

**The Corporation of the Township of Tarbutt
Financial Statements
For the year ended December 31, 2022**

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Independent Auditors' Report

To the Management of The Corporation of the Township of Tarbutt:

Opinion

I have audited the financial statements of The Corporation of the Township of Tarbutt (the Township), which comprise the balance sheet as at December 31, 2022, 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 The Corporation of the Township of Tarbutt as at December 31, 2022, 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 5, 2023

The Corporation of the Township of Tarbutt
Balance Sheet

As at December 31,	2022	2021
Financial Assets		
Cash and cash equivalents (note 3)	\$ 577,795	\$ 869,568
Taxes receivable - no allowance	197,162	223,609
Accounts receivable - no allowance	174,567	89,303
Government remittances recoverable	70,962	34,086
	1,020,486	1,216,566
Financial Liabilities		
Accounts payable and accrued liabilities	113,441	140,021
Deferred revenue (note 4)	206,490	164,594
Landfill site closure liability (note 5)	30,631	29,682
Municipal long-term debt (note 6)	152,950	201,971
	503,512	536,268
Net financial assets	516,974	680,298
Non-financial assets		
Tangible capital assets (schedule 1)	2,629,349	2,544,405
Accumulated surplus (note 7)	\$ 3,146,324	\$ 3,224,704

Approved on behalf of Management:

C Mahoney

The Corporation of the Township of Tarbutt
Statement of Operations and Accumulated Surplus

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

	Budget (Unaudited) 2022	Actual 2022	Actual 2021
Revenues			
Taxation (note 8)	\$ 1,036,896	\$ 1,044,450	\$ 1,029,341
Federal grants	35,972	25,271	-
Provincial grants	467,712	470,226	351,818
Other municipalities	131,265	143,751	77,290
Fees and user charges	77,950	140,477	67,933
Interest and other	46,219	32,178	1,175
	1,796,014	1,856,353	1,527,557
Expenditures			
Current			
General government	396,952	441,349	391,537
Protection	170,172	195,820	204,356
Transportation services	306,711	580,744	430,540
Environmental services	217,042	267,852	144,405
Health services	35,484	32,025	31,882
Social and family services	338,691	338,691	335,904
Recreation and cultural services	39,036	46,408	60,468
Planning and development	30,150	31,844	20,348
	1,534,238	1,934,733	1,619,440
Annual surplus (deficit)	261,776	(78,380)	(91,883)
Accumulated surplus, beginning of year	3,224,704	3,224,704	3,316,587
Accumulated surplus, end of year	\$ 3,486,480	\$ 3,146,324	\$ 3,224,704

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

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

	Budget (Unaudited) 2022	Actual 2022	Actual 2021
Annual surplus (deficit)	\$ 261,776	\$ (78,380)	\$ (91,883)
Acquisition of tangible capital assets	(560,199)	(364,471)	(153,593)
Amortization of tangible capital assets	298,423	279,527	234,130
Loss on disposal of tangible capital assets	-	-	14,975
Proceeds on sale of tangible capital assets	-	-	74,000
Net change in net financial assets	-	(163,324)	77,629
Net financial assets, beginning of year	680,298	680,298	602,669
Net financial assets, end of year	\$ 680,298	\$ 516,974	\$ 680,298

The Corporation of the Township of Tarbutt
Statement of Cash Flow

For the year ended December 31,	2022	2021
Cash provided by (used for):		
Operating transactions		
Decrease in accumulated surplus	\$ (78,380)	\$ (91,883)
Changes in non-cash operating items:		
Increase in taxes receivable	26,447	74,994
Decrease (increase) in accounts receivable	(122,139)	10,159
Decrease (increase) in accounts payable	(26,578)	93,310
Increase in landfill post-closure costs	950	920
Increase in deferred revenue	41,897	69,590
	(157,803)	157,090
Annual depreciation	279,527	234,130
	121,724	391,220
Capital transactions:		
Capital additions	(364,471)	(153,593)
Proceeds from sale of capital assets	-	74,000
Loss on disposal of capital assets	-	14,975
	(364,471)	(64,618)
Financing transactions:		
Principal repayment on long-term debt	(49,020)	(78,869)
Decrease (increase) in cash and cash equivalents for the year	(291,767)	247,733
Cash and cash equivalents, beginning of year	869,568	621,840
Cash and cash equivalents, end of year	\$ 577,795	\$ 869,568
Represented by:		
Cash	\$ 136,854	\$ 423,688
Temporary investments	\$ 440,941	\$ 445,880

The Corporation of the Township of Tarbutt

Notes to the Financial Statements

December 31, 2022

1. **Summary of significant account policies**

The Corporation of the 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 The Corporation of the 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.

The Corporation of the Township of Tarbutt

Notes to the Financial Statements

December 31, 2022

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.

The Corporation of the Township of Tarbutt

Notes to the Financial Statements

December 31, 2022

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

The Corporation of the 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.

The Corporation of the Township of Tarbutt

Notes to the Financial Statements

December 31, 2022

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.

The Corporation of the Township of Tarbutt
Notes to the Financial Statements

December 31, 2022

3. Cash and cash equivalents

	2022	2021
Unrestricted cash (deficit)	\$ (84,243)	\$ 244,546
Restricted cash - deferred revenue (note 4)	206,490	164,593
Restricted cash - landfill post-closure legislated fund	14,607	14,549
Restricted cash - Tarbutt reserve temporary investments	440,941	445,880
	\$ 577,795	\$ 869,568

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:

	2022	2021
Canada Community Building Fund	\$ 197,786	\$ 157,986
Cash in lieu of parkland	3,605	3,605
Parkland dedication	5,099	3,003
	\$ 206,490	\$ 164,594

The Corporation of the Township of Tarbutt
Notes to the Financial Statements

December 31, 2022

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, 2022, 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

	2022	2021
Snow plow truck loan with interest at 1.5% per annum, repayable in equal semi-annual installments of \$26,164.92 including interest, secured by automotive and council borrowing bylaw. The loan matures on November 16, 2025.	\$ 152,950	\$ 201,971
Current portion	50,223	49,478
	\$ 102,727	\$ 152,493

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

2023	-	\$ 50,223
2024	-	\$ 50,979
2025	-	\$ 51,747

The Corporation of the Township of Tarbutt
Notes to the Financial Statements

December 31, 2022

7. Accumulated surplus

The accumulated surplus is comprised of the following:

	2022	2021
Reserves set aside for specific purposes by Council:		
General working capital	\$ 239,896	\$ 225,130
Reserve funds set aside for specific purposes by Council:		
Disposal site legislated fund	14,607	14,549
Cannabis funding	15,060	15,000
Culverts	8,192	16,072
Roads	59,110	58,875
Landfill working	5,833	5,810
Planning	2,269	2,260
Cemetery working capital	7,713	7,683
Administration	2,051	2,043
Legal fees	11,443	11,397
Fire	9,339	8,086
Emergency	2,564	2,554
MNR Fire	5,129	5,108
Culvert maintenance	28,603	28,488
Creek road bridge rebuild	3,033	3,020
Efficiency funding	47,383	210,665
Sand shed	10,217	10,177
COVID Grant	44,533	53,383
	277,079	455,170
Total reserves and reserve funds	516,975	680,300
Invested in tangible capital assets	2,629,349	2,544,404
Accumulated surplus	\$ 3,146,324	\$ 3,224,704

8. Taxation

	2022	2021
Taxation revenue	\$ 1,202,201	\$ 1,184,258
Less: Amount levied and remitted to school boards	157,751	154,917
	\$ 1,044,450	\$ 1,029,341

The Corporation of the Township of Tarbutt
Notes to the Financial Statements

December 31, 2022

9. Expenditures by object

	2022	2021
Salaries, wages and employee benefits	\$ 554,090	\$ 485,384
Materials	571,147	352,131
Contracted services	130,225	161,157
Rents and financial expenses	29,570	21,203
Amortization	279,526	234,130
Transfer payments	370,175	365,435
	\$ 1,934,733	\$ 1,619,440

10. Contributions to unconsolidated joint boards

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

	2022	2021
Algoma District Service Administration Board	\$ 338,691	\$ 335,904
Algoma Public Health	21,484	19,531
	\$ 360,175	\$ 355,435

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 2022 was \$32,312 (2021 - \$22,272). 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 \$34,184 (2021 - \$25,976) have not been included in the " Balance Sheet" nor have their operations been included in the "Statement of Financial Activities".

The Corporation of the Township of Tarbutt

Notes to the Financial Statements

December 31, 2022

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.

The Corporation of the Township of Tarbutt

Notes to the Financial Statements

December 31, 2022

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.

Impact of COVID-19

In March 2020, the World Health Organization declared the Corona Virus COVID-19(COVID-19) outbreak a pandemic. This has resulted in significant financial, market, and societal impacts on Canada and around the world.

Markets are prone to volatility and the COVID-19 virus has presented many uncertainties and is threatening the outlook for future global trade and GDP. This uncertainty has translated into widespread volatility across equity and bond markets. At this time these factors present uncertainty over future cash flows and may cause significant changes to the assets or liabilities. An estimate of the financial effect is not practicable at this time.

The Corporation of the Township of Tarbutt
Schedule of Tangible Capital Assets

Schedule 1

Year ended December 31, 2022

	Cost				Accumulated Amortization			2022	2021
	2022 Opening Balance	Additions and Betterments	Disposals/ Transfers	2022 Closing Balance	2022 Opening Balance	2022 Amortization Expense	Accumulated Amortization on Disposals	2022 Ending Balance	Net Book Value
Land	\$ 58,299	\$ -	\$ -	\$ 58,299	\$ -	\$ -	\$ -	\$ -	\$ 58,299
Buildings	846,878	164,129	-	1,011,007	335,482	25,653	-	361,135	649,872
Equipment	115,270	-	-	115,270	90,636	4,385	-	95,021	20,249
Infrastructure	5,739,718	200,342	-	5,940,060	4,323,744	187,067	-	4,510,811	1,429,249
Vehicle and machinery	787,710	-	-	787,710	330,962	59,268	-	390,230	397,480
Waste management land	110,390	-	-	110,390	33,036	3,154	-	36,190	74,200
	\$ 7,658,265	\$ 364,471	\$ -	\$ 8,022,736	\$ 5,113,860	\$ 279,527	\$ -	\$ 5,393,387	\$ 2,629,349
									\$ 2,544,404

The Corporation of the Township of Tarbutt
Segment Disclosures - Service Bundle

Schedule 2

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	\$ 293,708	\$ 3,370	\$ 183,641	\$ 56,994	\$ -	\$ -	\$ 16,377	\$ -	\$ 554,090
Materials, good and supplies	125,133	69,271	153,430	201,087	541	-	21,685	-	571,147
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
	441,349	195,820	580,744	267,852	32,025	338,691	46,408	31,844	1,934,733
Revenues									
Taxation	238,258	105,712	313,510	144,598	17,288	182,840	25,053	17,191	1,044,450
User charges	37,458	265	6,833	45,776	-	-	28,019	-	118,351
External non-tax revenues	150,871	66,940	198,523	91,563	10,948	115,779	15,864	10,886	661,374
Other	7,339	3,257	9,659	4,455	533	5,633	772	530	32,178
	433,926	176,174	528,525	286,392	28,769	304,252	69,708	28,607	1,856,353
Annual Surplus (Deficit)	\$ (7,423)	\$ (19,646)	\$ (52,219)	\$ 18,540	\$ (3,256)	\$ (34,439)	\$ 23,300	\$ (3,237)	\$ (78,380)

Schedule 3

The Corporation of the Township of Tarbutt
Segment Disclosures - Service Bundle

Year ended December 31, 2021

	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	\$ 283,942	\$ 15,561	\$ 119,422	\$ 47,781	\$ -	\$ -	\$ 18,678	\$ -	\$ 485,384
Materials, good and supplies	86,387	53,602	108,378	67,363	2,351	-	34,050	-	352,131
Contracted & general services	15,205	118,554	2,086	25,037	-	-	-	275	161,157
Rents and financial	1,130	-	-	-	-	-	-	20,073	21,203
Amortization expenses	4,873	16,639	200,655	4,223	-	-	7,740	-	234,130
Other	-	-	-	-	29,531	335,904	-	-	365,435
	391,537	204,356	430,541	144,404	31,882	335,904	60,468	20,348	1,619,440
Revenues									
Taxation	248,867	129,892	273,658	91,785	20,265	213,506	38,434	12,934	1,029,341
User charges	11,376	173	3,741	23,903	-	-	27,026	460	66,679
External non-tax revenues	104,050	54,307	114,415	38,375	8,473	89,266	16,069	5,407	430,362
Other	284	148	312	105	23	244	44	15	1,175
	364,577	184,520	392,126	154,168	28,761	303,016	81,573	18,816	1,527,557
Annual Surplus (Deficit)	\$ (26,960)	\$ (19,836)	\$ (38,415)	\$ 9,764	\$ (3,121)	\$ (32,888)	\$ 21,105	\$ (1,532)	\$ (91,883)

Independent Auditors' Report

To the Management of The Corporation of the Township of Tarbutt:

Opinion

I have audited the financial statements of the Trust Funds of The Corporation of the Township of Tarbutt (the Trust), which comprise the balance sheet as at December 31, 2022, 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 The Corporation of the Township of Tarbutt as at December 31, 2022, 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 5, 2023

The Corporation of the Township of Tarbutt
Trust Funds
Balance Sheet

As at December 31,

	Operating Account	Perpetual Care	Actual 2022	Actual 2021
Assets				
Cash	\$ 8,855	\$ 25,330	\$ 34,184	\$ 25,976
Liabilities				
Due to Municipality	\$ 10,319	\$ -	\$ 10,318	\$ 2,216
Fund balance	554	23,312	23,866	23,760
	\$ 10,873	\$ 23,312	\$ 34,184	\$ 25,976

The Corporation of the Township of Tarbutt
Trust Funds
Statement of Continuity

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

	Operating Account	Perpetual Care	Actual 2022	Actual 2021
Balance, beginning of year	\$ 448	\$ 23,312	\$ 23,760	\$ 21,945
Revenues				
Interest earned	-	106	106	324
Contribution from Trust fund	106	-	-	1,500
	106	106	106	1,824
Expenditures				
Contribution to Operating Account	-	106	-	-
Service charges	-	-	-	9
	-	106	-	9
Balance, end of year	\$ 554	\$ 23,312	\$ 23,866	\$ 23,760

The Corporation of the Township of Tarbutt
Trust Funds
Notes to Financial Statements

December 31, 2022

1. Summary of significant account policies

Management responsibility





The financial statements of The Corporation of the 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.

Title	2022 Audit - Tarbutt - PLEASE REVIEW & SIGN
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