



# 2023 Annual Report

For the fiscal year ended December 31, 2023

Northumberland County  
Cobourg, ON

# Fiscal year Ending December 31, 2023

The 2023 Annual Financial Report is available in an electronic format on the County's website at [Northumberland.ca/AnnualReport](http://Northumberland.ca/AnnualReport)

The Corporation of the County of Northumberland  
Financial Report 2023

For the fiscal year ending December 31, 2023  
Cobourg, Ontario, Canada

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## Commitment to **Accessibility**

The County of Northumberland is committed to ensuring that people of all ages and abilities enjoy the same opportunities as they live, work, visit and invest in our community. The County is guided by the four core principles of dignity, independence, integration and equal opportunity, and supports the full inclusion of persons as set out in the Canadian Charter of Rights and Freedoms, and the Accessibility for Ontarians with Disabilities Act (AODA).

This document is available in an alternative format, upon request.

## Special **thanks**

Special thanks to Northumberland Tourism for providing photography of Northumberland County communities.

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# About our community

# Our story

## Our vision

To bring together people, partnerships and possibilities for a strong and vibrant Northumberland County.

## Our mission

To be a best practices leader of County government, and a collaborative partner with our member municipalities and community partners.

## Our values

The County has a set of values—shared beliefs—that guide us toward our ultimate goals and unite us along the way. In all of our actions and decision-making, we reference these values.



**Accountability**

Care &  
**Support**

**Collaboration &**  
Communication

Honesty &  
**Integrity**

**Innovation &**  
Excellence

Mutual Trust  
& **Respect**



Our **location**

Northumberland County is the upper tier level of municipal government that weaves together seven distinct, yet complementary municipalities.

Township of **Alnwick/Haldimand**  
[AlnwickHaldimand.ca](http://AlnwickHaldimand.ca)

Municipality of **Brighton**  
[Brighton.ca](http://Brighton.ca)

Town of **Cobourg**  
[Cobourg.ca](http://Cobourg.ca)

Township of **Cramahe**  
[Cramahe.ca](http://Cramahe.ca)

Township of **Hamilton**  
[HamiltonTownship.ca](http://HamiltonTownship.ca)

Municipality of **Port Hope**  
[PortHope.ca](http://PortHope.ca)

Municipality of **Trent Hills**  
[TrentHills.ca](http://TrentHills.ca)

We also value our long-standing relationship with Alderville First Nation. For more information, visit [Alderville.ca](http://Alderville.ca).

# Our community

Located on the traditional territory of the Mississauga Anishinaabeg, Northumberland County is a thriving, south-eastern Ontario community.

Population in 2021

**89,365**

As reported by Statistics Canada (2021)

Local employment of

**48,800**

Residents in Northumberland over age 15, as reported by Statistics Canada (2021)

**\$446.9M**

Residential and non-residential combined estimated construction value in 2023

**685**

New housing starts in 2023

Residential

**0.00523979**

Multi-residential

**0.00943161**

Commercial

**0.00785968**

Industrial

**0.01100355**

(County only) \*Municipal and education in addition

2023  
tax rates



# Explore & discover

Discover Northumberland County, our 2,000-sq-km outdoor playground east of Toronto between Lake Ontario and Rice Lake that's a big breath of fresh air – with fresh food & drink to match. Chefs, bakers, shop owners, performers & artisan makers welcome you to our communities – Port Hope, Cobourg, Grafton, Colborne, Brighton, Campbellford, Warkworth and Hastings among others – for a taste of incredible Ontario hospitality.

## Visit us



### Boat

From marinas at Lake Ontario, Rice Lake and Trent-Severn Waterway



### Bike

With trail connections to the Great Lakes Waterfront Trail and the Ontario Greenbelt Route



### Drive

Located along Highway 401, easily accessible from Toronto and Kingston



### Train

VIA Rail offers passenger train service to Port Hope and Cobourg



## Stay awhile

- Book a stay in one of over 375 traditional guest rooms and suites in historic boutique and major brand hotels.
- Reserve closer-to-nature accommodations:
  - off-grid tiny cabins (some only accessible by a ferry)
  - yomes (yurt + dome)
  - luxurious walled safari tents on ground level or in the treetops
  - winterized bunkies, next to an alpaca herd!



## Play outdoors

- Hike some of the 118 km of trails in the Northumberland County Forest, including over 5 km of Universal Trails designed to reduce barriers to accessibility.
- Enjoy nature at 15 conservation areas, two forests, two provincial parks, over 10 nature reserves and multiple beaches and waterways.

## Make Ruban (rural + urban) **discoveries**

- Explore historic downtowns featuring boutique shops, independent eateries, and heritage main streets with preserved architecture.
- Experience one of our local festivals – celebrating everything from maple syrup, sandcastles, lilacs and lavender, to vintage films, Highland Games and local live music, including Goatchella, Ponchella, Hibernata and Cultivate – and those are just the beginning.
- Visit a National Historic Site or attend a professional theatre production at the Capitol Theatre – one of the last remaining North American examples of an “atmospheric” theatre space.
- Get inspired at the Art Gallery of Northumberland – a cultural hub and the County’s largest collecting public art gallery – exhibiting historical, modern and contemporary Canadian art.
- Connect with nature and creativity at Westben, a rustic theatre that has been staging world class open-air musical performances on a 500-acre farm for 25 years.
- Check out larger than life landmarks like the world’s largest apple, a giant two-dollar coin, massive replica sculptures from film and TV, a 12-ft Walleye fish and a suspension bridge that spans 300 ft across the Ranney Gorge.

## Seek wellness

- Nourish body mind and soul with wellness ranging from Ayurvedic treatments, singing sound bowl experiences and forest bathing to floatation therapy, salt cave sessions and infrared saunas.
- Book a getaway at Ste. Anne's and discover what makes it one of Canada's most popular destination spas.
- Visit one of Northumberland's retreats in nature offering meditation, tai chi, qigong, yoga, painting, willow weaving and other healing therapies.
- Connect with animals like alpacas, donkeys, goats and pigs at one of our farms or sanctuaries.



## Feast on agri-tainment



- Take home a taste of place from one of our:
  - 7 farmers' markets
  - 6 craft breweries
  - 3 cideries
  - award-winning chocolatiers and cheese makers
  - farm markets and farmgate stands
- Pick-Your-Own (or buy freshly-picked) fruit, vegetables, and even flowers at one of our Northumberland farms.
- Become a Farmer for a day—learn the ins and outs of beekeeping or take a rural ramble to some of our farms by taking in an agritourism experience.
- Attend a weekend festival featuring foodie films, cook-off competitions, local food and drink vendors and farm visits.
- Savour some of the unique take-home tastes and flavours from Northumberland's gourmet food and specialty shops—from a boutique featuring all things honey to a market creating artisanal small batch flavoured butters—tastings and special events await.

# 2024 County Council

County  
Warden



**Brian  
Ostrander**

Mayor of the  
Municipality of  
Brighton

Deputy  
Warden



**Olena  
Hankivsky**

Mayor of the  
Municipality of  
Port Hope

**John Logel**

Mayor of the Township of Alnwick/Haldimand

**Lucas Cleveland**

Mayor of the Town of Cobourg

**Mandy Martin**

Mayor of the Township of Cramahe

**Scott Jibb**

Mayor of the Township of Hamilton

**Bob Crate**

Mayor of the Municipality of Trent Hills

County  
Councillors







# Warden's message

## Pathways to progress: Powering possibilities

This Annual Report reflects the County's progress over the past year to guide intentional growth for our community revealing a strong foundation for delivering on our commitments. I want to thank staff, council, community partners and our residents, for their dedication and hard work to our shared priorities.

In 2023, we developed a new Community Strategic Plan with input from over 900 residents and stakeholders, ensuring it reflects the diverse needs and aspirations of our community. The focus of this plan is on economic resilience, sustainable growth, and enhancing the quality of life for all residents as our community grows and changes. It is Council's principal guidance document for making decisions, prioritizing resource investments, and improving delivery of quality services and programs.

We continue to face ongoing economic uncertainties, social crises, and environmental concerns. However, as has been the case throughout the history of our community, we are approaching this environment with a mindset of collaboration to develop innovative community-based solutions. By pooling our resources, efforts and expertise, all levels of government and community agencies are working together to tackle these challenges head-on to create a resilient and vibrant community.

Local government is often on the front lines of essential service delivery. However, as our responsibilities continue to expand to include social programs and healthcare,

a more equitable funding model from higher levels of government is needed.

Adequate funding is essential to maintain and improve our vital infrastructure, support people in need, and foster community development. In 2023, the County introduced its first-ever three-year budget to ensure greater financial stability through prudent fiscal management and strategic investments. This budget aligns with our strategic priorities, providing a clear financial framework to support our goals of delivering high-quality services while planning for future needs. We will also continue to advocate to the provincial and federal governments for fair and sustainable funding models, recognizing the vital role local governments play in the well-being of our residents.

Beyond policies and plans, the true strength of Northumberland County lies in its people and our ability to come together, support one another, and seek compassionate solutions. In these times of uncertainty, collaboration will continue to be key to our ongoing success and enabling us to build a future that is bright, inclusive, and prosperous for all.

*Brian Ostrander*

Northumberland County Warden



# About our organization



# CAO's message

## Building on success: A vision for the future

I am pleased to present our 2023 Annual Report, which showcases Northumberland County's service delivery achievements over the past year and demonstrates our commitment to transparency, accountability, and continuous improvement on behalf of the community we serve.

### Strategic plan and dashboard

In 2023, we developed a new four-year community strategic plan to guide the County's mission, vision, values, council's direction, and shared community priorities. This blueprint addresses our community's challenges and needs while outlining how we will capitalize on opportunities for sustainable growth and enhance municipal efficiency and service delivery.

On the heels of the release of this plan, we also introduced an online performance dashboard, a powerful new tool that provides a real-time overview of our progress, tracking key performance indicators, measuring our success, and identifying areas for improvement. This is an essential component of our commitment to data-driven decision-making and transparent governance.

### Achievements

This past year, we have succeeded in delivering value to residents thanks to our dedicated staff, community partnerships, and strong relationships with all levels of government.

- **Enhanced Community Services:** We expanded affordable housing, increased

investments in homelessness supports, expanded child care spaces, and enhanced Community Paramedicine services.

- **Economic Growth:** We supported the successful launch of 90 new businesses, resulting in job creation and economic diversification.
- **Infrastructure Development:** We completed 35.4 kms of road repairs and facility enhancements, improving safety and quality of life.
- **Sustainability Initiatives:** We are reducing our carbon footprint and promoting environmental stewardship, with a waste diversion rate of 52% from the Brighton landfill, and successful efforts in supporting the transition of recycling responsibility to producers.

As we look to the future, we will continue to take steps to address the housing crisis, modernize homeless shelter services, expand broadband access, and strengthen our aging infrastructure through rehabilitation and replacement to improve the quality of life for our community.

I extend my heartfelt gratitude to our council members, staff, and community partners for their unwavering support and dedication. Together, we have made significant advancements in the services residents rely upon, and I am confident we will achieve even greater success in the coming year.

*Jennifer Moore*

Chief Administrative Officer  
Northumberland County

# Our leadership team



**Lisa Ainsworth**

Corporate Services Director



**Dan Borowec**

Economic Development,  
Planning & Strategic  
Initiatives Director



**Susan Brown**

Northumberland  
Paramedics Chief



**Dwayne Campbell**

Acting Planning & Economic  
Development Director



**Kate Campbell**

Communications  
& IT Director



**Glenn Dees**

Health & Human  
Services Director



**Lisa Horne**

Community & Social  
Services Director



**Denise Marshall**

Public Works  
Director



**Darrell Mast**

Municipal  
Solicitor



**Matthew Nitsch**

Finance Director/  
Treasurer

# Long story short

## A glimpse at what we do

**3**

Community  
Recycling Centres

**39,862**

Curbside waste  
stops/week

**498 KM**

of County roads

**373**

Community  
housing units

**151**

beds in our long  
term care home

**97.2%**

occupancy rate in our  
long term care home

**5,524**

acres of County Forest

**118 KM**

of Forest trails

**5 KM**

of Universal trails

**8**

EarlyON Child &  
Family Centres

**28**

County buildings

**530+**

Linear metres of  
archival materials

**25,000+**

Paramedic calls  
per year

**6**

Paramedic  
bases

**10**

Ambulances/Emergency  
Response Vehicles

**2**

Community  
Paramedic offices

**8**

Community  
Paramedic vehicles

**1,000+**

Community  
Paramedic clients

# About our services

# Communications

## Corporate & executive communications

- Communications strategy and planning
- Media relations and issue management
- Event management and speech writing
- Employee communications

## Marketing & creative services

- Graphic design and multimedia
- Advertising and campaign management
- Brand standards

## Digital experience

- Website operations and governance
- Social media corporate accounts and standards
- Information accessibility
- Analytics and reporting

## Public affairs

- Grant writing
- Community engagement
- Government Relations



# Community & Social Services

## Community & affordable housing programs

- Administers Community Housing and affordable housing programs, supporting implementation of our Ten-Year Housing and Homelessness Plan
- Works to implement the strategic vision of the Northumberland County Housing Corporation (NCHC) Board of Directors

## Community outreach & health and wellness

- Connects residents in need with the appropriate County, community and government services and supports
- Manages initiatives to reduce homelessness and the risk of homelessness
- Seeks opportunities for coordinated shelter, housing and wraparound services to support vulnerable community members.



## Family & children support programs

- Oversees system planning for licensed child care services and EarlyON Child and Family Centre programming in the County

## Food security programs

- Operates Food 4 All, a centralized food distribution warehouse

## Ontario Works services

- Coordinates social assistance services, including financial and stability supports



## Accessibility

- Works with the Northumberland Accessibility Advisory Committee and Inter-Municipal Accessibility Committee to develop policies, practice and procedures related to accessible and inclusive service delivery

## County Forest

- Manages approximately 5,524 acres of mainly forested land including 118 km of trails and 5 km of accessible trails

## Cultural heritage

- Operates the Northumberland County Archives and Museum

## Health, safety & emergency planning

- Ensures a safe and healthy working environment by adhering to occupational health and safety legislation and regulations
- Conducts hazard identification, works with community partners to mitigate, plan, respond and recover from disasters

## Human resources

- Ensures regulatory compliance with labour laws
- Ensures legal compliance with Payroll related legislation
- Supports operating departments with recruitment, employee/labour relations, performance management, training & development and compensation and benefits

## Legislative services

- Records and maintains official Council and Standing Committee records including; agendas, minutes, resolutions, and by-laws
- Oversees a broad range of responsibilities related to County Council and legislative compliance



# Economic Development, Planning & Strategic Initiatives

## Business Services

- Operates the Business & Entrepreneurship Centre of Northumberland (BECN)
- Business incubation services and supports for the agriculture and agri-food industry through the Ontario Agri-Food Venture Centre (OAFVC)

## Economic Development

- Fosters economic prosperity and innovation by providing leadership for manufacturing attraction and other economic development activities
- Provides Settlement Services programming and supports for New Canadians investment and talent re-location

## Land Use Planning

- Provides comprehensive land use planning to foster community growth and preserve the natural environment

## Inspection Services

- Ensures safe and compliant construction of plumbing and on-site sewage systems

## Tourism

- Works to grow and assist tourism-related businesses in Northumberland County through promotion and positioning the County as a travel destination

# Finance

## Financial services

- Safeguard county assets through internal controls and policies
- Develop operating and capital budgets and long-term financial plan
- Record and report on financial transactions and investments
- Manage procurement and risk management functions

## POA court

- Administer Provincial Offences Act (POA) Court and process charges

# Information Technology

## Cybersecurity

- Administers a comprehensive cybersecurity program protecting technology assets and confidential information, while proactively managing cyber risks

## Digital delivery & innovation

- Leverages cutting-edge strategies and monitors digital trends for service optimization and successful project execution

## Data intelligence

- Oversees information assets and shapes data strategies for comprehensive data intelligence solutions

## IT client services

- Offers robust IT services to internal departments and external partners, focusing on client relationships and premier support

## IT infrastructure operations

- Supervises and maintains the County's core IT network and server infrastructure

# Legal Services

## Legal Advice

- Provide legal advice and opinions to County Departments and Council
- Advise on and manage County legal agreements
- Monitor legislative changes to ensure statutory and regulatory compliance

## Provincial Offences

- Prosecution of Provincial Offences and Appeals in the Ontario Court of Justice

## Legal Representation

- Ensure representation before Courts and Tribunals
- Retain and instruct external legal counsel

# Golden Plough Lodge Long term care home



## Accommodation

- Offers a home for adults whose needs can no longer be met within the community
- Provides lodging, food services and environmental services for residents

## Health

- Provides clinical nursing care and therapeutic, social work, pharmaceutical, and physician services
- Provides assistance with activities of daily living

## Life enrichment

- Supports individuals to maintain a life with purpose, dignity, choice and respect
- Offers recreational, active, social and spiritual programming

# Northumberland Paramedics



## Community paramedicine

- Provides proactive health care services for our community, bridging identified system gaps, challenges and access to community care
- Diverting lower acuity patients who use 9-1-1 services for a multitude of reasons to an alternative model of care
- Supporting and assisting seniors to stay at home longer and safely

## Pre-hospital healthcare

- Provides emergency health care to County residents and visitors, and transports those in need of further care to appropriate medical facilities

## Training & public education

- Ensures that all Paramedics maintain current health care skills to ensure quality of care and continuous improvement
- Delivers community programs to educate the public on Northumberland Paramedics and the appropriate use of Emergency Medical Services and 911

## Facilities

- Leads the oversight of all County-owned facilities including buildings, infrastructure and grounds
- Maintains Northumberland County Housing Corporation facilities

## GIS & asset management

- Manages the County GIS database and provides GIS services to member municipalities
- Manages the County's Asset Management software, and develops and updates the County's Asset Management Policy and Plan

## Major capital projects

- Manages and oversees large-scale capital construction projects from planning stages through to construction

## Infrastructure

- Manages and oversees capital planning and construction for all transportation assets including roads, structures, storm sewers, traffic signals, etc.
- Provides engineering reviews and approvals for planning and development applications
- Completes reviews and provides approval for all Right-Of-Way (ROW) permits for utility companies, contractors, consultants, etc. working within the County ROW



## Road operations

- Maintains County roads, bridges, culverts, traffic signals, street lighting, signs and drainage systems
- Provides summer and winter maintenance and operations, roadside safety device maintenance, traffic control, surface treatment program for County and member municipal roads, and fleet management for all County departments

## Waste management

- Responsible for the collection, processing and disposal of waste and recyclables (including garbage, organic waste, yard waste, household hazardous waste and electronic waste)
- Services include maintenance and operation of 3 Community Recycling Centres, 1 operational landfill site and 8 closed landfill sites

**2023** strategic  
pillar  
highlights



# Innovate for Service Excellence

## Direction

We embrace a culture of innovation. We pursue partnerships, integrate technology, attract and develop top talent, and use data to inform decision-making, to deliver the impactful services our residents need today, and ensure readiness for those that will be needed tomorrow.

## Quick highlights

- **\$773,314** in funding secured from other levels of government and external sources
- Established a **Legal Services Policy** for the Corporation
- Resolved most remaining COVID-related backlog for Part 1 offences with the Provincial Offences court

## Expand municipal collaboration

- Integrated new municipal partners into the County's IT Shared Services offerings.
- Advanced partnership with Municipality of Brighton to continue planning and design of a shared emergency services base for Northumberland Paramedics and Brighton Fire Services.
- Provided GIS services to five member municipalities through managed service agreements.
- Introduced shared procurement services for interested member municipalities.
- Coordinated with local municipalities to implement legislated Provincial planning changes.
- Provided rapid response to cyber incident experienced by an IT Managed Service Partner and supported timely and effective resolution.

## Integrate leading-edge technologies

- Engaged with Intelligent Community Forum to leverage global best practices for adoption of technology and pursue certification.
- Streamlined IT strategy and resources to boost ongoing digital transformation efforts, and defined, developed, and launched new portfolios to ensure alignment with future strategy.
- Implemented an innovative POA charge resolution system, now emulated in other municipalities as a best practice
- Implemented a streamlined digital meal ordering system at the Golden Plough Lodge long term care home.
- Updated communication capabilities and mapping in all ambulances and emergency response vehicles through installation and implementation of Computer-aided dispatch (CAD), optimizing response.
- Initiated a security audit for County-owned sites.

## Enhance strategic financial management

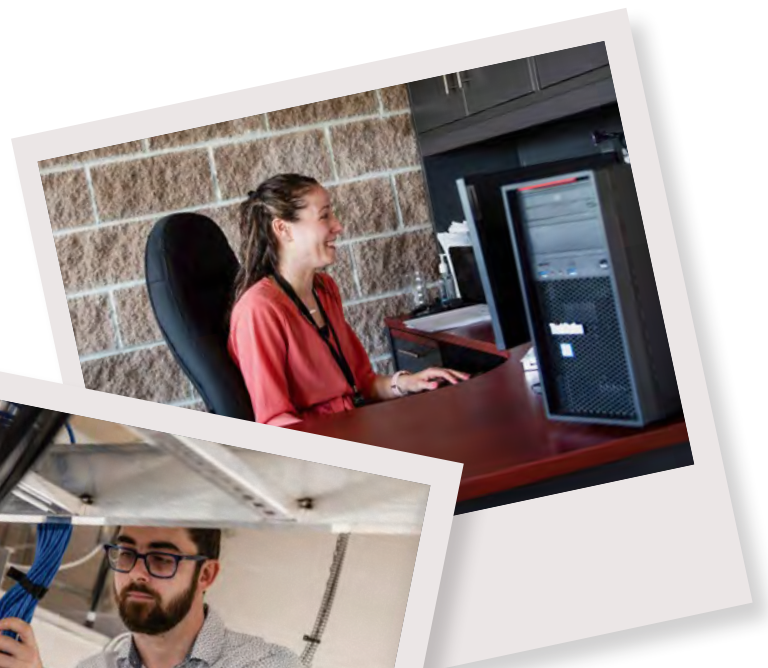
- Developed our first multi-year budget for 2024-2026.
- Developed a financing strategy to expand construction program funding, aligned with our asset management plan for core assets.
- Completed a Property Assessment Roll review to ensure fair and equitable taxation.

## Develop talent

- Developed the County's Succession Planning Framework, inclusive of a Leadership & Secondment Program.
- Developed staff educational resources to support By-Law drafting and provided information on how to address members of County Council.

## Strengthen communications & engagement

- Led the development of a Communications Master Plan, setting the direction for – and measurement of – the County's strategic communications and community engagement practices over a 10-year horizon.
- Received a MarCom Gold Award for the design of the 2022 Annual Report.
- Introduced a new brand for the Northumberland County Archives and Museum (NCAM) to better reflect its future as a cultural destination, in advance of the opening of the new facility in 2025.







# Ignite Economic Opportunity

## Direction

We ignite economic innovation, resilience, and prosperity by positioning the infrastructure and services businesses need to thrive.

## Quick highlights

- **\$55,000+** in micro grants issued by BECN to support local small business owners
- **72%** increase in number of businesses started, sustained, or expanded through BECN programming from 2022 to 2023
- **90** small businesses launched with the support of the BECN & Ontario Agri-food Venture Centre (OAFVC)

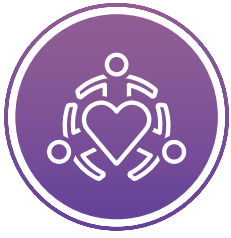
## Attract talent

- Developed an employer branding strategy designed to attract and retain talent.

## Stimulate innovative business

- Hosted 120 women at the first annual Business & Entrepreneurship Centre Northumberland (BECN) 'She Owns It' Women's Entrepreneurship Conference.
- Created the Northumberland Food & Beverage Working Group to support food and beverage consumer packaged goods (CPG) businesses in Northumberland.





# Foster a Thriving Community

## Direction

We foster a liveable, healthy, and inclusive community, where diversity is celebrated and people from all walks of life feel a sense of belonging.

## Quick highlights

- **1.2 M+ lbs** of food and essential items delivered to local food programs
- **14,313** family visits to EarlyON Child & Family Centres
- **109%** increase in number of Community Paramedicine clients between 2022 and 2023
- **315** research inquiries processed and **25** new collections obtained by Northumberland County Archives & Museum

## Foster a diverse, equitable, and inclusive organization & community

- Increased the accessibility of County facilities with the installation of four additional assistive listening devices with hearing loop technology at customer service desks in County office buildings.
- Supported approximately 100 New Canadians through Settlement Services.

## Enhance community health & well-being

- Continued to expand Northumberland Paramedics' alternative models of care, appropriate alternative destinations, and treat and release programs.

- Northumberland Paramedics welcomed Ivy Joules, a therapy and support dog in-training to support staff and community paramedicine clients.
- Continued working with local hospitals to develop and obtain funding for strategies and programs to reduce paramedic offload delays—including programs such as the 'Fit to Sit' program and the dedicated offload nursing program.
- Continued expanding the Community Paramedic scope of practice and enhance staff skill development in areas such as clinical and psycho-social assessments, chronic disease management, referral to community-based agencies and public education.
- Collaborated with Northumberland Hills Hospital to develop and deliver a joint tabletop emergency exercise.
- Finalized plans for Ontario Disability Support Program (ODSP) staff to attend local offices every month to help local clients and improve case management.
- Increased accessibility of Ontario Works services with staff now attending community locations weekly.

## Expand pathways out of homelessness

- Purchased 310 Division Street in Cobourg to be used for a modernized shelter service hub, providing approximately 35 low-barrier 24/7 emergency shelter spaces, a warming hub, and access to vital support services. The hub is anticipated to open in September 2024.
- Continued working with community partners to deliver overnight winter warming room services, providing a safe space for people experiencing homelessness to come in out of the cold.
- Completed a homelessness system review to develop a community-wide response model of infrastructure and services to support those experiencing—or at risk of experiencing—homelessness.

## Increase development of affordable housing

- Completed Phase 1 of the Elgin Park Affordable Housing Redevelopment in Cobourg and began construction of Phase 2. Completion of Phase 2 is scheduled for 2025.
- Initiated the design of 62 units of affordable housing on Ontario Street in Cobourg.

## Expand services for children & families

- Opened 10 new child care spaces for infants in Brighton, with upgraded facilities.
- Conducted a second Child Care Survey to gather updated insights on key areas of focus for the delivery of current and future early years programming across Northumberland.
- Supported a 50% fee reduction for child care programs participating in the Canada-Wide Early Learning and Child Care (CWELCC) Program.





# Propel Sustainable Growth

## Direction

We balance the benefits of development and intensification with preservation of our rural heritage, and lead in environmental stewardship, building complete communities that are resilient to climate change and create a high quality of life for all residents.

## Quick highlights

- **20,000** trees distributed through the Emerald Ash Borer Tree Replacement Program
- **525 km** of trails inspected and **70+ km** of trails maintained in the County Forest
- **877,247** impressions on tourism digital ads
- **19.8 km** of road paved & microsurfaced and **120 km** of road surface treated

## Direct growth

- Led development of the County's 2023-2027 Community Strategic Plan, driving a comprehensive consultation process resulting in engagement of over 900 residents, staff, elected officials, and community partners, and a conservative estimate of over 50,000 people reached through marketing efforts, to establish priorities for the current term of Council and beyond.
- Completed the Social Housing Master Plan and the Northumberland County Housing Corporation (NCHC) Strategic Asset Management Plan to support the long-term viability of community housing in Northumberland.

- Created Northumberland Workforce Housing Corporation to advance housing development that aligns with local labour force needs.
- Advanced the detailed design for the new Trent River Crossing in Campbellford and conducted the second round of community consultation on the design.
- Advanced detailed design for the County Road 64 reconstruction project, in partnership with the Municipality of Brighton.
- Replaced Hickerson Culvert in Baltimore and Thompson Bridge in Trent Hills.
- Completed safety improvements at the Prince Edward Street railway crossing in Brighton.
- Progressed development of the County Asset Management Plans for Corporate Facilities, Fleet, Natural Heritage, and Road Infrastructure, including completing the second round of community consultation.
- Established a Backflow Prevention Program to protect Northumberland drinking water.

## Build & maintain infrastructure

- Achieved approximately 60% completion on the new Golden Plough Lodge & Northumberland County Archives and Museum redevelopment project.

## Grow a resilient, sustainable tourism sector

- Established global presence in new Canadian attraction through The Shapiro Foundation.
- Launched the 'Great Taste of Northumberland' digital passport and check-in challenge campaign to increase business visits in the shoulder tourism season.
- Launched the 'Northumberlanding' hyper-local social media tourism campaign to shine a light on places to visit, things to do and tastes to try in Northumberland communities.

## Respond to the climate crisis

- Advanced development of the draft GHG Emission Reduction Plan.
- Completed a prescribed burn in the Northumberland County Forest to promote ecosystem restoration and reduce the risk of forest fire.

## Manage waste responsibly

- Implemented a strategy for divestiture of the Material Recovery Facility, in alignment with the transition of the County's residential recycling program to producers in 2024.
- Completed construction of the Eagleson Landfill Leachate Collection System Alterations.





# Champion a Vibrant Future

## Direction

We proactively build strong relationships with other levels of government, municipal and community partners to address community needs and interests, influence policies, and advance municipal goals.

### Intensify government relations

- Successfully advocated to federal commission to keep the entire County and Alderville First Nation within one electoral district.



**2024** strategic  
pillar  
priorities



# Innovate for Service Excellence

## Expand municipal collaboration

- At the request of County Council, undertake a review of police services delivered in Northumberland to ensure effective and affordable policing that supports community growth.
- Progress the planning and design of a joint emergency service base for paramedic and fire services in partnership with the Municipality of Brighton.
- Explore opportunities for voluntary onboarding of additional lower-tier municipal partners to County IT Managed Services.
- Continue to work closely with member municipalities, community partners and provincial government to build on our comprehensive and adaptive emergency management plan.

## Integrate leading-edge technologies

- Implement a public online dashboard for tracking corporate performance metrics, improving access to key insights about the County's progress towards fulfillment of core priorities.
- Launch an online portal to manage Child Care Fee Subsidy applications and programs.
- Launch an Electronic Document Management system and paperless communication options for Ontario Works clients.
- Continue to modernize and enhance customer service for Ontario Works clients, including exploring opportunities for digital service delivery, streamlining processes, and collaborating with partners to increase efficiencies.
- Launch online collections database for Northumberland County Archives and Museum (NCAM) to increase accessibility, understanding, and use of NCAM's collection.
- Enhance cybersecurity posture and proactive risk management with implementation of cybersecurity controls for alert monitoring, and next-generation Artificial Intelligence (AI)-based cybersecurity tools.







## Enhance strategic financial management

- Develop budget process and materials for subsequent year of a multi-year budget.
- Conduct review of financial software and develop lifecycle strategy.

## Develop talent

- Provide training to County staff on communicating using plain language to increase the accessibility and readability of County information and communication.
- Develop and provide Municipal Freedom of Information and Protection of Privacy Act (MFIPPA) and Freedom of Information (FOI) training to County staff.
- Continue to foster a health and safety culture through corporate planning, assessments, staff education and training.
- Realign IT resource deployment for enhanced delivery of IT services to internal and managed partners.

## Strengthen communications & engagement

- Lead implementation of the County's Communications Master Plan.
- Design and present a refreshed logo and brand guide for the Golden Plough Lodge in alignment with construction of the new modernized long term care home.
- Deliver strategic communications support to advance infrastructure, workforce, housing and technology priorities in the community.
- Continue supporting communications and engagement work of the Ontario Health Team of Northumberland (OHT-N) to advance community priorities for improved local services and health outcomes.



# Ignite Economic Opportunity

## Expand connectivity

- Finalize and launch fibre to the home negotiations and launch 'Broadband as a Utility' initiative to deliver high-speed internet access to all households and businesses across Northumberland.

## Increase transportation capacity

- Continue to advocate for the extension of GO services to Northumberland, based on the economic impact study and business case completed in late 2021.

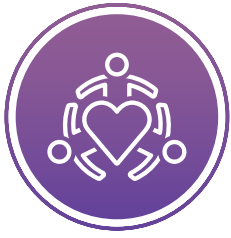
## Attract talent

- Continue to implement student and youth recruitment and retention initiatives to strengthen public services and create employment opportunities throughout the County.
- Partner with post-secondary institutions to enhance paramedic recruitment opportunities.

## Stimulate innovative business

- Secure a minimum of \$250,000 in funding from other levels of government and external sources for investment in County programs and services.
- Create virtual business education resources available on demand to BECN clients.
- Partner with a post-secondary institution to further develop food and beverage business support services.





# Foster a Thriving Community

## Foster a diverse, equitable, & inclusive organization & community

- Develop a Golden Plough Lodge Diversity Plan to examine, plan for and address the current and future needs of residents.

## Indigenous relations & reconciliation

- Advance development of an Indigenous Relations and Reconciliation Action Plan, fostering meaningful engagement, cultural learning and understanding, and respectful action towards reconciliation with Indigenous communities.
- Organize and plan Indigenous Awareness and Indigenous Relations for Local Government training for Members of County Council.
- Collaborate with Alderville First Nation on the opening of a new Porcupine Universal Trail in the Northumberland County Forest, featuring a 1 km loop with interpretive signage and resting benches along the route.

## Enhance community health & well-being

- Enhance 9-1-1 dispatch services through the implementation of the Medical Priority Dispatch System, to more effectively triage and deploy ambulances based on the acuity of the caller and enhance the safety of staff and community members.
- Develop the Northumberland Paramedics' Pet Therapy program to offer home visits for Community Paramedic clients with therapy dog Ivy Joules.
- Expand medical directives and training as determined by gap analysis for Community Paramedics to provide increased treatment options and medication administration during in-home care, to help reduce the load on local hospitals and clinics.
- Develop an online resource library for community members to access free health, fitness and wellness instructional videos, classes and information.
- Grow public awareness and resilience to cyber threats through promotion of cyber security information and e-learning resources on the County's website.
- Continue the successful prosecution and resolution of by-law and Part I province offences charges.

## Expand pathways out of homelessness

- Conduct a comprehensive community consultation to help shape the integration of shelter services at a new modernized service hub, located at 310 Division Street in Cobourg. This multi-purpose facility, anticipated to open in September 2024, will provide 35 low barrier shelter spaces for adults, including accommodations suitable for couples and pets. The hub will also offer a warming room, daytime support services and the opportunity for transitional housing to help create pathways out of homelessness.

## Increase affordable housing

- Continue increasing local affordable housing stock with development projects in Cobourg, including the:
- Elgin Park Redevelopment, increasing the number of subsidized and market rental housing units at this location from 18 to 40. This redevelopment is expected to be complete in 2025.
- 473 Ontario Street build, introducing 62 new affordable housing units with a mixture of tenure and affordability types. This build is expected to begin construction in late 2025, pending sufficient funding.

## Expand services for children and families

- Continue to work with Early Years partners on creating 404 new licensed child care spaces by the end of 2026, in alignment with the County's Directed Growth Strategy.
- Initiate consultations to inform the development of a new five-year Early Years System Plan to guide the future delivery of Early Years services in Northumberland.





# Propel Sustainable Growth

## Direct growth

- Conclude consultations for the 'Northumberland Next' initiative to update the County's Official Plan and finalize the amendments to the Official Plan.
- Launch participation in the Economic Mobility Pathways Pilot to help skilled refugees and displaced people immigrate to Canada.
- Continue to monitor and plan for changes that may have to be accommodated in response to Bill 177 provisions for the transfer of responsibilities for POA Part III prosecutions to the County.

## Build & maintain infrastructure

- Progress construction of the Golden Plough Lodge & Northumberland County Archives and Museum (NCAM) redevelopment, and prepare plans to move long term care home residents and NCAM collections to the new facility.
- Commence land acquisition and surplus land acquisition to build workforce housing.
- Finalize the design and commence property acquisition for the new Trent River Crossing and Arterial Road Network in Campbellford.
- Deliver the annual capital construction program, including 19.8 km of paving and micronsurfacing, surface treatment for an anticipated 120 km of municipal and County roads, rehabilitation of Burnley Creek Bridge, and replacement of the Baltimore Retaining Wall.
- Complete the County's Asset Management Plans to include all assets by July 1, 2024.

## Grow a resilient, sustainable tourism sector

- Expand tourism campaigns, including the 'Great Taste of Northumberland' digital passport and the 'Northumberlanding' social media campaign.

## Respond to the climate crisis

- Finalize the GHG Emission Reduction Plan and develop the Climate Change Adaptation and Resiliency Plan.

## Manage waste responsibly

- Launch a mattress and box spring diversion program at our Community Recycling Centres (CRCs).
- Plan for the implementation of diversion programs for asphalt shingles and dimensional lumber.
- Initiate a residual waste disposal study to determine the County's long-term solution for managing non-divertible waste, through extensive consultation with the public.



# Champion a Vibrant Future

## Intensify government relations

- Continue advocacy to upper levels of government for adequate funding shares of housing growth needs in Northumberland.



# 2023 financial overview



# Treasurer's message

## Investing in our future: Strengthening our community through smart funding

I am pleased to present our 2023 Annual Report, which aims to summarize our financial performance, share our audited financial statements, and provide insight into our programs, services, past year accomplishments and current priorities.

In 2023, County Council approved a budget of \$213.5 M, allocating \$128.5 M toward operating costs, \$9.2 M for future strategic and infrastructure needs, and \$75.6 M for investments in capital and critical infrastructure. This resulted in a property tax increase of 6.0%, including a 4.9% base levy and a 1.1% infrastructure investment.

With this budget, we made significant investments in infrastructure, affordable housing and homelessness. Our Elgin Park affordable housing redevelopment in Cobourg welcomed residents to two new buildings, with two more expected to open in 2025. We also purchased a 22-unit apartment in Colborne to help preserve affordable housing, and a multi-purpose building at 310 Division Street in Cobourg for a modernized shelter service hub. These investments were in addition to our regular investments in roads, bridges and equipment.

Our net financial assets decreased, due to debt for the Golden Plough Lodge & Northumberland County Archives and Museum redevelopment project, moving from a net asset position of \$12.1 M in 2022 to a net debt position of \$10.3 M in 2023. However, our non-financial assets increased, and our accumulated surplus grew to \$278.9 M.

Expenses rose by \$3.1 M, mostly due to inflation, but revenues increased by \$8.7 M, in part due to a general levy increase to account for significant inflationary pressures. Revenues were also higher because of interest earned on investments and increased funding from external partners and other levels of government.

As we close out the fiscal year, our financial statements demonstrate positive fiscal health, with an increased accumulated surplus and expanded critical infrastructure. Our team remains committed to responsible and transparent use of public funds, and we have controls in place to ensure we stay on track with our goals. Each year, we work with auditors to deliver the audited financial statements included in this report, to provide the community with a detailed overview of our financial health and spending.

I would like to thank our Finance team and internal partners for their dedication to protecting the County's financial health, ensuring careful management of public funds, and contributing to this report, which provides an important tool for community members to gain insight into our financial performance, service delivery, and commitment to accountable and transparent government.

*Matthew Nitsch*

Director of Finance/Treasurer  
Northumberland County



## 1 County business planning

The County goes through a rigorous budgeting and planning process each year. Each operating department develops an annual business plan that is aligned with the County's Corporate Strategic Plan. This process looks at programs and services, budgets and key priorities for the year. In addition to the annual budget, the long term plan is reviewed and updated to create a rolling 10-year financial outlook.

## 2 Financial statement preparation

Northumberland County management is responsible for all information contained in the Annual Financial Report. These financial statements and accompanying notes have been prepared using reasonable limits of materiality and within the framework of the accounting principles and disclosure requirements of the Canadian Institute of Chartered Accountants guidelines included in the Public Sector Accounting and Auditing Standards Manual.

## 3 Internal control management

Management maintains appropriate systems of internal and administrative controls designed to provide reasonable assurance that transactions are executed with proper authorization, that assets are properly accounted for and safeguarded, and that the financial information produced is relevant, reliable and timely.

## 4 External audit

The role of the external auditor, Baker Tilly KDN LLP, is to express an independent opinion on the fair presentation of the County's financial position and operating results as contained in the Financial Statements, confirming that the statements are free from material misstatements. It is the responsibility of the auditor to advise management and the Finance & Audit Committee of any control or operational issues that may be identified during the execution of their audit procedures.

## 5 Financial reporting

To ensure accountability and transparency, the Finance Director/Treasurer presents quarterly updates to Council on the status of County finances relative to the current budget. County auditors, together with the Finance Director/Treasurer, present to Council the final annual Audited Financial Statement for the County, for Council approval, closing out the previous fiscal year.

# 2023 financial results

**↑ \$11.4 M**  
Expenses

**↑ \$8.8 M**  
Total revenue

**↑ \$8.3 M**  
Reserves

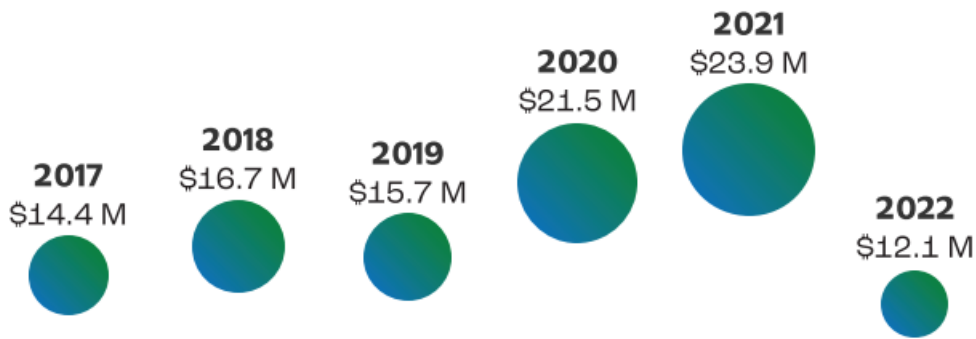
**↑ \$52.1 M**  
Net book value of assets

**↑ \$23.5 M**  
Long-term debt  
& short-term  
advances

**↑ \$10.6 M**  
Cash & investments

Annual  
overview

\*All comparative data references 2022 results.



Assets

Liabilities

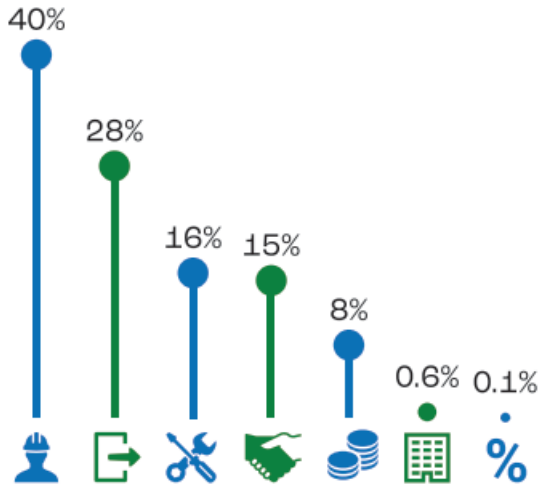
**2023**  
-\$10.3 M

Financial  
assets

Net financial assets have decreased to a net debt position of \$10.3 M.

The County saw a reduction of net financial assets in 2023, due to debt that was acquired for the Golden Plough Lodge & NCAM redevelopment project.

## Expenses by type

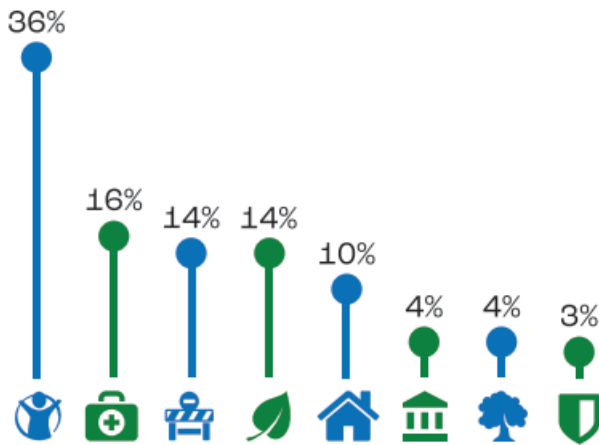


**Total Expenses: ~134 M**

Left to right:

|                     |          |
|---------------------|----------|
| Salaries & Benefits | \$53.0 M |
| External Transfers  | \$28.4 M |
| Materials           | \$21.3 M |
| Contracted Services | \$19.7 M |
| Amortization        | \$10.4 M |
| Rents & Financial   | \$0.8 M  |
| Interest Charges    | \$0.2 M  |

## Expenses by service

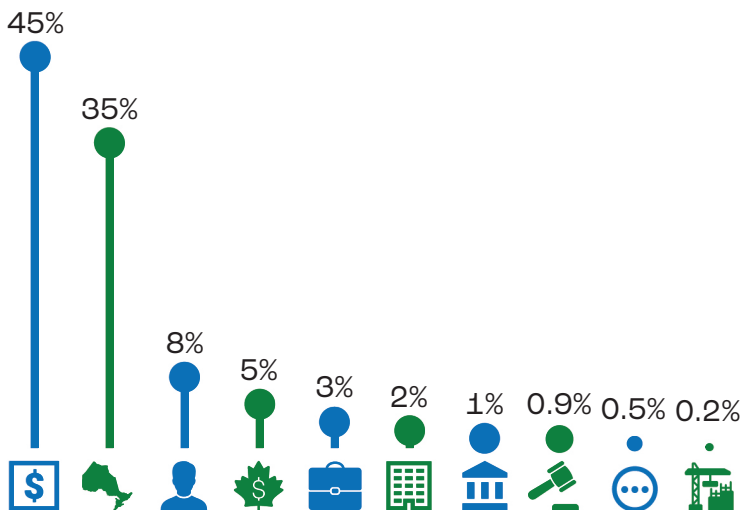


**Total Expenses: ~134 M**

Left to right:

|   |          |
|---|----------|
| Social & Family Services                | \$48.1 M |
| Health Services*                        | \$20.8 M |
| Transportation                          | \$19.2 M |
| Environmental Services†                 | \$18.6 M |
| Social Housing                          | \$13.5 M |
| General Government§                     | \$5.1 M  |
| Economic Development/<br>Tourism/Forest | \$4.8 M  |
| Protection Services‡                    | \$3.9 M  |

## Revenues by type



**Total Revenues: ~153.5 M**

Left to right:

|                       |          |
|-----------------------|----------|
| Tax Levy              | \$68.7 M |
| Provincial Government | \$53.6 M |
| User Charges          | \$11.9 M |
| Federal Government    | \$7.3 M  |
| Investment Income     | \$5.1 M  |
| Rents                 | \$2.8 M  |
| Other Municipalities  | \$1.7 M  |
| Provincial Offences   | \$1.4 M  |
| Other                 | \$0.7 M  |
| Development Changes   | \$0.3 M  |

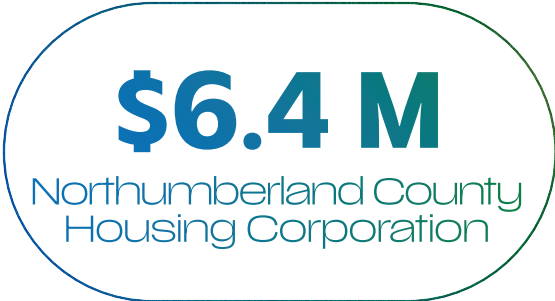
Percentages may not add up to 100 due to rounding. \*Paramedics & Health Unit funding. †Waste management. ‡Provincial Offences, Court Security, Plumbing & Septic Inspections, & Emergency Planning. §Corporate Support departments & facilities, MPAC payment & Council.

# Capital projects overview

## Dollars spent on key investments



Major projects



Fleets & equipment



# Connect with the County

# Volunteer with the County

Whether it is distributing food donations from the Food 4 All warehouse to local programs, providing entertainment for the residents of the Golden Plough Lodge, or offering coaching to small business entrepreneurs, Northumberland residents make invaluable contributions to County programs and services that leave a lasting impression on our community.

Looking to get involved? Connect with us today to learn how you can join our volunteer team—now or in the future—and work with us to create possibilities for a thriving Northumberland!

## Volunteer opportunities include positions in:

- Business & Entrepreneurship Centre Northumberland
- Food 4 All warehouse
- Golden Plough Lodge long term care home
- Northumberland County Archives & Museum
- Northumberland County Forest

**For more information on how to apply, please call 905-372-3329.**



## Visit our website

[Northumberland.ca](http://Northumberland.ca)

## Call us Toll-Free

905-372-3329 1-800-354-7050

## Visit our office

555 Courthouse Road, Cobourg ON

## Read news and notices

[Northumberland.ca/News](http://Northumberland.ca/News)

News, as well as information about community consultations and other public notices, are regularly posted in Northumberland newspapers. This information, along with photos, videos and other details, can also be found in the County's online Newsroom.

## Follow us on social media

[Northumberland.ca/FollowUs](http://Northumberland.ca/FollowUs)

We're social! Connect with Northumberland County via Facebook, Twitter, and YouTube.

## Watch Council meetings

[Northumberland.ca/Council](http://Northumberland.ca/Council)

Our monthly Northumberland County Standing Committee and Council meetings are open to the public. Council generally meets on the third Wednesday of each month (subject to change). Minutes, agendas and reports from Council and Standing Committee meetings are also available for review online.

## Have questions or comments for Council?

[Northumberland.ca/MeetYourCouncil](http://Northumberland.ca/MeetYourCouncil)

County councillors welcome and appreciate your feedback. Share your comments by calling or mailing our headquarters office (contact information above), or connect with Council members through email by visiting our 'Meet Your Council' webpage.

# Appendix A

2023  
financial  
statements



**CORPORATION OF THE COUNTY OF  
NORTHUMBERLAND**

**CONSOLIDATED FINANCIAL STATEMENTS**

**DECEMBER 31, 2023**

**CORPORATION OF THE COUNTY OF  
NORTHUMBERLAND**

**CONSOLIDATED FINANCIAL STATEMENTS**

**DECEMBER 31, 2023**

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## CORPORATION OF THE COUNTY OF NORTHUMBERLAND

For The Year Ended December 31, 2023

### MANAGEMENT REPORT

The accompanying consolidated financial statements of the Corporation of the County of Northumberland are the responsibility of management and have been approved by Council.

The consolidated financial statements have been prepared by management in accordance with Canadian Public Sector Accounting Standards. Financial statements are not precise since they include certain amounts based on estimates and judgements. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the financial statements are presented fairly, in all material respects.

The County maintains systems of internal accounting and administrative controls of high quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the County's assets are appropriately accounted for and adequately safeguarded.

The County's Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving financial statements.

Council reviews and approves the County's financial statements for issuance to the members of Council, inhabitants and ratepayers of the Corporation of the County of Northumberland. Council meets periodically with management, as well as the external auditor, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities and to review the financial statements and the independent auditor's report.

The consolidated financial statements have been audited by Baker Tilly KDN LLP in accordance with Canadian generally accepted auditing standards on behalf of the County. Baker Tilly KDN LLP has full and free access to Council.

Two handwritten signatures in blue ink. The first signature is for Brian Ostrander and the second is for Matthew Nitsch. Both signatures are written over a horizontal line.

Warden  
Brian Ostrander

Treasurer  
Matthew Nitsch

June 19, 2024

## **INDEPENDENT AUDITOR'S REPORT**

### **To the Members of Council, Inhabitants and Ratepayers of the Corporation of the County of Northumberland**

#### *Opinion*

We have audited the consolidated financial statements of the Corporation of the County of Northumberland and its subsidiary (the County), which comprise the consolidated statement of financial position as at December 31, 2023, the consolidated statements of operations and accumulated surplus, change in net financial assets/(net debt) and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the County as at December 31, 2023, and the results of its consolidated operations 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 responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the County 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 these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements*

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

In preparing the consolidated financial statements, management is responsible for assessing the County'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 County or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County'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 County'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 County 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 consolidated financial information of the entities or business activities within the County 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.

*Baker Tilly KDN LLP*

Chartered Professional Accountants  
Licensed Public Accountants

Peterborough, Ontario  
July 16, 2024

# CORPORATION OF THE COUNTY OF NORTHUMBERLAND

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At December 31, 2023

|  | 2023                | 2022               |
|--|---------------------|--------------------|
|  | \$                  | \$                 |
| <b>FINANCIAL ASSETS</b>                              |                     |                    |
| Cash   | 7,745,587           | 3,987,976          |
| Investments (note 4)                                 | 121,050,657         | 114,200,557        |
| Accounts receivable                                  | 5,997,308           | 7,111,794          |
| <b>TOTAL FINANCIAL ASSETS</b>                        | <b>134,793,552</b>  | <b>125,300,327</b> |
| <b>LIABILITIES</b>                                   |                     |                    |
| Short term advances (note 6)                         | 66,788,389          | 42,106,545         |
| Accounts payable and accrued liabilities             | 32,287,946          | 29,547,805         |
| Deferred revenue - obligatory reserve funds (note 7) | 3,881,472           | 4,923,451          |
| Deferred revenue - other                             | 1,370,055           | 1,336,226          |
| Employee future benefits liability (note 9)          | 5,106,426           | 4,711,154          |
| Long term debt (note 8)                              | 7,401,617           | 8,584,177          |
| Asset retirement obligation (note 10)                | 28,290,204          | -                  |
| Landfill closure and post-closure liability          | -                   | 21,995,200         |
| <b>TOTAL LIABILITIES</b>                             | <b>145,126,109</b>  | <b>113,204,558</b> |
| <b>NET FINANCIAL ASSETS/(NET DEBT)</b>               | <b>(10,332,557)</b> | <b>12,095,769</b>  |
| <b>NON-FINANCIAL ASSETS</b>                          |                     |                    |
| Tangible capital assets (note 11)                    | 288,266,955         | 236,149,156        |
| Prepaid expenses                                     | 939,149             | 393,557            |
| <b>TOTAL NON-FINANCIAL ASSETS</b>                    | <b>289,206,104</b>  | <b>236,542,713</b> |
| <b>ACCUMULATED SURPLUS (note 12)</b>                 | <b>278,873,547</b>  | <b>248,638,482</b> |

The accompanying notes are an integral part of these financial statements

# CORPORATION OF THE COUNTY OF NORTHUMBERLAND

## CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS

For the Year Ended December 31, 2023

|  | Budget<br>2023           | Actual<br>2023<br>\$ | Actual<br>2022<br>\$ |
|--|--------------------------|----------------------|----------------------|
|  | (Unaudited)              |                      |                      |
| <b>REVENUES</b>                                |                          |                      |                      |
| Tax levy from lower tiers                      | 68,294,735               | 68,722,279           | 63,829,750           |
| User charges                                   | 12,216,733               | 11,907,619           | 12,465,613           |
| Government of Canada                           | 4,173,926                | 2,408,388            | 6,627,503            |
| Province of Ontario                            | 48,679,473               | 51,369,417           | 47,162,630           |
| Other municipalities                           | 1,536,800                | 1,754,169            | 1,282,681            |
| Provincial Offenses Act - fines (note 14)      | 1,500,000                | 1,354,068            | 1,253,562            |
| Investment income                              | 2,433,031                | 5,102,338            | 2,806,437            |
| Waste Diversion Ontario                        | 1,900,000                | 2,186,844            | 1,427,639            |
| Rents  | 2,733,802                | 2,851,978            | 2,593,837            |
| Development charges earned (note 7)            | 1,654,159                | 663,484              | 362,691              |
| Canada Community-Building Fund earned (note 7) | 5,411,083                | 4,878,844            | 4,599,055            |
| Other  | 455,664                  | 337,180              | 344,370              |
| <b>TOTAL REVENUES</b>                          | <b>150,989,406</b>       | <b>153,536,608</b>   | <b>144,755,768</b>   |
| <b>EXPENSES</b>                                |                          |                      |                      |
| General government                             | 6,762,261                | 5,137,695            | 5,297,192            |
| Protection services                            | 4,250,828                | 3,926,729            | 3,712,642            |
| Transportation services                        | 20,429,328               | 19,185,101           | 18,747,489           |
| Environmental services                         | 17,621,144               | 18,566,023           | 12,850,321           |
| Health services                                | 21,814,801               | 20,834,737           | 19,648,764           |
| Social and family services                     | 50,471,070               | 48,097,012           | 42,727,305           |
| Social housing                                 | 13,588,169               | 13,499,009           | 12,767,136           |
| Economic development, tourism and forest       | 4,584,396                | 4,755,037            | 4,490,497            |
| Landfill adjustment due to change in standards | -                        | (10,699,800)         | -                    |
| <b>TOTAL EXPENSES</b>                          | <b>139,521,997</b>       | <b>123,301,543</b>   | <b>120,241,346</b>   |
| <b>ANNUAL SURPLUS</b>                          | <b><u>11,467,409</u></b> | <b>30,235,065</b>    | <b>24,514,422</b>    |
| <b>ACCUMULATED SURPLUS - beginning of year</b> |                          | <b>248,638,482</b>   | <b>224,124,060</b>   |
| <b>ACCUMULATED SURPLUS - end of year</b>       |                          | <b>278,873,547</b>   | <b>248,638,482</b>   |

The accompanying notes are an integral part of these financial statements

# CORPORATION OF THE COUNTY OF NORTHUMBERLAND

## CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS/(NET DEBT)

For the Year Ended December 31, 2023

|  | Budget<br>2023<br>\$<br>(Unaudited) | Actual<br>2023<br>\$ | Actual<br>2022<br>\$ |
|--|-------------------------------------|----------------------|----------------------|
| <b>ANNUAL SURPLUS</b>  | 11,467,409                          | 30,235,065           | 24,514,422           |
| Amortization of tangible capital assets  | 9,500,003                           | 10,490,724           | 9,252,782            |
| Purchase of tangible capital assets  | (81,214,479)                        | (45,645,922)         | (46,014,858)         |
| Loss/(gain) on disposal of tangible capital assets                                     | -                                   | 195                  | (363,042)            |
| Proceeds on sale of tangible capital assets  | -                                   | -                    | 883,514              |
| Change in prepaid expenses   | -                                   | (545,592)            | (28,651)             |
| <b>CHANGE IN NET FINANCIAL ASSETS/(NET DEBT)</b>                                       | <b>(60,247,067)</b>                 | <b>(5,465,530)</b>   | <b>(11,755,833)</b>  |
| <b>NET FINANCIAL ASSETS - beginning of year</b>  | 12,095,769                          | 12,095,769           | 23,851,602           |
| <b>ADJUSTMENT ON ADOPTION OF THE ASSET<br/>RETIREMENT OBLIGATION STANDARD (note 2)</b> | -                                   | (16,962,796)         | -                    |
| <b>NET FINANCIAL ASSETS/(NET DEBT) - beginning of<br/>year, as restated</b>            | 12,095,769                          | (4,867,027)          | 23,851,602           |
| <b>NET FINANCIAL ASSETS/(NET DEBT) - end of year</b>                                   | <b>(48,151,298)</b>                 | <b>(10,332,557)</b>  | <b>12,095,769</b>    |

The accompanying notes are an integral part of these financial statements



# CORPORATION OF THE COUNTY OF NORTHUMBERLAND

## CONSOLIDATED STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2023

|  | 2023                | 2022                |
|--|---------------------|---------------------|
|  | \$                  | \$                  |
| <b>CASH PROVIDED BY (USED IN)</b>                      |                     |                     |
| <b>OPERATING ACTIVITIES</b>                            |                     |                     |
| Annual surplus   | 30,235,065          | 24,514,422          |
| Items not involving cash                               |                     |                     |
| Amortization of tangible capital assets                | 10,490,724          | 9,252,782           |
| Loss/(gain) on disposal of tangible capital assets     | 195                 | (363,042)           |
| Accretion expense                                      | 376,439             | -                   |
| Change in employee future benefits liability           | 395,272             | 391,312             |
| Change in asset retirement obligation for closed sites | 10,950,969          | -                   |
| Change in landfill closure and post-closure liability  | (21,995,200)        | (2,516,700)         |
| Change in non-cash assets and liabilities              |                     |                     |
| Accounts receivable                                    | 1,114,486           | (694,805)           |
| Prepaid expenses                                       | (545,592)           | (28,651)            |
| Accounts payable and accrued liabilities               | 2,740,141           | 8,765,508           |
| Deferred revenue - obligatory reserve funds            | (1,041,979)         | (844,508)           |
| Deferred revenue - other                               | 33,829              | 364,681             |
| <b>Net change in cash from operating activities</b>    | <b>32,754,349</b>   | <b>38,840,999</b>   |
| <b>CAPITAL ACTIVITIES</b>                              |                     |                     |
| Purchase of tangible capital assets                    | (45,645,922)        | (46,014,858)        |
| Proceeds on disposal of tangible capital assets        | -                   | 883,514             |
| <b>Net change in cash from capital activities</b>      | <b>(45,645,922)</b> | <b>(45,131,344)</b> |
| <b>INVESTING ACTIVITIES</b>                            |                     |                     |
| Purchase of investments                                | (97,012,985)        | (101,911,830)       |
| Disposal of investments                                | 90,162,885          | 83,416,778          |
| <b>Net change in cash from investing activities</b>    | <b>(6,850,100)</b>  | <b>(18,495,052)</b> |
| <b>FINANCING ACTIVITIES</b>                            |                     |                     |
| Debt principal repayments                              | (1,182,560)         | (1,677,314)         |
| Short term advances                                    | 24,681,844          | 25,338,710          |
| <b>Net change in cash from financing activities</b>    | <b>23,499,284</b>   | <b>23,661,396</b>   |
| <b>NET CHANGE IN CASH</b>                              | <b>3,757,611</b>    | <b>(1,124,001)</b>  |
| <b>CASH - beginning of year</b>                        | <b>3,987,976</b>    | <b>5,111,977</b>    |
| <b>CASH - end of year</b>                              | <b>7,745,587</b>    | <b>3,987,976</b>    |

The accompanying notes are an integral part of these financial statements

# CORPORATION OF THE COUNTY OF NORTHUMBERLAND

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2023

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The County of Northumberland is an upper tier municipality in the Province of Ontario, Canada. It conducts its operations guided by the provisions of provincial statutes such as the Municipal Act, Municipal Affairs Act and related legislation.

### 1. SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements have been prepared in accordance with the standards in the Chartered Professional Accountants Canada Public Sector Accounting (PSA) Handbook. Significant aspects of the accounting policies are as follows:

#### (a) Reporting Entity

These consolidated financial statements reflect the assets, liabilities, revenues and expenses and accumulated surplus of the reporting entity.

The reporting entity is comprised of all organizations, committees and local boards accountable for the administration of their financial affairs and resources to the County and which are owned and controlled by the County. These consolidated financial statements include:

- Northumberland County Housing Corporation

All interfund assets and liabilities and revenues and expenses are eliminated.

#### (b) Trust Funds

Trust funds and their related operations administered by the County are not included in these consolidated financial statements but are reported on separately on the Trust Funds Statement of Continuity and Statement of Financial Position.

#### (c) Deferred Revenue

Deferred revenue represents grants, user charges and fees which have been collected but for which the related services have yet to be performed. These amounts will be recognized as revenues in the fiscal year the services are performed.

#### (d) Tangible Capital Assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. Initial costs for tangible capital assets that were acquired or developed prior to 2009 were obtained using historical cost information or using current fair market values discounted by a relevant inflation factor to the point of acquisition. The cost, less residual value, if any, of tangible capital assets is amortized on a straight-line basis, over the expected useful life of the asset, as follows:

|                              |                           |
|------------------------------|---------------------------|
| Land improvements            | 10 years                  |
| Land improvements - landfill | expected life of landfill |
| Buildings                    | 50 to 75 years            |
| Roads and bridges            | 20 to 75 years            |
| Equipment and computers      | 5 to 20 years             |
| Vehicles                     | 5 to 10 years             |

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

Tangible capital assets categorized as assets under construction are not amortized until they are put into service.

# CORPORATION OF THE COUNTY OF NORTHUMBERLAND

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2023

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### 1. SIGNIFICANT ACCOUNTING POLICIES, continued

(e) Non-financial Assets

Tangible capital and other non-financial assets are accounted for as assets by the County because they can be used to provide services in future periods. These assets do not normally provide resources to discharge the liabilities of the County unless they are sold.

(f) Reserves

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

(g) Recognition of Revenues and Expenses

Revenues and expenses are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues in the period in which the transactions or events occurred that give rise to the revenue; expenses are recognized in the period the goods or services are acquired and a legal liability is incurred or transfers are due.

Taxation

The County establishes the tax rates annually based on the amount required to be raised. These tax rates are used to levy amounts to the lower tier municipalities and are based on their annual assessment. Adjustments to the lower tier levy amounts for additions to and reductions in assessment are reported in the consolidated financial statements when amounts can be reasonably determined.

Government funding and other grants

Government funding and other grants 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.

Other revenue

Fines levied under the Provincial Offenses Act 1997 are recognized when the funds are received. (see note 14).

User charges are recognized as revenue in the year the goods and services are provided, with the exception of building code permits that are recognized when the permits are issued.

Investment income is recorded when earned.

Canada Community-Building Fund and development charges are recognized in the period in which the related expenditures are recorded.

# CORPORATION OF THE COUNTY OF NORTHUMBERLAND

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2023

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### 1. SIGNIFICANT ACCOUNTING POLICIES, continued

#### (h) Use of Estimates

Certain items recognized in the consolidated financial statements are subject to measurement uncertainty. The recognized amounts of such items are based on the County's best information and judgment. By their nature, these estimates are subject to measurement uncertainty and the effect on the consolidated financial statements or changes in such estimates in future periods could be significant. The County's significant estimates include:

- The amounts recorded for amortization of tangible capital assets are based on estimates of useful life and residual values;
- The values of employee future benefits depend on certain actuarial and economic assumptions; and
- The amount recorded as allowance for doubtful accounts receivable is based on management's estimate of future payments on receivable account balances.

In addition, the County's implementation of PS3280 Asset Retirement Obligations has resulted in the requirement for management to make estimates regarding the useful lives of affected tangible capital assets in conjunction with estimates of expected asset retirement costs, as well as the timing and duration of these retirement costs.

#### (i) Asset Retirement Obligation

An asset retirement obligation is recognized when, as 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 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 for closure of operational sites and post-closure care relating to landfill sites has been recognized based on estimated future expenses. An additional liability for the removal of asbestos in several of the buildings owned by the County has also been recognized based on estimated future expenses for remediation or disposal.

The liability is discounted using a present value calculation, and adjusted yearly for accretion expense and any amounts paid. The recognition of a liability resulted in an accompanying increase to the respective tangible capital assets. The increase to the tangible capital assets is being amortized in accordance with the depreciation accounting policies outlined in (d).

# CORPORATION OF THE COUNTY OF NORTHUMBERLAND

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2023

### 1. SIGNIFICANT ACCOUNTING POLICIES, continued

(j) Financial Instruments

Financial instruments are classified as either fair value or amortized cost. The following chart shows the measurement method for each type of financial instrument.

| Financial Instrument                     | Measurement Method |
|--|--------------------|
| Cash                                     | Amortized Cost     |
| Investments:                             |                    |
| Bonds                                    | Amortized Cost     |
| High interest savings                    | Fair Value         |
| Accounts receivable                      | Amortized Cost     |
| Short term advances                      | Amortized Cost     |
| Accounts payable and accrued liabilities | Amortized Cost     |
| Long term debt                           | Amortized Cost     |

Fair value category: The County manages and reports performance for groups of financial assets on a fair-value basis. Investments traded in an active market are reflected at fair value as at the reporting date. Sales and purchases of investments are recorded on the trade date. Transaction costs related to the acquisition of investments are recorded as an expense. Unrealized gains and losses on financial assets are recognized in the Statement of Remeasurement Gains and Losses until such time that the financial asset is derecognized due to disposal or impairment. At the time of derecognition, the related realized gains and losses are recognized in the Statement of Operations and Accumulated Surplus and related balances reversed from the Statement of Remeasurement Gains and Losses.

Amortized cost category: Amounts are measured at the initial recognition minus principal repayments, plus or minus the cumulative amortization using the effective interest rate method of any difference between the initial amount and the maturity amount, and minus any reduction for impairment or uncollectibility. The effective interest method is a method of calculating the amortized cost of a financial asset or financial liability (or a group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial instrument asset or liability.

The following hierarchy 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 - Unadjusted quoted market prices in active markets for identical assets or liabilities;
- Level 2 - Observable or corroborated inputs, other than level 1, such as quoted prices for similar assets or liabilities in inactive markets or market data for substantially the full term of the assets or liabilities; and
- Level 3 - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets and liabilities.

As there are no unrealized gains or losses on financial instruments to report, the Statement of Remeasurement Gains and Losses has not been presented in these financial statements.



# CORPORATION OF THE COUNTY OF NORTHUMBERLAND

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2023

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### 2. CHANGES IN ACCOUNTING POLICIES

The County has implemented the following sections which are now effective under the PSA Handbook: PS 1201 Financial Statement Presentation, PS 2601 Foreign Currency Translation, PS 3041 Portfolio Investments, PS 3450 Financial Instruments and PS 3280 Asset Retirement Obligations were adopted prospectively on January 1, 2023.

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.

PS 2601 Foreign Currency Translation replaces PS 2600 Foreign Currency Translation. The standard provides comprehensive requirements for the recognition, measurement, presentation and disclosure of foreign currency transactions. The adoption of this standard did not have an impact on the County's consolidated financial statements.

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 adoption of this standard did not have an impact on the County's consolidated financial statements.

PS 3450 Financial Instruments establishes accounting and reporting requirements for all types of financial instruments including derivatives. Financial instruments are included on the statement of financial position and are measured either at fair value or cost or amortized cost based on the characteristics of the instrument and the County's accounting policy choices (see Note 1. Significant Accounting Policies). The new standard provides comprehensive requirements for the recognition, measurement, presentation and disclosure of financial instruments. The adoption of this standard did not have an impact on the County's consolidated financial statements.

PS 3280 Asset Retirement Obligations 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.

In accordance with the provisions of this new standard, the County reflected the following adjustments at January 1, 2023:

#### Landfill Obligation

- A decrease of \$21,995,200 to landfill closure and post-closure liability to remove the liability recognized to December 31, 2022 under the old standard.
- An increase of \$23,201,600 to opening asset retirement obligation liability representing all landfill sites either open or closed.
- An increase of \$11,906,200 to landfill tangible capital asset account representing the opening asset retirement obligation for landfills still in productive use.

#### Asbestos Obligation

- An increase of \$5,056,596 to the buildings tangible capital asset account and a corresponding increase to the opening asset retirement obligation liability.

# CORPORATION OF THE COUNTY OF NORTHUMBERLAND

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2023

### 3. TRUST FUNDS

Trust funds administered by the County amounting to \$147,767 (2022 - \$145,881) have not been included in the Consolidated Statement of Financial Position nor have their operations been included in the Consolidated Statement of Operations and Accumulated Surplus. As such balances are held in trust by the County for the benefit of others, they are not presented as part of the County's financial position or operations.

### 4. INVESTMENTS

Investments are comprised of the following:

|   | 2023        | 2022<br>\$  |
|---|-------------|-------------|
| <b>Amortized Cost</b>   |             |             |
| Bonds   | 75,874,019  | 73,045,941  |
| <b>Fair Value</b>   |             |             |
| BNS investment high interest savings account                          | 44,788,651  | 40,696,343  |
| Renaissance high interest savings account and investment cash account | 387,987     | 458,273     |
|   | 45,176,638  | 41,154,616  |
|   | 121,050,657 | 114,200,557 |

For the investments currently recorded at fair value, fair value is equal to cost resulting in no unrealized gains or losses.

### 5. CREDIT FACILITY AGREEMENT

The County has a revolving credit facility agreement with its main financial institution. The amount available at any time is limited to \$10,000,000 via an operating loan. Any balance borrowed will accrue interest at the bank's prime lending rate less 1.0% per annum. Council authorized the temporary borrowing limit by by-law 04-2023. At December 31, 2023 there was no balance outstanding (2022 - \$Nil).

# CORPORATION OF THE COUNTY OF NORTHUMBERLAND

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2023

### 6. SHORT TERM ADVANCES

During 2020, the County signed a financing agreement with Ontario Infrastructure and Lands Corporation (OILC) to provide advances for the construction of the new Golden Plough Lodge. Total available OILC financing is \$96,770,321. The advances will be moved to long term debt when construction is complete. Advances received to December 31, 2023 totaled \$66,788,389 (2022 - \$42,106,545).

### 7. DEFERRED REVENUE - OBLIGATORY RESERVE FUNDS

A requirement of the Chartered Professional Accountants Canada Public Sector Accounting Handbook, is that obligatory reserve funds be reported as deferred revenue. This requirement is in place as legislation and external agreements restrict how these funds may be used and under certain circumstances these funds may possibly be refunded. The balances in the obligatory reserve funds of the County are summarized below:

|                                | 2023             | 2022             |
|--------------------------------|------------------|------------------|
|                                | \$               | \$               |
| Canada Community-Building Fund | 737,760          | 2,688,205        |
| Development charges            | 3,143,712        | 2,235,246        |
|                                | <b>3,881,472</b> | <b>4,923,451</b> |

The continuity of deferred revenue - obligatory reserve funds is as follows:

|                                       | 2023             |              |
|---------------------------------------|------------------|--------------|
|                                       | \$               |              |
| Balance - beginning of year           | 4,923,451        | 5,959        |
| Add amounts received:                 |                  |              |
| Canada Community-Building Fund        | 2,816,405        | 2,699,055    |
| Development charges                   | 1,547,614        | 1,344,775    |
| Interest                              | 136,330          | 73,408       |
|                                       | <b>4,500,349</b> | <b>4,238</b> |
| Less transfer to operations:          |                  |              |
| Canada Community-Building Fund earned | 4,878,844        | 4,599,055    |
| Development charges earned            | 663,484          | 362,691      |
|                                       | <b>5,542,328</b> | <b>4,746</b> |
| Balance - end of year                 | <b>3,881,472</b> | <b>4,451</b> |



# CORPORATION OF THE COUNTY OF NORTHUMBERLAND

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2023

### 8. LONG TERM DEBT

- (a) The balance of long term debt reported on the Consolidated Statement of Financial Position is made up of the following:

|  | 2023             | 2022             |
|--|------------------|------------------|
|  | \$               | \$               |
| Ontario Infrastructure and Lands Corporation due December 3, 2023, repayable in blended semi-annual instalments of \$70,528, and bears interest at 3.07% per annum.      | -                | 137,873          |
| Ontario Strategic Infrastructure Financing Authority due March 15, 2028, repayable in blended semi-annual instalments of \$89,862 and bears interest at 4.92% per annum. | 717,632          | 856,890          |
| Ontario Infrastructure Projects Corporation due September 4, 2035, repayable in blended semi-annual instalments of \$90,923 and bears interest at 4.51% per annum.       | 1,671,051        | 1,774,036        |
| Ontario Infrastructure Projects Corporation due September 1, 2027, repayable in blended semi-annual instalments of \$68,560 and bears interest of 2.78% per annum.       | 515,708          | 635,979          |
| Ontario Infrastructure and Lands Corporation due September 16, 2029, repayable in blended semi-annual instalments of \$81,259 and bears interest at 2.19% per annum.     | 909,105          | 1,049,405        |
| Ontario Infrastructure and Lands Corporation due September 16, 2029, repayable in blended semi-annual instalments of \$228,226 and bears interest at 2.19% per annum.    | 2,553,351        | 2,947,400        |
| Ontario Infrastructure and Lands Corporation due December 1, 2030, repayable in blended semi-annual instalments of \$84,821 and bears interest at 1.48% per annum.       | 1,034,770        | 1,182,594        |
|  | <b>7,401,617</b> | <b>8,584,177</b> |

- (b) The long term debt in (a) issued in the name of the County have been approved by by-law. The annual principal and interest payments required to service these liabilities are within the annual debt repayment limit prescribed by the Ministry of Municipal Affairs and Housing.
- (c) Interest paid during the year on long term debt amounted to \$240,935 (2022 - \$282,098).

# CORPORATION OF THE COUNTY OF NORTHUMBERLAND

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2023

### 8. LONG TERM DEBT, continued

(d) The long term debt reported in (a) of this note is repayable as follows:

|                           | Principal<br>\$ | Interest<br>\$ | Total<br>\$ |
|---------------------------|-----------------|----------------|-------------|
| 2024                      | 1,071,453       | 208,841        | 1,280,294   |
| 2025                      | 1,099,131       | 178,932        | 1,278,063   |
| 2026                      | 1,127,759       | 148,117        | 1,275,876   |
| 2027                      | 1,157,371       | 116,317        | 1,273,688   |
| 2028                      | 960,070         | 84,464         | 1,044,534   |
|                           | 5,415,784       | 736,671        | 6,152,455   |
| 2029 to 2033              | 1,641,756       | 187,558        | 1,829,314   |
| 2034 and subsequent years | 344,077         | 19,614         | 363,691     |
|                           | 7,401,617       | 943,843        | 8,345,460   |

### 9. EMPLOYEE FUTURE BENEFITS LIABILITY

The liability is comprised of the following amounts:

|                 | 2023<br>\$ | 2022<br>\$ |
|-----------------|------------|------------|
| WSIB            | 3,537,541  | 3,185,458  |
| Health benefits | 1,568,885  | 1,525,696  |
|                 | 5,106,426  | 4,711,154  |

Under the Workplace Safety and Insurance Board (WSIB), the County is self-insured (Schedule II) and remits payments to the WSIB as required to fund disability payments. The liability recorded of \$3,537,541 (2022 - \$3,185,458) has been determined by an actuarial review completed as of December 31, 2020. This liability is fully funded by a reserve set aside for this purpose and reported as part of the employee health, safety and related costs reserve as reported in the Accumulated Surplus note.

The actuarial report for the WSIB liability was based on the following assumptions:

|   |                      |
|---|----------------------|
| Interest discount rate                  | 2.75%                |
| WSIB administration and physician fees  | 27% of benefit costs |
| Expected level of increase in claims    | 0.07%                |
| Expected average remaining service life | 10 years             |

# CORPORATION OF THE COUNTY OF NORTHUMBERLAND

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2023

### 9. EMPLOYEE FUTURE BENEFITS LIABILITY, continued

The continuity of the WSIB liability is as follows:

|   | 2023             | 2022             |
|---|------------------|------------------|
|   | \$               | \$               |
| Accrued benefit obligation at January 1 | 4,051,647        | 3,781,115        |
| Unamortized actuarial losses            | (866,189)        | (945,512)        |
| Liability at January 1                  | 3,185,458        | 2,835,603        |
| Current year benefit cost               | 600,036          | 583,389          |
| Interest                                | 113,609          | 106,240          |
| Amortization of actuarial loss/(gain)   | 79,323           | 79,323           |
| Less: benefit payments                  | (440,885)        | (419,097)        |
| <b>Liability at December 31</b>         | <b>3,537,541</b> | <b>3,185,458</b> |

The liability for extended health care and sick leave benefits has been determined by an actuarial review completed as of December 31, 2020.

The actuarial report for the health benefits liability was based on the following assumptions:

|                               |                                 |
|-------------------------------|---------------------------------|
| Discount rate                 | 3.25%                           |
| Inflation rate                | 1.75%                           |
| Future salary escalation      | 2.75%                           |
| Future dental escalation      | 3.75%                           |
| Future health cost escalation | 5.75% reducing to 3.75% in 2027 |

The continuity of the health benefits is as follows:

|   | 2023             | 2022             |
|---|------------------|------------------|
|   | \$               | \$               |
| Accrued benefit obligation at January 1 | 1,525,696        | 1,484,239        |
| Liability at January 1                  | 1,525,696        | 1,484,239        |
| Current year benefit cost               | 100,414          | 95,346           |
| Interest                                | 49,482           | 48,129           |
| Less: benefit payments                  | (106,707)        | (102,018)        |
| <b>Liability at December 31</b>         | <b>1,568,885</b> | <b>1,525,696</b> |

# CORPORATION OF THE COUNTY OF NORTHUMBERLAND

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2023

### 10. ASSET RETIREMENT OBLIGATION

The County's asset retirement obligation consists of the following:

(a) Landfill obligation

The County owns and operates nine landfill sites. The liability for the remaining closure costs of the one operational site as well as the post-closure costs for all sites has been recognized under PS 3280 – Asset Retirement Obligations. The costs have been estimated based upon the presently known obligations that will exist at the estimated year of closure of the sites and for 25 years after the closure date using a discount rate of 4.38% and an inflation rate of 3%. For the closed sites, there are between 12 and 16 years of remaining monitoring costs; however, the 25 year estimate could be extended based on the results of the monitoring. For the one operational site, the site is projected to close in 2034.

(b) Asbestos obligation

The County owns and operates several buildings that are known to have asbestos, which represents a health hazard upon demolition of the building and there is a legal obligation to remove it. Following the adoption of PS 3280 – Asset Retirement Obligations, the County recognized an obligation relating to the removal of the asbestos in these building as estimated at January 1, 2023. The buildings have revised useful lives between 3 and 25 years.

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

|  | Operational<br>site<br>\$ | Closed sites<br>\$ | Total<br>\$    |
|--|---------------------------|--------------------|----------------|
| <b>Landfill closure and post-closure</b>                           |                           |                    |                |
| Opening balance - January 1, 2023                                  | -                         | -                  | -              |
| Adjustment on adoption of the asset retirement obligation standard | 11,906,200                | 11,295,400         | 23,201,600     |
| Opening balance, as restated                                       | 11,906,200                | 11,295,400         | 23,201,600     |
| Post-closure costs incurred  | -                         | (344,431)          | (344,431)      |
| Accretion expense  | 159,500                   | 19,731             | 179,231        |
| Closing balance  | 12,065,700                | 10,970,700         | 23,036,400     |
|  |                           |                    | Asbestos<br>\$ |
| <b>Asbestos obligation</b>   |                           |                    |                |
| Opening balance - January 1, 2023                                  |                           |                    | -              |
| Adjustment on adoption of the asset retirement obligation standard |                           |                    | 5,056,596      |
| Accretion expense  |                           |                    | 197,208        |
| Closing balance  |                           |                    | 5,253,804      |
| Total  |                           |                    | 28,290,204     |

# CORPORATION OF THE COUNTY OF NORTHUMBERLAND

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2023

### 11. TANGIBLE CAPITAL ASSETS

The net book value of the County's tangible capital assets are:

|                           | 2023        | 2022        |
|---------------------------|-------------|-------------|
|                           | \$          | \$          |
| General                   |             |             |
| Land                      | 14,363,886  | 13,838,886  |
| Land improvements         | 14,849,770  | 3,792,017   |
| Buildings                 | 32,369,900  | 19,814,545  |
| Equipment and computers   | 14,064,362  | 13,926,390  |
| Vehicles                  | 5,622,100   | 5,855,701   |
| Infrastructure            |             |             |
| Roads and bridges         | 118,090,951 | 110,561,338 |
|                           | 199,360,969 | 167,788,877 |
| Assets under construction | 88,905,986  | 68,360,279  |
|                           | 288,266,955 | 236,149,156 |

For additional information, see the Consolidated Schedule of Tangible Capital Assets.

During the year there were no write-downs of assets (2022 - \$Nil) and interest capitalized of \$2,742,785 (2022 - \$604,649).

Tangible capital assets allocated by segment are as follows:

|  | 2023        | 2022        |
|--|-------------|-------------|
|  | \$          | \$          |
| General government                       | 18,241,819  | 17,631,984  |
| Protection services                      | 165,682     | 85,674      |
| Transportation services                  | 126,049,856 | 120,479,087 |
| Environmental services                   | 40,874,975  | 30,938,757  |
| Health services                          | 3,166,131   | 3,084,708   |
| Social and family services               | 76,410,230  | 52,050,665  |
| Social housing                           | 21,187,491  | 9,648,009   |
| Economic development, tourism and forest | 2,170,771   | 2,230,272   |
|  | 288,266,955 | 236,149,156 |

# CORPORATION OF THE COUNTY OF NORTHUMBERLAND

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2023

### 12. ACCUMULATED SURPLUS

(a) Accumulated surplus consists of the following:

|  | 2023               | 2022                |
|--|--------------------|---------------------|
|  | \$                 | \$                  |
| <b>Surplus/(Deficit)</b>                                     |                    |                     |
| Unfunded landfill closure and post-closure liability         | -                  | (21,995,200)        |
| Unfunded employee future benefits liability                  | (5,106,426)        | (4,711,154)         |
| Unfunded operating costs                                     | (30,162)           | (65,136)            |
|  | <u>(5,136,588)</u> | <u>(26,771,490)</u> |
| <b>Invested In Capital Assets</b>                            |                    |                     |
| Tangible capital assets - net book value                     | 288,266,955        | 236,149,156         |
| Long term debt   | (7,401,617)        | (8,584,177)         |
| Unfunded capital - GPL rebuild (b)                           | (67,027,763)       | (46,226,184)        |
| Unfunded capital - Ambulance                                 | -                  | (37,734)            |
| Unfunded capital - Archives (b)                              | (1,560,020)        | (1,114,558)         |
| Unfunded capital - Northumberland County Housing Corporation | (3,510,491)        | -                   |
| Asset retirement obligation                                  | (28,290,204)       | -                   |
|  | <u>180,476,860</u> | <u>180,186,503</u>  |
| <b>Surplus</b>   | <u>175,340,272</u> | <u>153,415,013</u>  |
| <b>Reserves</b>  |                    |                     |
| Corporate services   | 34,117,452         | 30,794,608          |
| Transportation services                                      | 22,447,463         | 18,675,783          |
| Waste services   | 5,523,885          | 5,116,799           |
| Social services  | 1,505,869          | 1,223,169           |
| Social housing   | 13,062,798         | 13,996,086          |
| Golden Plough Lodge  | 10,517,757         | 9,604,982           |
| Ambulance services   | 1,589,238          | 1,528,131           |
| Technological development                                    | 1,248,280          | 1,207,154           |
| Emergency planning   | 379,518            | 374,518             |
| Employee health, safety and related costs                    | 7,352,524          | 7,064,910           |
| Facilities   | 2,410,702          | 2,360,702           |
| Economic development, tourism and forest                     | 211,052            | 257,952             |
| Plumbing and septic inspections                              | 405,183            | 411,074             |
| Landfill closure   | 2,550,000          | 2,350,000           |
| Land use planning  | 211,554            | 257,601             |
| <b>Total Reserves</b>  | <u>103,533,275</u> | <u>95,223,469</u>   |
|  | <u>278,873,547</u> | <u>248,638,482</u>  |

(b) Unfunded capital for the Golden Plough Lodge (GPL) rebuild and Archives will be funded with long term debt when the project is complete.

# CORPORATION OF THE COUNTY OF NORTHUMBERLAND

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2023

### 13. FINANCIAL INSTRUMENTS

Transactions in financial instruments may result in the County assuming or transferring to another party one or more of the financial risks described below. The required disclosures provide information that assists users of financial statements in assessing the extent of risk related to financial instruments.

The County is exposed to the following risks in respect of certain of the financial instruments held:

(a) Interest rate risk

Interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in market interest rates. The value of fixed income securities will generally rise if interest rates fall and conversely fall when rates rise. The County manages its exposure to interest rate risk through high interest savings as well as bonds with varying maturity rates that are generally held to maturity.

(b) Credit risk

Credit risk is the risk that one party to a transaction will fail to discharge an obligation and cause the other party to incur a financial loss. The County reduces its exposure to credit risk by creating an allowance for bad debts when applicable. The County monitors and assesses the collectability of accounts receivable based on past experience to derive a net realizable value.

In the opinion of management, the County is not exposed to any significant liquidity or currency risk.

### 14. PROVINCIAL OFFENCES OFFICES

As a result of the provincial-municipal restructuring under Bill 108, streamlining of administration of Provincial Offences Act (“POA”) 1997, the County has assumed responsibility and administration of the POA office and courts.

Revenues from the POA office consists of fines levied under Part I and III (including delay penalties) for POA charges filed at 860 William Street in Cobourg. Offenders may pay their fines at any court office in Ontario, at which time, their receipt is recorded in the Integrated Courts Operations Network system (“ICON”) operated by the Province of Ontario. The County of Northumberland recognizes fine revenue when the receipt of funds is recorded by ICON and matched to the offence notice, regardless of the location where payment is made.

Revenues and expenses related to these operations have been reported as follows:

|   | 2023           | 2022          |
|---|----------------|---------------|
|   | \$             | \$            |
| Gross revenues                                    | 1,354,068      | 1,253,562     |
| Operating costs and allocated charges             | (1,229,856)    | (1,229,652)   |
| <b>Net County revenue used to reduce tax levy</b> | <b>124,212</b> | <b>23,910</b> |

# CORPORATION OF THE COUNTY OF NORTHUMBERLAND

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2023

### 15. EXPENSES BY OBJECT

The expenses for the year reported on the Consolidated Statement of Operations and Accumulated Surplus by object are as follows:

|  | Budget<br>2023<br>\$<br>(Unaudited) | Actual<br>2023<br>\$ | Actual<br>2022<br>\$ |
|--|-------------------------------------|----------------------|----------------------|
| Salaries and benefits                              | 56,867,171                          | 52,992,001           | 48,902,214           |
| Interest charges                                   | 507,819                             | 240,935              | 282,098              |
| Materials  | 20,026,003                          | 21,330,187           | 20,976,078           |
| Contracted services                                | 19,295,442                          | 19,694,127           | 16,086,683           |
| Rents and financial                                | 3,277,465                           | 822,946              | 304,398              |
| External transfers                                 | 30,048,094                          | 28,430,228           | 24,800,135           |
| Amortization                                       | 9,500,003                           | 10,490,724           | 9,252,782            |
| Loss (gain) on disposal of tangible capital assets | -                                   | 195                  | (363,042)            |
| Landfill adjustment due to change in standards     | -                                   | (10,699,800)         | -                    |
|  | 139,521,997                         | 123,301,543          | 120,241,346          |

### 16. PENSION AGREEMENTS

Certain employees of the County are eligible members of the Ontario Municipal Employees Retirement System (OMERS), a multi-employer pension plan.

The Actuarial Opinion contained in the 2023 Annual Report disclosed total actuarial liabilities of \$136,185 million in respect of benefits accrued for service with actuarial assets of \$131,983 million indicating an actuarial deficit of \$4,202 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. As a result, the County does not recognize any share of the OMERS pension surplus or deficit.

The County's required contributions to OMERS in 2023 were \$3,313,072 (2022 - \$2,918,743).

### 17. BUDGET FIGURES

The budget, approved by the County, for 2023 is reflected on the Consolidated Statement of Operations and Accumulated Surplus and the Consolidated Statement of Change in Net Financial Assets/(Net Debt). The budget established for capital investment in tangible capital assets are on a project-oriented basis, the costs of which may be carried out over one or more years and, therefore, may not be comparable with current year's actual amounts. Budget figures have been reclassified for the purposes of these financial statements to comply with PSA reporting requirements. Budget figures are not subject to audit.

### 18. CONTINGENT LIABILITIES

The County, in the course of its operations, is often named in lawsuits the outcomes of which are indeterminable at this time. No amounts in connection with these items have been reflected in these financial statements.



# CORPORATION OF THE COUNTY OF NORTHUMBERLAND

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2023

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### 19. COMMITMENTS

The County assumed the assets and liabilities of the waste management systems of the lower tier municipalities on January 1, 1991 according to by-law 24-90. This by-law was passed pursuant to subsection 209(a) of the Municipal Act of the Province of Ontario which required the County to pay or to receive from the lower tier municipalities' compensation based upon the discounted future cash flows of the landfill site. The County is involved with ongoing negotiations with respect to the settlements for further sites.

The County has entered into several contracts related to the Golden Plough Lodge rebuild. The total of the contract commitments is \$92,853,752 plus HST. \$65,629,917 plus HST has been incurred related to these contracts to December 31, 2023.

During 2021, the Northumberland County Housing Corporation, entered into an agreement in the amount of \$13,668,623 plus HST, for the redevelopment of Elgin Park. \$7,975,7001 plus HST has been incurred to December 31, 2023.

### 20. SEGMENTED INFORMATION

The County of Northumberland is a municipal government organization that provides a range of services to its residents. County services are reported by function and their activities are separately disclosed in the segmented information.

For each reported segment, revenues and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated to the segment. Certain allocation methodologies are employed in the preparation of segmented financial information. Taxation levied to lower tiers is allocated based on each segment's net requirements. Internal transfers include the following: 1) Actual wages and benefits expenses for governance, corporate management and information technologies that are allocated based on the segment's proportionate share as determined by head count, revenue and number of computers; and 2) Actual occupancy costs that are allocated based on the segment's proportionate share of the square footage of the County buildings.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in Note 1. For additional information see the Consolidated Schedule of Segment Disclosure.

#### **General Government**

General government consists of the activities of Council and general financial and administrative management of the County and its programs and services including contributions to the Municipal Property Assessment Corporation.

#### **Protection Services**

Protection services includes emergency measures, plumbing and septic inspections and Provincial Offences Act charges.

#### **Transportation Services**

The activities of the transportation function includes maintenance and winter control of the County's roads and bridges.

# CORPORATION OF THE COUNTY OF NORTHUMBERLAND

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2023

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### 20. SEGMENTED INFORMATION, continued

#### **Environmental Services**

The environmental function is responsible for providing waste collection, waste disposal and recycling services to ratepayers.

#### **Health Services**

The health services function consists of land ambulance services and contributions to the local health unit.

#### **Social and Family Services**

The social and family services consist of general assistance to inhabitants, home for the aged and child care services for the County.

#### **Social Housing**

The social housing services provides affordable housing to qualified inhabitants of the County and includes the operations of the Northumberland County Housing Corporation.

#### **Economic Development, Tourism and Forest**

The function includes economic development and tourism operations and maintenance of the County forests.

### 21. SOCIAL HOUSING

The Northumberland County Housing Corporation was incorporated under Part III of The Ontario Business Corporations Act in response to the Province's overall initiative to devolve Social Housing to local municipalities. The Corporation currently provides subsidized housing to its tenants and their families.

As the Service Manager, the County is now the sole shareholder of the Corporation.

On January 1, 2001 the Ontario Housing Corporation transferred 14 properties and certain head office assets to the Corporation. The properties transferred carried the following restriction:

"The properties cannot be transferred or mortgaged or otherwise encumbered, developed or redeveloped .... or disposed of by any person without prior consent of the Minister of Municipal Affairs and Housing."

### 22. COMPARATIVE FIGURES

Certain comparative figures were restated, where required, to conform with the current year presentation.

# CORPORATION OF THE COUNTY OF NORTHUMBERLAND

## CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS

For the Year Ended December 31, 2023

|  | General           |                         |                   |                                     |                   | Infrastructure             |                                    | Totals<br>\$       |
|--|-------------------|-------------------------|-------------------|-------------------------------------|-------------------|----------------------------|------------------------------------|--------------------|
|  | Land<br>\$        | Land<br>Improveme<br>\$ | Buildings<br>\$   | Equipment<br>and<br>Computers<br>\$ | Vehicles<br>\$    | Roads and<br>Bridges<br>\$ | Assets Under<br>Construction<br>\$ |                    |
| <b>COST</b>                                      |                   |                         |                   |                                     |                   |                            |                                    |                    |
| Balance, beginning of year                       | 13,838,886        | 4,958,816               | 61,304,863        | 28,356,284                          | 16,955,082        | 200,453,430                | 68,360,279                         | 394,227,640        |
| Add: additions during the year                   | 525,000           | 386,678                 | 9,526,352         | 1,598,096                           | 1,182,830         | 11,881,259                 | 20,545,707                         | 45,645,922         |
| Less: disposals during the year                  | -                 | -                       | 2,377,186         | -                                   | -                 | 2,432,548                  | -                                  | 4,809,734          |
| Asset retirement obligation                      | -                 | 11,906,200              | 5,056,596         | -                                   | -                 | -                          | -                                  | 16,962,796         |
| <b>Balance, end of year</b>                      | <b>14,363,886</b> | <b>17,251,694</b>       | <b>73,510,625</b> | <b>29,954,380</b>                   | <b>18,137,912</b> | <b>209,902,141</b>         | <b>88,905,986</b>                  | <b>452,026,624</b> |
| <b>ACCUMULATED AMORTIZATION</b>                  |                   |                         |                   |                                     |                   |                            |                                    |                    |
| Balance, beginning of year                       | -                 | 1,166,799               | 41,490,318        | 14,429,894                          | 11,099,381        | 89,892,092                 | -                                  | 158,078,484        |
| Add: additions during the year                   | -                 | 1,235,125               | 2,027,593         | 1,460,124                           | 1,416,431         | 4,351,451                  | -                                  | 10,490,724         |
| Less: disposals during the year                  | -                 | -                       | 2,377,186         | -                                   | -                 | 2,432,353                  | -                                  | 4,809,539          |
| <b>Balance, end of year</b>                      | <b>-</b>          | <b>2,401,924</b>        | <b>41,140,725</b> | <b>15,890,018</b>                   | <b>12,515,812</b> | <b>91,811,190</b>          | <b>-</b>                           | <b>163,759,669</b> |
| <b>NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS</b> | <b>14,363,886</b> | <b>14,849</b>           | <b>32,369,900</b> | <b>14,064,362</b>                   | <b>5,622,100</b>  | <b>118,090,951</b>         | <b>88,905,986</b>                  | <b>288,266,955</b> |

# CORPORATION OF THE COUNTY OF NORTHUMBERLAND

## CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE

For the Year Ended December 31, 2023

|   | General<br>Government<br>\$ | Protection<br>Services<br>\$ | Transportation<br>Services<br>\$ | Environmental<br>Services<br>\$ | Health<br>Services<br>\$ | Social and<br>Family<br>Services<br>\$ | Social<br>Housing<br>\$ | Economic<br>Development,<br>Tourism and<br>Forest<br>\$ | Consolidated<br>\$ |
|---|-----------------------------|------------------------------|----------------------------------|---------------------------------|--------------------------|--|-------------------------|---|--------------------|
| <b>Revenues</b>                                       |                             |                              |                                  |                                 |                          |  |                         |   |                    |
| Tax levy from lower tiers                             | 931,293                     | 1,496,698                    | 21,057,157                       | 8,372,383                       | 11,498,081               | 11,423,214                             | 10,425,878              | 3,517,575   | 68,722,279         |
| User charges  | 589,325                     | 583,075                      | 407,199                          | 6,527,678                       | 97,604                   | 3,512,006                              | 53,869                  | 136,863   | 11,907,619         |
| Government transfers - operating                      | 127,728                     | 452,304                      | -                                | -                               | 10,575,412               | 35,344,820                             | 3,686,658               | 451,462   | 50,638,384         |
| Government transfers - capital                        | -                           | -                            | 1,741,239                        | -                               | -                        | -                                      | 1,194,093               | 204,089   | 3,139,421          |
| Other municipalities                                  | -                           | -                            | 1,687,926                        | 66,243                          | -                        | -                                      | -                       | -   | 1,754,169          |
| Provincial Offenses Act - fines                       | -                           | 1,354,068                    | -                                | -                               | -                        | -                                      | -                       | -   | 1,354,068          |
| Investment income                                     | 5,083,484                   | -                            | -                                | -                               | -                        | -                                      | 18,854                  | -   | 5,102,338          |
| Waste Diversion Ontario                               | -                           | -                            | -                                | 2,186,844                       | -                        | -                                      | -                       | -   | 2,186,844          |
| Rents   | 903,482                     | -                            | -                                | 6,191                           | -                        | -                                      | 1,792,181               | 150,124   | 2,851,978          |
| Development charges earned                            | 26,613                      | -                            | 98,370                           | 34,974                          | 37,734                   | 170,655                                | 295,138                 | -   | 663,484            |
| Canada Community-Building Fund<br>earned              | -                           | -                            | 4,878,844                        | -                               | -                        | -                                      | -                       | -   | 4,878,844          |
| Other   | 205                         | -                            | -                                | 2,468                           | 7,500                    | 102,454                                | -                       | 224,553   | 337,180            |
| <b>Total revenues</b>                                 | <b>7,662,130</b>            | <b>3,886,145</b>             | <b>29,870,735</b>                | <b>17,196,781</b>               | <b>22,216,331</b>        | <b>50,553,149</b>                      | <b>17,466,671</b>       | <b>4,684,666</b>  | <b>153,536,608</b> |
| <b>Expenses</b>                                       |                             |                              |                                  |                                 |                          |  |                         |   |                    |
| Salaries and benefits                                 | 8,464,988                   | 1,401,037                    | 4,103,440                        | 4,362,441                       | 13,405,815               | 18,293,734                             | 875,509                 | 2,085,037   | 52,992,001         |
| Interest charges                                      | 134,883                     | -                            | -                                | 87,338                          | 3,183                    | 15,531                                 | -                       | -   | 240,935            |
| Materials   | 3,305,848                   | 236,003                      | 5,517,373                        | 1,940,420                       | 1,741,477                | 4,914,837                              | 2,883,295               | 790,934   | 21,330,187         |
| Contracted services                                   | 2,316,826                   | 1,551,846                    | 3,666,482                        | 8,705,635                       | 225,896                  | 1,338,439                              | 785,100                 | 1,103,903   | 19,694,127         |
| Rents and financial                                   | 212,051                     | 20,840                       | 18,318                           | 183,201                         | 27,950                   | 114,622                                | 245,964                 | -   | 822,946            |
| External transfers                                    | -                           | -                            | -                                | -                               | 2,879,339                | 19,775,258                             | 5,664,631               | 111,000   | 28,430,228         |
| Amortization  | 861,235                     | 8,233                        | 5,046,560                        | 2,103,400                       | 960,550                  | 475,980                                | 949,119                 | 85,647  | 10,490,724         |
| Loss (gain) on disposal of tangible<br>capital assets | -                           | -                            | 195                              | -                               | -                        | -                                      | -                       | -   | 195                |
| Internal transfers                                    | (10,158,136)                | 708,770                      | 832,733                          | 1,183,588                       | 1,590,527                | 3,168,611                              | 2,095,391               | 578,516   | -                  |
| Landfill adjustment due to change<br>in standards     | -                           | -                            | -                                | (10,699,800)                    | -                        | -                                      | -                       | -   | (10,699,800)       |
| <b>Total expenses</b>                                 | <b>5,137,695</b>            | <b>3,926,729</b>             | <b>19,185,101</b>                | <b>7,866,223</b>                | <b>20,834,737</b>        | <b>48,097,012</b>                      | <b>13,499,009</b>       | <b>4,755,037</b>  | <b>123,301,543</b> |
| <b>Net surplus/(deficit)</b>                          | <b>2,524,435</b>            | <b>(40,584)</b>              | <b>10,685,634</b>                | <b>9,330,558</b>                | <b>1,381,594</b>         | <b>2,456,137</b>                       | <b>3,967,662</b>        | <b>(70,371)</b>   | <b>30,235,065</b>  |

# CORPORATION OF THE COUNTY OF NORTHUMBERLAND

## CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE

For the Year Ended December 31, 2022

|   | General<br>Government<br>\$ | Protection<br>Services<br>\$ | tation<br>Services | Environmental<br>Services<br>\$ | Health<br>Services<br>\$ | Social and<br>Family<br>Services<br>\$ | Social<br>Housing<br>\$ | Economic<br>Development,<br>Tourism and<br>Forest<br>\$ | Consolidated<br>\$ |
|---|-----------------------------|------------------------------|--------------------|---------------------------------|--------------------------|--|-------------------------|---|--------------------|
| <b>Revenues</b>                                       |                             |                              |                    |                                 |                          |  |                         |   |                    |
| Tax levy from lower tiers                             | 3,586,939                   | 1,388,780                    | 19,228,380         | 7,810,884                       | 10,787,004               | 11,394,831                             | 6,486,432               | 3,146,500   | 63,829,750         |
| User charges  | 845,520                     | 595,302                      | 423,335            | 6,943,158                       | 129,820                  | 3,232,993                              | 121,250                 | 174,235   | 12,465,613         |
| Government transfers - operating                      | 310,192                     | 454,328                      | 50,000             | 154,294                         | 10,016,015               | 30,585,268                             | 4,482,682               | 708,351   | 46,761,130         |
| Government transfers - capital                        | -                           | -                            | 2,017,688          | 25,793                          | -                        | -                                      | 4,843,456               | 142,066   | 7,029,003          |
| Other municipalities                                  | -                           | -                            | 1,220,146          | 62,535                          | -                        | -                                      | -                       | -   | 1,282,681          |
| Provincial Offenses Act - fines                       | -                           | 1,253,562                    | -                  | -                               | -                        | -                                      | -                       | -   | 1,253,562          |
| Investment income                                     | 2,801,816                   | -                            | -                  | -                               | -                        | -                                      | 4,621                   | -   | 2,806,437          |
| Waste Diversion Ontario                               | -                           | -                            | -                  | 1,427,639                       | -                        | -                                      | -                       | -   | 1,427,639          |
| Rents   | 752,502                     | -                            | -                  | 6,191                           | -                        | -                                      | 1,677,902               | 157,242   | 2,593,837          |
| Development charges earned                            | 3,325                       | -                            | 109,317            | 33,600                          | 39,180                   | 127,296                                | 35,206                  | 14,767  | 362,691            |
| Canada Community-Building Fund<br>earned              | -                           | -                            | 4,599,055          | -                               | -                        | -                                      | -                       | -   | 4,599,055          |
| Other   | 110                         | -                            | 5,475              | 2,241                           | 250                      | 92,004                                 | -                       | 244,290   | 344,370            |
| <b>Total revenues</b>                                 | <b>8,300,404</b>            | <b>3,691,972</b>             | <b>27,653,396</b>  | <b>16,466,335</b>               | <b>20,972,269</b>        | <b>45,432,392</b>                      | <b>17,651,549</b>       | <b>4,587,451</b>  | <b>144,755,768</b> |
| <b>Expenses</b>                                       |                             |                              |                    |                                 |                          |  |                         |   |                    |
| Salaries and benefits                                 | 7,349,295                   | 1,489,228                    | 3,998,258          | 3,667,548                       | 12,633,118               | 17,222,670                             | 751,820                 | 1,790,277   | 48,902,214         |
| Interest charges                                      | 147,861                     | -                            | -                  | 108,850                         | 7,320                    | 18,067                                 | -                       | -   | 282,098            |
| Materials   | 3,092,590                   | 275,414                      | 4,979,030          | 1,729,058                       | 1,740,229                | 5,379,075                              | 2,807,733               | 972,949   | 20,976,078         |
| Contracted services                                   | 2,528,957                   | 1,557,141                    | 3,646,345          | 5,293,623                       | 116,557                  | 1,204,990                              | 727,957                 | 1,011,113   | 16,086,683         |
| Rents and financial                                   | 205,155                     | 17,634                       | -                  | 2,125                           | 22,324                   | 40,340                                 | 16,820                  | -   | 304,398            |
| External transfers                                    | -                           | -                            | -                  | -                               | 2,911,433                | 15,835,889                             | 5,930,898               | 121,915   | 24,800,135         |
| Amortization  | 835,434                     | 7,744                        | 5,589,751          | 1,025,480                       | 788,436                  | 124,665                                | 801,084                 | 80,188  | 9,252,782          |
| Loss (gain) on disposal of tangible<br>capital assets | -                           | -                            | 51,154             | (348,799)                       | (65,397)                 | -                                      | -                       | -   | (363,042)          |
| Internal transfers                                    | (8,862,100)                 | 365,481                      | 482,951            | 1,372,436                       | 1,494,744                | 2,901,609                              | 1,730,824               | 514,055   | -                  |
| <b>Total expenses</b>                                 | <b>5,297,192</b>            | <b>3,712,642</b>             | <b>18,747,489</b>  | <b>12,850,321</b>               | <b>19,648,764</b>        | <b>42,727,305</b>                      | <b>12,767,136</b>       | <b>4,490,497</b>  | <b>120,241,346</b> |
| <b>Net surplus/(deficit)</b>                          | <b>3,003,212</b>            | <b>(20,670)</b>              | <b>907</b>         | <b>3,616,014</b>                | <b>1,323,505</b>         | <b>2,705,087</b>                       | <b>4,884,413</b>        | <b>96,954</b>   | <b>24,514,422</b>  |

## **INDEPENDENT AUDITOR'S REPORT**

### **To the Members of Council, Inhabitants and Ratepayers of the Corporation of the County of Northumberland**

#### *Qualified Opinion*

We have audited the financial statements of the Trust Funds of the Corporation of the County of Northumberland (the Trust Funds), which comprise the statement of financial position as at December 31, 2023, the statement of continuity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Trust Funds as at December 31, 2023, and the continuity of the Trust Funds for the year then ended in accordance with Canadian Public Sector Accounting Standards.

#### *Basis for Qualified Opinion*

In common with many municipal trust funds, the completeness of the revenue derived from residents is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Trust Funds and we were not able to determine whether any adjustments might be necessary to resident receipts, assets and fund balances at the end of the year.

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 Trust Funds 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 qualified opinion.

#### *Responsibilities of Management and Those Charged with Governance for the Financial Statements*

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

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

Those charged with governance are responsible for overseeing the Trust Funds' financial reporting process.

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

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

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

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

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

*Baker Tilly KDN LLP*

Chartered Professional Accountants  
Licensed Public Accountants

Peterborough, Ontario  
July 16, 2024

# CORPORATION OF THE COUNTY OF NORTHUMBERLAND

## TRUST FUNDS STATEMENT OF FINANCIAL POSITION At December 31, 2023

|                         | Blacklock<br>Bequest<br>\$ | Safekeeping<br>Pensioners<br>\$ | 2023<br>Total<br>\$ | 2022<br>Total<br>\$ |
|-------------------------|----------------------------|---------------------------------|---------------------|---------------------|
| <b>FINANCIAL ASSETS</b> |                            |                                 |                     |                     |
| Cash                    | 725                        | 21,371                          | 22,096              | 25,562              |
| Investment (note 3)     | 125,671                    | -                               | 125,671             | 120,319             |
|                         | 126,396                    | 21,371                          | 147,767             | 145,881             |
| <b>FUND BALANCES</b>    |                            |                                 |                     |                     |
| Due to Residents        | -                          | 21,371                          | 21,371              | 24,873              |
| Bequests                | 126,396                    | -                               | 126,396             | 121,008             |
|                         | 126,396                    | 21,371                          | 147,767             | 145,881             |

## TRUST FUNDS STATEMENT OF CONTINUITY For the Year Ended December 31, 2023

|                                     | Blacklock<br>Bequest<br>\$ | Safekeepi<br>Pensioners | 2023<br>Total<br>\$ | 2022<br>Total<br>\$ |
|-------------------------------------|----------------------------|-------------------------|---------------------|---------------------|
| <b>BALANCES - beginning of year</b> | 121,008                    | 24,873                  | 145,881             | 147,234             |
| <b>RECEIPTS</b>                     |                            |                         |                     |                     |
| Residents' contributions            | -                          | 27,841                  | 27,841              | 20,263              |
| Interest earned                     | 5,388                      | -                       | 5,388               | 1,807               |
|                                     | 5,388                      | 27,841                  | 33,229              | 22,070              |
| <b>EXPENSES</b>                     |                            |                         |                     |                     |
| Residents' personal costs           | -                          | 31,343                  | 31,343              | 23,423              |
| <b>BALANCES - end of year</b>       | 126,396                    | 21,371                  | 147,767             | 145,881             |

The accompanying notes are an integral part of these financial statements



# CORPORATION OF THE COUNTY OF NORTHUMBERLAND

## TRUST FUNDS NOTES TO THE FINANCIAL STATEMENTS For the Year Ended December 31, 2023

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### 1. PURPOSE OF TRUST FUNDS

The County is required, under Section 241 of Ontario Regulation 79/10 as prescribed by the Long-Term Care Homes Act, 2007, to maintain a trust fund to manage the funds of the residents of the County's home for the aged.

The Blacklock bequest was created by a donation and is for the use of the County's Long Term Care Home called the Golden Plough Lodge.

### 2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with the standards in the Chartered Professional Accountants Canada Public Sector Accounting (PSA) Handbook.

#### (a) Basis of Accounting

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

#### (b) Use of Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions. These estimates and assumptions 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 and are based on the County's best information and judgment. Actual results could differ from these estimates.

### 3. INVESTMENT

The investment is recorded at fair value and has been invested in a Renaissance high interest savings account SR F (5001) with CIBC Wood Gundy.

**CORPORATION OF THE COUNTY OF  
NORTHUMBERLAND**

**NORTHUMBERLAND COUNTY HOUSING CORPORATION**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2023**

**INDEPENDENT AUDITOR'S REPORT****To the Members of the Northumberland County Housing Corporation, the Members of Council, Inhabitants and Ratepayers of the Corporation of the County of Northumberland***Opinion*

We have audited the financial statements of the Northumberland County Housing Corporation of the Corporation of the County of Northumberland (the Corporation), which comprise the statement of financial position as at December 31, 2023, the statements of operations and accumulated surplus, change in net financial assets/(net debt) and 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 financial statements present fairly, in all material respects, the financial position of the Corporation as at December 31, 2023, and the results of its operations and cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

*Basis for Opinion*

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Corporation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

*Responsibilities of Management and Those Charged with Governance for the Financial Statements*

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

In preparing the financial statements, management is responsible for assessing the Corporation'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 Corporation or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

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

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

*Baker Tilly KDN LLP*

Chartered Professional Accountants  
Licensed Public Accountants

Peterborough, Ontario  
July 16, 2024

# CORPORATION OF THE COUNTY OF NORTHUMBERLAND

## NORTHUMBERLAND COUNTY HOUSING CORPORATION STATEMENT OF FINANCIAL POSITION At December 31, 2023

|  | 2023               | 2022              |
|--|--------------------|-------------------|
|  | \$                 | \$                |
| <b>FINANCIAL ASSETS</b>                |                    |                   |
| Accounts receivable                    | 49,842             | 137,196           |
| Due from County                        | -                  | 2,722,324         |
| <b>TOTAL FINANCIAL ASSETS</b>          | <b>49,842</b>      | <b>2,859,520</b>  |
| <b>LIABILITIES</b>                     |                    |                   |
| Accounts payable                       | 24,567             | 42,364            |
| Due to County (note 6)                 | 998,241            | -                 |
| Deferred revenue                       | 80,090             | 481,333           |
| Asset retirement obligation (note 5)   | 3,349,114          | -                 |
| <b>TOTAL LIABILITIES</b>               | <b>4,452,012</b>   | <b>523,697</b>    |
| <b>NET FINANCIAL ASSETS/(NET DEBT)</b> | <b>(4,402,170)</b> | <b>2,335,823</b>  |
| <b>NON-FINANCIAL ASSETS</b>            |                    |                   |
| Tangible capital assets (note 3)       | 17,895,957         | 8,223,299         |
| <b>ACCUMULATED SURPLUS (note 4)</b>    | <b>13,493,787</b>  | <b>10,559,122</b> |

The accompanying notes are an integral part of these financial statements

# CORPORATION OF THE COUNTY OF NORTHUMBERLAND

## NORTHUMBERLAND COUNTY HOUSING CORPORATION STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS For the Year Ended December 31, 2023

|  |                      | Actual<br>2023<br>\$ | Actual<br>2022<br>\$ |
|--|----------------------|----------------------|----------------------|
|  | (Unaudit             |                      |                      |
| <b>REVENUES</b>                                |                      |                      |                      |
| County contributions (note 6)                  |                      |                      |                      |
| Levy contribution                              | 3,682,190            | 3,682,190            | 2,883,544            |
| Capital contribution                           | -                    | 2,686,867            | -                    |
| Government of Canada                           | 2,611,825            | 929,573              | 4,483,252            |
| Province of Ontario                            |                      | 4,515                | 222,031              |
| Rent   | 1,567,000            | 1,792,181            | 1,677,902            |
| Permits and fees                               |                      | 295,138              | 35,206               |
| Interest                                       |                      | 18,854               | 4,621                |
| Other  | 22,000               | 46,119               | 110,648              |
| <b>TOTAL REVENUES</b>                          | <b>7,883,015</b>     | <b>9,455,437</b>     | <b>9,417,204</b>     |
| <b>EXPENSES</b>                                |                      |                      |                      |
| Materials and supplies                         | 17,725               | 39,548               | 8,242                |
| Insurance                                      | 133,774              | 104,441              | 78,638               |
| Professional fees                              | 100,500              | 134,445              | 31,194               |
| Utilities                                      | 792,713              | 708,616              | 694,410              |
| Property tax                                   | 555,189              | 535,858              | 529,276              |
| Repairs and maintenance                        | 732,938              | 951,668              | 1,038,153            |
| Major repairs                                  | 430,000              | 631,600              | 727,539              |
| Financial expenses                             | 289,764              | 120,251              | 16,716               |
| Internal chargebacks                           |                      |                      |                      |
| Allocated administrative services (note 6)     | 713,025              | 700,131              | 712,596              |
| Allocated maintenance services (note 6)        | 1,275,886            | 1,519,382            | 1,130,741            |
| Accretion                                      |                      | 125,713              | -                    |
| Amortization                                   | 805,000              | 949,119              | 801,084              |
| <b>TOTAL EXPENSES</b>                          | <b>5,846,514</b>     | <b>6,520,772</b>     | <b>5,768,589</b>     |
| <b>ANNUAL SURPLUS</b>                          | <b><u>2,036,</u></b> | <b>2,934,665</b>     | <b>3,648,615</b>     |
| <b>ACCUMULATED SURPLUS - beginning of year</b> |                      | <b>10,559,122</b>    | <b>6,910,507</b>     |
| <b>ACCUMULATED SURPLUS - end of year</b>       |                      | <b>13,493,787</b>    | <b>10,559,122</b>    |

The accompanying notes are an integral part of these financial statements

# CORPORATION OF THE COUNTY OF NORTHUMBERLAND

## NORTHUMBERLAND COUNTY HOUSING CORPORATION STATEMENT OF CHANGE IN NET FINANCIAL ASSETS/(NET DEBT) For the Year Ended December 31, 2023

|  | Budget<br>2023<br>\$<br>(Unaudited) | Actual<br>2023<br>\$ | Actual<br>2022<br>\$ |
|--|-------------------------------------|----------------------|----------------------|
| <b>ANNUAL SURPLUS</b>  | 2,036,501                           | 2,934,665            | 3,648,615            |
| Amortization of tangible capital assets  | 805,000                             | 949,119              | 801,084              |
| Acquisition of tangible capital assets   | (7,026,931)                         | (7,398,376)          | (4,045,783)          |
| <b>CHANGE IN NET FINANCIAL ASSETS/(NET DEBT)</b>                                       | <b>(4,185,430)</b>                  | <b>(3,514,592)</b>   | <b>403,916</b>       |
| <b>NET FINANCIAL ASSETS - beginning of year</b>  | 2,335,823                           | 2,335,823            | 1,931,907            |
| <b>ADJUSTMENT ON ADOPTION OF THE ASSET<br/>RETIREMENT OBLIGATION STANDARD (note 2)</b> | -                                   | (3,223,401)          | -                    |
| <b>NET FINANCIAL ASSETS/(NET DEBT) - beginning of<br/>year, as restated</b>            | 2,335,823                           | (887,578)            | 1,931,907            |
| <b>NET FINANCIAL ASSETS/(NET DEBT) - end of year</b>                                   | <b>(1,849,607)</b>                  | <b>(4,402,170)</b>   | <b>2,335,823</b>     |

The accompanying notes are an integral part of these financial statements

# CORPORATION OF THE COUNTY OF NORTHUMBERLAND

## NORTHUMBERLAND COUNTY HOUSING CORPORATION

### STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2023

|  | 2023        | 2022        |
|--|-------------|-------------|
|  | \$          | \$          |
| <b>CASH PROVIDED BY (USED IN)</b>            |             |             |
| <b>OPERATING ACTIVITIES</b>                  |             |             |
| Annual surplus                               | 2,934,665   | 3,648,615   |
| Items not involving cash                     |             |             |
| Amortization of tangible capital assets      | 949,119     | 801,084     |
| Accretion expense                            | 125,713     | -           |
| Change in non-cash assets and liabilities    |             |             |
| Accounts receivable                          | 87,354      | (28,402)    |
| Due from County                              | 2,722,324   | (658,348)   |
| Accounts payable                             | (17,797)    | (176,957)   |
| Due to County                                | 998,241     | -           |
| Deferred revenue                             | (401,243)   | 459,791     |
| Net change in cash from operating activities | 7,398,376   | 4,045,783   |
| <b>CAPITAL ACTIVITIES</b>                    |             |             |
| Acquisition of tangible capital assets       | (7,398,376) | (4,045,783) |
| <b>NET CHANGE IN CASH</b>                    | -           | -           |
| <b>CASH - beginning of year</b>              | -           | -           |
| <b>CASH - end of year</b>                    | -           | -           |

The accompanying notes are an integral part of these financial statements



# CORPORATION OF THE COUNTY OF NORTHUMBERLAND

## NORTHUMBERLAND COUNTY HOUSING CORPORATION NOTES TO THE FINANCIAL STATEMENTS For the Year Ended December 31, 2023

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### 1. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with the standards in the Chartered Professional Accountants Canada Public Sector Accounting (PSA) Handbook. Significant aspects of the accounting policies adopted by the Corporation are as follows:

#### (a) Recognition of Revenue and Expenses

Revenue and expenses are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenue in the period in which the transactions of events occurred that give rise to the revenue; expenses are recognized in the period the goods or services are acquired and a legal liability is incurred or transfers are due.

Government funding is 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.

Rents are recognized as revenue in the period earned.

#### (b) Inter-Entity Transactions

The Northumberland County Housing Corporation is a subsidiary of the County of Northumberland and is consolidated with the County's financial statements.

Allocated costs and recovery of costs are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Unallocated costs are measured at the carrying amount, which is the amount recorded in the records of the County.

#### (c) Deferred Revenue

Deferred revenue represents grants, user charges and fees which have been collected but for which the related services have yet to be performed. These amounts will be recognized as revenues in the fiscal year the services are performed.

#### (d) Asset Retirement Obligation

An asset retirement obligation is recognized when, as 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 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 for the removal of asbestos in several of the buildings owned by the Corporation has also been recognized based on estimated future expenses for remediation or disposal.

The liability is discounted using a present value calculation, and adjusted yearly for accretion expense and any amounts paid. The recognition of a liability resulted in an accompanying increase to the respective tangible capital assets. The increase to the tangible capital assets is being amortized in accordance with the depreciation accounting policies outlined in (f).

# CORPORATION OF THE COUNTY OF NORTHUMBERLAND

**NORTHUMBERLAND COUNTY HOUSING CORPORATION  
 NOTES TO THE FINANCIAL STATEMENTS  
 For the Year Ended December 31, 2023**

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**1. SIGNIFICANT ACCOUNTING POLICIES, continued**

(e) Financial Instruments

Financial instruments are classified as either fair value or amortized cost. The following chart shows the measurement method for each type of financial instrument.

| Financial Instrument | Measurement Method |
|----------------------|--------------------|
| Accounts receivable  | Amortized Cost     |
| Due from County      | Amortized Cost     |
| Accounts payable     | Amortized Cost     |
| Due to County        | Amortized Cost     |

Fair value category: The Corporation manages and reports performance for groups of financial assets on a fair-value basis. Investments traded in an active market are reflected at fair value as at the reporting date. Sales and purchases of investments are recorded on the trade date. Transaction costs related to the acquisition of investments are recorded as an expense. Unrealized gains and losses on financial assets are recognized in the Statement of Remeasurement Gains and Losses until such time that the financial asset is derecognized due to disposal or impairment. At the time of derecognition, the related realized gains and losses are recognized in the Statement of Operations and Accumulated Surplus and related balances reversed from the Statement of Remeasurement Gains and Losses.

Amortized cost category: Amounts are measured at the initial recognition minus principal repayments, plus or minus the cumulative amortization using the effective interest rate method of any difference between the initial amount and the maturity amount, and minus any reduction for impairment or uncollectibility. The effective interest method is a method of calculating the amortized cost of a financial asset or financial liability (or a group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial instrument asset or financial instrument liability.

The following hierarchy 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 - Unadjusted quoted market prices in active markets for identical assets or liabilities;
- Level 2 - Observable or corroborated inputs, other than level 1, such as quoted prices for similar assets or liabilities in inactive markets or market data for substantially the full term of the assets or liabilities; and
- Level 3 - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets and liabilities.

As there are no unrealized gains or losses on financial instruments to report, the Statement of Remeasurement Gains and Losses has not been presented in these financial statements.



# CORPORATION OF THE COUNTY OF NORTHUMBERLAND

## NORTHUMBERLAND COUNTY HOUSING CORPORATION NOTES TO THE FINANCIAL STATEMENTS For the Year Ended December 31, 2023

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### 1. SIGNIFICANT ACCOUNTING POLICIES, continued

(f) Tangible Capital Assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. Initial costs for tangible capital assets that were acquired or developed prior to 2009 were obtained using historical cost information or using current fair market values discounted by a relevant inflation factor to the point of acquisition. The cost, less residual value, if any, of tangible capital assets is amortized on a straight-line basis, over the expected useful life of the asset, as follows:

|                   |                |
|-------------------|----------------|
| Land improvements | 10 years       |
| Buildings         | 50 to 75 years |
| Equipment         | 5 to 20 years  |

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

Tangible capital assets categorized as assets under construction are not amortized until they are put into service.

(g) Non-Financial Assets

Tangible capital assets and other non-financial assets are accounted for as assets by the Corporation because they can be used to provide services in future periods. These assets do not normally provide resources to discharge the liabilities of the Corporation unless they are sold.

(h) Use of Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions. These estimates and assumptions 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 and are based on the Corporation's best information and judgment. Actual results could differ from these estimates.

Certain items recognized in the financial statements are subject to measurement uncertainty. The recognized amounts of such items are based on the Corporation's best information and judgment. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant. The Corporation's significant estimates include:

- The amounts recorded for amortization of tangible capital assets are based on estimates of useful life and residual values.
- The amount recorded as allowance for doubtful accounts receivable is based on management's estimate of future payments on receivable account balances.
- The amount recorded for asset retirement obligations is based on estimates of the assets with potential contaminants and management's estimate of the future costs to retire those assets.
- Allocation of the County's administrative internal chargebacks.

# CORPORATION OF THE COUNTY OF NORTHUMBERLAND

## NORTHUMBERLAND COUNTY HOUSING CORPORATION NOTES TO THE FINANCIAL STATEMENTS For the Year Ended December 31, 2023

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### 1. SIGNIFICANT ACCOUNTING POLICIES, continued

#### (i) Reserves

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

### 2. CHANGES IN ACCOUNTING POLICIES

The Corporation has implemented the following sections which are now effective under the PSA Handbook: PS 1201 Financial Statement Presentation, PS 2601 Foreign Currency Translation, PS 3041 Portfolio Investments, PS 3450 Financial Instruments and PS 3280 Asset Retirement Obligations were adopted prospectively on January 1, 2023.

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.

PS 2601 Foreign Currency Translation replaces PS 2600 Foreign Currency Translation. The standard provides comprehensive requirements for the recognition, measurement, presentation and disclosure of foreign currency transactions. The adoption of this standard did not have an impact on the Corporation's financial statements.

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 adoption of this standard did not have an impact on the Corporation's financial statements.

PS 3450 Financial Instruments establishes accounting and reporting requirements for all types of financial instruments including derivatives. Financial instruments are included on the statement of financial position and are measured either at fair value or cost or amortized cost based on the characteristics of the instrument and the Corporation's accounting policy choices (see Note 1. Significant Accounting Policies). The new standard provides comprehensive requirements for the recognition, measurement, presentation and disclosure of financial instruments. The adoption of this standard did not have an impact on the Corporation's financial statements.

PS 3280 Asset Retirement Obligations 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.

In accordance with the provisions of this new standard, the Corporation reflected the following adjustments at January 1, 2023.

- An increase of \$3,223,401 to the buildings tangible capital asset account and a corresponding increase to the opening asset retirement obligation liability.

# CORPORATION OF THE COUNTY OF NORTHUMBERLAND

## NORTHUMBERLAND COUNTY HOUSING CORPORATION NOTES TO THE FINANCIAL STATEMENTS For the Year Ended December 31, 2023

### 3. TANGIBLE CAPITAL ASSETS

The net book value of the Corporation's tangible capital assets are:

|  | Land and<br>Land<br>Improvements<br>\$ | Buildings<br>\$   | Equipment<br>\$  | Assets<br>Under<br>Construction | 2023<br>Totals<br>\$ | 2022<br>Totals<br>\$ |
|--|--|-------------------|------------------|---------------------------------|----------------------|----------------------|
| <b>COST</b>                                      |  |                   |                  |                                 |                      |                      |
| Balance, beginning of year                       | 1,396,939                              | 26,802,905        | 219,908          | 4,803,770                       | 33,223,522           | 29,177,739           |
| Add: additions during the year                   | 911,678                                | 9,300,689         | 1,304,628        | (4,118,619)                     | 7,398,376            | 4,045,783            |
| Less: disposals during the year                  | -                                      | 2,377,187         | -                | -                               | 2,377,187            | -                    |
| Add: Asset retirement obligation                 | -                                      | 3,223,401         | -                | -                               | 3,223,401            | -                    |
| <b>Balance, end of year</b>                      | <b>2,308,617</b>                       | <b>36,949,808</b> | <b>1,524,536</b> | <b>685,151</b>                  | <b>41,468,112</b>    | <b>33,223,522</b>    |
| <b>ACCUMULATED AMORTIZATION</b>                  |  |                   |                  |                                 |                      |                      |
| Balance, beginning of year                       | 137,552                                | 24,830,828        | 31,843           | -                               | 25,000,223           | 24,199,139           |
| Add: additions during the year                   | 34,076                                 | 878,840           | 36,203           | -                               | 949,119              | 801,084              |
| Less: disposals during the year                  | -                                      | 2,377,187         | -                | -                               | 2,377,187            | -                    |
| <b>Balance, end of year</b>                      | <b>171,628</b>                         | <b>23,332,481</b> | <b>68,046</b>    | <b>-</b>                        | <b>23,572,155</b>    | <b>25,000,223</b>    |
| <b>NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS</b> | <b>2,136,989</b>                       | <b>13,617,327</b> | <b>1,456,490</b> | <b>685,151</b>                  | <b>17,895,957</b>    | <b>8,223,299</b>     |

# CORPORATION OF THE COUNTY OF NORTHUMBERLAND

## NORTHUMBERLAND COUNTY HOUSING CORPORATION NOTES TO THE FINANCIAL STATEMENTS For the Year Ended December 31, 2023

### 4. ACCUMULATED SURPLUS

Accumulated surplus consists of the following:

|  | 2023              | 2022              |
|--|-------------------|-------------------|
|  | \$                | \$                |
| <b>Invested In Capital Assets</b>        |                   |                   |
| Tangible capital assets - net book value | 17,895,957        | 8,223,299         |
| Asset retirement obligation              | (3,349,114)       | -                 |
| Unfunded capital - Elgin Park            | (3,510,491)       | -                 |
| <b>Surplus</b>                           | 11,036,352        | 8,223,299         |
| <b>Reserve</b>                           |                   |                   |
| Operations                               | 2,457,435         | 2,335,823         |
|  | <b>13,493,787</b> | <b>10,559,122</b> |

### 5. ASSET RETIREMENT OBLIGATION

The Corporation's asset retirement obligation consists of the following:

#### (a) Asbestos obligation

The Corporation owns and operates several buildings that are known to have asbestos, which represents a health hazard upon demolition of the building and there is a legal obligation to remove it. Following the adoption of PS3280 – Asset retirement obligations, the Corporation recognized an obligation relating to the removal of the asbestos in these building as estimated at January 1, 2023. The buildings have a revised estimated useful life of 5 to 25 year.

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

|  | tos              |
|--|------------------|
|  | \$               |
| Asbestos obligation  |                  |
| Opening balance - January 1, 2023                                  | -                |
| Adjustment on adoption of the asset retirement obligation standard | 3,223,401        |
| Accretion expense  | 125,713          |
| Closing balance  | <b>3,349,114</b> |

# CORPORATION OF THE COUNTY OF NORTHUMBERLAND

**NORTHUMBERLAND COUNTY HOUSING CORPORATION  
 NOTES TO THE FINANCIAL STATEMENTS  
 For the Year Ended December 31, 2023**

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**6. INTER-ENTITY TRANSACTIONS**

During the year, the Corporation entered into transactions with the County of Northumberland.

As part of the budgeting process, the County approves a contribution to the Corporation. In addition, the County approved a further contribution to the Corporation during the year. These contributions are identified on the Statement of Operations and Accumulated Surplus.

Details of the inter-entity expense transactions are as follows:

|   | 2023      | 2022      |
|---|-----------|-----------|
|   | \$        | \$        |
| Allocated costs:  |           |           |
| Internal chargebacks - allocated administrative service | 700,131   | 712,596   |
| Internal chargebacks - allocated maintenance services   | 1,519,382 | 1,130,741 |
|   | 2,219,513 | 1,843,337 |

All balances with the County of Northumberland have been identified on the Statement of Financial Position. Due from (to) balances are unsecured, without interest and have no terms of repayment.

**7. BUDGET FIGURES**

The operating budget, approved by the Corporation, for 2023 is reflected on the Statement of Operations and Accumulated Surplus and the Statement of Change in Net Financial Assets/(Net Debt). The budgets established for capital investment in tangible capital assets are on a project-oriented basis, the costs of which may be carried out over one or more years and, therefore, may not be comparable with current year’s actual expenditure amounts. Budget figures have been reclassified for the purposes of these financial statements to comply with PSA reporting requirements. Budget figures are not subject to audit.

**8. COMMITMENT**

During 2021, the Corporation, entered into an agreement in the amount of \$13,668,623 plus HST, for the redevelopment of Elgin Park. \$7,975,700 plus HST has been incurred to December 31, 2023.

**9. FINANCIAL INSTRUMENTS**

Transactions in financial instruments may result in the Corporation assuming or transferring to another party one or more of the financial risks described below. The required disclosures provide information that assists users of financial statements in assessing the extent of risk related to financial instruments.

In the opinion of management, the Corporation is not exposed to any significant liquidity, interest rate, credit or currency risk.

**10. COMPARATIVE FIGURES**

Certain comparative figures were restated, where required, to conform with the current year presentation.



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