



Consolidated Financial Statements

The Corporation of the Township of Dorion

December 31, 2022



DORION TOWNSHIP

Canyon Country

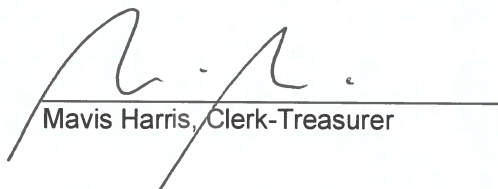
Statement of Administrative Responsibility

The management of The Corporation of the Township of Dorion have prepared the accompanying consolidated financial statements and are responsible for their accuracy and integrity. These statements consolidate all operations for which the Township has legislative and financial responsibility. The consolidated financial statements have been prepared by management in accordance with the accounting principles generally accepted for the public sector as prescribed by the Public Sector Accounting Board [PSAB] of the Chartered Professional Accountant [CPA] of Canada.

In fulfilling its responsibilities and recognizing the limits inherent in all systems, the administration has developed and maintains a system of internal control designed to provide reasonable assurance that Municipal assets are safeguarded from loss and that the accounting records are a reliable basis for the preparation of the consolidated financial statements.

The Municipal Council reviews and approves the consolidated financial statements before such statements are submitted to the Ministry of Municipal Affairs and Housing and published for the residents of The Corporation of the Township of Dorion. The external auditors have access to and meet with Municipal Council to discuss their audit and the results of their examination.

The 2022 consolidated financial statements have been reported on by The Corporation of the Township of Dorion's external auditors, Grant Thornton LLP, the auditors appointed by Municipal Council. The auditors' report outlines the scope of their audit and their opinion on the presentation of the information included in the financial statements.


Mavis Harris, Clerk-Treasurer

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Independent Auditor's Report

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To the Members of Council, Inhabitants and Ratepayers of
The Corporation of the Township of Dorion

Qualified opinion

We have audited the accompanying financial statements of The Corporation of the Township of Dorion ("the Township"), which comprise the consolidated statement of financial position as at December 31, 2022, and the consolidated statements of operations and accumulated surplus, changes in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, except for the effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of The Corporation of the Township of Dorion as at December 31, 2022, and the results of its operations, its changes in net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for qualified opinion

Although the Township has recognized a liability for closure and post-closure costs for its landfill site, this liability is based on outdated information relating to closure and post-closure costs since management has not obtained updated costing information. As a result, we were not able to determine whether any adjustments might be necessary to the landfill closure and post-closure liability as at December 31, 2022 and 2021, and expenses, annual surplus or changes in net financial assets for the years ended December 31, 2022 and 2021, and the net financial assets and accumulated surplus as at January 1 and December 31, 2022 and 2021. Our audit opinion on the financial statements for the year ended December 31, 2021 was modified accordingly because of the effects of this scope limitation.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibility under those standards are further described in the *Auditor's Responsibility for the Audit of the Financial Statements* section of our report. We are independent of the Township 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 qualified opinion.

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

Management is responsible for the preparation and fair presentation of these 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 Township's ability to continue as a going concern, disclosing, as applicable, matters related to a going concern and using the going concern basis of accounting unless management either intends to liquidate the Township or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Township'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 Township'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 Township'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 Township 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 financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Municipality and the organizations it controls 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.



Thunder Bay, Canada
December 5, 2023

Chartered Professional Accountants
Licensed Public Accountants

The Corporation of the Township of Dorion

Consolidated Statement of Financial Position

As at December 31	2022	2021
	\$	\$
FINANCIAL ASSETS		
Cash and cash equivalents	919,679	792,945
Taxes receivable <i>[note 3]</i>	90,365	91,571
Accounts receivable	104,821	212,909
Total financial assets	1,114,865	1,097,425
LIABILITIES		
Accounts payable and accrued liabilities	114,775	122,504
Deferred revenue <i>[note 5]</i>	166,784	4,022
Vested sick leave liability <i>[note 6]</i>	24,133	16,679
Long-term debt <i>[note 7]</i>	213,816	263,160
Landfill closure and post-closure liability <i>[note 9]</i>	127,661	201,025
Total liabilities	647,169	607,390
NET FINANCIAL ASSETS	467,696	490,035
NON-FINANCIAL ASSETS		
Tangible capital assets - net <i>[note 10]</i>		
<i>[schedule 2]</i>	2,514,011	2,463,446
Prepaid expenses	6,278	7,413
	2,520,289	2,470,859
Accumulated surplus <i>[schedule 1]</i>	2,987,985	2,960,894

See accompanying notes to the consolidated financial statements.

The Corporation of the Township of Dorion Consolidated Statement of Operations and Accumulated Surplus

Year ended December 31

	Budget 2022 \$ <i>[note 14]</i>	Actual 2022 \$	Actual 2021 \$
REVENUES [schedule 3]			
Taxation			
Residential and farm taxation	377,912	380,791	371,789
Commercial and industrial	205,521	205,521	195,930
Taxation from other governments	109,568	110,475	110,331
	693,001	696,787	678,050
Other fees and service charges	1,800	2,790	1,550
	694,801	699,577	679,600
Grants			
Government of Canada	76,412	68,461	145,124
Province of Ontario	242,004	168,375	237,249
	318,416	236,836	382,373
Other			
Investment income	2,500	6,675	2,089
Penalties and late payment charges	21,000	24,859	20,155
Other	37,620	127,537	62,254
	61,120	159,071	84,498
Total revenues	1,074,337	1,095,484	1,146,471
EXPENSES [schedule 3]			
General government	289,856	322,303	365,224
Protection to persons and property	141,061	141,750	137,515
Transportation services	453,738	478,769	390,225
Environmental services	(55,530)	(55,566)	21,747
Health services	51,469	51,469	49,002
Social and family services	59,895	59,895	59,748
Recreation and cultural services	62,981	62,534	59,802
Planning and development	10,665	7,239	21,021
	1,014,135	1,068,393	1,104,284
NET REVENUES	60,202	27,091	42,187
Annual surplus	60,202	27,091	42,187
Accumulated surplus, beginning of year	2,960,894	2,960,894	2,918,707
Accumulated surplus, end of year	3,021,096	2,987,985	2,960,894

See accompanying notes to the consolidated financial statements.

The Corporation of the Township of Dorion Consolidated Statement of Changes in Net Financial Assets

Year ended December 31

	Budget 2022 \$ <i>[note 14]</i>	Actual 2022 \$	Actual 2021 \$
Annual surplus	60,202	27,091	42,187
Acquisition of tangible capital assets	(252,545)	(173,156)	(437,269)
Amortization of tangible capital assets	122,591	122,591	107,688
Acquisition of prepaid expenses	-	(6,278)	(7,413)
Use of prepaid expenses	-	7,413	3,993
Decrease in net financial assets	(69,752)	(22,339)	(290,814)
Net financial assets, beginning of year	490,035	490,035	780,849
Net financial assets, end of year	420,283	467,696	490,035

See accompanying notes to the consolidated financial statements.

The Corporation of the Township of Dorion Consolidated Statement of Cash Flows

Year ended December 31	2022	2021
	\$	\$
OPERATIONS		
Annual surplus	27,091	42,187
Non-cash charges		
Amortization of tangible capital assets	122,591	107,688
Increase in landfill liability	(73,364)	7,254
	76,318	157,129
Net change in non-cash working capital balances		
Decrease in taxes receivable	1,206	12,658
Decrease (increase) in accounts receivable	108,088	(131,370)
Increase (decrease) in accounts payable and accrued liabilities	(7,729)	30,278
Increase (decrease) in deferred revenue	162,762	(58,807)
Increase in vested sick leave liability	7,454	1,792
Decrease (increase) in prepaid expenses	1,135	(3,420)
Cash provided by operating transactions	349,234	8,260
CAPITAL		
Acquisition of tangible capital assets	(173,156)	(437,269)
Cash used in capital transactions	(173,156)	(437,269)
FINANCING		
Proceeds of long-term debt	-	186,720
Repayment of long-term debt	(49,344)	(27,560)
Cash provided by (used in) financing transactions	(49,344)	159,160
Increase (decrease) in cash and cash equivalents	126,734	(269,849)
Opening cash and cash equivalents	792,945	1,062,794
Closing cash and cash equivalents	919,679	792,945

See accompanying notes to the consolidated financial statements.

The Corporation of the Township of Dorion

Notes to the Consolidated Financial Statements

December 31, 2022

GENERAL

The Corporation of the Township of Dorion ("the Township") is a municipality in the Province of Ontario, Canada. It conducts its operations guided by the provisions of provincial statutes such as the Municipal Act and related legislation.

1. SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements of The Corporation of the Township of Dorion are prepared by management in accordance with accounting policies generally accepted for the local government as prescribed by the Public Sector Accounting Board ("PSAB") of the CPA Canada. The more significant of these accounting policies are as follows:

[a] Basis of consolidation

Reporting entity

These consolidated financial statements reflect the assets, liabilities, revenues, expenses, and accumulated surplus of the reporting entity. The reporting entity is comprised of all organizations, local boards, and committees accountable for the administration of their financial affairs and resources to the Township, and which are owned or controlled by the Township. Accordingly, the following is consolidated in these financial statements:

Dorion Public Library Board

All interfund balances and transactions have been eliminated.

Joint local boards

The financial activities of certain entities associated with the Township are not consolidated. The Township's contribution to these entities are recorded in the Consolidated Statement of Operations and Accumulated Surplus. The entities that are accounted for in this manner are:

Thunder Bay District Health Unit
The District of Thunder Bay Social Services Administration Board
Thunder Bay Area Emergency Measures Organization
District of Thunder Bay Home for the Aged

Trust funds

Trust funds administered by the Township 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. They are reported separately on the Trust Fund Statement of Financial Position and Statement of Continuity.

The Corporation of the Township of Dorion

Notes to the Consolidated Financial Statements

December 31, 2022

Accounting for school board transactions

The taxation, other revenues, expenses, assets and liabilities with respect to the operations of the school boards, are not reflected in these consolidated financial statements.

[b] Basis of accounting

Accrual accounting

The Township uses the accrual basis of accounting which recognizes the effect of transactions and events in the period in which the transactions and events occur, regardless of whether there has been a receipt or payment of cash or its equivalent. It recognizes a liability until the obligation or conditions underlying the liability is partly or wholly satisfied and recognizes an asset until the future economic benefit underlying the asset is partly or wholly used or lost.

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and balances in banks.

Employee benefits

Vacation pay, sick leave liability and other post-employment benefits are charged to operations in the year earned.

Pension and employee benefits

The Township accounts for its participation in the Ontario Municipal Employee Retirement System ("OMERS"), a multi-employer public sector pension fund, as a defined benefit plan. Obligations for sick leave under employee benefits payable are accrued as the employees render the services necessary to earn the benefits. Vacation pay and other post-employment benefits are charged to operations in the year 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 net revenues (expenses), provides the change in net financial assets for the year.

The Corporation of the Township of Dorion

Notes to the Consolidated Financial Statements

December 31, 2022

[a] Tangible capital assets

Tangible capital assets are recorded at cost less accumulated amortization and write-downs, if any. Cost 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 to 60 years
Library collection	10 years
Machinery and equipment	5 to 15 years
Linear assets - roads	15 to 40 years
- culverts	35 years
- wells	40 years
- bridges	50 years

Assets under construction are not amortized until the asset is available for productive use, at which time they are transferred to their respective tangible capital asset categories.

[b] Contribution 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. Similarly, transfers of assets to third parties are recorded as an expense equal to the net book value of the asset as of the date of transfer.

[c] Tangible capital assets recognized at nominal value

Certain assets have been assigned a nominal value of one dollar, because of the difficulty of determining a tenable valuation. The most significant of such assets are the Township's road allowances.

[d] Capitalization of interest

The Township has a policy of capitalizing borrowing costs incurred when financing the acquisition of a tangible capital asset, for those interest costs incurred up to the date the asset goes into use.

[e] Leases

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

The Corporation of the Township of Dorion

Notes to the Consolidated Financial Statements

December 31, 2022

Reserves and reserve funds

Certain amounts, as approved by Council, are set aside in reserves and reserve funds for future operating and capital purposes.

Taxation revenue

Tax rates are established annually by Council, incorporating amounts to be raised for local services and amounts the Township is required to collect on behalf of the Province of Ontario in respect of education taxes. Property tax billings are prepared by the Town based on assessment rolls, supplementary assessment rolls and other assessment adjustments issued by the Municipal Property Assessment Corporation ("MPAC"). Taxation revenue is initially recorded at the time assessment information is received from MPAC and is subsequently adjusted based on management's best estimate of the amount of tax revenue resulting from assessment adjustments that have not yet been received from MPAC. The Town is entitled to collect interest and penalties on overdue taxes. This revenue is recorded in the period the interest and penalties are levied.

At each financial statement date, management evaluates the extent to which its taxes receivable are ultimately collectible and valuation allowances are used to reflect taxes receivable at their net recoverable amount.

At each financial statement date, management evaluates the likelihood of having to repay taxes collected under tax measures that have been deemed authorized using the concept of legislative convention and recognizes a liability when required. Related refunds are accounted for in the period in which the change in estimate occurs.

Reserves and reserve funds

Council segregates its accumulated surplus into various categories including reserve and reserve funds which are specifically for future operating and capital purposes.

Revenue recognition

User charges and other revenues are recognized as revenue in the period in which the related services are performed. Amounts collected for which the related services have yet to be performed are recognized as a liability and recognized as revenue when the related services are performed.

Investment income earned on surplus funds are reported as revenue in the period earned. Investment income earned on obligatory reserve funds is added to the fund balance and forms part of the deferred revenue balance.

The Corporation of the Township of Dorion

Notes to the Consolidated Financial Statements

December 31, 2022

Government transfers

Government transfers are transfers of monetary assets or tangible capital assets from a government to an individual, an organization or another government that are not the result of an exchange transaction, expected to be repaid in the future or expected to produce a direct financial return. Government transfers received are recognized in the financial statements as revenue when the transfers are authorized and all eligibility criteria have been met except when there is a stipulation that gives rise to an obligation that meets the definition of a liability. In that case, the transfer is recorded as a liability and recognized as revenue as the stipulations are met.

Government transfers made to a recipient by the Township are recorded as an expense when they are authorized and the recipient meets all eligibility criteria.

The Municipality receives the Gas Tax proceeds from the Federal Government through the Association of Municipalities of Ontario. These funds, by their nature, are restricted in their use and, until applied to specific expenses, are recorded as deferred revenue. Amounts applied to qualifying projects are recorded as revenue in the fiscal period they are expended.

Landfill closure and post-closure liability

The obligation to close and maintain solid waste landfill sites is based on the estimated future expenses in current dollars, adjusted for estimated inflation and is charged to expenses as the landfill site's capacity is used.

Use of estimates

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. These estimates and assumptions are based on management's historical experience, best knowledge of current events and actions that the Township may undertake in the future. Significant accounting estimates include valuation allowance for accounts receivable, employee benefits payable, estimated useful lives of tangible capital assets and solid waste land closure and post-closure liabilities. Actual results could differ from these estimates.

2. TRUST FUNDS

The only trust funds currently administered by the Township are the Cemetery Care and Maintenance Trust Fund. These trust funds administered by the Township amount to \$16,128 [2021 - \$15,893] 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.

The Corporation of the Township of Dorion

Notes to the Consolidated Financial Statements

December 31, 2022

3. TAXES RECEIVABLE

	2022	2021
	\$	\$
Property and business taxes receivable	221,194	179,692
Allowance for property and business tax arrears	(130,829)	(88,121)
	90,365	91,571

4. BANK INDEBTEDNESS

The Township has available a line of credit of \$500,000 [2021 - \$500,000] for which the Township has provided a borrowing by-law of which \$nil [2021 - \$nil] was borrowed at year-end. Interest on the line of credit is calculated at a rate of prime [6.45% at December 31, 2022].

5. DEFERRED REVENUE

	2022	2021
	\$	\$
Obligatory reserve funds		
Federal Gas Tax	7,595	973
Ontario Community Infrastructure Fund	45,201	107
Other deferred revenue		
Northern Municipal Infrastructure	-	2,942
Northern Ontario Resource Development Support	113,988	-
	166,784	4,022

The continuity of deferred revenue is as follows:

	2022	2021
	\$	\$
Balance, beginning of year	4,022	62,829
Investment income	2,124	159
Federal Gas Tax funds received	20,044	39,313
Federal Gas Tax revenue earned	(13,457)	(72,570)
OCIF funds received	100,000	50,000
OCIF revenue earned	(55,702)	(74,591)
NORDS funds received	112,695	-
Other grant revenue earned	(2,942)	(1,118)
Balance, end of year	166,784	4,022

The Corporation of the Township of Dorion

Notes to the Consolidated Financial Statements

December 31, 2022

6. LIABILITY FOR EMPLOYEE VESTED SICK LEAVE BENEFITS

Under the sick leave benefit plan, unused sick leave can accumulate up to 960 hours for certain eligible employees. Active employees may become entitled to that sick leave if they are unable to work due to a valid medical condition. The employees may be entitled to be paid 0%-50% of the value of the accumulated sick leave credits upon retirement. The liability for these accumulated sick days amounted to \$24,133 [2021 - \$16,679] at the end of the year.

\$Nil [2021 - \$nil] was paid to employees who left the Township's employment during the year.

7. LONG-TERM DEBT

	2022	2021
	\$	\$
Bank of Montreal		
Term loan repayable in monthly principal payments of \$3,112, plus fixed interest of 1.56%, maturing July 2026.	133,816	171,160
Term loan repayable in monthly principal payments of \$1,000, plus fixed interest of 2.85%, maturing August 2029.	80,000	92,000
	213,816	263,160

Principal repayments required over the next five years are as follows:

	\$
2023	49,344
2024	49,344
2025	49,344
2026	33,784
2027	12,000
Thereafter	20,000
	213,816

Total interest charges for debt reported on the Consolidated Statement of Operations and Accumulated Surplus are \$4,863 [2021 - \$4,200].

The Corporation of the Township of Dorion

Notes to the Consolidated Financial Statements

December 31, 2022

8. PENSION AGREEMENTS

The Township makes contributions to the Ontario Municipal Employee Retirement Fund (OMERS), which is a multi employer plan, on behalf of certain members of its staff. The plan is a defined benefit plan which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay. 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 the pension benefits that members have earned to date. The most recent actuarial valuation of the Plan was conducted at December 31, 2022. The results of this valuation disclosed total actuarial liabilities of \$130,306 million with respect to benefits accrued for services with actuarial assets at that date of \$123,628 million indicating an actuarial deficit of \$6,678 million. Because OMERS is a multi-employer plan, any Plan surpluses or deficits are a joint responsibility of Ontario municipal organizations and their employees. As a result, the Township does not recognize any share of the Plan surplus or deficit.

The amount contributed to OMERS for 2022 was \$17,164 [2021 - \$14,800] for current service.

9. LANDFILL CLOSURE AND POST-CLOSURE

The main components of the landfill closure plan includes final capping using selected specific layers of impermeable materials based on an engineered cap design and implementation of a drainage management plan and gas management plan. The post-closure care requirements will involve cap maintenance, groundwater monitoring, gas management system operation and maintenance, and annual inspections and reports in accordance with Ministry of Environment regulations.

The estimated liability for this care is the present value for future cash flows associated with closure and post-closure costs discounted using the Township's average long-term borrowing rate of 4.68% [2021 - 2.45%]. The change in the recorded liability is (\$73,364) [2021 - \$7,254] based on a total estimated undiscounted outflow in the future of \$524,620 [2021 - \$596,823], leaving an amount to be recognized in the future of \$396,959 [2021 - \$395,798] over the closure and post-closure period. This change is charged (credited) to materials expense in Schedule 3. The liability is expected to be funded through budget allocations to a landfill reserve over the remaining life of the landfill. An amount of \$294,987 [2021 - \$416,600] has been provided to fund this liability (Schedule 1).

The estimated remaining life of the site is approximately 12 years, and an estimated remaining capacity of 13,363 cubic meters. Post-closure care is estimated to continue for a period of approximately 20 years.

The Corporation of the Township of Dorion

Notes to the Consolidated Financial Statements

December 31, 2022

10. TANGIBLE CAPITAL ASSETS

Schedule 2 provides information on the tangible capital assets of the Township by major asset class, as well as accumulated amortization of the assets controlled.

During the year, there were no write-downs of assets [2021 - \$nil].

Interest capitalized during the year was \$nil [2021 - \$nil].

There were no tangible capital assets contributed to the Township in the year [2021 - \$nil].

11. SEGMENTED INFORMATION

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

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

General government

General government comprises various administrative services, including Finance Department, Corporate Services Department, and Reeve and Council.

Protection to persons and property

Protection to persons and property is comprised of police services, fire services and protective inspection and control. The police services are contracted from the Ontario Provincial Police. The Fire Services Department is responsible for fire suppression; fire prevention programs; training and education related to prevention, detection or extinguishment of fires. Protective inspection and control ensures an acceptable quality of building construction and maintenance of properties through enforcement of construction codes, building standards and by-laws for the protection of occupants.

Transportation services

Transportation services include roadways and winter control. Roadways covers the delivery of municipal public works services related to the planning, development and maintenance of roadway systems, culverts, and signage. Winter control includes snowplowing, sanding and salting, snow removal and flood control.

Environmental services

Environmental services consist of waste disposal and recycling. Waste disposal and recycling includes the landfill site operations and waste minimization programs.

The Corporation of the Township of Dorion

Notes to the Consolidated Financial Statements

December 31, 2022

Health services

Health services include public health services and ambulance services. Public health services covers the Township's contribution to the activities of the Thunder Bay District Health Unit. In response to the health needs of the community, the Thunder Bay District Health Unit provides health information and prevention-related clinical services to people of all ages; advocates for healthy public policy; protects citizens by investigating reportable diseases; and upholds regulations that apply to public health.

Social and family services

Social and family services include general assistance, assistance to aged persons, child care and assistance to the disabled. General assistance represents the Township's contribution to the activities of The District of Thunder Bay Social Services Administration Board (TBDSSAB). TBDSSAB is responsible for issuing welfare payments, Ontario Works program delivery, employment assistance services and social housing. Under assistance to aged persons, TBDSSAB is responsible for providing services to seniors.

Recreation and cultural services

Recreation and cultural services include recreation programs and facilities, public library and contributions to cultural organizations. The Community Services Department provides public services that contribute to neighbourhood development and sustainability through the provision of recreation and leisure services such as fitness and aquatic programs, the development and maintenance of various recreational facilities; and the maintenance of parks and open spaces. The public library is dedicated to providing community access to local and global information resources that support lifelong learning, research and leisure activities. The Township makes contributions to various cultural organizations under specific funding programs.

Planning and development

The planning and development services include planning and zoning activities.

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 (Schedule 3).

The Corporation of the Township of Dorion

Notes to the Consolidated Financial Statements

December 31, 2022

12. RESERVES AND RESERVE FUNDS

The continuity of reserves and reserve funds is as follows:

	2022 \$	2021 \$
Reserves		
Balance, beginning of year	117,859	117,859
Balance, end of year	117,859	117,859
Reserve funds		
Balance, beginning of year	744,696	870,477
Increases (decreases)		
Contributions from operations	69,600	72,130
Contributions to operations	(201,549)	(200,000)
Interest earned	6,675	2,089
	(125,274)	(125,781)
Balance, end of year	619,422	744,696

13. RESTRICTED AND DESIGNATED ASSETS

Of the financial assets reported on the Consolidated Statement of Financial Position, Council has designated \$634,936 [2021 - \$751,138] to support reserve funds. In addition, cash of \$52,796 [2021 - \$1,080] is externally restricted in connection with how obligatory reserve funds reported in Note 5 may be used.

The Corporation of the Township of Dorion

Notes to the Consolidated Financial Statements

December 31, 2022

14. BUDGET FIGURES

Public Sector Accounting Standards require a comparison of the results for the period with those originally planned on the same basis as that used for actual results. The fiscal plan in the Consolidated Statement of Operations and Accumulated Surplus has been adjusted to be presented on a consistent basis as actual results. Below is a reconciliation of the figures from the approved fiscal plan to the fiscal plan per the financial statements:

	Approved Fiscal Plan \$	Adjustments \$	Fiscal Plan per Financial Statements \$
Revenues			
Taxation	693,001	-	693,001
User charges	1,800	-	1,800
Government transfers	413,411	(94,995)	318,416
Other	272,080	(210,960)	61,120
	1,380,292	(305,955)	1,074,337
Expenses			
General government	516,472	(226,616)	289,856
Protection to persons and property	133,335	7,726	141,061
Transportation services	521,780	(68,042)	453,738
Environmental services	17,500	(73,030)	(55,530)
Health services	51,469	-	51,469
Social and family services	59,895	-	59,895
Recreation and cultural services	69,176	(6,195)	62,981
Planning and development	10,665	-	10,665
	1,380,292	(366,157)	1,014,135
Annual surplus	-	60,202	60,202
Interfund transfers	-	(192,460)	
Capital items	-	252,545	
Debt repayments	-	49,344	
Amortization	-	(122,591)	
Landfill post-closure costs	-	73,364	
Approved surplus	-	60,202	

The Corporation of the Township of Dorion

Notes to the Consolidated Financial Statements

December 31, 2022

15. COMMITMENTS

In September 2022, the Township entered into an agreement with Superior Propane to purchase of a minimum of 58,000L of propane at \$0.6527/L during the period of October 1, 2022 to September 30th, 2024. As at year-end, the Township had purchased 10,061L, leaving a remaining commitment of 47,939L.

16. COMPARATIVE FIGURES

The comparative figures have been reclassified from those previously presented to conform to the presentation adopted for 2022.

The Corporation of the Township of Dorion Schedule 1 Consolidated Schedule of Accumulated Surplus

Year ended December 31	2022	2021
	\$	\$
Surpluses		
General fund	74,635	100,198
Library fund	3,535	(1,120)
Invested in tangible capital assets	2,514,011	2,463,446
Unfunded		
Long-term debt	(213,816)	(263,160)
Landfill closure and post-closure liabilities	(127,661)	(201,025)
Total surpluses	2,250,704	2,098,339
Reserves set aside for specific purposes by Council		
For working capital	114,217	114,217
For library	3,642	3,642
Total reserves	117,859	117,859
Reserve funds set aside for specific purposes by Council		
For fire equipment	64,576	63,834
For roads equipment	173,734	109,212
For administration equipment	18,880	18,664
For recreation	5,128	6,439
For landfill site	294,987	416,600
For museum	15,761	15,580
For tax arrears	14,171	14,008
For Centennial Building	49	4,619
For service modernization funding	6,069	60,854
For Safe Restart COVID-19 funding	26,067	34,886
Total reserve funds	619,422	744,696
Accumulated surplus	2,987,985	2,960,894

The Corporation of the Township of Dorion
Consolidated Schedule of Tangible Capital Assets

Schedule 2

Year ended December 31, 2022

	General					Linear Assets	Totals	
	Land	Land Improvements	Buildings	Library Collection	Machinery and Equipment		2022	2021
		\$	\$	\$	\$	\$	\$	
COST								
Balance, beginning of year	112,106	7,017	619,478	33,341	755,386	3,697,989	5,225,317	4,819,357
Add: Additions during the year	-	-	10,923	787	105,744	55,702	173,156	437,269
Less: Disposals during the year	-	-	-	(6,077)	-	-	(6,077)	-
Balance, end of year	112,106	7,017	630,401	28,051	861,130	3,753,691	5,392,396	5,256,626
ACCUMULATED AMORTIZATION								
Balance, beginning of year	-	7,017	320,195	21,820	491,835	1,921,004	2,761,871	2,685,492
Add: Amortization during the year	-	-	16,214	2,693	28,401	75,283	122,591	107,688
Less: Accumulated amortization on disposals	-	-	-	(6,077)	-	-	(6,077)	-
Balance, end of year	-	7,017	336,409	18,436	520,236	1,996,287	2,878,385	2,793,180
Net book value of tangible capital assets, beginning of year	112,106	-	311,800	11,521	251,035	1,776,984	2,463,446	2,133,865
Net book value of tangible capital assets, end of year	112,106	-	293,992	9,615	340,894	1,757,404	2,514,011	2,463,446

The Corporation of the Township of Dorion
Consolidated Schedule of Segment Disclosure

Schedule 3

Year ended December 31, 2022

	General Government		Protection to Persons and Property		Transportation Services		Environmental Services		Health Services	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revenues										
Taxation	696,787	678,050	-	-	-	-	-	-	-	-
Government transfers	121,660	181,535	28,057	28,604	66,625	145,005	-	-	-	-
User fees and service charges	-	-	-	-	-	-	-	-	-	-
Other revenues	48,528	30,056	27,040	15,116	66,423	23,239	-	-	-	-
Interest income - reserve funds	6,675	2,089	-	-	-	-	-	-	-	-
	873,650	891,730	55,097	43,720	133,048	168,244	-	-	-	-
Expenses										
Salaries, wages and employee benefits	144,510	146,537	27,303	22,620	140,250	109,318	-	-	-	-
Long-term debt interest	4,863	4,200	-	-	-	-	-	-	-	-
Materials	113,366	124,020	40,014	40,304	93,575	101,068	(72,802)	8,092	-	-
Contracted services	989	1,709	760	690	144,491	91,130	16,902	13,488	-	-
Rent and financials	52,302	83,630	4,755	5,797	-	-	-	-	-	-
External transfers	-	-	58,192	59,603	-	-	-	-	51,469	49,002
Amortization	6,273	5,128	10,726	8,501	100,453	88,709	334	167	-	-
	322,303	365,224	141,750	137,515	478,769	390,225	(55,566)	21,747	51,469	49,002
Annual surplus	551,347	526,506	(86,653)	(93,795)	(345,721)	(221,981)	55,566	(21,747)	(51,469)	(49,002)

The Corporation of the Township of Dorion
Consolidated Schedule of Segment Disclosure

Schedule 3 (continued)

Year ended December 31, 2022

	Social and Family Services		Recreation and Cultural Services		Planning and Development		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
	\$	\$	\$	\$	\$	\$	\$	\$
Revenues								
Taxation	-	-	-	-	-	-	696,787	678,050
Government transfers	-	-	7,037	7,853	13,457	19,376	236,836	382,373
User fees and service charges	-	-	2,790	1,550	-	-	2,790	1,550
Other revenues	-	-	10,405	13,998	-	-	152,396	82,409
Interest income - reserve funds	-	-	-	-	-	-	6,675	2,089
	-	-	20,232	23,401	13,457	19,376	1,095,484	1,146,471
Expenses								
Salaries, wages and employee benefits	-	-	23,922	21,769	-	-	335,985	300,244
Long-term debt interest	-	-	-	-	-	-	4,863	4,200
Materials	-	-	19,991	19,412	7,239	21,021	201,383	313,917
Contracted services	-	-	1,769	1,134	-	-	164,911	108,151
Rent and financials	-	-	12,047	12,304	-	-	69,104	101,731
External transfers	59,895	59,748	-	-	-	-	169,556	168,353
Amortization	-	-	4,805	5,183	-	-	122,591	107,688
	59,895	59,748	62,534	59,802	7,239	21,021	1,068,393	1,104,284
Annual surplus	(59,895)	(59,748)	(42,302)	(36,401)	6,218	(1,645)	27,091	42,187