

Consolidated Financial Statements of

**THE CORPORATION OF THE  
TOWNSHIP OF SEGUIN**

And Independent Auditors' Report thereon

Year ended December 31, 2020

# THE CORPORATION OF THE TOWNSHIP OF SEGUIN

Consolidated Financial Statements Index

Year ended December 31, 2020

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

The accompanying consolidated financial statements of The Corporation of the Township of Seguin (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 are described in Note 1 to the consolidated financial statements. The preparation of consolidated financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The 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 consolidated financial statements. These systems are monitored and evaluated by Management.

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

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

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Jason Inwood  
Chief Administrative Officer

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Michele C. Fraser  
Chief Financial Officer and Treasurer



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## INDEPENDENT AUDITORS' REPORT

To the Members of Council, Inhabitants and Ratepayers of  
The Corporation of the Township of Seguin

### ***Opinion***

We have audited the accompanying consolidated financial statements of  
The Corporation of the Township of Seguin (the Entity), which comprise:

- the consolidated statement of financial position as at December 31, 2020
- the consolidated statement of operations for the year then ended
- the consolidated statement of statement of changes in net assets for the year then ended
- the consolidated statement of cash flows for the year then ended
- and the notes to the consolidated financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the “consolidated financial statements”)

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Entity as at December 31, 2020, and its consolidated results of operations 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 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 consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the 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 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 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.



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- 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.
- 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.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, slightly slanted style. Below the signature is a horizontal line that starts under the 'K' and ends under the 'P'.

Chartered Professional Accountants, Licensed Public Accountants

Sudbury, Canada

May 17, 2021

# THE CORPORATION OF THE TOWNSHIP OF SEGUIN

## Consolidated Statement of Financial Position

December 31, 2020, with comparative information for 2019

	2020	2019
<b>Financial assets:</b>		
Cash	\$ 8,168,504	\$ 7,049,203
Taxes receivable	766,441	615,902
Accounts receivable	194,107	314,913
Goods and services tax rebate	137,993	228,271
	<u>9,267,045</u>	<u>8,208,289</u>
<b>Financial liabilities:</b>		
Accounts payable and accrued liabilities	1,507,983	883,425
Other current liabilities	166,766	143,962
Deferred revenue - Obligatory Reserve Funds (note 3)	896,500	499,788
Deferred revenue	259,652	356,980
Solid Waste Landfill closure and post-closure liabilities (note 7)	110,500	107,954
	<u>2,941,401</u>	<u>1,992,109</u>
Net financial assets	6,325,644	6,216,180
<b>Non-financial assets:</b>		
Tangible capital assets (note 9)	42,100,172	42,059,579
Inventories of supplies	21,570	21,118
Prepaid expenses	127,020	296,524
	<u>42,248,762</u>	<u>42,377,221</u>
Effects of COVID-19 (note 10)		
Accumulated surplus (note 8)	\$ 48,574,406	\$ 48,593,401

The accompanying notes are an integral part of this consolidated financial statement.

# THE CORPORATION OF THE TOWNSHIP OF SEGUIN

## Consolidated Statement of Operations

Year ended December 31, 2020, with comparative information for 2019

	Budget		
	2020	2020	2019
<b>Revenues:</b>			
Property taxation	\$ 12,482,705	\$ 12,498,280	\$ 12,049,040
Taxation from other governments	27,934	27,934	27,757
User charges	919,700	893,051	976,202
<b>Government transfers:</b>			
Provincial	2,283,275	2,531,681	3,015,539
Federal	-	5,000	-
Park and lot levies earned	155,000	234,074	201,007
Federal Gas Tax earned	401,000	401,000	411,646
Excess building permit fees earned	5,000	4,832	-
Investment income	122,700	101,659	185,737
Donations	55,700	252,925	28,212
Penalties and interest	150,000	183,150	184,900
Loss on sale of capital assets	-	(49,681)	(122,530)
Fines (POA)	50,000	935	24,259
Sale of land	102,000	82,655	38,193
<b>Total revenue</b>	<b>16,755,014</b>	<b>17,167,495</b>	<b>17,019,962</b>
<b>Expenses:</b>			
General government	2,134,188	1,951,249	1,904,733
Protection to persons and property	3,004,312	3,018,146	2,823,788
Transportation services	4,867,099	4,894,503	4,779,443
Environmental services	1,211,095	1,281,958	1,216,893
Health services	1,282,886	1,261,629	1,214,198
Social and family services	2,063,913	2,063,914	2,055,889
Recreational and cultural services	2,378,826	2,094,568	2,078,770
Planning and development	717,363	620,523	626,585
<b>Total expenses</b>	<b>17,659,682</b>	<b>17,186,490</b>	<b>16,700,299</b>
<b>Annual surplus (deficit)</b>	<b>(904,668)</b>	<b>(18,995)</b>	<b>319,663</b>
<b>Accumulated surplus, beginning of the year</b>	<b>48,593,401</b>	<b>48,593,401</b>	<b>48,273,738</b>
<b>Accumulated surplus, end of year (note 8)</b>	<b>\$ 47,688,733</b>	<b>\$ 48,574,406</b>	<b>\$ 48,593,401</b>

The accompanying notes are an integral part of this consolidated financial statement.

# THE CORPORATION OF THE TOWNSHIP OF SEGUIN

## Consolidated Statement of Change in Net Financial Assets

Year ended December 31, 2020, with comparative information for 2019

	Budget 2020	2020	2019
Annual surplus (deficit)	\$ (904,668)	\$ (18,995)	\$ 319,663
Acquisition of tangible capital assets	(2,060,717)	(2,197,640)	(1,789,055)
Amortization of tangible capital assets	2,069,300	2,089,094	2,144,301
Loss of sale of tangible capital assets	-	49,681	122,530
Proceeds on sale of tangible capital assets	-	18,272	66,000
	(896,085)	(59,588)	863,439
Acquisition of prepaid expenses	(125,000)	(127,020)	(296,524)
Use of prepaid expenses	296,524	296,524	235,499
Acquisition of inventories	(22,000)	(21,570)	(21,118)
Consumption of inventories	21,118	21,118	23,057
Change in net financial assets	(725,443)	109,464	804,353
Net financial assets, beginning of year	6,216,180	6,216,180	5,411,827
Net financial assets, end of year	\$ 5,490,737	\$ 6,325,644	\$ 6,216,180

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

# THE CORPORATION OF THE TOWNSHIP OF SEGUIN

## Consolidated Statement of Cash Flows

Year ended December 31, 2020, with comparative information for 2019

	2020	2019
Cash provided by (used in):		
Operating activities:		
Annual surplus (deficit)	\$ (18,995)	\$ 319,663
Items not involving cash:		
Amortization of tangible capital assets	2,089,094	2,144,301
Loss on sale of tangible capital assets	49,681	122,530
Change in landfill liability	2,546	-
	2,122,326	2,586,494
Change in non-cash assets and liabilities:		
Taxes receivable	(150,539)	(103,030)
Accounts receivable	120,806	(231,727)
Goods and services tax rebate	90,278	(80,770)
Accounts payable and accrued liabilities	624,558	(100,617)
Other current liabilities	22,804	(12,267)
Deferred revenue - obligatory reserve funds	396,712	273,313
Deferred revenue	(97,328)	108,068
Inventories of supplies	(452)	1,939
Prepaid expenses	169,504	(61,025)
Net change in cash from operating activities	3,298,669	2,380,378
Capital activities:		
Proceeds on sale of tangible capital assets	18,272	66,000
Cash used to acquire tangible capital assets	(2,197,640)	(1,789,055)
Net change in cash from capital activities	(2,179,368)	(1,723,055)
Net change in cash	1,119,301	657,323
Cash and cash equivalents, beginning of year	7,049,203	6,391,880
Cash and cash equivalents, end of year	\$ 8,168,504	\$ 7,049,203

The accompanying notes are an integral part of this consolidated financial statement.

# THE CORPORATION OF THE TOWNSHIP OF SEGUIN

## Notes to Consolidated Financial Statements

Year ended December 31, 2020

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### 1. Significant accounting policies:

The consolidated financial statements of the Corporation of the Township of Seguin (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) General:

These consolidated financial statements reflect the assets, liabilities, revenues and expenditures and fund balances of the reporting entity and include the activities of all committees of Council and the following boards and municipal enterprises which are under the control of Council:

Seguin Public Library Board

All interfund assets, liabilities, revenues and expenditures have been eliminated.

(ii) Non-consolidated entities:

The following joint local boards are not consolidated:

District of Parry Sound Social Services Administration Board

Muskoka Parry Sound Health Unit

Belvedere Heights Home for the Aged

Parry Sound Area Municipal Airport Commission

911 Emergency Services

(iii) Accounting for school board transactions:

The taxation, other revenues, expenditures, assets and liabilities with respect to the operations of the school boards are not reflected in the municipal fund balances of these consolidated financial statements.

(iv) Trust funds:

Trust funds and their related operations administered by the Municipality are not consolidated, but are reported separately. These funds amounted to \$182,256 (2019 - \$177,056).

(b) Basis of accounting:

(i) Accrual basis of accounting:

The accrual basis of accounting recognizes revenues as they become available and measurable; expenditures 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.

# THE CORPORATION OF THE TOWNSHIP OF SEGUIN

Notes to Consolidated Financial Statements

Year ended December 31, 2020

## 1. Significant accounting policies (continued):

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

#### (ii) 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, are amortized on a straight-line basis over their estimated useful lives as follows:

Asset	Useful Life - Years
Buildings	40
Furniture, fixtures, equipment and books	5 - 20
Vehicles and machinery	10 - 25
Land improvements	25 - 40
Bridges and culverts	30 - 45
Linear assets, excluding bridges and culverts	40 - 50

Landfill sites are amortized using the units of production method based upon capacity used during the year.

Amortization in the year of acquisition and in the year of disposal is charged at 50% of the annual amortization. Assets under construction are not amortized until the asset is available for productive use.

#### (iii) 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.

#### (iv) Natural resources:

Natural resources that have not been purchased are not recognized as assets in the financial statements.

#### (v) Works of art and cultural and historic assets:

Works of arts and cultural and historic assets are not recorded as assets in the financial statements.

#### (vi) Pensions and employee benefits:

The Township accounts for its participation in the Ontario Municipal Employee Retirement System ("OMERS") a multi-employer public sector pension fund, as a defined contribution plan. Vacation entitlements are accrued for as entitlements are earned.

#### (vii) Solid waste management liabilities:

Solid waste management liabilities are accounted for on the accrual basis as a charge to environmental services expenditures (note 8).

# THE CORPORATION OF THE TOWNSHIP OF SEGUIN

## Notes to Consolidated Financial Statements

Year ended December 31, 2020

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

(b) Basis of accounting (continued):

(viii) Use of estimates:

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Significant items subject to such estimates and assumptions include valuation allowances for accounts receivable, loans receivable and solid waste landfill closure and post-closure liabilities. Actual results could differ from those estimates. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the year in which they become known.

### 2. Operations of school boards:

During the year, requisitions were made by the School Boards requiring the Township to collect property taxes and payments in lieu of property taxes on their behalf. The amounts collected and remitted are summarized below:

	2020	2019
Property taxes	\$ 5,843,291	\$ 5,927,532
Payments in lieu of taxation	4,111	4,122
Amounts levied by Township	\$ 5,847,402	\$ 5,931,654
Amounts requisitioned plus supplementary taxes	\$ 5,847,402	\$ 5,931,654

### 3. Deferred revenue - obligatory reserve funds:

The continuity of transactions within the obligatory reserve funds are as described below:

	December 31, 2019	Contributions received	Interest earned	Amounts taken to revenue	December 31, 2020
Parks and recreation reserves	\$ 227,394	15,626	4,323	(54,416)	\$ 192,927
Building permits	135,027	194,250	–	(4,832)	324,445
Safe Restart funding	–	609,700	–	(230,873)	378,827
Federal gas tax reserves	137,367	261,134	2,800	(401,000)	301
	\$ 499,788	1,080,710	7,123	(691,121)	\$ 896,500

# THE CORPORATION OF THE TOWNSHIP OF SEGUIN

Notes to Consolidated Financial Statements

Year ended December 31, 2020

## 4. Pension agreements:

The Township makes contributions to the Ontario Municipal Employees Retirement System (“OMERS”), which is a multi-employee plan, on behalf of all permanent, full-time 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 contribution required on account of current service for 2020 of \$335,207 (2019 - \$319,099) is included in the current fund expenditures.

## 5. Contributions to unconsolidated joint boards:

The following contributions were made by the Township to these joint boards:

	2020	2019
District of Parry Sound Social Services Administration Board	\$ 1,524,938	\$ 1,518,391
Muskoka Parry Sound Health Unit	117,529	121,734
Belvedere Heights Home for the Aged	538,976	537,498
Parry Sound Area Municipal Airport Commission	41,500	42,040
911 Emergency Services	3,700	3,627
	<u>\$ 2,226,643</u>	<u>\$ 2,223,290</u>

## 6. Public sector salary disclosure:

During 2020, seven employees were paid a salary of \$100,000 or more by the Township, as defined in the Public Sector Salary Disclosure Act, 1996.

## 7. Solid waste management 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 remaining 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 a twenty year period 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.

# THE CORPORATION OF THE TOWNSHIP OF SEGUIN

## Notes to Consolidated Financial Statements

Year ended December 31, 2020

### 7. Solid waste management liabilities (continued):

Estimated total expenditures represent the sum of the discounted future cash flows for closure and post-closure care activities discounted at a rate of 5% (2019 - 5%) minus an inflation rate of 2.0% (10 year average CPI from 2010 to 2020). The estimated total landfill closure and post-closure care expenditures are calculated to be \$272,441 (2019 - \$227,507). The estimated liability for these expenditures is recognized as the landfill site's capacity is used. At December 31, 2020, an amount of \$110,500 (2019 - \$107,954) with respect to landfill closure and post-closure liabilities has been accrued.

The Christie landfill site has a remaining capacity of 36.64% with a remaining life of approximately 20 years. The period for post-closure care is estimated to be 15 years.

### 8. Accumulated surplus:

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

	2020	2019
Surplus:		
Invested in tangible capital assets	\$ 42,100,172	\$ 42,059,579
Other	100,000	100,000
Total surplus	42,200,172	42,159,579
Reserves set aside by Council:		
Working capital	1,523,907	1,522,907
Election	54,333	44,333
Severe weather	146,616	146,616
Official plan review	77,338	87,415
Salary grid movement	373,648	192,387
Firefighter compensation	142,152	142,152
Acquisition of capital assets:		
Seguin Museum	9,385	5,020
Cemetery	59,811	74,400
Other	854,245	651,741
Library	77,299	70,729
Total reserves	3,318,734	2,937,700
Reserve funds set aside for specific purpose by Council:		
Capital projects	2,252,656	2,606,799
Fire department	160,088	382,625
Equipment	642,756	504,837
Parks – recreation facilities	–	1,861
Total reserve funds	3,055,500	3,496,122
	\$ 48,574,406	\$ 48,593,401

# THE CORPORATION OF THE TOWNSHIP OF SEGUIN

Notes to Consolidated Financial Statements

Year ended December 31, 2020

## 9. Tangible capital assets:

Cost	Balance at December 31, 2019	Additions	Disposals	Balance at December 31, 2020
Land	\$ 772,336	-	-	\$ 772,336
Buildings	10,586,087	67,155	-	10,653,242
Furniture, fixtures and equipment	4,022,103	133,570	-	4,155,673
Land improvements	5,035,711	17,986	-	5,053,697
Vehicles and machinery	8,054,282	626,320	(166,155)	8,514,447
Linear assets	53,134,345	1,352,609	-	54,486,954
Assets under construction	411,646	-	-	411,646
<b>Total</b>	<b>\$ 82,016,510</b>	<b>2,197,640</b>	<b>(166,155)</b>	<b>\$ 84,047,995</b>

Accumulated Amortization	Balance at December 31, 2019	Disposals	Amortization	Balance at December 31, 2020
Land	\$ -	-	-	\$ -
Buildings	4,105,390	-	236,754	4,342,144
Furniture, fixtures and equipment	2,960,637	-	250,828	3,211,465
Land improvements	1,598,856	-	132,875	1,731,731
Vehicles and machinery	3,725,156	(98,202)	406,118	4,033,072
Linear assets	27,566,892	-	1,062,519	28,629,411
Assets under construction	-	-	-	-
<b>Total</b>	<b>\$ 39,956,931</b>	<b>(98,202)</b>	<b>2,089,094</b>	<b>\$ 41,947,823</b>

	Net book value, December 31, 2019	Net book value, December 31, 2020
Land	\$ 772,336	\$ 772,336
Buildings	6,480,697	6,311,098
Furniture, fixtures and equipment	1,061,466	944,208
Land improvements	3,436,855	3,321,966
Vehicles and machinery	4,329,126	4,481,375
Linear assets	25,567,453	25,857,543
Assets under construction	411,646	411,646
<b>Total</b>	<b>\$ 42,059,579</b>	<b>\$ 42,100,172</b>

# THE CORPORATION OF THE TOWNSHIP OF SEGUIN

Notes to Consolidated Financial Statements

Year ended December 31, 2020

## 9. Tangible capital assets (continued):

Cost	Balance at December 31, 2018	Additions	Disposals	Balance at December 31, 2019
Land	\$ 650,493	121,843	-	\$ 772,336
Buildings	10,452,310	133,777	-	10,586,087
Furniture, fixtures and equipment	3,957,884	64,219	-	4,022,103
Land improvements	4,946,777	88,934	-	5,035,711
Vehicles and machinery	8,217,765	369,811	(533,294)	8,054,282
Linear assets	52,292,847	841,498	-	53,134,345
Assets under construction	242,673	168,973	-	411,646
<b>Total</b>	<b>\$ 80,760,749</b>	<b>1,789,055</b>	<b>(533,294)</b>	<b>\$ 82,016,510</b>

Accumulated Amortization	Balance at December 31, 2018	Disposals	Amortization	Balance at December 31, 2019
Land	\$ -	-	-	\$ -
Buildings	3,869,847	-	235,543	4,105,390
Furniture, fixtures and equipment	2,699,129	-	261,508	2,960,637
Land improvements	1,466,876	-	131,980	1,598,856
Vehicles and machinery	3,650,014	(344,764)	419,906	3,725,156
Linear assets	26,471,528	-	1,095,364	27,566,892
Assets under construction	-	-	-	-
<b>Total</b>	<b>\$ 38,157,394</b>	<b>(344,764)</b>	<b>2,144,301</b>	<b>\$ 39,956,931</b>

	Net book value, December 31, 2018	Net book value, December 31, 2019
Land	\$ 650,493	\$ 772,336
Buildings	6,582,463	6,480,697
Furniture, fixtures and equipment	1,258,755	1,061,466
Land improvements	3,479,901	3,436,855
Vehicles and machinery	4,567,751	4,329,126
Linear assets	25,821,319	25,567,453
Assets under construction	242,673	411,646
<b>Total</b>	<b>\$ 42,603,355</b>	<b>\$ 42,059,579</b>

# THE CORPORATION OF THE TOWNSHIP OF SEGUIN

## Notes to Consolidated Financial Statements

Year ended December 31, 2020

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### 9. Tangible capital assets (continued):

a) Assets under construction:

Assets under construction having a value of \$Nil (2019 - \$411,646) have not been amortized. Amortization of these assets will commence when the asset is put into service.

b) Contributed tangible capital assets:

Contributed capital assets have been recognized at fair market value at the date of contribution. The value of contributed assets received during the year is \$Nil (2019 - \$Nil).

c) Write-down of tangible capital assets:

The write-down of tangible capital assets during the year was \$Nil (2019 - \$Nil).

### 10. Effects of COVID-19:

In March 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization and has had a significant financial, market and social dislocating impact.

Financial statements are required to be adjusted for events occurring between the date of the financial statements and the date of the auditors' report which provides additional evidence relating to conditions that existed as at year end. At the time of approval of these financial statements, the Township has experienced the following indicators of financial implications and undertaken the following activities in relation to the COVID-19 pandemic:

- The closure of a number of indoor and outdoor facilities to the general public;
- Revisions to the delivery of a number of municipal services in order to contribute toward physical distancing;
- Enhanced protocols implemented in line with Public Health guidelines;
- Put in place measures to limit and control access to the premises by staff and the general public; and
- In certain instances, the Township has deferred payment timeframes and reduced penalty and interest charges.

Management has assessed the financial impacts and there are no additional adjustments required to the financial statements at this time.

### 11. Segmented information:

The Township is a municipal government institution that provides a range of services to its citizens, including police, fire, and transportation, recreational and environmental. For management reporting purposes the Township's operations and activities are organized and reported by department. Funds were created for the purpose of recording specific activities to attain certain objectives in accordance with special regulations, restrictions or limitations.

Township 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:

- (a) 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.

# THE CORPORATION OF THE TOWNSHIP OF SEGUIN

Notes to Consolidated Financial Statements

Year ended December 31, 2020

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## 11. Segmented information (continued):

- (b) Protection to persons and property: includes policing, fire protection, protective inspection and control and emergency measures. The mandate of the police services contract 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. Fire protection includes detection, extinguishing and suppression services; emergency medical first response; and prevention education and training programs. Inspection and control includes building inspection, by-law enforcement and dog control services.
- (c) Transportation Services: This department provides the winter and summer maintenance, the repair and the construction of the municipal roads system including bridges and culverts.
- (d) Environmental Services: Includes the management and maintenance of the landfill site, transfer stations and waste collection system that serves the municipality.
- (e) Health Services: The Township provides ambulance services through the Town of Parry Sound and the West Parry Sound Health Centre.
- (f) Social and Family Services: The services are provided indirectly by the Township through the District Social Services Board and include family and children's services, as well as senior citizen services provided through Belvedere Heights Home for the Aged.
- (g) Recreation and cultural services: Provides recreation and leisure programs and facilities, including community halls, libraries, parks, recreation fields and arena. It also provides building maintenance services to all municipal facilities.
- (h) Planning and Development: Manages rural development for business interests, environmental concerns, heritage matters, local neighbourhoods and community development. It facilitates economic development by providing services for the approval of all land development plans, the application and enforcement of the zoning by-law and official plan, and the provision of geographic information services.

For each segment separately reported in the schedule below, the segment revenue and expenditures represent 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. These municipal services are funded primarily by taxation such as property tax revenue. Taxation and payments-in-lieu of taxes are apportioned to these services based on the net surplus. Certain government transfers, transfer from other funds, and other revenue have been apportioned based on a percentage of budgeted expenses.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in Note 1.

# THE CORPORATION OF THE TOWNSHIP OF SEGUIN

Schedule to Note 11 - Segmented Information

Year ended December 31, 2020, with comparative information for 2019

	General Government Services	Protection Services	Transportation Services	Environmental Services	Health Services	Social & Family Services	Recreation & Cultural Services	Planning and Development	Total 2020
<b>Revenues:</b>									
Property taxation	\$ 1,418,978	2,194,842	3,559,358	932,260	917,476	1,500,910	1,523,202	451,254	\$ 12,498,280
Taxation from other governments	27,934	-	-	-	-	-	-	-	27,934
User charges	25,666	551,690	23,224	93,984	25,287	-	86,567	86,633	893,051
Province of Ontario grants	225,013	594,465	726,742	252,234	145,488	238,005	278,178	71,557	2,531,681
Canada grants	-	-	-	-	-	-	5,000	-	5,000
Park and lot levies earned	-	-	58,584	-	-	-	175,490	-	234,074
Federal Gas Tax earned	-	-	401,000	-	-	-	-	-	401,000
Investment income	101,659	-	-	-	-	-	-	-	101,659
Donations and other	-	-	200,000	-	-	-	52,925	-	252,925
Penalties and interest on taxes	183,150	-	-	-	-	-	-	-	183,150
Prior year's excess building permit fees earned	-	4,832	-	-	-	-	-	-	4,832
Gain (loss) on sale of equipment	-	601	(50,282)	-	-	-	-	-	(49,681)
Fines (POA)	-	935	-	-	-	-	-	-	935
Sale of land	82,655	-	-	-	-	-	-	-	82,655
	2,065,055	3,347,365	4,918,626	1,278,478	1,088,251	1,738,915	2,121,362	609,444	17,167,495
<b>Expenditures:</b>									
Salaries, wages and benefits	1,234,695	886,345	1,212,419	270,343	35,386	-	876,758	406,296	4,922,242
Materials, services, rents and financial items	658,164	1,918,640	2,336,874	889,705	1,079,997	-	712,456	192,397	7,788,233
Transfer to other governments and the public	-	3,700	40,000	-	117,529	2,063,914	139,948	21,830	2,386,921
Amortization of tangible capital assets	58,390	209,461	1,305,210	121,910	28,717	-	365,406	-	2,089,094
	1,951,249	3,018,146	4,894,503	1,281,958	1,261,629	2,063,914	2,094,568	620,523	17,186,490
<b>Net revenues</b>	<b>\$ 113,806</b>	<b>329,219</b>	<b>24,123</b>	<b>(3,480)</b>	<b>(173,378)</b>	<b>(324,999)</b>	<b>26,794</b>	<b>(11,079)</b>	<b>\$ (18,995)</b>

# THE CORPORATION OF THE TOWNSHIP OF SEGUIN

Schedule to Note 11 - Segmented Information

Year ended December 31, 2020, with comparative information for 2019

	General Government Services	Protection Services	Transportation Services	Environmental Services	Health Services	Social & Family Services	Recreation & Cultural Services	Planning and Development	Total 2019
<b>Revenues:</b>									
Property taxation	\$ 1,374,239	2,037,325	3,448,304	877,972	876,027	1,483,296	1,499,804	452,073	\$ 12,049,040
Taxation from other governments	27,757	-	-	-	-	-	-	-	27,757
User charges	41,642	554,249	2,776	76,868	19,887	-	176,697	104,083	976,202
Province of Ontario grants	949,914	342,519	718,606	252,357	143,375	242,763	292,018	73,988	3,015,539
Park and lot levies earned	-	-	-	-	-	-	201,007	-	201,007
Federal Gas Tax earned	-	-	411,646	-	-	-	-	-	411,646
Investment income	185,737	-	-	-	-	-	-	-	185,737
Donations and other	-	-	-	-	-	-	28,212	-	28,212
Penalties and interest on taxes	184,900	-	-	-	-	-	-	-	184,900
Gain (loss) on sale of equipment	-	-	(33,390)	(89,140)	-	-	-	-	(122,530)
Fines (POA)	-	24,259	-	-	-	-	-	-	24,259
Sale of land	38,193	-	-	-	-	-	-	-	38,193
	2,802,382	2,958,352	4,547,942	1,118,057	1,039,289	1,726,059	2,197,738	630,144	17,019,962
<b>Expenditures:</b>									
Salaries, wages and benefits	1,149,418	925,630	1,234,001	285,208	30,434	-	993,431	391,585	5,009,707
Materials, services, rents and financial items	693,584	1,674,170	2,162,445	802,361	1,033,135	-	642,488	214,500	7,222,683
Transfer to other governments and the public	-	3,627	40,000	-	121,734	2,055,889	81,858	20,500	2,323,608
Amortization of tangible capital assets	61,731	220,361	1,342,997	129,324	28,895	-	360,993	-	2,144,301
	1,904,733	2,823,788	4,779,443	1,216,893	1,214,198	2,055,889	2,078,770	626,585	16,700,299
<b>Net revenues</b>	<b>\$ 897,649</b>	<b>134,564</b>	<b>(231,501)</b>	<b>(98,836)</b>	<b>(174,909)</b>	<b>(329,830)</b>	<b>118,968</b>	<b>3,559</b>	<b>\$ 319,663</b>