

2020 Financial Report

**THE CORPORATION OF THE
COUNTY OF RENFREW**

THE CORPORATION OF THE COUNTY OF RENFREW

2020 FINANCIAL REPORT

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MANAGEMENT REPORT

Management's Responsibility for the Consolidated Financial Statements

The accompanying consolidated financial statements for The Corporation of the County of Renfrew are the responsibility of the County's management and have been prepared in compliance with legislation, and in accordance with Canadian public sector accounting standards 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 the 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 Corporation of the County of Renfrew'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 Finance & Administration Committee 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.

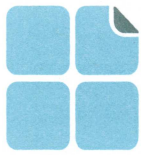
The consolidated financial statements have been audited by Scott Rosien Black & Locke, independent external auditors appointed by The Corporation of the County of Renfrew. The accompanying Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on The Corporation of the County of Renfrew's consolidated financial statements.

A handwritten signature in blue ink, appearing to read 'Paul Moreau', written over a horizontal line.

Paul Moreau
Chief Administrative Officer
June 30, 2021

A handwritten signature in blue ink, appearing to read 'Jeffrey Foss', written over a horizontal line.

Jeffrey Foss, CPA, CMA, CMO
Director of Finance/Treasurer
June 30, 2021



INDEPENDENT AUDITORS' REPORT

To the Members of Council, Inhabitants and Ratepayers
of The Corporation of the County of Renfrew

Opinion

We have audited the consolidated financial statements of The Corporation of the County of Renfrew (the Corporation), which comprise the consolidated statement of financial position as at December 31, 2020, and the consolidated statements of operations and accumulated surplus, change in net financial assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

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

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

Those charged with governance are responsible for overseeing the Corporation'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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation'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 Corporation'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 Corporation 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.

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.

Scott Rosim Black + Locke

Chartered Professional Accountants
Licensed Public Accountants

Pembroke, Ontario
June 30, 2021

THE CORPORATION OF THE COUNTY OF RENFREW

Consolidated Statement of Financial Position

December 31, 2020, with comparative figures for 2019

	2020	2019
Financial Assets		
Cash	\$ 62,609,752	\$ 49,260,407
Investments (note 4)	8,375,898	8,381,589
Accounts receivable		
Federal Government	946,278	665,078
Other	1,492,781	580,258
	<u>73,424,709</u>	<u>58,887,332</u>
Financial Liabilities		
Accounts payable and accrued liabilities	18,825,068	10,442,742
Temporary construction loan (note 5)	4,684,900	2,400,000
Deferred revenue – obligatory reserve fund (note 6)	1,873,577	3,353,044
Deferred revenue	221,222	186,456
Long-term liabilities (note 7)	10,519,791	11,435,864
Accrued interest on long-term liabilities	102,517	114,308
Post-employment benefits (note 8)	7,418,646	6,734,349
	<u>43,645,721</u>	<u>34,666,763</u>
Net Financial Assets	\$ 29,778,988	\$ 24,220,569
Non-Financial Assets		
Tangible capital assets - net (note 9)	\$ 210,219,128	\$ 208,773,678
Tangible capital assets - construction in progress (note 9)	83,457,809	71,610,861
Inventory	677,026	672,976
Prepaid expenses	349,104	859,326
	<u>294,703,067</u>	<u>281,916,841</u>
Accumulated Surplus (note 10)	\$ 324,482,055	\$ 306,137,410

Commitments (note 11)
Contingencies (note 12)

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

THE CORPORATION OF THE COUNTY OF RENFREW

Consolidated Statement of Operations and Accumulated Surplus

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

	2020 Budget (note 13)	2020 Actual	2019 Actual
REVENUES:			
Levies on area municipalities	\$ 43,685,415	\$ 43,632,648	\$ 42,053,736
Payments-in-lieu of taxation	4,317,598	4,393,373	4,290,441
Other municipal revenue	3,780,636	3,563,729	3,638,952
User fees and service charges	17,059,417	18,619,591	17,435,028
Government grants	62,599,225	71,501,651	61,434,666
Investment income	914,000	884,752	1,180,324
Donation, fines and other	8,204,690	1,522,204	1,415,872
Total revenues	140,560,981	144,117,948	131,449,019
EXPENDITURES:			
General government	8,086,757	8,070,582	8,291,291
Protection services	1,151,040	903,158	1,018,465
Transportation services	18,479,551	18,413,044	18,411,344
Health services	20,473,507	24,023,177	19,352,627
Social and family services	59,577,150	56,297,084	57,469,669
Social housing	15,236,440	15,789,023	14,313,958
Recreation and cultural services	329,500	325,013	381,330
Planning and development	2,409,900	2,635,014	2,251,519
Loss on disposal of tangible capital assets	-	107,865	45,658
Total expenditures	125,743,845	126,563,960	121,535,861
Surplus before undernoted	14,817,136	17,553,988	9,913,158
Gain on restructuring of Opeongo Non-Profit Community Residential Development Inc. (note 16)	-	790,657	-
Annual surplus	14,817,136	18,344,645	9,913,158
Accumulated surplus, beginning of year	306,137,410	306,137,410	296,224,252
Accumulated surplus, end of year	\$ 320,954,546	\$ 324,482,055	\$ 306,137,410

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

THE CORPORATION OF THE COUNTY OF RENFREW

Consolidated Statement of Change in Net Financial Assets

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

	2020 Budget (note 13)	2020 Actual	2019 Actual
Annual surplus	\$ 14,817,136	\$ 18,344,645	\$ 9,913,158
Amortization of tangible capital assets	13,555,870	13,869,952	13,404,176
Acquisition of tangible capital assets	(31,507,212)	(15,005,594)	(13,566,842)
Transfer of tangible capital assets related to restructuring	-	(428,237)	-
Donated tangible capital assets under construction	(6,703,190)	(611,101)	-
Loss on disposal of tangible capital assets	-	107,865	45,658
Proceeds on sale of tangible capital assets	-	10,563	68,020
Acquisition of tangible capital assets under construction	-	(11,235,846)	(2,576,225)
Increase in inventory	-	(4,050)	(106,105)
Decrease (increase) in prepaid expenses	-	510,222	(631,185)
Increase (decrease) in net financial assets	(9,837,396)	5,558,419	6,550,655
Net financial assets, beginning of year	24,220,569	24,220,569	17,669,914
Net financial assets, end of year	\$ 14,383,173	\$ 29,778,988	\$ 24,220,569

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

THE CORPORATION OF THE COUNTY OF RENFREW

Consolidated Statement of Cash Flows

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

	2020	2019
OPERATIONS		
Annual surplus	\$ 18,344,645	\$ 9,913,158
Non-cash charges to operations:		
Amortization of tangible capital assets	13,869,952	13,404,176
Loss on disposal of tangible capital assets	107,865	45,658
Donated tangible capital assets	(611,101)	-
Uses:		
Increase in other accounts receivable	(912,523)	-
Increase in recoverable from Federal Government	(281,200)	-
Increase in inventory	(4,050)	(106,105)
Increase in prepaid expenses	-	(631,185)
Decrease in accounts payable and accrued liabilities	-	(250,182)
Decrease in accrued interest on long-term debt	(11,791)	(9,982)
Decrease in deferred revenue – obligatory reserve fund	(1,479,467)	-
Total Uses	(2,689,031)	(997,454)
Sources:		
Decrease in other accounts receivable	-	56,664
Decrease in recoverable from other municipalities	-	231,473
Decrease in recoverable from Federal Government	-	157,267
Decrease in prepaid expenses	510,222	-
Increase in accounts payable and accrued liabilities	8,382,326	-
Increase in deferred revenue – obligatory reserve fund	-	3,353,044
Increase in deferred revenue	34,766	43,755
Increase in post-employment liabilities	684,297	665,660
Total Sources	9,611,611	4,507,863
Increase in Cash from Operations	38,633,941	26,873,401
CAPITAL		
Acquisition of tangible capital assets	(15,433,831)	(13,566,842)
Proceeds on disposal of tangible capital assets	10,563	68,020
Additions to tangible capital assets under construction	(11,235,846)	(2,576,225)
Total Capital	(26,659,114)	(16,075,047)
INVESTING		
Decrease in investments	5,691	10,002,761
Total Investing	5,691	10,002,761
FINANCING		
Advances on temporary construction loan	2,284,900	2,400,000
Long-term liabilities paid	(1,340,936)	(1,290,478)
Long-term liabilities received on restructuring	424,863	-
Total Financing	1,368,827	1,109,522
Increase in cash	13,349,345	21,910,637
Cash, beginning of year	49,260,407	27,349,770
Cash, end of year	\$ 62,609,752	\$ 49,260,407

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

THE CORPORATION OF THE COUNTY OF RENFREW

Notes to the Consolidated Financial Statements

Year ended December 31, 2020

The Corporation of the County of Renfrew is an upper tier municipality in the Province of Ontario, Canada. The provisions of provincial statutes such as the Municipal Act and related legislation guide its operations.

1. Accounting Policies

The consolidated financial statements of The Corporation of the County of Renfrew are the representation of management and are prepared in accordance with Canadian Public Sector accounting standards for local governments as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. Significant aspects of the accounting policies adopted by the Corporation are as follows:

(a) (i) Basis of Consolidation

These consolidated financial statements reflect the assets, liabilities, operating revenues and expenditures, reserves, and changes in investment in tangible capital assets and include the activities of all committees of Council.

The Renfrew County Housing Corporation has been consolidated.

All inter-fund assets and liabilities and sources of revenues and expenditures have been eliminated.

(ii) Trust Funds

Trust funds and their related operations administered by The Corporation of the County of Renfrew are not consolidated, but are reported separately on the "Trust Fund Statements of Financial Position, Financial Activities and Changes in Fund Balance".

(b) Basis of Accounting

(i) Accrual Basis of Accounting

Revenue and expenditures are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they are earned 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.

(ii) 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. The change in non-financial assets during the year, together with the excess of revenues over expenses, provides the change in net financial assets for the year.

(iii) Cash

Cash is defined as cash on hand and cash on deposit, net of outstanding cheques at the reporting date.

THE CORPORATION OF THE COUNTY OF RENFREW

Notes to the Consolidated Financial Statements, continued

Year ended December 31, 2020

1. Accounting Policies (continued)

(b) Basis of Accounting (continued)

(iv) Tangible Capital Assets

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

	Estimated useful life
Land improvements	20 to 25 years
Buildings	25 to 60 years
Machinery and equipment	5 to 25 years
Vehicles	4 to 20 years
Linear assets	15 to 99 years

Leasehold improvements are amortized on a straight-line basis over the current lease term plus one subsequent lease term.

Construction in progress comprises capital assets under construction, not yet placed into service and pre-construction activities related to specific projects expected to be constructed. Amortization is not recorded on assets under construction.

The Corporation of the County of Renfrew has a capitalization threshold so that individual capital assets of lesser value are expensed.

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt, and that fair value is also recorded as revenue. Similarly, transfers of assets to third parties are recorded as an expense equal to the net book value of the asset as of the date of the transfer.

(v) Accounts Receivable

Accounts receivable are reported net of any allowance for doubtful accounts.

(vi) Inventory and prepaid expenses

Inventory and prepaid expenses held for consumption are recorded at the lower of cost or replacement value.

(vii) Deferred Revenue – Obligatory Reserve Fund

The Corporation receives restricted contributions under the authority of federal and provincial legislation. These funds by their nature are restricted in their use and until applied to applicable costs are recorded as deferred revenue. Amounts applied to qualifying expenses are recorded as revenue in the fiscal period they are expended.

THE CORPORATION OF THE COUNTY OF RENFREW

Notes to the Consolidated Financial Statements, continued

Year ended December 31, 2020

1. Accounting Policies (continued)

(b) Basis of Accounting (continued)

(viii) Deferred Revenue

Deferred revenues represent user charges and fees which have been collected but for which the related services have yet to be performed. These amounts will be recognized as revenues in the fiscal year the related expenditures are incurred or services performed.

(ix) Employee Benefit Plan

The contributions to a multi-employer, defined benefit pension plan are expensed when contributions are due.

The costs of post-employment benefits are recognized when the event that obligates the Corporation occurs. Costs include projected future income payments, health care continuation costs and fees paid to independent administrators of these plans, calculated on a present value basis.

(x) Use of Estimates

The preparation of these consolidated financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions which affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenditures for the year. These estimates and assumptions, including such areas as post-employment benefits and useful lives of tangible capital assets, are based on the Corporation's best information and judgement and may differ significantly based on actual results.

(xi) Financial Instruments

The Corporation has classified its cash and investments as held for trading and they are stated at fair value. Accounts receivable are classified as loans and receivables, which are measured at amortized cost. Accounts payable and accrued liabilities, deferred revenue, long-term liabilities, accrued interest on long-term liabilities and post-employment benefit liabilities are classified as other liabilities which are measured at cost.

(xii) Government Transfers

Government transfers are recognized in the consolidated financial statements in the period in which the events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met and reasonable estimates of the amounts can be made.

(xiii) Liabilities for Contaminated Sites

The liability for remediation of contaminated sites will be recognized when an environmental standard exists, the contamination exceeds the environmental standard, the Corporation is directly responsible for remediation of the contaminated site, and a reasonable estimate of the amount can be made.

THE CORPORATION OF THE COUNTY OF RENFREW

Notes to the Consolidated Financial Statements, continued

Year ended December 31, 2020

1. Accounting Policies (continued)

(b) Basis of Accounting (continued)

(xiv) Restructuring:

PS 3430 defines a restructuring transaction and establishes standards for recognizing and measuring assets and liabilities transferred in a restructuring transaction. The main features of PS 3430 are as follows:

- A restructuring transaction is a transfer of an integrated set of assets and/or liabilities, together with related program or operating responsibilities without consideration based primarily on the fair value of the individual assets and individual liabilities transferred;
- The net effect of a restructuring transaction should be presented as a separate revenue or an expense item in the consolidated statement of operations;
- A recipient should recognize individual assets and liabilities received in a restructuring transaction at their carrying amount with applicable adjustments at the restructuring date;
- A transferor and a recipient should not restate their financial position or results of operations; and
- A transferor and a recipient should disclose sufficient information to enable users to assess the nature and financial effects of a restructuring transaction on their financial position and operations.

2. Trust Funds

Trust funds administered by The Corporation of the County of Renfrew amounting to \$143,798 (2019 - \$127,823) have not been included in the "Consolidated Statement of Financial Position" nor have their operations been included in the "Consolidated Statement of Operations".

3. Pension Agreement

The Corporation of the County of Renfrew, on behalf of its eligible employees, is a participant in the Ontario Municipal Employees Retirement System (OMERS). OMERS is a defined benefit pension plan, fully funded by equal contributions from participating employers and employees, and by the investment earnings of the OMERS Fund. OMERS pensions are calculated using a defined benefit formula, taking into account length of service and average annual wage that is designed to integrate with the pension payable from the Canada Pension Plan.

Because OMERS is a multi-employer plan, the County of Renfrew does not recognize any share of the plan deficit of \$7.655 billion (2019 - \$1.531 billion surplus) based on the total fair market value of the plan's assets, as this is a joint responsibility of all Ontario municipalities and their employees.

The amount contributed to OMERS for 2020 was \$3,323,909 (2019 - \$3,368,948) for current service and is included as an expenditure on the Consolidated Statement of Operations. At December 31, 2020 there is no liability for past service under this agreement.

THE CORPORATION OF THE COUNTY OF RENFREW

Notes to the Consolidated Financial Statements, continued

Year ended December 31, 2020

4. Investments

Investments are stated at cost plus accrued interest and are comprised of the following:

	2020	2019
B2B Bank GIC (December 5/22 - 2.87%)	\$ 100,213	\$ 100,213
Bank of Montreal GIC (September 20/21 - 1.75%)	502,469	502,469
Bank of Montreal GIC (November 6/23 - 3.51%)	1,005,385	1,005,385
Bank of Montreal GIC (May 8/24 - 2.63%)	1,017,149	1,017,149
Bank of Montreal GIC (October 15/24 - 2.31%)	1,004,936	1,004,936
Bank of Montreal GIC (May 7/25 - 2.11%)	1,013,816	-
BMO Trust GIC (September 16/20 - 2.16%)	-	503,166
BMO Trust GIC (September 22/21 - 0.81%)	902,017	-
Canadian Tire Bank GIC (December 5/22 - 2.91%)	100,215	100,215
CDN Western Bank GIC (November 18/20 - 2.35%)	-	200,554
CDN Western Bank GIC (May 8/24 - 2.9%)	1,018,910	1,018,910
Concentra Bank GIC (December 5/22 - 2.9%)	100,215	100,215
Equitable Bank GIC (September 20/21 - 1.85%)	100,522	100,522
Home Equity Bank GIC (September 16/20 - 2.17%)	-	100,636
Home Trust GIC (September 22/21 - 1.05%)	100,292	-
Home Trust GIC (November 24/21 - 1.06%)	100,107	-
HSBC Bank of Canada GIC (August 12/20 - 2.10%)	-	403,268
Laurentian Bank GIC (September 20/21 - 1.86%)	100,525	100,525
Laurentian Bank GIC (November 24/21 - 1.05%)	100,107	-
LBC Trust GIC (December 5/22 - 2.87%)	100,212	100,212
Manulife Bank GIC (September 19/22 - 2.65%)	503,775	503,775
Montreal Trust GIC (May 7/20 - 2.20%)	-	1,014,406
Montreal Trust GIC (June 8/21 - 2.00%)	404,537	404,537
President's Choice Bank GIC (September 20/21 - 1.76%)	100,496	100,496
	\$ 8,375,898	\$ 8,381,589

THE CORPORATION OF THE COUNTY OF RENFREW

Notes to the Consolidated Financial Statements, continued

Year ended December 31, 2020

5. Temporary Construction Loan

During 2018 the Corporation established a temporary construction loan from Ontario Infrastructure and Lands Corporation (OILC) to finance the rehabilitation of Madawaska River Bridge. The construction loan has been authorized to a maximum of \$6 million with a floating interest rate throughout the term of the loan until it is replaced by a debenture. During 2020 the Corporation drew two advances on this loan for a total amount of \$2,284,900.

The balance of the temporary construction loans is as follows:

	2020	2019
Madawaska River Bridge	\$ 4,684,900	\$ 2,400,000
	\$ 4,684,900	\$ 2,400,000

On May 26, 2021, the Corporation converted the temporary construction loan to a 2.08% Amortizing Debenture in the amount of \$4,684,900 with a maturity date of June 15, 2031 and semi-annual payments of \$260,662, including interest.

6. Deferred Revenue – Obligatory Reserve Fund

A requirement of the public sector accounting standards of the Chartered Professional Accountants of Canada is that obligatory reserve funds be reported as deferred revenue. This requirement is in place as federal and provincial legislation restricts how these funds may be used. The balance in the obligatory reserve fund is summarized below:

	2020	2019
Balance, beginning of year	\$ 3,353,044	\$ -
Revenue		
Federal gasoline tax	2,671,773	5,479,296
Safe restart funding	2,780,100	-
Utilization		
Transfer for capital	(6,024,817)	(2,126,252)
Transfer for operations	(906,523)	-
Balance, end of year	\$ 1,873,577	\$ 3,353,044
Obligatory Reserve Fund balance:		
Federal gasoline tax	\$ -	\$ 3,353,044
Safe restart funding	1,873,577	-
Balance, end of year	\$ 1,873,577	\$ 3,353,044

THE CORPORATION OF THE COUNTY OF RENFREW

Notes to the Consolidated Financial Statements, continued

Year ended December 31, 2020

7. Long-Term Liabilities

The balance of the long-term liabilities reported on the Consolidated Statement of Financial Position is made up of long-term liabilities incurred by the Corporation and are outstanding at the end of the year:

	2020	2019
Long-term debt issued by the Corporation bearing interest at 5.656%, payable \$313,405 on April 4 th and October 4 th of each year, including principal and interest. Maturing October 4, 2024	\$ 2,216,056	\$ 2,697,028
3.01% Debenture, payable \$197,926 semi-annually, including principal and interest, maturing February 1, 2032	3,823,949	4,098,488
3.08% Debenture, payable \$219,284 semi-annually, including principal and interest, maturing April 16, 2028	2,917,069	3,257,898
1.96% Mortgage, payable \$4,480 monthly, including principal and interest, maturing March 1, 2021	13,404	66,345
2.61% Mortgage, payable \$8,274 monthly, including principal and interest, maturing November 1, 2023	278,606	369,376
2.60% Mortgage, payable \$10,349 monthly, including principal and interest, maturing June 1, 2028	845,844	946,729
2.52% Mortgage, payable \$13,740 monthly, including principal and interest, maturing August 1, 2023	424,863	-
	<u>\$ 10,519,791</u>	<u>\$ 11,435,864</u>

Principal repayments relating to the long-term liabilities of \$10,519,791 outstanding as at December 31, 2020 are due as follows:

2021	\$ 1,508,954
2022	1,553,309
2023	1,550,152
2024	1,407,599
2025	830,684
Thereafter	<u>3,669,093</u>
	<u>\$ 10,519,791</u>

The 1.96% mortgage is secured by a first charge on the land and building located at 63 Russell Street, Arnprior with a carrying value of \$642,978.

The 2.61% mortgage is secured by a first charge on the land and building located at 200 Caruso Street, Arnprior with a carrying value of \$885,363.

The 2.60% mortgage is secured by a first charge on the land and building located at 26 Spruce Street, Arnprior with a carrying value of \$1,162,567.

The 2.52% mortgage is secured by a first charge on the land and building located at 224 Vimy Blvd, Renfrew with a carrying value of \$428,237.

THE CORPORATION OF THE COUNTY OF RENFREW

Notes to the Consolidated Financial Statements, continued

Year ended December 31, 2020

8. Post-Employment Benefits

	2020	2019
Post-employment benefits are summarized as follows:		
Sick leave benefits	\$ 918,794	\$ 973,682
Workplace Safety and Insurance Board obligations	6,499,852	5,760,667
	<u>\$ 7,418,646</u>	<u>\$ 6,734,349</u>

- (a) Under the sick leave benefit plan, unused sick leave can accumulate and employees may become entitled to a cash payment when they leave the municipality's employment.

The liability for these accumulated days, to the extent that they have vested and could be taken in cash by an employee on termination, amounted to \$918,794 (2019 – \$973,682) at the end of the year.

- (b) The County of Renfrew is a Schedule 2 employer under the Workplace Safety and Insurance Board Act and, as such, has assumed the liability for any costs awarded under the Workplace Safety and Insurance Board Act. An independent actuarial evaluation undertaken in 2018 determined that the liability for present and future awards is \$ 6,499,852 as at December 31, 2020.

Actuarial gains and losses are expensed immediately in the fiscal year that they arise.

The significant actuarial assumptions adopted in estimating the Corporation's accrued benefit obligation for WSIB claims include a discount rate of 3.75% and an inflation rate of 2.5%.

Information with respect to the Corporation's Workplace Safety and Insurance Board future payments is as follow:

	2020	2019
Accrued benefit liability, beginning of year	\$ 5,760,667	\$ 5,060,403
Expense recognized for the period	2,190,317	1,843,619
Benefits paid for the period	(1,451,132)	(1,143,355)
Accrued benefit liability, end of year	<u>\$ 6,499,852</u>	<u>\$ 5,760,667</u>

CORPORATION OF THE COUNTY OF RENFREW

Notes to the Consolidated Financial Statements, continued

Year ended December 31, 2020

9. Tangible Capital Assets

(a) Tangible capital assets by functional classification:

	General Government	Protection Services	Transportation Services	Health Services	Social and Family Services	Social Housing	Planning and Development	2020	2019
Cost									
Balance, beginning of year	\$ 29,720,637	\$ 289,190	\$ 353,288,200	\$ 6,928,532	\$ 60,745,561	\$ 39,152,796	\$ 1,225,340	\$ 491,350,256	\$ 480,903,405
Additions during the year	164,758	-	12,842,599	570,383	723,482	1,132,609	-	15,433,831	13,566,842
Disposals during the year	-	-	(4,138,473)	(309,245)	(305,309)	(43,751)	-	(4,796,778)	(3,119,991)
Balance, end of year	\$ 29,885,395	\$ 289,190	\$ 361,992,326	\$ 7,189,670	\$ 61,163,734	\$ 40,241,654	\$ 1,225,340	\$ 501,987,309	\$ 491,350,256
Accumulated amortization									
Balance, beginning of year	\$ (8,662,956)	\$ (271,535)	\$ (222,000,263)	\$ (3,753,509)	\$ (23,472,170)	\$ (23,764,406)	\$ (651,739)	\$ (282,576,578)	\$ (272,178,715)
Amortization during the year	(664,292)	(6,417)	(9,507,822)	(1,142,669)	(1,426,823)	(1,098,916)	(23,013)	(13,869,952)	(13,404,176)
Accumulated amortization, on disposals	-	-	4,020,344	309,245	305,309	43,451	-	4,678,349	3,006,313
Balance, end of year	\$ (9,327,248)	\$ (277,952)	\$ (227,487,741)	\$ (4,586,933)	\$ (24,593,684)	\$ (24,819,871)	\$ (674,752)	\$ (291,768,181)	\$ (282,576,578)
Net book value of tangible capital assets									
	\$ 20,558,147	\$ 11,238	\$ 134,504,585	\$ 2,602,737	\$ 36,570,050	\$ 15,421,783	\$ 550,588	\$ 210,219,128	\$ 208,773,678
Construction in progress	\$ 2,710,588	\$ -	\$ 30,336,278	\$ -	\$ 133,451	\$ 83,826	\$ 50,193,666	\$ 83,457,809	\$ 71,610,861

CORPORATION OF THE COUNTY OF RENFREW

Notes to the Consolidated Financial Statements, continued

Year ended December 31, 2020

9. Tangible Capital Assets (continued)

(b) Tangible capital assets by asset class:

	Land	Land Improvements	Buildings	Machinery and Equipment	Leasehold Improvements	Vehicles	Linear Assets	2020	2019
Cost									
Balance, beginning of year	\$ 6,161,009	\$ 5,328,597	\$ 112,302,794	\$ 11,601,759	\$ 543,901	\$ 14,806,677	\$ 340,605,519	\$ 491,350,256	\$ 480,903,405
Additions during the year	151,874	182,411	1,581,551	528,423	-	1,507,269	11,482,303	15,433,831	13,566,842
Disposals during the year			(31,311)	(290,596)	-	(369,794)	(4,105,077)	(4,796,778)	(3,119,991)
Balance, end of year	\$ 6,312,883	\$ 5,511,008	\$ 113,853,034	\$ 11,839,586	\$ 543,901	\$ 15,944,152	\$ 347,982,745	\$ 501,987,309	\$ 491,350,256
Accumulated amortization									
Balance, beginning of year	\$ -	\$ (2,652,005)	\$ (48,564,814)	\$ (8,136,964)	\$ (429,139)	\$ (8,213,489)	\$ (214,580,167)	\$ (282,576,578)	\$ (272,178,715)
Amortization during the year	-	(173,782)	(2,576,491)	(580,921)	(4,615)	(1,725,094)	(8,809,049)	(13,869,952)	(13,404,176)
Accumulated amortization on disposals	-		31,311	290,596	-	361,168	3,995,274	4,678,349	3,006,313
Balance, end of year	\$ -	\$ (2,825,787)	\$ (51,109,994)	\$ (8,427,289)	\$ (433,754)	\$ (9,577,415)	\$ (219,393,942)	\$ (291,768,181)	\$ (282,576,578)
Net book value of tangible capital assets	\$ 6,312,883	\$ 2,685,221	\$ 62,743,040	\$ 3,412,297	\$ 110,147	\$ 6,366,737	\$ 128,588,803	\$ 210,219,128	\$ 208,773,678
Construction in progress	\$ -	\$ 35,770	\$ 2,892,096	\$ -	\$ -	\$ -	\$ 80,529,943	\$ 83,457,809	\$ 71,610,861

THE CORPORATION OF THE COUNTY OF RENFREW

Notes to the Consolidated Financial Statements, continued

Year ended December 31, 2020

10. Accumulated Surplus

	2020	2019
Accumulated surplus comprised of:		
Reserves - current	\$ 6,892,869	\$ 6,566,558
Reserves - capital	47,089,985	40,848,853
Invested in tangible capital assets	293,676,937	280,384,539
Unfunded		
Capital	(5,239,299)	(3,492,327)
Post-employment benefits	(7,418,646)	(6,734,349)
Long-term liabilities	(10,519,791)	(11,435,864)
Accumulated Surplus	\$ 324,482,055	\$ 306,137,410

11. Commitments

(a) Under the terms of various operating lease agreements, future minimum payments over the next five years are as follows:

2021	\$ 115,540
2022	57,752
2023	58,266
2024	58,791
2025	<u>24,000</u>
	<u>\$ 314,349</u>

(b) The Renfrew County Housing Corporation has entered into a long-term service agreement with the Ontario Clean Water Agency that ends February 2025.

Future minimum payments are as follows:

2021	\$ 48,306
2022	48,306
2023	48,306
2024	48,306
2025	<u>8,051</u>
	<u>\$ 201,275</u>

(c) On April 28, 2016 County Council passed a By-Law to enter into a significant Asset Donation Agreement with Canadian Pacific Railway Company. The County of Renfrew and its partners, the County of Lanark and Township of Papineau-Cameron will be acquiring 296 km of the CP Rail Corridor over a three year period beginning in October 2016. The County of Renfrew will be responsible for a cash payment of \$360,300 and a donation tax receipt for \$55,624,583. Furthermore, it is anticipated that this transaction will cost a further \$164,000 in legal, survey and closing costs.

THE CORPORATION OF THE COUNTY OF RENFREW

Notes to the Consolidated Financial Statements, continued

Year ended December 31, 2020

11. Commitments (continued)

This acquisition is recorded as a tangible capital asset - construction in progress on the consolidated statement of financial position. It is anticipated that the remaining amount under this commitment will be transferred in 2021.

12. Contingencies

At December 31, 2020 the Corporation of the County of Renfrew is defending itself with respect to legal actions for damages.

The impact of these actions on the consolidated financial statements is not determinable as at the date of the auditors' report. Neither the possible outcome nor the amount of possible settlement, if any, can be foreseen. Therefore, no provision has been made in the consolidated financial statements.

In the event that any amount is payable, it will be recorded as an expenditure in the year it is disbursed.

13. Budget Figures

The operating budget approved by County Council for 2020 is reflected on the consolidated statement of operations. Budget figures have not been audited and are presented for information purposes only. The budgets established for capital investment in tangible capital assets are on a project-oriented basis, the costs of which may be carried out over one or more years and, therefore, may not be comparable with current year's actual expenditure amounts. Budget figures have been reclassified for the purposes of these consolidated financial statements to comply with Public Sector Accounting Board (PSAB) reporting requirements.

14. Service Contract with the Ministry of Community and Social Services and the Ministry of Children and Youth Services

The Corporation of the County of Renfrew has a service contract with the Ministry of Community and Social Services and the Ministry of Children and Youth Services. A review of these programs shows a surplus of \$481,270 as at December 31, 2020. These surplus amounts are reflected in accounts payable and accrued liabilities on the consolidated statement of financial position.

15. Uncertainty due to COVID-19

In March 2020 the World Health Organization declared a global pandemic due to the novel coronavirus (COVID-19). The situation is constantly evolving, and the measures put in place are having multiple impacts on local, provincial, national and global economies. The overall effect of these events on the Corporation of the County of Renfrew and its operations is too uncertain to be estimated at this time. The impacts will be accounted for when they are known and may be assessed.

THE CORPORATION OF THE COUNTY OF RENFREW

Notes to the Consolidated Financial Statements, continued

Year ended December 31, 2020

16. Restructuring of Opeongo Non-Profit Community Residential Development Inc.:

The Renfrew County Housing Corporation (RCHC) and Opeongo Non-Profit Community Residential Development Inc. (Opeongo) underwent a restructuring transaction on December 31, 2020. Opeongo ceased to provide low-income housing under the Housing Services Act, 2011, and transferred all assets, liabilities, and tenants to RCHC. As a result of the restructuring the Corporation of the County of Renfrew has recognized in its Consolidated Statement of Financial Position at December 31, 2020 a receivable from Opeongo of \$975,433; land with a carrying value of \$110,357; buildings with a carrying value of \$317,880; accrued liabilities of \$11,000; and long-term liability of \$424,863.

Following is a reconciliation of the assets and liabilities transferred on December 31, 2020 that resulted in the restructuring gain of \$790,657 on the Consolidated Statement of Operations and Accumulated Surplus:

Accounts receivable from Opeongo being cash and investments	\$ 975,433
Tangible capital assets	428,237
Accounts payable and accrued liabilities	(11,000)
Long-term debt	(424,863)
Payable to Renfrew County Housing Corporation	(177,150)
<hr/> Restructuring gain	<hr/> \$ 790,657

The County of Renfrew is the sole shareholder of Renfrew County Housing Corporation and the service manager designated for both Opeongo and RCHC under the Housing Services Act 2011.

17. Financial instruments

(a) Fair value:

The carrying values of cash, investments, accounts receivable, accounts payable and accrued liabilities, temporary construction loans, deferred revenue and accrued interest on long-term liabilities approximate the fair value due to their short-term nature.

The carrying value of the long-term liabilities is considered to be its fair value because the interest rate approximates the market rate that would be available to the Corporation for the same or similar instruments at December 31, 2020.

(b) Interest rate risk:

The long-term liabilities bear interest at fixed interest rates. Consequently, the long-term debt risk exposure is minimal.

THE CORPORATION OF THE COUNTY OF RENFREW

Notes to the Consolidated Financial Statements, continued

Year ended December 31, 2020

17. Financial instruments (continued)

(c) Credit risk:

The Corporation provides credit to other agencies and to its tenants during the normal course of operations. The Corporation determines on a continuing basis, the probable losses and records a provision for losses based upon the stated realizable value. Concentration of credit risk with respect to accounts receivable is limited due to the number of other agencies and tenants involved. The Corporation does not run any significant risk with respect to a single account receivable.

It is the Management's opinion that the Corporation is not exposed to significant interest, currency or credit risks arising from its financial instruments.

THE CORPORATION OF THE COUNTY OF RENFREW

Notes to the Consolidated Financial Statements, continued

Year ended December 31, 2020

18. Segmented Information

The Corporation of the County of Renfrew is a municipal government organization that provides a range of services to its residents. County services are reported by function and their activities are separately disclosed in the segmented information.

For each reported segment, revenues and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Certain allocation methodologies are employed in the preparation of segmented financial information. Taxation, payments-in-lieu of taxes and certain unconditional government transfers are apportioned based on each segment's net requirements.

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.

General Government

General government consists of the activities of Council and general financial and administrative management of The Corporation of the County of Renfrew and its programs and services.

Protection Services

Protection services include emergency measures and provincial offences operation for The Corporation of the County of Renfrew.

Transportation Services

The activities of the transportation function include construction and maintenance of The Corporation of the County of Renfrew's roads and bridges.

Health Services

The health services function consists of land ambulance services and contributions to the local Health Unit.

Social and Family Services

The social and family services consist of general assistance to inhabitants, homes of the aged and child care services.

Social Housing

The social housing services provides affordable housing to qualified inhabitants of The Corporation of the County of Renfrew.

Recreation and cultural services

Recreation services includes the trail development activities for The Corporation of the County of Renfrew.

Planning and Development

The planning and development services function manages commercial, industrial and residential development within The Corporation of the County of Renfrew.

CORPORATION OF THE COUNTY OF RENFREW

Notes to the Consolidated Financial Statements, continued

Year ended December 31, 2020

18. Segmented Information (continued)

For the Year Ended December 31, 2020

	General Government	Protection Services	Transportation Services	Health Services	Social and Family Services	Social Housing	Recreation & Cultural	Planning and Development	Consolidated
Revenues									
Levies on area municipalities	\$12,296,171	\$ (466,267)	\$ 15,617,614	\$ 9,596,062	\$ 4,272,133	\$ 4,801,896	\$ 280,704	\$ 1,627,708	\$ 48,026,021
Other municipal revenue	-	105,585	-	1,148,852	1,640,307	612,985	-	56,000	3,563,729
User fees and service charges	1,312,376	-	710,039	1,696,080	9,435,351	5,013,659	44,309	407,777	18,619,591
Government grants	308,079	462,459	7,454,335	12,977,105	43,427,326	6,306,939	-	565,408	71,501,651
Investment income	732,750	-	-	39,317	62,895	49,790	-	-	884,752
Donation, fines and other	2,504	889,899	-	18,700	-	-	-	611,101	1,522,204
Gain on restructuring (note 16)	-	-	-	-	-	790,657	-	-	790,657
	14,651,880	991,676	23,781,988	25,476,116	58,838,012	17,575,926	325,013	3,267,994	144,908,605
Expenditures									
Salaries, wages and benefits	3,271,833	353,574	3,992,719	17,910,244	30,081,676	2,221,908	58,479	1,821,170	59,711,603
Interest on long-term debt	213,536	-	-	-	139,261	45,754	-	-	398,551
Materials	1,575,461	263,822	4,129,577	2,600,533	6,847,704	9,621,745	266,534	766,567	26,071,943
Contracted services	2,122,979	175,420	690,811	721,307	6,426,693	1,626,807	-	24,264	11,788,281
Rents and financial expense	222,481	103,925	92,115	50,421	151,972	1,173,893	-	-	1,794,807
Transfer payments	-	-	-	1,598,003	11,222,955	-	-	-	12,820,958
Loss (gain) on disposal of tangible capital assets	-	-	129,396	(13,967)	-	(7,564)	-	-	107,865
Amortization of tangible capital assets	664,292	6,417	9,507,822	1,142,669	1,426,823	1,098,916	-	23,013	13,869,952
	8,070,582	903,158	18,542,440	24,009,210	56,297,084	15,781,459	325,013	2,635,014	126,563,960
Annual surplus	\$ 6,581,298	\$ 88,518	\$ 5,239,548	\$ 1,466,906	\$ 2,540,928	\$ 1,794,467	\$ -	\$ 632,980	\$ 18,344,645

CORPORATION OF THE COUNTY OF RENFREW

Notes to the Consolidated Financial Statements, continued

Year ended December 31, 2020

18. Segmented Information (continued)

For the Year Ended December 31, 2019

	General Government	Protection Services	Transportation Services	Health Services	Social and Family Services	Social Housing	Recreation & Cultural	Planning and Development	Consolidated
Revenues									
Levies on area municipalities	\$11,773,978	\$ (440,171)	\$ 14,360,558	\$ 9,491,052	\$ 4,172,550	\$ 5,007,655	\$ 279,085	\$ 1,699,470	\$ 46,344,177
Other municipal revenue	-	160,264	-	1,154,635	1,643,203	674,850	-	6,000	3,638,952
User fees and service charges	1,405,716	-	708,800	233,975	9,862,530	4,873,181	38,931	311,895	17,435,028
Government grants	885,220	-	3,444,211	9,081,010	43,362,028	4,385,166	63,316	213,715	61,434,666
Investment income	933,439	-	-	73,480	104,622	68,783	-	-	1,180,324
Donation, fines and other	3,242	1,375,340	-	7,453	29,837	-	-	-	1,415,872
	15,001,595	1,095,433	18,513,569	20,041,605	59,174,770	15,009,635	381,332	2,231,080	131,449,019
Expenditures									
Salaries, wages and benefits	3,157,643	324,037	3,917,622	15,090,514	27,673,176	2,237,037	63,654	1,802,450	54,266,133
Interest on long-term debt	231,812	-	-	-	165,710	38,225	-	-	435,747
Materials	2,133,046	393,568	4,429,033	1,683,497	7,407,194	7,641,925	317,676	406,768	24,412,707
Contracted services	1,900,508	191,944	726,094	111,497	8,515,875	1,982,661	-	22,470	13,451,049
Rents and financial expense	215,411	102,517	61,286	41,907	252,795	1,309,060	-	-	1,982,976
Transfer payments	-	-	-	1,452,730	12,018,135	66,550	-	-	13,537,415
Loss (gain) on disposal of tangible capital assets	-	-	(3,316)	(19,236)	13,360	54,850	-	-	45,658
Amortization of tangible capital assets	652,871	6,399	9,277,309	972,482	1,436,784	1,038,500	-	19,831	13,404,176
	8,291,291	1,018,465	18,408,028	19,333,391	57,483,029	14,368,808	381,330	2,251,519	121,535,861
Annual surplus (deficit)	\$ 6,710,304	\$ 76,968	\$ 105,541	\$ 708,214	\$ 1,691,741	\$ 640,827	\$ 2	\$ (20,439)	\$ 9,913,158

INDEPENDENT AUDITORS' REPORT

To the Members of Council, Inhabitants and Ratepayers
of The Corporation of the County of Renfrew

Opinion

We have audited the trust fund financial statements of The Corporation of the County of Renfrew (the Corporation), which comprise the statement of financial position as at December 31, 2020, and the statement of financial activities and change in fund balance for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying trust fund financial statements present fairly, in all material respects, the financial position of the trust fund of The Corporation of the County of Renfrew as at December 31, 2020, and the results of its financial activities and change in fund balances 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 Trust Fund Financial Statements section of our report. We are independent of The Corporation of the County of Renfrew in accordance with the ethical requirements that are relevant to our audit of the trust fund 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 Trust Fund Financial Statements

Management is responsible for the preparation and fair presentation of the trust fund 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 trust fund financial statements, management is responsible for assessing the Corporation'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 Corporation or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Trust Fund Financial Statements

Our objectives are to obtain reasonable assurance about whether the trust fund financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the trust fund financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation'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 Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the trust fund financial statements, including the disclosures, and whether the trust fund 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.

Scott Rosin Black + Locke

Chartered Professional Accountants
Licensed Public Accountants

Pembroke, Ontario
June 30, 2021

THE CORPORATION OF THE COUNTY OF RENFREW

Trust Fund Statement of Financial Position

December 31, 2020, with comparative figures for 2019

	2020	2019
Financial Assets		
Cash	\$ 143,798	\$ 127,823
	\$ 143,798	\$ 127,823
Fund Balance		
Residents' equity	\$ 143,798	\$ 127,823
	\$ 143,798	\$ 127,823

Trust Fund Statement of Financial Activities And Change in Fund Balance

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

	2020	2019
Revenue:		
Deposits from residents	\$ 575,033	\$ 650,123
Expenditure:		
Payment for maintenance, withdrawals by residents and estate payments	559,058	646,594
Change in Financial Assets	15,975	3,529
Fund Balance at The Beginning of The Year	127,823	124,294
Fund Balance at The End of The Year	\$ 143,798	\$ 127,823

The accompanying note is an integral part of these financial statements.

THE CORPORATION OF THE COUNTY OF RENFREW

Trust Fund

Note to Financial Statements

Year ended December 31, 2020

These financial statements reflect the financial activity and financial position of funds held in trust by The Corporation of the County of Renfrew for residents of Bonnechere Manor and Miramichi Lodge.

1. Significant accounting policies:

(a) Financial instruments:

The Corporation of the County of Renfrew adopted the accounting standards that were issued by the Chartered Professional Accountants of Canada, particularly Section 3855, Financial Instruments – Recognition and Measurement. This section establishes standards for recognizing and measuring financial assets and financial liabilities. All financial instruments must be classified as held for trading, available-for-sale, held to maturity, loans and receivables, or other financial liabilities. The Corporation has classified its cash as held for trading and is stated at fair value.

It is management's opinion that the Corporation is not exposed to significant interest, currency or credit risks arising from its financial instruments.