

**Corporation of Township of Tarbutt
Financial Statements
For the year ended December 31, 2023**

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Independent Auditors' Report

To the Management of Corporation of Township of Tarbutt:

Opinion

I have audited the financial statements of Corporation of Township of Tarbutt (the Township), which comprise the balance sheet as at December 31, 2023, the statements of operations and accumulated surplus, change in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Corporation of Township of Tarbutt as at December 31, 2023, and the results of its operations, change in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Township in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

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

Management is responsible for the preparation and fair presentation of these 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 the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the 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 Financial Statement

My 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 auditor's report that includes my 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 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, I exercise professional judgement and maintain professional skepticism throughout the audit. I 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 my 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.
- Obtaining 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Township to cease 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.

I 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 I identify during our audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

Stefanizzi Professional Corporation
Chartered Professional Accountant, authorized to practice public accounting by
The Chartered Professional Accountants of Ontario
Sault Ste. Marie, Ontario
May 30, 2024

Corporation of Township of Tarbutt
Balance Sheet

As at December 31,	2023	2022
Financial Assets		
Cash and cash equivalents (note 3)	\$ 664,133	\$ 577,794
Taxes receivable	278,437	197,163
Accounts receivable	156,294	174,567
Government remittances recoverable	24,828	70,962
	1,123,692	1,020,486
Financial Liabilities		
Accounts payable and accrued liabilities	89,412	113,440
Deferred revenue (note 4)	259,525	206,490
Landfill site closure liability (note 5)	31,611	30,632
Long-term debt (note 6)	102,726	152,950
	483,274	503,512
Net financial assets	640,418	516,974
Non-financial assets		
Tangible capital assets (schedule 1)	2,522,265	2,629,349
Accumulated surplus (note 7)	\$ 3,162,684	\$ 3,146,324

Approved on behalf of Management:

Corporation of Township of Tarbutt
Statement of Operations and Accumulated Surplus

Year ended December 31, (with comparative figures for the prior year)

	Budget (Unaudited) 2023	Actual 2023	Actual 2022
Revenues			
Taxation (note 8)	\$ 1,244,870	\$ 1,102,853	\$ 1,044,450
Federal grants	37,444	1,899	25,271
Provincial grants	465,715	424,015	470,226
Other municipalities	119,885	102,364	143,751
Fees and user charges	99,800	111,107	140,477
Interest and other	49,260	66,408	32,178
	2,016,974	1,808,646	1,856,353
Expenditures			
Current			
General government	557,006	366,298	441,349
Protection	182,269	178,806	195,820
Transportation services	328,223	516,168	580,744
Environmental services	240,879	261,101	267,852
Health services	37,171	35,655	32,025
Social and family services	352,736	352,756	338,691
Recreation and cultural services	51,932	44,345	46,408
Planning and development	40,514	38,345	31,844
	1,790,730	1,793,474	1,934,733
Annual surplus (deficit)	226,244	15,172	(78,380)
Accumulated surplus, beginning of year	3,146,324	3,146,324	3,224,704
Accumulated surplus, end of year	\$ 3,372,568	\$ 3,161,496	\$ 3,146,324

Corporation of Township of Tarbutt
Statement of Change in Net Financial Assets

Year ended December 31, (with comparative figures for the prior year)

	Budget (Unaudited) 2023	Actual 2023	Actual 2022
Annual surplus (deficit)	\$ 226,244	\$ 15,172	\$ (78,380)
Acquisition of tangible capital assets	(219,756)	(149,133)	(364,471)
Amortization of tangible capital assets	256,217	256,217	279,528
Net change in net financial assets	262,705	122,256	(163,323)
Net financial assets, beginning of year	516,975	516,975	680,298
Net financial assets, end of year	\$ 779,680	\$ 639,231	\$ 516,975

Corporation of Township of Tarbutt
Statement of Cash Flow

For the year ended December 31,	2023	2022
Cash provided by (used for):		
Operating transactions		
Annual surplus	\$ 15,172	\$ (78,380)
Changes in non-cash operating items:		
Increase (decrease) in taxes receivable	(81,274)	26,447
Decrease (increase) in accounts receivable	64,408	(122,139)
Decrease in accounts payable	(22,842)	(26,578)
Increase in landfill post-closure costs	980	950
Increase in deferred revenue	53,038	41,897
	29,482	(157,803)
Annual depreciation	256,217	279,527
	285,699	121,724
Capital transactions:		
Capital additions	(149,133)	(364,471)
	(149,133)	(364,471)
Financing transactions:		
Principal repayment on long-term debt	(50,222)	(49,020)
Increase (decrease) in cash and cash equivalents for the year	86,344	(291,767)
Cash and cash equivalents, beginning of year	577,795	869,568
Cash and cash equivalents, end of year	\$ 664,133	\$ 577,795
Represented by:		
Cash	\$ 376,910	\$ 136,854
Temporary investments	\$ 287,223	\$ 440,941

Corporation of Township of Tarbutt

Notes to the Financial Statements

December 31, 2023

1. **Summary of significant account policies**

Corporation of Township of Tarbutt ("the Municipality") is a municipality in the province of Ontario, Canada. The Municipality conducts its operations in accordance with the provisions of provincial statutes such as the Municipal Act, Municipal Affairs Act and related legislation.

Non-consolidated entities

These statements reflect the assets, liabilities, operating revenues and expenditures, reserve funds and reserves and tangible capital assets of Corporation of Township of Tarbutt. The reporting entity is comprised of all organizations, local boards and committees accountable for the administration of the financial affairs and resources of the Municipality.

All material inter-entity transactions and balances are eliminated on combination.

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

Algoma District Services Administration Board
Algoma Public Health

Revenue recognition

Revenues and expenditures are reported on the accrual basis of accounting. Expenditures are recognized in the period the goods or services are acquired and a legal liability is incurred or transfers are due. Revenues are recognized as follows.

- a) Tax revenue is recognized in the calendar year to which the tax assessment applies and the assessment is known.
- b) Fines and donations are recognized when collected.
- c) Fees and user charges are recognized when the services are performed or goods are delivered, collection of the relevant receivable is probable, persuasive evidence of an arrangement exists and fees are fixed or determinable. Amounts received for future services are deferred until the service is provided.
- d) Interest income is recognized in the period in which it is earned.

Deferred revenue

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

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/or from reserves and reserve funds are an adjustment to the respective fund when approved.

Corporation of Township of Tarbutt

Notes to the Financial Statements

December 31, 2023

Summary of significant account policies (cont'd)

Government transfers

Government transfers include entitlements, transfers under shared cost agreements and grants. Revenue is recognized for unconditional entitlements and grants in the period received or receivable. Revenue is recognized for any conditional entitlements and grants in the period the associated expenditure is incurred. Revenue is recognized for transfers under shared service agreements in the period the costs are incurred.

Contributed goods and services

Goods and services contributed to the Township are recorded at their fair market value at the time of their occurrence.

Cash and cash equivalents

Cash and cash equivalents include bank deposits and short term guaranteed investment certificates that are readily convertible to known amounts of cash and that are subject to an insignificant risk of change in value. These cash equivalents generally have a maturity of three months or less at acquisition and are held for the purpose of meeting short-term cash commitments rather than for investing.

Use of estimates

The preparation of financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Estimates include allowance for doubtful accounts, inventory obsolescence, environmental liabilities, useful life of capital assets, and accruals. Actual results could differ from management's best estimates as additional information becomes available in the future.

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 the municipal fund balances of these consolidated financial statements.

Trust funds

Trust funds and their related operations administered by the Municipality are not consolidated, but are reported separately on the Trust Funds Statement of Continuity and Balance Sheet.

Basis of accounting

Sources of financing and expenses are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they become available and measurable; 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.

.Landfill closure and post-closure liabilities

The liability for closure of operational site and post-closure care has been recognized based on estimated future expenses, estimated inflation and the usage of the site's capacity during the year.

Corporation of Township of Tarbutt
Notes to the Financial Statements

December 31, 2023

Summary of significant account policies (cont'd)

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.

Capital assets

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

	<u>Useful Life - Years</u>
Buildings	20 - 40
Equipment	12 - 15
Infrastructure	10 - 50
Vehicle and machinery	5 - 20
Waste management land	35

In the year of acquisition, capital assets are amortized at one-half the above rates. Assets under construction are not amortized until the asset is available for productive use.

(a) Contribution 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.

(b) Interest capitalization

Interest is capitalized whenever external debt is issued to finance the construction of tangible capital assets.

(c) 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.

(d) Threshold

Corporation of Township of Tarbutt has a capitalization threshold of \$5,000 for all categories of tangible capital assets. Individual assets below the threshold are expensed, unless they are pooled, because collectively, they have significant value. The Municipality's threshold for pooled assets is \$5,000.

Amounts to be recovered

Amounts to be recovered are reported in the municipal position on the consolidated balance sheet. The balance represents future expenditures not yet levied on the ratepayers.

Corporation of Township of Tarbutt
Notes to the Financial Statements**December 31, 2023**

Summary of significant account policies (cont'd)

Budget figures

Budget figures have been reclassified for the purposes of these financial statements to comply with PSAB reporting requirements. The approved operating budget and capital budgets are reflected on the Consolidated Statement of Operations and are unaudited. The budgets established for capital investment in tangible capital assets are on a project-oriented basis, the costs of which may be carried out over one or more years and, therefore, may not be comparable with current year's actual expenditure amounts. As well, the Township does not budget activity within Reserves and Reserve Funds, with the exception being those transactions, which affect either operations or capital investments.

Comparative figures

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

2. Financial instruments

The Township initially measures its financial assets and financial liabilities at fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instrument.

The Municipality subsequently measures its financial assets and financial liabilities at amortized cost, except for investments in equity securities that are quoted in an active market or financial assets or liabilities designated to the fair value category, which are subsequently measured at fair value. Unrealised changes in fair value are recognized in the statement of operations.

The Township's financial instruments measured at amortized cost consist of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities, landfill site closure liability, and municipal long-term debt. Unless otherwise noted, it is management's opinion that the Township is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximate their carrying value.

Corporation of Township of Tarbutt
Notes to the Financial Statements

December 31, 2023

3. Cash and cash equivalents

	2023	2022
Unrestricted cash (deficit)	\$ 102,215	\$ (84,242)
Restricted cash - deferred revenue (note 4)	259,526	206,488
Restricted cash - landfill post-closure legislated fund	15,169	14,607
Restricted cash - Tarbutt reserve temporary investments	287,223	440,941
	\$ 664,133	\$ 577,794

Temporary investments have a market value which approximates its book value. Interest rates on temporary investments range are 3.35% and all mature between August and November 2023.

4. Deferred revenue

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

	2023	2022
Canada Community Building Fund	\$ 241,507	\$ 197,785
Cash in lieu of parkland	3,605	3,605
Parkland dedication	14,414	5,099
	\$ 259,526	\$ 206,489

Corporation of Township of Tarbutt
Notes to the Financial Statements

December 31, 2023

5. Landfill site closure liability

The Township jointly owns and operates one landfill site with the Township of Johnson. The balance sheet reflects a liability for anticipated future costs related to the closing and monitoring of the existing landfill site. As of the most recent report, the anticipated closure date is September 12, 2038 with 8,810 tonnes remaining. This liability represents the estimated total expenditures required for closure and post closure care. Where there was no internal information available, information was obtained from outside consultants and an actuary with experience with landfill construction. Once closed, this landfill site will be monitored for an estimated 10 years. A discount rate has been used that is equal to the rate available to the government long term borrowing rate. As at December 31, 2023, the landfill closure and post closure costs have been actuarially estimated to be \$30,631.

The estimated remaining capacity of the landfill site is 40% of its total estimated capacity and its estimated remaining life is indefinite as there is no longer any material added to the site.

The Township has estimated the total closure and post closure liability of \$50,705 for the landfill site.

6. Municipal long-term debt

	2023	2022
Snow plow truck loan with interest at 1.5% per annum, repayable in equal semi-annual installments of \$26,165 including interest, secured by automotive and council borrowing bylaw. The loan matures on November 16, 2025.	\$ 102,726	\$ 152,950
Current portion	50,979	50,222
	\$ 51,747	\$ 102,728

Long-term debt principal repayments to be made during the next two years is approximately as follows:

2024	-	\$ 50,979
2025	-	\$ 51,747

Corporation of Township of Tarbutt
Notes to the Financial Statements

December 31, 2023

7. Accumulated surplus

The accumulated surplus is comprised of the following:

	2023	2022
Reserves set aside for specific purposes by Council:		
General working capital	\$ 354,587	\$ 239,897
Reserve funds set aside for specific purposes by Council:		
Disposal site legislated fund	15,169	14,607
Cannabis funding	15,639	15,060
Culverts	8,511	8,192
Roads	61,410	59,110
Landfill working	6,034	5,833
Planning	2,347	2,269
Cemetery working capital	7,978	7,713
Administration	2,122	2,051
Legal fees	11,836	11,443
Fire	9,695	9,339
Emergency	2,653	2,564
MNR Fire	5,305	5,129
Culvert maintenance	29,702	28,603
Creek road bridge rebuild	3,149	3,033
Efficiency funding	49,149	47,383
Sand shed	10,600	10,217
COVID Grant	44,533	44,533
	285,832	277,079
Total reserves and reserve funds	640,419	516,976
Invested in tangible capital assets	2,522,265	2,629,348
Accumulated surplus	\$ 3,162,684	\$ 3,146,324

8. Taxation

	2023	2022
Taxation revenue	\$ 1,261,489	\$ 1,202,201
Less: Amount levied and remitted to school boards	158,636	157,751
	\$ 1,102,853	\$ 1,044,450

Corporation of Township of Tarbutt
Notes to the Financial Statements**December 31, 2023**

9. Expenditures by object

	2023	2022
Salaries, wages and employee benefits	\$ 491,282	\$ 554,087
Materials	492,809	571,148
Contracted services	133,781	130,225
Rents and financial expenses	33,307	29,570
Amortization	256,217	279,526
Transfer payments	385,927	370,175
	\$ 1,793,323	\$ 1,934,731

10. Contributions to unconsolidated joint boards

The following contributions were made by the Township to these boards:

	2023	2022
Algoma District Service Administration Board	\$ 352,756	\$ 338,691
Algoma Public Health	23,171	21,484
	\$ 375,927	\$ 360,175

11. Pension agreements

The Township makes contributions to the Ontario Municipal Employees Retirement Fund (OMERS), which is a multi-employer plan, on behalf of three members of its staff. The plan is a defined benefit plan which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay. The amount contributed on behalf of Township employees in 2023 was \$30,079 (2022 - \$32,312). No pension liability for this type of plan is included in the municipality's financial statements.

12. Trust funds

Trust funds administrated by the Township amounting to \$37,236 (2022 - \$34,184) have not been included in the " Balance Sheet" nor have their operations been included in the "Statement of Financial Activities".

Corporation of Township of Tarbutt

Notes to the Financial Statements

December 31, 2023

13. **Public Sector Salary Disclosure Act**

No employee was paid an annual salary of \$100,000 or more as defined by the Public Sector Salary Disclosure Act, 1996.

14. **Segmented Information**

The municipality is a diversified local government institution that provides a wide range of services to its citizens. For management reporting purposes, municipal operations and activities are organized and reported by Fund. Funds were created for the purpose of recording specific activities to attain certain objectives in accordance with special regulations, restrictions or limitations.

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

General government

The administration department oversees the delivery of all government services. The department is responsible for ensuring that there are adequate policies and procedures in place to safeguard assets and to properly report financial activities. In addition, this department includes the governance activities of council.

Protection

Protection is comprised of the police, fire/emergency, by-law enforcement and building inspections departments. The mandate of the police is to ensure the safety of the lives and property of citizens; preserve peace and good order; prevent crimes from occurring; detect offenders; and enforce the law. The fire/emergency department is responsible to provide fire suppression service; fire prevention programs; training and education related to prevention, detection or extinguishments of fires. The by-law enforcement and building inspection department ensures properties are in compliance with applicable legislation, by-laws, building standards and construction codes.

Transportation

The transportation department is responsible for the delivery of municipal public works services related to the planning, development and maintenance of roadway systems, winter control and street lighting.

Environmental

The environmental department provides garbage collection and waste minimization programs and facilities for solid waste disposal.

Corporation of Township of Tarbutt

Notes to the Financial Statements

December 31, 2023

14. **Segmented Information (cont'd)**

Health

Through the Algoma Health Unit, the municipality contributes to public health services and education and through the Algoma District Services Administration Board, to ambulance services. In addition, this department oversees the care and maintenance of municipal cemeteries.

Social and family

Through the Algoma District Services Administration Board, the municipality contributes to social assistance payments, child care services and social housing.

Recreation and cultural

The recreation and cultural department provides public services that contribute to neighbourhood development and sustainability through the provision of recreation and leisure services such as parks, arena, fitness and sports programs. It provides public services that contribute to healthy communities through partnerships, promotion, prevention, protection and enforcement. The department also contributes towards the information needs of the municipality's citizens through the provision of library services.

Planning

The planning department provides a diverse bundle of services. It manages development for business interests, environmental concerns, heritage matters and neighbourhoods through planning and community development activities. It facilitates economic development by providing services for the approval of all land development plans.

For each reported segment, revenues and expenses include 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 the summary of significant accounting policies.

Corporation of Township of Tarbutt
Schedule of Tangible Capital Assets

Schedule 1

Year ended December 31, 2023

	Cost			Accumulated Amortization			2023	2022		
	2023 Opening Balance	Additions and Betterments	Disposals/ Transfers	2023 Closing Balance	2023 Opening Balance	2023 Amortization Expense	Accumulated Amortization on Disposals	2023 Ending Balance	Net Book Value	Net Book Value
Land	\$ 58,299	\$ -	\$ -	\$ 58,299	\$ -	\$ -	\$ -	\$ -	\$ 58,299	\$ 58,299
Buildings	1,011,007	-	-	1,011,007	361,135	19,274	-	380,409	630,598	649,871
Equipment	115,270	-	-	115,270	95,020	4,124	-	99,144	16,126	20,250
Infrastructure	5,940,060	149,133	-	6,089,193	4,510,811	190,396	-	4,701,207	1,387,986	1,429,249
Vehicle and machinery	787,710	-	-	787,710	390,231	39,269	-	429,500	358,210	397,479
Waste management land	110,390	-	-	110,390	36,190	3,154	-	39,344	71,046	74,200
	\$ 8,022,736	\$ 149,133	\$ -	\$ 8,171,869	\$ 5,393,387	\$ 256,217	\$ -	\$ 5,649,604	\$ 2,522,265	\$ 2,629,348

Corporation of Township of Tarbutt
Segment Disclosures - Service Bundle

Schedule 2

Year ended December 31, 2023

	General Government	Protection services	Transportation services	Environmental services	Health services	Social and family services	Recreation and cultural services	Planning and development	Total
Expenditures									
Salaries and wages	\$ 256,072	\$ 10,000	\$ 174,193	\$ 35,762	\$ -	\$ -	\$ 15,255	\$ -	\$ 491,282
Materials, good and supplies	87,419	53,255	117,354	207,297	2,484	-	25,000	-	492,809
Contracted & general services	14,962	98,762	-	13,819	-	-	-	6,238	133,781
Rents and financial	1,200	-	-	-	-	-	-	32,107	33,307
Interest on long-term debt	-	150	-	-	-	-	-	-	150
Amortization expenses	6,645	16,639	223,755	4,223	-	-	4,955	-	256,217
Other	-	-	-	-	33,171	352,756	-	-	385,927
	366,298	178,806	515,302	261,101	35,655	352,756	45,210	38,345	1,793,473
Revenues									
Taxation	225,245	109,952	316,873	160,558	21,925	216,919	27,801	23,579	1,102,852
User charges	29,317	273	3,442	58,027	-	-	19,548	500	111,107
External non-tax revenues	107,894	52,668	151,785	76,909	10,502	103,906	13,317	11,295	528,276
Other	13,563	6,621	19,082	9,668	1,320	13,062	1,674	1,420	66,410
	376,019	169,514	491,182	305,162	33,747	333,887	62,340	36,794	1,808,645
Annual Surplus (Deficit)	\$ 9,721	\$ (9,292)	\$ (24,120)	\$ 44,061	\$ (1,908)	\$ (18,869)	\$ 17,130	\$ (1,551)	\$ 15,172

Corporation of Township of Tarbutt
Segment Disclosures - Service Bundle

Schedule 3

Year ended December 31, 2022

	General Government	Protection services	Transportation services	Environmental services	Health services	Social and family services	Recreation and cultural services	Planning and development	Total
Expenditures									
Salaries and wages	\$ 293,706	\$ 3,370	\$ 183,641	\$ 56,994	\$ -	\$ -	\$ 16,376	\$ -	\$ 554,087
Materials, good and supplies	125,133	69,272	153,430	201,087	541	-	21,685	-	571,148
Contracted & general services	15,046	106,540	-	5,548	-	-	-	3,091	130,225
Rents and financial	817	-	-	-	-	-	-	28,753	29,570
Amortization expenses	6,645	16,639	243,673	4,223	-	-	8,346	-	279,526
Other	-	-	-	-	31,484	338,691	-	-	370,175
	441,347	195,821	580,744	267,852	32,025	338,691	46,407	31,844	1,934,731
Revenues									
Taxation	238,258	105,712	313,510	144,598	17,288	182,840	25,052	17,191	1,044,449
User charges	37,458	265	6,833	45,777	-	-	28,019	-	118,352
External non-tax revenues	150,871	66,940	198,523	91,563	10,948	115,779	15,864	10,886	661,374
Other	7,340	3,257	9,659	4,455	533	5,633	772	530	32,179
	433,927	176,174	528,525	286,393	28,769	304,252	69,707	28,607	1,856,354
Annual Surplus (Deficit)	\$ (7,420)	\$ (19,647)	\$ (52,219)	\$ 18,541	\$ (3,256)	\$ (34,439)	\$ 23,300	\$ (3,237)	\$ (78,377)

Independent Auditors' Report

To the Management of Corporation of Township of Tarbutt:

Opinion

I have audited the financial statements of the Trust Funds of Corporation of Township of Tarbutt (the Trust), which comprise the balance sheet as at December 31, 2023, a statement of continuity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Trust Funds of Corporation of Township of Tarbutt as at December 31, 2023, and the results of its operations in accordance with Canadian public sector accounting standards.

Basis for Opinion

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. I am independent of the Trust in accordance with the ethical requirements that are relevant to my audit of the consolidated financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

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

Management is responsible for the preparation and fair presentation of these 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 the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Trust'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 Trust or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Trust's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statement

My 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 auditor's report that includes my 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 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, I exercise professional judgement and maintain professional skepticism throughout the audit. I 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.

- Obtaining 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 Trust'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 Trust's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Trust to cease 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.

I 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 I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

Stefanizzi Professional Corporation
Chartered Professional Accountant, authorized to practice public accounting
Sault Ste. Marie, Ontario
May 30, 2024

Corporation of Township of Tarbutt
Trust Funds
Balance Sheet

As at December 31,

	Operating Account	Perpetual Care	Actual 2023	Actual 2022
Assets				
Cash	\$ 7,855	\$ 29,382	\$ 37,236	\$ 34,184
Liabilities				
Due to Municipality	\$ 13,371	\$ -	\$ 13,370	\$ 10,319
Fund balance	1,633	23,312	24,945	23,545
	\$ 15,004	\$ 23,312	\$ 38,315	\$ 33,864

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Corporation of Township of Tarbutt
Trust Funds
Statement of Continuity

Year ended December 31, (with comparative figures for the prior year)

	Operating Account	Perpetual Care	Actual 2023	Actual 2022
Balance, beginning of year	\$ 448	\$ 23,312	\$ 23,760	\$ 21,945
Revenues				
Interest earned	-	1,185	1,185	109
Contribution from Trust fund	1,185	-	-	1,500
	1,185	1,185	1,185	1,609
Expenditures				
Contribution to Operating Account	-	1,185	-	-
Service charges	-	-	-	9
	-	1,185	-	9
Balance, end of year	\$ 1,633	\$ 23,312	\$ 24,945	\$ 23,545

Corporation of Township of Tarbutt
Trust Funds
Notes to Financial Statements

December 31, 2023

1. Summary of significant account policies

Management responsibility

The financial statements of Corporation of Township of Tarbutt Trust Funds are the representation of management prepared in accordance with local government accounting standards established by the Public Sector Accounting and Auditing Board of the Canadian Chartered Professional Accountants. Since precise determination of many assets and liabilities is dependent upon future events, the preparation of periodic financial statements necessarily involves the use of estimates and approximations.

Basis of accounting

Revenue 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.
