

CORPORATION OF THE TOWN OF KAPUSKASING

**INDEPENDENT AUDITOR'S REPORT AND
CONSOLIDATED FINANCIAL STATEMENTS**

DECEMBER 31, 2022

CORPORATION OF THE TOWN OF KAPUSKASING

MANAGEMENT'S REPORT

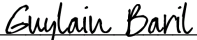
DECEMBER 31, 2022

The accompanying consolidated financial statements of the Corporation of the Town of Kapuskasing are the responsibility of the management and 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. A summary of the significant accounting policies are described in the notes to the financial statements. The preparation of consolidated financial statements necessarily involves the use of estimates based on management's judgments, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

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.

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

The consolidated financial statements have been audited by Baker Tilly HKC, independent external auditors appointed by the Council. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the financial statements.



Kapuskasing, Ontario
September 18, 2023

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INDEPENDENT AUDITOR'S REPORT

To the members of Council and inhabitants
of the Corporation of the Town of Kapuskasing

Opinion

We have audited the consolidated financial statements of the Corporation of the Town of Kapuskasing, which comprise the consolidated statement of financial position as at December 31, 2022, and the consolidated statements of operations and accumulated surplus, changes in net debt and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the municipality as at December 31, 2022, and its consolidated statement of operations and accumulated surplus, change 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 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 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 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.

INDEPENDENT AUDITOR'S REPORT, (CONT'D)

Auditor's Responsibilities for the Audit of the 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 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 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' 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 audit opinion. Our conclusions are based on the audit evidence obtained up to the date of 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 consolidated 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.

Baker Tilly HKC

Chartered Professional Accountants
Licenced Public Accountants
September 18, 2023

CORPORATION OF THE TOWN OF KAPUSKASING
CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2022

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CORPORATION OF THE TOWN OF KAPUSKASING

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2022

	2022	2021
FINANCIAL ASSETS		
Cash and cash equivalents	\$ 5,113,795	\$ 8,231,859
Short term investment (Note 5)	2,400,000	-
Taxes receivable (Note 6)	264,254	200,020
Trades and other receivables (Note 7)	8,599,063	7,876,396
Inventories for resale	53,302	18,110
Due from related parties (Note 8)	14,813,519	14,338,514
Long-term receivables (Note 9)	940,444	1,122,832
	<u>32,184,377</u>	<u>31,787,731</u>
LIABILITIES		
Accounts payable and accrued liabilities	3,962,755	3,862,728
Landfill closure and post-closure liability (Note 12)	2,795,872	2,710,872
Liability for losses in government business enterprises (Note 13)	8,824,835	6,373,405
Deferred revenue - obligatory reserve funds (Note 14)	5,390,136	4,816,351
Long-term debt (Note 15)	22,566,796	24,410,780
	<u>43,540,394</u>	<u>42,174,136</u>
NET DEBT	<u>(11,356,017)</u>	<u>(10,386,405)</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 16)	101,344,937	98,324,342
Inventories held for consumption or use	173,720	171,800
Prepaid expenses	418,162	328,907
	<u>101,936,819</u>	<u>98,825,049</u>
ACCUMULATED SURPLUS (Note 17)	<u>\$ 90,580,802</u>	<u>\$ 88,438,644</u>

CONTINGENCIES (Notes 12, 13, 21 & 23)

CONTRACTUAL OBLIGATION (Note 20)

Approved on behalf of the Council





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

CORPORATION OF THE TOWN OF KAPUSKASING

CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS

YEAR ENDED DECEMBER 31, 2022

	Budget (Note 24)	2022 Actual	2021 Actual
REVENUES			
Residential taxation	\$ 7,680,408	\$ 7,658,242	\$ 7,377,167
Commercial and business taxation	4,449,330	4,394,635	4,058,781
Payments in lieu of taxation	202,143	208,264	203,194
Ontario Municipal Partnership Fund	4,619,700	4,619,700	4,642,900
Provincial offences	100,000	37,188	128,867
User fees and service charges	7,628,849	8,749,991	6,224,227
Government transfers for operating -			
Provincial	446,470	650,558	537,399
Interest and penalties	601,151	705,868	597,090
Other revenues (Note 18)	892,257	922,937	1,455,712
	<u>26,620,308</u>	<u>27,947,383</u>	<u>25,225,337</u>
EXPENSES			
General government	2,367,629	2,194,947	2,097,329
Protection to persons and property	4,271,582	4,615,843	4,403,447
Transportation services	6,601,704	8,452,636	5,852,317
Environmental services	5,375,611	6,655,740	6,235,672
Health, social and family services	2,349,278	2,213,584	2,030,063
Recreation and cultural services	2,719,752	3,197,261	3,121,879
Planning and development	1,059,706	1,279,184	1,100,120
	<u>24,745,262</u>	<u>28,609,195</u>	<u>24,840,827</u>
EXCESS OF REVENUES OVER EXPENSES (EXPENSES OVER REVENUES)	<u>1,875,046</u>	<u>(661,812)</u>	<u>384,510</u>
OTHER REVENUES AND EXPENSES			
Government transfers for Capital - Provincial	5,318,718	4,964,657	2,651,702
Government transfers for Capital - Federal	431,652	290,743	3,567,936
Gain on sale of tangible capital assets	-	-	78,305
Government business enterprises - net loss (Notes 13 & 23)	-	(2,451,430)	(814,793)
	<u>5,750,370</u>	<u>2,803,970</u>	<u>5,483,150</u>
ANNUAL SURPLUS	7,625,416	2,142,158	5,867,660
ACCUMULATED SURPLUS, BEGINNING OF THE YEAR	<u>88,438,644</u>	<u>88,438,644</u>	<u>82,570,984</u>
ACCUMULATED SURPLUS, END OF YEAR (Note 17)	<u>\$ 96,064,060</u>	<u>\$ 90,580,802</u>	<u>\$ 88,438,644</u>

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

CORPORATION OF THE TOWN OF KAPUSKASING

CONSOLIDATED STATEMENT OF CHANGES IN NET DEBT

YEAR ENDED DECEMBER 31, 2022

	2022	2021
	Actual	Actual
ANNUAL SURPLUS	\$ 2,142,158	\$ 5,867,660
NON-FINANCIAL ASSET ACTIVITIES		
Acquisition of tangible capital assets	(7,661,912)	(7,939,965)
Amortization of tangible capital assets	4,641,317	4,370,737
Proceeds of sale of tangible capital assets	-	629,459
Gain on sale of tangible capital assets	-	(78,305)
Inventories held for consumption or use	(1,920)	(10,665)
Prepaid expenses	(89,255)	(53,176)
CHANGE IN NET DEBT	(969,612)	2,785,745
NET DEBT, BEGINNING OF YEAR	(10,386,405)	(13,172,150)
NET DEBT, END OF YEAR	\$ (11,356,017)	\$ (10,386,405)

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

CORPORATION OF THE TOWN OF KAPUSKASING

CONSOLIDATED STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2022

	2022	2021
OPERATING ACTIVITIES		
Annual surplus	\$ 2,142,158	\$ 5,867,660
Items not involving cash:		
Amortization of tangible capital assets	4,641,317	4,370,737
Government business enterprises - net loss	2,451,430	814,793
Provision for landfill closure and post-closure cost]	85,000	95,000
Gain on sale of tangible capital assets	-	(78,305)
	<u>9,319,905</u>	<u>11,069,885</u>
Change in:		
Taxes receivable	(64,234)	116,959
Trades and other receivables	(722,667)	(5,041,044)
Inventories for resale	(35,192)	6,078
Accounts payable and accrued liabilities	100,031	73,364
Deferred revenue - obligatory reserve funds	573,785	1,137,271
Inventories held for consumption or use	(1,920)	(10,665)
Prepaid expenses	(89,255)	(53,176)
	<u>9,080,453</u>	<u>7,298,672</u>
FINANCING ACTIVITY		
Principal payments on long-term debt	(1,843,984)	(1,842,108)
CAPITAL ACTIVITIES		
Acquisition of tangible capital assets	(7,661,912)	(7,939,965)
Proceeds of sale of tangible capital assets	-	629,459
	<u>(7,661,912)</u>	<u>(7,310,506)</u>
INVESTING ACTIVITIES		
Physician recruitment incentives advance	(25,000)	(225,000)
Physician recruitment incentives received	75,000	9,375
Purchase of investments	(2,400,000)	-
Advance of loan receivable	-	(578,975)
Loan receivable repayments received	132,384	78,018
Net advances to related parties	(475,005)	(595,794)
	<u>(2,692,621)</u>	<u>(1,312,376)</u>
CHANGE IN CASH POSITION	<u>(3,118,064)</u>	<u>(3,166,318)</u>
CASH POSITION, BEGINNING OF YEAR	<u>8,231,859</u>	<u>11,398,177</u>
CASH POSITION, END OF YEAR	<u>\$ 5,113,795</u>	<u>\$ 8,231,859</u>

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

CORPORATION OF THE TOWN OF KAPUSKASING

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2022

The Corporation of the Town of Kapuskasing (the municipality) is a single-tier municipal corporation located in Northern Ontario.

1. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements are prepared in accordance with generally accepted accounting principles for local governments (Canadian Public Sector Accounting Standards). Significant aspects of the accounting policies adopted by the municipality are as follows:

BASIS OF CONSOLIDATION

These consolidated financial statements reflect the assets, liabilities, revenues, expenses, reserve funds and reserves of the municipality and include the activities of all committees of Council and the following boards and corporations which are under the control of Council:

Museum Board
 Planning Board
 Kapuskasing Public Library Board
 Downtown Business Improvement Area Board
 Kapuskasing Economic Development Corporation
 Kapuskasing-Moonbeam Landfill Site Management Board

All interfund assets and liabilities and sources of financing and expenses have been eliminated.

NON-CONSOLIDATED ENTITIES

The following local boards, joint local boards and municipal business enterprises are not consolidated.

Non-consolidated entities:

Kapuskasing Golden Age Centre
 Kapuskasing Municipal Non-Profit
 Housing Corporation
 North Centennial Manor Inc.
 Kapuskasing Volunteer Firefighters

Non-consolidated joint local boards:

Porcupine Health Unit
 Cochrane District Social Services
 Administration Board (CDSSAB)

Government Business Enterprises

Government business enterprises are not consolidated, but are accounted for using the modified equity method in these consolidated financial statements. Under the modified equity method of accounting, only the municipality's investment in the government business enterprise and the enterprises' net income or loss and other changes in equity are recorded. No adjustment is made for accounting policies of the enterprise that are different from those of the municipality, except that any other comprehensive income of the business enterprise is accounted for as an adjustment to the accumulated surplus or deficit. Inter-organizational transactions and balances are not eliminated, except for any profit or loss on the sale between entities of assets that remain within the reporting entity.

CORPORATION OF THE TOWN OF KAPUSKASING

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2022

1. SIGNIFICANT ACCOUNTING POLICIES, (CONT'D)

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. Note 2 provides details of amounts raised and transferred to the school boards.

TRUST FUNDS

The Cemetery Care and Maintenance Fund trust funds administered by the municipality are not consolidated but are outlined in note 4 and in the Schedule of Trust Funds Financial Statements.

ACCRUAL BASIS OF ACCOUNTING

Revenues and expenses are reported on the accrual basis of accounting which recognizes revenues as they become earned and measurable. Revenues from taxation, grants and all other sources are recognized when the amount is fixed or reasonably determinable and collectability is reasonably assured. Expenses 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.

GOVERNMENT TRANSFERS

Government transfers are the transfer of assets from senior levels of Government that are not the result of an exchange transaction, are not expected to be repaid in the future or the result of a direct financial return. Government transfers are recognized in the financial statements in the period in which events giving rise to transfer occur, providing the transfers are authorized, eligibility criteria are met, and reasonable estimates of the amounts can be made. Government grants are recognized when approved to the extent the related expenses have been incurred and collection is reasonably assured.

The municipality also transfers assets to other level of Government and/or other organizations. These transfers are recorded as an expense when they are authorized and eligibility criteria is met, if any.

TAXATION

Property tax billings are prepared by the Municipality based on assessment rolls issued by the Municipal Property Assessment Corporation (MPAC) and in accordance with the provisions of the Municipal Act, 2001. The Municipal Council establishes the tax rates annually, incorporating amounts to be raised for local services and on behalf of the School Boards in respect of education taxes. From time to time property assessments are adjusted by MPAC through the reconsideration process or by the Assessment Review Board through the appeal process. Additional assessments, referred to as supplementary and omitted assessments can also be issued by MPAC in accordance with the Assessment Act. These adjustments and additional assessments are processed by the Municipality upon receipt and recognized in the fiscal year they are determined. All property taxes are secured by the land and pose minimal collection risk.

CORPORATION OF THE TOWN OF KAPUSKASING

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2022

1. SIGNIFICANT ACCOUNTING POLICIES, (CONT'D)

USER FEES AND SERVICE CHARGES

User fees and services charges are recognized when the activity is performed or when the services are rendered.

CASH AND CASH EQUIVALENTS

Cash consists of balances held at financial institutions and all cash equivalents consist of highly liquid financial instruments with maturity of three months or less at acquisition.

INVENTORIES

Inventories for resale are recorded at the lower of cost and net realizable value. Inventories held for consumption or use are recorded at the lower of cost and replacement cost.

LONG-TERM RECEIVABLES

Long-term receivable are recorded at cost. Valuation of the receivable is assessed annually by management. Any write-downs are recorded in the period in which the change in value occurred. The interest is recorded when earned.

LANDFILL CLOSURE AND POST-CLOSURE COSTS

Landfill closure and post-closure costs are recognized annually as the landfill site's capacity is used, with usage being measured based on the estimated useful life of the landfill site (volumetric capacity or years of service remaining). The estimated cost represents the sum of the estimated cash flows associated with closure and post-closure activities, discounted at a specified rate.

DEFERRED REVENUE - OBLIGATORY RESERVE FUNDS

Grants, contributions and other amounts are received from third parties pursuant to legislation, regulation or agreement and may only be used in the conduct of certain projects or the completion of specific work. In addition certain fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred or the services are performed.

A requirement of the Canadian Public Sector Accounting Standards is that the obligatory reserve funds be reported as deferred revenue. This requirement is in place as provincial legislation and other agreements restrict how these funds may be used and under certain circumstances these funds may possibly be refunded.

Funds from external sources and earnings thereon restricted by agreement or legislation are accounted for as deferred revenue - obligatory reserve funds until used for the purpose specified.

CORPORATION OF THE TOWN OF KAPUSKASING

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2022

1. SIGNIFICANT ACCOUNTING POLICIES, (CONT'D)

MULTI-EMPLOYER DEFINED BENEFIT PENSION PLAN

Substantially all of the employees of the municipality are eligible to be members of the Ontario Municipal Employees Retirement System (OMERS), which is a multi-employer, defined benefit, final average earnings, contributory pension plan. Defined contribution plan accounting is applied to OMERS, whereby contributions are expensed when due, as the municipality has insufficient information to apply defined benefit accounting.

NON-FINANCIAL ASSETS

Non-financial assets are not available to discharge existing liabilities and are held for the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year combined with the annual surplus provides the change in net financial assets (net debt) for the year.

TANGIBLE CAPITAL ASSETS

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, if any, of the tangible capital assets are amortized on a straight-line basis over the expected useful life of the assets as follows:

Buildings	15 to 40 years
Vehicles and equipment	5 to 25 years
Roads	5 to 70 years
Water and sewer systems	50 years
Solar panels	20 years

Assets under construction are not amortized until the asset is available for productive use.

MEASUREMENT UNCERTAINTY

The preparation of financial statements in conformity with Canadian Public Sector Accounting Standards requires management to make estimates and assumptions that affect the 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 year. These estimates are reviewed periodically and, as adjustments become necessary, they are reported in operations in the period in which they become known. Significant estimates are used when accounting for the allowance for uncollectible taxes and other receivables, determining the useful lives of tangible capital assets, accrued liabilities, the closure and post-closure liability and other contingencies. Actual results could differ from those estimates.

CORPORATION OF THE TOWN OF KAPUSKASING

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2022

1. SIGNIFICANT ACCOUNTING POLICIES, (CONT'D)

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 from reserves and reserve funds are recorded as an adjustment to the respective fund when approved.

2. OPERATIONS OF SCHOOL BOARDS

Tax collected and transferred to school boards are comprised of the following:

	Public	Separate	Total 2022	Total 2021
Residential and commercial tax	\$ 782,006	\$ 783,526	\$ 1,565,532	\$ 1,545,983
Supplementary tax	9,077	9,914	18,991	36,773
Write-offs and adjustments	(6,215)	(7,017)	(13,232)	(27,039)
Transferred to school boards	\$ 784,868	\$ 786,423	\$ 1,571,291	\$ 1,555,717

3. CONTRIBUTIONS TO NON-CONSOLIDATED ENTITIES

The following contributions were made by the municipality to these local boards and joint boards and are included in expenses on the consolidated statement of operations.

	Budget (Note 24)	2022 Actual	2021 Actual
Kapuskasing Golden Age Centre	\$ 57,700	\$ 57,700	\$ 54,014
Cochrane District Social Services Administration Board	1,284,769	1,284,769	1,159,175
Porcupine Health Unit	307,306	307,308	279,350
North Centennial Manor Inc.	320,361	320,361	320,361
Kapuskasing Volunteer Firefighters	125,214	106,944	143,371
	\$ 2,095,350	\$ 2,077,082	\$ 1,956,271

4. TRUST FUNDS

The Cemetery Care and Maintenance Fund trust funds financial statements are presented in the Schedule of Trust Funds Financial Statements. The year-end balances of the trust funds are as follows:

	2022	2021
Cemetery Care and Maintenance Fund (page 26)	\$ 580,102	\$ 552,269

CORPORATION OF THE TOWN OF KAPUSKASING

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2022

5. SHORT-TERM INVESTMENTS

	2022	2021
GIC earning 3.50% maturing in December 2023	\$ 500,000	\$ -
GIC earning 4.35% maturing in December 2027	1,900,000	-
	<u>\$ 2,400,000</u>	<u>\$ -</u>

6. TAXES RECEIVABLE

	2022	2021
Taxes receivable	\$ 227,765	\$ 189,967
Penalties and interest	36,489	10,053
Due on property under registration	71,037	64,433
	<u>335,291</u>	<u>264,453</u>
Allowance for doubtful taxes receivable	(71,037)	(64,433)
	<u>\$ 264,254</u>	<u>\$ 200,020</u>

7. TRADES AND OTHER RECEIVABLES

	2022	2021
Government of Canada	\$ 4,413,974	\$ 5,040,494
Province of Ontario	2,509,433	1,580,816
Other receivables	799,159	498,094
Water accounts receivable	876,497	756,992
	<u>\$ 8,599,063</u>	<u>\$ 7,876,396</u>

8. DUE FROM RELATED PARTIES

	2022	2021
Énergie Kapuskasing Energy Inc.	\$ 7,038,707	\$ 6,822,673
Solaire Kapuskasing Solar Inc.	7,774,812	7,515,841
	<u>\$ 14,813,519</u>	<u>\$ 14,338,514</u>

The above notes receivable bear interest of 4%, are unsecured with no set terms of repayment. A total of \$440,052 (2021 - \$440,052) of interest was charged to these government business enterprises. Details of these government business enterprises are provided in note 13 and 23.

CORPORATION OF THE TOWN OF KAPUSKASING

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2022

9. LONG-TERM RECEIVABLES

	2022	2021
Physician recruitment incentives, interest free, unsecured, due between 2023 and 2028	\$ 571,875	\$ 621,875
Loan receivable in blended monthly instalments of \$12,000, bearing interest at 5%, ending in 2025	368,569	500,957
	<u>\$ 940,444</u>	<u>\$ 1,122,832</u>

10. INVESTMENTS

The municipality is a majority shareholder in 7 corporations and owns a limited partnership interest in two partnerships that are all operating solar generation projects (these investments are separate from those presented in note 13 and 23 as Government Business Enterprises). The municipality is expected to generate investment income such as dividends and partnership allocations from these investments. In addition, the municipality has agreements in place that indemnifies them for all costs, losses and liabilities related to these investments and projects. The fair market value of these investments are currently not determinable. During the year, the municipality received dividends of \$3,024 (2021 - \$278,971) from these investments.

11. LINE OF CREDIT

The municipality has an authorized line of credit of \$18,545,126 from January 1st to September 30th and reducing to \$9,272,563 from October 1st to December 31st, bearing interest at prime, secured by a Borrowing By-Law approved by Council.

CORPORATION OF THE TOWN OF KAPUSKASING

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2022

12. LANDFILL CLOSURE AND POST-CLOSURE LIABILITY

The municipality along with the Township of Moonbeam manages and operates the Kapuskasing-Moonbeam Landfill Site Management Board (the Board).

Canadian Public Sector accounting Standards and guidelines provided by the Ministry of Municipal Affairs requires that landfill operators accrue for the future costs of landfill closure and post-closure on an annual basis. The municipality is liable for the closing of this landfill site and post-closure costs for monitoring, reporting and maintenance on an annual basis for an estimated period of 25 years following the closure of the site. Closure and post-closure costs include final covering and landscaping, testing of ground water, environmental monitoring, site inspections and site maintenance. The annual charge should be calculated by dividing the estimated closure costs by the estimated life of the landfill (volumetric capacity or years of service remaining) and charging that amount to operations.

The expected remaining life of the landfill is 15 years and the total estimated capacity of the landfill site is approximately 960,000 metric tons. Cumulative metric tons to date amount to approximately 592,000. The estimated total liability is based on the sum of discounted cash flows for closure and post-closure activities for 25 years after closure using a discount rate of 3.5% (2021 - 3.5%) which is the municipality's average borrowing rate.

	2022	2021
Landfill closure and post-closure liability, beginning of year	\$ 2,710,872	\$ 2,615,872
Provision for landfill closure and post-closure	85,000	95,000
Landfill closure and post-closure liability, end of year	\$ 2,795,872	\$ 2,710,872

13. INVESTMENT IN GOVERNMENT BUSINESS ENTERPRISES

Capital deficiency in government business enterprises is as follows:

	Énergie Kapuskasing Energy Inc.	Solaire Kapuskasing Solar Inc.	2022 Total	2021 Total
Capital deficiency, beginning of year	\$ 2,148,509	\$ 4,224,896	\$ 6,373,405	\$ 5,558,612
Net loss	1,657,725	793,705	2,451,430	814,793
Capital deficiency, end of year	\$ 3,806,234	\$ 5,018,601	\$ 8,824,835	\$ 6,373,405

The corporations are in a deficit position as of December 31, 2022. The municipality, as the sole owner of the corporations, is responsible for this excess of liabilities over assets (capital deficiency). Additional information is presented in note 23.

CORPORATION OF THE TOWN OF KAPUSKASING

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2022

14. DEFERRED REVENUE - OBLIGATORY RESERVE FUNDS

The deferred revenues and obligatory reserve funds balances are as follows:

	2022	2021
DEFERRED REVENUES		
Tenant deposits	\$ 1,142,933	\$ 1,210,238
Other deferred revenues	98,114	116,644
	1,241,047	1,326,882
OBLIGATORY RESERVE FUNDS		
Canada Community-Building Fund	3,195,102	2,892,804
Ministry of Municipal Affairs and Housing	-	195,472
Ontario Community Infrastructure Fund	617,684	401,193
Municipal accomodation tax	336,303	-
	4,149,089	3,489,469
	\$ 5,390,136	\$ 4,816,351

The continuity of deferred revenues and obligatory reserve funds is as follows:

	2022	2021
BALANCE, BEGINNING OF YEAR	\$ 4,816,351	\$ 3,679,080
RECEIVED DURING THE YEAR		
Canada Community-Building Fund	525,964	1,031,588
Interest earned on Canada Community-Building Fund	54,439	11,374
Ministry of Municipal Affairs and Housing	-	164,027
Ontario Community Infrastructure Fund	883,365	401,193
Interest earned on Ontario Community Infrastructure Fund	10,862	-
Municipal accomodation tax	458,616	-
Other	1,873	26,382
	1,935,119	1,634,564
RECOGNIZED AS REVENUE DURING THE YEAR		
Canada Community-Building Fund	(278,106)	(226,610)
Ontario Community Infrastructure Fund	(677,735)	-
Ministry of Municipal Affairs and Housing	(195,472)	(145,620)
Tenant deposits	(67,305)	(121,733)
Municipal accomodation tax	(122,313)	-
Other	(20,403)	(3,330)
	(1,361,334)	(497,293)
BALANCE, END OF YEAR	\$ 5,390,136	\$ 4,816,351

CORPORATION OF THE TOWN OF KAPUSKASING

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2022

15. LONG-TERM DEBT

	2022	2021
Loan repaid during the year	\$ -	\$ 6,190,676
Loan repaid during the year	-	2,885,838
Debentures repaid during the year	-	82,664
2.92% debenture payable in blended semi-annual instalments of \$46,993, due in 2024	136,961	225,015
3.59% debenture payable in blended annual instalments of \$174,618, due in 2025	488,376	640,017
4.28% debenture payable in blended semi-annual instalments of \$6,895, due in 2026	44,388	55,907
2.13% debenture payable in blended monthly instalments of \$6,991, due in 2026	289,182	366,026
4.70% loan payable in blended monthly instalments of \$46,734, due in 2027	5,935,212	-
5.24% loan payable in blended monthly instalments of \$7,413, due in 2029	473,229	535,602
4.80% loan payable in blended monthly instalments of \$5,769, due in 2029	406,785	455,221
2.00% debenture payable in blended semi-annual instalments of \$70,585, due in 2031	1,157,485	1,273,760
2.59% debenture payable in blended monthly instalments of \$1,099, due in 2031	101,382	111,796
4.00% loan payable in blended monthly instalments of \$15,755, due in 2032	1,481,370	1,608,417
3.41% debenture payable in blended monthly instalments of \$5,733, due in 2032	582,237	630,283
3.71% debenture payable in semi-annual instalments of \$22,092, due in 2034	410,583	438,749
2.77% debenture payable in blended monthly instalments of \$21,267, due in 2040	3,483,515	3,639,875
2.64% debenture payable in blended semi-annual instalments of \$20,559, due in 2046	716,597	738,366
2.91% debenture payable in blended monthly instalments of \$28,515, due in 2036	3,835,370	4,062,335
2.91% debenture payable in blended monthly instalments of \$3,300, due in 2036	443,961	470,233
4.39% loan payable in blended semi-annual instalments of \$118,316, due in 2037	2,580,163	-
	<u>\$ 22,566,796</u>	<u>\$ 24,410,780</u>

CORPORATION OF THE TOWN OF KAPUSKASING

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2022

15. LONG-TERM DEBT, (CONT'D)

Principal and interest payments required during the next five fiscal years are as follows:

	Principal		Interest		Total
2023	\$ 1,651,757	\$	804,670	\$	2,456,427
2024	1,664,325		744,433		2,408,758
2025	1,677,131		685,311		2,362,442
2026	1,521,978		623,993		2,145,971
2027	5,871,887		568,304		6,440,191
2028 and subsequent years	10,179,718		1,650,723		11,830,441
	<u>\$ 22,566,796</u>	\$	<u>5,077,434</u>	\$	<u>27,644,230</u>

Interest paid during the year on long-term debt amounted to \$726,526 (2021 - \$821,012).

The loans and debentures are secured by Capital Expenditure Borrowing By-Laws.

The annual principal and interest payments required to service these long-term liabilities are within the annual debt repayment limit as prescribed by the Ministry of Municipal Affairs and Housing.

CORPORATION OF THE TOWN OF KAPUSKASING

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2022

16. TANGIBLE CAPITAL ASSETS

Tangible capital assets distributed by type are as follows:

	Cost	Accumulated Amortization	2022 Net	2021 Net
Land	\$ 449,873	\$ -	\$ 449,873	\$ 449,873
Buildings	39,078,221	15,582,236	23,495,985	23,313,529
Vehicles and equipment	33,340,098	20,717,064	12,623,034	13,748,396
Roads	53,108,104	14,510,120	38,597,984	34,875,473
Water system	16,634,327	6,126,194	10,508,133	10,813,013
Sewer system	21,927,391	7,471,824	14,455,567	13,784,184
Solar panels	2,510,261	1,295,900	1,214,361	1,339,874
	<u>\$ 167,048,275</u>	<u>\$ 65,703,338</u>	<u>\$ 101,344,937</u>	<u>\$ 98,324,342</u>

Tangible capital assets distributed by segment are as follows:

	Cost	Accumulated Amortization	2022 Net	2021 Net
General government	\$ 3,692,330	\$ 1,331,819	\$ 2,360,511	\$ 1,546,159
Protection	3,481,123	1,574,355	1,906,768	1,986,596
Transportation	62,197,577	19,731,586	42,465,991	39,061,041
Environmental	72,383,969	32,136,988	40,246,981	41,162,085
Health, social and family	468,727	291,698	177,029	194,745
Recreation and cultural	12,400,875	6,557,131	5,843,744	5,957,479
Planning and development	12,423,674	4,079,761	8,343,913	8,416,237
	<u>\$ 167,048,275</u>	<u>\$ 65,703,338</u>	<u>\$ 101,344,937</u>	<u>\$ 98,324,342</u>

CORPORATION OF THE TOWN OF KAPUSKASING

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2022

17. ACCUMULATED SURPLUS

The accumulated surplus consists of the following:

	2022	2021
RESERVES SET ASIDE BY COUNCIL		
Working capital	\$ 5,753,361	\$ 9,140,776
Capital projects	3,573,282	3,012,926
PUC reserve	3,004,653	3,004,653
Sewage system	1,589,895	1,540,651
Water system	3,833,957	3,290,538
Other reserves	1,523,049	1,713,687
	<u>19,278,197</u>	<u>21,703,231</u>
INVESTED IN TANGIBLE CAPITAL ASSETS		
Tangible capital assets	101,344,936	98,324,342
Long term debt	(22,566,796)	(24,410,780)
Unfinanced tangible capital assets	-	(2,580,163)
	<u>78,778,140</u>	<u>71,333,399</u>
GENERAL OPERATING SURPLUS (DEFICIT)		
The Corporation of the Town of Kapuskasing and its consolidated entities	1,349,300	1,775,419
Government business enterprises	(8,824,835)	(6,373,405)
	<u>(7,475,535)</u>	<u>(4,597,986)</u>
ACCUMULATED SURPLUS	\$ 90,580,802	\$ 88,438,644

18. OTHER REVENUES

	Budget (Note 24)	2022 Actual	2021 Actual
Licenses and permits	\$ 167,000	\$ 164,961	\$ 150,314
Facility rentals	162,649	277,233	305,694
Sale of properties and equipment	46,000	56,277	132,210
Other revenues and recoveries	140,282	80,827	85,810
Community development events	7,000	14,465	146,368
Solar energy revenues	275,955	250,150	273,824
Dividends from solar flow through shares	-	3,024	278,971
Landfill expense recoveries	93,371	76,000	82,521
	<u>\$ 892,257</u>	<u>\$ 922,937</u>	<u>\$ 1,455,712</u>

CORPORATION OF THE TOWN OF KAPUSKASING

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2022

19. EXPENSES BY OBJECT

	Budget (Note 24)	2022 Actual	2021 Actual
Salaries, wages and benefits	\$ 9,160,770	\$ 8,948,733	\$ 8,201,915
Materials and supplies	3,933,308	4,592,905	2,593,784
Contracted services	8,528,897	7,034,462	6,414,866
Rents and financial expenses	463,375	588,170	482,242
External transfers	1,885,068	2,077,082	1,956,271
Debt interest charges	726,354	726,526	821,012
Amortization of tangible capital assets	47,490	4,641,317	4,370,737
	<u>\$ 24,745,262</u>	<u>\$ 28,609,195</u>	<u>\$ 24,840,827</u>

20. CONTRACTUAL OBLIGATION

During the year, the municipality negotiated a three-year renewal of a joint policing contract with the Minister of Community Safety and Correctional Services of Ontario (MCSCS) for the provision of police services by the Ontario Provincial Police (OPP). The term of this contract runs from January 1, 2022 until December 31, 2023 with the cost determined annually through a budget process. Either party to the agreement may terminate the contract upon one year's written notice. The annual statements are provided on or before October 1st each year for the municipality to review and approve. During the year, the municipality's cost for police services was \$2,009,410 (2021 - \$2,059,653). The cost for 2023 is estimated at \$2,044,324.

21. CONTINGENCIES

The municipality is involved in a number of claims and possible claims which are the result of normal on-going operations. Management feels that these claims are either without merit or will be covered by insurance. No provision has been made in these financial statements to reflect any of these claims. Any settlements which may arise will be reflected in the financial statements in the year the amount is determined.

CORPORATION OF THE TOWN OF KAPUSKASING

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2022

22. RETIREMENT BENEFITS

Substantially all of the Town of Kapuskasing employees are members of the Ontario Municipal Employee's Retirement System Plan (OMERS), which is a multi-employer defined benefit pension plan available to all eligible employees of the participating members of the Ontario Municipalities and their employees.

Contributions to the plan made during the year by the municipality on behalf of its employees amounted to \$574,270 (2021 - \$571,266) and are included in the statement of operations. As this is a multi-employer pension plan, these contributions are the municipality's pension benefit expenses. Any pension plan surpluses or deficits are a joint responsibility of member organizations and their employees. As a result, the organization does not recognize any share of the Plan's surplus or deficit. No contributing employer or employee has any liability, directly or indirectly, to provide the benefits established by this plan beyond the obligation to make contributions pursuant to the Plan policies.

23. GOVERNMENT BUSINESS ENTERPRISES

The municipality is the sole shareholder of the corporation Énergie Kapuskasing Energy Inc. (EKE) which is the sole shareholder of Solaire Kapuskasing Solar Inc. (SKS) and Hydro Kapuskasing Hydro Inc. (HKH). The financial activities are not consolidated with the municipality but are accounted for using the modified equity method. The municipality is contingently liable for the share of the accumulated operating deficits of the government business enterprises. As at December 31, 2022, the accumulated deficit amounted to \$8,824,935 (2021 - \$6,373,405). The following is a summary of the activities of these corporations:

Énergie Kapuskasing Energy Inc.

Other than being a shareholder in SKS and HKH, EKE is a shareholder in 5 other corporations owned in part by municipalities across Northern Ontario. Each of these corporations have been established to own and operate solar panel electricity generation projects. EKE is responsible for the construction, administration and management of these solar projects.

Solaire Kapuskasing Solar Inc.

SKS is a participant in two solar projects: Owens and Williamson projects and ASI SPE projects, all of which are solar panel electricity generation projects.

Hydro Kapuskasing Hydro Inc.

HKH was created to hold investments in hydro electricity generation projects. HKH is currently inactive and is expected to be dissolved.

Summaries of the consolidated statement of financial position and the consolidated statement of operations of these government business enterprises are presented below:

CORPORATION OF THE TOWN OF KAPUSKASING

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2022

23. GOVERNMENT BUSINESS ENTERPRISES, (CONT'D)

SUMMARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	2022	2021
ASSETS		
Current assets	\$ 756,599	\$ 990,192
Due from municipal solar corporations	12,792,140	12,239,620
	<u>13,548,739</u>	<u>13,229,812</u>
LONG-TERM ASSETS	17,474	624,926
PROPERTY AND EQUIPMENT	10,397,062	11,239,122
	<u>\$ 23,963,275</u>	<u>\$ 25,093,860</u>
LIABILITIES		
Current liabilities	\$ 63,306	\$ 50,434
Due to the Corporation of the Town of Kapuskasing	14,813,519	14,338,514
	<u>14,876,825</u>	<u>14,388,948</u>
LONG-TERM DEBT (details provided below)	14,206,444	15,057,850
LOSSES IN MUNICIPAL SOLAR CORPORATIONS	3,704,841	2,020,467
	<u>32,788,110</u>	<u>31,467,265</u>
CAPITAL DEFICIENCY		
CAPITAL STOCK	100	100
ACCUMULATED DEFICIT	(8,824,935)	(6,373,505)
	<u>(8,824,835)</u>	<u>(6,373,405)</u>
	<u>\$ 23,963,275</u>	<u>\$ 25,093,860</u>

SUMMARY CONSOLIDATED STATEMENT OF OPERATIONS

	2022	2021
SALE OF ENERGY	\$ 1,665,603	\$ 1,530,468
OPERATING EXPENSES	<u>2,375,539</u>	<u>2,551,156</u>
LOSS FROM OPERATIONS	(709,936)	(1,020,688)
OTHER INCOME (EXPENSES)	<u>(1,741,494)</u>	<u>205,895</u>
NET LOSS AND COMPREHENSIVE LOSS	<u>\$ (2,451,430)</u>	<u>\$ (814,793)</u>

CORPORATION OF THE TOWN OF KAPUSKASING

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2022

23. GOVERNMENT BUSINESS ENTERPRISES, (CONT'D)

The above summary consolidated statement of financial position and summary consolidated statement of operations have been extracted from the consolidated financial statements of Énergie Kapuskasing Energy Inc. The consolidated financial statements of Énergie Kapuskasing Energy Inc. has been prepared in accordance with International Financial Reporting Standards and include the accounts of its wholly owned subsidiaries Solaire Kapuskasing Solar Inc. and Hydro Kapuskasing Hydro Inc. It also includes the investments in municipal solar corporations recorded under the equity method. This statement does not contain all the disclosures required by the International Financial Reporting Standards. Users have been advised. The complete set of financial statements can be obtained from management of the municipality.

Additionally, the municipality has guaranteed the following loans held by its government business enterprises:

	2022	2021
Énergie Kapuskasing Energy Inc. - Loan payable to la Caisse populaire Alliance Ltée., payable in blended monthly instalments of \$10,601, bearing interest at 5.2%, maturing in November 2023	\$ 1,051,167	\$ 1,121,718
Solaire Kapuskasing Solar Inc. - Loan payable to Concentra Bank, payable in blended monthly instalments of \$57,824, bearing interest at 4.89%, due in April 2027	6,416,906	6,787,126
Solaire Kapuskasing Solar Inc. - Loan payable to TD Equipment Finance Canada, payable in blended monthly instalments of \$63,742, bearing interest at 5.09%, due in April 2027	6,738,371	7,149,006
	\$ 14,206,444	\$ 15,057,850

CORPORATION OF THE TOWN OF KAPUSKASING

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2022

24. BUDGET FIGURES (UNAUDITED)

The 2022 approved by Council was not prepared on a basis consistent with that used to report actual results. The budget was prepared on a modified accrual basis while Canadian Public Sector Accounting Standards require a full accrual basis. The budget figures treated all tangible capital purchases as expenses and did not include amortization expense on tangible capital assets. The budget also includes loan proceeds as revenues and principal payments on long term debt as expenses. Transfers to and from reserves are also budgeted as revenues and expenses while they should be reported as appropriations to and from the accumulated surplus. The budget figures presented on the statement of operations and accumulated surplus have been adjusted to exclude these amounts.

25. SEGMENTED INFORMATION

The municipality is a municipal government institution that provides a range of services to its residents. The nature of the segments and the activities they encompass are as follows:

General Government

General government consists of the activities of Council and general financial and administrative management of the municipality and its programs and services.

Protection to Persons and Property

Protection to persons and property include fire, police services and other protection services.

Transportation Services

The activities of the transportation function include construction and maintenance of the municipality's roads and bridges, winter control, street lighting, air transportation and transit services.

Environmental

This function is responsible for providing water and sewer services within the municipality. It is also responsible for providing waste collection, waste disposal and recycling services.

Health, Social and Family Services

The health, social and family services function consists of the activities of the cemetery, medical services and general assistance for social and family services.

CORPORATION OF THE TOWN OF KAPUSKASING

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2022

25. SEGMENTED INFORMATION, (CONT'D)

Recreation and Cultural Services

The recreation and cultural services function provides indoor and outdoor recreational facilities and programs and library services.

Planning and Development

The planning and development services function manages commercial, industrial and residential development within the municipality.

The accounting policies used in these segments are the same as those described in note 1.

26. FUTURE CHANGES IN ACCOUNTING STANDARDS

Section PS 1201, Financial Statement Presentation, PS 3041, Portfolio Investments, PS 3280, Asset Retirement Obligations, PS 3450, Financial Instruments, are effective for fiscal years beginning on or after April 1, 2022. While early adoption is permitted, all four of the standards must be adopted in the same year except for PS 3280. PS 1201 Financial Statement Presentation includes the addition of a new statement outlining re-measurement gains and losses. PS 3041, Portfolio Investments provides guidance on how to account for and report portfolio investments. PS 3280 Asset Retirement Obligations addresses the reporting of legal obligations associated with the eventual retirement of capital assets. PS 3450, Financial Instruments provides guidance on the recognition, measurement, presentation and disclosure of financial instruments. Management is currently in the process of assessing the impact of adopting these new standards.

CORPORATION OF THE TOWN OF KAPUSKASING

SCHEDULE OF TANGIBLE CAPITAL ASSETS

DECEMBER 31, 2022

	Land	Buildings	Vehicles and equipment	Roads	Water system	Sewer system	Solar panels	Total 2022	Total 2021
COST									
Beginning of year	\$ 449,873	\$ 37,853,733	\$ 32,705,338	\$ 48,376,177	\$ 16,634,327	\$ 20,856,654	\$ 2,510,261	\$ 159,386,363	\$ 152,567,753
Additions	-	1,224,488	634,760	4,731,927	-	1,070,737	-	7,661,912	7,939,965
Disposals	-	-	-	-	-	-	-	-	(1,121,355)
End of year	449,873	39,078,221	33,340,098	53,108,104	16,634,327	21,927,391	2,510,261	167,048,275	159,386,363
ACCUMULATED AMORTIZATION									
Beginning of year	-	14,540,204	18,956,942	13,500,704	5,821,314	7,072,470	1,170,387	61,062,021	57,261,484
Amortization	-	1,042,032	1,760,122	1,009,416	304,880	399,354	125,513	4,641,317	4,370,737
Disposals	-	-	-	-	-	-	-	-	(570,200)
End of year	-	15,582,236	20,717,064	14,510,120	6,126,194	7,471,824	1,295,900	65,703,338	61,062,021
NET BOOK VALUE	\$ 449,873	\$ 23,495,985	\$ 12,623,034	\$ 38,597,984	\$ 10,508,133	\$ 14,455,567	\$ 1,214,361	\$ 101,344,937	\$ 98,324,342

CORPORATION OF THE TOWN OF KAPUSKASING

SCHEDULE OF TRUST FUNDS FINANCIAL STATEMENTS

DECEMBER 31, 2022

	2022	2021
STATEMENT OF FINANCIAL POSITION		
FINANCIAL ASSETS		
Investments with ONE Investment (Note 1)	\$ 569,595	\$ 542,667
Interfund receivable	10,507	9,602
ACCUMULATED SURPLUS, END OF YEAR	\$ 580,102	\$ 552,269

STATEMENT OF CONTINUITY

ACCUMULATED SURPLUS, BEGINNING OF YEAR	\$ 552,269	\$ 526,636
REVENUES		
Sale of plots	13,269	13,514
Marker installation	2,800	1,650
Investment income	11,764	10,469
	27,833	25,633
ACCUMULATED SURPLUS, END OF YEAR	\$ 580,102	\$ 552,269

NOTE TO TRUST FUNDS FINANCIAL STATEMENTS

1. INVESTMENTS

The fair market value of the investments on December 31, 2022 is \$511,683 (2021 - \$542,362).