



Consolidated Financial Statements of the

**CORPORATION OF THE
TOWNSHIP OF ST. CLAIR**

December 31, 2023

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MANAGEMENT'S REPORT

The management of the Corporation of the Township of St. Clair ("Township") is responsible for the integrity, objectivity and accuracy of the financial information in the accompanying consolidated financial statements.

The Consolidated financial statements have been prepared by management in accordance with Canadian Generally Accepted Accounting Principles established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. A summary of the significant accounting policies is disclosed in Note 1 to the consolidated financial statements.


To meet its responsibility, management maintains comprehensive financial and internal control systems designed to ensure the proper authorization of transactions, the safeguarding of assets and the integrity of the financial data. The Township employs highly qualified professional staff and deploys an organizational structure that effectively segregates responsibilities, and appropriately delegates authority and accountability.

The Finance and Administration Committee, a sub-committee of Township Council ("Council"), reviews and approves the consolidated financial statements before they are submitted to Council.

The 2023 consolidated financial statements have been examined by Corporation of the Township of St. Clair's external auditors, MNP LLP, and their report precedes the consolidated financial statements.

Mooretown, Canada
July 15, 2024


George Lozon
Treasurer


John Rodey
Chief Administrative Officer

To the Members of Council, Inhabitants and Ratepayers of the Corporation of the Township of St. Clair:

Opinion

We have audited the financial statements of Township of St. Clair (the "Municipality"), which comprise the consolidated statement of financial position as at December 31, 2023, and the consolidated statements of operations, accumulated operating surplus, changes in net financial assets 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 Municipality as at December 31, 2023, and the results of its operations, its remeasurement gains and losses, changes in its net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Municipality in accordance with the ethical requirements that are relevant to our audit of the 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 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 Municipality'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 Municipality or to cease operations, or has no realistic alternative but to do so.

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

Auditor's 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 Municipality's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Municipality's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Municipality to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Municipality to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

London, Ontario

July 15, 2024

MNP LLP


Chartered Professional Accountants

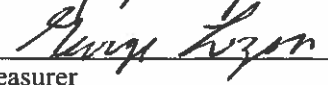
Licensed Public Accountants

CORPORATION OF THE TOWNSHIP OF ST. CLAIR
Consolidated Statement of Financial Position
As at December 31, 2023

	2023	2022
	\$	\$
FINANCIAL ASSETS		
Cash	\$ 18,273,442	\$ 13,688,552
Taxes receivable (Note 3)	1,318,461	1,120,623
Accounts receivable	5,136,567	4,682,304
Long-term receivables (Note 7)	173,498	108,234
TOTAL FINANCIAL ASSETS	24,901,968	19,599,713
LIABILITIES		
Accounts payable and accrued charges	\$ 5,562,575	\$ 4,869,453
Deferred revenue - Schedule 1	5,942,653	3,395,543
Other current liabilities	198,157	201,934
Asset retirement obligation (Note 8)	75,393	-
Post employment benefits (Note 9)	1,994,677	1,972,625
Net long-term liabilities (Note 10)	8,153,906	7,022,730
TOTAL LIABILITIES	21,927,361	17,462,285
TOTAL NET FINANCIAL ASSETS	2,974,607	2,137,428
Commitments (Note 15)		
NON-FINANCIAL ASSETS		
Tangible capital assets - net - Schedule 2	235,541,267	231,691,424
Prepaid expenses	230,651	222,622
Inventories of material and supplies	605,407	315,581
TOTAL NON-FINANCIAL ASSETS	236,377,325	232,229,627
ACCUMULATED SURPLUS - Schedule 3	\$ 239,351,932	\$ 234,367,055

Approved on behalf of Council:



 Mayor


 Treasurer



 CAO

CORPORATION OF THE TOWNSHIP OF ST. CLAIR
Consolidated Statement of Operations and Accumulated Surplus
For the Year ended December 31, 2023

	Budget 2023 (Note 13)	Actual 2023	Actual 2022
	\$	\$	\$
REVENUES			
TAXATION AND USER CHARGES			
Net municipal taxation	\$ 16,666,357	\$ 16,881,607	\$ 15,880,313
User charges	16,629,796	15,777,037	14,619,909
	33,296,153	32,658,644	30,500,222
GOVERNMENT TRANSFERS			
Province of Ontario	3,800,311	1,847,802	3,979,206
Federal grant	466,163	26,451	527,781
Other municipalities	186,000	199,539	198,539
	4,452,474	2,073,792	4,705,526
OTHER			
Investment income	463,000	954,024	479,406
Penalties and interest on taxes	175,000	183,746	165,480
Deferred revenue earned	627,960	741,756	9,645
Contributed tangible capital assets	2,000,000	2,627,217	3,660,176
Donations and other revenues	1,243,000	279,736	249,264
Gain (loss) on sale of tangible capital assets	-	181,008	(380,534)
	4,508,960	4,967,487	4,183,437
TOTAL REVENUES	42,257,587	39,699,923	39,389,185
EXPENSES			
General government	2,445,486	2,352,193	2,308,774
Protection to persons and property	5,694,886	6,110,203	5,682,323
Transportation services	5,913,810	6,066,706	5,913,604
Environmental services	12,232,447	11,581,328	11,760,417
Health services	68,000	112,191	100,541
Social and family services	15,000	22,509	21,217
Recreation and cultural services	7,594,041	7,312,116	6,190,658
Planning and development	2,707,531	2,107,290	1,752,300
TOTAL EXPENSES	36,671,201	35,664,536	33,729,834
ANNUAL SURPLUS	5,586,386	4,035,387	5,659,351
ACCUMULATED SURPLUS, BEGINNING OF YEAR	234,367,055	234,367,055	230,552,769
EQUITY INCREASE (DECREASE) IN LAWSS (Note 11)	-	949,490	(1,845,065)
ACCUMULATED SURPLUS, END OF YEAR	\$ 239,953,441	\$ 239,351,932	\$ 234,367,055

CORPORATION OF THE TOWNSHIP OF ST. CLAIR
Consolidated Statement of Change in Net Financial Assets (Debt)
For the Year ended December 31, 2023

	Budget 2023 (Note 13)	Actual 2023	Actual 2022
	\$	\$	\$
ANNUAL SURPLUS	\$ 5,586,386	\$ 4,035,387	\$ 5,659,351
Amortization of tangible capital assets	4,083,697	6,664,138	6,352,938
Acquisition of tangible capital assets	(18,703,963)	(10,543,549)	(10,138,294)
Contribution (donated) tangible capital assets	(2,000,000)	(2,627,217)	(3,660,176)
Share of LAWSS adjustment on tangible capital assets	-	(807,378)	1,600,452
Debenture of capital assets	3,500,000	-	-
Net book value on disposal of tangible capital assets	-	3,467,032	446,025
Acquisition of tangible capital assets for asset retirement obligation	-	(2,868)	-
(Acquisition) of supplies inventories	(10,000)	(289,827)	(68,887)
(Acquisition) use of prepaid expenses	(10,000)	(8,029)	(29,330)
Change in LAWSS ownership	900,000	949,490	(1,845,065)
(DECREASE) INCREASE IN NET FINANCIAL (DEBT) ASSETS	(6,653,880)	837,179	(1,682,986)
NET FINANCIAL ASSETS, BEGINNING OF YEAR	2,137,428	2,137,428	3,820,414
NET FINANCIAL (DEBT) ASSETS, END OF YEAR	\$ (4,516,452)	\$ 2,974,607	\$ 2,137,428

CORPORATION OF THE TOWNSHIP OF ST. CLAIR
Consolidated Statement of Cash Flows
Year ended December 31, 2023

	Actual 2023	Actual 2022
	\$	\$
Cash provided by (used in)		
OPERATING ACTIVITIES		
Annual surplus	\$ 4,035,387	\$ 5,659,351
ITEMS NOT INVOLVING CASH		
Amortization of tangible capital assets	6,664,138	6,352,938
Net book value on disposal of tangible capital assets	3,467,032	446,025
Donated tangible capital assets	(2,627,217)	(3,660,176)
Accretion expense	6,225	-
Unfunded liabilities for benefits	22,052	109,659
CHANGES IN WORKING CAPITAL		
Prepaid expenses	(197,241)	(29,330)
Inventories of material and supplies	(289,827)	(68,887)
Deferred revenue	2,547,110	1,322,499
Taxes receivable	(197,838)	(13,086)
Accounts receivable	(454,255)	2,079,061
Other current liabilities	(3,777)	-
Accounts payable and accrued charges	882,334	(349,214)
Net change in cash from operating activities	13,854,123	11,848,840
CAPITAL ACTIVITIES		
Cash used to acquire tangible capital assets	(10,477,249)	(10,138,294)
Share of LAWSS adjustment on tangible capital assets	(807,378)	1,600,452
Net change in cash from capital activities	(11,284,627)	(8,537,842)
INVESTING ACTIVITIES		
(Increase) decrease in long-term receivables	(65,272)	28,361
Decrease in investment	-	8,000,000
Equity increase (decrease) in LAWSS due to change in ownership	949,490	(1,845,065)
Net change in cash from investment activities	884,218	6,183,296
FINANCING ACTIVITIES		
Debt repayment	(1,268,824)	(1,459,003)
Acquisition of debt	2,400,000	-
Net change in cash from financing activities	1,131,176	(1,459,003)
NET CHANGE IN CASH	4,584,890	8,035,291
CASH, BEGINNING OF YEAR	13,688,552	5,653,261
CASH, END OF YEAR	\$ 18,273,442	\$ 13,688,552
Cash paid for interest	\$ 299,969	\$ 291,588
Cash received from interest	929,930	380,613

CORPORATION OF THE TOWNSHIP OF ST. CLAIR

Notes to the Consolidated Financial Statements

Year ended December 31, 2023

The Corporation of the Township of St. Clair (the “Township”) was amalgamated in 2001 as a municipality under the Province of Ontario and operates under the provision of the Municipal Act, 2001.

1. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the Township are the representation of management and have been prepared in accordance with Canadian Public Sector Accounting Standards (“PSAS”) as defined in the CPA Canada Public Sector Accounting Handbook. Significant aspects of the accounting policies are as follows.

(a) (i) Basis of consolidation

These consolidated financial statements reflect the assets, liabilities, revenues and expenditures for all municipal organizations, committees, and boards which are owned or controlled by Council. All interfund assets and liabilities and revenues and expenditures have been eliminated on consolidation.

The following Boards controlled by Council have been consolidated:

Brigden Community Hall
Moore Township Museum
Port Lambton Athletic Field Board
Port Lambton Community Centre
Sombra Athletic Field Board
Sombra Community Centre
Sombra Township Museum
Wilkesport Community Centre

(ii) Joint Local Board

The Lambton Area Water Supply System (here after referred to as “LAWSS”) has been consolidated on a proportionate equity basis based upon the water flow of the Township in proportion to the entire flows provided by the joint board for the previous year. Under the proportionate equity basis, the Township’s pro rata share of each of the assets, liabilities, revenues, and expenditures of the board are consolidated with similar items in the Township’s consolidated financial statements. For 2023, the Township’s share of LAWSS was 28.29% (2022 – 27.40%). Material inter-organizational transaction and balances have been eliminated.

(iii) Accounting for county and school board transactions

The taxation, other revenues, expenditures, assets, and liabilities with respect to the operations of the school boards and the County of Lambton are not reflected in the municipal fund balances of these consolidated financial statements.

CORPORATION OF THE TOWNSHIP OF ST. CLAIR

Notes to the Consolidated Financial Statements

Year ended December 31, 2023

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(iv) *Trust Funds*

Trust funds and their related operations administered by the Township are not consolidated but are reported separately on the Trust Funds' Statement of Continuity and Financial Position.

(b) *Basis of accounting*

(i) *Accrual accounting*

The accrual basis of accounting recognizes revenues in the period in which they are earned and measurable. Expenses are recognized as they are incurred and measurable as a result of receipt of goods and services and the creation of legal obligation to pay.

(ii) *Investments*

All of the investments are carried at amortized cost using the effective interest rate method. Council has the intention to hold investments until maturity.

(iii) *Non-financial assets*

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

(iv) *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. The cost, less residual value, of the tangible capital assets, excluding land are amortized on a straight-line basis over their estimated useful lives as follows:

Asset	Useful Life – Years
Land improvements	10 - 25
Buildings and building improvements	5 - 50
Machinery and equipment	5 - 50
Linear assets	10 – 90

Amortization for non-infrastructure assets is calculated for six months if purchased before July. Assets purchased after July 1st are not amortized until the following year. For infrastructure assets amortization will be recorded in the year following acquisition. Assets under construction are not amortized until the asset is available for productive use.

CORPORATION OF THE TOWNSHIP OF ST. CLAIR

Notes to the Consolidated Financial Statements

Year ended December 31, 2023

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Contribution of tangible capital assets

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

(b) Works of art and cultural and historical assets

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

(c) Inventories of materials and supplies

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

(v) *Financial instruments*

(i) *Measurement of financial instruments*

The Township initially measures its financial assets and financial liabilities at fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instrument.

Related party financial instruments are measured at cost on initial recognition. When the financial instrument has repayment terms, cost is determined using the undiscounted cash flows, excluding interest, dividend, variable and contingent payments, less any impairment losses previously recognized by the transferor. When the financial instrument does not have repayment terms, but the consideration transferred has repayment terms, cost is determined based on the repayment terms of the consideration transferred. When the financial instrument and the consideration transferred both do not have repayment terms, the cost is equal to the carrying or exchange amount of the consideration transferred or received.

The Township subsequently measures its financial assets and financial liabilities at amortized cost, except for bonds, common shares and other marketable securities quoted in an active market, which are subsequently measured at fair value. Changes in fair value are recognized in net income.

Financial assets measured at amortized cost include cash, accounts receivable, investments, and long-term receivables.

Financial liabilities measured at amortized cost include accounts payable and accrued charges, other current liabilities, and net long-term liabilities.

Unrealized changes in fair value are recognized in the Statement of Remeasurement Gains and Losses until they are realized, when they are transferred to the Statement of Operations. As the Township has no financial instruments recognized at fair value, the Township does not have a Statement of Remeasurement Gains and Losses.

CORPORATION OF THE TOWNSHIP OF ST. CLAIR

Notes to the Consolidated Financial Statements

Year ended December 31, 2023

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financial costs, which are amortized using the straight-line method.

(ii) *Impairment*

Financial assets measured at amortized cost are tested for impairment when there are indicators of possible impairment. When a significant adverse change has occurred during the period in the expected timing or amount of future cash flows from the financial asset or group of assets, a write-down is recognized in net income. The write down reflects the difference between the carrying amount and the higher of:

- the present value of the cash flows expected to be generated by the asset or group of assets;
- the amount that could be realized by selling the assets or group of assets;
- the net realizable value of any collateral held to secure repayment of the assets or group of assets.

When the events occurring after the impairment confirm that a reversal is necessary, the reversal is recognized in net income up to the amount of the previously recognized impairment.

(vi) *Revenue recognition*

Property tax billings are prepared by the Township based on assessment rolls issued by the Municipal Property Assessment Corporation. Tax rates are established annually by Council, incorporating amounts to be raised for local services. A normal part of the assessment process is the issue of supplementary assessment rolls, which provide updated information with respect to changes in property assessments. Once a supplementary assessment roll is received, the Township determines the taxes applicable and renders supplementary tax billings. Taxation revenues are recorded at the time the tax billings are issued.

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

User Charges and other revenues are recognized when related goods or services are provided, and collectability is reasonably assured. Tangible capital assets received as contributions are recorded at their fair value at date of receipt and that fair value is recorded as revenues.

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

CORPORATION OF THE TOWNSHIP OF ST. CLAIR
Notes to the Consolidated Financial Statements
Year ended December 31, 2023

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investment income earned on surplus funds is recognized when earned.

(vii) *Deferred revenues*

The Township receives development charges and sub-divider contributions under the authority of provincial legislation and municipal bylaws. These funds, by their nature, are restricted in their use and, until applied to specific capital works, are recorded as deferred revenue. These amounts will be recognized as revenue in the fiscal year they are expended.

(viii) *Accumulated surplus*

Accumulated surplus represents the Corporation's net economic resources. It is an amount by which all assets (financial and non-financial) exceed liabilities. An accumulated surplus indicates that the Corporation has net resources (financial and physical) that can be used to provide future services. An accumulated deficit means that liabilities are greater than assets.

(ix) *Use of Estimates*

The preparation of financial statements in conformity with the Chartered Professional Accountants of Canada Public Sector Accounting Handbook requires management to make estimates and assumptions that affect the reported amounts of the assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the period. Actual results could differ from the estimates. Estimates are used with accounting for items such as accrued receivables, accrued liabilities, post-retirement benefits and tangible capital assets.

(x) *Post retirement benefits*

The Township provides certain benefits which will require funding in future periods. These benefits include life insurance, extended health and dental benefits for retirees.

The costs of life insurance, extended health and dental benefits are actuarially determined using management's best estimate of salary escalation, insurance and health care cost trends, long-term inflation rates and discount rates.

For self-insured retirement and other employee future benefits that vest or accumulate over the periods of service provided by employees, health, dental and life insurance benefits for retirees, the cost is actuarially determined using the projected benefits method prorated on service. Under this method, the benefit costs are recognized over the expected average service life of the employee group.

Any actuarial gains and losses related to the past service of employees are amortized over the expected average remaining service life of the employee group.

CORPORATION OF THE TOWNSHIP OF ST. CLAIR

Notes to the Consolidated Financial Statements

Year ended December 31, 2023

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

For those self-insured benefit obligations that arise from specific events that occur from time to time, such as obligations for life insurance and health care benefits for those on disability leave, the cost is recognized immediately in the period the events occur. Any actuarial gains and losses that are related to these benefits are recognized immediately in the period they arise.

(xi) *Asset Retirement Obligations*

A liability for an asset retirement obligation is recognized when there is a legal obligation to incur retirement costs in relation to a tangible capital asset; the past transaction or event giving rise to the liability has occurred; it is expected that future economic benefits will be given up; and a reasonable estimate of the amount can be made. The liability is recorded at an amount that is the best estimate of the expenditure required to retire a tangible capital asset at the financial statement date. This liability is subsequently reviewed at each financial reporting date and adjusted for the passage of time and for any revisions to the timing, amount required to settle the obligation or the discount rate. Upon the initial measurement of an asset retirement obligation, a corresponding asset retirement cost is added to the carrying value of the related tangible capital asset if it is still in productive use. This cost is amortized over the useful life of the tangible capital asset. If the related tangible capital asset is unrecognized or no longer in productive use, the asset retirement costs are expensed.

2. CHANGE IN ACCOUNTING POLICY

Effective January 1, 2023, the Township adopted the new Public Sector Accounting Handbook Standard, Section PS 3280, Asset Retirement Obligations.

The standard requires a liability to be recognized as there is a legal obligation to incur retirement costs. This change in accounting policy has been applied using the prospective approach. See Note 8 for more details.

3. TAXES RECEIVABLE

As of December 31, 2023, the taxes receivable are as follows

	<u>2023</u>	<u>2022</u>
Taxes receivable	1,122,946	965,904
Penalties and interest	195,515	154,719
	<u>1,318,461</u>	<u>1,120,623</u>

CORPORATION OF THE TOWNSHIP OF ST. CLAIR

Notes to the Consolidated Financial Statements

Year ended December 31, 2023

4. OPERATIONS OF SCHOOL BOARDS AND THE COUNTY OF LAMBTON

Further to note 1(a)(iii), the taxation, other revenues and requisitions for the school boards and the County of Lambton are comprised of the following:

	School Boards	County of Lambton
Taxation	7,220,324	12,680,203
Add: Share of payments-in-lieu of taxes	29,192	285,268
Less: Share of write offs	(127,862)	(156,995)
Total amount transferred	7,121,654	12,808,476

5. TRUST FUNDS

The Bradshaw Cemetery Trust Fund, Water Well Contamination Deposits Trust Fund, the Zion Cemetery Trust Fund and the St. Clair River Trail Trust Fund are administered by the Township. The total fund balance amounting to \$475,431 on December 31, 2023 (2022 - \$439,426) has not been included in the Consolidated Statement of Financial Position nor have its operations been included in the Consolidated Statement of Operations.

6. PENSION AGREEMENTS

The Township makes contributions to the Ontario Municipal Employees Retirement System (OMERS), which is a multi-employer plan, on behalf of 133 (2022 – 98) members of its staff. The plan is a defined benefit plan, which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay. Employees and employers contribute jointly to the plan. The employer amount contributed to OMERS for 2023 was \$632,496 (2022 - \$554,656). The contribution rate for 2023 was 9.0% to 15.8% depending on age and income level (2022 – 9.0% to 15.8%).

OMERS is a multi-employer plan, therefore any pension plan surpluses or deficits are a joint responsibility of Ontario municipal organizations and their employees. As a result, the municipality does not recognize any share of the OMERS pension surplus or deficit.

The last available report for the OMERS plan was December 31, 2023. At that time the plan reported an actuarial fund deficit \$4.20 billion (2022 - \$6.68 billion actuarial deficit), and actuarial value adjustment of net assets of \$3.37 billion deficit (2022 – \$.578 billion surplus) for a net deficit \$7.57 billion (2022 – \$6.1 billion deficit). The ongoing adequacy of the current contribution rates will need to be monitored as declines in the financial markets may lead to increased future funding requirements.

7. LONG-TERM RECEIVABLES

The Township has self financed ratepayers capital drainage projects in amount of \$144,518 (2022 – \$37,200) payable over five years bearing interest rates ranging from of 6.00% to 6.75%.

CORPORATION OF THE TOWNSHIP OF ST. CLAIR
Notes to the Consolidated Financial Statements
Year ended December 31, 2023

7. LONG-TERM RECEIVABLES (CONTINUED)

The Township has the following loans receivable:

- A loan in the amount of \$20,638 to the Corunna Skate Park Committee for the replacement of the skate park financed by a five year interest free payment plan.
- A loan in the amount of \$8,342 to residents of Froomfield for sanitary lateral connections financed by a ten year interest free payment plan.

Repayments of principal are summarized as follows:

2024	37,723
2025	34,019
2026	24,942
2027	22,053
2028	54,761
Total	<u>173,498</u>

8. ASSET RETIREMENT OBLIATIONS

The Township's financial statements include an asset retirement obligation for the remediation of asbestos and other designated substances contained within buildings. The related asset retirement costs are being amortized on a straight-line basis. The liability has been estimated using a net present value technique with a discount rate of 5.57%. The estimated total undiscounted future expenditures are \$1,263,098, which are to be incurred over the remaining productive useful life of the buildings. The liability is expected to be settled at the end of the buildings' productive useful lives.

The carrying amount of the liability at December 31, 2023 is \$75,393.

Note that the total amount of the liability may change due to changes in estimates noted above, such as the discount rate, estimated total undiscounted future expenditures, and expected remediation date.

9. POST EMPLOYMENT BENEFITS

The Township sponsors a defined benefit plan for retirement benefits other than pensions for all employees. The plan provides extended health and dental benefits to employees who have a minimum of 10 years of service and are a minimum age of 55. These employees may retire with the Township paying the dental and health benefits to the age of 65 and share 50% of the cost to the age of 70 for union and non union employees.

Actuarial valuations for accounting purposes are performed using the projected benefit method, pro-rated on services.

The most recent actuarial report was prepared as at December 31, 2021, with projections into December 31, 2023.

CORPORATION OF THE TOWNSHIP OF ST. CLAIR

Notes to the Consolidated Financial Statements

Year ended December 31, 2023

9. POST EMPLOYMENT BENEFITS (CONTINUED)

The actuarial valuation was based on several assumptions about future events, such as inflation rates, medical inflation rates, wage increases, employee turnover and mortality rates. The assumptions used reflect management's best estimates.

Assumptions used are as follows:

- a) a discount factor of 2.75% (2022 - 2.75%)
- b) an annual increase in health and dental care cost of 3.5% (2022 - 3.5%)
- c) rate of compensation increase of 3.0% (2022 - 3.0%)
- d) in addition to the annual increase, inflation of 3.0% (2022 - 3.0%)
- e) an employee is presumed to retire at the later of age 60 and their current age plus one year
- f) It is assumed that 70% of union retirees who reach age 65 will remain in the program for which the cost is split 50%.

	<u>2023</u>	<u>2022</u>
Current period benefit cost	124,748	121,409
Amortization of actuarial gain/loss	58,280	17,255
Interest	17,255	56,962
Total expense for the year	200,283	195,626

	<u>2023</u>	<u>2022</u>
Accrued benefit as of January 1	1,972,625	1,862,966
Expense in period	200,283	195,626
Employer contribution	(178,231)	(85,967)
Projected accrued benefit as of December 31	1,994,677	1,972,625

	<u>2023</u>	<u>2022</u>
Benefit obligation as of December 31	2,150,829	1,862,966
Unamortized gains (loss)	(156,152)	109,659
Projected accrued benefit as of December 31	1,994,677	1,972,625

CORPORATION OF THE TOWNSHIP OF ST. CLAIR

Notes to the Consolidated Financial Statements

Year ended December 31, 2023

10. NET LONG-TERM LIABILITIES

- (a) The principal payments of the long-term liabilities reported in (a) of this note are summarized as follows:

	<u>2023</u>	<u>2022</u>
Long-term debt issued with Infrastructure Ontario at an interest rate of 4.39% maturing February 2053	2,380,339	-
Long-term debt issued with Federation of Canadian Municipalities rate of 3.65% maturing November 2029	717,460	822,618
Long-term debt issued with Infrastructure Ontario at an interest rate of 2.77% maturing January 2023	-	142,002
Long-term debt issued with Infrastructure Ontario at an interest rate of 4.69% maturing November 2029	401,798	458,556
Long-term debt issued with Infrastructure Ontario at an interest rate of 4.84% maturing March 2026	141,010	192,860
Long-term debt issued with Canada Mortgage and Housing Corporation at an interest rate of 3.91% maturing June 2030	3,736,516	4,193,039
Long-term debt issued with Infrastructure Ontario at an interest rate of 2.01% maturing May 2025	570,971	942,213
Long-term debt issued with Infrastructure Ontario at an interest rate of 2.22% maturing December 2026	205,812	271,442
Total long-term liabilities, end of year	8,153,906	7,022,730

The principal payments of the long-term liabilities reported in (a) of this note are summarized as follows:

From general municipal revenues:

2024	1,183,704
2025	1,028,546
2026	838,635
2027	768,350
2028	798,929
<u>2029 and thereafter</u>	<u>3,535,742</u>
	<u>8,153,906</u>

- (b) The long-term liabilities in (a) issued in the name of the Township have received approval of the Ontario Municipal Board for those approved on or before December 31, 1992. Those approved after January 1, 1993 have been approved by by-law. The annual principal and interest payments required to service these liabilities are within the annual debt payment limit prescribed by the Ministry of Municipal Affairs.

CORPORATION OF THE TOWNSHIP OF ST. CLAIR

Notes to the Consolidated Financial Statements

Year ended December 31, 2023

10. NET LONG-TERM LIABILITIES (CONTINUED)

- (c) The Township is contingently liable for long-term liabilities issued by the Province of Ontario with respect to tile drainage and shoreline property assistance loans. The total amount outstanding as at December 31, 2023 is \$114,496 (2022 - \$148,160) bearing interest at 6% with maturity ranging from 2024 to 2031. These liabilities are not recorded on the Consolidated Statement of Financial Position.
- (d) Total interest charges on net long-term debt reported on the Consolidated Statement of Operations are \$303,626 (2022 - \$285,124). The long-term liabilities bear interest at rates ranging from 2.01% to 4.84%.
- (e) In lieu of providing refundable deposits for planning development and site plan agreements, the Township also allows applicants to provide an irrevocable letter of credit, the provision of which permits the Township to withdraw a set amount of funds from the applicant's account. Funds are not exchanged at the time of entering irrevocable letters of credit and the letters of credit are terminated upon the required completion of set development milestones. As such, these amounts are not recorded in the financial statements. As at December 31, 2023, the Township held irrevocable letters of credit in the amount of \$4,298,937.

11. JOINT LOCAL BOARD CONSOLIDATION - LAWSS

The following summarizes the financial position and operations of Lambton Area Water Supply System (LAWSS) which has been reported in these consolidated financial statements using the proportionate consolidation method.

The consolidated financial statements include the Township's 28.29% (2022 - 27.4%) proportionate interest as follows:

	<u>2023</u>	<u>2022</u>
Cash	5,194,597	4,300,834
Accounts receivable	270,896	172,873
Asset retirement obligation	(75,393)	-
Accounts payable	(236,981)	(29,320)
	5,153,119	4,444,387
Tangible capital assets	26,311,500	24,853,471
Accumulated surplus	31,464,619	29,297,858
	3,602,693	2,998,733
Total revenues	3,602,693	2,998,733
Total expenses	2,319,125	2,102,431
Annual surplus	1,283,568	896,302

CORPORATION OF THE TOWNSHIP OF ST. CLAIR

Notes to the Consolidated Financial Statements

Year ended December 31, 2023

12. EXPENDITURE BY OBJECT

Total expenditures for the year reported on the Consolidated Statement of Operations are as follows:

	<u>2023</u>	<u>2022</u>
Wages and employee benefits	11,147,411	9,980,623
Materials	8,577,168	8,484,084
Contracted services	8,918,893	8,570,019
Rent and other charges	53,300	57,046
Amortization	6,664,138	6,352,938
Interest on long-term debt	303,626	285,124
	<u>35,664,536</u>	<u>33,729,834</u>

13. BUDGET DATA

Budget data presented in these consolidated financial statements are based upon the 2023 operating and capital budgets approved by Council and actual for consolidated entities. The chart below reconciles the approved budget figures reported in these consolidated financial statements. The Township approved budget a net general expense includes amortization expense in the amount of \$5,653,386.

	Township PSAB Adjustment Approved Budget	for Consolidated Entities	Budget per Financial Statements
General Revenues	42,114,587	143,000	42,257,587
General Expenses	(36,461,201)	(210,000)	(36,671,201)
Annual Surplus (Deficit)	<u>5,653,386</u>	<u>(67,000)</u>	<u>5,586,386</u>

14. SEGMENT INFORMATION

The Corporation of the Township of St. Clair is a diversified Township and provides a wide range of services to its citizens. Distinguishable functional segments have been separately disclosed in segment information. Segmented information is presented on Schedule 6 through 9.

Inter-segment transfers are priced on a historical cost basis.

The nature of those segments and the activities they encompass are as follows.

CORPORATION OF THE TOWNSHIP OF ST. CLAIR

Notes to the Consolidated Financial Statements

Year ended December 31, 2023

14. SEGMENT INFORMATION (CONTINUED)

General Government

The departments within general government are responsible for the general management and control of the Township, including by-laws, adopting administrative policy, levying taxes, and providing administrative services. They also ensure that quality services are provided to the community and that the services are aligned with Council approved actions.

Protection Services

Protection is comprised of police services, fire protection, building department and animal control. The Police protection is provided by the Ontario Provincial Police (OPP) through a joint contract with nine other municipalities within Lambton County. The contract is administrated by the Lambton Group Police Services Board of which St. Clair is a member. The fire department is responsible to provide fire suppression services, fire prevention programs, training and education related to prevention, detection, or extinguishment of fires. The building department is responsible for permit processing and building inspection. The animal control department is responsible to providing a licensing system for dogs. By-Law enforcement is contracted with the administration provided by St. Clair Staff.

Transportation Services

Transportation includes the delivery of municipal public works services related to the planning, development and maintenance of the municipality's infrastructure including roads, bridges, storm drains, sidewalks, streetlights, traffic signals and winter control.

Environmental Services

Environmental Services consist of providing sanitary and storm sewer, water, waste collection and disposal, and recycling services.

Health Services

Health Services include rental revenues from the Rapid Family Health Team and expenditures related to the building in which they operate.

Social and Family Services

Social and Family Services consist of a grant paid to the Moore Presbyterian Foundation, which operates a community center for seniors.

Recreation and Cultural Services

This service area provides services meant to improve the health and development of the Township's citizens. The Township is responsible for the development, provision and maintenance of the Moore Sports Complex, Community Halls, as well as parks and recreation (including a golf course). The Township has five libraries administered by the County of Lambton and two Museum Boards.

CORPORATION OF THE TOWNSHIP OF ST. CLAIR

Notes to the Consolidated Financial Statements

Year ended December 31, 2023

14. SEGMENT INFORMATION (CONTINUED)

Planning and Development

The County of Lambton Planning Department provides guidance and recommendation to Council, the Committee of Adjustment, and staff members on all planning issues. The administration of all planning application is dealt with by municipal staff. The Township has a number of drains under its management and control. The drains are created and maintained pursuant to the Municipal Drainage Act and require an extensive amount of administration and supervision. The Township administers industrial park sales for land it owns in the industrial park. The Township also has three campgrounds.

15. COMMITMENTS

a) Waste Collection Services

The Township has entered into an agreement with Marcotte Disposal Inc. for waste collection service commencing July 1, 2023 to June 30, 2028 for \$1,316,784 including HST for the first three years and 5% increases in year four and five.

b) Police Services

The Township has entered into a two-year extension agreement with Lambton Group Police Services Board for police services through the Ontario Provincial Police (OPP). The extension begins January 1, 2024 at an annual cost of \$2,250,309. The contract expires December 31, 2025.

Further to note 11 the Township has proportionate interest in joint local board – LAWSS including their related commitments. Future capital commitments in the aggregate amount of \$17,457,001 can be found within the standalone financial statements of Lambton Area Water Supply System (LAWSS).

16. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Unless otherwise noted it is management's opinion that the Township is not exposed to significant risks. There have not been any changes from the prior year in the Township's exposure to risk or the policies, procedures and methods it uses to manage and measure the risk.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Township is exposed to credit risk through its cash, trade and other receivables, loans receivable and long-term receivables. There is a possibility of non-collection of its trade and other receivables. The majority of the Township's receivables are from rate payers and government entities. The Township mitigates its exposure to credit loss by placing its cash with major financial institutions.

CORPORATION OF THE TOWNSHIP OF ST. CLAIR

Notes to the Consolidated Financial Statements

Year ended December 31, 2023

16. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

Accounts receivable credit risk is resulting from the possibility that a customer or counterparty to a financial instrument defaults on their financial obligations; if there is a concentration of transactions carried out with same counterparty; or of financial obligations which have similar economic characteristics such that they could be similarly affected by changes in economic conditions.

The Township manages its credit risk by limiting the amount of days aged in accounts receivable before appropriate action is taken.

The Township's maximum exposure to credit risk at the financial statement date is the carrying value of accounts receivable and other accounts receivable as presented on the statement of financial position.

At year end, the amounts outstanding for the Township's accounts receivable are as follows:

	2023					Total
	Current	31-60 days	61-90 days	91-120 days	Over 120 days	
Government receivable	275,235	181,424	-	-	-	456,659
Accounts receivable	1,137,587	574,764	341,164	371,335	2,255,868	4,680,718
Taxes receivable	-	-	-	-	1,318,461	1,318,461
Long-term receivables	-	-	-	-	173,498	173,498
Total	1,412,822	756,188	341,164	371,335	3,747,827	6,629,336
Less impairment allowance	-	-	-	-	(810)	(810)
Net receivable	1,412,822	756,188	341,164	371,335	3,747,017	6,628,526

	2022					Total
	Current	31-60 days	61-90 days	91-120 days	Over 120 days	
Government receivable	267,682	324,576	-	-	-	592,258
Accounts receivable	894,004	487,209	406,660	279,562	2,023,421	4,090,856
Taxes receivable	-	-	-	-	1,120,623	1,120,623
Long-term receivables	-	-	-	-	108,234	108,234
Total	1,161,686	811,785	406,660	279,562	3,252,278	5,911,971
Less impairment allowance	-	-	-	-	(810)	(810)
Net receivable	1,161,686	811,785	406,660	279,562	3,251,468	5,911,161

Liquidity risk

Liquidity risk is the risk that the Township will encounter difficulty in meeting obligations associated with financial liabilities. The Township is exposed to this risk mainly in respect of its accounts payable and accrued liabilities, deferred revenue, other non-current liabilities, and net long-term liabilities.

The Township manages this risk by establishing budgets and funding plans to fund its expenses and debt payments. The Township also maintains certain credit facilities, which can be drawn upon as needed.

CORPORATION OF THE TOWNSHIP OF ST. CLAIR

Notes to the Consolidated Financial Statements

Year ended December 31, 2023

16. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

The following tables sets out the expected maturities (representing undiscounted contractual cash-flow of financial liabilities):

	2023			
	Within 1 year	1-5 years	Over 5 years	Total
Accounts payable and accrued charges	3,556,281	1,837,458	168,836	5,562,575
Deferred revenue	871,884	5,070,769	-	5,942,653
Other current liabilities	198,157	-	-	198,157
Net long-term liabilities	1,183,704	3,434,460	3,535,742	8,153,906
Total	5,810,026	10,342,687	3,704,578	19,857,291

	2022			
	Within 1 year	1-5 years	Over 5 years	Total
Accounts payable and accrued charges	3,035,024	1,664,194	170,236	4,869,453
Deferred revenue	407,532	2,988,011	-	3,395,543
Other current liabilities	201,934	-	-	201,934
Net long-term liabilities	1,249,163	3,645,589	2,127,978	7,022,730
Total	4,893,653	8,297,794	2,298,214	15,489,660

Interest rate risk

Interest rate risk is the risk of potential loss caused by fluctuations in fair value of cashflow of financial instruments due to the changes in market interest rates. The Township is exposed to this risk through its interest-bearing investments. The Township manages this risk through investing in fixed-rate securities of short to medium term maturity and plans to hold the securities to maturity.

17. BANK INDEBTEDNESS

An operating line of credit was available by way of bank overdraft in the amount of \$5,000,000 as of December 31, 2023 (\$5,000,000 as at December 31, 2022). Amounts obtained under this credit are due on demand and bear interest at bank's prime rate less 0.75%, calculated and paid monthly. The amount drawn on this line as of December 31, 2023 is \$Nil (2022 - \$Nil).

CORPORATION OF THE TOWNSHIP OF ST. CLAIR

Consolidated Schedule of Deferred Revenues

Year ended December 31, 2023

Schedule 1

	Balance, Beginning of 2023	Increase in Deferred Revenues			Decreases in Deferred Revenues			Balance, End of 2023
		Interest	Other Increases	Total	To Operations	To Capital Acquisitions	Total	
Legislative deferred revenues								
Payments-in-lieu of park land	83,909	5,031	15,408	20,439	-	-	-	104,348
Development charges	1,363,434	72,700	199,956	272,656	19,905	388,516	408,421	1,227,669
AMO Gas Tax	226,373	11,695	466,163	477,858	-	353,240	353,240	350,991
Non-legislative deferred revenues	1,721,827	-	3,878,158	3,878,158	876,090	464,250	1,340,340	4,259,645
Total for 2023	\$ 3,395,543	89,426	4,559,685	4,649,111	895,995	1,206,006	2,102,001	\$ 5,942,653

	Balance, Beginning of 2022	Increase in Deferred Revenues			Decreases in Deferred Revenues			Balance, End of 2022
		Interest	Other Increases	Total	To Operations	To Capital Acquisitions	Total	
Legislative deferred revenues								
Payments-in-lieu of park land	6,579	1,350	85,625	86,975	-	9,645	9,645	83,909
Development charges	718,868	29,980	614,586	644,566	-	-	-	1,363,434
AMO Gas Tax	169,789	5,855	446,740	452,595	-	396,011	396,011	226,373
Non-legislative deferred revenues	1,177,808	-	1,684,440	1,684,440	1,066,483	73,938	1,140,421	1,721,827
Total for 2022	\$ 2,073,044	37,185	2,831,391	2,868,576	1,066,483	479,594	1,546,077	\$ 3,395,543

CORPORATION OF THE TOWNSHIP OF ST. CLAIR

Consolidated Schedule of Tangible Capital Assets

Year ended December 31, 2023

Schedule 2

	General		Infrastructure					Work in Progress	Total 2023	
	Land	Land Improvements	Buildings	Machinery and Equipment	Vehicles	Transportation and Storm	Water			Wastewater
COST										
Balance, beginning of year	7,089,223	10,937,531	18,404,163	5,245,671	9,878,247	102,458,556	130,790,076	63,641,347	5,706,188	354,151,002
Add: Share in LAWSS Adjustment	-	-	-	-	-	-	1,294,149	-	-	1,294,149
Add: Additions during the year	-	98,784	5,550,907	380,107	241,637	2,179,579	1,347,915	747,489	-	10,546,418
Less: Disposals during the year	-	-	-	166,805	32,198	633,796	236,819	188,756	3,249,099	4,507,473
Other Contribution from Developer	-	-	-	-	-	1,879,347	405,833	342,037	-	2,627,217
BALANCE, END OF YEAR	7,089,223	11,036,315	23,955,070	5,458,973	10,087,686	105,883,686	133,601,154	64,542,117	2,457,089	\$ 364,111,313
ACCUMULATED AMORTIZATION										
Balance, beginning of year	-	3,928,000	8,255,747	2,315,923	3,776,417	44,469,704	43,650,552	16,063,235	-	122,459,578
Add: Share in LAWSS Adjustment	-	-	-	-	-	-	486,771	-	-	486,771
Add: Amortization during the year	-	339,778	693,450	327,000	414,601	2,056,811	1,661,984	1,170,514	-	6,664,138
Less: Accumulated amortization on disposals	-	-	-	136,286	32,198	618,955	135,648	117,354	-	1,040,441
BALANCE, END OF YEAR	-	4,267,778	8,949,197	2,506,637	4,158,820	45,907,560	45,663,659	17,116,395	-	\$ 128,570,046
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	7,089,223	6,768,537	15,005,873	2,952,336	5,928,866	59,976,126	87,937,495	47,425,722	2,457,089	\$ 235,541,267

CORPORATION OF THE TOWNSHIP OF ST. CLAIR
Consolidated Schedule of Tangible Capital Assets
Year ended December 31, 2022

Schedule 2

	General					Infrastructure			Work in Progress	Total 2022
	Land	Land Improvements	Buildings	Machinery and Equipment	Vehicles	Transportation and Storm	Water	Wastewater		
COST										
Balance, beginning of year	7,089,223	9,970,324	18,161,421	4,997,123	9,808,438	96,176,330	131,700,352	63,081,671	2,826,713	343,811,595
Less: Share in LAWSS Adjustment	-	-	-	-	-	-	(2,543,255)	-	-	(2,543,255)
Add: Additions during the year	-	986,691	857,282	296,999	69,809	3,763,466	1,219,287	65,285	2,879,475	10,138,294
Less: Disposals during the year	-	19,484	614,540	48,451	-	197,726	35,607	-	-	915,808
Other Contribution from Developer	-	-	-	-	-	2,716,486	449,299	494,391	-	3,660,176
BALANCE, END OF YEAR	7,089,223	10,937,531	18,404,163	5,245,671	9,878,247	102,458,556	130,790,076	63,641,347	5,706,188	354,151,002
ACCUMULATED AMORTIZATION										
Balance, beginning of year	-	3,640,672	7,982,756	2,034,103	3,357,953	42,566,773	43,046,145	14,890,824	-	117,519,226
Less: Share in LAWSS Adjustment	-	-	-	-	-	-	(942,803)	-	-	(942,803)
Add: Amortization during the year	-	306,812	518,807	310,326	418,464	2,076,024	1,550,094	1,172,411	-	6,352,938
Less: Accumulated amortization on disposals	-	19,484	245,816	28,506	-	173,093	2,884	-	-	469,783
BALANCE, END OF YEAR	-	3,928,000	8,255,747	2,315,923	3,776,417	44,469,704	43,650,552	16,063,235	-	122,459,578
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	7,089,223	7,009,531	10,148,416	2,929,748	6,101,830	57,988,852	87,139,524	47,578,112	5,706,188	\$ 231,691,424

CORPORATION OF THE TOWNSHIP OF ST. CLAIR
Consolidated Schedule of Accumulated Surplus
Year Ended December 31, 2023

Schedule 3

	2023	2022
	\$	\$
Reserves		
Working Capital	\$ 643,500	\$ 643,500
Election	13,325	-
General operating reserve	769,087	650,575
Capital expenditures	9,841,253	7,895,555
Water distribution	7,945,666	7,669,803
Water distribution LAWSS	5,153,119	4,444,387
Sanitary sewage system	188,541	928,185
Uncollectible taxes	137,559	131,009
Moore Industrial Park	924,285	994,907
St. Clair Parkway	490,889	467,513
Total Reserves	26,107,224	23,825,434
Surplus		
Invested in tangible capital assets General	\$ 95,396,311	\$ 94,786,649
Invested in tangible capital assets LAWSS	26,311,500	24,853,471
Invested in tangible capital assets Water	62,355,662	62,364,243
Invested in tangible capital assets Sanitary	43,328,757	42,664,331
Local boards	281,482	243,287
Unfunded post employment benefits	(1,994,677)	(1,972,625)
Deficit	(12,434,327)	(12,397,735)
Total Surplus	213,244,708	210,541,621
ACCUMULATED SURPLUS	\$ 239,351,932	\$ 234,367,055

MOORE MUSEUM
CORPORATION OF THE TOWNSHIP OF ST. CLAIR

Statement of Revenue & Expenditures
Year ended December 31, 2023

Schedule 4

	2023 Budget (Unaudited)	2023 Actual	2022 Budget (Unaudited)	2022 Actual
	\$	\$	\$	\$
Revenues				
Ministry of Culture, Tourism and Recreation				
Operating grant	\$ 17,340	\$ 17,840	\$ 47,566	\$ 47,566
Other federal grants	3,635	3,789	3,015	4,013
Museum revenue				
Admissions, proceeds and donations	10,300	21,247	10,300	18,831
Net sales	1,250	1,335	1,000	1,642
Municipal contribution	395,837	313,963	313,172	228,323
	428,362	358,174	375,053	300,375
Expenditures				
Advertising	\$ 5,450	\$ 2,940	\$ 7,675	\$ 4,575
Amortization	6,264	15,337	6,264	6,264
Building maintenance	16,500	25,470	14,000	15,976
Capital expenditures	94,500	57,348	43,479	6,181
Gift shop	1,700	581	1,700	1,317
Ground maintenance	14,750	12,684	14,750	9,890
Insurance	6,600	5,835	5,745	5,399
Janitorial service and supplies	1,600	811	1,600	915
Membership	650	513	650	636
Mileage	800	309	800	485
Office and miscellaneous	9,300	5,788	10,160	11,460
Postage and deliver	750	92	750	274
Salaries, wages and benefits	243,678	207,409	243,145	220,340
Seminars, education and training	1,400	84	1,400	334
Supplies	13,530	13,656	12,535	8,523
Utilities	10,890	9,317	10,400	7,806
	428,362	358,174	375,053	300,375
Excess (deficiency) of revenues over expenditures	-	-	-	-

SOMBRA MUSEUM
CORPORATION OF THE TOWNSHIP OF ST. CLAIR
Statement of Operations and Accumulated Surplus
For the year ended December 31, 2023

Schedule 5

	2023 Budget (Unaudited)	2023 Actual	2022 Budget (Unaudited)	2022 Actual
	\$	\$	\$	\$
Revenues				
Ministry of Culture, Tourism and Recreation	\$ 2,946	\$ 2,946	\$ -	\$ 5,121
Federal grant	7,054	13,982	20,000	22,329
Museum revenue				
Admissions, membership, proceeds and donations	16,940	41,184	15,640	2,893
Events	2,500	14,232	2,000	654
Interest income	1,500	2,181	1,100	1,376
Other grants	7,500	5,500	-	4,625
Municipal contribution	77,230	87,327	77,530	104,905
	115,670	167,352	116,270	141,903
Expenditures				
Wages & benefits	\$ 60,700	\$ 68,314	\$ 54,500	\$ 75,318
Advertising and membership	2,150	2,194	1,400	1,264
Amortization	12,600	10,590	12,600	10,301
Capital	-	-	6,500	7,238
Events	2,200	12,717	3,220	4,017
Utilities, security and telephone	14,650	13,832	13,850	12,860
Insurance	4,500	5,128	4,500	4,771
Office supplies & exhibits	3,000	1,710	7,800	3,146
Maintenance and supplies	12,170	10,615	11,900	11,312
Workshop & conservation	3,700	1,344	-	-
Seminars & miscellaneous	-	-	-	48
	115,670	126,444	116,270	130,275
Excess of revenues over expenditures	-	40,908	-	11,628
Surplus balance, beginning of year	69,576	69,576	57,948	57,948
Surplus balance, end of year	69,576	110,484	57,948	69,576

CORPORATION OF THE TOWNSHIP OF ST. CLAIR
Consolidated Schedule of Segment Disclosure - Operating Revenues
Year ended December 31, 2023

Schedule 6

	Taxation	User Charges	Government Transfers	Developer Contributions	Deferred Revenues	Gain (Loss) on Sales of Assets	Other	Total 2023
General Government	16,881,607	150,669	972,100	-	-	-	907,276	18,911,652
Fire	-	18,325	8,568	-	52,000	53,605	27,840	160,338
Police	-	-	101,152	-	-	-	-	101,152
Other Protection Services	-	263,714	54,287	-	-	-	60	318,061
Total Protection Services	-	282,039	164,007	-	52,000	53,605	27,900	579,551
Transportation Services	-	282,526	57,290	1,879,347	509,390	263,373	-	2,991,926
Water	-	5,970,792	4,055	405,833	-	(101,171)	343,838	6,623,347
Waste Water	-	3,176,580	-	342,037	75,000	(71,402)	-	3,522,215
Storm Systems	-	13,650	-	-	-	(990)	-	12,660
Solid Waste and diversion	-	1,120,027	138,903	-	-	-	-	1,258,930
Total Environmental Services	-	10,281,049	142,958	747,870	75,000	(173,563)	343,838	11,417,152
Health Services	-	-	-	-	-	-	80,250	80,250
Parks and Recreation	-	348,687	-	-	87,275	-	2,000	437,962
Recreational Facilities	-	750,800	500,000	-	18,091	1,593	48,713	1,319,197
Golf Course	-	2,043,236	1,914	-	-	36,000	-	2,081,150
Museum	-	29,284	38,557	-	-	-	7,529	75,370
Total Recreation and Culture Services	-	3,172,007	540,471	-	105,366	37,593	58,242	3,913,679
Planning and Zoning	-	81,975	-	-	-	-	-	81,975
Commercial and Industrial	-	-	-	-	-	-	-	-
Campgrounds	-	830,456	-	-	-	-	-	830,456
Agriculture and Reforestation	-	696,316	196,966	-	-	-	-	893,282
Total Planning and Development	-	1,608,747	196,966	-	-	-	-	1,805,713
Total Revenues	16,881,607	15,777,037	2,073,792	2,627,217	741,756	181,008	1,417,506	39,699,923

CORPORATION OF THE TOWNSHIP OF ST. CLAIR
Consolidated Schedule of Segment Disclosure - Operating Expenses
Year ended December 31, 2023

Schedule 7

	Wages & Benefits	Material	Contracted Services	Rent & Finance Charges	Amortization	Inter-functional Transfers	Total 2023
General Government	1,596,863	822,600	190,837	2,874	100,173	(361,154)	2,352,193
Fire	1,404,579	1,036,182	22,314	27,701	601,791	76,821	3,169,388
Police	-	28,092	2,293,317	10,207	62,668	(33,456)	2,360,828
Other Protection Services	111,932	23,086	430,296	-	5,524	9,149	579,987
Total Protection Services	1,516,511	1,087,360	2,745,927	37,908	669,983	52,514	6,110,203
Transportation Services	2,677,091	2,242,121	1,072,232	32,263	1,893,742	(1,850,743)	6,066,706
Water	495,701	214,026	1,679,084	-	1,661,984	1,054,484	5,105,279
Waste Water	459,423	908,533	413,066	192,828	1,170,514	757,933	3,902,297
Storm Systems	89,659	181,811	174,401	-	264,080	262,450	972,401
Solid Waste and diversion	375	120,476	1,436,149	-	834	43,517	1,601,351
Total Environmental Services	1,045,158	1,424,846	3,702,700	192,828	3,097,412	2,118,384	11,581,328
Health Services	-	4,846	89,991	-	13,350	4,004	112,191
Social and Family Services	-	21,540	-	-	-	969	22,509
Parks and Recreation	1,085,462	431,335	120,320	19,000	320,744	(60,019)	1,916,842
Recreational Facilities	1,271,957	1,175,645	78,724	69,753	407,443	(61,592)	2,941,930
Golf Course	925,592	887,639	28,078	2,300	106,326	27,443	1,977,378
Libraries		16,454	674	-	4,894	14,764	36,786
Museum	275,726	115,109	860	-	25,927	21,558	439,180
Total Recreation and Culture services	3,558,737	2,626,182	228,656	91,053	865,334	(57,846)	7,312,116
Planning and Zoning	103,356	61,167	26,477	-		11,107	202,107
Commercial and Industrial	68,004	10,550	-	-	9,920	6,254	94,728
Campgrounds	409,457	247,918	29,130	-	14,224	38,107	738,836
Agriculture and Reforestation	172,234	28,038	832,943	-		38,404	1,071,619
Total Planning and development	753,051	347,673	888,550	-	24,144	93,872	2,107,290
Total Expenses	11,147,411	8,577,168	8,918,893	356,926	6,664,138	-	35,664,536
Annual Surplus							4,035,387

CORPORATION OF THE TOWNSHIP OF ST. CLAIR
Consolidated Schedule of Segment Disclosure - Operating Revenues
Year ended December 31, 2022

Schedule 8

	Taxation	User Charges	Government Transfers	Developer Contributions	Deferred Revenues	Gain (Loss) on Sales of Assets	Other	2022
General Government	15,880,313	119,365	1,212,498	-	-	-	646,262	17,858,438
Fire	-	3,780	6,144	-	-	-	14,789	24,713
Police	-	-	100,152	-	-	-	-	100,152
Other Protection Services	-	300,872	55,337	-	-	-	-	356,209
Total Protection Services	-	304,652	161,633	-	-	-	14,789	481,074
Transportation Services	-	645,807	2,314,281	2,716,486	-	18,894	-	5,695,468
Water	-	5,604,880	271,797	449,299	-	(32,723)	30,281	6,323,534
Waste Water	-	3,139,208	-	494,391	-	-	-	3,633,599
Storm Systems	-	17,955	-	-	-	(19,234)	-	(1,279)
Solid Waste and diversion	-	995,428	176,273	-	-	-	-	1,171,701
Total Environmental Services	-	9,757,471	448,070	943,690	-	(51,957)	30,281	11,127,555
Parks and Recreation	-	249,479	16,259	-	9,645	-	146,485	421,868
Recreational Facilities	-	406,235	-	-	-	(347,471)	5,046	63,810
Golf Course	-	1,850,562	34,155	-	-	-	34,000	1,918,717
Museum	-	14,547	79,029	-	-	-	17,287	110,863
Total Recreation and Culture Services	-	2,520,823	129,443	-	9,645	(347,471)	202,818	2,515,258
Planning and Zoning	-	135,418	-	-	-	-	-	135,418
Commercial and Industrial	-	-	-	-	-	-	-	-
Campgrounds	-	897,197	12,500	-	-	-	-	909,697
Agriculture and Reforestation	-	239,176	427,101	-	-	-	-	666,277
Total Planning and Development	-	1,271,791	439,601	-	-	-	-	1,711,392
Total Revenues	15,880,313	14,619,909	4,705,526	3,660,176	9,645	(380,534)	894,150	39,389,185

CORPORATION OF THE TOWNSHIP OF ST. CLAIR
Consolidated Schedule of Segment Disclosure - Operating Expenses
Year ended December 31, 2022

Schedule 9

	Wages & Benefits	Material	Contracted Services	Rent & Finance Charges	Amortization	Inter-functional Transfers	Total 2022
General Government	1,483,439	969,923	127,487	2,714	96,434	(371,223)	2,308,774
Fire	1,047,169	778,657	158,569	51,530	596,579	100,394	2,732,898
Police	-	22,134	2,331,634	11,503	61,729	(32,977)	2,394,023
Other Protection Services	101,351	25,065	413,847	-	5,524	9,615	555,402
Total Protection Services	1,148,520	825,856	2,904,050	63,033	663,832	77,032	5,682,323
Transportation Services	2,530,723	2,092,413	903,136	36,843	1,935,575	(1,585,086)	5,913,604
Water	470,819	360,768	1,605,723	-	1,550,094	985,331	4,972,735
Waste Water	368,845	922,994	520,518	223,916	1,172,411	556,920	3,765,604
Storm Systems	84,702	582,243	203,260	-	239,120	237,719	1,347,044
Solid Waste and Diversion	874	231,096	1,400,284	-	833	41,947	1,675,034
Total Environmental Services	925,240	2,097,101	3,729,785	223,916	2,962,458	1,821,917	11,760,417
Health Services	-	28,513	55,899	-	13,350	2,779	100,541
Social and Family Services	-	20,713	-	-	-	504	21,217
Parks and Recreation	768,414	398,176	170,008	14,009	276,684	(52,865)	1,574,426
Recreational Facilities	1,289,496	853,433	8,010	1,655	242,631	(40,011)	2,355,214
Golf Course	852,097	763,445	24,880	-	108,201	24,930	1,773,553
Libraries	-	22,259	922	-	4,894	14,009	42,084
Museum	295,771	101,440	315	-	25,638	22,217	445,381
Total Recreation and Culture services	3,205,778	2,138,753	204,135	15,664	658,048	(31,720)	6,190,658
Planning and Zoning	103,426	38,773	174	-	-	10,623	152,996
Commercial and Industrial	68,004	9,896	-	-	9,920	9,379	97,199
Campgrounds	347,537	252,622	37,831	-	13,321	28,067	679,378
Agriculture and Reforestation	167,956	9,521	607,522	-	-	37,728	822,727
Total Planning and development	686,923	310,812	645,527	-	23,241	85,797	1,752,300
Total Expenses	9,980,623	8,484,084	8,570,019	342,170	6,352,938	-	33,729,834
Annual Surplus							5,659,351