THE CORPORATION OF THE TOWN OF PETROLIA

CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2024

CONTENTS

MANAGEMENT'S REPORT 1

INDEPENDENT AUDITOR'S REPORT...2

CONSOLIDATED STATEMENT OF FINANCIAL POSITION ………………………………..……………………………………………… 4

CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS ……………………………………………….… 5

CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS ……………………………………………………………….. 6

CONSOLIDATED STATEMENT OF CASH FLOWS ………………………………………………………………………………………………… 7

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS …………………………………………………………………………………. 8

SCHEDULE 1 - CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS ……………………………………………………….. 27

SCHEDULE 2 – CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE ……………………………………………………………… 29

MANAGEMENT’S REPORT

The accompanying consolidated financial statements of the Corporation of the Town of Petrolia (the “Town”) are the responsibility of the Town’s management and have been prepared in compliance with legislation, and in accordance with Canadian public sector accounting standards. A summary of the significant accounting policies are described in Note 1 to the consolidated financial statements. The preparation of financial statements necessarily involves the use of estimates based on management’s judgement, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

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

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

Rick Charlebois

CAO - Treasurer

To the Members of Council, Inhabitants and Ratepayers of the Corporation of the Town of Petrolia:

Opinion

We have audited the financial statements of the Corporation of the Town of Petrolia (the "Town"), which comprise the statement of consolidated financial position as at December 31, 2024, and the consolidated statements of operations, accumulated surplus, changes in net financial assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

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

Basis for Opinion

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

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

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

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

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

MNP LLP
1315 Michigan Ave, Unit G, Sarnia ON, N7S 4M6
T: 519.542.5372 F: 519.542.0718

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

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

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

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

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

MNP LLP

Sarnia, Ontario — Chartered Professional Accountants

September 8, 2025 — Licensed Public Accountants

THE CORPORATION OF THE TOWN OF PETROLIA

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at December 31, 2024

	2024 **$**	2023 $
FINANCIAL ASSETS		
Cash and cash equivalents	**$ 6,818,123**	$ 8,274,917
Taxes and interest receivable (note 4)	**756,641**	499,879
Accounts receivable	**2,228,021**	2,048,820
Long-term receivable	**632,632**	600,458
Loans receivable	**379,419**	347,182
Investment in Bluewater Power Corporation (note 5)	**6,781,350**	6,583,580
TOTAL FINANCIAL ASSETS	**17,596,186**	18,354,836
LIABILITIES		
Accounts payable and accrued liabilities (note 6)	**2,389,389**	2,671,230
Interest on municipal debt	**58,730**	64,631
Municipal debt (note 7)	**5,814,157**	6,509,087
Deferred revenue (note 9)	**2,925,328**	2,250,646
TOTAL LIABILITIES	**11,187,604**	11,495,594
NET FINANCIAL ASSETS	**6,408,582**	6,859,242
NON-FINANCIAL ASSETS		
Tangible capital assets (note 8) (schedule 1)	**101,282,704**	97,881,860
Prepaid expenses	**262,010**	197,584
TOTAL NON-FINANCIAL ASSETS	**101,544,714**	98,079,444
ACCUMULATED SURPLUS (note 15)	**$ 107,953,297**	$ 104,938,685

Commitments (note 13)

Approved on behalf of Council:

_______________________ Mayor _______________________ C.A.O./Treasurer

THE CORPORATION OF THE TOWN OF PETROLIA

CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS

For the year ended December 31, 2024

	Budget 2024 $ (note 11)	Actual 2024 $	Actual 2023 $
REVENUES			
Taxation	**6,532,245**	**$ 6,561,857**	$ 6,403,537
Water and sewer charges	**3,303,277**	**3,462,388**	3,279,108
Fees and user charges	**2,126,868**	**2,392,167**	1,865,486
Fees and user charges - other municipalities	**1,309,848**	**1,449,578**	1,344,244
Grants (note 12)	**2,346,043**	**1,791,297**	3,069,212
Other	**367,168**	**2,273,082**	1,164,539
Bluewater Power Corporation	**239,878**	**311,242**	392,195
TOTAL REVENUES	**16,225,327**	**$ 18,241,611**	$ 17,518,321
EXPENSES			
General government	**1,524,950**	**$ 1,797,225**	$ 1,881,380
Protection services	**1,878,413**	**1,995,487**	1,998,121
Transportation services	**418,579**	**1,550,254**	1,562,978
Environmental services	**3,496,308**	**4,936,009**	4,962,088
Health services	**153,267**	**139,870**	137,741
Recreation and cultural services	**3,408,709**	**4,345,273**	3,822,736
Planning and development	**826,931**	**462,881**	441,494
TOTAL EXPENSES	**11,707,157**	**$ 15,226,999**	$ 14,806,538
ANNUAL SURPLUS	**4,518,170**	**3,014,612**	2,711,783
ACCUMULATED SURPLUS - beginning of year	**104,938,685**	**104,938,685**	102,226,902
ACCUMULATED SURPLUS - end of year (note 15)	**$ 109,456,855**	**$ 107,953,297**	$ 104,938,685

THE CORPORATION OF THE TOWN OF PETROLIA

CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS

For the year ended December 31, 2024

	Budget 2024 $ (note 11)	Actual 2024 $	Actual 2023 $
ANNUAL SURPLUS	**4,518,170**	**3,014,612**	2,711,783
Amortization of tangible capital assets	**3,294,193**	**3,294,193**	3,387,697
Acquisition of tangible capital assets	**(4,222,227)**	**(7,084,323)**	(5,423,604)
Loss on sale of tangible capital assets	**-**	**309,285**	109,091
Proceeds from sale of tangible capital assets	**-**	**80,000**	19,000
Change in prepaid expenses	**-**	**(64,426)**	32,956
(DECREASE) INCREASE IN NET FINANCIAL ASSETS	**3,590,136**	**(450,660)**	836,923
NET FINANCIAL ASSETS - beginning of year	**6,859,242**	**6,859,242**	6,022,319
NET FINANCIAL ASSETS - end of year	**10,449,378**	**6,408,582**	6,859,242

THE CORPORATION OF THE TOWN OF PETROLIA

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended December 31, 2024

	Actual 2024 $	Actual 2023 $
NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES:		
OPERATING		
Annual surplus	**3,014,612**	2,711,783
Non-cash charges to operations		
Amortization of tangible capital assets	**3,294,193**	3,387,697
Loss on disposal of tangible capital assets	**309,285**	109,091
Equity basis net income in Bluewater Power Corporation	**(362,949)**	(435,585)
Change in non-cash assets and liabilties		
Taxes and interest receivable	**(256,762)**	(201,959)
Accounts receivable	**(179,201)**	62,305
Land available for sale	**(32,174)**	(42,817)
Accounts payable and accrued liabilities	**(281,841)**	347,542
Interest on municipal debt	**(5,901)**	(5,712)
Deferred revenues	**674,682**	(286,805)
Prepaid expenses	**(64,426)**	32,956
Net increase in cash from operating transactions	**6,109,518**	5,678,496
CAPITAL		
Acquisition of tangible capital assets	**(7,084,323)**	(5,423,604)
Proceeds on disposal of tangible capital assets	**80,000**	19,000
Net decrease in cash from capital transactions	**(7,004,323)**	(5,404,604)
INVESTING		
Dividends received from Bluewater Power Corporation	**165,179**	152,391
Issuance of long-term receivables	**(32,237)**	(264,128)
Net decrease in cash from investing transactions	**132,942**	(111,737)
FINANCING		
Repayment of municipal debt	**(694,931)**	(672,551)
DECREASE IN CASH AND CASH EQUIVALENTS	**(1,456,794)**	(510,396)
CASH AND CASH EQUIVALENTS - beginning of year	**8,274,917**	8,785,313
CASH AND CASH EQUIVALENTS - end of year	**6,818,123**	8,274,917

The Corporation of the Town of Petrolia ("Town") is a municipality in the Province of Ontario, Canada. It was incorporated in 1874 and conducts its operations guided by the provisions of provincial statutes such as the Municipal Act, 2001, Municipal Affairs Act and related legislation. The Town provides municipal services such as fire, public works, planning, parks and recreation and other general government operations.

1. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the Town are the representation of management and have been prepared in accordance with Canadian generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board (PSAB) as defined in the CPA Canada Public Sector Accounting Handbook. Significant aspects of the accounting policies are as follows:

a) Basis of Consolidation

i. Consolidated Entity

These consolidated financial statements reflect the assets, liabilities, revenues and expenses and accumulated surplus of the reporting entity. The reporting entity is comprised of all committees and local boards accountable for the administration of their financial affairs and resources of the Town and which are owned or controlled by the Town.

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

ii. Government Business Enterprise

The Town's investment in Bluewater Power Corporation ("BPC") is accounted for on the modified equity basis, consistent with Canadian public sector accounting standards as recommended by PSAB for investments in government business enterprises. Under the modified equity basis, BPC's accounting policies are not adjusted to conform to those of the Town and inter-organizations transactions and balances are not eliminated. The Town recognizes its equity interest in the annual income or loss of BPC in its Consolidated Statement of Operations with corresponding increase or decrease in its investment asset account. Any dividends that the Town may receive from BPC will be reflected as reductions in the investment asset account.

iii. Accounting for County and School Board Transactions

The taxation, other revenues, expenditures, assets and liabilities with respect to the operations of the school boards, and the County of Lambton are not reflected in these consolidated financial statements except that any amounts due to or from these organizations are reported on the statement of financial position. Taxation raised by the Town on behalf of these organizations is reflected as a deduction from total taxation on the Statement of Operations and Accumulated Surplus.

vi. Trust funds

Trust funds and their related operations administered by the Town are not consolidated, but are reported separately on the Trust Funds Statement of Continuity and Balance Sheet.

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

b) Basis of accounting

The Town 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 a receipt of goods or services and/or the creation of a legal obligation to pay.

c) Cash and cash equivalents

Cash equivalents are comprised of guaranteed investment certificates and term deposits with original maturities of 90 days or less.

d) Non-financial assets

Non-financial assets are not yet 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.

e) Tangible capital assets

Tangible capital assets are recorded at cost which includes all amount that are directly attributable to acquisition, construction, development or betterment of the asset. Contributed tangible capital assets are recorded at their fair value at the date of contribution. Where fair market value cannot be reasonably determined, contributed tangible capital assets are recorded at a nominal amount. The useful life of the assets is based on estimates determined by management. The cost, less residual value, if any, of tangible capital assets is amortized on a straight-line basis, over the expected useful life of the asset, as follows:

Asset	**Useful Life - Years**
Land improvements	75 years
Buildings	50 years
Equipment	3 to 15 years
Vehicles	7 to 20 years
Road infrastructure	30 - 75 years
Environmental infrastructure	45 to 80 years

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

f) Intangible Assets

Intangible assets, art and cultural and historic assets, and items inherited by right of the Crown, such as Crown lands, forests, water, and mineral resources, are not recorded in these financial statements.

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

g) *Deferred Revenue*

The Town receives revenue restricted by legislation, regulation or agreement that may only be used for certain programs or in the completion of specific work. In addition, certain user charges and fees are collected for which the related services have yet to be performed. The revenue is reported on the Statement of Operations and Accumulated Surplus in the year in which the related expenses are incurred or services performed.

h) *Development charges and other revenues*

Revenues are recognized in the year that the events giving rise to the revenues occur and the revenues are earned. Amounts received which relate to revenues that will be earned in a subsequent year are deferred and reported as liabilities.

i) *Revenue recognition*

Property tax billings are prepared by the Town based on the assessment roles issued by the Municipal Property Assessment Corporation ("MPAC"). Tax rates are established annually by Council, incorporating amounts to be raised for local services. A normal part of the assessment process is the issue of supplementary assessment rolls, which provide updated information with respect to changes in the property assessments. Once a supplementary assessment roll is received, the Town determines the taxes applicable and renders a supplementary tax billing. Taxation revenues are recorded at the time the tax billings are issued.

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

Taxation revenues in any year may also be reduced as a result of reductions in assessment values arising from assessment and/or tax appeals. Each year, an amount is identified to cover the estimated amount of revenue loss attributable to assessment appeals, tax appeals and other deficiencies in tax revenues (e.g., uncollectible amounts, write-offs, etc.).

Conditional grant revenue is recognized to the extent the conditions imposed on it have been fulfilled. Unconditional grant revenue is recognized when the monies are receivable. Grants for the acquisition of tangible assets are recognized in the period in which eligible expenditures are made.
Investment income earned on surplus funds (other than obligatory reserve funds) is recognized when earned. Investment income earned on deferred revenue is recorded directly to each fund.

The Town's share of net income in Bluewater Power is recognized when earned.

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

i) Revenue recognition (continued)

The Town recognizes revenue from fines and penalties on late tax payments. These non-exchange transactions have no performance obligations and are recognized at their realizable value when the Town has the authority to claim or retain economic inflows based on a past transaction or event giving rise to an asset.

Revenue from transactions with performance obligations is recognized when the Town satisfies a performance obligation by providing the promised goods or services to a payor. The performance obligation is evaluated as being satisfied either over a period of time or at a point in time. The Town recognizes revenues from utilities, licenses and permits, certificates, recycling services, and rentals at a point in time, which occurs when the goods and/or services have been provided. In determining the transaction price, the Town measures revenue based on the consideration that is expected to receive in exchange for providing the goods and/or services.

j) Financial instruments

The Town classifies its financial instruments as either fair value or amortized cost. The Town's accounting policy for each category is as follows:

i. *Fair Value*

Fair value investments that are measured subsequent to initial recognition at fair value are grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

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

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3 - Inputs for the asset or liability that are not based on observable market date (unobservable inputs)

This category includes cash. Which is initially recognized at cost and subsequently carried at fair value. Changes in fair value are recognized in the statement of operations. The Town classifies this as a Level 1.

Transaction costs related to financial instruments in the fair value category are expensed as incurred.

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

j) Financial instruments (continued)

ii. *Amortized Cost*

Financial assets measured at amortized cost include accounts receivable, taxes receivable, and other receivables. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities, deposits and municipal debt. They are initially recognized at cost and subsequently carried at amortized cost using the effective interest method rate, less any impairment losses on financial assets.

Transaction costs related to financial instruments in the amortized cost category are added to the carrying value of the instrument.

Writedowns on financial assets in the amortized cost category are recognized when the amount of a loss is known with sufficient precision, and there is no realistic prospect of recovery. Financial assets are then written down to net recoverable value with the writedown being recognized in the statement of operations.

k) Accumulated surplus

Accumulated surplus represents the Corporation's net economic resources. It is an amount by which all assets (financial and non-financial) exceed liabilities. An accumulated surplus indicates that the Corporation has net resources (financial and physical) that can be used to provide future services. An accumulated deficit means that liabilities are greater than assets.

l) Use of Estimates

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the period.

Items requiring the use of significant estimates include those related to the useful life of tangible capital assets, allowance for doubtful accounts, and accrued accounts payable. Actual results could differ from these estimates.

m) Employee future benefits

The contributions to the Ontario Municipal Employers Retirement System ("OMERS"), a multi-employer defined benefit pension plan, are expensed when contributions are due.

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

n) *Asset retirement obligations*

A liability for an asset retirement obligation is recognized when there is a legal obligation to incur retirement costs in relation to a tangible capital asset; the past transaction or event giving rise to the liability has occurred; it is expected that future economic benefits will be given up; and a reasonable estimate of the amount can be made. The liability is recorded at an amount that is the best estimate of the expenditure required to retire a tangible capital asset at the financial statement date. This liability is subsequently reviewed at each financial reporting date and adjusted for the passage of time and for any revisions to the timing, amount required to settle the obligation or the discount rate. Upon the initial measurement of an asset retirement obligation, a corresponding asset retirement cost is added to the carrying value of the related tangible capital asset if it is still in productive use. This cost is amortized over the useful life of the tangible capital asset. If the related tangible capital asset is unrecognized or no longer in productive use, the asset retirement costs are expensed.

As of December 31, 2024, management's best estimate based on their information available does not recognize any asset retirement obligations, and therefore no liability exists. Management will continue to address the new standard and review the policy to determine if any asset retirement obligations are to be reported.

o) Budget figures

The Town's council completes separate budget reviews for tax supported operating and capital, as well as water and wastewater budgets each year. Budget figures have been provided for comparison purposes. Given the differences between the budgeting model and generally accepted accounting principles established by the Public Sector Accounting Board (PSAB), certain budgeted amounts have been reclassified to reflect the presentation adopted under PSAB.

2. CHANGE IN ACCOUNTING POLICY

Effective January 1, 2024, the Town adopted the Public Sector Accounting Board's (PSAB) new standard for the recognition, measurement and disclosure of revenue under PS 3400 Revenue. The new standard establishes when to recognize and how to measure revenue, and provides the related financial statement presentation and disclosure requirements. Pursuant to these recommendations, the change was applied prospectively, and prior periods have not been restated.

Previously, the Town recorded revenue affected by this standard when the service or goods have been provided, the amount is determinable and collectability is assured. Under the new standard, revenue is differentiated 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", as described in Note 1.

There was no material impact on the financial statements from the prospective application of the new accounting recommendations

3. OPERATIONS OF SCHOOL BOARDS AND THE COUNTY OF LAMBTON

During 2024, requisitions were made by the County of Lambton and School Boards requiring the Town to collect property taxes and payments in lieu of property taxes on their behalf. The amounts collected and remitted are as follows:

	School Boards $	County $	2024 Total $
Property taxes	**1,423,052**	**3,230,494**	**4,653,546**
Payments in lieu	**52,668**	**44,160**	**96,828**
	1,475,720	**3,274,654**	**4,750,374**
Share of taxes written off	**3,516**	**21,679**	**25,195**
Share of tax rebates and capping adjustments	**1,426**	**3,697**	**5,123**
	4,942	**25,376**	**30,318**
Amounts transferred	**1,470,778**	**3,249,278**	**4,720,056**

These amounts have not been included in the Consolidated Statement of Operations and Accumulated Surplus.

4. TAXES RECEIVABLE

As at December 31, the balances are as follows:

	2024 $	2023 $
Taxes receivable	**730,584**	509,246
Penalties and interest	**85,700**	50,276
Allowance for doubtful accounts	**(59,643)**	(59,643)
	756,641	499,879

5. INVESTMENT IN BLUEWATER POWER CORPORATION

In recognition of the requirements of Bill 35 (The Energy Competition Act, 1998) the Town through Petrolia Electricity Holdings Inc. (holding company), along with the City of Sarnia, Township of Warwick, Village of Oil Springs and Town of Alvinston passed in the year 2000 transfer by-laws that transferred, effective October 31, 2000, all their hydro assets and liabilities to Bluewater Power Distribution Corporation. Upon determination of the fair value of assets and liabilities transferred, each municipality received a promissory note from Bluewater Power Distribution Corporation and shares of Bluewater Power Corporation, which owns 100% of Bluewater Power Distribution Corporation, equal to the percentage of the fair market value of assets and liabilities each municipality contributed compared to the total fair market value of the assets and liabilities contributed by the municipalities.

5. INVESTMENT IN BLUEWATER POWER CORPORATION (continued)

The fair market value of the assets and liabilities contributed by the Town of Petrolia was determined to be 7.36% of the fair market value of all of the assets and liabilities contributed by all of the six participating municipalities.

For its contribution the Town took back a promissory note from Bluewater Power Distribution Corporation bearing interest at 7.25% and Petrolia Electricity Holdings Inc., wholly owned by the Town was incorporated to hold the Town's investment in 7.36% of the common shares of Bluewater Power Corporation. This investment in 7.36% of the common shares of Bluewater Power Corporation was valued at $1,430,914.

Commencing May 1, 2009, the interest rate payable on the promissory note increased from 7.25% to 7.62%, the deemed debt cost allowed by the Ontario Energy Board and on May 1, 2013 the increase rate declined to 6.39%. In May 2016 the rate was adjusted to 6.73%. In May 2018 the rate was adjusted to 6.98%. In May 2023, the rate was adjusted to 7.93%.

The financial statements of Bluewater Power Corporation were prepared in accordance with International Financial Reporting Standards (IFRS).

The investment in Bluewater Power Corporation is reported on the modified equity basis.

The investment is comprised of the following:

	2024	2023
	$	$
Promissory Note	**1,430,914**	1,430,914
Petrolia Electricity Holdings Inc. common shares	**1,327,163**	1,327,163
Share of net income since acquisition, net of dividends received	**4,023,273**	3,825,503
	6,781,350	6,583,580
Continuity of Investment		
Balance, beginning of year	**6,583,580**	6,300,386
Share of net income for the year	**362,949**	435,585
Dividends received during the year	**165,179**	152,391
Net increase in equity during the year	**197,770**	283,194
Balance, end of year	**6,781,350**	6,583,580

The promissory note is due from Bluewater Power Distribution Corporation is unsecured, subordinated and due eighteen months following demand for payment. During 2024, the Town received $113,471 (2023 - $109,002) of interest income on the promissory note.

5. INVESTMENT IN BLUEWATER POWER CORPORATION (continued)

The following is the financial information presented by Bluewater Power Corporation:

Consolidated Statement of Financial Position

	2024	2023
	$	$
Assets		
Current assets	**46,452,761**	36,535,515
Property, Plant and equipment	**106,756,018**	101,615,249
Other assets	**6,631,029**	8,234,149
Total assets	**159,839,808**	146,384,913
Regulatory balances	**5,877,024**	6,777,728
Total assets and regulatory balances	**165,716,832**	153,162,641
Liabilities		
Current liabilities	**27,019,759**	24,765,027
Non-current liabilities	**63,309,409**	56,930,689
	90,329,168	81,695,716
Equity		
Share Capital	**18,032,105**	18,032,105
Retained Earnings	**55,017,910**	52,577,061
Accumulated other comprehensive gain (loss)	**(353,880)**	(600,132)
Total Equity	**72,696,135**	70,009,034
Total liabilities and equity	**163,025,303**	151,704,750
Regulatory balances	**2,691,529**	1,457,891
Total liabilities , Equity and Regulatory balances	**165,716,832**	153,162,641

Consolidated Statements of Comprehensive Income

	2024	2023
	$	$
Revenue	**153,689,070**	139,839,712
Operating expenditures	**144,469,594**	131,236,400
Income tax expense	**2,339,000**	2,205,000
Net income for the year	**6,880,476**	6,398,312
Net movement in regulatory balances, net of tax	**(2,195,342)**	136,996
Other comprehensive income (loss) for the year	**246,252**	(617,039)
Total comprehensive income	**4,931,386**	5,918,269

5. INVESTMENT IN BLUEWATER POWER CORPORATION (continued)

Due to the ownership of Bluewater Power Corporation, the Town would be responsible for their related commitments and contingencies. These can be found within the standalone financial statements of Bluewater Power Corporation

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Included in Accounts payable and accrued liabilities are the government remittances totalling $36,491 (2023 – $37,226).

7. MUNICIPAL DEBT

The balance of municipal debt reported on the statement of financial position is comprised of the following loans and debentures:

	2024	2023
	$	$
CMHC loan, bearing interest at 3.99%, repayable in blended annual payments of $111,269, repaid November 2024	**-**	107,000
CMHC loan, bearing interest at 3.97%, repayable in blended annual payments of $78,174, repaid December 2024	**-**	75,189
Ontario Infrastructure debenture, bearing interest at 2.29% repayable in blended semi-annual payments of $53,416 maturing October 2025	**105,026**	207,687
Ontario Infrastructure debenture, bearing interest at 3.17% repayable in blended semi-annual payments of $37,916, maturing February 2027	**180,887**	249,353
Ontario Infrastructure debenture, bearing interest at 3.27% repayable in blended semi-annual payments of $171,283, maturing October 2037	**3,604,213**	3,823,528
Ontario Infrastructure debenture, bearing interest at 3.33% repayable in blended semi-annual payments of $94,717, maturing February 2037	**1,924,031**	2,046,331
	5,814,157	6,509,087

7. MUNICIPAL DEBT (continued)

Principal repayments are as follows:

2025	$ 528,630
2026	437,575
2027	414,091
2028	389,270
2029	402,189
2030-2034	2,220,226
Thereafter	1,422,176
	$ 5,814,157

The total interest charges for the year for municipal debt which is reported on the "Statement of Operations and Accumulated Surplus" was $209,176 (2023 - $231,556).

The annual principal and interest payments required to service these liabilities are within the annual debt limit prescribed by the Ministry of Municipal Affairs and Housing.

8. TANGIBLE CAPITAL ASSETS

Assets Under Construction

Assets under construction having a value of $4,253,334 (2023 - $3,321,590) have not been amortized. Amortization of these assets will commence when the asset is put into service.

Works Of Art and Historical Treasures

The Municipality manages and controls art and historical cultural treasures, they are not set up as capital assets or amortized.

Writedown of Tangible Capital Assets

The writedown of tangible capital assets during the year was $NIL (2023 - $Nil).

Contributed Tangible Capital Assets

During the year, the Town entered into an agreement to purchase land and building at a total amount of $206,768. The total value of the land and building was $1,002,768, which was the total amount capitalized. This resulted in a non-monetary donation of $796,000 which was recorded as revenues in the statement of operations and accumulated surplus.

9. DEFERRED REVENUE

The deferred revenue is comprised of the following:

		2024		2023
		$		$
The deferred revenue is comprised of the following:				
OCIF grant	**$**	**2,020,430**	$	1,266,192
Parkland in lieu reserve		**22,682**		21,514
Cannabis legislation grant		**23,639**		22,422
Canada gas tax funding		**525,674**		553,741
Development charges		**8,384**		-
Other		**324,519**		386,777
	$	**2,925,328**	$	2,250,646
The net change during the year in the deferred revenue balances is as follows:				
Balance, beginning	**$**	**2,250,646**	$	2,644,429
OCIF funding - formula based grant		**667,939**		785,810
Canada Community-Building Fund (Federal GasTax)		**190,026**		190,026
Investment income		**120,592**		121,130
Development charges received		**8,384**		-
Other contributions received		**184,937**		225,069
		3,422,523		3,966,464
Utilization of reserve funds - tangible capital assets		**250,000**		1,383,771
Utilization of reserve funds - current operations		**247,195**		332,047
		497,195		1,715,818
Balance, ending	**$**	**2,925,328**	$	2,250,646

10. PENSION AGREEMENTS

The Town makes contributions to the Ontario Municipal Employees Retirement System (OMERS), which is a multi-employer plan, on behalf of all permanent, full-time members of its staff. The plan is a defined benefit plan, which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay. Employees and employers contribute jointly to the plan. The employer amount contributed to OMERS for 2024 was $220,248 (2023 - $212,348).

OMERS is a multi-employer plan, therefore any pension plan surpluses or deficits are a joint responsibility of Ontario municipal organizations and their employees. As a result, the Town does not recognize any share of the OMERS pension surplus or deficit. The last available report for the OMERS plan was December 31, 2024. At that time the plan reported a $2.91 billion actuarial deficit (2023 - $4.20 billion actuarial deficit), based on actuarial liabilities of $140.77 billion (2023 - $134.57 billion) and actuarial assets of $138.17 billion (2023 - $128.61 billion). Ongoing adequacy of the current contribution rates will need to be monitored as declines in the financial markets may lead to increased future funding requirements.

11. BUDGET FIGURES

The unaudited budget data presented in these financial statements is based upon the 2024 budget approved by Council. Budgets are not prepared on a basis consistent with that used to report actual results under Public Sector Accounting Standards which is allowable as per Ontario Regulation 284/09 of the Municipal Act. Budgets anticipate using surpluses (or deficits) accumulated in previous years to reduce current expenditures in excess of revenues to nil. In addition, the budget expensed all tangible capital assets rather than capitalizing them and recording amortization expense. The budget also expenses principal payments on debt and reserve transfers. As a result, the budget figures presented in the Statement of Operations and Accumulated Surplus represent the budget adopted by the Town's council with the following adjustments.

	2024 Budget Amount $
Budgeted surplus for the year	3,470,729
Adjustments to budgeted deficit:	
Debt principal repayments	694,931
Net capital expenditures	5,124,640
Net reserve transfers	(1,477,937)
Amortization	(3,294,193)
Annual budgeted surplus	4,518,170

12. GRANTS

		2024		2023
		$		$
Operating				
Province of Ontario				
Ontario Municipal Partnership Fund	**$**	**919,100**	$	879,900
Community Events		**4,320**		5,000
Stewardship Ontario		**748**		64,018
		924,168		948,918
Government of Canada				
Experience Ontario		**125,000**		5,000
Program Support		**6,200**		9,941
		131,200		14,941
Total Operating		**1,055,368**		963,859
Capital				
Government of Canada				
Investing in Canada Infrastructure Program	**$**	**227,984**	$	330,921
Canada Community Revitalization Fund		**212,064**		434,788
Canada Community Building Fund		**251,860**		500,723
		691,908		1,266,432
Province of Ontario				
Emergency Management Ontario		**44,021**		-
Ontario Community Infrastructure Fund		**-**		838,921
		44,021		838,921
Total Capital		**735,929**		2,105,353
Total Grants	**$**	**1,791,297**	$	3,069,212

13. COMMITMENTS

Federal Grants

Under the terms of an agreement with the Government of Canada with respect to a $350,000 grant received for the restoration of Victoria Hall, the Municipality must operate and maintain Victoria Hall in its restored state for a period of 42 years, commencing from 1992. If Victoria Hall is damaged by fire and not restored to its original condition, then the Municipality must repay the grant to the Government of Canada. Any repayments, if any, will be recognized as an expense in the year of repayment.

13. COMMITMENTS (continued)

Line of Credit

The Municipality approves a line of credit for Actors' Equity whereby a line of credit in the form of a bond in the amount of $95,000 to be issued on behalf of Actors' Equity. This bond is to insure payment to the actors performing at the Victoria Playhouse Theatre. Any payments required under this bond will be recognized as an expense in the year payment is made.

Oil Heritage District Community Centre ("OHDCC")

As part of the condition of receiving the Ontario SuperBuild Corporation grant of $1,686,000 used in financing the construction of the OHDCC, the Municipality may not transfer ownership of the OHDCC until March 31, 2027 unless the Municipality receives the prior written consent of the Ministry of Tourism and Recreation ("Ministry"). As a condition of its consent, the Ministry may specify any conditions including the requirement that the Municipality repay some or all of the Ontario SuperBuild Corporation grant. The repayment amount, if any, is to be determined by the Ministry and to be repaid within a time specified by the Ministry.

YMCA Operation Agreement

The agreement between the Corporation of the Town of Petrolia and the YMCA for operation of the Centre does not violate the contingency with the OHDCC and the Ontario SuperBuild Corporation grant as the Municipality retains total ownership of the building, land and equipment. The agreement term is for 5 years from the effective date of April 3, 2023, with a renewal option of an additional 5 years based on mutual review and agreement.

Brights Grove WTP Intake Replacement

The Town has contracted with Stone Town Construction Ltd. for the construction project related to the Brights Grove WTP intake replacement in the amount of $14,139,433 including HST. This project is expected to commence April 2025, with completion by October 2026.

OPP Contract

The Town has entered into a service agreement with the Ontario Provincial Police for the provision of policing services. The 2025 annual cost will be $1,143,798; subsequent years' amounts are to be determined on an annual basis based on estimated salary and benefit costs.

14. SEGMENTED INFORMATION

The Corporation of the Town of Petrolia is a diversified municipal government institution that provides a wide range of services to its inhabitants such as policing, fire protection, water distribution, sewage collection and treatment, waste collection and disposal, recycling services, recreational services, library facilities, and planning. Distinguishable functional segments have been in the segmented information.

The accounting policies of the segments are the same as those described in the summary of significant accounting policies. Amounts that are directly attributable to a number of segments have been allocated on a reasonable basis as follows:

Taxation and payment-in-lieu, OMPF Grant, net income of government business enterprise and shared other revenue consisting of penalty and interest on taxes, investment income, have been allocated to those segments that are funded by these amounts based on the net surplus for the year.

The nature of those segments and the activities they encompass are as follows:

General Government
This reports the revenues and expenses that relate to the governance and operations of the Town and cannot be directly attributed to a specific segment.

Protection to Persons and Property
Protection to persons and property is comprised of police services, fire protection, animal control and building inspections. The police services work to ensure the safety and protection of the inhabitants and their property. The fire department, whose members are all volunteers, is responsible to provide for fighting services, fire prevention programs, training and education. The building inspections provides a number of services including enforcement of building and construction codes and a review of all property development plans through its application process.

Transportation Services
Transportation is responsible for maintenance and construction of the Town's roadways, bridges, parking areas, street lighting and winter control.

Environmental Services
Environmental services consist of providing water treatment and distribution, sanitary sewage collection and treatment and ensuring that the Town's sewer and water systems meet all Provincial standards. In addition, environmental services consists of providing solid waste collection and recycling services.

Health Services
Health services consists of cemetery operations.

Recreation and Cultural Services
This service provides services to improve health and development of the Town inhabitants. This is accomplished by the Town operating and maintaining an arena, splash pad, parks and ball parks, a bicycle park and providing library facilities.

14. SEGEMENTED INFORMATION (continued)

Planning and Development Services
The Town is responsible for planning and zoning including the Official Plan. In addition, this area of service includes tourist information, promotion and events, drainage, and commercial and residential development.

15. ACCUMULATED SURPLUS

Accumulated surplus consists of individual fund surplus/(deficit) and reserves as follows:

	2024	2023
	$	$
Surplus		
Investment in Bluewater Power Corporation	**6,781,350**	6,583,581
Reduce from future taxation	**277,554**	136,045
Unfunded	**(5,872,887)**	(6,573,718)
Invested In Capital Assets		
Tangible capital assets - net book value	**101,282,704**	97,881,860
Surplus	**102,468,721**	98,027,768
Reserves		
Budget stabilization	**130,032**	130,032
Cemetery	**33,337**	20,050
Emergency management	**15,000**	-
Elections	**15,000**	7,500
Fire Department Renovation	**75,000**	-
Fire Equipment	**3,213**	1,404
Fire VFF pay	**10,567**	-
Insurance	**70,000**	70,000
Library	**9,319**	9,319
Other cultural	**1,270,441**	1,122,185
Parks	**2,947**	16,631
Planning	**-**	1,325
Recreation facilities	**86,631**	470,259
Recreation programs	**21,675**	16,940
Sewage	**239,749**	133,419
Waterworks	**2,746,853**	1,943,334
Working Capital	**690,764**	2,968,521
YMCA Splashpad	**64,048**	-
Total Reserves	**5,484,576**	6,910,919
	107,953,297	104,938,687

16. TRUST FUNDS

Trust funds administered by the Town amounting to $516,732 (2023 - $499,453) are not included in the Statement of Financial Position nor have their operations been included in the Statement of Operations.

17. FINANCIAL INSTRUMENTS AND RISKS

Unless otherwise noted, it is management's opinion that the Town is not exposed to significant risks. There have been no changes in the Town's risk exposures from the prior year.

Credit risk

The Town is exposed to credit risk through its cash, taxes receivable and accounts receivable. There is a possibility of non-collection of its accounts receivable. The majority of the Town's receivables are from rate payers and government entities. The Town mitigates its exposure to credit loss by placing its cash with major financial institutions.

Accounts receivable credit risk is resulting from the possibility that a customer or counterparty to a financial instrument defaults on their financial obligations; if there is a concentration of transactions carried out with same counterparty; or of financial obligations which have similar economic characteristics such that they could be similarly affected by changes in economic conditions.

The Town manages its credit risk by limiting the amount of days aged in accounts receivable before appropriate action is taken.

The Town’s maximum exposure to credit risk at the financial statement date is the carrying value of accounts receivable and other accounts receivable as presented on the statement of financial position.

At year end, the amounts outstanding for the Town’s accounts receivable are as follows:

			2024		
	Current	**31-60 days**	**61-90 days**	**91-120 days**	**Total**
Accounts receivable	**1,633,676**	**566,593**	**4,115**	**23,637**	**2,228,021**
Taxes receivable	**481,978**	**-**	**-**	**274,663**	**756,641**
Long term receivable	**-**	**-**	**-**	**632,632**	**632,632**
Loan receviable	**-**	**-**	**-**	**379,419**	**379,419**
Total	**2,115,654**	**566,593**	**4,115**	**1,310,351**	**3,996,713**

			2023		
	Current	31-60 days	61-90 days	91-120 days	Total
Accounts receivable	1,721,200	305,044	5,828	16,749	2,048,820
Taxes receivable	335,883	-	-	163,996	499,879
Long-term receivable	-	-	-	600,458	600,458
Loan receviable	-	-	-	347,182	347,182
Total	2,057,083	305,044	5,828	1,128,385	3,496,339

17. FINANCIAL INSTRUMENTS AND RISKS (continued)

Liquidity risk

Liquidity risk is the risk that the Town will not be able to meet its obligations as they become due. The Town is exposed to this risk mainly in respect of its accounts payable and accrued liabilities and deferred revenue. The Town manages this risk by establishing budgets and funding plans to fund its expenses and debt repayments. The Town also maintains certain credit facilities, which can be drawn upon as needed.

The following tables sets out the expected maturities (representing undiscounted contractual cash-flow of financial liabilities):

	2024			
	Within 1 year	**1-5 years**	**Over 5 years**	**Total**
Accounts payable and accrued liabilities	**2,389,389**	**-**	**-**	**2,389,389**
Deferred revenue	**325,197**	**2,600,131**	**-**	**2,925,328**
Municipal Debt	**528,631**	**2,058,657**	**3,226,869**	**5,814,157**
Total	**3,243,217**	**4,658,788**	**3,226,869**	**11,128,873**

	2023			
	Within 1 year	1-5 years	Over 5 years	Total
Accounts payable and accrued liabilities	2,671,231	-	-	2,671,231
Deferred revenue	386,777	1,863,869	-	2,250,646
Municipal Debt	694,931	1,769,566	4,044,590	6,509,087
Total	3,752,939	3,633,435	4,044,590	11,430,964

18. COMPARATIVE FIGURES

Certain prior year’s figures have been reclassified to conform to the current year’s presentation.

THE CORPORATION OF THE TOWN OF PETROLIA

SCHEDULE 1 - CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS

For the year ended December 31, 2024

	Land	Land Improvements $	Buildings $	Equipment $	Vehicles $	Infrastructure $	Work in Progress $	Totals $
COST								
Balance, beginning of year	$ 1,539,396	$ 1,590,321	$ 21,761,886	$ 5,088,900	$ 3,194,818	$ 116,491,571	$ 3,321,590	$ 152,988,482
Add: additions during the year	-	34,840	1,851,940	648,575	258,274	3,358,945	4,378,618	10,531,191
Less: disposals during the year	-	7,356	15,000	4,624.99	144,975	1,002,529	3,446,868	4,621,353
Balance, end of year	$ 1,539,396	$ 1,617,805	$ 23,598,826	$ 5,732,850	$ 3,308,116	$ 118,847,987	$ 4,253,340	$ 158,898,320
ACCUMULATED AMORTIZATION								
Balance, beginning of year	$ -	$ 750,106	$ 10,906,428	$ 2,395,058	$ 1,344,726	$ 39,710,302	$ -	$ 55,106,620
Add: amortization for the year	-	59,491	358,014	334,509	186,678	2,355,501	-	3,294,193
Less: disposals during the year	-	5,903	12,000	2,043	50,741	714,510	-	785,197
Balance, end of year	$ -	$ 803,694	$ 11,252,442	$ 2,727,524	$ 1,480,663	$ 41,351,293	$ -	$ 57,615,616
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	$ 1,539,396	$ 814,111	$ 12,346,384	$ 3,005,326	$ 1,827,453	$ 77,496,694	$ 4,253,340	$ 101,282,704

THE CORPORATION OF THE TOWN OF PETROLIA

SCHEDULE 1 - CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS

For the year ended December 31, 2023

	Land	Land Improvements $	Buildings $	Equipment $	Vehicles $	Infrastructure $	Work in Progress $	Totals $
COST								
Balance, beginning of year	$ 1,539,396	$ 1,534,729	$ 19,232,436	$ 4,595,145	$ 2,909,063	$ 116,002,252	$ 2,506,886	$ 148,319,907
Add: additions during the year	-	7,181	621,730	816,880	307,654	2,855,455	3,278,121	7,887,021
Less: disposals during the year	-	-	10,000	438,484	21,900	284,645	2,463,417	3,218,446
Class transfers, (to) from	-	48,411	1,917,720	115,360	-	(2,081,491)	-	-
Balance, end of year	$ 1,539,396	$ 1,590,321	$ 21,761,886	$ 5,088,901	$ 3,194,817	$ 116,491,571	$ 3,321,590	$ 152,988,482
ACCUMULATED AMORTIZATION								
Balance, beginning of year	$ -	$ 668,061	$ 9,008,834	$ 2,516,259	$ 1,196,414	$ 38,956,296	$ -	$ 52,345,864
Add: amortization for the year	-	59,658	460,893	293,296	169,214	2,404,636	-	3,387,697
Less: disposals during the year	-	-	9,639	420,151	20,900	176,248	-	626,938
Class transfers, (to) from	-	22,387	1,446,340	5,654	-	(1,474,381)	-	-
Balance, end of year	$ -	$ 750,106	$ 10,906,428	$ 2,395,058	$ 1,344,728	$ 39,710,303	$ -	$ 55,106,623
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	$ 1,539,396	$ 840,215	$ 10,855,458	$ 2,693,843	$ 1,850,089	$ 76,781,269	$ 3,321,590	$ 97,881,860

THE CORPORATION OF THE TOWN OF PETROLIA

SCHEDULE 2 - CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE

For the year ended December 31, 2024

	General Government $	Protection Services $	Transportation Services $	Environmental Services $	Health Services $	Recreation and Cultural Services $	Planning and Development $	Consolidated $
Revenue								
Property taxation	6,561,857	-	-	-	-	-	-	6,561,857
Water and sewer charges	-	-	-	3,462,388	-	-	-	3,462,388
Fees and user charges	39,060	12,965	-	-	91,650	2,219,026	29,466	2,392,167
Fees and user charges other municipalities	-	229,452	-	1,188,826	9,000	22,300	-	1,449,578
Grants	1,170,960	44,021	-	228,732	-	347,584	-	1,791,297
Other	243,305	31,445	-	959,867	27,122	963,449	47,894	2,273,082
Bluewater Power	311,242	-	-	-	-	-	-	311,242
Total revenues	8,326,424	317,883	-	5,839,813	127,772	3,552,359	77,360	18,241,611
Expenses								
Salaries and benefits	916,757	313,263	527,483	502,693	109,962	887,464	206,900	3,464,522
Materials and supplies	402,847	313,486	349,863	1,153,065	22,475	2,850,979	207,938	5,300,653
Contracted services	194,480	1,132,154	906	1,312,732	-	186,057	9,769	2,836,098
Interest on long term debt	411	-	18,867	238,145	-	2,758	7,724	267,905
Amortization	265,130	190,556	653,135	1,729,374	7,433	418,015	30,550	3,294,193
Other	17,600	46,028	-	-	-	-	-	63,628
Total expenses	1,797,225	1,995,487	1,550,254	4,936,009	139,870	4,345,273	462,881	15,226,999
Net surplus/(deficit)	6,529,199	(1,677,604)	(1,550,254)	903,804	(12,098)	(792,914)	(385,521)	3,014,612

THE CORPORATION OF THE TOWN OF PETROLIA

SCHEDULE 2 - CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE

For the year ended December 31, 2023

	General Government $	Protection Services $	Transportation Services $	Environmental Services $	Health Services $	Recreation and Cultural Services $	Planning and Development $	Consolidated $
Revenue								
Property taxation	6,403,537	-	-	-	-	-	-	6,403,537
Water and sewer charges	-	-	-	3,279,108	-	-	-	3,279,108
Fees and user charges	44,763	4,470	-	-	80,821	1,714,956	20,476	1,865,486
Fees and user charges other municipalities	-	241,743	-	1,071,201	9,000	22,300	-	1,344,244
Grants	1,540,350	-	841,091	235,212	-	452,559	-	3,069,212
Other	522,599	18,745	-	394,839	22,166	148,773	57,417	1,164,539
Bluewater Power	392,195	-	-	-	-	-	-	392,195
Total revenues	8,903,444	264,958	841,091	4,980,360	111,987	2,338,588	77,893	17,518,321
Expenses								
Salaries and benefits	921,358	311,576	484,758	475,196	100,165	810,500	200,252	3,303,805
Materials and supplies	484,095	335,215	332,046	1,132,225	30,188	2,428,801	193,924	4,936,494
Contracted services	218,481	1,118,882	643	1,374,539	-	181,661	9,769	2,903,975
Interest on long term debt	474	-	13,553	201,545	-	3,400	7,067	226,039
Amortization	250,322	190,570	731,978	1,778,583	7,388	398,374	30,482	3,387,697
Other	6,650	41,878	-	-	-	-	-	48,528
Total expenses	1,881,380	1,998,121	1,562,978	4,962,088	137,741	3,822,736	441,494	14,806,538
Net surplus/(deficit)	7,022,064	(1,733,163)	(721,887)	18,272	(25,754)	(1,484,148)	(363,601)	2,711,783