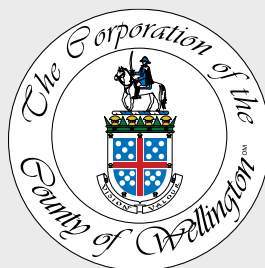


ANNUAL FINANCIAL REPORT 2024



For the year ended December 31, 2024

Corporation of the County of Wellington
Guelph, Ontario, Canada

Annual Financial Report
for the fiscal year ending
December 31, 2024



Produced by the Treasury Department of the County of Wellington.

For information on programmes
and services, or to obtain a copy
of this document, please contact:

The County of Wellington

74 Woolwich Street, Guelph, ON N1H 3T9
T 519.837.2600 - www.wellington.ca

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COUNTY OF WELLINGTON

74 WOOLWICH STREET
 GUELPH, ONTARIO
 N1H 3T9

June 30, 2025

Dear Residents of Wellington County:

It is my pleasure to present you with the County's Annual Financial Report for the year 2024 on behalf of County Council and the employees of the County of Wellington. In 2024, The County continued to align resources with the goals outlined in the 2023 Strategic Action Plan. While budgetary pressures from inflation increases and funding model changes persisted, the County continued a strong focus on the core services that residents count on. Significant investments were made in infrastructure, housing, ambulance and long-term care. In 2024 the County was able to:

- Complete the 10.6 million capital investment of the 65 Delhi Street Transitional Housing project in Guelph, providing housing and support for chronically homeless persons
- Complete capital enhancements at 23 Gordon Street in Guelph to provide 24 new emergency shelter beds and 12 transitional housing units
- Provide enhanced direct care hours at the Wellington Terrace Long-Term Care Home, supported by the Government of Ontario
- Land Ambulance service expansion including the addition of nine new paramedics to improve response times.
- End the year with a \$8.1 million operating budget surplus;
- Maintain the County's credit rating with Standard and Poor's at AAA-rating, providing the lowest available cost of borrowing for the County and its local municipalities.

I would like to thank County staff for preparing the Annual Report, and Council for their ongoing oversight of County activities, strong leadership and well-informed decision-making.

A handwritten signature in black ink, appearing to read "Chris White", is written over a faint, light-colored signature line.

Chris White

Wellington County Warden

STRATEGIC PLANNING AT THE COUNTY



Proudly Moving
Forward Together

2023

Wellington County

Strategic
Action Plan

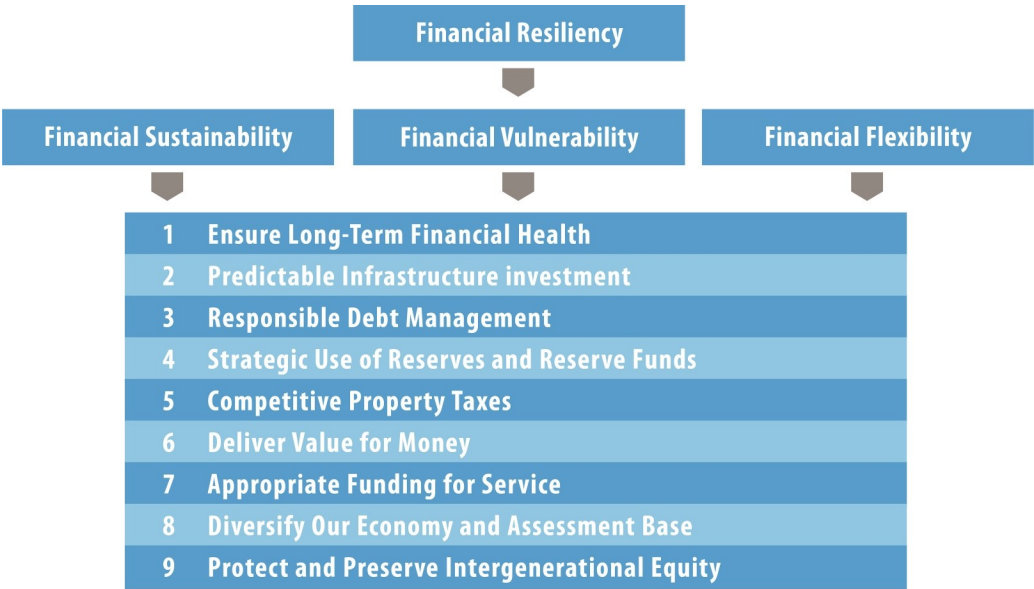


SERVICE EFFICIENCY REVIEW

We completed a review of service provision within the County with KPMG. As a result of this review, we were able to identify a number of areas where we can gain efficiency through collaboration and technologies. The list of top priorities can be found on the County website.

LONG-TERM FINANCIAL SUSTAINABILITY STRATEGY

This strategy highlights nine principles by which resource allocation decisions will be evaluated. These principles are intended to promote financial resiliency and ensure that the funding models for service provision are sustainable and efficient.



STRATEGIC ACTION PLAN PRIORITIES

TACKLING A MAJOR COMMUNITY OPPORTUNITY—HOUSING

To achieve this objective we:

1. Continued with the ongoing goal of finding immediate and long-term solutions to best support those people who are experiencing homelessness.
2. Completed the 10.6 million capital investment of the 65 Delhi Street Transitional Housing project in Guelph, providing housing and support for chronically homeless persons
3. Completed capital enhancements at 23 Gordon Street in Guelph to provide 24 new emergency shelter beds and 12 transitional housing units



DOING WHAT THE COUNTY DOES BEST—PROVIDING CRITICAL DAILY SERVICES TO OUR RESIDENTS

To achieve this objective we:

1. Provided enhanced direct care hours at the Wellington Terrace Long-Term Care Home, supported by the Government of Ontario
2. Approved Land Ambulance service expansion including the addition of nine new paramedics to improve response times.



MAKING THE BEST DECISIONS FOR THE BETTERMENT OF THE COMMUNITY

To achieve this objective we:

1. The ambulance station feasibility study, updated in 2024, identified the optimal location for construction of eight new facilities throughout the County.
2. Accommodating Provincial Regulations, completed the Asset Management Plan to include all assets.
3. Transferred the year end surplus of \$8.1 million into reserves in order to reduce debt requirements for immediate capital projects and enhance financial flexibility in the future



CHERISHING THE COUNTY'S MOST VALUED ASSET—ITS STAFF

To achieve this objective we:

1. Continued the partnership with the Canadian Mental Health Association (CMHA) and the Ontario Provincial Police (OPP) to increase awareness and promote good mental health and suicide prevention;
2. Continue implementing and growing the County's Wellness Strategy and capturing and sharing the County's Corporate culture.
3. Improved and continue to prioritize Recruitment and Retention throughout the County.



CANADIAN AWARD FOR FINANCIAL REPORTING

The Government Finance Officers' Association of the United States and Canada (GFOA) awarded a Canadian Award for Financial Reporting to the County of Wellington for its annual financial report for the fiscal year ended December 31, 2023.

The County of Wellington joined this programme in 2014 and has received nine consecutive awards for the 2013-2023 Annual Financial Reports.

The Canadian Award for Financial Reporting programme was established to encourage municipal governments to publish high-quality financial reports and to provide peer recognition and technical guidance for officials preparing these reports.

In order to be awarded a Canadian Award for Financial Reporting, a government unit must publish an easily readable and efficiently organized annual financial report, whose contents conform to programme standards.

Such reports should go beyond the minimum requirements of generally accepted accounting principles and demonstrate an effort to clearly communicate the municipal government's financial picture, enhance an understanding of financial reporting by municipal governments, and address user needs.

This award is valid for a period of one year. We believe our current report continues to conform to the Canadian Award for Financial Reporting programme requirements, and have submitted it for consideration to the GFOA.



Government Finance Officers Association

Canadian Award for Financial Reporting

Presented to

**County of Wellington
Ontario**

For its Annual
Financial Report
for the Year Ended

December 31, 2023

Executive Director/CEO

AWARDS AND RECOGNITION



Silver Award for a Campaign by a Small Municipality

Silver Award in the Print Tool Category

The Municipal Waste Association (MWA) recognized Wellington County's Solid Waste Services (SWS) Division with two awards for innovative promotional and educational (P and E) materials. The Campaign award was received for the work done by County staff to inform residents and businesses about the new Minimum Waste Fee at County waste facilities, which was implemented on January 1, 2025. The Print Tool award recognized the SWS Spring/Summer Newsletter published in the August 22, 2024 Wellington Advertiser for effectively educating residents about various waste management topics.

The MWA is an incorporated not-for-profit organization that provides its members with opportunities to share knowledge in the area of waste management. The P and E Awards is an initiative by MWA to celebrate municipal members' creativity and ingenuity in their work to engage residents in waste diversion. Winners are selected by municipal peers and industry professionals who evaluate submissions based on planning and implementation, effectiveness, novelty, innovation, and value to others. Awards are presented at the MWA Annual Spring Workshop.



Certificate of Recognition as a proud supporter of Canada's Reserve Force

With Glowing Hearts brings together a network of employers whose Human Resources policies feature military-leave provisions for employee-reservists. Such provisions exemplify an appreciation for the unique competencies that employee-reservists bring to the civilian workplace, thanks to experiences and skills acquired through military service. They also reflect commitment to supporting both the work of the CAF and reservists as the balance civilian and military obligations.

AWARDS AND RECOGNITION



Top Small Museum/Art Gallery/Historic Site at Ontario's Choice Awards

This prestigious accolade, awarded by Attractions Ontario, recognizes the WCMA's outstanding contributions to preserving and sharing the rich history of Wellington County. The WCMA's victory highlights its role as a cherished cultural and historical resource in Wellington County. The museum's engaging exhibits, festivals and events, educational programs, and commitment to preserving local heritage have garnered enthusiastic support from the public.



Wellington County's Experimental Acres Programme Finalist for EDCO Award of Excellence

Wellington County's Experimental Acres programme has been awarded with the Economic Developers Council of Ontario (EDCO) Award of Excellence in Rural Economic Development. Launched as part of the County's commitment to reducing greenhouse gas emissions and supporting sustainable farming practices, Experimental Acres offers small and medium-sized farms in Wellington County the opportunity to trial regenerative agriculture practices in a low-risk environment. By providing up to \$3,000 in micro-grants, soil testing, and research support, the programme empowers farmers to adopt practices that reduce emissions and increase long-term farm profitability.

AWARDS AND RECOGNITION



Government Finance Officers Association (GFOA)

Canadian Award for Financial Reporting

The County of Wellington won the GFOA Canadian Award for Financial Reporting for its Annual Financial Report for the year ended December 31, 2023. This award recognizes the County's ability to prepare a comprehensive annual financial report that exceeds the minimum requirements.



Distinguished Budget Presentation Award

The GFOA presented a Distinguished Budget Presentation Award to the County of Wellington for its annual budget for the fiscal year beginning January 1, 2024. In order to receive this award, a governmental unit must publish a budget document that meets programme criteria as a policy document, an operation guide, a financial plan, and as a communications device.

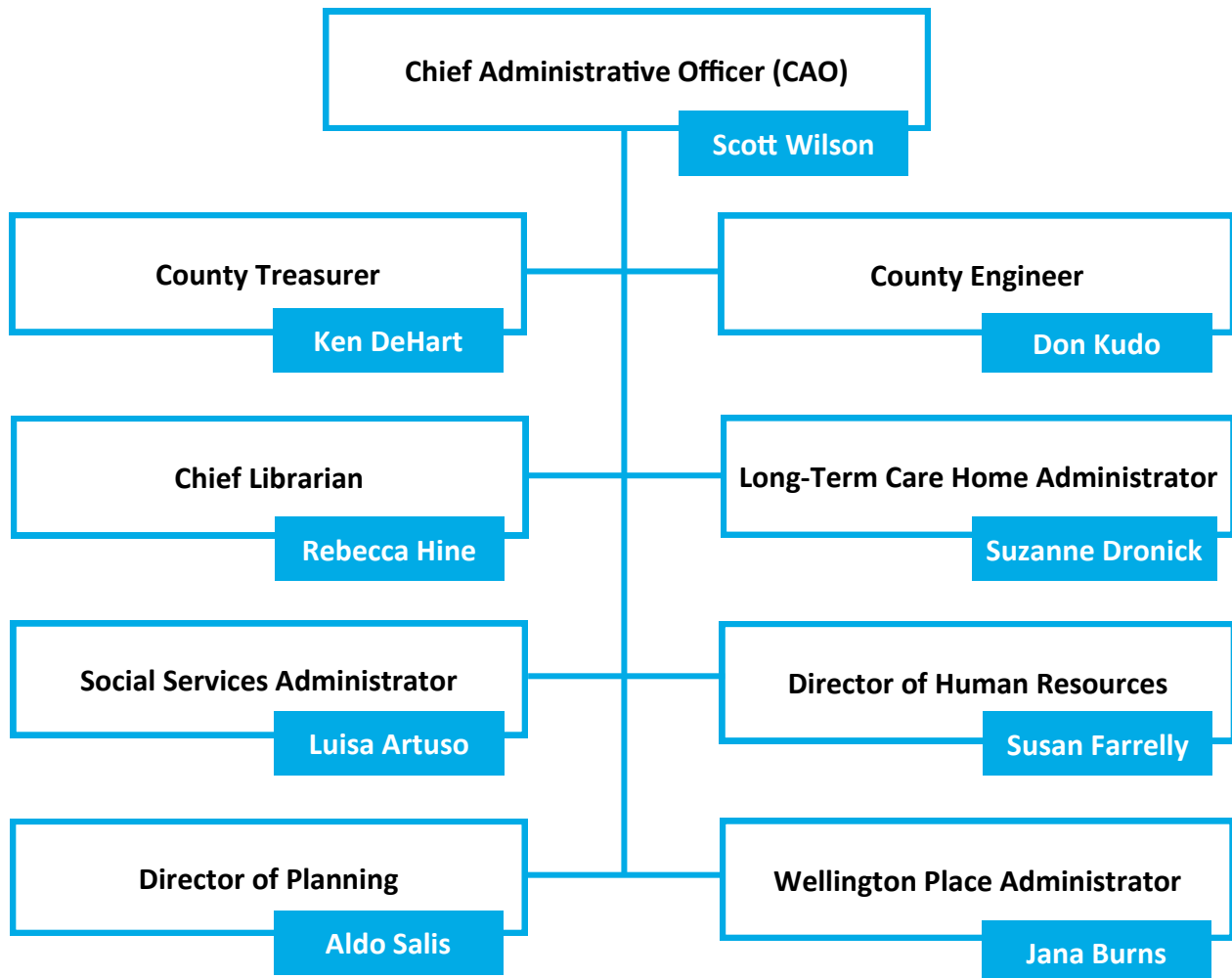


Standard and Poor's County of Wellington Credit Rating

During 2024, the Standard and Poor's credit rating agency announced that the County of Wellington's rating has been maintained at AAA, with a stable outlook. They highlight that:

- Wellington will maintain stable income levels and low unemployment, within a strong economy.
- Prudent financial management practices strengthen the credit profile.
- Like other Canadian municipalities, Wellington's relationship with the Government of Ontario will remain extremely predictable and supportive.
- The County will continue to post healthy operating balances, anchored by an expanding assessment base.
- Strong budgetary performance will support a moderate debt burden, primarily consisting of debt issued by lower tiers.

CORPORATE ORGANIZATIONAL CHART



The County of Wellington has the Chief Administrative Officer (CAO) system of management. The CAO reports to the Warden and Council on all major initiatives and issues affecting the County. The Chief Administrative Officer attends all Council, Standing Committee, Police Services Board and Library Board meetings and provides advice and information on operations as required. The CAO ensures that direction from County Council, its Committees and Boards is implemented in conformity with applicable County policy, and Provincial and Federal legislation/regulations.

The Chief Administrative Officer has overall responsibility for the County's operating departments. Department Heads, the County Clerk, the Construction and Property Manager, and the Communications Manager are responsible for the day-to-day operations of the departments and report directly to the CAO.

DEPARTMENT HEADS



Scott Wilson
Chief Administrative Officer



Ken DeHart
County Treasurer



Don Kudo
County Engineer



Rebecca Hine
Chief Librarian



Suzanne Dronick
Long-Term Care Home Administrator



Luisa Artuso
Social Services Administrator



Susan Farrelly
Director of Human Resources



Aldo Salis
Director of Planning



Jana Burns
Wellington Place Administrator

WELLINGTON COUNTY COUNCIL



Top Row Left to Right - Chris White, Shawn Watters, Gregg Davidson, James Seeley,
Dave Turton, Andy Lennox, Michael Dehn, David Anderson

Bottom Row Left to Right - Earl Campbell, Campbell Cork, Steve O'Neill,
Mary Lloyd, Diane Ballantyne, Matthew Bulmer, Doug Breen, Jeff Duncan

Warden Chris White

Mayor, Township of Guelph/
Eramosa
T 519.837.2600

Councillor Shawn Watters

Mayor, Township of Centre
Wellington
T 226.962.9086

Councillor Gregg Davidson

Mayor, Township of
Mapleton
T 519.837.2600

Councillor James Seeley

Mayor, Township of
Puslinch
T 519.400.7984

Councillor Dave Turton

Mayor, Town of Minto
T 519.501.6748

Councillor Andy Lennox

Mayor, Township of
Wellington North
T 226.979.3317

Councillor Michael Dehn

Mayor, Town of Erin
T 647.477.2382

**Councillor David
Anderson**

County Ward 1
T 226.750.0782

Councillor Earl Campbell

County Ward 2
T 519.400.7168

Councillor Campbell Cork

County Ward 3
T 519.400.8953

Councillor Steve O'Neill

County Ward 4
T 519.400.3571

Councillor Mary Lloyd

County Ward 5
T 519.766.8818

Councillor Diane Ballantyne

County Ward 6
T 519.400.9851

Councillor Matthew Bulmer

County Ward 7
T 519.831.9857

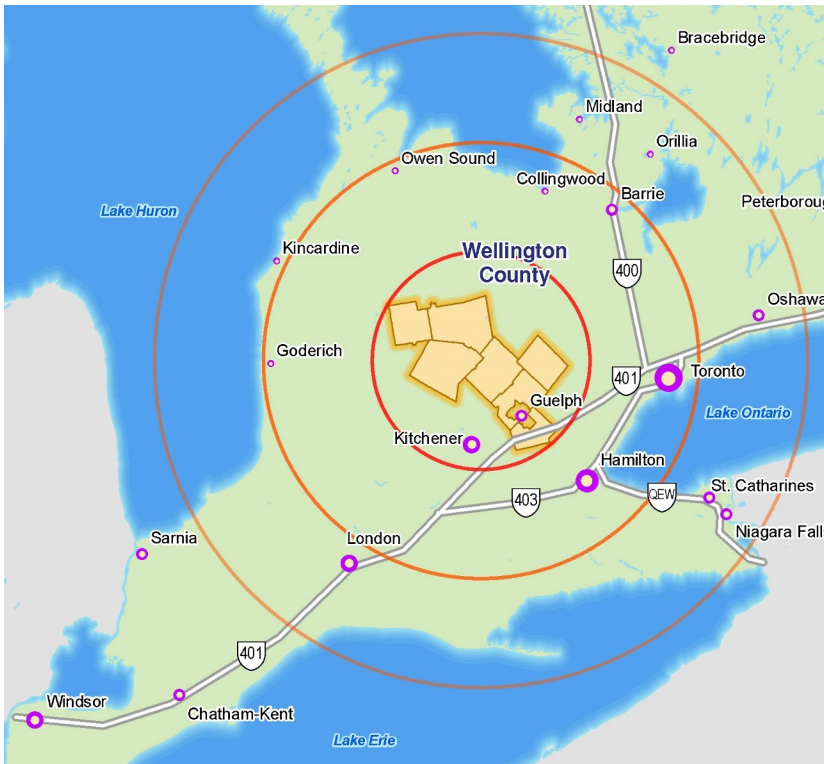
Councillor Doug Breen

County Ward 8
T 519.573.4965

Councillor Jeff Duncan

County Ward 9
T 519.400.8297

COUNTY OF WELLINGTON AT A GLANCE



Wellington County is located in south-western Ontario just over 100 kilometres west of Toronto. Four renowned post-secondary institutions surround the County including the University of Guelph, University of Waterloo, Wilfrid Laurier University and Conestoga College.

The County of Wellington has a vibrant economy and an active economic development office. The key industries in Wellington County are manufacturing, agriculture, health care and the creative economy. Proximity to vital transportation corridors and urban centres, as well as high speed broadband coverage and excellent green space make Wellington an attractive place to both work and live.

The County is made up of the following seven member municipalities:



Township of Centre Wellington
519.846.9691
www.centrewellington.ca



Township of Mapleton
519.638.3313
www.mapleton.ca



Town of Erin
519.855.4407
www.erin.ca



Town of Minto
519.338.2511
www.town.minto.on.ca



Township of Guelph/Eramosa
519.856.9596
www.get.on.ca



TOWNSHIP OF
PUSLINCH
EST. 1850

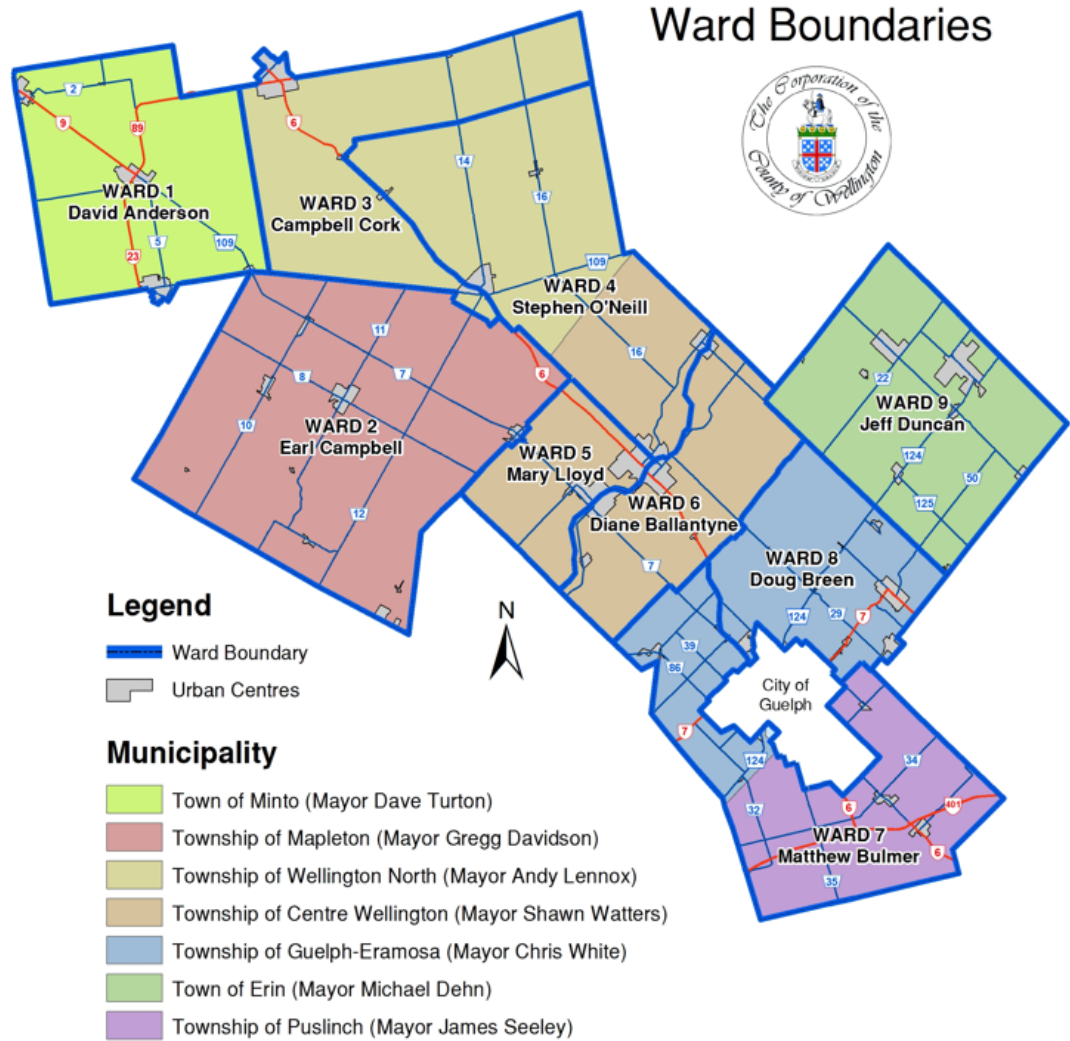
Township of Puslinch
519.763.1226
www.puslinch.ca



Township of Wellington North
519.848.3620
www.wellington-north.com

COUNTY OF WELLINGTON AT A GLANCE

County of Wellington Ward Boundaries



Population	Households	Municipalities
107,610	38,300	7
Land area	Pop. Density	Credit rating
2,610km ²	41.2km ²	AAA
Businesses	Jobs	Workforce
3,813	61,165	61,818
Average Household Income	Job Growth (2019-2023)	Annual budget
\$149,555	7.0%	\$301M



COUNTY OF WELLINGTON POPULATION

At the end of 2024, Wellington County had **38,300** households and a population of 107,610. The population of Wellington County is projected to grow to **160,000** by 2051.

Wellington County 2024 Population Estimates				
	Mid-Year (2011)		End of Year (2024)	
	Population	Households	Population	Households
Centre Wellington	29,350	10,830	35,080	13,260
Fergus	14,860	5,670	19,200	7,370
Elora/Salem	7,170	2,670	8,590	3,370
Centre Wellington Rural	7,320	2,490	7,290	2,520
Erin	11,890	3,955	13,770	4,740
Erin Village / Hillsburgh	4,490	1,670	5,950	2,140
Erin Rural	7,520	2,450	7,820	2,600
Guelph/Eramosa	12,890	4,220	14,530	4,920
Rockwood	4,530	1,595	5,770	1,980
Guelph/Eramosa Rural	8,350	2,625	8,760	2,940
Mapleton	10,400	2,930	11,500	3,340
Drayton	1,960	675	2,550	850
Moorefield	430	155	450	170
Mapleton Rural	8,010	2,100	8,500	2,320
Minto	8,680	3,140	9,770	3,590
Clifford	820	335	920	390
Harriston	2,040	775	2,320	850
Palmerston	2,720	1,025	3,280	1,270
Minto Rural	3,100	1,005	3,250	1,080
Puslinch	7,320	2,535	8,530	2,980
Aberfoyle	320	120	340	110
Morrison	460	180	610	200
Puslinch Rural	6,530	2,235	7,580	2,670
Wellington North	11,950	4,450	14,390	5,470
Arthur	2,550	940	3,540	1,310
Mount Forest	4,950	2,075	6,090	2,610
Wellington North Rural	4,450	1,435	4,760	1,550
Wellington County	90,880	31,190	107,610	38,300

COUNTY SERVICES

THE WELLINGTON TERRACE

Wellington Terrace is the County's Long Term Care Home. Located in Centre Wellington, it has 176 approved beds. The Wellington Terrace is committed to providing compassionate care honouring the unique needs of each resident. The Terrace is responsible for providing nursing healthcare to residents, recreation and restorative services for residents, and comfort for those in the final stages of life.



LIBRARY SERVICES

The Wellington County Library system consists of fourteen branches. The libraries provide access to a rich and broad range of print materials and electronic resources. The library system also provides a weekday courier service that makes stops at all fourteen branches ensuring patrons have easy access to materials held at all the libraries. Membership is free to County residents.

MUSEUM AND ARCHIVES

Wellington County Museum and Archives (WCMA) is a National Historic Site located in Aboyne. It was originally built as the House of Industry and Refuge in 1877 and is the oldest remaining Poor House in Canada. WCMA serves as a cultural centre providing resources, programmes, exhibits, support and services for historical, educational and artistic interests. WCMA collects, preserves, researches, interprets and exhibits artifacts and archival records that reflect and document the settlement and development of the County of Wellington.

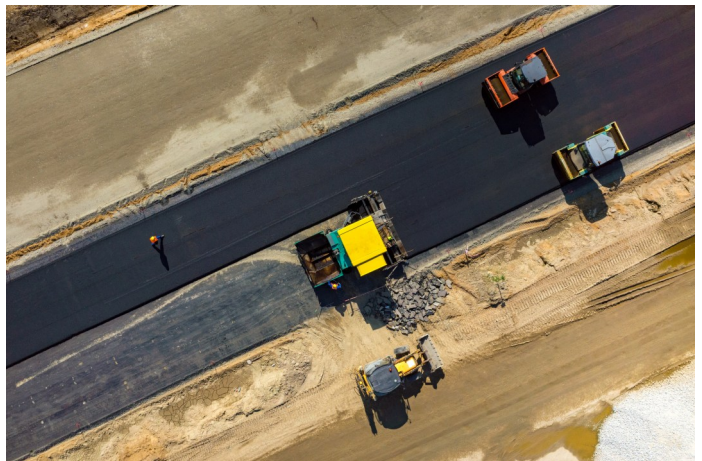


COUNTY SERVICES



ROADS

The mission of the Roads Department is to provide a safe and efficient transportation network for the movement of people and products throughout the County of Wellington, while preserving the public investment in the road system and protecting the natural state of the environment. Roads staff manage and maintain 1,426 lane-kilometres of roadways, 104 bridges and 94 culverts.



SOLID WASTE SERVICES

The Solid Waste Services Department provides programmes to collect, divert, or dispose of municipal solid waste and recyclables. Responsibilities include overseeing landfill sites, transfer stations, and Reuse Centres. Staff facilitate curbside collection of garbage and recyclables, as well as recycling and safe disposal of Household Hazardous Waste.



COUNTY SERVICES

SOCIAL SERVICES

The County of Wellington is the Consolidated Municipal Services Manager (CMSM) for Social Services in the City of Guelph and County of Wellington. These social services include:

Ontario Works: helping people in temporary need of financial support to find sustainable employment and achieve self-reliance by providing employment services and financial assistance.

Children’s Early Years: investing in and supporting an affordable, accessible, and accountable child care system. Services include child care subsidies for financially eligible families; special needs resourcing; wage subsidies to increase the overall level of wages paid to child care workers; and quality monitoring, training, and support.

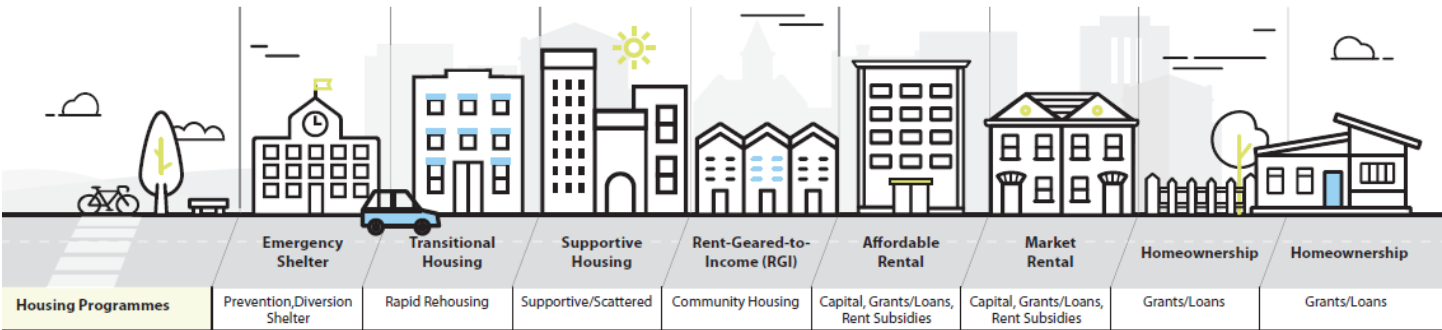


Social Housing Services: ensuring effective, efficient, and fair provision of high quality affordable housing to residents of Wellington County and the City of Guelph. The department strives to create innovative solutions to local housing needs in cooperation with tenants and the local community. Services provided include programmes that address rent affordability, loan assistance, as well as financial assistance.

The costs to provide these services are shared with the City of Guelph.

HOUSING CONTINUUM

Guelph-Wellington



COUNTY SERVICES

PLANNING AND DEVELOPMENT

The Planning Department is responsible for approving official plan amendments, developing County planning policies, approving new lots, providing emergency management services, reviewing development proposals, managing County forests, developing rail trails, and creating County maps.



GREEN LEGACY PROGRAMME

The Green Legacy Programme is the largest municipal tree planting programme in North America. In 2010, the programme was recognized under the Billion Tree Campaign for their help in the fight against climate change.



ECONOMIC DEVELOPMENT

The County's Economic Development Department strives to grow the economy and build on the community's many strengths. The County works as a facilitator, connecting businesses with resources, contacts, and supply chain opportunities. These efforts are aligned and promoted on a County level, to ensure employers, newcomers and investors can make informed decisions and take advantage of opportunities.

COUNTY SERVICES



POLICE SERVICES

The County of Wellington has a contract with the Ontario Provincial Police (O.P.P.) to provide policing services. The County's O.P.P. Detachment was formed in 1999 and provides police services for the entire County excluding the City of Guelph. There are three operation centres in North Wellington, Aboyne and Rockwood. The Wellington County O.P.P. Detachment Board oversees police operations in the County.

LAND AMBULANCE

Ambulance services for Wellington County are provided by the City of Guelph and are cost shared based on the proportion of calls in each municipality. The City of Guelph was designated as the delivery agent by the Province of Ontario and assumed responsibility for service delivery in 2001. Guelph-Wellington Paramedic Service provides emergency pre-hospital medical care to Guelph and Wellington County.



PROVINCIAL OFFENCES COURT

The City of Guelph delivers Provincial Offences Act (POA) administration and prosecution on behalf of Wellington County and its member municipalities. The City provides administration for the Ontario Court of Justice with respect to all provincial offences and prosecution services regarding Part I Provincial Offences Act charges. These charges include tickets issued pursuant to the Highway Traffic Act, Liquor Licence Act and similar provincial statutes. The County shares in the net revenue which is distributed between the City and County based on location of each offence. Wellington County and the City of Guelph also cost share capital expenses on a 50/50 basis.

PUBLIC HEALTH SERVICES



Public Health Services are provided by Wellington-Dufferin-Guelph Public Health (WDGPH). WDGPH was formed in 1967 and is governed by an autonomous Board of Health consisting of elected and appointed representatives from the Counties of Wellington and Dufferin and the City of Guelph. WDGPH receives an annual operating grant from the Province of Ontario and the net municipal cost is then funded by Guelph (46.7%), Wellington (31.7%) and Dufferin (21.6%) in proportion to their population.

ECONOMIC DEVELOPMENT HIGHLIGHTS

The Economic Development Division works in close collaboration with member municipalities to deliver County-wide programming that supports local businesses and promotes Wellington County as an exceptional place to live, work, and invest. In 2024, a wide range of initiatives were undertaken to strengthen the local economy and enhance community vitality. These included the Invest Well Community Improvement Funding Programme, Business Retention and Expansion (BR+E), the Experimental Acres Programme, Ride Well Rural Transportation Programme, Investment and Talent Attraction efforts, Workforce Development initiatives, Tourism Signage and Experience Development, Shop Local Support campaigns, and the Taste Real Local Food Programme.

Through strategic partnerships and a strong local network of business support organizations, we continue to provide valuable resources and guidance to help businesses meet challenges, build resilience, and take advantage of emerging opportunities across the County.



Christina Mann,
Manager of Economic
Development

Grow your Business in Wellington County



www.wellington.ca

Focusing on connectivity and internet infrastructure needed to keep our communities thriving, the South Western Integrated Fibre Technology (SWIFT) programme continues to provide reliable internet access to 3,085 locations in Wellington County. With federal and provincial funding models promising fibreoptic broadband rollout across Wellington County, the County's Smart Cities Office is tracking expansion and promotes internet speed tests to identify gaps. The County is also a member of the Guelph-Wellington Digital Equity Coalition, which advocates for and supports availability of connectivity for our most vulnerable residents.

In 2024, an emphasis was placed on increasing outreach to the business community, by expanding Business Retention and Expansion (BR+E) activities. These efforts focused on connecting directly with business owners to better understand their needs, identify barriers to growth, and explore emerging opportunities.

As more residents move to Wellington County, housing availability remains a key concern across local communities. Staff continued to support the County's Housing Taskforce activities, including meeting with member municipalities to discuss specific housing needs and identify opportunities that will help guide future housing initiatives.

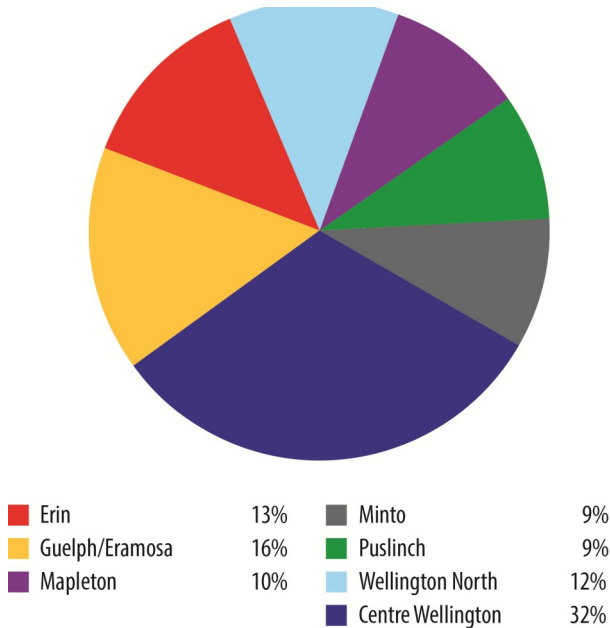
LOCAL ECONOMY

There were a total of 61,165 local jobs in Wellington County in 2024 and the labour force totalled 61,818 employees. From 2019 to 2024, job growth has occurred across most of the County.

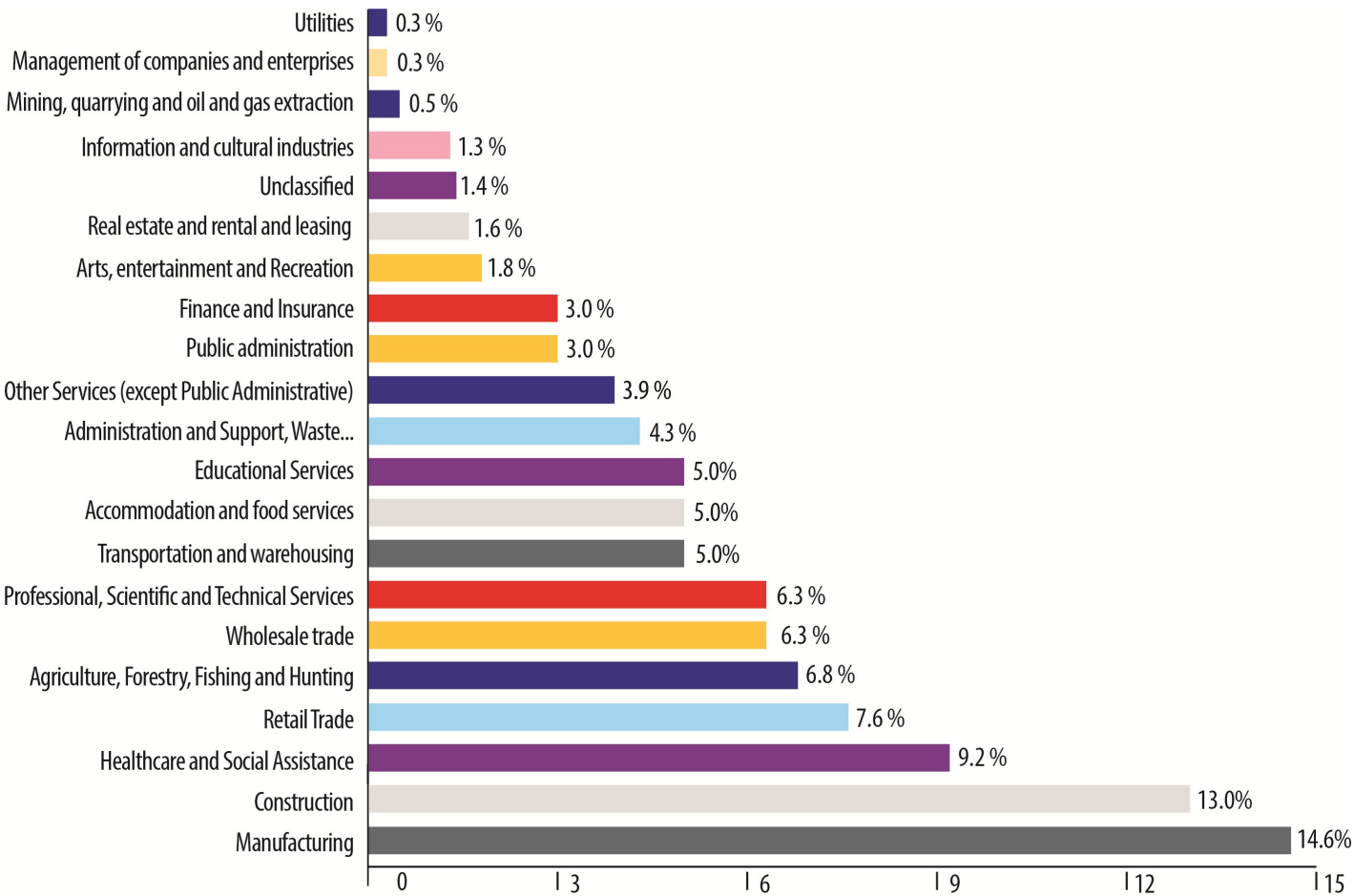
Over the past several years, Wellington County has been experiencing growth in health care and social assistance, construction, educational services, finance and insurance, wholesale trade and professional, scientific and technical services. Manufacturing is the largest sector of employment and remains steady at 14% of all jobs.

This growth represents an indication of a strong, diversified and resilient economy in Wellington County.

LABOUR FORCE DISTRIBUTION (2024)



WELLINGTON COUNTY SECTORS OF EMPLOYMENT (2024)



2024 NOTABLE PROGRAMMES AND EVENTS

Business Retention and Expansion Projects (BR+E)

In 2024, the County launched a Business Retention and Expansion (BR+E) initiative to strengthen engagement with downtown businesses. This initiative aims to better understand the needs of local business owners, identify barriers to growth, and uncover new opportunities that contribute to the vitality of our main streets. This year, the County completed 55 business interviews in the Town of Erin and the townships of Guelph/Eramosa and Puslinch. The findings will be shared with local councils and economic development partners, helping to shape targeted responses that align with community priorities.

Business Retention and Expansion (BR+E) Municipal Implementation Fund

The BR+E Municipal Implementation Fund provides direct financial support to local municipalities to act on the recommendations that emerge from BR+E initiatives. Up to \$25,000 is available annually for each municipality to assist with projects that align with local economic development goals. Since its inception in 2014, the fund has supported a wide range of activities—such as downtown revitalization projects, marketing campaigns, and business support tools—contributing to a cumulative investment of approximately \$5.5 million across Wellington County.

Community Improvement Funding

The County's Community Improvement Funding Programme continues to support business revitalization, beautification, and investment attraction in Wellington County by providing top-up funding to local municipal Community Improvement Plans (CIP). The programme was designed to support projects that advance County-wide planning, stimulate development, and support the following countywide priorities:

1. Using land strategically
2. Improve buildings and infrastructure
3. Diversify the economy
4. Provide affordable housing
5. Promote tourism
6. Incorporate sustainability

COMMUNITY IMPROVEMENT FUNDING BY THE NUMBERS		
	2024	2023
Number of Businesses	6	5
Total County Investment	\$64,260	\$32,300
Total member-municipal Investments	\$31,091	\$26,413
Total Private Investment	\$5,964,622	\$2,705,712
Total Return on Investment (ROI)	\$1.00 : \$63	\$1.00 : \$46
Total Study Grants	1	0
Total Invest MORE Grants	0	4
Total Minor Activity Grants	5	1
Total Major Activity Grants	0	0
Number of member-municipalities that participated	3	3

2024 NOTABLE PROGRAMMES AND EVENTS

Tourism and Events

In 2023, the County of Wellington launched its first-ever Tourism Strategy to strengthen support for tourism-based businesses through networking, capacity building, and marketing. The strategy builds on the successes of several tourism-based initiatives and continues to guide the County's future actions and investments to strengthen the sector and establish Wellington County as an exciting rural tourism destination within Southwestern Ontario.



In 2024, a two-day tourism product development workshop and business networking event was hosted to foster the growth and development of new tourism experiences.

The "Pay to Play" tourism signage programme launched in 2018, promotes greater awareness of tourism-based businesses across the County and encourages visitors and locals alike to explore rural destinations.



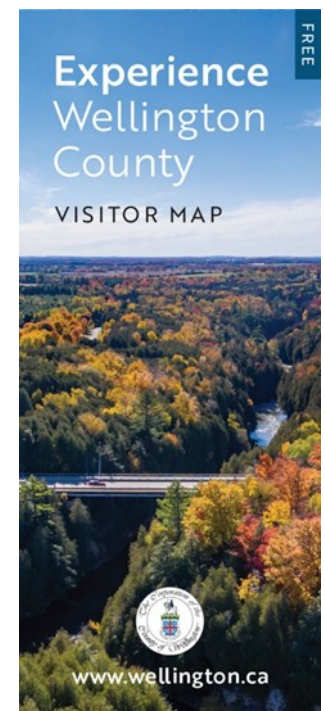
The County continues to promote year-round visitation through its Experience Wellington website, seasonal marketing initiatives such as the annual 'Winter Adventures' campaign, and the 'Dating Our Downtowns' campaign (2024), as well as a suite of seasonal outdoor experiences. The updated Wellington County Visitor Map (2024) places a strong emphasis on promoting local events and experiences throughout the County.

Staff continue to explore tourism product development opportunities to offer a greater variety of tourism experiences and attract spending. This led to a cycle tourism assessment (2022) and most recently to the development and launch of seven signature

tourism cycling routes (2023/24).

Additional efforts were undertaken to support community groups and festival organizers, including a weekly promotional campaign featuring the 'Top 5 Things to do in Wellington County this week'. The Experience Wellington website and events calendar serve as key platforms for residents and tourists to discover, eat, shop, play and stay opportunities in Wellington County. Additional marketing and tourism development initiatives include:

- Top 5 Things To Do In Wellington County This Week campaign – promotes local events.
- A Winter Adventures campaign and online map – highlights businesses and winter destinations.
- A Holiday Happenings campaign – highlights festive events, destinations and shopping local in our communities.
- Monthly tourism e-newsletters
- Tourism ads in local and province-wide publications



2024 NOTABLE PROGRAMMES AND EVENTS

Taste Real Local Food

Wellington County has a rich agricultural heritage and diverse terroir, making it an ideal place for farm gate shopping, food events, and on-farm experiences. The Taste Real programme promotes farm and food experiences and shopping local to visitors and residents through seasonal food campaigns and the Food Experience Guide (2024).



Guelph-Wellington is also known for its craft breweries and emerging distilleries, which complement the County's authentic food culture and led to the development of a Craft Gin Trail in 2021. Taste Real's Farmers' Market Trail and Food Experience Guide (updated 2024), promote farm and food-specific outings and adventures available locally. The programme actively collaborates with local farmers' markets to facilitate the Farmers' Market Passport programme, encouraging visitors and locals to explore rural destinations and support local businesses.

Taste Real's efforts to promote local food also include a Farmers' Market Box Programme, generating significant revenue for local market vendors. Rural Romp campaigns allow residents to discover farms and local food options in the region, and the Holiday Food and Gift Guide encourages residents to shop locally for their gifts and ingredients for their holiday meals Wellington County.

Overall, Taste Real's efforts to promote local food and food experiences in Guelph-Wellington have been instrumental in connecting residents and visitors with the region's agricultural heritage and diverse culinary offerings.

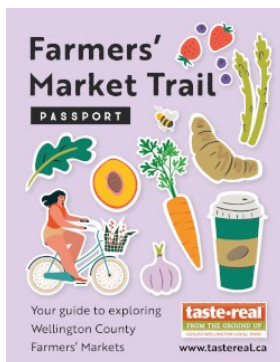


Taste Real Programming:

- Updated Taste Real Food Experience Guide and promotional brochures, including the Local Food Map.
- Annual Eat Up Your February campaign – promotes eating and sourcing local food in the colder months.
- Spring Rural Romp and Fall Rural Romp – self-guided farm and food tours.
- Seasonal campaigns that highlight farm and food outings, as well as finding and purchasing local ingredients.
- Business consultations and supports.
- Monthly Local Food News e-newsletters.



Farmer's Market Programming:

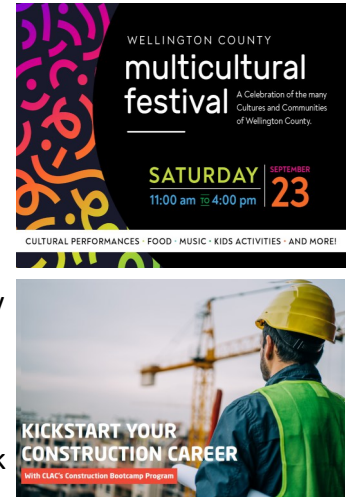


- **Farmers' Market Trail** – a market passport encouraging residents and visitors to explore the seven local farmers' markets
- **Farmers' Market Box Series** – a partnership with the local farmers' markets; curated market boxes that highlight a different market every two weeks. The boxes generated \$23,659 in sales for local vendors and brought the market right to the doorstep of residents in Wellington County and Guelph.
- **Holiday Farmers' Market Box** – a curated farmers' market gift box that includes a selection of items from all eight local farmers' markets, generating \$12,282 in sales for local businesses.
- **Food Day Canada cross promotion** - postcards at markets promoting shop local, along with a contest to take the pledge to support local food.

2024 NOTABLE PROGRAMMES AND EVENTS

Talent Attraction

The Talent Attraction Initiative continues to promote Wellington County as a desirable place to live and work. In 2020, Immigration, Refugee and Citizenship Canada (IRCC) funding was secured to support an Economic Development Talent Attraction position with the aim to attract newcomers to live and work in the County. Additionally, the initiative interacts with employers, encouraging them to consider hiring immigrants, newcomers, and global talent, thus helping address the labour skills shortage. The Talent Attraction Initiative supports employers, newcomers and immigrants as our businesses and communities continue to employ and welcome newcomers, and make Wellington County a more inclusive and welcoming community. 2024 highlights include a webinar for employers on Hiring and Keeping Talent, resources for jobseekers and employers, the 2nd annual Multicultural Festival, Explore Wellington newcomer bus tour and Welcoming Week social media campaign.



2024 Workforce Development highlight include a collaboration with Christian Labour Association of Canada (CLAC) and Conestoga College to offer a two-week construction bootcamp.

Western Ontario Warden Caucus (WOWC)



The Western Wardens Caucus (WOWC) represents 15 upper and single-tier municipalities and 300 communities, and elected former Wellington County Warden Lennox as the vice-chair for 2024. The WOWC's current priorities are housing, infrastructure investment, workforce development, and mental health and addictions.

To address these priorities, the WOWC has conducted extensive research and is proposing concrete solutions to the challenges facing rural Western Ontario. The WOWC asks the Province of Ontario to:

1. Reinstate housing services and land costs as eligible development charges.
2. Ensure equitable housing infrastructure funding and clarify plans for utility investments (e.g., hydro, natural gas, water, wastewater).
3. Address workforce development needs to support economic growth and stabilize the regional economy.
4. Allocate a dedicated portion of Homelessness Prevention Program (HPP) funding for small and rural communities.

The WOWC also hosted the Ontario West Municipal Conference to provide dynamic programming, share knowledge, and promote networking opportunities to enhance municipal successes.

Ontario Food Cluster, Investment Attraction

As an agricultural community with many food businesses, the University of Guelph, favourable trade agreements and sector supports, the County represents its seven member municipalities within the Ontario Food Cluster. The OFC is a partnership of government and economic development organizations in southern Ontario that work together to develop sector strategies and attract agri-food investment to the participating Ontario communities.



2024 NOTABLE PROGRAMMES AND EVENTS

Smart Cities Office

The Smart Cities Office managed Our Food Future, a \$10 million federally-funded project run in partnership with the City of Guelph, which ran from 2020-2023. Building on this experience and the project's strong stakeholder network, this office continues to work on circular economy supports and future-ready food systems.

Events

- In 2024 Guelph-Wellington was host to North America's first Circular Economy Hotspot, a multi day conference which attracted international delegates. A Hotspot tour day included stops at County farms and businesses.
- Smart Cities staff contributed to the Wellington County Museum and Archives exhibit Not Just Dirt: Digging into the Science of Soil (2024-2025). Senator Rob Black spoke at the exhibit opening, which was timed to complement the release of Critical Ground, the Canadian Senate's report on the essential role healthy soil plays in Canada's ability to thrive.



Agriculture Support

Provincial Grant

In September, the County was approved for a \$22,500 Rural Economic Development (RED) grant to develop support materials to assist in farm ownership transition. As the farming population ages, the agricultural sector will see an increase in the transition of farms into new hands; in 2025-2026 the County will offer a workbook, online information and a series of workshops to help families plan.

Experimental Acres



The County's climate-focused agricultural initiative — Experimental Acres — transitioned from pilot phase to full implementation, supporting ten hosts in 2024. Well received by local farmers, this programme received the 2024 Awards of Excellence in the category of Excellence in Rural Economic Development awarded by the Economic Developers Council of Ontario.

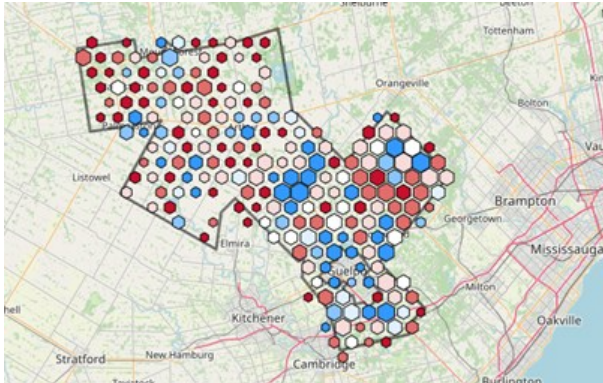
The Experimental Acres has also been featured in the January edition of [Municipal World Magazine](#). The article presents the history, partnerships, and successes of this unique support, and also notes its scalability. The Experimental Acres Handbook is available to other municipalities as a resource and template.

2024 NOTABLE PROGRAMMES AND EVENTS

Rural Broadband and Southwest Integrated Fibre Technology (SWIFT)

In 2011, the Western Wardens' initiated the SWIFT project with the goal of providing improved high-speed internet service to Ontario communities. The County of Wellington was one of twenty municipal partners, and built a total commitment of \$880,000 into our Economic Development budget over five years.

SWIFT projects serving Wellington County began in 2020 and were completed in 2024. Four SWIFT routes were installed Mapleton, Centre Wellington and Guelph/Eramosa, with a total project value of \$12,969,036, offering service to over 3000 homes.



In 2022, the Province named Rogers Communications as the Internet Service Provider contracted to complete hook-up for most of the remaining Wellington households who do not yet have high-speed service.

The County continues to track service expansion, and works with Canadian Internet Registration Authority's data to better understand where connectivity has improved, or has yet to meet provincial standards.

Residents can find resources and support at www.wellington.ca/internet.

RIDE WELL Rural Transportation Programme

Ride Well is a demand-based, rideshare transit service that provides transportation for Wellington County residents and visitors. In 2018, the County of Wellington was awarded a \$499,500 MTO Community Transportation Grant over a five-year period to pilot the Ride Well rural transit programme. In 2021, an additional \$242,000 was awarded to extend the programme to March 31, 2025. An additional \$227,196 was awarded to the County in 2024 to introduce service enhancements and prepare to graduate the service beyond its pilot phase ending in March 2025.



Ride Well offers door-to-door service in Wellington County and pick-up or drop-off into the City of Guelph for rides that start or end in Wellington County. The service operates from Monday to Friday, from 6:00 a.m. to 7:00 p.m. and rides can be booked through the Ride Well app, on the website, or by calling Ride Well phone operators.

The Ride Well service officially launched in October 2019 and has grown year-over-year. This trend continued in 2024, servicing 9,757, a 10% increase from the 8,861 rides serviced in 2023. The more modest increase is in part due to strategic direction to operate in zones, which spread the driver supply across the entire County; this slightly reduced Ride Well's overall capacity but improved its availability in more peripheral areas. In addition, Ride Well restricted longer distance trips and encouraged passengers to access Guelph Owen Sound Transportation (GOST) for those journeys.

Report from the County Treasurer

KEN DEHART, CPA, CGA

June 30, 2025



2024 marked the County of Wellington's second year of operation under the current term of Council. Over the course of the year, County Council and staff continued to align services and programmes with the Strategic Action Plan while maintaining a focus on long-term financial sustainability.

All initiatives have been strategically prioritized to support legislative deliverables, long-term infrastructure planning, and service level continuity. The County strives to minimize the impact to residential property taxes, address the existing infrastructure gap and deliver quality public services that residents, business and visitors rely on each day.

Some economic challenges for the County of Wellington persist, including increased costs from inflation on County services, Housing affordability and availability, and maintaining costly capital infrastructure. County Council has been tasked with crucial decisions to ensure that resources are maximized for current needs while maintaining a view towards the longer term future.

Consistent with the County's Long-Term Financial Sustainability Strategy and Asset Management Plan, the County has taken a long-term approach to financing its capital needs by utilizing capital reserves to avoid major spikes and dips in the County tax levy.

The County ended 2024 with a significant surplus of just over \$8 million. The largest factors contributing to this amount was significant growth through supplementary and omitted assessment revenues, payments-in-lieu of taxes and collection of gravel pit appeal settlements. This positive outcome is to be used towards the longer term financial commitments approved by Council in order to ensure sustainability. The entire surplus was used to eliminate or reduce future debt requirements and enhance the financial flexibility for future County budgets.

In 2024, the County was able to maintain its AAA credit rating with Standard and Poor's. This rating was supported by strong and improving financial management practices, and prioritizing long-term financial sustainability with the expectation that the County would continue to maintain strong budgetary performances, despite inflationary pressures.

The County's Treasury Department received a clean audit findings report from KPMG. The County's auditor found no control deficiencies or concerns with respect to the presentation and disclosure of the financial statements. For eleven consecutive years, the County has received the Canadian Award for Financial Reporting – the most prestigious award in government financial reporting – from the Government Finance Officers Association. This longstanding track record reflects the County's commitment to open, accountable and transparent government. Treasury staff are pleased to present the 2024 year-end statements and annual report that follow.

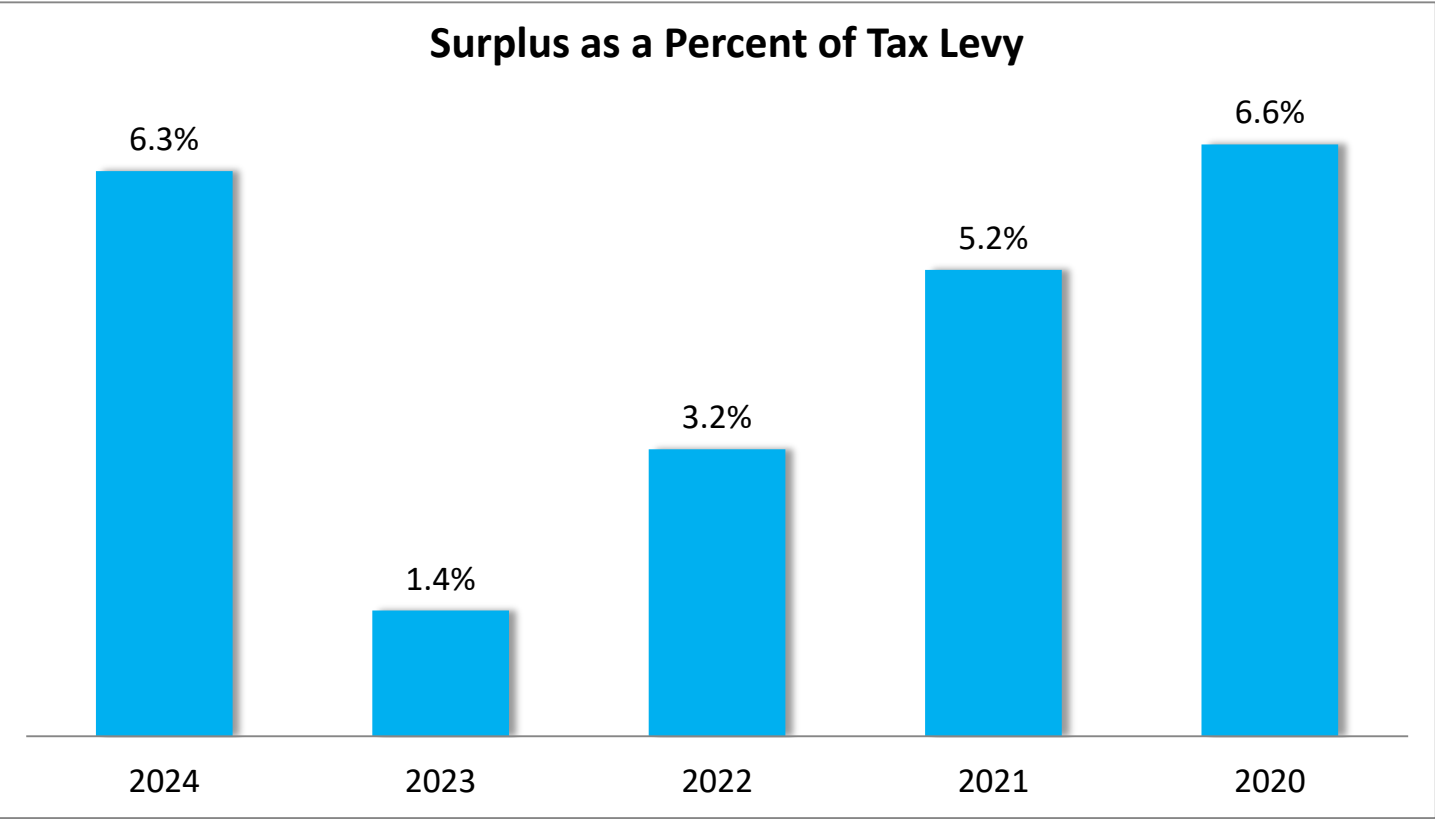
Report from the County Treasurer

KEN DEHART, CPA, CGA

Operating Results

As described further on pages 57-58 of this report, the County approves its budget and reports regularly on its financial results on a modified accrual basis of reporting. For practical purposes, this demonstrates that property taxes were collected and spent for their intended purpose.

The County’s 2024 year-end position on a modified accrual (cash) basis was a surplus of \$8,111,200 which is 6.3% of the tax levy. As approved by County Council, just over \$4.2 million was transferred to the Roads Capital Reserve to reduce the debt required for the Erin Garage project. An additional \$3.2 million of the surplus was transferred to the Ambulance Capital Reserve to reduce future debt requirements for the County’s contribution to the Elmira Road Station upgrade in Guelph. The remaining \$685,000 was transferred to the Solid Waste Services Capital Reserve to eliminate the debt for the Elora Waste Facility project.



Report from the County Treasurer

KEN DEHART, CPA, CGA



Long-Term Financial Planning

The County's long-term financial planning process aims to create a local government that is financially resilient. The County strives to provide services to residents and ratepayers at a reasonable cost, while maintaining its ability to mitigate the impacts of economic downturns, severe weather conditions, and changes in funding and operational requirements by other levels of government.

To that end, the County takes a long-term approach to financial management. The County has implemented several policies and procedures that contribute to an integrated financial planning approach which balances three areas of financial resiliency:

1. **Financial Sustainability:** addresses the County's stability. It is the ability to provide and maintain service and infrastructure levels without resorting to unplanned increases in rates or cuts to services.
2. **Financial Vulnerability:** addresses the County's vulnerability to external sources of funding that it cannot control. It is focused on minimizing the level of risk that could impact the County's ability to meet existing financial obligations and commitments, including the delivery of services.
3. **Financial Flexibility:** is the County's ability to issue debt responsibly without impacting the credit rating or ability to generate required revenues. It is the County's capacity to change debt or tax levels to meet financial obligations.

Report from the County Treasurer

KEN DEHART, CPA, CGA

Financial Sustainability

Wellington efficiently manages its resources to ensure the current needs of its citizens are met without jeopardizing the ability for future generations to meet their own needs. This requires long-term planning through multi-year budgeting. The County annually prepares a ten-year operating and capital budget and forecast that provides for consistent contributions to reserves and reserve funds and recognizes the ongoing operating costs associated with capital projects.

This diligent reserve and reserve fund management allows the County to avoid the issuance of debt for the repair, rehabilitation and replacement of existing assets where possible, build up funding for future liabilities such as landfill closure and post-closure costs and provides contingency funding for unexpected events. The County recognizes its responsibility to provide good stewardship of public assets and has prepared ten-year asset management plans for the majority of its capital assets including roads, bridges, culverts and County owned social housing units.

Financial Vulnerability

To ensure consistency and stability in funding, the County recognizes the importance of managing its revenue sources effectively. County staff actively manage the property tax assessment base to ensure that properties are added to the roll in a timely manner and are assessed in a fair and consistent basis. The County's Economic Development Strategic Plan assists current business owners to succeed and helps to attract new investment into the County and increase commercial and industrial assessment. The County transfers investment income to reserve funds, so lower investment returns do not impact budgetary performance. As well, the County charges user fees according to the Council approved User Fee Policy that promotes ongoing review of user fees and full cost recovery when appropriate. The introduction of definitions for affordable and attainable housing introduced by Bill 134 is projecting a reduction of up to \$19.7 million in development charge revenue over the next 10 years. The recently introduced Bill 17 could see further reductions in development charges collected and a delay in the timing of collections.

Consequently, capital funding will need to be raised from alternative sources, such as reserves and/or debt financing.

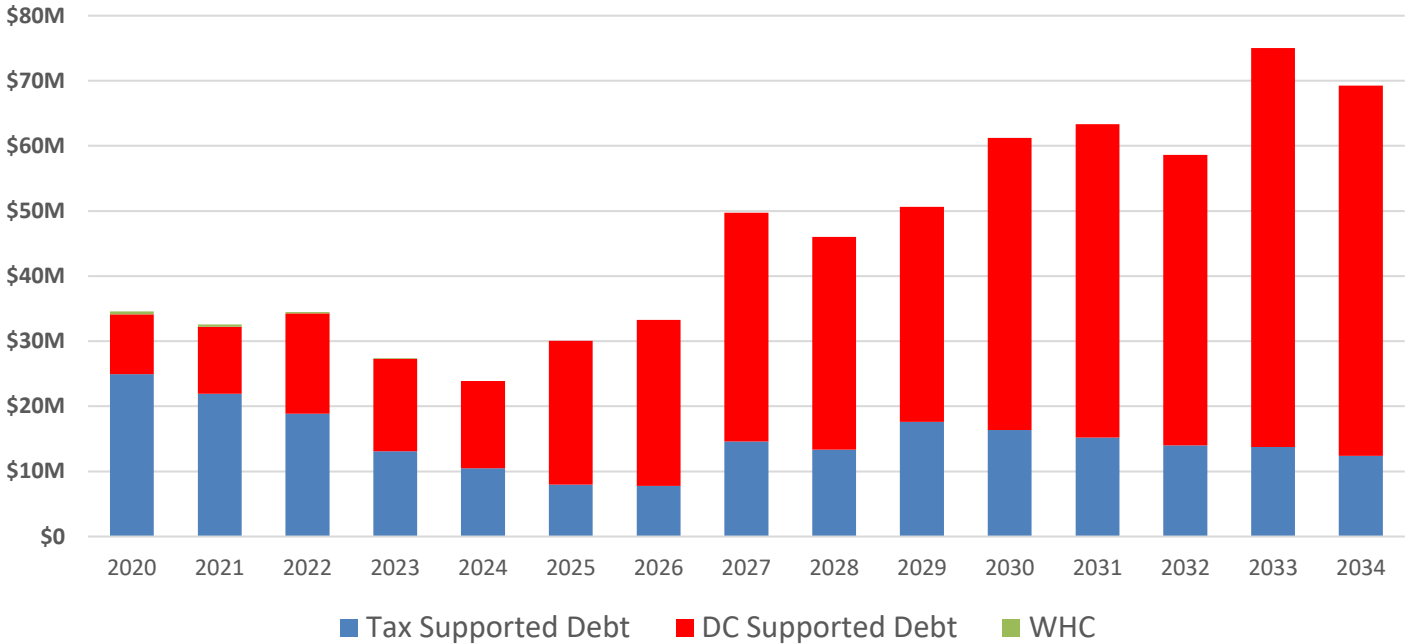
Financial Flexibility

The County's Debt Management Policy provides a debt management framework that establishes debt limits, debt structuring and debt issuance procedures in accordance with industry best practices. In the 2024 credit rating review, Standard and Poor's indicates that the County's strong local economy, will maintain stable income levels and low unemployment. Despite inflationary pressures on operating and capital costs, they expect the County will sustain strong financial performance in the next two years, as reflected by robust operating surpluses. They expect management will remain prudent in financial management practices with a strong budgetary performance that will support a moderate debt burden, primarily consisting of debt issued by lower tiers. Lastly, the County's manageable debt and its exceptional liquidity position were noted as key credit strengths.

Report from the County Treasurer

KEN DEHART, CPA, CGA

County of Wellington Debt Outstanding 2020-2034 (\$ Million)



* Note that the graph above displays both historical data and projected forecasts for future years.

Financial Ratio Analysis

The following page shows a number of ratios used by Standard and Poor's and County staff to assess the ongoing financial health of the corporation. Explanations for year-over-year changes are provided for comparison purposes. The ratios show the continued strength of the County's financial operations.

I hope that you find this annual report informative and helpful in assessing the County's financial health. Please do not hesitate to contact the County's Treasury Department with any questions at 519.837.2600.

Sincerely,

Ken DeHart, CPA, CGA
County Treasurer

Report from the County Treasurer

KEN DEHART, CPA, CGA

Financial Indicator	2024	2023	Status Compared to Prior Year	Explanation <i>Indicators are based on FIR results</i>
Net Liabilities Ratio	(0.60)	(0.66)	→	This ratio indicates the extent to which financial liabilities could be met by own source operating revenues. A ratio greater than zero would indicate that total liabilities exceed total assets.
Capital Expenditures/ Total Expenditures	21.3%	16.3%	↑	Wellington County's capital expenditures increased to 21.3% of 2024 total expenditures which reflects more spending on capital projects due to high inflationary pressures.
Operating Balance/ Operating Revenue	14.9%	13.7%	→	Operating balances remain strong at more than 10% of operating revenues.
After-Capital Balance/ Total Revenue	-0.8%	2.2%	↓	The after-capital result in 2024 is a deficit of 0.8% of adjusted total revenue. These weaker numbers are primarily the result of the significant increase in capital spending driven by several major capital projects in 2024.
Asset Consumption Ratio	48.9%	47.9%	→	This ratio is an indicator of the useful life left in the County's capital assets. The County's asset are still considered in the moderately new range (26% to 50%) according to MMAH but continue to move closer to the moderately old range (51% - 75%).
Tax Discretionary Reserves as a % of own source revenues	81%	79%	→	This ratio is a strong indicator of financial stability and shows the total value of funds held in reserves and reserve funds compared to a single years own source revenue .
Direct Debt Outstanding/ Operating Revenue	8.3%	10.4%	↑	At fiscal year-end 2024, debt outstanding (County only) decreased to 8.4% of adjusted operating revenues. This debt is manageable and remains well below the County's self imposed limit of 30% of operating revenues.
Debt Interest / Operating Revenue	0.5%	0.6%	↑	This ratio is positive, stable and indicates that only 0.2% of the County's adjusted operating revenues are committed to funding debt interest charges (includes lower-tier municipalities).
Debt to Reserve	0.17	0.23	↑	The benchmark by credit rating agencies for this ratio is 1:1 and that means debt should not exceed total reserve and reserve fund balances. This ratio remains positive and indicates that the County has approximately \$1 in reserves and reserve funds for every \$0.17 in debt.

Key Financial Indicators

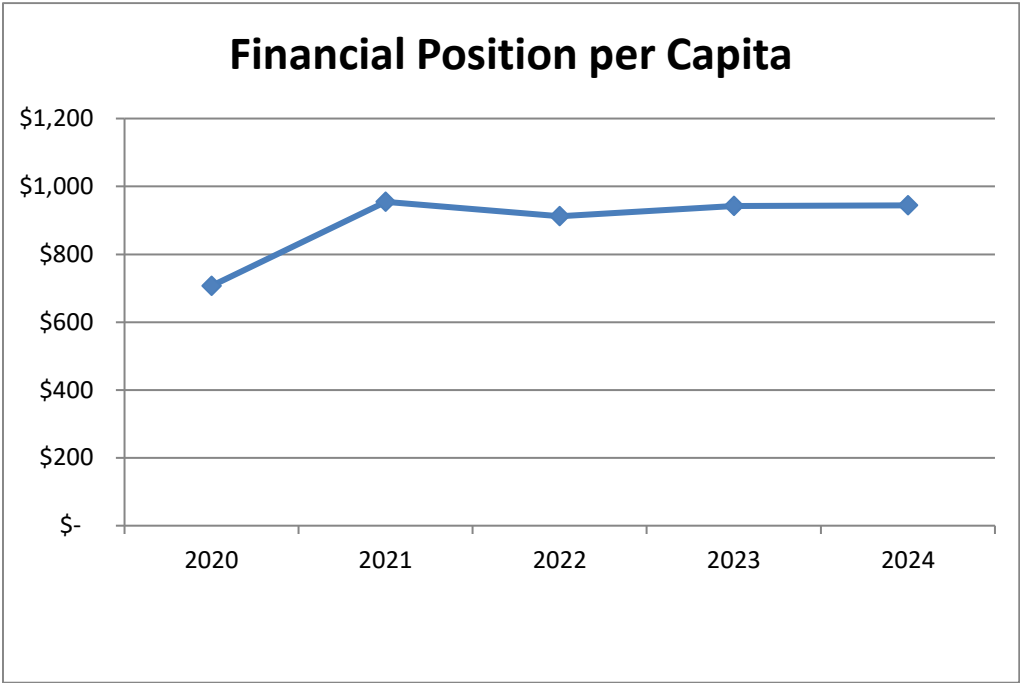
Background:

Each year, BMA Consulting Inc. completes a comparative study on behalf of participating Ontario municipalities. This section takes measures from that study and calculates the current year’s values from the Financial Information Return (FIR). The analysis is completed using the most recent current value assessment, tax policies, levy by-laws, development charges, water/sewer rates, FIRs, user fees and economic development programmes. These indicators help evaluate each municipality’s existing financial condition and identify future challenges and opportunities. This section illustrates Wellington County’s performance over a five-year period and is based on information contained in the Annual Financial Information Return submitted to the Ministry of Municipal Affairs and Housing (MMAH).

SUSTAINABILITY - The ability to provide and maintain service and infrastructure levels without resorting to unplanned increases in rates or cuts to services.

Indicator 1: Financial Position Per Capita

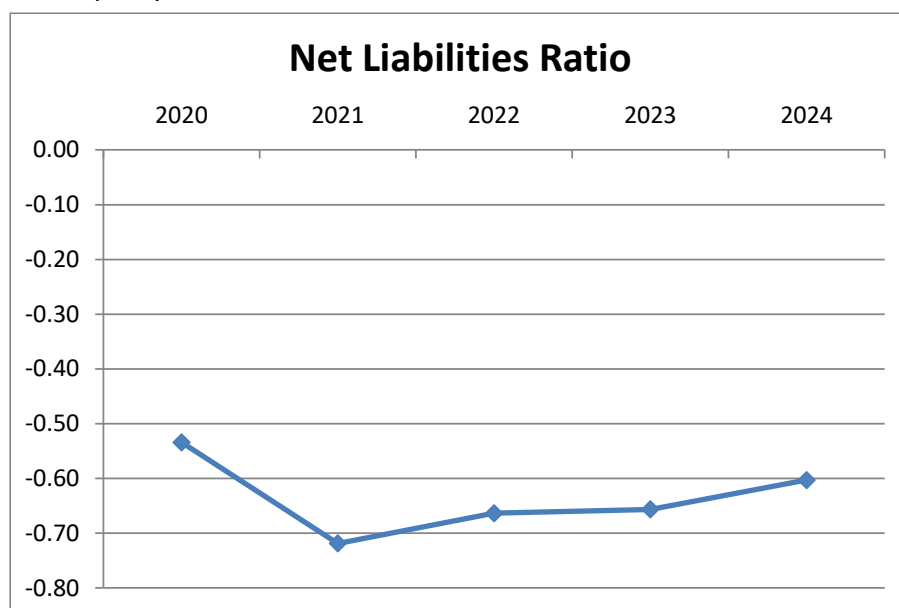
Financial position is a key indicator of a municipality’s financial health. It provides an indication of the affordability of future municipal spending. The net financial position is a broader measure of a municipality’s indebtedness than debenture debt as it includes all of the municipality’s financial assets and liabilities. A negative number indicates that a municipality’s total liabilities exceed its total assets.



Key Financial Indicators

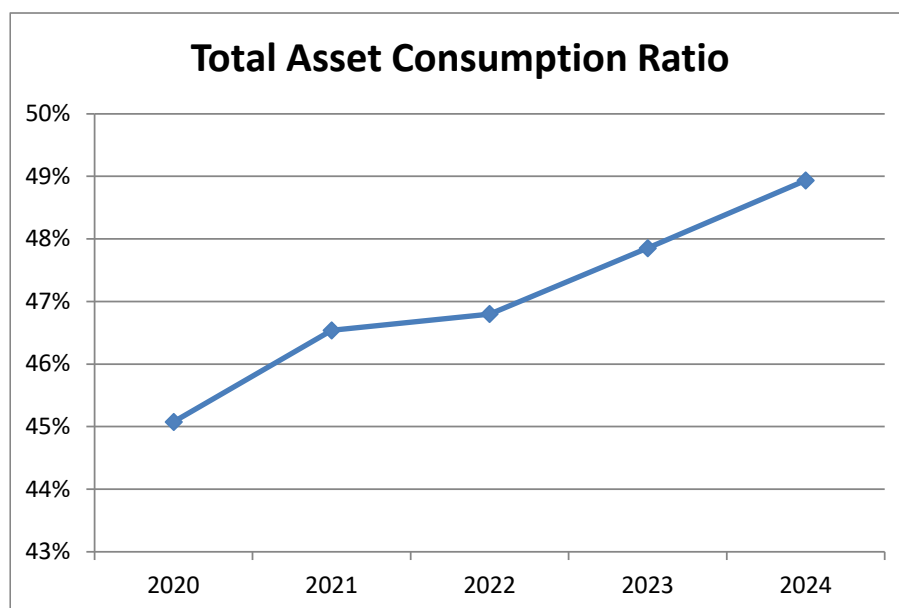
Indicator 2: Net Liabilities Ratio

Net Liabilities ratio is total liabilities minus assets as a percentage of own source revenues. It indicates the extent to which financial liabilities could be met by its operating revenue. A ratio greater than zero indicates that the municipality's total liabilities exceed the total assets.



Indicator 3: Asset Consumption Ratio

This provides an estimate of the useful life remaining in the municipality's capital assets. It shows the value of the tangible capital assets that have been consumed and seeks to highlight the aged condition of the assets and the potential asset replacement needs. The MMAH considers a ratio of 25% or under to be relatively new; 26%-50% to be moderately new; 51%-75% to be moderately old and over 75% to be old.



Key Financial Indicators

FLEXIBILITY – The ability to issue debt responsibly without impacting the credit rating. Also, the ability to generate required revenues.

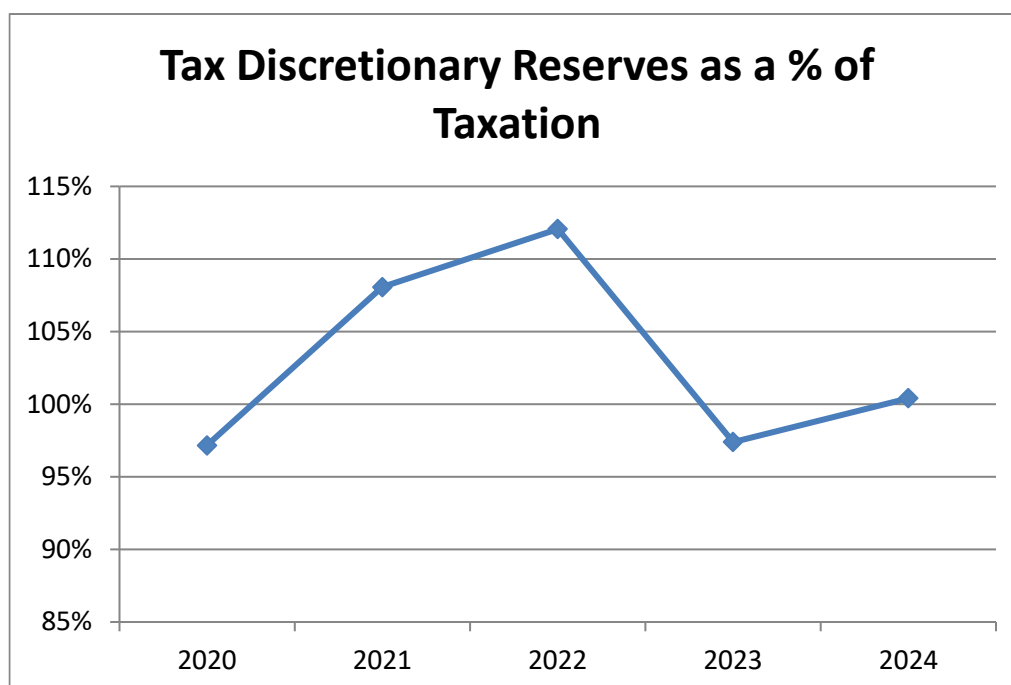
Indicator 4: Reserves

Reserves are a critical component of a municipality's long-term financial plan. Reserves offer liquidity which enhances the municipality's flexibility in addressing operating requirements and in permitting the municipality to temporarily fund capital projects internally, allowing it time to access debt markets and take advantage of favourable conditions.

Three financial indicators have been included for tax reserves. In each case, the obligatory reserve funds have been excluded.

I. Tax Discretionary Reserves as a % of Taxation

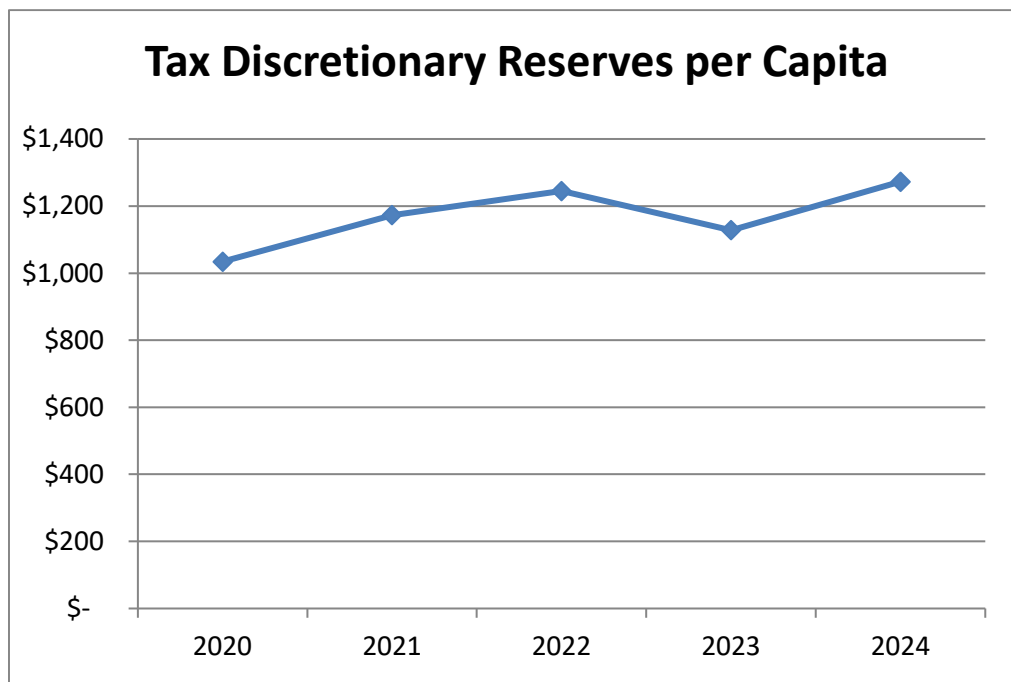
This provides the total tax discretionary reserves and reserve funds in relation to total taxation.



Key Financial Indicators

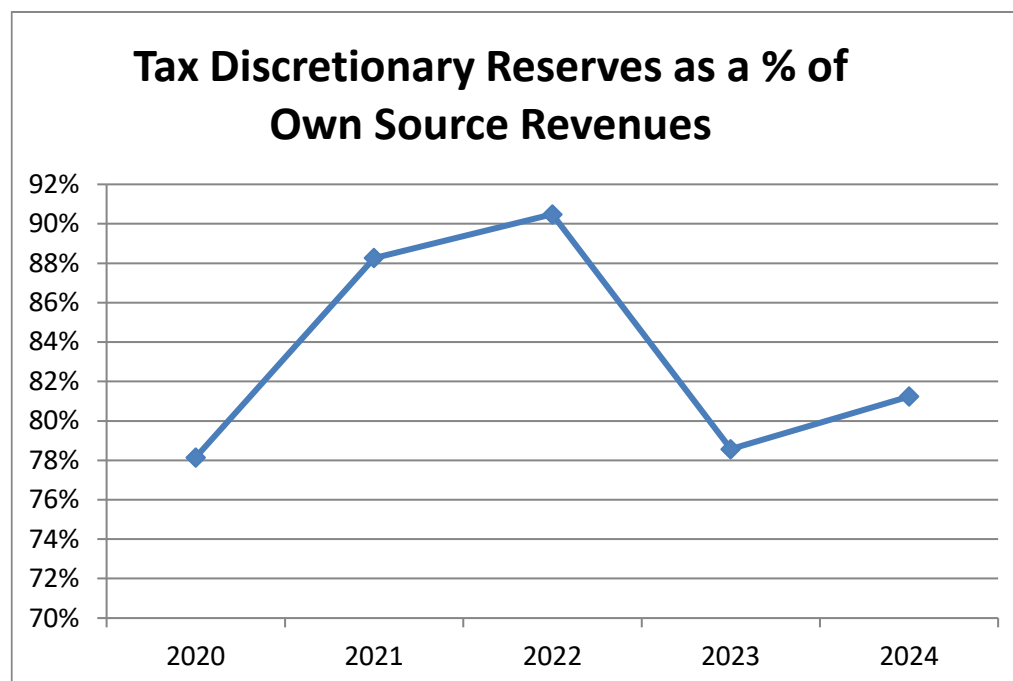
II. Tax Discretionary Reserves per Capita

This provides the total tax discretionary reserves in relation to the population.



III. Tax Discretionary Reserves as a % of Own Source Revenues

This shows the total value of funds held in reserves and reserve funds compared to a single year's own source revenue. It is a strong indicator of financial stability.



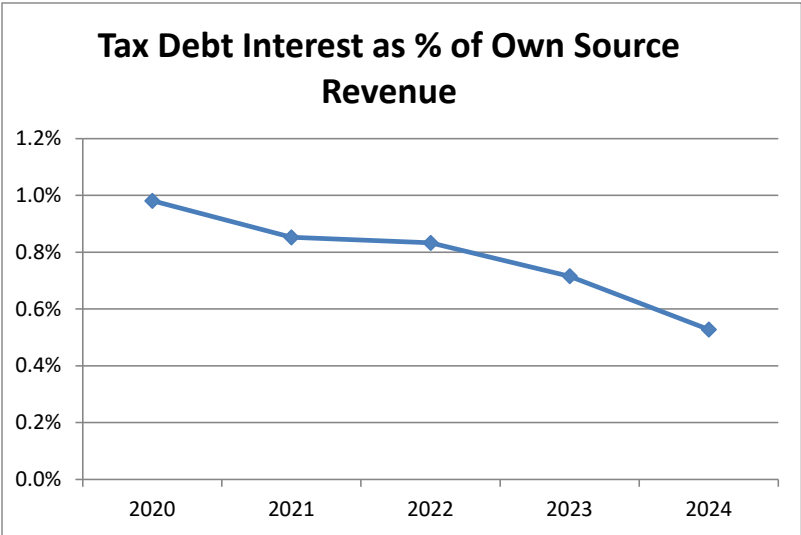
Key Financial Indicators

Indicator 5: Debt

There are five financial debt indicators that have been included in the analysis to provide a clear understanding of the overall debt outstanding and the debt servicing costs.

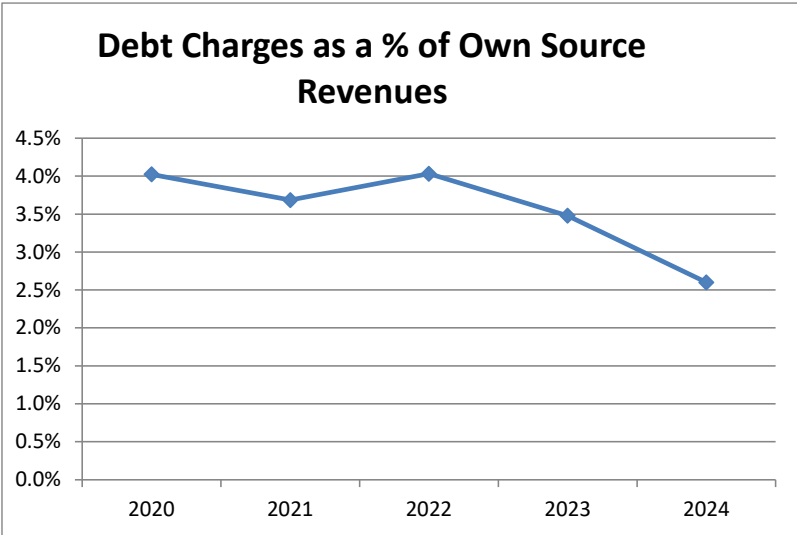
I. Tax Debt Interest as % of Own Source Revenue

This ratio indicates the extent to which the municipality’s own source revenues are committed to debt interest charges.



II. Debt Charges as a % of Own Source Revenues (Debt Service Ratio)

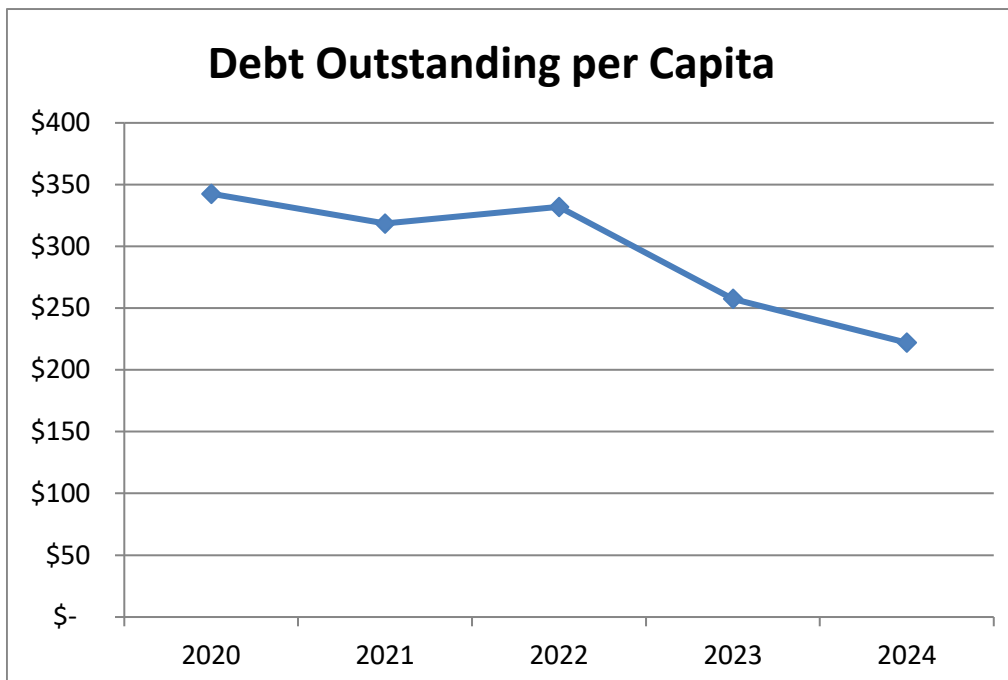
Debt service is the amount of principal and interest that a municipality must pay each year to service the debt. As debt service increases it reduces expenditure flexibility. This shows the % of total debt expenditures, including interest as a % of own source revenue. It is a measure of the municipality’s ability to service its debt payments. Credit rating agencies consider that principal and interest should be below 10% of own source revenue.



Key Financial Indicators

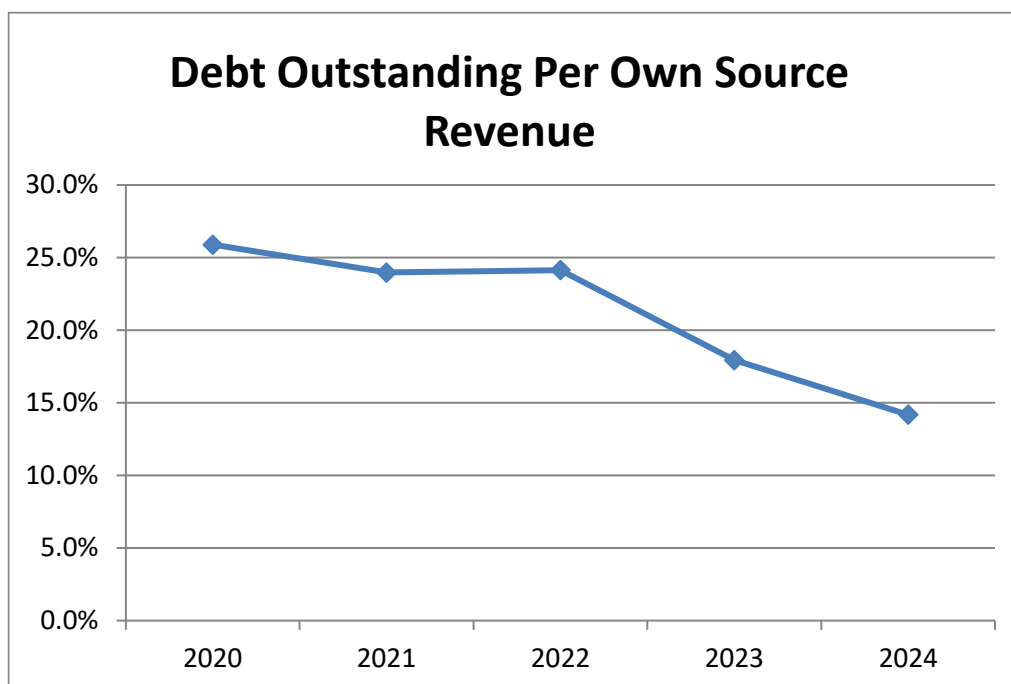
III. Debt Outstanding per Capita

This provides the debt outstanding divided by the population.



IV. Debt Outstanding Per Own Source Revenue

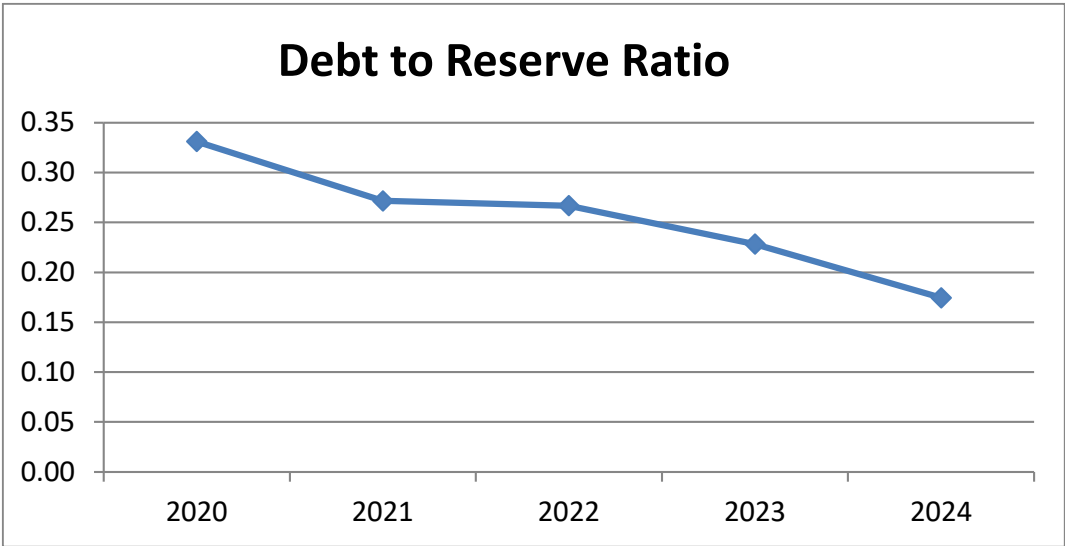
This provides the debt outstanding divided by the municipality's own source revenues.



Key Financial Indicators

V. Debt to Reserve Ratio

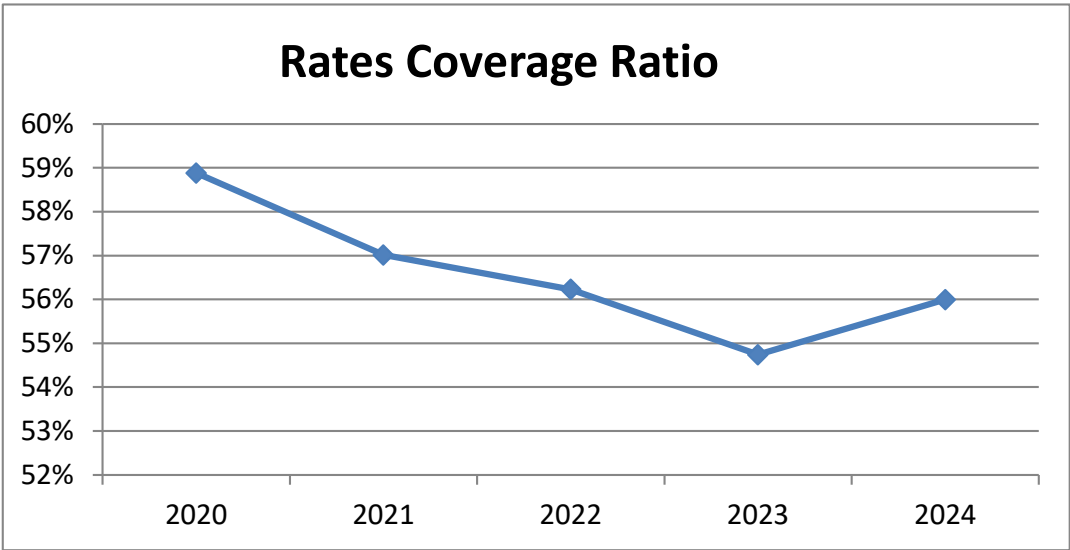
This measure reflects the amount of debt outstanding divided by a municipality’s reserves and reserve funds. A measure above 1.0 indicates that a municipality has more long-term debt than reserves.



VULNERABILITY – Addresses a municipality’s vulnerability to external sources of funding that it cannot control and its exposure to risks.

Indicator 6: Rates Coverage Ratio

The Rates Coverage Ratio provides a measure of the municipality’s ability to cover its costs through its own sources of revenue. It measures own source revenue as a % of total expenditures. According to the MMAH, a basic target is 40%-60%; an intermediate is 60%-90% and an advanced target is 90% or greater.



Management Discussion and Analysis

Management and Auditor Responsibilities

Management at the County of Wellington is responsible for the accuracy of the data presented in the 2024 Annual Financial Report and the completeness and fairness of the financial statements, including all disclosures (see signed management report—Pages 60-62).

The purpose of management's financial discussion is to analyze and comment on the principal features of the 2024 audited financial statements and to highlight key financial results that occurred during the year. This discussion allows readers to assess the County's financial activities and available resources.

More generally, the 2024 Annual Financial Report serves to provide stakeholders with full access to the County's financial statements with supplemental information, both financial and non-financial, that provides readers with a detailed view of the year's activities.

The presented financial statements and accompanying notes meet the accounting principles and disclosure requirements of the Chartered Professional Accountants of Canada guidelines included in the CPA Canada Public Sector Accounting Handbook. The financial statements have been examined by KPMG, LLP Chartered Professional Accountants, the external auditors for the Corporation of the County of Wellington. The responsibility of the external auditor is to express an opinion on whether the financial statements are fairly represented, in all material respects, in accordance with Canadian generally accepted accounting principles.

Financial Policies

As discussed in the Report from the County Treasurer, the County follows financial policies to govern budgeting and finance activities. These policies are regularly reviewed and updated to reflect changes to legislation, accounting standards or internal procedures.

In April of 2024, County Council approved the **2024 County-Wide Property Tax Policies** which set the 2024 tax ratios, class discounts and tax rates. Council also approved the continuation of the tax relief programme for low income seniors and persons with disabilities with a minimum rebate amount of \$400 for 2024. As well, the tax rebate programme for charities and other similar organizations was continued.

New Reserve Fund Established

In October 2024, Council approved the creation of a new WSIB Excess Compensation Reserve Fund. Historically the County has been purchasing excess indemnity and occupational accident insurance to mitigate the risk of a catastrophic claim (\$10 million per accident less the self-insured deductible of \$500,000 covered by the occupational accident insurance). The premiums for this insurance were increasing dramatically (\$386,878 for 2024 from \$190,817 in 2015). At December 31, 2023 the existing WSIB Liability Reserve Fund had a surplus of \$2.7 million after fully funding the PSAB WSIB liability of \$1.49 million. This surplus was then used to provide seed funding to the newly established WSIB Excess Compensation Reserve Fund and with an annual contribution from the operating fund equal to what would have been spent on insurance premiums and earned investment income, this reserve fund will allow the County to be fully WSIB self-funding (\$10 million target balance) and end the purchase of excess indemnity and occupational accident insurance by the end of 2024.

Management Discussion and Analysis

The Treasury Department has also developed policies and procedures for:

- Long-Term Financial Sustainability
- Cash and Investment Management
- Assessment Base Management
- Reserves and Reserve Funds
- Strategic Asset Management
- Corporate Fraud and Risk Management
- Development Charge Interest
- Donations
- User Fees
- Debt Management

Asset Management Planning

The County owns and operates approximately \$1.6 billion in assets that deliver services to the Community. The following services are supported by the Asset Management Programme at the County:

- Transportation – Roads, Bridges and Culverts (Core Assets)
- Storm Water Management – Ditches, Storm Water Pipes, Catch Basins (Core Assets)
- Facilities Management – Social Housing, Libraries, County Offices, Public Works Yards
- Fleet Management – Vehicles and Equipment
- Solid Waste Management – Landfill Sites and Waste Facilities
- Technology and Communications – Hardware, Software and Communication infrastructure

The County continues to focus Corporate Asset Management Programme activities on best practices and compliance with the Provincial Asset Management Planning Regulation (O. Reg 588/17). The compliance timelines within the regulation are reflected in the table below:

Date	Requirement	Description	Status
July 1, 2019	Strategic Asset Management Policy	Identifies municipal goals the asset management plan supports, how the budget is informed, asset management planning principles, climate change, and a commitment to provide opportunities for stakeholder input.	Complete
July 1, 2022	Asset Management Plan (Core Assets)	The plan must address current levels of service and the associated costs of maintaining that service for roads, bridges, culverts and storm water assets.	Complete
July 1, 2024	Asset Management Plan (All Assets)	The plan must address current levels of service and the associated costs of maintaining that service for all municipal assets.	Complete
July 1, 2025	Proposed Levels of Service	Builds on the 2024 requirement by including a discussion of proposed levels of service, the activities required to meet those proposed levels, and a strategy to fund those activities.	In Progress

Management Discussion and Analysis

Asset Management Planning cont'd

In 2024, the County completed the following major asset management initiatives:

- The County continued to work collaboratively on asset management initiatives by working with its Asset Management Working Groups.

Working Group	Membership
Internal Asset Management Working Group	Representatives from County of Wellington internal departments including: Roads, Solid Waste Services, Housing, Planning, Libraries, Museum, Long-Term Care, and Property Services
External Asset Management Working Group	Representatives from County of Wellington member municipalities and neighbouring communities

- Completed the 2024 Asset Management Plan for all County assets as required under O. Reg 588/17, Asset Management Planning for Municipal Infrastructure.
- Began working with consultants and County staff to prepare proposed levels of service for all County asset categories in preparation for meeting the 2025 legislative requirements.
- Implemented Citywide Decision Support module that will allow County staff to evaluate potential impacts of future changes in levels of service.
- Continued refining the detailed asset component break-out of Social Housing assets to better predict and budget for lifecycle events, including asset replacements.
- Completed an annual review of all County ARO's identified under Public Standard Account Board (PSAB) 3280 - Asset Retirement Obligation, resulting in the identification of several newly acquired asbestos obligations.
- Provided projected 20-Year capital needs for core assets as part of the 2024 budget process.
- Configured and rolled out Property Services maintenance requests for all staff using the CityWide Maintenance module, and collaborated with IT for the creation of a custom request form.
- Collaborated with staff from several member municipalities to provide GIS training and assistance for asset data collection, digitization, and determining overlaps in asset ownership.
- Further refined the existing asset profiles and modelling created in CityWide for annual reporting.
- Continued to develop data and lifecycle activities with the goal of improving the overall state of asset maturity over time.

Management Discussion and Analysis

Financial Statements Discussion and Analysis

New PSAB Standards

The Public Sector Accounting Board (PSAB) issued a new Revenue Enhancement Standard (PS3400) that was adopted by the County for the 2024 financial statements. The new standard provides overall revenue recognition guidance to provide more consistency for revenue recognition outside of the specific revenue streams already covered by other standards such as taxation, donations and government transfers. PS3400 differentiates between revenue arising from transaction that include performance obligations (exchange transactions) and transactions that to no (non-exchange transactions). There was no material impact to the corporation as a result of adoption.

2024 Financial Highlights

Total consolidated revenue for 2024 is \$334 million compared to total expenses of \$301 million resulting in an operating surplus of \$33.2 million (2023 \$20.6 million) which is an increase of 7.9% over 2023. This surplus is used to fund reserves which in turn fund the County's capital programme and avoid the issuance of debt. In 2024 the County's capital reserves increased by 18.6% largely due to a distribution of the 2024 operating budget year-end surplus of \$8.1 million as follows:

- \$4.2 million to roads capital reserves to avoid future debt on Erin garage project.
- \$3.2 million to ambulance capital reserve to avoid debt on the Elmira station project.
- \$0.7 million to solid waste services capital reserve to avoid debt for the Elora waste facility project.

The County repaid \$3.5 million in long-term debt in 2024 (2023 \$7.1 million) and issued no new long-term debt (2023 \$0). The County's debt servicing costs (principal and interest) of \$4.3 million for 2024 (2023 \$8.1 million) are significantly lower due to a one time debt principal repayment of almost \$2.8 million for Health Unit debt from a reserve fund in 2023.

The County of Wellington continued to maintain its strong financial position in 2024 with an accumulated operating surplus of \$610.2 million (2023 \$577.1 million). Once this is increased by the \$4.3 million remeasurement gains, the total accumulated surplus at December 31, 2024 is \$614.5 million (2023 \$576.8 million). The accumulated surplus on the Consolidated Statement of Financial Position is a key measure of the County of Wellington's financial strength and long-term sustainability.

Management Discussion and Analysis

(in thousands of dollars)	2024	2023	Change	% Change
Net Financial Assets	\$ 101,643	\$ 100,282	\$ 1,361	1.36%
Non-Financial Assets	\$ 512,900	\$ 476,514	\$ 36,386	7.64%
Accumulated Surplus	\$ 614,543	\$ 576,796	\$ 37,747	6.54%

Accumulated Operating Surplus is comprised of:				
Accumulated Operating Surplus	\$ 610,246	\$ 577,083	\$ 33,163	5.75%
Accumulated Remeasurement Gains (Losses)	\$ 4,297	\$ (287)	\$ 4,584	1597.21%
Accumulated Surplus	\$ 614,543	\$ 576,796	\$ 37,747	6.54%

Consolidated Statement of Financial Position

The Consolidated Statement of Financial Position is the overarching statement that summarizes an entity's financial position at a point in time. Changes in the financial position of the County are summarized in the following four statements:

1. Consolidated Statement of Operations
2. Consolidated Statement of Remeasurement Gains (Losses)
3. Consolidated Statement of Change in Net Financial Assets
4. Consolidated Statement of Cash Flow

(in thousands of dollars)	2024	2023	Change	% Change
Financial assets	\$ 241,321	\$ 228,594	\$ 12,727	5.57%
Less liabilities	\$ 139,678	\$ 128,312	\$ 11,366	8.86%
Net financial assets	\$ 101,643	\$ 100,282	\$ 1,361	1.36%

Financial Assets

Financial assets are the financial resources the County controls and can use to pay what it owes to others. Financial Assets increased by \$12.7 million in 2024 over 2023.

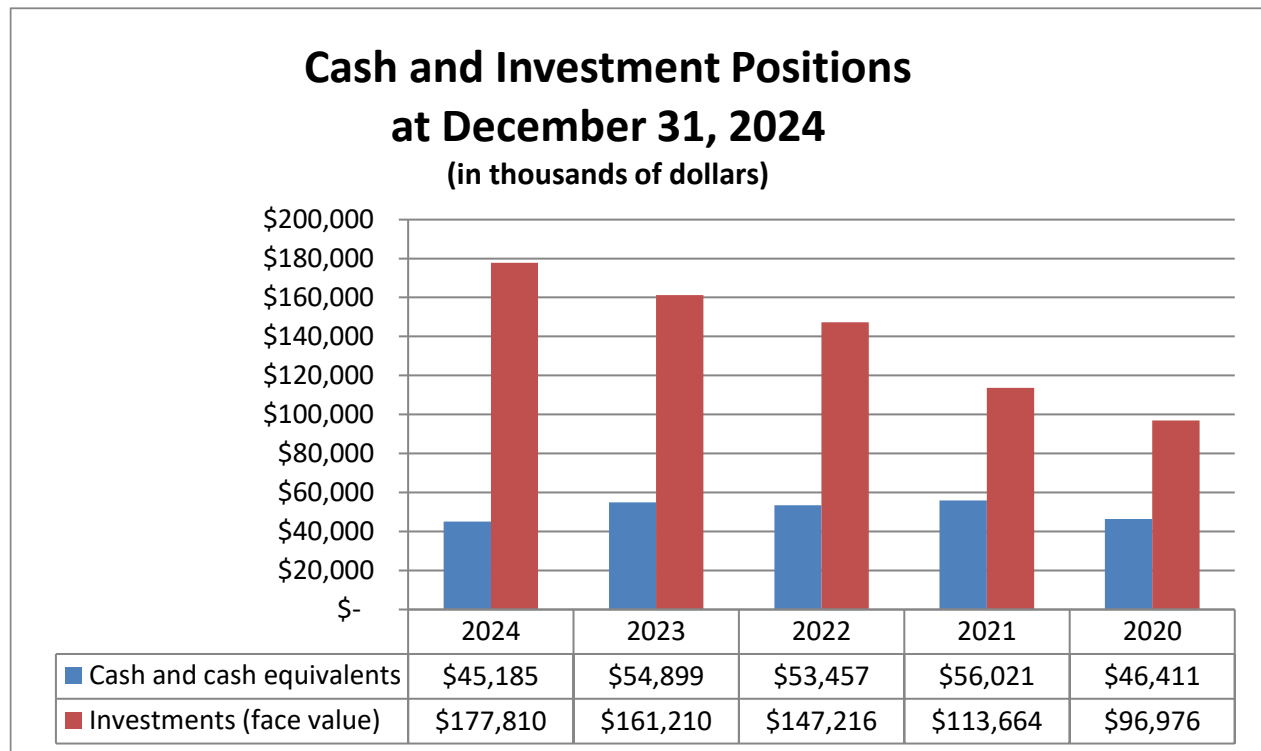
Portfolio Investments

Portfolio investments include all investments with an original maturity date of more than three months. The County uses a "laddering strategy" to maintain a relatively consistent amount of maturities each year. This helps to maintain a competitive rate of return, reduce risk and ensure cash is available to coincide with future expected use of reserves and reserve funds.

For 2024, the weighted average yield to maturity for bonds and GIC's was 3.41% (2023 3.25%) with a face value at December 31, 2024 of \$139.1 million (2023 \$130.7 million). The County also holds investments in the One Canadian Equity Fund with a balance of \$14.0 million and the One Canadian Corporate Bond Fund with a face value balance of \$6.0 million at December 31, 2024.

Management Discussion and Analysis

The county also holds Principal Protected Notes (PPNs) which are a financial instrument that combines a bond with a derivative component that pays a return based on an index such as a stock market index. The County has elected to record all PPN's in their entirety (note and embedded derivative) at fair value. At December 31, 2024 the face value of held PPNs was \$27 million and the fair value was \$31.3 million leaving an unrealized gain of \$4.3 million.



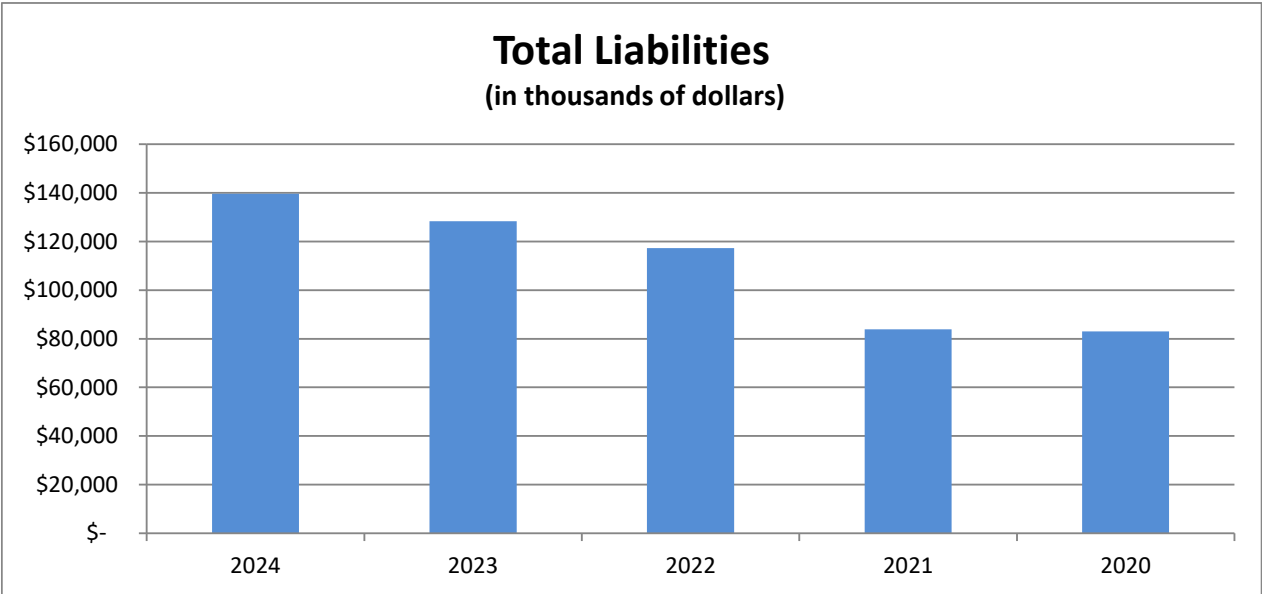
Liabilities

Liabilities are existing financial obligations to outside parties at the date of the financial statements. Overall liabilities have increased by \$11.4 million in 2024 over 2023. This is due to significantly increased capital payables and holdbacks and a \$1.2 million childcare start up grant payable at year end. Also, unspent funds owing back to the Province is up by almost \$2 million related to the new Canada Wide Early Learning childcare funding. While overall deferred revenue is higher by \$ 5.1 million in 2024, development charges are over \$8 million higher than 2023 offset by lower balances in the National Housing Co-investment Fund and Canada Community Building Fund due to capital spending.

Details of debt outstanding, interest rates and maturities are provided in Note 11 of the financial statements. Net debt charges (principal and interest) for 2024 were \$4.3 million 2024 Annual Debt Repayment Limit set by the Ministry of Municipal Affairs and Housing of \$30.0 million (based on the 2022 Financial Information Return).

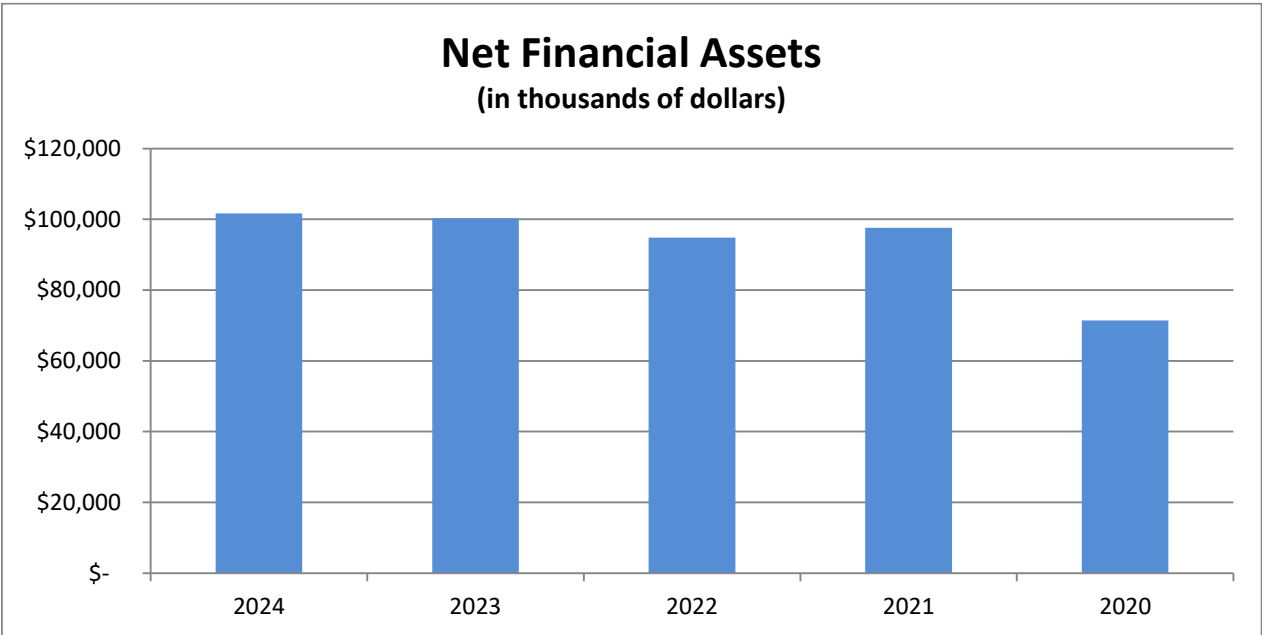
The Asset Retirement Obligations increased by \$2.1 million in 2024 due to an increase in estimated ongoing landfill monitoring costs of over \$1.1 million and accretion expense of \$1.6 million offset by settlement of liabilities of almost \$0.6 million.

Management Discussion and Analysis



Net Financial Assets

In 2024, net financial assets (financial assets less liabilities) increased by \$1.4 million as increased financial assets were substantially offset by increased liabilities. Financial Position Per Capita (Net Financial Assets/Population) is a key indicator of a municipality’s financial health and a positive number indicates the County’s total financial assets exceed its total liabilities. The County’s Financial Position per Capital has remained steady for the last several years at \$945 for 2024 (2023—\$943).



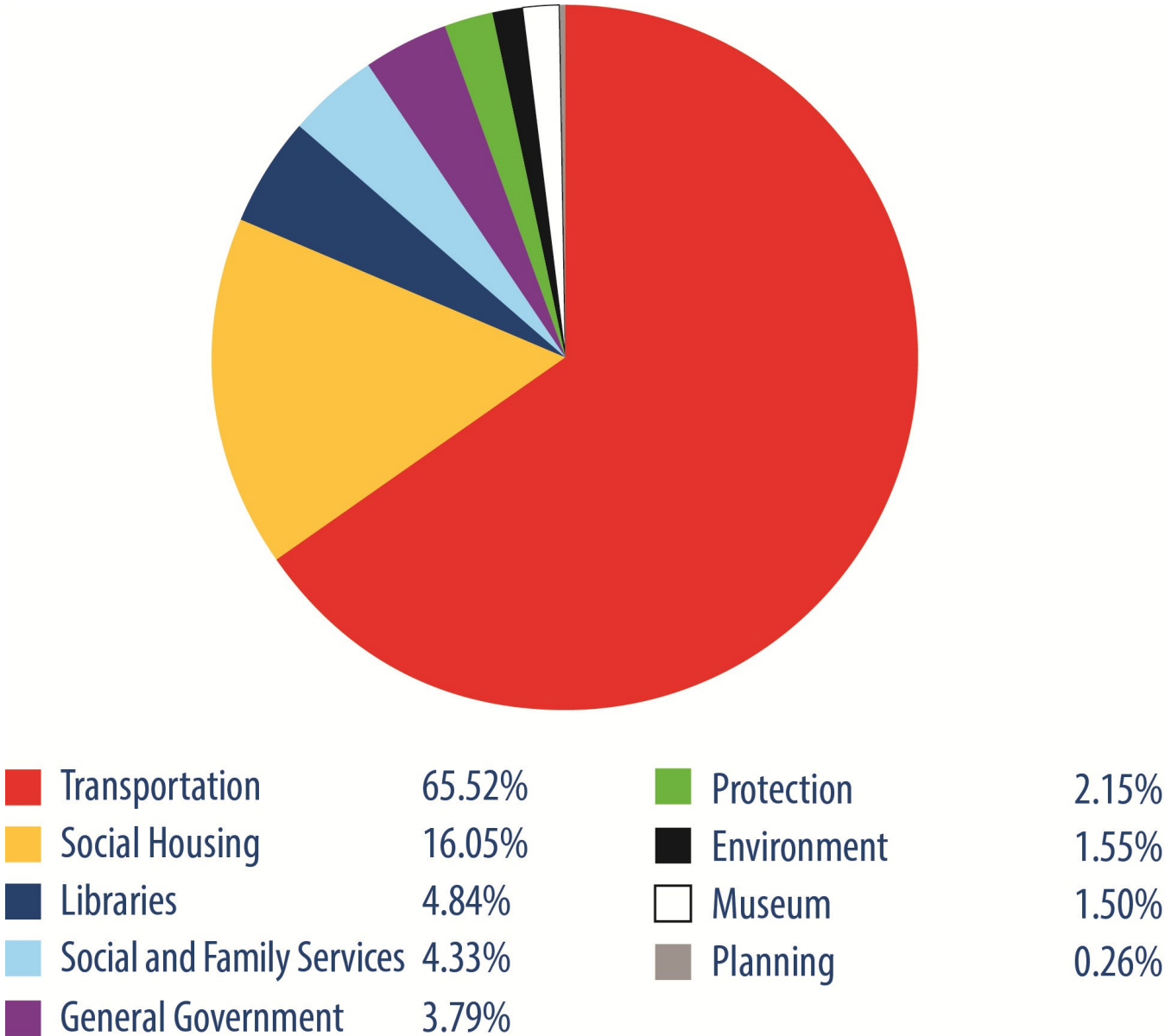
Management Discussion and Analysis

Non-Financial Assets

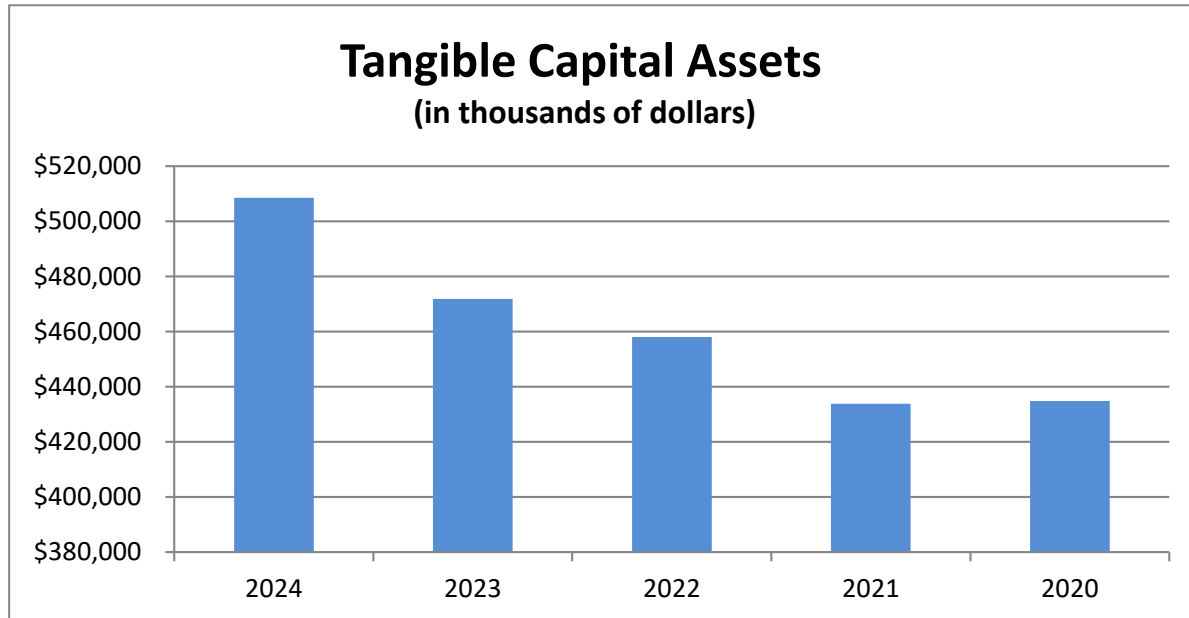
Non-financial assets include tangible capital assets, inventories of supplies and prepaid expenses. Tangible capital assets are included on the Statement of Financial Position at the net book value which is their actual historical cost less any accumulated amortization (see Note 12).

The total asset consumption ratio (total accumulated amortization/total gross cost of capital assets) provides an estimate of the useful life left in the municipality’s capital assets of the value of the tangible capital assets that have been consumed. The asset consumption ratio for 2024 was 48.9% (2023—\$47.9%). This ratio remains in the moderately new range per the MMAH guidelines of 26%-50% indicating moderately new, and 51% - 75% indicating moderately old.

The pie chart below provides a breakdown of 2024 tangible capital assets by the function they support.



Management Discussion and Analysis



Tangible Capital Assets (in thousands of dollars)	2024	%	2023	%	Change	% Change
Land and Landfill	\$ 59,927	12%	\$ 57,715	12%	\$ 2,212	3.8%
Buildings	125,542	25%	129,850	28%	(4,308)	-3.3%
Infrastructure	237,925	47%	232,659	49%	5,266	2.3%
Vehicles, machinery, FFE, IT and Books	24,069	5%	22,430	5%	1,639	7.3%
Assets under construction	50,450	10%	19,094	4%	31,356	164.2%
Public health and WHC	10,629	2%	10,163	2%	466	4.6%
	\$ 508,542	100%	\$ 471,909	100%	\$ 36,631	7.8%

Accumulated Surplus

The County's total assets exceed total liabilities and therefore is in an accumulated surplus position indicating net positive resources that could be used to provide future services. The accumulated surplus increased by 5.75% in 2024 over 2023 and while \$610 million is a large amount, \$513 million of this is made up of non-financial assets that are not normally used to settle liabilities. Note 13 provides details of what makes up the accumulated surplus.

Accumulated Operating Surplus (in thousands of dollars)	2024	2023	Change
Reserves	\$ 115,131	\$ 100,072	\$ 15,059
Reserve funds	21,813	19,933	1,880
Investment in tangible capital assets	508,542	471,909	36,633
Invested in Capital Fund	27,301	49,179	(21,878)
Share of Public Health	2,174	1,881	293
Contingency Reserve Recovery of Keep Well Loan	134	290	(156)
Amounts to be recovered - from future revenues	(48,841)	(51,638)	2,797
Amounts to be recovered - from reserve funds	(16,007)	(14,543)	(1,464)
	\$ 610,246	\$ 577,083	\$ 33,164

Management Discussion and Analysis

Accumulated Surplus (cont'd)

Overall reserves and reserve funds were higher by \$17 million over 2023 due to allocation of the \$8.1 million operating surplus to the roads, land ambulance and solid waste capital reserves and use of previously unexpended capital project funding which was \$21.2 million lower than 2023. The investment in tangible capital assets was higher by \$36 million in 2024 over 2023 including a \$30 million increase in capital work in progress such as \$6 million on the Bosworth Bridge, \$8 million on the Arthur Garage, \$7.2 million on 65 Delhi, and \$3 million on the Erin Library.

Consolidated Statement of Operations

The Consolidated Statement of Operations is the municipal equivalent of the private sector's income statement, providing a summary of revenues and expenses throughout the year. The annual surplus reported on this statement represents the difference between the cost of providing the County's services and the revenues recognized for the year on an accrual basis. Budget figures represent capital and operating budgets combined as outlined in Note 21 of the financial statements.

Total revenue of \$334.2 million less total expenses of \$301.0 million has resulted in net revenue of \$33.2 million for 2024 and represents 7.9% increase over 2023.

Revenues

Revenues are increases in economic resources that result from the County's operations, transactions, and events during the year. Common revenues include property taxation revenue, transfers from governments and investment income. In 2024, revenue actuals were \$34.6 million higher than prior year actuals. Most of the difference is due to almost \$13.2 million more in taxation revenues and higher government transfers including an additional \$6.3 million for the Canada Wide Childcare programme and higher investment income of \$2.5 million. (See Note 15 Provincial and Federal Transfers for more detailed information).

Revenues (in thousands of dollars)	2024	2023	Change	% Change
Taxation (Note 14)	\$ 137,405	\$ 124,163	\$ 13,242	10.7%
Government transfers:				
Provincial (Note 15)	84,804	81,559	3,245	4.0%
Federal (Note 15)	39,880	34,516	5,364	15.5%
Municipal	35,634	28,555	7,079	24.8%
Fees and Service Charges	14,214	11,828	2,386	20.1%
Licenses, Permits, Rent	9,769	9,386	383	4.1%
Interest, Donations, Other	8,830	7,004	1,826	26.1%
Development Charges Earned	3,662	2,624	1,038	39.6%
	\$ 334,198	\$ 299,635	\$ 34,563	11.5%

Management Discussion and Analysis

Expenses

Expenses are decreases in economic resources that result from the entity's operations, transactions, and events during the year. The Statement of Operations presents expenses by function or programme and conveys the County's financial resource allocation decisions. Note 25 presents expenses classified by type such as amortization which is a non-cash amount that represents the portion of the historical cost of the County's tangible capital assets that was used up during the year (just over \$30 million in 2024).

The adoption of PS 3280 Asset Retirement Obligations requires a new annual accretion expense be booked to account for the passage of time in the amount of \$1.6 million for 2024. See Note 7 of the financial statements for more details.

In 2024, actual expenses were \$ 22 million higher than 2023 or a 7.9% increase. The most significant areas of increase were the Children's Early Years where \$9.1 million more was expended over 2023 and Social Housing where \$4.1 million more was expended over 2023.

Expenses (in thousands of dollars)	2024	2023	Change	% Change
General Government	\$ 26,528	\$ 24,390	\$ 2,138	8.77%
Protection Services	19,870	20,027	(157)	-0.78%
Transportation Services	36,434	35,450	984	2.78%
Environmental Services	16,812	16,231	581	3.58%
Health Services	17,962	16,879	1,083	6.42%
Social Housing	51,559	47,425	4,134	8.72%
Social and Family Services	112,789	101,060	11,729	11.61%
Library	10,368	9,884	484	4.90%
Museum	3,588	2,764	824	29.81%
Planning and Development	5,126	4,904	222	4.53%
	\$ 301,036	\$ 279,015	\$ 22,022	7.89%

Consolidated Statement of Remeasurement Gains and Losses

This statement explains the change in the accumulated surplus due to remeasurement gains and losses resulting from fair value measurement of the County's Principal Protected Note (PPN) investments. For 2024 there was a gain of \$4.3 million compared to a loss of \$0.3 million at the end of 2023. This fair value is reported on the Statement of Financial position but the actual gain is not reported as revenue and is parked on the statement of remeasurement gains and losses until realized when the note matures or is called.

Consolidated Statement of Change in Net Financial Assets

This statement reconciles the change in net assets for the current and prior year. Net financial assets at the end of 2024 were \$101.6 million, \$1.4 million more than in 2023. This is mainly due to spending on the acquisition of tangible capital assets being higher than 2023 by \$22.4 million which is offset by an increase in the operating surplus of \$12.5 million and the increase in the accumulated remeasurement gain mentioned above.

Management Discussion and Analysis

Consolidated Statement of Change in Net Financial Assets (cont'd)

The Consolidated Statement of Change in Net Financial Assets shows a gain when a tangible capital asset is sold or taken out of use and the proceeds are greater than the net book value of the asset. For 2024, the County had a gain of \$0.53 million (loss of \$0.97 million in 2023) on the disposal of assets and actual landfill post-closure costs and asbestos abatement costs. This appears as revenue in the statement of operations.

Consolidated Statement of Cash Flows

The Statement of Cash Flows shows how the County financed its activities during the current and prior year. The statement presents cash flow in four categories and how the cash is generated and used is shown separately in each case.

1. **Operating activities**—The statement begins with the operating activities including the annual surplus. Non-cash items are then added or backed out of this surplus depending on how they are treated in the statement of operations. For example, amortization has been included in the annual surplus as an expense but because it is a non-cash item, it is added back to the year-end results. The change in charges to operations is then added or removed as well. For example, accounts payable and accrued liabilities have increased in 2024 over 2023 by \$7.2 million which means on December 31, 2024, there is more cash included in cash and cash equivalents because it was not spent to reduce payables.
2. **Capital activities**—The capital activities area shows the cash used to acquire tangible capital assets (\$22.5 million more than 2023) offset by proceeds from the sale of tangible capital assets which were treated as an expense on the statement of operations.
3. **Investing activities**—The investing activities area shows the amount of funds that were invested in portfolio investments during the year offset by cash received by the repayment of loans.
4. **Financing activities**—The financing section would identify funds received from long-term debt financing but there has been no debt issued in 2024 or 2023, as well as the amount of long-term debt principal repaid during the year.

Notes to the Financial Statements

The notes are an integral part of the financial statement package and provide additional information related to specific line items contained in one or more of the statements. Below are a few interesting note examples, but as a reader you are encouraged to read them all.

Note 1. a)(i) Basis of Consolidation—describes the entities that are consolidated in the financial statements:

- Wellington County O.P.P. Detachment Board
- Wellington County Public Library Board
- Wellington County Housing Corporation
- County share of Wellington Dufferin Guelph Health Unit (31.7%) (2023 was 31.7%)

Management Discussion and Analysis

Notes to the Financial Statements (cont'd)

Note 1. b) (vii) Deferred Revenue— This note provides more detailed information on funds received but not yet earned from the Canada Community Building Fund (CCBF), Ontario Community Infrastructure Fund (OCIF), National Housing Co-investment Fund, development charges and various other operating and capital grants. The ending balance for development charges collected but not year earned in 2024 was \$8.1 million higher than 2023 or a 65% increase. Also, note that over \$2.8 million in housing capital repairs were funded from the National Housing Co-Investment Fund with an additional \$9 million remaining to fund work in 2024.

Note 7. Asset Retirement Obligation— This note provides additional details for the County's Asset Retirement Obligations for landfill closure, asbestos removal and underground fuel tank removal including the methodology, , inflations and discount rates used, accretion expenses and any settlements. In 2024, an additional \$82,064 was added to the asbestos obligation related to the County's 2023 purchase of the Wellington Catholic District School Board buildings at 59,69, and 75 Woolwich Street which contain asbestos. As required by the standard, this amount is also treated as an addition to tangible capital assets noted under buildings in Note 12.

Note 10. Other Long-term Liabilities—This note describes the County's Tax Increment Equivalent Grant (TIEG) programme. The County no longer has a TIEG in the payment phase, so no amounts are on the Statement of Financial Position under liabilities, but the note remains as there is one TIEG agreement in the pre-approval and construction phase with the Township of Centre Wellington.

Note 13 Accumulated Surplus—Provides additional information on what makes up the accumulated surplus shown on the Consolidated Statement of Financial Position. The major amounts are the investment in tangible capital assets, \$508.5 million (2023 - \$471.9 million) and the unexpended capital financing of \$27.3 million (2023-\$49.2 million), offset by net long-term liabilities or debt of \$23.9 million (2023-\$27.4 million) plus capital and contingency reserves of \$115.1 million (2023 - \$100.1 million) and specific purpose reserve funds of \$21.8 million (2023 -\$19.9 million).

Note 20. Social Housing Properties—This note describes the social housing units owned by the County including the 39 units owned by Wellington Housing Corporation (WHC), which is a fully consolidated entity (Note 1.a)(ii)). Subsequent to year-end, on January 3, 2025, all asset and liabilities of WHC have been transferred to the County of Wellington. The WHC mortgage held by the Canadian Mortgage and Housing Corporation was repaid fully in 2024 (Note 11.(g)).

Trust Funds

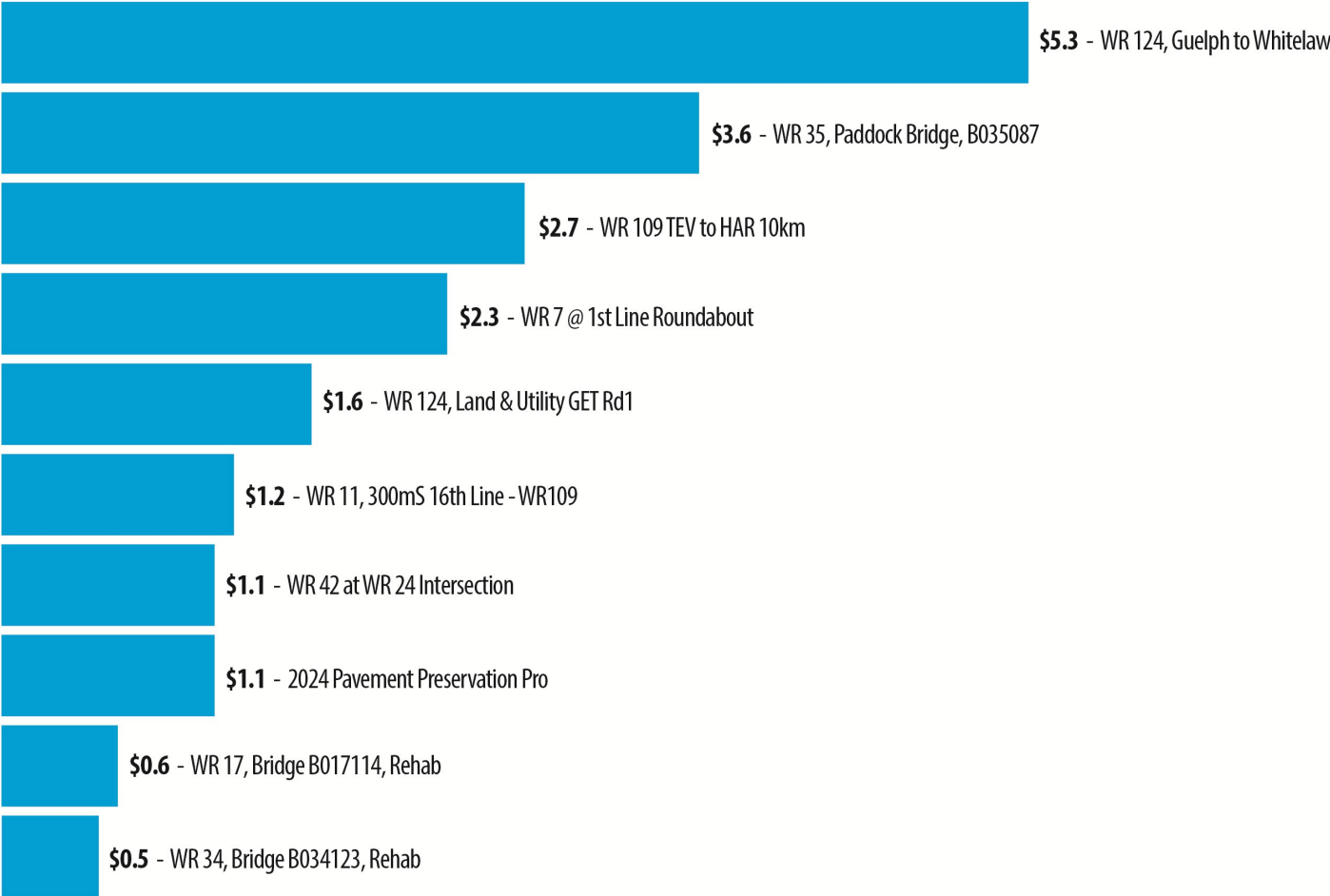
The Trust fund statements are not consolidated with the financial statements of the County and reflect the financial position and activity of fund held in trust by the County for residents of the Wellington Terrace (Comfort Money), for County staff who are members of the County Wellness Centre, for the Wellington Safe Communities Committee and new for 2024 was the creation of the Stepping Stone Trust fund. In February of 2024 the County entered into a project management agreement with Guelph (M.O.G.) Welcome Drop in Centre (also known as Stepping Stone) to provide project management services the construction of additional transitional supportive housing at 23-25 Gordon Street in Guelph. At the end of 2024 this trust was in a negative position while waiting for additional Provincial and Federal funding that has subsequently been received.

Management Discussion and Analysis

2024 Capital Financial Highlights

In 2024, the County had capital additions and betterments of approximately \$35.6 million (not including capital work-in-progress or donated assets). The following major capital projects were complete and capitalized at year end:

- \$5.3 million in the reconstruction of Wellington Road 124
- \$3.6 million in the replacement of Paddock Bridge
- \$2.7 million in the replacement of Wellington Road 109
- \$2.3 million in the construction of the roundabout on Wellington Road 7

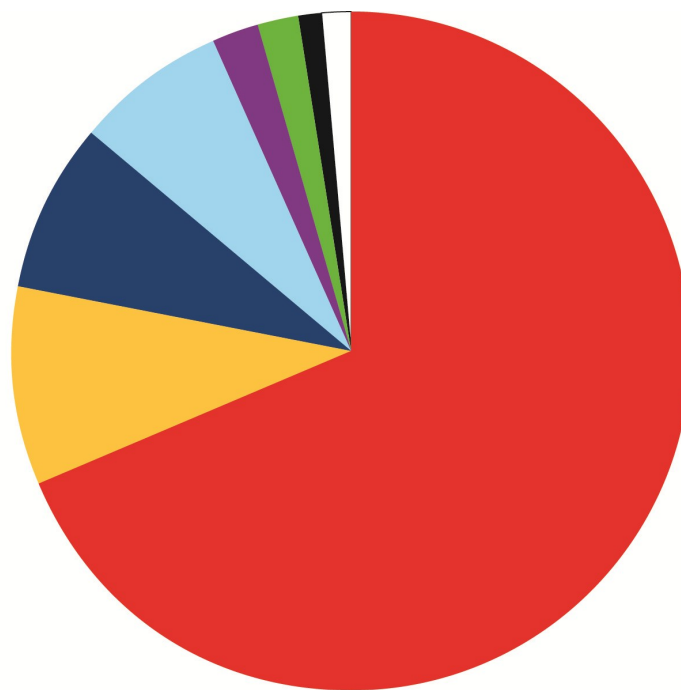


Management Discussion and Analysis

2025 Capital Budget and Forecast:

The County's 2025 Budget and Ten-Year Plan highlights the following projects for the upcoming years:

- Investment of \$432 million in roads capital infrastructure and facilities over ten years, including \$121.7 million in roads construction, \$78.5 million in roads resurfacing, \$67.8 million in bridge rehabilitation and replacement and \$72.0 million for redevelopment of the Erin, Brucedale, Harriston and Aberfoyle roads garages as well as various rehabilitations and repairs
- Investment of \$59.2 million in social housing and \$19.3 million in Affordable Housing over the next ten years including \$50.8 million the County owned housing units and \$18.0 million in new affordable housing units.
- Investment of \$7.9 million in County properties over the next 10 years, including \$1.4million in building retrofits
- Investment of \$16.0 million in ambulance capital projects over the next ten years, for new ambulance stations in the County.
- Investment of \$14.5 million in solid waste services capital projects over the next ten years, including \$8.4 million in equipment, \$3.7 million for Riverstown excavation and pond development, and \$1.1 million for various site improvements
- Investment of \$7.8 million in library capital projects over the next 10 years, including \$1.5 million in Library building retrofits.



■ Roadways	68.8%	■ Solid Waste Services	2.3%
■ Housing Services	9.4%	■ CAO and Clerks	1.7%
■ Ambulance Services	8.0%	■ County Property	1.3%
■ Other	7.3%	■ Library Services	1.2%

Management Discussion and Analysis

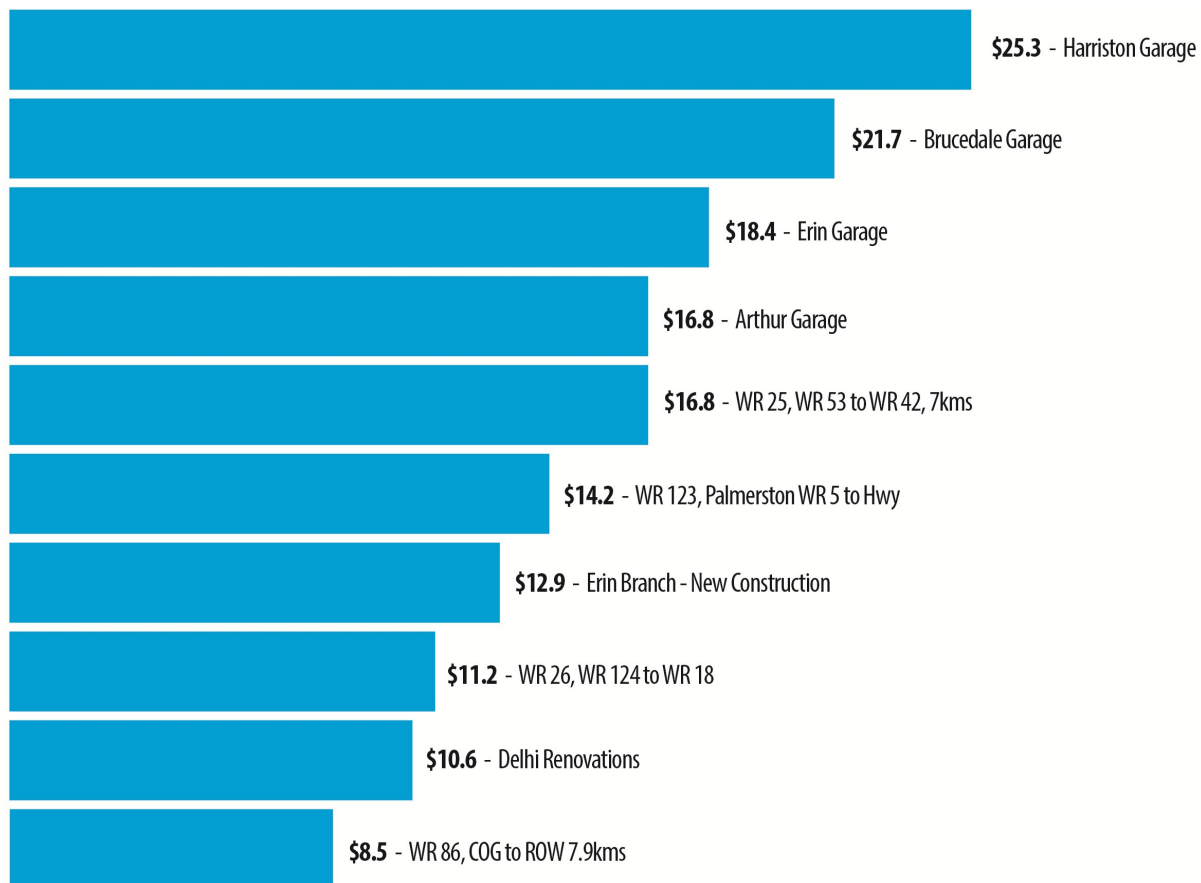
2025 Operating Budget

- Operating expenditure = \$362.5 million
- 2025 tax levy = \$139.6 million
- County tax impact = 3.9% which on average results in 2.2% on the total residential property tax bill
- Residential tax impact per \$100,000 of assessment = \$27

2025-34 Capital Budget Forecast

- Total 2025 capital investment = \$63.7 million
- Total ten-year capital investment = \$627.8 million
- New debt issues are projected to be \$84.0 million over ten-years and include \$18.8 million in tax-supported debt and \$65.2 million in growth-supported debt
- Total debt outstanding peaks at \$75.0 million in 2033

Anticipated Capital Spending 2025 (in millions)



County Tax Levy Projection	Actual	Forecasted				
	2024	2025	2026	2027	2028	2029
County Tax Levy (\$000's)	\$128,838	\$139,580	\$147,297	\$155,315	\$163,207	\$171,122
Residential Tax Impact	4.6%	3.9%	3.7%	3.6%	3.3%	3.0%
County Tax Levy Projection		Forecasted				
		2030	2031	2032	2033	2034
County Tax Levy (\$000's)		\$179,143	\$187,786	\$196,365	\$205,526	\$ 215,420
Residential Tax Impact		2.9%	3.0%	2.8%	2.9%	3.0%

Annual Surplus Reconciliation

The County of Wellington approves its annual operating and capital budgets using the modified accrual basis of accounting. The annual (audited) financial statements are presented on a full accrual basis of accounting. In order to help the reader understand the differences between the two basis of accounting, a conversion or reconciliation of the surplus relative to the budget approved by County Council is presented in the following section of the report.

In accordance with the **Municipal Act**, the County approves a balanced budget on an annual basis—which includes both an operating and a capital budget. The budget provides for the costs of all programmes provided by the County, any debt payments required during the year (including principal repayments), capital project expenses to be financed through the current year's levy, contributions to reserve funds to finance future infrastructure replacements, and may include contingencies and provisions for tax rate stabilization. The County continues to budget using the modified accrual basis of accounting because it provides the best measure of determining the annual tax levy requirement and meaningful and understandable budget to actual results throughout the year. Through its Budget Management Policy, the County provides monthly financial statements to Council and variance reports throughout the year to establish controls and monitor results.

The annual financial statements provide information about the broad fiscal situation of the County over time. The “annual surplus” in these statements represents the amount of municipal funding available for capital formation and debt repayment after interest costs and amortization. This is different than the annual surplus reported on a modified accrual basis—which measures how tax dollars were collected and spent for their intended purpose over the year.

Expense by Function	Description of Department or Programme
General Government	Property Assessment (MPAC), Council, CAO/Clerks, Treasury, Human Resources, Economic Development, Property, and Community Grants.
Protection to Persons and Property	Police Services, Emergency Management, and Provincial Offences Act Administration.
Transportation Services	Roads Department including roads maintenance activities and winter control.
Environmental Services	Solid Waste Services, consisting of garbage collection, recycling, operation of transfer stations and landfills.
Health Services	Land Ambulance Services, Public Health and Hospital Grants.
Social Housing	Housing Services Department, including the operation of Social and Affordable Housing units.
Social and Family Services	Social Services such as Children's Early Years and Ontario Works, as well as the Wellington Terrace, the County's long-term care home.
Library and Museum	The County's 14 library branches and the Wellington County Museum and Archives.
Planning and Development	Planning Services as well as the Green Legacy tree planting programme.

Annual Surplus Reconciliation

Wellington County Council approves the operating and capital budgets each year on a modified-accrual basis of accounting (sometimes referred to as cash basis). Since the audited financial statements are prepared on a full accrual basis, a reconciliation must be performed in order to show the difference in the annual surplus on a property tax basis to the full accrual method. The reconciliation for 2024 is as follows:

Reconciliation of County Property Tax Surplus and Consolidated Financial Statement Annual Surplus	2024	2023
County Tax Supported Operating Surplus	\$8,111,154	\$1,261,795
Add: Revenue not included in Operating Surplus		
Development Charges	3,661,537	2,623,858
Deferred Federal Gas Tax Revenue	4,686,260	4,424,798
Ontario Community Infrastructure Fund Revenue	2,204,998	819,838
Capital Provincial Grants	2,821,668	7,861,110
Capital Municipal Transfers	3,162,177	3,050,400
Wellington-Dufferin-Guelph Public Health Net Revenues	355,020	338,887
Wellington Housing Corporation Net Revenues	403,458	563,697
Other	960,632	927,239
	23,615,618	20,767,333
Less: Expenses not included in Operating Surplus		
Amortization of Tangible Capital Assets	29,326,072	28,292,095
Operating Expenses from Capital	7,492,620	6,478,737
Landfill, WSIB and Post-Employment Liability	107,972	243,254
Loss on Disposal of Assets	(525,917)	966,960
Accretion Expense	1,583,731	1,239,884
Other	251,618	801,320
	38,236,096	38,022,250
Less: Revenue included in Operating Surplus, but not in Consolidated Statements		
Transfers from Reserves	3,982,110	7,661,844
Interest - Development Charge and Federal Gas Tax Reserve Funds	1,322,642	904,276
Sale of Assets	555,528	419,752
	5,860,280	8,985,872
Add: Expenses included in Operating Surplus, but not in Consolidated Statements		
Transfers to Reserves and Reserve Funds	41,072,443	36,861,105
Tax Increment Grant Payment	0	13,827
Landfill Liability and Short Term Disability	0	441,801
Debt Principal Repayments	3,402,701	6,971,791
Operating Expenses Capitalized	1,057,021	1,310,406
	45,532,165	45,598,930
Consolidated Financial Statement Annual Surplus	33,162,561	20,619,936

Financial Statements

For the Year Ended December 31, 2024

Consolidated Financial Statements

INDEPENDENT AUDITORS' REPORT



To the Members of Council, Inhabitants and Ratepayers of the Corporation of the County of Wellington

Opinion

We have audited the consolidated financial statements of The Corporation of the County of Wellington (the Entity), which comprise:

- the consolidated statement of financial position as at December 31, 2024
- the consolidated statement of operations and accumulated surplus for the year then ended
- the consolidated statement of changes in net financial assets for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the “financial statements”).

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

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the “**Auditors’ Responsibilities for the Audit of the Financial Statements**” section of our auditors’ report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Consolidated Financial Statements

INDEPENDENT AUDITORS' REPORT



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

Auditors' 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 auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

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

We also:

- 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 Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Entity 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.

Consolidated Financial Statements

INDEPENDENT AUDITORS' REPORT



- 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.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, stylized font and is underlined with a single horizontal stroke.

Chartered Professional Accountants, Licensed Public Accountants

Kitchener, Canada

June 12, 2025

Consolidated Financial Statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

County of Wellington

Consolidated Statement of Financial Position

As at December 31, 2024

2024

\$

2023

\$

Assets

Financial Assets

Cash and Cash Equivalents (Note 4)	45,185,522	54,899,008
Accounts Receivable	18,176,934	12,165,908
Portfolio Investments (Note 4)	177,810,133	161,210,474
Loans Receivable (Note 5)	148,335	318,456
Total Financial Assets	241,320,924	228,593,846

Liabilities

Accounts Payable and Accrued Liabilities	34,852,270	27,339,817
Deferred Revenue (Note 6)	39,977,234	34,791,112
Asset Retirement Obligation (Note 7)	36,613,662	34,514,510
Post Employment/Retirement Liability (Note 8)	2,921,241	2,789,627
WSIB Liability (Note 9)	1,416,898	1,487,618
Net Debentures and Loans (Note 11)	23,896,425	27,388,992
Total Liabilities	139,677,730	128,311,676

Net Financial Assets

101,643,194

100,282,170

Non Financial Assets

Tangible Capital Assets (Note 12)	508,541,724	471,909,011
Inventories of Supplies	892,939	1,076,534
Prepaid Expenses	3,465,034	3,528,475
Total Non Financial Assets	512,899,697	476,514,020
Accumulated Surplus	614,542,891	576,796,190

Accumulated surplus is comprised of:

Accumulated Operating Surplus (Note 13)	610,245,627	577,083,066
Accumulated Remeasurement Gain (Losses)	4,297,264	(286,876)
	614,542,891	576,796,190

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

Consolidated Financial Statements

CONSOLIDATED STATEMENT OF OPERATIONS

County of Wellington

Consolidated Statement of Operations

For the year ended December 31, 2024

(Note 21)

Budget

2024

2023

\$

\$

\$

Revenues

Taxation (Note 14)	132,793,600	137,405,413	124,162,799
Government Transfers			
Provincial (Note 15)	85,065,183	84,804,199	81,559,234
Federal (Note 15)	44,526,500	39,879,981	34,516,168
Municipal	36,873,969	35,633,732	28,555,162
Fees and Services Charges	12,822,200	14,214,466	11,828,351
Licenses, Permits, Rent	9,161,600	9,768,944	9,385,863
Interest, Donations, Other	5,616,236	8,830,413	7,003,648
Development Charges	3,258,000	3,661,537	2,623,858
Total Revenues	330,117,288	334,198,685	299,635,083

Expenses

General Government	28,108,469	26,527,817	24,390,241
Protection Services	20,331,972	19,869,790	20,026,643
Transportation Services	34,835,407	36,434,384	35,450,053
Environmental Services	16,046,519	16,812,095	16,231,222
Health Services	15,526,488	17,962,234	16,879,155
Social Housing	46,546,877	51,559,281	47,424,819
Social and Family Services	111,227,408	112,789,372	101,060,065
Library	9,939,601	10,367,657	9,884,456
Museum	2,938,605	3,587,977	2,764,139
Planning and Development	5,274,251	5,125,517	4,904,354
Total Expenses	290,775,777	301,036,124	279,015,147

Operating Surplus	39,341,511	33,162,561	20,619,936
Accumulated operating surplus at beginning of Year	577,083,066	577,083,066	556,463,130
Accumulated Surplus, End of Year	616,424,577	610,245,627	577,083,066

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

Consolidated Financial Statements

CONSOLIDATED STATEMENT OF REMEASUREMENT GAINS (LOSSES)

County of Wellington

Consolidated Statement of Remeasurement Gains (Losses)

For the year ended December 31, 2024

	2024	2023
	\$	\$
Accumulated remeasurement gains (losses), beginning of the year	(286,876)	-
Adjustment on adoption of the financial instruments standard (Note2)	-	(1,193,061)
	(286,876)	(1,193,061)
Unrealized gains (losses) attributable to:		
Long-term investments		
Designated fair value PPN with equity derivative	4,873,400	986,205
	4,873,400	986,205
Realized (gains) losses, reclassified to the statement of operations		
Long-term investments		
Designated fair value principal protected note with embedded derivative	(289,260)	(80,020)
Net change in remeasurement gains for the year	4,584,140	906,185
Accumulated remeasurement gains (losses), end of year	4,297,264	(286,876)

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

Consolidated Financial Statements

CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS

County of Wellington

Consolidated Statement of Change in Net Financial Assets For the year ended December 31, 2024

	(Note 21) Budget \$	2024 \$	2023 \$
Operating Surplus	39,341,511	33,162,561	20,619,936
Acquisition of Tangible Capital Assets	(75,667,700)	(66,684,336)	(44,242,420)
Amortization of Tangible Capital Assets	26,440,000	30,022,012	28,985,421
Loss(Gain) on Disposal of Tangible Capital Assets	-	(525,917)	966,960
Proceeds on Sale of Tangible Capital Assets	-	555,528	419,752
	(9,886,189)	(3,470,152)	6,749,649
Acquisition of Inventories of Supplies	-	(892,939)	(1,076,534)
Acquisition of Prepaid Expenses	-	(3,465,034)	(3,528,475)
Consumption of Inventories of Supplies	-	1,076,534	658,436
Use of Prepaid Expenses	-	3,528,475	2,934,546
Change in Net Financial Assets	(9,886,189)	(3,223,116)	5,737,622
Net Financial Assets, Beginning of Year	100,282,170	100,282,170	94,831,424
Increase (decrease) in accumulated remeasurement gain	-	4,584,140	(286,876)
Net Financial Assets, End of Year	90,395,981	101,643,194	100,282,170

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

Consolidated Financial Statements

CONSOLIDATED STATEMENT OF CASH FLOWS

County of Wellington

Consolidated Statement of Cash Flows

For the year ended December 31, 2024

	2024	2023
	\$	\$
Cash Provided By (Used In):		
Operating Activities:		
Annual Surplus	33,162,561	20,619,936
Items Not Involving Cash:		
Amortization	30,022,012	28,985,421
Loss/(Gain) on Disposal of Tangible Capital Assets	(525,917)	966,960
Change in Post-Employment Liability	131,614	143,533
Change in WSIB Liability	(70,720)	46,595
Change in Landfill/ARO Liability	2,099,152	1,238,047
Change in Other Long-Term Liabilities	-	(13,827)
Change in Non-Cash Assets and Liabilities:		
Accounts Receivable	(6,011,026)	(1,290,118)
Accounts Payable and Accrued Liabilities	7,512,453	291,590
Deferred Revenue	5,186,122	16,477,964
Inventories of Supplies	183,595	(418,098)
Prepaid Expenses	63,441	(593,929)
Net Change in Cash from Operating Activities	71,753,287	66,454,074
Capital Activities:		
Proceeds on Sale of Tangible Capital Assets	555,528	419,752
Cash Used to Acquire Tangible Capital Assets	(66,684,336)	(44,242,420)
Net Change in Cash from Capital Activities	(66,128,808)	(43,822,668)
Investing Activities:		
Change in Loan Receivable	170,121	197,315
Change in Long Term Investments	(12,015,519)	(14,281,170)
Net Change in Cash from Investing Activities	(11,845,398)	(14,083,855)
Financing Activities:		
Long Term Debt Repaid	(3,492,567)	(7,105,981)
Net Change in Cash from Financing Activities	(3,492,567)	(7,105,981)
Net Change in Cash and Short Term Investments	(9,713,486)	1,441,570
Cash and Short Term Investments, Beginning of Year	54,899,008	53,457,438
Cash and Short Term Investments, End of Year	45,185,522	54,899,008

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

Notes to the Financial Statements

For the Year Ended December 31, 2024

The County of Wellington (the County) is an upper-tier municipality in the Province of Ontario, Canada. The County is comprised of seven member municipalities: the Towns of Erin and Minto, and the Townships of Centre Wellington, Guelph/Eramosa, Mapleton, Puslinch and Wellington North.

1. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the County of Wellington are prepared by management in accordance with Canadian generally accepted accounting principles for governments as recommended by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants. Significant accounting policies adopted by the County are as follows:

a) Basis of Consolidation

(i) Consolidated Entities

These consolidated statements include the activities of all committees of Council and the following boards and municipal corporation which are under the control of Council:

Wellington County O.P.P. Detachment Board

Wellington County Public Library Board

Wellington Housing Corporation (WHC)

All interfund assets and liabilities and sources of financing and expenses have been eliminated except for loans or advances between reserve funds and any other fund of the municipality and the resulting interest income and expenses.

Under PSAB standards, the County reports only its share of assets, liabilities, and results of operations of any government partnerships in which it participates. The County participates in the Wellington-Dufferin-Guelph Public Health to the extent of 31.7% (2023 – 31.7%) based on population, as stated in the agreement with the other participants, the City of Guelph, and the County of Dufferin.

(ii) Trust Funds

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

b) Basis of Accounting

(i) Accrual Basis of Accounting

The County follows the accrual method of accounting for revenues and expenses. Revenues are normally recognized in the year in which they are earned and measurable. Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and/or the creation of a legal obligation to pay.

(ii) Cash and cash equivalents

Cash and cash equivalents are comprised of the amounts held in the County's bank accounts and investments with an original maturity date of 90 days or less.

Notes to the Financial Statements

For the Year Ended December 31, 2024

(iii) Financial Instruments

Financial instruments are recorded at fair value on initial recognition. Derivative instruments and equity instruments that are quoted on an active market are reported at fair value. All other financial instruments are subsequently recorded at cost or amortized cost unless management has elected to carry the instruments at fair value.

The carrying value of the County's financial instruments including cash, accounts receivable, investments, accounts payable, other liabilities, and deferred revenue approximate their fair values due to the short-term nature of these financial assets and liabilities. The financial instruments are assessed for impairment on an annual basis. When a decline is determined to be other than temporary, the amount of the loss is reported in the statement of operations.

The following is a list of the financial instruments and their related measurement basis as at December 31, 2024.

Financial assets measurement basis:	
Cash	Cost
Accounts receivable	Cost
Portfolio investments	
Pooled investments	Cost
Bonds	Amortized Cost
Guaranteed Investment Certificates	Cost
Principal Protected Notes (PPN)	Fair value
Financial liabilities measurement basis:	
Accounts payable	Cost
Deferred revenue	Cost

(iv) Investments

Investments consist of authorized investments pursuant to provisions of the Municipal Act and comprise of government bonds, pooled investment funds, principal protected notes, and shorter-term instruments of various financial institutions.

The Principal Protected Notes (PPNs) are financial instruments that combine a bond with a derivative component that pays a return based on an index or reference point such as a stock market index. The County has elected to record all PPNs in their entirety (note and embedded derivative) at fair value as they are managed and evaluated on a fair value basis. They are quoted in an active market and are level 1 investments in the fair value hierarchy.

The County has pooled investments consisting of the One Canadian Equity Fund and the One Canadian Corporate Bond Fund. As these are not quoted in an active market, management has recorded all pooled investments at cost value.

Government bonds are recorded at amortized cost and shorter-term instruments such as guaranteed investment certificates (GIC's) of various financial institutions are recorded at cost.

Investment income earned on available current funds, reserves, and reserve funds (other than obligatory funds) are reported in the period earned. Investment income earned on obligatory reserve funds is added to the fund balance and forms part of the respective deferred revenue balances.

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 financing costs, which are amortized using the straight-line method (or effective interest rate method).

Notes to the Financial Statements

For the Year Ended December 31, 2024

Unrealized changes in the fair market value of PPNs are recognized in the statement of remeasurement gains and losses in the period in which they occur, until they are realized and transferred to the statement of operations.

(v) Foreign Currency

Foreign exchange gains and losses related to assets and liabilities denominated in foreign currencies are recognized directly in the statement of operations.

(vi) Loans Receivable

In accordance with PS 3050 loans receivable are recorded at cost less any amount for valuation allowance. Valuation allowances are made when collection is in doubt as assessed by Management (Note 5).

(vii) Deferred Revenue

In accordance with PSAB requirements obligatory reserve funds are reported as a component of deferred revenue. The County has obligatory development charge reserve funds in the amount of \$20,407,269 (2023- \$12,250,188). These funds have been set aside, as required by the Development Charges Act, to finance a portion of the cost of growth-related capital projects. Revenue recognition occurs after the funds have been collected and when the County has incurred the expenses for the capital works for which the development charges were raised (Note 6).

Unexpended funds of \$2,878,995 (2023 – \$4,253,086) received by the County from the Canada Community Building Fund (previously Federal Gas Tax) are reported as deferred revenue and will be recognized as revenue in the fiscal year in which the eligible expenses are incurred. Unexpended funds of \$4,241,406 (2023 – \$3,578,085) received by the County under the Ontario Community Infrastructure Fund are reported as deferred revenue and will be recognized as revenue in the fiscal year in which the eligible expenses are incurred. Unexpended funds of \$9,020,826 (2023 - \$11,842,494) received by the County from the National Housing Co-Investment Fund are reported as deferred revenue and will be recognized as revenue in the fiscal year in which the eligible expenses are incurred.

(viii) Asset Retirement Obligation

An asset retirement obligation is recognized when, as at the financial reporting date, all the following criteria are met:

- There is a legal obligation to incur retirement costs.
- The past transaction or event giving rise to the liability has occurred.
- It is expected that future economic benefits will be given up; and
- A reasonable estimate of the amount can be made.

The liability for closure of operational sites and post-closure care relating to landfill sites has been recognized based on estimated future expenses. Liability for the removal of asbestos in buildings owned by the County has also been recognized based on estimated future remediation costs. As well, an additional liability has been recognized for the cost of removal of underground fuel storage tanks. Three underground fuel storage tanks were recognized in 2022 and one was removed in 2023, leaving two fuel storage tanks at December 31, 2024.

Notes to the Financial Statements

For the Year Ended December 31, 2024

Most of these liabilities are long-term in nature and therefore the liability is discounted using a present value calculation and adjusted yearly for accretion expense where there is a known retirement date. For those liabilities that are short-term in nature and of lower value (fuel tanks) no discounting has been used.

The recognition of a liability resulted in an accompanying increase to the respective tangible capital assets. Where the tangible capital asset is no longer in product use, and not providing economic benefit, the asset retirement costs are expensed, since there is no longer any period of future benefit associated with the costs. The increase to the tangible capital asset is amortized in accordance with the depreciation accounting policies outlined in (c)(i) (Note 7). For fully amortized tangible capital assets still in productive use, the costs are amortized to expense over the revised estimate of remaining useful life as the ARO related to the initial acquisition, construction or development of the asset would increase its cost base.

(ix) Taxation

Under PS3510, taxes receivable and tax revenue are recognized when they meet the definition of an asset, the tax is authorized, and the taxable event has occurred (Note 14).

(x) Government Transfers

Under PS3410, government transfers received relate to social services, childcare, housing, police, health, and cultural programmes. 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 estimates of the amounts can be made (Note 15).

(xi) Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the period.

Significant estimates include assumptions used in estimating provisions for accrued liabilities and in performing actuarial valuations of employee future benefits and WSIB liabilities, and the historical cost and useful lives of tangible capital assets.

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

Actual results could differ from these estimates.

c) Physical Assets

(i) Tangible Capital Assets

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

Notes to the Financial Statements

For the Year Ended December 31, 2024

Major Asset Classification	Component Breakdown	Useful Life - Years
Land		N/A
Landfill Sites		5-50
Buildings	Structure	8 to 50
	Exterior	15 to 40
	Interior	10 to 50
	Site Elements	15 to 50
	Leasehold Improvements	Lease Term
Infrastructure	Roads and Parking Lots - Asphalt	20
	Roads and Parking Lots - Gravel	50
	Roads - Base	50
	Bridges - Surface	20
	Bridges and Culverts - Structure	50
	Structural Walls	50
	Trails	20-50
	Traffic Signals, Street Signs, Outdoor Lighting	20
Vehicles and Machinery	Licensed Equipment	7
	Unlicensed Equipment	15
	Machinery and Equipment	7 to 20
Furniture and Fixtures		5 to 20
Technology and Communications		4 to 20
Library Books and Media		5

(ii) Contributions of Tangible Capital Assets

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and are also recorded as revenue. The value of assets contributed in 2024 is \$0 (2023 - \$0).

(iii) Works of Art and Cultural and Historic Assets

Works of art and cultural and historic assets are not recorded as assets in these financial statements. The County's art collection includes approximately 1,300 pieces, either created by a significant Wellington County artist and/or depicting Wellington County subject matter. The Museum's collection contains over 21,000 artifacts. The Archives' collection contains over 110,000 photographs, as well as 3,400 maps, textual records, microfilm, and audio-visual and digital media. Both collections relate to the history of Wellington County and are fully catalogued in the County's collections database. The collection is maintained and stored at the Wellington County Museum and Archives as per professional Museum and Archives standards.

(iv) Interest Capitalization

Borrowing costs incurred because of the acquisition, construction and production of an asset that takes a substantial period of time to prepare for its intended use are capitalized as part of the cost of the asset.

Capitalization of interest costs commences when the expenses are being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use are in progress. Capitalization is suspended during periods in which active development is interrupted. Capitalization ceases when substantially all the activities necessary to prepare the asset for its intended use are complete. If only minor modifications are outstanding, this indicates that substantially all the activities are complete.

Notes to the Financial Statements

For the Year Ended December 31, 2024

The capitalized interest costs associated with the acquisition or construction of tangible capital assets during the year were \$224,215 (2023 - \$233,581).

(v) Leased Tangible Capital Assets

Leases which transfer substantially all the benefits and risks incidental to ownership of property are accounted for as leased tangible capital assets. All other leases are accounted for as operating leases and the related payments are expensed as incurred.

(vi) Inventories of Supplies

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

(vii) Tangible Capital Assets recorded at Nominal Value

Under PS 3150.42 the County has no assets recorded at nominal value.

2. CHANGE IN ACCOUNTING POLICIES

Accounting policies encompass the specific principles and the methods used in their application that are selected by a government in preparing financial statements. There is a general presumption that accounting policies followed by a government are consistent within each accounting period from one period to the next. However, a change in an accounting policy may be made: to conform to new Public Sector Accounting Standards (PSAS), to adopt PSAS for the first time; or if it is considered that the change would result in a more appropriate presentation of events or transactions in the financial statements.

a) PS 3450 – Financial Instruments, PS 3041 – Portfolio Investments, PS 2601 – Foreign Currency Translations and PS1201 – Financial Statement Presentation

On January 1, 2023, the County adopted Public Accounting Standards PS 3450, PS3041, PS2601 and PS1201. The standards were adopted prospectively from the date of adoption. The new standards provide comprehensive requirements for the recognition, measurement, presentation, and disclosure of financial instruments including portfolio investments and foreign currency transactions.

Under PS3450, all financial instruments, including derivatives, are included on the statement of financial position, and are measured either at fair value or amortized cost based on the characteristics of the instrument and the County's accounting policy choices (see Note 1(b)(iii) Significant Accounting Policies). These standards have an impact on the presentation of the financial statements and require the adoption of the statement of remeasurement gains (losses).

b) PS 3280 – Asset Retirement Obligations (ARO)

On January 1, 2023, the County also adopted Public Accounting Standard PS 3280 - Asset Retirement Obligations. The new accounting standard addresses the reporting of legal obligations associated with the retirement of certain tangible capital assets and resulted in a withdrawal of Section PS 3270 – Solid Waste Landfill Closure and Post-Closure Liability.

Notes to the Financial Statements

For the Year Ended December 31, 2024

The County has done an assessment of its assets and concluded that asset retirement obligations are associated with County landfill sites, buildings containing asbestos and underground fuel tanks (see Note 7). For landfill and asbestos liabilities, an estimate is made today for some point in the future, at which time the liability will be extinguished. The future value is then discounted back to current year values. Each year there is an accretion expense on the Statement of Operations to increase the liability with time. As well, there will also be an amortization expense associated with the ARO asset.

C) PS3400 – New Revenue Enhancements

On January 1, 2024, The County adopted Public Sector Accounting Board Standard 3400. The standard was adopted prospectively from the date of adoption. The new standard provides overall general revenue recognition guidance to provide more consistency for revenue recognition outside of the specific revenue streams already covered by other standards. There was no impact to the corporation as a result of adoption.

3. TRUST FUNDS

Trust funds administered by the County amounting to a deficit overall in 2024 of (\$4,772) (2023 - \$107,892) have not been included in the Consolidated Statement of Financial Position, nor have their operations been included in the Consolidated Statement of Operations.

In February of 2024, the County entered into a project management agreement with Guelph (M.O.G) Welcome In Drop In Centre (Stepping Stone) to assist them to complete the construction of additional shelter space and transitional housing in a timely manner and within budget. The agreement included the requirement to set up a Trust account and a separate bank account where all Federal and Provincial funding would be deposited, and the County would be responsible for the payment of all project invoices.

4. CASH AND CASH EQUIVALENTS AND PORTFOLIO INVESTMENTS

Total cash and cash equivalents of \$45,185,522 (2023 - \$54,899,008) are reported on the Consolidated Statement of Financial Position at cost.

Total portfolio investments at cost are \$173,512,869 (2023 - \$161,497,349) and have a market value of \$177,928,042 (2023 - \$158,958,800 restated). As reported on the Consolidated Statement of Financial Position and the Statement of Remeasurement Gains (Losses), the difference between the portfolio investment balance of \$ 177,810,133 (2023 - \$161,210,474) and the total portfolio balance at cost above, is the accumulated remeasurement gain of \$4,297,264 (2023 - loss of \$286,875).

On December 31, 2024, the County had two credit facilities arrangements. Facility 1 is \$5,000,000 by way of loans with an interest rate of prime less 0.50% and remains undrawn. Facility 2 is \$500,000 by way of Letters of Credit. The aggregate of Facility 1 and Facility 2 may not exceed \$5,000,000 at any time.

On November 15, 2019, an irrevocable Standby Letter of Credit was issued to finance the Badley (Metcalf Street) bridge replacement in favour of the Receiver General for Canada on behalf of Fisheries and Oceans Canada in the amount of \$201,900. The annual interest rate is 1.35% on any outstanding amounts. In January of 2021, the Letter of Credit was reduced by \$66,500 leaving a balance of \$135,400 at December 31, 2023. In December of 2023, Fisheries and Oceans Canada determined all conditions were satisfied and the Letter of Credit was cancelled by the Royal Bank on January 8, 2024

Notes to the Financial Statements

For the Year Ended December 31, 2024

5. LOANS RECEIVABLE

(i) Cost Sharing Agreements with the Township of Centre Wellington

In 2015, the County and the Township of Centre Wellington agreed to share soil remediation costs for the Fergus Library Expansion Project. The land, originally owned by the Township of Centre Wellington was remediated by the County upfront and will be repaid by the Township at 60%. The Township will repay the County over ten years, interest free, starting in 2016. The amount to be repaid to the County as at December 31, 2024 was \$14,075 (2023 - \$28,152).

(ii) Keep Well – Emergency Business Sustainability Fund

In 2020, the County also established the Keep Well – Emergency Business Sustainability Fund to provide up to \$1,000,000 in low-interest loans (3%) to support local businesses. The County has entered into agreements with the Wellington-Waterloo Community Futures Development Corporation (WWCFDC) and the Saugeen Economic Development Corporation (SEDC) to administer these loans. The total loans advanced in 2020 were \$891,400 (WWCFDC \$740,400, SEDC \$151,000). The total principal repaid in 2024 was \$156,045 (WWCFDC \$130,643, SEDC \$25,402) (2023 - total \$166,625, WWCFDC \$141,668, SEDC \$24,957) leaving an outstanding balance at December 31, 2024 of \$134,259 (WWCFDC \$110,309, SEDC \$23,950). The \$8,000 previously set up as doubtful was written off in 2023 along with another \$9,996 as these two companies have ceased operations.

	2024	2023
	\$	\$
Cost Sharing Agreements with Township of Centre Wellington		
Fergus Library Soil Remediation (0% Interest, maturity 2025)	13,128	26,257
Fergus Library Site Work (0% Interest, maturity 2025)	947	1,895
	<u>14,075</u>	<u>28,152</u>
Keep Well - Emergency Business Sustainability Fund		
Wellington-Waterloo Community Futures Development Fund (3% annual interest rate less 1% administration fee, maturity 2025)	110,309	258,948
Less: Uncollectable Write-offs	-	(17,996)
Saugeen Economic Development Corporation (3% annual interest less 1% administration fee, maturity 2025)	<u>23,950</u>	<u>49,352</u>
Total Keep Well - Emergency Business Sustainability Loans	<u>134,260</u>	<u>290,304</u>
Total Loans Receivable	<u>148,335</u>	<u>318,456</u>

Notes to the Financial Statements

For the Year Ended December 31, 2024

6. DEFERRED REVENUE

Deferred revenue, which is reported on the Consolidated Statement of Financial Position, is further analyzed as follows:

	2024	2023
	\$	\$
Canada Community Building Fund	2,878,995	4,253,086
Ontario Community Infrastructure Fund (OCIF)	4,241,406	3,578,085
National Housing Co-Investment Fund	9,020,826	11,842,494
Development Charges	20,407,269	12,250,188
Deferred Operating and Capital Grants	3,375,005	2,806,696
Other	53,733	60,563
	<u>39,977,234</u>	<u>34,791,112</u>
Balance, Beginning of Year		
Canada Community Building Fund	4,253,086	5,382,865
OCIF	3,578,085	1,014,829
National Housing Co-Investment Fund	11,842,494	-
Development Charges	12,250,188	7,393,862
Deferred Operating and Capital Grants	2,806,696	4,434,370
Other	60,563	87,222
	<u>34,791,112</u>	<u>18,313,148</u>
Amounts Received		
Canada Community Building Fund	3,103,611	3,009,310
OCIF	2,764,871	3,252,789
National Housing Co-Investment Fund	-	12,000,000
Development Charges	10,811,024	6,991,920
Deferred Operating and Capital Grants	5,550,539	9,982,982
Other	29,601	20,798
Interest Earned	1,322,642	904,276
	<u>23,582,288</u>	<u>36,162,075</u>
Contributions Realized as Revenue	<u>(18,396,166)</u>	<u>(19,684,111)</u>
Balance, End of Year	<u>39,977,234</u>	<u>34,791,112</u>

7. ASSET RETIREMENT OBLIGATION

(i) Landfill Obligation

As of December 31, 2024, there were 10 closed landfill sites and 1 active landfill site where the liability for the closure of operational sites and post-closure care has been recognized under PS 3280 – Asset Retirement Obligation. The costs were based upon current estimates of the known obligations that will exist at the estimated year of closure for the 1 active landfill site (2049) and for 50 years post this date. For the 10 closed sites, additional closure costs and annual post-closure costs were estimated to be required for 5 to 50 years. These costs were estimated by a third-party engineering firm and then inflated at a rate of 3.5% and discounted to December 31, 2024, using a discount rate of 4.5%. For 2024, revised estimates for post-closure monitoring costs and timing, resulted in an increase to the liability of \$1,153,974 of which \$1,121,746 was capitalized as an asset retirement cost and \$32,228 was expensed.

For 2024, the estimated annual post-closure costs were \$353,449 and actual costs were \$230,074 resulting in a gain of \$123,375.

Notes to the Financial Statements

For the Year Ended December 31, 2024

(ii) Asbestos Obligation

The County owns and operates a significant number of buildings in both the Social Housing and General Government areas that are known to have asbestos, which represents a health hazard upon demolition of the building or disruption of the components of the building and there is a legal obligation to remove it. Following the adoption of PS3280 – Asset retirement obligations, the County recognized an obligation relating to the removal of this asbestos. The costs of these remediations were estimated by a third-party engineering firm and then inflated at a rate of 3.5% and discounted to December 31, 2024 using a discount rate of 4.5% using various estimated useful lives depending on the associated component life cycle. In 2024 an adjustment was made to account for the write-off of asbestos obligations previously set up in error resulting in the obligation being reduced by \$140,573.

For 2024, the estimated asbestos abatement costs were \$226,595 and actual costs were \$45,904 resulting in a gain of \$180,691.

An addition was made in 2024 to include the obligation related to the County's 2023 purchase of the Wellington Catholic District School Board buildings at 59,69, and 75 Woolwich Street in the amount of \$82,064.

(iii) Underground tank removal obligation

The County originally identified three separate underground fuel tanks that required remediation upon removal. The Aberfoyle garage tank was removed and cleaned up during 2023 so the cost for this cleanup was used to estimate the removal and clean-up cost for the remaining two fuel tanks at the Elora (clean-up and removal 2029) and Brucedale (clean-up and removal 2027) garages. Therefore, as of December 31, 2024, only 2 fuel tanks remain with associated asset retirement obligations.

Asset Retirement Obligation	Landfill Closure \$	Asbestos Removal \$	Fuel Tank Removal \$	Balance at December 31, 2024 \$
Opening Balance	23,511,386	10,741,683	261,441	34,514,510
Adjustment to opening balance	1,153,974	(140,573)	-	1,013,401
Settlement of ARO Liability	(353,449)	(226,595)	-	(580,044)
Adjustment for additional costs		82,064	-	82,064
Accretion Expense	1,109,942	473,789	-	1,583,731
Closing Balance	25,421,853	10,930,368	261,441	36,613,662

8. POST-EMPLOYMENT / RETIREMENT LIABILITY

Post-employment benefits include a provision to pay 90% of the premium cost for retired non-union full-time employees and retired union full-time employees for dental, extended health care and life insurance benefits for an employee voluntarily electing early retirement until the retired employee's 65th birthday. For union full-time employees, the County pays 100% of the premium for eligible early retirees with a retirement effective date of December 31, 2022, or earlier. There is also a provision to pay 50% of the premium cost for retired regular part time employees for dental and extended health care. To be eligible to receive these benefits, the employee must be at least 55 years of age, have a minimum of ten years of continuous service with the County at the time of retirement and be eligible to retire under the provisions of the OMERS pension plan.

Notes to the Financial Statements

For the Year Ended December 31, 2024

The present value of these benefit obligations at December 31, 2024 was estimated from an actuarial review completed for December 31, 2023. The review calculated the benefit obligations using an accrued benefit obligation methodology, which recognizes the accrued benefit over the employees' working lifetime.

Of the \$2,921,241 (2023 - \$2,789,627) recognized as a liability, \$383,568 (2023 - \$430,627) is related to the County's share of the Wellington-Dufferin-Guelph Health Unit. \$383,568 (2023 - \$430,627) is included on the Consolidated Statement of Financial Position as a reduction to budgetary accumulated surplus and will be recovered from future general municipal revenues and \$2,537,673 (2023 - \$2,358,980) is shown as an amount to be recovered from reserve funds (see Note 13)

Benefit	Number of Employees	2024 \$	2023 \$
Dental	47	532,911	495,386
Extended Health Care	47	1,903,262	1,769,235
Life Insurance	44	101,500	94,359
County of Wellington		2,537,673	2,358,980
Wellington-Dufferin Guelph Public Health Unit		383,568	430,647
Consolidated Total		2,921,241	2,789,627

Information about the County's benefit plan is as follows:

	2024 \$	2023 \$
Accrued Benefit Obligation		
Balance beginning of year	3,692,914	2,810,142
Current benefit cost	162,119	154,243
Interest	163,246	91,513
Benefits paid	(292,550)	(142,976)
Actuarial loss	-	779,992
Balance end of year	3,725,729	3,692,914
Unamortized actuarial loss	(1,188,056)	(1,333,934)
Liability for benefits	2,357,673	2,358,980
Wellington-Dufferin Guelph Public Health Unit	383,568	430,647
Consolidated Total	2,921,241	2,789,627

Included in expenses is \$145,878 (2023 - \$98,878) for amortization of the actuarial loss. The unamortized actuarial loss is amortized over the expected average remaining service life of 15 years, beginning in 2024.

The main actuarial assumptions employed for the valuation are as follows:

- The present value of future liabilities and the expense for the 12 months ended December 31, 2024, were determined using a discount rate of 4.50%.
- Medical costs were assumed to escalate at a rate of 6.00% for 2024 vs. 2023, reducing by .333% per year to 4.00% per year in 2030 vs. 2029 and 4.0% each year thereafter.
- Dental costs were assumed to increase at the rate of 4.00% per year.

Notes to the Financial Statements

For the Year Ended December 31, 2024

9. WORKPLACE SAFETY AND INSURANCE

The County is a Schedule II (self-insured) employer with the Workplace Safety and Insurance Board (WSIB). Payments made to the WSIB in 2024 resulting from approved claims were \$116,498 (2023 - \$76,293) and are reported as a liability transaction on the Consolidated Statement of Financial Position. The WSIB liability is based on an actuarial evaluation completed in December 2023. The evaluation is updated every four years. As WSIB benefits are a compensated absence, PSAB Section PS 3250 requires full recognition of liabilities associated with workplace injuries that occurred on or before the valuation date. The amount reported on the Consolidated Statement of Financial Position as a liability is \$1,416,898 (2023 - \$1,487,618) to be recovered by reserve funds (see Note 13).

Information about the WSIB liability is as follows:

	2024 \$	2023 \$
Accrued Benefit Obligation:		
Balance, beginning of year	1,372,449	1,285,864
Current benefit cost	115,793	196,017
Interest	29,741	36,056
Expected benefit payments	(100,886)	(145,488)
Expected accrued benefit obligation, end of year	663,326	1,372,449
Actual/expected accrued benefit obligation, end of year	663,326	618,678
Unamortized actuarial gain	753,572	868,940
WSIB Liability	1,416,898	1,487,618

Included as a reduction in expenses is \$115,368 (2023 – \$39,990) for amortization of the actuarial gain. The unamortized actuarial gain on future payments required to WSIB is amortized over the expected period of the liability which is 10 years.

The main actuarial assumptions employed for the valuation are as follows:

- The present value of future liabilities and the expense for the 12 months ended December 31, 2024, were determined using an average discount rate of 4.75%, which is 2.00% more than the 2.75% used for the December 31, 2020, valuation.
- Administration costs were assumed to be 21% (25% used for December 31, 2020, valuation).
- Compensation costs, which include loss of earnings benefits, health care costs and non-economic loss awards, were assumed to increase at rates ranging from 0.00% to 2.75% depending on the benefit type.

The County purchases two forms of insurance to limit exposure in the event of a significant work-related accident resulting in a death or permanent disability. Occupational Accident Insurance coverage provides a one-time fixed payment of \$500,000 per incident. Excess indemnity insurance is in place to a maximum of \$10,000,000 with a \$500,000 retention. As of January 1, 2025, the County has discontinued this insurance coverage and is fully self-insured against the WSIB exposure. The County established a new WSIB Excess Compensation Reserve Fund to fund catastrophic events with a target balance of \$10,000,000. At December 31, 2024, the balance in the WSIB Excess Compensation Reserve Fund was \$2,528,090.

Notes to the Financial Statements

For the Year Ended December 31, 2024

10. OTHER LONG-TERM LIABILITIES

In 2018, the County of Wellington approved The Invest Well Community Improvement Programme. This programme provides the framework to allow the County to participate financially in member municipalities' grant and loan programmes aimed at revitalizing, beautifying, and attracting investment in Wellington. Tax Increment Equivalent Grants (TIEG) provide funding which is equal to the County portion of a property tax increase that results from a major community improvement project. County grants range from 100% coverage of the County portion tax increment in year one to 20% in year five. County funding is dependent on the member municipality participating financially through its own local CIP TIEG plan. Tax Increment Equivalent Grants must be approved individually by the County Council and require the annual payment of property taxes by the applicant for the County to pay a grant installment. These agreements have two identifiable phases; i) grant preapproval and construction phase; ii) grant approval and payment phase.

The County has one TIEG agreement in the pre-approval and construction phase. In September of 2022, the County signed a financial assistance agreement with the Township of Centre Wellington to participate in a TIEG programme for a proposed development that has six phases of development occurring over a maximum of 15 years. The County will not participate in Phase 1 as it is 100% residential. Upon completion of each phase and reassessment by the Municipal Property Assessment Corporation (MPAC), the County will provide a five-year term grant with 100% of incremental taxes in year one, dropping by 20% each year until taxes return to the full amount in year 6. The proposed grant value is approximately \$953,000 for the Phase 2 – Phase 6 grants.

11. NET DEBENTURES AND LOANS

Provincial legislation restricts the use of debentures to financing capital expenses, and also authorizes the County to issue long-term debt for both County and Local purposes, with the latter at the request of the Local Municipality. The responsibility for raising the amounts required to service these liabilities rests with the County and such Local Municipalities for which the debt was issued.

	2024 \$	2023 \$
Debentures Outstanding for County Purposes	23,896,425	27,299,126
Mortgage outstanding for Wellington Housing Corporation	-	89,866
Total long-term liabilities at the end of the year	\$ 23,896,425	\$ 27,338,992

Debentures outstanding for Local Municipal purposes (2024 - \$16,482,000; 2023- \$18,909,927) are direct, unsecured, unsubordinated, joint and several obligations of the County and such Local Municipalities.

- a) The outstanding principal portion of unmatured debentures for municipal expenditures is reported on the Consolidated Statement of Financial Position, under "Net Debentures and Loans". Net Debentures reported on the Consolidated Statement of Financial Position are comprised of the following:

Notes to the Financial Statements

For the Year Ended December 31, 2024

	2024 \$	2023 \$
Long-term Liabilities incurred by the County, including those incurred on behalf of member municipalities, and outstanding at the end of the year (Interest rates range from 0.85% to 5.875%)	40,378,425	46,209,053
Long-term Liabilities incurred by the County and recoverable from member municipalities	(16,482,00)	(18,909,927)
Net long-term liabilities at the end of the year	\$ 23,896,425	\$ 27,299,126

The balance of net long-term liabilities is made up of the following:

	2024 \$	2023 \$
Debenture payable, 5.84%, repayable in blended semi-annual payments of \$119,573, due August 12, 2024	-	229,065
Debenture payable, 5.875%, repayable in blended semi-annual payments of \$865,527, due August 12, 2025	1,640,425	3,188,561
Debenture payable, 1.80%-2.45%, repayable in annual principal and semi-annual interest payments of approximately \$133,500 annually, due November 30, 2026	257,000	382,000
Debenture payable, 5.00% - 5.35%, repayable in annual principal and semi-annual interest payments ranging from \$176,703 to \$164,280 annually, due June 3, 2030	870,000	995,000
Debenture payable, .85%-2.45% repayable in annual principal and semi-annual interest payments of approximately \$115,000 annually for ten years, with a balloon payment of \$1,109,000 due November 30, 2031	1,598,000	1,674,000
Debenture payable, 2.8%-3.85% repayable in annual principal and semi-annual interest payments of approximately \$317,500 annually for ten years, with a balloon payment of \$3,642,500 due June 2, 2032	5,865,500	6,182,500
Debenture payable, 2.65%-3.45%, repayable in annual principal and semi-annual interest payments of approximately \$765,000 annually for the first ten years and approximately \$430,000 for the final ten years, due May 30, 2038	6,088,000	6,649,000
Debenture payable, 1.9%-2.6%, repayable in annual principal and semi-annual interest payments of approximately \$610,000 annually for twenty years, due November 4, 2039	7,578,000	7,999,000
	\$ 23,896,425	\$ 27,299,126

Notes to the Financial Statements

For the Year Ended December 31, 2024

- b) Future principal payments for net long-term liabilities are as follows:

	Principal
2025	3,301,925
2026	1,696,500
2027	1,599,500
2028	1,640,500
2029	1,338,500
Subsequent to 2029	14,319,500
	<u>\$ 23,896,425</u>

- c) The long-term liabilities in (a) of this note issued in the name of the County, as well as those pending issues of long-term liabilities and commitments to be financed by revenues beyond the term of Council, have been approved by by-law. The annual principal and interest payments required to service these liabilities are within the annual debt repayment limit prescribed by the Ministry of Municipal Affairs and Housing.
- d) Total payments for the year for net long-term liabilities are as follows:

	2024 \$	2023 \$
Principal Payments	3,402,701	6,972,791
Interest	889,467	1,091,240
	<u>\$ 4,292,168</u>	<u>\$ 8,064,031</u>

- e) The payments shown on the previous table are recovered as follows:

	2024 \$	2023 \$
General Municipal Revenues	3,056,126	6,392,084
Development Charges	1,236,042	1,671,947
	<u>\$ 4,292,168</u>	<u>\$ 8,064,031</u>

- f) Net long-term liabilities are to be recovered are as follows:

	2024 \$	2023 \$
Net Long-Term Liabilities		
Recovered from General Municipal Reserves	10,465,425	13,070,626
Recovered from Municipal Charges	13,431,000	14,228,500
	<u>\$ 23,896,425</u>	<u>\$ 27,299,126</u>

- g) Wellington Housing Corporation:

The mortgage payable was held by the Canadian Mortgage and Housing Corporation at an interest rate of 0.67% with monthly installments of \$11,262 principal and interest due August 2024. The mortgage was repaid fully during 2024

The mortgage payable was secured by real estate and chattels owned by the corporation with a carrying value of \$4,834,111 (2023 - \$4,092,904).

Total interest on the mortgage payable which is reported on the Statement of Operations is \$225 (2023 \$1,011).

Notes to the Financial Statements

For the Year Ended December 31, 2024

12. TANGIBLE CAPITAL ASSETS

County tangible capital assets are identified by asset type. The cost of tangible capital assets, their accumulated amortization and net book value are disclosed in the following schedule:

i) Assets Under Construction

Assets under construction having a value of \$50,450,115 (2022 - \$19,093,529) have not been amortized. Amortization of these assets will commence when the asset is available for use.

ii) Write-Down of Tangible Capital Assets and Gain on Disposal

The write-down of tangible capital assets during the year was \$0 (2023 - \$0). The gain on disposal of assets during the year was \$221,851 (2023 - \$966,960 loss).

Notes to the Financial Statements

For the Year Ended December 31, 2024

Cost	December 31, 2023	Asset Retirement Obligations	Additions	Disposals	December 31, 2024
Land	\$ 46,390,311	\$ -	\$ 1,513,330	\$ -	\$ 47,903,641
Landfill Sites	13,173,778	1,121,746	-	-	14,295,524
Buildings	222,294,591	(107,746)	5,198,536	(1,818,877)	225,569,541
Infrastructure	521,863,971	-	19,450,787	(624,007)	540,690,751
Vehicles and Machinery	26,956,805	-	4,377,674	(2,366,440)	28,968,039
Furniture and Fixtures	8,004,275	-	654,936	(92,491)	8,566,720
Technology and Communications	9,754,271	-	1,730,242	(1,364,916)	10,119,597
Library Books	2,724,371	-	496,123	(603,695)	2,616,799
Wellington Housing Corporation	5,397,447	-	1,006,205	(2,857)	6,400,795
Public Health	11,784,601	-	159,245	(5,409)	11,938,437
Capital Work-in-Progress	19,093,529	-	34,800,134	(3,443,548)	50,450,115
Total	\$ 887,437,950	\$ 1,017,037	\$69,387,212	\$ (10,322,240)	\$ 947,519,959
Accumulated Amortization	December 31, 2023	Adjustments	Amortization Expense	Disposals	December 31, 2024
Landfill Sites	\$ (1,849,512)	\$ -	\$ (422,473)	\$ -	\$ (2,271,985)
Buildings	(92,444,648)	-	(9,156,482)	1,573,642	(100,027,488)
Infrastructure	(289,205,420)	-	(14,184,419)	624,007	(302,765,832)
Vehicles and Machinery	(14,226,144)	-	(3,151,653)	2,282,117	(15,095,680)
Furniture and Fixtures	(3,510,811)	-	(598,313)	92,491	(4,016,633)
Technology and Communications	(5,931,259)	-	(1,287,774)	1,391,675	(5,827,358)
Library Books and Media	(1,341,916)	-	(524,958)	603,695	(1,263,179)
Wellington Housing Corporation	(1,304,543)	-	(262,141)	-	(1,566,684)
Public Health	(5,714,685)	-	(433,799)	5,088	(6,143,396)
Total	\$ (415,528,938)	\$ -	\$ (30,022,012)	\$ 6,572,715	\$ (438,978,235)
Net Book Value	\$ 471,909,012				\$ 508,541,724

Notes to the Financial Statements

For the Year Ended December 31, 2024

Cost	December 31, 2022	Additions	Disposals	December 31, 2023
Land	\$ 38,607,465	\$ 7,782,846	\$ -	\$ 46,390,311
Landfill Sites	13,173,778	-	-	13,173,778
Buildings	215,689,400	7,554,798	(949,607)	222,294,591
Infrastructure	513,532,115	12,647,676	(4,315,823)	521,863,968
Vehicles and Machinery	24,228,525	4,132,198	(1,403,918)	26,956,805
Furniture and Fixtures	8,165,258	316,772	(477,755)	8,004,275
Technology and Communications	8,086,496	2,393,149	(725,374)	9,754,271
Library Books	2,641,398	724,550	(641,577)	2,724,371
Wellington Housing Corporation	5,334,425	63,022	-	5,397,447
Public Health	11,749,105	145,644	(110,148)	11,784,601
Capital Work-in-Progress	10,498,628	12,280,987	(3,686,086)	19,093,529
Total	\$ 851,706,593	\$48,041,642	\$ (12,310,288)	\$ 887,437,947
Accumulated Amortization	December 31, 2022	Amortization Expense	Disposals	December 31, 2023
Landfill Sites	\$ (1,455,034)	\$ (394,478)	\$ -	\$ (1,849,512)
Buildings	(84,469,022)	(8,888,483)	912,857	(92,444,648)
Infrastructure	(278,331,007)	(13,913,525)	3,039,114	(289,205,418)
Vehicles and Machinery	(12,719,789)	(2,784,085)	1,277,730	(14,226,144)
Furniture and Fixtures	(3,384,964)	(603,602)	477,755	(3,510,811)
Technology and Communications	(5,478,001)	(1,178,632)	725,374	(5,931,259)
Library Books and Media	(1,454,203)	(529,290)	641,577	(1,341,916)
Wellington Housing Corporation	(1,048,107)	(256,436)	-	(1,304,543)
Public Health	(5,327,742)	(436,890)	49,947	(5,714,685)
Total	\$ (393,667,869)	\$ (28,985,421)	\$ 7,124,354	\$ (415,528,936)
Net Book Value	\$ 458,038,724			\$ 471,909,011

Notes to the Financial Statements

For the Year Ended December 31, 2024

13. ACCUMULATED OPERATING SURPLUS

Accumulated surplus shown on the Consolidated Statement of Financial Position is analyzed below:

As at December 31	2024 \$	2023 \$
Surplus:		
Invested in tangible capital assets	508,541,724	471,909,011
Unexpended capital financing	27,300,914	49,178,728
Share of Public Health Unit (Note 17)	2,173,773	1,881,194
Contingency reserve recovery of Keep Well Loan	134,259	290,304
Amounts to be recovered:		
From future revenues		
Net long-term liabilities	(23,896,425)	(27,388,992)
Asset retirement obligation	(24,561,306)	(23,818,193)
Post employment benefits	(383,568)	(430,647)
Other long-term liabilities	-	-
From reserve funds		
Asset retirement obligation	(12,052,356)	(10,696,317)
Post employment benefits	(2,537,673)	(2,358,980)
WSIB	(1,416,898)	(1,487,618)
Total surplus	473,302,445	457,078,490
Reserves set aside by Council for :		
Capital Reserves	77,239,491	65,112,503
Contingency and Stabilization	37,891,040	34,959,207
Total reserves	115,130,531	100,071,710
Reserve Funds set aside for specific purposes by Council for:		
Asset Retirement obligation	12,052,356	10,696,317
Workplace Safety and Insurance	1,674,101	4,160,646
WSIB Excess Compensation	2,528,090	-
Post Employment Benefit Reserve	2,537,673	2,428,228
Housing Regeneration (Shared)	1,655,508	1,294,880
Museum Donations	236,862	120,596
Library Donation	391,166	370,293
Wellington Terrace Donations	29,897	46,530
Logan Donation Reserve	160,753	153,622
Homeownership Loan	546,245	661,754
Total reserve funds	21,812,651	19,932,866
Accumulated operating surplus	610,245,627	577,083,066

Notes to the Financial Statements

For the Year Ended December 31, 2024

14. TAXATION

Under PS3510, taxes receivable and tax revenue are recognized when they meet the definition of an asset, the tax is authorized, and the taxable event has occurred.

	2024 \$	2023 \$
Property Tax Levy	128,837,600	120,491,300
Supplementary and Omitted Taxes	8,079,194	3,736,564
Payment in Lieu of Taxes	1,006,962	936,212
Other	40,168	40,065
	137,963,924	125,204,141
Less:		
Property Taxes written off as uncollectible	(672,879)	(1,096,821)
Provision for Assessment at Risk	114,368	55,479
	(585,511)	(1,041,342)
Tax Revenue recognized	\$ 137,405,413	\$ 124,162,799

Notes to the Financial Statements

For the Year Ended December 31, 2024

15. PROVINCIAL AND FEDERAL GOVERNMENT TRANSFERS

The government transfers reported on the Consolidated Statement of Operations are:

	2024	2023
	\$	\$
COCHI Community Housing Initiative	1,244,334	948,846
Community Policing Partnership, RIDE, 1000 Officers, Court Security	676,802	236,156
COVID Funding	-	1,740,892
Health Unit	6,281,529	6,412,053
Homelessness Prevention Programme	7,714,569	4,899,400
Long Term Care Operating Subsidy	15,350,656	13,540,059
Ministry of Education Funding Childcare	22,491,230	23,597,985
Ontario Community Infrastructure Fund (OCIF)	2,204,998	819,838
Ontario Municipal Partnership Fund (OMPF)	669,300	787,400
Ontario Works Administration and Benefit Subsidy	24,047,116	22,909,097
OPHI Ontario Priorities Housing Initiative	228,191	9,767
Social Services Relief Fund	-	1,810,380
Waste Diversion Ontario, Stewardship Ontario, OTS Tire, CIF	1,975,055	1,949,146
Other	1,920,419	1,898,215
Provincial Government Transfers	84,804,199	81,559,234
Canada Community Building Fund	4,686,260	4,424,798
Citizenship and Immigration Canada Subsidy	649,553	561,573
Federal Block Funding Housing	2,334,640	2,447,582
Homeless Partnering Strategy	2,306,970	2,383,920
Ministry of Education Funding Childcare	26,497,790	19,197,628
National Housing ColInvestment Fund	2,821,668	157,506
Rapid Housing (Federal)	-	4,587,541
Other	583,100	755,620
Federal Government Transfers	39,879,981	34,516,168
Total Government Transfers	124,684,180	116,075,402

Notes to the Financial Statements

For the Year Ended December 31, 2023

16. CONTINGENT LIABILITIES AND COMMITMENTS

In the normal course of its operations, the County is subject to various litigations and claims. The ultimate outcome of these claims cannot be determined at this time.

The County has approved a grant of 20% of eligible costs to a maximum of \$5.0 million for the redevelopment of Groves Memorial Community Hospital (GMCH) in the Township of Centre Wellington. In September of 2023 all final costs, registrations, and transfers for the original \$5.0 million were completed including the transfer of ownership of Frederick Campbell Street to the County, leaving a final balance paid to Groves Memorial Hospital of \$1,295,700 in 2023.

In January of 2020, the County provided a \$2,300,000 Obligations Guarantee for the Southwestern Integrated Fibre Technology (SWIFT) programme. This guarantee allowed SWIFT to obtain a credit facility and continue work on improving rural broadband service to Wellington County. On January 25, 2024 the County was informed that SWIFT had officially closed the credit facility and officially discharged the loan guarantee as the project was winding down and cash-flow needs were met.

17. GOVERNMENT PARTNERSHIP

The County of Wellington is a partner in the Wellington-Dufferin-Guelph Health Unit. The County provides 31.7% (2022 - 32.0%) of the municipal funding to the Health Unit for the Cost Shared Mandatory and related programmes and is responsible for a similar share of the assets, liabilities and municipal position of the Health Unit. Based on 2023 Census information, the County share is 31.7% except for the share of the long-term loan which remained at 32.7%. The County's share of the results of the Health Unit's financial activities for the year and its financial position at year-end have been consolidated in these financial statements. On December 31, 2024, the Health Unit's financial results and financial position are as follows:

	2024	2023
	\$	\$
Financial assets	8,320,396	7,329,231
Liabilities	(2,807,095)	(3,718,997)
Non-financial assets	18,414,921	19,198,050
Accumulated surplus	23,928,222	22,808,284
Revenues	29,806,442	30,347,801
Expenses	28,686,504	29,278,758
Annual Surplus	1,119,938	1,069,043

The County Share of the Health Unit's assets, liabilities and accumulated surplus are as follows:

	2024	2023
	\$	\$
Financial Assets	2,637,565	2,323,366
Accounts Payable and Deferred Revenue	(506,281)	(458,038)
Non-Financial Assets	42,489	15,866
Share of Health Unit (Note 13)	2,173,773	1,881,194
Long-Term Debt (County share remains at 32.7%)	-	(301,293)
Post-Employment Liability (Note 8)	(383,568)	(430,647)
Invested in Tangible Capital Assets (Note 12)	5,795,041	6,069,916
Accumulated Surplus	7,585,246	7,219,170

Notes to the Financial Statements

For the Year Ended December 31, 2023

On December 19, 2012, the County entered into a Financing Agreement with the Wellington-Dufferin- Guelph Public Health Unit, the County of Dufferin, and the City of Guelph, to finance the County portion of the cost of building the two new facilities at Chancellors Way, Guelph, and Broadway, Orangeville. The Financing Agreement allows for quarterly advances of capital by the County of Wellington to Public Health beginning in January 2013, until the completion of the new facilities.

The total amount of the advances from all obligated municipalities will not exceed \$24,400,000 and based on 2011 Census population information, the County of Wellington's obligation is 32.7% or \$8,000,000. The interest rate on the loan repayment from the Health Unit to the County will be 3.34% per annum, and the term and amortization of the loan will be twenty years. The whole or any part of the capital financing under this agreement may be prepaid at any time without penalty or bonus and the Health Unit has made three prepayments: December 2014 - \$490,500, April 2017 - \$611,964 and August 2019 - \$1,665,800. These amounts have been transferred to the County's Public Health Debt Retirement Reserve Fund and along with interest earned, these reserve funds were used to repay the outstanding balance of the Health Unit Facilities debt issued in 2013 in the amount of \$3,054,096 (principal \$3,006,000 and interest \$48,096). On December 31, 2024, the balance of the loan receivable is \$0 (2023 - \$301,293).

18. PUBLIC LIABILITY INSURANCE

The County has a comprehensive programme of risk identification, evaluation and control to minimize the risk of injury to its employees and third parties and to minimize the risk of damage to its property and the property of others.

The County's existing coverage includes \$25,000,000 comprehensive general liability with no aggregate. The environmental liability policy is the maximum that can be purchased at \$3,000,000 per occurrence with an aggregate of \$5,000,000. The County's licensed fleet is insured with liability coverage of \$25,000,000. The deductible (self-retained insurance) is \$10,000 on fleet policies and \$50,000 on property/liability. The County carries a Legal Fees Expenses coverage with a maximum of \$100,000 per claim (no deductible) and no aggregate.

Based on claims received to December 31, 2024, the maximum deductible exposure to the County is estimated at \$1,104,504 pending the settlement of each open claim. These claims have not been accrued in the Financial Statements because the outcome of these claims is not known and the loss will be accounted for in the period in which the loss, if any, becomes likely and can be reasonably estimated. For claims not covered by purchased insurance, the County has a Contingency and Stabilization Reserve, which as of December 31, 2024, totaled \$21,035,301 (2023 - \$20,593,091).

19. PENSION AGREEMENTS

The County makes contributions to the Ontario Municipal Employees Retirement Fund (OMERS), which is a multi-employer plan, on behalf of approximately 886 (2023 - 885) members of its staff. The plan is a defined benefit plan, which specifies the amount of retirement benefit to be received by the employees, based on the length of service and rates of pay.

Contributions of employees with a normal retirement age of 65 were being made at a rate of 9.0% for earnings up to the yearly maximum pensionable earnings of \$68,500 (2023 - \$64,900) and at a rate of 14.6% for earnings over the yearly maximum.

The County's contribution to OMERS for 2024 was \$5,672,007 (2023 - \$5,250,539) for current service and past service costs and is included as an expense on the Consolidated Statement of Operations. Employee contribution to OMERS in 2024 was \$5,672,007 (2023 - \$5,250,539).

As per PSAB 3250.111, the County of Wellington is current with all payments to OMERS, therefore, there is neither a surplus nor deficit with the County's pension plan contributions.

As of December 31, 2024, the OMERS Primary Plan had a funded ratio of assets to pension obligations of 98% (2023 - 97%). The OMERS pension plan funding deficit on December 31, 2024, was \$2.9 billion (2023 - \$4.2 billion).

Notes to the Financial Statements

For the Year Ended December 31, 2023

20. SOCIAL HOUSING PROPERTIES

The County has title to the 1,189 social housing units of the former Wellington-Guelph Housing Authority. The units are in the City of Guelph and throughout the County. The related debt on these units remains with the Province of Ontario. Of the \$2,334,639 (2023 - \$2,447,583) in federal government subsidies provided to the County for social housing, \$117,854 (2023 - \$208,198) is retained by the province to fund the associated debt servicing costs.

The County owns 100% of the shares of Wellington Housing Corporation which owns 440 King Street East in Mount Forest. 440 King Street is a 39-unit townhouse complex that is split approximately 50/50 between rent -geared-to-income (RGI) and affordable rental units. On December 31, 2024, the mortgage outstanding was \$0 (2023 - \$89,866).

Subsequent to year-end, on January 3, 2025, all assets and liabilities of Wellington Housing Corporation have been transferred to the County of Wellington as per Committee and Council resolution. The Corporation, however, has not been legally dissolved and is not anticipated to be dissolved in the foreseeable future.

21. BUDGET DATA

The budget data presented in these consolidated financial statements is based upon the 2024 operating and capital budgets approved by Council on January 30, 2024, and capital budget amendments made in 2024 in the amount of \$674,400 (2023 - \$955,000) that were approved by Council throughout the year. Amortization was not included in the approved budget however it has been included in the consolidated financial statements budget based on the estimated annual amortization presented to Council prior to budget approval per Ontario Regulation 284/09. The following chart reconciles the approved budget to the budget figures reported in these consolidated financial statements.

	2024 Budget \$	2023 Budget \$
Revenues		
Operating Budget	305,532,200	279,185,200
Capital Budget	75,667,700	75,279,800
Health Unit Budget and WHC	7,043,388	7,457,526
Less:		
Transfers from other funds	(39,214,100)	(47,192,100)
New debt financing	(9,420,000)	(3,700,000)
Internal recoveries	(9,491,900)	(8,228,900)
Total Revenues	330,117,288	302,801,526
Expenses		
Operating Budget	305,532,200	285,405,200
Capital Budget	75,667,700	75,279,800
Amortization	26,440,000	25,300,000
Health Unit Budget and WHC	6,564,788	6,922,426
Less:		
Transfer to other funds	(35,022,400)	(31,914,100)
Capital Expenses	(75,667,700)	(75,279,800)
Debt principal payments	(3,402,811)	(6,972,800)
Internal charges	(9,336,000)	(8,133,200)
Total Expenses	290,775,777	270,607,526
Annual Surplus	39,341,511	32,194,000

Notes to the Financial Statements

For the Year Ended December 31, 2023

22. FINANCIAL INSTRUMENTS

The County of Wellington is exposed to various risks through its financial instruments and continues to monitor, evaluate, and manage these risks. The following analysis provides information about the County's risk exposure and concentration as of December 31, 2024.

a) Credit risk

Credit risk arises from the potential of default associated with loans, bonds, or other financial instruments. It is the policy of the County to diversify its investment portfolio through differentiating investments based on sector, maturity, issuer, credit quality, and structure. As well, when contracting with third parties, the County purchasing policy provides guarantees to ensure proper bonding and insurance requirements are met as well as Contractor Performance Evaluations.

b) Liquidity risk

Liquidity risk refers to the inability to meet short-term obligations such as accounts payable, payroll, pension contributions and debt servicing due to insufficient cash flow. In order to mitigate liquidity, risk the County uses reserve and reserve funds strategically, has available credit facilities (see Note 4) and monitors its liquidity position regularly through an 18 month cash flow model.

c) Operational risk

Operational risk is the risk associated with errors, fraud, or disruptions in financial operations. The County mitigates this risk through the implementation of internal controls, staff training and continuous process monitoring.

d) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency rate risk, interest rate risk and other price risk. The Corporation is mainly exposed to interest rate risk and other price risk.

- **Interest rate risk**

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the County manages exposure through its normal operating and financing activities. For example, fluctuations in interest rates can impact borrowing costs and debt service payments. To mitigate this risk, the County monitors the market and adjusts timing of debt issuance accordingly through responsible debt management and predictable infrastructure investment.

- **Other price risk**

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Corporation is exposed to other price risk through its investment in pooled investments.

Unless otherwise noted, it is management's opinion that the Corporation is not exposed to significant other financial risks arising from these financial instruments.

Notes to the Financial Statements

For the Year Ended December 31, 2023

23. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to the current year's presentation.

24. MATERIAL UNCERTAINTY RELATED TO TARIFFS

The County recognizes that the outcome of ongoing tariff-related uncertainties and trade negotiations may materially affect its operations, financial position, and cash flows in the future if tariffs or other new trade barriers are imposed. This includes potential increases to capital purchase costs, delays in the supply chain, disruptions in global trade and impacts on investment earnings. As such, there remains a material uncertainty regarding the financial impact of these tariffs, and the full extent of the potential effects on the municipality cannot be reasonably estimated at this time.

25. SEGMENTED INFORMATION

The County of Wellington is a diversified municipal government institution that is responsible for ensuring the provision of a wide range of services to its citizens, including police, roads, solid waste services, ambulance, public health, childcare, social housing, Ontario Works, homes for the aged, museum, library and planning.

County services are provided by departments and their activities are reported in the Consolidated Statement of Operations. Certain departments have been separately disclosed in the segmented information in the following schedule.

Notes to the Financial Statements

For the Year Ended December 31, 2024

2024						
	General Government	Protection	Transportation Services	Environmental Services	Health Services	Social Housing
Revenues	\$	\$	\$	\$	\$	\$
Taxation	15,632,315	20,365,906	40,644,325	11,539,220	9,884,243	7,246,775
Grants and Subsidies	1,136,379	676,802	6,868,693	1,975,054	6,281,529	19,124,629
Municipal Revenue	195,325	510,468	1,690,600	31,859	-	24,590,222
Fees and Service Charges	1,215,969	287,558	1,013,315	4,277,132	-	(21,608)
Licenses, Permits, Rents	1,522,841	1,950	-	30,869	55,500	8,001,200
Interest, Donations, Other	7,449,869	17,763	-	-	113,880	973,740
Development Charges	46,326	-	3,531,772	83,439	-	-
Total Revenues	27,199,024	21,860,447	53,748,705	17,937,573	16,335,152	59,914,958
Expenses						
Salaries and Benefits	14,019,224	648,521	8,533,761	3,470,249	4,687,271	5,945,759
Goods and Services	8,972,815	1,465,243	9,623,248	10,781,685	2,629,109	12,980,776
Transfer Payments	546,339	16,955,424	-	-	10,208,975	26,409,227
Insurance and Interest	1,198,084	35,855	1,383,759	380,560	3,080	790,324
Amortization	1,775,814	764,747	16,878,408	1,069,660	433,799	4,993,009
Accretion	15,541	-	15,208	1,109,941	-	440,186
Total Expenses	26,527,817	19,869,790	36,434,384	16,812,095	17,962,234	51,559,281
Excess (deficiency) of revenue over expenses	671,207	1,990,657	17,314,321	1,125,478	(1,627,082)	8,355,677

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Notes to the Financial Statements

For the Year Ended December 31, 2024

2024					
	Social and Family Services	Library	Museum	Planning and Development	Consolidated
Revenues	\$	\$	\$	\$	\$
Taxation	15,760,455	9,286,610	3,234,995	3,810,569	137,405,413
Grants and Subsidies	88,428,755	141,275	51,064	-	124,684,180
Municipal Revenue	8,196,000	41,760	-	377,498	35,633,732
Fees and Service Charges	6,035,217	51,797	90,647	1,264,439	14,214,466
Licenses, Permits, Rents	16,292	59,043	81,249	-	9,768,944
Interest, Donations, Other	151,262	13,928	107,556	2,415	8,830,413
Development Charges	-	-	-	-	3,661,537
Total Revenues	118,587,981	9,594,413	3,565,511	5,454,921	334,198,685
Expenses					
Salaries and Benefits	39,964,398	5,863,781	1,811,215	3,395,671	88,339,850
Goods and Services	5,827,764	2,522,026	1,161,870	738,024	56,702,560
Transfer Payments	64,387,765	-	500	805,164	119,313,394
Insurance and Interest	934,922	191,794	77,244	78,955	5,074,577
Amortization	1,671,668	1,790,056	537,148	107,703	30,022,012
Accretion	2,855	-	-	-	1,583,731
Total Expenses	112,789,372	10,367,657	3,587,977	5,125,517	301,036,124
Excess (deficiency) of revenue over expenses	5,798,609	(773,244)	(22,466)	329,404	33,162,561

Notes to the Financial Statements

For the Year Ended December 31, 2024

2023						
	General Government	Protection	Transportation Services	Environmental Services	Health Services	Social Housing
Revenues	\$	\$	\$	\$	\$	\$
Taxation	14,278,725	19,414,382	36,698,996	10,152,243	8,799,733	6,537,167
Grants and Subsidies	1,420,278	236,156	5,244,636	1,949,146	6,412,053	19,934,594
Municipal Revenue	263,980	392,018	2,229,182	-	56,336	19,496,957
Fees and Service Charges	1,176,672	265,530	(513,710)	3,784,385	-	43,548
Licenses, Permits, Rents	1,407,906	210,897	-	30,869	-	7,650,946
Interest, Donations, Other	6,058,123	11,404	-	-	107,104	413,463
Development Charges	28,786	-	1,976,063	-	-	-
Total Revenues	24,634,470	20,530,387	45,635,167	15,916,643	15,375,226	54,076,675
Expenses						
Salaries and Benefits	12,365,931	623,285	7,252,331	3,272,038	4,715,100	5,321,631
Goods and Services	8,486,595	1,286,106	10,565,734	10,823,769	3,037,004	11,304,873
Transfer Payments	452,537	17,258,540	-	-	8,654,984	24,792,272
Insurance and Interest	1,428,732	31,604	1,442,488	330,764	35,177	676,334
Amortization	1,645,108	827,108	16,174,947	1,027,219	436,890	4,898,793
Accretion	11,338	-	14,553	777,432	-	430,916
Total Expenses	24,390,241	20,026,643	35,450,053	16,231,222	16,879,155	47,424,819
Excess (deficiency) of revenue over expenses	244,229	503,744	10,185,114	(314,579)	(1,503,929)	6,651,856

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Notes to the Financial Statements

For the Year Ended December 31, 2024

2023					
	Social and Family Services	Library	Museum	Planning and Development	Consolidated
Revenues	\$	\$	\$	\$	\$
Taxation	13,847,954	8,411,728	2,664,703	3,357,168	124,162,799
Grants and Subsidies	80,334,238	141,275	296,866	106,160	116,075,402
Municipal Revenue	5,684,884	31,680	-	400,125	28,555,162
Fees and Service Charges	5,640,772	37,557	116,777	1,276,820	11,828,351
Licenses, Permits, Rents	5,780	49,461	30,004	-	9,385,863
Interest, Donations, Other	132,258	270,123	10,947	226	7,003,648
Development Charges	19,575	599,434	-	-	2,623,858
Total Revenues	105,665,461	9,541,258	3,119,297	5,140,499	299,635,083
Expenses					
Salaries and Benefits	38,292,996	5,432,153	1,659,636	3,229,768	82,164,869
Goods and Services	5,671,250	2,409,659	642,798	718,146	54,945,934
Transfer Payments	54,426,018	-	6,000	788,690	106,379,041
Insurance and Interest	1,010,702	199,650	67,440	77,107	5,299,998
Amortization	1,654,835	1,841,613	388,265	90,643	28,985,421
Accretion	4,264	1,381	-	-	1,239,884
Total Expenses	101,060,065	9,884,456	2,764,139	4,904,354	279,015,147
Excess (deficiency) of revenue over expenses	4,605,396	(343,198)	355,158	236,145	20,619,936

Wellington Housing Corporation

Financial Statements

For the year ended December 31, 2024

Financial Statements

INDEPENDENT AUDITORS' REPORT (WHC)



To the Members of Board of Directors of Wellington Housing Corporation.

We have audited the financial statements of Wellington Housing Corporation (the Entity), which comprise:

- the statement of financial position as at December 31, 2024
- the statement of operations and changes in accumulated surplus for the year then ended
- the statement of changes in net financial assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the “financial statements”).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2024, and its results of operations, its changes in 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 “**Auditors’ Responsibilities for the Audit of the Financial Statements**” section of our auditors’ report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Those charged with governance are responsible for overseeing the Entity’s financial reporting process.

Auditors’ Responsibility

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 auditors’ report that includes our opinion.

Financial Statements

INDEPENDENT AUDITORS' REPORT (WHC)



Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

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

We also:

- 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 Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Chartered Professional Accountants, Licensed Public Accountants

April 30, 2025

Kitchener, Canada

Financial Statements

WHC — STATEMENT OF FINANCIAL POSITION

Wellington Housing Corporation

Statement of Financial Position

As at December 31, 2024

	2024	2023
	\$	\$
Assets		
Financial Assets		
Cash	2,246,915	2,200,739
Accounts Receivable (Note 5)	94,671	26,459
Prepaid Expenses	-	20,035
Portfolio Investments (Note 3)	-	105,255
Total Financial Assets	2,341,586	2,352,488
Liabilities		
Accounts Payable and Accrued Liabilities	490,333	42,906
Due to County of Wellington	-	30,900
Deferred Revenue (Note 6)	18,546	18,360
Mortgage Payable (Note 7)	-	89,866
Total Liabilities	508,879	182,032
Net Financial Assets	1,832,707	2,170,456
Non Financial Assets		
Tangible Capital Assets (Note 8)	4,834,111	4,092,904
Contingencies and Commitments (Note 9)		
Accumulated Surplus (Note 10)	6,666,818	6,263,360

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

Financial Statements

WHC — STATEMENT OF OPERATIONS

Wellington Housing Corporation

Statement of Operations and Changes in Accumulated Surplus

For the year ended December 31, 2024

(Note 11)
Budget

2024

2023

\$

\$

\$

Revenues

Rental	279,500	304,445	296,529
Municipal operating subsidies	495,800	495,800	698,600
Bank Interest	80,000	122,126	96,949
Investment Interest	-	53,788	1,059
Miscellaneous revenue	-	81	2
Total revenues	855,300	976,240	1,093,139

Expenses

Office and general	43,100	40,420	31,407
Professional fees	16,700	18,681	12,149
Management fees	32,000	39,103	28,071
Repairs and maintenance	243,000	173,066	168,468
Utilities	20,500	18,417	17,709
Insurance	20,100	20,035	13,526
Interest and bank charges	1,200	819	1,676
Amortization	-	262,141	256,436
Bad Debt	-	100	-
Total expenses	376,700	572,782	529,442
Excess of revenue over expenses	478,600	403,458	563,697
Accumulated surplus, beginning of year	6,263,360	6,263,360	5,699,663
Accumulated surplus, end of year	6,741,960	6,666,818	6,263,360

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

Financial Statements

WHC — STATEMENT OF CHANGE IN NET FINANCIAL ASSETS

Wellington Housing Corporation

Statement of Changes in Net Financial Assets For the year ended December 31, 2024

(Note 11)
Budget
\$

2024
\$

2023
\$

Excess of revenue over expenses	478,600	403,458	563,697
Acquisition of tangible capital assets	(127,000)	(1,003,348)	(63,022)
Amortization of tangible capital assets	-	262,141	256,436
Increase in net financial assets	351,600	(337,749)	757,111
Net financial assets, beginning of year	2,170,456	2,170,456	1,413,345
Net financial assets, end of year	2,522,056	1,832,707	2,170,456

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

Financial Statements

WHC — STATEMENT OF CASH FLOWS

Wellington Housing Corporation
Statement of Cash Flows
For the year ended December 31, 2024

2024

2023

\$

\$

Cash Provided By (Used In):

Operating Activities:

Excess of revenue over expenses	403,458	563,697
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Items not involving cash:

Amortization	262,141	256,436
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Net change in non-cash working capital items (Note 12)	368,536	(10,968)
--	---------	----------

Net cash provided by operating activities	1,034,135	809,165
--	------------------	----------------

Cash flows from investing activities:

Purchase of tangible capital assets	(1,003,348)	(63,022)
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Increase in portfolio investments	105,255	(1,059)
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Net cash used in investing activities	(898,093)	(64,081)
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Cash flows from financing activities:

Long-term debt repaid	(89,866)	(134,190)
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Net cash used in financing activities	(89,866)	(134,190)
--	-----------------	------------------

Net change in cash	46,176	610,894
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Cash, beginning of year	2,200,739	1,589,845
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Cash, end of year	2,246,915	2,200,739
--------------------------	------------------	------------------

Notes to the WHC Financial Statements

For the Year Ended December 31, 2024

1. AUTHORITY AND PURPOSE

The Wellington Housing Corporation (the “Corporation”) is incorporated with share capital under the Ontario Business Corporations Act to provide, operate and construct housing accommodation primarily for persons of low and moderate income.

The Corporation operates the following non-profit property under Parts V1 and V11 of the Housing Services Act (HSA); 440 King Street East, Mount Forest, ON.

The Corporation’s shares are 100% owned by the County of Wellington. The County is also the service manager for the Corporation. The Corporation is exempt from tax under the Federal Income Tax Act.

2. SIGNIFICANT ACCOUNTING POLICIES

As an entity controlled by a local government, the Corporation is required to follow the Chartered Professional Accountants of Canada Handbook Public Sector Accounting Standards. The financial statements have been prepared in accordance with public sector accounting standards.

(a) Basis of accounting

The Corporation follows the accrual method of accounting for revenues and expenses. Revenues are normally recognized in the year in which they are earned. Expenses are recognized as they are incurred and are measurable as a result of receipt of goods or services and/or the creation of a legal obligation to pay.

(b) Tangible capital assets

Tangible capital assets are recorded at cost which includes 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, is amortized on a straight line basis over their estimated useful lives as follows:

Major Asset Classification	Component Breakdown	Useful Life—Years
Land		N/A
Buildings	Structure Exterior Interior Site Elements Leasehold Improvements	15 to 50 20 to 40 15 to 40 10 to 30 Lease Term
Infrastructure	Parking Lots - Asphalt Parking Lots—Gravel	20 10
Furniture and Fixtures		15

Notes to the WHC Financial Statements

For the Year Ended December 31, 2024

(c) Contributions of tangible capital assets

All assets contributed to the Corporation are recorded at their fair value at the time of contribution. Revenue at an equal amount is recognized at the time of contribution. There have been no contributions in 2023 or 2024.

(d) Government transfers

Government transfers are received from the Service Manager and the Province for the provision of social housing services, building construction and other capital expenditures. Government transfers are recognized as revenue in the financial statements when the transfer is authorized, any eligibility criteria are met and a reasonable estimate of the amount can be made except, when and to the extent that, stipulations by the transferor give rise to an obligation that meet the definition of a liability. Government transfers that meet the definition of a liability are recorded as deferred revenue on Statement of Financial Position and recognized as revenue on Statement of Operations as the liability is extinguished.

(e) Rental Revenue

Rental and other revenue is recognized at the time the services are provided.

(f) Asset Retirement Obligations

An asset retirement obligation is recognized when, as at the financial reporting date, all the following criteria are met:

- There is a legal obligation to incur retirement costs in relation to a tangible capital asset.
- The past transaction or event giving rise to the liability has occurred.
- It is expected that future economic benefits will be given up; and
- A reasonable estimate of the amount can be made.

There have not been any asset retirement obligations identified for the corporation.

(g) Investments

Investments consist of pooled investment funds. Specifically, Encasa Canadian Short Term Bond Fund, Encasa Canadian Bond Fund and Encasa Equity Fund. All investments are carried at cost.

Investment income earned on available current funds and reserves are reported in the period earned. All financial assets are assessed for impairment on an annual basis. When a decline is determined to be other than temporary, the amount of the loss is reported in the statement of operations.

The Corporation has disposed of investments during 2024.

(h) Use of estimates

The preparation of financial statements, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements, and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

Notes to the WHC Financial Statements

For the Year Ended December 31, 2024

i) PS 3450- Financial Instruments

Wellington Housing Corporation's financial instruments include cash, accounts receivable, accounts payable and accrued liabilities. The carrying value of these approximate their face value due to the short term nature of these financial assets and liabilities. As all financial instruments are measured at cost or amortized cost, there have been no re-measurement gains or losses. Therefore, the Statement of Gains (Losses) has been excluded.

j) PS3280 – Asset Retirement Obligations

Wellington Housing Corporation has done an assessment of the buildings and have not identified any legal obligations related to the retirement of assets which would require an asset obligation. No other legal obligations have been identified.

k) PS3400 – New Revenue Enhancements

On January 1, 2024, Wellington Housing Corporation adopted Public Sector Accounting Standard 3400. The standard was adopted prospectively from the date of adoption. The new standard provides overall general revenue recognition guidance to provide more consistency for revenue recognition outside of the specific revenue streams already covered by other standards. There was no impact to the corporation as a result of adoption.

3. INVESTMENTS

Total pooled investment funds of \$0 (2023 - \$105,255) are reported on the Statement of Financial Position at cost and have a market value of \$0 (2023 - \$118,574).

4. FINANCIAL INSTRUMENTS

Wellington Housing Corporation is exposed to various risks through its financial instruments and continues to monitor, evaluate, and manage these risks. The following analysis provides information about the Corporation's risk exposure and concentration as of December 31, 2024.

Notes to the WHC Financial Statements

For the Year Ended December 31, 2024

a) Credit risk

Credit risk is the risk of a financial loss to the corporation if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Such risk arises principally from certain financial assets held by the corporation consisting of cash, accounts receivable, and contributions receivable.

b) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market prices. Market risk comprises three types of risk: currency rate risk, interest rate risk and other price risk. The corporation is mainly exposed to interest rate risk and other price risk.

c) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. The corporation has limited interest rate risk as its mortgage payable attracts a fixed rate of interest. In seeking to minimize the risks from interest rate fluctuations, the corporation manages exposure through its normal operating and financial activities.

d) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instruments or its issuer, or factors affecting all similar financial instruments traded in the market. The corporation is exposed to other price risk through its investment in pooled investments.

5. ACCOUNTS RECEIVABLE

Accounts receivable recorded on the Statement of Financial Position are composed of the following:

	2024 \$	2023 \$
GST/HST Receivable	91,011	19,592
Trade Receivable	2,496	-
Rent, net of allowance \$- (2023 - \$-)	1,164	6,867
Total	94,671	26,459

6. DEFERRED REVENUE

Deferred revenue recorded on the Statement of Financial Position are composed of the following:

	2024 \$	2023 \$
Last month rent deposits	14,758	14,388
2024 Rent collected in 2023	3,788	3,972
Total	18,546	18,360

Notes to the WHC Financial Statements

For the Year Ended December 31, 2024

7. MORTGAGE PAYABLE

The mortgage payable is held by the Canadian Mortgage and Housing Corporation at an interest rate of 0.67% with monthly installments of \$11,262 principal and interest and due August 2024. The mortgage was repaid fully during 2024.

The mortgage payable was secured by real estate and chattels owned by the Corporation with a carrying value of \$4,834,111 (2023 - \$4,092,904).

Total interest on the mortgage payable which is reported on the Statement of Operations is \$225 (2023 - \$1,011).

8. TANGIBLE CAPITAL ASSETS

Tangible capital assets are identified by asset type. The cost of tangible capital assets, their accumulated amortization and net book value are disclosed in the following schedule:

Cost				
Cost	Balance at December 31, 2023	Disposals	Additions	Balance at December 31, 2024
Land	\$ 304,679	\$ -	\$ -	\$ 304,679
Buildings	4,727,914	-	2,857	4,730,771
Infrastructure—Parking Lot	346,762	-	-	346,762
Furniture and Fixtures	15,235	-	-	15,235
Capital Work-in-Progress	2,857	(2,857)	1,003,348	1,003,348
Total	5,397,447	(2,857)	1,006,205	6,400,795
Amortization				
Accumulated Amortization	Balance at December 31, 2023	Disposals	Additions	Balance at December 31, 2024
Land	\$ -	\$ -	\$ -	\$ -
Buildings	(1,206,827)	-	(247,367)	(1,454,194)
Infrastructure—Parking Lot	(93,426)	-	(13,756)	(107,182)
Furniture and Fixtures	(4,290)	-	(1,018)	(5,308)
Total	(1,304,543)	-	(262,141)	(1,566,684)
Net Book Value				
Net Book Value	Balance at December 31, 2023			Balance at December 31, 2024
Land	\$ 304,679			\$ 304,679
Buildings	3,521,087			3,276,577
Infrastructure—Parking Lot	253,336			239,580
Furniture and Fixtures	10,945			9,927
Capital Work-in-Progress	2,857			1,003,348
Total	4,092,904			4,834,111

Notes to the WHC Financial Statements

For the Year Ended December 31, 2024

9. CONTINGENCIES AND COMMITMENTS

In 2019, Wellington Housing Corporation entered into a contribution agreement with The Corporation of the County of Wellington (the "County") to construct and operate a four-unit affordable housing project on the 440 King Street, Mount Forest site. The County provided \$900,000 in a forgivable loan for the project. The loan and any accrued interest (8% per annum) are forgivable after 25 years as long as all conditions of the agreement have been met during this term. The terms of the forgivable loan include that the Corporation is to construct and operate the project as affordable housing units for a term of twenty-five years. As per the agreement, funding of \$450,000 was disbursed in 2019 as the initial milestone of having a signed contribution agreement in place was met. Additional funding of \$450,000 was disbursed in 2020 upon completion of structural framing and confirmation of occupancy.

10. ACCUMULATED SURPLUS

Accumulated surplus shows on the Statement of Financial Position is analyzed below:

As at December 31	2024	2023
Surplus:	\$	\$
Invested in Tangible Capital Assets	4,834,111	4,092,904
Invested in Capital Fund	(704,532)	20,815
Mortgage Payable	-	(89,866)
Total Surplus	4,129,579	4,023,853
Reserve Funds set aside by the Corporation Board for:		
WHC Capital Reserve	2,537,239	2,239,507
Total Reserves	2,537,239	2,239,507
Accumulated Surplus	\$ 6,666,818	\$ 6,263,360

11. BUDGET DATA

The budget data presented in these financial statements is based upon the 2024 operating and capital budgets approved by County of Wellington Council on January 25, 2024. Amortization was not contemplated on development of the budget and, as such, has not been included. The chart below reconciles the approved budget to the budget figures reported in these financial statements.

Notes to the WHC Financial Statements

For the Year Ended December 31, 2024

	2024 Budget	2023 Budget
Revenue	\$	\$
Operating budget	855,300	985,000
Capital budget	127,000	69,000
Less:		
Transfers from other funds	(127,000)	(69,000)
Total revenue	855,300	985,000
Expenses		
Operating budget	855,300	985,000
Capital budget	127,000	69,000
Less:		
Transfer to other funds	(400,000)	(400,000)
Capital expenses	(127,000)	(69,000)
Debt principal payments	(78,600)	(133,200)
Total expenses	376,700	451,800
Annual surplus	\$ 486,600	\$ 533,200

12. CHANGE IN NON-CASH WORKING CAPITAL

Net change in non-cash working capital shows on the Statement of Cash Flows and is analyzed below:

As at December 31	2024	2023
	\$	\$
Change in Accounts Receivable	(68,212)	(76)
Change in Prepaid Expenses	20,035	(20,035)
Change in Accounts Payable and Accrued Liabilities	447,427	5,957
Change in Due to County of Wellington	(30,900)	2,300
Change in Deferred Revenue	186	886
	368,536	(10,968)

13. RELATED PARTY TRANSACTION

During the year, the Corporation incurred \$38,100 (2023 - \$30,900) in expenses related to support services that are included within the office and general expense caption. This charge was paid to the County of Wellington.

14. SUBSEQUENT EVENTS

As of January 3, 2025, all assets and liabilities of Wellington Housing Corporation have been transferred to the County of Wellington as per Committee and Council resolution. The Corporation, however, has not been legally dissolved and is not anticipated to be dissolved in the foreseeable future. The financial statements of Wellington Housing Corporation were previously consolidated with the County of Wellington, as the sole

Trust Fund Financial Statements

For the Year Ended December 31, 2024

Financial Statements

INDEPENDENT AUDITORS' REPORT (TRUST FUNDS)



To the Members of Council, Inhabitants and Ratepayers of the Corporation of the County of Wellington:

Opinion

We have audited the financial statements of the Trust Funds of The Corporation of the County of Wellington (the Entity), which comprise:

- the statement of financial position as at December 31, 2024
- the statement of operations for the year then ended
- And notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the “financial statements”).

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

Basis of Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the “**Auditors’ Responsibilities for the Audit of the Financial Statements**” section of our auditors’ report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Those charged with governance are responsible for overseeing the Entity’s financial reporting process.

Auditors’ 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 auditors’ report that includes our opinion.

Financial Statements

INDEPENDENT AUDITORS' REPORT (TRUST FUNDS)



Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

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

We also:

- 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 Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Chartered Professional Accountants, Licensed Public Accountants

June 12, 2025

Kitchener, Canada

Financial Statements

TRUST FUNDS—STATEMENT OF FINANCIAL POSITION

County of Wellington

Trust Funds—Statement of Financial Position

As at December 31, 2024

	Comfort Money	County Wellness Centre	Safe Communities	Stepping Stones	2024	2023
	\$	\$	\$	\$	\$	\$
Financial Assets						
Cash and Bank	36,986	41,304	51,680	90,664	220,634	108,392
Accounts Receivable	-	-	-	45,781	45,781	
Liabilities						
Accounts Payable	-	-	-	171,187	171,187	500
Loan Payable	-	-	-	100,000	100,000	
Balance	36,986	41,304	51,680	(134,742)	(4,772)	107,892

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

Financial Statements

TRUST FUNDS—STATEMENT OF OPERATIONS

County of Wellington

Trust Funds—Statement of Operations

For the year ended December 31, 2024

	Comfort Money	County Wellness Centre	Safe Communities	Stepping Stones	2024	2023
	\$	\$	\$	\$	\$	\$
Balance at the beginning of the year	44,518	11,620	51,754	-	107,892	114,396
Source of Funds:						
Deposits	161,543	65,317	33,609	1,568,350	1,828,819	256,540
Use of Funds:						
Withdrawals	169,075	35,633	33,683	1,703,092	1,941,483	263,044
Balance at the end of the year	36,986	41,304	51,680	(134,742)	(4,772)	107,892

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

Notes to the Trust Fund Financial Statements

For the Year Ended December 31, 2024

1. ACCOUNTING POLICIES

These trust funds have not been consolidated with the financial statements of the County of Wellington (the "County").

These financial statements reflect the financial activity and financial position of funds held in trust by the County for residents of the Wellington Terrace Long Term Care Home (Comfort Money), for County staff who are members of the County Wellness Centre, for the Wellington County Safe Communities Committee and new for 2024 was the creation of the Stepping Stone Trust fund.

The Stepping Stone Trust fund was established in February 2024 when the County of Wellington entered into a project management agreement with Guelph (M.O.G.) Welcome Drop-in Centre, also known as Stepping Stone, providing project management services for the construction of additional transitional supportive housing at 23-25 Gordon Street in Guelph.

Funds held in trust are maintained in separate bank accounts by the County on behalf of the Wellington Terrace residents (non-interest bearing), Safe Communities Committee (interest bearing) and the Guelph (M.O.G.) Welcome Drop-in Centre (non-interest bearing). Net County Wellness Centre membership proceeds are maintained in the County's general bank account and interest is credited to the County Wellness Centre Trust fund based on the balance in the fund.

PS3450 – Financial Instruments

On January 1, 2023, Trust Funds adopted Public Sector Accounting Standard 3450. The standard was adopted prospectively from the date of adoption. The new standard provides comprehensive requirements for the recognition, measurement, presentation, and disclosure of financial instruments. There was no impact on the corporation because of the adoption.

Trust Fund's financial instruments include cash, accounts receivable, accounts payable and loan payable. The carrying value of these approximate their face value due to the short-term nature of these financial assets and liabilities. As all financial instruments are measured at cost or amortized cost, there have been no remeasurement gains or losses. Therefore, the Statement of Gains (Losses) has been excluded.

Statistical Data

For the Year Ended December 31, 2024

Five-Year Financial Statistics

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	2024	2023	2022 (Restated)	2021	2020
Financial Assets	\$ 241,320,924	\$ 228,593,846	\$ 212,096,079	\$ 181,507,584	\$ 154,379,764
Liabilities	139,677,730	128,311,676	117,264,655	83,871,371	82,999,428
Net Financial Assets	\$ 101,643,194	\$ 100,282,170	\$ 94,831,424	\$ 97,636,213	\$ 71,380,336
Tangible Capital Assets	508,541,724	471,909,011	458,038,724	433,813,213	434,780,804
Prepays and Inventory	4,357,973	4,605,009	3,592,982	2,832,166	3,826,972
Accumulated Surplus	\$ 614,542,891	\$ 576,796,190	\$ 556,463,130	\$ 534,281,592	\$ 509,988,112
RESERVE AND RESERVE FUNDS					
Reserves and Reserve Funds	\$ 136,943,182	\$ 120,004,576	\$ 129,340,690	\$ 119,910,299	\$ 104,445,749
LONG-TERM LIABILITIES					
Gross Long Term Liabilities	\$ 40,378,425	\$ 46,209,053	\$ 55,565,042	\$ 54,959,776	\$ 53,862,283
Recoverable from Member Municipalities	(16,482,000)	(18,909,927)	(21,294,125)	(22,750,862)	(19,764,364)
NET LONG-TERM LIABILITIES	\$ 23,896,425	\$ 27,299,126	\$ 34,270,917	\$ 32,208,914	\$ 34,097,919
Supported by					
General Municipal Revenues	\$ 10,465,425	\$ 13,070,626	\$ 18,835,917	\$ 21,931,914	\$ 24,916,919
Development Charges	13,431,000	14,228,500	15,435,000	10,277,000	9,181,000
	\$ 23,896,425	\$ 27,299,126	\$ 34,270,917	\$ 32,208,914	\$ 34,097,919
CHARGES FOR NET LONG-TERM LIABILITIES					
Supported by					
General Municipal Revenues	\$ 3,056,126	\$ 6,392,084	\$ 3,901,150	\$ 3,881,954	\$ 4,255,659
Development Charges	1,236,042	1,671,947	1,724,185	986,724	984,652
	\$ 4,292,168	\$ 8,064,031	\$ 5,625,335	\$ 4,868,678	\$ 5,240,311
Provincial Annual Debt Repayment Limit	\$ 29,974,287	\$ 23,135,215	\$ 27,739,626	\$ 20,298,363	\$ 23,978,337

Five-Year Financial Statistics

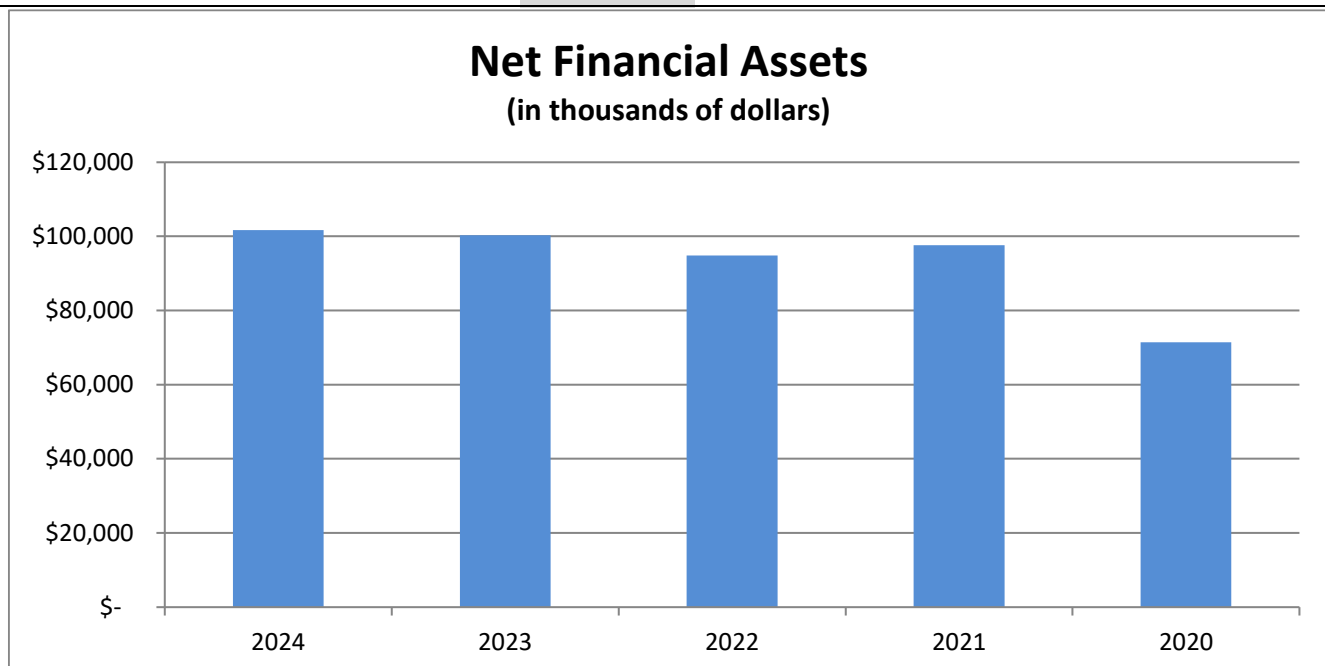
CONSOLIDATED STATEMENT OF OPERATIONS

	2024	2023	2022 (Restated)	2021	2020
Sources of Revenue					
Taxation	\$ 137,405,413	\$ 124,162,799	\$ 116,304,778	\$ 111,844,954	\$ 108,337,251
Government Transfers					
Provincial	84,804,199	81,559,234	87,726,421	87,314,523	78,223,252
Federal	39,879,981	34,516,168	17,823,306	8,183,299	6,113,066
Municipal	35,633,732	28,555,162	25,631,290	23,092,243	26,011,667
Fees and Service Charges	14,214,466	11,828,351	13,815,352	13,245,063	11,523,390
Licenses, Permits, Rent	9,768,944	9,385,863	9,077,966	8,603,886	8,583,597
Interest, Donations, Other	8,830,413	7,003,648	6,496,436	7,110,700	3,742,772
Development Charges Earned	3,661,537	2,623,858	5,538,045	3,179,074	2,418,713
	334,198,685	299,635,083	282,413,594	262,573,742	244,953,708
Expenses by Function					
General Government	26,527,817	24,390,241	22,309,024	20,443,660	19,513,187
Protection to Persons and Property	19,869,790	20,026,643	19,955,019	19,867,211	19,190,525
Transportation Services	36,434,384	35,450,053	34,799,367	32,506,942	32,171,614
Environmental Services	16,812,095	16,231,222	14,500,122	14,480,259	11,497,936
Health Services	17,962,234	16,879,155	15,767,218	18,606,612	14,944,922
Social Housing	51,559,281	47,424,819	46,799,785	43,026,625	38,384,207
Social and Family Services	112,789,372	101,060,065	86,327,635	74,278,539	76,155,158
Library and Museum	13,955,634	12,648,595	11,873,731	11,212,764	10,944,761
Planning and Development	5,125,517	4,904,354	4,317,145	3,857,650	4,171,461
	301,036,124	279,015,147	256,649,046	238,280,262	226,973,771
Annual Surplus (Deficit)	33,162,561	20,619,936	25,764,548	24,293,480	17,979,937
Accumulated Surplus (Deficit), Beginning of Year	577,083,066	556,463,130	534,281,592	509,988,112	492,008,175
Adjustment on adoption of the asset retirement obligation standard (Note 2)			(3,583,010)		
Accumulated Surplus (Deficit), End of Year	\$ 610,245,577	\$ 577,083,066	\$ 556,463,130	\$ 534,281,592	\$ 509,988,112
Expenses by Object					
Salaries and Benefits	\$ 88,339,850	\$ 82,164,869	\$ 75,941,375	\$ 73,797,295	\$ 68,520,826
Goods and Services	56,702,560	54,945,933	50,315,370	50,727,465	42,186,925
Transfer Payments	119,313,394	106,379,041	96,826,615	84,276,838	84,300,958
Insurance and Interest	5,074,577	5,299,998	4,934,451	4,099,866	4,261,411
Amortization	30,022,012	28,985,421	27,880,946	25,378,798	27,703,651
Accretion	1,583,731	1,239,884	750,289		
	\$ 301,036,124	\$ 279,015,147	\$ 256,649,046	\$ 238,280,262	\$ 226,973,771

Five-Year Financial Statistics

CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS

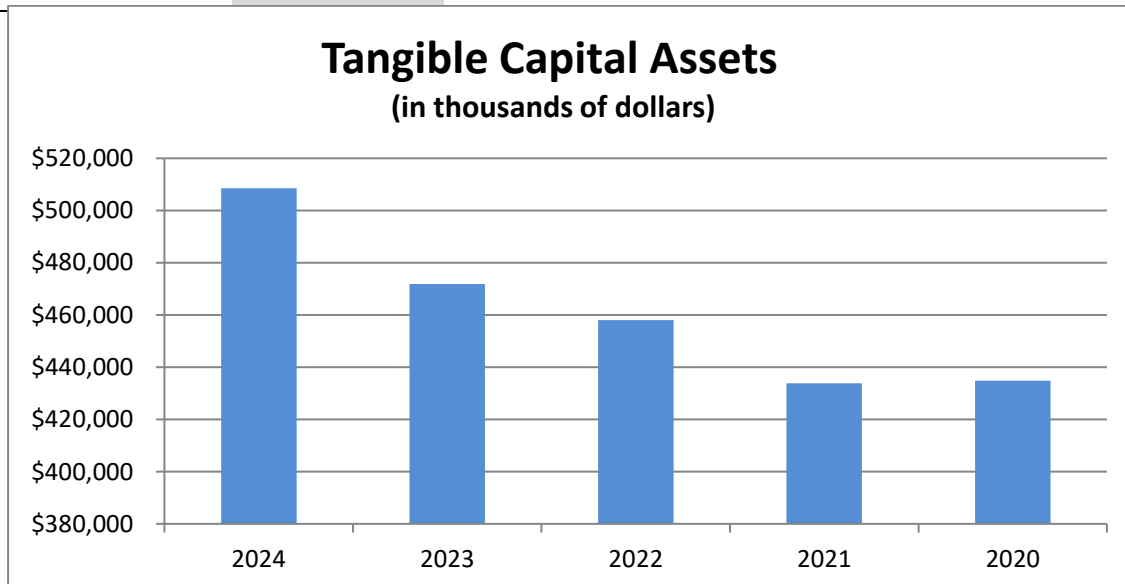
	2024	2023	2022 (Restated)	2021	2020
Annual Surplus	\$ 33,162,561	\$ 20,619,936	\$ 25,764,548	\$ 24,293,480	\$ 17,979,937
Acquisition of Tangible Capital Assets	(66,684,336)	(44,242,420)	(52,663,890)	(24,884,691)	(32,931,233)
Amortization of Tangible Capital Assets	30,022,012	28,985,421	27,880,946	25,378,798	27,703,651
Loss (gain) on disposal of TCA and ARO	(525,917)	966,960	(194,744)	2,607	514,770
Proceeds on Sale of Tangible Capital Assets	555,528	419,752	752,177	470,877	379,290
	(3,470,152)	6,749,649	1,539,037	25,261,071	13,646,415
Acquisition of Inventories of Supplies	(892,939)	(1,076,534)	(658,436)	(844,591)	(1,400,178)
Acquisition of Prepaid Expenses	(3,465,034)	(3,528,475)	(2,934,546)	(1,987,575)	(2,426,794)
Consumption of Inventories of Supplies	1,076,534	658,436	844,591	1,400,178	779,004
Use of Prepaid Expenses	3,528,475	2,934,546	1,987,575	2,426,794	2,088,423
Change in Net Financial Assets	(3,223,116)	5,737,622	778,221	26,255,877	12,686,870
Net Financial Assets, Beginning of Year	100,282,170	94,831,424	97,636,213	71,380,336	58,693,466
Increase (decrease) in accumulated remeasurement gain	4,584,140	(286,876)	-	-	-
Net Financial Assets, End of Year	101,643,194	100,282,170	94,831,424	97,636,213	\$ 71,380,336



Five-Year Financial Statistics

NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS

	2024	2023	2022 (Restated)	2021	2020
Land	\$ 47,903,641	\$ 46,390,311	\$ 38,607,465	\$ 34,149,012	\$ 33,631,664
Landfill Sites	12,023,539	11,324,266	11,718,744	817,216	845,661
Buildings	125,542,053	129,849,942	131,220,378	123,959,722	125,917,788
Infrastructure					
Roads	164,715,788	162,839,560	162,918,264	161,928,328	164,670,876
Bridges	55,874,283	52,765,798	53,754,048	54,124,252	53,031,364
Culverts	11,259,547	11,738,539	12,091,865	11,941,823	11,392,639
Structural Walls	246,375	256,095	265,816	275,536	285,256
Traffic Lights	3,457,477	2,511,218	3,450,333	3,616,279	2,278,678
Trails	313,427	292,924	173,441	184,469	195,497
Parking Lots	1,918,702	2,074,390	2,242,666	2,410,943	2,384,570
Vehicles and Machinery					
Licensed Equipment	8,508,184	7,190,844	6,747,592	5,387,362	5,651,091
Unlicensed Equipment	5,503,495	5,719,844	5,065,822	5,233,049	6,111,849
Furniture and Fixtures	4,550,087	4,493,464	4,780,294	4,959,992	4,843,552
Technology and Communications	4,292,239	3,823,012	2,608,495	3,205,387	3,401,854
Library Books and Media	1,353,620	1,382,455	1,187,195	1,308,256	1,420,770
Wellington Housing Corporation	4,834,111	4,092,904	4,286,318	4,504,750	4,073,325
Public Health	5,795,041	6,069,916	6,421,363	6,612,228	6,881,431
Capital Work-in-Progress	50,450,115	19,093,529	10,498,628	9,194,609	7,762,939
Total	\$ 508,541,724	\$ 471,909,011	\$ 458,038,724	\$ 433,813,213	\$ 434,780,804



Five-Year Financial Statistics

CONSOLIDATED RESERVES AND RESERVE FUNDS

	2024	2023	2022	2021	2020
Capital Reserves					
Roads Construction and Equipment	\$ 22,665,824	\$ 14,059,440	\$ 17,775,140	\$ 17,041,363	\$ 14,761,737
Social Housing Capital and Development	20,520,992	11,158,050	8,036,367	8,446,302	6,127,412
Wellington Terrace and Continuum of Care	9,548,957	14,896,275	14,356,376	14,152,117	13,813,875
General Capital	8,402,012	8,288,505	7,180,711	5,910,363	5,818,439
County Property	5,241,809	8,833,841	17,779,593	15,045,756	8,263,941
Land Ambulance	4,733,804	2,509,462	1,068,627	739,601	570,370
Climate Change Mitigation	3,145,880	2,961,807	3,009,224	2,623,263	2,242,652
Solid Waste Capital and Equipment	2,980,213	2,405,123	3,701,842	3,785,205	5,054,209
	\$ 77,239,491	\$ 65,112,503	\$ 72,907,880	\$ 67,743,970	\$ 56,652,635
Contingency and Stabilization Reserves					
Contingency and Stabilization	\$ 21,035,301	\$ 20,593,091	\$ 19,781,896	\$ 16,961,938	\$ 15,380,349
Shared Services Reserve	8,502,625	8,264,294	7,892,539	7,476,832	6,877,520
Winter Control	8,353,114	6,101,822	4,122,459	4,328,308	2,807,248
	\$ 37,891,040	\$ 34,959,207	\$ 31,796,894	\$ 28,767,078	\$ 25,065,117
Specific Purpose Reserve Funds					
Landfill Closure and Post Closure	\$ 12,052,356	\$ 10,696,317	\$ 9,913,092	\$ 9,281,327	\$ 8,491,715
Post-Employment Benefit	2,537,673	2,428,228	2,162,324	1,955,785	-
WSIB - Excess Compensation	2,528,090	-	-	-	-
Workplace Safety and Insurance	1,674,101	4,160,646	3,989,363	3,914,280	3,731,534
Housing Regeneration	1,655,508	1,294,880	4,562,876	4,263,999	6,321,855
Home Ownership Loan Programme	546,245	661,754	645,365	492,768	202,543
Library Donation	391,166	370,293	105,396	102,957	100,657
Museum Donations	236,862	120,596	66,194	240,275	209,675
Logan Donation	160,753	153,622	152,444	148,916	148,792
Wellington Terrace Donations	29,897	46,530	58,448	84,576	77,797
Public Health Debt Retirement	-	-	2,980,414	2,914,368	2,854,327
Short Term Disability/Employee Benefits	-	-	-	-	2,703,137
	\$ 21,812,651	\$ 19,932,866	\$ 24,635,916	\$ 23,399,251	\$ 22,727,997
Total Reserves and Reserve Funds	\$ 136,943,182	\$ 120,004,576	\$ 129,340,690	\$ 119,910,299	\$ 104,445,749

Five-Year Financial Statistics

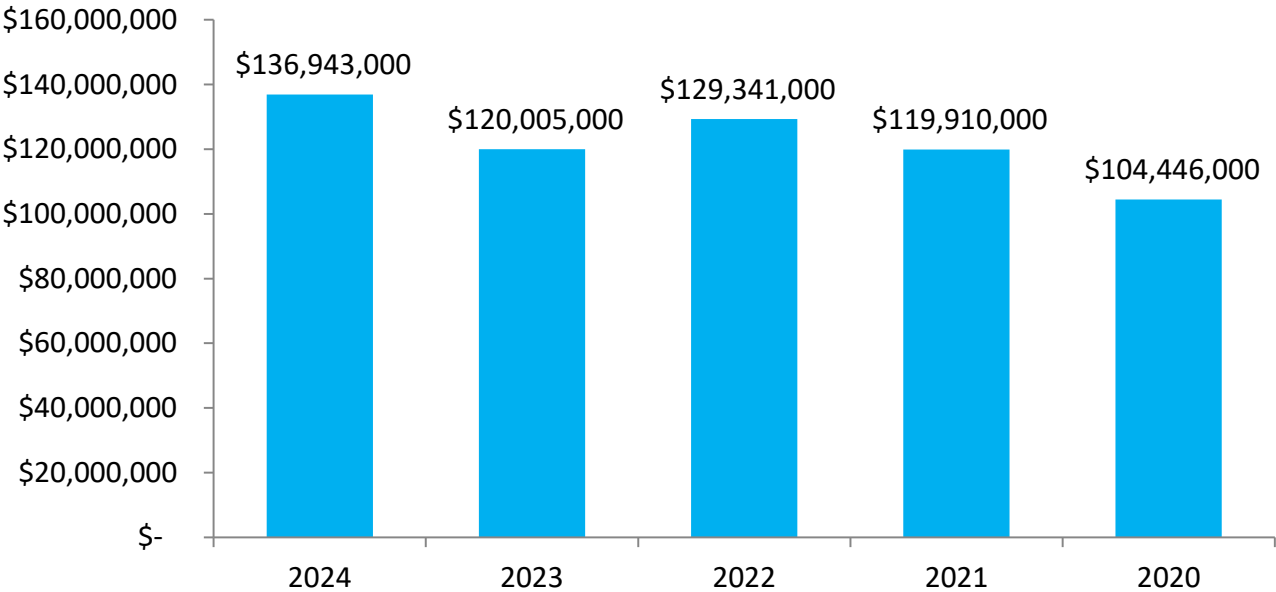
CONSOLIDATED RESERVES AND RESERVE FUNDS

Reserves and reserve funds serve as a mechanism to plan financially for today and the future. The County strives to maintain solid reserves and reserve fund positions to ensure future liabilities can be met; capital assets/infrastructure are properly maintained; and that the County maintains sufficient financial flexibility to respond to economic cycles and unanticipated financial requirements. The County is committed to maintaining strong reserve balances.

In 2024, the County of Wellington had an operating budget surplus of \$8.1 million with \$0.69 million transferred to SWS Capital Reserve to eliminate the debt for the Elora Waste Facility project, \$3.20 million transferred to the Ambulance Capital Reserve to eliminate the debt for the Elmira Road Station Upgrade project in Guelph, and the remaining \$4.23 million transferred to the Roads Capital Reserve to reduce debt required for the Erin Garage project.

For 2024, the balance of the County’s Reserve and Reserve funds were \$136.9 million (2023—\$120.0 million) including contingency and stabilization reserves of \$37.9 million (2023-\$35.0 million), capital reserves of \$77.2 million (2023-\$65.1 million) and specific purpose reserve funds of \$21.8 million (2023-\$19.9 million). It is notable that at December 31, 2024 the Post-Employment Benefit Liability (\$2.54 million) and WSIB Liability (\$1.42 million) were all fully funded. By funding these liabilities, the County avoids moving obligations and pressures from current taxpayers to future taxpayers.

Reserve and Reserve Funds



Five-Year Financial Statistics

PROPERTY TAXES

	2024	2023	2022	2021	2020
Property Tax Rates by Class					
Residential	0.6893%	0.6589%	0.6346%	0.6220%	0.6144%
Multi-Residential	1.1309%	1.2520%	1.2058%	1.1818%	1.1674%
Farmland	0.1723%	0.1647%	0.1587%	0.1555%	0.1536%
Commercial	1.0277%	0.9825%	0.9463%	0.9274%	0.9161%
Industrial	1.6544%	1.5815%	1.5232%	1.4928%	1.4746%
Pipeline	1.5510%	1.4826%	1.4280%	1.3995%	1.3824%
Managed Forests	0.1723%	0.1647%	0.1587%	0.1555%	0.1536%
County Tax Levy	\$128,837,600	\$120,491,300	\$113,490,500	\$108,828,100	\$105,612,800
Supplementary and Omitted Taxes	\$8,079,194	\$3,736,564	\$3,199,494	\$2,811,338	\$2,512,217
Payment in Lieu of Taxes	\$1,006,962	\$936,212	\$889,771	\$874,499	\$835,356
Other	\$40,168	\$40,065	\$39,109	\$35,210	\$31,680
	\$137,963,924	\$125,204,141	\$117,618,874	\$112,549,147	\$108,992,053
Less:					
Property Taxes written off as uncollectible	(\$672,879)	(\$1,096,821)	(\$1,472,024)	(\$1,277,823)	(\$935,845)
Provision for Assessment as Risk	\$114,368	\$55,479	\$157,928	\$573,630	\$281,021
Total Property Taxes Collected By the County	\$ 137,405,413	\$ 124,162,799	\$ 116,304,778	\$ 111,844,954	\$108,337,229
Weighted Assessment (\$000)	\$18,690,141	\$18,285,620	\$17,882,249	\$17,496,569	\$17,189,609
Current Value Assessment (\$000)					
Residential	\$14,361,066	\$14,162,942	\$13,823,456	\$13,557,268	\$13,327,701
Non-residential	\$6,903,197	\$6,680,476	\$6,656,093	\$6,580,114	\$6,499,887
Total Current Value Assessment	\$21,264,264	\$20,834,418	\$20,479,549	\$20,137,382	\$19,827,588

Five-Year Financial Statistics

MUNICIPAL STATISTICS

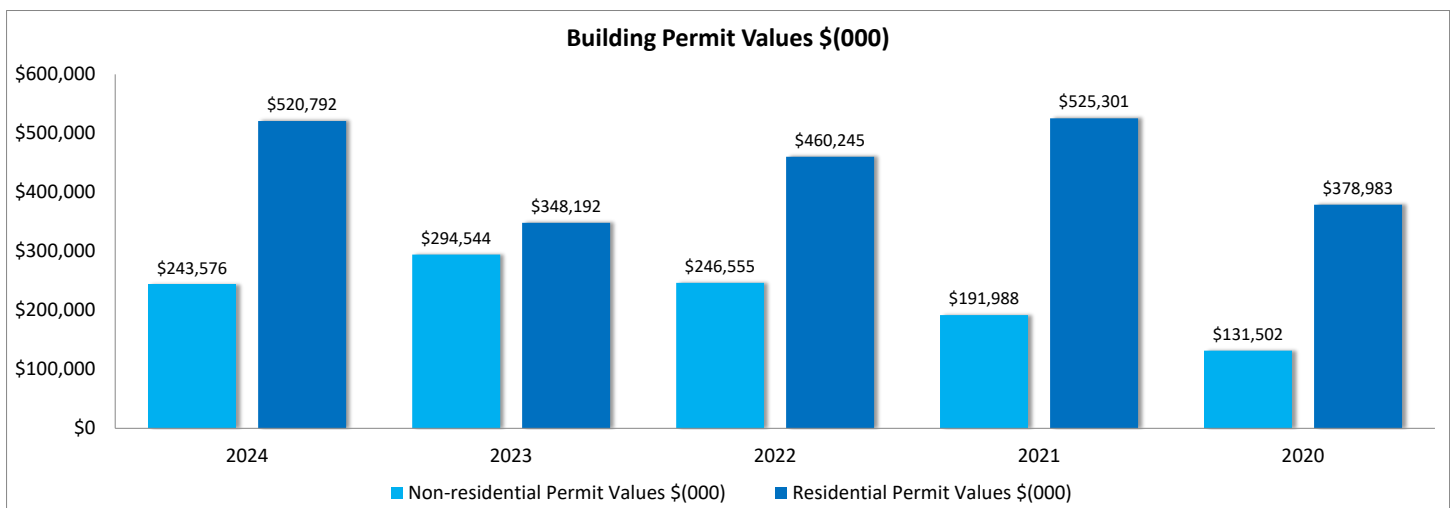
As shown by the building permit values in the table below, total residential development has slowed from the peak of 2021 as interest rates remain high while non-residential development continued to see strong growth in 2023 driven by a new industrial business park complex in Puslinch. Ontario Places to Grow has forecasted the County's population to be 122,000 in 2031 and 140,000 in 2041, which indicates stable growth throughout the years to come. The number of jobs has increased significantly in 2023 and the unemployment rate has remained low, reflecting expansion of Wellington's economy, backed by the ongoing implementation of a solid Economic Development Strategy.

	2024	2023	2022	2021	2020
Population*	107,610	106,390	103,910	102,250	100,980
Households*	38,300	37,860	36,910	36,040	35,580
Average Unemployment Rate**	3.3%	3.3%	2.5%	4.3%	4.2%
Jobs	61,165	60,568	55,666	54,400	54,712
Average Household Income	\$149,555	\$145,100	\$140,459	\$123,772	\$121,334
Residential Permit Values (\$000) (a)	\$520,792	\$348,192	\$460,245	\$525,301	\$378,983
Non-residential Permit Values (\$000) (b)	\$243,576	\$294,545	\$246,555	\$191,988	\$131,502
Per Household Information					
County Tax Levy Per Household	\$3,364	\$3,183	\$3,075	\$3,020	\$2,968
Debt Charges Per Household	\$112	\$212	\$152	\$135	\$147
Tangible Capital Assets Per Household	\$13,278	\$12,465	\$12,417	\$12,037	\$12,220
Total Debt Outstanding Per Household	\$624	\$723	\$874	\$894	\$958

* Source: Watson and Associates Economists Ltd and County of Wellington Planning Department.

** Note: Unemployment figures include the City of Guelph, which is not part of the County of Wellington

(a) (b) Source: Member Municipality Building departments and County of Wellington Planning Department



Five-Year Financial Statistics

FINANCIAL INDICATORS

Financial Indicator	2024	2023	2022 (Restated)	2021	2020
Net Liabilities Ratio	(0.60)	(0.66)	(0.66)	(0.72)	(0.53)
Capital Expenditures/ Total Expenditures (Adjusted)	21.3%	16.3%	20.0%	10.1%	15.7%
Operating Balance/ Operating Revenue (Adjusted)	14.9%	13.7%	13.9%	13.9%	16.9%
After-Capital Balance/ Total Revenue (Adjusted)	-0.8%	2.2%	-0.6%	10.3%	5.7%
Asset Consumption Ratio	48.9%	47.9%	46.8%	46.5%	45.1%
Tax Discretionary Reserves as a % of Own Source Revenues	81%	79%	90%	88%	78%
Direct Debt Outstanding/ Operating Revenue (Adjusted)	8.3%	10.4%	14.1%	14.4%	16.2%
Debt Interest (Including Lower Tier)/ Operating Revenue (Adjusted)	0.5%	0.6%	0.7%	0.8%	1.3%
Debt to Reserve	0.17	0.23	0.27	0.27	0.33

Five-Year Financial Statistics

FULL-TIME STAFFING

Department	2024	2023	2022	2021	2020
Office of the CAO/Clerk	40.6	39.8	38.3	35.0	34.7
Economic Development	9.2	8.7	8.2	7.0	7.0
Treasury	19.2	19.0	18.2	18.2	16.1
Human Resources	16.1	14.1	13.1	12.3	12.3
Property	16.1	14.1	14.4	14.8	12.4
Police	2.1	2.1	2.1	2.1	2.1
Roads Admin	9.8	9.0	9.0	9.0	8.5
Roads Field	67.3	61.4	60.7	60.2	60.2
Solid Waste	32.7	32.5	30.4	29.9	29.9
Planning	19.5	19.5	18.6	17.5	17.5
Tree Nursery	8.2	8.2	8.2	8.2	7.9
Emergency Management	4.3	4.3	4.3	4.0	3.7
Museum	18.8	18.2	18.2	18.7	18.7
Library	61.6	60.8	60.0	59.7	59.7
Ontario Works	57.5	69.5	69.4	69.4	69.3
Child Care	99.4	97.5	96.4	94.0	91.1
Housing	58.8	52.7	50.2	47.3	46.8
Terrace	221.7	215.9	215.5	214.3	208.1
Total	763.1	747.4	735.2	721.6	706.0

TOP 20 EMPLOYERS IN 2024 (ESTIMATED EMPLOYEES)

Upper Grand District School Board (1,000+)

County of Wellington (1,000+)

TG Minto (900+)

Jefferson Elora Corporation (700-799)

Musashi Auto Parts Canada Inc. (500-599)

Groves Memorial Hospital (400-499)

Township of Centre Wellington (300-399)

Elora Mill Hotel & Spa (300-399)

Royal Canin Canada (200-299)

Wallenstein Feed & Supply Ltd. (200-299)

North Wellington Health Care (200-299)

Polycorp Ltd. (200-299)

Dana Long Corp (200-299)

Nexans Canada Inc. (200-299)

Cascade Canada Ltd. (200-299)

Walinga Inc. (200-299)

Mammoet Crane (Assets) Inc. (200-299)

Viking-Cives Ltd. (200-299)

Capital Paving Inc. (200-299)

Con-Cast Pipe Ltd. (200-299)

Cooley Group (200-299)

TOP 20 CORPORATE TAXPAYERS IN 2024

Jefferson Elora Corporation, Centre Wellington

Triton Water Canada Holdings, Puslinch (Incl Erin and Centre Wellington)

MH Star Canada Holdings Inc. (Aosom), Centre Wellington

Skyline Retail Holdings/ Skyline Real Estate Holdings, Centre Wellington (Incl Wellington North property)

TG Minto Corporation, Minto

Wallenstein Feed and Supply, Mapleton

Dream Summit Industrial (Ontario) Inc, Puslinch

Musashi Auto Parts Canada, Wellington North

Royal Canin Canada Company, Puslinch

Con-Cast Pipe Ltd, Puslinch

RMM Fergus Property Inc, Centre Wellington

Coldpoint Properties and Industrial Park, Guelph/Eramosa

Hammond Manufacturing, Puslinch/Minto

Darling International Canada, Mapleton

Sharon Farms and Enterprises, Wellington North

Wallenstein Holdings Inc., Mapleton

Nexans Canada Inc, Centre Wellington

Mammoet Crane (Assets) Inc, Puslinch

Nieuwland Feed and Supply, Mapleton (Incl Minto and Centre Wellington)

FRG-S Holdings Ltd, Centre Wellington

Acknowledgements

The County Treasurer would like to thank the following staff members for their assistance during the preparation of the Annual Financial Report:

Susan Aram, Deputy Treasurer

Andrea Brossault, Asset Management Programme Manager

Simon Burgess, Operating Budget and Cash Manager

Shauna Calder, Manager of Finance

Crystal Haffner, Accounting Analyst

Holly Leeming, Property Tax Analyst

Isabel Lopez, Budget and Accounting Coordinator

Christina Mann, Manager of Economic Development

Brian Roberts, Graphic Designer





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