

CORPORATION OF THE TOWNSHIP OF EDWARDSBURGH/CARDINAL
CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2022

DRAFT - FOR COUNCIL APPROVAL

CORPORATION OF THE TOWNSHIP OF EDWARDSBURGH/CARDINAL

December 31, 2022

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CORPORATION OF THE TOWNSHIP OF EDWARDSBURGH/CARDINAL

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

To the Members of Council, Inhabitants and Ratepayer of the
Corporation of the Township of Edwardsburgh/Cardinal

Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the consolidated financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of consolidated financial statements.

The Corporation of the Township of Edwardsburgh/Cardinal's Council is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the consolidated financial statements. The Council fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors.

MNP LLP is appointed by the Council to audit the consolidated financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Council and management to discuss their audit findings.

CAO

Treasurer

To the To the Members of Council, Inhabitants and Ratepayers of Corporation of the Township of
Edwardsburgh/Cardinal:

Opinion

We have audited the consolidated financial statements of Corporation of the Township of Edwardsburgh/Cardinal (the "Township"), which comprise the consolidated statement of financial position as at December 31, 2022, and the consolidated statements of operations, accumulated surplus, changes in net financial assets and cash flows for the year then ended, and notes to the consolidated 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 Township as at December 31, 2022, and the results of its consolidated operations, changes in its net financial assets and its consolidated 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 Township 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 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 consolidated 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 Township'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 Township or to cease operations, or has no realistic alternative but to do so.

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

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 consolidated 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 Township'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 Township'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 Township 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Township to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

Cornwall, Ontario

May 29, 2023

Chartered Professional Accountants

Licensed Public Accountants

CORPORATION OF THE TOWNSHIP OF EDWARDSBURGH/CARDINAL
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at December 31, 2022

	2022	2021
NET FINANCIAL ASSETS		
Assets		
Cash	\$ 10,014,597	\$ 9,354,239
Taxes receivable	609,128	535,142
Accounts receivable	1,222,454	1,003,111
Land held for resale	159,084	159,084
Long-term receivable (Note 2)	225,000	225,000
Investment in Rideau St. Lawrence Holdings Inc. (Note 3)	686,450	666,249
Investment in Port of Johnstown (Note 4)	48,410,726	44,617,062
	61,327,439	56,559,887
Liabilities		
Accounts payable	2,163,100	1,287,719
Accrued interest on municipal debt	60,754	62,533
Deferred revenue - obligatory reserve funds (Note 5)	349,243	120,852
Deferred revenue - grants	62,766	61,336
Municipal debt (Note 6)	6,486,389	5,672,919
Capital leases (Note 7)	-	6,102
Accrued landfill closure and post-closure costs (Note 8)	208,654	238,678
	9,330,906	7,450,139
Net Financial Assets	51,996,533	49,109,748
Non-Financial Assets		
Tangible capital assets	37,991,340	35,659,854
Inventory	125,009	86,421
	38,116,349	35,746,275
Accumulated Surplus	\$ 90,112,882	\$ 84,856,023

CORPORATION OF THE TOWNSHIP OF EDWARDSBURGH/CARDINAL
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

For the year ended December 31, 2022

	2022 BUDGET (Note 11)	2022 ACTUAL	2021 ACTUAL
REVENUE			
Taxation	\$ 6,496,551	\$ 6,532,896	\$ 6,172,350
Fees and service charges	3,818,440	3,917,433	3,607,455
Grants	864,512	750,488	957,729
Investment income	121,200	951,260	182,683
Donations	11,200	41,434	22,895
	11,311,903	12,193,511	10,943,112
EXPENSES			
General government	1,271,253	1,215,405	1,407,675
Protection services	2,241,471	2,188,469	2,091,403
Transportation services	2,804,238	2,908,572	2,611,576
Environmental services	2,395,492	2,421,245	2,161,917
Recreation and cultural services	2,169,827	2,224,044	1,872,550
Planning and development	276,948	240,243	226,520
	11,159,229	11,197,978	10,371,641
OTHER REVENUE			
Deferred revenue earned (Note 5)	275,000	-	442,429
Capital grants	420,000	447,461	182,453
Gain on disposal of tangible capital assets	-	-	37,675
Equity income from government business enterprises (Note 3, 4)	3,452,419	3,813,865	3,460,995
	4,147,419	4,261,326	4,123,552
SURPLUS FOR THE YEAR	4,300,093	5,256,859	4,695,023
ACCUMULATED SURPLUS , beginning of year	84,856,023	84,856,023	80,161,000
ACCUMULATED SURPLUS , end of year	\$ 89,156,116	\$ 90,112,882	\$ 84,856,023

CORPORATION OF THE TOWNSHIP OF EDWARDSBURGH/CARDINAL
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS

For the year ended December 31, 2022

	2022 BUDGET (Note 11)	2022 ACTUAL	2021 ACTUAL
Surplus for the year	\$ 4,300,093	\$ 5,256,859	\$ 4,695,023
Amortization of tangible capital assets	1,747,822	1,716,059	1,747,823
Acquisition of tangible capital assets	(4,455,981)	(4,047,545)	(1,552,860)
Proceeds on sale of tangible capital assets	-	-	37,675
Gain on disposal of tangible capital assets	-	-	(37,675)
Change in inventory	-	(38,588)	32,139
Increase in net financial assets	1,591,934	2,886,785	4,922,125
Net financial assets, beginning of year	49,109,748	49,109,748	44,187,623
Net financial assets, end of year	\$ 50,701,682	\$ 51,996,533	\$ 49,109,748

CORPORATION OF THE TOWNSHIP OF EDWARDSBURGH/CARDINAL

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended December 31, 2022

	2022	2021
CASH FROM OPERATING ACTIVITIES		
Surplus for the year	\$ 5,256,859	\$ 4,695,023
Items not affecting cash		
Amortization expense	1,746,059	1,747,823
Gain on disposal of tangible capital assets	-	(37,675)
Equity income from government business enterprises	(3,832,937)	(3,480,073)
Changes in non-cash working capital balances		
Taxes receivable	(73,986)	60,700
Accounts receivable	(219,343)	(63,723)
Land held for resale	-	1,242
Accounts payable	875,381	114,274
Accrued interest on municipal debt	(1,779)	(1,920)
Deferred revenue - grants	1,430	(49,067)
Deferred revenue - obligatory reserve funds	228,391	129
Accrued landfill closure and post-closure costs	(30,024)	(16,050)
Inventory	(38,588)	32,139
	3,881,463	3,002,822
CASH FROM FINANCING ACTIVITIES		
Repayment of municipal debt	(270,239)	(228,083)
Proceeds from the issue of municipal debt	1,083,709	300,192
	813,470	72,109
CASH FROM INVESTING ACTIVITIES		
Dividends received from Rideau St. Lawrence Holdings Inc.	19,072	19,077
CASH USED IN CAPITAL ACTIVITIES		
Proceeds on disposal of tangible capital assets	-	37,675
Acquisition of tangible capital assets	(4,047,545)	(1,552,860)
Repayments of capital leases	(6,102)	(36,613)
	(4,053,647)	(1,551,798)
INCREASE IN CASH	660,358	1,542,210
CASH, beginning of year	9,354,239	7,812,029
CASH, end of year	\$ 10,014,597	\$ 9,354,239

CORPORATION OF THE TOWNSHIP OF EDWARDSBURGH/CARDINAL

SCHEDULE OF TANGIBLE CAPITAL ASSETS

For the year ended December 31, 2022

	Land	Buildings	Vehicles and Equipment	Plants and Facilities	Roads	Water and Sewer	Bridges	2022	2021
Cost									
Balance, beginning of year	\$ 757,874	\$ 12,276,298	\$ 7,786,510	\$ 17,382,489	\$ 22,521,034	\$ 10,119,289	\$ 3,300,634	\$ 74,144,128	\$ 72,982,050
Additions during the year	-	-	985,839	-	2,349,356	712,350	-	4,047,545	1,552,860
Disposals during the year	-	-	-	-	-	-	-	-	390,782
Balance, end of year	757,874	12,276,298	8,772,349	17,382,489	24,870,390	10,831,639	3,300,634	78,191,673	74,144,128
Accumulated Amortization									
Balance, beginning of year	-	4,409,502	4,695,240	8,345,147	15,002,055	4,333,592	1,698,738	38,484,274	37,127,233
Amortization during the year	-	285,361	351,520	151,952	639,834	218,955	68,437	1,716,059	1,747,823
Amortization on disposals	-	-	-	-	-	-	-	-	390,782
Balance, end of year	-	4,694,863	5,046,760	8,497,099	15,641,889	4,552,547	1,767,175	40,200,333	38,484,274
Net book value 2022	\$ 757,874	\$ 7,581,435	\$ 3,725,589	\$ 8,885,390	\$ 9,228,501	\$ 6,279,092	\$ 1,533,459	\$ 37,991,340	\$ 35,659,854
Net book value 2021	\$ 757,874	\$ 7,866,796	\$ 5,091,270	\$ 9,037,342	\$ 7,518,979	\$ 5,785,697	\$ 1,601,896	\$ 35,659,854	

See Accompanying Notes

CORPORATION OF THE TOWNSHIP OF EDWARDSBURGH/CARDINAL

SCHEDULE OF TANGIBLE CAPITAL ASSETS

For the year ended December 31, 2022

	General Government	Protection Services	Transportation Services	Environmental Services	Health, and Recreation	2022	2021
Cost							
Balance, beginning of year	\$ 1,049,567	\$ 4,433,195	\$28,870,407	\$29,035,081	\$10,755,878	\$74,144,128	\$72,982,050
Additions during the year	-	390,570	2,422,909	925,952	308,114	4,047,545	1,475,966
Disposals during the year	-	-	-	-	-	-	390,782
Assets in service, end of year	1,049,567	4,823,765	31,293,316	29,961,033	11,063,992	78,191,673	74,067,234
Assets under construction	-	-	-	-	-	-	76,894
Balance, end of year	1,049,567	4,823,765	31,293,316	29,961,033	11,063,992	78,191,673	74,144,128
Accumulated Amortization							
Balance, beginning of year	441,518	2,568,446	18,267,936	13,366,901	3,839,473	38,484,274	37,127,233
Amortization during the year	31,324	162,579	886,325	379,256	256,575	1,716,059	1,747,823
Amortization on disposals	-	-	-	-	-	-	390,782
Balance, end of year	472,842	2,731,025	19,154,261	13,746,157	4,096,048	40,200,333	38,484,274
Net book value 2022	\$ 576,725	\$ 2,092,740	\$12,139,055	\$16,214,876	\$ 6,967,944	\$37,991,340	\$35,659,854
Net book value 2021	\$ 608,049	\$ 1,864,749	\$10,602,471	\$15,668,180	\$ 6,916,405	\$35,659,854	

See Accompanying Notes

CORPORATION OF THE TOWNSHIP OF EDWARDSBURGH/CARDINAL

SCHEDULE OF ACCUMULATED SURPLUS

For the year ended December 31, 2022

	2022	2021
Surpluses		
Operating surplus	\$ -	-
Land inventory surplus	159,084	159,084
EMS building surplus	49,500	49,500
Library board surplus	15,849	46,107
Capital (deficit) surplus	(379,360)	404,252
Investment in Port of Johnstown	48,410,726	44,617,062
Investment in Rideau St. Lawrence Holdings Inc.	686,450	666,249
Unfunded liabilities to be recovered from future revenues		
Accrued interest on municipal debt	(60,754)	(62,533)
Accrued landfill closure and post-closure	(208,654)	(238,678)
Total surplus	48,672,841	45,641,043
Reserves and reserve funds		
Reserves set aside for specific purposes by Council:		
Working capital	805,779	750,000
Capital expenditures	200,466	195,466
Tax stabilization	102,242	92,242
Election	-	19,100
Fire	571,114	548,364
Police	110,715	110,715
Transportation	581,600	846,515
Environmental	633,862	663,862
Recreation	322,024	293,524
Planning	84,234	79,234
Total reserves	3,412,036	3,599,022
Reserve funds set aside for specific purpose by legislation, regulation or agreement:		
Ontario modernization fund	282,575	302,616
Water and sewer	1,952,819	1,840,179
Subdivision	402,332	376,094
Industrial park	467,311	2,846,050
Johnstown	55,143	36,345
Endowment	147,220	160,221
Industrial park	247	244
Dedicated capital	647,273	34,488
GIC investment	2,549,062	-
Total reserve funds	6,503,982	5,596,237
Total reserves and reserve funds	9,916,018	9,195,259
Invested in tangible capital assets		
Tangible capital assets	37,991,340	35,659,854
Less: related debt	(6,467,317)	(5,640,133)
Invested in tangible capital assets	31,524,023	30,019,721
ACCUMULATED SURPLUS	\$ 90,112,882	\$ 84,856,023

See Accompanying Notes

CORPORATION OF THE TOWNSHIP OF EDWARDSBURGH/CARDINAL

SCHEDULE OF CHANGE IN ACCUMULATED SURPLUS

For the year ended December 31, 2022

	Surpluses	Reserves and Reserve Funds	Invested in Tangible Capital Assets	2022	2021
Balance, beginning of year	\$ 45,641,043	\$ 9,195,259	\$ 30,019,721	\$ 84,856,023	\$ 80,161,000
Surplus for the year	5,256,859	-	-	5,256,859	4,695,023
Reserve funds used for operations	884,097	(884,097)	-	-	-
Funds transferred to reserves	(1,604,856)	1,604,856	-	-	-
Current year funds used for tangible capital assets	(4,047,545)	-	4,047,545	-	-
Amortization of tangible capital assets	1,716,059	-	(1,716,059)	-	-
Repayment of capital leases	(6,102)	-	6,102	-	-
Repayment of municipal debt related to capital	833,286	-	(833,286)	-	-
Change in accumulated surplus	3,031,798	720,759	1,504,302	5,256,859	4,695,023
Balance, end of year	\$ 48,672,841	\$ 9,916,018	\$ 31,524,023	\$ 90,112,882	\$ 84,856,023

See Accompanying Notes

CORPORATION OF THE TOWNSHIP OF EDWARDSBURGH/CARDINAL

SCHEDULE OF SEGMENTED DISCLOSURE

For the year ended December 31, 2022

	General Government	Protection Services	Transportation Services	Environmental Services	Recreation and Cultural Services	Planning and Development	2022	2021
REVENUE								
Taxation	\$ 571,658	\$ 2,006,329	\$ 1,817,211	\$ 426,566	\$ 1,578,896	\$ 132,236	\$ 6,532,896	\$ 6,172,350
Fees and service charges	916,311	39,240	54,268	2,069,540	711,901	126,173	3,917,433	3,607,455
Grants	-	-	667,800	66,921	15,767	-	750,488	957,729
Investment income	949,397	-	-	1,489	374	-	951,260	182,683
Donations	-	-	-	-	41,434	-	41,434	22,895
Proceeds from land held for resale	-	-	-	-	-	-	-	-
	2,437,366	2,045,569	2,539,279	2,564,516	2,348,372	258,409	12,193,511	10,943,112
EXPENSES								
Wages and benefits	782,378	477,443	681,731	580,069	1,075,567	96,108	3,693,296	3,374,456
Interest on municipal debt	17,937	987	516	-	210,049	1,121	230,610	250,215
Materials and services	210,505	247,289	1,312,770	759,986	587,319	107,507	3,125,376	2,512,036
Contracted services	145,906	1,246,559	47,488	619,852	15,615	33,264	2,108,684	2,192,868
Insurance and financial costs	27,355	53,612	79,742	82,082	78,919	2,243	323,953	294,243
Amortization	31,324	162,379	886,325	379,256	256,575	-	1,716,059	1,747,823
	1,215,405	2,188,469	2,908,572	2,421,245	2,224,044	240,243	11,197,978	10,371,641
OTHER REVENUE								
Deferred revenue earned	-	-	-	-	-	-	-	442,429
Capital grants	265,008	-	182,453	-	-	-	447,461	182,453
Gain on disposal of tangible capital assets	-	-	-	-	-	-	-	37,675
Equity income from government business enterprises	3,813,865	-	-	-	-	-	3,813,865	3,460,995
	4,078,873	-	182,453	-	-	-	4,261,326	4,123,552
SURPLUS (DEFICIT) FOR THE YEAR	\$ 5,300,834	\$ (142,900)	\$ (186,840)	\$ 143,271	\$ 124,328	\$ 18,166	\$ 5,256,859	\$ 4,695,023

See Accompanying Notes

CORPORATION OF THE TOWNSHIP OF EDWARDSBURGH/CARDINAL

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements are prepared by management in accordance with Canadian public sector accounting standards and include the following significant accounting policies:

(a) Basis of consolidation

(i) Consolidated entities

These consolidated financial statements reflect the assets, liabilities, sources of financing and expenditures and include the activities of all committees of Council and the following local board:

Township of Edwardsburgh/Cardinal Library Board

These consolidated financial statements reflect the investment in any government business enterprises and are consolidated using the modified equity method. Under the modified equity basis, the enterprises accounting principles are not adjusted to conform with those of the Township and intergovernmental transactions and balances are not eliminated. The following government business enterprises are consolidated based on the Township's share of ownership.

Rideau St. Lawrence Holdings Inc.

Port of Johnstown

(ii) Non-consolidated entities

There are no non-consolidated entities.

(iii) Accounting for United Counties of Leeds and Grenville and school board transactions

The taxation, other revenues, expenditures, assets and liabilities with respect to the operations of the school boards, and the United Counties of Leeds and Grenville are not reflected in the municipal fund balances of these consolidated financial statements.

(b) Accrual basis of accounting

Revenues and expenditures are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they become available and measurable; expenditures 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.

(c) Taxation and related revenue

Property tax billings are issued by the Township based on assessment rolls prepared by the Municipal Property Assessment Corporation ("MPAC") and collects property tax revenue for municipal purposes, county taxes on behalf of the United Counties of Leeds and Grenville, provincial education taxes on behalf of the Province of Ontario, payment in lieu of taxation, local improvements and other charges. The authority to levy and collect property taxes is established under the *Municipal Act 2001*, the *Assessment Act*, the *Education Act* and other legislation.

Taxation revenue consists of non-exchange transactions and is recognized in the period to which the assessment relates and a reasonable estimate of the amounts can be made. Annual taxation revenue also includes adjustments related to reassessments and appeals to prior years' assessments. 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.

CORPORATION OF THE TOWNSHIP OF EDWARDSBURGH/CARDINAL

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Government grants and transfers

Government grants transfers are the transfer of assets from other levels of government that are not the result of an exchange transaction, are not expected to be repaid in the future, or the result of a direct financial return. The Township recognizes a government grant or transfer as revenue when the transfer is authorized and all eligibility criteria, if any, have been met. A government grant or transfer with stipulations giving rise to an obligation that meets the definition of a liability is recognized as a liability. In such circumstances, the Township recognizes revenue as the liability is settled.

(e) Fees and service charges

Fees and service charges are recognized when the activity is performed or when the services are rendered. Examples include, but are not limited to, water and waste water charges, solid waste tipping fees, licensing fees, permits, and other fees from various recreation programs and facilities.

(f) Investment income

Investment income earned on surplus funds is reported as revenue in the period earned. Investment income earned on obligatory funds such as parkland allowances and gas tax funds is added to the associated funds and forms part of the respective deferred revenue, obligatory reserve fund balances.

(g) Cash and cash equivalents

Cash and cash equivalents is defined as cash on hand, cash on deposit and short term investments, which includes guaranteed investment certificates with maturities of three months or less.

(h) Reserves and reserve funds

Certain amounts, as approved by Council, are set aside in reserves and reserve funds for future operating and capital purposes. Transfers to and from reserves and reserve funds are an adjustment to the respective fund when approved.

(i) Deferred revenue

Deferred revenue represents government transfers that have been received for specific purposes, but the respective expenditures have not been incurred to date. These amounts will be recognized as revenues in the year the expenditures are incurred.

(j) Landfill closure costs

The estimated costs to close and maintain solid waste landfill sites are based on estimated future expenses in current dollars, adjusted for estimated inflation, and are charged to expense as the landfill site's capacity is used.

(k) Employee benefits

Employee benefits include vacation entitlement and sick leave benefits. Vacation and sick leave benefits are accrued in accordance with the Township's policy. The Township accounts for its participation in the Ontario Municipal Employees Retirement System (OMERS), as a defined contribution plan.

CORPORATION OF THE TOWNSHIP OF EDWARDSBURGH/CARDINAL

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(l) Non-financial assets

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

(i) Tangible capital assets

Tangible capital assets are recorded at cost, which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets are amortized on a straight-line basis over their estimated useful lives as follows:

Land improvements	15 years
Buildings	10 to 50 years
Machinery and equipment	10 years
Vehicles	5 to 10 years
Computer hardware and software	5 to 10 years
Water and waste plants and networks	
underground networks	50 to 100 years
sewage treatment plants	50 to 75 years
water pumping stations and reservoirs	50 to 75 years
flood stations and other infrastructure	50 to 75 years
Transportation	
roads	10 to 50 years
bridges and structures	25 to 75 years
Leased assets	5 to 40 years

Full amortization is charged in the year of acquisition and none in the year of disposal. Assets under construction are not amortized until the asset is available for productive use, at which time they are capitalized.

Active landfills are amortized annually based on the remaining estimated useful life. The estimated costs to close and maintain currently active landfill sites are based on estimated future expenses in current dollars, adjusted for estimated inflation, and are charged to expense as the landfill sites capacity is used.

The Township has a capitalization threshold of \$25,000 so that individual tangible capital assets of lesser value are expensed, unless they are pooled because, collectively, they have significant value, or for operational reasons. Examples of pooled assets are desktop computer systems, bunker gear and furniture.

(ii) Contributions of tangible capital assets

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt, and that fair value is also recorded as revenue. Similarly, transfers of assets to third parties are recorded as an expense equal to the net book value of the asset as of the date of the transfer.

(iii) Leases

Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risks incidental to ownership of 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) Inventory

Inventory held for consumption is recorded at the lower of cost or replacement cost.

CORPORATION OF THE TOWNSHIP OF EDWARDSBURGH/CARDINAL

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(m) Liability for contaminated sites

A liability for contaminated sites arises when contamination is being introduced into the air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds the maximum acceptable concentrations under an environmental standard. A liability for remediation of contaminated sites is recognized when all of the following criteria are met:

- (i) An environmental standard exists;
- (ii) Contamination exceeds the environmental standard;
- (iii) The Township is directly responsible, or accepts responsibility to remediate the site;
- (iv) The Township expects that future economic benefits will be given up; and
- (v) A reasonable estimate of the amount can be made.

Liabilities are accrued to record the estimated costs related to the management and remediation of contaminated sites. The liability estimate includes costs that are directly attributable to the remediation activities and includes integral post-remediation operation, maintenance and monitoring costs that are a part of the remediation strategy for the contaminated site. The costs that would be included in a liability are:

- Costs directly attributable to remediation activities (for example, payroll and benefits, equipment and facilities, materials, and legal and other professional services); and
- Costs of tangible capital assets acquired as part of remediation activities to the extent they have no other alternative use.

The measurement of a liability is based on estimates and professional judgment. The liability is recorded net of any expected recoveries. The carrying amount of a liability is reviewed at each financial reporting date with any revisions to the amount previously recognized accounted for in the period in which revisions are made.

A contingency is disclosed if all of the above criteria are not met.

(n) Measurement uncertainty (use of estimates)

The preparation of financial statements in conformity with Canadian public sector accounting standards requires administration 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 consolidated financial statements, and the reported amounts of revenues and expenditures during the current period. These estimates are reviewed periodically and adjustments are made to income as appropriate in the year they become known. Significant items subject to such estimates and assumptions include the estimated useful life of tangible capital assets, the valuation of allowances for doubtful taxes and accounts receivable, the valuation of inventories, and the estimated landfill closure and post-closure costs. Actual results could differ from these estimates.

(o) Segments

The Township conducts its operations through six reportable segments: general government, protection services, transportation services, environmental services, recreation and cultural services, and planning and development. These segments are established by senior management to facilitate the achievement of the Township's long-term objectives to aid in resource allocation decisions, and to assess operational performance.

CORPORATION OF THE TOWNSHIP OF EDWARDSBURGH/CARDINAL

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(p) Future accounting pronouncements

Standards effective beginning on or after April 1, 2022

Asset Retirement Obligations

PS 3280 establishes standards on how to account for and report a liability for asset retirement obligations (ARO). As asset retirement obligations associated with landfills are included in the scope of PS 3280, PS 3270 Solid Waste Landfill Closure and Post-Closure Liability will be withdrawn. The main features of this standard are as follows:

- An ARO represents a legal obligation associated with the retirement of a tangible capital asset.
- Asset retirement costs increase the carrying amount of the related tangible capital asset and are expensed in a rational and systematic manner.
- When an asset is no longer in productive use, the associated asset retirement costs are expensed.
- Measurement of the ARO liability should result in the best estimate of the amount required to retire a tangible capital asset at the financial statement date.
- Subsequent measurement of the ARO liability results in either a change in the carrying amount of the related tangible capital asset or an expense. The accounting treatment depends on the nature of the remeasurement and whether the asset remains in productive use.

This standard is effective for fiscal years beginning on or after April 1, 2022. Early adoption is permitted.

Financial instruments

PS 3450 established recognition, measurement, and disclosure requirements for derivative and non-derivative financial instruments. The standard required fair value measurement of derivatives and equity instruments that are quoted in an active market; all other financial instruments can be measured at cost/amortized cost or fair value at the election of the government. Unrealized gains and losses are presented in a new statement of remeasurement gains and losses. There is the requirement to disclose the nature and extent of risks arising from financial instruments and clarification is given for the de-recognition of financial liabilities.

This standard is effective for fiscal years beginning on or after April 1, 2022. Early adoption is permitted. The Township has not yet determined the impact of this standard on its consolidated financial statements.

Revenues

PS 3400 Revenues establishes standards on how to account for and report on revenue by distinguishing between revenue arising from transactions that include performance obligations and transactions that do not have performance obligations. The main features of this Section are as follows:

- Performance obligations are enforceable promises to provide specific goods or services to a specific payor;
- Performance obligations can be satisfied at a point in time or over a period of time;
- The new standard outlines five indicators to determine if the revenue would be recognized over a period of time;
- Revenue from a transaction with a performance obligation(s) is recognized when, or as, the entity has satisfied the performance obligation(s); and
- Revenue from transactions with no performance obligation is recognized when a public sector entity has the authority to claim or retain an inflow of economic resources and a past event that gives rise to a claim of economic resources has occurred.

This standard is effective for annual financial statements relating to fiscal years beginning on or after April 1, 2023. Early application continues to be permitted. The Township has not yet determined the impact of this standard on its consolidated financial statements.

CORPORATION OF THE TOWNSHIP OF EDWARDSBURGH/CARDINAL

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2022

2. LONG-TERM RECEIVABLE

The long-term receivable is due from Rideau St. Lawrence Holdings Inc., bears interest at 3.72%, paid quarterly, has no specific terms of repayment, and is unsecured.

3. INVESTMENT IN RIDEAU ST. LAWRENCE HOLDINGS INC.

	2022	2021
Investment, beginning of year	\$ 666,249	\$ 664,845
Share of net income for the year	18,031	20,481
Dividends received	(19,072)	(19,077)
Adjustment for prior year income	21,242	-
Investment, end of year	\$ 686,450	\$ 666,249

The Township of Edwardsburgh/Cardinal owns 11.92% of the outstanding share capital of Rideau St. Lawrence Holdings Inc.

The following table provides condensed supplementary financial information for Rideau St. Lawrence Holdings Inc.:

Financial Position

	2022	2021
Current assets	\$ 4,379,443	\$ 3,717,388
Capital	10,073,319	9,058,080
Regulatory assets	1,186,540	728,708
Total Assets	15,639,302	13,504,176
Current liabilities	7,536,138	5,824,461
Customer deposits	209,106	216,020
Regulatory liabilities	208,292	220,122
Long-term debt	1,912,534	1,476,034
Deferred tax liabilities	14,427	-
Total Liabilities	9,880,497	7,736,637
Net Assets	\$ 5,758,805	\$ 5,767,539

Financial Activities

	2022	2021
Total Revenue	\$ 17,421,237	\$ 16,492,905
Total Expenses	17,269,970	16,321,085
Net Income	\$ 151,267	\$ 171,820
Township share of net income (11.92%)	\$ 18,031	\$ 20,481

CORPORATION OF THE TOWNSHIP OF EDWARDSBURGH/CARDINAL

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2022

4. INVESTMENT IN PORT OF JOHNSTOWN

	2022	2021
Investment, beginning of year	\$ 44,617,062	\$ 41,157,470
Share of net income for the year	4,379,310	3,459,592
Distribution of income	(585,646)	-
Investment, end of year	\$ 48,410,726	\$ 44,617,062

The Township of Edwardsburgh/Cardinal owns 100% of the Port of Johnstown.

(a) The following table provides condensed supplementary financial information for Port of Johnstown:

Financial Position

	2022	2021
Cash	\$ 9,150,157	\$ 6,941,096
Investments	3,430,171	2,764,622
Accounts receivable	1,302,666	2,072,639
Other assets	65,630	59,010
Capital	66,448,811	62,865,260
Total Assets	80,397,435	74,702,627
Current liabilities	1,219,364	1,015,146
Mortgage payable	2,180,765	-
Deferred contributions	28,586,580	29,070,417
Total Liabilities	31,986,709	30,085,563
Net Assets	\$ 48,410,726	\$ 44,617,064

Financial Activities

	2022	2021
Total Revenue	\$ 10,618,706	\$ 9,459,619
Total Expenses	6,239,396	6,000,027
Net Income	\$ 4,379,310	\$ 3,459,592

CORPORATION OF THE TOWNSHIP OF EDWARDSBURGH/CARDINAL

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2022

5. DEFERRED REVENUE - OBLIGATORY RESERVE FUNDS

A requirement of Canadian public sector accounting standards is that obligatory reserve funds be reported as deferred revenue. This requirement is in place as provincial legislation restricts how these funds may be used and under certain circumstances these funds may possibly be refunded. The transactions in the federal gas tax and Covid-19 restart program obligatory reserve funds are summarized as follows:

	Federal Gas Tax	Covid-19 Restart	2022	2021
Balance, beginning of year	\$ 62,826	\$ 58,025	\$ 120,851	\$ 120,723
Grants received	224,956		224,956	441,211
Interest and other	3,436		3,436	1,347
Deferred revenue earned	-		-	(442,429)
Balance, end of year	\$ 291,218	\$ 58,025	\$ 349,243	\$ 120,852

6. MUNICIPAL DEBT

	2022	2021
Loan payable, interest at 4.59%, payable in blended semi-annual payments of \$151,849, due October 2048	\$ 4,583,221	\$ 4,673,432
Loan payable, interest at 2.88%, payable in blended monthly payments of \$7,052, due October 2024	27,221	40,258
Loan payable, interest at 2.91%, payable in blended semi-annual payments of \$26,523, due July 2036	606,402	641,043
Loan payable, interest at 3.25%, payable in blended monthly payments of \$1,469, due May 2023	6,616	20,728
Loan payable, 0%, payable in monthly payments of \$955, due June 2023	-	954
Loan payable, 0%, payable in bi-weekly payments of \$476, due March 2024	14,770	27,146
Loan payable, 1.73%, payable in blended monthly payments of \$8,563, due June 2024	151,995	251,199
Loan payable, 4.23%, payable in blended monthly payments, due January 2042, financing up to \$1,894,707 for completion of capital projects from 2022 in 2023	1,083,709	-
Tile drainage loans, interest at 6%, repayable over a ten year period in blended payments ranging between \$2,568 and \$6,793, maturity dates ranging from 2024 to 2026	12,455	18,159
	\$ 6,486,389	\$ 5,672,919

CORPORATION OF THE TOWNSHIP OF EDWARDSBURGH/CARDINAL

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2022

6. MUNICIPAL DEBT (Continued)

Principal payments, assuming the loans are renewed under the same terms and conditions, are as follows:

2023	\$	304,671
2024		245,898
2025		179,476
2026		187,035
2027		194,920
Thereafter		5,374,389
	\$	6,486,389

(b) Of the municipal debt reported, principal payments are payable from the following sources as follows:

	2023 - 2027	Thereafter
Taxation revenues	\$ 889,115	\$ 4,957,031
Other revenues	203,814	417,358
Benefiting landowners	19,071	-
	\$ 1,112,000	\$ 5,374,389

7. CAPITAL LEASES

	2022	2021
Capital lease obligation on equipment, interest at 0%, payable in monthly payments of \$3,051, repaid in the year	-	6,102

8. ACCRUED LANDFILL CLOSURE AND POST-CLOSURE COSTS

The Township operates one solid waste landfill site. The landfill site has reached its useful life and capping procedures have commenced in 2016. The estimate associated with closure and post-closure include costs such as clay, topsoil, hydro seed, site preparation, equipment, ditching, drainage, fencing and post-closure monitoring estimated for ten years. Total closure and post-closure costs were estimated to be \$372,880. During the year closing costs of \$30,024 (2021 - \$16,050) were incurred and were charged to the accrued liability. The remaining estimated costs of \$208,654 (2021 - \$238,678) are to be recovered from future taxation revenue and reserves.

9. PENSION AGREEMENTS

The Township is a member of the Ontario Municipal Employees Retirement System (OMERS) which is a multi-employer retirement plan. The plan is a contributory defined benefit plan that specifies the amount of retirement benefit to be received by the employees based on the length of service and rates pay. Employers and employees contribute to the plan. Since any surpluses or deficits are a joint responsibility of all Ontario municipalities and their employees, the Township does not recognize any share of the OMERS pension deficit of \$6.7 billion (2021 - \$3.1 billion) in these consolidated financial statements.

The employer amount contributed to OMERS for 2022 was \$373,548 (2021 - \$348,781) for current service and is included as an expenditure on the statement of financial activities.

CORPORATION OF THE TOWNSHIP OF EDWARDSBURGH/CARDINAL

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2022

10. OPERATING EXPENDITURES BY OBJECT

Municipal operating expenditures are summarized as follows:

	BUDGET 2022 (Note 11)	ACTUAL 2022	ACTUAL 2021
Wages and benefits	\$ 3,724,273	\$ 3,693,296	\$ 3,374,456
Interest on long-term debt	236,221	230,610	250,215
Materials and services	3,014,085	3,125,376	2,512,036
Contracted services	2,111,271	2,108,684	2,192,868
Insurance and financial expenses	330,557	323,953	294,243
Amortization	1,747,822	1,716,059	1,747,823
	\$ 11,164,229	\$ 11,197,978	\$ 10,371,641

11. BUDGET FIGURES

The 2022 budget amounts that were approved on March 14, 2022 were established for Capital, Reserves and Reserve Funds and are based on a project-oriented basis, the costs of which may be carried out over one or more years.

12. OPERATING AND WATERWORKS AND SEWER OPERATIONS SURPLUSES AND DEFICITS

The operating surplus for the fiscal year ended December 31, 2022 was \$55,779 of which the balance was transferred to the working capital reserve.

The waterworks and sewer operations' net surplus for the fiscal year ended December 31, 2022 was \$14,038 of which a surplus of \$3,979 was transferred to the Spencerville wastewater reserve fund, \$16,613 was transferred to the low lift reserve fund, \$42,491 was transferred to the Industrial Park water reserve fund, \$8,131 was transferred to the Cardinal Wastewater reserve fund; whereas \$802 was transferred from the Industrial Park wastewater reserve fund and \$56,374 was transferred from the Cardinal water reserve fund to fund deficits incurred for the year.

CORPORATION OF THE TOWNSHIP OF EDWARDSBURGH/CARDINAL

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2022

12. OPERATING AND WATERWORKS AND SEWER OPERATIONS SURPLUSES AND DEFICITS (Continued)

	(Note 11) BUDGET 2022	ACTUAL 2022	ACTUAL 2021
Surplus for the year	\$ 4,300,093	\$ 5,256,859	\$ 4,695,023
Funds transferred to reserves	(797,340)	(1,374,323)	(682,493)
Reserve funds used for operations	1,492,949	884,098	214,666
Reserve fund interest	-	(160,716)	(63,657)
Change in accrued landfill costs	-	(30,024)	(16,050)
Acquisition of tangible capital assets	(4,455,981)	(4,047,545)	(1,552,860)
Annual amortization expense	1,747,822	1,716,059	1,747,823
Gain on sale of tangible capital assets	-	-	(37,675)
Proceeds on sale of tangible capital assets	-	-	37,675
Change in accrued interest on municipal debt	-	(1,778)	(1,919)
Port of Johnstown	(3,452,419)	(3,793,664)	(3,459,592)
Rideau St. Lawrence Holdings Inc.	-	(20,201)	(1,404)
Change in capital surplus or capital deficit	404,258	783,612	(208,038)
Principal payments on municipal debt	(261,477)	(256,561)	(241,994)
Proceeds from municipal debt	1,000,000	1,083,709	300,192
Change in land inventory surplus	-	-	1,242
Operating (deficit) surplus for the year	(22,095)	39,525	730,939
Library board deficit (surplus)	22,095	30,292	(2,927)
Transfer to water and sewer reserves	-	(14,038)	(300,044)
Transfer to reserves	-	(55,779)	(427,968)
	\$ -	\$ -	\$ -

13. SEGMENTED INFORMATION

The Township is responsible for providing a range of services to its citizens. For management reporting purposes the Township's operations and activities are organized and reported by department. These departments are reported by functional area in the body of the consolidated financial statements similar to reporting reflected in the Ontario Financial Information Return. These functional areas represent segments for the Township of Edwardsburgh/Cardinal and expended disclosure by object has been reflected in the schedule of segmented disclosure.

For each segment separately reported, the segment revenue and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in Note 1.

A brief description of each segment follows:

CORPORATION OF THE TOWNSHIP OF EDWARDSBURGH/CARDINAL

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2022

13. SEGMENTED INFORMATION (Continued)

(a) General government

General government includes corporate services and governance of the Township. Administration as a segment includes operating and maintaining municipal owned buildings, human resource management, legal, communications, information systems and technology, support to Council for policy development, by-law development in compliance with the Municipal Act, tax billing and collection responsibilities, financial management reporting, monitoring and overall budget status as well as frontline reception and customer service.

(b) Protection services

Protection services includes fire protection, conservation authority, protective inspection and control, and emergency measures. Fire protection includes inspection, extinguishing and suppression services, emergency medical first response, and prevention education and training programs. Inspection and control includes building inspection, by-law enforcement and dog control services.

(c) Transportation services

Transportation services includes administration and operation of traffic and parking services for the Township. In addition, services are provided for the winter and summer road maintenance along with the repair and construction of the municipal roads system including bridges and culverts, as well as operation and maintenance of a fleet of vehicles and equipment for use in providing services to the Township.

(d) Environmental services

Environmental services includes waste collection, disposal, recycling services and water and sewer services. Water and sewer services includes the operation of water and waste water facilities and infrastructure for the collection and distribution of both water and sewer services within the Township.

(e) Recreation and cultural services

Recreation and cultural services provides services that contribute to neighbourhood development and sustainability through the provision of recreation and leisure programs and facilities including community halls, libraries, parks, recreation fields, and arenas.

(f) Planning and development

Planning and development manages development for business interests, environmental concerns, heritage matters, local neighbourhoods and community development. It also facilitates economic development by providing services for the approval of all land development plans and the application and enforcement of the zoning by-law and official plan.

CORPORATION OF THE TOWNSHIP OF EDWARDSBURGH/CARDINAL

FIVE YEAR FINANCIAL REVIEW

For the year ended December 31, 2022

FINANCIAL ACTIVITIES (000's)

	2022	2021	2020	2019	2018
Revenues					
Taxation	\$ 6,533	\$ 6,172	\$ 6,072	\$ 5,789	\$ 5,548
Fees and service charges	3,917	3,607	3,515	3,769	3,844
Grants	750	958	920	1,597	1,109
Investment income	951	183	209	329	317
Donations and other	41	23	40	68	224
	12,192	10,943	10,756	11,552	11,042
Expenses					
General government	1,215	1,408	1,268	1,120	1,050
Protection to persons and property	2,188	2,091	2,064	2,054	2,096
Transportation services	2,909	2,612	2,631	2,755	2,433
Environmental	2,421	2,162	2,305	2,227	2,316
Recreation and cultural services	2,224	1,873	1,845	2,147	2,108
Planning and development	240	227	291	178	317
	11,197	10,373	10,404	10,481	10,320
Other Revenue					
Deferred revenue earned	-	442	260	442	310
Capital grants	447	182	273	-	180
Gain on disposal of tangible capital assets	-	38	22	-	31
Equity income	3,814	3,461	3,632	3,292	2,540
	4,261	4,123	4,187	3,734	3,061
Surplus for the year	\$ 5,256	\$ 4,693	\$ 4,539	\$ 4,805	\$ 3,783

PROPERTY TAXES BILLED (000's)

	2022	2021	2020	2019	2018
Own purposes	\$ 6,533	\$ 6,172	\$ 6,072	\$ 5,789	\$ 5,548
Upper-tier municipality	3,426	3,388	3,301	3,213	2,846
School boards	2,306	2,234	2,443	2,467	1,941
	\$ 12,265	\$ 11,794	\$ 11,816	\$ 11,469	\$ 10,335

CORPORATION OF THE TOWNSHIP OF EDWARDSBURGH/CARDINAL

FIVE YEAR FINANCIAL REVIEW

For the year ended December 31, 2022

TAXABLE ASSESSMENT (000's)

	2022	2021	2020	2019	2018
Residential and farm	\$ 789,869	\$ 783,785	\$ 779,682	\$ 746,000	\$ 712,539
Commercial and industrial	143,895	139,421	139,024	134,908	80,570
	933,764	923,206	918,706	880,908	793,109
Exempt	39,008	37,934	38,205	437,010	34,078
	\$ 972,772	\$ 961,140	\$ 956,911	\$ 917,918	\$ 827,187
Commercial and industrial	15.41%	15.10%	15.13%	15.31%	10.16%

FINANCIAL INDICATORS

	2022	2021	2020	2019	2018
Tax arrears					
Percentage of own levy	9 %	9 %	10 %	11 %	11 %
Percentage of total levy	5 %	5 %	5 %	5 %	6 %
Municipal debt	\$ 6,486,389	\$ 5,672,917	\$ 5,600,811	\$ 5,723,185	\$ 5,991,166
Municipal debt charges	\$ 500,849	\$ 478,299	\$ 373,087	\$ 528,427	\$ 683,120
Sustainability					
Financial assets to liabilities	6.57	7.59	7.00	6.12	5.39
Financial assets to liabilities excluding municipal debt	4.34	6.50	5.93	5.16	4.67
Municipal debt to tangible capital assets	17.07 %	15.93 %	15.84 %	16.17 %	16.87 %
Flexibility					
Debt charges to total operating revenue	4.11 %	4.37 %	3.47 %	4.57 %	6.19 %
Total operating revenue to taxable assessment	1.25 %	1.14 %	1.12 %	1.26 %	1.33 %
Vulnerability					
Operating grants to operating revenue	6.15 %	8.75 %	8.56 %	13.82 %	10.04 %
Total grants to total revenues	7.28 %	7.57 %	7.99 %	10.45 %	9.14 %
Reserve coverage					
Reserves and reserve funds	\$ 9,916,018	\$ 9,195,259	\$ 7,935,759	\$ 7,260,022	\$ 6,536,718
Reserves to operating expenses	89 %	89 %	76 %	69 %	63 %
Reserves to working capital	3.40	2.16	3.04	3.89	3.44