



# 2024 Annual Report

For the year ended December 31, 2024  
The Township of Hamilton  
Ontario, Canada

**Prepared by :**  
Corporate Financial Services

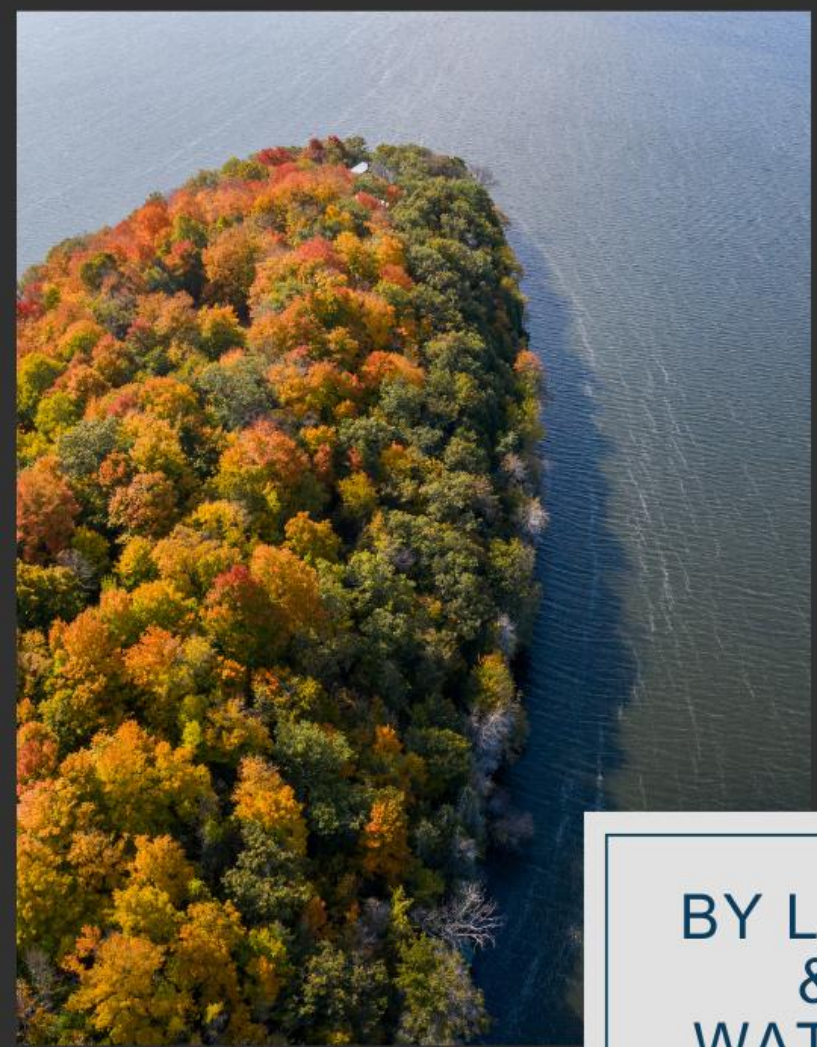




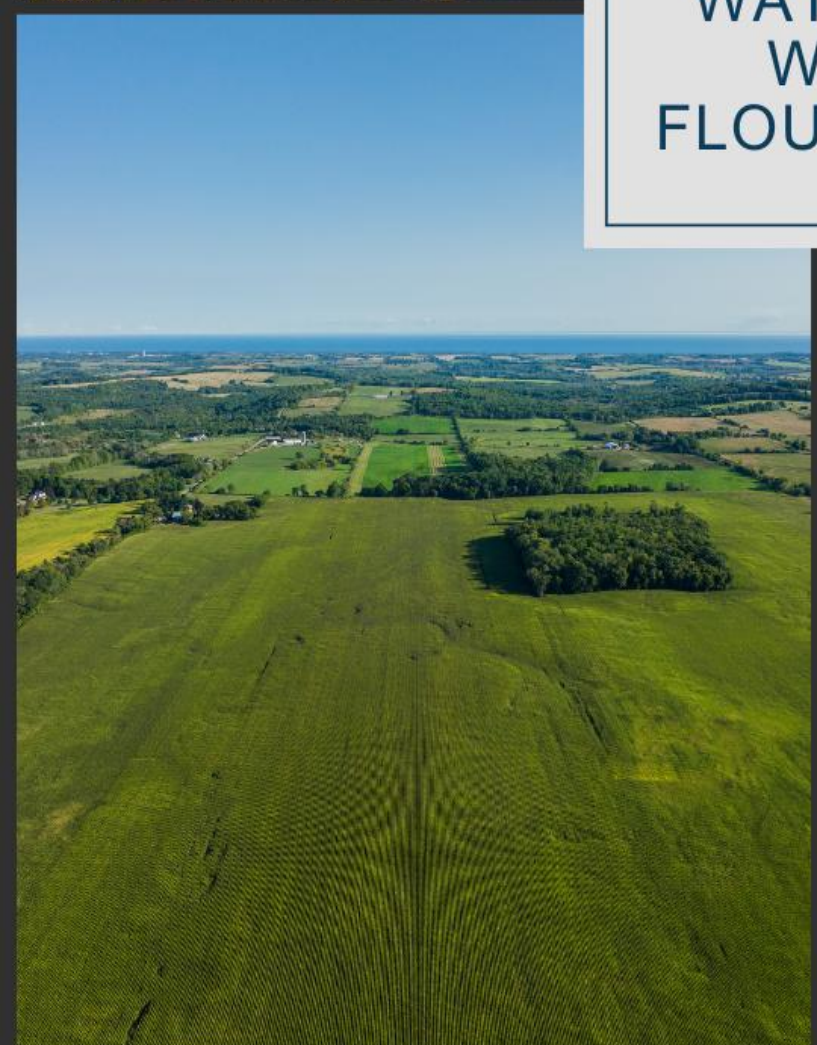
## **LAND ACKNOWLEDGEMENT STATEMENT**

The Township of Hamilton is situated within the traditional territory of the Mississauga Anishinaabeg and Chippewa Nations, collectively known as the Williams Treaties First Nations. Our work on these lands respectfully acknowledges their resilience and their longstanding contributions to the area now known as the Township of Hamilton.





BY LAND  
&  
WATER  
WE  
FLOURISH



# Table of Contents

<b>Executive Summary .....</b>	<b>6</b>
<b>Introduction .....</b>	<b>7</b>
Letter from our Mayor .....	9
Letter from our CAO .....	10
Our Council .....	11
Our Township at a Glance .....	12
<b>Financial Statement Discussion and Analysis .....</b>	<b>31</b>
2024 at a Glance .....	34
Economic Outlook and Risk Management .....	35
Our Financial Year in Review .....	48
<b>Consolidated Financial Statements .....</b>	<b>70</b>
Management Report .....	72
Independent Auditor's Report .....	73
Statement of Financial Position .....	75
Statement of Operations and Accumulated Surplus .....	76
Statement of Changes in Net Financial Assets .....	77
Statement of Cash Flows .....	78
Notes to the Financial Statements .....	79

**Helpful Hint!**

Click on the magnifying glass, found on each page, to jump back to the table of contents!



## **Statistical Information ..... 101**

Revenue by Source & Expense by Function ..... 103

Expense by Object ..... 104

Net Financial Assets & Liabilities ..... 105

Tangible Capital Assets ..... 106

Reserves and Reserves Funds ..... 107

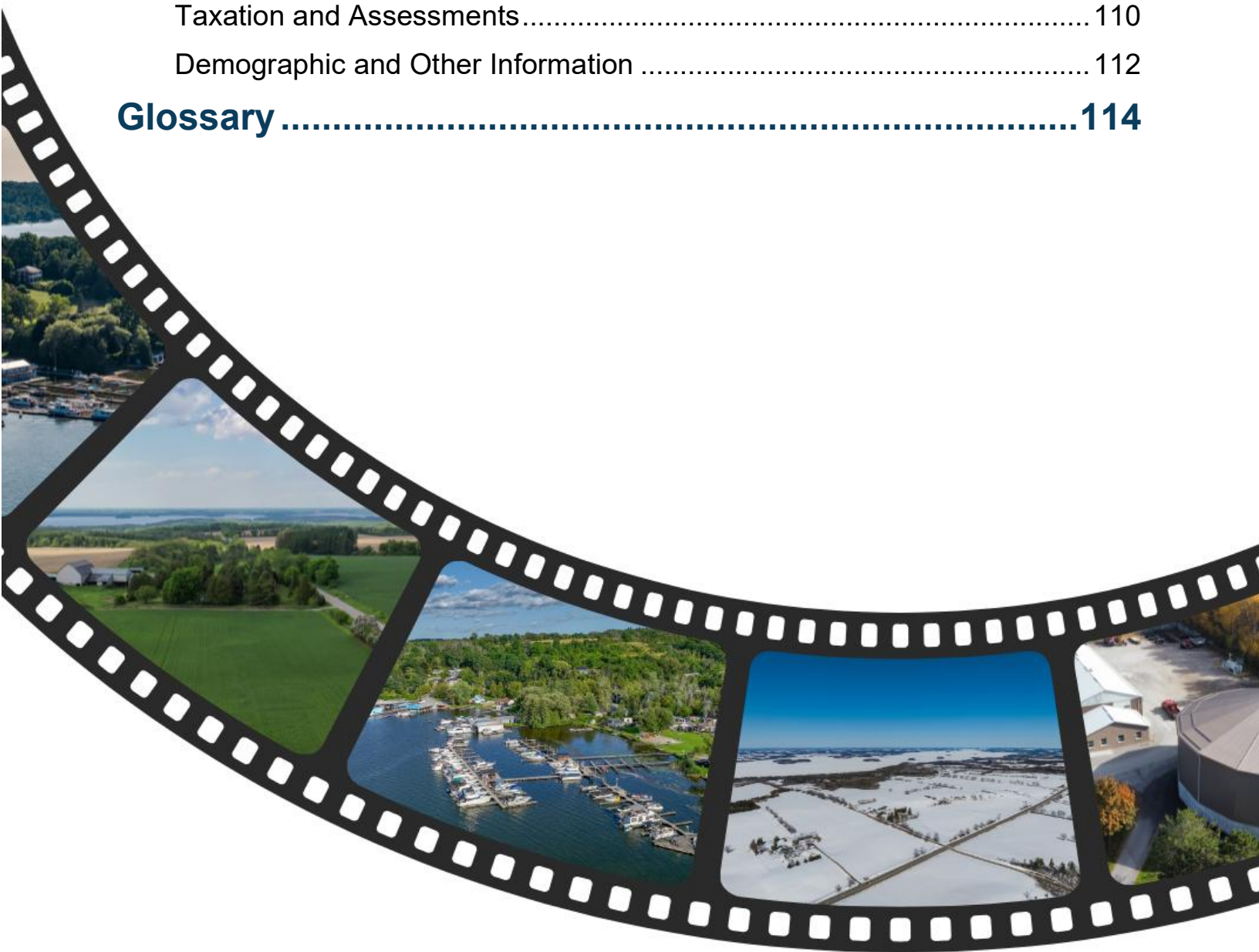
Major Reserves and Reserve Funds Balances ..... 108

Continuity of Long-term Debt ..... 109

Taxation and Assessments ..... 110

Demographic and Other Information ..... 112

## **Glossary ..... 114**





## Executive Summary

The Township of Hamilton is pleased to present its Annual Financial Report, which provides a transparent and comprehensive overview of the Township's financial performance for the year ended December 31, 2024. This report serves as an important accountability tool, offering residents, businesses, Council and, stakeholders' insight into the Township's financial Management practices, the impact of significant economic events, and key accomplishments achieved throughout the year.

The report includes detailed financial information to enhance public understanding of how the Township generates revenue and allocates resources to deliver essential programs and services.

It also incorporates the audited Consolidated Financial Statements, which have been prepared in accordance with the accounting principles and standards established by the Public Sector Accounting Board (PSAB), as issued by the Chartered Professional Accountants of Canada. The preparation and fair presentation of these financial statements are the responsibility of the Township of Hamilton's Management.







# INTRODUCTION

For the Fiscal Year Ended  
**December 31, 2024**

Prepared By:  
**Corporate Financial Services**



# MAKING LIFE BETTER, EVERY DAY



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## Letter from our Mayor



As we look back on 2024, I want to acknowledge the collective effort of Council and our dedicated staff in navigating another year of financial pressures and competing demands. Like many municipalities in Ontario, we faced difficult decisions, but through collaboration, careful planning, and a steady focus on our priorities, we continued to manage our finances responsibly.

Throughout the year, Council worked to balance the need to protect essential services and maintain our infrastructure, while also being mindful of the financial pressures on residents. We looked for efficiencies, pursued funding opportunities, and made thoughtful choices aimed at long-term stability.

This financial report is more than a summary of dollars and cents, it reflects the values that guided our decisions: responsibility, transparency, and a commitment to serving our community well. Together, we will keep working toward a sustainable, resilient, and welcoming community - one step at a time.

*Scott Jibb*

**Scott Jibb, Mayor**  
June 25, 2025



## Letter from our CAO



The Township of Hamilton's 2024 Annual Financial Statements reflect our ongoing commitment to fiscal responsibility, transparency, and delivering value to our residents. We continue to navigate a complex environment shaped by rising costs, infrastructure pressures, and growing community expectations—all while managing within the limitations of a rural tax base.

Despite these challenges, the Township remains in a stable financial position. Through careful stewardship of our operating and capital budgets, we have maintained essential services, advanced critical infrastructure renewal, and supported long-term planning priorities. Council's strategic direction—anchored in financial sustainability, community well-being, and responsible growth—guided staff decisions throughout the year.

Our team remains focused on delivering core services efficiently, whether it is maintaining our roads and parks, providing public safety through our fire services, or supporting recreation and community engagement. We have also taken meaningful steps to strengthen asset Management, modernize internal systems, and build capacity for future challenges- especially during high-demand periods and emergencies.

This report highlights the Township's financial position and performance, but it also reflects the dedication of staff who serve our community. I am proud of the collaborative work being done across departments and with Council to ensure that our community remains a strong, resilient, and welcoming place to live, work, and invest. We are all working together at – Making life better, every day.

**Arthur Anderson, CAO**  
June 25, 2025





## Our Council

The Township of Hamilton is a lower-tier municipality within the County of Northumberland. Serving over 11,000 residents, the Township is responsible for providing key services such as local government administration, roads infrastructure construction and maintenance, drinking water supply to the Creighton Heights and Camborne communities, emergency services, policing, and recreational facilities and parks.

The Township's municipal Council consists of the Mayor, Deputy Mayor, and three councillors who are elected by qualified electors every four years. Together, they are the residents' voice and represent their interests in governing the Municipality.

*Our current members of Council have over 50 years of combined political experience.*



Figure 1: Township of Hamilton Municipal Council 2022-2026. Front L-R: Mayor Scott Jibb, Deputy Mayor Larry Williamson. Back L-R: Councillor John Davison, Councillor Mark Lovshin, Councillor Bruce Buttar.



## Our Township at a Glance

The Township of Hamilton is a rural municipality, a picturesque tapestry of natural beauty and community spirit. Established in 1850, the Township of Hamilton is nestled between Lake Ontario to the south and the tranquil waters of Rice Lake to the north. Featuring 8 charming hamlets - Baltimore, Bewdley, Camborne, Cold Springs, Precious Corners, Plainville, Gore's Landing, and Harwood - each with its own unique character, and with a combined population of over 11,000. The rolling hills of Northumberland provide a backdrop to the Township's vibrant patchwork of farms and diverse wildlife inhabiting the wetlands and Oak Ridges Moraine.

The southern portion of the Township contains the largest population base and is the hub for most commercial and industrial activities, while the northern region blends agricultural and residential areas with a variety of tourism resorts. Bewdley stands out as a haven for anglers, offering some of the finest fishing experiences in Southern Ontario. The Township surrounds the Town of Cobourg to the south, borders the Municipality of Port Hope to the west, and is adjacent to the Township of Alnwick Haldimand to the east. Covering an area of 256.08 km<sup>2</sup> (98.87 sq mi) with a population density of 42.7/km<sup>2</sup> (111/sq mi), the Township is intersected by major transportation arteries, including the Canadian Pacific Railroad, Canadian National Railroad, and Highway 401.

*Whether it's the call of the countryside or the allure of the lakes, the Township of Hamilton is a testament to the enduring charm of rural Ontario.*

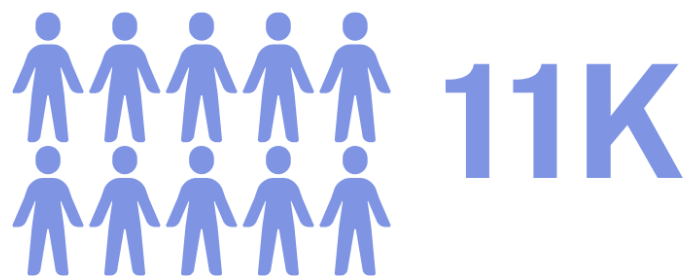




# Our Township

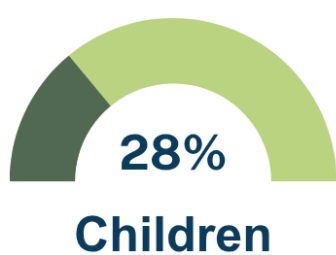
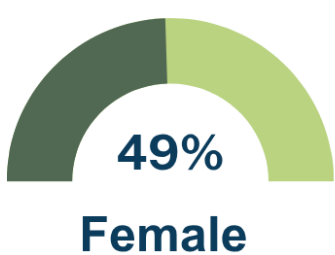
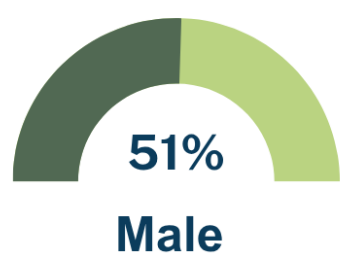


## Population

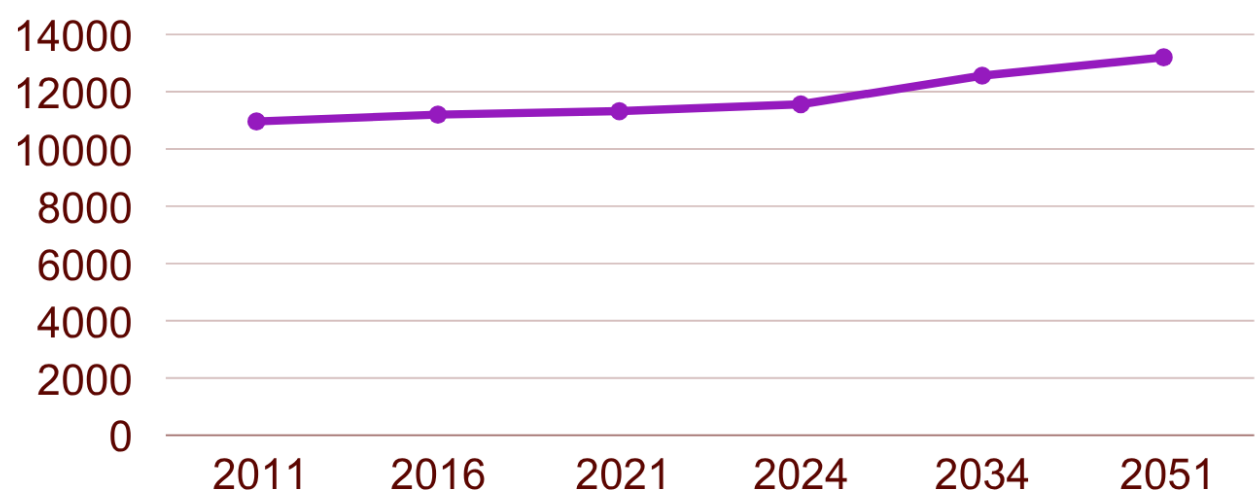


## Top 3 Industries

- Small Business
- Tourism
- Agriculture



## Population Growth Rate





# Local Assessment Base

## 2024 Assessment Data from MPAC



**5456**

Total Properties in Township



**4555** Residential Properties



**730** Farm Properties



**82** Commercial Properties



**54** Special / Exempt Properties



**34** Industrial Properties



**\$1,906,010,700** Total Assessed  
Property Value in Township





# Our Strategic Plan 2023-2026

## A Roadmap for our Future

*The purpose of a Strategic Plan is to guide the decisions and actions of Council and the municipal administration in a way that will shape the direction of our community and be attuned to the needs of the Township's residents and businesses.*

It looks at the overall goals of our community and the strategies necessary to achieve these goals, including the allocation of the human, physical or financial resources of the Township. The Township of Hamilton is committed to its vision, mission, and values as identified in the Township Strategic Plan.

At the June 20, 2023 Council Meeting, Council adopted the **2023-2026 Strategic Plan**. Given the nature of a strategic plan, we have set the overall direction and will bring projects and initiatives forward that meet the plan. We have already identified many of the initiatives that we will be pursuing during the life of this plan, depending upon resources and timing of projects, including weather, lifecycle/replacement of existing assets, etc.

We also recognize that the plan may have to be refined and updated, should events or assumptions change. We are confident that the vision, mission, values, and priorities in this plan will help guide the Township.





## OUR VISION

Making life better everyday by creating a vibrant and sustainable township we are all proud to call home.

## OUR MISSION

To provide effective and efficient services delivered through accountability and respect to promote the social, economic and environmental priorities of our community.

## OUR VALUES

- Accountability & Transparency
- Respect
- Service Focused
- Teamwork
- Inclusive







## Our Strategic Priorities







## Our Core Services

The Township of Hamilton is firmly dedicated to providing exceptional core services to our residents, businesses, and visitors. We are committed to delivering these essential services efficiently and dependably, ensuring they meet the diverse needs of the community we proudly serve. Our focus remains on maintaining public safety, infrastructure, and essential utilities, recognizing their importance in supporting daily life. Through careful planning and resource Management, we strive to enhance the reliability and accessibility of these services. Continuous evaluation and improvement enable us to meet evolving demands while upholding the highest standards of service delivery.

The services provided by the Township encompass key areas such as:

- Planning, building, community services, and finance;
- Road, bridge and drainage infrastructure maintenance, and water supply;
- Snow removal from roads and sidewalks;
- Public parks, green spaces, trails, and recreational facilities; and
- Police services, by-law enforcement, and fire/emergency services.





# Our Organization Structure 2024

Reporting directly to the Chief Administrative Officer (CAO), members of the Senior Management Team provide guidance, strategic direction, and industry expertise to their respective areas. We bring together people with different backgrounds, perspectives, and experiences to better serve our community.

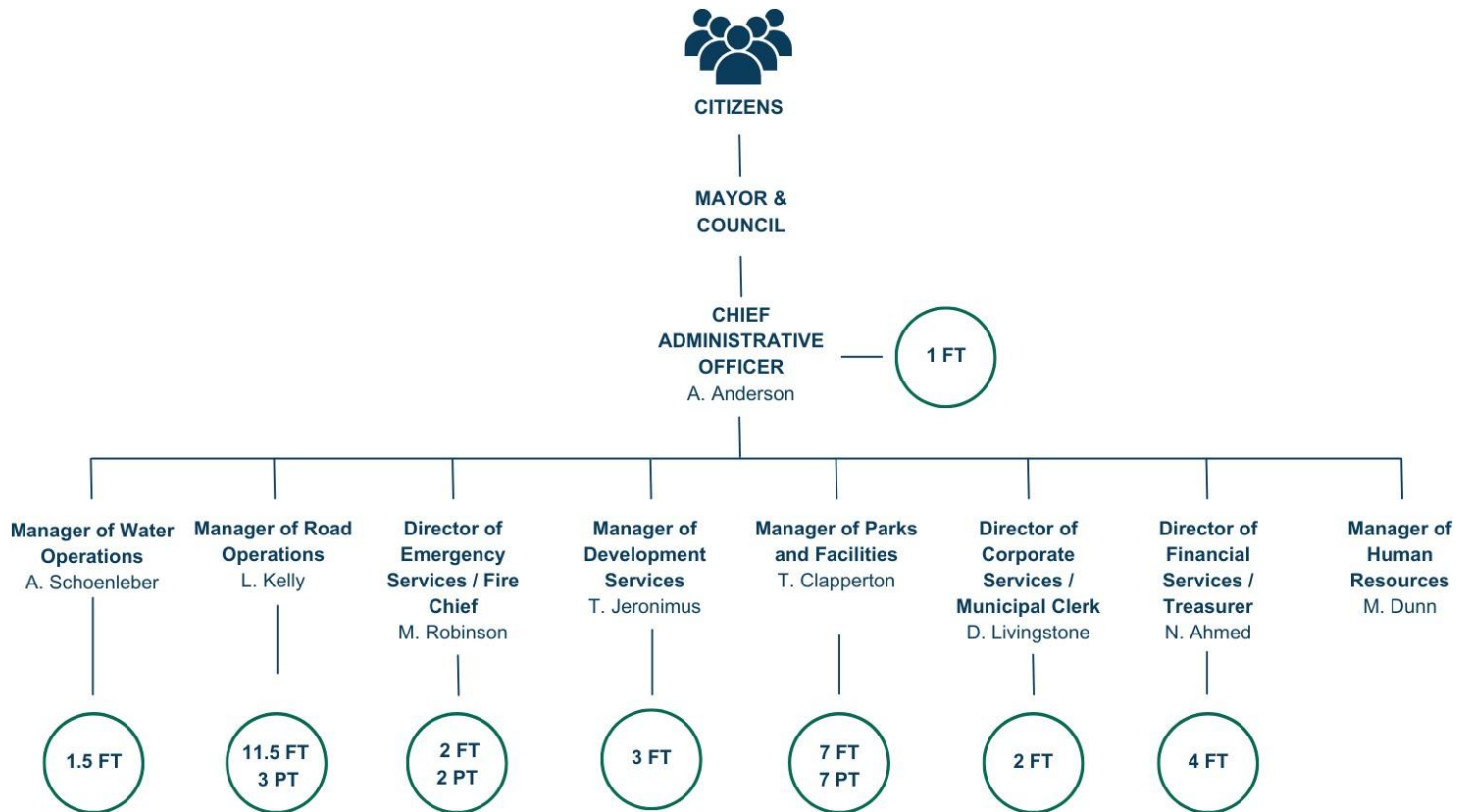


Figure 2: 2024 Organizational Chart



# 2020-2024 Staffing Summary

As the Township continues to grow, maintaining high-quality service delivery is essential to meet the needs of our community. To support this, it is critical to assess our staffing levels and adjust as necessary to keep pace with expanding demands. The table below shows the staffing complement of the Township from 2020 to 2024:

Table 1: Full-Time (FT) and Part Time (PT) Staff Complement 2020-2024

	2020	2021	2022	2023	2024
General Government	10FT	10FT	11FT	11FT	11FT
Road Operations	12.5FT / 1PT	12.5FT / 1PT	12.5FT / 1PT	12.5FT / 1PT	12.5FT / 3PT
Parks and Facilities	7FT / 7PT	7FT / 7PT	7FT / 7PT	8FT / 7PT	8FT / 7PT
Emergency Services	2FT / 3PT	2FT / 3PT	2FT / 3PT*	3FT / 2PT**	3FT / 2PT***
Development Services	3FT	3FT	3FT	4FT	4FT
Water	2.5FT	2.5FT	2.5FT	2.5FT	2.5FT
Total	37FT / 11PT	37FT / 11PT	38FT / 11PT	41FT / 10PT	41FT / 12PT

\* 2022: 58 Volunteer Firefighters

\*\* 2023: 57 Volunteer Firefighters

\*\*\* 2024: 52 Volunteer Firefighters







# Our Departments



Figure 3: Township's Departments

## General Government

Oversees key municipal functions to ensure effective governance, financial stewardship, and community services. It includes Council, which represents residents and develops policies; the Office of the CAO, responsible for leading, guiding, and evaluating municipal activities; Corporate Services, which supports Council and Committees, manages elections, records, communications, IT, and cemeteries; Financial Services, which handles budgeting, tax collection, audits, and financial policies; and Human Resources, which manages recruitment, training, compensation, labour compliance, and employee well-being. Together, these divisions ensure efficient municipal operations and serve community needs.

## Road Operations

Maintains and improves the Township's 299 km of roads while managing a fleet of vehicles and equipment under a long-term replacement plan. The department prioritizes service delivery and customer satisfaction, ensuring roads meet Township and minimum maintenance standards. Its operations include maintaining right-of-ways, roads, drainage systems, conducting winter control operations, installing and maintaining signage, performing surface treatments, asphalt patching, and general street maintenance. In addition, the department oversees long-term planning for roads and storm sewers, manages stormwater systems, inspects road reconstruction projects, and assists with GIS updates and mapping.



## **Our Departments - *continued***

### **Parks & Facilities**

Provides a variety of recreation and active living opportunities by managing and maintaining the parks system, multi-use recreational facilities, community banquet halls, and waterfront parks. Their work includes managing arenas, indoor turf, ball diamonds, courts, trails, and both active and passive parks throughout the Township of Hamilton. The staff collaborates with approximately fifty different user groups and organizations to offer recreational services, and provide programs for residents of all ages, such as youth camps, senior activities, and community events.

### **Development Services**

Manages the Township's Land Use Planning Program, which includes the Official Plan, Secondary Plans, Zoning By-laws, Site Plans, Subdivisions, and related programs. The Secretary Treasurer to the Committee of Adjustment reviews applications for relief from the Zoning By-law, in accordance with the Planning Act.

The By-law Enforcement department's mission is to provide high-quality public service while ensuring compliance with municipal by-laws related to community safety and security. Their work includes enforcing provincial and municipal by-laws, primarily under the Ontario Building Code Act. This involves receiving and tracking complaints, investigating their validity, and enforcing compliance through orders or legal action if necessary.

### **Emergency Services**

Aims to provide the community with optimal protection from fire and other public safety hazards. Under the Fire Protection and Prevention Act (FPPA), municipalities are required to establish a fire safety education program and offer other fire protection services based on local needs and circumstances. This includes public education on fire safety and certain aspects of fire prevention.

### **Building**

Provides high-quality public service, ensuring compliance with building regulations and by-laws while working with the public and the building industry to create a safe, sustainable, and accessible environment. Their responsibilities include reviewing plans, issuing permits, conducting inspections to ensure compliance with the Ontario Building Code, setting fees to cover associated costs, and enforcing compliance through investigations and orders when necessary. The department is focused on continuously improving service quality, efficiency, and innovation to address increasing complexity and regulatory changes in permit activities.



## Our Departments - *continued*

### Water Operations

Responsible for the treatment and distribution of safe drinking water through compliance with all relevant Ontario legislation. Our department is committed to continuous improvement initiatives and preventative maintenance to enhance the operation of our Drinking Water Systems. The Water Department and any Staff within the Township that support the Water Department, are highly dedicated to providing the safest drinking water, utilizing every precious dollar from the Rate Payers in the most efficient way.







# Our 2024 Key Accomplishments

## Strategic Priorities - People

- Spearheaded workforce and culture improvement initiatives to position the Township as an employer of choice, with ongoing implementation of Betterworks, our tool for employee performance and engagement.
- Supported Council and volunteers through the administration of Council and committee meetings.
- Ensured training opportunities at all levels are being achieved across the organization, using various methods including educational programs.
- Implemented the Council Chambers Renovation to remove barriers for all residents through the Enabling Accessibility Fund.
- Reviewed and developed a new staff performance Management process.
- Developed and implemented a staff training plan, outlining required training for each position, and ensure staff are up to date on mandatory training requirements.
- Provided ongoing corporate communications support through enhanced social media and local media presence.
- Completed Multi-Year Accessibility Plan with support of the Accessibility Advisory Committee.
- Reviewed and updated all job descriptions and completed the Pay-Equity Review.
- Completed over 100 hours of practical fire training in-house, as well as attending conferences, seminars and outside training events.





## Our 2024 Key Accomplishments - *continued*

### Strategic Priorities - Community

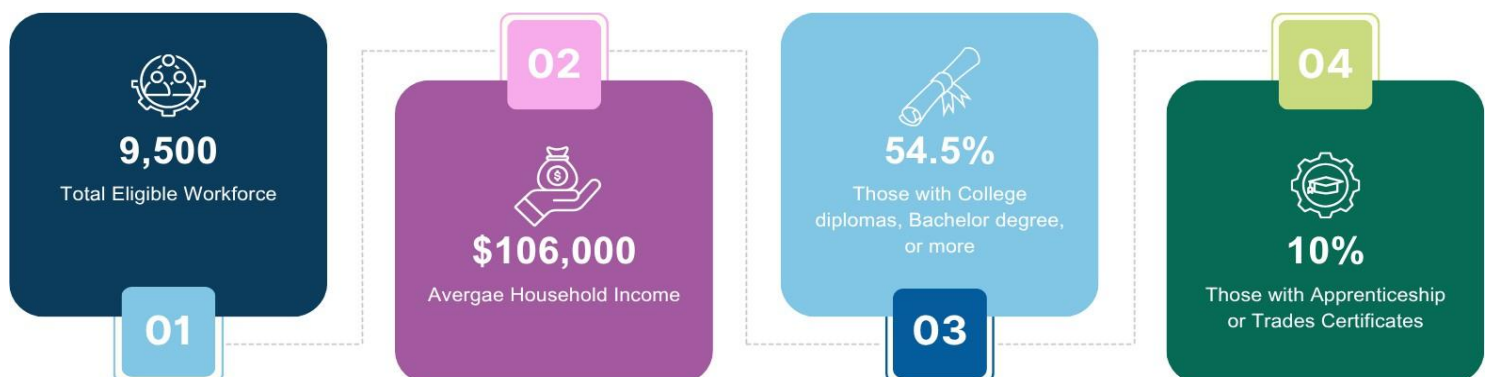
- Promoted and pursued Economic Development for the Township, including promoting the Township in community-oriented publications, servicing discussion with owners, land development opportunities, among others. Contacted County of Northumberland Tourism to ensure local businesses are identified and promoted. Participated in Rural Economic Development Summit.
- Collaborated with staff to deliver key operational improvements to the organization to capitalize on investment and the of efficiency investments, including first phase of modernizing the Council Chamber to ensure meetings can be run seamlessly and effectively for accessible on-site and hybrid meetings in the future.
- Second Annual successful Community Recognition Awards Event and Program to support Council's objectives to honour outstanding residents and volunteers within our community.
- Prioritized an organization-wide commitment to customer service, improving our outreach through social media, website and surveys, and clearing service requests submitted to the Township.
- Obtained a Trillium Grant for the purchase of a new accessible playground at Laurel Park. This playground was installed in July of 2024, and the Grand Opening was celebrated with MPP David Piccini in August.
- Collaborated with colleague municipalities to ensure ongoing discussions on issues of mutual interest – Economic Development and High-Speed Internet, among others.
- Drafted Communications Plan with input from community stakeholders, and Township departments.
- Worked with neighbouring fire departments to our Municipal borders to continue creating Automatic Aid agreements to provide emergency response to our residents on the fastest and most efficient manner.
- Operated a 9-week summer day camp program out of the Baltimore Recreation Centre. These camps included specialty camps with the Fire Dept and a Chiefs Camp. All camps featured games and activities, including weekly visits from the Cobourg Library.



# Our 2024 Key Accomplishments - *continued*

## Strategic Priorities - Effective Governance

- Provided Council with ongoing guidance, advice and support on overall direction of the municipality – through over 125 meetings, including several Council education initiatives, presentations, various discussions and memos during the year.
- Held regular meetings with leadership staff and organization-wide meetings and gatherings with all staff to provide updates on major initiatives and activities.
- Completed a thorough review of existing policies and procedures, led by HR to develop a policy framework to streamline and provide improved effective and efficient governance, updating 50% of existing policies and regulations, including Health and Safety organizational policies.
- Pursued installation of high-speed internet connections at several facilities to improve productivity, reliability and accuracy of our systems.
- Received the Government Finance Officers Association's (GFOA's) [Distinguished Budget Presentation Award](#) for the 2023 and 2024 Budget packages.
- Implemented HR process maps to ensure consistency.
- Worked with staff and Council to obtain a timely, approved Budget that met the needs of the organization in 2024 and managed costs and expenditures throughout the year.
- Procured of a new website for 2025 implementation to improve user accessibility and experience.
- Implemented Policy & Procedure Framework including establishing annual review of departmental policies, including those required under section 270 of the *Municipal Act*.
- Continued to improve our Public GIS portal and with the help of Northumberland County, several enhancements were made including a brand-new street view option.







# Our 2024 Key Accomplishments - *continued*

## Strategic Priorities - Environment

- Received 100% rating for both Camborne and Creighton Heights Water Treatment Systems Annual Ministry of Environment Inspections.
- Application to the Provincial Fire Protection Grant focusing on cancer prevention for Firefighters.
- Completed the Stormwater Master Plan was received for the Baltimore Area.
- Completed Phase 1 of Stormwater Network Assessment.
- Creighton Heights Raw Water Quality Pilot Study is ongoing with Walkerton Clean Water Centre Staff and is showing good preliminary results in the removal of naturally occurring ammonia. By removing the naturally occurring ammonia upstream of the disinfection process, we will improve aesthetic quality of the drinking water.
- Added a new puzzle collection through Library Services expanding environmentally friendly leisure activities for residents.





## Our 2024 Key Accomplishments - *continued*

### Strategic Priorities - Development

- Completed an official plan amendment which will incorporate alternative notice provisions for Planning Act applications into the Township Official Plan.
- Launched the Cloudpermit planning module internally for all 2024 minor variance applications.
- Brought forward a major Housekeeping Zoning By-law Amendment with a Public Meeting in October and adoption in December.
- Completed all inspections and plan reviews well within the regulated timeframes for all proposed development.
- Partnered with the other 6 fire services in Northumberland County, to work on the final stages of the radio communications transitioning to a digital system.
- Tested Tanker Shuttle Accreditation ensuring an industrial rating of 657 gallons per minutes/2,987 litres per minutes. This accreditation provides assurance that adequate water can be brought to a fire incident from an alternate water supply other than a fire hydrant on a Municipal Water System.
- Completed hydrant testing to identify the flow ratings as per NFPA standards.
- Updated the 2019 Road Needs Study.

# 2024 SNAPSHOT



125 meetings  
supported



22.3 km of road  
repairs



131 building permit  
applications



52k Township  
website views



2000+ social  
media followers



2500 library card  
holders



500+ building  
inspections



10+ new fire  
recruits



300 emergency  
response activations



8 marriage  
licenses issued



38 planning  
applications



150 library  
programs offered



1599 service  
requests completed



953 campers  
registered



5 staff training  
events



113 hours per week  
of booked ice time



100+ new email  
subscribers



87 indoor turf  
birthday parties



5 staff positions  
filled



124 hall  
rentals





# 2024 MEMORIES





# FINANCIAL STATEMENT DISCUSSION & ANALYSIS

For the Fiscal Year Ended  
**December 31, 2024**

Prepared By:  
**Corporate Financial Services**





# EFFECTIVE AND EFFICIENT SERVICES DELIVERED THROUGH ACCOUNTABILITY AND RESPECT



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## Letter from our Treasurer

Nusrat Ahmed  
June 30, 2025



*Nusrat Ahmed*

I am pleased to present the Consolidated Financial Statements for the Township of Hamilton for the fiscal year ended December 31, 2024. These statements, along with their accompanying notes, have been prepared in accordance with Canadian Public Sector Accounting Standards (PSAS), as published by the Chartered Professional Accountants of Canada.

The preparation and integrity of the information contained in the Township's 2024 Annual Financial Report—including the Consolidated Financial Statements, related notes, and supplemental financial information—is the responsibility of Township's Management.

The purpose of the Treasurer's Report is to provide a narrative overview and analysis of the Township's 2024 financial results. This includes a review of key financial indicators, explanations of significant changes from the prior year, and insights into financial trends. It is intended to inform residents, businesses, and other stakeholders about the financial condition of the Township and to support evidence-based decision-making by Council.

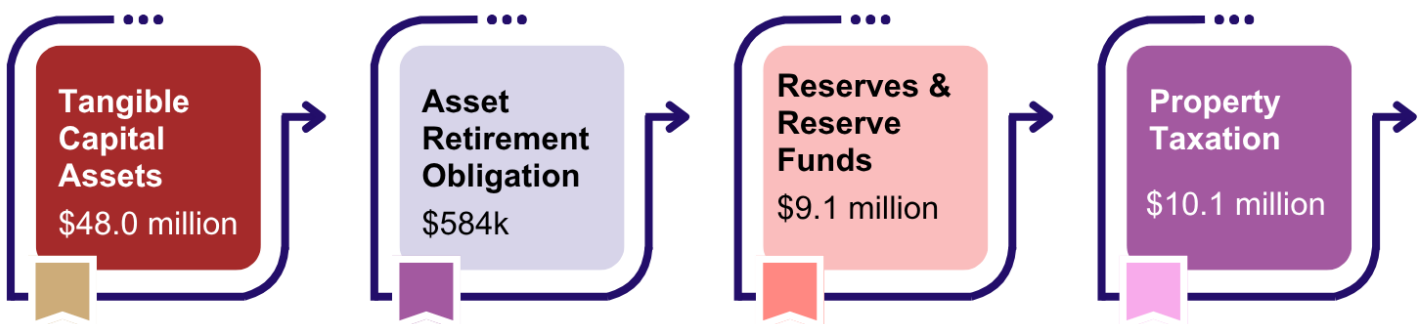
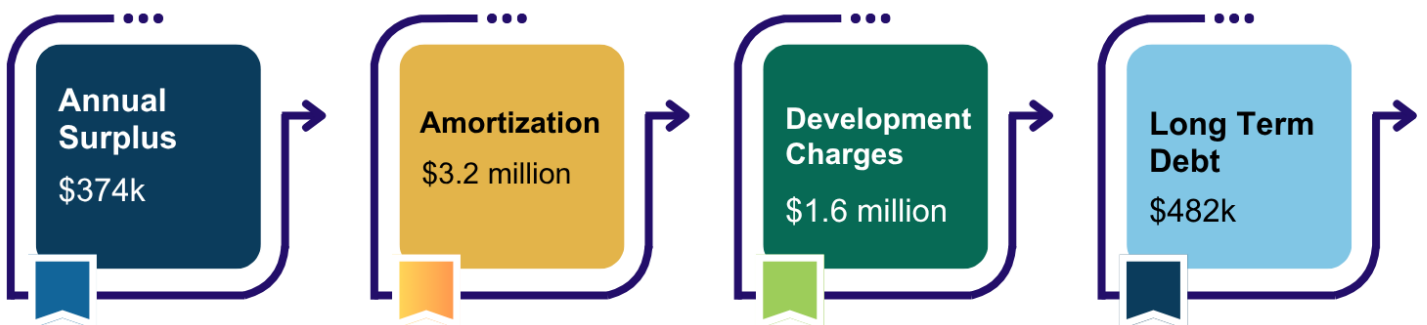
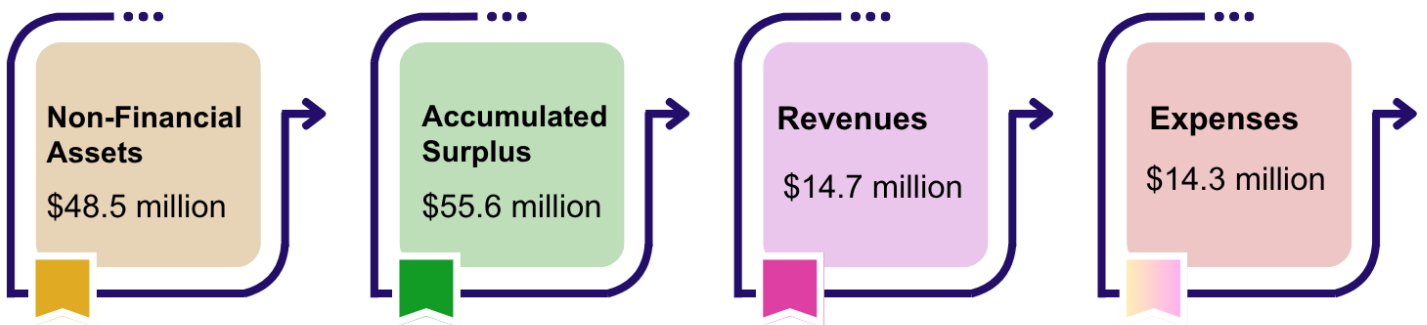
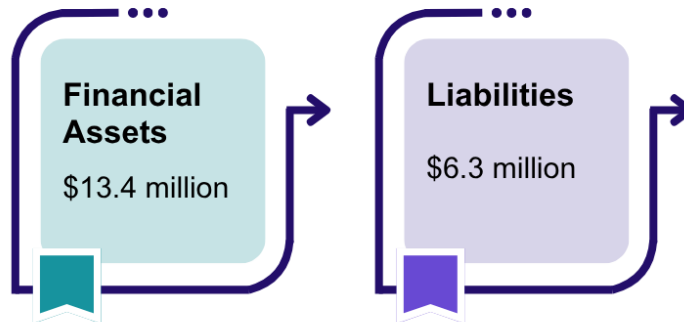
The Township maintains a robust interim financial reporting process, with financial updates presented to Council on a quarterly basis. These updates include variance reports that compare actual revenues and expenditures against the approved budget. Where variances suggest a potential year-end deficit, corrective actions are promptly implemented to ensure financial balance is maintained.

Pursuant to the *Municipal Act*, the Township Council appoints an independent auditor to review the annual financial statements. For the 2024 fiscal year, Baker Tilly KDN LLP served as the Township's external auditors. Their role includes expressing an independent opinion on whether the consolidated financial statements present fairly, in all material respects, the financial position and results of operations for the Township.

The Township remains committed to prudent financial Management, long-term planning, and the responsible stewardship of public funds. The 2024 financial results demonstrate meaningful progress in advancing Council's strategic priorities while upholding the principles of transparency and accountability. We stand firmly behind our commitment to building a resilient and financially sustainable future for our community.



# 2024 at a Glance





# Economic Outlook and Risk Management

## Economic Outlook

### Economic Factors

The Township's expenditures are increasingly driven by complex economic forces that extend well beyond general inflation, with costs frequently outpacing the Consumer Price Index (CPI). Escalating expenses in critical areas—particularly insurance premiums, utilities, and long-term contractual obligations—have introduced sustained fiscal pressures that demand active and strategic Management.

Compounding these internal pressures are persistent labour shortages and global supply chain disruptions. These challenges continue to impact the Township's ability to execute capital projects on schedule and within budget, resulting in cost overruns and uncertainty in both operational and long-term planning.

In addition to these domestic challenges, the Township's financial environment remains highly sensitive to global market conditions. Unpredictable shifts in the international economy—such as fluctuating commodity prices, interest rate volatility, and evolving trade policies—pose ongoing risks to fiscal stability. In particular, the proposed increase in U.S. tariffs on a wide range of imported goods is generating significant economic uncertainty.

If implemented, these tariffs are expected to increase the cost of essential supplies and contracted services, while further straining already fragile supply chains. The ripple effects of such changes may lead to additional project delays and rising capital costs, intensifying the financial burden on municipal operations.

Taken together, these interrelated economic challenges highlight the importance of continued strategic financial planning. The Township remains committed to prudent fiscal stewardship, adapting to external pressures while ensuring uninterrupted delivery of core services and the long-term sustainability of its financial position.

### Financial Limitations

Municipalities face increasing financial pressures as they work to balance budgets with limited revenue-generating options. This challenge is compounded by the need to maintain existing service levels for residents.





## Legislative Requirements

Recent changes in provincial legislation and public sector accounting standards have had significant financial and operational impacts on municipalities, including the Township.

One such change is the inclusion of volunteer firefighters in the Ontario Municipal Employees Retirement System (OMERS), which carries long-term implications for municipal budgeting and pension liabilities.

In addition, updated Public Sector Accounting Standards (PSAS) related to performance obligations and revenue recognition came into effect in 2024. This change required a re-evaluation of how certain revenues are reported and resulted in a \$203,000 reduction to the Township's previously reported surplus.

Earlier, in January 2023, the Township also implemented another PSAS update related to Asset Retirement Obligations (ARO), which mandates recognition of future costs associated with retiring tangible capital assets. As a result, the Township recognized a \$572,000 increase in both its asset retirement liability and building assets due to the need to remediate asbestos at several sites prior to disposal or sale.

Together, these changes underscore the evolving regulatory environment municipalities must navigate and highlight the importance of proactive financial planning and compliance.

## Strategic Priorities

The 2024 expenses reflect the integration of the Township's Strategic Plan, Master Plan recommendations, and the Organizational Review. This alignment ensures that strategic planning remains a core component of the budgeting process, directing financial resources toward overarching organizational goals.

## Long-Term Planning

The Township's long-term financial strategy, including the Fire Master Plan, Parks and Recreation Master Plan, Organization Master Plan, Official Land Use Plan, Strategic Plan, and [Asset Management Plan](#), ensures that the Township is prepared to meet future demands without overburdening reserves, supporting sustainable growth and infrastructure Management well into 2026 and beyond.

## Risk Management

In response to increasing economic volatility, legislative changes, and operational uncertainties, the Township continues to strengthen its risk Management practices. This includes enhanced financial forecasting, scenario analysis, and contingency planning to proactively address external pressures and safeguard long-term fiscal sustainability.



## Financial Management Policies

The Township has established a series of financial Management policies that provide a framework for effective fiscal planning and stewardship. These policies support proactive budgeting, financial reporting, and risk Management practices. While provincial legislation governs key areas such as development charges, debt issuance, accounting, and financial reporting, the Township has implemented complementary bylaws, policies, and controls to ensure compliance and enhance accountability. These measures address a wide range of financial activities, including borrowing, managing reserves, investing funds, procuring goods and services, and levying development charges.

The Township is in compliance with the reporting guidelines required by the Ministry of Municipal Affairs and Housing.

*Staff regularly provide financial reports to Council in various forms, including financial status reports. These comprehensive, easy-to-read reports enable Council and the public to understand how their tax dollars are spent and how the Township has performed against budget.*

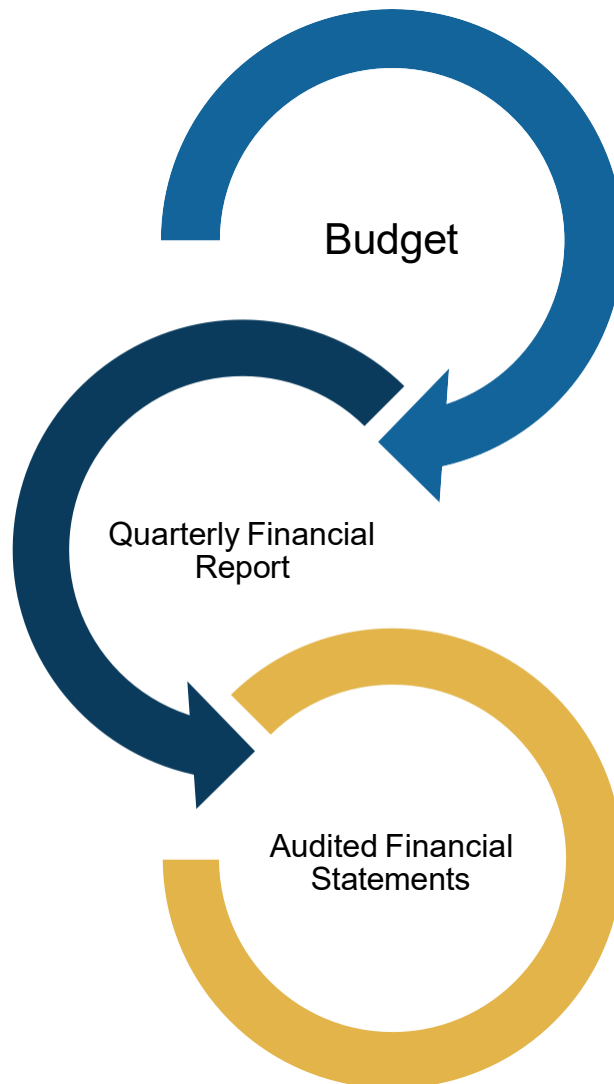
Council has approved policies for prudent financial Management to ensure that public funds are being used in an optimal manner. Examples of financial policies includes:

Annual Budget Process Policy	• The purpose of the Annual Budget Process policy is to ensure consistent guidelines and understanding of the municipality's budget process ensuring that Council's priority of service delivery to the residents of the Township is being met and <b>balanced budget</b> is presented.
Procurement Policy	• The Municipal Act, 2001 requires that all municipalities adopt policies with respect to its procurement of goods and services. This policy ensures that the process for all purchasing is open, honest, transparent, fair, impartial and accountable.
Debt Management Policy	• A debt policy sets forth the parameters for issuing debt and managing the debt portfolio. It rationalizes the decision-making process, identifies objectives for staff to implement, and demonstrates a commitment to long-term financial planning objectives.
Reserve Policy	• The Municipal Act, 2001, Section 293 provides that a municipality's budget shall set out amounts to be paid into and out of reserves.
Tangible Capital Assets Policy	• This policy establishes standards on how to account for and report TCAs in the financial statements of the Township of Hamilton.
Asset Management Policy	• This policy is to provide leadership in and commitment to the development and implementation of the Township's asset management program.



## Our Reporting Process

The Township's financial reporting process begins with the approval of the annual budget by Council, which establishes the financial plan and spending authority for the year. Throughout the year, staff prepare and present quarterly financial updates to Council to provide transparency on budget performance and to highlight any emerging financial issues or trends. At year-end, the consolidated audited financial statements are presented to Council, ensuring accountability and compliance with legislative requirements and public sector accounting standards.







## Budget

### Preparation

The Township's budget preparation is a crucial initiative led by the administration, serving as a plan to allocate resources for Council's strategic priorities. Departments initiate the process by analyzing the previous year's budget, quarterly financial reports, and year-to-date actuals to identify trends and service efficiencies.

This comprehensive approach ensures informed allocation of resources, fostering progress, and aligning financial strategies with the Township's strategic goals. The Township also utilizes a budget survey to give ratepayers an opportunity to share their ideas on the upcoming budget.

### Review

The budget review process involves a thorough staff-level examination, balancing service delivery and capital Management within fiscal constraints and long-term sustainability. It safeguards core services for ratepayers while fostering the development of cost-saving strategies and efficiencies within the Township.

### Approval

The budget approval process consists of Council assessing both operating and capital budgets presented by staff. This comprehensive review is an integral part of the budget approval process, ensuring transparency and accountability in financial decisions that impact the community's well-being and development.

### Amendment to Budget after Approval

Occasionally, amendments to the budget may be necessary after its adoption. The process for amending both the capital and operating budgets is outlined as follows:

- The Chief Administrative Officer (CAO) and the Treasurer are authorized to approve a contract award and execute the corresponding agreement on behalf of the Township, provided that any purchase does not exceed the **capital budget** by the lesser of 10% of the approved capital budget or \$10,000. All such approvals shall be reported to Council on an annual basis. If the lowest compliant quote or bid exceeds the approved capital budget by more than \$10,000, Council approval is required prior to awarding the contract. Upon Council approval, the capital budget shall be formally amended to reflect the revised project cost.
- The **operating budget** cannot be amended post-adoption, as modifications to the tax rate are not permitted.



## Quarterly Financial Reports

Council receives financial updates on a quarterly basis, detailing actual expenditures and revenues to date, in comparison to the approved annual budget. Any significant variances between actual and budgeted figures are communicated and a mitigation plan is reported to Council.

## Audited Financial Statements

The Township publishes an annual report that provides a transparent and comprehensive overview of its financial performance. This report ensures accountability and transparency to residents and businesses by outlining key financial Management policies, significant economic events, and the Township's achievements for the year.

It also includes Audited Financial Statements prepared in accordance with the financial reporting principles and standards set by the Public Sector Accounting Board, as prescribed by the Chartered Professional Accountants of Canada.





## Average Property Tax Bill Distribution

Property assessments are not determined by the Township. The [Municipal Property Assessment Corporation \(MPAC\)](#) is responsible for managing a standardized, province-wide property assessment system in accordance with the Assessment Act. MPAC establishes the current value and classification of all properties in Ontario, which is reflected in the property assessment notice sent to property owners and in the annual Township property tax bill. Property taxes are a vital source of funding for municipalities, upper-tier governments, and local school boards. The Township collects these taxes on behalf of [Northumberland County](#) and the Province of Ontario for educational purposes.

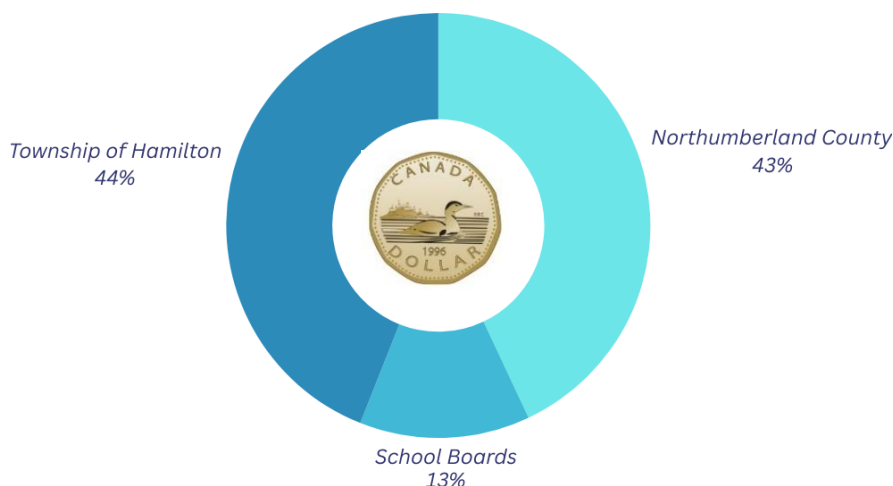
*For every dollar the Township collects in property taxes, \$0.44 remains with the Township, with the rest is allocated to Northumberland County (\$0.43) and local school boards (\$0.13).*

The portion allocated to the Township supports public safety, infrastructure development and maintenance, recreation programs, park maintenance, roads maintenance and various other municipal services.

Upper-tier's funds typically go towards large-scale projects and services that benefit the broader area such as community and social services/housing, transportation infrastructure, paramedic, and waste Management.

Local school boards receive property tax funds to cover the operating expenses of educational institutions, infrastructure maintenance and development, educational and extracurricular programs, and technology acquisition for schools.

In 2024, the County of Northumberland and the School Boards issued requisitions requiring the Township to levy and collect property taxes on their behalf. The amounts collected and subsequently remitted are as follows:



***County (\$9.8 million) & School Boards (\$3.0 million)***





## Township

- Building Permits
- Business & Marriage Licenses
- Fire and Emergency Services
- Library
- Local Roads & Sidewalks
- Winter Maintenance
- Planning and Building
- Parking
- By-Law Enforcement
- Property Tax Billing
- Police Services
- Recreation and Events
- Parks and Trails
- Facilities
- Water Supply

## Who does what?

## County

- Affordable Housing & Homelessness
- County Roads & Road Permits
- County Forest
- County-Wide Land Use Planning
- EarlyON Centres & Child Care System Planning
- Municipal Long-Term Care Home
- Paramedics
- Plumbing & Septic Inspections
- Provincial Offences Court Services
- Social Services
- Waste Collection



## GFOA Distinguished Budget Presentation Award



The Township's 2024 Budget package received the Distinguished Budget Presentation Award from the [Government Finance Officers Association \(GFOA\)](#). This marks the second consecutive year the Township has applied for and received this award, a significant achievement given the requirements for effective budget presentation.

*This prestigious award is the highest form of recognition in governmental budgeting and represents a major accomplishment for the Township. In addition to receiving the Distinguished Budget Presentation Award, the Township's 2024 Budget Package has earned special recognition for its budget process.*

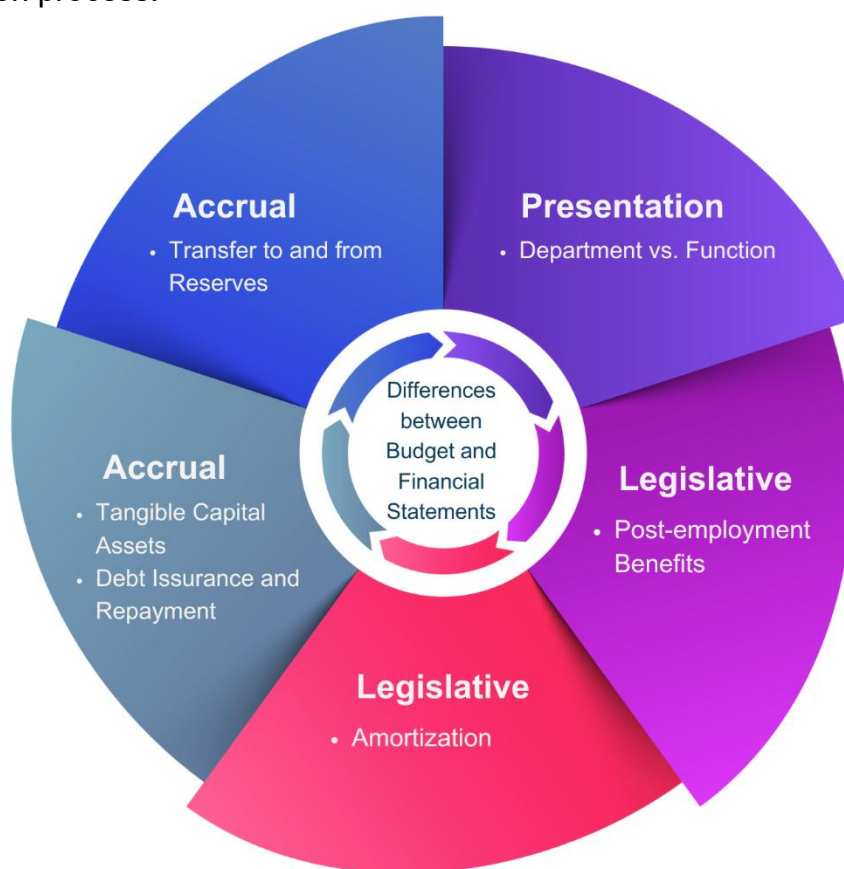
This award reflects the dedication of Council and staff to upholding the highest standards of transparency and fiscal responsibility. To qualify, the Township's budget had to meet nationally recognized guidelines for effective budget presentation in key areas, including policy, financial planning, operations, and communication.



## Approved Budget Compared to Financial Statements

In December 2023, Council approved a balanced 2024 budget. The budget is prepared on what is called the “modified accrual basis” of accounting. This approach looks mainly at expected cash inflows and outflows and uses the property tax levy to achieve a balance between them. This is different from the “full accrual” treatment used for the Consolidated Financial Statements, which are prepared in accordance with standards set by the Public Sector Accounting Board.

As a result of the differing approaches used in preparing the annual budget and reporting actual financial results, a reconciliation is required to compare actual operating results to the budget plan. This reconciliation accounts for key differences in methodology and timing between the budget and the Audited Financial Statements. The graphic below outlines these differences and illustrates how they are addressed in the reconciliation process:



There are primary differences between the modified accrual budget and the full accrual-based budget in the audited statements: presentation - treatment of related entities, legislation, and accrual.





## Presentation

- In line with provincial requirements, the financial statements provided in the Township's annual report present expenses by function rather than by department. However, the budget is presented by department.

## Legislative

- Ontario Regulation 284/09 under the *Municipal Act* allows municipalities can exclude from the budget expenses that do not require an immediate outlay of cash, provided that Council is informed of these exclusions and their impacts.
- Two key expenses that fall into this category are amortization of capital assets and post-employment benefits, both of which must be included in reporting under full accrual treatment.

## Accrual

- Under the full accrual method, qualified capital spending on tangible capital assets must be capitalized and amortized over the useful life of the asset instead of recognizing the entire cost in the year it occurred.
- Transfers from reserves are not considered revenues under full accrual accounting. This reduces budgeted revenues, thereby reducing the annual surplus.
- Transfers and contributions into reserves and principal debt repayments are not considered expenses under full accrual accounting, so they are removed from expenses. This reduces budgeted spending, thereby increasing the surplus under full accrual basis.

In summary, the modified accrual basis budget provides much of the same information as the full set of financial statements in the annual report. It offers decision-makers and other readers a clear picture of expected cash resources, the tax levy required, and the allocation of resources to capital and operational activities to meet both current and future needs. Budget figures also highlight changes from the previous year, which helps to illustrate anticipated annual increases or decreases in spending.



## Consolidated Financial Statements

The Township of Hamilton is pleased to present the 2024 Consolidated Financial Statements. Section 294.1 of the *Municipal Act* requires municipalities to prepare annual financial statements in accordance with Generally Accepted Accounting Principles (GAAP) for local governments, as recommended by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada. These statements are the responsibility of Management, who ensure they are prepared fairly and accurately, with appropriate internal controls in place to safeguard the integrity of the financial reporting process. The audited statements serve as a key measure of the Township's financial position and performance, and the 2024 results reflect our continued commitment to strong leadership, responsible financial planning, and sound fiscal Management.

*Section 296 (1) of the Municipal Act, requires that all municipalities appoint an auditor licensed under the Public Accounting Act, who is responsible for annually auditing the accounts and transactions of the municipality and its local boards and express an opinion on the financial statements of these bodies based on the audit.*

The 2024 consolidated financial statements have been audited by Baker Tilly KDN LLP, Chartered Professional Accountants, in accordance with Canadian Generally Accepted Auditing Principals. The statutory auditor's role is to provide an independent opinion on the fair presentation of the Township's financial position and operating results as stated in the Financial Report, and to confirm that the statements are free from material misstatements. Additionally, the auditors are responsible for advising Management and Council on any control or operational issues identified during the audit.

*In the auditor's opinion, the 2024 consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Township as at December 31, 2024, and the results of its consolidated operations and its consolidated cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.*



# Components of the Financial Statements

The Township's financial statements provide a comprehensive view of its financial position as of December 31, 2024. They highlight changes from the previous year and, where applicable, compare actual results to the budget. The accompanying notes are an integral part of the Township's financial reporting, offering additional context and details.

*These Consolidated Financial Statements are prepared using the full accrual basis of accounting, whereby revenues are recorded when earned, and expenses are recognized as they occur.*

The Township's Audited Financial Statements include:

## Consolidated Statement of Financial Position

This statement serves as the Township's balance sheet, outlining its assets, liabilities, and accumulated surplus as of year-end.

## Consolidated Statement of Operations

This statement details the Township's revenues and expenses for the year. The net difference results in either an annual surplus or deficit, which in turn affects the accumulated surplus.

## Consolidated Statement of Change in Net Financial Assets

This statement reconciles changes in the Township's net financial assets compared to the previous year.

## Consolidated Statement of Cash Flow

This statement outlines the Township's cash inflows and outflows, demonstrating how funds were generated and used throughout the year. It also presents the net change in cash and cash equivalents by year-end. It serves as the reconciliation from accrual basis accounting to cash basis.





# Our Financial Year in Review

The Financial Highlights have been extracted from the Township's Audited Consolidated Financial Statements.

## Consolidated Statement of Financial Position

The **Consolidated Statement of Financial Position** presents a snapshot of the Township's balance sheet as of December 31, 2024. It provides an overview of the Township's financial and non-financial assets, including tangible capital assets, as well as its obligations in the form of liabilities, such as long-term debt.

*Since the Township's total assets exceed its liabilities, the 2024 statement reflects an accumulated surplus, demonstrating the Township's strong financial position.*

The highlighted sections below provide a summary:

Table 2: Township's Statement of Financial Position

	2024	2023	Variance	% Change
Financial Assets	\$ 13,365,554	\$ 11,618,144	\$ 1,747,410	15%
Liabilities	6,292,273	5,782,313	509,960	9%
<b>NET FINANCIAL ASSETS</b>	<b>7,073,281</b>	<b>5,835,831</b>	<b>1,237,450</b>	<b>21%</b>
Tangible capital assets	48,031,288	49,164,954	(1,133,666)	-2%
Prepaid expenses	353,614	252,655	100,959	40%
Inventories of materials and supplies	151,841	186,105	(34,264)	-18%
<b>NON-FINANCIAL ASSETS</b>	<b>48,536,743</b>	<b>49,603,714</b>	<b>(1,066,971)</b>	<b>-2%</b>
<b>ACCUMULATED SURPLUS</b>	<b>\$ 55,610,024</b>	<b>\$ 55,439,545</b>	<b>\$ 170,479</b>	<b>0.3%</b>



## **FINANCIAL ASSETS INCREASED BY 15%**

The Township's financial assets include cash, investments, accounts receivable and taxes receivable. The Township financial assets totaled \$13.4 million at the end of 2024, up by \$1.7 million or 15% from previous year.

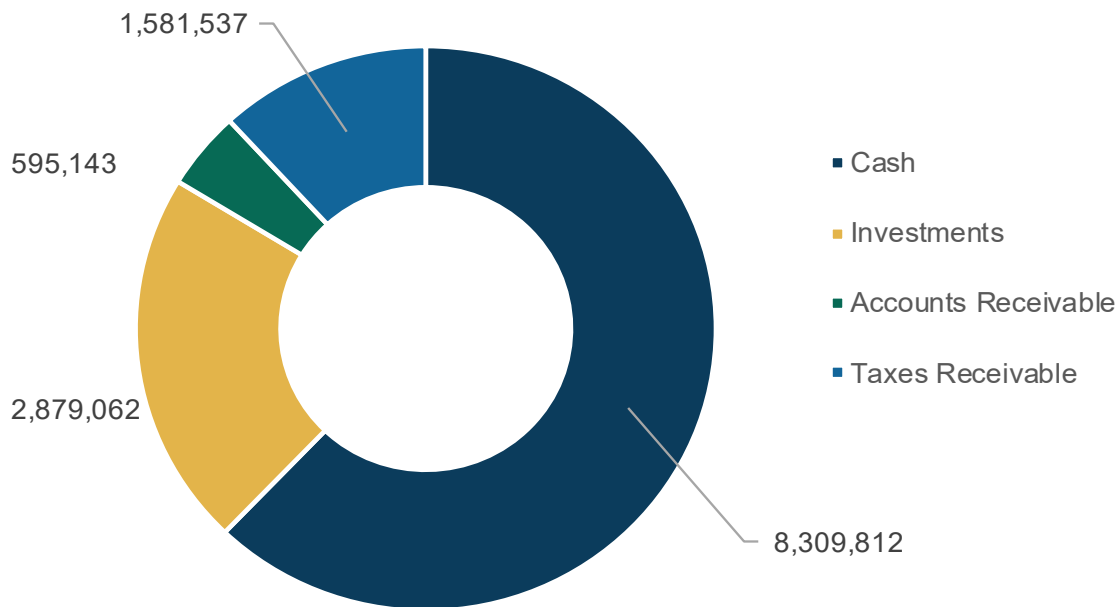


Figure 5: Financial Assets Distribution

### **Cash**

The Township of Hamilton experienced a notable improvement in its cash position in 2024, closing the year with \$8.3 million in cash—up \$1.39 million from 2023. This shift reflects significantly stronger operating cash flows of \$3.7 million, up from \$2.9 million the previous year, driven by a higher annual surplus and a substantial reversal in working capital pressures—particularly a \$408k increase in accounts payable and lower buildup in inventories and receivables. Capital expenditures were down to \$2.2 million (from \$3.5 million), helping to preserve liquidity without reliance on new debt financing. This has led to a strong Statement of Cash Flow for the Township.

### **Investments**

In 2024, investments totaled \$2.9 million, reflecting an increase of \$146k from 2023. This growth was driven by a combination of higher reserve balances, reinvestment of interest income, and the receipt of grant funding ahead of planned expenditures. Additionally, the timing of certain capital projects temporarily increased available funds, allowing the Township to invest more.

These factors, combined with a continued focus on prudent financial management, supported the Township's strategy of securing optimal returns without compromising liquidity or safety.



## Accounts Receivable

Accounts Receivable totaled \$595k in 2024, compared to \$619k in 2023, reflecting a modest decrease of \$24k. This decline is primarily due to more timely collections, improved billing processes, and reduced outstanding balances from user fees. The Township's continued efforts to enhance receivables management contributed to this positive trend.

## Taxes Receivable

Taxes Receivable totaled \$1.6 million in 2024, up from \$1.3 million in 2023, representing an increase of \$235k. This increase is largely attributed to a higher tax rate implemented during the year.

Despite the increase, taxes receivable remained relatively consistent year over year as a percentage of the tax levy, reflecting the Township's ongoing commitment to effective tax collection in support of the community and its residents.







## 5 Year Trend - Financial Assets

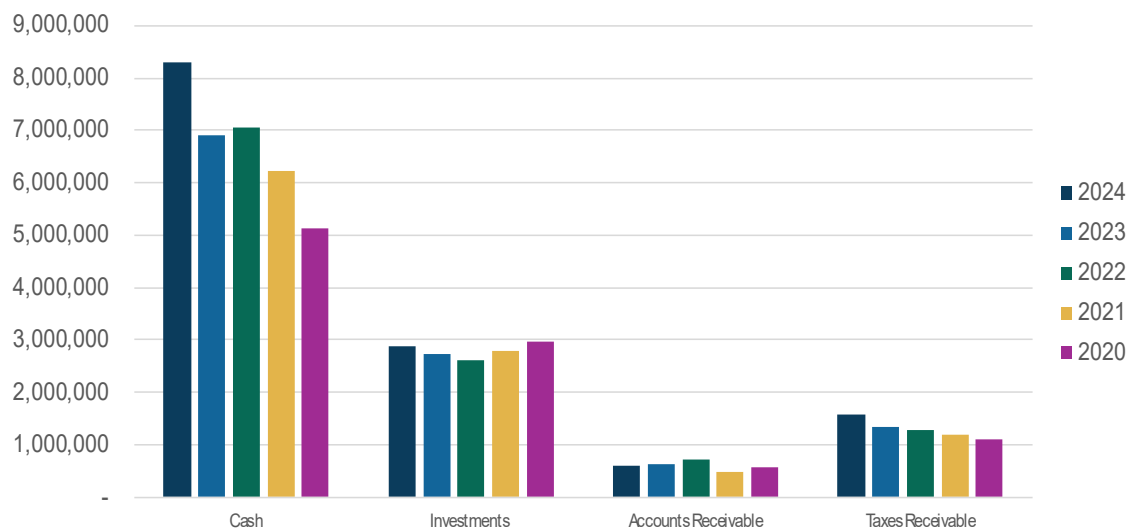


Figure 6: 2020-2024 Financial Asset Trend

Over the five-year period from 2020 to 2024, the Township's financial assets have shown a positive and stable trend, reflecting sound fiscal management and strategic planning. The five-year trend points to strong financial stewardship and a solid foundation for continued service delivery and community investment.

Cash balances have steadily increased each year, rising from approximately \$5.1 million in 2020 to \$8.3 million in 2024. This consistent growth highlights strong liquidity, improved revenue collection, and disciplined spending. Investments generally staying within the \$2.7 to \$3.0 million range, demonstrating a balanced approach between maintaining liquidity and earning returns on surplus funds. Accounts receivable has held steady, with only minor fluctuations, and ended slightly lower in 2024, indicating consistent and effective collection practices. Taxes receivable has shown a gradual increase, particularly in 2024 with a rise to \$1.6 million from \$1.3 million, largely due to a higher tax rate; however, this has remained proportionate to the overall tax base and reflects ongoing efficiency in tax collection.

*Overall, the five-year trend points to strong financial stewardship and a solid foundation for continued service delivery and community investment.*



## **LIABILITIES INCREASED BY 9%**

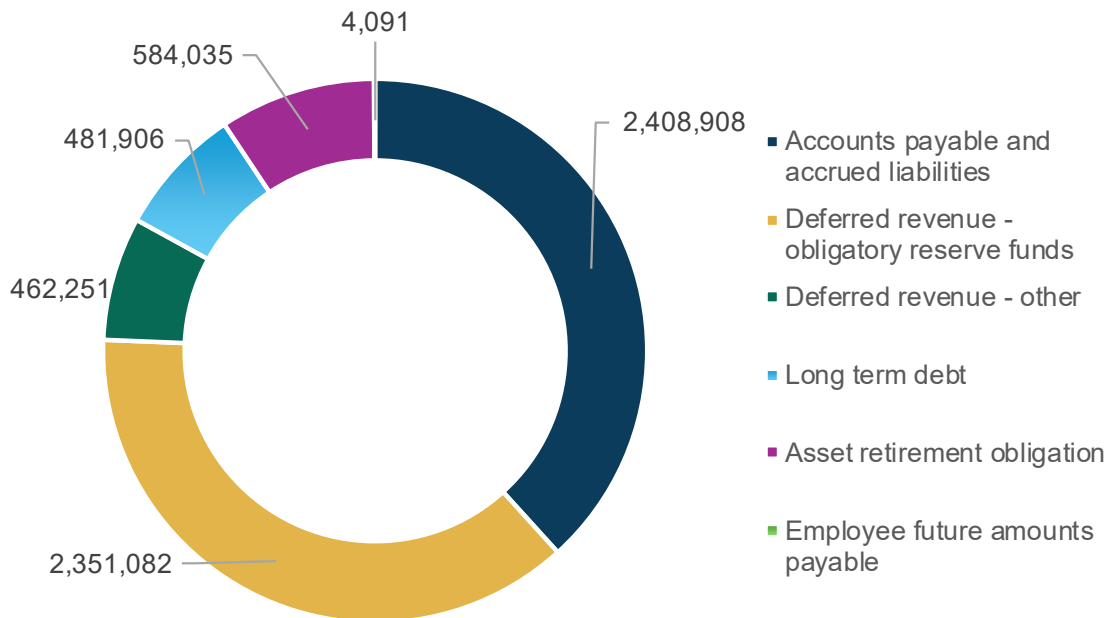


Figure 7: Liabilities Distribution

Financial liabilities are financial obligations to outside organizations or individuals that are the result of transactions or events that occurred on or before the end of the accounting period. Financial liabilities were \$6.3 million, an increase of \$509k compared to 2023.

### **Accounts Payable and Accrued Liabilities**

Accounts payable and accrued liabilities increased in 2024 to \$2.4 million, up from \$2.0 million in 2023—an increase of \$407k or 20%. This rise is primarily due to the timing of vendor payments and year-end accruals related to ongoing projects and operational expenses.

### **Deferred Revenue**

The Township has implemented *Section 3400 – Revenue* of the Public Sector Accounting (PSA) Handbook. In accordance with the provisions of this new standard, applied prospectively, the Township recorded the following adjustment as of January 1, 2024: an increase of \$203k to deferred revenue – other, with a corresponding decrease to accumulated surplus. This adjustment reflects the estimated unearned portion of building permit fees related to outstanding performance obligations as of December 31, 2023.



# Long Term Debt

Under the *Municipal Act*, municipalities in Ontario may incur debt mostly for capital projects. A regulation under the Act restricts the annual cost of servicing long-term debt and other financial obligations to 25% of a municipality’s own-source revenue.

The 2024 Annual Repayment Limit (ARL) for the Township is \$2.6 million. This limit represents the maximum amount which the Township can commit to payments relating to debt and financial obligation. Municipalities in Ontario are responsible for ensuring that they do not exceed their ARL.

The Township maintains a revolving credit facility agreement with its primary financial institution. The maximum available credit is limited to \$5,217,000 from January 1 to September 30, and \$2,324,000 from October 1 to December 31. The temporary borrowing limits were authorized by Council under By-law 2024-01. As of December 31, 2024, there was no outstanding balance (2023 – \$Nil).

*When developing its long-term financial plan, the Township has maintained a commitment to strong financial discipline and strategic Management of debt.*

The total net external debt outstanding at the end of 2024 was \$482k. The balance of long-term debt reported on the Consolidated Statement of Financial Position is as follows:

Table 3: Long-Term Debt Payment

Issued to	Instalment Payment	Repayable Amount (Principal)	Interest Rate	Due	Amount	
					2024	2023
Ontario Infrastructure and Lands Corporation	Quarterly	\$ 970	4.31%	May 1, 2053	\$ 110,593	\$ 114,474
	Quarterly	\$ 1,588	4.18%	May 1, 2043	\$ 117,513	\$ 123,864
	Quarterly	\$ 2,700	4.27%	May 1, 2048	\$ 253,800	\$ 264,600

Table 4: Long-term Debt Principal and Interest Commitments

	Principal	Interest	Total
2022	\$ -	\$ -	\$ -
2023	\$10,516	\$10,602	\$21,118
2024	\$21,033	\$21,132	\$42,164
2025	\$21,033	\$20,180	\$41,212
2026 and thereafter	\$460,873	\$223,208	\$684,081
<b>Total</b>	<b>\$513,454</b>	<b>\$275,121</b>	<b>\$788,576</b>





## Asset Retirement Obligation

Effective January 1, 2023, the Township was required to report asset retirement obligations related to asbestos removal upon building retirement. The Township owns and operates several buildings known to contain asbestos, which poses a health hazard upon demolition and creates a legal obligation for removal. In accordance with *PS3280 – Asset Retirement Obligations*, the Township recognized a liability as of January 1, 2023, for the estimated costs associated with asbestos removal. All buildings remain in active use and are expected to continue serving operational needs for the foreseeable future.

## Employee Future amounts payable

The Township provides certain employee benefits that will require payment in future periods, including plans to cover the cost of specific health and other insurance benefits for eligible employees after retirement. The associated liability has been estimated based on employees currently eligible for these benefits, as no actuarial valuation has been conducted to date. These benefit plans are unfunded, meaning the Township does not set aside funds in advance but instead pays the premiums as they become due. In 2024, the remaining balance was \$4k, down from \$11k in 2023 or a 63% decrease. This decline is due to the payment of certain future benefits without the addition of new liabilities.

## 5 years Trend – Liabilities

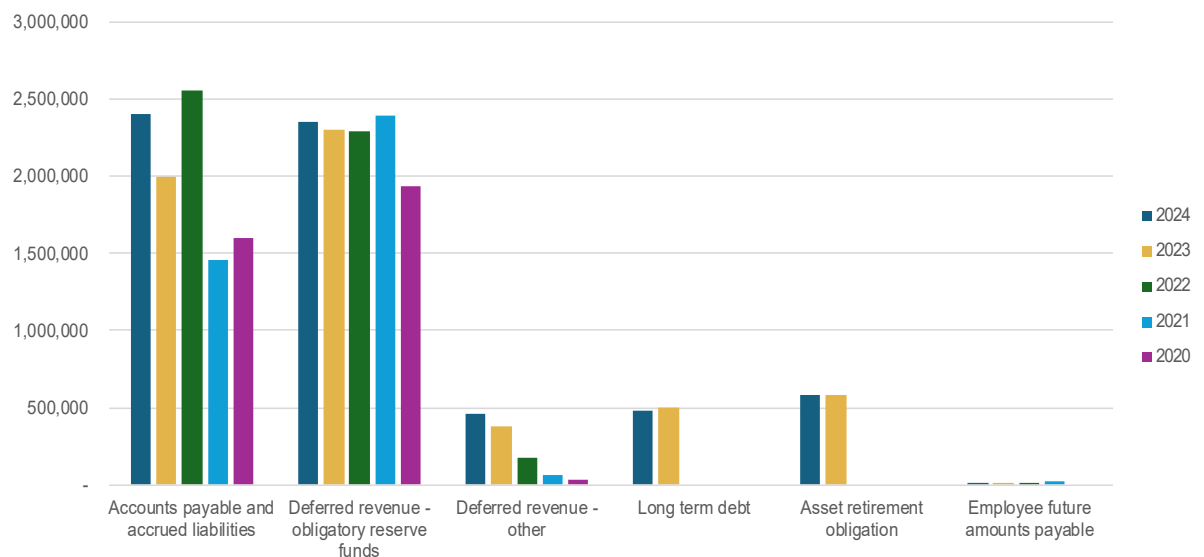


Figure 8: 2020-2024 Liabilities Trends

The graph shows stable long-term debt and employee future payables from 2020 to 2024, while accounts payable peaked in 2022 before declining. Deferred revenue from reserve funds remained steady, and "other" deferred revenue gradually increased.



## **NON-FINANCIAL ASSETS DECREASED BY 2%**

Non-financial assets are assets with a physical value such as property and supplies. It includes tangible capital assets (TCA), inventories (e.g. salt and sand) and prepaid expenses. The net book value of TCA is determined by the gross cost of all assets, including in-year additions and adjustments, minus disposals and accumulated amortization. Non-financial assets totaled \$48.5 million, a decrease of \$1.1 million over 2023.

### **Tangible Capital Assets**

The net book value of the Township's tangible capital assets is \$48.0 million (\$49.2 million in 2023). The change was driven by the amortization of capital assets. Amortization expense exceeded the value of new capital asset additions by \$1.0 million, resulting in the decrease.

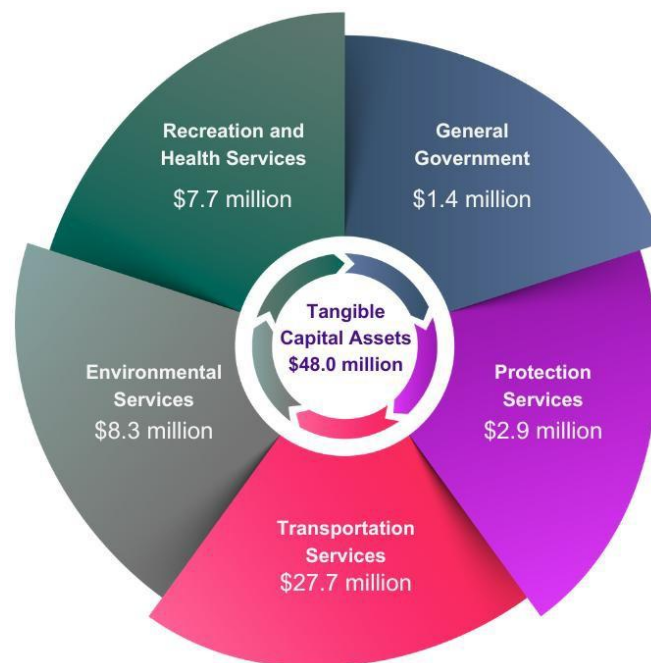


Figure 9: Department Distribution of Tangible Capital Assets

### **Prepaid Expenses**

Prepaid expenses are payments made by the Township in advance of receiving goods or services. These expenses are recorded as assets on the financial statements because they provide future economic benefits. Over time, as the goods or services are received or used, the prepaid amounts are expensed.

Prepaid expenses totaled \$354k in 2024, up from \$253k in 2023. The largest contributing factor to this increase was prepaid insurance. This reflects an industry-wide increase in insurance premiums that is applied to the Township on an annual basis.



## Inventories of Materials and Supplies

Inventory of materials and supplies totaled \$152k in 2024, compared to \$186k in 2023 – a decrease of \$34k. This reduction reflects the consumption of salt, sand, and fuel which naturally fluctuates from year to year. In 2024, increased weather events toward the end of the year led to higher usage of these materials to ensure road safety across the Township.

## Consolidated Statement of Operations

Under the *Municipal Act*, there are two items that may be excluded from a municipal budget because they require no cash outlay, so long as Council is informed:

- **Post-employment benefits** – Employee benefits that have been earned but will be paid in the future as employees retire.
- **Amortization** – A fraction of the cost of a tangible capital asset, recorded as an expense each year the asset is expected to be in service.

The budget approved by the Township differs from the budget presented in the Statement of Operations and Accumulated Surplus, as it has been adjusted to align with Public Sector Accounting (PSA) reporting requirements. These adjustments include the removal of capital expenditures, and reserve transfers, which are included in the approved budget but not recognized in the same manner under PSA standards.

Table 5: Reconciliation of Council's approved budget to the annual surplus

2024 Council Approved Budget	
Expenditures	\$ 12,200,727
Revenues	(2,350,073)
Tax Levies	(9,850,654)
<b>Total Budget</b>	<b>-</b>
Financial Statements Budget Reconciliation	
Council Approved	-
Tangible Capital Assets	2,243,500
Amortization	(3,230,371)
Transfers to (from) Reserves	1,153,840
Changes in Unfunded Capital	37,314
Changes in Hydrants Surplus	14,083
<b>Annual Surplus/(Deficit) Budget</b>	<b>218,366</b>



## Annual Surplus - Actual

$$\begin{array}{|c|} \hline \text{Revenues} \\ \hline \$14,712,701 \\ \hline \end{array} - \begin{array}{|c|} \hline \text{Expenses} \\ \hline \$14,338,994 \\ \hline \end{array} = \begin{array}{|c|} \hline \text{Annual Surplus} \\ \hline \$373,707 \\ \hline \end{array}$$

## Revenues – Where does the money come from?

Table 6: Revenue Sources

For the year ended December 31	Budget 2024	Actual 2024	Variance Fav/(Unfav)	Variance %	Actual 2023
Property taxation	10,127,106	10,128,079	973	0%	9,572,962
User charges	1,724,935	1,702,538	(22,397)	-1%	1,575,832
Government of Canada	-	43,523	43,523	100%	28,673
Province of Ontario	1,445,199	1,351,705	(93,494)	-7%	1,194,914
Other municipalities	-	-	-		135,700
Penalties and interest on taxes	200,000	208,942	8,942	4%	206,996
Investment income	126,757	499,112	372,355	75%	474,227
Donations	-	5,536	5,536	100%	4,595
Sales and recoveries	16,000	13,941	(2,059)	-15%	21,203
Capital contributions	220,889	224,108	3,219	1%	240,480
Development charges earned	774,000	163,213	(610,787)	-374%	272,668
Canada Community-Building Fund earned	347,696	372,004	24,308	7%	306,350
<b>TOTAL REVENUES</b>	<b>\$ 14,982,582</b>	<b>\$ 14,712,701</b>	<b>\$ 269,881</b>	<b>1.8%</b>	<b>\$ 14,034,600</b>

**Property Taxation** totaled \$10.1 million in 2024, up from \$9.6 million in 2023. This growth in property tax revenue is primarily due to increase in taxation.

**User Fees** totaled \$1.7 million in 2024, up from \$1.6 million in 2023. This growth is largely attributed to the Township's expansion of Parks and Facilities rentals and programming, which resulted in an 8% increase in related revenue for the year vs 2023.

**Government of Canada** funding was higher than budgeted, as the Township recognized \$43k in 2024 through the Enabling Accessibility Fund to support renovations of the Council Chambers aimed at removing barriers and enhancing the accessibility of the space.

**Province of Ontario** funding totaled \$1.4 million. This included a \$19k library grant, \$30k from the Trillium Foundation for improvements to Laurel Park, a \$544k allocation from the Ontario Community Infrastructure Fund (OCIF), and \$748k in support through the Ontario Municipal Partnership Fund (OMPF).





**Penalties and interest** on taxes exceeded the budget by \$9k, primarily due to a higher-than-anticipated number of late payments from taxpayers. This variance may reflect timing challenges experienced by some residents in meeting payment deadlines. While the additional revenue contributed positively to the Township's financial results, the Township remains mindful of the financial pressures residents may face and continues to prioritize clear communication and flexible payment options where possible to support timely tax payments.

**Investment income** exceeded the budget by \$372k due to higher interest rates, increased cash balances maintained throughout the year, and the strategic timing of investments, which allowed the Township to maximize returns on available funds.

**Development charge** revenue was \$610k less than budgeted mainly due to fewer eligible capital projects moving forward during the year.

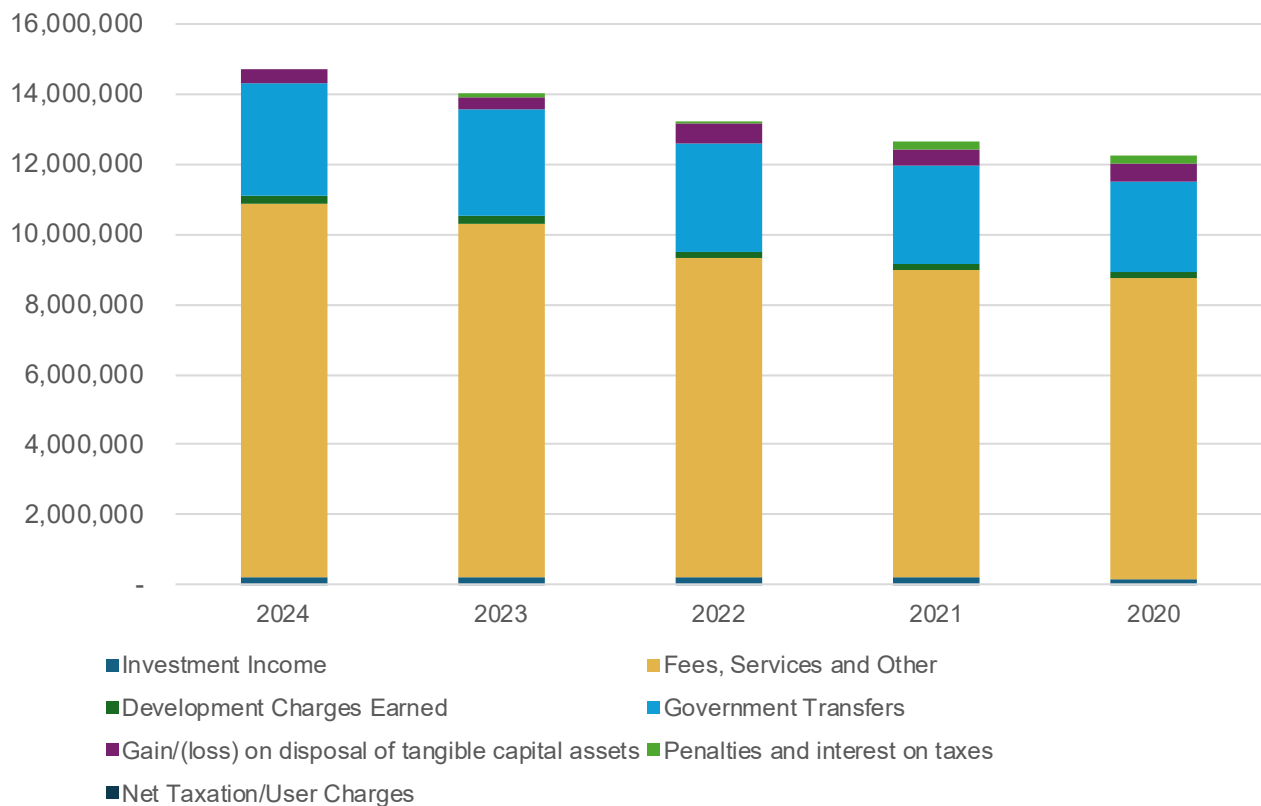




## Five Year Trend - Revenues

The graph below illustrates annual changes in sources of revenue over the past five years:

Table 7: Five-year annual changes in sources of revenue



In total, revenues over which the Township has control—including taxation, user charges, fees, services, and interest earnings—account for 85% of total revenues in 2024. Over the past five years, these sources have consistently provided an average of 82% of the Township’s total revenues. In contrast, transfer payments from other levels of government, which are beyond the Township’s direct control, have averaged 18% of total revenues during the same period.

Notably, the Township has expanded its operations in investment income over the past five years, contributing to greater financial independence and offering more predictable revenue streams—an indication of strong and proactive financial Management.



## Expenses - Where does the money go?

Total expenses in 2024 were \$14.3 million, an increase of \$449k or 3% over 2023 due to higher salaries and wages, facility usage and contracted services.

Table 8: Summary of Expenses from the 2024 Consolidated Statement of Operations

For the year ended Decemerber 31	Budget 2024	Actual 2024	Variance Fav/(Unfav)	Variance %
General government	\$ 2,272,714	\$ 2,140,092	132,622	6%
Protection services	3,341,493	3,405,990	(64,497)	-2%
Transportation services	5,416,539	5,036,686	379,853	8%
Environmental services	937,370	909,933	27,437	3%
Health services	-	-	-	-
Recreation and cultural services	2,529,360	2,582,720	(53,360)	-2%
Planning and development	266,740	263,573	3,167	1%
<b>TOTAL EXPENSES</b>	<b>\$ 14,764,216</b>	<b>\$ 14,338,994</b>	<b>\$ 425,222</b>	<b>3.0%</b>

Overall, the Township performed below budget in most expenditure categories, reflecting prudent fiscal Management and a continued commitment to responsible stewardship of public funds. Protection Services slightly exceeded the budget due to a higher-than-expected volume of emergency calls in 2024, which led to increased staffing and operational costs. Similarly, Recreation and Cultural Services were over budget by \$53k, primarily due to enhanced programming and facility use; however, this was largely offset by increased user fee revenues, demonstrating strong community engagement and cost recovery efforts.





# Five Year Trend - Expenses

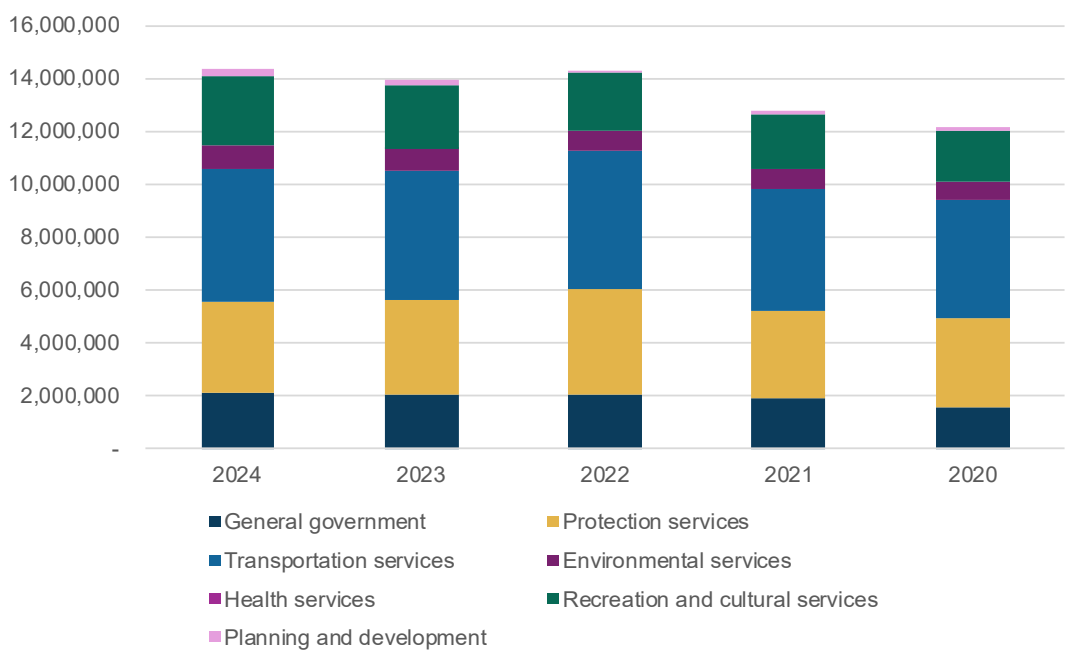


Figure 10: 2020-2024 Expenses by Service Area

Upon reviewing the 5-year trend, most departmental expenses have remained stable, with transportation services being the largest expenditure. However, increasing trends in Protective Services due to a higher volume of emergency calls, resulting in increased wages and maintenance costs.







## 2024 Capital Projects

Township infrastructure is essential to the economic, social, and environmental health and growth of a community, enabling the delivery of critical services that residents rely on every day. Through the implementation of sound asset management strategies, the Township ensures that public infrastructure is responsibly managed to support the sustainable delivery of municipal services. Township is tasked with maintaining a broad range of infrastructure assets, which involves a lifecycle approach—beginning with acquisition, followed by ongoing maintenance and rehabilitation, and concluding with disposal. Because infrastructure lifecycles often span decades, thoughtful planning is required to ensure that costs are distributed equitably across current and future generations.

To guide these efforts, the Township adopted a **Strategic Asset Management Policy** in March 2019, in accordance with **Ontario Regulation 588/17**. This policy demonstrates leadership and commitment to the development of an Asset Management Program grounded in logic and evidence-based decision-making. It emphasizes the importance of linking infrastructure investment decisions directly to service outcomes, promoting a service-focused rather than strictly budget-driven approach.

*In 2024, tangible capital assets decreased by \$1.1 million, bringing the total to \$48.0 million as of December 31, 2024. This reflects the Township's acquisitions of \$2.1 million, offset by amortization of \$3.2 million and disposals of \$995k.*

The Township of Hamilton successfully completed several capital projects in 2024, resulting in a net surplus of \$201k from the approved capital budget.

Table 9: Closed Capital Projects in 2024

Budget Year	Description of Capital Project	Budget	Actual	Variance
2024	Water Rescue Equipment Replacement	\$ 100,000	\$ 95,840	\$ 4,160
2024	Replacement of HVAC Equipment Station #2 Baltimore	\$ 50,000	\$ 45,670	\$ 4,330
2023/2024	Personal Protective Equipment Replacement	\$ 52,223	\$ 52,223	\$ -
2022	Volvo Dump Truck #20-46	\$ 368,114	\$ 368,114	\$ -
2023	MTO & Safety License Device	\$ 25,000	\$ 708	\$ 24,292
2023	Guardrail	\$ 55,000	\$ 55,000	\$ -
2020	Storm Water Drainage Study, Baltimore Area	\$ 100,000	\$ 90,697	\$ 9,303
2024	Various Roads within the Township	\$ 1,226,000	\$1,105,118	\$ 120,882
2023	Laurel Playground Replacement	\$ 60,000	\$ 59,273	\$ 727
2024	Baltimore Ball Diamond Fencing	\$ 29,469	\$ 29,469	\$ -
2024	Pick up Truck & Dumpbox	\$ 86,000	\$ 85,947	\$ 53
2024	Old Camborne School House Exterior Paint	\$ 15,000	\$ 13,621	\$ 1,379
2024	Development Charge Study	\$ 44,734	\$ 44,734	\$ -
2023/2024	Water Meter upgrades and replacements	\$ 40,000	\$ 40,000	\$ -
2023	Fire Hydrant on Maple Crescent	\$ 30,000	\$ 16,434	\$ 13,566
2023	Replace Fire Hydrant at Olivers Lane and Catherine St	\$ 35,000	\$ 12,854	\$ 22,146
2024	Water Meter Replacement Program	\$ 15,000	\$ 15,000	\$ -
2024	Creighton Heights - Emergency Equipment Replacements	\$ 9,400	\$ 9,339	\$ 61
Total 2024 Closed Projects		\$ 2,340,940	\$2,140,042	\$ 200,898



## Reserves and Reserve Funds

Reserves and reserve funds are essential financial tools through which the Township allocates and tracks monetary resources designated by Council for specific future needs. These funds form a key component of the Township's long-term financial strategy, enabling proactive and responsible fiscal planning.

In general, inflows into reserves and reserve funds originate from the operating budget, while outflows support capital projects, asset replacements, and other initiatives as approved by Council. The establishment and use of these funds are determined at the discretion of Council and form part of its broader financial governance framework.

By maintaining reserves, the Township is better equipped to address future or contingent liabilities, manage financial risk, and ensure service continuity in the face of economic uncertainty. Reserves act as a financial buffer against unanticipated changes in revenues or expenditures, support one-time investments, and help to moderate tax rate fluctuations driven by external factors. They also serve to reduce reliance on debt and support strategic capital planning.

*Transfers from reserves and reserve funds are made annually to fund a variety of needs, including operating costs, studies, capital projects, and the replacement of aging infrastructure.*

*The ability to draw from reserves when needed allows the Township to finance projects in a timely and efficient manner without imposing undue pressure on the tax base.*

The strategic use of reserves provides several long-term financial benefits, including:

- Stabilizing tax rates amidst variable and sometimes uncontrollable economic conditions;
- Financing one-time or short-term investment needs;
- Accumulating funds for significant, future infrastructure investments;
- Managing reliance on debt to fund capital; and
- Normalizing infrastructure funding requirements over time.

There is ongoing discussion within the municipal sector regarding the appropriate level of reserves that should be maintained. While no single benchmark has gained universal acceptance, municipalities are encouraged to consider a range of factors when determining adequate reserve levels.



These factors include:

- The breadth and complexity of services provided;
- The age and condition of existing infrastructure;
- The municipality's current and projected use of debt;
- The prevailing and anticipated economic environment; and
- Internal reserve and debt Management policies.

*As of December 31, 2024, the Township's total reserves and reserve funds balances stood at \$9.1 million, an increase from \$7.7 million in 2023.*

Staff regularly review and monitor reserve balances to ensure the Township remains in a strong position to meet its long-term financial obligations and respond to future opportunities as they arise.

The five-year reserves and reserve funds balance chart highlights strong performance in core administrative and infrastructure areas, while utility services like Water may require further financial attention.

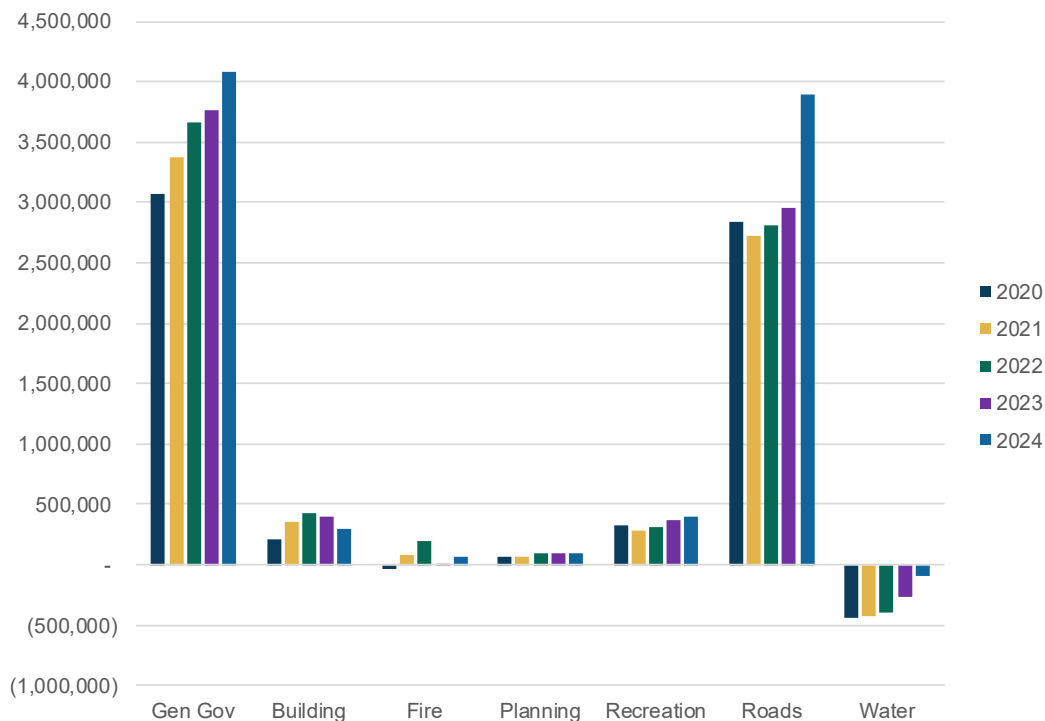


Figure 11: 2020-2024 Reserves and Reserve Funds



Table 10: Reserves and Reserve Funds Balances as of December 31, 2024

Description	Balance as of Dec. 31, 2024 (Surplus)/Deficit
COUNCIL RETIREMENT RESERVE	(4,550)
HERITAGE RESERVE	(35,538)
ADMINISTRATION FACILITY RESERVE	(256,017)
ELECTION RESERVE	(84,574)
ADMIN IT RESERVE	(221,078)
GENERAL RESERVE - CONTINGENCY	(3,081,857)
CEMETERY-BEWDLEY TRUST RES	(53)
ACCESSIBILITY RESERVE	(52,334)
ECONOMIC DEVELOPMENT RESERVE	(7,638)
PROVINCIAL EFFICIENCY FUNDING RESERVE	(124,000)
ROADS VEHICLE/EQUIPMENT RESERVE	(312,385)
GRAVEL REHAB RESERVE	(291,461)
STRUCTURE RESERVE (BRIDGE/CULVERT)	(615,042)
ROADS RESERVE	(1,484,448)
BEAVERMEADOW FINLAY GR	(7,944)
WINTER MAINTENANCE RESERVE	(406,852)
TREE REMOVAL RESERVE	(15,000)
STREETLIGHT RESERVE	(279,201)
ROADS NEEDS STUDY RESERVE	(45,332)
STORMWATER RESERVE	(185,450)
GENERATOR RESERVE	(90,000)
FIRE FACILITY RESERVE	(17,040)
FIRE VEHICLE/EQUIPMENT RESERVE	(44,706)
PARKS RESERVE	(48,745)
RECREATION FACILITY RESERVE	(251,045)
COLD SPRINGS HALL RESERVE	(35,665)
CLIMATE CHANGE RESERVE	(5,141)
BEWDLEY COMMUNITY RESERVE	(7,098)
BUILDING RESERVE	(298,687)
PLANNING RESERVE	(95,691)
BUTTERSFIELD CAPITAL RESERVE	(33,492)
WATER CAPITAL RESERVE	(173,600)
WATER RATE STUDY	(31,317)
CEMETERY-BETHEL GROVE RESERVE	(55,112)
ANIMAL SERVICES RESERVE	(90,325)
ENVIRONMENTAL INITIATIVE RESERVE	(55,000)
POLICE SERVICE BOARD RESERVE FUND	(11,274)
P & R VEHICLE/EQUIPMENT RESERVE FUND	(43,357)
COLDSPRINGS PARK BOARD RESERVE FUND	(773)
HYDRANT RESERVE	(140,734)
WATER RESERVE	188,681
WATER - UNFUNDED CAPITAL - KENNEDY RD	277,572





## Development Charges

The [Development Charges \(D.C.\) background study](#) for the Township of Hamilton was completed in 2024 in accordance with the requirements of the Development Charges Act (D.C.A.), as amended.

The Township engaged Watson & Associates Economists Ltd. to lead the study process, working closely with the Township staff to analyze and recommend new D.C. policies. This study included a proposed D.C. by-law and is made available to the public to ensure transparency and provide necessary context regarding legislative requirements, policy recommendations, and the rationale behind the charges.

Table 11: Development Charges balance as of December 31, 2024:

Area	Balance January 1, 2024 (Surplus)/Deficit	Collection Contribution and Interest Revenue	Expenditures	Balance December 31, 2024 (Surplus)/Deficit
Administration	\$ (122,038)	\$ (18,606)	\$ 9,194	\$ (131,450)
Protection Services	\$ 110,812	\$ (26,414)	\$ 4,490	\$ 88,888
Roads Services	\$ (1,153,095)	\$ (111,430)	\$ 118,883	\$ (1,145,642)
Water Fund	\$ (36,274)	\$ (10,433)	\$ 23,022	\$ (23,685)
Recreation Services	\$ (316,989)	\$ (23,076)	\$ 4,598	\$ (335,467)
Library	\$ (92,604)	\$ (4,010)	\$ 3,025	\$ (93,589)
<b>Total</b>	<b>\$ (1,610,187)</b>	<b>\$ (193,970)</b>	<b>\$ 163,213</b>	<b>\$ (1,640,943)</b>

The Township continues to demonstrate sound financial management by strategically allocating available funds to support growth-related capital projects. By utilizing designated reserves to finance eligible infrastructure, the Township ensures that development costs are appropriately managed without placing undue pressure on the tax base. This approach supports long-term financial sustainability while meeting the needs of a growing community. Development Charges balance (2019 to 2024):

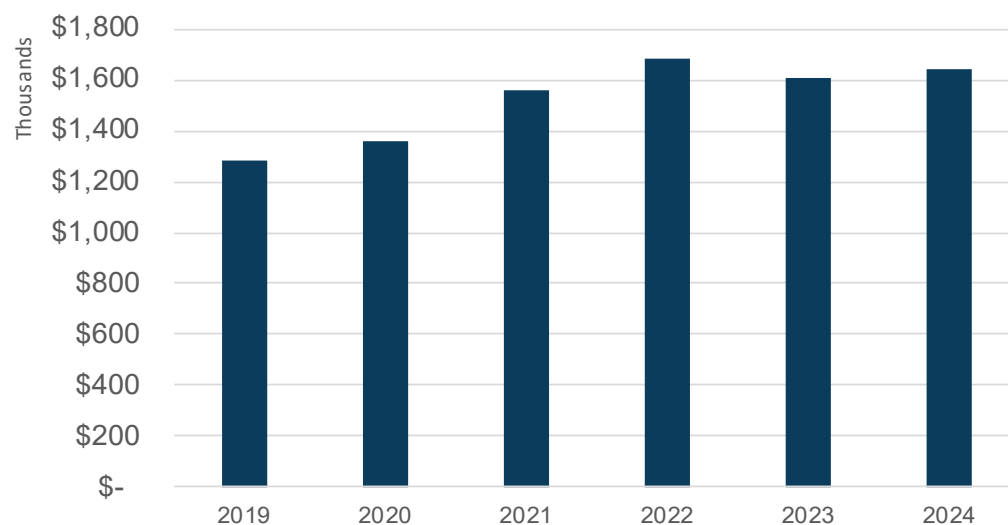


Figure 12: 2019-2024 Development Charges



## Asset Management Plan (AMP)

The Township’s asset Management goal is to provide an adequate level of service in a cost-effective manner through strategies and long-term financial planning. The Township’s [Asset Management Plan \(AMP\)](#) identifies current practices and recommends improvements for managing public infrastructure.

*With the development of the AMP, the Township has achieved compliance with O. Reg. 588/17 to the extent of the requirements that must be completed by July 1, 2025.*

The Township of Hamilton has infrastructure with an overall replacement cost \$278 million. 87% of all assets analysed are in fair or better condition and assessed condition data was available for 86% of assets. For the remaining 14% of assets, assessed condition data was unavailable, a data gap that persists in most municipalities, and asset age was used to approximate condition.

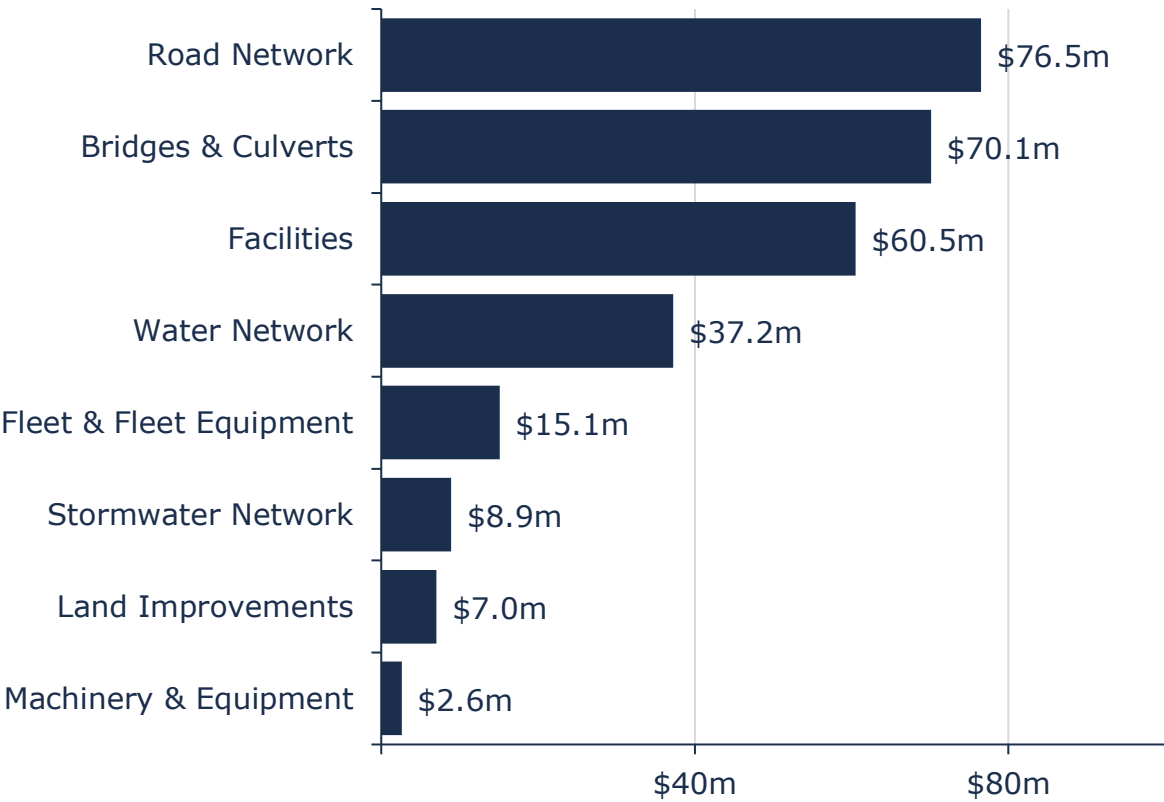


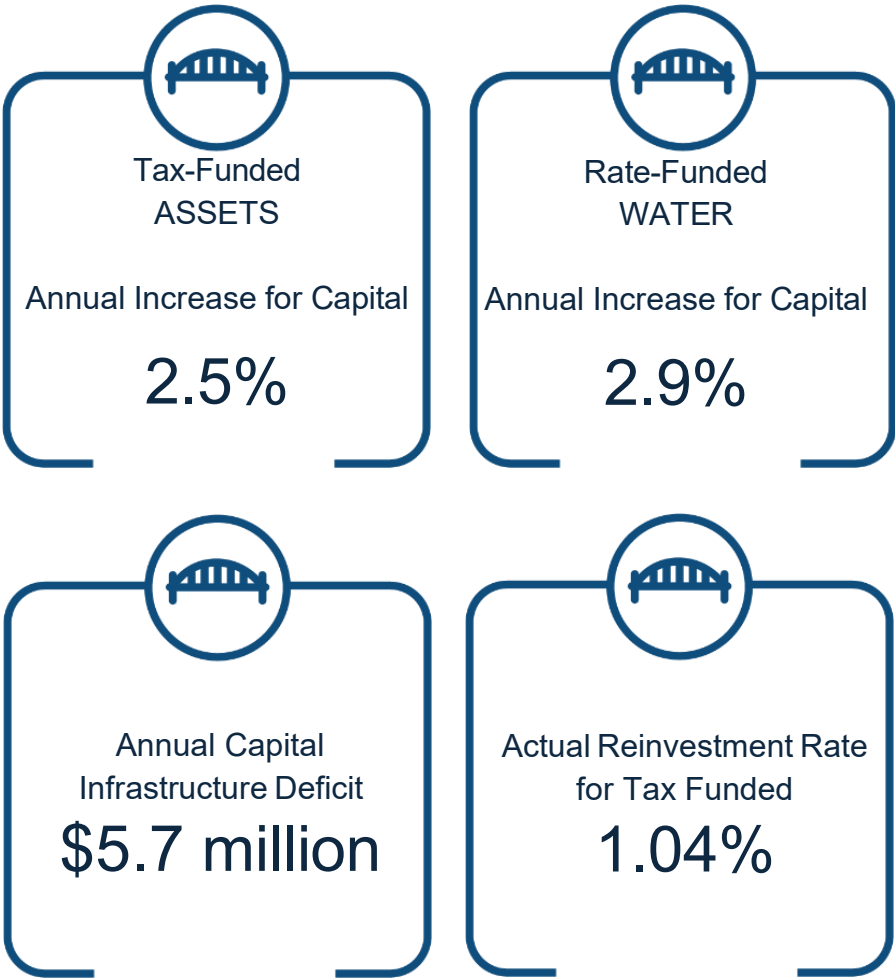
Figure 13: Asset Replacement Value



To meet capital replacement and rehabilitation needs for existing infrastructure, prevent infrastructure backlogs, and achieve long-term sustainability, the Township’s average annual capital requirement totals \$8.2 million. Based on a historical analysis of sustainable capital funding sources, the Township is committing approximately \$2.5 million towards capital projects or reserves per year. As a result, there is currently an annual funding gap of \$5.7 million.

*The Township of Hamilton is not alone in having an annual funding gap as this is a persistent issue among many municipalities across Canada.*

A financial strategy was developed to address the annual capital funding gap. The following graphics shows annual tax/rate change required to eliminate the Township’s infrastructure deficit based on a 20-year plan for Tax-Funded Assets and a 20-year plan for Rate-Funded Water Assets:





# 2024 MEMORIES





# CONSOLIDATED FINANCIAL STATEMENT

For the Fiscal Year Ended  
**December 31, 2024**

Prepared By:  
**Corporate Financial Services**



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# WE STAND BEHIND OUR COMMITMENTS



[www.hamiltontownship.ca](http://www.hamiltontownship.ca)



## CORPORATION OF THE TOWNSHIP OF HAMILTON

For The Year Ended December 31,

2024

### MANAGEMENT REPORT

The accompanying financial statements of the Corporation of the Township of Hamilton are the responsibility of Management and have been approved by Council.

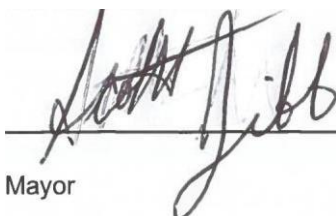
The financial statements have been prepared by Management in accordance with Canadian Public Sector Accounting Standards. Financial statements are not precise since they include certain amounts based on estimates and judgements. When alternative accounting methods exist, Management has chosen those it deems most appropriate in the circumstances, in order to ensure that the financial statements are presented fairly, in all material respects.

The Township maintains systems of internal accounting and administrative controls of high quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the Township's assets are appropriately accounted for and adequately safeguarded.

The Township's Council is responsible for ensuring that Management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving financial statements.

Council reviews and approves the Township's financial statements for issuance to the members of Council, inhabitants and ratepayers of the Corporation of the Township of Hamilton. Council meets periodically with Management, as well as the external auditor, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities and to review the financial statements and the independent auditor's report.

The financial statements have been audited by Baker Tilly KON LLP in accordance with Canadian generally accepted auditing standards on behalf of the Township. Baker Tilly KON LLP has full and free access to Council.

  
Mayor  
Treasurer

June 17, 2025





**Baker Tilly KDN LLP**  
272 Charlotte St.  
Peterborough, ON  
Canada K9J 2V4

**T: (705) 742-3418**  
**F: (705) 742-9775**

**[www.bakertilly.ca](http://www.bakertilly.ca)**

## **INDEPENDENT AUDITOR'S REPORT**

### **To the Members of Council, Inhabitants and Ratepayers of the Township of Hamilton**

#### *Opinion*

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

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Township as at December 31, 2024, and the results of its operations and its cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

#### *Basis for Opinion*

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

ASSURANCE • TAX • ADVISORY

*Baker Tilly KDN LLP is a member of Baker Tilly Canada Cooperative, which is a member of the global network of Baker Tilly International Limited. All members of Baker Tilly Canada Cooperative and Baker Tilly International Limited are separate and independent legal entities.*

Peterborough

Courtice

Lindsay

Cobourg





### *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.

Chartered Professional Accountants  
Licensed Public Accountants

Peterborough, Ontario  
June 17, 2025




**STATEMENT OF FINANCIAL POSITION**
**At December 31, 2024**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<b>FINANCIAL ASSETS</b>		
Cash	8,309,812	6,919,386
Investments (note 2)	2,879,062	2,733,323
Accounts receivable	595,143	619,079
Taxes receivable	,581,537	1,346,356
<b>TOTAL FINANCIAL ASSETS</b>	<b>13,365,554</b>	<b>11,618,144</b>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	2,408,908	2,001,070
Deferred revenue - obligatory reserve funds (note 4)	2,351,082	2,301,469
Deferred revenue - other (note 5)	462,251	381,697
Long term debt (note 6)	481,906	502,938
Asset retirement obligation (note 10)	584,035	584,035
Employee future amounts payable (note 7)	4,091	11,104
<b>TOTAL LIABILITIES</b>	<b>6,292,273</b>	<b>5,782,313</b>
<b>NET FINANCIAL ASSETS</b>	<b>7,073,281</b>	<b>5,835,831</b>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (note 8)	48,031,288	49,164,954
Prepaid expenses	353,614	252,655
Inventories of materials and supplies	151,841	186,105
<b>TOTAL NON-FINANCIAL ASSETS</b>	<b>48,536,743</b>	<b>49,603,714</b>
<b>ACCUMULATED SURPLUS (note 9)</b>	<b>55,610,024</b>	<b>55,439,545</b>

# CORPORATION OF THE TOWNSHIP OF HAMILTON



## STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS

For the Year Ended December 31, 2024

	Budget 2024 \$ (Note 13)	Actual 2024 \$	Actual 2023 \$
<b>REVENUES</b>			
Property taxation	10,127,106	10,128,079	9,572,962
User charges	1,724,935	1,702,538	1,575,832
Government of Canada	-	43,523	28,673
Province of Ontario	1,445,199	1,351,705	1,194,914
Other municipalities	-	-	135,700
Penalties and interest on taxes	200,000	208,942	206,996
Investment income	126,757	499,112	474,227
Donations	-	5,536	4,595
Sales and recoveries	16,000	13,941	21,203
Capital contributions	220,889	224,108	240,480
Development charges earned (note 4)	774,000	163,213	272,668
Canada Community-Building Fund earned (note 4)	347,696	372,004	306,350
<b>TOTAL REVENUES</b>	<b>14,982,582</b>	<b>14,712,701</b>	<b>14,034,600</b>
<b>EXPENSES</b>			
General government	2,272,714	2,140,092	2,062,296
Protection services	3,341,493	3,405,990	3,583,005
Transportation services	5,416,539	5,036,686	4,834,676
Environmental services	937,370	909,933	802,059
Recreation and cultural services	2,529,360	2,582,720	2,389,157
Planning and development	266,740	263,573	218,884
<b>TOTAL EXPENSES</b>	<b>14,764,216</b>	<b>14,338,994</b>	<b>13,890,077</b>
<b>ANNUAL SURPLUS</b>	<b>218,366</b>	<b>373,707</b>	<b>144,523</b>
<b>ACCUMULATED SURPLUS - beginning of year</b>		55,439,545	55,295,022
<b>ADJUSTMENT ON ADOPTION OF THE REVENUE RECOGNITION STANDARD (note 3)</b>		(203,228)	-
<b>ACCUMULATED SURPLUS - beginning of year, as restated</b>		55,236,317	55,295,022
<b>ACCUMULATED SURPLUS - end of year</b>		<b>55,610,024</b>	<b>55,439,545</b>


**STATEMENT OF CHANGES IN NET FINANCIAL ASSETS**

For the Year Ended December 31, 2024

	Budget 2024 \$ (note 13)	Actual 2024 \$	Actual 2023 \$
<b>ANNUAL SURPLUS</b>	218,366	373,707	144,523
Amortization of tangible capital assets	3,230,371	3,215,031	3,230,371
Purchase of tangible capital assets	(2,243,500)	(2,177,277)	(3,498,149)
Loss/(gain) on disposal of tangible capital assets	-	36,798	(39,784)
Proceeds on sale of tangible capital assets	-	59,114	60,475
Change in prepaid expenses	-	(100,959)	(50,601)
Change in inventories of materials and supplies	-	34,264	(102,860)
<b>INCREASE/(DECREASE) IN NET FINANCIAL ASSETS</b>	<b>1,205,237</b>	<b>1,440,678</b>	<b>(256,025)</b>
<b>NET FINANCIAL ASSETS - beginning of year</b>	5,835,831	5,835,831	6,664,440
<b>ADJUSTMENT ON ADOPTION OF THE ASSET RETIREMENT OBLIGATION STANDARD</b>	-	-	(572,584)
<b>ADJUSTMENT ON ADOPTION OF THE REVENUE RECOGNITION STANDARD (note 3)</b>	-	(203,228)	-
<b>NET FINANCIAL ASSETS - beginning of year, as restated</b>	5,835,831	5,632,603	6,091,856
<b>NET FINANCIAL ASSETS - end of year</b>	<b>7,041,068</b>	<b>7,073,281</b>	<b>5,835,831</b>



# CORPORATION OF THE TOWNSHIP OF HAMILTON



## STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2024

	2024 \$	2023 \$
<b>CASH PROVIDED BY (USED IN)</b>		
<b>OPERATING ACTIVITIES</b>		
Annual surplus	373,707	144,523
Items not involving cash		
Amortization of tangible capital assets	3,215,031	3,230,371
Loss/(gain) on disposal of tangible capital assets	36,798	(39,784)
Accretion expense	-	11,451
Change in employee future amounts payable	(7,013)	(4,543)
Change in non-cash assets and liabilities		
Accounts receivable	23,936	101,418
Taxes receivable	(235,181)	(53,336)
Prepaid expenses	(100,959)	(50,601)
Inventories of materials and supplies	34,264	(102,860)
Accounts payable and accrued liabilities	407,838	(557,724)
Deferred revenue - obligatory reserve funds	49,613	12,459
Deferred revenue - other	(122,674)	208,508
Net change in cash from operating activities	3,675,360	2,899,882
<b>CAPITAL ACTIVITIES</b>		
Purchase of tangible capital assets	(2,177,277)	(3,498,149)
Proceeds on disposal of tangible capital assets	59,114	60,475
Net change in cash from capital activities	(2,118,163)	(3,437,674)
<b>INVESTING ACTIVITIES</b>		
Purchase of investments	(156,951)	(2,372,320)
Disposal of investments	11,212	2,258,343
Net change in cash from investing activities	(145,739)	(113,977)
<b>FINANCING ACTIVITIES</b>		
Long term debt issued	-	513,454
Debt principal repayments	(21,032)	(10,516)
Net change in cash from financing activities	(21,032)	502,938
<b>NET CHANGE IN CASH</b>	1,390,426	(148,831)
<b>CASH - beginning of year</b>	6,919,386	7,068,217
<b>CASH - end of year</b>	8,309,812	6,919,386



## NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended December 31, 2024

The Township of Hamilton is a lower tier municipality in the Province of Ontario, Canada. It conducts its operations guided by the provisions of provincial statutes such as the Municipal Act, Municipal Affairs Act and related legislation.

### 1. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with the standards in the Chartered Professional Accountants Canada Public Sector Accounting (PSA) Handbook. Significant aspects of the accounting policies are as follows:

#### (a) Reporting Entity

These financial statements reflect the assets, liabilities, revenues and expenses and accumulated surplus of the Township of Hamilton.

All interfund assets and liabilities and revenues and expenses are eliminated.

#### (b) Recognition of Revenues and Expenses

Revenues and expenses are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues in the period in which the transactions or events occurred that give rise to the revenue; expenses are recognized in the period the goods or services are acquired and a legal liability is incurred or transfers are due.

##### Property taxation

Property tax billings are prepared by the Township based on assessment rolls issued by the Municipal Property Assessment Corporation (MPAC) and in accordance with the provisions of the Municipal Act, 2001. The Township's Council establishes the tax rates annually, incorporating amounts to be raised for local services, and amounts the Township is required to collect on behalf of the County and School Boards. From time to time property assessments are adjusted by MPAC through the reconsideration process or by the Assessment Review Board through the appeal process. Additional assessments, referred to as supplementary and omitted assessment can also be issued by MPAC in accordance with the Assessment Act. These adjustments and additional assessments are reported in the financial statements when amounts can be reasonably determined.

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

##### Government funding

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

##### Other revenue

User charges are recognized as revenue in the year the goods and services are provided.

Investment income is recorded in the year in which it is earned.

Canada Community-Building Fund and development charges are recognized in the period in which the related expenditures are recorded.



## NOTES TO THE FINANCIAL STATEMENTS For the Year Ended December 31, 2024

### 1. SIGNIFICANT ACCOUNTING POLICIES, continued

#### (c) Deferred Revenue

Deferred revenue represents grants, user charges and fees which have been collected but for which the related services have yet to be performed. These amounts will be recognized as revenues in the fiscal year the services are performed.

#### (d) Asset Retirement Obligation

An asset retirement obligation is recognized when, as at the financial reporting date, all of 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.

The liability has not been discounted using a present value calculation due to the uncertainty of when the future costs will be incurred. The recognition of the initial liability resulted in an accompanying increase to the respective tangible capital assets. The increase to the tangible capital assets is being amortized in accordance with the accounting policies outlined in (e).

#### (e) Tangible Capital Assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset, as well as legally or contractually required retirement activities. When historical cost records were not available, other methods were used to estimate costs. The cost, less residual value, if any, is amortized on a straight-line basis, over the expected useful life of the asset, as follows:

Land improvements	25 years
Buildings and facilities	40-80 years
Building components	15-40 years
Waterworks systems	75 years
Roads and bridges	7-40 years
Vehicles	7-25 years
Machinery and equipment	5-10 years

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

Tangible capital assets categorized as assets under construction are not amortized until they are put into service.

#### (f) Inventories of Materials and Supplies

Inventories of materials and supplies held for consumption are recorded at cost.

#### (g) Non-financial Assets

Tangible capital and other non-financial assets are accounted for as assets by the Township because they can be used to provide services in future periods. These assets do not normally provide resources to discharge the liabilities of the Township unless they are sold.



NOTES TO THE FINANCIAL STATEMENTS  
For the Year Ended December 31, 2024

1. SIGNIFICANT ACCOUNTING POLICIES, continued

(h) Financial Instruments

Financial instruments are classified as either fair value or amortized cost. The following chart shows the measurement method for each type of financial instrument.

Financial Instrument	Measurement Method
Cash	Amortized Cost
Investments	Fair Value
Accounts receivable	Amortized Cost
Taxes receivable	Amortized Cost
Accounts payable and accrued liabilities	Amortized Cost
Long term debt	Amortized Cost

Fair value category: The Township manages and reports performance for groups of financial assets on a fair-value basis. Investments traded in an active market are reflected at fair value as at the reporting date. Sales and purchases of investments are recorded on the trade date. Transaction costs related to the acquisition of investments are recorded as an expense. Unrealized gains and losses on financial assets are recognized in the Statement of Remeasurement Gains and Losses until such time that the financial asset is derecognized due to disposal or impairment. At the time of derecognition, the related realized gains and losses are recognized in the Statement of Operations and Accumulated Surplus and related balances reversed from the Statement of Remeasurement Gains and Losses.

Amortized cost category: Amounts are measured at the initial recognition minus principal repayments, plus or minus the cumulative amortization using the effective interest rate method of any difference between the initial amount and the maturity amount, and minus any reduction for impairment or uncollectibility. The effective interest method is a method of calculating the amortized cost of a financial asset or financial liability (or a group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial instrument asset or financial instrument liability.

The following hierarchy provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which fair value is observable:

- Level 1 - Unadjusted quoted market prices in active markets for identical assets or liabilities;
- Level 2 - Observable or corroborated inputs, other than level 1, such as quoted prices for similar assets or liabilities in inactive markets or market data for substantially the full term of the assets or liabilities; and
- Level 3 - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets and liabilities.

As there are no unrealized gains or losses on financial instruments to report, the Statement of Remeasurement Gains and Losses has not been presented in these financial statements.





NOTES TO THE FINANCIAL STATEMENTS  
For the Year Ended December 31, 2024

1. SIGNIFICANT ACCOUNTING POLICIES, continued

(i) Reserves and Reserve Funds

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

(j) Use of Estimates

Certain items recognized in the financial statements are subject to measurement uncertainty. The recognized amounts of such items are based on the Township's best information and judgment. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements or changes in such estimates in future periods could be significant. The Township's significant estimates include:

- The amount recorded for asset retirement obligation is based on estimates of the assets with potential contaminants and Management's estimate of the costs to retire those assets - See Note 1(d) and related costs added to tangible capital assets - See Note 1(e)
- Amortization of tangible capital assets is based on estimated useful life and residual value - See Note 1(e)
- Employee future amounts payable depend on certain actuarial and economic assumptions
- Allowance for doubtful accounts receivable is based in Management's estimate of future collectability

(k) Trust Funds

Trust funds and their related operations administered by the Township are not included in these financial statements but are reported on separately on the Trust Funds Statement of Continuity and Statement of Financial Position.

2. INVESTMENTS

Investments, recorded at market value, consist of the following:

	2024 \$	2023 \$
High interest savings account with One Investment Program	2,879,062	2,733,323



## NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended December 31, 2024

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### 3. CHANGES IN ACCOUNTING POLICIES

The Township has implemented the following sections and guidelines which are now effective under the PSA Handbook: 3160 Public Private Partnerships, 3400 Revenue, and PSG-8 Purchased Intangibles.

Section 3160 establishes standards on accounting for public private partnerships between public and private sector entities where the public sector entity procures infrastructure using a private sector partner. The adoption of this standard did not have an impact on the Township's financial statements.

Section 3400 establishes standards on how to account for and report on revenue. Specifically, it differentiates between revenue arising from transactions that include performance obligations, referred to as 'exchange transactions', and transactions that do not have performance obligations, referred to as 'non-exchange transactions'.

In accordance with the provisions of this new standard, which has been applied prospectively, the Township reflected the following adjustments at January 1, 2024:

- An increase of \$203,228 to deferred revenue - other and corresponding decrease to accumulated surplus related to the estimated unearned portion of building permit fees due to outstanding performance obligations at December 31, 2023.

Under PSG-8, an entity may recognize purchased intangibles as an asset in its consolidated financial statements if the intangible meets the asset definition and the general recognition criteria. The adoption of this standard did not have an impact on the Township's financial statements.



## NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended December 31, 2024

## 4. DEFERRED REVENUE - OBLIGATORY RESERVE FUNDS

A requirement of the Chartered Professional Accountants Canada Public Sector Accounting Handbook, is that obligatory reserve funds be reported as deferred revenue. This requirement is in place as legislation and external agreements restrict how these funds may be used and under certain circumstances these funds may possibly be refunded. The balances in the obligatory reserve funds of the Township are summarized below:

	2024 \$	2023 \$
Development charges	1,640,943	1,610,186
Parkland	247,298	222,620
Canada Community-Building Fund	462,841	468,663
	<b>2,351,082</b>	<b>2,301,469</b>

The continuity of deferred revenue - obligatory reserve funds is as follows:

	2024 \$	2023 \$
<b>Balance - beginning of year</b>	<b>2,301,469</b>	<b>2,289,010</b>
Add amounts received:		
Development charges	149,726	156,617
Parkland fees	21,000	7,500
Canada Community-Building Fund	353,103	362,115
Interest	61,001	65,245
	<b>584,830</b>	<b>591,477</b>
Less transfer to operations:		
Development charges earned	163,213	272,668
Canada Community-Building Fund earned	372,004	306,350
	<b>535,217</b>	<b>579,018</b>
<b>Balance - end of year</b>	<b>2,351,082</b>	<b>2,301,469</b>



# NOTES TO THE FINANCIAL STATEMENTS For the Year Ended December 31, 2024

## 5. DEFERRED REVENUE - OTHER

Included in deferred revenue - other are the following amounts:

	2024 \$	2023 \$
Ontario Community Infrastructure Fund	212,918	283,407
Building permits	222,693	-
Other	26,640	98,290
	462,251	381,697

The continuity of deferred revenue - other is as follows:

	2024 \$	2023 \$
Balance - beginning of year	381,697	173,189
Adjustment to opening balance (note 3)	203,228	-
Add amounts received:		
Ontario Community Infrastructure Fund	466,037	548,279
Building permits	156,457	-
Other	-	84,642
Interest	16,273	13,383
	638,767	646,304
Less transfer to operations:		
Ontario Community Infrastructure Fund	552,799	424,104
Building permits	136,992	-
Other	71,650	13,692
	761,441	437,796
<b>Balance - end of year</b>	<b>462,251</b>	<b>381,697</b>





## NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended December 31, 2024

### 6. LONG TERM DEBT

- (a) The balance of long term debt reported on the Consolidated Statement of Financial Position is made up of the following:

	2024 \$	2023 \$
Debenture issued to the Ontario Infrastructure and Lands Corporation, repayable in quarterly principal instalments of \$970 plus interest, interest at 4.31% per annum, due May 1, 2053.	110,593	114,474
Debenture issued to the Ontario Infrastructure and Lands Corporation, repayable in quarterly principal instalments of \$1,588 plus interest, interest at 4.18% per annum, due May 1, 2043.	117,513	123,864
Debenture issued to the Ontario Infrastructure and Lands Corporation, repayable in quarterly principal instalments of \$2,700 plus interest, interest at 4.27% per annum, due May 1, 2048.	253,800	264,600
	<b>481,906</b>	<b>502,938</b>

- (b) The long term debt in (a) issued in the name of the Township 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.
- (c) Interest paid during the year on long term debt amounted to \$24,658 (2023 - \$10,962).
- (d) The long term debt reported in (a) of this note is repayable as follows:

	Principal \$	Interest \$	Total \$
2025	21,033	20,180	41,213
2026	21,033	19,286	40,319
2027	21,033	18,392	39,425
2028	21,033	17,546	38,579
2029	21,033	16,604	37,637
2030 to 2034	105,163	69,650	174,813
2035 and subsequent years	271,578	81,730	353,308
	<b>481,906</b>	<b>243,388</b>	<b>725,294</b>

### 7. EMPLOYEE FUTURE AMOUNTS PAYABLE

The Township provides certain employee benefits which will require payment in future periods. The Township provides benefit plans to pay costs of certain health and other insurance benefits for eligible employees after they retire. The liability has been estimated based on employees currently eligible to receive these benefits as an actuarial valuation of this liability has not been prepared. The plans are not funded until the Township pays the premiums for the benefits.



## NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended December 31, 2024

### 8. TANGIBLE CAPITAL ASSETS

The net book value of the Township's tangible capital assets are:

	2024 \$	2023 \$
<b>General</b>		
Land	2,081,547	2,081,547
Land improvements	934,910	1,014,121
Buildings	7,519,781	7,844,993
Vehicles and equipment	5,665,687	5,603,255
<b>Infrastructure</b>		
Roads and bridges	24,490,694	25,236,475
Waterworks systems	7,084,811	7,235,922
	47,777,430	49,016,313
Assets under construction	253,858	148,641
	<b>48,031,288</b>	<b>49,164,954</b>

For additional information, see the Consolidated Schedule of Tangible Capital Assets.

During the year there were no write-downs of assets (2023 - \$Nil), no interest capitalized (2023 - \$Nil) and no contributed assets (2023 - \$Nil).

Tangible capital assets allocated by segment are as follows:

	2024 \$	2023 \$
General government	1,416,487	1,366,921
Protection services	2,871,831	2,908,516
Transportation services	27,732,410	28,529,631
Environmental services	8,328,893	8,407,635
Health services	12,634	12,634
Recreation and cultural services	7,669,033	7,939,617
	<b>48,031,288</b>	<b>49,164,954</b>



# NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended December 31, 2024

## 9. ACCUMULATED SURPLUS

(a) Accumulated surplus consists of the following:

	2024 \$	2023 \$
<b>Surplus/(Deficit)</b>		
Township	60,664	224,348
Hydrant area charges	140,734	131,796
Waterworks operations	(188,681)	(258,953)
Unfunded employee future benefits	(4,091)	(11,104)
	8,626	86,087
<b>Invested In Capital Assets</b>		
Tangible capital assets - net book value	48,031,288	49,164,954
Long term debt	(481,906)	(502,938)
Unfunded capital - Administration (b)	(128,112)	(146,769)
Unfunded capital - Water (c)	(299,658)	(311,549)
Fire reserve overutilized	-	(6,025)
Asset retirement obligation	(584,035)	(584,035)
	46,537,577	47,613,638
<b>Surplus</b>	46,546,203	47,699,725
<b>Reserves</b>		
General government	3,922,637	3,609,420
Roads	3,898,115	2,954,163
Fire	61,746	12,711
Recreation	347,694	285,373
Building	298,687	396,004
Planning	95,691	95,691
Water	238,410	144,308
Animal control	90,325	90,325
Cemetery	55,112	59,112
<b>Total Reserves</b>	<b>9,008,417</b>	<b>7,647,107</b>
<b>Reserve Funds</b>		
Policing	11,274	13,363
Recreation	44,130	79,350
<b>Total Reserve Funds</b>	<b>55,404</b>	<b>92,713</b>
	<b>55,610,024</b>	<b>55,439,545</b>

(b) Unfunded capital for administration is related to internal debt for the administration building addition, which is being repaid annually through a charge to operations.

(c) This amount includes balances related to Kennedy Road (\$277,572) and other capital costs (\$22,086). The unfunded capital costs will be reduced by acquisition of long term debt.



## NOTES TO THE FINANCIAL STATEMENTS For the Year Ended December 31, 2024

### 10. ASSET RETIREMENT OBLIGATION

The Township's asset retirement obligation consists of the following:

#### (a) Asbestos obligation

The Township owns and operates several buildings that are known to have asbestos, which represents a health hazard upon demolition of the building and there is a legal obligation to remove it. Following the adoption of PS3280 – Asset retirement obligations, the Township recognized an obligation relating to the removal of the asbestos in these building as estimated at January 1, 2023. The buildings had an estimated useful life of 40 years when they were purchased. Of the six buildings identified as likely having asbestos, four were fully amortized and two had five years of useful life remaining. As all of the buildings are still in use and are projected to be for the foreseeable future.

Changes to the asset retirement obligation in the year are as follows:

	Asbestos removal 2024 \$	Asbestos removal 2023 \$
<b>Asset Retirement Obligation</b>		
Opening balance	584,035	-
Adjustment on adoption of the asset retirement obligation standard	-	572,584
Opening balance, as restated	584,035	572,584
Accretion expense	11,451	
<b>Closing balance</b>	<b>584,035</b>	<b>584,035</b>

### 11. CREDIT FACILITY AGREEMENT

The Township has a revolving credit facility agreement with its main financial institution. The amount available at any time is limited to \$5,217,000 during the period January 1 to September 30 and \$2,324,000 during the period October 1 to December 31 via an overdraft or demand loan. Any balance borrowed will accrue interest at the bank's prime lending rate. Council authorized the temporary borrowing limit by By-law 2024-01. At December 31, 2024 there was no balance outstanding (2023 - \$Nil).

### 12. PENSION AGREEMENTS

Certain employees of the Township are eligible members of the Ontario Municipal Employees Retirement System (OMERS), a multi-employer pension plan.

The Actuarial Opinion contained in the 2024 Annual Report disclosed total actuarial liabilities of \$142,489 million in respect of benefits accrued for service with actuarial assets of \$139,576 million indicating an actuarial deficit of \$2,913 million. Because OMERS is a multi-employer plan, any pension plan surpluses or deficits are a joint responsibility of Ontario municipal organizations and their employees. As a result, the Township does not recognize any share of the OMERS pension surplus or deficit.

The Township's total contributions to OMERS in 2024 were \$713,432 (2023 - \$613,832) of which \$356,716 (2023 - \$306,916) was contributed by employees.





## NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended December 31, 2024

### 13. BUDGET FIGURES

The budget, approved by the Township differs from the budget reflected on the Statement of Operations and Accumulated Surplus as the approved budget has been adjusted to comply with PSA reporting requirements.

The following is a reconciliation of Council's approved budget to the annual surplus:

	2024 \$
Council approved budgeted surplus	-
Tangible capital asset additions	2,243,500
Amortization of tangible capital assets	(3,230,371)
Transfers to/(from) reserves and reserve funds	1,153,840
Change in unfunded capital	37,314
Change in hydrants surplus	14,083
<b>Annual surplus reported on the Statement of Operations</b>	<b>218,366</b>

### 14. FINANCIAL INSTRUMENTS

Transactions in financial instruments may result in the Township assuming or transferring to another party one or more of the financial risks described below. The required disclosures provide information that assists users of financial statements in assessing the extent of risk related to financial instruments.

The Township is exposed to the following risks in respect of certain of the financial instruments held:

(a) Interest rate risk

Interest rate risk is the risk that the value of investments will fluctuate due to changes in market interest rates. The Township is also exposed to interest rate risk on their long term debt. These risks are generally outside the control of the Township but are mitigated by the Township's investment policies and the long term debt are fixed rates for the entire term of the debt.

(b) Credit risk

Credit risk is the risk that one party to a transaction will fail to discharge an obligation and cause the other party to incur a financial loss. The Township reduces its exposure to credit risk by creating an allowance for bad debts when applicable. The Township monitors and assesses the collectability of accounts receivable based on past experience to derive a net realizable value.

In the opinion of Management, the Township is not exposed to any significant liquidity, currency or market risk.



## NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended December 31, 2024

### 15. EXPENSES BY OBJECT

The expenses for the year reported on the Consolidated Statement of Operations and Accumulated Surplus by object are as follows:

	Budget 2024 \$ (note 13)	Actual 2024 \$	Actual 2023 \$
Salaries and benefits	5,652,242	5,525,654	5,100,663
Interest charges	24,300	24,658	10,962
Materials	3,437,221	3,177,961	3,119,156
Contracted services	1,773,013	1,714,372	1,595,922
Rents and financial	10,850	15,551	32,779
External transfers	636,219	628,969	840,008
Amortization	3,230,371	3,215,031	3,230,371
Loss (gain) on disposal of tangible capital assets	-	36,798	(39,784)
	<b>14,764,216</b>	<b>14,338,994</b>	<b>13,890,077</b>

### 16. CONTINGENT LIABILITIES

The Township, in the course of its operations, is often named in lawsuits the outcomes of which are indeterminable at this time. No amounts in connection with these items have been reflected in these financial statements.

### 17. SEGMENTED INFORMATION

The Township of Hamilton is a municipal government organization that provides a range of services to its residents. Township services are reported by function and their activities are separately disclosed in the segmented information.

For each reported segment, revenues and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Certain allocation methodologies are employed in the preparation of segmented financial information. Taxation, payments-in-lieu of taxes and certain unconditional government transfers are apportioned based on each segment's net requirements.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in Note 1. For additional information see the Consolidated Schedule of Segment Disclosure.

#### General Government

General government consists of the activities of Council and general financial and administrative Management of the Township and its programs and services.

#### Protection Services

Protection services include police, fire, conservation authority and protective inspection and control.



NOTES TO THE FINANCIAL STATEMENTS  
For the Year Ended December 31, 2024

17. SEGMENTED INFORMATION, continued

Transportation Services

The activities of the transportation function include construction and maintenance of the Township's roads and bridges, winter control and street lighting.

Environmental Services

The environmental function is responsible for providing water services to certain areas of the Township.

Recreation and Cultural Services

The recreation and cultural services function provides indoor and outdoor recreational facilities and programs and library services.

Planning and Development

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

18. COMPARATIVE FIGURES

Certain comparative figures were restated, where required, to conform with the current year presentation.

19. OPERATIONS OF SCHOOL BOARDS AND THE COUNTY OF NORTHUMBERLAND

During 2024, requisitions were made by the County of Northumberland and School Boards requiring the Township to collect property taxes and payments in lieu of property taxes on their behalf. The amounts collected and remitted are as follows:

	School Boards \$	County \$
Amounts requisitioned and remitted	3,011,218	9,757,160

These amounts have not been included in the Consolidated Statement of Operations and Accumulated Surplus.

20. TRUST FUNDS

Trust funds administered by the Township amounting to \$157,076 (2023 - \$155,824) have not been included in the Statement of Financial Position nor have their operations been included in the Statement of Operations and Accumulated Surplus. As such balances are held in trust by the Township for the benefit of others, they are not presented as part of the Township's financial position or operations.

# CORPORATION OF THE TOWNSHIP OF HAMILTON



## SCHEDULE OF TANGIBLE CAPITAL ASSETS For the Year Ended December 31, 2024

	Land \$	General Land Improvements \$	Buildings \$	Vehicles and Equipment \$	Infrastructure Roads and Bridges \$	Waterworks Systems \$	Assets Under Construction \$	Totals \$
<b>COST</b>								
Balance, beginning of year	2,081,547	2,172,586	15,356,831	10,386,299	77,631,370	9,991,670	148,641	117,768,944
Add: additions during the year	-	-	88,760	734,928	1,240,567	7,805	105,217	2,177,277
Less: disposals during the year	-	-	-	275,323	720,605	-	-	995,928
Balance, end of year	2,081,547	2,172,586	15,445,591	10,845,904	78,151,332	9,999,475	253,858	118,950,293
<b>ACCUMULATED AMORTIZATION</b>								
Balance, beginning of year	-	1,158,465	7,511,838	4,783,044	52,394,895	2,755,748	-	68,603,990
Add: additions during the year	-	79,211	413,972	625,867	1,937,065	158,916	-	3,215,031
Less: disposals during the year	-	-	-	228,694	671,322	-	-	900,016
Balance, end of year	-	1,237,676	7,925,810	5,180,217	53,660,638	2,914,664	-	70,919,005
<b>NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS</b>	<b>2,081,547</b>	<b>934,910</b>	<b>7,519,781</b>	<b>5,665,687</b>	<b>24,490,694</b>	<b>7,084,811</b>	<b>253,858</b>	<b>48,031,288</b>



# CORPORATION OF THE TOWNSHIP OF HAMILTON



## SCHEDULE OF SEGMENT DISCLOSURE

For the Year Ended December 31, 2024

	General Government \$	Protection Services \$	Transportation Services \$	Environmental Services \$	Recreation and Cultural Services \$	Planning and Development \$	Consolidated \$
<b>Revenues</b>							
Property taxation	1,090,535	2,943,450	4,177,695	59,368	1,624,391	232,640	10,128,079
User charges	66,041	315,263	50,305	655,433	554,446	61,050	1,702,538
Government transfers - operating	792,123	-	-	-	49,180	1,126	842,429
Government transfers - capital	-	-	544,303	8,496	-	-	552,799
Penalties and interest on taxes	208,942	-	-	-	-	-	208,942
Investment income	499,112	-	-	-	-	-	499,112
Donations	1,250	-	-	-	4,286	-	5,536
Sales and recoveries	-	-	-	4,145	9,796	-	13,941
Capital contributions	-	-	-	224,108	-	-	224,108
Development charges earned	44,734	-	92,857	23,022	2,600	-	163,213
Canada Community-Building Fund earned	-	-	347,696	24,308	-	-	372,004
<b>Total revenues</b>	<b>2,702,737</b>	<b>3,258,713</b>	<b>5,212,856</b>	<b>998,880</b>	<b>2,244,699</b>	<b>294,816</b>	<b>14,712,701</b>
<b>Expenses</b>							
Salaries and benefits	1,454,763	1,183,202	1,356,875	314,934	993,058	222,822	5,525,654
Interest charges	-	-	-	24,658	-	-	24,658
Materials	641,169	346,927	1,187,264	262,542	721,104	18,955	3,177,961
Contracted services	-	1,417,588	177,847	109,381	9,556	-	1,714,372
Rents and financial	9,243	-	-	123	6,185	-	15,551
External transfers	-	209,250	-	-	397,923	21,796	628,969
Amortization	53,255	249,023	2,277,902	175,957	458,894	-	3,215,031
Loss (gain) on disposal of tangible capital assets	-	-	36,798	-	-	-	36,798
Internal transfers	(18,338)	-	-	22,338	(4,000)	-	-
<b>Total expenses</b>	<b>2,140,092</b>	<b>3,405,990</b>	<b>5,036,686</b>	<b>909,933</b>	<b>2,582,720</b>	<b>263,573</b>	<b>14,338,994</b>
<b>Net surplus/(deficit)</b>	<b>562,645</b>	<b>(147,277)</b>	<b>176,170</b>	<b>88,947</b>	<b>(338,021)</b>	<b>31,243</b>	<b>373,707</b>



**SCHEDULE OF SEGMENT DISCLOSURE – continued**  
**For the Year Ended December 31, 2024**

	General Government \$	Protection Services \$	Transportation Services \$	Environmental Services \$	Recreation and Cultural Services \$	Planning and Development \$	Consolidated \$
<b>Revenues</b>							
Property taxation	1,046,073	2,821,176	3,977,176	4,368	1,501,930	222,239	9,572,962
User charges	107,062	347,469	31,660	602,969	448,897	37,775	1,575,832
Government transfers - operating	763,493	5,000	-	-	27,860	3,130	799,483
Government transfers - capital	-	-	378,000	46,104	-	-	424,104
Other municipalities	-	-	135,700	-	-	-	135,700
Penalties and interest on taxes	206,996	-	-	-	-	-	206,996
Investment income	474,227	-	-	-	-	-	474,227
Donations	1,000	-	-	-	3,595	-	4,595
Sales and recoveries	-	-	-	6,873	14,330	-	21,203
Capital contributions	-	-	-	240,480	-	-	240,480
Development charges earned	-	250,000	8,590	1,078	13,000	-	272,668
Canada Community-Building Fund earned	-	-	298,908	7,442	-	-	306,350
<b>Total revenues</b>	<b>2,598,851</b>	<b>3,423,645</b>	<b>4,830,034</b>	<b>909,314</b>	<b>2,009,612</b>	<b>263,144</b>	<b>14,034,600</b>
<b>Expenses</b>							
Salaries and benefits	1,413,465	1,127,617	1,294,937	280,119	829,157	155,368	5,100,663
Interest charges	-	-	-	10,962	-	-	10,962
Materials	604,048	388,904	1,142,685	258,749	683,050	41,720	3,119,156
Contracted services	-	1,416,060	141,289	25,906	12,667	-	1,595,922
Rents and financial	16,903	294	979	-	14,603	-	32,779
External transfers	-	417,466	-	-	400,746	21,796	840,008
Amortization	54,244	241,865	2,285,369	198,959	449,934	-	3,230,371
Loss (gain) on disposal of tangible capital assets	-	(9,201)	(30,583)	-	-	-	(39,784)
Internal transfers	(26,364)	-	-	27,364	(1,000)	-	-
<b>Total expenses</b>	<b>2,062,296</b>	<b>3,583,005</b>	<b>4,834,676</b>	<b>802,059</b>	<b>2,389,157</b>	<b>218,884</b>	<b>13,890,077</b>
<b>Net surplus/(deficit)</b>	<b>536,555</b>	<b>(159,360)</b>	<b>(4,642)</b>	<b>107,255</b>	<b>(379,545)</b>	<b>44,260</b>	<b>144,523</b>



272 Charlotte St. Peterborough, ON Canada K9J 2V4

Baker Tilly KDN LLP

## INDEPENDENT AUDITOR'S REPORT

T: (705) 742-3418

F: (705) 742-9775

[www.bakertilly.ca](http://www.bakertilly.ca)

### To the Members of Council, Inhabitants and Ratepayers of the Township of Hamilton

#### *Opinion*

We have audited the financial statements of the Trust Funds of the Corporation of the Township of Hamilton (the Trust Funds), which comprise the statement of financial position as at December 31, 2024, the statement of continuity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Trust Funds as at December 31, 2024, and the continuity of the Trust Funds for the year then ended in accordance with Canadian Public Sector Accounting Standards.

#### *Basis for Opinion*

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Trust Funds 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 Trust Funds' ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Trust Funds or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Trust Funds' financial reporting process.

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Peterborough

Courtice

Lindsay

Cobourg



## 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 Trust Funds' internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust Funds' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust Funds 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.

Chartered Professional Accountants Licensed Public Accountants

Peterborough, Ontario June 17, 2025



# CORPORATION OF THE TOWNSHIP OF HAMILTON



## TRUST FUNDS STATEMENT OF FINANCIAL POSITION At December 31, 2024

	Hydro Easement \$	Subdividers Trust \$	Cemetery Care and Maintenance \$	2024 Total \$	2023 Total \$
<b>FINANCIAL ASSETS</b>					
Cash	-	93,826	40,560	134,386	133,234
One Fund investment (note 3)	22,590	-	-	22,590	22,590
Due from Township of Hamilton	-	-	100	100	-
	22,590	93,826	40,660	157,076	155,824
<b>FUND BALANCES</b>	<b>22,590</b>	<b>93,826</b>	<b>40,660</b>	<b>157,076</b>	<b>155,824</b>

## TRUST FUNDS STATEMENT OF CONTINUITY For the Year Ended December 31, 2024

	Hydro Easement \$	Subdividers Trust \$	Cemetery Care and Maintenance \$	2024 Total \$	2023 Total \$
<b>BALANCES - beginning of year</b>	22,590	93,826	39,408	155,824	116,416
<b>RECEIPTS</b>					
Interest earned	-	-	1,152	1,152	-
Received on assumption of Cemetery	-	-	-	-	39,408
Care and maintenance receipts	-	-	100	100	-
	-	-	1,252	1,252	39,408
<b>BALANCES - end of year</b>	<b>22,590</b>	<b>93,826</b>	<b>40,660</b>	<b>157,076</b>	<b>155,824</b>





# CORPORATION OF THE TOWNSHIP OF HAMILTON

## TRUST FUNDS NOTES TO THE FINANCIAL STATEMENTS For the Year Ended December 31, 2024

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### 1. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with the standards in the Chartered Professional Accountants Canada Public Sector Accounting (PSA) Handbook.

#### (a) Basis of Accounting

Revenue and expenses are reported on the accrual basis of accounting which recognizes revenues as they become available and measurable; expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

#### (b) Use of Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires Management to make estimates and assumptions. These estimates and assumptions 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 revenue and expenses during the period and are based on the Township's best information and judgment. Actual results could differ from these estimates.

### 2. CARE AND MAINTENANCE FUNDS

The figures reported for the cemetery care and maintenance funds represent the trust fund activities for the Bethel Grove Cemetery.

The Care and Maintenance Funds administered by the Township are funded by the sale of cemetery plots, monuments, markers and niches. These funds are invested and earnings derived there from are used to perform care and maintenance for the Township's cemeteries. The operations and investments of the Fund are undertaken by the Township in accordance with the regulations of the Funeral, Burial and Cremation Services Act, 2002.

### 3. INVESTMENT

Investment consists of a high interest savings account with the One Investment fund recorded at fair value.



# 2024 MEMORIES





# STATISTICAL INFORMATION

Prepared By:  
**Corporate Financial Services**



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## Revenue by Source & Expense by Function

Table 12: Five-year comparison of revenues and expenses by sources and functions

OPERATIONS	2024	2023	2022	2021	2020
<b>Revenues by Source</b>					
Property taxation	\$ 10,128,079	\$ 9,572,962	\$ 8,937,968	\$ 8,670,638	\$ 8,392,638
User charges	1,702,538	1,575,832	1,417,647	1,385,234	1,079,743
Government of Canada	43,523	28,673	79,870	60,181	11,651
Province of Ontario	1,351,705	1,194,914	1,382,856	1,336,087	1,478,147
Other municipalities	-	135,700	42,337	228,042	228,042
Penalties and interest on taxes	208,942	206,996	193,017	198,946	127,014
Investment income	499,112	474,227	176,647	6,261	47,469
Donations	5,536	4,595	2,203	105,174	203,351
Sales and recoveries	13,941	21,203	15,265	14,697	11,849
Capital contributions	224,108	240,480	168,964	146,706	132,384
Development charges earned	163,213	272,668	228,406	66,475	40,293
Canada Community-Building Fund earned	372,004	306,350	583,179	456,362	523,804
Gain/(loss) on disposal of tangible capital assets		-	404,862	6,923	11,010
<b>TOTAL REVENUES</b>	<b>\$ 14,712,701</b>	<b>\$ 14,034,600</b>	<b>\$ 13,633,221</b>	<b>\$ 12,681,726</b>	<b>\$ 12,287,395</b>
<b>Expenditures by Function</b>					
General government	\$ 2,140,092	\$ 2,062,296	\$ 2,030,885	\$ 1,900,433	\$ 1,587,208
Protection services	3,405,990	3,583,005	3,985,916	3,275,105	3,357,812
Transportation services	5,036,686	4,834,676	5,234,638	4,613,008	4,473,118
Environmental services	909,933	802,059	768,561	786,778	704,076
Recreation and cultural services	2,582,720	2,389,157	2,175,573	2,040,702	1,928,756
Planning and development	263,573	218,884	114,275	140,415	123,776
<b>TOTAL EXPENSES</b>	<b>\$ 14,338,994</b>	<b>\$ 13,890,077</b>	<b>\$ 14,309,848</b>	<b>\$ 12,756,441</b>	<b>\$ 12,174,746</b>
<b>ANNUAL SURPLUS/(DEFICIT)</b>	<b>373,707</b>	<b>144,523</b>	<b>(676,627)</b>	<b>(74,715)</b>	<b>112,649</b>





## Expense by Object

Table 13: Five-year comparison of expenses by object

Expenditures by Object	2024	2023	2022	2021	2020
Salaries and benefits	\$ 5,525,654	\$ 5,100,663	\$ 4,903,814	\$ 4,672,910	\$ 4,407,159
Interest charges	24,658	10,962	-	-	-
Materials	3,177,961	3,119,156	3,260,699	2,516,454	2,508,674
Contracted services	1,714,372	1,595,922	1,729,705	1,745,386	1,617,844
Rents and financial	15,551	32,779	44,883	84,110	10,209
External transfers	628,969	840,008	1,173,935	587,263	574,389
Amortization	3,215,031	3,230,371	3,196,812	3,150,318	3,056,471
Loss (Gain) on Disposal	36,798	(39,784)			
<b>TOTAL EXPENSES</b>	<b>\$ 14,338,994</b>	<b>\$ 13,890,077</b>	<b>\$ 14,309,848</b>	<b>\$ 12,756,441</b>	<b>\$ 12,174,746</b>
<b>ANNUAL SURPLUS/(DEFICIT)</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
Annual Surplus/(Deficit)	373,707	144,523	(676,627)	(74,715)	112,649
Amortization of tangible capital assets	3,215,031	3,230,371	3,196,812	3,150,318	3,056,471
Purchase of tangible capital assets	(2,177,277)	(3,498,149)	(3,126,535)	(2,569,067)	(1,594,481)
Gain on disposal of tangible capital assets	36,798	(39,784)	(404,862)	(6,923)	(11,010)
Proceeds on sale of tangible capital assets	59,114	60,475	943,703	82,846	18,090
Change in prepaid expenses	(100,959)	(50,601)	(11,873)	(27,744)	(5,431)
Change in inventories of materials and supplies	34,264	(102,860)	(22,417)	38,752	(6,377)
<b>Increase/(Decrease) in Net Financial Assets</b>	<b>1,442,702</b>	<b>(254,002)</b>	<b>(99,777)</b>	<b>595,488</b>	<b>1,571,931</b>



## Net Financial Assets & Liabilities

Table 14: Five-year comparison of net financial assets and liabilities

NET FINANCIAL ASSETS	2024	2023	2022	2021	2020
<b>Financial Assets</b>					
Cash	\$ 8,309,812	\$ 5,000,000	\$ 7,068,217	\$ 6,236,631	\$ 5,141,989
Investments	2,879,062	2,733,323	2,619,346	2,802,632	2,973,377
Accounts Receivable	595,143	619,079	720,497	471,127	562,930
Taxes Receivable	1,581,537	1,346,356	1,293,020	1,190,182	1,103,181
<b>Total Financial Assets</b>	<b>\$ 13,365,554</b>	<b>\$ 9,698,758</b>	<b>\$ 11,701,080</b>	<b>\$ 10,700,572</b>	<b>\$ 9,781,477</b>
<b>Financial Liabilities</b>					
Accounts payable and accrued liabilities	2,408,908	2,001,070	2,558,794	1,453,891	1,599,920
Deferred revenue - obligatory reserve funds	2,351,082	2,301,469	2,289,010	2,391,631	1,931,821
Deferred revenue - other	462,251	381,697	173,189	63,080	35,184
Long term debt	481,906	502,938	-	-	-
Asset retirement obligation	584,035	584,035	-	-	-
Employee future amounts payable	4,091	11,104	15,647	25,731	
<b>Total Financial Liabilities</b>	<b>\$ 6,292,273</b>	<b>\$ 5,782,313</b>	<b>\$ 5,036,640</b>	<b>\$ 3,934,333</b>	<b>\$ 3,566,925</b>
<b>NET FINANCIAL ASSETS</b>	<b>\$ 7,073,281</b>	<b>\$ 3,916,445</b>	<b>\$ 6,664,440</b>	<b>\$ 6,766,239</b>	<b>\$ 6,214,552</b>
<b>Non-Financial Assets</b>					
Tangible capital assets	48,031,288	49,164,954	48,345,283	48,954,401	49,611,575
Prepaid expenses	353,614	252,655	202,054	190,181	162,437
Inventories of materials and supplies	151,841	186,105	83,245	60,828	99,580
<b>Total Non-Financial Assets</b>	<b>\$ 48,536,743</b>	<b>\$ 49,603,714</b>	<b>\$ 48,630,582</b>	<b>\$ 49,205,410</b>	<b>\$ 49,873,592</b>
<b>ACCUMULATED SURPLUS</b>	<b>\$ 55,610,024</b>	<b>\$ 53,520,159</b>	<b>\$ 55,295,022</b>	<b>\$ 55,971,649</b>	<b>\$ 56,088,144</b>



## Tangible Capital Assets

Table 15: Five-year comparison of tangible capital assets, by type

TANGIBLE CAPITAL ASSETS NET BOOK VALUE	2024	2023	2022	2021	2020
Land	\$ 2,081,547	\$ 2,081,547	\$ 2,081,547	\$ 2,201,279	\$ 2,201,279
Land improvements	934,910	1,014,121	1,019,031	1,145,356	1,227,627
Buildings	7,519,781	7,844,993	7,621,272	8,173,204	8,483,598
Vehicles and equipment	5,665,687	5,603,255	4,546,326	4,508,595	4,554,440
Roads and bridges	24,490,694	25,236,475	25,774,316	25,921,151	26,057,438
Waterworks systems	7,084,811	7,235,922	7,161,729	6,901,922	6,844,468
<b>TANGIBLE CAPITAL ASSETS COST</b>					
Balance, beginning of year	117,768,944	114,817,992	113,810,909	111,764,187	110,395,366
Additions during the year	2,177,277	3,498,149	3,126,535	2,569,067	1,594,481
Disposals during the year	(995,928)	(1,119,781)	(2,119,452)	(522,345)	(225,660)
Asset retirement obligation	-	572,584	-	-	-
Balance, end of year	\$ 118,950,293	\$ 117,768,944	\$ 114,817,992	\$ 113,810,909	\$ 111,764,187



## Reserves and Reserves Funds

Table 16: Five-year comparison of reserves and reserve funds

Reserves and Reserves Funds	2024	2023	2022	2021	2020
<b>RESERVES</b>					
General government	\$ 3,922,637	\$ 3,609,420	\$ 3,643,013	\$ 3,335,672	\$ 3,034,610
Roads	3,898,115	2,954,163	2,813,880	2,721,221	2,843,879
Fire	61,746	12,711	191,594	78,779	12,711
Recreation	347,694	285,373	233,605	181,693	140,208
Building	298,687	396,004	431,654	348,231	211,852
Planning	95,691	95,691	95,691	64,691	64,691
Water	238,410	144,308	79,796	124,409	55,642
Animal Control	90,325	90,325	282,870	58,808	58,808
Cemetery	55,112	59,112	-	-	-
<b>RESERVES FUNDS</b>					
Policing	11,274	13,363	25,763	38,163	41,755
Recreation	44,130	79,350	82,424	100,939	179,154
MAS	-	-	-	678,759	573,659



## Major Reserves and Reserve Funds Balances

Table 17: Five-year comparison of major reserves and reserve funds balances (Source: Staff Report)

RESERVES and RESERVE FUNDS Deficit/(Surplus)	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Actual
ADMIN IT RESERVE	\$ (77,150)	\$ (114,153)	\$ (131,853)	\$ (176,488)	\$ (221,078)
FIRE VEHICLE/EQUIPMENT RESERVE	43,952	(66,068)	(178,884)	6,025	(44,706)
PARK VEHICLE/EQUIPMENT RESERVE	(154,080)	(75,865)	(58,577)	(78,577)	(43,357)
ROADS VEHICLE/EQUIPMENT RESERVE	(397,264)	(404,189)	(660,569)	(315,052)	(312,385)
GENERATOR RESERVE	(50,000)	(60,000)	(70,000)	(80,000)	(90,000)
ADMINISTRATION FACILITY RESERVE	(160,068)	(256,017)	(256,017)	(256,017)	(256,017)
FIRE FACILITY RESERVE	(12,711)	(12,711)	(12,711)	(12,711)	(17,040)
RECREATION FACILITY RESERVE	(57,200)	(92,455)	(140,867)	(189,135)	(251,045)
ROADS FACILITY RESERVE	-	-	-	(110,000)	(165,000)
ENVIRONMENTAL INITIATIVE RESERVE	-	-	-	-	(55,000)
PLANNING RESERVE	(64,691)	(64,691)	(95,691)	(95,691)	(95,691)
GRAVEL REHAB RESERVE	(291,461)	(291,461)	(291,461)	(291,461)	(291,461)
STREETLIGHT RESERVE	(244,235)	(256,672)	(263,672)	(270,672)	(279,201)
ROADS RESERVE	(1,421,405)	(1,297,938)	(1,124,448)	(1,124,448)	(1,484,448)
ROADS NEEDS STUDY RESERVE	(50,332)	(60,332)	(65,332)	(70,332)	(45,332)
STRUCTURE RESERVE	(183,529)	(66,522)	(50,292)	(242,592)	(615,042)
WINTER MAINTENANCE RESERVE	(182,999)	(261,452)	(265,452)	(351,952)	(406,852)
ELECTION RESERVE	(82,367)	(92,498)	(64,574)	(74,574)	(84,574)
ANIMAL SERVICES RESERVE	-	-	-	(90,325)	(90,325)
GENERAL RESERVE	(2,188,392)	(2,442,209)	(2,901,950)	(2,849,472)	(3,081,856)
DEVELOPMENT CHARGES	(1,360,716)	(1,558,583)	(1,682,106)	(1,610,187)	(1,640,943)
BUILDING RESERVE	(211,852)	(348,231)	(431,654)	(396,004)	(298,687)





## Continuity of Long-term Debt

Table 18: Five-year comparison of long-term debt continuity

LONG TERM DEBT	2024	2023	2022	2021	2020
Long term debt issued	\$ 502,938	\$ 513,454	\$ -	\$ -	\$ -
Debt principal repayments	(21,032)	(10,516)	-	-	-
<b>Long term debt</b> (Source: Audited Financial Statements)	<b>\$ 481,906</b>	<b>\$ 502,938</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Debt Servicing Cost as a % of Total Revenues (Less Donated TCAs)	0%	0.1%	0%	0.0%	0%
Debt Per Capita	827	875	-	-	5
Debt supported by Property Tax	0%	0%	0%	0%	0%
Debt supported by Water Users - per household	100%	100%	0%	0%	0%
Annual Repayment Limit (as determined by the Province of Ontario)	\$ 2,685,687	\$ 2,595,238	\$ 2,465,516	\$ 2,469,835	\$ 2,415,232

\*\*Prior to 2023 the Township of Hamilton did not have any debt\*\*



## Taxation and Assessments

Table 19: Five-year comparison of taxes and assessments (part 1)

TAX RATE STATISTICS	2024	2023	2022	2021	2020
<b>Residential &amp; Farm - RT</b>					
Township	0.00574710	0.00550290	0.00522640	0.00510630	0.00499460
Upper Tier	0.00561221	0.00523979	0.00493389	0.00478717	0.00471141
School Board	0.00153000	0.00153000	0.00153000	0.00153000	0.00153000
<b>Total Residential rate</b>	<b>0.01288931</b>	<b>0.01227269</b>	<b>0.01169029</b>	<b>0.01142347</b>	<b>0.01123601</b>
<b>Commercial - CT</b>					
Township	0.00862070	0.00825440	0.00783960	0.00765950	0.00756780
Upper Tier	0.00841831	0.00785968	0.00740084	0.00718076	0.00713873
School Board	0.00880000	0.00880000	0.00880000	0.00880000	0.01250000
<b>Total Commercial rate</b>	<b>0.02583901</b>	<b>0.02491408</b>	<b>0.02404044</b>	<b>0.02364026</b>	<b>0.02720653</b>
<b>Industrial - IT</b>					
Township	0.01206890	0.01155610	0.01097540	0.01072320	0.01084680
Upper Tier	0.01178564	0.01100355	0.01036117	0.01005306	0.01023176
School Board	0.00880000	0.00880000	0.00880000	0.00880000	0.01250000
<b>Total Industrial rate</b>	<b>0.03265454</b>	<b>0.03135965</b>	<b>0.03013657</b>	<b>0.02957626</b>	<b>0.02620105</b>
<b>TAX LEVIED (Source: Audited Financial Statements)</b>					
Township	\$ 10,128,079	\$ 9,315,357	\$ 8,731,791	\$ 8,481,818	\$ 8,231,789
Upper Tier	9,757,160	8,869,949	8,243,092	7,945,850	7,758,947
School Board	3,011,218	2,942,524	2,912,499	2,896,236	3,007,713
<b>Total</b>	<b>\$ 22,896,457</b>	<b>\$ 21,127,830</b>	<b>\$ 19,887,382</b>	<b>\$ 19,323,904</b>	<b>\$ 18,998,449</b>



## Taxation and Assessments *continued*

Table 20: Five-year comparison of taxes and assessments (part 2)

<b>TAX RECEIVABLE</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
Taxes Receivable, Beginning of Year	\$ 1,346,356	1,293,020	\$ 1,190,182	1,103,181	\$ 1,043,289
PLUS: Tax Amounts Levied In the Year (SLC 26 9199 03)	22,879,856	21,580,444	20,178,329	19,598,944	19,252,673
PLUS: Current Year Penalties and Interest	208,942	206,996	193,017	198,946	127,014
LESS: Total Cash Collections (SLC 72 0699 09)	(22,796,589)	(21,621,088)	(20,210,259)	(19,632,627)	(19,218,645)
LESS: Tax Adjustments Before Allowances (SLC 72 2899 09)	(57,028)	(113,016)	(58,249)	(78,262)	(101,150)
<b>Taxes Receivable, End of Year (source: FIR)</b>	<b>\$ 1,581,537</b>	<b>\$ 1,346,356</b>	<b>\$ 1,293,020</b>	<b>\$ 1,190,182</b>	<b>\$ 1,103,181</b>

Table 21: Five-year comparison of taxes and assessments (part 3)

<b>ASSESSMENT VALUE BY CLASS (Source: MPAC)</b>					
	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
Residential	\$ 1,574,681,105	\$ 1,557,646,505	\$ 1,533,481,005	\$ 1,523,338,022	\$ 1,515,660,322
Farm	218,445,398	213,091,298	217,764,998	215,028,198	210,888,598
Commercial	31,064,797	30,165,197	30,821,897	30,924,080	28,402,080
Pipeline	16,949,000	16,979,000	16,921,000	16,882,000	16,854,000
Industrial	7,324,600	6,804,300	4,356,900	5,027,800	4,741,600
Managed Forest	8,340,700	8,030,000	8,091,900	6,756,800	5,987,300



## Demographic and Other Information

Table 22: Five-year comparison of the population demographic and other information

	2024	2023	2022	2021	2020
Population <sup>1</sup>	11,059	11,059	11,059	11,059	10,942
Households <sup>1</sup>	4685	4,685	4,685	4,685	4,677
Property Accounts (Residential / Commercial / Industrial) <sup>2</sup>	5,456	5,451	5,437	5,416	5,398
Property Assessment Values <sup>2</sup>	1,906,010,700	1,875,844,700	1,858,101,000	1,841,412,900	1,825,626,500
# of Residential Households <sup>3</sup>	4685	4,685	4,685	4,685	4,677
Avg Total Property Taxes per Avg Residential Household <sup>3</sup>	\$ 1,856	\$ 1,709	\$ 1,606	\$ 1,566	\$ 1,525
Total Value of Construction Activity based on permits issued <sup>3</sup>	\$ 21,514,559	\$ 28,787,549	\$ 42,715,250	\$ 40,612,300	\$ 18,292,753
Number of Building Permit Issued <sup>4</sup>	116	123	138	151	113
Fire/Emergency Calls <sup>4</sup>	365	358	347	305	340
Recruits Hired <sup>4</sup>	5	13	14	3	4
Fire Prevention Events <sup>4</sup>	27	32	26	28	30
# of Marriage Licenses Issued <sup>4</sup>	7	6	5	0	1
Median Home Selling Price <sup>2</sup>	\$ 743,500	\$ 790,000	\$ 835,000	\$ 817,500	\$ 610,000
Median Tax Assessed Value <sup>2</sup>	\$ 294,000	\$ 292,000	\$ 290,000	\$ 289,000	\$ 289,000
Staffing Levels (Full Time (FT) and Part Time (PT)) <sup>4</sup>	41FT / 12PT	41FT / 10PT	38FT / 11PT	37FT / 11PT	37FT / 11PT

<sup>1</sup> Source: Statistic Canada

<sup>2</sup> Source: MPAC

<sup>3</sup> Source: Financial Information Return

<sup>4</sup> Source: Staff Report



## Top 5 – Largest Corporate Property Taxpayers

Table 23: Top five largest corporate property taxpayers (Source: MPAC)

	Owner	Assessment Value
1	TCO Agromart Ltd.	\$ 1,616,000
2	800230 Ontario Limited	\$ 1,388,000
3	SHPP Canada Inc.	\$ 1,255,700
4	2388165 Ontario Ltd.	\$ 1,215,107
5	Partak Incorporation	\$ 1,183,000





## Glossary

**Accrual Accounting** – An accounting method where revenues are recognized in the accounting period in which they are earned, and expenses are recognized in the period in which they are incurred.

**Amortization** – Amortization is the process of gradually expensing the cost of an intangible asset over its useful life.

**AMP** – Asset Management Plan.

**Annual Budget** – A budget for a single year which identifies the revenues and expenditures for meeting the objectives of the annual financial plan.

**Annualization** – Incremental costs of a full year impact of staff approved in the previous year.

**Annual Repayment Limit (ARL)** - The Province of Ontario, through regulation, prescribes the ARL for municipalities. The ARL is calculated based on 25% of the municipality's own source revenues and represents the maximum amount which the municipality has available to commit to payments relating to debt and financial obligation.

**Approved Budget** – The budget as formally adopted by the Town Council for the upcoming fiscal year.

**Assets** – All tangible property owned by the Township.

**Audit** - Examination and verification of a company's financial records to ensure that the financial information is presented fairly and accurately, in compliance with applicable standards and regulations.

**Balanced Budget** – A budget in which the estimated revenues are equal to the estimated expenses.

**Budget** – A financial plan for a specified period that outlines planned expenditures and the proposed means of financing these expenditures.

**Capital Budget** – the expenditures and financing sources to acquire or construct Township's assets.

**Capital Asset** – A tangible asset used in operations with a useful life extending beyond one year, such as roads, buildings, or vehicles.

**Capital Forecast** – the expenditures and funding sources projected for consideration in the subsequent years of the Capital Budget approval year.

**Consumer Price Index (CPI)** – Is an indicator of changes in consumer prices.

**Debt** – A financial obligation resulting from the borrowing of money.

**Debt Servicing** – The payment of principal and interest on borrowed funds.

**Deficit** - Amount by which expenses or liabilities exceed income or revenues over a specific period, resulting in a shortfall.



## Glossary - *continued*

**Department** – A major administrative division of the Township that has overall Management responsibility for an operation within a functional area.

**Depreciation** – Similar to amortization but refers to tangible capital assets instead of intangible ones. You might want to distinguish the two if you're using both terms.

**Development Charges** – A fee imposed on new development to assist in the funding of future off-site services (infrastructure) which is needed, in part, by that new development.

**Expenditures** – The cost of goods and services received for both the regular Township operations and the capital programs.

**Fiscal Year** – A 12-month period (January 1 through December 31) in which the annual operating budget applies and at the end of which an assessment is made of the Township's financial condition and performance of operations.

**Full Accrual Accounting** – An accounting method that records revenues when earned and expenses when incurred, including amortization of capital assets.

**Fund Balance** – The accumulation of revenues over expenditures for the life of the fund.

**GAAP** – An abbreviation for Generally Accepted Accounting Practices which are the primary benchmarks used in accounting.

**Government Finance Officers Association (GFOA)** - A professional organization that provides resources, training, and advocacy for government finance professionals. It aims to promote sound financial Management practices in public sector organizations, including budgeting, accounting, and financial reporting.

**GIS** – Geographic Information System.

**Grant** – A financial contribution to or from governments

**Inflationary** – This section is used to identify budget increases due to rate increases for items such as insurance, contract, and gas.

**Inflation** – A rise in price levels caused by economic activity over a period.

**Infrastructure Deficit** – The estimated cost of upgrading and maintaining aging public infrastructure to a minimum acceptable standard.

**Modified Accrual Accounting** – Used in some government accounting systems; revenues are recognized when measurable and available, and expenditures when liabilities are incurred.

**Municipal Act** – Legislation of the province for administering and regulating the activities of municipalities within Ontario.



## Glossary - *continued*

**Operating Budget** – The Township’s financial plan which outlines proposed expenditures for the upcoming fiscal year and estimated revenues which will be used to finance them.

**OPP** – Ontario Provincial Police

**Property Tax** – Tax paid by those owning property in the Township.

**PSAB** – The Public Sector Accounting & Auditing Board

**Rate-Supported Services** – Municipal services that are funded through user fees rather than property taxation (e.g., water).

**Reserves and Reserve Funds** – Funds set aside in a separate account for a specific purpose by by-law or required to be set aside for specific purposes as set out in a statute, regulation, or by a written agreement between the Township and another party.

**Revenue** – All funds that the Township government receives as income, including items such as tax payments, fees for specific services, receipts from other governments, fines, forfeitures, shared revenues, and interest income.

**Surplus** – The amount by which revenues exceed expenditures in a fiscal year.

**Tax Levy** – The total amount of property taxes collected by the Township to fund municipal services.

**Tangible Capital Asset (TCA)** – Physical assets owned by the municipality that provide benefits over multiple years and are recorded on the balance sheet.

**User Fees** – Charges levied for specific municipal services (e.g., recreation programs, building permits) that are paid directly by the service user.

**Variance** – The difference between budgeted and actual financial results, often analyzed to assess financial performance.



# Thank You

Creating the annual financial report demands substantial effort and coordination across the organization. We express gratitude to all involved for their hard work and diligence in this process.

Thank you for your dedicated contributions in the deliverance of a Plan for Today and Tomorrow.