

Consolidated Financial Statements of

**THE MUNICIPALITY OF  
CENTRAL MANITOULIN**

Year ended December 31, 2023

# THE MUNICIPALITY OF CENTRAL MANITOULIN

## Index to Consolidated Financial Statements

Year ended December 31, 2023

---

	Page
Management's Responsibility for the Consolidated Financial Statements	
Independent Auditor's Report	
Consolidated Statement of Financial Position	1
Consolidated Statement of Operations and Accumulated Surplus	2
Consolidated Statement of Change in Net Financial Debt	3
Consolidated Statement of Cash Flows	4
Notes to Consolidated Financial Statements	5 - 27

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

The accompanying consolidated financial statements of The Municipality of Central Manitoulin (the "Municipality") are the responsibility of the Municipality's management and have been prepared in compliance with legislation, and in accordance with generally accepted accounting principles for local governments established by the Public Sector Accounting Board of The Chartered Professional Accountants of Canada. A summary of the significant accounting policies are described in note 1 to the consolidated financial statements. The preparation of consolidated financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The Municipality's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, 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 their approval of the consolidated financial statements.

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

---

Chief Administrative Officer

---

Treasurer

January 16, 2026



## **KPMG LLP**

Times Square  
1760 Regent Street, Unit 4  
Sudbury, ON P3E 3Z8  
Canada  
Telephone 705 675 8500  
Fax 705 675 7586

# **INDEPENDENT AUDITOR'S REPORT**

To the Members of Council, Inhabitants and Ratepayers of  
The Municipality of Central Manitoulin

## ***Opinion***

We have audited the consolidated financial statements of The Municipality of Central Manitoulin (the "Entity"), which comprise:

- the consolidated statement of financial position as at December 31, 2023
- the consolidated statement of operations and accumulated surplus for the year then ended
- the consolidated statement of changes in net financial debt for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements")

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the Entity as at December 31, 2023, and its consolidated results of operations, its consolidated changes in net financial debt and its consolidated 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 responsibility under those standards are further described in the **"Auditor's Responsibilities for the Audit of the Financial Statements"** section of our auditor's report.

We are independent of the Entity 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.



### ***Emphasis of Matter – Comparative Information***

We draw attention to Note 2 to the financial statements (“Note 2”), which explains that certain comparative information presented for the year ended December 31, 2022 has been restated as a result of the modified retroactive adoption of the asset retirement obligation standard. Note 2 explains the reason for the restatement and also explains the adjustments that were applied to restate certain comparative information.

Our opinion is not modified in respect of this matter.

### ***Other Matter – Comparative Information***

As part of our audit of the financial statements for the year ended December 31, 2023, we also audited the adjustments that were applied to restate certain comparative information presented for the year ended December 31, 2022 as a result of a change in accounting policy. In our opinion, such adjustments are appropriate and have been properly applied.

### ***Responsibility 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 Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's 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 the 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:



Page 3

- Identify and assess the risk 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, internal 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 purposes of expressing an opinion on the effectiveness of the Entity'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 the events or conditions that may cast significant doubt on the Entity'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 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 Entity's 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.
- 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 'KPMG LLP'. The signature is written in a cursive, stylized font and is underlined with a single horizontal stroke.

Chartered Professional Accountants, Licensed Public Accountants

Sudbury, Canada  
January 16, 2026

# THE MUNICIPALITY OF CENTRAL MANITOULIN

## Consolidated Statement of Financial Position

December 31, 2023, with comparative information for 2022

	2023	2022 (Restated - note 2)
<b>Financial assets</b>		
Cash	\$ 1,254,085	\$ 2,068,164
Investments	1,531,485	1,010,026
Taxes receivable	748,848	624,103
Accounts receivable (note 3)	769,241	517,705
	<u>4,303,659</u>	<u>4,219,998</u>
<b>Financial liabilities</b>		
Accounts payable and accrued liabilities (note 4)	660,561	797,892
Deferred revenue	706,231	429,511
Long-term liabilities (note 5)	629,764	773,514
Asset retirement obligation (note 6)	3,957,828	3,745,320
	<u>5,954,384</u>	<u>5,746,237</u>
Net financial debt	(1,650,725)	(1,526,239)
<b>Non-financial assets</b>		
Tangible capital assets (note 13)	18,222,974	18,148,269
Prepaid expenses	49,872	34,866
	<u>18,272,846</u>	<u>18,183,135</u>
Accumulated surplus (note 7)	\$ 16,622,121	\$ 16,656,896

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

# THE MUNICIPALITY OF CENTRAL MANITOULIN

## Consolidated Statement of Operations and Accumulated Surplus

Year ended December 31, 2023, with comparative information for 2022

	Budget 2023 (note 11)	Actual 2023	Actual 2022 (Restated - note 2)
Revenue:			
Property taxation	\$ 6,110,357	5,386,070	\$ 5,116,529
Taxation from other governments	-	29,528	23,416
User charges	832,280	597,840	701,173
Government of Canada grants	210,610	412,579	200,241
Province of Ontario grants	2,211,226	1,982,258	2,295,333
Rent, licenses and permits	103,000	159,851	75,894
Penalties and interest on taxes	88,000	93,357	87,499
Investment income	60,000	192,397	79,051
Donations and other	3,500	5,976	6,426
Loss on disposal of assets	-	(3,813)	(849)
Total revenue	9,618,973	8,856,043	8,584,713
Expenses:			
General government	1,222,447	1,254,662	1,463,859
Protection to persons and property	1,119,807	1,080,812	1,062,091
Transportation services	3,062,906	2,327,214	2,200,840
Environmental services	1,995,746	1,512,415	1,509,576
Health services	818,740	825,364	793,820
Social and family services	208,595	208,031	213,061
Social housing	176,701	176,701	172,941
Recreational and cultural services	1,215,222	1,314,557	1,015,219
Planning and development	244,351	191,062	208,734
Total expenses	10,064,515	8,890,818	8,640,141
Annual deficit	(445,542)	(34,775)	(55,428)
Accumulated surplus, beginning of year	16,656,896	16,656,896	18,734,767
Adjustment on adoption of the asset retirement obligation standard (note 2)	-	-	(2,022,443)
Accumulated surplus, end of year	\$ 16,211,354	16,622,121	\$ 16,656,896

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

# THE MUNICIPALITY OF CENTRAL MANITOULIN

## Consolidated Statement of Change in Net Financial Debt

Year ended December 31, 2023, with comparative information for 2022

	Budget 2023 (note 11)	Actual 2023	Actual 2022 (Restated - note 2)
Annual deficit	\$ (445,542)	\$ (34,775)	\$ (55,428)
Acquisition of tangible capital assets	(3,044,332)	(1,630,872)	(1,239,524)
Amortization of tangible capital assets	1,552,354	1,552,354	1,492,767
Loss on disposal of assets	-	3,813	849
Proceeds on sale of tangible capital assets	-	-	1,525
	(1,937,520)	(109,480)	200,189
Change in prepaid expenses	-	(15,006)	(1,293)
Change in net financial assets (debt)	(1,937,520)	(124,486)	198,896
Net financial assets (debt), beginning of year	(1,526,239)	(1,526,239)	552,256
Adjustment on adoption of the asset retirement obligation standard (note 2)	-	-	(2,277,391)
Net financial debt, end of year	\$ (3,463,759)	\$ (1,650,725)	\$ (1,526,239)

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

# THE MUNICIPALITY OF CENTRAL MANITOULIN

## Consolidated Statement of Cash Flows

Year ended December 31, 2023, with comparative information for 2022

	2023	2022
		(Restated - note 2)
Cash provided by (used in):		
Operating activities:		
Annual debt	\$ (34,775)	\$ (55,428)
Items not involving cash:		
Amortization of tangible capital assets	1,552,354	1,492,767
Loss on disposal of assets	3,813	849
Increase in solid waste management liabilities	212,508	15,929
	1,733,900	1,454,117
Change in non-cash assets and liabilities:		
Increase in taxes receivable	(124,745)	(42,031)
Increase in accounts receivable	(251,536)	(235,862)
Increase in prepaid expenses	(15,006)	(1,293)
Decrease in accounts payable and accrued liabilities	(137,331)	(252,724)
Increase in deferred revenue	276,720	230,925
Net change in cash from operating activities	1,482,002	1,153,132
Financing activities:		
Principal repayments on long-term liabilities	(143,750)	(237,154)
Investing activities:		
Increase in investments	(521,459)	(1,010,026)
Capital activities:		
Proceeds on sale of tangible capital assets	-	1,526
Acquisition of tangible capital assets	(1,630,872)	(1,239,524)
Net change in cash from capital activities	(1,630,872)	(1,237,998)
Net change in cash	(814,079)	(1,332,046)
Cash, beginning of year	2,068,164	3,400,210
Cash, end of year	\$ 1,254,085	\$ 2,068,164

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

# THE MUNICIPALITY OF CENTRAL MANITOULIN

## Notes to Consolidated Financial Statements

Year ended December 31, 2023

---

The Municipality of Central Manitoulin (the "Municipality") is a municipality in the Province of Ontario, Canada. It conducts its operations guided by the provisions of provincial statutes such as the Municipal Act and other related legislation.

### 1. Significant accounting policies:

The consolidated financial statements of the Municipality are prepared by management in accordance with Canadian generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board and the Chartered Professional Accountants of Canada. Significant aspects of the accounting policies adopted by the Municipality are as follows:

#### (a) Reporting entity:

- (i) These consolidated financial statements reflect the assets, liabilities, revenues and expenses and include the activities of all committees of Council and the following boards which are under the control of Council:

Central Manitoulin Public Library Board  
Central Manitoulin Cemetery Board  
Community Centre Board

All interfund and inter-organizational transactions and balances between these organizations are eliminated.

- (ii) Non-consolidated entities:

The following joint boards are not consolidated:

Manitoulin Planning Board  
Sudbury and District Health Unit  
Manitoulin Sudbury District Social Services Administration Board

- (iii) The Municipality collects taxation revenue on behalf of the school boards.

The taxation, other revenues, expenses, assets and liabilities with respect to the operations of the school boards are not reflected in the municipal fund balances on these consolidated financial statements (note 8).

- (iv) Cemetery care and maintenance trust funds and their related operations administered by the Municipality are not included in these consolidated financial statements but are reported on separately on the Cemetery care and maintenance trust Funds financial statements (note 9).

#### (b) Basis of accounting:

Sources of financing and expenses are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they are earned and measurable. Expenses are recognized as they are incurred and measurable as a result of the receipt of goods or services and the creation of a legal obligation to pay. Amounts applied to specific operating and capital projects are recorded as revenue in the fiscal period in which the funds are expended on these projects.

# THE MUNICIPALITY OF CENTRAL MANITOULIN

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

## 1. Significant accounting policies (continued):

### (c) Tangible capital assets:

Tangible capital assets are recorded at cost which includes amounts that are directly attributable to acquisition, design, construction, development, improvement or betterment of the tangible capital asset. The cost, less residual value, of the tangible capital assets, excluding land and landfill sites, are amortized on a straight-line basis over their estimated useful lives as follows:

Asset	Useful Life - Years
Land improvements	45 - 60
Vehicles	10 - 25
Bridges, roads, signs and culverts	10 - 50
Buildings	10 - 50
Machinery and equipment	5 - 20
Water and sewer	40

Annual amortization is charged in the year of acquisition and in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

### (i) 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.

### (ii) Natural resources:

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

### (iii) Works of art and cultural and historic assets:

Works of art and cultural and historic assets are not recorded as assets in these consolidated financial statements.

### (d) Deferred revenue:

Grants, contributions and other amounts are received from third parties pursuant to legislation, regulation or agreement and may only be used in the conduct of certain projects or the completion of specific work. In addition, certain fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred or the services are performed.

A requirement for local governments is that the obligatory reserve funds be reported as deferred revenue. This requirement is in place as provincial legislation and other agreements restrict how these funds may be used and under certain circumstances these funds may possibly be refunded. Given the restriction in use until spent on qualifying projects or expenses these amounts are deferred.

# THE MUNICIPALITY OF CENTRAL MANITOULIN

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

---

## 1. Significant accounting policies (continued):

### (e) Reserve and reserve funds:

Certain amounts, as approved by Council, are set aside in reserves and reserve funds for future expenses and capital purposes. Transfers to and/or from reserves and reserve funds are recorded as an adjustment to the respective fund when approved.

### (f) Post-employment benefits:

The Municipality is an employer member of the Ontario Municipal Employees Retirement System (OMERS), which is a multi-employer, 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. The Municipality records the current service cost within salaries and benefits expense at the time incurred.

### (g) Revenue recognition:

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 amount 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 assessments. Assessments and related property taxes are subject to appeal by ratepayers. Tax adjustments as a result of supplementary assessments and appeals are estimated based on historical results.

The Municipality is entitled to collect interest and penalties on overdue taxes. These revenues are recorded in the accounts in the period the interest and penalties are levied.

Government transfers are recognized in the period that the events giving rise to the transfer have occurred as long as: the transfer is authorized; the eligibility criteria, if any, have been met and the amount can be reasonably estimated. Government transfers received before these criteria have been met are recorded in the accounts as deferred revenue and are recognized as revenue in the period in which all of these criteria are met.

User fees and other revenues are recognized when the services are performed or goods are delivered, collection of the relevant receivable is probable, persuasive evidence of an arrangement exists and fees are fixed or determinable. Amounts received for future services are deferred until the service is provided.

# THE MUNICIPALITY OF CENTRAL MANITOULIN

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

---

## 1. Significant accounting policies (continued):

### (h) 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 and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the period. These estimates and assumptions are based on management's historical experience, best knowledge of current events and actions that the Municipality may undertake in the future. Significant accounting estimates include valuation allowances for taxes and accounts receivable, estimated useful lives of tangible capital assets, employee benefits payable, and asset retirement obligations and supplementary taxes. Actual results could differ from these estimates.

Actual results could differ from those estimates. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the year in which they become known.

### (i) Financial instruments:

Financial instruments are classified as either fair value, amortized cost or cost.

Financial instruments classified as fair value are initially recognized at cost and subsequently carried at fair value. Financing fees and transaction costs on financial instruments measured at fair value are expensed as incurred. Unrealized gains and losses on financial assets are recognized in the Consolidated Statement of Remeasurement Gains and Losses. Once realized, remeasurement gains and losses are transferred to the Consolidated Statement of Operations. A Consolidated Statement of Remeasurement Gains and Losses has not been included as there are no matters to report therein.

Financial instruments classified as amortized cost are initially recognized at cost and subsequently carried at amortized cost using the effective interest rate method, less any impairment losses on financial assets. The effective interest rate method allocates interest income or interest expense over the relevant period, based on the effective interest rate. Transaction costs related to financial instruments in the amortized cost category are added to the carrying value of the instrument.

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. Previously recognized impairment losses are reversed to the extent of the improvement, provided the asset is not carried at an amount, at the date of the reversal, greater than the amount that would have been the carrying amount had no impairment loss been recognized previously. The amounts of any write-downs or reversals are recognized in the Consolidated Statement of Operations.

Financial liabilities (or part of a financial liability) are removed from the Statement of Financial Position when, and only when, they are discharged, cancelled or expire.

# THE MUNICIPALITY OF CENTRAL MANITOULIN

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

## 1. Significant accounting policies (continued):

### (i) Financial instruments (continued):

The Municipality's financial instruments are measured according to the following methods:

Financial instrument	Measurement method
Cash	Amortized cost
Investments	Amortized cost
Accounts receivable	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Long-term debt	Amortized cost

### (j) Asset retirement obligations:

A liability for an asset retirement obligation is recognized when, at the financial reporting date, all of the following criteria are met:

- there is a legal obligation to incur retirement costs in relation to a 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 recorded at an amount that is the best estimate of the expenditure required to retire a capital asset at the financial statement date. The liability is subsequently reviewed at each financial reporting date and adjusted for the passage of time and for any revisions to the timing, amount required to settle the obligation or the discount rate. When an asset retirement obligation is initially recognized, a corresponding asset retirement cost is added to the carrying value of the related capital asset when it is still in productive use. This cost is amortized over the useful life of the capital asset. If the related capital asset is unrecognized or no longer in productive use, the asset retirement costs are expensed.

## 2. Change in accounting policies:

The Municipality adopted the following standards concurrently beginning January 1, 2022 prospectively: PS 1201 *Financial Statement Presentation*, PS 2601 *Foreign Currency Translation*, PS 3041 *Portfolio Investments* and PS 3450 *Financial Instruments*.

PS 1201 *Financial Statement Presentation* replaces PS 1200 *Financial Statement Presentation*. This standard establishes general reporting principles and standards for the disclosure of information in government financial statements. The standard introduces the Statement of Remeasurement Gains and Losses separate from the Statement of Operations. Requirements in PS 2601 *Foreign Currency Translation*, PS 3450 *Financial Instruments*, and PS 3041 *Portfolio Investments*, which are required to be adopted at the same time, can give rise to the presentation of gains and losses as remeasurement gains and losses.

# THE MUNICIPALITY OF CENTRAL MANITOULIN

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

---

## 2. Change in accounting policies (continued):

PS 2601 *Foreign Currency Translation* replaces PS 2600 *Foreign Currency Translation*. The standard requires monetary assets and liabilities denominated in a foreign currency and non-monetary items denominated in a foreign currency that are reported as fair value, to be adjusted to reflect the exchange rates in effect at the financial statement date. Unrealized gains and losses arising from foreign currency changes are presented in the new Statement of Remeasurement Gains and Losses. PS 3041 *Portfolio Investments* replaces PS 3040 *Portfolio Investments*. The standard provides revised guidance on accounting for, and presentation and disclosure of, portfolio investments to conform to PS 3450 *Financial Instruments*. The distinction between temporary and portfolio investments has been removed in the new standard, and upon adoption, PS 3030 *Temporary Investments* no longer applies.

PS 3450 *Financial Instruments* establishes accounting and reporting requirements for all types of financial instruments including derivatives. The standard requires fair value measurement of derivatives and portfolio investments in equity instruments that are quoted in an active market. All other financial instruments will generally be measured at cost or amortized cost. Unrealized gains and losses arising from changes in fair value are presented in the Statement of Remeasurement Gains and Losses. A statement of remeasurement gains and losses has not been included as there are no matters to report therein.

Establishing fair value:

The fair value of guarantees and letters of credit are based on fees currently charged for similar agreements or on the estimated cost to terminate them or otherwise settle the obligations with the counterparties at the reported borrowing date.

Fair value hierarchy:

The following provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which fair value is observable:

Level 1 - fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3 - fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair value hierarchy requires the use of observable market inputs whenever such inputs exist. A financial instrument is classified to the lowest level of the hierarchy for which a significant input has been considered in measuring fair value. There was no impact from the adoption of this standard.

# THE MUNICIPALITY OF CENTRAL MANITOULIN

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

---

## 2. Change in accounting policies (continued):

### PS 3280 *Asset Retirement Obligations*:

On January 1, 2022, the Municipality adopted Public Accounting Standard PS 3280 *Asset Retirement Obligations*. The new accounting standard addresses the reporting of legal obligations associated with the retirement of certain tangible capital assets, such as asbestos removal in retired buildings by public sector entities. The new accounting standard has resulted in a withdrawal of the existing Section PS 3270 *Solid Waste Landfill Closure and Post-Closure Liability*. The standard was adopted on the modified retrospective basis at the date of adoption. Under the modified retrospective method, the discount rate and assumptions used on initial recognition are those as of the date of adoption of the standard.

The Municipality removed the landfill liability that had been recognized to date and recognized an asset retirement obligation upon adoption of PS 3280 on January 1, 2022, using the modified retrospective method. The liability represents the required closure and post-closure care for the landfill site owned by the Municipality. The liability is measured as of the date of purchase of the site, when the liability was assumed. As of the date of adoption of the standard, the relevant discount rate is 0.68% per annum.

On January 1, 2022, the Municipality recognized an additional asset retirement obligation relating to several buildings owned by the Municipality that may contain asbestos.

In accordance with the provisions of this new standard, the Municipality reflected the following adjustments at January 1, 2022:

#### (a) Landfill obligation:

- (i) A decrease of \$1,452,000 to landfill closure liabilities to remove the liability recognized to date under the old standard, and an accompanying increase of \$1,452,000 to opening Accumulated Surplus.
- (ii) An increase of \$1,653,613 to the land improvements capital asset account, representing the original estimate of the obligation as of the commencement of the use of the landfill, and an accompanying increase of \$1,546,294 to accumulated amortization, representing increased amortization for the landfill had the liability originally been recognized.
- (iii) An asset retirement obligation in the amount of \$2,331,022, representing the original obligation discounted to the present value amount using a rate of 0.68%.
- (iv) A decrease to opening accumulated surplus of \$2,223,703, as a result of the recognition of the liability and accompanying increase in amortization expense and accretion expense for the years since commencement of operations of the landfill sites.

Furthermore, the Municipality reflected the following adjustment at December 31, 2022:

- (i) A decrease of \$77,000 to landfill closure liabilities to remove the adjustment to the liability recognized at December 31, 2022 under the old standard, and an accompanying decrease of \$77,000 to environmental expenses.

# THE MUNICIPALITY OF CENTRAL MANITOULIN

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

## 2. Change in accounting policies (continued):

PS 3280 *Asset Retirement Obligations (continued)*:

- (ii) An increase to the asset retirement obligation of \$15,929, and an accompanying increase to environmental expenses representing the annual accretion of the asset retirement obligation.
- (iii) An increase to amortization expense of \$29,417, and an accompanying increase to accumulated amortization, representing the amortization of the increased land improvements capital asset.

(b) Asbestos obligation:

- (i) An increase of \$1,398,369 to the tangible capital asset account, representing the original estimate of the obligation as of the date of purchase, and an accompanying increase of \$1,250,740 to accumulated amortization, representing increased amortization recorded over the useful life of the asset had the liability originally been recognized.
- (ii) An asset retirement obligation in the amount of \$1,398,369, representing an estimate of the current obligation.
- (iii) A decrease to accumulated surplus of \$1,250,740, as a result of the recognition of the liability and accompanying increase in amortization expense.

Furthermore, the Municipality reflected the following adjustment at December 31, 2022:

- (i) An increase to amortization expense of \$10,179, and an accompanying increase to accumulated amortization, representing the amortization of the increased building capital asset.

## 3. Accounts receivable:

	2023	2022
Government of Canada	\$ 443,027	\$ 409,911
Province of Ontario	214,153	9,166
Benefitting landowners	13,019	12,789
Trade and miscellaneous	99,042	85,839
	<u>\$ 769,241</u>	<u>\$ 517,705</u>

## 4. Accounts payable and accrued liabilities:

	2023	2022
Government of Canada	\$ 49,173	\$ 25,621
Province of Ontario	125,495	87,409
Trade and miscellaneous	485,893	684,862
	<u>\$ 660,561</u>	<u>\$ 797,892</u>

# THE MUNICIPALITY OF CENTRAL MANITOULIN

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

## 5. Long-term liabilities:

Long-term liabilities reported on the consolidated statement of financial position are made up of the following:

	2023	2022
Building and bridge loans (a)	\$ 394,042	\$ 498,315
Ontario Strategic Infrastructure Financing Authority (OSIFA) (b)	235,722	275,199
	<u>\$ 629,764</u>	<u>\$ 773,514</u>

(a) The Bank of Montreal building and bridge loans are at rates of 3.10% - 3.26% and expire in 2028. They are secured by the related asset having a net book value of \$979,522 (2022 - \$1,021,779) and a general security agreement over assets of the Municipality.

(b) The OSIFA debentures expire in 2028, bear interest at 5.89% and are repayable in blended semi-annual payments of \$27,556.

Principal payments are as follows:

2024	\$ 138,336
2025	140,836
2026	143,486
2027	146,294
2028 and subsequent years	60,812
	<u>\$ 629,764</u>

(c) The Municipality has a credit facility in the amount of \$500,000. As of December 31, 2023, there are no amounts drawn on this facility (2022 - \$Nil).

# THE MUNICIPALITY OF CENTRAL MANITOULIN

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

---

## 6. Asset retirement obligation:

The Municipality's asset retirement obligation consists of several obligations as follows:

### (a) Landfill obligation:

The Municipality owns and operates five landfill sites. The liability for the closure of operational sites 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 sites and for 25 years post this date.

The landfills have no remaining capacity as of December 31, 2023.

Post-closure care for the landfill site is estimated to be required for 25 years from the date of site closure. These costs were discounted to December 31, 2023 using a discount rate of 0.68% per annum.

### (b) Asbestos obligation:

The Municipality owns and operates several buildings that may contain asbestos, which represents a health hazard upon demolition of the building and there is a legal obligation to remove or remediate it. Following the adoption of PS3280 *Asset Retirement Obligations*, the Municipality recognized an obligation relating to the removal and post-removal care of the asbestos in these buildings as estimated at January 1, 2022. The obligation is determined based on the estimated undiscounted cash flows that will be required in the future to remove or remediate the asbestos containing material in accordance with current legislation.

The transition and recognition of asset retirement obligations involved an accompanying increase to the land improvements capital assets and the restatement of prior year numbers (see note 2).

# THE MUNICIPALITY OF CENTRAL MANITOULIN

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

## 6. Asset retirement obligation (continued):

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

Asset Retirement Obligation	Landfill closure	Asbestos removal	Balance at December 31, 2023
Opening balance	\$ 2,346,951	\$ 1,398,369	\$ 3,745,320
Accretion	16,037	—	16,037
Increase in the obligation	—	196,471	196,471
Closing balance	\$ 2,362,988	\$ 1,594,840	\$ 3,957,828

Asset Retirement Obligation	Landfill closure	Asbestos removal	Balance at December 31, 2022
Opening balance	\$ 1,452,000	\$ —	\$ 1,452,000
Adjustment on adoption of the asset retirement obligation standard (note 2)	879,022	1,398,369	2,277,391
Opening balance as restated	2,331,022	1,398,369	3,729,391
Accretion of the obligation	15,929	—	15,929
Closing balance	\$ 2,346,951	\$ 1,398,369	\$ 3,745,320

# THE MUNICIPALITY OF CENTRAL MANITOULIN

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

## 7. Accumulated surplus:

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

	2023	2022
		(Restated - note 2)
Surplus:		
Tangible capital assets	\$ 18,222,974	\$ 18,148,269
Long-term liabilities	(629,764)	(773,514)
Internal borrowings (i)	(1,369,709)	(1,299,026)
	16,223,501	16,075,729
Amounts to be recovered:		
Asset retirement obligation costs	(3,957,828)	(3,745,320)
Employee benefits	(41,945)	(96,457)
Total surplus	12,223,728	12,233,952
Reserves set aside by Council for:		
Working funds	2,279,911	2,409,254
Recreation infrastructure	619,773	719,773
Employee benefits	41,945	96,457
Solid waste management (note 6)	630,164	630,164
Providence Bay Village Square	3,250	8,442
Mindemoya Arena	10,621	10,621
Mindemoya Hall (Euchre)	–	909
Community Improvement Program	15,832	15,832
Boardwalk	250,000	–
	3,851,496	3,891,452
Reserve funds set aside by Council for specific purposes:		
Capital	340,079	330,062
Water and sewer	143,663	140,437
Providence Bay Community Centre Board	53,387	50,510
Animal Welfare Fund	9,768	10,483
	546,897	531,492
Accumulated surplus	\$ 16,622,121	\$ 16,656,896

- i) The Municipality has borrowed internally for capital. The internal loans bear interest at a floating rate equal to the return on short-term investments and are to be repaid over a period ranging from one to five years.

# THE MUNICIPALITY OF CENTRAL MANITOULIN

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

## 8. Operations of school boards:

Further to note 1 (a) (ii), the property taxes collected on behalf of the school boards are comprised of the following:

	2023	2022
Property taxes	\$ 734,148	\$ 718,951
Taxation from other governments	7,124	7,124
	<u>\$ 741,272</u>	<u>\$ 726,075</u>

## 9. Trust funds:

Trust Funds administered by the Municipality amounting to \$111,395 (2022 - \$108,784) have not been included on the consolidated statement of financial position nor have their operations been included in the consolidated statement of operations and accumulated surplus.

## 10. Pension agreement:

OMERS provides pension services to more than 500,000 active and retired members and approximately 1,000 employers. 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, 2021. The results of this valuation disclosed total going concern actuarial liabilities of \$136,185 million (2022 - \$130,306 million) in respect of benefits accrued for service with total going concern actuarial assets at that date of \$131,983 million (2022 - \$123,628 million) indicating a going concern actuarial deficit of \$4,202 million (2022 - \$6,678 million). Because OMERS is a multi-employer plan, any pension plan surpluses or deficits are a joint responsibility of Ontario municipal organizations and their employees and the Authority's share is not determinable. As a result, the Municipality does not recognize any share of the OMERS pension surplus or deficit.

The amount contributed to OMERS for 2023 was \$124,924 (2022 - \$102,415) and is included as an expense in the consolidated statement of operations and accumulated surplus.

# THE MUNICIPALITY OF CENTRAL MANITOULIN

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

---

## 11. Budget information:

The chart below reconciles the approved operating and capital budgets of the Municipality to the budget information reported on the Consolidated Statement of Operations and Accumulated Surplus.

---

Approved budget:	\$	–
Add:		
Principal debt payments		463,132
Purchase of tangible capital assets		2,578,200
Less:		
Net reserve transfers		(1,934,520)
		<hr/> 1,106,812
Amortization of tangible capital assets		(1,552,354)
Budget deficit per consolidated financial statements	\$	<hr/> (445,542) <hr/>

## 12. Public Sector Salary Disclosure:

During 2023, one employee was paid a salary, as defined in the Public Sector Salary Disclosure Act, 1996, of \$100,000 or more by the Municipality.

# THE MUNICIPALITY OF CENTRAL MANITOULIN

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

## 13. Tangible capital assets:

Cost	Balance at December 31, 2022 (Restated - note 2)	Additions	Disposals	Balance at December 31, 2023
Land	\$ 577,592	-	(3,498)	\$ 574,094
Land improvements	1,653,613	-	-	1,653,613
Vehicles	2,540,761	445,131	-	2,985,892
Bridges, roads, signs and culverts	13,192,250	1,817,187	(273,292)	14,736,145
Buildings	15,125,632	604,835	(4,665)	15,725,802
Machinery and equipment	1,940,162	81,097	-	2,021,259
Water and sewer	8,456,730	-	-	8,456,730
Assets under construction	2,118,754	608,860	(1,926,238)	801,376
<b>Total</b>	<b>\$ 45,605,494</b>	<b>3,557,110</b>	<b>(2,207,693)</b>	<b>\$ 46,954,911</b>

Accumulated Amortization	Balance at December 31, 2022	Amortization	Disposals	Balance at December 31, 2023
Land improvements	\$ 1,575,711	29,417	-	\$ 1,605,128
Vehicles	1,442,919	151,054	-	1,593,973
Bridges, roads, signs and culverts	9,401,384	624,404	(273,292)	9,752,496
Buildings	8,581,245	414,030	(4,350)	8,990,925
Machinery and equipment	970,146	130,913	-	1,101,059
Water and sewer	5,485,820	202,536	-	5,688,356
<b>Total</b>	<b>\$ 27,457,225</b>	<b>1,552,354</b>	<b>(277,642)</b>	<b>\$ 28,731,937</b>

	Net book value, December 31, 2022	Net book value, December 31, 2023
Land	\$ 577,592	\$ 574,094
Land improvements	77,902	48,485
Vehicles	1,097,842	1,391,919
Bridges, roads, signs and culverts	3,790,866	4,983,649
Buildings	6,544,387	6,734,877
Machinery and equipment	970,016	920,200
Water and sewer	2,970,910	2,768,374
Assets under construction	2,118,754	801,376
<b>Total</b>	<b>\$ 18,148,269</b>	<b>\$ 18,222,974</b>

# THE MUNICIPALITY OF CENTRAL MANITOULIN

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

## 13. Tangible capital assets (continued):

Cost	Balance at December 31, 2021 (Restated - note 2)	Additions	Disposals	Balance at December 31, 2022 (Restated - note 2)
Land	\$ 577,592	-	-	\$ 577,592
Land improvements	1,653,613	-	-	1,653,613
Vehicles	2,511,985	52,520	(23,744)	2,540,761
Bridges, roads, signs and culverts	13,091,844	100,406	-	13,192,250
Buildings	14,840,629	287,441	(2,438)	15,125,632
Machinery and equipment	1,874,120	66,042	-	1,940,162
Water and sewer	8,456,730	-	-	8,456,730
Assets under construction	1,385,639	733,115	-	2,118,754
<b>Total</b>	<b>\$ 44,392,152</b>	<b>1,239,524</b>	<b>(26,182)</b>	<b>\$ 45,605,494</b>

Accumulated Amortization	Balance at December 31, 2021	Amortization	Disposals	Balance at December 31, 2022
Land improvements	\$ 1,546,293	29,418	-	\$ 1,575,711
Vehicles	1,333,616	130,672	(21,369)	1,442,919
Bridges, roads, signs and culverts	8,791,462	609,922	-	9,401,384
Buildings	8,187,950	395,733	(2,438)	8,581,245
Machinery and equipment	845,659	124,487	-	970,146
Water and sewer	5,283,285	202,535	-	5,485,820
<b>Total</b>	<b>\$ 25,988,265</b>	<b>1,492,767</b>	<b>(23,807)</b>	<b>\$ 27,457,225</b>

	Net book value, December 31, 2021	Net book value, December 31, 2022
Land	\$ 577,592	\$ 577,592
Land improvements	107,320	77,902
Vehicles	1,178,369	1,097,842
Bridges, roads, signs and culverts	4,300,382	3,790,866
Buildings	6,652,679	6,544,387
Machinery and equipment	1,028,461	970,016
Water and sewer	3,173,445	2,970,910
Assets under construction	1,385,639	2,118,754
<b>Total</b>	<b>\$ 18,403,887</b>	<b>\$ 18,148,269</b>

# THE MUNICIPALITY OF CENTRAL MANITOULIN

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

---

## 13. Tangible capital assets (continued):

### a) Assets under construction:

Assets under construction having a value of \$801,376 (2022 - \$2,118,754) have not been amortized. Amortization commences when the asset is put into service.

During the year, the Municipality added \$608,860 (2022 - \$786,604) to assets under construction and transferred \$1,926,238 (2022 - \$53,489) from assets under construction to tangible capital assets.

### b) Contributed tangible capital assets:

Contributed capital assets have been recognized at fair market value at the date of contribution. The value of contributed assets received during the year is \$Nil (2022 - \$Nil).

### c) Works of art and historical treasures:

The Municipality manages and controls various works of art and non-operational historical cultural assets including buildings, artifacts, paintings and sculptures located at Municipal sites and public display areas. These assets are not recorded as tangible capital assets and are not amortized. The value of works of art and historical treasures held by the Municipality in the form of buildings totaled \$282,131 (2022 - \$282,131).

### d) Write-down of tangible capital assets:

The write-down of tangible capital assets during the year was \$Nil (2022 - \$Nil).

## 14. Financial Instruments:

### (a) Risks arising from financial instruments and risk management:

The Municipality is exposed to various risks through its financial instruments.

### (b) Credit risk:

Credit risk is the risk of financial loss to the Municipality if a debtor fails to honour its contractual obligations. The Municipality is exposed to this risk as a result of its cash, investments and accounts receivable. The carrying amounts of these financial assets on the Consolidated Statement of Financial Position represent the maximum credit risk of the Municipality as at the reporting date.

The Municipality holds its cash and investments with a federally regulated chartered bank and a provincially regulated credit union who are insured, respectively, by the Canadian Deposit Insurance Corporation ("CDIC") and the Financial Services Regulatory Authority of Ontario ("FSRA"). The CDIC insurance is up to \$100,000 per deposit account and the FSRA insurance is up to \$250,000 in aggregate.

# THE MUNICIPALITY OF CENTRAL MANITOULIN

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

## 14. Financial Instruments (continued):

### (b) Credit risk (continued):

Accounts receivable are primarily due from other levels of government. Credit risk is mitigated by the financial solvency of the governments. The amounts outstanding at year-end were as follows:

2023	Current	Past Due	Indeterminate Due Date	Total
Federal	\$ 443,028	\$ —	\$ —	\$ 443,028
Provincial	214,153	—	—	214,153
Benefitting landowners	—	—	13,019	13,019
Other	99,041	—	—	99,041
Net receivable	\$ 756,222	\$ —	\$ 13,019	\$ 769,241

2022	Current	Past Due	Indeterminate Due Date	Total
Federal	\$ 409,911	\$ —	\$ —	\$ 409,911
Provincial	9,166	—	—	9,166
Benefitting landowners	—	—	12,789	12,789
Other	85,839	—	—	85,839
Net receivable	\$ 504,916	\$ —	\$ 12,789	\$ 517,705

There have been no significant changes from the previous year in exposure to credit risk or policies, procedures and methods used to measure the risk.

### (c) Liquidity risk:

Liquidity risk is the risk that the Municipality will not be able to meet its financial obligations as they become due. The Municipality is exposed to this risk with respect to its accounts payable and accrued liabilities and long-term debt. The Municipality maintains sufficient cash balances to meet its obligations, and does not believe it is subject to significant liquidity risk.

# THE MUNICIPALITY OF CENTRAL MANITOULIN

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

## 14. Financial instruments (continued):

### (c) Liquidity risk (continued):

The table below sets out the payable dates of the Municipality's accounts payable and accrued liabilities. This includes planning-related accounts which have an indeterminate payable date as they are settled when the related planning application has been finalized. The long-term debt repayment schedule is disclosed in Note 10.

2023	Within 6 months	6 months to 1 year	1 to 5 years	Greater than 5 years	Total
Accounts payable and accrued liabilities \$	660,561	\$ –	\$ –	\$ –	\$ 660,561
Long term debts	69,168	69,168	491,428	–	629,764

2022	Within 6 months	6 months to 1 year	1 to 5 years	Greater than 5 years	Total
Accounts payable and accrued liabilities \$	797,889	\$ –	\$ –	\$ –	\$ 779,889
Long term debts	71,875	71,875	629,764	–	773,514

There have been no significant changes from the previous year in exposure to liquidity risk or policies, procedures and methods used to measure the risk.

### (d) Market risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate as a result of market factors. Market factors include three types of risk: currency risk, interest rate risk and equity risk. The Municipality is not exposed to significant currency or equity risk as it does not transact materially in foreign currency or hold equity financial instruments. It is primarily exposed to interest rate risk.

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Municipality is exposed to interest rate risk on its interest-bearing investments and long-term debt. Fixed-rate instruments subject the Municipality to a fair value risk.

There have been no significant changes from the prior year in exposure to market risk or the policies, procedures and methods used to measure the risk

# THE MUNICIPALITY OF CENTRAL MANITOULIN

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

---

## 15. Comparative information:

Some of the comparative figures have been revised to conform with the current year's financial statement presentation.

## 16. Segmented information:

The Municipality of Central Manitoulin is a diversified municipal government institution that provides a wide range of services to its citizens, including General Government Services, Protection Services, Transportation Services, Environmental Services, Health Services, Social and Family Services, Recreational and Cultural Services and Planning and Development Services. Service areas were created for the purposes of recording specific activities to attain certain objectives in accordance with regulations, restrictions or limitations (see Schedule to note).

Municipal Services are provided by departments and their activities are reported in these Service Areas. Departments disclosed in the Segmented Information, along with the services they provide, are as follows:

### *General Government Services*

The Departments within General Government Services are responsible for adopting bylaws; adopting administrative policy; levying taxes; acquiring, disposing and managing Municipal assets; ensuring effective financial management; monitoring performance and ensuring that high quality Municipal Service standards are met.

### *Protection Services*

Services provided in this segment include the enforcement of laws, prevention of crime, and maintenance of peace, order, and security by protecting life, property and the environment through the provision of emergency response, thus ensuring safe homes and safe communities.

### *Transportation Services*

Areas of responsibility include planning, design, construction, cleaning, repair, snow removal and signage.

### *Environmental Services*

The environmental services include water and sewer services as well as garbage and recycling services.

Water and Sewer services include the operation and distribution of water and networking sewer mains, storm sewers and the pump station.

The Garbage and Recycling Services Group are responsible for the delivery of municipal services including garbage collection and recycling.

### *Health Services*

The Municipality offers a range of public health services through the Sudbury and District Health Unit.

# THE MUNICIPALITY OF CENTRAL MANITOULIN

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

---

## 16. Segmented information (continued):

### *Social and Family Services / Social Housing*

The services are provided indirectly by the Municipality through the District Social Services Board and include family and children's services and housing services.

### *Recreation and Cultural Services*

The Department is responsible for providing, facilitating the development of, and maintaining high quality parks, recreational facilities, and cultural services.

### *Planning and Development*

The Planning and Development Department is responsible for preparing land use plans, bylaws and policies for sustainable development of the Municipality and for reviewing and approving new development, some of which is carried out by the Manitoulin Planning Board of which the Municipality is a member.

# THE MUNICIPALITY OF CENTRAL MANITOULIN

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

## 16. Segmented information (continued):

	General Government Services	Protection Services	Transportation Services	Environmental Services	Health Services	Social & Family Services	Social Housing	Recreation & Cultural Services	Planning and Development	Total 2023
Revenue:										
Property taxation	\$ 451,177	746,542	1,781,859	670,457	456,581	144,456	122,702	880,838	131,458	\$ 5,386,070
Taxation from other governments	2,472	4,093	9,769	3,676	2,503	792	673	4,829	721	29,528
User charges	72,112	5,716	160	468,962	2,386	-	-	46,754	1,750	597,840
Government of Canada grants	48,242	-	357,859	-	-	-	-	6,478	-	412,579
Province of Ontario grants	391,058	220,424	415,293	275,887	300,266	42,652	36,228	261,636	38,814	1,982,258
Rents	159,851	-	-	-	-	-	-	-	-	159,851
Penalties and interest on taxes	93,357	-	-	-	-	-	-	-	-	93,357
Investment income	192,397	-	-	-	-	-	-	-	-	192,397
Donations and other	5,976	-	-	-	-	-	-	-	-	5,976
Gain (loss) on sale of assets	-	-	(3,813)	-	-	-	-	-	-	(3,813)
	1,416,642	976,775	2,561,127	1,418,982	761,736	187,900	159,603	1,200,535	172,743	8,856,043
Expenses:										
Salaries, wages and benefits	674,865	275,159	537,376	60,597	-	-	-	466,874	80,818	2,095,689
Long-term debt charges	-	-	78,252	-	-	-	-	-	-	78,252
Materials, services, rents and financial items	528,508	687,458	918,153	1,031,572	177,259	-	-	658,641	66,066	4,067,657
Amortization of tangible capital assets	27,837	118,195	793,433	420,246	-	-	-	189,042	3,601	1,552,354
Transfer to other governments and the public	23,452	-	-	-	648,105	208,031	176,701	-	40,577	1,096,866
	1,254,662	1,080,812	2,327,214	1,512,415	825,364	208,031	176,701	1,314,557	191,062	8,890,818
Annual surplus (deficit)	\$ 161,980	(104,037)	233,913	(93,433)	(63,628)	(20,131)	(17,098)	(114,022)	(18,319)	\$ (34,775)

# THE MUNICIPALITY OF CENTRAL MANITOULIN

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

## 16. Segmented information (continued):

	General Government Services	Protection Services	Transportation Services	Environmental Services	Health Services	Social & Family Services	Social Housing	Recreation & Cultural Services	Planning and Development	Total 2022  (Restated - note 2)
Revenue:										
Property taxation	\$ 596,951	781,069	1,676,767	639,202	458,932	157,979	128,230	542,657	134,742	\$ 5,116,529
Taxation from other governments	2,732	3,575	7,674	2,925	2,100	723	587	2,483	617	23,416
User charges	98,196	6,496	41,992	485,768	4,415	-	-	37,294	27,012	701,173
Government of Canada grants	27,575	-	168,578	-	-	-	-	4,088	-	200,241
Province of Ontario grants	570,043	226,820	448,265	223,491	303,728	45,876	37,238	400,744	39,128	2,295,333
Rents	75,894	-	-	-	-	-	-	-	-	75,894
Penalties and interest on taxes	87,499	-	-	-	-	-	-	-	-	87,499
Investment income	79,051	-	-	-	-	-	-	-	-	79,051
Donations and other	6,426	-	-	-	-	-	-	-	-	6,426
Gain (loss) on sale of assets	-	-	(849)	-	-	-	-	-	-	(849)
	1,544,367	1,017,960	2,342,427	1,351,386	769,175	204,578	166,055	987,266	201,499	8,584,713
Expenses:										
Salaries, wages and benefits	669,683	249,674	497,295	56,274	-	-	-	433,493	84,683	1,991,102
Long-term debt charges	-	-	36,731	-	-	-	-	-	-	36,731
Materials, services, rents and financial items	733,611	696,854	907,391	1,037,496	175,795	-	-	417,659	78,149	4,046,955
Amortization of tangible capital assets	31,371	115,563	759,423	415,806	-	2,936	-	164,067	3,601	1,492,767
Transfer to other governments and the public	29,194	-	-	-	618,025	210,125	172,941	-	42,301	1,072,586
	1,463,859	1,062,091	2,200,840	1,509,576	793,820	213,061	172,941	1,015,219	208,734	8,640,141
Annual surplus (deficit)	\$ 80,508	(44,131)	141,587	(158,190)	(24,645)	(8,483)	(6,886)	(27,953)	(7,235)	\$ (55,428)