

- **Name**  
Christene Scrimgeour
- **Enter the date of the meeting you wish to present to council**  
June 6, 2024
- **Which is your preference for attending the meeting.**  
In Person
- **Will there be anyone other than yourself addressing Council?**  
No
- **Use the space below to clearly outline your purpose for presenting to council. Provide a brief outline of your subject matter including your suggested outcome.**  
Auditor's report on the draft consolidated financial statements and trust fund financial statements.
- **Will you be providing any additional written information in addition to your summary above? If YES please note it must be provided to the Clerks department no later than 2:00pm on the Tuesday prior to the meeting**  
No
- **Will you be providing any additional electronic information in addition to documents you will be attaching? If YES please note it must be provided to the Clerks department no later than 2:00pm on the Tuesday prior to the meeting**  
Yes
- **Have you appeared before council to discuss the same topic in the past?**  
Yes
- **Please select the date when you previously appeared**  
5/18/2023

**CORPORATION OF THE CITY OF WOODSTOCK  
CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023**

**CORPORATION OF THE CITY OF WOODSTOCK  
CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023**

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<b>-1-</b>	Independent Auditor's Report
<b>-3-</b>	Consolidated Statement of Financial Position
<b>-4-</b>	Consolidated Statement of Operations and Accumulated Surplus
<b>-5-</b>	Consolidated Statement of Cash Flows
<b>-6-</b>	Consolidated Statement of Changes in Net Financial Assets
<b>-7-</b>	Notes to the Consolidated Financial Statements
<b>-18-</b>	Schedule 1 - Consolidated Schedule of Tangible Capital Assets
<b>-19-</b>	Schedule 2 - Consolidated Schedule of Segmented Information

## **INDEPENDENT AUDITOR'S REPORT**

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**To the Members of Council, Inhabitants and Ratepayers of the Corporation of the City of Woodstock**

### **Opinion**

We have audited the accompanying consolidated financial statements of Corporation of the City of Woodstock (the "City"), which comprise the Consolidated Statement of Financial Position as at December 31, 2023, and Consolidated Statements of Operations and Accumulated Surplus, Cash Flows and Changes in Net Financial Assets for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Corporation of the City of Woodstock as at December 31, 2023 and its financial performance and its cash flows and change in net assets for the year then ended in accordance with Canadian public sector accounting standards.

### **Basis of Opinion**

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the City 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 these consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 City'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 City'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 consolidated 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 City 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.

**June 6, 2024**  
**London, Canada**

**LICENSED PUBLIC ACCOUNTANT**

**CORPORATION OF THE CITY OF WOODSTOCK  
CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT DECEMBER 31, 2023**

	2023	2022
		Note 2
<b>FINANCIAL ASSETS</b>		
Cash	\$ 67,976,463	\$ 60,641,770
Short-term investments (note 1.g), (note 3)	23,247,891	22,749,069
Taxes receivable	6,465,937	5,619,276
Accounts receivable	11,959,073	14,233,923
Long-term receivable	898,757	532,821
Land held for resale	17,939,561	16,254,926
	<b>128,487,682</b>	<b>120,031,785</b>
<b>LIABILITIES</b>		
Bank loan (note 7)	2,402	25,122
Accounts payable and accrued liabilities	11,987,237	10,771,905
Deferred revenue (note 9)	24,113,940	21,673,409
Accrued interest on debt	94,132	102,082
Post retirement benefits (note 8)	12,063,000	9,488,000
Asset retirement obligation (note 2.b)	2,985,302	2,912,489
Net long-term liabilities (note 10)	13,343,298	14,412,896
	<b>64,589,311</b>	<b>59,385,903</b>
<b>NET FINANCIAL ASSETS</b>	<b>63,898,371</b>	<b>60,645,882</b>
<b>NON-FINANCIAL ASSETS (note 1.e)</b>		
Tangible capital assets - Schedule 1	227,045,654	223,486,037
Capital work in progress	13,036,704	9,676,840
Inventories	939,043	1,038,935
Prepaid expenditures	199,100	280,001
	<b>241,220,501</b>	<b>234,481,813</b>
<b>ACCUMULATED SURPLUS (note 11)</b>	<b>\$305,118,872</b>	<b>\$295,127,695</b>

The accompanying notes are an integral part of the financial statements

**CORPORATION OF THE CITY OF WOODSTOCK  
CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS  
FOR THE YEAR ENDED DECEMBER 31, 2023**

	Budget 2023	Actual 2023	Actual 2022  Note 2
<b>REVENUE</b>			
Taxation revenue	\$ 70,258,840	\$ 70,766,054	\$ 66,233,488
User charges	3,549,679	4,486,548	3,537,906
Government grants (note 16)	3,660,140	3,861,780	4,090,924
Investment income	604,630	3,177,386	1,337,401
Penalty and interest on taxes	720,000	871,266	767,299
Gaming and casino	1,400,000	1,576,687	1,423,233
Other	22,795,680	3,989,731	7,369,945
	<b>102,988,969</b>	<b>88,729,452</b>	<b>84,760,196</b>
<b>EXPENDITURES</b>			
General government	9,988,880	9,956,289	9,371,724
Protection to persons and property	33,519,859	35,641,237	31,180,377
Transportation services (note 16)	13,303,750	19,779,531	18,375,990
Environmental services	503,670	1,951,607	1,871,835
Social and family services	169,240	330,409	340,219
Recreation and culture	14,306,080	17,015,471	15,724,505
Planning and development	2,311,685	2,266,310	3,474,285
	<b>74,103,164</b>	<b>86,940,854</b>	<b>80,338,935</b>
<b>EXCESS OF REVENUE OVER EXPENDITURES BEFORE OTHER</b>	<b>28,885,805</b>	<b>1,788,598</b>	<b>4,421,261</b>
<b>OTHER</b>			
Government transfers related to capital	4,113,000	4,483,440	5,167,986
Donated capital	-	2,038,033	1,411,158
Developer contributions related to capital	7,162,100	1,681,106	1,163,568
	<b>11,275,100</b>	<b>8,202,579</b>	<b>7,742,712</b>
<b>EXCESS OF REVENUE OVER EXPENDITURES</b>	<b>40,160,905</b>	<b>9,991,177</b>	<b>12,163,973</b>
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR</b>	<b>295,127,695</b>	<b>295,127,695</b>	<b>285,216,034</b>
Adjustment on adoption of the asset retirement obligation standard (note 2)	-	-	(2,252,312)
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR, AS RESTATED</b>	<b>295,127,695</b>	<b>295,127,695</b>	<b>282,963,722</b>
<b>ACCUMULATED SURPLUS, END OF YEAR</b>	<b>\$ 335,288,600</b>	<b>\$ 305,118,872</b>	<b>\$ 295,127,695</b>

The accompanying notes are an integral part of the financial statements

**CORPORATION OF THE CITY OF WOODSTOCK  
CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2023**

	2023	2022
		Note 2
<b>OPERATING ACTIVITIES</b>		
Excess of revenue over expenditures (page 4)	\$ 9,991,177	\$ 12,163,973
Non-cash changes to operations		
Amortization of tangible capital assets	10,841,778	10,415,474
Changes in non-cash working capital		
Taxes receivable	(846,661)	(613,528)
Accounts receivable	2,274,850	(8,350,173)
Land held for resale	(1,684,635)	(3,869,234)
Accounts payable and accrued liabilities	1,215,332	367,361
Deferred revenue	2,440,531	1,467,580
Accrued interest on debt	(7,950)	3,532
Post retirement benefits	2,575,000	(172,291)
Asset retirement obligation (note 2)	72,813	71,036
Inventories	99,892	(145,853)
Prepaid expenditures	80,901	(31,698)
	<b>27,053,028</b>	<b>11,306,179</b>
<b>CAPITAL ACTIVITIES</b>		
Acquisition of tangible capital assets	(15,551,110)	(18,942,709)
Decrease (increase) in work in progress	(3,359,864)	(3,014,615)
Net change on disposal of tangible capital assets	1,149,715	1,464,214
	<b>(17,761,259)</b>	<b>(20,493,110)</b>
<b>INVESTING ACTIVITIES</b>		
Decrease (increase) in short-term investments	(498,822)	5,635,401
Decrease (increase) in long-term receivable	(365,936)	(26,601)
	<b>(864,758)</b>	<b>5,608,800</b>
<b>FINANCING ACTIVITIES</b>		
Proceeds from issuance of long-term debt	900,000	1,400,000
Repayments of long-term debt	(1,969,598)	(1,884,348)
	<b>(1,069,598)</b>	<b>(484,348)</b>
Net change in cash and cash equivalents during the year	7,357,413	\$ (4,062,479)
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<b>60,616,648</b>	<b>64,679,127</b>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<b>\$ 67,974,061</b>	<b>\$ 60,616,648</b>
<b>COMPRISED OF:</b>		
Cash	\$ 67,976,463	\$ 60,641,770
Temporary borrowings	(2,402)	(25,122)
	<b>\$ 67,974,061</b>	<b>\$ 60,616,648</b>

The accompanying notes are an integral part of the financial statements



**CORPORATION OF THE CITY OF WOODSTOCK  
CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS  
FOR THE YEAR ENDED DECEMBER 31, 2023**

	Budget 2023	Actual 2023	Actual 2022  Note 2
Excess of revenue over expenditures (page 4)	\$ 40,160,905	\$ 9,991,177	\$ 12,163,973
Amortization of tangible capital assets	-	10,841,778	10,415,474
Acquisition of tangible capital assets	(27,955,000)	(15,551,110)	(18,942,709)
Loss on disposal of tangible capital assets	-	731,656	1,364,637
Proceeds on sale of tangible capital assets	-	418,059	99,577
Decrease (increase) in work in progress	-	(3,359,864)	(3,014,615)
Disposal (acquisition) of supplies inventory	-	99,892	(145,853)
Disposal (acquisition) of prepaid expenditures	-	80,901	(31,698)
<b>Change in net financial assets</b>	<b>12,205,905</b>	<b>3,252,489</b>	1,908,786
<b>NET FINANCIAL ASSETS, BEGINNING OF YEAR</b>	<b>60,645,882</b>	<b>60,645,882</b>	61,578,549
Adjustment on adoption of the asset retirement obligation standard (note 2)	-	-	(2,841,453)
<b>NET FINANCIAL ASSETS, BEGINNING OF YEAR, AS RESTATED</b>	<b>60,645,882</b>	<b>60,645,882</b>	58,737,096
<b>NET FINANCIAL ASSETS, END OF YEAR</b>	<b>\$ 72,851,787</b>	<b>\$ 63,898,371</b>	\$ 60,645,882

The accompanying notes are an integral part of the financial statements

**CORPORATION OF THE CITY OF WOODSTOCK  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023**

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The Corporation of the City of Woodstock (the City) 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**

The consolidated financial statements of the City are the representation of management prepared in accordance with Canadian public sector accounting standards (PS) for municipalities as recommended by the Public Sector Accounting Board (PSAB) of the CPA Canada.

The focus of PSAB financial statements is on the financial position of the City and changes thereto. The Consolidated Statement of Financial Position reports financial assets and liabilities. Financial assets are available to provide resources to discharge existing liabilities or finance future operations. Net financial assets represents the financial position of the City and is the difference between financial assets and liabilities. This information explains the City's overall future revenue requirements and its ability to finance activities and meet its obligations.

**a. Reporting entity**

These consolidated financial statements reflect the financial assets, liabilities, operating revenue and expenditures and accumulated surpluses and changes in investment in tangible capital assets of the City.

**b. Basis of consolidation**

These consolidated financial statements reflect the assets, liabilities, revenue, expenditures and accumulated surplus of all committees of Council and the following boards, municipal enterprises and utilities which are under the control of Council:

Woodstock Board of Management  
Woodstock Public Library Board  
Woodstock Police Services Board

All interfund assets, liabilities, revenue and expenditures have been eliminated.

**c. Non-consolidated entities**

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

**d. Revenue recognition**

Revenue is recognized when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Government grants and transfers are recognized in the consolidated financial statements as revenue in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be determined.

**CORPORATION OF THE CITY OF WOODSTOCK  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023**

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**1. Significant accounting policies continued**

**e. Non-financial assets**

**i. Tangible capital 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 revenue over expenditures, provides the Consolidated Changes in Financial Assets for the year.

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 is amortized on a straight-line basis over their estimated useful lives as follows:

Land Improvements	10 to 80 years
Buildings	30 to 60 years
Building components	10 to 75 years
Leasehold improvements	term of lease, plus one renewal term
Vehicles	4 to 20 years
Computer hardware	3 to 10 years
Computer software	5 to 8 years
Equipment	5 to 50 years
Communications equipment	5 to 15 years
Other	7 to 15 years
Roads	20 to 40 years
Storm sewers	40 to 100 years
Other networks	25 to 60 years
Bridges and other structures	25 to 75 years

Amortization is charged on a monthly basis in the year of acquisition and in the year of disposal. The City has a capitalization threshold of \$5,000 so that individual assets of lesser value are expensed unless they are pooled because collectively they have a significant value.

**ii. 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 expense as incurred.

**iii. Inventories**

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

**iv. Contributions**

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

**CORPORATION OF THE CITY OF WOODSTOCK  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023**

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**1. Significant accounting policies continued**

**f. Land held for resale**

Land held for resale is recorded at the lower of cost and net realizable value. Cost includes amounts for land acquisition and improvements to prepare the land for sale or servicing.

**g. Short-term investments**

Investments are initially recorded at cost with gains and losses included in investment income as earned. Investments consist of authorized investments pursuant to provisions of the Municipal Act, 2001 and are comprised of Canadian corporate and government bonds and Canadian equities. A decline in market value, which is other than temporary in nature, is reflected as a decrease in investment income.

**h. Deferred revenue**

Grants, contributions and other amounts are received from third parties pursuant to legislation, regulation or agreement and may only be used in the conduct of certain programs, in the completion of specific work or for the purchase of tangible capital assets. In addition, certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenditures are incurred, services performed or the tangible capital assets are acquired.

**i. Employee benefit plans**

The costs of retirement benefits are actuarially determined using the projected benefit method prorated on services and management's best estimate of retirement ages of employees and salary escalation.

**j. Use of estimates**

The preparation of consolidated financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditures during the period. Actual results could differ from these estimates.

**CORPORATION OF THE CITY OF WOODSTOCK  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023**

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**1. Significant accounting policies continued**

**k. Asset retirement obligations**

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 the future economic benefits will be given up; and
- a reasonable estimate of the amount can be made.

Retirement obligations related to buildings containing asbestos, are estimated and recognized as a liability and an increase in the cost of the asset at the time of acquisition. The liability is discounted annually over the same useful life as the asset's annual amortization expense, calculated in accordance with the City's amortization policies. The liability is increased due to the passage of time and is recorded as an accretion expense on Schedule 2 under Rent and Financial Expenses.

**l. Financial instruments**

Financial instruments of the City consist mainly of cash, accounts receivable and taxes receivable. The carrying values of these financial assets approximate their fair values unless otherwise disclosed.

**m. Budgets**

The City's Council completes separate budget reviews for its operating and capital budgets each year. The approved operating budget for 2023, including specific capital budget revenues, is reflected on the Consolidated Statement of Operations and Accumulated Surplus. For capital spending, budgets are set for individual projects and funding for these activities is determined annually and made by transfers from the accumulated surplus and by application of applicable grants and other funds available to apply to capital projects. The budget is unaudited.

**2. Change in accounting policies**

On January 1, 2023, the Corporation of the City of Woodstock adopted accounting policies to conform to new standards issued under Canadian public accounting standards (PS) as follows:

**a. PS 3450 - Financial instruments**

Under PS 3450, all financial instruments are included on the statement of financial position and are measured either at fair value or amortized cost based on the characteristics of the instrument and the City's accounting policy choices (see Note 1 - Significant accounting policies).

**CORPORATION OF THE CITY OF WOODSTOCK  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023**

**2. Change in accounting policies continued**

**b. PS 3280 - Asset retirement obligations (ARO)**

On January 1, 2022, the City recognized an asset retirement obligation related to buildings containing asbestos. The ARO of \$2,985,302 (2022 - \$2,912,489), has been estimated by management based on the criteria of Note 1.k. These assets were originally purchased/installed between 1951 and 2015, and the liability was measured as of the date of purchase/installation when the liability was assumed. One additional building was acquired in 1856. The expected useful lives range from 30 to 60 years, and the estimate was evaluated on the adoption of PS 3280.

In accordance with the provisions of these new standards, the City reflected the following adjustments to the opening accumulated surplus on January 1, 2022 as follows:

	2022 beginning of year, as restated	2022 end of year, as restated
Liabilities		
Asset retirement obligations	\$ 2,841,453	\$ 2,912,489
Net financial assets	2,841,453	2,912,489
Non financial assets		
Tangible capital asset cost	1,224,920	1,224,920
Tangible capital assets accumulated	(635,779)	(662,252)
Tangible capital assets (net)	589,141	562,668
Net change in accumulated surplus	\$ (2,252,312)	\$ (2,349,821)

**CORPORATION OF THE CITY OF WOODSTOCK  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023**

**2. Change in accounting policies continued**

Statements of Operations and Accumulated Surplus

	2022 end of year, as restated
Expenses	
Rent and financial expense	\$ 71,036
Amortization	26,473
Expenses (net)	97,509
Accumulated operating surplus	
Accumulated operating surplus, beginning of year, restated	(2,252,312)
<b>CHANGE IN ACCUMULATED SURPLUS, END OF YEAR</b>	<b>\$ (2,349,821)</b>

**3. Short term investments**

The City's investment activities are governed by the Municipal Act and the City's investment policy. The short term investments of \$23,247,891 (2022 - \$22,749,069) are recorded at cost. The investments have a market value of \$24,158,937 (2022 - \$22,179,095). The market value represents the realizable value of the investments if they were sold on December 31, 2023. Accordingly, only realized gains and losses are recognized in the Consolidated Statement of Operations and Accumulated Surplus.

The following details the short term investments:

	2023	2022
Canadian Government Bond Portfolio	\$ 9,181,740	\$ 8,989,187
Canadian Corporate Bond Portfolio	8,582,499	8,374,624
Canadian Equity Portfolio	5,483,652	5,385,258
	<b>\$ 23,247,891</b>	<b>\$ 22,749,069</b>

**4. Trust funds**

Trust funds administered by the City amounting to \$478,788 (2022 - \$491,514) have not been included in the Consolidated Statement of Financial Position nor have their operations been included in the Consolidated Statement of Operations and Accumulated Surplus.

**CORPORATION OF THE CITY OF WOODSTOCK  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023**

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**5. Operations of School Boards and the County of Oxford**

The City is required to bill, collect and remit taxation revenue on behalf of the School Boards and County of Oxford pursuant to provincial legislation. The City has no jurisdiction or control over the operations of these entities or the setting of their tax rates. Therefore, the taxation, other revenue, expenditures, assets and liabilities with respect to the operations of the School Boards and the County are not reflected in these consolidated financial statements.

Taxation revenue billed and requisitions paid on behalf of the School Boards and County of Oxford are not reflected in the Statement of Operations and Accumulated Surplus and are comprised of the following:

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	<b>School Boards</b>	<b>County</b>
Taxation	<b>\$ 16,460,166</b>	<b>\$ 26,475,680</b>
Requisitions	<b>\$ 16,460,166</b>	<b>\$ 26,475,680</b>

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**6. Pension agreements**

The City makes contributions to the Ontario Municipal Employees Retirement Fund (OMERS), which is a multi-employer 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 to OMERS for 2023 was \$3,864,111 (2022 - \$3,487,660) for current service and is included as an expenditure on the Consolidated Statement of Operations and Accumulated Surplus. The City has no obligation, as of December 31, 2023, under the past service provisions. The OMERS smoothed funding ratio for 2023 is 97.0% (2022 - 95.0%).

**7. Bank loan**

The City entered into a bank loan during 2022. The loan is repayable in monthly payments of \$1,859 which includes interest and principal. The interest rate is 2.83% per annum. The loan will be repaid in 2024.



**CORPORATION OF THE CITY OF WOODSTOCK  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023**

**8. Post-retirement benefits**

Employee post-retirement benefits represents the City's share of the cost to provide extended benefits on retirement to eligible employees and retirees, including vested sick leave. This liability will require funding in future periods. The accrued benefit obligation and the net periodic benefit cost were determined by an actuarial valuation completed in 2024, for years ended December 31, 2023 to 2025, in accordance with the financial reporting guideline of PS 3250 established by the Public Sector Accounting Board of the CPA Canada.

	2023	2022
Post employment benefits to age 65	\$ 10,885,401	\$ 8,235,584
Post employment benefits post age 65	1,177,599	1,252,416
	<b>\$ 12,063,000</b>	<b>\$ 9,488,000</b>

Significant assumptions are as follows:

General inflation	2.00%
Discount rate	3.17%
Rate of compensation increase	3.00%
Productivity increase	1.00%
Accumulation of future sick leave credits	.92 days per month
Expected long-term rate of return on plan assets	6.00%

**9. Deferred revenue**

The deferred revenue balance is comprised of the following:

	2023	2022
Development charges	\$ 16,599,530	\$ 14,834,318
Lot levies	692,190	763,277
Recreational land	95,217	137,873
Dedicated gas tax	1,688,938	1,364,235
Canada Community-Building Fund	1,822,149	2,741,610
Other deferred revenue	3,215,916	1,832,096
	<b>\$ 24,113,940</b>	<b>\$ 21,673,409</b>

**CORPORATION OF THE CITY OF WOODSTOCK  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023**

**10. Long-term liabilities**

**a. Composition of long-term liabilities**

The balance of long-term liabilities reported on the Consolidated Statement of Financial Position is made up of the following:

	<b>2023</b>	2022
Total long-term liabilities issued by the County of Oxford which the City has assumed responsibility for repayment	<b>\$ 13,343,298</b>	\$ 14,412,896

**b. Debt repayments**

Of the net long-term liabilities reported in (a) of this note, the minimum principal repayments required are estimated as follows:

2024	\$ 1,997,118
2025	\$ 1,763,718
2026	\$ 1,583,318
2027	\$ 1,362,394
2028	\$ 1,149,670
2029 to 2041	\$ 5,487,080

**c. Approval**

The long-term liabilities issued in the name of the municipality 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.

**d. Interest**

The City paid interest on its long-term liabilities of \$413,935 (2022 - \$423,835). Interest rates on the above long-term liabilities ranges from 1.49% to 5.27% per annum.

**CORPORATION OF THE CITY OF WOODSTOCK  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023**

**11. Accumulated Surplus**

The accumulated surplus is comprised of the following:

	2023	2022
		Note 2
<b>Surplus</b>		
City	\$ 3,633,980	\$ 2,707,864
Invested in Tangible Capital Assets	255,482,874	245,973,120
Post-retirement benefits (note 8)	(12,063,000)	(9,488,000)
Asset retirement obligations	(2,985,302)	(2,912,489)
	<b>244,068,552</b>	236,280,495
<b>Reserves</b>	<b>20,099,092</b>	17,760,977
<b>Reserve funds set aside for specific purpose by legislation, regulation or agreement</b>	<b>40,951,228</b>	41,086,223
<b>ACCUMULATED SURPLUS</b>	<b>\$305,118,872</b>	\$295,127,695

**12. Tax revenue**

Property tax billings are prepared by the City based on an assessment roll prepared by the Municipal Property Assessment Corporation. All assessed property values in the City were reviewed and new values established based on a common valuation date which was used by the City in computing the 2023 property tax bills. Property tax revenue and tax receivables are subject to appeals which may not have been heard yet. Any supplementary billing adjustments made necessary by the determination of such appeals will be recognized in the fiscal year they are determined and the effect shared with the County of Oxford and the appropriate school boards.

**13. Commitments**

The City committed \$7,000,000 to the construction of a new hospital in Woodstock payable over a twenty year period. In 2022, the City completed this payment obligation.

**14. Public sector salary disclosure**

In 2023, one hundred and fifty three employees were paid a salary, as defined in the Public Sector Disclosure Act, 1996 of \$100,000 or more by the Corporation of the City of Woodstock or the Woodstock Police Services Board.

**CORPORATION OF THE CITY OF WOODSTOCK  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023**

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**15. Segmented Information**

Segmented information is presented on Schedule 2. The City is a diversified municipality and provides a wide range of services to its citizens including police, fire, transportation including public transit, community services, including recreation and planning. The general government segment includes such functions as finance and information services, council and administrative offices.

**16. Comparative balances**

Certain comparative balances have been reclassified to conform with the current year's financial statement presentation. Government grant revenue and transportation services expenditures for the year ended 2022, were decreased by \$1,315,952.

In addition, prior period adjustments have been made to conform with the change in accounting policies as described in Note 2.

**CORPORATION OF THE CITY OF WOODSTOCK  
SCHEDULE 1 - CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS  
FOR THE YEAR ENDED DECEMBER 31, 2023**

	General Land and Land Improvements	Buildings	Vehicles	Equipment	Infrastructure Roads	Storm Sewers	Other Networks	Bridges and Structures	2023 Total	2022 Total
<b>COST</b>										
Balance, beginning of year	\$ 48,781,420	\$ 79,669,664	\$ 27,091,710	\$ 15,867,142	\$113,877,305	\$ 39,459,634	\$ 24,756,987	\$ 5,380,122	\$354,883,984	\$339,532,061
Asset Retirement Obligations, restated (note 2)	-	-	-	-	-	-	-	-	-	1,224,920
Add:										
Additions during the year	529,242	563,662	2,719,468	1,291,292	6,335,718	1,955,642	2,156,086	-	15,551,110	18,942,709
Less:										
Disposals during the year	(86,269)	(373,024)	(385,347)	(660,642)	(1,768,353)	(981,268)	(117,673)	-	(4,372,576)	(4,815,706)
Balance, end of year	49,224,393	79,860,302	29,425,831	16,497,792	118,444,670	40,434,008	26,795,400	5,380,122	366,062,518	354,883,984
<b>ACCUMULATED AMORTIZATION</b>										
Balance, beginning of year	4,337,599	37,008,997	13,034,433	8,346,762	51,517,721	9,039,020	6,252,962	1,860,453	131,397,947	123,698,186
Asset Retirement Obligations, restated (note 2)	-	-	-	-	-	-	-	-	-	635,779
Add:										
Amortization during the year	586,395	2,236,338	1,810,630	1,131,731	3,894,318	572,097	534,787	75,482	10,841,778	10,415,474
Less:										
Disposals during the year	(1,140)	(91,606)	(385,347)	(650,860)	(1,472,211)	(531,352)	(90,345)	-	(3,222,861)	(3,351,492)
Balance, end of year	4,922,854	39,153,729	14,459,716	8,827,633	53,939,828	9,079,765	6,697,404	1,935,935	139,016,864	131,397,947
<b>NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS</b>	<b>\$ 44,301,539</b>	<b>\$ 40,706,573</b>	<b>\$ 14,966,115</b>	<b>\$ 7,670,159</b>	<b>\$ 64,504,842</b>	<b>\$ 31,354,243</b>	<b>\$ 20,097,996</b>	<b>\$ 3,444,187</b>	<b>\$227,045,654</b>	<b>\$223,486,037</b>

This schedule is provided for information purposes only.

**CORPORATION OF THE CITY OF WOODSTOCK  
SCHEDULE 2 - CONSOLIDATED SCHEDULE OF SEGMENTED INFORMATION  
FOR THE YEAR ENDED DECEMBER 31, 2023**

	General Government	Protective Services	Transportation	Environmental	Social and Family Services	Recreation and Culture	Planning and Development	Total
<b>REVENUE</b>								
Taxation	\$ 9,745,754	\$ 30,630,970	\$ 15,294,540	\$ 1,237,140	\$ 163,540	\$ 12,621,440	\$ 1,072,670	\$ 70,766,054
User fees	85,756	698,535	1,041,324	-	-	2,623,244	37,689	4,486,548
Government grants	62,098	2,747,104	4,829,496	-	-	349,705	356,817	8,345,220
Investment income	2,373,486	46,886	29,973	-	-	106,515	620,526	3,177,386
Penalty and interest on taxes	871,266	-	-	-	-	-	-	871,266
Other	2,491,526	1,645,163	2,679,297	138,614	-	1,563,365	767,592	9,285,557
	15,629,886	35,768,658	23,874,630	1,375,754	163,540	17,264,269	2,855,294	96,932,031
<b>EXPENDITURES</b>								
Salaries and benefits	4,285,113	30,612,684	6,791,770	122,176	-	9,363,848	1,072,747	52,248,338
Goods and services	5,347,210	3,655,158	6,999,053	848,638	157,925	5,093,532	1,159,144	23,260,660
Rents and financial expenses	25,592	53,927	27,466	2,840	8,608	51,594	6,116	176,143
Interest	21,050	152,183	150,515	12,826	-	61,331	16,030	413,935
Amortization	277,324	1,167,285	5,810,727	965,127	163,876	2,445,166	12,273	10,841,778
	9,956,289	35,641,237	19,779,531	1,951,607	330,409	17,015,471	2,266,310	86,940,854
<b>EXCESS OF REVENUE OVER EXPENDITURES (EXPENDITURES OVER REVENUE)</b>	\$ 5,673,597	\$ 127,421	\$ 4,095,099	\$ (575,853)	\$ (166,869)	\$ 248,798	\$ 588,984	\$ 9,991,177

This schedule is provided for information purposes only.

**CORPORATION OF THE CITY OF WOODSTOCK**

**TRUST FUNDS**

**FOR THE YEAR ENDED DECEMBER 31, 2023**

**CORPORATION OF THE CITY OF WOODSTOCK  
TRUST FUNDS  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023**

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-1-	Independent Auditor's Report
-3-	Statement of Financial Position
-4-	Statement of Operations and Accumulated Surplus
-5-	Statement of Cash Flows
-6-	Statement of Changes in Net Financial Assets
-7-	Notes to the Financial Statements



## INDEPENDENT AUDITOR'S REPORT

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**To the Members of Council, Inhabitants and Ratepayers of the Corporation of the City of Woodstock**

### **Qualified Opinion**

We have audited the accompanying financial statements of Corporation of the City of Woodstock Trust Funds (the "Trust Funds"), which comprise the Statement of Financial Position as at December 31, 2023, and the Statements of Operations and Accumulated Surplus, Cash Flows and Changes in Net Financial Assets for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the accompanying financial statements present fairly, in all material respects, the financial position of Corporation of the City of Woodstock Trust Funds as at December 31, 2023, and the results of its financial performance and its cash flows and changes in net assets for the year then ended, in accordance with Canadian public sector accounting standards.

### **Basis for Qualified Opinion**

The Trust Funds derive receipts of capital from residents and donors, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these receipts was limited to the amounts recorded in the records of the Trust Funds. Therefore, we were not able to determine whether any adjustments might be necessary to the receipts, assets and capital balance for the years ended December 31, 2023 and December 31, 2022.

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

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of these 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 relating 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.

## **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.

**June 6, 2024**  
**London, Canada**

**LICENSED PUBLIC ACCOUNTANT**

**CORPORATION OF THE CITY OF WOODSTOCK  
TRUST FUNDS  
STATEMENT OF FINANCIAL POSITION  
AS AT DECEMBER 31, 2023**

	2023		2022
<b>FINANCIAL ASSETS</b>			
Cash	\$ 524,257	\$	466,684
Due from City of Woodstock	-		24,830
	<b>524,257</b>		<b>491,514</b>
<b>LIABILITIES</b>			
Due to City of Woodstock	45,469		-
	<b>45,469</b>		<b>-</b>
<b>NET FINANCIAL ASSETS</b>	<b>478,788</b>		<b>491,514</b>
<b>ACCUMULATED SURPLUS (page 4), (note 2)</b>	<b>\$ 478,788</b>	\$	<b>491,514</b>

The accompanying notes are an integral part of the financial statements

**CORPORATION OF THE CITY OF WOODSTOCK  
TRUST FUNDS  
STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS  
FOR THE YEAR ENDED DECEMBER 31, 2023**

	2023		2022
<b>REVENUES</b>			
Interest	\$ 25,939	\$	10,314
Donations	-		13,027
Other	6,804		19,114
	<b>32,743</b>		42,455
<b>EXPENDITURES</b>			
City of Woodstock	45,469		507
	<b>45,469</b>		507
Excess revenues over expenditures (expenditures over revenues) for the year	<b>(12,726)</b>		41,948
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR</b>	<b>491,514</b>		449,566
<b>ACCUMULATED SURPLUS, END OF YEAR</b>	<b>\$ 478,788</b>	\$	491,514

The accompanying notes are an integral part of the financial statements

**CORPORATION OF THE CITY OF WOODSTOCK  
TRUST FUNDS  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2023**

	2023	2022
<b>NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES:</b>		
<b>OPERATING ACTIVITIES</b>		
Excess of revenues over expenditures (expenditures over revenues) (page 4)	\$ (12,726)	\$ 41,948
Change in non-cash operating balances Due to / from City of Woodstock	70,299	(25,008)
Increase in cash	57,573	16,940
<b>CASH, BEGINNING OF YEAR</b>	<b>466,684</b>	<b>449,744</b>
<b>CASH, END OF YEAR</b>	<b>\$ 524,257</b>	<b>\$ 466,684</b>

The accompanying notes are an integral part of the financial statements

**CORPORATION OF THE CITY OF WOODSTOCK  
TRUST FUNDS  
STATEMENT OF CHANGES IN NET FINANCIAL ASSETS  
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<b>2023</b>	2022
Excess of revenues over expenditures (expenditures over revenues) (page 4)	<b>\$ (12,726)</b>	\$ 41,948
Increase (decrease) in net financial assets	<b>(12,726)</b>	41,948
<b>NET FINANCIAL ASSETS, BEGINNING OF YEAR</b>	<b>491,514</b>	449,566
<b>NET FINANCIAL ASSETS, END OF YEAR</b>	<b>\$ 478,788</b>	\$ 491,514

The accompanying notes are an integral part of the financial statements

**CORPORATION OF THE CITY OF WOODSTOCK  
TRUST FUNDS  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023**

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**1. Accounting policies**

The financial statements of the Corporation of the City of Woodstock Trust Funds (the "Trust Funds") are prepared by management in accordance with Canadian public sector accounting standards prescribed for municipalities as established by the Public Sector Accounting Board of CPA Canada.

**a. Revenue recognition**

Revenue is recognized when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Donations are recorded on a cash basis.

**b. Financial instruments**

The financial instruments of the Trust Funds consist of cash and accounts receivable. The carrying values of these financial assets approximate their fair values unless otherwise disclosed.

**c. 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 amount 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 expenditures during the period. Actual results could differ from these estimates.

**d. Tangible capital assets**

The Trust Funds do not own any capital assets.

**e. Budget**

The Trust Funds do not set a budget.

**CORPORATION OF THE CITY OF WOODSTOCK  
TRUST FUNDS  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023**

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**2. Accumulated surplus**

The accumulated surplus of the Trust Funds is comprised of the following:

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	<b>2023</b>	<b>2022</b>
Art Gallery	\$ 477	\$ 452
Art Gallery Memorial	<b>24,048</b>	44,105
Community Complex	<b>139,358</b>	132,368
Good Beginnings/Gym Club	<b>249,914</b>	251,788
K. N. Light	<b>7,005</b>	7,005
Lillian J. McKay	<b>5,002</b>	5,002
Lily Telfer	<b>24,402</b>	23,159
Shanna Larsen	<b>4,969</b>	4,716
W.J Bickerton	<b>10,002</b>	10,002
Woodstock Public Library Trust Fund	<b>13,611</b>	12,917
	<b>\$ 478,788</b>	<b>\$ 491,514</b>

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