

Consolidated financial statements of

The Regional Municipality of Peel

For the year ended December 31, 2024

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Independent Auditor's Report

To the Members of
Council of the Regional Municipality of Peel

Opinion

We have audited the consolidated financial statements of the Regional Municipality of Peel, which comprise the statement of financial position as at December 31, 2024, and the statements of operations, 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 (collectively referred to as the "consolidated financial statements").

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Regional Municipality of Peel as at December 31, 2024, and the results of its operations, change in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). 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 Regional Municipality of Peel 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 Regional Municipality of Peel'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 Regional Municipality of Peel or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Regional Municipality of Peel's financial reporting process.

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 GAAS 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 GAAS, 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 Regional Municipality of Peel'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 Regional Municipality of Peel'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 Regional Municipality of Peel 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 financial information of the entities or business activities within the Regional Municipality of Peel 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.

Deloitte LLP

Chartered Professional Accountants
Licensed Public Accountants
June 19, 2025

The Regional Municipality of Peel

Consolidated Statement of Financial Position

As at December 31, 2024

(All dollars in \$000)

	2024	2023
FINANCIAL ASSETS		
Cash and cash equivalents (Note 3)	\$ 365,024	\$ 282,463
Accounts receivable (Note 4)	435,343	330,430
Loans receivable (Note 5)	27,544	27,780
Portfolio investments (Note 3)	2,946,180	2,924,664
Recoverable gross long-term debt from area municipalities (Note 10)	329,933	264,719
	4,104,024	3,830,056
LIABILITIES		
Accounts payable and accrued liabilities (Note 6)	932,399	879,270
Deferred revenue (Note 7)	262,703	217,937
Employee future benefits and post-employment liabilities (Note 8)	321,031	269,507
Asset retirement obligations (Note 9)	103,752	79,649
Other liabilities	4,463	4,358
Long-term debt (Note 10)	1,726,700	1,391,189
Mortgages payable on income-producing properties (Note 10)	43,424	59,715
	3,394,472	2,901,625
NET FINANCIAL ASSETS	709,552	928,431
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 13)	13,806,472	13,115,050
Prepaid expenses	52,883	40,073
Inventory	8,885	9,955
	\$ 13,868,240	\$ 13,165,078
Accumulated surplus comprised of		
Accumulated operating surplus	14,561,511	\$ 14,076,769
Accumulated remeasurement gain	16,281	\$ 16,740
ACCUMULATED SURPLUS (Note 12)	\$ 14,577,792	\$ 14,093,509

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

The Regional Municipality of Peel

Consolidated Statement of Operations

For the year ended December 31, 2024
(All dollars in \$000)

	2024 Budget (Note 14)	2024	2023
REVENUES			
Levies on area municipalities	\$ 1,477,157	\$ 1,490,297	\$ 1,324,458
Direct charges on ratepayers	573,549	574,613	545,376
Contributions – other governments	1,037,561	1,136,851	1,014,356
Contributions – developers	812,090	299,152	178,986
Contributed tangible capital assets	-	102,575	57,261
Investment income	109,292	112,259	103,767
Fees, service charges and other	186,174	235,313	250,907
Total revenues	4,195,823	3,951,060	3,475,111
EXPENSES (Note 15)			
General government	76,972	115,907	97,000
Protection to property and persons	690,612	734,528	664,325
Transportation services	185,089	167,989	149,876
GO Transit	6,116	6,116	6,012
Gas tax transferred to area municipalities	37,954	37,865	37,954
Environmental services	706,153	740,279	749,087
Health services	290,573	298,727	270,490
Social and family services	951,680	1,022,706	854,715
Social housing	316,366	311,986	270,524
Planning and development	9,966	10,388	8,190
Assessment/other	19,827	19,827	19,512
Total expenses	3,291,308	3,466,318	3,127,685
Annual surplus	904,515	484,742	347,426
Accumulated operating surplus, beginning of year	14,076,769	14,076,769	13,729,343
ACCUMULATED OPERATING SURPLUS, END OF YEAR (Note 12)	\$ 14,981,284	\$ 14,561,511	\$ 14,076,769

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

The Regional Municipality of Peel

Consolidated Statement of Change in Net Financial Assets

For the year ended December 31, 2024

(All dollars in \$000)

	2024 Budget (Note 14)	2024	2023
ANNUAL SURPLUS	\$ 904,515	\$ 484,742	\$ 347,426
Acquisition of tangible capital assets	(894,276)	(925,648)	(744,554)
Amortization of tangible capital assets	304,925	319,613	321,871
Contributed tangible capital assets	-	(102,575)	(57,261)
Loss on sale of tangible capital assets	-	15,716	24,584
Proceeds on sale of tangible capital assets	-	1,472	1,348
	315,164	(206,680)	(106,586)
Acquisition of inventory	-	(11,660)	(12,619)
Acquisition of prepaid expenses	-	(26,647)	(15,062)
Consumption of inventory	-	12,730	12,690
Use of prepaid expenses	-	13,837	3,575
Change in remeasurement gain for the year	-	(459)	16,740
Change in net financial assets	\$ 315,164	\$ (218,879)	\$ (101,262)
Net financial assets, beginning of year	928,431	928,431	1,029,693
NET FINANCIAL ASSETS, END OF YEAR	\$ 1,243,595	\$ 709,552	\$ 928,431

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

The Regional Municipality of Peel

Consolidated Statement of Remeasurement Gains

For the year ended December 31, 2024
(All dollars in \$000)

	2024	2023
ACCUMULATED REMEASUREMENT GAIN, BEGINNING OF YEAR	\$ 16,740	\$ 6,572
Unrealized (loss) gain attributable to:		
Portfolio investments	(459)	10,168
Remeasurement gain for the year	(459)	10,168
ACCUMULATED REMEASUREMENT GAIN, END OF YEAR	\$ 16,281	\$ 16,740

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

The Regional Municipality of Peel

Consolidated Statement of Cash Flows

For the year ended December 31, 2024

(All dollars in \$000)

	2024	2023
OPERATING ACTIVITIES		
Annual surplus	\$ 484,742	\$ 347,426
Items not involving cash		
Amortization of tangible capital assets	319,613	321,871
Loss on sale of tangible capital assets	15,716	24,584
Contributed tangible capital assets	(102,575)	(57,261)
Write-down of tangible capital assets	-	-
Change in non-cash assets and liabilities (Note 16)	(8,240)	88,970
Net change in cash and cash equivalents from operating activities	709,256	725,590
CAPITAL ACTIVITIES		
Proceeds on sale of tangible capital assets	1,472	1,348
Cash used to acquire tangible capital assets	(925,648)	(744,554)
Net change in cash and cash equivalents from capital activities	(924,176)	(743,206)
INVESTING ACTIVITIES		
Proceeds from disposals and redemptions of investments	966,483	1,072,267
Acquisition of investments	(988,458)	(868,882)
Decrease (Increase) in loans receivable	236	(4,955)
Net change in cash and cash equivalents from investing activities	(21,739)	198,430
FINANCING ACTIVITIES		
Proceeds on debt issuance	450,000	-
Repayment of long-term debt	(43,938)	(47,551)
Accrual for interest payments	702	680
Contributions to sinking fund	(50,608)	(51,036)
Investment income earned on sinking fund	(20,645)	(11,362)
Repayment of mortgages payable	(16,291)	(17,622)
Net change in cash and cash equivalents from financing activities	319,220	(126,891)
Net change in cash and cash equivalents	82,561	53,923
Cash and cash equivalents, beginning of year	282,463	228,540
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 365,024	\$ 282,463
Cash and cash equivalents are comprised of the following:		
Cash	\$ 245,015	\$ 219,181
Cash equivalents	120,009	63,282
	365,024	282,463
Cash paid for interest	79,438	79,461
Cash received from interest	129,071	75,882

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

THE REGIONAL MUNICIPALITY OF PEEL

Notes to the Consolidated Financial Statements

For the year ended December 31, 2024

(All dollars in \$000)

The Regional Municipality of Peel ("Region") is an upper-tier municipality in the Province of Ontario ("Province"), Canada. The provisions of provincial statutes such as the [Municipal Act](#), [Municipal Affairs Act](#) and related legislation guide its operations.

1. Significant Accounting Policies

The consolidated financial statements ("financial statements") of the Region are the representation of management and are prepared in accordance with Canadian public sector accounting standards ("PSAS"), as recommended by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants of Canada ("CPA Canada").

The focus of these financial statements is on the financial position of the Region and the changes thereto. The consolidated statement of financial position includes all the financial assets and liabilities of the Region as well as non-financial assets. Financial assets are those assets that could provide resources to discharge existing liabilities or finance future operations. Net financial assets form a part of the financial position and are the difference between financial assets and liabilities. This provides information about the Region's overall future revenue requirements and its ability to finance activities and meet its obligations. Non-financial assets are normally used to deliver services. Their value lies with their service potential rather than their ability to generate future cash inflows. They form part of the financial position, as they provide resources that the Region can employ in the future to meet its objectives. The accumulated surplus is made up of the combination of net financial assets and non-financial assets.

Significant aspects of the accounting policies adopted by the Region are as follows:

a) Basis of Presentation

The financial statements reflect the financial activities of all entities that are accountable to and controlled by the Region, which include:

- Peel Police Services Board ("Peel Police")
- Peel Housing Corporation ("PHC")

All inter-departmental and inter-organizational transactions are eliminated on consolidation. Also included are the Regional contributions to the local conservation authorities, and the funding thereof. The Region is required, by legislation, to reimburse the Municipal Property Assessment Corporation for the cost of Assessment Services that are not administered or controlled by the Region.

Funds held in trust by the Region for residents of Peel Manor and Sheridan Villa Senior Citizens' Residences, the Tall Pines and Malton Village Long-Term Care Centres, and the Vera M. Davis Community Care Centre in the amount of \$264 (2023 – \$277), are not included in the financial statements. The financial activity and position of the trust funds are reported separately in the trust funds financial statements.

The Region maintains separate funds for the purpose of providing for periodic repayments on debt to be retired by means of sinking funds. The financial activity and position of this fund

are disclosed separately in the debt retirement funds and the sinking funds financial statements.

b) Basis of Accounting

i) Accrual Method of Accounting

The Region follows the accrual method of accounting. The accrual basis of accounting recognizes revenue in the period in which the transactions or events occurred that gave rise to the revenues. Expenses are the cost of goods or services acquired in the period, whether or not payment has been made or invoices received.

i) Cash and Cash Equivalents

Cash and cash equivalents include short-term, highly liquid investments with a term to maturity of 90 days or less as at December 31.

ii) Loans Receivable

Loans receivable are initially 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.

iii) Asset Retirement Obligations

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

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

The Region recognizes a liability for legal obligations that exist as a result of the acquisition, construction or development of a tangible capital asset, or that results from the normal use of the asset when the asset is recorded. The liabilities are measured at management's best estimate of the undiscounted future cash flows required to settle the retirement obligation. For tangible capital assets that are still in productive use, the estimated retirement costs are capitalized and amortized on the same basis as the related tangible capital asset. For assets that are not recorded or are no longer in productive use, the liability is expensed in the period.

The liability is reviewed at each financial reporting date and adjusted for any revisions to the timing or amount required to settle the obligation. The changes in the liability for the passage of time are recorded as an accretion expense in the Consolidated Statement of Operations and all other changes are adjusted to the tangible capital asset. Actual costs incurred are charged against the ARO to the extent of the liability recorded. Differences between actual costs incurred and the liability, if any, are recognized in the Consolidated Statement of Operations when remediation is completed.

The costs to close an existing landfill site and to maintain closed landfill sites are based on the future estimated expenditures required over a twenty-five year period, discounted using the Region's long-term borrowing rate. These costs are reported as a liability on the consolidated statement of financial position. Landfill sites are amortized using the units of production method based upon capacity used during the year.

v) Financial Instruments

Financial instruments include cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities, mortgages payable and long term debt.

The carrying value of the financial instruments reported on the Statement of Financial Position are measured as follows:

Instrument	Method
Cash and cash equivalents	Cost
Accounts receivables	Amortized cost
Portfolio investments	Amortized cost
Equity Investments	Fair value
Loans receivable	Amortized cost
Recoverable gross long-term debt from area municipalities	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Gross long-term liabilities	Amortized cost

Amortized costs are amounts measured using the effective interest method. 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). This includes allocating the interest income or interest expense over the relevant period, based on the effective interest rate. This methodology is applied to financial assets or financial liabilities that are not in the fair value category.

Equity instruments quoted in an active market and derivatives are subsequently measured at fair value as at the reporting date. All other financial instruments are subsequently recorded at cost or amortized cost unless the Region elects to carry the financial instrument at fair value. The Region has not elected to carry any other financial instruments at fair value.

Unrealized changes in fair value are recognized in the Consolidated Statement of Remeasurement Gains. They are recorded in the Consolidated Statement of Operations when they are realized.

Transaction costs incurred on the acquisition of financial instruments subsequently measured at fair value are expensed as incurred. Transaction costs incurred on the acquisition of financial instruments recorded at cost are included in the cost.

Cash and cash equivalents, accounts receivable, and accounts payable are initially recorded at their fair value, and subsequently measured at cost net of any provisions for impairment.

For financial instruments in the fair value measurement category, financial instruments are classified as level 1, 2, or 3 for the purposes of describing the basis of the inputs used to measure the fair value of the financial instrument, as described below:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: Market-based inputs other than quoted prices that are observable for the asset or liability either directly or indirectly

Level 3: Inputs for the asset or liability that are not based on observable market data; assumptions are based on the best internal and external information available and are most suitable and appropriate based on the type of financial instrument being valued to establish what the transaction price would have been on the measurement date in an arm's length transaction.

vi) Investment Income

Investment income earned on surplus current fund, capital fund, reserves and reserve funds (other than obligatory reserve funds) are reported as revenue in the period earned. Investment income on unspent obligatory reserve funds is added to obligatory reserve fund balances.

vii) Non-Financial Assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

a. Tangible Capital Assets

Tangible capital assets are recorded at cost, which includes amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The Region does not have any tangible capital assets recognized at nominal value. The cost, less residual value, of tangible capital assets, excluding land and landfill sites, are amortized on a straight-line basis over their estimated useful lives as follows:

Assets	Useful life – years
Land improvements	5 – 99
Buildings	20 – 100
Building improvements	8 – 100
Leasehold improvements	2 – 40
Equipment and furnishings	3 – 80
Linear	15 – 90
Linear improvements	50
Structures	20 – 60
Vehicles	3

Annual amortization is charged in the year of acquisition and in the year of disposal. Assets under construction are not amortized until the asset is in service.

b. Contributions of Tangible Capital Assets

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

c. Interest Capitalization

The Region capitalizes interest costs associated with the acquisition or construction of a tangible capital asset relating to certain projects.

d. Natural Resources

Natural resources that have not been purchased are not recognized as assets in the financial statements.

viii) Deferred Revenue – Development Charges

Development charges (DC), collected under the authority of Sections 33 to 35 of the [Development Charges Act, 1997](#), are reported as deferred revenue in the consolidated

statement of financial position in accordance with PSAS. Amounts applied to qualifying capital projects are recorded as revenue in the fiscal period in which the funds are expended on qualifying capital projects. Development charges will also be applied to cover costs for servicing debt including interest on borrowings and contributions to sinking funds to retire debt.

DC receivable relate to legal agreements where the collection of development charges has been deferred in accordance with Section 26.1 of the Development Charges Act.

ix) Tax Revenue

Property tax revenue is recognized on an accrual basis when the tax is authorized by the passing of the tax levy by-law. Taxes are levied on properties listed on the assessment roll at the time the by-law is passed based on the approved budget and tax rates. Supplementary taxation is recognized as additional billings issued to properties that are added to the assessment roll during the year.

At year-end, the Region evaluates the likelihood of having to repay taxes as a result of tax appeals or other changes and recognizes a liability if the amount can be reasonably estimated.

x) Revenue recognition

Revenues arising from transactions with performance obligations are recognized as the performance obligation is satisfied by providing the relevant services. Revenue from transactions with no performance obligations are recognized when there is an authority to claim or retain an inflow of economic resources and there is a past transaction or event that gives rise to an asset.

xi) Government Transfers

Government transfers are recognized in the financial statements in the period in which the events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made, and there are no stipulations that give rise to a liability.

xii) Employee Future Benefits and Post-Employment Liabilities

The Region accounts for its participation in the Ontario Municipal Employee Retirement System ("OMERS"), a multi-employer public sector pension fund, as a defined contribution plan.

Vacation entitlements are accrued for as entitlements are earned.

Other post-employment benefits and compensated absences are accrued in accordance with the projected benefit method, pro-rated on service and management's best estimate of salary escalation and retirement ages of employees. Actuarial valuations, where necessary for accounting purposes, are generally performed triennially. The discount rate used to determine the accrued benefit obligation was determined by reference to the Region's short and long-term rate of borrowing. Unamortized actuarial gains/losses are amortized on a straight-line basis over the expected average remaining service life of the related employee groups. Unamortized actuarial gains/losses for event-triggered liabilities, such as those determined as claims related to Workplace Safety and Insurance Board ("WSIB"), are recorded when determined.

Costs related to prior-period employee services arising out of plan amendments are recognized in the period in which the plan is amended.

Where applicable, the Region has set aside Reserves intended to fund these obligations, either in full or in part. These Reserves were created under municipal by-law and do not meet the definition of a plan asset under *PSAS 3250 Retirement Benefits*. Therefore, for the purposes of these financial statements, the plans are considered unfunded.

xiii) Liability for Contaminated Sites

A liability for the remediation of a contaminated site is recognized as the best estimate of the amount required to remediate the contaminated site when the following specified criteria are present:

- Contamination exceeding an environmental standard exists,
- The Region is either directly responsible or accepts responsibility,
- It is expected that the future economic benefit will be given up, and
- A reasonable estimate of the amount is determinable.

If the likelihood of the Region's obligation to incur these costs is either not determinable, or if an amount cannot be reasonably estimated, the costs are disclosed as contingent liabilities in the Notes to the financial statements.

xiv) Use of Estimates

The preparation of these financial statements in conformity with PSAS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amount of revenues and expenses during the period. Significant estimates relate to accounts receivable, accrued liabilities, asset retirement obligations, liabilities for contaminated sites, employee future benefits and post-employment liabilities and expenses. Due to the inherent uncertainty in making estimates, actual results could differ from those estimates.

2. Adoption of New Accounting Standards

Effective January 1, 2024, the Region has adopted Canadian public sector accounting standards PS 3160 - Public Private Partnerships, PSG-8 – Purchased Intangibles, and PS 3400 – Revenue. The adoption of these standards had no material impact on the financial statements.

3. Cash and Cash Equivalents and Portfolio Investments

Cash and cash equivalents and portfolio investments reported on the consolidated statement of financial position have carrying value and market values as follows:

2024		
	Carrying Value	Market Value
Cash	\$ 245,015	\$ 245,015
Cash equivalents	120,009	119,982
Cash and cash equivalents	\$ 365,024	\$ 364,997
Portfolio investments	\$ 2,946,180	\$ 2,869,882

2023

	Carrying Value	Market Value
Cash	\$ 219,181	\$ 219,181
Cash equivalents	63,282	63,113
Cash and cash equivalents	\$ 282,463	\$ 282,294
Portfolio investments	\$ 2,924,664	\$ 2,789,809

Included in the Region's investment portfolio is a Region of Peel debenture at a coupon rate of 2.15 per cent (2023 – 2.15 per cent) with a carrying value \$2,693 (2023 – \$2,953).

All equity investments are held at fair value. In 2024, the total unrealized gain decreased by \$459 for a total unrealized gain of \$16,281 (2023 - \$16,740), as presented on the Statement of Remeasurement Gains.

4. Accounts Receivable

The balance for accounts receivable is comprised of the following:

	2024	2023
Federal and provincial governments	\$ 83,023	\$ 88,066
Other municipalities	24,747	18,840
Wastewater and water billings	130,404	98,854
DC receivable	61,807	37,951
Accrued interest	23,908	24,364
Sundry	111,434	62,355
Total	\$ 435,343	\$ 330,430

5. Loans Receivable

The balance for loans receivable includes the following:

- A 30-year memorandum of understanding at 5.196 per cent with Credit Valley Conservation ("CVC") to be used to finance the renovation of their head office facility.
- A 20-year loan agreement at 5.12 per cent with Abbeyfield Houses of Caledon to be used to finance the construction of affordable housing for senior citizens.
- A loan to Shalimar International Housing Corporation; interest to be charged based on the prevailing capital market rate beginning September 1st, 2031; all principal and interest owing to be repaid by September 2nd, 2046.
- A loan to Ahneen Co-operative Homes; interest to be charged based on the prevailing capital market rate beginning February 1st, 2027; all principal and interest owing to be repaid by February 2nd, 2042.
- A loan to Forum Italia Non-Profit Housing Corporation; interest to be charged based on the prevailing capital market rate beginning July 2nd, 2025; all principal and interest owing to be repaid by July 2nd, 2040.

- f) A loan to Grace Retirement and Community Enterprises Inc.; interest to be charged based on the prevailing capital market rate beginning August 2nd, 2018; all principal and interest owing to be repaid by August 2nd, 2033.
- g) A loan to Chegoggin Co-operative Homes; interest to be charged based on the prevailing capital market rate beginning December 2nd, 2027; all principal and interest owing to be repaid by December 2nd, 2042.
- h) A loan to Indo-Canadian Non-Profit Housing; interest to be charged based on the prevailing capital market rate beginning September 2nd, 2026; all principal and interest owing to be repaid by September 2nd, 2041.
- i) An interest-free subsidy agreement with Erin Court Co-operative Homes; repayable through future operational surpluses.
- j) A loan to Las Americas Co-operative Homes; interest to be charged based on the prevailing capital market rate beginning July 2nd, 2028; all principal and interest owing to be repaid by July 2nd, 2043.
- k) A loan to Bristol Road Labourers' Local 183 Non-Profit Homes; interest to be charged based on the prevailing capital market rate beginning July 1st, 2028; all principal and interest owing to be repaid by July 2nd, 2043.
- l) A loan to Wawel Villa; interest to be charged based on the prevailing capital market rate beginning April 1st, 2031; all principal and interest owing to be repaid by April 2nd, 2046.
- m) A loan to Yarl Co-operative Homes; interest to be charged based on the prevailing capital market rate beginning April 1st, 2030; all principal and interest owing to be repaid by April 2nd, 2045.

	2024	2023
CVC – memorandum of understanding	\$ 4,908	\$ 5,082
Shalimar International Housing – loan agreement	767	767
Ahneen Co-operative Homes – loan agreement	778	778
Forum Italia Non-Profit Housing – loan agreement	1,517	1,517
Grace Retirement and Community Enterprises Inc. – loan agreement	1,702	1,867
Cheggoggin Co-operative Homes – loan agreement	1,653	1,653
Indo-Canadian Non-Profit Housing – loan agreement	1,585	1,585
Erin Court Co-operative Homes – subsidy agreement	418	437
Las Americas Co-operative Homes – loan agreement	3,658	3,774
Bristol Rd Labourer's Local 183 Non-Profit Homes – loan agreement	4,834	4,834
Wawel Villa Inc – loan agreement	2,174	1,936
Yarl Co-operative Homes – loan agreement	3,550	3,550
Total	\$ 27,544	\$ 27,780

n) Future Repayments

Estimated future receipts of loans receivable are as follows:

	Total
2025	183
2026	193
2027	203
2028	215
2029	225
Subsequent to 2029	26,525
Total	\$ 27,544

6. Accounts Payable and Accrued Liabilities

The balance for accounts payable and accrued liabilities is comprised of the following:

	2024	2023
Trade accounts payable	\$ 641,394	\$ 590,340
Provincial government	274,371	266,901
Other municipalities	16,634	22,029
Total	\$ 932,399	\$ 879,270

7. Deferred Revenue

Deferred revenues set aside for specific purposes by legislation, regulation or agreement as at December 31, are composed of the following:

	Balance at December 31, 2023	Inflows	Revenue earned and Collections 31, 2024	Balance at December 31, 2024
Development charges	\$ -	\$ 295,441	\$ 295,441	\$ -
DC receivable	37,951	27,567	3,711	61,807
Canada Community-Building Fund	75,521	49,714	40,582	84,653
Provincial Gas Tax	94	323	318	99
General – Region	99,123	108,160	96,595	110,688
General – PHC	5,248	208	-	5,456
Total	\$ 217,937	\$ 481,413	\$ 436,647	\$ 262,703

8. Employee Future Benefits and Post-Employment Liabilities

Employee future benefits and post-employment liabilities reported on the consolidated statement of financial position consist of the following:

	2024	2023
Retirement benefits:		
- Peel Police	\$ 104,661	\$ 100,749
- Peel Police (LTD recipients)	10,374	9,836
- Peel Region	14,428	13,532
- Peel Region (LTD recipients)	9,131	6,903
	138,594	131,020
Workplace Safety and Insurance Board	182,437	138,486
Total	\$ 321,031	\$ 269,507

a) Retirement Benefits

The liability for retirement benefits is for the Region's and the Peel Police's share of costs associated with extending the coverage for health, dental, and life insurance benefits to qualifying employees. Benefit coverage, except for life insurance coverage, and health care spending account for Peel Police, ceases at the age of 65. The valuation treats enrolled members in receipt of long-term disability for two years or less, or WSIB benefits, as continuing to receive active service benefits.

The Peel Region liability is based on the actuarial valuations as at December 31 2023, with estimates to December 31, 2025.

The Peel Police liability is based on the actuarial valuations as at December 31, 2022, with estimates to December 31, 2025.

The following significant actuarial assumptions adopted in the valuations were based on management's best estimates.

- Future discount rates:
 - Peel Police
 - 5.05 per cent per year for Retiree Benefit
 - 4.40 per cent per year for LTD
 - Peel Region
 - 4.50 per cent per year for Retiree Benefit
 - 4.50 per cent per year for LTD
- Future inflation rate
 - 2.00 per cent per year
- Future salaries
 - Escalate at 2.75 per cent per year
- Future dental premium rates:
 - Peel Police
 - Initial rate of 4.50 per cent, grading up for 1 year and then down over 17 years to an ultimate rate of 4.05 per cent
 - Peel Region
 - 6.88 per cent in 2024 reducing to 4.50 per cent in 2043
- Future health care premium rates:
 - Peel Police
 - Blended initial rate of 4.05 per cent, grading up over 6 years and then down over 12 years to an ultimate blended rate of 4.05 per cent
 - Peel Region
 - Drugs - 8.00 per cent from 2023 reducing to 4.5 per cent in 2043
 - Vision - 2.00 per cent from 2023 reducing to 0.0 per cent in 2033

The following are the actuarial results for the accrued benefit liability reported on the consolidated statement of financial position:

Retirement Benefits Liability

	2024	2023
Accrued benefit obligation at January 1	\$ 150,662	\$ 142,057
Add: benefit service cost	7,451	8,996
Add: interest accrued	6,233	5,894
Deduct: benefit payments	(7,245)	(7,267)
Add: Plan amendment cost	982	982
Accrued benefit obligation at December 31	158,083	150,662
Deduct: unamortized actuarial loss	(19,489)	(19,642)
Liability at December 31	\$ 138,594	\$ 131,020

Retirement Benefits Expense

	2024	2023
Current period benefit cost	\$ 7,451	\$ 8,996
Interest on accrued benefit obligation	6,232	5,894
Amortization of actuarial loss	154	225
Total	\$ 13,837	\$ 15,115

The actuarial loss is the result of assumptions used in the above noted valuations that varied from assumptions used in prior valuations. These assumptions pertained to the distribution of

covered employees, discount rate, escalation of health care rates, projected mortality rates, and benefit coverage. The actuarial loss will be amortized over the expected average remaining service life of employees.

b) Workplace Safety and Insurance Board

The Region is a Schedule II employer under the [Workplace Safety and Insurance Act](#), and, therefore, self-insures the entire risk of their own WSIB claims and is responsible for reimbursing the WSIB for all costs relating to its workers' claims.

The liability reported in the consolidated statement of financial position is based on the actuarial valuation as at December 31, 2024, that estimated potential liabilities of the Region under the provisions of the [Workplace Safety and Insurance Act](#).

The result of the actuarial valuation is as follows:

WSIB Liability

	2024	2023
Accrued benefit obligation at January 1	\$ 191,497	\$ 137,167
Add: estimated cost of claims (service cost)	55,515	70,806
Add: interest accrued	10,375	6,208
Deduct: expected benefits paid	(27,163)	(22,684)
Accrued benefit obligation at December 31	230,224	191,497
Deduct: unamortized actuarial loss	(47,787)	(53,011)
Liability at December 31	\$ 182,437	\$ 138,486

WSIB Benefits Expense

	2024	2023
Current period benefit cost	\$ 55,513	\$ 88,251
Interest on accrued benefit obligation	10,375	6,208
Amortization of actuarial loss	8,097	9,775
Total	\$ 73,985	\$ 104,234

9. Asset Retirement Obligations

The Region's asset retirement obligations consist of the following:

a) Landfill obligations

[The Environmental Protection Act](#) sets out regulatory requirements to properly close and maintain all active and inactive landfill sites. Under environmental law, there is a requirement for closure and post-closure care of solid waste landfill sites.

Landfill closure and post-closure care are activities for landfill sites that are expected to occur in perpetuity and requirements have been defined in accordance with industry standards and include final covering and landscaping of the landfill, pumping of groundwater and leachates from the site, and ongoing environmental monitoring, site inspection and maintenance.

The Region has twenty landfill sites, nineteen of which are closed. The Caledon site has capacity but is not currently accepting waste. To fill the remaining unused 5 per cent capacity would result in an estimated remaining life of one year. For the Caledon site and the closed sites, the estimated liability for these expenditures is calculated for a twenty-five year period.

The estimated liability of \$71,847 (2023 – \$63,830) included in the financial statements and shown below represents the sum of the discounted future cash flows for closure and post-closure care activities discounted at the Region's long-term borrowing rate of 4.5 per cent (2023 – 4.50 per cent).

As at December 31, the Region maintained a reserve of \$12,145 (2023 – \$13,390), which will be used to fund expected future costs.

b) Asbestos and lease obligations

The Region owns and operates several buildings that are known to have asbestos. Once disturbed, the Region has a legal obligation to properly remove and dispose of asbestos. Following the adoption of PS 3280, the Region has recognized an obligation relating to the removal and post-removal care of the asbestos in these buildings, along with an obligation to restore leasehold improvements when required by lease agreements.

The liability for asset retirement obligations has been estimated using a net present value technique with a discount rate of 4.5 per cent.

A reconciliation of the beginning and ending balance of the Asset Retirement Obligations (ARO) liability is as follows:

	2023	Landfill closure and post-closure	Asbestos	2024
ARO, opening balance	\$ -	\$ 63,830	\$ 15,819	\$ 79,649
Adoption of PS 3280	82,721	-	-	-
Changes in estimates/new liabilities incurred	481	8,017	37,555	45,572
Change in discount rate	(4,215)	-	-	-
Disposal/settlement	-	-	(22,675)	(22,675)
Accretion expense	662	-	1,206	1,206
ARO, ending balance	\$ 79,649	\$ 71,847	\$ 31,904	\$ 103,752

10. Long-Term Debt

Under the terms of the [Municipal Act, 2001](#), Regional Council has approved the issuing of debentures to finance its own capital expenses and tangible capital assets, and those of the area municipalities within the annual debt repayment limit prescribed by the Ministry of Municipal Affairs. Debentures issued for such purposes are direct, joint and several obligations of the Region and local municipalities.

a) Net Long-Term Debt

The total for long-term liabilities reported in the consolidated statement of financial position consists of the following:

	2024	2023
Total long-term liabilities incurred by the Region including amounts incurred on behalf of area municipalities	\$2,272,905	\$1,866,125
Less: Total value of Region's sinking fund deposits	(544,464)	(473,371)
Add: Value of Town of Caledon sinking fund assumed by the Region	(1,741)	(1,565)
Total long-term liabilities	1,726,700	1,391,189
Mortgages payable by Peel Housing Corporation	43,424	59,715
Total mortgages payable on income-producing properties	43,424	59,715
Recoverable from lower-tiers		
City of Mississauga	260,745	208,040
City of Brampton	43,000	43,000
Town of Caledon	31,135	18,626
Less: Town of Caledon debt assumed by Region	(4,947)	(4,947)
Total recoverable gross long-term debt from area municipalities	329,933	264,719
Net Long-Term Debt at December 31	\$1,440,191	\$1,186,185

In 2024, the Region issued \$450,000 in amortizing debentures of which \$90,000 was on behalf of the City of Mississauga and \$14,700 the Town of Caledon.

Outstanding debt issued by the Region consists of serial, amortizing and sinking fund debentures maturing between November 2026 and October 2054 and have interest rates ranging between 0.8 per cent and 5.1 per cent.

Mortgages of \$43,424 (2023 – \$59,715) on PHC properties are secured by a first charge on specific assets of PHC with amortization periods ranging from five to fifty years and interest rates ranging from 0.45 per cent to 7.25 per cent.

Sinking funds were established to provide for the orderly retirement of sinking fund debentures issued by the Region. These debentures mature between November 2026 and June 2053.

PHC as Borrower, the Region as Guarantor, and Canada Mortgage Housing Association (CMHC) as Lender entered into a credit agreement dated as of December 8, 2020 (the "Credit Agreement"). Under the original Credit Agreement, PHC has access to a non-revolving fixed rate loan facility in the amount of \$186,895 and a forgivable, non revolving loan facility in the amount of \$89,474 with CMHC with \$21,568 of this loan facility drawn upon as of Dec 31, 2024 (2023 - \$22,195). This Credit Agreement is for the purposes of building affordable housing units and will be utilized as sites are developed.

On June 3, 2025, PHC and CMHC signed an amended and restated Credit Agreement that aligned deliverables with revised funding amounts, establishing a non-revolving fixed-rate loan facility of \$129,371 and a forgivable non-revolving loan facility of \$61,080.

b) Future Principal Repayments

Estimated future principal repayments for the Region, including sinking fund contributions and PHC, are as follows:

	Peel Housing Corporation	Region of Peel	Total
2025	\$ 14,186	\$ 57,880	\$ 72,066
2026	13,667	58,316	71,983
2027	7,824	45,050	52,874
2028	3,621	45,501	49,122
2029	3,299	45,972	49,271
Subsequent to 2029	827	770,822	771,649
Net sinking fund debt repayable	-	373,226	373,226
Total	\$ 43,424	\$1,396,767	\$ 1,440,191

Total interest charges in the amount of \$67,511 (2023 – \$66,739) are reported in the consolidated statement of operations. The charges consist of \$1,963 (2023 – \$3,783) for interest on PHC mortgages and \$65,548 (2023 – \$62,956) for debenture debt.

11. Pension Agreements

The Region makes contributions to OMERS on behalf of approximately 9,868 eligible employees. OMERS is a defined benefit pension plan, fully funded by equal contributions from participating employers and employees, and by the investment earnings of the OMERS Fund. OMERS pensions are calculated using a defined benefit formula, taking into account length of service and average annual wage (based upon the highest 60 consecutive months of earnings), that is designed to integrate with the pension payable from the Canada Pension Plan.

During the year, the Region's contribution to OMERS for current service was \$96,110 (2023 – \$87,427). The Region's contributions are reported in the consolidated statement of operations. Employee contributions also amount to \$96,110 (2023 – \$87,427).

The net assets of OMERS pension plan as at December 31, 2024, grew to \$138.2 billion (2023 - \$128.6 billion) primarily due to increased investment return. OMERS has a smoothed funded status of 98 per cent in 2024 (2023 – 97 per cent).

12. Accumulated Surplus

The accumulated surplus consists of the following balances:

	2024	2023
Investment in tangible capital assets and social housing	\$ 13,831,504	\$ 13,093,249
Reserves and reserve funds	2,867,894	2,770,260
Capital fund	(1,978,540)	(1,665,531)
Current fund	101,520	80,010
Less: unfunded liabilities		
Retiree benefits:		
– Peel Police	(62,332)	(57,880)
– Peel Region	(12,009)	(8,886)
Workplace Safety and Insurance Board	(110,217)	(66,265)
ARO - Landfill closure and post-closure costs	(71,847)	(63,830)
Other	(4,462)	(4,358)
Accumulated Operating Surplus	\$ 14,561,511	\$ 14,076,769
Accumulated remeasurement gain	16,281	16,740
Total Accumulated Surplus	\$ 14,577,792	\$ 14,093,509

a) Surplus Management Strategy

The Region has a surplus management strategy that permits year-end transfers to and from reserves to manage the level of surplus carried forward into the next fiscal year. Such transfers are made to ensure that future commitments of the Region can be met, and are based on management's planning of infrastructure replacement, property tax rate and user rate stabilization, potential exposure to program funding shortfalls and contingent liabilities. The allocation of these transfers and their purpose is disclosed annually to Regional Council following completion of the year-end audit. The financial statements include the transfers made to reserves under the surplus management strategy.

b) Reserves and Reserve Funds

Reserves and reserve funds are established by Regional Council as appropriate and are included in the accumulated surplus position of the Region.

13. Tangible Capital Assets

2024

(All dollars in \$000)

	Balance at					Balance at	
Cost	December 31, 2023	ARO Addition	Additions	Disposals	December 31, 2024		
Land	\$ 1,396,912		\$ 121,163		\$ 1,518,075		
Land improvements	44,106		-		44,106		
Buildings and building improvements	2,709,989	15,659	49,635	(1,651)	2,773,632		
Leasehold improvements	35,835		-		35,835		
Linear and linear improvements	9,852,697		266,356	(25,699)	10,093,354		
Structures	272,152		23,994		296,146		
Vehicles	127,928		24,581	(12,389)	140,120		
Equipment and furnishings	2,384,487		59,567	(17,764)	2,426,290		
Construction work in progress	1,818,484		467,268		2,285,752		
Total cost	\$ 18,642,590	\$ 15,659	\$ 1,012,563	\$ (57,503)	\$ 19,613,309		

	Balance at				Balance at	
Accumulated Amortization	December 31, 2023	ARO Addition	Amortization	Disposals	December 31, 2024	
Land improvements	\$ 23,507	\$	1,011	\$	24,518	
Buildings and building improvements	963,148	1,878	49,803	(1,651)	1,013,178	
Leasehold improvements	19,333	145	789		20,267	
Linear and linear improvements	3,107,732		163,460	(11,379)	3,259,813	
Structures	135,710		5,890		141,600	
Vehicles	75,320		11,879	(10,661)	76,538	
Equipment and furnishings	1,202,790		84,758	(16,625)	1,270,923	
Total accumulated amortization	\$ 5,527,540	\$ 2,023	\$ 317,590	\$ (40,316)	\$ 5,806,837	

			Net Book Value
			December 31, 2024
Land	\$	1,396,912	\$ 1,518,075
Land improvements		20,599	19,588
Buildings and building improvements		1,746,841	1,760,454
Leasehold improvements		16,502	15,568
Linear and linear improvements		6,744,965	6,833,541
Structures		136,442	154,546
Vehicles		52,608	63,582
Equipment and furnishings		1,181,697	1,155,367
Construction work in progress		1,818,484	2,285,752
Total net book value	\$	13,115,050	\$ 13,806,472

13. Tangible Capital Assets (Continued)

2023

(All dollars in \$000)

Cost	Balance at December 31, 2022	ARO PS 3280	Additions	Disposals & Write-downs	Balance at December 31, 2023
Land	\$ 1,350,870		\$ 46,042		\$ 1,396,912
Land improvements	41,883		2,223		44,106
Buildings and building improvements	2,669,973	12,364	27,652		2,709,989
Leasehold improvements	31,034	2,793	2,008		35,835
Linear and linear improvements	9,373,714		487,165	(8,182)	9,852,697
Structures	272,152				272,152
Vehicles	122,374		12,385	(6,831)	127,928
Equipment and furnishings	2,397,302		26,839	(39,654)	2,384,487
Construction work in progress	1,636,140		182,344		1,818,484
Total cost	\$ 17,895,442	\$ 15,157	\$ 786,658	\$ (54,667)	\$ 18,642,590

Accumulated Amortization	Balance at December 31, 2022	ARO PS 3280	Amortization	Disposals	Balance at December 31, 2023
Land improvements	\$ 22,496		\$ 1,011		\$ 23,507
Buildings and building improvements	912,965	1,032	49,151		963,148
Leasehold improvements	17,017	1,389	927		19,333
Linear and linear improvements	2,952,437		159,954	(4,659)	3,107,732
Structures	129,584		6,126		135,710
Vehicles	69,668		11,158	(5,506)	75,320
Equipment and furnishings	1,130,237		91,123	(18,570)	1,202,790
Total accumulated amortization	\$ 5,234,404	\$ 2,421	\$ 319,450	\$ (28,735)	\$ 5,527,540

Net Book Value	Net Book Value December 31, 2023
Land	\$ 1,350,870
Land improvements	19,387
Buildings and building improvements	1,757,008
Leasehold improvements	14,017
Linear and linear improvements	6,421,277
Structures	142,568
Vehicles	52,706
Equipment and furnishings	1,267,065
Construction work in progress	1,636,140
Total net book value	\$ 12,661,038
	\$ 13,115,050

13. Tangible Capital Assets (Continued)

a) Construction in Progress

Assets under construction having a value of \$2,285,752 (2023 – \$1,818,484) have not been amortized. Amortization of these assets will commence when the asset is put into service.

b) Contributed Tangible Capital Assets

Contributed tangible capital assets transferred to the Region in 2024 amounted to \$102,575 (2023 – \$57,621). The majority of tangible capital assets transferred were from developers and included water and wastewater local mains as well as land.

c) Works of Art and Cultural Assets

The Region manages and controls various works of art and non-operational historical cultural assets including buildings, artifacts, paintings and sculptures located at Region sites and public display areas. These assets are not recorded as tangible capital assets and are not amortized.

d) Interest Capitalization

In 2024, the Region capitalized \$160 (2023 – \$160) of interest cost.

14. Budget Data

The budget amounts presented in the consolidated financial statements are based on the 2024 operating and capital budgets approved by Regional Council on December 7, 2023. The following reconciles the approved budget to the budget amounts presented in the consolidated financial statements using the accrual basis of accounting, in accordance with PSAS. Budgets established for tangible capital asset acquisitions are on a project-oriented basis, the costs of which may be carried over one or more fiscal years. Where amounts were budgeted for on a project-oriented basis, the budget amounts used are based on actual projects that took place during the year to reflect the same basis of accounting that was used to report the actual results.

	Revenues	Expenses
Operating Budget		
Council Approved Budget	\$ 3,432,350	\$ 3,432,350
In-year budget adjustments	4,189	4,189
Board Approved Peel Housing Corporation	113,514	113,514
Adjustment for intercompany transactions	(141,714)	(191,192)
PSAB Adjustments		
Contributions to reserves/reserve funds	-	(691,389)
Contributions from reserves/reserve funds	(114,681)	-
Payment to sinking fund for debt retirement	-	(50,608)
Other liabilities	-	(8,017)
Other adjustments	499	(234)
Adjusted Operating Budget	3,294,157	2,608,613
Capital Budget		
Council Approved Budget	2,531,303	2,531,303
Timing difference between budget and spending	(1,343,970)	(1,343,970)
Board Approved Peel Housing Corporation	86,219	86,219
PSAB Adjustments		
Contributions from reserves/reserve funds	(476,021)	-
Acquisition of tangible capital assets	-	(897,621)
Amortization	-	306,764
Adjusted Capital Budget	797,531	682,695
Other		
Reserve fund interest and other revenue	104,135	-
Budget as presented in Financial Statements	\$ 4,195,823	\$ 3,291,308

15. Expenses by Object

The consolidated statement of operations reports expenses for the Region by functions or by business programs. The following is a summary of expenses by object.

	2024	2023
Salary and wages	\$ 1,285,623	\$ 1,143,608
Services and rents	509,583	486,994
Materials and supplies	105,529	103,480
Grants and transfer payments	879,419	744,254
Debt charges	67,511	66,739
Intra-government transfers	(75,811)	(67,704)
Amortization	319,613	321,871
Other operational expenses	374,851	328,443
Total	\$ 3,466,318	\$ 3,127,685

16. Change in non-cash assets and liabilities

	2024	2023
(Increase) in accounts receivable	\$ (104,913)	\$ (81,912)
(Increase) Decrease in recoverable gross long-term debt from area municipalities	(65,214)	43,224
Increase in accounts payable and accrued liabilities	53,129	57,537
Increase in deferred revenue	44,766	16,459
Increase in asset retirement obligations	24,103	11,604
Increase in employee future benefits and post-employment liabilities	51,524	53,585
Increase (Decrease) in other liabilities	105	(111)
(Increase) in prepaid expenses	(12,810)	(11,487)
Decrease in inventory	1,070	71
Total	\$ (8,240)	\$ 88,970

17. Contractual Obligations and Contingent Liabilities

- As at December 31, 2024 outstanding contractual obligations for capital works amounted to approximately \$2,043,301 (2023 – \$1,102,222). Regional Council has authorized the financing of these obligations.
- As at December 31, 2024 the Region 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. A provision of \$13,211 (2023 – \$13,027) has been made for those claims not expected to be covered by insurance.
- Under the terms of various operating lease agreements, future minimum payments are as follows:

2025	\$ 6,734
2026	6,031
2027	5,487
2028	5,229
2029	3,849
Subsequent to 2030	23,287
Total	\$ 50,617

- d) Under a renewed 10-year service agreement, effective January 1, 2020, the Region has contracted the operations of the South Peel wastewater and water treatment systems to the Ontario Clean Water Agency ("OCWA").

Included in the consolidated statement of operations are the 2024 charges from OCWA totaling \$49,127 (2023 – \$47,626). The consolidated statement of financial position reflects only the capital assets of the wastewater and water treatment facilities and the service charges due to or from OCWA.

- e) The Peel Regional Police provide policing services to the Greater Toronto Airports Authority ("GTAA"). Under a service agreement, the GTAA provides funding to fully offset any costs incurred by the Peel Regional Police. In 2024, the Peel Regional Police received \$20,713 (2023 – \$19,721) from the GTAA.
- f) Under contracts approved by the Region in 2005 with amendments in 2012 and 2016, Waste Management of Canada Corporation ("WMCC") will provide waste disposal capacity at current market rates (until December 31, 2042). In addition, WMCC and other private third-party corporations will provide waste transfer services to the Region. The 2024 annual cost is \$18,382 (2023 - \$18,092).
- g) Under separate contracts approved by the Region in 2014, two private waste management companies provide services including, but not limited to: bi-weekly, alternating garbage cart and recycling cart collection, bi-weekly bulky item collection, weekly organics cart collection, seasonal yard waste collection, garbage exemption collection periods, and manual (bag based) garbage, recycling and organics bin collection at specified locations. Each contract term is for an eight-year-plus-nine-month period which began on January 2016, with two additional, separate twelve-month period extension options, based on satisfactory service, performance and pricing. The 2024 annual cost for the two contracts is \$58,561.
- h) The Region has issued letters of credit for \$10,364 (2023 – \$12,854) in order to meet the credit requirements and conditions of certain agreements related to capital projects.
- i) The Region has identified a contaminated site on a piece of land downloaded from the federal government. The Region is currently working with the federal government to determine who accepts responsibility for the remediation of this site and has, therefore, not recognized a liability for this site in the consolidated statement of financial position.

18. Liability for Contaminated Sites

As at December 31, 2024, management has not identified any contaminated sites that meet the specified criteria and no liability (2023 – \$Nil) for contaminated sites has been recorded in these consolidated financial statements.

19. Peel Restructuring

On June 8, 2023, the Province passed *Bill 112, the Hazel McCallion Act (Peel Restructuring)*, 2023 as amended from time to time and created a Transition Board to make restructuring recommendations to the Province. The Transition Board was dissolved on December 31, 2024 pursuant to O. Reg. 547/24. The Transition Board's recommendations have not been released.

On March 21, 2025, Regional Council approved a motion to transfer Waste Collection powers from Peel Region to the Cities of Brampton, Mississauga, and the Town of Caledon. Peel Region will continue to manage Community Recycling Centres (CRC) along with transfer, processing, and disposal services. The transition is expected to take effect on January 1, 2026.

On June 4, 2025, the Ontario Government introduced *Bill 45, Peel Transition Implementation Act, 2025*. The proposed legislation, if passed, will include the transfer of jurisdiction and responsibility for regional roads and associated stormwater infrastructure, including ownership and maintenance from Peel Region to Mississauga, Brampton, and Caledon effective July 1, 2026. Waste collection services will proceed in line with the motion previously approved by Regional Council on March 21, 2025, which transfers responsibility for this service to the local municipalities by January 1, 2026.

In addition, as announced with the *Protect Ontario by Building Faster and Smarter Act, 2025*, the Province is exploring a public utility model for water and wastewater services.

These consolidated financial statements do not reflect any adjustments that may be necessary regarding the possible transfer of these services, as these adjustments cannot be estimated at this time.

20. Financial Instruments and Risk Management

As at December 31, 2024 the Region classified \$152,868 (2023 – \$97,804) of Portfolio Investments as a Level 1 in the fair value measurement classification as investments having quoted prices in active markets. All other financial instruments are recorded at cost or amortized cost.

Financial instruments include cash and cash equivalents, investments, receivables, payables, and debt. The Region has exposure to the following financial risks from its use of financial instruments: credit risk, market risk, interest rate risk and liquidity risk. Management is responsible for safeguarding resources, managing risks, and implementing appropriate policies and framework. Risks related to financial instruments are primarily governed by the Region's Investment Goals & Policies and Debt Management Policy approved by Council and aligns to Region's Risk Appetite Framework. This note presents information on how the Region manages those financial risks. Region manages risks primarily through diversifying the investments across sectors, maturity terms, and asset classes in line with the council approved investment policy.

a) Credit risk

Credit risk is the risk of a financial loss to the Region if a third party fails to fulfill their contractual obligations. Such a risk may manifest in fluctuations in security value due to a rating downgrade or default in the case of distressed securities. Primarily, credit risk stems from the Region's cash and cash equivalents, investments, and receivables. As at December 31, 2024 there were no significant collection issues related to outstanding receivables.

Cash and cash equivalents are held with banks and counterparties that have high credit ratings and low credit risk. Given these high credit ratings, management does not expect any counterparty to fail to meet its obligations. The Region mitigates credit risk in its investments by adhering to minimum credit quality standards, as outlined in the Region's Investment Goals & Policies. As of December 31, 2024, all fixed income holdings were rated A- (or equivalent) or higher.

b) Interest rate risk

Interest rate risk is the risk of fluctuations in prices of financial securities resulting from changes in interest rates. The Region limits its exposure to interest rate risk on its liabilities by issuing long-term fixed-rate debt in the form of debentures. At December 31, 2024, the Region did not have any floating rate mortgages or debentures, that would result in variation in cash flow due to fluctuations in interest rates. Sinking fund assets are managed to reduce and/or eliminate interest rate risk by matching the investments closely to the maturity date of associated sinking fund debentures.

While the Region's fixed income investments are subject to interest rate risk, which may cause fluctuations in the market prices of the investments, fixed income securities are recorded at amortized cost. Interest rate risk is mitigated by diversifying investments across various maturities.

The Region holds the highest credit rating of Aaa/AAA from both Moody's Ratings and S&P Global Ratings. These strong credit ratings position the Region favorably among Canadian municipalities, facilitating access to low borrowing costs.

c) Market risk

Market risk is the risk of financial loss due to unforeseen changes in overall financial markets. Fluctuations in the market expose the Region's investments to potential loss. The Region mitigates market risk through a diversified portfolio in accordance with the Region's Investment Goals and Policies.

The Region is not exposed to any significant foreign currency risk due to limited foreign currency transactions. There is no foreign exchange exposure related to the Region's portfolio investments or debentures outstanding.

d) Liquidity risk

Liquidity risk is the inability to meet short-term obligations and payments, due to inability to access to cash or easily convert financial securities to cash. The Region is subject to its liquidity risk through its accounts payable and investment holdings.

To manage its liquidity risk, the Region performs extensive budgeting exercises, ongoing monitoring of its short-term cash flows, and has highly liquid securities that can easily be converted to cash to ensure it meets all short-term obligations. Further, the Region manages this risk by monitoring actual and forecasted cash flows from operations and anticipated investing and financing activities to ensure, as far out as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Region's reputation.

21. Comparative Amounts

Certain comparative amounts have been reclassified to conform to the financial statement presentation adopted for the current year.

22. Segmented Information

The Region of Peel is a diversified municipal government institution providing a wide range of services to its residents that include: general government, protection to property and persons, transportation, environmental, health and social and family services. The Region also controls and administers Peel Housing Corporation, a non-profit housing organization.

For management reporting purposes, the Region's operations and activities are reported by Program Services. Program Services were created for the purpose of recording specific activities to attain certain objectives in accordance with regulations, restrictions or limitations. Regional services are provided by divisions and their activities are reported in Program Services.

Divisions disclosed in the Segmented Information, along with the services they provide, are as follows:

General Government

General government comprises divisions under Finance, Corporate Services and the Executive Office, Council and Digital & Information Services. The divisions provide direct support to the various citizen-facing Regional services, as well as Council and Committee. These divisions also supply financial and administrative leadership for the Regional Corporation.

Also included are corporate expenses and revenues that are not directly attributable to any individual service, but do impact the overall tax requirement.

Protection to Property and Persons

Protection to property and persons consists of Police Services and the conservation authorities. Police Services partners with the community to maintain social order and contribute to a safe environment in which to live, work and visit. Funding is provided to support the operating costs, special projects and land purchases for three conservation authorities in the Region.

Transportation Services

Transportation services is responsible for Roads and TransHelp services. The mandate of the Roads division is to provide safe, reliable and secure roads while respecting the environment. TransHelp provides transit services to Peel residents unable to utilize conventional modes of public transportation.

GO Transit

GO Transit includes the Region's apportionment of capital costs billed by GO Transit.

Canada Community-Building Fund Transferred to Local Municipalities

This segment includes the Canada Community-Building Fund (CCBF) revenue, previously known as the Federal Gas Tax, that is transferred to local municipalities.

Environmental Services

Environmental services is responsible for Water, Wastewater and Waste Management Services. The Water Program sustainably delivers high quality drinking water, and the related support services, in an efficient and reliable manner. The mandate of Wastewater is to manage, collect and treat municipal wastewater. Waste Management provides environmentally sustainable waste management services to residents and small businesses while maximizing recovery of valuable resources.

Health Services

Health services includes Public Health and Paramedic Services. Public Health is mandated by the [Ontario Health Protection and Promotion Act](#) and other legislation. Public Health provides programs and services in six key areas: communicable disease control and prevention; clinical services; enforcement; youth and adult illness prevention; early childhood development; and health surveillance. The mandate of Paramedic Services is to decrease suffering and improve and promote community safety.

Social and Family Services

Children's services plans, manages and coordinates a Region-wide early learning and child care system. Long-Term Care operates five long-term care facilities for seniors. Ontario Works delivers a range of programs providing employment and financial assistance to residents in need.

Social Housing

Social housing is responsible for administering social housing providers, the rent supplement programs, and managing a social housing waiting list.

Peel Housing Corporation is a non-profit housing company providing over 16,000 residents with affordable rental units.

Planning and Development

Regional planning provides planning policy and research and development planning services that respond to the growth and change experienced in Peel.

Assessment Services

Assessment Services is the funding to the Municipal Property Assessment Corporation, which administers province-wide property assessment services for municipalities.

Segmented Information

For the year ended December 31, 2024

(All dollars in \$000)

	General Government		Protection to Property & Persons		Transportation Services		Go Transit		Gas Tax Transferred To Area Municipalities		Environmental Services	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Operations Revenue												
Levies on area municipalities	1,490,297	1,324,458	-	-	-	-	-	-	-	-	-	-
Direct charges on ratepayers	-	-	-	-	-	-	-	-	-	-	574,613	545,376
Contributions - other governments	23,537	8,412	26,349	28,205	6,494	9,782	-	-	52,303	38,326	15,628	25,903
Contributions - developers	3,802	15,727	34,351	10,589	30,938	4,269	2,250	2,250	-	-	209,436	150,772
Contributed capital assets	622	-	-	-	9,729	13,639	-	-	-	-	84,693	43,622
Investment income	22,788	21,156	10,175	6,808	10,443	9,557	-	-	-	-	45,528	47,532
Fees and service charges	36,507	20,284	36,872	34,913	11,662	7,409	-	-	-	-	25,722	70,767
	1,577,553	1,390,037	107,747	80,515	69,266	44,656	2,250	2,250	52,303	38,326	955,620	883,972
Expenses												
Salaries and wages	128,601	115,056	558,575	511,487	57,231	51,565	-	-	-	-	91,823	80,696
Services and rents	37,647	35,246	60,956	58,761	48,167	40,023	-	-	-	-	209,954	197,340
Materials and supplies	2,136	2,248	15,512	15,220	9,051	9,415	-	-	-	-	55,864	57,022
Grants and transfer payments	51,391	41,455	60,611	56,554	-	(7)	-	-	37,865	37,954	-	-
Debt charges	2,265	2,264	635	-	454	478	-	-	-	-	60,865	58,883
Intra-government transfers	(143,114)	(137,351)	(18,550)	(18,609)	(34,648)	(31,864)	-	-	-	-	55,510	59,636
Amortization	8,090	12,774	18,561	17,811	57,729	59,419	-	-	-	-	205,425	202,542
Other operating expenses	28,891	25,308	38,228	23,101	30,005	20,847	6,116	6,012	-	-	60,838	92,968
	115,907	97,000	734,528	664,325	167,989	149,876	6,116	6,012	37,865	37,954	740,279	749,087
	-	-	-	-	-	-	-	-	-	-	-	-
Annual Surplus (Deficit)	1,461,646	1,293,037	(626,781)	(583,810)	(98,723)	(105,220)	(3,866)	(3,762)	14,438	372	215,341	134,885

Segmented Information

For the year ended December 31, 2024

(All dollars in \$000)

	Health Services		Social & Family Services		Social Housing		Planning & Development		Assessment Services		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Operations Revenue												
Levies on area municipalities	-	-	-	-	-	-	-	-	-	-	1,490,297	1,324,458
Direct charges on ratepayers	-	-	-	-	-	-	-	-	-	-	574,613	545,376
Contributions - other governments	146,117	158,274	823,816	704,415	42,607	40,977	-	62	-	-	1,136,851	1,014,356
Contributions - developers	826	767	238	312	17,311	(5,700)	-	-	-	-	299,152	178,986
Contributed capital assets	-	-	-	-	7,531	-	-	-	-	-	102,575	57,261
Investment income	2,417	1,930	2,598	2,726	17,763	14,058	-	-	547	-	112,259	103,767
Fees and service charges	804	785	25,035	25,354	93,622	88,472	5,089	2,923	-	-	235,313	250,907
	150,164	161,756	851,687	732,807	178,834	137,807	5,089	2,985	547	-	3,951,060	3,475,111
Expenses												
Salaries and wages	220,138	196,971	195,267	158,232	24,485	21,317	9,503	8,284	-	-	1,285,623	1,143,608
Services and rents	15,023	20,771	24,017	27,134	93,226	87,943	766	264	19,827	19,512	509,583	486,994
Materials and supplies	11,149	8,578	10,551	9,793	1,255	1,191	11	13	-	-	105,529	103,480
Grants and transfer payments	11,229	4,313	760,276	629,548	(41,983)	(25,593)	30	30	-	-	879,419	744,254
Debt charges	-	-	-	0	3,292	5,114	-	-	-	-	67,511	66,739
Intra-government transfers	29,594	28,499	15,790	16,736	20,552	16,918	(945)	(1,669)	-	-	(75,811)	(67,704)
Amortization	7,774	8,573	2,951	2,931	19,083	17,818	-	-	-	-	319,613	321,868
Other operating expenses	3,820	2,785	13,854	10,341	192,076	145,816	1,023	1,268	0	-	374,851	328,446
	298,727	270,490	1,022,706	854,715	311,986	270,524	10,388	8,190	19,827	19,512	3,466,318	3,127,685
	-	-	-	-	-	-	-	-	-	-	-	-
Annual Surplus (Deficit)	(148,563)	(108,734)	(171,019)	(121,908)	(133,152)	(132,717)	(5,299)	(5,205)	(19,280)	(19,512)	484,742	347,425