

**The Corporation of the Township of St. Joseph  
Consolidated Financial Statements  
For the year ended December 31, 2022**

**The Corporation of the Township of St. Joseph**  
**Consolidated Financial Statements**  
For the year ended December 31, 2022

	<b>Contents</b>
<b>Management's Responsibility for Financial Reporting</b>	2
<b>Independent Auditor's Report</b>	3
<b>Consolidated Financial Statements</b>	
Statement of Financial Position	5
Statement of Operations	6
Statement of Changes in Net Financial Assets	7
Statement of Cash Flows	8
Notes to Financial Statements	9
Schedule 1 - Tangible Capital Assets	15
Schedule 2 - Segment Disclosure	17
<b>Unaudited Supplementary Financial Information</b>	
Schedule 3 - St. Joseph Township Public Library Board	19
Schedule 4 - St. Joseph Island Museum Board	20
Schedule 5 - St. Joseph Township Cemetery Board	21
Schedule 6 - St. Joseph Island Planning Board	22
<b><i>Trust Funds - Cemetery Care and Maintenance</i></b>	
<b>Independent Auditor's Report</b>	24
<b>Financial Statements</b>	
Statements of Financial Position and Continuity	26
Notes to Financial Statements	27

---

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

**December 31, 2022**

---

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



Tel: 705-945-0990  
Fax: 705-942-7979  
Toll-free: 800-520-3005  
www.bdo.ca

BDO Canada LLP  
747 Queen Street E  
PO Box 1109  
Sault Ste. Marie ON P6A 5N7 Canada

---

## 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, 2022, 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, 2022, 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)

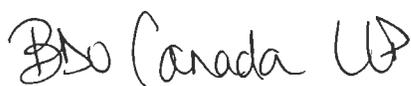
---

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  
July 19, 2023

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

December 31	2022	2021
<b>Financial assets</b>		
Cash and short term investments	\$ 5,141,936	\$ 5,105,486
Taxes receivable	235,043	289,354
Accounts receivable	687,984	155,023
Prepaid expenses and inventory held for sale	3,194	5,417
	<b>6,068,157</b>	<b>5,555,280</b>
<b>Liabilities</b>		
Accounts payable and accrued liabilities	951,262	368,471
Deferred revenue (Note 6)	448,841	434,181
Accrued landfill closure and post closure costs (Note 3)	111,220	81,000
Post employment and retirement benefits (Note 4)	26,186	21,755
	<b>1,537,509</b>	<b>905,407</b>
<b>Net financial assets</b>	<b>4,530,648</b>	<b>4,649,873</b>
<b>Non-financial assets</b>		
Tangible capital assets (Schedule 1)	10,168,045	9,276,359
<b>Accumulated surplus (Note 5)</b>	<b>\$ 14,698,693</b>	<b>\$ 13,926,232</b>

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	2022	2021
<b>Revenue</b>			
Taxation (Note 2)	\$ 2,216,384	\$ 2,243,271	\$ 2,160,278
Government grants - Provincial	1,751,696	1,689,416	1,164,551
Government grants - Federal	553,733	512,318	213,903
Other municipalities	56,090	51,363	54,532
User fees and service charges	581,694	573,855	553,140
Licences, permits and rents	23,700	23,271	23,860
Interest fines and penalties	34,000	38,807	37,434
Investment income	56,100	105,224	58,329
Other	3,200	13,001	60,413
	<u>5,276,597</u>	<u>5,250,526</u>	<u>4,326,440</u>
<b>Expenses</b>			
General government	611,042	577,564	482,419
Protection services	389,731	367,125	365,964
Transportation services	824,502	804,823	735,454
Environmental services	403,709	567,756	479,076
Health services	455,300	452,744	438,025
Social and family services	1,079,025	1,074,667	849,340
Recreation and cultural services	711,263	591,469	369,193
Planning and development	49,210	41,917	35,640
	<u>4,523,782</u>	<u>4,478,065</u>	<u>3,755,111</u>
<b>Annual surplus</b>	752,815	772,461	571,329
<b>Accumulated surplus, beginning of year</b>	<u>13,926,232</u>	<u>13,926,232</u>	<u>13,354,903</u>
<b>Accumulated surplus, end of year</b>	<u>\$ 14,679,047</u>	<u>\$ 14,698,693</u>	<u>\$ 13,926,232</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**

For the year ended December 31	Budget	2022	2021
<b>Annual surplus</b>	\$ 752,815	\$ 772,461	\$ 571,329
Acquisition of tangible capital assets	(1,529,101)	(1,464,933)	(468,287)
Amortization of tangible capital assets	437,557	571,220	546,225
Loss on disposal of tangible capital assets	-	1,027	-
Proceeds on sale of tangible capital assets	-	1,000	-
<b>Net change in net financial assets</b>	(338,729)	(119,225)	649,267
<b>Net financial assets, beginning of year</b>	4,649,873	4,649,873	4,000,606
<b>Net financial assets, end of year</b>	\$ 4,311,144	\$ 4,530,648	\$ 4,649,873

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

For the year ended December 31	2022	2021
<b>Operating transactions</b>		
Annual surplus	\$ 772,461	\$ 571,329
Items not involving cash		
Amortization	571,220	546,225
Loss on disposal of tangible capital assets	1,027	-
	<u>1,344,708</u>	<u>1,117,554</u>
Changes in non-cash working capital balances		
Taxes receivable	54,311	(14,410)
Accounts receivable	(532,961)	(37,044)
Inventories held for sale	2,223	332
Accounts payable and accrued liabilities	582,791	(180,554)
Deferred revenue	14,660	353,555
Accrued landfill costs	30,220	5,000
Accrued sick leave and retirement benefits	4,431	(6,311)
	<u>1,500,383</u>	<u>1,238,122</u>
<b>Capital transactions</b>		
Acquisition of tangible capital assets	(1,464,933)	(468,287)
Proceeds on sale of tangible capital assets	1,000	-
	<u>(1,463,933)</u>	<u>(468,287)</u>
<b>Net change in cash and cash equivalents</b>	<b>36,450</b>	<b>769,835</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>5,105,486</b>	<b>4,335,651</b>
<b>Cash and cash equivalents, end of year</b>	<b>\$ 5,141,936</b>	<b>\$ 5,105,486</b>

# The Corporation of the Township of St. Joseph

## Notes to Consolidated Financial Statements

December 31, 2022

### 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, 2022

---

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, 2022

2. Taxation	2022	2021
Residential and multi-residential	\$ 2,520,339	\$ 2,432,809
Commercial and industrial	68,466	71,091
Taxation from other governments	14,866	14,621
	<u>2,603,671</u>	<u>2,518,521</u>
Deduct: amounts received or receivable for school boards	<u>(360,400)</u>	<u>(358,243)</u>
	<u>\$ 2,243,271</u>	<u>\$ 2,160,278</u>

### 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 3%.

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 90 years and the estimated remaining capacity is 224,000 cubic metres (2021 - 227,000) 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 \$270,740 (2021 - \$200,787), of which \$111,220 (2021 - \$81,000) has been recognized to December 31, 2022 based on the 41.08% (2021 - 40.26%) 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 \$52,879 (2021 - \$46,561) 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, 2022 OMERS reported an actuarial funding deficit of \$6.7 billion (2021 - \$3.1 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 \$26,186 (2021 - \$21,755) at the end of the year.

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

**December 31, 2022**

**5. Accumulated surplus**

	2022	2021
Reserves set aside for specific purposes by Council		
Working funds	\$ 894,159	\$ 988,408
Administration	138,139	127,604
Election costs	-	7,500
Emergency planning	2,000	2,000
Fire	102,400	90,493
Road improvements	360,141	331,126
Sewage treatment operations	190,220	168,380
Waterworks operations	238,892	225,349
Future landfill closure and post-closure costs	492,452	505,556
CARHS committee	-	4,433
Healthcare	25,000	25,000
Recreation and parks	139,209	129,354
Recreation events	95,388	70,865
Special projects	194,901	194,901
Community improvement	5,000	5,000
Community events	6,799	6,799
Planning	24,204	33,185
Museum operations	77,965	75,307
Museum capital	2,063	2,049
Library capital	20,612	19,304
Cemetery	500	500
Total reserves	3,010,044	3,013,113
Reserve funds set aside for specific purposes by Council		
Tangible capital asset replacement	1,484,351	1,607,990
Total reserves	4,494,395	4,621,103
Equity in tangible capital assets	10,168,045	9,276,359
Boards surplus/deficit	36,253	28,770
	\$ 14,698,693	\$ 13,926,232

**Allocation of annual surplus:**

	2022	2021
Reserves and reserve funds	\$ (126,708)	\$ 635,609
Equity (deficiency) in tangible capital assets	891,686	(77,938)
Boards surplus/deficit	7,483	13,658
	\$ 772,461	\$ 571,329

## The Corporation of the Township of St. Joseph

### Notes to Consolidated Financial Statements

December 31, 2022

#### 6. Deferred revenue

	Opening balance	Contributions received	Externally restricted investment income	Revenue recognized	Ending balance
ADSAB - PSW	\$ 305,546	\$ 163,179	\$ -	\$ (150,776)	\$ 317,949
ESDC	73,530	-	-	(73,530)	-
NORDS	-	170,031	-	(103,043)	66,988
Obligatory parks	33,192	-	256	(860)	32,588
Other	21,913	36,629	-	(27,226)	31,316
	<b>\$ 434,181</b>	<b>\$ 369,839</b>	<b>\$ 256</b>	<b>\$ (355,435)</b>	<b>\$ 448,841</b>

#### 7. Trust funds

Trust funds administered by the Township amounting to \$58,934 (2021 - \$55,484) 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, 2022, 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, 2022

---

### 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, 2022**

	Land	Land Improvements	Buildings	Machinery and Equipment	Vehicles	Furnishings and Fixtures	Infrastructure	Construction in Progress	Total
Cost, beginning 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
Additions	-	130,070	16,689	37,979	71,290	-	388,697	820,208	1,464,933
Disposals	-	-	-	(7,500)	(20,271)	-	-	-	(27,771)
Capitalized construction	-	94,921	-	-	-	-	-	(94,921)	-
<b>Cost, end of year</b>	<b>612,448</b>	<b>1,676,328</b>	<b>5,043,482</b>	<b>1,165,718</b>	<b>665,016</b>	<b>20,617</b>	<b>10,030,355</b>	<b>825,008</b>	<b>20,038,972</b>
Accumulated amortization, beginning of year	-	1,133,877	2,324,997	397,980	152,469	20,617	5,295,511	-	9,325,451
Amortization	-	31,651	114,333	54,426	42,958	-	327,852	-	571,220
Disposals	-	-	-	(7,500)	(18,244)	-	-	-	(25,744)
<b>Accumulated amortization, end of year</b>	<b>-</b>	<b>1,165,528</b>	<b>2,439,330</b>	<b>444,906</b>	<b>177,183</b>	<b>20,617</b>	<b>5,623,363</b>	<b>-</b>	<b>9,870,927</b>
<b>Net carrying amount, end of year</b>	<b>\$ 612,448</b>	<b>\$ 510,800</b>	<b>\$ 2,604,152</b>	<b>\$ 720,812</b>	<b>\$ 487,833</b>	<b>\$ -</b>	<b>\$ 4,406,992</b>	<b>\$ 825,008</b>	<b>\$ 10,168,045</b>

The net book value of tangible capital assets not being amortized because they are under construction/development or have been removed from service is \$825,008 (2021 - \$99,721).

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, 2021 (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	\$ 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)
<b>Cost, end of year</b>	<b>612,448</b>	<b>1,451,337</b>	<b>5,026,793</b>	<b>1,135,239</b>	<b>613,997</b>	<b>20,617</b>	<b>9,641,658</b>	<b>99,721</b>	<b>18,601,810</b>
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)
<b>Accumulated amortization, end of year</b>	<b>-</b>	<b>1,133,877</b>	<b>2,324,997</b>	<b>397,980</b>	<b>152,469</b>	<b>20,617</b>	<b>5,295,511</b>	<b>-</b>	<b>9,325,451</b>
<b>Net carrying amount, end of year</b>	<b>\$ 612,448</b>	<b>\$ 317,460</b>	<b>\$ 2,701,796</b>	<b>\$ 737,259</b>	<b>\$ 461,528</b>	<b>\$ -</b>	<b>\$ 4,346,147</b>	<b>\$ 99,721</b>	<b>\$ 9,276,359</b>

**The Corporation of the Township of St. Joseph**  
**Schedule 2 - Consolidated Segment Disclosure**

**For the year ended December 31, 2022**

	General Government	Protection	Trans- portation	Environ- mental	Health	Social and Family	Recreation and Cultural	Planning	Consolidated Total
<b>Revenue</b>									
Taxation	\$ 354,008	\$ 255,431	\$ 575,974	\$ 78,017	\$ 324,645	\$ 336,093	\$ 307,924	\$ 11,179	\$ 2,243,271
Government grants - Provincial	113,692	78,021	378,973	23,830	99,162	555,735	436,588	3,415	1,689,416
Government grants - Federal	11,066	-	80,754	-	-	32,736	387,762	-	512,318
Other municipalities	-	3,195	-	25,358	-	14,232	1,846	6,732	51,363
User fees and service charges	4,499	1,585	13,069	262,073	2,941	95,895	171,469	22,324	573,855
Licences, permits and rents	647	21,764	860	-	-	-	-	-	23,271
Interest fines and penalties	38,807	-	-	-	-	-	-	-	38,807
Investment income	102,523	-	-	-	-	-	2,534	167	105,224
Other	13,001	-	-	-	-	-	-	-	13,001
	<b>638,243</b>	<b>359,996</b>	<b>1,049,630</b>	<b>389,278</b>	<b>426,748</b>	<b>1,034,691</b>	<b>1,308,123</b>	<b>43,817</b>	<b>5,250,526</b>
<b>Expenses</b>									
Salaries and benefits	337,621	42,598	282,122	43,514	33,558	432,631	111,010	2,810	1,285,864
Materials and supplies	121,468	60,709	214,994	102,599	2,111	211,208	374,366	19,331	1,106,786
Contracted services	116,393	230,778	21,714	232,200	10,330	20,846	46,732	10,956	689,949
Rents and financial expenses	-	-	1,425	10,955	-	-	3,072	-	15,452
External transfers and other	-	-	-	-	406,745	402,048	-	-	808,793
Amortization	2,082	33,040	284,568	178,488	-	7,934	56,289	8,820	571,221
	<b>577,564</b>	<b>367,125</b>	<b>804,823</b>	<b>567,756</b>	<b>452,744</b>	<b>1,074,667</b>	<b>591,469</b>	<b>41,917</b>	<b>4,478,065</b>
<b>Net surplus (deficit)</b>	<b>\$ 60,679</b>	<b>\$ (7,129)</b>	<b>\$ 244,807</b>	<b>\$ (178,478)</b>	<b>\$ (25,996)</b>	<b>\$ (39,976)</b>	<b>\$ 716,654</b>	<b>\$ 1,900</b>	<b>\$ 772,461</b>

**The Corporation of the Township of St. Joseph**  
**Schedule 2 - Consolidated Segment Disclosure (continued)**

**For the year ended December 31, 2021 (comparative figures)**

	General Government	Protection	Trans- portation	Environ- mental	Health	Social and Family	Recreation and Cultural	Planning	Consolidated Total
<b>Revenue</b>									
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
	<u>638,389</u>	<u>420,941</u>	<u>1,029,409</u>	<u>375,079</u>	<u>461,752</u>	<u>877,286</u>	<u>487,355</u>	<u>36,229</u>	<u>4,326,440</u>
<b>Expenses</b>									
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
	<u>482,419</u>	<u>365,964</u>	<u>735,454</u>	<u>479,076</u>	<u>438,025</u>	<u>849,340</u>	<u>369,193</u>	<u>35,640</u>	<u>3,755,111</u>
<b>Net surplus (deficit)</b>	<u>\$ 155,970</u>	<u>\$ 54,977</u>	<u>\$ 293,955</u>	<u>\$ (103,997)</u>	<u>\$ 23,727</u>	<u>\$ 27,946</u>	<u>\$ 118,162</u>	<u>\$ 589</u>	<u>\$ 571,329</u>

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

**Statement of Operations**

<b>For the year ended December 31</b>	<b>Budget</b>	<b>2022</b>	<b>2021</b>
<b>Revenue</b>			
Grants - Ontario	\$ 6,458	\$ 7,297	\$ 8,191
- municipal	43,562	45,408	40,802
Fees and miscellaneous	2,858	2,819	1,028
Interest	-	58	16
Donations	1,000	-	-
	<u>53,878</u>	<u>55,582</u>	<u>50,037</u>
<b>Expense</b>			
Administration and miscellaneous	3,745	4,281	312
Audio and video cassettes	-	7	76
Books	7,800	5,873	5,948
Building - utilities, internet and telephone	7,400	5,918	5,411
- maintenance and supplies	500	1,165	3,321
Wages and benefits	34,433	28,106	22,825
	<u>53,878</u>	<u>45,350</u>	<u>37,893</u>
<b>Annual surplus</b>	-	<b>10,232</b>	12,144
<b>Accumulated surplus, beginning of year</b>	33,476	<b>33,476</b>	21,332
<b>Accumulated surplus, end of year</b>	\$ 33,476	\$ <b>43,708</b>	\$ 33,476

**Statement of Financial Position**

<b>December 31</b>	<b>2022</b>	<b>2021</b>
<b>Financial assets</b>		
Cash	\$ 43,869	\$ 33,794
Accounts receivable	436	734
	<u>44,305</u>	<u>34,528</u>
<b>Liabilities</b>		
Accounts payable	596	1,052
<b>Accumulated surplus</b>	\$ 43,709	\$ 33,476
<b>Accumulated surplus is comprised of:</b>		
Reserve for building fund	\$ 20,612	\$ 19,304
General surplus	23,097	14,173
	<u>\$ 43,709</u>	<u>\$ 33,476</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	2022	2021
<b>Revenue</b>			
Grants - Canada	\$ 5,000	\$ 5,000	\$ 8,390
- municipal	28,625	28,625	25,666
Donations, admissions and miscellaneous	4,000	11,914	14,021
Memberships	3,400	1,789	1,290
Interest	-	1,577	1,059
	<u>41,025</u>	<u>48,905</u>	<u>50,426</u>
<b>Expense</b>			
Bank charges	800	309	289
Insurance	2,800	3,011	2,782
Professional fees	1,400	1,415	1,388
Repairs and maintenance	3,000	2,942	2,101
Supplies and office costs	5,900	7,018	4,940
Memberships	990	-	-
Utilities	3,300	3,328	3,231
Wages and benefits	22,835	26,898	34,280
	<u>41,025</u>	<u>44,921</u>	<u>49,011</u>
<b>Annual surplus</b>	-	3,984	1,415
<b>Accumulated surplus, beginning of year</b>	145,419	145,419	144,004
<b>Accumulated surplus, end of year</b>	\$ 145,419	\$ 149,403	\$ 145,419

**Statement of Financial Position**

December 31	2022	2021
<b>Financial assets</b>		
Cash	\$ 153,470	\$ 148,274
Accounts receivable	486	619
	<u>153,956</u>	<u>148,893</u>
<b>Liabilities</b>		
Accounts payable	553	3,474
Deferred grant	4,000	-
	<u>4,553</u>	<u>3,474</u>
<b>Accumulated surplus</b>	\$ 149,403	\$ 145,419
<b>Accumulated surplus is comprised of:</b>		
<b>December 31</b>	<b>Building Fund 2022</b>	<b>Working Fund 2022</b>
Balance, beginning of year	\$ 141,569	\$ 3,850
Interest	1,577	-
Donations	2,407	-
	<u>\$ 145,553</u>	<u>\$ 3,850</u>

**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	2022	2021
<b>Revenue</b>			
Sale of plots	\$ 2,610	\$ 1,550	\$ 1,750
Donation	-	125	100
Grant - municipal	6,500	6,500	6,500
Interest earned	1,000	1,631	2,031
	10,110	9,806	10,381
<b>Expense</b>			
Administrative expense	350	455	351
Advertising	-	61	-
Caretaking expense	8,500	9,895	7,123
Maintenance and supplies	850	401	846
Professional fees	410	436	408
	10,110	11,248	8,728
<b>Annual surplus</b>	-	(1,442)	1,653
<b>Accumulated surplus, beginning of year</b>	15,098	15,098	13,444
<b>Accumulated surplus, end of year</b>	\$ 15,098	\$ 13,656	\$ 15,098

**Statement of Financial Position**

December 31	2022	2021
<b>Financial assets</b>		
Cash	\$ 13,970	\$ 15,665
<b>Liabilities</b>		
Accounts payable	314	567
<b>Accumulated surplus</b>	\$ 13,656	\$ 15,098
<b>Accumulated surplus is comprised of:</b>		
Reserve for working funds	\$ 500	\$ 500
General surplus	13,156	14,598
	\$ 13,656	\$ 15,098

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

**Statement of Operations**

For the year ended	Budget	2022	2021
<b>Revenue</b>			
Grants - municipal	\$ 14,500	\$ 14,500	\$ 13,800
Application fees	4,500	4,200	5,100
Interest	100	167	184
	<u>19,100</u>	<u>18,867</u>	<u>19,084</u>
<b>Expense</b>			
Administration services	6,800	6,797	6,715
General board expenses	3,500	3,109	3,002
Honoraria	2,025	2,810	910
Insurance	4,235	-	3,527
Official plan	18,500	14,688	9,231
Professional fees	400	444	400
	<u>35,460</u>	<u>27,848</u>	<u>23,785</u>
<b>Annual surplus (deficit)</b>	(16,360)	(8,981)	(4,701)
<b>Accumulated surplus, beginning of year</b>	<u>33,187</u>	<u>33,187</u>	<u>37,888</u>
<b>Accumulated surplus, end of year</b>	<u>\$ 16,827</u>	<u>\$ 24,206</u>	<u>\$ 33,187</u>

**Statement of Financial Position**

	2022	2021
<b>Financial assets</b>		
Cash	\$ 22,366	\$ 32,762
Accounts receivable	<u>1,840</u>	<u>825</u>
	<u>24,206</u>	<u>33,587</u>
<b>Liabilities</b>		
Accounts payable	<u>-</u>	<u>400</u>
<b>Accumulated surplus (reserve for working funds)</b>	<u>\$ 24,206</u>	<u>\$ 33,187</u>

**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, 2022**



Tel: 705-945-0990  
Fax: 705-942-7979  
Toll-free: 800-520-3005  
www.bdo.ca

BDO Canada LLP  
747 Queen Street E  
PO Box 1109  
Sault Ste. Marie ON P6A 5N7 Canada

---

## 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, 2022, 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, 2022, 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  
July 19, 2023

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

December 31	2022	2021
<b>Assets</b>		
Cash	\$ 58,934	\$ 55,484
<b>Fund Balances</b>		
Capital	\$ 58,934	\$ 55,484

**Statement of Continuity**

For the year ended December 31	2022	2021
Balance, beginning of year	\$ 55,484	\$ 53,234
<b>Revenue</b>		
Sale of plots	1,450	1,750
Monument charge and donations	2,000	500
	<u>3,450</u>	<u>2,250</u>
Balance, end of year	\$ 58,934	\$ 55,484

---

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

**December 31, 2022**

---

**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.