

CORPORATION OF THE COUNTY OF PETERBOROUGH

CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023

**CORPORATION OF THE COUNTY OF
PETERBOROUGH**

CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023

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CORPORATION OF THE COUNTY OF PETERBOROUGH

For The Year Ended December 31, 2023

MANAGEMENT REPORT

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

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

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

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

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

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

Warden

Treasurer

June 26, 2024

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INDEPENDENT AUDITOR'S REPORT

To the Members of Council, Inhabitants and Ratepayers of the Corporation of the County of Peterborough

Opinion

We have audited the consolidated financial statements of the Corporation of the County of Peterborough (the County), which comprise the consolidated statement of financial position as at December 31, 2023, the consolidated statements of operations and accumulated surplus, remeasurement gains and losses, change in net financial assets and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the County as at December 31, 2023, and the results of its consolidated operations and its consolidated cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the County in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

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

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

ASSURANCE • TAX • ADVISORY

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Peterborough

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

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

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

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

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

Baker Tilly KDN LLP

Chartered Professional Accountants
Licensed Public Accountants

Peterborough, Ontario
July 4, 2024



CORPORATION OF THE COUNTY OF PETERBOROUGH

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At December 31, 2023

	2023 \$	2022 \$
FINANCIAL ASSETS		
Cash	15,692,271	46,798,581
Investments (note 2)	48,196,957	14,652,497
Accounts receivable	5,446,132	7,228,026
TOTAL FINANCIAL ASSETS	69,335,360	68,679,104
LIABILITIES		
Accounts payable and accrued liabilities	12,295,905	12,987,683
Deferred revenue - obligatory reserve funds (note 5)	7,680,280	8,059,031
Deferred revenue - other	2,408,669	2,299,029
Long term debt (note 6)	1,677,522	2,045,783
Landfill closure and post-closure liability (note 18)	-	6,183,753
Asset retirement obligations (note 15)	19,951,873	-
Employee future benefits payable (note 8)	1,013,790	923,655
TOTAL LIABILITIES	45,028,039	32,498,934
NET FINANCIAL ASSETS	24,307,321	36,180,170
NON-FINANCIAL ASSETS		
Tangible capital assets (note 10)	167,565,779	150,467,241
Prepaid expenses	1,873,804	785,719
TOTAL NON-FINANCIAL ASSETS	169,439,583	151,252,960
	193,746,904	187,433,130
Comprised of:		
Accumulated surplus (note 11)	193,868,130	187,433,130
Accumulated remeasurement losses	(121,226)	-
	193,746,904	187,433,130

The accompanying notes are an integral part of these financial statements

CORPORATION OF THE COUNTY OF PETERBOROUGH

CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS

For the Year Ended December 31, 2023

	Budget 2023 \$ (Unaudited)	Actual 2023 \$	Actual 2022 \$
REVENUES			
Property taxation	53,626,962	54,105,650	50,750,122
User charges	4,302,935	4,096,445	3,871,852
Government of Canada	2,023,593	1,405,678	1,954,515
Province of Ontario	19,395,369	16,517,017	17,616,501
Other municipalities	6,791,318	7,529,174	7,635,810
Provincial Offenses Act - fines	220,297	208,275	242,515
Investment income	360,000	1,888,357	1,046,911
Donations	7,700	20,733	16,141
Developer contributions earned (note 5)	4,106,555	1,931,541	461,005
Canada Community-Building Fund earned (note 5)	2,863,687	2,863,687	3,504,861
Provincial gas tax earned (note 5)	41,648	41,648	41,648
TOTAL REVENUES	93,740,064	90,608,205	87,141,881
EXPENSES			
General government	10,930,095	9,910,464	7,612,811
Protection services	179,784	161,348	147,079
Transportation services	25,479,385	23,865,908	25,797,711
Environmental services	8,382,189	12,964,868	7,316,287
Health services	25,303,575	24,929,068	23,057,691
Social and family services	2,353,073	2,582,836	2,320,147
Social housing	6,325,704	6,318,990	6,137,350
Recreation and cultural services	1,240,500	1,116,634	1,120,597
Planning and development	2,685,185	2,323,089	2,459,424
TOTAL EXPENSES	82,879,490	84,173,205	75,969,097
ANNUAL SURPLUS	<u>10,860,574</u>	6,435,000	11,172,784
ACCUMULATED SURPLUS - beginning of year		187,433,130	176,260,346
ACCUMULATED SURPLUS - end of year		193,868,130	187,433,130

The accompanying notes are an integral part of these financial statements

CORPORATION OF THE COUNTY OF PETERBOROUGH

CONSOLIDATED STATEMENT OF REMEASUREMENT GAINS AND LOSSES

For the Year Ended December 31, 2023

	Actual 2023 \$	Actual 2022 \$
ACCUMULATED REMEASUREMENT GAINS AND LOSSES - beginning of year	-	-
Adjustment on adoption of the financial instruments standard	(43,406)	-
Unrealized gain/(loss) on portfolio investments during the year	(77,820)	-
ACCUMULATED REMEASUREMENT GAINS AND LOSSES - end of year	(121,226)	-

CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS

For the Year Ended December 31, 2023

	Budget 2023 \$ (Unaudited)	Actual 2023 \$	Actual 2022 \$
ANNUAL SURPLUS	10,860,574	6,435,000	11,172,784
Amortization of tangible capital assets	8,500,790	9,136,260	8,501,463
Purchase of tangible capital assets	(30,352,570)	(18,104,348)	(20,435,281)
Loss/(gain) on disposal of tangible capital assets	-	475,809	221,778
Proceeds on sale of tangible capital assets	-	-	21,753
Change in prepaid expenses	-	(1,088,085)	588,485
INCREASE/(DECREASE) IN NET FINANCIAL ASSETS	(10,991,206)	(3,145,364)	70,982
NET FINANCIAL ASSETS - beginning of year	36,180,170	36,180,170	36,109,188
ADJUSTMENT ON ADOPTION OF THE ASSET RETIREMENT OBLIGATION STANDARD (note 18)	-	(8,606,259)	-
ADJUSTMENT ON ADOPTION OF THE FINANCIAL INSTRUMENTS STANDARD (note 18)	-	(43,406)	-
NET FINANCIAL ASSETS - beginning of year, as restated	36,180,170	27,530,505	36,109,188
DECREASE IN ACCUMULATED REMEASUREMENT GAINS	-	(77,820)	-
NET FINANCIAL ASSETS - end of year	25,188,964	24,307,321	36,180,170

The accompanying notes are an integral part of these financial statements

CORPORATION OF THE COUNTY OF PETERBOROUGH

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2023

	2023 \$	2022 \$
CASH PROVIDED BY (USED IN)		
OPERATING ACTIVITIES		
Annual surplus	6,435,000	11,172,784
Items not involving cash		
Amortization of tangible capital assets	9,136,260	8,501,463
Loss on disposal of tangible capital assets	475,809	221,778
Accretion expense	1,012,159	-
Change in employee future benefits payable	90,135	83,486
Change in landfill closure and post-closure liability	(6,183,753)	297,814
Asset retirement obligation expense	10,333,456	-
Change in non-cash assets and liabilities		
Accounts receivable	1,781,894	(1,585,305)
Prepaid expenses	(1,088,085)	588,485
Accounts payable and accrued liabilities	(691,778)	3,114,919
Deferred revenue - obligatory reserve funds	(378,751)	(719,906)
Deferred revenue - other	109,640	723,735
Net change in cash from operating activities	21,031,986	22,399,253
CAPITAL ACTIVITIES		
Purchase of tangible capital assets	(18,104,348)	(20,435,281)
Proceeds on disposal of tangible capital assets	-	21,753
Net change in cash from capital activities	(18,104,348)	(20,413,528)
INVESTING ACTIVITIES		
Purchase of investments	(48,572,389)	(4,815,154)
Proceeds on disposal of investments	14,906,702	1,662,186
Net change in cash from investing activities	(33,665,687)	(3,152,968)
FINANCING ACTIVITIES		
Debt principal repayments	(368,261)	(349,834)
NET CHANGE IN CASH	(31,106,310)	(1,517,077)
CASH - beginning of year	46,798,581	48,315,658
CASH - end of year	15,692,271	46,798,581

The accompanying notes are an integral part of these financial statements

CORPORATION OF THE COUNTY OF PETERBOROUGH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2023

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

1. SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements have been prepared in accordance with the standards in the Chartered Professional Accountants Canada Public Sector Accounting (PSA) Handbook. Significant aspects of the accounting policies are as follows:

(a) Reporting entity

These consolidated financial statements reflect the assets, liabilities, revenues and expenses and accumulated surplus of the reporting entity.

The reporting entity is comprised of all organizations, committees and local boards accountable for the administration of their financial affairs and resources to the County and which are owned and controlled by the County. These consolidated financial statements include:

- Peterborough County-City Waste Management Facility - 50% (2021 - 50%)

All interfund assets and liabilities and revenues and expenses are eliminated.

(b) Trust funds

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

(c) Tangible capital assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. Initial costs for tangible capital assets that were acquired or developed prior to 2009 were obtained using historical cost information or using current fair market values discounted by a relevant inflation factor to the point of acquisition. The cost, less residual value, if any, of tangible capital assets is amortized on a straight-line basis, over the expected useful life of the asset, as follows:

Land improvements	20 years
Buildings	50 years
Machinery and equipment	5-15 years
Roads and bridges	6-50 years

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

Tangible capital assets categorized as assets under construction are not amortized until they are put into service.

Works of art and historical treasures are not included in tangible capital assets.

CORPORATION OF THE COUNTY OF PETERBOROUGH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2023

1. SIGNIFICANT ACCOUNTING POLICIES, continued

(d) Recognition of revenues and expenses

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

Property taxation

The County establishes the tax rates annually based on the amount required to be raised. These tax rates are used to levy amounts to the lower tier municipalities based on their annual assessment. Adjustments to the lower tier levy amounts for additions to and reductions in assessment are reported in the financial statements when amounts can be reasonably determined.

Government funding

Government funding is recognized in the financial statements as revenues 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.

Other revenue

User charges are recognized as revenue in the year the goods and services are provided.

Investment income is recorded when earned.

Canada Community-Building Fund, Provincial gas tax and development charges are recognized in the period in which the related expenditures are recorded.

Fines levied under the Provincial Offenses Act 1997 are recognized when the funds are received.

Donations are recorded as received, or as receivable if the amount can be reasonably estimated and if collection is reasonably assured.

(e) Non-financial assets

Tangible capital and other non-financial assets are accounted for as assets by the County because they can be used to provide services in future periods. These assets do not normally provide resources to discharge the liabilities of the County unless they are sold.

(f) Reserves

Certain amounts, as approved by Council, are set aside in reserves for future operating and capital purposes. Transfers to and/or from reserves are an adjustment to the respective fund when approved.

CORPORATION OF THE COUNTY OF PETERBOROUGH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2023

1. SIGNIFICANT ACCOUNTING POLICIES, continued

(g) Financial Instruments

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

Financial Instrument	Measurement Method
Cash	Amortized Cost
Investments:	
Bonds	Fair Value
Guaranteed investment certificates	Amortized Cost
Accounts receivable	Amortized Cost
Accounts payable and accrued liabilities	Amortized Cost
Long term debt	Amortized Cost

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

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

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

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

CORPORATION OF THE COUNTY OF PETERBOROUGH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2023

1. SIGNIFICANT ACCOUNTING POLICIES, continued

(h) Deferred revenue

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

(i) Use of estimates

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

- The amounts recorded for amortization and opening costs of tangible capital assets are based on estimates of useful life, residual values and valuation rates;
- The values of employee future benefits depend on certain actuarial and economic assumptions; and
- The amount recorded as allowance for doubtful accounts receivable is based on management's estimate of future payments on receivable account balances.

In addition, the County's implementation of PS3280 Asset Retirement Obligations has resulted in the requirement for management to make estimates regarding the useful lives of affected tangible capital assets in conjunction with estimates of expected asset retirement costs, as well as the timing and duration of these retirement costs.

(j) Asset Retirement Obligation

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

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

The liability for closure of operational sites and post-closure care relating to landfill sites has been recognized based on estimated future expenses. An additional liability for the removal of asbestos in several of the buildings owned by the County has also been recognized based on estimated future expenses on closure of the site and post-closure care.

The liability is discounted using a present value calculation, and adjusted yearly for accretion expense and any amounts paid. The recognition of a liability resulted in an accompanying increase to the respective tangible capital assets. The increase to the tangible capital assets is being amortized in accordance with the depreciation accounting policies outlined in (c).

CORPORATION OF THE COUNTY OF PETERBOROUGH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2023

2. INVESTMENTS

Investments consist of the following:

	2023	2022
	\$	\$
Held at amortized cost		
Cash held in investment accounts	276,532	1,147,591
Guaranteed investment certificates, maturity dates from January 2024 to November 2028, interest rates ranging from 5.04% to 5.77% per annum.	43,125,651	-
Guaranteed investment certificates, maturity dates from August 15, 2023 to October 23, 2030, interest rates ranging from 1.4% to 4.1% per annum.	-	8,588,906
Bonds	-	4,916,000
	43,402,183	14,652,497
Held at fair value		
Bonds	4,794,774	-
	48,196,957	14,652,497

Book cost of bonds is equal to \$4,916,000 (2022 - \$4,916,000).

3. FINANCIAL INSTRUMENTS

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

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

(a) Interest rate risk

Interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in market interest rates. The value of fixed income securities will generally rise if interest rates fall and conversely fall when rates rise.

(b) Market risk

The County is exposed to certain market risks including changes in pricing and limited access to foreign markets.

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

CORPORATION OF THE COUNTY OF PETERBOROUGH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2023

4. BUDGET FIGURES

The budget, approved by the County, for 2023 is reflected on the Consolidated Statement of Operations and Accumulated Surplus and the Consolidated Statement of Change in Net Financial Assets. The budget established for capital investment in tangible capital assets are on a project-oriented basis, the costs of which may be carried out over one or more years and, therefore, may not be comparable with current year's actual amounts. Budget figures have been reclassified for the purposes of these financial statements to comply with PSA reporting requirements. Budget figures are not subject to audit.

5. DEFERRED REVENUE - OBLIGATORY RESERVE FUNDS

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

	2023	2022
	\$	\$
Development charges	7,501,637	6,930,569
Canada Community-Building Fund	132,941	1,089,080
Provincial gas tax	45,702	39,382
	7,680,280	8,059,031

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

	2023	2022
	\$	\$
Balance - beginning of year	8,059,031	8,778,937
Add amounts received:		
Development charges	2,085,155	1,263,794
Canada Community-Building Fund	1,846,087	1,769,166
Provincial gas tax	45,161	41,648
Interest	481,722	213,000
	4,458,125	3,287,608
Less transfer to operations:		
Development charges earned	1,931,541	461,005
Canada Community-Building Fund earned	2,863,687	3,504,861
Provincial gas tax earned	41,648	41,648
	4,836,876	4,007,514
Balance - end of year	7,680,280	8,059,031

CORPORATION OF THE COUNTY OF PETERBOROUGH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2023

6. LONG TERM DEBT

- (a) The balance of long term debt reported on the Consolidated Statement of Financial Position is made up of the following:

	2023	2022
	\$	\$

Long term debt to finance 310 Armour Road - EMS base requiring semi-annual payments of principal and interest totalling \$234,958 until November 1, 2027. The debt bears interest at 5.20% per annum.

1,677,522	2,045,783
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- (b) The long term debt in (a) issued in the name of the County has been approved by by-law. The annual principal and interest payments required to service this liability is within the annual debt repayment limit prescribed by the Ministry of Municipal Affairs and Housing.

- (c) Interest paid during the year on long term debt amounted to \$101,655 (2022 - \$120,082).

- (d) The long term debt reported in (a) of this note is repayable as follows:

	Principal \$	Interest \$	Total \$
2024	387,660	82,256	469,916
2025	408,080	61,836	469,916
2026	429,576	40,340	469,916
2027	452,206	17,710	469,916
	1,677,522	202,142	1,879,664

7. PENSION AGREEMENTS

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

The Actuarial Opinion contained in the 2023 Annual Report disclosed total actuarial liabilities of \$136,185 million in respect of benefits accrued for service with actuarial assets of \$131,983 million indicating an actuarial deficit of \$4,202 million. Because OMERS is a multi-employer plan, any pension plan surpluses or deficits are a joint responsibility of Ontario municipal organizations and their employees. As a result, the County does not recognize any share of the OMERS pension surplus or deficit.

The County's required contributions to OMERS in 2023 were \$1,830,819 (2022 - \$1,289,547).

CORPORATION OF THE COUNTY OF PETERBOROUGH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2023

8. EMPLOYEE FUTURE BENEFITS PAYABLE

The County provides certain employee benefits which will require payments in future periods. The County provides defined benefit plans to pay costs of certain health and other insurance benefits for eligible employees after they retire. The plans are partially funded by a reserve of \$725,801 (2022 - \$725,801). There are no specific assets designated for settling this liability.

	2023	2022
	\$	\$
Accrued benefit obligation	1,176,753	1,113,906
Unamortized actuarial gain (loss)	(162,963)	(190,251)
Employee future benefits payable	1,013,790	923,655

The actuarial valuation as at December 31, 2020 was based on a number of assumptions about future events, such as inflation rates, interest rates, medical inflation rates, wage and salary increases and employee turnover and mortality. 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, which was 16 years. The assumptions used reflect management's best estimate. The main actuarial assumptions employed for the valuation are as follows:

Future health care premiums - first year 2021	5.75%
- decrease over 5 years to	3.75%
Future dental premiums rates	3.75%
Interest rate	3.25%

The post-employment benefit is reported as an expense on the Consolidated Statement of Operations and Accumulated Surplus. Composition of the liability is as follows:

	2023	2022
	\$	\$
Employee future benefits payable at January 1	923,655	840,169
Current year benefit cost	64,324	61,175
Interest on post-employment benefit liability	36,627	34,725
Amortized actuarial loss (gain)	27,288	27,305
Less: benefit payments	(38,104)	(39,719)
Liability at December 31	1,013,790	923,655

CORPORATION OF THE COUNTY OF PETERBOROUGH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2023

9. PARTNERSHIP WITH THE CITY OF PETERBOROUGH

Certain services are provided by joint local boards in partnership with the City of Peterborough. Under the agreements created at the time each board was established, decisions related to the financial and operating activities are shared, neither partner is in a position to exercise unilateral control. The operations of the Peterborough County-City Waste Management Facility ("the Facility") are included in the financial statements based on the share of net operating expenditures contributed by the County during the fiscal period being reported.

The following provides a brief description of the nature and purpose of the consolidated entity and its condensed financial information.

Peterborough County-City Waste Management Facility

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

Included in accounts payable and accrued liabilities on the Consolidated Statement of Financial Position is an amount payable to the City of Peterborough of \$841,968 (2022 - \$2,658,296 receivable).

	2023		2022	
	Total	County	Total	County
	\$	Portion	\$	Portion
		\$		\$
Operations				
Revenues	4,161,256	2,080,628	3,720,913	1,860,450
Expenditures	4,359,260	2,179,630	4,150,608	2,075,386
Net (loss) from operations	(198,004)	(99,002)	(429,695)	(214,936)

During 2023, the Peterborough County-City Waste Management Facility incurred capital expenditures of \$831,488 (2022 - \$5,164,420). The County's portion of the capital expenditures was \$415,744 (2022 - \$2,582,210).

CORPORATION OF THE COUNTY OF PETERBOROUGH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2023

10. TANGIBLE CAPITAL ASSETS

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

	2023	2022
	\$	\$
General		
Land	4,236,171	4,316,099
Land improvements	10,207,500	2,813,316
Buildings	8,863,995	8,220,621
Machinery and equipment	5,922,449	6,435,844
Infrastructure		
Roads and bridges	125,461,014	119,954,813
	154,691,129	141,740,693
Assets under construction	12,874,650	8,726,548
	167,565,779	150,467,241

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

During the year there were no write-downs of assets (2022 - \$Nil) and no interest capitalized (2022 - \$Nil).

	2023	2022
	\$	\$
General government	1,410,639	1,293,369
Protection services	14,015	19,714
Transportation services	139,136,149	129,723,145
Environmental services	16,487,080	8,833,195
Health services	6,323,528	6,534,550
Recreation and cultural services	4,088,153	3,941,590
Planning and development	106,215	121,678
	167,565,779	150,467,241

CORPORATION OF THE COUNTY OF PETERBOROUGH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2023

11. ACCUMULATED SURPLUS

Accumulated surplus consists of the following:

	2023	2022
	\$	\$
Surplus/(Deficit)		
County operations	1,285,158	335,332
Unfunded landfill closure and post-closure liability	-	(6,183,753)
Unfunded employee future benefits payable	(1,013,790)	(923,655)
	271,368	(6,772,076)
Invested In Capital Assets		
Tangible capital assets - net book value	167,565,779	150,467,241
Long term debt related to capital assets	(1,677,522)	(2,045,783)
Asset retirement obligations	(19,951,873)	-
	145,936,384	148,421,458
Surplus	146,207,752	141,649,382
Reserves		
Working funds	12,210,719	13,245,281
L.S.R. costs	2,129,281	2,300,135
Waste management	3,918,091	3,609,335
Recycling	1,506,690	1,611,935
Acquisition of capital assets	21,294,872	18,322,562
Recreation programs and facilities	122,187	219,821
Landfill site post-closure costs	4,194,019	3,931,519
Employee future benefits	725,801	725,801
Other	1,558,718	1,817,359
Total Reserves	47,660,378	45,783,748
	193,868,130	187,433,130

CORPORATION OF THE COUNTY OF PETERBOROUGH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2023

12. CONTRIBUTIONS TO UNCONSOLIDATED JOINT BOARDS

The Consolidated Statement of Operations and Accumulated Surplus includes contributions made by the County to the following local boards:

	2023	2022
	\$	\$
Peterborough Public Health	1,241,591	928,080
Fairhaven	879,107	583,211
Peterborough & the Kawarthas Economic Development	806,829	756,332
	2,927,527	2,267,623

13. EXPENSES BY OBJECT

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

	Budget 2023 \$ (Unaudited)	Actual 2023 \$	Actual 2022 \$
Salaries and benefits	31,635,228	30,543,551	27,509,672
Interest charges	101,655	101,655	120,082
Materials	24,048,124	19,959,002	22,077,393
Contracted services	7,067,419	11,288,435	6,794,806
Rents and financial	550,402	1,522,524	294,922
External transfers	10,975,872	11,145,970	10,448,981
Amortization	8,500,790	9,136,260	8,501,463
Loss (gain) on disposal of tangible capital assets	-	475,808	221,778
	82,879,490	84,173,205	75,969,097

14. TRUST FUNDS

Trust funds administered by the County amounting to \$27,141 (2022 - \$26,334) have not been included in the Consolidated Statement of Financial Position nor have their operations been included in the Consolidated Statement of Operations and Accumulated Surplus. As such balances are held in trust by the County for the benefit of others, they are not presented as part of the County's financial position or operations.

CORPORATION OF THE COUNTY OF PETERBOROUGH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2023

15. ASSET RETIREMENT OBLIGATION

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

(a) Landfill obligation

The County operates one landfill site under a joint agreement with the City of Peterborough. The liability for the remaining closure costs of operational sites as well as the post-closure costs for all sites has been recognized under PS 3280 – Asset Retirement Obligations. The costs have been estimated based upon the presently known obligations that will exist at the estimated year of closure of the site and for 164 years after the closure date using a discount rate of 5.3% and an inflation rate of 2.5%.

(b) Asbestos obligation

The County owns and operates buildings that are known to have asbestos, which represents a health hazard upon demolition of the building and there is a legal obligation to remove it. Following the adoption of PS 3280 – Asset Retirement Obligations, the County recognized an obligation relating to the removal and post-removal care of the asbestos in these building as estimated at January 1, 2023. Post-closure care is estimated to extend for up to a year post the closure of the building, while demolition and construction continues. Estimated costs have been discounted to the present value using a discount rate of 6.00% per annum.

(c) Other

The County owns and operates gravel pits and other assets. The liability for the closure of these sites and the costs to return the property to its original state has been recognized under PS 3280 – Asset Retirement Obligations. The costs were based on presently known obligations that will exist at the estimated year of closure of the sites. These costs have been discounted to the present value using a discount rate of 6.00% per annum.

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

Asset Retirement Obligation	Landfill \$	Asbestos removal \$	Other \$	Total \$
Opening balance - January 1, 2023	-	-	-	-
Adjustment on adoption of the asset retirement obligation standard	17,746,319	790,042	403,354	18,939,715
Opening balance, as restated	17,746,319	790,042	403,354	18,939,715
Accretion expense	940,554	47,403	24,201	1,012,158
Closing balance	18,686,873	837,445	427,555	19,951,873

CORPORATION OF THE COUNTY OF PETERBOROUGH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2023

16. CONTINGENT LIABILITIES

The County, in the course of its operations, is often named in lawsuits the outcomes of which are indeterminable at this time. No amounts in connection with these items have been reflected in these financial statements.

17. COMPARATIVE FIGURES

Certain comparative figures were restated, where required, to conform with the current year presentation.

18. CHANGES IN ACCOUNTING POLICIES

The County has implemented the following sections which are now effective under the PSA Handbook: PS 1201 Financial Statement Presentation, PS 2601 Foreign Currency Translation, PS 3041 Portfolio Investments, PS 3450 Financial Instruments and PS 3280 Asset Retirement Obligations were adopted prospectively on January 1, 2023.

PS 1201 Financial Statement Presentation replaces PS 1200 Financial Statement Presentation. This standard establishes general reporting principles and standards for the disclosure of information in government financial statements. The standard introduces the Statement of Remeasurement Gains and Losses separate from the Statement of Operations. Requirements in PS 2601 Foreign Currency Translation, PS 3450 Financial Instruments, and PS 3041 Portfolio Investments, which are required to be adopted at the same time, can give rise to the presentation of gains and losses as remeasurement gains and losses.

PS 2601 Foreign Currency Translation replaces PS 2600 Foreign Currency Translation. The standard provides comprehensive requirements for the recognition, measurement, presentation and disclosure of foreign currency transactions. The adoption of this standard did not have an impact on the County's consolidated financial statements.

PS 3041 Portfolio Investments replaces PS 3040 Portfolio Investments. The standard provides revised guidance on accounting for, and presentation and disclosure of, portfolio investments to conform to PS 3450 Financial Instruments.

PS 3450 Financial Instruments establishes accounting and reporting requirements for all types of financial instruments including derivatives. Financial instruments are included on the statement of financial position and are measured either at fair value or cost or amortized cost based on the characteristics of the instrument and the County's accounting policy choices (see Note 1. Significant Accounting Policies). The new standard provides comprehensive requirements for the recognition, measurement, presentation and disclosure of financial instruments.

In accordance with the provisions of PS 3041 and PS 3450, the County reflected the following adjustments at January 1, 2023:

- A loss of \$43,406 to the accumulated remeasurement gains/(losses) due to the unrealized loss of the County's investments previously recorded at cost.

PS 3280 Asset Retirement Obligations addresses the reporting of legal obligations associated with the retirement of certain tangible capital assets, such as asbestos removal in retired buildings by public sector entities. The new accounting standard has resulted in a withdrawal of the existing Section PS 3270 – Solid Waste Landfill Closure and Post-Closure Liability.

CORPORATION OF THE COUNTY OF PETERBOROUGH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2023

18. CHANGES IN ACCOUNTING POLICIES, continued

In accordance with the provisions of this new standard, the County reflected the following adjustments at January 1, 2023:

Landfill Obligation

- A decrease of \$6,183,753 to landfill closure and post-closure liability to remove the liability recognized to date under the old standard, an accompanying increase of \$17,746,319 to opening asset retirement obligation liability and a corresponding increase of \$7,412,863 to the landfill tangible capital asset for the operating landfill cell and an expense of \$10,333,456 for the closed cell.

Asbestos Obligation

- An increase of \$790,042 to the buildings tangible capital asset and a corresponding increase to the asset retirement obligation.

Other Obligation

- An increase of \$403,354 to the buildings tangible capital asset and a corresponding increase to the asset retirement obligation.

19. SEGMENTED INFORMATION

The County of Peterborough is a municipal government organization that provides a range of services to its residents. County services are reported by function and their activities are separately disclosed in the segmented information.

For each reported segment, revenues and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Certain allocation methodologies are employed in the preparation of segmented financial information. Taxation, payments-in-lieu of taxes and certain unconditional government transfers are apportioned based on each segment's net requirements.

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

General Government

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

Protection Services

Protection services include emergency measures and the County's share of provincial offences operations provided by the City of Peterborough.

Transportation Services

The activities of the transportation function include construction and maintenance of the County's roads and bridges, winter control, and transit.

CORPORATION OF THE COUNTY OF PETERBOROUGH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2023

19. SEGMENTED INFORMATION, continued

Environmental Services

The environmental function is responsible for the County's share of waste disposal operations provided by the City of Peterborough and recycling services to ratepayers.

Health Services

The health services function consists of external transfers to the local Health Unit and the cost of Land Ambulance services shared with the City of Peterborough.

Social and Family Services

The social and family services consist of general assistance to inhabitants, homes for the aged and child care services for the County provided by the City of Peterborough.

Social Housing

The social housing services consist of affordable housing provided by the City of Peterborough to qualified inhabitants of the County.

Recreation and Cultural Services

The recreation and cultural services function consists of the County's park and Lang Pioneer Village.

Planning and Development

The planning and development services function manages commercial, industrial and residential development and broadband infrastructure within the County.

CORPORATION OF THE COUNTY OF PETERBOROUGH

CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS

For the Year Ended December 31, 2023

	General				Infrastructure	Assets Under Construction	Totals
	Land	Land Improvements	Buildings	Machinery and Equipment	Roads and Bridges		
	\$	\$	\$	\$	\$	\$	\$
COST							
Balance, beginning of year	5,956,426	6,672,049	12,596,274	16,238,119	225,196,256	8,726,548	275,385,672
Add: additions during the year	-	23,167	82,767	1,078,934	12,305,940	4,613,540	18,104,348
Less: disposals during the year	-	-	-	201,552	457,615	465,438	1,124,605
Asset retirement obligation	-	7,652,643	953,616	-	-	-	8,606,259
Balance, end of year	5,956,426	14,347,859	13,632,657	17,115,501	237,044,581	12,874,650	300,971,674
ACCUMULATED AMORTIZATION							
Balance, beginning of year	1,640,327	3,858,733	4,375,653	9,802,275	105,241,443	-	124,918,431
Add: additions during the year	79,928	281,626	393,009	1,592,329	6,789,368	-	9,136,260
Less: disposals during the year	-	-	-	201,552	447,244	-	648,796
Balance, end of year	1,720,255	4,140,359	4,768,662	11,193,052	111,583,567	-	133,405,895
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	4,236,171	10,207,500	8,863,995	5,922,449	125,461,014	12,874,650	167,565,779

CORPORATION OF THE COUNTY OF PETERBOROUGH

CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE For the Year Ended December 31, 2023

	General Government \$	Protection Services \$	Transportation Services \$	Environmental Services \$	Health Services \$	Social and Family Services \$	Social Housing \$	Recreation and Cultural Services \$	Planning and Development \$	Consolidated \$
Revenues										
Property taxation	7,346,935	(269,328)	24,896,618	3,834,878	6,279,909	2,597,905	6,415,704	804,744	2,198,285	54,105,650
User charges	1,012,433	596	110,275	2,347,027	206,324	-	-	187,055	232,735	4,096,445
Government transfers - operating	212,037	222,000	132,275	1,269,603	12,626,841	-	-	58,503	-	14,521,259
Government transfers - capital	-	-	3,401,436	-	-	-	-	-	-	3,401,436
Other municipalities	-	-	310,623	584,489	6,632,411	-	-	-	1,651	7,529,174
Provincial Offenses Act - fines	-	208,275	-	-	-	-	-	-	-	208,275
Investment income	1,888,357	-	-	-	-	-	-	-	-	1,888,357
Donations	-	-	-	-	-	-	-	20,733	-	20,733
Developer contributions earned	-	-	1,873,164	-	58,377	-	-	-	-	1,931,541
Canada Community-Building Fund earned	-	-	2,863,687	-	-	-	-	-	-	2,863,687
Provincial gas tax earned	-	-	41,648	-	-	-	-	-	-	41,648
Total revenues	10,459,762	161,543	33,629,726	8,035,997	25,803,862	2,597,905	6,415,704	1,071,035	2,432,671	90,608,205
Expenses										
Salaries and benefits	5,185,558	71,441	5,003,555	557,481	17,774,089	-	-	651,770	1,299,657	30,543,551
Interest charges	-	-	17,790	-	83,865	-	-	-	-	101,655
Materials	2,724,091	51,417	10,688,326	2,425,883	3,632,618	-	-	354,045	82,622	19,959,002
Contracted services	1,632,167	22,792	35,205	8,732,214	818,884	-	-	163	47,010	11,288,435
Rents and financial	511,927	-	24,201	940,555	45,841	-	-	-	-	1,522,524
External transfers	20,000	10,000	93,724	-	1,241,591	2,582,836	6,318,990	-	878,829	11,145,970
Amortization	184,369	5,698	7,601,074	308,735	924,382	-	-	110,656	1,346	9,136,260
Loss (gain) on disposal of tangible capital assets	10,371	-	465,437	-	-	-	-	-	-	475,808
Internal transfers	(358,019)	-	(63,404)	-	407,798	-	-	-	13,625	-
Total expenses	9,910,464	161,348	23,865,908	12,964,868	24,929,068	2,582,836	6,318,990	1,116,634	2,323,089	84,173,205
Net surplus/(deficit)	549,298	195	9,763,818	(4,928,871)	874,794	15,069	96,714	(45,599)	109,582	6,435,000

CORPORATION OF THE COUNTY OF PETERBOROUGH

CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE For the Year Ended December 31, 2022

	General Government \$	Protection Services \$	Transportation Services \$	Environmental Services \$	Health Services \$	Social and Family Services \$	Social Housing \$	Recreation and Cultural Services \$	Planning and Development \$	Consolidated \$
Revenues										
Property taxation	6,353,257	(353,358)	23,585,810	3,766,061	5,512,000	2,654,146	6,260,498	791,404	2,180,304	50,750,122
User charges	867,755	784	45,636	2,115,347	325,119	-	-	213,681	303,530	3,871,852
Government transfers - operating	591,139	275,547	450,439	1,401,638	12,412,463	-	-	183,780	-	15,315,006
Government transfers - capital	20,354	-	4,235,656	-	-	-	-	-	-	4,256,010
Other municipalities	2,625	-	829,824	958,097	5,826,635	-	-	-	18,629	7,635,810
Provincial Offences Act - fines	-	242,515	-	-	-	-	-	-	-	242,515
Investment income	1,046,911	-	-	-	-	-	-	-	-	1,046,911
Donations	-	-	-	-	-	-	-	16,141	-	16,141
Developer contributions earned	18,263	-	442,742	-	-	-	-	-	-	461,005
Canada Community-Building Fund earned	-	-	3,504,861	-	-	-	-	-	-	3,504,861
Provincial gas tax earned	-	-	41,648	-	-	-	-	-	-	41,648
Total revenues	8,900,304	165,488	33,136,616	8,241,143	24,076,217	2,654,146	6,260,498	1,205,006	2,502,463	87,141,881
Expenses										
Salaries and benefits	4,106,068	50,745	4,913,488	486,168	16,202,860	-	-	614,876	1,135,467	27,509,672
Interest charges	-	-	21,014	-	99,068	-	-	-	-	120,082
Materials	2,064,087	54,311	13,406,864	2,296,698	3,657,805	-	-	393,444	204,184	22,077,393
Contracted services	1,584,680	24,808	11,572	4,276,207	749,667	-	-	5,151	142,721	6,794,806
Rents and financial	143,312	-	2	-	151,226	-	-	85	297	294,922
External transfers	-	10,000	100,072	-	928,080	2,320,147	6,137,350	-	953,332	10,448,981
Amortization	95,663	7,215	7,115,774	257,214	917,883	-	-	107,041	673	8,501,463
Loss (gain) on disposal of tangible capital assets	-	-	221,517	-	(21,753)	-	-	22,014	-	221,778
Internal transfers	(380,999)	-	7,408	-	372,855	-	-	(22,014)	22,750	-
Total expenses	7,612,811	147,079	25,797,711	7,316,287	23,057,691	2,320,147	6,137,350	1,120,597	2,459,424	75,969,097
Net surplus	1,287,493	18,409	7,338,905	924,856	1,018,526	333,999	123,148	84,409	43,039	11,172,784

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INDEPENDENT AUDITOR'S REPORT

To the Members of Council, Inhabitants and Ratepayers of the Corporation of the County of Peterborough

Opinion

We have audited the financial statements of the Trust Fund of the Corporation of the County of Peterborough (the Trust Fund), which comprise the statement of financial position as at December 31, 2023, the statement of continuity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Trust Fund as at December 31, 2023, and the continuity of the Trust Fund for the year then ended in accordance with Canadian Public Sector Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Trust Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

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

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

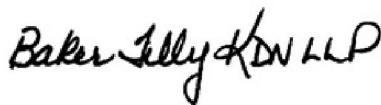
Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust Fund'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 Trust Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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



Chartered Professional Accountants
Licensed Public Accountants

Peterborough, Ontario
July 4, 2024

CORPORATION OF THE COUNTY OF PETERBOROUGH

TRUST FUND STATEMENT OF FINANCIAL POSITION At December 31, 2023

	2023 \$	2022 \$
FINANCIAL ASSETS		
Cash	13,299	12,634
Due from County of Peterborough	16,865	16,036
	30,164	28,670
LIABILITIES AND FUND BALANCE		
LIABILITIES		
Due to recipients	3,023	2,336
TRUST FUND BALANCES	27,141	26,334
	30,164	28,670

TRUST FUND STATEMENT OF CONTINUITY For the Year Ended December 31, 2023

	2023 \$	2022 \$
BALANCE - beginning of year	26,334	25,983
RECEIPTS		
Interest earned	1,494	649
EXPENSES		
Beneficiary distribution	687	298
BALANCE - end of year	27,141	26,334

The accompanying notes are an integral part of these financial statements

CORPORATION OF THE COUNTY OF PETERBOROUGH

TRUST FUND NOTES TO THE FINANCIAL STATEMENTS For the Year Ended December 31, 2023

1. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with the standards in the Chartered Professional Accountants Canada Public Sector Accounting (PSA) Handbook.

(a) Basis of accounting

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

(b) Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the period and are based on the County's best information and judgment. Actual results could differ from these estimates.