



## 2020 annual financial report



An aerial photograph of a coastline, showing a transition from deep blue water in the upper half to a lighter, greenish-blue area representing a reef or shallow water in the lower half. The water has a textured, wavy appearance.

2020

**annual  
financial  
report**

# Fiscal year ending December 31, 2020

The 2020 Annual Financial Report has been prepared in an electronic format and is available on the County's website at [Northumberland.ca/2020AnnualReport](http://Northumberland.ca/2020AnnualReport).

**The Corporation of the County of Northumberland Financial Report 2020  
For the fiscal year ending December 31, 2020  
Cobourg, Ontario, Canada**

Not for reproduction without permission.

## Accessibility

Northumberland County is committed to complying with the Accessibility for Ontarians with Disabilities (AODA) Act and all standards under it in order to create a barrier-free Ontario. The County is committed and guided by the four core principles of dignity, independence, integration and equal opportunity, and supports the full inclusion of persons as set out in the Canadian Charter of Rights and Freedoms, and the AODA.

This document is available in an accessible format, upon request.



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welcome to  
#nthld

# Who we are

## Our vision

To bring together people, partnerships and possibilities for a strong and vibrant Northumberland County.



## Our mission

To be a best practices leader of County government, and a collaborative partner with our member municipalities and community partners.

## Our values

The County has a set of values—shared beliefs—that guide us toward our ultimate goals and unite us along the way. In all of our actions and decision-making, we reference these values:

- Accountability
- Care and Support
- Collaboration and Communication
- Honesty and Integrity
- Innovation and Excellence
- Mutual Trust and Respect



# Where to find us



Northumberland County is the upper tier level of municipal government that weaves together seven distinct, yet complementary municipalities:

Township of  
Alnwick/Haldimand  
[AlnwickHaldimand.ca](http://AlnwickHaldimand.ca)

Municipality of Brighton  
[Brighton.ca](http://Brighton.ca)

Town of Cobourg  
[Cobourg.ca](http://Cobourg.ca)

Township of Cramahe  
[Cramahe.ca](http://Cramahe.ca)

Township of Hamilton  
[HamiltonTownship.ca](http://HamiltonTownship.ca)

Municipality of Port Hope  
[PortHope.ca](http://PortHope.ca)

Municipality of Trent Hills  
[TrentHills.ca](http://TrentHills.ca)

We also value our long-standing relationship with Alderville First Nation.

For more information visit [Alderville.ca](http://Alderville.ca)

# Our community

Located on the traditional territory of the Mississauga Anishinaabeg, Northumberland County is a thriving, south-eastern Ontario community. It is easily accessible from Highway 401, exits 45 (Port Hope) through to 509 (Brighton).

## How to find us



**1.5 HR**

DRIVE FROM  
TORONTO  
AND KINGSTON

**1 DAY**

DRIVE FROM  
MOST LARGE  
NORTHEASTERN  
CITIES IN THE US



**BOATING**

ACCESS FROM LAKE ONTARIO,  
RICE LAKE & TRENT-SEVERN WATERWAYS

ESTIMATED POPULATION FOR 2021

**90,700**

LOCAL EMPLOYMENT OF

**47,435**

TOTAL EXPERIENCES LABOUR FORCE (2015)



**175  
km**  
OF BIKE LANES



## 2020 TAX RATES (COUNTY ONLY)\*

RESIDENTIAL

**0.00471141**

MULTI-RESIDENTIAL

**0.00942282**

COMMERCIAL

**0.00713873**

INDUSTRIAL

**0.01023176**

(\*\*MUNICIPAL AND EDUCATION IN ADDITION)

### Service snapshot



**39,000**

CURBSIDE WASTE  
COLLECTION STOPS/WEEK

**34**

COUNTY  
FACILITIES



**5,424**

ACRES OF  
COUNTY  
FOREST



**151**

BEDS IN OUR  
LONG-TERM  
CARE HOME



**344**  
COMMUNITY  
HOUSING UNITS  
MAINTAINED  
BY THE NCHC

**520+**

LINEAR  
METRES OF  
ARCHIVAL  
MATERIALS



**6**

PARAMEDIC  
BASES &  
**20,000+**  
CALLS/YEAR

# What we offer

## A beautiful place to live and relax

A range of living experiences from historic towns to scenic rural areas. The rolling hills feature historic inns, B&Bs and destination spas.



## Outdoor adventures

37 trails, 15 conservation areas, two forests, two provincial parks, one nature reserve, and access to the Trent-Severn Waterway and Lake Ontario. World-class cycling routes and some of the best diverse places to fish in Southern Ontario.

## Vibrant arts and culture

Historic main streets, exceptional architecture, festivals, music and art galleries, and unique performance venues.



## Farm fresh destinations

Specialty outlets, craft breweries, the Butter Tart Tour, and farm fresh destinations.



# Features and attractions



## Picturesque Port Hope

Historic lakeshore, early churches and unique downtown.

## Cobourg and Rice Lake

Roseneath carousel, Gores Landing Warf, and Cobourg waterfront and historic downtown.

## Rolling Hills, Adventures and Arts

Shops brimming with treasures, and historic and natural sites.

## Beaches, Barns and the Big Apple

Wicklow and Presqu'île beaches, Proctor House, the Barn Theatre, the Big Apple and the Apple Route.

## Trent Hills Charm

Chocolate and cheese factories, local craft beer and river-side towns.

# 2018-2022 County Council



Robert Crate  
2021 County Warden and Mayor  
of the Municipality of Trent Hills



Mandy Martin  
2021 County Deputy Warden and  
Mayor of the Township of Cramahe



Gail Latchford  
Mayor of the Township  
of Alnwick/Haldimand



Brian Ostrander  
Mayor of the Municipality  
of Brighton



Bob Sanderson  
Mayor of the Municipality  
of Port Hope



Bill Cane  
Mayor of the Township  
of Hamilton



John Henderson  
Mayor of the Town  
of Cobourg



# Message from the Warden



As a sitting member of County Council for nearly seven years, it has been a true pleasure working with my Council colleagues and staff on transformative initiatives that are making a difference to the residents and businesses of Northumberland. I am therefore pleased to share this 2020 Annual Report, which features highlights of the work completed in service of our community over the last year.

As County Councillors, we benefit from the invaluable perspective gained from wearing two hats – providing leadership in our own municipalities, and then also coming together as County leadership to collaborate on common, overarching goals for the broader community. In looking back over the last year, the strength of this effort is clear in the many achievements we can point to.

- Affordable housing remains a critical issue for our community, and in response we began implementation of our Affordable Housing Strategy. This included advancing plans for construction of the Elgin Park affordable housing project as well as design for the Ontario Street affordable housing project – both in Cobourg where we see the highest demand for Rent-Geared-to-Income housing.
- We collaborated with community partners to support the advancement of year-one priorities for the Ontario Health Team of Northumberland, including the timely launch of Northumberland Paramedics' Community Paramedicine program.
- We made strides in advancing our priority to strengthen public engagement in our processes, with the launch of Join In Northumberland – our online public consultation portal – and the evolution of Council governance structures, including the introduction of a Deputy Warden position, and a Committees of Council structure.
- 95 kilometers of roadway across Northumberland was surface-treated in 2020, with 75 of these kilometers being for our member municipalities. It is estimated that, by working together on this program, we collectively achieved savings of over \$7,000 per kilometer.
- And digital modernization activities moved forward, including research and initial development of a Broadband Strategy to guide decisions and investments for enhancing local access, introducing training and supports for local businesses, and

offering Digital Literacy programming for the community.

Major infrastructure projects also moved forward:

- We officially began construction of the new Golden Plough Lodge & Northumberland County Archives and Museum facility;
- We engaged in consultation and completed 30 per cent of the detailed design of the new Campbellford Bridge; and
- We collaborated with the Municipality of Trent Hills to complete construction on the Trent Hills Emergency Services base, inviting the community to a Virtual Grand Opening that attracted over 600 visitors.

For all the progress this represents for our community, 2020 was also a year indelibly marked by the emergence of COVID-19 and the subsequent declaration of a global pandemic. Our community members struggled with the loss of loved ones and with disruptions to employment and education, our businesses experienced hardships and, in some cases, closure, and the pandemic layered on additional strife for already vulnerable community members.

Countless times over the last year, though, we have also seen our community rally and come together to overcome the challenges created by COVID-19.

- Our businesses have pivoted to create new products, online offerings and contactless payment and pick-up;
- Our faith communities have implemented resources and outreach for vulnerable community members;
- Our schools have adopted online models and in-class changes to keep our children safe while learning;
- Our health and community care providers have worked together

to provide coordinated supports, including COVID-19 testing and assessment centres, virtual information forums, and vaccination clinics; and

- Your municipalities continue to work cooperatively together to address local needs and provide the essential services on which our community relies.

I want to express my gratitude to our residents and businesses for your efforts, throughout this long journey, to keep our community safe. Our public health officials called upon us to reduce transmission of the virus and flatten the curve by maintaining physical distance, limiting gatherings, and wearing masks, and our community responded to this call en masse. By staying apart, we truly came together.

I also want to thank our staff for the expertise and heart that they have brought to the table in navigating COVID-19; from our long-term care, social services, paramedic, and waste teams at the front lines, to our teams focused on advancing infrastructure priorities, economic recovery, and the back-office innovation needed to keep the organization moving during this tumultuous time, your efforts are recognized and truly appreciated.

Vaccination rates are climbing, and key health indicators are improving. As we slowly emerge from an unprecedented period, I encourage everyone to please stay focused on the key public health measures that have kept us safe, such as physical distancing and wearing a mask where the situation calls for this. County Council will continue to maintain focus on delivering quality, sustainable municipal services, spurring economic renewal, and supporting community well-being.

*Robert Crate*

Northumberland County Warden

# Meet our leadership team



Jennifer Moore  
Chief Administrative Officer (CAO)



Lisa Ainsworth  
Director,  
Corporate  
Services



Dan Borowec  
Director, Economic  
Development,  
Planning &  
Strategic Initiatives



Kate Campbell  
Director,  
Communications



William Detlor  
Administrator,  
Golden Plough  
Lodge



Glenn Dees  
Director, Finance/  
Treasurer



Susan Brown  
Chief,  
Northumberland  
Paramedics



Lisa Horne  
Director,  
Community &  
Social Services



Mobushar Pannu  
Director,  
Transportation,  
Waste & Facilities



Tony Paulic  
Director,  
Information  
Technology



# Message from the CAO



Northumberland County's Annual Report is an important tool for ensuring transparency and accountability to the community. Each year, the Annual Report details the County's investment of taxpayer dollars to deliver the programs, services and infrastructure relied upon by our residents and businesses, while also capturing progress in the advancement of key priorities.

This year's Annual Report has been produced in pursuit of these same objectives, while also shining a light on one additional dimension of our operations: our response to COVID-19.

As with all municipalities, the County took on new and unexpected challenges in 2020 in response to the emergence of a global pandemic. As COVID-19 took

hold in Ontario, the task before the County was to ensure that essential services would continue for our residents, while also ensuring we had measures in place to protect our staff and support community action against the spread of the virus in Northumberland.

This prompted a pivot in our operations, and I applaud the agility, innovation, and grit demonstrated by our staff as they adapted services and introduced new programs to ensure a commensurate response.

Examples of this included our Golden Plough Lodge team actioning a regimen of enhanced infection prevention and control practices designed to keep our long-term care residents and staff safe and healthy. We rapidly intensified our newly launched Community Paramedicine program, with our paramedics also engaging with health care partners to deliver COVID-19 testing and vaccine administration. And our Northumberland County Archives and Museum team launched a COVID-19 Stories campaign, capturing local experiences during the pandemic to help future generations gain perspective on current events.

The pandemic also undeniably highlighted the strength of partnerships in Northumberland, and the County was proud to engage in key collaborations in 2020 that delivered value to the community.

With Northumberland's vital tourism sector one of the harder hit during the pandemic, we partnered with over 160 tourism stakeholders on sector recovery marketing campaigns. This involved a shift from our traditional focus on visitor markets, to hyper-local and neighbouring

markets, in order to drive home-grown support for local businesses.

The formation, at the end of 2019, of the Ontario Health Team of Northumberland (OHT-N) proved fortuitous, ensuring a strong, coordinated response to the emergence of COVID-19 a few short months later. From coordination of PPE resources, to the establishment of COVID-19 testing centres, to the administration of COVID-19 vaccine, the OHT-N is proof of what can be achieved when we work together as a community.

With the pandemic increasing employment and income instability, considerable focus was placed on the issue of food security in 2020. In addition to distributing 1.3 million tons of food and essential items to those in need through Food 4 All warehouse, the County was pleased to partner with the Northumberland United Way on two innovative initiatives. The Northumberland Eats food voucher pilot program increased choice for over 1,000 people accessing food supports, while investing more than \$35,000 in local businesses, before transitioning to a permanent program in 2021. In addition, thanks to United Way funding, the team at our Ontario Agri-Food Venture Centre was able to produce 18,000 servings of nutritious soup for distribution through the Food 4 All warehouse to those in need in our community.

And, beginning early in the pandemic, the County and community partners formed the Northumberland Homelessness Advisory Group, ensuring rapid response to emerging issues affecting unsheltered residents. This has included initiatives such as an emergency shelter

overflow program, administration of personal protective equipment within the homelessness system, community outreach and peer support initiatives, and other vital response efforts.

While certainly focused on adapting and responding to the challenges of COVID-19, we never lost sight of the commitments outlined in our 2020 and long-term business plans. By keeping key priorities front and centre, the County was successful in moving the marker on several major infrastructure projects, affordable housing initiatives, land use planning policies, Digital Strategy action items, and waste services programs. Details are highlighted in the pages of this Annual Report.

Overcoming adversity in 2020 spawned innovative business practices and creative thinking that will benefit our organization over the long-term. I want to thank our staff for their perseverance and hard work over the last year. Despite enormous personal and professional challenges, they never faltered in delivering the services our residents and businesses rely on. It is with this unflagging commitment to service that we will approach priorities for 2021 and beyond, working with residents, businesses, and community partners to shape a strong and vibrant Northumberland.



Chief Administrative Officer  
Northumberland County

# What we do

## COMMUNICATIONS



### Communications and media relations

- Provides communications planning, project management and media relations
- Ensures a coordinated, best-practice approach to informing residents and stakeholders about County programs, services and priorities, and fostering public engagement with local government



### Creative services and corporate identity

- Produces layout and design, photography and videography
- Coordinates consistent messaging, visuals, style guides, and brand identity



### Grant writing

- Identifies grant opportunities and develops proposals to secure funding from other levels of government and external sources for municipal initiatives

## COMMUNITY & SOCIAL SERVICES



### Community and affordable housing programs

- Administers Community Housing and affordable housing programs, supporting implementation of our Ten-Year Housing and Homelessness Plan
- Works to implement the strategic vision of the Northumberland County Housing Corporation (NCHC) Board of Directors



### Community outreach & health and wellness supports

- Connects residents in need with the appropriate County, community and government services and supports
- Manages initiatives to reduce homelessness and the risk of homelessness
- Leads the development and implementation of the Community Safety and Well-Being Plan for Northumberland



### Family and children support programs

- Oversees system planning for licensed child care services and EarlyON Child and Family Centre programming in the County

### Food security programs

- Operates Food 4 All, a centralized food distribution warehouse



### Ontario Works services

- Coordinates social assistance services, including financial and life stabilization supports



## CORPORATE SERVICES



### Accessibility

- Works with the Northumberland Accessibility Advisory Committee and Inter-Municipal Accessibility Committee to develop policies, practice and procedures related to accessible and inclusive service delivery



### County clerk and legislative services

- Records and maintains official Council records of agendas, minutes, resolutions, by-laws and other proceedings of Council and Committees
- Oversees a broad range of responsibilities related to County Council



### County Forest

- Manages approximately 5,500 acres of mainly forested land including 118 km of trails and 4 km of accessible trails



### Cultural heritage

- Operates the Northumberland County Archives and Museum

### Health, safety and emergency planning

- Ensures a safe and healthy working environment by adhering to occupational health and safety legislation and regulations
- Conducts hazard identification, emergency planning training and control measures



### Human resources

- Manages payroll and recruitment processes

## ECONOMIC DEVELOPMENT, LAND USE PLANNING & TOURISM



### Business services

- Business incubation services and supports for the agriculture and agri-food industry through the Ontario Agri-Food Venture Centre (OAFVC)
- Operates the Business & Entrepreneurship Centre of Northumberland



### Economic development

- Fosters economic prosperity and innovation by providing leadership for manufacturing attraction and other economic development activities
- Provides settlement services and New Canadian investment and attraction

### Land use planning

- Provides land use planning and environmental inspection services



### Tourism

- Markets Northumberland County as a travel destination

## FINANCE & TREASURY



### Court services

- Processes Provincial Offences Act (POA) charges and administers court services



### Finance

- Develops budgets including operating and capital financial plans
- Records and reports all financial transactions, collection and investments
- Performs purchasing functions and implements financial policies and internal controls
- Conducts risk management

## INFORMATION TECHNOLOGY



### Digital strategy

- Provides strategic technology leadership and guidance to the County



### Digital data protection and cybersecurity

- Ensures security and risk management of the County's technology assets and information



### Technical support

- Delivers helpdesk and technical support, business relationship management, and IT project and implementation expertise
- Maintains a state of good repair of the technology infrastructure
- Provides managed IT services to a number of member municipalities and organizations

## LONG TERM CARE: GOLDEN PLOUGH LODGE



### Accommodation

- Offers a home for adults whose needs can no longer be met within the community
- Provides lodging, food services and environmental services for residents



### Health

- Provides clinical nursing care and therapeutic, social work, pharmaceutical, and physician services
- Provides assistance with activities of daily living



### Life enrichment

- Supports individuals to maintain a life with purpose, dignity, choice and respect
- Offers recreational, active, social and spiritual programming

# NORTHUMBERLAND PARAMEDICS



## Community paramedicine

- Provides proactive health care services for patients who use 9-1-1 services due to system gaps/challenges/ access to community care



## Pre-hospital healthcare

- Administers emergency health care to County residents and visitors, and transports those in need of further medical care to appropriate medical facilities

## Training and public education

- Ensures that all Paramedics maintain current health care skills to ensure quality of care and continuous improvement
- Delivers community programs to educate the public on Northumberland Paramedics and the use of Emergency Medical Services and 911

# TRANSPORTATION, WASTE & FACILITIES



## Facilities

- Leads the oversight of all County-owned facilities including buildings, infrastructure and grounds
- Maintains Northumberland County Housing Corporation facilities



## Major projects

- Oversees and supports large-scale capital construction projects



## Transportation

- Maintains County roads, bridges, culverts, traffic signals, street lighting, trails and drainage systems
- Provides summer and winter maintenance, roadside safety maintenance, traffic control, surface treatment program for County and member municipal roads, and fleet management for all County departments



## Waste management

- Responsible for the collection, processing and disposal of waste and recyclables (including organic waste, yard waste, household hazardous waste and electronic waste)
- Services include maintenance and operation of:
  - One recycling plant (the Material Recovery Facility)
  - Two waste transfer stations
  - One operational landfill site
  - Eight closed landfill sites



# Message from the Treasurer



It is my pleasure to present Northumberland County's eighth Annual Report, sharing the Audited Financial Statements for the organization, for the fiscal year ending December 31, 2020. Northumberland County's Annual Report is a key component of our financial management process, detailing the allocation of budget dollars to program and service delivery, infrastructure maintenance and renewal, debt servicing and reserves. By capturing achievements made possible through the budget, the Annual Report draws linkages between often complex financial data, and tangible results.

For 2020, Northumberland County Council approved a budget of \$140.4M, including \$30M for capital investments, \$103.7M for core services and \$6.7M for reserves towards the future financing

of identified strategic initiatives and infrastructure needs.

Construction and maintenance of our road and bridge network topped our capital spending in 2020, with an investment of \$7.4M. With the launch of construction on the Golden Plough Lodge & Northumberland County Archives and Museum, this project represented our second most significant capital expenditure at \$4.3M. Investments were also directed to capital projects in Waste Services, including completing construction on an organic waste transfer station and upgrading public drop off areas as Community Recycling Centres. And we saw smaller amounts directed to wrap-up construction of the Trent Hills Emergency Services Base in Campbellford, to fleet and equipment maintenance for our paramedic, roads and facilities work, and to upgrades to community housing.

The outcome was a tax increase coming in at 2.61 per cent, which was below the 3 per cent initially targeted by Council.

Net Financial Assets increased to \$21.5M in 2020 – an increase of \$5.8M over 2019 – attributable to several factors including unutilized provincial COVID-19 funding, which has been carried over into 2021, and timing of cash flows for financing multi-year capital projects such as the Golden Plough Lodge & Northumberland County Archives and Museum redevelopment.

The 2020 Financial Statements for the first time include Short Term Advances totaling \$4.9 million. This is representative of construction financing sourced from Infrastructure Ontario for the Golden Plough Lodge & Northumberland County

Archives and Museum project. This will continue to grow as the project progresses, with this financing converted into an Infrastructure Ontario long-term debenture upon the project's completion.

Key indicators of our financial performance point to the County's fiscal health, with a continued positive trend of increased Accumulated Surplus resulting in stable reserves, careful management of debt, expansion of capital assets and enhanced financial capacity to address long-term priorities.

We also saw a net change in reserves from 2019, with an increase of \$9.9 million. Annual reserve contributions are aligned with long-term financial strategies, minimizing levy fluctuations and future years' debt servicing costs by providing a critical resource for financing large-scale projects and infrastructure needs.

COVID-19 placed unanticipated strain on municipal budgets. Northumberland County experienced revenue losses amounting to approximately \$1.5M, expenditure increases of approximately \$3M, and expenditure savings of approximately 0.7M, for a net pressure of \$3.8M. Funding from the Province nevertheless offset these impacts, in particular an influx of Safe Restart funding, Social Services Relief funding and other smaller funding injections. The County extends its thanks to the provincial government for their partnership to ensure municipalities have had access to necessary resources to overcome some of the operational challenges presented by the global pandemic, enabling us to continue delivering priority services to residents and businesses.

The story told by our financial performance indicators is one of robust financial planning, and thorough governance and oversight, to ensure fiscally responsible and sustainable municipal government. By aligning strategic priorities with a rolling 10-year financial plan, we have a clear path forward for meeting the evolving needs of our community, while remaining agile to respond to changes in course, as was required in 2020.

I always close my report with sincere thanks to our Finance team, whose collective expertise, philosophy of partnership, and dedication to a job well done continue to position our organization for success. Together with our internal partners and members of Council, we will continue to strive to be a best practices leader in strategic financial management, in alignment with Northumberland County's Mission.



Director of Finance/Treasurer  
Northumberland County



A scenic landscape photograph of rolling hills and forests at sunset. The sun is low on the horizon, casting a warm, golden glow across the sky and the landscape. The foreground is filled with lush green trees and fields, while the background shows distant hills under a clear blue sky. The text "2020 highlights" is overlaid in a white, sans-serif font, centered within a white rectangular frame.

# 2020 highlights



# Economic prosperity and innovation

- Promote awareness of Northumberland
- Deliver on the fundamental building blocks
- Maximize our key assets
- Ensure Northumberland is open for business



## Affordable housing

Launched the design process for two affordable housing projects in Cobourg including the Elgin Park Redevelopment project and the Ontario Street project



## Tourism recovery campaigns

Partnered with over 160 tourism stakeholders on tourism recovery marketing campaigns, pivoting from our traditional focus on visitor markets to hyper-local and neighbouring markets in order to drive home-grown support for local businesses



## Local tourism campaign funding

Secured nearly \$230,000 in federal and provincial funding to enhance – and extend the reach of – local tourism marketing campaigns



## Digital Northumberland

Supported 67 local businesses with assessments to enhance their online presence – website, social media and online sales – and provided grants of over \$130,000 to strengthen their market position



## Supporting entrepreneurs

Provided more than \$100,000 in micro-grants to support women start-up businesses, youth entrepreneurs and owners interested in growing their business. Programs include supports such as business planning, coaching, training, education and networking



## Northumberland Economic Recovery Task Force

Facilitated the industry-led Task Force to develop recommendations for helping local businesses rebuild from the impacts of COVID-19



## Tourism industry resources

Developed a COVID-19 resource website for operators and pushed out information about funding resources, current consumer travel research, and adapting to health and safety protocols

# Sustainable growth

- Ensure growth pays for growth
- Ensure we maintain our infrastructure
- Implement key Master Plans and advance key projects
- Demonstrate leadership in environmental stewardship
- Increase public access to high-speed digital services



## **Golden Plough Lodge and NCAM redevelopment**

Started construction for the Golden Plough Lodge and Northumberland County Archives and Museum Redevelopment, expected to be complete by December 2022



## **Waste diversion**

Increased waste diversion from landfill by 5%—from 42% to 47%—following green bin program launch at the end of 2019. Also introduced Phase 2 of the Recycle Right program, completed construction of an Organic Waste Transfer Station, and upgraded Public Drop Off areas at Community Recycling Centres



## **Northumberland Next**

Kicked off a process to review and update the County Official Plan to ensure we are positioned to manage growth and development in Northumberland over the next 30 years



## **Broadband strategy**

Assembled research on broadband connectivity gaps in the community and began development of a Broadband Strategy to generate public and private sector support to connect 14,000 unserved/underserved households



## **Development charges**

Completed first countywide D.C. Background Study and By-law including data collection, stakeholder engagement sessions, public meetings and various presentations for Council



## **Emergency service base**

Completed construction of the Trent Hills base and launched a virtual grand opening with photos, welcome messages from elected officials, and a virtual tour, attracting over 600 visitors



## **Annual road improvements**

Completed 95 km of surface treatment of municipal and County roads as well as the 2020 Capital Program which included 9 km of paving and 22 km of microsurfacing



## **Construction projects**

Completed the rehabilitation of Hastings Trent River Bridge, Elgin Street retaining wall replacement, County Road 65 slope stabilization and County Road 45/Van Luven Road reconstruction phase 1, and 30% of the Campbellford Bridge detailed design

# Thriving and inclusive communities

- Strengthen services to people
- Promote diversity and inclusion
- Enhance transit services
- Demonstrate leadership in healthcare transition
- Demonstrate leadership in public safety



## Warming rooms

Worked with homelessness system partners to introduce daytime and overnight warming rooms as a winter relief measure for people experiencing homelessness



## Housing pilot program

Established a transitional housing pilot program to provide temporary accommodation and skills development for individuals who have been identified as ready to bridge the gap from homelessness to permanent housing



## Ontario Works modernization

Registered 30% of Ontario Works clients in Northumberland for a new online portal designed to improve client experience – exceeding our goal by 10% and ranking Northumberland in the top five in the province for proportion of caseload registered



## Northumberland Eats

Collaborated with Northumberland United Way to launch a food voucher pilot project to increase choice for people in need in accessing food supports, helping 1,000 people while investing more than \$35,000 in local businesses



## Digital Literacy

Offered free online sessions for residents to learn about Staying Safe on the Internet, and identifying and sharing credible sources of information, attracting over 200 participants



## Indigenous Advisory Circle

Received guidance from e wiindmaagzijing, the Indigenous Advisory Circle, to develop Northumberland County Archives and Museum (NCAM) inaugural community exhibits, with generous leadership from Indigenous experts in the fields of academia and language revitalization, Elders and Knowledge Keepers, and representatives from Williams Treaty First Nations



## Community paramedicine

Launched program to provide proactive health care services for patients in the community who may face barriers to accessing care

# Leadership in change

- Engage in continuous improvement
- Ensure solid finances and fiscal management
- Improve digital service delivery
- Develop a comprehensive HR strategy
- Intensify intergovernmental relations
- Reinforce collaboration
- Strengthen public engagement



## **New governance structure**

Council adopted staff recommendations for a new Governance Structure to enhance public and Council engagement for implementation in January 2021



## **Join In Northumberland**

Launched an online public consultation platform that supplements the County's traditional public consultation activities, expanding the reach of community engagement efforts for the purposes of improved municipal decision-making



## **Funding acquisition**

Secured over \$3 million in funding from other levels of government and external sources for investment in County and partner agency programs and services for the community



## **Web accessibility improvements**

Coordinated the enhancement of policies and processes, the updating of County websites and the revision of online materials, and the delivery of staff training to ensure compliance with legislated information accessibility requirements and to enhance community member experience in accessing online information from the County



## **Annual Report award**

Awarded a MarCom Gold Award for the design of Northumberland County's 2019 Annual Report



## **Health and community care**

Collaborated with community partners to advance the strategic priorities of the Ontario Health Team of Northumberland, a partnership of patients, caregivers, health and community care providers working together to improve experience with care and services in Northumberland



## **IT infrastructure upgrades**

Upgraded internal major applications, Office 365 migration, and infrastructure/network upgrades





in this  
together



# Supporting our community during COVID-19



## Homelessness supports

Coordinated with community partners to set up – within 48 hours – a temporary shelter at Cobourg Collegiate Institute for those experiencing homelessness



## GPL safety

Implemented enhanced infection control practices at the Golden Plough Lodge to keep residents and staff safe from the virus



## Remote work infrastructure

Rolled-out 'remote work' infrastructure in very compressed timelines, enabling work from home arrangements by some of our staff groups, in alignment with provincial direction



## COVID-19 testing and vaccine administration

Northumberland Paramedics joined with local health care partners to provide COVID-19 testing services and to administer vaccine at mass immunization clinics



## Emergency child care

Worked with child care providers to organize two rounds of Emergency Child Care services for frontline workers



## Increased financial reporting

Coordinated regular updates on the financial impacts of COVID-19 in order to assist Council with decision-making



### **Virtual Council meetings**

Enabled continuation of County Council business by rapidly incorporating updated legislation into Council Procedural By-law and launching virtual County Council and committee meetings



### **Essential waste services**

The Waste Services team implemented new client service models and enhanced infection control measures to continue providing essential services like landfill management and processing recycling



### **Vaccine call centre**

Supported vaccination efforts of community partners by coordinating a call centre of County staff to contact and book appointments for over 3,300 people aged 80+ years.



### **Tourism recovery**

Led five Tourism Recovery Marketing Campaigns targeting local markets instead of visitor markets, in order to stimulate home-grown support for local businesses during the pandemic



### **Crisis communications**

Implemented a multi-pronged crisis communications plan to ensure clear, consistent updates to community members and staff about changes to County programs and services, as well as community updates



### **Food security**

Accessed United Way funding to make 18,000 servings of hearty, homemade soup through the OAFVC and distribute this through the Food 4 All warehouse for community members in need



An aerial photograph of a suburban neighborhood during autumn. The scene is filled with trees in various shades of green, yellow, and orange. Several houses are visible, including a large brick house with solar panels in the foreground and a two-story house with a green roof in the bottom right. The sky is blue with scattered white clouds. A white rectangular border frames the central part of the image, containing the text "2021 priorities".

# 2021 priorities



# Looking ahead to 2021

## Economic innovation and prosperity

- Launch construction of the Elgin Park community housing project in Cobourg to increase the number of subsidized and market rental housing units at this location from 18 to 40
- Continue pre-construction work for the Ontario Street affordable housing project
- Facilitate an intermunicipal collaboration to identify a Tourism Strategy for Northumberland
- Help our small businesses thrive with focused training, resources, access to coaching, and grant opportunities through our Business and Entrepreneurship Centre

## Sustainable growth

- Continue construction of new joint Golden Plough Lodge and Northumberland County Archives and Museum (NCAM) facility
- Begin implementing a Broadband Strategy to address local high-speed challenges
- Finalize and present a Forest Master Plan to County Council for approval
- Complete a Greenhouse Gas Emission Reduction Plan
- Complete mapping and policies for an Enhanced Natural Heritage System amendment to the County Official Plan as part of the Northumberland Next process, and begin the review of agriculture and water resource policies and affordable housing policies
- Complete an anticipated 120 km of surface treatment on municipal and County roads, and complete the annual Capital Program including 13.2 km of paving, 16 km of micro surfacing, 100,000 metres of crack sealing, and complete County Road 45/Van Luven Road reconstruction
- Complete the Dartford Bridge rehabilitation
- Complete the Environmental Assessment and detailed design for the Braithwaite Bridge and County Road 45 Retaining Wall in Baltimore
- Complete detailed design and implement safety measures—and a related awareness and education campaign—for the Prince Edward Street at-grade crossing in Brighton, and complete Safety improvements at the Brook Road at-grade crossing in Cobourg including paving and signage
- Upgrade traffic signals and implement timing synchronization at the three Bridge Street intersections in Campbellford
- Fully transition to processing of two stream recyclables and increase residential waste diversion rate to 50%

## Thriving and inclusive communities

- Help advance priority projects for the Ontario Health Team of Northumberland (OHT-N) including expansion of Northumberland Paramedics' Community Paramedicine and Remote Patient Monitoring initiatives
- Continue partnering to administer COVID-19 testing and vaccination in the community through the Community Paramedicine program
- Submit a co-designed Community Safety & Well-Being Plan to the Province and begin implementation
- Finalize priorities and action items for the Community Safety & Well-Being Plan, submit the plan on-schedule to the Province and begin implementation
- Launch the Capital Incentives Program outlined in the Affordable Housing Strategy to stimulate private and non-profit sector development of affordable housing options in our community
- Continue with the shift to a life stabilization framework for social assistance under the Province's Recovery and Renewal transformation
- Develop a detailed concept, schematic design and interpretive plan for the inaugural exhibitions of the new Northumberland County Archives and Museum in collaboration with the Indigenous Advisory Circle and exhibition designers
- Collaborate with other agencies and municipalities to expand the regional cycling network to Peterborough County

## Leadership in change

- Launch a participatory budget pilot, engaging community members in the use of a budget simulation tool to increase awareness about the scope of programs and services administered by the upper tier level of municipal government, and to obtain key insights on resident and stakeholder budget priorities in order to strengthen annual County budget development and administration
- Finalize development of a comprehensive corporate People Strategy, linking development, training, succession planning and recruitment for effective long-term operations
- Continue modernization of internal IT infrastructure, and complete security enhancements for the organization and our managed partners





# financial overview



# Financial management

## County business planning

The County goes through a rigorous budgeting and planning process each year. Each operating department develops an annual business plan that is aligned with the County's Corporate Strategic Plan. This process looks at programs and services, budgets and key priorities for the year. In addition to the annual budget, the long term plan is reviewed and updated to create a rolling 10-year financial outlook.



## Financial statement preparation

Northumberland County management is responsible for all information contained in the Annual Financial Report. These financial statements and accompanying notes have been prepared using reasonable limits of materiality and within the framework of the accounting principles and disclosure requirements of the Canadian Institute of Chartered Accountants guidelines included in the Public Sector Accounting and Auditing Standards Manual.

## Internal control management

Management maintains appropriate systems of internal and administrative controls designed to provide reasonable assurance that transactions are executed with proper authorization, that assets are properly accounted for and safeguarded, and that the financial information produced is relevant, reliable and timely.



## External audit

The role of the external auditor, Baker Tilly KDN LLP, is to express an independent opinion on the fair presentation of the County's financial position and operating results as contained in the Financial Statements, confirming that the statements are free from material misstatements. It is the responsibility of the auditor to advise management and the Finance & Audit Committee of any control or operational issues that may be identified during the execution of their audit procedures.

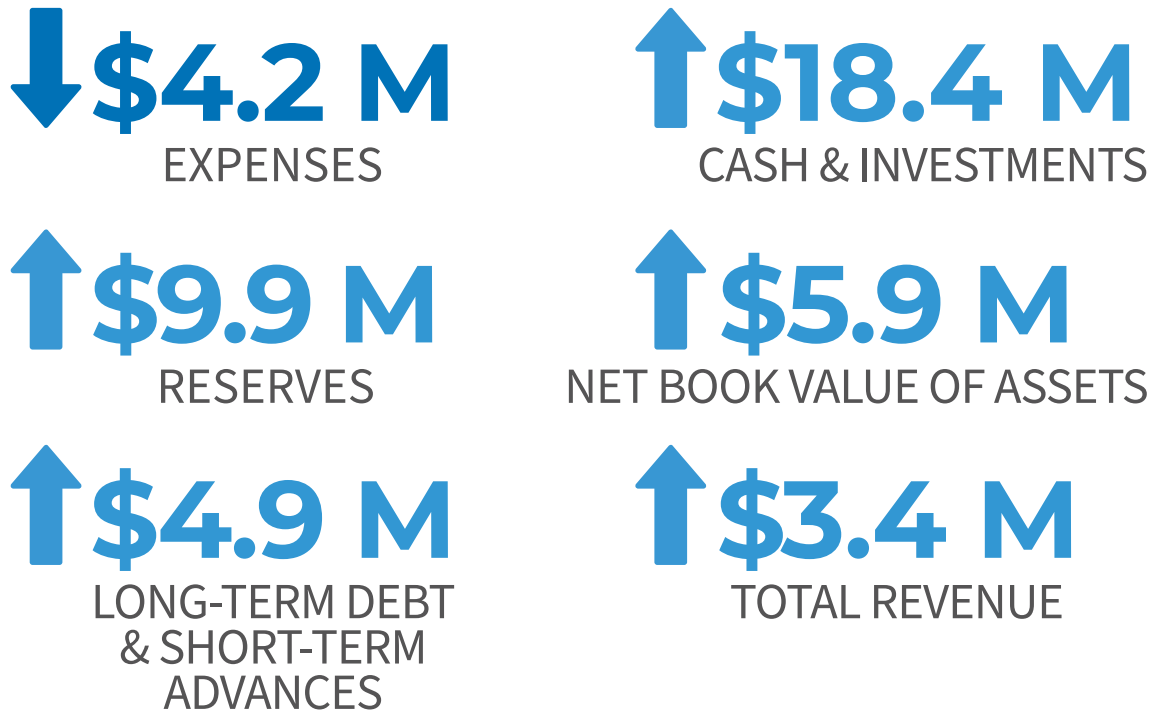
## Financial reporting

To ensure accountability and transparency, the Finance Director and Treasurer presents quarterly updates to Council on the status of County finances relative to the current budget. County auditors, together with the Finance Director/Treasurer, present to Council the final annual Audited Financial Statement for the County, for Council approval, closing out the previous fiscal year.



# Financial results overview

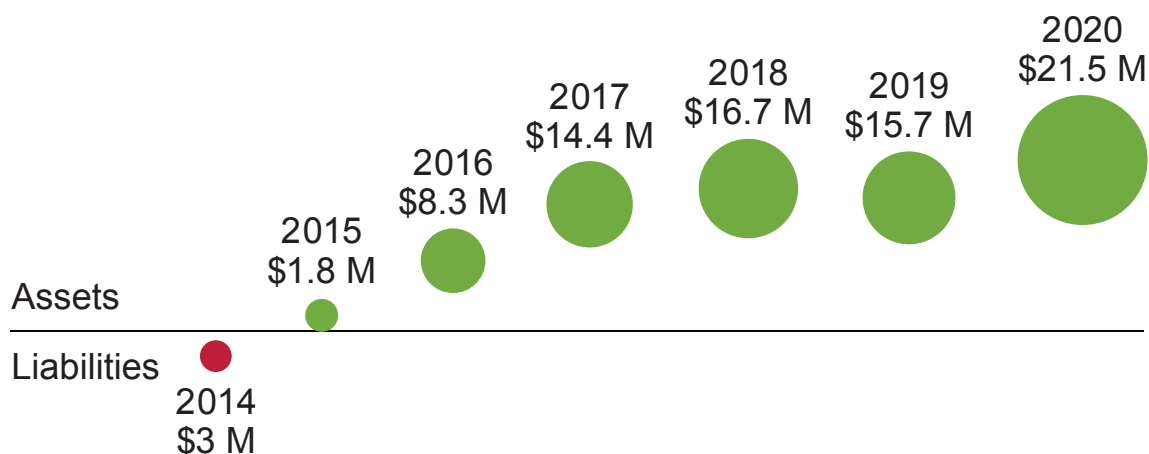
## Annual overview



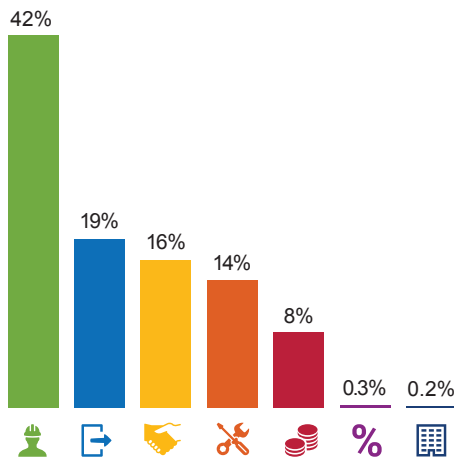
\*All comparative data references 2019 results.

## Financial assets

The County is now in a positive net financial asset position of \$21.5 million.

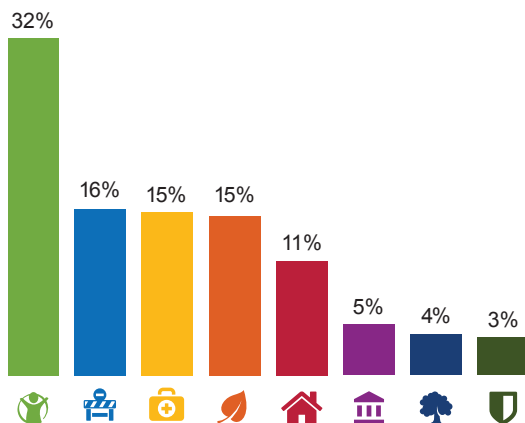


## Expenses by type (m)



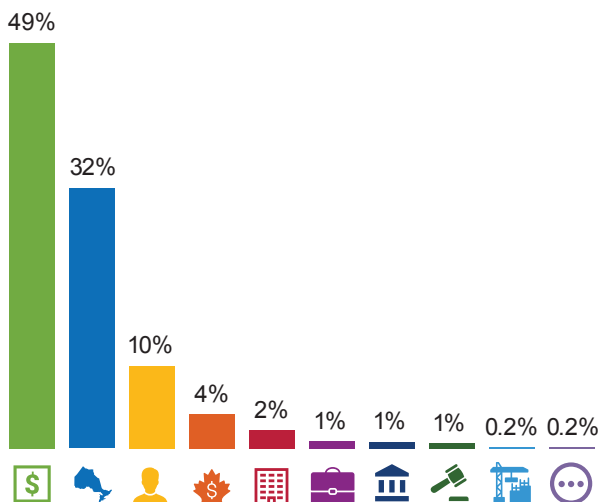
**Salaries & Benefits** \$44.6  
**External Transfers** \$20.2  
**Contracted Services** \$17.7  
**Materials** \$15.3  
**Amortization** \$9.0  
**Interest Charges** \$0.3  
**Rents & Financial** \$0.2

## Expenses by service (m)



**Social & Family Services** \$33.9  
**Transportation** \$16.7  
**Health Services** \$16.4  
**Environmental Services** \$16.0  
**Social Housing** \$11.5  
**General Government** \$5.1  
**Ec. Development/Tourism/Forest** \$4.1  
**Protection Services** \$3.8

## Revenues by type (m)



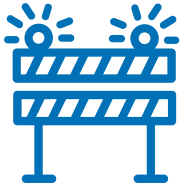
**Tax Levy** \$58.8  
**Provincial Government** \$37.7  
**User Charges** \$11.9  
**Federal Government** \$5.0  
**Rents** \$2.7  
**Investment Income** \$1.1  
**Other Municipalities** \$0.9  
**Provincial Offences** \$0.8  
**Development Charges** \$0.2  
**Other** \$0.2

\*Percentages may not add up to 100 due to decimal point rounding.

\*Health services: Northumberland Paramedics and Health Unit funding. Environmental services: waste management. Protection services: Provincial Offences, Court Security, Plumbing and Septic Inspections, and Emergency Planning. General government: Corporate Support departments and facilities, MPAC payment, and Council.

# Capital projects overview

Dollars spent on capital projects in 2020



**\$7.4 M**

ROAD PROJECTS



**\$0.8 M**

WASTE PROJECTS



**\$4.3 M**

GPL & NCAM  
REBUILD

Part of a multi-year  
investment of approx. \$105 M

## FLEETS & EQUIPMENT

**\$0.3 M**

FACILITIES

**\$1.3 M**

PARAMEDICS

**\$0.3 M**

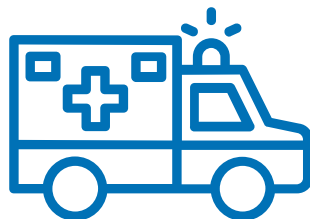
ROADS



**\$0.2 M**

NORTHUMBERLAND  
COUNTY HOUSING  
CORPORATION

## EMERGENCY SERVICE BASES



**\$0.4 M**

TRENT HILLS

Part of a multi-year investment of  
approx. \$1.6 M





An aerial photograph of a large agricultural field, likely a vegetable or herb farm. The field is divided into numerous long, straight rows of various green plants. The plants vary in leaf shape and density, suggesting different crop types. The rows are separated by narrow paths of bare soil. The overall scene is vibrant green, indicating healthy, growing crops. A white rectangular border is superimposed over the center of the image, framing the text.

get  
involved



# Volunteer with the County



## Support your community

Whether it is distributing food donations from the Food 4 All warehouse to local programs, providing entertainment for the residents of the Golden Plough Lodge, or offering coaching to small business entrepreneurs, Northumberland residents make invaluable contributions to County programs and services that leave a lasting impression on our community.

Looking to get involved? While some volunteer services have paused during COVID-19, connect with us today to learn how you can join our volunteer team—now or in the future—and work with us to create possibilities for a thriving Northumberland!

### **Volunteer opportunities include positions in:**

- Business & Entrepreneurship Centre Northumberland
- Food 4 All warehouse
- Golden Plough Lodge long term care home
- Northumberland County Archives & Museum
- Northumberland County Forest

For more information on how to apply, please call 905-372-3329.

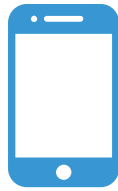
# Connect with the County

## Where to find us



### Visit online

Northumberland.ca



### Call us

905-372-3329  
Toll Free: 1-800-354-7050



### Visit us

555 Courthouse Road  
Cobourg, ON K9A 5J6

## News and notices

News, as well as information about community consultations and other public notices, is regularly posted in Northumberland newspapers. This information, along with photos, videos and other details, can also be found in the County Newsroom at

[Northumberland.ca/News](http://Northumberland.ca/News)

## Social media

We're social! Connect with Northumberland County via Facebook, Twitter, and YouTube. Visit

[Northumberland.ca/FollowUs](http://Northumberland.ca/FollowUs)

## County Council meetings

Council meetings are open to the public, and take place on the third Wednesday of each month (Note: subject to change). Access minutes, agendas and reports at

[Northumberland.ca/Council](http://Northumberland.ca/Council)

## Questions or comments?

Councillors welcome and appreciate your feedback. Share your comments by calling or mailing our headquarters building (contact information above). Connect with Council members through email by visiting [Northumberland.ca/MeetYourCouncil](http://Northumberland.ca/MeetYourCouncil)



An aerial photograph of a large, calm pond with a greenish tint to the water. A dirt path runs along the right side of the pond, leading towards a small island in the upper left. The surrounding landscape is filled with dense, vibrant green trees and foliage, suggesting a park or natural area. The overall scene is peaceful and scenic.

# APPENDIX A: 2020 financial statements



**CORPORATION OF THE COUNTY OF  
NORTHUMBERLAND**

**CONSOLIDATED FINANCIAL STATEMENTS**

**DECEMBER 31, 2020**

**CORPORATION OF THE COUNTY OF  
NORTHUMBERLAND**

**CONSOLIDATED FINANCIAL STATEMENTS**

**DECEMBER 31, 2020**

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## **CORPORATION OF THE COUNTY OF NORTHUMBERLAND**

**For The Year Ended December 31, 2020**

### **MANAGEMENT REPORT**

The accompanying consolidated financial statements of the Corporation of the County of Northumberland are the responsibility of management and have been approved by Council.

The consolidated financial statements have been prepared by management in accordance with Canadian Public Sector Accounting Standards. 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 financial statements are presented fairly, in all material respects.

The County 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 County's assets are appropriately accounted for and adequately safeguarded.

The County's Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving financial statements.

Council reviews and approves the County's financial statements for issuance to the members of Council, inhabitants and ratepayers of the Corporation of the County of Northumberland. Council meets periodically with management, as well as the external auditor, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities and to review the financial statements and the independent auditor's report.

The consolidated financial statements have been audited by Baker Tilly KDN LLP in accordance with Canadian generally accepted auditing standards on behalf of the County. Baker Tilly KDN LLP has full and free access to Council.

Warden

Treasurer

June 16, 2021

**Baker Tilly KDN LLP**  
272 Charlotte St.  
Peterborough, ON  
Canada K9J 2V4

## **INDEPENDENT AUDITOR'S REPORT**

**T: (705) 742-3418**  
**F: (705) 742-9775**

**[www.bakertilly.ca](http://www.bakertilly.ca)**

### **To the Members of Council, Inhabitants and Ratepayers of the Corporation of the County of Northumberland**

#### *Opinion*

We have audited the consolidated financial statements of the Corporation of the County of Northumberland and its subsidiary (the County), which comprise the consolidated statement of financial position as at December 31, 2020, the consolidated statements of operations and accumulated surplus, change in net financial assets and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the County as at December 31, 2020, and the results of its consolidated operations 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 County 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 County'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 County or to cease operations, or has no realistic alternative but to do so.

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

ASSURANCE • TAX • ADVISORY

*Baker Tilly KDN LLP is a member of Baker Tilly Canada Cooperative, which is a member of the global network of Baker Tilly International Limited. All members of Baker Tilly Canada Cooperative and Baker Tilly International Limited are separate and independent legal entities.*

Peterborough

Courtice

Lindsay

Cobourg



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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County'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 County'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 County 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 consolidated financial information of the entities or business activities within the County 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.

***Baker Tilly KDN LLP***

Chartered Professional Accountants  
Licensed Public Accountants

Peterborough, Ontario  
June 16, 2021

**CORPORATION OF THE COUNTY OF  
NORTHUMBERLAND**



**CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
At December 31, 2020**

	2020	2019
	\$	\$
<b>FINANCIAL ASSETS</b>		
Cash	3,407,256	5,639,486
Investments (note 3)	82,438,174	61,801,596
Accounts receivable	4,930,998	7,392,800
<b>TOTAL FINANCIAL ASSETS</b>	<b>90,776,428</b>	<b>74,833,882</b>
<b>LIABILITIES</b>		
Short term advances (note 5)	4,930,976	-
Accounts payable and accrued liabilities	17,780,403	13,872,222
Deferred revenue - obligatory reserve funds (note 6)	2,173,433	2,626,984
Deferred revenue - other	1,237,421	360,764
Long term debt (note 7)	11,898,040	11,943,502
Landfill closure and post-closure liability (note 8)	28,793,700	28,134,648
Employee future benefits liability (note 9)	2,458,376	2,243,207
<b>TOTAL LIABILITIES</b>	<b>69,272,349</b>	<b>59,181,327</b>
<b>NET FINANCIAL ASSETS</b>	<b>21,504,079</b>	<b>15,652,555</b>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (note 10)	183,762,700	177,871,097
Prepaid expenses	332,173	284,025
<b>TOTAL NON-FINANCIAL ASSETS</b>	<b>184,094,873</b>	<b>178,155,122</b>
<b>ACCUMULATED SURPLUS (note 11)</b>	<b>205,598,952</b>	<b>193,807,677</b>

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

**CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS**  
**For the Year Ended December 31, 2020**

	Budget 2020 \$ (Unaudited)	Actual 2020 \$	Actual 2019 \$
<b>REVENUES</b>			
Tax levy from lower tiers	58,892,102	58,773,490	56,961,401
User charges	11,506,821	11,870,613	11,226,121
Government of Canada	1,051,345	1,871,313	1,020,571
Province of Ontario	35,012,065	36,676,437	35,253,809
Other municipalities	1,485,000	889,652	1,634,224
Provincial Offenses Act - fines (note 12)	1,500,000	831,423	1,550,320
Investment income	1,075,083	1,132,258	1,517,957
Waste Diversion Ontario	1,160,000	1,030,444	1,142,101
Rents	2,526,677	2,658,563	2,584,469
Developer charges earned	-	156,750	-
Federal gas tax earned	3,081,705	3,081,705	2,630,144
Gain/(loss) on disposal of tangible capital assets	-	56,942	140,819
Other revenue	222,600	168,448	144,299
<b>TOTAL REVENUES</b>	<b>117,513,398</b>	<b>119,198,038</b>	<b>115,806,235</b>
<b>EXPENSES</b>			
General government	5,413,478	5,066,050	5,632,416
Protection services	3,806,517	3,752,330	3,443,123
Transportation services	19,748,768	16,686,307	17,004,466
Environmental services	14,526,452	16,010,832	21,074,564
Health services	16,112,228	16,356,203	14,664,019
Social and family services	36,331,750	33,945,654	35,263,974
Social housing	11,274,338	11,534,168	10,866,129
Economic development, tourism and forest	4,515,579	4,055,219	3,644,863
<b>TOTAL EXPENSES</b>	<b>111,729,110</b>	<b>107,406,763</b>	<b>111,593,554</b>
<b>ANNUAL SURPLUS</b>	<b><u>5,784,288</u></b>	<b>11,791,275</b>	<b>4,212,681</b>
<b>ACCUMULATED SURPLUS - beginning of year</b>		<b>193,807,677</b>	<b>189,594,996</b>
<b>ACCUMULATED SURPLUS - end of year</b>		<b>205,598,952</b>	<b>193,807,677</b>

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

**CORPORATION OF THE COUNTY OF  
NORTHUMBERLAND**



**CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS**  
**For the Year Ended December 31, 2020**

	Budget 2020 \$ (Unaudited)	Actual 2020 \$	Actual 2019 \$
<b>ANNUAL SURPLUS</b>	5,784,288	11,791,275	4,212,681
Amortization of tangible capital assets	8,800,000	8,988,101	8,759,403
Purchase of tangible capital assets	(29,881,922)	(15,081,748)	(14,115,585)
Gain on disposal of tangible capital assets	-	(56,942)	(140,819)
Proceeds on sale of tangible capital assets	-	258,986	239,766
Change in prepaid expenses	-	(48,148)	(6,595)
<b>INCREASE/(DECREASE) IN NET FINANCIAL ASSETS</b>	(15,297,634)	5,851,524	(1,051,149)
<b>NET FINANCIAL ASSETS - beginning of year</b>	15,652,555	15,652,555	16,703,704
<b>NET FINANCIAL ASSETS - end of year</b>	354,921	21,504,079	15,652,555

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



# CORPORATION OF THE COUNTY OF NORTHUMBERLAND



## CONSOLIDATED STATEMENT OF CASH FLOWS For the Year Ended December 31, 2020

	2020	2019
	\$	\$
<b>CASH PROVIDED BY (USED IN)</b>		
<b>OPERATING ACTIVITIES</b>		
Annual surplus	11,791,275	4,212,681
Items not involving cash		
Amortization of tangible capital assets	8,988,101	8,759,403
Gain on disposal of tangible capital assets	(56,942)	(140,819)
Change in landfill closure and post-closure liability	659,052	6,878,748
Change in employee future benefits liability	215,169	209,446
Change in non-cash assets and liabilities		
Accounts receivable	2,461,802	(2,327,120)
Prepaid expenses	(48,148)	(6,595)
Accounts payable and accrued liabilities	3,908,181	278,384
Deferred revenue - obligatory reserve funds	(453,551)	2,626,984
Deferred revenue - other	876,657	261,060
<b>Net change in cash from operating activities</b>	<b>28,341,596</b>	<b>20,752,172</b>
<b>CAPITAL ACTIVITIES</b>		
Purchase of tangible capital assets	(15,081,748)	(14,115,585)
Proceeds on disposal of tangible capital assets	258,986	239,766
<b>Net change in cash from capital activities</b>	<b>(14,822,762)</b>	<b>(13,875,819)</b>
<b>INVESTING ACTIVITIES</b>		
Purchase of investments	(27,771,578)	(57,102,678)
Disposal of investments	7,135,000	44,547,993
<b>Net change in cash from investing activities</b>	<b>(20,636,578)</b>	<b>(12,554,685)</b>
<b>FINANCING ACTIVITIES</b>		
Long term debt issued	1,478,242	5,531,761
Debt principal repayments	(1,523,704)	(1,258,041)
Short term advances	4,930,976	-
<b>Net change in cash from financing activities</b>	<b>4,885,514</b>	<b>4,273,720</b>
<b>NET CHANGE IN CASH</b>	<b>(2,232,230)</b>	<b>(1,404,612)</b>
<b>CASH - beginning of year</b>	<b>5,639,486</b>	<b>7,044,098</b>
<b>CASH - end of year</b>	<b>3,407,256</b>	<b>5,639,486</b>

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

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
For the Year Ended December 31, 2020**

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The County of Northumberland is an upper tier municipality in the Province of Ontario, Canada. It conducts its operations guided by the provisions of provincial statutes such as the Municipal Act, Municipal Affairs Act and related legislation.

**1. SIGNIFICANT ACCOUNTING POLICIES**

These consolidated financial statements have been prepared in accordance with the standards in the Chartered Professional Accountants Canada Public Sector Accounting (PSA) Handbook. Significant aspects of the accounting policies are as follows:

**(a) Reporting Entity**

These consolidated financial statements reflect the assets, liabilities, revenues and expenses and accumulated surplus of the reporting entity.

The reporting entity is comprised of all organizations, committees and local boards accountable for the administration of their financial affairs and resources to the County and which are owned and controlled by the County. These consolidated financial statements include:

- Northumberland County Housing Corporation

All interfund assets and liabilities and revenues and expenses are eliminated.

**(b) Tangible Capital Assets**

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. Initial costs for tangible capital assets that were acquired or developed prior to 2009 were obtained using historical cost information or using current fair market values discounted by a relevant inflation factor to the point of acquisition. The cost, less residual value, if any, of tangible capital assets is amortized on a straight-line basis, over the expected useful life of the asset, as follows:

Land improvements	10 years
Buildings	50 years
Roads and bridges	20 to 75 years
Equipment and computers	5 to 20 years
Vehicles	5 to 10 years

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

Tangible capital assets categorized as assets under construction are not amortized until they are put into service.

**(c) Non-financial Assets**

Tangible capital and other non-financial assets are accounted for as assets by the County because they can be used to provide services in future periods. These assets do not normally provide resources to discharge the liabilities of the County unless they are sold.

**(d) Reserves**

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

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
For the Year Ended December 31, 2020**

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**1. SIGNIFICANT ACCOUNTING POLICIES, continued**

**(e) Recognition of Revenues and Expenses**

Revenues and expenses are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues in the period in which the transactions or events occurred that give rise to the revenue; expenses are recognized in the period the goods or services are acquired and a legal liability is incurred or transfers are due.

**Taxation**

The County establishes the tax rates annually based on the amount required to be raised. These tax rates are used to levy amounts to the lower tier municipalities are based on their annual assessment. Adjustments to the lower tier levy amounts for additions to and reductions in assessment are reported in the consolidated financial statements when amounts can be reasonably determined.

**Government funding and other grants**

Government funding and other grants are recognized in the financial statements as revenues in the period in which events giving rise to the transfers occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made.

**Other revenue**

Fines levied under the Provincial Offenses Act 1997 are recognized when the funds are received. (see note 12).

User charges and rents are recognized as revenue in the year the goods and services are provided, with the exception of permits that are recognized when the permits are issued.

Investment income is recorded when earned.

Federal gas tax and development charges are recognized in the period in which the related expenditures are recorded.

**(f) Use of Estimates**

Certain items recognized in the consolidated financial statements are subject to measurement uncertainty. The recognized amounts of such items are based on the County's best information and judgment. By their nature, these estimates are subject to measurement uncertainty and the effect on the consolidated financial statements or changes in such estimates in future periods could be significant. The County's significant estimates include:

- The amounts recorded for landfill closure and post-closure care depend on estimates of usage, remaining life and capacity. The provision for future closure and post-closure costs also depends on estimates of such costs;
  - The amounts recorded for amortization of tangible capital assets are based on estimates of useful life and residual values;
  - The values of employee future benefits depend on certain actuarial and economic assumptions; and
  - The amount recorded as allowance for doubtful accounts receivable is based on management's estimate of future payments on receivable account balances.
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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
For the Year Ended December 31, 2020**

**1. SIGNIFICANT ACCOUNTING POLICIES, continued**

(g) Trust Funds

Trust funds and their related operations administered by the County are not included in these consolidated financial statements but are reported on separately on the Trust Funds Statement of Continuity and Statement of Financial Position.

**2. TRUST FUNDS**

Trust funds administered by the County amounting to \$155,187 (2019 - \$151,896) have not been included in the Consolidated Statement of Financial Position nor have their operations been included in the Consolidated Statement of Operations and Accumulated Surplus. As such balances are held in trust by the County for the benefit of others, they are not presented as part of the County's financial position or operations.

**3. INVESTMENTS**

Investments are recorded at cost and are comprised of the following:

	2020 \$	2019 \$
Eastern Ontario Wardens' Caucus Inc.	334,433	501,650
BNS Investment high interest savings account	35,490,563	34,369,194
ONE Investment high interest savings account	6,784	6,693
Renaissance high interest savings account and investment cash account.	217,635	30,576
Corporate bonds bearing interest, rates between 2.57% and 4.86%, maturing between April 23, 2021 and January 26, 2032.	46,388,759	26,893,483
	<b>82,438,174</b>	<b>61,801,596</b>

**4. CREDIT FACILITY AGREEMENT**

The County has a revolving credit facility agreement with its main financial institution. The amount available at any time is limited to \$10,000,000 via an operating loan. Any balance borrowed will accrue interest at the bank's prime lending rate less 0.85% per annum. Council authorized the temporary borrowing limit by by-law 2020-01. At December 31, 2020 there was no balance outstanding (2019 - \$Nil).

**5. SHORT TERM ADVANCES**

During 2020, the County signed a financing agreement with Ontario Infrastructure and Lands Corporation (OILC) to provide advances for the construction of the new Golden Plough Lodge. Total available OILC financing is \$96,770,321. The advances will be moved to long term debt when construction is complete. Advances received during the year totaled \$4,930,976.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2020**

**6. DEFERRED REVENUE - OBLIGATORY RESERVE FUNDS**

A requirement of the Chartered Professional Accountants Canada Public Sector Accounting Handbook, is that obligatory reserve funds be reported as deferred revenue. This requirement is in place as legislation and external agreements restrict how these funds may be used and under certain circumstances these funds may possibly be refunded. The balances in the obligatory reserve funds of the County are summarized below:

	2020 \$	2019 \$
Federal gas tax	2,152,797	2,626,984
Development charges	20,636	-
	<b>2,173,433</b>	<b>2,626,984</b>

The continuity of deferred revenue - obligatory reserve funds is as follows:

	2020 \$	2019 \$
Balance - beginning of year	2,626,984	-
Add amounts received:		
Federal gas tax	2,581,705	5,230,998
Development charges	177,386	-
Interest	25,813	26,130
	<b>2,784,904</b>	<b>5,257,128</b>
Less transfer to operations:		
Federal gas tax earned	3,081,705	2,630,144
Development charges earned	156,750	-
	<b>3,238,455</b>	<b>2,630,144</b>
Balance - end of year	<b>2,173,433</b>	<b>2,626,984</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
For the Year Ended December 31, 2020**

**7. LONG TERM DEBT**

- (a) The balance of long term debt reported on the Consolidated Statement of Financial Position is made up of the following:

	2020 \$	2019 \$
Ontario Infrastructure and Lands Corporation due December 3, 2023, repayable in blended semi-annual instalments of \$70,528, and bears interest at 3.07% per annum.	401,332	527,162
Ontario Strategic Infrastructure Financing Authority due March 15, 2028, repayable in blended semi-annual instalments of \$89,862 and bears interest at 4.92% per annum.	1,115,898	1,236,261
Ontario Infrastructure Projects Corporation due September 1, 2022, repayable in blended semi-annual instalments of \$266,865 and bears interest of 2.27% per annum.	1,037,844	1,539,459
Ontario Infrastructure Projects Corporation due September 4, 2035, repayable in blended semi-annual instalments of \$90,923 and bears interest at 4.51% per annum.	1,966,726	2,056,814
Ontario Infrastructure Projects Corporation due May 4, 2020, repayable in blended semi-annual instalments of \$76,095 and bears interest at 4.15% per annum.	-	74,547
Ontario Infrastructure Projects Corporation due September 1, 2027, repayable in blended semi-annual instalments of \$68,560 and bears interest of 2.78% per annum.	866,786	977,497
Ontario Infrastructure and Lands Corporation due September 16, 2029, repayable in blended semi-annual instalments of \$81,259 and bears interest at 2.19% per annum.	1,320,999	1,452,424
Ontario Infrastructure and Lands Corporation due September 16, 2029, repayable in blended semi-annual instalments of \$228,226 and bears interest at 2.19% per annum.	3,710,213	4,079,338
Ontario Infrastructure and Lands Corporation due December 1, 2030, repayable in blended semi-annual instalments of \$84,821 and bears interest at 1.48% per annum.	1,478,242	-
	<b>11,898,040</b>	<b>11,943,502</b>

- (b) The long term debt in (a) issued in the name of the County have been approved by by-law. The annual principal and interest payments required to service these liabilities are within the annual debt repayment limit prescribed by the Ministry of Municipal Affairs and Housing.



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
For the Year Ended December 31, 2020**

**7. LONG TERM DEBT, continued**

(c) Interest paid during the year on long term debt amounted to \$344,837 (2019 - \$264,872).

(d) The long term debt reported in (a) of this note is repayable as follows:

	Principal \$	Interest \$	Total \$
2021	1,636,549	325,051	1,961,600
2022	1,677,314	282,098	1,959,412
2023	1,182,560	240,935	1,423,495
2024	1,071,453	208,841	1,280,294
2025	1,099,131	178,932	1,278,063
	6,667,007	1,235,857	7,902,864
2026 to 2030	4,425,100	452,773	4,877,873
2031 and subsequent years	805,933	103,296	909,229
	11,898,040	1,791,926	13,689,966

**8. LANDFILL CLOSURE AND POST-CLOSURE LIABILITY**

The estimated liability for landfill closure and post-closure costs for the County's one operational site and the eight closed sites that the County has obtained from the lower tier municipalities by way of a settlement process (see Note 17) is \$28,793,700 (2019 - \$28,134,648). The closure costs include final cover, vegetation and additional monitoring wells. Post-closure costs include monitoring, maintenance of control systems and consulting fees for 25 years after the site is closed. The landfill closure and post-closure liability will be funded from taxation. There are no specific assets designated for settling this liability.

The reported liability is based upon estimates and assumptions with respect to events extending over the remaining life of the landfill. The total discounted future cash flows for closure and post-closure cost is estimated at \$34,244,799 as at December 31, 2020 (2019 - \$32,907,859) using a discount factor of 2.2% and an inflation rate of 1.7%.

The remaining capacity of the one operational landfill site is estimated at 373,998 m<sup>3</sup> (2019 - 444,997 m<sup>3</sup>) which is 29.7% (2019 - 32.5%) of the site's total capacity. The County estimates the site will continue to operate until 2030.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
For the Year Ended December 31, 2020**

**9. EMPLOYEE FUTURE BENEFITS LIABILITY**

Under the Workplace Safety and Insurance Board (WSIB), the County is self-insured (Schedule II) and remits payments to the WSIB as required to fund disability payments. The liability recorded of \$2,458,376 (2019 - \$2,243,207) has been determined by an actuarial review completed as of December 31, 2017. This liability is fully funded by a reserve set aside for this purpose and reported as part of the employee health, safety and related costs reserve as reported in the Accumulated Surplus note.

The liability is comprised of the following amounts:

	2020 \$	2019 \$
Accrued benefit obligation	2,714,358	2,519,574
Unamortized actuarial gains/(losses)	(255,982)	(276,367)
	<b>2,458,376</b>	<b>2,243,207</b>

The actuarial report for the WSIB liability was based on the following assumptions:

Interest discount rate	3.75%
WSIB administration and physician fees	38% of benefit costs
Expected level of employee cost increases	1.01%
Expected average remaining service life	9.96 years

The continuity of the WSIB liability is as follows:

	2020 \$	2019 \$
Accrued benefit obligation at January 1	2,519,574	2,330,513
Unamortized actuarial losses	(276,367)	(296,752)
Liability at January 1	2,243,207	2,033,761
Current year benefit cost	404,430	392,386
Interest	96,330	89,265
Amortization of actuarial loss/(gain) (amortized over the expected average remaining service life)	20,385	20,385
Less: benefit payments	(305,976)	(292,590)
Liability at December 31	<b>2,458,376</b>	<b>2,243,207</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2020**

**10. TANGIBLE CAPITAL ASSETS**

The net book value of the County's tangible capital assets are:

	2020	2019
	\$	\$
General		
Land	14,295,087	14,170,087
Land improvements	4,111,398	4,077,407
Buildings	22,960,713	22,592,355
Equipment and computers	15,987,079	6,824,498
Vehicles	5,632,423	5,987,966
Infrastructure		
Roads and bridges	106,027,516	104,966,086
	169,014,216	158,618,399
Assets under construction	14,748,484	19,252,698
	183,762,700	177,871,097

For additional information, see the Consolidated Schedule of Tangible Capital Assets.

During the year there were no write-downs of assets (2019 - \$Nil) and no interest capitalized (2019 - \$Nil).

Tangible capital assets allocated by segment are as follows:

	2020	2019
	\$	\$
General government	17,761,846	17,886,758
Protection services	101,163	110,559
Transportation services	113,701,727	111,330,886
Environmental services	32,486,829	32,579,722
Health services	2,308,219	1,656,483
Social and family services	9,224,921	5,141,880
Social housing	5,818,909	6,588,483
Economic development, tourism and forest	2,359,086	2,576,326
	183,762,700	177,871,097



# CORPORATION OF THE COUNTY OF NORTHUMBERLAND



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2020

### 11. ACCUMULATED SURPLUS

(a) Accumulated surplus consists of the following:

	2020	2019
	\$	\$
<b>Surplus/(Deficit)</b>		
Unfunded landfill closure and post-closure liability	(28,793,700)	(28,134,648)
Unfunded employee future benefits liability	(2,458,376)	(2,243,207)
Unfunded operating costs	(65,136)	-
	(31,317,212)	(30,377,855)
<b>Invested In Capital Assets</b>		
Tangible capital assets - net book value	183,762,700	177,871,097
Long term debt	(11,898,040)	(11,943,502)
Unfunded capital - GPL rebuild (b)	(4,027,969)	-
Unfunded capital - Other	(7,780)	(1,078,193)
Unfunded capital - Northumberland County Housing Corporation	(115,851)	-
	167,713,060	164,849,402
<b>Surplus</b>	136,395,848	134,471,547
<b>Reserves</b>		
Working funds	821,274	821,275
Corporate services	22,069,685	14,985,661
Transportation services	12,368,654	11,920,881
Waste services	4,774,273	4,381,418
Social services	685,669	715,903
Social housing	12,345,013	11,116,089
Golden Plough Lodge	6,853,903	5,377,053
Ambulance services	1,270,131	1,771,075
Technological development	884,881	1,456,379
Emergency planning	300,050	295,050
Employee health, safety and related costs	3,902,693	3,984,235
Facilities	2,177,960	1,725,645
Economic development, tourism and forest	257,138	316,724
Plumbing and septic inspections	233,001	214,153
Land use planning	258,779	254,589
<b>Total Reserves</b>	69,203,104	59,336,130
	205,598,952	193,807,677

(b) Unfunded capital for the Golden Plough Lodge (GPL) rebuild will be funded with long term debt when the project is complete.

# CORPORATION OF THE COUNTY OF NORTHUMBERLAND



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2020

### 12. PROVINCIAL OFFENCES OFFICES

As a result of the provincial-municipal restructuring under Bill 108, streamlining of administration of Provincial Offences Act ("POA") 1997, the County has assumed responsibility and administration of the POA office and courts.

Revenues from the POA office consists of fines levied under Part I and III (including delay penalties) for POA charges filed at 860 William Street in Cobourg. Offenders may pay their fines at any court office in Ontario, at which time, their receipt is recorded in the Integrated Courts Operations Network system ("ICON") operated by the Province of Ontario. The County of Northumberland recognizes fine revenue when the receipt of funds is recorded by ICON and matched to the offence notice, regardless of the location where payment is made.

Revenues and expenses related to these operations have been reported as follows:

	2020 \$	2019 \$
Gross revenues	831,423	1,550,320
Provincial Safe Restart funding	661,432	-
Operating costs and allocated charges	(1,005,700)	(1,144,731)
Net County revenue used to reduce tax levy	487,155	405,589

### 13. EXPENSES BY OBJECT

The expenses for the year reported on the Consolidated Statement of Operations and Accumulated Surplus by object are as follows:

	Budget 2020 \$ (Unaudited)	Actual 2020 \$	Actual 2019 \$
Salaries and benefits	44,443,759	44,608,243	41,920,300
Interest charges	495,752	344,837	264,872
Materials	16,168,986	15,307,637	17,435,867
Contracted services	18,796,655	17,720,349	20,723,607
Rents and financial	151,130	213,754	114,551
External transfers	22,872,828	20,223,842	22,374,954
Amortization	8,800,000	8,988,101	8,759,403
	111,729,110	107,406,763	111,593,554

# CORPORATION OF THE COUNTY OF NORTHUMBERLAND



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2020

### 14. BUDGET FIGURES

The budget, approved by the County, for 2020 is reflected on the Consolidated Statement of Operations and Accumulated Surplus and the Consolidated Statement of Change in Net Financial Assets. The budget established for capital investment in tangible capital assets are on a project-oriented basis, the costs of which may be carried out over one or more years and, therefore, may not be comparable with current year's actual amounts. Budget figures have been reclassified for the purposes of these financial statements to comply with PSA reporting requirements. Budget figures are not subject to audit.

The following is a reconciliation of the Council approved budget amounts to the PSA amounts:

	(Unaudited) Revenue \$	(Unaudited) Expenses \$
Council approved budget:		
Operating and capital	140,400,000	140,400,000
Total Council approved budget	140,400,000	140,400,000
Less: Tangible capital assets capitalized	-	(29,881,922)
Add: Amortization of tangible capital assets	-	8,800,000
Less: Long term debt proceeds	(8,824,005)	-
Less: Principal repayment of long term debt	-	(1,501,356)
Less: Net transfers to/from reserves	(13,906,334)	(6,731,349)
Less: Change in unfunded liabilities	-	800,000
Revenues and expenses reclassified for financial reporting	(156,263)	(156,263)
Adjusted budget per Consolidated Statement of Operations	117,513,398	111,729,110

### 15. PENSION AGREEMENTS

Certain employees of the County are eligible members of the Ontario Municipal Employees Retirement System (OMERS), a multi-employer pension plan.

The Actuarial Opinion contained in the 2020 Annual Report disclosed total actuarial liabilities of \$113,055 million in respect of benefits accrued for service with actuarial assets of \$109,844 million indicating an actuarial deficit of \$3,211 million. Because OMERS is a multi-employer plan, any pension plan surpluses or deficits are a joint responsibility of Ontario municipal organizations and their employees. As a result, the County does not recognize any share of the OMERS pension surplus or deficit.

The County's required contributions to OMERS in 2020 were \$2,833,850 (2019 - \$2,746,069).

### 16. CONTINGENT LIABILITIES

The County, in the course of its operations, is often named in lawsuits the outcomes of which are indeterminable at this time. No amounts in connection with these items have been reflected in these financial statements.



**17. COMMITMENTS**

The County assumed the assets and liabilities of the waste management systems of the lower tier municipalities on January 1, 1991 according to by-law 24-90. This by-law was passed pursuant to subsection 209(a) of the Municipal Act of the Province of Ontario which required the County to pay or to receive from the lower tier municipalities' compensation based upon the discounted future cash flows of the landfill site. The County is involved with ongoing negotiations with respect to the settlements for further sites.

Prior to December 31, 2020, the County entered into several contracts related to the Golden Plough Lodge rebuild. The total of the contract commitments is \$92,853,752 plus HST. \$5,577,727 plus HST has been incurred related to these contracts to December 31, 2020.

**18. SEGMENTED INFORMATION**

The County of Northumberland is a municipal government organization that provides a range of services to its residents. County services are reported by function and their activities are separately disclosed in the segmented information.

For each reported segment, revenues and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated to the segment. Certain allocation methodologies are employed in the preparation of segmented financial information. Taxation levied to lower tiers is allocated based on each segment's net requirements. Internal transfers include the following: 1) Actual wages and benefits expenses for governance, corporate management and information technologies that are allocated based on the segment's proportionate share as determined by head count, revenue and number of computers; and 2) Actual occupancy costs that are allocated based on the segment's proportionate share of the square footage of the County buildings.

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

**General Government**

General government consists of the activities of Council and general financial and administrative management of the County and its programs and services including contributions to the Municipal Property Assessment Corporation.

**Protection Services**

Protection services includes emergency measures, plumbing and septic inspections and Provincial Offences Act charges.

**Transportation Services**

The activities of the transportation function includes maintenance and winter control of the County's roads and bridges.

**Environmental Services**

The environmental function is responsible for providing waste collection, waste disposal and recycling services to ratepayers.

**18. SEGMENTED INFORMATION, continued**

**Health Services**

The health services function consists of land ambulance services and contributions to the local health unit.

**Social and Family Services**

The social and family services consist of general assistance to inhabitants, homes for the aged and child care services for the County.

**Social Housing**

The social housing services provides affordable housing to qualified inhabitants of the County and includes the operations of the Northumberland County Housing Corporation.

**Economic Development, Tourism and Forest**

The function includes economic development and tourism operations and maintenance of the County forests.

**19. SOCIAL HOUSING**

The Northumberland County Housing Corporation was incorporated under Part III of The Ontario Business Corporations Act in response to the Province's overall initiative to devolve Social Housing to local municipalities. The Corporation currently provides subsidized housing to its tenants and their families.

As the Service Manager, the County is now the sole shareholder of the Corporation.

On January 1, 2001 the Ontario Housing Corporation transferred 14 properties and certain head office assets to the Corporation. The properties transferred carried the following restriction:

"The properties cannot be transferred or mortgaged or otherwise encumbered, developed or redeveloped .... or disposed of by any person without prior consent of the Minister of Municipal Affairs and Housing."

**20. COMPARATIVE FIGURES**

Certain comparative figures were restated, where required, to conform with the current year presentation.

**21. UNCERTAINTY CAUSED BY COVID-19**

In March 2020, the World Health Organization categorized COVID-19 as a pandemic. The potential economic effects within the County's environment and in the global markets, possible disruption in supply chains, and measures being introduced at various levels of government to curtail the spread of the virus (such as travel restrictions, closures of non-essential municipal and private operations, imposition of quarantines and social distancing) could have a material impact on the County's operations. The extent of the impact of this outbreak and related containment measures on the County's operations cannot be reliably estimated at this time.

# CORPORATION OF THE COUNTY OF NORTHUMBERLAND

## CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS For the Year Ended December 31, 2020



	General					Infrastructure		
	Land \$	Land Improvements \$	Buildings \$	Equipment and Computers \$	Vehicles \$	Roads and Bridges \$	Assets Under Construction \$	Totals \$
<b>COST</b>								
Balance, beginning of year	14,170,087	4,757,866	59,050,071	17,984,830	14,970,958	188,553,243	19,252,698	318,739,753
Add: additions during the year	-	194,422	981,174	1,258,925	867,578	5,682,260	6,097,389	15,081,748
Less: disposals during the year	-	-	-	574,838	285,745	2,806,531	126,758	3,793,872
Internal transfers	125,000	6,528	1,273,618	9,069,699	-	-	(10,474,845)	-
Balance, end of year	14,295,087	4,958,816	61,304,863	27,738,616	15,552,791	191,428,972	14,748,484	330,027,629
<b>ACCUMULATED AMORTIZATION</b>								
Balance, beginning of year	-	680,459	36,457,716	11,160,332	8,982,992	83,587,157	-	140,868,656
Add: additions during the year	-	166,959	1,886,434	1,153,221	1,223,121	4,558,366	-	8,988,101
Less: disposals during the year	-	-	-	562,016	285,745	2,744,067	-	3,591,828
Balance, end of year	-	847,418	38,344,150	11,751,537	9,920,368	85,401,456	-	146,264,929
<b>NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS</b>	14,295,087	4,111,398	22,960,713	15,987,079	5,632,423	106,027,516	14,748,484	183,762,700



# CORPORATION OF THE COUNTY OF NORTHUMBERLAND



## CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE For the Year Ended December 31, 2020

	General Government \$	Protection Services \$	Transportation Services \$	Environmental Services \$	Health Services \$	Social and Family Services \$	Social Housing \$	Economic Development, Tourism and Forest \$	Consolidated \$
<b>Revenues</b>									
Tax levy from lower tiers	2,172,882	1,179,280	18,102,396	7,951,734	11,536,927	8,921,319	6,168,172	2,740,780	58,773,490
User charges	711,170	473,841	602,563	6,151,128	296,799	3,407,626	67,697	159,789	11,870,613
Government transfers - operating	682,226	1,167,341	(221,236)	497,749	7,056,536	23,184,796	3,749,577	1,031,446	37,148,435
Government transfers - capital	22,260	-	765,441	228,960	-	-	382,654	-	1,399,315
Other municipalities	-	-	817,153	72,499	-	-	-	-	889,652
Provincial Offenses Act - fines	-	831,423	-	-	-	-	-	-	831,423
Investment income	1,132,258	-	-	-	-	-	-	-	1,132,258
Waste Diversion Ontario	-	-	-	1,030,444	-	-	-	-	1,030,444
Rents	760,856	-	-	5,894	-	-	1,782,558	109,255	2,658,563
Developer charges earned	-	-	126,910	4,360	-	16,173	9,307	-	156,750
Federal gas tax earned	-	-	3,081,705	-	-	-	-	-	3,081,705
Gain/(loss) on disposal of tangible capital assets	-	-	(58,723)	554	115,111	-	-	-	56,942
Other revenue	-	-	4,226	1,901	15,453	55,219	-	91,649	168,448
<b>Total revenues</b>	<b>5,481,652</b>	<b>3,651,885</b>	<b>23,220,435</b>	<b>15,945,223</b>	<b>19,020,826</b>	<b>35,585,133</b>	<b>12,159,965</b>	<b>4,132,919</b>	<b>119,198,038</b>
<b>Expenses</b>									
Salaries and benefits	5,963,854	1,226,688	3,818,147	4,141,790	10,722,296	16,561,486	612,548	1,561,434	44,608,243
Interest charges	149,261	-	-	157,568	15,225	22,783	-	-	344,837
Materials	2,663,956	309,262	3,595,600	2,049,143	1,547,915	2,571,173	2,033,982	536,606	15,307,637
Contracted services	2,658,845	1,426,556	3,553,147	7,766,179	61,388	816,641	683,570	754,023	17,720,349
Rents and financial	110,790	13,825	-	-	25,371	1,127	62,641	-	213,754
External transfers	-	-	-	-	2,315,745	11,406,878	5,990,321	510,898	20,223,842
Amortization	817,401	9,396	5,312,251	840,775	616,985	134,328	1,020,391	236,574	8,988,101
Internal transfers	(7,298,057)	766,603	407,162	1,055,377	1,051,278	2,431,238	1,130,715	455,684	-
<b>Total expenses</b>	<b>5,066,050</b>	<b>3,752,330</b>	<b>16,686,307</b>	<b>16,010,832</b>	<b>16,356,203</b>	<b>33,945,654</b>	<b>11,534,168</b>	<b>4,055,219</b>	<b>107,406,763</b>
<b>Net surplus/(deficit)</b>	<b>415,602</b>	<b>(100,445)</b>	<b>6,534,128</b>	<b>(65,609)</b>	<b>2,664,623</b>	<b>1,639,479</b>	<b>625,797</b>	<b>77,700</b>	<b>11,791,275</b>

# CORPORATION OF THE COUNTY OF NORTHUMBERLAND



## CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE For the Year Ended December 31, 2019

	General Government \$	Protection Services \$	Transportation Services \$	Environmental Services \$	Health Services \$	Social and Family Services \$	Social Housing \$	Economic Development, Tourism and Forest \$	Consolidated \$
<b>Revenues</b>									
Tax levy from lower tiers	3,264,273	1,066,905	17,873,186	6,826,554	10,661,835	8,750,156	5,605,946	2,912,546	56,961,401
User charges	503,553	441,617	255,291	5,896,846	31,435	3,610,032	219,289	268,058	11,226,121
Government transfers - operating	725,000	415,424	-	58,648	6,275,071	24,033,824	3,614,949	343,801	35,466,717
Government transfers - capital	-	-	729,632	-	-	-	78,031	-	807,663
Other municipalities	-	-	1,572,166	62,058	-	-	-	-	1,634,224
Provincial Offenses Act - fines	-	1,550,320	-	-	-	-	-	-	1,550,320
Investment income	1,517,957	-	-	-	-	-	-	-	1,517,957
Waste Diversion Ontario	-	-	-	1,142,101	-	-	-	-	1,142,101
Rents	761,390	-	-	5,691	-	-	1,682,499	134,889	2,584,469
Federal gas tax earned	-	-	2,630,144	-	-	-	-	-	2,630,144
Gain/(loss) on disposal of tangible capital assets	6,079	-	(54,704)	32,578	156,866	-	-	-	140,819
Other revenue	195	-	-	-	7,500	16,954	-	119,650	144,299
<b>Total revenues</b>	<b>6,778,447</b>	<b>3,474,266</b>	<b>23,005,715</b>	<b>14,024,476</b>	<b>17,132,707</b>	<b>36,410,966</b>	<b>11,200,714</b>	<b>3,778,944</b>	<b>115,806,235</b>
<b>Expenses</b>									
Salaries and benefits	5,714,892	1,130,756	3,955,299	4,059,027	9,842,807	14,941,220	595,748	1,680,551	41,920,300
Interest charges	125,112	2,051	-	93,733	19,001	24,975	-	-	264,872
Materials	2,600,984	311,664	4,601,280	3,384,101	1,040,586	2,706,447	2,134,521	656,284	17,435,867
Contracted services	2,492,065	1,340,634	3,234,685	11,881,632	49,019	651,500	649,246	424,826	20,723,607
Rents and financial	43,868	12,293	-	-	28,152	(119)	30,357	-	114,551
External transfers	2,000	-	-	-	2,094,792	14,781,460	5,416,702	80,000	22,374,954
Amortization	745,528	9,396	5,144,465	607,073	578,638	120,104	1,158,668	395,531	8,759,403
Internal transfers	(6,092,033)	636,329	68,737	1,048,998	1,011,024	2,038,387	880,887	407,671	-
<b>Total expenses</b>	<b>5,632,416</b>	<b>3,443,123</b>	<b>17,004,466</b>	<b>21,074,564</b>	<b>14,664,019</b>	<b>35,263,974</b>	<b>10,866,129</b>	<b>3,644,863</b>	<b>111,593,554</b>
<b>Net surplus/(deficit)</b>	<b>1,146,031</b>	<b>31,143</b>	<b>6,001,249</b>	<b>(7,050,088)</b>	<b>2,468,688</b>	<b>1,146,992</b>	<b>334,585</b>	<b>134,081</b>	<b>4,212,681</b>

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## **INDEPENDENT AUDITOR'S REPORT**

### **To the Members of Council, Inhabitants and Ratepayers of the Corporation of the County of Northumberland**

#### *Qualified Opinion*

We have audited the financial statements of the Trust Funds of the Corporation of the County of Northumberland (the Trust Funds), which comprise the statement of financial position as at December 31, 2020, the statement of continuity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Trust Funds as at December 31, 2020, and the continuity of the Trust Funds for the year then ended in accordance with Canadian Public Sector Accounting Standards.

#### *Basis for Qualified Opinion*

In common with many municipal trust funds, the completeness of the revenue derived from residents is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Trust Funds and we were not able to determine whether any adjustments might be necessary to resident receipts, assets and fund balances at the end of the year.

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 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 qualified opinion.

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

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust 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.

***Baker Tilly KDN LLP***

Chartered Professional Accountants  
Licensed Public Accountants

Peterborough, Ontario  
June 16, 2021

**CORPORATION OF THE COUNTY OF  
NORTHUMBERLAND**



**TRUST FUNDS  
STATEMENT OF FINANCIAL POSITION  
At December 31, 2020**

	Blacklock Bequest \$	Safekeeping Pensioners \$	2020 Total \$	2019 Total \$
<b>FINANCIAL ASSETS</b>				
Cash	669	36,469	37,138	34,946
Investment (note 3)	118,049	-	118,049	116,950
	118,718	36,469	155,187	151,896
<b>FUND BALANCES</b>				
Due to Residents	-	36,469	36,469	34,284
Bequests	118,718	-	118,718	117,612
	118,718	36,469	155,187	151,896

**TRUST FUNDS  
STATEMENT OF CONTINUITY  
For the Year Ended December 31, 2020**

	Blacklock Bequest \$	Safekeeping Pensioners \$	2020 Total \$	2019 Total \$
<b>BALANCES - beginning of year</b>	117,612	34,284	151,896	143,602
<b>RECEIPTS</b>				
Residents' contributions	-	27,287	27,287	56,243
Interest earned	1,106	-	1,106	2,150
	1,106	27,287	28,393	58,393
<b>EXPENSES</b>				
Residents' personal costs	-	25,102	25,102	50,099
<b>BALANCES - end of year</b>	118,718	36,469	155,187	151,896

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

**TRUST FUNDS  
NOTES TO THE FINANCIAL STATEMENTS  
For the Year Ended December 31, 2020**

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**1. PURPOSE OF TRUST FUNDS**

The County is required, under Section 241 of Ontario Regulation 79/10 as prescribed by the Long-Term Care Homes Act, 2007, to maintain a trust fund to manage the funds of the residents of the County's home for the aged.

The Blacklock bequest was created by a donation and is for the use of the County's Long Term Care Home called the Golden Plough Lodge.

**2. SIGNIFICANT ACCOUNTING POLICIES**

These financial statements have been prepared in accordance with the standards in the Chartered Professional Accountants Canada Public Sector Accounting (PSA) Handbook.

**(a) Basis of Accounting**

Revenue and expenses are reported on the accrual basis of accounting which recognizes revenues as they become available and measurable; expenses 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.

**(b) Use of Estimates**

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the period and are based on the County's best information and judgment. Actual results could differ from these estimates.

**3. INVESTMENT**

The investment is recorded at cost plus accrued interest and has been invested in a Renaissance high interest savings account SR F (5001) with CIBC Wood Gundy.





**CORPORATION OF THE COUNTY OF  
NORTHUMBERLAND**

**NORTHUMBERLAND COUNTY HOUSING CORPORATION**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2020**

**Baker Tilly KDN LLP**  
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## **INDEPENDENT AUDITOR'S REPORT**

**To the Members of the Northumberland County Housing Corporation, the Members of Council, Inhabitants and Ratepayers of the Corporation of the County of Northumberland**

### *Opinion*

We have audited the financial statements of the Northumberland County Housing Corporation of the Corporation of the County of Northumberland (the Corporation), which comprise the statement of financial position as at December 31, 2020, the statements of operations and accumulated surplus, change in net financial assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as at December 31, 2020, and the results of its operations and cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

### *Basis for Opinion*

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Corporation 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 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 Corporation'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 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.

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 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 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.

***Baker Tilly KDN LLP***

Chartered Professional Accountants  
Licensed Public Accountants

Peterborough, Ontario  
June 16, 2021

# CORPORATION OF THE COUNTY OF NORTHUMBERLAND



## NORTHUMBERLAND COUNTY HOUSING CORPORATION STATEMENT OF FINANCIAL POSITION At December 31, 2020

	2020 \$	2019 \$
<b>FINANCIAL ASSETS</b>		
Accounts receivable	68,955	86,261
Due from County (note 5)	2,301,073	1,332,303
<b>TOTAL FINANCIAL ASSETS</b>	2,370,028	1,418,564
<b>LIABILITIES</b>		
Accounts payable	88,943	61,466
Deferred revenue	23,270	26,768
<b>TOTAL LIABILITIES</b>	112,213	88,234
<b>NET FINANCIAL ASSETS</b>	2,257,815	1,330,330
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (note 3)	5,302,402	6,059,476
<b>ACCUMULATED SURPLUS (note 4)</b>	7,560,217	7,389,806

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



# CORPORATION OF THE COUNTY OF NORTHUMBERLAND



## NORTHUMBERLAND COUNTY HOUSING CORPORATION STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS For the Year Ended December 31, 2020

	Budget 2020 \$ (Unaudited)	Actual 2020 \$	Actual 2019 \$
<b>REVENUES</b>			
County contributions (note 5)	2,003,604	2,934,378	1,532,530
Government of Canada	30,000	30,000	-
Province of Ontario	140,000	71,377	-
Rent	1,567,000	1,782,558	1,682,499
Recovery of expenses	-	31,702	183,342
Other	39,000	30,795	35,947
<b>TOTAL REVENUES</b>	<b>3,779,604</b>	<b>4,880,810</b>	<b>3,434,318</b>
<b>EXPENSES</b>			
Insurance	59,385	61,067	53,895
Professional fees	55,885	44,981	41,926
Utilities	631,395	610,553	593,059
Property tax	512,152	505,753	496,934
Repairs and maintenance	805,630	920,366	900,632
Major repairs	640,000	265,280	335,855
Bad debts	20,000	62,641	30,357
Internal chargebacks			
Allocated administrative services (note 5)	120,836	472,051	48,740
Allocated maintenance services (note 5)	704,320	747,316	605,055
Amortization	1,020,000	1,020,391	1,158,668
<b>TOTAL EXPENSES</b>	<b>4,569,603</b>	<b>4,710,399</b>	<b>4,265,121</b>
<b>ANNUAL SURPLUS/(DEFICIT)</b>	<b><u>(789,999)</u></b>	<b>170,411</b>	<b>(830,803)</b>
<b>ACCUMULATED SURPLUS - beginning of year</b>		<b>7,389,806</b>	<b>8,220,609</b>
<b>ACCUMULATED SURPLUS - end of year</b>		<b>7,560,217</b>	<b>7,389,806</b>

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

# CORPORATION OF THE COUNTY OF NORTHUMBERLAND

## NORTHUMBERLAND COUNTY HOUSING CORPORATION STATEMENT OF CHANGE IN NET FINANCIAL ASSETS For the Year Ended December 31, 2020



	Budget 2020 \$ (Unaudited)	Actual 2020 \$	Actual 2019 \$
<b>ANNUAL SURPLUS/(DEFICIT)</b>	(789,999)	170,411	(830,803)
Amortization of tangible capital assets	1,020,000	1,020,391	1,158,668
Acquisition of tangible capital assets	(660,640)	(263,317)	(204,193)
<b>INCREASE/(DECREASE) IN NET FINANCIAL ASSETS</b>	(430,639)	927,485	123,672
<b>NET FINANCIAL ASSETS - beginning of year</b>	1,330,330	1,330,330	1,206,658
<b>NET FINANCIAL ASSETS - end of year</b>	899,691	2,257,815	1,330,330

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

# CORPORATION OF THE COUNTY OF NORTHUMBERLAND

## NORTHUMBERLAND COUNTY HOUSING CORPORATION STATEMENT OF CASH FLOWS For the Year Ended December 31, 2020



	2020 \$	2019 \$
<b>CASH PROVIDED BY (USED IN)</b>		
<b>OPERATING ACTIVITIES</b>		
Annual surplus/(deficit)	170,411	(830,803)
Items not involving cash		
Amortization of tangible capital assets	1,020,391	1,158,668
Change in non-cash assets and liabilities		
Accounts receivable	17,306	(3,853)
Due from County	(968,770)	(185,365)
Accounts payable	27,477	61,466
Deferred revenue	(3,498)	4,080
Net change in cash from operating activities	263,317	204,193
<b>CAPITAL ACTIVITIES</b>		
Acquisition of tangible capital assets	(263,317)	(204,193)
<b>NET CHANGE IN CASH</b>	<b>-</b>	<b>-</b>

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

**1. SIGNIFICANT ACCOUNTING POLICIES**

These financial statements have been prepared in accordance with the standards in the Chartered Professional Accountants Canada Public Sector Accounting (PSA) Handbook. Significant aspects of the accounting policies adopted by the Corporation are as follows:

**(a) Recognition of Revenue and Expenses**

Revenue and expenses are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenue in the period in which the transactions of events occurred that give rise to the revenue; expenses are recognized in the period the goods or services are acquired and a legal liability is incurred or transfers are due.

Government funding is recognized in the financial statements as revenues in the period in which events giving rise to the transfers occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made.

Rents are recognized as revenue in the period earned.

**(b) Use of Estimates**

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the period and are based on the Corporation's best information and judgment. Actual results could differ from these estimates.

Certain items recognized in the financial statements are subject to measurement uncertainty. The recognized amounts of such items are based on the Corporation's best information and judgment. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant. The Corporation's significant estimates include:

- The amounts recorded for amortization of tangible capital assets are based on estimates of useful life and residual values.
- The amount recorded as allowance for doubtful accounts receivable is based on management's estimate of future payments on receivable account balances.
- Allocation of the County's administrative internal chargebacks.



**1. SIGNIFICANT ACCOUNTING POLICIES, continued**

(c) Tangible Capital Assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. Initial costs for tangible capital assets that were acquired or developed prior to 2009 were obtained using historical cost information or using current fair market values discounted by a relevant inflation factor to the point of acquisition. The cost, less residual value, if any, of tangible capital assets is amortized on a straight-line basis, over the expected useful life of the asset, as follows:

Land improvements	10 years
Buildings	50 years
Equipment	5 to 20 years

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

Tangible capital assets categorized as assets under construction are not amortized until they are put into service.

(d) Deferred Revenue

Deferred revenue represents grants, user charges and fees which have been collected but for which the related services have yet to be performed. These amounts will be recognized as revenues in the fiscal year the services are performed.

(e) Non-Financial Assets

Tangible capital assets and other non-financial assets are accounted for as assets by the Corporation because they can be used to provide services in future periods. These assets do not normally provide resources to discharge the liabilities of the Corporation unless they are sold.

(f) Reserves

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

(g) Inter-Entity Transactions

The Northumberland County Housing Corporation is a subsidiary of the County of Northumberland and is consolidated with the County's financial statements.

Allocated costs and recovery of costs are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Unallocated costs are measured at the carrying amount, which is the amount recorded in the records of the County.

# CORPORATION OF THE COUNTY OF NORTHUMBERLAND



## NORTHUMBERLAND COUNTY HOUSING CORPORATION NOTES TO THE FINANCIAL STATEMENTS For the Year Ended December 31, 2020

### 2. UNCERTAINTY CAUSED BY COVID-19

In March 2020, the World Health Organization categorized COVID-19 as a pandemic. The potential economic effects within the Corporation's environment and in the global markets, possible disruption in supply chains, and measures being introduced at various levels of government to curtail the spread of the virus (such as travel restrictions, closures of non-essential municipal and private operations, imposition of quarantines and social distancing) could have a material impact on the Corporation's operations. The extent of the impact of this outbreak and related containment measures on the Corporation's operations cannot be reliably estimated at this time.

### 3. TANGIBLE CAPITAL ASSETS

The net book value of the Corporation's tangible capital assets are:

	Land and Land Improvements \$	Buildings \$	Equipment \$	Assets Under Construction \$	2020 Totals \$	2019 Totals \$
<b>COST</b>						
Balance, beginning of year	1,396,939	26,802,905	131,377	3,256	28,334,477	28,130,284
Add: additions during the year	-	88,531	-	174,786	263,317	204,193
Balance, end of year	1,396,939	26,891,436	131,377	178,042	28,597,794	28,334,477
<b>ACCUMULATED AMORTIZATION</b>						
Balance, beginning of year	74,585	22,197,132	3,284	-	22,275,001	21,116,333
Add: additions during the year	20,989	991,063	8,339	-	1,020,391	1,158,668
Balance, end of year	95,574	23,188,195	11,623	-	23,295,392	22,275,001
<b>NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS</b>	1,301,365	3,703,241	119,754	178,042	5,302,402	6,059,476

# CORPORATION OF THE COUNTY OF NORTHUMBERLAND

## NORTHUMBERLAND COUNTY HOUSING CORPORATION NOTES TO THE FINANCIAL STATEMENTS For the Year Ended December 31, 2020



### 4. ACCUMULATED SURPLUS

Accumulated surplus consists of the following:

	2020	2019
	\$	\$
<b>Invested In Capital Assets</b>		
Tangible capital assets - net book value	5,302,402	6,059,476
Unfunded capital	(115,851)	-
<b>Surplus</b>	<b>5,186,551</b>	<b>6,059,476</b>
<b>Reserve</b>		
Operations	2,373,666	1,330,330
	<b>7,560,217</b>	<b>7,389,806</b>

### 5. INTER-ENTITY TRANSACTIONS

During the year, the Corporation entered into transactions with the County of Northumberland.

As part of the budgeting process, the County approves a contribution to the Corporation which is identified on the Statement of Operations and Accumulated Surplus.

Details of the inter-entity expense transactions are as follows:

	2020	2019
	\$	\$
Allocated costs:		
Internal chargebacks - allocated administrative service	472,051	48,740
Internal chargebacks - allocated maintenance services	747,316	605,055
	<b>1,219,367</b>	<b>653,795</b>

In addition, as the Corporation has no employees, the County's Social Housing and administrative support staff spend time on the Corporation's activities. In 2019, the cost of administrative services was not readily available. Commencing in 2020, actual costs are included in the internal chargebacks calculation to reflect the cost of these services.

All balances with the County of Northumberland have been identified on the Statement of Financial Position. Due from (to) balances are unsecured, without interest and have no terms of repayment.

# **CORPORATION OF THE COUNTY OF NORTHUMBERLAND**



## **NORTHUMBERLAND COUNTY HOUSING CORPORATION NOTES TO THE FINANCIAL STATEMENTS For the Year Ended December 31, 2020**

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### **6. BUDGET FIGURES**

The operating budget, approved by the Corporation, for 2020 is reflected on the Statement of Operations and Accumulated Surplus and the Statement of Change in Net Financial Assets. The budgets established for capital investment in tangible capital assets are on a project-oriented basis, the costs of which may be carried out over one or more years and, therefore, may not be comparable with current year's actual expenditure amounts. Budget figures have been reclassified for the purposes of these financial statements to comply with PSA reporting requirements. Budget figures are not subject to audit.



