

Financial Statements of

**THE CORPORATION OF THE  
TOWNSHIP OF NIPISSING**

Year ended December 31, 2019

# THE CORPORATION OF THE TOWNSHIP OF NIPISSING

Financial Statements

Year ended December 31, 2019

---

	Page
Management's Responsibility for the Financial Statements	
Independent Auditors' Report	1 - 3
Statement of Financial Position	4
Statement of Operations and Accumulated Surplus	5
Statement of Changes in Net Financial Assets	6
Statement of Cash Flows	7
Notes to Financial Statements	8 - 18
Schedule to Note 17 - Segmented Information	19 - 20

## **Management's Responsibility for the Financial Statements**

The accompanying financial statements of The Corporation of the Township of Nipissing (the "Township") are the responsibility of the Township's management and have been prepared in compliance with legislation, and in accordance with generally accepted accounting principles for local governments established by the Public Sector Accounting Board of The Chartered Professional Accountants of Canada. A summary of the significant accounting policies is described in Note 1 to the financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The Township's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the financial statements. These systems are monitored and evaluated by Management.

Council meets with Management and the external auditors to review the financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the financial statements.

The financial statements have been audited by KPMG LLP, independent external auditors appointed by the Township. The accompanying Independent Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the Township's financial statements.

---

Chief Administrative Officer

---

Treasurer-Deputy Clerk



KPMG LLP  
Claridge Executive Centre  
144 Pine Street  
Sudbury Ontario P3C 1X3  
Canada  
Telephone (705) 675-8500  
Fax (705) 675-7586

## INDEPENDENT AUDITORS' REPORT

To the Members of Council, residents, and ratepayers of the Corporation of the Township of Nipissing

### ***Opinion***

We have audited the financial statements of The Corporation of the Township of Nipissing (the "Entity"), which comprise:

- the statement of financial position as at December 31, 2019
- the statement of operations and accumulated surplus for the year then ended
- the statement of changes in net financial assets for the year then ended
- the statement of cash flows for the year then ended
- and the notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements")

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2019, and its results of operations and accumulated surplus, its changes in net financial assets and its 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 responsibility under those standards are further described in the "***Auditors' Responsibilities for the Audit of the Financial Statements***" section of our auditors' report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other 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.



## ***Responsibility of Management and Those Charged with Governance for the Financial Statements***

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

In preparing the financial statements, management is responsible for assessing the Entity'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 Entity or to cease operations or has no realistic alternative but to do so.

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

## ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 the 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 risk 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, internal 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 purposes of expressing an opinion on the effectiveness of the Entity'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 the events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Entity's 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.
- 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.

*KPMG LLP*

---

Chartered Professional Accountants, Licensed Public Accountants

Sudbury, Canada

April 21, 2020

# THE CORPORATION OF THE TOWNSHIP OF NIPISSING

## Statement of Financial Position

December 31, 2019, with comparative information for 2018

	2019	2018
<b>Financial assets</b>		
Cash	\$ 2,646,592	\$ 1,653,226
Short-term investments (note 3)	5,075	405,050
Taxes receivable	163,985	213,916
Accounts receivable (note 4)	127,585	142,995
	<u>2,943,237</u>	<u>2,415,187</u>
<b>Financial liabilities</b>		
Accounts payable and accrued liabilities	175,323	189,611
Deferred revenue (note 5)	178,592	141,252
Municipal debt (note 6)	34,717	61,655
Landfill closure liabilities (note 7)	487,189	421,431
	<u>875,821</u>	<u>813,949</u>
Net financial assets	2,067,416	1,601,238
<b>Non-financial assets</b>		
Tangible capital assets (note 8)	18,014,988	17,880,712
Prepaid expenses	33,251	31,194
Inventories	89,964	90,253
	<u>18,138,203</u>	<u>18,002,159</u>
Accumulated surplus (note 9)	<u>\$ 20,205,619</u>	<u>\$ 19,603,397</u>

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

# THE CORPORATION OF THE TOWNSHIP OF NIPISSING

## Statement of Operations and Accumulated Surplus

Year ended December 31, 2019, with comparative information for 2018

	Budget 2019	Actual 2019	Actual 2018
	(note 13)		
Revenues:			
Municipal taxation	\$ 2,619,416	\$ 2,627,138	\$ 2,531,083
Government transfers and grants	1,145,907	1,149,798	648,483
Transfer from obligatory gas tax reserve fund	103,568	147,299	119,500
Other	101,300	133,646	102,556
User fees	123,850	129,695	105,855
	4,094,041	4,187,576	3,507,477
Expenses:			
General government	927,305	524,550	516,368
Protection to persons and property	717,985	772,926	765,630
Transportation services	1,419,435	1,362,843	1,294,046
Environmental services	247,125	219,967	219,355
Health, social and family services	468,176	465,418	457,454
Recreational and cultural services	158,065	157,419	157,552
Planning and development	25,000	16,474	1,918
	3,963,091	3,519,597	3,412,323
Annual surplus before the undernoted	130,950	667,979	95,154
Landfill closure liability expense	-	(65,757)	(5,488)
Annual surplus	130,950	602,222	89,666
Accumulated surplus, beginning of year	19,603,397	19,603,397	19,513,731
Accumulated surplus, end of year	\$ 19,734,347	\$ 20,205,619	\$ 19,603,397

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



# THE CORPORATION OF THE TOWNSHIP OF NIPISSING

## Statement of Changes in Net Financial Assets

Year ended December 31, 2019, with comparative information for 2018

	2019	2018
Annual surplus	\$ 602,222	\$ 89,666
Acquisition of tangible capital assets	(753,382)	(734,115)
Amortization of tangible capital assets	619,106	594,311
	467,946	(50,138)
Acquisition of prepaid expenses and inventory of supplies	(123,215)	(121,447)
Consumption of prepaid expenses and inventory of supplies	121,447	103,404
	(1,768)	(18,043)
Change in net financial assets	466,178	(68,181)
Net financial assets, beginning of year	1,601,238	1,669,419
Net financial assets, end of year	\$ 2,067,416	\$ 1,601,238

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

# THE CORPORATION OF THE TOWNSHIP OF NIPISSING

## Statement of Cash Flows

Year ended December 31, 2019, with comparative information for 2018

	2019	2018
Cash provided by (used in):		
Operating activities:		
Annual surplus	\$ 602,222	\$ 89,666
Items not involving cash:		
Amortization of tangible capital assets	619,106	594,311
Decrease in landfill closure liabilities	65,757	5,488
	<u>1,287,085</u>	<u>689,465</u>
Change in non-cash assets and liabilities:		
Decrease in taxes receivable	49,931	5,844
Increase in accounts receivable	15,410	(15,271)
Increase (decrease) in accounts payable and accrued liabilities	(14,289)	13,585
Increase (decrease) in prepaid expenses	(2,057)	4,107
Increase in inventories	289	(22,150)
Increase in deferred revenue	37,340	33,433
	<u>1,373,709</u>	<u>709,013</u>
Financing activities:		
Principal repayments on municipal debt	(26,938)	(50,349)
	<u>(26,938)</u>	<u>(50,349)</u>
Capital activities:		
Acquisition of tangible capital assets	(753,382)	(734,115)
	<u>(753,382)</u>	<u>(734,115)</u>
Investing activities:		
Increase in short-term investments	399,977	(69,039)
	<u>399,977</u>	<u>(69,039)</u>
Net change in cash	993,366	(144,490)
Cash, beginning of year	1,653,226	1,797,716
Cash, end of year	<u>\$ 2,646,592</u>	<u>\$ 1,653,226</u>

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

# THE CORPORATION OF THE TOWNSHIP OF NIPISSING

## Notes to Financial Statements

Year ended December 31, 2019

---

The Corporation of the Township of Nipissing (the "Township") is a Township in the Province of Ontario, Canada. It conducts its operations guided by the provisions of provincial statutes such as the Municipal Act and other related legislation.

### 1. Significant accounting policies:

The financial statements of the Township are prepared by management, in accordance with Canadian generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board and the Chartered Professional Accountants of Canada. Significant aspects of the accounting policies adopted by the Township are as follows:

#### (a) Reporting entity:

- (i) These financial statements reflect contributions to the following joint local boards, which are not under the direct control of council, as an expense in the statement of operations and accumulated surplus:

- The District of Parry Sound Social Services Administration Board
- North Bay Parry Sound District Health Unit
- Eastholme, Home for the Aged

- (ii) Accounting for School Board Transactions:

Although the Township collects taxation on behalf of the School Boards, the assets, liabilities, revenues and expenses relating to the operations of the school boards are not reflected in these financial statements (note 10).

- (iii) Trust Funds:

Trust funds and their related operations administered by the Township are not included in these financial statements (note 11).

#### (b) Basis of accounting:

- (i) Accrual basis of accounting:

Revenues and expenses are reported on the accrual basis of accounting. Revenues are recognized as they are earned and measurable. Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay. Amounts applied to specific operating and capital projects are recorded as revenue in the fiscal period in which the funds are expended on these projects.

# THE CORPORATION OF THE TOWNSHIP OF NIPISSING

Notes to Financial Statements

Year ended December 31, 2019

---

## 1. Significant accounting policies (continued):

### (b) Basis of accounting (continued):

#### (ii) Investments:

Investments consist of authorized investments pursuant to provisions of the Municipal Act and are comprised of short-term instruments of various financial institutions. Investments with original maturity dates between three months and one year are classified as investments in the statement of financial position and are carried at fair market value.

Investment income earned on the short-term instruments, reserves and reserve funds (other than obligatory funds) are reported as revenue in the period earned. Investment income earned on obligatory reserve funds is added to the fund balance and forms part of the respective deferred revenue balances.

#### (iii) Reserves:

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

#### (iv) Revenue recognition:

The Township prepares tax billings based on assessment rolls issued by the Municipal Property Assessment Corporation in accordance with rates established and approved annually by Council and the Province of Ontario. Taxation revenue is recognized in the period in which the taxes are levied.

Government transfers are recognized in the period in which the events giving rise to the transfer occurred, provided that the transfer is authorized and the amount can be reasonably estimated. Government grants are recognized when approved to the extent the related expenditures have been incurred and collection can be reasonably assured.

User fees and other revenues are recognized when the services are performed or goods are delivered, collection of the relevant receivable is probable, persuasive evidence of an arrangement exists and fees are fixed or determinable. Amounts received for future services are deferred until the service is provided.

#### (v) Use of estimates:

The preparation of the financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Significant items subject to such estimates and assumptions include the valuation allowances for taxes and accounts receivable, the carrying value of tangible capital assets and provisions for accrued liabilities and landfill liabilities.

Actual results could differ from these estimates. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the year in which they become known.

# THE CORPORATION OF THE TOWNSHIP OF NIPISSING

Notes to Financial Statements

Year ended December 31, 2019

---

## 1. Significant accounting policies (continued):

### b) Basis of accounting (continued):

#### (vi) Pension plan:

The Township provides a pension plan for all its full-time employees through the Ontario Municipal Employees Retirement System (OMERS). OMERS is a multi-employer pension plan which operates as the Ontario Municipal Employees Retirement Fund (the Fund), and provides pension for employees of Ontario municipalities, local boards and public utilities. The Fund is a contributory defined pension plan, which is financed by equal contributions from participating employers and employees, and by the investment earnings of the Fund. To the extent that the Fund finds itself in an under-funded position, additional contribution rates may be assessed to participating employers and members.

OMERS is a defined benefit plan. However, as OMERS does not segregate its pension asset and liability information by individual employers, there is insufficient information available to enable the Township to directly account for the plan. Consequently, the plan has been accounted for as a defined contribution plan. Obligations for contributions to defined contribution pension plans are recognized as an employee benefits expense when they are due.

### (c) Non-Financial Assets:

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

### (d) Deferred revenue:

The Township receives contributions pursuant to legislation, regulations or agreements that may only be used for certain programs or in the completion of specific work. These amounts are recognized as revenue in the fiscal year the related expenses are incurred or services performed.

### (e) Landfill liability:

The liability for closure of operational sites and post-closure care has been recognized based on estimated future expenses, estimated inflation and the usage of the site's capacity during the year.

### (f) Tangible capital assets:

Tangible capital assets are recorded at cost which includes amounts that are directly attributable to acquisition, design, construction, development, improvement or betterment of the tangible capital asset. The cost, less residual value, of the tangible capital assets, excluding land and landfill sites, is amortized on a straight-line basis over their estimated useful lives as follows:

Asset	Useful Life - Years
Roads and bridges	17 to 100 years
Buildings	40 years
Equipment	5 to 20 years
Vehicles	10 to 25 years

---

# THE CORPORATION OF THE TOWNSHIP OF NIPISSING

## Notes to Financial Statements

Year ended December 31, 2019

### 1. Significant accounting policies (continued):

(f) Tangible capital assets (continued):

Amortization is charged using the half year rule in the year of acquisition and in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

(i) Contributions of tangible capital assets

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

(ii) Works of art and culture and historic assets

Works of art and cultural and historic assets are not recorded as assets in these financial statements.

(g) Financial instruments:

The Township's financial instruments consist of cash, accounts receivables, taxes receivables, accounts payables and accrued liabilities and long-term debt. Unless otherwise noted, it is management's opinion that the Township does not have any significant concentration of interest, currency or credit risk.

### 2. Contributions to unconsolidated joint boards:

Further to note 1(a)(i), the following contributions were made by the Township to these Boards:

	2019	2018
North Bay Parry Sound District Health Unit	\$ 56,812	\$ 58,876
District of Parry Sound Social Services Administration Board	166,472	163,639
Eastholme, Home for the Aged	109,286	105,960
	\$ 332,570	\$ 328,475

### 3. Short-term investments:

The Township, in accordance with its Investment Policy, has invested as follows in guaranteed investment certificates. Interest is recognized in the Township's financial statements as it accrues.

	2019	2018
GIC- 1.95% due May 13, 2019	\$ -	\$ 200,000
GIC- 2.10% due March 26, 2019	-	200,000
GIC- 0.50% due April 26, 2020	5,075	5,050
	\$ 5,075	\$ 405,050

# THE CORPORATION OF THE TOWNSHIP OF NIPISSING

Notes to Financial Statements

Year ended December 31, 2019

## 4. Accounts receivable:

Accounts receivable consist of the following:

	2019	2018
GST/HST recoverable	\$ 114,263	\$ 123,945
Other	13,322	19,050
	<u>\$ 127,585</u>	<u>\$ 142,995</u>

## 5. Deferred revenue:

The balance in the obligatory reserve funds of the Township is summarized below:

	2019	2018
Parkland	\$ 111,031	\$ 101,776
AMO Main Street	–	39,189
Federal gas tax	67,561	287
	<u>\$ 178,592</u>	<u>\$ 141,252</u>

The continuity of deferred revenue is as follows:

	2019	2018
Balance, beginning of year	\$ 141,252	\$ 107,819
Add amounts received:		
Federal gas tax	214,137	108,548
AMO Main Street	–	39,155
Parkland fees	7,464	3,690
Investment income	2,908	1,540
	<u>224,509</u>	<u>152,933</u>
Less transfer to operations:		
AMO Main Street revenue earned	(39,870)	–
Federal gas tax revenue earned	(147,299)	(119,500)
	<u>\$ 178,592</u>	<u>\$ 141,252</u>

Included within cash is restricted amounts of \$178,592 (2018 - \$141,252) with respect to the above obligatory reserve funds.

# THE CORPORATION OF THE TOWNSHIP OF NIPISSING

Notes to Financial Statements

Year ended December 31, 2019

## 6. Municipal debt:

Long-term liabilities reported on the statement of financial position are made up of the following:

	2019	2018
Loan payable, interest at 2.68%, repayable in monthly installments of \$2,353 principal and interest, secured by a specified asset, due March 2021.	\$ 34,717	\$ 61,655

Principal due on municipal debt are as follows:

2020	\$ 27,655
2021	7,062
	<u>\$ 34,717</u>

## 7. Landfill closure liabilities:

The Environmental Protection Act sets out the regulatory requirements to properly close and maintain all active and inactive landfill sites. Under environmental law, there is a requirement for closure and post-closure care of solid waste landfill sites. This requirement is to be provided for over the estimated life of the landfill sites based on usage.

Landfill closure and post-closure care requirements have been defined in accordance with industry standards and include final covering and landscaping of the landfill, pumping of ground water and leachates from the site, and ongoing environmental monitoring, site inspection and maintenance. The reported liability is based on estimates and assumptions with respect to events extending over terms using the best information available to management. Future events may result in significant changes to the estimated total expenditures, capacity used or total capacity and the estimated liability, and would be recognized prospectively, as a change in estimate, when applicable.

Estimated total expenditures represent the sum of the discounted future cash flows for closure and post-closure care activities discounted at a rate of 3.39% (2018 - 3.39%). The estimated total landfill closure and post-closure care expenditures are calculated to be \$487,189 (2018 - \$421,431). The estimated liability for these expenditures is recognized as the landfill site's capacity is used.

### Wolfe Lake

The landfill is expected to reach its capacity in 119 years, and the estimated remaining capacity is 43,305 cubic meters, which is 79% of the site's total capacity. The total discounted future expenditures for closure and post-closure care are \$206,041 (2018 - \$150,071). The estimated length of time for post-closure care is 25 years.

### Bear Creek

The landfill is expected to reach its capacity in 44 years, and the estimated remaining capacity is 17,009 cubic metres, which is 43% of the site's total capacity. The total discounted future expenditures for closure and post-closure care are \$772,577 (2018 - \$703,797). The estimated length of time for post-closure care is 25 years.



# THE CORPORATION OF THE TOWNSHIP OF NIPISSING

Notes to Financial Statements

Year ended December 31, 2019

## 8. Tangible capital assets:

Cost	Balance at December 31, 2018	Additions	Disposals	Balance at December 31, 2019
Land	\$ 342,322	\$ -	\$ -	\$ 342,322
Roads and bridges	25,412,894	458,379	-	25,871,273
Buildings	1,071,315	48,583	-	1,119,898
Vehicles	1,633,342	51,374	(74,623)	1,610,093
Equipment	1,112,525	195,046	-	1,307,571
<b>Total</b>	<b>\$ 29,572,398</b>	<b>\$ 753,382</b>	<b>\$ (74,623)</b>	<b>\$ 30,251,157</b>

Accumulated Amortization	Balance at December 31, 2018	Disposals	Amortization	Balance at December 31, 2019
Land	\$ -	\$ -	\$ -	\$ -
Roads and bridges	9,861,230	-	429,959	10,291,189
Buildings	496,434	-	25,406	521,840
Vehicles	706,670	(74,623)	77,054	709,101
Equipment	627,352	-	86,687	714,039
<b>Total</b>	<b>\$ 11,691,686</b>	<b>\$ (74,623)</b>	<b>\$ 619,106</b>	<b>\$ 12,236,169</b>

	Net book value, December 31, 2018	Net book value, December 31, 2019
Land	\$ 342,322	\$ 342,322
Roads and bridges	15,551,664	15,580,084
Buildings	574,881	598,058
Vehicles	926,672	900,992
Equipment	485,173	593,532
<b>Total</b>	<b>\$ 17,880,712</b>	<b>\$ 18,014,988</b>

# THE CORPORATION OF THE TOWNSHIP OF NIPISSING

Notes to Financial Statements

Year ended December 31, 2019

## 8. Tangible capital assets (continued):

Cost	Balance at December 31, 2017	Additions	Disposals	Balance at December 31, 2018
Land	\$ 342,322	\$ -	\$ -	\$ 342,322
Roads and bridges	25,045,358	367,536	-	25,412,894
Buildings	1,071,315	-	-	1,071,315
Vehicles	1,324,023	309,319	-	1,633,342
Equipment	1,055,265	57,260	-	1,112,525
<b>Total</b>	<b>\$ 28,838,283</b>	<b>\$ 734,115</b>	<b>\$ -</b>	<b>\$ 29,572,398</b>

Accumulated Amortization	Balance at December 31, 2017	Disposals	Amortization	Balance at December 31, 2018
Land	\$ -	\$ -	\$ -	\$ -
Roads and bridges	9,450,134	-	411,096	9,861,230
Buildings	472,243	-	24,191	496,434
Vehicles	622,684	-	83,986	706,670
Equipment	552,314	-	75,038	627,352
<b>Total</b>	<b>\$ 11,097,375</b>	<b>\$ -</b>	<b>\$ 594,311</b>	<b>\$ 11,691,686</b>

	Net book value, December 31, 2017	Net book value, December 31, 2018
Land	\$ 342,322	\$ 342,322
Roads and bridges	15,595,224	15,551,664
Buildings	599,072	574,881
Vehicles	701,339	926,672
Equipment	502,951	485,173
<b>Total</b>	<b>\$ 17,740,908</b>	<b>\$ 17,880,712</b>

# THE CORPORATION OF THE TOWNSHIP OF NIPISSING

## Notes to Financial Statements

Year ended December 31, 2019

### 9. Accumulated surplus:

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

	2019	2018
Investment in tangible capital assets	\$ 18,014,988	\$ 17,819,057
Amounts to be recovered	(487,189)	(421,431)
Current fund	301,164	105,010
Reserve funds:		
Working capital	619,786	627,286
Capital	1,087,844	835,752
Solid waste closure and post closure	669,026	637,723
	<u>\$ 20,205,619</u>	<u>\$ 19,603,397</u>

### 10. Operations of school boards:

Further to note 1 (a) (ii), the property taxes collected on behalf of the school boards are \$625,902 (2018 - \$640,164).

### 11. Trust funds:

Trust Funds administered by the Township amounting to \$117,963 (2018 - \$113,700) have not been included on the statement of financial position nor have their operations been included in the statement of operations and accumulated surplus.

### 12. Pension agreement:

The Township makes contributions to the Ontario Municipal Employees' Retirement Fund (OMERS), which is a multi-employer plan, on behalf of 11 (2018 - 8) members. The plan is a contributory 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. Employers and employees contribute jointly to the plan.

The amount contributed to OMERS for 2019 was \$60,365 (2018 - \$50,038) for current service. Employer's contributions for current services are included as an expense in the statement of operations.

# THE CORPORATION OF THE TOWNSHIP OF NIPISSING

Notes to Financial Statements

Year ended December 31, 2019

---

## 13. Budget figures:

The budget adopted by Council was not prepared on a basis consistent with that used to report actual results according to Public Sector Accounting Standards. As a result, the budget figures presented in the statement of operations and accumulated surplus and change in the net financial assets represent the financial plan adopted by Council with adjustment as follows:

	2019
Annual surplus per budget approved by Council	\$ 94,999
Add:	
Transfers to and from reserve funds	(189,240)
Debt principal repayments	28,241
Capital additions	196,950
Surplus per revised budget	\$ 130,950

## 14. Credit facility:

The Township has a revolving line of credit available to them through the Royal Bank of Canada. In accordance with the terms of their credit agreement, the Township may borrow an amount not to exceed 50% of estimated revenues between January and September 30<sup>th</sup>, and an amount not to exceed 25% of estimated revenues between October 1<sup>st</sup> and December 31<sup>st</sup>. The credit facility bears interest at the Royal Bank of Canada prime rate.

As of December 31, 2019, no funds were drawn against this credit facility.

## 15. Public sector salary disclosure:

During 2019, one employee was paid a salary, as defined in the Public Sector Salary Disclosure Act, 1996, of \$100,000 or more by the Township.

## 16. Commitments:

In 2006, the Township passed a resolution which allows for a total contribution of \$200,000 over a 20-year period to the new North Bay Regional Health Centre Project. At December 31, 2019, the Township has paid \$130,000 (2018 - \$120,000) towards its total contribution.

# THE CORPORATION OF THE TOWNSHIP OF NIPISSING

Notes to Financial Statements

Year ended December 31, 2019

---

## 17. Segmented information:

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

For each reported segment, revenue and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Certain allocations 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 financial statements as disclosed in note 1.

Municipal services are provided by departments and their activities are reported in these funds. Certain departments that have been separately disclosed in the segmented information, along with the services they provide, are as follows:

### **General Government**

Includes corporate services and governance of the Township. General Government is responsible for human resource management, support to Council for policy development, by-law development in compliance with the Municipal Act, tax billing and collection responsibilities, financial management reporting, monitoring and overall budget status is provided as well as frontline reception and customer service.

### **Protection Services**

Protection includes police and fire services, animal control, and the building department. The police services work to ensure the safety and protection of citizens and their property. The volunteer fire department is responsible for the provision of fire suppression services, fire prevention programs, training and education. The building department provides a number of services including maintenance and enforcement of building and construction codes.

### **Transportation Services**

Areas of responsibility include the maintenance of the Township's roadway systems.

### **Environmental Services**

Environmental services consist of the provision of recycling and waste disposal services to citizens.

### **Health, Social and Family Services**

The Township provides ambulance service through Parry Sound District Emergency Medical Services (EMS), a range of public health services through the North Bay Parry Sound District Health Unit and family and social services through the District of Parry Sound Social Services Administration Board.

### **Recreation and Cultural Services**

Recreation and cultural services is responsible for providing, facilitating the development of, and maintaining high quality parks, recreational facilities, and cultural services.

### **Planning and Development**

Planning and development is responsible for municipal planning, and the review of all property development plans through its application process.

# THE CORPORATION OF THE TOWNSHIP OF NIPISSING

Schedule to Note 17 - Segmented Information

Year ended December 31, 2019

	General Government Services	Protection Services	Transportation Services	Environmental Services	Health, Social and Family Services	Recreation and Cultural Services	Planning and Development	Unallocated amounts	Total 2019
<b>Revenues:</b>									
Municipal taxation	\$ -	-	-	-	-	-	-	2,627,138	2,627,138
Government transfers and grants	412,200	-	96,852	-	-	43,046	-	597,700	1,149,798
Transfer from obligatory gas tax reserve	-	-	147,299	-	-	-	-	-	147,299
Other	90,900	35,570	-	-	1,951	5,225	-	-	133,646
User fees	25,125	7,706	9,006	45,091	8,255	32,362	2,150	-	129,695
	528,225	43,276	253,157	45,091	10,206	80,633	2,150	3,224,838	4,187,576
<b>Expenses:</b>									
Salaries, wages and benefits	339,572	178,205	430,869	91,540	11,991	61,360	-	-	1,113,537
Materials	100,274	148,389	400,308	31,560	2,302	53,019	16,474	-	752,326
Contracted services	74,623	379,201	-	96,867	108,555	-	-	-	659,246
Interest	-	1,303	-	-	-	-	-	-	1,303
External transfers	-	-	-	-	342,570	31,509	-	-	374,079
Amortization of tangible capital assets	10,081	65,828	531,666	-	-	11,531	-	-	619,106
	524,550	772,926	1,362,843	219,967	465,418	157,419	16,474	-	3,519,597
Annual surplus (deficit) before the undernoted	3,675	(729,650)	(1,109,686)	(174,876)	(455,212)	(76,786)	(14,324)	3,224,838	667,979
Landfill liability expense	-	-	-	(65,757)	-	-	-	-	(65,757)
Annual surplus (deficit)	\$ 3,675	(729,650)	(1,109,686)	(240,633)	(455,212)	(76,786)	(14,324)	3,224,838	\$ 602,222

# THE CORPORATION OF THE TOWNSHIP OF NIPISSING

Schedule to Note 17 - Segmented Information

Year ended December 31, 2019

	General Government Services	Protection Services	Transportation Services	Environmental Services	Health, Social and Family Services	Recreation and Cultural Services	Planning and Development	Unallocated amounts	Total 2018
<b>Revenues:</b>									
Municipal taxation	\$ -	-	-	-	-	-	-	2,531,083	2,531,083
Government transfers and grants	-	-	61,720	-	-	13,063	-	573,700	648,483
Transfer from obligatory gas tax reserve	-	-	119,500	-	-	-	-	-	119,500
Other	72,696	25,716	-	-	2,219	1,925	-	-	102,556
User fees	8,934	9,497	1,613	50,146	5,240	26,925	3,500	-	105,855
	81,630	35,213	182,833	50,146	7,459	41,913	3,500	3,104,783	3,507,477
<b>Expenses:</b>									
Salaries, wages and benefits	319,600	181,869	420,552	85,569	9,967	57,540	-	-	1,075,097
Materials	114,480	130,303	371,530	36,048	3,314	56,305	1,918	-	713,898
Contracted services	73,564	379,830	-	97,738	105,698	-	-	-	656,830
Interest	-	2,006	335	-	-	-	-	-	2,341
External transfers	-	-	-	-	338,475	31,371	-	-	369,846
Amortization of tangible capital assets	8,724	71,622	501,629	-	-	12,336	-	-	594,311
	516,368	765,630	1,294,046	219,355	457,454	157,552	1,918	-	3,412,323
Annual surplus (deficit) before the undernoted	(434,738)	(730,417)	(1,111,213)	(169,209)	(449,995)	(115,639)	1,582	3,104,783	95,154
Landfill liability expense	-	-	-	(5,488)	-	-	-	-	(5,488)
Annual surplus (deficit)	\$ (434,738)	(730,417)	(1,111,213)	(174,697)	(449,995)	(115,639)	1,582	3,104,783	\$ 89,666