



Association of  
Municipalities  
of Ontario

# ANNUAL REPORT | 2023



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# Message from the AMO President

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It has been a privilege to serve as your AMO President over the past two years. I have really enjoyed the opportunity to represent AMO's member municipal governments to our provincial and federal counterparts and partner organizations. I look forward to continuing to serve on the Board of Directors in the coming term.

AMO is governed by a 43-member volunteer Board of municipal council members and public servants from every part of Ontario. It has been a pleasure to work with these dedicated individuals and I want to thank them for serving on the AMO Board and bringing their local, on-the-ground knowledge of issues affecting Ontario's municipalities to AMO's work.

2023 was another challenging year for municipal governments. As council members, we know Ontario's communities are facing systemic challenges caused by decades of policy choices and underinvestment by successive provincial governments. The massive increase in homelessness has become one of the most visible symptoms of underinvestment – there are now 1,400 homeless encampments in municipalities across Ontario.

Municipalities are on the frontlines of these challenges and want to be part of the solutions, but we don't have all the tools. Property taxes are already the second highest in Canada while Ontario's per capita spending is the lowest among all provinces by far. We also know that \$4 billion each year in municipal revenue is paying for provincial responsibilities like social housing, health, and social services.

AMO wants to work with the province to come up with new ways of providing the services people rely on, and making the infrastructure investments we need to support a growing economy. That is why AMO is asking the province for a social and economic prosperity review. Much of the groundwork for this advocacy effort was laid in 2023. Many of your councils have already voiced strong support for our proposed review. Thank you for your support.

I also want to thank AMO staff who continue to provide incredible advice and resources to the Board and our members. The work of AMO staff – policy and advocacy, programs, events and education, business services, and our core administrative functions – ensures that AMO continues to be one of the most influential advocacy organizations in the country. However, none of the work we do would be possible without the support of AMO members. Your membership and engagement enable the municipal sector to speak with one common voice.

A handwritten signature in black ink, appearing to read 'Colin Best'. The signature is fluid and cursive, with a long, sweeping underline that extends to the right.

**Colin Best**  
*President, AMO*  
*Councillor, Region of Halton*

# The Value of AMO Membership

Ontario's 444 municipalities work together through AMO to achieve shared goals and meet common challenges.

**AMO** works to make municipal governments stronger and more effective.

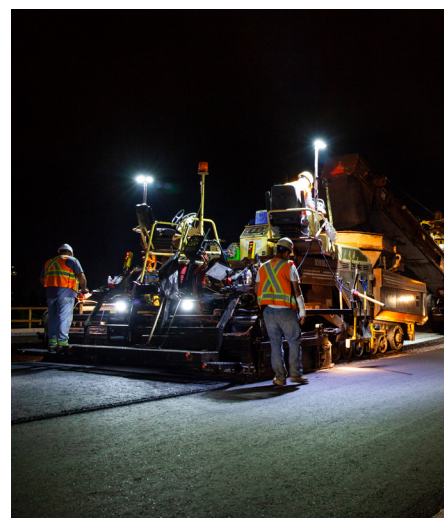
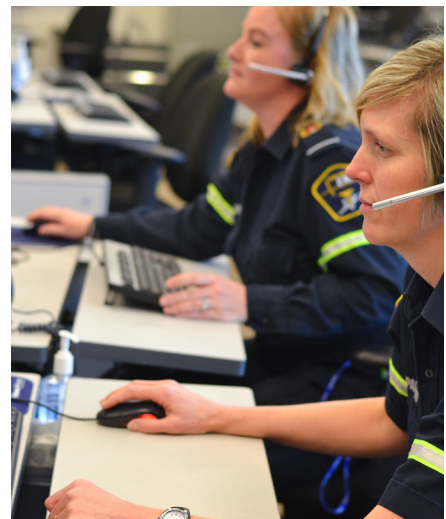
**AMO** represents you and the collective voice of municipal government in Ontario, and ensures we are all heard loud and clear.

**AMO** provides municipal elected officials with the tools to succeed through our policy development, advocacy, membership programs, conferences, and educational programming.

**AMO** members take advantage of educational programming which includes workshops such as enhanced councillor and land use training, negotiating conflict, indigenous-municipal community building, and many others focused on building essential skills and knowledge for elected municipal officials.

**AMO** also provides business services that help municipalities. LAS (Local Authority Services) supplies many cost-saving programs and services designed to support municipalities. We also advance municipal employer interests in the OMERS Pension Plan as your sponsor representative through MEPCO (the Municipal Employer Pension Centre of Ontario). We ensure that your voice influences the governance and the administration of the \$128 billion OMERS pension plan.

**AMO's** website had over **900,000 pageviews** in 2023. Subscription to our weekly e-newsletter, the AMO Watchfile, is currently at 7,800. Communicating with our members and keeping everyone up to date is just part of the value-added benefit of AMO membership.





# Message from the Executive Director

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AMO continues to work hard to support its members and the important work they do to deliver infrastructure and services that Ontarians rely on every day.

I am grateful to work with AMO's staff who skillfully deliver resources, programs, services, events, and education that AMO members rely on. I am constantly impressed with their creativity and dedication as they advocate for municipal interests and develop initiatives that benefit municipal councils and employees in their mandates to residents.

AMO is guided by an exceptional group of municipal council members and municipal public servants who make up our Board of Directors. I appreciate having the opportunity to work with community leaders who care deeply about their residents, communities, and the province and who volunteer their time to support AMO's work on behalf of the municipal sector.

In 2023, AMO launched the Social and Economic Prosperity Review, the Healthy Democracy Project, the Workforce Development Project, and LAS' Automated Speed Enforcement program, among many other projects. These initiatives demonstrate how AMO responds to member priorities in new ways. You can learn about these projects and more on the following pages.

Once again, AMO staff delivered an exceptional in-person conference in 2023, hosted by the City of London. We know how valuable and important this event is to you. As we undertook our brand consultation this year, we heard that the Annual Conference is at the core of AMO's brand – the power of AMO as a "great unifier" where municipal leaders convene with provincial and federal representatives, partners, and sponsors to tackle common challenges. We look forward to welcoming you to our 2024 AMO Conference in Ottawa.

I am very proud of the significant role AMO has in shaping public policy and supporting members and I am committed to maintaining that role for AMO and the municipal sector.

I want to thank all our members for your support. I also want to thank the many extraordinary municipal public servants who work with AMO staff to ensure our advocacy, member and business services reflect the best knowledge of your priorities, challenges, and aspirations.

Thank you!

A handwritten signature in black ink, appearing to read 'Brian Rosborough'. The signature is fluid and cursive, with a long horizontal stroke at the end.

**Brian Rosborough**  
*Executive Director*

# 2023 Annual Conference



AMO member engagement continued to grow in 2023 as the AMO Conference in the City of London saw the **highest attendance ever**.



**75%** of survey respondents rated the overall AMO conference schedule as 'good' or 'excellent'.



**80%** of respondents plan to attend the 2024 conference.

There was excellent participation with:

- A record **602** delegation meetings.
- **27** ministers met with **201** municipalities.
- **14** concurrent sessions and six study tours on topics including cybersecurity, accessibility, energy, the circular economy, and collaboration with Indigenous communities.
- Main stage plenary content, including the Honourable Elizabeth Dowdeswell, Lieutenant Governor of Ontario, Ontario Regional Chief Glen Hare, Premier Doug Ford, Ontario's opposition leaders, AMO's fourth Women's Leadership Forum, and programming dedicated to ending homelessness.



# AMO's Centres

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**AMO's Enterprise Centre** works closely with LAS and ONE Investment to build strategic relationships with partners where there is shared value – the partner succeeds in achieving business goals while AMO/LAS maximizes benefits to members. The Enterprise Centre is led by Judy Dezell.

**AMO's Finance and Operations Centre** is responsible for managing AMO and AMO-related organizations' accounting, financial systems, risk management, information technology, human resources, website management, information systems and data management. Information is shared with the AMO membership and the public using our websites and other electronic methods by leveraging our membership database and other tools. The Finance and Operations Centre is led by Afshin Majidi.

**AMO's Membership Centre** supports AMO's membership through the development and delivery of events and educational workshops. The Membership Centre also oversees the management and delivery of the Canada Community-Building Fund (CCBF) to Ontario's municipalities. The Membership team leads several AMO Board initiatives, including increasing diversity on municipal councils, enhancing understanding and engagement in municipal governance, and approaches to local democracy through the Healthy Democracy Project. The Centre also provides secretariate and conference delivery services for ROMA, the rural section of AMO. The Membership Centre is led by Petra Wolfbeiss.

**AMO's Policy Centre** conducts research, government relations, policy analysis, and advocacy to ensure that provincial policies and programs respect municipal authority. Some highlights of AMO's 2023 policy work as expanded on below include the Social and Economic Prosperity Review, housing and homelessness advocacy, and infrastructure investment. The Policy Centre is led by Lindsay Jones.

# Highlights of AMO's Work in 2023

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## Brand & Visual Identity

In 2023, AMO undertook work to refresh our brand framework and visual identity. The goal of this project was to support the modernization of the organization and continue to engage our members in AMO's advocacy, programs, and events.

During our consultation, members affirmed that:

- AMO is highly regarded, depended upon, and viewed with credibility and integrity,
- AMO is a collaborative and unifying organization for Ontario's municipal sector to engage with the provincial and federal governments and partners,
- AMO is a champion for positive change in Ontario.

AMO's former brand and visual identity was approaching 10 years old, and a new visual identity presented the opportunity to reflect new member priorities and broaden AMO's appeal in our design. AMO's new visual identity began roll-out in 2024 and is reflected throughout this report, AMO's website, and ongoing work.

## Social and Economic Prosperity Review

In 2023, AMO launched a comprehensive campaign to invite the provincial government to the table to work with municipalities to fix broken provincial-municipal fiscal arrangements.

Municipalities across Ontario are facing increasingly complex challenges, such as tackling homelessness and climate change, without the financial tools to solve them. Building the infrastructure needed to support unprecedented growth requires new ways of thinking about funding and financing.

Research and policy work began to make the case for why this conversation is critical and long overdue. The groundwork was laid for a multi-pronged advocacy and government relations strategy in 2024, culminating in presentations to the legislature, the Minister of Municipal Affairs and Housing, a record number of delegates at the 2024 ROMA conference, and a council resolutions and media campaign.

## Municipal-Indigenous Relations

AMO continues to strengthen and deepen relationships between municipal and Indigenous organizations and leaders. In 2023, AMO signed an MOU with the Ontario Native Women's Association, highlighting our common values and interests and a commitment to work in partnership.



AMO and the Chiefs of Ontario Kee:Way Committee launched discussions and work focused on supporting the effective engagement of First Nations in development and land-use planning processes.

Finally, AMO launched a new Indigenous Advisory Council with representation from a broad range of Indigenous organizations, experts, and elected municipal officials to guide AMO as it builds a broader, organization-wide, comprehensive approach to Indigenous matters. This includes the Healthy Democracy Project, policy matters, supports and information for AMO members and AMO's own Indigenous action plan.

## **Housing and Homelessness**

AMO continues to be at the forefront of the conversation on housing supply and affordability on behalf of Ontario's municipalities. AMO presented to the Ontario Legislature and made submissions to the government in response to housing bills, regulations and policies. This resulted in shifts in government policy related to:

- the role of development charges in enabling municipalities to build complete and thriving communities,
- the need for a plan to support deeply affordable and community housing, including the need to re-define "affordable" in a way that actually reflects the realities of low-income individuals and families,
- the integrity of the land-use planning system and the impact of poorly thought through provincial policies on communities, the environment, agriculture, employment, infrastructure, and governance.

AMO launched a comprehensive media and advocacy campaign, working with major business, health, public safety, labour, and Indigenous partners to highlight the devastating impacts of homelessness in communities across Ontario and the need for urgent provincial action and support. This advocacy resulted in increased funding to municipalities of \$200 million annually to tackle homelessness, and over \$400 million for community-based mental health and addictions services.

## **Healthy Democracy Project**

The Healthy Democracy Project promotes the value and importance of municipal governments in Ontario and Canada's political system and identifies ways that AMO can provide support and resources to candidates that will diversify municipal councils, enhance understanding and encourage participation in municipal government.

In 2023, AMO conducted primary research into the barriers to running for municipal office with a focus on candidates from diverse communities, including a survey, focus groups, and in-depth interviews. As well, AMO established new capacity-building partnerships to support significant project initiatives, with CIVIX in the development

of a civic education pilot program, with the Canadian Municipal Barometer to increase measurement and evaluation expertise, and with Toronto Metropolitan University's Democracy Engagement Exchange.

The project's advisory group is comprised of remarkable leaders from various organizations and sectors, whose experience is essential to AMO's efforts to improve local democratic engagement and diversity in municipal leadership.

## **Workforce Development Project**

The Workforce Development Project aims to help AMO and Ontario's municipalities better understand the municipal sector's future workforce needs. AMO is taking a leadership role in this work because municipal governments care deeply about their communities and want to ensure they have the people to deliver the services and infrastructure Ontarians rely on.

In 2023, AMO established an Advisory Group comprised of senior municipal leadership, municipal staff associations, post-secondary partners, CUPE, and OMERS to guide the project. AMO conducted a survey and received more than 2,400 responses from municipal employees. That information, along with other research and Advisory Group direction, will help to inform a Project Roadmap which will be released in 2024.

## **Municipal Risk and Insurance**

An officials-level Technical Working Group originally formed by the Attorney General in 2022 continued to meet regularly in 2023. The group is comprised of staff representatives from municipalities, AMO and LAS, and the Government of Ontario. Other stakeholders, including from the insurance, actuarial, risk management, legal, and road maintenance and safety sectors, participated in Technical Working Group meetings on an ad-hoc basis.

The group intends to create an inter-governmental dialogue on municipal insurance costs, coverage, and liability issues, including joint and several liability. The goal is also to identify and discuss gaps in data that need to be resolved to better understand and disseminate the underlying factors driving municipal insurance challenges.

AMO and LAS are committed to continued work on this issue. The Technical Working Group identified viable next steps to make meaningful progress based on the issues identification process, including the collection of joint and several liability data through AMO-LAS to further unpack its relationship with municipal insurance premiums.

## **Automated Speed Enforcement**

AMO has worked closely with the Ministry of Transportation (MTO) to ensure Automated Speed Enforcement (ASE) is implemented in a consistent and transparent manner that focuses on the safety of communities.

In 2023, AMO supported LAS as it created the first Joint Processing Centre with its partner, the City of Barrie. The pilot was launched in December with the deployment of two camera systems and two Provincial Offences Officers processing infractions under the POA Court system. Advocacy efforts will continue with the MTO and Ministry of the Attorney General in 2024 to support the transition and adoption of Administrative Penalties (AP) across the province and to ensure acceptance of ASE in communities.

Several large municipalities are working to build their own programs to handle hundreds of cameras. Similarly, LAS continues to build their program for small and medium-sized municipalities. AMO, representing all municipalities, has had conversations with the MTO centred around key aspects and common challenges faced by the sector, including training, deployment, policies and the AP option.

## **Municipal Infrastructure**

In 2023, AMO focused considerable advocacy attention on the need for federal and provincial investments in municipal infrastructure to support housing growth.

The \$1.2 billion Building Faster Fund was announced at the 2023 AMO Conference and the \$200 million Housing-Enabling Water Systems Fund was announced in the Fall Economic Statement. Multiple discussions with provincial Ministers were key contributors to this.

AMO facilitated conversations between provincial and municipal staff to inform the design of programs and hosted webinars for municipalities to better understand program details and support successful applications.

## **Canada-Community Building Fund**

In 2023, AMO continued its important leadership role on the Canada Community Building Fund (CCBF) as it worked closely with the federal and provincial government on the development of a new 10-year funding agreement.

AMO's CCBF team delivers nearly \$700 million annually to municipalities across Ontario on behalf of the federal government in support of critical infrastructure projects. Since its launch in 2005, municipalities receiving Canada Community-Building funds through AMO have invested over \$9 billion from the Fund into more than 12,000 local projects.

Through the CCBF team, AMO also delivers programming that helps the municipal sector make further progress in asset management and better inform Councils in identifying infrastructure investment priorities.

# AMO Board of Directors

The governing body of the Association is the Board of Directors, elected every two years. The Board is comprised of elected and non-elected municipal representatives from across Ontario.

\*Indicates member of the AMO Executive Committee

## AMO Board of Directors (as of this Report)

### Colin Best\*

AMO President  
Councillor, Region of Halton

### Trevor Wilcox\*

AMO Secretary-Treasurer  
General Manager, Corporate  
Performance, County of Simcoe

### Jamie McGarvey\*

AMO Past President  
Mayor, Town of Parry Sound

## Association Française des Municipalités de l'Ontario (AFMO)

### Michelle Boileau

Maire/Mayor, Ville de/City of  
Timmins

## County Caucus

### Aina DeViet\*

Chair, County Caucus  
Councillor, Middlesex County

### Barbara Dobreen

Councillor, County of Grey

### Peter Emon

Chair, EOWC  
Warden, Renfrew County

### Chris Gerrits

Councillor, Dufferin County

### Glen McNeil

Chair, WOWC  
Warden, Huron County

### Meighan Wark

CAO, Huron County

## Large Urban Caucus

### Anna Hopkins\*

Chair, Large Urban Caucus  
Councillor, City of London

### Dan Chapman

CAO, City of Kitchener

### Dawn Dodge

Councillor, City of St. Catharines

### Luke Dufour

Councillor, City of Sault Ste. Marie

### Marianne Meed Ward

Mayor, City of Burlington

### Bryan Paterson

Mayor, City of Kingston

## Northern Caucus

### Wendy Landry\*

Chair, NW Caucus  
President, NOMA  
Mayor, Municipality of Shuniah (NW)

### Danny Whalen\*

Chair, NE Caucus  
President, FONOM  
Councillor, City of Temiskaming Shores

### John Curley

Councillor, City of Timmins

### Rick Dumas

Mayor, Town of Marathon

### Fred Mota

Mayor, Municipality of Red Lake

### Roger Sigouin

Maire/Mayor, Ville de/Town of Hearst

## Regional and Singer Tier Caucus

### Riley Brockington\*

Chair, Regional & Single Tier Caucus  
Councillor, City of Ottawa

### Marilyn Crawford

Regional Councillor, Town of Ajax

### Robert Foster

Councillor, Region of Niagara

### Tammy Hwang

Councillor, City of Hamilton

### Rhonda Mulcahy

Councillor, Region of Durham

### Karen Redman

Chair, MARCO  
Chair, Region of Waterloo

### Paul Vincente

Councillor, Region of Peel

## Rural Caucus

### Robin Jones\*

Chair, Rural Caucus  
Chair, ROMA  
Mayor, Village of Westport

### Sandra Datars Bere

City Manager, City of St. Thomas

### Peter Emon

Reeve, Town of Renfrew

### Paul Latam

Councillor, Town of Grand Valley

### Rainey Weisler

Deputy Mayor, Municipality of Bayham

## Small Urban Caucus

### Lynn Dollin\*

Chair, Small Urban Caucus  
Mayor, Town of Innisfil

### Deb Doherty

Councillor, Town of Collingwood

### Bob Kwapis

Councillor, Town of Newmarket

### Hilda MacDonald

Chair, OSUM  
Mayor, Municipality of Leamington

### Denyse Morrissey

CAO, Town of Shelburne



## Message from the Secretary-Treasurer

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I am pleased to report that the Association continues to be in good financial shape. A copy of the audited financial statements for the year ending December 31, 2023 follows this message.

AMO continues to have a strong and consistent membership base. In 2023, AMO had a membership of 421 municipal members – representing 95% of all municipalities. Our membership is strengthened by 41 organizations that are Partners, Associates, Districts and Affiliates. We are pleased to have a working relationship with these unique members as we advance the interests of municipal government.

It has been a privilege to serve AMO as Secretary Treasurer. On behalf of the AMO Board of Directors, I want to express thanks to AMO's member and partners for their commitment to the financial sustainability of AMO and the important work it does. I also want to acknowledge the important work of AMO staff in the successful administration of the organization.

A handwritten signature in black ink, appearing to read "Trevor Wilcox". The signature is fluid and cursive, written in a professional style.

**Trevor Wilcox**

*Secretary-Treasurer*

*General Manager - Corporate Performance, County of Simcoe*

# Financial Statements

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**Association of Municipalities of Ontario  
Financial Statements  
For the year ended December 31, 2023**

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## Independent Auditor's Report

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To the Directors of Association of Municipalities of Ontario

### Opinion

We have audited the financial statements of Association of Municipalities of Ontario ("AMO"), which comprise the statement of financial position as at December 31, 2023, and the statements of operations, changes in net 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 AMO as at December 31, 2023, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

### 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 AMO 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 financial statements in accordance with Canadian accounting standards for not-for-profit organizations, 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 AMO'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 AMO or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing AMO'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.



#### Auditor's Responsibilities for the Audit of the Financial Statements (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 AMO'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 AMO'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 AMO 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.

*BDO Canada LLP*

Chartered Professional Accountants, Licensed Public Accountants  
Oakville, Ontario  
June 21, 2024



## Association of Municipalities of Ontario Statement of Financial Position

December 31	2023	2022
<b>Assets</b>		
<b>Current</b>		
Cash	\$ 546,902	\$ 572,686
Accounts receivable (Note 3)	791,612	635,438
Investments (Note 4)	25,109,039	23,054,958
Prepaid expenses	676,931	500,712
	27,124,484	24,763,794
Investment in LAS (Note 9(a))	100	100
Long-term investments (Note 5)	536,120	476,193
Property and equipment (Note 6)	1,650,388	54,754
	\$ 29,311,092	\$ 25,294,841

### Liabilities and Net Assets

<b>Current</b>		
Accounts payable and accrued liabilities (Note 7)	\$ 1,653,962	\$ 2,029,174
Deferred revenue	185,902	198,827
Deferred contributions - projects (Note 8)	538,424	1,031,353
	2,378,288	3,259,354
Deferred contributions - other	55,150	63,247
	2,433,438	3,322,601
<b>Net assets</b>		
Restricted funds	12,866,666	10,455,825
General funds - unrestricted	9,061,884	8,582,945
Investment in LAS	100	100
Conference self-insurance reserve	868,000	691,000
Training reserve	170,616	170,616
Invested in capital assets reserve	1,650,388	54,754
Stabilization reserve	2,260,000	2,017,000
	26,877,654	21,972,240
	\$ 29,311,092	\$ 25,294,841

On behalf of the Board:

\_\_\_\_\_ Director  
 \_\_\_\_\_ Director

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

## Association of Municipalities of Ontario Statement of Operations

For the year ended December 31

				2023	2022
	Canada Community- Building Fund	Other Restricted	Unrestricted	Total	Total
<b>Revenue</b>					
Membership fees	\$ -	\$ -	\$ 2,326,156	\$ 2,326,156	\$ 2,261,487
Conferences and seminars	-	-	2,926,960	2,926,960	2,425,051
Investment income	-	-	798,666	798,666	266,364
Administration and occupancy (Note 3)	-	-	5,482,365	5,482,365	5,168,166
Other income	-	-	1,906,659	1,906,659	557,908
Funds received					
Canada Community-Building	706,833,942	-	-	706,833,942	677,383,084
Main Street revitalization	-	-	-	-	117,464
Municipal Asset Management Program	-	144,922	-	144,922	168,664
Community School Alliance (Note 8)	-	11,750	-	11,750	15,950
Continuous Improvement Fund Project (CIF) (Note 8)	-	203,699	-	203,699	291,032
Waste Diversion Project (Note 8)	-	337,973	-	337,973	352,167
Steward Obligation Project	-	-	-	-	11,111
Interest earned on funds received	1,440,057	-	-	1,440,057	779,831
	<b>708,273,999</b>	<b>698,344</b>	<b>13,440,806</b>	<b>722,413,149</b>	<b>689,798,279</b>
<b>Expenditures</b>					
General - Administration	-	-	1,607,598	1,607,598	1,249,466
Policy - Administration	2,562,808	-	1,743,562	4,306,370	4,492,579
Corporate services - Administration	-	-	5,742,913	5,742,913	4,915,120
- Conference, seminars and membership centre	-	-	1,852,160	1,852,160	1,458,638
Funds distributed					
Canada Community-Building	703,300,350	-	-	703,300,350	673,996,169
Municipal Asset Management Program	-	144,922	-	144,922	168,664
Community School Alliance (Note 8)	-	11,750	-	11,750	15,950
Continuous Improvement Fund Project (CIF) (Note 8)	-	203,699	-	203,699	291,032
Waste Diversion Project (Note 8)	-	337,973	-	337,973	352,167
Steward Obligation Project	-	-	-	-	11,111
	<b>705,863,158</b>	<b>698,344</b>	<b>10,946,233</b>	<b>717,507,735</b>	<b>686,950,896</b>
<b>Excess of revenue over expenditures</b>	<b>\$ 2,410,841</b>	<b>\$ -</b>	<b>\$ 2,494,573</b>	<b>\$ 4,905,414</b>	<b>\$ 2,847,383</b>

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

**Association of Municipalities of Ontario**  
**Statement of Changes in Net Assets**

For the year ended December 31

2023

2022

	Restricted Fund	Unrestricted Funds	Conference Self- Insurance Reserve	Training Reserve	Invested in Capital Assets	Stabilization Reserve	Total	Total
<b>Balance</b> , beginning of year	\$10,455,825	\$ 8,583,045	\$ 691,000	\$ 170,616	\$ 54,754	\$ 2,017,000	\$21,972,240	\$19,124,857
<b>Excess of revenue over expenditures for the year</b>	2,410,841	2,494,573	-	-	-	-	4,905,414	2,847,383
<b>Transfers</b> (Note 2)	-	(2,015,634)	177,000	-	1,595,634	243,000	-	-
<b>Balance</b> , end of year	\$12,866,666	\$ 9,061,984	\$ 868,000	\$ 170,616	\$ 1,650,388	\$ 2,260,000	\$26,877,654	\$21,972,240

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

## Association of Municipalities of Ontario Statement of Cash Flows

For the year ended December 31	2023	2022
<b>Cash provided by (used in)</b>		
<b>Operations</b>		
Excess of revenue over expenditures	\$ 4,905,414	\$ 2,847,383
Adjustment required to reconcile excess of revenue over expenditures with net cash provided by operating activities		
Amortization of property and equipment	29,089	31,808
Loss on disposal of capital assets	1,289	-
Unrealized loss (gain) on investments	(59,927)	37,309
Changes in non-cash working capital balances		
Accounts receivable	(156,174)	442,008
Prepaid expenses	(176,219)	1,577
Accounts payable and accrued liabilities	(375,212)	185,036
Deferred revenue	(12,925)	192,227
Deferred contributions - projects	(492,929)	(498,756)
Deferred contributions - other	(8,097)	(6,867)
	<b>3,654,309</b>	<b>3,231,725</b>
<b>Investing activities</b>		
Purchase of property and equipment	(1,626,012)	(19,719)
Purchase of investments	(2,054,081)	(3,165,685)
	<b>(3,680,093)</b>	<b>(3,185,404)</b>
<b>Increase (decrease) in cash during the year</b>	<b>(25,784)</b>	<b>46,321</b>
<b>Cash, beginning of year</b>	<b>572,686</b>	<b>526,365</b>
<b>Cash, end of year</b>	<b>\$ 546,902</b>	<b>\$ 572,686</b>

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



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# Association of Municipalities of Ontario

## Notes to Financial Statements

**December 31, 2023**

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### 1. Basis of Presentation

Association of Municipalities of Ontario ("AMO") is a not-for-profit organization incorporated, without share capital, under Letters Patent on May 11, 1990 under the Corporations Act (Ontario). The mandate of AMO is to promote, support and enhance strong and effective municipal government in Ontario.

As a not-for-profit organization, AMO is exempt from income taxes provided certain requirements of the Income Tax Act (Canada) are met.

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### 2. Significant Accounting Policies

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. Accounting standards for not-for-profit organizations require entities to select policies appropriate for their circumstances from choices provided in the specific standards. The following are details of the choices selected by AMO and applied in these financial statements.

#### Funds

The Restricted fund represents the Canada Community-Building Fund which has specific external restrictions placed on its use by the funder.

The General funds account for AMO's operations and reports unrestricted and externally restricted resources without a specific fund that are not included in the Restricted funds.

The Conference Self-Insurance Reserve was set up to maintain an annual AMO conference self-insurance reserve at 80% of the AMO conference annual costs. The reserve will be adjusted annually based on the budget for the year. The Board approved a transfer of \$177,000 from the General funds - Unrestricted to the Conference Self-Insurance Reserve (2022 - \$16,515 from Conference Self-Insurance Reserve to the General funds - Unrestricted).

The Training Reserve covers the cost of the development of in-person and online/virtual courses.

The Stabilization Reserve covers for a maximum of six months any costs incurred. Stabilization reserve allows for additional flexibility for the board to ensure continued operations in case of significant interruptions, difficult economic conditions, or in meeting unforeseen obligations. The reserve will be adjusted annually based on the current budget for the year. The Board approved a transfer of \$243,000 (2022 - \$2,017,000) from General funds - Unrestricted to the Stabilization Reserve.

The Invested in Capital Assets fund represents funds invested in capital assets and is adjusted annually with net increases and decreases in capital expenditures and amortization.

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# Association of Municipalities of Ontario

## Notes to Financial Statements

December 31, 2023

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### 2. Significant Accounting Policies (continued)

#### Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the year. Actual results could differ from those estimates.

#### Investment in Subsidiaries

Local Authority Services ("LAS") is a wholly owned subsidiary of AMO. The investment in LAS is stated at cost. A financial summary of LAS is presented and disclosed in Note 9(a).

#### Controlled Entities

Municipal Employer Pension Centre of Ontario ("MEPCO") is controlled by AMO. A financial summary of MEPCO is presented and disclosed in Note 9(b).

#### Financial Instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial instruments are reported at cost or amortized cost less impairment, except long-term investments, which are measured at fair value. Financial assets are tested for impairment when changes in circumstances indicate the asset could be impaired. Transaction costs incurred on the acquisition, sale or issue of financial instruments are expensed for those items remeasured at fair value at each statement of financial position date and charged to the financial instrument for those measured at amortized cost.

#### Revenue Recognition

AMO follows the restricted fund method for all externally restricted contributions. Under the restricted fund method, externally restricted contributions of the restricted funds are recognized as revenue in the year of receipt. Externally restricted contributions of the general funds are deferred until the year in which the related expenses are incurred.

Unrestricted contributions are recognized as revenue when the amount is reasonably estimated and collection is reasonably assured.

Membership and administration and occupancy fees are recognized as revenue in the period to which the fees relate.

Conferences and seminar revenue is recognized in the period in which the event occurs, or the service is provided.

Fees received in advance of the period to which they relate are recorded as deferred revenue in the statement of financial position.

Investment income is recognized as revenue in the period it is earned. Realized and unrealized gains and losses on long-term investments are included in investment income in the period they arise.

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## Association of Municipalities of Ontario Notes to Financial Statements

**December 31, 2023**

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### 2. Significant Accounting Policies (continued)

#### Revenue Recognition (continued)

Due to the difficulty in determining the fair value of materials and services contributed to AMO, they are not recognized in the financial statements.

#### Property and Equipment

Property and equipment are recorded at cost less accumulated amortization. Amortization is provided on a straight-line basis over the assets' estimated useful lives as follows:

Computer hardware	-	4 years straight-line
Furniture and fixtures	-	5 years straight-line
Leasehold improvements	-	10 years straight-line

Long-lived assets are subject to impairment when events or changes in circumstances indicate that the carrying amount exceeds their fair value. When the carrying amount exceeds the fair value, an impairment loss is recognized as the amount equal to the excess.

#### Cloud Computing Arrangements

AMO applies the simplification approach to account for expenditures in cloud computing arrangements. The expenditures in the arrangements are treated as supply of services and recognized as an expense as incurred.

#### Pension

AMO makes contributions on behalf of its employees to Ontario Municipal Employees Retirement System ("OMERS"), which is a multi-employer pension plan. The Plan is a defined benefit plan which specifies the amount of retirement benefit to be received by the employees based on the length of service and rates of pay. The plan has net assets of \$128.6 billion per 2023 annual report. As the amount AMO is obligated to contribute under the Plan is not quantifiable, the accounting, presentation and disclosures that would otherwise be required are not determinable. Due to this fact, AMO follows the standards for a defined contribution plan, the details of which are disclosed in Note 13.

## Association of Municipalities of Ontario Notes to Financial Statements

**December 31, 2023**

### 3. Related Party Transactions

Included in accounts receivable are amounts due from related parties as follows:

	2023	2022
LAS (Note 9(a))	\$ 408,445	\$ 339,726
MEPCO (Note 9(b))	26,364	35,817

These amounts are unsecured, repayable on demand and are non-interest bearing.

Included in administration and occupancy fees are administration and occupancy fees charged to:

	2023	2022
LAS (Note 9(a))	\$ 1,055,232	\$ 957,569
MEPCO (Note 9(b))	452,074	443,280
ROMA (Note 10)	130,070	128,072

These transactions are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

### 4. Investments

	2023	2022
One Investment High Interest Savings Account (HISA) bearing interest at bank prime rate less 1.735% (2022 - bank prime rate less 2.235%).	\$ 25,109,039	\$ 23,054,958

### 5. Long-Term Investments

AMO holds long-term investments in the following pooled funds:

	2023	2022
ONE Canadian Equity Portfolio	\$ 339,186	\$ 289,364
ONE Canadian Corporate Bond Portfolio	97,097	91,389
ONE Canadian Government Bond Portfolio	99,837	95,440
	\$ 536,120	\$ 476,193

## Association of Municipalities of Ontario Notes to Financial Statements

**December 31, 2023**

### 6. Property and Equipment

	2023		2022	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Computer hardware	\$ 1,595,304	\$ 1,368,350	\$ 1,392,727	\$ 1,341,385
Furniture and fixtures	319,044	-	66,336	62,924
Leasehold improvements	1,104,390	-	-	-
	<b>\$ 3,018,738</b>	<b>\$ 1,368,350</b>	<b>\$ 1,459,063</b>	<b>\$ 1,404,309</b>
Net book value		<b>\$ 1,650,388</b>		<b>\$ 54,754</b>

\$1,423,434 of furniture and fixtures and leasehold improvements were not amortized as they were not yet in use.

### 7. Accounts Payable and Accrued Liabilities

Included in accounts payable and accrued liabilities are amounts receivable/payable to the government of \$72,451 receivable (2022 - \$853,772 payable).

### 8. Deferred Contributions - Projects

Deferred contributions – projects are amounts received from parties to carry out specific projects. Funds are recognized as revenue in the period in which the related expenses are incurred. If amounts are not expended, amounts may be refundable.

	Balance beginning of year	Received/ returned/ reallocated in the year	Disbursed and recognized in the year	Balance end of year
Community School Alliance	\$ 50,786	\$ 11,750	\$ 3,007	\$ 59,529
Continuous Improvement Fund project (CIF)	198,754	40,000	203,699	35,055
Waste Diversion Project	581,813	-	337,973	243,840
Waste Diversion Project Wind-up	200,000	-	-	200,000
<b>2023</b>	<b>\$ 1,031,353</b>	<b>\$ 51,750</b>	<b>\$ 544,679</b>	<b>\$ 538,424</b>
2022	\$ 1,530,109	\$ 275,778	\$ 774,534	\$ 1,031,353

## Association of Municipalities of Ontario Notes to Financial Statements

**December 31, 2023**

### 9. Subsidiaries and Controlled Entities

#### (a) Local Authority Services ("LAS")

LAS is a not-for-profit organization and is exempt from income taxes, provided certain requirements of the Income Tax Act (Canada) are met. LAS is a wholly owned subsidiary of AMO. The mandate of LAS is to work with municipalities, their agencies, boards and commissions, as well as other organizations of Ontario's broader public sector to assist them in reducing their expenditures and to increase their levels of non-tax revenues through the principle of joint or cooperative procurement efforts.

LAS has not been consolidated in AMO's financial statements. Financial statements of LAS are available on request. A financial summary of LAS as at December 31, 2023 and 2022 and for the years then ended is as follows:

	<b>2023</b>	2022
Financial position		
Total assets	<b>\$ 16,848,631</b>	\$ 15,724,996
Total liabilities	<b>11,085,100</b>	10,033,478
Net assets	<b>\$ 5,763,531</b>	\$ 5,691,518
Results of operations		
Total revenue	<b>\$ 10,180,580</b>	\$ 10,316,795
Total expenditures	<b>10,108,567</b>	10,532,246
Excess (deficiency) of revenue over expenditures	<b>\$ 72,013</b>	\$ (215,451)
Cash provided by (used in)		
Operating activities	<b>\$ 277,428</b>	\$ (2,068,353)
Investing activities	<b>(3,180)</b>	1,229,277
Net change in cash	<b>\$ 274,248</b>	\$ (839,076)



## Association of Municipalities of Ontario Notes to Financial Statements

**December 31, 2023**

### 9. Subsidiaries and Controlled Entities (continued)

#### (b) Municipal Employer Pension Centre Ontario ("MEPCO")

MEPCO is a not-for-profit organization and is exempt from income taxes, provided certain requirements of the Income Tax Act (Canada) are met. AMO is the only member of MEPCO and therefore indirectly controls MEPCO through its membership. The mandate of MEPCO is to fulfill the obligations of the Association and others under the Ontario Municipal Employees Retirement Systems Act, 2006.

MEPCO has not been consolidated in AMO's financial statements. Financial statements of MEPCO are available on request. A financial summary of MEPCO as at December 31, 2023 and 2022 and for the years then ended is as follows:

	<b>2023</b>	<b>2022</b>
Financial position		
Total assets	<b>\$ 1,225,846</b>	\$ 1,082,689
Total liabilities	<b>104,746</b>	54,990
Net assets	<b>\$ 1,121,100</b>	\$ 1,027,699
Results of operations		
Total revenue	<b>\$ 720,532</b>	\$ 673,973
Total expenditures	<b>627,131</b>	603,109
Excess of revenue over expenditures	<b>\$ 93,401</b>	\$ 70,864
Cash provided by (used in)		
Operating activities	<b>\$ 112,389</b>	\$ 91,935
Investing activity	<b>(48,665)</b>	(99,761)
Net change in cash	<b>\$ 63,724</b>	\$ (7,826)

## Association of Municipalities of Ontario Notes to Financial Statements

**December 31, 2023**

### 10. Affiliate

Rural Ontario Municipal Association ("ROMA")

ROMA is a not-for-profit organization and is exempt from income taxes, provided certain requirements of the Income Tax Act (Canada) are met. A number of AMO's Board members serve on ROMA's Board of Directors. ROMA brings the rural perspective to the policy work of AMO, focusing on matters which affect rural communities so that they are brought to the attention of provincial and federal governments.

ROMA has not been consolidated in AMO's financial statements. Financial statements of ROMA are available on request. A financial summary of ROMA as at December 31, 2023 and 2022 and for the years then ended is as follows:

	<b>2023</b>	2022
Financial position		
Total assets	\$ 1,756,460	\$ 1,386,407
Total liabilities	1,131,587	896,206
Net assets	\$ 624,873	\$ 490,201
Results of operations		
Total revenue	\$ 1,088,634	\$ 425,709
Total expenditures	953,962	636,796
Excess (deficiency) of revenue over expenditures	\$ 134,672	\$ (211,087)
Cash provided by (used in)		
Operating activities	\$ 377,065	\$ 339,300
Investing activity	(371,618)	(288,468)
Net change in cash	\$ 5,447	\$ 50,832

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## Association of Municipalities of Ontario

### Notes to Financial Statements

**December 31, 2023**

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#### **11. Restricted Funds**

##### Canada Community-Building Fund (formerly Federal Gas Tax Program)

On June 17, 2005, the Government of Canada, the Province of Ontario, AMO and the City of Toronto signed an agreement setting out new revenue sharing arrangements for federal gas tax revenues for investment in municipal infrastructure. AMO administers the fund on behalf of the federal government for all municipalities except Toronto. The agreement resulted in funds of \$1.453 billion flowing to municipalities from 2005 to 2010. Under the Agreement, AMO received 1% of the amounts received and distributed to administer the funds. In 2009, the agreement was extended with an additional \$2.361 billion of funds flowing to municipalities over the period 2010-2014. As part of the extended agreement, the administration fee was reduced to 0.5% to better reflect the related costs.

In 2014, the program was made permanent using a ten-year agreement model with a midterm review. \$3.849 billion flowed to municipalities in Ontario for 2014-2018 based on 2011 population data with AMO continuing to receive 0.5% of the amounts it received to administer the funds. In 2014, the AMO Board of Directors decided to establish a restricted reserve to hold \$5 million for wind up of the program and to distribute the balance of \$15,692,043 in surplus administration funds accumulated on a per capita basis to all municipalities AMO administers funds. In 2018, allocations of \$4.231 billion for 2019-2023 were confirmed to flow to Ontario municipalities based on 2016 population data.

In 2019, there was a one-time doubling of funds by the Government of Canada. Also in 2019, AMO distributed \$12,044,284 in surplus administration fees according to the established allocation model.

In 2021, there was another one-time doubling of the funds. As with the prior top-up, AMO did not take an administration fee. Also, in 2021 the program name was changed from Federal Gas Tax to the Canada Community-Building Fund. This was done to reflect the program's evolution over time and the fact that funds do not come directly from federal gas tax revenues.

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#### **12. Capital Disclosures**

The capital structure of AMO consists of restricted and unrestricted net assets. The Association manages its capital and makes adjustments to it in light of economic conditions and the risk characteristics of the underlying assets.

AMO's main objective when managing capital is to safeguard its ability to continue as a going concern, so that it can continue to provide the appropriate level of services to the municipalities of Ontario. AMO is subject to externally imposed capital requirements for the Canada Community-Building program and the restricted funds included in the General funds. These funds are invested and administered according to these requirements.

## Association of Municipalities of Ontario Notes to Financial Statements

**December 31, 2023**

### 13. Pension Plan

AMO contributed \$630,490 (2022 - \$613,670) to OMERS during the year. Of the amount contributed, \$179,618 (2022 - \$167,022) related to employees who worked for AMO's subsidiary, LAS.

The actuarially determined deficit of the OMERS plan on a going concern basis at December 31, 2023 was \$7.6 billion (2022 - \$6.1 billion).

### 14. Allocation of Expenses

Salaries and benefits are allocated based on the percentage of time spent by staff for each program. Expenses such as rent and information technology costs are allocated based on the percentage of the work performed for each program.

Expenses allocated to various funds were as follows:

	<b>2023</b>			
	Canada Community Building Program	CIF	Municipal Asset Management Program	Waste Diversion Project
Salaries and benefits	\$ 1,212,975	\$ 70,980	\$ 65,341	\$ 169,857
Administration expenses	<u>333,623</u>	-	-	-
	<u>\$ 1,546,598</u>	<u>\$ 70,980</u>	<u>\$ 65,341</u>	<u>\$ 169,857</u>
	2022			
	Canada Community Building Program	CIF	Municipal Asset Management Program	Waste Diversion Project
Salaries and benefits	\$ 1,167,452	\$ 276,820	\$ 94,254	\$ 193,932
Administration expenses	<u>283,647</u>	-	-	-
	<u>\$ 1,451,099</u>	<u>\$ 276,820</u>	<u>\$ 94,254</u>	<u>\$ 193,932</u>

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## Association of Municipalities of Ontario Notes to Financial Statements

**December 31, 2023**

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### 15. Commitments

The future minimum total annual payments under the terms of the operating lease for equipment and office space base rent for the next five years and thereafter are as follows:

2024	\$ 205,836
2025	344,316
2026	350,375
2027	342,738
2028	348,797
Thereafter	<u>1,975,071</u>
	<u>\$ 3,567,133</u>

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### 16. Financial Instruments Risks

#### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows from a financial instrument will fluctuate because of market changes in interest rates. AMO is exposed to interest rate risk on its investments.

#### Liquidity risk

Liquidity risk is the risk that AMO will encounter difficulty in meeting the obligations associated with its financial liabilities. AMO is exposed to this risk mainly in respect of its accounts payable and accrued liabilities. AMO reduces exposure to liquidity risk by ensuring that it maintains adequate cash reserves to pay its creditors. The risk has not changed from the prior year.

#### Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. AMO's main credit risks relate to its accounts receivable and investments. Based on creditworthiness of AMO's counter parties, no allowance for doubtful accounts is required. The risk has not changed from the prior year.

#### Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. AMO is exposed to other price risk through its investments in pooled funds.

It is management's opinion that AMO is not exposed to significant interest rate, liquidity, credit, or other price risk arising from its financial instruments. The risk has not changed from the prior year.

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## Association of Municipalities of Ontario Notes to Financial Statements

**December 31, 2023**

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### **17. Comparative Figures**

Certain comparative figures have been reclassified to conform with the financial statement presentation adopted in the current year.



**Association of Municipalities of Ontario (AMO)**

155 University Ave., Suite 800, Toronto, ON M5H 3B7

Telephone direct: 416-971-9856  
Fax: 416-971-6191  
Toll-free in Ontario: 1-877-4-AMO-LAS (1-877-426-6527)  
E-mail: [amo@amo.on.ca](mailto:amo@amo.on.ca)  
Website: [www.amo.on.ca](http://www.amo.on.ca)

