

Town of Renfrew

Financial Statements

For the year ended 31 December 2022

MACKILLICAN & ASSOCIATES

CHARTERED PROFESSIONAL ACCOUNTANTS



TOWN OF RENFREW

Management's Responsibility for the Consolidated Financial Statements

The accompanying consolidated financial statements of the Corporation of the Town of Renfrew (the "Town") are the responsibility of the Town's management and have been prepared in compliance with legislation, and in accordance with Canadian Public Sector Accounting Standards. A summary of the significant accounting policies is contained in Note 1 to the consolidated financial statements. The preparation of consolidated financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

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

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

The consolidated financial statements have been audited by MacKillican & Associates, independent external auditors appointed by the Town. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the Town's consolidated financial statements.

Erin Broome
Treasurer

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**MACKILLICAN
& ASSOCIATES**
CHARTERED PROFESSIONAL
ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Members of Council,
Inhabitants and Ratepayers of the
Corporation of the Town of Renfrew.

Opinion

We have audited the consolidated financial statements of the Town of Renfrew (the Town), which comprise the statement of financial position as at 31 December 2022, and the statement of operations and accumulated surplus, statement of changes in net financial assets (liabilities) and statement of 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 financial position of the as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards (PSAS).

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 Financial Statements* section of our report. We are independent of the 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 Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with PSAS, 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 '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 or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the 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 '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 '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 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 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.

Mac Kilham & Associates

RENFREW, Ontario.
9 January 2024.

Chartered Professional Accountants,
Licensed Public Accountants.

Town of Renfrew
Consolidated Statement of Financial Position
As at 31 December 2022
(with 2021 figures for comparison)

	<u>2022</u>	<u>2021</u>
Financial assets:		
Cash	\$ 5,900,859	\$ 14,727,503
Taxes receivable	852,908	423,388
Accounts receivable	13,908,686	3,155,431
User charges receivable	1,285,916	1,231,030
Other assets	3,216	4,032
Investment in government business enterprises (Note 4)	<u>15,732,485</u>	<u>15,372,395</u>
	<u>\$ 37,684,070</u>	<u>\$ 34,913,779</u>
Financial liabilities:		
Accounts payable and accrued liabilities	\$ 8,063,512	\$ 3,609,473
Deferred revenue - obligatory reserve funds (Note 6 (a))	2,598,706	1,919,130
- other (Note 6 (b))	17,181,668	3,489,629
Net long term liabilities (Note 11)	15,802,744	16,623,578
Landfill closure and post closure costs (Note 7)	1,918,106	1,832,764
Employee future benefits	<u>178,691</u>	<u>130,870</u>
	<u>\$ 45,743,427</u>	<u>\$ 27,605,444</u>
Net financial assets (liabilities)	<u>\$ (8,059,357)</u>	<u>\$ 7,308,335</u>
Non-financial assets:		
Tangible capital assets (net) (Note 10)	\$ 121,582,020	\$ 105,726,587
Inventory of supplies	296,658	301,834
Prepaid expenses	<u>215,098</u>	<u>197,610</u>
	<u>\$ 122,093,776</u>	<u>\$ 106,226,031</u>
Municipal equity	<u>\$ 114,034,419</u>	<u>\$ 113,534,366</u>
Municipal equity comprised of:		
Equity in tangible capital assets (Note 13)	\$ 84,430,323	\$ 86,835,121
Reserves	16,765,382	14,085,379
General	(718,920)	(718,920)
Renfrew Downtown Business Association	(78,054)	(75,975)
Equity in government business enterprises (Note 4)	15,732,485	15,372,395
Unfunded - employee future benefit costs (Note 2)	(178,691)	(130,870)
Unfunded - landfill closure and post closure costs (Note 2)	<u>(1,918,106)</u>	<u>(1,832,764)</u>
Total Municipal equity	<u>\$ 114,034,419</u>	<u>\$ 113,534,366</u>

(See accompanying notes)

Town of Renfrew
Consolidated Statement of Operations and Accumulated Surplus
For the year ended 31 December 2022
(with 2022 budget and 2021 actual figures for comparison)

	<u>2022</u> <u>Budget</u>	<u>2022</u> <u>Actual</u>	<u>2021</u> <u>Actual</u>
Revenue:			
Taxation	\$ 9,697,835	\$ 9,793,360	\$ 9,095,197
Government transfers:			
Ontario	2,889,570	2,957,919	7,741,840
Canada	12,400	70,745	1,549,792
Other municipalities	175,472	234,011	803,916
User charges and other revenue	8,219,977	8,799,047	7,828,935
Income from Government Business Enterprises		451,666	1,330,979
Gain (loss) on disposal of capital assets		15,043	(932,215)
Landfill closure cost adjustment (Note 7)		<u>(85,342)</u>	<u>(85,342)</u>
	<u>\$ 20,995,254</u>	<u>\$ 22,236,449</u>	<u>\$ 27,333,102</u>
Expenses:			
General government	\$ 2,182,328	\$ 2,253,506	\$ 1,859,068
Protection to persons and property	4,211,764	4,185,220	4,226,249
Transportation services	5,700,684	5,519,452	6,083,051
Environmental services	6,815,610	6,146,919	5,978,898
Recreation and cultural services	2,562,009	2,488,494	2,265,642
Planning and development	<u>1,287,209</u>	<u>1,142,805</u>	<u>392,694</u>
	<u>\$ 22,759,604</u>	<u>\$ 21,736,396</u>	<u>\$ 20,805,602</u>
Excess (shortfall) of revenue over expenses	\$ (1,764,350)	\$ 500,053	\$ 6,527,500
Accumulated surplus at the beginning of the year	<u>113,534,366</u>	<u>113,534,366</u>	<u>107,006,866</u>
Accumulated surplus at the end of the year	<u>\$ 111,770,016</u>	<u>\$ 114,034,419</u>	<u>\$ 113,534,366</u>

(See accompanying notes)

Town of Renfrew
Consolidated Statement of Changes in Net Financial Assets (Liabilities)
For the year ended 31 December 2022
(with 2022 budget and 2021 actual figures for comparison)

	<u>2022</u> <u>Budget</u>	<u>2022</u> <u>Actual</u>	<u>2021</u> <u>Actual</u>
Excess (shortfall) of revenue over expenses	\$ (1,764,350)	\$ 500,053	\$ 6,527,500
Amortization of tangible capital assets	5,253,474	5,253,474	5,019,813
Acquisition of tangible capital assets and construction in progress	(35,084,035)	(21,108,907)	(9,445,714)
Loss (gain) on disposal of capital assets		(15,043)	932,215
Proceeds on disposal of capital assets		15,043	46,274
Use of (acquisition of) prepaid expenses		(17,488)	(2,256)
Use of (acquisition of) inventory	<u> </u>	<u>5,176</u>	<u>(82,842)</u>
Increase (decrease) in net financial assets	\$ (31,594,911)	\$ (15,367,692)	\$ 2,994,990
Net financial assets at the beginning of the year	<u>7,308,335</u>	<u>7,308,335</u>	<u>4,313,345</u>
Net financial assets at the end of the year	<u>\$ (24,286,576)</u>	<u>\$ (8,059,357)</u>	<u>\$ 7,308,335</u>

(See accompanying notes)

Town of Renfrew
Consolidated Statement of Cash Flows
For the year ended 31 December 2022
(with 2021 figures for comparison)

	<u>2022</u>	<u>2021</u>
Cash flows from operating activities:		
Excess (shortfall) of revenue over expenses	\$ 500,053	\$ 6,527,500
Add items which do not involve cash:		
- amortization	5,253,474	5,019,813
- (gain) loss on disposal of assets	(15,043)	932,215
- landfill closure and post closure costs	85,342	85,342
- employee future benefits	<u>47,821</u>	<u>(30,949)</u>
	<u>\$ 5,871,647</u>	<u>\$ 12,533,921</u>
Net change in non cash working capital balances related to operations:		
- decrease (increase) in taxes receivable	\$ (429,520)	\$ 35,886
- decrease (increase) in other assets	816	(576)
- decrease (increase) in accounts receivable	(10,753,255)	(1,540,673)
- decrease (increase) in prepaid expenses	(17,488)	(2,256)
- decrease (increase) in user charges receivable	(54,886)	(105,044)
- decrease (increase) in inventory of supplies	5,176	(82,842)
- increase (decrease) in accounts payable and accrued liabilities	<u>4,454,039</u>	<u>931,466</u>
	<u>\$ (6,795,118)</u>	<u>\$ (764,039)</u>
Cash flows from (used for) operating activities	<u>\$ (923,471)</u>	<u>\$ 11,769,882</u>
Cash flows from financing activities:		
Repayment of long term liabilities	\$ (820,834)	\$ (813,534)
Increase (decrease) in deferred revenue - obligatory reserve funds	679,576	(369,113)
Increase (decrease) in deferred revenue - other	<u>13,692,039</u>	<u>786,691</u>
Cash flows from (used for) financing activities	<u>\$ 13,550,781</u>	<u>\$ (395,956)</u>
Cash flows used for capital activities:		
Additions to tangible capital assets:		
General government	\$ (202,903)	\$ (260,286)
Protection services	(39,614)	(682,960)
Development and works	(4,383,495)	(7,712,371)
Recreation and cultural services	(16,482,895)	(790,097)
Proceeds on disposal of capital assets	<u>15,043</u>	<u>46,274</u>
Cash flows used for capital activities	<u>\$ (21,093,864)</u>	<u>\$ (9,399,440)</u>
Cash flows used for investing activities:		
Additions to investment in government business enterprises	<u>\$ (360,090)</u>	<u>\$ (889,957)</u>
Increase (decrease) in cash and cash equivalents during the year	\$ (8,826,644)	\$ 1,084,529
Cash and cash equivalents at the beginning of the year	<u>14,727,503</u>	<u>13,642,974</u>
Cash and cash equivalents at the end of the year	<u><u>\$ 5,900,859</u></u>	<u><u>\$ 14,727,503</u></u>

(See accompanying notes)

Town of Renfrew
Notes to the Consolidated Financial Statements
For the year ended 31 December 2022

1. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the Corporation of the Town of Renfrew are the representation of management prepared in accordance with generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada.

The focus of PSAB financial statements is on the financial position of the Town and changes thereto. The Consolidated Statement of Financial Position reports financial assets and liabilities. Financial assets are available to provide resources to discharge existing liabilities or finance future operations. Municipal surplus represents the financial position of the Town and is the difference between financial assets and liabilities. This information explains the Town's overall future revenue requirements and its ability to finance activities and meet its obligations.

(a) Reporting Entity

- (i) The consolidated financial statements reflect financial assets, liabilities, operating revenues and expenditures, reserves, reserve funds, and changes in investment in tangible capital assets of the Town. The reporting entity is comprised of all organizations, committees and local boards accountable for the administration of their financial affairs and resources to the Town and which are owned or controlled by the Town. Interdepartmental and organizational transactions and balances between these organizations are eliminated.

These consolidated financial statements include:

- Town of Renfrew Waterworks
- Town of Renfrew Wastewater System
- Renfrew Public Library Board
- Renfrew Downtown Business Association

(ii) Accounting for County and School Board Transactions

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

- (iii) Trust funds and their related operations administered by the Town are not included in these financial statements but are reported separately.

(b) Basis of Accounting

The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting recognizes revenues in the period in which transactions or events occurred that gave rise to the revenue; expenses are recognized in the period goods or services are acquired and a liability is incurred or transfers are due.

Funds from external parties and earnings thereon restricted by agreement or legislation are accounted for as deferred revenue until used for the purpose specified.

Government transfers, contributions and other amounts are received from third parties pursuant to legislation, regulation or agreement and may only be used for certain programs, in the completion of specific work, or for the purchase of tangible capital assets. In addition, certain user charges and fees are collected for which the related services have yet to be performed.

Town of Renfrew

Notes to the Consolidated Financial Statements

For the year ended 31 December 2022

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) 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.

(d) Tangible Capital Assets

(i) Tangible capital assets (TCAs) are recorded at cost, which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. Where the cost was not readily determinable, the assets were valued at their current fair market value and then discounted back to their in-service date using the Consumer Price Index (CPI). Where cost was not readily determinable, the land was given a value of \$ 1.00 per segment. 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	20 - 30 years
Facilities	15 - 95 years
Equipment	5 - 30 years
Rolling stock	7 - 25 years
Infrastructure	10 - 100 years

Amortization is calculated commencing the first month of the year following acquisition using the above rates. In the year of disposal, a full year of amortization will be charged against the asset. Capital work in progress is not amortized until it is put into service.

The Town has a capitalization threshold of \$ 5,000, so that individual TCAs of lesser value are expensed, unless they are pooled because, collectively, they have significant value, or for operational reasons.

(ii) 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. Similarly, transfers of assets to third parties are recorded as an expense equal to the net book value of the assets as of the date of 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) Inventories

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

(e) Investment Income

Investment income earned on current funds (other than obligatory reserve funds) is reported as revenue in the period earned. Investment income earned on externally restricted funds is added to the fund balance and forms part of the respective deferred revenue balance.

(f) Government Transfers

Government transfers are the transfers of assets from senior levels of government that are not the result of an exchange transaction, are not expected to be repaid in the future, or are the result of a direct financial return.

Town of Renfrew

Notes to the Consolidated Financial Statements

For the year ended 31 December 2022

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government transfers are recognized in the financial statements in the period in which the events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met and reasonable estimates of the amounts can be made.

(g) Deferred Revenue

Certain amounts are received pursuant to regulations or agreement and may only be used in the conduct of certain programs or in the delivery of specific services and transactions. These amounts are recognized as revenue in the fiscal year the related expenditures are incurred or services performed.

(h) Deferred Revenue - Obligatory Reserve Funds

The Town receives restricted contributions under the authority of provincial and federal legislation and Town by-laws. These funds by their nature are restricted in their use and until applied to applicable costs are recorded as deferred revenue. Amounts applied to qualifying expenditures are recorded as revenue in the fiscal period they are expended.

(i) Use of Estimates

The preparation of financial statements in conformity with Canadian Public Sector Accounting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the year. Actual results could differ from these estimates. Significant estimates include the allowance for doubtful taxes, allowances for other receivables, other assets and investments, landfill closure and post closure costs, employee future benefits and the useful life and recoverable amounts of tangible capital assets.

(j) Cash and Cash Equivalents

Cash and cash equivalents are comprised of cash on hand and in bank and investments due no greater than three months from the date of acquisition or that are cashable on demand.

(k) Revenue Recognition

Taxation revenue consists of non-exchange transactions. It is recognized in the period to which the assessment relates and reasonable estimates of amounts can be made. Annual revenue also includes adjustments related to reassessments or appeals related to prior years. Fees and user charges relate to licensing fees, fees for use of various programming, and fees imposed based on specific activities. Revenue is recognized when the activity is performed or when the services are rendered. Income from government business enterprises is accounted for using the modified equity method.

(l) Financial Instruments

Financial instruments include cash, accounts receivable, user charges receivable, accounts payable and accrued liabilities and net long term liabilities. Unless otherwise noted, it is management's opinion that the Town is not exposed to significant interest, currency or credit risks arising from these financial instruments.

The carrying amounts reported on the statement of financial position for cash, accounts receivable, user charges receivable and accounts payable and accrued liabilities, approximate their fair values, due to the immediate and short term maturities of these financial instruments.

The fair value of net long term liabilities, including the current portion, is based on rates currently available to the Town with similar terms and maturities and approximates its carrying amounts as disclosed on the statement of financial position.

(m) Government Business Enterprises

Investment in government business enterprises are accounted for using the modified equity method.

Town of Renfrew
Notes to the Consolidated Financial Statements
For the year ended 31 December 2022

2. AMOUNTS TO BE RECOVERED

Amounts to be recovered represent the requirement of the Town to raise funds in subsequent periods to finance unfunded liabilities, comprised of the landfill closure and post closure liabilities and employee future benefit costs.

3. TRUST FUNDS

Trust funds administered by the Town, totaling \$ 268,622 (2021 - \$ 273,329) are presented in separate financial statements of trust fund financial position and operations. As such, balances held in trust by the Town for the benefit of others have not been included in the Consolidated Statement of Financial Position nor have their operations been included in the Consolidated Statement of Operations.

4. INVESTMENT IN GOVERNMENT BUSINESS ENTERPRISES

Renfrew Hydro Inc. (RHI) (100%) and Renfrew Power Generation Inc. (RPGI) (100%) are government business enterprises in which the Town owns the percentage interest as noted and accounted for on a modified equity basis in these financial statements.

The principal business of RHI is to distribute electric power to the Town of Renfrew and manage the electric distribution system. RPGI's principal business is the generation of electric power for the benefit of the Town of Renfrew's residents. The Renfrew Innovation Centre's principal business is commercial rental.

The following tables provide condensed supplementary financial information setting out the Town's share for the three entities for the year ended 31 December 2022 along with information for the year ended 31 December 2021.

Renfrew Hydro Inc. (100%)	<u>2022</u>	<u>2021</u>
Financial position:		
Current and other assets	\$ 3,012,705	\$ 3,223,471
Capital assets	<u>8,239,472</u>	<u>7,910,259</u>
	<u>\$ 11,252,177</u>	<u>\$ 11,133,730</u>
Current liabilities	\$ 2,388,255	\$ 2,365,582
Long term debt	<u>4,417,773</u>	<u>4,529,403</u>
	<u>\$ 6,806,028</u>	<u>\$ 6,894,985</u>
Net assets	<u>\$ 4,446,149</u>	<u>\$ 4,238,745</u>
Results of operations:		
Revenues	\$ 12,637,603	\$ 12,571,465
Operating expenses	<u>12,402,789</u>	<u>12,461,827</u>
Net income	<u>\$ 234,814</u>	<u>\$ 109,638</u>
Dividends declared and paid	<u>\$ (27,410)</u>	<u>\$ (49,400)</u>

Town of Renfrew
Notes to the Consolidated Financial Statements
For the year ended 31 December 2022

4. INVESTMENT IN GOVERNMENT BUSINESS ENTERPRISES (Continued)

Renfrew Power Generation Inc. (100%)	<u>2022</u>	<u>2021</u>
Financial position:		
Current and other assets	\$ 3,495,777	\$ 4,074,739
Capital assets	<u>28,572,743</u>	<u>28,041,318</u>
	<u>\$ 32,068,520</u>	<u>\$ 32,116,057</u>
Current liabilities	\$ 1,389,747	\$ 4,145,930
Long term debt	<u>23,023,159</u>	<u>20,598,545</u>
	<u>\$ 24,412,906</u>	<u>\$ 24,744,475</u>
Net assets	<u><u>\$ 7,655,614</u></u>	<u><u>\$ 7,371,582</u></u>
	<u>2022</u>	<u>2021</u>
Results of operations:		
Revenues	\$ 3,103,925	\$ 3,864,732
Operating expenses	<u>2,749,893</u>	<u>2,492,766</u>
Net income	<u><u>\$ 354,032</u></u>	<u><u>\$ 1,371,966</u></u>
Dividends declared and paid	<u><u>\$ (70,000)</u></u>	<u><u>\$ (70,000)</u></u>
Renfrew Innovation Centre (100%)	<u>2022</u>	<u>2021</u>
Financial position:		
Current and other assets	\$ -	\$ 147,697
Capital assets	<u>-</u>	<u>103,889</u>
	<u>\$ -</u>	<u>\$ 251,586</u>
Current liabilities	<u>\$ -</u>	<u>\$ 107,054</u>
Net assets	<u><u>\$ -</u></u>	<u><u>\$ 144,532</u></u>
Results of operations:		
Revenues	\$ -	\$ 752,213
Operating expenses	<u>-</u>	<u>783,438</u>
Net income (loss)	<u><u>\$ -</u></u>	<u><u>\$ (31,225)</u></u>
Distributions declared and paid	<u><u>\$ -</u></u>	<u><u>\$ (417,881)</u></u>

5. OPERATIONS OF SCHOOL BOARDS AND COUNTY OF RENFREW

Requisitions were made by the School Boards and County of Renfrew requiring the Town to collect property taxes and payments in lieu of property taxes on their behalf. The amounts collected and remitted are as follows:

	<u>School Boards</u>	<u>County</u>
Property taxes	\$ 1,931,417	\$ 3,299,897
Payments in lieu	<u>-</u>	<u>148,242</u>
	<u><u>\$ 1,931,417</u></u>	<u><u>\$ 3,448,139</u></u>

Town of Renfrew

Notes to the Consolidated Financial Statements

For the year ended 31 December 2022

6. DEFERRED REVENUE

a) Obligatory Reserve Funds:

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 because federal, provincial and municipal legislation restricts how these funds may be used. The balances in the obligatory reserve funds of the Town are summarized below:

- (i) The balance of deferred revenue - obligatory reserve funds on the "Consolidated Statement of Financial Position" at the end of the year is comprised of the following externally restricted reserve funds:

	<u>2022</u>	<u>2021</u>
Lot development charges	\$ 1,754,709	\$ 1,346,004
Gasoline tax rebates - Provincial	499,467	502,124
Gasoline tax rebates - Federal	<u>344,530</u>	<u>71,002</u>
	<u>\$ 2,598,706</u>	<u>\$ 1,919,130</u>

- (ii) Transactions during the year in the deferred revenue - obligatory reserve funds are as follows:

	<u>2022</u>	<u>2021</u>
Balance at the beginning of the year	\$ 1,919,130	\$ 2,288,243
Gas tax revenues received	510,576	762,713
Development charges	365,477	809,451
Interest earned	<u>65,890</u>	<u>25,588</u>
	<u>\$ 2,861,073</u>	<u>\$ 3,885,995</u>
Used to purchase capital assets		\$ (1,706,935)
Used in operations		(75,432)
Transferred to other enterprises	<u>\$ (262,367)</u>	<u>(184,498)</u>
	<u>\$ (262,367)</u>	<u>\$ (1,966,865)</u>
Balance at the end of the year	<u>\$ 2,598,706</u>	<u>\$ 1,919,130</u>

(b) Other Deferred Revenue:

Other deferred revenue consists of advances from the Province of Ontario \$ 10,256,272 (2021 - \$ 3,082,045), the Government of Canada \$ 6,584,630 (2021 - \$ 88,452) and private developers and other deferred revenue \$ 340,766 (2021 - \$ 319,132) to complete infrastructure projects within the Town, as well as advances on recreation and other programs which will be completed in 2023.

7. LANDFILL CLOSURE AND POST CLOSURE LIABILITY

The Environmental Protection Act sets out the regulatory requirements to properly close and maintain all active and inactive landfill sites. Under environmental law, there is a requirement for closure and post closure care of solid waste landfill sites. This requirement is to be provided for over the estimated remaining life of the landfill site based on usage.

Landfill closure and post closure care requirements have been defined in accordance with industry standards and include final covering and landscaping of the landfill, pumping ground water and leachates from the site, and ongoing environmental monitoring, site inspection and maintenance. Some closure costs are incurred on an ongoing basis and are included in the yearly fiscal operating budget. All remaining expected closure and post closure costs have been discounted at the Average Ontario Non-residential Building Construction Price Index. There is currently \$ 490,000 (2021 - \$ 440,000) set aside in reserves for either closure or post closure activities.

Town of Renfrew

Notes to the Consolidated Financial Statements

For the year ended 31 December 2022

7. LANDFILL CLOSURE AND POST CLOSURE LIABILITY (Continued)

The reported liability is based on estimates and assumptions with respect to events extending over the useful life and estimated post closure care period using the best information available to management. Future events may result in significant changes to the estimated total expenditures, capacity used or total capacity and the estimated liability, and would be recognized prospectively, as a change in estimate, when applicable.

	<u>2022</u>	<u>2021</u>
Landfill site's estimated remaining capacity in cubic metres	686,916	703,916
Landfill site's remaining useful life in years	41	42
Expected years of post closure care	25	25

The estimated total undiscounted expenses over the 25 year post closure period amount to approximately \$ 5,366,614.

8. CONTINGENT LIABILITIES

The nature of municipal activities is such that there may be litigation pending or in prospect at any time. The Town is currently involved in various liability claims. Because the outcome of these matters cannot yet be determined, no amounts have been recorded in the accounts. The Town has agreed to guarantee a loan for Renfrew Power Generation Inc. There were advances of \$ 21,253,839 (2021 - \$ 18,716,450) on the loan.

9. BUDGET FIGURES

The operating budget approved by the Town for 2022 is reflected on the Consolidated Statement of Operations. The budget established for capital investment in tangible capital assets is 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 Town does not budget activity within reserves and reserve funds, with the exception being those transactions which affect either operations or capital investments. Budget figures have been reclassified for the purpose of these financial statements to comply with PSAB reporting requirements.

10. TANGIBLE CAPITAL ASSETS

The Schedule of Tangible Capital Assets provides information on the tangible capital assets of the Town by major asset class and by function, as well as for accumulated amortization of the assets controlled. The reader should be aware of the following information relating to tangible capital assets:

(i) Contributed Tangible Capital Assets:

The Town records all tangible capital assets contributed by an external party at fair value on the earlier of the date received or of the transfer of risk and responsibility. Typical examples are roadways, water and sewer lines installed by a developer as part of a subdivision agreement. Contributed tangible capital assets amounted to \$ Nil in 2022 (\$ Nil in 2021).

Town of Renfrew
Notes to the Consolidated Financial Statements
For the year ended 31 December 2022

10. TANGIBLE CAPITAL ASSETS (Continued)

(ii) Tangible Capital Assets Recognized at Nominal Value:

Certain assets have been assigned a nominal value of one dollar, because of the difficulty of determining a tenable valuation. The most significant such assets are the Town's road allowances. The 2022 road network had segments, each of which has been assigned a value of one dollar for the road allowance itself.

11. NET LONG TERM LIABILITIES

- (a) The balance of net long term liabilities of \$ 15,802,744 (2021 - \$ 16,623,578) reported on the "Consolidated Statement of Financial Position" is made up of long term liabilities incurred by the Town and includes those incurred on behalf of municipal enterprises.

	<u>2022</u>	<u>2021</u>
(b) Serial debenture loan payable, interest at 4.79%, \$ 123,750 principal plus interest payable semi-annually, maturing April 2051	\$ 7,053,750	\$ 7,301,250
Serial debenture loan payable, interest at 2.14%, \$ 109,327 principal plus interest payable quarterly, maturing July 2040	6,444,010	6,739,454
Serial debenture loan payable, interest at 2.38%, \$ 100,000 principal plus interest payable semi-annually, maturing January 2027	900,000	1,100,000
Serial debenture loan payable, interest at 2.68%, \$ 32,394 principal including interest payable semi-annually, maturing July 2039	879,984	920,374
Serial debenture loan payable, interest at 2.89%, \$ 18,750 principal plus interest payable semi-annually, maturing April 2036.	<u>525,000</u>	<u>562,500</u>
Net long term liabilities at the end of the year	<u>\$ 15,802,744</u>	<u>\$ 16,623,578</u>

- (c) Principal and interest payments required on the long term liabilities are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 828,297	\$ 528,298	\$ 1,356,595
2024	835,927	503,938	1,339,865
2025	843,728	477,469	1,321,197
2026	851,703	451,795	1,303,498
2027	759,857	425,942	1,185,799
2028 to 2032	3,428,118	1,802,228	5,230,346
2033 onward	<u>8,255,114</u>	<u>2,408,502</u>	<u>10,663,616</u>
	<u>\$ 15,802,744</u>	<u>\$ 6,598,172</u>	<u>\$ 22,400,916</u>

Town of Renfrew
Notes to the Consolidated Financial Statements
For the year ended 31 December 2022

12. CHARGES FOR NET LONG TERM LIABILITIES

(a) Total charges for the year for net long term liabilities are as follows:

	<u>2022</u>	<u>2021</u>
Principal	\$ 820,834	\$ 813,534
Interest	<u>551,337</u>	<u>576,385</u>
	<u>\$ 1,372,171</u>	<u>\$ 1,389,919</u>

These payments are within the annual debt repayment limit as prescribed by the Ministry of Municipal Affairs and Housing under Ontario Regulation 403/02.

(b) The interest charges shown in (a) above are reported on the Consolidated Statement of Operations under the appropriate functional expenditure heading.

13. EQUITY IN TANGIBLE CAPITAL ASSETS	<u>2022</u>	<u>2021</u>
Tangible capital assets - net	\$ 121,582,020	\$ 105,726,587
Net long term liabilities	(15,802,744)	(16,623,578)
Amounts to be funded in future years	<u>(21,348,953)</u>	<u>(2,267,888)</u>
Equity in tangible capital assets	<u>\$ 84,430,323</u>	<u>\$ 86,835,121</u>

14. PENSION CONTRIBUTIONS

The Municipality makes contributions to the Ontario Municipal Employees Retirement System (OMERS), a multi-employer pension plan. The plan provides defined pension benefits to employees based on their length of service and rates of pay. During the year ended 31 December 2022, the Municipality contributed \$ 486,705 (2021 - \$ 443,110) to the plan and is included as an expense in the consolidated statement of operations. The Town does not recognize in its consolidated financial statements any share of the pension plan deficit as this is a joint responsibility of all Ontario municipalities and their employees. The pension plan deficit for 2022 is \$ (6,100,000,000) (deficit for 2021 - \$ (69,000,000)) based on the fair market value of the Plan's assets.

15. CONTRACTUAL OBLIGATIONS

In January 2021, the Town entered into a new five year agreement with the Ministry of Community Safety and Correctional Services for the years 2021 to 2025 for police services. The cost of this contract for 2022 was \$ 1,885,824 (2021 - \$ 1,976,976).

In 2020, the Town entered into a three year contract for the curbside pickup collection and disposal of recyclable materials. The contract is for a period from 3 August 2020 to 2 August 2023. Annual charges are determined by reference to the weight of material processed. The cost of this contract for 2022 was \$ 236,543 (2021 - \$ 244,173).

The Town entered into a contract for the collection of curbside garbage. The contract is for a period from 1 April 2022 to 31 March 2023. Annual charges are determined by reference to the number of households in the Town. The cost of this contract for 2022 was \$ 180,834 (2021 - \$ 158,471).

In 2015, the Town entered into a ten and a half year contract with Ontario Clean Water Agency for water treatment and wastewater treatment services. The contract price is based on annual operating costs plus a fixed management fee, indexed annually by the change in the Consumer Price Index. The cost of this contract for 2022 was \$ 1,471,286 (2021 - \$ 1,497,490).

Town of Renfrew

Notes to the Consolidated Financial Statements

For the year ended 31 December 2022

16. NON ACCRUAL OF INTEREST ON LONG TERM LIABILITIES

No provision has been made in these financial statements for the accrual of interest on the net long term liabilities. Had the provision been made, the reserve balance at 31 December 2022 would have decreased by \$ 147,502 (2021 - \$ 110,628).

17. SEGMENTED INFORMATION

(a) The Town is responsible for providing a wide range of services to its citizens. The Town reports on functional areas and programs in its consolidated financial statements. A brief description of each segment follows:

- i) General government is comprised of Council and administration and is responsible for the overall governance and management of the Municipality.
- ii) Protection is comprised of police, fire, and other protective services.
- iii) Transportation is comprised of roads including parking, signs and signals, streetlights and the maintenance of roads of the Town.
- iv) Environmental services include water supply and distribution, wastewater treatment, and solid waste and recycling services.
- v) Recreation and cultural services include parks and recreation and library.
- vi) Planning and development services are comprised of managing development for residential and business interests, as well as infrastructure and parks.

(b) For each functional area, expenditures represent both amounts that are directly attributable to the functional area and amounts that are allocated on a reasonable basis. The expenditures for 31 December 2022 are as follows:

	Salaries and benefits	Interest on long term debt	Materials and contracted services	Rent and external transfers	Amortization	Total
General government	\$ 1,253,308	\$ 15,441	\$ 838,755	\$ 70,444	\$ 75,558	\$ 2,253,506
Protection services	1,940,202		2,148,820		96,198	4,185,220
Transportation services	975,564	39,516	1,044,996	280,387	3,178,989	5,519,452
Environmental services	975,322	496,380	2,968,004	30,162	1,677,051	6,146,919
Recreation services	1,694,769		566,993	2,234	224,498	2,488,494
Planning and development	391,529		740,096	10,000	1,180	1,142,805
	<u>\$ 7,230,694</u>	<u>\$ 551,337</u>	<u>\$ 8,307,664</u>	<u>\$ 393,227</u>	<u>\$ 5,253,474</u>	<u>\$ 21,736,396</u>

(c) The expenditures for 31 December 2021 are as follows:

	Salaries and benefits	Interest on long term debt	Materials and contracted services	Rent and external transfers	Amortization	Total
General government	\$ 1,018,859	\$ 16,525	\$ 636,355	\$ 118,821	\$ 68,508	\$ 1,859,068
Protection services	1,865,851		2,281,877		78,521	4,226,249
Transportation services	954,918	41,283	1,802,616	260,055	3,024,179	6,083,051
Environmental services	909,873	518,577	2,871,608	36,949	1,641,891	5,978,898
Recreation services	1,437,016		579,859	43,234	205,533	2,265,642
Planning and development	278,334		103,179	10,000	1,181	392,694
	<u>\$ 6,464,851</u>	<u>\$ 576,385</u>	<u>\$ 8,275,494</u>	<u>\$ 469,059</u>	<u>\$ 5,019,813</u>	<u>\$ 20,805,602</u>

Town of Renfrew

Notes to the Consolidated Financial Statements

For the year ended 31 December 2022

17. SEGMENTED INFORMATION (Continued)

(d) For each functional area, revenues represent both amounts that are directly attributable to the functional area and amounts that are allocated on a reasonable basis. The revenues for 31 December 2022 are as follows:

	<u>Taxes</u>	<u>User charges and other revenues</u>	<u>Government transfers - Ontario</u>	<u>Government transfers - Canada</u>	<u>Total</u>
General government	\$ 9,793,360	\$ 2,286,358	\$ 2,559,066		\$ 14,638,784
Protection services		344,986	65,908	\$ 50,000	460,894
Transportation services		27,521	307,536	2,100	337,157
Environmental services		5,919,911		2,025	5,921,936
Recreation services		695,933	16,720	16,620	729,273
Planning and development		139,716	8,689		148,405
	<u>\$ 9,793,360</u>	<u>\$ 9,414,425</u>	<u>\$ 2,957,919</u>	<u>\$ 70,745</u>	<u>\$ 22,236,449</u>

(e) The revenues for 31 December 2021 are as follows:

	<u>Taxes</u>	<u>User charges and other revenues</u>	<u>Government transfers - Ontario</u>	<u>Government transfers - Canada</u>	<u>Total</u>
General government	\$ 9,095,197	\$ 1,704,049	\$ 2,847,860		\$ 13,647,106
Protection services		394,439	107,217		501,656
Transportation services		656,047	4,729,190	\$ 1,538,118	6,923,355
Environmental services		5,714,808	31,927		5,746,735
Recreation services		450,498	21,923	11,674	484,095
Planning and development		26,432	3,723		30,155
	<u>\$ 9,095,197</u>	<u>\$ 8,946,273</u>	<u>\$ 7,741,840</u>	<u>\$ 1,549,792</u>	<u>\$ 27,333,102</u>

18. TAX REVENUE

	<u>2022</u>	<u>2021</u>
Property taxes	\$ 9,077,099	\$ 8,393,020
Payment in lieu of property taxes	651,261	636,980
Other charges	<u>65,000</u>	<u>65,197</u>
Total tax revenue	<u>\$ 9,793,360</u>	<u>\$ 9,095,197</u>

19. COMPARATIVE FIGURES

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

Town of Renfrew
Schedule of General Operations
For the year ended 31 December 2022
(with 2022 budget and 2021 actual figures for comparison)

	<u>2022</u> <u>Budget</u>	<u>2022</u> <u>Actual</u>	<u>2021</u> <u>Actual</u>
Revenue:			
Net municipal taxation	\$ 9,632,835	\$ 9,728,360	\$ 9,030,000
Government transfers:			
Ontario	2,872,850	2,941,199	7,719,917
Canada	9,600	64,205	1,127,111
Other municipalities	162,272	220,638	790,706
Other	2,860,105	3,595,027	2,508,671
Gain (loss) on disposal of tangible capital assets	<u> </u>	<u>15,043</u>	<u>(932,215)</u>
	<u>\$ 15,537,662</u>	<u>\$ 16,564,472</u>	<u>\$ 20,244,190</u>
Expenses:			
General government	\$ 2,182,328	\$ 2,253,506	\$ 1,859,068
Protection to persons and property	4,211,764	4,185,220	4,226,249
Transportation services	5,700,684	5,519,452	6,083,051
Environmental services	2,501,936	1,148,101	1,026,902
Recreation and cultural services	1,988,499	1,923,392	1,646,113
Planning and development	<u>1,287,209</u>	<u>1,064,222</u>	<u>354,598</u>
	<u>\$ 17,872,420</u>	<u>\$ 16,093,893</u>	<u>\$ 15,195,981</u>
Excess (shortfall) of revenue over expenses	<u>\$ (2,334,758)</u>	<u>\$ 470,579</u>	<u>\$ 5,048,209</u>
Transfers:			
Transfer (to) from Library	\$ (531,740)	\$ (506,736)	\$ (553,731)
Transfer (to) from reserves	(2,019,251)	(1,468,697)	(1,236,260)
Transfer (to) from equity in tangible capital assets	<u>2,877,310</u>	<u>1,504,854</u>	<u>(3,258,218)</u>
Net transfers	<u>\$ 326,319</u>	<u>\$ (470,579)</u>	<u>\$ (5,048,209)</u>
Excess (shortfall) of revenue over expenses	\$ (2,008,439)	\$ -	\$ -
General surplus (deficit) at the beginning of the year	<u>(718,920)</u>	<u>(718,920)</u>	<u>(718,920)</u>
General surplus (deficit) at the end of the year	<u>\$ (2,727,359)</u>	<u>\$ (718,920)</u>	<u>\$ (718,920)</u>

(See accompanying notes)

Town of Renfrew
Consolidated Schedule of Reserves and Reserve Funds

For the year ended 31 December 2022
(with 2021 figures for comparison)

	<u>2022</u>	<u>2021</u>
Contributions:		
From general operations	\$ <u>4,654,973</u>	\$ <u>3,787,533</u>
Transfers:		
To general operations	\$ (455,121)	\$ (327,784)
To tangible capital asset acquisitions	<u>(1,519,849)</u>	<u>(2,019,011)</u>
	\$ <u>(1,974,970)</u>	\$ <u>(2,346,795)</u>
Change in reserves and reserve funds balance	\$ 2,680,003	\$ 1,440,738
Reserves and reserve funds at the beginning of the year	<u>14,085,379</u>	<u>12,644,641</u>
Reserves and reserve funds at the end of the year	\$ <u><u>16,765,382</u></u>	\$ <u><u>14,085,379</u></u>
Reserves:		
Working funds	\$ 210,000	\$ 210,000
Contingencies	5,218,259	5,059,096
Asset acquisitions - general operations	5,688,829	4,379,294
- waterworks system	3,773,040	3,115,717
- wastewater system	<u>1,875,254</u>	<u>1,321,272</u>
Total reserves	\$ <u><u>16,765,382</u></u>	\$ <u><u>14,085,379</u></u>

(See accompanying notes)

Town of Renfrew
Consolidated Schedule of Tangible Capital Assets
As at 31 December 2022
(with 2021 figures for comparison)

Segmented by asset class: <u>Cost</u>	Balance at 31 December <u>2021</u>	<u>Additions</u>	Disposals, write-offs and adjustments	Balance at 31 December <u>2022</u>
Land	\$ 630,539			\$ 630,539
Land improvements	2,708,197	\$ 267,354	\$ 67,494	3,043,045
Equipment	2,706,669	173,733	28,782	2,909,184
Rolling stock (vehicles)	6,272,207	213,150	(405,257)	6,080,100
Facilities	54,634,992	31,439	28,595	54,695,026
Infrastructure	121,968,017	385,107	44,363	122,397,487
Capital work in progress	<u>1,275,176</u>	<u>20,038,124</u>	<u>(169,234)</u>	<u>21,144,066</u>
Total	<u>\$ 190,195,797</u>	<u>\$ 21,108,907</u>	<u>\$ (405,257)</u>	<u>\$ 210,899,447</u>

Accumulated <u>amortization</u>	Balance at 31 December <u>2021</u>	<u>Amortization</u>	Disposals, write-offs and adjustments	Balance at 31 December <u>2022</u>
Land improvements	\$ 1,998,422	\$ 55,181		\$ 2,053,603
Equipment	1,511,433	145,631		1,657,064
Rolling stock (vehicles)	2,367,309	341,444	\$ (405,257)	2,303,496
Facilities	24,713,595	1,419,498		26,133,093
Infrastructure	<u>53,878,451</u>	<u>3,291,720</u>		<u>57,170,171</u>
Total	<u>\$ 84,469,210</u>	<u>\$ 5,253,474</u>	<u>\$ (405,257)</u>	<u>\$ 89,317,427</u>

<u>Net book value</u>	Balance at 31 December <u>2021</u>	Balance at 31 December <u>2022</u>
Land	\$ 630,539	\$ 630,539
Land improvements	709,775	989,442
Equipment	1,195,236	1,252,120
Rolling stock (vehicles)	3,904,898	3,776,604
Facilities	29,921,397	28,561,933
Infrastructure	68,089,566	65,227,316
Capital work in progress	<u>1,275,176</u>	<u>21,144,066</u>
Total	<u>\$ 105,726,587</u>	<u>\$ 121,582,020</u>

(See accompanying notes)

Town of Renfrew
Consolidated Schedule of Tangible Capital Assets

As at 31 December 2022
(with 2021 figures for comparison)

Segmented by function: <u>Cost</u>	Balance at 31 December <u>2021</u>	<u>Additions</u>	Disposals, write-offs and adjustments	Balance at 31 December <u>2022</u>
General government	\$ 3,885,720	\$ 202,903		\$ 4,088,623
Protection services	2,694,494	39,614	\$ (196,000)	2,538,108
Recreation and culture	11,865,664	16,482,895		28,348,559
Tourism	208,013			208,013
Development and works	<u>171,541,906</u>	<u>4,383,495</u>	<u>(209,257)</u>	<u>175,716,144</u>
Total	<u>\$ 190,195,797</u>	<u>\$ 21,108,907</u>	<u>\$ (405,257)</u>	<u>\$ 210,899,447</u>

<u>Accumulated amortization</u>	Balance at 31 December <u>2021</u>	<u>Amortization</u>	Disposals, write-offs and adjustments	Balance at 31 December <u>2022</u>
General government	\$ 1,870,341	\$ 76,738		\$ 1,947,079
Protection services	1,097,524	96,198	\$ (196,000)	997,722
Recreation and culture	8,485,193	215,059		8,700,252
Tourism	37,162	9,439		46,601
Development and works	<u>72,978,990</u>	<u>4,856,040</u>	<u>(209,257)</u>	<u>77,625,773</u>
Total	<u>\$ 84,469,210</u>	<u>\$ 5,253,474</u>	<u>\$ (405,257)</u>	<u>\$ 89,317,427</u>

<u>Net book value</u>	Balance at 31 December <u>2021</u>	Balance at 31 December <u>2022</u>
General government	\$ 2,015,379	\$ 2,141,544
Protection services	1,596,970	1,540,386
Recreation and culture	3,380,471	19,648,307
Tourism	170,851	161,412
Development and works	<u>98,562,916</u>	<u>98,090,371</u>
Total	<u>\$ 105,726,587</u>	<u>\$ 121,582,020</u>

(See accompanying notes)

Renfrew Public Library Board

Financial Statements

For the year ended 31 December 2022



INDEPENDENT AUDITOR'S REPORT

To the Members of Council,
Inhabitants and Ratepayers of the
Corporation of the Town of Renfrew.

Qualified Opinion

We have audited the financial statements of the Renfrew Public Library Board (the Library Board), which comprise the statement of financial position as at 31 December 2022, and the statement of operations and accumulated surplus for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Library Board as at 31 December 2022, and its financial performance for the year then ended in accordance with Canadian Public Sector Accounting Standards (PSAS).

Basis for Qualified Opinion

The Library Board's tangible capital assets were expensed during the year. The assets were not capitalized which is a departure from Canadian Public Sector Accounting Standards (PSAS). If the Library Board had capitalized the tangible capital assets, the current year's municipal grant and current year's expenses would have been reduced by \$ 33,376 (2021 - \$ 72,132).

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 Financial Statements* section of our report. We are independent of the Library Board in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

In preparing the financial statements, management is responsible for assessing the Library Board'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 Library Board or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 Library Board'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 Library Board'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 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 Library Board to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Library Board to express an opinion on the 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.

MacKillop & Associates

RENFREW, Ontario.
9 January 2024.

Chartered Professional Accountants,
Licensed Public Accountants.

Renfrew Public Library Board
Statement of Financial Position
As at 31 December 2022
(with 2021 figures for comparison)

	<u>2022</u>	<u>2021</u>
Financial assets:		
Cash in bank	\$ 223	\$ 498
Due from Town of Renfrew	<u>7,648</u>	<u>6,678</u>
	\$ <u>7,871</u>	\$ <u>7,176</u>
Liability:		
Deferred revenue (Note 4)	\$ <u>7,871</u>	\$ <u>7,176</u>
Net financial assets	\$ <u>-</u>	\$ <u>-</u>
Accumulated surplus	\$ <u>-</u>	\$ <u>-</u>

(See accompanying notes)

Renfrew Public Library Board
Statement of Operations and Accumulated Surplus
For the year ended 31 December 2022
(with 2021 figures for comparison)

	<u>2022</u>	<u>2021</u>
Revenue:		
Ontario grants	\$ 16,720	\$ 21,923
Canada grant	6,540	2,887
Municipal grant	520,109	553,731
Other	<u>21,733</u>	<u>40,988</u>
	<u>\$ 565,102</u>	<u>\$ 619,529</u>
Expenses:		
Books, periodicals and supplies	\$ 42,119	\$ 47,909
Employee wages and benefits	462,347	451,003
Facility expenses and miscellaneous	<u>60,636</u>	<u>120,617</u>
	<u>\$ 565,102</u>	<u>\$ 619,529</u>
Excess (shortfall) of revenue over expenses	\$ -	\$ -
Accumulated surplus at the beginning of the year	<u>-</u>	<u>-</u>
Accumulated surplus at the end of the year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

(See accompanying notes)

Renfrew Public Library Board
Notes to the Financial Statements
For the year ended 31 December 2022

1. SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Renfrew Public Library Board are the representation of management prepared in accordance with generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada.

The focus of PSAB financial statements is on the financial position of the Library Board and changes thereto. The Statement of Financial Position reports financial assets and liabilities. Financial assets are available to provide resources to discharge existing liabilities or finance future operations. Board position represents the financial position of the Library Board and is the difference between financial assets and liabilities. This information explains the Library Board's overall future revenue requirements and its' ability to finance activities and meet its' obligations.

(a) Basis of Accounting

The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting recognizes revenues in the period in which transactions or events occurred that gave rise to the revenue; expenses are recognized in the period goods or services are acquired and a liability is incurred or transfers are due.

Funds from external parties and earnings thereon restricted by agreement or legislation are accounted for as deferred revenue until used for the purpose specified.

Government transfers, contributions and other amounts are received from third parties pursuant to legislation, regulation or agreement and may only be used for certain programs, in the completion of specific work, or for the purchase of tangible capital assets. In addition, certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred, services performed or the tangible capital assets are acquired.

(b) 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 revenue over expenses, provides the change in net financial assets for the year.

(c) Government Transfers

Government transfers are the transfer of assets from senior levels of government that are not the result of an exchange transaction, are not expected to be repaid in the future, or are the result of a direct financial return.

Government transfers are recognized in the financial statements in the period in which the events giving rise to the transfer occur, providing the transfers are authorized, and eligibility criteria have been met and reasonable estimates of the amounts can be made.

(d) Use of Estimates

The preparation of financial statements in conformity with Canadian Public Sector Accounting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the year. Actual results could differ from these estimates.

Renfrew Public Library Board
Notes to the Financial Statements
For the year ended 31 December 2022

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Deferred Revenue

Certain amounts are received pursuant to regulations or agreement and may only be used in the conduct of certain programs or in the delivery of specific services and transactions. These amounts are recognized as revenue in the fiscal year the related expenditures are incurred or services performed.

(f) Cash and Cash Equivalents

Cash and cash equivalents are comprised of cash on hand and in bank and investments due no greater than three months from the date of acquisition or that are cashable on demand.

2. FINANCIAL INSTRUMENTS

Financial instruments include cash in bank and due from Town of Renfrew. Unless otherwise noted, it is management's opinion that the Library Board is not exposed to significant interest, currency or credit risks arising from these financial instruments.

The carrying amounts reported on the statement of financial position for cash in bank and due from Town of Renfrew, approximate their fair values, due to the immediate and short term maturities of these financial instruments.

3. CONTINGENT LIABILITIES

The nature of municipal activities is such that there may be litigation pending or in prospect at any time. The Library Board is not aware of any claims or possible claims as at 31 December 2022.

4. DEFERRED REVENUE

Deferred revenue consists of donations and federal grants of \$ 7,871 (2021 - \$ 7,176).

5. STATEMENT OF CASH FLOWS

The statement of cash flows has not been included as the information is readily apparent from the other financial statements.

Renfrew Downtown Business Association

Financial Statements

For the year ended 31 December 2022



INDEPENDENT AUDITOR'S REPORT

To the Members of the Renfrew Downtown Business Association,
Members of Council, Inhabitants and Ratepayers of the
Corporation of the Town of Renfrew.

Opinion

We have audited the financial statements of the Renfrew Downtown Business Association (the Association), which comprise the statement of financial position as at 31 December 2022, and the statement of operations and accumulated surplus (deficit) for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Association as at 31 December 2022, and its financial performance for the year then ended in accordance with Canadian Public Sector Accounting Standards (PSAS).

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 Financial Statements* section of our report. We are independent of the Association in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

In preparing the financial statements, management is responsible for assessing the Association'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 Association or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 Association'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 Association'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 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 Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Association to express an opinion on the 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.

Mac Kilham + Associate

RENFREW, Ontario.

9 January 2024.

Chartered Professional Accountants,

Licensed Public Accountants.

Renfrew Downtown Business Association

Statement of Financial Position

As at 31 December 2022
(with 2021 figures for comparison)

	<u>2022</u>	<u>2021</u>
Financial assets:		
Cash in bank	\$ 35,798	\$ 39,634
Due from Canada	4,836	2,313
Prepaid expense	<u>650</u>	<u>884</u>
	<u>\$ 41,284</u>	<u>\$ 42,831</u>
Liabilities:		
Accounts payable and accrued liabilities	\$ 1,303	\$ 1,200
Due to Town of Renfrew	<u>118,035</u>	<u>117,606</u>
	<u>\$ 119,338</u>	<u>\$ 118,806</u>
Net financial assets (liabilities)	<u><u>\$ (78,054)</u></u>	<u><u>\$ (75,975)</u></u>
Accumulated surplus (deficit)	<u><u>\$ (78,054)</u></u>	<u><u>\$ (75,975)</u></u>

(See accompanying notes)

For the year ended 31 December 2022

	2022 <u>Budget</u>	2022 <u>Actual</u>	2021 <u>Actual</u>
Revenue:			
Taxation	\$ 65,000	\$ 65,000	\$ 65,197
Other	<u> </u>	<u>11,504</u>	<u>3,198</u>
	<u>\$ 65,000</u>	<u>\$ 76,504</u>	<u>\$ 68,395</u>
Expenses:			
Administration	\$ 25,000	\$ 59,096	\$ 17,646
Advertising, promotion and programs	4,000	13,587	18,082
Street beautification, maintenance and utilities	<u>36,000</u>	<u>5,900</u>	<u>2,368</u>
	<u>\$ 65,000</u>	<u>\$ 78,583</u>	<u>\$ 38,096</u>
Excess (shortfall) of revenue over expenses	\$ -	\$ (2,079)	\$ 30,299
Accumulated surplus (deficit) at the beginning of the year	<u>(75,975)</u>	<u>(75,975)</u>	<u>(106,274)</u>
Accumulated surplus (deficit) at the end of the year	<u>\$ (75,975)</u>	<u>\$ (78,054)</u>	<u>\$ (75,975)</u>

MACKILLICAN & ASSOCIATES
CHARTERED PROFESSIONAL ACCOUNTANTS

Renfrew Downtown Business AssociationNotes to the Financial StatementsFor the year ended 31 December 2022**1. SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Renfrew Downtown Business Association are the representation of management prepared in accordance with generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada.

The focus of PSAB financial statements is on the financial position of the Association and changes thereto. The Statement of Financial Position reports financial assets and liabilities. Financial assets are available to provide resources to discharge existing liabilities or finance future operations. Association position represents the financial position of the Association and is the difference between financial assets and liabilities. This information explains the Association's overall future revenue requirements and its ability to finance activities and meet its obligations.

(a) Basis of Accounting

The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting recognizes revenues in the period in which transactions or events occurred that gave rise to the revenue; expenses are recognized in the period goods or services are acquired and a liability is incurred or transfers are due.

Funds from external parties and earnings thereon restricted by agreement or legislation are accounted for as deferred revenue until used for the purpose specified.

Government transfers, contributions and other amounts are received from third parties pursuant to legislation, regulation or agreement and may only be used for certain programs, in the completion of specific work, or for the purchase of tangible capital assets. In addition, certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred, services performed or the tangible capital assets are acquired.

(b) 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 revenue over expenses, provides the change in net financial assets for the year.

(c) Government Transfers

Government transfers are the transfer of assets from senior levels of government that are not the result of an exchange transaction, are not expected to be repaid in the future, or are the result of a direct financial return.

Government transfers are recognized in the financial statements in the period in which the events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met and reasonable estimates of the amounts can be made.

Renfrew Downtown Business AssociationNotes to the Financial StatementsFor the year ended 31 December 2022

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Use of Estimates

The preparation of financial statements in conformity with Canadian Public Sector Accounting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the year. Actual results could differ from these estimates.

(e) Cash and Cash Equivalents

Cash and cash equivalents are comprised of cash on hand and in bank and investments due no greater than three months from the date of acquisition or that are cashable on demand.

2. FINANCIAL INSTRUMENTS

Financial instruments include cash in bank, accounts payable and accrued liabilities and due to Town of Renfrew. Unless otherwise noted, it is management's opinion that the Association is not exposed to significant interest, currency or credit risks arising from these financial instruments.

The carrying amounts reported on the statement of financial position for cash in bank, accounts payable and accrued liabilities and due to Town of Renfrew, approximates their fair values, due to the immediate and short term maturities of these financial instruments.

3. CONTINGENT LIABILITIES

The nature of municipal activities is such that there may be litigation pending or in prospect at any time. The Association is not aware of any claims or possible claims as at 31 December 2022.

Town of Renfrew

Stewart Bequest Trust

Financial Statements

For the year ended 31 December 2022



**MACKILLICAN
& ASSOCIATES**
CHARTERED PROFESSIONAL
ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Members of Council,
Inhabitants and Ratepayers of the
Corporation of the Town of Renfrew.

Opinion

We have audited the financial statements of the Town of Renfrew Stewart Bequest Trust (the Trust), which comprise the statement of financial position as at 31 December 2022, and the statement of operations and accumulated surplus for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Trust as at 31 December 2022, and its financial performance for the year then ended in accordance with Canadian Public Sector Accounting Standards (PSAS).

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 Financial Statements* section of our report. We are independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

In preparing the 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 Statements

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

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 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 we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Trust to express an opinion on the 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.

MacKillop & Associates

RENFREW, Ontario.
9 January 2024.

Chartered Professional Accountants,
Licensed Public Accountants.

Town of RenfrewStewart Bequest TrustStatement of Financial Position

For the year ended 31 December 2022
(with 2021 figures for comparison)

	<u>2022</u>	<u>2021</u>
Financial assets:		
Cash in bank	\$ 78,440	\$ 22,598
Investments (Note 3)	<u> </u>	<u>53,260</u>
Net financial assets	<u>\$ 78,440</u>	<u>\$ 75,858</u>
Accumulated surplus	<u>\$ 78,440</u>	<u>\$ 75,858</u>

Town of RenfrewStewart Bequest TrustStatement of Operations and Accumulated Surplus

For the year ended 31 December 2022
(with 2021 figures for comparison)

	<u>2022</u>	<u>2021</u>
Revenue:		
Interest	\$ <u>2,582</u>	\$ <u>979</u>
Excess of revenue over expenses	\$ 2,582	\$ 979
Accumulated surplus at the beginning of the year	<u>75,858</u>	<u>74,879</u>
Accumulated surplus at the end of the year	<u>\$ 78,440</u>	<u>\$ 75,858</u>

(See accompanying notes)

Town of Renfrew
Stewart Bequest Trust
Notes to the Financial Statements
For the year ended 31 December 2022

1. SIGNIFICANT ACCOUNTING POLICIES

Financial statements of the Town of Renfrew Stewart Bequest Trust are the representation of management prepared in accordance with generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada.

The focus of PSAB financial statements is on the financial position of the Stewart Bequest Trust and changes thereto. The Statement of Financial Position reports financial assets and liabilities. Financial assets are available to provide resources to discharge existing liabilities or finance future operations. Trust position represents the financial position of the Stewart Bequest Trust and is the difference between financial assets and liabilities. This information explains the Stewart Bequest Trust's overall future revenue requirements and its ability to finance activities and meet its obligations.

(a) Basis of Accounting

The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting recognizes revenues in the period in which transactions or events occurred that gave rise to the revenue; expenses are recognized in the period goods or services are acquired and a liability is incurred or transfers are due.

Funds from external parties and earnings thereon restricted by agreement or legislation are accounted for as deferred revenue until used for the purpose specified.

Government transfers, contributions and other amounts are received from third parties pursuant to legislation, regulation or agreement and may only be used for certain programs, in the completion of specific work, or for the purchase of tangible capital assets. In addition, certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred, services performed or the tangible capital assets are acquired.

(b) Use of Estimates

The preparation of financial statements in conformity with Canadian Public Sector Accounting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the year. Actual results could differ from these estimates.

(c) Cash and Cash Equivalents

Cash and cash equivalents are comprised of cash on hand and in bank and investments due no greater than three months from the date of acquisition or that are cashable on demand.

2. FINANCIAL INSTRUMENTS

Financial instruments include cash in bank and investments. Unless otherwise noted, it is management's opinion that the Stewart Bequest Trust is not exposed to significant interest, currency or credit risks arising from these financial instruments.

The carrying amounts reported on the statement of financial position for cash in bank and investments, approximates their fair values, due to the immediate and short term maturities of these financial instruments.

Town of RenfrewStewart Bequest TrustNotes to the Financial StatementsFor the year ended 31 December 2022

3. INVESTMENTS

The Recreational Commission of the Town of Renfrew received a bequest from the Daniel Watson Stewart Estate in 1964. The Commission is required by the terms of the Will to invest and keep invested this bequest and to use the income for improvement, benefit and maintenance of the Recreation Centre.

The investments had a market value at 31 December 2022 of \$ NIL (2021 - \$ 53,260). The investments consist of a GIC that had an interest rate of 1.3% for 2020, 1.5% for 2021 and 1.65% for 2022 and matured 29 May 2022.

	Cost 31 December <u>2022</u>	Cost 31 December <u>2021</u>	Market Value 31 December <u>2022</u>	Market Value 31 December <u>2021</u>
Investments consist of:				
Guaranteed Investment Certificates	\$ <u>-</u>	\$ <u>53,260</u>	\$ <u>-</u>	\$ <u>53,260</u>

4. CONTINGENT LIABILITIES

The nature of trust activities is such that there may be litigation pending or in prospect at any time. The Town of Renfrew Stewart Bequest Trust is not aware of any claims or possible claims as at 31 December 2022.

Renfrew Parks and Recreation Fund Raising Committee Trust

Financial Statements

For the year ended 31 December 2022



**MACKILLICAN
& ASSOCIATES**
CHARTERED PROFESSIONAL
ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Members,
Renfrew Parks and Recreation Fund Raising Committee Trust,
Members of Council, Inhabitants and Ratepayers of the
Corporation of the Town of Renfrew.

Opinion

We have audited the financial statements of the Renfrew Parks and Recreation Fund Raising Committee Trust (the Trust), which comprise the statement of financial position as at 31 December 2022, and the statement of operations and accumulated surplus for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Trust as at 31 December 2022, and its financial performance for the year then ended in accordance with Canadian Public Sector Accounting Standards (PSAS).

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 Financial Statements* section of our report. We are independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

In preparing the 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 Statements

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

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 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 we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Trust to express an opinion on the 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.

Mac Kilham + Associates

RENFREW, Ontario.
9 January 2024.

Chartered Professional Accountants,
Licensed Public Accountants.

Renfrew Parks and Recreation Fund Raising Committee Trust

Statement of Financial Position

As at 31 December 2022
(with 2021 figures for comparison)

	<u>2022</u>	<u>2021</u>
Financial assets:		
Cash	\$ 1,200	\$ 1,200
Inventory (Note 3)	10,863	5,478
Accounts receivable		320
Due from Town of Renfrew	<u>140,246</u>	<u>153,548</u>
	<u>\$ 152,309</u>	<u>\$ 160,546</u>
Liability:		
Accounts payable	<u>\$ 825</u>	<u>\$ -</u>
Net financial assets	<u>\$ 151,484</u>	<u>\$ 160,546</u>
Accumulated surplus	<u>\$ 151,484</u>	<u>\$ 160,546</u>

(See accompanying notes)

Renfrew Parks and Recreation Fund Raising Committee Trust

Statement of Operations and Accumulated Surplus

For the year ended 31 December 2022

(with 2021 figures for comparison)

	<u>2022</u>	<u>2021</u>
Revenue:		
Sales	\$ 23,022	\$ 177
Interest	4,277	1,357
Miscellaneous	<u>2,295</u>	<u>61</u>
	\$ <u>29,594</u>	\$ <u>1,595</u>
Expenses:		
Purchases for resale	\$ 11,496	\$ 49
Volunteer remuneration	1,860	
Miscellaneous	<u>300</u>	
	\$ <u>13,656</u>	\$ <u>49</u>
Excess (deficiency) of revenue over expenses	\$ 15,938	\$ 1,546
Other:		
Transfer to capital	<u>(25,000)</u>	
Change in accumulated surplus (deficit)	\$ (9,062)	\$ 1,546
Accumulated surplus at the beginning of the year	<u>160,546</u>	<u>159,000</u>
Accumulated surplus at the end of the year	<u><u>\$ 151,484</u></u>	<u><u>\$ 160,546</u></u>

(See accompanying notes)

Renfrew Parks and Recreation Fund Raising Committee Trust

Notes to the Financial Statements

For the year ended 31 December 2022

1. RENFREW PARKS AND RECREATION FUND RAISING COMMITTEE TRUST

A group of individuals have agreed to volunteer their time to raise funds to help offset some of the costs of capital projects of the Renfrew Parks and Recreation. The funds are being administered by the Town of Renfrew in a Trust format.

2. SIGNIFICANT ACCOUNTING POLICIES

Financial statements of the Renfrew Parks and Recreation Fund Raising Committee Trust are the representation of management prepared in accordance with generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada.

The focus of PSAB financial statements is on the financial position of the Renfrew Parks and Recreation Fund Raising Committee Trust and changes thereto. The Statement of Financial Position reports financial assets and liabilities. Financial assets are available to provide resources to discharge existing liabilities or finance future operations. Trust position represents the financial position of the Renfrew Parks and Recreation Fund Raising Committee Trust and is the difference between financial assets and liabilities. This information explains the Renfrew Parks and Recreation Fund Raising Committee Trust's overall future revenue requirements and its ability to finance activities and meet its obligations.

(a) Basis of Accounting

The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting recognizes revenues in the period in which transactions or events occurred that gave rise to the revenue; expenses are recognized in the period goods or services are acquired and a liability is incurred or transfers are due.

Funds from external parties and earnings thereon restricted by agreement or legislation are accounted for as deferred revenue until used for the purpose specified.

Government transfers, contributions and other amounts are received from third parties pursuant to legislation, regulation or agreement and may only be used for certain programs, in the completion of specific work, or for the purchase of tangible capital assets. In addition, certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred, services performed or the tangible capital assets are acquired.

(b) Use of Estimates

The preparation of financial statements in conformity with Canadian Public Sector Accounting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the year. Actual results could differ from these estimates.

(c) Cash and Cash Equivalents

Cash and cash equivalents are comprised of cash on hand and in bank and investments due no greater than three months from the date of acquisition or that are cashable on demand.

3. INVENTORY

Inventory held for resale is recorded at the lower of cost using the FIFO method and net realizable value.

Renfrew Parks and Recreation Fund Raising Committee Trust

Notes to the Financial Statements

For the year ended 31 December 2022

4. FINANCIAL INSTRUMENTS

Financial instruments include cash, accounts receivable, due from Town of Renfrew and accounts payable. Unless otherwise noted, it is management's opinion that the Trust is not exposed to significant interest, currency or credit risks arising from these financial instruments.

The carrying amounts reported on the statement of financial position for cash, accounts receivable, due from Town of Renfrew and accounts payable, approximates their fair values, due to the immediate and short term maturities of these financial instruments.

5. CONTINGENT LIABILITIES

The nature of Trust activities is such that there may be litigation pending or in prospect at any time. The Renfrew Parks and Recreation Fund Raising Committee Trust is not aware of any claims or possible claims as at 31 December 2022.

Town of Renfrew
Swimming Pool Trust
Financial Statements
For the year ended 31 December 2022

INDEPENDENT AUDITOR'S REPORT

To the Trustees,
Town of Renfrew Swimming Pool Trust,
Members of Council, Inhabitants and Ratepayers of the
Corporation of the Town of Renfrew.

Opinion

We have audited the financial statements of the Town of Renfrew Swimming Pool Trust (the Trust), which comprise the statement of financial position as at 31 December 2022, and the statement of operations and accumulated surplus for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Trust as at 31 December 2022, and its financial performance for the year then ended in accordance with Canadian Public Sector Accounting Standards (PSAS).

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 Financial Statements* section of our report. We are independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

In preparing the 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 Statements

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

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 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 we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Trust to express an opinion on the 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.

Mac Kilham + Associates

RENFREW, Ontario.
9 January 2024.

Chartered Professional Accountants,
Licensed Public Accountants.

Town of RenfrewSwimming Pool TrustStatement of Financial PositionFor the year ended 31 December 2022

(with 2021 figures for comparison)

	<u>2022</u>	<u>2021</u>
Financial assets:		
Cash in bank	\$ <u>37,873</u>	\$ <u>36,925</u>
Net financial assets	\$ <u>37,873</u>	\$ <u>36,925</u>
Accumulated surplus	\$ <u>37,873</u>	\$ <u>36,925</u>

Town of RenfrewSwimming Pool TrustStatement of Operations and Accumulated SurplusFor the year ended 31 December 2022

(with 2021 figures for comparison)

	<u>2022</u>	<u>2021</u>
Accumulated surplus at the beginning of the year	\$ 36,925	\$ 36,613
Interest income	<u>948</u>	<u>312</u>
Accumulated surplus at the end of the year	\$ <u>37,873</u>	\$ <u>36,925</u>

(See accompanying notes)

Town of Renfrew
Swimming Pool Trust
Notes to the Financial Statements
For the year ended 31 December 2022

1. SIGNIFICANT ACCOUNTING POLICIES

Financial statements of the Town of Renfrew Swimming Pool Trust are the representation of management prepared in accordance with generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada.

The focus of PSAB financial statements is on the financial position of the Swimming Pool Trust and changes thereto. The Statement of Financial Position reports financial assets and liabilities. Financial assets are available to provide resources to discharge existing liabilities or finance future operations. Trust position represents the financial position of the Swimming Pool Trust and is the difference between financial assets and liabilities. This information explains the Swimming Pool Trust's overall future revenue requirements and its ability to finance activities and meet its obligations.

(a) Basis of Accounting

The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting recognizes revenues in the period in which transactions or events occurred that gave rise to the revenue; expenses are recognized in the period goods or services are acquired and a liability is incurred or transfers are due.

Funds from external parties and earnings thereon restricted by agreement or legislation are accounted for as deferred revenue until used for the purpose specified.

Government transfers, contributions and other amounts are received from third parties pursuant to legislation, regulation or agreement and may only be used for certain programs, in the completion of specific work, or for the purchase of tangible capital assets. In addition, certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred, services performed or the tangible capital assets are acquired.

(b) Use of Estimates

The preparation of financial statements in conformity with Canadian Public Sector Accounting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the year. Actual results could differ from these estimates.

(c) Cash and Cash Equivalents

Cash and cash equivalents are comprised of cash on hand and in bank and investments due no greater than three months from the date of acquisition or that are cashable on demand.

2. FINANCIAL INSTRUMENT

Financial instrument includes cash in bank. Unless otherwise noted, it is management's opinion that the Swimming Pool Trust is not exposed to significant interest, currency or credit risks arising from this financial instrument.

The carrying amount reported on the statement of financial position for cash in bank, approximates its' fair value, due to the immediate and short term maturity of this financial instrument.

3. SWIMMING POOL TRUST

The Swimming Pool Trust came about as the result of a campaign to raise funds for the construction of a swimming pool. The donations have been put into a trust fund until such time as a pool may be built.

Town of RenfrewSwimming Pool TrustNotes to the Financial StatementsFor the year ended 31 December 2022**4. CONTINGENT LIABILITIES**

The nature of Trust activities is such that there may be litigation pending or in prospect at any time. The Town of Renfrew Swimming Pool Trust is not aware of any claims or possible claims as at 31 December 2022.