement of Financial Position” consists of the following loans:

	2020	2019
Term loan with OCWA, payable in blended monthly installments of \$1,621 plus interest at 2.72%, final installment due September 2023. The debt relates to the purchase of equipment.	\$ 51,494	\$ 69,284
A serial debenture with Infrastructure Ontario repayable in semi-annual (February and August) blended (principal and interest) payments of \$23,479 with interest at 2.7% per annum and the debenture matures in February 2040. The loan relates to the purchase of a new municipal building.	708,268	-
	<u>\$ 759,762</u>	<u>\$ 69,284</u>

Principal payments are due as follows:

2021	\$ 46,303
2022	47,569
2023	43,994
2024	30,370
2025	31,195
2026 +	560,331
	<u>\$ 759,762</u>

The debt is to be repaid from general municipal revenues. Total interest paid on the loans in 2020 was \$11,412 (2019 \$2,142).

# THE CORPORATION OF THE TOWNSHIP OF BLACK RIVER-MATHESON

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2020

#### 12. Budget

The Budget adopted by Council was not prepared on a basis consistent with that used to report actual results according to Public Sector Accounting Standards used on the Consolidated Statement of Operations on page 5. The budget was prepared on a modified accrual basis while Public Sector Accounting Standards now require a full accrual basis. The actual budget is reflected in note 18. It expenses all tangible capital expenditures, does not include amortization expense, reflects proceeds of long-term debt as revenue, principal repayments of long-term debt as an expense and the full proceeds from the sale of tangible capital assets as revenue. The budget figures presented in the consolidated statements of operations and change in net financial assets represent the financial plan adopted by Council with adjustments as follows:

	<u>2020</u>
Actual budget deficit for the year – note 18	\$ (371,138)
Add: Investment in tangible capital assets	1,093,132
Long-term debt repayments	31,523
Less: Estimated amortization	<u>(683,000)</u>
Budget surplus per statement of operations – page 5	<u>\$ 70,517</u>

#### 13. Accumulated surplus

Reserves represent an appropriation of surplus for a specific purpose, determined by council, are non-statutory and subject to change by council at any time.

	<u>2020</u>	<u>2019</u>
Reserves		
Working funds reserve	\$ 2,061,604	\$ 2,172,188
Fire equipment reserve	132,660	132,660
Administration reserve	195,393	195,393
Recreation reserve	73,096	73,096
Library reserve – note 22	3,035	3,035
Museum reserve – note 23	25,575	25,575
Cemeteries reserve	36,312	36,312
Economic development reserve	171,060	171,060
Planning reserve	2,628	1,628
Infrastructure reserve	524,900	524,900
Protective inspection/by-law reserve	11,250	11,250
Tax rate stabilization reserve	-	334,334
Water reserve – note 20	1,640,421	1,481,855
Sewer reserve – note 19	1,274,579	1,141,235
Garbage collection reserve – note 21	65,623	45,543
Landfill reserve	205,269	205,269
Modernization reserve	443,000	443,000
COVID-19 Safe Restart reserve	104,520	-
	<u>6,970,925</u>	<u>6,998,333</u>
Amounts to be recovered		
Unfunded capital expenditures	-	(32,069)
Unfinanced municipal debt	<u>(759,761)</u>	<u>(69,284)</u>
Net financial assets	<u>6,211,164</u>	<u>6,896,980</u>
Non-financial assets		
Invested in tangible capital assets	15,372,722	14,497,612
Inventories of supplies	<u>469,021</u>	<u>203,996</u>
	<u>15,841,743</u>	<u>14,701,608</u>
<b>Accumulated surplus</b>	<u>\$ 22,052,907</u>	<u>\$ 21,598,588</u>

# THE CORPORATION OF THE TOWNSHIP OF BLACK RIVER-MATHESON

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2020

---

13. **Accumulated surplus - Continued**

**Non-financial assets**

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year, and are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year, together with the excess of revenues over expenses, provides the Change in Net Financial Assets for the year.

14. **Revolving line of credit**

The Township has a \$2,000,000 business operating line negotiated with CIBC with a balance outstanding of \$nil (2019 \$nil) and interest is at bank prime plus 0.25% (currently 2.7%).

15. **Contingent liabilities and commitments**

**Non-consolidated entities**

The Township is contingently liable for the deficits and long-term debt of the non-consolidated entities.

**Ontario Municipal Employees Retirement Fund**

All permanent, full-time employees of the Township are eligible to be members of the Ontario Municipal Employees Retirement System ("OMERS"), a multi-employer pension plan. The plan provides defined pension benefits to employees based on their length of service and rates of pay.

As this is a multi-employer pension plan, the contributions by the Township are recognized as an expenditure. No pension liability for this type of plan is recognized in the Township's consolidated financial statements. Contributions made by the Township to OMERS for 2020 were \$155,110 (2019 \$160,473). The plan had an actuarial deficit of \$3.2 billion at the end of 2020.

**Employee sick leave payable**

Under the sick leave benefit plan, unused sick leave can be accumulated and employees may become entitled to a cash payment when they leave the Township's employment.

The liability for sick leave, to the extent that it has vested and could be taken in cash by an employee on termination, amounted to \$18,865 (2019 \$20,493). This is reflected as a liability in the financial statements. There are no other obligations to municipal employees related to retirement or other post-employment benefits.

**Funding agreements**

Under the terms of various funding agreements, the Township could have provincial and federal grants become repayable if it is determined that funding was applied towards ineligible costs or if other terms of the agreements were not met. At year end management is of the opinion that all conditions have been met and funding was applied towards eligible costs.

**Legal contingencies**

Various other statements of claim have been issued against the Township claiming damages. Damages, if any, cannot be estimated at this time and in any event, the Township is of the opinion that these claims would be unfounded or covered by insurance after application of a \$5,000 deductible per claim. Should any loss result, it would be charged to operations when the amount is ascertained.



# THE CORPORATION OF THE TOWNSHIP OF BLACK RIVER-MATHESON

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2020

---

16. **Segmented information**

The Corporation of the Township of Black River-Matheson is a diversified municipal government institution that provides a wide range of services to its citizens, including General Government Services, Protection Services, Transportation Services, Environmental Services, Health Services, Social and Family Services, Recreational and Cultural Services and Planning and Development Services. Service areas were created for the purpose of recording specific activities to attain certain objectives in accordance with regulations, restrictions or limitations.

Municipal services are provided by departments and their activities are reported in these service areas. Departments disclosed in the Segmented Information, along with the services they provide, are as follows:

**General Government Services**

General government services consists of departments that are responsible for adopting bylaws, adopting administrative policy, levying taxes, acquiring, disposing and managing municipal assets, ensuring effective financial management, monitoring performance and ensuring that high quality municipal service standards are met.

**Protection Services**

Protection services consists of departments that are responsible for the enforcement of laws, prevention of crime, and maintenance of peace, order, and security by protecting life, property and the environment through the provision of emergency response, thus ensuring safe homes and safe communities.

**Transportation Services**

Transportation services consists of departments that are responsible for the delivery of municipal public works services related to planning, design, construction, cleaning, repair, snow removal and signage of roadway systems.

**Environmental Services**

Environmental services include water and sewer services as well as garbage services. Water and sewer services include the operation and distribution of water and networking sewer mains, storm sewers and lagoons. The garbage service is responsible for garbage collection and disposal.

**Health Services**

The Township funds a range of public health services through the Porcupine Health Unit and provides ambulance services through the District Social Services Administration Board. The Township also provides cemetery services.

**Social and Family Services**

The Township funds a range of family and social services through the District Social Services Administration Board which includes social housing, childcare and general assistance.

**Recreation and Cultural Services**

Recreation and cultural services consists of departments that are responsible for providing, facilitating the development of, and maintaining high quality parks, recreational facilities, and cultural services.

**Planning and Development Services**

Planning and development services consists of departments that are responsible for preparing land use plans, bylaws and policies for sustainable development of the Township and for reviewing and approving new development.

# THE CORPORATION OF THE TOWNSHIP OF BLACK RIVER-MATHESON

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2020

#### 16. Segmented information – continued

	General Government Services	Protection Services	Transportation Services	Environmental Services	Health Services	Social and Family Services	Recreation and Cultural Services	Planning and Development Services	Total 2020	Total 2019
<b>Revenues</b>										
<b>Operating revenues</b>										
Municipal taxation	\$ 4,096,974	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,096,974	\$ 3,932,804
Water, sewer and garbage charges	-	-	-	993,552	-	-	-	-	993,552	1,011,244
User charges	23,628	61,476	-	20,377	24,908	-	26,909	41,891	199,189	210,381
Provincial grants	1,422,665	186,724	-	-	-	-	7,995	30,590	1,647,974	1,963,504
Federal grants	-	-	-	-	-	-	8,916	-	8,916	34,143
Investment income	234,372	-	-	-	4,529	-	-	-	238,901	150,924
Penalties and interest on taxes	44,821	-	-	4,747	-	-	-	-	49,568	58,222
Provincial Offences Act revenues	-	16,765	-	-	-	-	-	-	16,765	37,817
Gain on disposal of tangible capital assets	-	-	-	-	-	-	-	-	-	24,254
Other	39,004	-	27,602	-	-	-	3,933	-	70,539	89,247
	<u>5,861,464</u>	<u>264,965</u>	<u>27,602</u>	<u>1,018,676</u>	<u>29,437</u>	<u>-</u>	<u>47,753</u>	<u>72,481</u>	<u>7,322,378</u>	<u>7,512,540</u>
<b>Capital revenues</b>										
Provincial grants	-	-	472,258	-	-	-	-	-	472,258	24,306
Federal grants	-	-	51,488	-	-	-	-	-	51,488	200,310
<b>Total revenues</b>	<u>5,861,464</u>	<u>264,965</u>	<u>551,348</u>	<u>1,018,676</u>	<u>29,437</u>	<u>-</u>	<u>47,753</u>	<u>72,481</u>	<u>7,846,124</u>	<u>7,737,156</u>
<b>Expenditures</b>										
Wages and benefits	578,870	210,332	1,215,937	111,917	27,854	-	250,991	2,098	2,397,999	2,624,055
Interest on long-term debt	9,747	-	-	1,665	-	-	-	-	11,412	2,142
Materials	193,193	129,839	696,031	202,249	4,716	-	157,206	1,466	1,384,700	1,634,713
Contracted services	348,120	591,332	192,203	630,788	-	-	40	140,492	1,902,975	2,157,154
Rents and financial expenses	37,694	-	-	-	-	-	-	-	37,694	65,744
External transfers	-	-	-	-	388,519	567,138	-	-	955,657	891,412
Amortization	20,864	74,154	392,186	115,322	1,836	-	97,006	-	701,368	682,606
<b>Total expenditures</b>	<u>1,188,488</u>	<u>1,005,657</u>	<u>2,496,357</u>	<u>1,061,941</u>	<u>422,925</u>	<u>567,138</u>	<u>505,243</u>	<u>144,056</u>	<u>7,391,805</u>	<u>8,057,826</u>
<b>Annual surplus (deficit)</b>	<u>\$ 4,672,976</u>	<u>\$ (740,692)</u>	<u>\$ (1,945,009)</u>	<u>\$ (43,265)</u>	<u>\$ (393,488)</u>	<u>\$ (567,138)</u>	<u>\$ (457,490)</u>	<u>\$ (71,575)</u>	<u>\$ 454,319</u>	<u>\$ (320,670)</u>

# THE CORPORATION OF THE TOWNSHIP OF BLACK RIVER-MATHESON

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2020

#### 17. Schedule of tangible capital assets

2020

	Original Cost		Transfers	Ending Cost	Opening Accumulated Amortization		Ending Accumulated Amortization	Net Assets
	Dec 31, 2019	Additions		Dec 31, 2020	Dec 31, 2019	Current Amortization	Dec 31, 2020	Dec 31, 2020
General								
Land	\$ -	\$ 60,000	\$ -	\$ 60,000	\$ -	\$ -	\$ -	\$ 60,000
Buildings	3,812,527	926,520	746,994	5,486,041	2,274,688	95,564	2,370,252	3,115,789
Land improvements	1,598,875	43,781	425,129	2,067,785	998,600	50,305	1,048,905	1,018,880
Vehicles	3,143,600	-	-	3,143,600	1,532,037	144,841	1,676,878	1,466,722
Equipment	5,312,143	18,602	-	5,330,745	2,934,560	177,989	3,112,549	2,218,196
Infrastructure								
Roads	10,862,603	527,575	-	11,390,178	8,072,152	95,651	8,167,803	3,222,375
Bridges	4,266,141	-	-	4,266,141	1,328,565	56,881	1,385,446	2,880,695
Culverts	1,484,843	-	-	1,484,843	1,237,232	49,495	1,286,727	198,116
Underground networks	3,551,197	-	-	3,551,197	2,466,787	24,884	2,491,671	1,059,526
Street lights	172,729	-	-	172,729	34,548	5,758	40,306	132,423
Assets under construction	1,172,123	-	(1,172,123)	-	-	-	-	-
<b>Total</b>	<b>\$35,376,781</b>	<b>\$1,576,478</b>	<b>\$ -</b>	<b>\$ 36,953,259</b>	<b>\$20,879,169</b>	<b>\$ 701,368</b>	<b>\$ 21,580,537</b>	<b>\$ 15,372,722</b>

# THE CORPORATION OF THE TOWNSHIP OF BLACK RIVER-MATHESON

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2020

#### 17. Schedule of tangible capital assets – continued

2019

	Opening Cost Dec 31, 2018	Additions	Disposals	Ending Cost Dec 31, 2019	Opening Accumulated Amortization Dec 31, 2018	Accumulated Amortization on Disposals	Current Amortization	Ending Accumulated Amortization Dec 31, 2019	Net Assets Dec 31, 2019
<b>General</b>									
Buildings	\$ 3,837,284	\$ -	\$ 24,757	\$ 3,812,527	\$ 2,225,174	\$ 24,261	\$ 73,775	\$ 2,274,688	\$ 1,537,839
Land improvements	1,549,768	49,200	93	1,598,875	963,652	93	35,041	998,600	600,275
Vehicles	2,561,969	581,631	-	3,143,600	1,382,590	-	149,447	1,532,037	1,611,563
Equipment	5,268,573	87,947	44,377	5,312,143	2,801,404	44,377	177,533	2,934,560	2,377,583
<b>Infrastructure</b>									
Roads	10,862,603	-	-	10,862,603	7,969,707	-	102,445	8,072,152	2,790,451
Bridges	4,266,141	-	-	4,266,141	1,271,684	-	56,881	1,328,565	2,937,576
Culverts	1,484,843	-	-	1,484,843	1,187,737	-	49,495	1,237,232	247,611
Underground networks	3,551,197	-	-	3,551,197	2,434,556	-	32,231	2,466,787	1,084,410
Street lights	172,729	-	-	172,729	28,790	-	5,758	34,548	138,181
Assets under construction	308,630	863,493	-	1,172,123	-	-	-	-	1,172,123
<b>Total</b>	<b>\$ 33,863,737</b>	<b>\$ 1,582,271</b>	<b>\$ 69,227</b>	<b>\$ 35,376,781</b>	<b>\$ 20,265,294</b>	<b>\$ 68,731</b>	<b>\$ 682,606</b>	<b>\$ 20,879,169</b>	<b>\$ 14,497,612</b>

# THE CORPORATION OF THE TOWNSHIP OF BLACK RIVER-MATHESON

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2019

#### 18. Budgeting

The Township budgets to determine an appropriate tax rate based on all budgeted revenues and expenditures.

The consolidated statement of operations on page 5 has been modified here to exclude amortization and to include tangible capital asset expenditures and the principal repayments on long-term debt.

This modified statement of operations (budget based) is consistent with the budget format used and is presented here with the 2020 budget.

	2020 Budget	2020 Actual	2019 Actual
<b>REVENUES</b>			
Operating revenues			
Municipal taxation	\$ 4,084,115	\$ 4,096,974	\$ 3,932,804
Water, sewer and garbage charges	969,252	993,552	1,011,244
User charges	164,710	199,189	210,381
Provincial grants	1,461,660	1,647,974	1,963,504
Federal grants	-	8,916	34,143
Investment income	130,000	238,901	150,924
Penalties and interest on taxes	46,000	49,568	58,222
Provincial Offences Act revenues	25,000	16,765	37,817
Proceeds from sale of tangible capital assets	-	-	24,750
Other	10,500	70,539	89,247
	<u>6,891,237</u>	<u>7,322,378</u>	<u>7,513,036</u>
Capital revenues			
Provincial grants	675,705	472,258	24,306
Federal grants	284,186	51,488	200,310
Proceeds from long-term debt	-	722,000	-
	<u>959,891</u>	<u>1,245,746</u>	<u>224,616</u>
Total revenues	<u>7,851,128</u>	<u>8,568,124</u>	<u>7,737,652</u>
<b>EXPENDITURES</b>			
Operating expenditures			
General government	1,190,882	1,167,624	1,452,377
Protection to persons and property	1,008,615	931,503	919,394
Transportation services	2,466,262	2,369,196	2,382,832
Environmental services	944,477	946,619	1,054,274
Health services	411,674	421,089	385,731
Social and family services	565,674	567,138	530,281
Recreation and cultural services	449,367	408,237	483,839
Planning and development	60,660	144,056	217,643
	<u>7,097,611</u>	<u>6,955,462</u>	<u>7,426,371</u>
Capital expenditures	1,093,132	1,576,478	1,582,271
Long-term debt repayment	31,523	31,522	17,313
Total expenditures	<u>8,222,266</u>	<u>8,563,462</u>	<u>9,025,955</u>
<b>Surplus (deficit) full budget base</b>			
<b>(budgeted to be transferred to (from) reserves)</b>	<b>\$ (371,138)</b>	<b>\$ 4,662</b>	<b>\$ (1,288,303)</b>

**THE CORPORATION OF THE TOWNSHIP OF BLACK RIVER-MATHESON**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

---

19. **Sewer systems Schedule of Operations and Continuity of Reserve**

This schedule is not prepared according to PSAB accounting rules. It is operational. It excludes depreciation, includes capital revenue and expenses, and includes proceeds and repayments of long-term debt.

	<u>2020</u>	<u>2019</u>
<b>Revenue</b>		
User fees and service charges	\$ 452,189	\$ 458,936
<b>Expenditures</b>		
Wages and benefits	10,852	4,682
Materials, supplies and other	70,797	46,926
Contracts	194,379	219,844
Maintenance	23,361	36,072
Long-term debt - principal	17,791	17,313
- interest	<u>1,665</u>	<u>2,142</u>
Total expenditures	<u>318,845</u>	<u>326,979</u>
Annual surplus – transferred to reserve	133,344	131,957
Reserve, beginning of year	<u>1,141,235</u>	<u>1,009,278</u>
<b>Reserve, end of year</b>	<u>\$ 1,274,579</u>	<u>\$ 1,141,235</u>

# THE CORPORATION OF THE TOWNSHIP OF BLACK RIVER-MATHESON

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2020

---

20. **Water systems Schedule of Operations and Continuity of Reserve**

This schedule is not prepared according to PSAB accounting rules. It is operational. It excludes depreciation, includes capital revenue and expenses, and includes proceeds and repayments of long-term debt.

	<u>2020</u>	<u>2019</u>
<b>Revenue</b>		
User fees and service charges	\$ 508,503	\$ 518,954
<b>Expenditures</b>		
Wages and benefits	31,343	25,855
Materials and supplies	70,179	73,233
Contracted services	214,490	211,894
Maintenance	<u>33,925</u>	<u>63,785</u>
Total expenditures	<u>349,937</u>	<u>374,767</u>
Annual surplus – transferred to reserve	158,566	144,187
Reserve, beginning of year	<u>1,481,855</u>	<u>1,337,668</u>
<b>Reserve, end of year</b>	<u>\$ 1,640,421</u>	<u>\$ 1,481,855</u>

**THE CORPORATION OF THE TOWNSHIP OF BLACK RIVER-MATHESON**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

---

21. **Garbage collection Schedule of Operations and Continuity of Reserve**

This schedule is not prepared according to PSAB accounting rules. It is operational. It excludes depreciation, includes capital revenue and expenses, and includes proceeds and repayments of long-term debt.

	<u>2020</u>	<u>2019</u>
<b>Revenue</b>		
User fees and service charges	\$ 63,433	\$ 62,818
 <b>Expenditures</b>		
Wages	43,353	-
Garbage collection contracts	-	50,886
	<u>43,353</u>	<u>50,886</u>
 Annual surplus – transferred to reserve	20,080	11,932
 Reserve, beginning of year	<u>45,543</u>	<u>33,611</u>
 <b>Reserve, end of year</b>	<u>\$ 65,623</u>	<u>\$ 45,543</u>



# THE CORPORATION OF THE TOWNSHIP OF BLACK RIVER-MATHESON

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2020

---

#### 22. Library Board Schedule of Operations

This schedule is not prepared according to PSAB accounting rules. It is operational. It excludes depreciation, includes capital revenue and expenses, and includes proceeds and repayments of long-term debt (if applicable).

	2020	2019
<b>Revenue</b>		
Municipal contributions	\$ 81,920	\$ 87,592
Province of Ontario – annual operating grant	7,995	7,995
Province of Ontario – other	-	128
User fees and service charges	1,721	8,855
Donations	3,933	1,572
Total revenue	<u>95,569</u>	<u>106,142</u>
<b>Expenditures</b>		
Wages and benefits	58,911	64,177
Books, videos and computer software	8,034	12,781
Utilities and water	10,837	11,684
Office and computer	13,437	14,507
Insurance	1,536	1,695
Other	2,814	1,298
Total expenditures	<u>\$ 95,569</u>	<u>\$ 106,142</u>

The library board has a reserve of \$3,035 (2019 \$3,035) designated for library purposes.

# THE CORPORATION OF THE TOWNSHIP OF BLACK RIVER-MATHESON

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2020

---

23. **Museum Committee Schedule of Operations**

This statement is not prepared according to PSAB. It is operational. It excludes depreciation, includes capital revenue and expenses, and includes proceeds and repayments of long-term debt.

	2020	2019
<b>Revenue</b>		
Municipal contributions	\$ 8,503	\$ 26,888
Admissions, memberships and other	-	182
Donations and fundraising	-	4,390
Federal grants – operating	-	1,890
Total revenue	<u>8,503</u>	<u>33,350</u>
<b>Expenditures</b>		
Wages and benefits	-	17,966
Materials and services	<u>8,503</u>	<u>15,384</u>
Total expenditures	<u>\$ 8,503</u>	<u>\$ 33,350</u>

The museum board has a reserve of \$25,575 (2019 \$25,575) designated for museum purposes.

**NOTICE TO READER**

To the Members of Council, Inhabitants  
and Ratepayers of the Corporation  
of the TOWNSHIP OF BLACK RIVER-MATHESON:

On the basis of information provided by management, we have compiled the statement of financial position of the TRUST FUNDS of the Corporation of the TOWNSHIP OF BLACK RIVER-MATHESON as at December 31, 2020 and the statement of continuity for the year then ended.

We have not performed an audit or a review engagement in respect of these consolidated financial statements and, accordingly, we express no assurance thereon.

Readers are cautioned that these statements may not be appropriate for their purposes.

Kemp Elliott & Blair LLP

Licensed Public Accountants  
New Liskeard, Ontario  
October 26, 2021

*Kemp Elliott & Blair LLP*

Chartered Professional Accountants

(Unaudited – See Notice to Reader)

**THE CORPORATION OF THE TOWNSHIP OF BLACK RIVER-MATHESON****TRUST FUNDS – CEMETERY PERPETUAL CARE****STATEMENT OF CONTINUITY****FOR THE YEAR ENDED DECEMBER 31, 2020**

	2020	2019
Balance, beginning of year	\$ 193,625	\$ 189,275
Capital receipts	6,495	4,350
<b>BALANCE, END OF YEAR</b>	<b>\$ 200,120</b>	<b>\$ 193,625</b>

**STATEMENT OF FINANCIAL POSITION****AS AT DECEMBER 31, 2020**

	2020	2019
<b>FINANCIAL ASSETS</b>		
Short-term investments	\$ 198,155	\$ 200,353
Due from Township of Black River-Matheson	1,965	-
	<u>200,120</u>	<u>200,353</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Due to Township of Black River-Matheson	-	6,728
Fund balance	<u>200,120</u>	<u>193,625</u>
	<b>\$ 200,120</b>	<b>\$ 200,353</b>

**NOTES TO THE FINANCIAL STATEMENTS**

- Accounting Policy**  
The activities of the trust funds are reported on the cash basis with the exception of amounts due to the Corporation of the Township of Black River-Matheson.
- Interest earned by the Cemetery Perpetual Care Fund is transferred directly to the Township bank account to fund current year operations and is not recorded in this statement.