

**THE CORPORATION OF THE  
MUNICIPALITY OF CALLANDER  
CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**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, 2023**

**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.

*Ashley Bilodeau*

Ashley Bilodeau (May 24, 2024 13:06 EDT)

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Ashley Bilodeau  
Senior Municipal Director

*C. Pigeau*

C. Pigeau (May 24, 2024 12:34 EDT)

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Cindy Pigeau  
Municipal Clerk/Treasurer

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## INDEPENDENT AUDITOR'S REPORT

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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, 2023, 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 financial position of The Corporation of the Municipality of Callander as at December 31, 2023, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### *Basis for Opinion*

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

- 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  
April 23, 2024

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, 2023**

	2023	2022
<b>FINANCIAL ASSETS</b>		
Cash and cash equivalents	\$ 7,639,136	\$ 6,384,380
Taxes receivable (Note 6)	557,043	439,409
Accounts receivable, no allowance (Note 7)	1,192,577	1,944,710
	<b>9,388,756</b>	<b>8,768,499</b>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities (Note 8)	434,830	559,757
Deferred revenue - other (Note 9)	624,223	406,181
Deferred revenue - obligatory reserve funds (Note 10)	346,133	487,781
Municipal debt (Note 11)	1,581,553	1,811,082
	<b>2,986,739</b>	<b>3,264,801</b>
<b>NET FINANCIAL (DEBT) ASSETS</b>	<b>6,402,017</b>	<b>5,503,698</b>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets - net (Note 14, Schedule 1)	24,183,284	23,067,307
Prepaid expenses	79,261	66,227
Inventories of supplies	60,372	47,916
	<b>24,322,917</b>	<b>23,181,450</b>
<b>ACCUMULATED SURPLUS (Note 15)</b>	<b>\$ 30,724,934</b>	<b>\$ 28,685,148</b>

COMMITMENTS (Note 12)

APPROVED ON BEHALF OF COUNCIL:

\_\_\_\_\_ Mayor

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

**THE CORPORATION OF THE MUNICIPALITY OF CALLANDER**  
**CONSOLIDATED STATEMENT OF OPERATIONS**

**2023**

	Budget 2023 (Note 17)	Actual 2023	Actual 2022
<b>REVENUE</b>			
Property taxes	\$ 6,570,451	\$ 6,562,394	\$ 5,999,040
User fees	1,503,208	1,533,871	1,368,126
Government transfers	687,603	706,368	529,693
Government transfers - capital	-	1,107,205	1,891,839
Other	367,387	659,546	420,146
<b>TOTAL REVENUE</b>	<b>9,128,649</b>	<b>10,569,384</b>	<b>10,208,844</b>
<b>EXPENSES</b>			
General government	1,375,316	1,272,542	1,366,144
Protection to persons and property	1,186,040	1,145,825	1,150,296
Transportation services	1,965,622	1,971,414	1,890,176
Environmental services	1,677,449	1,815,153	1,576,732
Health services	463,790	465,154	436,082
Social and family services	461,008	451,970	434,538
Recreation and culture	1,322,314	1,258,744	1,065,160
Planning and development	159,341	148,796	235,013
<b>TOTAL EXPENSES</b>	<b>8,610,880</b>	<b>8,529,598</b>	<b>8,154,141</b>
<b>ANNUAL SURPLUS</b>	<b>517,769</b>	<b>2,039,786</b>	<b>2,054,703</b>
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR</b>	<b>28,685,148</b>	<b>28,685,148</b>	<b>26,630,445</b>
<b>ACCUMULATED SURPLUS, END OF YEAR</b>	<b>\$ 29,202,917</b>	<b>\$ 30,724,934</b>	<b>\$ 28,685,148</b>

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

**THE CORPORATION OF THE MUNICIPALITY OF CALLANDER**  
**CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

	Budget 2023 (Note 17)	Actual 2023	Actual 2022
<b>Annual surplus</b>	\$ 517,769	\$ 2,039,786	\$ 2,054,703
Acquisition of tangible capital assets	(2,579,267)	(2,579,267)	(2,838,669)
Amortization of tangible capital assets	1,446,586	1,446,586	1,364,310
Loss (gain) on sale of tangible capital assets	-	(446)	62,293
Proceeds on sale of tangible capital assets	-	17,150	11,692
Acquisition and consumption of supplies inventories	-	(12,456)	1,379
Acquisition and consumption of prepaid expense	-	(13,034)	(55,770)
<b>Increase (decrease) in net financial assets</b>	(614,912)	898,319	599,938
<b>Net financial assets, beginning of year</b>	5,503,698	5,503,698	4,903,760
<b>Net financial (debt) assets, end of year</b>	<b>\$ 4,888,786</b>	<b>\$ 6,402,017</b>	<b>\$ 5,503,698</b>

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



**THE CORPORATION OF THE MUNICIPALITY OF CALLANDER**  
**CONSOLIDATED STATEMENT OF CASH FLOW**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

	2023	2022
<b>Operating transactions</b>		
Annual surplus	\$ 2,039,786	\$ 2,054,703
Non-cash charges to operations:		
Amortization	1,446,586	1,364,310
Loss on sale of tangible capital assets	(446)	62,293
	<b>3,485,926</b>	<b>3,481,306</b>
Changes in non-cash assets and liabilities:		
Taxes receivable	(117,634)	(99,046)
Accounts receivable	752,133	(1,128,300)
Accounts payable and accrued liabilities	(124,927)	202,873
Deferred revenue - other	218,042	(18,744)
Deferred revenue - obligatory reserve funds	(141,648)	205,086
Inventories of supplies	(12,456)	1,379
Prepaid expenses	(13,034)	(55,770)
	<b>560,476</b>	<b>(892,522)</b>
Cash provided by operating transactions	<b>4,046,402</b>	<b>2,588,784</b>
<b>Capital transactions</b>		
Acquisition of tangible capital assets	(2,579,267)	(2,838,669)
Proceeds on disposal of tangible capital asset	17,150	11,692
Cash applied to capital transactions	<b>(2,562,117)</b>	<b>(2,826,977)</b>
<b>Investing transactions</b>		
Cash provided by investing transactions	-	-
<b>Financing transactions</b>		
Debt principal repayments	(229,529)	(221,914)
Cash applied to financing transactions	<b>(229,529)</b>	<b>(221,914)</b>
<b>Net change in cash and cash equivalents</b>	<b>1,254,756</b>	<b>(460,107)</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>6,384,380</b>	<b>6,844,487</b>
<b>Cash and cash equivalents, end of year</b>	<b>\$ 7,639,136</b>	<b>\$ 6,384,380</b>
<b>Cash flow supplementary information:</b>		
Taxation and investment interest income received	\$ 465,939	\$ 224,601
Interest paid	59,975	67,589
Net interest received	<b>\$ 405,964</b>	<b>\$ 157,012</b>

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
Year Ended December 31, 2023

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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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
Year Ended December 31, 2023

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(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) Inventories of supplies

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

(c) 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
Year Ended December 31, 2023

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- (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 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
Year Ended December 31, 2023

2. CHANGE IN ACCOUNTING POLICIES

On January 1, 2023 the Municipality adopted Public Accounting Standards PS 1201 Financial Statement Presentation, PS 2601 Foreign Currency Translation, PS 3041 Portfolio Investments, PS 3280 Asset Retirement Obligations, and PS 3450 Financial Instruments. 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:

	2023	2022
District of Parry Sound Social Services Administration Board	\$ 246,984	\$ 240,483
North Bay Parry Sound District Health Unit	128,896	127,770
District of Parry Sound (East) Home for the Aged	201,266	194,055
District of Parry Sound Land Ambulance	189,896	181,930
<b>Total contributions made</b>	<b>\$ 767,042</b>	<b>\$ 744,238</b>

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:

	2023	2022
Payable at the beginning of the year	\$ 6,309	\$ -
Taxation and payments-in-lieu, net of adjustments	1,060,631	1,051,013
Remitted during the year	(1,066,130)	(1,044,704)
<b>Payable at the end of the year</b>	<b>\$ 810</b>	<b>\$ 6,309</b>

5. TRUST FUNDS

Trust funds administered by the Municipality amounting to \$136,690 (2022 \$131,552) 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
Year Ended December 31, 2023

6. TAXES RECEIVABLE

	2023	2022
Current taxes	\$ 286,870	\$ 248,704
Arrears taxes	221,407	155,655
Interest and penalties	48,766	35,050
	<b>\$ 557,043</b>	<b>\$ 439,409</b>

7. ACCOUNTS RECEIVABLE

	2023	2022
Federal	\$ 455,846	\$ 1,120,550
Province of Ontario	375,893	536,103
User charges	347,980	271,119
Other	12,858	16,938
	<b>\$ 1,192,577</b>	<b>\$ 1,944,710</b>

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2023	2022
Trade payables	321,603	413,122
Government remittances payable	4,324	30,276
Other	108,903	116,359
	<b>\$ 434,830</b>	<b>\$ 559,757</b>

9. DEFERRED REVENUE

The 2023 continuity of transactions are described below:

	Balance beginning of year	Contributions received	Interest earned	Amounts taken into revenue	Balance end of year
Planning	34,920	203,691	-	-	238,611
Library Fund	352,115	3,982	21,193	-	377,290
Modernization grant	13,218	-	-	(13,218)	-
Other	5,928	8,322	-	(5,928)	8,322
	<b>\$ 406,181</b>	<b>\$ 215,995</b>	<b>\$ 21,193</b>	<b>\$ (19,146)</b>	<b>\$ 624,223</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
Year Ended December 31, 2023

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 2023 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	\$ 5,000	\$ 4,000	\$ -	\$ -	\$ 9,000
Development charges	252,247	-	14,327	(1,679)	264,895
NORDS	230,534	123,762	11,812	(293,870)	72,238
	<b>\$ 487,781</b>	<b>\$ 127,762</b>	<b>\$ 26,139</b>	<b>\$ (295,549)</b>	<b>\$ 346,133</b>

11. MUNICIPAL DEBT

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

	2023	2022
Debenture, due December 2023, repayable in monthly payments of \$2,918 including interest calculated at 3.12%.	\$ -	\$ 34,435
Debenture, due December 2028, repayable in monthly payments of \$4,548 including interest calculated at 3.62%.	249,277	293,950
Debenture, due December 2029, repayable in monthly payments of \$9,550 including interest calculated at 3.03%.	627,993	722,014
Debenture, due December 2033, repayable in monthly payments of \$7,107 including interest calculated at 3.93%.	704,283	760,683
	<b>\$ 1,581,553</b>	<b>\$ 1,811,082</b>

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

	Principal	Interest
2024	\$ 201,884	\$ 52,579
2025	208,913	45,550
2026	216,190	38,272
2027	223,726	30,738
2028	231,526	22,937
2029 onwards	499,314	41,713
	<b>\$ 1,581,553</b>	<b>\$ 231,789</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
 Year Ended December 31, 2023

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

	2023	2022
Principal payments	\$ 229,529	\$ 221,914
Interest	59,974	67,589
	<b>\$ 289,503</b>	<b>\$ 289,503</b>

The annual principal and interest payments required to service the Municipality's debt were within the annual debt repayment limit of \$1,860,709 prescribed by the Ministry of Municipal Affairs and Housing.

12. COMMITMENTS

During the year the Municipality entered into a contract for the Municipal Library Building of approximately \$40,000. At December 31, 2023, there was approximately \$23,000 of work remaining to be completed in 2024.

13. 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.

14. 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.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year Ended December 31, 2023

15. ACCUMULATED SURPLUS

The accumulated surplus balance is comprised of the following:

	2023	2022
Invested in tangible capital assets ( <i>Schedule 1</i> )	\$ 24,183,284	\$ 23,067,307
General and Library	642,926	395,999
Consolidated reserves and reserve funds	7,480,277	7,032,924
Unfunded - Municipal debt	(1,581,553)	(1,811,082)
	<b>\$ 30,724,934</b>	<b>\$ 28,685,148</b>
 Reserves and Reserve funds:		
Working capital	\$ 1,586,925	\$ 827,321
Water and wastewater	1,809,117	1,809,117
Library services	409,661	401,749
Protection services	373,633	207,990
Community development	1,000	1,000
Road maintenance and equipment	1,897,101	1,705,911
Museum building	25,303	8,436
Building upgrades and replacements	1,238,604	1,238,604
Election	19,720	17,388
Tax rate stabilization	-	491,234
Parks and recreation facilities	12,745	324,174
Waterfront revitalization	106,014	-
Medical centre	454	-
	<b>\$ 7,480,277</b>	<b>\$ 7,032,924</b>

# THE CORPORATION OF THE MUNICIPALITY OF CALLANDER

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS Year Ended December 31, 2023

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### 16. 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, 2023

### 16. 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
<b>REVENUE</b>									
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
<b>TOTAL REVENUE</b>	<b>1,484,433</b>	<b>1,420,499</b>	<b>2,308,870</b>	<b>2,129,066</b>	<b>559,328</b>	<b>561,839</b>	<b>1,811,754</b>	<b>293,595</b>	<b>10,569,384</b>
<b>EXPENSES</b>									
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
<b>TOTAL EXPENSES</b>	<b>1,272,542</b>	<b>1,145,825</b>	<b>1,971,414</b>	<b>1,815,153</b>	<b>465,154</b>	<b>451,970</b>	<b>1,258,744</b>	<b>148,796</b>	<b>8,529,598</b>
<b>ANNUAL SURPLUS (DEFICIT)</b>	<b>\$ 211,891</b>	<b>\$ 274,674</b>	<b>\$ 337,456</b>	<b>\$ 313,913</b>	<b>\$ 94,174</b>	<b>\$ 109,869</b>	<b>\$ 553,010</b>	<b>\$ 144,799</b>	<b>\$ 2,039,786</b>

# THE CORPORATION OF THE MUNICIPALITY OF CALLANDER

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year Ended December 31, 2023

### 16. SEGMENT DISCLOSURES AND EXPENDITURES BY OBJECT (continued)

FOR THE YEAR ENDED DECEMBER 31, 2022

	General Government	Protection to Persons and Property	Transportation Services	Environmental Services	Health Services	Social and Family Services	Recreation and Culture	Planning and Development	Consolidated
<b>REVENUE</b>									
Property taxes	\$ 742,772	\$ 1,065,453	\$ 1,306,308	\$ 1,217,264	\$ 353,384	\$ 434,538	\$ 714,321	\$ 165,000	\$ 5,999,040
User fees	9,172	20,940	550	1,196,196	11,463	-	63,282	66,523	1,368,126
Government transfers	318,691	34,723	64,253	26,759	-	-	85,267	-	529,693
Government transfers - capital	500,000	-	820,046	-	-	-	571,793	-	1,891,839
Other	237,057	53,387	10,465	154	82,661	-	15,268	21,154	420,146
<b>TOTAL REVENUE</b>	<b>1,807,692</b>	<b>1,174,503</b>	<b>2,201,622</b>	<b>2,440,373</b>	<b>447,508</b>	<b>434,538</b>	<b>1,449,931</b>	<b>252,677</b>	<b>10,208,844</b>
<b>EXPENSES</b>									
Salaries, wages and benefits	851,681	340,585	615,170	17,102	3,889	-	427,343	104,457	2,360,227
Long-term debt charges (interest)	-	-	1,641	54,457	-	-	-	11,491	67,589
Operating expenses	485,335	652,901	668,778	1,138,408	87,101	-	384,923	119,065	3,536,511
External transfers	-	59,308	-	-	331,658	434,538	-	-	825,504
Amortization	29,128	97,502	604,587	366,765	13,434	-	252,894	-	1,364,310
<b>TOTAL EXPENSES</b>	<b>1,366,144</b>	<b>1,150,296</b>	<b>1,890,176</b>	<b>1,576,732</b>	<b>436,082</b>	<b>434,538</b>	<b>1,065,160</b>	<b>235,013</b>	<b>8,154,141</b>
<b>ANNUAL SURPLUS (DEFICIT)</b>	<b>\$ 441,548</b>	<b>\$ 24,207</b>	<b>\$ 311,446</b>	<b>\$ 863,641</b>	<b>\$ 11,426</b>	<b>\$ -</b>	<b>\$ 384,771</b>	<b>\$ 17,664</b>	<b>\$ 2,054,703</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
Year Ended December 31, 2023

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17. 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.

18. 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, 2023. The results of this valuation disclosed total actuarial liabilities of \$134,574 million with respect to benefits accrued for service with actuarial assets at that date of \$130,372 million indicating an actuarial deficit of \$4,202 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 2023 was \$171,585 (2022 \$156,662) for current service and is included as an expense on the Consolidated Statement of Operations.

19. COMPARATIVE FIGURES

Certain 2022 amounts in these financial statements have been reclassified to conform with their presentation in 2023.

**THE CORPORATION OF THE MUNICIPALITY OF CALLANDER**  
**CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

**Schedule 1**

	Land and Land Improvement s	Buildings	Machinery, equipment & furniture	Vehicles	Roads and Bridges	Water & Sewer system	Marina	Computer hardware & software	Assets under construction	TOTAL 2023	TOTAL 2022
<b>COST</b>											
Balance, beginning of year	\$ 3,400,050	\$ 7,092,948	\$ 1,010,984	\$ 3,204,577	\$ 16,904,402	\$ 12,937,394	\$ 2,042,966	\$ 572,771	\$ 173,291	\$ 47,339,383	\$ 45,140,576
Additions and betterments	9,260	621,409	67,019	402,018	1,294,503	84,619	81,001	13,288	6,150	2,579,267	2,838,669
Disposals and writedowns	-	-	(49,462)	(41,926)	-	-	-	(8,882)	-	(100,270)	(639,862)
Allocation from work in progress	-	81,215	-	-	-	-	-	-	(81,215)	-	-
<b>BALANCE, END OF YEAR</b>	<b>3,409,310</b>	<b>7,795,572</b>	<b>1,028,541</b>	<b>3,564,669</b>	<b>18,198,905</b>	<b>13,022,013</b>	<b>2,123,967</b>	<b>577,177</b>	<b>98,226</b>	<b>49,818,380</b>	<b>47,339,383</b>
<b>ACCUMULATED AMORTIZATION</b>											
Balance, beginning of year	724,349	3,279,371	700,217	1,601,377	10,046,112	7,214,540	253,654	452,456	-	24,272,076	23,473,643
Annual amortization	118,688	174,783	46,048	181,887	548,355	317,294	32,209	27,322	-	1,446,586	1,364,310
Amortization disposals	-	-	(49,462)	(25,222)	-	-	-	(8,882)	-	(83,566)	(565,877)
<b>BALANCE, END OF YEAR</b>	<b>843,037</b>	<b>3,454,154</b>	<b>696,803</b>	<b>1,758,042</b>	<b>10,594,467</b>	<b>7,531,834</b>	<b>285,863</b>	<b>470,896</b>	<b>-</b>	<b>25,635,096</b>	<b>24,272,076</b>
<b>TANGIBLE CAPITAL ASSETS-NET</b>	<b>\$ 2,566,273</b>	<b>\$ 4,341,418</b>	<b>\$ 331,738</b>	<b>\$ 1,806,627</b>	<b>\$ 7,604,438</b>	<b>\$ 5,490,179</b>	<b>\$ 1,838,104</b>	<b>\$ 106,281</b>	<b>\$ 98,226</b>	<b>\$ 24,183,284</b>	<b>\$ 23,067,307</b>

**THE CORPORATION OF THE MUNICIPALITY OF CALLANDER**  
**2023 FINANCIAL HIGHLIGHTS**

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**TAX RATES**

	2023 Tax Rates (%)		2022 Tax Rates (%)	
	Municipality purposes	School Board purposes	Municipality purposes	School Board purposes
Residential and Farm	1.142031	0.153000	1.050433	0.153000
Multi-residential	1.377365	0.153000	1.266892	0.153000
Farmland and Managed Forest	0.285508	0.038250	0.262608	0.038250
Commercial Occupied	1.254670	0.880000	1.154037	0.880000
Commercial Vacant	0.878269	0.880000	0.807826	0.880000
Industrial Occupied	1.540054	0.880000	1.416532	0.880000
Pipeline	1.269447	0.864536	1.167630	0.864536

**TRANSACTIONS FOR THE SCHOOL BOARDS**

	2023	2022
Payable at the beginning of the year	\$ 6,309	\$ -
Taxation and payments-in-lieu, net of adjustments	1,060,631	1,051,013
Remitted during the year	(1,066,130)	(1,044,704)
Receivable at the end of the year	\$ 810	\$ 6,309

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

**YEAR END BALANCE OF TRUST FUNDS UNDER ADMINISTRATION**

	2023	2022
Trust Funds	\$ 136,690	\$ 131,552

**NOTES**

1. The 2023 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 2023 Consolidated Financial Report of the Municipality and its local boards as described in Note 1. Copies of the 2023 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

## 2023 FINANCIAL HIGHLIGHTS

### CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2023

	2023	2022
<b>FINANCIAL ASSETS</b>		
Cash and cash equivalents	\$ 7,639,136	\$ 6,384,380
Taxes receivable	557,043	439,409
Accounts receivable, no allowance	1,192,577	1,944,710
	<b>9,388,756</b>	<b>8,768,499</b>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	434,830	559,757
Deferred revenue - other	624,223	406,181
Deferred revenue - obligatory reserve funds	346,133	487,781
Municipal debt	1,581,553	1,811,082
	<b>2,986,739</b>	<b>3,264,801</b>
<b>NET FINANCIAL ASSETS</b>	<b>6,402,017</b>	<b>5,503,698</b>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets - net	24,183,284	23,067,307
Prepaid expenses	79,261	66,227
Inventories of supplies	60,372	47,916
	<b>24,322,917</b>	<b>23,181,450</b>
<b>ACCUMULATED SURPLUS</b>	<b>\$ 30,724,934</b>	<b>\$ 28,685,148</b>



# THE CORPORATION OF THE MUNICIPALITY OF CALLANDER

## 2023 FINANCIAL HIGHLIGHTS

### CONSOLIDATED STATEMENT OF OPERATIONS

FOR THE YEAR ENDED DECEMBER 31, 2023

	Budget 2023	Actual 2023	Actual 2022
<b>REVENUE</b>			
Property taxes	\$ 6,570,451	\$ 6,562,394	\$ 5,999,040
User fees	1,503,208	1,533,871	1,368,126
Government transfers	687,603	706,368	529,693
Government transfers - capital	-	1,107,205	1,891,839
Other	367,387	659,546	420,146
<b>TOTAL REVENUE</b>	<b>9,128,649</b>	<b>10,569,384</b>	<b>10,208,844</b>
<b>EXPENSES</b>			
General government	1,375,316	1,272,542	1,366,144
Protection to persons and property	1,186,040	1,145,825	1,150,296
Transportation services	1,965,622	1,971,414	1,890,176
Environmental services	1,677,449	1,815,153	1,576,732
Health services	463,790	465,154	436,082
Social and family services	461,008	451,970	434,538
Recreation and culture	1,322,314	1,258,744	1,065,160
Planning and development	159,341	148,796	235,013
<b>TOTAL EXPENSES</b>	<b>8,610,880</b>	<b>8,529,598</b>	<b>8,154,141</b>
<b>ANNUAL SURPLUS</b>	<b>517,769</b>	<b>2,039,786</b>	<b>2,054,703</b>
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR</b>	<b>28,685,148</b>	<b>28,685,148</b>	<b>26,630,445</b>
<b>ACCUMULATED SURPLUS, END OF YEAR</b>	<b>\$ 29,202,917</b>	<b>\$ 30,724,934</b>	<b>\$ 28,685,148</b>











# Callander\_2023

Final Audit Report

2024-05-24

Created:	2024-05-24
By:	RAVEN IVANY (RIVANY@PAHAPILL.CA)
Status:	Signed
Transaction ID:	CBJCHBCAABAAgAwjBj_SdUHVX8aMhvSx4AA2MeJ4ZNHE

## "Callander\_2023" History

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Signature Date: 2024-05-24 - 5:06:23 PM GMT - Time Source: server
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