
County of Wellington

Financial Statements

For the year ended December 31, 2024

County of Wellington

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For the year ended December 31, 2024

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INDEPENDENT AUDITOR'S 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 remeasurement gains (losses) 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 statement of remeasurement gains (losses), 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 “***Auditor's Responsibilities for the Audit of the Financial Statements***” section of our auditor's report.



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

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

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.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

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

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

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

We also:

- 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 auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity 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.
- 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

County of Wellington

Consolidated Statement of Financial Position

As at December 31	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 Gains (Losses)	4,297,264	(286,876)
	614,542,891	576,796,190

County of Wellington

Consolidated Statement of Operations

For the year ended December 31	(Note 21) Budget	2024	2023
	\$	\$	\$
Revenues			
Taxation (Note 14)	132,793,600	137,405,413	124,162,799
Government transfers			
Ontario (Note 15)	85,065,183	84,804,199	81,559,234
Canada (Note 15)	44,526,500	39,879,981	34,516,168
Municipal	36,873,969	35,633,732	28,555,162
Fees & charges	12,822,200	14,214,466	11,828,351
Licences, permits, rents	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	28,108,649	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	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	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

County of Wellington

Consolidated Statement of Remeasurement Gains (Losses)

For the year ended December 31	2024	2023
	\$	\$
Accumulated remeasurement gains (losses), beginning of the year		
Adjustment on adoption of the financial instruments standard (Note 2)	(286,876) -	(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 PPN with equity 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)

County of Wellington

Consolidated Statement of Change in Net Financial Assets

For the year ended December 31	(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 TCA and ARO	-	(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

County of Wellington

Consolidated Statement of Cash Flows

For the year ended December 31

2024

2023

	\$	\$
Cash provided by (used in):		
Operating Activities:		
Annual Surplus	33,162,561	20,619,936
Items not involving cash:		
Amortization tangible capital assets	30,022,012	28,985,421
Loss (gain) on disposal of tangible capital assets	(525,917)	966,960
Change in post employment/retirement 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:		
Loan receivable collected	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 cash equivalents	(9,713,486)	1,441,570
Cash and cash equivalents, beginning of year	54,899,008	53,457,438
Cash and cash equivalents, end of year	45,185,522	54,899,008

The accompanying notes are an integral part of these financial statements

County of Wellington

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. 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 because of receipt of goods or services and/or the creation of a legal obligation to pay.

County of Wellington

Notes to the Financial Statements

For the year ended December 31, 2024

(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.

(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

County of Wellington

Notes to the Financial Statements For the year ended December 31, 2024

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).

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

County of Wellington

Notes to the Financial Statements

For the year ended December 31, 2024

(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. Also, 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.

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 discount 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 productive 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).

County of Wellington

Notes to the Financial Statements

For the year ended December 31, 2024

(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:

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 & Machinery	Licensed Equipment	7
	Unlicensed Equipment	15
	Machinery and Equipment	7 to 20

County of Wellington

Notes to the Financial Statements

For the year ended December 31, 2024

Major Asset Classification	Component Breakdown	Useful Life - Years
Furniture & Fixtures		5 to 20
Technology & 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 & 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 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.

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.

County of Wellington

Notes to the Financial Statements

For the year ended December 31, 2024

(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.

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

County of Wellington

Notes to the Financial Statements For the year ended December 31, 2024

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.

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).

County of Wellington

Notes to the Financial Statements

For the year ended December 31, 2024

(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% nterest, 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 less 1% administration fee, maturity 2025)	110,310	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>
	<u>134,260</u>	<u>290,304</u>
Total loans receivable	148,335	318,456

County of Wellington

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
	39,977,234	34,791,112
	2024	2023
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
	34,791,112	18,313,148
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
	23,582,288	36,162,075
Contributions Realized as Revenue	(18,396,166)	(19,684,111)
Balance, End of Year	39,977,234	34,791,112

County of Wellington

Notes to the Financial Statements For the year ended December 31, 2024

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.

(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 cost 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.

County of Wellington

Notes to the Financial Statements For the year ended December 31, 2024

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
Estimate Adjustment	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.

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
WDG Public Health Unit (Note 17)		383,568	430,647
Consolidated Total		2,921,241	2,789,627

County of Wellington

Notes to the Financial Statements For the year ended December 31, 2024

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	2,537,673	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 - \$93,878) 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:

- (i) 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%.
- (ii) 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.
- (iii) Dental costs were assumed to increase at the rate of 4.00% per year.

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).

County of Wellington

Notes to the Financial Statements For the year ended December 31, 2024

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:

- (i) 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.
- (ii) Administration costs were assumed to be 21% (25% used for December 31, 2020, valuation).
- (iii) 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% to 2.00% 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.

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

County of Wellington

Notes to the Financial Statements

For the year ended December 31, 2024

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	27,388,992

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:

County of Wellington

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	(16,482,000)	(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, 0.85%-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	5,865,000	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

County of Wellington

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
	23,896,425

(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
	4,292,168	8,064,031

(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
	4,292,168	8,064,031

(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 Development Charges	13,431,000	14,228,500
	23,896,425	27,299,126

County of Wellington

Notes to the Financial Statements

For the year ended December 31, 2024

(g) Wellington Housing Corporation Mortgage Payable

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).

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 (2023 - \$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).

County of Wellington

Notes to the Financial Statements

For the year ended December 31, 2024

2024												
	Land	Landfill Sites	Buildings	Infrastructure	Vehicles & Machinery	Furniture and Fixtures	Technology & Communications	Library Books	WHC	Public Health	Capital Work in Progress	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Cost												
Balance beginning of year	46,390,311	13,173,778	222,294,591	521,863,971	26,956,805	8,004,275	9,754,271	2,724,371	5,397,447	11,784,601	19,093,529	887,437,950
Asset Retirement Obligations	-	1,121,746	(104,709)	-	-	-	-	-	-	-	-	1,017,037
Additions	1,513,330	-	5,198,536	19,450,787	4,377,674	654,936	1,730,242	496,123	1,006,205	159,245	34,800,134	69,387,212
Disposals	-	-	(1,818,877)	(624,007)	(2,366,440)	(92,491)	(1,364,916)	(603,695)	(2,857)	(5,409)	(3,443,548)	(10,322,240)
Balance, end of year	47,903,641	14,295,524	225,569,541	540,690,751	28,968,039	8,566,720	10,119,597	2,616,799	6,400,795	11,938,437	50,450,115	947,519,959
Accumulated Amortization												
Balance beginning of year	-	1,849,512	92,444,648	289,205,420	14,226,144	3,510,811	5,931,259	1,341,916	1,304,543	5,714,685	-	415,528,938
Disposals	-	-	(1,573,642)	(624,007)	(2,282,117)	(92,491)	(1,391,675)	(603,695)	-	(5,088)	-	(6,572,715)
Amortization Expense	-	422,473	9,156,482	14,184,419	3,151,653	598,313	1,287,774	524,958	262,141	433,799	-	30,022,012
Balance, end of year	-	2,271,985	100,027,488	302,765,832	15,095,680	4,016,633	5,827,358	1,263,179	1,566,684	6,143,396	-	438,978,235
Net Book Value, end of year	47,903,641	12,023,539	125,542,053	237,924,919	13,872,359	4,550,087	4,292,239	1,353,620	4,834,111	5,795,041	50,450,115	508,541,724

County of Wellington

Notes to the Financial Statements

For the year ended December 31, 2024

2023												
	Land	Landfill Sites	Buildings	Infrastructure	Vehicles & Machinery	Furniture and Fixtures	Technology & Communications	Library Books	WHC	Public Health	Capital Work in Progress	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Cost												
Balance beginning of year	38,607,465	13,173,778	215,689,400	513,532,115	24,228,525	8,165,258	8,086,496	2,641,398	5,334,425	11,749,105	10,498,628	851,706,593
Asset Retirement Obligations	-	-	-	-	-	-	-	-	-	-	-	-
Additions	7,782,846	-	7,554,798	12,647,676	4,132,198	316,772	2,393,149	724,550	63,022	145,644	12,280,987	48,041,642
Disposals			(949,607)	(4,315,823)	(1,403,918)	(477,755)	(725,374)	(641,577)	-	(110,148)	(3,686,086)	(12,310,288)
Balance, end of year	46,390,311	13,173,778	222,294,591	521,863,968	26,956,805	8,004,275	9,754,271	2,724,371	5,397,447	11,784,601	19,093,529	887,437,947
Accumulated Amortization												
Balance beginning of year	-	1,455,034	84,469,022	278,331,007	12,719,789	3,384,964	5,478,001	1,454,203	1,048,107	5,327,742	-	393,667,869
Disposals	-	-	(912,857)	(3,039,114)	(1,277,730)	(477,755)	(725,374)	(641,577)	-	(49,947)	-	(7,124,354)
Amortization Expense	-	394,478	8,888,483	13,913,525	2,784,085	603,602	1,178,632	529,290	256,436	436,890	-	28,985,421
Balance, end of year	-	1,849,512	92,444,648	289,205,418	14,226,144	3,510,811	5,931,259	1,341,916	1,304,543	5,714,685	-	415,528,936
Net Book Value, end of year	46,390,311	11,324,266	129,849,943	232,658,550	12,730,661	4,493,464	3,823,012	1,382,455	4,092,904	6,069,916	19,093,529	471,909,011

County of Wellington

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	27,300,915	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 Self-Insurance	1,674,101	4,160,646
WSIB Excess Compensation Self-Insurance	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

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.

County of Wellington

Notes to the Financial Statements For the year ended December 31, 2024

	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
	(558,511)	(1,041,342)
	137,405,413	124,162,799

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 Co-Investment 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

County of Wellington

Notes to the Financial Statements

For the year ended December 31, 2024

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

County of Wellington

Notes to the Financial Statements

For the year ended December 31, 2024

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

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 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

County of Wellington

Notes to the Financial Statements For the year ended December 31, 2024

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 2023 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).

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, 2023, 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.

County of Wellington

Notes to the Financial Statements For the year ended December 31, 2024

	2024 Budget	2023 Budget
	\$	\$
Revenues		
Operating Budget	305,532,200	279,185,200
Capital Budget	75,667,700	75,279,800
Health Unit Budget & 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 & 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

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.

County of Wellington

Notes to the Financial Statements

For the year ended December 31, 2024

(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.

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.

County of Wellington

Notes to the Financial Statements

For the year ended December 31, 2024

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.

County of Wellington

Notes to the Financial Statements For the year ended December 31, 2024

2024											
	General Government	Protection	Transportation Services	Environmental Services	Health Services	Social Housing	Social and Family Services	Library	Museum	Planning & Development	Consolidated
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revenues											
Taxation	15,632,315	20,365,906	40,644,325	11,539,220	9,884,243	7,246,775	15,760,455	9,286,610	3,234,995	3,810,569	\$ 137,405,413
Grants and Subsidies	1,136,379	676,802	6,868,693	1,975,054	6,281,529	19,124,629	88,428,755	141,275	51,064	-	124,684,180
Municipal Revenue	195,325	510,468	1,690,600	31,859	-	24,590,222	8,196,000	41,760	-	377,498	35,633,732
Fees & Service Charges	1,215,969	287,558	1,013,315	4,277,132	-	(21,608)	6,035,217	51,797	90,647	1,264,439	14,214,466
Licences, Permits, Rents	1,522,841	1,950	-	30,869	55,500	8,001,200	16,292	59,043	81,249	-	9,768,944
Interest, Donations, Other	7,449,869	17,763	-	-	113,880	973,740	151,262	13,928	107,556	2,415	8,830,413
Development Charges	46,326	-	3,531,772	83,439	-	-	-	-	-	-	3,661,537
Total Revenues	27,199,024	21,860,447	53,748,705	17,937,573	16,335,152	59,914,958	118,587,981	9,594,413	3,565,511	5,454,921	334,198,685
Expenses											
Salaries and Benefits	14,019,224	648,521	8,533,761	3,470,249	4,687,271	5,945,759	39,964,398	5,863,781	1,811,215	3,395,671	88,339,850
Goods and Services	8,972,815	1,465,243	9,623,248	10,781,685	2,629,109	12,980,776	5,827,764	2,522,026	1,161,870	738,024	56,702,560
Transfer Payments	546,339	16,955,424	-	-	10,208,975	26,409,227	64,387,765	-	500	805,164	119,313,394
Insurance and Interest	1,198,084	35,855	1,383,759	380,560	3,080	790,324	934,922	191,794	77,244	78,955	5,074,577
Amortization	1,775,814	764,747	16,878,408	1,069,660	433,799	4,993,009	1,671,668	1,790,056	537,148	107,703	30,022,012
Accretion	15,541	-	15,208	1,109,941	-	440,186	2,855	-	-	-	1,583,731
Total Expenses	26,527,817	19,869,790	36,434,384	16,812,095	17,962,234	51,559,281	112,789,372	10,367,657	3,587,977	5,125,517	301,036,124
Annual Surplus	671,207	1,990,657	17,314,321	1,125,478	(1,627,082)	8,355,677	5,798,609	(773,244)	(22,466)	329,404	33,162,561

County of Wellington

Notes to the Financial Statements For the year ended December 31, 2024

2023											
	General Government	Protection	Transportation Services	Environmental Services	Health Services	Social Housing	Social and Family Services	Library	Museum	Planning & Development	Consolidated
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revenues											
Taxation	14,278,725	19,414,382	36,698,996	10,152,243	8,799,733	6,537,167	13,847,954	8,411,728	2,664,703	3,357,168	\$ 124,162,799
Grants and Subsidies	1,420,278	236,156	5,244,636	1,949,146	6,412,053	19,934,594	80,334,238	141,275	296,866	106,160	116,075,402
Municipal Revenue	263,980	392,018	2,229,182	-	56,336	19,496,957	5,684,884	31,680	-	400,125	28,555,162
Fees & Service Charges	1,176,672	265,530	(513,710)	3,784,385	-	43,548	5,640,772	37,557	116,777	1,276,820	11,828,351
Licences, Permits, Rents	1,407,906	210,897	-	30,869	-	7,650,946	5,780	49,461	30,004	-	9,385,863
Interest, Donations, Other	6,058,123	11,404	-	-	107,104	413,463	132,258	270,123	10,947	226	7,003,648
Development Charges	28,786	-	1,976,063	-	-	-	19,575	599,434	-	-	2,623,858
Total Revenues	24,634,470	20,530,387	45,635,167	15,916,643	15,375,226	54,076,675	105,665,461	9,541,258	3,119,297	5,140,499	299,635,083
Expenses											
Salaries and Benefits	12,365,931	623,285	7,252,331	3,272,038	4,715,100	5,321,631	38,292,996	5,432,153	1,659,636	3,229,768	82,164,869
Goods and Services	8,486,595	1,286,106	10,565,734	10,823,769	3,037,004	11,304,873	5,671,250	2,409,659	642,798	718,146	54,945,934
Transfer Payments	452,537	17,258,540	-	-	8,654,984	24,792,272	54,426,018	-	6,000	788,690	106,379,041
Insurance and Interest	1,428,732	31,604	1,442,488	330,764	35,177	676,334	1,010,702	199,650	67,440	77,107	5,299,998
Amortization	1,645,108	827,108	16,174,947	1,027,219	436,890	4,898,793	1,654,835	1,841,613	388,265	90,643	28,985,421
Accretion	11,338	-	14,553	777,432	-	430,916	4,264	1,381	-	-	1,239,884
Total Expenses	24,390,241	20,026,643	35,450,053	16,231,222	16,879,155	47,424,819	101,060,065	9,884,456	2,764,139	4,904,354	279,015,147
Annual Surplus	244,229	503,744	10,185,114	(314,579)	(1,503,929)	6,651,856	4,605,396	(343,198)	355,158	236,145	20,619,936

Wellington Housing Corporation

Financial Statements

For the year ended December 31, 2024



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Canada
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INDEPENDENT AUDITORS' REPORT

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 "Auditor's Responsibilities for the Audit of the Financial Statements" section of our auditor's report.

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

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

KPMG LLP, an Ontario limited liability partnership and member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. KPMG Canada provides services to KPMG LLP.



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 auditor's report that includes our opinion.

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

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

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

We also:

- 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.

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

April 30, 2025

Wellington Housing Corporation

Statement of Financial Position

	2024	2023
As at December 31	\$	\$
Financial Assets		
Cash	2,246,915	2,200,739
Accounts Receivable (Note 5)	94,671	26,459
Prepaid Expenses	-	20,035
Investments (Note 3)	-	105,255
Total Financial Assets	2,341,586	2,352,488
Financial 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

Wellington Housing Corporation

Statement of Operations and Changes in Accumulated Surplus

For the year ended December 31	(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	20,200		13,526
		20,035	
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

Wellington Housing Corporation
Statement of Changes in Net Financial Assets

For the year ended December 31	(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
Decrease 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

Wellington Housing Corporation

Statement of Cash Flows

For the year ended December 31	2024 \$	2023 \$
Cash provided by (used in):		
Operating activities:		
Excess of revenue over expenses	403,458	563,697
Items not involving cash:		
Amortization	262,141	256,436
Net change in non-cash working capital items (Note 12)	368,536	(10,968)
Net cash provided by operating activities	<u>1,034,135</u>	<u>809,165</u>
Cash flows from investing activities		
Purchase of tangible capital assets	(1,003,348)	(63,022)
Decrease/(Increase) in investments	<u>105,255</u>	<u>(1,059)</u>
Net cash used in investing activities	<u>(898,093)</u>	<u>(64,081)</u>
Cash flows from financing activities		
Mortgage repaid	<u>(89,866)</u>	<u>(134,190)</u>
Net cash used in financing activities	<u>(89,866)</u>	<u>(134,190)</u>
Net change in cash	46,176	610,894
Cash, beginning of year	<u>2,200,739</u>	<u>1,589,845</u>
Cash, end of year	<u>2,246,915</u>	<u>2,200,739</u>

Wellington Housing Corporation

Notes to the 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 VI and VII of the Housing Services Act (HAS): 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	15 to 50
	Exterior	20 to 40
	Interior	15 to 40
	Site Elements	10 to 30
	Leasehold Improvements	Lease Term
Infrastructure	Parking Lots - Asphalt	20
	Parking Lots - Gravel	10
Furniture & Fixtures		15

Wellington Housing Corporation

Notes to the Financial Statements

For the year ended December 31, 2024

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(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 2022 or 2023.

(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, and collection is reasonably assured.

(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 previously consisted 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.

Wellington Housing Corporation

Notes to the Financial Statements

For the year ended December 31, 2024

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(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.

(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 (2022 - \$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.

Wellington Housing Corporation

Notes to the 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. 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.

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

Wellington Housing Corporation

Notes to the Financial Statements

For the year ended December 31, 2024

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
Rent collected in advance	3,788	3,972
Total	18,546	18,360

7. MORTGAGE PAYABLE

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 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).

Wellington Housing Corporation

Notes to the Financial Statements

For the year ended December 31, 2024

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 & 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	Amortization Expense	Balance at December 31, 2024
Land		\$ -	\$ -	\$ -	\$ -
Buildings		\$ (1,206,827)	\$ -	\$ (247,367)	\$ (1,454,194)
Infrastructure	Parking Lots	\$ (93,426)	\$ -	\$ (13,756)	\$ (107,182)
Furniture & 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 Lots	\$ 253,336			\$ 239,580
Furniture & Fixtures		\$ 10,945			\$ 9,927
Capital Work-in-Progress		\$ 2,857			\$ 1,003,348
Total		\$ 4,092,904			\$ 4,834,111

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 4 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

Wellington Housing Corporation

Notes to the Financial Statements

For the year ended December 31, 2024

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 \$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
Reserves set aside by the Corporation Board for:		
WHC Capital Reserve	2,537,239	2,239,507
	2,537,239	2,239,507
Accumulated Surplus	6,666,818	6,263,360

Wellington Housing Corporation

Notes to the Financial Statements

For the year ended December 31, 2024

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.

	2024 Budget (\$)	2023 Budget (\$)
Revenues		
Operating budget	855,300	985,000
Capital budget	127,000	69,000
Less:		
Transfers from other funds	(127,000)	(69,000)
Total revenues	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 repayments	(78,600)	(133,200)
Total expenses	376,700	451,800
Annual Surplus	478,600	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)

Wellington Housing Corporation

Notes to the Financial Statements

For the year ended December 31, 2024

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 shareholder.

County of Wellington Trust Funds

Financial Statements

For the year ended December 31, 2024



KPMG LLP

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INDEPENDENT AUDITOR'S REPORT

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 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 for Opinion

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

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

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



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.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

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

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

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

We also:

- 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 auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A handwritten signature in black ink that reads 'KPMG LLP' with a long horizontal line underneath.

Chartered Professional Accountants, Licensed Public Accountants

Kitchener, Canada

June 12, 2025

County of Wellington Trust Funds

Statement of Financial Position

As at December 31, 2024

	Comfort Money	County Wellness Centre	Safe Communities	Stepping Stone	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

County of Wellington Trust Funds

Statement of Operations

As at December 31, 2024

	Comfort Money	County Wellness Centre	Safe Communities	Stepping Stone	2024	2023
	\$	\$	\$	\$	\$	\$
Balance at beginning of 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 end of year	36,986	41,304	51,680	(134,742)	(4,772)	107,892

The accompanying notes are an integral part of these financial statements

County of Wellington Trust Funds

Notes to the 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.