

Consolidated Financial Statements of

**CORPORATION OF THE
MUNICIPALITY OF
MISSISSIPPI MILLS**

Year ended December 31, 2022

CORPORATION OF THE MUNICIPALITY OF MISSISSIPPI MILLS

Consolidated Financial Statements

Year ended December 31, 2022

	Page
Management's Responsibility for the Consolidated Financial Statements	
Independent Auditor's Report	
Consolidated Financial Statements:	
Consolidated Statement of Financial Position	1
Consolidated Statement of Operations and Accumulated Municipal Equity	2
Consolidated Statement of Changes in Net Financial Assets	3
Consolidated Statement of Cash Flows	4
Notes to Consolidated Financial Statements	5
Schedule 1: Continuity of Reserves and Reserve Funds.....	26

Management's Responsibility for the Consolidated Financial Statements

The accompanying consolidated financial statements of the Corporation of the Municipality of Mississippi Mills (the "Municipality") are the responsibility of the Municipality's management and have been prepared in compliance with legislation, and in accordance with Canadian public sector accounting standards. A summary of 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 judgement, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The Municipality'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 consolidated financial statements. These systems are monitored and evaluated by management.

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 Council approval of the consolidated financial statements.

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

Ken Kelly, CPA
Chief Administrative Officer

Kathy Davis, CPA, CGA, CHRI
Director of Corporate Services,
Treasurer

INDEPENDENT AUDITOR'S REPORT

To the Members of Council, Inhabitants and Ratepayers of the Corporation of the Municipality of Mississippi Mills

Opinion

We have audited the consolidated financial statements of the Corporation of the Municipality of Mississippi Mills (the Entity), which comprise:

- the consolidated statement of financial position as at December 31, 2022
- the consolidated statement of operations and accumulated municipal equity for the year then ended
- the consolidated statement of changes in net financial assets for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies

(hereinafter referred to as the “financial statements”).

In our opinion, the accompanying financial statements, present fairly, in all material respects, the financial position of the Entity as at December 31, 2022, and its results of operations 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 Financial Statements***” section of our auditor’s 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 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 Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to 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 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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group entity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

The image shows the handwritten signature "KPMG LLP" in black ink. The letters are bold and slightly slanted. A horizontal line is drawn underneath the signature, starting from the left and extending to the right, ending under the second "P".

Chartered Professional Accountants, Licensed Public Accountants

Perth, Canada

December 5, 2023

CORPORATION OF THE MUNICIPALITY OF MISSISSIPPI MILLS

Consolidated Statement of Financial Position

December 31, 2022, with comparative information for 2021

	2022	2021
Financial assets:		
Cash	\$ 27,940,391	\$ 25,883,832
Taxes receivable	2,054,693	1,563,216
Accounts receivable	2,859,299	1,885,472
Land held for resale	18,682	18,682
Long-term receivables	2,989	4,358
Investment in Ottawa River Power Corporation (note 5(a))	2,518,720	2,446,626
Investment in Ottawa River Energy Solutions Inc. (note 5(b))	315,812	342,269
Investment in Mississippi River Power Corporation (note 5(c))	4,866,174	4,584,279
	40,576,760	36,728,734
Financial liabilities:		
Accounts payable and accrued liabilities	2,755,737	2,347,111
Prepaid property taxes	1,531,660	1,499,838
Accrued landfill closure and post closure (note 12)	861,179	861,179
Security deposits	825,264	842,178
Deferred revenue	363,674	136,668
Obligatory reserve funds (note 4)	7,184,222	5,387,033
Long-term liabilities (note 6)	21,776,515	23,373,050
	35,298,251	34,447,057
Net financial assets	5,278,509	2,281,677
Non-financial assets:		
Tangible capital assets (note 13)	86,520,952	84,196,365
Inventory	113,363	105,502
Prepaid expenses	58,013	54,757
	86,692,328	84,356,624
Commitments (note 10)		
Contingent liabilities (note 11)		
Accumulated municipal equity (note 7)	\$ 91,970,837	\$ 86,638,301

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

CORPORATION OF THE MUNICIPALITY OF MISSISSIPPI MILLS

Consolidated Statement of Operations and Accumulated Municipal Equity

Year ended December 31, 2022, with comparative information for 2021

	Budget 2022 (note 15)	2022	2021
Revenue:			
Taxation	\$ 12,738,938	\$ 12,741,590	\$ 12,021,871
Taxation - garbage collection charge	1,637,244	1,627,416	1,615,320
User charges - sewer and water	6,516,872	6,433,836	5,761,907
Government transfers	3,984,822	4,065,555	3,285,993
Other municipal government transfers	1,056,234	1,238,650	1,246,902
Licenses and permits	631,500	612,415	643,727
Development charges	1,141,765	535,807	1,248,422
Investment income	135,000	468,806	102,333
Penalties and interest on taxes	238,000	202,048	196,855
Other income	364,444	322,671	333,340
Contributed tangible capital assets	-	-	1,753,448
Gain on disposal of tangible capital assets	623,185	1,502,859	341,966
Net equity increase in investment in:			
Ottawa River Power Corporation	-	98,710	66,541
Ottawa River Energy Solutions Inc.	-	14,432	9,897
Mississippi River Power Corporation	-	281,895	1,047,887
Total revenue	29,068,004	30,146,690	29,676,409
Expenses (note 14):			
General government	3,035,953	2,753,088	1,931,304
Protection to persons and property	4,200,592	4,054,343	3,980,485
Transportation services	5,163,164	5,224,832	4,487,483
Environmental services	6,748,417	6,331,180	6,030,570
Social and family services	2,824,025	2,811,712	2,392,668
Recreation and culture services	3,176,251	2,834,256	2,804,650
Planning and development	945,648	804,743	778,612
Total expenses	26,094,050	24,814,154	22,405,772
Annual surplus	2,973,954	5,332,536	7,270,637
Accumulated municipal equity, beginning of year	86,638,301	86,638,301	79,367,664
Accumulated municipal equity, end of year	\$ 89,612,255	\$ 91,970,837	\$ 86,638,301

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

CORPORATION OF THE MUNICIPALITY OF MISSISSIPPI MILLS

Consolidated Statement of Changes in Net Financial Assets

Year ended December 31, 2022, with comparative information for 2021

	Budget 2022 (note 15)	2022	2021
Annual surplus	\$ 2,973,954	\$ 5,332,536	\$ 7,270,637
Amortization of tangible capital assets	3,771,590	3,678,870	3,483,296
Acquisition of tangible capital assets	(11,503,089)	(6,003,457)	(8,595,792)
Gain on disposal of tangible capital assets	-	(1,502,859)	(341,966)
Proceeds on disposal of tangible capital assets	-	1,502,859	551,760
Acquisition of inventory	-	(7,861)	(32,403)
Acquisition of prepaid expenses	-	(3,256)	(54,757)
Change in net financial assets	(4,757,545)	2,996,832	2,280,775
Net financial assets, beginning of year	2,281,677	2,281,677	902
Net financial assets (debt), end of year	\$ (2,475,868)	\$ 5,278,509	\$ 2,281,677

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

CORPORATION OF THE MUNICIPALITY OF MISSISSIPPI MILLS

Consolidated Statement of Cash Flows

Year ended December 31, 2022, with comparative information for 2021

	2022	2021
Operating activities:		
Annual surplus	\$ 5,332,536	\$ 7,270,637
Item not involving cash:		
Amortization of tangible capital assets	3,678,870	3,483,296
Gain on disposal of tangible capital assets	(1,502,859)	(341,966)
Change in non-cash operating working capital:		
Taxes receivable	(491,477)	(27,577)
Accounts receivable	(973,827)	(119,778)
Accounts payable and accrued liabilities	408,626	15,510
Prepaid property taxes	31,822	158,527
Deferred revenue and security deposits	210,092	(465,188)
Obligatory reserve funds	1,797,189	784,543
Inventory	(7,861)	(32,403)
Prepaid expenses	(3,256)	(54,757)
Long-term receivables	1,369	3,176
Net change in cash from operations	8,481,224	10,674,020
Capital activities:		
Acquisition of tangible capital assets	(6,003,457)	(8,595,792)
Proceeds of disposal of tangible capital assets	1,502,859	551,760
	(4,500,598)	(8,044,032)
Investing activities:		
Increase in investment in Ottawa River Power Corporation	(72,094)	(36,574)
Decrease (increase) in investment in Ottawa River Energy Solutions Inc.	26,457	(9,897)
Decrease (increase) in investment in Mississippi River Power Corporation	(281,895)	177,113
	(327,532)	130,642
Financing activities:		
Proceeds on acquisition of long-term liabilities	–	3,717,250
Principal repayments on long-term liabilities	(1,596,535)	(1,433,060)
	(1,596,535)	2,284,190
Increase in cash	2,056,559	5,044,820
Cash, beginning of year	25,883,832	20,839,012
Cash, end of year	\$ 27,940,391	\$ 25,883,832

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

CORPORATION OF THE MUNICIPALITY OF MISSISSIPPI MILLS

Notes to Consolidated Financial Statements

Year ended December 31, 2022

The Corporation of the Municipality of Mississippi Mills (the "Municipality") was incorporated January 1, 1998 (being an amalgamation of the former Town of Almonte and Townships of Ramsay and Pakenham) and assumed its responsibilities under the authority of the Minister of Municipal Affairs and the Municipal Act. The Municipality operates as a lower tier government in the County of Lanark, in the Province of Ontario, Canada and provides municipal services such as police, fire, public works, planning, parks and recreation, library and other general government operations.

1. Significant accounting policies:

The consolidated financial statements of the Municipality are the representations of management and have been prepared in accordance with Canadian public sector accounting standards. Significant aspects of the accounting policies adopted by the Municipality are as follows:

(a) Basis of consolidation:

(i) Consolidated entities:

The consolidated financial statements reflect financial assets, liabilities, operating revenue and expenses, reserves, reserve funds and changes in investment in tangible capital assets of the Municipality. The reporting entity is comprised of all organizations, committees and local boards accountable for the administration of their financial affairs and resources to the Municipality and which are owned or controlled by the Municipality. Interdepartmental and interorganizational transactions and balances between these organizations are eliminated. These consolidated financial statements include:

Public Library Board

The Ottawa River Power Corporation, Mississippi River Power Corporation and the Ottawa River Energy Solutions Inc. are accounted for on a modified equity basis, consistent with Canadian generally accepted accounting treatment for government business enterprises. Under the modified equity basis, the business enterprises accounting principles are not adjusted to conform with those of the Municipality and inter-organizational transactions and balances are not eliminated.

(ii) Accounting for School Board transactions:

The taxation, other revenue, expenses, 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.

CORPORATION OF THE MUNICIPALITY OF MISSISSIPPI MILLS

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

1. Significant accounting policies (continued):

(b) Basis of accounting:

- (i) The consolidated financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting records revenue as it is earned and measurable. Expenses are recognized as they are incurred and measurable based on receipt of goods and services and/or the creation of a legal obligation to pay.
- (ii) 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 annual surplus, provides the change in net financial assets for the year.

(c) Taxation and related revenues:

Property tax billings are prepared by the Municipality based on assessment rolls issued by the Municipal Property Assessment Corporation ("MPAC"). Tax rates are established by Municipality Council, incorporating amounts to be raised for local services, amounts to be raised on behalf of County of Lanark for regional services, and amounts the Municipality is required to collect on behalf of the Province of Ontario in respect of education taxes. Taxation revenues are recorded at the time tax billings are issued. Adjustments to taxation revenue can occur during the year related to the issuance of supplementary tax billings and/or assessment appeals. These adjustments are recorded when the amount of the adjustments can be quantified. The Municipality is entitled to collect interest and penalties on overdue taxes. These revenues are recorded in the period in which the interest and penalties are applied.

(d) Tangible capital assets:

Tangible capital assets are recorded at historical cost or where historical cost records were not available, other methods determined to provide a best estimate of historical cost and accumulated amortization of the assets. In certain cases, the Municipality used replacement costs and appropriate indices to deflate the replacement cost to an estimated historical cost at the year of acquisition. Costs include all amounts that are directly attributable to acquisition, construction, development or betterment of the asset.

CORPORATION OF THE MUNICIPALITY OF MISSISSIPPI MILLS

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

1. Significant accounting policies (continued):

(d) Tangible capital assets (continued):

The cost, less residual value, of the tangible capital assets are amortized on a straight-line basis over their estimated useful lives as follows:

Asset	Useful Life - Years
Landfill sites	5
Buildings	10 to 40
Vehicles	5 to 20
Equipment	10 to 20
Water and Sewer	
Linear Assets	50 to 80
Water tower, wells, lagoons, pumping stations	15 to 40
Linear Assets	
Roads	12 to 40
Sidewalks and curbs	50
Bridges and culverts	50 to 80

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 other asset as of the date of transfer.

When tangible capital assets are disposed of, either by way of a sale, destruction or loss, or abandonment of the asset, the asset's net book value, historical cost less accumulated amortization, is written off. Any resulting gain or loss, equal to the proceeds on disposal less the asset's net book value, is reported on the Consolidated Statement of Operations and Accumulated Municipal Equity in the year of disposal. 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 transfer.

When conditions indicate that a tangible capital asset no longer contributes to the Municipality's ability to provide services or the value of the future economic benefits associated with the tangible capital asset are less than its net book value, and the decline is expected to be permanent, the cost and accumulated amortization of the asset are reduced to reflect the revised estimate of the value of the asset's remaining service potential. The resulting net adjustment is reported as an expense on the Consolidated Statement of Operations and Accumulated Municipal Equity.

CORPORATION OF THE MUNICIPALITY OF MISSISSIPPI MILLS

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

1. Significant accounting policies (continued):

(e) Leases:

Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

(f) Inventory:

Inventory held for consumption is recorded at the lower of cost or replacement cost.

(g) Pension and employee benefits:

The Municipality accounts for its participation in the Ontario Municipal Employees Retirement System ("OMERS"), a multi-employer public sector pension fund, as a defined contribution plan. The OMERS plan specifies the retirement benefits to be received by employees based on length of service and pay rates.

Employee benefits include vacation entitlement and sick leave benefits. Vacation entitlements are accrued as entitlements are earned. Sick leave benefits are accrued in accordance with the Municipality's policy.

(h) Government transfers:

Government transfers are recognized in the consolidated financial statements as revenues in the period in which 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.

(i) Deferred revenue:

The Municipality defers recognition of user charges and fees which have been collected but for which the related services have yet to be performed. Government transfers of gas taxes, development charges collected under the Development Charges Act, 1997, and recreational land collected under the Planning Act are reported as deferred revenues in the Consolidated Statement of Financial Position. These amounts will be recognized as revenue in the fiscal year the services are performed.

The Municipality receives restricted contributions under the authority of Federal and Provincial legislation and Municipality by-laws. 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.

CORPORATION OF THE MUNICIPALITY OF MISSISSIPPI MILLS

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

1. Significant accounting policies (continued):

(j) Landfill closure and post-closure liabilities:

The Municipality accrues landfill closure and post-closure care requirements that 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-five-year period using the best information available to management.

Future events may result in significant changes to the estimated total expenses, capacity used or total capacity and the estimated liability, and would be recognized prospectively, as a change in estimate, when applicable.

(k) Liability for contaminated sites:

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when a site is not in productive use and all the following criteria are met:

- (a) an environmental standard exists;
- (b) contamination exceeds the environmental standard;
- (c) the Municipality:
 - (i) is directly responsible; or
 - (ii) accepts responsibility
- (d) it is expected that future economic benefit will be given up; and
- (e) a reasonable estimate of the amount can be made.

The liability is recognized as management's estimate of cost of post-remediation including operation, maintenance and monitoring that are an integral part of the remediation strategy for a contaminated site.

(l) Use of estimates:

The preparation of consolidated financial statements 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 date of the consolidated financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from these estimates.

CORPORATION OF THE MUNICIPALITY OF MISSISSIPPI MILLS

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

2. Operations of County of Lanark and school boards:

During the year, the Municipality collected and made property tax transfers including payments in lieu of property taxes, to the County of Lanark and School Boards as follows:

	School Boards		County of Lanark	
	2022	2021	2022	2021
Property taxes	\$ 4,006,861	\$ 3,904,287	\$ 8,694,283	\$ 8,249,819
Taxation from other governments	2,032	1,895	70,324	64,884
Amounts requisitioned and paid	\$ 4,008,893	\$ 3,906,182	\$ 8,764,607	\$ 8,314,703

3. Bank indebtedness:

The Municipality's financial agreement with its bank provides for an operating credit facility of up to \$1,000,000 to finance expenses, pending receipt of property taxes and other income. Interest on funds drawn is charged at the lender's prime rate. As at December 31, 2022, there was \$Nil (2021 - \$Nil) drawn on the facility.

4. Obligatory reserve funds:

A requirement of public sector accounting standards of the Chartered Professional Accountants of Canada is that obligatory reserve funds be reported as a liability on the Consolidated Statement of Financial Position. This requirement is in place as Provincial legislation restricts how these funds may be used and under certain circumstances these funds may possibly be refunded. The transactions for the year are summarized below:

	Development charges	Parkland	Canada		Total
			Community Building Fund		
January 1, 2022	\$ 4,982,324	\$ 2,001	\$ 402,708	\$	\$ 5,387,033
Contributions from developers	2,168,941	–	–		2,168,941
Interest income	164,029	26	–		164,055
Transfer for capital projects	(439,937)	–	–		(439,937)
Transfer to operating fund	(95,870)	–	–		(95,870)
December 31, 2022	\$ 6,779,487	\$ 2,027	\$ 402,708	\$	\$ 7,184,222

CORPORATION OF THE MUNICIPALITY OF MISSISSIPPI MILLS

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

5. Investment in Ottawa River Power Corporation, Ottawa River Energy Solutions Inc., and Mississippi River Power Corporation (government business enterprises):

Ottawa River Power Corporation ("ORPC") (15.94%), Ottawa River Energy Solutions Inc. ("OES") (15.94%), and the Mississippi River Power Corporation ("MRPC") (100.00%) are government business enterprises in which the Municipality owns the percentage interest as noted.

The principal business of ORPC is to distribute electric power to the Municipality of Mississippi Mills Almonte Ward (and other communities) and manage the electric distribution system. Ottawa River Energy Solutions Inc. is a retailer of electricity related activities for the residents of Mississippi Mills Almonte Ward. MRPC's principal business is the generation of electric power for the benefit of the Municipality.

The following tables provide condensed supplementary financial information setting out the Municipality's proportionate share for the three entities for the year ended December 31:

(a) Ottawa River Power Corporation (15.94%)

	2022	2021
Financial Position		
Current assets	\$ 1,426,600	\$ 1,870,243
Capital assets	2,571,975	2,331,454
Future income taxes	53,916	77,855
	<u>4,052,491</u>	<u>4,279,552</u>
Current liabilities	1,277,504	1,570,018
Long-term debt	256,267	262,908
	<u>1,533,771</u>	<u>1,832,926</u>
Net assets	\$ 2,518,720	\$ 2,446,626

	2022	2021
Results of Operations		
Revenue	\$ 919,339	\$ 1,053,486
Operating expenses	820,629	986,945
Net earnings	\$ 98,710	\$ 66,541

During the year, the Municipality received dividends of \$43,130 (2021 - \$46,354) which is included as a component of other income on the Consolidated Statement of Operations.

CORPORATION OF THE MUNICIPALITY OF MISSISSIPPI MILLS

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

5. Investment in Ottawa River Power Corporation, Ottawa River Energy Solutions Inc., and Mississippi River Power Corporation (government business enterprises) (continued):

(b) Ottawa River Energy Solutions Inc. (15.94%)

	2022	2021
Financial Position		
Current assets	\$ 137,578	\$ 165,440
Capital assets	226,074	232,862
	363,652	398,302
Current liabilities	47,840	53,219
Long-term debt	–	2,814
	47,840	56,033
Net assets	\$ 315,812	\$ 342,269

	2022	2021
Results of Operations		
Revenue	\$ 187,035	\$ 271,143
Operating expenses	172,603	261,246
Net earnings	\$ 14,432	\$ 9,897

During the year, the Municipality received dividends of \$Nil (2021 - \$Nil) which is included as a component of other income on the Consolidated Statement of Operations.

CORPORATION OF THE MUNICIPALITY OF MISSISSIPPI MILLS

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

5. Investment in Ottawa River Power Corporation, Ottawa River Energy Solutions Inc., and Mississippi River Power Corporation (government business enterprises) (continued):

(c) Mississippi River Power Corporation (100.00%)

	2022	2021
Financial Position		
Current assets	\$ 2,901,447	\$ 3,586,706
Capital assets	17,470,211	17,722,812
	20,371,658	21,309,518
Current liabilities	747,143	1,048,650
Long-term debt (excluding Municipality debt)	14,758,341	15,676,589
	15,505,484	16,725,239
Net assets	\$ 4,866,174	\$ 4,584,279

	2022	2021
Results of Operations		
Revenue	\$ 2,941,450	\$ 3,957,486
Operating expenses	2,659,555	2,909,599
Net earnings	\$ 281,895	\$ 1,047,887

During the year, the Municipality received dividends of \$Nil (2021 - \$225,000) which is included as a component of other income on the Consolidated Statement of Operations.

During the year, \$Nil of Municipality debt was repaid (2021 - \$1,000,000), which is included as a reduction of the Investment in Mississippi River Power Corporation on the Consolidated Statement of Financial Position.

CORPORATION OF THE MUNICIPALITY OF MISSISSIPPI MILLS

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

6. Long-term liabilities:

- (a) The balance of long-term liabilities reported on the Consolidated Statement of Financial Position is comprised of the following:

	2022	2021
Ontario Infrastructure Projects Corporation (4.13%), with semi annual blended payment of \$230,273, maturing 2044.	\$ 6,520,837	\$ 6,746,994
Fixed rate bank loans with maturity dates between 2023 and 2041 and interest rates between 1.09% and 3.92%.	15,252,689	16,621,698
Instalment debentures with the Province of Ontario under the Ontario Tile Loan Program. The responsibility for payment of principal and interest charges for tile drainage and shoreline property assistance loans has been assumed by individuals.	2,989	4,358
	<u>\$ 21,776,515</u>	<u>\$ 23,373,050</u>

- (b) Principal payments are due as follows:

	General revenue	User charges	Total
2023	\$ 1,072,665	\$ 425,455	\$ 1,498,120
2024	1,387,188	439,506	1,826,694
2025	917,265	452,424	1,369,689
2026	1,411,939	464,669	1,876,608
2027	705,539	461,296	1,166,835
2028 to 2032	4,954,423	4,901,671	9,856,094
2033 and thereafter	-	4,182,475	4,182,475
	<u>\$ 10,449,019</u>	<u>\$ 11,327,496</u>	<u>\$ 21,776,515</u>

- (c) Interest expense on long term liabilities in 2022 amounted to \$713,115 (2021 - \$660,130).
- (d) These payments are within the annual debt repayment limit prescribed by the Ministry of Municipal Affairs and Housing.

CORPORATION OF THE MUNICIPALITY OF MISSISSIPPI MILLS

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

7. Accumulated municipal equity:

	2022	2021
Investment in tangible capital assets:		
Tangible capital assets	\$ 86,520,952	\$ 84,196,365
Long-term liabilities, excluding tile loan program debt	(21,773,526)	(23,368,692)
	64,747,426	60,827,673
Unfinanced capital projects:		
Road projects	(545,557)	-
Reserves (Schedule 1)	20,068,262	18,437,454
Equity in government business enterprises:		
Ottawa River Power Corporation	2,518,720	2,446,626
Ottawa River Energy Solution Inc.	315,812	342,269
Mississippi River Power Corporation	4,866,174	4,584,279
	7,700,706	7,373,174
Total accumulated municipal equity	\$ 91,970,837	\$ 86,638,301

8. Pension contributions:

The Municipality makes contributions to the Ontario Municipal Employees Retirement System ("OMERS"), which is a multi-employer plan, on behalf of all permanent 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. Employers and employees contribute to the plan. Since any surpluses or deficits are a joint responsibility of all Ontario municipalities and their employees, the Municipality does not recognize any share of the OMERS pension surplus or deficit in these consolidated financial statements.

The last available report was at December 31, 2022 and at that time the plan reported a \$6.7 billion actuarial deficit (2021 - \$3.1 billion actuarial deficit).

The amount contributed to OMERS was \$479,745 (2021 - \$413,074) for current services and is included as an expense on the Consolidated Statement of Operations and Accumulated Municipal Equity classified under the appropriate functional expense.

CORPORATION OF THE MUNICIPALITY OF MISSISSIPPI MILLS

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

9. Provincial Offences Administration (POA):

The Corporation of the Town of Perth has assumed the administration of the Provincial Offences office for all County of Lanark resident municipalities. The transfer of administration from the Ministry of the Attorney General to the Corporation of the Town of Perth was a result of the Provincial Offences Act (POA) 1997, which provides the framework for the transfer of responsibility and administration of POA courts.

The POA is a procedural law for administering and prosecuting provincial offences, including those committed under the Highway Traffic Act, Compulsory Automobile Insurance Act, Trespass to Property Act, Liquor Licence Act, Municipal By-Laws and minor federal offences. The POA governs all aspects of legal process from serving notice to a defendant, to conducting trials, including sentencing and appeals.

The Municipality's share of net revenues arising from operation of the POA office have been consolidated with these financial statements. The revenue of the court office consists of fines levied under Parts I and III (including delay penalties) for POA charges filed in the Perth court.

If fines are paid at other court offices, the receipt is recorded in the Integrated Courts Operation Network System ("ICON") operated by the Province of Ontario. Revenue is recognized when receipt of funds is recorded by the provincial ICON system regardless of the location where payment is made. The Municipality shares net POA revenues based on weighted assessment.

10. Commitments:

- (a) In November 2017, the Municipality entered into a contract with OCWA (Ontario Clean Water Agency). For the management and operations of the water plant, wastewater plant and the sanitary pumping station. The contract is for the period January 1, 2018 to December 31, 2024 and provides for a four-year extension to December 31, 2028.

The contract is a fixed price contract that provides for an annual inflation increase of 1.85%. The contract provides for the reconciliation of hydro costs on an annual basis. The annual cost of the contract was \$1,490,665 (2021 - \$1,454,005).

- (b) There is no contract for policing services. The Municipality is provided police services by the Ontario Provincial Police under Section 5.1 of the Police Services Act. The annual charges are determined based on the level of service and are reconciled to actual costs in the following year. The amount paid in 2022 for police service usage was \$1,927,968 (2021 - \$1,943,148).

CORPORATION OF THE MUNICIPALITY OF MISSISSIPPI MILLS

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

10. Commitments (continued):

- (c) The Municipality has negotiated a long-term contract with Waste Management Canada Corporation for the collection of curbside garbage. The contract expires May 31, 2028. Annual charges are determined by reference to the Municipality's number of households, the consumer price index and a fuel surcharge clause. The contract for 2022 was \$747,599 (2021 - \$834,774).
- (d) The Province of Ontario has assumed responsibility for providing curbside recycling collection for residential sources beginning July 1, 2023. Mississippi Mills continues to provide curbside recycling collection for commercial (non-eligible) sources. The Municipality terminated its contract with Emterra Environmental for curbside recycling collection and negotiated an agreement for non-eligible source collection with Emterra Environmental as of July 1, 2023 ending December 31, 2025.
- (e) The Municipality has entered into a construction contract in the amount of \$7,230,000 related to the Downtown Core Infrastructure Renewal Project. Costs incurred in 2022 were approximately \$1.2 million with the balance of the project to be completed in 2023.

11. Contingent liabilities:

The nature of municipal activities is such that there may be litigation pending or in prospect at any time. With respect to claims as at December 31, 2022, management believes that the Municipality has valid defences and appropriate insurance coverages in place.

In the event any claims are successful, the amount of any potential liability is not determinable, therefore, no amount has been accrued in the consolidated financial statements.

12. Landfill closure and post-closure liability:

The Environment 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 and is in accordance with the Municipality's accounting policy. This requirement is to be provided for over the estimated remaining life of the landfill site based on usage.

The Municipality currently has one active and two inactive landfill sites. The Almonte site is licensed, and accepts approximately 100 tonnes of waste per year. At current disposal rates, the site has an estimated lifespan of 30 years. Estimated closure costs are \$857,263. The anticipated closure plan involves a layer of sand followed by a layer of clay and soil. Annual post closure maintenance and monitoring requirements are estimated to be \$47,312 per annum.

CORPORATION OF THE MUNICIPALITY OF MISSISSIPPI MILLS

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

12. Landfill closure and post-closure liability (continued):

The Pakenham site was closed in 1990 and involved covering the site with a clay cap and vegetative cover. Additional buffer lands were also purchased at the time of closing. Annual site monitoring costs are estimated at \$10,000 per annum.

The Ramsay site was closed in 1996 with a layer of cover material of a mixture of sand, silt stone and some clay. Annual site monitoring costs are estimated at \$10,000 per annum.

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-five-year period from the anticipated closure dates using the best information available to management. Future events may result in significant changes to the estimated total expenses, capacity used or total capacity and the estimated liability, and would be recognized prospectively, as a change in estimate, when applicable.

Estimated total expenses represent the sum of the discounted future cash flows for closure and post-closure care activities discounted at the Municipality's average long-term borrowing rate of 6.27% and using an assumed rate of 3.27% for inflation. The estimated total landfill closure and post-closure care expenses are calculated to be approximately \$857,263 (2021 - \$1,173,895). For sites that are inactive, the estimated liability for these expenses is recognized immediately. Included in liabilities on the Consolidated Statement of Financial Position at December 31, 2022 is an amount of \$861,179 (2021 - \$861,179) with respect to landfill closure and post-closure liabilities recognized to date.

CORPORATION OF THE MUNICIPALITY OF MISSISSIPPI MILLS

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

13. Tangible capital assets:

Cost	Balance at December 31, 2021	Transfers and additions	Disposals and adjustments	Balance at December 31, 2022
Land	\$ 327,845	\$ -	\$ -	\$ 327,845
Landfill sites	112,423	-	-	112,423
Buildings	18,659,109	137,644	-	18,796,753
Vehicles	7,396,213	-	-	7,396,213
Equipment				
Parks	2,387,967	539,490	-	2,927,457
Streetlights and traffic lights	3,176,406	23,414	-	3,199,820
Other	4,669,392	112,544	-	4,781,936
Water and sewer facilities				
Linear assets	25,135,413	40,693	-	25,176,106
Water tower	1,701,978	-	-	1,701,978
Wells, lagoons, pumping stations	32,607,506	210,225	-	32,817,731
Linear assets				
Roads	20,996,965	1,613,621	-	22,610,586
Sidewalks and curbs	4,207,955	80,045	-	4,288,000
Bridges and culverts	8,272,031	216,027	-	8,488,058
Construction in progress	5,001,214	3,029,754	-	8,030,968
Total	\$ 134,652,417	\$ 6,003,457	\$ -	\$ 140,655,874

CORPORATION OF THE MUNICIPALITY OF MISSISSIPPI MILLS

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

13. Tangible capital assets (continued):

Accumulated amortization	Balance at December 31, 2021	Amortization and adjustments	Transfers, and disposals	Balance at December 31, 2022
Land	\$ —	\$ —	\$ —	\$ —
Landfill sites	85,064	3,850	—	88,914
Buildings	8,870,837	457,513	—	9,328,350
Vehicles	3,656,892	343,562	—	4,000,454
Equipment				
Parks	1,098,868	112,655	—	1,211,523
Streetlights and traffic lights	2,270,602	64,839	—	2,335,441
Other	3,123,759	208,156	—	3,331,915
Water and sewer facilities				
Linear assets	6,827,739	381,515	—	7,209,254
Water tower	1,195,426	55,400	—	1,250,826
Wells, lagoons, pumping stations	9,118,651	809,176	—	9,927,827
Linear assets				
Roads	10,972,337	942,056	—	11,914,393
Sidewalks and curbs	1,672,425	99,260	—	1,771,685
Bridges and culverts	1,563,452	200,888	—	1,764,340
Construction in progress	—	—	—	—
Total	\$ 50,456,052	\$ 3,678,870	\$ —	\$ 54,134,922

	Net book value December 31, 2021	Net book value December 31, 2022
Land	\$ 327,845	\$ 327,845
Landfill sites	27,359	23,509
Buildings	9,788,272	9,468,403
Vehicles	3,739,321	3,395,759
Equipment		
Parks	1,289,099	1,715,934
Streetlights and traffic lights	905,804	864,379
Other	1,545,633	1,450,021
Water and sewer facilities		
Linear assets	18,307,674	17,966,852
Water tower	506,552	451,152
Wells, lagoons, pumping stations	23,488,855	22,889,904
Linear assets		
Roads	10,024,628	10,696,193
Sidewalks and curbs	2,535,530	2,516,315
Bridges and culverts	6,708,579	6,723,718
Construction in progress	5,001,214	8,030,968
Total	\$ 84,196,365	\$ 86,520,952

CORPORATION OF THE MUNICIPALITY OF MISSISSIPPI MILLS

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

14. Segmented information:

The Municipality is a diversified municipal government that provides a wide range of services to its citizens. The services are provided by departments and their activities are reported in the Consolidated Statement of Operations and Accumulated Municipal Equity.

Departments have been separately disclosed in the segmented information, along with the service they provide, are set out in the schedule below.

For each reported segment, expenses 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.

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.

CORPORATION OF THE MUNICIPALITY OF MISSISSIPPI MILLS

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

14. Segmented information (continued):

2022	General Government	Protection to Persons and Property	Transportation Services	Environmental Services	Water and Sewer Services	Social and Family Services	Recreation and Cultural Services	Planning and Development	Total
Revenue									
Taxation	\$ 12,741,590	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,741,590
Taxation garbage collection charges	-	-	-	1,627,416	-	-	-	-	1,627,416
User charges	55,061	104,273	10,943	20,047	4,221,404	1,340,971	515,575	165,562	6,433,836
Government transfers	1,239,044	10,262	2,340,098	430,564	-	-	45,587	-	4,065,555
Other Municipal governments	-	-	29,057	-	-	1,209,593	-	-	1,238,650
Licenses and permits	5,250	607,165	-	-	-	-	-	-	612,415
Development charges	-	39,240	56,630	-	262,129	90,678	87,130	-	535,807
Investment income	433,806	-	-	-	35,000	-	-	-	468,806
Penalties and interest on taxes	202,048	-	-	-	-	-	-	-	202,048
Other income	263,351	6,800	2,000	-	-	-	50,520	-	322,671
Gain on sale of tangible capital assets	1,502,859	-	-	-	-	-	-	-	1,502,859
Contributed tangible capital assets	-	-	-	-	-	-	-	-	-
Net equity increase:									
Ottawa River Power Corporation	98,710	-	-	-	-	-	-	-	98,710
Ottawa River Energy Solutions Inc.	14,432	-	-	-	-	-	-	-	14,432
Mississippi River Power Corporation	281,895	-	-	-	-	-	-	-	281,895
	16,838,046	767,740	2,438,728	2,078,027	4,518,533	2,641,242	698,812	165,562	30,146,690
Expenses									
Salaries and wages	1,441,038	1,108,528	1,226,651	62,654	291,304	2,478,014	1,323,479	439,143	8,370,811
Debenture interest	36,786	34,289	97,515	-	447,190	-	10,109	87,226	713,115
Materials and services	1,109,683	2,622,405	2,348,988	1,992,767	2,254,428	318,524	821,016	271,570	11,739,381
External transfers	-	91,660	-	-	-	-	220,317	-	311,977
Amortization	165,581	197,461	1,551,678	3,850	1,278,987	15,174	459,335	6,804	3,678,870
	2,753,088	4,054,343	5,224,832	2,059,271	4,271,909	2,811,712	2,834,256	804,743	24,814,154
Annual surplus (deficit)	\$ 14,084,958	\$ (3,286,603)	\$ (2,786,104)	\$ 18,756	\$ 246,624	\$ (170,470)	\$ (2,135,444)	\$ (639,181)	\$ 5,332,536

CORPORATION OF THE MUNICIPALITY OF MISSISSIPPI MILLS

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

14. Segmented information (continued):

2021	General Government	Protection to Persons and Property	Transportation Services	Environmental Services	Water and Sewer Services	Social and Family Services	Recreation and Cultural Services	Planning and Development	Total
Revenue									
Taxation	\$ 12,021,871	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,021,871
Taxation garbage collection charges	-	-	-	1,615,320	-	-	-	-	1,615,320
User charges	39,851	81,621	9,430	26,773	4,091,758	1,045,108	301,985	165,381	5,761,907
Government transfers	1,800,080	16,196	1,281,633	134,940	-	-	52,585	559	3,285,993
Other Municipal governments	-	-	28,429	-	-	1,218,473	-	-	1,246,902
Licenses and permits	6,850	636,877	-	-	-	-	-	-	643,727
Development charges	8,527	39,240	84,754	-	722,601	23,100	370,200	-	1,248,422
Investment income	67,333	-	-	-	35,000	-	-	-	102,333
Penalties and interest on taxes	196,855	-	-	-	-	-	-	-	196,855
Other income	124,290	6,516	-	-	93,639	-	108,895	-	333,340
Gain on sale of tangible capital assets	518,905	-	-	-	(176,939)	-	-	-	341,966
Contributed tangible capital assets	-	-	607,823	-	1,145,625	-	-	-	1,753,448
Net equity increase:									
Ottawa River Power Corporation	33,270	-	-	-	33,271	-	-	-	66,541
Ottawa River Energy Solutions Inc.	4,949	-	-	-	4,948	-	-	-	9,897
Mississippi River Power Corporation	523,944	-	-	-	523,943	-	-	-	1,047,887
	15,346,725	780,450	2,012,069	1,777,033	6,473,846	2,286,681	833,665	165,940	29,676,409
Expenses									
Salaries and wages	955,317	1,049,867	1,099,337	46,690	356,710	2,129,337	1,262,130	242,248	7,141,636
Debenture interest	63,488	20,790	183,028	-	378,067	-	11,715	3,042	660,130
Materials and services	746,010	2,614,616	1,828,774	1,791,907	2,186,704	249,329	864,256	526,610	10,808,206
External transfers	-	87,149	-	-	-	-	225,356	-	312,505
Amortization	166,489	208,063	1,376,344	3,850	1,266,642	14,002	441,193	6,712	3,483,295
	1,931,304	3,980,485	4,487,483	1,842,447	4,188,123	2,392,668	2,804,650	778,612	22,405,772
Annual surplus (deficit)	\$ 13,415,421	\$ (3,200,035)	\$ (2,475,414)	\$ (65,414)	\$ 2,285,723	\$ (105,987)	\$ (1,970,985)	\$ (612,672)	\$ 7,270,637

CORPORATION OF THE MUNICIPALITY OF MISSISSIPPI MILLS

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

15. Budget figures:

The 2022 budget amounts that were approved were not prepared on a basis consistent with that used to report actual results (Public Sector Accounting Board Standards). The budget included capital items such as infrastructure replacements and estimated costs for constructed assets, as program expenses, but the actual expenses have been removed in the Consolidated Statement of Operations and Accumulated Municipal Equity. The revenue attributable to these items continue to be included in the Consolidated Statement of Operations and Accumulated Municipal Equity, resulting in a significant variance.

The following analysis is provided to assist readers in their understanding of differences between the approved budget and the audited consolidated financial statements:

	2022 Budget	2022 Actual
Total revenue	\$ 29,068,004	\$ 30,146,690
Total expenses	26,094,050	24,814,154
Net earnings	2,973,954	5,332,536
Amortization	3,771,590	3,678,870
Adjusted net earnings	6,745,544	9,011,406
Capital expenses	(11,503,089)	(6,003,457)
Gain on sale of tangible capital assets	–	(1,502,859)
Proceeds on disposal of tangible capital assets	–	1,502,859
Net change in investment in:		
Ottawa River Power Corporation	–	(72,094)
Ottawa River Energy Solutions Inc.	–	26,457
Mississippi River Power Corporation	–	(281,895)
Principal repayments	(1,530,133)	(1,595,166)
Net long-term debt acquired	3,525,350	–
Increase (decrease) in operating surplus	\$ (2,762,328)	\$ 1,085,251
Allocated as follows:		
Net transfers (from) to reserves	\$ (2,762,328)	\$ 1,630,808
Net decrease in unfinanced capital	–	(545,557)
	\$ (2,762,328)	\$ 1,085,251

CORPORATION OF THE MUNICIPALITY OF MISSISSIPPI MILLS

Schedule 1: Continuity of Reserves and Reserve Funds

Year ended December 31, 2022, with comparative information for 2021

	Budget (note 15)	2022	2021
Net transfers from (to) other funds			
Transfers from operations	\$ 1,032,205	\$ 4,102,634	\$ 5,365,420
Transfers to capital acquisitions	(3,794,533)	(2,471,826)	(1,965,511)
Total net transfers	(2,762,328)	1,630,808	3,399,909
Reserves and reserve fund balances, beginning of year	18,437,454	18,437,454	15,037,545
Reserves and reserve fund balances, end of year	\$ 15,675,126	\$ 20,068,262	\$ 18,437,454

Composition of Reserves and Reserve Funds

	2022	2021
Reserves set aside for specific purposes by Council:		
For operating purposes:		
Working capital	\$ 1,100,000	\$ 1,100,000
Contingencies	584,921	541,993
Library	67,677	67,677
Winter control	97,620	97,620
Protection to persons and property	911,139	878,660
Planning and zoning	29,659	29,659
Economic development	2,307,062	115,383
Parking	55,738	55,738
Daycare	607,622	708,123
	5,761,438	3,594,853
For capital purposes:		
Acquisition of capital assets	7,764,113	6,980,233
Public works	379,137	571,452
Recreation	83,222	127,544
Fire	174,230	132,966
Waste management	1,085,899	1,085,899
Former Town of Almonte - water and sewer	4,443,931	5,588,215
Septic system	376,292	356,292
	14,306,824	14,842,601
Total reserves and reserve funds	\$ 20,068,262	\$ 18,437,454