

**CORPORATION OF THE COUNTY OF PETERBOROUGH**

**CONSOLIDATED FINANCIAL STATEMENTS**

**DECEMBER 31, 2022**

**CORPORATION OF THE COUNTY OF  
PETERBOROUGH**

**CONSOLIDATED FINANCIAL STATEMENTS**

**DECEMBER 31, 2022**

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## CORPORATION OF THE COUNTY OF PETERBOROUGH

For The Year Ended December 31, 2022

### MANAGEMENT REPORT

The accompanying consolidated financial statements of the Corporation of the County of Peterborough are the responsibility of management and have been approved by Council.

The consolidated financial statements have been prepared by management in accordance with Canadian Public Sector Accounting Standards. Financial statements are not precise since they include certain amounts based on estimates and judgements. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the financial statements are presented fairly, in all material respects.

The County maintains systems of internal accounting and administrative controls of high quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the County's assets are appropriately accounted for and adequately safeguarded.

The County's Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving financial statements.

Council reviews and approves the County's financial statements for issuance to the members of Council, inhabitants and ratepayers of the Corporation of the County of Peterborough. Council meets periodically with management, as well as the external auditor, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities and to review the financial statements and the independent auditor's report.

The consolidated financial statements have been audited by Baker Tilly KDN LLP in accordance with Canadian generally accepted auditing standards on behalf of the County. Baker Tilly KDN LLP has full and free access to Council.



Warden

Treasurer

June 28, 2023

## **INDEPENDENT AUDITOR'S REPORT**

### **To the Members of Council, Inhabitants and Ratepayers of the Corporation of the County of Peterborough**

#### *Opinion*

We have audited the consolidated financial statements of the Corporation of the County of Peterborough (the County), which comprise the consolidated statement of financial position as at December 31, 2022, the consolidated statements of operations and accumulated surplus, change in net financial assets and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the County as at December 31, 2022, and the results of its consolidated operations and its consolidated cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

#### *Basis for Opinion*

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the County in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County'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 County'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 County to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the consolidated financial information of the entities or business activities within the County to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

*Baker Tilly KDN LLP*

Chartered Professional Accountants  
Licensed Public Accountants

Peterborough, Ontario  
July 7, 2023

# CORPORATION OF THE COUNTY OF PETERBOROUGH

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At December 31, 2022

	2022	2021
	\$	\$
<b>FINANCIAL ASSETS</b>		
Cash	46,798,581	48,315,658
Investments (note 2)	14,652,497	11,499,529
Accounts receivable	7,228,026	5,642,721
<b>TOTAL FINANCIAL ASSETS</b>	<b>68,679,104</b>	<b>65,457,908</b>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	12,987,683	9,872,764
Deferred revenue - obligatory reserve funds (note 3)	8,059,031	8,778,937
Deferred revenue - other	2,299,029	1,575,294
Long term debt (note 4)	2,045,783	2,395,617
Landfill closure and post-closure liability (note 5)	6,183,753	5,885,939
Employee future benefits payable (note 7)	923,655	840,169
<b>TOTAL LIABILITIES</b>	<b>32,498,934</b>	<b>29,348,720</b>
<b>NET FINANCIAL ASSETS</b>	<b>36,180,170</b>	<b>36,109,188</b>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (note 8)	150,467,241	138,776,954
Prepaid expenses	785,719	1,374,204
<b>TOTAL NON-FINANCIAL ASSETS</b>	<b>151,252,960</b>	<b>140,151,158</b>
<b>ACCUMULATED SURPLUS (note 10)</b>	<b>187,433,130</b>	<b>176,260,346</b>

The accompanying notes are an integral part of these financial statements

# CORPORATION OF THE COUNTY OF PETERBOROUGH

## CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS

For the Year Ended December 31, 2022

	Budget 2022 \$ (Unaudited)	Actual 2022 \$	Actual 2021 \$
<b>REVENUES</b>			
Property taxation	50,504,591	50,750,122	48,693,076
User charges	3,942,105	3,871,852	4,345,083
Government of Canada	1,025,785	1,954,515	401,010
Province of Ontario	18,363,599	17,616,501	14,651,660
Other municipalities	6,253,464	7,635,810	6,983,109
Provincial Offenses Act - fines	208,180	242,515	137,237
Investment income	325,000	1,046,911	408,675
Donations	7,700	16,141	110,305
Developer contributions earned	1,918,263	461,005	1,316,646
Canada Community-Building Fund earned	4,523,916	3,504,861	1,769,166
Provincial gas tax earned	41,648	41,648	45,161
<b>TOTAL REVENUES</b>	<b>87,114,251</b>	<b>87,141,881</b>	<b>78,861,128</b>
<b>EXPENSES</b>			
General government	8,542,417	7,612,811	7,083,084
Protection services	172,993	147,079	142,010
Transportation services	23,186,017	25,797,711	20,011,486
Environmental services	7,447,399	7,316,287	7,150,543
Health services	23,005,315	23,057,691	20,770,115
Social and family services	2,409,314	2,320,147	2,159,933
Social housing	6,170,498	6,137,350	5,643,380
Recreation and cultural services	1,204,846	1,120,597	1,093,726
Planning and development	2,807,234	2,459,424	2,341,155
<b>TOTAL EXPENSES</b>	<b>74,946,033</b>	<b>75,969,097</b>	<b>66,395,432</b>
<b>ANNUAL SURPLUS</b>	<b><u>12,168,218</u></b>	<b>11,172,784</b>	<b>12,465,696</b>
<b>ACCUMULATED SURPLUS - beginning of year</b>		<b>176,260,346</b>	<b>163,794,650</b>
<b>ACCUMULATED SURPLUS - end of year</b>		<b>187,433,130</b>	<b>176,260,346</b>

The accompanying notes are an integral part of these financial statements

# CORPORATION OF THE COUNTY OF PETERBOROUGH

## CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS

For the Year Ended December 31, 2022

	Budget 2022 \$ (Unaudited)	Actual 2022 \$	Actual 2021 \$
<b>ANNUAL SURPLUS</b>	12,168,218	11,172,784	12,465,696
Amortization of tangible capital assets	7,884,713	8,501,463	7,884,713
Purchase of tangible capital assets	(25,410,155)	(20,435,281)	(14,310,736)
Loss/(gain) on disposal of tangible capital assets	-	221,778	(154,700)
Proceeds on sale of tangible capital assets	-	21,753	257,147
Change in prepaid expenses	-	588,485	(259,687)
<b>INCREASE/(DECREASE) IN NET FINANCIAL ASSETS</b>	(5,357,224)	70,982	5,882,433
<b>NET FINANCIAL ASSETS - beginning of year</b>	36,109,188	36,109,188	30,226,755
<b>NET FINANCIAL ASSETS - end of year</b>	30,751,964	36,180,170	36,109,188

The accompanying notes are an integral part of these financial statements



# CORPORATION OF THE COUNTY OF PETERBOROUGH

## CONSOLIDATED STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2022

	2022	2021
	\$	\$
<b>CASH PROVIDED BY (USED IN)</b>		
<b>OPERATING ACTIVITIES</b>		
Annual surplus	11,172,784	12,465,696
Items not involving cash		
Amortization of tangible capital assets	8,501,463	7,884,713
Loss/(gain) on disposal of tangible capital assets	221,778	(154,700)
Change in landfill closure and post-closure liability	297,814	205,450
Change in employee future benefits payable	83,486	83,269
Change in non-cash assets and liabilities		
Accounts receivable	(1,585,305)	(1,625,824)
Prepaid expenses	588,485	(259,687)
Accounts payable and accrued liabilities	3,114,919	(2,146,086)
Deferred revenue - obligatory reserve funds	(719,906)	3,225,348
Deferred revenue - other	723,735	(18,683)
<b>Net change in cash from operating activities</b>	<b>22,399,253</b>	<b>19,659,496</b>
<b>CAPITAL ACTIVITIES</b>		
Purchase of tangible capital assets	(20,435,281)	(14,310,736)
Proceeds on disposal of tangible capital assets	21,753	257,147
<b>Net change in cash from capital activities</b>	<b>(20,413,528)</b>	<b>(14,053,589)</b>
<b>INVESTING ACTIVITIES</b>		
Purchase of investments	(4,815,154)	(1,841,211)
Change in long-term debt assumed by Fairhaven	-	162,855
Proceeds on disposal of investments	1,662,186	1,717,269
<b>Net change in cash from investing activities</b>	<b>(3,152,968)</b>	<b>38,913</b>
<b>FINANCING ACTIVITIES</b>		
Debt principal repayments	(349,834)	(495,183)
<b>NET CHANGE IN CASH</b>	<b>(1,517,077)</b>	<b>5,149,637</b>
<b>CASH - beginning of year</b>	<b>48,315,658</b>	<b>43,166,021</b>
<b>CASH - end of year</b>	<b>46,798,581</b>	<b>48,315,658</b>

The accompanying notes are an integral part of these financial statements

# CORPORATION OF THE COUNTY OF PETERBOROUGH

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2022

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The County of Peterborough is an upper tier municipality in the Province of Ontario, Canada. It conducts its operations guided by the provisions of provincial statutes such as the Municipal Act, Municipal Affairs Act and related legislation.

### 1. SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements have been prepared in accordance with the standards in the Chartered Professional Accountants Canada Public Sector Accounting (PSA) Handbook. Significant aspects of the accounting policies are as follows:

(a) Reporting entity

These consolidated financial statements reflect the assets, liabilities, revenues and expenses and accumulated surplus of the reporting entity.

The reporting entity is comprised of all organizations, committees and local boards accountable for the administration of their financial affairs and resources to the County and which are owned and controlled by the County. These consolidated financial statements include:

- Peterborough County-City Waste Management Facility - 50% (2020 - 50%)

All interfund assets and liabilities and revenues and expenses are eliminated.

(b) Trust funds

Trust funds and their related operations administered by the County are not included in these consolidated financial statements but are reported on separately on the Trust Funds Statement of Continuity and Statement of Financial Position.

(c) Tangible capital assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. Initial costs for tangible capital assets that were acquired or developed prior to 2009 were obtained using historical cost information or using current fair market values discounted by a relevant inflation factor to the point of acquisition. The cost, less residual value, if any, of tangible capital assets is amortized on a straight-line basis, over the expected useful life of the asset, as follows:

Land improvements	20 years
Buildings	50 years
Machinery and equipment	5-15 years
Roads and bridges	6-50 years

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

Tangible capital assets categorized as assets under construction are not amortized until they are put into service.

Works of art and historical treasures are not included in tangible capital assets.

# CORPORATION OF THE COUNTY OF PETERBOROUGH

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2022

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### 1. SIGNIFICANT ACCOUNTING POLICIES, continued

#### (d) Recognition of revenues and expenses

Revenues and expenses are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues in the period in which the transactions or events occurred that give rise to the revenue; expenses are recognized in the period the goods or services are acquired and a legal liability is incurred or transfers are due.

##### Property taxation

The County establishes the tax rates annually based on the amount required to be raised. These tax rates are used to levy amounts to the lower tier municipalities based on their annual assessment. Adjustments to the lower tier levy amounts for additions to and reductions in assessment are reported in the financial statements when amounts can be reasonably determined.

##### Government funding

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

##### Other revenue

User charges are recognized as revenue in the year the goods and services are provided.

Investment income is recorded when earned.

Canada Community-Building Fund, Provincial gas tax and development charges are recognized in the period in which the related expenditures are recorded.

Fines levied under the Provincial Offenses Act 1997 are recognized when the funds are received.

Donations are recorded as received, or as receivable if the amount can be reasonably estimated and if collection is reasonably assured.

#### (e) Non-financial assets

Tangible capital and other non-financial assets are accounted for as assets by the County because they can be used to provide services in future periods. These assets do not normally provide resources to discharge the liabilities of the County unless they are sold.

#### (f) Reserves

Certain amounts, as approved by Council, are set aside in reserves for future operating and capital purposes. Transfers to and/or from reserves are an adjustment to the respective fund when approved.

# CORPORATION OF THE COUNTY OF PETERBOROUGH

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2022

### 1. SIGNIFICANT ACCOUNTING POLICIES, continued

(g) Deferred revenue

Deferred revenue represents grants, user charges and fees which have been collected but for which the related services have yet to be performed. These amounts will be recognized as revenues in the fiscal year the services are performed.

(h) Use of estimates

Certain items recognized in the consolidated financial statements are subject to measurement uncertainty. The recognized amounts of such items are based on the County's best information and judgment. By their nature, these estimates are subject to measurement uncertainty and the effect on the consolidated financial statements or changes in such estimates in future periods could be significant. The County's significant estimates include:

- The amounts recorded for landfill closure and post-closure care depend on estimates of usage, remaining life and capacity. The provision for future closure and post-closure costs also depends on estimates of such costs;
- The amounts recorded for amortization and opening costs of tangible capital assets are based on estimates of useful life, residual values and valuation rates;
- The values of employee future benefits depend on certain actuarial and economic assumptions; and
- The amount recorded as allowance for doubtful accounts receivable is based on management's estimate of future payments on receivable account balances.

### 2. INVESTMENTS

Investments are recorded at cost and consist of the following:

	2022	2021
	\$	\$
Guaranteed investment certificates, maturity dates from August 15, 2023 to October 23, 2030, interest rates ranging from 1.4% to 4.1% per annum.	13,504,906	10,415,785
Money market fund	1,064,999	1,046,348
Cash held in investment accounts	82,592	37,396
	14,652,497	11,499,529

# CORPORATION OF THE COUNTY OF PETERBOROUGH

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2022

### 3. DEFERRED REVENUE - OBLIGATORY RESERVE FUNDS

A requirement of the Chartered Professional Accountants Canada Public Sector Accounting Handbook, is that obligatory reserve funds be reported as deferred revenue. This requirement is in place as legislation and external agreements restrict how these funds may be used and under certain circumstances these funds may possibly be refunded. The balances in the obligatory reserve funds of the County are summarized below:

	2022	2021
	\$	\$
Development charges	6,930,569	5,966,426
Canada Community-Building Fund	1,089,080	2,773,461
Provincial gas tax	39,382	39,050
	8,059,031	8,778,937

The continuity of deferred revenue - obligatory reserve funds is as follows:

	2022	2021
	\$	\$
Balance - beginning of year	8,778,937	5,553,589
Add amounts received:		
Development charges	1,263,794	2,791,146
Canada Community-Building Fund	1,769,166	3,469,916
Provincial gas tax	41,648	40,846
Interest	213,000	54,413
	3,287,608	6,356,321
Less transfer to operations:		
Development charges earned	461,005	1,316,646
Canada Community-Building Fund earned	3,504,861	1,769,166
Provincial gas tax earned	41,648	45,161
	4,007,514	3,130,973
Balance - end of year	8,059,031	8,778,937

# CORPORATION OF THE COUNTY OF PETERBOROUGH

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2022

### 4. LONG TERM DEBT

- (a) The balance of long term debt reported on the Consolidated Statement of Financial Position is made up of the following:

	2022	2021
	\$	\$

Long term debt to finance 310 Armour Road - EMS base requiring bi-annual payments of principal and interest totalling \$234,958 until November 1, 2027. The debt bears interest at 5.20% per annum.	2,045,783	2,395,617
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- (b) The long term debt in (a) issued in the name of the County has been approved by by-law. The annual principal and interest payments required to service this liability is within the annual debt repayment limit prescribed by the Ministry of Municipal Affairs and Housing.

- (c) Interest paid during the year on long term debt amounted to \$120,082 (2021 - \$140,031).

- (d) The long term debt reported in (a) of this note is repayable as follows:

	Principal	Interest	Total
	\$	\$	\$
2023	368,261	101,655	469,916
2024	387,660	82,256	469,916
2025	408,080	61,836	469,916
2026	429,576	40,340	469,916
2027	452,206	17,710	469,916
	2,045,783	303,797	2,349,580
	2,045,783	303,797	2,349,580

# CORPORATION OF THE COUNTY OF PETERBOROUGH

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2022

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### 5. LANDFILL CLOSURE AND POST-CLOSURE LIABILITY

The estimated liability for landfill closure and post-closure costs for the Peterborough County-City Waste Management Facility is \$6,183,753 (2021 - \$5,885,939). The closure costs include final cover, vegetation and additional monitoring wells. Post-closure costs include monitoring, maintenance of control systems and consulting fees for 174 years after the site is closed. The County has a landfill reserve of \$3,931,519 (2021 - \$3,587,487) and the remaining landfill closure and post-closure liability will be funded from taxation. There are no specific assets designated for settling this liability.

The net present value of estimated closure and post-closure costs as at December 31, 2022 is \$13,336,620 (2021 - \$12,987,140). The estimated total expenses represent the sum of the discounted future cash flows using an inflation factor of 2.25% (2021 - 2.25%), discounted at a rate of 5% (2021 - 5%). As the ownership of the facility is shared equally between the County and the City of Peterborough, the liability recorded in these financial statements represents 50% of the estimated actual liability pro-rated on the basis of capacity used at the site. Estimated utilization of the existing site capacity of the South Fill Area at December 31 is 100% (2021 - 100%) and at the North Fill Area is 78% (2021 - 72%).

The site referred to as the North Fill Area received waste for the first time during 2010. The site referred to as the South Fill Area reached its capacity in 2012 at which time the North Fill Area began to receive the balance of the waste and will continue for the next 7 years.

Landfill closure and post-closure care requirements have been defined in accordance with industry standards and include final covering and landscaping of landfill, pumping of ground water and leachates from the site, ongoing environmental monitoring, site inspection and maintenance. The reported liability is based on estimates and assumptions with respect to events extending over a period of 174 years. Future events may result in significant changes to the estimated total expenses, capacity used or total capacity. The estimated change in liability would be recognized prospectively, when applicable.

### 6. PENSION AGREEMENTS

Certain employees of the County are eligible members of the Ontario Municipal Employees Retirement System (OMERS), a multi-employer pension plan.

The Actuarial Opinion contained in the 2022 Annual Report disclosed total actuarial liabilities of \$130,306 million in respect of benefits accrued for service with actuarial assets of \$123,628 million indicating an actuarial deficit of \$6,678 million. Because OMERS is a multi-employer plan, any pension plan surpluses or deficits are a joint responsibility of Ontario municipal organizations and their employees. As a result, the County does not recognize any share of the OMERS pension surplus or deficit.

The County's required contributions to OMERS in 2022 were \$1,289,547 (2021 - \$1,141,758).

# CORPORATION OF THE COUNTY OF PETERBOROUGH

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2022

### 7. EMPLOYEE FUTURE BENEFITS PAYABLE

The County provides certain employee benefits which will require payments in future periods. The County provides defined benefit plans to pay costs of certain health and other insurance benefits for eligible employees after they retire. The plans are partially funded by a reserve of \$725,801 (2021 - \$725,801). There are no specific assets designated for settling this liability.

	2022	2021
	\$	\$
Accrued benefit obligation	1,113,906	1,057,725
Unamortized actuarial gain (loss)	(190,251)	(217,556)
<b>Employee future benefits payable</b>	<b>923,655</b>	<b>840,169</b>

The actuarial valuation as at December 31, 2020 was based on a number of assumptions about future events, such as inflation rates, interest rates, medical inflation rates, wage and salary increases and employee turnover and mortality. Under this method, the benefit costs are recognized over the expected average service life of the employee group. Any actuarial gains and losses related to the past service of employees are amortized over the expected average remaining service life of the employee group, which was 16 years. The assumptions used reflect management's best estimate. The main actuarial assumptions employed for the valuation are as follows:

Future health care premiums - first year 2021	5.75%
- decrease over 5 years to	3.75%
Future dental premiums rates	3.75%
Interest rate	3.25%

The post-employment benefit is reported as an expense on the Consolidated Statement of Operations and Accumulated Surplus. Composition of the liability is as follows:

	2022	2021
	\$	\$
Employee future benefits payable at January 1	840,169	756,900
Current year benefit cost	61,175	58,041
Interest on post-employment benefit liability	34,725	32,930
Amortized actuarial loss (gain)	27,305	27,305
Less: benefit payments	(39,719)	(35,007)
<b>Liability at December 31</b>	<b>923,655</b>	<b>840,169</b>



# CORPORATION OF THE COUNTY OF PETERBOROUGH

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2022

### 8. TANGIBLE CAPITAL ASSETS

The net book value of the County's tangible capital assets are:

	2022	2021
	\$	\$
General		
Land	4,316,099	4,396,027
Land improvements	2,813,316	2,890,416
Buildings	8,220,621	8,288,120
Machinery and equipment	6,435,844	6,874,724
Infrastructure		
Roads and bridges	119,954,813	103,192,274
	141,740,693	125,641,561
Assets under construction	8,726,548	13,135,393
	150,467,241	138,776,954

For additional information, see the Consolidated Schedule of Tangible Capital Assets.

During the year there were no write-downs of assets (2021 - \$187,178) and no interest capitalized (2021 - \$Nil).

	2022	2021
	\$	\$
General government	1,293,369	1,381,848
Protection services	19,714	26,929
Transportation services	129,723,145	120,401,020
Environmental services	8,833,195	6,508,200
Health services	6,534,550	6,349,628
Recreation and cultural services	3,941,590	3,992,200
Planning and development	121,678	117,129
	150,467,241	138,776,954

# CORPORATION OF THE COUNTY OF PETERBOROUGH

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2022

### 9. PARTNERSHIP WITH THE CITY OF PETERBOROUGH

Certain services are provided by joint local boards in partnership with the City of Peterborough. Under the agreements created at the time each board was established, decisions related to the financial and operating activities are shared, neither partner is in a position to exercise unilateral control. The operations of the Peterborough County-City Waste Management Facility ("the Facility") are included in the financial statements based on the share of net operating expenditures contributed by the County during the fiscal period being reported.

The following provides a brief description of the nature and purpose of the consolidated entity and its condensed financial information.

#### **Peterborough County-City Waste Management Facility**

On July 1, 2002, the City and County of Peterborough entered into an agreement to jointly develop and operate a waste disposal facility. The Facility receives non-hazardous waste from the County and City in accordance with the applicable regulations and the Certificate of Approval issued by the Ministry of the Environment and Energy to develop, operate and close the Facility. All revenues and costs related to the development, management, closure, post-closure care and monitoring of the Facility are shared equally by both municipalities.

Included in accounts payable and accrued liabilities on the Consolidated Statement of Financial Position is an amount payable to the City of Peterborough of \$2,658,296 (2021 - \$446,152 receivable).

	2022		2021	
	Total	County	Total	County
	\$	Portion	\$	Portion
		\$		\$
<b>Operations</b>				
Revenues	3,720,913	1,860,450	4,819,415	2,409,708
Expenditures	4,150,608	2,075,386	4,047,395	2,023,698
Net (loss) from operations	(429,695)	(214,936)	772,020	386,010

During 2022, the Peterborough County-City Waste Management Facility incurred capital expenditures of \$5,164,420 (2021 - \$1,655,108). The County's portion of the capital expenditures was \$2,582,210 (2021 - \$827,554).

# CORPORATION OF THE COUNTY OF PETERBOROUGH

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2022

### 10. ACCUMULATED SURPLUS

Accumulated surplus consists of the following:

	2022	2021
	\$	\$
<b>Surplus/(Deficit)</b>		
County operations	335,332	3,917,183
Unfunded landfill closure and post-closure liability	(6,183,753)	(5,885,939)
Unfunded employee future benefits payable	(923,655)	(840,169)
	<u>(6,772,076)</u>	<u>(2,808,925)</u>
<b>Invested In Capital Assets</b>		
Tangible capital assets - net book value	150,467,241	138,776,954
Long term debt related to capital assets	(2,045,783)	(2,395,617)
	<u>148,421,458</u>	<u>136,381,337</u>
<b>Surplus</b>	<u>141,649,382</u>	<u>133,572,412</u>
<b>Reserves</b>		
Working funds	13,245,281	10,202,259
L.S.R. costs	2,300,135	2,009,524
Waste management	3,609,335	5,514,045
Recycling	1,611,935	1,568,171
Acquisition of capital assets	18,322,562	17,241,276
Recreation programs and facilities	219,821	216,012
Landfill site post-closure costs	3,931,519	3,587,487
Employee future benefits	725,801	725,801
Other	1,817,359	1,623,359
<b>Total Reserves</b>	<u>45,783,748</u>	<u>42,687,934</u>
	<u>187,433,130</u>	<u>176,260,346</u>

# CORPORATION OF THE COUNTY OF PETERBOROUGH

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2022

### 11. CONTRIBUTIONS TO UNCONSOLIDATED JOINT BOARDS

The Consolidated Statement of Operations and Accumulated Surplus includes contributions made by the County to the following local boards:

	2022	2021
	\$	\$
Peterborough Public Health	928,080	928,080
Fairhaven	583,211	741,142
Peterborough & the Kawarthas Economic Development	756,332	745,746
	<b>2,267,623</b>	<b>2,414,968</b>

### 12. EXPENSES BY OBJECT

The expenses for the year reported on the Consolidated Statement of Operations and Accumulated Surplus by object are as follows:

	Budget 2022 \$ (Unaudited)	Actual 2022 \$	Actual 2021 \$
Salaries and benefits	27,576,669	27,509,672	25,407,850
Interest charges	120,083	120,082	140,031
Materials	21,864,893	22,077,393	16,570,937
Contracted services	6,463,713	6,794,806	6,502,014
Rents and financial	285,025	294,922	288,273
External transfers	10,750,937	10,448,981	9,756,314
Amortization	7,884,713	8,501,463	7,884,713
Loss (gain) on disposal of tangible capital assets	-	221,778	(154,700)
	<b>74,946,033</b>	<b>75,969,097</b>	<b>66,395,432</b>

### 13. TRUST FUNDS

Trust funds administered by the County amounting to \$26,334 (2021 - \$25,983) have not been included in the Consolidated Statement of Financial Position nor have their operations been included in the Consolidated Statement of Operations and Accumulated Surplus. As such balances are held in trust by the County for the benefit of others, they are not presented as part of the County's financial position or operations.

### 14. BUDGET FIGURES

The budget, approved by the County, for 2022 is reflected on the Consolidated Statement of Operations and Accumulated Surplus and the Consolidated Statement of Change in Net Financial Assets. The budget established for capital investment in tangible capital assets are on a project-oriented basis, the costs of which may be carried out over one or more years and, therefore, may not be comparable with current year's actual amounts. Budget figures have been reclassified for the purposes of these financial statements to comply with PSA reporting requirements. Budget figures are not subject to audit.

# CORPORATION OF THE COUNTY OF PETERBOROUGH

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2022

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### 15. CONTINGENT LIABILITIES

The County, in the course of its operations, is often named in lawsuits the outcomes of which are indeterminable at this time. No amounts in connection with these items have been reflected in these financial statements.

### 16. SEGMENTED INFORMATION

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

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

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in Note 1. For additional information see the Consolidated Schedule of Segment Disclosure.

#### **General Government**

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

#### **Protection Services**

Protection services include emergency measures and the County's share of provincial offences operations provided by the City of Peterborough.

#### **Transportation Services**

The activities of the transportation function include construction and maintenance of the County's roads and bridges, winter control, and transit.

#### **Environmental Services**

The environmental function is responsible for the County's share of waste disposal operations provided by the City of Peterborough and recycling services to ratepayers.

#### **Health Services**

The health services function consists of external transfers to the local Health Unit and the cost of Land Ambulance services shared with the City of Peterborough.

#### **Social and Family Services**

The social and family services consist of general assistance to inhabitants, homes for the aged and child care services for the County provided by the City of Peterborough.

# CORPORATION OF THE COUNTY OF PETERBOROUGH

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2022

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### 16. SEGMENTED INFORMATION, continued

#### **Social Housing**

The social housing services consist of affordable housing provided by the City of Peterborough to qualified inhabitants of the County.

#### **Recreation and Cultural Services**

The recreation and cultural services function consists of the County's park and Lang Pioneer Village.

#### **Planning and Development**

The planning and development services function manages commercial, industrial and residential development and broadband infrastructure within the County.

### 17. COMPARATIVE FIGURES

Certain comparative figures were restated, where required, to conform with the current year presentation.

# CORPORATION OF THE COUNTY OF PETERBOROUGH

## CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS

For the Year Ended December 31, 2022

	General				Infrastructure	Assets Under Construction	Totals
	Land	Land Improvements	Buildings	Machinery and Equipment	Roads and Bridges		
	\$	\$	\$	\$	\$	\$	\$
<b>COST</b>							
Balance, beginning of year	5,956,426	6,553,156	12,411,403	15,553,571	204,272,716	13,135,393	257,882,665
Add: additions during the year	-	97,022	159,247	1,203,528	12,173,016	6,802,468	20,435,281
Less: disposals during the year	-	-	46,957	518,980	2,366,337	-	2,932,274
Internal transfers	-	21,871	72,581	-	11,116,861	(11,211,313)	-
Balance, end of year	5,956,426	6,672,049	12,596,274	16,238,119	225,196,256	8,726,548	275,385,672
<b>ACCUMULATED AMORTIZATION</b>							
Balance, beginning of year	1,560,399	3,662,740	4,123,283	8,678,847	101,080,442	-	119,105,711
Add: additions during the year	79,928	195,993	303,522	1,620,394	6,301,626	-	8,501,463
Less: disposals during the year	-	-	51,152	496,966	2,140,625	-	2,688,743
Balance, end of year	1,640,327	3,858,733	4,375,653	9,802,275	105,241,443	-	124,918,431
<b>NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS</b>	<b>4,316,099</b>	<b>2,813,316</b>	<b>8,220,621</b>	<b>6,435,844</b>	<b>119,954,813</b>	<b>8,726,548</b>	<b>150,467,241</b>

# CORPORATION OF THE COUNTY OF PETERBOROUGH

## CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE For the Year Ended December 31, 2022

	General Government \$	Protection Services \$	Transportation Services \$	Environmental Services \$	Health Services \$	Social and Family Services \$	Social Housing \$	Recreation and Cultural Services \$	Planning and Development \$	Consolidated \$
<b>Revenues</b>										
Property taxation	6,353,257	(353,358)	23,585,810	3,766,061	5,512,000	2,654,146	6,260,498	791,404	2,180,304	50,750,122
User charges	867,755	784	45,636	2,115,347	325,119	-	-	213,681	303,530	3,871,852
Government transfers - operating	591,139	275,547	450,439	1,401,638	12,412,463	-	-	183,780	-	15,315,006
Government transfers - capital	20,354	-	4,235,656	-	-	-	-	-	-	4,256,010
Other municipalities	2,625	-	829,824	958,097	5,826,635	-	-	-	18,629	7,635,810
Provincial Offenses Act - fines	-	242,515	-	-	-	-	-	-	-	242,515
Investment income	1,046,911	-	-	-	-	-	-	-	-	1,046,911
Donations	-	-	-	-	-	-	-	16,141	-	16,141
Developer contributions earned	18,263	-	442,742	-	-	-	-	-	-	461,005
Canada Community-Building Fund earned	-	-	3,504,861	-	-	-	-	-	-	3,504,861
Provincial gas tax earned	-	-	41,648	-	-	-	-	-	-	41,648
<b>Total revenues</b>	<b>8,900,304</b>	<b>165,488</b>	<b>33,136,616</b>	<b>8,241,143</b>	<b>24,076,217</b>	<b>2,654,146</b>	<b>6,260,498</b>	<b>1,205,006</b>	<b>2,502,463</b>	<b>87,141,881</b>
<b>Expenses</b>										
Salaries and benefits	4,106,068	50,745	4,913,488	486,168	16,202,860	-	-	614,876	1,135,467	27,509,672
Interest charges	-	-	21,014	-	99,068	-	-	-	-	120,082
Materials	2,064,087	54,311	13,406,864	2,296,698	3,657,805	-	-	393,444	204,184	22,077,393
Contracted services	1,584,680	24,808	11,572	4,276,207	749,667	-	-	5,151	142,721	6,794,806
Rents and financial	143,312	-	2	-	151,226	-	-	85	297	294,922
External transfers	-	10,000	100,072	-	928,080	2,320,147	6,137,350	-	953,332	10,448,981
Amortization	95,663	7,215	7,115,774	257,214	917,883	-	-	107,041	673	8,501,463
Loss (gain) on disposal of tangible capital assets	-	-	221,517	-	(21,753)	-	-	22,014	-	221,778
Internal transfers	(380,999)	-	7,408	-	372,855	-	-	(22,014)	22,750	-
<b>Total expenses</b>	<b>7,612,811</b>	<b>147,079</b>	<b>25,797,711</b>	<b>7,316,287</b>	<b>23,057,691</b>	<b>2,320,147</b>	<b>6,137,350</b>	<b>1,120,597</b>	<b>2,459,424</b>	<b>75,969,097</b>
<b>Net surplus</b>	<b>1,287,493</b>	<b>18,409</b>	<b>7,338,905</b>	<b>924,856</b>	<b>1,018,526</b>	<b>333,999</b>	<b>123,148</b>	<b>84,409</b>	<b>43,039</b>	<b>11,172,784</b>



# CORPORATION OF THE COUNTY OF PETERBOROUGH

## CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE

For the Year Ended December 31, 2021

	General Government \$	Protection Services \$	Transportation Services \$	Environmental Services \$	Health Services \$	Social and Family Services \$	Social Housing \$	Recreation and Cultural Services \$	Planning and Development \$	Consolidated \$
<b>Revenues</b>										
Property taxation	5,659,291	(363,298)	22,113,793	4,245,760	5,271,341	2,779,798	6,143,495	917,677	1,925,219	48,693,076
User charges	1,017,329	1,293	103,463	2,661,863	220,443	-	-	78,445	262,247	4,345,083
Government transfers - operating	633,618	380,827	179,267	975,745	11,612,179	-	-	103,533	-	13,885,169
Government transfers - capital	84,013	-	1,083,488	-	-	-	-	-	-	1,167,501
Other municipalities	-	-	689,656	1,109,196	5,152,341	-	-	-	31,916	6,983,109
Provincial Offenses Act - fines	-	137,237	-	-	-	-	-	-	-	137,237
Investment income	408,675	-	-	-	-	-	-	-	-	408,675
Donations	-	-	-	-	-	-	-	110,305	-	110,305
Developer contributions earned	26,737	-	1,274,909	-	-	-	-	-	15,000	1,316,646
Canada Community-Building Fund earned	-	-	1,769,166	-	-	-	-	-	-	1,769,166
Provincial gas tax earned	-	-	45,161	-	-	-	-	-	-	45,161
<b>Total revenues</b>	<b>7,829,663</b>	<b>156,059</b>	<b>27,258,903</b>	<b>8,992,564</b>	<b>22,256,304</b>	<b>2,779,798</b>	<b>6,143,495</b>	<b>1,209,960</b>	<b>2,234,382</b>	<b>78,861,128</b>
<b>Expenses</b>										
Salaries and benefits	3,783,501	48,564	4,141,945	441,782	15,103,202	-	-	704,223	1,184,633	25,407,850
Interest charges	-	-	24,078	-	113,510	2,443	-	-	-	140,031
Materials	1,849,471	49,949	9,081,508	2,372,519	2,772,897	-	-	277,113	167,480	16,570,937
Contracted services	1,617,854	24,808	9,986	4,077,231	698,320	-	-	2,749	71,066	6,502,014
Rents and financial	138,514	-	192	58	149,482	-	-	27	-	288,273
External transfers	-	10,000	116,638	-	928,080	2,157,490	5,643,380	-	900,726	9,756,314
Amortization	98,224	8,689	6,560,354	258,953	848,879	-	-	109,614	-	7,884,713
Loss (gain) on disposal of tangible capital assets	-	-	15,900	-	(170,600)	-	-	-	-	(154,700)
Internal transfers	(404,480)	-	60,885	-	326,345	-	-	-	17,250	-
<b>Total expenses</b>	<b>7,083,084</b>	<b>142,010</b>	<b>20,011,486</b>	<b>7,150,543</b>	<b>20,770,115</b>	<b>2,159,933</b>	<b>5,643,380</b>	<b>1,093,726</b>	<b>2,341,155</b>	<b>66,395,432</b>
<b>Net surplus/(deficit)</b>	<b>746,579</b>	<b>14,049</b>	<b>7,247,417</b>	<b>1,842,021</b>	<b>1,486,189</b>	<b>619,865</b>	<b>500,115</b>	<b>116,234</b>	<b>(106,773)</b>	<b>12,465,696</b>

## **INDEPENDENT AUDITOR'S REPORT**

### **To the Members of Council, Inhabitants and Ratepayers of the Corporation of the County of Peterborough**

#### *Opinion*

We have audited the financial statements of the Trust Fund of the Corporation of the County of Peterborough (the Trust Fund), which comprise the statement of financial position as at December 31, 2022, the statement of continuity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Trust Fund as at December 31, 2022, and the continuity of the Trust Fund 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 report. We are independent of the Trust Fund 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 Trust Fund'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 Trust Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Trust Fund'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 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 Trust Fund'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 Trust Fund'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 Trust Fund 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.

*Baker Tilly KDN LLP*

Chartered Professional Accountants  
Licensed Public Accountants

Peterborough, Ontario  
July 7, 2023

# CORPORATION OF THE COUNTY OF PETERBOROUGH

## TRUST FUND STATEMENT OF FINANCIAL POSITION At December 31, 2022

	2022	2021
	\$	\$
<b>FINANCIAL ASSETS</b>		
Cash	12,634	12,373
Due from County of Peterborough	16,036	15,648
	<u>28,670</u>	<u>28,021</u>
<b>LIABILITIES AND FUND BALANCE</b>		
<b>LIABILITIES</b>		
Due to recipients	2,336	2,038
<b>TRUST FUND BALANCES</b>	<u>26,334</u>	<u>25,983</u>
	<u>28,670</u>	<u>28,021</u>

## TRUST FUND STATEMENT OF CONTINUITY For the Year Ended December 31, 2022

	2022	2021
	\$	\$
<b>BALANCE - beginning of year</b>	25,983	84,515
<b>RECEIPTS</b>		
Interest earned	649	260
Contribution from County of Peterborough	-	1,954
	<u>649</u>	<u>2,214</u>
<b>EXPENSES</b>		
Beneficiary distribution	298	115
Trustee and other fees	-	1,191
Transfers to registered charities	-	59,440
	<u>298</u>	<u>60,746</u>
<b>BALANCE - end of year</b>	<u>26,334</u>	<u>25,983</u>

The accompanying notes are an integral part of these financial statements

# CORPORATION OF THE COUNTY OF PETERBOROUGH

## TRUST FUND NOTES TO THE FINANCIAL STATEMENTS For the Year Ended December 31, 2022

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### 1. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with the standards in the Chartered Professional Accountants Canada Public Sector Accounting (PSA) Handbook.

(a) Basis of accounting

Revenue and expenses are reported on the accrual basis of accounting which recognizes revenues as they become available and measurable; expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

(b) Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the period and are based on the County's best information and judgment. Actual results could differ from these estimates.