

**THE CORPORATION OF THE  
TOWNSHIP OF ALGONQUIN HIGHLANDS  
CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

**THE CORPORATION OF THE TOWNSHIP OF ALGONQUIN HIGHLANDS**  
**INDEX TO CONSOLIDATED FINANCIAL STATEMENTS**

---

	Page
Management's Responsibility for the Consolidated Financial Statements	1
Independent Auditors' Report	2 - 3
Consolidated Statement of Financial Position	4
Consolidated Statement of Operations and Assumulated Surplus	5
Consolidated Statement of Change in Net Financial Assets	6
Consolidated Statement of Cash Flow	7
Notes to the Consolidated Financial Statements	8 - 19
Schedule 1 - Consolidated Schedule of Tangible Capital Assets	20
Schedule 2 - Supplementary Unaudited Schedule of Surplus	21

**THE CORPORATION OF THE TOWNSHIP OF ALGONQUIN HIGHLANDS**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2024**

**Management's Responsibility for the Consolidated Financial Statements**

The management of the Corporation of the Township of Algonquin Highlands (the "Municipality") is responsible for the integrity, objectivity and accuracy of the financial information presented in the accompanying financial statements.

The consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada ("CPA"). A summary of the significant accounting policies is described in Note 1 to the consolidated financial statements.

The Municipality's management maintains a system of internal controls designed to provide a reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded and reliable financial information is available on a timely basis for preparation of the consolidated financial statements. These systems are monitored and evaluated by management.

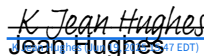
Council meets with management and the external auditors to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to the approval of the consolidated financial statements.

The consolidated financial statements have been audited by Pahapill and Associates Professional Corporation, independent external auditors appointed by the Municipality. The accompanying Independent Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the Municipality's consolidated financial statements.




---

Angie Bird  
Chief Administrative Officer




---

Jean Hughes  
Treasurer

---

## INDEPENDENT AUDITORS' REPORT

---

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

### *Opinion*

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

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

### *Basis for Opinion*

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

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

### *Auditor's Responsibility 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 judgment and maintain professional skepticism throughout the audit. We also:

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

*Pahapill and Associates*

Huntsville, Ontario  
June 19, 2025

Pahapill and Associates Professional Corporation  
Chartered Professional Accountants  
Authorized to practise public accounting by  
The Chartered Professional Accountants of Ontario

**THE CORPORATION OF THE TOWNSHIP OF ALGONQUIN HIGHLANDS**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT DECEMBER 31, 2024**

	2024	2023
<b>FINANCIAL ASSETS</b>		
Cash and cash equivalents	\$ 7,900,557	\$ 10,092,494
Accounts receivable, no allowance	2,032,470	1,654,411
	<b>9,933,027</b>	<b>11,746,905</b>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	1,840,103	1,519,540
Deferred revenue (Note 5)	645,389	601,394
Asset retirement obligations (Note 8)	3,391,658	2,102,641
	<b>5,877,150</b>	<b>4,223,575</b>
<b>NET FINANCIAL ASSETS</b>	<b>4,055,877</b>	<b>7,523,330</b>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets - net (Schedule 1)	22,928,623	18,496,292
Inventories of supplies	51,286	53,482
Prepaid expenses	13,473	17,745
	<b>22,993,382</b>	<b>18,567,519</b>
<b>ACCUMULATED SURPLUS</b>	<b>\$ 27,049,259</b>	<b>\$ 26,090,849</b>

CONTINGENT LIABILITIES (Note 9)

COMMITMENTS (Note 10)

APPROVED ON BEHALF OF COUNCIL:

\_\_\_\_\_  
 Mayor

The accompanying notes and schedules are an integral part of these financial statements

**THE CORPORATION OF THE TOWNSHIP OF ALGONQUIN HIGHLANDS**  
**CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

	Budget 2024 (Note 12)	Actual 2024	Actual 2023
<b>REVENUE</b>			
Property taxes	\$ 6,933,237	\$ 7,046,957	\$ 6,551,759
User fees	1,667,786	1,749,051	1,794,533
Government transfers	1,550,696	1,504,854	1,422,346
Other municipalities	189,487	118,371	196,881
Other	1,405,110	1,729,652	1,590,359
<b>TOTAL REVENUE</b>	<b>11,746,316</b>	<b>12,148,885</b>	<b>11,555,878</b>
<b>EXPENSES</b>			
General government	1,822,132	1,762,563	1,555,113
Protection to persons and property	2,682,596	2,617,991	2,419,747
Transportation services	4,147,338	3,685,855	3,541,892
Environmental services	1,076,403	995,996	1,155,708
Landfill	-	113,082	(676,960)
Health services	34,220	97,012	95,219
Recreation and culture	1,916,250	1,675,443	1,483,408
Planning and development	239,349	242,533	170,415
<b>TOTAL EXPENSES</b>	<b>11,918,288</b>	<b>11,190,475</b>	<b>9,744,542</b>
<b>ANNUAL SURPLUS</b>	<b>(171,972)</b>	<b>958,410</b>	<b>1,811,336</b>
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR</b>	<b>26,090,849</b>	<b>26,090,849</b>	<b>24,279,513</b>
<b>ACCUMULATED SURPLUS, END OF YEAR</b>	<b>\$ 25,918,877</b>	<b>\$ 27,049,259</b>	<b>\$ 26,090,849</b>

The accompanying notes and schedules are an integral part of these financial statements

**THE CORPORATION OF THE TOWNSHIP OF ALGONQUIN HIGHLANDS**  
**CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

	Budget 2024 (Note 12)	Actual 2024	Actual 2023
<b>Annual surplus</b>	\$ (171,972)	\$ 958,410	\$ 1,811,336
Acquisition of tangible capital assets	(6,339,114)	(6,339,114)	(4,569,904)
Amortization of tangible capital assets	1,776,192	1,776,192	1,730,460
Loss (gain) on sale of tangible capital assets	-	(227,345)	(50,988)
Proceeds on sale of tangible capital assets	-	357,936	57,073
Consumption of supplies inventories	-	2,196	(28,171)
Use of prepaid expenses	-	4,272	(9,249)
<b>Increase in net financial assets</b>	(4,734,894)	(3,467,453)	(1,059,443)
<b>Net financial assets, beginning of year</b>	7,523,330	7,523,330	8,582,773
<b>Net financial assets, end of year</b>	<b>\$ 2,788,436</b>	<b>\$ 4,055,877</b>	<b>\$ 7,523,330</b>

The accompanying notes and schedules are an integral part of these financial statements



**THE CORPORATION OF THE TOWNSHIP OF ALGONQUIN HIGHLANDS**  
**CONSOLIDATED STATEMENT OF CASH FLOW**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

	2024	2023
<b>Operating transactions</b>		
Annual surplus (deficit)	\$ 958,410	\$ 1,811,336
Non-cash charges to operations:		
Amortization	1,776,192	1,730,460
Loss (gain) on sale of tangible capital assets	(227,345)	(50,988)
Contributed capital assets	(1,175,934)	-
	<b>1,331,323</b>	<b>3,490,808</b>
Changes in non-cash assets and liabilities:		
Accounts receivable	(378,059)	(121,705)
Accounts payable and accrued liabilities	320,563	146,674
Deferred revenue-general	43,995	80,366
Asset retirement obligation	1,289,017	1,109,299
Inventories of supplies	2,196	(28,171)
Prepaid expenses	4,272	(9,249)
	<b>1,281,984</b>	<b>1,177,214</b>
Cash provided by operating transactions	<b>2,613,307</b>	<b>4,668,022</b>
<b>Capital transactions</b>		
Acquisition of tangible capital assets	(5,163,180)	(4,569,904)
Proceeds on disposal of tangible capital asset	357,936	57,073
Cash applied to capital transactions	<b>(4,805,244)</b>	<b>(4,512,831)</b>
<b>Investing transactions</b>		
Cash provided by investing transactions	-	-
<b>Financing transactions</b>		
Cash applied to financing transactions	-	-
<b>Net change in cash and cash equivalents</b>	<b>(2,191,937)</b>	<b>155,191</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>10,092,494</b>	<b>9,937,303</b>
<b>Cash and cash equivalents, end of year</b>	<b>\$ 7,900,557</b>	<b>\$ 10,092,494</b>
<b>Cash flow supplementary information:</b>		
Taxation and investment interest income received	\$ 683,066	\$ 739,967
Net interest received	\$ 683,066	\$ 739,967

The accompanying notes and schedules are an integral part of these financial statements

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
Year Ended December 31, 2024

---

The Corporation of the Township of Algonquin Highlands is a lower tier municipality in the Province of Ontario, Canada. It conducts its operations guided by the provisions of provincial statutes such as the Municipal Act, 2001, Planning Act, Building Code Act and other related legislation.

**1. SIGNIFICANT ACCOUNTING POLICIES**

The consolidated financial statements of the Corporation of the Township of Algonquin Highlands (the "Municipality") are prepared by management in accordance with Canadian public sector accounting standards for local governments as recommended in the Public Sector Accounting Board "PSAB" of the Chartered Professional Accountants Canada. Significant aspects of the accounting policies adopted by the Municipality are as follows:

**(a) Reporting Entity**

These consolidated statements reflect the assets, liabilities, revenues, expenses and reserve and reserve fund balances of the reporting entity. The reporting entity is comprised of all committees of Council and the boards, joint boards and municipal enterprises for which Council is politically accountable as follows:

**(i) Consolidated entities**

The following local boards are consolidated:

Algonquin Highlands Cemetery Board

Inter-organizational transactions and balances between these organizations are eliminated.

**(ii) Accounting for school board and the County of Haliburton transactions**

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

**(iii) Trust funds**

Trust funds administered by the Municipality are not included in these consolidated financial statements, but are reported separately on the trust funds financial statements.

**(b) Basis of Accounting****(i) Accrual basis of accounting**

Sources of financing and expenditures are reported on the accrual basis of accounting. This method 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.

**(ii) Non-financial assets**

Non-financial assets are not available to discharge existing liabilities but are held for use in the provision of Municipal services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
Year Ended December 31, 2024

---

(a) Tangible capital assets

Tangible capital assets are recorded at cost less accumulated amortization, which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. Tangible capital assets received as donations are recorded at their fair value at the date of receipt. The cost, less residual value, of the tangible capital assets are amortized on a straight-line basis over their estimated useful lives as follows:

Land improvements - 15 years  
Buildings - 40 years  
Machinery, equipment and furniture - 5 to 20 years  
Vehicles - 3 to 10 years  
Roads - 15 to 40 years  
Bridges - 15 to 40 years  
Lagoon - 15 to 40 years

A full year of amortization is taken in the year of acquisition and no amortization is taken in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

The Municipality has a capitalization threshold of \$5,000; individual tangible capital assets, or pooled assets of lesser value are expensed in the year of purchase.

The Municipality has a policy of expensing borrowing costs related to the acquisition of tangible capital assets.

(b) Inventories of supplies

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

(iii) Reserves and reserve funds

Certain amounts, as approved by Council, are set aside in reserves and reserve funds for future operating and capital purposes. Balances related to these funds are included in the accumulated surplus of the Consolidated Statement of Financial Position.

(iv) Government transfers

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

(v) Deferred revenue

The Municipality receives Canada Community-Building fund (formerly gas tax) revenue from the Federal Government and payments in lieu of parkland under the authority of provincial legislation and Municipal by-laws. These funds are restricted in their use and until applied to the applicable expenditures are recorded as deferred revenue. Amounts applied to qualifying expenditures are recorded as revenue in the fiscal period they are expended. The Municipality also defers recognition of certain government grants which have been collected but for which the related expenditures have yet to be incurred. These amounts will be recognized as revenues in the fiscal year the services are performed.

Contributions, other than government transfers, are deferred when restrictions are placed on their use by the external contributor, and are recognized as revenue when used for the purpose specified.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year Ended December 31, 2024

---

(vi) Taxation and related revenues

Property tax billings are prepared by the Municipality based on assessment rolls issued by the Municipal Property Assessment Corporation ("MPAC"). Tax rates are established annually by Council, incorporating amounts to be raised for local services and amounts the Municipality is required to collect on behalf of the Province of Ontario in respect of education taxes. A normal part of the assessment process is the issue of supplementary assessment rolls which provide updated information with respect to changes in property assessment. Once a supplementary assessment roll is received, the Municipality determines the taxes applicable and renders supplementary tax billings. Taxation revenues are recorded at the time tax billings are issued. Assessments and the related property taxes are subject to appeal. Tax adjustments as a result of appeals are recorded when the result of the appeal process is known. The Municipality is entitled to collect interest and penalties on overdue taxes. These revenues are recorded in the period the interest and penalties are levied.

(vii) Pensions

The Municipality is an employer member of the Ontario Municipal Employee Retirement System (OMERS), a multi-employer public sector pension fund, as a defined benefit pension plan. The Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the pension plan, including investment of the assets and administration of the benefits. The Municipality has adopted defined contribution plan accounting principles for this Plan because insufficient information is available to apply defined benefit plan accounting principles.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
Year Ended December 31, 2024

---

(viii) Asset retirement obligations

A liability for asset retirement obligation (ARO) is recognized when, as at the financial reporting date:

- there is a legal obligation to incur retirement costs in relation to a tangible capital asset;
- 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 liability is initially recorded at the best estimate of the expenditures required to retire a tangible capital asset, and the resulting costs are capitalized as part of the carrying amount of the related tangible capital asset if the asset is recognized and in productive use. This liability is subsequently reviewed at each financial reporting date and adjusted for any revisions to the timing or amount required to settle the obligation. The changes in the liability for the passage of time are recorded as accretion expenses in the Statement of Operations and all other changes are adjusted to the tangible capital asset. This cost is amortized over the useful life of the tangible capital asset (Note 1(b)(ii)(a)). If the related tangible capital asset is unrecognized or no longer in productive use, the asset retirement costs are expensed.

The liability for closure and post-closure care relating to landfill sites has been recognized based on estimated future expenditures. The liability is discounted using a present value calculation and adjusted yearly for accretion expense. The recognition of a liability resulted in an accompanying increase to the landfill tangible capital asset. The landfill tangible capital asset is being amortized over the asset's useful life (Note 1(b)(ii)(a)). Assumptions used in the calculations are revised yearly.

Recoveries related to tangible capital asset retirement obligations are recognized when the recovery can be appropriately measured, a reasonable estimate of the amount can be made and it is expected that future economic benefits will be obtained. A recovery is recognized on a gross basis from the asset retirement obligations liability.

(ix) Use of estimates

The preparation of consolidated financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the period. Significant items subject to such estimates and assumptions include valuation allowances for accounts receivable, estimated useful lives of tangible capital assets, accrued liabilities and amounts to settle asset retirement obligations. Actual results could differ from management's best estimates as additional information becomes available in the future. The estimates are reviewed periodically and any resulting adjustments are reported in earnings in the year in which they become known.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
Year Ended December 31, 2024

---

2. CHANGE IN ACCOUNTING POLICIES

On January 1, 2024 the Municipality adopted the following Public Accounting Standards. PS 3400 Revenues which provide guidance for the recognition, measurement, presentation and disclosure of revenue from transactions with performance obligations, referred to as exchange transactions, and transactions without performance obligations, referred to as non-exchange transactions. Public Sector Guideline PSG 8 Purchased Intangibles which provides guidance on the accounting and reporting of purchased intangible assets acquired through non-arm's length exchange transactions between knowledgeable, willing parties under no compulsion to act. PS 3160 Public Private Partnerships which provides guidance on accounting and reporting for public private partnerships between public and private sector entities. The standards were adopted prospectively from the date of adoption with no restatement of prior period comparative amounts and have no significant impact on the presentation of the financial statements.

3. OPERATIONS OF SCHOOL BOARDS AND THE COUNTY OF HALIBURTON

Further to Note 1(a)(ii), the Municipality is required to collect property taxes and payments-in-lieu of taxes on the behalf of the school boards and the County of Haliburton. The amounts collected, remitted and outstanding are as follows:

	2024 School Boards	2024 County	2024 Total	2023 Total
Payable (receivable) at the beginning of the year	\$ -	\$ -	\$ -	\$ -
Taxation and payments-in-lieu, net of adjustments	2,902,586	4,741,496	7,644,082	7,205,181
Remitted during the year	(2,902,586)	(4,741,496)	(7,644,082)	(7,205,181)
<b>Payable (receivable) at the end of the year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

4. TRUST FUNDS

Trust funds administered by the Township amounting to \$167,134 (2023 \$160,579) have not been included in the Consolidated Statement of Financial Position nor have their operations been included in the Consolidated Statement of Operations. As such balances are held in trust by the Municipality for the benefit of others, they are not presented as part of the Municipality's financial position or operations.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year Ended December 31, 2024

5. DEFERRED REVENUE

The 2024 continuity of transactions within the obligatory reserve funds and other deferred revenue are described below:

	Balance beginning of year	Contributions received	Interest earned	Amounts taken into revenue	Balance end of year
Parkland	\$ 46,721	\$ 3,977	\$ -	\$ (28,032)	\$ 22,666
Federal gas tax	479,073	82,529	24,794	-	586,396
OCIF funding	68,816	100,000	7,583	(161,575)	14,824
Other	6,784	21,503	-	(6,784)	21,503
	<b>\$ 601,394</b>	<b>\$ 208,009</b>	<b>\$ 32,377</b>	<b>\$ (196,391)</b>	<b>\$ 645,389</b>

6. MUNICIPAL DEBT

The annual principal and interest payments required to service the Municipality's debt were within the annual debt repayment limit of \$2,114,772 prescribed by the Ministry of Municipal Affairs and Housing.

7. CREDIT FACILITY AGREEMENT

The Township has a revolving credit facility agreement with its main financial institution. The amount available at any time for facility A is limited to \$700,000 (2023 \$700,000) via an operating loan. Any balance borrowed will accrue interest at the bank's prime lending rate plus 0.50% per annum. The amount available at any time for facility B is limited to \$2,000,000 (2023 \$2,000,000) via an operating loan. Any balance borrowed will accrue interest at the bank's prime lending rate plus 0.50% per annum. Council authorized the temporary borrowing limit by By-law 2024-02, of which NIL (2023 NIL) was used at the end of the year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year Ended December 31, 2024

8. ASSET RETIREMENT OBLIGATIONS

The Municipality's asset retirement obligations consist of the following:

Landfill obligation

The Township is responsible for the operation and maintenance of five waste disposal sites. The costs are based on the currently known obligations that will exist at the estimated year of closure of the site and for 25 years after this date. Two sites are closed, the three remaining operating sites have remaining estimated useful lives between 46 and 99 years. Post-closure care is estimated to be required for 25 years from the date of site closure. These costs were discounted to December 31, 2024 using a discount rate of 2.94% per annum.

An engineering study received in 2025 increased the estimate of expenditures for all landfill sites as well as closure dates for two of the operating landfill sites.

	Maple Lake	Oxtongue	Pine Springs	Dorset	Hawk Lake
Closure date	2071	2094	2124	2015	2022
Total capacity (m <sup>2</sup> )	196,860	39,000	54,350	40,000	34,585
Discount rate (%)	3	3	3	3	3
Inflation rate (%)	2	2	2	2	2
Undiscounted expenditures	\$ 1,704,100	\$ 1,217,000	\$ 1,235,500	\$ 147,200	\$ 294,400

Changes in the Landfill closure and post-closure asset retirement obligations in the year are as follows:

	2024	2023
Opening balance	\$ 2,102,641	\$ -
Adjustment to asset retirement obligation	1,289,017	2,057,884
Accretion expense	-	60,502
Less: settlement of obligations	-	(15,745)
	<b>\$ 3,391,658</b>	<b>\$ 2,102,641</b>

9. CONTINGENT LIABILITIES

In the normal course of business, the municipality is named to lawsuits related to its operations. Management is of the view that these lawsuits are without merit and any settlement would not be material to the financial position of the municipality.



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**Year Ended December 31, 2024

---

**10. COMMITMENTS**

During 2023, the Township entered into a three year contract for the supply, delivery and spreading of liquid calcium chloride for the 2023 to 2025 seasons with annual costs of approximately \$55,000.

During 2022, the Township entered into a three year service agreement for environmental monitoring and annual reporting for its landfill sites. One year remains on this agreement which has annual costs of approximately \$79,000.

During 2022, the Township entered into a five year agreement for the supply of furnace oil, diesel fuel (marked and clear) in the amount of \$1.311/L, and gasoline in the amount of \$1.082/L for the period from May 1, 2022, to April 30, 2027.

During 2020, the Township entered into a five year contract for CAMIS reservation software for the period of January 1, 2021 to December 31, 2025. One year remains on this agreement which has annual costs of approximately \$55,000.

During 2019, the Township entered into a three year service agreement for site attendant services at all five (5) of the Townships municipal landfill sites and recycling centres with the option to extend for two additional one-year periods. The agreement was extended in 2024 for an additional one year which has annual costs of approximately \$200,000.

During 2019, the Township entered into a ten year term for the provision of high speed fibre internet services at the Dorset Health Hub for the purposes of the Telemedicine Network. Five years remain on this agreement at a cost of \$475 per month.

# THE CORPORATION OF THE TOWNSHIP OF ALGONQUIN HIGHLANDS

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year Ended December 31, 2024

---

### 11. SEGMENT DISCLOSURES AND EXPENDITURES BY OBJECT

The Municipality and its Boards and Committees provide a wide range of services to its citizens. The schedule and segment disclosure provides a breakdown of the annual surplus (deficit) reported on the Consolidated Statement of Operations by major reporting segment. The segments correspond to the major functional categories used in the Municipality's Financial Information Return, which include the following activities:

#### General Government

This segment includes Council, Clerk's Department, and Treasury. This area supports the operating departments in implementing priorities of Council and provides strategic leadership on issues relating to governance, strategic planning and service delivery.

#### Protection to Persons and Property

This segment includes fire, police, building inspection, and bylaw enforcement. Police services are provided by the Ontario Provincial Police under contract.

#### Transportation Services

Transportation Services include roadway systems and winter control.

#### Environmental Services

This segment includes solid waste and lagoon management.

#### Health Services

This segment includes cemeteries.

#### Recreation and Culture

This segment includes parks, recreation programs, recreation facilities and library services.

#### Planning and Development

This segment includes activities related to planning, zoning and economic development.

#### Unallocated Amounts

Items are recorded as unallocated amounts when there is no reasonable basis for allocating them to a segment. Major items included in this category are property taxation and related penalty and interest charges, and the municipality's annual Ontario Municipal Partnership Fund unconditional grant.

In preparation of segmented financial information, some allocation of expenses is made. This generally includes charges of rent to specific segments.

# THE CORPORATION OF THE TOWNSHIP OF ALGONQUIN HIGHLANDS

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year Ended December 31, 2024

### 11. SEGMENT DISCLOSURES AND EXPENDITURES BY OBJECT (continued)

FOR THE YEAR ENDED DECEMBER 31, 2024

	General Government	Protection to Persons and Property	Transportation Services	Environmental Services	Health Services	Recreation and Culture	Planning and Development	Unallocated Amounts	Consolidated
<b>REVENUE</b>									
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,046,957	\$ 7,046,957
User fees	17,730	255,760	330,454	347,046	60,636	679,325	58,100	-	1,749,051
Government transfers	-	-	1,366,375	-	-	138,479	-	-	1,504,854
Other municipalities	(1)	38,674	45,627	3,297	-	30,774	-	-	118,371
Other	683,066	59,699	435,075	-	12,261	68,799	54,000	416,752	1,729,652
<b>TOTAL REVENUE</b>	<b>700,795</b>	<b>354,133</b>	<b>2,177,531</b>	<b>350,343</b>	<b>72,897</b>	<b>917,377</b>	<b>112,100</b>	<b>7,463,709</b>	<b>12,148,885</b>
<b>EXPENSES</b>									
Salaries, wages and benefits	1,318,231	977,450	1,017,697	191,728	28,791	832,502	168,833	-	4,535,232
Operating expenses	389,591	1,395,096	1,533,616	630,819	66,561	676,586	73,700	-	4,765,969
Landfill	-	-	-	113,082	-	-	-	-	113,082
Amortization	54,741	245,445	1,134,542	173,449	1,660	166,355	-	-	1,776,192
<b>TOTAL EXPENSES</b>	<b>1,762,563</b>	<b>2,617,991</b>	<b>3,685,855</b>	<b>1,109,078</b>	<b>97,012</b>	<b>1,675,443</b>	<b>242,533</b>	<b>-</b>	<b>11,190,475</b>
<b>ANNUAL SURPLUS (DEFICIT)</b>	<b>\$ (1,061,768)</b>	<b>\$ (2,263,858)</b>	<b>\$ (1,508,324)</b>	<b>\$ (758,735)</b>	<b>\$ (24,115)</b>	<b>\$ (758,066)</b>	<b>\$ (130,433)</b>	<b>\$ 7,463,709</b>	<b>\$ 958,410</b>

# THE CORPORATION OF THE TOWNSHIP OF ALGONQUIN HIGHLANDS

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year Ended December 31, 2024

### 11. SEGMENT DISCLOSURES AND EXPENDITURES BY OBJECT (continued)

FOR THE YEAR ENDED DECEMBER 31, 2023

	General Government	Protection to Persons and Property	Transportation Services	Environmental Services	Health Services	Recreation and Culture	Planning and Development	Unallocated Amounts	Consolidated
<b>REVENUE</b>									
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,551,759	\$ 6,551,759
User fees	16,736	315,655	284,847	407,264	62,609	635,047	72,375	-	1,794,533
Government transfers	-	-	1,394,696	-	-	27,650	-	-	1,422,346
Other municipalities	207	56,532	100,027	2,818	-	37,297	-	-	196,881
Other	739,967	70,680	447,234	300	11,176	83,053	24,000	213,949	1,590,359
<b>TOTAL REVENUE</b>	<b>756,910</b>	<b>442,867</b>	<b>2,226,804</b>	<b>410,382</b>	<b>73,785</b>	<b>783,047</b>	<b>96,375</b>	<b>6,765,708</b>	<b>11,555,878</b>
<b>EXPENSES</b>									
Salaries, wages and benefits	1,192,643	842,772	956,669	201,382	23,423	711,413	136,822	-	4,065,124
Operating expenses	303,030	1,328,560	1,465,782	800,194	70,136	624,623	33,593	-	4,625,918
Landfill	-	-	-	(676,960)	-	-	-	-	(676,960)
Amortization	59,440	248,415	1,119,441	154,132	1,660	147,372	-	-	1,730,460
<b>TOTAL EXPENSES</b>	<b>1,555,113</b>	<b>2,419,747</b>	<b>3,541,892</b>	<b>478,748</b>	<b>95,219</b>	<b>1,483,408</b>	<b>170,415</b>	<b>-</b>	<b>9,744,542</b>
<b>ANNUAL SURPLUS (DEFICIT)</b>	<b>\$ (798,203)</b>	<b>\$ (1,976,880)</b>	<b>\$ (1,315,088)</b>	<b>\$ (68,366)</b>	<b>\$ (21,434)</b>	<b>\$ (700,361)</b>	<b>\$ (74,040)</b>	<b>\$ 6,765,708</b>	<b>\$ 1,811,336</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
Year Ended December 31, 2024

---

12. BUDGET FIGURES

The unaudited budget adopted for the current year was prepared on a fund basis, and has been amended to conform with the accounting and reporting standards adopted for the current year actual results.

13. PENSION AGREEMENTS

The Municipality makes contributions to the Ontario Municipal Employee Retirement Fund (OMERS), which is a multi-employer plan, on behalf of certain members of its staff. The plan is a defined benefit plan which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay. Each year an independent actuary determines the funding status of OMERS Primary Pension Plan (the Plan) by comparing the actuarial value of invested assets to the estimated present value of all pension benefits that members have earned to date. The most recent actuarial valuation of the Plan was conducted at December 31, 2024. The results of this valuation disclosed total actuarial liabilities of \$140,766 million with respect to benefits accrued for service with actuarial assets at that date of \$137,853 million indicating an actuarial deficit of \$2,913 million. Because OMERS is a multi employer plan, any 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 Plan surplus or deficit.

The amount contributed to OMERS for 2024 was \$282,576 (2023 \$264,852) for current service and is included as an expense on the Consolidated Statement of Operations.

14. COMPARATIVE FIGURES

Certain 2023 amounts in these financial statements have been reclassified to conform with their presentation in 2024.

# THE CORPORATION OF THE TOWNSHIP OF ALGONQUIN HIGHLANDS

## CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS

FOR THE YEAR ENDED DECEMBER 31, 2024

Schedule 1

	Land and Land Improvements	Buildings	Machinery, Equipment and Furniture	Vehicles	Roads and Bridges	Lagoon	Assets Under Construction	TOTAL 2024	TOTAL 2023
<b>COST</b>									
Balance, beginning of year	\$ 9,285,435	\$ 7,288,193	\$ 3,035,825	\$ 6,171,709	\$ 14,128,776	\$ 137,053	\$ 973,223	\$ 41,020,214	\$ 36,606,171
Additions and betterments	1,180,733	1,396,425	303,202	1,880,863	446,654	-	1,131,237	6,339,114	4,569,904
Disposals and writedowns	-	-	(98,379)	(811,800)	-	-	-	(910,179)	(155,861)
Allocation from work in progress	-	833,992	-	-	-	-	(833,992)	-	-
<b>BALANCE, END OF YEAR</b>	<b>10,466,168</b>	<b>9,518,610</b>	<b>3,240,648</b>	<b>7,240,772</b>	<b>14,575,430</b>	<b>137,053</b>	<b>1,270,468</b>	<b>46,449,149</b>	<b>41,020,214</b>
<b>ACCUMULATED AMORTIZATION</b>									
Balance, beginning of year	2,486,314	2,558,065	1,782,881	3,837,528	11,807,740	51,394	-	22,523,922	20,943,238
Annual amortization	377,615	178,591	243,447	511,616	461,497	3,426	-	1,776,192	1,730,460
Amortization disposals	-	-	(68,865)	(710,723)	-	-	-	(779,588)	(149,776)
<b>BALANCE, END OF YEAR</b>	<b>2,863,929</b>	<b>2,736,656</b>	<b>1,957,463</b>	<b>3,638,421</b>	<b>12,269,237</b>	<b>54,820</b>	<b>-</b>	<b>23,520,526</b>	<b>22,523,922</b>
<b>TANGIBLE CAPITAL ASSETS-NET</b>	<b>\$ 7,602,239</b>	<b>\$ 6,781,954</b>	<b>\$ 1,283,185</b>	<b>\$ 3,602,351</b>	<b>\$ 2,306,193</b>	<b>\$ 82,233</b>	<b>\$ 1,270,468</b>	<b>\$ 22,928,623</b>	<b>\$ 18,496,292</b>

**THE CORPORATION OF THE TOWNSHIP OF ALGONQUIN HIGHLANDS**  
**SUPPLEMENTARY UNAUDITED SCHEDULE OF SURPLUS**

**2024**  
**Schedule 2**

	2024	2023
<b>RESERVES</b>		
Working capital	\$ 515,855	\$ 1,620,043
General government	383,130	513,753
Protection	408,862	838,970
Transportation	2,920,725	3,573,227
Environmental	770,769	691,959
Health	24,860	16,343
Recreation and culture	2,064,569	2,178,915
Planning and development	193,664	204,514
<b>TOTAL RESERVES AND RESERVE FUNDS</b>	<b>7,282,434</b>	<b>9,637,724</b>
<b>OTHER</b>		
Tangible capital assets	22,928,623	18,496,292
General operating surplus (deficit)	171,785	-
Amounts to be recovered	(3,391,658)	(2,102,641)
Cemetery board	58,075	59,474
<b>TOTAL OTHER</b>	<b>19,766,825</b>	<b>16,453,125</b>
<b>ACCUMULATED SURPLUS</b>	<b>\$ 27,049,259</b>	<b>\$ 26,090,849</b>










# AlgonquinHighlands\_FS24

Final Audit Report

2025-06-24

Created:	2025-06-19
By:	RAVEN IVANY (RIVANY@PAHAPILL.CA)
Status:	Signed
Transaction ID:	CBJCHBCAABAACKhxoM8sDI6GEaPpWpHdA5BrGdd88KAd

## "AlgonquinHighlands\_FS24" History

-  Document created by RAVEN IVANY (RIVANY@PAHAPILL.CA)  
2025-06-19 - 7:44:22 PM GMT
-  Document emailed to Jean (jhughes@algonquinhighlands.ca) for signature  
2025-06-19 - 7:44:26 PM GMT
-  Document emailed to Angie (abird@algonquinhighlands.ca) for signature  
2025-06-19 - 7:44:26 PM GMT
-  Email viewed by Jean (jhughes@algonquinhighlands.ca)  
2025-06-19 - 7:45:30 PM GMT
-  Signer Jean (jhughes@algonquinhighlands.ca) entered name at signing as K Jean Hughes  
2025-06-19 - 7:47:06 PM GMT
-  Document e-signed by K Jean Hughes (jhughes@algonquinhighlands.ca)  
Signature Date: 2025-06-19 - 7:47:08 PM GMT - Time Source: server
-  Email viewed by Angie (abird@algonquinhighlands.ca)  
2025-06-19 - 8:28:32 PM GMT
-  Document e-signed by Angie (abird@algonquinhighlands.ca)  
Signature Date: 2025-06-24 - 3:40:16 PM GMT - Time Source: server
-  Agreement completed.  
2025-06-24 - 3:40:16 PM GMT