THE CORPORATION OF THE

MUNICIPALITY OF CALLANDER

CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2024

THE CORPORATION OF THE MUNICIPALITY OF CALLANDER

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THE CORPORATION OF THE MUNICIPALITY OF CALLANDER

CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2024

Management's Responsibility for the Consolidated Financial Statements

The management of the Corporation of the Municipality of Callander (the "Municipality") is responsible for the integrity, objectivity and accuracy of the financial information presented in the accompanying financial statements.

The consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada ("CPA"). A summary of the significant accounting policies is described in Note 1 to the consolidated financial statements.

The Municipality's management maintains a system of internal controls designed to provide a reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded and reliable financial information is available on a timely basis for preparation of the consolidated financial statements. These systems are monitored and evaluated by management.

Council meets with management and the external auditors to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to the approval of the consolidated financial statements.

The consolidated financial statements have been audited by Pahapill and Associates Professional Corporation, independent external auditors appointed by the Municipality. The accompanying Independent Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the Municipality's consolidated financial statements.

Casey Turner	CPigeau
Casey Turner	Cindy Pigeau
Deputy Treasuer	Municipal Clerk/Treasurer

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INDEPENDENT AUDITOR'S REPORT

To the Members of Council, Inhabitants and Ratepayers of
The Corporation of the Municipality of Callander

Opinion
We have audited the consolidated financial statements of The Corporation of the Municipality of Callander, which comprise the consolidated statement of financial position as at December 31, 2024, and the consolidated statements of operations, the consolidated change in its net financial assets and its consolidated cash flows 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 consolidated financial position of The Corporation of the Municipality of Callander as at December 31, 2024, and the results of its consolidated operations and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

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 Consolidated Financial Statements section of our report. We are independent of the Municipality in accordance with the ethical requirements that are relevant to our audit of the consolidated 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 opinion.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements
Management is responsible for the preparation and fair presentation of the 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 Municipality'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 Municipality or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Consolidated 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:

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- 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 Municipality's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Municipality's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 Municipality to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Municipality to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

Pahapill and Associates

Huntsville, Ontario
September 09, 2025

Pahapill and Associates Professional Corporation
Chartered Professional Accountants
Authorized to practise public accounting by
The Chartered Professional Accountants of Ontario

THE CORPORATION OF THE MUNICIPALITY OF CALLANDER

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2024

	2024	2023
FINANCIAL ASSETS		
Cash and cash equivalents	$ 9,362,358	$ 7,639,136
Taxes receivable (Note 6)	545,000	557,043
Accounts receivable, no allowance (Note 7)	890,582	1,192,577
	10,797,940	**9,388,756**
LIABILITIES		
Accounts payable and accrued liabilities (Note 8)	512,258	434,830
Deferred revenue - other *(Note 9)*	650,526	624,223
Deferred revenue - obligatory reserve funds *(Note 10)*	851,406	346,133
Municipal debt *(Note 11)*	1,379,669	1,581,553
	3,393,859	**2,986,739**
NET FINANCIAL (DEBT) ASSETS	**7,404,081**	**6,402,017**
NON-FINANCIAL ASSETS		
Tangible capital assets - net *(Note 13, Schedule 1)*	24,683,911	24,183,284
Prepaid expenses	62,274	79,261
Inventories of supplies	57,309	60,372
	24,803,494	**24,322,917**
ACCUMULATED SURPLUS (Note 14)	**$ 32,207,575**	**$ 30,724,934**

COMMITMENTS

APPROVED ON BEHALF OF COUNCIL:

______________________________ Mayor

THE CORPORATION OF THE MUNICIPALITY OF CALLANDER

CONSOLIDATED STATEMENT OF OPERATIONS

2024

	Budget 2024 (Note 16)	Actual 2024	Actual 2023
REVENUE			
Property taxes	$ 6,960,499	$ 7,023,480	$ 6,562,394
User fees	1,497,091	1,623,338	1,533,871
Government transfers	733,878	731,887	706,368
Government transfers - capital	-	180,000	1,107,205
Other	357,337	799,223	659,546
TOTAL REVENUE	**9,548,805**	**10,357,928**	**10,569,384**
EXPENSES			
General government	1,313,241	1,305,868	1,272,542
Protection to persons and property	1,417,906	1,361,044	1,145,825
Transportation services	2,323,775	2,128,232	1,971,414
Environmental services	1,807,846	1,857,718	1,815,153
Health services	487,587	473,110	465,154
Social and family services	484,463	467,499	451,970
Recreation and culture	1,210,703	1,144,831	1,258,744
Planning and development	166,154	136,985	148,796
TOTAL EXPENSES	**9,211,675**	**8,875,287**	**8,529,598**
ANNUAL SURPLUS	**337,130**	**1,482,641**	**2,039,786**
ACCUMULATED SURPLUS, BEGINNING OF YEAR	**30,724,934**	**30,724,934**	**28,685,148**
ACCUMULATED SURPLUS, END OF YEAR	**$ 31,062,064**	**$ 32,207,575**	**$ 30,724,934**

THE CORPORATION OF THE MUNICIPALITY OF CALLANDER

CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS

FOR THE YEAR ENDED DECEMBER 31, 2024

	Budget 2024 (Note 16)	Actual 2024	Actual 2023
Annual surplus	$ 337,130	$ 1,482,641	$ 2,039,786
Acquisition of tangible capital assets	(1,929,406)	(1,929,406)	(2,579,267)
Amortization of tangible capital assets	1,423,113	1,423,113	1,446,586
Loss (gain) on sale of tangible capital assets	-	(23,610)	(446)
Proceeds on sale of tangible capital assets	-	29,276	17,150
Acquisition and consumption of supplies inventories	-	3,063	(12,456)
Acquisition and consumption of prepaid expense	-	16,987	(13,034)
Increase (decrease) in net financial assets	(169,163)	1,002,064	898,319
Net financial assets, beginning of year	6,402,017	6,402,017	5,503,698
Net financial (debt) assets, end of year	**$ 6,232,854**	**$ 7,404,081**	**$ 6,402,017**

THE CORPORATION OF THE MUNICIPALITY OF CALLANDER

CONSOLIDATED STATEMENT OF CASH FLOW

FOR THE YEAR ENDED DECEMBER 31, 2024

	2024	2023
Operating transactions		
Annual surplus	$ 1,482,641	$ 2,039,786
Non-cash charges to operations:		
Amortization	1,423,113	1,446,586
Loss on sale of tangible capital assets	(23,610)	(446)
	2,882,144	3,485,926
Changes in non-cash assets and liabilities:		
Taxes receivable	12,043	(117,634)
Accounts receivable	301,995	752,133
Accounts payable and accrued liabilities	77,428	(124,927)
Deferred revenue - other	26,303	218,042
Deferred revenue - obligatory reserve funds	505,273	(141,648)
Inventories of supplies	3,063	(12,456)
Prepaid expenses	16,987	(13,034)
	943,092	560,476
Cash provided by operating transactions	3,825,236	4,046,402
Capital transactions		
Acquisition of tangible capital assets	(1,929,406)	(2,579,267)
Proceeds on disposal of tangible capital asset	29,276	17,150
Cash applied to capital transactions	(1,900,130)	(2,562,117)
Investing transactions		
Cash provided by investing transactions	-	-
Financing transactions		
Debt principal repayments	(201,884)	(229,529)
Cash applied to financing transactions	(201,884)	(229,529)
Net change in cash and cash equivalents	**1,723,222**	**1,254,756**
Cash and cash equivalents, beginning of year	**7,639,136**	**6,384,380**
Cash and cash equivalents, end of year	**$ 9,362,358**	**$ 7,639,136**
Cash flow supplementary information:		
Taxation and investment interest income received	$ 534,795	$ 465,939
Interest paid	52,579	59,975
Net interest received	$ 482,216	$ 405,964

The accompanying notes and schedules are an integral part of these financial statements

The Corporation of the Municipality of Callander is a municipality in the Province of Ontario, Canada. It conducts its operations guided by the provisions of provincial statutes such as the Municipal Act, 2001, Planning Act, Building Code Act and other related legislation.

1. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the Corporation of the Municipality of Callander (the "Municipality") are prepared by management in accordance with Canadian generally accepted accounting principles for local governments as recommended in the Public Sector Accounting Board of the Canadian Institute of Chartered Professional Accountants. Significant aspects of the accounting policies adopted by the Municipality are as follows:

(a) Reporting Entity

These consolidated statements reflect the financial assets, liabilities, revenues, expenses and reserve and reserve fund balances of the reporting entity. The reporting entity is comprised of all committees of Council and the boards, joint boards and municipal enterprises for which Council is politically accountable as follows:

(i) Consolidated entities

The following local boards are consolidated:

Library

Inter-organizational transactions and balances between these organizations are eliminated.

(ii) Non-consolidated entities

The following joint local boards are not consolidated:

North Bay Parry Sound District Health Unit
Parry Sound District Social Services Administration Board
District of Parry Sound (East) Home for the Aged
District of Parry Sound Land Ambulance

(iii) Accounting for school board transactions

The taxation, other revenues, expenses, assets and liabilities with respect to the operations of the school boards are not reflected in these consolidated financial statements.

(iv) Trust funds

Trust funds administered by the Municipality are not included in these consolidated financial statements, but are reported separately on the trust funds financial statements.

(b) Basis of Accounting

(i) Accrual basis of accounting

Sources of financing and expenditures are reported on the accrual basis of accounting. This method recognizes revenues as they become available and measurable; expenditures are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

(ii) Non-financial assets

Non-financial assets are not available to discharge existing liabilities but are held for use in the provision of Municipal services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

(a) Tangible capital assets

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

Land improvements - 20 years
Buildings - 50 years
Roads - 5 to 60 years
Bridges - 60 years
Water and Sewer plants and networks - 60 years
Marina - 25 to 80 years
Vehicles - 8 to 20 years
Computers and software - 5 years
Machinery, equipment and furniture - 5 to 20 years

One half of the annual amortization is charged in the year of acquisition and in the year of disposal. Assets under construction are not amortized until the asset is available for productive use. Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and also are recorded as revenue.

The Municipality has a capitalization threshold of $7,500; individual tangible capital assets, or pooled assets of lesser value are expensed in the year of purchase.

(b) Impairment of long-lived assets

When conditions indicate a tangible capital assets no longer contributes to the Municipality's ability to provide services, or that the value of future economic benefits associated with the tangible capital asset is less than its book value, the cost of the tangible capital asset will be reduced to reflect the decline in the asset's value.

(c) Inventories of supplies

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

(d) Prepaid expenses

Prepaid expenses represent amounts paid in advance for a good or service not yet received. The expense is recognized once the goods have been received or the services have been performed.

(iii) Cash and cash equivalents

The Municipality's policy is to disclose bank balances under cash and cash equivalents, including bank overdrafts with balances that fluctuate frequently from being positive to overdrawn and term deposits with maturities of three months from the date of acquisition or less or those that can be readily convertible to cash.

(iv) Government transfers

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

Conditional grant revenue is recognized to the extent the conditions imposed on it have been fulfilled. Unconditional grant revenue is recognized when monies are receivable.

Grants for the acquisition of tangible capital assets are recognized in the period in which eligible expenditures are made.

(v) User fees and other
User fees and other revenue are recognized on an accrual basis as services are rendered and collection is reasonably assured.

(vi) Deferred revenue
The Municipality receives Canada Community-Building Fund revenue (CCBF), previously called gas tax revenue, from the Federal Government and development charge contributions, payments in lieu of parkland and building permit fees under the authority of provincial legislation and Municipal by-laws. These funds are restricted in their use and until applied to the applicable expenditures are recorded as deferred revenue. Amounts applied to qualifying expenditures are recorded as revenue in the fiscal period they are expended. The Municipality also defers recognition of certain government grants and user charges and fees which have been collected but for which the related expenditures, or related services, have yet to be incurred or performed. These amounts will be recognized as revenues in the fiscal year the services are performed.

(vii) Taxation and related revenues
Property tax billings are prepared by the Municipality based on assessment rolls issued by the Municipal Property Assessment Corporation ("MPAC"). Tax rates are established annually by Council, incorporating amounts to be raised for local services and amounts the Municipality is required to collect on behalf of the Province of Ontario in respect of education taxes. A normal part of the assessment process is the issue of supplementary assessment rolls which provide updated information with respect to changes in property assessment. Once a supplementary assessment roll is received, the Municipality determines the taxes applicable and renders supplementary tax billings. Taxation revenues are recorded at the time tax billings are issued. Assessments and the related property taxes are subject to appeal. Tax adjustments as a result of appeals are recorded when the result of the appeal process is known. The Municipality is entitled to collect interest and penalties on overdue taxes. These revenues are recorded in the period the interest and penalties are levied.

(viii) Pensions
The Municipality's contributions due during the period to its multi-employer defined benefit plan are expensed as incurred.

The Municipality is an employer member of the Ontario Municipal Employees Retirement System (OMERS), which is a multi-employer, defined benefit pension plan. The Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the pension plan, including investment of the assets and administration of the benefits. The Municipality has adopted defined contribution plan accounting principles for this Plan because insufficient information is available to apply defined benefit plan accounting principles. The Municipality records as pension expense the current service cost, amortization of past service costs and interest costs related to the future employer contributions to the Plan for past employee service.

(ix) Use of estimates
The preparation of financial statements in accordance with Canadian public sector accounting principles 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 expenses during the period. Actual results could differ from these estimates. Significant items subject to such estimates and assumptions include allowance for doubtful accounts, other accrued liabilities, and/or obligations, employee benefits payable, and the amounts recorded for amortization and opening costs of tangible capital assets. The estimates are reviewed periodically and any resulting adjustments are reported in earnings in the year in which they become known.

2. CHANGE IN ACCOUNTING POLICIES

On January 1, 2024 the Municipality adopted the following Public Accounting Standards. PS 3400 Revenues which provide guidance for the recognition, measurement, presentation and disclosure of revenue from transactions with performance obligations, referred to as exchange transactions, and transactions without performance obligations, referred to as non-exchange tranactions. Public Sector Guideline PSG 8 Purchased Intangibles which provides guidance on the accounting and reporting of purchased intangible asses acquired through non-arm's length exchange transactions between knowledgeable, willing parties under no compulsion to act. PS 3160 Public Private Partnerships which provides guidance on accounting and reporting for public private partnerships between public and private sector entities. The standards were adopted prospectively from the date of adoption with no restatement of prior period comparative amounts. These standards have no significant impact on the presentation of the financial statements.

3. CONTRIBUTIONS TO UNCONSOLIDATED JOINT BOARDS

Further to Note 1(a)(ii), the following contributions were made by the Municipality to these boards:

	2024	2023
District of Parry Sound Social Services Administration Board	$ 256,642	$ 246,984
North Bay Parry Sound District Health Unit	132,766	128,896
District of Parry Sound (East) Home for the Aged	207,137	201,266
District of Parry Sound Land Ambulance	197,572	189,896
Total contributions made	**$ 794,117**	**$ 767,042**

The Municipality is contingently liable for its share, if any, of the accumulated deficits as at the end of the year for these boards. The Municipality's share of the accumulated surpluses (or deficits) of these boards has not been determined at this time.

The Municipality is also contingently liable for its share, if any, of the long-term liabilities issued by other municipalities for these boards. The Municipality's share of these long-term liabilities has not been determined at this time.

4. OPERATIONS OF SCHOOL BOARDS

Further to Note 1(a)(iii), the Municipality is required to collect property taxes and payments-in-lieu of taxes on the behalf of the school boards. The amounts collected, remitted and outstanding are as follows:

	2024	2023
Payable at the beginning of the year	$ 810	$ 6,309
Taxation and payments-in-lieu, net of adjustments	1,076,430	1,060,631
Remitted during the year	(1,077,240)	(1,066,130)
Payable at the end of the year	**$ -**	**$ 810**

5. TRUST FUNDS

Trust funds administered by the Municipality amounting to $140,097 (2023 $129,469) have not been included in the Consolidated Statement of Financial Position nor have their operations been included in the Consolidated Statement of Operations. As such balances are held in trust by the Municipality for the benefit of others, they are not presented as part of the Municipality's financial position or operations.

6. TAXES RECEIVABLE

	2024	2023
Current taxes	$ 307,393	$ 286,870
Arrears taxes	193,524	221,407
Interest and penalties	44,083	48,766
	$ 545,000	**$ 557,043**

7. ACCOUNTS RECEIVABLE

	2024	2023
Federal	$ 377,834	$ 455,846
Province of Ontario	195,539	375,893
User charges	299,867	347,980
Other	17,342	12,858
	$ 890,582	**$ 1,192,577**

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2024	2023
Trade payables	274,269	321,603
Government remittances payable	18,751	4,324
Other	219,238	108,903
	$ 512,258	**$ 434,830**

9. DEFERRED REVENUE

The 2024 continuity of transactions are described below:

	Balance beginning of year	Contributions received	Interest earned	Amounts taken into revenue	Balance end of year
Planning	238,611	5,500	-	-	244,111
Library Fund	377,290	10,477	21,248	(11,640)	397,375
Other	8,322	29,226	-	(28,508)	9,040
	$ 624,223	**$ 45,203**	**$ 21,248**	**$ (40,148)**	**$ 650,526**

10. DEFERRED REVENUE - OBLIGATORY RESERVE FUNDS

A requirement of the Chartered Professional Accountants Canada Public Sector Accounting Handbook is that obligatory reserve funds be reported as deferred revenue. This requirement is in place as legislation and external agreements restrict how these funds may be used and under certain circumstances these funds may possibly be refunded. The 2024 continuity of transactions within the obligatory reserve funds are described below:

	Balance beginning of year	Contributions received	Interest earned	Amounts taken into revenue	Balance end of year
Cash in lieu of parkland	$ 9,000	$ 21,000	$ -	$ (8,279)	$ 21,721
Development charges	264,895	-	13,561	(38,958)	239,498
Canada Community-Building Fund	-	253,074	-	-	253,074
NORDS funds	72,238	109,956	-	-	182,194
OCIF funds	-	154,919	-	-	154,919
	$ 346,133	**$ 538,949**	**$ 13,561**	**$ (47,237)**	**$ 851,406**

11. MUNICIPAL DEBT

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

	2024	2023
Debenture, due December 2028, repayable in monthly payments of $4,548 including interest calculated at 3.62%.	202,959	249,277
Debenture, due December 2029, repayable in monthly payments of $9,550 including interest calculated at 3.03%.	531,083	627,993
Debenture, due December 2033, repayable in monthly payments of $7,107 including interest calculated at 3.93%.	645,627	704,283
	$ 1,379,669	**$ 1,581,553**

(b) Future estimated principal and interest payments on the municipal debt are as follows:

	Principal	Interest
2025	$ 208,913	$ 45,550
2026	216,191	38,272
2027	223,726	30,738
2028	231,526	22,937
2029	184,110	15,775
2030 onwards	315,203	25,938
	$ 1,379,669	**$ 179,210**

(c) Total charges for the year for municipal debt which are reported in the financial statements are as follows:

	2024	2023
Principal payments	$ 201,884	$ 229,529
Interest	52,579	59,974
	$ 254,463	**$ 289,503**

The annual principal and interest payments required to service the Municipality's debt were within the annual debt repayment limit of $1,946,773 prescribed by the Ministry of Municipal Affairs and Housing.

12. CONTINGENT LIABILITY

In the normal course of business, the municipality is named to lawsuits related to its operations. Management is of the view that these lawsuits are without merit and any settlement would not be material to the financial position of the municipality.

13. TANGIBLE CAPITAL ASSETS

Schedule 1 provides information on the tangible capital assets of the Municipality by major asset class. Additional information relating to these assets is provided below.

(a) Works of art and historical artifacts
Works of art and historical artifacts owned by the Municipality are not included in the tangible capital assets reported on the Consolidated Statement of Financial Position. The Municipality owns a number of paintings and other pieces of artwork that are prominently displayed in municipal buildings as well as many historical artifacts housed at the Municipality's museum.

(b) Capitalization of interest
The Municipality has a policy of expensing borrowing costs related to the acquisition of tangible capital assets.

14. ACCUMULATED SURPLUS

The accumulated surplus balance is comprised of the following:

	2024	2023
Invested in tangible capital assets *(Schedule 1)*	$ 24,683,911	$ 24,183,284
General and Library	514,507	642,926
Consolidated reserves and reserve funds	8,388,826	7,480,277
Unfunded - Municipal debt	(1,379,669)	(1,581,553)
	$ 32,207,575	**$ 30,724,934**

Reserves and Reserve funds:		
Working capital	$ 1,152,713	$ 1,586,925
Water and wastewater	1,909,970	1,809,117
Library services	494,108	409,661
Protection services	587,493	373,633
Community development	1,000	1,000
Road maintenance and equipment	1,774,774	1,897,101
Museum building	27,897	25,303
Building upgrades and replacements	2,167,154	1,238,604
Election	26,220	19,720
Parks and recreation facilities	60,474	12,745
Waterfront revitalization	160,571	106,014
Medical centre	26,452	454
	$ 8,388,826	**$ 7,480,277**

15. SEGMENT DISCLOSURES AND EXPENDITURES BY OBJECT

The Municipality and its Boards and Committees provide a wide range of services to its citizens. The schedule and segment disclosure provides a breakdown of the annual surplus (deficit) reported on the Consolidated Statement of Operations by major reporting segment. The segments correspond to the major functional categories used in the Municipality's Financial Information Return, which include the following activities:

General Government
This segment includes Council, Clerk's Department, and Treasury. This area supports the operating departments in implementing priorities of Council and provides strategic leadership on issues relating to governance, strategic planning and service delivery.

Protection to Persons and Property
This segment includes fire, police, building inspection, and bylaw enforcement. Police services are provided by the Ontario Provincial Police under contract.

Transportation Services
Transportation Services include roadway systems and winter control.

Environmental Services
This segment includes providing waste disposal to citizens.

Health Services
This segment includes cemeteries, ambulance services as well as payments to the district health unit.

Social and Family Services
This segment consists primarily of payments made to the district social services administration board and home for the aged for the provision of social services such as childcare, social housing, general assistance and assistance to the elderly.

Recreation and Culture
This segment includes parks, recreation programs, recreation facilities and library services.

Planning and Development
This segment includes activities related to planning, zoning and economic development.

In preparation of segmented financial information, some allocation of expenses is made. This generally includes charges of rent to specific segments.

THE CORPORATION OF THE MUNICIPALITY OF CALLANDER

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
Year Ended December 31, 2024

15. SEGMENT DISCLOSURES AND EXPENDITURES BY OBJECT (continued)

FOR THE YEAR ENDED DECEMBER 31, 2024	General Government	Protection to Persons and Property	Transportation Services	Environmental Services	Health Services	Social and Family Services	Recreation and Culture	Planning and Development	Consolidated
REVENUE									
Property taxes	$ 343,395	$ 1,526,554	$ 2,395,396	$ 795,275	$ 430,715	$ 557,161	$ 936,558	$ 38,426	$ 7,023,480
User fees	4,514	9,118	3,800	1,282,089	24,904	-	101,397	197,516	1,623,338
Government transfers	590,500	40,859	-	36,530	-	-	63,998	-	731,887
Government transfers - capital	-	-	-	-	-	-	180,000	-	180,000
Other	540,379	8,667	79,242	-	94,387	-	10,179	66,369	799,223
TOTAL REVENUE	1,478,788	1,585,198	2,478,438	2,113,894	550,006	557,161	1,292,132	302,311	10,357,928
EXPENSES									
Salaries, wages and benefits	809,716	377,621	936,237	101,807	-	-	423,822	101,256	2,750,459
Long-term debt charges (interest)	-	-	-	44,319	-	-	-	8,260	52,579
Operating expenses	469,371	825,328	517,828	1,348,219	106,863	-	471,908	27,469	3,766,986
External transfers	-	61,917	-	-	352,734	467,499	-	-	882,150
Amortization	26,781	96,178	674,167	363,373	13,513	-	249,101	-	1,423,113
TOTAL EXPENSES	1,305,868	1,361,044	2,128,232	1,857,718	473,110	467,499	1,144,831	136,985	8,875,287
ANNUAL SURPLUS (DEFICIT)	$ 172,920	$ 224,154	$ 350,206	$ 256,176	$ 76,896	$ 89,662	$ 147,301	$ 165,326	$ 1,482,641

THE CORPORATION OF THE MUNICIPALITY OF CALLANDER

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
Year Ended December 31, 2024

15. SEGMENT DISCLOSURES AND EXPENDITURES BY OBJECT (continued)

FOR THE YEAR ENDED DECEMBER 31, 2023

	General Government	Protection to Persons and Property	Transportation Services	Environmental Services	Health Services	Social and Family Services	Recreation and Culture	Planning and Development	Consolidated
REVENUE									
Property taxes	$ 408,254	$ 1,368,089	$ 1,559,459	$ 884,347	$ 450,615	$ 561,839	$ 1,282,704	$ 47,087	$ 6,562,394
User fees	3,536	4,494	1,600	1,213,924	18,369	-	93,277	198,671	1,533,871
Government transfers	599,792	34,519	-	30,174	-	-	41,883	-	706,368
Government transfers - capital	-	-	734,695	-	-	-	372,510	-	1,107,205
Other	472,851	13,397	13,116	621	90,344	-	21,380	47,837	659,546
TOTAL REVENUE	1,484,433	1,420,499	2,308,870	2,129,066	559,328	561,839	1,811,754	293,595	10,569,384
EXPENSES									
Salaries, wages and benefits	767,128	377,920	663,293	112,924	6,655	-	540,721	94,031	2,562,672
Long-term debt charges (interest)	-	-	585	49,485	-	-	-	9,905	59,975
Operating expenses	478,414	605,903	635,800	1,285,888	104,201	-	452,935	44,860	3,608,001
External transfers	-	59,426	-	-	340,967	451,970	-	-	852,363
Amortization	27,000	102,576	671,736	366,856	13,331	-	265,088	-	1,446,587
TOTAL EXPENSES	1,272,542	1,145,825	1,971,414	1,815,153	465,154	451,970	1,258,744	148,796	8,529,598
ANNUAL SURPLUS (DEFICIT)	$ 211,891	$ 274,674	$ 337,456	$ 313,913	$ 94,174	$ 109,869	$ 553,010	$ 144,799	$ 2,039,786

16. BUDGET FIGURES

The unaudited budget adopted for the current year was prepared on a fund basis, and has been restated to conform with the accounting and reporting standards adopted for the current year actual results.

17. PENSION AGREEMENTS

The Municipality makes contributions to the Ontario Municipal Employee Retirement Fund (OMERS), which is a multi-employer plan, on behalf of certain 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. Each year an independent actuary determines the funding status of OMERS Primary Pension Plan (the Plan) by comparing the actuarial value of invested assets to the estimated present value of all pension benefits that members have earned to date. The most recent actuarial valuation of the Plan was conducted at December 31, 2024. The results of this valuation disclosed total actuarial liabilities of $140,766 million with respect to benefits accrued for service with actuarial assets at that date of $137,853 million indicating an actuarial deficit of $2,913 million. Because OMERS is a multi employer plan, any Plan surpluses or deficits are a joint responsibility of Ontario municipal organizations and their employees. As a result, the Municipality does not recognize any share of the Plan surplus or deficit.

The amount contributed to OMERS for 2024 was $193,828 (2023 $171,585) for current service and is included as an expense on the Consolidated Statement of Operations.

THE CORPORATION OF THE MUNICIPALITY OF CALLANDER

CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS

FOR THE YEAR ENDED DECEMBER 31, 2024

Schedule 1

	Land and Land Improvements	Buildings	Machinery, equipment & furniture	Vehicles	Roads and Bridges	Water & Sewer system	Marina	Computer hardware & software	Assets under construction	TOTAL 2024	TOTAL 2023
COST											
Balance, beginning of year	$ 3,409,310	$ 7,795,572	$ 1,028,541	$ 3,564,669	$18,198,905	$13,022,013	$ 2,123,967	$ 577,177	$ 98,226	$49,818,380	$47,339,383
Additions and betterments	93,574	554,719	133,511	56,717	884,116	142,452	-	2,160	62,157	1,929,406	2,579,267
Disposals and writedowns	-	-	(36,883)	(229,875)	(115,472)	-	-	-	-	(382,230)	(100,270)
BALANCE, END OF YEAR	3,502,884	8,350,291	1,125,169	3,391,511	18,967,549	13,164,465	2,123,967	579,337	160,383	51,365,556	49,818,380
ACCUMULATED AMORTIZATION											
Balance, beginning of year	843,037	3,454,154	696,803	1,758,042	10,594,467	7,531,834	285,863	470,896	-	25,635,096	24,272,076
Annual amortization	105,966	175,642	45,863	206,013	516,177	317,051	30,233	26,168	-	1,423,113	1,446,586
Amortization disposals	-	-	(31,217)	(229,875)	(115,472)	-	-	-	-	(376,564)	(83,566)
BALANCE, END OF YEAR	949,003	3,629,796	711,449	1,734,180	10,995,172	7,848,885	316,096	497,064	-	26,681,645	25,635,096
TANGIBLE CAPITAL ASSETS-NET	$ 2,553,881	$ 4,720,495	$ 413,720	$ 1,657,331	$ 7,972,377	$ 5,315,580	$ 1,807,871	$ 82,273	$ 160,383	$24,683,911	$24,183,284

THE CORPORATION OF THE MUNICIPALITY OF CALLANDER

2024 FINANCIAL HIGHLIGHTS

TAX RATES

	2024 Tax Rates (%)		2023 Tax Rates (%)	
	Municipality purposes	School Board purposes	Municipality purposes	School Board purposes
Residential and Farm	1.199413	0.153000	1.142031	0.153000
Multi-residential	1.446571	0.153000	1.377365	0.153000
Farmland and Managed Forest	0.299853	0.038250	0.285508	0.038250
Commercial Occupied	1.317711	0.880000	1.254670	0.880000
Commercial Vacant	0.922398	0.880000	0.878269	0.880000
Industrial Occupied	1.617435	0.880000	1.540054	0.880000
Pipeline	1.333232	0.864536	1.269447	0.864536

TRANSACTIONS FOR THE SCHOOL BOARDS

	2024	2023
Payable at the beginning of the year	$ 810	$ 6,309
Taxation and payments-in-lieu, net of adjustments	1,076,430	1,060,631
Remitted during the year	(1,077,240)	(1,066,130)
Receivable at the end of the year	$ -	$ 810

These revenues and expenditures are not reflected in the Consolidated Statement of Operations.

YEAR END BALANCE OF TRUST FUNDS UNDER ADMINISTRATION

	2024	2023
Trust Funds	$ 140,097	$ 129,469

NOTES

1. The 2024 financial report consolidates the operations, assets and liabilities of the Municipality and its local library board.

2. The above data has been extracted from the audited 2024 Consolidated Financial Report of the Municipality and its local boards as described in Note 1. Copies of the 2024 Consolidated Financial Report and the Auditors' Report of Pahapill and Associates Professional Corporation, Chartered Professional Accountants, Huntsville, Ontario are available at the Municipality office to any resident who wishes to review or analyze the financial operations of the Municipality in greater detail.

THE CORPORATION OF THE MUNICIPALITY OF CALLANDER

2024 FINANCIAL HIGHLIGHTS

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2024

	2024	2023
FINANCIAL ASSETS		
Cash and cash equivalents	$ 9,362,358	$ 7,639,136
Taxes receivable	545,000	557,043
Accounts receivable, no allowance	890,582	1,192,577
	10,797,940	**9,388,756**
LIABILITIES		
Accounts payable and accrued liabilities	512,258	434,830
Deferred revenue - other	650,526	624,223
Deferred revenue - obligatory reserve funds	851,406	346,133
Municipal debt	1,379,669	1,581,553
	3,393,859	**2,986,739**
NET FINANCIAL ASSETS	**7,404,081**	**6,402,017**
NON-FINANCIAL ASSETS		
Tangible capital assets - net	24,683,911	24,183,284
Prepaid expenses	62,274	79,261
Inventories of supplies	57,309	60,372
	24,803,494	**24,322,917**
ACCUMULATED SURPLUS	**$ 32,207,575**	**$ 30,724,934**

THE CORPORATION OF THE MUNICIPALITY OF CALLANDER

2024 FINANCIAL HIGHLIGHTS

CONSOLIDATED STATEMENT OF OPERATIONS

FOR THE YEAR ENDED DECEMBER 31, 2024

	Budget 2024	Actual 2024	Actual 2023
REVENUE			
Property taxes	$ 6,960,499	$ 7,023,480	$ 6,562,394
User fees	1,497,091	1,623,338	1,533,871
Government transfers	733,878	731,887	706,368
Government transfers - capital	-	180,000	1,107,205
Other	357,337	799,223	659,546
TOTAL REVENUE	**9,548,805**	**10,357,928**	**10,569,384**
EXPENSES			
General government	1,313,241	1,305,868	1,272,542
Protection to persons and property	1,417,906	1,361,044	1,145,825
Transportation services	2,323,775	2,128,232	1,971,414
Environmental services	1,807,846	1,857,718	1,815,153
Health services	487,587	473,110	465,154
Social and family services	484,463	467,499	451,970
Recreation and culture	1,210,703	1,144,831	1,258,744
Planning and development	166,154	136,985	148,796
TOTAL EXPENSES	**9,211,675**	**8,875,287**	**8,529,598**
ANNUAL SURPLUS	**337,130**	**1,482,641**	**2,039,786**
ACCUMULATED SURPLUS, BEGINNING OF YEAR	**30,724,934**	**30,724,934**	**28,685,148**
ACCUMULATED SURPLUS, END OF YEAR	**$ 31,062,064**	**$ 32,207,575**	**$ 30,724,934**