

**MUNICIPALITY OF NORTH
MIDDLESEX**

Consolidated Financial Statements

December 31, 2024

Municipality of North Middlesex
Consolidated Financial Statements
For The Year Ended December 31, 2024

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MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying consolidated financial statements are the responsibility of the management of **Municipality of North Middlesex** and have been prepared in accordance with Canadian public sector accounting standards.

These consolidated financial statements include:

- Independent Auditors' Report
- Consolidated Statement of Financial Position
- Consolidated Statement of Operations and Accumulated Surplus
- Consolidated Statement of Changes in Net Financial (Debt) Assets
- Consolidated Statement of Cash Flows
- Notes to the Consolidated Financial Statements
- Consolidated Schedule of Segment Disclosure

The Chief Administrative Officer and the Treasurer are responsible for ensuring that management fulfills its responsibility for financial reporting and is ultimately responsible for reviewing the consolidated financial statements before they are submitted to Council for approval.

The integrity and reliability of **Municipality of North Middlesex** reporting systems are achieved through the use of formal policies and procedures, the careful selection of employees and an appropriate division of responsibilities. These systems are designed to provide reasonable assurance that the financial information is reliable and accurate.

The consolidated financial statements have been audited on behalf of the Members of Council, Inhabitants and Ratepayers of **Municipality of North Middlesex** by Graham Scott Enns LLP in accordance with Canadian public sector accounting standards.



Samuel Shannon
Interim Chief Administrative Officer



Raffaello D'Alessandro
Treasurer

Parkhill, Ontario
September 16, 2026



INDEPENDENT AUDITORS' REPORT

To the Members of Council, Inhabitants and Ratepayers of **Municipality of North Middlesex**:

Opinion

We have audited the consolidated financial statements of **Municipality of North Middlesex**, which comprise the consolidated statement of financial position as at December 31, 2024, and the consolidated statement of operations and accumulated surplus, consolidated statement of changes in net financial (debt) assets and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the Municipality's consolidated financial statements present fairly, in all material respects, the financial position of the Municipality as at December 31, 2024, and the results of its operations and its 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 *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Municipality in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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



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INDEPENDENT AUDITORS' REPORT (CONTINUED)

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements (Continued)

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

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

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

St. Thomas, Ontario
September 16, 2026

Graham Scott Enns LLP
CHARTERED PROFESSIONAL ACCOUNTANTS
Licensed Public Accountants

MUNICIPALITY OF NORTH MIDDLESEX

Consolidated Statement of Financial Position As At December 31, 2024

	2024	(Note 23) 2023
	<u>\$</u>	<u>\$</u>
FINANCIAL ASSETS		
Cash	6,399,169	9,300,264
Short-term investments (Note 4)	210,296	208,435
Taxes receivable (Note 6)	1,252,622	1,170,290
Accounts receivable (Note 7)	8,990,537	8,782,603
Long-term receivable (Note 8)	<u>327,482</u>	<u>382,501</u>
	<u>17,180,106</u>	<u>19,844,093</u>
LIABILITIES		
Temporary advances (Note 5)	-	6,503,568
Deferred revenue (Note 12)	5,405,204	4,475,306
Accounts payable and accrued liabilities	4,485,369	5,161,088
Asset retirement obligations (Note 15)	1,309,800	1,263,067
Accrued sick day liability (Note 17)	477,060	395,449
Long-term debt (Note 10)	<u>8,114,601</u>	<u>1,842,623</u>
	<u>19,792,034</u>	<u>19,641,101</u>
NET FINANCIAL (DEBT) ASSETS	<u>(2,611,928)</u>	<u>202,992</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 9)	88,290,893	84,657,021
Prepaid expenses and inventory	<u>322,561</u>	<u>166,409</u>
	<u>88,613,454</u>	<u>84,823,430</u>
ACCUMULATED SURPLUS (NOTE 11)	86,001,526	85,026,422
ACCUMULATED REMEASUREMENT GAINS AND LOSSES	<u>-</u>	<u>-</u>
	<u>86,001,526</u>	<u>85,026,422</u>

See accompanying notes to the financial statements

MUNICIPALITY OF NORTH MIDDLESEX

Consolidated Statement of Operations and Accumulated Surplus For The Year Ended December 31, 2024

	Budget (Note 18) \$	Actual 2024 \$	(Note 1) Actual 2023 \$
REVENUES			
Property taxation	8,886,481	8,919,144	8,442,189
Taxation from other governments	44,186	51,611	84,616
User charges	7,342,011	6,701,119	5,977,339
Government transfers:			
Provincial	801,927	1,279,268	998,945
Fees and donations	975,998	791,855	1,007,266
Investment income	120,000	173,127	275,928
Penalties and interest on taxes	113,000	-	67,466
Recoveries from benefiting landowners	<u>460,000</u>	<u>730,492</u>	<u>1,676,004</u>
 Total Revenues	 <u>18,743,603</u>	 <u>18,646,616</u>	 <u>18,529,753</u>
EXPENSES			
General government	1,514,543	1,862,519	1,650,982
Protection to persons and property	2,517,929	2,433,741	2,109,267
Transportation services	3,796,227	4,750,451	4,090,867
Environmental services	5,426,045	5,388,190	5,649,431
Health services	87,467	43,867	57,981
Recreation and cultural services	1,669,019	1,674,709	1,673,889
Planning and development	<u>1,154,540</u>	<u>2,748,708</u>	<u>1,052,126</u>
 Total Expenses (Note 22)	 <u>16,165,770</u>	 <u>18,902,185</u>	 <u>16,284,543</u>
ANNUAL SURPLUS (DEFICIT) BEFORE CAPITAL FUNDING	2,577,833	(255,569)	2,245,210
CAPITAL FUNDING (NOTE 13)	<u>-</u>	<u>1,230,673</u>	<u>6,078,601</u>
ANNUAL SURPLUS	2,577,833	975,104	8,323,811
ACCUMULATED SURPLUS, BEGINNING OF YEAR	85,026,422	85,026,422	78,341,941
RESTATEMENT OF ASSETS OF LAKE HURON AREA PRIMARY WATER SUPPLY SYSTEM (NOTE 23)	<u>-</u>	<u>-</u>	<u>(1,639,330)</u>
ACCUMULATED SURPLUS, END OF YEAR (NOTE 11)	<u><u>87,604,255</u></u>	<u><u>86,001,526</u></u>	<u><u>85,026,422</u></u>

See accompanying notes to the financial statements

MUNICIPALITY OF NORTH MIDDLESEX

Consolidated Statement of Changes in Net Financial (Debt) Assets For The Year Ended December 31, 2024

	Budget (Note 18) \$	Actual 2024 \$	Actual 2023 \$
ANNUAL SURPLUS	2,577,833	975,104	8,323,811
Acquisition of tangible capital assets	(6,309,755)	(6,309,755)	(10,878,651)
Amortization of tangible capital assets	2,675,883	2,675,883	2,256,650
Change in prepaid expenses and inventory	<u>-</u>	<u>(156,152)</u>	<u>131,912</u>
CHANGE IN NET FINANCIAL ASSETS	(1,056,039)	(2,814,920)	(166,278)
NET FINANCIAL ASSETS, BEGINNING OF YEAR	<u>202,993</u>	<u>202,993</u>	<u>369,271</u>
NET FINANCIAL (DEBT) ASSETS, END OF YEAR	<u><u>(853,046)</u></u>	<u><u>(2,611,927)</u></u>	<u><u>202,993</u></u>

See accompanying notes to the financial statements

MUNICIPALITY OF NORTH MIDDLESEX

Consolidated Statement of Cash Flows For The Year Ended December 31, 2024

	2024 \$	2023 \$
OPERATING ACTIVITIES		
Annual surplus	975,104	8,323,811
Add (deduct) items not involving cash:		
Amortization of tangible capital assets	2,675,883	2,256,650
Accretion expense	<u>46,733</u>	<u>45,066</u>
	3,697,720	10,625,527
Change in non-cash items related to operations (Note 22[b])	<u>(110,628)</u>	<u>(3,978,674)</u>
	<u>3,587,092</u>	<u>6,646,853</u>
CAPITAL		
Acquisition of tangible capital assets	<u>(6,309,755)</u>	<u>(10,878,651)</u>
INVESTING		
Proceeds from debentures and tile drain loans receivable	<u>55,019</u>	<u>52,283</u>
FINANCING		
Short-term debt advances	-	2,103,568
Long-term debt repayment	<u>(231,590)</u>	<u>(229,423)</u>
	<u>(231,590)</u>	<u>1,874,145</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	(2,899,234)	(2,305,370)
OPENING CASH AND CASH EQUIVALENTS	<u>9,508,699</u>	<u>11,814,069</u>
CLOSING CASH AND CASH EQUIVALENTS	<u><u>6,609,465</u></u>	<u><u>9,508,699</u></u>
REPRESENTED BY:		
Cash	6,399,169	9,300,264
Short-term investment	<u>210,296</u>	<u>208,435</u>
	<u><u>6,609,465</u></u>	<u><u>9,508,699</u></u>

See accompanying notes to the financial statements

MUNICIPALITY OF NORTH MIDDLESEX

Notes to the Consolidated Financial Statements For The Year Ended December 31, 2024

The Municipality of North Middlesex (the "Municipality") is a municipality in the Province of Ontario. It was created January 1, 2001 through the amalgamation of the Town of Parkhill, the Village of Ailsa Craig and the Townships of McGillvary, East Williams and West Williams. It conducts its operations guided by the provisions of provincial statutes such as the Municipal Act, Municipal Affairs Act and related legislation.

1. CHANGE IN ACCOUNTING POLICIES

On January 1, 2024, the Municipality adopted accounting policies to conform to new standards issued under Canadian public sector accounting standards. The Municipality adopted the following standards which had the following impact:

- PS 3400 - Revenue - This standard may impact the timing of the revenue reported by the Municipality. There is no impact on the Municipality's financial reporting as a result of the adoption of this standard.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the Municipality are prepared by management in accordance with Canadian public sector accounting standards. Significant aspects of the accounting policies adopted by the Municipality are as follows:

Reporting Entity

The consolidated financial statements reflect the assets, liabilities, revenues, expenses of the reporting entity. The reporting entity is comprised of all organizations, committees and local boards accountable for the administration of their financial affairs and resources to the Municipality and which are owned or controlled by the Municipality.

MUNICIPALITY OF NORTH MIDDLESEX

Notes to the Consolidated Financial Statements For The Year Ended December 31, 2024

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Consolidated Entities

There are no organizations or local boards that are consolidated in these consolidated financial statements.

Proportionate Consolidation

The Lake Huron Area Primary Water Supply System has been consolidated on a proportionate basis. It is proportionately consolidated based upon the water flow used by the Municipality in proportion to the entire flows provided by the joint water board. This amounts to 2.93%.

Accounting for County and School Board Transactions

Although the Municipality collects taxation on behalf of the School Boards and the County of Middlesex, the taxation, other revenues, expenses, assets and liabilities with respect to the operations of the school boards and the County of Middlesex are not reflected in these statements.

Trust Funds

Trust funds and their related operations administered by the Municipality are not included in these consolidated financial statements.

Basis of Accounting

The consolidated financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting records revenue as it is earned and measurable. Expenses are recognized as they are incurred and measurable based upon receipt of goods or services and/or the creation of a legal obligation to pay.

Use of Estimates

The preparation of consolidated financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the period. These estimates and assumptions are based on the best information and judgment and may differ significantly from actual results.

MUNICIPALITY OF NORTH MIDDLESEX

Notes to the Consolidated Financial Statements For The Year Ended December 31, 2024

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Tax Revenues

The Municipality has the authority to levy and collect property taxes is established under the Municipal Act 2001, the Assessment Act, the Education Act, and other legislation.

The amount of the total annual property tax levy is determined each year through Council's approval of the annual budget. Municipal tax rates are set annually by Council for each class or type of property, in accordance with legislation and Council-approved policies, in order to raise the revenue required to meet operating budget requirements. Education tax rates are established by the Province each year in order to fund costs of education on a Province-wide basis.

Taxation revenues are recorded at the time billings are issued. Additional property tax revenue can be added throughout the year, related to new properties that become occupied, or that become subject to property tax, after the return of the annual assessment roll used for billing purposes. The Municipality may receive supplementary assessment rolls over the course of the year from MPAC that identify new or omitted assessments. Property taxes for these supplementary/omitted amounts are then billed according to the approved tax rate for the property class.

Taxation revenues in any year may also be reduced as a result of reductions in assessment value rising from assessment and/or tax appeals. Each year, an amount is identified to cover the estimated amount of revenue loss attributable to assessment appeals, tax appeals or other deficiencies in tax revenue (e.g. uncollectible amounts, write-offs, etc.).

Interest and penalties are charged on overdue property taxes.

Defined Contribution Pension Plan

The Municipality accounts for its participation in the Ontario Municipal Employees Retirement System (OMERS), a multi-employer public sector pension fund, as a defined contribution plan. The OMERS plan specifies the retirement benefits to be received by the employees based on the length of service and pay rates.

MUNICIPALITY OF NORTH MIDDLESEX

Notes to the Consolidated Financial Statements For The Year Ended December 31, 2024

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Other Revenue and Deferred Revenue

Revenue, excluding property taxes, is recognized when the amount is determinable, collectibility is assured and the service is provided. More specifically, the Municipality recognizes the following major types of revenue:

- i. User fees include fees related to rental of recreation facilities, building permits, and fees for sewer and water usage.
- ii. Development charges charged on new or significant construction improvements and are reported as an obligatory deferred revenue until the condition for its usage fulfilled, at which point is brought into revenue.
- iii. Government transfers are recognized in the consolidated financial statements as revenues in the financial period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met including performance and return requirements, and reasonable estimates of the amounts can be determined. Any amount received but restricted is recorded as deferred revenue and recognized as revenue in the period in which the resources are used for the purpose specified.

In addition, the Municipality periodically receives senior government capital funding in the form of infrastructure grants and receives ongoing funding from both senior levels of government as a result of an allocation of the gas tax funds.

Non-Financial Assets

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

MUNICIPALITY OF NORTH MIDDLESEX

Notes to the Consolidated Financial Statements For The Year Ended December 31, 2024

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Non-Financial Assets (continued)

- i. 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 are amortized on a straight-line basis over their estimated useful lives as follows:

Asset retirement obligations	Over similar life span as related asset
Land and land improvements	20 to 75 years
Building and components	30 to 75 years
Equipment	20 to 30 years
Fleet	7 to 20 years
Roads	35 to 100 years
Underground and other networks	75 years
Bridges and other structures	40 to 75 years

Amortization is calculated on daily basis from the date of acquisition. Assets under construction are not amortized until the asset is available for productive use.

- ii. Contributions of tangible capital assets received as contributions are recorded at their fair value at the date of receipt and also are recorded as revenue.
- iii. Works of art and cultural and historic assets are not recorded as assets in these financial statements.
- iv. Interest is not capitalized with the acquisition or construction of a tangible capital asset.
- v. Leased tangible capital assets 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 of supplies held for consumption are recorded at the lower of cost and replacement cost.

MUNICIPALITY OF NORTH MIDDLESEX

Notes to the Consolidated Financial Statements For The Year Ended December 31, 2024

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial Instruments

The Municipality, upon initial recognition, classifies its financial instruments into two categories:

- i. fair value or;
- ii. cost or amortized cost;

Long-term debt is initially recorded at fair value and subsequently measured at amortized cost using the effective interest rate method. Transaction costs related to the issuance of long-term debt are capitalized and amortized over the term of the debt.

Other financial instruments including cash, accounts receivable, accounts payable and accrued liabilities are initially measured at fair value and subsequently measured at cost.

Investments are initially recorded at fair value and subsequently measured at fair value with the fair value determined as follows:

- i. Level 1 - Fair value measurements are those derived from quoted prices (in active markets);
- ii. Level 2 - Fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the assets, either directly (i.e. as prices) or indirectly (i.e. derived from prices);
- iii. Level 3 - Fair value measurements are those derived from valuation techniques that include inputs for the asset that are not based on observable data (unobservable inputs).

Unrealized gains and losses from changes in the fair value of financial instruments are recognized in the statement of remeasurement gains and losses.

All financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations.

Environmental Provisions and Contaminated Sites

The Municipality may be exposed to litigation or other costs of remediation due to contaminated properties in its jurisdiction. A liability for remediation is recognized in the consolidated financial statements when an environmental standard exists, contamination exceeds the standard, the government is responsible for the remediation and a reasonable estimate of the liability can be made. As at December 31, 2024 there were no properties that the Municipality was responsible to remedy and as such no liability has been accrued.

MUNICIPALITY OF NORTH MIDDLESEX

Notes to the Consolidated Financial Statements For The Year Ended December 31, 2024

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Inter-Entity Transactions

Transactions between related parties are recorded at carrying amounts with the exception of the following:

- i. Transactions in the normal course of business or with fair consideration are recorded at exchange amount;
- ii. Transfer of an asset or liability at nominal amounts or no consideration are recorded by the provider at carrying amounts and the recipient has the choice of either carrying amount or fair value;
- iii. Cost allocations are reported using the exchange amounts and revenues and expenses are reported on a gross basis;
- iv. Unallocated costs for the provision of goods or services maybe recorded by the provider at cost, fair value or another amount dictated by policy, accountability structure or budget practice.

Asset Retirement Obligations

The Municipality is exposed to obligations of remediation associated with their tangible capital assets. If a legal obligation exists of remediation for a tangible capital asset then the Municipality would be required to set up an estimated future cost and liability associated with these obligations. As at December 31, 2024 the Municipality has identified its landfill, gravel pit, water and sewage assets and other buildings as assets retirement obligations. These retirement obligations are set up using discounted cash flows and are amortized over the remaining life of the asset. In addition the future liability is adjusted yearly with an accretion expense to balance the present value of the future liabilities cashflows.

MUNICIPALITY OF NORTH MIDDLESEX

Notes to the Consolidated Financial Statements For The Year Ended December 31, 2024

3. CREDIT FACILITY

The Municipality has available \$2,500,000 revolving line of credit for current expenditures and a \$1,000,000 revolving term-facility for capital expenditures with interest at the prime rate. At year end, the balance drawn on these facilities was \$nil (2023 - \$nil). The Municipality has a financial reporting covenant of 180 days of which the Municipality was not in compliance with.

4. SHORT-TERM INVESTMENTS

The short-term investments are recorded at their fair market value and consist primarily of investments in One Bond Fund invested in a high interest savings account. The fair market value at year end was \$210,296 (2023 - \$208,435).

5. TEMPORARY ADVANCES

The Municipality had available \$8,000,000 of short-term financing, with interest at a variable rate, for specific capital asset purchases with the Ontario Infrastructure and Lands Corporation. At year end, the balance drawn on this facility was \$6,503,568 (2023 - \$6,503,568). This temporary advance was converted into a long-term loan in December 2024 with interest at 4.59%, a semi-annual payment of \$500,427, a term of 20 years due December 2044, and to be funded by water and sewer user fees and has been reported in long-term debt (note 10).

6. TAXES RECEIVABLE

	2024	2023
	\$	\$
Current taxes receivable	1,008,132	1,184,039
Arrears taxes receivable	466,233	270,641
Prepayments of taxes	<u>(221,743)</u>	<u>(284,390)</u>
	<u>1,252,622</u>	<u>1,170,290</u>

MUNICIPALITY OF NORTH MIDDLESEX

Notes to the Consolidated Financial Statements For The Year Ended December 31, 2024

7. ACCOUNTS RECEIVABLE

	2024	2023
	<u>\$</u>	<u>\$</u>
Accounts receivable	234,268	279,663
Water and sewer user fees	2,401,989	1,243,806
Government grants for capital projects	4,160,672	4,160,672
Recoverable municipal drains	10,598	375,238
Consolidated Lake Huron Primary Water	1,715,624	1,630,816
Government remittances	<u>467,386</u>	<u>1,092,408</u>
	<u><u>8,990,537</u></u>	<u><u>8,782,603</u></u>

8. LONG-TERM RECEIVABLE

	2024	2023
	<u>\$</u>	<u>\$</u>
Sewer debentures receivable - 5.01%, due 2027	171,430	223,017
Sewer debenture receivable - 5.26%, due 2047	<u>156,052</u>	<u>159,484</u>
	<u><u>327,482</u></u>	<u><u>382,501</u></u>

The sewer debentures receivable represent amounts owing from benefiting land owners for new water, sewer and storm drain lines installed on their property. These loans have terms of twenty and forty years, at interest rates between 5.16% and 5.26%, with the current portion expected to be collected in the next year of \$58,000 (2023 - \$55,000). This receivable is collected to repay the debt obligation of \$327,482 (2023 - \$382,501) of similar terms in note 10.

MUNICIPALITY OF NORTH MIDDLESEX

Notes to the Consolidated Financial Statements For The Year Ended December 31, 2024

9. TANGIBLE CAPITAL ASSETS

December 31, 2024				
Cost	Opening	Additions	Disposals and Adjustments	Ending
<u>Infrastructure</u>				
Linear - Roadways	25,780,314	-	-	25,780,314
Linear - Underground and other networks	30,867,764	6,490,141	(61,372)	37,296,533
Linear - Bridges and other structures	7,900,409	2,224,754	-	10,125,163
Infrastructure Total	64,548,487	8,714,895	(61,372)	73,202,010
<u>General</u>				
Land and land improvements	1,382,675	162,897	-	1,545,572
Asset retirement obligations (Note 1)	338,042	-	-	338,042
Buildings	24,397,066	16,643,841	(34,978)	41,005,929
Equipment	5,753,262	787,449	-	6,540,711
Fleet	4,828,497	1,072,921	-	5,901,418
General Total	36,699,542	18,667,108	(34,978)	55,331,672
Work in progress	24,237,736	-	(21,072,248)	3,165,488
Total Cost	125,485,765	27,382,003	(21,168,598)	131,699,170
Accumulated Amortization				
	Opening	Amortization	Disposals and Adjustments	Ending
<u>Infrastructure</u>				
Linear - Roadways	13,285,632	631,666	-	13,917,298
Linear - Underground and other networks	11,618,889	593,751	(61,372)	12,151,268
Linear - Bridges and other structures	3,309,398	145,533	-	3,454,931
Infrastructure Total	28,213,919	1,370,950	(61,372)	29,523,497
<u>General</u>				
Land and land improvements	97,826	102,893	-	200,719
Asset retirement obligations (Note 1)	196,124	6,527	-	202,651
Buildings	6,645,042	591,905	(34,978)	7,201,969
Equipment	3,001,031	141,469	-	3,142,500
Fleet	2,674,802	462,139	-	3,136,941
General Total	12,614,825	1,304,933	(34,978)	13,884,780
Total Accumulated Amortization	40,828,744	2,675,883	(96,350)	43,408,277
Net Book Value	Opening			Ending
<u>Infrastructure</u>				
Linear - Roadways	12,494,682			11,863,016
Linear - Underground and other networks	19,248,875			25,145,265
Linear - Bridges and other structures	4,591,011			6,670,232
	36,334,568			43,678,513
<u>General</u>				
Land and land improvements	1,284,849			1,344,853
Asset retirement obligations (Note 1)	141,918			135,391
Buildings	17,752,024			33,803,960
Equipment	2,752,231			3,398,211
Fleet	2,153,695			2,764,477
	24,084,717			41,446,892
Work in progress	24,237,736			3,165,488
Total Net Book Value	84,657,021			88,290,893

MUNICIPALITY OF NORTH MIDDLESEX

Notes to the Consolidated Financial Statements For The Year Ended December 31, 2024

9. TANGIBLE CAPITAL ASSETS (CONTINUED)

December 31, 2023 Cost	Opening (Note 23)	Additions	Disposals and Adjustments	Ending
<u>Infrastructure</u>				
Linear - Roadways	25,780,314	-	-	25,780,314
Linear - Underground and other networks	30,626,702	241,062	-	30,867,764
Linear - Bridges and other structures	7,900,409	-	-	7,900,409
Infrastructure Total	64,307,425	241,062	-	64,548,487
<u>General</u>				
Land and land improvements	1,382,675	-	-	1,382,675
Asset retirement obligations (Note 1)	338,042	-	-	338,042
Buildings	24,385,114	11,952	-	24,397,066
Equipment	5,626,195	127,067	-	5,753,262
Fleet	4,181,517	646,980	-	4,828,497
General Total	35,913,543	785,999	-	36,699,542
Work in progress	14,386,146	9,851,590	-	24,237,736
Total Cost	114,607,114	10,878,651	-	125,485,765
Accumulated Amortization				
	Opening	Amortization	Disposals and Adjustments	Ending
<u>Infrastructure</u>				
Linear - Roadways	12,656,108	629,524	-	13,285,632
Linear - Underground and other networks	11,116,113	502,776	-	11,618,889
Linear - Bridges and other structures	3,183,970	125,428	-	3,309,398
Infrastructure Total	26,956,191	1,257,728	-	28,213,919
<u>General</u>				
Land and land improvements	-	97,826	-	97,826
Asset retirement obligations (Note 1)	189,597	6,527	-	196,124
Buildings	6,283,263	361,779	-	6,645,042
Equipment	2,721,212	279,819	-	3,001,031
Fleet	2,421,831	252,971	-	2,674,802
General Total	11,615,903	998,922	-	12,614,825
Total Accumulated Amortization	38,572,094	2,256,650	-	40,828,744
Net Book Value	Opening			Ending
<u>Infrastructure</u>				
Linear - Roadways	13,124,206			12,494,682
Linear - Underground and other networks	19,510,589			19,248,875
Linear - Bridges and other structures	4,716,439			4,591,011
	37,351,234			36,334,568
<u>General</u>				
Land and land improvements	1,382,675			1,284,849
Asset retirement obligations (Note 1)	148,445			141,918
Buildings	18,101,851			17,752,024
Equipment	2,904,983			2,752,231
Fleet	1,759,686			2,153,695
	24,297,640			24,084,717
Work in progress	14,386,146			24,237,736
Total Net Book Value	76,035,020			84,657,021

MUNICIPALITY OF NORTH MIDDLESEX

Notes to the Consolidated Financial Statements For The Year Ended December 31, 2024

10. LONG-TERM DEBT

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

	2024 \$	2023 \$
Loan issued by the Ontario Infrastructure and Lands Corporation, interest at 4.59%, with semi-annual payment of \$250,313 and maturing December 2044	6,503,568	-
Loans issued by Ontario Infrastructure Programs at various rates on interest ranging from 5.16% to 5.26% with maturity dates ranging from November 2027 to November 2047	327,483	382,502
Consolidated debt issued to the Lake Huron Primary Water Supply, rates ranging from 1.4% to 3.8%, with maturing March 2027	30,794	58,506
Loan issued by the Lake Huron Primary Water Supply, 2.69%, due January 2032	<u>1,252,756</u>	<u>1,401,614</u>
	<u>8,114,601</u>	<u>1,842,622</u>

Principal repayments are summarized as follows:

	User Fees	Tax Revenue	Benefiting Landowners	Total
2025	385,628	-	57,898	443,526
2026	372,242	-	60,928	433,170
2027	386,630	-	64,116	450,746
2028	399,907	-	4,224	404,131
2029	415,269	-	4,449	419,718
Thereafter	<u>5,827,442</u>	-	<u>135,868</u>	<u>5,963,310</u>
Total	<u>7,787,118</u>	<u>-</u>	<u>327,483</u>	<u>8,114,601</u>

- b) Interest expense on long-term debt and short-term debt in 2024 amounted to \$400,138 (2023 - \$418,347).
- c) Subsequent to the year end, the Municipality entered into a loan agreement with the County of Middlesex to fund specific tangible capital assets. The loan is for \$2,500,000, interest free, with repayments semi-annually of \$125,000 beginning June 2025 and maturing December 2034.

MUNICIPALITY OF NORTH MIDDLESEX

Notes to the Consolidated Financial Statements For The Year Ended December 31, 2024

11. ACCUMULATED SURPLUS

The accumulated surplus balance is comprised of current fund, capital fund, balances in reserves and discretionary reserve funds, unfunded liabilities to be recovered in the future and investment in tangible capital assets.

	2024	(Note 23) 2023
	\$	\$
Operating - general fund	376,539	(12,961)
Invested in tangible capital assets	88,290,893	84,657,020
Capital fund (unfunded)	(3,405,756)	(9,909,124)
Benefiting land owners	(4,013,119)	(2,454,383)
Reserves and reserve funds	<u>14,475,605</u>	<u>15,864,506</u>
	95,724,162	88,145,058
AMOUNTS TO BE RECOVERED		
Accrued liability - sick day benefit (Note 17)	(477,060)	(395,449)
Asset retirement obligations (Note 15)	(1,309,800)	(1,263,067)
Net long-term debt (Note 10)	<u>(7,935,776)</u>	<u>(1,460,120)</u>
	<u>(9,722,636)</u>	<u>(3,118,636)</u>
ACCUMULATED SURPLUS	<u>86,001,526</u>	<u>85,026,422</u>

RESERVES AND RESERVE FUNDS CONSIST OF THE FOLLOWING:

	2024	2023
	\$	\$
Reserves and reserve funds set aside for specific purposes by Council:		
- for working capital and rate stabilization (reserve)	6,867,731	6,651,614
- for vehicle, equipment and facilities (reserve)	1,892,767	2,650,209
- for capital purposes (reserve)	879,255	489,255
- for sewer purposes (reserve funds)	2,679,090	2,727,636
- for consolidated water purposes (reserve funds)	1,616,085	1,461,506
- for building and vibrancy (reserve funds)	1,967,741	2,057,741
- for water (reserve funds)	<u>(1,427,064)</u>	<u>(173,455)</u>
Total reserves	<u>14,475,605</u>	<u>15,864,506</u>

MUNICIPALITY OF NORTH MIDDLESEX

Notes to the Consolidated Financial Statements For The Year Ended December 31, 2024

12. DEFERRED REVENUE

	2024	2023
	<u>\$</u>	<u>\$</u>
General	22,671	482,521
Development charges - obligatory	3,072,682	1,565,839
Building funds - obligatory	310,152	112,460
Ontario Community Infrastructure Fund - obligatory	679,144	1,087,709
Canada Community Building Fund - obligatory	1,214,741	1,150,837
Parkland - obligatory	<u>105,814</u>	<u>75,940</u>
	<u>5,405,204</u>	<u>4,475,306</u>

13. GOVERNMENT TRANSFERS - CAPITAL FUNDING

The total funding received related to capital projects is as follows:

	2024	2023
	<u>\$</u>	<u>\$</u>
Ontario Community Infrastructure Fund	1,026,272	735,318
Canada Community Building Fund	204,431	356,608
Investing in Canada Infrastructure Program - federal transfers	-	3,617,900
Investing in Canada Infrastructure Program - provincial transfers	-	3,014,615
County of Middlesex - municipal transfers	-	886,932
Allocated portion to the County of Middlesex	<u>-</u>	<u>(2,532,772)</u>
Total included in capital revenue	<u>1,230,703</u>	<u>6,078,601</u>

MUNICIPALITY OF NORTH MIDDLESEX

Notes to the Consolidated Financial Statements For The Year Ended December 31, 2024

14. TRUST FUNDS

Trust funds administered by the Municipality amounting to \$392,224 (2023 - \$315,853) have not been included in the Consolidated Statement of Financial Position nor have their operations been included in the Consolidated Statement of Operations.

15. ASSET RETIREMENT OBLIGATIONS

The Municipality has undiscounted expenditures associated with these asset retirement obligations of \$1,272,300. These costs are being increased at the consumer price index on an annual basis. The Municipality has no time frame to settle these obligations due to the nature of the assets.

	2024	2023
	<u>\$</u>	<u>\$</u>
Opening balance of asset retirement obligations	1,263,067	1,218,001
Accretion expense	<u>46,733</u>	<u>45,066</u>
Closing balance of asset retirement obligations	<u>1,309,800</u>	<u>1,263,067</u>
	2024	2023
	<u>\$</u>	<u>\$</u>
Land and land improvements - landfill	340,500	328,351
Building and facilities - waste water and water	293,700	283,221
Building and facilities - recreation	399,100	389,103
Building and facilities - public works	<u>276,500</u>	<u>262,392</u>
Closing balance of asset retirement obligations	<u>1,309,800</u>	<u>1,263,067</u>

MUNICIPALITY OF NORTH MIDDLESEX

Notes to the Consolidated Financial Statements For The Year Ended December 31, 2024

16. PENSION AGREEMENTS

The Municipality makes contributions to the Ontario Municipal Employees Retirement Fund (OMERS), which is a multi-employer plan, on behalf of its staff. The plan is a defined benefit plan which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay. Each year, an independent actuary determines the funding status of OMERS Primary Pension Plan (the Plan) by comparing the actuarial value of invested assets to the estimated present value of all pension benefits the members have earned to date. The most recent actuarial valuation of the Plan was conducted December 31, 2024, and the results of this valuation disclosed actuarial liabilities of \$142.5 billion in respect of benefits accrued for service with actuarial assets at that date of \$139.6 billion leaving an actuarial deficit of \$2.9 billion.

Since any surpluses or deficits are a joint responsibility of all Ontario municipalities and their employees, the Municipality does not recognize any share of the OMERS Pension surplus or deficit in these consolidated financial statements. The amount contributed to OMERS for 2024 was \$196,741 (2023 - \$190,246). OMERS contribution rates for 2023 and 2022, depending on income level and retirement dates, ranged from 9.2% to 15.8%.

17. ACCRUED SICK DAY LIABILITY

As part of the Municipality's employee compensation package, employees are allocated a yearly allowance of sick days. These unused sick days can be carried forward indefinitely. The Municipality's obligation with respect to accumulated sick days ends when the individual discontinues employment with the Municipality.

As of December 31, 2024, the Municipality is liable of accumulated sick days with an associated cost, based on current pay rates, of approximately \$477,060 (2023 - \$395,449).

MUNICIPALITY OF NORTH MIDDLESEX

Notes to the Consolidated Financial Statements For The Year Ended December 31, 2024

18. BUDGET FIGURES

The operating budget approved by the council of the Municipality for 2024 is reflected on the consolidated statement of operations. Budget figures have been reclassified for the purposes of these financial statements to comply with PSAS reporting requirements. These adjustments include reserve transfers, capital expenditures, amortization and debt financing and repayment.

	Approved Budget \$	Adjustments \$	PSAS Budget \$
REVENUES			
Property taxation	8,886,481	-	8,886,481
Taxation from other governments	44,186	-	44,186
User charges	6,463,728	878,283	7,342,011
Transfer payments:			
Provincial	801,927	-	801,927
Fees and donations	975,998	-	975,998
Investment income	120,000	-	120,000
Penalties and interest on taxes	113,000	-	113,000
Recoveries from benefiting landowners	<u>460,000</u>	<u>-</u>	<u>460,000</u>
Total Revenues	<u>17,865,320</u>	<u>878,283</u>	<u>18,743,603</u>
EXPENSES			
General government	2,573,745	(1,059,202)	1,514,543
Protection to persons and property	2,880,200	(362,271)	2,517,929
Transportation services	3,436,460	359,767	3,796,227
Environmental services	6,286,146	(860,101)	5,426,045
Health services	87,467	-	87,467
Recreation and cultural services	1,416,762	252,257	1,669,019
Planning and development	<u>1,184,540</u>	<u>(30,000)</u>	<u>1,154,540</u>
Total Expenses	<u>17,865,320</u>	<u>(1,699,550)</u>	<u>16,165,770</u>
BUDGETED ANNUAL SURPLUS	<u>-</u>	<u>2,577,833</u>	<u>2,577,833</u>

MUNICIPALITY OF NORTH MIDDLESEX

Notes to the Consolidated Financial Statements For The Year Ended December 31, 2024

19. OPERATION OF SCHOOL BOARDS AND THE COUNTY OF MIDDLESEX

During 2024, requisitions were made by the school boards and the County of Middlesex requiring the municipality to collect property taxes and payments in lieu of property taxes on their behalf. The amounts collected and remitted are summarized below:

	School Boards \$	County \$
Taxation	1,991,505	4,640,384
Share of payments in lieu of taxes	<u>53,437</u>	<u>24,104</u>
Amounts requisitioned	<u><u>2,044,942</u></u>	<u><u>4,664,488</u></u>

20. CONTINGENT LIABILITIES

As at December 31, 2024 certain legal actions may be pending against the Municipality. The final outcome of the outstanding claims cannot be determined at this time. However, management believes that ultimate disposition of these matters will not materially exceed the amounts recorded in these consolidated financial statements.

Estimated costs to settle claims are based on available information and projections of estimated future expenses developed based on the Municipality's historical experience. Claims are reported as an operating expense in the year of the loss, where the costs are deemed to be likely and can be reasonably determined. Claim provisions are reported as a liability in the consolidated statement of financial position.

21. FINANCIAL INSTRUMENTS

Risks and Concentrations

The Municipality is exposed to various risks through its financial instruments. The following analysis provides a measure of the Municipality's risk exposure and concentrations at the balance sheet date.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and price risk. The Municipality is mainly exposed to interest and price risk. The Municipality has no foreign currency transactions that would expose it to currency risk.

MUNICIPALITY OF NORTH MIDDLESEX

Notes to the Consolidated Financial Statements For The Year Ended December 31, 2024

21. FINANCIAL INSTRUMENT RISKS (CONTINUED)

i] Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Municipality is exposed to interest rate risk on its fixed rate long-term debt. As the interest rates are fixed management doesn't believe that interest rate risk is a significant risk.

ii] Price Risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk). The Municipality is exposed to price risk through its investments in quoted One Fund investments and corporate bonds. These investments have a fair market value of \$210,296 (2023 - \$208,435). If the market value changed by 1% on these investments the Municipality would experience a gain or loss in value on these investments of \$2,100 (2023 - \$2,000). The Municipality actively manages this risk by evaluating these portfolio investments on a regular basis and management doesn't feel this is a significant risk that would require more disclosures.

Liquidity Risk

Liquidity risk is the risk that a Municipality will encounter difficulty in meeting obligations associated with financial liabilities. The Municipality is exposed to this risk mainly in respect of its accounts payable, accrued liabilities and long-term debt. The Municipality has a financial reporting covenant of 180 days of which the Municipality was not in compliance with. Management doesn't believe that liquidity risk is a significant risk.

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Municipality's main credit risks relate to its accounts receivable and taxes receivable. The Municipality manages this risk by monitoring active receivable balances and forces tax sale on properties considered unrecoverable.

The balances of taxes and utility receivables (water and sewer) are normally collectible from the property owner and the Municipality is able to force tax sale on properties to recover. In some instances the property owner may challenge property values which will in impact future recovery of taxes and potential repayments to the property owners. The Municipality actively monitors these assessment challenges and provides provisions when reasonable estimates can be made. At year end, the Municipality has provided an allowance of \$nil (2023 - \$nil) for these assessment challenges and \$nil (2023 - \$nil) in potential uncollectible tax assessments. The Municipality also provides billable services and at year end had amounts over 90 days of \$234,000 (2023 - \$230,000) with no allowances provided on these amounts. Management believes there are no significant risks associated with these receivables.

MUNICIPALITY OF NORTH MIDDLESEX

Notes to the Consolidated Financial Statements For The Year Ended December 31, 2024

22. SUPPLEMENTARY INFORMATION:

	2024	2023
	<u>\$</u>	<u>\$</u>
[a] Current fund expenses by object:		
Contracted services	6,188,284	5,478,376
Materials	5,415,023	4,385,429
Salaries, wages and employees benefits	3,865,948	3,399,966
Amortization	2,675,884	2,256,649
Rents and financial expenses	356,907	345,776
Interest on short-term and long-term debt	<u>400,138</u>	<u>418,347</u>
	<u>18,902,184</u>	<u>16,284,543</u>
[b] Cash flow information:		
Taxes receivable	(82,332)	(573,924)
Accounts receivable	(207,934)	(4,495,107)
Inventories and prepaid expenses	(156,152)	131,912
Accounts payable and accrued liabilities	(675,719)	679,699
Accrued sick day liability	81,611	58,024
Deferred revenue	<u>929,898</u>	<u>220,722</u>
	<u>(110,628)</u>	<u>(3,978,674)</u>

23. COMPARATIVE FIGURES AND PRIOR PERIOD ADJUSTMENT

Certain comparative figures presented in the financial statements have been reclassified to conform to the presentation adopted in the current year.

The prior year figures were restated to correctly state a payment made to the Lake Huron Water Supply System as a one time expense. The Opening Surplus and Tangible Capital Assets - Underground and other networks were reduced by \$1,639,330 and the amortization on Undergroudn and other assets of \$21,858.

MUNICIPALITY OF NORTH MIDDLESEX

Notes to the Consolidated Financial Statements For The Year Ended December 31, 2024

24. SEGMENTED INFORMATION

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

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

General government services

This segment includes a number of support functions that are responsible for maintenance of buildings, Mayor and Council, the Clerk's department, Treasury Department and Human Resources Department.

Protection services

This segment includes the Conservation authorities, building services, police and fire services. This segment is to ensure the safety and property of citizens and enforce the law.

Transportation services

This segment is responsible for the delivery of municipal public works services related to the planning, development and maintenance of roadway systems, the maintenance of parking and open space, and street lighting.

Environmental services

This segment includes waste management and the water and wastewater department which provides drinking water to citizens of the municipality, as well as, collection and treatment of wastewater. This department is responsible for the operation and maintenance of both systems in accordance with government regulations under the Safe Drinking Water Act and other pieces of legislation.

Health services

This segment includes the cemetery and medical facilities.

MUNICIPALITY OF NORTH MIDDLESEX

Notes to the Consolidated Financial Statements For The Year Ended December 31, 2024

24. SEGMENTED INFORMATION

Recreation services

This segment includes the parks and recreation department. It manages public services that contribute to neighbourhood development and sustainability through the provision of parks, recreation and leisure services. It provides public services that contribute to healthy communities through partnerships, promotion, prevention and protection.

Planning and development services

This segment includes the planning, property and development departments provides. It manages urban development for business interest, environmental concerns, heritage matters, local neighbourhoods and the downtown through city planning, community development, and parks planning. It ensures an acceptable quality of building construction and maintenance of properties through enforcement of construction codes, building standards and by-law for the protection of occupants. It facilitates economic development through its economic development programs.

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. For additional information see the Consolidated Schedule of Segment Disclosure and Schedule of Segment Disclosure.

MUNICIPALITY OF NORTH MIDDLESEX

Consolidated Schedule of Segment Disclosure For The Year Ended December 31, 2024

	General Government \$	Protection \$	Transportation \$	Environmental \$	Health \$	Recreation \$	Planning & Development \$	Total \$
REVENUES								
Taxation	932,321	2,256,380	2,656,460	466,825	87,467	1,416,762	1,154,540	8,970,755
User charges	(78,037)	6,343	1,475	6,079,124	-	544,991	147,223	6,701,119
Government transfers	1,224,941	-	-	1,026,242	-	-	258,758	2,509,941
Fees and donations	118,077	176,647	35,137	301,279	55,856	-	104,859	791,855
Interest and other	<u>155,790</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>747,829</u>	<u>903,619</u>
	<u>2,353,092</u>	<u>2,439,370</u>	<u>2,693,072</u>	<u>7,873,470</u>	<u>143,323</u>	<u>1,961,753</u>	<u>2,413,209</u>	<u>19,877,289</u>
EXPENSES								
Salaries, wages and employees benefits	1,012,506	458,175	1,137,729	294,394	38,994	642,443	281,707	3,865,948
Long-term debt interest expense	-	-	-	400,138	-	-	-	400,138
Materials	460,292	261,329	2,116,359	1,844,242	2,212	688,565	42,024	5,415,023
Contracted services	254,618	1,250,912	347,895	1,834,292	2,661	75,794	2,422,112	6,188,284
Rents and financial services	48,744	201,776	8,701	79,172	-	15,649	2,865	356,907
Amortization	<u>86,359</u>	<u>261,549</u>	<u>1,139,767</u>	<u>935,952</u>	<u>-</u>	<u>252,257</u>	<u>-</u>	<u>2,675,884</u>
	<u>1,862,519</u>	<u>2,433,741</u>	<u>4,750,451</u>	<u>5,388,190</u>	<u>43,867</u>	<u>1,674,708</u>	<u>2,748,708</u>	<u>18,902,184</u>
ANNUAL SURPLUS (DEFICIT)	<u>490,573</u>	<u>5,629</u>	<u>(2,057,379)</u>	<u>2,485,280</u>	<u>99,456</u>	<u>287,045</u>	<u>(335,499)</u>	<u>975,105</u>

MUNICIPALITY OF NORTH MIDDLESEX

Consolidated Schedule of Segment Disclosure For The Year Ended December 31, 2023

	General Government \$	Protection \$	Transportation \$	Environmental \$	Health \$	Recreation \$	Planning & Development \$	Total \$
REVENUES								
Taxation	1,619,387	2,151,156	2,551,284	543,012	81,587	1,183,764	396,615	8,526,805
User charges	(6,566)	13,173	1,080	5,349,150	-	607,370	13,132	5,977,339
Government transfers	751,689	-	-	3,001,865	-	-	3,323,992	7,077,546
Fees and donations	84,472	213,209	56,442	289,089	62,617	-	301,437	1,007,266
Interest and other	<u>323,659</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,695,739</u>	<u>2,019,398</u>
	<u>2,772,641</u>	<u>2,377,538</u>	<u>2,608,806</u>	<u>9,183,116</u>	<u>144,204</u>	<u>1,791,134</u>	<u>5,730,915</u>	<u>24,608,354</u>
EXPENSES								
Salaries, wages and employees benefits	821,625	385,370	1,024,943	273,428	47,981	610,523	236,096	3,399,966
Long-term debt interest expense	-	-	-	418,347	-	-	-	418,347
Materials	420,410	235,020	1,190,607	1,843,277	4,047	644,364	47,704	4,385,429
Contracted services	248,245	1,180,476	808,213	2,297,682	5,953	171,981	765,826	5,478,376
Rents and financial services	57,526	195,002	10,085	76,200	-	4,462	2,501	345,776
Amortization	<u>103,175</u>	<u>113,399</u>	<u>1,057,019</u>	<u>740,497</u>	<u>-</u>	<u>242,559</u>	<u>-</u>	<u>2,256,649</u>
	<u>1,650,981</u>	<u>2,109,267</u>	<u>4,090,867</u>	<u>5,649,431</u>	<u>57,981</u>	<u>1,673,889</u>	<u>1,052,127</u>	<u>16,284,543</u>
ANNUAL SURPLUS (DEFICIT)	<u>1,121,660</u>	<u>268,271</u>	<u>(1,482,061)</u>	<u>3,533,685</u>	<u>86,223</u>	<u>117,245</u>	<u>4,678,788</u>	<u>8,323,811</u>