



Consolidated Financial

Statements Year Ended

December 31, 2022



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The accompanying Consolidated Financial Statements and all other information contained in this Annual Report are the responsibility of the management of The Corporation of the City of Cambridge. The preparation of periodic financial statements involves the use of estimates and approximations because the precise determination of financial information frequently depends on future events. These Consolidated Financial Statements have been prepared by management within the reasonable limits of materiality and within the framework of Canadian generally accepted accounting principles for governments established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

In carrying out its responsibilities, management maintains appropriate systems of internal and administrative controls designed to provide reasonable assurance that transactions are executed in accordance with proper authorization, that assets are properly accounted for and safeguarded, and that financial information produced is relevant and reliable.

Prior to their submission to Council, the Consolidated Financial Statements are reviewed and approved by the Corporate Leadership Team. In addition, management meets periodically with the City's external auditors to approve the scope and timing of their respective audits, to review their findings and to satisfy itself that their responsibilities have been properly discharged.

KPMG LLP, as the City's appointed external auditors have audited the Consolidated Financial Statements. The external auditors have full and free access to management and Council. The Auditors' Report is dated May 30, 2023 and appears on the following pages. Their opinion is based upon an examination conducted in accordance with Canadian generally accepted auditing standards, performing such tests and other procedures as they consider necessary to obtain reasonable assurance that the Consolidated Financial Statements are free of material misstatements and present fairly the financial position and results of operations of the City in accordance with Canadian public sector accounting standards.

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David Calder
City Manager

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Sheryl Ayres, CPA, CGA
Chief Financial Officer



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INDEPENDENT AUDITOR'S REPORT

To the Mayor and Members of Council, Inhabitants and Ratepayers of the Corporation of the City of Cambridge

Opinion

We have audited the consolidated financial statements of the Corporation of the City of Cambridge (the Entity), which comprise:

- the consolidated statement of the financial position as at December 31, 2022
- the consolidated statement of operations and accumulated surplus for the year then ended
- the consolidated statement of change in net financial assets for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the “consolidated financial statements”).

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Entity as at December 31, 2022, and its consolidated results of operations, its changes in consolidated net financial assets, and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the “***Auditor’s Responsibilities for the Audit of the Financial Statements***” section of our auditor’s report.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements

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

We also:

- Identify and assess the 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 Entity's internal control.



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- 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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our 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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group Entity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

Chartered Professional Accountants, Licensed Public Accountants

Kitchener, Canada
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Consolidated Statement of Financial Position
As at December 31, 2022

	2022	2021
Financial assets		
Cash and cash equivalents	\$ 27,855,962	\$ 19,095,963
Taxes and grants-in-lieu receivable (Note 5)	15,357,122	14,248,144
Trade and other receivables (Note 5)	19,579,996	22,394,199
Investments (Note 6)	361,880,405	291,132,528
	424,673,485	346,870,834
Liabilities		
Accounts payable and accrued liabilities	69,568,069	55,612,239
Employee future benefits (Note 7)	77,736,143	74,068,758
Deferred revenue - obligatory reserve funds (Note 8)	81,379,125	54,444,384
Deferred revenue - other	3,964,147	2,062,122
Long-term debt (Note 9)	53,244,200	58,875,960
	285,891,684	245,063,463
Net financial assets	138,781,801	101,807,371
Non-financial assets		
Tangible capital assets (Note 10)	754,445,002	706,158,379
Inventories of supplies	788,360	625,249
Prepaid expenses	1,958,693	1,582,021
	757,192,055	708,365,649
Accumulated surplus (Note 14)	\$ 895,973,856	\$ 810,173,020

Contingent liabilities (Note 12)

Approved by

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The accompanying notes are an integral part of these financial statements

**Consolidated Statement of Operations and Accumulated Surplus
For the year ended December 31, 2022**

	2022 Budget (Note 13)	2022 Actual	2021 Actual (Note 15)
Revenues			
Taxation	\$ 101,496,000	\$ 103,237,789	\$ 97,476,967
User fees and charges	88,465,400	90,860,368	84,245,700
Penalties and interest on taxes	2,550,000	2,819,859	2,902,950
Investment income	1,095,500	2,487,404	1,111,312
Fines	714,000	456,637	214,551
Government transfers			
Canada	77,000	526,168	437,291
Ontario	1,153,500	1,442,255	3,973,075
Deferred revenue earned	3,791,700	2,428,700	1,194,643
Land sales and other	444,200	3,745,960	1,129,465
Total revenues	199,787,300	208,005,140	192,685,954
Other Income			
Grants and transfers related to capital			
Deferred revenue earned		5,805,162	3,677,045
Government transfers - Ontario		628,037	49,500
Government transfers - Federal		8,018,549	4,312,496
Contributed tangible capital assets (Note 10)		22,081,834	10,747,516
Share of net income for the year from GrandBridge Corporation (Note 6)		8,333,926	5,333,961
Gain on dilution from prior interest in Energy Plus (Note 6)		38,329,822	-
Interest earned on reserves		2,565,239	880,482
Total other income		85,762,569	25,001,000
Total revenues and other income	199,787,300	293,767,709	217,686,954
Expenses			
General government	32,584,682	\$ 38,056,338	31,517,181
Protection to persons and property	34,380,320	35,636,632	33,371,824
Transportation services	21,127,887	22,724,609	17,773,512
Environmental services	66,388,147	66,219,224	61,071,594
Health services	1,676,495	1,801,703	1,633,569
Social and family services	2,039,300	1,649,333	1,261,183
Recreation and cultural services	33,933,244	32,974,567	30,107,885
Planning and development	5,201,174	8,904,467	5,684,962
Total expenses	197,331,249	207,966,873	182,421,710
Annual surplus	2,456,051	85,800,836	35,265,244
Accumulated surplus, beginning of year		810,173,020	774,907,776
Accumulated surplus, end of year		\$ 895,973,856	\$ 810,173,020

The accompanying notes are an integral part of these financial statements

Consolidated Statement of Change in Net Financial Assets
For the year ended December 31, 2022

	2022 Budget (Note 13)	2022 Actual	2021 Actual
Annual surplus	\$ 2,456,051	\$ 85,800,836	\$ 35,265,244
Acquisition of tangible capital assets	-	(54,843,407)	(56,139,615)
Amortization of tangible capital assets	-	24,319,309	22,283,631
(Gain) loss on disposal of tangible capital assets	-	(544,670)	28,422
Proceeds on disposal of tangible capital assets	-	4,863,979	115,095
Contributed tangible capital assets	-	(22,081,834)	(10,747,516)
Change in supplies inventories	-	(163,111)	(16,110)
Change in prepaid expenses	-	(376,672)	37,601
Change in net financial assets	2,456,051	36,974,430	(9,173,248)
Net financial assets, beginning of year	101,807,371	101,807,371	110,980,619
Net financial assets, end of year	\$ 104,263,422	\$ 138,781,801	\$ 101,807,371

The accompanying notes are an integral part of these financial statements

Consolidated Statement of Cash Flows
For the year ended December 31, 2022

	2022	2021
Operating		
Annual surplus	\$ 85,800,836	\$ 35,265,244
Sources (uses)		
Taxes and grants-in-lieu receivable	(1,108,978)	2,101,386
Trade and other receivables	2,814,203	(7,732,773)
Accounts payable and accrued liabilities	13,955,830	12,949,303
Employee future benefits	3,667,385	1,345,955
Deferred revenue - obligatory reserve funds	26,934,741	18,173,581
Deferred revenue - other	1,902,025	474,317
Inventories of supplies	(163,111)	(16,110)
Prepaid expenses	(376,672)	37,601
Land held for resale		383,252
Items not involving cash		
Amortization	24,319,309	22,283,631
Contributed tangible capital assets	(22,081,834)	(10,747,516)
Share of net income for the year from GrandBridge Corporation	(8,333,926)	(5,333,961)
Gain on dilution from prior interest in Energy Plus	(38,329,822)	-
(Gain) loss on disposal of tangible capital assets	(544,670)	28,422
Cash provided from operations	88,455,316	69,212,332
Capital		
Acquisition of tangible capital assets	(54,843,407)	(56,139,615)
Proceeds on disposal of tangible capital assets	4,863,979	115,095
Net investment in tangible capital assets	(49,979,428)	(56,024,520)
Investing		
Dividends received and other cash proceeds from GrandBridge Corporation	4,304,149	2,618,853
Net change in marketable securities	(28,388,278)	(69,387,908)
Net change in cash from investing activities	(24,084,129)	(66,769,055)
Financing		
Debt issued	-	18,460,000
Debt principal repayment	(5,631,760)	(5,360,760)
Net change in cash from financing activities	(5,631,760)	13,099,240
Net change in cash	8,759,999	(40,482,003)
Cash and cash equivalents, beginning of year	19,095,963	59,577,966
Cash and cash equivalents, end of year	\$ 27,855,962	\$ 19,095,963

The accompanying notes are an integral part of these financial statements

1. Municipal status

The Corporation of the City of Cambridge ("the City") was created on January 1, 1973 when the three municipalities of Galt, Preston, and Hespeler and the settlement of Blair were amalgamated into a single legal entity under a new name.

The City operates as a lower tier government in the Province of Ontario, Canada. Cambridge provides municipal services such as fire protection, public works, water distribution, urban planning, recreation and cultural services, and other general government services. The City owns 54.339% of its subsidiary, GrandBridge Corporation.

2. Summary of significant accounting policies

The consolidated financial statements of the City are the representation of management, prepared in accordance with local government accounting standards established by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada. The following is a summary of the significant accounting policies followed in the preparation of these financial statements:

(a) Basis of consolidation

(i) Consolidated entities

These consolidated statements reflect the financial assets, liabilities, operating revenues and expenses, reserve funds and reserves, changes in investment in tangible capital assets and cash flows and include the activities of all governmental functions controlled and exercised by the City and the following boards which are under the control of Council:

The Cambridge Public Library Board
Preston Towne Centre Business Improvement Area
Downtown Cambridge Business Improvement Area
Hespeler Village Business Improvement Area

All inter-organizational transactions and balances between these entities have been eliminated.

(ii) Government Business Enterprises

GrandBridge Corporation is not consolidated but is accounted for on the modified equity basis which reflects the City's investment in the enterprises and its share of net income or loss, equity transactions and dividends received since acquisition. Under the modified equity basis, the enterprises' accounting principles are not adjusted to conform with those of the City and inter-organizational transactions and balances are not eliminated.

(iii) Accounting for Region and School Board transactions

The taxation, other revenues, expenses, assets and liabilities, with respect to the operations of the School Boards and the Regional Municipality of Waterloo, are not reflected in these consolidated financial statements.

(iv) Trust funds

Trust funds and their related operations administered by the City are not consolidated, but are reported separately on the Trust Funds Statement of Financial Position and Statement of Continuity (see Note 4).

2. Summary of significant accounting policies - Continued

(b) Basis of accounting

The City follows the accrual method of accounting for revenues and expenses. Revenues are normally recognized in the year in which they are earned and measurable. Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and/or the legal obligation to pay.

(c) Non-financial assets

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

(i) Tangible capital assets

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

Land	Not Amortized
Buildings	40 to 50 years
Vehicles	
Specialty and fire trucks	9 to 20 years
Vehicles	5 years
Computer hardware and software	5 years
Water and waste plants and networks	
Underground networks	40 to 80 years
Transportation	
Roads	25 to 35 years
Bridges and structures	30 to 50 years
Other	
Machinery and equipment	3 to 15 years
Land improvements	15 to 50 years
Leasehold improvements	24 years

The full amount of annual amortization is charged in year of disposal. Assets under construction are not amortized until the asset is available for productive use.

(ii) Contributions of tangible capital assets (donated)

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

(iii) Interest capitalization

The City does not capitalize interest costs associated with the acquisition or construction of a tangible capital asset.

2. Summary of significant accounting policies - Continued

(c) Non-financial assets - Continued

(iv) Works of art and cultural and historic assets

These non-operational heritage assets are not recorded in these financial statements.

(v) Leases

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

(vi) Inventories and prepaid expenses

Inventories held for consumption are recorded at the lower of cost and replacement cost.

Prepaid expenses relate to expenditures incurred in the current period which relate to and will be expensed in a future fiscal period.

(d) Employee future benefits

The contributions to a multi-employer, defined benefit plan are expensed when the contributions are due. The costs of post-employment benefits are recognized when the event that obligates the City occurs. Costs include projected future income payments, health care continuation costs, and fees paid to independent administrators of these plans, calculated on a present value basis.

The costs of post-employment benefits are actuarially determined using the projected benefits method prorated on service and management's best estimate of retirement ages of employees, salary escalation, and expected health care costs. Any gains or losses from changes in assumptions or experience are amortized over the average remaining service period for active employees.

(e) Cash and cash equivalents

Cash and cash equivalents are comprised of accounts maintained at chartered financial institutions with an original maturity of three months or less.

(f) Investments

Investments generally consist of high grade bonds, guaranteed investment certificates, and interest rate savings accounts, and are recorded at the lower of cost plus accrued interest and market value. Investment income is reported as revenue in the period earned. Investment income earned on obligatory reserve funds is considered deferred until the funds are applied.

2. Summary of significant accounting policies - Continued

(g) Revenue recognition

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable.

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

Government transfers, contributions, and other amounts are received from third parties pursuant to legislation, regulation, or agreement and may only be used in the conduct of certain programs, in the completion of specific work, or the purchase of tangible capital assets. In addition, certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred, services performed, or the tangible assets are acquired.

Tax revenue is recognized when it is authorized and in the period for which the tax is levied. Tax revenue reported relates to property taxes.

(h) Land held for resale

Land held for resale is recorded at the lower of cost and net realizable value. Cost includes amounts for land acquisition and improvements to prepare the land for sale or servicing.

(i) Liability for contaminated sites

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when all the following criteria are met:

- i. an environmental standard exists;
- ii. contamination exceeds the environmental standard;
- iii. the City:
 - is directly responsible; or
 - accepts responsibility; and
- iv. a reasonable estimate of the amount can be made.

A liability for contaminated sites has not been accrued for as of the current year-end.

(j) Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. These estimates and assumptions, including employee benefits payable, taxation assessment appeals, legal claims provisions, liability for contaminated sites, the valuation of tangible capital assets and their related useful lives and amortization, are based on management's best information and judgement and may differ significantly from future actual results.

3. Operations of School Boards and the Region of Waterloo

Further to note (2) (a) (iii), the taxation, other revenues, and requisitions of the School Boards and the Regional Municipality of Waterloo are comprised of the following:

	School Boards	Region of Waterloo
Taxation and user charges	\$ 57,155,416	\$ 185,365,210
Share of payments in lieu of taxes	64,312	732,124
Amounts requisitioned	\$ 57,219,728	\$ 186,097,334

4. Trust funds

Trust funds administered by the City amounting to **\$12,169,690** (2021 - \$11,517,042), 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. The trust funds under administration are composed of the following:

2022	Balance, beginning of year	Receipts	Expenditures	Balance, end of year
Cemetery Care and Maintenance Fund	\$ 7,059,474	\$ 541,980	\$ 212,373	\$ 7,389,081
Cemetery Care and Maintenance Monuments	592,875	55,005	17,885	629,995
Cemetery Charges Prepaid	3,414,702	290,764	161,379	3,544,087
Election Surplus	4,372	129	-	4,501
Arthur White Scholarship Fund	15,424	455	-	15,879
C.I.T.C. Training Cambridge	17,635	521	-	18,156
Arts Guild Improvement	47,519	1,403	-	48,922
Cambridge Arts Guild	571	17	-	588
Prepaid Rent	10,400	307	-	10,707
School of Architecture Bursary	54,268	1,602	-	55,870
Ancient Mariners Canoe Club Fund	30,608	3,255	-	33,863
Allan Reuter Centre Renovation	30,704	907	-	31,611
Fiddlesticks Neighbourhood Association	196,590	152,527	-	349,117
Cambridge Rowing Club	1,534	45	-	1,579
David Durward Centre	28,397	836	3,814	25,419
G.E. (Ted) Wake Lounge Seniors Fund	11,969	346	2,000	10,315
Total	\$ 11,517,042	\$ 1,050,099	\$ 397,451	\$ 12,169,690

4. Trust funds - Continued

2021	Balance, beginning of year	Receipts	Expenditures	Balance, end of year
Cemetery Care and Maintenance Fund	6,710,666 \$	396,177 \$	47,369 \$	7,059,474
Cemetery Care and Maintenance Monuments	578,225	18,689	4,039	592,875
Cemetery Charges Prepaid	3,350,633	180,135	116,066	3,414,702
Election Surplus	4,342	30	-	4,372
Arthur White Scholarship Fund	15,318	106	-	15,424
C.I.T.C. Training Cambridge	17,514	121	-	17,635
Arts Guild Improvement	52,173	346	5,000	47,519
Cambridge Arts Guild	569	2	-	571
Prepaid Rent	10,329	71	-	10,400
School of Architecture Bursary	53,895	373	-	54,268
Ancient Mariners Canoe Club Fund	26,822	3,786	-	30,608
Allan Reuter Centre Renovation	30,493	211	-	30,704
Fiddlesticks Neighbourhood Association	188,243	8,347	-	196,590
Cambridge Rowing Club	1,523	11	-	1,534
David Durward Centre	31,679	218	3,500	28,397
G.E. (Ted) Wake Lounge Seniors Fund	11,887	82	-	11,969
Total	\$ 11,084,311	\$ 608,705	\$ 175,974	\$ 11,517,042

5. Taxes and accounts receivable

Taxes receivable and accounts receivable are reported net of a valuation allowance of **\$5,438,110** (2021 - \$5,438,110) and **\$317,442** (2021 - \$317,442) respectively.

6. Investments

Investments are comprised of the following:

	2022	2021
Investment in GrandBridge Corporation (2021 - Energy Plus)		
Capital stock	\$ 131,266,308	\$ 37,792,000
Increase in equity since inception	5,179,888	56,294,597
	136,446,196	94,086,597
Marketable securities	225,434,209	197,045,931
Total investments	\$ 361,880,405	\$ 291,132,528

Marketable securities have a market value of **\$219,124,526** (2021 - \$196,592,176).

6. Investments - Continued

On August 1, 2000, pursuant to requirements of the Ontario Government's Electricity Competition Act (Bill 35), the net assets of the Hydro Electric Commission of Cambridge and North Dumfries were transferred to Cambridge and North Dumfries Energy Plus Inc. ("Energy Plus") and affiliated companies. Energy Plus and affiliates carried on the former business of the Commission with all its rights, duties, obligations and responsibilities from the date of transfer. During 2020, the shareholders of Energy Plus approved a merger of Energy Plus with Brantford Energy Corporation. The merger closed on May 2, 2022 and the City owns 54.339% of the merged entity, GrandBridge Corporation. Prior to the merger, at December 31, 2021, the City owned 92.1% of Energy Plus. As a result of the transaction, the City recorded a gain of \$38,329,822 on dilution of its prior interest in Energy Plus. The City's investment in GrandBridge Corporation for the year ended December 31, 2022 is as follows (see note 2(a) (ii)):

	2022
Investment, beginning of year	\$ 94,086,597
Share of Energy Plus net income for the period from January 1, 2022 to May 1, 2022	2,496,831
Dividends received from Energy Plus from January 1, 2022 to May 1, 2022	(3,459,979)
Investment, May 2, 2022	93,123,449
Gain on dilution from prior interest in Energy Plus	38,329,822
Share of GrandBridge Corporation net income for the period from May 2, 2022 to December 31, 2022	5,837,095
Cash proceeds on redemption of shares	(186,963)
Dividends received from GrandBridge Corporation from May 2, 2022 to December 31, 2022	(657,207)
Investment, end of year	\$ 136,446,196
	2021
Investment, beginning of year	\$ 91,371,489
Increase in equity for year:	
Share of net income for year	5,333,961
Dividends received during year	(2,618,853)
Net increase for year	2,715,108
Investment, end of year	\$ 94,086,597

6. Investments - Continued

The following table provides condensed financial information in respect of GrandBridge Corporation (2021 - Energy Plus) for its fiscal 2022 year:

	2022	2021	
	(000's)	(000's)	
Financial position			
Current assets	\$ 86,308	\$ 53,540	
Capital assets	333,355	205,614	
Goodwill	78,548	18,965	
Other assets	39,760	6,583	
Total assets	537,971	284,702	
Current liabilities	71,556	42,921	
Long-term liabilities	209,132	149,280	
Total liabilities	280,688	192,201	
Net assets	257,283	92,501	
Regulatory deferral account credit balances	(6,180)	9,656	
Total shareholders' equity	251,103	102,157	
	For the period	For the period	
	January 1, 2022 to	May 2, 2022 to	
	May 1, 2022	December 31, 2022	
	(000's)	(000's)	
Statement of operations			
Revenues	76,872	269,307	229,036
Operating expenses	(72,220)	(254,379)	(219,152)
Non-operating (expenses) revenues	(1,180)	(571)	(2,411)
Payments in lieu of corporate income taxes	(761)	(3,615)	(1,682)
Net income	2,711	10,742	5,791
City's share of net income - 54.339% (2021 - 92.1%)	2,497 \$	5,837 \$	5,334

7. Employee and post employment benefits

The City provides certain employee benefits which will require funding in future periods. An actuarial estimate of future liabilities has been completed and forms the basis for the estimated liability reported in these financial statements. Post-employment benefits, sick leave benefits and workplace safety & insurance benefits were estimated by an actuarial update as at December 31, 2022.

	2022	2021	Change
Post-employment benefits	\$ 62,239,380	\$ 61,395,504	\$ 843,876
Sick leave benefits	7,115,083	7,092,610	22,473
Workplace safety & insurance benefits	8,381,680	5,580,644	2,801,036
	\$ 77,736,143	\$ 74,068,758	\$ 3,667,385

The significant actuarial assumptions adopted in measuring the City's accrued benefit obligations for the accumulated sick leave and post-employment benefit entitlements at December 31, 2022, are as follows:

	Sick leave and post- employment benefits	Library post- employment benefits
Future cost of long term debt	4.50%	3.00%
Future inflation rates	2.00%	1.75%
Future salaries escalations	3.00%	
Future dental premium rates escalations	4.00%	3.75%
Future health care premium rates		
2022	6.08%	5.42%
Declining by	2029 to 4.00%	2027 to 3.75%

Information about the City's benefit plan is as follows:

	2022	2021
Accrued Liability		
Balance, beginning of the year	\$ 74,068,758	\$ 72,722,803
Current service cost	2,139,730	2,035,745
Actuarial adjustment	2,514,230	553,858
Interest cost	2,827,720	2,767,864
Amortization of net actuarial loss	(42,129)	(245,725)
Benefit payments	(3,772,166)	(3,765,787)
Balance, end of the year	\$ 77,736,143	\$ 74,068,758

a) Pension Plan

The City makes contributions to the Ontario Municipal Employees Retirement System ("OMERS"), which is a multi-employer plan, on behalf of members of its staff. The Plan is a defined benefit plan, which specifies the amount of retirement benefit to be received by the employees based on the lengths of service and rates of pay. Employee contributions are matched by the City.

The amount contributed to OMERS for 2022 was **\$6,614,967** (2021 - \$6,179,971) for current service and is included as an expense on the consolidated statement of operations.

7. Employee and post employment benefits - Continued

a) Pension Plan - Continued

The OMERS pension plan has a deficit. The last available report for the OMERS plan was on December 31, 2022. At that time the plan reported a \$6.7 billion actuarial deficit (2021 - \$3.1 billion), based on actuarial liabilities of \$130.3 billion (2021 - \$120.8 billion) and actuarial net assets of \$123.6 billion (2021 - \$117.7 billion). If actuarial surpluses are not available to offset the existing deficit and subsidize future contributions, increases in contributions will be required in the future.

b) Post-employment benefits

The City makes available to qualifying employees who retire before the age of 65, the opportunity to continue their coverage for such benefits as extended health and drugs, dental care, and life insurance. Coverage ceases at the age of 65 except for life insurance and extended health and drugs. In addition, changes in assumptions, and experience gains and losses are amortized on a straight-line basis over 11 years, which represents the expected average remaining service life of the employee group. Amortization is calculated beginning in the year following the year of occurrence of the actuarial gains or losses.

The actuarial valuation report estimated the liability for the above mentioned employee future benefits to be **\$62,239,380** (2021 - \$61,395,504) at year end based on present value of the current obligation for past and current employees.

c) Sick leave

Under the sick leave benefit plan, unused sick leave can accumulate and certain employees may become entitled to a cash payment when they leave the City's employment. In addition, adjustments arising from the plan amendment, changes in assumptions, and experience gains and losses are amortized on a straight-line basis over 12 years, which represents the expected average remaining service life of the employee group. Amortization is calculated beginning in the year following the year of occurrence of the actuarial gains or losses.

The liability for these accumulated days based on an actuarial assessment, to the extent that they have vested and could be taken in cash by an employee on termination or retirement, amounted to **\$7,115,083** (2021 - \$7,092,610) at the end of the year. An amount of **\$878,098** (2021 - \$907,926) was paid to employees who either changed union groups or left the City's employment during the current year.

The reserve fund was established to fund the cost of future employee benefits provided by the City. The balance at the end of the year was **\$12,204,696** (2021 - \$11,573,980).

d) Workplace safety & insurance

In 1996, in order to decrease workers' compensation expense, the City assumed the risk of workers' compensation coverage.

The potential liability, based on an actuarial valuation update for all existing claims as at December 31, 2022 amounted to **\$8,381,680** (2021 - \$5,580,644).

A self-insurance Reserve Fund for Workers' Compensation was established which, at December 31, 2022, amounted to **\$2,348,788** (2021 - \$2,542,614). Premiums which otherwise could be paid to Workplace Safety & Insurance Board are paid into the fund and workers' compensation claims are charged to the fund.

8. Deferred revenue - obligatory reserve funds

A requirement of the Public Sector Accounting Board, of the Chartered Professional Accountants of Canada, is that obligatory reserves be reported as deferred revenue, as these are restricted revenue. This requirement is in place as provincial legislation restricts how these funds may be used and under certain circumstances these funds may be refunded. Deferred revenue balances are as follows:

	2022	2021
Receipts		
Development charges and user fees	\$ 36,491,154	\$ 20,366,351
Canada community - building fund	4,120,433	8,081,522
Investment income	1,540,136	416,792
	42,151,723	28,864,665
Deferred revenue recognized and other adjustments	(15,216,982)	(10,691,084)
Change in deferred revenue	26,934,741	18,173,581
Deferred revenue, beginning of year	54,444,384	36,270,803
Deferred revenue, end of year	81,379,125	54,444,384
Represented as follows:		
Development charges	63,859,433	42,408,941
Recreational land	5,635,805	-
Cash in lieu of parking	26,678	26,067
Building permits	7,040,090	3,770,276
Canada community - building fund	4,817,119	8,239,100
	\$ 81,379,125	\$ 54,444,384

9. Long-term debt

The City has assumed the responsibility for the payment of principal and interest charges on certain debt issued by the Region of Waterloo, which in fiscal 2022 amounted to **\$nil** (2021 - \$18,460,000).

The City has assumed responsibility for the payment of principal and interest charges on certain long-term debt issued by the Region of Waterloo. At the end of the year, the total outstanding principal amount of this liability is **\$53,244,200** (2021 - \$58,875,960). This debt bears interest at rates ranging from 1.15% to 3.95% per annum.

Principal repayments required over the next 5 years and thereafter are as follows:

2023 -	\$ 5,698,760
2024 -	5,781,760
2025 -	5,812,760
2026 -	5,392,760
2027 -	4,681,760
Thereafter -	25,876,400
	\$ 53,244,200

Interest charges for fiscal 2022 relating to long-term debt were **\$1,246,315** (2021 - \$1,034,870).

The City has enacted and passed by-laws in authorizing the issue of debentures, not to exceed \$69.03 million, for the rehabilitation of existing assets and construction or purchase of new assets contained in the Capital Funding Program.

Notes to the Consolidated Financial Statements For the year ended December 31, 2022

10. Tangible capital assets

2022	Land	Land	Buildings	Leasehold	Infrastructure	Information	Machinery &	Vehicles	Assets under	Total
	improvements	improvements		improvements		technology	equipment		construction	
Cost										
Balance, beginning of year	\$ 99,160,110	\$ 89,991,832	\$ 185,732,645	\$ 4,338,125	\$ 585,942,110	\$ 20,997,579	\$ 23,812,087	\$ 23,362,892	\$ 64,005,564	\$ 1,097,342,944
Additions	6,605,066	2,198,189	4,910,970	-	51,843,084	1,247,958	9,475,272	370,277	60,553,472	137,204,288
Disposals	2,050,020	463,047	936,305	-	4,085,234	1,471,250	1,490,256	1,907,704	57,125,476	69,529,292
Cost, end of year	103,715,156	91,726,974	189,707,310	4,338,125	633,699,960	20,774,287	31,797,103	21,825,465	67,433,560	1,165,017,940
Accumulated amortization										
Balance, beginning of year	-	45,945,081	84,207,682	1,186,291	223,664,264	13,896,584	9,355,931	12,928,732	-	391,184,565
Disposals	-	352,169	173,216	-	477,202	1,249,916	950,749	1,727,684	-	4,930,936
Amortization expense	-	2,187,779	4,180,105	115,419	10,295,316	3,564,666	2,656,406	1,319,618	-	24,319,309
Accumulated amortization, end of year	-	47,780,691	88,214,571	1,301,710	233,482,378	16,211,334	11,061,588	12,520,666	-	410,572,938
Net book value, end of year	\$ 103,715,156	\$ 43,946,283	\$ 101,492,739	\$ 3,036,415	\$ 400,217,582	\$ 4,562,953	\$ 20,735,515	\$ 9,304,799	\$ 67,433,560	\$ 754,445,002
2021										
	Land	Land	Buildings	Leasehold	Infrastructure	Information	Machinery &	Vehicles	Assets under	Total
	improvements	improvements		improvements		technology	equipment		construction	
Cost										
Balance, beginning of year	\$ 95,108,670	\$ 88,786,534	\$ 181,891,255	\$ 4,338,125	\$ 528,365,897	\$ 18,765,232	\$ 19,301,858	\$ 21,171,599	\$ 76,265,557	\$ 1,033,994,727
Additions	4,051,440	1,205,298	3,914,230	-	58,982,303	2,550,256	5,760,934	2,682,664	59,224,780	138,371,905
Disposals	-	-	72,840	-	1,406,090	317,909	1,250,705	491,371	71,484,773	75,023,688
Cost, end of year	99,160,110	89,991,832	185,732,645	4,338,125	585,942,110	20,997,579	23,812,087	23,362,892	64,005,564	1,097,342,944
Accumulated amortization										
Balance, beginning of year	-	43,788,200	80,093,062	1,043,058	215,666,888	11,009,849	8,563,779	12,131,495	-	372,296,331
Disposals	-	-	72,840	-	1,262,572	317,909	1,250,705	491,371	-	3,395,397
Amortization expense	-	2,156,881	4,187,460	143,233	9,259,948	3,204,644	2,042,857	1,288,608	-	22,283,631
Accumulated amortization, end of year	-	45,945,081	84,207,682	1,186,291	223,664,264	13,896,584	9,355,931	12,928,732	-	391,184,565
Net book value, end of year	\$ 99,160,110	\$ 44,046,751	\$ 101,524,963	\$ 3,151,834	\$ 362,277,846	\$ 7,100,995	\$ 14,456,156	\$ 10,434,160	\$ 64,005,564	\$ 706,158,379

10. Tangible capital assets - Continued

During the year, roads and underground networks contributed to the City totalled **\$22,081,834** (2021 - \$10,747,516) and were capitalized at their fair value at the time of receipt.

11. General insurance coverage

In order to decrease insurance premiums, the City has undertaken a portion of the risk through increased deductibles. The deductibles generally range up to \$50,000 depending on the types of claims. Insurance coverage is in place for claims in excess of these deductibles up to various policy limits.

The City has made provision for a Reserve for Self-Insurance for various types of insurance, the balance of which at December 31, 2022 amounted to **\$1,215,229** (2021 - \$1,628,231), and is reported in Note 14 under Reserves. The City budgets annually for claims related to self-insurance and the difference between budgeted and actual claims during the year is drawn from the reserve fund. In 2022 the amount drawn from the reserve was **\$475,837** (2021 - \$435,978). Claims for all forms of self-insurance during the year amounting to **\$603,477** (2021 - \$617,033), including adjusters' fees and costs, are reported as an expenditure on the Consolidated Statement of Operations and Accumulated Surplus.

The City has an agreement with members of the Waterloo Region municipalities to purchase property damage and public liability insurance on a group basis and share a retained level of risk. The members pay an annual levy to fund insurance coverage, losses, and contribute to a surplus. The pool has purchased insurance to fund losses above a pre-determined deductible and any losses above a pre-determined total in any year.

12. Contingent liabilities

The City is involved in several legal suits of varying dollar amounts, the outcome of which is not presently determinable. No provision for possible liability has been recorded in these financial statements.

In the event the City is found liable, any amounts not recoverable from City's insurers will be adjusted against future revenues.

13. Budget figures, unaudited

Budget figures reported on the Consolidated Statement of Operations and Accumulated Surplus are based on the 2022 municipal operating and water/wastewater budgets as approved by Council December 2, 2021 and include subsequent amendments.

Approved budget figures have been reclassified and adjusted for the purposes of these financial statements to comply with Public Sector Accounting Board ("PSAB") reporting requirements. The chart below reconciles the approved operating budgets to the amended budget figures:

	Budget Amount
Approved operating budget revenues	\$ 207,121,300
Budget amendments and reallocations	
PSAB reporting adjustments:	
Dividends from GrandBridge Corporation	(2,116,500)
Contributions from reserves and reserve funds	(5,217,500)
Net operating budget revenues	\$ 199,787,300
Approved operating budget expenses	\$ 207,121,300
Budget amendments and reallocations	
PSAB reporting adjustments:	
Amortization of tangible capital assets	22,283,631
Non-tangible capital asset expenditures	3,539,463
Unfunded accrual for employee future benefit obligation	1,345,955
Contribution to reserves and reserve funds	(28,435,600)
Debt principal repayments	(8,523,500)
Net operating budget expenses	197,331,249
Net expenses before other income	2,456,051

14. Accumulated surplus

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

	2022	2021
Reserve funds		
Capital Works	\$ 11,073,402	\$ 5,960,843
Capital Works Debt Retirement	2,310,280	1,075,056
Capital Works Committed	1,714,509	1,567,759
Wastewater Capital	14,635,376	12,773,825
Wastewater Rate Stabilization	5,073,115	4,977,765
Water System Capital	16,280,376	14,660,028
Water Rate Stabilization	3,883,455	4,624,233
Heritage Conservation	71,553	72,337
Cemetery	753,351	953,154
Equipment	6,603,828	6,180,869
Facility Maintenance	1,506,661	2,871,349
Archives	41,309	40,363
Election	(25,130)	427,191
Winter Maintenance	782,591	606,314
Soccer Facility Capital	315,534	240,387
Library	973,886	841,261
Public Art	306,890	248,374
Energy Conservation	1,874,923	1,755,969
Economic Development	10,108,172	10,082,381
Self Insurance	1,215,229	1,628,231
Future Employee Benefits	12,204,696	11,573,980
Workplace Safety and Insurance	2,348,788	2,542,614
Affordable Housing	1,232,092	20,251
Replacement Tree Planting	885,810	240,483
Municipal Accommodation Tax	1,058,775	552,470
Core Areas Transformation	14,972,122	18,880,880
Jacob Hespeler Field Capital	319,462	274,741
Total reserve funds	112,521,055	105,673,108
Reserves		
Hydro Dividend Stabilization	\$ 391,054	\$ 33,292
Contaminated Sites Grant Program	-	597,980
Rate Stabilization	11,087,504	10,487,076
Total reserves	11,478,558	11,118,348
Total reserve funds and reserves	123,999,613	116,791,456

14. Accumulated surplus - Continued

	2022	2021
Surpluses		
Invested in tangible capital assets	754,445,002	706,158,379
Invested in repair and replacement of assets	4,163,560	16,249,751
Invested in Government Business Enterprise	136,446,196	94,086,597
Sanitary sewage systems	3,159,572	3,803,897
Water supply system	300,987	(119,636)
General revenue fund	3,375,147	4,985,786
Library board	933,868	989,529
Business improvements areas	130,254	171,979
Amounts to be recovered		
Employee and post-employment benefits	(77,736,143)	(74,068,758)
Long-term debt	(53,244,200)	(58,875,960)
Total surplus	771,974,243	693,381,564
Accumulated surplus	\$ 895,973,856	\$ 810,173,020

15. Comparative figures

Certain of the prior year's comparative figures have been restated to conform to the current year's presentation.

16. Municipal insurance pool

In 1998, the City entered into an agreement with members of the Waterloo Region Municipalities to purchase property damage and public liability insurance on a group basis and share a retained level of risk. The members pay an annual levy to fund insurance and pre-fund expected losses. The pool has purchased insurance to fund losses above a pre-determined deductible and any losses above a pre-determined total in any year. The City's share of pool levies is 14.41% as of May 31, 2022 (13.98% as of May 31, 2021) and any surplus is 14.16% as of May 31, 2022 (14.40% as of May 31, 2021). The pool's surplus at May 31, 2022 is \$5,038,515 (2021 - \$5,653,536).

17. Segmented information

The City of Cambridge is a diversified municipal government institution that provides a wide range of services to its citizens, including fire, road, water distribution, sewer collection/conveyance, storm sewer, libraries, and community services.

Segmented information has been prepared by major functional classification of activities provided, consistent with the Consolidated Statement of Operations and Accumulated Surplus and provincially legislated requirements.

For each reported segment, revenues and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in Note 2.

Notes to the Consolidated Financial Statements For the year ended December 31, 2022

17. Segmented information - Continued

For the year ended December 31, 2022

	General Government	Protection Services	Transportation Services	Environmental Services	Health Services	Social and Family Services	Recreation and Cultural Services	Planning and Development	Total
Revenue									
Taxation	\$ 32,804,043	\$ 29,704,200	\$ 11,300,400	\$ 919,046	\$ 516,600	\$ 614,700	\$ 23,922,600	\$ 3,456,200	\$ 103,237,789
User fees and charges	1,960,577	4,488,048	3,637,957	72,886,700	1,148,575	218,548	4,849,703	1,670,260	90,860,368
Penalties and interest on taxes	2,819,859	-	-	-	-	-	-	-	2,819,859
Investment income	2,487,404	-	-	-	-	-	-	-	2,487,404
Fines	-	185,322	271,141	-	-	-	174	-	456,637
Government transfers - Canada	280,089	-	2,100	-	-	-	243,979	-	526,168
Government transfers - Ontario	96,900	-	-	-	-	1,122,642	222,713	-	1,442,255
Deferred revenue earned	1,224,500	-	307,400	896,800	-	-	-	-	2,428,700
Land sales and other	559,033	-	102,363	(940,485)	373,142	4,000	(163,899)	3,811,806	3,745,960
Total revenue	42,232,405	34,377,570	15,621,361	73,762,061	2,038,317	1,959,890	29,075,270	8,938,266	208,005,140
Other Income									
Grants and transfers related to capital									
Deferred revenue earned	(1,372,803)	146,192	1,378,872	3,083,156	-	-	2,569,745	-	5,805,162
Government transfers - Ontario	282,997	22,064	-	-	-	-	75,959	247,017	628,037
Government transfers - Federal	-	-	3,816,963	3,380,998	-	-	820,588	-	8,018,549
Contributed tangible capital assets (Note 10)	-	-	3,004,405	19,100,288	-	-	(22,859)	-	22,081,834
Share of net income for the year from GrandBridge Corporation	8,333,926	-	-	-	-	-	-	-	8,333,926
Gain on dilution from prior interest in Energy Plus (Note 6)	38,329,822	-	-	-	-	-	-	-	38,329,822
Interest earned on reserves	605,575	-	313,069	903,671	17,363	-	48,084	677,477	2,565,239
Total other income	46,179,517	168,256	8,513,309	26,468,113	17,363	-	3,491,517	924,494	85,762,569
Total revenues and other income	88,411,922	34,545,826	24,134,670	100,230,174	2,055,680	1,959,890	32,566,787	9,862,760	293,767,709
Expenses									
Salaries wages and employee benefits	27,641,291	28,883,756	8,249,206	8,087,474	1,166,900	1,315,918	17,028,313	3,563,011	95,935,869
Long term debt charges	70,360	-	391,748	417,687	-	-	366,520	-	1,246,315
Materials	6,135,821	2,592,263	4,286,235	3,596,335	109,429	233,835	4,488,411	1,452,839	22,895,168
Contracted services	3,714,904	2,279,610	3,202,358	38,129,971	175,628	99,580	4,232,946	531,718	52,366,715
Rents and financial expenses	4,790,665	145,075	230,690	544,829	1,902	-	31,585	70,179	5,814,925
External transfers	406,239	-	31,064	-	-	-	1,666,155	3,285,114	5,388,572
Amortization of tangible capital assets	3,897,300	799,502	6,060,975	8,849,333	111,375	-	4,574,814	26,010	24,319,309
Interfunctional adjustments	(8,600,242)	936,426	272,333	6,593,595	236,469	-	585,823	(24,404)	-
Total expenses	38,056,338	35,636,632	22,724,609	66,219,224	1,801,703	1,649,333	32,974,567	8,904,467	207,966,873
Annual surplus (deficit)	\$ 50,355,584	\$ (1,090,806)	\$ 1,410,061	\$ 34,010,950	\$ 253,977	\$ 310,557	\$ (407,780)	\$ 958,293	\$ 85,800,836

Notes to the Consolidated Financial Statements For the year ended December 31, 2022

17. Segmented information - Continued

For the year ended December 31, 2021 (Note 15)

	General Government	Protection Services	Transportation Services	Environmental Services	Health Services	Social and Family Services	Recreation and Cultural Services	Planning and Development	Total
Revenue									
Taxation	\$ 28,307,545	\$ 28,019,800	\$ 11,138,400	\$ 792,422	\$ 477,000	\$ 652,600	\$ 24,461,700	\$ 3,627,500	\$ 97,476,967
User fees and charges	2,138,321	4,176,015	2,167,092	71,047,500	912,525	56,811	2,535,411	1,212,025	84,245,700
Penalties and interest on taxes	2,902,950	-	-	-	-	-	-	-	2,902,950
Investment income	1,103,720	-	4,187	-	-	-	-	3,405	1,111,312
Fines	-	46,944	167,607	-	-	-	-	-	214,551
Government transfers - Canada	263,189	-	11,345	-	-	-	162,757	-	437,291
Government transfers - Ontario	116,951	2,528,252	-	-	-	989,857	334,005	4,010	3,973,075
Deferred revenue earned	571,800	-	231,500	391,343	-	-	-	-	1,194,643
Land sales and other	336,565	5,000	91,636	(106,742)	449,364	-	67,781	285,861	1,129,465
Total revenue	35,741,041	34,776,011	13,811,767	72,124,523	1,838,889	1,699,268	27,561,654	5,132,801	192,685,954
Other Income									
Grants and transfers related to capital									
Deferred revenue earned	(1,115,936)	163,689	1,159,611	2,499,768	-	-	385,524	584,389	3,677,045
Government transfers - Ontario	49,500	-	-	-	-	-	-	-	49,500
Government transfers - Federal	-	-	2,462,837	1,577,899	-	-	271,760	-	4,312,496
Contributed tangible capital assets (Note 10)	-	-	1,369,695	9,315,520	-	-	62,301	-	10,747,516
Share of net income for the year from GrandBridge Corporation	5,333,961	-	-	-	-	-	-	-	5,333,961
Interest earned on reserves	237,499	-	63,511	294,714	6,678	-	15,532	262,548	880,482
Total other income	4,505,024	163,689	5,055,654	13,687,901	6,678	-	735,117	846,937	25,001,000
Total revenues and other income	40,246,065	34,939,700	18,867,421	85,812,424	1,845,567	1,699,268	28,296,771	5,979,738	217,686,954
Expenses									
Salaries wages and employee benefits	21,716,401	27,486,394	7,873,694	6,342,839	1,129,834	1,110,411	15,888,068	3,621,706	85,169,347
Long term debt charges	80,631	-	239,080	307,910	-	-	407,249	-	1,034,870
Materials	6,355,618	1,857,103	1,945,861	3,295,652	102,172	103,311	4,149,404	1,233,245	19,042,366
Contracted services	3,626,393	2,809,827	2,204,003	37,105,106	158,217	47,461	2,985,208	267,693	49,203,908
Rents and financial expenses	2,282,284	239,016	221,789	196,366	-	-	27,919	83,603	3,050,977
External transfers	460,179	110,112	-	-	-	-	1,612,625	453,695	2,636,611
Amortization of tangible capital assets	3,445,571	854,730	5,636,418	7,572,605	69,625	-	4,704,682	-	22,283,631
Interfunctional adjustments	(6,449,896)	14,642	(347,333)	6,251,116	173,721	-	332,730	25,020	-
Total expenses	31,517,181	33,371,824	17,773,512	61,071,594	1,633,569	1,261,183	30,107,885	5,684,962	182,421,710
Annual surplus (deficit)	\$ 8,728,884	\$ 1,567,876	\$ 1,093,909	\$ 24,740,830	\$ 211,998	\$ 438,085	\$ (1,811,114)	\$ 294,776	\$ 35,265,244