



C I T Y O F
FORT SASKATCHEWAN
ALBERTA

Consolidated Financial Statements

For the year ended December 31, 2024

City of Fort Saskatchewan
Consolidated Financial Statements
For the year ended December 31, 2024

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Management's Responsibility for Financial Reporting

The accompanying consolidated financial statements of the City of Fort Saskatchewan ("City") are the responsibility of the City's management and have been prepared in compliance with legislation, and in accordance with Canadian public sector accounting standards. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The City's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the consolidated financial statements. These systems are monitored and evaluated by management.

Council met with management and the external auditors to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the consolidated financial statements.

The consolidated financial statements have been audited by KPMG LLP independent external auditors appointed by the City. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the City's consolidated financial statements.



Troy Fleming
City Manager

Jeremy Emann
Chief Financial Officer

Auditor's Report

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[Placeholder for audit report]

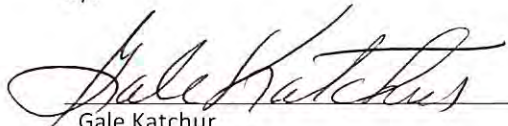
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As at December 31, 2024

Consolidated Statement of Financial Position

<i>In thousands of Canadian Dollars</i>	Note	2024	2023
Financial Assets			
Cash and Cash Equivalents	2	31,347	21,593
Revenues Receivable			
Property Taxes Receivable	3	894	1,066
Government Transfers Receivable	4	2,231	948
Trade and Other Receivables	5	6,247	6,901
Inventory Held for Resale	6	1,462	1,456
Investments	7	46,377	54,620
		88,558	86,584
Liabilities			
Accounts Payable and Accrued Liabilities			
Trade Payables		(10,855)	(8,641)
Employee Benefit Obligations	8	(3,040)	(2,648)
Payroll and Remittances		(1,663)	(1,121)
Interest Payable		(95)	(124)
Deposits on Account		(2,236)	(2,162)
Deferred Revenue	9	(3,092)	(6,751)
Liability for Contaminated Sites	10	(1,381)	(1,356)
Asset Retirement Obligations	11	(3,721)	(3,553)
Long-Term Debt	12, 13	(19,485)	(21,618)
		(45,568)	(47,974)
Net Financial Assets		42,990	38,610
Tangible Capital Assets	14	547,234	524,821
Prepaid Expenses		1,397	558
Inventory of Supplies		568	734
		549,199	526,113
Accumulated Surplus	15	592,189	564,723

Commitments and Contingencies – Note 26

These Consolidated Financial Statements were approved by Council on April 22, 2025 and signed on their behalf by:


Gale Katchur
Mayor


Gordon Harris
Councillor

City of Fort Saskatchewan
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Consolidated Statement of Operations

	Note	Budget (Note 20)	2024	2023
<i>In thousands of Canadian Dollars</i>				
Revenue				
Property Taxes	16	57,043	56,777	54,431
Utility User Rates		22,337	22,781	20,445
User Fees and Charges		7,777	10,327	7,879
Fines and Penalties		3,139	2,192	1,141
Investment Income		2,958	3,307	3,429
Government Transfers - Operating		2,061	2,249	2,369
Other Revenue		33	630	583
		95,348	98,263	90,277
Expenses	17			
Infrastructure and Planning Services				
Public Works		(19,089)	(19,396)	(19,986)
Fleet, Facilities, and Engineering		(9,733)	(9,012)	(10,347)
Planning and Development		(2,177)	(2,216)	(2,073)
Economic Development		(1,263)	(1,253)	(999)
		(32,262)	(31,877)	(33,405)
Community and Protective Services				
Culture and Recreation		(10,357)	(10,446)	(10,025)
Protective Services		(10,567)	(9,271)	(9,661)
Fire		(6,040)	(6,007)	(4,820)
Family and Community Support Services		(1,485)	(1,338)	(1,283)
		(28,449)	(27,062)	(25,789)
Corporate Services				
Information Technology		(3,705)	(3,521)	(3,292)
Legislative Services		(1,837)	(1,689)	(1,938)
Financial Services		(1,747)	(1,685)	(1,687)
People Services		(1,614)	(1,763)	(1,590)
Corporate Communications		(821)	(946)	(812)
		(9,724)	(9,604)	(9,319)
Senior Leadership		(2,230)	(2,473)	(2,235)
Elected Officials		(561)	(521)	(508)
Fiscal Services		(988)	(1,979)	(3,785)
Utility Operations		(20,444)	(21,275)	(19,111)
Public Library		(1,583)	(1,469)	(1,476)
		(96,241)	(96,260)	(95,628)
Surplus (Deficit) before Capital Revenue		(893)	2,003	(5,351)
Capital Revenue				
Contributed Tangible Capital Assets		3,460	12,513	4,932
Government Transfers - Capital		5,708	11,627	7,295
Developer Levies		-	1,313	871
Other Capital Funding		-	10	12
		9,168	25,463	13,110
Surplus from Operations		8,275	27,466	7,759

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Consolidated Statement of Accumulated Surplus

	Unrestricted Surplus (Deficit)	Financial Reserves	Equity in Tangible Capital Asset	2024	2023
<i>In thousands of Canadian Dollars</i>					
Accumulated Surplus (Deficit), Beginning	(1,495)	66,570	499,648	564,723	556,964
Surplus from Operations	27,466	-	-	27,466	7,759
Funds Designated for Future Use	(14,899)	14,899	-	-	-
Restricted Funds Used for Operations	1,124	(1,124)	-	-	-
Restricted Funds Used for Tangible Capital Assets	-	(14,241)	14,241	-	-
Current Year Funds Used for Tangible Capital Assets	(12,055)	-	12,055	-	-
Contributed Tangible Capital Assets	(12,513)	-	12,513	-	-
Disposal of Tangible Capital Assets	107	-	(107)	-	-
Annual Amortization Expense	16,294	-	(16,294)	-	-
Accretion of Asset Retirement Obligations	161	-	(161)	-	-
Long-Term Debt Related to Tangible Capital Assets Repaid	(2,133)	-	2,133	-	-
Changes in Accumulated Surplus	3,552	(466)	24,380	27,466	7,759
Accumulated Surplus, Ending	2,057	66,104	524,028	592,189	564,723

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Consolidated Statement of Changes in Net Financial Assets

	Note	Budget (Note 20)	2024	2023
<i>In thousands of Canadian Dollars</i>				
Surplus from Operations		8,275	27,466	7,759
Changes due to Tangible Capital Assets				
Purchased Additions	14	(20,074)	(26,301)	(19,887)
Contributed Additions	14	(3,460)	(12,513)	(4,932)
Amortization Expense	14, 17	16,353	16,294	16,873
(Gain) Loss on Disposals	14, 17	-	(318)	775
Proceeds from Disposals		-	425	574
Asset Retirement Obligations Change in Estimates		-	-	(28)
		(7,181)	(22,413)	(6,625)
Changes due to Other Non-Financial Assets				
Purchased Materials and Supplies		(3,836)	(4,082)	(4,265)
Use of Materials and Supplies		3,836	4,248	4,155
Prepayment of Expenses			(1,397)	(558)
Use of Prepaid Expenses			558	811
		-	(673)	143
Increase in Net Financial Assets		1,094	4,380	1,277
Net Financial Assets, Beginning		38,610	38,610	37,333
Net Financial Assets, Ending		39,704	42,990	38,610

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Consolidated Statement of Cash Flows

<i>In thousands of Canadian Dollars</i>	Note	2024	2023
Cash Provided by Operating Activities			
Surplus from Operations		27,466	7,759
Items Not Involving Cash			
Amortization of Tangible Capital Assets	14,17	16,294	16,873
Contributed Tangible Capital Assets	14	(12,513)	(4,932)
Loss on Disposal of Tangible Capital Assets	14,17	(318)	775
Accretion of Asset Retirement Obligations	11	168	172
 Changes in Non-Cash Assets and Liabilities			
Revenues Receivable		(457)	19
Inventory Held for Resale		(6)	(15)
Accounts Payable and Accrued Liabilities		3,119	1,788
Deposits on Account		74	379
Liability for Contaminated Sites	10	25	(10)
Deferred Revenue	9	(3,659)	(1,522)
Inventory of Supplies		168	(110)
Prepaid Expenses		(839)	253
		29,522	21,429
 Cash Provided by Investing Activities			
Purchase of Investments		(44,259)	(29,556)
Proceeds from Investments		52,500	45,906
		8,241	16,350
 Cash Used in Financing Activities			
Repayment of Long-Term Debt	12	(2,133)	(3,416)
Proceeds from Long-Term Debt		-	62
		(2,133)	(3,354)
 Cash Used in Capital Activities			
Acquisition of Tangible Capital Assets	14	(26,301)	(19,887)
Proceeds on Disposal of Tangible Capital Assets	14	425	574
Settlement of Asset Retirement Obligations	11	-	(154)
		(25,876)	(19,467)
 Net Increase in Cash and Cash Equivalents		9,754	14,958
Cash and Cash Equivalents, Beginning		21,593	6,635
Cash and Cash Equivalents, Ending		31,347	21,593
 Cash paid for interest		714	804
Cash received from interest		4,614	2,082

1. Significant Accounting Policies

a. Basis of Accounting

These consolidated financial statements ("financial statements") have been prepared in accordance with the Canadian Public Sector Accounting Standards that are applicable for governments.

b. Reporting Entity

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

The reporting entity includes all divisions and departments that comprise City operations and the City of Fort Saskatchewan Library Board ("Library Board").

The City is a member of various other boards, commissions and other organizations that are not part of the government reporting entity, including but not limited to the Heartland Housing Foundation, the Alberta Capital Region Wastewater Commission, the Capital Region Northeast Water Services Commission, the Capital Region Assessment Services Commission and the Edmonton Metropolitan Region Board.

Property taxes levied include requisitions for education, senior's housing, and the assessment of designated industrial properties, which are collected on behalf of organizations that are not part of the reporting entity.

c. Inter Entity Transactions

Inter-departmental and inter-entity transactions and balances have been eliminated.

d. Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the period. Actual results could differ from these estimates.

Significant financial statement areas requiring the use of management estimates include:

- accrued receivables;
- valuation of inventory;
- valuation of investments;
- accrued liabilities;
- employee benefit obligations;
- valuation of liabilities for contaminated sites;
- valuation of asset retirement obligations
- useful life and amortization of tangible capital assets; and
- valuation of contributed tangible capital assets.

e. Financial Instruments

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

Financial Statement Component	Measurement
Cash and Cash Equivalents	Cost
Investments	Fair value or amortized cost
Trade and Other Receivables	Lower of cost and net recoverable value
Accounts Payable and Accrued Liabilities	Cost
Deposit Liabilities	Cost
Long-Term Debt	Amortized cost

Contractual obligations are evaluated for the existence of embedded derivatives. The City measures and recognizes embedded derivatives separately from the host contract when the economic characteristics and risk of the embedded derivative are not closely related to those of the host contract, when it meets the definition of a derivative and when the entire contract is not measured at fair value. An election can be made to either measure the entire contract at fair value or measure the value of the derivative component separately when characteristics of the derivative are not closely related to the economic characteristics and risks of the contract itself. For investments with embedded derivatives, the City has made the irrevocable election to measure the entire investment at fair value.

Transaction costs related to the acquisition of financial instruments are added to the carrying value of items in the cost or amortized cost category when they are initially recognized. However, transaction costs for financial instruments in the fair value category are expensed in the statement of operations when the instrument is acquired.

The City assesses financial assets for impairment at each financial statement date to determine if there is evidence of impairment. Impairment charges are recognized in the statement of operations when there has been a loss in value in the underlying economic resource, other than a temporary loss.

Financial instruments recorded at fair value are measured using a fair value hierarchy, which includes three levels of information that may be used to measure fair value:

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.

f. Cash and Cash Equivalents

Cash includes cash equivalents, which are highly liquid securities with a maturity of three months or less when purchased.

g. Inventory Held for Resale

Inventory held for resale are items that are held for resale in the ordinary course of operations and, therefore, are expected to provide resources to discharge existing liabilities or finance future operations.

Land and other assets may be classified as inventory held for resale when Council commits to selling the assets, the asset is in a condition to be sold, the asset is publicly seen to be for sale, there is an active market for the asset, there is a plan in place to sell the asset, and it is reasonably expected that the asset will be sold to a purchaser external to the City within one year of the financial statement date. Land held for resale is recorded at the lower of cost and net realizable value. Cost includes amounts for land acquisition and improvements to prepare the land for sale or servicing.

h. Investments

Investments not containing embedded derivatives are recorded at amortized cost less amounts written off to reflect other than temporary declines in value. Investment premiums and discounts are amortized on the straight-line basis over the term of the respective investments. The City invests its funds pursuant to authorized investments allowed by the Municipal Government Act and its investment policy.

Investment income is reported as revenue in the period earned. When required by agreement or legislation, investment income on deferred revenue forms part of the deferred revenue balance.

Investments containing embedded derivatives are recorded at fair value, except for those that were entered into prior to January 1, 2023, are recorded at amortized cost.

i. Employee Benefit Obligations

Certain City employees are entitled to accumulating non-vesting sick leave benefits. The City recognizes a liability and expense for accumulating non-vesting sick leave benefits using an actuarial cost method as the employees render services to earn the benefits. The liability and expense are determined using the projected benefit method which includes management's best estimates of an expected discount rate, inflation, rate of compensation increases, termination and retirement dates, and mortality. Actuarial gains and losses are amortized on a straight-line basis over the expected average remaining service life of the employee group.

The City is a member of defined benefit multiemployer and multiple-employer pension plans.

Multiemployer pension plans are accounted for similarly to defined contribution plans where contributions are recorded as expenses in the year in which they become due.

Multiple-employer pension plans are accounted for as defined benefit plans. As employees render services, the value of the retirement benefits attributed to those services are recorded as a liability within accounts payable and accrued liabilities and expensed within salaries, wages, and benefits along with other forms of current compensation. The value of the pension liability is determined actuarially using the projected benefit method. Actuarial gains and losses are amortized over the average estimated remaining years of service of the employees.

j. Deferred Revenue

Deferred revenue represents amounts received for which the related activities have yet to be performed. These amounts will be recognized as revenue in the period when the revenue recognition criteria have been met.

k. Contaminated Site Liabilities

The City recognizes contaminated site liabilities when sites that are not in productive use and sites in productive use where an unexpected event resulted in contamination being introduced in air, soil, water, or sediment of a chemical, organic, or radioactive material or live organism that exceeds an environmental standard.

The City records a liability at the estimated cost of remediation of these sites when contamination exceeds an existing environmental standard, either the City is solely responsible or it accepts responsibility for the contamination, and a reasonable estimate of the amount can be made.

l. Long-Term Debt

Long-term debt is initially recognized net of any premiums, discounts, fees and transaction costs with interest expense recognized using the effective interest method. Long-term debt is subsequently, measured at amortized cost.

m. Asset Retirement

Asset retirement obligations are legal obligations associated with the retirement of tangible capital assets. Asset retirement activities include all activities relating to an asset retirement obligation. These may include, but are not limited to:

- decommissioning or dismantling a tangible capital asset that was acquired, constructed or developed;
- remediation of contamination of a tangible capital asset created by its normal use;
- post-retirement activities such as monitoring; and
- constructing other tangible capital assets to perform post-retirement activities.

A liability for an asset retirement obligation is recognized when 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.

Asset retirement obligations are initially measured at the later of the date of acquisition or when a legal obligation arises. When a liability for an asset retirement obligation is recognized, asset retirement costs related to the recognized tangible capital asset in productive use are capitalized by increasing the carrying amount of the related asset and are amortized over the estimated useful life of the underlying tangible capital asset. Asset retirement costs related to unrecognized tangible capital assets or those not in productive use are expensed.

When the future retirement date is unknown, the asset retirement obligation is measured at the current estimated cost to settle or otherwise extinguish the liability. When the future retirement date is

known, a present value technique is used to measure the liability; the liability is adjusted for the passage of time which is recognized as accretion expense in the consolidated statement of operations.

Asset retirement obligations reflect the City's best estimate, at year end, of the amounts of the legal obligations required to retire tangible capital assets. Estimates are made by management using professional judgment, similar contractor costs, and third-party quotes, and are subsequently re-measured taking into account any new information and the appropriateness of assumptions used at each reporting date.

The City continues to recognize asset retirement obligations until they are settled or otherwise extinguished. Disbursements made to settle an obligation are deducted from the reported obligation when they are made.

n. Non-Financial Assets

i. Tangible Capital Assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development, betterment and retirement of the asset. The cost, less residual value, of the tangible capital assets, excluding land, are amortized on a straight-line basis over their estimated useful lives as follows:

Assets	Useful Life - Years
Land Improvements	15 - 25
Engineering Structures	5 - 80
Buildings	10 - 50
Machinery and Equipment	3 - 25
Vehicles	6 - 20

Assets under construction are not amortized until the asset is available for productive use.

ii. Contributions of Tangible Capital Assets

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

iii. Cultural and Historical Tangible Capital Assets

Works of art and cultural and historic assets are not recorded as assets in these financial statements.

iv. Leased Tangible Capital Assets

Leases which transfer substantially all the benefits and risks incidental to ownership of the property are accounted for as leased tangible capital assets. All other leases are accounted for as operating leases and the related payments are charged to expenses as incurred.

v. Inventory of Supplies

Inventory of supplies held for consumption are recorded at the lower of cost and replacement cost.

o. Revenue Recognition

Tax revenues are recognized when the tax has been authorized by bylaw and the taxable event has occurred.

Revenue from transactions with performance obligations, including utility user rates, user fees and charges, licenses and permits, and other revenue, is recognized as the performance obligations are satisfied by providing the promised goods or services to the payor. Revenue is recognized as the City satisfies each performance obligation, either over time or at a point in time, depending on the nature of the obligation.

Revenue from transactions with no performance obligations, including fines and penalties, is recognized when the City has the authority to claim or retain an inflow of economic resources resulting from a past transaction or event giving rise to an asset.

Contributions and other amounts are received from third parties pursuant to legislation, regulation or agreement and may only be used for certain programs, in the completion of specific work, or for the purchase or construction of tangible capital assets. These transfers are not the result of an exchange transaction, are not expected to be repaid in the future, or the result of a direct financial return. These are recognized in the financial statements as revenue in the period in which 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 determined.

Funds from external parties and earnings thereon restricted by agreement or legislation are accounted for as deferred revenue until used for the purpose specified.

Levies refer to taxes requisitioned from other levels of government for education, seniors housing, and assessment of designated industrial properties. Over-levies and under-levies arise from the difference between the actual levy made to cover each requisition and the actual amount requisitioned. If the actual levy exceeds the requisition, the over-levy is accrued as a liability and property tax revenue is reduced. Where the actual levy is less than the requisition amount, the under-levy is accrued as a receivable and as property tax revenue. Requisition tax rates in the subsequent year are adjusted for any over-levies or under-levies from the prior year.

Government transfers are the transfer of assets from senior levels of government that are not the result of an exchange transaction, are not expected to be repaid in the future, and are not the result of a direct financial return.

Government transfers are recognized in the financial statements as revenue in the period that the events giving rise to the transfer occurs, providing the transfers are authorized, any eligibility criteria have been met by the City, and reasonable estimates of the amounts can be made. Amounts to be recognized in future periods are recorded as deferred revenue.

p. Segmented Disclosure

The segmented information in note 18 has been identified based on the types of services provided by the City to its residents. The types of services provided are identified in the Consolidated Statement of Operations. The total revenue for all segments reconciles to the revenue per the Statement of Operations, the total expenses for each segments reconciles to the expenses per the Statement of Operations, and the total expenses by object for all segments reconciles to note 17.

q. Accounting Standards Pronouncements Adopted

The following summarizes substantial changes to Public Sector Accounting Standards that the City has adopted effective January 1, 2024.

i. Revenue Recognition

PS3400, Revenue Recognition standard provides guidance on recognizing revenue from transactions with and without performance obligations. Revenue is recognized when the City satisfies a performance obligation by transferring promised goods or services or when it has the authority to claim or retain an inflow of economic resources. The adoption of this standard did not impact the City's Financial Statements.

ii. Purchased Intangibles

PSG-8, Purchased Intangibles standard provides guidance on recognizing and measuring purchased intangible assets, which are identifiable non-monetary economic resources without physical substance acquired through an arm's length exchange transaction. Purchased intangibles are recognized as assets when they meet the definition of an asset and the general recognition criteria. The adoption of this standard did not affect the City's Financial Statements.

iii. Public Private Partnerships

PS3160, Public Private Partnership standard provides guidance on recognizing and measuring infrastructure assets and corresponding liabilities in public private partnership arrangements. Infrastructure assets are recognized when the public sector entity controls the asset and is exposed to the related risks and benefits. The adoption of this standard did not affect the City's Financial Statements.

r. Future Accounting Standards

The following summarizes upcoming substantial changes to Public Sector Accounting Standards and their expected impact on the City's financial statements. Early adoption is permitted, however certain standards must be adopted concurrently.

i. Amendments effective for years beginning on or after April 1, 2026:

Standard	Details	Expected Impact
The Conceptual Framework for Financial Reporting in the Public Sector	Establish a conceptual framework for financial reporting in the public sector.	Assessing impact.
PS1202 – Financial Statement Presentation	Establishes a revised financial statement presentation to align with the Conceptual Framework. Replaces PS1201.	Assessing impact.

City of Fort Saskatchewan
Notes to the Consolidated Financial Statements
For the year ended December 31, 2024

2. Cash and Cash Equivalents

	2024	2023
	\$000	\$000
Operating Accounts	30,418	20,379
Short Term Deposits	929	1,214
	31,347	21,593

Short term deposits require between 31 and 90 days notice of demand to redeem and are held in accounts guaranteed by the Province of Alberta. Short term deposits bare interest at variable rates which is accrued daily and paid monthly.

3. Property Taxes Receivable

	2024	2023
	\$000	\$000
Current	722	799
Arrears	172	267
	894	1,066

4. Government Transfers Receivable

	2024	2023
	\$000	\$000
Federal Government	243	404
Provincial Government	1,988	544
	2,231	948

5. Trade and Other Receivables

	2024	2023
	\$000	\$000
Utilities Receivable	2,048	2,045
Developer Levies Receivable	303	303
Other Trade Receivables	3,896	4,553
	6,247	6,901

6. Inventory Held for Resale

	2024	2023
	\$000	\$000
Land for Resale	1,422	1,416
Other Inventory for Resale	40	40
	1,462	1,456

7. Investments

	2024	2023
	Carrying Value	Carrying Value
	\$000	\$000
Investments Measured at Cost or Amortized Cost:		
Short Term Portfolio (a)	10,000	27,500
Long Term Portfolio (b)	29,627	27,120
	39,627	54,620
Investments Measured at Fair Value:		
Principal Protected Notes (c)	6,750	-
	46,377	54,620

- a) The short-term portfolio is comprised of guaranteed investment certificates and have effective interest rates of 5.00% to 6.15% (2023 – 5.20% to 6.15%), are for fixed terms and have maturity dates of less than three years at the time of purchase.
- b) The long-term portfolio is comprised of guaranteed investment certificates, corporate and government bonds that have effective interest rates of 2.65% to 6.60% (2023 – 1.71% to 5.45%), with maturity dates between 2025 and 2034. These investments are comprised of both marketable and non-marketable securities. Marketable securities as at December 31, 2024, have an aggregate fair value of \$13,794,000 (2023 - \$Nil).
- c) Investments with embedded derivatives is comprised of equity linked principal protected notes and are classified as level 2 within the fair value hierarchy.

8. Employee Benefit Obligations

	2024	2023
	\$000	\$000
Vacation and Other Accrued Leave	(1,704)	(1,456)
Non-Vesting Sick Leave	(1,220)	(1,097)
Other Benefits	(116)	(95)
	(3,040)	(2,648)

a. Vested Vacation and Other Accrued Leave

Accrued leave includes accruals for vacation leave, time off in lieu of overtime and vested sick leave. The accruals for vacation and time off in lieu of overtime are comprised of the time banked that employees are deferring to future years. Employees have earned the benefits (and are vested) and are entitled to the benefits in the next calendar year.

b. Non-Vesting Sick Leave

The City has a sick leave program where certain employees can accumulate a benefit to compensate absences for sick time. The program is non-vesting and the benefit is forfeited upon end of service. The accrued benefit obligation for this non-vesting sick leave benefit has been actuarially determined.

City of Fort Saskatchewan
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For the year ended December 31, 2024

The non-vested sick leave liability at December 31 was:

	2024	2023
	\$000	\$000
Accrued Benefit Obligation	1,220	1,097
Unamortized Actuarial Gains	(205)	-
Net Liability included in Employee Benefits Obligation	1,015	1,097

Movements in the accrued benefit obligation are as follows:

	2024	2023
	\$000	\$000
Accrued Benefit Obligation, Beginning	1,097	-
Service Costs		
Current Service Costs	184	1,097
Current Benefit Payments	(117)	-
Interest Expense	56	-
Defined Benefit Expense Included in Statement of Operations	123	1,097
Change in Unamortized Actuarial Gains	-	-
Accrued Benefit Obligation, Ending	1,220	1,097

Significant actuarial assumptions were as follows:

	2024	2023
Discount Rate	4.40%	4.60%
Estimated Average Remaining Service Life	7	7
Salary Growth Rate	3.30%	3.30%

c. Other Benefits

The City offers defined retirement benefits to its employees under three plans, the Local Authorities Pension Plan ("LAPP"), the APEX Supplementary Pension Plan ("APEX"), and the MuniSERP Supplemental Executive Employee Retirement Program ("MuniSERP").

LAPP and APEX are multiemployer plans sponsored by the Province of Alberta and Alberta Municipalities respectively. LAPP is available to substantively all of its employees, while APEX is available only to a specified class of employees. Employees and the City each make contributions to the plans based on specified rates set by the sponsors. In 2024, the City recognized current service costs in the statement of operations equal to \$2,101,000 (2023 - \$1,993,000) for LAPP and \$17,000 (2023 - \$20,000) for APEX. In 2024, the City contributed \$2,077,000 (2023 - \$1,926,000) to LAPP and \$17,000 (2023 - \$20,000) to APEX. Employees contributed in 2024 \$1,880,000 (2023 - \$1,759,000) to LAPP and \$14,000 (2023 - \$17,000) to APEX.

According to its latest annual report dated December 31, 2023, LAPP held a surplus of net assets available for benefits in the amount of \$15,057,000,000 (2022 - \$12,671,000,000). Valuation of LAPP's

City of Fort Saskatchewan
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For the year ended December 31, 2024

net assets and benefit obligations are actuarially determined at the beginning of each year using the projected benefit method pro-rated on service and extrapolated to year end.

According to Alberta Municipalities latest annual report dated December 31, 2023, APEX held a surplus of net assets available for benefits in the amount of \$95,389,000 (2022 – \$83,474,000). Valuation of APEX's net assets and benefit obligations are actuarially determined every three years using the projected benefit method pro-rated on service and extrapolated for the current period. The latest actuarial valuation was conducted for December 31, 2021. The next valuation will be for December 31, 2024.

MuniSERP is an unfunded Multiple-Employer defined benefit retirement plan managed by the Alberta Municipal Services Corporation ("AMSC"). The plan supplements the LAPP and APEX, providing retirement benefits to a prescribed class of employees in excess of the maximum allowable pensionable amount under the Income Tax Act. Pursuant to an Advance Tax Ruling, the City earmarks assets in an investment fund managed by AMSC equal to the accrued benefit obligation. At December 31, 2024, the City earmarked \$154,000 (2023 - \$120,000) in the investment fund.

The MuniSERP liability at December 31 was:

	2024	2023
	\$000	\$000
Accrued Benefit Obligation	149	123
Unamortized Actuarial Gains	(18)	(20)
	131	103

Movements in the accrued benefit obligation are as follows:

	2024	2023
	\$000	\$000
Accrued Benefit Obligation, Beginning	123	92
Service Costs		
Current Service Costs	20	17
Amortization of Actuarial Gains	1	1
Interest Expense	7	5
Defined Benefit Expense Included in Statement of Operations	28	23
Change in Unamortized Actuarial Gains	(2)	8
Accrued Benefit Obligation, Ending	149	123

Significant actuarial assumptions were as follows:

	2024	2023
Discount Rate	5.00%	5.00%
Inflation Rate	2.00%	2.00%
Salary Growth Rate	2.75%	2.75%

9. Deferred Revenue

Deferred revenue is comprised of the funds noted below, the use of which, together with any earnings thereon, is restricted by agreement. These funds are recognized as revenue in the period they are used for the purpose specified.

	2023 \$000	Received \$000	Recognized \$000	2024 \$000
Capital Government Transfers				
Provincial	(3,411)	(3,229)	5,607	(1,033)
Federal	(1,533)	(3,462)	4,715	(280)
	(4,944)	(6,691)	10,322	(1,313)
Operating Government Transfers				
Provincial	(614)	(1,911)	2,153	(372)
Federal	(66)	(43)	96	(13)
	(680)	(1,954)	2,249	(385)
Other Deferred Amounts	(1,127)	(2,836)	2,569	(1,394)
	(6,751)	(11,481)	15,140	(3,092)

10. Liability for Contaminated Sites

	2024 \$000	2023 \$000
Public Works Yard – underground fuel tanks	1,261	1,238
Old Snow Dump Site	120	118
	1,381	1,356

The City has two sites where the soil became contaminated to a level that exceeds standards set by the Government of Alberta, including contamination from underground fuel tanks in the Public Works Yard, and contamination from an old snow dump site. These estimates are based on quotes from third parties to monitor and remediate the contamination. Changes in estimate are reflected in the Statement of Operations and Note 17.

11. Asset Retirement Obligations

	2024	2023
	\$000	\$000
Balance, Beginning	(3,553)	(3,507)
Net change for the year		
Accretion expense	(168)	(172)
Liabilities Settled	-	154
Change in Estimates	-	(28)
Net change for the year	(168)	(46)
Balance, Ending	(3,721)	(3,553)

Tangible capital assets with associated retirement obligations include buildings and water systems.

The City has asset retirement obligations to remove various hazardous materials including asbestos, ammonia, antifreeze, lead, mercury, PCBs, and other chemicals from various buildings systems under its control and the City's water tower. Regulations require the City to handle and dispose of these materials in a prescribed manner when it is disturbed, such as when a building undergoes renovations or is demolished. Although the timing of the removal is conditional on the building undergoing renovations or being demolished, regulations create an existing obligation for the City to remove the materials when asset retirement activities occur.

The extent of the liability is limited to costs directly attributable to the removal of the listed hazardous materials from various water systems under the City's control in accordance with the legislation establishing the liability. The City estimated the nature and extent of hazardous materials in its buildings primarily based on third party quotations, discounted to the present value using a discount rate of 4.9% (2023 – 4.9%) and an inflation rate of 2.5% (2023 – 2.5%). The liabilities are adjusted for the passage of time and accretion expense is recorded in the consolidated statement of operations. At December 31, 2024, the aggregate undiscounted amount of the estimated future cash flows required to settle the obligations is \$16,456,000 (2023 - \$16,552,000) and are expected to be settled between 2026 and 2077.

Management has determined that the closing balance of \$3,721,000 (2023 - \$3,553,000) includes any settlements that would have occurred during the prior year.

City of Fort Saskatchewan
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For the year ended December 31, 2024

12. Long-Term Debt

	2024	2023
	\$000	\$000
Debentures Supported By:		
Property Taxes	(17,469)	(19,151)
Special Levies	(137)	(141)
Utility User Rates	(1,842)	(2,270)
	(19,448)	(21,562)
Capital Lease Obligations	(37)	(56)
	(19,485)	(21,618)

Debentures are payable in semi-annual or annual amounts up to the year 2042, with accompanying interest rates ranging from 2.299% to 4.99%. Debenture debt is issued on the credit and security of the City at large. Capital leases have monthly or annual payments up to the year 2024 with implied interest rates ranging from 9.161% to 14.677%.

Principal and interest payment obligations for long-term debt are as follows:

	Principal	Interest	Total
	\$000	\$000	\$000
2025	2,191	626	2,817
2026	2,262	555	2,817
2027	2,063	484	2,547
2028	2,117	414	2,531
2029	2,187	345	2,532
Subsequent	8,665	752	9,417
	19,485	3,176	22,661

City of Fort Saskatchewan
Notes to the Consolidated Financial Statements
For the year ended December 31, 2024

13. Debt Limits

Section 276(2) of the Municipal Government Act requires that debt limits as defined by regulation for the City be disclosed as follows:

	2024	2023
	\$000	\$000
Debt Limit	149,379	136,740
Outstanding Debentures	(19,448)	(21,562)
Debt Limit in Excess of Outstanding Debt	129,931	115,178

	2024	2023
	\$000	\$000
Service on Debt Limit	24,897	22,790
Service on Outstanding Debentures	(2,801)	(2,801)
Service on Debt Limit in Excess of Service on Outstanding Debt	22,096	19,989

The debt limit is calculated at 1.5 times revenue of the City (as defined in Alberta Regulation 255/00) and the debt service limit is calculated at 0.25 times such revenue. Incurring debt beyond these limitations requires approval by the Minister of Municipal Affairs. These thresholds are guidelines used by Alberta Municipal Affairs to identify municipalities, that could be at financial risk if further debt is acquired. The calculation taken alone does not represent the financial stability of the municipality; rather, the financial statements must be interpreted as a whole.

City of Fort Saskatchewan
Notes to the Consolidated Financial Statements
For the year ended December 31, 2024

14. Tangible Capital Assets

	2023	Additions	Disposals & Transfers	2024
Historic Cost	\$000	\$000	\$000	\$000
Engineering Structures				
Roadway Systems	236,868	9,299	(1,001)	245,166
Water Systems	67,095	2,976	45	70,116
Wastewater Systems	70,927	2,613	150	73,690
Storm Systems	81,472	5,045	78	86,595
Fibre Optics	1485	202	1	1,688
Buildings	97,664	500	(72)	98,092
Machinery and Equipment	28,323	3,371	(1,255)	30,439
Land	118,250	614	(14)	118,850
Land Improvements	32,863	3,887	421	37,171
Vehicles	8,142	1,039	(714)	8,467
Construction In Progress	8,780	9,268	(11)	18,037
	751,869	38,814	(2,372)	788,311
	2023	Amortization	Disposals	2024
Accumulated Amortization	\$000	\$000	\$000	\$000
Engineering Structures				
Roadway Systems	(110,592)	(7,263)	624	(117,231)
Water Systems	(14,809)	(1,051)	(38)	(15,898)
Wastewater Systems	(17,006)	(1,287)	(9)	(18,302)
Storm Systems	(15,300)	(1,140)	(12)	(16,452)
Fibre Optics	(932)	(27)	-	(959)
Buildings	(31,210)	(1,953)	68	(33,095)
Machinery and Equipment	(16,156)	(1,854)	1,184	(16,826)
Land Improvements	(16,708)	(1,189)	(261)	(18,158)
Vehicles	(4,335)	(530)	709	(4,156)
	(227,048)	(16,294)	2,265	(241,077)
Net Book Value	2023			2024
Engineering Structures				
Roadway Systems	126,276			127,935
Water Systems	52,286			54,218
Wastewater Systems	53,921			55,388
Storm Systems	66,172			70,143
Fibre Optics	553			729
Buildings	66,454			64,997
Machinery and Equipment	12,167			13,613
Land	118,250			118,850
Land Improvements	16,155			19,013
Vehicles	3,807			4,311
Construction In Progress	8,780			18,037
	524,821			547,234

City of Fort Saskatchewan
Notes to the Consolidated Financial Statements
For the year ended December 31, 2024

15. Accumulated Operating Surplus

Accumulated operating surplus consists of restricted and unrestricted amounts and invested in tangible capital assets as follows:

	2024	2023
	\$000	\$000
Equity in Tangible Capital Assets	524,028	499,648
Financial Reserves	66,104	66,570
Unrestricted Surplus (Deficit)	2,057	(1,495)
	592,189	564,723

16. Property Taxes

	Budget (Note 20) \$000	2024 \$000	2023 \$000
Revenues			
Residential Land and Improvements	34,481	34,574	32,428
Non-Residential			
Land and Improvements	17,208	17,135	16,133
Machinery and Equipment	19,526	19,603	19,361
Linear Property	1,510	1,508	1,618
Farm Land	7	7	10
Federal and Provincial Grants in Place of Taxes	699	356	330
Local Improvement Levies	30	22	22
	73,461	73,205	69,902
Requisitions			
Alberta School Fund Foundation	(13,716)	(13,725)	(12,995)
Elk Island Catholic Separate Regional District	(1,847)	(1,845)	(1,697)
Heartland Housing Foundation	(705)	(707)	(630)
Designated Industrial Properties Assessment	(150)	(151)	(149)
	(16,418)	(16,428)	(15,471)
	57,043	56,777	54,431

City of Fort Saskatchewan
Notes to the Consolidated Financial Statements
For the year ended December 31, 2024

17. Expenses by Object

	Budget (Note 20) \$000	2024 \$000	2023 \$000
Salaries, Wages and Benefits	37,232	37,560	35,793
Purchases from Other Governments and Agencies (Note 19)	18,533	18,245	16,908
Contracted Services	7,984	8,408	8,619
Service Maintenance Contracts	4,226	3,962	3,393
Materials and Supplies	3,836	4,248	4,155
Utilities	3,197	3,305	3,246
General Administration	1,125	1,103	1,098
Interest on Long-Term Debt	871	685	792
Insurance	709	643	859
Training and Development	744	577	517
Transfers to Individuals and Organizations	638	658	1,825
Advertising and Printing	531	413	373
Contaminated Sites Revaluation	-	(26)	11
Amortization of Tangible Capital Assets	16,353	16,294	16,873
(Gain) Loss on Disposal of Tangible Capital Assets	-	(318)	775
Accretion of Asset Retirement Obligations	-	168	172
Other Expenses	262	335	219
	96,241	96,260	95,628

City of Fort Saskatchewan
Notes to the Consolidated Financial Statements
For the year ended December 31, 2024

18. Segmented Disclosure

	Municipal Operations									
	Infrastructure & Planning Services \$000	Community & Protective Services \$000	Corporate Services \$000	Senior Leadership \$000	Elected Officials \$000	Fiscal Services \$000	Total Municipal Operations \$000	Utility Operations \$000	Public Library \$000	2024 \$000
Revenue										
Property Taxes	-	-	-	-	-	56,777	56,777	-	-	56,777
Utility User Rates	-	-	-	-	-	-	-	22,781	-	22,781
User Fees & Charges	5,091	4,250	5	-	-	103	9,449	866	12	10,327
Fines and Penalties	23	1,629	-	-	-	426	2,078	110	4	2,192
Investment Income	-	-	12	-	-	3,239	3,251	-	56	3,307
Government Transfers - Operating	514	1,419	46	-	-	-	1,979	110	160	2,249
Other Revenue	450	135	2	-	-	22	609	-	21	630
Total Revenue	6,078	7,433	65	-	-	60,567	74,143	23,867	253	98,263
Expenses										
Salaries, Wages and Benefits	(10,460)	(15,496)	(5,884)	(1,410)	(455)	(61)	(33,766)	(2,791)	(1,003)	(37,560)
Purchases from Other Governments	(377)	(5,883)	(21)	-	-	(438)	(6,719)	(11,440)	(86)	(18,245)
Contracted Services	(3,958)	(1,561)	(1,947)	(36)	-	(39)	(7,541)	(826)	(41)	(8,408)
Service Maintenance Contracts	(859)	(491)	(35)	(14)	-	-	(1,399)	(2,548)	(15)	(3,962)
Utilities	(2,675)	(479)	-	-	-	-	(3,154)	(151)	-	(3,305)
Materials and Supplies	(2,023)	(1,185)	(311)	(150)	(1)	-	(3,670)	(547)	(31)	(4,248)
Transfers to Individuals and Organizations	(86)	(174)	-	-	-	(398)	(658)	-	-	(658)
Interest on Long-term Debt	-	-	-	(7)	-	(617)	(624)	(61)	-	(685)
Insurance	-	(1)	(607)	-	-	-	(608)	(30)	(5)	(643)
Training and Development	(148)	(182)	(117)	(60)	(23)	-	(530)	(45)	(2)	(577)
Advertising and Printing	(24)	(109)	(214)	(6)	(35)	-	(388)	(17)	(8)	(413)
General Administration	(473)	(142)	(159)	(144)	(7)	-	(925)	(86)	(92)	(1,103)
Contaminated Sites	-	-	-	-	-	26	26	-	-	26
Amortization of Tangible Capital Assets	(11,115)	(1,374)	(244)	(646)	-	-	(13,379)	(2,731)	(184)	(16,294)
(Gain) Loss on Disposal of Tangible Capital Assets	322	15	-	-	-	(19)	318	-	-	318
Accretion of Asset Retirement Obligations	-	-	-	-	-	(168)	(168)	-	-	(168)
Other Expenses	(1)	-	(65)	-	-	(265)	(331)	(2)	(2)	(335)
Total Operating Expenses	(31,877)	(27,062)	(9,604)	(2,473)	(521)	(1,979)	(73,516)	(21,275)	(1,469)	(96,260)
Other Items										
Contributed Tangible Capital Assets	7,674	-	-	-	-	614	8,288	4,225	-	12,513
Government Transfers - Capital	11,345	-	307	-	-	-	11,652	(25)	-	11,627
Other Capital Funding	10	-	-	-	-	-	10	-	-	10
Developer Levies	1,313	-	-	-	-	-	1,313	-	-	1,313
Total Other Items	20,342	-	307	-	-	614	21,263	4,200	-	25,463
Surplus (Deficit) from Operations	(5,457)	(19,629)	(9,232)	(2,473)	(521)	59,202	21,890	6,792	(1,216)	27,466

City of Fort Saskatchewan
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<i>In thousands of Canadian Dollars</i>	Municipal Operations							Utility Operations \$000	Public Library \$000	2023 \$000
	Infrastructure & Planning Services \$000	Community & Protective Services \$000	Corporate Services \$000	Senior Leadership \$000	Elected Officials \$000	Fiscal Services \$000	Total Municipal Operations \$000			
Revenue										
Property Taxes	-	-	-	-	-	54,431	54,431	-	-	54,431
Utility User Rates	-	-	-	-	-	-	-	20,445	-	20,445
User Fees and Charges	2,944	3,949	5	-	-	84	6,982	888	9	7,879
Fines and Penalties	23	583	-	-	-	417	1,023	114	4	1,141
Investment Income	-	-	11	-	-	3,363	3,374	-	55	3,429
Government Transfers - Operating	401	1,533	193	-	6	-	2,133	62	174	2,369
Other Revenue	289	27	57	-	-	190	563	-	20	583
Total Revenues	3,657	6,092	266	-	6	58,485	68,506	21,509	262	90,277
Expenses										
Salaries, Wages and Benefits	(9,785)	(13,737)	(5,632)	(1,467)	(439)	(1,036)	(32,096)	(2,654)	(1,043)	(35,793)
Purchases from Other Governments	(343)	(6,593)	(14)	-	-	(435)	(7,385)	(9,436)	(87)	(16,908)
Contracted Services	(4,219)	(1,415)	(1,712)	(61)	(6)	(38)	(7,451)	(1,144)	(26)	(8,619)
Service Maintenance Contracts	(844)	(204)	(38)	(23)	-	-	(1,109)	(2,275)	(9)	(3,393)
Utilities	(2,512)	(567)	-	-	-	-	(3,079)	(167)	-	(3,246)
Materials and Supplies	(1,869)	(1,305)	(315)	(77)	-	-	(3,566)	(555)	(34)	(4,155)
Transfers to Individuals and Organizations	(1,079)	(157)	-	(137)	-	(452)	(1,825)	-	-	(1,825)
Interest on Long-term Debt	-	-	-	-	-	(718)	(718)	(74)	-	(792)
Insurance	-	-	(825)	-	-	-	(825)	(29)	(5)	(859)
Training and Development	(158)	(148)	(87)	(58)	(29)	-	(480)	(33)	(4)	(517)
Advertising and Printing	(47)	(100)	(164)	(10)	(21)	-	(342)	(25)	(6)	(373)
General Administration	(450)	(148)	(173)	(141)	(13)	-	(925)	(100)	(71)	(1,098)
Contaminated Sites	-	-	-	-	-	(11)	(11)	-	-	(11)
Amortization of Tangible Capital Assets	(12,086)	(1,403)	(344)	(261)	-	-	(14,094)	(2,596)	(183)	(16,873)
Loss on Disposal of Tangible Capital Assets	(13)	38	-	1	-	(780)	(754)	(16)	(5)	(775)
Accretion of Asset Retirement Obligations	-	-	-	-	-	(172)	(172)	-	-	(172)
Other Expenses	-	(50)	(15)	(1)	-	(143)	(209)	(7)	(3)	(219)
Total Operating Expenses	(33,405)	(25,789)	(9,319)	(2,235)	(508)	(3,785)	(75,041)	(19,111)	(1,476)	(95,628)
Other Items										
Contributed Tangible Capital Assets	1,701	-	-	-	-	3,044	4,745	187	-	4,932
Government Transfers - Capital	7,111	-	-	(41)	-	-	7,070	225	-	7,295
Other Capital Funding	-	-	-	-	-	-	-	-	12	12
Developer Levies	871	-	-	-	-	-	871	-	-	871
Total Other Items	9,683	-	-	(41)	-	3,044	12,686	412	12	13,110
Surplus (Deficit) from Operations	(20,065)	(19,697)	(9,053)	(2,276)	(502)	57,744	6,151	2,810	(1,202)	7,759

City of Fort Saskatchewan
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19. Purchases from Other Governments and Agencies

	Budget (Note 20) \$000	2024 \$000	2023 \$000
Wastewater Management Services	(7,159)	(7,267)	(5,460)
Policing Services	(6,219)	(5,805)	(6,520)
Water Supply Services	(4,094)	(4,173)	(3,976)
Commuter Transit Services	(451)	(364)	(342)
Assessment Services	(425)	(437)	(434)
Other	(185)	(199)	(176)
	(18,533)	(18,245)	(16,908)

20. Budget Data

The budget data presented in these financial statements is based upon the City's 2024 operating and capital budgets approved by Council on December 13, 2023, as amended May 9, 2024, and the 2024 Library budget approved by the Library Board on September 12, 2023. The City's budgets are prepared on a modified cash flows basis in accordance with the Municipal Government Act.

A reconciliation of the consolidated operating budget, as approved by Council, is prepared on the modified cash flow basis and the budget prepared in these financial statements in accordance with Canadian Public Sector Accounting Standards has been provided in the table below. The table below also includes a reconciliation of the 2023 and 2024 annual surplus (deficit) from operations for financial statement purposes to the surplus for operating budget purposes.

	Budget \$000	2024 \$000	2023 \$000
Surplus from Operations	8,275	27,466	7,759
Capital Items Affecting Surplus from Operations			
Amortization of Tangible Capital Assets	16,353	16,294	16,873
(Gain) Loss on Disposal of Tangible Capital Assets	-	(318)	775
Capital Accretion of Asset Retirement Obligations	-	161	172
Contributed Tangible Capital Assets	(3,460)	(12,513)	(4,932)
Government Transfers - Capital	(5,708)	(11,627)	(7,295)
Developer Levies	-	(1,313)	(871)
Other Capital Funding	-	(10)	-
Other Capital Items	-	-	(152)
Surplus from Operations before Capital Items	15,460	18,140	12,329
Net Transfers to Reserves	(13,329)	(13,950)	(10,408)
Repayment of Long-Term Debt	(2,131)	(2,133)	(3,416)
Operating Budget Surplus (Deficit)	-	2,057	(1,495)

21. Salaries and Benefits Disclosure

The following disclosure of salaries and benefits for elected municipal officials, the chief administrative officer, and designated officers is presented on a cash flows basis as required by Supplementary Accounting Principles and Standards Regulation (Alta. Reg. 313/2000).

<i>Rounded to the nearest dollar</i>	Salary ^(a)	Benefits & Allowances ^(b)	2024	2023
Elected Officials				
Mayor Katchur	110,145	11,713	121,859	118,422
Councillor Blizzard	48,788	8,662	57,450	54,717
Councillor Kelly	46,388	5,920	52,308	50,482
Councillor Abitoye	47,388	8,579	55,967	53,234
Councillor Makin	48,788	8,662	57,450	54,717
Councillor Harris	47,388	5,920	53,308	53,582
Councillor Noyen	47,488	8,585	56,073	55,988
	396,373	58,041	454,414	441,142
Officers				
Chief Administrative Officer	261,301	62,329	323,630	313,258
Designated Officers (c)	555,395	107,324	662,719	532,064

- a) Salary includes regular base pay, bonuses, overtime, lump sum payments, gross honoraria, and any other direct cash remuneration.
- b) Benefits and allowances include the employer's share of all employee benefits and contributions or payments made on behalf of employees including retirement pension, Canada Pension Plan, employment insurance, health care, dental coverage, vision coverage, group life insurance, accidental disability and dismemberment insurance, and long-term disability plans. Benefits and allowances figures also include the employer's share of the costs of additional taxable benefits including car allowances.
- c) The City had the following designated officers in 2024 and 2023: City Treasurer, Assessment Complaints Manager, two Municipal Assessors, Clerk of the Subdivision Development Appeals Board, and one Development Authority. The Assessment Complaints Manager and two Municipal Assessors are paid by the Capital Region Assessment Services Commission and the individual's pay is not separately identifiable.

22. Transactions with Related Parties

The City is a related party with its key management personnel and their close family members. The City may enter into transactions with these entities and individuals in the normal course of operations. There are no revenues and expenses recognized from transactions with related parties in 2024.

23. Contingent Assets

The City has no material contingent assets as of December 31, 2024 or 2023.

24. Contractual Rights

Contractual rights are rights of the City to economic resources arising from leases, licenses and contracts or agreements that will result in either assets or revenues in the future when the terms of those contracts or agreements are met.

The City expects to recognize the following revenues from existing contracts:

	User Fees & Charges \$000	Contractual Rights CDN \$000	Contractual Rights USD \$000
2025	434	26	1,200
2026	325	26	1,400
2027	293	26	1,400
2028	258	26	1,000
2029	223	26	-
Subsequent	674	26	-
	2,207	154	5,000

At December 31, 2024, the City was entitled to an estimated \$43,910,000 (2023 - \$46,508,000) in future contributed assets and levies as result of existing developer agreements. This estimate does not include two contracts in which revenue cannot be estimated, as they are dependent on actual sales or costs.

25. Letters of Credit and Bonds

In 2024, the City held 44 (2023 - 41) Letters of Credit totaling \$22,572,000 (2023 - \$11,539,000), two surety bonds totalling \$1,223,000 (2023 - \$1,394,000) and 46 (2023 - 42) performance and labour and material bonds totalling \$37,221,000 (2023 - \$34,691,000) in the City's favour as security for property development.

26. Commitments and Contingencies

The City is party to various claims and legal proceedings in the normal course of its operations. While the final outcome with respect to the claims and legal proceedings pending at December 31, 2024 cannot be determined with certainty, it is the opinion of management that their resolution will not have material adverse effects on the City's financial position or results of operations.

The City regularly reviews its environmental objectives and liabilities for its activities and properties as well as any potential reclamation obligations. The City inventoried properties that the City is responsible for to identify potential remediation obligations. All known and measurable liabilities have been recognized (Note 10).

27. Financial Instruments

The City's financial instruments consist of cash and cash equivalents, revenues receivable, investments, accounts payable and accrued liabilities, deposit liabilities, and long-term debt.

The City is subject to credit risk with respect to property taxes and other revenues receivables. Credit risk arises from the possibility that property taxpayers and customers who use municipal services may experience financial difficulty and be unable to fulfill their obligations. The substantial number and diversity of property taxpayers and customers, coupled with collection measures available to the City under the Municipal Government Act minimizes the risk. The City is also subject to credit risk associated with counter parties to its investments. This risk is managed at the investment manager level.

The City is subject to cash flow interest rate risk arising from cash and cash equivalents and investments. The City's cash and cash equivalents are held for short term cash flow purposes and earn variable rates of interest. At December 31, 2024, if variable interest rates paid on cash and cash equivalents had increased/decreased by 100 basis points from the period-end rates with all other variables held constant, the surplus from operations for the period would have increased or decreased by approximately \$313,000 (2023 - \$215,000), as a result of higher/lower interest income.

The City's investments are primarily comprised of fixed rate interest bearing securities that mature at various dates. The City mitigates the fair value interest rate risk by generally holding investments to maturity. The City also invests in principal protected notes that are subject to fair value risk as the fair value of these instruments can fluctuate based on referenced indexes.

The City's investments must conform to the investment policy guidelines which includes restrictions on the concentration of institutional and portfolio investments, as well as comply with the Municipal Government Act.

The City is also subject to fair value interest rate risk on its long-term debt. However, as the City intends to settle its long-term debt upon contractual maturity dates, it is not subject to significant fair value risk associated with these debt instruments.

The City is not exposed to significant liquidity risk or other market risks, such as currency and other price risk, arising from its financial instruments.