
KEARNEY-PERRY JOINT WASTE MANAGEMENT COMMITTEE

FINANCIAL STATEMENTS

DECEMBER 31, 2024

KEARNEY-PERRY JOINT WASTE MANAGEMENT COMMITTEE

CONTENTS

	Page
Independent Auditor's Report	1-2
Statement of Financial Position	3
Statements of Operations and Accumulated Surplus	4
Statement of Change in Net Debt	5
Statement of Cash Flows	6
Notes to the Financial Statements	7 - 15

Independent Auditor's Report

Doane Grant Thornton LLP
Suite 400
222 McIntyre Street W
North Bay, ON
P1B 2Y8
T +1 705 472 6500
F +1 705 472 7760

To the Members of Council, Inhabitants and Ratepayers of the Contributing Municipalities of the Kearney-Perry Joint Waste Management Committee

Opinion

We have audited the financial statements of the Kearney-Perry Joint Waste Management Committee ("the Committee"), which comprise the statement of financial position as at December 31, 2024, and the statements of operations and accumulated surplus, change in net debt and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Kearney-Perry Joint Waste Management Committee as at December 31, 2024, and its results of operations, its changes in its net debt, 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 Committee 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 these 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 Committee's ability to continue as a going concern, disclosing, as applicable, matters related to a going concern and using the going concern basis of accounting unless management either intends to liquidate the Committee or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Committee'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 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Committee's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Committee'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 Committee 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.

North Bay, Canada
May 28, 2025

Doane Grant Thornton LLP

Chartered Professional Accountants
Licensed Public Accountants

KEARNEY-PERRY JOINT WASTE MANAGEMENT COMMITTEE
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2024

	2024	2023
FINANCIAL ASSETS		
Cash	\$ 128,342	\$ 120,902
Investments <i>(Note 3)</i>	326,968	317,090
Accounts receivable	26,600	24,805
	481,910	462,797
LIABILITIES		
Accounts payable and accrued liabilities	36,827	16,038
Asset retirement obligations <i>(Note 5)</i>	887,207	801,619
	924,034	817,657
NET DEBT	(442,124)	(354,860)
NON-FINANCIAL ASSETS		
Tangible capital assets - net <i>(Note 7)</i>	323,924	421,955
	323,924	421,955
ACCUMULATED SURPLUS (DEFICIT) <i>(Note 8)</i>	\$ (118,200)	\$ 67,095

Contractual Obligations *(Note 6)*

APPROVED ON BEHALF OF THE COMMITTEE:

_____ Chairperson

The accompanying notes are an integral part of these financial statements

KEARNEY-PERRY JOINT WASTE MANAGEMENT COMMITTEE
STATEMENTS OF OPERATIONS AND ACCUMULATED SURPLUS
FOR THE YEAR ENDED DECEMBER 31, 2024

	Budget 2024 <i>(see Note 9)</i>	Actual 2024	Actual 2023
REVENUE			
Municipal contributions - Perry	\$ 121,110	\$ 121,110	\$ 109,730
- Kearney	95,940	95,940	87,121
Other	5,000	22,090	22,811
TOTAL REVENUE	222,050	239,140	219,662
EXPENSES			
Materials and supplies	41,450	18,579	18,664
Contracted services	185,500	252,058	160,128
Accretion of asset retirement obligation	31,207	31,207	25,681
Amortization of tangible capital assets	122,591	122,591	1,564
TOTAL EXPENSES	380,748	424,435	206,037
ANNUAL SURPLUS (DEFICIT) (Note 8)	(158,698)	(185,295)	13,625
ACCUMULATED SURPLUS, BEGINNING OF YEAR	67,095	67,095	53,470
ACCUMULATED SURPLUS, END OF YEAR	\$ (91,603)	\$ (118,200)	\$ 67,095

The accompanying notes are an integral part of these financial statements

KEARNEY-PERRY JOINT WASTE MANAGEMENT COMMITTEE
STATEMENT OF CHANGE IN NET DEBT
FOR THE YEAR ENDED DECEMBER 31, 2024

	Budget 2024 <i>(see Note 9)</i>	Actual 2024	Actual 2023
Annual surplus (deficit)	\$ (158,698)	\$ (185,295)	\$ 13,625
Acquisition of tangible capital assets	-	-	(45,822)
Settlement of asset retirement obligation through closure activities	(110,100)	-	-
Revaluation of tangible capital assets - ARO	-	(24,560)	(176,540)
Amortization of tangible capital assets	122,591	122,591	1,564
Increase in net debt	(146,207)	(87,264)	(207,173)
Net debt, beginning of year	(354,860)	(354,860)	(147,687)
Net debt, end of year	\$ (501,067)	\$ (442,124)	\$ (354,860)

The accompanying notes are an integral part of these financial statements

KEARNEY-PERRY JOINT WASTE MANAGEMENT COMMITTEE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2024

	2024	2023
Operating transactions		
Annual surplus (deficit)	\$ (185,295)	\$ 13,625
Non-cash charges to operations:		
Amortization of tangible capital assets	122,591	1,564
Accretion expense on ARO liability	31,207	25,681
Revaluation of tangible capital assets - ARO	(24,560)	(176,540)
Increase (decrease) in ARO liability, excluding accretion	54,381	176,540
	(1,676)	40,870
Changes in non-cash items:		
Accounts receivable	(1,795)	(15,129)
Accounts payable and accrued liabilities	20,789	(1,550)
	18,994	(16,679)
Cash provided by operating transactions	17,318	24,191
Capital transactions		
Acquisition of tangible capital assets	-	(45,822)
Cash applied to capital transactions	-	(45,822)
Investing transactions		
Change in investments	(9,878)	(14,584)
Cash applied to investing transactions	(9,878)	(14,584)
Net change in cash	7,440	(36,215)
Cash, beginning of year	120,902	157,117
Cash, end of year	\$ 128,342	\$ 120,902

The accompanying notes are an integral part of these financial statements

KEARNEY-PERRY JOINT WASTE MANAGEMENT COMMITTEE

NOTES TO THE FINANCIAL STATEMENTS Year Ended December 31, 2024

The Kearney-Perry Joint Waste Management Committee (the "organization") is a joint committee of the Corporation of the Town of Kearney and the Corporation of the Township of Perry, who contribute towards the organization in proportion to their relative property assessment values.

Management Responsibility

The financial statements of the organization are the responsibility of management and have been prepared in accordance with Canadian generally accepted accounting principles for local governments established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. A summary of significant accounting policies is provided in Note 1. 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.

Management maintains a system of internal controls to provide reasonable assurance that reliable financial information is produced. The internal controls are 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.

1. SIGNIFICANT ACCOUNTING POLICIES

Significant accounting policies adopted by the organization are as follows:

Basis of Accounting

- (i) Accrual basis of accounting
Revenue and expenses are reported on the accrual basis of accounting. Revenue is recognized in the year in which it is earned and measurable. 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.
- (ii) Cash
Cash includes cash on hand and balances held at financial institutions.
- (iii) Investments
Investments are recorded at cost plus accrued interest.
- (iv) Non-financial assets
Non-financial assets are not available to discharge existing liabilities but are held for use in 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.

KEARNEY-PERRY JOINT WASTE MANAGEMENT COMMITTEENOTES TO THE FINANCIAL STATEMENTS
Year Ended December 31, 2024

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)(a) Tangible capital assets

Tangible capital assets are recorded at cost, which includes all amounts that are directly attributable to the acquisition, construction, development or betterment of the asset, as well as any asset retirement obligations related to the asset. Borrowing costs related to the acquisition of tangible capital assets are expensed in the year incurred. The cost, less residual value, of the tangible capital assets are amortized on a straight-line basis over their estimated useful lives as follows:

Land improvements - 20 years
Buildings - 50 years
Machinery and equipment - 20 years

One half of the annual amortization is charged in the year of acquisition and in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

Estimated closure and post-closure expenses for active landfill sites are amortized annually on the basis of capacity used during the year as a percentage of the estimated total capacity of the landfill site.

Tangible capital assets received as donations are recorded at their fair value at the date of receipt.

(v) Reserves and reserve funds

Certain amounts, as approved by the organization, are set aside in reserves and reserve funds for future operating and capital purposes. Balances related to these funds are included in the accumulated surplus of the Statement of Financial Position.

(vi) Government transfers

Government transfers are recognized in the financial statements as revenue when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the Statement of Operations as the stipulation liabilities are settled.

KEARNEY-PERRY JOINT WASTE MANAGEMENT COMMITTEENOTES TO THE FINANCIAL STATEMENTS
Year Ended December 31, 20241. SIGNIFICANT ACCOUNTING POLICIES (Continued)(vii) Financial instruments

Financial instruments are classified as either fair value, amortized cost or cost.

Financial instruments classified as fair value are initially recognized at cost and subsequently carried at fair value. Financing fees and transaction costs on financial instruments measured at fair value are expensed as incurred. Unrealized gains and losses on financial assets are recognized in the Statement of Remeasurement Gains and Losses. Once realized, remeasurement gains and losses are transferred to the Statement of Operations. A Statement of Remeasurement Gains and Losses has not been included as there are no matters to report therein.

Financial instruments classified as amortized cost are initially recognized at cost and subsequently carried at amortized cost using the effective interest rate method, less any impairment losses on financial assets. The effective interest rate method allocates interest income or interest expense over the relevant period, based on the effective interest rate. Transaction costs related to financial instruments in the amortized cost category are added to the carrying value of the instrument.

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. Previously recognized impairment losses are reversed to the extent of the improvement, provided the asset is not carried at an amount, at the date of the reversal, greater than the amount that would have been the carrying amount had no impairment loss been recognized previously. The amounts of any write-downs or reversals are recognized in the Statement of Operations.

Financial liabilities (or part of a financial liability) are removed from the Statement of Financial Position when, and only when, they are discharged, cancelled or expire.

The organization's financial instruments are measured according to the following methods:

<u>Financial instrument</u>	<u>Measurement method</u>
Cash	Amortized cost
Investments	Amortized cost
Accounts receivable	Amortized cost
Accounts payable and accrued liabilities	Amortized cost

(viii) Asset retirement obligations

A liability for an asset retirement obligation is recognized when, 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 capital asset;
- the past transaction or event giving rise to the liability has occurred;
- it is expected that future economic benefits will be given up; and
- a reasonable estimate of the amount can be made.

The liability is recorded at an amount that is the best estimate of the expenditure required to retire a capital asset at the financial statement date. The liability is subsequently reviewed at each financial reporting date and adjusted for the passage of time and for any revisions to the timing, amount required to settle the obligation or the discount rate. When an asset retirement obligation is initially recognized, a corresponding asset retirement cost is added to the carrying value of the related capital asset when it is still in productive use. This cost is amortized over the useful life of the capital asset. If the related capital asset is unrecognized or no longer in productive use, the asset retirement costs are expensed.

KEARNEY-PERRY JOINT WASTE MANAGEMENT COMMITTEE

NOTES TO THE FINANCIAL STATEMENTS

Year Ended December 31, 2024

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)(ix) 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 date of the financial statements and the reported amounts of revenue and expenses during the period. These estimates and assumptions are based on management's historical experience, best knowledge of current events and actions that the organization may undertake in the future. Significant accounting estimates include estimated useful lives of tangible capital assets and estimated costs and timing of asset retirement obligations. Actual results could differ from these estimates.

There is a measurement uncertainty surrounding the estimation of liabilities for asset retirement obligations of \$887,207. These estimates are subject to uncertainty because of several factors including, but not limited to estimated settlement dates, estimated costs and change in the discount rate. These estimates are reviewed annually and, as adjustments become necessary, they are recorded in the period in which they become known.

2. CHANGE IN ACCOUNTING POLICIES - ADOPTION OF NEW ACCOUNTING STANDARDS

On January 1, 2024, the organization adopted Public Sector Accounting Standard PS 3400 - Revenue. New Section PS 3400 establishes standards on how to account for and report on revenue. It does not apply to revenues for which specific standards already exist, such as government transfers. The Section distinguishes between revenue that arises from transactions that include performance obligations (i.e., exchange transactions) and transactions that do not have performance obligations (i.e., non-exchange transactions). The organization has adopted this new standard prospectively. The adoption of this new standard had no impact on the organization's financial statements.

On January 1, 2024, the organization adopted new Public Sector Guideline PSG-8 - Purchased Intangibles. The main features of PSG-8 include a definition of purchased intangibles (which does not include those received through government transfer, contribution or inter-entity transactions), examples of items that are not purchased intangibles, reference to other guidance in the Handbook on intangibles and reference to the asset definition, general recognition criteria and the GAAP hierarchy for accounting for purchased intangibles. The organization has adopted this new guideline prospectively. The adoption of this new guideline had no impact on the organization's financial statements.

On January 1, 2024, the organization adopted Public Sector Accounting Standard PS 3160 - Public Private Partnerships. New Section PS 3160 establishes standards on how to account for partnerships between public and private sector entities where infrastructure is procured by a public sector entity using a private sector partner that is obligated to design, build, acquire or better infrastructure; finance the infrastructure past the point where the infrastructure is ready for use and operate and/or maintain the infrastructure. Infrastructure typically includes items such as tangible capital assets (i.e., complex network systems), but may also include items that are intangible in nature. The organization has adopted this new standard prospectively. The adoption of this new standard had no impact on the organization's financial statements.

3. INVESTMENTS

Investments are comprised of guaranteed investment certificates, bearing interest at 3.40% and maturing October 28, 2025.

KEARNEY-PERRY JOINT WASTE MANAGEMENT COMMITTEE

NOTES TO THE FINANCIAL STATEMENTS

Year Ended December 31, 2024

4. FINANCIAL INSTRUMENTSRisks arising from financial instruments and risk management

The organization is exposed to various risks through its financial instruments. The organization's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize the potential adverse effects on the organization's financial performance.

Credit risk

Credit risk is the risk of financial loss to the organization if a debtor fails to honour its contractual obligations. The organization is exposed to this risk as a result of its cash, investments and accounts receivable. The carrying amounts of these financial assets on the Statement of Financial Position represent the maximum credit risk of the organization as at the reporting date.

The organization holds its cash and investments with a federally regulated chartered bank and a provincially regulated credit union who are insured, respectively, by the Canadian Deposit Insurance Corporation ("CDIC") and the Financial Services Regulatory Authority of Ontario ("FSRA"). The CDIC insurance is up to \$100,000 per deposit account and the FSRA insurance is up to \$250,000 in aggregate.

Accounts receivable are all current, and are due from the federal government. Credit risk is mitigated by the financial solvency of the government.

There have been no significant changes from the previous year in exposure to credit risk or policies, procedures and methods used to measure the risk.

Liquidity risk

Liquidity risk is the risk that the organization will not be able to meet its financial obligations as they become due. The organization is exposed to this risk with respect to its accounts payable and accrued liabilities. The organization maintains sufficient cash balances to meet its obligations, and does not believe it is subject to significant liquidity risk.

Accounts payable and accrued liabilities are all current and expected to be paid within the next 6 months.

There have been no significant changes from the previous year in exposure to liquidity risk or policies, procedures and methods used to measure the risk.

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate as a result of market factors. Market factors include three types of risk: currency risk, interest rate risk and equity risk. The organization is not exposed to significant currency or equity risk as it does not transact materially in foreign currency or hold equity financial instruments. It is primarily exposed to interest rate risk.

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The organization is exposed to interest rate risk on its interest-bearing investments. Fixed rate instruments subject the organization to a fair value risk.

There have been no significant changes from the prior year in the exposure to market risk or policies, procedures and methods used to measure the risk.

KEARNEY-PERRY JOINT WASTE MANAGEMENT COMMITTEE

NOTES TO THE FINANCIAL STATEMENTS

Year Ended December 31, 2024

5. ASSET RETIREMENT OBLIGATIONS

The organization has recorded an asset retirement obligation with respect to its landfill closure and post-closure care requirements, which have been defined in accordance with industry standards and include final cover and landscaping of the landfill site, management of groundwater and leachates, and ongoing environmental monitoring and site inspection.

When initially recording this obligation, the estimated present value of future cash flows for closure and post-closure costs for active cells at the landfill site are capitalized to the carrying amount of the associated assets, and amortized over the operating life of the cell, in proportion to its utilized capacity. Revisions to the estimated cost are also capitalized and amortized as part of the asset. When a cell at the landfill site becomes inactive, the related assets are derecognized. For both active and inactive cells, accretion of the discounted liability due to the passage of time is recorded as an in-year expense.

The liability for the landfill site represents the total discounted future cash flows for closure and post-closure care using an estimated long-term borrowing rate of 4.37% (2023 - 4.37%) and inflation rate of 2.6% (2023 - 2.6%). The continuity of the asset retirement obligation is shown below:

	2024	2023
Balance, beginning of year - as previously reported	\$ 801,619	\$ 146,158
Increase in liability reflecting changes in the estimated cash flows, inflation and discount rate	54,381	176,540
Adjustment due to change in accounting policy	-	453,240
Increase in liability due to accretion (the passage of time)	31,207	25,681
Balance, end of year	\$ 887,207	\$ 801,619

The estimated remaining capacity of the site is approximately 93,200 cubic metres (2023 - 95,000), estimated to be filled in 52 years (2023 - 53 years). Post-closure care is estimated to be required for a period of 25 years.

The organization has closure reserves of \$293,530 (2023 - \$309,382) to fund this obligation.

6. CONTRACTUAL OBLIGATIONS

In 2023 the organization renewed its contract with Waste Connections of Canada Ltd. to perform waste pick-up and landfill site services at the Rain Lake landfill site for the period January 1, 2024 to December 31, 2028. Contract prices for the first year of the contract are as follows:

- \$225.75 to \$335.95 for bin pick-ups and drop offs from the municipal transfer stations;
- \$124.00 per hour for backhoe loader use;
- \$58,600 for landfill site operations.

The contract prices are subject to an annual CPI adjustment commencing January 1, 2025.

In 2024 the organization extended its contract with WSP Canada Inc. to perform monitoring at the Rain Lake landfill site for the years 2025 to 2029 at a cost of \$16,005 for 2025, increasing by 3.40% annually thereafter.

In 2024 the organization contracted WSP Canada Inc. to perform engineering services related to the closure of cell 1 at a cost of \$59,610. To the end of 2024, \$26,880 of services were performed. The balance of the work is expected to be completed in 2025.

KEARNEY-PERRY JOINT WASTE MANAGEMENT COMMITTEENOTES TO THE FINANCIAL STATEMENTS
Year Ended December 31, 20247. TANGIBLE CAPITAL ASSETS

The tangible capital assets of the organization by major asset class are outlined below. Landfill closure and post-closure-related transactions and balances are reported as land improvements.

2024				
	Land Improvements	Buildings	Machinery and Equipment	TOTAL
COST				
Balance, beginning of year	\$ 541,892	\$ 34,258	\$ 86,353	\$ 662,503
Revaluation of tangible capital assets - ARO	24,560	-	-	24,560
Disposals and writedowns	(161,360)	-	-	(161,360)
BALANCE, END OF YEAR	405,092	34,258	86,353	525,703
ACCUMULATED AMORTIZATION				
Balance, beginning of year	158,238	11,990	70,320	240,548
Annual amortization	119,768	685	2,138	122,591
Amortization disposals	(161,360)	-	-	(161,360)
BALANCE, END OF YEAR	116,646	12,675	72,458	201,779
TANGIBLE CAPITAL ASSETS-NET	\$ 288,446	\$ 21,583	\$ 13,895	\$ 323,924
2023				
	Land Improvements	Buildings	Machinery and Equipment	TOTAL
COST				
Balance, beginning of year	\$ 390,746	\$ 34,258	\$ 86,353	\$ 511,357
Additions and betterments	45,822	-	-	45,822
Revaluation of tangible capital assets - ARO	176,540	-	-	176,540
Disposals and writedowns	(71,216)	-	-	(71,216)
BALANCE, END OF YEAR	541,892	34,258	86,353	662,503
ACCUMULATED AMORTIZATION				
Balance, beginning of year	230,713	11,305	68,182	310,200
Annual amortization	(1,259)	685	2,138	1,564
Amortization disposals	(71,216)	-	-	(71,216)
BALANCE, END OF YEAR	158,238	11,990	70,320	240,548
TANGIBLE CAPITAL ASSETS-NET	\$ 383,654	\$ 22,268	\$ 16,033	\$ 421,955

KEARNEY-PERRY JOINT WASTE MANAGEMENT COMMITTEENOTES TO THE FINANCIAL STATEMENTS
Year Ended December 31, 20248. ACCUMULATED SURPLUS

The 2024 continuity of accumulated surplus reported on the Statement of Financial Position is as follows:

	Balance Beginning of Year	Annual Surplus (Deficit)	Balance End of Year
RESERVES:			
Equipment	\$ 127,377	\$ 4,972	\$ 132,349
Closure	309,382	(15,852)	293,530
Monitoring Well	10,000	-	10,000
	446,759	(10,880)	435,879
OTHER			
Tangible capital assets	421,955	(98,031)	323,924
General operating surplus	-	9,204	9,204
Unfunded asset retirement obligations	(801,619)	(85,588)	(887,207)
	\$ 67,095	\$ (185,295)	\$ (118,200)

9. BUDGET FIGURES

The budget adopted for the current year was prepared on a modified accrual basis, and has been restated to conform with the accounting and reporting standards applicable to the actual results. For unbudgeted items (amortization and asset retirement obligation accretion), the actual amounts for 2024 were used to adjust the budget amounts. A reconciliation of the adopted and reported budgets is presented below.

	Budget
ADOPTED BUDGET:	
Change in general operating surplus	\$ -
Decrease in reserves	(115,000)
ADJUSTMENTS:	
Settlement of asset retirement obligations through closure of Cell 1	110,100
Amortization of tangible capital assets	(122,591)
Asset retirement obligation accretion	(31,207)
ANNUAL DEFICIT	\$ (158,698)

KEARNEY-PERRY JOINT WASTE MANAGEMENT COMMITTEE

NOTES TO THE FINANCIAL STATEMENTS

Year Ended December 31, 2024

10. SEGMENT DISCLOSURE AND EXPENSES BY OBJECT

Since the organization's operations are not considered diverse and operations are managed as one department, no segment disclosure has been provided. Supplementary expenses by object information is not provided as it would not provide additional meaningful information not readily determinable from the financial information provided on the Statement of Operations.

11. COMPARATIVE FIGURES

Certain prior year figures presented for comparative purposes have been reclassified to conform with the presentation adopted for the current year.