

CORPORATION OF THE CITY OF PETERBOROUGH
CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2024

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City of Peterborough
500 George Street North
Peterborough, ON, K9H 3R9
peterborough.ca | 1-855-738-3755

CORPORATION OF THE CITY OF PETERBOROUGH

For The Year Ended December 31, 2024

MANAGEMENT REPORT

The accompanying consolidated financial statements of the Corporation of the City of Peterborough are the responsibility of management and have been approved by Council.

The consolidated financial statements have been prepared by management in accordance with Canadian Public Sector Accounting Standards. Financial statements are not precise since they include certain amounts based on estimates and judgements. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the financial statements are presented fairly, in all material respects.

The City maintains systems of internal accounting and administrative controls of high quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the City's assets are appropriately accounted for and adequately safeguarded.

The City's Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving financial statements.

Council reviews and approves the City's financial statements for issuance to the members of Council, inhabitants and ratepayers of the Corporation of the City of Peterborough. Council meets periodically with management, as well as the external auditor, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities and to review the financial statements and the independent auditor's report.

The consolidated financial statements have been audited by Baker Tilly KDN LLP in accordance with Canadian generally accepted auditing standards on behalf of the City. Baker Tilly KDN LLP has full and free access to Council.

Mayor

Date: September 3, 2025

Chief Administrative Officer

Date: September 3, 2025

Treasurer

Date: September 3, 2025



INDEPENDENT AUDITOR'S REPORT

**To the Members of Council, Inhabitants and
Ratepayers of the City of Peterborough**

Baker Tilly KDN LLP
272 Charlotte St.
Peterborough, ON
Canada K9J 2V4

T: (705) 742-3418
F: (705) 742-9775

www.bakertilly.ca

Opinion

We have audited the consolidated financial statements of the Corporation of the City of Peterborough and its local boards (the City), which comprise the consolidated statement of financial position as at December 31, 2024, the consolidated statements of operations and accumulated surplus, remeasurement gains and losses, change 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 City as at December 31, 2024, and the results of its consolidated operations and its consolidated cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the City in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with 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 Consolidated Financial Statements

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

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

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

ASSURANCE • TAX • ADVISORY

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Peterborough

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Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City'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 City's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the City to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Baker Tilly KDN LLP

Chartered Professional Accountants
Licensed Public Accountants

Peterborough, Ontario
September 25, 2025

CORPORATION OF THE CITY OF PETERBOROUGH

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At December 31, 2024

	2024	2023
	\$	\$
		(note 35)
FINANCIAL ASSETS		
Cash and temporary investments (note 4)	153,572,590	132,709,975
Taxes receivable (note 5)	9,917,237	6,740,482
Accounts receivable (note 6)	50,719,362	52,589,213
Inventory held for resale	1,173,530	9,299
Investments (note 7)	153,068,289	129,699,835
Other receivables (note 8)	2,227,852	2,327,292
Investment in Government Business Enterprise (GBE) (note 11)	67,179,092	65,616,092
TOTAL FINANCIAL ASSETS	437,857,952	389,692,188
LIABILITIES		
Short term debt (note 3)	4,312,500	-
Accounts payable and accrued liabilities	67,437,969	64,673,840
Deferred revenue (note 9)	27,177,453	31,930,938
Deferred revenue - obligatory reserve funds (note 12)	44,082,895	40,270,304
Long term debt (note 13)	237,747,159	162,350,479
Asset retirement obligation (ARO) (note 14)	77,217,044	79,032,935
Employee future benefits (note 15)	56,926,230	46,330,011
TOTAL LIABILITIES	514,901,250	424,588,507
NET DEBT	(77,043,298)	(34,896,319)
NON-FINANCIAL ASSETS		
Tangible capital assets (TCA) (note 17)	1,184,137,336	1,099,026,827
Prepaid expenses	2,094,001	2,388,860
Inventory of supplies	1,837,190	1,881,135
TOTAL NON-FINANCIAL ASSETS	1,188,068,527	1,103,296,822
	1,111,025,229	1,068,400,503
Comprised of:		
Accumulated surplus (note 16)	1,111,203,408	1,072,382,948
Accumulated remeasurement gains/(losses)	(178,179)	(3,982,445)
	1,111,025,229	1,068,400,503

The accompanying notes are an integral part of these financial statements

CORPORATION OF THE CITY OF PETERBOROUGH

CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS

For the Year Ended December 31, 2024

	Budget 2024 \$ (note 24)	Actual 2024 \$	Actual 2023 \$ (note 35)
REVENUES			
Property taxation	172,309,134	169,402,886	157,003,028
Taxation from other governments	4,307,050	4,288,671	3,934,624
User fees and service charges	74,707,450	74,856,704	71,443,851
Government grants and other municipalities	152,307,846	155,249,951	146,776,328
Developer levies and other contributions	6,443,742	6,968,486	5,781,486
Licenses, permits, royalties and rents	15,751,459	16,200,924	15,739,784
Fines and other charges	3,056,700	2,857,875	2,909,544
Penalties and interest on taxes	825,000	1,215,523	1,061,298
Investment income	5,758,835	10,549,373	8,535,683
Donations and contributed capital	445,150	1,653,946	13,107,177
Casino and gaming revenue	3,400,000	2,809,123	3,010,980
Income from GBE (note 11)	5,208,000	8,105,000	6,661,000
Gain/(loss) on disposal of TCA (note 17)	-	1,666,358	1,803,526
Other	3,255,042	4,916,252	3,420,606
TOTAL REVENUES	447,775,408	460,741,072	441,188,915
EXPENSES			
General government	44,045,878	45,915,791	34,051,395
Protection services	70,852,916	69,698,767	62,834,900
Transportation services	58,587,025	58,052,449	53,096,456
Environmental services	52,484,856	45,329,613	50,145,674
Health services	17,048,550	17,376,676	17,220,427
Social and family services	109,196,485	103,396,377	94,345,063
Social housing	38,215,885	40,531,203	35,832,811
Recreation and cultural services	32,735,141	34,682,927	33,731,568
Planning and development	9,487,397	6,936,809	8,194,144
Landfill adjustment - change in standards	-	-	4,657,181
TOTAL EXPENSES	432,654,133	421,920,612	394,109,619
ANNUAL SURPLUS	<u>15,121,275</u>	38,820,460	47,079,296
ACCUMULATED SURPLUS - beginning of year		1,072,382,948	1,025,303,652
ADOPTION OF ARO STANDARD	-	-	9,290,360
ACCUMULATED SURPLUS - beginning of year, as restated		1,072,382,948	1,034,594,012
ACCUMULATED SURPLUS - end of year		1,111,203,408	1,072,382,948

The accompanying notes are an integral part of these financial statements

CORPORATION OF THE CITY OF PETERBOROUGH

CONSOLIDATED STATEMENT OF REMEASUREMENT GAINS AND LOSSES For the Year Ended December 31, 2024

	Actual 2024 \$	Actual 2023 \$
ACCUMULATED REMEASUREMENT GAINS AND LOSSES		
- beginning of year	(3,982,445)	-
Adjustment on adoption of the financial instruments standard	-	(9,982,779)
	(3,982,445)	(9,982,779)
Unrealized gains attributable to:		
Portfolio investments - Bonds	1,732,890	3,357,490
Portfolio investments - Mutual funds	1,277,140	2,642,844
Portfolio investments - Principal protected notes	471,500	-
	3,481,530	6,000,334
Realized losses, reclassified to the statement of operations:		
Portfolio investments - Bonds	322,736	-
Net change in remeasurement gains (losses) for the year	3,804,266	6,000,334
ACCUMULATED REMEASUREMENT GAINS AND LOSSES		
- end of year	(178,179)	(3,982,445)

The accompanying notes are an integral part of these financial statements

CORPORATION OF THE CITY OF PETERBOROUGH

CONSOLIDATED STATEMENT OF CHANGE IN NET DEBT

For the Year Ended December 31, 2024

	Budget 2024 \$ (note 24)	Actual 2024 \$	Actual 2023 \$ (note 35)
ANNUAL SURPLUS	15,121,275	38,820,460	47,079,296
Amortization of tangible capital assets	48,179,019	46,426,049	43,923,224
Acquisition of tangible capital assets	(142,262,387)	(132,889,636)	(120,528,216)
Gain on disposal of tangible capital assets	-	(1,666,358)	(1,803,526)
Proceeds on sale of tangible capital assets	-	4,157,345	3,055,032
Contributed capital assets	-	(1,137,909)	(12,332,871)
Change in prepaid expenses	-	294,859	(383,530)
Change in inventory of supplies	-	43,945	(386,651)
CHANGE IN NET FINANCIAL ASSETS/(NET DEBT)	(78,962,093)	(45,951,245)	(41,377,242)
NET FINANCIAL ASSETS/(NET DEBT) - beginning of year	(34,896,319)	(34,896,319)	62,267,614
ADJUSTMENT ON ADOPTION OF THE ASSET RETIREMENT OBLIGATION STANDARD	-	-	(51,804,246)
ADJUSTMENT ON ADOPTION OF THE FINANCIAL INSTRUMENTS STANDARD	-	-	(9,982,779)
NET FINANCIAL ASSETS/(NET DEBT) - beginning of year, as restated	(34,896,319)	(34,896,319)	480,589
INCREASE IN ACCUMULATED REMEASUREMENT GAINS	-	3,804,266	6,000,334
NET DEBT - end of year	(113,858,412)	(77,043,298)	(34,896,319)

The accompanying notes are an integral part of these financial statements

CORPORATION OF THE CITY OF PETERBOROUGH

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2024

	2024	2023
	\$	\$
		(note 35)
CASH PROVIDED BY (USED IN)		
OPERATING ACTIVITIES		
Annual surplus	38,820,460	47,079,296
Items not involving cash		
Amortization of tangible capital assets	46,426,049	43,923,224
Gain on disposal of tangible capital assets	(1,666,358)	(1,803,526)
Contributed capital assets	(1,137,909)	(12,332,871)
Income from government business enterprise	(8,105,000)	(6,661,000)
Accretion expense	1,480,537	1,845,148
Change in solid waste landfill closure and post-closure	-	(20,726,360)
Change in asset retirement obligation	(3,296,428)	25,383,541
Change in employee future benefits	10,596,219	4,676,867
Change in non-cash assets and liabilities (note 20)	(209,656)	24,227,233
Net change in cash from operating activities	82,907,914	105,611,552
CAPITAL ACTIVITIES		
Acquisition of tangible capital assets	(132,889,636)	(120,528,216)
Proceeds on disposal of tangible capital assets	4,157,345	3,055,032
Net change in cash from capital activities	(128,732,291)	(117,473,184)
INVESTING ACTIVITIES		
Proceeds of portfolio investments	25,435,812	60,356,182
Purchase of portfolio investments	(45,000,000)	(35,156,667)
Dividends received/receivable from GBE	6,542,000	7,219,000
Net change in cash from investing activities	(13,022,188)	32,418,515
FINANCING ACTIVITIES		
Long term debt issued	92,843,300	54,321,100
Long term debt principal repayments	(17,446,620)	(17,136,032)
Short term debt issued	4,312,500	-
Short term debt principal repayments	-	(24,433,000)
Net change in cash from financing activities	79,709,180	12,752,068
NET CHANGE IN CASH AND CASH EQUIVALENTS	20,862,615	33,308,951
CASH AND CASH EQUIVALENTS - beginning of year	132,709,975	99,401,024
CASH AND CASH EQUIVALENTS - end of year	153,572,590	132,709,975

The accompanying notes are an integral part of these financial statements

CORPORATION OF THE CITY OF PETERBOROUGH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2024

The City of Peterborough is a municipality in the Province of Ontario, Canada. It conducts its operations guided by the provisions of provincial statutes such as the Municipal Act, 2001, Municipal Affairs Act and related legislation.

1. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of The Corporation of the City of Peterborough (the "City") are the representations of management prepared in accordance with accounting principles for local governments as established by the Public Sector Accounting Board (PSAB) of Chartered Professional Accountants Canada (CPA Canada).

The focus of PSAB financial statements is on the financial position of the City and the changes thereto. The Consolidated Statement of Financial Position includes all the assets and liabilities of the City. Financial assets are those assets that could provide resources to discharge existing liabilities or finance future operations. Net financial assets represent the municipal position and consist of the difference between financial assets and liabilities. This provides information about the City's overall future revenue requirements and its ability to finance activities and meet its obligations.

(a) Reporting Entity

These consolidated financial statements reflect the assets, liabilities, sources of financing, expenses and accumulated surplus of the reporting entity. The reporting entity is comprised of all organizations, committees and local boards accountable for the administration of their financial affairs and resources to the City and which are owned or controlled by the City. These financial statements include the following fully consolidated local entities:

- Peterborough Public Library Board
- Peterborough Downtown Business Improvement Area
- The Village Business Improvement Area
- Peterborough Housing Corporation
- Peterborough Utilities Commission
- Peterborough Tourism Municipal Services Corporation

The City has several partnership agreements in place with The Corporation of the County of Peterborough and as such, consistent with generally accepted accounting treatment for government partnerships, the following local boards are accounted for on a proportionate consolidation basis whereby the City's pro rata share of each of the assets, liabilities, revenues and expenses are combined on a line by line basis in the consolidated financial statements. These include:

- Fairhaven 2024 - 66.67% (2023 - 66.67%)
- Peterborough Public Health 2024 - 57% (2023 - 57%)
- Peterborough County-City Waste Management Facility 2024 - 50% (2023 - 50%)

Interdepartmental and inter-organizational transactions and balances between these organizations are eliminated.

CORPORATION OF THE CITY OF PETERBOROUGH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2024

1. SIGNIFICANT ACCOUNTING POLICIES, continued

(a) Reporting Entity, continued

During the year, the Minister of Health approved a merger of Peterborough Public Health and the Haliburton Kawartha Pine Ridge District Health Unit with an effective date of January 1, 2025. The merged organization will operate as Lakelands Public Health.

City of Peterborough Holdings Inc. is accounted for on a modified equity basis, consistent with the generally accepted accounting treatment for government business enterprises. Under the modified equity basis, the business enterprise's accounting principles are not adjusted to conform to those of the City, and inter-organizational transactions and balances are not eliminated.

Subsequent to year end on April 1, 2025, water operations of Peterborough Utilities Commission, including the Riverview Park and Zoo, as well as the information technology department operating as Peterborough Technology Services were transferred to the City of Peterborough.

(b) Recognition of Revenues and Expenses

Revenues and expenses are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues in the period in which the transactions or events took place that give rise to the revenue; expenses are recognized in the period the goods or services are acquired and a legal liability is incurred or transfers are due.

Taxation and Related Revenues

Property tax billings are prepared by the City based on assessment rolls issued by the Municipal Property Assessment Corporation ("MPAC"). Municipal tax rates are established annually by City Council, incorporating amounts to be raised for local services. The City is required to collect on behalf of the local school boards in respect of education taxes based on rates established by the Province.

Taxation revenues are recorded at the time tax billings are issued. A normal part of the assessment process is the issue of supplementary assessment rolls that provide updated information with respect to changes in property assessment.

Assessments and the related property taxes are subject to appeal. Any supplementary billing adjustments made necessary by the determination of such changes will be recognized in the fiscal year they are reasonably determined and are shared with the school boards as appropriate.

The City is entitled to collect interest and penalties on overdue taxes. These revenues are recorded in the period the interest and penalties are levied.

CORPORATION OF THE CITY OF PETERBOROUGH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2024

1. SIGNIFICANT ACCOUNTING POLICIES, continued

(b) Recognition of Revenues and Expenses, continued

Government Transfers

Government transfers are recognized in the period in which the events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made.

Obligatory Reserve Funds

The City receives development charge contributions and payments in lieu of parkland under the authority of provincial legislation and City by-laws, The Building Code, Federal Gasoline Tax Revenues, Federal Public Transit Funds under Municipal Funding Agreements with the Association of Municipalities of Ontario and Provincial Gasoline Tax Revenues. By their nature, these funds are restricted in their use and until applied to applicable qualifying projects are recorded as deferred revenue. Amounts applied to qualifying projects are recorded as revenue in the fiscal period they are earned. (see note 12).

Investment Income

Investment income earned on surplus funds, (other than obligatory reserve funds) is reported as revenue in the period earned. Investment income earned on obligatory reserve funds is added to the fund balance and forms part of the respective deferred revenue balance.

User Fees and Service Charges

User fees and service charges are recognized in the period in which the revenue relates.

Casino and Gaming Revenue

Casino and Gaming revenue is recognized in the period in which the events giving rise to the transfer took place, provided the transfer is authorized, eligibility requirements, if any, have been met, and a reasonable estimate of the amount can be made.

(c) Forgivable Loans

Forgivable loans are granted by the City based on specific criteria and funding agreements. These forgivable loans are not included in the financial statements as repayment criteria are exceedingly rare. Revenue is recognized when the loan is issued and an amount equal to the loan amount expensed when the loan is granted.

CORPORATION OF THE CITY OF PETERBOROUGH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2024

1. SIGNIFICANT ACCOUNTING POLICIES, continued

(d) Deferred Revenue

Deferred revenue generally represents user charges, grants and fees which have been received but for which the related services have yet to be performed. These amounts will be recognized as revenues in the fiscal year the services are performed.

(e) Tangible Capital Assets

Tangible capital assets are recorded at cost. Cost includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. With the exception of the Peterborough Utilities Commission that uses the declining balance basis at a rate of 5% per annum, 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:

Land improvements	10-50 years
Land improvements - landfill	expected life of landfill
Buildings and leaseholds	10-60 years
Vehicles, machinery and equipment	2-30 years
Books and materials	4-7 years
Roads and sidewalks	10-100 years
Water, storm and waste water systems	5-100 years

Assets under construction are not amortized. When assets under construction are put in service they are transferred to the appropriate tangible capital asset classification.

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

Historical treasures and works of art held by the City are not included as tangible capital assets.

(f) 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 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 for the year.

CORPORATION OF THE CITY OF PETERBOROUGH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2024

1. SIGNIFICANT ACCOUNTING POLICIES, continued

(g) Trust Funds

Trust funds and their related operations administered by the City are not included in these consolidated financial statements but are reported on separately on the Trust Funds Statement of Continuity and Statement of Financial Position.

(h) Financial Instruments

Financial instruments are classified as either fair value or amortized cost. The following chart shows the measurement method for each type of financial instrument.

Financial Instrument	Measurement Method
Cash and temporary investments:	
Cash	Amortized Cost
High interest savings	Amortized Cost
Taxes receivable	Amortized Cost
Accounts receivable	Amortized Cost
Investments:	
Guaranteed investment certificates	Amortized Cost
Bonds	Fair Value
Mutual funds	Fair Value
Principal protected notes	Fair Value
Other receivables	Amortized Cost
Short term debt	Amortized Cost
Accounts payable and accrued liabilities	Amortized Cost
Long term debt	Amortized Cost

Fair value category: The City manages and reports performance for groups of financial assets on a fair-value basis. Investments traded in an active market are reflected at fair value as at the reporting date. Sales and purchases of investments are recorded on the trade date. Transaction costs related to the acquisition of investments are recorded as an expense. Unrealized gains and losses on financial assets are recognized in the Statement of Remeasurement Gains and Losses until such time that the financial asset is derecognized due to disposal or impairment. At the time of derecognition, the related realized gains and losses are recognized in the Statement of Operations and Accumulated Surplus and related balances reversed from the Statement of Remeasurement Gains and Losses.

CORPORATION OF THE CITY OF PETERBOROUGH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2024

1. SIGNIFICANT ACCOUNTING POLICIES, continued

(h) Financial Instruments, continued

Amortized cost category: Amounts are measured at the initial recognition minus principal repayments, plus or minus the cumulative amortization using the effective interest rate method of any difference between the initial amount and the maturity amount, and minus any reduction for impairment or uncollectibility. The effective interest method is a method of calculating the amortized cost of a financial asset or financial liability (or a group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial instrument asset or financial instrument liability.

The following hierarchy provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which fair value is observable:

- Level 1 - Unadjusted quoted market prices in active markets for identical assets or liabilities;
- Level 2 - Observable or corroborated inputs, other than level 1, such as quoted prices for similar assets or liabilities in inactive markets or market data for substantially the full term of the assets or liabilities; and
- Level 3 - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets and liabilities.

(i) Pensions and Employee Benefits

The City accounts for its participation in the Ontario Municipal Employees Retirement System (OMERS), a multi-employer public sector pension fund, as a defined benefit plan. Vacation entitlements are accrued as entitlements are earned. Sick leave benefits for members of the Peterborough Professional Firefighter's Association are accrued when they are vested and subject to pay out when an employee leaves the City's employ.

Other post-employment benefits are accrued in accordance with the projected benefit method prorated on service and management's best estimate of salary escalation and retirement ages of employees. The discount rate used to determine the accrued benefit obligation was determined by reference to market interest rates at the measurement date on high-quality debt instruments with cash flows that match the timing and amount of expected benefit payments.

CORPORATION OF THE CITY OF PETERBOROUGH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2024

1. SIGNIFICANT ACCOUNTING POLICIES, continued

(j) Use of Estimates

Certain items recognized in the consolidated financial statements are subject to measurement uncertainty. The recognized amounts of such items are based on the City's best information and judgment. By their nature, these estimates are subject to measurement uncertainty and the effect on the consolidated financial statements or changes in such estimates in future periods could be significant. The City's significant estimates include:

- The amount recorded for asset retirement obligation is based on estimates of the assets with potential contaminants and management's estimate of the costs to retire those assets - See Note 1(k) and related costs added to tangible capital assets - See Note 1(e)
- Amortization of tangible capital assets is based on estimated useful life and residual value - See Note 1(e)
- Employee future benefits depend on certain actuarial and economic assumptions
- Allowance for doubtful accounts receivable is based in management's estimate of future collectibility

(k) 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;
- 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 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 City has also been recognized based on estimated future expenses for remediation or disposal.

The liability has been discounted using a present value calculation, and adjusted yearly for accretion expense where the timing of future costs is reasonably certain and not discounted when there is significant uncertainty of when the future costs will be incurred. The liability is also adjusted for and any costs incurred in the year. 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 (e).

CORPORATION OF THE CITY OF PETERBOROUGH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2024

2. CHANGES IN ACCOUNTING POLICIES

The City has implemented the following sections and guidelines which are now effective under the PSA Handbook: 3160 Public Private Partnerships, 3400 Revenue, and PSG-8 Purchased Intangibles.

Section 3160 establishes standards on accounting for public private partnerships between public and private sector entities where the public sector entity procures infrastructure using a private sector partner. The adoption of this standard did not have an impact on the City's consolidated financial statements.

Section 3400 establishes standards on how to account for and report on revenue. Specifically, it differentiates between revenue arising from transactions that include performance obligations, referred to as 'exchange transactions', and transactions that do not have performance obligations, referred to as 'non-exchange transactions'. The adoption of this standard did not have an impact on the City's consolidated financial statements.

Under PSG-8, an entity may recognize purchased intangibles as an asset in its consolidated financial statements if the intangible meets the asset definition and the general recognition criteria. The adoption of this standard did not have an impact on the City's consolidated financial statements.

3. SHORT TERM DEBT

During the year, the City obtained short term debt related to the Home Energy Efficiency Program from the Federation of Canadian Municipalities. During the construction period only interest is payable semi-annually at the higher of 2% and the Government of Canada benchmark bond yield less 2%.

4. CASH AND TEMPORARY INVESTMENTS

Cash and temporary investments is comprised of the following:

	2024	2023
	\$	\$
Petty cash and cash floats	48,167	50,370
High interest savings (note 7)	43,805,834	30,393,862
Unrestricted cash	98,488,208	92,453,928
Restricted cash	11,230,381	9,811,815
	153,572,590	132,709,975

CORPORATION OF THE CITY OF PETERBOROUGH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2024

5. TAXES RECEIVABLE

Taxes receivable is comprised of the following:

	2024	2023
	\$	\$
Current year's levies	6,976,470	4,973,984
Previous year's levies	1,775,837	1,202,834
Prior year's levies	598,709	357,180
Penalties and interest	716,390	465,824
	10,067,406	6,999,822
Allowance for uncollectible taxes	(150,169)	(259,340)
	9,917,237	6,740,482

6. ACCOUNTS RECEIVABLE

Accounts receivable is comprised of the following:

	2024	2023
	\$	\$
Government of Canada	8,442,262	13,552,372
Government of Ontario	13,862,749	12,350,063
Other municipalities and school boards	1,278,006	1,439,890
User charges and other receivables	27,136,345	25,246,888
	50,719,362	52,589,213

CORPORATION OF THE CITY OF PETERBOROUGH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2024

7. INVESTMENTS

Investments is comprised of the following:

	Level (note 1(h))	2024 \$	2023 \$
Amortized Cost			
Guaranteed investment certificates		31,853,149	30,491,744
High interest savings		43,805,834	30,393,862
Portfolio Investments - Shares no active market		51	51
		<u>75,659,034</u>	<u>60,885,657</u>
Fair Value			
Bonds	1	62,060,188	45,247,592
Mutual funds	1	48,683,401	43,960,448
Principal protected notes	1	10,471,500	10,000,000
		<u>121,215,089</u>	<u>99,208,040</u>
		<u>196,874,123</u>	<u>160,093,697</u>

Breakdown on Consolidated Statement of Financial Position:

	2024 \$	2023 \$
Short term amounts included in cash and temporary investments	43,805,834	30,393,862
Long term shown as investments	153,068,289	129,699,835
	<u>196,874,123</u>	<u>160,093,697</u>

There were no transfers in or out of level 2 and level 3 during the year.

Accrued interest on guaranteed investment certificates is recorded in accounts receivable.

CORPORATION OF THE CITY OF PETERBOROUGH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2024

8. OTHER RECEIVABLES

Other receivables is comprised of the following:

	2024	2023
	\$	\$
Market Hall Performing Arts Incorporated	378,152	387,592
Peterborough Youth Soccer Club	-	30,000
Peterborough Baseball Association	60,000	90,000
Peterborough Recreational Baseball Association	25,000	25,000
Greater Peterborough Innovation Cluster	100,000	100,000
Peterborough Lakers	90,000	120,000
Canadian Canoe Museum	1,574,700	1,574,700
	<u>2,227,852</u>	<u>2,327,292</u>

The interest rate on the Market Hall Performing Arts Incorporated loan is prime less 0.25%. The interest rate on the Canadian Canoe Museum loan is fixed at 2%. The remaining loans with a value of \$275,000 (2023 - \$365,000) approved by Council to qualifying community groups have been made on an interest free basis.

9. DEFERRED REVENUE

Deferred revenue is comprised of the following:

	2024	2023
	\$	\$
Rents, user fees and service charges	9,768,954	1,800,745
Tickets, events and site deposits	946,672	808,698
Government funding	7,800,431	7,999,388
CMHC funding	8,661,396	21,322,107
	<u>27,177,453</u>	<u>31,930,938</u>

10. TRANSFER TO THE SCHOOL BOARDS

During 2024, the City made property tax transfers to the School Boards. The amounts collected and remitted amounted to \$25,710,826 (2023 - \$25,492,631). These amounts have not been included in the Consolidated Statement of Operations and Accumulated Surplus.

CORPORATION OF THE CITY OF PETERBOROUGH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2024

11. INVESTMENT IN GOVERNMENT BUSINESS ENTERPRISE

City of Peterborough Holdings Inc.

City of Peterborough Holdings Inc. (“the Company”) was established in 1999 to hold the shares of subsidiary companies created to meet the re-organizational requirements under the provincial government’s Electricity Competition Act. The subsidiary companies of City of Peterborough Holdings Inc. are:

- Peterborough Utilities Services Inc.;
- PUG Services Corp.;
- Peterborough Utilities Inc., and its wholly owned subsidiaries:
Campbellford-Seymour Electricity Generation Inc., Lily Lake Solar Inc., Trent Energy Inc., LFG Power Corporation, London Street Power Corporation, Trent Rapids Power Corporation, Peterborough Utilities Solar Inc., Peterborough Utilities Hydro Inc., Meter Services Peterborough Inc., and Peterborough Utilities Hydro 24 Inc.; and
- Peterborough Solar Projects Corporation.

All of the above companies, with the exception of Peterborough Solar Projects Corporation (49% owned by the Company) are wholly owned by the City of Peterborough Holdings Inc., which, in turn, is wholly owned by the Corporation of the City of Peterborough. The City of Peterborough owns 51% of Peterborough Solar Projects Corporation.

The investment in Government Business Enterprise is comprised of the following investment in City of Peterborough Holdings Inc.:

	2024	2023
	\$	\$
Investment in shares	34,258,092	34,258,092
Retained earnings		
Beginning balance	31,358,000	31,916,000
Net earnings	8,105,000	6,661,000
Less dividends	(6,542,000)	(7,219,000)
	32,921,000	31,358,000
	67,179,092	65,616,092

CORPORATION OF THE CITY OF PETERBOROUGH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2024

11. INVESTMENT IN GOVERNMENT BUSINESS ENTERPRISE, continued

The following table provides condensed financial information in respect of City of Peterborough Holdings Inc. for its fiscal years ending December 31.

Financial Position:

	2024	2023
	\$	\$
Assets		
Current assets	38,156,000	39,217,000
Capital and intangible assets	145,975,000	150,815,000
Deferred tax assets	3,880,000	4,002,000
Total Assets	188,011,000	194,034,000
Liabilities		
Current liabilities	13,724,000	15,448,000
Other long term liabilities	86,351,000	93,172,000
Deferred tax liabilities	20,757,000	19,798,000
Total Liabilities	120,832,000	128,418,000
Shareholder's Equity		
Share capital	34,258,000	34,258,000
Accumulated other comprehensive loss	(1,542,000)	(1,542,000)
Retained earnings	34,463,000	32,900,000
Total Shareholder's Equity	67,179,000	65,616,000
Total Liabilities and Shareholder's Equity	188,011,000	194,034,000

Results of Operations:

	2024	2023
	\$	\$
Revenues	47,473,000	47,740,000
Expenses	36,852,000	39,859,000
Total net Income before provision for corporate income taxes	10,621,000	7,881,000
Change in value of employee future benefits net of tax	-	767,000
Provision for corporate income taxes	2,515,000	1,987,000
Income of government business enterprise	8,106,000	6,661,000

CORPORATION OF THE CITY OF PETERBOROUGH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2024

11. INVESTMENT IN GOVERNMENT BUSINESS ENTERPRISE, continued

During the year the City received dividends of \$5,529,000 (2023 - \$7,219,000).

In addition to the regular scheduled dividends received during the year of \$5,529,000, there was an additional dividend of \$1,013,000 declared relating to the reimbursement of shareholder costs that was paid in 2025.

12. DEFERRED REVENUE - OBLIGATORY RESERVE FUNDS

A requirement of the Chartered Professional Accountants Canada Public Sector Accounting Handbook, is that obligatory reserve funds be reported as deferred revenue. This requirement is in place as legislation and external agreements restrict how these funds may be used and under certain circumstances these funds may possibly be refunded. The balances in the obligatory reserve funds of the City are summarized below:

	2024	2023
	\$	\$
Development charges	32,348,109	28,919,487
Parkland fees and subdivider contributions	1,730,706	1,433,576
Building code	799,597	415,654
Canada Community-Building Fund	8,428,975	8,662,221
Provincial gasoline tax	775,508	839,366
	<hr/>	<hr/>
	44,082,895	40,270,304

CORPORATION OF THE CITY OF PETERBOROUGH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2024

12. DEFERRED REVENUE - OBLIGATORY RESERVE FUNDS, continued

The continuity of deferred revenue - obligatory reserve funds is as follows:

	2024	2023
	\$	\$
Balance - beginning of year	40,270,304	43,869,594
Add amounts received:		
Development charges	8,600,760	3,206,820
Parkland fees and subdivider contributions	208,000	2,149,992
Building code permits	2,988,804	2,147,408
Canada Community-Building Fund	5,340,068	5,363,358
Provincial gasoline tax	1,732,762	1,756,423
Investment income	1,831,502	2,003,856
	20,701,896	16,627,857
Less transfer to operations:		
Development charges earned	6,359,270	5,311,892
Building code permits earned	2,604,861	2,355,255
Canada Community-Building Fund earned	6,135,174	10,770,000
Provincial gasoline tax earned	1,790,000	1,790,000
	16,889,305	20,227,147
Balance - end of year	44,082,895	40,270,304

CORPORATION OF THE CITY OF PETERBOROUGH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2024

13. LONG TERM DEBT

The long term debt reported on the Consolidated Statement of Financial Position has been approved by the Ontario Municipal Board or the Council of the City of Peterborough. Interest rates on outstanding debt range from 1.23% to 5.46% (2023 - 1.23% to 5.46%).

(a) Future year's repayment obligations to be recovered from general revenues are comprised of the following:

	Principal \$	Interest \$	Total \$
2025 to 2029	87,254,851	38,706,674	125,961,525
2030 to 2034	62,089,200	25,072,610	87,161,810
2035 and subsequent years	88,403,108	42,142,548	130,545,656
	237,747,159	105,921,832	343,668,991

The long term debt issued in the name of the City have been approved by by-law. The annual principal and interest payments required to service these liabilities are within the annual debt repayment limit prescribed by The Ministry of Municipal Affairs and Housing.

Interest on long-term debt amounted to \$6,728,128 (2023 - \$4,855,057).

CORPORATION OF THE CITY OF PETERBOROUGH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2024

14. ASSET RETIREMENT OBLIGATION

The City's asset retirement obligation consists of the following:

(a) Landfill obligation

The City owns and operates three landfill sites. The liability for the remaining closure costs of the one operational site as well as the post-closure costs for all sites has been recognized under PS 3280 – Asset Retirement Obligations. The costs have been estimated based upon the presently known obligations that will exist at the estimated year of closure of the sites and for up to 165 years after the closure date using a discount rate of 5.3% and an inflation rate of 2.5%.

(b) Asbestos obligation

The City and its subsidiaries own and operate 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 it. Following the adoption of PS 3280 – Asset Retirement Obligations, the City recognized an obligation relating to the removal of the asbestos in these building as estimated at January 1, 2023. The buildings have revised useful lives between 10 and 50 years.

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

	Operational site	Closed sites	Total 2024	Total 2023
	\$	\$	\$	\$
Landfill closure and post-closure				
Opening balance	7,805,744	26,728,869	34,534,613	-
Adjustment on adoption of the asset retirement obligation standard	-	-	-	32,796,404
Revaluation of liability	-	(3,296,428)	(3,296,428)	-
Accretion expense	393,049	982,707	1,375,756	1,738,209
Closing balance	8,198,793	24,415,148	32,613,941	34,534,613
			Asbestos 2024	Asbestos 2023
			\$	\$
Asbestos obligation				(note 35)
Opening balance			44,498,322	-
Adjustment on adoption of the asset retirement obligation standard			-	44,391,382
Accretion expense			104,781	106,940
Closing balance			44,603,103	44,498,322
Total			77,217,044	79,032,935

CORPORATION OF THE CITY OF PETERBOROUGH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2024

15. EMPLOYEE FUTURE BENEFITS

The City provides certain employee benefits that require funding in future periods. An actuarial valuation of these liabilities was completed as of December 31, 2024 with projections for 2025 and 2026.

This figure is comprised of the following:

	2024	2023
	\$	\$
Accrued benefit obligation		
Accrued benefit obligation, beginning of year	59,468,460	56,118,279
Actuarial loss (gain) due to updated valuation	(5,574,400)	-
Current period benefit expense	9,231,768	5,450,737
Plan amendment	3,719,000	187,951
Interest	1,723,703	1,502,791
Benefit payments	(6,110,489)	(3,791,298)
Accrued benefit obligation, end of year	62,458,042	59,468,460
Unamortized actuarial gain (loss)	(5,531,812)	(13,138,449)
Employee future benefits, end of year	56,926,230	46,330,011

The actuarial valuations of the plans were based upon a number of assumptions about future events, which reflect management's best estimate. The following represents the more significant assumptions made:

	Benefits Payable for Early Retirees	Life Insurance	Worker's Compensation	Sick Leave
Inflation rate	2.70%	2.0%	2.0%	2.0%
Level of salary increases	3.5%	3.5%	3.5%	3.5%
Interest discount rate	4.4%	4.4%	4.4%	4.4%

Retirement Benefits

Full-time employees of the City are provided with Health Care and Dental benefits while active. Certain benefits are also provided in early retirement if the retiree is eligible to receive an OMERS pension. The benefits cease on the retiree's 65th birthday.

Life Insurance

Full-time employees of the City are provided with Life Insurance of two times salary while they are active employees. This coverage terminates at retirement. However, the member is provided with the option to continue the Life Insurance at a reduced amount until death and the member pays the required premium.

CORPORATION OF THE CITY OF PETERBOROUGH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2024

15. EMPLOYEE FUTURE BENEFITS, continued

Workers' Compensation

Under the Workplace Safety and Insurance Act, the City is a self-insured employer (Schedule II) and remits payments to the WSIB as required to fund disability payments. The liability recorded by the City has been determined by a full actuarial review completed as of December 31, 2024, with projections for 2025 and 2026.

Liability for Vested Sick Leave

Fire Services and Fairhaven employees may vest a portion of their unused sick leave and earn entitlement to a cash payment when they leave the City's employment. Other employee groups have opted to join a new plan that does not have a vesting feature. The accrued benefit obligation and the net periodic benefit cost were determined by a full actuarial review completed as of December 31, 2024, with projections for 2025 and 2026.

Vacation Pay Entitlements

Vacation pay entitlements are based on employees' years of service. Current obligations total \$4,626,787 (2023 - \$4,192,077) of which \$3,763,162 (2023 - \$3,408,135) does not need to be recovered in future periods or has been funded in the current or previous periods.

CORPORATION OF THE CITY OF PETERBOROUGH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2024

16. ACCUMULATED SURPLUS

This figure is comprised of the following:

	2024	2023
	\$	\$ (note 35)
Surplus/(Deficit)		
Unexpended financing	10,208,881	7,694,214
	<u>10,208,881</u>	<u>7,694,214</u>
Consolidated Entities		
Peterborough Public Health	-	(11,835)
The Village Business Improvement Area	10,056	10,056
Peterborough Downtown Business Improvement Area	151,941	82,068
Peterborough Utilities Commission	13,726,755	13,848,072
Peterborough Tourism MSC	456,202	-
	<u>14,344,954</u>	<u>13,928,361</u>
Unfunded amounts		
Unfunded employee future benefits	(53,163,068)	(42,921,876)
Accrued interest on long term debt	(2,080,269)	(1,198,070)
	<u>(55,243,337)</u>	<u>(44,119,946)</u>
Equity in GBE	67,179,092	65,616,092
Invested In Capital Assets		
Tangible capital assets - net book value	1,184,137,336	1,099,026,827
Long term debt	(237,747,159)	(162,350,479)
Unfunded capital	(15,262,300)	(43,283,455)
Unfunded asset retirement obligation	(77,217,044)	(79,032,935)
	<u>853,910,833</u>	<u>814,359,958</u>
Reserve Funds and Reserves		
Discretionary reserve funds	53,327,476	47,592,776
Reserves	167,475,509	167,311,493
	<u>220,802,985</u>	<u>214,904,269</u>
	<u>1,111,203,408</u>	<u>1,072,382,948</u>

CORPORATION OF THE CITY OF PETERBOROUGH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2024

17. TANGIBLE CAPITAL ASSETS

The net book value of the City's tangible capital assets are:

	2024	2023
	\$	\$
General		
Land and land improvements	142,499,422	129,843,446
Buildings and leaseholds	260,295,193	244,901,576
Machinery and equipment	25,583,793	24,929,578
Vehicles	28,496,778	29,359,317
Books and materials	1,208,988	1,100,087
Infrastructure		
Land and land improvements	26,281,098	26,305,946
Buildings	26,134,033	27,162,961
Machinery and equipment	2,022,999	804,505
Roadways and sidewalks	189,363,647	192,378,952
Storm sewer system	110,211,622	108,894,920
Wastewater system	90,671,810	90,040,170
Water system	96,289,557	90,321,956
	999,058,940	966,043,414
Assets under construction	185,078,396	132,983,413
	1,184,137,336	1,099,026,827

For additional information, see the Consolidated Schedule of Tangible Capital Assets.

During 2024, there was \$1,666,358 representing gain on sale of assets (2023 gain - \$1,803,526). No interest was capitalized in 2024 (2023 - \$752,483). Assets contributed to the City in 2024 were capitalized at their fair value on the date of acquisition and amounted to (2023 - \$12,322,871).

CORPORATION OF THE CITY OF PETERBOROUGH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2024

17. TANGIBLE CAPITAL ASSETS, continued

Tangible capital assets allocated by segment are as follows:

	2024	2023
	\$	\$
General government	64,985,345	55,722,211
Protection services	47,964,789	28,941,878
Transportation services	331,534,244	322,710,877
Environmental services	393,335,737	386,359,630
Health services	4,541,360	4,671,890
Social and family services	8,463,615	7,550,348
Social housing	134,577,400	126,781,144
Recreation and cultural services	160,983,493	127,842,416
Planning and development	37,751,353	38,446,433
	1,184,137,336	1,099,026,827

18. EXPENSES BY OBJECT

The expenses for the year reported on the Consolidated Statement of Operations and Accumulated Surplus by object are as follows:

	Budget 2024	Actual 2024	Actual 2023
	\$	\$	\$
	(note 24)		(note 35)
Salaries and benefits	164,681,403	176,897,536	151,332,582
Interest charges	5,285,232	6,728,128	4,855,057
Materials	46,369,820	47,527,927	45,045,912
Contracted services	85,119,029	66,915,943	67,876,266
Rents and financial	2,526,608	3,738,389	4,065,706
External transfers	80,493,022	76,983,068	72,353,691
Amortization	48,179,019	46,426,049	43,923,224
Landfill - change in timing of costs	-	(3,296,428)	-
Landfill - change in standards	-	-	4,657,181
	432,654,133	421,920,612	394,109,619

CORPORATION OF THE CITY OF PETERBOROUGH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2024

19. PARTNERSHIPS WITH THE COUNTY OF PETERBOROUGH

Certain services are provided by joint local boards established in partnership with the County of Peterborough. Under the agreements created at the time each board was established, decisions related to the financial and operating activities are shared, neither partner is in a position to exercise unilateral control. Operations of each board are included in these financial statements based on the share of net operating expenses contributed by the City during the fiscal period being reported. The following provides a brief description of the nature and purpose of each entity and condensed financial information.

Fairhaven

Fairhaven is dedicated to serving the continuum of long-term care needs of Peterborough City and County by providing innovative programs and services to clients in a caring environment that upholds dignity and promotes quality of life.

Financial Position:

	2024		2023	
	Total \$	City Portion \$	Total \$	City Portion \$
Financial assets	10,155,078	6,770,086	10,067,745	6,711,864
Liabilities	9,421,556	6,281,069	8,014,231	5,342,847
Net financial assets	733,522	489,017	2,053,514	1,369,017
Non-financial assets	11,725,663	7,817,148	10,359,218	6,906,180
Accumulated surplus	12,459,185	8,306,165	12,412,732	8,275,197

Results of Operations:

	2024		2023	
	Total \$	City Portion \$	Total \$	City Portion \$
Revenues	34,318,060	22,878,821	31,500,627	21,000,523
Expenses	34,271,607	22,847,852	31,058,035	20,705,460
Annual surplus	46,453	30,969	442,592	295,063

CORPORATION OF THE CITY OF PETERBOROUGH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2024

19. PARTNERSHIPS WITH THE COUNTY OF PETERBOROUGH, continued

Peterborough Public Health

Peterborough Public Health strives to enable people and the community to be as healthy as possible. Peterborough Public Health is a not-for-profit organization, which provides accessible, community based programs, and services that promote, protect and restore health.

Financial Position:

	2024		2023	
	Total \$	City Portion \$	Total \$	City Portion \$
Financial assets	4,386,968	2,500,572	4,994,657	2,846,954
Liabilities	4,758,046	2,712,086	5,480,943	3,124,138
Net debt	(371,078)	(211,514)	(486,286)	(277,184)
Non-financial assets	7,979,765	4,548,466	8,197,317	4,672,471
Accumulated surplus	7,608,687	4,548,466	7,711,031	4,395,287

Results of Operations:

	2024		2023	
	Total \$	City Portion \$	Total \$	City Portion \$
Revenues	16,149,122	9,205,000	16,940,504	9,656,087
Expenses	16,251,466	9,263,336	17,053,342	9,720,405
Annual deficit	(102,344)	(58,336)	(112,838)	(64,318)

CORPORATION OF THE CITY OF PETERBOROUGH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2024

19. PARTNERSHIPS WITH THE COUNTY OF PETERBOROUGH, continued

Peterborough County-City Waste Management Facility

On July 1, 2002, the City and County of Peterborough entered into an agreement to jointly develop and operate a waste disposal facility. The Facility will receive non-hazardous waste from the County and City in accordance with the applicable regulations and the Certificate of Approval issued by the Ministry of the Environment and Energy to develop, operate and close the Facility. All revenues and expenses related to the development, management, closure, post-closure care and monitoring of the Facility are shared equally by both organizations.

Included in the Statement of Financial Position is an amount due to/(from) the County of Peterborough of \$317,914 (2023 - \$(54,394)).

Results of Operations:

	2024		2023	
	Total \$	City Portion \$	Total \$	City Portion \$
Revenues	4,625,562	2,312,781	4,161,256	2,080,628
Expenses	4,641,798	2,320,899	4,336,259	2,168,130
Net expense	(16,236)	(8,118)	(175,003)	(87,502)

20. CHANGE IN NON-CASH ASSETS AND LIABILITIES

The change in non-cash assets and liabilities is comprised of the following:

	2024 \$	2023 \$
Taxes receivable	(3,176,755)	(1,703,645)
Accounts receivable	1,869,851	8,048,739
Inventory held for resale	(1,164,231)	6,058
Other receivables	99,440	67,348
Prepaid expenses	294,859	(383,530)
Inventory of supplies	43,945	(386,651)
Accounts payable and accrued liabilities	2,764,129	6,121,806
Deferred revenue	(4,753,485)	16,056,398
Deferred revenue - obligatory reserve funds	3,812,591	(3,599,290)
	(209,656)	24,227,233

CORPORATION OF THE CITY OF PETERBOROUGH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2024

21. PENSION AGREEMENTS

Certain employees of the City are eligible members of the Ontario Municipal Employees Retirement System (OMERS), a multi-employer pension plan.

The Actuarial Opinion contained in the 2024 Annual Report disclosed total actuarial liabilities of \$142,489 million in respect of benefits accrued for service with actuarial assets of \$139,576 million indicating an actuarial deficit of \$2,913 million. Because OMERS is a multi-employer plan, any pension plan surpluses or deficits are a joint responsibility of Ontario municipal organizations and their employees. As a result, the City does not recognize any share of the OMERS pension surplus or deficit.

The City's total contributions to OMERS in 2024 were \$24,242,513 (2023 - \$21,337,310) of which \$12,118,005 (2023 - \$10,669,261) was contributed by employees.

22. MUNICIPAL CHILD CARE GRANTS AND SUBSIDIES

The City of Peterborough provides child care services at four locations within the City: Peterborough Child Care, Pearson Child Care, and the Before and After School Programs located at Edmison Heights and Westmount public schools. The City receives various grants and subsidies from the Province of Ontario to assist with the operations of the programs or assistance for families to cover the child care fees. The following represents grants and subsidies received in the current year.

	Fee Subsidy	General Operating Grant	Total
Peterborough Child Care	108,157	366,059	474,216
Pearson Child Care	89,966	354,185	444,151
School Age Programs	60,208	263,360	323,568
	258,331	983,604	1,241,935

23. TRUST FUNDS

Trust funds administered by the City amounting to \$365,333 (2023 - \$358,272) have not been included in the Consolidated Statement of Financial Position nor have their operations been included in the Consolidated Statement of Operations and Accumulated Surplus. Due to the fact that balances are held in trust by the City for the benefit of others, they are not presented as part of the City's financial position or operations.

CORPORATION OF THE CITY OF PETERBOROUGH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2024

24. BUDGET FIGURES

The budget, approved by the City and local boards, for 2024 is reflected on the Consolidated Statement of Operations and Accumulated Surplus and the Consolidated Statement of Change in Net Debt. The budget established for capital investment in tangible capital assets are on a project-oriented basis, the costs of which may be carried out over one or more years and, therefore, may not be comparable with current year's actual amounts. Budget figures have been reclassified for the purposes of these financial statements to comply with PSA reporting requirements.

25. LEASE COMMITMENTS

The City has entered into an operating lease agreement. The following table provides information on the minimum lease payments:

	Total \$
2025	2,837,539
2026	472,922
Total minimum lease payments	3,310,461

On October 30, 2000 the City committed to lease an office building, associated land and leaseholds for a 25-year term. The estimated lease payments shown above include basic rent and base operating costs.

The City in turn has an agreement to sublease the premises to General Motors Financial of Canada, Ltd (formerly known as Americredit Financial Services of Canada Ltd.), the terms of which expire July 30, 2026.

26. CONTINGENT ASSETS

The Corporation of the City of Peterborough is involved as a plaintiff in several lawsuits involving general contractors. The outcome of the litigation is not determinable at the audit report date and as such, no accrual or recognition of this asset has been made in these financial statements. The City records settlements as assets in the period they are likely to occur. Although it is possible that assets may arise in other instances for which no accruals have been made, the City does not believe that the outcome of litigation will have a material effect on its financial position.

CORPORATION OF THE CITY OF PETERBOROUGH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2024

27. CONTINGENT LIABILITIES

The Corporation of the City of Peterborough, in the course of operations is subject to claims, lawsuits and contingencies. The City records settlements as liabilities in the period they are reasonably determined. Although it is possible that liabilities may arise in other instances for which no accruals have been made, the City does not believe that such an outcome will significantly impair its operations or have a material adverse effect on its financial position.

On May 4, 2007, Bill 233, the Workplace Safety and Insurance Amendment Act (Presumptions for Firefighters), 2007, received Royal Assent. The Act provides for the eligibility of firefighters, and fire investigators, to receive compensation when they were deemed to have been subjected to certain illnesses and/or injuries sustained since January 1, 1960. The Act presumes that certain conditions, illnesses or injuries were work-related unless it can be demonstrated that the condition, illness or injury was a result of a non-work related incident, or was hereditary.

As a Schedule 2 employer under the Workplace Safety and Insurance Board Act, the City self-insures against claims made under the provisions of this Act. As the City provides fire protection services, certain current and former employees of the City may be eligible to receive awards under the amended Act. At this point in time, it is not practical to determine what exposure, if any, the City has as a result of the amended Act coming to force, and consequently, no amount has been provided for in these financial statements.

28. CONTRACTUAL RIGHTS

The Corporation of the City of Peterborough (The City) has contractual rights related to receipt of Electronic Games and Live Table Games revenue as described by the Municipality Contribution Agreement (The Agreement) with Ontario Lottery and Gaming Corporation (OLG). The Agreement was signed by the City and OLG on August 14, 2018 and it will continue to be in effect until the earlier of (i) the date on which Casino Games are no longer conducted and managed by OLG in the City at the location, (ii) the date on which any license or permit required to run Casino Games in the City at the location is no longer available or becomes invalid, (iii) the effective date of written notice of termination or (iv) a date mutually agreeable to The City and the OLG. The Agreement entitles The City to receive payments from OLG based on certain percentages of Electronic Games and Live Tables Games revenue on a quarterly basis. Given the nature of the contractual right, quarterly payments are expected to take place and continue for a considerable period in the future. The City records receipt of contractual rights as assets or accruals in the period in which they occur. Although it is possible that assets may arise in other instances for which no accruals have been made, the City does not believe that such outcomes will have a material effect on its financial position.

CORPORATION OF THE CITY OF PETERBOROUGH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2024

29. CONTAMINATED SITES

The Corporation of the City of Peterborough in the normal course of operations owns certain contaminated sites. The contamination associated with the sites has been determined or is likely expected to be in excess of environmental standards. A reasonable estimate of the costs to remediate the sites cannot be determined as at the auditor's report date; as a result, no liability has been recognized in these financial statements. The City is working toward a valuation for the liability for the contaminated sites.

30. LOAN GUARANTEE

In August 2005, the City of Peterborough entered into an agreement with the Peterborough Family Y.M.C.A. to guarantee the mortgage for the new Y.M.C.A. building to an amount not to exceed \$7,250,000. The balance outstanding on the loan at December 31, 2024 is \$768,821 (2023 - \$1,152,364).

31. PROVINCIAL OFFENCES OFFICES

Revenues from the POA office consist of fines levied under Parts I and III (including delay penalties) for POA charges filed at 99 Simcoe Street in Peterborough. Offenders may pay their fines at any court office in Ontario, at which time, their receipt is recorded in the Integrated Courts Operation Network system ("ICON") operated by the Province of Ontario. The City of Peterborough recognizes fine revenue when the receipt of funds is recorded by ICON and matched to the offence notice, regardless of the location where payment is made.

The Provincial Offences Office net revenues are jointly shared by the County of Peterborough and the City of Peterborough based on weighted assessments. During 2024, the proportion based on weighted assessment for the City was 44.3% (2023 - 44.3%).

	2024		2023	
	Total \$	City Portion \$	Total \$	City Portion \$
Revenues	1,911,715	846,890	1,947,902	862,921
Expenses	1,464,633	648,832	1,549,720	686,526
Net revenues	447,082	198,058	398,182	176,395

Included in the Consolidated Statement of Financial Position is an amount due from/(to) the County of Peterborough of \$(249,088) (2023 - \$(54,394)).

CORPORATION OF THE CITY OF PETERBOROUGH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2024

32. SEGMENTED INFORMATION

The Corporation of the City of Peterborough is a diversified municipal government institution that provides a range of services to its residents including police, fire, public transit, community services, solid waste management and recycling. Municipal services are reported by function and their activities are separately disclosed in the segment information.

For each reported segment, revenues and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Certain allocation methodologies are employed in the preparation of segmented financial information. Taxation, payments-in-lieu of taxes and certain unconditional government transfers are apportioned based on each segment's net requirements. Revenues are allocated to segments based on amounts originally budgeted, adjusted for Public Sector Accounting Board recommendations or based on the Provincial requirements of the Financial Information Return. Expenses are allocated to segments based on the Provincial requirements for the Financial Information Return.

Interfunctional transfers include an administrative overhead allocation, data processing costs and accounting fees that are allocated based on the original amount budgeted. Interfunctional transfers also include a percentage overhead charge based on the amount of wages allocated to specific recoverable jobs that are undertaken by the public works department. That allocation is based on the percentage originally budgeted. Other internal charges are made for wages and materials used during repair and preventative maintenance activities based on actual costs of the inputs. Other interfunctional charges such as leachate treatment are based on the actual costs of undertaking the testing. Engineering costs are allocated to capital projects based on a percentage of administrative overhead dictated in request for proposals award reports.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in Note 1. For additional information see the Consolidated Schedule of Segment Disclosure.

Functions disclosed separately in the segment information are as follows:

General Government

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

Protection to Persons and Property

Protection services include police, fire, conservation authority, protective inspection and control, emergency measures and the Provincial Offences Office.

CORPORATION OF THE CITY OF PETERBOROUGH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2024

32. SEGMENTED INFORMATION, continued

Transportation Services

The activities of the transportation function include construction and maintenance of the City’s roads and bridges, winter control, public transit, parking, street lighting and air transportation.

Environmental Services

The environmental function is responsible for the sanitary sewer system, storm sewers, solid waste collection, and waste disposal and recycling. The Peterborough Utilities Commission provides water treatment and distribution services.

Health Services

The health services function consists of activities of Peterborough Public Health and activities of the land ambulance service that is a shared service with the County of Peterborough.

Social and Family Services

The social and family services function includes general assistance as well as childcare services and assistance to aged persons provided by Fairhaven.

Social Housing Services

The social housing function provides access and administration related to affordable housing in the City including the activities of Peterborough Housing Corporation.

Recreation and Cultural Services

The recreation and cultural services function provides indoor and outdoor recreational facilities and programs, library services and information about the City’s heritage through the Peterborough Museum and Archives.

Planning and Development Services

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

Electric Utility

The electric utility function consists of the equity investment in City of Peterborough Holdings Inc.

CORPORATION OF THE CITY OF PETERBOROUGH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2024

33. COMPARATIVE FIGURES

The financial statements have been reclassified, where applicable, to conform to the presentation adopted in the current year. Annual surplus for the previous year is not affected by this reclassification.

34. FINANCIAL INSTRUMENTS

Transactions in financial instruments may result in the City assuming or transferring to another party one or more of the financial risks described below. The required disclosures provide information that assists users of financial statements in assessing the extent of risk related to financial instruments.

The City is exposed to the following risks in respect of certain of the financial instruments held:

(a) Interest rate risk

Interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in market interest rates. The value of fixed income securities will generally rise if interest rates fall and conversely fall when rates rise. These risks are generally outside the control of the City but are mitigated by the City's investment policies, which prescribe the asset mix of investments including the amount of foreign content and credit ratings of bond issuers.

(b) Credit risk

Credit risk is the risk that one party to a transaction will fail to discharge an obligation and cause the other party to incur a financial loss. The City reduces its exposure to credit risk by creating an allowance for bad debts when applicable. The City monitors and assesses the collectability of accounts receivable based on past experience to derive a net realizable value.

(c) Market risk

The City is exposed to certain market risks including changes in pricing of investments. The value of mutual funds changes with stock market conditions, which are affected by market conditions and a general economic outlook.

In the opinion of management, the City is not exposed to any significant liquidity or currency risk.

CORPORATION OF THE CITY OF PETERBOROUGH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2024

35. PRIOR PERIOD ADJUSTMENT

Peterborough Housing Corporation has restated its 2023 financial statements to reverse accretion on asset retirement obligations that was previously recorded in error. Adjustments necessary to the 2023 consolidated financial information for the City of Peterborough as a result of the prior period adjustment are as follows:

Adjustment to Closing 2023 Asset Retirement Obligation

ARO liability as previously stated	\$ 80,681,218
Decrease in accretion	(1,648,283)
Closing 2023 asset retirement obligation	\$ 79,032,935

Adjustment to 2023 Total Expenses

Total expenses as previously stated	\$ 395,757,902
Decrease in accretion	(1,648,283)
2023 total expenses as restated	\$ 394,109,619

Adjustment to 2023 Annual Surplus

2023 annual surplus as previously stated	\$ 45,431,013
Add: Decrease in accretion	1,648,283
2023 annual surplus as restated	\$ 47,079,296

CORPORATION OF THE CITY OF PETERBOROUGH

CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS For the Year Ended December 31, 2024

	Cost				Accumulated Amortization				Net Book Value	
	Opening Balance \$	Additions \$	Disposals \$	Closing Balance \$	Opening Balance \$	Amortization \$	Disposals, Write-	Closing Balance \$	2024 \$	2023 \$
							offs & Other Adjustments \$			
General										
Land and land improvements	183,446,167	17,586,150	549,596	200,482,721	53,602,721	4,380,578	-	57,983,299	142,499,422	129,843,446
Buildings and leaseholds	413,043,354	27,081,908	400,381	439,724,881	168,141,778	11,688,291	400,381	179,429,688	260,295,193	244,901,576
Machinery and equipment	63,853,630	5,036,848	60,829	68,829,649	38,924,052	4,326,666	4,862	43,245,856	25,583,793	24,929,578
Vehicles	66,577,051	3,830,408	1,936,519	68,470,940	37,217,734	4,097,415	1,340,987	39,974,162	28,496,778	29,359,317
Books and materials	2,848,035	426,553	495,109	2,779,479	1,747,948	317,652	495,109	1,570,491	1,208,988	1,100,087
	729,768,237	53,961,867	3,442,434	780,287,670	299,634,233	24,810,602	2,241,339	322,203,496	458,084,174	430,134,004
Infrastructure										
Land and land improvements	26,616,546	-	-	26,616,546	310,600	24,848	-	335,448	26,281,098	26,305,946
Buildings	62,700,941	300,399	-	63,001,340	35,537,980	1,329,327	-	36,867,307	26,134,033	27,162,961
Machinery and vehicles	2,200,958	1,380,458	171,605	3,409,811	1,396,453	152,899	162,540	1,386,812	2,022,999	804,505
Roadways and sidewalks	342,896,246	7,356,171	1,400,002	348,852,415	150,517,294	9,601,629	630,155	159,488,768	189,363,647	192,378,952
Storm sewer system	140,065,571	3,869,402	568,608	143,366,365	31,170,651	2,078,020	93,928	33,154,743	110,211,622	108,894,920
Wastewater system	144,397,839	3,985,635	38,311	148,345,163	54,357,669	3,317,695	2,011	57,673,353	90,671,810	90,040,170
Water system	201,412,565	11,078,630	-	212,491,195	111,090,609	5,111,029	-	116,201,638	96,289,557	90,321,956
	920,290,666	27,970,695	2,178,526	946,082,835	384,381,256	21,615,447	888,634	405,108,069	540,974,766	535,909,410
Assets under construction	132,983,413	52,094,983	-	185,078,396	-	-	-	-	185,078,396	132,983,413
Total	1,783,042,316	134,027,545	5,620,960	1,911,448,901	684,015,489	46,426,049	3,129,973	727,311,565	1,184,137,336	1,099,026,827

CORPORATION OF THE CITY OF PETERBOROUGH

CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE For the Year Ended December 31, 2024

	General Government \$	Protection Services \$	Transportation Services \$	Environmental Services \$	Health Services \$	Social and Family Services \$	Social Housing \$	Recreation and Cultural Services \$	Planning and Development \$	Electric Utility \$	Consolidated \$
Revenues											
Property taxation	20,602,907	56,074,169	33,817,672	8,569,804	7,723,893	10,782,338	5,849,855	19,383,334	6,598,914	-	169,402,886
Taxation from other governments	521,591	1,419,596	856,142	216,957	195,541	272,970	148,097	490,716	167,061	-	4,288,671
User fees and service charges	2,340,892	2,188,955	9,190,895	44,778,167	223,672	5,958,765	12,220	9,651,399	511,739	-	74,856,704
Government grants and other municipalities	802,737	8,543,918	13,781,936	2,600,410	7,745,377	88,445,374	29,937,097	3,311,052	82,050	-	155,249,951
Developer levies and other contributions	396,758	145,090	4,889,910	647,713	-	-	-	883,824	5,191	-	6,968,486
Licenses, permits, royalties and rents	1,214,777	2,667,509	1,149,709	245,446	-	-	9,982,330	867,403	73,750	-	16,200,924
Fines and other charges	-	2,450,587	407,215	-	-	-	-	73	-	-	2,857,875
Penalties and interest on taxes	1,215,523	-	-	-	-	-	-	-	-	-	1,215,523
Investment income	5,005,742	1,129,297	736,186	1,483,626	248,855	458,569	753,273	600,927	132,898	-	10,549,373
Donations and contributed capital	180,250	7,802	1,035	-	-	-	-	299,741	1,165,118	-	1,653,946
Casino and gaming revenue	2,809,123	-	-	-	-	-	-	-	-	-	2,809,123
Income from GBE	-	-	-	-	-	-	-	-	-	8,105,000	8,105,000
Gain/(loss) on disposal of TCA	(549,596)	(15,479)	201,793	(510,980)	-	-	-	-	2,540,620	-	1,666,358
Other	1,941,844	34,380	47,649	1,454,043	94,705	43	1,089,412	215,888	38,288	-	4,916,252
Total revenues	36,482,548	74,645,824	65,080,142	59,485,186	16,232,043	105,918,059	47,772,284	35,704,357	11,315,629	8,105,000	460,741,072
Expenses											
Salaries and benefits	23,447,416	57,802,047	28,888,335	6,742,968	7,489,223	30,789,831	4,718,166	13,173,775	3,845,775	-	176,897,536
Interest charges	228,294	253,941	2,017,627	876,344	50,082	-	1,744,036	1,208,130	349,674	-	6,728,128
Materials	3,800,757	4,874,357	13,239,393	4,303,079	955,928	3,538,602	11,405,889	5,108,219	301,703	-	47,527,927
Contracted services	10,440,816	3,320,011	6,515,677	16,934,833	7,960,094	4,108,165	11,105,751	4,891,969	1,638,627	-	66,915,943
Rents and financial	27,130	141,466	35,589	1,966,122	264	917,425	197,725	433,747	18,921	-	3,738,389
External transfers	1,484,832	1,676,268	23,004	130,625	790,555	62,271,397	6,843,818	2,932,363	830,206	-	76,983,068
Amortization	1,989,502	2,108,920	16,407,034	14,864,610	130,530	684,665	4,973,715	5,227,611	39,462	-	46,426,049
Internal transfers	4,497,044	(478,243)	(9,074,210)	2,807,460	-	1,086,292	(457,897)	1,707,113	(87,559)	-	-
Landfill - change in timing of costs	-	-	-	(3,296,428)	-	-	-	-	-	-	(3,296,428)
Total expenses	45,915,791	69,698,767	58,052,449	45,329,613	17,376,676	103,396,377	40,531,203	34,682,927	6,936,809	-	421,920,612
Net surplus/(deficit)	(9,433,243)	4,947,057	7,027,693	14,155,573	(1,144,633)	2,521,682	7,241,081	1,021,430	4,378,820	8,105,000	38,820,460

CORPORATION OF THE CITY OF PETERBOROUGH

CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE For the Year Ended December 31, 2023 (Restated note 35)

	General Government \$	Protection Services \$	Transportation Services \$	Environmental Services \$	Health Services \$	Social and Family Services \$	Social Housing \$	Recreation and Cultural Services \$	Planning and Development \$	Electric Utility \$	Consolidated \$
Revenues											
Property taxation	19,094,828	51,969,683	31,342,305	7,942,517	7,158,524	9,993,098	5,421,660	17,964,523	6,115,890	-	157,003,028
Taxation from other governments	478,532	1,302,403	785,464	199,046	179,398	250,435	135,871	450,206	153,269	-	3,934,624
User fees and service charges	1,709,827	1,509,214	7,294,672	43,710,841	326,353	5,736,105	1	10,088,005	1,068,833	-	71,443,851
Government grants and other municipalities	309,108	8,369,554	11,683,800	4,654,528	8,230,488	80,693,296	23,750,835	8,234,423	850,296	-	146,776,328
Developer levies and other contributions	195,557	50,580	3,767,512	584,079	-	-	157,595	1,005,320	20,843	-	5,781,486
Licenses, permits, royalties and rents	1,833,618	2,427,449	979,635	170,392	-	-	8,688,859	1,075,966	563,865	-	15,739,784
Fines and other charges	-	1,950,042	902,320	-	-	-	-	9,182	48,000	-	2,909,544
Penalties and interest on taxes	1,061,298	-	-	-	-	-	-	-	-	-	1,061,298
Investment income	579,614	1,725,729	1,443,823	2,051,168	309,921	511,057	941,716	785,680	186,975	-	8,535,683
Donations and contributed capital	-	-	120	-	-	-	10,000	759,186	12,337,871	-	13,107,177
Casino and gaming revenue	3,010,980	-	-	-	-	-	-	-	-	-	3,010,980
Income from GBE	-	-	-	-	-	-	-	-	-	6,661,000	6,661,000
Gain/(loss) on disposal of TCA	(364,794)	78,072	(220,247)	(111,915)	-	-	1,034,402	744,129	643,879	-	1,803,526
Other	1,244,547	80,788	7,276	1,085,625	101,490	-	610,976	209,526	80,378	-	3,420,606
Total revenues	29,153,115	69,463,514	57,986,680	60,286,281	16,306,174	97,183,991	40,751,915	41,326,146	22,070,099	6,661,000	441,188,915
Expenses											
Salaries and benefits	13,523,382	53,223,002	22,466,006	6,007,826	7,844,879	28,297,301	4,058,109	12,299,528	3,612,549	-	151,332,582
Interest charges	148,733	24,697	1,971,263	741,320	52,293	-	893,024	722,026	301,701	-	4,855,057
Materials	3,318,664	5,346,472	12,407,527	4,094,720	937,023	3,902,386	9,544,189	5,086,557	408,374	-	45,045,912
Contracted services	7,866,740	2,328,091	8,153,917	20,898,392	7,493,636	2,717,184	9,560,958	5,746,717	3,110,631	-	67,876,266
Rents and financial	(11,331)	122,845	53,825	2,322,097	9,768	816,948	205,781	534,443	11,330	-	4,065,706
External transfers	1,089,416	1,495,287	-	375	752,298	57,047,338	7,175,769	3,228,156	1,565,052	-	72,353,691
Amortization	2,795,614	1,647,192	15,787,303	13,451,818	130,530	710,531	4,343,962	5,012,260	44,014	-	43,923,224
Internal transfers	5,320,177	(1,352,686)	(7,743,385)	2,629,126	-	853,375	51,019	1,101,881	(859,507)	-	-
Landfill - change in standards	-	-	-	4,657,181	-	-	-	-	-	-	4,657,181
Total expenses	34,051,395	62,834,900	53,096,456	54,802,855	17,220,427	94,345,063	35,832,811	33,731,568	8,194,144	-	394,109,619
Net surplus/(deficit)	(4,898,280)	6,628,614	4,890,224	5,483,426	(914,253)	2,838,928	4,919,104	7,594,578	13,875,955	6,661,000	47,079,296

INDEPENDENT AUDITOR'S REPORT

To the Members of Council, Inhabitants and Ratepayers of the City of Peterborough

Opinion

We have audited the financial statements of the Trust Funds of the Corporation of the City of Peterborough (the Trust Funds), which comprise the statement of financial position as at December 31, 2024, the statement of continuity 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 Trust Funds as at December 31, 2024, and the continuity of the Trust Funds 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 Trust Funds in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with 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 Trust Funds' 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 Trust Funds or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Trust Funds' financial reporting process.

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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 Trust Funds' 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 Trust Funds' 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 Trust Funds 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.

Baker Tilly KDN LLP

Chartered Professional Accountants
Licensed Public Accountants

Peterborough, Ontario
September 25, 2025

CORPORATION OF THE CITY OF PETERBOROUGH

TRUST FUNDS STATEMENT OF FINANCIAL POSITION At December 31, 2024

	City Parks \$	Special Holdings \$	Safety Patrol \$	Cenotaph \$	Library \$	Morrow Park \$	Parks Hancock \$	Parks Tollington Endowment \$	Residents' Personal \$	2024 Total \$	2023 Total \$
FINANCIAL ASSETS											
Cash	149,753	23,115	31,442	2,328	21,682	8,201	41,076	13,041	153,934	444,572	402,453
LIABILITIES AND FUND BALANCES											
LIABILITIES											
Accounts payable	-	-	-	-	1,220	-	-	-	-	1,220	1,069
Due to revenue fund/Fairhaven	-	-	-	-	-	-	-	-	78,019	78,019	43,112
	-	-	-	-	1,220	-	-	-	78,019	79,239	44,181
FUND BALANCES	149,753	23,115	31,442	2,328	20,462	8,201	41,076	13,041	75,915	365,333	358,272
	149,753	23,115	31,442	2,328	21,682	8,201	41,076	13,041	153,934	444,572	402,453

The accompanying note is an integral part of these financial statements



CORPORATION OF THE CITY OF PETERBOROUGH

TRUST FUNDS

STATEMENT OF CONTINUITY

For the Year Ended December 31, 2024

	City Parks	Special Holdings	Safety Patrol	Cenotaph	Library	Morrow Park	Parks Hancock	Parks Tollington Endowment	Residents' Personal	2024 Total	2023 Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
BALANCES - beginning of year	141,871	21,898	35,935	2,426	20,432	7,770	38,914	12,354	76,672	358,272	352,226
RECEIPTS											
Deposits and grants	-	-	-	-	-	-	-	-	112,522	112,522	101,395
Transfer from Fairhaven	-	-	-	-	-	-	-	-	30,293	30,293	34,910
Interest Income	7,882	1,217	2,132	126	1,250	431	2,162	687	-	15,887	14,650
	7,882	1,217	2,132	126	1,250	431	2,162	687	142,815	158,702	150,955
EXPENSES											
Transfer to operations	-	-	-	224	1,220	-	-	-	-	1,444	1,222
Withdrawals, purchases	-	-	6,625	-	-	-	-	-	134,555	141,180	124,353
Resident maintenance	-	-	-	-	-	-	-	-	6,786	6,786	17,130
Donations	-	-	-	-	-	-	-	-	2,231	2,231	2,204
	-	-	6,625	224	1,220	-	-	-	143,572	151,641	144,909
BALANCES - end of year	149,753	23,115	31,442	2,328	20,462	8,201	41,076	13,041	75,915	365,333	358,272

The accompanying note is an integral part of these financial statements

CORPORATION OF THE CITY OF PETERBOROUGH

TRUST FUNDS

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended December 31, 2024

1. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board of Chartered Professional Accountants Canada (CPA Canada).

(a) Basis of presentation

These trust fund statements reflect the assets, liabilities, sources of financing and expenditures combining trust funds of the City of Peterborough and the following local boards:

- Peterborough Public Library Board
- Fairhaven

(b) Basis of Accounting

Revenue and expenses are reported on the accrual basis of accounting which recognizes revenues as they become available and measurable; expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

(c) Financial Instruments

The Trust Funds financial instruments consist of cash, accounts payable and due to revenue fund/Fairhaven. It is management's opinion that the fair value of the financial instruments are not materially different from their carrying value unless otherwise noted. The Trust Funds do not have any significant concentration of credit, currency or interest rate risk.

(d) Use of Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Actual results could differ from those estimates.