

2024 Financial Statements

Audit Committee

June 9, 2025

New Accounting Standards

PS 3400 Revenue

Establishes how to account for revenue, specifically on revenue arising from transactions that include performance obligations and those that do not.

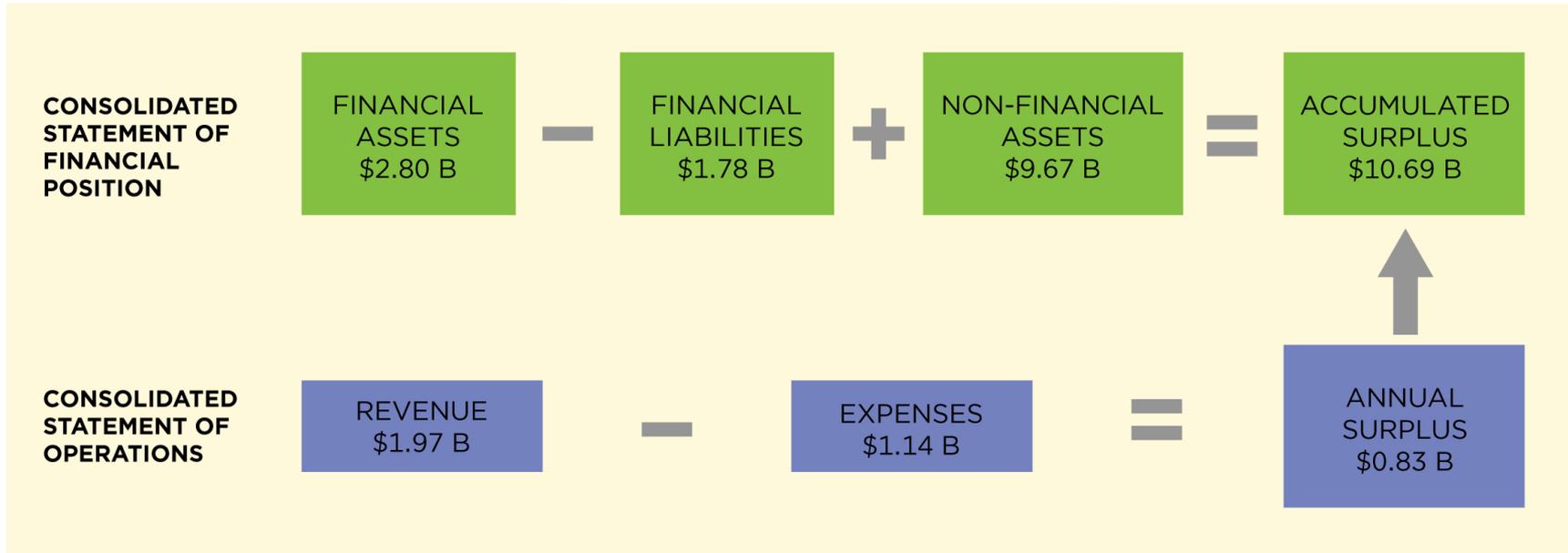
PS 3160 Public Private Partnerships (P3)

Identifies the 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.

Public Sector Guideline 8

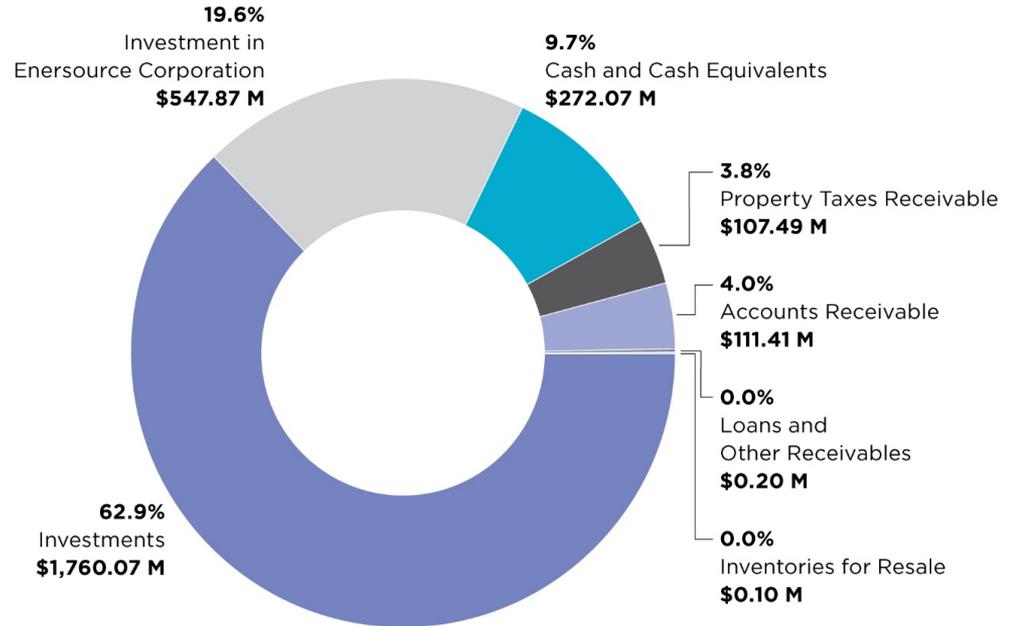
Allows public sector entities to recognize intangibles purchased through an exchange transaction.

2024 Consolidated Financial Position



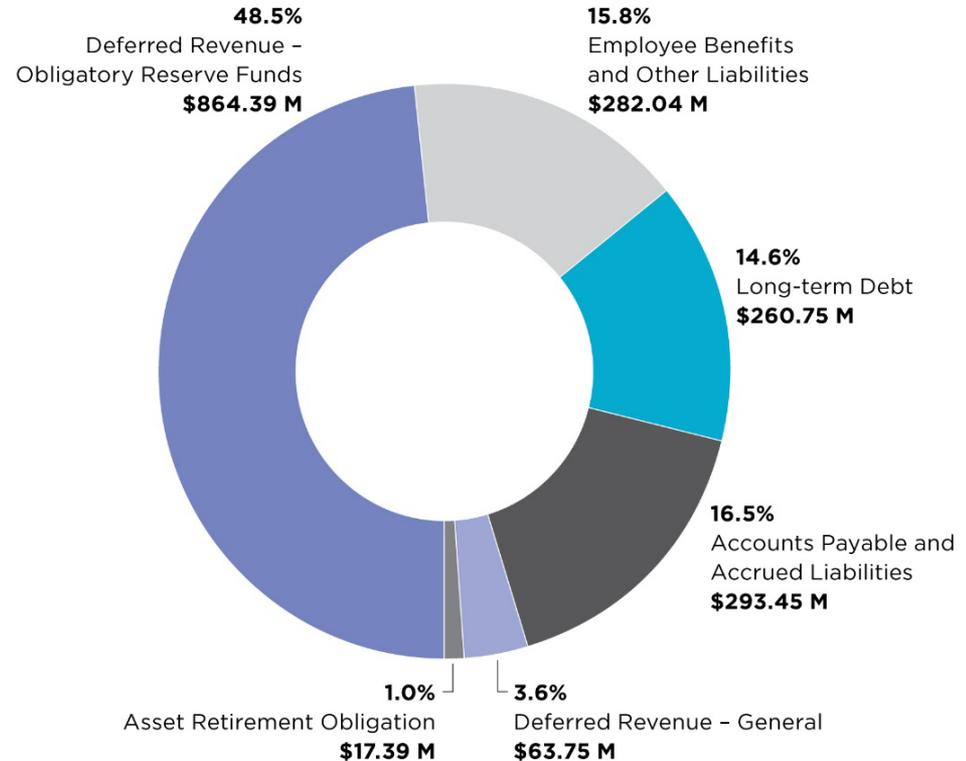
Financial Assets

- \$2.8 billion as at December 31, 2024
- City funds investment portfolio earned 3.31% or \$59 million in 2024 on cash and securities held
- The City's 90% investment in Enersource holds a 29.57% interest in Alectra inc.
- Accounts receivable includes third party recoveries for capital projects, shared use agreements, HST returns
- Property tax collection rate ranges from 93% to 94%



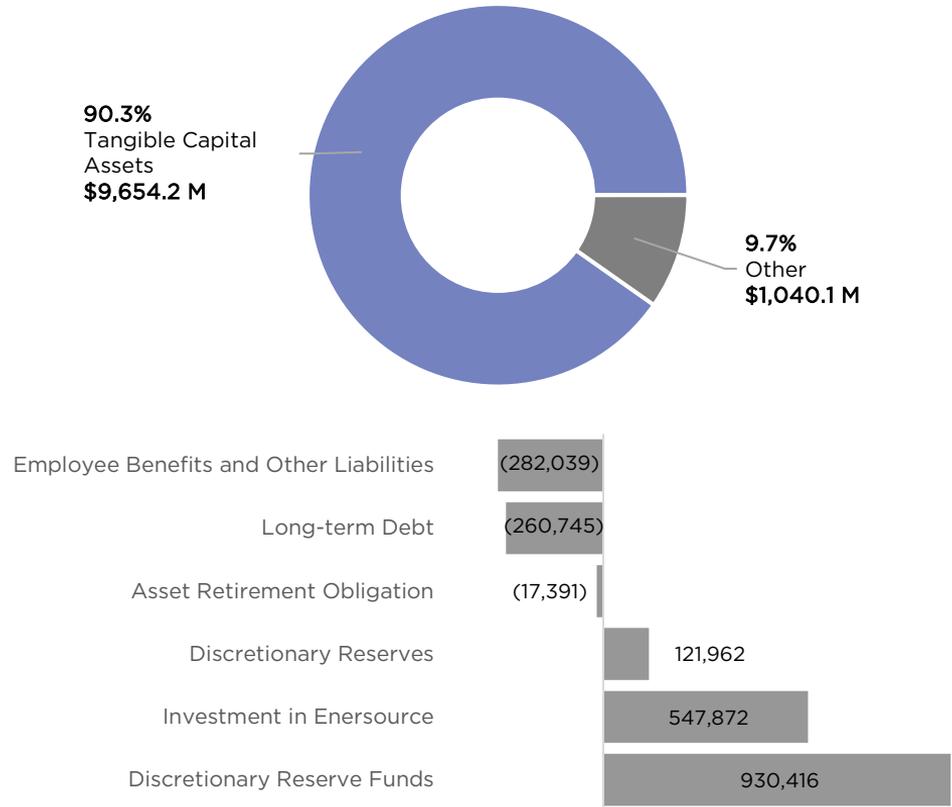
Financial Liabilities

- \$1.8 billion as at December 31, 2024
- Money collected for certain reserve funds (Development Charges, CCBF, Provincial Gas Tax, Cash in Lieu of Parkland) held as deferred revenue-obligatory reserve funds, and recognized as revenue once spent
- The City issued \$90 million in debt in 2024 and repaid \$37.3 million
- Employee benefits include actuarial valuation for WSIB, LTD, sick leave benefits, vacation pay
- Accounts payable includes invoices, wages and payments owing at year-end, security deposits held
- Deferred revenue includes programs and facility rentals that haven't yet taken place, development/building fees pending approval



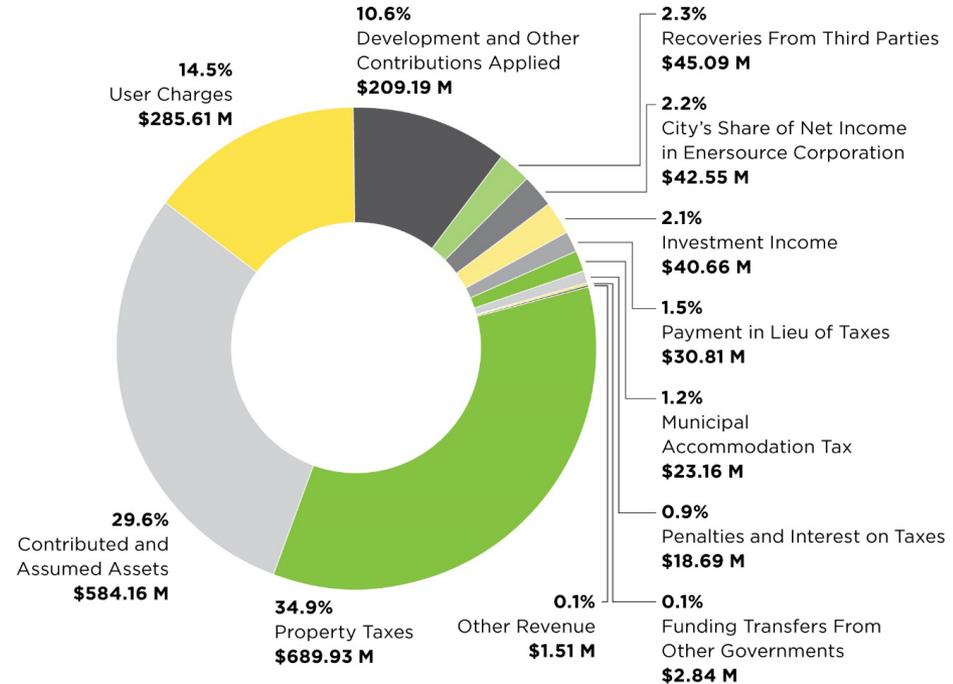
Accumulated Surplus

- \$10.7 billion as at December 31, 2024
- Represents the City's net positive financial position, and the accumulation of the City's annual surpluses over the years
- Like other municipalities, accumulated surplus is composed primarily of the City's investment in its capital infrastructure
- Reserves, discretionary reserve funds, investment in Enersource add to the surplus, while outstanding debt and other liabilities reduce it



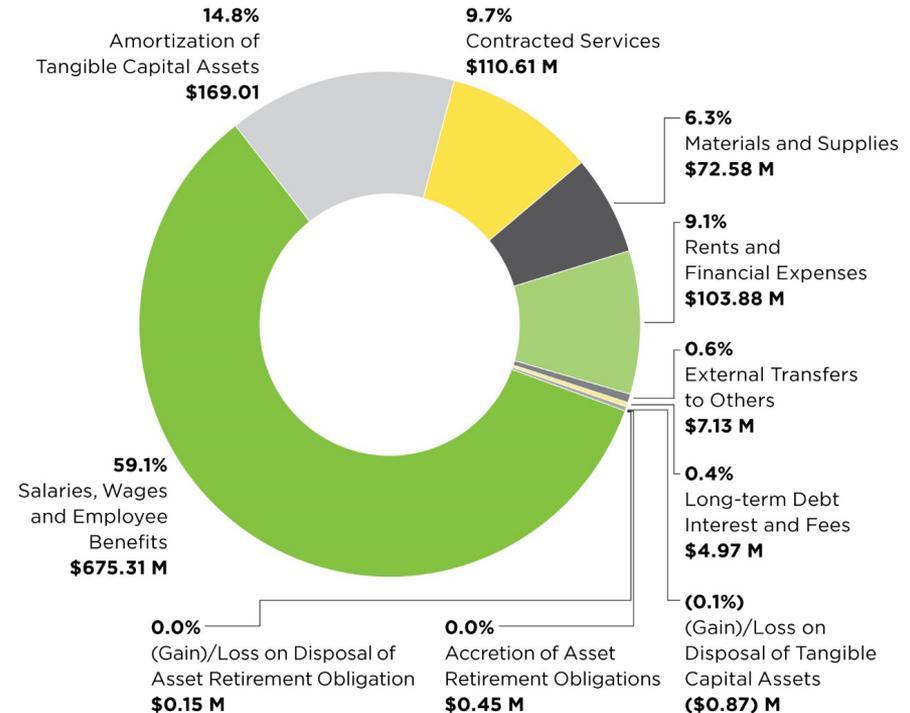
Consolidated Revenue

- \$1.98 billion in 2024
- Contributed assets significantly increased vs. 2023 due to land, other infrastructure assumed by the City for Lakeview and Brightwater developments
- The City issued \$90 million in debt in 2024 and repaid \$37.3 million
- Employee benefits include actuarial valuation for WSIB, LTD, sick leave benefits, vacation pay
- Accounts payable includes invoices, wages and payments owing at year-end, security deposits
- Deferred revenue includes programs and facility rentals that haven't yet taken place, development/building fees pending approval



Consolidated Expenses

- \$1.14 billion in 2024
- Expenses include spending from the operating budget and capital budget spending that is not eligible to be capitalized into an asset
- Functional categories in the financial statements are required for provincial reporting
- Salaries and wages make up the largest component of the City's spending
- Rents and financial expenses include facility, utility, maintenance, insurance costs
- Long-term debt principal payments is not an expense but a reduction to the liability



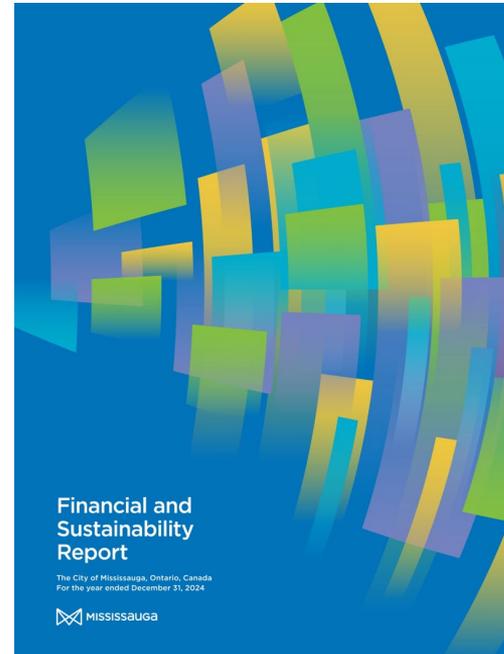
Financial Statement Surplus vs. Operating Budget Surplus

- Financial statement surpluses differ significantly from surpluses presented in operating budget reports due to:
 - Non-cash revenue and expenses like amortization, contributed assets, Enersource net income are included
 - Spending and revenue from operating, capital budget and reserve/reserve funds included in the financial statements
 - Reserve transfers are eliminated

	(\$000s)
Financial Statement Surplus	831,004
Adjustments:	
Contributed Assets	(584,165)
Enersource	(24,549)
Reserve Transfers	(176,940)
Obligatory RF Revenue	(185,609)
Other	(25,492)
Amortization	168,845
Operating Budget Surplus	3,094

2024 Financial and Sustainability Report

- 27 consecutive years receiving the Canadian Award for financial reporting from the Government Finance Officers Association
- Provides discussion and analysis on the City's 2024 financial results, accomplishments, sustainability disclosures
- The Annual report highlights provides a more succinct snapshot of the City's financial year-in-review
- Feedback provided to International Public Sector Accounting Standards Board based on draft climate related disclosures



Questions