

2024 Audited Consolidated Financial Statements

For the year ended December 31, 2024

Prepared by: Finance Division
City of Mississauga

The Corporation of the City of Mississauga
December 31, 2024

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Management's Responsibility for Financial Reporting

For the year ended December 31, 2024

The accompanying Consolidated Financial Statements of the Corporation of the City of Mississauga (the "City") are the responsibility of the City's management and have been prepared in accordance with Public Sector Accounting Standards (PSAS) as established by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada.

The City's Finance Division is responsible for the preparation of the Consolidated Financial Statements and accompanying notes. The statements and notes include certain amounts based on estimates and judgements. Such amounts have been determined on a reasonable basis to ensure that the Consolidated Financial Statements are presented fairly in all material respects.

There are four required Consolidated Financial Statements: the Consolidated Statement of Financial Position, the Consolidated Statement of Operations, the Consolidated Statement of Change in Net Financial Assets, and the Consolidated Statement of Cash Flows. These Consolidated Financial Statements provide information on the cost of all City activities, how they were financed, investing activities, assets, and liabilities. The Consolidated Financial Statements are reviewed and approved by the Chief Financial Officer and Treasurer.

The City maintains systems of internal and financial controls designed to ensure that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative requirements, and reliable financial information is available on a timely basis for preparation of the Consolidated Financial Statements. These systems are monitored and evaluated by City management.

The City's Consolidated Financial Statements have been audited by KPMG LLP, independent external auditors appointed by the City's Audit Committee. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the City's Consolidated Financial Statements.

The City's Audit Committee meets with management and the external auditors to review the City's Consolidated Financial Statements and discuss any significant financial reporting or internal control matters.



Geoff Wright
City Manager and
Chief Administrative Officer



Marisa Chiu
Chief Financial Officer and
Treasurer

Mississauga, Ontario
April 4, 2025


KPMG LLP

Vaughan Metropolitan Centre
 100 New Park Place, Suite 1400
 Vaughan, ON L4K 0J3
 Canada
 Telephone 905 265 5900
 Fax 905 265 6390

INDEPENDENT AUDITOR'S REPORT

To the Members of Council, Inhabitants and Ratepayers of The Corporation of the City of Mississauga

Opinion

We have audited the consolidated financial statements of The Corporation of the City of Mississauga (the Entity), which comprise:

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

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the Entity as at December 31, 2024, and its consolidated results of operations, its consolidated change in net financial assets, 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 Financial Statements"*** section of our auditor's report.

We are independent of the Entity 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.



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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 Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

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

We also:

- Identify and assess the 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 Entity's internal control.



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- 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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity 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.
- 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group Entity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 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 as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

Chartered Professional Accountants, Licensed Public Accountants

Vaughan, Canada

April 4, 2025

The Corporation of the City of Mississauga
Consolidated Statement of Financial Position
as at December 31, 2024 with comparatives for 2023
(All dollar amounts are in \$000s)

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

	2024	2023
Financial Assets		
Cash and cash equivalents	272,070	273,785
Property taxes receivable (Note 3)	107,486	89,186
Accounts receivable (Note 3)	111,414	200,339
Loans and other receivables	200	250
Inventories for resale	97	97
Investments (Note 4)	1,760,072	1,509,569
Investment in Enersource Corporation (Note 6)	547,872	522,683
Total Financial Assets	2,799,211	2,595,909
Financial Liabilities		
Accounts payable and accrued liabilities	293,451	274,046
Deferred revenue - general (Note 7)	63,750	36,280
Deferred revenue - obligatory reserve funds (Note 8)	864,389	859,129
Employee benefits and other liabilities (Note 9)	282,039	258,608
Asset retirement obligation (Note 11)	17,391	14,975
Long-term debt (Note 12)	260,745	208,040
Total Financial Liabilities	1,781,765	1,651,078
Net Financial Assets	1,017,446	944,831
Non-Financial Assets		
Tangible capital assets (Note 13)	9,645,382	8,888,802
Inventories of supplies	11,758	12,280
Prepaid expenses	10,871	7,902
Total Non-Financial Assets	9,668,011	8,908,984
	10,685,457	9,853,815
Accumulated surplus (Note 14)	10,685,110	9,854,107
Accumulated remeasurement gain/(loss)	347	(292)
	10,685,457	9,853,815

Contingent liabilities and guarantee (Note 17)
Contractual rights (Note 25)
Commitments (Note 26)
Contingent assets (Note 27)

The Corporation of the City of Mississauga

Consolidated Statement of Operations

for the year ended December 31, 2024 with comparatives for 2023

(All dollar amounts are in \$000s)

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

	2024 Budget (Note 21)	2024 Actual	2023 Actual
Revenue (Notes 18, 19 and 20)			
Property taxes (Note 15)	683,651	689,931	639,813
Payment in lieu of taxes	37,066	30,809	15,295
Municipal Accommodation Tax	18,000	23,163	16,195
User charges (Note 23)	285,583	285,610	260,313
Recoveries from third parties	110,728	45,093	161,883
Funding transfers from other governments (Note 24)	1,958	2,839	3,868
Development and other contributions applied	100,409	209,188	138,026
Investment income	30,215	40,660	39,755
Penalties and interest on taxes	10,110	18,687	17,152
Contributed and assumed assets (Note 13.b)	-	584,165	60,379
Other	(1,019)	1,510	1,011
City's share of net income in Enersource Corporation (Note 6)	20,619	42,549	36,153
Total Revenue	1,297,320	1,974,204	1,389,843
Expenses (Notes 18, 19 and 20)			
General government services	197,666	226,940	202,606
Protection services (Note 23)	175,461	170,811	164,383
Transportation services	407,338	442,770	421,694
Environmental services	22,435	26,249	24,983
Health services	927	910	833
Social and family services	805	377	359
Recreation and cultural services	215,578	225,750	219,601
Planning and development services	44,769	49,394	48,276
Total Expenses (Note 22)	1,064,979	1,143,201	1,082,735
Annual surplus	232,341	831,003	307,108
Accumulated surplus, beginning of year	9,854,107	9,854,107	9,546,999
Accumulated Surplus, end of year (Note 14)	10,086,448	10,685,110	9,854,107

The Corporation of the City of Mississauga
Consolidated Statement of Change in Net Financial Assets
for the year ended December 31, 2024 with comparatives for 2023
(All dollar amounts are in \$000s)

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

	2024 Budget (Note 21)	2024 Actual	2023 Actual
Annual surplus	232,341	831,003	307,108
Acquisition of tangible capital assets	-	(926,084)	(481,185)
Amortization of tangible capital assets (Note 13)	157,370	169,006	165,679
(Gain)/loss on disposal of tangible capital assets (Note 13)	-	(871)	10,723
Proceeds of disposition of tangible capital assets (Note 13)	-	1,223	3,490
Loss on disposal of asset retirement obligation	-	146	34
	389,711	74,423	5,849
Acquisition of inventories of supplies	-	(11,758)	(12,280)
Prepaid expenses, current year	-	(10,871)	(7,902)
Inventories of supplies	-	12,280	10,929
Prepaid expenses, prior year	-	7,902	8,758
Change in net financial assets before the under-noted	389,711	71,976	5,354
Net financial assets, beginning of year	944,831	944,831	939,769
Remeasurement gain/(loss)	-	639	(292)
Net Financial Assets, end of year	1,334,542	1,017,446	944,831

The Corporation of the City of Mississauga
Consolidated Statement of Cash Flows

for the year ended December 31, 2024 with comparatives for 2023

(All dollar amounts are in \$000s)

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

	2024	2023
Cash provided by (used in):		
Operating activities		
Annual surplus	831,003	307,108
Items not involving cash		
Amortization of tangible capital assets	169,006	165,679
(Gain)/loss on disposal of tangible capital assets	(871)	10,723
Contributed and assumed assets	(584,165)	(60,379)
Change in employee benefits and other liabilities	23,431	17,868
Accretion of asset retirement obligations	447	417
Loss on disposal of asset retirement obligation	146	34
City's share of net income in Enersource Corporation	(42,549)	(36,153)
Change in non-cash assets and liabilities		
Property taxes receivable	(18,300)	(22,949)
Accounts receivable	88,925	(78,482)
Accounts payable and accrued liabilities	19,405	8,091
Deferred revenue - general	27,470	14,467
Deferred revenue - obligatory reserve funds	5,260	74,443
Asset retirement obligations	1,969	1,214
Inventories of supplies	522	(1,351)
Prepaid expenses	(2,969)	856
Net change in cash from operating activities	518,730	401,586
Capital activities		
Tangible capital asset additions	(341,920)	(420,806)
Proceeds of disposition of tangible capital assets	1,223	3,490
Net change in cash from capital activities	(340,697)	(417,316)
Investing activities		
Increase in investments	(250,503)	8,760
Decrease in loans and other receivables	50	50
Dividends from Enersource Corporation	18,000	18,594
Net change in cash from investing activities	(232,453)	27,404
Financing activities		
Proceeds from issuance of long-term debt	90,000	-
Repayment of long-term debt	(37,295)	(41,055)
Net change in cash from financing activities	52,705	(41,055)
Net change in cash and cash equivalents	(1,715)	(29,381)
Cash and cash equivalents, beginning of year	273,785	303,166
Cash and Cash Equivalents, end of year	272,070	273,785

The Corporation of the City of Mississauga
Notes to Consolidated Financial Statements

For the Year Ended December 31, 2024

(All dollar amounts are in \$000s)

The Corporation of the City of Mississauga (the "City") 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*, *Planning Act*, *Building Code Act, 1992*, *Provincial Offences Act* and other related legislation.

The Consolidated Financial Statements of the City are prepared by management in accordance with Public Sector Accounting Standards (PSAS) as established by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada.

Accounting standards specify how transactions and other events are to be recognized, measured, presented, and disclosed in a public sector entity's financial statements. These standards are numbered and are referenced throughout these notes beginning with the letters "PS".

1. Significant Accounting Policies

a) Basis of consolidation

(i) Consolidated entities

The Consolidated Financial Statements reflect the assets, liabilities, revenue, and expenses of the reporting entity (the City). The reporting entity comprises all organizations, committees, and local boards that are accountable to the City for the administration of their financial affairs and resources and that are owned or controlled by the City. Enersource Corporation (the City's government business enterprise) is accounted for on the modified equity basis of accounting.

The entities and organizations included in the reporting entity are:

- Mississauga Public Library Board
- Tourism Mississauga
- Clarkson Village Business Improvement Association
- Cooksville Business Improvement Area
- Malton Business Improvement Area
- Port Credit Business Improvement Area
- Streetsville Business Improvement District Association
- Enersource Corporation

Inter-departmental and inter-organizational transactions and balances between these entities and organizations are eliminated.

(ii) Investment in a government business enterprise

The City's investment in Enersource Corporation is accounted for on a modified equity basis, consistent with PSAS as established by PSAB for investments in government business enterprises. Under the modified equity basis, the government business enterprise's accounting policies are not adjusted to conform to those of the City, and inter-organizational transactions and balances are not eliminated. The City recognizes its equity interest in the annual income of Enersource Corporation in its consolidated statement of operations with a corresponding increase or decrease in its investment asset account. Any dividends that the City may receive from Enersource Corporation are reflected as reductions in the investment asset account.

(iii) Accounting for Region and school board transactions

Revenue (including taxation), expenses, assets and liabilities with respect to the operations of the Regional Municipality of Peel ("the Region") and the school boards within the Region are not reflected in these Consolidated Financial Statements.

The Corporation of the City of Mississauga
Notes to Consolidated Financial Statements
For the Year Ended December 31, 2024
(All dollar amounts are in \$000s)

(iv) Trust funds

Trust funds and their related operations administered by the City are not included in these Consolidated Financial Statements. The Care and Maintenance Fund and Election Surplus Fund are not accounted for as part of the City's assets. The City acts as a trustee, investing and administering such funds, in accordance with regulations of the *Funeral, Burial and Cremations Services Act, 2002* and the *Municipal Elections Act, 1996*.

b) Basis of accounting

The City follows the accrual method of accounting for revenue and expenses. Revenue is normally recognized in the year in which it is earned and measurable. Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and/or the creation of a legal obligation to pay.

c) Deferred revenue - general

Deferred revenue - general is licence, permit and other fees which have been collected, but for which the related services have yet to be performed. These amounts will be recognized as revenue in the fiscal year the services are performed. Deferred revenue - general also includes the balance of the reserve funds used to fund the City's long-term disability benefit program. The balance comprises premiums paid by employees and the City, less claims paid during the year.

d) Deferred revenue - obligatory reserve funds

The City receives various types of payments that must be used for specific purposes. These include transfer payments from other levels of government for specific programs (e.g., Canada Community-Building Fund), as well as things like cash in lieu of parkland and community benefits charges. The City also receives development charge payments under the authority of provincial legislation and City by-laws. These funds, by their nature, are restricted in their use, and until applied to applicable operating or capital costs, are recorded as deferred revenue. Amounts applied to qualifying capital projects are recorded as revenue in the fiscal year they are expended.

e) Cash and cash equivalents

Cash and cash equivalents include cash and highly liquid investments with original dates to maturity of 90 days or less. Cash and short-term investments are recorded at amortized cost.

f) Loans and other receivables

Loans and other receivables are valued at cost. Recoverability is reviewed annually and a valuation allowance is recorded when recoverability is impaired. A loan receivable is written off when it is no longer recoverable. Recoveries of loans receivable previously written off are recognized in the year received. Interest revenue is recognized as it is earned.

g) Inventories for resale

Inventories for resale are valued at the lower of cost and net-realizable value.

h) Land held for sale

Land held for sale is recorded at the lower of cost and net-realizable value. Cost includes amounts for improvements to prepare the land for sale or servicing.

The Corporation of the City of Mississauga
Notes to Consolidated Financial Statements
For the Year Ended December 31, 2024
(All dollar amounts are in \$000s)

i) Investments

Investments consist of bonds and debentures with original dates to maturity of 91 days or longer and are recorded at amortized cost. Discounts and premiums arising on the purchase of these investments are amortized over the term of the investments. When there has been a loss of value that is something other than a temporary decline in value, the respective investment is written down to recognize the loss in the Consolidated Statement of Operations.

j) Measurement of financial instruments

The City's financial assets and liabilities are measured as follows:

- (i) Cash at amortized cost
- (ii) Investments at amortized cost (with fair market value disclosed in Note 4)
- (iii) Taxes receivable, accounts receivable, loans and other receivables at amortized cost
- (iv) Accounts payable and accrued liabilities at amortized cost
- (v) Long-term debt at amortized cost

At the end of 2024, there are no financial instruments recognized at fair value.

All financial assets are performing as expected and are tested annually for impairment. The nature of the City's investment policies and practices reduce the risk of asset impairment. If financial assets are impaired, these realized losses are recorded in the Consolidated Statement of Operations.

Financial instruments are measured using amortized cost, with the effective interest rate method used to determine interest revenue or expenses. Transaction costs incurred on the acquisition of financial instruments are amortized using the straight-line method over the life of the instrument.

The purchase and sale of cash equivalents and investments are accounted for using trade-date accounting. The City does not use foreign currency contracts or any other type of derivative financial instruments for trading or speculative purposes.

k) Employee future benefits

- (i) The City provides certain employee benefits which will require funding in future years. These benefits include sick leave, benefits under the *Workplace Safety and Insurance Act, 1997*, long-term disability, life insurance, and extended health and dental benefits for early retirees.

These benefits are actuarially determined using management's best estimate of salary escalation, accumulated sick days at retirement, insurance and health care cost trends, long-term inflation rates and discounted rates.

For self-insured retirement and other employee future benefits that vest or accumulate over the years of service provided by employees (such as retirement gratuities, compensated absences and health, dental and life insurance benefits for retirees), the cost is actuarially determined using the projected benefits method prorated on service. Under this method, the benefit costs are recognized over the expected average service life of the employee group. Any actuarial gains and losses related to the past service of employees are amortized over the expected average remaining service life of the employee group.

For those self-insured benefit obligations that arise from specific events that occur from time to time, (such as obligations for workers' compensation and life insurance and health care benefits for those on disability leave), the cost is recognized immediately in the year when the events occur. Any actuarial gains or losses that are related to these benefits are recognized immediately in the year they arise.

The Corporation of the City of Mississauga
Notes to Consolidated Financial Statements
For the Year Ended December 31, 2024
(All dollar amounts are in \$000s)

- (ii) The costs of a multi-employer, defined benefit pension plan, such as the Ontario Municipal Employees Retirement System (OMERS) pension plan, which is accounted for as a defined contribution plan, are the employer's contributions to the plan in the year.

l) Asset retirement obligation

The City has legal obligations associated with the retirement from service of buildings, equipment, and lease agreements. The City recognizes obligations to retiring tangible capital assets from service in the period in which the obligation arises, which is typically upon acquisition or development of the asset, or when a reasonable estimate of the obligation can be made.

Asset retirement obligations are measured based on the best estimate of directly attributable expenditures required to settle the obligation. The amount of the obligation is added to the carrying amount of the associated asset and amortized on a straight-line basis over the estimated remaining useful life of the asset. If an obligation exists and does not have a corresponding asset, the amount of the obligation is recognized as a liability and an expense in the year of acquisition. Under the modified retroactive method, the discount rate and assumptions used on initial recognition are those as of the date of adoption of the standard. Assumptions used in the subsequent calculations are revised annually.

Asset retirement obligations are reviewed at each financial reporting date and adjusted based on the facts and circumstances available at that time. Changes to the estimated timing or amount of future asset retirement obligation costs are recognized in the Statement of Financial Position. Once the related tangible capital asset is no longer in productive use or remediated, the estimate of the liability for asset retirement obligations is removed from the Statement of Financial Position and any additional cost that arises in respect of the asset's disposal or remediation is recognized as an expense.

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

- (i) There is a legal obligation to incur retirement costs in relation to a tangible capital asset
- (ii) The past transaction, or event giving rise to the liability, has occurred
- (iii) It is expected that future economic benefits will be given up
- (iv) A reasonable estimate of the amount can be made

Asset retirement obligation liabilities are recognized in the City's financial statements for the following:

- (i) Removal of asbestos in buildings owned by the City
- (ii) Remediation and/or restoration of leased real property and facility space
- (iii) Remediation of fuel tank and ammonia systems in City facilities

The liability is discounted using a present value calculation and adjusted annually for accretion expense. The recognition of a liability results in a corresponding increase to the respective tangible capital asset. The increase to the tangible capital asset is amortized in accordance with the depreciation accounting policies outlined in Note 1.o.i.

m) Loan guarantees

Provisions for liabilities arising under the terms of a loan guarantee program are made when it is likely that a payment will be made and an amount can be estimated.

The Corporation of the City of Mississauga
Notes to Consolidated Financial Statements
For the Year Ended December 31, 2024
(All dollar amounts are in \$000s)

n) Contaminated sites

Contaminated sites are defined as the result of contamination being introduced that exceeds an environmental standard. A liability for remediation of contaminated sites is recognized, net of any expected recoveries, when all of the following criteria are met:

- (i) An environmental standard exists
- (ii) Contamination exceeds the environmental standard
- (iii) The organization is directly responsible or accepts responsibility for the liability
- (iv) Future economic benefits will be given up
- (v) A reasonable estimate of the liability can be made

o) Non-financial assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They are not intended for sale in the ordinary course of operations.

(i) Tangible capital assets

Tangible capital assets are recorded at cost. This category includes amounts that are directly attributed to the acquisition, construction, development or betterment of the asset, and estimated costs for asset retirement obligations. The cost, less residual value, of the tangible capital assets (excluding land), are amortized on a straight-line basis over their estimated useful lives in accordance with City policy as follows:

Asset	Useful Life (Years)
Land	Unlimited
Land improvements	15 - 20
Buildings	5 - 50
Equipment, books and other	4 - 40
Linear - storm drainage	25 - 100
Linear - transportation	15 - 100
Vehicles	5 - 15

A full year of amortization is charged in the year of acquisition. Amortization is not charged in the year of disposition. Assets under construction are not amortized until the asset is available for productive use. Amortization expense is not recorded on land because it has an unlimited useful life.

(ii) Contributed and assumed assets

Tangible capital assets received as contributions are recorded at their fair market value on the date of receipt. The contributions are recorded as contributed and assumed assets in the Consolidated Statement of Operations.

The Corporation of the City of Mississauga
Notes to Consolidated Financial Statements

For the Year Ended December 31, 2024

(All dollar amounts are in \$000s)

(iii) Works of art and cultural and historic assets

The City owns works of art and cultural and historic assets, including archaeological artifacts, memorabilia, photographs, and other heritage assets to support the City's museum and cultural programming. Typically, these assets are deemed worthy of preservation because of the social (rather than financial) benefits they provide to the community. The historic cost of art and treasures is not determinable and a reasonable estimate of their future benefits cannot be made; hence, a valuation is not assigned to these assets and they are not recorded as assets in these Consolidated Financial Statements. These assets are non-operational and are not amortized.

(iv) Leased assets

Leases are classified as either operating or capital leases. Lease agreements which substantially transfer all of the risks and rewards of ownership to the City are accounted for as a capital lease. All other leases are considered operating leases and the related payments are expensed as incurred.

(v) Inventories of supplies

Inventories of supplies held for consumption are recorded at the lower of cost and net realizable value.

p) Contingent assets

PS 3320 - Contingent Assets requires disclosure of possible assets arising from existing conditions or situations involving uncertainty which will be ultimately resolved when one or more future events occur that are not wholly within the government's control, and when the occurrence of a confirming future event is likely.

q) Contractual rights

PS 3380 - Contractual Rights requires disclosure of information pertaining to future rights to economic resources arising from contracts or agreements that will result in both an asset and revenue in the future. Note 25 provides disclosure regarding the nature, extent and timing of contractual rights.

r) Related-party disclosures

PS 2200 - Related Party Disclosures requires disclosure of related-party transactions when one party has the ability to exercise control or shared control over the other. Related parties include key management personnel, their close family members and the entities they control or have shared control over. Related-party transactions are disclosed if they occurred at a value different from that which would have been arrived at if parties were unrelated and the transaction has a material effect on the Consolidated Financial Statements.

There were no material related-party transactions to disclose for the year ended December 31, 2024.

s) Inter-entity transactions

PS 3420 - Inter-entity Transactions requires disclosure of transactions between public sector entities that comprise a government's reporting entity from both a provider and recipient perspective. All City transactions are recorded at the exchange amount, being the amount agreed to by both parties.

There were no material inter-entity transactions to disclose for the year ended December 31, 2024.

The Corporation of the City of Mississauga
Notes to Consolidated Financial Statements
For the Year Ended December 31, 2024
(All dollar amounts are in \$000s)

t) Use of estimates

The preparation of Consolidated Financial Statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the Consolidated Financial Statements, and the reported amounts of revenue and expenses during the year. Significant estimates and assumptions include allowance for doubtful accounts for certain accounts receivable, estimated useful life of tangible capital assets, estimated costs, timing, and applicability of asset retirement obligations, provisions for accrued liabilities, and obligations related to employee benefits.

Actual results could differ from estimates.

u) Assets

PS 3210 - Assets provides additional guidance on the definition of assets and what is meant by economic resources, control, past transactions and events, and from which future economic benefits are to be obtained. For the year ended December 31, 2024, all material assets have been disclosed and reported within this definition.

v) Adoption of budgets

The 2024 operating and capital budgets were adopted on Monday, December 18, 2023.

w) Revenue

(i) Property taxes

Property taxes and property taxes receivable are recognized as revenue when they meet the definition of an asset, the tax is authorized, and the taxable event has occurred. Additional property tax revenue can be added throughout the year, related to new properties that become occupied, or that become subject to property taxation (after the return of the annual assessment roll used for billing purposes). The City may receive supplementary assessment rolls over the course of the year from the Municipal Property Assessment Corporation (MPAC), identifying new or omitted assessments. Property taxes for these supplementary and/or omitted amounts are then billed according to the approved tax rate for the property class.

(ii) Payment in lieu of taxes

Payments in lieu of taxes (PILTs) are payments received from other government entities for properties owned within the city that are exempt from property taxes. The federal *Payments in Lieu of Taxes Act* stipulates payment may be made, therefore there is no guarantee that the City will receive the amount of PILTs billed. Payments are also specific to a calendar year.

The PILT for the majority of government entities is based on their assessment value, as determined by MPAC, and the applicable PILT rate established annually by City Council ("Council"). PILTs for airport authorities are based on a per-passenger rate as determined through Section 45.1 of O. Reg. 282/98. PILTs for hospitals, colleges, universities and penitentiaries are based on a prescribed rate of \$75 per full-time student, provincially rated bed, or resident place (commonly known as "heads and beds") as per O. Reg. 384/98. PILTs for railway rights-of-way and utility transmission corridors are based on a per-acreage rate as per O. Reg. 387/98 and the acreage as received from MPAC.

Similar to taxable properties, there can be in-year changes for PILTs through the issuance of supplementary assessment rolls and PILT adjustments resulting from assessment appeals.

The City does not collect penalty and interest for PILTs.

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(iii) Municipal Accommodation Tax revenue

Municipal Accommodation Tax (MAT) revenue is revenue collected from accommodations owners offering short-term accommodation of 30 days or less under Municipal Accommodation Tax By-law 0023-2018. These amounts are recognized as revenue in the year that the tax is levied on accommodation charges by accommodations providers.

(iv) User charges

User charges are paid by anyone using fee-based programs and services offered by the City, regardless of their status as a taxpayer. User fees are generally charged when services offered by the City benefit specific individuals instead of the community as a whole. User fees include transit fares, attendance at recreation programs, dog licenses, and building permits. User charges are recognized when earned and measurable.

(v) Recoveries from third parties

Recoveries from third parties are recognized in the financial statements when the City expects to recover costs it has incurred from an external party. There are two types of recovery revenue: restricted and unrestricted. Restricted recovery revenue is recognized as revenue when the corresponding expense is incurred. Unrestricted recovery revenue is recognized when it is earned, measurable and in the period to which it relates.

(vi) Government transfers

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

(vii) Investment income

Investment income is reported as revenue in the year earned. Investment income earned on deferred revenue - obligatory reserve funds is not included in investment income but recognized as a receipt. Receipts are then recognized as obligatory reserve fund revenue when the actual operating or capital expenditures are incurred.

(viii) Penalties and interest

Penalties and interest on taxes are authorized charges that are levied against specific tax payors on outstanding property tax balances. Penalties and interest are recognized as revenue when a charge is levied and added to the property tax receivable balance.

(ix) Development and other contributions applied

The City receives funding from external parties or other levels of government with no contractual or legislated requirements. Funding is recognized as revenue once it is received by the City. The City also receives funding from external parties or other levels of government with specific contractual or legislated requirements. These funds must be set aside as deferred revenue and applied as revenue against operating and capital expenditures as they occur.

(x) Contributed and assumed assets

Tangible capital assets received as contributions are recorded at their fair market value on the date of receipt. The contributions are recorded as contributed and assumed assets in the Consolidated Statement of Operations.

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(xi) Other revenue

Other revenue that is restricted is recognized when the corresponding expenses are incurred. Other revenue that is not restricted is recognized when earned and in the period to which it relates.

x) Future accounting pronouncements

These standards and amendments were not effective for the year ended December 31, 2024 and have therefore not been applied to these Consolidated Financial Statements. Management is currently assessing the impact of the following accounting standards updates on the future Consolidated Financial Statements.

(i) PS 1202 - Financial Statement Presentation was approved in March 2023. This standard supersedes PS 1201 - Financial Statement Presentation and covers a new conceptual framework and reporting model. Prior period amounts would need to be restated to conform to the presentation requirements for comparative financial information. This standard is effective for fiscal years beginning on or after April 1, 2026 (the first effective year for the City is being the year ending December 31, 2027).

(ii) PS 3251 - Employee Benefits will replace PS 3250 - Retirement Benefits and PS 3255 - Post-employment Benefits, Compensated Absences and Termination Benefits. The proposed standard is currently undergoing discussions where further changes are expected as a result of the re-exposure comments. Effective date is currently not determined.

2. Change in Accounting Policies

a) PS 3160

On January 1, 2024, the City adopted 3160 – Public Private Partnerships ("P3"). This new accounting standard identifies requirements on how to account for and disclose transactions in which public sector entities procure major infrastructure assets and/or services from private sector entities. Recognition of assets arising from P3 arrangements is ultimately dependent on whether public sector entities control the purpose and use of the assets, access to the future economic benefits and exposure to the risks associated with the assets, and significant residual interest in the asset, if any, at the end of the P3 term. Measurement of the asset and related liability will also be dependent on the overall model used to compensate the private sector entity. The City adopted the standard prospectively. The implementation of this new standard did not result in identification of transactions that would meet the definition of P3.

b) PS 3400

On January 1, 2024, the City adopted 3400 – Revenue. This new accounting standard establishes how to account for and report on revenue. Specifically, it differentiates between revenue arising from transactions that include performance obligations and those that do not. Adoption of this standard has resulted in changes in the timing of revenue recognition for certain revenue streams such as licences and permits. The City will recognize revenue from these exchange transactions when it satisfies its performance obligations. The City adopted the standard prospectively resulting in an immaterial adjustment to decrease user charges and increase deferred revenue – general for the year ended December 31, 2024.

c) Public Sector Guideline 8

On January 1, 2024, the City adopted Public Sector Guideline 8 – Purchased Intangibles. This new guideline allows public sector entities to recognize intangibles purchased through an exchange transaction. The City adopted the standard prospectively. The implementation of this new standard did not result in identification of assets that would meet the definition of purchases intangibles.

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3. Property Taxes Receivable and Accounts Receivable

Property taxes receivable are reported net of valuation allowances of \$355 (2023 \$274). Accounts receivable are reported net of a valuation allowance of \$550 (2023 \$609) and comprises the following:

	2024	2023
Government of Canada	35,944	75,617
Government of Ontario	18,172	74,842
Other municipalities	22,941	22,796
School boards	289	4,139
Other	34,618	23,554
Less: valuation allowance	550	609
Total Accounts Receivable	111,414	200,339

4. Investments

Investments reported on the Consolidated Statement of Financial Position have cost and market values as follows:

	2024		2023	
	Cost	Market Value	Cost	Market Value
Government and government guaranteed bonds	1,485,958	1,343,823	1,246,175	1,096,491
Municipal bonds	274,114	243,308	263,394	231,445
Total	1,760,072	1,587,131	1,509,569	1,327,936

As at December 31, 2024, the City's investments measured at amortized cost exceed market value, representing a temporary decline in market value but no decline in the amortized cost value reported. There is no impairment due to the low-risk nature of the investments, the high credit ratings of the issuers, and the City's intention to hold these investments to their maturities.

5. Financial Instruments

The City is exposed to some risks through financial instruments (both assets and liabilities), including credit risk, liquidity risk and market risk. The following provides insights into the various risk exposures:

a) Credit risk

Credit risk is the risk that one party to a financial instrument (asset or liability) will cause a financial loss to the other party through the failure to discharge the obligations under the covenants of the financial instrument.

The City is exposed to credit risk in the event of non-payment by external parties. The City's credit risk is primarily attributable to its receivables. The amounts disclosed in the Consolidated Statement of Financial Position are net of an allowance for doubtful accounts, estimated by City management based on collection expectation, and their assessment of the current economic environment. The City does not have any significant past-due accounts that are not provided for.

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b) Liquidity risk

Liquidity risk is the risk that the City will encounter difficulty in meeting its financial obligations associated with its financial liabilities. The City mitigates its exposure to liquidity risk through the monitoring of cash flows relative to operational needs. The City's levels of cash, expected cash, and short-term investments provide liquidity for its operations. The City further mitigates liquidity risk through access to an operational line of credit \$250,000 (2023 \$250,000).

c) Market risk

Market risk is risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises interest rate risk, currency risk and price risk.

(i) Interest rate risk

Interest rate risk is the risk that future cash flows of a financial instrument (asset or liability) will fluctuate because of changes in market interest rates. The City is exposed to interest rate risk on its short- and long-term investments and long-term debt, all of which are regularly monitored. The City has only issued serial debt with fixed interest rate terms to help mitigate risk. The City does not have outstanding debt subject to variable interest rates. The City has access to an operational line of credit with a variable interest rate. The balance drawn from this line of credit is \$nil as of December 31, 2024 (2023 \$nil).

(ii) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The City is exposed to currency risk through maintaining cash balances of foreign currency used in its operations. The City mitigates this risk through cash flow monitoring of operational needs, and purchasing foreign currency only as needed to settle financial liabilities. The City holds its foreign currency balances only as needed in chartered bank accounts and reflects the balances in Canadian dollars in the Consolidated Financial Statements.

(iii) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk).

The City mitigates price risk through fixed pricing procurement contracts. The City also mitigates price risk by maintaining low-risk bearing investment portfolio holdings that are assigned high credit ratings by national credit rating agencies.

6. Investment in Enersource Corporation

The City has a 90 per cent interest in Enersource Corporation (the "Corporation") which is accounted for on the modified equity basis in these Consolidated Financial Statements.

Enersource is a company whose principal business activities are to hold the shareholders' equity interest in Alectra, receive dividends from Alectra, service its debt and distribute dividends to its shareholders annually. The City is a 90 per cent shareholder in Enersource. Alectra's primary businesses are to distribute electricity to customers in the Greater Golden Horseshoe Area, as well as provide non-regulated energy services. As at December 31, 2024, Enersource's interest in Alectra was 29.57 per cent (2023 29.57 per cent).

Enersource's Financial Statements are prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

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The following table provides condensed financial information for Enersource Corporation for its 2024 fiscal year, together with comparative figures for 2023:

Financial Position	2024	2023
Assets		
Current	6,173	6,184
Investment in Alectra	643,403	617,397
Other	99	344
Total Assets	649,675	623,925
Liabilities		
Current	2,804	2,541
Non-current	38,125	40,625
Total Liabilities	40,929	43,166
Shareholders' Equity		
Share capital	175,691	175,691
Accumulated other comprehensive income/(loss)	2,557	1,847
Retained earnings	430,498	403,221
Total Shareholders' Equity	608,746	580,759
Total Liabilities and Shareholders' Equity	649,675	623,925
Results of Operations and Non-Operations		
Revenue	49,414	42,560
Expenses (including income tax provision)	2,137	2,389
Net Income	47,277	40,171
Other comprehensive income	710	(325)
Total comprehensive income	47,987	39,846
City's share of net income in Enersource Corporation	42,549	36,153

During the year, the City received a dividend of \$18,000 (2023 \$18,594) declared by Enersource Corporation.

The City's investment in Enersource Corporation is reflected in the following table for its 2024 fiscal year, together with comparative figures for 2023:

Investment in Enersource Corporation	2024	2023
Opening balance, beginning of year	522,683	505,416
City's share of net income in Enersource Corporation	42,549	36,153
City's share of other comprehensive income	640	(292)
Dividend received	(18,000)	(18,594)
Closing Balance, end of year	547,872	522,683

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7. Deferred Revenue - General

Deferred revenue - general is licence, permit and other fees which have been collected, but for which the related services have yet to be performed. These amounts will be recognized as revenue in the fiscal year the services are performed. Deferred revenue - general also includes the balance of the reserve funds used to fund the City's long-term disability benefit program. The balance comprises premiums paid by employees and the City, less claims paid during the year.

Deferred revenue - general comprises the following:

	2024	2023
Deferred advance sales	22,435	22,725
Deferred grants	224	2,019
Deferred building and development fees	18,609	19
Deferred other contributions	1,808	1,214
Long-term disability contributions	20,674	10,303
Total Deferred Revenue - General	63,750	36,280

8. Deferred Revenue - Obligatory Reserve Funds

Revenue received that has been set aside for specific purposes by provincial legislation or third-party agreements and is included in deferred revenue - obligatory reserve funds and reported on the Consolidated Statement of Financial Position. In the schedule below, \$24,475 of investment earnings (2023 \$23,065) are included in the interest applied balances.

	2024	2023
Development Charges	410,972	413,797
Cash-in-lieu (CIL) Parkland	206,148	170,073
CIL Parking	2,566	7,169
Community Benefit Charges	15,545	12,405
Provincial Gas Tax	45,771	40,159
Canada Community-Building Fund	124,583	160,577
Provincial Public Transit Funds	8,053	8,040
Federal Public Transit Funds	5,450	5,503
Housing Accelerator Fund	30,484	28,426
Bonus Zoning	14,817	12,980
Total Deferred Revenue - Obligatory Reserve Funds	864,389	859,129

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The following continuity schedule shows the inflows and outflows through the deferred revenue - obligatory reserve funds from the start to the end of the year:

Source	Opening Balance	Receipts	Interest Applied	Recognized as Revenue	Closing Balance
Development Charges	413,797	41,023	6,879	50,727	410,972
CIL Parkland	170,073	77,131	9,957	51,013	206,148
CIL Parking	7,169	-	296	4,899	2,566
Community Benefit Charges	12,405	2,008	1,132	-	15,545
Provincial Gas Tax	40,159	23,363	3,440	21,191	45,771
Canada Community-Building Fund	160,577	41,665	(150)	77,509	124,583
Provincial Public Transit Funds	8,040	-	16	3	8,053
Federal Public Transit Funds	5,503	-	8	61	5,450
Housing Accelerator Fund	28,426	(30)	2,306	218	30,484
Bonus Zoning	12,980	2,574	591	1,328	14,817
Total	859,129	187,734	24,475	206,949	864,389

The development and other contributions applied value (\$209,188) noted in the Consolidated Statement of Operations includes the recognized as revenue value shown in the continuity schedule above (\$206,949).

During the year the City received unrestricted contributions from developers in the amount of \$2,239 (2023 \$10,472). These developer contributions are recognized as revenue in the year received and reported in the Consolidated Statement of Operations as part of development and other contributions applied.

Deferred revenue - obligatory reserve fund balances are broken down between committed and uncommitted funds to help identify available funds for future projects. The committed balances represent approved planned spending through the City's capital budget that will be recognized as revenue in the Statement of Operations and accumulated surplus as expenses are incurred.

Name	Committed Funds	Uncommitted Funds	Total
Development Charges	215,891	195,081	410,972
CIL Parkland	66,382	139,766	206,148
CIL Parking	6,703	(4,137)	2,566
Community Benefit Charges	-	15,545	15,545
Provincial Gas Tax	10,065	35,706	45,771
Canada Community-Building Fund	93,273	31,310	124,583
Provincial Public Transit Funds	7,855	198	8,053
Federal Public Transit Funds	5,324	126	5,450
Housing Accelerator Fund	(18)	30,502	30,484
Bonus Zoning	6,440	8,377	14,817
Total	411,915	452,474	864,389

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9. Employee Benefits and Other Liabilities

Employee benefits and other liabilities, reported on the Consolidated Statement of Financial Position, are made up of the following:

	2024	2023
Workplace Safety and Insurance Board (WSIB)	56,140	49,689
Sick leave benefits	23,187	22,363
Early retirement benefits	47,179	45,712
Post-employment benefits	16,015	14,294
Long-term disability benefits	13,764	8,440
Vacation pay	38,011	34,317
Lot levy credits	50,268	41,140
Contaminated sites	1,601	5,484
Other liabilities	35,874	37,169
Total	282,039	258,608

Information about liabilities for defined benefit plans is as follows:

	WSIB	Sick Leave	Early Retirement	Post- Employment	Long- Term Disability	2024 Total	2023 Total
Accrued Benefit Liability, beginning of year	49,689	22,363	45,712	14,294	8,440	140,498	120,966
Service cost	8,999	1,704	1,824	3,446	5,415	21,388	12,764
Interest cost	3,072	1,183	2,094	498	542	7,389	4,739
Amortization of actuarial (gain)/loss	2,123	889	(112)	(1,013)	-	1,887	1,651
Benefit payments	(8,344)	(2,952)	(2,339)	(1,210)	(633)	(15,478)	(11,237)
Increase due to survivor claims/plan amendments	601	-	-	-	-	601	11,615
Accrued Benefit Liability, end of year	56,140	23,187	47,179	16,015	13,764	156,285	140,498
Unamortized actuarial (gain)/loss	12,522	2,285	(1,264)	(3,917)	-	9,626	3,031
Actuarial Valuation Update, end of year	68,662	25,472	45,915	12,098	13,764	165,911	143,529
Expected average remaining service life	11 yrs	3 yrs	13 yrs	8 yrs	8 yrs		

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

	WSIB	Sick Leave	Early Retirement	Post- Employment - Health and Dental	Post- Employment - Life Insurance	Long-Term Disability
Expected inflation rate	2.00 %	2.00 %	2.00 %	2.00 %	1.75 %	2.00 %
Expected level of salary increases	N/A	3.00 %	3.00 %	3.00 %	2.75 %	3.00 %
Interest discount rate	4.75 %	4.75 %	4.75 %	4.75 %	3.25 %	5.00 %
Expected health care increases	4.00 %	N/A	5.33 %	5.75 %	N/A	N/A

a) The City has elected to be a Schedule 2 employer under the provisions of the WSIB, and remits payments to WSIB only as required to fund disability payments. An independent actuarial valuation of this obligation was completed in December 2024, in accordance with the accounting standards established by PSAB and with liability extrapolations for 2024, 2025 and 2026.

b) Sick leave benefits accrue for certain employees of the City and are paid out either on approved retirement, termination or death. The accrued benefit obligation and the net periodic benefit cost were determined by an independent actuarial valuation completed in December 2023, in accordance with the accounting standards established by PSAB and with liability extrapolations for 2024, 2025 and 2026.

c) Early retirement benefits are representative of the City's share of the cost to provide certain employees with extended benefits upon early retirement. The accrued benefit obligation and the net periodic benefit cost were determined by an independent actuarial valuation completed in December 2023, in accordance with the accounting standards established by PSAB and with liability extrapolations for 2024, 2025 and 2026.

d) Post-employment benefits are paid on behalf of any employee on long-term disability. The accrued benefit obligation and the net periodic cost were determined by an independent actuarial valuation completed in December 2023, in accordance with the accounting standards established by PSAB and with liability extrapolations for 2024, 2025 and 2026.

e) In January 2023, the City adopted a self-insured arrangement for its long-term disability benefit program. Under this arrangement, the City funds its own claims through segregated reserve funds and contracts with an insurance carrier to adjudicate and administer all claims on an administrative services-only basis. An independent actuarial valuation, dated December 2023, estimates the liability for the claims incurred to be \$13,764 (2023 \$8,440) as at December 31, 2023, which is reported in the Consolidated Statement of Financial Position. Liability extrapolations were completed for 2024, 2025, and 2026.

f) Vacation pay entitlements are accrued for as earned by the employee. Values are derived by the employees' current wage rate and vacation entitlement, unless specified otherwise in employment contracts or union agreements.

g) Developer charges credits are liabilities and obligations that arise through the *Development Charges Act, 1997*. For the year ended December 31, 2024, the developer charge credit liability is \$50,268 (2023 \$41,140).

h) The City is responsible for the remediation of contaminated sites that are no longer in productive use where the City is directly responsible or has accepted responsibility for remediation. A provision for future clean-up costs and monitoring has been accrued based on environmental assessments.

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The liability for contaminated sites includes sites associated with former industrial operations. The nature of contamination generally includes, but is not limited to, metals, petroleum hydrocarbons and polycyclic aromatic hydrocarbons. The sources of the contamination include, but are not limited to, activities related to historical operations (such as a former industrial or commercial operation) and non-sanctioned activities on City lands. Sites can often have multiple sources of contamination.

From time to time, there may be uncertainty as to whether the City has a legal responsibility or accepts responsibility for a contaminated site, or whether economic benefits will be foregone for a contaminated site. It is not expected that the impact of any such sites would have a material impact on the Consolidated Financial Statements. When the City is able to determine that all inclusion criteria have been met, the City will accrue a liability for these future remediation costs. As at December 31, 2024, the amount of estimated recoveries is \$nil (2023 \$nil).

i) Other liabilities comprises legal and insurance liabilities and are accrued as the liability is determined.

10. OMERS

The City makes contributions to OMERS, a multi-employer plan, on behalf of 5,831 employees. The plan is a defined benefit plan which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay.

Contributions for employees with a normal retirement age of 65 are being made at a rate of 9.0 per cent for earnings up to the annual maximum pensionable earnings of \$68,500 and at a rate of 14.6 per cent for earnings greater than the annual maximum pensionable earnings. Contributions for employees with a normal retirement age of 60 (firefighters) are being made at a rate of 9.2 per cent up to the annual maximum pensionable earnings of \$68,500 and at a rate of 15.8 per cent for earnings greater than the annual maximum pensionable earnings.

The amount contributed to OMERS for 2024 was \$48,217 (2023 \$45,287) for current service and is included as an expense on the Consolidated Statement of Operations. Employees' contributions to OMERS in 2024 totalled \$48,218 (2023 \$45,445).

The City is current with all payments to OMERS; therefore, there is neither a surplus nor deficit with the pension plan contributions. The pension plan's funding deficit at OMERS in 2024 increased to \$2.9 billion (2023 \$4.2 billion).

OMERS has held contributions for both employees and employers in 2024 at the 2016 rates for employees with a normal retirement age of 65 and for employees and employers with a normal retirement age of 60 (firefighters). If actuarial surpluses are not available to offset the existing deficit and subsidize future contributions, additional increases in the contributions may be required.

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11. Asset Retirement Obligation

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

a) Buildings

The City owns and operates several buildings that are known to have asbestos, which represents a health hazard upon demolition of the building and 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 buildings as estimated at January 1, 2022.

b) Lease agreements

The City leases real property and facility space with requirements to return the property to the original condition, which represents a legal obligation to remediate or restore at the end of the lease term. Following the adoption of PS 3280 - Asset Retirement Obligations, the City recognized an obligation relating to the restoration and remediation of leased space as estimated at January 1, 2022.

c) Fuel tank and ammonia systems

The City owns and operates fuel tanks and ammonia systems which have regulated lifecycle activities, including removal and replacement. The regulated activities represent an obligation to remove the fuel tanks and ammonia systems at the end of their useful life. Following the adoption of PS 3280 - Asset Retirement Obligations, the City recognized an obligation relating to the remediation of the fuel tank and ammonia systems as estimated at January 1, 2022.

Changes to the asset retirement obligation in 2024 are as follows:

Asset Retirement Obligation	2024			
	Buildings	Lease agreements	Fuel tank and ammonia systems	Total
Opening balance	8,639	3,552	2,784	14,975
Obligation incurred in year	263	71	-	334
Obligation settled in year	(228)	(26)	-	(254)
Accretion of asset retirement obligations	304	63	80	447
Change in estimate	1,889	-	-	1,889
Closing balance	10,867	3,660	2,864	17,391

Asset Retirement Obligation	2023			
	Buildings	Lease agreements	Fuel tank and ammonia systems	Total
Opening balance	6,994	3,594	2,756	13,344
Obligation incurred in year	1,417	-	-	1,417
Obligation settled in year	(64)	(139)	-	(203)
Accretion of asset retirement obligations	292	97	28	417
Closing balance	8,639	3,552	2,784	14,975

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12. Long-Term Debt

All of the City's long-term debt is acquired through the Region of Peel. In 2024, the City acquired new debt of \$90,000 (2023 \$nil), changing the debt balance to \$260,745 (2023 \$208,040) on the Consolidated Statement of Financial Position. The following table summarizes outstanding principal payments along with their respective interest rates and maturity dates:

Debt Series	Interest Rate	Maturity Date	Principal Amount	Outstanding Principal	
				2024	2023
2014	1.20%-3.30%	June 10, 2024	36,607	-	3,000
2015	0.95%-2.40%	August 20, 2025	40,000	4,000	8,000
2016	1.15%-2.50%	June 1, 2026	37,584	8,500	12,000
2017	1.70%-3.00%	September 28, 2027	38,853	12,000	15,500
2018	1.80%-3.05%	March 27, 2028	46,270	17,145	21,140
2019	1.90%-2.25%	October 15, 2029	48,150	25,000	30,000
2021-1	0.25%-1.50%	February 17, 2031	43,000	30,100	34,400
2021-2	0.08%-2.30%	November 8, 2031	47,000	34,000	39,000
2022	1.45%-2.75%	March 7, 2032	50,000	40,000	45,000
2024-1	3.77%	October 29, 2034	40,000	40,000	-
2024-2	4.34%	October 29, 2044	50,000	50,000	-
Total				260,745	208,040

There was no debt issued in 2020 or 2023.

Interest and issuance costs for the year consisted of the following:

	2024	2023
Interest expense on debt	4,701	4,827
Debt issuance costs	265	207
Total	4,966	5,034

Debt issuance has been approved by Council by-law. The annual principal and interest payments required to service this liability are within the annual debt repayment limit prescribed by the Ministry of Municipal Affairs and Housing and the City's Debt Management Policy.

Principal and interest payments are repayable annually, as follows:

	Principal Contributions	Interest	Total
2025	39,363	7,174	46,537
2026	37,180	6,237	43,417
2027	34,010	5,396	39,406
2028	29,356	4,533	33,889
2029	25,106	3,857	28,963
Thereafter	95,730	19,029	114,759
Total	260,745	46,226	306,971

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13. Tangible Capital Assets

a) Assets under construction

Assets under construction having a value of \$237,064 (2023 \$155,970) have not been amortized. Amortization of these assets will commence when the asset is put into service.

b) Contributed and assumed assets

Contributed and assumed assets have been recognized at fair market value at the date of contribution. The gross value of contributed and assumed assets received during the year is \$584,165 (2023 \$60,557) comprising infrastructure in the amount of \$1,250 (2023 \$15,368), equipment in the amount of \$nil (2023 \$453), land in the amount of \$577,366 (2023 \$31,266), vehicles in the amount of \$113 (2023 \$nil) and buildings in the amount of \$5,478 (2023 \$13,470). Contributed assets of \$584,165 (2023 \$60,379) includes a net adjustment decrease of \$41 (2023 decrease of \$178) resulting from changes to land ownership between the City and other entities.

c) Works of art and historical treasures

The City owns both works of art and historical treasures at various City-owned facilities such as the Benares and Bradley museums and the Mississauga Art Gallery. These assets are deemed worthy of preservation because of the social (rather than financial) benefits they provide to the community. These assets are not recorded as tangible capital assets and are not amortized.

d) Write-down of tangible capital assets

The write-down of tangible capital assets during the year was \$66 (2023 \$94), mainly due to replacing tangible capital assets that were near the end of their useful lives. The value of write-down on tangible capital assets is recorded within disposal of tangible capital assets, which totals \$215,931.

e) Disposal of tangible capital assets

The costs of assets under construction of \$156,836 (2023 \$155,970) are excluded in calculating the (gain)/loss on disposal of tangible capital assets. The write-down value of tangible capital assets was \$66 (2023 \$94) and is included in the total disposal of tangible capital assets. Asset purchase costs of \$140,189 (2023 \$134,246) include land \$nil; buildings \$1,532; land improvements \$1,000; equipment \$47,235; linear transportation \$83,322 and vehicles \$7,100, less the accumulated amortization of \$139,693 (2023 \$119,999) and proceeds of \$1,223 (2023 \$3,490) which resulted in a gain on disposal of \$871 (2023 loss on disposal of \$10,723).

f) Interest capitalization

The City does not capitalize interest costs associated with the acquisition or construction of a tangible capital asset. Rather, the interest costs are expensed within normal operations.

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Tangible Capital Assets Cost	December 31, 2023	Additions	Disposals	December 31, 2024
Land	5,523,577	613,399	-	6,136,976
Land improvements	286,676	15,271	1,000	300,947
Buildings	1,339,502	61,603	1,532	1,399,573
Equipment, books and other	391,302	37,249	47,235	381,316
Linear - storm drainage	969,641	10,360	-	980,001
Linear - transportation	2,454,161	79,066	83,322	2,449,905
Vehicles	433,704	28,042	7,100	454,646
Assets under construction	155,970	156,836	75,742	237,064
Total	11,554,533	1,001,826	215,931	12,340,428

Included in the additions of \$1,001,826 (2023 \$577,173) are contributed assets of \$584,165 (2023 \$60,379).

Tangible Capital Assets Accumulated Amortization	December 31, 2023	Amortization Expense	Disposals	December 31, 2024
Land improvements	151,306	11,358	915	161,749
Buildings	538,114	39,769	1,381	576,502
Equipment, books and other	259,667	28,809	47,221	241,255
Linear - storm drainage	290,699	9,505	-	300,204
Linear - transportation	1,238,355	52,012	83,085	1,207,282
Vehicles	187,590	27,556	7,091	208,055
Total	2,665,731	169,009	139,693	2,695,047

Tangible Capital Assets Net Book Value	December 31, 2023	December 31, 2024
Land	5,523,577	6,136,977
Land improvements	135,370	139,199
Buildings	801,388	823,071
Equipment, books and other	131,635	140,060
Linear - storm drainage	678,942	679,796
Linear - transportation	1,215,806	1,242,623
Vehicles	246,114	246,592
Assets under construction	155,970	237,064
Total	8,888,802	9,645,382

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Notes to Consolidated Financial Statements
For the Year Ended December 31, 2024
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14. Accumulated Surplus

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

	2024	2023
Surplus		
Tangible capital assets	9,645,382	8,888,802
Employee benefits and other liabilities	(282,039)	(258,608)
Long-term debt	(260,745)	(208,040)
Investment in Enersource	547,872	522,683
Asset retirement obligation	(17,391)	(14,975)
Total Surplus	9,633,079	8,929,862
Discretionary Reserves		
Fiscal Stability Reserve	62,368	45,570
Operating Reserves	52,604	70,909
Stormwater Fiscal Stability Reserve	6,245	6,007
BIA Reserves	745	571
Total Discretionary Reserves	121,962	123,057
Discretionary Reserve Funds		
Tax Reserve Funds	517,784	427,976
Stormwater Reserve Funds	198,157	170,047
Lot Levy Reserve Funds	57,207	52,907
Insurance Reserve Funds	37,056	39,610
Employee Benefits Reserve Funds	22,421	26,189
Developer Contributions Reserve Funds	36,045	36,946
Other Reserve Funds	61,746	47,221
Total Discretionary Reserve Funds	930,416	800,896
	10,685,457	9,853,815
Accumulated surplus	10,685,110	9,854,107
Accumulated remeasurement gain/(loss)	347	(292)
	10,685,457	9,853,815

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The following reserve and reserve fund balances are broken down between committed and uncommitted funds to help identify the funds available for future projects. The committed balances represent approved planned spending through the City's capital budget.

Discretionary Reserves	Committed Funds	Uncommitted Funds	Total
Fiscal Stability Reserve	2,581	59,787	62,368
Operating Reserves	1,329	51,275	52,604
Stormwater Fiscal Stability Reserve	-	6,245	6,245
BIA Reserves	-	745	745
Total	3,910	118,052	121,962

Discretionary Reserve Funds	Committed Funds	Uncommitted Funds	Total
Tax Reserve Funds	340,302	177,482	517,784
Stormwater Reserve Funds	119,609	78,548	198,157
Lot Levy Reserve Funds	-	57,207	57,207
Insurance Reserve Funds	-	37,056	37,056
Employee Benefits Reserve Funds	-	22,421	22,421
Developer Contributions Reserve Funds	203	35,842	36,045
Other Reserve Funds	3,087	58,659	61,746
Total	463,201	467,215	930,416

15. Property Taxes

Property tax revenue is recorded at the time tax billings are issued. Additional property tax revenue can be added throughout the year (that are related to new properties that become occupied or that become subject to property tax), and after the return of the annual assessment roll used for billing purposes. The City may receive supplementary assessment rolls over the course of the year from MPAC that identify new or omitted assessments. Property taxes for these supplementary and/or omitted amounts are then billed according to the approved tax rate for the property class. Property tax revenue, reported on the Consolidated Statement of Operations, is made up of the following:

	2024	2023
City, Region, and school boards taxation	2,116,262	1,969,876
Payments to the Region and school boards	(1,426,331)	(1,330,063)
Net Property Taxes Available for Municipal Purposes	689,931	639,813

16. Trust Funds

Trust funds administered by the City amounting to \$1,120 (2023 \$1,112) have not been included in the Consolidated Statement of Financial Position, nor have their operations been included in the Consolidated Statement of Operations. The Trust Funds category comprises net financial assets and accumulated surplus for Care and Maintenance Funds of \$1,120 (2023 \$1,112).

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17. Contingent Liabilities and Guarantee

As at December 31, 2024, the City has been named as defendant or co-defendant in a number of outstanding legal actions. No provision has been made for any claims that are expected to be covered by insurance or where the consequences are undeterminable. Where the claims are not expected to be covered by insurance and where management has assessed exposure as being likely (and is able to reasonably assess the exposure), an amount is provided for in these Consolidated Financial Statements.

On February 1, 2017, Enersource Corporation became a shareholder of Alectra, an entity created through the merger of certain hydro holding companies. The transactions included Enersource Corporation exchanging all of its ownership in its operating companies for this ownership in the newly created, merged entity of Alectra. Included in these transactions and as of the same date, the City entered into an arrangement to provide \$70,000 of loan guarantees to Enersource Corporation. The secured bank loan balance as at December 31, 2024 is \$40,625 (2023 \$43,125). Enersource Corporation's obligations are in good standing and no loss has been recognized by the City.

18. Segmented Information

The segmented information is provided in accordance with the financial reporting guidelines established by PS 2700 - Segment Disclosures. Segmented information has been identified based on lines of service provided by the City. City services are provided by departments and their activities are reported by functional areas in the Consolidated Statement of Operations. Functional areas are determined by the Financial Information Return, a standardized reporting requirement of a municipality's financial activities in the fiscal year under the *Municipal Act, 2001*.

Certain allocation methodologies are employed in the preparation of segmented financial information. User charges and other revenue has been allocated to the segments based upon the segment that generated the revenue. Government transfers have been allocated to the segment based on the purpose for which the transfer was made.

Property taxes are reflected under General Government Services and not segmented based upon functional lines of service provided by the City. Property taxes are allocated to the City's services based on the adopted 2024 operating budget. The adopted budget outlines how and where public resources will be spent, including the established framework for services, the way they will be provided, and how they will be funded.

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.

Certain lines of service that have been separately disclosed in the segmented information, along with the services they provide, are as follows:

a) General Government Services

The General Government Services segment comprises the following: administering by-laws and policies; levying taxes; keeping the organization safely, fairly, and inclusively staffed; acquiring, managing, and maintaining City assets; connecting and communicating with people; supporting technology; ensuring effective financial management, planning and budgeting; monitoring financial and operating performance; ensuring that high quality City service standards are met; and serving Mississauga residents and taxpayers.

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b) Protection Services

The Protection Services segment comprises the following: fire and emergency services (including fire suppression), fire prevention programs, fire inspection, by-law enforcement, animal control, vehicle and business licensing, security services, and Provincial Offences Administration (POA).

c) Transportation Services

The Transportation Services segment comprises the following: road services including road maintenance, public works, street cleaning, traffic operations, planning, engineering and development, winter maintenance control, transit, and street lighting.

d) Environmental Services

The Environmental Services segment comprises primarily storm sewer services. The City's stormwater program manages the overall health and maintenance of creeks, rivers, and water channels in Mississauga. Water and sanitary sewer services are provided by the Region of Peel.

e) Health Services

The Health Services segment consists of the maintenance and operation of City-owned cemeteries.

f) Social and Family Services

The Social and Family Services segment comprises primarily assistance to older adults. While Social and Family Services is handled directly by the Region of Peel, the City does offer some programs and services to support and aid seniors in Mississauga.

g) Recreation and Cultural Services

The Recreation and Cultural Services segment comprises the following: parks, forestry and environment, recreation programs and facilities, marinas and golf courses, libraries, museums, the Living Arts Centre, and other cultural services and activities.

h) Planning and Development Services

The Planning and Development Services segment comprises the following areas: planning and zoning, commercial and industrial developments, and City planning strategies. Planning and Development Services manages urban development for business interests, environmental concerns, heritage matters, local neighbourhoods and the downtown area through City planning and community development.

i) Other

The Other segment comprises revenue recognized from reserve funds, including direct contributions and interest income.

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Segmented by Financial Information Return

	General Government Services	Protection Services	Transportation Services	Environmental Services	Health Services	Social and Family Services	Recreation and Cultural Services	Planning and Development Services	Other	2024 Total	2023 Total
Revenue											
Property taxes	687,774	-	-	-	-	-	-	2,157	-	689,931	639,813
Payment in lieu of taxes	30,809	-	-	-	-	-	-	-	-	30,809	15,295
Municipal Accommodation Tax	11,654	-	-	-	-	-	11,509	-	-	23,163	16,195
User charges	4,621	27,723	139,305	48,600	88	121	63,859	1,293	-	285,610	260,313
Recoveries from third parties	2,170	1,101	32,724	7	42	-	8,916	133	-	45,093	161,883
Funding transfers from other governments	106	60	20	-	-	-	2,137	516	-	2,839	3,868
Development and other contributions applied	29,620	9,865	75,784	2,723	-	-	88,704	263	2,229	209,188	138,026
Investment income	14,474	-	-	-	-	-	6	49	26,131	40,660	39,755
Penalties and interest on taxes	18,687	-	-	-	-	-	-	-	-	18,687	17,152
Contributed and assumed assets	584,165	-	-	-	-	-	-	-	-	584,165	60,379
Other	472	78	135	-	-	27	763	35	-	1,510	1,011
City's share of net income in Enersource Corporation	42,549	-	-	-	-	-	-	-	-	42,549	36,153
Total Revenue	1,427,101	38,827	247,968	51,330	130	148	175,894	4,446	28,360	1,974,204	1,389,843

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	General Government Services	Protection Services	Transportation Services	Environmental Services	Health Services	Social and Family Services	Recreation and Cultural Services	Planning and Development Services	Other	2024 Total	2023 Total
Expenses											
Salaries, wages and employee benefits	144,008	151,869	218,804	7,508	689	184	127,437	24,811	-	675,310	622,024
Long-term debt interest and fees	1,128	275	2,185	34	-	-	1,142	202	-	4,966	5,034
Materials and supplies	3,916	4,874	47,836	17	39	10	12,730	3,158	-	72,580	76,351
Contracted services	11,787	1,915	65,634	4,598	109	1	21,334	5,234	-	110,612	109,017
Rents and financial expenses	43,340	4,963	24,623	2,462	26	2	27,373	1,089	-	103,878	87,584
External transfers to others	-	1	-	2,118	-	31	4,838	139	-	7,127	5,872
(Gain)/loss on disposal of tangible capital assets	(39)	(65)	(775)	-	-	-	(8)	16	-	(871)	10,723
Amortization of tangible capital assets	22,623	6,978	84,371	9,512	47	121	30,660	14,694	-	169,006	165,679
Accretion of asset retirement obligations	31	1	92	-	-	28	244	51	-	447	417
Loss on disposal of asset retirement obligation	146	-	-	-	-	-	-	-	-	146	34
Total Expenses	226,940	170,811	442,770	26,249	910	377	225,750	49,394	-	1,143,201	1,082,735
Annual Surplus/(Deficit)	1,200,161	(131,984)	(194,802)	25,081	(780)	(229)	(49,856)	(44,948)	28,360	831,003	307,108

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19. Segmented Information by Service Area

Segmented information by service area has been identified based on lines of service provided by the City as presented in the City's Business Plan & Budget document. City services are provided by departments and their activities are reported by service areas. These service areas are not presented in the Consolidated Statement of Operations. Rather, they are reported as an additional note to relate back to the budget presentation. Certain lines of service that have been separately disclosed in the segmented information, along with the services they provide, are as follows:

a) Corporate Transactions

Corporate Transactions accounts for certain operating budget revenue and expense transactions required for the general administration of City finances. These include ongoing operations support; reserves and reserve funds; payments in lieu of taxes and taxation; Citywide sources of revenue; and the Capital Infrastructure & Debt Repayment Levy.

b) Facilities & Property Management

Facilities & Property Management deals with the planning, design and construction, and compliance of new and existing City facilities with consideration for accessibility, space planning and environmental sustainability, and manages the maintenance of existing buildings including operations, energy conservation, asset management, and the safety and security of the public and City staff.

c) Fire & Emergency Services

Fire & Emergency Services is an all-hazards fire department which operates 24 hours a day, 365 days a year. The programming and resource deployment model is designed to reduce, mitigate or eliminate community risk.

d) General Government

General Government comprises eight business areas: Corporate Business Services, Finance, Human Resources, Internal Audit, Legal Services, Legislative Services, the Office of Emergency Management, and Strategic Communications & Initiatives. Together, these areas support diligent business planning and reporting, and keep the City safely, fairly and inclusively staffed and supplied; properly financed and accounted for; legally compliant, transparent and accountable; connected and communicating with people; and innovating and performing at a high standard of efficiency.

e) Information Technology

Information Technology oversees the strategic planning, continuous development, maintenance, and comprehensive management of the City's technology infrastructure, business solutions and digital public services. This service area ensures uninterrupted access to crucial systems, applications, computers, networks, data, internet connectivity supported by the security measures and policies essential for delivering City services, every day of the year, around the clock.

f) Mayor & Members of Council

Mississauga's elected governing Council consists of a mayor and 11 ward councillors. This service area budget includes the salaries and expenses of these elected officials and their support staff. In Ontario, municipal elections take place every four years.

g) Mississauga Library

Mississauga Library operates 18 libraries of various sizes that provide a physical space where people can gather, attend programs, and access the library's collections and services. The library runs thousands of free

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programs a year for all demographics, operates four permanent makerspaces, has thousands of electronic resources available, and operates the Open Window Hub which supports at-risk residents from across the city.

h) Parks, Forestry & Environment

Parks, Forestry & Environment conserves and protects the natural environment and the City's heritage properties and artifact collection, and plans, develops and operates great outdoor public spaces to make healthy and happy communities. The service area is responsible for public art, leads the City's Indigenous relations, and aims to meet the open space and outdoor recreational needs of the community while also driving environmental sustainability and climate action.

i) Planning & Building

Planning & Building facilitates the City's physical and economic development to ensure the health, safety, and well-being of the public and business community. This includes strategic, long-term and community land use planning; creating urban design and built form policies and plans; conducting development and design studies; processing development applications and building permits; carrying out building inspections and site inspections; and supporting business start-up, growth and investment.

j) Recreation & Culture

The purpose of Recreation & Culture is to keep Mississauga residents healthy, active, creative and connected in partnership with the community. The service mix is balanced to be responsive to the diverse needs of residents within all Mississauga communities, and includes registration and drop-in programs; facility operations and facility space rentals; banquet and food services; golf course operations and programming; growing Mississauga's creative sector; community partnerships, grants and affiliations; major events; and local community event support.

k) Regulatory Services

Regulatory Services aims to achieve compliance with municipal by-laws and provide services in a safe and professional manner to maintain order, safety and community standards in the city. This includes education on by-laws, pets and wildlife; licensing of businesses, public vehicles and pets; animal investigations, care, adoption and fostering; by-law administration; and enforcement of over 35 by-laws including Zoning, Property Standards, Public Vehicle, Parking, and Animal Care and Control.

l) Roads

Roads plans, develops, constructs, operates, maintains and manages a multi-modal transportation system which efficiently and safely moves people and goods, respects the environment, supports the development of Mississauga as a 21st century city and serves the municipality's social, economic and physical needs.

m) Stormwater

Stormwater plans, develops, constructs, maintains and renews the City's stormwater system which protects property, infrastructure and the natural environment from flooding and erosion and helps to protect water quality.

n) Transit

The purpose of Transit is to plan and deliver a safe, reliable, and efficient travel choice that provides an excellent customer experience. MiWay is Mississauga's transit service, and is Ontario's third-largest municipal transit service. MiWay routes create economical and efficient transportation connections between popular destinations throughout Mississauga and connect with neighbouring transit systems including GO Transit, Toronto Transit Commission (TTC), Brampton Transit, and Oakville Transit.

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o) Revenue by Service Area

The service area budget excludes the budgets for transfers between funds because they are eliminated in the financial statement consolidation.

	Property Tax, PILT and MAT	User charges	Recoveries from third parties	Funding transfers from other governments	Development and other contributions applied	Investment income	Penalties and interest on taxes	Contributed and assumed assets	Other	City's share of net income in Enersource Corporation	2024 Total	2024 Budget	2023 Total
Corporate Transactions	741,746	105	482	-	2,238	40,605	18,608	584,165	472	42,549	1,430,970	219,220	806,767
Facilities & Property Management	-	100	95	105	8,470	-	-	-	-	-	8,770	32,519	19,324
Fire & Emergency Services	-	2,893	686	60	9,864	-	-	-	-	-	13,503	154,105	3,713
General Government	-	14,901	251	-	(51)	-	79	-	24	-	15,204	71,284	14,828
Information Technology	-	68	1,343	-	-	-	-	-	-	-	1,411	37,788	1,296
Mayor & Members of Council	-	-	1	-	-	-	-	-	-	-	1	5,401	-
Mississauga Library	-	840	682	715	293	1	-	-	121	-	2,652	43,135	15,361
Parks, Forestry & Environment	-	8,313	1,165	198	68,601	2	-	-	32	-	78,311	63,566	33,258
Planning & Building	2,157	9,862	2	513	263	49	-	-	36	-	12,882	33,771	18,449
Recreation & Culture	-	56,006	7,778	1,228	19,828	3	-	-	620	-	85,463	121,224	86,989
Regulatory Services	-	19,629	648	-	-	-	-	-	70	-	20,347	21,233	18,782
Roads	-	13,597	9,448	20	70,476	-	-	-	-	-	93,541	127,638	64,608
Stormwater	-	48,476	17	-	2,724	-	-	-	-	-	51,217	49,088	47,402
Transit	-	110,820	22,495	-	26,482	-	-	-	135	-	159,932	317,348	259,066
Total Revenue	743,903	285,610	45,093	2,839	209,188	40,660	18,687	584,165	1,510	42,549	1,974,204	1,297,320	1,389,843

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p) Expenses by Service Area

The service area budget excludes the budgets for transfers between funds because they are eliminated in the financial statement consolidation. An assigned budget for amortization has been included due to the large dollar value.

	Salaries, wages and employee benefits	Long- term debt interest and fees	Materials and supplies	Contracted services	Rents and financial expenses	External transfers to others	(Gain)/loss on disposal of tangible capital assets	Amortization of tangible capital assets	Accretion of asset retirement obligations	Loss on disposal of asset retirement obligation	2024 Total	2024 Budget	2023 Total
Corporate Transactions	38,177	-	2,270	3,756	20,150	727	(39)	-	-	146	65,187	47,497	50,197
Facilities & Property Management	18,751	1,080	294	2,188	10,049	-	-	-	-	-	32,362	30,713	25,999
Fire & Emergency Services	127,654	275	3,941	315	3,672	-	(65)	6,862	1	-	142,655	148,082	137,766
General Government	68,249	-	1,387	10,958	5,396	31	-	22,623	31	-	108,675	99,916	97,383
Information Technology	26,917	48	79	39	12,579	-	-	-	-	-	39,662	39,820	34,961
Mayor & Members of Council	4,248	-	354	-	156	-	-	-	-	-	4,758	5,436	5,259
Mississauga Library	26,935	245	3,317	(748)	2,446	-	-	7,056	13	-	39,264	41,078	47,788
Parks, Forestry & Environment	36,739	202	4,693	17,158	5,381	48	-	14,648	43	-	78,912	63,647	74,394
Planning & Building	27,184	-	2,651	682	1,157	140	16	441	7	-	32,278	32,588	32,161
Recreation & Culture	64,137	896	5,163	5,316	15,237	4,790	(8)	23,377	260	-	119,168	117,482	119,840
Regulatory Services	19,009	-	1,090	721	1,482	-	-	116	-	-	22,418	21,041	21,173
Roads	41,393	1,103	8,712	54,604	1,707	-	(479)	49,574	32	-	156,646	147,701	158,263
Stormwater	5,163	34	14	4,800	2,465	1,391	-	9,512	-	-	23,379	20,610	23,051
Transit	170,754	1,083	38,615	10,823	22,001	-	(296)	34,797	60	-	277,837	249,368	254,500
Total Expenses	675,310	4,966	72,580	110,612	103,878	7,127	(871)	169,006	447	146	1,143,201	1,064,979	1,082,735

The Corporation of the City of Mississauga
Notes to Consolidated Financial Statements
For the Year Ended December 31, 2024
(All dollar amounts are in \$000s)

20. Segmented Information Summary

	General Government Services	Protection Services	Transportation Services	Environmental Services	Health Services	Social and Family Services	Recreation and Cultural Services	Planning and Development Services	Other	2024 Total	2024 Budget
Revenue											
Corporate Transactions	1,391,101	-	-	-	-	-	11,509	-	28,360	1,430,970	219,220
Facilities & Property Management	8,816	-	-	-	-	-	(46)	-	-	8,770	32,519
Fire & Emergency Services	-	13,503	-	-	-	-	-	-	-	13,503	154,105
General Government	4,546	9,655	-	-	-	-	29	974	-	15,204	71,284
Information Technology	1,411	-	-	-	-	-	-	-	-	1,411	37,788
Mayor & Members of Council	1	-	-	-	-	-	-	-	-	1	5,401
Mississauga Library	-	-	-	-	-	-	2,652	-	-	2,652	43,135
Parks, Forestry & Environment	-	-	124	-	130	-	76,990	1,067	-	78,311	63,566
Planning & Building	-	10,374	-	-	-	-	-	2,508	-	12,882	33,771
Recreation & Culture	36	192	430	-	-	148	84,760	(103)	-	85,463	121,224
Regulatory Services	-	5,103	15,244	-	-	-	-	-	-	20,347	21,233
Roads	-	-	93,418	123	-	-	-	-	-	93,541	127,638
Stormwater	-	-	10	51,207	-	-	-	-	-	51,217	49,088
Transit	21,190	-	138,742	-	-	-	-	-	-	159,932	317,348
Total Revenue	1,427,101	38,827	247,968	51,330	130	148	175,894	4,446	28,360	1,974,204	1,297,320

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	General Government Services	Protection Services	Transportation Services	Environmental Services	Health Services	Social and Family Services	Recreation and Cultural Services	Planning and Development Services	Other	2024 Total	2024 Budget
Expenses											
Corporate Transactions	55,107	986	436	727	-	-	7,931	-	-	65,187	47,497
Facilities & Property Management	31,158	-	(362)	-	-	-	1,566	-	-	32,362	30,713
Fire & Emergency Services	1,351	141,303	1	-	-	-	-	-	-	142,655	148,082
General Government	98,463	4,065	-	-	-	31	5,651	465	-	108,675	99,916
Information Technology	35,884	283	1,761	-	-	-	1,734	-	-	39,662	39,820
Mayor & Members of Council	4,758	-	-	-	-	-	-	-	-	4,758	5,436
Mississauga Library	-	-	-	-	-	-	39,264	-	-	39,264	41,078
Parks, Forestry & Environment	-	-	-	-	910	-	51,189	26,813	-	78,912	63,647
Planning & Building	-	10,162	-	-	-	-	-	22,116	-	32,278	32,588
Recreation & Culture	219	188	-	-	-	346	118,415	-	-	119,168	117,482
Regulatory Services	-	13,824	8,594	-	-	-	-	-	-	22,418	21,041
Roads	-	-	154,064	2,582	-	-	-	-	-	156,646	147,701
Stormwater	-	-	439	22,940	-	-	-	-	-	23,379	20,610
Transit	-	-	277,837	-	-	-	-	-	-	277,837	249,368
Total Expenses	226,940	170,811	442,770	26,249	910	377	225,750	49,394	-	1,143,201	1,064,979
Annual Surplus/(Deficit)	1,200,161	(131,984)	(194,802)	25,081	(780)	(229)	(49,856)	(44,948)	28,360	831,003	232,341

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Notes to Consolidated Financial Statements
For the Year Ended December 31, 2024
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21. Budget Data

Budget data presented in these Consolidated Financial Statements is based on the 2024 operating and capital budgets as adopted on December 18, 2023. The table below reconciles the adopted budget, which is developed using a modified accrual basis of accounting, and the budget figures presented in these Consolidated Financial Statements, which are produced using the accrual basis of accounting.

Revenue	2024 Adopted Budget
Adopted operating revenue budget and tax levy	1,187,347
Adjustments:	
In-year budget adjustments	1,651
Final assessment growth	2,510
Contributions from reserves & reserve funds	(85,594)
Obligatory reserve fund revenue applied	81,759
Business Improvement Areas (BIAs) budgeted revenue	2,814
BIA contributions from reserves & reserve funds	(233)
Enersource net income	20,619
Enersource dividend	(17,577)
Tax adjustments reclassified from expense	(6,008)
Adjusted Operating Budget	1,187,288
Approved Capital Budget	531,309
Transfers from reserves & reserve funds and debt proceeds	(531,309)
Capital project revenue and recoveries	94,332
Adjusted Capital Budget	94,332
Discretionary reserve fund investment income	15,700
Adjusted Budget	1,297,320
Expenses	
Adopted operating expense budget	1,188,494
Adjustments:	
In-year budget adjustments	3,012
Contributions to reserves & reserve funds	(249,462)
BIA budgeted expenses	2,737
BIA contributions to reserves & reserve funds	(4)
BIA amortization of tangible capital assets	78
Amortization of tangible capital assets	157,293
Debt principal repayments	(44,735)
Changes in employee benefits and other liabilities	13,574
Tax adjustments reclassified from expense	(6,008)
Adjusted Operating Budget	1,064,979
Approved Capital Budget	531,309
Adjustments:	
Eliminate capital expense budget	(531,309)
Adjusted Budget	1,064,979
Annual Surplus	232,341

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Notes to Consolidated Financial Statements
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22. Expenses by Object

The Consolidated Statement of Operations presents the expenses by function; the following classifies those same expenses by object:

	2024 Budget	2024 Actual	2023 Actual
Salaries, wages and employee benefits	647,142	675,310	622,024
Long-term debt interest and fees	11,436	4,966	5,034
Materials and supplies	76,337	72,580	76,351
Contracted services	73,346	110,612	109,017
Rents and financial expenses	93,416	103,878	87,584
External transfers to others	5,932	7,127	5,872
(Gain)/loss on disposal of tangible capital assets	-	(871)	10,723
Amortization of tangible capital assets	157,370	169,006	165,679
Accretion of asset retirement obligations	-	447	417
Loss on disposal of asset retirement obligation	-	146	34
Total	1,064,979	1,143,201	1,082,735

23. Provincial Offences Administration

The Ministry of the Attorney General in the Province of Ontario requires all municipal partners with Provincial Offences Administration (POA) operations to disclose in the year-end audited financial statements, the gross and net provincial offence revenue earned. The following table provides condensed financial information required by the terms in the Memorandum of Understanding between the City and the Ontario Ministry of the Attorney General:

	2024	2023
Revenue		
Gross revenue	13,356	9,875
Expenses		
Provincial charges	777	734
City's operating expenses	5,562	4,867
Total Expenses	6,339	5,601
Net Contribution	7,017	4,274

The POA financial summary is reported on a gross basis. POA revenue is included within user charges in the Consolidated Statement of Operations and expenses are primarily included within the Protection Services segment.

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24. Funding Transfers from Other Governments

The City recognizes the transfer of government funding as revenue in the year that the events giving rise to the transfer occurred. The government transfers reported on the Consolidated Statement of Operations are:

	Federal Grants	Provincial Grants	Other Grants	BIA Grants	2024	2023
General government services	-	-	105	-	105	703
Protection services	-	60	-	-	60	65
Transportation services	-	-	20	-	20	-
Social and family services	-	-	-	-	-	51
Recreation and cultural services	352	1,621	165	-	2,138	2,575
Planning and development services	-	277	21	218	516	474
Total	352	1,958	311	218	2,839	3,868

25. Contractual Rights

The City is involved with various contracts and agreements arising during the ordinary course of business. This results in contractual rights to economic resources, leading to both assets and revenue in the future.

The City has a number of federal and provincial funding agreements, revenue from incoming lease agreements for City-owned properties, and a number of third-party contracts to provide shared services with estimated future funding/recoveries as follows:

Contractual Rights	2025	2026	2027	2028	2029	Thereafter	Total
Development Charge Agreements	3,441	3,767	4,010	1,413	1,413	2,057	16,101
Provincial Agreements	75,893	61,095	31,175	29,923	24,657	666	223,409
Federal Agreements	133,767	89,229	61,216	59,692	28,896	160	372,960
Incoming Lease Payments	2,770	2,589	2,338	2,035	1,577	1,516	12,825
Third Party Contracts	4,461	4,258	4,339	4,398	2,444	15,430	35,330
Total	220,332	160,938	103,078	97,461	58,987	19,829	660,625

A transfer payment agreement with the Ministry of Transportation to support public transit infrastructure was executed in November 2022. The City is expecting to receive \$386,590 from the initial agreement and an additional \$234,712, which has been approved but not included in the original agreement.

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Notes to Consolidated Financial Statements
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(All dollar amounts are in \$000s)

26. Commitments

The City has entered into various operating leases for premises and vehicles. Anticipated payments under such leases during the next five years are as follows:

Year	Lease Commitment
2025	1,288
2026	1,240
2027	766
2028	483
2029	491
Total	4,268

The City has entered into an agreement with a third party to construct an Avro Arrow sculpture to be displayed in Malton for a remaining cost of up to \$2.2 million. As at December 31, 2024, the cumulative contributions made by the City is \$754 (2023 \$754).

27. Contingent Assets

In the ordinary course of business, various claims and lawsuits are brought by the City. It is the opinion of management that the settlement of these actions will result in the City's favour and that the settlement amounts will be available for the City's use. These contingent assets are not recorded in these Consolidated Financial Statements.

28. Recognition of Natural Assets (Unaudited)

Canadian public sector accounting standards do not provide guidance for financial statement valuation and recording of natural assets or their related services; consequently, they are not reported in these Consolidated Financial Statements. The City must continue to maintain its existing natural assets in order to deliver an expected level of service to its taxpayers.

The City has a variety of natural assets that provide ecosystem benefits and services and reduce some needs for engineered infrastructure. These natural assets include approximately 303,000 trees that moderate urban temperature, lower atmospheric carbon dioxide (CO₂), reduce building energy use, mitigate rainfall run-off and flooding, moderate noise levels, and improve air quality. Trees owned by other entities including the Region of Peel, utility organizations and conservation authorities were not included in the City's tree inventory. In 2024, the City increased its investment in its natural assets by planting approximately 50,000 new trees with its partners. The City's 2024 tree inventory has increased by 0.33 per cent over the 2023 inventory.

The City oversees the management and maintenance of approximately 237 hectares of boulevard grass areas, 425 horticultural features amounting to approximately 4.5 hectares of area, and 137 amended boulevard treatment areas, including enhanced boulevard conditions such as soil cells. Additionally, the City owns and manages approximately 1,700 hectares of natural areas including woodlands, wetlands, grasslands and more.