

**CORPORATION OF THE COUNTY OF ELGIN**

**Consolidated Financial Statements**

**December 31, 2021**

**CORPORATION OF THE COUNTY OF ELGIN**  
**Consolidated Financial Statements**  
**For the Year Ended December 31, 2021**

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## MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying consolidated financial statements are the responsibility of the management of **Corporation of the County of Elgin** and have been prepared in accordance with Canadian accounting standards for public sector entities.

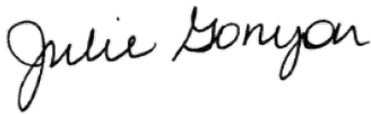
These consolidated financial statements include:

- Independent Auditors' Report
- Consolidated Statement of Financial Position
- Consolidated Statement of Operations and Accumulated Surplus
- Consolidated Statement of Change in Net Financial Assets
- Consolidated Statement of Cash Flows
- Notes to the Consolidated Financial Statements
- Consolidated Schedule of Segment Disclosure

The Chief Administrative Officer and the Director of Financial Services are responsible for ensuring that management fulfills its responsibility for financial reporting and is ultimately responsible for reviewing the consolidated financial statements before they are submitted to Council for approval.

The integrity and reliability of **Corporation of the County of Elgin** reporting systems are achieved through the use of formal policies and procedures, the careful selection of employees and an appropriate division of responsibilities. These systems are designed to provide reasonable assurance that the financial information is reliable and accurate.

The consolidated financial statements have been audited on behalf of the Members of Council, Inhabitants and Ratepayers of **Corporation of the County of Elgin** by Graham Scott Enns LLP in accordance with Canadian generally accepted auditing standards.



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Julie Gonyou,  
Chief Administrative Officer



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Jennifer Ford  
Director of Financial Services

St. Thomas, Ontario  
September 14, 2022



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## **INDEPENDENT AUDITORS' REPORT**

To the Members of Council, Inhabitants and Ratepayers of The **Corporation of the County of Elgin**:

### **Opinion**

We have audited the consolidated financial statements of The **Corporation of the County of Elgin**, which comprise the consolidated statement of financial position as at December 31, 2021, and the consolidated statement of operations and accumulated surplus, consolidated statement of changes in net financial assets and consolidated statement of 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 County's consolidated financial statements present fairly, in all material respects, the financial position of the County as at December 31, 2021, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for public sector entities.

### **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 *Auditors' Responsibilities for the Audit of the 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 accounting standards for public sector entities, 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.

### **Auditors' 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.



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### **INDEPENDENT AUDITORS' REPORT (CONTINUED)**

#### **Auditors' Responsibilities for the Audit of the Consolidated Financial Statements (Continued)**

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.

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.

St. Thomas, Ontario

September 14, 2022

*Graham Scott Enns LLP*

**CHARTERED PROFESSIONAL ACCOUNTANTS**

**Licensed Public Accountants**

# CORPORATION OF THE COUNTY OF ELGIN

## Consolidated Statement of Financial Position As at December 31, 2021

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	2021	2020
	<u>\$</u>	<u>\$</u>
<b>FINANCIAL ASSETS</b>		
Cash	11,577,368	5,733,171
Investments (Note 2)	29,966,700	30,799,089
Accounts receivable	5,024,970	4,184,808
Loans receivable (Note 3)	<u>100,000</u>	<u>120,000</u>
<b>Total financial assets</b>	<u>46,669,038</u>	<u>40,837,068</u>
<b>FINANCIAL LIABILITIES</b>		
Accounts payable and accrued liabilities	13,181,629	8,770,395
Employee post-retirement benefit liabilities (Note 4)	1,766,656	1,581,772
Long-term debt (Note 5)	<u>13,016,274</u>	<u>7,907,000</u>
<b>Total financial liabilities</b>	<u>27,964,559</u>	<u>18,259,167</u>
<b>NET FINANCIAL ASSETS</b>	<u>18,704,479</u>	<u>22,577,901</u>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Note 6)	228,752,398	209,610,068
Prepaid expenses	<u>211,590</u>	<u>103,126</u>
<b>Total non-financial assets</b>	<u>228,963,988</u>	<u>209,713,194</u>
<b>ACCUMULATED SURPLUS (NOTE 9)</b>	<u>247,668,467</u>	<u>232,291,095</u>

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

## CORPORATION OF THE COUNTY OF ELGIN

### Consolidated Statement of Operations and Accumulated Surplus For the Year Ended December 31, 2021

	Budget (Note 12) \$	Actual 2021 \$	Actual 2020 \$
<b>REVENUES</b>			
Requisition of local municipalities	41,153,039	<b>41,749,980</b>	39,737,672
Transfer payments			
Federal	4,618,753	<b>3,923,012</b>	2,521,692
Provincial	31,521,426	<b>33,662,044</b>	29,140,165
Municipal	4,495,444	<b>4,564,793</b>	3,903,300
User charges	6,931,279	<b>6,483,220</b>	6,499,456
Investment income	59,000	<b>280,363</b>	480,420
Other contributions	3,604,996	<b>2,819,868</b>	3,051,917
Gain on disposal of capital assets	-	-	2,544
	<u>92,383,937</u>	<u><b>93,483,280</b></u>	<u>85,337,166</u>
Total revenues			
<b>EXPENSES</b>			
General government	9,255,767	<b>8,452,491</b>	7,120,291
Property assessment and support	796,930	<b>796,930</b>	796,144
Emergency measures	170,918	<b>179,106</b>	253,218
Provincial offences	1,941,960	<b>1,039,926</b>	933,685
Transportation services	13,530,719	<b>13,488,843</b>	12,920,463
Public health services	6,907,843	<b>8,251,085</b>	6,303,723
Ambulance services	11,667,143	<b>11,544,655</b>	11,249,196
Social and family services	732,264	<b>473,862</b>	439,064
Assistance to aged persons	28,221,979	<b>27,782,254</b>	27,045,181
Social housing	1,541,646	<b>1,329,263</b>	1,287,089
Libraries (Note 11)	3,091,617	<b>2,927,462</b>	2,677,233
Cultural services	753,354	<b>665,613</b>	643,920
Planning and development	469,567	<b>381,794</b>	243,648
Economic development	1,131,550	<b>743,330</b>	775,403
Agriculture and reforestation	53,442	<b>49,294</b>	60,057
	<u>80,266,699</u>	<u><b>78,105,908</b></u>	<u>72,748,315</u>
Total expenses (Note 13[a])			
<b>ANNUAL SURPLUS</b>	12,117,238	<b>15,377,372</b>	12,588,851
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR</b>	<u>232,291,095</u>	<u><b>232,291,095</b></u>	<u>219,702,244</u>
<b>ACCUMULATED SURPLUS, END OF YEAR (NOTE 9)</b>	<u><u>244,408,333</u></u>	<u><u><b>247,668,467</b></u></u>	<u><u>232,291,095</u></u>

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

**CORPORATION OF THE COUNTY OF ELGIN**

**Consolidated Statement of Change in Net Financial Assets  
For the Year Ended December 31, 2021**

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	Budget (Note 12) \$	Actual 2021 \$	Actual 2020 \$
<b>ANNUAL SURPLUS</b>	12,117,238	<b>15,377,372</b>	12,588,851
Acquisition of tangible capital assets	(30,602,771)	<b>(30,602,771)</b>	(28,415,047)
Amortization of tangible capital assets	11,460,441	<b>11,460,441</b>	11,199,707
Proceeds on disposal of tangible capital assets	-	-	5,984
(Increase) decrease in prepaid expenses	-	<b>(108,464)</b>	301,320
Gain on sale of tangible capital assets	-	-	(2,544)
	<hr/>	<hr/>	<hr/>
<b>DECREASE IN NET FINANCIAL ASSETS</b>	(7,025,092)	<b>(3,873,422)</b>	(4,321,729)
<b>NET FINANCIAL ASSETS , BEGINNING OF YEAR</b>	<u>22,577,901</u>	<u><b>22,577,901</b></u>	<u>26,899,630</u>
<b>NET FINANCIAL ASSETS, END OF YEAR</b>	<u>15,552,809</u>	<u><b>18,704,479</b></u>	<u>22,577,901</u>

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



# CORPORATION OF THE COUNTY OF ELGIN

## Consolidated Statement of Cash Flows For the Year Ended December 31, 2021

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	2021	2020
	<u>\$</u>	<u>\$</u>
<b>OPERATING ACTIVITIES</b>		
Annual surplus	15,377,372	12,588,851
Items not involving cash:		
Amortization of tangible capital assets	11,460,441	11,199,707
Change in employee post-retirement benefit liabilities	184,884	227,946
Gain on sale of tangible capital assets	<u>-</u>	<u>(2,544)</u>
	27,022,697	24,013,960
Change in non-cash assets and liabilities related to operations (Note 13 [b])	<u>3,482,608</u>	<u>513,293</u>
	<u>30,505,305</u>	<u>24,527,253</u>
<b>INVESTING ACTIVITIES</b>		
Net decrease (increase) in investments	<u>832,389</u>	<u>(7,082,109)</u>
<b>CAPITAL ACTIVITIES</b>		
Acquisition of tangible capital assets	(30,602,771)	(28,415,047)
Proceeds on disposal of tangible capital assets	<u>-</u>	<u>5,984</u>
	<u>(30,602,771)</u>	<u>(28,409,063)</u>
<b>FINANCING ACTIVITIES</b>		
Advances of long-term debt	6,000,000	6,000,000
Repayment of long-term debt	<u>(890,726)</u>	<u>(54,500)</u>
	<u>5,109,274</u>	<u>5,945,500</u>
<b>NET CHANGE IN CASH</b>	5,844,197	(5,018,419)
<b>CASH, BEGINNING OF YEAR</b>	<u>5,733,171</u>	<u>10,751,590</u>
<b>CASH, END OF YEAR</b>	<u>11,577,368</u>	<u>5,733,171</u>

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

# CORPORATION OF THE COUNTY OF ELGIN

## Notes to the Consolidated Financial Statements For the Year Ended December 31, 2021

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**Corporation of the County of Elgin** (the "County") is an upper-tier municipality, comprised of seven local municipalities, in the Province of Ontario. It conducts its operations guided by the provisions of provincial statutes such as the Municipal Act, Municipal Affairs Act and related legislation.

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the County are prepared by management in accordance with Canadian generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Professional Accountants. Significant aspects of the accounting policies adopted by the County are as follows:

#### **Reporting Entity**

The consolidated financial statements reflect the assets, liabilities, revenues, expenses 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 or controlled by the County. All inter-fund assets, liabilities, revenues and expenses have been eliminated.

#### **Consolidated Entities**

There are no organizations or local boards that are consolidated in these financial statements.

#### **Proportionate Consolidation**

The Oxford Elgin St. Thomas Health Unit has been consolidated on a proportionate basis, based upon the percentage of grant money provided by the County in comparison to the County of Oxford and the City of St. Thomas.

#### **Trust Funds**

Trust funds administered by the County have not been included in the consolidated statement of Financial Position nor have their operations been included in the Consolidated Statement of Operations. At December 31, 2021 the County held \$23,885 (2020 - \$28,997) in trust funds.

#### **Basis of Accounting**

The consolidated financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting records revenue as it is earned and measurable. Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

# CORPORATION OF THE COUNTY OF ELGIN

## Notes to the Consolidated Financial Statements For the Year Ended December 31, 2021

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Investments

Investments, consisting of money market funds and guaranteed investment certificates, are recorded at the lower of cost plus accrued interest and fair market value. Investment income earned on available funds is reported as revenue in the period earned.

#### 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 attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets are amortized on a straight-line basis over their estimated useful lives as follows:

Land improvements	20 years
Buildings	20 -40 years
Furniture, fixtures and equipment	8 - 16 years
Computer equipment	2 -4 years
Vehicles	4 years
Roadways	5 - 80 years
Bridges	20 - 60 years
Library books	8 years

Amortization begins the first month of the year following the year the asset is placed in service and to the year of disposal. Assets under construction are not amortized until the asset is available for productive use, at which time they are capitalized

##### ii) Contributions of tangible capital assets

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

##### iii) Works of art and cultural and historic assets

Works of art and cultural and historic assets are not recorded as assets in these consolidated financial statements.

# CORPORATION OF THE COUNTY OF ELGIN

## Notes to the Consolidated Financial Statements For the Year Ended December 31, 2021

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Non-Financial Assets (continued)

##### iv) Interest capitalization

The County does not capitalize interest costs associated with the acquisition or construction of a tangible capital asset.

##### v) Leased tangible capital assets

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.

#### Deferred Revenue

The County receives funds for specific purposes which are externally restricted by legislation, regulation or agreement. These restricted funds are not available for general municipal purposes and are recognized as revenue in the fiscal year the funds are used for the specified purpose.

#### Government Transfers

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, any eligibility criteria have been met, and reasonable estimates of the amounts can be determined. Any amount received but restricted is recorded as deferred revenue in accordance with Section 3100 of the Public Sector Accounting Handbook and recognized as revenue in the period in which the resources are used for the purpose specified.

In addition, the County periodically receives senior government capital funding in the form of infrastructure grants and receives ongoing funding from both senior levels of government as a result of an allocation of the gas tax funds.

#### Employee Benefit Plans

The County provides a pension plan for its employees through the Ontario Municipal Employees Retirement System (OMERS). OMERS is a multi-employer pension plan which operates as the Ontario Municipal Employees Retirement Fund. The fund is a contributory defined benefit pension plan. As this is a multi-employer plan, no liability is recorded on the County's books. The employer's contribution to a multi-employer, defined benefit plan are expensed as the obligations arise.

For those self-insured benefit obligations that arise from specific events that occur from time to time, such as obligations for workers' compensation and life insurance and health care benefits for those on disability leave, the cost is recognized immediately in the period the events occur. Any actuarial gains or losses that are related to these benefits are recognized immediately in the period they arise.

# CORPORATION OF THE COUNTY OF ELGIN

## Notes to the Consolidated Financial Statements For the Year Ended December 31, 2021

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### **Employee Benefit Plans (continued)**

The County is an employer included under Schedule II of the Workplace Safety and Insurance Act, it self-ensures the entire risk of its own WSIB claims and is individually liable for reimbursing the WSIB for all costs relating to its workers' WSIB claims. The cost of the claims are expensed as incidents occur, while the liability for future benefit costs is determined by WSIB.

#### **Provincial Offences Fines**

The County administers the Provincial Offences Act (POA) on behalf of the Ministry of the Attorney General for the Elgin County Court Service Area.

Fine revenue is recognized as the fine payment is received. Fine revenue includes all monies received less payments made to other municipalities for monies received on their behalf. Revenue also includes outstanding transfers of fine receipts collected by other municipalities.

#### **Tax Revenues**

In 2021 the County received \$41,749,980 (2020 - \$39,737,672) in property tax revenues. The authority to levy and collect property taxes is established under the Municipal Act 2001, the Assessment Act, the Education Act, and other legislation.

The amount of the total annual property tax levy is determined each year through Council's approval of the annual budget. Tax rates are set annually by Council for each class or type of property, in accordance with legislation and Council-approved policies, in order to raise the revenue required to meet operating budget requirements.

Taxation revenues are recorded at the time billings are issued. Additional property tax revenue can be added throughout the year, related to new properties that become occupied, or that become subject to property tax, after the return of the annual assessment roll used for billing purposes. The County may receive supplementary assessment rolls over the course of the year from MPAC that identify new or omitted assessments. Property taxes for these supplementary/omitted amounts are then billed according to the approved tax rate for the property class.

Taxation revenues in any year may also be reduced as a result of reductions in assessment value rising from assessment and/or tax appeals. Each year, an amount is identified to cover the estimated amount of revenue loss attributable to assessment appeals, tax appeals or other deficiencies in tax revenue (e.g. uncollectible amounts, write-offs, etc.).

# CORPORATION OF THE COUNTY OF ELGIN

## Notes to the Consolidated Financial Statements For the Year Ended December 31, 2021

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the period. Significant estimates include assumptions used in estimating provisions for accrued liabilities, and in performing actuarial valuations of employee future benefits. Actual results could differ from these estimates.

#### Financial Instruments

The County's financial instruments consist of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities and long-term liabilities. Unless otherwise noted, it is management's opinion that the County is not exposed to significant interest, currency, or credit risk arising from these financial instruments.

#### Environmental Provisions and Contaminated Sites

The County's may be exposed to litigation or other costs of remediation due to contaminated properties in its jurisdiction. A liability for remediation is recognized in the financial statements when an environmental standard exists, contamination exceeds the standard, the government is responsible for the remediation and a reasonable estimate of the liability can be made. As at December 31, 2021 there were no properties that the County was responsible to remedy and as such no liability has been accrued.

#### Recent Accounting Pronouncements

PSAB released a standard related to Financial Instruments (PS 3450). The standard applies to all local governments for fiscal years beginning on or after April 1, 2022, which would be the year end December 31, 2023. The standard applies to all types of financial instruments. The new standard requires that equity and derivative instruments be measured at fair value, with changes in value being recorded in the statement of remeasurement gains/losses. The standard gives the option of cost/amortized cost vs. fair value of remaining instruments, which is elected upon by the government organization. The County has not yet determined what, if any, financial reporting implications may arise from this standard.

PSAB released a standard related to Revenue (PS 3400). This standard will apply for fiscal years beginning on or after April 1, 2023, which would be the year end December 31, 2024. This standard will impact the timing of the revenue reported by the organization. Examination and audit of the types of revenue will determine the impact of this standard. The County has not yet determined what, if any, financial reporting implications may arise from this standard.

# CORPORATION OF THE COUNTY OF ELGIN

## Notes to the Consolidated Financial Statements For the Year Ended December 31, 2021

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### 2. INVESTMENTS

The investments consist of guaranteed investment certificates with maturity dates extending to January 2023, and money market funds recorded at cost plus accrued interest. Interest rates ranged from 1.90% to 1.91% during the year. The cost plus accrued interest approximates the fair market value of these investments due to the liquidity and nature of these investments.

	<b>2021</b>	2020
	<u>\$</u>	<u>\$</u>
Guaranteed investment certificates	<b>6,110,542</b>	10,242,402
Money market funds	<b><u>23,856,158</u></b>	<u>20,556,687</u>
	<b><u>29,966,700</u></b>	<u>30,799,089</u>

### 3. LOAN RECEIVABLE

In 2016 \$100,000 was loaned to the Municipality of Central Elgin for the development of the Belmont Library. The loan is non-interest bearing and is to be repaid over 10 years. The balance outstanding at the end of the year is \$40,000 (2020 - \$50,000).

In 2017 \$100,000 was loaned to the Township of Southwold for the development of the Shedden Library. The loan is non-interest bearing and is to be repaid in 10 installments of \$10,000 annually. The balance outstanding at the end of the year is \$60,000 (2020 - \$70,000).

### 4. POST EMPLOYMENT BENEFITS

	<b>2021</b>	2020
	<u>\$</u>	<u>\$</u>
Vacation credits	<b>672,754</b>	649,213
Workplace Safety and Insurance premiums - Schedule II Employer	<b><u>1,093,902</u></b>	<u>932,560</u>
	<b><u>1,766,656</u></b>	<u>1,581,773</u>

The provision of certain employee vacation plans allow for the accumulation of vacation credits for use in future periods. The value of these credits at December 31, 2021 is \$672,754 (2020 - \$649,212).

The County is a Schedule II employer under the Workplace and Safety and Insurance Act. As a Schedule II employer the County assumes liability for any award made under the Act. The Workplace and Safety and Insurance Board has evaluated the liability estimates for future benefit costs at December 31, 2021 as \$1,093,902 (2020 - \$932,560).

# CORPORATION OF THE COUNTY OF ELGIN

## Notes to the Consolidated Financial Statements For the Year Ended December 31, 2021

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### 5. LONG-TERM DEBT

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

	<u>2021</u>	<u>2020</u>
	<u>\$</u>	<u>\$</u>
Ontario Infrastructure and Lands Corporation, 1.43%, repayable in blended semi annual payments of \$323,030, due November 2030	5,437,736	6,000,000
Ontario Infrastructure and Lands Corporation, 2.04%, repayable in blended semi annual payments of \$333,162, due May 2031	5,728,038	-
Consolidated debt from the County's proportionate share of the Oxford Elgin St. Thomas Public Health	<u>1,850,500</u>	<u>1,907,000</u>
Total long-term liabilities at the end of the year	<u>13,016,274</u>	<u>7,907,000</u>

b) Principal repayments are summarized as follows:

2022	2023	2024	2025	2026	Beyond	Total
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
<u>1,180,607</u>	<u>1,202,366</u>	<u>1,223,974</u>	<u>1,246,439</u>	<u>1,269,016</u>	<u>6,893,872</u>	<u>13,016,274</u>

c) The consolidated debt represents the County's proportionate share of the Oxford Elgin St. Thomas Public Health's debt to finance construction of a new office building completed in 2014. The organization was advanced \$9 million in 32 day banker acceptance notes at the CDOR rate of 1.22% plus a stamping fee of 0.40%. At the same time, the organization entered into an interest rate swap contract to fix the interest rate on the long-term financing at 2.85% for a 30 year period. As a result of these transactions, the organization has fixed their rate on this debt obligation at 2.85% plus 0.40% as a stamping fee (3.25% for 2021 and 2020). The stamping fee is reviewed every 15 years to determine if the risk assessment of the organization has changed. The County's proportionate share of interest expense on the term loan in 2021 was \$61,137 (2020 - \$59,862).

d) The long-term liabilities issued in the name of the County have been approved by by-law. The annual principal and interest payments required to service these liabilities are within the annual debt repayment limit prescribed by the Ministry of Municipal Affairs.

e) Interest expense on long-term debt in 2021 amounted to \$234,293 (2020 - \$59,862).



# CORPORATION OF THE COUNTY OF ELGIN

## Notes to the Consolidated Financial Statements For the Year Ended December 31, 2021

### 6. TANGIBLE CAPITAL ASSETS

December 31, 2021

Cost	<u>Opening</u>	<u>Additions</u>	<u>Disposals</u>	<u>Ending</u>
Land	19,097,373	-	-	19,097,373
Land improvements	3,696,192	-	-	3,696,192
Buildings	42,321,231	1,353,778	-	43,675,009
Furniture, fixtures, and equipment	8,103,123	235,341	-	8,338,464
Computer equipment	1,463,049	750,732	-	2,213,781
Vehicles	2,269,073	-	-	2,269,073
Roadways	250,271,283	13,310,271	-	263,581,554
Bridges	38,701,859	30,193	-	38,732,052
Library - books and equipment	2,839,180	336,659	-	3,175,839
	<u>368,762,363</u>	<u>16,016,974</u>	<u>-</u>	<u>384,779,337</u>
Work In Progress	20,612,651	14,585,797	-	35,198,448
<b>Total Cost</b>	<b><u>389,375,014</u></b>	<b><u>30,602,771</u></b>	<b><u>-</u></b>	<b><u>419,977,785</u></b>
<b>Accumulated Amortization</b>	<b><u>Opening</u></b>	<b><u>Amortization</u></b>	<b><u>Disposal</u></b>	<b><u>Ending</u></b>
Land	-	-	-	-
Land improvements	2,098,451	180,249	-	2,278,700
Buildings	18,927,987	1,138,045	-	20,066,032
Furniture, fixtures and equipment	4,941,129	635,150	-	5,576,279
Computer equipment	589,663	341,680	-	931,343
Vehicles	1,164,584	376,557	-	1,541,141
Roadways	129,151,748	7,622,779	-	136,774,527
Bridges	21,645,410	825,634	-	22,471,044
Library - books and equipment	1,245,974	340,347	-	1,586,321
	<u>179,764,946</u>	<u>11,460,441</u>	<u>-</u>	<u>191,225,387</u>
Work In Progress	-	-	-	-
<b>Total Accumulated Amortization</b>	<b><u>179,764,946</u></b>	<b><u>11,460,441</u></b>	<b><u>-</u></b>	<b><u>191,225,387</u></b>
<b>Net Book Value</b>	<b><u>Opening</u></b>			<b><u>Ending</u></b>
Land	19,097,373			19,097,373
Land improvements	1,597,741			1,417,492
Buildings	23,393,244			23,608,977
Furniture, fixtures and equipment	3,161,994			2,762,185
Computer equipment	873,386			1,282,438
Vehicles	1,104,489			727,932
Roadways	121,119,535			126,807,027
Bridges	17,056,449			16,261,008
Library - books and equipment	1,593,206			1,589,518
	<u>188,997,417</u>			<u>193,553,950</u>
Work In Progress	20,612,651			35,198,448
<b>Total Net Book Value</b>	<b><u>209,610,068</u></b>			<b><u>228,752,398</u></b>

**CORPORATION OF THE COUNTY OF ELGIN**

**Notes to the Consolidated Financial Statements  
For the Year Ended December 31, 2021**

**6. TANGIBLE CAPITAL ASSETS (CONTINUED)**

**December 31, 2020**

Cost	<u>Opening</u>	<u>Additions</u>	<u>Disposals</u>	<u>Ending</u>
Land	19,099,369	1,444	(3,440)	19,097,373
Land improvements	3,258,464	437,728	-	3,696,192
Buildings	41,804,747	706,969	(190,485)	42,321,231
Furniture, fixtures, and equipment	7,841,650	626,230	(364,757)	8,103,123
Computer equipment	1,448,212	319,788	(304,951)	1,463,049
Vehicles	2,053,737	709,845	(494,509)	2,269,073
Roadways	239,855,300	11,162,837	(746,854)	250,271,283
Bridges	37,547,573	1,154,884	(598)	38,701,859
Library - books and equipment	2,968,782	350,508	(480,110)	2,839,180
	<u>355,877,834</u>	<u>15,470,233</u>	<u>(2,585,704)</u>	<u>368,762,363</u>
Work In Progress	7,667,837	12,944,814	-	20,612,651
<b>Total Cost</b>	<b><u>363,545,671</u></b>	<b><u>28,415,047</u></b>	<b><u>(2,585,704)</u></b>	<b><u>389,375,014</u></b>
<b>Accumulated Amortization</b>	<b><u>Opening</u></b>	<b><u>Amortization</u></b>	<b><u>Disposal</u></b>	<b><u>Ending</u></b>
Land	-	-	-	-
Land improvements	1,940,088	158,363	-	2,098,451
Buildings	18,004,598	1,113,874	(190,485)	18,927,987
Furniture, fixtures and equipment	4,673,986	631,900	(364,757)	4,941,129
Computer equipment	582,634	311,980	(304,951)	589,663
Vehicles	1,354,039	305,054	(494,509)	1,164,584
Roadways	122,418,082	7,480,520	(746,854)	129,151,748
Bridges	20,782,426	863,582	(598)	21,645,410
Library - books and equipment	1,391,650	334,434	(480,110)	1,245,974
	<u>171,147,503</u>	<u>11,199,707</u>	<u>(2,582,264)</u>	<u>179,764,946</u>
Work In Progress	-	-	-	-
<b>Total Accumulated Amortization</b>	<b><u>171,147,503</u></b>	<b><u>11,199,707</u></b>	<b><u>(2,582,264)</u></b>	<b><u>179,764,946</u></b>
<b>Net Book Value</b>	<b><u>Opening</u></b>			<b><u>Ending</u></b>
Land	19,099,369			19,097,373
Land improvements	1,318,376			1,597,741
Buildings	23,800,149			23,393,244
Furniture, fixtures and equipment	3,167,664			3,161,994
Computer equipment	865,578			873,386
Vehicles	699,698			1,104,489
Roadways	117,437,218			121,119,535
Bridges	16,765,147			17,056,449
Library - books and equipment	1,577,132			1,593,206
	<u>184,730,331</u>			<u>188,997,417</u>
Work In Progress	7,667,837			20,612,651
<b>Total Net Book Value</b>	<b><u>192,398,168</u></b>			<b><u>209,610,068</u></b>

# **CORPORATION OF THE COUNTY OF ELGIN**

## **Notes to the Consolidated Financial Statements For the Year Ended December 31, 2021**

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### **7. PENSION AGREEMENTS**

The County makes contributions to the Ontario Municipal Employees Retirement Fund (OMERS), which is a multi-employer plan, on behalf of its staff. The plan is a defined benefit plan which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay. The OMERS Administration Corporation, representing plan members and employers, is responsible for overseeing the management of the pension plan, including investment of the assets and the administration of the benefits. Each year, an independent actuary determines the funding status of OMERS Primary Pension Plan (the Plan) by comparing the actuarial value of invested assets to the estimated present value of all pension benefits the members have earned to date. The most recent actuarial valuation of the Plan was conducted December 31, 2021, and the results of this valuation disclosed actuarial liabilities of \$120.8 billion in respect of benefits accrued for service with actuarial assets at that date of \$117.7 billion leaving an actuarial deficit of \$3.1 billion.

Because OMERS is a multi-employer pension plan, any pension surpluses or deficits are a joint responsibility of the Ontario municipal organizations and their employees. As a result, the County does not recognize any share of the OMERS pension surplus or deficit. The amount contributed to OMERS for 2021 was \$1,578,098 (2020 - \$1,493,995) for current service. OMERS contribution rates for 2021 and 2020, depending on income level and retirement dates, ranged from 9.0% to 15.8%.

### **8. CONTINGENT LIABILITIES**

As at December 31, 2021 certain legal actions are pending against the County. The final outcome of the outstanding claims cannot be determined at this time. However, management believes that ultimate disposition of these matters will not materially exceed the amounts recorded in these consolidated financial statements.

As at December 31, 2021 certain legal actions are pending against the County in relation to the Imperial Road bridge collapse on February 23, 2018. Council has allocated \$350,000 to a Legal Settlement Reserve within the Contingencies Reserves to be used to offset future costs if and when they are incurred.

Estimated costs to settle claims are based on available information and projections of estimated future expenses developed based on the County's historical experience. Claims are reported as an operating expense in the year of the loss, where the costs are deemed to be likely and can be reasonable determined. Claim provisions are reported as a liability in the consolidated statement of financial position.

# CORPORATION OF THE COUNTY OF ELGIN

## Notes to the Consolidated Financial Statements For the Year Ended December 31, 2021

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### 9. ACCUMULATED SURPLUS

The accumulated surplus consists of the following balances:

	2021	2020
	<u>\$</u>	<u>\$</u>
<b>SURPLUS</b>		
Tangible capital assets	228,752,398	209,610,068
Share of surplus in Oxford Elgin St. Thomas Health Unit	542,055	430,225
Reserves	<u>16,443,659</u>	<u>14,702,093</u>
	245,738,112	224,742,386
<b>AMOUNTS TO BE RECOVERED</b>		
Committed for completion of assets under construction	40,599,481	41,088,258
Net long-term debt (Note 5)	(13,016,274)	(7,907,000)
Self-financed capital projects	<u>(25,652,852)</u>	<u>(25,632,549)</u>
<b>ACCUMULATED SURPLUS</b>	<u>247,668,467</u>	<u>232,291,095</u>
<b>RESERVES</b>		
Reserves set aside for specific purposes by Council:		
Contingencies	15,413,843	13,832,135
Homes for senior citizens	499,832	372,496
Libraries and cultural services	486,443	454,321
Other municipal services	<u>43,541</u>	<u>43,141</u>
Total reserves	<u>16,443,659</u>	<u>14,702,093</u>

### 10. ALLOWANCE FOR TAXES RECEIVABLE

The County makes annual estimates and allowances for potential exposure to property tax appeals, reassessments, environmental and collection issues. Included in the taxes receivable of its lower-tier municipalities' are taxes, penalties and interest due from two specific gas pipeline properties that are undergoing various appeals and financial restructuring. The County's exposure to loss on these balances is estimated to be approximately \$350,000 if it is determined that nothing is recoverable from these properties. At year end, the County made an assessment of the exposure based on the current information available. Based on this information, it was determined an allowance amount for these properties is indeterminable and as such no amounts have been allowed for in these financial statements.

# CORPORATION OF THE COUNTY OF ELGIN

## Notes to the Consolidated Financial Statements For the Year Ended December 31, 2021

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### 11. LIBRARY OPERATIONS

The County Council, operating as a Committee of Council, oversees operations of the Elgin County library system. A summary of revenues and expenses of the library system operations is as follows:

	Budget 2021 \$	Actual 2021 \$	Actual 2020 \$
Revenues			
Province of Ontario	116,739	<b>116,739</b>	116,739
Fines	35,996	<b>14,808</b>	10,340
Book sales, donations, and other project revenue	<u>23,000</u>	<u><b>11,656</b></u>	<u>10,215</u>
Total revenues	<u>175,735</u>	<u><b>143,203</b></u>	<u>137,294</u>
Expenses			
Salaries and benefits	2,074,543	<b>1,955,645</b>	1,744,121
Lease space	444,475	<b>442,409</b>	439,574
Electronic resources and periodicals	87,711	<b>86,009</b>	73,652
Photocopy, office supplies	25,898	<b>20,627</b>	13,210
Telephone, fax	20,004	<b>19,543</b>	19,927
Other	22,237	<b>14,913</b>	12,749
Programs	15,000	<b>10,729</b>	7,575
Project costs	14,291	<b>8,902</b>	3,895
Staff development	16,496	<b>7,052</b>	3,614
Furniture and fixtures	6,996	<b>6,728</b>	7,914
Travel, mileage	<u>12,500</u>	<u><b>3,440</b></u>	<u>5,450</u>
Expenses before amortization	2,740,151	<b>2,575,997</b>	2,331,681
Amortization	<u>351,465</u>	<u><b>351,465</b></u>	<u>345,552</u>
Total expenses	<u>3,091,616</u>	<u><b>2,927,462</b></u>	<u>2,677,233</u>
Net operating costs	<u>2,915,881</u>	<u><b>2,784,259</b></u>	<u>2,539,939</u>

**CORPORATION OF THE COUNTY OF ELGIN**

**Notes to the Consolidated Financial Statements  
For the Year Ended December 31, 2021**

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**12. BUDGET FIGURES**

County Council completes separate budget reviews for its operating and capital budgets each year. The approved operating budget for 2021 is reflected on the Consolidated Statement of Operations. Budgets established for capital investment in tangible capital assets are on a project-oriented basis, the costs of which may be carried out over one or more years and, therefore, may not be comparable with current year's actual expenditure amounts. The 2021 operating and capital budgets were approved on February 9, 2021.

**13. SUPPLEMENTARY INFORMATION:**

	<b>2021</b>	2020
	<u>\$</u>	<u>\$</u>
<b>[a] Current fund expenditures by object:</b>		
Salaries, wages and employee benefits	<b>35,332,572</b>	31,650,929
Materials and services	<b>10,143,909</b>	6,432,417
Contracted services	<b>16,790,793</b>	19,675,109
Rents and financial expenses	<b>675,070</b>	483,831
Interest on long term debt	<b>234,293</b>	59,862
Amortization	<b>11,460,441</b>	11,199,707
Transfer to others	<b><u>3,468,830</u></b>	<u>3,246,460</u>
	<b><u>78,105,908</u></b>	<u>72,748,315</u>
<b>[b] Change in non-cash assets and liabilities related to operations:</b>		
Loans receivable	<b>20,000</b>	20,000
Accounts receivable	<b>(840,162)</b>	(1,072,954)
Prepaid expenses	<b>(108,464)</b>	301,320
Accounts payable and accrued liabilities	<b><u>4,411,234</u></b>	<u>1,264,927</u>
	<b><u>3,482,608</u></b>	<u>513,293</u>

# CORPORATION OF THE COUNTY OF ELGIN

## Notes to the Consolidated Financial Statements For the Year Ended December 31, 2021

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### 14. SEGMENTED INFORMATION

The County is a diversified municipal government institution that provides a wide range of services to its citizens, including contract police services, fire, roads, community services, water and sewer. For management reporting purposes the County'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.

The County 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 provided, are as follows:

#### **General Government**

General government is comprised of County council, administration, treasury, human resources and information technology, providing services to Council and the other departments.

#### **Provincial Offences**

Provincial offences consists of the operations of the County's Court offices, including trials and proceedings and receiving payment for fines resulting from charges laid by various police forces and officials operating within the County. Distribution to area municipalities are also reflected.

#### **Transportation Services**

The County Engineer's office oversees the maintenance and capital works operations of roads and bridges throughout the County in accordance with minimum maintenance standards.

#### **Ambulance Services**

The County provides land ambulance services to residents from five stations located throughout the County.

#### **Health Services**

Health services are comprised of the County's proportional share of the operation of the Oxford Elgin St. Thomas Health Unit and other public health transfers.

# CORPORATION OF THE COUNTY OF ELGIN

## Notes to the Consolidated Financial Statements For the Year Ended December 31, 2021

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### 14. SEGMENTED INFORMATION (CONTINUED)

#### Homes for Seniors

The County operates three long-term care facilities with a total of 247 beds, and two Adult Day programs for senior citizens. It operates under provincial legislation and oversight of the Ministry of Health and Long-Term Care.

#### Social and Family Services

Social and family services consist of the County share of services that provides employment and income assistance, social housing and child care assistance to eligible participants. The social and family services program for the County is administered by the City of St. Thomas.

#### Library and Cultural Services

Library and cultural services are comprised of the operations of the County library and archives system, Museum and other cultural services and transfers.

#### Planning and Development

Planning and development services include the preparation and administration of the County's Official Plan, economic development, tourism and agricultural and reforestation services within the County.

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. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information. The General Revenue Fund reports on County services that are funded primarily by taxation such as property and business tax revenues. Taxation and payments-in-lieu of taxes are apportioned to General Revenue Fund services based on the Fund's net surplus. Certain government transfers, transfer from other funds, and other revenues have been apportioned based on a percentage of budgeted expenses.

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



# **CORPORATION OF THE COUNTY OF ELGIN**

## **Notes to the Consolidated Financial Statements For the Year Ended December 31, 2021**

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### **15. SIGNIFICANT EVENT**

During and subsequent to year end, the County was exposed to economic risks associated with the coronavirus pandemic. These risks are beyond the County's control. The overall impact of these risks cannot be identified at this time but could impact the County's operations, future net surplus, cash flows and financial condition. The County has experienced the following impacts:

- The County has periodically closed its offices to the public, adjusted service delivery, and allowed staff to work from alternate locations;
- The County is unsure of the resulting overall impact on future cash flows or on the valuation of the year end receivable balances.

**CORPORATION OF THE COUNTY OF ELGIN**

**Schedule of Segment Disclosure  
For the Year Ended December 31, 2021**

	General Government	Provincial Offences	Transportation Services	Ambulance Services	Health Services	Assistance to Aged Persons	Social and Family Services	Recreation and Cultural Services	Planning and Development	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>REVENUES</b>										
Municipal requisitions	9,318,090	-	10,437,383	4,174,953	742,526	7,306,168	2,464,242	5,218,691	2,087,927	41,749,980
User charges	30,038	-	-	-	46,653	6,238,708	-	15,321	152,500	6,483,220
Transfer payments	1,871,818	97,491	6,408,324	8,212,113	7,055,880	18,087,610	-	158,905	257,708	42,149,849
Investment income	277,986	-	-	-	2,377	-	-	-	-	280,363
Other contributions	768,778	1,433,084	153,324	-	59,804	260,534	-	144,344	-	2,819,868
	<u>12,266,710</u>	<u>1,530,575</u>	<u>16,999,031</u>	<u>12,387,066</u>	<u>7,907,240</u>	<u>31,893,020</u>	<u>2,464,242</u>	<u>5,537,261</u>	<u>2,498,135</u>	<u>93,483,280</u>
<b>EXPENSES</b>										
Salaries, wages and employees benefits	4,666,724	336,278	476,067	49,636	4,368,626	22,380,284	-	2,431,508	623,449	35,332,572
Operating	3,970,774	398,742	4,197,204	10,981,344	2,643,649	4,292,017	-	748,611	377,431	27,609,772
External transfers	96,600	304,906	-	43,014	1,004,247	-	1,803,125	55,682	161,256	3,468,830
Interest on long-term debt	-	-	173,156	-	61,137	-	-	-	-	234,293
Amortization	694,429	-	8,642,416	470,661	173,426	1,109,953	-	357,274	12,282	11,460,441
	<u>9,428,527</u>	<u>1,039,926</u>	<u>13,488,843</u>	<u>11,544,655</u>	<u>8,251,085</u>	<u>27,782,254</u>	<u>1,803,125</u>	<u>3,593,075</u>	<u>1,174,418</u>	<u>78,105,908</u>
<b>ANNUAL SURPLUS</b>	<u>2,838,183</u>	<u>490,649</u>	<u>3,510,188</u>	<u>842,411</u>	<u>(343,845)</u>	<u>4,110,766</u>	<u>661,117</u>	<u>1,944,186</u>	<u>1,323,717</u>	<u>15,377,372</u>

**CORPORATION OF THE COUNTY OF ELGIN**

**Schedule of Segment Disclosure  
For the Year Ended December 31, 2020**

	General Government	Provincial Offences	Transportation Services	Ambulance Services	Health Services	Assistance to Aged Persons	Social and Family Services	Recreation and Cultural Services	Planning and Development	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>REVENUES</b>										
Municipal requisitions	8,869,063	-	9,934,418	3,973,767	706,745	6,954,093	2,345,493	4,967,209	1,986,884	39,737,672
User charges	37,264	-	-	-	25,210	6,401,242	-	10,991	24,749	6,499,456
Transfer payments	2,250,789	-	4,509,040	8,183,332	5,027,203	15,324,124	-	155,517	115,152	35,565,157
Investment income	473,951	-	-	-	6,469	-	-	-	-	480,420
Other contributions	691,828	1,468,952	328,670	-	-	13,824	-	443,752	104,891	3,051,917
Gain on disposal of capital assets	-	-	2,544	-	-	-	-	-	-	2,544
	<u>12,322,895</u>	<u>1,468,952</u>	<u>14,774,672</u>	<u>12,157,099</u>	<u>5,765,627</u>	<u>28,693,283</u>	<u>2,345,493</u>	<u>5,577,469</u>	<u>2,231,676</u>	<u>85,337,166</u>
<b>EXPENSES</b>										
Salaries, wages and employees benefits	3,302,799	325,199	481,498	70,432	3,019,442	21,730,812	-	2,096,313	624,434	31,650,929
Operating	4,201,900	246,250	3,901,890	10,763,388	2,018,882	4,219,210	-	809,949	429,888	26,591,357
External transfers	-	362,236	-	40,698	1,048,843	-	1,726,153	63,530	5,000	3,246,460
Interest on long-term debt	-	-	-	-	59,862	-	-	-	-	59,862
Amortization	664,954	-	8,537,075	374,678	156,694	1,095,159	-	351,361	19,786	11,199,707
	<u>8,169,653</u>	<u>933,685</u>	<u>12,920,463</u>	<u>11,249,196</u>	<u>6,303,723</u>	<u>27,045,181</u>	<u>1,726,153</u>	<u>3,321,153</u>	<u>1,079,108</u>	<u>72,748,315</u>
<b>ANNUAL SURPLUS</b>	<u>4,153,242</u>	<u>535,267</u>	<u>1,854,209</u>	<u>907,903</u>	<u>(538,096)</u>	<u>1,648,102</u>	<u>619,340</u>	<u>2,256,316</u>	<u>1,152,568</u>	<u>12,588,851</u>