

**Township of Hilton  
Consolidated Financial  
Statements  
For the year ended December 31, 2020**

**Township of Hilton**  
**Consolidated Financial Statements**  
For the year ended December 31, 2020

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|  | <b>Contents</b> |
|--|-----------------|
| <b>Management's Responsibility for Financial Reporting</b> | 2               |
| <b>Independent Auditor's Report</b>                        | 3               |
| <b>Consolidated Financial Statements</b>                   |                 |
| Statement of Financial Position                            | 5               |
| Statement of Operations                                    | 6               |
| Statement of Changes in Net Financial Assets               | 7               |
| Statement of Cash Flows                                    | 8               |
| Notes to Financial Statements                              | 9               |
| Schedule 1 - Tangible Capital Assets                       | 14              |
| Schedule 2 - Segment Disclosure                            | 16              |

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## Township of Hilton Management's Responsibility for Financial Reporting

December 31, 2020

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The accompanying consolidated financial statements of the Township of Hilton are the responsibility of management and have been approved by the Reeve and Clerk-Treasurer on behalf of Council.

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards. Consolidated financial statements are not precise since they include certain amounts based on estimates and judgements. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the consolidated financial statements are presented fairly, in all material respects.

The municipality maintains systems of internal accounting and administrative controls of high quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the municipality's assets are appropriately accounted for and adequately safeguarded.

The municipal Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the consolidated financial statements.

The consolidated financial statements have been audited by BDO Canada LLP in accordance with Canadian generally accepted auditing standards on behalf of the ratepayers and inhabitants of the municipality. The accompanying Independent Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the municipality's consolidated financial statements.

  
\_\_\_\_\_  
Reeve

  
\_\_\_\_\_  
Clerk-Treasurer



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## Independent Auditor's Report

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To the Members of Council, Inhabitants and Ratepayers of  
Township of Hilton

### Opinion

We have audited the consolidated financial statements of Township of Hilton (the Township), which comprise the consolidated statement of financial position as at December 31, 2020, and the consolidated statements of operations, 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 consolidated financial position of the Township as at December 31, 2020, and its consolidated results of operations, its consolidated change in net financial assets, 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 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 the 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 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.

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## Independent Auditor's Report (continued)

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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 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.



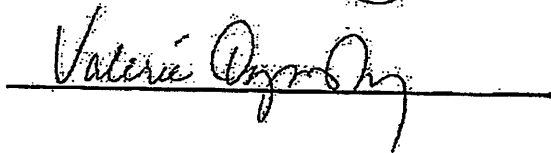
Chartered Professional Accountants, Licensed Public Accountants  
Sault Ste. Marie, Ontario  
August 4, 2021

**Township of Hilton**  
**Consolidated Statement of Financial Position**

| December 31                              | 2020         | 2019         |
|--|--------------|--------------|
| <b>Financial assets</b>                  |              |              |
| Cash and short term investments          | \$ 1,154,766 | \$ 1,037,090 |
| Taxes receivable                         | 76,719       | 77,718       |
| Accounts receivable                      | 68,141       | 68,665       |
|  | 1,299,626    | 1,183,473    |
| <b>Liabilities</b>                       |              |              |
| Accounts payable and accrued liabilities | 75,525       | 68,087       |
| Obligatory park reserve fund             | 64,398       | 63,134       |
| Deferred revenue - Federal gas tax       | 36,985       | 38,038       |
|  | 176,908      | 169,259      |
| <b>Net financial assets</b>              | 1,122,718    | 1,014,214    |
| <b>Non-financial assets</b>              |              |              |
| Tangible capital assets (Schedule 1)     | 2,053,092    | 1,998,746    |
| <b>Accumulated surplus (Note 3)</b>      | \$ 3,175,810 | \$ 3,012,960 |

On behalf of the Council:

 \_\_\_\_\_ Reeve

 \_\_\_\_\_ Clerk-Treasurer

**Township of Hilton**  
**Consolidated Statement of Operations**

| <b>For the year ended December 31</b>              | <b>Budget</b>       | <b>2020</b>         | <b>2019</b>         |
|--|---------------------|---------------------|---------------------|
| <b>Revenue</b>                                     |                     |                     |                     |
| Taxation (Note 2)                                  | \$ 621,238          | \$ <b>624,324</b>   | \$ 584,193          |
| Government grants - Provincial                     | 341,600             | <b>407,100</b>      | 585,000             |
| Government grants - Federal                        | 20,000              | <b>73,396</b>       | 1,741               |
| Other municipalities                               | 1,000               | <b>1,000</b>        | 1,500               |
| User fees and service charges                      | 5,900               | <b>11,401</b>       | 20,653              |
| Licences, permits and rents                        | 1,500               | <b>3,885</b>        | 4,075               |
| Penalties and interest on taxes                    | 8,000               | <b>8,676</b>        | 13,516              |
| Investment income                                  | 14,300              | <b>14,476</b>       | 10,469              |
| Gain (loss) of disposal of tangible capital assets | -                   | -                   | 30,000              |
|  | <b>1,013,538</b>    | <b>1,144,258</b>    | <b>1,251,147</b>    |
| <b>Expenses</b>                                    |                     |                     |                     |
| General government                                 | 190,585             | <b>192,506</b>      | 181,010             |
| Protection services                                | 138,641             | <b>123,559</b>      | 119,644             |
| Transportation services                            | 300,050             | <b>304,753</b>      | 283,498             |
| Environmental services                             | 28,000              | <b>28,217</b>       | 25,577              |
| Health services                                    | 144,133             | <b>144,157</b>      | 142,530             |
| Social and family services                         | 158,617             | <b>158,617</b>      | 153,367             |
| Recreation and cultural services                   | 26,425              | <b>26,389</b>       | 26,017              |
| Planning and development                           | 3,200               | <b>3,210</b>        | 3,057               |
|  | <b>989,651</b>      | <b>981,408</b>      | <b>934,700</b>      |
| <b>Annual surplus</b>                              | <b>23,887</b>       | <b>162,850</b>      | <b>316,447</b>      |
| <b>Accumulated surplus, beginning of year</b>      | <b>3,012,960</b>    | <b>3,012,960</b>    | <b>2,696,513</b>    |
| <b>Accumulated surplus, end of year</b>            | <b>\$ 3,036,847</b> | <b>\$ 3,175,810</b> | <b>\$ 3,012,960</b> |

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

**Township of Hilton**  
**Consolidated Statement of Change in Net Financial Assets**

| <b>For the year ended December 31</b>          | <b>Budget</b>       | <b>2020</b>         | <b>2019</b>         |
|--|---------------------|---------------------|---------------------|
| <b>Annual surplus</b>                          | \$ 23,887           | \$ 162,850          | \$ 316,447          |
| Acquisition of tangible capital assets         | (72,000)            | (208,697)           | (407,242)           |
| Amortization of tangible capital assets        | 135,200             | 154,351             | 135,106             |
| <b>Net change in net financial assets</b>      | <b>87,087</b>       | <b>108,504</b>      | <b>44,311</b>       |
| <b>Net financial assets, beginning of year</b> | <b>1,014,214</b>    | <b>1,014,214</b>    | <b>969,903</b>      |
| <b>Net financial assets, end of year</b>       | <b>\$ 1,101,301</b> | <b>\$ 1,122,718</b> | <b>\$ 1,014,214</b> |

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



**Township of Hilton**  
**Consolidated Statement of Cash Flows**

| <b>For the year ended December 31</b>               | <b>2020</b>                | <b>2019</b>                |
|---|----------------------------|----------------------------|
| <b>Operating transactions</b>                       |                            |                            |
| Annual surplus                                      | \$ 162,850                 | \$ 316,447                 |
| Items not involving cash                            |                            |                            |
| Amortization  | 154,351                    | 135,106                    |
| Loss on disposal of tangible capital assets         | -                          | -                          |
|   | <u>317,201</u>             | <u>451,553</u>             |
| Changes in non-cash operating balances              |                            |                            |
| Taxes receivable                                    | 999                        | 28,675                     |
| Accounts receivable                                 | 524                        | (21,635)                   |
| Accounts payable and accrued liabilities            | 7,438                      | 1,513                      |
| Obligatory reserve and deferred revenue             | 211                        | 32,109                     |
|   | <u>326,373</u>             | <u>492,215</u>             |
| <b>Capital transactions</b>                         |                            |                            |
| Acquisition of tangible capital assets              | <u>(208,697)</u>           | <u>(407,242)</u>           |
| <b>Net change in cash and cash equivalents</b>      | <b>117,676</b>             | <b>84,973</b>              |
| <b>Cash and cash equivalents, beginning of year</b> | <u><b>1,037,090</b></u>    | <u><b>952,117</b></u>      |
| <b>Cash and cash equivalents, end of year</b>       | <u><b>\$ 1,154,766</b></u> | <u><b>\$ 1,037,090</b></u> |

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

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# Township of Hilton

## Notes to Consolidated Financial Statements

December 31, 2020

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### 1. Significant accounting policies

The consolidated financial statements of the municipality have been prepared in accordance with Canadian public sector accounting standards, as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants.

**Basis of Consolidation** These consolidated financial statements reflect the assets, liabilities, sources of financing and expenditures of all municipal organizations, committees and boards which are owned or controlled by the municipality. The following joint local boards/committees have been proportionately consolidated at the indicated percentages:

St. Joseph Island Museum Board - 21%  
Hilton Union Fire Department - 50%

**Cash and Cash Equivalents** Management considers all highly liquid investments with maturity of twelve months or less at acquisition to be cash equivalents.

**Tangible Capital Assets** Tangible capital assets are recorded at cost less accumulated amortization. Cost includes all costs directly attributable to acquisition or construction of the tangible capital asset including transportation costs, installation costs, design and engineering fees, legal fees and site preparation costs. Contributed tangible capital assets are recorded at fair value at the time of the donation, with a corresponding amount recorded as revenue. Amortization is recorded on a straight-line basis over the estimated life of the tangible capital asset commencing once the asset is available for productive use as follows:

|  |                |
|--|----------------|
| Land improvements                            | 25 to 50 years |
| Buildings                                    | 25 to 50 years |
| Machinery and equipment                      | 5 to 30 years  |
| Vehicles                                     | 10 to 25 years |
| Furnishings and fixtures                     | 5 to 20 years  |
| Infrastructure - roads, bridges and culverts | 25 to 50 years |

**Collection of Taxes on Behalf of Other Taxation Authorities** The township collects taxation revenue on behalf of other entities. Such levies, other revenues, expenses, assets and liabilities with respect to the operations of these other entities are not reflected in these consolidated financial statements.

**Retirement Benefits** The municipality provides pension benefits to specified employees through the Ontario Municipal Employees Retirement Fund (OMERS), a multi-employer plan. The municipality's contributions due during the period are expensed as incurred.

**Deferred Revenue** Funds received for specific purposes which are externally restricted by legislation, regulation or agreement and are not available for general municipal purposes are accounted for as deferred revenue on the consolidated statement of financial position. The revenue is recognized in the consolidated statement of operations in the year in which it is used for the specified purpose.

# Township of Hilton

## Notes to Consolidated Financial Statements

**December 31, 2020**

### 1. Significant accounting policies (continued)

**Government Transfers** Government transfers are recognized as revenue in the financial statements when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

**Revenue Recognition** Taxes are recorded at estimated amounts when they meet the definition of an asset, have been authorized and the taxable event occurs. For property taxes, the taxable event is the period for which the tax is levied. Taxes receivable are recognized net of an allowance for anticipated uncollectable amounts.

Conditional grant revenue is recognized to the extent the conditions imposed on it have been fulfilled. Unconditional grant revenue is recognized when monies are receivable.

Grants for the acquisition of tangible capital assets are recognized in the period in which eligible expenditures are made.

Sales of service and other revenue is recognized on an accrual basis.

**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 at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

### 2. Taxation

|  | 2020       | 2019       |
|--|------------|------------|
| Residential and multi-residential                        | \$ 749,046 | \$ 710,080 |
| Commercial and industrial                                | 3,860      | 3,738      |
| Taxation from other governments                          | 3,287      | 2,699      |
|  | 756,193    | 716,517    |
| Deduct: amounts received or receivable for school boards | (131,869)  | (132,324)  |
|  | \$ 624,324 | \$ 584,193 |

Property tax billings are prepared by the municipality based on an assessment roll prepared by Municipal Property Assessment Corporation ("MPAC"), an agency of the Ontario government. All assessed property values in the municipality were reviewed and values established based on a common valuation date which was used by the municipality in computing the property tax billings. However, property tax revenue and taxes receivable of the municipality are subject to measurement uncertainty as ratepayers may appeal the values assessed.

**Township of Hilton**  
**Notes to Consolidated Financial Statements**

**December 31, 2020**

**3. Accumulated surplus**

|  | 2020                | 2019                |
|--|---------------------|---------------------|
| Reserves set aside for specific purposes by Council      |                     |                     |
| Working funds  | \$ 237,067          | \$ 232,677          |
| Office equipment   | 8,930               | 8,930               |
| Physician recruitment                                    | 4,650               | 4,650               |
| Protection services - fire                               | 6,511               | 6,320               |
| Volunteer fundraising                                    | 1,170               | 1,570               |
| Transportation services - roadways                       | 66,854              | 47,573              |
| Succession planning                                      | 40,000              | 20,000              |
| Museum   | 814                 | 647                 |
| Modernization  | 157,000             | 225,000             |
| Cannabis   | 15,000              | 15,000              |
| COVID-19 Restart   | 49,846              | -                   |
| Cenotaph   | 500                 | -                   |
| Enabling Accessibility                                   | 52,340              | -                   |
|  | <b>640,682</b>      | <b>562,367</b>      |
| Reserve funds set aside for specific purposes by Council |                     |                     |
| Protection services - fire                               | 73,025              | 66,964              |
| General government                                       | 114,797             | 107,573             |
| General purposes   | 147,431             | 144,465             |
| Transportation services - roadways equipment             | 117,183             | 105,061             |
| Museum   | 29,600              | 27,784              |
|  | <b>482,036</b>      | <b>451,847</b>      |
| Total reserves   | <b>1,122,718</b>    | <b>1,014,214</b>    |
| Equity in tangible capital assets                        | <b>2,053,092</b>    | <b>1,998,746</b>    |
|  | <b>\$ 3,175,810</b> | <b>\$ 3,012,960</b> |

**4. Employee benefits plans liabilities**

The municipality makes contributions to the Ontario Municipal Employees Retirement Fund (OMERS), which is a multi-employer plan, on behalf of eligible members of its staff. The plan is a defined benefit plan which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay.

The municipality's contributions to OMERS equal those made by the employees. During the year, the municipality contributed \$13,254 (2019 - \$12,972) to the plan. As this is a multi-employer pension plan, these contributions are the municipality's pension benefit expense. Contribution amounts are determined by OMERS which adjusts rates to reflect actuarial requirements. Any surplus or deficit of the pension plan is not included in the municipality's financial statements.

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## Township of Hilton

### Notes to Consolidated Financial Statements

December 31, 2020

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#### 5. Public Sector Salary Disclosure Act

For 2020, no employees were paid salaries, as defined in the Public Sector Salary Disclosure Act, 1996 of \$100,000 or more.

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#### 6. Uncertainty due to COVID-19

Early 2020, the World Health Organization announced a global health emergency, and later a pandemic, due to the COVID-19 outbreak. As of the report date of the financial statements, the governments' response to curb the spread of COVID-19 continues to evolve. Municipal services are considered essential services and, consequently, the municipality has been able to continue to operate, providing services to support residents.

Due to the pandemic the Council made a motion to waive penalties and interest on past due property tax bills for the period of April 1, 2020 to June 30, 2020.

The impact on operations and the financial results of the municipality is being continuously monitored and evaluated by management. Although the disruption from the virus is expected to be temporary, given the dynamic nature of these circumstances, the duration of disruption and the related financial impact cannot be reasonably estimated at this time. The municipality will continue to focus on collecting receivables, managing expenditures, and leveraging existing reserves to ensure it is able to continue providing essential services to its ratepayers.

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#### 7. Segmented information

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

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

##### **General government**

The administration department oversees the delivery of all government services. The department is responsible for ensuring that there are adequate policies and procedures in place to safeguard assets and to properly report financial activities. In addition, this department includes the governance activities of council.

##### **Protection**

Protection is comprised of the police, fire/emergency, by-law enforcement and building inspections departments. The mandate of the police department is to ensure the safety of the lives and property of citizens; preserve peace and good order; prevent crimes from occurring; detect offenders; and enforce the law. The fire/emergency department is responsible to provide fire suppression service; fire prevention programs; training and education related to prevention, detection or extinguishment of fires. The by-law enforcement and building inspection department ensures properties are in compliance with applicable legislation, by-laws, building standards and construction codes.

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## Township of Hilton

### Notes to Consolidated Financial Statements

**December 31, 2020**

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#### **7. Segmented information (continued)**

##### **Transportation**

The transportation department is responsible for the delivery of municipal public works services related to the planning, development and maintenance of roadway systems and winter control.

##### **Environmental**

The Township provides for the environmental needs of the municipality's citizens by purchasing service for garbage disposal, hazardous waste and recycling.

##### **Health**

Through the Algoma Health Unit, the municipality contributes to public health services and education and through the Algoma District Services Administration Board, to ambulance services.

##### **Social and family**

Through the Algoma District Services Administration Board, the municipality contributes to social assistance payments, child care services and social housing.

##### **Recreation and cultural**

The recreation and cultural department provides public services that contribute to neighbourhood development and sustainability through the provision of recreation and leisure services such as parks, fitness and sports programs. It provides public services that contribute to healthy communities through partnerships, promotion, prevention, protection and enforcement. The department also contributes towards the information and cultural needs of the municipality's citizens through the contribution to the local library and museum.

##### **Planning**

The planning department provides a diverse bundle of services. It manages development for business interests, environmental concerns, heritage matters and neighbourhoods through planning and community development activities. It facilitates economic development by providing services for the approval of all land development plans.

For each reported segment, revenues and expenses include both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information.

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

**Township of Hilton**  
**Schedule 1 - Consolidated Tangible Capital Assets**

**For the year ended December 31, 2020**

|  | Land              | Land Improvements | Buildings         | Machinery and Equipment | Vehicles          | Infrastructure      | Construction in Progress | Total               |
|--|-------------------|-------------------|-------------------|-------------------------|-------------------|---------------------|--------------------------|---------------------|
| <b>Cost, beginning of year</b>                     | \$ 128,700        | \$ 19,582         | \$ 288,083        | \$ 203,923              | \$ 309,009        | \$ 4,026,296        | \$ -                     | \$ 4,975,593        |
| <b>Additions</b>                                   | -                 | -                 | -                 | -                       | 68,357            | 140,340             | -                        | 208,697             |
| <b>Cost, end of year</b>                           | <u>128,700</u>    | <u>19,582</u>     | <u>288,083</u>    | <u>203,923</u>          | <u>377,366</u>    | <u>4,166,636</u>    | <u>-</u>                 | <u>5,184,290</u>    |
| <b>Accumulated amortization, beginning of year</b> | -                 | 19,582            | 162,217           | 136,231                 | 52,794            | 2,606,023           | -                        | 2,976,847           |
| <b>Amortization</b>                                | -                 | -                 | 7,646             | 13,595                  | 23,341            | 109,769             | -                        | 154,351             |
| <b>Accumulated amortization, end of year</b>       | <u>-</u>          | <u>19,582</u>     | <u>169,863</u>    | <u>149,826</u>          | <u>76,135</u>     | <u>2,715,792</u>    | <u>-</u>                 | <u>3,131,198</u>    |
| <b>Net carrying amount, end of year</b>            | <u>\$ 128,700</u> | <u>\$ -</u>       | <u>\$ 118,220</u> | <u>\$ 54,097</u>        | <u>\$ 301,231</u> | <u>\$ 1,450,844</u> | <u>\$ -</u>              | <u>\$ 2,053,092</u> |

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

**Township of Hilton**  
**Schedule 1 - Consolidated Tangible Capital Assets (Continued)**

**For the year ended December 31, 2019 (comparative figures)**

|  | Land              | Land<br>Improvements | Buildings         | Machinery<br>and<br>Equipment | Vehicles          | Infrastructure      | Construction<br>in Progress | Total               |
|--|-------------------|----------------------|-------------------|-------------------------------|-------------------|---------------------|-----------------------------|---------------------|
| <b>Cost, beginning of year</b>                         | \$ 128,700        | \$ 19,582            | \$ 288,083        | \$ 198,876                    | \$ 203,982        | \$ 3,887,136        | \$ -                        | \$ 4,726,359        |
| Additions  | -                 | -                    | -                 | 5,047                         | 263,035           | 139,160             | -                           | 407,242             |
| Disposals  | -                 | -                    | -                 | -                             | (158,008)         | -                   | -                           | (158,008)           |
| <b>Cost, end of year</b>                               | <b>128,700</b>    | <b>19,582</b>        | <b>288,083</b>    | <b>203,923</b>                | <b>309,009</b>    | <b>4,026,296</b>    | <b>-</b>                    | <b>4,975,593</b>    |
| <b>Accumulated amortization,<br/>beginning of year</b> | -                 | 19,582               | 155,043           | 127,757                       | 187,461           | 2,509,906           | -                           | 2,999,749           |
| Amortization   | -                 | -                    | 7,174             | 8,474                         | 23,341            | 96,117              | -                           | 135,106             |
| Disposals  | -                 | -                    | -                 | -                             | (158,008)         | -                   | -                           | (158,008)           |
| <b>Accumulated amortization,<br/>end of year</b>       | <b>-</b>          | <b>19,582</b>        | <b>162,217</b>    | <b>136,231</b>                | <b>52,794</b>     | <b>2,606,023</b>    | <b>-</b>                    | <b>2,976,847</b>    |
| <b>Net carrying amount,<br/>end of year</b>            | <b>\$ 128,700</b> | <b>\$ -</b>          | <b>\$ 125,866</b> | <b>\$ 67,692</b>              | <b>\$ 256,215</b> | <b>\$ 1,420,273</b> | <b>\$ -</b>                 | <b>\$ 1,998,746</b> |

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



**Township of Hilton**  
**Schedule 2 - Consolidated Segment Disclosure**

**For the year ended December 31, 2020**

|                                 | General<br>Government | Protection       | Trans-<br>portation | Environ-<br>mental | Health          | Social<br>and Family | Recreation<br>and Cultural | Planning        | Consolidated<br>Total |
|---------------------------------|-----------------------|------------------|---------------------|--------------------|-----------------|----------------------|----------------------------|-----------------|-----------------------|
| <b>Revenue</b>                  |                       |                  |                     |                    |                 |                      |                            |                 |                       |
| Taxation                        | \$ 116,855            | \$ 96,667        | \$ 157,705          | \$ 19,665          | \$ 101,227      | \$ 111,399           | \$ 18,559                  | \$ 2,247        | \$ 624,324            |
| Government grants - Provincial  | 120,079               | 45,150           | 123,658             | 9,185              | 47,279          | 52,031               | 8,668                      | 1,050           | 407,100               |
| Government grants - Federal     | 52,340                | -                | 20,000              | -                  | -               | -                    | 1,056                      | -               | 73,396                |
| Other Municipalities            | -                     | 1,000            | -                   | -                  | -               | -                    | -                          | -               | 1,000                 |
| User fees and service charges   | 445                   | -                | 8,450               | -                  | -               | -                    | 1,580                      | 926             | 11,401                |
| Licences, permits and rents     | -                     | 3,885            | -                   | -                  | -               | -                    | -                          | -               | 3,885                 |
| Penalties and interest on taxes | 8,676                 | -                | -                   | -                  | -               | -                    | -                          | -               | 8,676                 |
| Investment income               | 14,476                | -                | -                   | -                  | -               | -                    | -                          | -               | 14,476                |
|                                 | <b>312,871</b>        | <b>146,702</b>   | <b>309,813</b>      | <b>28,850</b>      | <b>148,506</b>  | <b>163,430</b>       | <b>29,863</b>              | <b>4,223</b>    | <b>1,144,258</b>      |
| <b>Expenses</b>                 |                       |                  |                     |                    |                 |                      |                            |                 |                       |
| Salaries and benefits           | 114,025               | 6,093            | 98,420              | -                  | -               | -                    | 5,571                      | -               | 224,109               |
| Materials and supplies          | 34,154                | 6,831            | 62,498              | -                  | -               | -                    | 5,341                      | 300             | 109,124               |
| Contracted services             | 36,452                | 103,052          | -                   | 28,217             | -               | -                    | 1,029                      | -               | 168,750               |
| Rents and financial             | 5,230                 | -                | 1,612               | -                  | -               | -                    | -                          | -               | 6,842                 |
| External transfers and other    | -                     | -                | -                   | -                  | 144,157         | 158,617              | 12,548                     | 2,910           | 318,232               |
| Amortization                    | 2,645                 | 7,583            | 142,223             | -                  | -               | -                    | 1,900                      | -               | 154,351               |
|                                 | <b>192,506</b>        | <b>123,559</b>   | <b>304,753</b>      | <b>28,217</b>      | <b>144,157</b>  | <b>158,617</b>       | <b>26,389</b>              | <b>3,210</b>    | <b>981,408</b>        |
| <b>Net surplus</b>              | <b>\$ 120,365</b>     | <b>\$ 23,143</b> | <b>\$ 5,060</b>     | <b>\$ 633</b>      | <b>\$ 4,349</b> | <b>\$ 4,813</b>      | <b>\$ 3,474</b>            | <b>\$ 1,013</b> | <b>\$ 162,850</b>     |

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

**Township of Hilton**  
**Schedule 2 - Consolidated Segment Disclosure (Continued)**

**For the year ended December 31, 2019 (comparative figures)**

|  | General<br>Government | Protection       | Trans-<br>portation | Environ-<br>mental | Health           | Social<br>and Family | Recreation<br>and Cultural | Planning        | Consolidated<br>Total |
|--|-----------------------|------------------|---------------------|--------------------|------------------|----------------------|----------------------------|-----------------|-----------------------|
| <b>Revenue</b>                             |                       |                  |                     |                    |                  |                      |                            |                 |                       |
| Taxation                                   | \$ 91,968             | \$ 86,097        | \$ 141,527          | \$ 21,126          | \$ 107,538       | \$ 115,717           | \$ 18,100                  | \$ 2,120        | \$ 584,193            |
| Government grants - Provincial             | 96,863                | 76,636           | 175,975             | 18,805             | 95,722           | 103,001              | 16,111                     | 1,887           | 585,000               |
| Government grants - Federal                | -                     | -                | -                   | -                  | -                | -                    | 1,741                      | -               | 1,741                 |
| Other Municipalities                       | -                     | 1,500            | -                   | -                  | -                | -                    | -                          | -               | 1,500                 |
| User fees and service charges              | 675                   | -                | 16,540              | -                  | -                | -                    | 2,516                      | 922             | 20,653                |
| Licences, permits and rents                | -                     | 4,075            | -                   | -                  | -                | -                    | -                          | -               | 4,075                 |
| Penalties and interest on taxes            | 13,516                | -                | -                   | -                  | -                | -                    | -                          | -               | 13,516                |
| Investment income                          | 10,469                | -                | -                   | -                  | -                | -                    | -                          | -               | 10,469                |
| Other including loss on disposal on assets | 30,000                | -                | -                   | -                  | -                | -                    | -                          | -               | 30,000                |
|  | <b>243,491</b>        | <b>168,308</b>   | <b>334,042</b>      | <b>39,931</b>      | <b>203,260</b>   | <b>218,718</b>       | <b>38,468</b>              | <b>4,929</b>    | <b>1,251,147</b>      |
| <b>Expenses</b>                            |                       |                  |                     |                    |                  |                      |                            |                 |                       |
| Salaries and benefits                      | 113,427               | 5,874            | 94,447              | -                  | -                | -                    | 5,879                      | -               | 219,627               |
| Materials and supplies                     | 24,188                | 7,022            | 64,306              | -                  | -                | -                    | 4,735                      | 300             | 100,551               |
| Contracted services                        | 35,229                | 99,165           | -                   | 25,577             | -                | -                    | 1,164                      | -               | 161,135               |
| Rents and financial                        | 5,521                 | -                | 1,767               | -                  | -                | -                    | -                          | -               | 7,288                 |
| External transfers and other               | -                     | -                | -                   | -                  | 142,530          | 153,367              | 12,339                     | 2,757           | 310,993               |
| Amortization                               | 2,645                 | 7,583            | 122,978             | -                  | -                | -                    | 1,900                      | -               | 135,106               |
|  | <b>181,010</b>        | <b>119,644</b>   | <b>283,498</b>      | <b>25,577</b>      | <b>142,530</b>   | <b>153,367</b>       | <b>26,017</b>              | <b>3,057</b>    | <b>934,700</b>        |
| <b>Net surplus (deficit)</b>               | <b>\$ 62,481</b>      | <b>\$ 48,664</b> | <b>\$ 50,544</b>    | <b>\$ 14,354</b>   | <b>\$ 60,730</b> | <b>\$ 65,351</b>     | <b>\$ 12,451</b>           | <b>\$ 1,872</b> | <b>\$ 316,447</b>     |

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