

The Corporation of the Township of Mapleton

Consolidated Financial Statements

December 31, 2023

The Corporation of the Township of Mapleton

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YEAR ENDED December 31, 2023

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INDEPENDENT AUDITOR'S REPORT

To the Members of Council, Inhabitants and Ratepayers of The Corporation of the Township of Mapleton

Opinion

We have audited the accompanying consolidated financial statements of The Corporation of the Township of Mapleton, which comprise the consolidated statement of financial position as at December 31, 2023 and the consolidated statements of operations, change in net financial assets and cash flow for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of The Corporation of the Township of Mapleton as at December 31, 2023 and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis of Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of The Corporation of the Township of Mapleton in accordance with the ethical requirements that are relevant to our audit of the 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 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 corporation's ability to continue as a going concern, disclosing, as applicable, matters related to a going concern and using the going concern basis of accounting unless management either intends to liquidate the corporation or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the 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 judgement 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 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 corporation'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 corporation'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 corporation 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.

A handwritten signature in black ink that reads "RLB LLP". The letters are stylized and cursive.

Guelph, Ontario
May 14, 2024

Chartered Professional Accountants
Licensed Public Accountants

The Corporation of the Township of Mapleton

Consolidated Statement of Financial Position

As At December 31, 2023

	2023	2022 note 11
Financial Assets		
Cash and short term investments	\$ 19,383,117	\$ 19,095,385
Taxes receivable	1,748,418	1,442,761
Trade and other receivables	1,518,036	1,690,315
	<u>22,649,571</u>	<u>22,228,461</u>
Liabilities		
Accounts payable and accrued liabilities	3,352,546	4,399,858
Deferred revenue (note 8)	1,800,229	1,409,945
Deferred Grants	32,035	54,513
Current portion of debentures payable (note 3)	684,784	677,567
	<u>5,869,594</u>	<u>6,541,883</u>
Debentures Payable (note 3)	8,022,777	8,707,561
	<u>13,892,371</u>	<u>15,249,444</u>
Total net financial assets	<u>8,757,200</u>	<u>6,979,017</u>
Non Financial Assets		
Tangible capital assets (schedule 2)	59,842,851	57,925,741
Inventory	81,017	69,664
Prepaid expenses	44,220	57,657
	<u>59,968,088</u>	<u>58,053,062</u>
Accumulated surplus (deficit) - ending	<u>\$ 68,725,288</u>	<u>\$ 65,032,079</u>

See notes to the consolidated financial statements

The Corporation of the Township of Mapleton

Consolidated Statement of Operations

For the Year Ended December 31, 2023

	2023 Budget (note 5)	2023	2022 note 11
Revenue			
Net taxation	\$ 9,459,939	\$ 9,653,842	\$ 9,001,722
Federal funding	2,012,160	63,470	40,180
Ontario funding	2,130,711	2,141,374	2,168,040
Fee from other municipalities	66,245	51,919	54,934
Fees and service charges	2,666,098	2,620,781	2,427,927
Penalties and interest on taxes	172,696	202,609	206,310
Interest, donations and other	239,226	1,120,742	756,304
Medical centre	160,000	160,793	165,890
Obligatory reserve funds revenue recognized (note 8)	333,865	747,041	2,651,770
Contribution from developers	-	343,356	-
Licenses & permits	586,800	588,282	435,486
Gain (loss) on disposal of tangible capital assets	-	23,546	80,000
Total revenues	17,827,740	17,717,755	17,988,563
Expenses (schedule 1)			
General government	1,690,102	2,196,692	1,797,643
Protection to persons and property	1,529,208	1,725,418	1,439,840
Transportation services	5,959,675	5,739,945	6,008,840
Environmental services	1,347,925	1,597,842	1,598,625
Health services	196,884	155,649	164,003
Social and family services	224,624	271,768	262,479
Recreation and cultural services	1,545,673	1,705,035	1,490,889
Planning and development	633,340	632,197	566,500
Total expenses	13,127,431	14,024,546	13,328,819
Annual surplus (deficit)	4,700,309	3,693,209	4,659,744
Accumulated surplus at beginning of the year		65,032,079	60,372,335
Accumulated surplus (deficit) - ending		\$ 68,725,288	\$ 65,032,079

See notes to the consolidated financial statements

The Corporation of the Township of Mapleton

Consolidated Statement of Change in Net Financial Assets

For the Year Ended December 31, 2023

	2023 Budget (note 5)	2023 Actual	2022 Actual note 11
Annual surplus	\$ 4,700,309	\$ 3,693,209	\$ 4,659,744
Acquisition of tangible capital assets	(7,755,632)	(5,013,681)	(8,775,028)
Amortization of tangible assets	3,078,685	3,092,361	3,078,685
Loss(gain) on disposal of tangible capital assets	-	(23,546)	(80,000)
Proceeds of disposal of tangible capital assets	-	27,756	230,000
	<u>(4,676,947)</u>	<u>(1,917,110)</u>	<u>(5,546,343)</u>
Consumption of supplies inventory	-	(11,353)	4,608
Use of prepaid expenses	-	13,437	(9,806)
	<u>-</u>	<u>2,084</u>	<u>(5,198)</u>
(Decrease) Increase in Net Financial Assets	<u>23,362</u>	<u>1,778,183</u>	<u>(891,797)</u>
Net Financial Assets (Net Debt), beginning of year		6,979,017	7,870,814
Net Financial Assets, end of the year		<u>\$ 8,757,200</u>	<u>\$ 6,979,017</u>

See notes to the consolidated financial statements

The Corporation of the Township of Mapleton

Consolidated Statement of Cash Flow

For the Year Ended December 31, 2023

	2023	2022 note 11
Cash Provided by (used in) Operating Activities		
Annual surplus	\$ 3,693,209	\$ 4,659,744
Items not requiring an outlay of cash		
Amortization	3,092,361	3,078,685
Loss (gain) on disposal of tangible capital assets	(23,546)	(80,000)
	<u>3,068,815</u>	<u>2,998,685</u>
Net changes in non-cash working capital		
Taxes receivable	(305,657)	(224,766)
Trade and other receivables	172,279	218,904
Accounts payable and accrued liabilities	(1,047,312)	1,762,529
Prepaid	13,437	(9,806)
Inventory	(11,353)	4,608
Deferred revenue	390,284	(1,980,541)
Deferred grants	(22,478)	54,513
	<u>(810,800)</u>	<u>(174,559)</u>
	<u>5,951,224</u>	<u>7,483,870</u>
Cash Provided by (used in) Capital Activities		
Acquisition of tangible capital assets	(5,013,681)	(8,775,028)
Proceeds on disposal of tangible capital assets	27,756	230,000
	<u>(4,985,925)</u>	<u>(8,545,028)</u>
Cash Provided by (used in) Financing Activities		
Debentures (net)	(677,567)	(658,354)
	<u>287,732</u>	<u>(1,719,512)</u>
Net Increase in Cash	<u>287,732</u>	<u>(1,719,512)</u>
Cash and short term investments, beginning of year	19,095,385	20,814,897
Cash and short term investments, end of the year	<u>\$ 19,383,117</u>	<u>\$ 19,095,385</u>

See notes to the consolidated financial statements

The Corporation of the Township of Mapleton

Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of The Corporation of the Township of Mapleton are the representation of management prepared in accordance with accounting policies prescribed for Ontario municipalities by the Ministry of Municipal Affairs and Housing, and the standards established by the Public Sector Accounting Board (PSAB) of CPA Canada. Since precise determination of many assets and liabilities is dependent upon future events, the preparation of periodic financial statements necessarily involves the use of estimates and approximations. These have been made using careful judgments.

A. ACKNOWLEDGEMENT OF RESPONSIBILITY

The management of The Corporation of the Township of Mapleton acknowledges its responsibility for the creation and compilation of the consolidated financial statements and the following significant accounting policy decisions and related policy notes.

B. BASIS OF CONSOLIDATION

- i) These consolidated financial statements reflect the assets, liabilities, sources of financing and expenditures of the Current Fund, Reserve Funds and Reserves, and include the activities of all committees of Council and the boards and municipal enterprises, which are under the control of Council:

- Drayton Victoria Cemetery
 - Hollen Cemetery
 - Township of Mapleton Committee of Adjustments
 - Moorefield General and Street Lights
 - Alma Street Lights
 - Glen Allan Street Lights
 - Drayton Street Lights
 - Rothsay Street Lights
 - Riverview Heights Street Lights
 - Hollen Street Lights

All Interfund assets and liabilities and sources of financing and expenditures have been eliminated with the exception of loans or advances between reserve funds and any other fund of the municipality and the resulting interest income and expenditures.

- ii) Accounting for County and School Board Transactions:
The taxation, other revenues, expenditures, assets and liabilities with respect to the operations of the school boards and the County of Wellington are not reflected in the municipal fund balances of these financial statements. Over levies (under levies) are reported on the consolidated statement of financial position as accounts payable and accrued liabilities (accounts receivable).
- iii) Trust funds amounting to \$324,580 (2022-\$319,531) and their related operations administered by the municipality are not consolidated, but are reported separately on the trust funds statement of operations and statement of financial position.

The Corporation of the Township of Mapleton

Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

C. BASIS OF ACCOUNTING

- i) Sources of financing and expenditures are reported on the accrual basis of accounting
- ii) The accrual basis of accounting recognizes revenues as they become available and measurable. Expenditures 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
- iii) Capital outlay to be recovered in future years, which represents the outstanding principal portion of unmatured long term liabilities for municipal expenditures or capital funds transferred to other organizations, is reported on the Consolidated Schedule of Accumulated Surplus within the Current Fund balance.

D. REVENUE RECOGNITION

Revenues are recognized as follows

- i) Tax revenue is recognized as revenue when the amounts are levied on the municipality's ratepayers
- ii) Interest, donations and other revenues are recognized when collected.
- iii) Other revenues are recorded upon sale of goods or provision of service when collection is reasonably assured.
- iv) 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.
- v) 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 a specific purpose.

E. CASH AND SHORT TERM INVESTMENTS

The municipality's policy is to disclose bank balances under cash and cash equivalents, including bank overdrafts with balances that fluctuate frequently from being positive to overdrawn. Cash equivalents are defined as short term investments maturing in less than a year.

F. DEFERRED REVENUE

The revenue is reported on the Consolidated Statement of Operations in the year in which it is used for the specified purpose.

G. AMOUNTS TO BE RECOVERED

Amounts to be recovered are reported in the municipal position on the Consolidated Statement of Financial Position. The balance represents the outstanding principal portion of unmatured long term liabilities, liabilities not yet due, and other future expenditures not yet levied on the ratepayers.

The Corporation of the Township of Mapleton

Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

H. 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.

i) Tangible Capital Assets

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

Building	25 to 50 years
Vehicles and machinery	17 to 20 years
Equipment	5 to 15 years
Infrastructure:	
Roads	10 to 50 years
Bridges and culverts	20 to 50 years
Water, wastewater and storm water	25 to 60 years
Traffic signals/street signs, streetlights	20 years
Sidewalks	50 years

Assets under construction are not amortized until the asset is available for productive use. Minor subclasses such as mechanical or electrical components are amortized by the declining balance method at 5%, small parts at 10% and IT components at 30%.

ii) Contributions of Tangible Capital Assets

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

iii) Leases

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

iv) Inventories

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

The Corporation of the Township of Mapleton

Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

I. FINANCIAL INSTRUMENTS

Measurement of Financial Instruments

The municipality initially measures its financial assets and liabilities at fair value.

The municipality subsequently measures all its financial assets and financial liabilities at amortized cost.

Impairments

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. If an impairment has occurred, the carrying amount of financial assets measured at amortized cost is reduced to the greater of the discounted future cash flows expected or the proceeds that could be realized from the sale of the financial asset. The amount of the write down is recognized in net earnings. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in net earnings.

Transaction Costs

The municipality recognizes its transaction costs in net income in the period incurred. However, financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption.

J. USE OF ESTIMATES

The preparation of 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, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. 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. Significant areas requiring management's estimates include the useful lives of tangible capital assets and the valuation of accrued liabilities.

2. FINANCIAL INSTRUMENTS

Unless otherwise noted, it is the municipality's opinion that the municipality is not exposed to significant interest, credit, currency, liquidity, or other price risks arising from their financial instruments.

The extent of the municipality's exposure to these risks did not change in 2023 compared to the previous period.

The municipality does not have a significant exposure to any individual customer or counterpart.

The Corporation of the Township of Mapleton

Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2023

3. DEBENTURES PAYABLE

a. The balance of debentures payable on the Consolidated Statement of Financial Position is made up of the following:

	2023	2022
Tile drainage loans , 6% due 2032.	\$ 63,403	\$ 69,261
Twenty year debenture for the purchase of land for expansion of a wastewater lagoon. Semi annual repayments of \$23,750 plus interest at 4.02%. Due 2031.	380,000	427,500
Ten year debenture to refinance the 2012 expansion of the wastewater lagoon. The coupon rate fluctuates by year, increasing from 1.05% in year one to 2.44% in year ten. Due 2032.	470,000	518,000
Ten year debenture to finance bridge and streetlight projects. The coupon rate is 2.18% for the entire period of the loan. Due 2025.	93,943	140,914
Ten year debenture to finance construction of the new public works building. The coupon rate fluctuates by year, increasing from 3.55% in year one to 4.45% in year ten. Due 2025.	283,000	419,000
Twenty year debenture for construction of the maintenance facility as well as road and bridge rehabilitation. Annual repayments of \$327,555 plus interest at 3.34%. Due 2037.	4,585,767	4,913,322
Thirty year debenture for the construction of the water tower. Semi Annual repayments at a rate of 2.82% per annum. The Semi Annual payment for principal and interest is \$73,461. Due 2051.	2,831,448	2,897,131
Net long term liabilities at the end of the year	8,707,561	9,385,128
Less: Current portion	684,784	677,567
	<u>\$ 8,022,777</u>	<u>\$ 8,707,561</u>

Principal payments

Principal repayments, in aggregate, are as follows:

2024	\$ 684,784
2025	690,075
2026	503,471
2027	506,918
2028	510,449
Thereafter	5,811,864
	<u>\$ 8,707,561</u>

b. The interest required to service these issued commitments is \$287,428 (2022- \$309,033). The principal and interest payments are within the debt repayment limit prescribed by the Ministry of Municipal Affairs.

The Corporation of the Township of Mapleton

Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2023

4. AMOUNTS TO BE RECOVERED

The municipality will recover \$380,000 (2022 \$427,500) expenses for the construction of a sewage lagoon through sewer rates to those users benefiting from the capital expenditures, as per council resolution. Expenditures to date have been financed from the general current fund. In fiscal 2011, a twenty year debenture was secured to provide cash flow for the construction of the wastewater lagoon, which is being repaid according to note 3 above.

The municipality will recover \$470,000 (2022 \$518,000) expenses for the expansion of a wastewater lagoon through sewer rates to those users benefiting from the capital expenditures, as per council resolution. Expenditures to date have been financed from the general current fund. In fiscal 2012, a ten year debenture was secured to provide cash flow for the expansion of the wastewater lagoon, which is being repaid according to note 3 above.

The municipality will recover \$2,831,448 (2022 \$2,897,131) of expenses for the expansion of a watertower through water rates to those users benefiting from the capital expenditures, as per council resolution. Expenditures to date have been financed from the general current fund. In fiscal 2021, a thirty year debenture was secured to provide cash flow for the expansion of the watertower which is being repaid according to note 3 above

5. BUDGET AMOUNTS

The budgeted figures are presented for comparison purposes as prepared and approved by Council, reclassified to conform to the current financial statement presentation. The budget figures have been adjusted from the cash basis of accounting as originally prepared, and restated to conform to the accrual basis of accounting.

Revenues	
Approved Budget	\$ 23,594,013
Debentures	(6,481)
Transfers from reserves and reserve funds	<u>(5,759,792)</u>
Total revenues	<u>17,827,740</u>
Expenses	
Approved Budget	23,594,013
Acquisition of tangible capital assets	(7,755,632)
Debentures	(6,481)
Debt principal repayment	(671,709)
Amortization	3,078,685
Contribution from Operating to Capital and Reserves and Reserve Funds	<u>(5,111,445)</u>
Total expenses	<u>13,127,431</u>
	<u>\$ 4,700,309</u>

The Corporation of the Township of Mapleton

Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2023

6. OPERATIONS OF THE SCHOOL BOARDS AND THE COUNTY OF WELLINGTON

Further to note 1(b)(ii), the taxation, other revenues, expenditures and over levies (under levies) of the school boards and the County of Wellington are comprised of the following:

	School Boards	County
Taxation and user charges	\$ 3,924,761	\$ 12,900,134
Requisitions paid	3,791,887	12,692,791
Over levies (under levies) at the end of the year	<u>\$ 132,874</u>	<u>\$ 207,343</u>

7. PENSION AGREEMENTS

The municipality takes contributions to the Ontario Municipal Employees' Retirement System (OMERS), which is a multi-employer plan, on behalf of 54 (2022-38) members 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 amount contributed to OMERS for 2023 by the municipality was \$280,685 (2022 - \$247,685). The contribution rate for 2023 was 9.0% to 14.6% (2022- 9.0% to 14.6%) depending on age and income levels.

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, 2023. At that time, the plan reported a \$4.2 billion actuarial deficit (2022- \$6.7 billion deficit), based on actuarial assets of \$128.6 billion (2022- \$124.2 billion). Ongoing adequacy of the current contribution rates will need to be monitored as fluctuations in financial markets may lead to increase future funding requirements.

8. DEFERRED REVENUE - OBLIGATORY RESERVE FUNDS

	DEC 31, 2022	Contributions Received	Investment Income	Revenue Recognized	DEC 31, 2023
Development charges	\$ -	\$ 593,473	\$ 46,465	\$ 335,395	\$ 304,543
Recreational land (in lieu of park land)	108,032	7,001	3,334	-	118,367
Building Reserve Fund	968,047	98,496	29,874	57,963	1,038,454
Gas tax	333,866	348,381	10,301	353,683	338,865
	<u>\$ 1,409,945</u>	<u>\$ 1,047,351</u>	<u>\$ 89,974</u>	<u>\$ 747,041</u>	<u>\$ 1,800,229</u>

The Corporation of the Township of Mapleton

Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2023

9. TANGIBLE CAPITAL ASSETS

	Net 2023	Net 2022
General		
Land	\$ 1,753,831	\$ 1,753,831
Buildings	10,521,136	10,717,241
Vehicles and machinery	3,427,547	3,185,626
Recreation area and equipment	1,874,930	1,967,894
Infrastructure		
Roads	15,696,822	15,381,167
Bridges and culverts	10,812,720	9,763,730
Water works and sanitary sewer	13,986,691	13,374,653
Street signs/lights and sidewalks	1,769,174	1,781,599
	<u>\$ 59,842,851</u>	<u>\$ 57,925,741</u>

Assets under construction amount to \$1,564,336 (2022 \$8,791,095)

10. SEGMENTED INFORMATION

The Corporation of the Township of Mapleton is a diversified municipal government institution that provides a wide range of services to its citizens, including fire 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 provide, are as follows:

General Government

General Government department consists of the CAO, Clerk and Finance departments. The office of the CAO is responsible for the effective overall management of the municipality including implementing policies and procedures that protect the assets and resources of the municipality. The Clerk's department is responsible for all necessary information flowing through to members of council, issuing all licenses, birth and death registrations, along with the administration of sale of cemetery plots and burials through the municipality's cemetery by-law. The Finance department is responsible for all financial functions including payroll, accounts payable and receivable, property tax billing and water and sewer billings.

Protection to Persons and Property

The Protection Services department consists of the municipality's building and fire department. The building and by law enforcement department facilitates and encourages public safety, within the framework of Federal, Provincial, County and Municipal laws. The fire department consists of volunteer firefighters who are dedicated to emergency response throughout the municipality including fire, rescue and medical response. In addition, the fire department provides fire safety and prevention education along with complete home inspections.

The Corporation of the Township of Mapleton

Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2023

10. SEGMENTED INFORMATION

Transportation Services

The Public Works department is responsible for the maintenance of over 370 kilometres of municipal roads and 87 bridge structures, along with the property maintenance of all municipal facilities.

Environmental Services

The Environmental Services department is responsible for water and wastewater operation including collection, treatment and testing.

Health Services

Health Services is responsible for the Mapleton Community Health Centre, burials and maintenance at the Drayton and Hollen Cemeteries.

Social and Family Services

The Social and Family Services department is the newest department within the umbrella of municipal services and is being funded by the Waterloo Wellington Local Health Integration Network. The program is designed to help seniors remain in their homes for longer periods of time.

Recreation and Cultural Services

The Recreation department is responsible for PMD Arena operations, Maryborough Community Hall, and turf maintenance at all municipal facilities, parks and playing fields in Alma, Drayton, Glen Allen and Moorefield.

Planning and Development

The Planning and Development department is responsible for all planning applications, including zoning, minor variances and site plans, which involves circulating applications to various commenting agencies prior to final approval by Council. The department receives inquiries regarding permitted uses and set back requirements.

11. COMPARATIVE FIGURES

In 2023, the Township reclassifies tile drainage loans to debenture payables.

The Corporation of the Township of Mapleton

Consolidated Schedule of Segmented Disclosure

For the Year Ended December 31, 2023

	General government	Protection services	Transportation services	Environmental services	Health services	Social and Family Services	Recreation and cultural services	Planning and development	2023
Salaries, wages, employee benefits	\$ 1,199,353	\$ 738,965	\$ 1,293,022	\$ 86,135	\$ 67,495	\$ 163,501	\$ 798,176	\$ 306,590	\$ 4,653,237
Materials	515,115	494,882	1,228,486	281,920	51,184	74,647	320,672	290,867	3,257,773
Contracted services	222,611	297,981	676,796	377,541	-	14,148	14,918	21,838	1,625,833
Utilities & Insurance costs	116,720	78,015	248,184	134,545	34,504	9,272	340,894	4,412	966,546
Financial expenses	19,881	-	171,575	222,957	-	10,200	4,183	-	428,796
Amortization of tangible assets	123,012	115,575	2,121,882	494,744	2,466	-	226,192	8,490	3,092,361
	\$ 2,196,692	\$ 1,725,418	\$ 5,739,945	\$ 1,597,842	\$ 155,649	\$ 271,768	\$ 1,705,035	\$ 632,197	\$ 14,024,546

	General government	Protection services	Transportation services	Environmental services	Health services	Social and Family Services	Recreation and cultural services	Planning and development	2022
Salaries, wages, employee benefits	\$ 1,019,493	\$ 643,047	\$ 1,318,470	\$ 98,159	\$ 83,550	\$ 151,932	\$ 685,224	\$ 246,377	\$ 4,246,252
Materials	319,691	302,158	1,515,311	419,296	44,540	77,329	276,238	291,102	3,245,665
Contracted services	222,735	308,021	537,835	341,298	-	14,107	21,263	16,883	1,462,142
Utilities & Insurance costs	100,161	69,329	218,020	100,976	35,091	8,911	289,447	4,162	826,097
Financial expenses	21,446	-	186,349	249,781	-	10,200	2,202	-	469,978
Amortization of tangible assets	114,117	117,285	2,232,855	389,115	822	-	216,515	7,976	3,078,685
	\$ 1,797,643	\$ 1,439,840	\$ 6,008,840	\$ 1,598,625	\$ 164,003	\$ 262,479	\$ 1,490,889	\$ 566,500	\$ 13,328,819

See notes to the consolidated financial statements

The Corporation of the Township of Mapleton

Consolidated Schedule of Tangible Capital Assets

For the Year Ended December 31, 2023

	Land	Buildings	Vehicles and Machinery	Recreation area and Equipment	Roads	Bridges and Culverts	Water Works Sanitary sewers	Street Signs/lights and Sidewalks	2023
COST									
Balance, beginning of year	\$ 1,753,831	\$ 14,157,590	\$ 6,924,678	\$ 4,295,888	\$ 83,035,701	\$ 18,321,731	\$ 17,633,090	\$ 3,311,733	\$ 149,434,242
Additions during the year	-	128,495	542,194	123,960	1,655,483	1,453,511	1,027,685	82,353	5,013,681
Disposals during the year	-	-	767,581	-	23,690	57,416	-	-	848,687
Balance, end of the year	1,753,831	14,286,085	6,699,291	4,419,848	84,667,494	19,717,826	18,660,775	3,394,086	153,599,236
ACCUMULATED AMORTIZATION									
Balance, beginning of year	-	3,440,349	3,739,052	2,327,994	67,654,534	8,558,001	4,258,437	1,530,134	91,508,501
Amortization for the year	-	324,600	299,516	216,924	1,337,439	403,457	415,647	94,778	3,092,361
Accumulated amortization on disposal	-	-	766,824	-	21,301	56,352	-	-	844,477
Balance, end of the year	-	3,764,949	3,271,744	2,544,918	68,970,672	8,905,106	4,674,084	1,624,912	93,756,385
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	\$ 1,753,831	\$ 10,521,136	\$ 3,427,547	\$ 1,874,930	\$ 15,696,822	\$ 10,812,720	\$ 13,986,691	\$ 1,769,174	\$ 59,842,851

	Land	Buildings	Vehicles and Machinery	Recreation area and Equipment	Roads	Bridges and Culverts	Water Works Sanitary sewers	Street Signs/lights and Sidewalks	2022
COST									
Balance, beginning of year	\$ 1,903,831	\$ 14,002,181	\$ 6,775,590	\$ 3,816,685	\$ 80,862,679	\$ 17,377,863	\$ 13,271,189	\$ 3,205,810	\$ 141,215,828
Additions during the year	-	155,409	168,719	479,203	2,496,457	1,007,416	4,361,901	105,923	8,775,028
Disposals during the year	150,000	-	19,631	-	323,435	63,548	-	-	556,614
Balance, end of the year	1,753,831	14,157,590	6,924,678	4,295,888	83,035,701	18,321,731	17,633,090	3,311,733	149,434,242
ACCUMULATED AMORTIZATION									
Balance, beginning of year	-	3,122,304	3,487,172	2,125,400	66,483,239	8,235,294	3,946,672	1,436,349	88,836,430
Amortization for the year	-	318,045	271,511	202,594	1,494,730	386,255	311,765	93,785	3,078,685
Accumulated amortization on disposal	-	-	19,631	-	323,435	63,548	-	-	406,614
Balance, end of the year	-	3,440,349	3,739,052	2,327,994	67,654,534	8,558,001	4,258,437	1,530,134	91,508,501
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	\$ 1,753,831	\$ 10,717,241	\$ 3,185,626	\$ 1,967,894	\$ 15,381,167	\$ 9,763,730	\$ 13,374,653	\$ 1,781,599	\$ 57,925,741

See notes to the consolidated financial statements

The Corporation of the Township of Mapleton

Consolidated Schedule of Accumulated Surplus

For the Year Ended December 31, 2023

	2023	2022
SURPLUSES		
Invested in tangible capital assets = TCAs less debentures	\$ 51,198,694	\$ 48,609,874
Current Fund	425,203	675,177
	<u>51,623,897</u>	<u>49,285,051</u>
RESERVE FUNDS		
Discretionary Environmental Reserve Fund	4,609,071	4,662,750
RESERVES		
Capital Reserve	9,746,795	8,588,453
Protective Service Reserve	762,957	543,857
Cemetery Reserve	5,100	-
Labour Relation Reserve	258,433	258,433
Tax Rate Stabilization Reserve	1,431,535	1,431,535
Elections Reserve	20,000	20,000
Winter Control Reserve	267,500	242,000
	<u>12,492,320</u>	<u>11,084,278</u>
Accumulated surplus	<u>\$ 68,725,288</u>	<u>\$ 65,032,079</u>

See notes to the consolidated financial statements

INDEPENDENT AUDITOR'S REPORT

To the Members of Council, Inhabitants and Ratepayers of The Corporation of the Township of Mapleton:

Opinion

We have audited the accompanying financial statements of the trust funds of The Corporation of the Township of Mapleton, which comprise the statement of financial position of the trust funds as at December 31, 2023 and the statement of operations of the trust funds for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the trust funds of The Corporation of the Township of Mapleton as at December 31, 2023 and the results of their operations for the year then ended in accordance with Canadian public sector accounting standards.

Basis of Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of The Corporation of the Township of Mapleton in accordance with the ethical requirements that are relevant to our audit of the 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 Financial Statements

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

In preparing the financial statements, management is responsible for assessing the trust funds' ability to continue as a going concern, disclosing, as applicable, matters related to a going concern and using the going concern basis of accounting unless management either intends to liquidate the trust funds or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the trust funds' financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or 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 trust funds' 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 trust funds' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the trust funds to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

A handwritten signature in black ink that reads "RLB LLP". The letters are stylized and cursive.

Guelph, Ontario
May 14, 2024

Chartered Professional Accountants
Licensed Public Accountants

The Corporation of the Township of Mapleton

Trust Funds - Statement of Financial Position

As At December 31, 2023

	Drayton Cemetery	Hollen Cemetery	2023	2022
Assets				
Cash	\$ 118,510	\$ 144,751	\$ 263,261	\$ 252,577
Investments	52,795	13,338	66,133	63,995
Due from Township of Mapleton	(2,345)	(2,469)	(4,814)	2,959
Balance, Capital	\$ 168,960	\$ 155,620	\$ 324,580	\$ 319,531

See notes to the financial statements

The Corporation of the Township of Mapleton

Trust Funds - Statement of Operations

For the Year Ended December 31, 2023

	Drayton Cemetery (note 2)	Hollen Cemetery (note 3)	2023	2022
Balance, beginning of year	\$ 163,961	\$ 155,570	\$ 319,531	\$ 308,878
Capital Receipts				
Investment Income	-	-	-	-
Sales of plots, maintenance fees	4,999	50	5,049	10,653
	4,999	50	5,049	10,653
Expenditures				
Transfers to Township of Mapleton	-	-	-	-
Repayment to Province of Ontario	-	-	-	-
	-	-	-	-
Balance, end of year	\$ 168,960	\$ 155,620	\$ 324,580	\$ 319,531

See notes to the financial statements

The Corporation of the Township of Mapleton

Notes to the Financial Statements

For the Year Ended December 31, 2023

1. Accounting Policies

These trust funds have not been consolidated with the financial statements of The Corporation of the Township of Mapleton.

2. Drayton Victoria Cemetery Schedule of Perpetual Care Fund

	Cost	Market Value
Bank GIC, interest at 4.65% maturing June 23 ,2025	\$ 51,528	\$ 52,795
Bank Deposit	118,510	118,510
	<hr/>	<hr/>
	\$ 170,038	\$ 171,305

3. Hollen Cemetery Schedule of Perpetual Care Fund

	Cost	Market Value
Bank Bond Fund	\$ 14,102	\$ 13,338
Bank deposit	144,751	144,751
	<hr/>	<hr/>
	\$ 158,853	\$ 158,089