

THE CORPORATION OF THE TOWN OF GRAND VALLEY
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

THE CORPORATION OF THE TOWN OF GRAND VALLEY
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YEAR ENDED DECEMBER 31, 2021

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INDEPENDENT AUDITOR'S REPORT

To the Members of Council, Inhabitants and Ratepayers of: The Corporation of the Town of Grand Valley

Opinion

We have audited the accompanying consolidated financial statements of The Corporation of the Town of Grand Valley, which comprise the consolidated statement of financial position as at December 31, 2021 and the consolidated statement of operations, change in net financial assets and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of The Corporation of the Town of Grand Valley as at December 31, 2021 and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis of 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 report. We are independent of The Corporation of the Town of Grand Valley 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 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 a 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 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 judgement and maintain professional skepticism throughout the audit. We also:

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



Guelph, Ontario
June 28, 2022

Chartered Professional Accountants
Licensed Public Accountants

THE CORPORATION OF THE TOWN OF GRAND VALLEY
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2021

	2021	2020 (note 16)
FINANCIAL ASSETS		
Cash	\$ 10,979,743	\$ 9,986,981
Taxes receivable	532,998	496,772
Accounts receivable and other current assets	734,663	356,013
Long term receivables (note 2)	27,843	82,960
Investment in other ventures (note 3)	<u>679,052</u>	<u>655,509</u>
	<u>12,954,299</u>	<u>11,578,235</u>
LIABILITIES		
Accounts payable and accrued liabilities	1,852,369	1,291,924
Deferred revenue - deposits	594,850	662,525
Obligations under capital lease (note 4)	440,124	356,278
Long term debt (note 5)	2,071,939	2,294,225
Landfill post-closure liability (note 6)	219,936	240,367
Deferred revenue - obligatory reserve funds (note 7)	<u>3,651,779</u>	<u>3,330,513</u>
	<u>8,830,997</u>	<u>8,175,832</u>
NET FINANCIAL ASSETS	<u>4,123,302</u>	<u>3,402,403</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (schedule 2)	42,907,003	36,083,793
Prepaid expenses	0	10,719
Inventory	<u>1,723</u>	<u>1,723</u>
	<u>42,908,726</u>	<u>36,096,235</u>
ACCUMULATED SURPLUS (schedule 3)	<u>\$ 47,032,028</u>	<u>\$ 39,498,638</u>

THE CORPORATION OF THE TOWN OF GRAND VALLEY
CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2021

	2021 Budget (note 9)	2021 Actual	2020 Actual (note 16)
REVENUE			
Taxation	\$ 4,435,548	\$ 4,778,825	\$ 4,488,692
Grants in lieu	7,050	7,050	7,050
Fees and service charges	4,669,859	3,781,607	2,975,594
Licences and permits	93,500	96,060	43,390
Province of Ontario grants	557,037	537,278	587,162
Investment income	15,000	113,369	86,947
Penalties and interest	77,000	63,568	25,605
Obligatory reserve fund revenue recognized (note 7)	350,000	644,038	607,977
Gain (loss) on disposal of tangible capital assets	0	(9,828)	51,723
Equity income from Orangeville Hydro Limited	<u>23,544</u>	<u>23,544</u>	<u>34,966</u>
	<u>10,228,538</u>	<u>10,035,511</u>	<u>8,909,106</u>
EXPENSES (schedule 1)			
General government	870,797	947,915	866,441
Protection to persons and property	1,182,423	1,041,635	912,179
Transportation services	1,936,611	1,804,185	1,586,378
Environmental services	1,220,993	1,379,276	1,453,851
Health services	42,034	107,324	66,772
Recreational and cultural services	473,481	902,958	896,977
Planning and development	<u>353,200</u>	<u>398,797</u>	<u>336,893</u>
	<u>6,079,539</u>	<u>6,582,090</u>	<u>6,119,491</u>
ANNUAL SURPLUS	<u>\$ 4,148,999</u>	<u>\$ 3,453,421</u>	<u>\$ 2,789,615</u>
ACCUMULATED SURPLUS, beginning of year		\$ 39,498,638	\$ 36,709,023
Assumed tangible capital assets		4,079,969	0
Annual surplus		<u>3,453,421</u>	<u>2,789,615</u>
ACCUMULATED SURPLUS, end of year		<u>\$ 47,032,028</u>	<u>\$ 39,498,638</u>

THE CORPORATION OF THE TOWN OF GRAND VALLEY
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2021

	2021 Budget (note 9)	2021 Actual	2020 Actual (note 16)
ANNUAL SURPLUS	\$ <u>4,148,999</u>	\$ <u>3,453,421</u>	\$ <u>2,789,615</u>
Acquisition of tangible capital assets	(5,278,300)	(8,327,868)	(2,327,919)
Amortization of tangible capital assets	1,159,265	1,426,680	1,159,265
(Gain) loss on disposal of tangible capital assets	0	9,828	(51,723)
Proceeds on sale of tangible capital assets	0	68,150	127,630
Assumed tangible capital assets	<u>0</u>	<u>4,079,969</u>	<u>0</u>
	<u>(4,119,035)</u>	<u>(2,743,241)</u>	<u>(1,092,747)</u>
Net change in prepaid expenses	<u>0</u>	<u>10,719</u>	<u>(10,719)</u>
CHANGE IN NET FINANCIAL ASSETS	\$ <u><u>29,964</u></u>	720,899	1,686,149
NET FINANCIAL ASSETS, beginning of year		<u>3,402,403</u>	<u>1,716,254</u>
NET FINANCIAL ASSETS, end of year		\$ <u><u>4,123,302</u></u>	\$ <u><u>3,402,403</u></u>

THE CORPORATION OF THE TOWN OF GRAND VALLEY
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2021

	2021	2020
CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		
Annual surplus	\$ 3,453,421	\$ 2,789,615
Items not requiring an outlay of cash		
Amortization	1,426,680	1,159,265
(Gain) loss on disposal of tangible capital assets	9,828	(51,723)
Landfill post-closure liability	(20,431)	(24,480)
Equity income from Orangeville Hydro Limited	<u>(23,544)</u>	<u>(34,966)</u>
	<u>4,845,954</u>	<u>3,837,711</u>
Net changes in non-cash working capital		
Taxes receivable	(36,226)	100,169
Accounts receivable	(378,649)	613,642
Prepaid expenses	10,719	(10,719)
Accounts payable and accrued liabilities	560,445	41,467
Deferred revenue - deposits	(67,675)	(120,668)
Deferred revenue - obligatory reserve funds	<u>321,266</u>	<u>(40,782)</u>
	<u>409,880</u>	<u>583,109</u>
	<u>5,255,834</u>	<u>4,420,820</u>
CASH PROVIDED BY (USED IN) CAPITAL ACTIVITIES		
Acquisition of tangible capital assets	(8,327,868)	(2,327,919)
Assumed tangible capital assets	4,079,969	0
Proceeds on disposal of tangible capital assets	<u>68,150</u>	<u>127,630</u>
	<u>(4,179,749)</u>	<u>(2,200,289)</u>
CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES		
Net change in long term debt	(222,286)	(183,085)
Net change in obligations under capital lease	<u>83,846</u>	<u>(111,401)</u>
	<u>(138,440)</u>	<u>(294,486)</u>
CASH PROVIDED BY INVESTING ACTIVITIES		
Net change in long term receivables	<u>55,117</u>	<u>13,187</u>
NET INCREASE IN CASH for the year	992,762	1,939,232
CASH, beginning of year	<u>9,986,981</u>	<u>8,047,749</u>
CASH, end of year	<u>\$ 10,979,743</u>	<u>\$ 9,986,981</u>

THE CORPORATION OF THE TOWN OF GRAND VALLEY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of The Corporation of the Town of Grand Valley are the representation of management prepared in accordance with Canadian generally accepted accounting principles for governments as established by the Public Sector Accounting Board of CPA Canada. Significant accounting policies adopted by The Corporation of the Town of Grand Valley are as follows:

(a) **ACKNOWLEDGEMENT OF RESPONSIBILITY**

The management of the The Corporation of the Town of Grand Valley acknowledges its responsibility for the creation and compilation of the following significant accounting policy decisions and the related policy notes.

(b) **BASIS OF CONSOLIDATION**

- (i) These consolidated statements reflect the assets, liabilities, sources of financing and expenditures of the revenue fund, reserve funds and reserves and includes the activities of all committees of Council and the following local boards and municipal enterprises, which are under the control of Council:

Grand Valley Union Cemetery Board
Grand Valley and District Community Centre Board
Grand Valley and District Public Library Board
Grand Valley Medical-Dental Board
Grand Valley Business Improvement Area

All interfund assets and liabilities and sources of financing and expenditures have been eliminated with the exception of loans or advances between the reserve funds and any other fund of the municipality and the resulting interest income and expenditures.

The following joint boards owned or controlled by Council in partnership with other municipalities have been consolidated on a proportionate basis as indicated:

Grand Valley and District Fire Department - 55% (2020 - 53%)
Orangeville Hydro Limited - 5.5%

(ii) **ACCOUNTING FOR COUNTY AND SCHOOL BOARD TRANSACTIONS**

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

(c) **BASIS OF ACCOUNTING**

- (i) Sources of financing and expenditures are reported on the accrual basis of accounting. The interest charges are not accrued for the periods from the dates of the latest instalment payments to the end of the financial year.
- (ii) The accrual basis of accounting recognizes revenues as they become available and measurable. Expenditures are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

THE CORPORATION OF THE TOWN OF GRAND VALLEY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) BASIS OF ACCOUNTING (continued)

(iii) Capital outlay to be recovered in future years, which represents the outstanding principal portion of unmatured long term liabilities for municipal expenditures transferred to other organizations, is reported on the Consolidated Statement of Financial Position.

(d) AMOUNTS TO BE RECOVERED

Amounts to be recovered are reported in the accumulated surplus on the Consolidated Statement of Financial Position. The balance represents the outstanding principal portion of unmatured long term liabilities, liabilities not yet due, and other future expenditures.

(e) TRUST FUNDS

Funds held in trust by the municipality, and their related operations, are not included in these financial statements. The financial activity and position of the trust funds are reported separately on the Trust Funds' Statements of Financial Position and Statements of Operations.

(f) 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.

(i) Tangible capital assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributed 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 life as follows:

Land improvements	25 to 30 years
Facilities	20 to 100 years
Vehicles	10 to 20 years
Equipment	4 to 40 years
Infrastructure	
Transportation	4 to 100 years
Environmental	15 to 100 years

No amortization is charged in the year of acquisition and in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

(ii) Contributions of tangible capital assets

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

THE CORPORATION OF THE TOWN OF GRAND VALLEY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) NON-FINANCIAL ASSETS (continued)

(iii) 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.

(g) REVENUE RECOGNITION

Revenues are recognized as follows:

(i) Tax levies are recognized as revenue when the amounts are levied on the municipality's ratepayers.

(ii) Fines and donations are recognized when collected.

(iii) Other revenues are recorded upon sale of goods or provision of service when collection is reasonably assured.

(iv) Government transfers are recognized in the financial statements as revenues in the period in which events giving rise to the transfer occur, providing the transfers are authorized, eligibility criteria has been met and reasonable estimates of the amounts can be made.

(v) Revenue restricted by legislation, regulation or agreement, and not available for general municipal purposes, is reported as deferred revenue on the consolidated statement of financial position. The revenue is reported on the consolidated statement of operations in the year in which it is used for a specific purpose.

(h) USE OF ESTIMATES

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Significant estimates made by management include the useful lives of tangible capital assets. Actual results could differ from those estimates.

(i) FINANCIAL INSTRUMENTS

The municipality classifies all of its financial instruments at amortized cost. The maximum exposure to credit risk is the carrying value of the financial instruments. These financial instruments include cash, accounts receivable and other current assets, long term receivables, investment in other ventures, accounts payable and accrued liabilities, obligations under capital lease and long term debt. They are initially recognized at cost and subsequently carried at amortized cost using the effective interest rate method, less any impairment losses on financial assets.

THE CORPORATION OF THE TOWN OF GRAND VALLEY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) **FINANCIAL INSTRUMENTS (continued)**

Transaction costs related to financial instruments in the amortized cost category are added to the carrying value of the instrument. Writedowns of financial assets in the amortized cost category are recognized when the amount of a loss is known with sufficient precision, and there is no realistic prospect of recovery. Financial assets are then written down to net realizable value with the writedown being recognized in the consolidated statement of operations.

2. LONG TERM RECEIVABLES

The responsibility for payment of principal and interest charges of the tile drainage loans has been assumed by individuals.

	2021	2020
Two loans are charged interest at a rate of 6% and become due in 2029	\$ <u>27,843</u>	\$ <u>82,960</u>

Principal payments for the next five years are as follows:

2022	\$ 2,813
2023	2,982
2024	3,161
2025	3,350
2026	3,551
Thereafter	<u>11,986</u>
	<u>\$ 27,843</u>

3. INVESTMENT IN OTHER VENTURES

The Corporation of the Town of Grand Valley owns a 5.50% interest in Orangeville Hydro Limited, details are as follows:

	2021	2020
Investment in Orangeville Hydro Limited		
Investment in common shares	\$ 455,989	\$ 455,989
Share of retained earnings	<u>223,063</u>	<u>199,520</u>
	<u>\$ 679,052</u>	<u>\$ 655,509</u>
Expenses		
Streetlighting maintenance, water billing charge from Orangeville Hydro Limited	<u>\$ 29,494</u>	<u>\$ 25,506</u>

Orangeville Hydro Limited also collects water on behalf of the municipality and remits the amounts to the municipality on a monthly basis.

THE CORPORATION OF THE TOWN OF GRAND VALLEY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

3. INVESTMENT IN OTHER VENTURES (continued)

The following summarizes the financial position and operations of Orangeville Hydro Limited which have been reported in these financial statements.

	2021	2020
Statement of Financial Position		
Assets	\$ <u>35,048,951</u>	\$ <u>34,302,686</u>
Liabilities	\$ 22,717,507	\$ 22,336,948
Shareholder's Equity	<u>12,331,444</u>	<u>11,965,738</u>
	<u>\$ 35,048,951</u>	<u>\$ 34,302,686</u>
Statement of Operations		
Revenues	\$ 36,500,402	\$ 39,106,543
Expenses	<u>35,710,431</u>	<u>38,965,271</u>
Net income for the year	<u>\$ 789,971</u>	<u>\$ 141,272</u>
Dividends paid during the year	<u>\$ 543,258</u>	<u>\$ 450,771</u>

4. OBLIGATIONS UNDER CAPITAL LEASE

The municipality has four capital leases for equipment. The total monthly lease payments are \$15,016, including principal and interest, and each lease term is for 60 months, expiring in 2023, 2024 and 2026.

Future expected minimum payments are as follows:

2022	\$ 162,312
2023	146,449
2024	71,373
2025	51,197
2026	<u>8,793</u>
	<u>\$ 440,124</u>

THE CORPORATION OF THE TOWN OF GRAND VALLEY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

5. LONG TERM DEBT

	2021	2020
TD Bank loan, due December 1, 2022, repayable in monthly payments of \$20,108 principal and interest, at a rate of 3.47%	\$ 2,044,096	\$ 2,211,265
Tile drainage loans, due 2029, repayable in annual payments ranging from \$307 - \$3,768 of principal and interest, at a rate of 6%	<u>27,843</u>	<u>82,960</u>
	<u>\$ 2,071,939</u>	<u>\$ 2,294,225</u>

Future minimum payments on long term debt are as follows:

2022	\$ 2,046,909
2023	2,982
2024	3,161
2025	3,350
2026	3,551
Thereafter	<u>11,986</u>
	<u>\$ 2,071,939</u>

6. LANDFILL POST-CLOSURE LIABILITY

The municipality leases its solid waste landfill site from the Grand River Conservation Authority (GRCA). The lease requires that closure and rehabilitation of the site commence in 2006 and be completed by 2012. Post-closure costs are anticipated to continue to 2053. The landfill site ceased active operations on January 1, 2006 and stopped accepting solid waste from ratepayers. The municipality commenced closure of the facility and completed closure in 2011. The most recent estimate of the landfill closure and post-closure liability was based on a report prepared as of November 1, 2004, which estimated these costs at a net present value of \$475,000.

The municipality has obtained a final release on closure of the facility from the GRCA, and has received an amendment to its original landfill site approval based on the actual closure work that was performed in 2011. The closure work performed is in agreement with the MOE's approved amendment dated June 1, 2011. Based on this amendment, post-closure expenditures from 2011 onwards are being used to reduce the landfill post-closure liability annually. The estimated present value of the post-closure liability less disbursements to date during the post-closure period is \$219,936 (2020 - \$240,367), which may be adjusted from time to time based on updated engineering reports of the expected remaining costs.

7. DEFERRED REVENUE

	2021 Opening (note 16)	Contributions Received	Investment Income	Revenue Recognized	2021 Ending
Obligatory Reserve Funds					
Development charges	\$ 2,781,114	\$ 754,352	\$ 18,227	\$ (554,038)	\$ 2,999,655
Park in lieu	438,083	5,000	3,071	0	446,154
Federal gas tax	<u>111,316</u>	<u>183,875</u>	<u>779</u>	<u>(90,000)</u>	<u>205,970</u>
	<u>\$ 3,330,513</u>	<u>\$ 943,227</u>	<u>\$ 22,077</u>	<u>\$ (644,038)</u>	<u>\$ 3,651,779</u>

THE CORPORATION OF THE TOWN OF GRAND VALLEY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

8. TRUST FUNDS

The trust funds administered by the municipality amounting to \$127,530 (2020 - \$125,260) have not been included in the Consolidated Statement of Financial Position, nor have the operations been included in the Consolidated Statement of Operations.

9. BUDGET AMOUNTS

The budget figures are presented for comparison purposes as prepared and approved by Council, reclassified to conform to the current financial statement presentation. The budgeted figures are prepared on the cash basis of accounting and have been restated to conform to the accrual basis of accounting on which the actual figures are reported. The following chart reconciles the approved budget with the budget figures as presented in these consolidated financial statements:

REVENUE

Approved budget	\$ <u>10,228,538</u>
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EXPENSES

Approved budget	10,228,538
Acquisition of tangible capital assets	(5,278,300)
Debt principal repayments	(85,189)
Amortization	1,159,265
Transfer to reserve funds, net	<u>55,225</u>
	<u>6,079,539</u>

ANNUAL SURPLUS

\$ 4,148,999

10. OPERATIONS OF THE SCHOOL BOARDS AND THE COUNTY OF DUFFERIN

Further to note 1(b)(iii), the taxation, other revenues, expenditures and overlevies of the school boards and the County of Dufferin are comprised of the following:

	SCHOOL BOARDS	COUNTY
Taxation and user charges	\$ 993,203	\$ 2,056,270
Amount requisitioned	<u>(993,203)</u>	<u>(2,056,270)</u>
	<u>\$ 0</u>	<u>\$ 0</u>

11. PENSION AGREEMENTS

The municipality makes contributions to the Ontario Municipal Employees Retirement System (OMERS), which is a multi-employer plan. This plan is a defined benefit plan which specifies the amount of the retirement benefits to be received by the employees based on the length of service and rates of pay. Employees and employers contribute jointly to the plan. The amount contributed to OMERS for 2021 was \$140,535 (2020 - \$129,264).

12. AMOUNTS TO BE RECOVERED FOR SPECIFIC ENVIRONMENTAL CAPITAL COSTS

The municipality has incurred capital costs relating to the planning and development of the provision of expanded sewer services to residents. It is the intention of the municipality to recover these costs as the municipality grows, through development fees charged to builders. The construction of the new plant was completed in 2011.

THE CORPORATION OF THE TOWN OF GRAND VALLEY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

13. FINANCIAL INSTRUMENT RISK MANAGEMENT

Credit Risk

The municipality is exposed to credit risk through the possibility of non-collection of accounts receivable. The majority of its receivables are from ratepayers and government entities. For accounts receivable, the municipality measures impairment based on how long the amounts have been outstanding.

Liquidity Risk

Liquidity risk is the risk that the municipality will not be able to meet its financial obligations as they fall due. The municipality undertakes a planning and budgeting process to help determine the funds required to support the municipality's normal operating requirements on an ongoing basis. The municipality ensures that there are sufficient funds to meet its short term requirements, taking into account its anticipated cash flows from operations and its holdings of cash and investments.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The municipality is exposed to interest rate risk arising from the possibility that changes in interest rates will affect the variable rate of certain long term liabilities.

There have been no significant changes from the previous year in the exposure to risk or policies, procedures and methods used to measure risks.

14. SEGMENTED INFORMATION

The Corporation of the Town of Grand Valley is a diversified municipal government institution that provides a wide range of services to its citizens, including police, fire, ambulance, and water. For management reporting purposes, the Government's operations and activities are organized and reported by Fund. Funds were created for the purpose of recording specific activities to attain certain objectives in accordance with special regulations, restrictions or limitations.

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

General Government

This item relates to the revenues and expenses that relate to the operations of the municipality itself and cannot be directly attributable to a specific segment.

Protection Services

The mandate of the Police Services department is to ensure the safety of the lives and property of citizens; preserve peace and good order; prevent crimes from occurring; detect offenders; and enforce the law. The Fire Service department is responsible to provide fire suppression service; fire prevention programs; training and education related to prevention, detection or extinguishments of fires. It is also responsible for pre-hospital emergency paramedic care and the transport of sick and injured; handling hazardous materials incidents; for the mitigation of calamitous incidents; and for the evacuation of people when in charge at an incident.

THE CORPORATION OF THE TOWN OF GRAND VALLEY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

14. SEGMENTED INFORMATION (continued)

Transportation Services

The Public Works department is responsible for the delivery of municipal public works services related to the planning, development and maintenance of roadway systems, and the maintenance of open space areas requiring it.

Environmental Services

The Environmental Services department consists of two distinct utilities - water and wastewater. The department provides drinking water to citizens of the urban area of the town, collecting and treating wastewater. Garbage collection operations are contracted to a private business.

Health Services

Health services include the operations of the local cemeteries.

Recreation and Cultural Services

Recreation and cultural services provides public services that contribute to healthy communities through numerous sports programs at the Community Centre for adults and youths, along with baseball diamonds and soccer fields, etc. The department also contributes towards the information needs of the town's citizens through the provision of library services.

Planning and Development

The Planning and Development department provides a diverse bundle of services. It manages development for business and residential interests, environmental concerns, heritage matters, local neighbourhoods and the downtown through planning, community development, parks and environmental planning. It ensures an acceptable quality of building construction and maintenance of properties through enforcement of construction codes, building standards and by-laws. It facilitates economic development by providing services for the approval of all land development plans, the application and enforcement of zoning by-laws, the processing of building permit applications and the provision of geomatics services.

15. MATERIAL UNCERTAINTY DUE TO NOVEL CORONAVIRUS (COVID-19)

During the year and subsequent to year end, the Novel Coronavirus (COVID-19) significantly impacted the economy in Canada and globally. Although the disruption from the virus is expected to be temporary, given the dynamic nature of these circumstances, the duration of business disruption and the related financial impact cannot be reasonably estimated at this time. This may impact the timing and amounts realized on the municipality's assets and its future ability to deliver all services.

16. PRIOR YEAR ADJUSTMENT

The financial statements of the municipality for the year ended December 31, 2020 had an overstated value for the deferred revenue - obligatory reserve funds due to a 2015 transfer for the wastewater treatment plant costs recoverable being included in error. These have been corrected, and the December 31, 2020 figures restated in the current year financial statements. The net effect of the adjustment is a decrease the deferred revenue - obligatory reserve funds and accumulated surplus at December 31, 2020 and an increase to the general fund of \$1,662,168. There is no effect to the annual surplus at December 31, 2020 due to this adjustment.

17. COMPARATIVE FIGURES

Certain figures presented for comparative purposes have been reclassified to conform to the current year's presentation.

THE CORPORATION OF THE TOWN OF GRAND VALLEY
CONSOLIDATED SCHEDULE OF SEGMENTED DISCLOSURE
FOR THE YEAR ENDED DECEMBER 31, 2021

Schedule 1

	General Government	Protection Services	Transportation Services	Environmental Services	Health Services	Recreation and Cultural Services	Planning and Development	2021	2020
EXPENSES									
Salaries and benefits	\$ 443,515	\$ 103,249	\$ 547,736	\$ 1,670	\$ 45,200	\$ 350,357	\$ 159,908	\$ 1,651,635	\$ 1,631,945
Materials	229,641	288,746	422,209	631,493	45,207	70,126	22,893	1,710,315	1,639,951
Contracted services	67,119	542,031	145,068	147,223	3,373	4,715	208,795	1,118,324	1,091,830
Rents and financial expenses	147,921	0	28,481	0	6,753	97	4,448	187,700	108,449
Interest on long term debt	0	0	0	74,123	0	0	2,753	76,876	82,791
Amortization	59,719	74,213	660,691	524,767	6,791	100,499	0	1,426,680	1,159,265
Other	<u>0</u>	<u>33,396</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>377,164</u>	<u>0</u>	<u>410,560</u>	<u>405,260</u>
	<u>\$ 947,915</u>	<u>\$ 1,041,635</u>	<u>\$ 1,804,185</u>	<u>\$ 1,379,276</u>	<u>\$ 107,324</u>	<u>\$ 902,958</u>	<u>\$ 398,797</u>	<u>\$ 6,582,090</u>	<u>\$ 6,119,491</u>

See notes to the consolidated financial statements

THE CORPORATION OF THE TOWN OF GRAND VALLEY
CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2021

Schedule 2

	Land	Land Improvements	Facilities	Vehicles	Equipment	Infrastructure: Transportation	Infrastructure: Environmental	2021	2020
COST									
Balance, beginning of year	\$ 3,554,466	\$ 675,406	\$ 4,580,509	\$ 3,093,631	\$ 1,485,540	\$ 13,240,493	\$ 23,722,821	\$ 50,352,866	\$ 48,169,537
Additions during the year	648,113	3,053	171,796	239,753	142,462	2,273,474	4,849,217	8,327,868	2,327,919
Disposals during the year	<u>0</u>	<u>(7,200)</u>	<u>(7,005)</u>	<u>(294,025)</u>	<u>(66,283)</u>	<u>(52,026)</u>	<u>(14,243)</u>	<u>(440,782)</u>	<u>(144,590)</u>
Balance, end of year	<u>4,202,579</u>	<u>671,259</u>	<u>4,745,300</u>	<u>3,039,359</u>	<u>1,561,719</u>	<u>15,461,941</u>	<u>28,557,795</u>	<u>58,239,952</u>	<u>50,352,866</u>
ACCUMULATED AMORTIZATION									
Balance, beginning of year	0	149,366	2,368,524	1,440,719	960,944	4,757,492	4,592,028	14,269,073	13,178,491
Amortization	0	24,704	118,425	385,070	96,689	300,674	501,118	1,426,680	1,159,265
Accumulated amortization on disposals	<u>0</u>	<u>(7,200)</u>	<u>(7,005)</u>	<u>(264,211)</u>	<u>(29,859)</u>	<u>(40,286)</u>	<u>(14,243)</u>	<u>(362,804)</u>	<u>(68,683)</u>
Balance, end of year	<u>0</u>	<u>166,870</u>	<u>2,479,944</u>	<u>1,561,578</u>	<u>1,027,774</u>	<u>5,017,880</u>	<u>5,078,903</u>	<u>15,332,949</u>	<u>14,269,073</u>
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS									
	<u>\$ 4,202,579</u>	<u>\$ 504,389</u>	<u>\$ 2,265,356</u>	<u>\$ 1,477,781</u>	<u>\$ 533,945</u>	<u>\$ 10,444,061</u>	<u>\$ 23,478,892</u>	<u>\$ 42,907,003</u>	<u>\$ 36,083,793</u>

See notes to the consolidated financial statements

THE CORPORATION OF THE TOWN OF GRAND VALLEY
CONSOLIDATED SCHEDULE OF ACCUMULATED SURPLUS
AS AT DECEMBER 31, 2021

Schedule 3

	2021	2020 (note 16 & 17)
SURPLUSES		
Invested in tangible capital assets	\$ 40,422,783	\$ 33,516,250
General fund	1,900,789	1,427,078
Equity in Orangeville Hydro Limited	679,052	655,509
Fire board - general fund	(15,970)	5,087
Unfunded		
Landfill post-closure	(219,936)	(240,367)
Wastewater treatment plant costs recoverable	(795,127)	(1,409,520)
	<u>41,971,591</u>	<u>33,954,037</u>
RESERVE FUNDS		
Sewer treatment plant	(97,000)	1,841,610
Infrastructure	1,735,401	1,905,322
Capital acquisition - roads department	729,793	570,903
Fire board - capital	430,803	325,032
Streetscape	187,940	157,422
Future water system upgrades	1,402,383	139,436
Parkland	110,444	110,444
Administrative	169,036	103,149
Orica parkland	68,187	67,833
	<u>4,736,987</u>	<u>5,221,151</u>
RESERVES		
Working capital - general	323,450	195,200
Working capital - connecting link	0	78,924
Building reserve - library	0	48,980
Working capital - fencing reserve	0	346
	<u>323,450</u>	<u>323,450</u>
	<u>\$ 47,032,028</u>	<u>\$ 39,498,638</u>

GRAND VALLEY UNION CEMETERY BOARD
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2021

	2021	2020
FINANCIAL ASSETS		
Cash	\$ 21,533	\$ 22,451
Accounts receivable	<u>1,136</u>	<u>0</u>
	<u>\$ 22,669</u>	<u>\$ 22,451</u>
LIABILITIES		
Accounts payable	7,649	7,649
HST payable	<u>1,053</u>	<u>1,341</u>
	<u>8,702</u>	<u>8,990</u>
ACCUMULATED SURPLUS	<u>\$ 13,967</u>	<u>\$ 13,461</u>

GRAND VALLEY UNION CEMETERY BOARD
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2021

	2021	2020
REVENUES		
Sale of plots and base installation	\$ 17,603	\$ 12,916
Interment receipts	13,608	6,345
Interest - current fund	2,514	2,772
Miscellaneous	<u>2,158</u>	<u>430</u>
	<u>35,883</u>	<u>22,463</u>
EXPENDITURES		
Cost of interment	31,223	6,805
Honoraria, supplies and office	2,214	2,045
Monument and stone repairs	1,035	2,719
Accounting and legal	<u>905</u>	<u>860</u>
	<u>35,377</u>	<u>12,429</u>
ANNUAL SURPLUS	506	10,034
ACCUMULATED SURPLUS, beginning of year	<u>13,461</u>	<u>3,427</u>
ACCUMULATED SURPLUS, end of year	<u>\$ 13,967</u>	<u>\$ 13,461</u>

GRAND VALLEY AND DISTRICT COMMUNITY CENTRE BOARD
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2021

	2021	2020
FINANCIAL ASSETS		
Cash	\$ 191,717	\$ 110,315
Accounts receivable	<u>28,384</u>	<u>12,102</u>
	<u>220,101</u>	<u>122,417</u>
LIABILITIES		
Accounts payable	51,697	30,494
Loan payable (note 4)	<u>29,977</u>	<u>44,360</u>
	<u>81,674</u>	<u>74,854</u>
NET FINANCIAL ASSETS	<u>138,427</u>	<u>47,563</u>
NON-FINANCIAL ASSETS		
Tangible capital assets	1,070,384	1,087,317
Prepaid expenses	<u>1,722</u>	<u>1,722</u>
	<u>1,072,106</u>	<u>1,089,039</u>
ACCUMULATED SURPLUS	<u>\$ 1,210,533</u>	<u>\$ 1,136,602</u>

GRAND VALLEY AND DISTRICT COMMUNITY CENTRE BOARD

STATEMENT OF OPERATIONS

AS AT DECEMBER 31, 2021

	2021	2020
REVENUES		
Rentals	\$ 135,428	\$ 138,164
Municipal grants - Town of Grand Valley	137,017	127,322
- Other municipalities	94,547	87,857
Other revenue	31,939	0
Snack bar - net proceeds	0	5,218
Gain (loss) on disposal of TCA	0	1,000
	<u>398,931</u>	<u>359,561</u>
EXPENSES		
Wages and benefits	161,675	208,161
Heat and hydro	48,283	65,780
Amortization	37,107	32,315
Repairs and maintenance supplies	35,677	45,130
Insurance	23,185	20,726
Office	12,429	10,767
Telephone	3,419	2,161
Accounting	2,026	2,150
Advertising	1,199	303
	<u>325,000</u>	<u>387,493</u>
ANNUAL SURPLUS (DEFICIT)	73,931	(27,932)
ACCUMULATED SURPLUS, beginning of year	<u>1,136,602</u>	<u>1,164,534</u>
ACCUMULATED SURPLUS, end of year	<u>\$ 1,210,533</u>	<u>\$ 1,136,602</u>

GRAND VALLEY PUBLIC LIBRARY BOARD
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2021

	2021	2020
FINANCIAL ASSETS		
Cash	\$ <u>185,432</u>	\$ <u>177,574</u>
LIABILITIES		
Accounts payable	4,015	0
Deferred revenue	<u>42,530</u>	<u>42,530</u>
	<u>46,545</u>	<u>42,530</u>
NET FINANCIAL ASSETS	<u>138,887</u>	<u>135,044</u>
NON-FINANCIAL ASSETS		
Tangible capital assets	<u>273,200</u>	<u>251,996</u>
ACCUMULATED SURPLUS	<u>\$ 412,087</u>	<u>\$ 387,040</u>

GRAND VALLEY PUBLIC LIBRARY BOARD
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2021

	2021	2020
REVENUES		
Grants - Town of Grand Valley	\$ 209,713	\$ 199,945
- Other municipalities	92,077	91,077
Rents, interest, and other revenue	<u>29,305</u>	<u>35,709</u>
	<u>331,095</u>	<u>326,731</u>
EXPENSES		
Wages and benefits	177,790	150,359
Amortization	50,319	51,181
Facilities cost and insurance	24,565	17,653
Office and courses	17,494	14,076
General expenses	14,111	7,709
Repairs and maintenance	9,839	9,401
Books and material purchased	9,028	8,018
Telephone	1,668	1,666
Professional fees	<u>1,234</u>	<u>1,094</u>
	<u>306,048</u>	<u>261,157</u>
ANNUAL SURPLUS	25,047	65,574
ACCUMULATED SURPLUS, beginning of year	<u>387,040</u>	<u>321,466</u>
ACCUMULATED SURPLUS, end of year	<u>\$ 412,087</u>	<u>\$ 387,040</u>

GRAND VALLEY MEDICAL - DENTAL BOARD
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2021

	2021	2020
FINANCIAL ASSETS		
Cash	\$ 42,921	\$ 30,369
Short-term investments	<u>83,298</u>	<u>82,677</u>
	<u>126,219</u>	<u>113,046</u>
LIABILITIES		
Accounts payable	<u>17,998</u>	<u>4,775</u>
NET FINANCIAL ASSETS	<u>108,221</u>	<u>108,271</u>
NON-FINANCIAL ASSETS		
Tangible capital assets	<u>624,874</u>	<u>640,007</u>
ACCUMULATED SURPLUS	<u>\$ 733,095</u>	<u>\$ 748,278</u>

GRAND VALLEY MEDICAL - DENTAL BOARD
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2021

	2021	2020
REVENUES		
Rental income	\$ 47,861	\$ 47,038
Other revenue	<u>2,778</u>	<u>3,850</u>
	<u>50,639</u>	<u>50,888</u>
OPERATING EXPENSES		
Amortization	17,686	15,074
Wages and benefits	16,202	13,303
Repairs and maintenance	13,164	3,229
Property taxes	10,653	2,337
Utilities	4,614	5,258
Professional fees	2,184	2,350
Insurance	1,274	1,150
Office	45	0
Rent - parking lot	<u>0</u>	<u>1,250</u>
	<u>65,822</u>	<u>43,951</u>
ANNUAL (DEFICIT) SURPLUS	(15,183)	6,937
ACCUMULATED SURPLUS, beginning of year	<u>748,278</u>	<u>741,341</u>
ACCUMULATED SURPLUS, end of year	<u>\$ 733,095</u>	<u>\$ 748,278</u>

GRAND VALLEY - BUSINESS IMPROVEMENT AREA
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2021

	2021	2020
FINANCIAL ASSETS		
Cash	\$ 11,342	\$ 28,134
Accounts receivable	0	200
Investments	<u>20,000</u>	<u>0</u>
	<u>31,342</u>	<u>28,334</u>
Accounts payable	<u>458</u>	<u>0</u>
NET FINANCIAL ASSETS	<u>30,884</u>	<u>28,334</u>
NON-FINANCIAL ASSETS		
Tangible capital assets	<u>12,758</u>	<u>12,956</u>
ACCUMULATED SURPLUS	<u>\$ 43,642</u>	<u>\$ 41,290</u>

GRAND VALLEY BUSINESS IMPROVEMENT AREA
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2021

	2021	2020
REVENUES		
Donations	\$ 5,305	\$ 500
Interest income	27	76
Municipal income	<u>0</u>	<u>7,400</u>
	<u>5,332</u>	<u>7,976</u>
OPERATING EXPENSES		
Special events	1,101	4,850
Accounting and audit fees	901	875
Wages	458	307
Amortization	198	388
Miscellaneous	190	999
Bank charges	<u>132</u>	<u>0</u>
	<u>2,980</u>	<u>7,419</u>
ANNUAL SURPLUS	2,352	557
ACCUMULATED SURPLUS, beginning of year	<u>41,290</u>	<u>40,733</u>
ACCUMULATED SURPLUS, end of year	<u>\$ 43,642</u>	<u>\$ 41,290</u>

INDEPENDENT AUDITOR'S REPORT

To the Members of Council, Inhabitants and Ratepayers of: The Corporation of the Town of Grand Valley

Opinion

We have audited the accompanying financial statements of the trust funds of The Corporation of the Town of Grand Valley, which comprise the statements of financial position as at December 31, 2021 and the statements of operations for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the trust funds of The Corporation of the Town of Grand Valley as at December 31, 2021 and the results of their operations for the year then ended in accordance with Canadian public sector accounting standards.

Basis of 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 report. We are independent of the trust funds of The Corporation of the Town of Grand Valley 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 trust funds of The Corporation of the Town of Grand Valley 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 trust funds of The Corporation of the Town of Grand Valley's ability to continue as a going concern, disclosing, as applicable, matters related to a going concern and using the going concern basis of accounting unless management either intends to liquidate the the trust funds of The Corporation of the Town of Grand Valley or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the the trust funds of The Corporation of the Town of Grand Valley'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 these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgement 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 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 the trust funds' 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 the trust funds' 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 the trust funds to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Handwritten signature in black ink that reads "RLB LLP". The letters are stylized and cursive.

Guelph, Ontario
June 28, 2022

Chartered Professional Accountants
Licensed Public Accountants

THE CORPORATION OF THE TOWN OF GRAND VALLEY TRUST FUND
 CEMETERY PERPETUAL CARE FUND
 STATEMENT OF FINANCIAL POSITION
 AS AT DECEMBER 31, 2021

	2021	2020
ASSETS		
Investments	\$ <u>99,716</u>	\$ <u>99,742</u>
LIABILITIES		
Trust fund balance, end of year	\$ <u>99,716</u>	\$ <u>99,742</u>

THE CORPORATION OF THE TOWN OF GRAND VALLEY TRUST FUND
 CEMETERY PERPETUAL CARE FUND
 STATEMENT OF OPERATIONS
 FOR THE YEAR ENDED DECEMBER 31, 2021

	2021	2020
BALANCE, beginning of year	\$ 99,742	\$ 93,870
Investment income (net)	<u>(26)</u>	<u>5,872</u>
BALANCE, end of year	\$ <u>99,716</u>	\$ <u>99,742</u>

THE CORPORATION OF THE TOWN OF GRAND VALLEY TRUST FUND
CEMETERY PERPETUAL MONUMENT CARE AND MAINTENANCE FUND
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2021

	2021	2020
ASSETS		
Cash	\$ 15,734	\$ 12,177
Investments	<u>12,080</u>	<u>13,341</u>
	<u>\$ 27,814</u>	<u>\$ 25,518</u>
LIABILITIES		
Trust fund balance, end of year	<u>\$ 27,814</u>	<u>\$ 25,518</u>

THE CORPORATION OF THE TOWN OF GRAND VALLEY TRUST FUND
CEMETERY PERPETUAL MONUMENT CARE AND MAINTENANCE FUND
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2021

	2021	2020
BALANCE, beginning of year	\$ 25,518	\$ 26,448
Investment income (net)	<u>2,296</u>	<u>78</u>
	27,814	26,526
TRANSFER TO CURRENT FUND	<u>0</u>	<u>(1,008)</u>
BALANCE, end of year	<u>\$ 27,814</u>	<u>\$ 25,518</u>

THE CORPORATION OF THE TOWN OF GRAND VALLEY - TRUST FUNDS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the trust funds of The Corporation of the Town of Grand Valley are the representation of management prepared in accordance Canadian generally accepted accounting principles for governments as established by the Public Sector Accounting Board of CPA Canada. Since precise determination of many assets and liabilities is dependent upon future events, the preparation of periodic financial statements necessarily involves the use of estimates and approximations. These have been made using careful judgments.

(a) BASIS OF ACCOUNTING

- (i) Sources of income and expenditures are reported on the accrual basis of accounting.
- (ii) The accrual basis of accounting recognizes revenues as they become available and measurable. Expenditures are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.