

**The Corporation of the Township of Conmee**  
**Financial Statements**  
*December 31, 2024*

# The Corporation of the Township of Conmee

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*For the year ended December 31, 2024*

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## Management's Responsibility

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To the Members of Council of The Corporation of the Township of Conmee:

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Mayor and Council are responsible for overseeing management in the performance of its financial reporting responsibilities. The Mayor and Council fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Mayor and Council are also responsible for recommending the appointment of the Township's external auditors.

MNP LLP is appointed by the Members of Council to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Mayor and Council and management to discuss their audit findings.

December 8, 2025

  
Mayor **Sheila Maxwell**

  
Clerk **Karen Paisley**

To the Members of Council of The Corporation of the Township of Conmee:

## Qualified Opinion

We have audited the financial statements of The Corporation of the Township of Conmee (the "Township"), which comprise the statement of financial position as at December 31, 2024, and the statements of operations and accumulated surplus, changes in net debt and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Township as at December 31, 2024, and the results of its operations, changes in its net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

## Basis for Qualified Opinion

Effective January 1, 2023, the Township was required to adopt PS 3280 Asset Retirement Obligations which requires the recognition of legal obligations associated with the retirement of tangible capital assets by public sector entities. Management has not completed its assessment of the tangible capital assets for potential asset retirement obligations. As a result, it is not possible to quantify the impact of this departure from Canadian public sector accounting standards on expenses and annual surplus for the years ended December 31, 2024 and 2023, tangible capital assets and the asset retirement obligation as at December 31, 2024 and 2023, and accumulated surplus as at January 1 and December 31 for both the 2024 and 2023 years.

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

## Emphasis of Matter

As part of our audit of the financial statements of the Township for the year ended December 31, 2024, we also audited the adjustments described in Note 2 that were applied to restate the financial statements for the year ended December 31, 2023. In our opinion, such adjustments are appropriate and have been properly applied.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Township'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 Township'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 Township to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Thunder Bay, Ontario

December 8, 2025

*MNP LLP*

Chartered Professional Accountants


Licensed Public Accountants

**The Corporation of the Township of Conmee**  
**Statement of Financial Position**

*As at December 31, 2024*

	2024	2023 <i>As restated (Note 2)</i>
<b>Financial assets</b>		
Cash (Note 3)	344,001	293,734
Accounts receivable (Note 4)	63,885	80,497
Taxes receivable	213,881	157,524
	<b>621,767</b>	<b>531,755</b>
<b>Liabilities</b>		
Accounts payable and accrued liabilities	97,541	137,967
Deferred revenue (Note 5)	442,945	356,724
Taxation revenue paid in advance	36,162	-
Long-term debt (Note 6)	577,575	813,879
	<b>1,154,223</b>	<b>1,308,570</b>
<b>Net debt</b>	<b>(532,456)</b>	<b>(776,815)</b>
<b>Non-financial assets</b>		
Tangible capital assets (Schedule 1)	2,664,037	2,668,174
<b>Accumulated surplus (Note 7)</b>	<b>2,131,581</b>	<b>1,891,359</b>

Approved on behalf of the Corporation of the Township of Conmee.

  
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 Sheila Maxwell

Mayor

  
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 Karen Paisley

Clerk

# The Corporation of the Township of Conmee

## Statement of Operations and Operating Surplus

*For the year ended December 31, 2024*

	2024	2024	2023
	<i>Note 10</i>		<i>As restated</i>
	<i>Budget</i>	<i>Actual</i>	<i>(Note 2)</i>
			<i>Actual</i>
<b>Revenue</b>			
Taxation			
Residential and farm	1,049,912	1,027,137	1,020,923
Commercial and industrial	20,000	44,012	19,993
Government transfers <i>(Note 8)</i>			
Government of Canada	50,178	-	-
Province of Ontario	368,747	446,808	444,732
User fees and service charges	37,000	13,300	33,380
Investment income	48,872	36,242	32,851
Other revenue	331,199	117,243	128,790
	<b>1,905,908</b>	<b>1,684,742</b>	1,680,669
<b>Expenses <i>(Note 9)</i></b>			
General government	455,024	500,899	633,450
Protection services	204,618	196,117	268,139
Transportation services	421,426	418,222	506,798
Environmental services	79,650	60,250	91,312
Health services	87,327	89,156	99,618
Social and family services	92,277	92,277	90,663
Recreation and cultural services	92,775	87,349	105,765
Planning and development	250	250	250
	<b>1,433,347</b>	<b>1,444,520</b>	1,795,995
<b>Annual surplus (deficit) before the undernoted item</b>	<b>472,561</b>	<b>240,222</b>	(115,326)
<b>Other expense</b>			
Loss on disposal of tangible capital assets	-	-	(6,052)
<b>Annual surplus (deficit)</b>	<b>472,561</b>	<b>240,222</b>	(121,378)
<b>Accumulated surplus, beginning of year</b>	<b>-</b>	<b>1,891,359</b>	2,012,737
<b>Accumulated surplus, end of year</b>	<b>472,561</b>	<b>2,131,581</b>	1,891,359

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

## The Corporation of the Township of Conmee Statement of Changes in Net Debt

*For the year ended December 31, 2024*

	<b>2024</b>	<b>2024</b>	<b>2023</b>
	<b>Note 10</b>		<i>As restated</i>
	<b>Budget</b>	<b>Actual</b>	<i>(Note 2)</i>
			<i>Actual</i>
<b>Annual surplus (deficit)</b>	<b>472,561</b>	<b>240,222</b>	(121,378)
Acquisition of tangible capital assets	-	<b>(134,589)</b>	(128,778)
Amortization of tangible capital assets	-	<b>138,726</b>	132,127
Loss on sale of tangible capital assets	-	-	6,052
Proceeds on disposal of tangible capital assets	-	-	173,916
Change in prepaid expenses	-	-	59,676
<b>Net change in net debt</b>	<b>472,561</b>	<b>244,359</b>	121,615
<b>Net debt, beginning of year</b>	-	<b>(776,815)</b>	(898,430)
<b>Net debt, end of year</b>	<b>472,561</b>	<b>(532,456)</b>	(776,815)

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

# The Corporation of the Township of Conmee

## Statement of Cash Flows

*For the year ended December 31, 2024*

	<b>2024</b>	<b>2023</b>
<b>Operating activities</b>		
Annual surplus (deficit)	240,222	(121,378)
Non-cash items		
Amortization	138,726	132,127
Loss on disposal of tangible capital assets	-	6,052
	<b>378,948</b>	<b>16,801</b>
Changes in working capital accounts		
Taxes receivable	(56,357)	7,765
Accounts receivable	16,612	116,756
Accounts payable and accrued liabilities	(40,426)	(209,067)
Deferred revenue	86,221	147,177
Taxation revenue paid in advance	36,162	-
Vested sick leave liability	-	(3,829)
Prepaid expenses	-	59,676
	<b>421,160</b>	<b>135,279</b>
<b>Financing activities</b>		
Repayment of long-term debt	(236,304)	(83,770)
<b>Capital activities</b>		
Acquisitions of tangible capital assets	(134,589)	(128,778)
Proceeds on disposal of tangible capital assets	-	173,916
	<b>(134,589)</b>	<b>45,138</b>
<b>Increase in cash resources</b>	<b>50,267</b>	<b>96,647</b>
<b>Cash resources, beginning of year</b>	<b>293,734</b>	<b>197,087</b>
<b>Cash resources, end of year</b>	<b>344,001</b>	<b>293,734</b>

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

# The Corporation of the Township of Conmee

## Notes to the Financial Statements

For the year ended December 31, 2024

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### 1. Significant accounting policies

These financial statements are the representations of management, prepared in accordance with Canadian public sector accounting standards and including the following significant accounting policies:

#### **Reporting entity**

The financial statements reflect the financial activities of the reporting entity. This entity is comprised of the municipal operations plus all organizations that are owned or controlled by the Township and are, therefore, accountable to Council for the administration of their financial affairs and resources. The financial statements exclude trust assets that are administered for the benefit of external parties.

The Township contributes to the following joint local boards, which are not proportionately consolidated in these statements:

- Lakehead Police Services Board
- Lakehead Rural Planning Board
- Thunder Bay District Health Unit
- The District of Thunder Bay Social Services Administration Board

#### **Cash and cash equivalents**

Cash and cash equivalents consist of cash on hand, balances in banks and high interest savings accounts.

#### **Financial instruments**

The Township recognizes its financial instruments when the Township becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value.

At initial recognition, the Township may irrevocably elect to subsequently measure any financial instrument at fair value. The Township has not made such an election during the year.

The Township subsequently measures investments in equity instruments quoted in an active market and all derivative instruments, except those that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, at fair value. Transactions to purchase or sell these items are recorded on the trade date. Net gains and losses arising from changes in fair value are recognized in the statement of remeasurement gains and losses, with the exception of gains and losses on externally restricted financial assets measured at fair value, which are recognized as an increase or decrease to the associated liability until the resources are used in accordance with their specified purpose. The Township has not presented a statement of remeasurement gains and losses as it does not have any items giving rise to remeasurement gains (losses). Interest income is recognized in the statement of operations. Investments in equity instruments not quoted in an active market and derivatives that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, are subsequently measured at cost. With the exception of those instruments designated at fair value, all other financial assets and liabilities are subsequently measured at amortized cost using the effective interest rate method.

Transaction costs directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in operating surplus (deficit). Conversely, transaction costs are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

All financial assets except derivatives are tested annually for impairment. Any impairment, which is not considered temporary, is recorded in the statement of operations. Write-downs of financial assets measured at cost and/or amortized cost to reflect losses in value are not reversed for subsequent increases in value. Reversals of any net remeasurements of financial assets measured at fair value are reported in the statement of remeasurement gains and losses.

#### **Non-financial assets**

Non-financial assets are acquired, constructed or developed assets that do not normally provide resources to discharge existing liabilities but are employed to deliver government services, may be consumed in normal operations and are not for resale in the normal course of operations. Non-financial assets include tangible capital assets and prepaid expenses.

**The Corporation of the Township of Conmee**  
**Notes to the Financial Statements**  
*For the year ended December 31, 2024*

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1. **Significant accounting policies** *(Continued from previous page)*

**Accounting for school board transactions**

The Township collects taxation revenue on behalf of the school boards. The taxation, other revenue, expenses, assets and liabilities with respect to the operations of the school boards are not reflected in the current fund balances of these financial statements. Education taxes collected by the Township and over-remitted or not remitted to the respective school boards as at December 31 are reported as a financial asset or liability on the statement of financial position.

**Tangible capital assets**

Tangible capital assets are initially recorded at cost based on all costs directly attributable to acquisition or construction of the tangible capital asset including transportation costs, installation costs, design and engineering fees, legal fees and site preparation costs. Contributed tangible assets are recorded at their fair value at the date of contribution with a corresponding amount recorded as revenue.

When conditions indicate that a tangible capital asset no longer contributes to the Township's ability to provide goods and services, or that the value of future economic benefits associated with a tangible capital asset is less than its net book value, the Township reduces the cost of the asset to reflect the decline in its value. Write-downs of tangible capital assets are not reversed.

**Amortization**

Tangible capital assets are amortized annually using the following methods at rates intended to amortize the cost of the assets over their estimated useful lives.

	<b>Method</b>	<b>Rate</b>
Land improvements	straight-line	10 to 75 years
Buildings	straight-line	5 to 70 years
Vehicles	straight-line	10 to 20 years
Machinery and equipment	straight-line	5 to 25 years
Computers equipment and software	straight-line	5 years
Roads	straight-line	15 to 60 years
Bridges and culverts	straight-line	35 to 80 years

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

Certain assets have been assigned a nominal value because of the difficulty of determining a tenable valuation. The most significant of such assets are the Township's road allowances.

**Trust funds**

Any funds held in trust by the Township, and their related operations, are not included in these financial statements. The financial activity and position of the trust fund is reported separately.

**Employee future benefits**

The Township's contributions to the defined contribution plan are expensed as incurred.

**Deferred revenue**

Funds received for specific purposes which are externally restricted by legislation, regulation or agreement and are not available for general municipal purposes are accounted for as deferred revenue on the statement of financial position. The revenue is recognized in the statement of operations in the year in which it is used for the specified purpose.

**The Corporation of the Township of Conmee**  
**Notes to the Financial Statements**  
*For the year ended December 31, 2024*

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1. **Significant accounting policies** *(Continued from previous page)*

**Revenue recognition**

**Government transfers**

The Township recognizes a government transfer as revenue when the transfer is authorized and all eligibility criteria, if any, have been met. A government transfer with stipulations giving rise to an obligation that meets the definition of a liability is recognized as a liability. In such circumstances, the Township recognizes revenue as the liability is settled.

**Tax revenue**

The Township recognizes taxes as assets and revenue when they meet the definition of an asset; are authorized; and the taxable event has occurred.

Tax revenue is initially measured at management's best estimate of the amount resulting from the original taxable event in accordance with tax legislation. The related tax receivable is initially recognized at its realizable value at the date of acquisition. At each financial statement date, the Township evaluates the tax receivable for collectability and records a valuation allowance to reflect the tax receivable at its net recoverable amount, if necessary.

Revenue from transactions with performance obligations is recognized when the Township satisfies a performance obligation by providing the promised goods or services to a payor. The performance obligation is evaluated as being satisfied either over a period of time or at a point in time.

The Township recognizes user charges and fees in the period in which the related services are performed. Amounts collected for which the related service have yet to be performed are recognized as a liability and recognized as revenue when the related services are performed.

Interest is recognized as it is earned.

Funds received, other than government transfers and tax revenue, for specific purposes which are externally restricted by legislation, regulation or agreement and are not available for general purposes are accounted for as deferred revenue on the statement of financial position. The revenue is recognized in the statement of operations and accumulated surplus in the year in which it is used for the specified purpose.

**Use of estimates**

The preparation of financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future. Significant estimates in these financial statements include assumptions used in estimating provisions for doubtful taxes and accounts receivable and useful lives of tangible capital assets.

2. **Prior period adjustment**

During the year, the Township determined that deferred revenue was overstated and accumulated surplus was understated as the Township had not recognized government transfers in operations in the year all eligibility criteria were met. As a result, deferred revenue and net debt were overstated by \$50,000 and accumulated surplus was understated by \$50,000. This error has been corrected retroactively.

The prior period figures have been retroactively adjusted as follows:

	<i>Previously Reported</i>	<i>Adjustment</i>	<i>As Restated</i>
Deferred revenue	406,724	(50,000)	356,724
Accumulated surplus, beginning of year	1,962,737	50,000	2,012,737
Accumulated surplus, end of year	1,841,359	50,000	1,891,359
Net debt, beginning of year	(948,430)	50,000	(898,430)
Net debt, end of year	(826,815)	50,000	(776,815)

**The Corporation of the Township of Conmee**  
**Notes to the Financial Statements**  
*For the year ended December 31, 2024*

**3. Cash**

	<b>2024</b>	2023
Operating bank account	<b>106,257</b>	167,299
CCBF bank account	<b>144,607</b>	89,275
OCIF bank account	<b>64,560</b>	36,250
Reserve fund bank account	<b>28,577</b>	910
	<b>344,001</b>	293,734

The Township's credit facilities include a revolving demand line of credit with authorized credit of \$300,000 which carries interest at prime less 0.50%. As at December 31, 2024, the Township utilized \$nil (2023 - \$nil) of this facility. The prime rate was 5.45% at December 31, 2024 (2023 - 7.20%).

**4. Accounts receivable**

	<b>2024</b>	2023
Public service bodies' rebate (HST)	<b>32,816</b>	49,248
Trade receivable	<b>31,069</b>	31,249
	<b>63,885</b>	80,497

**5. Deferred revenue**

The following table represents changes in the deferred revenue balance attributable to each major category of external restrictions:

	<i>Balance, beginning of year As restated (Note 2)</i>	<i>Contributions received</i>	<i>Transfers to revenue</i>	<i>Balance, end of year</i>
Canada Community-Building Fund (previously Federal Gas Tax)	<b>261,322</b>	<b>55,332</b>	-	<b>316,654</b>
Main Street Revitalization	<b>18,255</b>	-	<b>18,255</b>	-
Ontario Community Infrastructure Fund	<b>55,547</b>	<b>102,514</b>	<b>94,949</b>	<b>63,112</b>
Northern Ontario Resource Development Support Fund	-	<b>61,722</b>	<b>41,743</b>	<b>19,979</b>
Other	<b>21,600</b>	<b>43,200</b>	<b>21,600</b>	<b>43,200</b>
	<b>356,724</b>	<b>262,768</b>	<b>176,547</b>	<b>442,945</b>

Gas tax revenue is provided by the Government of Canada. The Township is required to put unspent funding into a reserve fund. The funding and interest earned in the reserve must be spent on approved projects.

**The Corporation of the Township of Conmee**  
**Notes to the Financial Statements**  
*For the year ended December 31, 2024*

**6. Long-term debt**

	<b>2024</b>	2023
<b>TD Canada Trust</b>		
Term loan payable in blended monthly installments of \$1,162 including interest at 3.921% maturing December 2041	<b>172,790</b>	179,770
Term loan payable in blended monthly installments of \$3,515 including interest at 6.411% maturing September 2032	<b>257,276</b>	282,061
Term loan	-	156,553
<b>Infrastructure Ontario</b>		
Debenture payable in semi-annual installments of \$25,112 including interest at 1.22% maturing August 2027	<b>147,509</b>	195,495
	<b>577,575</b>	813,879

Principal repayments on long-term debt in each of the next five years and thereafter are estimated as follows:

	Principal
2025	82,334
2026	84,967
2027	87,734
2028	40,266
2029	42,710
Thereafter	239,564
	<b>577,575</b>

**The Corporation of the Township of Conmee**  
**Notes to the Financial Statements**  
*For the year ended December 31, 2024*

**7. Accumulated surplus**

The Township segregates its accumulated surplus into the following categories:

	<b>2024</b>	2023 <i>As restated (Note 2)</i>
Surpluses (deficits)		
General fund	35,555	(234,559)
Investment in tangible capital assets	2,664,037	2,668,174
Amounts to be funded		
Long-term debt	(577,575)	(813,880)
	2,122,017	1,619,735
Reserves set aside for specific purposes by Council		
For working capital	-	222,660
Reserve funds set aside for specific purposes by Council		
For landfill closure and post-closure liability	2,391	39,853
For sick leave	-	8,705
For operating	2,391	406
For complex	2,391	-
For government	2,391	-
	9,564	48,964
	2,131,581	1,891,359

The investment in tangible capital assets represents amounts already spent and invested in infrastructure and other non-financial assets.

Reserves and reserve funds represent a portion of accumulated surplus set aside by By-law or Council resolution for specific purposes.

**8. Government transfers**

	<i><b>Budget</b></i>	<b>2024</b>	2023
	<i><b>2024</b></i>		
<b>Government of Canada</b>			
AMO - Canada Community-Building Fund	50,178	-	-
<b>Province of Ontario</b>			
Ministry of Northern Development, Mines, Natural Resources and Forestry	61,722	41,743	61,722
Northern Ontario Heritage Fund Corporation	-	34,835	44,339
Ontario Community Infrastructure Fund	100,000	94,949	132,876
Ontario Municipal Partnership Fund	205,800	205,800	201,900
Emergency Management Ontario	-	50,000	-
Other	1,225	19,481	3,895
	368,747	446,808	444,732

# The Corporation of the Township of Conmee

## Notes to the Financial Statements

*For the year ended December 31, 2024*

### 9. Expenses by object

	<i><b>Budget</b></i>	<b>2024</b>	<b>2023</b>
	<b>2024</b>		
Salaries, wages and employee benefits	529,342	<b>462,284</b>	493,477
Interest on long-term debt	-	<b>34,069</b>	37,055
Materials and supplies	578,592	<b>449,703</b>	658,438
Contracted services	131,807	<b>167,149</b>	272,772
Financial	10,100	<b>6,925</b>	9,696
External transfers	183,506	<b>185,664</b>	192,430
Amortization	-	<b>138,726</b>	132,127
	1,433,347	<b>1,444,520</b>	1,795,995

### 10. Budget

The Financial Plan (Budget) By-Law adopted by Council on July 23, 2024 was not prepared on a basis consistent with that used to report actual results (Canadian public sector accounting standards). The budget was prepared on a modified accrual basis, while Canadian public sector accounting standards require a full accrual basis. The budget expensed all tangible capital expenses rather than including amortization expense. In addition, the budget expensed principal debt repayment as well as reserve transfers. As a result, the budget figures presented in the statement of operations and accumulated surplus and changes in net debt represent the Financial Plan adopted by Council on July 23, 2024, with adjustments as follows:

Financial Plan (Budget) Bylaw surplus for the year	-
Add:	
Budgeted transfers to reserves	<b>210,283</b>
Debt repayment	<b>262,278</b>
	<b>472,561</b>
Budget surplus per statement of operations	<b>472,561</b>

### 11. Trust fund

The cemetery trust fund administered by the Township amounting to \$28,875 (2023 - \$26,255) has not been included in the statement of financial position nor has the operations been included in the statement of operations and accumulated surplus.

### 12. Financial instruments

The Township is exposed to a variety of financial risks including credit risk, liquidity risk and market risk. This note describes the Township's objectives, policies and processes for managing those risks and the methods used to measure them. Further qualitative and quantitative information in respect of these risks is presented below and throughout these financial statements.

#### **Credit risk**

Credit risk is the risk of financial loss because a counter party to a financial instrument fails to discharge its contractual obligations. The Township is exposed to credit risk through its cash, accounts receivable and taxes receivable. The Township is subject to credit risk on the excess deposits over the amount not covered by the Canadian Deposit Insurance Corporation (CDIC). Credit risk arises on receivables over the collectibility of these balances.

The carrying amount of the Township's cash and receivables best represents the maximum exposure to credit risk.

**The Corporation of the Township of Conmee**  
**Notes to the Financial Statements**  
*For the year ended December 31, 2024*

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**12. Financial instruments** *(Continued from previous page)*

The Township manages its credit risk by holding cash at federally regulated chartered banks with cash accounts insured up to \$100,000. Accounts receivable largely consists of amounts due from Public Service Bodies' (PSB) rebates for HST paid on purchases. Amounts due from the Provincial and Federal governments are not considered high risk. The risk surrounding taxes receivable is minimized as the Township can put a property up for tax sale after it has been vested.

There have not been any changes from the prior year in the Township's exposure to credit risk or the policies, procedures and methods it uses to manage and measure the risk.

**Liquidity risk**

Liquidity risk is the risk that the Township will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivery of cash or another financial asset. The Township is exposed to liquidity risk through its accounts payable and accrued liabilities and long-term debt.

The Township manages the liquidity risk by monitoring cash activities and expected outflows through budgeting.

The contractual maturities (representing undiscounted contractual cash-flows) of the Township's accounts payable and accrued liabilities, and long-term debt are as follows: within 6 months \$138,708 (2023 - \$181,067), 6 months to 1 year \$41,167 (2023 - \$43,100), 1 to 5 years \$265,677 (2023 - \$323,100), and over 5 years \$239,564 (2023 - \$404,579).

There have not been any changes from the prior year in the Township's exposure to liquidity risk or the policies, procedures and methods it uses to manage and measure the risk.

**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 risk, interest rate risk and other price risk. The Township is mainly exposed to interest rate risk. The Township does not feel it is exposed to currency or other price risk.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Township is exposed to interest rate risk on its revolving demand line of credit which has a variable interest rate that fluctuates as the bank's prime lending rate increases or decreases.

The Township manages its interest rate risk by minimizing its use of the revolving demand line of credit as much as possible and obtaining fixed rate loans when needed to finance larger purchases.

There have not been any changes from the prior year in the Township's exposure to interest rate risk or the policies, procedures and methods it uses to manage and measure the risk.

**13. Segments**

The Corporation of the Township of Conmee provides a wide range of services to its citizens. Distinguishable functional segments have been separately disclosed in Schedule 2 - Schedule of Segmented Disclosure. The nature of the segments and the activities they encompass are as follows:

a) General Government

General government is comprised of various administrative services including general administration, finance, and the services of the Mayor and Council. Township office staff provide a variety of services for citizens plus provide support for other departments and programs. Assessment services, provided by Municipal Property Assessment Corporation, are responsible for providing services to both citizens and the Township.

b) Protection Services

Protection services include fire, police, 911 and building inspection. Services provided by Lakehead Region Conservation Authority are also included. The volunteer fire department is responsible for fire suppression, being the first response to emergencies in the Township, fire prevention programs and training and education related to prevention, detection or extinguishment of fires. It is responsible for staffing, training, and the maintenance of the fire halls, fleet and personal protective and fire fighting equipment. Police services are contracted through the Ontario Provincial Police.

**The Corporation of the Township of Conmee**  
**Notes to the Financial Statements**  
*For the year ended December 31, 2024*

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**13. Segments** *(Continued from previous page)*

c) Transportation Services

Transportation services include roadway maintenance of the Township roadway systems, culverts, brushing, dust suppressant, flood and winter control that includes plowing and salt/sand application. Included in this segment is maintenance of all public works equipment and the garage.

d) Environmental Services

The Township provides waste disposal at a landfill site and includes recycling and landfill site operations and waste minimization programs.

e) Health Services

Health services include public health services and ambulance services. Public health services cover the Township's contribution to the activities to the Thunder Bay District Health Unit. The Thunder Bay District Health Unit provides health information and prevention-related clinical services; advocates for healthy public policy; investigates reportable diseases; and upholds regulations that apply to public health. This reporting segment also covers the operation and maintenance of the Conmee Cemetery.

f) Social and Family Services

Social and family services represents the Township's contribution to the activities of the District of Thunder Bay Social Services Administration Board ("TBDSSAB"). TBDSSAB is responsible for Ontario Works program delivery, child care services and social housing.

g) Recreational and Cultural Services

Recreation and cultural services include recreation facilities, operation and maintenance of the Municipal Complex and public library services. The Township provides for the development and maintenance of various recreational facilities. The public library services are contracted with the Oliver-Paipoonge Public Library Board and provides community access to local and global information resources that support lifelong learning, research and leisure activities.

h) Planning and Development

Planning and development manages rural development for business interest, environmental concerns, local community, and overall planning and community development including approval of all land development plans. The Township's contributions to the activities of the Lakehead Rural Planning Board are included in planning activities.

The accounting policies of the segments are the same as those described in the summary of significant accounting policies.

**The Corporation of the Township of Conmee**  
**Schedule 1 - Schedule of Tangible Capital Assets**  
For the year ended December 31, 2024

	General					Infrastructure					2024	2023	
	Land and land improvements	Buildings	Vehicles	Machinery and equipment	Computers and software	Land and land improvements	Buildings	Vehicles	Roads	Machinery and equipment			Bridges and culverts
<b>Cost</b>													
Balance, beginning of year	380,521	1,369,316	291,597	227,902	19,314	21,375	115,995	444,872	768,000	902,735	418,388	4,960,015	5,303,650
Acquisition of tangible capital assets	-	-	-	39,641	-	-	-	-	94,948	-	-	134,589	128,778
Disposal of tangible capital assets	-	-	-	-	-	-	-	-	-40,161	-	-	-40,161	-472,413
Balance, end of year	380,521	1,369,316	291,597	267,543	19,314	21,375	115,995	444,872	822,787	902,735	418,388	5,054,443	4,960,015
<b>Accumulated amortization</b>													
Balance, beginning of year	207,392	447,794	273,320	190,843	19,314	19,192	32,515	222,270	436,465	289,295	153,441	2,291,841	2,452,159
Annual amortization	9,069	28,051	1,523	5,672	-	-	1,626	25,854	30,145	32,619	4,167	138,726	132,127
Accumulated amortization on disposals	-	-	-	-	-	-	-	-	-40,161	-	-	-40,161	-292,445
Balance, end of year	216,461	475,845	274,843	196,515	19,314	19,192	34,141	248,124	426,449	321,914	157,608	2,390,406	2,291,841
<b>Net book value of tangible capital assets</b>													
	164,060	893,471	16,754	71,028	-	2,183	81,854	196,748	396,338	580,821	260,780	2,664,037	2,668,174

**The Corporation of the Township of Conmee**  
**Schedule 2 - Schedule of Segmented Disclosure**

*For the year ended December 31, 2024*

	General government	Protection services	Transportation services	Environmental services	Health services	Social and family services	Recreation and cultural services	Planning and development	2024
<b>Revenue</b>									
Taxation	1,071,149	-	-	-	-	-	-	-	1,071,149
Government transfers - Province of Ontario	308,891	-	136,692	-	-	-	1,225	-	446,808
User fees and service charges	-	-	1,686	3,308	4,718	-	3,588	-	13,300
Investment income	36,242	-	-	-	-	-	-	-	36,242
Other revenue	84,190	21,656	-	5,073	-	681	5,643	-	117,243
	<b>1,500,472</b>	<b>21,656</b>	<b>138,378</b>	<b>8,381</b>	<b>4,718</b>	<b>681</b>	<b>10,456</b>	<b>-</b>	<b>1,684,742</b>
<b>Expenses</b>									
Contract services	40,934	99,633	-	26,251	331	-	-	-	167,149
Interest on long-term debt	34,069	-	-	-	-	-	-	-	34,069
External transfers	-	4,927	-	-	86,985	92,277	1,225	250	185,664
Materials	131,715	56,984	171,351	19,914	1,840	-	67,899	-	449,703
Salaries and benefits	258,490	27,016	154,116	13,646	-	-	9,016	-	462,284
Financial	6,925	-	-	-	-	-	-	-	6,925
Amortization	28,766	7,557	92,755	439	-	-	9,209	-	138,726
	<b>500,899</b>	<b>196,117</b>	<b>418,222</b>	<b>60,250</b>	<b>89,156</b>	<b>92,277</b>	<b>87,349</b>	<b>250</b>	<b>1,444,520</b>
<b>Annual surplus (deficit)</b>	<b>999,573</b>	<b>-174,461</b>	<b>-279,844</b>	<b>-51,869</b>	<b>-84,438</b>	<b>-91,596</b>	<b>-76,893</b>	<b>(250)</b>	<b>240,222</b>

**The Corporation of the Township of Conmee**  
**Schedule 2 - Schedule of Segmented Disclosure**

*For the year ended December 31, 2023*

	General government	Protection services	Transportation services	Environmental services	Health services	family services	Recreation and cultural services	Planning and development	2023
<b>Revenue</b>									
Taxation	1,040,916	-	-	-	-	-	-	-	1,040,916
Government transfers - Province of Ontario	219,852	-	223,655	-	-	-	1,225	-	444,732
User fees and service charges	-	-	17,573	6,097	2,525	-	7,185	-	33,380
Investment income	32,851	-	-	-	-	-	-	-	32,851
Other revenue	69,633	27,508	-	25,392	-	-	6,257	-	128,790
	1,363,252	27,508	241,228	31,489	2,525	-	14,667	-	1,680,669
<b>Expenses</b>									
Salaries and benefits	238,826	33,236	181,212	20,444	-	-	19,759	-	493,477
Interest on long-term debt	37,055	-	-	-	-	-	-	-	37,055
Materials	150,289	132,313	239,687	57,560	366	2,651	75,572	-	658,438
Contract services	166,184	93,494	225	12,869	-	-	-	-	272,772
Financial	9,696	-	-	-	-	-	-	-	9,696
External transfers	-	3,691	-	-	99,252	88,012	1,225	250	192,430
Amortization	31,400	5,405	85,674	439	-	-	9,209	-	132,127
	633,450	268,139	506,798	91,312	99,618	90,663	105,765	250	1,795,995
<b>Annual surplus (deficit), before undernoted</b>	729,802	-240,631	-265,570	-59,823	-97,093	-90,663	-91,098	(250)	-115,326
(Gain) loss on disposal of tangible capital assets	14,968	-	-8,916	-	-	-	-	-	6,052
<b>Annual surplus (deficit)</b>	714,834	-240,631	-256,654	-59,823	-97,093	-90,663	-91,098	(250)	-121,378