



Consolidated Financial Statements

The Corporation of the Township of Schreiber

December 31, 2020

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 2020 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



Kevin Mullins
Mayor

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Independent Auditor's Report

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, 2020, 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, 2020, 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.

The logo for Grant Thornton LLP, featuring the company name in a stylized, cursive script font.

Thunder Bay, Canada
October 22, 2021

Chartered Professional Accountants
Licensed Public Accountants

The Corporation of the Township of Schreiber

Consolidated Statement of Financial Position

As at December 31	2020	2019
	\$	\$
FINANCIAL ASSETS		
Cash <i>[note 4]</i>	3,933,451	1,425,987
Taxes receivable <i>[note 3]</i>	261,473	268,158
Accounts receivable	119,451	235,984
Grants receivable	563,112	2,016,435
Due from Wastewater Facility Solar LP	-	20,737
Due from other municipalities	19,628	33,668
Total financial assets	4,897,115	4,000,969
LIABILITIES		
Accounts payable and accrued liabilities	736,212	1,135,506
Deferred revenue <i>[note 5]</i>	1,547,809	850,759
Debt <i>[note 7]</i>	280,635	320,796
User charges payable	20,152	14,384
Post-retirement benefits <i>[note 8]</i>	134,221	129,298
Total liabilities	2,719,029	2,450,743
NET FINANCIAL ASSETS	2,178,086	1,550,226
NON-FINANCIAL ASSETS		
Tangible capital assets - net <i>[note 10] [schedule 2]</i>	17,027,751	16,645,584
Prepaid expenses	13,084	14,966
	17,040,835	16,660,550
Accumulated surplus <i>[schedule 1]</i>	19,218,921	18,210,776

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 2020 \$ [note 14]	Actual 2020 \$	Actual 2019 \$
REVENUES [schedule 3]			
Taxation			
Residential and farm taxation	1,553,698	1,555,128	1,429,242
Commercial and industrial	432,600	433,989	421,045
Taxation from other governments	95,260	102,306	94,597
	2,081,558	2,091,423	1,944,884
User charges			
Water billings	459,200	458,099	443,581
User fees and service charges	142,260	152,798	209,211
Sewer	265,390	265,990	256,627
	2,948,408	2,968,310	2,854,303
Government transfers			
Government of Canada	1,067,692	522,278	1,071,571
Province of Ontario	1,957,509	1,395,416	2,305,474
Other municipalities	31,755	19,628	33,668
	3,056,956	1,937,322	3,410,713
Other			
Investment income	33,300	3,184	43,123
Penalties and late payment charges	98,000	106,417	101,902
Fines	-	85	335
Other	102,845	119,916	127,535
	234,145	229,602	272,895
Total revenues	6,239,509	5,135,234	6,537,911

	Budget 2020 \$ [note 14]	Actual 2020 \$	Actual 2019 \$
EXPENSES [note 11] [schedule 3]			
General government	993,295	866,873	940,838
Protection to persons and property	408,135	409,573	407,112
Transportation services	695,065	661,534	724,181
Environmental services	1,091,578	1,098,329	1,080,934
Health services	130,313	123,358	124,455
Social and family services	86,520	87,021	77,247
Recreation and cultural services	723,206	631,696	663,923
Planning and development	112,645	111,070	172,629
Library	164,782	146,435	173,924
	4,405,539	4,135,889	4,365,243
NET REVENUE BEFORE UNDERNOTED ITEM	1,833,970	999,345	2,172,668
Other			
Gain (loss) on disposal of tangible capital assets	-	8,800	(21,782)
Annual surplus	1,833,970	1,008,145	2,150,886
Accumulated surplus, beginning of year	18,210,776	18,210,776	16,059,890
Accumulated surplus, end of year	20,044,746	19,218,921	18,210,776

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 2020 \$ [note 14]	Actual 2020 \$	Actual 2019 \$
Annual surplus	1,833,970	1,008,145	2,150,886
Acquisition of tangible capital assets	(2,438,098)	(1,071,144)	(2,686,826)
Amortization of tangible capital assets	688,977	688,977	694,516
Proceeds on disposal of tangible capital assets	-	8,800	119
Loss (gain) on disposal of tangible capital assets	-	(8,800)	21,782
Acquisition of prepaid expenses	-	(13,084)	(14,966)
Use of prepaid expenses	-	14,966	15,919
Increase in net financial assets	84,849	627,860	181,430
Net financial assets, beginning of year	1,550,226	1,550,226	1,368,796
Net financial assets, end of year	1,635,075	2,178,086	1,550,226

See accompanying notes to the consolidated financial statements.

The Corporation of the Township of Schreiber

Consolidated Statement of Cash Flows

Year ended December 31	2020	2019
	\$	\$
OPERATIONS		
Annual surplus	1,008,145	2,150,886
Non-cash charges		
Amortization of tangible capital assets	688,977	694,516
Post-retirement benefits	4,923	(15,264)
Loss (gain) on disposal of tangible capital assets	(8,800)	21,782
	1,693,245	2,851,920
Net change in non-cash working capital balances		
Decrease in taxes receivable	6,685	169,283
Decrease (increase) in accounts receivable	116,533	(109,952)
Decrease (increase) in grants receivable	1,453,323	(1,853,367)
Decrease (increase) in due to other municipalities	14,040	(10,336)
Increase (decrease) in accounts payable and accrued liabilities	(399,294)	289,859
Increase in user charges payable	5,768	13,235
Increase in deferred revenue	697,050	15,469
Decrease in prepaid expenses	1,882	953
Cash provided by operating transactions	3,589,232	1,367,064
CAPITAL		
Acquisition of tangible capital assets	(1,071,144)	(2,686,826)
Proceeds on disposal of tangible capital assets	8,800	119
Cash used in capital transactions	(1,062,344)	(2,686,707)
INVESTING		
Decrease in due from Anemos Wastewater Facility		
Solar LP	20,737	-
Cash provided by investing transactions	20,737	-
FINANCING		
Debt principal repayment	(40,161)	(100,943)
Cash used in financing transactions	(40,161)	(100,943)
Increase (decrease) in cash and cash equivalents	2,507,464	(1,420,586)
Opening cash	1,425,987	2,846,573
Closing cash	3,933,451	1,425,987

See accompanying notes to the consolidated financial statements.

The Corporation of the Township of Schreiber

Notes to the Consolidated Financial Statements

December 31, 2020

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, 2020

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.

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, 2020

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, 2020

[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, 2020

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, 2020

2. TRUST FUNDS

Trust funds administered by the Township amounting to \$107,915 [2019 - \$107,308] 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

	2020	2019
	\$	\$
Property and business taxes receivable	1,061,677	987,134
Allowance for property and business tax arrears	(800,204)	(718,976)
	261,473	268,158

4. CASH

	2020	2019
	\$	\$
Cash	3,191,188	684,270
Savings account	861,715	856,241
Outstanding deposits	22,980	4,890
Outstanding cheques	(142,432)	(119,414)
	3,933,451	1,425,987

The Township has available a demand operating loan of \$2,800,000 [2019 - \$2,800,000] for which the Township has provided a general security agreement, of which \$nil [2019 - \$nil] was borrowed at year-end. Interest on the loan is calculated at bank prime [2.45% at year-end].

The Corporation of the Township of Schreiber

Notes to the Consolidated Financial Statements

December 31, 2020

5. DEFERRED REVENUE

	2020 \$	2019 \$
Obligatory reserve funds		
Federal Gas Tax	231,716	166,163
Nuclear Waste Management Organization - Well Being Fund	382,451	401,016
Provincial Gas Tax	205,723	181,205
General deferred revenue		
Community Revitalization	487,703	-
Ministry of Transportation - State of Good Repairs Needs	8,169	8,169
Ontario Community Infrastructure Fund	157,259	78,909
Other	74,788	15,297
	1,547,809	850,759

The continuity of deferred revenue is as follows:

	Government Transfer \$	Other \$	Total 2020 \$	Total 2019 \$
Balance, beginning of year	8,169	842,590	850,759	835,290
Investment income	-	5,856	5,856	15,296
Net contributions to current operations	-	(425,819)	(425,819)	(257,850)
Grant proceeds	-	1,117,013	1,117,013	258,023
Balance, end of year	8,169	1,539,640	1,547,809	850,759

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 2020 was \$65,506 [2019 - \$65,998] for current service.

The Corporation of the Township of Schreiber

Notes to the Consolidated Financial Statements

December 31, 2020

7. DEBT

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

	2020	2019
	\$	\$
Term loan repayable in blended monthly instalments of \$2,559, including interest at 3.90% per annum, maturing in January, 2027.	165,874	189,616
Term loan repayable in blended monthly instalments of \$1,770, including interest at 3.90% per annum, maturing January, 2027.	114,761	131,180
	280,635	320,796

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

	\$
2021	41,734
2022	43,391
2023	45,114
2024	46,905
2025	48,768
Thereafter	54,723
	280,635

[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 \$11,789 [2019 - \$14,101].

The Corporation of the Township of Schreiber

Notes to the Consolidated Financial Statements

December 31, 2020

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 2.45%.

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 [2019 - \$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 2020 [2019 - \$nil].

Interest capitalized during 2020 was \$nil [2019 - \$nil].

There were no contributed tangible capital assets in 2020 [2019 - \$nil].

The Corporation of the Township of Schreiber

Notes to the Consolidated Financial Statements

December 31, 2020

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, 2020

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, 2020

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:

	2020 \$	2019 \$
Reserves		
Balance, beginning of year	2,062,001	1,916,970
Increases		
Transfer from current operations	900,699	909,324
Decreases		
Transfer to current operations	17,132	4,000
Transfer to capital operations	-	760,293
	17,132	764,293
Balance, end of year	2,945,568	2,062,001

	2020 \$	2019 \$
Reserve funds		
Balance, beginning of year	33,953	27,035
Increases		
Contributions from current operations	3,742	9,852
Interest earned	266	525
	4,008	10,377
Decreases		
Contributions to current operations	650	3,459
	650	3,459
Balance, end of year	37,311	33,953

Subsequent to year-end, the general fund has been decreased by an amount of \$433,294 transferred to reserves as authorized by Council on October 22, 2021. Had this increase not been made, the balance of the Township's funds would have been as follows: general fund of \$56,441 reserves of \$2,512,274.

The Corporation of the Township of Schreiber

Notes to the Consolidated Financial Statements

December 31, 2020

13. DESIGNATED ASSETS

Of the financial assets reported on the Consolidated Statement of Financial Position, the Council has designated \$37,311 [2019 - \$33,953] 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	2,081,558	-	2,081,558
User charges	866,850	-	866,850
Government transfers	3,056,956	-	3,056,956
Other	234,145	-	234,145
	6,239,509	-	6,239,509
Expenses			
General government	726,981	266,314	993,295
Protection to persons and property	419,678	(11,543)	408,135
Transportation services	572,223	122,842	695,065
Environmental services	1,078,810	12,768	1,091,578
Health services	109,280	21,033	130,313
Social and family services	76,185	10,335	86,520
Recreation and cultural services	622,346	100,860	723,206
Planning and development	2,489,203	(2,376,558)	112,645
Library	144,803	19,979	164,782
	6,239,509	(1,833,970)	4,405,539
Annual surplus	-	1,833,970	1,833,970
Interfund transfers	(112,175)	112,175	
Capital items	2,438,098	(2,438,098)	
Annual surplus	(246,059)	246,059	
Debt repayments	108,185	(108,185)	
Unexpected capital	334,896	(334,896)	
Amortization	-	688,975	
Approved surplus	2,522,945	(1,833,970)	

The Corporation of the Township of Schreiber

Notes to the Consolidated Financial Statements

December 31, 2020

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 five years are as follows:

	\$
2021	101,488
2022	101,488
2023	101,007
2024	4,565
2025	3,768
	<hr/> 312,316 <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 2020 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, 2020 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	2020	2019
	\$	\$
Surpluses		
General fund	(376,853)	(80,668)
Investment in tangible capital assets	17,027,751	16,645,584
Unfunded		
Post-retirement benefits	(134,221)	(129,298)
Debt	(280,635)	(320,796)
Total surpluses	16,236,042	16,114,822
Reserves set aside for specific purposes by Council		
For working capital	469,214	469,214
For fire truck	235,329	213,259
For water and sewer	279,053	234,821
For recreation infrastructure	57,990	57,990
For cemetery expansion	19,626	19,626
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	3,000	2,000
For infrastructure/development	1,501,068	684,788
For CRF/LSR adjustment	99,499	99,499
For library	14,458	14,473
Total reserves	2,945,568	2,062,001
Reserve funds set aside for specific purposes by Council		
For recreation committee	37,311	33,953
Total reserves and reserve funds	37,311	33,953
Accumulated surplus	19,218,921	18,210,776

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

Schedule 2

Year ended December 31, 2020

	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 \$	2020 \$	2019 \$
COST														
Balance, beginning 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
Add														
Additions during the year	1	12,695	-	89,342	20,073	-	7,008	5,937	-	-	-	936,088	1,071,144	2,686,826
Disposals during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	21,901
Transfers	-	-	-	-	-	5,773	-	-	-	-	-	(5,773)	-	-
Balance, end of year	753,863	12,959,151	2,238,462	3,366,194	1,805,998	239,034	97,118	303,912	1,645,960	4,114,446	2,279,116	3,461,843	33,265,097	32,193,953
ACCUMULATED AMORTIZATION														
Balance, beginning 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
Add														
Amortization during the year	-	284,526	44,088	82,768	77,277	4,155	8,381	12,038	29,698	103,867	42,179	-	688,977	694,516
Balance, end of year	-	5,301,856	1,753,776	2,856,568	1,284,034	220,622	57,864	219,313	1,107,899	1,812,509	1,622,905	-	16,237,346	15,548,369
Net book value of tangible capital assets, beginning 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
Net book value of tangible capital assets, end of year	753,863	7,657,295	484,686	509,626	521,964	18,412	39,254	84,599	538,061	2,301,937	656,211	3,461,843	17,027,751	16,645,584

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

Schedule 3

Year ended December 31, 2020

	General Government		Protection to Persons and Property		Transportation Services		Environmental Services		Health Services	
	2020 \$	2019 \$	2020 \$	2019 \$	2020 \$	2019 \$	2020 \$	2019 \$	2020 \$	2019 \$
Revenues										
Taxation	2,091,423	1,944,884	-	-	-	-	-	-	-	-
Government transfers - operating	907,303	1,067,017	4,763	4,874	-	29,198	-	6,920	3,577	3,710
Government transfers - capital	-	-	-	-	-	-	-	189,014	-	-
User fees and service charges	3,221	4,939	39,370	27,243	4,855	9,834	773,015	736,758	400	6,634
Other municipalities	-	-	-	-	19,628	33,668	-	-	-	-
Other revenues	147,446	149,551	7,068	6,826	8,000	6,000	4,390	4,100	47,912	47,481
Interest income - general	2,918	42,598	-	-	-	-	-	-	-	-
Interest income - reserves and reserve funds	266	525	-	-	-	-	-	-	-	-
	3,152,577	3,209,514	51,201	38,943	32,483	78,700	777,405	936,792	51,889	57,825
Expenditures										
Salaries, wages and employee benefits	407,976	397,640	60,755	63,129	257,453	288,994	52,280	58,123	8,404	15,830
Long-term debt charges	6,968	7,937	-	-	4,821	6,164	-	-	-	-
Materials	317,489	379,089	85,204	80,575	231,604	233,044	409,496	360,352	30,903	28,421
Contracted services	72,914	80,859	220,692	222,067	-	-	362,593	391,853	-	-
Rent and financials	5,556	7,003	-	-	2,689	11,172	17,852	48,774	265	1,119
External transfers to others	-	-	-	-	-	-	-	-	62,753	57,535
Amortization	55,970	68,310	42,922	41,341	164,967	184,807	256,108	221,832	21,033	21,550
	866,873	940,838	409,573	407,112	661,534	724,181	1,098,329	1,080,934	123,358	124,455
Net revenues (expenses) before undernoted item	2,285,704	2,268,676	(358,372)	(368,169)	(629,051)	(645,481)	(320,924)	(144,142)	(71,469)	(66,630)
Gain (loss) on disposal of tangible capital assets	8,800	(21,782)	-	-	-	-	-	-	-	-
Annual surplus (deficit)	2,294,504	2,246,894	(358,372)	(368,169)	(629,051)	(645,481)	(320,924)	(144,142)	(71,469)	(66,630)

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

Schedule 3 (continued)

Year ended December 31, 2020

	Social and Family Services		Recreation and Cultural Services		Planning and Development		Total	
	2020	2019	2020	2019	2020	2019	2020	2019
	\$	\$	\$	\$	\$	\$	\$	\$
Revenues								
Taxation	-	-	-	-	-	-	2,091,423	1,944,884
Government transfers - operating	-	-	80,157	104,703	-	23,011	995,800	1,239,433
Government transfers - capital	-	-	7,350	3,290	914,544	1,945,308	921,894	2,137,612
User fees and service charges	18,826	14,517	37,200	109,494	-	-	876,887	909,419
Other municipalities	-	-	-	-	-	-	19,628	33,668
Other revenues	-	-	9,049	15,714	2,553	100	226,418	229,772
Interest income - general	-	-	-	-	-	-	2,918	42,598
Interest income - reserves and reserve funds	-	-	-	-	-	-	266	525
	18,826	14,517	133,756	233,201	917,097	1,968,419	5,135,234	6,537,911
Expenditures								
Salaries, wages and employee benefits	-	-	351,335	362,379	71,554	108,645	1,209,757	1,294,740
Long-term debt charges	-	-	-	-	-	-	11,789	14,101
Materials	-	-	229,422	274,167	17,693	27,922	1,321,811	1,383,570
Contracted services	24,967	16,578	53,791	51,327	21,823	36,062	756,780	798,746
Rent and financials	-	-	5,941	3,634	-	-	32,303	71,702
External transfers to others	51,719	50,334	-	-	-	-	114,472	107,869
Amortization	10,335	10,335	137,642	146,340	-	-	688,977	694,515
	87,021	77,247	778,131	837,847	111,070	172,629	4,135,889	4,365,243
Net revenues (expenses) before undernoted item	(68,195)	(62,730)	(644,375)	(604,646)	806,027	1,795,790	999,345	2,172,668
Gain on disposal of tangible capital assets	-	-	-	-	-	-	8,800	(21,782)
Annual surplus (deficit)	(68,195)	(62,730)	(644,375)	(604,646)	806,027	1,795,790	1,008,145	2,150,886

Independent Auditor's Report

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, 2020, and the statements of operations and accumulated surplus, change in net financial assets (debt) 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, 2020, 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.

The logo for Grant Thornton LLP, featuring the company name in a stylized, cursive script.

Thunder Bay, Canada
October 22, 2021

Chartered Professional Accountants
Licensed Public Accountants

Schreiber Public Library Board Statement of Financial Position

As at December 31	2020	2019
	\$	\$
FINANCIAL ASSETS		
Cash	107	48
Due from the Province of Ontario	1,321	16,074
Total financial assets	1,428	16,122
LIABILITIES		
Accounts payable and accrued liabilities	1,700	1,700
Deferred revenue	8,791	-
Total liabilities	10,491	1,700
NET FINANCIAL ASSETS (DEBT)	(9,063)	14,422
NON-FINANCIAL ASSETS		
Tangible capital assets <i>[note 2]</i>	190,001	191,823
Accumulated surplus <i>[note 3]</i>	180,938	206,245

See accompanying notes to the financial statements.

Schreiber Public Library Board

Statement of Operations and Accumulated Surplus

Year ended December 31	2020	2020	2019
	Budget	Actual	Actual
	\$	\$	\$
	<i>[note 5]</i>		
REVENUES			
Municipal contribution	136,768	103,769	123,571
Province of Ontario grants	4,015	5,031	23,352
Government of Canada grants	1,260	7,941	1,260
Other revenue	1,660	4,387	4,454
Total revenues	143,703	121,128	152,637
EXPENSES			
Amortization	21,079	21,079	30,015
Community programs	1,500	1,619	2,949
Computer	9,900	10,053	5,495
Insurance	740	737	572
Library office supplies	1,000	1,477	1,859
Maintenance and repairs	4,300	2,140	2,411
Miscellaneous	1,000	718	926
Office equipment	2,600	2,486	2,745
Periodicals and audio visual materials	1,300	1,352	1,286
Professional development	500	478	593
Professional fees	1,700	2,035	1,700
Salaries and benefits	101,363	91,196	111,784
Special projects	700	831	832
Telephone and postage	2,500	2,742	2,482
Travel and conventions	1,600	1,772	2,300
Utilities	7,000	5,720	5,974
Total expenses	158,782	146,435	173,923
Annual deficit	(15,079)	(25,307)	(21,286)
Accumulated surplus, beginning of year	206,245	206,245	227,531
Accumulated surplus, end of year	191,166	180,938	206,245

See accompanying notes to the financial statements.

Schreiber Public Library Board

Statement of Change in Net Financial Assets (Debt)

Year ended December 31	2020	2020	2019
	Budget	Actual	Actual
	\$	\$	\$
	<i>[note 5]</i>		
Annual deficit	(15,079)	(25,307)	(21,286)
Acquisition of tangible capital assets	(6,000)	(19,257)	(6,501)
Amortization of tangible capital assets	21,079	21,079	30,015
Increase (decrease) in net financial assets	-	(23,485)	2,228
Net financial assets, beginning of year	14,422	14,422	12,194
Net financial assets (debt), end of year	14,422	(9,063)	14,422

See accompanying notes to the financial statements.

Schreiber Public Library Board Statement of Cash Flows

Year ended December 31	2020	2019
	\$	\$
OPERATIONS		
Annual deficit	(25,307)	(21,286)
Non-cash charges		
Amortization of tangible capital assets	21,079	30,015
	(4,228)	8,729
Net change in non-cash working capital balances		
Decrease (increase) in due from the Province of Ontario	14,753	(2,257)
Increase in deferred revenue	8,791	-
Cash provided by operating transactions	19,316	6,472
CAPITAL		
Acquisition of tangible capital assets	(19,257)	(6,501)
Cash used in capital transactions	(19,257)	(6,501)
Increase (decrease) in cash and cash equivalents		
	59	(29)
Opening cash and cash equivalents	48	77
Closing cash and cash equivalents	107	48

See accompanying notes to the financial statements.

Schreiber Public Library Board

Notes to the Financial Statements

December 31, 2020

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, 2020

[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, 2020

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 \$	2020 Total \$	2019 Total \$
COST							
Balance, beginning of year	140,800	297,975	29,349	49,875	-	517,999	511,498
Add:							
Additions during the year	6,312	-	7,008	5,937	-	19,257	6,501
Balance, end of year	147,112	297,975	36,357	55,812	-	537,256	517,999
ACCUMULATED AMORTIZATION							
Balance, beginning of year	40,700	207,275	28,705	49,496	-	326,176	296,161
Add:							
Amortization during the year	8,010	-	1,031	12,038	-	21,079	30,015
Balance, end of year	48,710	207,275	29,736	61,534	-	347,255	326,176
Net book value of tangible capital assets, beginning of year	100,100	90,700	644	379	-	191,823	215,337
Net book value of tangible capital assets, end of year	98,402	90,700	6,621	(5,722)	-	190,001	191,823

Schreiber Public Library Board

Notes to the Financial Statements

December 31, 2020

3. ACCUMULATED SURPLUS

	2020	2019
	\$	\$
General fund	(9,063)	14,422
Investment in tangible capital assets	190,001	191,823
	180,938	206,245

4. COMMITMENTS

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

	\$
2021	2,282
2022	2,282
2023	2,282
2024	2,282
2025	1,485
	10,613

5. BUDGET FIGURES

The operating budget approved by the Library Board for 2020 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, 2020

Note 5 - Budget Figures continued

	Approved Fiscal Plan \$	Adjustments \$	Fiscal Plan per Financial Statements \$
Revenue			
Municipal contribution	136,768	-	136,768
Province of Ontario grants	4,015	-	4,015
Government of Canada grants	1,260	-	1,260
Other	1,660	-	1,660
	143,703	-	143,703
Expenses			
Amortization	-	21,079	21,079
Community programs	1,500	-	1,500
Computer	9,900	-	9,900
Insurance	740	-	740
Library office supplies	1,000	-	1,000
Maintenance and repairs	4,300	-	4,300
Miscellaneous	1,000	-	1,000
Office equipment	2,600	-	2,600
Periodicals and audio visual materials	7,300	(6,000)	1,300
Professional development	500	-	500
Professional fees	1,700	-	1,700
Salaries and benefits	101,363	-	101,363
Special projects	700	-	700
Telephone and postage	2,500	-	2,500
Travel and conventions	1,600	-	1,600
Utilities	7,000	-	7,000
	143,703	15,079	158,782
Annual deficit	-	(15,079)	(15,079)
Capital items	6,000	6,000	
Amortization	-	(21,079)	
Approved deficit	6,000	(15,079)	

Schreiber Public Library Board

Notes to the Financial Statements

December 31, 2020

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.

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Independent Auditor's Report

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, 2020, 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
October 22, 2021

Chartered Professional Accountants
Licensed Public Accountants

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

As at December 31

	2020			2019
	Cemetery Perpetual Care \$	Cemetery Prepaid Services \$	Total \$	Total \$
FINANCIAL ASSETS				
Cash	107,761	154	107,915	107,308
	107,761	154	107,915	107,308
Accumulated surplus	107,761	154	107,915	107,308

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	2020			2019
	Cemetery Perpetual Care \$	Cemetery Prepaid Services \$	Total \$	Total \$
REVENUES				
Capital receipts	500	-	500	1,926
Interest earned	107	-	107	491
	607	-	607	2,417
EXPENSES				
	-	-	-	-
Annual surplus	607	-	607	2,417
Accumulated surplus, beginning of year	107,154	154	107,308	104,891
Accumulated surplus, end of year	107,761	154	107,915	107,308

See accompanying notes to the financial statements.

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

Year ended December 31	2020	2019
	\$	\$
OPERATING ACTIVITIES		
Annual surplus	607	2,417
Net change in non-cash working capital		
Decrease (increase) in due from The Corporation of the Township of Schreiber	-	100
Cash provided by operating transactions	607	2,517
Increase in cash during year		
	607	2,517
Cash, beginning of year	107,308	104,791
Cash, end of year	107,915	107,308

See accompanying notes to the financial statements.

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

December 31, 2020

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.