Financial Statements of

THE CORPORATION OF THE TOWN OF MOOSONEE

Year ended December 31, 2024

THE CORPORATION OF THE TOWN OF MOOSONEE

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Year ended December 31, 2024

Management's Responsibility for the Financial Statements

The accompanying financial statements of The Corporation of the Town of Moosonee (the "Town") are the responsibility of the Town's management and have been prepared in compliance with legislation, and in accordance with generally accepted accounting principles for local governments established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. A summary of the significant accounting policies are described in Note 1 to the financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

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

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

The financial statements have been audited by KPMG LLP, independent external auditors appointed by the Town. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the Town's financial statements.

Chief Administrative Officer

July 28, 2026

KPMG

KPMG LLP
Times Square
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INDEPENDENT AUDITOR'S REPORT

To the Members of Council, Inhabitants and Ratepayers of
The Corporation of the Town of Moosonee

Opinion

We have audited the accompanying financial statements of The Corporation of the Town of Moosonee (the "Town"), which comprise:

- the statement of financial position as at December 31, 2024
- the statement of operations and accumulated surplus for the year then ended
- the statement of changes in net financial assets for the year then ended
- the statement of cash flows for the year then ended
- and the notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements")

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Town as at December 31, 2024, and its results of operations, its changes in net financial assets, 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 responsibility under those standards are further described in the ***"Auditor's Responsibilities for the Audit of the Financial Statements"*** section of our auditor's report.

We are independent of the Town 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.

KPMG

Responsibility 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 Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Town'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 Town or to cease operations or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the 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 risk 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, internal 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 purposes of expressing an opinion on the effectiveness of the Town's internal control.

KPMG

- 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 the events or conditions that may cast significant doubt on the Town'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 Town's 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.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Sudbury, Canada

July 28, 2026

THE CORPORATION OF THE TOWN OF MOOSONEE

Statement of Financial Position

December 31, 2024, with comparative information for 2023

		2024		2023
Financial assets				
Cash and cash equivalents (note 3)	$	8,079,049	$	6,290,117
Taxes receivable (note 4)		801,385		642,867
Grants receivable		1,300,404		1,669,202
Other accounts receivable		816,298		1,177,517
		10,997,136		9,779,703
Financial liabilities				
Accounts payable and accrued liabilities		943,139		760,569
Deferred revenue (note 9)		2,098,344		1,471,498
Long-term debt (note 7)		877,387		1,109,599
Asset retirement obligation (note 15)		1,193,631		1,113,748
Deferred revenue - obligatory reserve funds (note 10)		566,061		613,782
		5,678,562		5,069,196
Net financial assets		5,318,574		4,710,507
Non-financial assets				
Tangible capital assets (note 8)		31,779,013		32,308,219
Prepaid expenses		117,543		108,945
		31,896,556		32,417,164
Contingent liabilities (note 16)				
Accumulated surplus (note 11)	$	37,215,130	$	37,127,671

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

On behalf of Council:

Mayor

Chief Administrative Officer

THE CORPORATION OF THE TOWN OF MOOSONEE

Statement of Operations and Accumulated Surplus

Year ended December 31, 2024, with comparative information for 2023

	2024 Budget (note 13)	2024 Actual	2023 Actual
Revenue:			
Taxation	$ 2,415,914	$ 2,416,444	$ 2,390,614
Fees and user charges	2,545,812	2,813,383	3,495,927
Canada grants	-	383,476	1,561,213
Ontario grants	1,707,661	2,398,911	2,306,757
Penalties and interest on taxes	90,000	147,013	125,856
Other	220,800	521,895	530,950
Gain on disposal of land	-	-	33,228
Total revenue	6,980,187	8,681,122	10,444,545
Expenses:			
General government	1,456,700	1,243,213	1,072,750
Protection to persons and property	496,007	440,747	467,221
Transportation services - other	1,164,561	1,028,142	867,762
Transportation services - airport	1,867,731	1,920,081	1,709,807
Environmental services	2,591,231	2,784,743	2,230,211
Health services	26,358	58,400	13,904
Recreational and cultural services	1,217,189	984,587	979,398
Planning and development	72,500	133,750	189,978
Total expenses	8,892,277	8,593,663	7,531,031
Annual surplus (deficit)	(1,912,090)	87,459	2,913,514
Accumulated surplus, beginning of year	37,127,671	37,127,671	34,214,157
Accumulated surplus, end of year	$ 35,215,581	$ 37,215,130	$ 37,127,671

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

THE CORPORATION OF THE TOWN OF MOOSONEE

Statement of Change in Net Financial Assets

Year ended December 31, 2024, with comparative information for 2023

	2024 Budget (note 13)	2024 Actual	2023 Actual
Annual surplus (deficit)	$ (1,912,090)	$ 87,459	$ 2,913,514
Acquisition of tangible capital assets	(247,382)	(1,539,647)	(3,403,650)
Amortization of tangible capital assets	2,068,854	2,068,853	1,919,310
	(90,618)	616,665	1,429,174
Change in prepaid expenses	-	(8,598)	(10,584)
Change in net financial assets	(90,618)	608,067	1,418,590
Net financial assets, beginning of year	4,710,507	4,710,507	3,291,917
Net financial assets, end of year	$ 4,619,889	$ 5,318,574	$ 4,710,507

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

THE CORPORATION OF THE TOWN OF MOOSONEE

Statement of Cash Flows

Year ended December 31, 2024, with comparative information for 2023

	2024	2023
Cash provided by (used in):		
Operating activities:		
Annual surplus	$ 87,459	$ 2,913,514
Items not involving cash:		
Amortization of tangible capital assets	2,068,853	1,919,310
Asset retirement obligation inflationary increase	79,883	14,792
	2,236,195	4,847,616
Change in non-cash assets and liabilities:		
Decrease (increase) in taxes receivable	(158,518)	70,345
Decrease in grants receivable	368,798	958,715
Decrease (increase) in other accounts receivable	361,219	(104,967)
Increase in prepaid expenses	(8,598)	(10,584)
Increase (decrease) in accounts payable and accrued liabilities	182,570	(78,375)
Increase (decrease) in deferred revenue	626,846	(688,940)
Increase (decrease) in deferred revenue - obligatory reserve funds	(47,721)	124,244
Net change in cash from operating activities	3,560,791	5,118,054
Capital activities:		
Cash used to acquire tangible capital assets	(1,539,647)	(3,403,650)
Net change in cash from capital activities	(1,539,647)	(3,403,650)
Financing activities:		
Repayment of long-term debt	(232,212)	(227,884)
Net change in cash from financing activities	(232,212)	(227,884)
Net change in cash and cash equivalents	1,788,932	1,486,520
Cash and cash equivalents, beginning of year	6,290,117	4,803,597
Cash and cash equivalents, end of year	$ 8,079,049	$ 6,290,117

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

The Corporation of the Town of Moosonee (the "Town") 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 and other related legislation.

1. Significant accounting policies:

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

(a) Reporting entity:

(i) Accounting for school board transactions:

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

(b) Tangible capital assets:

Tangible capital assets are recorded at cost which includes amounts that are directly attributable to acquisition, design, construction, development, improvement or betterment of the tangible capital asset. The cost, less residual value, of the tangible capital assets, excluding land and landfill sites, are amortized on a straight-line basis over their estimated useful lives as follows:

Asset	Useful Life - Years
Buildings	20 - 40
Furniture and equipment	10 - 15
Vehicles	5
Roads and bridges	20 - 50
Runway	20
Water and sewer	25 - 100

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.

(i) Contributions of tangible capital assets:

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

(ii) Natural resources that have not been purchased are not recognized as assets in the financial statements.

1. **Significant accounting policies (continued):**

   (c) Revenue recognition:

   The Town prepared tax billings based on assessment rolls issued by Municipal Property Assessment Corporation, in accordance with rates established and approved annually by Council and the Province of Ontario. Taxation revenue is recognized in the period in which the taxes are levied.

   Government transfers are recognized in the period in which the events giving rise to the transfer occurred, provided that the transfer is authorized and the amount can be reasonably estimated. Government grants are recognized when approved to the extent the related expenses have been incurred and collection can be reasonably assured.

   User fees and other revenues are recognized when the services are performed or goods are delivered, collection of the relevant receivable is probable, persuasive evidence of an arrangement exists and fees are fixed or determinable. Amounts received for future services are deferred until the service is provided.

   (d) Use of estimates:

   The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenue and expenses during the reporting periods. Significant items subject to such estimates and assumptions include valuation allowances for taxes and accounts receivable and estimating provisions for accrued liabilities.

   In addition, the Town's implementation of the PS 3280 *Asset Retirement Obligations* has resulted in the requirement for management to make estimates regarding the useful lives of affected tangible capital assets and the expected retirement costs, as well as the timing and duration of these retirement costs.

   Actual results could differ from those estimates. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the year in which they become known.

   (e) Deferred revenue - obligatory reserve funds:

   The Town received certain contributions under the authority of federal and provincial legislation. These contributions are restricted in their use and, until spent on qualifying projects or expenses, are recorded as deferred revenue.

1. Significant accounting policies (continued):

(f) Pension and employee benefits:

The Town is an employee 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 Town has adopted defined contribution plan accounting principles for this plan because insufficient information is available to apply defined benefit plan accounting principles.

(g) Reserves and reserve funds:

Certain amounts, as approved by Council, are set aside in reserves and reserve funds for future operating and capital purposes. Transfers to and/or from reserves and reserve funds are an adjustment to the respective fund when approved.

(h) School boards:

The Town collects taxation revenue on behalf of the school boards. 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.

(i) Asset retirement obligation:

An asset retirement obligation is recognized when, as at the financial reporting date, all of the following criteria are met:

There is a legal obligation to incur retirement costs in relation to a tangible capital asset;

(i) The past transaction or event giving rise to the liability has occurred;

(ii) It is expected that the future economic benefits will be given up; and

(iii) A reasonable estimate of the amount can be made.

The liability for closure of operational sites and post-closure care relating to landfill sites has been recognized based on estimated future expenses. An additional liability for the removal of asbestos in several of the buildings owned by the Town has also been recognized based on estimated future expenses on closure of the site and post-closure care.

The liability is discounted using a present value calculation and adjusted yearly for accretion expense. The recognition of a liability resulted in an accompanying increase to the respective tangible capital assets. The increase to the tangible capital assets is being amortized in accordance with the depreciation accounting policies outlined in note 1(b).

1. Significant accounting policies (continued):

(j) Financial instruments:

All financial instruments are initially recorded on the statement of financial position at fair value.

All investments held in equity instruments that trade in an active market are recorded at fair value. Management has elected to record investments at fair value as they are managed and evaluated on a fair value basis. Freestanding derivative instruments that are not equity instruments that are quoted in an active market are subsequently measured at fair value.

Unrealized changes in fair value are recognized in the statement of remeasurement gains and losses until they are realized, when they are transferred to the statement of operations.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred.

Where a decline in fair value is determined to be other than temporary, the amount of the loss is removed from accumulated remeasurement gains and losses and recognized in the statement of operation. On sale, the amount held in accumulated remeasurement gains and losses associated with that instrument is removed from accumulated remeasurement gains and recognized in the statement of operations. Financial instruments are classified into fair value hierarchy Levels 1, 2 or 3 for the purposes of describing the basis of the inputs used to determine the fair market value of those amounts recorded a fair value, as described below:

Level 1 Fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 Fair value measurements are those derived from market-based inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly

Level 3 Fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data

2. Change in accounting policies:

The Municipality adopted the following standards concurrently beginning January 1, 2024 retroactively: PS 3160 *Public Private Partnerships*, PS 3400 *Revenue* and adopted PSG-8 *Purchased Intangibles* prospectively.

PS 3400 *Revenue* establishes standards on how to account for and report on revenue, specifically differentiating between transactions that include performance obligations (i.e. the payor expects a good or service from the public sector entity), referred to as exchange transactions, and transactions that do not have performance obligations, referred to as nonexchange transactions. For exchange transactions, revenue is recognized when a performance obligation is satisfied. For non-exchange transactions, revenue is recognized when there is authority to retain an inflow of economic resources and a past event that gave rise to an asset has occurred.

PSG-8 *Purchased Intangibles* provides guidance on the accounting and reporting for purchased intangible assets that are acquired through arm's length exchange transactions between knowledgeable, willing parties that are under no compulsion to act. There was no impact to the Municipality for the adoption of this standard.

PS 3160 *Public Private Partnerships* (P3s) provides specific guidance on the accounting and reporting for P3s between public and private sector entities where the public sector entity procures infrastructure using a private sector partner. There was no impact to the Municipality for the adoption of this standard.

3. Cash and cash equivalents:

Cash and cash equivalents include cash on hand, balances held in the bank and a cashable guaranteed investment certificate. The guaranteed investment certificate earns a rate of return of 3.65% per annum and amounts to $765,277 (2023 - $746,899).

4. Taxes receivable:

Accounts receivable consist of the following:

	2024	2023
Current	$ 667,086	$ 519,724
Past due	877,392	816,097
Penalties and interest	319,352	315,428
Allowance for doubtful accounts	(1,062,445)	(1,008,382)
	$ 801,385	$ 642,867

5. Credit facilities:

The Town has available a $1,125,000 (2023 - $1,125,000) demand line on credit through a variable credit contract. This line bears interest at the bank's prime rate. As at December 31, 2024, $Nil (2023 - $Nil) has been drawn against this facility.

6. Employee benefits obligation:

OMERS provides pension services to more than 500,000 active and retired members and approximately 1,000 employers. 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 going concern actuarial liabilities of $142,489 million (2023 - $136,185 million) in respect of benefits accrued for services with total going concern actuarial assets at that date of $139,576 million (2023 - $131,983 million) indicating a going concern actuarial deficit of $2,913 million (2023 - $4,202 million). Because OMERS is a multi-employer plan, any pension plan surpluses or deficits are joint responsibility of Ontario municipal organizations, and their employees and the Town's share is not determinable. As a result, the Town does not recognize any share of the OMERS pension surplus or deficit.

The amount contributed to OMERS for 2024 was $161,918 (2023 - $141,251) and is included within salaries and benefits expense in the statement of operations and accumulated surplus.

7. Long-term debt:

The balance of long-term liabilities is comprised of the following:

	2024	2023
Unsecured loan payable to Ontario Strategic Infrastructure Financing Authority in semi-annual instalments of $74,732 including interest at a rate of 2.60%, due May 16, 2025	$ 73,773	$ 218,491
Unsecured loan payable to CIBC in monthly instalments of $3,831 plus interest at a rate of prime, due May 1, 2028	149,390	195,357
Unsecured loan payable to CIBC in monthly instalments of $767 plus interest at a rate of prime, due March 1, 2029	39,100	48,301
Unsecured loan payable to Infrastructure Ontario in monthly instalments of $22,557 plus interest at a rate of 2.00%, due November 2, 2040	615,124	647,450
	$ 877,387	$ 1,109,599

7. Long-term debt (continued):

2025	$	161,916
2026		88,806
2027		89,482
2028		55,697
Thereafter		481,486
	$	877,387

All sums borrowed in this year and in previous years from CIBC for any or all of the purposes mentioned in the Ontario Municipal Act, plus interest, shall be charged upon the whole of the revenues of the Town for the current year and for all preceding years as and when such revenues are received.

8. Tangible capital assets:

Cost	Balance at December 31, 2023	Additions	Disposals	Transfers in (out)	Balance at December 31, 2024
Land	$ 385,450	$ -	$ -	$ -	$ 385,450
Buildings	18,679,323	376,258	-	87,005	19,142,586
Furniture and equipment	8,410,586	201,643	-	220,319	8,832,548
Vehicles	1,607,602	57,040	-	-	1,664,642
Roads and bridges	8,089,655	-	-	-	8,089,655
Water and sewer	10,286,129	15,496	-	-	10,301,625
Runway	12,413,435	160,531	-	-	12,573,966
Construction in progress	4,471,907	728,679	-	(307,324)	4,893,262
Total	$ 64,344,087	$ 1,539,647	$ -	$ -	$ 65,883,734

Accumulated Amortization	Balance at December 31, 2023	Disposals	Amortization expense	Balance at December 31, 2024
Buildings	$ 12,511,894	$ -	$ 350,908	$ 12,862,802
Furniture and equipment	7,000,989	-	247,082	7,248,071
Vehicles	1,118,053	-	114,641	1,232,694
Roads and bridges	4,238,816	-	178,388	4,417,204
Water and sewer	2,239,184	-	310,974	2,550,158
Runway	4,926,932	-	866,860	5,793,792
Total	$ 32,035,868	$ -	$ 2,068,853	$ 34,104,721

	Net book value, December 31, 2023	Net book value, December 31, 2024
Land	$ 385,450	$ 385,450
Buildings	6,167,429	6,279,784
Furniture and equipment	1,409,597	1,584,477
Vehicles	489,549	431,948
Roads and bridges	3,850,839	3,672,451
Water and sewer	8,046,945	7,751,467
Runway	7,486,503	6,780,174
Construction in progress	4,471,907	4,893,262
Total	$ 32,308,219	$ 31,779,013

8. Tangible capital assets (continued):

Cost	Balance at December 31, 2022	Additions	Disposals	Transfers in (out)	Balance at December 31, 2023
Land	$ 309,416	$ 76,034	$ -	$ -	$ 385,450
Buildings	18,646,445	32,878	-	-	18,679,323
Furniture and equipment	8,304,270	106,316	-	-	8,410,586
Vehicles	1,489,969	117,633	-	-	1,607,602
Roads and bridges	7,579,346	275,937	-	234,372	8,089,655
Water and sewer	10,286,129	-	-	-	10,286,129
Runway	10,334,371	1,652,610	-	426,454	12,413,435
Construction in progress	3,990,491	1,142,242	-	(660,826)	4,471,907
Total	$ 60,940,437	$ 3,403,650	$ -	$ -	$ 64,344,087

Accumulated Amortization	Balance at December 31, 2022	Disposals	Amortization expense	Balance at December 31, 2023
Buildings	$ 12,163,129	$ -	$ 348,765	$ 12,511,894
Furniture and equipment	6,758,649	-	242,340	7,000,989
Vehicles	1,031,493	-	86,560	1,118,053
Roads and bridges	4,072,309	-	166,507	4,238,816
Water and sewer	1,928,545	-	310,639	2,239,184
Runway	4,162,433	-	764,499	4,926,932
Total	$ 30,116,558	$ -	$ 1,919,310	$ 32,035,868

	Net book value, December 31, 2022	Net book value, December 31, 2023
Land	$ 309,416	$ 385,450
Buildings	6,483,316	6,167,429
Furniture and equipment	1,545,621	1,409,597
Vehicles	458,476	489,549
Roads and bridges	3,507,037	3,850,839
Water and sewer	8,357,584	8,046,945
Runway	6,171,938	7,486,503
Construction in progress	3,990,491	4,471,907
Total	$ 30,823,879	$ 32,308,219

9. Deferred revenue:

Deferred revenue is comprised of the following:

	2024	2023
Airport improvement fee	$ 712,776	$ 355,016
OCIF	1,022,723	831,723
Shoreline stabilization	35,654	35,654
NORDS	294,074	219,405
Dock Restoration	3,417	–
Trails	7,550	7,550
Building Canada	22,150	22,150
	$ 2,098,344	$ 1,471,498

10. Deferred revenue – obligatory reserve funds:

A requirement of the Canadian public sector accounting standards 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 balances in the obligatory reserve funds of the Town are summarized below:

	2024	2023
Deferred revenue – obligatory reserve consists of the following:		
Dock maintenance revenue	$ –	$ 3,417
Federal gas tax allocation	566,061	610,365
	$ 566,061	$ 613,782

11. Accumulated surplus:

Accumulated surplus consists of individual fund surpluses and reserves and reserve funds as follows:

	2024	2023
Surplus (deficit):		
Airport:		
Invested in tangible capital assets (note 12)	$ 7,879,217	$ 8,737,630
Operations deficit	(744,420)	(513,709)
Town:		
Invested in tangible capital assets (note 12)	23,022,409	22,460,990
Operations	831,879	(145,266)
Asset retirement obligation	(1,193,631)	(1,113,748)
Total surplus	29,795,454	29,425,897
Reserves set aside for specific purpose by Council:		
Capital	3,812,430	3,953,479
Recreation	859,513	859,513
Fiscal policy	1,284,309	1,368,938
Water/wastewater	1,463,424	1,519,844
	7,419,676	7,701,774
Accumulated surplus	$ 37,215,130	$ 37,127,671

12. Equity in tangible capital assets:

The Town's equity in tangible capital assets is represented by:

	2024	2023
Tangible capital assets (note 8)	$ 48,068,519	$ 45,984,280
Accumulated amortization (note 8)	(24,168,723)	(22,413,691)
Long-term debt (note 7)	(877,387)	(1,109,599)
Equity in tangible capital assets	$ 23,022,409	$ 22,460,990

12. Equity in tangible capital assets (continued):

The Airport's equity in tangible capital assets is represented by:

	2024	2023
Tangible capital assets (note 8)	$ 18,359,807	$ 18,359,807
Accumulated amortization (note 8)	(10,480,590)	(9,622,177)
Equity in tangible capital assets	$ 7,879,217	$ 8,737,630

13. Budget information:

The budget data presented in these financial statements is based upon the 2024 operating and capital budgets approved by Council on July 31, 2024. The reconciliation of the approved budget to the budget figures reported in these financial statements is listed below.

Budgeted surplus approved by Council	$ –
Add:	
Principal repayment on long-term debt	183,763
Purchases of capital asset	2,473,000
Less:	
Amortization of tangible capital assets	(2,068,853)
Transfer from reserves	(500,000)
Issuance of long term debt	(2,000,000)
Budgeted deficit per financial statements	$ (1,912,090)

14. Operations of school boards:

During the year, the taxation revenue raised and remitted to the school boards totaled $221,006 (2023 - $217,721).

15. Asset retirement obligation:

The Town's asset retirement obligation consists of several obligations as follows:

(a) Landfill obligation:

The Town owns a landfill site. The liability for the closure of operational sites and post-closure care has been recognized under PS 3280 *Asset Retirement Obligation*. The costs were based upon the presently known obligations that will exist at the estimated year of closure of the sites and for 25 years post this date.

The landfill is expected to reach its capacity in 31 years, and the estimated remaining capacity is 270,375 cubic meters, which is 56.99% of the site's total capacity.

Post-closure care for the landfill sites is estimated to be required for 25 years from the date of site closure. These costs were discounted to December 31, 2024 using a discount rate of 3.00% per annum.

(b) Asbestos obligation:

The Town owns and operates several buildings that are known to have asbestos, which represents a health hazard upon demolition of the building and there is a legal obligation to remove or remediate it. Following the adoption of PS 3280 *Asset Retirement Obligation*, the Town recognized an obligation relating to the removal and post-removal care of the asbestos in these building as estimated at January 1, 2022. The obligation is determined based on the estimated undiscounted cash flows that will be required in the future to remove or remediate the asbestos containing material in accordance with current legislation.

Changes to the asset retirement obligation in the year are as follows:

Asset retirement obligation	Landfill closure	Asbestos removal	Balance at December 31, 2024
Opening balance	$ 507,876	$ 605,872	$ 1,113,748
Inflationary increase	65,948	13,935	79,883
Closing balance	$ 573,824	$ 619,807	$ 1,193,631

Asset retirement obligation	Landfill closure	Asbestos removal	Balance at December 31, 2023
Opening balance	$ 493,084	$ 605,872	$ 1,098,956
Inflationary increase	14,792	–	14,792
Closing balance	$ 507,876	$ 605,872	$ 1,113,748

16. Contingent liabilities:

The Town receives transfers from the government of Canada and Ontario. Some government transfers are subject to audit by the transferring government with adjustments, if any, repayable to the transferring government. Audit adjustments, if any, are recorded in the accounts in the year in which they become known.

The Town is subject to various litigation and claims arising in the normal course of its operations. The final outcome of the outstanding claims cannot be determined at this time. However, management believes that the ultimate disposition of these matters will not materially exceed the amounts recorded in the accounts. Any amendments to amounts accrued will be recorded once new information becomes available

17. Comparative information:

Certain 2024 comparative information have been reclassified to conform with the presentation adopted in 2024.

18. Segmented information:

The Town provides a range of services to its citizens, including fire, transportation, recreational and environmental. For management reporting purposes the Town's operations and activities are organized and reported by department. Funds were created for the purpose of recording specific activities to attain certain objectives in accordance with special regulations, restrictions or limitations.

Municipal services are provided by departments and their activities are reported in these funds. Certain departments that have been separately disclosed in the segmented information, along with the services they provide, are as follows:

(a) General Government: includes corporate services and governance of the Town. General Government is responsible for human resource management. Support to Council for policy development, by-law development in compliance with the Municipal Act, tax billing and collection responsibilities, financial management reporting, monitoring and overall budget status is provided as well as frontline reception and customer service.

(b) Protection Services: includes fire protection, protective inspection and control and emergency measures. Fire protection includes detection, extinguishing and suppression services; emergency medical first response; and prevention education and training programs. Inspection and control includes building inspection and by-law enforcement.

(c) Transportation Services: This department provides the winter and summer maintenance, the repair and the construction of the municipal roads system including bridges and culverts. The town also operates the Moosonee Airport which services Moosonee and the James Bay coast.

18. Segmented information (continued):

(d) Environmental Services: Includes the management and maintenance of water and wastewater system, the landfill site and the waste collection system that serves the Town.

(e) Health Services: Provides cemetery services to its citizens.

(f) Recreation and Cultural Services: Provides recreation facilities, including recreation fields and arena. It also provides building maintenance services to all municipal facilities.

(g) Planning and Development: Provides services for the approval of all land development plans, the application and enforcement of the zoning by-law and official plan, and the processing of building services.

For each segment separately reported in the schedule below, the segment revenue and expenditures represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information. These municipal services are funded primarily by taxation such as property tax revenue. Taxation and payments-in-lieu of taxes are apportioned to these services based on the net surplus. Certain government transfers, transfer from other funds, and other revenue have been apportioned based on a percentage of budgeted expenses.

The accounting policies used in these segments are consistent with those followed in the preparation of the financial statements as disclosed in note 1.

THE CORPORATION OF THE TOWN OF MOOSONEE

Note 18 - Segmented Information (continued)

Year ended December 31, 2024

	General Government	Protection Services	Transportation Services	Transportation Services - Airport	Environmental Services	Health Services	Recreation and Cultural Services	Planning and Development	2024 Total
Revenue:									
Taxation	$ 2,416,444	-	-	-	-	-	-	-	$ 2,416,444
Fees and user charges	44,885	-	5,060	1,159,867	1,441,284	9,000	137,922	15,365	2,813,383
Federal grants	-	-	216,996	-	166,480	-	-	-	383,476
Ontario grants	1,675,855	-	537,204	-	185,852	-	-	-	2,398,911
Penalties and interest on taxes	147,013	-	-	-	-	-	-	-	147,013
Other	481,814	547	1,854	15,795	21,885	-	-	-	521,895
Gain on disposal of land	-	-	-	-	-	-	-	-	-
Transfer from other funds	-	-	-	-	-	-	-	-	-
	4,766,011	547	761,114	1,175,662	1,815,501	9,000	137,922	15,365	8,681,122
Expenses:									
Salaries, wages and benefits	612,694	105,798	384,466	521,377	404,075	5,587	550,351	-	2,584,348
Interest on long-term debt	-	-	-	-	-	-	-	-	-
Materials	299,612	148,812	380,501	457,645	733,289	51,991	307,810	114,197	2,493,857
Contracted services	187,213	97,198	-	39,920	679,245	-	3,995	19,553	1,027,124
Rents, financial expenses and other	126,837	-	-	34,279	258,365	-	-	-	419,481
Amortization of tangible capital assets	16,857	88,939	263,175	866,860	709,769	822	122,431	-	2,068,853
	1,243,213	440,747	1,028,142	1,920,081	2,784,743	58,400	984,587	133,750	8,593,663
Annual surplus (deficit)	$ 3,522,798	(440,200)	(267,028)	(744,419)	(969,242)	(49,400)	(846,665)	(118,385)	$ 87,459

THE CORPORATION OF THE TOWN OF MOOSONEE

Note 18 - Segmented Information (continued)

Year ended December 31, 2024

	General Government	Protection Services	Transportation Services	Transportation Services - Airport	Environmental Services	Health Services	Recreation and Cultural Services	Planning and Development	2023 Total
Revenue:									
Taxation	$ 620,154	199,004	544,645	79,782	328,193	8,463	610,373	-	$ 2,390,614
Fees and user charges	307,453	-	2,567	1,717,423	1,397,220	7,500	56,464	7,300	3,495,927
Federal grants	221,506	-	696,781	376,000	-	-	211,233	55,693	1,561,213
Ontario grants	1,643,024	-	583,275	-	59,617	-	-	20,841	2,306,757
Penalties and interest on taxes	125,856	-	-	-	-	-	-	-	125,856
Other	397,150	94,562	3,300	34,738	1,200	-	-	-	530,950
Gain on disposal of land	33,228	-	-	-	-	-	-	-	33,228
	3,348,371	293,566	1,830,568	2,207,943	1,786,230	15,963	878,070	83,834	10,444,545
Expenses:									
Salaries, wages and benefits	323,747	137,472	362,370	469,383	368,759	6,332	513,752	94,334	2,276,149
Interest on long-term debt	-	-	-	-	-	-	-	-	-
Materials	287,512	177,589	285,389	460,532	573,331	7,298	337,262	79,390	2,208,303
Contracted services	158,463	63,451	1,526	14,716	574,624	-	6,148	16,254	835,182
Rents, financial expenses and other	291,409	-	-	677	-	-	-	-	292,086
Amortization of tangible capital assets	11,619	88,709	218,477	764,499	713,497	274	122,236	-	1,919,311
	1,072,750	467,221	867,762	1,709,807	2,230,211	13,904	979,398	189,978	7,531,031
Annual surplus (deficit)	$ 2,275,621	(173,655)	962,806	498,136	(443,981)	2,059	(101,328)	(106,144)	$ 2,913,514