

**CORPORATION OF THE  
TOWN OF WASAGA BEACH**

**COUNTY OF SIMCOE**

**CONSOLIDATED FINANCIAL REPORT**

**DECEMBER 31, 2022**

# CORPORATION OF THE TOWN OF WASAGA BEACH

DECEMBER 31, 2022

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# CORPORATION OF THE TOWN OF WASAGA BEACH

## MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL REPORT

The accompanying consolidated financial statements of the The Corporation of the Town of Wasaga Beach ("the Municipality") are the responsibility of the Municipality's management and have been prepared in accordance with Canadian public sector accounting standards, established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada, as described in Note 1 to the consolidated financial statements.

The preparation of consolidated financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The Municipality's management maintains a system of internal control designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded and reliable financial information is available on a timely basis for preparation of the consolidated financial statements. These systems are monitored and evaluated by management. Council meets with management and the external auditor to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the consolidated financial statements.

The consolidated financial statements have been audited by Baker Tilly SGB LLP, the independent external auditor appointed by the Municipality. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the Municipality's consolidated financial statements.

*Andrew McNeill*

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Chief Administrative Officer

June 29, 2023

*Jocelyn Lee*

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Treasurer

June 29, 2023

## INDEPENDENT AUDITOR'S REPORT

To the Members of Council, Inhabitants and Ratepayers of the The Corporation of the Town of Wasaga Beach:

### **Opinion**

We have audited the consolidated financial statements of the The Corporation of the Town of Wasaga Beach ("the Municipality"), which comprise the consolidated statement of financial position as at December 31, 2022, and the consolidated statements of operations, change in net financial assets and cash flow for the year then ended, and notes to the 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 Municipality as at December 31, 2022, and its consolidated results of 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 Consolidated Financial Statements* section of our report. We are independent of the Municipality 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 these 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 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 Municipality's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Municipality or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Municipality'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 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 Municipality'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 Municipality'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 Municipality 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.

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 SGB LLP**  
Chartered Professional Accountants  
Licensed Public Accountants  
Collingwood, Ontario  
June 29, 2023



# CORPORATION OF THE TOWN OF WASAGA BEACH

## CONSOLIDATED STATEMENT OF OPERATIONS FOR THE YEAR ENDED DECEMBER 31

	Budget 2022	Actual 2022	Actual 2021
	\$ (Note 2)	\$	\$
<b>Revenues</b>			
Net municipal taxation (Note 17)	28,573,620	<b>28,365,808</b>	27,547,201
Payments in lieu of taxation	-	<b>593,575</b>	564,264
User charges	9,350,020	<b>10,950,765</b>	10,520,782
Government grants (Note 19)	2,080,230	<b>1,848,536</b>	2,346,789
Payments from other municipalities	170,000	<b>32,496</b>	135,335
Contributions from deferred revenue - obligatory reserve funds and other (Note 11)	221,000	<b>213,331</b>	200,307
Investment (Note 7 and 8)	450,140	<b>603,359</b>	597,834
Penalties and interest on taxes	425,000	<b>677,869</b>	430,451
Other (Note 18)	2,200,920	<b>2,302,013</b>	2,333,124
	43,470,930	<b>45,587,752</b>	44,676,087
<b>Expenses</b>			
General government	4,242,760	<b>2,594,848</b>	2,027,311
Protection to persons and property	10,987,860	<b>12,603,277</b>	11,890,127
Transportation	7,047,690	<b>10,988,538</b>	9,616,532
Environmental	6,649,380	<b>8,555,173</b>	9,389,308
Recreation and cultural	5,645,430	<b>6,431,658</b>	5,422,889
Planning and development	3,148,600	<b>3,180,701</b>	2,961,496
Health, social and family	259,630	<b>280,343</b>	272,557
	37,981,350	<b>44,634,538</b>	41,580,220
<b>Net revenues</b>	5,489,580	<b>953,214</b>	3,095,867
<b>Other</b>			
Grants and transfers related to capital			
User charges	1,155,440	<b>2,751,170</b>	757,326
Government grants (Note 19)	3,820,130	<b>1,503,074</b>	2,640,706
Payments from other municipalities	160,000	<b>446,739</b>	87,622
Contributions from deferred revenue - obligatory reserve funds and other (Note 11)	17,232,180	<b>13,168,376</b>	11,259,275
Investment (Note 7 and 8)	265,400	<b>470,602</b>	483,318
Other (Note 18)	901,540	<b>242,525</b>	41,500
(Loss) gain on disposal of tangible capital assets	-	<b>(804,413)</b>	46,757
Contributed tangible capital assets (Note 3)	-	<b>1,387,000</b>	3,474,599
Income from government business enterprise (Note 21)	510,830	<b>1,351,002</b>	1,013,110
	24,045,520	<b>20,516,075</b>	19,804,213
<b>Annual surplus</b> (Note 20)	29,535,100	<b>21,469,289</b>	22,900,080
Accumulated surplus, beginning of year	328,208,030	<b>328,208,030</b>	305,307,950
<b>Accumulated surplus, end of year</b> (Note 16)	357,743,130	<b>349,677,319</b>	328,208,030

See accompanying notes to the financial statements

# CORPORATION OF THE TOWN OF WASAGA BEACH

## CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS FOR THE YEAR ENDED DECEMBER 31

	Budget 2022	Actual 2022	Actual 2021
	\$ (Note 2)	\$	\$
<b>Annual surplus</b>	29,535,100	<b>21,469,289</b>	22,900,080
Acquisition of tangible capital assets	(55,947,030)	<b>(38,858,330)</b>	(22,899,751)
Amortization of tangible capital assets	-	<b>7,586,304</b>	7,512,134
Gain on disposal of tangible capital assets	-	<b>804,413</b>	(46,757)
Proceeds on disposal of tangible capital assets	-	<b>900,270</b>	621,038
Contributed tangible capital assets	-	<b>(1,387,000)</b>	(3,474,599)
Change in prepaid expenses	-	<b>98,079</b>	(73,451)
Change in assets held for resale	-	<b>(1)</b>	1
<b>Change in net financial assets</b>	<b>(26,411,930)</b>	<b>(9,386,976)</b>	4,538,695
<b>Net financial assets, beginning of year</b>	51,272,547	<b>50,916,048</b>	46,377,353
<b>Net financial assets, end of year</b>	24,860,617	<b>41,529,072</b>	50,916,048

See accompanying notes to the financial statements



# CORPORATION OF THE TOWN OF WASAGA BEACH

## CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED DECEMBER 31

	2022	2021
	\$	\$
<b>Cash flows from (for):</b>		
<b>Operating activities</b>		
Annual surplus	21,469,289	22,900,080
Non-cash items:		
Change in government business enterprise (Note 21)	(735,176)	(572,284)
Amortization of tangible capital assets	7,586,304	7,512,134
Employee future benefits	114,500	128,400
Contributed tangible capital assets	(1,387,000)	(3,474,599)
Gain on disposal of tangible capital assets	804,413	(46,757)
	27,852,330	26,446,974
Changes in:		
Taxes receivable	(920,345)	(560,832)
Water and sewer billings receivable	(228,894)	(3,009)
Accounts receivable	492,234	(1,837,730)
Accounts payable and accruals	(311,906)	7,701,988
Developer deposits	(435,403)	69,820
Prepaid expenses	98,079	(73,451)
<b>Net change in cash from operations</b>	<b>26,546,095</b>	<b>31,743,760</b>
<b>Capital activities</b>		
Acquisition of tangible capital assets	(38,858,330)	(22,899,751)
Proceeds on disposal of tangible capital assets	900,270	621,038
Accounts receivable related to tangible capital assets	888,852	(384,227)
Accounts payable related to tangible capital assets	2,638,415	216,044
Local improvements receivable	145,905	338,897
<b>Net change in cash from capital</b>	<b>(34,284,888)</b>	<b>(22,107,999)</b>
<b>Investing activities</b>		
Portfolio investments	(621,466)	(1,173,073)
Guaranteed investments	(10,164,920)	3,914,102
<b>Net change in cash from investing</b>	<b>(10,786,386)</b>	<b>2,741,029</b>
<b>Financing activities</b>		
Long-term liabilities repaid	(1,139,388)	(845,152)
Long-term liabilities assumed	3,000,000	-
Deferred revenue - obligatory reserve funds and other	(2,355,196)	3,057,387
Temporary loans assumed	5,000,000	3,000,000
Temporary loans repaid	(3,000,000)	-
<b>Net change in cash from financing</b>	<b>1,505,416</b>	<b>5,212,235</b>
<b>Net change in cash position</b>	<b>(17,019,763)</b>	<b>17,589,025</b>
Cash and cash equivalents, beginning of year	30,684,962	13,095,937
<b>Cash and cash equivalents, end of year (Note 8)</b>	<b>13,665,199</b>	<b>30,684,962</b>

See accompanying notes to the financial statements

# CORPORATION OF THE TOWN OF WASAGA BEACH

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022

### Nature of operations

The Corporation of the Town of Wasaga Beach ("the Municipality") is a lower-tier municipality located in the County of Simcoe, 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. Summary of significant accounting policies

The consolidated financial statements have been prepared by management of the Municipality in accordance with Canadian generally accepted accounting principles for organizations operating in the local government sector as recommended by the Public Sector Accounting Board (PSAB) of The Chartered Professional Accountants of Canada.

The focus of PSAB consolidated financial statements is on the financial position of the Municipality and the changes thereto. The consolidated statement of financial position includes all of the assets and liabilities of the Municipality. Financial assets are those assets which could provide resources to discharge existing liabilities or finance future operations. Accumulated surplus represents the financial position and is the difference between assets and liabilities. This provides information about the Municipality's overall future revenue requirements and its ability to finance activities and meet its obligations. Significant aspects of the accounting policies adopted by the Municipality are as follows:

#### (a) Basis of consolidation

The consolidated financial statements reflect the assets, liabilities, revenues and expenses of all committees of Council and the following organizations which are accountable to, and owned or controlled by, the Municipality:

Corporation of the Town of Wasaga Beach Public Library Board

All interfund assets and liabilities and sources of financing and expenditures have been eliminated.

In addition, the consolidated financial statements include the consolidated operations of Geosands Inc. as disclosed in Note 21. This government business enterprise (GBE) is accounted for using the modified equity method. Under this method, the enterprise's accounting principles are not adjusted to conform with those of the Municipality and inter-organizational transactions are not eliminated.

#### (b) Basis of accounting

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

#### (c) Cash and cash equivalents

Cash and cash equivalents include all cash balances and short-term, highly liquid financial instruments with a maturity of three months or less from the date of acquisition.

Cash equivalents and guaranteed investments are recorded at cost which approximates fair market value.

#### (d) Assets held for resale

Assets held for resale are stated at the lower of cost and net realizable value.

# CORPORATION OF THE TOWN OF WASAGA BEACH

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022

### 1. Summary of significant accounting policies (continued)

#### (e) Portfolio investments

Portfolio investments are recorded at cost plus accrued interest less amortization of purchase premium discounts.

#### (f) Non-financial assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year, together with the annual surplus, provides the consolidated change in net financial assets for the year.

##### 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. The cost of the tangible capital assets are amortized on a straight-line basis over their estimated useful lives as follows:

Land improvements	- 10 years to infinite life
Buildings	- 10 to 100 years
Machinery and equipment	- 2 to 25 years
Vehicles	- 5 to 20 years
Linear assets	- 3 to 100 years

One half of the annual amortization is charged in the year of acquisition and in the year of disposal. Construction in progress is not amortized until the asset is available for productive use.

Linear assets represent roads, bridges, sidewalks and water and wastewater infrastructure.

#### (g) Deferred revenue

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

#### (h) County and school boards

The Municipality collects taxation revenue on behalf of the school boards and the County of Simcoe. The taxation, other revenues, expenses, assets and liabilities with respect to the operations of the school boards and the County of Simcoe are not reflected in these consolidated financial statements.

#### (i) Segment disclosures

Municipal services have been segmented by grouping activities that have similar service objectives (by function). Revenues that are directly related to the costs of the function have been attributed to each segment. Net municipal taxation revenue has been allocated to segments based on budget.

# CORPORATION OF THE TOWN OF WASAGA BEACH

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022

### 1. Summary of significant accounting policies (continued)

#### (j) Taxation and related revenues

Municipal tax billings are prepared by the Municipality based on assessment rolls issued by the Municipal Property Assessment Corporation. Tax rates are established annually by Council, incorporating amounts to be raised for local services. A normal part of the assessment process is the issue of supplementary assessment rolls, which provide updated information with respect to changes in property assessment. Once a supplementary assessment roll is received, the Municipality determines the taxes applicable and renders supplementary tax billings. Taxation revenues are recorded at the time tax billings are issued.

Assessments and the related municipal taxes are subject to appeal. Taxes are recorded at estimated amounts when they meet the definition of an asset, have been authorized and the taxable event occurs. For municipal taxes, the taxable event is the period for which the tax is levied. Taxes receivable are recognized net of allowance for anticipated uncollectible amounts.

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

#### (k) Government grants

Government grants are recognized in the consolidated financial statements as revenues in the period in which the events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met and reasonable estimates of the amounts can be made. Conditional government grants are recognized to the extent the conditions imposed on them have been fulfilled. Unconditional government grants are recognized when monies are receivable. Government grants for acquisition of tangible capital assets are recognized in the period in which eligible expenditures are made. Grants are recognized as deferred revenue when grant stipulations give rise to a liability. Grant revenue is recognized in the consolidated statement of operations as the stipulation liabilities are settled.

#### (l) Revenue recognition

Fees for water and waste water usage are recorded as user charges in the period service is provided. Connection fee revenues are recognized when the connection has been established.

Subdivider contributions and fees for services (included in user charges and other revenues) are recognized over the period of service or when required expenditures occur if applicable.

Investment income (other than on obligatory reserve funds) is reported as revenue in the period earned. Investment income earned on obligatory reserve funds is added to the fund balance and forms part of the respective deferred revenue balances. Revenue from the obligatory reserve funds is recognized in the year in which eligible expenditures are made.

Other user charges, payments from other municipalities and other revenues are recognized as invoiced if collection is reasonably assured.

# CORPORATION OF THE TOWN OF WASAGA BEACH

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022

### 1. Summary of significant accounting policies (continued)

#### (m) Pension plan

The Municipality offers a pension plan for its full-time employees through the Ontario Municipal Employee Retirement System ("OMERS"). OMERS is a multi-employer, contributory, public sector pension fund established for employees of municipalities, local boards and school boards in Ontario. Participating employers and employees are required to make plan contributions based on participating employees' contributory earnings. The Municipality accounts for its participation in OMERS as a defined contribution plan and recognizes the expense related to this plan as contributions are made, even though OMERS is itself a defined benefit plan.

#### (n) Other post-employment benefits

Employee future benefits other than pension provided by the Municipality include medical, dental and vision benefits. These plans provide benefits to employees when they are no longer providing active service. Employee future benefit expense is recognized in the period in which the employees render services on an accrual basis.

The accrued benefit obligations and the current service costs are calculated using the projected benefit method, prorated on service, and based on assumptions that reflect management's best estimates. The current service cost for a period is equal to the actuarial present value of benefits attributed to employees' services rendered in the period. Past service costs arising from plan amendments are amortized on a straight-line basis over the average remaining service period of employees active at the date of amendment. The excess of the net actuarial gains or losses over 10% of the accrued benefit obligation is amortized to expense over the average remaining service period of active employees to full eligibility.

#### (o) Use of estimates

The preparation of consolidated financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the year. Significant estimates have been made of historical cost and useful lives of tangible capital assets and employee future benefits. Actual results could differ from those estimates.

### 2. Budget amounts

The operating budget is reflected on the consolidated statement of operations, consolidated statement of change in net financial assets and Schedule 1. The budget amounts are those approved by Council for 2022 with adjustments to include amortization expense, which is not budgeted for annually. The budgets established for 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 the current year's actual expenditure amounts.

# CORPORATION OF THE TOWN OF WASAGA BEACH

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022

### 3. Tangible capital assets

Schedule 2 provides information on the tangible capital assets of the Municipality by major asset class, as well as for accumulated amortization of the assets controlled. The reader should be aware of the following information relating to tangible capital assets:

(a) Construction in progress

Construction in progress with a value of \$41,715,227 (2021 - \$16,956,969) has not been amortized. Amortization of these assets will commence when the asset is put into service.

(b) Contributed tangible capital assets

Contributed tangible capital assets have been recognized at fair market value at the date of contribution. The value of contributed assets received during the year is \$1,387,000 (2021 - \$3,474,599).

(c) Tangible capital assets disclosed at nominal values

Where an estimate of fair value could not be made, the tangible capital asset was recognized at a nominal value. Land is the only category where nominal values have been assigned.

(d) Amortization

Amortization expense for the year totaled \$7,586,304 (2021 - \$7,512,134).

### 4. Contingencies

(a) In the ordinary course of business, various claims and lawsuits are brought against the Municipality. No provision has been made for pending expropriations of land beyond the payments already made to affected property owners. Any payment made by the Municipality pursuant to claims, lawsuits or expropriations will be charged in the year of settlement.

(b) Annually, the Municipality is unable to estimate its Ontario Provincial Police adjustment. As a result, any adjustment is recorded in the year in which it is received or paid.

### 5. Development and letters of credit

As part of various developments, the Municipality has received letters of credit to cover the costs of completing these projects. Letters of credit held by the Municipality at December 31, 2022 were \$43,571,934 (2021 - \$46,589,726).

# CORPORATION OF THE TOWN OF WASAGA BEACH

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022

### 6. Commitments

- (a) The Municipality has an agreement with Floyd Sinton Limited for the operation of Wasaga Beach Transit. The previous contract, which expired July 31, 2022, has been renewed for five years ending August 2027. The new contract is for both conventional transit and specialized transit services. Total future payments on the remaining contract is \$4,733,109.
- (b) The Municipality has a servicing agreement with the Ontario Clean Water Agency to operate and maintain the Wasaga Beach Water Treatment Plant and Water Control Pollution Plant for a term of ten (10) years ending on December 31, 2025 with a renewal option for successive five (5) year terms. The Municipality paid the Ontario Clean Water Agency \$1,240,288 in 2022 and will increase by annual insurance and Consumer Price Index adjustments in subsequent years.
- (c) The Municipality has entered into a Stipulated Price Contract for the construction of a new Twin Pad Arena and Library. The stipulated price is \$43,480,000 excluding taxes (HST). The total contract price including change orders is \$44,420,581. The project is currently underway and is expected to be substantially completed by September 2023.

The Municipality has entered into a contract with a project management firm for the new Twin Pad Arena and Library. The project manager oversees contractual and scheduling obligations between the General Contractor and the Architect for the construction project. The project management contract amount is \$626,970.

The Municipality has entered into a contract with an architect company for the design work related to the new Twin Pad Arena and Library. The architect contract amount is \$3,305,860.

### 7. Portfolio investments

Portfolio investments include fixed income federal, provincial and corporate bonds, rated by S&P at a risk level of AA or higher in accordance with the Municipality's investment policy. The bond portfolio investments balance is reduced by \$55,330 (2021 - \$65,110) of purchase premiums. Also included in portfolio investments are investments held in The ONE Investment Program. It is designed specifically for the municipal and broader Ontario public sector. The investments held within the Program are valued at their purchase cost, plus any reinvested income earned.

Investments include:

	2022		2021	
	Book Value	Market Value	Book Value	Market Value
Bond Portfolio Investments	16,686,470	15,793,606	16,546,892	16,682,980
<i>ONE Fund Investments</i>				
Bond Portfolio	4,028,133	3,612,577	3,964,135	3,764,501
Universal Corporate Bond Portfolio	5,257,334	4,571,701	5,152,226	4,989,055
Equities Portfolio	6,021,544	7,649,926	5,708,762	8,896,194
	<b>31,993,481</b>	<b>31,627,810</b>	31,372,015	34,332,730

Investment income earned on the bond portfolio investments during the year was \$147,714 (2021 - \$492,672). Investment income earned in the ONE Fund portfolio during the year was \$876,513 (2021 - \$780,626). Of the above amounts, \$668,605 (2021 - \$434,758) was recorded as investment income in the obligatory reserve funds.

# CORPORATION OF THE TOWN OF WASAGA BEACH

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022

### 8. Cash, cash equivalents and guaranteed investments

Cash, cash equivalents and guaranteed investments total as follows:

	2022	2021
	\$	\$
Cash and cash equivalents	13,665,199	30,684,962
Guaranteed investments	32,330,235	22,165,315
	45,995,434	52,850,277

The total is comprised of unrestricted and restricted amounts as follows:

	\$	\$
Unrestricted	20,644,419	25,144,066
Restricted - obligatory reserve funds	25,351,015	27,706,211
	45,995,434	52,850,277

Cash and cash equivalents includes cash held in financial institutions.

Guaranteed investments consist of 7 non-redeemable GICs with maturity dates between February 2023 and August 2025, earning interest rates ranging from 1.40% to 5.05% per annum. It also includes two Principal Protected Notes with maturity dates of August 2027 and 2029, bearing interest at 4.00% per annum. The 2021 balance consisted of 5 non-redeemable GICs with maturity dates between February 2022 and August 2025, earning interest rates of 1.25% to 1.9% per annum.

Restricted cash and guaranteed investments relate to obligatory reserve funds as described in Note 11.

The available line of credit has a limit of \$2,000,000. Interest is paid on outstanding balances at a rate of prime less 0.75%. As of year end the balance was \$NIL (2021 - \$NIL).

### 9. Local improvements receivable

Benefiting land owners of local improvements had the option to pay for their share of the cost in full or finance over increments of 5, 10, 15 or 20 years. Interest rates on the receivable balance range from 1.50% to 6.50% per annum.

### 10. Assets held for resale

Included in assets held for resale is land on Ramblewood Drive. An agreement with Zancor Group Limited ("Zancor") was signed in 2006 for the Municipality to hold lands in trust on behalf of Zancor, in exchange for infrastructure works completed by Zancor on the Municipality's behalf prior to 2006. The lands were subsequently written down to \$1 on the Municipality's asset register to reflect the net realizable value of the lands held by the Municipality. In 2022 the Municipality transferred title of the land to Zancor. While elements of the agreement are under review by the Town, the land transfer transaction has been completed without exchange of funds. The transaction has been valued at \$1.3 million for land registry purposes as an estimate of value of exchange of the approximate 32 acre parcels of land for infrastructure works.



# CORPORATION OF THE TOWN OF WASAGA BEACH

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022

### 11. Deferred revenue - obligatory reserve funds and other

A requirement of the public sector accounting principles of the Chartered Professional Accountants of Canada is that obligatory reserve funds be reported as deferred revenue. This requirement is in place as provincial legislation restricts how these funds may be used and under certain circumstances these funds may be refunded.

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

	2022	2021
	\$	\$
Deferred revenue, beginning of year	27,706,211	24,648,823
New deposits:		
Government grants	3,784,057	3,078,559
Private sources	7,534,307	13,842,461
Investment income	761,592	552,702
Transfers to revenue	(14,435,152)	(14,416,334)
Deferred revenue, end of year	25,351,015	27,706,211
	2022	2021
	\$	\$
Obligatory reserve funds:		
Development Charges Act	13,934,117	19,952,450
Recreational land	1,087,238	690,795
Federal and Provincial gas tax allocation	3,743,072	3,273,830
Building Code Act	2,791,167	1,705,753
Other:		
Government grants	2,901,141	1,461,963
Library and Arena donations	894,280	621,420
	25,351,015	27,706,211

# CORPORATION OF THE TOWN OF WASAGA BEACH

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022

### 12. Temporary loans

The Municipality has a financing agreement in place with Ontario Infrastructure and Lands Corporation ('OILC') whereby OILC made long-term financing available up to a maximum of \$33,500,000 for the acquisition of tangible capital assets related to the new Twin pad Arena/Library Building and Main Street Bridge infrastructure projects.

Each advance shall be due and payable in full on the earlier of the facility termination date (defined as the earlier of September 29, 2026 and the date on which the obligations of OILC have been terminated) or the debenture purchase date for the project(s) for which the advance was made. The advance will be repaid by a) using immediately available funds; b) converting the advance into long-term financing by issuing to OILC one or more debentures in a principal amount at least equal to the advance to be repaid; or c) any combination of (a) and (b).

Interest is calculated at a floating rate per annum based on OILC's cost of funds plus their prevailing spread assigned to the borrower section for the program delivery costs and risks. Interest costs during construction have been included in the cost of tangible capital assets.

As at December 31, 2021 the Municipality has received \$3,000,000 in advances from OILC related to this agreement for the Main Street Bridge. During the 2022 year, this portion of the temporary loan was converted to a debenture in accordance with the agreement. The terms are bi-annual payments of \$320,838 each for principal and interest, bearing interest at a rate of 2.48%, maturing March 2027.

During the 2022 fiscal year, the Municipality received \$5,000,000 in advances from OILC related to this agreement for the Twinpad Arena/Library Building. Subsequent to year end, the Municipality drew an additional \$7,000,000 against this facility.

# CORPORATION OF THE TOWN OF WASAGA BEACH

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022

### 13. Long-term liabilities

(a) Long-term liabilities consist of the following:

	2022	2021
	\$	\$
OILC debenture for the Main Street Bridge, 2.48% interest, semi-annual blended payments of \$320,838 principal and interest, due March 2027.	2,716,361	-
OILC debenture for the purchase of a fire pumper truck, 2.06% interest, semi-annual blended payments of \$54,851 principal and interest, due March 2025.	265,982	368,617
Toronto Dominion bank loan for the purchase of beachfront properties, 3.163% interest, monthly blended payments of \$33,310 principal and interest, due May 2025.	5,349,716	5,576,830
OILC debenture for the purchase of beachfront properties, 3.28% interest, monthly payments of \$23,000 plus interest, due July 2040.	4,853,000	5,129,000
OILC debenture for the retrofit of streetlights with LED light bulbs, 2.21% interest, semi-annual payments of \$125,000 plus interest, due July 2026.	1,000,000	1,250,000
	<b>14,185,059</b>	<b>12,324,447</b>

(b) Principal, interest and total debt payments for the next 5 years are as follows:

	Principal	Interest	Total
	\$	\$	\$
2023	1,442,522	410,334	1,852,856
2024	1,466,166	372,557	1,838,723
2025	6,062,243	245,018	6,307,261
2026	1,148,220	151,477	1,299,697
2027	592,908	122,742	715,650
and thereafter	3,473,000	722,027	4,195,027
	<b>14,185,059</b>	<b>2,024,155</b>	<b>16,209,214</b>

The above long-term liabilities issued in the name of the Municipality have been approved through by-laws. 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.

# CORPORATION OF THE TOWN OF WASAGA BEACH

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022

### 14. Pension agreements

The employees of the Municipality participate in the Ontario Municipal Employees Retirement System ("OMERS"). Although the plan has a defined retirement benefit for employees, the related obligation of the Municipality cannot be identified. The Municipality has applied defined contribution plan accounting as it has insufficient information to apply defined benefit plan accounting. The OMERS plan has several unrelated participating municipalities and costs are not specifically attributed to each participant. Amounts paid to OMERS for 2022 were \$1,184,167 (2021 - \$1,128,723) for current service.

OMERS is a multi-employer plan, therefore any pension plan surpluses or deficits are a joint responsibility of Ontario municipal organizations and their employees. The most recent actuarial valuation of the Plan was conducted at December 31, 2022. The results of this valuation disclosed total actuarial liabilities of \$130.3 (2021 - \$120.8) billion in respect of benefits accrued for service with actuarial assets at that date of \$123.6 (2021 - \$117.7) billion, indicating a going concern actuarial deficit of \$6.7 (2021 - \$3.1) billion.

### 15. Employee future benefits

The Municipality pays certain post-retirement benefits on behalf of its retired employees, including extended health and dental coverage. The Municipality recognizes these post-retirement costs in the period in which the employees rendered the services. The accrued benefit obligation at December 31, 2022 of \$1,803,000 and the net periodic benefit cost were determined by an actuarial valuation dated March 15, 2021. Actuarial valuations will be prepared every third year or when there are significant changes to the workforce.

Information about the Municipality's obligation for employee future benefits is as follows:

	2022	2021
	\$	\$
Accrued plan liability, beginning of year	1,311,100	1,182,700
Current service cost	114,400	111,900
Interest cost	39,900	38,500
Amortization of actuarial loss	58,200	58,200
Benefits paid for the period	(98,000)	(80,200)
Accrued plan liability, end of year	1,425,600	1,311,100
Unrecognized actuarial loss	377,400	435,600
Accrued benefit obligation, end of year	1,803,000	1,746,700

The main actuarial assumptions employed for the valuation were as follows:

(a) General inflation

Future general inflation levels, as measured by changes in the Consumer Price Index (CPI), were assumed at 2.5% in 2022 (2021 - 2.5%) and thereafter.

(b) Interest (discount) rate

The obligation as at December 31, 2022 of the present value of future liabilities and the expense, was determined using an annual discount rate of 2.2% (2021 - 2.2%). This corresponds to the assumed CPI rate plus an assumed real rate of return of 2.5% (2021 - 2.5%).

(c) Health care costs

Health care costs were assumed to increase 6.1% in 2022 (2021 - 6.2%) and 6.0% in 2023.

(d) Dental costs

Dental costs were assumed to increase 4.0% in 2022 (2021 - 4.0%) and thereafter.

# CORPORATION OF THE TOWN OF WASAGA BEACH

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022

### 16. Accumulated surplus

The accumulated surplus consists of individual fund surplus and reserves and reserve funds as follows:

	2022	2021
	\$	\$
Surplus:		
Investment in tangible capital assets	288,888,375	261,794,643
Assets held for resale	-	1
<b>Total surplus</b>	<b>288,888,375</b>	<b>261,794,644</b>
Reserves set aside for specific purposes by Council		
Working funds	1,903,087	1,412,398
Government business enterprise	3,593,269	3,593,269
Water and wastewater	21,934,864	24,880,817
Operating	3,769,723	3,146,896
Tax rate stabilization	1,690,564	1,327,117
Casino revenue	152,138	-
Acquisition of tangible capital assets	9,078,816	13,933,722
<b>Total reserves</b>	<b>42,122,461</b>	<b>48,294,219</b>
Reserve funds set aside for specific purposes by Council		
Acquisition of tangible capital assets	241,507	429,367
<b>Investment in government business enterprises (Note 21)</b>	<b>18,424,976</b>	<b>17,689,800</b>
<b>Total accumulated surplus</b>	<b>349,677,319</b>	<b>328,208,030</b>

### 17. Net municipal taxation

Net municipal taxation consists of:

	2022	2021
	\$	\$
Taxation revenue	50,747,787	49,606,699
Amount levied and remitted to School Boards	(9,004,936)	(9,083,885)
Amount levied and remitted to the County of Simcoe	(13,377,043)	(12,975,613)
<b>Net municipal taxation</b>	<b>28,365,808</b>	<b>27,547,201</b>

# CORPORATION OF THE TOWN OF WASAGA BEACH

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022

### 18. Other revenues

Other revenues on the consolidated statement of operations consists of the following:

	2022	2021
	\$	\$
Rent and concessions	770,984	782,646
Licences and permits	1,049,659	1,154,899
Fines	287,370	277,872
Casino revenues	152,138	-
Donations and sale of small land parcels	284,387	159,207
	<b>2,544,538</b>	<b>2,374,624</b>

### 19. Government grants

Government grants on the consolidated statement of operations and schedule 3 consist of the following:

	2022	2021
	\$	\$
Federal	399,969	2,054,868
Provincial	2,951,641	2,932,627
	<b>3,351,610</b>	<b>4,987,495</b>

### 20. Annual surplus transferred to reserves

A reconciliation between adjusted annual surplus as transferred to reserves and recorded annual surplus as per the consolidated statements is reflected below. The need for this is generated by the actual recorded results complying with PSAB reporting requirements.

	2022	2021
	\$	\$
Recorded annual surplus as per consolidated statement of operations	21,469,289	22,900,080
Change in government business enterprise	(735,176)	(572,284)
Amortization of tangible capital assets	7,586,304	7,512,134
Loss (gain) on disposal of tangible capital assets	804,413	(46,757)
Proceeds on disposal of tangible capital assets	900,270	621,038
Tangible capital asset additions	(40,245,330)	(26,374,350)
Issuance of debentures and temporary loans	5,000,000	3,000,000
Principal payments on long-term liabilities	(1,139,388)	(845,152)
Annual (deficit) surplus transferred (from) to reserves	<b>(6,359,618)</b>	<b>6,194,709</b>

# CORPORATION OF THE TOWN OF WASAGA BEACH

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022

### 21. Government business enterprise (GBE)

The following balances represent the consolidation of Geosands Inc., Wasaga Distribution Inc., Wasaga Genco Inc. and Wasaga Resource Services Inc. for the year ended December 31. The following operations are included in the consolidated statement of operations, accounted for on a modified equity basis:

	Notes	2022	2021
		\$	\$
Total assets		43,435,767	33,081,847
Total liabilities	(a)	(24,764,164)	(14,983,471)
Net assets		18,671,603	18,098,376
Common shares		2,745,596	2,745,596
Miscellaneous paid-in capital		5,175,468	5,175,468
Retained income		10,503,912	9,768,736
Investment in government business enterprise		18,424,976	17,689,800
Total revenues	(b)	24,596,238	24,497,467
Total expenditures		(23,381,062)	(23,620,183)
Net income for the year		1,215,176	877,284
Dividends		(480,000)	(305,000)
Change in investment in government business enterprise equity		735,176	572,284
Income from government business enterprise:			
Change in investment in GBE equity	(c)	735,176	572,284
Dividends	(d)	480,000	305,000
Interest on note receivable	(e)	135,826	135,826
		1,351,002	1,013,110

#### (a) Note receivable from Wasaga Distribution Inc.

Geosands' liabilities include a note receivable from Wasaga Distribution Inc., repayable to the Municipality, in the amount of \$3,593,269 (2021 - \$3,593,269), which has no fixed terms of principal repayment. Interest is determined on the principal amount outstanding on the 30th day following December 31st of each year in which principal is owing. The note bears interest at the rate approved by the Ontario Energy Board (OEB) in connection with the the current decision and order issued by the OEB approving the electricity distribution rates that Wasaga Distribution Inc. is permitted to recover. Interest may be receivable in cash or in additional common shares issued by the government business enterprise. The interest rate during the year was 3.78% (2021 - 3.78%).

# CORPORATION OF THE TOWN OF WASAGA BEACH

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022

### 21. Government business enterprise (GBE) (continued)

#### (b) Rent revenue

Included in total revenue of the GBE is rental income from the Municipality. In 2011, a lease agreement was entered into with Wasaga Distribution Inc., effective January 1, 2012 for the construction of a fire hall on a portion of the land owned by Wasaga Distribution Inc. The Municipality was charged rent of \$32,136 (2021 - \$31,500). Rent will increase by the same percentage as the Consumer Price Index for the first ten years. On the eleventh year of the lease there will be a revaluation of rent based on fair market value. The term of the lease is forty years, including options for two extensions of twenty years.

#### (c) Change in investment in government business enterprise equity

Change in investment in government business enterprise equity represents the annual increase or decrease in the retained earnings of Geosands Inc., Wasaga Distribution Inc. and Wasaga Resources Services Inc., after eliminating any intercompany transactions between the three companies. The amount of change in retained earnings is calculated as the companies' annual net income, less any dividends paid to the Municipality. The amount retained by those companies is determined by their Board of Directors, in their anticipation of investments in property, plant and equipment and their cash requirements to effectively operate the companies. The Municipality only receives cash from the investment in the government business enterprise when dividends are declared as described in (d) below.

#### (d) Dividends

During the year the Municipality received \$480,000 (2021 - \$305,000) cash in the form of dividends from Geosands Inc. The amount of dividends paid each year is determined by the Board of Directors of Wasaga Resources Services Inc., Wasaga Distribution Inc. and Geosands Inc. based on their annual earnings, their anticipated amount of investment required in property, plant and equipment and their available cash flow.

#### (e) Interest on note receivable

During the year the Municipality received \$135,826 (2021 - \$135,826) cash in the form of interest from the note receivable from Wasaga Distribution Inc., as described in (a) above.

### 22. Trust funds

Trust funds administered by the Municipality amounting to \$254,146 (2021 - \$239,481) have not been included in the consolidated statement of financial position nor have their operations been included in the consolidated statement of operations. The trust funds are comprised of the following:

	2022	2021
	\$	\$
Cemetery Pre-Need	27,654	27,541
Cemetery Perpetual Care and Maintenance	226,491	211,941



# CORPORATION OF THE TOWN OF WASAGA BEACH

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022

### 23. Comparative figures

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

### 24. Segmented information

The Municipality is a diversified municipal government institution that provides a wide range of services to its citizens such as police (OPP contract), fire, recreation and library services as well as road, water and sewer infrastructure. Distinguishable functional segments have been separately disclosed in the segmented information. Revenues that are directly related to the costs of the function have been attributed to each segment. Net municipal taxation revenue is allocated to each segment based on the prorated total budgeted expenses for each department.

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 schedules of segmented revenues and expenses.

The nature of the segments and the activities they encompass are as follows:

- (a) General government  
General government is the governance of the Municipality. It is comprised of Council, corporate health and safety, human resources and general administration.
- (b) Protection to persons and property  
Protection to persons and property consists of OPP contract services, fire fighting and fire prevention services and other protective services consisting of community safety activities, animal control, bylaw enforcement and building inspection.
- (c) Transportation  
Transportation services is comprised of revenues and expenses related to the various forms of transportation available to the Municipality. Transportation services include activities relating to maintaining roads, transit services, parking and streetlights.
- (d) Environmental  
Environmental services consist of the provision of the Municipality's drinking water and waste water system.
- (e) Recreation and cultural  
Recreation and cultural services consists of parks, sports centre activities, recreation programs and library services.
- (f) Planning and development  
Planning and development is comprised of services including Municipal planning and Committee of Adjustment. Planning and development guides, regulates and facilitates development within the municipality.
- (g) Health, social and family  
Health services is comprised of revenues and expenses related to the cemetery, which offers an upright monument, flat marker, cremation garden section, mausoleum and columbarium.  
Social and family services consist of two programs, the Age-Friendly Community Advisory Committee and Senior Active Living Centre.

# CORPORATION OF THE TOWN OF WASAGA BEACH

## SCHEDULE 1 SCHEDULE OF LIBRARY OPERATIONS FOR THE YEAR ENDED DECEMBER 31

	Budget 2022	Actual 2022	Actual 2021
	\$ (Note 2)	\$	\$
<b>Revenue</b>			
Government grants	62,180	<b>70,863</b>	42,859
Contribution from municipality	951,260	<b>921,012</b>	818,317
Rents, fines, program and miscellaneous fees	5,430	<b>8,819</b>	3,941
Donations	500	<b>50</b>	1,496
	1,019,370	<b>1,000,744</b>	866,613
<b>Expenses</b>			
Salaries, wages and benefits	822,010	<b>814,332</b>	714,848
Contracted services	57,000	<b>64,687</b>	27,816
Materials and supplies	131,610	<b>116,898</b>	116,989
Memberships and training	7,250	<b>4,827</b>	4,429
	1,017,870	<b>1,000,744</b>	864,082
<b>Annual surplus</b>	1,500	-	2,531
Accumulated surplus, beginning of the year	385,591	<b>385,591</b>	383,060
<b>Accumulated surplus, end of the year</b>	387,091	<b>385,591</b>	385,591

**The supplemental information provided above has been extracted from the records of the Municipality and is included in the consolidated statement of operations.**

## CORPORATION OF THE TOWN OF WASAGA BEACH

### SCHEDULE 2 CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS FOR THE YEAR ENDED DECEMBER 31

	Land	Land Improvements	Buildings	Machinery and Equipment	Vehicles	Linear Assets	Construction in Progress	2022 Total	2021 Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Cost</b>									
Balance, beginning of year	43,137,749	14,849,186	51,971,538	11,719,246	13,555,907	242,562,320	16,956,969	<b>394,752,915</b>	371,506,166
Additions	2,193,415	380,996	2,630,065	1,507,180	2,267,820	6,507,594	30,680,775	<b>46,167,845</b>	36,671,501
Disposals	(624,480)	(49,426)	(1,495,988)	(451,448)	(337,061)	(517,142)	(5,922,517)	<b>(9,398,062)</b>	(12,709,034)
Write downs	-	-	-	-	-	-	-	-	(715,719)
Balance, end of year	44,706,684	15,180,756	53,105,615	12,774,978	15,486,666	248,552,772	41,715,227	<b>431,522,698</b>	394,752,914
<b>Accumulated amortization</b>									
Balance, beginning of year	-	4,693,767	24,235,593	5,246,275	8,013,947	75,444,249	-	<b>117,633,831</b>	112,675,011
Amortization	-	334,640	1,053,359	754,435	1,019,749	4,424,121	-	<b>7,586,304</b>	7,512,134
Disposals	-	(37,374)	(610,399)	(451,450)	(335,195)	(336,452)	-	<b>(1,770,870)</b>	(2,553,321)
Balance, end of year	-	4,991,033	24,678,553	5,549,260	8,698,501	79,531,918	-	<b>123,449,265</b>	117,633,824
Net book value, end of year	44,706,684	10,189,723	28,427,062	7,225,718	6,788,165	169,020,854	41,715,227	<b>308,073,433</b>	277,119,090

See accompanying notes to the financial statements

## CORPORATION OF THE TOWN OF WASAGA BEACH

### SCHEDULE 3 CONSOLIDATED SCHEDULE OF SEGMENTED REVENUES AND EXPENSES ACTUAL FOR THE YEAR ENDED DECEMBER 31, 2022

	General Government	Protection to Persons and Property	Transportation	Environmental	Recreation and Cultural	Planning and Development	Health, Social and Family	Total
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Revenues</b>								
Net municipal taxation	2,399,178	10,081,400	6,972,160	486,260	5,753,050	2,579,120	94,640	28,365,808
Payments in lieu of taxation	593,575	-	-	-	-	-	-	593,575
User charges	57,441	76,711	2,131,874	7,541,141	675,526	391,944	76,128	10,950,765
Government grants (Note 19)	1,534,118	(893)	210,905	-	59,606	2,100	42,700	1,848,536
Payments from other municipalities	-	24,496	-	-	-	-	8,000	32,496
Contributions from deferred revenue - obligatory reserve funds and other	-	-	44,586	168,745	-	-	-	213,331
Investment	603,359	-	-	-	-	-	-	603,359
Penalties and interest on taxes	677,869	-	-	-	-	-	-	677,869
Other	208,332	1,129,886	162,212	98,115	167,981	526,522	8,965	2,302,013
	6,073,872	11,311,600	9,521,737	8,294,261	6,656,163	3,499,686	230,433	45,587,752
<b>Expenses</b>								
Salaries, wages and employee benefits	1,512,092	5,992,684	4,079,430	1,649,480	3,837,655	1,369,129	132,951	18,573,421
Interest on long-term liabilities	-	6,367	85,813	-	-	336,025	-	428,205
Materials and supplies	465,244	609,201	2,291,798	1,984,280	1,370,220	383,770	68,886	7,173,399
Rents, financial expenses and external transfers	134,476	337,994	222,245	144,522	224,104	233,234	792	1,297,367
Contracted services	337,234	5,212,900	1,158,178	1,757,246	345,413	708,305	56,566	9,575,842
Amortization of tangible capital assets	145,802	444,131	3,151,074	3,019,645	654,266	150,238	21,148	7,586,304
	2,594,848	12,603,277	10,988,538	8,555,173	6,431,658	3,180,701	280,343	44,634,538
<b>Net revenues (expenses)</b>	<b>3,479,024</b>	<b>(1,291,677)</b>	<b>(1,466,801)</b>	<b>(260,912)</b>	<b>224,505</b>	<b>318,985</b>	<b>(49,910)</b>	<b>953,214</b>
<b>Other</b>								
Grants and transfers related to capital								
User charges	4,300	-	1,997	2,716,917	27,956	-	-	2,751,170
Government grants (Note 19)	61,788	393,197	846,832	-	201,257	-	-	1,503,074
Payments from other municipalities	-	-	-	446,739	-	-	-	446,739
Contributions from deferred revenue - obligatory reserve funds and other	-	236,366	1,391,768	860	11,539,382	-	-	13,168,376
Investment	-	-	-	470,602	-	-	-	470,602
Other	140,475	-	-	-	102,050	-	-	242,525
Gain on disposal of tangible capital assets	-	12,820	(181,643)	(881,560)	(35,660)	-	281,630	(804,413)
Contributed tangible capital assets	-	-	41,400	139,900	1,205,700	-	-	1,387,000
Income from government business enterprise	1,351,002	-	-	-	-	-	-	1,351,002
	1,557,565	642,383	2,100,354	2,893,458	13,040,685	-	281,630	20,516,075
<b>Annual surplus (deficit)</b>	<b>5,036,589</b>	<b>(649,294)</b>	<b>633,553</b>	<b>2,632,546</b>	<b>13,265,190</b>	<b>318,985</b>	<b>231,720</b>	<b>21,469,289</b>

See accompanying notes to the financial statements

## CORPORATION OF THE TOWN OF WASAGA BEACH

### SCHEDULE 4 CONSOLIDATED SCHEDULE OF SEGMENTED REVENUES AND EXPENSES ACTUAL FOR THE YEAR ENDED DECEMBER 31, 2021

	General Government	Protection to Persons and Property	Transportation	Environmental	Recreation and Cultural	Planning and Development	Health, Social and Family	Total
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Revenues</b>								
Net municipal taxation	2,720,991	9,553,130	5,713,770	1,460,200	5,484,700	2,541,650	72,760	27,547,201
Payments in lieu of taxation	564,264	-	-	-	-	-	-	564,264
User charges	90,711	12,573	1,817,480	7,826,975	309,540	390,240	73,263	10,520,782
Government grants	1,938,830	15,586	231,042	-	63,718	26,473	71,140	2,346,789
Payments from other municipalities	-	45,085	-	-	10,250	80,000	-	135,335
Contributions from deferred revenue - obligatory reserve funds and other	27,544	-	-	162,763	10,000	-	-	200,307
Investment	597,834	-	-	-	-	-	-	597,834
Penalties and interest on taxes	430,451	-	-	-	-	-	-	430,451
Other	42,258	1,010,407	417,658	71,856	158,451	624,049	8,445	2,333,124
	6,412,883	10,636,781	8,179,950	9,521,794	6,036,659	3,662,412	225,608	44,676,087
<b>Expenses</b>								
Salaries, wages and employee benefits	1,300,997	5,547,856	3,590,685	1,630,818	3,384,890	1,194,297	130,711	16,780,254
Interest on long-term liabilities	-	8,463	30,186	-	-	352,531	-	391,180
Materials and supplies	309,970	564,324	1,605,055	2,715,428	1,101,255	379,081	70,381	6,745,494
Rents, financial expenses and external transfers	153,049	321,871	240,570	158,273	126,033	261,311	1,364	1,262,471
Contracted services	119,809	5,062,328	1,090,748	1,840,364	170,637	555,154	49,647	8,888,687
Amortization of tangible capital assets	143,486	385,285	3,059,288	3,044,425	640,074	219,122	20,454	7,512,134
	2,027,311	11,890,127	9,616,532	9,389,308	5,422,889	2,961,496	272,557	41,580,220
<b>Net revenues (expenses)</b>	4,385,572	(1,253,346)	(1,436,582)	132,486	613,770	700,916	(46,949)	3,095,867
<b>Other</b>								
Grants and transfers related to capital								
User charges	-	-	357,264	400,062	-	-	-	757,326
Government grants	31,675	46,869	2,562,162	-	-	-	-	2,640,706
Payments from other municipalities	-	-	-	57,622	30,000	-	-	87,622
Contributions from deferred revenue - obligatory reserve funds and other	-	19,143	3,445,899	2,241,298	5,552,935	-	-	11,259,275
Investment	-	-	-	483,318	-	-	-	483,318
Other	40,700	-	-	-	800	-	-	41,500
Gain on disposal of tangible capital assets	(5,160)	(10,886)	(31,429)	(10,207)	472,359	(367,920)	-	46,757
Contributed tangible capital assets	-	-	1,370,804	1,957,795	146,000	-	-	3,474,599
Income from government business enterprise	1,013,110	-	-	-	-	-	-	1,013,110
	1,080,325	55,126	7,704,700	5,129,888	6,202,094	(367,920)	-	19,804,213
<b>Annual surplus (deficit)</b>	5,465,897	(1,198,220)	6,268,118	5,262,374	6,815,864	332,996	(46,949)	22,900,080

See accompanying notes to the financial statements