

**THE CORPORATION OF THE  
MUNICIPALITY OF HURON EAST  
FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**SEEBACH & COMPANY**  
*Chartered Professional Accountants*



# MUNICIPALITY OF HURON EAST

PO Box 610, 72 Main Street South, Seaforth Ontario N0K 1W0

Tel: 519-527-0160

Fax: 519-527-2561

1-888-868-7513

[www.huroneast.com](http://www.huroneast.com)

## MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

---

The accompanying consolidated financial statements of the Corporation of the Municipality of Huron East ("the Municipality") are the responsibility of the Municipality's management and have been prepared in accordance with Canadian public sector accounting standards, established by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada, as described in Note 1 to the financial statements.

The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The Municipality's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded from loss, transactions are properly authorized and recorded, and reliable information is available on a timely basis for preparation of the financial statements. These statements are monitored and evaluated by the Municipality's management. Council meets with management and the external auditor to review the financial statements and discuss and significant financial reporting or internal control matters prior to their approval.

The financial statements have been audited by Seebach & Company, independent external auditors appointed by the Municipality. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the Municipality's financial statements.

## CORPORATION OF THE MUNICIPALITY OF HURON EAST

---

Brad McRoberts  
Chief Administrative Officer

---

Denise Feeney, CPA  
Director of Finance / Treasurer

July 8, 2025

## INDEPENDENT AUDITOR'S REPORT

---

To the Members of Council, Inhabitants and Ratepayers  
of the Corporation of the Municipality of Huron East

### *Opinion*

We have audited the accompanying financial statements of the Corporation of the Municipality of Huron East ("the Municipality"), which are comprised of the consolidated statement of financial position as at December 31, 2023 and the statements of operations, changes in net financial assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Municipality as at December 31, 2023, and its financial performance and its cash flows for the year then ended in accordance with Canadian public sector accounting standards (PSAB).

### *Basis for Opinion*

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

### *Responsibilities of Management 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 PSAB, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Municipality's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Municipality or to cease operations, or has no realistic alternative but to do so.

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

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

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

## INDEPENDENT AUDITOR'S REPORT (continued)

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Municipality's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Municipality's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Municipality to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated 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.

*Seebach & Company*

Chartered Professional Accountants  
Licensed Public Accountants

Clinton, Ontario  
July 8, 2025

**THE CORPORATION OF THE MUNICIPALITY OF HURON EAST**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

<b>As at December 31</b>	<b>2023</b>	<b>2022 restated (see Note 2)</b>
<b>FINANCIAL ASSETS</b>		
Cash	<b>3,818,405</b>	3,026,403
Taxes receivable	<b>1,407,459</b>	1,161,279
Accounts receivable	<b>3,453,391</b>	1,705,981
Investments (note 5)	<b>8,208,578</b>	9,343,574
Long-term receivables (note 6)	<b>1,747,526</b>	1,762,326
	<b><u>18,635,359</u></b>	<u>16,999,563</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	<b>3,840,142</b>	5,035,392
Deferred revenue	<b>22,102</b>	12,201
Deferred revenue - obligatory reserve funds	<b>2,290,287</b>	2,053,312
Municipal debt (note 8)	<b>2,715,143</b>	864,506
Asset retirement obligation (note 9)	<b>5,405,860</b>	5,300,136
	<b><u>14,273,534</u></b>	<u>13,265,547</u>
<b>NET FINANCIAL ASSETS</b>	<b>\$ 4,361,825</b>	\$ 3,734,016
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets, net (note 10)	<b>89,814,977</b>	83,331,275
Inventory and prepaid expenses	<b>24,920</b>	21,451
<b>ACCUMULATED SURPLUS (note 12)</b>	<b><u>\$ 94,201,722</u></b>	<u>\$ 87,086,742</u>

The accompanying notes are an integral part of this financial statement

**THE CORPORATION OF THE MUNICIPALITY OF HURON EAST**  
**CONSOLIDATED STATEMENT OF OPERATIONS**

<b>For the year ended December 31</b>	<b>2023 Budget</b>	<b>2023 Actual</b>	<b>2022 Actual restated (see Note 2)</b>
<b>Revenue</b>			
Taxation for municipal purposes	10,036,509	<b>9,810,937</b>	8,779,143
Government transfers - Canada	306,814	<b>2,248,312</b>	406,806
Government transfers - Ontario	2,245,005	<b>3,877,009</b>	2,350,049
Government transfers - other municipalities	780,164	<b>1,377,508</b>	811,313
User fees and service charges	5,726,225	<b>5,942,485</b>	5,675,967
Licences, permits, rents, donations, etc.	439,996	<b>511,574</b>	1,389,313
Investment income	371,591	<b>400,694</b>	212,543
Penalties and interest on taxes	130,826	<b>101,954</b>	130,671
Gain (loss) on disposal of tangible capital assets	-	<b>1,008,675</b>	(25,311)
	<u>20,037,130</u>	<u><b>25,279,148</b></u>	<u>19,730,494</u>
<b>Expenditure</b>			
General government	2,167,809	<b>1,825,203</b>	1,625,337
Protection to persons and property	3,664,253	<b>3,452,142</b>	3,566,711
Transportation services	5,500,406	<b>5,306,380</b>	5,071,091
Environmental services	3,832,786	<b>3,621,876</b>	3,603,169
Health services	329,884	<b>268,330</b>	281,876
Social and family services	751,394	<b>812,362</b>	730,433
Recreation and cultural services	1,919,528	<b>1,961,092</b>	1,890,144
Planning and development	367,947	<b>916,783</b>	621,652
	<u>18,534,007</u>	<u><b>18,164,168</b></u>	<u>17,390,413</u>
<b>Annual surplus (deficit)</b>	1,503,123	<b>7,114,980</b>	2,340,081
<b>Accumulated surplus, beginning of year</b>			
as previously stated	87,086,742	<b>87,086,742</b>	84,809,446
<b>Change in accounting policy (note 2)</b>	-	-	(62,785)
<b>Accumulated surplus, beginning of year restated</b>	<u>87,086,742</u>	<u><b>87,086,742</b></u>	<u>84,746,661</u>
<b>Accumulated surplus, end of year</b>	<u><u>\$ 88,589,865</u></u>	<u><u><b>\$ 94,201,722</b></u></u>	<u><u>\$ 87,086,742</u></u>

The accompanying notes are an integral part of this financial statement

**THE CORPORATION OF THE MUNICIPALITY OF HURON EAST**  
**CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS**

<b>For the year ended December 31</b>	<b>2023 Budget</b>	<b>2023 Actual</b>	<b>2022 Actual restated (see Note 2)</b>
Annual surplus (deficit)	1,503,123	<b>7,114,980</b>	2,340,081
Amortization of tangible capital assets	2,775,796	<b>2,834,300</b>	2,717,291
Net acquisition of tangible capital assets	(5,845,556)	<b>(8,309,327)</b>	(10,150,381)
Loss (gain) on sale of tangible capital assets	-	<b>(1,008,675)</b>	25,311
Decrease (increase) in inventory and prepaid expenses	-	<b>(3,469)</b>	304,103
	<u>(1,566,638)</u>	<u><b>627,809</b></u>	<u>(4,763,595)</u>
<b>Net financial assets, beginning of year as previously stated</b>	3,734,016	<b>3,734,016</b>	8,560,396
<b>Change in accounting policy (note 2)</b>	-	-	(62,785)
<b>Net financial assets, beginning of year restated</b>	<u>3,734,016</u>	<u><b>3,734,016</b></u>	<u>8,497,611</u>
<b>Net financial assets, end of year</b>	<u><u>\$ 2,167,379</u></u>	<u><u><b>\$ 4,361,825</b></u></u>	<u><u>\$ 3,734,016</u></u>

The accompanying notes are an integral part of this financial statement

**THE CORPORATION OF THE MUNICIPALITY OF HURON EAST**  
**CONSOLIDATED STATEMENT OF CASH FLOW**

<b>For the year ended December 31</b>	<b>2023</b>	<b>2022 restated (see Note 2)</b>
<b>Operating activities</b>		
Annual surplus (deficit)	7,114,980	2,340,081
Amortization expense not requiring cash outlay	2,834,300	2,717,291
Loss (gain) on disposal of tangible capital assets	(1,008,675)	25,311
Decrease (increase) in taxes receivable	(246,180)	(181,860)
Decrease (increase) in accounts receivable	(1,747,410)	1,414,540
Increase (decrease) in accounts payable and accrued liabilities	(1,195,250)	2,662,777
Increase (decrease) in deferred revenue	9,901	(20,588)
Increase (decrease) in deferred revenue - obligatory reserve funds	236,975	358,049
Increase (decrease) in asset retirement obligations	105,724	2,552,015
Decrease (increase) in inventory and prepaid expenses	(3,469)	304,103
Cash provided by (used for) operating activities	<u>6,100,896</u>	<u>12,171,719</u>
<b>Capital activities</b>		
Net disposals (purchases) of tangible capital assets	(8,309,327)	(10,150,381)
Cash provided by (used for) capital activities	<u>(8,309,327)</u>	<u>(10,150,381)</u>
<b>Investing activities</b>		
Decrease (increase) in investments	1,134,996	(2,108,341)
Decrease (increase) in long-term receivables	14,800	105,323
Cash provided by (used for) investing activities	<u>1,149,796</u>	<u>(2,003,018)</u>
<b>Financing activities</b>		
Proceeds from long-term debt issued	1,939,700	-
Principal repayments on long-term debt	(89,063)	(88,338)
Cash provided by (used for) financing activities	<u>1,850,637</u>	<u>(88,338)</u>
<b>Increase (decrease) in cash position</b>	<b>792,002</b>	<b>(70,018)</b>
<b>Cash (overdraft) beginning of year</b>	<b>3,026,403</b>	<b>3,096,421</b>
<b>Cash (overdraft) end of year</b>	<b><u>\$ 3,818,405</u></b>	<b><u>\$ 3,026,403</u></b>

The accompanying notes are an integral part of this financial statement



# THE CORPORATION OF THE MUNICIPALITY OF HURON EAST

## NOTES TO FINANCIAL STATEMENTS

---

For the year ended December 31, 2023

---

### 1. Accounting policies

The consolidated financial statements of the Corporation of the Municipality of Huron East are the representation of management prepared in accordance with generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada as prescribed by the Ministry of Municipal Affairs and Housing for municipalities and their related entities.

Significant aspects of accounting policies adopted by the municipality are as follows:

a) Reporting entity

The consolidated financial statements reflect the financial assets, liabilities, operating revenues and expenditures, reserves, reserve funds, and changes in investment in tangible capital assets of the reporting entity. The reporting entity is comprised of all organizations and enterprises accountable for the administration of their financial affairs and resources to the Municipality and which are owned or controlled by the municipality. In addition to general government tax-supported operations, they include any water and sewer systems operated by the municipality and the municipality's proportionate share of joint local boards.

The following boards and municipal enterprises owned or controlled by Council have been consolidated:

Seaforth Business Improvement Area - 100%

Mid-Huron Landfill Site Board - 23.3%

Mid-Huron Recycling Centre Board - 33.3%

Inter-departmental and inter-organizational transactions and balances are eliminated.

The statements exclude trust funds that are administered for the benefit of external parties.

b) Accrual basis of accounting

Sources of financing and expenditures are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they are earned and measurable, and recognizes expenditures as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

c) Long-term investments

Investments are recorded at cost less amounts written off to reflect a permanent decline in value.

**1. Accounting policies (continued)**

d) Non-financial assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year, and are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year, together with the excess of revenues over expenses, provides the change in net financial assets for the year.

- Tangible capital assets

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

Category	Amortization Period	Capitalization Threshold
Land	not applicable	\$ 0
Land improvements	15 years	25,000
Buildings	7 - 40 years	5,000 - 25,000
Machinery and equipment	5 - 15 years	5,000 - 25,000
Furniture and fixtures	5 years	3,000
Information technology	3 - 7 years	3,000 - 5,000
Transportation infrastructure	15 - 75 years	5,000 - 100,000
Watermains infrastructure	15 - 80 years	15,000 - 100,000
Sewermain infrastructure	15 - 60 years	15,000 - 75,000

Assets under construction are not amortized until the asset is available for productive use, at which time they are capitalized.

The municipality has a capitalized threshold of \$0 - \$100,000 dependent on the category, so that individual tangible capital assets of lesser value are expensed, unless they are pooled because, collectively, they have significant value, or for operational reasons. Examples of pooled assets are computer systems, equipment, furniture and fixtures.

- Contribution of tangible capital assets

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt, and that fair value is also recorded as revenue. Similarly, transfers of assets to third parties are recorded as an expense equal to the net book value of the asset as of the date of transfer.

- Leases

Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

- Inventories

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

e) Reserves for future expenditures

Certain amounts, as approved by Council, are set aside in reserves for future operating and capital expenditure. Transfers to or from reserves are reflected as adjustments to the respective appropriated equity.

f) Government transfers

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

**1. Accounting policies (continued)**

g) Deferred revenue

Amounts received and required by legislation, regulation or agreement to be set aside for specific, restricted purposes are reported in the consolidated statement of financial position as deferred revenue until the obligation is discharged.

h) Asset retirement obligations

Asset retirement obligations represent the legal obligations associated with the retirement of a tangible capital asset that result from its acquisition, construction, development, or normal use.

The liability is recorded at an amount that is the best estimate of the expenditure required to retire a tangible capital asset at the financial statement date. This liability is subsequently reviewed at each financial reporting date and adjusted for the passage of time and for any revisions to the timing, amounts required to settle the obligation or the discount rate.

Upon the initial measurement of an asset retirement obligation, a corresponding asset retirement cost is added to the carrying value of the related tangible capital asset if it is still in productive use. This cost is amortized over the useful life of the tangible capital asset. If the related tangible capital asset is unrecognized or no longer in productive use, the asset retirement costs are expensed.

i) Amounts to be recovered in future years

Future years recoveries represent the requirement of the municipality to raise funds in subsequent periods to finance unfunded liabilities. A portion of the amounts to be recovered in future years will be recovered from deferred revenues earned.

j) Pensions

The municipality is an employer member of the Ontario Municipal Employees Retirement System (OMERS), which is a multi-employer, defined benefit pension plan. The municipality has adopted defined contribution plan accounting principles for this plan because insufficient information is available to apply defined benefit plan accounting principles. The municipality records as pension expense the current service cost, amortization of past service costs and interest costs related to the future employer contributions to the plan for past employee service.

k) Revenue recognition

Tax levies, based on assessment rolls issued by the Municipal Property Assessment Corporation and tax rates established by council, are recognized as revenue when the tax billings are issued. Adjustments to taxation revenue due to changes in assessments are initially recognized based on management's best estimates of the taxes that will be received.

Other revenue is recognized when related services are provided or goods delivered, collectibility is reasonably assured and there are no significant future obligations.

Government transfers are recognized in the in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria are met, and reasonable estimates can be made.

l) Use of estimates

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, the reported amounts of revenues and expenditures during the period, and the accompanying notes. Due to the inherent uncertainty in making estimates, actual results could differ from those estimates.

## 2. Change in accounting policy

- (a) Effective January 1, 2023 the municipality adopted new Public Sector Accounting Handbook Standard PS 3280 - Asset Retirement Obligations. The standard requires recognition of Asset Retirement Obligations when there is a legal obligation to incur retirement costs. The new standard resulted in the withdrawal of the existing accounting standard PS 3270 Solid Waste Landfill Closure and Post-Closure Liability. As a result of the adoption, the presentation of the financial statements changed from the prior year. This change in accounting policy has been applied using the modified retroactive application with restatement of prior periods.

The municipality removed the landfill liability that had been recognized to date and recognized an asset retirement obligation, and associated tangible capital asset, upon adoption of PS 3280 on January 1, 2022. The liability represents the required closure and post-closure care for the landfill site owned by the municipality.

The impact of adoption of this standard was as follows:

	<b>2022</b>
Increase in tangible capital assets	\$ 2,366,096
Decrease in landfill liability	2,675,790
Increase in asset retirement obligations	(5,300,136)
Increase to Environmental services expenses	118,111
Increase in Recreation, parks and culture expenses	<u>77,354</u>
Increase in opening accumulated surplus	<u>\$ (62,785)</u>

The change in accounting policy resulted in a \$118,111 increase in the previously reported Environmental services expenses, and a \$77,354 increase in the previously reported Recreation, parks and culture expenses for the 2022 year and a corresponding decrease of \$195,456 in the previously reported annual surplus for the 2022 year.

- (b) On January 1, 2022, the municipality adopted the following standards on a prospective basis: PS 1201 Financial Statement Presentation, PS 2601 Foreign Currency Translation, PS 3041 Portfolio Investments and PS 3450 Financial Instruments. The adoption of these standards had no impact on the opening balances.

PS 1201 Financial Statement Presentation replaces PS 1200 Financial Statement Presentation. The standard establishes general reporting principles and standards for the disclosure of information in government financial statements. The standard introduces the statement of remeasurement gains and losses separate from the statement of operations.

PS 2601 Foreign Currency Translation replaces PS 2600 Foreign Currency Translation. The standard requires monetary assets and liabilities denominated in a foreign currency and non-monetary items denominated in a foreign currency that are reported at fair value, to be adjusted to reflect the exchange rates in effect at the financial statement date. Unrealized gains and losses arising from foreign currency changes are presented in the new statement of remeasurement gains and losses.

PS 3041 Portfolio Investments replaces PS 3040 Portfolio Investments. The standard provides revised guidance on accounting for, and presentation and disclosure of, portfolio investments to conform to PS 3450 Financial Instruments. The distinction between temporary and portfolio investments has been removed in the new standard, and upon adoption, PS 3030 Temporary Investments no longer applies.

PS 3450 Financial Instruments establishes accounting and reporting requirements for all types of financial instruments including derivatives. The standard requires fair value measurement of derivatives and portfolio investments in equity instruments that are quoted in an active market. All other financial instruments will generally be measured at cost or amortized cost. Unrealized gains and losses arising from changes in fair value are presented in the statement of remeasurement gains and losses.

### 3. Operations of school boards and county

Taxation levied for school board and county purposes are not reflected in the financial statements. The amounts transferred were:

	2023	2022
County of Huron	\$ 7,226,888	\$ 6,363,051
School Boards	2,819,583	2,721,926

### 4. Trust funds

Trust funds administered by the municipality amounting to \$3,498,770 (2022 : \$3,174,304) have not been included in the consolidated statement of financial position nor have their operations been included in the consolidated statement of operations.

### 5. Investments

	2023	2022
Money market fund	1,449,494	2,727,921
Bond fund	6,759,084	6,615,653
	<u>\$ 8,208,578</u>	<u>\$ 9,343,574</u>

The investments have a market value of \$7,688,987 (2022 : \$8,688,422) at the end of the year.

### 6. Long-term receivables

	2023	2022
Due from residents and landowners	1,697,526	1,762,326
Tile loans, 6% principal and interest receivable annually, due 2024 through 2033	50,000	-
	<u>\$ 1,747,526</u>	<u>\$ 1,762,326</u>

Amounts due in the next five years are as follows:

2024: \$70,300    2025: \$72,600    2026: \$74,900    2027: \$77,000    2028: \$79,700

### 7. Pension agreements

The municipality makes contributions to a multi-employer pension plan on behalf of members of its staff. The plan is a defined benefit plan which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay. The amount contributed for 2023 was \$301,319 (2022 : \$250,460) for current services and is included as an expenditure on the consolidated statement of operations.

The contributions to the Ontario Municipal Employers Retirement System ("OMERS"), a multi-employer defined benefit pension plan, are expensed when contributions are due. Any pension surpluses or deficits are a joint responsibility of Ontario municipal organizations and their employees. As a result, the municipality does not recognize any share of the OMERS pension surplus or deficit.

## 8. Municipal debt

The balance of the municipal debt reported on the consolidated statement of financial position is made up of the following:

	2023	2022
Health services debenture payable to Huron East/Seaforth Community Development Trust, 5% interest, due December 2038	169,292	176,724
Ontario Infrastructure and Lands Corporation (OILC) loan payable, 1.47% interest, \$45,721 blended payment payable semi-annually, due September 2030 (for transportation purposes)	606,151	687,782
Ontario Infrastructure and Lands Corporation (OILC) loan payable, 4.98% interest, \$75,152 blended payment payable semi-annually, due December 2043 (for recreation)	1,889,700	-
Tile drain loans payable to Ministry of Finance, responsibility for payment of principal and interest charges have been assumed by individuals	50,000	-
	<u>\$ 2,715,143</u>	<u>\$ 864,506</u>

Principal payments for the next five years are as follows:

2024: \$151,300    2025: \$156,000    2026: \$161,000    2027: \$166,100    2028: \$171,400

## 9. Asset retirement obligations

The municipality's financial statements include an asset retirement obligation for the landfill and other environmentally hazardous materials. The related asset retirement costs are being amortized on a straight line basis.

The liability for the landfill has been estimated using a net present value technique with a discount rate of 4% (2022- 4%). The estimated total undiscounted future expenditures are \$18,158,240 (2022 - \$18,158,240), which are to be incurred over 60 years. The liability is expected to be fully settled in 60 years.

Legal liabilities exist for the removal and disposal of asbestos and other environmentally hazardous materials within some municipal owned properties and buildings that will undergo major renovations, upgrades, or demolition in the future. The obligation has been measured at current cost as the timing of future cash flows cannot be reasonably determined.

The carrying amount of the liabilities are as follows:

	2023	2022
Asset retirement obligation, beginning	5,300,136	-
Opening balance adjustment	-	5,104,671
Accretion expense	105,724	195,465
Settlements and adjustments	-	-
Asset retirement obligations, ending	<u>\$ 5,405,860</u>	<u>\$ 5,300,136</u>

The liability is expected to be funded through budget allocations to a landfill reserve fund over the remaining life of the related tangible capital asset.

## 10. Tangible capital assets

The municipality's policy on accounting for tangible capital assets follows:

i) Contributed tangible capital assets

The municipality records all tangible capital assets contributed by external parties at fair value.

ii) Tangible capital assets recognized at nominal value

Certain assets have been assigned a nominal value because of the difficulty of determining a tenable valuation.

For additional information, see the Consolidated Schedule of Tangible Capital Assets information on the tangible capital assets of the municipality by major class and by business segment, as well as for accumulated amortization of the assets controlled.

## 11. Segmented information

The Municipality of Huron East is a diversified municipal government institution that provides a wide range of services to its citizens such as recreational and cultural services, planning and development, fire, and transportation services. Distinguishable functional segments have been separately disclosed in the segmented information. The nature of the segments and the activities they encompass are as follows:

### General Government

This segment relates to the general operations of the municipality itself and cannot be directly attributed to a specific segment.

### Protection to Persons and Property

Protection is comprised of fire protection, policing, court services, conservation authorities, protective inspection and control, building permit and inspection services, emergency measures and other protection services.

### Transportation Services

Transportation services include road maintenance, winter control services, street light maintenance, parking lots, equipment maintenance and other transportation services.

### Environmental Services

Environmental services include the sanitary sewer system, storm sewer system, waterworks, waste collection, waste disposal and recycling.

### Health Services

This service area includes cemeteries and other health services.

### Social and Family Services

This service area includes childcare and other social services.

### Recreational and Cultural Services

This service area provides public services that contribute to the provision of recreation and leisure facilities and programs, the maintenance of parks and open spaces, library services, museums and other cultural services.

### Planning and Development

This segment includes matters relating to zoning and site plan controls, land acquisition, development initiatives, agriculture and reforestation, municipal drainage and tile drainage.

For additional information, see the schedule of segmented information.

## 12. Accumulated surplus

The accumulated surplus consists of individual fund surplus/(deficit) amounts and reserve and reserve funds as follows:

	2023	2022
General revenue accumulated surplus		
and invested in tangible capital assets	\$ 86,227,864	\$ 79,833,555
Unfinanced asset retirement obligations	(5,405,860)	(5,300,136)
Reserves and reserve funds	<u>13,379,718</u>	<u>12,553,323</u>
	<u>\$ 94,201,722</u>	<u>\$ 87,086,742</u>

For additional information, see the Consolidated Schedule of Continuity of Reserves, Reserve Funds, and Deferred Revenue.

## 13. Financial instrument risk management

### Credit risk

The municipality is exposed to credit risk through its cash, trade and other receivables, loans receivable, and long-term investments. There is the possibility of non-collection of its trade and other receivables. The majority of the municipality's receivables are from ratepayers and government entities. For trade and other receivables, the municipality measures impairment based on how long the amounts have been outstanding. For amounts outstanding considered doubtful or uncollectible, an impairment allowance is setup.

### Liquidity risk

Liquidity risk is the risk that the municipality will not be able to meet its financial obligations as they fall due. The municipality has a planning and a budgeting process in place to help determine the funds required to support the municipality's normal operating requirements on an ongoing basis. The municipality ensures that there are sufficient funds to meet its short-term requirements, taking into account its anticipated cash flows from operations and its holdings of cash and cash equivalents. To achieve this aim, it seeks to maintain an available line of credit balance as approved by the appropriate borrowing bylaw to meet, at a minimum, expected requirements.

### Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates or interest rates will affect the municipality's income or the value of its holdings of financial instruments. The objective of market risk management is to control market risk exposures within acceptable parameters while optimizing return on investments.

### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The municipality is exposed to interest rate risk arising from the possibility that changes in interest rates will affect the variable rate of temporary borrowings and long-term liabilities and the value of fixed rate long-term liabilities.

There has been no significant changes from the previous year in the exposure to risk or policies, procedures and methods used to measure risks.



**14. Budget amounts**

Under Canadian public sector accounting standards, budgets amounts are to be reported on the consolidated statement of operations for comparative purposes. The 2023 budget amounts for the Corporation of the Municipality of Huron East approved by Council are unaudited and have been restated to conform to the basis of presentation of the revenues and expenditures on the consolidated statement of operations. Budget amounts were not available for certain boards consolidated by the municipality.

Approved budget annual surplus (deficit)	\$ -
Acquisition of tangible capital assets	5,845,556
Amortization of tangible capital assets	(2,834,300)
Debt proceeds / repayments	(1,296,740)
Net reserve, reserve fund, and surplus transfers	(131,896)
Mid-Huron Landfill Site Board net budget deficit	(74,709)
Mid-Huron Recycle Centre Board net budget surplus	<u>(4,788)</u>
Budgeted surplus (deficit) reported on consolidated statement of operations	<u>\$ 1,503,123</u>

**THE CORPORATION OF THE MUNICIPALITY OF HURON EAST**  
**Consolidated Schedule of Tangible Capital Assets**  
For the Year Ended December 31, 2023

	Land	Land Improvements	Buildings	Machinery & Equipment	Vehicles	Plants and Facilities	Roads	Underground and other Networks	Bridges and other Structures	Assets Under Construction	<b>TOTAL Net Book Value 2023</b>	<b>TOTAL Net Book Value 2022</b>
<b>Cost</b>												
Balance, beginning of year	1,629,465	1,221,579	12,437,997	5,799,307	4,058,991	12,043,649	58,562,402	17,923,688	12,711,432	4,748,815	<b>131,137,325</b>	124,148,404
Add: Additions during the year		25,651	149,108	269,437	22,479	27,648	1,080,670	7,857		7,984,414	<b>9,567,264</b>	7,758,363
Less: Disposals during the year	(132,669)	(30,525)	(5,517)	(155,406)	(1)		(401,828)	(21,609)		(25,992)	<b>(773,547)</b>	(769,442)
Other: WIP transfers		757,214	7,661,975	132,037	518,423		2,084,884	892,783	203,268	(12,250,584)	-	-
Other: donations and transfers	(612,302)	724,075	93,953	(528,982)	323,256	-	-				-	-
Balance, end of year	<u>884,494</u>	<u>2,697,994</u>	<u>20,337,516</u>	<u>5,516,393</u>	<u>4,923,148</u>	<u>12,071,297</u>	<u>61,326,128</u>	<u>18,802,719</u>	<u>12,914,700</u>	<u>456,653</u>	<b><u>139,931,042</u></b>	<u>131,137,325</u>
<b>Accumulated Amortization</b>												
Balance, beginning of year		139,986	4,935,940	2,082,446	2,094,323	4,798,751	23,410,433	5,731,862	4,612,309		<b>47,806,050</b>	45,766,737
Add: Amortization during the year		73,707	296,102	274,001	200,853	238,186	1,323,266	220,278	207,907		<b>2,834,300</b>	2,717,291
Less: Accumulated amortization on disposals			(2,907)	(132,358)	(1)		(376,084)	(12,935)			<b>(524,285)</b>	(677,978)
Other: donations and transfers		97,592	(88,063)	(139,343)	129,814						-	-
Balance, end of year	<u>-</u>	<u>311,285</u>	<u>5,141,072</u>	<u>2,084,746</u>	<u>2,424,989</u>	<u>5,036,937</u>	<u>24,357,615</u>	<u>5,939,205</u>	<u>4,820,216</u>	<u>-</u>	<b><u>50,116,065</u></b>	<u>47,806,050</u>
<b>Net Book Value</b>												
<b>of Tangible Capital Assets</b>	<u>884,494</u>	<u>2,386,709</u>	<u>15,196,444</u>	<u>3,431,647</u>	<u>2,498,159</u>	<u>7,034,360</u>	<u>36,968,513</u>	<u>12,863,514</u>	<u>8,094,484</u>	<u>456,653</u>	<b><u>\$ 89,814,977</u></b>	<b><u>\$ 83,331,275</u></b>

**THE CORPORATION OF THE MUNICIPALITY OF HURON EAST**  
**Consolidated Schedule of Tangible Capital Assets**  
For the Year Ended December 31, 2023

	General Government	Protection	Transportation	Environmental	Health	Recreation and Cultural	Planning and Development	Work in Process	<b>TOTAL Net Book Value 2023</b>	<b>TOTAL Net Book Value 2022</b>
<b>Cost</b>										
Balance, beginning of year	2,276,201	3,121,798	76,648,490	32,660,881	2,035,699	8,813,536	831,905	4,748,815	<b>131,137,325</b>	124,148,404
Add: Additions during the year	73,938	50,951	1,275,964	59,355		76,394	46,248	7,984,414	<b>9,567,264</b>	7,758,363
Less: Disposals during the year	(1,145)	(1)	(556,090)	(52,134)		(5,517)	(132,668)	(25,992)	<b>(773,547)</b>	(769,442)
Other: WIP transfers	132,037	518,423	1,291,508	2,622,923		7,685,693		(12,250,584)	-	-
Other: donations and transfers	(215,754)	(30,661)	(3,684,973)	3,998,149		30,152	(96,913)		-	-
Balance, end of year	<u>2,265,277</u>	<u>3,660,510</u>	<u>74,974,899</u>	<u>39,289,174</u>	<u>2,035,699</u>	<u>16,600,258</u>	<u>648,572</u>	<u>456,653</u>	<b><u>139,931,042</u></b>	<u>131,137,325</u>
<b>Accumulated Amortization</b>										
Balance, beginning of year	728,331	1,592,546	30,299,630	10,731,762	493,973	3,959,808	-		<b>47,806,050</b>	45,766,737
Add: Amortization during the year	98,600	106,240	1,707,642	625,740	54,726	241,073	279		<b>2,834,300</b>	2,717,291
Less: Accumulated amortization on disposals			(508,442)	(12,937)		(2,906)			<b>(524,285)</b>	(677,978)
Other: donations and transfers	4	(25,015)	(1,371,360)	1,347,641		48,730			-	-
Balance, end of year	<u>826,935</u>	<u>1,673,771</u>	<u>30,127,470</u>	<u>12,692,206</u>	<u>548,699</u>	<u>4,246,705</u>	<u>279</u>	<u>-</u>	<b><u>50,116,065</u></b>	<u>47,806,050</u>
<b>Net Book Value</b>										
<b>of Tangible Capital Assets</b>	<u>1,438,342</u>	<u>1,986,739</u>	<u>44,847,429</u>	<u>26,596,968</u>	<u>1,487,000</u>	<u>12,353,553</u>	<u>648,293</u>	<u>456,653</u>	<b><u>\$ 89,814,977</u></b>	<b><u>\$ 83,331,275</u></b>

**THE CORPORATION OF THE MUNICIPALITY OF HURON EAST**  
**Consolidated Schedule of Continuity of Reserves and Reserve Funds**  
For the Year Ended December 31, 2023

	Balance, beginning of year	Revenues and contributions			Transfers out Utilized During Year	Balance, end of year
		Interest	From Operations	Other		
<b>Reserves and reserve funds</b>						
Reserves						
for general government	1,239,467		955,267		(232,638)	<b>1,962,096</b>
for protection services	328,877		33,171		-	<b>362,048</b>
for transportation services	303,083		365,541		-	<b>668,624</b>
for environmental services	9,160,991		1,267,182		(1,361,796)	<b>9,066,377</b>
for health services	117,704		43,576		-	<b>161,280</b>
for recreation and cultural services	1,403,201		436,266		(720,174)	<b>1,119,293</b>
for planning and development	-		40,000		-	<b>40,000</b>
Total reserves and reserve funds	<u>\$ 12,553,323</u>	<u>-</u>	<u>3,141,003</u>	<u>-</u>	<u>(2,314,608)</u>	<u><b>\$ 13,379,718</b></u>

**THE CORPORATION OF THE MUNICIPALITY OF HURON EAST**  
**Consolidated Schedule of Continuity of Deferred Revenue**  
For the Year Ended December 31, 2023

	Balance, beginning of year	Revenues and contributions			Transfers out Utilized During Year	Balance, end of year
		Interest	From Operations	Other		
<b>Deferred revenue</b>						
Parkland	92,995	4,523	13,018			<b>110,536</b>
Brussels Landfill (Morris)	65,436				(9,925)	<b>55,511</b>
Walton Landfill	254,008		30,000			<b>284,008</b>
Federal Gas Tax Funds	1,640,873	82,944		302,415	(186,000)	<b>1,840,232</b>
	<u>\$ 2,053,312</u>	<u>87,467</u>	<u>43,018</u>	<u>302,415</u>	<u>(195,925)</u>	<u><b>\$ 2,290,287</b></u>

# THE CORPORATION OF THE MUNICIPALITY OF HURON EAST

## Segmented Information

For the Year Ended December 31, 2023

	General Government	Protective Services	Transportation Services	Environmental Services	Health Services	Social and Family Services	Recreation and Culture	Planning and Development	<b>Total 2023</b>	Total 2022
<b>Revenue</b>										
Taxation	9,810,937	-	-	-	-	-	-	-	<b>9,810,937</b>	8,779,143
User charges	816,805	5,340	115,692	3,812,859	332,538	199,152	754,302	417,371	<b>6,454,059</b>	7,065,280
Government transfers	1,284,108	296,029	1,265,435	-	10,138	501,491	4,104,025	41,603	<b>7,502,829</b>	3,568,168
Interest and penalties	502,648	-	-	-	-	-	-	-	<b>502,648</b>	343,214
Other	516,495	3,270	11,502	95,175	16,776	3,584	355,723	6,150	<b>1,008,675</b>	(25,311)
	<u>12,930,993</u>	<u>304,639</u>	<u>1,392,629</u>	<u>3,908,034</u>	<u>359,452</u>	<u>704,227</u>	<u>5,214,050</u>	<u>465,124</u>	<b><u>25,279,148</u></b>	<u>19,730,494</u>
<b>Operating expenditure</b>										
Wages, salaries and benefits	1,104,488	837,192	1,141,558	383,199	89,116	702,861	886,294	207,062	<b>5,351,770</b>	4,440,411
Contracted services	452,099	1,851,706	242,151	1,485,662	9,609	-	72,953	511,418	<b>4,625,598</b>	3,405,331
Supplies, materials and equipment	170,016	657,004	2,215,029	1,127,275	114,879	109,501	760,772	198,024	<b>5,352,500</b>	6,827,380
Amortization	98,600	106,240	1,707,642	625,740	54,726	-	241,073	279	<b>2,834,300</b>	2,717,291
	<u>1,825,203</u>	<u>3,452,142</u>	<u>5,306,380</u>	<u>3,621,876</u>	<u>268,330</u>	<u>812,362</u>	<u>1,961,092</u>	<u>916,783</u>	<b><u>18,164,168</u></b>	<u>17,390,413</u>
<b>Net revenue (expense)</b>	<u>11,105,790</u>	<u>(3,147,503)</u>	<u>(3,913,751)</u>	<u>286,158</u>	<u>91,122</u>	<u>(108,135)</u>	<u>3,252,958</u>	<u>(451,659)</u>	<b><u>7,114,980</u></b>	<u>2,340,081</u>

**THE CORPORATION OF THE  
MUNICIPALITY OF HURON EAST  
TRUST FUNDS  
FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**SEEBACH & COMPANY**  
*Chartered Professional Accountants*

## **INDEPENDENT AUDITORS' REPORT**

---

To the Members of Council, Inhabitants and Ratepayers  
of the Corporation of the Municipality of Huron East

### *Opinion*

We have audited the accompanying financial statements of the trust funds of the Corporation of the Municipality of Huron East ("the Municipality"), which are comprised of the balance sheet as at December 31, 2023 and the statement of operations of trust funds for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Municipality as at December 31, 2023, and its financial performance and its cash flows for the year then ended in accordance with Canadian public sector accounting standards (PSAB).

### *Basis for Opinion*

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

### *Responsibilities of Management 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 PSAB, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Municipality's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Municipality or to cease operations, or has no realistic alternative but to do so.

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

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

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

## INDEPENDENT AUDITOR'S REPORT (continued)

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Municipality's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Municipality's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Municipality to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated 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.

*Seebach & Company*

Chartered Professional Accountants  
Licensed Public Accountants

Clinton, Ontario  
July 8, 2025



**THE CORPORATION OF THE MUNICIPALITY OF HURON EAST**  
**TRUST FUNDS**  
**BALANCE SHEET**

As at December 31, 2023

	Brussels		Grey			Seaforth		McKillop	Egmondville		
	Perpetual	Hydro	Cranbrook	Mount	Carnochan	Heritage	Hydro	Zion	Perpetual	2023	2022
	Care		Perpetual	Pleasant	Memorial			Cemetery	Care		
<b>Assets</b>											
Cash	10,313	22,806	2,765	5,947		43,047	119,940	1,023	6,945	<b>212,786</b>	161,169
Accounts receivable	1,300			740			22,726			<b>24,766</b>	6,040
Loans receivable							-			-	3,000
Investments	229,500	530,000	11,100	53,672	25,000		1,700,181	7,500	60,000	<b>2,616,953</b>	2,171,311
Prepaid expenses							50,000			<b>50,000</b>	-
Tangible capital assets, net							610,719			<b>610,719</b>	842,388
	<u>\$ 241,113</u>	<u>\$ 552,806</u>	<u>\$ 13,865</u>	<u>\$ 60,359</u>	<u>\$ 25,000</u>	<u>\$ 43,047</u>	<u>\$ 2,503,566</u>	<u>\$ 8,523</u>	<u>\$ 66,945</u>	<u><b>\$ 3,515,224</b></u>	<u>\$ 3,183,908</u>
<b>Liabilities</b>											
Accounts payable							16,454			<b>16,454</b>	9,604
	-	-	-	-	-	-	16,454	-	-	<b>16,454</b>	9,604
<b>Trust fund balance</b>	<u>241,113</u>	<u>552,806</u>	<u>13,865</u>	<u>60,359</u>	<u>25,000</u>	<u>43,047</u>	<u>2,487,112</u>	<u>8,523</u>	<u>66,945</u>	<u><b>3,498,770</b></u>	<u>3,174,304</u>
	<u>\$ 241,113</u>	<u>\$ 552,806</u>	<u>\$ 13,865</u>	<u>\$ 60,359</u>	<u>\$ 25,000</u>	<u>\$ 43,047</u>	<u>\$ 2,503,566</u>	<u>\$ 8,523</u>	<u>\$ 66,945</u>	<u><b>\$ 3,515,224</b></u>	<u>\$ 3,183,908</u>

**STATEMENT OF OPERATIONS**

For the Year Ended December 31, 2023

	Brussels		Grey			Seaforth		McKillop	Egmondville		
	Perpetual	Hydro	Cranbrook	Mount	Carnochan	Heritage	Hydro	Zion	Perpetual	2023	2022
	Care		Perpetual	Pleasant	Memorial			Cemetery	Care		
<b>Revenue</b>											
Sale of plots, vaults, opening charges	2,388			4,220					1,400	<b>8,008</b>	5,290
Interest earned	6,662	14,759	400	1,546	438	2,054	74,621	150	867	<b>101,497</b>	44,201
Rent							79,297			<b>79,297</b>	109,905
Other							261,944			<b>261,944</b>	10,800
	<u>9,050</u>	<u>14,759</u>	<u>400</u>	<u>5,766</u>	<u>438</u>	<u>2,054</u>	<u>415,862</u>	<u>150</u>	<u>2,267</u>	<u><b>450,746</b></u>	<u>170,196</u>
<b>Expenses</b>											
Expenditures							63,106			<b>63,106</b>	181,060
Administration fee							8,850			<b>8,850</b>	9,200
Transfers to cemetery operating	6,470	3,611	400	1,546	438			300	836	<b>13,601</b>	26,475
Community projects							30,275			<b>30,275</b>	13,550
Amortization							10,448			<b>10,448</b>	14,085
	<u>6,470</u>	<u>3,611</u>	<u>400</u>	<u>1,546</u>	<u>438</u>	<u>-</u>	<u>112,679</u>	<u>300</u>	<u>836</u>	<u><b>126,280</b></u>	<u>244,370</u>
<b>Excess of revenue over expenses</b>	<u>2,580</u>	<u>11,148</u>	<u>-</u>	<u>4,220</u>	<u>-</u>	<u>2,054</u>	<u>303,183</u>	<u>(150)</u>	<u>1,431</u>	<u><b>324,466</b></u>	<u>(74,174)</u>
<b>Trust fund balance, beginning of year</b>	<u>238,533</u>	<u>541,658</u>	<u>13,865</u>	<u>56,139</u>	<u>25,000</u>	<u>40,993</u>	<u>2,183,929</u>	<u>8,673</u>	<u>65,514</u>	<u><b>3,174,304</b></u>	<u>3,248,478</u>
<b>Trust fund balance, end of year</b>	<u>\$ 241,113</u>	<u>\$ 552,806</u>	<u>\$ 13,865</u>	<u>\$ 60,359</u>	<u>\$ 25,000</u>	<u>\$ 43,047</u>	<u>\$ 2,487,112</u>	<u>\$ 8,523</u>	<u>\$ 66,945</u>	<u><b>\$ 3,498,770</b></u>	<u>\$ 3,174,304</u>

**For the Year Ended December 31, 2023**

Trust fund investments have a market value equal to cost of \$2,616,953 (2022 : \$2,171,311).

THE CORPORATION OF THE MUNICIPALITY OF HURON EAST  
TRUST FUNDS

NOTES TO FINANCIAL STATEMENTS

2

December 31, 2023

---

5. Tangible Capital Assets

	Cost	Accumulated Amortization	Net Book Value 2023	Net Book Value 2022
Land	57,000	-	57,000	57,001
Buildings	<u>627,959</u>	<u>74,240</u>	<u>553,719</u>	<u>785,387</u>
	<u>\$ 684,959</u>	<u>\$ 74,240</u>	<u>\$ 610,719</u>	<u>\$ 842,388</u>