

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

Contents

Management's Statement of Responsibility for Financial Reporting.	2
Independent Auditor's Report	3
Financial Statements	
Statement of Financial Position	5
Statement of Operations and Accumulated Surplus	6
Statement of Change in Net Debt	7
Statement of Cash Flows	8
Notes to the Financial Statements	9

The Corporation of the Township of Conmee Management's Statement of Responsibility for Financial Reporting

December 31, 2022

The accompanying financial statements of the Corporation of the Township of Conmee are the responsibility of management and have been approved by the Mayor and Council.

These financial statements have been prepared by management in accordance with Canadian public sector accounting standards and include certain amounts based on estimates and judgments. When alternative accounting methods exist management has chosen those it deems most appropriate in the circumstances, in order to ensure that the financial statements are presented fairly, in all material respects.

In fulfilling its responsibilities and recognizing the limits inherent in all systems, the administration has developed and maintains a system of internal control designed to provide reasonable assurance that the Township's assets are safeguarded from loss and that the accounting records are a reliable basis for the preparation of the financial statements.

The Mayor and Council are responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements.

The financial statements have been reported on by the Corporation of the Township of Conmee's external auditor, BDO Canada LLP in accordance with Canadian generally accepted auditing standards. The auditor's report outlines the scope of their audit and their opinion on the presentation of the information included in the financial statements. BDO Canada LLP have access to financial management and the Mayor and Council of the Corporation of the Township of Conmee and meet when required.



Mayor



CAO/Clerk

Independent Auditor's Report

To the Members of Council of the Corporation of the Township of Conmee

Qualified Opinion

We have audited the financial statements of the Corporation of the Township of Conmee (the Township), which comprise the statement of financial position as at December 31, 2022, and the statements of operations and accumulated surplus, change in net debt, and cash flows 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 Township as at December 31, 2022, and its results of operations, its change in net debt, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified Opinion

The Township has not completed an assessment of the obligations associated with the closure and post-closure costs of its solid waste disposal facilities and, consequently, no provision for these liabilities has been made in these financial statements. It is not possible to quantify the impact of this departure from Canadian public sector accounting standards on expenses, annual surplus (deficit), and cash flows from operations for the year ended December 31, 2022, liabilities as at December 31, 2022, and accumulated surplus as at January 1, 2022 and December 31, 2022. The predecessor auditor's opinion on the financial statements for the year-ended December 31, 2021 was modified accordingly because of the possible effects of this limitation in scope.

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 Township 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 qualified opinion.

Other Matter

The financial statements for the year ended December 31, 2021 were audited by another auditor who expressed a qualified opinion on those financial statements on November 22, 2022 for reasons described in the *Basis for Qualified Opinion* section.

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

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

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

Independent Auditor's Report (cont'd)

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 Township's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Township's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Township to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

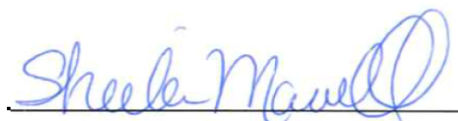
BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants

Thunder Bay, Ontario
December 20, 2023

The Corporation of the Township of Conmee Statement of Financial Position

December 31	2022	2021
Financial assets		
Cash (Note 2)	\$ 197,087	\$ -
Taxes receivable	165,289	117,029
Accounts receivable (Note 3)	197,253	183,159
	<u>559,629</u>	<u>300,188</u>
Liabilities		
Bank indebtedness	-	8,667
Accounts payable and accrued liabilities	347,034	207,807
Deferred revenue (Note 4)	259,547	165,931
Debt (Note 5)	897,649	983,353
Vested sick leave liability	3,829	16,817
	<u>1,508,059</u>	<u>1,382,575</u>
Net debt	<u>(948,430)</u>	<u>(1,082,387)</u>
Non-financial assets		
Tangible capital assets (Note 6)	2,851,491	2,976,623
Prepaid expenses	59,676	44,237
	<u>2,911,167</u>	<u>3,020,860</u>
Accumulated surplus (Note 7)	<u>\$ 1,962,737</u>	<u>\$ 1,938,473</u>



Mayor



CAO/Clerk

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

For the year ended December 31	2022 Budget	2022 Actual	2021 Actual
	(Note 10)		
Revenue			
Taxation			
Residential and farm	\$ 1,018,674	\$ 976,202	\$ 976,057
Commercial and industrial	-	16,560	16,071
User fees and service charges	15,550	9,101	9,977
Government transfers (Note 8)			
Government of Canada	51,949	-	58,413
Province of Ontario	425,668	552,397	319,676
Other			
Investment income	7,000	28,573	18,596
Other revenues	123,400	119,973	186,100
	<u>1,642,241</u>	<u>1,702,806</u>	<u>1,584,890</u>
Expenses (Note 9)			
General government	479,911	599,290	677,447
Protection services	194,084	220,900	168,144
Transportation services	289,656	531,040	485,699
Environmental services	46,695	54,752	52,659
Health services	74,666	79,363	73,132
Social and family services	82,581	82,581	80,579
Recreation and cultural services	60,850	110,366	136,195
Planning and development	250	250	250
	<u>1,228,693</u>	<u>1,678,542</u>	<u>1,674,105</u>
Annual surplus (deficit)	413,548	24,264	(89,215)
Accumulated surplus, beginning of year	<u>1,938,473</u>	<u>1,938,473</u>	<u>2,027,688</u>
Accumulated surplus, end of year	<u>\$ 2,352,021</u>	<u>\$ 1,962,737</u>	<u>\$ 1,938,473</u>

**The Corporation of the Township of Conmee
Statement of Change in Net Debt**

For the year ended December 31	2022 Budget	2022 Actual	2021 Actual
	(Note 10)		
Annual surplus (deficit)	\$ 413,548	\$ 24,264	\$ (89,215)
Acquisition of tangible capital assets	-	(24,848)	(253,274)
Amortization of tangible capital assets	-	149,980	139,832
Change in prepaid expenses	-	(15,439)	(17,629)
Net change in net debt	413,548	133,957	(220,286)
Net debt, beginning of year	(1,082,387)	(1,082,387)	(862,101)
Net debt, end of year	\$ (668,839)	\$ (948,430)	\$ (1,082,387)

The accompanying note is an integral part of these financial statements.

The Corporation of the Township of Conmee Statement of Cash Flows

For the year ended December 31	2022	2021
Operating transactions		
Annual surplus (deficit)	\$ 24,264	\$ (89,215)
Items not involving cash		
Amortization	<u>149,980</u>	<u>139,832</u>
	174,244	50,617
Changes in non-cash operating balances		
Taxes receivable	(48,260)	45,414
Accounts and grants receivable	(14,094)	33,973
Accounts payable and accrued liabilities	139,227	(4,780)
Deferred revenue	93,616	10,544
Due to trust funds	-	152
Vested sick leave liability	(12,988)	8,816
Prepaid expenses	<u>(15,439)</u>	<u>(17,629)</u>
	<u>316,306</u>	<u>127,107</u>
Capital transactions		
Acquisition of tangible capital assets	<u>(24,848)</u>	<u>(253,274)</u>
Financing transactions		
Repayment of debt	<u>(85,704)</u>	<u>(189,429)</u>
Increase (decrease) in cash (bank indebtedness) for the year	205,754	(315,596)
Cash (bank indebtedness), beginning of year	<u>(8,667)</u>	<u>306,929</u>
Cash (bank indebtedness), end of year	<u>\$ 197,087</u>	<u>\$ (8,667)</u>

The Corporation of the Township of Conmee Notes to Financial Statements

December 31, 2022

1. Significant Accounting Policies

Management's Responsibility for the Financial Statements	The financial statements of the Township are the responsibility of management. They have been prepared in accordance with Canadian generally accepted accounting principles established by the Public Sector Accounting Board of CPA Canada. The Corporation of the Township of Conmee (the "Township") is a municipality in the Province of Ontario and operates under the provisions of Provincial statutes, such as the Municipal Act and related legislation. The Township provides municipal services such as protection to persons and property, transportation, planning, recreation and other general government services.
Reporting Entity	<p>The financial statements reflect the assets, liabilities, revenue and expenses of all municipal organizations, committees and Boards which are owned or controlled by the Township.</p> <p>The Township contributes to the following joint local boards, which are not proportionately consolidated in these statements:</p> <p style="text-align: center;">Lakehead Police Services Board Lakehead Rural Planning Board Thunder Bay District Health Unit The District of Thunder Bay Social Services Administration Board</p>
Cash and Cash Equivalents	Cash and cash equivalents consist of cash on hand, balances in banks and high interest savings accounts.
Non-financial Assets	Non-financial assets are used to provide the Township's services in future periods. These assets do not normally provide resources to discharge the liabilities of the Township unless they are sold. The Township's non-financial assets include tangible capital assets and prepaid expenses.
Accounting for School Board Transactions	The Township collects taxation revenue on behalf of the school boards. The taxation, other revenue, expenses, assets and liabilities with respect to the operations of the school boards are not reflected in the current fund balances of these financial statements. Education taxes collected by the Township and over-remitted or not remitted to the respective school boards as at December 31 are reported as a financial asset or liability on the statement of financial position.

The Corporation of the Township of Conmee Notes to Financial Statements

December 31, 2022

1. Significant Accounting Policies (cont'd)

Tangible Capital Assets	<p>Tangible capital assets are recorded at cost less accumulated amortization. Cost includes all costs directly attributable to acquisition or construction of the tangible capital asset including transportation costs, installation costs, design and engineering fees, legal fees and site preparation costs. Contributed tangible capital assets are recorded at fair value at the time of the donation, with a corresponding amount recorded as revenue. Amortization is recorded on a straight-line basis over the estimated life of the tangible capital asset commencing once the assets are available for productive use as follows:</p> <table border="0" style="margin-left: 40px;"> <tr> <td>Land improvements</td> <td style="text-align: right;">-</td> <td style="text-align: right;">20 to 75 years</td> </tr> <tr> <td>Buildings</td> <td style="text-align: right;">-</td> <td style="text-align: right;">25 to 70 years</td> </tr> <tr> <td>Vehicles</td> <td style="text-align: right;">-</td> <td style="text-align: right;">10 to 20 years</td> </tr> <tr> <td>Computer equipment and software</td> <td style="text-align: right;">-</td> <td style="text-align: right;">5 years</td> </tr> <tr> <td>Machinery and equipment</td> <td style="text-align: right;">-</td> <td style="text-align: right;">10 to 25 years</td> </tr> <tr> <td>Roads</td> <td style="text-align: right;">-</td> <td style="text-align: right;">15 to 60 years</td> </tr> <tr> <td>Bridges and culverts</td> <td style="text-align: right;">-</td> <td style="text-align: right;">35 to 80 years</td> </tr> </table> <p>Assets under construction are not amortized until the asset is available for use.</p> <p>Certain assets have been assigned a nominal value because of the difficulty of determining a tenable valuation. The most significant of such assets are the Township's road allowances.</p>	Land improvements	-	20 to 75 years	Buildings	-	25 to 70 years	Vehicles	-	10 to 20 years	Computer equipment and software	-	5 years	Machinery and equipment	-	10 to 25 years	Roads	-	15 to 60 years	Bridges and culverts	-	35 to 80 years
Land improvements	-	20 to 75 years																				
Buildings	-	25 to 70 years																				
Vehicles	-	10 to 20 years																				
Computer equipment and software	-	5 years																				
Machinery and equipment	-	10 to 25 years																				
Roads	-	15 to 60 years																				
Bridges and culverts	-	35 to 80 years																				
Trust Funds	<p>Any funds held in trust by the Township, and their related operations, are not included in these financial statements. The financial activity and position of the trust funds are reported separately.</p>																					
Employee Benefits	<p>Obligations for sick leave are accrued as the eligible employees render the services necessary to earn the benefit. Vacation pay and other post-employment benefits are charged to operations in the year earned.</p>																					
Deferred Revenue	<p>Funds received for specific purposes which are externally restricted by legislation, regulation or agreement and are not available for general municipal purposes are accounted for as deferred revenue on the statement of financial position. The revenue is recognized in the statement of operations in the year in which it is used for the specified purpose.</p>																					

The Corporation of the Township of Conmee Notes to Financial Statements

December 31, 2022

1. Significant Accounting Policies (cont'd)

Landfill Closure and Post-Closure Liability	The obligation to close and maintain solid waste landfill sites should be based on the estimated future expenses in current dollars, adjusted for estimated inflation and is charged to expense as the landfill site's capacity is used. However, an assessment has not been made of the obligations associated with the closure and post-closure period and, as a result, no liability has been recorded. There is one active landfill and another that has been closed for a number of years.
Revenue Recognition	<p>User charges and fees are recognized as revenue in the period in which the related services are performed. Amounts collected for which the related services have yet to be performed are recognized as a liability and recognized as revenue when the related services are performed.</p> <p>Interest is recognized as it is earned.</p> <p>Funds received, other than government transfers and tax revenue, for specific purposes which are externally restricted by legislation, regulation or agreement and are not available for general purposes are accounted for as deferred revenue on the statement of financial position. The revenue is recognized in the statement of operations and accumulated surplus in the year in which it is used for the specified purpose.</p>
Government Transfers	Government transfers, which include legislative grants, are recognized in the financial statements in the period in which events giving rise to the transfers occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amount can be made unless the transfer contains stipulations that create a liability. If the transfer contains stipulations that create a liability, the related revenue is recognized over the period that the liability is extinguished.
Taxation Revenue	Taxes are recorded at estimated amounts when they meet the definition of an asset, have been authorized and the taxable event occurs. For property taxes, the taxable event is the period for which the tax is levied. As taxes recorded are initially based on management's best estimate of the taxes that will be received, it is possible that changes in future conditions, such as reassessments due to audits, appeals and court decisions, could result in a change in the amount of tax revenue recognized. Taxes receivable are recognized net of an allowance for anticipated uncollectable amounts.

The Corporation of the Township of Conmee Notes to Financial Statements

December 31, 2022

1. Significant Accounting Policies (cont'd)

Use of Estimates The preparation of financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future. Significant estimates in these financial statements include assumptions used in estimating provisions for doubtful taxes and accounts receivable and useful lives of tangible capital assets.

Liability for Contaminated Sites A contaminated site is a site at which substances occur in concentrations that exceed the maximum acceptable amounts under an environmental standard. Sites that are currently in productive use are only considered a contaminated site if unexpected events result in contamination. A liability for remediation of contaminated sites is recognized when the Township is directly responsible or accepts responsibility; it is expected that future economic benefits will be given up; and a reasonable estimate of the amount can be made. The liability includes all costs directly attributable to remediation activities including post remediation operations, maintenance and monitoring. The liability is recorded net of any expected recoveries.

2. Cash

The Township's credit facilities include a revolving demand line of credit with authorized credit of \$300,000 which carries interest at prime less 0.50%. As at December 31, 2022, the Township utilized \$nil (2021 - \$121,772) of this facility. The prime rate was 6.45% at December 31, 2022 and the interest rate on the credit facility is 5.95% at year-end.

3. Accounts Receivable

	2022	2021
Ministry of Municipal Affairs and Housing	\$ 140,153	\$ -
Northern Ontario Heritage Fund Corporation	14,809	-
Other	-	8,227
Public service bodies' rebate (HST)	42,291	174,932
	\$ 197,253	\$ 183,159

The Corporation of the Township of Conmee Notes to Financial Statements

December 31, 2022

4. Deferred Revenue

	2022	2021
Canada Community Building Fund (previously Federal Gas Tax)	\$ 204,498	\$ 147,674
Main Streets Revitalization	18,255	18,257
Ontario Community Infrastructure Fund	36,794	-
	\$ 259,547	\$ 165,931

The net change during the year in the deferred revenue is made up as follows:

	2022	2021
Balance, beginning of year	\$ 165,931	\$ 155,387
Transfers from revenue	93,616	151,890
Transfers to revenue	-	(141,346)
	\$ 259,547	\$ 165,931

5. Debt

	2022	2021
TD Canada Trust		
Term loan payable in blended monthly installments of \$1,140 including interest at 6.433%, maturing September 30, 2039	\$ 161,618	\$ 168,443
Term loan payable in blended monthly installments of \$1,162 including interest at 3.921% maturing December 15, 2041	186,518	193,009
Term loan payable in blended monthly installments of \$3,221 including interest at 6.411% maturing September 25, 2032	305,410	329,179
Term loan payable	-	1,546
Infrastructure Ontario		
Debenture payable in semi-annual installments of \$25,112 including interest at 1.22%, maturing August 4, 2027	244,103	291,176
	\$ 897,649	\$ 983,353

**The Corporation of the Township of Conmee
Notes to Financial Statements**

December 31, 2022

5. Debt (con'td)

Principal repayments relating to the long-term debt over the next five years and thereafter are as follows:

Year	Amount
2023	\$ 76,392
2024	78,666
2025	81,049
2026	83,548
2027	86,169
Thereafter	<u>491,825</u>
	<u>\$ 897,649</u>

**The Corporation of the Township of Conmee
Notes to Financial Statements**

December 31, 2022

6. Tangible Capital Assets

	General					Infrastructure						2022 Total	2021 Total
	Land and Land Improvements	Buildings	Vehicles	Computer Equipment and Software	Machinery and Equipment	Land and Land Improvements	Buildings	Vehicles	Roads	Machinery and Equipment	Bridges and Culverts		
Cost, beginning of year	\$ 445,325	\$ 1,566,029	\$ 439,255	\$ 19,314	\$ 582,292	\$ 21,375	\$ 50,357	\$ 380,542	\$ 703,265	\$ 653,018	\$ 418,388	\$ 5,279,160	\$ 5,025,886
Additions	-	12,375	-	-	12,473	-	-	-	-	-	-	24,848	253,274
Cost, end of year	445,325	1,578,404	439,255	19,314	594,765	21,375	50,357	380,542	703,265	653,018	418,388	5,304,008	5,279,160
Accumulated amortization, beginning of year	203,269	396,703	269,102	19,314	191,091	19,192	29,998	253,889	456,565	318,311	145,103	2,302,537	2,162,705
Amortization	10,087	33,873	2,698	-	52,710	-	612	25,854	19,978	-	4,168	149,980	139,832
Accumulated amortization, end of year	213,356	430,576	271,800	19,314	243,801	19,192	30,610	279,743	476,543	318,311	149,271	2,452,517	2,302,537
Net carrying amount, end of year	\$ 231,969	\$ 1,147,828	\$ 167,455	\$ -	\$ 350,964	\$ 2,183	\$ 19,747	\$ 100,799	\$ 226,722	\$ 334,707	\$ 269,117	\$ 2,851,491	\$ 2,976,623

The Corporation of the Township of Conmee Notes to Financial Statements

December 31, 2022

7. Accumulated Surplus

The Township segregates its accumulated surplus into the following categories:

	2022	2021
Surpluses (deficits)		
General fund	\$ (258,900)	\$ (309,604)
Investment in tangible capital assets	2,851,491	2,976,623
Unfunded debt		
Employee benefits - vested sick leave	(3,829)	(16,817)
Debt	(897,649)	(983,353)
	1,691,113	1,666,849
Reserves set aside for specific purposes by Council		
For working capital	222,660	222,660
Reserve funds set aside for specific purposes by Council		
For landfill closure and post-closure liability	39,853	39,853
For sick leave	8,705	8,705
For operating	406	406
	48,964	48,964
Accumulated surplus	\$ 1,962,737	\$ 1,938,473

The investment in tangible capital assets represents amounts already spent and invested in infrastructure and other non-financial assets.

Reserves and reserve funds represent a portion of accumulated surplus set aside by By-law or Council resolution for specific purposes.

The Corporation of the Township of Conmee Notes to Financial Statements

December 31, 2022

8. Government Transfers

	Budget 2022	2022	2021
Federal			
AMO - Canada Community-Building Fund	\$ 51,949	\$ -	\$ 58,413
Provincial			
Ministry of Northern Development, Mines, Natural Resources and Forestry	123,443	123,443	-
Ministry of Municipal Affairs and Housing	-	140,153	47,085
Ministry for Seniors and Accessibility	-	10,234	-
Northern Ontario Heritage Fund Corporation	-	63,136	-
Ontario Community Infrastructure Fund	100,000	13,206	58,082
Ontario Municipal Partnership Fund	201,000	201,000	203,300
Other	1,225	1,225	11,209
	425,668	552,397	319,676
	\$ 477,617	\$ 552,397	\$ 378,089

9. Expenses By Object

	Budget 2022	2022	2021
Salaries, wages and employee benefits	\$ 512,891	\$ 501,264	\$ 466,944
Interest on long-term debt	-	32,667	39,084
Materials and supplies	391,017	597,429	619,796
Contracted services	158,458	219,244	247,392
Financial	4,000	7,918	2,581
External transfers	162,327	170,040	158,476
Amortization	-	149,980	139,832
	\$ 1,228,693	\$ 1,678,542	\$ 1,674,105

The Corporation of the Township of Conmee Notes to Financial Statements

December 31, 2022

10. Budget

The Financial Plan (Budget) By-Law adopted by Council on April 26, 2022 was not prepared on a basis consistent with that used to report actual results (Canadian public sector accounting standards). The budget was prepared on a modified accrual basis, while Canadian public sector accounting standards require a full accrual basis. The budget expensed all tangible capital expenses rather than including amortization expense. In addition, the budget expensed principal debt repayment as well as reserve transfers. As a result, the budget figures presented in the statements of operations and accumulated surplus and changes in net debt represent the Financial Plan adopted by Council on April 26, 2022, with adjustments as follows:

Financial Plan (Budget) Bylaw surplus for the year	\$ -
Add:	
Capital expenses	35,000
Budgeted transfers to reserves	254,740
Debt repayment	123,808
	123,808
Budget surplus per statement of operations	\$ 413,548

11. Trust Funds

The trust funds administered by the Township amounting to \$24,627 (2021 - \$23,742) have not been included in the statement of financial position nor have the operations been included in the statement of operations and accumulated surplus.

12. Comparative Figures

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

13. Segmented Information

The Corporation of the Township of Conmee provides a wide range of services to its citizens. Distinguishable functional segments have been separately disclosed in the segmented information. The nature of the segments and the activities they encompass are as follows:

a) General Government

General government is comprised of various administrative services including general administration, finance, and the services of the Mayor and Council. Township office staff provide a variety of services for citizens plus provide support for other departments and programs. Assessment services, provided by Municipal Property Assessment Corporation, are responsible for providing services to both citizens and the Township.

The Corporation of the Township of Conmee Notes to Financial Statements

December 31, 2022

13. Segmented Information (cont'd)

b) Protection Services

Protection services include fire, police, 911 and building inspection. Services provided by Lakehead Region Conservation Authority are also included. The volunteer fire department is responsible for fire suppression, being the first response to emergencies in the Township, fire prevention programs and training and education related to prevention, detection or extinguishment of fires. It is responsible for staffing, training, and the maintenance of the fire halls, fleet, and personal protective and fire fighting equipment. Police services are contracted through the Ontario Provincial Police. Building inspections are completed to ensure compliance with building code and zoning requirements.

c) Transportation Services

Transportation services include roadway maintenance of the Township roadway systems, culverts, brushing, dust suppressant, flood and winter control that includes plowing and salt/sand application. Included in this segment is maintenance of all public works equipment and the garage.

d) Environmental Services

The Township provides waste disposal at a landfill site and includes recycling and landfill site operations and waste minimization programs.

e) Health Services

Health services include public health services and ambulance services. Public health services cover the Township's contribution to the activities to the Thunder Bay District Health Unit. The Thunder Bay District Health Unit provides health information and prevention-related clinical services; advocates for healthy public policy; investigates reportable diseases; and upholds regulations that apply to public health. This reporting segment also covers the operation and maintenance of the Conmee Cemetery.

f) Social and Family Services

Social and family services represent the Township's contribution to the activities of the District of Thunder Bay Social Services Administration Board ("TBDSSAB"). TBDSSAB is responsible for Ontario Works program delivery, child care services and social housing.

g) Recreational and Cultural Services

Recreation and cultural services include recreation facilities, operation and maintenance of the Municipal Complex and public library services. The Township provides for the development and maintenance of various recreational facilities. The public library services are contracted with the Oliver-Paipouge Public Library Board and provides community access to local and global information resources that support lifelong learning, research and leisure activities.

The Corporation of the Township of Conmee Notes to Financial Statements

December 31, 2022

13. Segmented Information (cont'd)

h) Planning and Development

Planning and development manages rural development for business interest, environmental concerns, local community, and overall planning and community development including approval of all land development plans. The Township's contributions to the activities of the Lakehead Rural Planning Board are included in planning activities.

The accounting policies of the segments are the same as those described in the summary of significant accounting policies.

**The Corporation of the Township of Connee
Notes to Financial Statements**

December 31, 2022

13. Segmented Information (cont'd)

	General Government	Protection Services	Transportation Services	Environmental Services	Health Services	Social and Family Services	Recreation and Cultural Services	Planning and Development	2022 Total
Revenue									
Taxation	\$ 992,762	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	992,762
Government transfers - operating	264,136	-	276,803	-	-	10,233	1,225	-	552,397
User fees and service charges	-	-	-	5,066	85	-	3,950	-	9,101
Investment income	28,573	-	-	-	-	-	-	-	28,573
Other revenues	109,338	-	-	-	-	-	10,635	-	119,973
	<u>1,394,809</u>	<u>-</u>	<u>276,803</u>	<u>5,066</u>	<u>85</u>	<u>10,233</u>	<u>15,810</u>	<u>-</u>	<u>1,702,806</u>
Expenses									
Salaries, wages and employee benefits	298,285	23,444	156,611	16,800	-	-	6,124	-	501,264
Interest on long-term debt	32,667	-	-	-	-	-	-	-	32,667
Materials and supplies	127,337	67,666	305,008	28,813	245	-	68,360	-	597,429
Contracted services	64,786	117,568	-	8,700	-	-	28,190	-	219,244
Financial	7,918	-	-	-	-	-	-	-	7,918
External transfers	-	5,641	-	-	79,118	82,581	2,450	250	170,040
Amortization	68,297	6,581	69,421	439	-	-	5,242	-	149,980
	<u>599,290</u>	<u>220,900</u>	<u>531,040</u>	<u>54,752</u>	<u>79,363</u>	<u>82,581</u>	<u>110,366</u>	<u>250</u>	<u>1,678,542</u>
Annual surplus (deficit)	<u>\$ 795,519</u>	<u>\$ (220,900)</u>	<u>\$ (254,237)</u>	<u>\$ (49,686)</u>	<u>\$ (79,278)</u>	<u>\$ (72,348)</u>	<u>\$ (94,556)</u>	<u>\$ (250)</u>	<u>\$ 24,264</u>

**The Corporation of the Township of Conmee
Notes to Financial Statements**

December 31, 2022

13. Segmented Information (cont'd)

	General Government	Protection Services	Transportation Services	Environmental Services	Health Services	Social and Family Services	Recreation and Cultural Services	Planning and Development	2021 Total
Revenue									
Taxation	\$ 992,128	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	992,128
Government transfers - operating	261,713	-	116,376	-	-	-	-	-	378,089
User fees and service charges	-	-	4,106	4,241	1,755	-	(125)	-	9,977
Investment income	18,596	-	-	-	-	-	-	-	18,596
Other revenues	186,100	-	-	-	-	-	-	-	186,100
	<u>1,458,537</u>	<u>-</u>	<u>120,482</u>	<u>4,241</u>	<u>1,755</u>	<u>-</u>	<u>(125)</u>	<u>-</u>	<u>1,584,890</u>
Expenses									
Salaries, wages and employee benefits	226,508	23,195	192,801	14,323	-	-	10,117	-	466,944
Interest on long-term debt	39,084	-	-	-	-	-	-	-	39,084
Materials and supplies	185,709	59,512	232,754	25,816	-	-	116,005	-	619,796
Contracted services	155,989	74,341	-	12,081	-	-	4,981	-	247,392
Financial	2,581	-	-	-	-	-	-	-	2,581
External transfers	-	4,515	-	-	73,132	80,579	-	250	158,476
Amortization	67,576	6,581	60,144	439	-	-	5,092	-	139,832
	<u>677,447</u>	<u>168,144</u>	<u>485,699</u>	<u>52,659</u>	<u>73,132</u>	<u>80,579</u>	<u>136,195</u>	<u>250</u>	<u>1,674,105</u>
Annual surplus (deficit)	<u>\$ 781,090</u>	<u>\$ (168,144)</u>	<u>\$ (365,217)</u>	<u>\$ (48,418)</u>	<u>\$ (71,377)</u>	<u>\$ (80,579)</u>	<u>\$ (136,320)</u>	<u>\$ (250)</u>	<u>\$ (89,215)</u>