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June 1, 2021

Mayor and Members of Council of the
Municipality of Mississippi Mills
3131 Old Perth Road, Box 400
Almonte, ON K0A 1A0

Dear Mayor and Members of Council:

Re: Audit Findings Report for the Year Ended December 31, 2020

We are pleased to submit this Report on the results of our audit of the consolidated financial statements of the Municipality of Mississippi Mills and its related entities ("the Municipality") for the year ended December 31, 2020. This Report summarizes the scope of our audit, our findings to date and reviews certain other matters that we believe to be of interest to you.

As agreed in our engagement letter dated October 14, 2016, we have performed audits of the following, in accordance with Canadian generally accepted auditing standards ("GAAS"):

- consolidated financial statements of the Municipality for the year ended December 31, 2020;
- financial statements of the Municipality of Mississippi Mills Trust Funds for the year ended December 31, 2020;
- financial statements of the Municipality of Mississippi Mills Public Library Board for the year ended December 31, 2020.

Our audits were conducted in accordance with the audit planning letter provided to Mayor Christa Lowry and Members of Council dated October 5, 2020.

This Report is intended solely for the information and use of the Mayor and Members of Council, management and others within the Municipality and is not intended to be, and should not be, used by anyone other than these specified parties. Accordingly, we disclaim any responsibility to any other party who may rely on it.

We would like to express our appreciation for the cooperation we received from management and the employees of the Municipality with whom we worked to discharge our responsibilities.

We look forward to discussing this Report summarizing the outcome of our audits with you and answering any questions you may have.

Yours truly,

A handwritten signature in black ink, appearing to read "Allan".

Allan and Partners LLP
Chartered Professional Accountants
Licensed Public Accountants

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Our Client Service Commitment to the Municipality of Mississippi Mills

Allan and Partners LLP was established in 1979 and has continually provided a high level of service to our clients. Our practice is a service oriented accounting firm with a highly trained professional staff and clerical support team. Our client base is varied, ranging from municipalities, not-for-profit organizations, health units, proprietorships, partnerships, corporations, and charitable organizations, as well as individuals.

For over 30 years, the practice has been built on traditions of integrity, commitment and knowledge.

Professional services offered by the firm are diverse, ranging from standard audit and accounting services, strategic consulting, mergers and acquisitions, personal tax and financial planning.

Our vision is to be the best professional services firm for our clients and the communities in which we work. We accomplish this vision through:

- commitment to communication between the client and audit personnel
- commitment to professional development for all personnel
- multiple levels of review of the work completed by audit personnel assigned to the engagement
- objectivity
- fair and transparent fees
- development of the audit process which includes:
 - planning and identifying risk
 - developing audit strategy based on risk assessment
 - implementing the audit strategy

Audit Status

We have completed the audit of the consolidated financial statements, with the exception of the following items:

1. Receipt of signed management representation letter;
2. Receipt of letter(s) from your external legal counsel regarding any litigation or claims;
3. Completing our discussions with the Mayor and Members of Council; and
4. Obtaining evidence of Council's approval of the consolidated financial statements.

We will be in a position to render our audit opinion on the consolidated financial statements of the Municipality following approval of the consolidated financial statements by Council and the completion of the above mentioned outstanding items.

Auditor's Responsibilities

In accordance with Canadian generally accepted auditing standards, our audit is designed to enable us to express an opinion on the fairness of the presentation of the Municipality's annual consolidated financial statements prepared in accordance with Canadian public sector accounting standards ("PSAS").

No restrictions have been placed on the scope of our audit. In performing the audit, we were given full and complete access to the accounting records, supporting documentation and other information requested.

We intend to issue an unqualified auditor's report on the consolidated financial statements of the Municipality for the year ended December 31, 2020 once the outstanding items referred to above are completed satisfactorily and the consolidated financial statements are approved by Council.

Independence

We communicate, at least annually, the following to Council or those charged with governance:

- all relationships between Allan and Partners LLP and our associated entities and the Municipality and its affiliates or persons in financial reporting oversight roles at the Municipality that may reasonably be thought to bear on our independence;
- the potential effects of those relationships on independence; and
- affirm, in writing, that we are independent in compliance with the Rules of Professional Conduct of the Chartered Professional Accountants of Ontario.

We confirm our independence to Council for the year ended December 31, 2020 in the appendices.

Materiality

At the conclusion of the audit, we formulate our opinion on the consolidated financial statements of the Municipality as to their fair presentation, in all material respects, in accordance with Canadian public sector accounting standards.

Our estimation of materiality involves professional judgment and necessarily takes into account qualitative as well as quantitative considerations.

As stated in our audit planning letter, we performed our audit to a materiality level of \$200,000. This is approximately 1% of budgeted revenues which is consistent with prior years.

Audit Risks and Results

Our audit planning letter identified certain significant risks and other areas of focus. There have been no changes to these risks and other areas of focus nor have any additional risks or areas of focus been identified since our previous communication. The results of our audit work on these risks and other areas of focus are set out below:

Significant Risks	Our Audit Response	Our Conclusion
<i>Revenue recognition and completeness</i>	<i>Performed analytical procedures Recalculated tax revenue using approved tax rates (provided in municipal by-laws) and assessments (produced by MPAC) Compared grants received to grants earned with reference to the related expenses to ascertain that appropriate amount of revenue recognized Tested other revenues, as/where applicable Reviewed cut-off procedures</i>	<i>Revenue included in the consolidated financial statements is properly recorded for the year ended December 31, 2020.</i>
<i>Management override of controls</i>	<i>Inquired of management Reviewed/tested journal entries Reviewed related-party transactions and management estimates</i>	<i>Results were satisfactory.</i>

Other Areas of Focus	Our Audit Response	Our Conclusion
<i>Tangible capital assets</i>	<p><i>Tested additions and disposals</i></p> <p><i>Reviewed amortization policy and calculations</i></p> <p><i>Reviewed construction in progress to ensure amounts were properly transferred to correct capital asset classes and amortization expense commenced on a timely basis</i></p> <p><i>Discussed any impairment with management</i></p>	<i>Tangible capital assets recorded are properly reported as at December 31, 2020.</i>
<i>Employee future benefits liability</i>	<p><i>Obtained actuarial valuation/report and reviewed assumptions used by actuary</i></p> <p><i>Communicated with actuary regarding auditor reliance on actuarial valuation/report</i></p> <p><i>Reviewed note disclosure</i></p>	<i>Employee future benefits are reasonable as at December 31, 2020 and are properly disclosed in the consolidated financial statements.</i>
<i>Accounts payable, accrued liabilities, expenses</i>	<p><i>Performed analytical procedures</i></p> <p><i>Performed tests of controls</i></p> <p><i>Selected a sample of expenses and vouched to supporting documentation</i></p> <p><i>Performed a search for unrecorded liabilities at year-end</i></p> <p><i>Examined significant accrued liabilities and tested supporting assumptions</i></p> <p><i>Reviewed the outcome of prior year estimates and accruals</i></p>	<i>Accounts payable, accrued liabilities and expenses are properly accounted for and reported in the consolidated financial statements as at and for the year ended December 31, 2020.</i>
<i>Landfill liability</i>	<p><i>Obtained report and reviewed assumptions used by Municipality to determine the landfill liability</i></p> <p><i>Reviewed note disclosure</i></p>	<i>Landfill liability is reasonable as at December 31, 2020 and is properly disclosed in the consolidated financial statements.</i>
<i>Contaminated sites liability</i>	<i>Reviewed completeness of management's analysis of potentially contaminated sites</i>	<i>Contaminated sites liability is reasonable as at December 31, 2020.</i>
<i>Accounts/taxes receivable</i>	<p><i>Performed analytical procedures</i></p> <p><i>Performed tests of controls</i></p> <p><i>Confirmed a sample of receivable balances</i></p> <p><i>Reviewed aging reports</i></p> <p><i>Examined payments received subsequent to year-end</i></p>	<i>Accounts/taxes receivable are properly accounted for and reported in the consolidated financial statements as at December 31, 2020.</i>
<i>Contingencies</i>	<p><i>Sent legal inquiry letter(s) to Municipality's solicitor(s)</i></p> <p><i>Reviewed Council and Committee meeting minutes</i></p>	<i>Disclosures of contingencies are complete and accurate for the year ended December 31, 2020.</i>

Other Areas of Focus	Our Audit Response	Our Conclusion
<i>Estimates</i>	<i>Tested supporting assumptions for estimates Reviewed outcome of prior year estimates and accruals</i>	<i>Management estimates were determined to be reasonable and properly supported for the year ended December 31, 2020.</i>
<i>Payroll</i>	<i>Performed analytical procedures Performed tests of controls Reconciled salaries/wages general ledger accounts to T4 Summary (variance was immaterial)</i>	<i>Payroll expense is properly determined for the year ended December 31, 2020.</i>
<i>Obligatory reserve funds</i>	<i>Tested revenue recognized to ensure in accordance with the Municipality's accounting policies and Canadian public sector accounting standards</i>	<i>Obligatory reserve funds are properly determined for the year ended December 31, 2020.</i>

We are satisfied that our audit work has appropriately dealt with these risks and other areas of focus.

Comments on Accounting Practices

Accounting Policies

The significant accounting policies used by the Municipality are disclosed in Note 2 to the consolidated financial statements.

With respect to the significant accounting policies used by the Municipality:

- There have been no significant changes in the accounting policies.
- There has been no significant application of new accounting pronouncements.
- We did not identify any alternative accounting policies that would have been more appropriate in the circumstances.
- We did not identify any significant accounting policies in controversial or emerging areas.

Significant Accounting Estimates

Accounting estimates are an integral part of the consolidated financial statements prepared by management. These estimates are based on management's knowledge and experience about past and current events, assumptions about future events and interpretations of the financial reporting standards.

The following significant estimates/judgments are contained in the consolidated financial statements:

- Employee Future Benefits liability;
- Landfill Closure and Post-Closure liability;
- Contaminated sites liability;
- Accrued liabilities;
- Deferred revenue;
- Allowance for doubtful accounts/taxes;
- Book value of tangible capital assets

During the course of the audit, we did not identify instances of management bias in the development of estimates.

Based on audit work performed, we are satisfied with the estimates made by management.

Significant Financial Statement Disclosures

We did not identify any financial statement disclosures that are particularly significant, sensitive or require significant judgments, that we believe should be specifically drawn to your attention.

Uncorrected Misstatements

We accumulated uncorrected misstatements that we identified during our audit and communicated them to management. In accordance with Canadian generally accepted auditing standards, we requested that management correct these misstatements. All uncorrected misstatements for the current period have been corrected with the exception.

#	Nature of Uncorrected Misstatement	Effect on the Consolidated Financial Statements	Management's Reason for Not Correcting
1	No unadjusted errors		
2			

Internal Control

A deficiency in internal control exists when a risk is not treated by a control or when a control is designed, implemented or operated in such a way that it is unable to prevent, or detect and correct, misstatements in the consolidated financial statements on a timely basis, or when a control necessary to prevent, or detect and correct, misstatements in the consolidated financial statements on a timely basis is missing.

A significant deficiency in internal control is defined as a deficiency or combination of deficiencies in internal control that, in the auditor's professional judgment, is of sufficient importance to merit the attention of those charged with governance.

To identify and assess the risks of material misstatement in the consolidated financial statements, we are required to obtain an understanding of internal control relevant to the audit. This understanding is used for the limited purpose of designing appropriate audit procedures. It is not used for the purpose of expressing an opinion on the effectiveness of internal control and, as a result, we do not express any such opinion. The limited purpose also means that there can be no assurance that all significant deficiencies in internal control, or any other control deficiencies, will be identified during our audit.

During the course of the audit, we examined the accounting procedures and internal controls employed by the Municipality. For the audit of the Municipality's consolidated financial statements for the year ended December 31, 2020, we tested and relied upon internal controls in the following areas:

- general computer controls;
- revenues;
- payroll; and
- expenditures.

We did not identify any control deficiencies that, in our judgment, would be considered significant deficiencies.

Minor internal control issues identified have been reviewed with management. A management letter is attached to this report (see Appendix).

Written Representations

In a separate communication (attached as an Appendix), we have requested a number of written representations from management in respect to their responsibility for the preparation of the consolidated financial statements in accordance with Canadian public sector accounting standards. We will require the management representation letter to be signed and returned to us prior to the issuance of our Auditor's Report.

Other Reportable Matters

The following summarizes various other reportable matters to be communicated to Council in accordance with Canadian generally accepted auditing standards:

Matter	Comment
Audit strategy and scope	Refer to our engagement letter dated October 14, 2016 and our audit planning letter dated October 5, 2020.
Changes to the audit plan	<p>The audit was conducted in accordance with our audit plan which was previously communicated to Mayor and Council.</p> <p>We confirm that there have been no amendments to the audit scope and approach communicated in the audit plan.</p>
Significant difficulties encountered in performing the audit	<p>We did not encounter any significant difficulties while performing the audit.</p> <p>There were no significant delays in receiving information from management required for the audit nor was there an unnecessarily brief timetable in which to complete the audit.</p>
Related party transactions	<p>Related party transactions or balances have been properly disclosed in the consolidated financial statements.</p> <p>We have not identified any related party transactions that were not in the normal course of operations and that involved significant judgments by management concerning measurement or disclosure.</p>
Fraud and illegal acts	Based on the procedures we performed as required by Canadian Auditing Standards ("CAS") 240, <i>The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements</i> , we are not aware of any illegal acts or fraudulent events with respect to the Municipality during the year.
Disagreements with management	During the course of our audit, there were no disagreements with management about matters that individually or in the aggregate could be significant to the consolidated financial statements.
Consultation with other accountants	Management has informed us that the Municipality has not consulted with other accountants about auditing or accounting matters.
Legal and regulatory compliance	<p>Management is responsible for ensuring that the Municipality's operations are conducted in accordance with the laws and regulations applicable to the Municipality. The responsibility for preventing and detecting non-compliance rests with management.</p> <p>Our limited procedures did not identify any areas of material non-compliance with laws and regulations by the Municipality.</p>

Matter	Comment
Subsequent events	Management is responsible for assessing subsequent events up to the date of the release of the consolidated financial statements. At the time of finalizing this Report, we are not aware of any significant subsequent events.
Going concern	No material uncertainties related to events and conditions that may cast significant doubt on the Municipality's ability to continue as a going concern were noted.

Communication Requirements

We believe our audit planning letter, year-end audit findings report and various other communications we have prepared and provided to Council as part of our audit, meet our communication requirements under Canadian generally accepted auditing standards.

We encourage Council to review the contents of this Report. We would be pleased to answer any questions Council may have about these or any other related matters.



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June 1, 2021

Mayor Christa Lowry and Members of Council of the
Municipality of Mississippi Mills
3131 Old Perth Road, Box 400
Almonte, ON K0A 1A0

Dear Mayor Lowry and Members of Council:

We have been engaged to audit the consolidated financial statements of the Municipality of Mississippi Mills and its related entities ("the Municipality") for the year ended December 31, 2020.

The purpose of this letter is to communicate with you regarding all relationships between the Municipality and ourselves that, in our professional judgment, may reasonably be thought to bear on our independence.

We have prepared the following comments to facilitate our discussion with you regarding independence matters arising since June 16, 2020, the date of our last letter.

We hereby confirm that we:

- have complied with the requirements regarding independence in the Rules of Professional Conduct of the Chartered Professional Accountants of Ontario and
- have disclosed all relationships and other matters between the firm and the entity that in our opinion may reasonably be thought to bear on independence.

We are not aware of any relationships between the Municipality and us that, in our professional judgment, may reasonably be thought to bear on our independence, that have occurred from June 16, 2020 to June 1, 2021.

This letter is intended solely for the use of those to whom it is addressed and others within the entity and should not be used for any other purposes.

Yours truly,

A handwritten signature in black ink, appearing to read "Allan".

Allan and Partners LLP
Chartered Professional Accountants
Licensed Public Accountants



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May 17, 2021

Mayor Christa Lowry
The Corporation of the Municipality of Mississippi Mills
3131 Old Perth Road, R.R. #2
P O Box 400
Almonte, ON K0A 1A0

Dear Ms. Lowry:

We would like to thank Rhonda Whitmarsh, Treasurer and the employees of the accounting and administration departments of the Municipality for their assistance during the audit of the Municipality's December 31st, 2020 year end consolidated financial statements.

In planning and performing our audit of the financial statements, we obtained an understanding of internal control over financial reporting relevant to the Municipality's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the internal controls over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Municipality's internal controls over financial reporting.

Our consideration of internal controls over financial reporting was for the limited purpose described above and was not designed to identify all control deficiencies that might be significant deficiencies and therefore, there can be no assurance that all significant deficiencies and other control deficiencies have been identified. As a result, any matters reported below are limited to those deficiencies in internal controls that we identified during the audit.

Our awareness of control deficiencies varies with each audit and is influenced by the nature, timing and extent of audit procedures performed as well as other factors.

Internal control may be broadly defined as processes, which have been designed to ensure the orderly and efficient conduct of an entity's business including the discharge of statutory responsibilities, for example safeguarding of assets, prevention and detection of fraud and error, the reliability of accounting records and timely preparation of financial information.

Deficiencies in controls arise when the design of the control is not sufficient to prevent or detect misstatements on a timely basis.

Deficiencies in operations arise when the designed control does not operate as designed or when the person performing the control does not possess the necessary authority or competency to perform the control effectively.

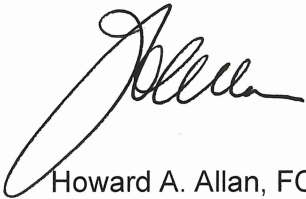
Significant control deficiencies could be identified during the course of the audit engagement. If it is our professional judgement that significant deficiencies exist that merit the attention of those charged with governance, we would address this as part of our year end management letter.

During the course of the audit, we did not observe any significant internal control deficiencies.

Comments regarding general matters arising are disclosed below.

It is our pleasure to be of service to the Municipality in connection with the 2020 audited financial statements.

Yours truly,

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Howard A. Allan, FCPA, FCA

A handwritten signature in black ink, appearing to read 'Carole Fuller', with a large, stylized initial 'C'.

Carole Fuller, CPA, CGA

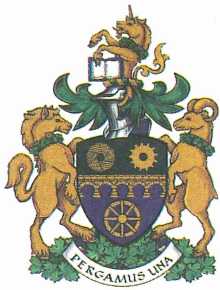
CF/dkp

cc: Rhonda Whitmarsh, Treasurer

Ken Kelly, CAO

**Municipality of Mississippi Mills
2020 Management Comments Work Chart**

<p>Building Permit and Development Charge Reconciliation</p> <p>With the change in procedure to allow the deferral of the collection of development charges until construction begins, we noted a gap in the continuity of the permits.</p> <p>The Treasurer, undertook to reconcile the continuity of the permit numbers and determined one development charge had not been collected.</p>	<p>We would recommend a process be implemented to follow up the collection of deferred development charges and that the year end reconciliation review the continuity for permit numbers</p>
<p>Comments from Previous Audits</p>	<p>Status at December 31, 2020</p>
<p>Electronic Payments</p> <p>Concern regarding one employee having access to the entire electronic payment system.</p>	<p>We understand that work has been done to identify potential solutions for this issue. The resolution may require changes to the financial reporting system that will require upgrades in the software.</p>
<p>Update of the Records Retention Bylaw Re: Electronic Storage</p> <p>We suggested a review of the Municipality's records retention bylaw should consider various issues regarding electronically filing permanent records.</p>	<p>We note the Municipality has begun to transfer funds to reserves, which are earmarked for the purchase of an electronic filing software program. Additionally, we understand staff is currently working on a record management project.</p>



CORPORATION OF THE MUNICIPALITY OF MISSISSIPPI MILLS

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June 1, 2021

Allan and Partners LLP
Chartered Professional Accountants
22 Wilson Street West
Perth, ON K7H 2M9

Dear Sir/Madam:

This representation letter is provided in connection with your audit of the consolidated financial statements of the Municipality of Mississippi Mills and its related entities ("the Municipality") for the year ended December 31, 2020, for the purpose of expressing an opinion as to whether the consolidated financial statements are presented fairly, in all material respects, in accordance with Canadian public sector accounting standards ("PSAS").

Certain representations in this letter are described as being limited to matters that are material. An item is considered material, regardless of its monetary value, if it is probable that its omission from or misstatement in the consolidated financial statements would influence the decision of a reasonable person relying on the consolidated financial statements.

We confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves as of June 1, 2021, the following representations made to you during your audit:

Consolidated Financial Statements

1. We have fulfilled our responsibilities as set out in the terms of the audit engagement letter dated October 14, 2016 for the preparation of the consolidated financial statements in accordance with PSAS. In particular, the consolidated financial statements are fairly presented, in all material respects, and present the financial position of the Municipality as at December 31, 2020, and its results of operations, changes in net debt and its cash flows for the year then ended in accordance with PSAS.
2. We have provided you with:
 - a. Access to all information of which we are aware that is relevant to the preparation of the consolidated financial statements, such as accounting records, supporting data and other relevant documentation;
 - b. Minutes of the meetings of Council and Committees or summaries of actions taken for which minutes have not yet been prepared;
 - c. Additional information that you have requested from us for the purpose of the audit; and
 - d. Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.

3. There are no material transactions that have not been properly recorded in the accounting records underlying the consolidated financial statements.
4. We believe the effects of uncorrected misstatements are immaterial, individually and in aggregate, to the consolidated financial statements as a whole. A list of the uncorrected misstatements is attached to this letter.
5. We have disclosed to you any change in the Municipality's internal control over financial reporting that occurred during the current year that has materially affected, or is reasonably likely to materially affect, the Municipality's internal control over financial reporting.

Fraud and Non-Compliance

6. We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud or error. We have communicated to you any deficiencies in the design and implementation or the maintenance of internal control over financial reporting of which management is aware.
7. We have disclosed to you the results of our assessment of the risk that the consolidated financial statements may be materially misstated as a result of fraud or error.
8. We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the entity and involves:
 - a. Management;
 - b. Employees who have significant roles in internal control; or
 - c. Others where the fraud could have a material effect on the consolidated financial statements.
9. We have disclosed to you all information in relation to allegations of fraud or suspected fraud affecting the Municipality's consolidated financial statements and all knowledge of concerns or allegations of potential errors in the selection of accounting policies or the recording of transactions affecting the Municipality that have been communicated by employees, former employees, analysts, regulators or others, whether written or oral.
10. We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations that should be considered when preparing the consolidated financial statements.
11. We have disclosed to you, and the Municipality has complied with, all aspects of contractual agreements that could have a material effect on the consolidated financial statements in the event of non-compliance, including all covenants, conditions or other requirements of all outstanding debt.
12. We have disclosed to you all communications from:
 - a. Taxation authorities concerning assessments or reassessments that could have a material effect on the consolidated financial statements and
 - b. Regulatory agencies concerning non-compliance with or potential deficiencies in financial reporting requirements. We are unaware of any known or probable instances of non-compliance with the requirements of regulatory or governmental authorities, including their financial reporting requirements.
13. We have disclosed to you all known, actual or possible litigation and claims, whether or not they have been discussed with our lawyers, whose effects should be considered when preparing the consolidated financial statements. As appropriate, these items have been disclosed and accounted for in the consolidated financial statements in accordance with PSAS.

Related Parties

14. We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware, including guarantees, non-monetary transactions and transactions for no consideration.
15. All related-party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of PSAS.

Estimates

16. We acknowledge our responsibility for determining the accounting estimates required for the preparation of the consolidated financial statements in accordance with PSAS. Those estimates reflect our judgment based on our knowledge and experience of past and current events, and on our assumptions about conditions we expect to exist and courses of action we expect to take. We believe that the significant assumptions and measurement methods used by us in making accounting estimates, including those measured at fair value, are reasonable.

Fair Value Measurements

17. With regard to fair value measurements and disclosures in the consolidated financial statements, we believe that:
 - a. The measurement methods, including the related assumptions, used in determining fair value were appropriate, reasonable and consistently applied in accordance with PSAS.
 - b. The completeness and adequacy of the disclosures related to fair values are in accordance with PSAS.
 - c. No events have occurred subsequent to December 31, 2020 that require adjustment to the fair value measurements and disclosures included in the consolidated financial statements.
 - d. The fair value measurements and disclosures in the consolidated financial statements reflect management's intent and ability to carry out specific courses of action on behalf of the Municipality when relevant to the use of fair value measurements or disclosures.

Work of Management's Experts

18. We agree with the work of management's experts in evaluating the landfill liability, employee future benefits liability and contaminated sites liability, and have adequately considered the competence and capabilities of the experts in determining amounts and disclosures used in the consolidated financial statements and underlying accounting records. We did not give any, nor cause any, instructions to be given to management's experts with respect to values or amounts derived in an attempt to bias their work, and we are not aware of any matters that have impacted the independence or objectivity of the experts.

Accounting Policies

19. All significant accounting policies are disclosed in the consolidated financial statements and are consistent with those used in the previous period.

Title to Assets

20. The Municipality has satisfactory title to and control over all assets, and there are no liens or encumbrances on such assets. We have disclosed to you and in the consolidated financial statements all assets that have been pledged as collateral, where applicable.

Future Plans

21. We have no plans or intentions that may materially affect the carrying value or classification of assets and liabilities reflected in the consolidated financial statements.

Accounts Receivables

22. All amounts receivable by the Municipality were recorded in the books and records.
23. All receivables were free from hypothecation or assignment.

Tangible Capital Assets

24. All charges to tangible capital asset accounts represented the actual cost of additions to tangible capital assets. No significant tangible capital asset additions were charged to repairs and maintenance or other expense accounts.
25. Book values of tangible capital assets sold, destroyed, abandoned or otherwise disposed of have been eliminated from the accounts.
26. Tangible capital assets owned by the Municipality are being amortized on a systematic basis over their estimate useful lives, and the provision for amortization was calculated on a basis consistent with that of the previous date.
27. All lease agreements covering property leased by the Municipality have been disclosed to you and classified as capital or operating, as appropriate.

Liabilities and Contingencies

28. We have disclosed to you all liabilities and contingencies, including those associated with guarantees, whether written or oral, and they are appropriately reflected in the consolidated financial statements.
29. We are unaware of any violations or possible violations of laws or regulations the effects of which should be considered for disclosure in the consolidated financial statements or as the basis of recording a contingent loss.

Deferred Revenue

30. All material amounts of deferred revenue meet the definition of a liability and were appropriately recorded in the books and records.

Employee Future Benefits

31. The employee future benefit costs, assets and obligations have been determined, accounted for and disclosed in accordance with PS 3250 – Retirement Benefits and PS 3255 – Post-employment Benefits, Compensated Absences and Termination Benefits.

Journal Entries

32. We have reviewed, approved and recorded all of your proposed adjustments to our accounting records. This includes journal entries, changes to account coding, classification of certain transactions and preparation of, or changes to, certain accounting records.

Subsequent Events

33. There have been no events between the statement of financial position date and the date of this letter that would require recognition or disclosure in the consolidated financial statements.
34. There have been no events subsequent to the statement of financial position date of the comparative financial statements that would require adjustment or disclosure in the current consolidated financial statements.

Yours truly,

Ken Kelly, Chief Administrative Officer

Rhonda Whitmarsh, CPA, CA, Treasurer