

Consolidated financial statements of
Municipality of Casselman

December 31, 2023

Municipality of Casselman

December 31, 2023

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To the members of Council, inhabitants and ratepayers of
Municipality of Casselman

Opinion

We have audited the consolidated financial statements of Municipality of Casselman (the "Municipality"), which comprise the consolidated statement of financial position as at December 31, 2023, and the consolidated statements of operations, change in net debt and cash flow for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Municipality as at December 31, 2023, and the results of its operations, change in its net debt and its cash flow for the year then ended in accordance with Canadian public sector accounting standards ("PSAS").

Basis for Opinion

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

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with PSAS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

Hawkesbury ON
June 18, 2024

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Municipality of Casselman
Consolidated statement of operations
Year ended December 31, 2023

	2023 Budget	2023 Actual	2022 Actual
	\$	\$	\$
Revenues			
Taxation – all classes	7,584,338	8,184,802	7,309,560
Less: amounts received for counties and school boards (Note 4)	(3,818,440)	(4,203,347)	(3,706,852)
Net taxation for municipal purposes	3,765,898	3,981,455	3,602,708
User fees	4,134,793	4,875,396	6,749,344
Transfer payments			
Government of Canada	173,149	200,544	658,861
Province of Ontario	1,662,870	991,754	1,210,012
Other municipalities	88,182	121,330	144,561
Licenses and permits	302,800	174,755	368,364
Investment income	440,522	417,314	248,486
Penalties and interest	25,000	37,649	23,073
Fines	21,000	15,641	17,301
Rent	672,872	676,617	483,570
Sales of materials	58,850	21,574	32,532
Donations	242,500	209,432	51,075
	11,588,436	11,723,461	13,589,887
Expenses (Schedule 4)			
General government	1,286,650	1,472,744	1,471,056
Protection to person and property	1,618,855	1,561,416	1,513,446
Transportation services	1,460,264	1,576,343	1,587,264
Environmental services	2,838,651	3,393,594	3,052,475
Recreation and cultural services	1,390,385	1,827,419	1,442,275
Planning and development	638,602	2,706,482	767,738
	9,233,407	12,537,998	9,834,254
Annual (deficit) surplus	2,355,029	(814,537)	3,755,633
Accumulated surplus, beginning of year	36,116,247	36,116,247	32,360,614
Accumulated surplus, end of year (Schedule 2)	38,471,276	35,301,710	36,116,247

The accompanying notes and schedules are an integral part of the consolidated financial statements.

Municipality of Casselman
Consolidated statement of financial position
As at December 31, 2023

	2023	2022
	\$	\$
Assets		
Financial assets		
Cash	5,467,988	11,040,777
Taxes receivable	406,570	265,076
Accounts receivable	977,941	1,194,479
Lands for resale	1,539,556	1,614,634
Investments (Note 5)	1,088,750	138,692
	9,480,805	14,253,658
Liabilities		
Accounts payable and accrued liabilities	2,131,889	3,463,809
Deferred revenues (Note 7)	1,525,317	2,355,589
Debts (Note 8)	18,949,730	19,963,800
Asset retirement obligation (Note 9)	1,742,423	1,380,922
	24,349,359	27,164,120
Net debt	(14,868,554)	(12,910,462)
Commitments (Note 12)		
Non-financial assets		
Tangible capital assets (Schedule 1)	49,950,993	48,853,971
Inventories	28,844	7,283
Prepaid expenses	190,427	165,455
	50,170,264	49,026,709
Accumulated surplus (Schedule 2)	35,301,710	36,116,247

The accompanying notes and schedules are an integral part of the consolidated financial statements.

Approved on behalf of the Council

_____, Mayor

_____, Treasurer

Municipality of Casselman
Consolidated statement of change in net debt
Year ended December 31, 2023

	2023 Budget	2023 Actual	2022 Actual
	\$	\$	\$
Annual (deficit) surplus	2,355,029	(814,537)	3,755,633
Loss on sale of tangible capital assets	-	92,682	33,736
Amortization of tangible capital assets	1,724,068	1,937,567	1,808,360
Purchase of tangible capital assets	(4,324,060)	(3,127,271)	(9,085,079)
Increase in inventories	-	(21,561)	(7,283)
(Increase) decrease of prepaid expenses	-	(24,972)	39,459
Increase in net debt	(244,963)	(1,958,092)	(3,455,174)
Net debt, beginning of year	(12,910,462)	(12,910,462)	(9,455,288)
Net debt, end of year	(13,155,425)	(14,868,554)	(12,910,462)

The accompanying notes and schedules are an integral part of the consolidated financial statements.

Municipality of Casselman
Consolidated statement of cash flow
Year ended December 31, 2023

	2023	2022
	\$	\$
Operating activities		
Annual (deficit) surplus	(814,537)	3,755,633
Change in non-cash assets and liabilities		
Increase in taxes receivable	(141,494)	(95,983)
Decrease (increase) in accounts receivable	216,538	(356,826)
Decrease in lands for resale	75,078	-
(Decrease) increase in accounts payable and accrued liabilities	(579,892)	551,956
Decrease in deferred revenues	(830,272)	(1,679,227)
Increase in asset retirement obligation liability	294,485	105,095
Increase in inventories	(21,561)	(7,283)
(Increase) decrease in prepaid expenses	(24,972)	39,459
	(1,012,090)	(1,442,809)
Non-cash operating items		
Loss on disposal of tangible capital assets	92,682	33,736
Amortization of tangible capital assets	1,937,567	1,808,360
Increase of the liability of ARO	67,016	-
	2,097,265	1,842,096
Net increase in cash from operating activities	270,638	4,154,920
Capital activity		
Purchase of tangible capital assets	(3,879,299)	(7,671,060)
Investing activities		
Disposal of investments	100,000	33,793
Acquisition of investments	(1,050,058)	-
	(950,058)	33,793
Financing activities		
Proceeds from long-term debt	-	5,051,000
Debt principal repayment	(1,014,070)	(934,279)
	(1,014,070)	4,116,721
Net (decrease) increase in cash	(5,572,789)	634,374
Cash, beginning of year	11,040,777	10,406,403
Cash, end of year	5,467,988	11,040,777

Additional information is presented in Note 10.

The accompanying notes and schedules are an integral part of the consolidated financial statements.

1. Changes in accounting policies

Section PS 1201, Financial statement presentation

Effective January 1, 2023, the Municipality adopted Section PS 1201 Financial Statement Presentation, which replaces PS 1200 Financial Statement Presentation. PS 1201 is generally equivalent to PS 1200 except that the Municipality is now required to present separately in a Statement of Remeasurement Gains and Losses: unrealized gains and losses attributable to financial instruments in the fair value category; exchange gains and losses associated with monetary assets and liabilities denominated in a foreign currency that have not been settled; amounts reclassified to the statement of operations upon derecognition or settlement; and, other comprehensive income from government business enterprises and partnerships. Upon adoption of this Section, the Municipality reports on its financial condition by presenting its accumulated surplus or deficit and net debt which includes accumulated remeasurement gains and losses.

The application of this new standard had no impact on the financial statements.

Section PS 3280, Asset retirement obligations (ARO)

Effective January 1, 2023, the Municipality adopted the Public Sector Accounting Board's (PSAB) new standard for the recognition, measurement and disclosure of a liability for asset retirement obligations under PS 3280 Asset Retirement Obligations. The new standard establishes when to recognize and how to measure a liability for an asset retirement obligation and provides the related financial statement presentation and disclosure requirements. Pursuant to these recommendations, the change was applied prospectively, and prior periods have not been restated.

Under the new standard, a liability for an asset retirement obligation is recognized at the best estimate of the amount required to retire a tangible capital asset when certain criteria are met, as described in Note 3.

Asset retirement obligations in the amount of \$294,485 arise from the application of the section PS 3280. As the Municipality adopted the standard prospectively, there were no changes to prior year balances. See Note 9.

Section PS 3450, Financial instruments

Effective January 1, 2023, the Municipality adopted the Public Sector Accounting Board's (PSAB) new recommendations for the recognition, measurement, presentation and disclosure of financial assets, financial liabilities and derivatives under Section PS 3450 Financial Instruments. The new Section is applied prospectively, and prior periods have not been restated. There was no material impact on the financial statements from the prospective application of the new accounting recommendations.

2. Future accounting policies

Effective date: January 1, 2024

Section PS 3400, Revenue

This section establishes standards on how to account for and report on revenue. Specifically, it differentiates between revenue arising from transactions that include performance obligations and transactions that do not have performance obligations.

The Municipality is currently evaluating the impacts of this new standard, which may be applied retroactively or prospectively.

3. Accounting policies

The consolidated financial statements of the Municipality are the responsibility of management and are prepared in accordance with Canadian public sector accounting standards ("PSAS") as recommended by the Public Sector Accounting Board ("PSAB") of CPA Canada.

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

Reporting entity

Consolidated financial statements

These consolidated financial statements reflect the assets, liabilities, operating revenues and expenses, reserves and reserve funds and changes in investment in tangible capital assets and include the activities of all committees of Council and the following board which is under the control of Council:

Casselman Public Library Board
Corporation de la revitalisation du centre-ville de Casselman

Accrual basis

Expenses and related sources of financing are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they become available and measurable; expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of an obligation to pay.

Non-financial assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year, together with the annual surplus, provides the change in net financial debt.

Financial instruments

The Municipality recognizes its financial instruments when the Municipality becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value.

At initial recognition, the Municipality may irrevocably elect to subsequently measure any financial instrument at fair value. The Municipality has not made such an election during the year.

The Municipality subsequently measures investments in equity instruments quoted in an active market and all derivative instruments, except those that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, at fair value. Fair value is determined by published price quotations. Transactions to purchase or sell these items are recorded on the trade date. Net gains and losses arising from changes in fair value are recognized in the statement of remeasurement gains and losses. The Municipality has not presented a statement of remeasurement gains and losses as it does not have any items giving rise to remeasurement gains and losses. Investments in equity instruments not quoted in an active market and derivatives that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, are subsequently measured at cost. With the exception of those instruments designated at fair value, all other financial assets and liabilities are subsequently measured at amortized cost using the effective interest rate method.

3. Accounting policies (continued)

Basis of accounting

Financial instruments (continued)

Transaction costs directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in expenses. Conversely, transaction costs are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

All financial assets except derivatives are tested annually for impairment. Any impairment, which is not considered temporary, is recorded in the statement of operations. Write-downs of financial assets measured at cost and/or amortized cost to reflect losses in value are not reversed for subsequent increases in value. Reversals of any net remeasurements of financial assets measured at fair value are reported in the statement of remeasurement gains and losses.

Tangible capital assets

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

Machinery and equipment	5 – 50 years
Vehicles	10 – 20 years
Roads	10 – 50 years
Land improvements	20 – 75 years
Buildings and facilities	20 – 90 years

The amortization starts in the month when the asset is put into service and ends in the month of sale. Assets under construction are not amortized until the TCA are available for productive use.

Land is not amortized due to its infinite life.

The Municipality has a capitalization threshold of \$25,000 for civil infrastructure systems and pooled assets and \$10,000 for all other assets. Items of lesser value are expensed, unless they are pooled because, collectively, they have significant value or for operational reasons. Examples of pooled assets are desktop computer systems, meters, utility poles and fire hydrants.

Contribution of tangible capital assets

TCA received as contributions are recorded in the consolidated statement of financial position at their fair value at the date of receipt and that fair value is also recorded as revenue. Transfers of TCA to other organizations are recorded as an expense at the net book value as of the date of transfer.

3. Accounting policies (continued)

Basis of accounting (continued)

Leases

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

Inventories

Inventories held for consumption are recorded at the lower of cost or replacement cost. Cost is determined on the first-in, first-out basis.

Investment

The investments are recorded at the fair market value. Accrued interests are included in accounts receivable.

Deferred revenues

Funds received for specific purposes are accounted for as deferred revenues until the Municipality discharges its obligation, which led to receipt of the funds.

Government transfers

Government transfers are recognized as revenues in the period during which the transfer is authorized, and any eligibility criteria are met. Government transfers are deferred if they are restricted through stipulations that require specific actions to be carried out in order to keep the transfer. For such transfers, revenues are recognized when the stipulation has been met.

Segment disclosures

A segment is defined as a distinguishable activity or group of activities for which it is appropriate to separately report financial information. Management has determined that existing disclosures in the consolidated statement of operations and within the related notes sufficiently discloses information of all appropriate segments and therefore no additional disclosure is required.

Reserves and reserve funds

Reserves and reserve funds consist of funds set aside by the Council for specific purposes.

3. Accounting policies (continued)

Basis of accounting (continued)

Asset retirement obligation liability

The Municipality recognizes the liability for an asset retirement obligation arising from the acquisition, development, construction or normal operation of a long-lived asset, in the year in which it is incurred and when a reasonable estimate of the amount of the obligation can be made. The liability is measured at the best estimate of the expenditure required to settle the present obligation.

The corresponding cost is capitalized as part of the related asset and is amortized over the asset's useful life.

In subsequent years, the liability is adjusted for changes resulting from the passage of time and revisions to either the timing or the amount of the original estimate of the undiscounted cash flows or the discount rate. The accretion of the liability as a result of the passage of time is charged to earnings while changes to the liability resulting from revisions to either the original estimate of the undiscounted cash flows or the discount rate are accounted for as an adjustment to the carrying amount of the related long-lived asset.

The Municipality continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

Use of estimates

The preparation of consolidated financial statements in conformity with PSAS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Key components of the consolidated financial statements requiring management to make estimates include the provision for doubtful accounts in respect of receivables, the useful life of TCA and certain accrued liabilities. Actual results could differ from these estimates.

4. Operations of the United Counties of Prescott and Russell and the school boards

The taxation of the United Counties of Prescott and Russell and the school boards is comprised of the following:

	United Counties \$	School boards \$	Total \$
2023			
Taxation	2,495,029	1,314,162	3,809,191
Supplementary taxes	183,417	213,407	396,824
Taxes written off	(2,860)	192	(2,668)
	2,675,586	1,527,761	4,203,347
2022			
Taxation	2,305,684	1,281,701	3,587,385
Supplementary taxes	94,915	34,762	129,677
Taxes written off	(5,874)	(4,336)	(10,210)
	2,394,725	1,312,127	3,706,852

Municipality of Casselman
Notes to the consolidated financial statements
December 31, 2023

5. Investments

	2023	2022
	\$	\$
Term deposit, 5.00% (0.50% to 0.60% in 2022), maturing in August 2025 (August 2023 to June 2024 in 2022)	38,573	138,692
Mutual funds	1,050,177	-
	1,088,750	138,692

6. Bank loan

The Municipality has an authorized line of credit of \$500,000 (\$500,000 in 2022) at preferred rate plus 0.75% (plus 0.75% in 2022) which was unused at year-end (unused at year-end in 2022).

7. Deferred revenues

	2023	2022
	\$	\$
Development charges	1,281,689	2,057,561
Parkland	21,810	20,697
Other	221,818	277,331
	1,525,317	2,355,589

The net change during the year in deferred revenues is made up as follows:

Amounts received	749,388	2,723,795
Investment income	93,150	73,119
Deferred revenues recognized	(1,672,810)	(4,476,141)
	(830,272)	(1,679,227)
Deferred revenues, beginning of year	2,355,589	4,034,816
Deferred revenues, end of year	1,525,317	2,355,589

Municipality of Casselman
Notes to the consolidated financial statements
December 31, 2023

8. Debts

	2023	2022
	\$	\$
Debts incurred by the Municipality with interest between 2.01% and 5.15%, maturing between 2026 and 2049	18,949,730	19,963,800

Of the debts reported above, principal payments for the next fiscal years are as follows:

	General taxation	User charges	Total
	\$	\$	\$
2024	279,049	764,393	1,043,442
2025	1,832,791	787,153	2,619,944
2026	286,619	810,548	1,097,167
2027	2,475,280	834,653	3,309,933
2028	271,186	680,546	951,732
Thereafter	2,148,859	7,778,653	9,927,512
	7,293,784	11,655,946	18,949,730

The annual principal and interest payments required to service these debts are within the annual debt repayment limits prescribed by the Ministry of Municipal Affairs.

9. Asset retirement obligation liability

The main obligations of the Municipality related to the decommissioning of tangible assets consist of the landfill which is no longer in service, as well as buildings and installations of the Municipality containing asbestos, which must be properly eliminated when they are sold or restoration work is undertaken.

	2023	2022
	\$	\$
Opening balance	1,380,922	1,380,922
Impact of the application of section PS 3280	294,485	-
Accretion expense	67,016	-
	1,742,423	1,380,922

Asset retirement obligation liability is made up as follows:

Landfill post-closure activities	1,596,948	1,380,922
Buildings and facilities	145,475	-
	1,742,423	1,380,922

9. Asset retirement obligation liability (continued)

Landfill post-closure activities

Landfill post-closure care requirements have been defined in accordance with industry standards and include final covering and landscaping of the landfill, the monitoring of well development, groundwater and surface water sampling and analysis, groundwater level monitoring and reporting to the Ministry.

The reported liability is based on estimates and assumptions with respect to events extending over a 20-year period using the best information available to management. Future events may result in significant changes to the estimated total expenses, capacity used or total capacity and the estimated liability, and would be recognized prospectively, as a change in estimate, when applicable.

10. Additional information relating to the consolidated statement of cash flow

Non-cash transactions

During the year, tangible capital assets were acquired at an aggregate cost of \$3,127,271 (\$9,085,079 in 2022), of which \$661,991 (\$1,414,019 in 2022) were paid after year-end and \$2,465,280 (\$7,671,060 in 2022) were paid during the year.

11. Pension agreements

The Municipality makes contributions to the Ontario Municipal Employees Retirement System (OMERS), a multi-employer plan which, for 2023, was on behalf of 20 members (18 in 2022) of its staff. The plan is a defined benefit plan which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay.

The amount contributed to OMERS for 2023 was \$157,768 (\$132,717 in 2022) for current services and is included as an expense in the consolidated statement of operations.

12. Commitments

Maintenance of waterwork and sewer system

The Municipality has signed an agreement in December 2021 for maintenance of the waterwork and sewer system which matures in December 2026. The total estimated amount payable over the next three years is \$1,973,000.

Landscaping maintenance

The Municipality has signed agreements for landscaping maintenance. These agreements signed in 2020 and 2021 mature in October 2024. The total estimated amount payable over the next year is \$46,000.

13. Contractual rights

Lease agreements

The Municipality has signed five lease agreements for the rental of buildings. These agreements signed between September 2012 and September 2023 mature between March 2024 and August 2027. The total estimated amount receivable over the next four years is \$672,000.

14. Financial instruments

The Municipality as part of its operations carries a number of financial instruments. It is management's opinion that the Municipality is not exposed to significant interest, currency or credit risks arising from these financial instruments except as otherwise disclosed.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. Changes in market interest rates may have an effect on the cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets or liabilities, known as price risk.

The Municipality is exposed to price risk arising from variations in interest rates due to its bank loan and its debts, which bear interest at fixed rates. Fixed interest rate instruments subject the Municipality to fair value risk since it varies inversely with variations in market interest rates.

Liquidity risk

The Municipality's objective is to have sufficient liquidity to meet its liabilities when due. The Municipality monitors its cash balances and cash flows generated from operations to meet its requirements. As at December 31, 2023, the financial liabilities are the accounts payable and accrued liabilities and debts.

15. Budget amounts

The initial operating budget approved by the Municipality is reflected on the consolidated statement of operations. The budgets established for capital investment in tangible capital assets are on a project-oriented basis, the costs of which may be carried out over one or more years and, therefore, may not be comparable with current year's actual expense amounts. As well, the Municipality does not budget activity within reserves and reserve funds, with the exception being those transactions, which affect either operations or tangible capital assets.

16. Corresponding figures

Certain corresponding figures have been reclassified to conform to the current year's presentation.

Municipality of Casselman
Consolidated tangible capital assets
Year ended December 31, 2023

Schedule 1

	Land and land improvements	Buildings and facilities	Vehicles	Roads	Machinery and equipment	ARO	Assets under construction	2023	2022
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Cost									
Beginning of year	6,173,056	43,512,209	1,784,044	9,386,258	13,433,826	-	6,868,283	81,157,676	72,447,540
Purchases	272,266	673,684	563,584	641,144	44,889	139,880	791,824	3,127,271	9,085,079
Disposals	-	-	-	(572,465)	-	-	-	(572,465)	(374,943)
Transfers	-	4,029,361	-	1,003,240	-	-	(5,032,601)	-	-
End of year	6,445,322	48,215,254	2,347,628	10,458,177	13,478,715	139,880	2,627,506	83,712,482	81,157,676
Accumulated amortization									
Beginning of year	2,264,091	14,357,971	1,410,275	6,035,315	8,236,053	-	-	32,303,705	30,836,552
Amortization	152,727	863,623	98,470	225,940	571,603	25,204	-	1,937,567	1,808,360
Accumulated amortization on disposals	-	-	-	(479,783)	-	-	-	(479,783)	(341,207)
End of year	2,416,818	15,221,594	1,508,745	5,781,472	8,807,656	25,204	-	33,761,489	32,303,705
Net book value	4,028,504	32,993,660	838,883	4,676,705	4,671,059	114,676	2,627,506	49,950,993	48,853,971

Municipality of Casselman
Consolidated accumulated surplus
Year ended December 31, 2023

Schedule 2

	2023	2022
	\$	\$
Reserves (Schedule 3)		
Working capital	307,438	307,438
Municipal elections	7,000	-
Fire department	780,525	605,525
Casselman Hydro Inc.	75,042	75,042
Land held for sale	1,539,556	1,614,634
Recreation program	135,171	159,000
Roads	271,025	339,000
	3,115,757	3,100,639
Reserve funds (Schedule 3)		
Waterworks	186,007	245,639
Sewer	876,393	818,903
Planning and development	69,776	125,595
Landfill	128,585	132,915
	1,260,761	1,323,052
	4,376,518	4,423,691
Operating		
For decrease of taxation	1,858,317	4,003,912
Library Board	(6,244)	137,953
Corporation de la revitalisation du centre-ville de Casselman	45,672	41,442
	1,897,745	4,183,307
Invested in tangible capital assets	31,001,263	28,890,171
Unfinanced operations	(6,000)	-
Unfinanced tangible capital assets	(225,393)	-
Unfinanced asset retirement obligation liability	(1,742,423)	(1,380,922)
	29,027,447	27,509,249
	35,301,710	36,116,247

Municipality of Casselman
Consolidated statement of change in reserves and reserve funds
Year ended December 31, 2023

Schedule 3

	Actual 2023	Actual 2022
	\$	\$
Revenues		
Investments	59,635	42,207
Net transfers from operating	(106,808)	(997,128)
Change in reserves and reserve funds	(47,173)	(954,921)
Reserves and reserve funds, beginning of year	4,423,691	5,378,612
Reserves and reserve funds, end of year	4,376,518	4,423,691

Municipality of Casselman
Consolidated statement of expenses by object
Year ended December 31, 2023

Schedule 4

	2023 Budget	2023 Actual	2022 Actual
	\$	\$	\$
Expenses			
Salaries, wages and benefits	2,701,948	2,871,614	2,479,508
Interests	741,797	713,661	541,254
Materials	458,190	592,743	526,425
Contracted services	3,537,671	6,227,918	4,412,703
External transfers	69,733	34,797	32,268
Amortization of tangible capital assets	1,724,068	1,937,567	1,808,360
Loss on disposal of tangible capital assets	-	92,682	33,736
Increase of the liability of ARO	-	67,016	-
	9,233,407	12,537,998	9,834,254