

**The Corporation of the Township of St. Joseph
Consolidated Financial Statements
For the year ended December 31, 2021**

The Corporation of the Township of St. Joseph
Consolidated Financial Statements
For the year ended December 31, 2021

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**The Corporation of the Township of St. Joseph
Management's Responsibility for Financial Reporting**

December 31, 2021

The accompanying consolidated financial statements of The Corporation of the Township of St. Joseph are the responsibility of management and have been approved by the Mayor and Treasurer on behalf of Council.

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards. Consolidated financial statements are not precise since they include certain amounts based on estimates and judgments. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the consolidated financial statements are presented fairly, in all material respects.

The municipality 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 municipality's assets are appropriately accounted for and adequately safeguarded.

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

The consolidated financial statements have been audited by BDO Canada LLP in accordance with Canadian generally accepted auditing standards on behalf of the ratepayers and inhabitants of 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.


_____ Mayor


_____ Treasurer



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Independent Auditor's Report

To the Members of Council, Inhabitants and Ratepayers of
The Corporation of the Township of St. Joseph

Opinion

We have audited the consolidated financial statements of The Corporation of the Township of St. Joseph (the Township), which comprise the consolidated statement of financial position as at December 31, 2021, and the consolidated statements of operations, 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, 2021, and its consolidated results of operations, its consolidated change in net financial assets, 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.

Other Matters

We have not audited, reviewed, or otherwise attempted to verify the accuracy or completeness of the schedules on pages 19 through 22 of these financial statements.

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

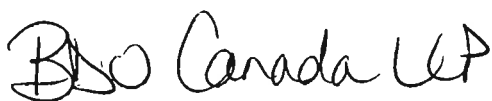
Independent Auditor's Report (continued)

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 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.



Chartered Professional Accountants, Licensed Public Accountants
Sault Ste. Marie, Ontario
September 21, 2022

**The Corporation of the Township of St. Joseph
Consolidated Statement of Financial Position**

December 31	2021	2020
Financial assets		
Cash and short term investments	\$ 5,105,486	\$ 4,335,651
Taxes receivable	289,354	274,944
Accounts receivable	155,023	117,979
Prepaid expenses and inventory held for sale	5,417	5,749
	5,555,280	4,734,323
Liabilities		
Accounts payable and accrued liabilities	368,471	549,025
Deferred revenue (Note 6)	434,181	80,626
Accrued landfill closure and post closure costs (Note 3)	81,000	76,000
Post employment and retirement benefits (Note 4)	21,755	28,066
	905,407	733,717
Net financial assets	4,649,873	4,000,606
Non-financial assets		
Tangible capital assets (Schedule 1)	9,276,359	9,354,297
	9,276,359	9,354,297
Accumulated surplus (Note 5)	\$ 13,926,232	\$ 13,354,903

On behalf of the Council:


 _____ Mayor


 _____ Treasurer

**The Corporation of the Township of St. Joseph
Consolidated Statement of Operations**

For the year ended December 31	Budget	2021	2020
Revenue			
Taxation (Note 2)	\$ 2,132,709	\$ 2,160,278	\$ 2,080,791
Government grants - Provincial	1,285,986	1,164,551	1,179,203
Government grants - Federal	279,661	213,903	166,160
Other municipalities	54,411	54,532	35,267
User fees and service charges	509,951	553,140	432,379
Licences, permits and rents	20,450	23,860	22,529
Interest fines and penalties	30,000	37,434	32,139
Investment income	37,610	58,329	80,230
Other	11,200	60,413	12,807
	<u>4,361,978</u>	<u>4,326,440</u>	<u>4,041,505</u>
Expenses			
General government	523,643	482,419	485,439
Protection services	388,693	365,964	371,693
Transportation services	780,409	735,454	721,369
Environmental services	349,837	479,076	494,488
Health services	445,630	438,025	409,521
Social and family services	905,267	849,340	724,367
Recreation and cultural services	487,704	369,193	390,880
Planning and development	50,000	35,640	23,941
	<u>3,931,183</u>	<u>3,755,111</u>	<u>3,621,698</u>
Annual surplus	430,795	571,329	419,807
Accumulated surplus, beginning of year	<u>13,354,903</u>	<u>13,354,903</u>	<u>12,935,096</u>
Accumulated surplus, end of year	<u>\$ 13,785,698</u>	<u>\$ 13,926,232</u>	<u>\$ 13,354,903</u>

The accompanying notes are an integral part of these financial statements.

The Corporation of the Township of St. Joseph
Consolidated Statement of Change in Net Financial Assets

<u>For the year ended December 31</u>	<u>Budget</u>	<u>2021</u>	<u>2020</u>
Annual surplus	\$ 430,795	\$ 571,329	\$ 419,807
Acquisition of tangible capital assets	(999,652)	(468,287)	(446,667)
Amortization of tangible capital assets	403,157	546,225	522,598
Net change in net financial assets	(165,700)	649,267	495,738
Net financial assets , beginning of year	4,000,606	4,000,606	3,504,868
Net financial assets , end of year	\$ 3,834,906	\$ 4,649,873	\$ 4,000,606

The accompanying notes are an integral part of these financial statements.

The Corporation of the Township of St. Joseph
Consolidated Statement of Cash Flows

For the year ended December 31	2021	2020
Operating transactions		
Annual surplus	\$ 571,329	\$ 419,807
Item not involving cash		
Amortization	<u>546,225</u>	<u>522,598</u>
	1,117,554	942,405
Changes in non-cash working capital balances		
Taxes receivable	(14,410)	194
Accounts receivable	(37,044)	185,229
Inventories held for sale	332	(1,968)
Accounts payable and accrued liabilities	(180,554)	149,386
Deferred revenue	353,555	(55,674)
Accrued landfill costs	5,000	5,000
Accrued sick leave and retirement benefits	<u>(6,311)</u>	<u>(9,642)</u>
	1,238,122	1,214,930
Capital transactions		
Acquisition of tangible capital assets	<u>(468,287)</u>	<u>(446,667)</u>
Net change in cash and cash equivalents	769,835	768,263
Cash and cash equivalents, beginning of year	<u>4,335,651</u>	<u>3,567,388</u>
Cash and cash equivalents, end of year	<u>\$ 5,105,486</u>	<u>\$ 4,335,651</u>

The accompanying notes are an integral part of these financial statements.

The Corporation of the Township of St. Joseph

Notes to Consolidated Financial Statements

December 31, 2021

1. Summary of significant accounting policies

The consolidated financial statements of the municipality have been prepared in accordance with Canadian public sector accounting standards, as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

Basis of Consolidation These consolidated financial statements reflect the assets, liabilities, sources of financing and expenditures of all municipal organizations, committees and boards which are owned or controlled by the municipality, including the following:

St. Joseph Township Public Library Board
St. Joseph Township Cemetery Board
St. Joseph Island Planning Board

In addition the St. Joseph Island Museum Board, a joint local board, has been proportionately consolidated at 55%.

**Cash and Cash
Equivalents**

Management considers all highly liquid investments with maturity of three months or less at acquisition to be cash equivalents.

**Tangible Capital
Assets**

Tangible capital assets are recorded at cost less accumulated amortization. Cost includes all costs directly attributable to acquisition or construction of the tangible capital asset including transportation costs, installation costs, design and engineering fees, legal fees and site preparation costs. Contributed tangible capital assets are recorded at fair value at the time of the donation, with a corresponding amount recorded as revenue. Amortization is recorded on a straight-line basis over the estimated life of the tangible capital asset commencing once the asset is available for productive use as follows:

Land improvements	25 to 50 years
Buildings	25 to 50 years
Machinery and equipment	5 to 30 years
Vehicles	10 to 25 years
Furnishings and fixtures	5 to 20 years
Infrastructure - roads, bridges, culverts & streetlights	25 to 50 years
Infrastructure - road surface treatments	7 to 10 years
Water treatment and distribution infrastructure	50 years
Wastewater collection and disposal infrastructure	25 to 50 years

**Collection of Taxes on
Behalf of Other
Taxation Authorities**

The municipality collects taxation revenue on behalf of other entities. Such levies, other revenues, expenses, assets and liabilities with respect to the operations of these other entities are not reflected in these consolidated financial statements.

Trust Funds

Funds held in trust by the municipality and their related operations are not included in these consolidated financial statements. The financial activity and financial position of the trust funds are reported separately.

**Retirement Benefits
and Other Employee
Benefit Plans**

The municipality provides pension benefits to specified employees through the Ontario Municipal Employees Retirement Fund (OMERS), a multi-employer plan. The municipality's contributions due during the period are expensed as incurred. The municipality provides other post-employment benefits. These costs accumulate over the period of service provided by employees and are determined using management's best estimates.

The Corporation of the Township of St. Joseph

Notes to Consolidated Financial Statements

December 31, 2021

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

- Deferred Revenue** Funds received for specific purposes which are externally restricted by legislation, regulation or agreement and are not available for general municipal purposes are accounted for as deferred revenue on the consolidated statement of financial position. The revenue is recognized in the consolidated statement of operations in the year in which it is used for the specified purpose.
- Government Transfers** Government transfers are recognized as revenue in the financial statements when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.
- Revenue Recognition** Taxes are recorded at estimated amounts when they meet the definition of an asset, have been authorized and the taxable event occurs. For property taxes, the taxable event is the period for which the tax is levied. Taxes receivable are recognized net of an allowance for anticipated uncollectable amounts.
- Charges for sewer and water usage are recorded as user fees. Connection fee revenues are recognized when the connection has been established.
- Sales of service and other revenue is recognized on an accrual basis as services are provided.
- Solid Waste Landfills** The estimated costs to close and maintain solid waste landfill sites are based on estimated future expenses in current dollars, discounted, adjusted for estimated inflation, and are charged to expense as the landfill site's capacity is used. Future events may result in significant changes to the estimated total expenses, capacity used, or total capacity and the estimated liability and would be recognized prospectively, as a change in estimate, when applicable.
- Use of Estimates** The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

The Corporation of the Township of St. Joseph Notes to Consolidated Financial Statements

December 31, 2021

2. Taxation	2021	2020
Residential and multi-residential	\$ 2,432,809	\$ 2,361,063
Commercial and industrial	71,091	56,608
Taxation from other governments	14,621	14,796
	2,518,521	2,432,467
Deduct: amounts received or receivable for school boards	(358,243)	(351,676)
	\$ 2,160,278	\$ 2,080,791

3. Landfill closure and post-closure costs

Solid waste closure and post-closure care requirements have been defined in accordance with industry standards and include final covering and landscaping of the landfill, removal of ground water and leachates, and ongoing environmental monitoring, site inspection and maintenance.

The present value of the municipality's estimated future liability for this expense is recognized as the landfill site's capacity is used. The liability and annual expense is calculated based on the ratio of utilization to total capacity of the landfill site and the discounted estimated cash flows associated with closure and post-closure activities. The reported liability reflects a discount rate of 4%.

The liability is based on estimates and assumptions related to events extending over the remaining life of the landfill. The landfill is expected to reach its capacity in 91 years and the estimated remaining capacity is 227,000 cubic metres (2020 - 229,500) of the site's total capacity. The estimated length of time needed for post-closure care is 30 years.

It is estimated that the total net present value of the cost to close and maintain the landfill site is \$200,787 (2020 - \$193,064), of which \$81,000 (2020 - \$76,000) has been recognized to December 31, 2021 based on the 40.26% (2019 - 39.61%) cumulative capacity used at that date.

4. Post employment and retirement benefits

The municipality makes contributions to the Ontario Municipal Employees Retirement Fund (OMERS), which is a multi-employer plan, on behalf of eligible members of its staff. The plan is a defined benefit plan which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay.

The municipality's contributions to OMERS equal those made by the employees. During the year, the municipality contributed \$46,561 (2020 - \$50,374) to the plan. As this is a multi-employer pension plan, these contributions are the municipality's pension benefit expense. Contribution amounts are determined by OMERS which adjusts rates to reflect actuarial requirements. Any surplus or deficit of the pension plan is not included in the municipality's financial statements. At December 31, 2021 OMERS reported an actuarial funding deficit of \$3.1 billion (2020 - \$3.2 billion).

Under the sick leave benefit plan, unused sick leave can accumulate and employees may become entitled to a cash payment of 25% of their accumulated sick leave credits upon meeting specific retirement criteria. Employees forfeit their accrued sick leave credits upon termination of employment for any reason.

The liability for these accumulated days, to the extent that they have vested and could be taken in cash by an employee on retirement, amounted to \$21,755 (2020 - \$28,066) at the end of the year.

The Corporation of the Township of St. Joseph
Notes to Consolidated Financial Statements

December 31, 2021

5. Accumulated surplus

	2021	2020
Reserves set aside for specific purposes by Council		
Working funds	\$ 988,408	\$ 849,734
Administration building & office equipment	127,604	92,187
Election costs	7,500	5,000
Emergency planning	2,000	2,000
Fire	90,493	79,187
Road improvements	331,126	226,093
Sewage treatment operations	168,380	137,218
Waterworks operations	225,349	197,462
Future landfill closure and post-closure costs	505,556	476,728
CARHS committee	4,433	4,433
Healthcare	25,000	25,000
Recreation	129,354	101,473
Recreation events	70,865	66,063
Special projects	194,901	194,901
Community improvement	5,000	5,000
War of 1812 committee	6,799	6,799
Planning	33,185	37,886
Museum operations	75,307	74,561
Museum capital	2,049	2,049
Library capital	19,304	19,167
Cemetery	500	500
	3,013,113	2,603,441
Reserve funds set aside for specific purposes by Council		
Tangible capital asset replacement	1,607,990	1,382,053
	4,621,103	3,985,494
Total reserves	4,621,103	3,985,494
Equity in tangible capital assets	9,276,359	9,354,297
Boards surplus/deficit	28,770	15,112
	\$ 13,926,232	\$ 13,354,903

Allocation of annual surplus (deficit):

	2021	2020
Reserves and reserve funds	\$ 635,609	\$ 489,350
Equity in tangible capital assets	(77,938)	(75,931)
Boards surplus/deficit	13,658	6,388
	\$ 571,329	\$ 419,807

The Corporation of the Township of St. Joseph
Notes to Consolidated Financial Statements

December 31, 2021

6. Deferred revenue

	Opening balance	Contributions Received	Externally restricted investment income	Revenue Recognized	Ending balance
ADSAB - PSW	\$ -	\$ 378,050	\$ -	\$ (72,504)	\$ 305,546
ESDC	-	73,530	-	-	73,530
Obligatory parks	32,558	239	395	-	33,192
Other	48,068	19,064	-	(45,219)	21,913
	\$ 80,626	\$ 470,883	\$ 395	\$ (117,723)	\$ 434,181

7. Trust funds

Trust funds administered by the Township amounting to \$55,484 (2020 - \$53,234) have not been included in the "Consolidated Balance Sheet" nor have their operations been included in the "Consolidated Statement of Operations".

8. Credit facility

The municipality has a \$400,000 bank operating line of credit bearing interest at prime and secured by a general security agreement. As at December 31, 2021, a balance of NIL was outstanding on this credit facility.

9. Public Sector Salary Disclosure Act

For The Corporation of the Township of St. Joseph, no employees were paid salaries, as defined in the Public Sector Salary Disclosure Act, 1996 of \$100,000 or more.

10. Contingency

The Township is taking legal action against a business owner for breach of covenant. The amount of any potential gain is undeterminable at this time.

11. Segmented information

The municipality is a diversified local government institution that provides a wide range of services to its citizens. For management reporting purposes, municipal operations and activities are organized and reported by department. Departments that have been separately disclosed in the segmented information, along with the services they provide, are as follows:

General government

The administration department oversees the delivery of all government services. The department is responsible for ensuring that there are adequate policies and procedures in place to safeguard assets and to properly report financial activities. In addition, this department includes the governance activities of council.

The Corporation of the Township of St. Joseph

Notes to Consolidated Financial Statements

December 31, 2021

11. Segmented information (continued)

Protection

Protection is comprised of the police, fire/emergency, by-law enforcement and building inspections departments. The mandate of the police department is to ensure the safety of the lives and property of citizens; preserve peace and good order; prevent crimes from occurring; detect offenders; and enforce the law. The fire/emergency department is responsible to provide fire suppression service; fire prevention programs; training and education related to prevention, detection or extinguishment of fires. The by-law enforcement and building inspection department ensures properties are in compliance with applicable legislation, by-laws, building standards and construction codes.

Transportation

The transportation department is responsible for the delivery of municipal public works services related to the planning, development and maintenance of roadway systems, winter control and street lighting.

Environmental

The environmental department consist of three distinct utilities - water, wastewater and solid waste disposal. The department provides drinking water to ratepayers, collecting and treating wastewater, and providing garbage collection and waste minimization programs and facilities for solid waste disposal.

Health

Through the Algoma Health Unit, the municipality contributes to public health services and education and through the Algoma District Services Administration Board, to ambulance services. In addition, this department oversees the care and maintenance of municipal cemeteries

Social and family

Through the Algoma District Services Administration Board, the municipality contributes to social assistance payments, child care services and social housing. In addition, the municipality provides alternative residential services for seniors.

Recreation and cultural

The recreation and cultural department provides public services that contribute to neighbourhood development and sustainability through the provision of recreation and leisure services such as parks, rink facilities, fitness and sports programs. It provides public services that contribute to healthy communities through partnerships, promotion, prevention, protection and enforcement. The department also contributes towards the information needs of the municipality's citizens through the provision of library services.

Planning

The planning department provides a diverse bundle of services. It manages development for business interests, environmental concerns, heritage matters and neighbourhoods through planning and community development activities. It facilitates economic development by providing services for the approval of all land development plans.

For each reported segment, revenues and expenses include both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in the summary of significant accounting policies. For additional information see Schedule 2 - Consolidated Schedule of Segment Disclosure.

The Corporation of the Township of St. Joseph
Schedule 1 - Consolidated Tangible Capital Assets

For the year ended December 31, 2021

	Land	Land Improvements	Land	Buildings	Machinery and Equipment	Vehicles	Furnishings and Fixtures	Infrastructure	Construction in Progress	Total
Cost, beginning of year	\$ 612,448	\$ 1,409,725	\$ 5,026,793	\$ 1,128,330	\$ 553,996	\$ 20,617	\$ 9,381,616	\$ -	\$ 18,133,525	
Additions	-	41,612	-	6,909	60,002	-	260,043	99,721	468,287	
Disposals	-	-	-	-	(1)	-	(1)	-	(2)	
Cost, end of year	612,448	1,451,337	5,026,793	1,135,239	613,997	20,617	9,641,658	99,721	18,601,810	
Accumulated amortization, beginning of year	-	1,111,225	2,211,332	343,807	114,614	20,617	4,977,633	-	8,779,228	
Amortization	-	22,652	113,665	54,173	37,856	-	317,879	-	546,225	
Disposals	-	-	-	-	(1)	-	(1)	-	(2)	
Accumulated amortization, end of year	-	1,133,877	2,324,997	397,980	152,469	20,617	5,295,511	-	9,325,451	
Net carrying amount, end of year	\$ 612,448	\$ 317,460	\$ 2,701,796	\$ 737,259	\$ 461,528	\$ -	\$ 4,346,147	\$ 99,721	\$ 9,276,359	

The net book value of tangible capital assets not being amortized because they are under construction/development or have been removed from service is \$99,721 (2020 - \$NIL).

The Municipality holds various works of art and historical treasures. These items are not recognized as tangible capital assets in the financial statements because a reasonable estimate of the future benefits association with such property cannot be made.

The Corporation of the Township of St. Joseph
Schedule 1 - Consolidated Tangible Capital Assets (continued)

For the year ended December 31, 2020 (comparative figures)

	Land	Land Improvements	Buildings	Machinery and Equipment	Vehicles	Furnishings and Fixtures	Infrastructure	Construction in Progress	Total
Cost, beginning of year	\$ 612,448	\$ 1,409,725	\$ 4,933,088	\$ 1,055,269	\$ 553,996	\$ 20,617	\$ 9,096,779	\$ 4,936	\$ 17,686,858
Additions	-	-	88,769	73,061	-	-	284,837	-	446,667
Capitalized construction	-	-	4,936	-	-	-	-	(4,936)	-
Cost, end of year	612,448	1,409,725	5,026,793	1,128,330	553,996	20,617	9,381,616	-	18,133,525
Accumulated amortization, beginning of year	-	1,090,237	2,097,667	290,325	82,758	20,617	4,675,026	-	8,256,630
Amortization	-	20,988	113,665	53,482	31,856	-	302,607	-	522,598
Accumulated amortization, end of year	-	1,111,225	2,211,332	343,807	114,614	20,617	4,977,633	-	8,779,228
Net carrying amount, end of year	\$ 612,448	\$ 298,500	\$ 2,815,461	\$ 784,523	\$ 439,382	\$ -	\$ 4,403,983	\$ -	\$ 9,354,297

The Corporation of the Township of St. Joseph

Schedule 2 - Consolidated Segment Disclosure

For the year ended December 31, 2021

	General Government	Protection	Transportation	Environmental	Health	Social and Family and Cultural	Recreation and Cultural	Planning	Consolidated Total
Revenue									
Taxation	\$ 335,311	\$ 280,330	\$ 608,776	\$ 53,312	\$ 341,980	\$ 318,743	\$ 220,167	\$ 1,659	\$ 2,160,278
Government grants - Provincial	144,663	100,606	246,981	17,250	114,377	439,303	100,834	537	1,164,551
Government grants - Federal	8,430	-	157,260	-	-	-	48,213	-	213,903
Other municipalities	-	7,534	-	29,795	-	7,054	3,692	6,457	54,532
User fees and service charges	3,012	2,685	15,909	274,722	3,364	112,186	113,870	27,392	553,140
Licences, permits and rents	171	23,206	483	-	-	-	-	-	23,860
Interest fines and penalties	37,434	-	-	-	-	-	-	-	37,434
Investment income	55,535	-	-	-	2,031	-	579	184	58,329
Other	53,833	6,580	-	-	-	-	-	-	60,413
	638,389	420,941	1,029,409	375,079	461,752	877,286	487,355	36,229	4,326,440
Expenses									
Salaries and benefits	278,264	42,154	273,436	44,588	29,589	271,947	97,390	910	1,038,278
Materials and supplies	89,112	53,091	179,071	60,424	3,087	150,926	208,000	17,198	760,909
Contracted services	112,961	238,957	12,428	184,780	7,531	25,501	14,637	8,712	605,507
Rents and financial expenses	-	-	-	10,796	-	-	2,544	-	13,340
External transfers and other	-	-	-	-	397,818	393,032	-	-	790,850
Amortization	2,082	31,762	270,519	178,488	-	7,934	46,622	8,820	546,227
	482,419	365,964	735,454	479,076	438,025	849,340	369,193	35,640	3,755,111
Net surplus (deficit)	\$ 155,970	\$ 54,977	\$ 293,955	\$ (103,997)	\$ 23,727	\$ 27,946	\$ 118,162	\$ 589	\$ 571,329

The Corporation of the Township of St. Joseph

Schedule 2 - Consolidated Segment Disclosure (continued)

For the year ended December 31, 2020 (comparative figures)

	General Government	Protection	Transportation	Environmental	Health	Social and Family	Recreation and Cultural	Planning	Consolidated Total
Revenue									
Taxation	\$ 308,723	\$ 279,998	\$ 540,736	\$ 59,053	\$ 308,454	\$ 310,431	\$ 247,999	\$ 25,397	\$ 2,080,791
Government grants - Provincial	239,171	92,391	228,427	19,486	101,781	374,017	115,550	8,380	1,179,203
Government grants - Federal	-	-	155,660	-	-	-	10,500	-	166,160
Other municipalities	-	7,358	-	19,614	-	-	1,846	6,449	35,267
User fees and service charges	22,006	1,086	14,223	252,760	1,650	47,485	88,699	4,470	432,379
Licences, permits and rents	651	21,878	-	-	-	-	-	-	22,529
Interest fines and penalties	32,139	-	-	-	-	-	-	-	32,139
Investment income	76,835	-	-	-	1,900	-	1,154	341	80,230
Other	12,807	-	-	-	-	-	-	-	12,807
	692,332	402,711	939,046	350,913	413,785	731,933	465,748	45,037	4,041,505
Expenses									
Salaries and benefits	304,350	44,311	271,165	45,689	21,071	207,356	91,082	1,030	986,054
Materials and supplies	90,512	51,005	177,436	71,124	3,221	93,458	234,044	6,997	727,797
Contracted services	88,494	251,306	15,893	188,864	7,869	17,405	17,321	7,094	594,246
Rents and financial expenses	-	-	1,628	10,673	-	-	1,811	-	14,112
External transfers and other	-	-	-	-	377,360	399,529	-	-	776,889
Amortization	2,083	25,071	255,247	178,138	-	6,619	46,622	8,820	522,600
	485,439	371,693	721,369	494,488	409,521	724,367	390,880	23,941	3,621,698
Net surplus (deficit)	\$ 206,893	\$ 31,018	\$ 217,677	\$ (143,575)	\$ 4,264	\$ 7,566	\$ 74,868	\$ 21,096	\$ 419,807

The Corporation of the Township of St. Joseph
Schedule 3 - St. Joseph Township Public Library Board
(Unaudited)

Statement of Operations

For the year ended December 31	Budget	2021	2020
Revenue			
Grants - Ontario	\$ 6,248	\$ 8,191	\$ 8,278
- municipal	38,956	40,802	38,589
Fees and miscellaneous	1,907	1,028	2,465
Interest	-	16	45
	<u>47,111</u>	<u>50,037</u>	<u>49,377</u>
Expense			
Administration and miscellaneous	4,000	312	1,747
Audio and video cassettes	200	76	204
Books	6,150	5,948	5,564
Building - utilities, internet and telephone	5,620	5,411	5,598
- maintenance and supplies	4,000	3,321	3,635
Wages and benefits	27,141	22,825	25,054
	<u>47,111</u>	<u>37,893</u>	<u>41,802</u>
Annual surplus	-	12,144	7,575
Accumulated surplus, beginning of year	21,332	21,332	13,757
Accumulated surplus, end of year	\$ 21,332	\$ 33,476	\$ 21,332

Statement of Financial Position

December 31	2021	2020
Financial assets		
Cash	\$ 33,794	\$ 20,935
Accounts receivable	734	1,090
	<u>34,528</u>	<u>22,025</u>
Liabilities		
Accounts payable	1,052	693
Accumulated surplus	\$ 33,476	\$ 21,332
Accumulated surplus is comprised of:		
Reserve for building fund	\$ 19,304	\$ 19,167
General surplus	14,173	2,165
	<u>\$ 33,476</u>	<u>\$ 21,332</u>

The Corporation of the Township of St. Joseph
Schedule 4 - St. Joseph Island Museum Board
(Unaudited)

Statement of Operations

For the year ended December 31	Budget	2021	2020
Revenue			
Grants - Canada	\$ 8,900	\$ 8,390	\$ 5,000
- municipal	25,665	25,666	27,745
Donations, admissions and miscellaneous	6,280	14,021	6,592
Memberships	1,520	1,290	-
Interest	-	1,059	2,086
	42,365	50,426	41,423
Expense			
Bank charges	250	289	180
Insurance	2,025	2,782	2,324
Professional fees	1,300	1,388	1,294
Repairs and maintenance	3,800	2,101	4,159
Supplies and office costs	7,670	4,940	4,211
Utilities	2,520	3,231	2,427
Wages and benefits	24,800	34,280	18,143
	42,365	49,011	32,738
Annual surplus	-	1,415	8,685
Accumulated surplus, beginning of year	144,004	144,004	135,319
Accumulated surplus, end of year	\$ 144,004	\$ 145,419	\$ 144,004

Statement of Financial Position

December 31	2021	2020
Financial assets		
Cash	\$ 148,274	\$ 142,788
Accounts receivable	619	1,482
	148,893	144,270
Liabilities		
Accounts payable	3,474	266
Accumulated surplus	\$ 145,419	\$ 144,004

Accumulated surplus is comprised of:

December 31	Building Fund 2021	Working Fund 2021
Balance, beginning of year	\$ 140,152	\$ 3,851
Interest	1,059	-
Donations	358	-
	\$ 141,569	\$ 3,851

Participating Municipalities The municipalities participating in the Board are:
Township of St. Joseph Township of Jocelyn
Township of Hilton Village of Hilton Beach

The Corporation of the Township of St. Joseph
Schedule 5 - St. Joseph Township Cemetery Board
(Unaudited)

Statement of Operations

For the year ended December 31	Budget	2021	2020
Revenue			
Sale of plots	\$ 2,500	\$ 1,750	\$ 1,250
Donation	-	100	400
Grant - municipal	6,500	6,500	6,500
Interest earned	960	2,031	1,900
	<u>9,960</u>	<u>10,381</u>	<u>10,050</u>
Expense			
Administrative expense	300	351	439
Caretaking expense	8,910	7,123	7,338
Maintenance and supplies	350	846	874
Professional fees	400	408	378
Training	-	-	254
	<u>9,960</u>	<u>8,728</u>	<u>9,283</u>
Annual surplus	-	1,653	767
Accumulated surplus, beginning of year	13,444	13,444	12,677
Accumulated surplus, end of year	\$ 13,444	\$ 15,098	\$ 13,444

Statement of Financial Position

December 31	2021	2020
Financial assets		
Cash	\$ 15,665	\$ 13,123
Accounts receivable	-	321
	<u>15,665</u>	<u>13,444</u>
Liabilities		
Accounts payable	567	-
Accumulated surplus	\$ 15,098	\$ 13,444
Accumulated surplus is comprised of:		
Reserve for working funds	\$ 500	\$ 500
General surplus	14,598	12,944
	<u>\$ 15,098</u>	<u>\$ 13,444</u>

The Corporation of the Township of St. Joseph
Schedule 6 - St. Joseph Island Planning Board
(Unaudited)

Statement of Operations

For the year ended December 31	Budget	2021	2020
Revenue			
Grants - municipal	\$ 13,800	\$ 13,800	\$ 13,780
Application fees	3,900	5,100	3,900
Interest	300	184	341
	<u>18,000</u>	<u>19,084</u>	<u>18,021</u>
Expense			
Administration services	6,720	6,715	6,715
General board expenses	3,100	3,002	2,993
Honoraria	2,500	910	1,030
Insurance	3,530	3,527	2,885
Official plan	20,000	9,231	-
Professional fees	400	400	378
	<u>36,250</u>	<u>23,785</u>	<u>14,001</u>
Annual surplus (deficit)	(18,250)	(4,701)	4,020
Accumulated surplus, beginning of year	37,888	37,888	33,868
Accumulated surplus, end of year	\$ 19,638	\$ 33,187	\$ 37,888

Statement of Financial Position

December 31	2021	2020
Financial assets		
Cash	\$ 32,762	\$ 40,877
Accounts receivable	825	1,303
	<u>33,587</u>	<u>42,180</u>
Liabilities		
Accounts payable	400	4,292
Accumulated surplus (reserve for working funds)	\$ 33,187	\$ 37,888

Note: The accumulated surplus which represents the reserve for working funds is being held for mandatory review and updating of the official plan.

Participating Municipalities

The municipalities participating in the Board are:
Township of St. Joseph
Township of Jocelyn
Township of Hilton
Village of Hilton Beach

**The Corporation of the Township of St. Joseph
Trust Funds
Financial Statements
For the year ended December 31, 2021**



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Independent Auditor's Report

To the Members of Council, Inhabitants and Ratepayers of
The Corporation of the Township of St. Joseph

Opinion

We have audited the financial statements of the The Corporation of the Township of St. Joseph Trust Funds (the Trust Funds), which comprise the statement of financial position as at December 31, 2021, and 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 Funds as at December 31, 2021, and the continuity thereof, in accordance with the basis of accounting as described in Note 1.

Basis of 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 Funds 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.

Emphasis of Matter - Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the financial statements which describes the basis of accounting. The financial statements are prepared to assist the Trust Funds to comply with the reporting requirements of the Bereavement Authority of Ontario. As a result, the financial statements may not be suitable for another purpose.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the basis of accounting as described in Note 1, 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 Funds'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 Funds or to cease operations, or has no realistic alternative but to do so.

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

Independent Auditor's Report (continued)

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 Funds'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 Funds'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 Funds to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants

Sault Ste. Marie, Ontario
September 21, 2022

**The Corporation of the Township of St. Joseph
Trust Funds
Cemetery Care and Maintenance
Statement of Financial Position**

<u>December 31</u>	<u>2021</u>	<u>2020</u>
Assets		
Cash	\$ 55,484	\$ 53,234
Fund Balances		
Capital	\$ 55,484	\$ 53,234

Statement of Continuity

<u>For the year ended December 31</u>	<u>2021</u>	<u>2020</u>
Balance, beginning of year	\$ 53,234	\$ 51,884
Revenue		
Sale of plots	1,750	1,250
Monument charge and donations	500	100
	<u>2,250</u>	<u>1,350</u>
Balance, end of year	\$ 55,484	\$ 53,234

**The Corporation of the Township of St. Joseph
Trust Funds
Cemetery Care and Maintenance
Notes to Financial Statements**

December 31, 2021

1. Significant accounting policies

Management's responsibility

The financial statements of The Corporation of the Township of St. Joseph Trust Fund are the representation of management and have been prepared in accordance with accrual based accounting principles. Precise determination of some assets and liabilities may be dependent upon future events, estimates and approximations. These estimates and approximations have been based upon the available information, using careful judgement and review.

Accrual basis of accounting

Sources of 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 receipts of goods or services and the creation of a legal obligation to pay.

2. Nature of Trust Fund

The Cemetery Care and Maintenance Trust Fund was established in accordance with the Cemeteries Act for the care and maintenance of certain cemetery grounds.

3. Cash

Cash is represented by funds on deposit in chartered banks or investment portfolios.