



For the year ended
December 31, 2024



The Corporation of
the Township of King
King, Ontario, Canada



Prepared by Finance,
Township of King

Financial Report & Consolidated Financial Statements

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2024 Introduction

KING
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Government Finance Officers Association

Canadian Award for Financial Reporting

Presented to

**The Corporation of the Township of King
Ontario**

For its Annual
Financial Report
for the Year Ended

December 31, 2023

A handwritten signature in black ink that reads "Christopher P. Morrill". The signature is written in a cursive, flowing style.

Executive Director/CEO

Government Finance Officers Association of the United States and Canada (GFOA) awarded a Canadian Award for Financial Reporting to Township of King for its annual financial report for the fiscal year ended December 31, 2023. The Canadian Award for Financial Reporting program was established to encourage municipal governments throughout Canada to publish high quality financial reports and to provide peer recognition and technical guidance for officials preparing these reports.

In order to be awarded a Canadian Award for Financial Reporting, a government unit must publish an easily readable and efficiently organized annual financial report, whose contents conform to program standards. Such reports should go beyond the minimum requirements of generally accepted accounting principles and demonstrate an effort to clearly communicate the municipal government's financial picture, enhance an understanding of financial reporting by municipal governments, and address user needs.

A Canadian Award for Financial Reporting is valid for a period of one year only. We believe our current report continues to conform to the Canadian Award for Financial Reporting program requirements, and we are submitting it to GFOA to determine its eligibility for another award.



Message from Mayor Pellegrini

On behalf of King Township Council, I am proud to share the 2024 Year-End Financial Report. This report reflects our commitment to responsible governance, transparency and delivering value to our residents.

King continues to stand out in the Greater Toronto Area for its exceptional quality of life—balancing rural charm with access to modern amenities. In 2024, we made significant progress on key priorities, including infrastructure renewal, environmental sustainability and community safety.

In 2024, the Township completed the construction of its new Township Wide Recreation Centre, opening date in early 2025 with the support of the Federal and Provincial funding partners. Other projects of importance are the completion of various road improvements, bridges and culverts, including improvements to Salamander Park and Fox Trail Park.

These investments are made possible through prudent financial management and the hard work of our staff. I want to thank our residents for their continued support and engagement, and our staff for their dedication to making King a better place to live, work and play.

Together, we are building a stronger, more vibrant King Township.

A handwritten signature in black ink, appearing to read "Steve Pellegrini".

Mayor
Steve Pellegrini

May 26, 2025

Community Profile

“About King”

The **Township of King is unique amongst municipalities in the Greater Toronto Area**, proud of its **natural heritage** and **scenic beauty, agricultural lands**, and rich local and rural history. King's agricultural traditions contribute to a vibrant quality of life. King Township is located just 40 kilometres north of downtown Toronto, covering 339 square kilometres and boasting some of **Ontario's most beautiful rolling country sides and natural areas**. Over 98 per cent of King Township is within Ontario's Greenbelt area, 65 per cent of which is contained within the Oak Ridges Moraine, a famed geological formation created by retreating glaciers in the last ice age.

King Township is one of nine municipalities that make up the Regional Municipality of York. King includes the villages and hamlets of **Ansnorveldt, Kettleby, King City, Laskay, Lloydtown, Nobleton, Pottageville, Schomberg and Snowball**. Only 30 minutes from Toronto Pearson International Airport, the Township is easily accessible by Highways 9, 27, and 400 as well as the future Bradford Bypass and 413.

King has a **population surpassing 29,000** people and is projected to grow to 51,000 people by 2051. King Township is proud of its rural economy and agricultural sector, which benefit from the Holland Marsh's deep fertile soils and rich growing season. About 60 per cent of the Holland Marsh, also known as **“Ontario's Vegetable Basket,”** is in King.

The Township's major infrastructure supports delivery of core services including roads and bridges; water distribution and wastewater collection; waste management (collection, disposal and recycling); recreation facilities; parks; and fire and emergency services. Infrastructure also includes administration facilities, vehicles and equipment for fire, Public Works operations and other service departments.



The Township of King provides the following major services and many others:

- Fire and emergency services
- Recreation programs and facilities
- Water distribution
- Wastewater collection
- Garbage collection, disposal and recycling
- Municipal roads and bridges
- Parks
- Economic development
- Planning and Building
- Stormwater Management
- By-law Services
- Library
- Heritage and Culture



Community Profile

“About King”



Mayor Steve Pellegrini

King Township is governed by **an elected Mayor** and **six Councillors**, each representing one of the six wards within the Township. As head of Council, the Mayor represents the Township on **York Regional Council**. Council sets policy and directs the affairs of the municipality with assistance from a staff of dedicated full-time employees. Legislation dictates municipal elections be held every four years.

Members of Council



**Councillor
Jordan Cescolini**
Ward 1



**Councillor
David Boyd**
Ward 2



**Councillor
Jennifer Anstey**
Ward 3



**Councillor
Mary Asselstine**
Ward 4



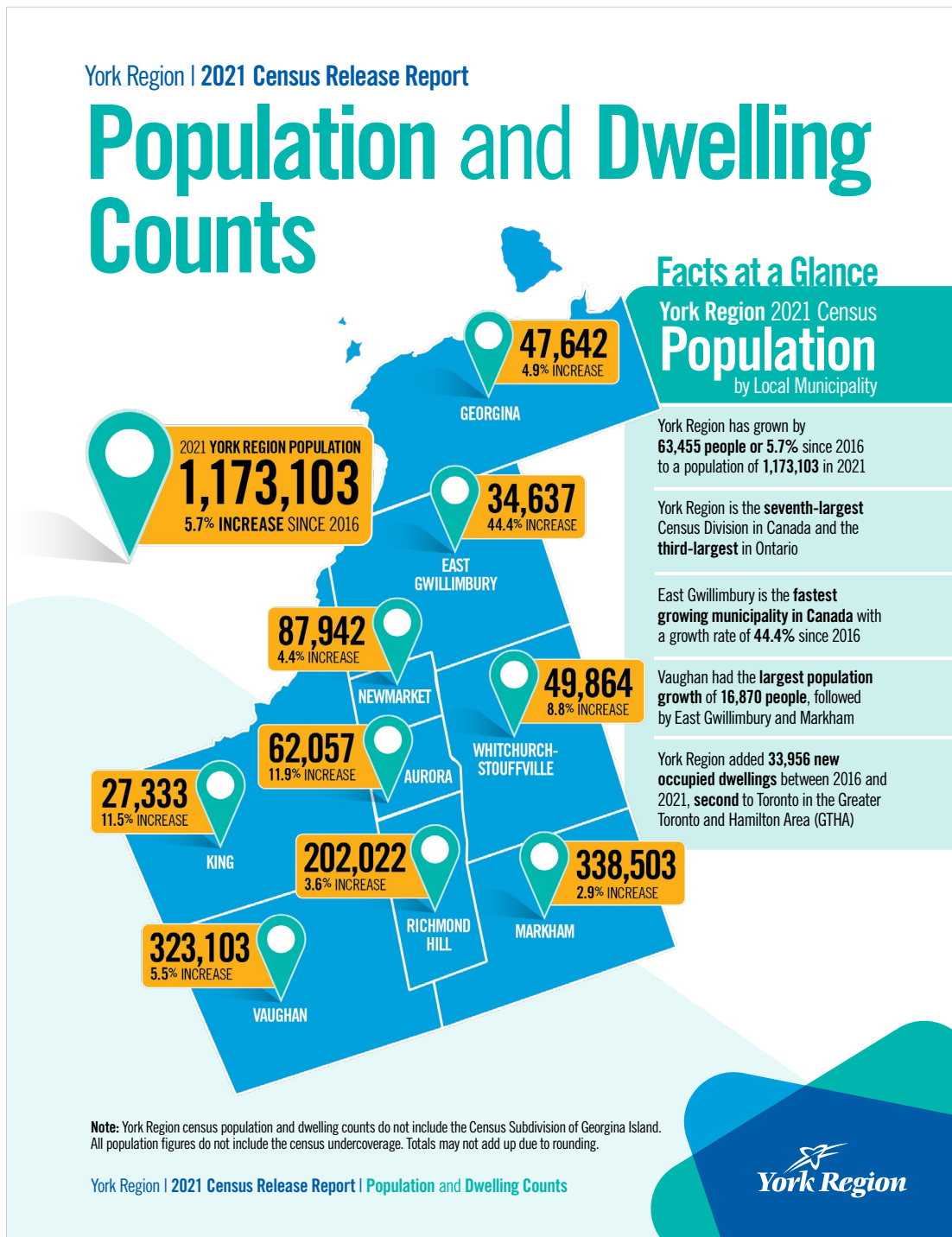
**Councillor
Debbie Schaefer**
Ward 5



**Councillor
Avia Eek**
Ward 6

Where are we located?

King Township is **one of 9 municipalities** located within the Regional Municipality of York, as indicated by this map of the Region, and a map of the Township that follows on the next page.





Economic Profile

Expected to **grow to 51,000 people by 2051**, and located approximately 40 kilometres north of downtown Toronto, King is the location of choice for a diverse mix of **over 575 businesses**, including the corporate head office of The ClubLink Corp., LGL Ltd. -Environmental Research Associates, Robert B. Somerville Co. Ltd., B.C. Instruments and Hitachi Astemo Canada.

The Township's three main villages, **King City, Nobleton** and **Schomberg**, attract businesses and residents seeking to live or locate in rural communities that provide a superb quality of life second to none, close to urban amenities.

King is home to **three post-secondary institutions** focused on applied research, education and training opportunities: Seneca College - King City Campus; Koffler Scientific Reserve at Jokers Hill, University of Toronto; and the Muck Crops Research Station, University of Guelph.



Employment Area Lands

Major **designated or zoned industrial and commercial areas** are found within the communities of **King City, Nobleton** and **Schomberg**. Areas designated by the Official Plan as Employment Area include 95 Acres within King City, approximately 35 acres in Nobleton and approximately 20 acres in Schomberg.

There are **opportunities for redevelopment** and intensification in the three village cores, and a community improvement plan (CIP) program that offers financial incentives program for changes that reflect a comprehensive village core design guidelines.



Business Profile

Over the years, many companies have chosen to set up business in King. Today, the Township is home to 1,414 companies from different industries.

Top 10 employers within the Township of King are:

1. Seneca College
2. Priestly Demolition Inc.
3. Brookdale Treeland Nurseries Limited
4. Cardinal Golf Club
5. Showa
6. B.C. Instruments
7. ClubLink
8. Robert B. Somerville Company Limited
9. The Country Day School
10. Kingbridge Centre

King's Economic Development Division delivers several programs in support of Business Retention such as:

- **Business Directory** - Represents the ninth consecutive year a directory has been developed and published in partnership with the King Chamber of Commerce. It is distributed to every household in King with 1,000 copies available for responding to inquiries.
- **ShopKING Shop Local Seasonal Campaigns** - In partnership with the King Weekly Sentinel newspaper and the King Chamber of Commerce, and with corporate sponsors' financial support, a series of full-page advertisements and social media posts are developed and deployed to help businesses.
- **Schomberg Main Street Revitalization Strategy** - Council endorsed a Downtown Revitalization Strategy for Main Street in Schomberg in May 2019. The Township secured additional Provincial funding in the second quarter of 2021 to support 65 action items into March 31, 2023. This downtown revitalization plan focuses on Marketing and Promotion, Economic Development, Physical Designs and Improvements and Management and Organization.

Business Profile

Some initiatives within the Downtown Area have some specific programs to promote businesses.

These include:

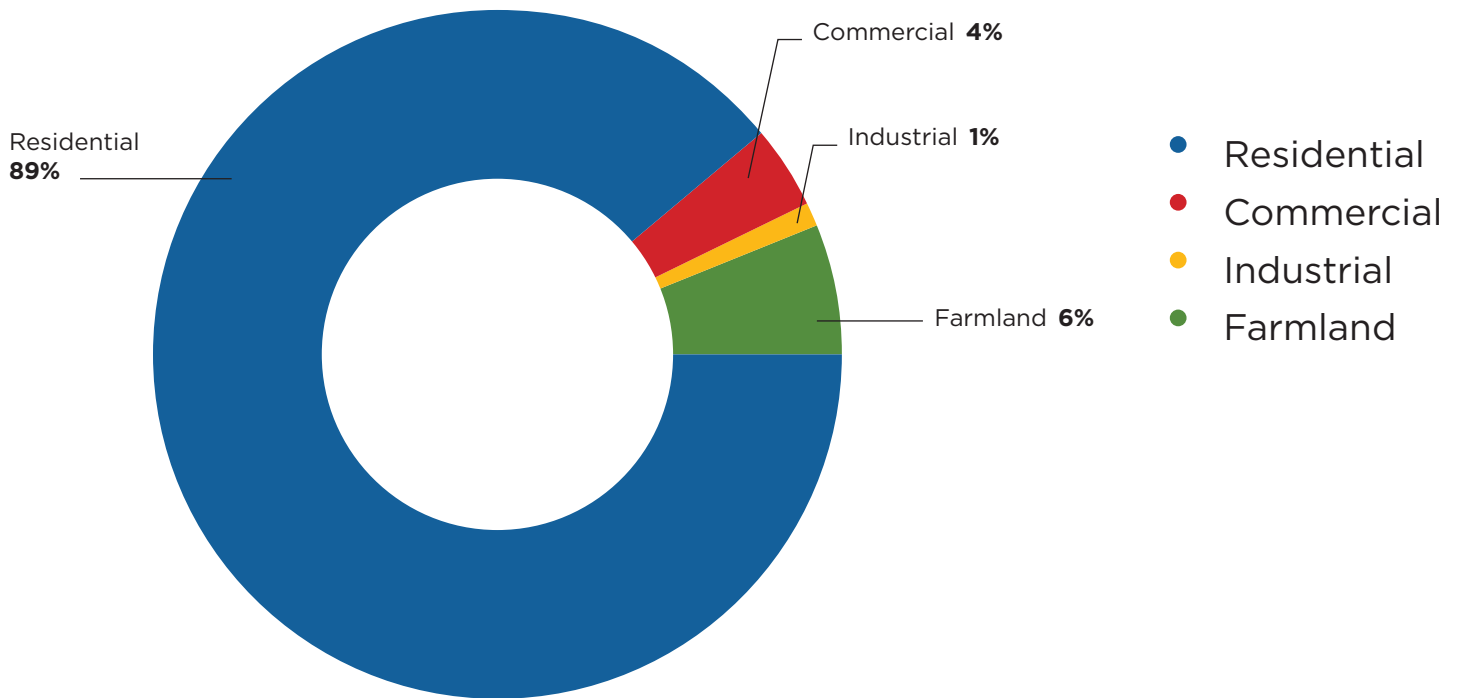
Community Improvement Plan (CIP) A new and broader Township-wide program was adopted by Council in March 2021. Building on the success of the first program that focused on the commercial cores of King City, Nobleton and Schomberg, this new program includes eligible properties in five precincts and provides incentives to commercial, agricultural and agri-business enterprises to make physical improvements to their properties. The new CIP Plan outlines financial incentives for property owners and tenants to invest in their property and outlines how the Township will roll out the plan. **The CIP is available in 2 streams:**

- Village Vibrancy Grant Stream which focuses on the core commercial properties within King City, Nobleton, and Schomberg.
- Rural Resiliency Grant Stream which provides funding for Agri-Tourism Uses, On-Farm Dining, or building improvements.

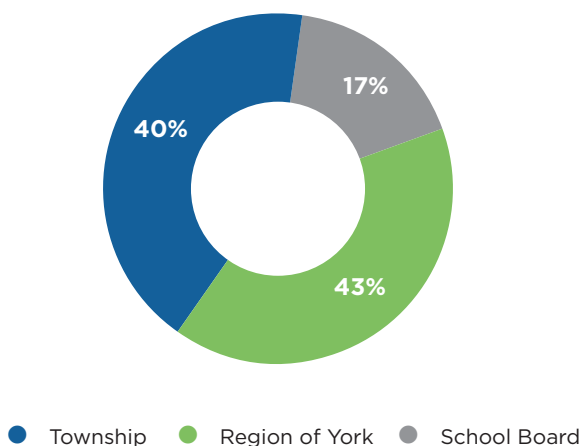


Assessment Value

The Township of King has seen a considerable amount of growth in recent years; however, it is mainly focused in residential areas and a smaller percentage is focused in commercial and industrial areas. Below is the split in the various categories:



The Township **collects property taxes** on behalf of the **Region of York** and the **School Boards**. The split is represented below between the three levels of government.



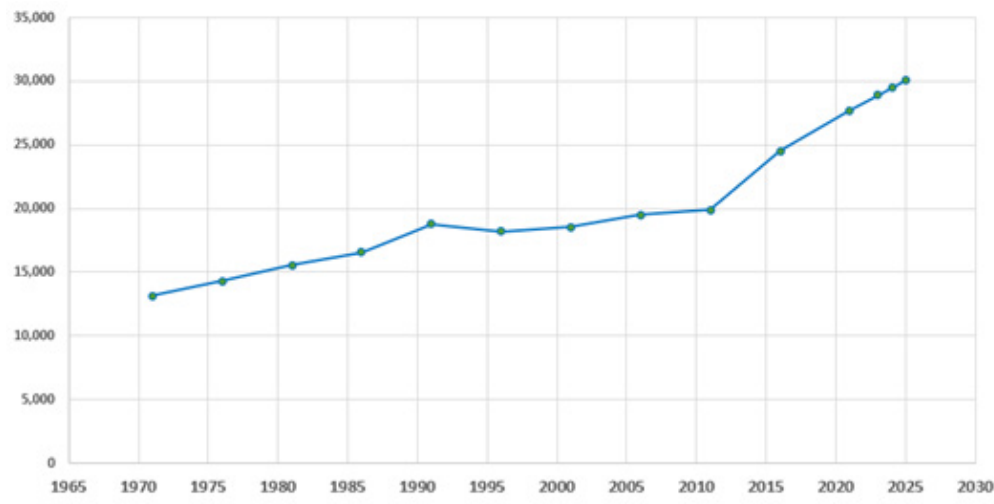
Public schools with classes from kindergarten through grade twelve are administered by the York Region District School Board and the York Catholic District School Board. A private Catholic high school, St. Thomas of Villanova College, and private JK -12 school, The Country Day School, are also located in the township.



Seneca College owns a campus located in the southeastern portion of King Township, where the College offers various programs.

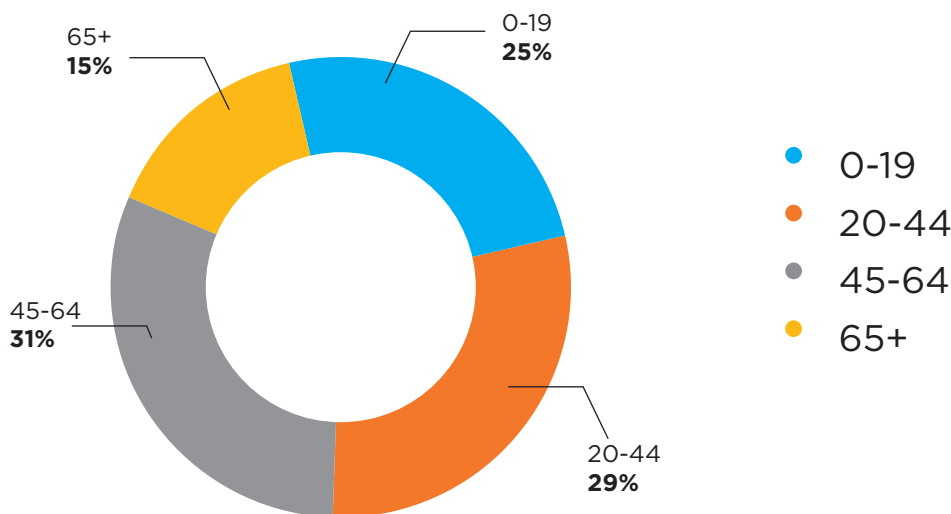
Demographics

King Township's **population grew by 23.2% between 2011 and 2016**, from 19,899 to 24,512. The population density is 73.6 people per square kilometre; however, the Township is characterized by areas of low density farming communities and the much higher density of its three major communities. In 2016, of the 24,512 residents in the township, 6,970 resided in King City, 4,614 in Nobleton, and 2,691 in Schomberg. **Population growth from 2021-2023 increased by 4.2%.** **The population is estimated to be 29,467 in 2024 and 30,056 in 2025 with 2% growth.**



Year	Population
1971	13,120
1976	14,297
1981	15,553
1986	16,573
1991	18,791
1996	18,223
2001	18,553
2006	19,487
2011	19,899
2016	24,512
2021	27,713
2023	28,889
2024	29,467
2025 Estimated	30,056

The **age demographics** show an even distribution between age groups. The median age as of 2016 was 42.5, slightly higher than the Ontario median age of 41.3.



(Based on statistics Canada and the BMA Municipal Study)



Message from the Chief Administrative Officer

As Chief Administrative Officer, I am pleased to present the Township of King's 2024 year-end financial statements. These results reflect the dedication and collaboration of Township staff in navigating a year of economic uncertainty while continuing to deliver high-quality services to our community.

In 2024, we faced inflationary pressures, legislative changes and rising contract costs. Despite these challenges, King remained focused on fiscal responsibility and service excellence. Through careful planning and efficiency measures, the Township maintained service levels and laid the groundwork for a more transparent and accountable financial future.

Key highlights from 2024 include:

- Launch of the interactive 2024 Service Performance Dashboard, with 82% of performance measures showing progress.
- Continued implementation of the 2023-2026 Corporate Strategic Plan, with notable achievements in digital transformation, climate action and community engagement.
- Completion of major infrastructure projects, including road and bridge improvements, and completion of the Zancor Centre.
- Introduction of new service fees and updated contracts to manage costs and increase investment revenue.

The 2024 Annual Financial Report provides a clear picture of King's financial position and the value delivered to citizens. I extend my sincere thanks to Council for their support and strong leadership, and to all staff for their contributions to another successful year.

A handwritten signature in blue ink, appearing to read 'DK', with a stylized flourish at the end.

Chief Administrative Officer
Daniel Kostopoulos

Department Summary

Population of the Township of King 29,467



Chief Administrative Officer
Daniel Kostopoulos

Total FTE (9.0)

Strategy and Transformation

Economic Development



Director of Community Services
Chris Fasclano

Total FTE (68.0)

Facility Services

Fire & Emergency Services

Recreation & Business Services

Heritage and Culture

Sustainability & Environmental Outreach



Director of Corporate Services
Jennifer Caietta

Total FTE (27.0)

Clerks

Communications

Human Resources

Legal

Information Technology



Director of Finance & Treasurer
Peggy Tollett

Total FTE (13.0)

Revenue and Taxation

Budget & Financial Reporting

Procurement



Director of Growth Management & Chief Planner
Stephen Naylor

Total FTE (38.0)

Planning Services

Building Services

By-law Enforcement

Development Engineering



Director of Public Works
Samantha Fraser

Total FTE (45.0)

Capital Services

Transportation Services

Environmental Services

Parks & Forestry

King Township Public Library

Library Board

Total FTE's = 200 (2024 Approved)

Department Summary

Office of the CAO

The Chief Administrative Officer (CAO) provides corporate leadership in overall management of the Township's Senior Leadership Team. The CAO reviews and approves all recommendations made to Council and Committees of Council and guides corporate strategic planning. The CAO also acts as department head to the Office of the CAO Department, which includes the Economic Development and Strategy and Transformation Divisions.

The Office of the CAO is responsible for ensuring that Council directives are coordinated between departments and relevant agencies while guiding operations of the organization in alignment with the vision and values of the Township and Council's priorities as identified in the corporate strategic plan.

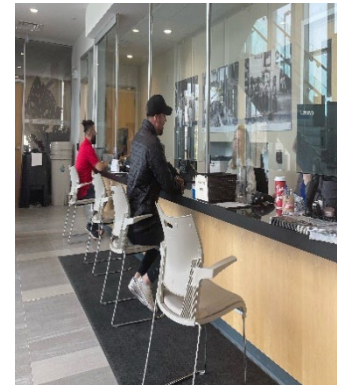


Community Services

The Community Services Department is responsible for the provision of recreational, cultural, and active opportunities through key divisions that include Facility Services, Recreation and Business Services, Heritage and Culture, and Sustainability and Environmental Outreach.

The department bases its service delivery on corporately established values that include alignment and accountability, customer service excellence, teamwork and engagement, communication, balance, community, integrity, and respect. The department also strives to ensure staff approaches operations in a professional manner while remaining innovative, creative, and equitable in the delivery of services. These corporate values are recognized through departmental vision and mission statements.

Department Summary



As part of the 2024 restructuring, Fire & Emergency Services and the King Township Public Library are now part of the Community Services Department.

King Fire & Emergency Services proudly protects an area of 333 square kilometres and a population of over 28,000 residents. Serviced by three Firehouses and a complement of 150 dedicated volunteer firefighters, King Fire & Emergency Services provides Fire & Life Safety Education, Fire Prevention / Investigation Services, Fire Suppression Medical Aid Response, and Specialized Rescue Services.



King Township Public Library (KTPL) is a four-branch system that offers both traditional and progressive programs and services as well as a contemporary, innovative multi-format collection. The Library is engaged in the King community, with numerous partnerships, community relationships and presence at a variety of community events. Library services offers universal access to print and digital material, information, and online services, as well as a wide variety of programs and outreach initiatives for people of all ages.

The Corporation of the Township of King



Corporate Services

The Corporate Services Department is responsible for a variety of legislative, corporate, and public services. This includes the development, coordination, implementation and maintenance of broad and complex organization-wide services, projects, policies, and procedures. The Corporate Services Department consists of Clerks, Communications, Human Resources, Legal, and Information Technology.



The Corporation of the Township of King



Finance

The Finance Department is responsible for handling all the financial affairs of the municipality on behalf of, and in the manner directed by, Council. The Department's roles and responsibilities include the coordination of the annual operating and capital budgets, development charges, water, and wastewater budget, and reporting of the Corporation's finances; co-coordinating and supporting asset management planning and best practices; developing and implementing a financial strategy for the Township; administering of property tax billing and collection on behalf of the Township, Region of York, and School Boards; establishing the water and wastewater rate, billing, and collection of payments; regular reporting to Council with respect to the financial affairs of the municipality as it requires or requests; and ensuring investments of the municipality are made in compliance with the regulations made under section 418 of the *Municipal Act*.

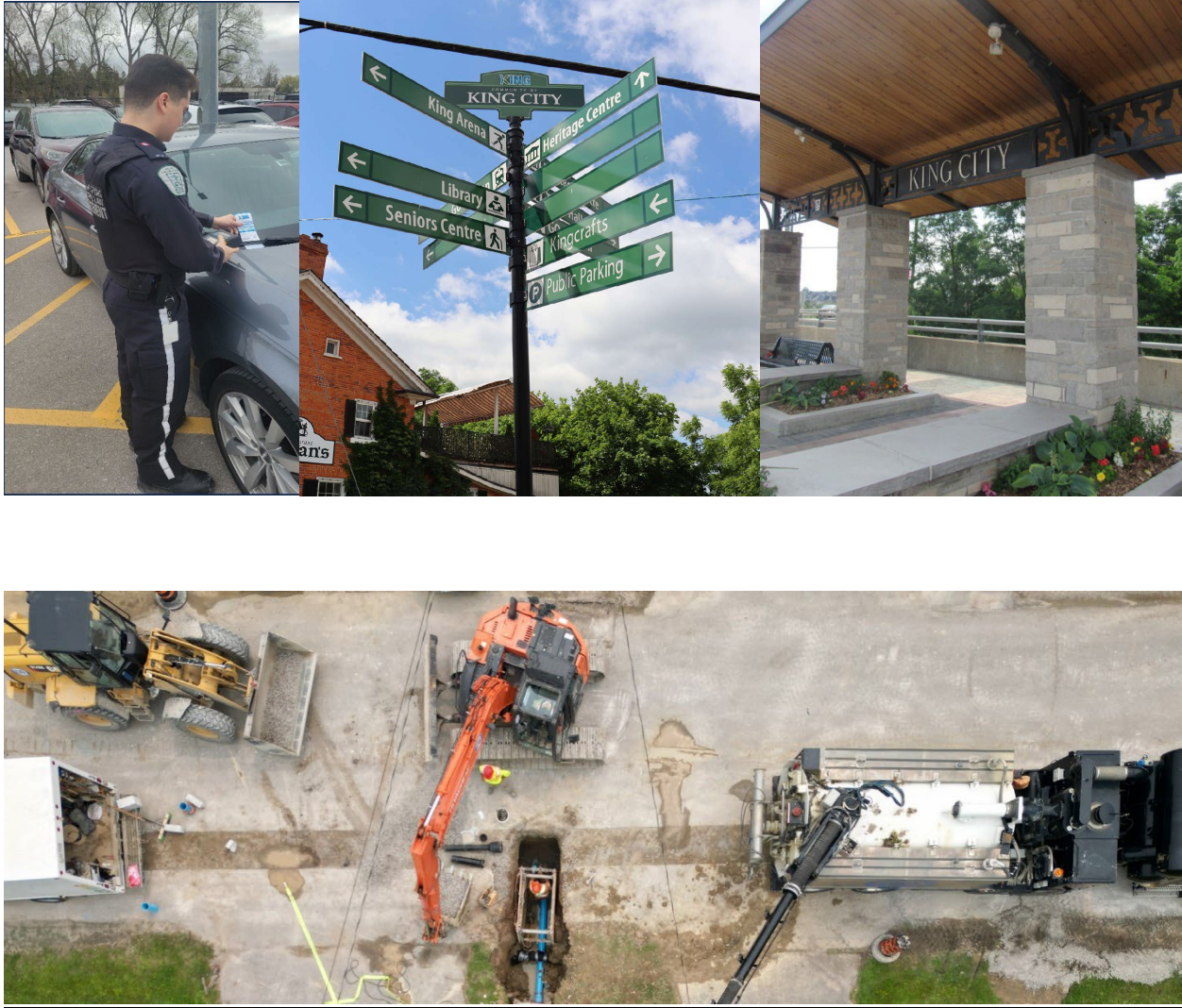
The Corporation of the Township of King



Growth Management Services

The Growth Management Services Department (GMS) consists of Building, By-law Enforcement, Development Engineering, and Planning. Growth Management Services is responsible for many growth-related processes for the Township. Roles and responsibilities include development review and approvals (Planning), the issuance of building permits (Building), and monitoring compliance of buildings and activities through municipal by-laws (By-law Enforcement). King takes a comprehensive, synergistic approach in efficiently managing the activities of the Department.

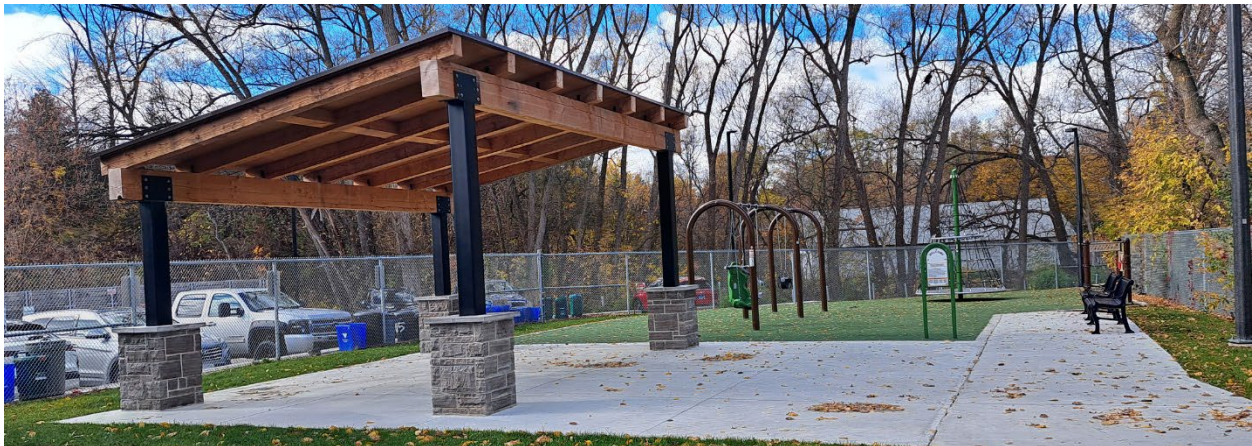
The Corporation of the Township of King



The Corporation of the Township of King

Public Works

The Public Works Department is responsible for the operation and maintenance of the Township's roadways, water distribution, wastewater collection, stormwater collection and treatment systems. Now Public Works includes Parks and Forestry and Fleet Services in addition to Transportation, Water and Wastewater Master Planning and Asset Management and Waste Management.



The Corporation of the Township of King

Below is the tracking of the Full-Time Equivalent (FTE) from 2022-2024

DEPARTMENT	2022 APPROVED	2023 APPROVED	2024 APPROVED
OFFICE OF THE CAO			
STRATEGY AND TRANSFORMATION	7	7	7
ECONOMIC DEVELOPMENT	2	2	2
TOTAL	9	9	9
COMMUNITY SERVICES			
FACILITIES	25	28	17
RECREATION AND CULTURE	10	20	20
COMMUNITY ENGAGEMENT	7	7	6
SERVICE KING	4	4	4
FIRE AND EMERGENCY SERVICES	7	7	7
LIBRARY (KTPL)	11	13	14
TOTAL	64	79	68
CORPORATE SERVICES			
CLERKS	7	7	8
COMMUNICATIONS	2	2	4
HUMAN RESOURCES	4	5	5
INFORMATION TECHNOLOGY	7	7	8
LEGAL	2	2	2
TOTAL	22	23	27
FINANCE	11	12	13
TOTAL	11	12	13
GROWTH MANAGEMENT			
BUILDING	7	7	8
BY-LAW ENFORCEMENT	6	6	6
DEVELOPMENT ENGINEERING	8	9	9
PLANNING / POLICY	11	13	15
TOTAL	32	35	38
PUBLIC WORKS			
PARKS AND FORESTRY	10	8	9
ENVIRONMENTAL OPERATIONS	9	9	9
FLEET	3	3	3
CAPITAL ENGINEERING	6	6	9
TRANSPORTATION OPERATIONS	14	15	15
TOTAL	32	33	45
TOTAL FULL TIME EQUIVALENTS	170	191	200

Restructuring from 2023 to 2024

Parks, Project Managers, Fleet moved from Community Services to Public Works. Development Engineering moved from Growth Management to Public Works. Communications consolidated to Corporate Services. Service King moved from Corporate Services to Community Services. Library and Fire moved under Community Services.



2024 Financial Information

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Message from Director of Finance and Treasurer

The Township of King is pleased to present its 2024 Financial Report and Consolidated Financial Statements, for the year ended December 31, 2024. This report has been prepared in accordance with the Municipal Act, 2001 and based on the reporting standards set by the Public Sector Accounting Board of Chartered Professional Accountants of Canada and the best practices in financial reporting by the Municipal Finance Officers Association (MFOA).

In 2024, the Township had a small deficit at year-end because of slower growth in planning revenues with the uncertainty of higher interest rates and economic impacts of development. Delay in opening the new Town Wide Recreation Facility impacted overall revenues in rentals, programming, and memberships revenues however it is expected to gradually increase over 2025. The revenue losses were offset by higher-than-expected interest revenue from the Township's diversified investment portfolio and supplementary tax revenues. To mitigate any budgeted shortfalls, departments used gapping of staffing, delays in hiring for vacant positions, and the redeployment of staff where possible. The deficit of \$24K was funded by the tax rate stabilization reserve fund.

In 2024, the Township completed several financial policies with regards to our accounts receivable policy and updates to our procurement procedures. We continued to enhance and refine our 10-year capital forecast for budget purposes and implemented fund manager software to monitor our reserve funds and to provide better projections for the finance strategy.

The Township has been working to replace its building, planning, permitting, and bylaw systems. Testing and implementation are expected to be completed in 2025. The completion of this system will provide an online portal for residents and developers to submit applications, check the status of their application, and pay associated fees. Full implementation is to be completed in 2025.

The overall Fiscal Strategy is intended to guide the financial policies and corporate strategies to ensure the goals and objectives of the Corporate Strategic Plan are achievable over the long-term.

A handwritten signature in black ink, appearing to read 'P. Tollett'.

Director of Finance and Treasurer
Peggy Tollett

Financial Report

The 2024 Financial Report and Consolidated Financial Statements are the responsibility of Management of the Corporation of the Township of King. The financial statements have been examined by KPMG LLP Chartered Professional Accountants, the external auditors for the Corporation. The responsibility of the external auditor is to express an opinion on whether the financial statements are fairly presented, in all material respects, in accordance with public sector accounting standards.

The Financial Highlights have been extracted from the Township's Audited Consolidated Financial Statements.



King Township Municipal Centre (KTMC)

Section 296 (1) of the *Municipal Act*, requires that all municipalities appoint an auditor licensed under the *Public Accounting Act, 2004* who is responsible for annually auditing the accounts and transactions of the municipality and its local boards and express an opinion on the financial statements of these bodies based on the audit.

Financial Report

KPMG LLP Chartered Accountants were appointed in September 2022 after completing a competitive tender process with other local municipalities within York Region. They have audited the Township's 2024 Consolidated Financial Statements and expressed their opinion within the Independent Auditor's Report that precedes the financial statements.

Under Section 294.1 of the *Municipal Act*, a municipality shall, for each fiscal year, prepare annual financial statements for the municipality in accordance with generally accepted accounting principles (GAAP) for local governments as recommended, from time to time, by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants (CPA) of Canada. Section 295 contains requirements for municipalities to publish a full set of financial statements in a newspaper in the municipality or to advertise the availability of the financial statements within 60 days of receiving the audited financial statements of the previous fiscal year.

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Canadian public sector accounting standards. Management is also responsible for establishing, reviewing, and managing systems of internal control to ensure the safety and security of the Township's assets from potential loss or misuse.

The financial statements have been prepared in accordance with the *Municipal Act, 2001* and based on the reporting standards set by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada and best practices in financial reporting by the Municipal Finance Officers Association (MFOA).

The Financial Report provide a high-level overview of the financial position of the Township of King for the fiscal year ended December 31, 2024.

There are five required financial statements which include:

- Consolidated Statement of Financial Position
- Consolidated Statement of Operations and Accumulated Surplus
- Consolidated Statement of Change in Net Financial Assets
- Consolidated Statement of Cash Flows
- Consolidated Statement of Remeasurement Gains and Losses

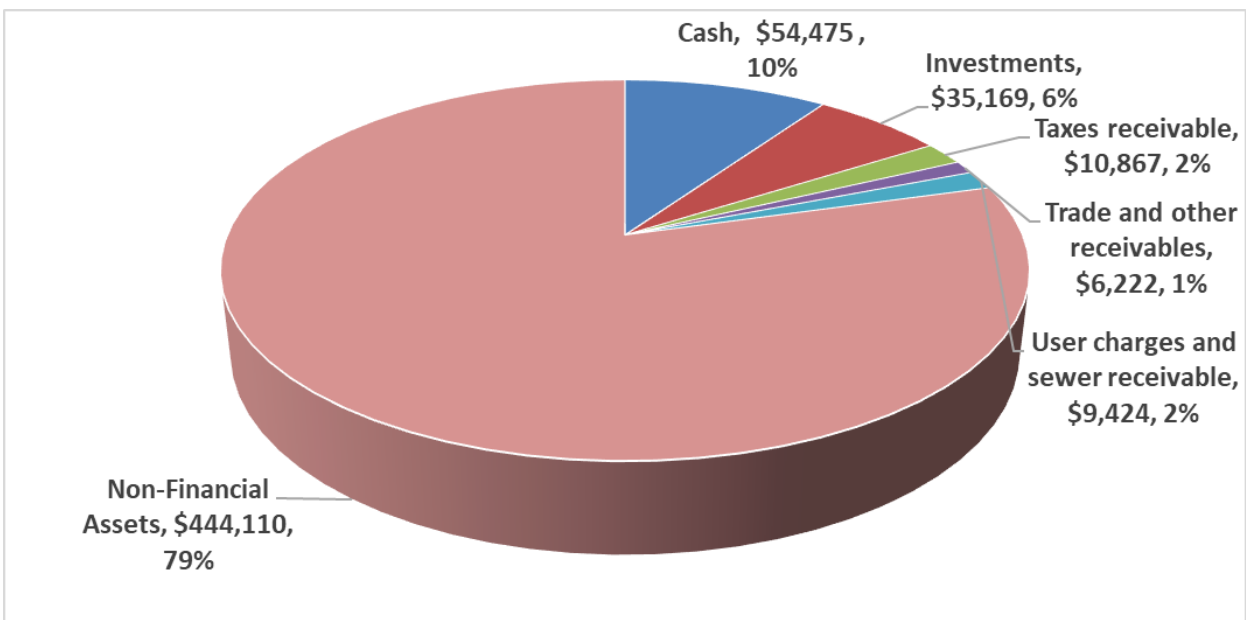
These financial statements provide information on the cost of the Township activities, what we own (Assets), what we owe (Liabilities), the Revenues, and Expenses. The next few pages give you a financial picture and breakdown of each area.

Financial Report

Statement of Financial Position

The following highlights outline the Financial Position as at December 31, 2024
(In thousands of dollars)

As at December 31, 2024	2024	
What we own (Assets)	\$000's	%
Cash	\$54,475	10%
Investments	35,169	6%
Taxes receivable	10,867	2%
Trade and other receivables	6,222	1%
User charges and sewer receivable	8,797	2%
Non-Financial Assets	444,110	79%
Total	\$559,640	100%



Financial Report

As at December 31, 2024

2024

What we owe (Liabilities)

\$000's

%

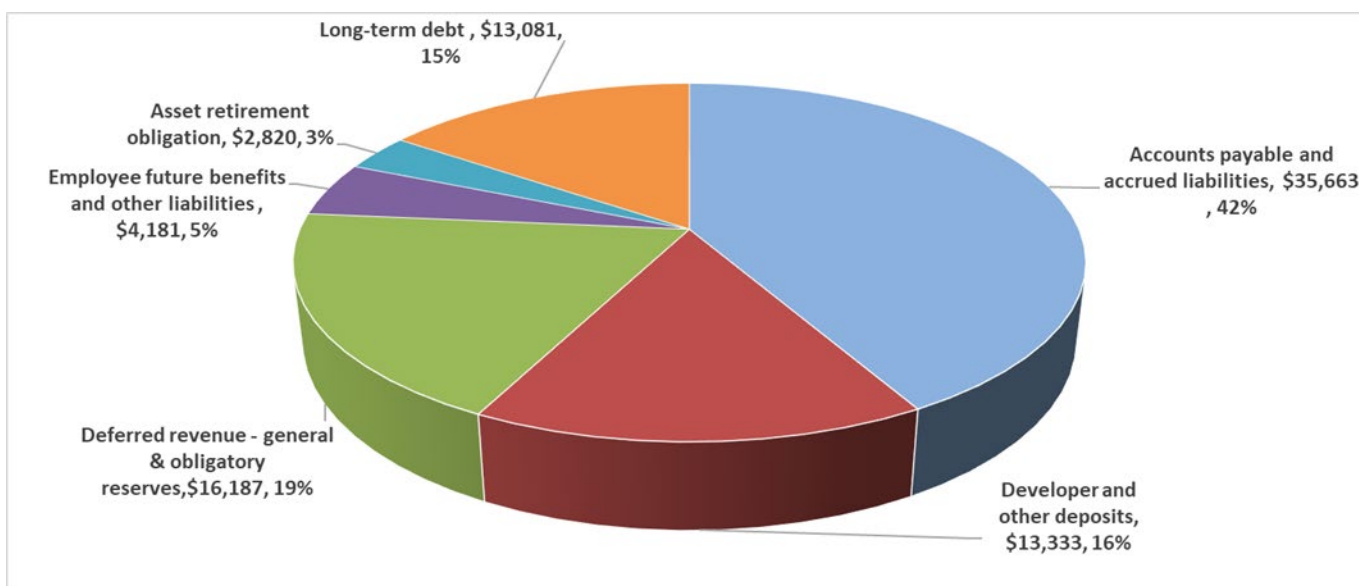
Accounts payable and accrued liabilities	\$35,663	42%
Developer and other deposits	13,333	16%
Deferred revenue - general & obligatory reserves	16,187	19%
Employee future benefits and other liabilities	4,181	5%
Asset retirement obligation	2,820	3%
Long-term debt	13,081	15%
Total	\$85,265	100%

Net Worth

Accumulated operating surplus	\$(20,642)	-4%
Investment in Tangible Capital Assets	443,540	93%
Reserve and Reserve Funds	51,477	11%
Total	\$474,375	100%

Total Liabilities and Net Worth

\$559,640



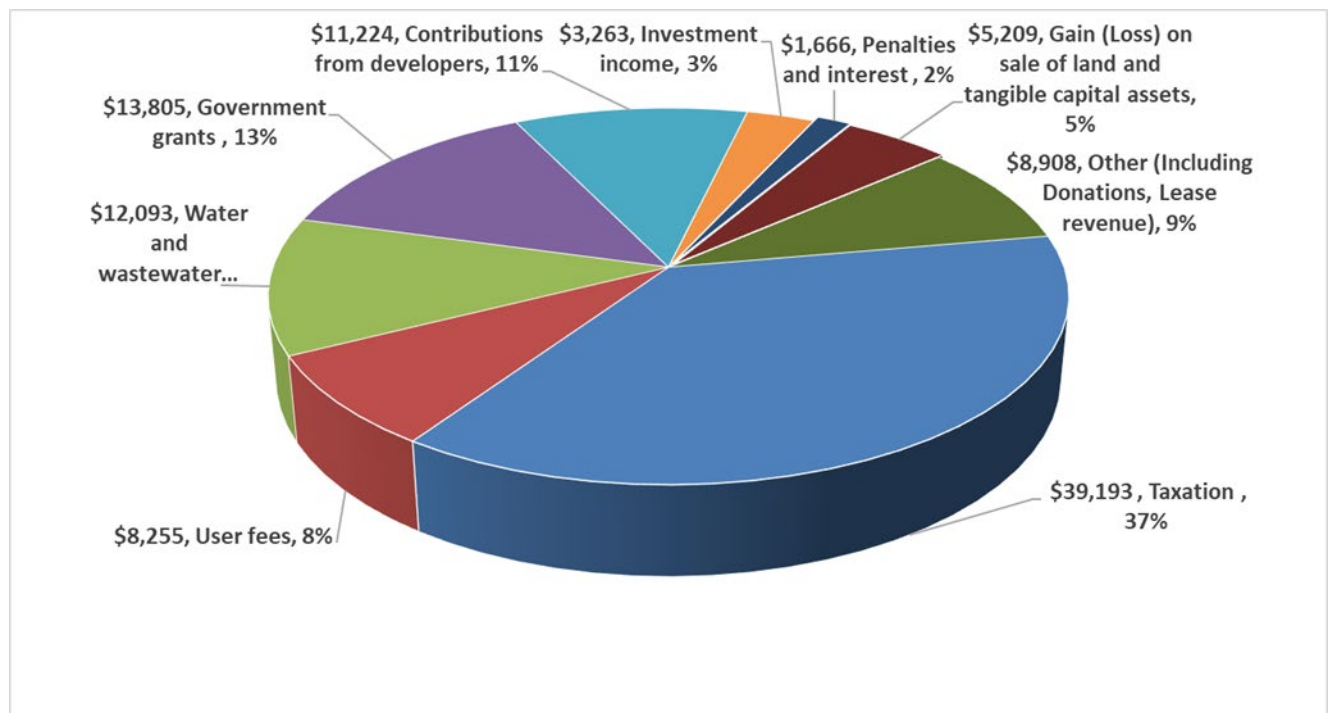
Financial Report

Revenues and Expenses

The following highlights outline the Statement of Operations as at December 31, 2024
(In thousands of dollars)

For the year ended December 31, 2024

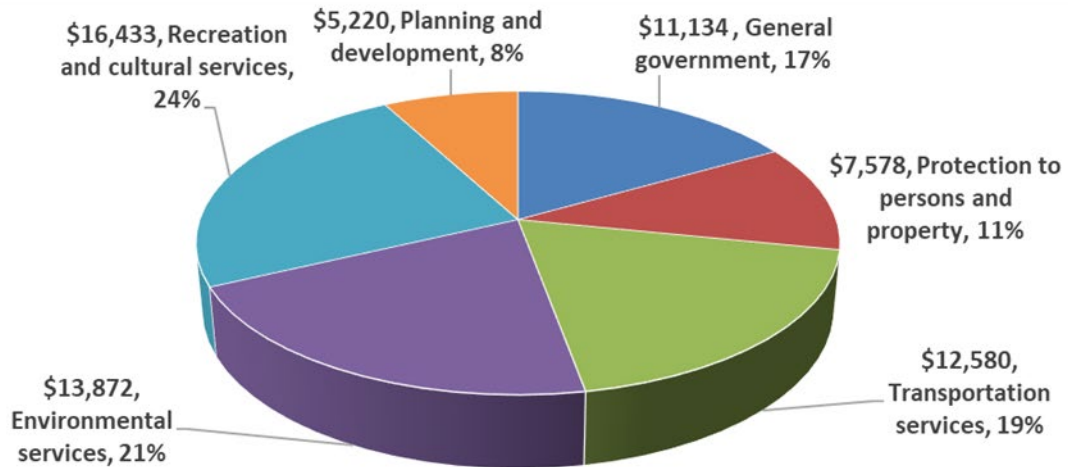
Where the funding comes from (Revenues)	\$000's	%
Taxation	\$ 39,193	37%
User fees	8,255	8%
Water and wastewater user charges	12,093	12%
Government grants	13,805	13%
Contributions from developers	11,224	11%
Investment income	3,263	3%
Penalties and interest	1,666	2%
Gain (Loss) on sale of land and tangible capital assets	5,209	5%
Other (Including Donations, Lease revenue)	8,908	9%
Total	\$ 103,616	100%



Financial Report

For the year ended December 31, 2024

What the funding was used for (Expenses)	\$000's	%
General government	\$ 11,134	17%
Protection to persons and property	7,578	11%
Transportation services	12,580	19%
Environmental services	13,872	21%
Recreation and cultural services	16,433	24%
Planning and development	5,220	8%
Total	\$ 66,817	100%



In addition to the Financial Discussion and Analysis and the Consolidated Financial Statements, the 2024 Financial Report contains supplementary financial, non-financial and statistical information about the Township. (See Statistical Section).

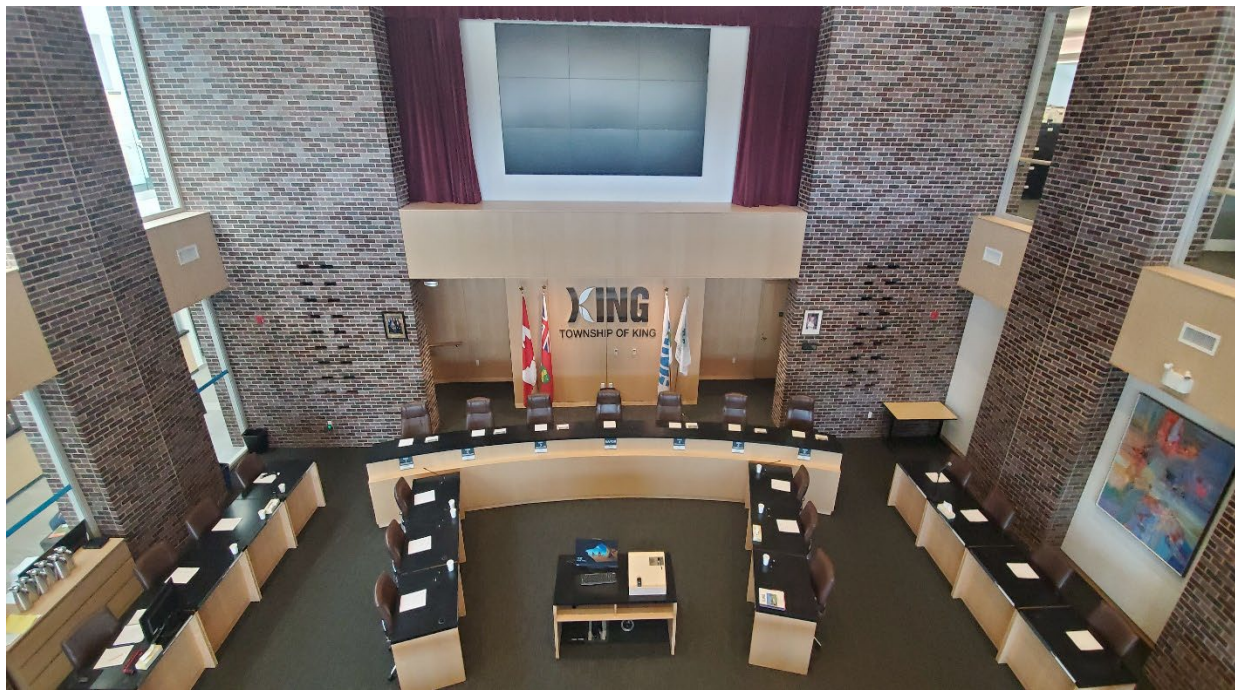
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FINANCIAL REPORT

The Township of King is pleased to present its 2024 Financial Report and Consolidated Financial Statements, for the year ended December 31, 2024. This report has been prepared in accordance with the *Municipal Act, 2001* and based on the reporting standards set by the Public Sector Accounting Board of Chartered Professional Accountants of Canada and the best practices in financial reporting by the Municipal Finance Officers Association (MFOA).

The 2024 Financial Report and Consolidated Financial Statements are the responsibility of Management of the Corporation of the Township of King. The financial statements have been examined by KPMG Canada LLP Chartered Professional Accountants, the external auditors for the Corporation. The responsibility of the external auditor is to express an opinion on whether the financial statements are fairly presented, in all material respects, in accordance with public sector accounting standards.

The Financial Highlights have been extracted from the Township's Audited Consolidated Financial Statements.



King Township Municipal Centre (KTMC)

The Township of King prepares its budget on a fund accounting basis where budgeted operating expenditures and capital are balanced with revenues. Like all other municipalities, the Township of King is required under the Public Sector Accounting Board rules to prepare financial statements on the full accrual basis accounting, including amortization, tangible capital assets, asset retirement obligations, and future employment benefits.

2024 MANAGEMENT DISCUSSION AND ANALYSIS



The Consolidated Financial Statements in the 2024 Financial Report have been prepared in accordance with general accepted accounting principles for local government as recommended by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada. By converting the Township's statements to a full accrual basis, it changes the budget from a balanced budget to recognize either a surplus or deficit. The statements and related information are the responsibility of management and include the financial activities of all deemed entities controlled by the Township of King.

Some highlights of the 2024 financial statements include:

- An investment in Tangible Capital Assets of \$9.9 million which included but not limited to infrastructure, roads, bridges, recreation facilities, equipment, and vehicles.
- Within the Tangible Capital Assets, \$2.8 million was uploaded to York Region for 17th Sideroad from Jane Street to Dufferin and Keele Street from Lloydtown Aurora Road to Davis Drive.
- \$5.7 million in net proceeds with the disposal of land within 15-19 Old King Road and a portion of 5885 King Road (2.4 acres) for four (4) properties from 12953-12969 Highway 27, Nobleton.
- An increase of \$4.1 million in additional assets from development assumptions conveyed from developers of roads, sidewalks, streetlights, stormwater mains, water and wastewater mains.
- An increase in taxes receivable of \$1.2 million with the addition of levies for Nobleton Sewer charges, Bylaw charges, and a decline in payments received overall.
- An increase in the amount of development charges collected and used to fund capital projects with a net increase of \$6.3 million.
- Over \$15.8 million of investments returned at the end of the term causing an increase in cash at year end which was later re-invested in 2025.
- An increase in site plan deposits of \$728 thousand on as development moves forward in 2024 for the various planning applications.
- A reduction in receivables of \$1.3 million with less grants received in 2024 with the completion of the Town-Wide Recreation Facility (TWRC)

For 2024, the Township adopted the following accounting standards applicable for fiscal years beginning Jan 1, 2024:

- PS 3160 – Public Private Partnerships (P3's), identifies requirements on how to account for and disclose transactions in which public sector entities procure major infrastructure assets from the private section.
- PS 3400, Revenue, establishes a framework to categorize revenues to enhance the consistency of revenue recognition and its measurement. This had no impact to the overall financial statements, as it is more of a presentation of revenue arising from transactions that include performance obligations, referred to as "exchange transactions" and transactions that do not have performance obligations, referred to as "non-exchange transactions".

- Exchange Transactions:

These involve an exchange of value, where the public sector entity provides a good or service in exchange for consideration. A key characteristic of exchange transactions is the presence of a performance obligation, an enforceable promise to provide the good or service.

- Non-Exchange Transactions:

These transactions do not involve a direct exchange of value and lack a performance obligation. Examples include grants, donations, and tax revenues.

There was no impact on the financial statements of the Township as a result of the adoption of these standards.

Financial Assets

Table 1:

As at December 31 (\$ millions)	2024	2023	Change in 2024 Increase / (Decrease)
Financial Assets			
Cash	\$54.5	\$20.1	34.4
Investments	\$35.1	\$51.0	\$(15.9)
Taxes receivable	\$10.9	\$9.6	1.3
Trade and other receivables	\$6.2	\$7.6	\$(1.4)
User charges and sewer receivable	\$8.8	\$9.4	\$(0.6)
Total	\$115.5	\$97.7	17.8

The decrease of \$17.8 million in financial assets for the Township is mainly attributed to the following:

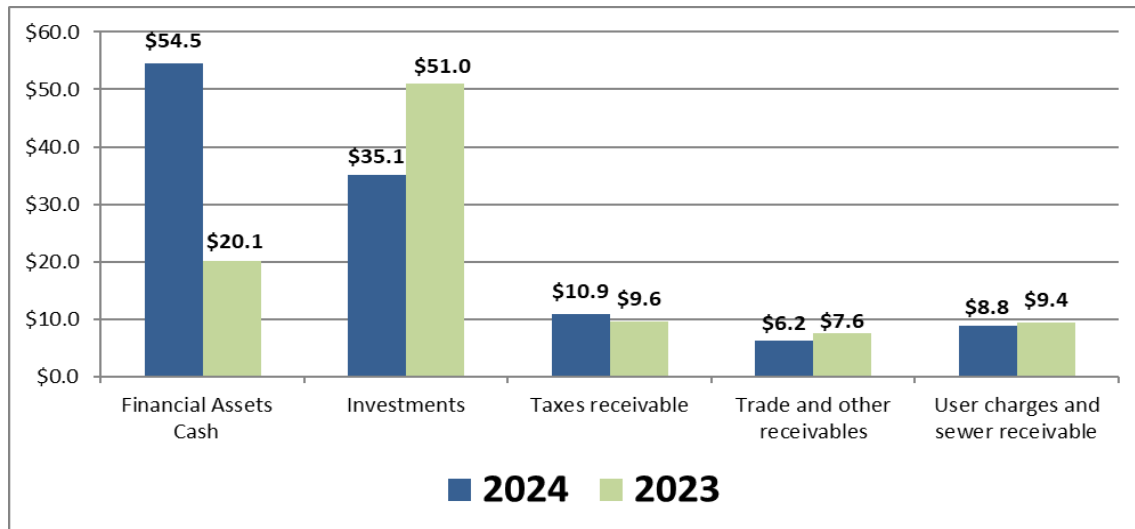
- \$34.4 million increase in cash with the maturity of a 2 year note and a 1-year GIC redeemed in October 2024 for \$15 million and a large development charge (DC) payment received in December 2024 for \$19.5 million related to the Jane and King development. Of the \$19.5 million received, the portion to remain with the Township is \$7.3 million while \$11.6 million was given to York Region and \$600 thousand to the school boards. In the early part of January 2025, staff looked at options for investments to capitalize on the funds received, based on our cashflow projections and the funding needs for larger capital projects.
- Increase of \$1.3 million for taxes receivable with additional billing at year-end for supplementary assessment changes from MPAC and transfers to taxes for Nobleton Sewer connection fee payments.

2024 MANAGEMENT DISCUSSION AND ANALYSIS



- Reduction of \$1.4 million in receivables as the grant for the TWRC was received before the end of 2024.
- \$600 thousand decrease to reflect year one of the Nobleton Sewer payments for residents that selected the option to have the capital charge split over 15 years on their tax bill. This is for all contracts within Nobleton from 2010 to current.

Table 2: Summary of Financial Assets 2024 vs 2023



Investments

The Township diversifies its investment portfolio into different options to strengthen its interest revenue. The Township invests in High Interest Savings Account (HISA), Guaranteed Investment Certificates (GIC'S), Principal Protected Notes, and Callable bonds in a wide range of terms. Below is a summary of the investments, date of purchase, type, maturity date, rate, and amount invested.

Table 3:

Date	Investment Term	Maturity Date	Rate	Amount Invested
28-Apr-23	Principal Protected Note - 2-year	02-May-25	5.18%	\$ 5,000,000
28-May-24	Callable Accrual Note (BNS) - 10-year - Callable 3-year	29-May-34	6.42%	\$ 1,800,000
29-Jul-24	Principal Protected Note (BMO) - 6 Year - Callable	01-Aug-31	5.75%	\$ 5,000,000
30-Aug-24	Linear Accrual GIC (NBC) - Extendible - 10-year - Callable 2-year	30-Aug-34	5.41%	\$ 5,000,000
19-Sep-24	Principal Protected Note (BNS) - 7-year - Callable 2-year	26-Sep-31	8.25%	\$ 3,500,000
24-Sep-24	Linear Accrual Note (BMO) - 15-year - Callable 1-year	24-Sep-39	6.05%	\$ 5,000,000
18-Oct-24	Principal Protected Note (BMO) - 7-year - Callable 2-year	24-Oct-31	7.00%	\$ 5,000,000
18-Dec-24	Principal Protected Note (BNS) - 15-year - Callable 3-year	18-Dec-39	5.90%	\$ 5,000,000
	Unrealized Loss			-(\$ 130,750)
Current Balance				\$ 35,169,250

The fair value adjustment net loss of \$130,750 recognizes the fair value of certain investments under the new accounting standard PS 3450.

Taxes Receivable

The Township is continuing to implement a tax arrears program to help reduce property taxes outstanding. The program involves communicating with the property owners, offering special payment arrangements and payment plans, notifying mortgage companies, and proactively processing tax sales on eligible properties.

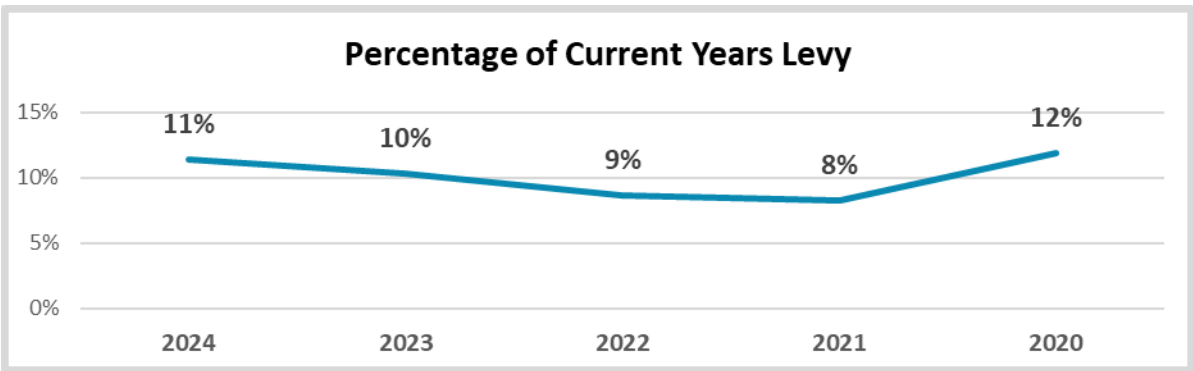
Tax arrears have been an issue with the Township over the years as indicated in the table below that shows the tax arrears from 2020-2024. We see a slight increase in taxes receivable for 2024 which is mainly due to timing of supplementary billing with assessment changes from MPAC and transfers to taxes due to lack of payment for outstanding invoices from by-law. In December 2024, the Township did not send out its arrears notices due to the postage strike which caused a delay in collections which is reflected in the increase in receivables.

There is a concern that the percentage is increasing, and staff are looking at options to increase its collection practices to ensure more timely payments for tax arrears.

Below is a chart to show the history of arrears over the last 5 years.

Table 4:

Taxes Receivable, End of Year	2024	2023	2022	2021	2020
Taxes Receivable	\$ 10,867,120	\$ 9,639,269	\$ 7,877,777	\$ 7,225,326	\$ 10,234,774
Total Taxes Levied	\$ 95,606,531	\$ 93,542,126	\$ 90,699,749	\$ 87,209,932	\$ 86,394,348
Percentage of Current Years Levy	11%	10%	9%	8%	12%



The Township reports our financial indicators to the province with the yearly reporting in the Financial Information Return (FIR). The Township’s tax arrears historically have been over the 10% industry standard indicating a moderate to high level of risk which was flagged by Ministry staff in 2020. The success of the tax arrears program is evident in the results which show a decrease from 12% to 8% for 2021. Staff have seen a slight increase in the taxes arrears and will work on targets to address properties with long standing issues. Staff will continue this approach for future collections to ensure the taxes receivable balance decreases. It is important to note the Township collects on behalf of the York Region and the school boards and must make payments to them on an installment basis regardless if property owners pay or not.

2024 MANAGEMENT DISCUSSION AND ANALYSIS



Financial Liabilities

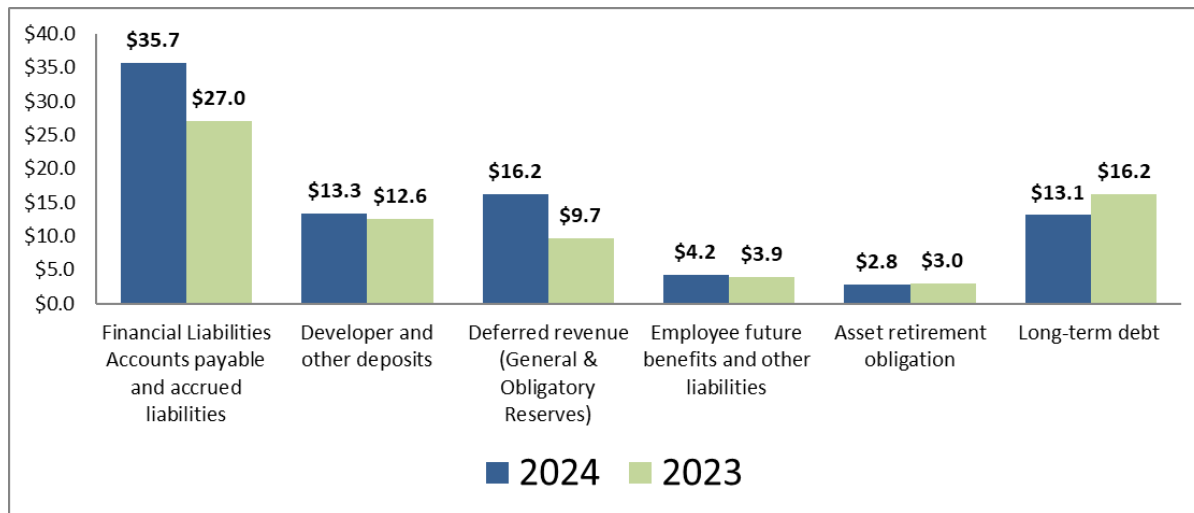
Table 5:

As at December 31 (\$ millions)	2024	2023	Change in 2024 Increase / (Decrease)
Financial Liabilities			
Accounts payable and accrued liabilities	\$35.7	\$27.0	\$8.7
Developer and other deposits	\$13.3	\$12.6	\$0.7
Deferred revenue (General & Obligatory Reserves)	\$16.2	\$9.7	\$6.5
Employee future benefits and other liabilities	\$4.2	\$3.9	\$0.3
Asset retirement obligation	\$2.8	\$3.0	\$(0.2)
Long-term debt	\$13.1	\$16.2	\$(3.1)
Total	\$85.3	\$72.4	12.9

The increase of \$12.9 million in financial liabilities for the Township is mainly attributed to the following:

- \$8.7 million increase in accounts payable and accrued liabilities to account for additional accruals for work completed in 2024 related to capital projects and timing of payables related to invoices received. This includes a large DC payment for York Region and the school boards for their portion of the payment received in December for the Jane and King Development. There was a significant increase in holdbacks for the Town-wide Recreation Facility (TWRC), the King Heritage Cultural Centre and Church restoration project and the Kettleby Road Reconstruction project.
- \$0.7 million in additional site alternation, lot and road deposits received in 2024 related to planning applications currently being constructed.
- \$6.5 million increase in deferred revenue to recognize the additional development charges received in 2024 which is net of the funding requirements for capital projects in 2024. In particular, funding \$3.7 million for various road projects, and \$550 thousand for the various studies for a total of \$4.3 million to fund DC projects including commitments.
- \$0.3 million from updating the Township's Post-Retirement non-pension benefits and Sick leave benefit by our actuarial review which was completed in 2023 and forecasted for the next 3 years.
- \$0.2 million decrease in adopting the asset retirement obligation (ARO) which originally included Solid Waste landfill closure liabilities for the 2 landfill sites of the Township. The new standard now recognizes an ARO for tangible capital assets with prescribed decommissioning regulations such as fuel storage tanks, drinking water wells, septic tanks and bed systems, ice rinks with ammonia refrigeration systems, and sewage ponds. Also, the Township must recognize a future liability for the estimated cost to remove hazardous materials such as asbestos from any township-owned building.
- Decrease in the long-term liabilities of \$3.1 million which reflects the payments associated with the Township's debt servicing payment obligations that have drawn down from the total debt outstanding related to debenture payments to York Region.

Table 6: Summary of Financial Liabilities 2024 vs 2023



Non-Financial Assets

Table 7:

As at December 31 (\$ millions)	2024	2023	Change in 2024 Increase / (Decrease)
Non-Financial Assets			
Tangible capital assets	\$443.5	\$411.7	\$31.8
Inventory held for own use	\$0.1	\$0.1	\$0.0
Prepaid expenses	\$0.5	\$0.7	\$(0.2)
Total	\$444.1	\$412.5	\$31.6

Most of the year over year change within Non-Financial Assets relates to the recognition of new tangible capital assets. The Township made significant investments in tangible capital assets totalling \$31.8 million in 2024 which is net of the \$12.1 million amortization expenses.

- Additional assets of \$9.9 million listed in table 8 (below)
- Within the Tangible Capital Assets \$2.8 million was uploaded to York Region for 17th Sideroad from Jane Street to Dufferin and Keele Street from Lloydtown Aurora Road to Davis Drive.
- \$5.7 million in net proceeds with the disposal of land within 15-19 Old King Road and a portion of 5885 King Road (2.4 acres) for four (4) properties from 12953-12969 Highway 27, Nobleton.
- An increase of \$4.1 million in additional assets from development assumptions conveyed from developers of roads, sidewalks, streetlights, stormwater mains, water and wastewater mains.

2024 MANAGEMENT DISCUSSION AND ANALYSIS

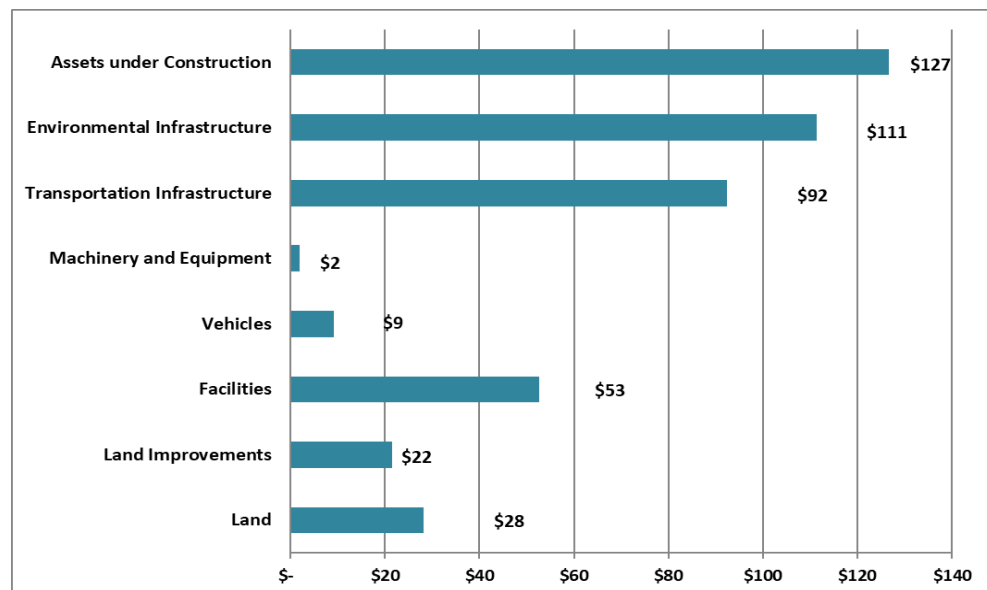


Table 8: Some of the additions in 2024 for a total of \$9.9 million

Additions for 2024	Value \$ (millions)
• Various Road Improvements, Traffic Signals and calming	\$5.8
• Bridges & Culverts	\$2.0
• Park Improvements – Salamander Park, Fox Trail Park, Park improvements and the Holland Marsh District School	\$1.0
• Additional Fleet and equipment in Public Works and Community Services	\$0.8
• 2 Ice Resurfacers for Recreation Facilities	\$0.3

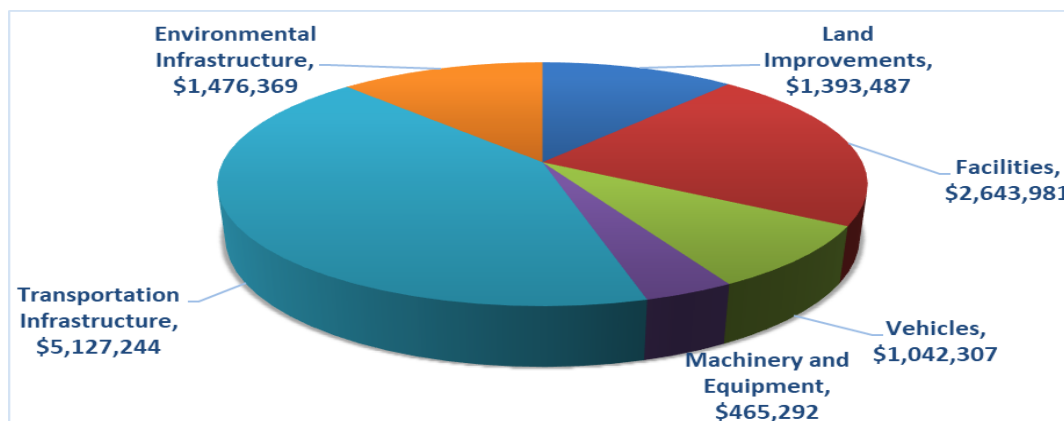
The following table represents the Net Book Value (NBV) of assets in millions:

Table 9: Total NBV \$443.5 million



The value of amortization per class of assets is shown below:

Table 10: Total Amortization is \$12.1 million



The Township's sustainable funding source for capital offsets the projected amortization expenses of approximately \$1.1 million per year. Amortization provides an indication of how much should be set aside / spent each year to repair and replace the Township assets. However, amortization is based on historical cost of assets and the future cost to replace an asset (such as a road or bridge) will cost more than what the Township paid for it more than 50 years ago. The difference between the historical cost and the replacement cost is called the infrastructure funding gap.

The Township needs to build-up sustainable funding for capital. In recent years, the Township has actively worked to reduce the infrastructure funding shortfall by levying more property tax dollars for capital purposes.

The plan is to build up our tax funded capital and funding for infrastructure repair and replacement in the amount of \$7.7 million in 2024 and forecasted to increase \$0.5 million per year in the 10-year plan. The new asset management plan in 2025 will outline the amount to be increased for future funding of all core and non-core assets to ensure sufficient funding is identified for Township infrastructure.

As part of the Township's Fiscal Strategy, we must look at our 10-year capital forecast and balance the needs of growth and non-growth. In conjunction with our Asset Management Plan (AMP) we must include the various studies to help formulate the 10-year plan. These include but, are not limited to the Community Service plan that looks at the various amenities for parks, recreation, and culture. The Fire Master Plan that looks at community risk assessment, the Official Plan for population growth for both residential and commercial / industrial, the Development Charge Study which is a 5-year plan that was adopted by Council in January 2021 and the Paving strategy.



2024 MANAGEMENT DISCUSSION AND ANALYSIS



Table 11:

Table A: 10 Year Capital Forecast by Department

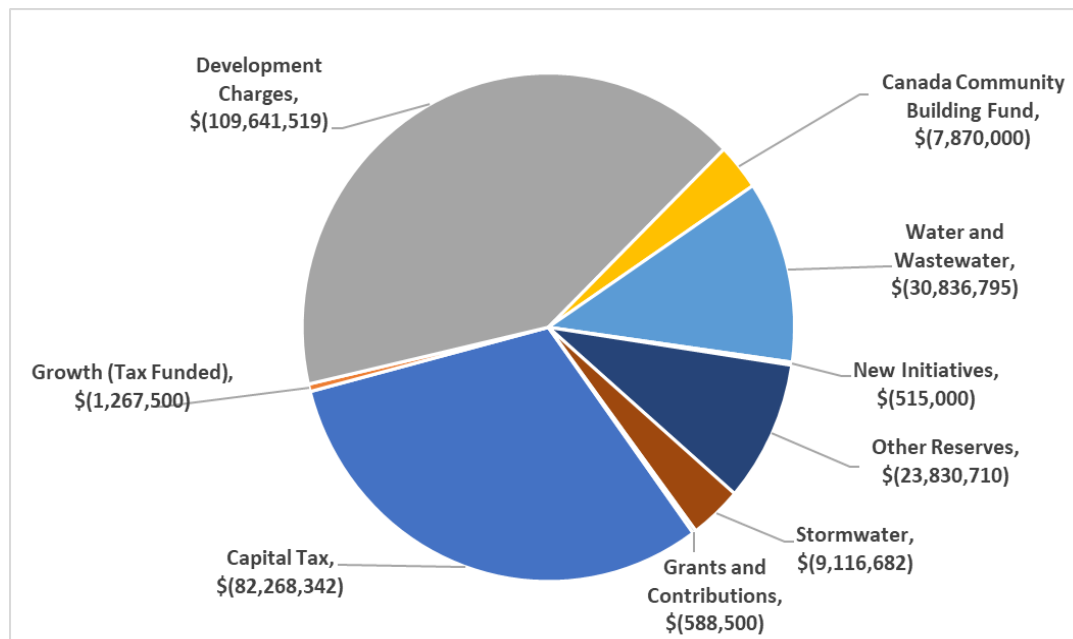
Department	2024	2025	2026	2027	2028	2029-2033	Total
Office of CAO	145,000	120,000	120,000	120,000	120,000	600,000	1,225,000
Library	93,488	52,632	7,621,255	7,765,735	57,059	488,603	16,078,772
Fire & Emergency Services	488,000	1,210,000	1,095,000	1,303,500	2,812,500	4,605,680	11,514,680
Public Works	10,877,700	11,007,345	13,671,513	30,802,652	38,544,012	79,017,447	183,920,669
Finance	140,000					100,000	240,000
Growth Management Services	395,000	450,000	150,000	150,000	50,000	780,000	1,975,000
Community Services	2,527,742	10,446,360	7,512,114	5,549,440	6,705,250	18,240,021	50,980,927
Total Capital Projects	14,666,930	23,286,337	30,169,882	45,691,327	48,288,821	103,831,751	265,935,048

Table B: 10 Year Capital Forecast by Asset Type

Asset Type	2024	2025	2026	2027	2028	2029-2033	Total
Information Technology	145,000	120,000	120,000	120,000	120,000	600,000	1,225,000
Studies	1,285,000	1,005,000	407,500	481,000	295,000	1,935,000	5,408,500
Fleet	1,397,742	2,718,760	3,345,364	3,292,390	1,618,840	7,264,133	19,637,229
Equipment	351,488	52,632	101,255	250,735	37,059	762,603	1,555,772
Roads & Engineering	8,487,700	4,550,000	6,973,448	18,114,640	11,095,898	30,642,192	79,863,878
Water	215,000	2,000,000	870,000	2,205,000	7,354,400	6,824,770	19,469,170
Stormwater	400,000	1,207,345	1,356,565	1,156,512	1,432,208	5,251,552	10,804,182
Waste Water	700,000	1,150,000	2,670,000	3,863,500	3,043,000	7,123,417	18,549,917
Parks	630,000	8,785,000	4,711,750	3,492,050	6,030,250	14,894,750	38,543,800
Facilities	1,055,000	1,697,600	9,614,000	12,715,500	17,262,166	28,533,334	70,877,600
Total	14,666,930	23,286,337	30,169,882	45,691,327	48,288,821	103,831,751	265,935,048

Table 12:

In relation to the table above, the funding sources forecasted for the capital projects totaling \$265,935,048 for 2024 to 2033 is reflected in below:



2024 MANAGEMENT DISCUSSION AND ANALYSIS



Accumulated Surplus

Table 13:

As at December 31 (\$ millions)	2024	2023	Change in 2024 Increase / (Decrease)
Financial Assets	\$115.5	\$97.7	\$(2.0)
Financial Liabilities	\$85.3	\$72.4	\$(0.5)
Net Financial Assets	\$30.2	\$25.3	\$(1.5)
Non- Financial Assets	\$444.1	\$412.5	\$44.5
Total Net Assets	\$474.3	\$437.8	\$43.0
Accumulated Surplus - End of Year	\$474.3	\$437.8	\$43.0

The 2024 accumulated surplus change is equal to the 2024 annual surplus from operations from the statement of operations. In 2024, the Township's change represents an increase of \$43.0 million to the accumulated surplus at the end of December 31, 2024. Details are provided in the financial statements under note 13 for more information.



OPERATIONS AND ACCUMULATED SURPLUS

The budgets for the Township are prepared using fund accounting where revenues equal expenses for the budget / planning purposes. On the fund basis of accounting, the Township ended the 2024 year with a deficit of \$24 thousand due to revenue shortfalls in recreation facilities, programming, planning applications and overspending in expenditures for staffing in various areas and development. Staff took steps earlier in the year to reduce spending where possible, and delayed staffing recruitment to gap vacancies to offset any loss of revenues.

2024 MANAGEMENT DISCUSSION AND ANALYSIS



Some highlights for the 2024 Statement of Operations include:

- \$982,063 favourable variance in investment income due to increase in investments. This is the net amount that is allocated to the operating budget and the balance of interest revenue is allocated to reserve funds as per corporate reserve policy.
- \$438,081 favourable variance related to supplementary tax revenue, in particular for Jane & King development, which changed from farmland to vacant industrial and additional assessment for Via Moto development.
- \$394,814 favourable variance in tax penalties revenue due to higher tax arrears balance at 11% leading to additional interest revenue.
- (\$303,519) unfavourable variance in road related contractual services due to price increases in winter sidewalk maintenance contracts, procurement of additional contracted services for two snowplows to backfill vacant equipment operator positions to maintain service levels, and emergency replacement of a culvert on 18th Sideroad.
- (\$85,997) unfavourable variance in winter maintenance salt and sand supply costs due to price increases.
- \$234,138 favourable variance in waste management, capital services and parks contractual services due to lower than anticipated volume of garbage and recycle pick-up, lower locates pricing, and delays in landscaping product deliveries.
- (\$601,449) increase in salaries and benefits in particular for the volunteer firefighters with additional response times and rate adjustments offset by \$57,476 in some additional revenues for fire-related incidents.
- (\$38,679) unfavourable variance in program fees for King Heritage and Culture and Laskay Hall due to renovation closures for most of the year.
- (\$90,258) unfavourable variance in program fees for day camps, Cold Creek and recreation programs due to lower enrollment than anticipated.
- (\$119,317) unfavourable variance in special event program fees due to low participation at events including cancellations at Maple Syrup festival and low attendance at the Food and Drink event.
- (\$42,158) unfavourable variance in utilities mainly in hydro and water due to higher usage at the recreation centres and splash pads partly offset by savings in heat/gas due to the milder winter in the first half of 2024.
- (\$278,183) unfavourable variance in contractual services including heater and furnace repairs at the King City and Schomberg fire stations, new rooftop air conditioning unit, tube heater and rolling steel fire door replacement at Nobleton Arena, Ice resurfacers repairs and roof leak repairs at Trisan Centre, fire system repairs at Schomberg Hall, garage fire cleanup and roll up doors repaired at the Works Depot, exterior wood re-staining at King City Library, installation of blinds, pot lights, and door/elevator repairs at King Heritage Culture Centre.
- (\$217,464) unfavourable variance in all planning applications due to developer delays moving forward with application amidst the persistent high-interest rate environment.
- (\$275,587) unfavourable variance in development revenues net of costs due to delays in subdivision agreement fees by Remcor-Bracor, Mansions of King and Forest brook which were moved to 2025 and the write-off of uncollected cost recoveries.
- \$167,744 favourable variance in bylaw revenues due to higher efficiencies in the Administrative Monetary Penalties (AMPS) program for parking and bylaw violations.

2024 MANAGEMENT DISCUSSION AND ANALYSIS



- (\$91,583) unfavourable variance in IT subscriptions, user licensing and security platform services.

A detailed reporting of the fund basis operating budget deficit will be provided in a separate report as part of the year-end process in Report (FIN-2025-10).

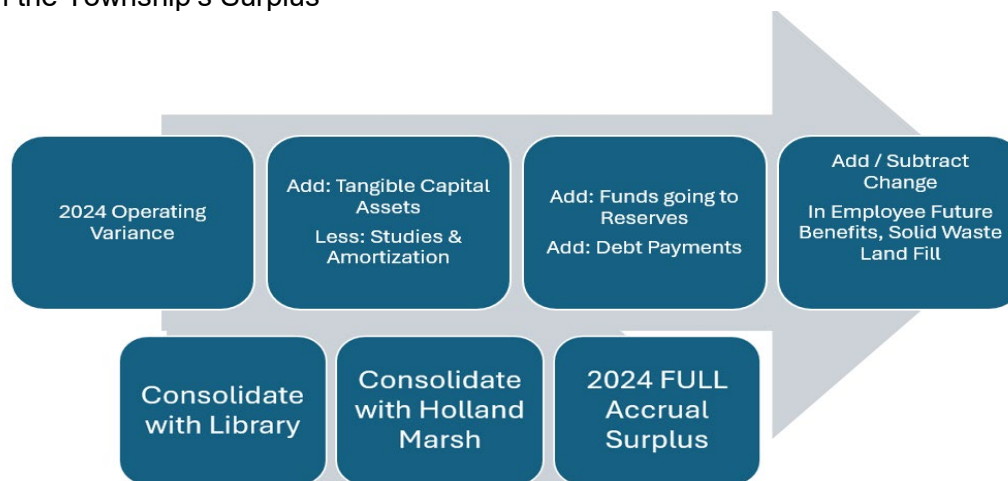
Conversion to Full Accrual Accounting

In order to comply with PSAB reporting, the Township converts its fund basis of accounting to the full accrual accounting for both revenues and expenses. For example, prior to 2009 there was no requirement to present tangible capital assets on the Township's Statement of Financial Position. At the time, all Ontario municipalities at the time expensed tangible capital assets (TCA) additions with revenues related to capital project additions shown to fully offset the expenses.

Under the full accrual method of accounting, the TCA additions are now capitalized on the Township's Statement of Financial Position similar to other private businesses and organizations. Municipalities now show amortization expense as listed on the Statement of Operations which is one of the largest expenses for many municipalities due the volume of assets under a municipality's control such as roads, bridges, fleet, facilities, and equipment.

The items below are included in the December 31, 2024 financial statements:

- Amortization of tangible capital assets
- Accumulated Surplus/(Deficit) from Operations
- Net Book Value Gain / Loss on disposal of Tangible Capital Assets
- Revenue – Grants (including Federal Gas Tax)/Development Charges/Recoveries from other municipalities/ other - for Capital
- Revenue – Contributed Assets (assets assumed by the Township by developers)
- Transfer from/to Reserves are not considered Revenue or Expenses and are removed from the Township's Surplus



2024 MANAGEMENT DISCUSSION AND ANALYSIS



The following is the adjustment from the Township's fund accounting deficit of \$24 thousand to the actual full accrual surplus of \$36.8 million:

Table 14:

	\$ Thousands
2024 Fund Accounting Operating Budget Deficit	(\$24)
Tangible Capital Asset (TCA) Adjustments	
• Tangible Capital Asset Amortization	(\$12,149)
• 2024 Tax Levy Funded Capital Program	\$24,532
• Capital Budget Items not considered Tangible Capital Assets	(\$1,620)
• Net Book Value loss on Disposal of Tangible Capital Assets	(\$589)
	<u>\$10,174</u>
Surplus after accounting for TCA	<u>\$10,150</u>
Other Full Accrual Adjustments	
• Transfers to Reserves not considered an expense	\$25,127
• Transfers from Reserves not considered revenue	(\$1,638)
• Long term debt (external) not considered as expenditures	\$2,747
• Change in Employee Future Benefits Liability	(\$150)
• Change in Solid Waste Landfill Closure and Post Closure Liability	\$159
• Consolidation of Library Board and Holland Marsh	\$395
• Transfer cemetery surplus to reserve	\$9
	<u>\$26,649</u>
2024 Full Accrual Surplus	<u>\$36,799</u>

MUNICIPAL DEBT

King Township's capital planning requirements may rely on the use of debenture financing to support investment in municipal infrastructure. This approach has been analyzed on the basis of the Township's current debt structure, in conjunction with Ministry defined debenture capacity / annual repayment limits, and with a comprehensive understanding of current reserve and reserve funds.

Under section 401 of the *Municipal Act*, debentures are issued by the upper tier; therefore the Region of York issues debentures on behalf of the Township of King. Debenture issuance at the Township will only be undertaken in compliance with the provisions of the *Municipal Act, 2001*, specifically Part XIII Debt and Investment, as well as Ontario Regulation 403/02 (Debt and Financial Obligation Limit).

2024 MANAGEMENT DISCUSSION AND ANALYSIS



At the end of 2024, the Township's net outstanding debt is \$13.1 million.

The long-term debt incurred by the Township and outstanding at the end of the year consists of the following:

Table 15:

By-law	Purpose / Description	Issue Date	Maturity Date	Interest Rate	Type	2024	2023
2015-62	For the construction of road and watermain in the community of Nobleton, in the amount of \$6,000,000. This is a sinking fund debenture	2015-06-15	2025-06-15	2.60%	Sinking Fund	6,000,000	6,000,000
2016-54	For the construction of sewer works in the community of Nobleton, in the amount of \$6,000,000, with annual principle payments of \$400,000	2011-07-04	2026-07-06	3.80%	Serial	800,000	1,200,000
2019-21	For the King Roads project in the amount of \$6,100,000. This is a sinking fund debenture.	2019-04-18	2029-04-18	2.65%	Sinking Fund	6,100,000	6,100,000
2019-52	For King Buildings including the King Township Municipal Centre (KTMC), King City Library / Senior Centre and Graham Sideroad Bridge. This is a sinking fund debenture.	2019-04-18	2029-04-18	2.65%	Sinking Fund	10,000,000	10,000,000
2022-19	For the construction of sewer works in the community of Nobleton, in the amount of \$4,500,000, with annual principle payments of \$300,000	2023-07-15	2037-07-15	4.45%	Serial	3,900,000	4,200,000
Long-Term Liabilities						26,800,000	27,500,000
Less: Sinking Fund Assets						(13,718,770)	(11,257,114)
Net Long-Term Liabilities						13,081,230	16,242,886

Type of debentures:

Serial Debentures: Designed to pay equal, semi-annual principles amounts with interest calculated on the declining balances;

Amortized Debentures: Constructed to pay equal, semi-annual total payments with the interest component decreasing over the term;

Sinking Fund Debentures: Designed to pay equal, annual sinking fund contributions and equal, semi-annual interest payments to a fund that when combined with interest earned is used to repay the principal at the maturity.

2015-62 – Construction of Road and Watermain in Nobleton

This debenture was issued in 2015 for the construction of a road and watermain in the community of Nobleton for a total of \$6.0 million. This was issued as a sinking fund debenture with an interest rate of 2.6% and a maturity date of June 15, 2025. Semi-Annual payments are made for interest payments and the principle paid at maturity.

2016-54 – Sewer Works in Nobleton

Issued in 2011, for the construction of the sewer works in the community of Nobleton in the amount of \$6.0 million. This is a traditional serial debenture with a principal payment of \$400,000 a year plus interest of 3.8% for a maturity date of July 6, 2026.

2019-21 – King Road Projects

This debenture was issued in 2019 for the construction of various road projects throughout the Township for a total of \$6.1 million. This was issued as a sinking fund debenture with an interest rate of 2.65% and a maturity date of April 18, 2029. Semi-Annual payments are made for interest payments and the principle paid at maturity.

2019-52 – Various Town Projects

This debenture was issued in 2019 for the construction of Graham Sideroad Bridge, the King Township Municipal Centre (KTMC) and the King City Library / Senior Centre for a total of \$10.0 million. This was issued as a sinking fund debenture with an interest rate of 2.65% and a maturity date of April 18, 2029. Semi-Annual payments are made for interest payments and the principle paid at maturity.

2022-19 – Sewer Works in Nobleton

This debenture was issued in 2023 for the construction of sewer works (phase 3) in the community of Nobleton, in the amount of \$4.5 million. This is a traditional serial debenture with a principal payment of \$300,000 a year plus interest of 4.45% for a maturity date of July 15, 2037.

Annual debt charges are included in the amount of the property tax rate, user rate, and area specific charge (benefitting landowner) calculations. The table below summarizes the annual debt charges (principal and interest) for the Township's existing debt obligation; it does not include any new proposed debt.

Table 16:

Year	Principal	Interest	Total
2025	2,746,809	701,521	3,448,330
2026	2,204,290	594,971	2,799,261
2027	1,804,290	570,190	2,374,480
2028	1,804,290	557,187	2,361,477
2029	1,804,290	330,165	2,134,455
2030-2037	2,717,261	454,375	3,171,636
TOTAL	13,081,230	3,208,409	16,289,639

Annual Debt Repayment Limit

The Province of Ontario, through regulation, prescribes the Annual Debt Repayment Limit (ARL) for municipalities. The ARL is calculated based on 25% of the municipality's own source revenues and represents the maximum amount which the municipality has available to commit to payments relating to debt and financial obligation. Prior to the authorization by Council of a long-term debt or financial obligation, this limit must be adjusted by the Treasurer in the prescribed manner. As per the debt policy within the Township of King, we have an approved limit of 10% for all debt.

The ARL statement report indicates that the Township has a debt limit of \$13,899,026 million. The current amount utilized is \$3,555,478 which represents 6.40% for 2024. The chart below includes the 2024 – 2034 estimated debt ARL include principal and interest for all debentures including sinking fund contributions and long-term leases. For 2024, this includes the start of the Nobleton Sewer serial debenture for ½ a year in 2022 than a full year starting in 2023 for a 15-year term and estimated 4.45% interest.

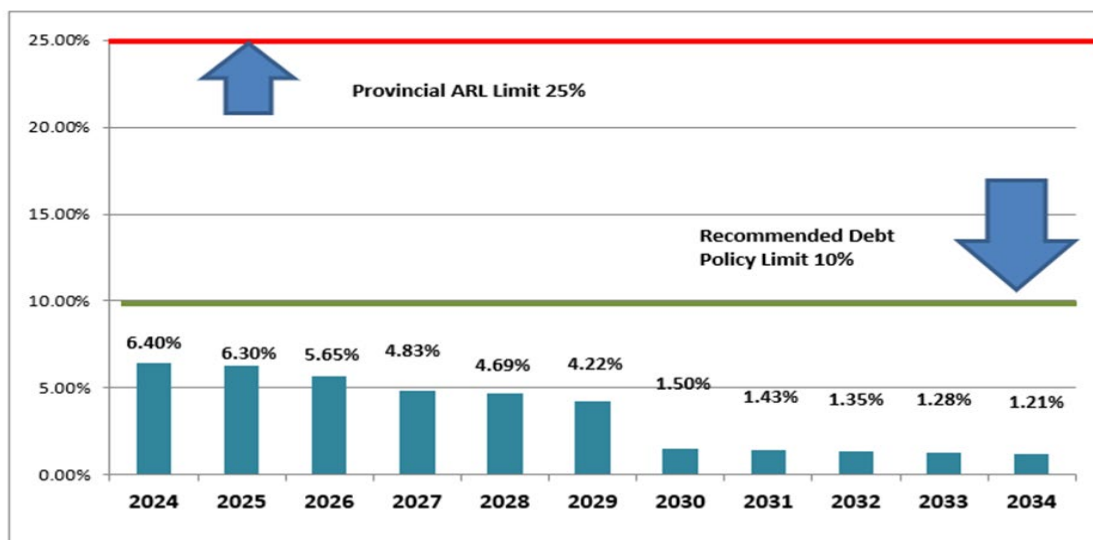
Debt Forecast

Based on debt financing the Township's current debt limit is 6.37%. Below represents the forecasted projected debt limit for the remaining debentures not including any additional forecasted debt requirements.

The Bar Chart below entitled *Forecast: Total Debt (2024-2034) illustrates* current principal repayment requirements together with forecast principal repayment requirements (post 2023) by the municipality based on the Township's 2024 capital plan.

Table 17:

Forecast: Total Debt 2024-2034



The chart above includes 2022-19 Nobleton Sewer Phase 3, for the construction of sewer works in the amount of \$4.5 million. This is a traditional serial debenture with a principal payment of \$300,000 a year plus interest of 4.45% for a maturity date of July 15, 2037. The payments are funded by benefiting property owners as part of the Nobleton Sewer Phase 3 project.

2024 MANAGEMENT DISCUSSION AND ANALYSIS



The projections also include an estimated debenture for 2025 for the Town Wide Recreation Centre of \$5 million at a rate of 3.7% amortized at 10 years. This will be confirmed based on development charges collected and whether the debt will be required to bring the development charge reserve for parks and recreation to a positive balance.

Annual Reporting Requirements

The Director of Finance / Treasurer will determine the short- and long-term borrowing needs and report to Council annually on any outstanding debt balance, their use and measured to key financial indicators. Through the Capital Budget process, the Director of Finance / Treasurer will also seek Council approval on all new debt prior to works being formally undertaken and will advise Council of issuance of debt when it is appropriate.

The Corporate Debt Policy will be reviewed periodically and updated if necessary. Any required changes will then be submitted to Council for approval. Otherwise, the Corporate Debt Policy will be formally reviewed, at a minimum of every five (5) years from the date of the last review.

CONCLUSION

In consultation with Council, the Senior Leadership Team and staff will continue to present a well-balanced annual budget and additional financial strategies to provide a fiscally responsible outlook for the Township of King.

Some of the principles staff take into consideration in developing its fiscal strategies are flexibility, transparency, governance, and reliability.

The overall Fiscal Strategy is intended to guide the financial policies and corporate strategies to ensure the goals and objectives of the Corporate Strategic Plan are achievable over the long-term.

Management Report

May 26, 2025

The accompanying consolidated financial statements of the Corporation of the Township of King are the responsibility of the Township's management and have been prepared in accordance with Canadian public sector accounting standards. The preparation of the 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 Corporation maintains a system of internal controls designed to provide reasonable assurance that the financial information is relevant, reliable, and accurate, that transactions are properly authorized, and the Corporation's assets are properly accounted for and adequately safeguarded. The Corporation is responsible for the budget, accounting, and the audit processes.

The financial statements have been examined by KPMG LLP, Chartered Professional Accountants, the external auditors for the Corporation. The responsibility of the external auditor is to express an opinion on whether the financial statements are fairly presented, in all material respects, in accordance with Canadian public sector accounting standards.

Township Council, through the Audit Committee, is responsible for ensuring that management fulfills its responsibility for financial reporting and internal control. The Audit Committee meets periodically with management, as well as with the external auditors to satisfy itself that each party is properly discharging its responsibilities with respect to internal controls and financial reporting.

The audit committee meets 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.



Daniel Kostopoulos

Chief Administrative Officer



Peggy Tollett, CPA, CGA

Director of Finance / Treasurer



THE CORPORATION OF THE TOWNSHIP OF KING

CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2024

**KPMG LLP**

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

INDEPENDENT AUDITOR'S REPORT

To the Mayor and Councillors of The Corporation of the Township of King

Opinion

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

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

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

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

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the **"Auditor's Responsibilities for the Audit of the Financial Statements"** section of our auditor's report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



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

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

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



Page 3

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, stylized font and is underlined with a single horizontal stroke.

Chartered Professional Accountants, Licensed Public Accountants

Vaughan, Canada

May 26, 2025

THE CORPORATION OF THE TOWNSHIP OF KING

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at December 31	2024	2023
Financial Assets		
Cash (Note 3)	54,474,692	20,098,845
Investments (Note 4)	35,169,250	50,966,450
Taxes receivable (Note 5)	10,867,120	9,639,269
Trade and other receivables (Note 6)	6,222,327	7,605,746
User charges and sewer receivable (Note 7)	8,797,081	9,424,396
	115,530,470	97,734,706
Financial Liabilities		
Accounts payable and accrued liabilities	35,663,435	27,028,884
Developer and other deposits	13,332,516	12,604,603
Deferred revenue (Note 8)	16,187,511	9,690,061
Employee future benefits and other liabilities (Note 9)	4,181,100	3,906,414
Asset retirement obligation (Note 10)	2,819,947	2,979,352
Long-term debt (Note 11)	13,081,230	16,242,886
	85,265,739	72,452,200
Net Financial Assets	30,264,731	25,282,506
Non-Financial Assets		
Tangible capital assets (Note 12)	443,539,892	411,652,694
Inventory held for own use	122,076	107,640
Prepaid expenses	448,356	746,918
	444,110,324	412,507,252
Total Net Assets	474,375,055	437,789,758
Accumulated Surplus - End of Year (Note 13)	474,375,055	437,789,758
Accumulated Surplus is comprised of:		
Accumulated operating surplus	474,505,805	437,706,808
Accumulated remeasurement (losses) gains	(130,750)	82,950
	474,375,055	437,789,758

Commitments and contractual obligations (Note 21), Contingencies (Note 22)

Approved by



Mayor



Treasurer

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

THE CORPORATION OF THE TOWNSHIP OF KING

CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS

For the year ended December 31	2024 Budget (Note 19)	2024 Actual	2023 Actual
Revenues			
Taxation (Note 16)	39,213,962	39,192,536	36,466,798
User fees	6,981,492	8,255,357	7,052,858
Water and wastewater user charges	12,160,490	12,093,142	12,117,619
Government grants (Note 20)	607,825	13,804,690	20,563,781
Contributions from developers (Note 17)	-	11,223,883	16,262,580
Investment income	1,532,600	3,262,620	3,265,101
Penalties and interest	1,274,000	1,666,526	1,461,190
Gain on disposal of tangible capital assets (Note 12e)	-	5,208,631	344,337
Other	2,920,813	8,908,584	8,603,296
	64,691,182	103,615,969	106,137,560
Expenses (Note 26)			
General government	11,009,885	11,133,776	10,602,043
Protection services	7,134,189	7,578,305	7,157,315
Transportation services	13,613,181	12,579,953	11,624,043
Environmental services	14,305,766	13,872,260	14,415,121
Recreation and cultural services	15,368,583	16,432,501	14,573,449
Planning and development	5,025,608	5,220,177	4,862,832
	66,457,212	66,816,972	63,234,803
Annual Surplus from Operations	(1,766,030)	36,798,997	42,902,757
Accumulated Operating Surplus - Beginning of Year	437,706,808	437,706,808	394,804,051
Accumulated Operating Surplus - End of Year	435,940,778	474,505,805	437,706,808

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

THE CORPORATION OF THE TOWNSHIP OF KING

CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS

For the year ended December 31	2024 Budget (Note 19)	2024 Actual	2023 Actual
Annual Surplus from Operations	(1,766,030)	36,798,997	42,902,757
Acquisition of tangible capital assets (net of changes in construction in progress)	(15,351,512)	(44,625,062)	(56,768,460)
Amortization of tangible capital assets	12,000,421	12,148,680	10,938,910
Proceeds on disposal of tangible capital assets	-	5,797,815	-
(Gain)/Loss on disposal of tangible capital assets (Note 12e)	-	(5,208,631)	1,102,858
	(3,351,091)	(31,887,198)	(44,726,692)
Inventory held for own use	-	(14,436)	(9,289)
Change in prepaid expenses	-	298,562	228,996
(Decrease)/Increase in Net Financial Assets (Debt) excluding net remeasurement gains and (losses)	(5,117,121)	5,195,925	(1,604,228)
Net remeasurement (losses) gains	-	(213,700)	82,950
Change in Net Financial Assets (Debt)	(5,117,121)	4,982,225	(1,521,278)
Net Financial Assets - Beginning of Year	25,282,506	25,282,506	26,803,784
Net Financial Assets - End of Year	20,165,385	30,264,731	25,282,506

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

THE CORPORATION OF THE TOWNSHIP OF KING

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended December 31	2024	2023
Cash Provided By (Used In)		
Operating Activities		
Annual Surplus from operations	36,798,997	42,902,757
Items not involving cash		
Amortization of tangible capital assets	12,148,680	10,938,910
(Gain)/Loss on disposal of tangible capital assets (Note 12e)	(5,208,631)	1,102,858
	43,739,046	54,944,525
Changes in working capital items (Note 15)	17,042,204	9,715,358
Capital Activities		
Acquisition of tangible capital assets (net of changes in construction in progress)	(44,625,062)	(56,768,460)
Proceeds on disposal of tangible capital assets (Note 12e)	5,797,815	-
	(38,827,247)	(56,768,460)
Investing Activities		
Purchase of short-term investments	(30,300,000)	(40,883,500)
Proceeds on redemption of short-term investments	45,883,500	44,500,000
Financing Activities		
Sinking fund contributions	(2,461,656)	(2,330,223)
Principal repayment on long-term debt	(700,000)	(700,000)
Debenture proceeds	-	-
	(3,161,656)	(3,030,223)
Net Change in Cash	34,375,847	8,477,700
Cash - Beginning of Year	20,098,845	11,621,145
Cash - End of Year	54,474,692	20,098,845

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

THE CORPORATION OF THE TOWNSHIP OF KING

CONSOLIDATED STATEMENT OF REMEASUREMENT GAINS AND LOSSES

For the year ended December 31	2024	2023
Accumulated remeasurement gains, beginning of the year	82,950	-
Unrealized (losses) gains attributable to:		
Investments	(213,700)	82,950
Accumulated remeasurement (losses) gains, end of the year	(130,750)	82,950

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

THE CORPORATION OF THE TOWNSHIP OF KING

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2024

The Corporation of the Township of King (the "Township") is a lower-tier municipality located in the Regional Municipality of York, Province of Ontario, Canada. It conducts its operations guided by the provisions of provincial statutes such as the Municipal Act, Municipal Affairs Act and related legislations.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the Township are the responsibility of management. They have been prepared by management in accordance with Canadian public sector accounting standards as recommended by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants of Canada.

a) Basis of Consolidation

The consolidated financial statements reflect the assets, liabilities, revenue and expenses of the Township. They include the activities of all organizations, committees of Council and local boards accountable for the administration of their financial affairs and resources to the Township and which are owned and controlled by the Township. These include:

King Township Library Board	100%
The Holland Marsh Drainage System Joint Municipal Services Board	59.15%

All interfund assets, liabilities, revenues and expenses have been eliminated on consolidation. The Township's portion of The Holland Marsh Drainage System Joint Municipal Services Board has been included in these consolidated financial statements on a proportionate consolidation basis.

b) Basis of Accounting

i) Accrual Basis of Accounting

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

ii) Revenue Recognition

Taxes are recorded at estimated amounts when they meet the definition of an asset, have been authorized and the taxable event occurs. For property taxes, the taxable event is the period for which the tax is levied. Taxes receivable are recognized net of an allowance for anticipated uncollectable amounts.

Charges for sewer and water usage are recorded as user fees. User fees and other revenues are recognized when the services are performed or goods are delivered, collection of the relevant receivable is probable, persuasive evidence of an arrangement exists and fees are fixed or determinable. Amounts received for future services are deferred until the service is provided. Connection fee revenues are recognized when the connection has become available.

Conditional grant revenue is recognized to the extent the conditions imposed on it have been fulfilled. Unconditional grant revenue is recognized when monies are receivable. A grant receivable as compensation for costs already incurred or for immediate financial support, with no future related costs, is recognised as income in the period in which it is receivable.

THE CORPORATION OF THE TOWNSHIP OF KING

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2024

ii) **Revenue Recognition** (continued)

Developer contributions and fees for services are recognized over the period of service or when required expenses occur if applicable.

Sales of other services and other revenues are recognized on an accrual basis.

Investment income earned on reserve funds and obligatory reserve funds are added to the fund balance and forms part of the respective reserve funds and deferred revenue balances.

iii) **Expenses**

Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and/or the creation of a legal obligation to pay. Interest expense is recognized as incurred. Expenses paid in the current period attributable to future benefits received are classified as prepaid expenses in the Township's non-financial assets.

Government transfer payments to other public sector entities are recognized in the year that the transfer is authorized, and all eligibility criteria have been met by the recipient. Any transfers paid in advance are deemed to have met all eligibility criteria.

iv) **Government Transfers**

Government transfers are recognized in the consolidated financial statements when the transfer is authorized and any eligibility criteria have been met, except to the extent that the transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

v) **Property Taxes and Related Revenues**

Property tax billings are prepared by the Township based on an assessment roll prepared by Municipal Property Assessment Corporation (MPAC) based upon Current Value Assessment (CVA). Tax rates are established annually by Township Council, incorporating amounts to be raised for local services and the requisition made by the Region of York in respect of regional services. The Township is required to collect education taxes on behalf of the Province of Ontario. A normal part of the assessment process is the issue of supplementary assessment rolls which provide updated information with respect to changes in property assessment. Once a supplementary assessment roll is received, the Township determines the taxes applicable and renders supplementary tax billings. Taxation revenues are recorded at the time tax billings are issued. Assessments and related property taxes are subject to appeal. Tax adjustments as a result of appeals are recorded when the result of the appeal process is known.

The Township is entitled to collect interest and penalties on overdue taxes. These revenues are recorded in the period the interest and penalties are levied.

vi) **Assets**

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

vii) **Cash**

Cash is comprised of cash on hand and cash held in financial institutions.

THE CORPORATION OF THE TOWNSHIP OF KING
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2024

viii) 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.

ix) Tangible Capital Assets

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

Land	No amortization
Land improvements	15-50 years
Facilities	20-90 years
Vehicles	8-20 years
Machinery and equipment	3-80 years
Transportation infrastructure	7-75 years
Environmental infrastructure	20-100 years

Tangible capital assets under construction are not amortized until the asset is available for productive use. For larger scale linear infrastructure projects (such as sanitary sewer and concurrent road works), these assets are not amortized until all contracts/phases of the project are complete. No amortization is charged in the year of acquisition.

Contributed tangible capital assets are recorded at their fair value at the date of receipt, and that fair value is also recorded as revenue. Tangible capital assets conveyed from developers are recorded at the estimated engineering value at time of registration.

Interest is capitalized whenever external debt is issued to finance the construction of tangible capital assets.

x) Contractual Rights and Obligations

Contractual rights reflect future rights to economic resources arising from contracts and/or agreements that will result in both an asset and revenue in future fiscal periods.

Contractual obligations represent obligations, which will result in liabilities upon the completion of agreed upon terms specified in contracts and/or agreements in future fiscal periods.

xi) Contingent Assets and Liabilities

Contingent assets and contingent liabilities arise from circumstances when the Township is uncertain whether it has an asset and/or liability on the date of the Statements. The existence of the asset and/or liability is ultimately dependent upon the occurrence or nonoccurrence of a future event that is outside of the Township's control.

For the year ended December 31, 2024, the Township is not aware of any contingent assets. However, disclosure regarding the Township's contingent liabilities can be found in Note 22.

THE CORPORATION OF THE TOWNSHIP OF KING

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2024

xii) Deferred Revenue - General

Funds received in advance to conduct certain programs, or in the completion of specific work pursuant to legislation, regulation or agreement are recorded as deferred revenue. Deferred revenue also includes user charges and fees collected for services not yet rendered. Revenue is recognized in the fiscal period in which the related expenses are incurred or services are performed.

xiii) Deferred revenue - Obligatory Reserve Funds

Deferred revenue includes funds received for specific purposes such as development charge contribution and federal gas tax revenue which are externally restricted by legislation, regulation or agreement and are not available for general municipal purposes. These funds, by their nature, are restricted in their use and, until applied to applicable capital works, are recorded as deferred revenue. Amounts applied to qualifying capital projects are recorded as revenue in the fiscal period they are expended.

xiv) Employee Future Benefits

The Township accrues its obligations under employee benefit plans as the employees render the services necessary to earn employee future benefits. The Township has adopted the following valuation methods and assumptions:

Actuarial cost method:

Accrued benefit obligations are computed using the projected benefit method prorated on service, as defined in PSAB 3250 and PSAB 3255. The objective under this method is to expense each member's benefit under the plan taking into consideration projections of benefit costs to and during retirement. Under this method an equal portion of total estimated future benefit is attributed to each year of service.

Accounting policies:

Actuarial gains and losses are recognized as income or expenses over the three year period of the related actuarial evaluation in which the determination of the gain or loss occurred. Obligations are attributed to the period beginning on the member's date of hire and ending on the expected date of termination, death or retirement, depending on the benefit value. Vacation entitlements are accrued for as entitlements are earned. The Township's fiscal year-end is December 31 and the measurement date of the Township's obligation is as such.

xv) Asset Retirement Obligation

The township recognizes the fair value of asset retirement obligation ("ARO") when all of the following criteria have been met:

- (a) There is a 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 liability for the closure and post-closure care relating to landfill sites has been recognized based on estimated future expenses. An additional liability for the removal of asbestos in several of the buildings owned by the Township has also been recognized based on estimated future expenses on closure of the site and post-closure care. Lastly, a liability for the decommissioning of various capital assets has also been recognized based on estimated future expenses. Under the modified retroactive method, the discount rate and assumptions used on initial recognition are those as of the date of adoption of the standard. Assumptions used in the subsequent calculations are revised annually.

THE CORPORATION OF THE TOWNSHIP OF KING

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2024

xv) Asset Retirement Obligation (continued)

The recognition of a liability resulted in an accompanying increase to the respective tangible capital assets. The increase to the tangible capital assets is being amortized in accordance with the depreciation accounting policies outlined in (ix).

Actual remediation costs incurred are charged against the ARO to the extent of the liability recorded. Differences between the actual remediation costs incurred and the associated liability are recognized in the Consolidated Statement of Operations and Accumulated Surplus at the time of remediation.

xvi) Long-Term Debt

Long-term debt is recorded net of related sinking fund asset balances.

xvii) Reserve Funds

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

xviii) Use of Estimates

The preparation of the consolidated financial statements in accordance with Canadian Public Sector Accounting Standards requires management to make estimates and assumptions on such areas as the employee future benefits liability, the solid waste landfill closure and post-closure liability, the taxes receivable, taxation revenue, the allowance for doubtful accounts and the historical cost and estimated useful lives of tangible capital assets.

xix) Financial Instruments

Financial instruments are recorded at fair value on initial recognition. Derivative instruments and equity instruments that are quoted in an active market are reported at fair value. All other financial instruments are subsequently recorded at cost or amortized cost unless management has elected to carry the instruments at fair value.

Unrealized changes in fair value are recognized in the Consolidated Statement of Remeasurement Gains and Losses until they are realized, when they are transferred to the Consolidated Statement of Operations and Accumulated Surplus.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

All financial assets are assessed for impairment on an annual basis. When a decline is determined to be other than temporary, the amount of the loss is reported in the Consolidated Statement of Operations and Accumulated Surplus and any unrealized gain or loss is adjusted through the Consolidated Statement of Remeasurement Gains and Losses.

When the asset is sold, the unrealized gains and losses previously recognized in the Consolidated Statement of Remeasurement Gains and Losses are reversed and recognized in the Consolidated Statement of Operations and Accumulated Surplus.

THE CORPORATION OF THE TOWNSHIP OF KING

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2024

xx) Budget Figures

The approved operating and capital budgets for 2024 are reflected on the Consolidated Statement of Operations and Accumulated Surplus and on the Consolidated Statement of Change in Net Financial Assets. The Capital budget is on a project-oriented basis, the costs of which may be carried but over one or more years and, therefore, may not be comparable with the current year actual amounts. The budget presented in these financial statements has been reconciled to the approved budgets to reflect the accrual basis of accounting in Note 19.

xxi) Pension Plan

The Township makes contributions to the Ontario Municipal Employees Retirement System ("OMERS"), which is a multi-employer pension plan, on behalf of all permanent, full-time members of its staff. The plan is a defined benefit plan that specifies the amount of the retirement benefit to be received by eligible employees based on the length of credited service and the average earnings. The Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the pension plan, including investment of assets and administration of the benefits. The Township uses defined contribution plan accounting principles for the Plan because insufficient information is available to apply defined benefit plan accounting principles. As such, the Township's contributions due during the year are expensed as incurred.

xxii) Related Party Transaction

A related party exists when one party has the ability to exercise control or shared control over the other. Related parties also include key management personnel, such as Township Councillors, as well as their close family members.

PS 2200 - Related Party Disclosure, requires the Township to disclose circumstances in which the entity enters into transactions with its related parties at a value different from that which would have been arrived at if the parties were unrelated (i.e. not at arm's length) and these transactions are considered to have a significant financial impact on the Township's consolidated financial statements. In the event qualifying transactions are identified, the Township would disclose the nature of relationships with all involved parties, type of related party transaction, and amounts recognized in the consolidated financial statements.

THE CORPORATION OF THE TOWNSHIP OF KING

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2024

2. CHANGE IN ACCOUNTING POLICIES

The Township adopted the following accounting standards applicable for fiscal years beginning Jan 1, 2024:

(1) PS 3160 - Public Private Partnerships ("P3s"), identifies requirements on how to account for and disclose transactions in which public sector entities procure major infrastructure assets and/or services from private sector entities. Recognition of assets arising from P3 arrangements is ultimately dependent on whether public sector entities control the purpose and use of the assets, access to the future economic benefits and exposure to the risks associated with the assets, and significant residual interest in the asset, if any, at the end of the term of P3s.

(2) PS 3400, Revenue, establishes a single framework to categorize revenues to enhance the consistency of revenue recognition and its measurement. Specifically, it differentiates between revenue arising from transactions that include performance obligations, referred to as "exchange transactions", and transactions that do not have performance obligations, referred to as "non-exchange transactions".

Revenue from transactions with performance obligations should be recognized when (or as) the Township satisfies a performance obligation by providing the promised goods or services to a payor.

Revenue from transactions with no performance obligations should be recognized when the Township:

- (a) has the authority to claim or retain an inflow of economic resources; and
- (b) identifies a past transaction or event that gives rise to an asset.

There was no impact on the financial statements of the Township as a result of the adoption of these standards.

3) Public Sector Guidelines 8, Purchased Intangibles, allows public sector entities to recognize intangibles purchased through an exchange transaction.

3. CASH

The Township has an available bank operating credit line in the amount of \$5,000,000. Outstanding indebtedness bears interest at prime less 0.75%. At year end the Township has not utilized any amount under this credit facility (2023 - \$Nil).

The Township also has an available demand installment loan in the amount of \$3,000,000. Outstanding indebtedness bears interest at prime less 0.75%. At year end, the Township has not utilized any amount under this credit facility (2023 - \$Nil).

THE CORPORATION OF THE TOWNSHIP OF KING
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2024

4. INVESTMENTS

Fair value measurement hierarchy

All financial instruments must be classified in accordance with the significant of the inputs used in making fair value measurements. The fair value hierarchy prioritizes the valuation techniques used to determine the fair value of a financial instrument based on whether the inputs to those techniques are observable or unobservable.

- i) Level 1 - valuation can be based on quoted prices in active markets for identical assets and liabilities.
- ii) Level 2 - valued using quoted prices for similar assets and liabilities, quoted prices in markets are not active, or models using inputs that are observable.
- iii) Level 3 - values are determined using pricing models, discounted cash flow methodologies or similar techniques and at least one significant model assumption or input is unobservable.

The fair value hierarchy of investment assets at December 31st is as follows:

	Level	2024	2023
Investments, at cost			
Fixed income	1	11,800,000	42,383,500
Investments, at fair value			
Principal protected notes	2	23,500,000	8,500,000
Unrealized (loss)/gain on principal protected notes		(130,750)	82,950
		35,169,250	50,966,450

5. TAXES RECEIVABLE

	2024	2023
Taxes receivable	10,963,585	9,735,734
Allowance for doubtful accounts	(96,465)	(96,465)
	10,867,120	9,639,269

6. TRADE AND OTHER RECEIVABLES

	2024	2023
Trade and other receivables	6,254,939	7,638,358
Allowance for doubtful accounts	(32,612)	(32,612)
	6,222,327	7,605,746

THE CORPORATION OF THE TOWNSHIP OF KING

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2024

7. USER CHARGES AND SEWER RECEIVABLE

In April 2010, Council for the Township of King approved By-law 2010-38, further amended by By-law 2011-105, which provided for the installation of sanitary sewers within a designated sewer service area in the village of Nobleton. The total costs for this project were estimated at \$8.0M, of which \$4.0M was to be funded from growth (development charges), \$2.5M from contributions and \$16.2M from the existing benefitting landowners. This amount was spread over the total number of landowners, 860, to be serviced in the village and each benefitting landowner was assessed a lump sum amount of \$18,790. The Township of King provided a number of payment options to the benefitting landowners, one of these options was to include an annual charge, with applicable interest, on their property tax bill for the life of the debenture, being 15 years, from 2013 to 2027. For landowners that selected the 15-year debenture payment option, the Township recorded a corresponding receivable that declines each year by the amount of the annual charge of \$1,775 per residential unit equivalent.

In July 2019, Council for the Township of King approved By-law 2019-73, which provided for the installation of sanitary sewers within a designated sewer service area in the village of Nobleton. The total costs for this project were estimated at \$7.9M, of which \$1.1M was to be funded from developer contributions, \$1.1M from the Wastewater reserve, \$2.0M from the Infrastructure reserve, \$0.8M from grants, and \$2.9M from the existing benefitting landowners. This amount was spread over the total number of landowners, 107, to be serviced in the village and each benefitting landowner was assessed a lump sum amount of \$21,870. The Township of King provided a number of payment options to the benefitting landowners, one of these options was to include an annual charge, with applicable interest, on their property tax bill for the life of the debenture, being 15 years, from 2021 to 2035. For landowners that selected the 15-year debenture payment option, the Township recorded a corresponding receivable that declines each year by the amount of the annual charge of \$1,975 per residential unit equivalent.

In March 2022, Council for the Township of King approved By-law 2022-12, which provided for the installation of sanitary sewers within a designated sewer service area in the village of Nobleton. The total costs for this project were estimated at \$9.4M, of which \$5.1M was to be funded from developer contributions, and \$4.3M from the existing benefitting landowners. This amount was spread over the total number of landowners, 197, to be serviced in the village and each benefitting landowner was assessed a lump sum amount of \$23,500. The Township of King provided a number of payment options to the benefitting landowners, one of these options was to include an annual charge, with applicable interest, on their property tax bill for the life of the debenture, being 15 years, from 2022 to 2036. For landowners that selected the 15-year debenture payment option, the Township recorded a corresponding receivable that declines each year by the amount of the annual charge of \$2,180 per residential unit equivalent.

There have been no significant issues with the collection of these sewer receivables.

THE CORPORATION OF THE TOWNSHIP OF KING
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2024

8. DEFERRED REVENUE

	Balance at December 31, 2023	Contributions Received and Interest Income	Revenue Recognized	Balance at December 31, 2024
Obligatory Reserve Funds				
Development charges	5,138,138	15,239,183	(10,531,100)	9,846,221
Cash-in-lieu of Parkland Reserve Fund	2,090,250	1,619,708	-	3,709,958
Canada Community Building Fund	554,382	897,790	(965,734)	486,438
	7,782,770	17,756,681	(11,496,834)	14,042,617
General				
Deferred facility rentals	785,925	1,679,489	(1,553,077)	912,337
Deferred revenue	1,121,366	523,288	(412,097)	1,232,557
	1,907,291	2,202,777	(1,965,174)	2,144,894
	9,690,061	19,959,458	(13,462,008)	16,187,511

9. EMPLOYEE FUTURE BENEFITS AND OTHER LIABILITIES

The Township provides certain employee benefits that will require funding in future periods. Under the Township's sick leave plan, unused sick leave can accumulate and employees with five years of active service are entitled to a maximum benefit of 50% of the employee's annual salary at the date of retirement, termination or death. The Township also pays certain health, dental and travel life insurance benefits on behalf of its retired employees.

The Township recognizes the cost of its post retirement non-pension benefit costs and sick leave obligations in the period in which the employee rendered the services.

	2024	2023
Accrued post-retirement non-pension benefits	1,031,192	981,714
Vested sick leave benefits	1,977,857	1,877,370
Vacation payable	1,172,051	1,047,330
	4,181,100	3,906,414

THE CORPORATION OF THE TOWNSHIP OF KING
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2024

9. EMPLOYEE FUTURE BENEFITS AND OTHER LIABILITIES (CONTINUED)

The actuarial results for each of the plans as at December 31, 2024 are as follows:

	Post Retirement Non-Pension Benefits	Vested Sick Leave Benefits	Total 2024	Total 2023
Accrued benefit liability, beginning of year	981,714	1,877,370	2,859,084	2,719,585
Current service cost	63,515	127,093	190,608	185,672
Interest cost	36,233	51,266	87,499	80,485
Benefit payments	(39,490)	(33,568)	(73,058)	(71,574)
Amortization of actuarial (gain)	(10,780)	(44,304)	(55,084)	(55,084)
Accrued benefit liability, end of year	1,031,192	1,977,857	3,009,049	2,859,084
Unamortized actuarial (gain)/loss	(183,255)	(664,564)	(847,819)	(902,903)
Accrued benefit obligation, end of year	847,937	1,313,293	2,161,230	1,956,181

The amortization of actuarial gains for the current year is in the amount of \$55,084 (2023 - \$55,084).

Actuarial evaluations for accounting purposes are performed every three years using the projected benefit method prorated on services. The most recent actuarial report was prepared as at January 1, 2023.

The assumptions used in the January 1, 2023 actuarial valuation and the projections for fiscal 2024 are:

Interest (discount) rate

The rate used to discount future benefits is assumed to be 4.40% per annum. This rate reflects the cost of borrowing and the market yields on high quality bonds at the time of preparing the valuation. The assumption used in the previous valuation was 2.60% per annum.

Salary rate

The assumed rate used to project salaries reflects the expected Consumer Price Index adjusted for productivity, merit and promotion.

Health costs

Health costs were assumed to be at a rate of 4.00% for 2024, increasing to 5.30% in 2029 and then decreasing by 0.90% over the next 10 years and remain at 4.00% thereafter (2023 - 4.00%).

Dental costs

Dental costs were assumed to be at a rate of 4.00% for 2024 increasing to 5.30% in 2029 and then decreasing by 0.90% over the next 10 years and remain at 4.00% thereafter (2023 - 4.00%).

Expected Average Remaining Service Life

The Township amortizes the amount of actuarial (gains)/losses over the Expected Average Remaining Service Life which is 17 to 19 years (2023 - over the Expected Average Remaining Service Life).

THE CORPORATION OF THE TOWNSHIP OF KING

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2024

10. ASSET RETIREMENT OBLIGATION

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

a) Landfill obligation

The Township owns and operates two landfill sites. The liability for the closure of operational sites and post-closure care has been recognized under *PS 3280 – Asset Retirement Obligation*. The costs were based upon the most recent valuation prepared on December 31, 2023. The landfills are both closed and post-closure care is estimated to be required for 15 to 25 years from the date of valuation. These costs were discounted to December 31, 2024 using a discount rate of 2.20% per annum.

b) Asbestos obligation

The Township owns and operates several buildings that are known to have asbestos, which represents a health hazard upon demolition of the building and there is a legal obligation to remove it. In accordance with *PS3280 – Asset retirement obligations*, the Township recognized an obligation relating to the removal and post-removal care of the asbestos in these buildings as estimated at December 31, 2024. The obligation is determined based on the estimated undiscounted cash flows that will be required in the future to remove or remediate the asbestos containing material in accordance with current legislation.

c) Decommissioning of assets obligation

The Township owns and operates various assets including fuel storage tanks, drinking water wells, septic tanks and bed systems, ice rinks with ammonia refrigeration systems and a sewage pond, where the decommissioning process is regulated under legislation. In accordance with *PS3280 – Asset retirement obligations*, the Township recognized an obligation relating to the decommissioning of these assets as estimated at December 31, 2024. The obligation is determined based on the estimated undiscounted cash flows that will be required in the future to decommission the various assets in accordance with current legislation.

THE CORPORATION OF THE TOWNSHIP OF KING
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2024

10. ASSET RETIREMENT OBLIGATION (CONTINUED)

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

	Landfill closure	Asbestos removal	Decommissioning of assets	Balance at December 31, 2023
Asset Retirement Obligation				
Opening balance	2,055,588	482,198	101,250	2,639,036
Accretion expense	340,316	-	-	340,316
Closing balance	2,395,904	482,198	101,250	2,979,352

	Landfill closure	Asbestos removal	Decommissioning of assets	Balance at December 31, 2024
Asset Retirement Obligation				
Opening balance	2,395,904	482,198	101,250	2,979,352
Accretion expense	-	-	-	-
Less: obligations settled during the year	(144,342)	(15,063)	-	(159,405)
Closing balance	2,251,562	467,135	101,250	2,819,947

THE CORPORATION OF THE TOWNSHIP OF KING
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2024

11. LONG-TERM DEBT

- (a) The Township has long-term debt managed and issued by the Region of York. The Township has the responsibility for the payment of principal and interest charges and/or annual contribution towards sinking funds that would be used to extinguish the debt at maturity. The total long-term debt reported on the consolidated statement of financial position include the following:

	2024	2023
Bylaw 2016-54 - long-term debt, issued in 2011 for the construction of sewer works in the community of Nobleton, in the amount of \$6,000,000, has annual principle payments of \$400,000 with an interest rate of 3.8% and a maturity date of July 6, 2026. At the end of the year, the outstanding principal amount of the liability is:	800,000	1,200,000
Bylaw 2015-62 - sinking fund debenture, issued in 2015 for the construction of road and watermain in the community of Nobleton, in the amount of \$6,000,000. The long-term debt has an interest rate of 2.6% and a maturity date of June 15, 2025. At the end of the year, the outstanding principal amount of the liability is:	6,000,000	6,000,000
Bylaw 2019-21 - sinking fund debenture, issued in 2019 for the King Roads project in the amount of \$6,100,000. The long-term debt has an interest rate of 2.65% and a maturity date of April 18, 2029. At the end of the year, the outstanding principal amount of the liability is:	6,100,000	6,100,000
By law 2019-52 - sinking fund debenture, issued in 2019 for the King Buildings project in the amount of \$10,000,000. The long-term debt has an interest rate of 2.65% and a maturity date of April 18, 2029. At the end of the year, the outstanding principal amount of the liability is:	10,000,000	10,000,000
By law 2022-19 - long-term debt, issued in 2022 for the construction of sewer works (phase 3) in the community of Nobleton, in the amount of \$4,500,000. The long-term debt has an interest rate of 4.45% and a maturity date of July 15, 2037. At the end of the year, the outstanding principal amount of the liability is:	3,900,000	4,200,000
Long-term liabilities	26,800,000	27,500,000
Less: sinking fund assets	(13,718,770)	(11,257,114)
Net long-term liabilities	13,081,230	16,242,886

THE CORPORATION OF THE TOWNSHIP OF KING
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2024

11. LONG-TERM DEBT (CONTINUED)

The following table outlines the principal repayments, including sinking fund payments, and interest requirements on the long-term debt.

	Principal	Interest	Total
2025	2,746,809	701,521	3,448,330
2026	2,204,290	594,971	2,799,261
2027	1,804,290	570,190	2,374,480
2028	1,804,290	557,187	2,361,477
2029	1,804,290	330,165	2,134,455
2030 - 2037	2,717,261	454,375	3,171,636
	13,081,230	3,208,409	16,289,639

The long-term debt issued in the name of the Township has been approved by by-law. The annual principal and interest payments required to service these debts are within the annual debt repayment limit prescribed by the Ministry of Municipal Affairs and Housing. The annual principal and interest payments required to service the long-term liabilities of the municipality are within the annual debt repayment limit prescribed by the Ministry of Municipal Affairs and Housing.

Interest expense on long-term debt in the amount of \$795,067 (2023 - \$914,909) has been recognized on the consolidated statement of operations.

- (b) For the 2015 debt issuance, the Township is contributing \$542,519 annually to a sinking fund held at the Region of York. It is anticipated that the principal will be fully funded by maturity in 2025 of \$6,000,000 with the combined sinking fund contributions and investment income. The balance in the restricted fund is \$5,608,944 (2023 - \$4,906,916).
- (c) For the 2019 debt issuance, the Township is contributing \$569,948 annually to a sinking fund held at the Region of York. It is anticipated that the principal will be fully funded by maturity in 2029 of \$6,100,000 with the combined sinking fund contributions and investment income. The balance in the restricted sinking fund is \$3,072,667 (2023 - \$2,405,975).
- (d) For the 2019 debt issuance, the Township is contributing \$934,342 annually to a sinking fund held at the Region of York. It is anticipated that the principal will be fully funded by maturity in 2029 of \$10,000,000 with the combined sinking fund contributions and investment income. The balance in the restricted sinking fund is \$5,037,159 (2023 - \$3,944,222).

THE CORPORATION OF THE TOWNSHIP OF KING
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2024

12. TANGIBLE CAPITAL ASSETS

	Land	Land Improvements	Facilities	Vehicles	Machinery and Equipment	Transportation Infrastructure	Environmental Infrastructure	Assets under Construction	Total 2024
Cost									
Balance, beginning of year	26,969,746	31,699,645	74,697,351	17,937,935	3,677,162	167,614,570	126,786,867	91,824,929	541,208,205
Additions during the year	188,778	740,971	28,548	1,671,861	422,846	3,972,673	2,837,410	34,761,975	44,625,062
Disposals/transfers during the year*	989,584	(2,679,937)	(15,063)	(752,382)	(157,505)	(3,064,650)	(811,023)	-	(6,490,976)
Balance, end of year	28,148,108	29,760,679	74,710,836	18,857,414	3,942,503	168,522,593	128,813,254	126,586,904	579,342,291
Accumulated Amortization									
Balance, beginning of year	-	9,553,689	19,394,878	9,404,992	1,718,209	73,310,571	16,173,172	-	129,555,511
Amortization during the year	-	1,393,487	2,643,981	1,042,307	465,292	5,127,244	1,476,369	-	12,148,680
Accumulated amortization on disposal*	-	(2,679,937)	(15,063)	(718,158)	(157,505)	(2,166,543)	(164,586)	-	(5,901,792)
Balance, end of year	-	8,267,239	22,023,796	9,729,141	2,025,996	76,271,272	17,484,955	-	135,802,399
Net Book Value of Tangible Capital Assets	28,148,108	21,493,440	52,687,040	9,128,273	1,916,507	92,251,321	111,328,299	126,586,904	443,539,892

*Disposals/Transfers during the year are mainly comprised of assets that were uploaded to the Region of York.

THE CORPORATION OF THE TOWNSHIP OF KING
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2024

12. TANGIBLE CAPITAL ASSETS (CONTINUED)

	Land	Land Improvements	Facilities	Vehicles	Machinery and Equipment	Transportation Infrastructure	Environmental Infrastructure	Assets under Construction	Total 2023
Cost									
Balance, beginning of year	26,969,746	28,761,452	74,172,282	16,444,980	3,260,589	155,962,035	122,097,735	63,533,707	491,202,526
Additions during the year	-	2,941,888	1,181,955	2,251,836	585,462	16,318,721	5,197,376	28,291,222	56,768,460
Disposals/transfers during the year	-	(3,695)	(656,886)	(758,881)	(168,889)	(4,666,186)	(508,244)	-	(6,762,781)
Balance, end of year	26,969,746	31,699,645	74,697,351	17,937,935	3,677,162	167,614,570	126,786,867	91,824,929	541,208,205
Accumulated Amortization									
Balance, beginning of year	-	8,286,758	17,946,195	8,977,350	1,471,589	72,807,542	14,787,090	-	124,276,524
Amortization during the year	-	1,270,626	1,911,644	1,139,598	415,509	4,771,949	1,429,584	-	10,938,910
Accumulated amortization on disposal	-	(3,695)	(462,961)	(711,956)	(168,889)	(4,268,920)	(43,502)	-	(5,659,923)
Balance, end of year	-	9,553,689	19,394,878	9,404,992	1,718,209	73,310,571	16,173,172	-	129,555,511
Net Book Value of Tangible Capital Assets	26,969,746	22,145,956	55,302,473	8,532,943	1,958,953	94,303,999	110,613,695	91,824,929	411,652,694

THE CORPORATION OF THE TOWNSHIP OF KING
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2024

12. TANGIBLE CAPITAL ASSETS (CONTINUED)

a) Assets under construction:

Assets under construction having a value of \$126,586,904 (2023 - \$91,824,929) have not been amortized. Amortization of these assets will commence when the asset is put into service.

b) Tangible capital assets recognized at nominal value:

Certain assets have been assigned a nominal value because of the difficulty of determining a valuation.

c) Capitalization of interest:

No interest was capitalized in 2024 (2023 - \$Nil)

d) Contributed assets:

The Township recorded \$4,145,826 (2023 - Nil) of tangible capital assets conveyed from developers comprised of roads, sidewalks, streetlights, stormwater mains, watermains and wastewater mains.

e) Gain on disposal of tangible capital assets:

In 2024, the Township sold a portion of land to a developer in exchange for cash proceeds plus lands owned by the developer.

13. ACCUMULATED SURPLUS

	2024	2023
General purposes	(511,555)	(152,976)
King Township Library Board Annual Surplus	(36,492)	(36,492)
Holland Marsh Drainage System Joint Municipal Services Board	175,898	190,266
Unfunded		
Employee benefits and post-employment liabilities	(4,181,100)	(3,906,414)
Asset retirement obligation liability	(2,819,947)	(2,979,352)
Invested in Tangible Capital Assets	443,539,892	411,652,694
Less: Amount financed by long-term debt	(13,081,230)	(16,242,886)
Interest on long-term debt	(187,915)	(201,517)
Reserve Funds (Note 14)	51,477,504	49,466,435
Accumulated Surplus	474,375,055	437,789,758

THE CORPORATION OF THE TOWNSHIP OF KING
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2024

14. RESERVE FUNDS

	2024	2023
Reserve funds set aside by Council:		
Reserve funds For Existing Infrastructure Sustainability (Rehabilitation & Replacement)	32,752,470	29,695,180
Reserve funds for Growth & New Infrastructure	2,041,224	3,320,555
Reserve funds for Stabilization & Contingencies	8,261,882	7,349,662
Reserve funds for Special Purposes	7,674,350	8,338,226
Library Board Managed Reserve funds	747,578	762,812
	51,477,504	49,466,435

15. CHANGE IN WORKING CAPITAL ITEMS

	2024	2023
Increase in taxes receivable	(1,227,851)	(1,761,492)
Decrease in trade and other receivables	1,383,419	7,458,618
Decrease in user charges receivable and sewer receivable	627,315	1,178,169
(Increase) in inventory held for own use	(14,436)	(9,289)
Decrease in prepaid expenses	298,562	228,996
Increase in accounts payable and accrued liabilities	8,634,551	12,731,775
Increase in developer and other deposits	727,913	2,752,538
Increase (Decrease) in deferred revenue	6,497,450	(13,561,530)
Increase in employee future benefits and other liabilities	274,686	357,257
(Decrease) Increase in asset retirement obligation	(159,405)	340,316
	17,042,204	9,715,358

16. TAXATION

During the year, the following taxation revenue was raised and remitted to the Regional Municipality of York and the School Boards:

	2024	2023
Taxation revenue	98,423,592	93,460,201
Amount levied and remitted to Regional Municipality of York	(39,374,891)	(37,526,934)
Amount levied and remitted to School Boards	(19,856,165)	(19,466,469)
Net taxation	39,192,536	36,466,798

THE CORPORATION OF THE TOWNSHIP OF KING
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2024

17. CONTRIBUTIONS FROM DEVELOPERS

	2024	2023
Subdivision assumptions - tangible capital assets	4,145,826	-
Developer credits for King City East Spine Servicing	634,874	2,771,769
Development charges revenue recognized for Township Infrastructure	6,443,183	13,490,811
	11,223,883	16,262,580

18. PENSION AGREEMENTS

The Ontario Municipal Employees Retirement System (OMERS) provides pension services to more than half a million active and retired members and approximately 1,000 employers. Each year an independent actuary determines the funding status of OMERS Primary Pension Plan (the Plan) by comparing the actuarial value of invested assets to the estimated present value of all pension benefits that members have earned to date. The most recent actuarial valuation of the Plan was conducted at December 31, 2024. The results of the valuation disclosed total actuarial liabilities of \$142,489 million in respect of benefits accrued for service with actuarial assets at that date of \$139,576 million indicating an actuarial funding deficit of \$2,913 million. OMERS is a multi-employer plan, any pension plan surpluses or deficits are a joint responsibility of Ontario municipal organizations and their employees. As a result, the Township does not recognize any share of the OMERS pension surplus or deficit. Matching contributions made by the Township to OMERS for 2024 were \$1,959,950 (2023 - \$1,716,558).

19. BUDGET RECONCILIATION

The authority of Council is required before monies can be spent by the Township. Approvals are given in the form of an annually approved budget. The budget approved by the Council on December 11, 2023 differs from the budget in the Consolidated Statement of Operations as the approved budget has been adjusted to account for the material changes due to PSAB reporting requirements.

	2024
Budgeted surplus (deficit) for the year, as approved by Council	
Operating	10,382,104
Capital	(15,489,002)
Total budgeted deficit for the year, as approved by Council	(5,106,898)
Add:	
Capital expenditures carried forward from previous years	15,351,512
Less:	
Amortization	(12,000,421)
Increase in asset retirement obligation	139,742
Decrease in post-retirement benefits	(149,965)
Budgeted deficit for the year, per statement of operations	(1,766,030)

THE CORPORATION OF THE TOWNSHIP OF KING

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2024

20. GOVERNMENT GRANTS

Government grant revenue is comprised of the following types of grants:

	2024	2023
Federal grants	6,316,491	9,426,308
Provincial grants	7,302,709	10,986,402
Other	185,490	151,071
	13,804,690	20,563,781

21. COMMITMENTS AND CONTRACTUAL OBLIGATIONS

The Township has numerous contracts with a variety of suppliers for future capital projects that are budgeted in the next fiscal year.

22. CONTINGENCIES

In the ordinary course of business, various claims and lawsuits are brought against the Township. After reviewing the merits of these actions and claims with counsel and the insurers, management has incorporated a provisional estimate for any potential uninsured liability arising from these claims. Any adjustment as a result of these claims will be recognized at the time the amount is known or can be reasonably determined.

23. INSURANCE COVERAGE

The Township is self-insured for insurance claims up to \$50,000 for any individual claim and for any number of claims arising out of a single occurrence. Outside insurance coverage is in place for claims in excess of \$50,000 to a maximum of \$5,000,000 per claim occurrence. The Township has not made any provisions for self-insurance claims under \$50,000 in the reserves. Claim costs during the year amounted to \$110,579 (2023 - \$77,006).

During the year the Township's total paid premiums was \$495,694 (2023 - \$765,497), which has been reported as an expense in the consolidated statement of operations.

24. COMPARATIVE AMOUNTS

The comparative amounts presented in the financial statements have been reclassified to conform to the current year's presentation.

THE CORPORATION OF THE TOWNSHIP OF KING

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2024

25. FINANCIAL INSTRUMENT RISKS AND UNCERTAINTIES

The Township is exposed to various risks through its financial instruments. The following analysis provides a measure of the Township's risk exposure and concentrations as at December 31, 2024.

Financial risk management

The Township manages its investments according to its cash needs and in such a way to maximize investment income. The Township is not involved in any hedging relationships through its operations.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Township's main credit risks relate to its taxes receivable, trade and other receivables and user charges and sewer receivables. Allowances for doubtful accounts are provided for potential losses that have been incurred at the reporting date. The amounts disclosed on the Consolidated Statement of Financial Position are net of these allowances for doubtful accounts.

Liquidity risk

Liquidity risk relates to the risk that the Township will encounter difficulty in meeting its obligations associated with financial liabilities. The Township is exposed to this risk mainly in respect of its accounts payable and accrued liabilities, developer and other deposits and long-term debt. The Township monitors its cash balance and cash flows generated from operations to meet its liquidity requirements.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Township is mainly exposed to interest rate risk.

i. Foreign Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Township is not exposed to any significant currency risk.

ii. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Township is exposed to interest rate risk on its investments. The Township manages its interest rate risk by maintaining a mix of fixed income investments which meet the criteria outline in the Investment Policy.

iii. Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Township is not exposed to other price risks.

Changes in risk

There have been no significant changes in the Township's risk exposures from the 2023 fiscal year.

THE CORPORATION OF THE TOWNSHIP OF KING

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2024

26. SEGMENTED INFORMATION

The Township is a diversified municipal government that provides a wide range of services to its citizens. For management reporting purposes, the Township's operations and activities are organized functionally based on services provided.

A description of the services area for segmented information is as follows:

General government

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

Protection services

Protection services include fire, building permit and inspection services and protective inspection and control.

Transportation services

The activities of the transportation function include construction and maintenance of the Township's roads and bridges, winter control and street lighting.

Environmental services

This function is responsible for providing water and sanitary sewer services to the Township as well as maintaining a storm sewer system. The solid waste and recycling program includes curbside collection of recyclables, organics, yard waste and garbage.

Recreation and cultural services

The recreation and cultural services function provides parks, indoor and outdoor recreational facilities and programs and cultural and library services.

Planning and development

The planning and development function manages planning and zoning, commercial, industrial and residential development within the Township.

Certain allocation methodologies are employed in the preparation of the segmented financial information. Taxation, payments-in-lieu of taxes and investment income are allocated to the segments based on the actual expenses. User charges and other revenue have been allocated to the segment that generated the revenue. Government grants have been allocated to the segment based upon the purpose for which the transfer was made. Development charges earned and developer contributions received were allocated to the segment for which the charge was collected.

THE CORPORATION OF THE TOWNSHIP OF KING

CONSOLIDATED SCHEDULE OF SEGMENTED INFORMATION

For the year ended December 31, 2024

	General government	Protection services	Transportation services	Environmental services	Recreation and cultural services	Planning and development	Total 2024
Revenue							
Taxation	6,530,690	4,445,173	7,378,967	8,136,990	9,638,739	3,061,977	39,192,536
User fees and user charges	186,739	2,291,156	54,649	13,209,618	2,488,886	2,117,451	20,348,499
Grants	1,654,454	4,000	965,734	151,046	10,841,642	187,814	13,804,690
Other revenue*	12,134,847	810,892	6,994,784	842,547	8,665,430	821,744	30,270,244
	20,506,730	7,551,221	15,394,134	22,340,201	31,634,697	6,188,986	103,615,969
Expenses							
Salaries and benefits	6,176,888	5,472,382	3,386,043	2,277,709	6,800,520	2,733,098	26,846,640
Amortization on tangible capital assets	702,834	577,095	5,515,927	1,630,620	3,654,903	67,301	12,148,680
Materials and supplies	3,665,758	1,083,016	1,647,728	6,965,488	3,218,381	957,022	17,537,393
Contracted services	389,546	445,812	1,685,355	2,658,106	566,448	1,462,756	7,208,023
Interest on debt	198,750	-	344,900	251,417	-	-	795,067
Other expenses	-	-	-	88,920	2,192,249	-	2,281,169
	11,133,776	7,578,305	12,579,953	13,872,260	16,432,501	5,220,177	66,816,972
Net Surplus (Deficit)	9,372,954	(27,084)	2,814,181	8,467,941	15,202,196	968,809	36,798,997

*Other revenue includes contributions from developers, investment income, penalties and interest and gain on disposal of tangible capital assets.

THE CORPORATION OF THE TOWNSHIP OF KING

CONSOLIDATED SCHEDULE OF SEGMENTED INFORMATION

For the year ended December 31, 2023

	General government	Protection services	Transportation services	Environmental services	Recreation and cultural services	Planning and development	Total 2023
Revenue							
Taxation	6,114,078	4,127,543	6,703,455	8,313,038	8,404,344	2,804,340	36,466,798
User fees and user charges	181,153	1,946,390	112,972	12,388,778	2,278,341	2,262,843	19,170,477
Grants	2,095,929	-	788,843	144,199	17,408,813	125,997	20,563,781
Other revenues	8,194,622	827,130	5,116,441	905,084	14,089,860	803,367	29,936,504
	16,585,782	6,901,063	12,721,711	21,751,099	42,181,358	5,996,547	106,137,560
Expenses							
Salaries and benefits	5,478,316	5,091,748	2,862,341	2,050,753	6,243,535	2,486,706	24,213,399
Amortization on tangible capital assets	776,683	570,408	5,210,886	1,548,773	2,766,544	65,616	10,938,910
Materials and supplies	3,624,598	1,152,168	1,697,858	6,540,078	2,916,401	724,894	16,655,997
Contracted services	523,695	342,991	1,508,058	3,818,215	595,634	1,585,616	8,374,209
Interest on debt	198,750	-	344,900	371,259	-	-	914,909
Other expenses	-	-	-	86,043	2,051,336	-	2,137,379
	10,602,042	7,157,315	11,624,043	14,415,121	14,573,450	4,862,832	63,234,803
Net Surplus (Deficit)	5,983,740	(256,252)	1,097,668	7,335,978	27,607,908	1,133,715	42,902,757

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2024 Statistics

KING
king.ca

**ZANCOR
CENTRE**



Courtyard

KING

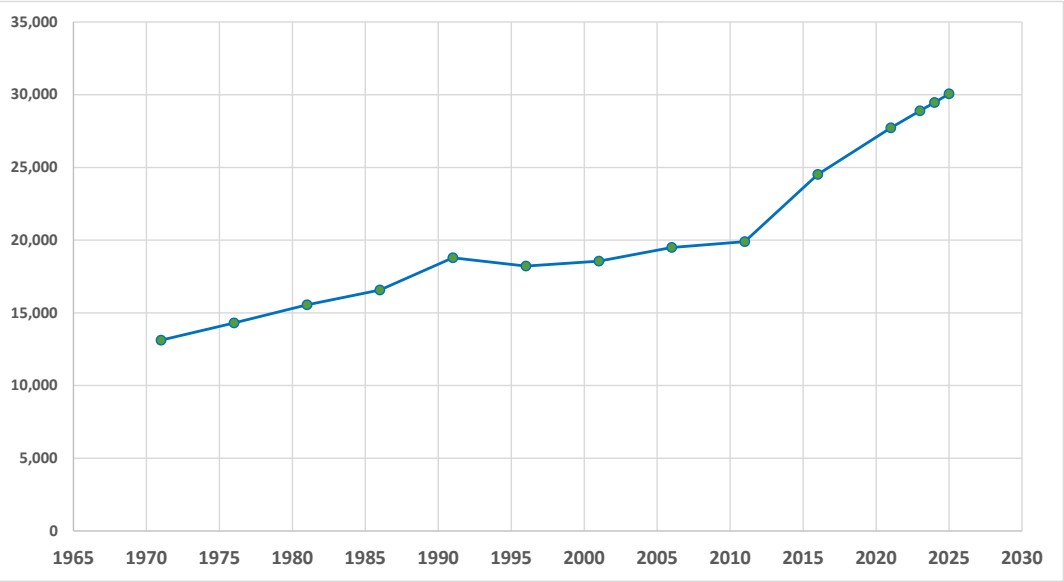
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FISCAL YEAR	2024	2023	2022	2021	2020
Population	29,467	28,889	28,295	27,713	27,700
Property Accounts (Residential / Commercial / Industrial)	10,769	10,578	10,463	10,404	10,336

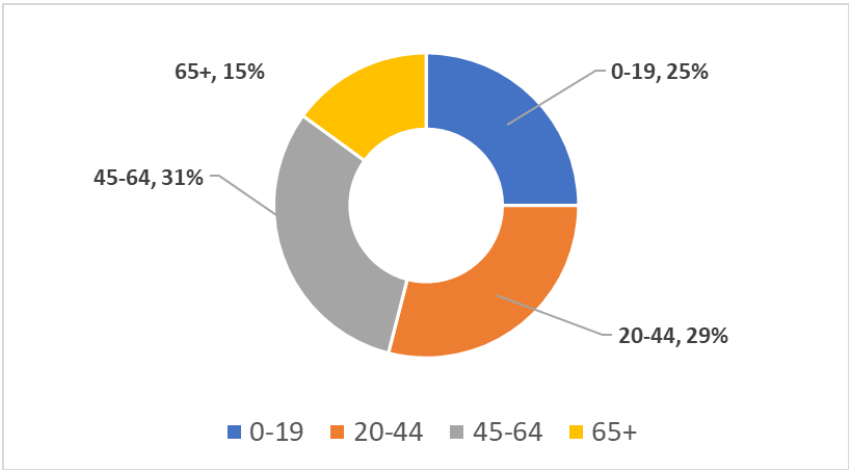
* Information pulled from the FIR / MPAC. 2019 was an average between 2018 & 2020

King Township's population grew by 23.2% between 2011 and 2016, from 19,899 to 24,512. The population density is 73.6 people per square kilometre; however, the Township is characterized by areas of low density farming communities and the much higher density of its three major communities. In 2016, of the 24,512 residents in the township, 6,970 resided in King City, 4,614 in Nobleton, and 2,691 in Schomberg. The estimated growth from 2021-2023 by 4.2%



Year	Population
1971	13,120
1976	14,297
1981	15,553
1986	16,573
1991	18,791
1996	18,223
2001	18,553
2006	19,487
2011	19,899
2016	24,512
2021	27,713
2023	28,889
2024	29,467
2025 Estimated	30,056

The age demographics show an even distribution between the age groups. The median age as of 2016 was 42.5, slightly higher than the Ontario median age of 41.3.

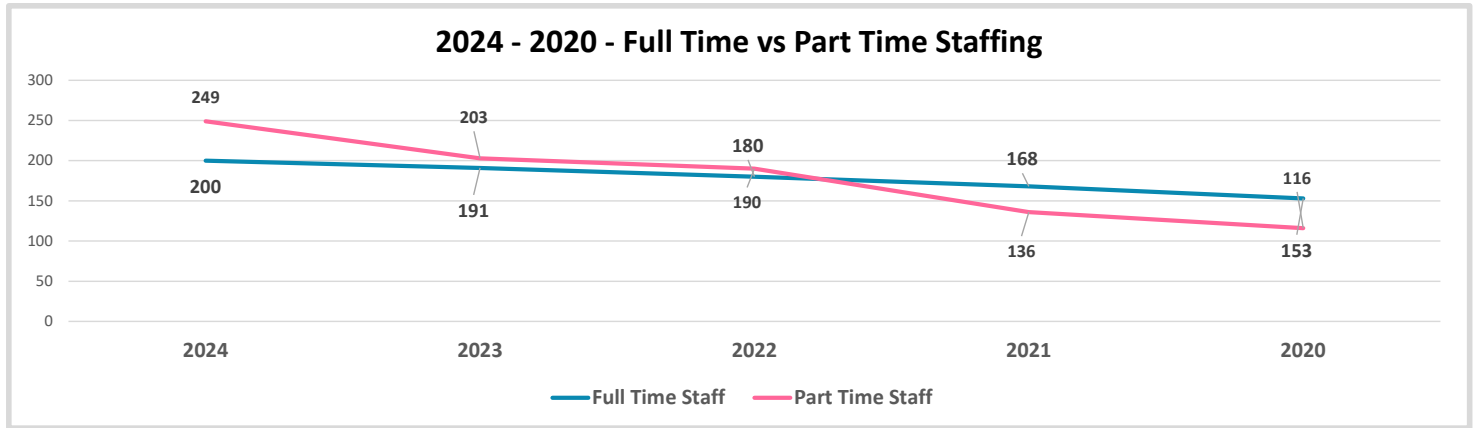


(Based on statistics Canada and the BMA Municipal Study)



Staffing Levels	2024	2023	2022	2021	2020
Full Time Staff	200	191	180	168	153
Part Time Staff	249	203	190	136	116

*Information provided from Schedule 80 of FIR



* Note: 2021- 2020 shows a drop in part-time due to facility closures due to Covid-19

TAX RATE STATISTICS

Residential and Farm	2024	2023	2022	2021	2020
Township	0.346207	0.327122	0.311662	0.311325	0.318392
Region	0.361852	0.348892	0.336958	0.326425	0.321619
School	0.153000	0.153000	0.153000	0.153000	0.153000
Total Residential and Farm Rate	0.861059	0.829014	0.801620	0.790750	0.793011

Commercial	2024	2023	2022	2021	2020
Township	0.461182	0.435759	0.415165	0.414716	0.424130
Region	0.482023	0.464759	0.447530	0.434831	0.428429
School	0.880000	0.880000	0.880000	0.880000	0.896686
Total Commercial Rate	1.823205	1.780518	1.742695	1.729547	1.749245

Industrial	2024	2023	2022	2021	2020
Township	0.568887	0.537527	0.512130	0.511569	0.523182
Region	0.594595	0.573299	0.552046	0.536382	0.528484
School	0.880000	0.880000	0.880000	0.880000	0.980000
Total Industrial Rate	2.043482	1.990826	1.944176	1.927951	2.031666

TAX INFORMATION					
Taxes Levied	2024	2023	2022	2021	2020
Township	37,042,365	36,252,416	\$ 35,671,022	\$ 34,067,696	\$ 34,345,419
Region	38,635,662	37,527,431	35,758,962	34,178,803	33,134,375
Education	19,928,504	19,762,279	19,269,765	18,963,433	18,914,554
Total	\$ 95,606,531	\$ 93,542,126	\$ 90,699,749	\$ 87,209,932	\$ 86,394,348

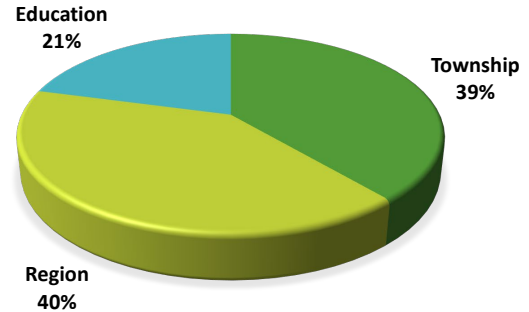


Principle Corporate Tax payers

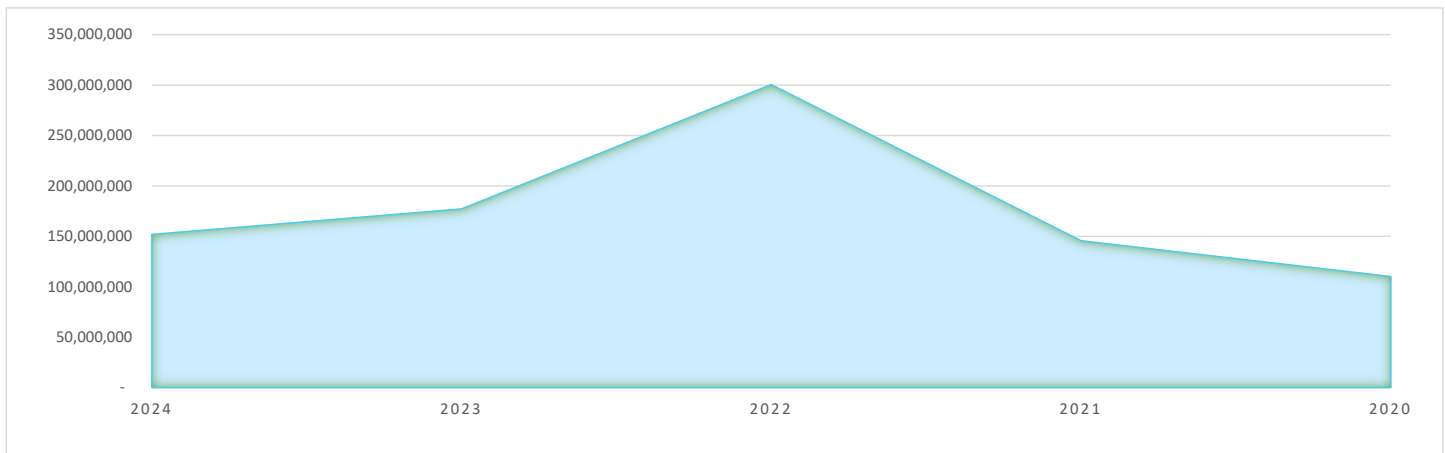
Top 10 employers within the Township of King are:

1. PDI - Priestly Demolition Inc.
2. Seneca College
3. Hitachi Astemo Canada, Inc.
4. Brookdale Treeland Nurseries Limited
5. Cardinal Golf Club
6. King Animal Hospital
7. Robert B. Somerville Company Limited
8. The Country Day School
9. Township of King - Municipal Offices
10. Clublink

2024 TAXES LEVIED



New Construction	2024	2023	2022	2021	2020
Value of construction (based on permits issued)	151,991,839	177,336,526	300,600,839	145,843,659	110,281,623



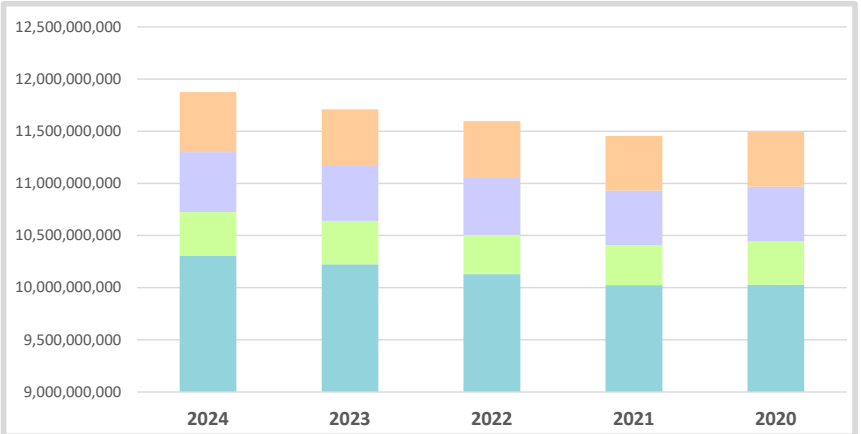
Assessment Value by Class	2024	2023	2022	2021	2020
Farmland	641,183,870	596,184,872	618,084,484	635,059,327	635,059,327
Residential	9,610,138,837	9,581,420,609	9,462,391,895	9,344,114,537	9,347,427,537
Managed Forest	31,392,400	31,621,300	32,881,100	30,260,100	30,260,100
Multi-Residential	25,873,000	15,710,000	15,710,000	15,710,000	15,710,000
Commercial	416,430,022	416,329,594	375,306,996	380,495,911	415,561,411
Industrial	92,863,337	74,896,200	72,524,500	75,018,400	75,767,400
Pipeline	31,356,000	31,314,000	31,251,000	31,121,000	31,121,000
Exempted	575,104,681	534,766,981	545,939,381	524,427,381	524,427,381
Total Assessment	11,424,342,147	11,282,243,556	11,154,089,356	11,036,206,656	11,075,334,156



Total Assessment by Major Class

(2024 - 2020)

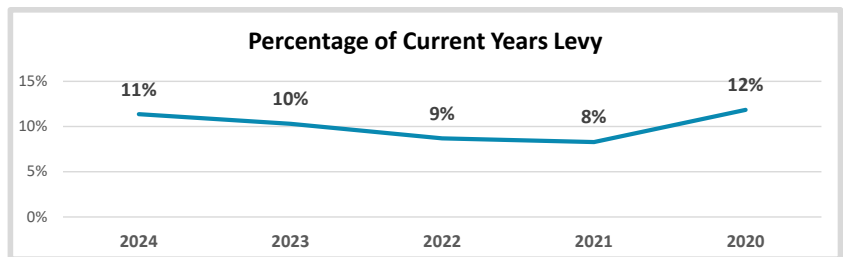
Farmland, Residential, Managed Forest, Multi-Residential
Commercial
Industrial / Pipeline/ Landfill
Exempted



Taxes Collected	2024	2023	2022	2021	2020
Township Collection	\$ 39,192,536	\$ 36,466,798	\$ 31,986,152	\$ 31,779,144	\$ 31,592,283
Taxes transferred to the Region	39,374,891	37,526,934	34,479,670	33,320,489	31,912,485
Taxes transferred to the School Boards	19,856,165	19,466,469	18,973,817	21,378,591	18,715,830
Total	\$ 98,423,592	\$ 93,460,201	\$ 85,439,639	\$ 86,478,224	\$ 82,220,598

Taxes Receivable, End of Year	2024	2023	2022	2021	2020
Taxes Receivable	\$ 10,867,120	\$ 9,639,269	\$ 7,877,777	\$ 7,225,326	\$ 10,234,774
Total Taxes Levied	\$ 95,606,531	\$ 93,542,126	\$ 90,699,749	\$ 87,209,932	\$ 86,394,348
Percentage of Current Years Levy	11%	10%	9%	8%	12%

Trend of Tax Receivables (Arrears)

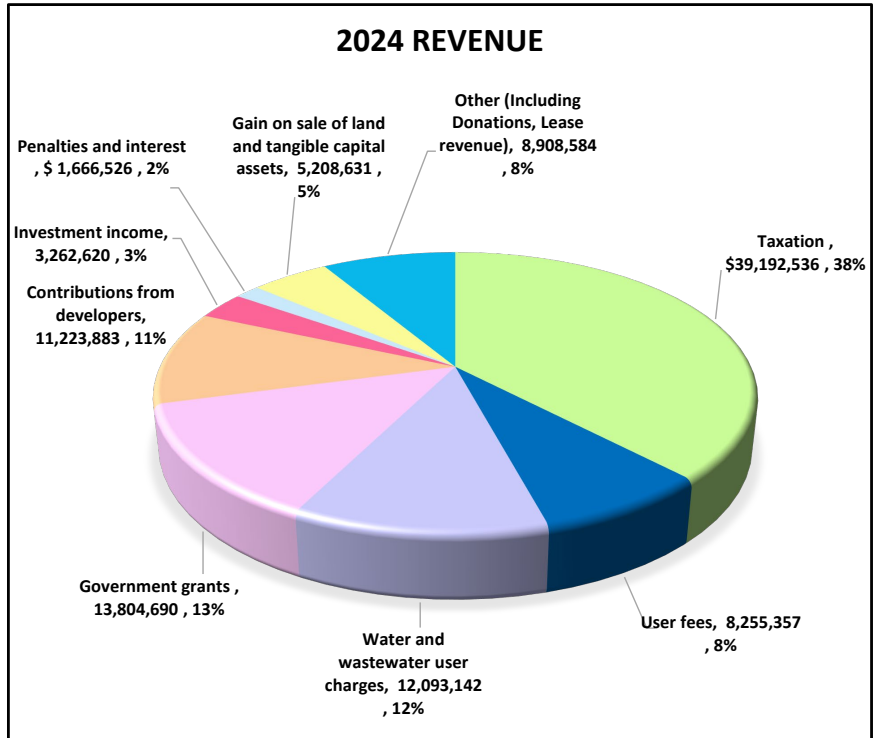




FINANCIAL INFORMATION

REVENUES	2024	2023	2022	2021	2020
Taxation	\$ 39,192,536	\$ 36,466,798	\$ 35,671,022	\$ 34,067,696	\$ 34,345,419
User fees	8,255,357	7,052,858	6,915,773	3,072,649	2,770,494
Water and wastewater user charges	12,093,142	12,117,619	11,315,413	10,928,012	10,732,111
Government grants	13,804,690	20,563,781	11,510,664	3,799,950	4,124,580
Contributions from developers	11,223,883	16,262,580	11,811,535	61,549,422	8,648,507
Investment income	3,262,620	3,265,101	1,442,300	525,150	737,992
Penalties and interest	1,666,526	1,461,190	1,283,612	1,281,693	1,397,017
Gain on sale of land and tangible capital assets	5,208,631	344,337	48,608	20,930	10,564
Other (Including Donations, Lease revenue)	8,908,584	8,603,296	16,439,876	6,753,492	4,893,641
Total	\$ 103,615,969	\$ 106,137,560	\$ 96,438,803	\$ 121,998,994	\$ 67,660,325

**Revenue by Type
(2024)**



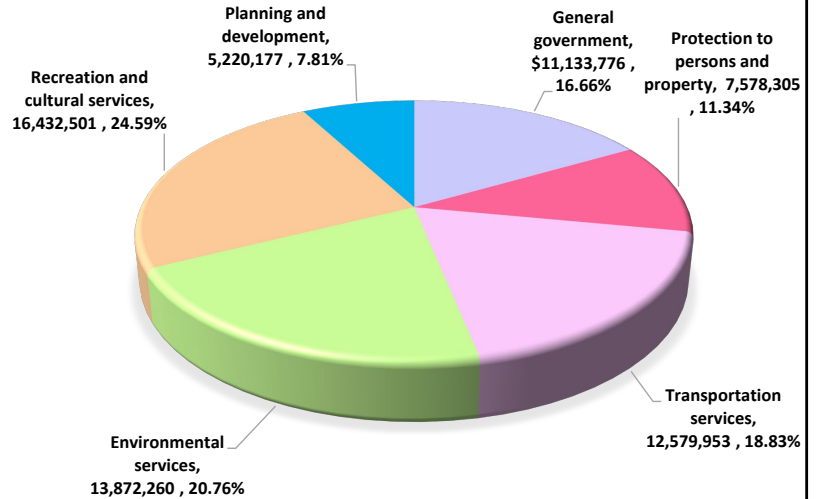


FINANCIAL INFORMATION

EXPENSES	2024	2023	2022	2021	2020
General government	\$ 11,133,776	\$ 10,602,043	\$ 10,286,714	\$ 7,871,884	\$ 7,505,777
Protection to persons and property	7,578,305	7,157,315	7,313,098	6,599,396	5,825,701
Transportation services	12,579,953	11,624,043	12,612,971	11,142,718	11,152,218
Environmental services	13,872,260	14,415,121	12,063,603	12,833,616	11,370,519
Recreation and cultural services	16,432,501	14,573,449	12,481,794	10,095,609	9,542,113
Planning and development	5,220,177	4,862,832	3,483,618	2,029,528	2,858,831
Total	\$ 66,816,972	\$ 63,234,803	\$ 58,241,798	\$ 50,572,751	\$ 48,255,159

Expense by Service (2024)

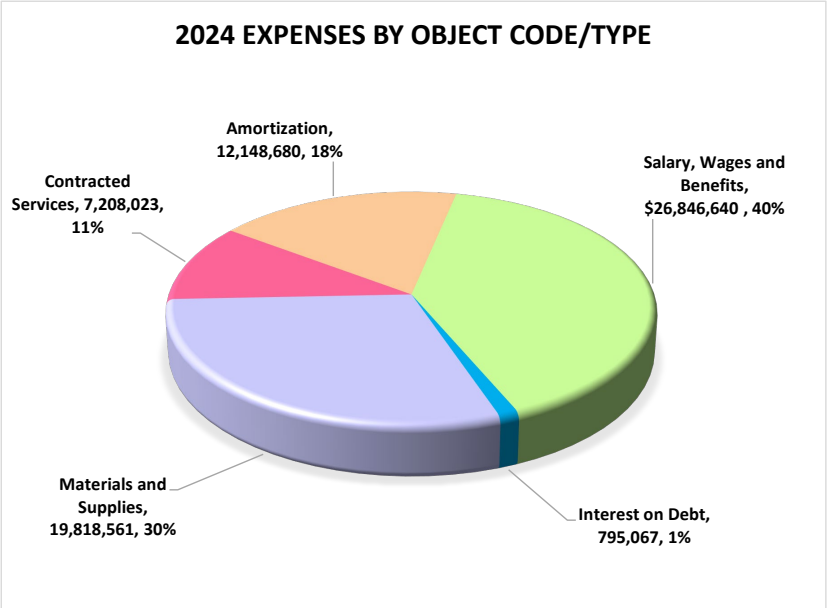
2024 EXPENSES BY SERVICE





EXPENSES BY OBJECT	2024	2023	2022	2021	2020
Salary, Wages and Benefits	\$ 26,846,640	\$ 24,213,399	\$ 20,178,794	\$ 19,830,255	\$ 18,775,875
Interest on Debt	795,067	914,909	647,344	654,736	678,015
Materials and Supplies	19,818,561	18,793,376	20,244,424	10,078,222	8,133,777
Contracted Services	7,208,023	8,374,209	7,248,840	11,482,858	13,041,451
Amortization	12,148,680	10,938,910	9,928,550	8,526,680	7,626,041
Total	\$ 66,816,971	\$ 63,234,803	\$ 58,247,952	\$ 50,572,751	\$ 48,255,159

Expense by Object Code or Type (2024)





Long-Term Liabilities	2024	2023	2022	2021	2020
Tax Supported Debt	\$ 8,245,600	\$ 10,707,256	\$ 13,037,479	\$ 15,256,267	\$ 17,424,621
Water & Wastewater Supported Debt	\$ 4,835,630	\$ 5,535,630	\$ 6,235,630	\$ 2,135,630	\$ 2,535,630
Gross Long-Term Debt	\$ 13,081,230	\$ 16,242,886	\$ 19,273,109	\$17,391,897	\$19,960,251
<i>Per Capita</i>	<i>443.93</i>	<i>562.25</i>	<i>681.15</i>	<i>627.57</i>	<i>720.59</i>

Interest on Long-Term Debt	\$ 795,067	\$ 914,909	\$ 647,344	\$ 654,736	\$ 678,015
<i>Per Capita</i>	<i>26.98</i>	<i>31.67</i>	<i>22.88</i>	<i>23.63</i>	<i>24.48</i>

Sources of Debt Repayment

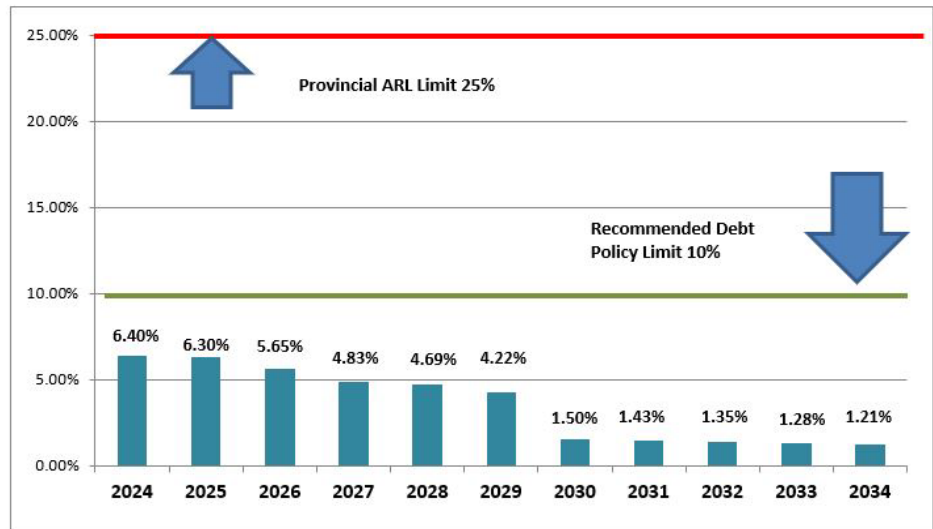
Debt Retirement Fund*	\$2,046,809	\$2,046,809	\$2,046,809	\$2,046,809	\$2,046,809
Tax Supported					5,844
Water / Wastewater Reserve Funds	700,000	700,000	400,000	400,000	400,000
Total Debt Repayment Funds	\$ 2,746,809	\$ 2,746,809	\$ 2,446,809	\$ 2,446,809	\$ 2,452,653

*Debt Retirement Fund held by Region of York ** 2019 Includes a balloon payment of \$6.1M for debenture Bylaw# 2009-22

FIR - Schedule 81

Provincial ARL	16,065,593	13,440,510	12,851,683	11,521,477	10,571,486
ARL as a % of Net Revenues (Repayments not including Interest)	4.28%	4.56%	4.40%	4.86%	4.87%
Net Revenue	\$ 64,242,371	\$ 60,221,675	\$ 55,596,106	50,304,850	50,367,612

Forecasted Annual Debt Repayment (2024 - 2033)

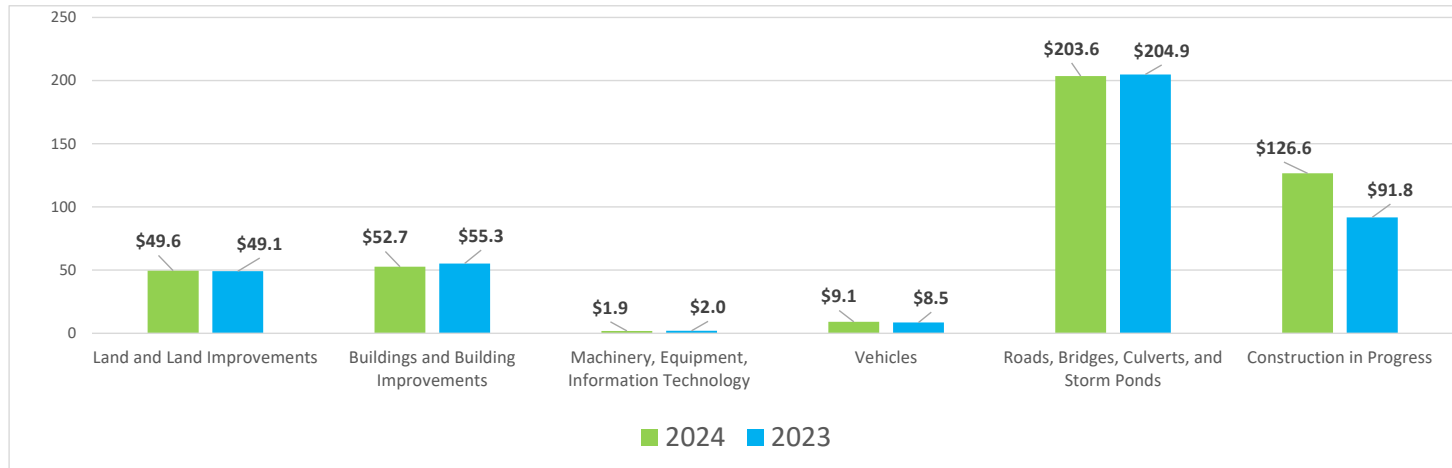




The Corporation of the Township of King

Tangible Capital Asset		*Restated*			
Net Book Value	2024	2023	2022	2021	2020
Land and Land Improvements	\$ 49,641,548	\$ 49,115,702	\$ 47,444,441	\$ 38,890,072	\$ 38,734,070
Buildings and Building Improvements	52,687,040	55,302,473	56,226,089	53,340,150	43,938,329
Machinery, Equipment, Information Technology	1,916,507	1,958,953	1,428,995	1,541,287	1,132,507
Vehicles	9,128,173	8,532,943	7,845,023	8,295,208	6,370,975
Roads, Bridges, Culverts, and Storm Ponds	203,579,620	204,917,694	190,452,209	190,639,879	148,902,270
Construction in Progress	126,586,904	91,824,929	63,533,707	55,415,641	39,043,265
Total	\$ 443,539,792	\$ 411,652,694	\$ 366,930,464	\$ 348,122,237	\$ 278,121,416

2024 vs 2023 (In millions)



Tangible Capital Asset Cost		*Restated*			
	2024	2023	2022	2021	2020
Assets - Beginning of Year	\$ 541,208,205	\$ 491,202,526	\$ 457,317,115	\$410,098,515	\$390,076,905
Additions	44,625,062	56,768,460	34,013,091	78,531,571	20,216,303
Disposals and Transfers	(6,490,976)	(6,762,781)	(127,680)	(192,519)	(194,693)
Assets - End of Year	\$ 579,342,291	\$ 541,208,205	\$ 491,202,526	\$ 488,437,567	\$ 410,098,515

Tangible Capital Asset Amortization					
	2024	2023	2022	2021	2020
Accumulated Amortization - Beginning of Year	\$ 129,555,511	\$ 124,276,524	\$ 114,473,308	\$131,977,099	\$124,533,253
Amortization during the year	12,148,680	10,938,910	9,928,553	8,526,680	7,626,041
Accumulated Amortization on disposal	(5,901,792)	(5,659,923)	(125,337)	(188,449)	(182,195)
Accumulated Amortization - End of Year	\$ 135,802,399	\$ 129,555,511	\$ 124,276,524	\$ 140,315,330	\$ 131,977,099

Net Book Value of Tangible Capital Assets	\$ 443,539,892	\$ 411,652,694	\$ 366,926,002	\$ 348,122,237	\$ 278,121,416
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Net Financial Assets					
	2024	2023	2022	2021	2020
Net Financial Assets - Beginning of Year	\$ 25,282,506	\$ 26,803,784	\$ 13,322,204	\$12,710,139	\$5,783,535
Net Financial Assets	4,982,225	(1,521,278)	13,481,580	1,195,513	6,926,604
Net Financial Assets - End of Year	\$ 30,264,731	\$ 25,282,506	\$ 26,803,784	\$ 13,905,652	\$ 12,710,139

Accumulated Surplus & Tangible Capital Assets					
	2024	2023	2022	2021	2020
Accumulated Surplus - Beginning of Year	\$ 437,789,758	\$ 394,804,051	\$ 356,613,200	\$291,048,835	\$271,643,669
Annual Surplus	\$ 36,585,297	\$ 42,985,707	38,190,851	71,426,243	19,405,166
Accumulated Surplus - End of Year	\$ 474,375,055	\$ 437,789,758	\$ 394,804,051	\$ 362,475,078	\$ 291,048,835

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Accumulated surplus-the sum of the profits retained by a corporation.

AGCO- Alcohol and Gaming Commission on Ontario

Amortization-the process of allocating the cost of a tangible asset over its useful life.

Annual surplus-the amount by which the revenue of an organization exceeds its expenditures in a given year.

Annual deficit- the amount by which the expenditures of an organization exceed its revenues in a given year.

ARL – Annual Repayment Limit set by the province that represents the maximum amount which the municipality had available as of a specific year to commit to payments relating to debt and financial obligation.

ARO – Asset Retirement Obligation

CEMC– Certified Community Emergency Management Coordinator

DC– Development Charges

Fiscal year- a 12-month period (January 1 through December 31) in which the annual operating budget applies and at the end of which an assessment is made of the Town's financial condition and performance of operations.

FTE- Full-Time Equivalent. A unit to measure employed persons or students and it is the number of hours a full-time employee works for an organization.

KCE- King City East

Net financial assets- the non-physical assets of a business less its liabilities.

PSAB- Public Sector Accounting Board

Tangible capital assets-assets that have physical substance and are expected to be in use or possession of a business beyond the current accounting period.



2024

KING

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