

Consolidated Financial Statements

**THE CORPORATION OF THE TOWN
OF BLIND RIVER**

And Independent Auditors' Report thereon

Year ended December 31, 2021

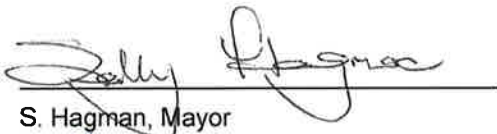
Management's Responsibility for the Financial Statements

The accompanying consolidated financial statements of the Corporation of the Town of Blind River ("the Town") are the responsibility of the Town's management and have been prepared in compliance with legislation, and in accordance with Canadian public sector accounting standards for local governments established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. A summary of the significant accounting policies are described in note 1 to these consolidated financial statements. The preparation of the consolidated financial statements necessarily involves the use of estimates based on management's judgement, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

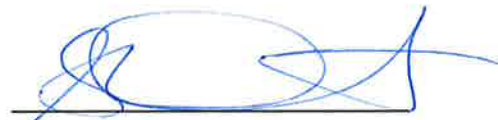
The Town's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements and reliable financial information is available on a timely basis for preparation of the consolidated financial statements. These systems are monitored and evaluated by management.

Council meets with management and the external auditors to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the consolidated financial statements.

The consolidated financial statements have been audited by KPMG LLP, independent external auditors appointed by the Town. The accompanying Independent Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the Town's consolidated financial statements.



S. Hagman, Mayor



Sue Dent, Treasurer / Director of Finance



Kathryn Scott, CAO / Clerk



KPMG LLP
Claridge Executive Centre
144 Pine Street
Sudbury ON P3C 1X3
Canada
Tel 705-675-8500
Fax 705-675-7586

INDEPENDENT AUDITORS' REPORT

To the Members of Council, residents and ratepayers of the Corporation of the Town of Blind River

Opinion

We have audited the consolidated financial statements of The Corporation of the Town of Blind River (the Entity), which comprise:

- the consolidated statement of financial position as at December 31, 2021
- the consolidated statement of operations and accumulated surplus for the year then ended
- the consolidated statement of changes in net financial debt for the year then ended
- the consolidated statement of cash flows for the year then ended
- and the notes and schedule to the consolidated financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements")

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the Entity as at December 31, 2021, and its consolidated results of operations, its consolidated changes in net debt and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibility under those standards are further described in the "***Auditors' Responsibilities for the Audit of the Financial Statements***" section of our auditors' report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other 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.



Page 2

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

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

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity'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 the 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 risk 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, internal omissions, misrepresentations, or the override of internal control.



Page 3

- 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 purposes of expressing an opinion on the effectiveness of the Entity'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 the events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Entity 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.
- 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group Entity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Sudbury, Canada
July 11, 2022

THE CORPORATION OF THE TOWN OF BLIND RIVER

Consolidated Statement of Financial Position

December 31, 2021, with comparative information for 2020

	2021	2020
Financial Assets		
Cash	\$ 4,993,180	\$ 4,954,691
Taxes receivable (note 3)	944,335	936,598
Accounts receivable (note 5)	1,397,229	1,015,240
Advances to related companies (note 7)	17,900,933	13,991,769
Investment in North Shore Power Group Inc. (note 6)	1	1
	<u>25,235,678</u>	<u>20,898,299</u>
Financial Liabilities		
Accounts payable and accrued liabilities	1,706,156	944,749
Deferred revenue (note 9)	1,681,674	1,159,521
Long-term debt (note 12)	29,249,458	29,883,076
Landfill closure and post-closure liability (note 11)	1,696,983	1,564,556
	<u>34,334,271</u>	<u>33,551,902</u>
Net financial debt	(9,098,593)	(12,653,603)
Non-financial Assets		
Tangible capital assets (note 13)	46,981,433	47,503,079
Prepaid expenses	1,491,447	113,559
	<u>48,472,880</u>	<u>47,616,638</u>
Contractual obligations (note 16)		
Contingencies and guarantees (note 21)		
Subsequent events (note 23)		
Accumulated surplus (note 14)	\$ 39,374,287	\$ 34,963,035

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

Approved by:

_____ Mayor

THE CORPORATION OF THE TOWN OF BLIND RIVER

Consolidated Statement of Operations and Accumulated Surplus

Year ended December 31, 2021, with comparative information for 2020

	Budget 2021 (note 18)	Actual 2021	Actual 2020
Revenue:			
Government Grants - Provincial	\$ 3,130,745	\$ 2,865,383	\$ 3,970,379
- Federal	426,613	730,895	264,412
Taxation	6,428,086	6,538,095	6,292,358
Other	136,375	1,389,692	1,056,761
User Charges	1,936,999	3,267,188	2,826,108
Gain on sale of assets	-	4,282	-
Total revenue	12,058,818	14,795,535	14,410,018
Expenses:			
General government	1,460,766	2,379,460	2,455,512
Protection to persons and property	1,407,846	1,524,969	1,469,849
Transportation services	1,658,460	3,366,238	3,159,578
Environmental services	2,111,375	3,065,667	3,219,243
Health, social and family services	1,383,607	1,378,537	1,363,927
Recreational and culture	1,258,367	2,288,847	1,921,990
Planning and development	275,823	380,565	220,053
Total expenses	9,556,244	14,384,283	13,810,152
Annual surplus before undernoted items	2,502,574	411,252	599,866
Impairment of advance from related party (note 7)	-	-	478,781
Impairment reversal (note 23)	-	(4,000,000)	-
Annual surplus	2,502,574	4,411,252	121,085
Accumulated surplus, beginning of year	34,963,035	34,963,035	34,841,950
Accumulated surplus, end of year	\$ 37,465,609	39,374,287	\$ 34,963,035

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

THE CORPORATION OF THE TOWN OF BLIND RIVER

Consolidated Statement of Change in Net Financial Debt

Year ended December 31, 2021, with comparative information for 2020

	Budget 2021 (note 18)	Actual 2021	Actual 2020
Annual surplus	\$ 2,502,574	\$ 4,411,252	\$ 121,085
Acquisition of tangible capital assets	-	(2,729,151)	(2,476,586)
Amortization of tangible capital assets	-	3,245,597	3,084,061
Proceeds on disposal of tangible capital assets	-	9,482	-
Gain on disposal of tangible capital assets	-	(4,282)	-
Change in prepaid expenses	-	(1,377,888)	23,625
Change in net financial debt	2,502,574	3,555,010	752,185
Net financial debt, beginning of year	(12,653,603)	(12,653,603)	(13,405,788)
Net financial debt, end of year	\$ (10,151,029)	\$ (9,098,593)	\$ (12,653,603)

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

THE CORPORATION OF THE TOWN OF BLIND RIVER

Consolidated Statement of Cash Flows

Year ended December 31, 2021, with comparative information for 2020

	2021	2020
Cash provided by (used in):		
Operating activities:		
Annual surplus	\$ 4,411,252	\$ 121,087
Items not involving cash:		
Amortization of tangible capital assets	3,245,597	3,084,061
Gain on disposal of tangible capital assets	(4,282)	-
Impairment of advances from related parties	-	478,781
Landfill closure and post-closure liability	132,427	177,776
	7,784,994	3,861,705
Change in non-cash assets and liabilities:		
Taxes receivable	(7,737)	(106,886)
Accounts receivable	(381,989)	1,150,505
Accounts payable and accrued liabilities	761,407	(160,476)
Deferred revenue	522,153	(286,373)
Prepaid expenses	(1,377,888)	23,625
Net change in cash from operating activities	7,300,940	4,482,100
Capital activities:		
Proceeds on disposal of tangible capital assets	9,482	-
Cash used to acquire tangible capital assets	(2,729,151)	(2,476,586)
Net change in capital activities	(2,719,669)	(2,476,586)
Investing activities:		
Term deposits	-	-
Due from related companies	(3,909,164)	563,098
Net change in cash from investing activities	(3,909,164)	563,098
Financing transactions:		
Repayment of long-term debt	(633,618)	(1,150,491)
Increase (decrease) in cash	38,489	1,418,121
Cash, beginning of year	4,954,691	3,536,570
Cash, end of year	\$ 4,993,180	\$ 4,954,691

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

THE CORPORATION OF THE TOWN OF BLIND RIVER

Notes to Consolidated Financial Statements

Year ended December 31, 2021

The Corporation of the Town of Blind River ("Town") is a Town in the Province of Ontario, Canada. It conducts its operations guided by the provision of provincial statutes such as the Municipal Act, 2001, and other related legislation.

1. Significant accounting policies:

The consolidated financial statements of the Town are the representation of management. The consolidated financial statements are prepared in accordance with Canadian public sector accounting standards for local governments as recommended by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada. Significant aspects of the accounting policies adopted by the Town are as follows:

(a) Basis of consolidation:

i) Reporting entity:

These consolidated financial statements reflect the assets, liabilities, revenues, expenses and fund balances of the reporting entity. The reporting entity is comprised of all organizations, committees and local boards accountable for the administration of their financial affairs and resources to the Town and which are owned or controlled by the Town. These consolidated financial statements include the following:

Public Library Board
Huron Pines Golf & Country Club
Blind River Development Corporation

All inter-departmental and inter-organizational transactions and balances between these organizations are eliminated.

ii) Non-consolidated entities:

These consolidated financial statements reflect contributions to the following joint local boards, which are not under the direct control of council, as expenditures in the consolidated statement of operations:

Algoma Public Health
Algoma District Services Administration Board

The assets, liabilities, revenues and expenditures of these joint local boards have not been proportionately consolidated in these consolidated financial statements.

iii) Accounting for school board transactions:

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

THE CORPORATION OF THE TOWN OF BLIND RIVER

Notes to Consolidated Financial Statements

Year ended December 31, 2021

1. Significant accounting policies (continued):

(a) Basis of consolidation (continued):

iv) Government Business Enterprise:

Government Business Enterprises are accounted for on a modified equity basis, consistent with the generally accepted accounting treatment for government business enterprises. Under the modified equity basis, the business enterprises' accounting principles are not adjusted to conform with those of the Town, and inter-organizational transactions and balances are not eliminated. The Town recognizes its equity interest in the annual income or loss of Government Business Enterprises in its consolidated statement of operations with a corresponding increase or decrease in its investment asset account. Any dividends that the Town may receive from Government Business Enterprises will be reflected as reductions in the investment asset account.

(b) Basis of accounting:

(i) Accrual accounting:

The consolidated financial statements of the Town have been prepared on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they are available and measurable. Expenditures are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

(ii) Revenue recognition:

Property tax billings are prepared by the Town based on assessment rolls issued by the Municipal Property Assessment Corporation ("MPAC"). Tax rates are established annually by Council, incorporating amounts to be raised for local services and amount the Town is required to collect on behalf of the Province of Ontario in respect of education taxes.

A normal part of the assessment process is the issue of supplementary assessment rolls which provide updated information with respect to changes in property assessments. Assessments and related property taxes are subject to appeal by ratepayers. Tax adjustments as a result of supplementary assessments and appeals are estimated based on historical results.

The Town is entitled to collect interest and penalties on overdue taxes. These revenues are recorded in the accounts in the period the interest and penalties are levied.

Government transfers are recognized in the period that the events giving rise to the transfer have occurred as long as: the transfer is authorized; the eligibility criteria, if any, have been met and the amount can be reasonable estimated. Government transfers received before these criteria have been met are recorded in the accounts as deferred revenue and are recognized as revenue in the period in which all of these criteria are met.

THE CORPORATION OF THE TOWN OF BLIND RIVER

Notes to Consolidated Financial Statements

Year ended December 31, 2021

1. Significant accounting policies (continued):

(b) Basis of accounting (continued):

(ii) Revenue recognition (continued):

Government transfers are the transfer of assets from senior levels of government that are not the result of an exchange transaction, are not expected to be repaid in the future, or the result of a direct financial return.

Government transfers received or receivable are recognized in revenue once the eligibility criteria, if any, are met unless they meet the definition of a liability. Government transfers paid are recognized as a liability and an expense when the transfer is authorized and all eligibility criteria have been met by the recipient.

User fees and other revenues are recognized when the services are performed or goods are delivered, collection of the relevant receivable is probable, persuasive evidence of an arrangement exists and fees are fixed or determinable. Amounts received for future services are deferred until the service is provided.

(iii) Accounts receivable:

Accounts receivable are reported net of any allowance for doubtful accounts.

(iv) Reserve and reserve funds:

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

(v) Use of estimates and measurement uncertainty:

The preparation of consolidated financial statements in conformity with Canadian public sector accounting standards require 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 consolidated financial statements and the reported amounts of revenues and expenditures during the period. Significant estimates and assumptions, which include property tax assessment appeals; property, liability and accident claims provisions; landfill closure and post-closure liabilities; and environment provisions, are based on management's best information and judgement. Actual amounts, which are accounted for as they become known, may differ significantly from these estimates.

(vi) Cash:

Amounts shown as cash on the consolidated Statement of Financial Position are comprised of account balances at chartered banks or credit unions.

(vii) Non-Financial Assets:

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year, together with the excess of revenues over expenditures, provides the consolidated change in net financial debt for the year.

THE CORPORATION OF THE TOWN OF BLIND RIVER

Notes to Consolidated Financial Statements

Year ended December 31, 2021

1. Significant accounting policies (continued):

(b) Basis of accounting (continued):

(viii) Financial Instruments:

The Town initially measures its financial assets and financial liabilities at fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instrument. Amounts due to and from related parties are measured at the exchange amount, being the amount agreed upon by the related parties. The Town subsequently measures its financial assets and financial liabilities at amortized cost, except for investments in equity securities that are quoted in an active market or financial assets or liabilities designated to the fair value category, which are subsequently measured at fair value. Unrealized changes in fair value are recognized in the consolidated statement of operations.

Financial assets measured at amortized cost include cash, taxes receivable, accounts receivable and advances to related parties.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities and long-term debt.

Financial assets measured at amortized cost are tested for impairment when there are indicators of possible impairment. When a significant adverse change has occurred during the period in the expected timing or amount of future cash flows from the financial assets, a valuation allowance is used to reflect the financial asset at the lower cost and estimated net recoverable value, and, as adjustments become necessary, they are reported in earnings in the year in which they become known.

(ix) Tangible capital assets:

Tangible capital assets are recorded at cost, which includes all amounts directly attributable to acquisition, construction, development or betterment of the asset.

The costs, less residual value, of the tangible capital assets are amortized on a straight-line basis over the estimated useful lives as follows:

Asset	Useful Life - Years
Land	Infinite
Buildings	19 - 40
Land improvements	20 - 40
Machinery and equipment	5 - 30
Furniture and fixtures	5 - 10
Vehicles	10 - 25
Infrastructure	25 - 40

THE CORPORATION OF THE TOWN OF BLIND RIVER

Notes to Consolidated Financial Statements

Year ended December 31, 2021

1. Significant accounting policies (continued):

(b) Basis of accounting (continued):

(ix) Tangible capital assets (continued):

One half of the annual amortization is charged in the year of acquisition. Construction in progress is not amortized until the asset is available for productive use. Interest during the period of construction is capitalized whenever external debt is issued to finance the construction of tangible capital assets.

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

(x) Landfill liability:

The liability for closure of operation sites and post-closure care has been recognized based on estimated future expenses, estimated inflation and the usage of the site's capacity during the year.

(xi) Post-employment benefits:

The Town is an employer member of the Ontario Municipal Employees Retirement System (OMERS), which is a multi-employer, defined benefit pension plan. The Board of Trustees representing plan members and employers, is responsible for overseeing the management of the pension plan, including investment of the assets and administration of the benefits. The Town has adopted defined contribution plan accounting principles for this plan because insufficient information is available to apply defined benefit plan accounting principles. The Town records the current service cost within salaries and benefits expense at the time incurred.

(xii) Deferred revenues:

Grants, contributions and other amounts are received from third parties pursuant to legislation, regulation or agreement and may only be used in the conduct of certain projects or the completion of specific work. In addition, certain fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred or the services are performed.

A requirement for local governments is that the obligatory reserve funds be reported as deferred revenue. This requirement is in place as provincial legislation and other agreements restrict how these funds may be used and under certain circumstances these funds may possibly be refunded. Given the restriction in use until spent on qualifying projects or expenses these amounts are deferred.

THE CORPORATION OF THE TOWN OF BLIND RIVER

Notes to Consolidated Financial Statements

Year ended December 31, 2021

2. Operations of school boards:

During 2021, the Town collected and transferred property taxes totaling \$832,536 (2020 - \$852,650) on behalf of area school boards.

3. Taxes receivable:

	2021	2020
Current	\$ 497,800	\$ 475,163
Prior years	669,421	684,321
	1,167,221	1,159,484
Allowance for doubtful accounts	(222,886)	(222,886)
	\$ 944,335	\$ 936,598

4. Contributions to non-consolidated joint local boards:

Further to note 1(a)(ii), contributions were made by the Town to the following non-consolidated joint local boards:

	2021	2020
Algoma Public Health	\$ 126,986	\$ 126,324
Algoma District Services Administration Board	1,215,643	1,201,075
	\$ 1,342,629	\$ 1,327,399

The Town is contingently liable for its share of any accumulated deficit as at the end of the year for these boards. Neither board reported a deficit at December 31, 2021.

5. Accounts receivable:

	2021	2020
Current year	\$ 1,397,229	\$ 1,015,240
Allowance for doubtful accounts	-	-
	\$ 1,397,229	\$ 1,015,240

Included within accounts receivable is \$207,907 (2020 - \$201,788) owing from related parties. The amounts are non-interest bearing and due on demand.

THE CORPORATION OF THE TOWN OF BLIND RIVER

Notes to Consolidated Financial Statements

Year ended December 31, 2021

6. Investment in government business enterprise:

The Town owns 100% interest of North Shore Power Group Inc. ("NSPG"). NSPG is accounted for using the modified equity basis in these consolidated financial statements. NSPG serves as a renewable energy provider to Ontario Power Generation. The financial statements of NSPG were prepared in accordance with International Financial Reporting Standards.

The following table provides condensed supplementary financial information in respect of the Town's government business enterprise, NSPG, for the year ended December 31, 2021, with comparative figures for 2020.

	2021	2020
Assets		
Current assets	\$ 6,291,563	\$ 4,410,995
Long-term receivables	969,310	1,005,766
Investment in limited partnership	1,393,687	1,321,688
Deferred tax asset	1,004,693	732,646
Right-of-use asset	8,713	25,799
Capital assets	7,902,893	8,303,265
	<u>\$ 17,570,859</u>	<u>\$ 15,800,159</u>
	2021	2020
Liabilities and Shareholders' Equity		
Current liabilities	\$ 1,625,475	\$ 1,298,463
Long-term debt	25,456,726	25,641,256
Lease liability	—	8,636
Asset retirement obligation	284,000	284,000
	<u>27,366,201</u>	<u>27,232,355</u>
Shareholders' equity:		
Share capital	144,501	144,501
Accumulated deficit	(9,939,843)	(11,576,697)
	<u>(9,795,342)</u>	<u>(11,432,196)</u>
	<u>\$ 17,570,859</u>	<u>\$ 15,800,159</u>

THE CORPORATION OF THE TOWN OF BLIND RIVER

Notes to Consolidated Financial Statements

Year ended December 31, 2021

6. Investment in government business enterprise (continued):

	2021	2020
Results of operations:		
Operating revenue	\$ 1,956,265	\$ 1,936,236
Expenses	(3,068,788)	(3,117,526)
Loss before undernoted items	(1,112,523)	(1,181,290)
Other income	2,477,330	1,287,825
Future taxes recovery	272,047	34,747
Income and comprehensive income	\$ 1,636,854	\$ 141,282

The investment in government business enterprises is determined as follows:

	2021	2020
North Shore Power Group Inc., beginning of year	\$ 1	\$ 1
Comprehensive income for the year	1,636,854	141,282
Adjustment to investment	(1,636,854)	(141,282)
Net change in investment of North Shore Power Group Inc.	—	—
Investment in North Shore Power Group Inc., end of year	\$ 1	\$ 1

THE CORPORATION OF THE TOWN OF BLIND RIVER

Notes to Consolidated Financial Statements

Year ended December 31, 2021

7. Advances to related companies:

Amounts due from North Shore Power Group Inc.:

	2021	2020
Due from North Shore Power Group Inc., repayable in blended annual payments of \$1,115,324, with interest at 4.03% per annum, including accrued interest of \$438,112 (2020 - \$457,362)	13,402,857	13,991,769
Due from North Shore Power Group Inc., without interest calculated at amortized cost using the effective interest rate method at 4.03% per annum, including accrued interest of \$3,045,663 (2020 - \$2,547,489), due in one balloon payment of \$23,406,750 at maturity on April 1, 2037	12,857,278	12,359,202
	26,260,135	26,350,971
Less: valuation allowance	(8,359,202)	(12,359,202)
	\$ 17,900,933	\$ 13,991,769

8. Line of credit:

The Town has an authorized line of credit from Royal Bank of Canada in the amount of \$1,000,000 bearing interest at bank prime. At December 31, 2021, the balance was \$Nil (2020 - \$Nil).

9. Deferred revenue:

Deferred revenue is funding received in the current and prior years for expenditures which were not incurred in the current or prior years. Deferred revenue - obligatory reserve funds are restricted in their use and, until applied to applicable expenditures, are recorded as deferred revenue. These revenues will be matched against the applicable future expenditures as they are incurred.

	2021	2020
Deferred revenue – general	\$ 51,281	\$ 123,920
Deferred revenue – OCIF	1,070,046	540,999
Deferred revenue – obligatory reserve funds (note 10)	560,347	494,602
	\$ 1,681,674	\$ 1,159,521

THE CORPORATION OF THE TOWN OF BLIND RIVER

Notes to Consolidated Financial Statements

Year ended December 31, 2021

10. Deferred revenue – obligatory reserve fund:

A requirement of the public sector accounting standards is that obligatory reserve funds be reported as deferred revenue. This requirement is in place as federal, provincial and municipal legislation restricts how these funds may be used. The balances in the obligatory reserve funds are summarized as follows:

	2021	2020
Gasoline tax – Federal	\$ 473,277	\$ 415,277
Gasoline tax – Provincial	87,070	79,325
	\$ 560,347	\$ 494,602

11. Landfill closure and post-closure liability:

Total undiscounted landfill closure and post-closure care expenditures are estimated at \$1,880,865 (2020 - \$1,828,348). The estimated liability for these expenditures is recognized as the landfill site's capacity is used. To date, 90.2% of the site's capacity has been used. Included in the consolidated statement of financial position is \$1,696,983 (2020 - \$1,564,556) related to the landfill obligations.

Estimated total expenditures represent the sum of the discounted future cash flows for closure and post-closure care activities discounted at the Ministry of Environment & Climate Change discount rate of 2.31%.

Closure will involve capping of the site with a compacted impermeable clay layer, a layer of topsoil, the re-introduction of a vegetative cover and the construction of surface drainage controls. Post-closure care will involve routine inspections, cap maintenance and groundwater sampling and analysis. The reported liability is based on estimates and assumptions with respect to events extending over a fifty-year period using information available to management. Future events may result in significant changes to the estimated total expenditures, capacity used or total capacity and the estimated liability, and would be recognized prospectively, as a change in estimate, if and when applicable.

The estimated remaining capacity of the landfill site is 9.8% of its total estimated capacity and its estimated remaining life is one year, after which the period for post-closure care is estimated to be 30 years.

THE CORPORATION OF THE TOWN OF BLIND RIVER

Notes to Consolidated Financial Statements

Year ended December 31, 2021

12. Long-term debt:

The balance of long-term debt is comprised of the following:

	2021	2020
Royal Bank of Canada unsecured non-revolving term loan payable in blended monthly payments of \$5,987 including interest at 2.82% per annum, maturing May 2022	\$ 151,661	\$ 217,755
Royal Bank of Canada unsecured non-revolving term loan payable in blended monthly payments of \$14,668, including interest at 3.90% per annum, maturing February 2028	962,641	1,098,282
Royal Bank of Canada unsecured non-revolving term loan payable in blended monthly payments of \$11,402, including interest at 3.90% per annum, maturing March 2023	166,389	294,054
Royal Bank of Canada unsecured non-revolving term loan payable in blended monthly payments of \$6,840, including interest at 3.50% per annum, maturing February 2021	—	13,508
Realterm Energy Corp. unsecured LED streetlight financing, repayable in variable blended monthly installments ranging from \$7,679 to \$9,754 including interest of 4.74% per annum, payments will be inflated by 2% each year, maturing December 2025	408,568	492,257
Ontario Infrastructure Projects Corporation debenture repayable in blended semi-annual payments of \$65,568, including interest at 5.3% per annum, maturing September 2027	682,054	772,926
Ontario Infrastructure Projects Corporation debenture repayable in blended semi-annual payments of \$28,328, including interest at 5.34% per annum, maturing September 2037	618,010	643,323
CMHC debenture, repayable in blended annual payments of \$1,115,324, with interest at 4.03% per annum, including accrued interest of \$333,324 (2020 - \$357,071), maturing March 1, 2037	13,402,857	13,991,769
CMHC debenture, without interest, calculated at amortized cost using the effective interest rate method at 4.03% per annum, including accrued interest of \$3,043,145 (2020 - \$2,545,069), due in one balloon payment of \$23,406,750 at maturity on March 1, 2037	12,857,278	12,359,202
	\$ 29,249,458	\$ 29,883,076

THE CORPORATION OF THE TOWN OF BLIND RIVER

Notes to Financial Statements

Year ended December 31, 2021

12. Long-term debt (continued):

The principal repayments are as follows:

2022	\$	1,241,161
2023		1,033,672
2024		1,046,332
2025		1,093,843
2026		1,088,632
Thereafter		21,164,329
		<hr/>
		26,667,969
Add: accrued interest		2,581,489
		<hr/>
	\$	29,249,458

An additional payment was made on the 0% CMHC Debenture on January 25, 2022. See note 23 for additional information on this payment.

THE CORPORATION OF THE TOWN OF BLIND RIVER

Consolidated Notes to Financial Statements

Year ended December 31, 2021

13. Tangible capital assets:

Cost	Balance at December 31, 2020	Additions	Disposals/ reclassifications	Balance at December 31, 2021
Land	\$ 84,615	-	-	84,615
Land improvements	2,851,302	101,577	-	2,952,879
Buildings	14,928,021	38,671	-	14,966,692
Machinery and equipment	6,393,297	165,910	-	6,559,207
Vehicles	1,549,109	740,880	(108,495)	2,181,494
Furniture and fixtures	349,602	23,060	-	372,662
Infrastructure	98,712,338	1,022,625	-	99,734,963
Construction in progress	30,977	642,558	(6,130)	667,405
Total	\$ 124,899,261	2,735,281	(114,625)	127,519,917

Accumulated Amortization	Balance at December 31, 2020	Amortization	Disposals	Balance at December 31, 2021
Land	\$ -	-	-	-
Land improvements	1,614,962	74,760	-	1,689,722
Buildings	7,360,966	362,048	-	7,723,014
Machinery and equipment	4,370,606	247,002	-	4,617,608
Vehicles	948,109	105,852	(103,295)	950,666
Furniture and fixtures	281,946	24,587	-	306,533
Infrastructure	62,819,593	2,431,348	-	65,250,941
Construction in progress	-	-	-	-
Total	\$ 77,396,182	3,245,597	(103,295)	80,538,484

	Net book value, December 31, 2020	Net book value, December 31, 2021
Land	\$ 84,615	84,615
Land improvements	1,236,340	1,263,157
Buildings	7,567,055	7,243,678
Machinery and equipment	2,022,691	1,941,599
Vehicles	601,000	1,230,828
Furniture and fixtures	67,656	66,129
Infrastructure	35,892,745	34,484,022
Construction in progress	30,977	667,405
Total	\$ 47,503,079	46,981,433

THE CORPORATION OF THE TOWN OF BLIND RIVER

Consolidated Notes to Financial Statements

Year ended December 31, 2021

13. Tangible capital assets (continued):

Cost	Balance at December 31, 2019	Additions	Disposals/ reclassifications	Balance at December 31, 2020
Land	\$ 84,615	-	-	84,615
Land improvements	2,640,432	210,870	-	2,851,302
Buildings	14,475,710	452,311	-	14,928,021
Machinery and equipment	6,275,090	236,010	(117,803)	6,393,297
Vehicles	1,504,717	44,392	-	1,549,109
Furniture and fixtures	324,295	25,307	-	349,602
Infrastructure	96,970,060	1,742,278	-	98,712,338
Construction in progress	147,756	27,205	(143,984)	30,977
Total	\$ 122,422,675	2,738,373	(261,787)	124,899,261

Accumulated Amortization	Balance at December 31, 2019	Amortization	Disposals	Balance at December 31, 2020
Land	\$ -	-	-	-
Land improvements	1,543,295	71,667	-	1,614,962
Buildings	7,121,764	357,005	(117,803)	7,360,966
Machinery and equipment	4,132,022	238,584	-	4,370,606
Vehicles	855,901	92,208	-	948,109
Furniture and fixtures	258,485	23,461	-	281,946
Infrastructure	60,400,654	2,418,939	-	62,819,593
Construction in progress	-	-	-	-
Total	\$ 74,312,121	3,201,864	(117,803)	77,396,182

	Net book value, December 31, 2019	Net book value, December 31, 2020
Land	\$ 84,615	84,615
Land improvements	1,097,137	1,236,340
Buildings	7,353,946	7,567,055
Machinery and equipment	2,143,068	2,022,691
Vehicles	648,816	601,000
Furniture and fixtures	65,810	67,656
Infrastructure	36,569,406	35,892,745
Construction in progress	147,756	30,977
Total	\$ 48,110,554	47,503,079

THE CORPORATION OF THE TOWN OF BLIND RIVER

Notes to Consolidated Financial Statements

Year ended December 31, 2021

14. Accumulated surplus:

Accumulated surplus consists of individual fund surplus and reserves and reserve funds as follows:

	2021	2020
Equity in tangible capital assets (note 15)	\$ 45,278,603	\$ 45,585,318
General Fund	(10,811,107)	(14,779,591)
Government Business Enterprises (note 6)	1	1
Amounts to be recovered:		
Landfill closure and post-closure costs	(1,696,983)	(1,564,556)
	<u>32,770,514</u>	<u>29,241,172</u>
Reserve and reserve funds set aside for specific purpose by Council:		
Nuclear Waste Management Organization	1,047,284	1,050,274
Modernization	—	73,852
Landfill Expansion	739,420	640,000
Future Projects	874,794	674,303
Facilities	1,063,414	833,414
Prior Year	391,552	302,555
Fire Truck	77,351	260,000
Bridges	261,230	195,000
Roads	111,952	145,743
Other specific purpose reserves	2,036,776	1,546,724
	<u>6,603,773</u>	<u>5,721,865</u>
Accumulated surplus	\$ 39,374,287	\$ 34,963,037

15. Equity in tangible capital assets:

The Town's equity in tangible capital assets is represented by:

	2021	2020
Tangible capital assets (note 13)	\$ 127,519,917	\$ 124,899,261
Accumulated amortization (note 13)	(80,538,484)	(77,396,182)
Long-term debt utilized for capital purposes	(1,702,830)	(1,917,761)
Equity in tangible capital assets	\$ 45,278,603	\$ 45,585,318

THE CORPORATION OF THE TOWN OF BLIND RIVER

Notes to Consolidated Financial Statements

Year ended December 31, 2021

16. Contractual obligations:

The Town has entered into a police services contract with the Province of Ontario for the provision of police services within municipal boundaries. The contract expires December 31, 2024, with an annual fee estimate provided for the upcoming year. The fee estimate for 2022 is \$992,971. During 2021, \$946,286 (2020 - \$979,495) was expended on police services.

17. Employee post-employment benefit obligations:

OMERS provides pension services to more than 451,000 active and retired members and approximately 974 employers. Each year an independent actuary determines the funding status of OMERS Primary Pension Plan (the "Plan") by comparing the actuarial value of invested assets to the estimated present value of all pension benefits that members have earned to date. The most recent actuarial valuation of the Plan was conducted at December 31, 2021. The results of this valuation disclosed total going concern actuarial liabilities of \$120,796 million (2020 - \$113,055 million) in respect of benefits accrued for service with total going concern actuarial assets at that date of \$117,665 million (2020 - \$109,844 million) indicating a going concern actuarial deficit of \$3,131 million (2020 - \$3,211 million). Because OMERS is a multi-employer plan, any pension plan surpluses or deficits are a joint responsibility of Ontario municipal organizations and their employees and the Authority's share is not determinable. As a result, the Municipality does not recognize any share of the OMERS pension surplus or deficit.

The amount contributed to OMERS for 2021 was \$332,114 (2020 - \$308,506) and is included as an expense within salaries and benefits in the consolidated statement of operations and accumulated surplus.

18. Budget figures:

The Town completes separate budget reviews for its operating and capital budgets each year. The approved operating budget for 2021 is reflected on the Consolidated Statement of Operations and has been reclassified to comply with PSAB reporting requirements. Budgets established for Reserves and Reserve Funds are on a project-oriented basis, the costs of which may be carried out over one or more years and funding is determined annually and made by transfers from individual funds and by the application of applicable grants or other funds available to reserves or reserve funds. During 2021, council approved net transfers of \$185,606 (2020 - \$839,111) from reserves and reserve funds for capital projects. As such, they are not directly comparable with current year actual amounts and budgets have therefore not been reflected within the Consolidated Statement of Operations.

19. Provincial offences act administration:

The Provincial Offences Act (POA) is a procedural law for administering and prosecuting provincial offences, including those committed under the Highway Traffic Act, Compulsory Automobile Insurance Act, Trespass to Property Act, Liquor Licence Act, Municipal By-laws and minor federal offences.

The revenues collected consist of fines levied under Parts I and III for POA charges and amounted to \$1,622 (2020 - \$920). The total operating costs for the administration of the POA for the year amounted to \$6,990 (2020 - \$145,609), resulting in a net contribution to the Town of \$1,622 (2020 - \$34,214), exclusive of capital costs. The Town's share is 23.21% (2020 - 23.21%).

THE CORPORATION OF THE TOWN OF BLIND RIVER

Notes to Consolidated Financial Statements

Year ended December 31, 2021

20. Financial instruments:

The Town is exposed to various risks through its financial instruments. The following analysis provides information about the Town's risk exposure and concentration as of December 31, 2021.

(a) Credit risk:

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Town is exposed to credit risk from customers and ratepayers, along with amounts due from North Shore Power Group Inc. An allowance for doubtful accounts (notes 4 and 6) is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The Town has a significant number of customers and ratepayers which minimizes concentration of credit risk. Further, the Town has available to it a tax registration process to recover unpaid municipal taxes by way of forced transfer of properties with multi-year arrears.

The Town is exposed to credit risk with the amounts due from North Shore Power Group Inc. ("NSPG") In previous years, an impairment of the interest owing from NSPG was recorded. As a result of improved operating results for NSPG over the last number of years the credit risk associated with these amounts is reduced. Management continues to monitor the ongoing operations and budget for NSPG on an annual basis to assess the credit risk associated with the amounts owing.

There have been no significant changes from the previous year in the exposure to risk or policies, procedures and methods used to measure the risk.

(b) Liquidity risk:

Liquidity risk is the risk that the Town cannot repay its obligations when they become due to its creditors. The Town is exposed to this risk relating to its accounts payable and accrued liabilities and long-term debt.

The Town reduces its exposure to liquidity risk by monitoring cash activities and expected outflow through extensive budgeting and maintaining enough cash and credit facilities available to repay creditors as they become due. In the opinion of management the liquidity risk exposure to the Town is low.

There have been no significant changes from the previous year in the exposure to risk or policies, procedures and methods used to measure the risk.

(c) Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Town is exposed to this risk mainly in respect of certain bank credit facilities.

The Town has interest rate exposure on its credit facilities, which are variable based on the prime rate of interest and at renewal of credit facilities with fixed rates of interest.

There have been no significant changes from the previous year in the exposure to risk or policies, procedures and methods used to measure the risk.

THE CORPORATION OF THE TOWN OF BLIND RIVER

Notes to Consolidated Financial Statements

Year ended December 31, 2021

20. Financial instruments (continued):

(d) Other risks:

The Town's main sources of revenue are government operating grants, taxation revenue and user charges. In March 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization. This resulted in the Canadian and Provincial governments enacting emergency measures to combat the spread of the virus. The Town halted most in-person activity for a period of time and moved to delivery on non-essential services in a virtual environment. All essential services remained provided through in-person service delivery based on recommendations from Public Health Ontario. In the summer of 2020, certain in person services restarted with the organization currently utilizing a hybrid model for the delivery of services in compliance with Public Health regulations.

In response to the adverse impact the pandemic has had on certain revenue streams, the Town has undertaken certain cost cutting measures. The Provincial government has provided financial relief in the form of grants totaling \$289,200.

The impact of COVID-19 is expected to negatively impact operations for a duration that cannot be reasonably predicted. The further overall operational and financial impact is highly dependent on the duration of COVID-19, including the potential occurrence of additional waves of the pandemic, and could be affected by other factors that are currently not known at this time. Management is actively monitoring the effect of the pandemic on its financial condition, liquidity, operations, suppliers, and workforce. Given the daily evolution of the pandemic and the global responses to curb its spread, the Town is not able to fully estimate the effects of the pandemic on its results of operations, financial condition, or liquidity at this time.

21. Contingencies and guarantees:

The Town is involved in claims and litigation in the normal course of operations. Any settlements or awards will be recorded in the period they become determinable.

The Town has guaranteed repayment of a loan for NSPG (note 7) with a balance of \$100,284 (including accrued interest) at December 31, 2021, which bears interest of 4.03% and is repayable in blended semi-annual payments of \$4,500 and matures in September 2036.

The Town has guaranteed repayment of a loan for NSPG (note 7) with a balance of \$12,967,372 (including accrued interest) at December 31, 2021, which bears interest of 4.03% and is repayable in blended yearly payments of \$1,115,324 and matures in March 2037.

The Town has guaranteed a third loan for NSPG (note 7) with a balance of \$12,859,776 (including accrued interest) at December 31, 2021, which bears interest of 4.03% and is repayable in one balloon payment of \$23,406,750 in March 2037.

22. Comparative information:

Certain 2020 comparative information has been reclassified to conform with the presentation adopted in the current year. Such reclassifications have no impact on the annual surplus of the current or comparative period.

THE CORPORATION OF THE TOWN OF BLIND RIVER

Notes to Consolidated Financial Statements

Year ended December 31, 2021

23. Subsequent event:

Subsequent to year end, the Town received \$4 million from North Shore Power Group as part of an advance balloon payment on the CMHC debt. On January 25, 2022 the Town transferred this amount to CMHC as an additional payment on the 0% CMHC debenture. This debt was recorded at an amortized cost of \$12.4 million at December 31, 2021.

24. Segmented information:

The Town of the Town of Blind River is a diversified municipal government that provides a wide range of services to its citizens. For management reporting purposes, the Town's operations and activities are organized and reported by fund. Funds were created for the purpose of recording specific activities to attain certain objectives in accordance with special regulations, restrictions or limitations.

The Town's services are provided by departments and their activities are recorded in these funds. Certain departments that have been disclosed in the segmented information, along with the services they provide, are as follows:

GENERAL GOVERNMENT

This segment encompasses all administrative support for governance and corporate management for the operations of the Town, and the costs have been allocated to the appropriate segment.

PROTECTION SERVICES

Protection services is comprised of fire and police protection, animal control, building permits and inspectors. The fire department is responsible for providing fire suppression services, fire prevention and training and education related to prevention detection or extinguishment of fires. The Town has a contract with the Ontario Provincial Police (through agreement with the Town) to provide services relating to the safety of persons and property, and transportation of prisoners.

TRANSPORTATION SERVICES

The public works department is responsible for the delivery of municipal public works services related to planning, development and maintenance of roadway systems, sidewalks and open space and street lighting.

ENVIRONMENTAL SERVICES

Environmental services consists of three distinct utilities - water, wastewater and solid waste disposal. The public works department provides drinking water to citizens of Blind River, collects and treats wastewater, and provides collection, disposal and waste minimization programs and facilities for solid waste.

HEALTH SERVICES

The Town provides cemetery services to its citizens. It also provides public health services through participation in joint local boards.

RECREATION AND CULTURAL SERVICES

The Town provides recreation and leisure services such as fitness and skating programs along with library service. It operates an arena, a museum, an art gallery, various parks and a marina.

THE CORPORATION OF THE TOWN OF BLIND RIVER

Notes to Consolidated Financial Statements

Year ended December 31, 2021

24. Segmented information (continued):

PLANNING AND DEVELOPMENT

The planning department exists of a board that oversees the adherence of by-laws pertaining to zoning and land use of the Town. Committees review applications for changes and ensure that the official plan is appropriate for the future development of the Town. Commercial and industrial planning and development, residential development, agriculture and reforestation are all part of the planning department.

The accounting used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in note 1.

THE CORPORATION OF THE TOWN OF BLIND RIVER

Note 24 - Segmented Information (continued)

Year ended December 31, 2021

	General Government	Protection Services	Transportation Services	Environmental Services	Health Services	Recreation and Cultural Services	Planning and Development	2021 Total
Revenues:								
Government Grants - Provincial	\$ 2,651,845	12,252	18,728	40,680	-	138,381	3,497	2,865,383
- Federal	-	-	376,379	-	-	354,516	-	730,895
Taxation	6,538,095	-	-	-	-	-	-	6,538,095
Other	210,471	59,325	-	-	-	1,039,546	80,350	1,389,692
User Charges	520,132	54,331	9,197	1,544,054	27,667	157,428	954,379	3,267,188
Gain on sale of assets	-	2,151	2,131	-	-	-	-	4,282
	9,920,543	128,059	406,435	1,584,734	27,667	1,689,871	1,038,226	14,795,535
Expenses:								
Salaries, wages and benefits	737,993	341,352	665,373	113,345	24,099	1,020,742	126,134	3,029,038
Goods and services	445,772	124,962	617,646	298,313	5,512	904,754	104,932	2,501,891
Contracted services	199,496	1,002,578	243,125	1,416,640	-	44,286	85,654	2,991,779
Interest	934,757	-	61,905	81,497	-	5,263	-	1,083,422
Amortization of tangible capital assets	30,451	56,077	1,778,189	1,021,114	6,297	310,479	42,991	3,245,598
Financial expenses	30,991	-	-	134,758	-	3,323	20,854	189,926
External transfers	-	-	-	-	1,342,629	-	-	1,342,629
	2,379,460	1,524,969	3,366,238	3,065,667	1,378,537	2,288,847	380,565	14,384,283
Excess (deficiency) of revenues over expenses	7,541,083	(1,396,910)	(2,959,803)	(1,480,933)	(1,350,870)	(598,976)	657,661	\$ 411,252

THE CORPORATION OF THE TOWN OF BLIND RIVER

Note 24 - Segmented Information (continued)

Year ended December 31, 2021

	General Government	Protection Services	Transportation Services	Environmental Services	Health Services	Recreation and Cultural Services	Planning and Development	2020 Total
Revenues:								
Government Grants - Provincial	\$ 2,801,113	8,103	19,786	991,076	-	147,827	2,474	3,970,379
- Federal	-	-	210,655	-	-	53,757	-	264,412
Taxation	6,292,358	-	-	-	-	-	-	6,292,358
Other	83,780	34,348	51	-	-	856,672	81,910	1,056,761
User Charges	227,219	46,587	5,980	1,454,531	22,160	126,522	943,109	2,826,108
	9,404,470	89,038	236,472	2,445,607	22,160	1,184,778	1,027,493	14,410,018
Expenses:								
Salaries, wages and benefits	751,325	300,425	688,601	99,942	21,845	880,338	65,208	2,807,684
Goods and services	371,365	136,107	508,218	376,970	9,527	710,057	71,302	2,183,546
Contracted services	273,754	987,270	139,544	1,442,372	-	12,696	16,881	2,872,517
Interest	934,649	-	71,275	94,344	-	7,089	-	1,107,357
Amortization of tangible capital assets	23,204	46,047	1,750,319	1,024,309	5,156	310,478	42,351	3,201,864
Financial expenses	101,215	-	1,621	181,306	-	1,332	24,311	309,785
External transfers	-	-	-	-	1,327,399	-	-	1,327,399
	2,455,512	1,469,849	3,159,578	3,219,243	1,363,927	1,921,990	220,053	13,810,152
Excess (deficiency) of revenues over expenses	6,948,958	(1,380,811)	(2,923,106)	(773,636)	(1,341,767)	(737,212)	807,440	\$ 599,866

THE CORPORATION OF THE TOWN OF BLIND RIVER

Huron Pines Golf & Country Club Inc.
Schedule of Operations

Schedule 1

For the year ended December 31, 2021, with comparative information for 2020

	2021	2020
Revenue:		
Sales	\$ 603,159	\$ 434,381
Rental	216,572	133,493
Golf shop revenue	79,949	70,177
Other Income	52,049	155,027
Total revenue	951,729	793,078
Expenses:		
Salaries and benefits	300,798	233,792
Golf course	158,018	126,208
Amortization	54,206	65,195
Golf shop cost of goods sold	59,752	62,565
Repairs and maintenance	149,509	15,419
Utilities	28,880	27,450
Office and general	15,586	15,120
Interest charges	10,491	7,476
Professional fees	3,853	6,847
Equipment rental	1,460	422
Advertising	3,936	22
Association fees	2,121	2,871
Total expenses	788,610	563,387
Annual surplus	\$ 163,119	\$ 229,691