



**Township of Admaston / Bromley**  
**477 Stone Road**  
**Renfrew, Ontario**  
**K7V 3Z5**

### **MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING**

Management of the **CORPORATION OF THE TOWNSHIP OF ADMASTON/BROMLEY** (the Township) is responsible for the preparation, accuracy, objectivity and integrity of the accompanying consolidated financial statements and all other information contained within the Financial Report. Management believes that the consolidated financial statements present fairly the Township's financial position as at December 31, 2024 and the results of its operations for the year then ended.

The consolidated financial statements have been prepared in compliance with legislation, and in accordance with Canadian public sector accounting standards (PSAS).

The consolidated financial statements include certain amounts based on estimates and judgments. Such amounts have been determined on a reasonable basis in order to ensure that the consolidated financial statements are presented fairly in all material respects.

In fulfilling its responsibilities and recognizing the limits inherent in all systems, management has designed and maintains a system of internal controls to produce reliable information and to meet reporting requirements on a timely basis. The system is designed to provide management with reasonable assurance that transactions are properly authorized and assets are properly accounted for and safeguarded.

These systems are monitored and evaluated by management and reliable financial information is available for preparation of the consolidated financial statements.

The Township's Council carries out its responsibilities for review of the consolidated financial statements principally through its regular meetings. The Township's Council meets regularly with management and external auditors to discuss the results of audit examinations and financial reporting matters.

The external auditors have full access to the Township's Council with and without the presence of management. The Township's Council has approved the consolidated financial statements.

The consolidated financial statements have been audited by Welch LLP, Chartered Professional Accountants, independent external auditors appointed by the Township. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the Township's consolidated financial statements.

Chief Administrative Officer/Clerk  
May 29, 2025  
Renfrew, Canada

Treasurer - Deputy CAO/Clerk  
May 29, 2025  
Renfrew, Canada

## **INDEPENDENT AUDITOR'S REPORT**

To the Members of Council, Inhabitants and Ratepayers of the

### **CORPORATION OF THE TOWNSHIP OF ADMASTON/BROMLEY**

#### *Opinion*

We have audited the consolidated financial statements of the Corporation of the Township of Admaston/Bromley (the Township), which comprise the consolidated statement of financial position as at December 31, 2024, and the consolidated statements of operations and change in net financial debt and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Township as at December 31, 2024 and the results of its consolidated operations, change in net financial debt and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

#### *Basis for Opinion*

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Township in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our 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 Township'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 Township or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Township'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 Township'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 Township to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the organizations or business activities within the Township to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

Welch LLP

CHARTERED PROFESSIONAL ACCOUNTANTS  
LICENSED PUBLIC ACCOUNTANTS

Pembroke, Ontario  
May 29, 2025

Welch LLP

An Independent Member of BKR International

**CORPORATION OF THE TOWNSHIP OF ADMASTON/BROMLEY**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT DECEMBER 31, 2024**

	<u>2024</u>	<u>2023</u>
<b>FINANCIAL ASSETS</b>		
Cash	\$ 1,354,610	\$ 950,965
Taxes receivable (Note 2)	241,728	214,121
Accounts receivable	<u>362,805</u>	<u>385,462</u>
	<u>1,959,143</u>	<u>1,550,548</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	499,117	416,137
Deferred revenue - general	48,455	48,415
Deferred revenue - obligatory (Note 3)	606,058	436,696
Asset retirement obligation (Note 4)	382,096	352,128
Long-term debt (Note 5)	<u>2,944,915</u>	<u>2,902,498</u>
	<u>4,480,641</u>	<u>4,155,874</u>
<b>NET FINANCIAL DEBT</b>	<u>(2,521,498)</u>	<u>(2,605,326)</u>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Schedule 1)	13,334,614	13,738,876
Inventory for consumption	76,266	56,994
Prepaid expenses	<u>73,680</u>	<u>46,928</u>
	<u>13,484,560</u>	<u>13,842,798</u>
<b>ACCUMULATED SURPLUS (Note 8)</b>	<u>\$ 10,963,062</u>	<u>\$ 11,237,472</u>

(See accompanying notes and schedules)

**Welch LLP**

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**CORPORATION OF THE TOWNSHIP OF ADMASTON/BROMLEY**  
**CONSOLIDATED STATEMENT OF OPERATIONS**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

	<u>Budget 2024</u>	<u>Actual 2024</u>	<u>Actual 2023</u>
<b>REVENUE</b>			
Property taxation	\$ 3,421,694	\$ 3,462,545	\$ 2,712,093
Payment in lieu of taxes	16,240	14,629	13,047
User charges	113,495	191,063	133,832
Provincial and other government transfers	1,339,771	987,790	1,183,369
Canada Community Building Fund	199,460	109,383	-
Investment income	56,000	46,325	55,669
Penalties and interest	24,320	35,031	24,191
Fees, service charges, donations and miscellaneous	14,200	26,393	18,494
Loss on disposal of tangible capital assets	-	(152,975)	(80,277)
	<u>5,185,180</u>	<u>4,720,184</u>	<u>4,060,418</u>
<b>EXPENSES</b>			
General government	824,003	788,647	871,849
Protection to persons and property	932,609	947,006	863,717
Transportation services	1,471,758	2,724,780	2,795,085
Environmental services	341,526	321,314	403,797
Recreation and cultural services	94,854	133,309	98,853
Planning and development	74,150	79,538	52,485
	<u>3,738,900</u>	<u>4,994,594</u>	<u>5,085,786</u>
<b>EXCESS OF REVENUE OVER EXPENSES (EXPENSES OVER REVENUE)</b>	1,446,280	(274,410)	(1,025,368)
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR</b>	<u>11,237,472</u>	<u>11,237,472</u>	<u>12,262,840</u>
<b>ACCUMULATED SURPLUS, END OF YEAR</b>	<u>\$ 12,683,752</u>	<u>\$ 10,963,062</u>	<u>\$ 11,237,472</u>

(See accompanying notes and schedules)

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**CORPORATION OF THE TOWNSHIP OF ADMASTON/BROMLEY**  
**CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL DEBT**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

	<u>Budget</u> <u>2024</u>	<u>Actual</u> <u>2024</u>	<u>Actual</u> <u>2023</u>
<b>EXCESS OF REVENUE OVER EXPENSES (EXPENSES OVER REVENUE)</b>	<b>\$ 1,446,280</b>	<b>\$ (274,410)</b>	<b>\$ (1,025,368)</b>
Acquisition of tangible capital assets	(1,402,810)	(1,246,601)	(1,462,268)
Change in construction in progress	-	(36,469)	(11,936)
Proceeds on disposal of tangible capital assets	15,000	17,178	38,467
Amortization of tangible capital assets	-	1,540,386	1,649,843
Loss on disposal of tangible capital assets	-	152,975	80,277
Adjustment to opening asset retirement obligation	-	(23,207)	-
Acquisition of inventory for consumption	-	(19,272)	11,554
Changes in level of prepaid expenses	<u>-</u>	<u>(26,752)</u>	<u>(12,950)</u>
	<u>(1,387,810)</u>	<u>358,238</u>	<u>292,987</u>
<b>DECREASE (INCREASE) IN NET FINANCIAL DEBT</b>	<b>58,470</b>	<b>83,828</b>	<b>(732,381)</b>
<b>NET FINANCIAL DEBT, BEGINNING OF YEAR</b>	<u>(2,605,326)</u>	<u>(2,605,326)</u>	<u>(1,872,945)</u>
<b>NET FINANCIAL DEBT, END OF YEAR</b>	<b>\$ <u>(2,546,856)</u></b>	<b>\$ <u>(2,521,498)</u></b>	<b>\$ <u>(2,605,326)</u></b>

(See accompanying notes and schedules)

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**CORPORATION OF THE TOWNSHIP OF ADMASTON/BROMLEY**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**YEAR ENDED DECEMBER 31, 2024**

	<u>2024</u>	<u>2023</u>
<b>CASH FLOWS USED IN OPERATING ACTIVITIES</b>		
Excess of expenses over revenue	\$ (274,410)	\$ (1,025,368)
Non-cash items included in excess of expenses over revenue:		
Amortization of tangible capital assets	1,540,386	1,649,843
Loss on disposal of tangible capital assets	152,975	80,277
Accretion of asset retirement obligation	<u>6,761</u>	<u>17,340</u>
	1,425,712	722,092
Change in the level of:		
Taxes receivable	(27,607)	7,904
Accounts receivable	22,657	164,218
Inventory for consumption	(19,272)	11,554
Prepaid expenses	(26,752)	(12,950)
Accounts payable and accrued liabilities	82,980	98,018
Deferred revenue - general	40	-
Deferred revenue - obligatory	<u>169,362</u>	<u>136,214</u>
	<u>1,627,120</u>	<u>1,127,050</u>
<b>CASH FLOWS FROM (USED IN) CAPITAL ACTIVITIES</b>		
Proceeds from disposal of tangible capital assets	17,178	38,467
Acquisition of tangible capital assets	(1,246,601)	(1,462,268)
Change in construction in progress	<u>(36,469)</u>	<u>(11,936)</u>
	<u>(1,265,892)</u>	<u>(1,435,737)</u>
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>		
Proceeds from issuance of long-term debt	305,740	620,538
Repayment of long-term debt	<u>(263,323)</u>	<u>(221,435)</u>
	<u>42,417</u>	<u>399,103</u>
<b>NET CHANGE IN CASH</b>	403,645	90,416
<b>CASH, BEGINNING OF YEAR</b>	<u>950,965</u>	<u>860,549</u>
<b>CASH, END OF YEAR</b>	<u>\$ 1,354,610</u>	<u>\$ 950,965</u>

(See accompanying notes and schedules)

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**CORPORATION OF THE TOWNSHIP OF ADMASTON/BROMLEY**  
**CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS**  
**YEAR ENDED DECEMBER 31, 2024**

**SCHEDULE 1**

	<u>Land</u>	<u>Buildings</u>	<u>Machinery and Equipment</u>	<u>Vehicles</u>	<u>Linear Assets</u>	<u>Construction in Progress</u>	<u>2024</u>	<u>2023</u>
<b>COST</b>								
Balance, beginning of year	\$ 583,876	\$ 1,270,652	\$ 595,449	\$ 3,321,628	\$ 52,411,452	\$ 99,365	\$ 58,282,422	\$ 63,920,470
Acquisition of tangible capital assets	289,423	433,079	66,097	94,935	363,067	-	1,246,601	1,462,268
Disposal of tangible capital assets	-	(50,563)	(4,756)	(118,137)	(438,043)	-	(611,499)	(7,112,252)
Construction-in-progress	-	-	-	-	-	36,469	36,469	11,936
Adjustment to opening asset retirement obligation	<u>23,207</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>23,207</u>	<u>-</u>
Balance, end of year	<u>896,506</u>	<u>1,653,168</u>	<u>656,790</u>	<u>3,298,426</u>	<u>52,336,476</u>	<u>135,834</u>	<u>58,977,200</u>	<u>58,282,422</u>
<b>ACCUMULATED AMORTIZATION</b>								
Balance, beginning of year	94,452	692,858	309,195	1,539,984	41,907,057	-	44,543,546	49,887,212
Annual amortization	20,354	18,965	37,904	200,488	1,262,675	-	1,540,386	1,649,843
Accumulated amortization on disposal of tangible capital assets	<u>-</u>	<u>(37,412)</u>	<u>(4,756)</u>	<u>(90,067)</u>	<u>(309,111)</u>	<u>-</u>	<u>(441,346)</u>	<u>(6,993,509)</u>
Balance, end of year	<u>114,806</u>	<u>674,411</u>	<u>342,343</u>	<u>1,650,405</u>	<u>42,860,621</u>	<u>-</u>	<u>45,642,586</u>	<u>44,543,546</u>
<b>NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS</b>								
	<u>\$ 781,700</u>	<u>\$ 978,757</u>	<u>\$ 314,447</u>	<u>\$ 1,648,021</u>	<u>\$ 9,475,855</u>	<u>\$ 135,834</u>	<u>\$ 13,334,614</u>	<u>\$ 13,738,876</u>
<b>2023 NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS</b>								
	<u>\$ 489,424</u>	<u>\$ 577,794</u>	<u>\$ 286,254</u>	<u>\$ 1,781,644</u>	<u>\$ 10,504,395</u>	<u>\$ 99,365</u>	<u>\$ 13,738,876</u>	

(See accompanying notes)



**CORPORATION OF THE TOWNSHIP OF ADMASTON/BROMLEY**  
**CONSOLIDATED SCHEDULE OF SEGMENTED DISCLOSURE**  
**YEAR ENDED DECEMBER 31, 2024**

**SCHEDULE 2**

	<u>General Government</u>	<u>Protection to Persons and Property</u>	<u>Transportation Services</u>	<u>Environmental Services</u>	<u>Recreation and Cultural Services</u>	<u>Planning and Development</u>	<u>Total</u>
<b>REVENUE</b>							
Property taxation	\$ 3,462,545	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,462,545
Payment in lieu of taxes	14,629	-	-	-	-	-	14,629
User charges	2,780	78,303	1,966	42,052	431	65,531	191,063
Provincial and other government transfers	438,217	86,572	359,875	95,577	7,549	-	987,790
Canada Community Building Fund	-	-	109,383	-	-	-	109,383
Investment income	46,325	-	-	-	-	-	46,325
Penalties and interest	35,031	-	-	-	-	-	35,031
Fees, service charges, donations and miscellaneous	9,471	-	-	-	16,922	-	26,393
Loss on disposal of tangible capital assets	-	-	(152,975)	-	-	-	(152,975)
	<u>4,008,998</u>	<u>164,875</u>	<u>318,249</u>	<u>137,629</u>	<u>24,902</u>	<u>65,531</u>	<u>4,720,184</u>
<b>EXPENSES</b>							
Salaries, wages and benefits	573,730	323,162	534,563	77,623	27,917	-	1,536,995
Materials, supplies and contracted services	187,919	572,107	642,886	215,339	29,222	79,538	1,727,011
Interest expense	220	7,803	91,937	163	-	-	100,123
Rent and external transfers	6,900	2,588	-	-	73,830	-	83,318
Accretion of asset retirement obligation	-	-	-	6,761	-	-	6,761
	<u>768,769</u>	<u>905,660</u>	<u>1,269,386</u>	<u>299,886</u>	<u>130,969</u>	<u>79,538</u>	<u>3,454,208</u>
<b>NET REVENUE (EXPENSES) BEFORE AMORTIZATION</b>	3,240,229	(740,785)	(951,137)	(162,257)	(106,067)	(14,007)	1,265,976
Amortization expense	<u>19,878</u>	<u>41,346</u>	<u>1,455,394</u>	<u>21,428</u>	<u>2,340</u>	<u>-</u>	<u>1,540,386</u>
<b>NET REVENUE (EXPENSES)</b>	<u>\$ 3,220,351</u>	<u>\$ (782,131)</u>	<u>\$ (2,406,531)</u>	<u>\$ (183,685)</u>	<u>\$ (108,407)</u>	<u>\$ (14,007)</u>	<u>\$ (274,410)</u>

(See accompanying notes)

**CORPORATION OF THE TOWNSHIP OF ADMASTON/BROMLEY**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2024**

The Corporation of the Township of Admaston/Bromley is an incorporated municipality in the Province of Ontario. The Township conducts its operations as described by the provisions of provincial statutes such as the Municipal Act, Municipal Affairs Act and related legislation.

**NOTE 1    SIGNIFICANT ACCOUNTING POLICIES**

The consolidated financial statements of the Township of Admaston/Bromley are the representations of management, prepared in accordance with Canadian public sector accounting standards for local governments established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. Significant aspects of the accounting policies adopted by the Township are as follows:

**Reporting entity**

These consolidated financial statements reflect the assets, liabilities, revenue and expenses of the Township and include the activities of all committees of Council and the Township of Admaston/Bromley Public Library.

Inter-organizational transactions and balances have been eliminated in the preparation of 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 legal obligation to pay.

Funds from external parties and earnings thereon restricted by agreement or legislation are accounted for as deferred revenue until used for the purpose specified.

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

**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 consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Significant estimates and assumptions which include asset retirement obligations and the estimated useful life of tangible capital assets are based on management's information and judgment. Actual results could differ from those estimates.

**CORPORATION OF THE TOWNSHIP OF ADMASTON/BROMLEY**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2024**

**NOTE 1    SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

**Asset retirement**

A liability for an asset retirement obligation is recognized at the best estimate of the amount required to retire a tangible capital asset at the financial statement date when there is a legal obligation for Council to incur retirement costs, the past transaction or event giving rise to the liability has occurred, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount can be made. The best estimate of the liability includes all costs directly attributable to asset retirement activities, based on information available at year-end. The best estimate of an asset retirement obligation incorporates a present value technique, when the cash flows required to settle or otherwise extinguish an asset retirement obligation are expected to occur over extended future periods.

When a liability for an asset retirement obligation is initially recognized, a corresponding asset retirement cost is capitalized to the carrying amount of the related tangible capital asset. The asset retirement cost is amortized over the useful life of the related asset. Asset retirement obligations which are incurred incrementally with use of the asset are recognized in the period incurred with a corresponding asset retirement cost expensed in the period.

At each financial reporting date, Council reviews the carrying amount of the liability. Council recognizes period-to-period changes to the liability due to the passage of time as accretion expense. Changes to the liability arising from revisions to either the timing, the amount of the original estimate of undiscounted cash flows or the discount rate are recognized as an increase or decrease to the carrying amount of the related tangible capital asset. Council continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

**Government transfers**

Government transfers are the transfer of assets from senior levels of government that are not the result of an exchange transaction, are not expected to be repaid in the future, or the result of a direct financial return.

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

**Inventory for consumption**

Inventory for consumption was valued at the lower of cost and net realizable value with cost being determined substantially on a first in, first out basis.

**Deferred revenue - obligatory**

Deferred revenue - obligatory consists of funding received with respect to services and expenditures which have yet to be provided and/or incurred. Deferred revenue - obligatory will be recognized as income in the year the related services are provided or expenditures incurred.

**CORPORATION OF THE TOWNSHIP OF ADMASTON/BROMLEY**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2024**

**NOTE 1 SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

**Contaminated sites liability**

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of a contaminated site is recognized when a site is not in productive use and is management's estimate of the cost of post-remediation including operation, maintenance and monitoring.

**Revenue recognition**

Revenue from property taxation, payment in lieu of taxes and penalties and interest are recognized in the period in which they are levied and collection is reasonably assured. User charges are recognized as the service is provided and collection is reasonably assured. Government transfers are recognized when the related expenditure is incurred. Revenue from the sale of assets and concessions are recognized at the point of sale. Investment income is recognized as it is earned. Fees, service charges, donations, and miscellaneous are recognized when collection is reasonably assured.

**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 normal course of operations. The change in non-financial assets during the year, together with the excess of expenses over revenue, provides the change in net financial debt for the year.

i) **Tangible capital assets**

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

	<u>Years</u>
Buildings	50
Machinery and equipment	5-20
Vehicles	5-20
Linear assets	10-40

Annual amortization is charged in the year after acquisition and the year of disposal. Assets under construction are not amortized until the asset is in service.

ii) **Contributions of tangible capital assets**

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

iii) **Natural resources**

Natural resources that have not been purchased are not recognized as assets in the consolidated financial statements.

**CORPORATION OF THE TOWNSHIP OF ADMASTON/BROMLEY**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2024**

**NOTE 2 TAXES RECEIVABLE**

	<u>2024</u>	<u>2023</u>
Current year taxes	\$ 167,059	\$ 166,349
Prior year taxes	50,898	30,136
Penalties	<u>23,771</u>	<u>17,636</u>
	<u>\$ 241,728</u>	<u>\$ 214,121</u>

**NOTE 3 DEFERRED REVENUE - OBLIGATORY**

Deferred revenue - obligatory consists of the following:

	<u>2024</u>	<u>2023</u>
Canada Community Building Fund (CCBF)	\$ 120,595	\$ 129,206
Ontario Community Infrastructure Fund (OCIF)	<u>485,463</u>	<u>307,490</u>
	<u>\$ 606,058</u>	<u>\$ 436,696</u>

Continuity of deferred revenue - obligatory is as follows:

	<u>2024</u>	<u>2023</u>
Balance, beginning of year	\$ 436,696	\$ 300,482
Government funding received - CCBF	95,613	97,131
- OCIF	492,321	579,201
Investment income	34,442	29,959
Government funding recognized - CCBF	(109,383)	-
- OCIF	<u>(343,631)</u>	<u>(570,077)</u>
Balance, end of year	<u>\$ 606,058</u>	<u>\$ 436,696</u>

**NOTE 4 ASSET RETIREMENT OBLIGATION**

**Landfill**

The Township of Admaston/Bromley owns three land fill sites and is legally required to perform closure and post-closure activities upon retirement of these sites. Closure and post-closure activities include the final clay cover, landscaping, as well as surface and ground water monitoring, leachate control, and visual inspection. A liability for the total obligation, which was incurred when the site started accepting waste, irrespective of volume of waste accepted has been accrued. Council estimates that no obligation is incurred incrementally due to the volume of waste accepted, therefore, no further obligation is being accrued based on volume of waste accepted.

During the year, the Township purchased a parcel of land to expand the Osceola land fill site. The expansion extended the life expectancy of the Osceola site to 20 years.

Undiscounted future cash flows expected for the Osceola site are a closure cost in year 2043 of \$50,000 with annual post-closure activities starting in year 2044 of \$33,050 per year, for 10 years to the year 2053. Annual post-closure activities for the Stone Road and Douglas sites are estimated at \$12,145 and \$6,400 respectively and expected to be incurred over the next 10 years to 2034 for the Stone Road site and the next 5 years to 2029 for the Douglas site. All costs are expected to increase at an annual inflation rate of 2.4%.

**CORPORATION OF THE TOWNSHIP OF ADMASTON/BROMLEY**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2024**

**NOTE 4 ASSET RETIREMENT OBLIGATION (cont'd)**

The estimated total liability of \$382,096 (2023 - \$352,128) is based on the sum of discounted future cash flows for closure and post-closure activities using a discount rate of 4.37% and assuming annual inflation of 2.4%.

	<u>2024</u>	<u>2023</u>
<b>Asset Retirement Obligation Liability</b>		
Balance, beginning of year	\$ 352,128	\$ 334,788
Accretion expense	6,761	17,340
Adjustment to opening asset retirement obligation	23,207	-
Estimated total liability	<u>\$ 382,096</u>	<u>\$ 352,128</u>

**NOTE 5 LONG-TERM DEBT**

The terms of the long-term debt and how the principal payments will be recovered are as follows:

	<u>2024</u>	<u>2023</u>
From general taxation, a debenture, due 2025, payable in semi-annual installments of \$25,000 plus interest at 1.00% per annum.	\$ 50,000	\$ 100,000
From general taxation, a debenture, due 2032, payable in semi-annual installments of \$51,390 with interest payable semi-annually at 2.81% per annum.	690,697	772,345
From general taxation, a debenture, due 2042, payable in semi-annual installments of \$52,611 including interest at 3.32% per annum.	1,388,127	1,445,823
From general taxation, a debenture, due 2033, payable in principal semi-annual installments of \$23,050 plus interest at 5.18%.	414,900	461,000
From general taxation, a capital lease, due 2028 payable in annual installments of \$36,207 including interest at 6.75% per annum.	95,451	123,330
From general taxation, a debenture, due 2054, payable in principal semi-annual installments of \$5,096 plus interest at 4.37%.	305,740	-
	<u>\$ 2,944,915</u>	<u>\$ 2,902,498</u>

Payments on existing debt are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 279,638	\$ 105,376	\$ 385,014
2026	236,020	95,787	331,807
2027	242,671	86,303	328,974
2028	213,398	76,607	290,005
2029	218,185	68,915	287,100
Thereafter	1,755,003	419,938	2,174,941
	<u>\$ 2,944,915</u>	<u>\$ 852,926</u>	<u>\$ 3,797,841</u>

**CORPORATION OF THE TOWNSHIP OF ADMASTON/BROMLEY**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2024**

**NOTE 5 LONG-TERM DEBT (cont'd)**

Interest on long-term debt amounted to \$100,123 (2023 - \$78,034). The Township's total cash payments in 2024 were \$364,530 (2023 - \$295,584).

The annual principal and interest payments required to service these liabilities are within the annual debt repayment limit prescribed by the Ministry of Municipal Affairs and Housing.

**NOTE 6 CONTAMINATED SITES LIABILITIES**

The Township has adopted PS3260 Liability for Contaminated Sites. The Township did not identify any financial liabilities in 2024 (2023 - \$ nil) as a result of this standard.

**NOTE 7 EQUITY IN TANGIBLE CAPITAL ASSETS**

	<u>2024</u>	<u>2023</u>
Tangible capital assets, cost (Schedule 1)	\$ 58,977,200	\$ 58,282,422
Accumulated amortization (Schedule 1)	(45,642,586)	(44,543,546)
Long-term debt (Note 5)	(2,944,915)	(2,902,498)
Long-term debt related to operations	<u>13,500</u>	<u>27,000</u>
	<u>\$ 10,403,199</u>	<u>\$ 10,863,378</u>

**NOTE 8 ACCUMULATED SURPLUS**

Accumulated surplus consists of the following:

	<u>2024</u>	<u>2023</u>
Unrestricted surplus (deficit)		
General	\$ 341,148	\$ (39,094)
Douglas Fire Department	-	(46,098)
The Admaston/Bromley Public Library	<u>2,508</u>	<u>1,038</u>
	<u>343,656</u>	<u>(84,154)</u>
Internally restricted reserves	<u>598,303</u>	<u>810,376</u>
Unfinanced asset retirement obligations	<u>(382,096)</u>	<u>(352,128)</u>
Equity in tangible capital assets (Note 7)	<u>10,403,199</u>	<u>10,863,378</u>
	<u>\$ 10,963,062</u>	<u>\$ 11,237,472</u>

**NOTE 9 OPERATING LOAN**

The operating line of credit is at an interest rate of prime, is secured by a general security agreement and has a limit of \$300,000. The line of credit has a balance of \$NIL (2023 - \$NIL) as at the year end.

**CORPORATION OF THE TOWNSHIP OF ADMASTON/BROMLEY**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2024**

**NOTE 10 EXPENSES BY OBJECT**

The consolidated statement of operations reports expenses for the Township by function. The following is a summary of expenses by object.

	<u>Budget</u>	<u>2024</u>	<u>2023</u>
Salaries, wages and benefits	\$ 1,560,097	\$ 1,536,995	\$ 1,308,119
Material and supplies and contracted services	2,018,129	1,727,011	1,980,288
Interest expense	103,884	100,123	78,034
Transfers and donations	56,790	83,318	52,162
Accretion of asset retirement obligation	-	6,761	17,340
Amortization of tangible capital assets	-	1,540,386	1,649,843
	<u>\$ 3,738,900</u>	<u>\$ 4,994,594</u>	<u>\$ 5,085,786</u>

**NOTE 11 OPERATIONS OF SCHOOL BOARDS AND THE COUNTY OF RENFREW**

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

	<u>School Boards</u>	<u>County of Renfrew</u>
Property taxes	\$ 800,438	\$ 1,569,346
Taxation from other governments	88	4,368
Amount requisitioned	<u>\$ 800,526</u>	<u>\$ 1,573,714</u>

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

**NOTE 12 COMMITMENTS**

The municipality has a contract with the Province of Ontario for policing services. The contract cost for 2024 was \$389,838 (2023 - \$390,977).

**NOTE 13 FINANCIAL INSTRUMENTS**

The Township's financial instruments consist of cash, taxes receivable, accounts receivable, accounts payable and accrued liabilities and long-term debt.

**Risk**

It is management's opinion that the Township is not exposed to significant interest, market, liquidity, currency or credit risks arising from its financial instruments. The Township is subject to credit risk with respect to taxes and accounts receivable. Credit risk arises from the possibility that taxpayers and entities to which the Township provides services may experience financial difficulty and be unable to fulfill their obligations. It is management's opinion that the large number and diversity of taxpayers and users minimizes credit risk.



**CORPORATION OF THE TOWNSHIP OF ADMASTON/BROMLEY**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2024**

**NOTE 13 FINANCIAL INSTRUMENTS (cont'd)**

**Fair market value**

Except for the following, the fair value of the Township's financial instruments approximates their carrying value due to their short-term nature. It is not practicable to determine the fair market value of the long-term debt. The terms and conditions of the long-term debt are disclosed in Note 5 to the consolidated financial statements.

**NOTE 14 BUDGET FIGURES**

Budget figures reported on the consolidated statement of operations and the consolidated statement of change in net financial debt are based on 2024 operating and capital budgets as approved by Council on February 20, 2024 (By-law 2024-14).

**NOTE 15 PENSION AGREEMENT**

The Township makes contributions to the Ontario Municipal Employees Retirement Fund (OMERS), which is a multi-employer plan, on behalf of permanent members of its staff. The plan is a defined benefit plan which specifies the amount of retirement benefit to be received by the employees based on the length of service and rates of pay. OMERS is financed by employer and employee contributions and by investment earnings of the OMERS Fund.

Contributions for current service are recorded as expenses in the year in which they became due.

The Township is required to make current service contributions to OMERS of 9% of pensionable earnings up to the years maximum pensionable earnings under the Canada Pension Plan and 14.6% on pensionable earnings above the amount. Employees are required to make current service contributions of the same amount.

Total current service contributions by the Township to OMERS in 2024 were \$99,464 (2023 - \$71,796). These contributions were matched with identical employee contributions for both years.

At December 31, 2024, OMERS disclosed an actuarial deficit of \$4.319 billion.

**CORPORATION OF THE TOWNSHIP OF ADMASTON/BROMLEY**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2024**

**NOTE 16 SEGMENTED DISCLOSURES**

The Township of Admaston/Bromley provides a range of services to its ratepayers. For each segment as reported in Schedule 2, revenue and expenses represent amounts that are directly attributable to the segment. Amounts not directly attributable to a segment are reported in general government. The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in Note 1.

The activities that are included in each functional line of services are as follows:

- General government consists of the Mayor and Council, the Chief Administrative Officer/Clerk and administrative services which include the Treasurer-Deputy CAO/Clerk and finance clerks.
- Protection to persons and property consists of Fire, Police, By-law Enforcement, Animal Control and Building Departments.
- Transportation services include engineering, storm sewer, road and sidewalk construction and maintenance, street lighting and winter control.
- Environmental services consist of solid waste disposal and recycling.
- Recreation and cultural services is comprised primarily of parks services, operation of recreational facilities, library and recreational services.
- Planning and development consists of planning and zoning and economic development.

**NOTE 17 CONTINGENT LIABILITIES**

The Municipality is contingently liable for debt with respect to tile drainage loans made by landowners with the Ontario Ministry of Agriculture, Food and Rural Affairs (OMAFRA). The Township collects the loan repayments from the owners and remits them to OMAFRA. The Township does not have any history of default payments on the loans. The total amount outstanding as at December 31, 2024 is \$52,583 (2023 - \$31,302) and is not recorded on the consolidated statement of financial position.

**NOTE 18 SUBSEQUENT EVENTS**

Subsequent to year end, the Township received approval from Infrastructure Ontario for a debenture at an upset limit of \$175,000. This debenture will be financed over 30 years and the finance rate will be set upon completion of the related project in the fall of 2025.