

The Corporation of the
Municipality of Meaford
Consolidated Financial Statements
For the year ended December 31, 2020

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Independent Auditor's Report

To the Members of Council, Inhabitants and Ratepayers
of the Corporation of the Municipality of Meaford

Opinion

We have audited the consolidated financial statements of the Corporation of the Municipality of Meaford ("the Municipality"), which comprise the consolidated statement of financial position as at December 31, 2020, and the consolidated statements of operations and accumulated surplus, changes 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 Municipality as at December 31, 2020, and its consolidated results of operations, consolidated changes in net financial assets and 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 Municipality in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of 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 Municipality'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 Municipality or to cease operations, or has no realistic alternative but to do so.

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in 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 override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Municipality's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Municipality's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Municipality to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Municipality 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

Owen Sound, Ontario
June 18, 2021

The Corporation of the Municipality of Meaford
Consolidated Statement of Financial Position

| December 31 | 2020 | 2019 |
|---|----------------------|----------------------|
| Financial assets | | |
| Cash (Note 1) | \$ 1,959,699 | \$ 3,566,294 |
| Investments (Note 2) | 14,318,836 | 11,972,479 |
| Taxes receivable | 1,660,705 | 1,523,998 |
| Trade and other receivables (Note 3) | 2,816,108 | 2,290,506 |
| Inventory held for resale | 4,854 | 8,117 |
| Long-term receivables (Note 4) | 240,232 | 255,980 |
| | <u>21,000,434</u> | <u>19,617,374</u> |
| Liabilities | | |
| Accounts payable and accrued liabilities | 6,273,378 | 3,501,554 |
| Solid waste closure and post-closure liabilities (Note 5) | 149,320 | 170,952 |
| Post-employment benefits (Note 6) | 2,085,200 | 2,058,500 |
| Deferred revenue (Page 31) | 5,932,209 | 5,345,326 |
| Long-term liabilities (Note 7) | 4,834,928 | 5,390,143 |
| | <u>19,275,035</u> | <u>16,466,475</u> |
| Net financial assets | <u>1,725,399</u> | <u>3,150,899</u> |
| Non-financial assets | | |
| Inventory of supplies | 288,911 | 245,969 |
| Prepaid expenses | 255,965 | 229,545 |
| Tangible capital assets (Note 8) | 90,293,926 | 82,524,465 |
| | <u>90,838,802</u> | <u>82,999,979</u> |
| Accumulated surplus (Note 9) | <u>\$ 92,564,201</u> | <u>\$ 86,150,878</u> |

The accompanying summary of significant accounting policies and notes are an integral part of these consolidated financial statements.

The Corporation of the Municipality of Meaford
Consolidated Statement of Operations and Accumulated Surplus

| For the year ended December 31 | 2020 Budget (Note 11) | 2020 Actual | 2019 Actual |
|---|-----------------------------|----------------------|----------------------|
| Revenue | | | |
| Taxation | \$ 15,566,320 | \$15,679,964 | \$ 14,959,376 |
| Fees and user charges | 6,748,675 | 5,985,966 | 6,626,119 |
| Government transfers (Note 12) | 3,559,455 | 3,589,062 | 4,023,318 |
| Other income (Note 13) | 2,906,237 | 2,570,772 | 1,863,687 |
| | <u>28,780,687</u> | <u>27,825,764</u> | <u>27,472,500</u> |
| Expenses | | | |
| General government | 3,609,525 | 3,690,542 | 3,272,655 |
| Protection services | 3,611,287 | 3,863,943 | 3,555,935 |
| Transportation services | 3,690,875 | 6,203,949 | 6,261,962 |
| Environmental services | 3,554,225 | 3,760,637 | 3,644,719 |
| Recreation and cultural services | 3,576,850 | 3,383,773 | 4,024,680 |
| Planning and development | 650,900 | 509,597 | 503,554 |
| | <u>18,693,662</u> | <u>21,412,441</u> | <u>21,263,505</u> |
| Annual surplus (Note 11) | 10,087,025 | 6,413,323 | 6,208,995 |
| Accumulated surplus, beginning of the year | <u>86,150,878</u> | <u>86,150,878</u> | <u>79,941,883</u> |
| Accumulated surplus, end of the year | \$ 96,237,903 | \$ 92,564,201 | \$ 86,150,878 |

The accompanying summary of significant accounting policies and notes are an integral part of these consolidated financial statements.

The Corporation of the Municipality of Meaford
Consolidated Statement of Changes in Net Financial Assets

| For the year ended December 31 | 2020 Budget (Note 11) | 2020 Actual | 2019 Actual |
|---|-----------------------------|---------------------|---------------------|
| Annual surplus (Page 6) | \$ 10,087,025 | \$ 6,413,323 | \$ 6,208,995 |
| Acquisition of tangible capital assets | (14,826,780) | (12,374,482) | (8,773,939) |
| Amortization of tangible capital assets | - | 4,306,703 | 4,125,224 |
| Gain on disposal of tangible capital assets | - | (733,279) | (14,570) |
| Proceeds on disposal of tangible capital assets | - | 1,031,597 | 198,824 |
| | <u>(14,826,780)</u> | <u>(7,769,461)</u> | <u>(4,464,461)</u> |
| Change in prepaid expenses | - | (26,420) | (28,179) |
| Change in inventories of supplies | - | (42,942) | (76,470) |
| | <u>-</u> | <u>(69,362)</u> | <u>(104,649)</u> |
| Increase (d ecrease) in net financial assets | (4,739,755) | (1,425,500) | 1,639,885 |
| Net financial assets, beginning of the year | <u>3,150,899</u> | <u>3,150,899</u> | <u>1,511,014</u> |
| Net financial assets, end of the year | <u>\$ (1,588,856)</u> | <u>\$ 1,725,399</u> | <u>\$ 3,150,899</u> |

The accompanying summary of significant accounting policies and notes are an integral part of these consolidated financial statements.

The Corporation of the Municipality of Meaford
Consolidated Statement of Cash Flows

| For the year ended December 31 | 2020 | 2019 |
|--|---------------------|---------------------|
| Cash provided by (used in) | | |
| Operating activities | | |
| Annual surplus (Page 6) | \$ 6,413,323 | \$ 6,208,995 |
| Items not involving cash | | |
| Increase in landfill liabilities | (21,632) | 30,918 |
| Increase in post-employment benefits | 26,700 | 22,700 |
| Amortization | 4,306,703 | 4,125,224 |
| Contributed capital assets | (58,059) | (6,500) |
| Deferred revenue recognized | (1,005,000) | (1,233,680) |
| Gain on disposal of capital assets | (733,279) | (14,570) |
| | <u>8,928,756</u> | <u>9,133,087</u> |
| Changes in non-cash working capital balances | | |
| Taxes receivable | (136,707) | (217,853) |
| Trade and other receivables | (525,602) | (460,838) |
| Inventory held for resale | 3,263 | (2,770) |
| Accounts payable and accrued liabilities | 2,771,824 | 334,574 |
| Deferred revenue received | 1,591,883 | 1,791,804 |
| Change in prepaid expenses | (26,420) | (28,179) |
| Change in inventory of supplies | (42,942) | (76,470) |
| | <u>3,635,299</u> | <u>1,340,268</u> |
| | <u>12,564,055</u> | <u>10,473,355</u> |
| Capital transactions | | |
| Cash used to acquire capital assets | (12,316,423) | (8,767,439) |
| Proceeds on sale of capital assets | 1,031,597 | 198,824 |
| | <u>(11,284,826)</u> | <u>(8,568,615)</u> |
| Investing activities | | |
| Increase in investments | (2,346,357) | (37,516) |
| Decrease in long-term receivables | 15,748 | 22,545 |
| | <u>(2,330,609)</u> | <u>(14,971)</u> |
| Financing activities | | |
| Net decrease of long-term liabilities | (555,215) | (548,652) |
| Net change in cash and cash equivalents | (1,606,595) | 1,341,117 |
| Cash, beginning of the year | <u>3,566,294</u> | <u>2,225,177</u> |
| Cash, end of the year | <u>\$ 1,959,699</u> | <u>\$ 3,566,294</u> |

The accompanying summary of significant accounting policies and notes are an integral part of these consolidated financial statements.

The Corporation of the Municipality of Meaford Summary of Significant Accounting Policies

December 31, 2020

Management Responsibility The management of the Corporation of the Municipality of Meaford is responsible for the integrity, objectivity and accuracy of the financial information presented in these consolidated financial statements. The Council reviews and approves the consolidated financial statements.

Basis of Accounting The consolidated financial statements of the Corporation of the Municipality of Meaford have been prepared by management in accordance with Canadian public sector accounting standards established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada as prescribed by the Ministry of Municipal Affairs and Housing.

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

Basis of Consolidation The consolidated statements reflect the assets, liabilities, revenues and expenses of all municipal organizations, committees, and boards which are owned or controlled by Council. All interfund assets and liabilities and revenues and expenses have been eliminated on consolidation.

The following boards and municipal enterprises owned or controlled by Council have been consolidated:

- Cemetery Board
- Central Business Improvement Area
- Municipality of Meaford Library Board
- Bognor Community Centre
- Riverside Community Centre
- ReNew Meaford Arts and Business Association

A government partnership exists where the municipality has shared control over the board or entity. The municipality's pro-rata share of the assets, liabilities, revenues and expenses are reflected in the consolidated financial statements using the proportionate consolidation method. The municipality's proportionate interest of the following government partnerships are reflected in the consolidated financial statements:

| | 2020 | 2019 |
|--------------------------------|--------|--------|
| Inter-Township Fire Department | 25.00% | 25.00% |

The Corporation of the Municipality of Meaford Summary of Significant Accounting Policies

December 31, 2020

Use of Estimates

The preparation of consolidated financial statements in accordance with Canadian public sector accounting standards requires management to make estimates that affect the reported amounts of assets and liabilities at the date of the consolidated 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. Estimates are used when accounting for items such as useful lives for tangible capital assets, accrued liabilities, post-employment benefits, solid waste closure and post-closure liabilities and taxes receivable.

Revenue Recognition

Revenues are recognized as follows:

- a) 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. As taxes recorded are initially based on management's best estimate of the taxes that will be received, it is possible that changes in future conditions, such as reassessments due to audits, appeals and court decisions, could result in a change in the amount of tax revenue recognized. Taxes receivable are recognized net of an allowance for anticipated uncollectible amounts.
- b) Fines and donations are recognized when collected.
- c) Other revenues are recorded upon sale of goods or provision of service when collection is reasonably assured.
- d) Government transfers are recognized as revenue in the consolidated 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.
- e) Revenue restricted by legislation, regulation or agreement and not available for general municipal purposes is reported as deferred revenue on the consolidated statement of financial position. The revenue is reported on the consolidated statement of operations in the year in which it is used for the specified purpose.

The Corporation of the Municipality of Meaford
Summary of Significant Accounting Policies

December 31, 2020

| | | | | | | | | | | | | | |
|--|--|-------------------|----------------|------------|----------------|-------|---------------|-------------------------|---------------|-------------------------------|----------------|---------------------------------------|----------|
| Investments | Investments are recorded at cost unless there has been a decline in the market value which is other than temporary in nature in which case the investments are written down to market value. | | | | | | | | | | | | |
| Inventory | Inventory held for consumption is recorded at the lower of cost and replacement cost. Inventory held for resale is recorded at lower of cost and net realizable value. Cost is determined on the average cost basis. | | | | | | | | | | | | |
| Tangible Capital Assets | <p>Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. Amortization is provided over the estimated useful life of the assets, using the straight-line method. The useful life of the assets is based on estimates made by management. The following rates are used:</p> <table><tr><td>Land improvements</td><td>20 to 95 years</td></tr><tr><td>Facilities</td><td>15 to 95 years</td></tr><tr><td>Fleet</td><td>7 to 20 years</td></tr><tr><td>Machinery and equipment</td><td>2 to 20 years</td></tr><tr><td>Transportation infrastructure</td><td>3 to 100 years</td></tr><tr><td>Environmental services infrastructure</td><td>80 years</td></tr></table> <p>Tangible capital assets received as contributions are recorded at fair value at the date of receipt and also are recorded as revenue.</p> | Land improvements | 20 to 95 years | Facilities | 15 to 95 years | Fleet | 7 to 20 years | Machinery and equipment | 2 to 20 years | Transportation infrastructure | 3 to 100 years | Environmental services infrastructure | 80 years |
| Land improvements | 20 to 95 years | | | | | | | | | | | | |
| Facilities | 15 to 95 years | | | | | | | | | | | | |
| Fleet | 7 to 20 years | | | | | | | | | | | | |
| Machinery and equipment | 2 to 20 years | | | | | | | | | | | | |
| Transportation infrastructure | 3 to 100 years | | | | | | | | | | | | |
| Environmental services infrastructure | 80 years | | | | | | | | | | | | |
| Solid Waste Closure and Post-Closure Liabilities | Site closure and post-closure care costs are recognized over the operating life of the landfill based on capacity used. The liability is recorded at its discounted value, based on the average long-term borrowing rate of the municipality. | | | | | | | | | | | | |
| Post-Employment Benefits | The municipality provides post-employment travel, extended health, dental and life insurance benefits to eligible retired employees. The benefits earned by employees are determined using management's best estimate of expected benefit cost and are expensed as services are rendered. | | | | | | | | | | | | |

The Corporation of the Municipality of Meaford Summary of Significant Accounting Policies

December 31, 2020

| | |
|----------------------------------|--|
| Liability for Contaminated Sites | A contaminated site is a site at which substances occur in concentrations that exceed the maximum acceptable amounts under an environmental standard. Sites that are currently in productive use are only considered a contaminated site if an unexpected event results in contamination. A liability for remediation of contaminated sites is recognized when the organization is directly responsible or accepts responsibility; it is expected that future economic benefits will be given up; and a reasonable estimate of the amount can be made. The liability includes all costs directly attributable to remediation activities including post remediation operations, maintenance and monitoring. The liability is recorded net of any expected recoveries. Management is not aware of any contaminated sites for which a liability needs to be recognized. |
| County and School Board | The municipality collects taxation revenue on behalf of the school boards and the County of Grey. The taxation, other revenues, expenses, assets and liabilities with respect to the operations of the school boards and the County of Grey are not reflected in these 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 position of the trust funds are reported separately on the trust funds statement of continuity and balance sheet. |

The Corporation of the Municipality of Meaford
Notes to Consolidated Financial Statements

December 31, 2020

1. Cash

On December 31, 2020, the municipality had deposits of \$2,093,048 in a Canadian Chartered bank. The Canadian Deposit Insurance Corporation insures deposits up to a maximum of \$100,000 per depositor per financial institution.

On December 31, 2020, the municipality had deposits of cash and investments held in an Ontario credit union of \$12,402,795. The Deposit Insurance Corporation of Ontario (DICO) insures deposits to a maximum of \$250,000 per depositor.

The Municipality of Meaford has an undrawn credit facility of \$3,800,000. Interest is calculated at TD bank prime less 0.5%.

2. Investments

| | <u>2020</u> | <u>2019</u> |
|---|---------------------|----------------------|
| One Investment - Canadian Equity Portfolio | \$ 2,000,000 | \$ - |
| Term deposits, interest rate of 2.15%, maturity January 2020 | - | 600,000 |
| Guaranteed investment certificates, interest rates of 0.85% to 2.70%, maturity dates May 2021 to May 2022 | 12,272,900 | 11,350,000 |
| Accrued interest | <u>45,936</u> | <u>22,479</u> |
| | <u>\$14,318,836</u> | <u>\$ 11,972,479</u> |

Investments have a market value of \$14,327,060 (2019 - \$11,975,231) at the end of the year.

The Corporation of the Municipality of Meaford
Notes to Consolidated Financial Statements

December 31, 2020

3. Trade and Other Receivables

| | <u>2020</u> | <u>2019</u> |
|------------------------------|---------------------|---------------------|
| Government transfers and HST | \$ 1,389,756 | \$ 915,930 |
| Trade and other receivables | <u>1,426,352</u> | <u>1,374,576</u> |
| | <u>\$ 2,816,108</u> | <u>\$ 2,290,506</u> |

4. Long-Term Receivables

| | <u>2020</u> | <u>2019</u> |
|---|-------------------|-------------------|
| Tile drainage loans, 6%, various repayments, due 2021 to 2030 | \$ 67,653 | \$ 46,665 |
| Water and sewer connection charges receivable, 5%, due 2021 to 2025 | <u>172,579</u> | <u>209,315</u> |
| | <u>\$ 240,232</u> | <u>\$ 255,980</u> |

5. Solid Waste Landfill Post-Closure Liabilities

Solid waste landfill post-closure care requirements have been defined in accordance with industry standards and include ongoing environmental monitoring, site inspection and maintenance.

The liability for the landfill site is recorded at \$149,320 (2019 - \$170,952) and represents the present value of the post-closure costs for the Meaford landfill site, using a discount rate of 2.65% (2019 - 2.71%). The landfill was closed in 1992 and the liability is based on future monitoring and post-closure costs. The estimated remaining monitoring period is 21 years.

The Corporation of the Municipality of Meaford
Notes to Consolidated Financial Statements

December 31, 2020

6. Retirement and Post-Employment Benefit

The Corporation of the Municipality of Meaford provides a defined benefit plan for retirement benefits other than pensions to employees who meet certain requirements when they retire. The municipality pays for the cost of travel, extended health, dental and life insurance benefits for the employees until age 65. For a group of specified employees who were grandfathered-in during amalgamation, the benefits coverage is for life. The post-employment benefit at December 31 includes the following components:

| | 2020 | 2019 |
|----------------------------|--------------|--------------|
| Retirement benefits | \$ 1,952,800 | \$ 1,912,400 |
| Unamortized actuarial gain | 132,400 | 146,100 |
| | \$ 2,085,200 | \$ 2,058,500 |

Actuarial valuations for accounting purposes are performed using the projected benefit method, pro-rated on services. The most recent actuarial report was prepared as at December 31, 2018.

The actuarial valuation was based on a number of assumptions about future events, such as inflation rates, medical inflation rates, wage increases, employee turnover and mortality rates. There was no changes in assumptions as at December 31, 2020.

The assumptions used reflect management's best estimates. The post-employment benefit liability was determined using a discount rate of 3.5% (2019 - 3.5%). For extended health care costs a 5.73% annual rate of increase was assumed for 2020, decreasing to a rate of 3.89% per year in 2038. For dental costs, a 4.0% (2019 - 4.0%) annual rate of increase was assumed.

| | 2020 | 2019 |
|--------------------------------|------------|------------|
| Current period benefit cost | \$ 63,500 | \$ 61,400 |
| Interest costs | 67,600 | 66,200 |
| Amortization of actuarial gain | (13,700) | (13,700) |
| Total expense for the year | \$ 117,400 | \$ 113,900 |

Total benefit payments on behalf of retirees during the year were \$76,505 (2019 - \$75,634).

The Corporation of the Municipality of Meaford
Notes to Consolidated Financial Statements

December 31, 2020

7. Long-Term Liabilities

The balance of long-term liabilities reported on the consolidated statement of financial position is made up of the following:

| | <u>2020</u> | <u>2019</u> |
|--|---------------------|---------------------|
| Meaford Hall loan, OSIFA, interest at 5.14%, payable in blended semi-annual payments of \$130,028, due September 2028 | \$ 1,687,825 | \$ 1,854,596 |
| Meaford waste pollution control plant loan, OSIFA, 2.62%, payable in blended semi-annual installments of \$30,665, due December 2027 | 389,923 | 440,051 |
| Tile drain loans, 6%, various repayment terms, due from 2021 to 2030 | 67,653 | 50,850 |
| Leith capital projects, TD Bank, 3.46%, payable in blended monthly installments of \$4,919, due August 2024 | 188,011 | 235,255 |
| Meaford capital water projects, TD Bank, 3.55%, payable in blended monthly installments of \$19,674, due August 2028 | 1,400,201 | 1,556,394 |
| Meaford capital water projects, TD Bank, 3.15%, payable in blended monthly installments of \$2,431, due February 2022 | <u>33,430</u> | <u>61,071</u> |
| Carried forward | <u>\$ 3,767,043</u> | <u>\$ 4,198,217</u> |

The Corporation of the Municipality of Meaford
Notes to Consolidated Financial Statements

December 31, 2020

7. Long-Term Liabilities - (continued)

| | 2020 | 2019 |
|---|--------------|--------------|
| Brought forward | \$ 3,767,043 | \$ 4,198,217 |
| Meaford capital sewer projects, TD Bank, 2.62%, payable in blended monthly installments of \$4,350, due August 2028 | 371,441 | 414,586 |
| Meaford capital roads projects, TD Bank, 2.62%, payable in blended monthly installments of \$8,160, due August 2028 | 696,444 | 777,340 |
| | \$ 4,834,928 | \$ 5,390,143 |

Principal payments for the next five fiscal years and thereafter are as follows:

| | | |
|------------|----|-----------|
| 2021 | \$ | 603,533 |
| 2022 | | 597,747 |
| 2023 | | 615,484 |
| 2024 | | 620,311 |
| 2025 | | 607,150 |
| Thereafter | | 1,790,703 |
| | \$ | 4,834,928 |

Interest expense in the amount of \$201,909 (2019 - \$217,791) has been recognized on the consolidated statement of operations.

The Corporation of the Municipality of Meaford
Notes to Consolidated Financial Statements

December 31, 2020

8. Tangible Capital Assets

2020

| | Land | Land Improvements | Facilities | Fleet | Machinery and Equipment | Transportation Infrastructure | Environmental Infrastructure | Asset Under Construction | Total |
|---|--------------|-------------------|---------------|--------------|-------------------------|-------------------------------|------------------------------|--------------------------|----------------|
| Cost, beginning of the year | \$ 5,033,064 | \$ 4,162,624 | \$ 34,806,148 | \$ 8,107,777 | \$ 7,647,127 | \$ 72,755,387 | \$ 26,577,270 | \$ 4,624,717 | \$ 163,714,114 |
| Additions | 50,000 | 216,623 | 317,218 | 486,570 | 699,321 | 2,513,668 | 56,982 | 8,034,100 | 12,374,482 |
| Disposals | (338) | - | (841,666) | (470,798) | (14,859) | (606,024) | - | - | (1,933,685) |
| Re-allocation | - | 48,767 | 548,459 | - | 977,781 | 1,683,664 | 1,364,738 | (4,623,409) | - |
| Cost, end of the year | 5,082,726 | 4,428,014 | 34,830,159 | 8,123,549 | 9,309,370 | 76,346,695 | 27,998,990 | 8,035,408 | 174,154,911 |
| Accumulated amortization, beginning of the year | - | 2,213,733 | 25,908,142 | 4,087,156 | 2,808,011 | 39,313,353 | 6,859,254 | - | 81,189,649 |
| Amortization | - | 111,462 | 525,070 | 516,564 | 450,691 | 2,357,450 | 345,466 | - | 4,306,703 |
| Disposals | - | - | (553,128) | (464,860) | (14,859) | (602,520) | - | - | (1,635,367) |
| Accumulated amortization, end of the year | - | 2,325,195 | 25,880,084 | 4,138,860 | 3,243,843 | 41,068,283 | 7,204,720 | - | 83,860,985 |
| Net carrying amount, end of the year | \$ 5,082,726 | \$ 2,102,819 | \$ 8,950,075 | \$ 3,984,689 | \$ 6,065,527 | \$ 35,278,412 | \$ 20,794,270 | \$ 8,035,408 | \$ 90,293,926 |

The Corporation of the Municipality of Meaford
Notes to Consolidated Financial Statements

December 31, 2020

8. Tangible Capital Assets - (continued)

2019

| | Land | Land Improvements | Facilities | Fleet | Machinery and Equipment | Transportation Infrastructure | Environmental Infrastructure | Asset Under Construction | Total |
|---|--------------|-------------------|---------------|--------------|-------------------------|-------------------------------|------------------------------|--------------------------|----------------|
| Cost, beginning of the year | \$ 4,635,841 | \$ 3,840,015 | \$ 34,356,580 | \$ 7,911,520 | \$ 7,049,011 | \$ 69,477,985 | \$ 26,396,377 | \$ 2,642,525 | \$ 156,309,854 |
| Additions | 15,000 | 343,499 | 461,264 | 737,674 | 603,538 | 2,804,135 | 182,030 | 3,626,799 | 8,773,939 |
| Disposals | (5,509) | (20,890) | (19,854) | (541,417) | (190,181) | (590,691) | (1,137) | - | (1,369,679) |
| Re-allocation | 387,732 | - | 8,158 | - | 184,759 | 1,063,958 | - | (1,644,607) | - |
| Cost, end of the year | 5,033,064 | 4,162,624 | 34,806,148 | 8,107,777 | 7,647,127 | 72,755,387 | 26,577,270 | 4,624,717 | 163,714,114 |
| Accumulated amortization, beginning of the year | - | 2,120,263 | 25,397,120 | 3,916,918 | 2,622,595 | 37,675,224 | 6,517,730 | - | 78,249,850 |
| Amortization | - | 107,535 | 530,492 | 504,985 | 420,054 | 2,219,796 | 342,362 | - | 4,125,224 |
| Disposals | - | (14,065) | (19,470) | (334,747) | (234,638) | (581,667) | (838) | - | (1,185,425) |
| Accumulated amortization, end of the year | - | 2,213,733 | 25,908,142 | 4,087,156 | 2,808,011 | 39,313,353 | 6,859,254 | - | 81,189,649 |
| Net carrying amount, end of the year | \$ 5,033,064 | \$ 1,948,891 | \$ 8,898,006 | \$ 4,020,621 | \$ 4,839,116 | \$ 33,442,034 | \$ 19,718,016 | \$ 4,624,717 | \$ 82,524,465 |

The Corporation of the Municipality of Meaford
Notes to Consolidated Financial Statements

December 31, 2020

8. Tangible Capital Assets - (continued)

The municipality holds various works of art and historical treasures pertaining to the Meaford Museum. These items are not recognized as tangible capital assets in the consolidated financial statements because a reasonable estimate of the future benefits associated with such property cannot be made.

9. Accumulated Surplus

Accumulated surplus consists of individual fund surplus (deficit) and reserves as follows:

| | 2020 | 2019 |
|--|---------------|---------------|
| Invested in tangible capital assets | | |
| Tangible capital assets purchased | \$ 90,293,926 | \$ 82,524,465 |
| Unfinanced capital assets | (4,603,401) | (1,654,486) |
| Capital assets financed by Internal debentures and to be funded in future years | (218,778) | (259,566) |
| Capital assets financed by long-term liabilities and to be funded in future years | (4,767,275) | (5,339,293) |
| | 80,704,472 | 75,271,120 |
| Unfunded post-employment benefits | (2,085,200) | (2,058,500) |
| Unfunded solid waste closure and post-closure costs | (149,320) | (170,952) |
| Unfunded liability - North East Grey Health Clinic | (50,000) | (75,000) |
| Bognor Community Centre | 29,035 | 28,330 |
| Riverside Community Centre | 18,873 | 19,710 |
| Business Improvement Area | 49,981 | 39,331 |
| Inter-Township Fire Department | (36,027) | - |
| General surplus (Note 11) | 372,825 | 411,812 |
| | 78,854,639 | 73,465,851 |
| Reserves and reserve funds (Note 10) | 13,709,562 | 12,685,027 |
| Accumulated surplus | \$ 92,564,201 | \$ 86,150,878 |

The Corporation of the Municipality of Meaford
Notes to Consolidated Financial Statements

December 31, 2020

10. Reserves and Reserve Funds Set Aside for Specific Purpose by Council

| | <u>2020</u> | <u>2019</u> |
|---|---------------------|----------------------|
| Reserves | | |
| Working funds | \$ 1,565,614 | \$ 1,565,614 |
| Contingencies | 551,315 | 551,315 |
| Insurance | 206,155 | 196,155 |
| Current purposes | 173,682 | 164,331 |
| Capital purposes | <u>1,836,873</u> | <u>1,469,240</u> |
| | 4,333,639 | 3,946,655 |
| Reserve funds | | |
| Capital purposes | <u>9,375,923</u> | <u>8,738,372</u> |
| Reserves and reserve funds set aside for specific purpose by Council | <u>\$13,709,562</u> | <u>\$ 12,685,027</u> |

The Corporation of the Municipality of Meaford
Notes to Consolidated Financial Statements

December 31, 2020

11. Budgets

Under Canadian public sector accounting standards, budget amounts are to be reported on the consolidated statement of operations and accumulated surplus and changes in net financial assets for comparative purposes. The 2020 budget amounts for the Corporation of the Municipality of Meaford approved by Council have been reclassified to conform to the presentation of the consolidated statements of operations and accumulated surplus and changes in net financial assets. The following is a reconciliation of the budget approved by Council.

| | 2020 Budget | 2020 Actual | 2019 Actual |
|--|----------------|----------------|----------------|
| Annual surplus (Page 6) | \$ 10,087,025 | \$ 6,413,323 | \$ 6,208,995 |
| Amortization | - | 4,306,703 | 4,125,224 |
| | 10,087,025 | 10,720,026 | 10,334,219 |
| Net transfers (to) from reserves | 2,849,380 | (1,024,535) | (1,116,355) |
| Capital acquisitions, disposals and write-down | (14,826,780) | (12,076,164) | (8,589,685) |
| Current capital projects not funded | - | - | 361,339 |
| Change in unfunded capital projects | 2,485,900 | 3,319,939 | (299,418) |
| Proceeds from internal debentures | - | - | 299,418 |
| Debt and debenture principal repayments | (570,525) | (572,018) | (593,955) |
| Change in unfunded liabilities | (25,000) | (19,932) | 28,618 |
| Change in other surpluses | - | 25,509 | (12,369) |
| Current year surplus | - | 372,825 | 411,812 |
| Prior year general surplus (Note 9) | - | 411,812 | 1,048,562 |
| Prior year surplus transferred to reserves for specific future capital projects | - | - | (483,319) |
| Prior year surplus used to fund New Library Construction | - | (97,478) | (565,243) |
| Prior year surplus used to fund capital projects | - | (314,334) | - |
| Accumulated general surplus (Note 9) | \$ - | \$ 372,825 | \$ 411,812 |

The Corporation of the Municipality of Meaford
Notes to Consolidated Financial Statements

December 31, 2020

12. Government Transfers

| | 2020 Budget | 2020 Actual | 2019 Actual |
|---|----------------|----------------|----------------|
| Operating transfers | | | |
| Province of Ontario | | | |
| Ontario Municipal Partnership Fund (OMPF) | \$ 1,254,900 | \$ 1,254,900 | \$ 1,234,100 |
| Roads and transit | 159,650 | 189,507 | 133,081 |
| Environmental services | 150,000 | 198,074 | 147,116 |
| Fire | 16,850 | 9,226 | 10,647 |
| Other | 34,300 | 241,992 | 57,926 |
| | 1,615,700 | 1,893,699 | 1,582,870 |
| Government of Canada | | | |
| Other | 5,500 | 38,736 | 13,972 |
| Other municipalities | - | 1,482 | 3,693 |
| Total operating transfers | 1,621,200 | 1,933,917 | 1,600,535 |
| Capital transfers | | | |
| Province of Ontario | | | |
| Roads | 446,455 | 533,888 | 1,688,959 |
| Water, sewer, other | - | 210,738 | - |
| Other | 39,825 | 15,000 | 139,663 |
| | 486,280 | 759,626 | 1,828,622 |
| Government of Canada | | | |
| Federal Gas Tax - Roads | 333,426 | 333,426 | 354,000 |
| Roads | 669,749 | 417,583 | - |
| Other | 448,800 | 144,510 | 221,054 |
| | 1,451,975 | 895,519 | 575,054 |
| Other Municipalities | - | - | 19,107 |
| Total capital transfers | 1,938,255 | 1,655,145 | 2,422,783 |
| Total government transfers | \$ 3,559,455 | \$ 3,589,062 | \$ 4,023,318 |

The Corporation of the Municipality of Meaford
Notes to Consolidated Financial Statements

December 31, 2020

13. Other Income

| | 2020 Budget | 2020 Actual | 2019 Actual |
|---|---------------------|---------------------|---------------------|
| Penalties, fines and interest on taxation | \$ 232,000 | \$ 293,310 | \$ 225,025 |
| Investment income | 77,500 | 441,850 | 442,485 |
| Licenses, permits and rents | 330,975 | 297,986 | 441,633 |
| Donations and fundraising | 1,494,600 | 366,582 | 326,720 |
| Prepaid special charges | - | 53,976 | - |
| Other income | 22,462 | 58,796 | 73,232 |
| Gain on disposal of tangible capital assets | - | 733,279 | 14,570 |
| Contributed assets | - | 58,059 | - |
| Sewer debt charges | 18,175 | - | 18,171 |
| Development charges recognized | 730,525 | 266,934 | 266,655 |
| Recreation land | - | - | 55,196 |
| | <u>\$ 2,906,237</u> | <u>\$ 2,570,772</u> | <u>\$ 1,863,687</u> |

14. Government Business Partnership

The following summarizes the financial position and operations of the government business partnership which have been reported in these consolidated financial statements using the proportionate consolidation method:

Inter-Township Fire Department

Inter-Township Fire Department is a joint board under the shared control of the Corporation of the Municipality of Meaford, and the Corporation of the Municipality of Georgian Bluffs. The consolidated financial statements include the municipality's 25% proportionate interest of the following:

| | 2020 | 2019 |
|--------------------------|---------------------|---------------------|
| Financial assets | \$ 1,547,110 | \$ 1,585,525 |
| Liabilities | 258,875 | 142,246 |
| Net financial assets | 1,288,235 | 1,443,279 |
| Non-financial assets | 1,316,126 | 1,352,365 |
| Accumulated surplus | <u>\$ 2,604,361</u> | <u>\$ 2,795,644</u> |
| Revenues | \$ 819,208 | \$ 1,000,560 |
| Expenses | 1,010,491 | 863,373 |
| Annual surplus (deficit) | <u>\$ (191,283)</u> | <u>\$ 137,187</u> |

The Corporation of the Municipality of Meaford
Notes to Consolidated Financial Statements

December 31, 2020

15. Pension Agreements

The municipality makes contributions to the Ontario Municipal Employees Retirement Fund (OMERS), which is a multi-employer plan, on behalf of 84 members of its staff. This plan is a defined benefit plan which specifies the amount of the retirement entitlement to be received by the employees based on the length of service and rates of pay. Employees and employers contribute jointly to the plan. The employer amount contributed to OMERS for 2020 was \$487,279 (2019 - \$447,565). The contribution rate for 2020 was 9.0% to 15.8% depending on age and income level (2019 - 9.0% to 15.8%).

OMERS is a multi-employer pension plan, therefore any pension plan surpluses or deficits are a joint responsibility of Ontario municipal organizations and their employees. As a result, the municipality does not recognize any share of the OMERS pension surplus or deficit. The last available report for the OMERS plan was December 31, 2020. At that time the plan reported a \$3.20 billion actuarial deficit (2019 - \$3.4 billion actuarial deficit), based on actuarial liabilities of \$111.8 billion (2019 - \$106.4 billion) and actuarial assets of \$108.6 billion (2019 - \$103 billion). Ongoing adequacy of the current contribution rates will need to be monitored as fluctuations in the financial markets may lead to increased future funding requirements.

16. Operations of School Boards and the County of Grey

During the year, the following taxation revenue was raised and remitted to the school boards and the County of Grey:

| | 2020 | 2019 |
|----------------|---------------------|---------------------|
| School boards | \$ 3,374,233 | \$ 3,441,453 |
| County of Grey | 6,652,857 | 6,530,396 |
| | <u>\$10,027,090</u> | <u>\$ 9,971,849</u> |

17. Trust Funds

The trust funds administered by the municipality amounting to \$728,289 (2019 - \$715,655) have not been included in the consolidated statement of financial position nor have the operations been included in the consolidated statement of operations and accumulated surplus.

The Corporation of the Municipality of Meaford

Notes to Consolidated Financial Statements

December 31, 2020

18. Commitments

The Municipality of Meaford has authorized an annual financial contribution of \$50,000 per year for 10 years to Grey Bruce Health Service - Meaford Hospital Foundation commencing in 2013 and ending in 2022.

The Municipality of Meaford has authorized an annual financial contribution of \$25,000 per year for 10 years to North East Grey Health Clinics Hospital commencing in 2013 and ending in 2022.

The Municipality of Meaford has entered into contracts totaling \$8,347,791 for the purchase and repairs of significant capital assets with \$1,845,488 remaining to be spent.

19. Contingent Liabilities

- (a) The municipality has been served with claims as a result of motor vehicle accidents and personal injury claims. The municipality is not aware of any possible settlements in excess of its liability insurance coverage. The outcomes of these claims are not determinable at this time.
 - (b) The municipality has been served with claims as a result of building code and property matters. The outcomes of these claims are not determinable at this time.
-

20. Impacts of COVID-19

The impact of COVID-19 in Canada and on the global economy continues to increase. As the impacts of COVID-19 continue, there could be further impact on the Municipality, its citizens, employees, suppliers and other third party business associates that could impact the timing and amounts realized on the Municipality's assets and future ability to deliver services and projects. At this time, the full potential impact of COVID-19 on the Municipality is not known. Given the dynamic nature of these circumstances and the duration of disruption, the related financial impact cannot be reasonably estimated at this time. The Municipality's ability to continue delivering non-essential services and employ related staff will depend on the legislative mandates from the various levels of government. The Municipality will continue to focus on collecting receivables, managing expenditures, and leveraging existing reserves and available credit facilities to ensure it is able to continue providing essential services to its citizens.

The Corporation of the Municipality of Meaford Notes to Consolidated Financial Statements

December 31, 2020

21. Subsequent Event

In April 2021, a settlement was reached with Public Services and Procurement Canada as to annual appeals made to the Payment in Lieu of Taxes Dispute Advisory Panel in regards to underpaid taxes from 2013 to 2020 for the 4th Canadian Division Training Centre. The settlement offer provides net proceeds to the Municipality of Meaford of \$1.66 million.

22. Segmented Information

The Corporation of the Municipality of Meaford is a diversified municipal government institution that provides a wide range of services to its citizens such as police, fire, sewer, water, waste, collection, disposal and recycling, recreational, library and planning. Distinguishable functional segments have been separately disclosed in the segmented information. The nature of the segments and the activities they encompass are as follows:

General Government

General government includes revenues and expenses that relate to the governance and operations of the municipality itself and cannot be directly attributed to a specific segment.

Protection to Persons and Property

Protection is comprised of police services, fire protection, conservation authority, emergency measures, animal control and building and structural inspection.

Transportation

Transportation is responsible for construction and maintenance of the municipality's roadways, bridges, parking areas and streetlighting.

Environmental

Environmental services consists of providing waste collection, disposal and recycling to its citizens. It also consists of providing the municipality's drinking water and processing and cleaning sewage. The municipality ensures water and sewage systems meet all Provincial standards.

Recreational and Cultural Services

This service area provides services meant to improve the health and development of the municipality's citizens. The municipality operates and maintains parks and arenas. The municipality also provides library services and recreational programs. This segment also includes contributions to the operations of local cemeteries.

The Corporation of the Municipality of Meaford
Notes to Consolidated Financial Statements

December 31, 2020

22. Segmented Information - (continued)

Planning and Development

This department is responsible for planning and zoning including the Official plan. This service area also includes tourist information and promotion, business improvement area, weed control, and drainage.

The accounting policies of the segments are the same as those described in the summary of significant accounting policies. Amounts that are directly attributable to a number of segments have been allocated on a reasonable basis as follows:

| | |
|--------------------------------|---|
| Taxation, and payments-in-lieu | Allocated to those segments that are funded by these amounts based on the budget for the year |
| OMPF Grants | Allocated to segments based on the budget for the year |

The Corporation of the Municipality of Meaford
Notes to Consolidated Financial Statements

December 31, 2020

| For the year ended December 31 | General Government | Protection Services | Transportation Services | Environmental Services | Recreation and Cultural Services | Planning and Development | 2020 Total |
|---------------------------------|-----------------------|------------------------|----------------------------|---------------------------|-------------------------------------|-----------------------------|---------------------|
| Revenue | | | | | | | |
| Taxation | \$ 2,508,794 | \$ 3,919,991 | \$ 6,428,785 | \$ 940,798 | \$ 1,254,397 | \$ 627,199 | \$ 15,679,964 |
| Fees and user charges | 154,903 | 65,100 | 23,816 | 4,721,058 | 891,025 | 130,064 | 5,985,966 |
| Specific grants | 214,488 | 9,226 | 1,474,403 | 408,812 | 227,233 | - | 2,334,162 |
| OMPF grant | 200,784 | 313,725 | 514,509 | 75,294 | 100,392 | 50,196 | 1,254,900 |
| Other revenue | 758,887 | 507,700 | (209,047) | 91,278 | 1,421,229 | 725 | 2,570,772 |
| | <u>3,837,856</u> | <u>4,815,742</u> | <u>8,232,466</u> | <u>6,237,240</u> | <u>3,894,276</u> | <u>808,184</u> | <u>27,825,764</u> |
| Expenses | | | | | | | |
| Salaries and benefits | 2,409,970 | 1,036,097 | 1,868,044 | 813,995 | 1,605,677 | 373,743 | 8,107,526 |
| Post-employment benefit | 117,400 | - | - | - | - | - | 117,400 |
| Interest on debt | - | - | 25,440 | 82,721 | 90,520 | 3,228 | 201,909 |
| Materials and supplies | 777,168 | 462,686 | 953,376 | 1,024,973 | 760,591 | 128,987 | 4,107,781 |
| Contracted services | 89,477 | 1,980,455 | 486,608 | 1,147,738 | 354,843 | - | 4,059,121 |
| Other transfers | 90,000 | 215,585 | - | - | - | - | 305,585 |
| Rents and financial expenses | 107,018 | - | 4,000 | 10,623 | 84,775 | - | 206,416 |
| Amortization | 99,509 | 169,120 | 2,866,481 | 680,587 | 487,367 | 3,639 | 4,306,703 |
| | <u>3,690,542</u> | <u>3,863,943</u> | <u>6,203,949</u> | <u>3,760,637</u> | <u>3,383,773</u> | <u>509,597</u> | <u>21,412,441</u> |
| Annual surplus (deficit) | \$ 147,314 | \$ 951,799 | \$ 2,028,517 | \$ 2,476,603 | \$ 510,503 | \$ 298,587 | \$ 6,413,323 |

The Corporation of the Municipality of Meaford
Notes to Consolidated Financial Statements

December 31, 2020

| For the year ended December 31 | General Government | Protection Services | Transportation Services | Environmental Services | Recreation and Cultural Services | Planning and Development | 2019 Total |
|---------------------------------|-----------------------|------------------------|----------------------------|---------------------------|-------------------------------------|-----------------------------|---------------------|
| Revenue | | | | | | | |
| Taxation | \$ 2,393,500 | \$ 3,590,250 | \$ 6,731,719 | \$ 1,196,750 | \$ 448,781 | \$ 598,375 | \$ 14,959,376 |
| Fees and user charges | 152,926 | 61,824 | 19,510 | 4,342,695 | 1,932,937 | 116,227 | 6,626,119 |
| Specific grants | 24,891 | 11,247 | 2,176,041 | 118,569 | 430,080 | 28,390 | 2,789,218 |
| OMPF grant | 197,456 | 296,184 | 555,345 | 98,728 | 37,023 | 49,364 | 1,234,100 |
| Other revenue | 755,738 | 471,083 | (31,630) | 74,508 | 579,610 | 14,378 | 1,863,687 |
| | <u>3,524,511</u> | <u>4,430,588</u> | <u>9,450,985</u> | <u>5,831,250</u> | <u>3,428,431</u> | <u>806,734</u> | <u>27,472,500</u> |
| Expenses | | | | | | | |
| Salaries and benefits | 2,199,451 | 784,391 | 1,808,399 | 788,219 | 1,728,215 | 276,981 | 7,585,656 |
| Post-employment benefit | 113,900 | - | - | - | - | - | 113,900 |
| Interest on debt | - | - | 25,109 | 91,217 | 98,564 | 2,901 | 217,791 |
| Materials and supplies | 697,609 | 487,386 | 1,341,855 | 1,104,420 | 1,212,850 | 220,033 | 5,064,153 |
| Contracted services | 51,437 | 1,963,260 | 369,047 | 964,833 | 414,724 | - | 3,763,301 |
| Other transfers | 102,000 | 160,500 | - | - | - | - | 262,500 |
| Rents and financial expenses | 9,168 | - | 4,061 | 9,906 | 107,845 | - | 130,980 |
| Amortization | 99,090 | 160,398 | 2,713,491 | 686,124 | 462,482 | 3,639 | 4,125,224 |
| | <u>3,272,655</u> | <u>3,555,935</u> | <u>6,261,962</u> | <u>3,644,719</u> | <u>4,024,680</u> | <u>503,554</u> | <u>21,263,505</u> |
| Annual surplus (deficit) | \$ 251,856 | \$ 874,653 | \$ 3,189,023 | \$ 2,186,531 | \$ (596,249) | \$ 303,180 | \$ 6,208,995 |

The Corporation of the Municipality of Meaford
Schedule of Deferred Revenue

For the year ended December 31, 2020

| | Opening | Contributions Received | Investment Income | Revenue Recognized | Ending |
|--------------------------|--------------|---------------------------|----------------------|-----------------------|-------------|
| Obligatory Reserve Funds | | | | | |
| Development charges | \$ 3,366,301 | \$ 506,285 | \$ 97,064 | \$ (266,934) | \$3,702,716 |
| Recreational land | 358,447 | 15,240 | 10,625 | - | 384,312 |
| Federal gas tax funding | 630,828 | 333,426 | 22,685 | (333,426) | 653,513 |
| MTO transit funding | 568,601 | 56,729 | 17,174 | (615) | 641,889 |
| | 4,924,177 | 911,680 | 147,548 | (600,975) | 5,382,430 |
| Other | 421,149 | 532,655 | - | (404,025) | 549,779 |
| | \$ 5,345,326 | \$ 1,444,335 | \$ 147,548 | \$(1,005,000) | \$5,932,209 |