

Consolidated Financial Statements of

**THE CORPORATION OF THE  
TOWN OF THE BLUE MOUNTAINS**

Year ended December 31, 2024

# THE CORPORATION OF THE TOWN OF THE BLUE MOUNTAINS

Consolidated Financial Statements

Year ended December 31, 2024

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# THE CORPORATION OF THE TOWN OF THE BLUE MOUNTAINS

Consolidated Statement of Financial Position

December 31, 2024, with comparative information for 2023

	2024	2023
<b>Financial assets:</b>		
Cash (Note 3)	\$ 24,343,518	\$ 7,265,923
Investments (Note 4)	38,829,825	62,253,263
Taxes receivable	3,523,301	2,976,417
Trade and other receivables	6,169,612	6,973,027
Long-term receivables (Note 5)	1,519,378	1,786,861
	<u>74,385,634</u>	<u>81,255,491</u>
<b>Liabilities:</b>		
Accounts payable and accrued liabilities (Note 6)	12,019,795	9,772,205
Developer and other deposits	3,881,863	5,050,009
Asset retirement obligation (Note 8)	29,451,553	28,536,022
Deferred revenue (Note 20)	30,856,651	37,257,152
Long-term liabilities (Note 7)	5,240,438	5,775,128
	<u>81,450,300</u>	<u>86,390,516</u>
Net debt	<u>(7,064,666)</u>	<u>(5,135,025)</u>
<b>Non-financial assets:</b>		
Inventory of supplies	224,457	199,048
Prepaid expenses	595,618	484,196
Tangible capital assets (Note 9)	294,365,096	273,454,468
	<u>295,185,171</u>	<u>274,137,712</u>
Accumulated surplus (Note 10)	\$ 288,120,505	\$ 269,002,687

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

# THE CORPORATION OF THE TOWN OF THE BLUE MOUNTAINS

Consolidated Statement of Operations and Accumulated Surplus  
Year ended December 31, 2024, with comparative information for 2023

	2024 Budget (Note 11)	2024 Actual	2023 Actual
<b>Revenue:</b>			
Taxation	\$ 21,734,000	\$ 21,931,376	\$ 20,651,327
Fees and user charges	14,814,127	14,294,917	12,946,105
Grants (Note 13)	4,490,617	1,795,276	4,839,667
Other income (Note 12)	3,327,025	11,719,491	15,460,951
Obligatory reserve funds (Note 20)	56,135,969	15,883,251	7,301,983
<b>Total revenue</b>	<b>100,501,738</b>	<b>65,624,311</b>	<b>61,200,033</b>
<b>Expenses:</b>			
General government	7,359,544	8,279,712	8,605,392
Protection services	8,704,621	8,428,930	8,198,865
Transportation services	8,222,609	8,026,538	7,445,992
Waste management	3,404,576	5,049,736	3,382,785
Water and wastewater	7,971,649	8,205,994	7,487,413
Health services	211,334	104,346	73,132
Recreation and culture	5,177,041	5,417,950	4,898,588
Planning and development	3,332,680	2,993,287	2,715,410
<b>Total expense</b>	<b>44,384,054</b>	<b>46,506,493</b>	<b>42,807,577</b>
Annual surplus	56,117,684	19,117,818	18,392,456
Accumulated surplus, beginning of year	269,002,687	269,002,687	250,610,231
Accumulated surplus, end of year (Note 10)	\$ 325,120,371	\$ 288,120,505	\$ 269,002,687

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

# THE CORPORATION OF THE TOWN OF THE BLUE MOUNTAINS

Consolidated Statement of Change in Net Debt

Year ended December 31, 2024, with comparative information for 2023

	2024 Budget (Note 11)	2024 Actual	2023 Actual
Annual surplus	\$ 56,117,684	\$ 19,117,818	\$ 18,392,456
Acquisition of tangible capital assets	(79,100,000)	(30,773,445)	(52,127,326)
Amortization of tangible capital assets	8,450,338	8,450,338	7,975,039
Amortization of asset retirement obligations	137,701	669,605	137,701
Loss (gain) on disposal of tangible capital assets	(220,000)	599,535	(99,370)
Proceeds on disposal of tangible capital assets	-	143,339	398,543
	(70,731,961)	(20,910,628)	(43,715,413)
Inventory of supplies	-	(25,409)	(18,363)
Prepaid expenses	-	(111,422)	(95,160)
	-	(136,831)	(113,523)
Increase in net debt	(14,614,277)	(1,929,641)	(25,436,480)
(Net debt) Net financial assets, beginning of year	(5,135,025)	(5,135,025)	20,301,455
Net debt, end of year	\$ (19,749,302)	\$ (7,064,666)	\$ (5,135,025)

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

# THE CORPORATION OF THE TOWN OF THE BLUE MOUNTAINS

Consolidated Statement of Cash Flows

Year ended December 31, 2024, with comparative information for 2023

	2024	2023
<b>Cash provided by (used in):</b>		
<b>Operating activities:</b>		
Annual surplus	\$ 19,117,818	\$ 18,392,456
Items not involving cash:		
Accretion expense ARO	915,531	472,158
Change in ARO estimate	-	13,347,247
Amortization of tangible capital assets	8,450,338	7,975,039
Amortization of asset retirement obligations	669,605	137,701
Contributed tangible capital assets	(8,685,612)	(10,950,836)
Loss/(gain) on disposal of tangible capital assets	599,535	(99,370)
	21,067,215	29,274,395
Change in non-cash working capital balances:		
Taxes receivable	(546,884)	(289,719)
Trade and other receivables	803,415	(1,666,175)
Prepaid expenses	(111,422)	(95,160)
Inventory of supplies	(25,409)	(18,363)
Accounts payable and accrued liabilities	2,247,590	1,457,136
Developer and other deposits	(1,168,146)	(773,748)
Deferred revenue	(6,400,501)	(312,975)
Net change in cash from operating activities	15,865,858	27,575,391
<b>Capital transactions:</b>		
Cash used to acquire tangible capital assets	(22,087,833)	(41,176,490)
Proceeds on disposal of tangible capital assets	143,339	398,543
Net change in cash from capital transactions	(21,944,494)	(40,777,947)
<b>Investing activities:</b>		
Decrease in temporary investments	23,423,438	4,342,391
Collection of long-term receivables	267,483	320,306
Net change from investing activities	23,690,921	4,662,697
<b>Financing Activities:</b>		
Repayment of long-term liabilities	(534,690)	(529,175)
Net change from financing activities	(534,690)	(529,175)
Net change in cash	17,077,595	(9,069,034)
Cash, beginning of year	7,265,923	16,334,957
Cash, end of year	\$ 24,343,518	\$ 7,265,923

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

# THE CORPORATION OF THE TOWN OF THE BLUE MOUNTAINS

Notes to the Financial Statements

For the Year Ended December 31, 2024

## 1. Significant Accounting Policies

### a. Basis of accounting

The consolidated financial statements of The Corporation of the Town of The Blue Mountains (the "Town") are representations of management. They have been prepared in accordance with the Canadian public sector accounting standards as recommended by the Public Sector Accounting Board (PSAB).

Revenues and expenses are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they become available and measurable; expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

### b. Use of estimates

The preparation of financial statements in accordance with Canadian public sector accounting standards requires management to make estimates that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Estimates are used when accounting for items such as accrued grant receivables, accrued liabilities, post-employment benefits and solid waste landfill closure and post-closure costs. By their nature, these estimates are subject to measurement uncertainty and actual results could differ from management's best estimates as additional information becomes available in the future.

### c. Basis of consolidation

The consolidated statements reflect the assets, liabilities, revenues and expenses of all municipal organizations, committees, and boards which are owned or controlled by Council. All interfund assets and liabilities and revenues and expenses have been eliminated on consolidation.

The Blue Mountains Public Library Board	100%
Thornbury Business Improvement Area	100%
The Blue Mountains Attainable Housing Corporation (BMAHC)	100%

### d. Cash and cash equivalents

Cash and cash equivalents include all cash balances and short-term highly liquid investments that are readily convertible into cash.

### e. Financial instruments

The Town classifies all of its financial instruments at amortized cost. The maximum exposure to credit risk is the carrying value of the financial instruments. These financial instruments include cash, taxes receivable, trade and other receivables, long-term investments, loans receivable, accounts payable and accrued liabilities, and long-term liabilities. All financial instruments are assessed for impairment on an annual basis. When a decline is determined to be other than temporary, the amount of the loss is reported in the statement of operations and any unrealized gain is adjusted through the statement of remeasurement. As all financial instruments are measured at cost or amortized cost, there have been no re-measurement gains or losses and the statement of remeasurement has been excluded.

# THE CORPORATION OF THE TOWN OF THE BLUE MOUNTAINS

Notes to the Financial Statements

For the Year Ended December 31, 2024

## 1. Significant Accounting Policies (continued)

### e. Financial instruments (continued)

Transaction costs related to financial instruments in the amortized cost category are added to the carrying value of the instrument.

### f. Long-term receivables

Long-term receivables are recorded at cost.

### g. Inventory of supplies

Inventory held for consumption is recorded at the lower of cost and replacement cost.

### h. Tangible capital assets

Tangible capital assets are recorded at cost less accumulated amortization. Costs include all amounts that are directly attributable to the acquisition, construction, development or betterment of the asset. Amortization is provided over the estimated useful life of the assets, using the straight-line method. The useful life of the assets is based on estimates made by Council. The following rates are used:

Asset	Useful Life – Years
Land improvements	10 to 50 years
Buildings	15 to 50 years
Machinery, equipment and vehicles	5 to 50 years
Water systems	20 to 100 years
Sewer systems	20 to 100 years
Roads	10 to 75 years

Asset retirement obligations are amortized using the same basis and useful life as the underlying asset.

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

### i. Post-employment benefits

The municipality provides post-employment health and life insurance benefits to eligible retired employees. The benefits earned by employees are determined using management's best estimate of expected benefit costs and are expensed as services are rendered.

The contributions to the Ontario Municipal Employee's Retirement System ("OMERS"), a multi-employer defined benefit plan are expensed when contributions are due.

# THE CORPORATION OF THE TOWN OF THE BLUE MOUNTAINS

Notes to the Financial Statements

For the Year Ended December 31, 2024

## 1. Significant Accounting Policies (continued)

### j. County and school board

The municipality collects taxation revenue on behalf of the school boards and the County of Grey. The taxation, other revenues, expenses, assets and liabilities with respect to the operations of the school boards and the County of Grey are not reflected in these financial statements.

### k. Trust funds

Funds held in trust by the municipality, and their related operations, are not included in these financial statements. The financial activity and position of the trust funds are reported separately on the trust funds statement of continuity and balance sheet.

### l. Revenue recognition

Revenues are recognized as follows:

- a. Tax levies are recognized as revenue when the amounts are levied on the municipality's ratepayers.
- b. Fines and donations are recognized when collected.
- c. Other revenues are recorded upon sale of goods or provision of service when collection is reasonably assured.
- d. Investment income earned on surplus funds (other than obligatory reserve funds) are reported as revenue in the period earned. Investment income earned on obligatory reserve funds is recorded directly to each fund balance.
- e. Government transfers are recognized in the financial statements as revenues in the period in which events giving rise to the transfer occur, providing the transfers are authorized and eligibility criteria have been met and reasonable estimates of the amounts can be made.
- f. Revenue restricted by legislation, regulation or agreement and not available for general municipal purposes is reported as deferred revenue on the consolidated statement of financial position. The revenue is reported on the consolidated statement of operations in the year in which it is used for the specified purpose.

# THE CORPORATION OF THE TOWN OF THE BLUE MOUNTAINS

Notes to the Financial Statements

For the Year Ended December 31, 2024

## 1. Significant Accounting Policies (continued)

### m. Asset retirement obligation

An asset retirement obligation is recognized when, as at the financial reporting date, all of the following criteria are met:

- i. There is a legal obligation to incur retirement costs in relation to a tangible capital asset and other contract obligations;
- ii. The past transactions or events giving rise to the liability has occurred;
- iii. It is expected that future economic benefits will be given up; and
- iv. A reasonable estimate of the amount can be made.

The asset retirement obligation is based on management's best estimate of the expenditures to settle the obligation.

The liability for closure of operational sites and post-closure care relating to landfill sites has been recognized based on estimated future expenses. This liability is discounted using a present value calculation, and adjusted yearly for accretion expense where there is a known retirement date. The liability for the removal of asbestos in buildings has also been recognized based on estimated future expenses on closure of the site and post-closure care. The recognition of a liability results in an accompanying increase to the respective tangible capital assets.

## 2. Change in accounting policy

### a. PS 3400 – Revenue

On January 1, 2024 the Town adopted Public Accounting Standard PS 3400 – Revenue retroactively. PS 3400 Revenue establishes standards on how to account for and report on revenue, specifically differentiating between transactions that include performance obligations (i.e. the payor expects a good or service from the public sector entity), referred to as exchange transactions, and transactions that do not have performance obligations, referred to as non-exchange transactions. For exchange transactions, revenue is recognized when a performance obligation is satisfied. For non-exchange transactions, revenue is recognized when there is authority to retain an inflow of economic resources and a past event that gave rise to an asset has occurred. No significant changes were required as a result of implementing the new standard.

# THE CORPORATION OF THE TOWN OF THE BLUE MOUNTAINS

Notes to the Financial Statements

For the Year Ended December 31, 2024

## 3. Cash

	2024	2023
Unrestricted	\$ 24,343,518	\$ 7,265,923
	\$ 24,343,518	\$ 7,265,923

Cash balances are earning interest at a rate of prime less 1.85%.

The municipality has an available operating facility of \$1,000,000 which was not drawn upon at December 31, 2024. The operating facility is due on demand and bears interest at the bank's prime rate less 0.75%.

## 4. Investments

	2024	2023
High Interest Savings Account	\$ 26,401,286	\$ 25,077,854
Guaranteed Investment Certificates, 4.64% to 5.3% due 2025 to 2027	12,428,539	37,175,409
	\$ 38,829,825	\$ 62,253,263

Investments have a market value of \$38,930,625 (2023 - \$62,253,263) as at December 31, 2024.

The interest rate for the High Interest Savings Account is primarily influenced by the current interest rate environment, especially the Bank of Canada's overnight rate and other benchmark rates. This rate is calculated on a daily basis. As of the end of December 2024, the interest rate was 3.96%

## 5. Long-term receivables

	2024	2023
Water and sewer loans, 5.5% to 18%, due to 2029	\$ 1,519,378	\$ 1,786,861
	\$ 1,519,378	\$ 1,786,861

## 6. Accounts payable and accrued liabilities

	2024	2023
Trade accounts payable	\$ 9,724,172	\$ 6,702,821
Accrued liabilities	2,295,623	3,066,562
Post-employment benefits liabilities	-	2,822
	\$ 12,019,795	\$ 9,772,205

# THE CORPORATION OF THE TOWN OF THE BLUE MOUNTAINS

Notes to the Financial Statements

For the Year Ended December 31, 2024

## 7. Long-term liabilities

The balance of long-term liabilities reported on the consolidated statement of financial position is made up of the following:

	2024	2023
Loan payable, 5.11%, repayable in semi-annual principal instalments of \$40,000 plus interest, due 2031	\$ 560,000	\$ 640,000
Loan payable, 2.00%, repayable in blended semi-annual payments of \$128,000, due 2027	620,750	860,462
Loan payable, 3.58%, repayable in blended semi-annual payments of \$18,687, due 2037	385,771	408,716
Loan payable, 3.21% repayable in blended semi-annual payments of \$30,141, due 2033	346,794	387,594
Loan payable, 2.74% repayable in blended semi-annual payments of \$19,700, due 2046	866,800	906,200
Loan payable, 2.61% repayable in blended semi-annual payments of \$55,916, due 2046	2,460,323	2,572,156
	<u>\$ 5,240,438</u>	<u>\$ 5,775,128</u>

The interest expense included on the consolidated statements of operations and accumulated surplus totals \$192,715 (2023 - \$177,089).

Principal payments estimated for the next 5 fiscal years, and thereafter if not demanded, are as follows:

2025	\$	540,348
2026		546,119
2027		424,308
2028		298,477
2029		299,432
Thereafter		3,131,754
	<u>\$</u>	<u>5,240,438</u>

# THE CORPORATION OF THE TOWN OF THE BLUE MOUNTAINS

Notes to the Financial Statements

For the Year Ended December 31, 2024

## 8. Asset retirement obligation

### a. Landfill obligation

The Town owns and operates one active landfill site. The liability for the closure of the operational site and post-closure care has been recognized under PS 3280 – Asset Retirement Obligations. The costs were based upon the presently known obligations that will exist at the estimated year of closure of the site and for 48 years post this date. The active site has a remaining capacity of approximately 158,961 m<sup>3</sup> and an estimated life expectancy of 25 years. These costs were discounted to December 31, 2024 using a discount rate of 3.21%. Solid waste landfill closure and post-closure costs are funded through the Town's annual budget.

### b. Asbestos obligation

The Town owns and operates buildings and maintains pipe infrastructure that are known to have asbestos. Following the adoption of PS 3280 – Asset retirement obligations, the Town recognized an obligation relating to the removal and post-removal care of the asbestos in these building as estimated at January 1, 2022. The buildings have an estimated useful life of 40 years.

Changes to the asset retirement obligations in the year are as follows:

Asset retirement obligations	Landfill closure	Building Asbestos removal	Pipe Asbestos removal	Total
Opening balance Jan 1, 2024	\$ 27,750,026	\$ 262,212	\$ 523,784	\$ 28,536,022
Accretion expense	890,313	8,413	16,805	915,531
In year change in estimate	-	-	-	-
In year settlement	-	-	-	-
Closing balance Dec 31, 2024	\$ 28,640,339	\$ 270,625	\$ 540,589	\$ 29,451,553

Asset retirement obligations	Landfill closure	Building Asbestos removal	Pipe Asbestos removal	Total
Opening balance Jan 1, 2023	\$ 14,037,631	\$ 243,202	\$ 435,784	\$ 14,716,617
Accretion expense	450,374	7,803	13,981	472,158
In year change in estimate	13,262,021	11,207	74,019	13,347,247
In year settlement	-	-	-	-
Closing balance Dec 31, 2023	\$ 27,750,026	\$ 262,212	\$ 523,784	\$ 28,536,022

# THE CORPORATION OF THE TOWN OF THE BLUE MOUNTAINS

Notes to the Financial Statements

For the Year Ended December 31, 2024

## 9. Tangible capital assets

2024	Land	Land Improvements	Buildings	Machinery, equipment and vehicles	Water-System	Sewer-System	Road	Asset Retirement Obligation	Work-in-progress	Total
Cost, beginning of year	\$ 33,859,505	\$ 13,444,062	\$ 34,056,876	\$ 46,660,544	\$ 60,833,117	\$ 77,864,654	\$ 119,532,362	\$ 20,322,863	\$ 11,222,023	\$ 417,796,006
Additions	-	168,680	149,644	3,794,652	3,499,450	1,636,072	4,855,404	-	16,669,543	30,773,445
Disposals	-	-	-	(691,398)	-	-	(438,363)	-	(574,363)	(1,704,124)
Transfers	-	-	5,566	949,453	-	51,093	-	-	(1,006,112)	-
Cost, end of year	33,859,505	13,612,742	34,212,086	50,713,251	64,332,567	79,551,819	123,949,403	20,322,863	26,311,091	446,865,327
Accumulated amortization, beginning of year	-	6,813,567	15,980,644	20,335,832	18,860,253	18,822,188	60,060,562	3,468,492	-	144,341,538
Amortization	-	551,420	920,908	2,605,588	793,292	961,321	2,617,809	669,605	-	9,119,943
Disposals	-	-	-	(621,425)	-	-	(339,825)	-	-	(961,250)
Accumulated amortization, end of year	-	7,364,987	16,901,552	22,319,995	19,653,545	19,783,509	62,338,546	4,138,097	-	152,500,231
Net carrying amount, end of year	\$ 33,859,505	\$ 6,247,755	\$ 17,310,534	\$ 28,393,256	\$ 44,679,022	\$ 59,768,310	\$ 61,610,857	\$ 16,184,766	\$ 26,311,091	\$ 294,365,096

# THE CORPORATION OF THE TOWN OF THE BLUE MOUNTAINS

Notes to the Financial Statements

For the Year Ended December 31, 2024

## 9. Tangible capital assets (continued)

2023	Land	Land Improvements	Buildings	Machinery, equipment and vehicles	Water-System	Sewer-System	Road	Asset Retirement Obligation	Work-in-progress	Total
Cost, beginning of year	\$ 28,760,732	\$ 12,463,068	\$ 32,072,154	\$ 39,882,503	\$ 56,133,610	\$ 74,416,044	\$ 109,275,737	\$ 6,975,616	\$ 7,884,885	\$ 367,864,349
Additions	5,098,773	190,884	368,958	5,006,345	3,982,347	3,081,484	7,029,883	13,347,247	14,021,405	52,127,326
Disposals	-	(329,967)	(42,048)	(1,748,530)	-	-	(48,103)	-	(27,021)	(2,195,669)
Transfers	-	1,120,077	1,657,812	3,520,226	717,160	367,126	3,274,845	-	(10,657,246)	-
Cost, end of year	33,859,505	13,444,062	34,056,876	46,660,544	60,833,117	77,864,654	119,532,362	20,322,863	11,222,023	417,796,006
Accumulated amortization, beginning of year	-	6,613,827	15,115,093	19,529,132	18,113,226	17,900,631	57,522,594	3,330,791	-	138,125,294
Amortization	-	529,707	895,510	2,324,857	747,027	921,557	2,556,381	137,701	-	8,112,740
Disposals	-	(329,967)	(29,959)	(1,518,157)	-	-	(18,413)	-	-	(1,896,496)
Accumulated amortization, end of year	-	6,813,567	15,980,644	20,335,832	18,860,253	18,822,188	60,060,562	3,468,492	-	144,341,538
Net carrying amount, end of year	\$ 33,859,505	\$ 6,630,495	\$ 18,076,232	\$ 26,324,712	\$ 41,972,864	\$ 59,042,466	\$ 59,471,800	\$ 16,854,371	\$ 11,222,023	\$ 273,454,468

# THE CORPORATION OF THE TOWN OF THE BLUE MOUNTAINS

Notes to the Financial Statements

For the Year Ended December 31, 2024

## 9. Tangible capital assets (continued)

The net book value of tangible capital assets, not being amortized because they are under construction, is \$26,311,091 (2023 - \$11,222,023).

The Town holds various works of art and historical treasures. These items are not recognized as tangible capital assets in the financial statements because a reasonable estimate of the future benefits associated with such property cannot be made.

In 2024, \$NIL interest (2023 - \$NIL) was capitalized to tangible capital assets during the year.

## 10. Accumulated surplus

Accumulated surplus consists of individual fund surplus and reserves as follows:

	2024	2023
Invested in tangible capital assets:		
Tangible capital assets at cost less accumulated amortization	\$ 294,365,096	\$ 273,454,468
Unfinanced tangible capital assets	(13,874,281)	(14,134,249)
Tangible capital assets finance by long-term liabilities and to be funded in future years	(5,240,438)	(5,775,128)
Total invested in tangible capital assets	275,250,377	253,545,091
Unfunded vacation and post-employment benefits	(278,953)	(180,911)
Unfunded projects	(1,280,679)	(1,239,018)
Unfunded asset retirement obligation	(29,451,553)	(28,536,022)
General (deficit) surplus	-	382,353
Attainable Housing Corporation	(190,717)	284,963
	244,048,475	224,256,456
Reserves and Reserve Funds	44,072,030	44,746,231
Accumulated surplus	288,120,505	269,002,687
Reserves:		
Working funds	767,975	1,693,478
Insurance, sick leave and WSIB	607,878	607,878
Current purposes	5,030,738	4,531,082
Capital purposes	739,804	757,015
	7,146,395	7,589,453
Reserve funds		
Capital purposes	36,925,635	37,156,778
	\$ 44,072,030	\$ 44,746,231

# THE CORPORATION OF THE TOWN OF THE BLUE MOUNTAINS

Notes to the Financial Statements

For the Year Ended December 31, 2024

## 11. Budgets

	2024 Budget	2024 Actual	2023 Actual
Annual surplus	\$ 56,117,684	\$ 19,117,818	\$ 18,392,456
Amortization of tangible capital assets	8,588,040	9,119,943	8,112,740
Change in unfunded liabilities	-	1,013,573	13,817,957
Change in unfunded operating expenses	-	41,661	884,127
Change in other surpluses	-	475,680	(681,249)
	64,705,724	29,768,675	40,526,031
Net transfers from (to) reserves	12,841,262	674,201	5,330,018
Tangible capital asset acquisitions, disposals and write-downs	(79,016,540)	(30,030,571)	(51,828,153)
Capital projects not funded	830,000	(259,968)	7,415,318
Long-term liabilities issuance	1,200,000	-	-
Long-term liabilities principal repayments	(560,446)	(534,690)	(529,175)
	-	(382,353)	914,039
Prior year general surplus (deficit)	-	382,353	(531,686)
	-	-	382,353
Revenue	100,501,738	65,624,311	61,200,033
Expenses	44,384,054	46,506,493	42,807,577
	\$ 56,117,684	\$ 19,117,818	\$ 18,392,456

Under Canadian public sector accounting principles, budget amounts are to be reported on the consolidated statement of operations and changes in net debt for comparative purposes. The 2024 budget amounts approved by Council have been reclassified to conform to the presentation of the consolidated statements of operations and changes in net debt. The following is a reconciliation of the budget approved by Council.

# THE CORPORATION OF THE TOWN OF THE BLUE MOUNTAINS

Notes to the Financial Statements

For the Year Ended December 31, 2024

## 12. Other income

	2024	2023
Tax penalty and interest	\$ 449,656	\$ 380,972
Other fines and penalties	165,505	202,628
Investment interest	2,375,356	2,802,057
Licenses, permits and rents	464,304	841,922
Donations	75,894	55,880
Contributed tangible capital assets	8,685,612	10,950,836
(Loss) gain on disposal of tangible capital assets	(599,535)	99,370
Other	102,699	127,286
	\$ 11,719,491	\$ 15,460,951

## 13. Grants

	2024	2023
Operating:		
Province of Ontario		
Unconditional grants	\$ 1,350,300	\$ 1,314,401
Conditional - Roads	15,666	20,369
Conditional - Other	66,668	398,020
	1,432,634	1,732,790
Government of Canada		
Other	50,592	24,855
Other municipalities		
Conditional - Other	154,353	23,883
Total operating grants	1,637,579	1,781,528
Capital		
Province of Ontario		
Conditional - Roads	-	1,215,813
Conditional - Other	70,040	816,257
	70,040	2,032,070
Government of Canada		
Conditional - Other	87,657	1,024,965
Total capital grants	157,697	3,057,035
Conditional - Other	-	1,104
Total grants	\$ 1,795,276	\$ 4,839,667

# THE CORPORATION OF THE TOWN OF THE BLUE MOUNTAINS

Notes to the Financial Statements

For the Year Ended December 31, 2024

## 14. Pension agreements

The municipality makes contributions to the Ontario Municipality Employees Retirement Systems Fund (OMERS), which is a multi-employer plan, on behalf of its staff. This plan is a defined benefit plan which specifies the amount of the retirement benefits to be received by the employees based on the length of service and rates of pay. Employees and employers contribute jointly to the plan. The employer amount contributed to OMERS on behalf of 184 members of staff for 2024 current service was \$1,310,258 (2023 - \$1,210,460). The contribution rate for 2024 was 9.00% to 14.60% and 9.20% to 15.80% for firefighters depending on age and income level (2023 – 9.00% to 14.60% and 9.20% to 15.80%).

OMERS is a multi-employer plan, therefore, any pension plan surpluses or deficits are a joint responsibility of Ontario municipal organizations and their employees. As a result, the municipality does not recognize any share of the OMERS pension surplus or deficit. The last available report for the OMERS plan was December 31, 2024. At that time, the plan reported a \$2.9 billion actuarial deficit (2023 - \$4.2 billion actuarial deficit).

## 15. Trust funds

The trust funds administered by the municipality amounting to \$479,736 (2023 - \$463,716) have not been included in the consolidated statement of financial position nor have the operations been included in the consolidated statement of financial activities. At December 31, 2024 the trust fund balances are as follows:

	2024	2023
Cemetery Care and Maintenance funds	\$ 479,736	\$ 463,716

## 16. Contractual commitments

a) The municipality has entered into several contracts by the end of the fiscal year. These contracts encompass areas such as major capital infrastructure projects, vehicle replacement, waste disposal, haulage and disposal of biosolids, treatment chemicals for drinking water and wastewater systems, building maintenance services and road maintenance supplies. The anticipated future payments until the completion of these contracts amount to approximately \$32,990,104. Funding for these commitments will be sourced from municipal reserve funds, development charges, local improvement charges, government grants, long-term debt and taxation.

b) The Town has entered into lease agreements with various vendors for equipment for the following amounts:

2025	\$	110,643
2026		100,370
2027		103,397
2028		106,525
2029		109,754
Total	\$	530,689

# THE CORPORATION OF THE TOWN OF THE BLUE MOUNTAINS

Notes to the Financial Statements

For the Year Ended December 31, 2024

## 17. Subdivision agreements

As part of various subdivision agreements, the Town has received letters of credit to cover developers' responsibilities in completing the projects as well as covering unpaid municipal levies. Letters of credit held by the Town at December 31, 2024 amount to \$27,211,447 (2023 - \$21,963,940).

## 18. Claims and lawsuits

From time to time, the Town is subject to claims and other lawsuits that arise in the ordinary course of business, some of which may seek damages in substantial amounts.

These claims may be covered by the Town's insurance up to a maximum of \$50 million in coverage for any one occurrence and in the annual aggregate for products and completed operations during the policy period.

Liability for these claims and lawsuits are recorded to the extent that the probability of a loss is likely and it is estimable.

## 19. Segmented information

The Town is a diversified municipal government institution that provides a wide range of services to its citizens such as police, fire, sewer, water, waste collection, disposal and recycling, recreational, library and planning. Distinguishable functional segments have been separately disclosed in the segmented information. The nature of the segments and the activities they encompass are as follows:

### a. General government

This item relates to the revenues and expenses that relate to the governance and operation of the municipality itself and cannot be directly attributed to a specific segment.

### b. Protection to persons and property services

Protection is comprised of police services, fire protection, conservation authority, emergency measures, animal control and building and structural inspection. The police services work is to ensure the safety and protection of the citizens and their property. The fire department is responsible to provide fire suppression services, fire prevention program training and education. The members of the fire department consist of full time firefighters and volunteers. Building and By-law services provides a number of services including By-law enforcement, maintenance and enforcement of building and construction codes and review of all property development plans through its application process.

### c. Transportation services

Transportation is responsible for construction and maintenance of the municipality's roadways, bridges, parking areas and streetlighting.

### d. Waste management

Waste management consists of providing solid waste collection, landfill and disposal services. It also consists of environmental initiatives.

# THE CORPORATION OF THE TOWN OF THE BLUE MOUNTAINS

Notes to the Financial Statements

For the Year Ended December 31, 2024

## 19. Segmented information (continued)

### e. Water and wastewater

Water and wastewater consist of providing collection, distribution and treatment services. It also ensures the municipality's water system meets all Provincial standards.

### f. Health services

Health services include contributions to the operations of local cemeteries.

### g. Recreational and cultural services

This service area provides services meant to improve the health and development of the Town's citizens. The Town operates and maintains parks and arenas. The municipality also provides library services and recreational programs.

### h. Planning and development

This department is responsible for planning and zoning, including the Official Plan. This service area also includes tourist information and promotion, business improvement area, weed control and drainage.

The accounting policies of the segments are the same as those described in the summary of significant accounting policies. Amounts that are directly attributable to a number of segments have been allocated on a reasonable basis as follows:

- Taxation, payments-in-lieu, penalties and interest:  
Allocated to those segments that are funded by these amounts based on the actual for the year.
- Unconditional grants:  
Allocated to segments based on the actuals for the year.

# THE CORPORATION OF THE TOWN OF THE BLUE MOUNTAINS

Notes to the Financial Statements

For the Year Ended December 31, 2024

## 19. Segmented information (continued)

2024	General government	Protection services	Transportation services	Waste management	Water and wastewater	Health services	Recreation and cultural services	Planning and development	Total
<b>Revenue</b>									
Taxation	\$ 5,686,836	\$ 5,189,848	\$ 3,792,270	\$ 2,392,077	\$ -	\$ 77,098	\$ 3,132,167	\$ 1,661,080	\$ 21,931,376
Fees and user charges	130,522	480,333	318,401	370,776	10,282,266	15,091	1,393,080	1,304,448	14,294,917
Grants	362,387	339,831	256,389	237,838	108,104	4,766	302,684	183,277	1,795,276
Other income	2,528,956	616,796	3,724,042	32,743	5,024,618	37,100	193,865	(438,629)	11,719,491
Obligatory reserve funds	546,913	37,311	1,796,616	4,339	13,002,790	-	495,282	-	15,883,251
	9,255,614	6,664,119	9,887,718	3,037,773	28,417,778	134,055	5,517,078	2,710,176	65,624,311
<b>Expenses</b>									
Salaries and benefits	4,023,800	4,355,259	2,517,960	709,601	2,304,185	47,368	3,352,185	2,065,960	19,376,318
Interest on long-term liabilities	101,059	14,365	-	35,625	30,061	-	11,604	-	192,714
Materials and supplies	712,271	609,136	1,707,914	203,433	1,976,025	20,724	872,715	141,965	6,244,183
Contracted services	2,558,804	2,788,783	644,629	2,099,677	332,509	7,334	225,380	582,588	9,239,704
Other transfers	-	293,070	-	57,200	-	25,000	-	181,709	556,979
Rent and financials	117,548	70,403	126,847	46,680	281,379	1,171	197,473	19,620	861,121
Accretion expense	-	-	2,861	890,313	18,388	584	3,385	-	915,531
Amortization of tangible capital assets	766,230	297,914	3,026,327	1,007,207	3,263,447	2,165	755,208	1,445	9,119,943
	8,279,712	8,428,930	8,026,538	5,049,736	8,205,994	104,346	5,417,950	2,993,287	46,506,493
<b>Total annual surplus (deficit)</b>	<b>\$ 975,902</b>	<b>\$ (1,764,811)</b>	<b>\$ 1,861,180</b>	<b>\$ (2,011,963)</b>	<b>\$ 20,211,784</b>	<b>\$ 29,709</b>	<b>\$ 99,128</b>	<b>\$ (283,111)</b>	<b>\$ 19,117,818</b>

# THE CORPORATION OF THE TOWN OF THE BLUE MOUNTAINS

Notes to the Financial Statements

For the Year Ended December 31, 2024

## 19. Segmented information (continued)

2023	General government	Protection services	Transportation services	Waste management	Water and wastewater	Health services	Recreation and culture services	Planning and development	Total
<b>Revenue</b>									
Taxation	\$ 7,578,789	\$ 3,721,630	\$ 4,176,010	\$ 1,499,955	\$ -	\$ 38,898	\$ 2,404,578	\$ 1,231,467	\$ 20,651,327
Fees and user charges	171,618	489,375	301,820	434,336	9,108,088	10,149	1,269,129	1,161,590	12,946,105
Grants	483,208	411,208	1,582,159	295,816	607,949	2,476	1,355,429	101,422	4,839,667
Other income	2,897,421	1,032,134	6,152,176	4,590	4,944,479	42,419	335,731	52,001	15,460,951
Obligatory reserve funds	471,536	37,313	981,668	-	5,622,235	-	189,231	-	7,301,983
	11,602,572	5,691,660	13,193,833	2,234,697	20,282,751	93,942	5,554,098	2,546,480	61,200,033
<b>Expenses</b>									
Salaries and benefits	3,645,077	3,812,108	2,262,478	584,881	2,186,841	39,268	2,903,094	2,203,381	17,637,128
Interest on long-term liabilities	89,692	15,168	-	25,642	33,706	-	12,881	-	177,089
Materials and supplies	720,309	317,767	1,558,913	246,802	1,726,500	26,098	885,507	162,167	5,644,063
Contracted services	3,199,971	3,199,663	645,702	1,552,819	351,330	4,388	220,300	262,733	9,436,906
Other transfers	-	503,009	-	4,704	-	-	-	59,625	567,338
Rent and financials	156,151	70,611	114,442	42,597	170,182	1,384	178,729	26,059	760,155
Accretion expense	-	-	2,654	450,374	15,450	542	3,138	-	472,158
Amortization of tangible capital assets	794,192	280,539	2,861,803	474,966	3,003,404	1,452	694,939	1,445	8,112,740
	8,605,392	8,198,865	7,445,992	3,382,785	7,487,413	73,132	4,898,588	2,715,410	42,807,577
<b>Total annual surplus (deficit)</b>	<b>\$ 2,997,180</b>	<b>\$ (2,507,205)</b>	<b>\$ 5,747,841</b>	<b>\$ (1,148,088)</b>	<b>\$ 12,795,338</b>	<b>\$ 20,810</b>	<b>\$ 655,510</b>	<b>\$ (168,930)</b>	<b>\$ 18,392,456</b>

# THE CORPORATION OF THE TOWN OF THE BLUE MOUNTAINS

Notes to the Financial Statements

For the Year Ended December 31, 2024

## 20. Deferred revenue

	Opening balance	Contributions received	Investment income	Revenue recognized	Ending balance
<b>Obligatory reserve funds</b>					
Development charges	\$ 31,197,228	\$ 6,073,709	\$ 1,141,830	\$(14,978,786)	\$ 23,433,981
Recreational land	215,438	244,653	14,402	-	474,493
Parking revenues	36,422	-	1,553	-	37,975
Canada Community Building Fund	535,195	298,690	29,096	(4,339)	858,642
Ontario Community Infrastructure Fund	2,610,662	1,682,407	44,683	(900,126)	3,437,626
	<b>34,594,945</b>	<b>8,299,459</b>	<b>1,231,564</b>	<b>(15,883,251)</b>	<b>28,242,717</b>
<b>Other</b>					
Grants and other	490,517	256,226	-	(706,820)	39,923
Short term accommodation	696,690	103,095	-	-	799,785
Harbour deposits	38,400	8,203	-	(7,753)	38,850
Developer contributions	1,233,389	-	-	(5,042)	1,228,347
Engineering fees	415	238,082	-	-	238,497
Other	187,939	262,846	-	(197,110)	253,675
BMAHC	14,857	-	-	-	14,857
	<b>2,662,207</b>	<b>868,452</b>	<b>-</b>	<b>(916,725)</b>	<b>2,613,934</b>
	<b>\$ 37,257,152</b>	<b>\$ 9,167,911</b>	<b>\$ 1,231,564</b>	<b>\$(16,799,976)</b>	<b>\$ 30,856,651</b>

## 21. Comparative information

Certain comparative information has been reclassified from those previously presented to conform to the presentation in the current year.