



Consolidated Financial Statements

The Corporation of the Township of Schreiber

December 31, 2019

Statement of Administrative Responsibility

The management of The Corporation of the Township of Schreiber 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 CPA 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 Schreiber. The external auditors have access to, and meet with, Municipal Council to discuss their audit and the results of their examination.

The 2019 Financial Statements have been reported on by The Corporation of the Township of Schreiber'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 consolidated financial statements.



Nathan Dias
Chief Administrative Officer / Clerk



Dave Hamilton
Mayor

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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 Schreiber

Opinion

We have audited the consolidated financial statements of The Corporation of the Township of Schreiber ("the Township"), which comprise the consolidated statement of financial position as at December 31, 2019, and the consolidated statements of operations and accumulated surplus, change in net financial assets and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion the accompanying consolidated financial statements present fairly, in all material respects, the financial position of The Corporation of the Township of Schreiber as at December 31, 2019, and its results of operations, its changes in its net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the consolidated 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 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 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 consolidated 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 Township 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.

Grant Thornton LLP

Thunder Bay, Canada
September 24, 2020

Chartered Professional Accountants
Licensed Public Accountants

The Corporation of the Township of Schreiber

Consolidated Statement of Financial Position

As at December 31	2019	2018
	\$	\$
FINANCIAL ASSETS		
Cash and cash equivalents <i>[note 4]</i>	1,425,987	2,846,573
Taxes receivable <i>[note 3]</i>	268,158	437,441
Accounts receivable	235,984	126,032
Grants receivable	2,016,435	163,068
Due from Wastewater Facility Solar LP	20,737	20,737
Due from other municipalities	33,668	23,332
Total financial assets	4,000,969	3,617,183
LIABILITIES		
Accounts payable and accrued liabilities	1,135,506	845,647
Deferred revenue <i>[note 5]</i>	850,759	835,290
Debt <i>[note 7]</i>	320,796	421,739
User charges payable	14,384	1,149
Post-retirement benefits <i>[note 8]</i>	129,298	144,562
Total liabilities	2,450,743	2,248,387
NET FINANCIAL ASSETS	1,550,226	1,368,796
NON-FINANCIAL ASSETS		
Tangible capital assets - net <i>[note 10] [schedule 2]</i>	16,645,584	14,675,175
Prepaid expenses	14,966	15,919
	16,660,550	14,691,094
Accumulated surplus <i>[schedule 1]</i>	18,210,776	16,059,890

See accompanying notes to the consolidated financial statements.

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

Year ended December 31

	Budget 2019 \$ [note 14]	Actual 2019 \$	Actual 2018 \$
REVENUES [schedule 3]			
Taxation			
Residential and farm taxation	1,416,281	1,429,242	1,393,574
Commercial and industrial	394,400	421,045	396,062
Taxation from other governments	83,656	94,597	90,426
	1,894,337	1,944,884	1,880,062
User charges			
Water billings	438,510	443,581	421,838
User fees and service charges	147,915	209,211	192,605
Sewer	253,305	256,627	253,989
	2,734,067	2,854,303	2,748,494
Government transfers			
Government of Canada	2,111,356	1,071,571	135,714
Province of Ontario	3,136,407	2,305,474	2,596,789
Other municipalities	22,546	33,668	23,332
	5,270,309	3,410,713	2,755,835
Other			
Investment income	30,550	43,123	23,135
Penalties and late payment charges	121,000	101,902	130,862
Fines	-	335	205
Other	99,025	127,535	188,622
	250,575	272,895	342,824
Total revenues	8,254,951	6,537,911	5,847,153

	Budget 2019 \$ [note 14]	Actual 2019 \$	Actual 2018 \$
EXPENSES [note 11] [schedule 3]			
General government	837,649	940,838	692,948
Protection to persons and property	318,228	407,112	404,031
Transportation services	343,609	724,181	675,029
Environmental services	595,548	1,080,934	951,915
Health services	87,267	124,455	121,037
Social and family services	64,000	77,247	69,418
Recreation and cultural services	512,335	663,923	731,438
Planning and development	156,973	172,629	127,418
Library	131,500	173,924	151,366
	3,047,109	4,365,243	3,924,600
NET REVENUE BEFORE UNDERNOTED ITEM	5,207,842	2,172,668	1,922,553
Other			
Gain (loss) on disposal of tangible capital assets	-	(21,782)	11,319
Annual surplus	5,207,842	2,150,886	1,933,872
Accumulated surplus, beginning of year	16,059,890	16,059,890	14,126,018
Accumulated surplus, end of year	21,267,732	18,210,776	16,059,890

See accompanying notes to the consolidated financial statements.

The Corporation of the Township of Schreiber Consolidated Statement of Change in Net Financial Assets

Year ended December 31

	Budget 2019 \$ <i>[note 14]</i>	Actual 2019 \$	Actual 2018 \$
Annual surplus	5,207,842	2,150,886	1,933,872
Acquisition of tangible capital assets	(4,941,868)	(2,686,826)	(2,267,456)
Amortization of tangible capital assets	694,516	694,516	646,605
Proceeds on disposal of tangible capital assets	-	119	11,324
Loss (gain) on disposal of tangible capital assets	-	21,782	(11,319)
Acquisition of prepaid expenses	-	(14,966)	(15,919)
Use of prepaid expenses	-	15,919	8,303
Increase (decrease) in net financial assets	960,490	181,430	305,410
Net financial assets, beginning of year	1,368,796	1,368,796	1,063,386
Net financial assets, end of year	2,329,286	1,550,226	1,368,796

See accompanying notes to the consolidated financial statements.

The Corporation of the Township of Schreiber

Consolidated Statement of Cash Flows

Year ended December 31	2019	2018
	\$	\$
OPERATIONS		
Annual surplus	2,150,886	1,933,872
Non-cash charges		
Amortization of tangible capital assets	694,516	646,605
Post-retirement benefits	(15,264)	(23,221)
Loss (gain) on disposal of tangible capital assets	21,782	(11,319)
	2,851,920	2,545,937
Net change in non-cash working capital balances		
Decrease (increase) in taxes receivable	169,283	(205,963)
Decrease (increase) in accounts receivable	(109,952)	49,518
Decrease (increase) in grants receivable	(1,853,367)	1,199,889
Decrease (increase) in due to other municipalities	(10,336)	18,750
Increase in due from Wastewater Facility Solar LP	-	(20,737)
Increase in accounts payable and accrued liabilities	289,859	228,555
Increase (decrease) in user charges payable	13,235	(15,144)
Increase (decrease) in deferred revenue	15,469	(596,684)
Decrease (increase) in prepaid expenses	953	(7,616)
Cash provided by operating transactions	1,367,064	3,196,505
CAPITAL		
Acquisition of tangible capital assets	(2,686,826)	(2,267,456)
Proceeds on disposal of tangible capital assets	119	11,324
Cash used in capital transactions	(2,686,707)	(2,256,132)
INVESTING		
Decrease in investment in Anemos Wastewater Facility Solar LP	-	13,923
Cash provided by investing transactions	-	13,923
FINANCING		
Debt principal repayment	(100,943)	(104,543)
Cash used in financing transactions	(100,943)	(104,543)
Increase (decrease) in cash and cash equivalents	(1,420,586)	849,753
Opening cash and cash equivalents	2,846,573	1,996,820
Closing cash and cash equivalents	1,425,987	2,846,573

See accompanying notes to the consolidated financial statements.

The Corporation of the Township of Schreiber

Notes to the Consolidated Financial Statements

December 31, 2019

GENERAL

The Corporation of the Township of Schreiber 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 Schreiber 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 CPA Canada. The more significant of these accounting policies are as follows:

[a] Basis of consolidation

Reporting entity

These consolidated financial statements reflect the financial assets, liabilities, revenues, expenses, and accumulated surplus of the reported 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 are consolidated in these financial statements.

Schreiber Public Library Board

All interfund balances and transactions have been eliminated.

Government partnerships

Certain organizations in which the Township participates are accounted for on a proportionate consolidation basis, consistent with the treatment for government partnerships. Under the proportionate consolidation basis of accounting, the Township's pro-rata share of the assets, liabilities, revenues and expenditures that are subject to shared control is combined on a line-by-line basis with similar items in the Township's financial statements. The entity that is accounted for in this manner is:

Thunder Bay Area Emergency Measures Organization

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

The Corporation of the Township of Schreiber

Notes to the Consolidated Financial Statements

December 31, 2019

Trust funds

Certain assets have been conveyed or assigned to the Township to be administered as directed by agreement or statute. The Township holds the assets for the benefit of and stand in fiduciary relationship to the beneficiaries, as a result, the trust funds and assets are excluded from their financial statements.

Accounting for school board transactions

The taxation and 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.

Short-term investments

Short-term investments are recorded using the cost method. The carrying value of an investment is written-down to its net recoverable amount if a decline in market value is judged to be other than temporary.

Long-term investments

Long-term investments in shares of limited partnerships are valued using the modified equity method.

Pension and employee benefits

The Township accounts for its participation in the Ontario Municipal Employee Retirement System ("OMERS"), a multi-employer defined benefit plan, as a defined contribution plan. Obligations for sick leave under accounts payable and accrued liabilities 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.

The Corporation of the Township of Schreiber

Notes to the Consolidated Financial Statements

December 31, 2019

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 annual deficit, provides the change in net financial assets for the year.

[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:

Buildings	20 to 60 years
Computer hardware and software	5 to 10 years
Furniture and equipment	5 to 25 years
Land improvements	15 to 60 years
Library collections	25 years
Linear assets	
- roads	15 to 60 years
- sanitary sewer	50 to 60 years
- water distribution	40 to 60 years
Machinery and equipment	8 to 40 years
Vehicles	5 to 20 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 were recorded at a nominal value on adoption of tangible capital assets due to the difficulty in determining an appropriate value. The most significant of such assets are the Township's road allowances and vacant property.

The Corporation of the Township of Schreiber

Notes to the Consolidated Financial Statements

December 31, 2019

[d] 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 incurrence of an obligation. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

Reserves and reserve funds

Certain amounts, as approved by the Township Council, are set aside in reserves and reserve funds for future operating and capital purposes. Council segregates its accumulated surplus into various categories including reserves and reserve funds which are specifically for future operating and capital purposes.

Taxation revenue

Taxes are recognized as assets and revenue when they meet the definition of an asset, are authorized and the taxable event occurs, which for property taxes is the period for which the tax is levied.

At each financial statement date, management evaluates the extent to which its tax receivables are ultimately collectible and valuation allowances are used to reflect tax receivables 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.

Revenue recognition

User charges and fees 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.

Interest is recognized as it is earned. Interest earned on obligatory reserve funds is added to the fund balance and forms part of the deferred revenue balance. Investment income earned on reserve funds is added to the fund balance and forms part of the reserve fund balance.

Funds received, other than government transfers and tax revenue, for specific purposes which are externally restricted by legislation, regulation or agreement and that are not available for general purposes are accounted for as deferred revenue on the Consolidated Statement of Financial Position. The revenue is recognized in the Consolidated Statement of Operations and Accumulated Surplus in the year in which it is used for the specified purpose.

The Corporation of the Township of Schreiber

Notes to the Consolidated Financial Statements

December 31, 2019

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 consolidated 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.

Obligatory reserve funds

The Township receives 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 capital projects are recorded as revenue in the fiscal period they are expended. See note 6 for more details.

The Township received proceeds from the Nuclear Waste Management Organization. These funds are restricted in their use and, until applied to specific expenses are recorded as deferred revenue. Amounts applied to qualifying expenses 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, estimated useful lives of tangible capital assets, employee benefits payable, and solid waste landfill closure and post-closure liabilities. Actual results could differ from these estimates.

The Corporation of the Township of Schreiber

Notes to the Consolidated Financial Statements

December 31, 2019

2. TRUST FUNDS

Trust funds administered by the Township amounting to \$107,308 [2018 - \$104,891] 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.

3. TAXES RECEIVABLE

	2019	2018
	\$	\$
Property and business taxes receivable	987,134	1,070,290
Allowance for property and business tax arrears	(718,976)	(632,849)
	268,158	437,441

4. CASH AND CASH EQUIVALENTS

	2019	2018
	\$	\$
Cash on hand	684,270	2,063,349
Savings account	856,241	842,720
Outstanding deposits	4,890	10,867
Outstanding cheques	(119,414)	(70,363)
	1,425,987	2,846,573

The Township has available a demand operating loan of \$2,800,000 [2018 - \$2,800,000] for which the Township has provided a general security agreement, of which \$nil [2018 - \$nil] was borrowed at year-end. Interest on the loan is calculated at bank prime [3.95% at year-end].

The Corporation of the Township of Schreiber

Notes to the Consolidated Financial Statements

December 31, 2019

5. DEFERRED REVENUE

	2019 \$	2018 \$
Obligatory reserve funds		
Federal Gas Tax proceeds	166,163	209,717
Provincial Gas Tax proceeds	181,205	155,709
Nuclear Waste Management Organization - Well Being Fund proceeds	401,016	422,016
General deferred revenue		
Association of Municipalities of Ontario	-	38,582
Other	94,206	1,097
Ministry of Transportation - State of Good Repairs Needs - grant proceeds	8,169	8,169
	850,759	835,290

The continuity of deferred revenue is as follows:

	Government Transfer \$	Other \$	Total 2019 \$	Total 2018 \$
Balance, beginning of year	8,169	827,121	835,290	1,431,974
Investment income	-	15,296	15,296	7,555
Net contributions to current operations	-	(257,850)	(257,850)	(760,246)
Grant proceeds	-	258,023	258,023	156,007
Balance, end of year	8,169	842,590	850,759	835,290

6. PENSION AGREEMENTS

The Township makes contributions to the Ontario Municipal Employees 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 retirement benefit to be received by the employees based on the length of service and rates of pay. The amount contributed to OMERS for 2019 was \$65,998 [2018 - \$74,989] for current service.

The Corporation of the Township of Schreiber

Notes to the Consolidated Financial Statements

December 31, 2019

7. DEBT

[a] The balance of debt reported on the Consolidated Statement of Financial Position is made up of the following:

	2019	2018
	\$	\$
Term loan repayable in blended monthly instalments of \$2,559, including interest at 3.90% per annum, maturing in January, 2027.	189,616	212,453
Term loan repayable in blended monthly instalments of \$1,770, including interest at 3.90% per annum, maturing January, 2027.	131,180	146,973
Term loan repaid in year.	-	55,583
Term loan repaid in year.	-	6,730
	320,796	421,739

[b] Principal due on debt is summarized as follows:

	\$
2020	40,142
2021	41,734
2022	43,391
2023	45,114
2024	46,905
Thereafter	103,510
	320,796

[c] The debt in [a] issued in the name of the Township has 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 Ontario Ministry of Municipal Affairs and Housing.

[d] Total interest charges for debt reported on the Consolidated Statement of Operations and Accumulated Surplus are \$14,101 [2018 - \$17,281].

The Corporation of the Township of Schreiber

Notes to the Consolidated Financial Statements

December 31, 2019

8. POST-RETIREMENT BENEFITS

The post-retirement benefits relate to health care costs that the Township will cover for specific retired employees. Township employees entitled to the post-retirement benefit are identified through the Union Agreement and also include any non-union management employees. Management's estimate is determined based on the type of policy the employee will receive, expected costs using market data and the expected date of employee's retirement. Based on these factors, management took the total estimated costs and discounted it at a rate of 3.95%.

9. LANDFILL CLOSURE AND POST-CLOSURE

The Township's landfill usage is limited to de-watering treated waste sludge from the Municipal Water Pollution Control Plant. The main components of the landfill closure includes soil testing and seeding.

The estimated liability for this cost 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 6%. The total discounted outflow in the future is estimated to be \$5,000. No provision has been made in these consolidated financial statements in respect to landfill closure and post-closure costs. An amount of \$208,086 [2018 - \$208,086] has been provided in a reserve to fund future landfill expansion and emergencies (Schedule 1).

According to the Certificate of Approval issued by the Ontario Ministry of Environment, the size of the site is 0.371 hectares, with a maximum capacity not to exceed 1,200m³. Management has estimated that the life of the site is unlimited due to the current maintenance processes in place.

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.

There were no write-downs of assets during 2019 [2018 - \$nil].

Interest capitalized during 2019 was \$nil [2018 - \$nil].

There were no contributed tangible capital assets in 2019 [2018 - \$nil].

The Corporation of the Township of Schreiber

Notes to the Consolidated Financial Statements

December 31, 2019

11. SEGMENTED INFORMATION

The Corporation of the Township of Schreiber provides a wide range of services to its citizens. The schedule of segment disclosure provides a breakdown of the annual surplus (deficit) reported on the Consolidated Statement of Operations and Accumulated Surplus by major reporting segment. The segments correspond to the major functional categories used in the Township's Financial Information Return, which includes the following activities:

General government

General government comprises various administrative services, including the Finance Department, and Mayor 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 Volunteer Fire Services Department is responsible for fire suppression, fire prevention programs, and 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. Protective inspection and control also represents the Township's proportionate share of the activities of the Thunder Bay Area Emergency Measures Organizations ("EMO").

Transportation services

Transportation services include roadways, winter control, transit, parking and street lighting. Roadways covers the delivery of municipal public works services related to the planning, development and maintenance of roadway systems, culverts and sidewalks. Winter control includes snowplowing, sanding and salting, snow removal and flood control. The Township develops and maintains the street lighting system.

The Corporation of the Township of Schreiber

Notes to the Consolidated Financial Statements

December 31, 2019

Environmental services

Environmental services consist of waterworks, sanitary sewer, waste collection and disposal and recycling. Waterworks provides drinking water to the citizens of Schreiber. Sanitary sewer collects and treats wastewater and waste collection and disposal and recycling includes the collection of solid waste, landfill site operations and waste minimization programs.

Health services

Health services includes public health services and ambulance services. Public health services represents the Township's contribution to the activities of the Thunder Bay District Health Unit. The Thunder Bay District Health Unit provides health information and prevention-related clinical services, advocates for healthy public policy, investigates reportable diseases, and upholds regulations that apply to public health. Ambulance services are contracted from the Superior North Emergency Medical Services ("SNEMS"). SNEMS is responsible for providing emergency medical and ambulatory services to the residents of the District of Thunder Bay.

Social and family services

Social and family services represents the Township's contributions to the activities of The District of Thunder Bay Social Services Administration Board ("TBDSSAB"). TBDSSAB is responsible for Ontario Works program delivery, child care services and social housing.

Recreation and cultural services

Recreation and cultural services include parks, 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 Township manages development for business interest, environmental concerns, heritage matters, and local neighbourhoods through community development and approval of all land development plans.

The accounting policies used in these segments are consistent with those followed in the preparation of these 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 Schreiber

Notes to the Consolidated Financial Statements

December 31, 2019

12. RESERVES AND RESERVE FUNDS

The continuity of reserves and reserve funds which makes up part of accumulated surplus in Schedule 1 is as follows:

	2019	2018
	\$	\$
Reserves		
Balance, beginning of year	1,916,970	1,716,117
Increases		
Transfer from current operations	909,324	283,836
Decreases		
Transfer to current operations	4,000	3,350
Transfer to capital operations	760,293	79,633
	764,293	82,983
Balance, end of year	2,062,001	1,916,970
Reserve funds		
Balance, beginning of year	27,035	28,259
Increases		
Contributions from current operations	9,852	8,251
Interest earned	525	255
	10,377	8,506
Decreases		
Contributions to current operations	3,459	9,730
	3,459	9,730
Balance, end of year	33,953	27,035

Subsequent to year-end, the general fund has been decreased by an amount of \$231,954 transferred from reserve and reserve funds as authorized by various resolutions issued subsequent to year-end. Had this increase not been made, the balance of the Township's funds would have been as follows: general fund of \$143,117 reserves of \$1,839,624 and reserve funds of \$24,375.

The Corporation of the Township of Schreiber

Notes to the Consolidated Financial Statements

December 31, 2019

13. DESIGNATED ASSETS

Of the financial assets reported on the Consolidated Statement of Financial Position, the Council has designated \$33,953 [2018 - \$27,035] to support reserve funds.

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 \$
Revenue			
Taxation	1,894,337	-	1,894,337
User charges	839,730	-	839,730
Government transfers	5,270,309	-	5,270,309
Other	250,575	-	250,575
	8,254,951	-	8,254,951
Expenses			
General government	336,374	501,275	837,649
Protection to persons and property	383,569	(65,341)	318,228
Transportation services	667,426	(323,817)	343,609
Environmental services	494,991	100,557	595,548
Health services	108,817	(21,550)	87,267
Social and family services	74,335	(10,335)	64,000
Recreation and cultural services	645,503	(133,168)	512,335
Planning and development	5,386,421	(5,229,448)	156,973
Library	157,515	(26,015)	131,500
	8,254,951	(5,207,842)	3,047,109
Annual surplus	-	5,207,842	5,207,842
Interfund transfers	(589,356)	(589,356)	
Capital items	4,941,868	4,941,868	
Annual surplus	(629,651)	(629,651)	
Debt repayments	167,825	167,825	
Unexpected capital	622,640	622,640	
Amortization	-	694,516	
Approved surplus	4,513,326	5,207,842	

The Corporation of the Township of Schreiber

Notes to the Consolidated Financial Statements

December 31, 2019

15. COMMITMENTS

The Township leases certain equipment under operating leases. As well, the Township has entered into agreements as follows:

An agreement with a trucking company for the collection and removal of garbage. This agreement expires August 31, 2023.

The future payments expected over the next four years are as follows:

	\$
2020	102,938
2021	98,629
2022	98,629
2023	66,405
2024	1,468
	<hr/> 368,069 <hr/>

16. COMPARATIVE CONSOLIDATED FINANCIAL STATEMENTS

The comparative consolidated financial statements have been reclassified from statements previously presented to conform to the presentation of the 2019 consolidated financial statements.

17. SUBSEQUENT EVENT

Since December 31, 2019, the spread of COVID-19 has severely impacted many local economies around the globe. In many countries, including Canada, businesses are being forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Global stock markets have also experienced great volatility and a significant weakening. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions.

The Township's operations have not been significantly impacted as a result of COVID-19. There is minimal impact associated with cash in-flows for the Township and cash out-flows have been maintained as expected.

The Township has determined that these events are non-adjusting subsequent events. Accordingly, the financial position and results of operations as of and for the year ended December 31, 2019 have not been adjusted to reflect their impact. The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government and central bank responses, remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the Township for future periods.

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

Year ended December 31	2019	2018
	\$	\$
Surpluses		
General fund	(80,668)	7,011
Investment in tangible capital assets	16,645,584	14,675,175
Unfunded		
Post-retirement benefits	(129,298)	(144,562)
Debt	(320,796)	(421,739)
Total surpluses	16,114,822	14,115,885
Reserves set aside for specific purposes by Council		
For working capital	469,214	469,214
For fire truck	213,259	212,008
For water and sewer	234,821	256,263
For recreation infrastructure	57,990	60,406
For cemetery expansion	19,626	18,521
For landfill site operations and development	208,086	208,086
For Handitransit	15,907	15,907
For life insurance liabilities	42,338	42,338
For fire department equipment	2,000	1,000
For infrastructure/development	684,788	520,950
For CRF/LSR adjustment	99,499	99,499
For library	14,473	12,778
Total reserves	2,062,001	1,916,970
Reserve funds set aside for specific purposes by Council		
For recreation committee	33,953	27,035
Total reserves and reserve funds	33,953	27,035
Accumulated surplus	18,210,776	16,059,890

**The Corporation of the Township of Schreiber
Consolidated Schedule of Tangible Capital Assets**

Schedule 2

Year ended December 31, 2019

	General									Infrastructure			Totals	
	Land \$	Buildings \$	Land Improvements \$	Machinery Equipment \$	Vehicles \$	Furniture and Equipment \$	Computer Hardware and Software \$	Library Collections \$	Sanitary Sewer \$	Roads \$	Water Distribution \$	Work-in- Progress \$	2019 \$	2018 \$
COST														
Balance, beginning of year	775,763	9,699,535	2,238,462	3,199,032	1,769,585	233,261	78,717	291,474	1,641,387	4,114,446	2,279,116	3,208,250	29,529,028	27,261,577
Add														
Additions during the year	-	70,493	-	77,820	16,340	-	11,393	6,501	4,573	-	-	2,499,706	2,686,826	2,267,456
Less														
Disposals during the year	21,901	-	-	-	-	-	-	-	-	-	-	-	21,901	5
Transfers	-	3,176,428	-	-	-	-	-	-	-	-	-	(3,176,428)	-	-
Balance, end of year	753,862	12,946,456	2,238,462	3,276,852	1,785,925	233,261	90,110	297,975	1,645,960	4,114,446	2,279,116	2,531,528	32,193,953	29,529,028
ACCUMULATED AMORTIZATION														
Balance, beginning of year	-	4,758,178	1,662,323	2,696,003	1,124,420	199,462	41,317	195,486	1,048,615	1,589,577	1,538,472	-	14,853,853	14,207,248
Add														
Amortization during the year	-	259,152	47,365	77,797	82,337	17,005	8,166	11,789	29,586	119,065	42,254	-	694,516	646,605
Less														
Balance, end of year	-	5,017,330	1,709,688	2,773,800	1,206,757	216,467	49,483	207,275	1,078,201	1,708,642	1,580,726	-	15,548,369	14,853,853
Net book value of tangible capital assets, beginning of year	775,763	4,941,357	576,139	503,029	645,165	33,799	37,400	95,988	592,772	2,524,869	740,644	3,208,250	14,675,175	13,054,329
Net book value of tangible capital assets, end of year	753,862	7,929,126	528,774	503,052	579,168	16,794	40,627	90,700	567,759	2,405,804	698,390	2,531,528	16,645,584	14,675,175

**The Corporation of the Township of Schreiber
Consolidated Schedule of Segment Disclosure**

Schedule 3

Year ended December 31, 2019

	General Government		Protection to Persons and Property		Transportation Services		Environmental Services		Health Services	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revenues										
Taxation	1,944,884	1,880,062	-	-	-	-	-	-	-	-
Government transfers - operating	1,067,017	833,700	4,874	5,667	29,198	-	6,920	-	3,710	1,680
Government transfers - capital	-	-	-	-	-	-	189,014	1,614,485	-	-
User fees and service charges	4,939	4,261	27,243	20,703	9,834	8,095	736,758	711,180	6,634	4,380
Other municipalities	-	-	-	-	33,668	23,332	-	-	-	-
Other revenues	149,551	220,186	6,826	21,997	6,000	6,000	4,100	3,387	47,481	46,930
Interest income - general	43,123	22,880	-	-	-	-	-	-	-	-
Interest income - reserves and reserve funds	-	255	-	-	-	-	-	-	-	-
	3,209,514	2,961,344	38,943	48,367	78,700	37,427	936,792	2,329,052	57,825	52,990
Expenditures										
Salaries, wages and employee benefits	397,640	383,699	63,129	52,062	288,994	254,956	58,123	52,759	15,830	12,557
Long-term debt charges	7,937	9,198	-	-	6,164	8,083	-	-	-	-
Materials	379,089	141,957	80,575	83,583	233,044	218,245	360,352	344,547	28,421	30,992
Contracted services	80,859	85,321	222,067	229,430	-	-	391,853	350,728	-	-
Rent and financials	7,003	5,892	-	-	11,172	1,796	48,774	17,674	1,119	778
External transfers to others	-	-	-	-	-	-	-	-	57,535	55,160
Amortization	68,310	66,881	41,341	38,956	184,807	191,949	221,832	186,207	21,550	21,550
	940,838	692,948	407,112	404,031	724,181	675,029	1,080,934	951,915	124,455	121,037
Net revenues (expenses) before undernoted item	2,268,676	2,268,396	(368,169)	(355,664)	(645,481)	(637,602)	(144,142)	1,377,137	(66,630)	(68,047)
Gain (loss) on disposal of tangible capital assets	(21,782)	11,319	-	-	-	-	-	-	-	-
Annual surplus (deficit)	2,246,894	2,279,715	(368,169)	(355,664)	(645,481)	(637,602)	(144,142)	1,377,137	(66,630)	(68,047)

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

Schedule 3 (continued)

Year ended December 31, 2019

	Social and Family Services		Recreation and Cultural Services		Planning and Development		Total	
	2019	2018	2019	2018	2019	2018	2019	2018
	\$	\$	\$	\$	\$	\$	\$	\$
Revenues								
Taxation	-	-	-	-	-	-	1,944,884	1,880,062
Government transfers - operating	-	-	104,703	81,663	1,089,951	195,308	2,306,373	1,118,018
Government transfers - capital	-	-	3,290	-	878,368	-	1,070,672	1,614,485
User fees and service charges	14,517	11,077	109,494	108,736	-	-	909,419	868,432
Other municipalities	-	-	-	-	-	-	33,668	23,332
Other revenues	-	-	15,714	21,189	100	-	229,772	319,689
Interest income - general	-	-	-	-	-	-	43,123	22,880
Interest income - reserves and reserve funds	-	-	-	-	-	-	-	255
	14,517	11,077	233,201	211,588	1,968,419	195,308	6,537,911	5,847,153
Expenditures								
Salaries, wages and employee benefits	-	-	362,379	385,677	108,645	93,574	1,294,740	1,235,284
Long-term debt charges	-	-	-	-	-	-	14,101	17,281
Materials	-	-	274,167	315,565	27,922	19,489	1,383,570	1,154,378
Contracted services	16,578	9,629	51,327	47,430	36,062	14,355	798,746	736,893
Rent and financials	-	-	3,634	3,405	-	-	71,702	29,545
External transfers to others	50,334	49,454	-	-	-	-	107,869	104,614
Amortization	10,335	10,335	146,340	130,727	-	-	694,515	646,605
	77,247	69,418	837,847	882,804	172,629	127,418	4,365,243	3,924,600
Net revenues (expenses) before undernoted item	(62,730)	(58,341)	(604,646)	(671,216)	1,795,790	67,890	2,172,668	1,922,553
Gain on disposal of tangible capital assets	-	-	-	-	-	-	(21,782)	11,319
Annual surplus (deficit)	(62,730)	(58,341)	(604,646)	(671,216)	1,795,790	67,890	2,150,886	1,933,872

Independent Auditor's Report

Grant Thornton LLP

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To the Board Members of
Schreiber Public Library Board

Opinion

We have audited the financial statements of Schreiber Public Library Board ("the Board"), which comprise the statement of financial position as at December 31, 2019, and the statements of operations and accumulated surplus, change in net financial assets and cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly in all material respects, the financial position of Schreiber Public Library Board as at December 31, 2019, and its results of operations, its changes in its net assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

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

Responsibilities of Management and Those Charged with Governance for the financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Board'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 Board's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Board to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Grant Thornton LLP

Thunder Bay, Canada
September 24, 2020

Chartered Professional Accountants
Licensed Public Accountants

Schreiber Public Library Board Statement of Financial Position

As at December 31	2019	2018
	\$	\$
FINANCIAL ASSETS		
Cash	48	77
Due from the Province of Ontario	16,074	13,817
Total financial assets	16,122	13,894
LIABILITIES		
Accounts payable and accrued liabilities	1,700	1,700
Total liabilities	1,700	1,700
NET FINANCIAL ASSETS	14,422	12,194
NON-FINANCIAL ASSETS		
Tangible capital assets <i>[note 2]</i>	191,823	215,337
Accumulated surplus <i>[note 3]</i>	206,245	227,531

See accompanying notes to the financial statements.

Schreiber Public Library Board

Statement of Operations and Accumulated Surplus

Year ended December 31	2019	2019	2018
	Budget	Actual	Actual
	\$	\$	\$
	<i>[note 5]</i>		
REVENUES			
Municipal contribution	131,933	123,571	121,335
Province of Ontario grants	22,807	23,352	23,610
Government of Canada grants	1,260	1,260	1,260
Other revenue	1,515	4,454	3,755
Total revenues	157,515	152,637	149,960
EXPENSES			
Amortization	30,015	30,015	12,857
Community programs	2,900	2,949	2,713
Computer	4,000	5,495	2,736
Insurance	575	572	570
Library office supplies	1,800	1,859	2,747
Maintenance and repairs	4,300	2,411	2,073
Miscellaneous	1,000	926	981
Office equipment	2,350	2,745	2,423
Periodicals and audio visual materials	1,300	1,286	1,823
Professional development	500	593	669
Professional fees	1,700	1,700	1,700
Salaries and benefits	120,890	111,784	102,601
Special projects	700	832	7,241
Telephone and postage	2,500	2,482	2,537
Travel and conventions	3,500	2,300	2,035
Utilities	7,500	5,974	5,662
Total expenses	185,530	173,923	151,368
Annual surplus (deficit)	(28,015)	(21,286)	(1,408)
Accumulated surplus, beginning of year	227,531	227,531	228,939
Accumulated surplus, end of year	199,516	206,245	227,531

See accompanying notes to the financial statements.

Schreiber Public Library Board

Statement of Change in Net Financial Assets

Year ended December 31	2019	2019	2018
	Budget \$ <i>[note 5]</i>	Actual \$	Actual \$
Annual surplus (deficit)	(28,015)	(21,286)	(1,408)
Acquisition of tangible capital assets	(6,000)	(6,501)	(6,365)
Amortization of tangible capital assets	30,015	30,015	12,857
Increase (decrease) in net financial assets	(4,000)	2,228	5,084
Net financial assets, beginning of year	12,194	12,194	7,110
Net financial assets, end of year	8,194	14,422	12,194

See accompanying notes to the financial statements.

Schreiber Public Library Board

Statement of Cash Flows

Year ended December 31	2019	2018
	\$	\$
OPERATIONS		
Annual surplus (deficit)	(21,286)	(1,408)
Non-cash charges		
Amortization of tangible capital assets	30,015	12,857
	8,729	11,449
Net change in non-cash working capital balances		
Decrease (increase) in due from the Province of Ontario	(2,257)	(12,503)
Decrease in due from The Corporation of the Township of Schreiber	-	12,458
Decrease in deferred revenue	-	(5,069)
Cash provided by operating transactions	6,472	6,335
CAPITAL		
Acquisition of tangible capital assets	(6,501)	(6,365)
Cash used in capital transactions	(6,501)	(6,365)
Decrease in cash and cash equivalents	(29)	(30)
Opening cash and cash equivalents	77	107
Closing cash and cash equivalents	48	77

See accompanying notes to the financial statements.

Schreiber Public Library Board

Notes to the Financial Statements

December 31, 2019

GENERAL

The Schreiber Public Library Board is dedicated to providing community access to local and global information resources that support lifelong learning, research and leisure activities.

The Schreiber Public Library Board is a municipal organization.

1. SIGNIFICANT ACCOUNTING POLICIES

These financial statements of the Schreiber Public Library Board 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 CPA Canada. The more significant of these accounting policies are as follows:

Accrual accounting

The Library 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 assets is partly or wholly used or lost.

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 annual surplus, provides the change in net financial assets for the year.

[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:

Buildings	20 to 60 years
Computer hardware	5 to 10 years
Furniture and equipment	5 to 25 years
Library collections	25 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.

Schreiber Public Library Board

Notes to the Financial Statements

December 31, 2019

[b] 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. 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] 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 Library are accounted for as the acquisition of a capital asset and the incurrence of an obligation. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

Reporting entity

The financial statements reflect the assets, liabilities, revenues, expenses and accumulated surplus of the Library Board.

Revenue recognition

Funds received, other than government transfers, for specific purposes which are externally restricted by legislation, regulation or agreement and that are not available for general purposes are accounted for as deferred revenue on the statement of financial position. The revenue is recognized in the Statement of Operations and Accumulated Surplus in the year in which it is used for the specified purpose.

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 Library are recorded as an expense when they are authorized and the recipient meets all eligibility criteria.

Schreiber Public Library Board

Notes to the Financial Statements

December 31, 2019

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 disclosures 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 Library Board may undertake in the future. Significant accounting estimates include allowance for doubtful accounts and useful lives of tangible capital assets. Actual results could differ from those estimates.

2. TANGIBLE CAPITAL ASSETS

	Buildings \$	Library Collections \$	Computer Hardware \$	Furniture and Equipment \$	Work-in- Progress \$	2019 Total \$	2018 Total \$
COST							
Balance, beginning of year	140,800	291,474	29,349	49,875	-	511,498	505,133
Add:							
Additions during the year	-	6,501	-	-	-	6,501	6,365
Balance, end of year	140,800	297,975	29,349	49,875	-	517,999	511,498
ACCUMULATED AMORTIZATION							
Balance, beginning of year	23,800	195,486	27,415	49,460	-	296,161	283,304
Add:							
Amortization during the year	16,900	11,789	1,290	36	-	30,015	12,857
Balance, end of year	40,700	207,275	28,705	49,496	-	326,176	296,161
Net book value of tangible capital assets, beginning of year	117,000	95,988	1,934	415	-	215,337	221,829
Net book value of tangible capital assets, end of year	100,100	90,700	644	379	-	191,823	215,337

Schreiber Public Library Board

Notes to the Financial Statements

December 31, 2019

3. ACCUMULATED SURPLUS

	2019	2018
	\$	\$
General fund	14,422	12,194
Investment in tangible capital assets	191,823	215,337
	206,245	227,531

4. COMMITMENTS

The Library leases various office equipment under operating leases. The future minimum annual lease payments over the next year are as follows:

	\$
2020	1,143

5. BUDGET FIGURES

The operating budget approved by the Library Board for 2019 is reflected on the Statement of Operations and Accumulated Surplus. The budget established for capital investment in tangible capital assets is on a project-oriented basis, the costs of which may be incurred over a number of years and therefore may not be comparable with the current year's actual expenses. Budget figures have been restated to be comparable with the PSAB reporting reflected in the actual results. Below is a reconciliation of figures from the approved fiscal plan to the fiscal plan per the financial statements.

Schreiber Public Library Board

Notes to the Financial Statements

December 31, 2019

Note 5 - Budget Figures continued

	Approved Fiscal Plan \$	Adjustments \$	Fiscal Plan per Financial Statements \$
Revenue			
Municipal contribution	135,933	(4,000)	131,933
Province of Ontario grants	22,807	-	22,807
Government of Canada grants	1,260	-	1,260
Other	1,515	-	1,515
	161,515	(4,000)	157,515
Expenses			
Amortization	-	30,015	30,015
Community programs	2,900	-	2,900
Computer	4,000	-	4,000
Insurance	575	-	575
Library office supplies	1,800	-	1,800
Maintenance and repairs	4,300	-	4,300
Miscellaneous	1,000	-	1,000
Office equipment	2,350	-	2,350
Periodicals and audio visual materials	7,300	(6,000)	1,300
Professional development	500	-	500
Professional fees	1,700	-	1,700
Salaries and benefits	120,890	-	120,890
Special projects	700	-	700
Telephone and postage	2,500	-	2,500
Travel and conventions	3,500	-	3,500
Utilities	7,500	-	7,500
	161,515	24,015	185,530
Annual deficit	-	(28,015)	(28,015)
Capital items	6,000	6,000	
Interfund transfers	(4,000)	(4,000)	
Amortization	-	(30,015)	
Approved deficit	2,000	(28,015)	

Schreiber Public Library Board

Notes to the Financial Statements

December 31, 2019

6. SUBSEQUENT EVENT

Since December 31, 2019, the spread of COVID-19 has severely impacted many local economies around the globe. In many countries, including Canada, businesses are being forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Global stock markets have also experienced great volatility and a significant weakening. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions.

The operations of the Library were noted impacted in 2020. The Province declared an emergency under the Emergency Management and Civil Protection Act on March 17, 2020. The library building was closed to the public and all services were suspended until permitted to reopen by the Province.

The Library has determined that these events are non-adjusting subsequent events. Accordingly, the financial position and results of operations as of and for the year ended December 31, 2019 have not been adjusted to reflect their impact. The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government and central bank responses, remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the Library for future periods.

Independent Auditor's Report

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To the Members of Council, Inhabitants and Ratepayers of
The Corporation of the Township of Schreiber Trust Fund

Opinion

We have audited the financial statements of the Trust Fund of The Corporation of the Township of Schreiber ("the Trust"), which comprise the statement of financial position as at December 31, 2019, and the statements of operations and fund balances and cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly in all material respects, the financial position of The Corporation of the Township of Schreiber Trust Fund as at December 31, 2019, and its results of operations, and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

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

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Grant Thornton LLP

Thunder Bay, Canada
September 24, 2020

Chartered Professional Accountants
Licensed Public Accountants

**The Corporation of the Township of Schreiber
Trust Fund
Statement of Financial Position**

As at December 31

	2019			2018
	Cemetery Perpetual Care \$	Cemetery Prepaid Services \$	Total \$	Total \$
FINANCIAL ASSETS				
Cash	107,154	154	107,308	104,791
Due from The Corporation of the Township of Schreiber	-	-	-	100
	107,154	154	107,308	104,891
Accumulated surplus	107,154	154	107,308	104,891

See accompanying notes to the financial statements.

**The Corporation of the Township of Schreiber
Trust Fund
Statement of Operations and Fund Balances**

Year ended December 31			2019	2018
	Cemetery Perpetual Care \$	Cemetery Prepaid Services \$	Total \$	Total \$
REVENUES				
Capital receipts	1,926	-	1,926	2,230
Interest earned	491	-	491	348
	2,417	-	2,417	2,578
EXPENSES				
	-	-	-	-
Annual surplus	2,417	-	2,417	2,578
Accumulated surplus, beginning of year	104,737	154	104,891	102,313
Accumulated surplus, end of year	107,154	154	107,308	104,891

See accompanying notes to the financial statements.

**The Corporation of the Township of Schreiber
Trust Fund
Statement of Cash Flows**

Year ended December 31	2019	2018
	\$	\$
OPERATING ACTIVITIES		
Annual surplus	2,417	2,578
Net change in non-cash working capital		
Decrease (increase) in due from The Corporation of the Township of Schreiber	100	(100)
Cash provided by operating transactions	2,517	2,478
Increase in cash during year	2,517	2,478
Cash, beginning of year	104,791	102,313
Cash, end of year	107,308	104,791

See accompanying notes to the financial statements.

The Corporation of the Township of Schreiber Trust Fund Notes to the Financial Statements

December 31, 2019

1. NATURE OF BUSINESS

The Corporation of the Township of Schreiber administers a perpetual care trust fund for the future care of the cemetery. The cemetery provides interment services for the benefit of the citizens of Schreiber.

2. ACCOUNTING POLICY

Basis of accounting

These financial statements of the Trust Fund have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

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

3. SUBSEQUENT EVENT

Since December 31, 2019, the spread of COVID-19 has severely impacted many local economies around the globe. In many countries, including Canada, businesses are being forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Global stock markets have also experienced great volatility and a significant weakening. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions.

The Town's operations have not been significantly impacted as a result of COVID-19. There is minimal impact associated with cash in-flows for the Town and cash out-flows have been maintained as expected.

The Town has determined that these events are non-adjusting subsequent events. Accordingly, the financial position and results of operations as of and for the year ended December 31, 2019 have not been adjusted to reflect their impact. The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government and central bank responses, remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the Town for future periods.