

**THE CORPORATION OF THE  
TOWNSHIP OF MATTICE - VAL CÔTÉ**

**INDEPENDENT AUDITOR'S REPORT AND  
CONSOLIDATED FINANCIAL STATEMENTS**

**DECEMBER 31, 2023**

**THE CORPORATION OF THE TOWNSHIP OF  
MATTICE - VAL CÔTÉ**

**COUNCIL AND OFFICIALS**

**DECEMBER 31, 2023**

**MUNICIPAL COUNCIL**

Mayor

Marc Dupuis

Councillors

Steve Brousseau

Sophie Gagnon

Joyce Malenfant

Réginald Manning

**MUNICIPAL OFFICIALS**

Chief Administrative Officer / Clerk

Guyline Coulombe

Fire Chief

Kevin Grenon

Parks & Recreation Foreman

Vacant

Public Works Foreman

Denis Lemieux

Treasurer

Annie Plamondon

## **MANAGEMENT'S RESPONSABILITIES FOR THE FINANCIAL STATEMENTS**

The accompanying consolidated financial statements of the Corporation of the Township of Mattice - Val Côté are the responsibility of management and have been prepared in compliance with legislation and in accordance with Canadian Public Sector Accounting Standards established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. A summary of the significant accounting policies are described in the notes to the financial statements. The preparation of the consolidated financial statements necessarily involves the use of estimates based on management's judgments, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

Management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the consolidated financial statements. These systems are monitored and evaluated by management.

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

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

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Guylaine Coulombe, Chief Administrative Officer/Clerk  
Mattice, Ontario  
May 21, 2024

**Baker Tilly HKC**

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## INDEPENDENT AUDITOR'S REPORT

To the Members of Council, Inhabitants and Ratepayers of the Corporation of the Township of Mattice - Val Côté

### *Qualified Opinion*

We have audited the accompanying consolidated financial statements of The Corporation of the Township of Mattice - Val Côté (the Corporation), which comprise the consolidated statement of financial position as at December 31, 2023, and the consolidated statement of operations and accumulated surplus, changes in net assets 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, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the corporation as at December 31, 2023, and the results of its consolidated operations and accumulated surplus, changes in net debt and its cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

### *Basis for Qualified Opinion*

The Corporation is required to evaluate its asset retirement obligations under PS 3280 - Asset retirement obligations. As at December 31, 2023, the carrying value of the asset retirement obligations is \$146,838. We were unable to obtain sufficient appropriate audit evidence about the carrying amount of the asset retirement obligations reported in the consolidated financial statements as at December 31, 2023. Consequently, we were unable to determine whether the carrying value provided is underestimated and if any adjustments to these amounts were necessary.

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

## **INDEPENDENT AUDITOR'S REPORT, (cont'd)**

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 qualified opinion.

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

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

In preparing the consolidated financial statements, management is responsible for assessing the corporation's ability to continue as a going concern, disclosing, as applicable, matters related to 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 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:

**INDEPENDENT AUDITOR'S REPORT, (cont'd)**

- ♦ 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 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 managements' 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 ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our 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 auditor's report. However, future events or conditions may cause the corporation to cease to continue as a going concern.
- ♦ Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- ♦ Obtain sufficient appropriate audit evidence regarding the consolidated financial information of the entities or business activities within the corporation 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.

**INDEPENDENT AUDITOR'S REPORT, (cont'd)**

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 HKC**

Chartered Professional Accountants  
Licenced Public Accountants  
May 21, 2024

# **THE CORPORATION OF THE TOWNSHIP OF MATTICE - VAL CÔTÉ**

## **CONSOLIDATED FINANCIAL STATEMENTS**

**DECEMBER 31, 2023**

### **CONSOLIDATED FINANCIAL STATEMENT**

Consolidated Statement of Financial Position	1
Consolidated Statement of Operations and Accumulated Surplus	2
Consolidated Statement of Changes in Net Assets	3
Consolidated Statement of Cash Flows	4
Notes to Consolidated Financial Statements	5 - 26
Segmented information	27 - 28
Analysis of revenues	29
Analysis of expenses	30 - 35
Arena Fund Committee	36
Public Cemetery Committee	37
Independent Auditor's Report on Trust Fund	38-40
Statement of Continuity of Trust Fund and Statement of Financial Position	41
Notes to Financial Statements	42



**THE CORPORATION OF THE TOWNSHIP OF  
MATTICE - VAL CÔTÉ**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

**DECEMBER 31, 2023**

	<b>2023</b>	<b>(Restated note 5) 2022</b>
<b>FINANCIAL ASSETS</b>		
Cash	\$ 2,290,140	\$ 1,616,508
Taxes receivable (Note 9)	89,032	181,191
Accounts receivable (Note 10)	143,126	420,809
	<u>2,522,298</u>	<u>2,218,508</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities (Note 12)	242,859	305,432
Deferred revenues - obligatory reserve funds (Note 13)	748,553	524,920
Asset retirement obligations (Note 14)	146,838	146,224
Long-term debt (Note 15)	32,033	69,832
	<u>1,170,283</u>	<u>1,046,408</u>
<b>NET ASSETS</b>	<u>1,352,015</u>	<u>1,172,100</u>
<b>NON-FINANCIAL ASSETS</b>		
Inventories of supplies	33,321	18,538
Prepaid expenses	126,998	2,927
Tangible capital assets (Note 16)	6,938,657	6,795,232
	<u>7,098,976</u>	<u>6,816,697</u>
<b>ACCUMULATED SURPLUS (Note 17)</b>	<u>\$ 8,450,991</u>	<u>\$ 7,988,797</u>

**COMMITMENTS (Note 19)**

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

**THE CORPORATION OF THE TOWNSHIP OF  
MATTICE - VAL CÔTÉ**

**CONSOLIDATED STATEMENT OF OPERATIONS AND  
ACCUMULATED SURPLUS**

**YEAR ENDED DECEMBER 31, 2023**

	<b>Budget</b>	<b>Actual</b>	<b>(Restated note 5) Actual</b>
	<b>(Note 21)</b>	<b>2023</b>	<b>2022</b>
<b>REVENUES (page 29)</b>			
Taxation and user charges	\$ 1,546,010	\$ 1,510,764	\$ 1,455,924
Fees and service charges	12,755	59,496	24,333
Government transfers - operations	394,745	388,673	438,347
Other revenues	135,955	315,139	167,417
	<u>2,089,465</u>	<u>2,274,072</u>	<u>2,086,021</u>
<b>EXPENSES (pages 30 - 35)</b>			
General government services	458,189	541,545	476,557
Protection services	228,030	206,442	208,949
Transportation services	394,383	517,707	463,282
Environmental services	427,775	524,007	467,719
Health, social and family services	279,770	265,879	264,448
Recreation and cultural services	220,751	211,053	185,256
Planning and development services	15,740	9,628	9,532
	<u>2,024,638</u>	<u>2,276,261</u>	<u>2,075,743</u>
<b>EXCESS OF REVENUES OVER EXPENSES (EXPENSES OVER REVENUES)</b>	64,827	(2,189)	10,278
<b>GOVERNMENT TRANSFERS - CAPITAL OTHER - CAPITAL</b>	556,738	458,718	524,581
	<u>50,000</u>	<u>5,665</u>	<u>-</u>
	<u>606,738</u>	<u>464,383</u>	<u>524,581</u>
<b>ANNUAL SURPLUS</b>	<u>\$ 671,565</u>	462,194	534,859
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR</b>		7,988,797	7,493,123
<b>ADJUSTMENT RELATED TO ADOPTION OF NEW ACCOUNTING STANDARDS (Note 5)</b>		-	(39,185)
<b>ACCUMULATED SURPLUS, END OF YEAR (Note 17)</b>		<u>\$ 8,450,991</u>	<u>\$ 7,988,797</u>

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

**THE CORPORATION OF THE TOWNSHIP OF  
MATTICE - VAL CÔTÉ**

**CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS**

**DECEMBER 31, 2023**

	<b>Budget (Note 21)</b>	<b>Actual 2023</b>	<b>(Restated note 5) 2022</b>
<b>ANNUAL SURPLUS</b>	\$ 671,565	\$ 462,194	\$ 534,859
<b>TANGIBLE CAPITAL ASSETS ACTIVITIES</b>			
Acquisition of tangible capital assets	-	(473,069)	(565,895)
Amortization of tangible capital assets	-	329,644	321,704
	-	(143,425)	(244,191)
<b>NON-FINANCIAL ASSETS ACTIVITIES</b>			
Change in inventory of supplies	-	(14,783)	28,252
Change in prepaid expenses	-	(124,071)	(139)
	-	(138,854)	28,113
<b>INCREASE IN NET ASSETS</b>	671,565	179,915	318,781
<b>NET ASSETS, BEGINNING OF YEAR</b>	1,172,100	1,172,100	939,301
<b>ADJUSTMENT RELATED TO ADOPTION OF NEW ACCOUNTING STANDARDS (Note 5)</b>	-	-	(85,982)
<b>NET ASSETS, END OF YEAR</b>	\$ 1,843,665	\$ 1,352,015	\$ 1,172,100

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

**THE CORPORATION OF THE TOWNSHIP OF  
MATTICE - VAL CÔTÉ**

**CONSOLIDATED STATEMENT OF CASH FLOWS**

**YEAR ENDED DECEMBER 31, 2023**

	<b>2023</b>	<b>(Restated note 5) 2022</b>
<b>OPERATING ACTIVITIES</b>		
Annual surplus	\$ 462,194	\$ 534,859
Items non affecting cash:		
Amortization of tangible capital assets	329,644	321,704
Changes in:		
Taxes receivable	92,159	5,126
Accounts receivable	277,683	(354,841)
Accounts payable and accrued liabilities	(62,573)	(10,015)
Asset retirement obligations	614	242
Deferred revenue - obligatory reserve funds	223,633	115,984
Inventories of supplies	(14,783)	28,252
Prepaid expenses	(124,071)	(139)
	<u>1,184,500</u>	<u>641,172</u>
<b>CAPITAL ACTIVITY</b>		
Acquisition of tangible capital assets	<u>(473,069)</u>	<u>(565,895)</u>
<b>FINANCING ACTIVITY</b>		
Principal payments on long-term debt	<u>(37,799)</u>	<u>(36,138)</u>
<b>INCREASE IN CASH POSITION</b>	<b>673,632</b>	<b>39,139</b>
<b>CASH POSITION, BEGINNING OF YEAR</b>	<u>1,616,508</u>	<u>1,577,369</u>
<b>CASH POSITION, END OF YEAR</b>	<u>\$ 2,290,140</u>	<u>\$ 1,616,508</u>

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

# THE CORPORATION OF THE TOWNSHIP OF MATTICE - VAL CÔTÉ

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023

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### 1. NATURE OF ACTIVITIES

The Corporation of the Township of Mattice - Val Côté is an incorporated township in the Cochrane District in Northeastern Ontario, Canada. The township was incorporated on April 18, 1975. It conducts its operations guided by the provision of Provincial statutes such as the Municipal Act, Provincial Offences Act and other related legislation.

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### 2. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the municipality are prepared in accordance with Canadian Public Sector Accounting Standards, as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. Significant aspects of the accounting policies adopted by the municipality are as follows:

#### CONSOLIDATED ENTITIES

The consolidated financial statements include the financial and non-financial assets, liabilities, revenues, expenses and reserve of the municipality. The reporting entity is composed of all organizations, committees and board of Council which are accountable for the administration of their financial affairs and resources to the municipality and which are owned or controlled by the municipality. These consolidated financial statements include:

Arena Fund Committee  
Public Cemetery Committee  
Public Library Board

All interfund assets, liabilities, revenues and expenses have been eliminated.

#### NON-CONSOLIDATED ENTITIES

The following joint local boards are not consolidated:

District of Cochrane Social Services Administration Board  
Porcupine Health Unit

#### ACCOUNTING FOR SCHOOL BOARD TRANSACTIONS

The Corporation is required to collect and remit education support levies in respect of residential and other properties on behalf of the area school boards. The Corporation has no jurisdiction or control over the school boards operations. Therefore, the taxation, other revenues, expenses, assets and liabilities with respect to the operations of the school boards are not reflected in the accumulated surplus of these consolidated financial statements.

# THE CORPORATION OF THE TOWNSHIP OF MATTICE - VAL CÔTÉ

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023

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### 2. SIGNIFICANT ACCOUNTING POLICIES, (CONT'D)

#### TRUST FUND

Trust fund and their related operations administered by the municipality are not consolidated but are reported on the Statement of Continuity of Fund and Statement of Financial Position of Trust Fund (page 44).

#### ACCRUAL BASIS OF ACCOUNTING

Revenues and expenses are reported on the accrual basis of accounting which recognizes revenues as they become available and measurable. Revenues from taxation, grants and all other sources are recognized when the amount is fixed or reasonably determinable and collectability is reasonably assured. 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.

#### CASH AND CASH EQUIVALENTS

Cash and cash equivalents are comprised of cash on hand and cash held in financial institutions with original maturities of three months or less from time of acquisition.

#### DEFERRED REVENUES - OBLIGATORY RESERVE FUNDS

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

A requirement of Canadian Public Sector Accounting Standards is that the obligatory reserve funds be reported as deferred revenue. This requirement is in place as provincial legislation and other agreements restrict how these funds be used and under certain circumstances these funds may possibly be refunded.

#### MULTI-EMPLOYER DEFINED BENEFIT PENSION

Substantially all of the employees of the municipal are eligible to be members of the Ontario Municipal Employees Retirement System (OMERS), which is a multi-employer, defined benefit, final average earnings, contributory pension plan. Defined contribution plan accounting is applied to OMERS, whereby contributions are expensed when due as the municipality has insufficient information to apply defined benefit accounting.

# THE CORPORATION OF THE TOWNSHIP OF MATTICE - VAL CÔTÉ

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023

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### 2. SIGNIFICANT ACCOUNTING POLICIES, (CONT'D)

#### ASSET RETIREMENT OBLIGATIONS

Asset retirement obligations represent the legal obligations associated with the retirement of a tangible capital asset that result from its acquisition, construction, development, or normal use.

The liability associated with an asset retirement obligation is measured with reference to the best estimate of the amount required to ultimately remediate the liability at the consolidated financial statement date to the extent that all recognition criteria are met. Asset retirement obligations are only recognized when there is a legal obligation for the Corporation to incur costs in relation to a specific tangible capital asset, when the past transaction or event causing the liability had already occurred, when economic benefits will need to be given up in order to remediate the liability and when a reasonable estimate of such amount can be made. The best estimate of the liability includes all costs directly attributable to the remediation of the asset retirement obligations, based on the most reliable information that is available as at the applicable reporting date. Where cash flows are expected over future periods, the liability is recognized using a present value technique.

When a liability for an asset retirement obligation is initially recognized, a corresponding adjustment to the related tangible capital asset is also recognized. Through the passage of time in subsequent reporting periods, the carrying value of the liability is adjusted to reflect accretion expenses incurred in the current period. This expense ensures that the time value of money is considered when recognizing outstanding liabilities at each reporting date. The capitalized asset retirement cost within tangible capital assets is also simultaneously depreciated on the same basis as the underlying asset to which it relates.

At remediation, the Corporation derecognizes the liability that was established. In some circumstances, gains or losses may be incurred upon settlements related to the ongoing measurement of the liability and corresponding estimates that were made and are recognized in the consolidated statement of operations and accumulated surplus.

#### ACCUMULATED SURPLUS

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

# THE CORPORATION OF THE TOWNSHIP OF MATTICE - VAL CÔTÉ

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023

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### 2. SIGNIFICANT ACCOUNTING POLICIES, (CONT'D)

#### NON-FINANCIAL ASSETS

Non-financial assets are not available to discharge existing liabilities and are held for the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year combined with the annual surplus (deficit) provides the change in net financial assets for the year.

#### *Inventories*

Inventories held for consumption are recorded at the lower of cost and replacement cost, and includes actual cost. They are not considered tangible capital assets.

#### *Prepaid expenses*

Prepaid expenses represent amounts paid in advance for a good or service not yet received. The expense is recognized once the goods have been received or the services have been performed.

#### *Tangible Capital Assets*

Tangible capital assets are recorded at historical cost which includes all amounts that are directly attributable to acquisition, construction, development or settlement of the asset and amortized over their estimated useful life. The cost, less residual value, if any, of the tangible capital assets is amortized on a straight-line basis, over the expected useful life of the assets as follows:

#### GENERAL

Land and vacant land	Not amortized
Land improvements	20 to 50 years and landfill capacity
Buildings	50 years
Vehicles, machinery and equipment	10 to 25 years
Furniture and fixtures	10 to 15 years
Computers	5 years

#### INFRASTRUCTURE

Roads	7 to 75 years
Water	50 years
Sewer	50 years

Assets under construction are not amortized until the asset is available for productive use.

#### *Contribution of Tangible Capital Assets*

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



# THE CORPORATION OF THE TOWNSHIP OF MATTICE - VAL CÔTÉ

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023

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### 2. SIGNIFICANT ACCOUNTING POLICIES, (CONT'D)

#### REVENUE RECOGNITION

##### *Taxation Revenue*

Property tax billings are prepared by the municipality based on assessment rolls issued by the Municipal Property Assessment Corporation (MPAC) and in accordance with the provisions of the Municipal Act 2001. The Municipal Council establishes the tax rates annually and incorporate amounts to be raised for local services and on behalf of the School Boards in respect of education taxes. From time to time property assessments are adjusted by MPAC through the reconsideration process or by the Assessment Review Board through the appeal process. Additional assessments, referred to as supplementary and omitted assessments can also be issued by MPAC in accordance with the Assessment Act. These adjustments and additional assessments are processed by the municipality upon receipt and recognized in the fiscal year they are determined. All property taxes are secured by the land and pose minimal collection risk.

##### *Government Transfers*

Government transfer revenues are transfers from senior levels of government that are not the result of an exchange transaction and are not expected to be repaid in the future. Government transfers without eligibility criteria or stipulations are recognized as revenue when the transfer is authorized. All other transfers are recognized as revenue in the period the transfer is authorized and all eligibility criteria have been met, except when and to the extent that any stipulations give rise to an obligation that meets the definition of a liability for the municipality. The municipality also provides transfers to individuals or organizations. These transfers are recognized as expenses once they are authorized and eligibility criteria, if any, are met.

##### *User Charges*

User charges relate to various programs, and fees imposed on specific activities. Revenue is recognized when the activity is performed or when the services are rendered.

##### *Other Revenues*

Other revenues, such as fines and penalties and others are recognized in the year that the event giving rise to the revenues occur and the revenues are earned.

# THE CORPORATION OF THE TOWNSHIP OF MATTICE - VAL CÔTÉ

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023

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### 2. SIGNIFICANT ACCOUNTING POLICIES, (CONT'D)

#### FINANCIAL INSTRUMENTS

The Municipality records its financial instruments at either fair value or amortized cost.

Financial instruments classified at amortized cost and cash equivalents, taxes receivable, accounts receivable, accounts payable and accrued liabilities and long-term debt. They are initially recorded at their fair value and subsequently carried at amortized cost using the effective interest rate method, less impairment. Transaction costs are added to the carrying value of the instrument.

#### MEASUREMENT UNCERTAINTY

Certain items recognized in the consolidated financial statements are subject to measurement uncertainty. The recognized amounts of such items are based on the Municipality's best information and judgment.

The amounts recorded for asset retirement obligations are based on the estimated amount required to ultimately remediate the liability and depend on estimates of usage, remaining life, inflation rates and discount rates.

The amounts recorded for amortization and opening costs of tangible capital assets are based on estimates of useful life, residual values and valuation rates.

By their nature, these estimates are subject to measurement uncertainty and the effect on the consolidated financial statements of changes in such estimates in future periods could be significant.

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### 3. FUTURE ACCOUNTING PRONOUNCEMENTS

These standards and amendments were not effective in the year ended December 31, 2023, and have therefore not been applied in preparing these consolidated financial statements. Management is currently assessing the impact of the following accounting standards updates on the future consolidated financial statements.

Section PS 3400 - Revenue, establishes standards on how to account for and report on revenue, specifically differentiating between transactions that include performance obligations (i.e. the payor expects a good or service from the public sector entity), referred to as exchange transactions, and transactions that do not have performance obligations, referred to as non-exchange transactions. This section applies to fiscal years beginning on or after April 1, 2023. Early adoption is permitted.

# THE CORPORATION OF THE TOWNSHIP OF MATTICE - VAL CÔTÉ

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023

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### 3. FUTURE ACCOUNTING PRONOUNCEMENTS, (CONT'D)

Guideline PSG-8 - Purchased Intangibles, provides guidance on the accounting and reporting for purchased intangible assets that are acquired through arm's length exchange transactions between knowledgeable, willing parties that are under no compulsion to act. This guideline applies to fiscal years beginning on or after April 1, 2023. Early adoption is permitted.

Section PS 3160 - Public Private Partnerships, provides specific guidance on the accounting and reporting for public private partnerships between public and private sector entities where the public sector entity procures infrastructure using a private sector partner. This section applies to fiscal years beginning on or after April 1, 2023. Early adoption is permitted.

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### 4. CHANGE IN ACCOUNTING POLICIES

On January 1, 2023, the Municipality adopted the following standards on a prospective basis: PS 1201 Financial Statement Presentation, PS 2601 Foreign Currency Translation, PS 3041 Portfolio Investments and PS 3450 Financial Instruments. The adoption of these standards had no impact on the opening balances.

PS 1201 Financial Statement Presentation replaces PS 1200 Financial Statement Presentation. The 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.

PS 2601 Foreign Currency Translation replaces PS 2600 Foreign Currency Translation. The standard requires monetary assets and liabilities denominated in a foreign currency and non-monetary items denominated in a foreign currency that are reported at fair value, to be adjusted to reflect the exchange rates in effect at the financial statement date. Unrealized gains and losses arising from foreign currency changes are presented in the new statement of remeasurement gains and losses.

# THE CORPORATION OF THE TOWNSHIP OF MATTICE - VAL CÔTÉ

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023

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### 4. CHANGE IN ACCOUNTING POLICIES, (CONT'D)

PS 3041 Portfolio Investments replaces PS 3040 Portfolio Investments. The standard provides revised guidance on accounting for, and presentation and disclosure of, portfolio investments to conform to PS 3450 Financial Instruments. The distinction between temporary and portfolio investments has been removed in the new standard, and upon adoption, PS 3030 Temporary Investments no longer applies.

PS 3450 Financial Instruments establishes accounting and reporting requirements for all types of financial instruments including derivatives. The standard requires fair value measurement of derivatives and portfolio investments in equity instruments that are quoted in an active market. All other financial instruments will generally be measured at cost or amortized cost. Unrealized gains and losses arising from changes in fair value are presented in the statement of remeasurement gains and losses.

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### 5. ADOPTION OF NEW ACCOUNTING STANDARDS

On January 1, 2023, the Corporation adopted the following standards on a modified retroactive basis.

PS 3280, Asset Retirement Obligations was adopted on January 1, 2023. Asset retirement obligations are legal financial obligations associated with the retirement of capital assets in which a duty or responsibility exists to properly remove or dispose of the capital assets at some future date in time. Management has adopted the modified retroactive application.

In the past, the Corporation reported its obligations relating to the retirement of its landfill including closure and post-closure activities provided for over the estimated remaining life of the landfill site based on usage.

The new standard requires the recognition of a liability for legal obligations that exist as a result of the acquisition, construction or development of a tangible capital asset, or that result from the normal use of the asset when the asset is recorded and replaces Section 3270 Solid Waste Landfill Closure and Post-Closure Liability.

As a result of the application of this accounting standard, as of January 1, 2023, an asset retirement obligation of \$146,224 has been recognized as a liability in the consolidated statement of financial position. These obligations represent the estimated costs of retiring assets owned by the Municipality.

The adoption of PS 3280 Asset Retirement Obligations (ARO) has been applied to the comparative period as follows:

**THE CORPORATION OF THE TOWNSHIP OF  
MATTICE - VAL CÔTÉ**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**DECEMBER 31, 2023**

**5. ADOPTION OF NEW ACCOUNTING STANDARDS, (CONT'D)**

	<b>2022</b>		
	<b>As previously stated</b>	<b>Adjustments</b>	<b>(Restated note 5)</b>
<b>Statement of Financial Position</b>			
Asset retirement obligations	\$ -	\$ 146,224	\$ 146,224
Landfill closure and post-closure	86,000	(86,000)	-
Tangible capital assets	6,751,188	44,044	6,795,232
Accumulated surplus	8,004,977	(16,180)	7,988,797
<b>Statement of Operations and Accumulated Surplus</b>			
Environmental services	490,724	(23,005)	467,719
Adjustments related to adoption of new standards	-	39,185	39,185
Accumulated surplus, end of year	8,004,977	(16,180)	7,988,797
<b>Statement of Changes in Net Assets</b>			
Annual surplus	511,854	23,005	534,859
Amortization of tangible capital assets	318,951	2,753	321,704
Adjustments related to adoption of new standards	-	(85,982)	(85,982)
Net assets, end of year	1,232,324	(60,224)	1,172,100
<b>Statement of Cash Flows</b>			
Annual surplus	511,854	23,005	534,859
Amortization of tangible capital assets	318,951	2,753	321,704
Increase in landfill closure and post-closure liability	26,000	(26,000)	-
Increase in asset retirement obligations	-	242	242
<b>Note 16 - Tangible Capital Assets</b>			
Land improvement (opening cost)	84,148	121,121	205,269
Land improvement (opening acc. amort.)	51,613	77,077	128,690
Land improvement - net book value	32,535	44,044	76,579
Environmental services	2,708,753	44,044	2,752,797

**THE CORPORATION OF THE TOWNSHIP OF  
MATTICE - VAL CÔTÉ**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**DECEMBER 31, 2023**

**5. ADOPTION OF NEW ACCOUNTING STANDARDS, (CONT'D)**

**Note 17 - Accumulated Surplus**

Invested in Tangible Capital Assets	\$ 6,751,188	\$ 44,044	\$ 6,795,232
General Surplus - Municipality	623,803	(60,224)	563,579

**Segmented information - page 34**

Materials	491,521	(25,758)	465,763
Amortization	318,951	2,753	321,704

**Analysis of expenses - Environmental services  
Waster Collection, Disposal and Recycling**

Provision for landfill	26,000	(26,000)	-
Amortization	4,034	2,753	6,787
Accretion expense	-	242	242

**6. OPERATIONS OF SCHOOL BOARDS**

Further to note 2, the taxation, other revenues and expenses relating to the school boards are comprised of the following:

	<b>Public</b>	<b>Separate</b>	<b>2023</b>	<b>2022</b>
Revenues raised and transferred to boards:				
Regular tax levy	\$ 132,041	\$ 144,184	\$ 276,225	\$ 276,349
Write-offs and adjustments	(3,327)	(3,560)	(6,887)	(6,732)
	<u>\$ 128,714</u>	<u>\$ 140,624</u>	<u>\$ 269,338</u>	<u>\$ 269,617</u>

**THE CORPORATION OF THE TOWNSHIP OF  
MATTICE - VAL CÔTÉ**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**DECEMBER 31, 2023**

**7. CONTRIBUTION TO NON-CONSOLIDATED ENTITIES**

Further to note 2 “Non-Consolidated Joint Local Boards”, the following contributions were made by the municipality to these entities:

	<b>Budget (Note 21)</b>	<b>Actual 2023</b>	<b>Actual 2022</b>
Porcupine Health Unit	\$ 28,670	\$ 28,668	\$ 27,396
District of Cochrane Social Services Administration Board	189,230	179,336	181,762
	<u>\$ 217,900</u>	<u>\$ 208,004</u>	<u>\$ 209,158</u>

The municipality is contingently liable for its share of any accumulated deficits as at the end of the year.

**8. TRUST FUND**

Trust fund administered by the municipality amounting to \$56,585 (2022 - \$54,690) have not been included on the Consolidated Statement of Financial Position nor have their operations been included in these financial statements.

**9. TAXES RECEIVABLE**

	<b>2023</b>	<b>2022</b>
Current year	\$ 8,424	\$ 27,536
Prior year	25,248	44,614
Previous years	90,866	109,496
Penalty and interest	85,512	85,964
Allowance for doubtful accounts	<u>(121,018)</u>	<u>(86,419)</u>
	<u>\$ 89,032</u>	<u>\$ 181,191</u>

**THE CORPORATION OF THE TOWNSHIP OF  
MATTICE - VAL CÔTÉ**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**DECEMBER 31, 2023**

**10. ACCOUNTS RECEIVABLE**

	<b>2023</b>	<b>2022</b>
Trade	\$ 28,768	\$ 14,355
Government of Canada	82,125	263,988
Province of Ontario	31,948	141,849
Other	285	617
	<u>\$ 143,126</u>	<u>\$ 420,809</u>

**11. BANK INDEBTEDNESS**

The municipality has an authorized line of credit of \$250,000 bearing interest at prime plus 0.25% and is secured by a general assignment of the municipal's assets and is not used at year-end.

**12. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	<b>2023</b>	<b>2022</b>
Trade	\$ 185,120	\$ 178,582
Payroll related	39,239	43,028
Accrued expenses	18,500	18,000
School boards	-	65,822
	<u>\$ 242,859</u>	<u>\$ 305,432</u>



**THE CORPORATION OF THE TOWNSHIP OF  
MATTICE - VAL CÔTÉ**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**DECEMBER 31, 2023**

**13. DEFERRED REVENUES - OBLIGATORY RESERVE FUNDS**

Revenues received that should be used in the next year and have been set aside for specific purposes by legislation, regulation or agreement, are included in deferred revenue. These revenues may only be used in the conduct of certain programs or in the completion of specific work.

Details of these deferred revenues and obligatory reserve funds are as follows:

	<b>Balance, beginning</b>	<b>Received</b>	<b>Utilized</b>	<b>Balance, ending</b>
<b>DEFERRED REVENUES</b>				
Donations	\$ 10,217	\$ 40,600	\$ 5,665	\$ 45,152
Northern Ontario Resource Development Support Fund	128,196	65,851	70,345	123,702
Safe restart - COVID-19	7,465	-	1,709	5,756
Trillium Foundation of Ontario	-	135,000	14,238	120,762
	<u>145,878</u>	<u>241,451</u>	<u>91,957</u>	<u>295,372</u>
<b>OBLIGATORY RESERVE FUNDS</b>				
Canada Community - Building Fund	248,223	49,739	11,834	286,128
Ontario Community Infrastructure Fund	130,819	121,234	85,000	167,053
	<u>379,042</u>	<u>170,973</u>	<u>96,834</u>	<u>453,181</u>
	<u>\$ 524,920</u>	<u>\$ 412,424</u>	<u>\$ 188,791</u>	<u>\$ 748,553</u>

**THE CORPORATION OF THE TOWNSHIP OF  
MATTICE - VAL CÔTÉ**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**DECEMBER 31, 2023**

**14. ASSET RETIREMENT OBLIGATIONS**

	<b>2023</b>	<b>(Restated note 5) 2022</b>
Balance, beginning of year	\$ 146,224	\$ -
Opening balance adjustment	-	145,982
Accretion expense	614	242
Balance, end of year	\$ 146,838	\$ 146,224

*Landfill*

The Environmental Protection Act sets out the regulatory requirements to properly close and maintain all active and inactive landfill sites. Under environmental law, there is a requirement for closure and post-closure care of solid waste landfill sites. This requirement is to be provided for over the estimated remaining life of the landfill site based on usage.

The main components of the landfill closure plan are final capping using selected specific layers of earthen materials based on an engineered cap design and implementation of a drainage management plan. The post-closure maintenance requirements will involve cap maintenance, installation of monitoring wells, groundwater monitoring, inspections and annual reports.

The reported liability is based on estimates and assumptions with respect to events extending over the estimated remaining useful life using the best information available to management. Future events may result in significant changes to the estimated total expense, capacity used or total capacity and the estimated liability, and would be recognized prospectively, as a change in estimate, when applicable. The most recent capacity study for the landfill site was performed in a report dated December 9, 2019.

Estimated total expenses represent the sum of the discounted future cash flows for closure and post-closure care activities discounted at the municipality's average long-term borrowing rate of 4.49%.

The estimated remaining capacity of the landfill site is 38% of its total estimated capacity and its estimated remaining life is approximately 17 years. The period for post-closure care is estimated to be 15 years.

**THE CORPORATION OF THE TOWNSHIP OF  
MATTICE - VAL CÔTÉ**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**DECEMBER 31, 2023**

**14. ASSET RETIREMENT OBLIGATIONS, (CONT'D)**

*Asbestos removal*

The Municipality owns buildings which contain asbestos, and therefore, the Municipality is legally required to perform abatement activities upon renovation or demolition of these assets. Abatement activities include handling and disposing of the asbestos in a prescribed manner when it is disturbed. The timing of post-closure care cannot yet be reasonably estimated.

*Septic systems, drinking water wells and monitoring wells*

The Municipality owns monitoring wells which represent an environmental hazard upon removal and decommissioning and there are legal obligations regarding how the must be removed. The timing of post-closure care cannot yet be reasonably estimated.

**15. LONG-TERM DEBT**

	<b>2023</b>	<b>2022</b>
<b>TRANSPORTATION SERVICES</b>		
Caisse populaire Alliance Limitée, 4,49%, payable in blended monthly payments of \$778, due in 2024, secured by a vehicle with a net book value of \$18,790	\$ 6,867	\$ 15,674
Caisse populaire Alliance Limitée, 4,49%, payable in blended monthly payments of \$2,569 due in 2024, secured by a vehicle with a net book value of \$63,843	<u>25,166</u>	<u>54,158</u>
	<u>\$ 32,033</u>	<u>\$ 69,832</u>

The principal repayments due are as follows:

2024	<u>\$ 32,033</u>
------	------------------

During the year, the municipality paid the following long-term debt charges:

	<b>2023</b>	<b>2022</b>
Principal payments	\$ 37,799	\$ 36,138
Interest charges	<u>2,365</u>	<u>4,026</u>
	<u>\$ 40,164</u>	<u>\$ 40,164</u>

**THE CORPORATION OF THE TOWNSHIP OF  
MATTICE - VAL CÔTÉ**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**DECEMBER 31, 2023**

**16. TANGIBLE CAPITAL ASSETS**

<b>Cost</b>	<b>(Restated note 5) Balance at December 31, 2022</b>		<b>Additions</b>	<b>Disposals</b>	<b>Balance at December 31, 2023</b>			
Land and vacant land	\$	418,257	\$	-	\$	418,257		
Land improvements		205,269		152,164		357,433		
Buildings		5,666,473		165,166		5,831,639		
Vehicles, machinery and equipment		2,136,423		47,380		2,183,803		
Furniture and fixtures		131,653		-		131,653		
Computers		103,723		-	(14,011)	89,712		
Roads		5,623,451		70,344		5,693,795		
Water		589,639		-		589,639		
Sewer		2,001,389		38,015		2,039,404		
	\$	16,876,277	\$	473,069	\$	(14,011)	\$	17,335,335

<b>Accumulated Amortization</b>	<b>(Restated note 5) Balance at December 31, 2022</b>		<b>Disposals</b>	<b>Amortization</b>	<b>Balance at December 31, 2023</b>			
Land improvements		128,690		-	12,181	140,871		
Buildings		3,010,726		-	89,303	3,100,029		
Vehicle, machinery and equipment		1,616,713		-	61,849	1,678,562		
Furniture and fixtures		93,874		-	5,682	99,556		
Computers		92,548		(14,011)	3,725	82,262		
Roads		3,534,483		-	99,327	3,633,810		
Water		462,982		-	11,793	474,775		
Sewer		1,141,029		-	45,784	1,186,813		
	\$	10,081,045	\$	(14,011)	\$	329,644	\$	10,396,678

**THE CORPORATION OF THE TOWNSHIP OF  
MATTICE - VAL CÔTÉ**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**DECEMBER 31, 2023**

**16. TANGIBLE CAPITAL ASSETS, (CONT'D)**

<b>Net Book Value</b>	<b>Balance at December 31, 2023</b>	<b>(Restated note 5) Balance at December 31, 2022</b>
Land and vacant land	\$ 418,257	\$ 418,257
Land improvements	216,562	76,579
Buildings	2,731,610	2,655,747
Vehicles, machinery and equipment	505,241	519,710
Furniture and fixtures	32,097	37,779
Computers	7,450	11,175
Roads	2,059,985	2,088,968
Water	114,864	126,657
Sewer	852,591	860,360
	<b>\$ 6,938,657</b>	<b>\$ 6,795,232</b>

During the year, \$14,011 of tangible capital assets were written down or disposed (2022 - \$nil).

Distribution by segment is as follows:

	<b>2023</b>	<b>(Restated note 5) 2022</b>
General government services	\$ 277,802	\$ 305,312
Protection services	315,107	337,580
Transportation services	2,387,959	2,446,125
Environmental services	2,846,289	2,752,797
Health, social and family services	93,982	96,551
Recreation and cultural services	1,017,518	856,867
	<b>\$ 6,938,657</b>	<b>\$ 6,795,232</b>

**THE CORPORATION OF THE TOWNSHIP OF  
MATTICE - VAL CÔTÉ**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**DECEMBER 31, 2023**

**17. ACCUMULATED SURPLUS**

Accumulated surplus consist of the following:

	<b>2023</b>	<b>(Restated note 5) 2022</b>
<b>RESERVES SET ASIDE FOR SPECIFIC PURPOSES BY THE COUNCIL</b>		
Economic Development	\$ 31,774	\$ 31,774
Facilities	25,000	25,000
Landfill site	170,609	170,609
Mobile equipment	50,000	50,000
Street, roads & bridges	100,000	100,000
Water & sewer	131,000	131,000
	<u>508,383</u>	<u>508,383</u>
<b>INVESTED IN TANGIBLE CAPITAL ASSETS</b>	<u>6,938,657</u>	<u>6,795,232</u>
GENERAL SURPLUS - MUNICIPALITY	873,248	563,579
GENERAL SURPLUS - ARENA FUND	23,058	22,565
GENERAL SURPLUS - CEMETARY	86,520	80,483
GENERAL SURPLUS - LIBRARY	21,125	18,555
	<u>1,003,951</u>	<u>685,182</u>
	<u>\$ 8,450,991</u>	<u>\$ 7,988,797</u>

# THE CORPORATION OF THE TOWNSHIP OF MATTICE - VAL CÔTÉ

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023

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### 18. PENSION AGREEMENTS

The municipality makes contributions to the Ontario Municipal Employees Retirement Fund (OMERS), which is a multi-employer plan. The plan is a defined benefit plan which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay. Employers and employees contribute jointly to the plan. OMERS provides pension services to more than 450,000 active and retired members and approximately 1,000 employers. Each year an independent actuary determines the funding status of OMERS Primary Pension Plan (the Plan) by comparing the actuarial value of invested assets to the estimated present value of all pension benefits that members have earned to date. The most recent actuarial valuation of the Plan was conducted at December 31, 2023. The results of this valuation disclosed a total accrued pension obligation of \$134,574 millions (2022 - \$128,789 millions) in respect of benefits with net assets available for benefits at that date of \$130,372 millions (2022 - \$124,382 millions) indicating an actuarial deficit of \$4,202 millions (2022 - \$6,678 millions). The primary plan's funded ratio of assets to pension obligation was 97% (2022 - 95%). 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 municipality does not recognize any share of the OMERS pension surplus or deficit.

Contributions made by the municipality to OMERS in 2023 were \$41,577 (2022 - \$35,490). Employer contributions are included as an expense on the Consolidated Statement of Operations and Accumulated Surplus.

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# THE CORPORATION OF THE TOWNSHIP OF MATTICE - VAL CÔTÉ

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023

### 19. COMMITMENTS

- (a) The municipality has entered into the following long-term agreements:
- (i) Rock Solid Computer Services - Agreement starts on January 1st, 2024 and ending on December 31st, 2026 to provide various IT services at an annual cost of \$9,375 per year.
  - (ii) Ontario Clean Water Agency (OCWA) - Agreement was renewed starting on January 1st, 2020 and ending on December 31st, 2029 to provide supervision, operation and maintenance services for the water treatment plant and lagoon at an annual cost of \$165,223 in the first year and indexed to inflation in subsequent years.
  - (iii) Ministry of Natural Resources (MNR) - Agreement starting on April 1st, 2018 and ending on April 1st, 2028 to provide forest fire protection at an annual cost of \$8,714 in the first year and indexed to inflation in subsequent years.
  - (iv) Foyer des Pionniers - Agreement started on May 2005 and ending on March 2024 to provide financial assistance with the capital costs incurred for the construction of the nursing home, at an annual cost of \$35,000 and \$8,750 in the last year.

	2024	2025	2026	2027	2028	Total
General government services	\$ 9,375	\$ 9,375	\$ 9,375	\$ -	\$ -	\$ 28,125
Environmental services	188,669	192,443	196,292	200,218	204,222	981,844
Protection services	9,434	9,434	9,434	9,434	2,359	40,095
Health Services	8,750	-	-	-	-	8,750
	<u>\$ 216,228</u>	<u>\$ 211,252</u>	<u>\$ 215,101</u>	<u>\$ 209,652</u>	<u>\$ 206,581</u>	<u>\$ 1,058,814</u>

- (b) The municipality has signed agreements with various suppliers for a total amount of \$66,173. As of December 31st, 2023, no expenses were incurred relating to the signed agreements.



# THE CORPORATION OF THE TOWNSHIP OF MATTICE - VAL CÔTÉ

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023

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### 20. SEGMENTED INFORMATION

The municipality is a municipal government institution that provides a range of services to its citizens. Municipal services are reported by function and their activities are separately disclosed in the Schedule of Segmented Information (pages 27 - 28). The nature of the segments and the activities they encompass are as follows:

#### *General Government services*

General government consists of the activities of Council and general financial and administrative management of the municipality and its programs and services.

#### *Protection Services*

Protection services include police and fire services.

#### *Transportation Services*

Transportation services include construction and maintenance of the municipality's roads and bridges, winter control and street lighting.

#### *Environmental Services*

This function is responsible for providing water and sewer services to certain areas within the municipality. It is also responsible for providing waste collection, waste disposal and recycling services.

#### *Health Services*

Health services consists of the activities of the cemetery and other medical services.

#### *Social and Family Services*

This function provides general assistance for social and family services.

#### *Recreation and Cultural Services*

Recreation and cultural services provide indoor and outdoor recreational facilities and programs and library services.

#### *Planning and Development Services*

The planning and development services function manages commercial, industrial and residential development within the municipality.

**THE CORPORATION OF THE TOWNSHIP OF  
MATTICE - VAL CÔTÉ**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**DECEMBER 31, 2023**

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**20. SEGMENTED INFORMATION, (CONT'D)**

The accounting policies used in these segments are the same as those described in note 2. For each reported segment, revenues and expenses represent amounts that are directly attributable to each segment. Tax revenues are reported as part of General Government.

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**21. BUDGET AMOUNTS**

The budgets approved by the Corporation and consolidated entities for 2023 is reflected on the consolidated statement of operations and the accompanying schedules and was prepared on a cash flow basis. 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. The related amortization are not included in the budgets approved by the Council. Budgets figure have not been audited.

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**Approved budget:**

Budgeted annual deficit	\$ (9,635)
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**Adjustments:**

Tangible capital assets expenses	<u>681,200</u>
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<b>Budgeted Annual Surplus per Financial Statements</b>	<b>\$ 671,565</b>
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**22. COMPARATIVE FIGURES**

The Consolidated Financial Statements have been reclassified, where applicable, to conform to the presentation used in the current year. These changes do not affect prior year surplus/deficit.

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# THE CORPORATION OF THE TOWNSHIP OF MATTICE - VAL CÔTÉ

## SEGMENTED INFORMATION

YEAR ENDED DECEMBER 31, 2023

	General Government Services	Protection Services	Trans- portation Services	Environ- mental Services	Health, Social and Family Services	Recreation and Cultural Services	Planning and Development Services	2023	(Restated note 5) 2022
<b>REVENUES</b>									
Taxation and user charges	\$ 59,050	\$ 206,289	\$ 369,271	\$ 400,621	\$ 268,345	\$ 191,448	\$ 15,740	\$ 1,510,764	\$ 1,455,924
Fees and services charges	38,948	12,717	-	-	6,773	1,058	-	59,496	24,333
Government transfers	366,903	-	-	11,834	-	9,936	-	388,673	438,347
Other revenues	83,915	-	32,457	169,310	15,402	14,055	-	315,139	167,417
	548,816	219,006	401,728	581,765	290,520	216,497	15,740	2,274,072	2,086,021
<b>EXPENSES</b>									
Salaries and benefits	272,737	19,079	203,969	62,305	3,339	90,753	7,140	659,322	620,712
Materials	84,260	36,743	167,850	146,102	6,333	99,254	2,488	543,030	465,763
Tax registration and write-offs	56,621	-	-	-	-	-	-	56,621	9,459
Contracted services	99,439	128,146	3,903	193,285	10,634	5,891	-	441,298	408,945
Rents and financial	977	-	2,365	-	-	-	-	3,342	5,002
External transfers	-	-	-	-	243,004	-	-	243,004	244,158
Amortization	27,511	22,474	139,620	122,315	2,569	15,155	-	329,644	321,704
	541,545	206,442	517,707	524,007	265,879	211,053	9,628	2,276,261	2,075,743

# THE CORPORATION OF THE TOWNSHIP OF MATTICE - VAL CÔTÉ

## SEGMENTED INFORMATION

YEAR ENDED DECEMBER 31, 2023

	General Government Services	Protection Services	Trans- portation Services	Environ- mental Services	Health, Social and Family Services	Recreation and Cultural Services	Planning and Development Services	2023	(Restated note 5) 2022
<b>REVENUES OVER EXPENSES (EXPENSES OVER REVENUES)</b>	7,271	12,564	(115,979)	57,758	24,641	5,444	6,112	(2,189)	10,278
<b>OTHER</b>									
Government transfers - capital	-	-	80,345	214,436	-	163,937	-	458,718	524,581
Donations - capital	-	-	-	3,201	-	2,464	-	5,665	-
	-	-	80,345	217,637	-	166,401	-	464,383	524,581
<b>ANNUAL SURPLUS (DEFICIT)</b>	\$ 7,271	\$ 12,564	\$ (35,634)	\$ 275,395	\$ 24,641	\$ 171,845	\$ 6,112	\$ 462,194	\$ 534,859

# THE CORPORATION OF THE TOWNSHIP OF MATTICE - VAL CÔTÉ

## ANALYSIS OF REVENUES

YEAR ENDED DECEMBER 31, 2023

	Budget (Note 21)	Actual 2023	(Restated note 5) 2022
<b>TAXATION AND USER CHARGES</b>			
Municipal	\$ 1,242,371	\$ 1,242,450	\$ 1,191,659
Education	263,071	269,338	269,617
Supplementary	500	1,318	3,345
Payments in lieu of taxes	7,465	7,467	7,467
Sewer and water rates	295,674	259,529	253,453
<b>TOTAL LEVIED</b>	<b>1,809,081</b>	<b>1,780,102</b>	<b>1,725,541</b>
<b>LESS: LEVIED FOR SCHOOL BOARDS</b>	<b>(263,071)</b>	<b>(269,338)</b>	<b>(269,617)</b>
	<b>1,546,010</b>	<b>1,510,764</b>	<b>1,455,924</b>
<b>FEES AND SERVICE CHARGES</b>	<b>12,755</b>	<b>59,496</b>	<b>24,333</b>
<b>GOVERNMENT TRANSFERS - OPERATIONS</b>			
Ontario Municipal Partnership Funds	343,400	343,400	347,900
Library	4,565	6,207	4,495
Employment projects	4,340	3,729	4,725
Federation of Canadian Municipalities	-	-	43,641
Fednor	-	21,794	-
Federal gas tax fund	-	11,834	27,410
OCIF	40,000	-	-
Other	440	-	-
Safe restart - COVID-19	2,000	1,709	5,486
Trillium Foundation of Ontario	-	-	4,690
	<b>394,745</b>	<b>388,673</b>	<b>438,347</b>
<b>OTHER REVENUES</b>			
Penalties and interest on taxes	30,000	27,694	33,367
Licences, permits and fines	10,625	11,148	3,428
Donations	-	9,391	24,525
Investment income	24,000	39,972	16,870
Rentals	53,925	55,479	57,885
Sales and other	17,405	5,863	5,345
Site decommissioning	-	165,592	26,250
	<b>135,955</b>	<b>315,139</b>	<b>167,670</b>
<b>TOTAL REVENUES</b>	<b>\$ 2,089,465</b>	<b>\$ 2,274,072</b>	<b>\$ 2,086,274</b>

**THE CORPORATION OF THE TOWNSHIP OF  
MATTICE - VAL CÔTÉ**

**ANALYSIS OF EXPENSES**

**YEAR ENDED DECEMBER 31, 2023**

	<b>Budget (Note 21)</b>	<b>Actual 2023</b>	<b>(Restated note 5) 2022</b>
<b>GENERAL GOVERNMENT SERVICES</b>			
MEMBERS OF COUNCIL			
Salaries and benefits	\$ 34,685	\$ 34,336	\$ 33,476
Materials	23,000	10,874	11,287
	<u>57,685</u>	<u>45,210</u>	<u>44,763</u>
GENERAL ADMINISTRATION			
Salaries and benefits	244,260	238,401	216,972
Materials	85,199	73,386	84,989
Tax registration and write-offs	1,075	56,621	9,459
Contracted services	68,970	99,439	87,458
Rents and financial	1,000	977	882
	<u>400,504</u>	<u>468,824</u>	<u>399,760</u>
AMORTIZATION	<u>-</u>	<u>27,511</u>	<u>32,034</u>
	<u>\$ 458,189</u>	<u>\$ 541,545</u>	<u>\$ 476,557</u>

**THE CORPORATION OF THE TOWNSHIP OF  
MATTICE - VAL CÔTÉ**

**ANALYSIS OF EXPENSES**

**YEAR ENDED DECEMBER 31, 2023**

	<b>Budget (Note 21)</b>	<b>Actual 2023</b>	<b>(Restated note 5) 2022</b>
<b>PROTECTION SERVICES</b>			
<b>FIRE</b>			
Salaries and benefits	\$ 24,405	\$ 18,059	\$ 17,168
Materials	71,180	36,743	40,984
Contracted services	11,845	11,580	10,476
	<u>107,430</u>	<u>66,382</u>	<u>68,628</u>
<b>POLICING</b>			
Contracted services	<u>113,960</u>	<u>111,456</u>	<u>112,380</u>
<b>PROTECTIVE INSPECTION AND CONTROL</b>			
Salaries and benefits	1,020	1,020	1,448
Materials	50	-	-
	<u>1,070</u>	<u>1,020</u>	<u>1,448</u>
<b>BUILDING PERMIT AND INSPECTION SERVICES</b>			
Salaries and benefits	5,570	-	-
Contracted services	-	5,110	4,019
	<u>120,600</u>	<u>117,586</u>	<u>117,847</u>
<b>AMORTIZATION</b>			
	<u>-</u>	<u>22,474</u>	<u>22,474</u>
	<u>\$ 228,030</u>	<u>\$ 206,442</u>	<u>\$ 208,949</u>

**THE CORPORATION OF THE TOWNSHIP OF  
MATTICE - VAL CÔTÉ**

**ANALYSIS OF EXPENSES**

**YEAR ENDED DECEMBER 31, 2023**

	<b>Budget (Note 21)</b>	<b>Actual 2023</b>	<b>(Restated note 5) 2022</b>
<b>TRANSPORTATION SERVICES</b>			
<b>ROADWAYS</b>			
Salaries and benefits	\$ 179,935	\$ 166,337	\$ 155,952
Materials	142,923	152,942	121,430
Contracted services	16,250	3,903	3,627
Rents and financial	2,825	2,365	4,120
	<u>341,933</u>	<u>325,547</u>	<u>285,129</u>
<b>WINTER CONTROL</b>			
Salaries and benefits	42,500	37,632	37,342
Materials	-	4,424	-
	<u>42,500</u>	<u>42,056</u>	<u>37,342</u>
<b>STREET LIGHTING</b>			
Materials	<u>9,950</u>	<u>10,484</u>	<u>5,849</u>
<b>AMORTIZATION</b>			
	<u>-</u>	<u>139,620</u>	<u>134,962</u>
	<u>\$ 394,383</u>	<u>\$ 517,707</u>	<u>\$ 463,282</u>



**THE CORPORATION OF THE TOWNSHIP OF  
MATTICE - VAL CÔTÉ**

**ANALYSIS OF EXPENSES**

**YEAR ENDED DECEMBER 31, 2023**

	<b>Budget (Note 21)</b>	<b>Actual 2023</b>	<b>(Restated note 5) 2022</b>
<b>ENVIRONMENTAL SERVICES</b>			
<b>SANITARY SEWER SYSTEM</b>			
Salaries and benefits	\$ 5,750	\$ 3,158	\$ 3,587
Materials	10,000	4,839	1,669
Contracted services	31,275	25,777	24,604
Amortization	-	46,882	46,502
	<u>47,025</u>	<u>80,656</u>	<u>76,362</u>
<b>WATERWORKS SYSTEM</b>			
Salaries and benefits	6,750	2,905	4,792
Materials	121,275	119,381	100,657
Contracted services	161,700	160,094	150,381
Amortization	-	68,699	66,515
	<u>289,725</u>	<u>351,079</u>	<u>322,345</u>
<b>WASTE COLLECTION, DISPOSAL AND RECYCLING</b>			
Salaries and benefits	54,110	56,242	46,036
Materials	26,915	21,268	12,673
Contracted services	10,000	7,414	3,274
Accretion expense	-	614	242
Amortization	-	6,734	6,787
	<u>91,025</u>	<u>92,272</u>	<u>69,012</u>
	<u>\$ 427,775</u>	<u>\$ 524,007</u>	<u>\$ 467,719</u>

**THE CORPORATION OF THE TOWNSHIP OF  
MATTICE - VAL CÔTÉ**

**ANALYSIS OF EXPENSES**

**YEAR ENDED DECEMBER 31, 2023**

	<b>Budget (Note 21)</b>	<b>Actual 2023</b>	<b>(Restated note 5) 2022</b>
<b>HEALTH, SOCIAL AND FAMILY SERVICES</b>			
<b>HEALTH SERVICES</b>			
<b>PUBLIC HEALTH SERVICES</b>			
External transfers	\$ 28,670	\$ 28,668	\$ 27,396
<b>AMBULANCE SERVICES</b>			
External transfers	68,220	68,217	61,856
<b>CEMETERIES</b>			
Salaries and benefits	-	873	939
Materials	5,100	5,549	4,883
Amortization	-	1,569	1,569
	5,100	7,991	7,391
<b>MEDICAL CENTRE</b>			
Salaries and benefits	6,020	2,466	3,450
Materials	3,750	784	1,146
Contracted services	12,000	10,634	7,303
Amortization	-	1,000	1,000
	21,770	14,884	12,899
<b>SOCIAL AND FAMILY SERVICES</b>			
<b>GENERAL ASSISTANCE</b>			
External transfers	121,010	111,119	119,906
<b>ASSISTANCE TO AGED PERSONS</b>			
External transfers	35,000	35,000	35,000
	\$ 279,770	\$ 265,879	\$ 264,448

**THE CORPORATION OF THE TOWNSHIP OF  
MATTICE - VAL CÔTÉ**

**ANALYSIS OF EXPENSES**

**YEAR ENDED DECEMBER 31, 2023**

	<b>Budget (Note 21)</b>	<b>Actual 2023</b>	<b>(Restated note 5) 2022</b>
<b>RECREATION AND CULTURAL SERVICES</b>			
<b>PARKS</b>			
Salaries and benefits	\$ 44,710	\$ 40,405	\$ 36,293
Materials	11,876	10,857	13,082
Contracted services	6,550	2,986	506
	<u>63,136</u>	<u>54,248</u>	<u>49,881</u>
<b>RECREATION FACILITIES</b>			
Salaries and benefits	9,485	4,913	8,105
Materials	86,015	73,982	52,554
Amortization	-	12,768	7,225
	<u>95,500</u>	<u>91,663</u>	<u>67,884</u>
<b>LIBRARY</b>			
Salaries and benefits	46,939	45,435	47,431
Materials	10,381	14,155	12,247
Contracted Services	2,420	2,905	4,917
External transfers	2,100	-	-
Amortization	-	2,387	2,636
	<u>61,840</u>	<u>64,882</u>	<u>67,231</u>
<b>CULTURAL SERVICES</b>			
Donations	275	260	260
	<u>\$ 220,751</u>	<u>\$ 211,053</u>	<u>\$ 185,256</u>
<b>PLANNING AND DEVELOPMENT SERVICES</b>			
Salaries and benefits	\$ 7,140	\$ 7,140	\$ 7,721
Materials	8,600	2,488	1,811
	<u>\$ 15,740</u>	<u>\$ 9,628</u>	<u>\$ 9,532</u>

**THE CORPORATION OF THE TOWNSHIP OF  
MATTICE - VAL CÔTÉ**

**ARENA FUND COMMITTEE**

**STATEMENT OF OPERATIONS AND FINANCIAL POSITION**

**DECEMBER 31, 2023**

	<b>2023</b>	<b>2022</b>
<b>REVENUES</b>		
Investment income	\$ 493	\$ 185
<b>ANNUAL SURPLUS</b>	493	185
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR</b>	22,565	22,380
<b>ACCUMULATED SURPLUS, END OF YEAR (Note 17)</b>	\$ 23,058	\$ 22,565
<b>ACCUMULATED SURPLUS IS COMPRISED OF:</b>		
Cash	\$ 23,058	\$ 22,565

**THE CORPORATION OF THE TOWNSHIP OF  
MATTICE - VAL CÔTÉ**

**PUBLIC CEMETERY COMMITTEE**

**STATEMENT OF OPERATIONS AND FINANCIAL POSITION**

**DECEMBER 31, 2023**

	<b>2023</b>	<b>2022</b>
<b>REVENUES</b>		
Sales and burial fees	\$ 1,930	\$ 1,681
Sales of niches	4,675	3,475
Investment income	1,976	768
Municipal contribution	5,100	4,826
Other revenues	168	-
	<u>13,849</u>	<u>10,750</u>
<b>EXPENSES</b>		
Salaries and benefits	873	939
Materials	5,549	4,883
Amortization	1,390	1,390
	<u>7,812</u>	<u>7,212</u>
<b>ANNUAL SURPLUS</b>	6,037	3,538
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR</b>	<u>80,483</u>	<u>76,945</u>
<b>ACCUMULATED SURPLUS, END OF YEAR (Note 17)</b>	<u>\$ 86,520</u>	<u>\$ 80,483</u>
<b>ACCUMULATED SURPLUS IS COMPRISED OF:</b>		
CASH	\$ 34,724	\$ 27,161
PREPAID EXPENSES	9,641	-
DUE TO MUNICIPALITY	(10,766)	(989)
TANGIBLE CAPITAL ASSETS	<u>52,921</u>	<u>54,311</u>
	<u>\$ 86,520</u>	<u>\$ 80,483</u>

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## **INDEPENDENT AUDITOR'S REPORT**

To the Members of Council, Inhabitants and Ratepayers of  
the Corporation of the Township of Mattice - Val Côté

### *Opinion*

We have audited the financial statements of the trust fund of The Corporation of the Township of Mattice - Val Côté (the "Trust"), which comprise the statement of financial position as at December 31, 2023, and the statement of continuity of the trust fund for the year then ended, 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 Trust as at December 31, 2023, and the continuity of the trust fund 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 Trust 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.

## **INDEPENDENT AUDITOR'S REPORT, (CONT'D)**

### *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'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 Trust or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Trust'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.

**INDEPENDENT AUDITOR'S REPORT, (CONT'D)**

- ♦ 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'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 Trust'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 Trust 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 HKC

Chartered Professional Accountants  
Licenced Public Accountants  
May 21, 2024



**THE CORPORATION OF THE TOWNSHIP OF MATTICE - VAL CÔTÉ  
TRUST FUND**

**STATEMENT OF CONTINUITY OF TRUST FUND**

**YEAR ENDED DECEMBER 31, 2023**

**CEMETERY CARE AND MAINTENANCE FUND**

	<b>2023</b>	<b>2022</b>
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR</b>	\$ 54,690	\$ 53,690
<b>REVENUES</b>		
Perpetual care	1,595	850
Monument tax	300	150
	<u>1,895</u>	<u>1,000</u>
<b>ACCUMULATED SURPLUS, END OF YEAR</b>	<u>\$ 56,585</u>	<u>\$ 54,690</u>

**STATEMENT OF FINANCIAL POSITION**

**DECEMBER 31, 2023**

	<b>2023</b>	<b>2022</b>
<b>FINANCIAL ASSETS</b>		
Cash	\$ 56,585	\$ 54,690
<b>ACCUMULATED SURPLUS</b>	<u>\$ 56,585</u>	<u>\$ 54,690</u>

**THE CORPORATION OF THE TOWNSHIP OF  
MATTICE - VAL CÔTÉ**

**TRUST FUND**

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2023**

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**1. SIGNIFICANT ACCOUNTING POLICIES**

**BASIS OF ACCOUNTING**

Capital receipts and income are reported on the cash basis of accounting except for the interest on the investment which is accrued.

Expenses are reported on the cash basis of accounting with the exception of administrative expenses which are reported on the accrual basis of accounting, which recognizes expenses as they are incurred and measurable as a result of the receipt of goods or services and the creation of a legal obligation to pay.

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**2. DESCRIPTION OF FUND**

**CEMETERY CARE AND MAINTENANCE FUND**

This trust fund was created to provide for the long-term maintenance of the cemeteries in the municipality's boundaries. A fee is charged on all sale of lots in the cemeteries and deposited in this trust fund. All interests on those funds are kept by the municipality to pay for the yearly costs of maintenance of the cemeteries.

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