

CORPORATION OF THE TOWNSHIP OF RAMARA

CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2022

CORPORATION OF THE TOWNSHIP OF RAMARA

CONSOLIDATED FINANCIAL STATEMENTS

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CORPORATION OF THE TOWNSHIP OF RAMARA

For The Year Ended December 31, 2022

MANAGEMENT REPORT

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


The consolidated financial statements have been prepared by management in accordance with Canadian Public Sector Accounting Standards. Financial statements are not precise since they include certain amounts based on estimates and judgements. 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.

The Township maintains systems of internal accounting and administrative controls of high quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the Township's assets are appropriately accounted for and adequately safeguarded.

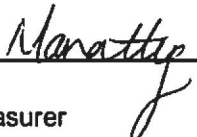
The Township's Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving financial statements.

Council reviews and approves the Township's financial statements for issuance to the members of Council, inhabitants and ratepayers of the Corporation of the Township of Ramara. Council meets periodically with management, as well as the external auditor, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities and to review the financial statements and the independent auditor's report.

The consolidated financial statements have been audited by Baker Tilly KDN LLP in accordance with Canadian generally accepted auditing standards on behalf of the Township. Baker Tilly KDN LLP has full and free access to Council.



Mayor



Treasurer

June 26, 2023

INDEPENDENT AUDITOR'S REPORT

To the Members of Council, Inhabitants and Ratepayers of the Corporation of the Township of Ramara

Opinion

We have audited the consolidated financial statements of the Corporation of the Township of Ramara and its local boards (the Township), which comprise the consolidated statement of financial position as at December 31, 2022, the consolidated statements of operations and accumulated surplus, change in net financial assets and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Township as at December 31, 2022, and the results of its consolidated operations and its consolidated cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

Basis for Opinion

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Township's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Township to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the consolidated financial information of the entities or business activities within the Township to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

Baker Tilly KDN LLP

Chartered Professional Accountants
Licensed Public Accountants

Peterborough, Ontario
June 26, 2023

CORPORATION OF THE TOWNSHIP OF RAMARA

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At December 31, 2022

	2022	2021
	\$	\$
FINANCIAL ASSETS		
Cash	16,079,829	16,238,781
Accounts receivable	3,066,012	2,338,539
Taxes receivable	2,406,289	2,133,162
Land held for sale	1,136,579	493,828
Long-term receivables (note 3)	1,553,807	1,639,497
Investments (note 4)	5,000,000	5,000,000
TOTAL FINANCIAL ASSETS	29,242,516	27,843,807
LIABILITIES		
Accounts payable and accrued liabilities	5,352,808	4,607,539
Deferred revenue - obligatory reserve funds (note 6)	5,017,615	4,507,564
Deferred revenue - other (note 5)	941,128	673,870
Long term debt (note 7)	8,826,902	9,167,167
TOTAL LIABILITIES	20,138,453	18,956,140
NET FINANCIAL ASSETS	9,104,063	8,887,667
NON-FINANCIAL ASSETS		
Tangible capital assets (note 8)	58,216,013	55,773,422
Prepaid expenses	359,748	314,152
TOTAL NON-FINANCIAL ASSETS	58,575,761	56,087,574
ACCUMULATED SURPLUS (note 9)	67,679,824	64,975,241

The accompanying notes are an integral part of these financial statements

CORPORATION OF THE TOWNSHIP OF RAMARA

CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS

For the Year Ended December 31, 2022

	Budget 2022 \$ (Unaudited)	Actual 2022 \$	Actual 2021 \$
REVENUES			
Property taxation	14,683,861	14,840,444	14,068,898
User charges	4,670,290	4,910,501	4,499,368
Government of Canada	40,000	107,993	116,621
Province of Ontario	2,427,470	1,428,263	1,512,224
Other municipalities	110,000	49,603	75,263
Penalties and interest on taxes	350,000	391,632	351,250
Investment income	97,913	340,216	63,951
Sale of land and other sales	1,000	3,576	180,113
Capital contributions	5,000	5,842	3,895
Developer contributions earned	-	-	161,798
Canada Community-Building Fund earned	-	222,004	109,989
Gain/(loss) on disposal of tangible capital assets	-	23,658	(163,322)
Other	144,836	322,562	236,904
TOTAL REVENUES	22,530,370	22,646,294	21,216,952
EXPENSES			
General government	2,642,063	2,984,088	3,000,253
Protection services	4,385,255	4,356,521	4,533,515
Transportation services	6,249,655	6,037,671	4,741,339
Environmental services	3,426,504	3,710,939	3,447,680
Health services	109,978	122,008	(2,354)
Recreation and cultural services	1,627,124	1,549,716	1,372,204
Planning and development	386,235	1,180,768	688,290
TOTAL EXPENSES	18,826,814	19,941,711	17,780,927
ANNUAL SURPLUS	<u>3,703,556</u>	2,704,583	3,436,025
ACCUMULATED SURPLUS - beginning of year		64,975,241	61,539,216
ACCUMULATED SURPLUS - end of year		67,679,824	64,975,241

The accompanying notes are an integral part of these financial statements

CORPORATION OF THE TOWNSHIP OF RAMARA

CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS

For the Year Ended December 31, 2022

	Budget 2022 \$ (Unaudited)	Actual 2022 \$	Actual 2021 \$
ANNUAL SURPLUS	3,703,556	2,704,583	3,436,025
Amortization of tangible capital assets	2,597,402	2,656,226	2,597,402
Purchase of tangible capital assets	(11,253,700)	(5,143,062)	(3,187,823)
Loss/(gain) on disposal of tangible capital assets	-	(23,658)	163,322
Proceeds on sale of tangible capital assets	-	67,903	50,527
Change in prepaid expenses	-	(45,596)	216,446
INCREASE/(DECREASE) IN NET FINANCIAL ASSETS	(4,952,742)	216,396	3,275,899
NET FINANCIAL ASSETS - beginning of year	8,887,667	8,887,667	5,611,768
NET FINANCIAL ASSETS - end of year	3,934,925	9,104,063	8,887,667

The accompanying notes are an integral part of these financial statements

CORPORATION OF THE TOWNSHIP OF RAMARA

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2022

	2022	2021
	\$	\$
CASH PROVIDED BY (USED IN)		
OPERATING ACTIVITIES		
Annual surplus	2,704,583	3,436,025
Items not involving cash		
Amortization of tangible capital assets	2,656,226	2,597,402
Loss/(gain) on disposal of tangible capital assets	(23,658)	163,322
Change in non-cash assets and liabilities		
Accounts receivable	(727,473)	(224,496)
Taxes receivable	(273,127)	900,094
Land held for sale	(642,751)	87,014
Long-term receivables	85,690	83,144
Prepaid expenses	(45,596)	216,446
Accounts payable and accrued liabilities	745,269	(1,412,963)
Deferred revenue - obligatory reserve funds	510,051	1,124,170
Deferred revenue - other	267,258	398,840
Net change in cash from operating activities	5,256,472	7,368,998
CAPITAL ACTIVITIES		
Purchase of tangible capital assets	(5,143,062)	(3,187,823)
Proceeds on disposal of tangible capital assets	67,903	50,527
Net change in cash from capital activities	(5,075,159)	(3,137,296)
FINANCING ACTIVITIES		
Debt principal repayments	(340,265)	(325,712)
NET CHANGE IN CASH	(158,952)	3,905,990
CASH - beginning of year	16,238,781	12,332,791
CASH - end of year	16,079,829	16,238,781

The accompanying notes are an integral part of these financial statements

CORPORATION OF THE TOWNSHIP OF RAMARA

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2022

The Township of Ramara is a lower tier municipality in the Province of Ontario, Canada. It conducts its operations guided by the provisions of provincial statutes such as the Municipal Act, Municipal Affairs Act and related legislation.

1. SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. Significant aspects of the accounting policies are as follows:

(a) Reporting Entity

These consolidated financial statements reflect the assets, liabilities, revenues and expenses and accumulated surplus of the reporting entity.

The reporting entity is comprised of all organizations, committees and local boards accountable for the administration of their financial affairs and resources to the Township and which are owned and controlled by the Township. These consolidated financial statements include:

- Ramara Township Public Library Board
- Lagoon City Parks & Waterways

All interfund assets and liabilities and revenues and expenses are eliminated.

(b) Trust Funds

Trust funds and their related operations administered by the Township are not included in these consolidated financial statements but are reported on separately on the Trust Funds Statement of Continuity and Statement of Financial Position.

(c) Tangible Capital Assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. Initial costs for tangible capital assets that were acquired or developed prior to 2009 were obtained using historical cost information or using current fair market values discounted by a relevant inflation factor to the point of acquisition. The cost, less residual value, if any, of tangible capital assets is amortized on a straight-line basis, over the expected useful life of the asset, as follows:

Land improvements	10-40 years
Buildings and structures	20-60 years
Furniture and office equipment	4-10 years
Machinery and equipment	5-30 years
Vehicles	8-20 years
Roads and bridges	20-50 years
Water and sewer	10-90 years
Parks and waterways	10-50 years

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and are also recorded as revenue.

Tangible capital assets categorized as assets under construction are not amortized until they are put into service.

CORPORATION OF THE TOWNSHIP OF RAMARA

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2022

1. SIGNIFICANT ACCOUNTING POLICIES, continued

(d) Recognition of Revenues and Expenses

Revenues and expenses are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues in the period in which the transactions or events occurred that give rise to the revenue; expenses are recognized in the period the goods or services are acquired and a legal liability is incurred or transfers are due.

Taxation

Property tax billings are prepared by the Township based on assessment rolls issued by the Municipal Property Assessment Corporation (MPAC) and in accordance with the provisions of the Municipal Act, 2001. The Township's Council establishes the tax rates annually, incorporating amounts to be raised for local services, and amounts the Township is required to collect on behalf of the County and School Boards. From time to time property assessments are adjusted by MPAC through the reconsideration process or by the Assessment Review Board through the appeal process. Additional assessments, referred to as supplementary and omitted assessment can also be issued by MPAC in accordance with the Assessment Act. These adjustments and additional assessments are reported in the financial statements when amounts can be reasonably determined.

The Township is entitled to collect interest and penalties on overdue taxes. These revenues are recorded in the period the interest and penalties are levied.

Government Funding

Government funding is recognized in the financial statements as revenues 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 amounts can be made.

Other revenue

User charges are recognized as revenue in the year the goods and services are provided, with the exception of building permits that are recognized when the permits are issued.

Investment income is recorded when earned.

Canada Community-Building Fund, development charges and parkland fees are recognized in the period in which the related expenditures are recorded.

Sale of land and other sales are recognized as revenue when the transactions are legally completed.

Capital contributions are earned as amounts are billed to residents.

(e) Non-financial Assets

Tangible capital and other non-financial assets are accounted for as assets by the Township because they can be used to provide services in future periods. These assets do not normally provide resources to discharge the liabilities of the Township unless they are sold.

(f) Reserves and Reserve Funds

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

CORPORATION OF THE TOWNSHIP OF RAMARA

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2022

1. SIGNIFICANT ACCOUNTING POLICIES, continued

(g) Use of Estimates

Certain items recognized in the consolidated financial statements are subject to measurement uncertainty. The recognized amounts of such items are based on the Township's best information and judgment. By their nature, these estimates are subject to measurement uncertainty and the effect on the consolidated financial statements or changes in such estimates in future periods could be significant. The Township's significant estimates include:

- The amounts recorded for amortization of tangible capital assets are based on estimates of useful life and residual values; and
- The amount recorded as allowance for doubtful accounts receivable is based on management's estimate of future payments on receivable account balances.

2. OPERATIONS OF SCHOOL BOARDS AND THE COUNTY OF SIMCOE

During 2022, requisitions were made by the County of Simcoe and School Boards requiring the Township to collect property taxes and payments in lieu of property taxes on their behalf. The amounts collected and remitted are as follows:

	School Boards \$	County \$
Amounts requisitioned and remitted	4,499,478	7,035,906

These amounts have not been included in the Consolidated Statement of Operations and Accumulated Surplus.

3. LONG-TERM RECEIVABLES

Long-term receivables consist of the following:

	2022 \$	2021 \$
Brechin sewer assessment	1,489,536	1,568,003
Bayview Drive watermain extension	64,271	71,494
	1,553,807	1,639,497

4. INVESTMENTS

Investments consist of CIBC principal protected notes recorded at cost, with a market value of \$5,107,170.

CORPORATION OF THE TOWNSHIP OF RAMARA

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2022

5. DEFERRED REVENUE - OTHER

Included in deferred revenue - other are the following amounts:

	2022	2021
	\$	\$
Deposits on land sales	184,150	174,150
Provincial - OCIF	528,068	204,610
Provincial - Safe Restart	73,985	131,685
Provincial - Modernization	45,500	45,500
Provincial - OCLIF	27,717	27,717
Federal - Accessibility	72,476	72,476
Other	9,232	17,732
	941,128	673,870

The continuity of deferred revenue - other is as follows:

	2022	2021
	\$	\$
Balance - beginning of year	673,870	275,030
Add amounts received:		
Provincial - OCIF	513,080	223,695
Provincial - Safe Restart	-	321,808
Provincial - Modernization	-	45,500
Deposits on land sales	10,000	65,500
Federal - Accessibility	-	81,456
Interest	10,325	463
Other	-	6,984
	533,405	745,406
Less transfer to operations:		
Provincial - OCIF	199,947	126,632
Provincial - Safe Restart	57,700	190,123
Provincial - Mainstreet	-	20,831
Federal - Accessibility	-	8,980
Other	8,500	-
	266,147	346,566
Balance - end of year	941,128	673,870

CORPORATION OF THE TOWNSHIP OF RAMARA

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2022

6. DEFERRED REVENUE - OBLIGATORY RESERVE FUNDS

A requirement of the Chartered Professional Accountants Canada Public Sector Accounting Handbook, is that obligatory reserve funds be reported as deferred revenue. This requirement is in place as legislation and external agreements restrict how these funds may be used and under certain circumstances these funds may possibly be refunded. The balances in the obligatory reserve funds of the Township are summarized below:

	2022	2021
	\$	\$
Development charges	3,042,711	2,655,069
Parkland	169,109	158,482
Canada Community-Building Fund	1,805,795	1,694,013
	<u>5,017,615</u>	<u>4,507,564</u>

The continuity of deferred revenue - obligatory reserve funds is as follows:

	2022	2021
	\$	\$
Balance - beginning of year	4,507,564	3,383,394
Add amounts received:		
Development charges	338,524	769,892
Parkland	7,700	10,700
Canada Community-Building Fund	300,913	590,190
Interest	84,918	25,175
	<u>732,055</u>	<u>1,395,957</u>
Less transfer to operations:		
Development charges earned	-	161,798
Canada Community-Building Fund earned	222,004	109,989
	<u>222,004</u>	<u>271,787</u>
Balance - end of year	<u>5,017,615</u>	<u>4,507,564</u>

CORPORATION OF THE TOWNSHIP OF RAMARA

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2022

7. LONG TERM DEBT

- (a) The balance of long term debt reported on the Consolidated Statement of Financial Position is made up of the following:

	2022	2021
	\$	\$
Debenture issued to the Ontario Infrastructure Projects Corporation repayable in semi-annual blended instalments of \$188,261, interest at 5.91% per annum, due December 1, 2038	3,862,027	4,003,982
Debenture issued to the Ontario Infrastructure Projects Corporation repayable in semi-annual blended instalments of \$81,659, interest at 2.8% per annum, due August 3, 2038	2,094,596	2,197,107
Debenture issued to the Ontario Infrastructure Projects Corporation repayable in semi-annual blended instalments of \$106,600, interest at 3.99% per annum, due May 1, 2042	2,870,279	2,966,078
	8,826,902	9,167,167

- (b) The long term debt in (a) issued in the name of the Township have been approved by by-law. The annual principal and interest payments required to service these liabilities are within the annual debt repayment limit prescribed by the Ministry of Municipal Affairs and Housing.
- (c) The Township acts as a collection agency for the Province of Ontario for tile drainage loans for individual ratepayers. The value of these loans outstanding at December 31, 2022 is \$171,419 (2021 - \$86,634). These loans and the related repayments are not reported on the Consolidated Statements of Financial Position, Operations and Accumulated Surplus Change in Net Financial Assets and Cash Flows.
- (d) Interest paid during the year on long term debt amounted to \$370,405 (2021 - \$383,789).
- (e) The long term debt reported in (a) of this note is repayable as follows:

	Principal	Interest	Total
	\$	\$	\$
2023	355,529	397,511	753,040
2024	371,542	381,498	753,040
2025	388,340	364,700	753,040
2026	405,967	347,073	753,040
2027	424,466	328,574	753,040
2028 and subsequent years	6,881,058	2,148,590	9,029,648
	8,826,902	3,967,946	12,794,848

CORPORATION OF THE TOWNSHIP OF RAMARA

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2022

8. TANGIBLE CAPITAL ASSETS

The net book value of the Township's tangible capital assets are:

	2022	2021
	\$	\$
General		
Land and land improvements	15,213,128	15,130,299
Buildings and structures	6,366,268	6,385,912
Furniture and office equipment	250,980	291,342
Machinery and equipment	7,118,891	6,135,170
Vehicles	2,826,106	3,056,039
Infrastructure		
Roads and bridges	13,604,258	11,382,286
Water and sewer	10,452,608	10,885,008
Parks and waterways	541,328	466,384
	56,373,567	53,732,440
Assets under construction	1,842,446	2,040,982
	58,216,013	55,773,422

For additional information, see the Consolidated Schedule of Tangible Capital Assets.

During the year there were no write-downs of assets (2021 - \$Nil) and no interest capitalized (2021 - \$Nil).

Tangible capital assets allocated by segment are as follows:

	2022	2021
	\$	\$
General government	5,320,234	5,417,002
Protection services	4,316,626	4,218,463
Transportation services	23,430,809	21,414,491
Environmental services	17,836,277	17,907,623
Health services	125,925	130,003
Recreation and cultural services	7,186,142	6,685,840
	58,216,013	55,773,422

CORPORATION OF THE TOWNSHIP OF RAMARA

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2022

9. ACCUMULATED SURPLUS

Accumulated surplus consists of the following:

	2022	2021
	\$	\$
Surplus/(Deficit)		
Sewage works	2,412,983	2,526,014
Brechin sewers	(3,200,248)	(3,200,248)
Equity in land held for sale	438,994	(229,397)
	(348,271)	(903,631)
Invested In Capital Assets		
Tangible capital assets - net book value	58,216,013	55,773,422
Long term debt related to tangible capital asset acquisition	(8,129,318)	(8,443,942)
Unfunded capital	(167,645)	(167,645)
	49,919,050	47,161,835
Surplus	49,570,779	46,258,204
Reserves		
Working capital	5,353,634	6,119,634
Contingencies	364,634	364,634
Rate stabilization	812,858	812,858
Municipal projects	573,442	613,342
Mosquito control	44,599	41,364
Waterworks	705,281	1,174,301
Capital expenditures - Township	8,935,567	8,336,104
Capital expenditures - Library	95,803	102,167
Total Reserves	16,885,818	17,564,404
Reserve Funds		
Equipment and housing	125,164	122,891
Library expansion	45,415	44,590
Lagoon City Parks and Waterway	1,052,648	985,152
Total Reserve Funds	1,223,227	1,152,633
	67,679,824	64,975,241

CORPORATION OF THE TOWNSHIP OF RAMARA

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2022

10. BUDGET FIGURES

The budget, approved by the Township, for 2022 is reflected on the Consolidated Statement of Operations and Accumulated Surplus and the Consolidated Statement of Change in Net Financial Assets. The budget established for capital investment in tangible capital assets are on a project-oriented basis, the costs of which may be carried out over one or more years and, therefore, may not be comparable with current year's actual amounts. Budget figures have been reclassified for the purposes of these financial statements to comply with PSA reporting requirements. Budget figures are not subject to audit.

11. EXPENSES BY OBJECT

The expenses for the year reported on the Consolidated Statement of Operations and Accumulated Surplus by object are as follows:

	Budget 2022 \$ (Unaudited)	Actual 2022 \$	Actual 2021 \$
Salaries and benefits	5,999,612	6,333,385	6,062,148
Interest charges	370,693	370,405	383,789
Materials	2,725,036	2,606,535	2,239,736
Contracted services	6,933,767	7,638,927	5,901,527
Rents and financial	2,255	113,691	274,101
External transfers	198,049	222,542	191,390
Amortization	2,597,402	2,656,226	2,597,402
Cost of sale of land	-	-	130,834
	18,826,814	19,941,711	17,780,927

12. PENSION AGREEMENTS

Certain employees of the Township are eligible members of the Ontario Municipal Employees Retirement System (OMERS), a multi-employer pension plan.

The Actuarial Opinion contained in the 2022 Annual Report disclosed total actuarial liabilities of \$130,306 million in respect of benefits accrued for service with actuarial assets of \$123,628 million indicating an actuarial deficit of \$6,678 million. Because OMERS is a multi-employer plan, any pension plan surpluses or deficits are a joint responsibility of Ontario municipal organizations and their employees. As a result, the Township does not recognize any share of the OMERS pension surplus or deficit.

The Township's required contributions to OMERS in 2022 were \$429,494 (2021 - \$394,652).

13. TRUST FUNDS

Trust funds administered by the Township amounting to \$16,755 (2021 - \$16,443) have not been included in the Consolidated Statement of Financial Position nor have their operations been included in the Consolidated Statement of Operations and Accumulated Surplus. As such balances are held in trust by the Township for the benefit of others, they are not presented as part of the Township's financial position or operations.

CORPORATION OF THE TOWNSHIP OF RAMARA

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2022

14. CREDIT FACILITY AGREEMENT

The Township has a revolving credit facility agreement with its main financial institution. The amount available at any time is limited to \$3,500,000 via an operating loan. Any balance borrowed will accrue interest at the bank's prime lending rate. Council authorized the temporary borrowing limit by By-law 2022-02. At December 31, 2022 there was no balance outstanding (2021 - \$Nil).

15. CONTINGENT LIABILITIES

The Township, in the course of its operations, is often named in lawsuits the outcomes of which are indeterminable at this time. No amounts in connection with these items have been reflected in these financial statements.

16. SEGMENTED INFORMATION

The Township of Ramara is a municipal government organization that provides a range of services to its residents. Township services are reported by function and their activities are separately disclosed in the segmented information.

For each reported segment, revenues and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Certain allocation methodologies are employed in the preparation of segmented financial information. Taxation, payments-in-lieu of taxes and certain unconditional government transfers are apportioned based on each segment's net requirements.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in Note 1. For additional information see the Consolidated Schedule of Segment Disclosure.

General Government

General government consists of the activities of Council and general financial and administrative management of the Township and its programs and services.

Protection Services

Protection services include police, fire, conservation authority and protective inspection and control.

Transportation Services

The activities of the transportation function include construction and maintenance of the Township's roads and bridges, winter control and street lighting.

Water and Sewer

This function is responsible for providing water and sewer services to the Township.

Other Environmental Services

This function is responsible for solar operations.

Health Services

The health services function consists of the activities of the cemetery board.

CORPORATION OF THE TOWNSHIP OF RAMARA

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2022

16. SEGMENTED INFORMATION, continued

Recreation and Cultural Services

The recreation and cultural services function provides indoor and outdoor recreational facilities and programs and includes the operations of Lagoon City Parks & Waterways and the Ramara Township Public Library.

Planning and Development

The planning and development services function manages commercial, industrial and residential development within the Township.

17. COMMITMENTS

During 2022, the Township entered into an agreement to contribute \$425,000 toward the installation of fiber optic cabling and wireless towers. The remaining commitment as of December 31, 2022 is \$212,500.

During 2021, the Township entered into an agreement for the purchase of a fire truck in the amount of \$245,362 plus HST. The remaining commitment as of December 31, 2022 is \$93,230 plus HST.

18. COMPARATIVE FIGURES

Certain comparative figures were restated, where required, to conform with the current year presentation.

CORPORATION OF THE TOWNSHIP OF RAMARA

CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS For the Year Ended December 31, 2022

	General					Infrastructure			Assets Under Construction	Totals
	Land and Land Improvements	Buildings and Structures	Furniture and Office Equipment	Machinery and Equipment	Vehicles	Roads and bridges	Water and Sewer	Parks and Waterways		
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
COST										
Balance, beginning of year	15,938,998	11,404,169	1,577,473	15,413,096	5,791,856	33,184,838	21,329,421	818,698	2,040,982	107,499,531
Add: additions during the year	130,938	237,627	15,879	1,273,497	115,407	2,079,196	-	109,176	1,181,342	5,143,062
Less: disposals during the year	-	3,495	-	105,365	108,064	504,484	-	-	-	721,408
Internal transfers	-	-	-	280,063	-	1,099,815	-	-	(1,379,878)	-
Balance, end of year	16,069,936	11,638,301	1,593,352	16,861,291	5,799,199	35,859,365	21,329,421	927,874	1,842,446	111,921,185
ACCUMULATED AMORTIZATION										
Balance, beginning of year	808,699	5,018,257	1,286,131	9,277,926	2,735,817	21,802,552	10,444,413	352,314	-	51,726,109
Add: additions during the year	48,109	257,271	56,241	564,838	338,495	924,640	432,400	34,232	-	2,656,226
Less: disposals during the year	-	3,495	-	100,364	101,219	472,085	-	-	-	677,163
Balance, end of year	856,808	5,272,033	1,342,372	9,742,400	2,973,093	22,255,107	10,876,813	386,546	-	53,705,172
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	15,213,128	6,366,268	250,980	7,118,891	2,826,106	13,604,258	10,452,608	541,328	1,842,446	58,216,013

CORPORATION OF THE TOWNSHIP OF RAMARA

CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE For the Year Ended December 31, 2022

	General Government \$	Protection Services \$	Transportation Services \$	Water and Sewer \$	Other Environmental Services \$	Health Services \$	Recreation and Cultural Services \$	Planning and Development \$	Consolidated \$
Revenues									
Property taxation	1,188,989	4,063,633	7,317,198	-	-	99,800	1,937,589	233,235	14,840,444
User charges	499,260	880,216	47,329	2,999,905	65,114	226	102,214	316,237	4,910,501
Government transfers - operating	1,095,900	6,839	94,484	-	-	-	65,853	-	1,263,076
Government transfers - capital	-	-	199,947	-	-	-	73,233	-	273,180
Other municipalities	-	20,815	-	-	-	-	28,788	-	49,603
Penalties and interest on taxes	391,632	-	-	-	-	-	-	-	391,632
Investment income	267,336	40	-	48,660	-	-	24,180	-	340,216
Sale of land and other sales	-	-	3,576	-	-	-	-	-	3,576
Capital contributions	-	-	-	5,842	-	-	-	-	5,842
Canada Community-Building Fund earned	-	-	222,004	-	-	-	-	-	222,004
Gain/(loss) on disposal of tangible capital assets	-	4,707	21,521	(2,570)	-	-	-	-	23,658
Other	119,279	146,688	30,359	-	-	5,970	20,266	-	322,562
Total revenues	3,562,396	5,122,938	7,936,418	3,051,837	65,114	105,996	2,252,123	549,472	22,646,294
Expenses									
Salaries and benefits	1,700,174	1,633,582	1,748,166	188,624	-	-	781,206	281,633	6,333,385
Interest charges	117,400	-	-	253,005	-	-	-	-	370,405
Materials	277,272	313,183	1,426,289	307,942	-	32,793	231,904	17,152	2,606,535
Contracted services	554,255	2,020,096	1,614,467	2,191,419	-	14,137	382,570	861,983	7,638,927
Rents and financial	113,117	549	-	-	-	-	25	-	113,691
External transfers	27,200	75,342	-	-	-	100,000	-	20,000	222,542
Amortization	133,162	313,769	1,248,749	769,949	-	4,078	186,519	-	2,656,226
Internal transfers	61,508	-	-	-	-	(29,000)	(32,508)	-	-
Total expenses	2,984,088	4,356,521	6,037,671	3,710,939	-	122,008	1,549,716	1,180,768	19,941,711
Net surplus/(deficit)	578,308	766,417	1,898,747	(659,102)	65,114	(16,012)	702,407	(631,296)	2,704,583

CORPORATION OF THE TOWNSHIP OF RAMARA

CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE

For the Year Ended December 31, 2021

	General Government \$	Protection Services \$	Transportation Services \$	Water and Sewer \$	Other Environmental Services \$	Health Services \$	Recreation and Cultural Services \$	Planning and Development \$	Consolidated \$
Revenues									
Property taxation	1,135,594	3,994,929	7,168,242	-	-	1,600	1,809,730	(41,197)	14,068,898
User charges	405,837	676,010	47,428	2,984,885	31,184	213	52,194	301,617	4,499,368
Government transfers - operating	1,129,931	12,651	189,248	-	-	-	52,202	11,791	1,395,823
Government transfers - capital	-	-	233,022	-	-	-	-	-	233,022
Other municipalities	-	45,263	-	-	-	-	30,000	-	75,263
Penalties and interest on taxes	351,250	-	-	-	-	-	-	-	351,250
Investment income	4,803	5	-	50,740	-	-	8,403	-	63,951
Sale of land and other sales	-	-	3,113	-	-	-	-	177,000	180,113
Capital contributions	-	-	-	3,895	-	-	-	-	3,895
Developer contributions earned	-	-	161,798	-	-	-	-	-	161,798
Canada Community-Building Fund earned	-	-	109,989	-	-	-	-	-	109,989
Gain/(loss) on disposal of tangible capital assets	-	(65,000)	(120,835)	22,513	-	-	-	-	(163,322)
Other	141,023	68,054	4,112	-	-	6,094	17,621	-	236,904
Total revenues	3,168,438	4,731,912	7,796,117	3,062,033	31,184	7,907	1,970,150	449,211	21,216,952
Expenses									
Salaries and benefits	1,676,571	1,612,467	1,684,064	241,714	-	-	683,125	164,207	6,062,148
Interest charges	121,391	-	-	262,398	-	-	-	-	383,789
Materials	275,199	396,969	1,051,334	317,842	-	10,205	170,039	18,148	2,239,736
Contracted services	441,989	2,057,518	787,084	1,839,246	-	12,363	408,226	355,101	5,901,527
Rents and financial	263,947	549	-	-	-	-	9,605	-	274,101
External transfers	1,000	170,390	-	-	-	-	-	20,000	191,390
Amortization	133,056	295,622	1,218,857	786,480	-	4,078	159,309	-	2,597,402
Internal transfers	87,100	-	-	-	-	(29,000)	(58,100)	-	-
Cost of sale of land	-	-	-	-	-	-	-	130,834	130,834
Total expenses	3,000,253	4,533,515	4,741,339	3,447,680	-	(2,354)	1,372,204	688,290	17,780,927
Net surplus/(deficit)	168,185	198,397	3,054,778	(385,647)	31,184	10,261	597,946	(239,079)	3,436,025

INDEPENDENT AUDITOR'S REPORT

To the Members of Council, Inhabitants and Ratepayers of the Corporation of the Township of Ramara

Opinion

We have audited the financial statements of the Trust Fund of the Corporation of the Township of Ramara (the Trust Fund), which comprise the statement of financial position as at December 31, 2022, the statement of continuity 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 Fund as at December 31, 2022, and the continuity of the Trust Fund for the year then ended in accordance with Canadian Public Sector Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Trust Fund 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 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 Trust Fund'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 Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Trust Fund'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 Fund'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 Fund'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 Fund 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.

Baker Tilly KDN LLP

Chartered Professional Accountants
Licensed Public Accountants

Peterborough, Ontario
June 26, 2023

CORPORATION OF THE TOWNSHIP OF RAMARA

TRUST FUND STATEMENT OF FINANCIAL POSITION At December 31, 2022

	2022 Cemetery Care and Maintenance \$	2021 Cemetery Care and Maintenance \$
FINANCIAL ASSETS		
Investment (note 2)	16,755	16,443
FUND BALANCE	16,755	16,443

TRUST FUND STATEMENT OF CONTINUITY For the Year Ended December 31, 2022

	2022 Cemetery Care and Maintenance \$	2021 Cemetery Care and Maintenance \$
BALANCE - beginning of year	16,443	16,338
RECEIPTS		
Capital dividends	312	105
BALANCE - end of year	16,755	16,443

The accompanying notes are an integral part of these financial statements

CORPORATION OF THE TOWNSHIP OF RAMARA

TRUST FUND NOTES TO THE FINANCIAL STATEMENTS For the Year Ended December 31, 2022

1. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with the standards in the Chartered Professional Accountants Canada Public Sector Accounting (PSA) Handbook.

(a) Basis of Accounting

Revenue and expenses are reported on the accrual basis of accounting which recognizes revenues as they become available and measurable; expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

(b) Use of Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the period and are based on the Township's best information and judgment. Actual results could differ from these estimates.

2. INVESTMENT

The trust's investment consists of a mutual fund with Scotia Partners Income Portfolio, recorded at cost, with a market value of \$16,556.

3. CARE AND MAINTENANCE FUNDS

The figures reported for the cemetery care and maintenance represent the trust fund activities for the Sebright Cemetery.

The Care and Maintenance Funds administered by the Township are funded by the sale of cemetery plots and markers. These funds are invested and earnings derived there from are used to perform care and maintenance for the Township's cemeteries. The operations and investments of the Fund are undertaken by the Township in accordance with the regulations of the Funeral, Burial and Cremation Services Act, 2002.

**CORPORATION OF THE TOWNSHIP OF RAMARA
RAMARA TOWNSHIP PUBLIC LIBRARY BOARD
FINANCIAL STATEMENTS
DECEMBER 31, 2022**

INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members of the Ramara Township Public Library Board, the Members of Council, Inhabitants and Ratepayers of the Corporation of the Township of Ramara

We have reviewed the accompanying financial statements of the Ramara Township Public Library Board of the Corporation of the Township of Ramara (the Board), that comprise the statement of financial position as at December 31, 2022 and the statements of operations and accumulated surplus, change in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Basis for Qualified Conclusion

In common with many Public Library Boards, the Board derives revenue from donations, fees and other, the completeness of which is not susceptible to us obtaining evidence we considered necessary for the purposes of the review. Accordingly, the evidence obtained of these revenues was limited to the amounts recorded in the records of the Board. Therefore, we were unable to determine whether any adjustments might have been found necessary with respect to donations, fees and other revenue, annual deficit, assets and accumulated surplus.

Qualified Conclusion

Based on our review, except for the possible effects of the matter described in the Basis for Qualified Conclusion paragraph, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of the Board as at December 31, 2022 and the results of its operations and its cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

Baker Tilly KDN LLP

Chartered Professional Accountants
Licensed Public Accountants

Peterborough, Ontario
June 26, 2023

CORPORATION OF THE TOWNSHIP OF RAMARA

RAMARA TOWNSHIP PUBLIC LIBRARY BOARD STATEMENT OF FINANCIAL POSITION At December 31, 2022

	2022	2021
	\$	\$
FINANCIAL ASSETS		
Cash	232,870	195,645
Accounts receivable	3,071	8,356
TOTAL FINANCIAL ASSETS	235,941	204,001
LIABILITIES		
Due to the Township of Ramara (note 4)	94,723	57,444
NET FINANCIAL ASSETS	141,218	146,557
NON-FINANCIAL ASSETS		
Tangible capital assets (note 2)	77,733	87,393
Prepaid expenses	-	200
TOTAL NON-FINANCIAL ASSETS	77,733	87,593
ACCUMULATED SURPLUS (note 3)	218,951	234,150

The accompanying notes are an integral part of these financial statements

CORPORATION OF THE TOWNSHIP OF RAMARA

RAMARA TOWNSHIP PUBLIC LIBRARY BOARD STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS For the Year Ended December 31, 2022

	Budget 2022 \$ (see Note 5)	Actual 2022 \$	Actual 2021 \$
REVENUES			
Township contribution (note 4)	437,683	437,683	388,041
Provincial grants	24,370	24,370	24,744
Investment income	800	4,606	821
Other grants	600	6,064	14,593
Donations, fees and other	6,500	5,276	5,461
TOTAL REVENUES	469,953	477,999	433,660
EXPENSES			
Wages and benefits	328,852	348,846	305,588
Rent (note 4)	78,000	78,000	78,000
Administration	11,600	19,744	10,117
Supplies	7,201	5,297	4,623
Memberships	10,600	3,802	5,858
Insurance (note 4)	8,500	8,693	8,516
Telephone	3,000	3,277	3,700
Amortization	23,568	25,539	23,568
TOTAL EXPENSES	471,321	493,198	439,970
ANNUAL DEFICIT	<u>(1,368)</u>	(15,199)	(6,310)
ACCUMULATED SURPLUS - beginning of year		234,150	240,460
ACCUMULATED SURPLUS - end of year		218,951	234,150

The accompanying notes are an integral part of these financial statements

CORPORATION OF THE TOWNSHIP OF RAMARA

RAMARA TOWNSHIP PUBLIC LIBRARY BOARD STATEMENT OF CHANGE IN NET FINANCIAL ASSETS For the Year Ended December 31, 2022

	Budget 2022 \$ (see Note 5)	Actual 2022 \$	Actual 2021 \$
ANNUAL DEFICIT	(1,368)	(15,199)	(6,310)
Amortization of tangible capital assets	23,568	25,539	23,568
Acquisition of tangible capital assets	(22,200)	(15,879)	(41,683)
Change in prepaid expenses	-	200	1,112
DECREASE IN NET FINANCIAL ASSETS	-	(5,339)	(23,313)
NET FINANCIAL ASSETS - beginning of year	146,557	146,557	169,870
NET FINANCIAL ASSETS - end of year	146,557	141,218	146,557

The accompanying notes are an integral part of these financial statements

CORPORATION OF THE TOWNSHIP OF RAMARA

RAMARA TOWNSHIP PUBLIC LIBRARY BOARD STATEMENT OF CASH FLOWS For the Year Ended December 31, 2022

	2022	2021
	\$	\$
CASH PROVIDED BY (USED IN)		
OPERATING ACTIVITIES		
Annual deficit	(15,199)	(6,310)
Items not involving cash		
Amortization of tangible capital assets	25,539	23,568
Change in non-cash assets and liabilities		
Accounts receivable	5,285	(5,021)
Due from the Township of Ramara	-	766
Prepaid expenses	200	1,112
Due to the Township of Ramara	37,279	57,444
Net change in cash from operating activities	53,104	71,559
CAPITAL ACTIVITIES		
Acquisition of tangible capital assets	(15,879)	(41,683)
NET CHANGE IN CASH	37,225	29,876
CASH - beginning of year	195,645	165,769
CASH - end of year	232,870	195,645

The accompanying notes are an integral part of these financial statements

CORPORATION OF THE TOWNSHIP OF RAMARA

RAMARA TOWNSHIP PUBLIC LIBRARY BOARD NOTES TO THE FINANCIAL STATEMENTS For the Year Ended December 31, 2022

1. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with the standards in the Chartered Professional Accountants Canada Public Sector Accounting (PSA) Handbook. Significant aspects of the accounting policies adopted by the Board are as follows:

(a) Recognition of Revenue and Expenses

Revenue and expenses are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenue in the period in which the transactions of events occurred that give rise to the revenue; expenses are recognized in the period the goods or services are acquired and a legal liability is incurred or transfers are due.

Government funding and other grants are recognized in the financial statements as revenues 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 amounts can be made.

Donations, fees and other are recognized when the amounts are received.

(b) Use of Estimates

Certain items recognized in the financial statements are subject to measurement uncertainty. The recognized amounts of such items are based on the Board's best information and judgment. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant. The Board's significant estimates include:

- The amounts recorded for amortization of tangible capital assets are based on estimates of useful life and residual values.

(c) Tangible Capital Assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. Initial costs for tangible capital assets that were acquired or developed prior to 2009 were obtained using historical cost information or using current fair market values discounted by a relevant inflation factor to the point of acquisition. The cost, less residual value, if any, of tangible capital assets is amortized on a straight-line basis, over the expected useful life of the asset, as follows:

Building improvements	20-60 years
Furniture and equipment	5-10 years
Library collection	7 years

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and are also recorded as revenue.

(d) Non-Financial Assets

Tangible capital assets and other non-financial assets are accounted for as assets by the Board because they can be used to provide services in future periods. These assets do not normally provide resources to discharge the liabilities of the Board unless they are sold.

CORPORATION OF THE TOWNSHIP OF RAMARA

RAMARA TOWNSHIP PUBLIC LIBRARY BOARD NOTES TO THE FINANCIAL STATEMENTS For the Year Ended December 31, 2022

1. SIGNIFICANT ACCOUNTING POLICIES, continued

(e) Reserves and Reserve Funds

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

(f) Inter-Entity Transactions

The Ramara Township Public Library Board is a Board of the Township of Ramara and is consolidated with the Township's financial statements.

Allocated costs and recovery of costs are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Unallocated costs are measured at the carrying amount, which is the amount recorded in the records of the Township.

2. TANGIBLE CAPITAL ASSETS

The net book value of the Board's tangible capital assets are:

	Building Improvements \$	Furniture and Equipment \$	Library Collection \$	2022 Totals \$	2021 Totals \$
COST					
Balance, beginning of year	67,088	134,595	115,269	316,952	289,625
Add: additions during the year	-	-	15,879	15,879	41,683
Less: disposals during the year	-	-	-	-	14,356
Balance, end of year	67,088	134,595	131,148	332,831	316,952
ACCUMULATED AMORTIZATION					
Balance, beginning of year	67,088	105,782	56,689	229,559	220,347
Add: additions during the year	-	6,972	18,567	25,539	23,568
Less: disposals during the year	-	-	-	-	14,356
Balance, end of year	67,088	112,754	75,256	255,098	229,559
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	-	21,841	55,892	77,733	87,393

CORPORATION OF THE TOWNSHIP OF RAMARA

RAMARA TOWNSHIP PUBLIC LIBRARY BOARD NOTES TO THE FINANCIAL STATEMENTS For the Year Ended December 31, 2022

3. ACCUMULATED SURPLUS

Accumulated surplus consists of the following:

	2022	2021
	\$	\$
Invested In Capital Assets		
Tangible capital assets - net book value	77,733	87,393
Reserve		
Future capital expenditures	95,803	102,167
Reserve Fund		
Expansion	45,415	44,590
	218,951	234,150

4. INTER-ENTITY TRANSACTIONS

During the year, the Board entered into transactions with the Township of Ramara.

As part of the budgeting process, the Township approves a contribution to the Board which is identified on the Statement of Operations and Accumulated Surplus.

Details of the inter-entity expense transactions are as follows:

	2022	2021
	\$	\$
Allocated costs:		
Rent	78,000	78,000
Insurance	8,693	8,516
	86,693	86,516

In addition, the following services are provided to the Board by the Township at no cost:

- Accounting and administrative services
- Professional services

All balances with the Township of Ramara have been identified on the Statement of Financial Position. Due from (to) balances are unsecured, without interest and have no terms of repayment.

5. BUDGET FIGURES

The operating budget, approved by the Board, for 2022 is reflected on the Statement of Operations and Accumulated Surplus and the Statement of Change in Net Financial Assets. The budgets established for capital investment in tangible capital assets are on a project-oriented basis, the costs of which may be carried out over one or more years and, therefore, may not be comparable with current year's actual expenditure amounts. Budget figures have been reclassified for the purposes of these financial statements to comply with PSA reporting requirements. Budget figures are not subject to review.

**CORPORATION OF THE TOWNSHIP OF RAMARA
LAGOON CITY PARKS & WATERWAYS
FINANCIAL STATEMENTS
DECEMBER 31, 2022**

INDEPENDENT AUDITOR'S REPORT

To the Members of the Lagoon City Parks & Waterways, the Members of Council, Inhabitants and Ratepayers of the Corporation of the Township of Ramara

Opinion

We have audited the financial statements of the Lagoon City Parks & Waterways of the Corporation of the Township of Ramara (the Board), which comprise the statement of financial position as at December 31, 2022, the statements of operations and accumulated surplus, change in net financial assets and cash flows for the year then ended, and 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 Board as at December 31, 2022, and the results of its operations and cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the 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 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 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 Board or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the 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 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 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 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.

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.

Baker Tilly KDN LLP

Chartered Professional Accountants
Licensed Public Accountants

Peterborough, Ontario
June 26, 2023

CORPORATION OF THE TOWNSHIP OF RAMARA

LAGOON CITY PARKS & WATERWAYS STATEMENT OF FINANCIAL POSITION At December 31, 2022

	2022	2021
	\$	\$
FINANCIAL ASSETS		
Cash	100	100
Due from the Township of Ramara (note 5)	1,052,548	985,052
NET FINANCIAL ASSETS	1,052,648	985,152
NON-FINANCIAL ASSETS		
Tangible capital assets (note 2)	1,369,880	1,020,072
ACCUMULATED SURPLUS (note 3)	2,422,528	2,005,224

The accompanying notes are an integral part of these financial statements

CORPORATION OF THE TOWNSHIP OF RAMARA

LAGOON CITY PARKS & WATERWAYS STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS For the Year Ended December 31, 2022

	Budget 2022 \$ (Unaudited)	Actual 2022 \$	Actual 2021 \$
REVENUES			
Levy billed by the Township of Ramara (note 5)	954,489	955,995	803,811
Interest income	-	18,226	7,426
Other	636	766	520
TOTAL REVENUES	955,125	974,987	811,757
EXPENSES			
Wages and benefits (note 5)	127,225	147,883	99,527
General and office	47,400	45,962	44,825
Repairs and maintenance	315,500	239,977	235,457
Insurance (note 5)	18,000	24,058	15,695
Professional fees	22,000	18,378	12,315
Vehicle operating and maintenance	-	404	3,302
Amortization	58,747	81,021	58,747
TOTAL EXPENSES	588,872	557,683	469,868
ANNUAL SURPLUS	<u>366,253</u>	417,304	341,889
ACCUMULATED SURPLUS - beginning of year		2,005,224	1,663,335
ACCUMULATED SURPLUS - end of year		2,422,528	2,005,224

The accompanying notes are an integral part of these financial statements

CORPORATION OF THE TOWNSHIP OF RAMARA

LAGOON CITY PARKS & WATERWAYS STATEMENT OF CHANGE IN NET FINANCIAL ASSETS For the Year Ended December 31, 2022

	Budget 2022 \$ (Unaudited)	Actual 2022 \$	Actual 2021 \$
ANNUAL SURPLUS	366,253	417,304	341,889
Amortization of tangible capital assets	58,747	81,021	58,747
Acquisition of tangible capital assets	(925,000)	(430,829)	(158,066)
INCREASE/(DECREASE) IN NET FINANCIAL ASSETS	(500,000)	67,496	242,570
NET FINANCIAL ASSETS - beginning of year	985,152	985,152	742,582
NET FINANCIAL ASSETS - end of year	485,152	1,052,648	985,152

The accompanying notes are an integral part of these financial statements

CORPORATION OF THE TOWNSHIP OF RAMARA

LAGOON CITY PARKS & WATERWAYS STATEMENT OF CASH FLOWS For the Year Ended December 31, 2022

	2022	2021
	\$	\$
CASH PROVIDED BY (USED IN)		
OPERATING ACTIVITIES		
Annual surplus	417,304	341,889
Items not involving cash		
Amortization of tangible capital assets	81,021	58,747
Change in non-cash assets and liabilities		
Due from the Township of Ramara	(67,496)	(242,570)
Net change in cash from operating activities	430,829	158,066
CAPITAL ACTIVITIES		
Acquisition of tangible capital assets	(430,829)	(158,066)
NET CHANGE IN CASH	-	-
CASH - beginning of year	100	100
CASH - end of year	100	100

The accompanying notes are an integral part of these financial statements

CORPORATION OF THE TOWNSHIP OF RAMARA

LAGOON CITY PARKS & WATERWAYS NOTES TO THE FINANCIAL STATEMENTS For the Year Ended December 31, 2022

1. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with the standards in the Chartered Professional Accountants Canada Public Sector Accounting (PSA) Handbook. Significant aspects of the accounting policies adopted by the Board are as follows:

(a) Recognition of Revenue and Expenses

Revenue and expenses are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenue in the period in which the transactions of events occurred that give rise to the revenue; expenses are recognized in the period the goods or services are acquired and a legal liability is incurred or transfers are due.

The Board recognizes Lagoon City Parks & Waterways Area tax levy revenue annually based on amounts levied by the Township of Ramara.

Interest and other revenue are recorded when the amounts are earned.

(b) Use of Estimates

Certain items recognized in the financial statements are subject to measurement uncertainty. The recognized amounts of such items are based on the Board's best information and judgment. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant. The Board's significant estimates include:

- The amounts recorded for amortization of tangible capital assets are based on estimates of useful life and residual values.

(c) Tangible Capital Assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. Initial costs for tangible capital assets that were acquired or developed prior to 2009 were obtained using historical cost information or using current fair market values discounted by a relevant inflation factor to the point of acquisition. The cost, less residual value, if any, of tangible capital assets is amortized on a straight-line basis, over the expected useful life of the asset, as follows:

Buildings and structures	25 years
Vehicles	10-15 years
Machinery and equipment	10-20 years
Linear assets	20 years

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and are also recorded as revenue.

Tangible capital assets categorized as assets under construction are not amortized until they are put into service.

(d) Non-Financial Assets

Tangible capital assets and other non-financial assets are accounted for as assets by the Board because they can be used to provide services in future periods. These assets do not normally provide resources to discharge the liabilities of the Board unless they are sold.

CORPORATION OF THE TOWNSHIP OF RAMARA

LAGOON CITY PARKS & WATERWAYS NOTES TO THE FINANCIAL STATEMENTS For the Year Ended December 31, 2022

1. SIGNIFICANT ACCOUNTING POLICIES, continued

(e) Reserve Funds

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

(f) Inter-Entity Transactions

The Lagoon City Parks & Waterways is a Board of the Township of Ramara and is consolidated with the Township's financial statements.

Allocated costs and recovery of costs are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Unallocated costs are measured at the carrying amount, which is the amount recorded in the records of the Township.

2. TANGIBLE CAPITAL ASSETS

The continuity of the Board's tangible capital assets is as follows:

	Buildings and structures \$	Vehicles \$	Machinery and equipment \$	Linear assets \$	Assets under construction \$	2022 Totals \$	2021 Totals \$
COST							
Balance, beginning of year	51,106	55,549	679,283	550,745	239,230	1,575,913	1,417,847
Add: additions during the year	-	-	399,189	-	31,640	430,829	158,066
Internal transfers	-	-	158,066	-	(158,066)	-	-
Balance, end of year	51,106	55,549	1,236,538	550,745	112,804	2,006,742	1,575,913
ACCUMULATED AMORTIZATION							
Balance, beginning of year	50,084	41,347	305,325	159,085	-	555,841	497,094
Add: additions during the year	1,022	3,220	52,906	23,873	-	81,021	58,747
Balance, end of year	51,106	44,567	358,231	182,958	-	636,862	555,841
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS							
	-	10,982	878,307	367,787	112,804	1,369,880	1,020,072

CORPORATION OF THE TOWNSHIP OF RAMARA

LAGOON CITY PARKS & WATERWAYS NOTES TO THE FINANCIAL STATEMENTS For the Year Ended December 31, 2022

3. ACCUMULATED SURPLUS

Accumulated surplus consists of the following:

	2022	2021
	\$	\$
Invested In Capital Assets		
Tangible capital assets - net book value	1,369,880	1,020,072
Reserve Fund		
Reserve Fund	1,052,648	985,152
	2,422,528	2,005,224

4. BUDGET FIGURES

The operating budget, approved by the Board, for 2022 is reflected on the Statement of Operations and Accumulated Surplus and the Statement of Change in Net Financial Assets. The budgets established for capital investment in tangible capital assets are on a project-oriented basis, the costs of which may be carried out over one or more years and, therefore, may not be comparable with current year's actual expenditure amounts. Budget figures have been reclassified for the purposes of these financial statements to comply with PSA reporting requirements. Budget figures are not subject to audit.

5. INTER-ENTITY TRANSACTIONS

During the year, the Board entered into transactions with the Township of Ramara.

As part of the budgeting process, the Township approves a contribution to the Board which is identified on the Statement of Operations and Accumulated Surplus.

Details of the inter-entity expense transactions are as follows:

	2022	2021
	\$	\$
Allocated costs:		
Wages and benefits	147,883	99,527
Insurance	24,058	15,695
	171,941	115,222

In addition, the Township provides accounting and administrative services to the Board at no cost.

All balances with the Township of Ramara have been identified on the Statement of Financial Position. Due from (to) balances are unsecured, without interest and have no terms of repayment.

CORPORATION OF THE TOWNSHIP OF RAMARA

LAGOON CITY PARKS & WATERWAYS NOTES TO THE FINANCIAL STATEMENTS For the Year Ended December 31, 2022

6. CONTINGENT LIABILITIES

The Board, in the course of its operations, is sometimes named in lawsuits the outcomes of which are indeterminable at this time. No amounts in connection with these items have been reflected in these financial statements.