

**THE CORPORATION OF THE TOWN OF GRAND VALLEY  
CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023**

DRAFT

# THE CORPORATION OF THE TOWN OF GRAND VALLEY

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YEAR ENDED DECEMBER 31, 2023

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## INDEPENDENT AUDITOR'S REPORT

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To the Members of Council, Inhabitants and Ratepayers of: The Corporation of the Town of Grand Valley

### **Opinion**

We have audited the accompanying consolidated financial statements of The Corporation of the Town of Grand Valley, which comprise the consolidated statement of financial position as at December 31, 2023 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, these consolidated financial statements present fairly, in all material respects, the consolidated financial position of The Corporation of the Town of Grand Valley as at December 31, 2023 and the consolidated results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### **Basis of Opinion**

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of The Corporation of the Town of Grand Valley 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 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 corporation's ability to continue as a going concern, disclosing, as applicable, matters related to a going concern and using the going concern basis of accounting unless management either intends to liquidate the corporation or to cease operations, or has no realistic alternative but to do so.

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgement 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 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 corporation'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 corporation'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 corporation 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.

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.

Guelph, Ontario

Chartered Professional Accountants  
Licensed Public Accountants

**THE CORPORATION OF THE TOWN OF GRAND VALLEY**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT DECEMBER 31, 2023**

	<b>2023</b>	<b>2022</b>
<b>FINANCIAL ASSETS</b>		
Cash	\$ 12,532,406	\$ 13,441,791
Taxes receivable	754,096	631,392
Accounts receivable and other current assets	864,308	1,343,367
Long term receivables (note 2)	22,048	25,030
Investment in other ventures (note 3)	728,501	693,398
	<u>14,901,359</u>	<u>16,134,978</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	2,126,512	1,526,449
Deferred revenue - deposits	799,017	757,803
Obligations under capital lease (note 4)	620,212	277,812
Long term debt (note 5)	1,839,275	1,896,218
Asset retirement obligation (note 6)	178,891	197,721
Deferred revenue - obligatory reserve funds (note 7)	5,851,758	6,952,788
	<u>11,415,665</u>	<u>11,608,791</u>
<b>NET FINANCIAL ASSETS</b>	<u>3,485,694</u>	<u>4,526,187</u>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (schedule 2)	50,447,209	45,282,588
Prepaid expenses	59,330	20,401
Inventory	1,723	1,723
	<u>50,508,262</u>	<u>45,304,712</u>
<b>ACCUMULATED SURPLUS</b> (schedule 3)	<u>\$ 53,993,956</u>	<u>\$ 49,830,899</u>

**THE CORPORATION OF THE TOWN OF GRAND VALLEY**  
**CONSOLIDATED STATEMENT OF OPERATIONS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

	<b>2023 Budget (note 9)</b>	<b>2023 Actual</b>	<b>2022 Actual</b>
<b>REVENUE</b>			
Taxation	\$ 5,186,864	\$ 5,335,524	\$ 5,121,947
Grants in lieu	7,050	7,050	7,050
Fees and service charges	1,697,684	1,966,876	2,374,148
Licences and permits	147,500	191,000	99,820
Federal grants	0	0	975,081
Province of Ontario grants	525,437	557,260	714,201
Other grants	0	0	151,854
Investment income	65,000	318,350	82,916
Penalties and interest	65,000	86,977	68,729
Obligatory reserve fund revenue recognized (note 7)	3,957,826	2,946,872	469,000
Gain (loss) on disposal of tangible capital assets	0	(86,660)	(19,515)
Equity income from Orangeville Hydro Limited	35,103	35,103	14,346
	<u>11,687,464</u>	<u>11,358,352</u>	<u>10,059,577</u>
<b>EXPENSES (schedule 1)</b>			
General government	1,093,210	1,032,291	931,769
Protection to persons and property	1,415,831	1,144,024	1,047,428
Transportation services	1,687,587	1,798,064	1,886,544
Environmental services	1,434,654	1,420,607	1,747,854
Health services	52,419	127,899	101,880
Recreational and cultural services	848,839	1,546,401	1,180,065
Planning and development	518,100	377,482	365,166
	<u>7,050,640</u>	<u>7,446,768</u>	<u>7,260,706</u>
<b>ANNUAL SURPLUS</b>	<u>\$ 4,636,824</u>	<u>\$ 3,911,584</u>	<u>\$ 2,798,871</u>
<b>ACCUMULATED SURPLUS, beginning of year</b>		\$ 49,830,899	\$ 47,032,028
Assumed tangible capital assets		251,473	0
<b>ANNUAL SURPLUS</b>		<u>3,911,584</u>	<u>2,798,871</u>
<b>ACCUMULATED SURPLUS, end of year</b>		<u>\$ 53,993,956</u>	<u>\$ 49,830,899</u>

THE CORPORATION OF THE TOWN OF GRAND VALLEY  
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS  
FOR THE YEAR ENDED DECEMBER 31, 2023

	2023 Budget (note 9)	2023 Actual	2022 Actual
<b>ANNUAL SURPLUS</b>	\$ 4,636,824	\$ 3,911,584	\$ 2,798,871
Acquisition of tangible capital assets	(10,042,000)	(6,631,050)	(3,639,920)
Amortization of tangible capital assets	1,244,820	1,320,783	1,244,820
(Gain) loss on disposal of tangible capital assets	0	86,660	19,515
Proceeds on sale of tangible capital assets	0	58,986	0
Assumed tangible capital assets	0	251,473	0
	<u>(8,797,180)</u>	<u>(4,913,148)</u>	<u>(2,375,585)</u>
Net change in prepaid expenses	0	(38,929)	(20,401)
<b>CHANGE IN NET FINANCIAL ASSETS</b>	<u>\$ (4,160,356)</u>	(1,040,493)	402,885
<b>NET FINANCIAL ASSETS, beginning of year</b>		<u>4,526,187</u>	<u>4,123,302</u>
<b>NET FINANCIAL ASSETS, end of year</b>		<u>\$ 3,485,694</u>	<u>\$ 4,526,187</u>

**THE CORPORATION OF THE TOWN OF GRAND VALLEY**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

	<b>2023</b>	<b>2022</b>
<b>CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>		
Annual surplus	\$ 3,911,584	\$ 2,798,871
Items not requiring an outlay of cash		
Amortization	1,320,783	1,244,820
Loss on disposal of tangible capital assets	86,660	19,515
Landfill post-closure liability	(18,830)	(22,215)
Equity income from Orangeville Hydro Limited	<u>(35,103)</u>	<u>(14,346)</u>
	<u>5,265,094</u>	<u>4,026,645</u>
Net changes in non-cash working capital		
Taxes receivable	(122,704)	(98,394)
Accounts receivable	479,059	(608,704)
Prepaid expenses	(38,929)	(20,401)
Accounts payable and accrued liabilities	600,063	(325,920)
Deferred revenue - deposits	41,214	162,953
Deferred revenue - obligatory reserve funds	<u>(1,101,030)</u>	<u>3,301,009</u>
	<u>(142,327)</u>	<u>2,410,543</u>
	<u>5,122,767</u>	<u>6,437,188</u>
<b>CASH USED IN CAPITAL ACTIVITIES</b>		
Acquisition of tangible capital assets	(6,631,050)	(3,639,920)
Assumed tangible capital assets	251,473	0
Proceeds on disposal of tangible capital assets	<u>58,986</u>	<u>0</u>
	<u>(6,320,591)</u>	<u>(3,639,920)</u>
<b>CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES</b>		
Net change in long term debt	(56,943)	(175,721)
Net change in obligations under capital lease	<u>342,400</u>	<u>(162,312)</u>
	<u>285,457</u>	<u>(338,033)</u>
<b>CASH PROVIDED BY INVESTING ACTIVITIES</b>		
Net change in long term receivables	<u>2,982</u>	<u>2,813</u>
<b>NET (DECREASE) INCREASE IN CASH for the year</b>	(909,385)	2,462,048
<b>CASH, beginning of year</b>	<u>13,441,791</u>	<u>10,979,743</u>
<b>CASH, end of year</b>	<u>\$ 12,532,406</u>	<u>\$ 13,441,791</u>



**THE CORPORATION OF THE TOWN OF GRAND VALLEY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The consolidated financial statements of The Corporation of the Town of Grand Valley are the representation of management prepared in accordance with Canadian generally accepted accounting principles for governments as established by the Public Sector Accounting Board of CPA Canada. Significant accounting policies adopted by The Corporation of the Town of Grand Valley are as follows:

(a) **ACKNOWLEDGEMENT OF RESPONSIBILITY**

The management of the The Corporation of the Town of Grand Valley acknowledges its responsibility for the creation and compilation of the following significant accounting policy decisions and the related policy notes.

(b) **BASIS OF CONSOLIDATION**

- (i) These consolidated statements reflect the assets, liabilities, sources of financing and expenditures of the revenue fund, reserve funds and reserves of all municipal organizations, committees and boards which are controlled by Council. All interfund assets and liabilities and revenues and expenses have been eliminated on consolidation. The following boards have been reflected in the consolidated financial statements:

Grand Valley Union Cemetery Board  
Grand Valley and District Community Centre Board  
Grand Valley and District Public Library Board  
Grand Valley Medical-Dental Board  
Grand Valley Business Improvement Area

The following joint board owned or controlled by Council in partnership with other municipalities have been consolidated on a proportionate basis as indicated:

Grand Valley and District Fire Department - 61% (2022 - 55%)

Government business enterprises and partnerships are separate legal entities which do not rely on the municipality for funding. Investments in government business enterprises are accounted for using the modified equity method. The following government business enterprise is reflected in the consolidated financial statements:

Orangeville Hydro Limited - 5.50%

(ii) **ACCOUNTING FOR COUNTY AND SCHOOL BOARD TRANSACTIONS**

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

(c) **BASIS OF ACCOUNTING**

- (i) Sources of financing and expenditures are reported on the accrual basis of accounting. The interest charges are not accrued for the periods from the dates of the latest instalment payments to the end of the financial year.

**THE CORPORATION OF THE TOWN OF GRAND VALLEY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

(c) BASIS OF ACCOUNTING (continued)

- (ii) The accrual basis of accounting recognizes revenues as they become 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.
- (iii) Capital outlay to be recovered in future years, which represents the outstanding principal portion of unmatured long term liabilities for municipal expenditures transferred to other organizations, is reported on the Consolidated Statement of Financial Position.

(d) AMOUNTS TO BE RECOVERED

Amounts to be recovered are reported in the accumulated surplus on the Consolidated Statement of Financial Position. The balance represents the outstanding principal portion of unmatured long term liabilities, liabilities not yet due, and other future expenditures.

(e) TRUST FUNDS

Funds held in trust by the municipality, and their related operations, are not included in these financial statements. The financial activity and position of the trust funds are reported separately on the Trust Funds' Statements of Financial Position and Statements of Operations.

(f) NON-FINANCIAL ASSETS

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year, together with the annual surplus, provides the Change in Net Financial Assets for the year.

(i) Tangible capital assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributed to acquisition, construction, development or betterment of the asset. The cost, less residual value of the tangible capital assets, is amortized on a straight-line basis over their estimated useful life as follows:

Land improvements	25 to 30 years
Facilities	20 to 100 years
Vehicles	10 to 20 years
Equipment	4 to 40 years
Infrastructure	
Transportation	4 to 100 years
Environmental	15 to 100 years

No amortization is charged in the year of acquisition and in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

**THE CORPORATION OF THE TOWN OF GRAND VALLEY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

(f) **NON-FINANCIAL ASSETS (continued)**

(ii) **Contributions of tangible capital assets**  
Tangible capital assets received as contributions are recorded at their fair value at the date of receipt.

(iii) **Leases**  
Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

(g) **REVENUE RECOGNITION**

Revenues are recognized as follows:

(i) **Tax levies** are recognized as revenue when the amounts are levied on the municipality's ratepayers.

(ii) **Fines and donations** are recognized when collected.

(iii) **Other revenues** are recorded upon sale of goods or provision of service when collection is reasonably assured.

(iv) **Government transfers** are recognized in the financial statements as revenues in the period in which events giving rise to the transfer occur, providing the transfers are authorized, eligibility criteria has been met and reasonable estimates of the amounts can be made.

(v) **Revenue restricted by legislation, regulation or agreement, and not available for general municipal purposes, is reported as deferred revenue on the consolidated statement of financial position. The revenue is reported on the consolidated statement of operations in the year in which it is used for a specific purpose.**

(h) **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, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Significant estimates made by management include the useful lives of tangible capital assets. Actual results could differ from those estimates.

(i) **FINANCIAL INSTRUMENTS**

The municipality classifies all of its financial instruments at amortized cost. The maximum exposure to credit risk is the carrying value of the financial instruments. They are initially recognized at cost and subsequently carried at amortized cost using the effective interest rate method, less any impairment losses on financial assets.

**THE CORPORATION OF THE TOWN OF GRAND VALLEY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

(i) **FINANCIAL INSTRUMENTS (continued)**

Transaction costs related to financial instruments in the amortized cost category are added to the carrying value of the instrument. Writedowns of financial assets in the amortized cost category are recognized when the amount of a loss is known with sufficient precision, and there is no realistic prospect of recovery. Financial assets are then written down to net realizable value with the writedown being recognized in the consolidated statement of operations.

**2. LONG TERM RECEIVABLES**

The responsibility for payment of principal and interest charges of the tile drainage loans has been assumed by individuals.

	<b>2023</b>	<b>2022</b>
Two loans are charged interest at a rate of 6% and become due in 2029	\$ <u>22,048</u>	\$ <u>25,030</u>

Principal payments for the next five years are as follows:

2024	\$ 3,161
2025	3,350
2026	3,551
2027	3,765
2028	3,990
Thereafter	<u>4,231</u>
	\$ <u>22,048</u>

**3. INVESTMENT IN OTHER VENTURES**

The Corporation of the Town of Grand Valley owns a 5.50% interest in Orangeville Hydro Limited, details are as follows:

	<b>2023</b>	<b>2022</b>
<b>Investment in Orangeville Hydro Limited</b>		
Investment in common shares	\$ 455,989	\$ 455,989
Share of retained earnings	<u>272,512</u>	<u>237,409</u>
	<u>\$ 728,501</u>	<u>\$ 693,398</u>
<b>Expenses</b>		
Streetlighting maintenance, water billing charge from Orangeville Hydro Limited	<u>\$ 39,357</u>	<u>\$ 34,172</u>

Orangeville Hydro Limited also collects water on behalf of the municipality and remits the amounts to the municipality on a monthly basis.

**THE CORPORATION OF THE TOWN OF GRAND VALLEY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

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**3. INVESTMENT IN OTHER VENTURES (continued)**

The following summarizes the financial position and operations of Orangeville Hydro Limited which have been reported in consolidated these financial statements.

	<b>2023</b>	<b>2022</b>
Statement of Financial Position		
Assets	\$ <u>38,737,850</u>	\$ <u>39,368,461</u>
Liabilities	\$ 25,506,257	\$ 26,775,102
Shareholder's Equity	<u>13,231,593</u>	<u>12,593,359</u>
	<u>\$ 38,737,850</u>	<u>\$ 39,368,461</u>
Statement of Operations		
Revenues	\$ 38,546,143	\$ 37,848,609
Expenses	<u>36,680,851</u>	<u>37,464,588</u>
Net income for the year	<u>\$ 1,865,292</u>	<u>\$ 384,021</u>
Dividends paid during the year	<u>\$ 373,792</u>	<u>\$ 485,664</u>

**4. OBLIGATIONS UNDER CAPITAL LEASE**

The municipality has three capital leases for equipment. The total monthly lease payments are \$23,793, including principal and interest, and each lease term is for 60 months, expiring in 2024, 2026 and 2027.

Future expected minimum payments are as follows:

2024	\$ 192,963
2025	177,363
2026	139,707
2027	<u>110,179</u>
	<u>\$ 620,212</u>

**THE CORPORATION OF THE TOWN OF GRAND VALLEY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

**5. LONG TERM DEBT**

	<b>2023</b>	<b>2022</b>
TD Bank variable demand loan, repayable in monthly payments of \$11,087 (2022 - \$15,043) principal and interest, at a rate of prime minus 0.75%	\$ 1,306,990	\$ 1,871,188
Tile drainage loans, due 2029, repayable in annual payments ranging from \$325 - \$3,768 of principal and interest, at a rate of 6%	22,048	25,030
TD Bank loan, due October 30, 2028, repayable in monthly instalments of \$3,371 principal and interest, at a fixed rate of 5.85%	169,951	0
Daimler Truck Financial Services Canada loan, due December 5, 2028, repayable in monthly payments of principal and interest, at a rate of \$7,071, plus interest at a rate of 8.90%	<u>340,286</u>	<u>0</u>
	<u><u>\$ 1,839,275</u></u>	<u><u>\$ 1,896,218</u></u>

Future minimum payments on long term debt are as follows:

2024	\$ 153,696
2025	165,726
2026	177,389
2027	189,928
2028	196,621
Thereafter	<u>955,915</u>
	<u><u>\$ 1,839,275</u></u>

**6. ASSET RETIREMENT OBLIGATION**

The municipality leases its solid waste landfill site from the Grand River Conservation Authority (GRCA). The lease requires that closure and rehabilitation of the site commence in 2006 and be completed by 2012. Post-closure costs are anticipated to continue to 2053. The landfill site ceased active operations on January 1, 2006 and stopped accepting solid waste from ratepayers. The municipality commenced closure of the facility and completed closure in 2011. The most recent estimate of the landfill closure and post-closure liability was based on a report prepared as of November 1, 2004, which estimated these costs at a net present value of \$475,000.

The municipality has obtained a final release on closure of the facility from the GRCA, and has received an amendment to its original landfill site approval based on the actual closure work that was performed in 2011. The closure work performed is in agreement with the MOE's approved amendment dated June 1, 2011. Based on this amendment, post-closure expenditures from 2011 onwards are being used to reduce the landfill post-closure liability annually. The estimated present value of the post-closure liability less disbursements to date during the post-closure period is \$178,891 (2022 - \$197,721), which may be adjusted from time to time based on updated engineering reports of the expected remaining costs.

THE CORPORATION OF THE TOWN OF GRAND VALLEY  
 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED DECEMBER 31, 2023

7. DEFERRED REVENUE

	2023 Opening	Contributions Received	Investment Income	Revenue Recognized	2023 Ending
<b>Obligatory Reserve Funds</b>					
Development charges	\$ 6,497,156	\$ 1,319,092	\$ 372,502	\$ (2,290,546)	\$ 5,898,204
Park in lieu	388,111	34,450	21,866	(558,500)	(114,073)
Federal gas tax	<u>67,521</u>	<u>97,826</u>	<u>106</u>	<u>(97,826)</u>	<u>67,627</u>
	<u>\$ 6,952,788</u>	<u>\$ 1,451,368</u>	<u>\$ 394,474</u>	<u>\$ (2,946,872)</u>	<u>\$ 5,851,758</u>

8. TRUST FUNDS

The trust funds administered by the municipality amounting to \$137,958 (2022 - \$133,755) have not been included in the Consolidated Statement of Financial Position, nor have the operations been included in the Consolidated Statement of Operations.

9. BUDGET AMOUNTS

The budget figures are presented for comparison purposes as prepared and approved by Council, reclassified to conform to the current financial statement presentation. The budgeted figures are prepared on the cash basis of accounting and have been restated to conform to the accrual basis of accounting on which the actual figures are reported. The following chart reconciles the approved budget with the budget figures as presented in these consolidated financial statements:

**REVENUE**

Approved budget	\$ 16,197,019
Transfer from reserve funds, net	<u>(4,509,555)</u>
	<u>11,687,464</u>

**EXPENSES**

Approved budget	16,197,019
Acquisition of tangible capital assets	(10,042,000)
Debt principal repayments	(349,199)
Amortization	<u>1,244,820</u>
	<u>7,050,640</u>

**ANNUAL SURPLUS**

\$ 4,636,824

10. OPERATIONS OF THE SCHOOL BOARDS AND THE COUNTY OF DUFFERIN

Further to note 1(b)(ii), the taxation, other revenues, expenditures and overlevies of the school boards and the County of Dufferin are comprised of the following:

	SCHOOL BOARDS	COUNTY
Taxation and user charges	\$ 1,072,220	\$ 2,322,388
Amount requisitioned	<u>(1,072,220)</u>	<u>(2,322,388)</u>
	<u>\$ 0</u>	<u>\$ 0</u>

**THE CORPORATION OF THE TOWN OF GRAND VALLEY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

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**11. PENSION AGREEMENT**

The municipality makes contributions to the Ontario Municipal Employees Retirement System (OMERS), which is a multi-employer plan. This plan is a defined benefit plan which specifies the amount of the retirement benefits to be received by the employees based on the length of service and rates of pay. Employees and employers contribute jointly to the plan. The amount contributed to OMERS for 2023 was \$205,642 (2022 - \$169,010), and the contribution rates for 2023 ranged from 9.0% to 14.6%.

The OMERS financial statements reported \$128.8 billion in net assets available for benefits (2022 - \$124.4 billion), \$134.6 billion as the defined benefit accrued pension obligation (2022 - \$128.8 billion) and a defined benefit funding deficit of \$4.2 billion (2022 - \$6.7 billion).

**12. AMOUNTS TO BE RECOVERED FOR SPECIFIC ENVIRONMENTAL CAPITAL COSTS**

The municipality has incurred capital costs relating to the planning and development of the provision of expanded sewer services to residents. It is the intention of the municipality to recover these costs as the municipality grows, through development fees charged to builders. The construction of the new plant was completed in 2011.

**13. FINANCIAL INSTRUMENT RISK MANAGEMENT**

Credit Risk

The municipality is exposed to credit risk through the possibility of non-collection of accounts receivable. The majority of its receivables are from ratepayers and government entities. For accounts receivable, the municipality measures impairment based on how long the amounts have been outstanding.

Liquidity Risk

Liquidity risk is the risk that the municipality will not be able to meet its financial obligations as they fall due. The municipality undertakes a planning and budgeting process to help determine the funds required to support the municipality's normal operating requirements on an ongoing basis. The municipality ensures that there are sufficient funds to meet its short term requirements, taking into account its anticipated cash flows from operations and its holdings of cash and investments.

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 municipality is exposed to interest rate risk arising from the possibility that changes in interest rates will affect the variable rate of certain long term liabilities.

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

**14. SEGMENTED INFORMATION**

The Corporation of the Town of Grand Valley is a diversified municipal government institution that provides a wide range of services to its citizens, including police, fire, ambulance, and water. For management reporting purposes, the Government'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 CORPORATION OF THE TOWN OF GRAND VALLEY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

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**14. SEGMENTED INFORMATION (continued)**

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

This item relates to the revenues and expenses that relate to the operations of the municipality itself and cannot be directly attributable to a specific segment.

Protection Services

The mandate of the Police Services 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 Service department is responsible to provide fire suppression service; fire prevention programs; training and education related to prevention, detection or extinguishments of fires. It is also responsible for pre-hospital emergency paramedic care and the transport of sick and injured; handling hazardous materials incidents; for the mitigation of calamitous incidents; and for the evacuation of people when in charge at an incident.

Transportation Services

The Public Works department is responsible for the delivery of municipal public works services related to the planning, development and maintenance of roadway systems, and the maintenance of open space areas requiring it.

Environmental Services

The Environmental Services department consists of two distinct utilities - water and wastewater. The department provides drinking water to citizens of the urban area of the town, collecting and treating wastewater. Garbage collection operations are contracted to a private business.

Health Services

Health services include the operations of the local cemeteries.

Recreation and Cultural Services

Recreation and cultural services provides public services that contribute to healthy communities through numerous sports programs at the Community Centre for adults and youths, along with baseball diamonds and soccer fields, etc. The department also contributes towards the information needs of the Town's citizens through the provision of library services.

Planning and Development

The Planning and Development department provides a diverse bundle of services. It manages development for business and residential interests, environmental concerns, heritage matters, local neighbourhoods and the downtown through planning, community development, parks and environmental planning. It ensures an acceptable quality of building construction and maintenance of properties through enforcement of construction codes, building standards and by-laws. It facilitates economic development by providing services for the approval of all land development plans, the application and enforcement of zoning by-laws, the processing of building permit applications and the provision of geomatics services.

THE CORPORATION OF THE TOWN OF GRAND VALLEY  
CONSOLIDATED SCHEDULE OF SEGMENTED DISCLOSURE  
FOR THE YEAR ENDED DECEMBER 31, 2023

Schedule 1

	General Government	Protection Services	Transportation Services	Environmental Services	Health Services	Recreation and Cultural Services	Planning and Development	2023	2022
<b>EXPENSES</b>									
Salaries and benefits	\$ 492,292	\$ 109,927	\$ 686,433	\$ 1,871	\$ 53,176	\$ 651,325	\$ 127,132	\$ 2,122,156	\$ 1,797,859
Materials	347,464	393,809	389,347	532,164	54,133	76,481	33,622	1,827,020	2,278,015
Contracted services	91,918	526,784	182,181	240,183	6,930	21,169	212,244	1,281,409	1,166,154
Rents and financial expenses	51,458	0	43,337	0	8,498	7,416	1,731	112,440	107,452
Interest on long term debt	0	0	0	112,358	0	0	2,753	115,111	71,136
Amortization	49,159	76,090	496,766	534,031	5,162	159,575	0	1,320,783	1,244,820
Other	<u>0</u>	<u>37,414</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>630,435</u>	<u>0</u>	<u>667,849</u>	<u>595,270</u>
	<u>\$ 1,032,291</u>	<u>\$ 1,144,024</u>	<u>\$ 1,798,064</u>	<u>\$ 1,420,607</u>	<u>\$ 127,899</u>	<u>\$ 1,546,401</u>	<u>\$ 377,482</u>	<u>\$ 7,446,768</u>	<u>\$ 7,260,706</u>

See notes to the consolidated financial statements

THE CORPORATION OF THE TOWN OF GRAND VALLEY  
CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS  
FOR THE YEAR ENDED DECEMBER 31, 2023

Schedule 2

	Land	Land Improvements	Facilities	Vehicles	Equipment	Infrastructure: Transportation	Infrastructure: Environmental	2023	2022
<b>COST</b>									
Balance, beginning of year	\$ 4,202,579	\$ 1,255,611	\$ 6,135,708	\$ 3,073,271	\$ 1,590,528	\$ 16,383,613	\$ 29,082,706	\$ 61,724,016	\$ 58,239,952
Additions during the year	0	863,765	158,508	1,375,428	157,684	1,379,404	2,696,261	6,631,050	3,639,920
Disposals during the year	0	(7,500)	(4,979)	(491,334)	(9,823)	(303,642)	(53,931)	(871,209)	(155,856)
Balance, end of year	<u>4,202,579</u>	<u>2,111,876</u>	<u>6,289,237</u>	<u>3,957,365</u>	<u>1,738,389</u>	<u>17,459,375</u>	<u>31,725,036</u>	<u>67,483,857</u>	<u>61,724,016</u>
<b>ACCUMULATED AMORTIZATION</b>									
Balance, beginning of year	0	191,244	2,472,390	1,684,188	1,093,165	5,420,245	5,580,196	16,441,428	15,332,949
Amortization	0	25,548	160,347	122,610	95,567	408,454	508,257	1,320,783	1,244,820
Accumulated amortization on disposals	0	(7,500)	(3,983)	(387,636)	(9,406)	(264,275)	(52,763)	(725,563)	(136,341)
Balance, end of year	<u>0</u>	<u>209,292</u>	<u>2,628,754</u>	<u>1,419,162</u>	<u>1,179,326</u>	<u>5,564,424</u>	<u>6,035,690</u>	<u>17,036,648</u>	<u>16,441,428</u>
<b>NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS</b>									
	<u>\$ 4,202,579</u>	<u>\$ 1,902,584</u>	<u>\$ 3,660,483</u>	<u>\$ 2,538,203</u>	<u>\$ 559,063</u>	<u>\$ 11,894,951</u>	<u>\$ 25,689,346</u>	<u>\$ 50,447,209</u>	<u>\$ 45,282,588</u>

Assets under construction amount to \$8,014,283 (2022 - \$5,415,032).

THE CORPORATION OF THE TOWN OF GRAND VALLEY  
CONSOLIDATED SCHEDULE OF ACCUMULATED SURPLUS  
AS AT DECEMBER 31, 2023

Schedule 3

	2023	2022
<b>SURPLUSES</b>		
Invested in tangible capital assets	\$ 48,009,770	\$ 43,133,588
General fund	1,184,816	1,915,758
Equity in Orangeville Hydro Limited	728,501	693,398
Fire board - general fund	(24,095)	(13,666)
<b>Unfunded</b>		
Landfill post-closure	(178,891)	(197,721)
Wastewater treatment plant costs recoverable	<u>(58,592)</u>	<u>(66,073)</u>
	<u>49,661,509</u>	<u>45,465,284</u>
<b>RESERVE FUNDS</b>		
Sewer treatment plant	(94,625)	(156,495)
Infrastructure	1,264,303	1,678,038
Capital acquisition - roads department	264,538	543,522
Fire board - capital	695,907	511,685
Streetscape	241,817	217,555
Future water system upgrades	1,277,560	896,805
Parkland	110,444	110,444
Administrative	179,088	171,181
Orica parkland	<u>69,965</u>	<u>69,430</u>
	<u>4,008,997</u>	<u>4,042,165</u>
<b>RESERVES</b>		
Working capital - general	<u>323,450</u>	<u>323,450</u>
	<u>\$ 53,993,956</u>	<u>\$ 49,830,899</u>

**GRAND VALLEY UNION CEMETERY BOARD**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT DECEMBER 31, 2023**

	<b>2023</b>	<b>2022</b>
<b>FINANCIAL ASSETS</b>		
Cash	\$ 37,940	\$ 39,020
Accounts receivable	<u>316</u>	<u>3,158</u>
	<u>\$ 38,256</u>	<u>\$ 42,178</u>
<b>LIABILITIES</b>		
Accounts payable	36,030	35,777
HST payable	<u>1,520</u>	<u>2,783</u>
	<u>37,550</u>	<u>38,560</u>
<b>ACCUMULATED SURPLUS</b>	<u><u>\$ 706</u></u>	<u><u>\$ 3,618</u></u>

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**GRAND VALLEY UNION CEMETERY BOARD**  
**STATEMENT OF OPERATIONS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

	<b>2023</b>	<b>2022</b>
<b>REVENUES</b>		
Sale of plots and base installation	\$ 15,755	\$ 11,152
Interment receipts	14,430	10,170
Interest - current fund	3,282	1,516
Miscellaneous	3,065	2,790
Donations	<u>220</u>	<u>808</u>
	<u>36,752</u>	<u>26,436</u>
<b>EXPENDITURES</b>		
Cost of interment	31,890	30,000
Honoraria, supplies and office	3,238	3,023
Caretaking	2,220	550
Monument and stone repairs	1,273	2,167
Accounting and legal	<u>1,043</u>	<u>1,045</u>
	<u>39,664</u>	<u>36,785</u>
<b>ANNUAL DEFICIT</b>	(2,912)	(10,349)
<b>ACCUMULATED SURPLUS, beginning of year</b>	<u>3,618</u>	<u>13,967</u>
<b>ACCUMULATED SURPLUS, end of year</b>	<u>\$ 706</u>	<u>\$ 3,618</u>

**GRAND VALLEY AND DISTRICT COMMUNITY CENTRE BOARD**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT DECEMBER 31, 2023**

	<b>2023</b>	<b>2022</b>
<b>FINANCIAL ASSETS</b>		
Cash	\$ 351,816	\$ 230,301
Accounts receivable	<u>0</u>	<u>12,175</u>
	<u>351,816</u>	<u>242,476</u>
<b>LIABILITIES</b>		
Accounts payable	69,479	42,110
Loan payable	<u>15,195</u>	<u>15,195</u>
	<u>84,674</u>	<u>57,305</u>
<b>NET FINANCIAL ASSETS</b>	<u>267,142</u>	<u>185,171</u>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets	2,339,430	2,361,055
Prepaid expenses	<u>1,722</u>	<u>1,722</u>
	<u>2,341,152</u>	<u>2,362,777</u>
<b>ACCUMULATED SURPLUS</b>	<u>\$ 2,608,294</u>	<u>\$ 2,547,948</u>

**GRAND VALLEY AND DISTRICT COMMUNITY CENTRE BOARD****STATEMENT OF OPERATIONS****AS AT DECEMBER 31, 2023**

	<b>2023</b>	<b>2022</b>
<b>REVENUES</b>		
Rentals	\$ 254,587	\$ 143,663
Municipal grants - Town of Grand Valley	200,881	157,258
- Other municipalities	123,141	98,517
- Capital	0	349,221
Other revenue	52,257	30,867
Snack bar - net proceeds	36,852	12,312
Grants	0	985,081
Gain (loss) on disposal of TCA	(1,412)	(11,415)
	<u>666,306</u>	<u>1,765,504</u>
<b>EXPENSES</b>		
Wages and benefits	284,908	206,439
Repairs and maintenance supplies	88,795	78,357
Amortization	85,450	32,217
Heat and hydro	65,766	50,952
Office	39,641	26,001
Insurance	27,961	26,353
Advertising	6,954	2,345
Telephone	3,788	2,713
Accounting	2,697	2,712
	<u>605,960</u>	<u>428,089</u>
<b>ANNUAL SURPLUS</b>	60,346	1,337,415
<b>ACCUMULATED SURPLUS, beginning of year</b>	<u>2,547,948</u>	<u>1,210,533</u>
<b>ACCUMULATED SURPLUS, end of year</b>	<u>\$ 2,608,294</u>	<u>\$ 2,547,948</u>



**GRAND VALLEY PUBLIC LIBRARY BOARD**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT DECEMBER 31, 2023**

	<b>2023</b>	<b>2022</b>
<b>FINANCIAL ASSETS</b>		
Cash	\$ <u>221,094</u>	\$ <u>179,256</u>
<b>LIABILITIES</b>		
Accounts payable	4,015	4,015
Deferred revenue	<u>18,590</u>	<u>20,020</u>
	<u>22,605</u>	<u>24,035</u>
<b>NET FINANCIAL ASSETS</b>	<u>198,489</u>	<u>155,221</u>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets	<u>236,555</u>	<u>262,945</u>
<b>ACCUMULATED SURPLUS</b>	<u>\$ 435,044</u>	<u>\$ 418,166</u>

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**GRAND VALLEY PUBLIC LIBRARY BOARD**  
**STATEMENT OF OPERATIONS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

	<b>2023</b>	<b>2022</b>
<b>REVENUES</b>		
Grants - Town of Grand Valley	\$ 244,978	\$ 209,769
- Other municipalities	119,389	90,925
Rents, interest, and other revenue	46,393	44,107
Grants - other	<u>1,430</u>	<u>22,510</u>
	<u>412,190</u>	<u>367,311</u>
<b>EXPENSES</b>		
Wages and benefits	227,257	201,426
Amortization	53,263	49,523
Office and courses	31,404	24,812
Facilities cost and insurance	25,462	39,834
General expenses	23,822	14,336
Repairs and maintenance	18,106	15,596
Books and material purchased	12,838	12,591
Telephone	1,735	1,673
Professional fees	<u>1,425</u>	<u>1,441</u>
	<u>395,312</u>	<u>361,232</u>
<b>ANNUAL SURPLUS</b>	16,878	6,079
<b>ACCUMULATED SURPLUS, beginning of year</b>	<u>418,166</u>	<u>412,087</u>
<b>ACCUMULATED SURPLUS, end of year</b>	<u>\$ 435,044</u>	<u>\$ 418,166</u>

**GRAND VALLEY MEDICAL - DENTAL BOARD**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT DECEMBER 31, 2023**

	<b>2023</b>	<b>2022</b>
<b>FINANCIAL ASSETS</b>		
Cash	\$ 69,593	\$ 38,085
Short-term investments	<u>46,464</u>	<u>83,298</u>
	<u>116,057</u>	<u>121,383</u>
<b>LIABILITIES</b>		
Accounts payable	<u>9,138</u>	<u>11,651</u>
<b>NET FINANCIAL ASSETS</b>	<u>106,919</u>	<u>109,732</u>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets	<u>591,033</u>	<u>607,090</u>
<b>ACCUMULATED SURPLUS</b>	<u><u>\$ 697,952</u></u>	<u><u>\$ 716,822</u></u>

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**GRAND VALLEY MEDICAL - DENTAL BOARD**  
**STATEMENT OF OPERATIONS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

	<b>2023</b>	<b>2022</b>
<b>REVENUES</b>		
Rental income	\$ 48,554	\$ 46,517
Other revenue	<u>3,218</u>	<u>693</u>
	<u>51,772</u>	<u>47,210</u>
<b>OPERATING EXPENSES</b>		
Repairs and maintenance	21,937	7,830
Amortization	16,057	17,784
Wages and benefits	12,479	14,402
Property taxes	8,292	11,059
Utilities	7,155	7,446
Professional fees	2,944	3,060
Insurance	1,703	1,449
Office	<u>75</u>	<u>453</u>
	<u>70,642</u>	<u>63,483</u>
<b>ANNUAL DEFICIT</b>	(18,870)	(16,273)
<b>ACCUMULATED SURPLUS, beginning of year</b>	<u>716,822</u>	<u>733,095</u>
<b>ACCUMULATED SURPLUS, end of year</b>	<u><u>\$ 697,952</u></u>	<u><u>\$ 716,822</u></u>

**GRAND VALLEY - BUSINESS IMPROVEMENT AREA**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT DECEMBER 31, 2023**

	<b>2023</b>	<b>2022</b>
<b>FINANCIAL ASSETS</b>		
Cash	\$ <u>35,278</u>	\$ <u>31,158</u>
<b>NET FINANCIAL ASSETS</b>	<u>35,278</u>	<u>31,158</u>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets	<u>11,430</u>	<u>11,977</u>
<b>ACCUMULATED SURPLUS</b>	<u>\$ 46,708</u>	<u>\$ 43,135</u>

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**GRAND VALLEY BUSINESS IMPROVEMENT AREA**  
**STATEMENT OF OPERATIONS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

	2023	2022
<b>REVENUES</b>		
Municipal income	\$ 7,600	\$ 7,800
Special events	2,405	870
Interest income	752	278
Donations	500	300
	<u>11,257</u>	<u>9,248</u>
<b>OPERATING EXPENSES</b>		
Special events	4,417	3,555
Accounting and audit fees	1,043	1,045
Wages	811	789
Advertising	726	85
Amortization	547	781
Bank charges	140	11
Repairs and maintenance	0	3,489
	<u>7,684</u>	<u>9,755</u>
<b>ANNUAL SURPLUS (DEFICIT)</b>	3,573	(507)
<b>ACCUMULATED SURPLUS, beginning of year</b>	<u>43,135</u>	<u>43,642</u>
<b>ACCUMULATED SURPLUS, end of year</b>	<u>\$ 46,708</u>	<u>\$ 43,135</u>



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## INDEPENDENT AUDITOR'S REPORT

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To the Members of Council, Inhabitants and Ratepayers of: The Corporation of the Town of Grand Valley

### **Opinion**

We have audited the accompanying financial statements of the trust funds of The Corporation of the Town of Grand Valley, which comprise the statements of financial position as at December 31, 2023 and the statements of operations for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the trust funds of The Corporation of the Town of Grand Valley as at December 31, 2023 and the results of their operations for the year then ended in accordance with Canadian public sector accounting standards.

### **Basis of Opinion**

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

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

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

Those charged with governance are responsible for overseeing the the trust funds of The Corporation of the Town of Grand Valley's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

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

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

Guelph, Ontario

Chartered Professional Accountants  
Licensed Public Accountants



THE CORPORATION OF THE TOWN OF GRAND VALLEY TRUST FUND  
 CEMETERY PERPETUAL CARE FUND  
 STATEMENT OF FINANCIAL POSITION  
 AS AT DECEMBER 31, 2023

	2023	2022
<b>FINANCIAL ASSETS</b>		
Investments	\$ <u>99,454</u>	\$ <u>99,810</u>
<b>LIABILITIES</b>		
Trust fund balance, end of year	\$ <u>99,454</u>	\$ <u>99,810</u>

THE CORPORATION OF THE TOWN OF GRAND VALLEY TRUST FUND  
 CEMETERY PERPETUAL CARE FUND  
 STATEMENT OF OPERATIONS  
 FOR THE YEAR ENDED DECEMBER 31, 2023

	2023	2022
<b>BALANCE, beginning of year</b>	\$ 99,810	\$ 99,716
Investment income (loss)	<u>(356)</u>	<u>94</u>
<b>BALANCE, end of year</b>	\$ <u>99,454</u>	\$ <u>99,810</u>

THE CORPORATION OF THE TOWN OF GRAND VALLEY TRUST FUND  
 CEMETERY PERPETUAL MONUMENT CARE AND MAINTENANCE FUND  
 STATEMENT OF FINANCIAL POSITION  
 AS AT DECEMBER 31, 2023

	2023	2022
<b>FINANCIAL ASSETS</b>		
Cash	\$ 22,121	\$ 21,063
Investments	<u>16,383</u>	<u>12,882</u>
	<u>\$ 38,504</u>	<u>\$ 33,945</u>
<b>LIABILITIES</b>		
Trust fund balance, end of year	<u>\$ 38,504</u>	<u>\$ 33,945</u>

THE CORPORATION OF THE TOWN OF GRAND VALLEY TRUST FUND  
 CEMETERY PERPETUAL MONUMENT CARE AND MAINTENANCE FUND  
 STATEMENT OF OPERATIONS  
 FOR THE YEAR ENDED DECEMBER 31, 2023

	2023	2022
<b>BALANCE, beginning of year</b>	\$ 33,945	\$ 27,814
Investment income	<u>4,559</u>	<u>6,131</u>
<b>BALANCE, end of year</b>	<u>\$ 38,504</u>	<u>\$ 33,945</u>

**THE CORPORATION OF THE TOWN OF GRAND VALLEY - TRUST FUNDS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the trust funds of The Corporation of the Town of Grand Valley are the representation of management prepared in accordance Canadian generally accepted accounting principles for governments as established by the Public Sector Accounting Board of CPA Canada. Since precise determination of many assets and liabilities is dependent upon future events, the preparation of periodic financial statements necessarily involves the use of estimates and approximations. These have been made using careful judgments.

(a) BASIS OF ACCOUNTING

- (i) Sources of income and expenditures are reported on the accrual basis of accounting.
- (ii) The accrual basis of accounting recognizes revenues as they become 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.