



TOWN OF
PEACE RIVER
ALBERTA

COMMUNITY REPORT

2024



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Message from the Mayor

A reflection on Council’s work to strengthen public safety, community connection, and long-term growth



On behalf of Town Council, I am pleased to share the 2024 Annual Report for the Town of Peace River.

This past year, Council focused on long-term sustainability while continuing to support community wellbeing and safety. We approved a forward-looking 2025 budget with a modest tax-supported increase, while laying the foundation for a clearer separation between utility fees and general taxation. This shift will create a more transparent and equitable approach to municipal finances, while building up reserves for necessary infrastructure investments.

A key initiative in 2024 was our public safety pilot project. In response to resident concerns, Council approved security patrols across Peace River, with a focus on reducing social disorder

and improving the overall sense of safety. We received valuable feedback throughout the pilot and have begun building our Protective Services department in the new year based on those learnings.

We also took steps to improve accessibility and emergency preparedness with the purchase of a new Town Hall building. Centrally located and fully accessible, this new space will allow us to better serve residents and provide a dedicated Emergency Coordination Centre when needed.

It was also a pleasure to join residents at many local events. From Family Day and the Teddy Bear Picnic to Remembrance Day and Light Up the Park, these gatherings reflect the community spirit that defines Peace River – and those are just the Town-arranged events, as many more community-led celebrations filled our schedule. As Mayor, it is always my honour to participate and represent Council at these moments.

Thank you to our Council members, to Administration, and to every resident and business who contributes to our vibrant and growing community.

Elaine Manzer
Mayor of the Town of Peace River

Message from the CAO

How Town administration turned vision into action, from grants and planning to operations and services



As Chief Administrative Officer, I am proud to highlight the progress our teams made in 2024 across a range of operational priorities.

This year, we supported Council in delivering a balanced, responsible budget while preparing for future financial needs. We were proud to present a clear plan that funds essential infrastructure and moves toward reducing utility subsidization.

We also made strides in internal preparedness, with several initiatives throughout the year, including Incident Command System training for staff; a mock emergency exercise; and a health and safety week. These proactive efforts strengthen our organization and support the safety of the broader community.

The Town’s business grants program provided

investments that helped improve storefronts, signage, and public-facing amenities in a way that directly supports our local economy. Other community-focused grants helped pave the way for summer festivals, minor football, music, and more.

Throughout the year, our staff worked with professionalism and care, whether clearing roads, supporting events, or improving internal systems. It is thanks to their dedication that we were able to deliver services consistently and strengthen the foundation of our municipal operations.

I would like to thank Council for its leadership, and every member of our team for their continued hard work and commitment to the Town of Peace River.

Barb Miller, CPA, CGA, CLGM
Chief Administrative Officer

Oasis of the Peace Country

Jet boats, ski hill, festivals.

Twelve parks and playgrounds for your family.

Less than 10 minutes to work from anywhere.

Population: 7,102

Land Area: 25.34 km²

Elevation: 330 meters above sea level

Incorporated as a Town: December 1, 1919

Mayor: Elaine Manzer

Chief Administrative Officer (CAO): Barbara Miller

Postal Code: T8S

Area Codes: 780, 587, 825

Town Council

Chosen to guide the municipality



From left: Councillor Byron Schamehorn, Councillor Orren Ford, Councillor Brad Carr, Mayor Elaine Manzer, Councillor Marc Boychuk, Councillor Shelly Shannon, Councillor Don Good.

Town Council serves as the elected leadership body for the Town of Peace River, guiding decision-making and setting the direction for our community’s future.

Through regular meetings, collaboration, and thoughtful debate, Council members represent residents’ interests while balancing priorities across departments and initiatives. From approving budgets to shaping policies, their work ensures that services, infrastructure, and

long-term planning align with the needs of our town.

Council’s strength lies in its commitment to working together for the betterment of all who live, work, and invest in Peace River.

Department Heads

Specialized professionals leading the administration

Our leadership team works behind the scenes to turn Council’s vision into action and stably lead daily operations, long-term planning, and service delivery across all departments.

Barbara Miller, CPA, CGA, CLGM

Chief Administrative Officer
Barbara Miller serves as the Chief Administrative Officer (CAO) for the Town of Peace River. She is Council’s only employee, charged with overseeing the entire organization. With a strong background in municipal management, finance, and community development, she leads with vision and dedication. Her focus on fostering sustainable growth and service excellence ensures continued improvement in the quality of life for all residents.

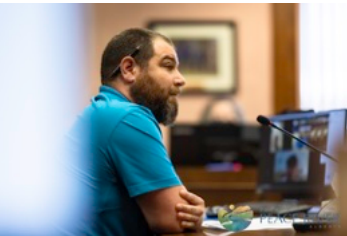


Samuel Mugford, CPA, CA

Director of Corporate Services
Samuel Mugford is the Director of Corporate Services, responsible for finance, human resources, IT, and risk management. With a sharp eye for cost savings and efficiency, his work supports long-term financial sustainability while enhancing service delivery and maintaining a stable cost of living.

Pat Fisher, P.Eng.

Director of Infrastructure and Development
Pat Fisher brings extensive experience in municipal operations and construction management. A registered professional engineer, he oversees key infrastructure, including roads, water, wastewater, and public works. His emphasis on long-term infrastructure planning and sound asset management strengthens the Town’s ability to maintain safe, efficient public systems.



Tanya Bell

Director of Community Services
Tanya Bell leads the Town’s Community Services department, managing recreational programs, cultural initiatives, and social supports. Through her work, she fosters a healthy, inclusive, and active community. Her leadership continues to enhance the day-to-day lives of residents and build a stronger, more connected Peace River.

Winter 2024

In the heart of winter, Peace River moved forward.

Council stepped up to support the Women's Shelter with emergency funding, helping restore a safe space for women and children during a time of need.

On the ground, public works crews worked through snowstorms and freezing temperatures to keep roads clear and sidewalks safe. Inside our recreation and facility spaces, staff continued to offer warm places to gather, swim, and stay active while the wind howled outside.

Behind the scenes, planning began for the year ahead, from long-range budget modelling to community grant programs and infrastructure upgrades. Each step aimed to set the stage for a stronger, more connected Peace River.

While the days were cold and quiet, the work was steady, and the commitment to community never paused.

Shelter, Safety, & Snow Days

Fire Department Performs Evacuation Exercise

We gave a massive shoutout to the Peace River Fire Department for conducting a very successful town evacuation exercise, and a thank-you to all our amazing residents who took part back in March.

The PRFD executed a full Training Evacuation Exercise, going door-to-door in an portion of the Lower West Peace area, interacting with residents as if it were a real emergency evacuation.

The department then reviewed considerations such as how long it took to complete evacuation in the area, identify any communication issues, and other pieces that will ensure our community is safe in the event that a major disaster occurs.

Taking on this sort of proactive training is so important for our firefighters to be prepared to get the job done should a real emergency take place.

Introducing a Camping Bylaw

In March 2024, Council gave first reading to a new bylaw aimed at addressing unauthorized camping on Town property. The bylaw was then passed in full in April.

The bylaw was introduced in response to a noticeable increase in

encampments in public areas, including parks and green spaces, which raised safety concerns for both residents and Town staff.

Throughout the previous year, Town crews were required to dismantle several encampments, including one located in the water park and another at 12 Foot Davis Events Park. Without an existing bylaw in place, there was no legal authority to prohibit camping on municipal land.

The proposed bylaw, reviewed at multiple Governance and Priorities meetings and vetted by legal counsel, provided a framework for enforcement to allow RCMP and Peace Officers to assist in the safe removal of unauthorized camps from public spaces.



How Peace River came together in the heart of winter

Supporting the Women's Shelter

In January 2024, Council approved a \$20,000 grant to the Peace River Regional Women's Shelter to help address a serious black mold issue that was uncovered. The funding supported remediation work at the Emergency Shelter and contributed to furnace replacements to prevent future mold problems.

At the time, the Shelter had been forced to turn away 82 requests due to the facility closure.

Council also sent letters to the Minister of Children and Family Services and the local MLA, advocating for additional provincial funding to assist the Shelter.

Easter Egg-Stravaganza

We had a blast for Easter as more than 300 children joined in on the Town's Easter Egg-stravaganza hunt at Kinsmen Park.

Thanks to all those who took part in the many activities throughout the afternoon.

A Thank-You to Local Heroes

The Town of Peace River and the Peace River



Museum, Archives, and Mackenzie Centre extended their thanks to three local heroes in February.

On February 22, a small fire started on the platform of the historic NAR station. Luckily, the quick action of these heroes saved the building and kept the damage to a minimum.

We sent out a big thanks to Jaimie Gaudreau, Randilee Fisher, and a third good Samaritan, whose name was unfortunately missed in the commotion! These three stopped to call Emergency Services and put out the flames before they had a chance to spread.



If not for some quick thinking from local heroes, our historic NAR station may have seen its last day in February.

Family Day Celebration

Our annual Family Day celebration on February 19 brought more than 1,350 people together for winter fun at the Baytex Energy Centre. With skating, games, and hot chocolate, the event continues to be a highlight of the season for families in Peace River.



An aerial photograph of a small town, Peace River, nestled along a wide river. The town features a mix of residential and commercial buildings, with a prominent bridge crossing the river in the foreground. The background is dominated by rolling green hills under a bright, cloudy sky. The text is overlaid on the right side of the image.

Spring 2024

Spring in Peace River was a season of thoughtful progress.

The Peace River Municipal Library celebrated 90 years as a community hub, reminding us how long-lasting a good idea can be when it's nurtured with care.

At the same time, new ideas took shape, including a \$200,000 grant-funded project to develop wayfinding signage that will help residents and visitors better connect with everything the town has to offer.

The main entrance of Town Hall received long-overdue accessibility upgrades, opening the door wider, literally, for everyone in our community. Whether arriving with a stroller, a wheelchair, or a stack of permits, visitors came and went with more ease.

We also raised the Pride flag downtown and signed a four-year agreement with CUPE Local 898, reinforcing our commitment to inclusion, stability, and high-quality public services.

Each of these steps added up to real progress and helped position the Town for the work ahead.

Access, Celebration, and Connection

Peace River Municipal Library Turns 90

In April, the Peace River Municipal Library celebrated 90 years of service as a cornerstone of the community. The event brought together residents, volunteers, and local leaders for cake and commemoration. Founded in 1934 through the efforts of the Imperial Order Daughters of the Empire, the library has grown into a vital learning hub for all ages. “Ninety years is a great achievement,” said Mayor Elaine Manzer at the event. “It takes a lot of volunteers and good staff to have a library survive that long and continuously improve.”

Supporting Our Pride Community

Peace River officially recognized June 9 –15 as Pride Week with a flag raising at the downtown traffic circle, attended by Mayor Elaine Manzer and community members. The event marked the Town’s continued support for inclusivity and belonging.



Mayor Elaine Manzer joined to support the Peace River Pride Society’s request to raise a Pride flag at the roundabout downtown.

Spring brought milestones, meaningful upgrades, and community pride



Fire Chief Tim Harris runs through an emergency training exercise with senior staff and Council.

Funding a Wayfinding Project

The Town secured \$200,000 through Alberta’s Northern and Regional Economic Development grant program to develop a wayfinding signage plan.

The project, now in planning stages, will help residents and visitors navigate to major landmarks and destinations across Peace River.

“We have so much to offer in Peace River and this project will help make sure no one misses out,” said Tanya Bell, Director of Community Services.

Improving Town Office Accessibility

We were glad to announce that upgrades to the Town Hall entrance were completed in early 2024, including a new wheelchair ramp, widened doorway, and automatic doors.

The improvements make the office more accessible for seniors, parents with small children, and people with disabilities.

Funded in part by the federal Enabling Accessibility Fund, the project had already made a noticeable impact, as for the first time

in years, front desk staff no longer had to assist visitors entering the building.

Ratifying a New Collective Agreement

In June, the Town and CUPE Local 898 ratified a four-year collective agreement retroactive to January 2023.

The deal includes annual wage increases and supports long-term budget planning while recognizing the essential contributions of utilities, public works, and recreation staff.

“We are extremely happy to have reached a four-year agreement,” said CAO Barb Miller. “It ensures a fair agreement for our employees and ratepayers alike.”

Connecting Through Programs and Community Events

Held on April 12, the Parade of Programs brought together 145 attendees and 14 local organizations for a vibrant evening of community connection. Families signed up for youth activities, chatted with vendors, and got inspired by the range of programming available in Peace River.

Speaking of events, the Town of Peace River also joined the Peace River & District Chamber of Commerce spring trade show on April 15, providing information to residents and sharing the work of municipal staff (and giving out tons of swag). Our umbrellas were a hit.

Safety Training and Emergency Preparedness

The Town hosted a Director of Emergency Management training course on May 3, bringing together staff and regional partners to build

shared capacity in crisis response. This proactive training is part of our commitment to emergency preparedness and regional collaboration.

During Safety and Health Week from May 6–10, Town staff took part in a series of workplace safety courses, from bear awareness to WHMIS. The week concluded with a staff luncheon and presentations from Health and Safety Coordinator Mark Kelly and CAO Barb Miller, helping reinforce a culture of prevention that led to a 20% drop in WCB claims this year.



CAO Barb Miller speaks at the Safety and Health Week luncheon.



On May 3, Mayor Elaine Manzer toured the newly constructed École des Quatre-Vents before offering remarks at the school’s opening assembly. The impressive facility expands educational opportunities in Peace River and reflects a growing investment in youth and families. She’s seen here speaking to a young student before presenting.



Summer 2024

Summer in Peace River was about showing up for the community in real time.

In response to growing concerns about social disorder, Council launched a public safety pilot project with Apex Security. Officers patrolled throughout town, providing visibility, support, and peace of mind for residents and businesses. It was a significant investment, backed by ongoing feedback and a commitment to learn from the experience.

The Town also finalized the purchase of a new Town Hall building. The facility will replace the aging clocktower location and will finally offer residents a fully accessible space to engage with local government. The decision marked a practical step toward better service, especially during emergencies.

Throughout September, the fire department took the lead on education and training. Peace River hosted more than 60 firefighters for the 2024 Northern HEAT Conference, while also joining a national campaign to remind residents about the importance of working smoke alarms.

By the end of the season, the community paused to reflect. Events marking World Suicide Prevention Day and the National Day for Truth and Reconciliation brought people together to share space, show support, and remember what matters.

Preparedness in Practice



Firefighters from across the province gathered for training and connections during the Northern HEAT 2024 Conference.

Public Safety Pilot Project Launched

In July, the Town launched a three-month public safety pilot project with Apex Security to support the downtown core and wider community regarding social disorder and crime. The \$240,000 initiative included 24/7 patrols and direct support for businesses and residents.

“This pilot project is a testament to our dedication to improving public safety and supporting our downtown core,” said Mayor Elaine Manzer at the time.

Council committed to reviewing the project’s effectiveness following its conclusion in October, when a public safety survey polled residents on their feelings about the program – more on that in Fall.

From public safety to fire training, summer was a season of action and investment



The Peace River Fire Department marked Firefighters’ National Memorial Day in September.

New Town Hall Building Secured

After decades in the iconic but aging clocktower building, the Town of Peace River purchased a new facility to serve as its next Town Hall. The \$1.05 million building, located just a block away on Main Street, offers improved accessibility, more room for public service delivery, and the infrastructure to support a full Emergency Coordination Centre.

“Accessibility is a prerequisite for democracy,” said Mayor Manzer at the time.

Firefighter Conference and Public Awareness

Peace River hosted the 2024 Northern HEAT Fire Conference in September, welcoming more than 60 firefighters from across Alberta. Over four days, participants trained in live fire scenarios, rescue techniques, and leadership workshops delivered by experienced instructors from across North



Retiring Strong Creek Fire Chief Larry Spiller was honoured with a final ride in the PRFD ladder truck on July 5. A leader for over three decades, Spiller was recognized for his enduring contributions to regional fire service and mentorship of local firefighters.

America. The event reinforced Peace River’s role as a hub for northern fire training and emergency readiness.

Later in the month, the Peace River and County of Northern Lights Fire Departments joined the National Fire Protection Association’s campaign for Fire Prevention Week. The year’s theme was ‘Smoke alarms: Make them work for you,’ emphasizing the importance of maintaining working smoke alarms in every home.

“They are the first line of defense in a home fire,” said Fire Chief Tim Harris.

Moments of Reflection and Support

On September 11, community members gathered downtown for World Suicide Prevention Day. The event featured music, family activities, and booths from support organizations and sponsors. It served as a reminder of the importance of mental health and connection.

Later that month, the Town observed the National Day for Truth and Reconciliation, joining people across the country in remembering the children who never returned home from residential schools,

and honouring those who did.

Emergency Preparedness in Action

On June 4, Town Council and staff participated in a mock emergency exercise simulating a hazardous spill and evacuation. The exercise tested communication protocols, emergency declarations, and media response, helping sharpen our readiness for real-world scenarios.

Bringing Families Together

In its ninth year, the Teddy Bear Picnic returned in June with games, crafts, and entertainment for children and families. Hosted in partnership with local organizations, the event continues to grow as a favourite community tradition.

Recognizing Culture and Service

National Indigenous Peoples Day was marked on June 21 at the Peace River Municipal Library, where Mayor Manzer joined in celebrating with stew, bannock, drumming, and a showcase of Indigenous artwork. The event highlighted the cultural vibrancy and history of the region.



It wasn’t all serious (or maybe it was, if nothing is more serious than pizza), as Mayor Elaine Manzer helped welcome Panago Pizza back to town. And right next to our office!



Fall 2024

Fall brought some of the year's most difficult moments and most important decisions.

Two major apartment fires in Peace River's north end displaced dozens of residents and drew extended emergency response from our department. The Town opened reception centres to support those affected, while firefighters worked through the night to contain damage and protect surrounding units. No lives were lost, but the events served as a powerful reminder of the importance of readiness and mutual aid.

Public feedback played a central role this season. Nearly 500 residents responded to the Town's Public Safety Survey, offering clear views on concerns in the community and the future of the summer pilot program. While opinions were mixed, the survey helped shape how Council and Administration approached safety planning going forward.

Council also passed the 2025 municipal budget. It includes a sub-2 percent tax increase and a restructured utility rate model that aims to eliminate taxpayer subsidization and build stronger capital reserves.

Fall asked for difficult conversations and steady decisions. The work done in these months laid the foundation for 2025.

A Season of Response and Resolution

Major Apartment Fires Displace Residents

The Peace River Fire Department responded to two significant apartment fires in the fall. The first occurred on October 30 in the north end of town. Fifteen firefighters from Peace River, Weberville, and St. Isidore brought the blaze under control within two hours, staying on scene for nine hours to mop up hotspots and ventilate the building. Although no injuries were reported, several units sustained fire, smoke, and water damage. A reception centre was set up at the Baytex Energy Centre to support displaced residents.



Mayor Elaine Manzer gathers for a photo during National Indigenous Veterans Day.

The second fire took place on November 28, also in the north end. Due to heavy damage and limited access, a portion of the building had to be demolished to allow crews to safely extinguish the fire. Firefighters remained on scene until early the next morning. No injuries were reported. The Town again activated a reception centre, and neighbouring departments provided mutual aid. The Town extended its thanks to all emergency responders and its thoughts to those affected.

Honouring Veterans

On November 8, the Town marked National Indigenous Veterans Day with a ceremony attended by Mayor Manzer, recognizing the sacrifices and service of Indigenous members of the armed forces.

The Town also participated in Remembrance Day on November 11 at TA Norris Middle School. Community members gathered to honour the memory of those who served.

Promoting Wellness

Glenmary School hosted the 2A Boys Volleyball Provincials on November 21, and Mayor Manzer welcomed teams to Peace River at the kickoff. The tournament brought players, parents, and volunteers together for a weekend of sportsmanship and community pride.

The Town's Seniors Health and Wellness Fair took place November 22, offering resources, services, and social connection for older adults. All the great vendors, staff, and attendees made the afternoon a success.

Public Safety Survey Results Shared

In November, the Town released the results of its Public Safety Survey, regarding the Apex Security pilot project and community discussion on public safety. The survey received 493 responses. Although most respondents did not contact Apex Security during the summer

Public safety, budget priorities, and infrastructure decisions defined the fall season



CAO Barb Miller receives a gift in thanks from the Peace River Rotaract Society.

pilot project, a large number expressed concerns about safety in public spaces. Feedback highlighted areas of focus including the riverbank, pedestrian bridge, and downtown core.

Half of respondents indicated support for continuing a safety program, though many called for changes to its structure. A strong majority opposed continued funding through higher taxes. The feedback helped inform future decisions around public safety and resource allocation.

Health Engagement

As part of a Rural Health Professions Action Plan event on September 21, medical students visited Peace River for training and tours. The day included hospital-based learning and a community showcase, part of the Town's ongoing effort to recruit and retain healthcare professionals.

On October 3, the Town joined the Prenatal Expo hosted by the Peace Region Family Resource Network. The event connected expectant parents with local supports and resources to prepare for the arrival of new family members.

Research and Public Safety

Mayor Manzer and Deputy Mayor Shannon participated in a major announcement at the Centre for Boreal Research on October 11, where ConocoPhillips and NAIT celebrated a \$1.5 million, 10-year investment in forest reclamation research. The renamed greenhouse will support land stewardship in the Peace region.

The Fire Hall Open House on October 12 wrapped up Fire Prevention Week with family fun, truck tours, and safety demonstrations. The event gave children and parents an inside look at emergency response.

Holiday Spirit and Inclusive Skating

Light Up the Park to cap off November and the Santa Claus Parade soon after transformed downtown Peace River into a celebration of lights, community, and holiday cheer. Families turned out in large numbers to enjoy the seasonal festivities.

The final Wheels on Ice session of the year rolled out on December 16, with continued support from the North Peace Navigators. The inclusive skating program closed 2024 with smiles, thanks to the athletes and volunteers who helped it thrive.

Council Approves 2025 Budget

In December, Council passed the 2025 municipal budget, prioritizing taxpayer fairness, sustainability, and investment in essential infrastructure. The operating budget reflected a sub-2 percent municipal tax increase, with continued separation of utility fees from general taxation to create a more equitable system. This change begins a multi-year shift to eliminate utility subsidization by taxpayers.

Council also passed the Utility Rates Bylaw for 2025. Utility rates will increase by approximately 10 percent, with future Councils to determine rates in the years ahead. After significant debate and public engagement, this move was intended to better fund capital reserves and align utility costs more closely with actual usage and infrastructure needs.

Key projects in the \$12.85 million capital plan include upgrades to the Peace Regional Pool, new wayfinding signage, sidewalk and road improvements, and the first phase of Town Hall renovations. The budget also funds emergency response infrastructure, stormwater repairs, and wastewater treatment plant upgrades. Full budget details are available at [peaceriver.ca](https://www.peaceriver.ca).

2025 Budget Details

Tax Supported Budget: \$24,502,380
Utility Supported Budget: \$8,648,890
Municipal Requisition Increase: 2%
Water Rates: 9.8% increase on average
Wastewater Rates: 10.1% increase on average

2025 Capital Projects

Peace Regional Pool: \$1.67 million for hot tub and other upgrades
Wayfinding Plan: \$400,000
Fire Department Light Rescue Truck: \$275,000
Town Hall Renovations: \$1.25 million
Pats Creek Instrumentation and Dam Control: \$906,400
Mainstreet Sidewalk Replacement: \$705,000
2025 Paving and Overlay: \$750,000
101 Street Reconstruction: \$1.1 million
90 Street Stormwater and Culvert Repair: \$670,000
Wastewater Treatment Plant Upgrades: \$3 million

Light up
the park
2024



Top to bottom: Crowds of athletes gather and await the start of the 2A Boys Volleyball Provincials at Glenmary School. Participants in Wheels on Ice, featuring North Peace Navigators players, enjoy their time. And the community stays warm and festive during Light Up the Park 2024.

2024 Financial Summary

The Town of Peace River ended 2024 in a strong financial position, with total operating revenues of just over \$34 million and operating expenses totaling approximately \$31.2 million. These figures reflect the audited actuals for the year and demonstrate the Town’s continued commitment to sound financial management.

Most of the Town’s revenue came from user fees and sales of goods, followed by municipal property taxes and government operating grants. On the expense side, the largest investments were made in utilities, transportation services, recreation and culture, and protective services. Personnel costs remained the largest single expense by object, followed by contracted services and amortization of capital assets.

The Town continues to align spending with long-term planning goals, ensuring that core services are delivered effectively while preparing for future capital investment needs. These financial results provide a stable foundation for ongoing improvements and strategic growth across the municipality.

\$34,024,203
TOTAL OPERATING REVENUE

\$31,246,556
TOTAL OPERATING EXPENSES

REVENUE BREAKDOWN BY FUNCTION:

\$12,894,525
User fees and sales of goods

\$12,411,440
Net municipal taxes

\$4,474,781
Government transfers for operating

\$1,869,965
Franchise fees and concession contracts

\$788,695
Investment income

\$653,055
Other

\$378,168
Rentals

\$374,176
Penalties on taxes

\$179,398
Development levies

EXPENSES BREAKDOWN BY FUNCTION:

\$3,963,241
Council and Administration

\$4,227,144
Protective Services

\$444,061
Planning and Development

\$1,048,232
Public Health Services

\$6,249,542
Transportation Services

\$8,898,490
Utilities

\$6,304,846
Recreation and Culture

Audited actuals for revenue and expenses

EXPENSES BREAKDOWN BY OBJECT:

\$9,869,266
Salaries, wages, and benefits

\$7,648,791
Contracted and general services

\$6,889,885
Amortization of tangible capital assets

\$4,602,647
Materials, goods, supplies, and utilities

\$1,126,894
Other

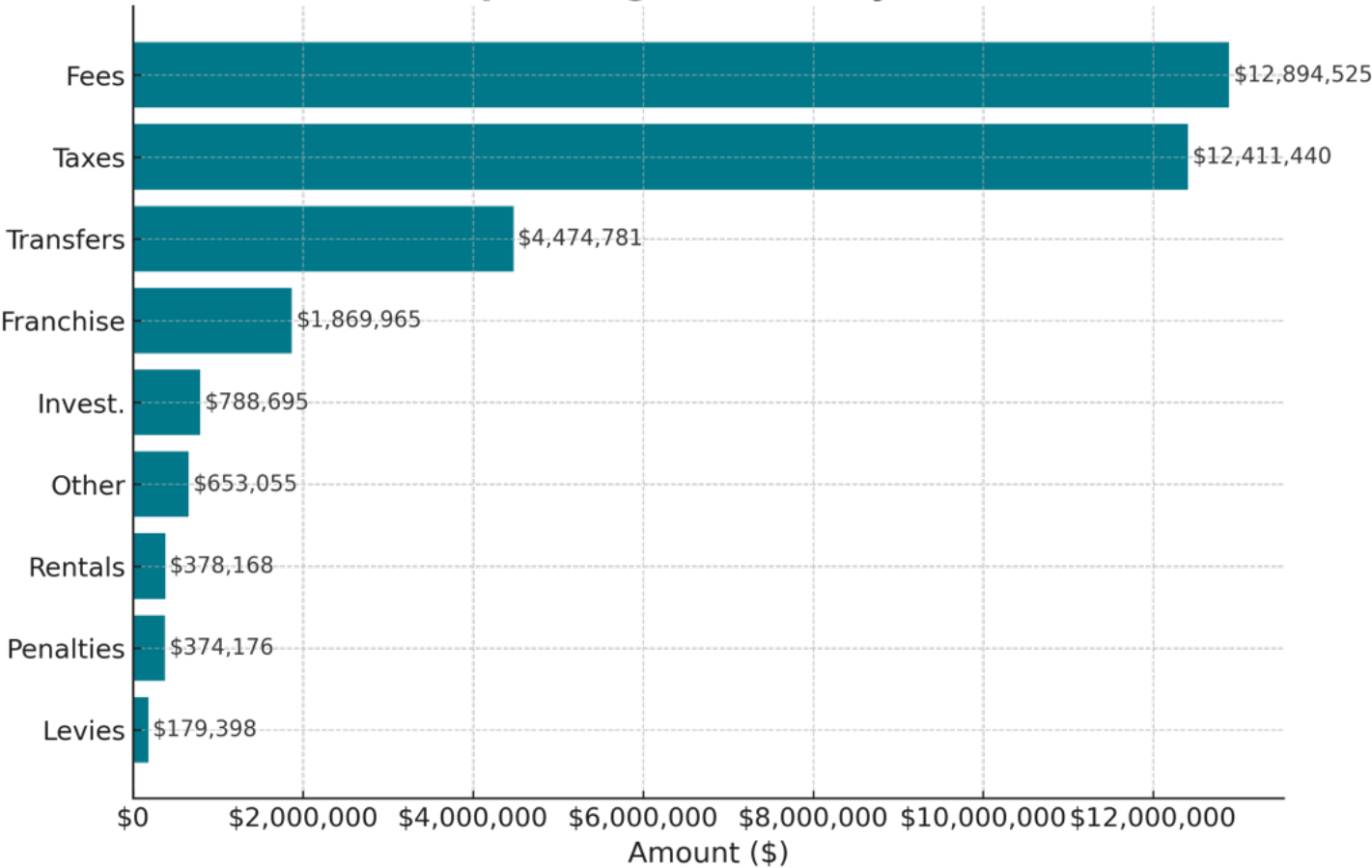
\$727,481
Interest on long-term debt and obligations under capital leases

\$221,492
Transfers to local boards and organizations

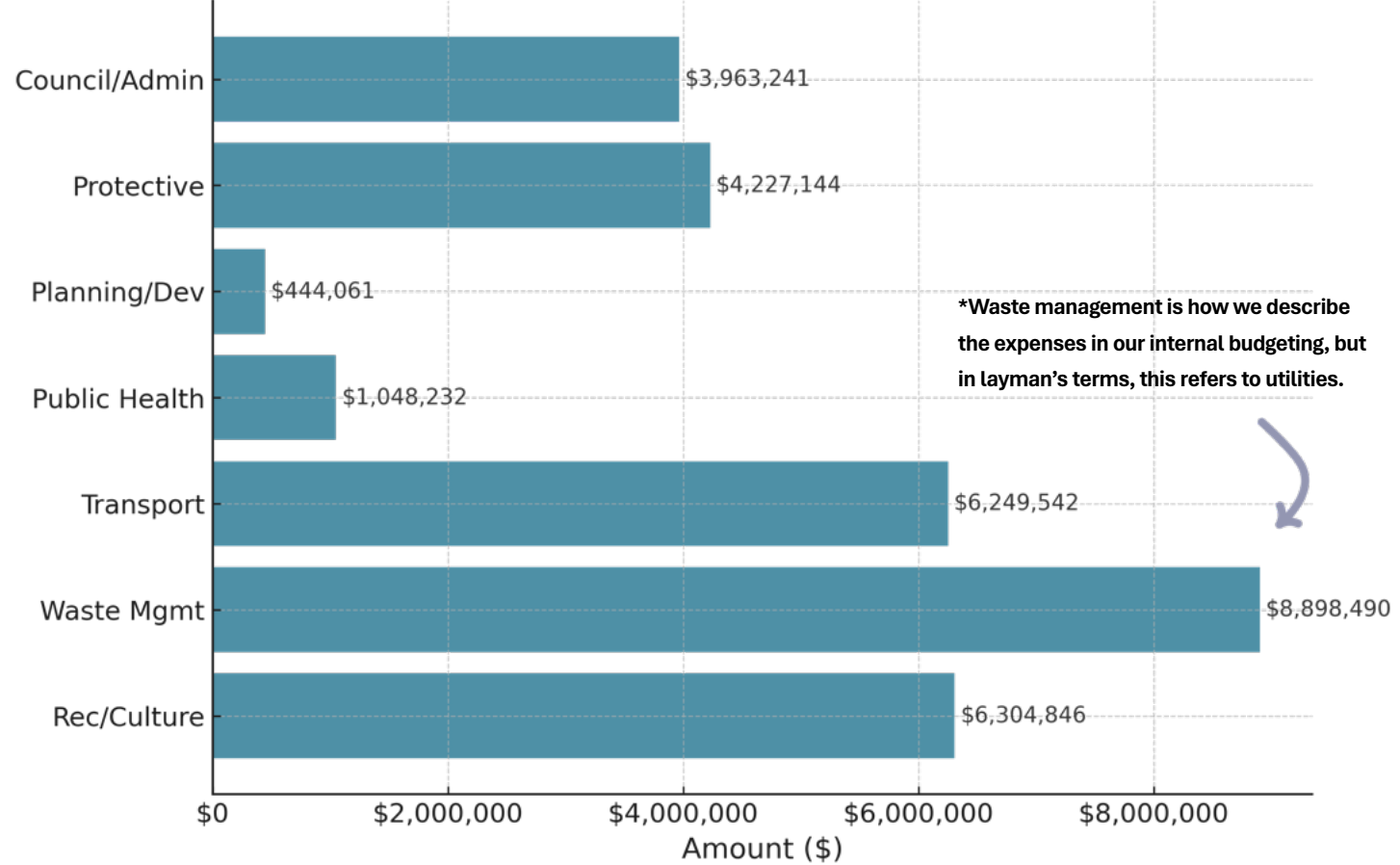
\$152,776
Accretion expense

\$7,324
Transfers to other governments

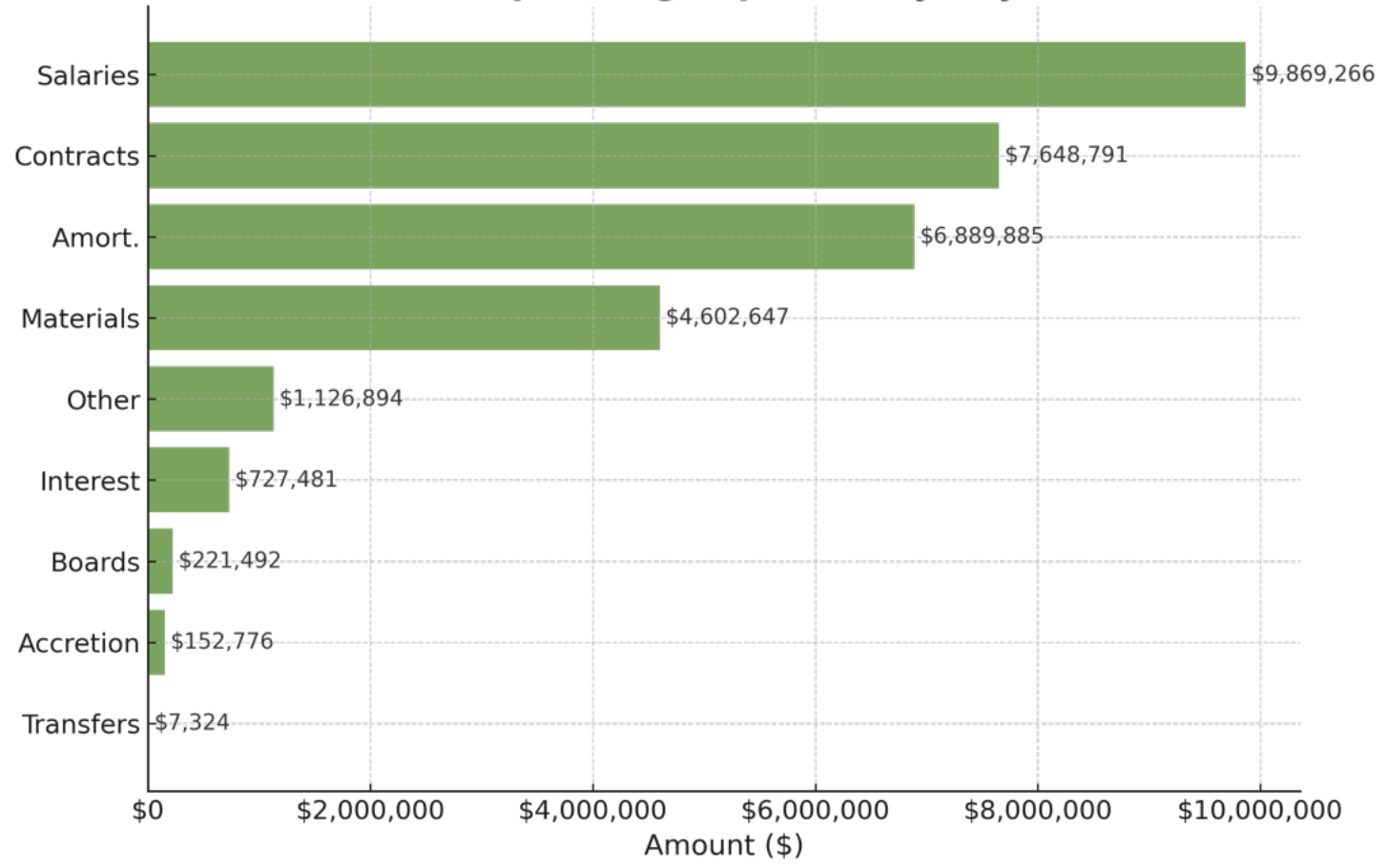
2024 Operating Revenue by Function



2024 Operating Expenses by Function



2024 Operating Expenses by Object



We've been working hard behind the scenes to reduce debt and increase our surpluses. Over the last few years, we're proud to have shored up a significant chunk of the Town's finances. With our utility rate changes to better fund services and infrastructure, we look forward to further responsible management of the community's assets.

Development and Building Permits

64
Development Permits Issued

43
Building Permits Issued

Notable Permits in 2024:

- Dollarama
- Addition to Absolute Hydraulics (Construction expected in 2025)
- Child Care Facility (Renovations ongoing in 2025)

Change of Use and Occupancy for various businesses, including:

- Daisy Dao Nails
- Vape Store
- The Install Shop
- Demolitions:**
- Old École Quatre-Vents
- Old SPCA
- Fire-damaged properties

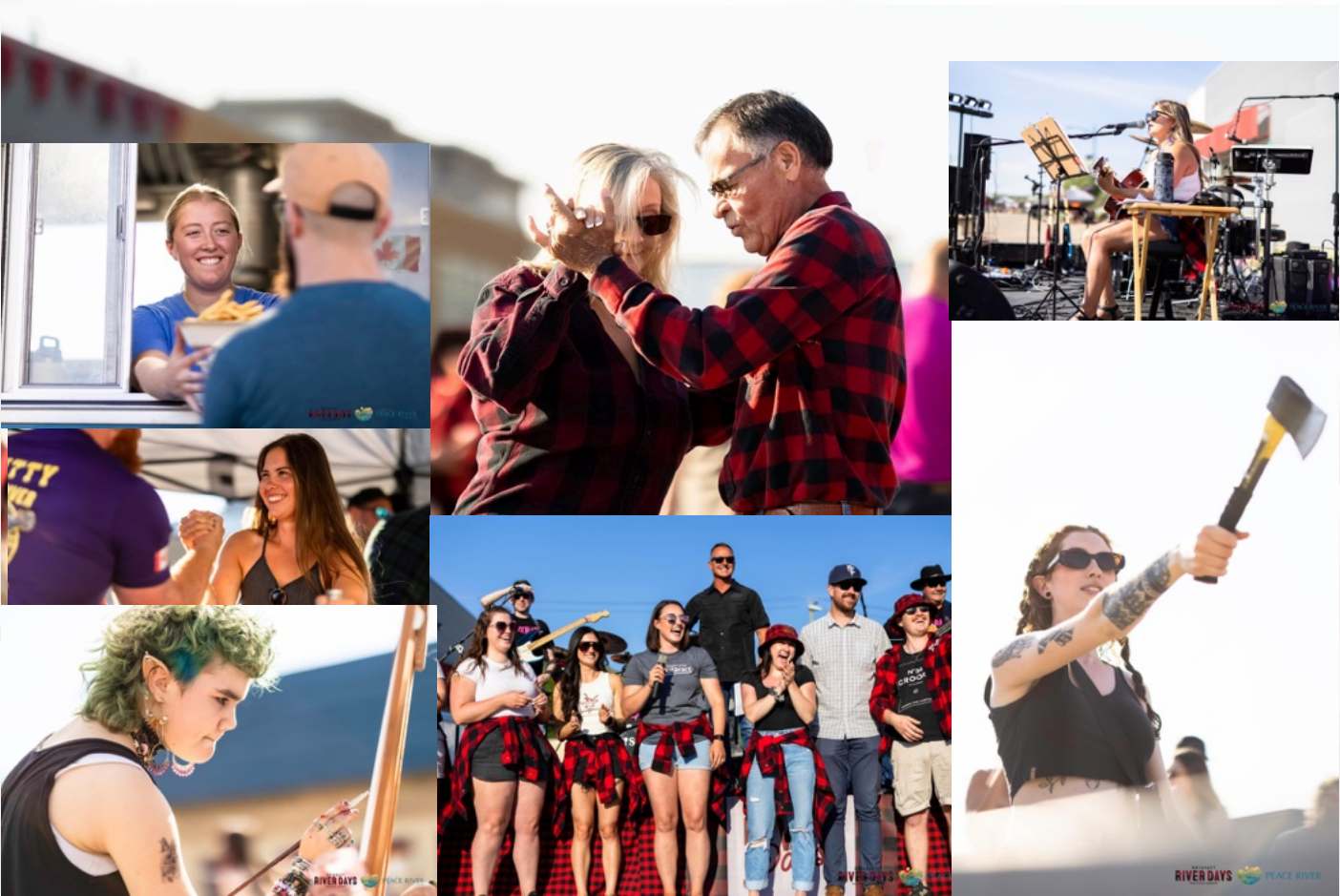
Supporting Our Community Through Grants

Each year, the Town of Peace River provides financial support to local organizations, entrepreneurs, and service providers through a range of grant programs.

Three main grant programs exist: Council Grants to Organizations, Family and Community Support Services Grants, and the Business Grant Program.

In different ways, these investments help strengthen our economy, enhance quality of life, and support grassroots initiatives across the region.

We're proud to partner with the community and see dreams come to life.



Peace River Rotaract's River Days event was one grant we were proud to support. The festival brought the community together and visitors to town, easily demanding a repeat in the following year.

Investing in local businesses, non-profits, and community programs

Council Grants to Organizations

Council approves direct financial support to local groups and organizations working in arts, education, sports, and community development.

Peace River Rotaract – \$8,770

Peace River Minor Football – \$5,000

Underground Music Society – \$600

Conseil scolaire du Nord-Ouest – École des Quatre-Vents – \$1,200

Peace River Boating Association – \$10,000

Peace Country Rugby Club – \$5,000

Glenmary School – \$1,000

North Peace Performing Arts Festival Association – \$2,000

Peace River Art Club – \$6,000

Peace River Curling Club – \$2,500

Family and Community Support Services (FCSS) Grants

FCSS Grants support social services and wellness-focused programming.

Northern Association for Fetal Alcohol Spectrum Disorder – \$3,108

North Peace Society for the Prevention of Domestic Violence: Stepping Up – \$1,560

Peace Association for Life Long Learning – Vision Learning Centre – \$7,500

Peace River Child Care Association – \$7,500

Peace Regional Outreach Student and Daycare Support Society – \$11,250

Sagitawa Friendship Society – Ground Level Youth Centre – \$9,750

Business Grants Program

The Business Grants Program offers support for revitalization and tourism-related improvements that contribute to the long-term vibrancy of Peace River’s commercial landscape.

Peace River Adventures – Tourism Enhancement Grant – \$5,000

Peace Pipe Cannabis Co. – Business Revitalization Grant – \$4,956

Peace Sign & Graphics – Business Revitalization Grant – \$5,000

Holtby Holdings – Business Revitalization Grant – \$8,994

RT Grading – Business Revitalization Grant – \$5,000

Peace Valley Dental – Business Revitalization Grant – \$4,173

Together, these grants reflect the Town’s ongoing commitment to building a resilient, connected, and thriving home. By empowering local leadership and supporting community-driven efforts, we continue to invest in the people and places that make this town home.



Ryan and Vic Johnson are the father-son pair behind Valley Printers and Signs, who accessed a business grant to improve site security.



Tyrell Kehler and Medrey Bond used a Tourism Enhancement Grant to get space on provincial signage at the entrances to town.

Two Local Success Stories

From signs to suds, two Peace River businesses found new ways to grow with support from the Town’s Business Grant Program.

Valley Printers and Signs has been a mainstay in the community for over 100 years, dating back to its founding in 1914 with the first printing press in town. Vic Johnson started there in the early '90s after persistently pursuing a job as a pressman, showing up each morning until he was finally hired. He rose through the ranks and eventually bought the business, which he now runs with his son Ryan.

"It gets in your blood," said Vic.

Last year, Valley Printers and Signs received grant funding to fence off two lots beside the main building, improving site security.

“The Town worked with us and gave us all the information we needed,” said Ryan. “Especially for other people who might be struggling to do renovations, if they’re able to use that business

grant program, that's perfect.”

At Peace River Brewing, founders Medrey Bond and Tyrell Kehler credit their success to one thing: community.

"Everyone that we've collaborated with, everyone who's ever supported us, even if just one time – that goes a long way for a small business,” said Medrey.

The brewery used a Tourism Enhancement Grant to get placement on provincial highway signage on both ends of town, giving them prime advertising real estate.

“Things are becoming more and more streamlined at the Town,” said Tyrell, “and (the Tourism Enhancement Grant) was a great example of that.”

Both businesses reflect the spirit of Peace River. The Town is proud to be a small part of helping local entrepreneurs thrive.

(Note, these success stories are from the 2023 grant intake.)

People Who Make Us Great

In 2024, we profiled a selection of staff whose dedication, character, and care shaped daily life in Peace River. Their stories offer a glimpse behind the scenes of municipal operations and community services.



Ryan Coote – Machine Operator II

In spring 2024, Machine Operator II Ryan Coote helped lead the early launch of street sweeping operations following a heavy winter. He operated one of the Town’s Elgin sweepers and trained new staff on safe and effective use of the equipment.

“As my mom said, I never grew up – my toys just got bigger,” he said.

Ryan’s role spanned winter plowing, parking lot cleanup, and downtown maintenance. Whether clearing roads or prepping for another round of snow, he was one of the many skilled hands behind our streets' day-to-day care.

Highlights from the team that keeps the Town running



Mark Kelly – Health and Safety Coordinator

Mark Kelly joined the Town in 2023 and by 2024 had led significant improvements in safety culture. He organized staff training across departments, oversaw Safety and Health Week, and helped reduce WCB claims by 20%.

“Because nobody should be injured or killed at work,” said Mark on his mission.

“Nobody should get killed trying to make the almighty dollar to bring home to the family.”

With a background in military medicine and mine safety inspections in Nunavut and the NWT, Mark brought serious credibility to the role, and a deep belief that every worker deserves to go home safely.

Lynden Waites – Public Works Lead Hand

Lynden was profiled during National Public Works Week in 2024, highlighting his six years with the Town and decades in the community. Whether handling signage, snowplowing, or catch basin issues, he kept a calm hand and a packed schedule.

“She's good for morale,” he said of his dog Karma, who occasionally joined him in the grader, dressed in a safety vest.

Originally from the Stony Plain area, Lynden moved to Peace River in 1989 and never looked back, raising a family and working on a 160-acre ranch when he’s not keeping the Town’s infrastructure running.





Frank Papp – Machine Operator I

Frank joined the Town in early 2024 and quickly found a new rhythm after years in oil and gas. His work included water and sewer maintenance, oil changes, and hands-on repair tasks across departments.

An avid mountain biker, Frank often rode to work or snuck in a quick trail lap at lunch. He said the

valley reminded him of Vancouver Island, where he grew up before moving to Peace River in 2006.

Kayla Parsons – Legislative Services Coordinator

Kayla earned her Certified Local Government Manager designation in 2024 after returning to her home in the Peace Region previously. She had worked in Edson and Cochrane, bringing a strong legislative background to the Town.

“This is where I grew up, where my family is, and there just happened to be a job opening,” she said of how she came here.

As Legislative Services Coordinator, Kayla supports Council, coordinates meetings, and helps keep the Town’s bylaws and governance systems running smoothly. Her long-term goal: become a CAO herself.



Susan Martineau – Development Officer (Retired)



After 27 years with the Town of Peace River, Susan retired in 2024 from her role as Development Officer. Over the years, she had held nearly every office position available, from payroll clerk to planning.

“It’s just time to get on to my next steps in life,” she said. “Spend more time with family, grandkids, projects I’ve put off.”

Susan was a go-to resource for questions, always willing to help with a smile, a candy, or a plant clipping.

Micheal Austin – Seasonal Bylaw Officer



Micheal joined the Town in 2024 as a Seasonal Bylaw Officer. Originally from Jamaica, he had lived in northern Alberta since 2017 and brought experience in security and community service.

“It’s in the interest of maintaining the standards of the community and improving it,” he said of his role.

Focused on unsightly premises, parking violations, and related enforcement, Micheal helped maintain the look and function of

Peace River’s streets and properties during a busy season.

Taylor Bak – Recreation Programmer

Taylor was nominated in 2024 for an Inclusive Community Award for her work launching “Wheels on Ice” and “Wheels in the Park”, programs that opened up recreation for individuals with disabilities.

“She identified a need in programming and actioned it,” said Tanya Bell, Director of Community Services.

Taylor’s caring nature and commitment to accessibility made her a standout in recreation, where she continued to develop inclusive, engaging events that brought joy to hundreds of participants.



These are just a few of the stories from our team this year. Together, they remind us that behind every service, program, and piece of infrastructure, there are people who care deeply about the Town of Peace River and the work they do – people who call Peace River home too.

The Place to Swim

A Welcoming Space for Learning, Safety, and Community Wellness

The Peace Regional Pool remained a vibrant and essential gathering place in 2024, offering year-round recreation, skill-building, and connection for residents of all ages. Whether it was the laughter of children mastering their first strokes, the focus of teens training for lifeguard certification, or the daily visits from regular lap swimmers and aquafit groups, the pool was filled with activity and community spirit.

Thanks to our dedicated staff, the facility continues to deliver high-quality programming in a safe, welcoming environment. From structured lessons to casual swims, the calendar was full of opportunities to stay active and connected. We are proud to offer one of the region’s most well-used public facilities — and we’re always working to meet the evolving needs of our users.

In 2024, that included piloting new programming and highlighting public safety in and around the water.

Expanding Acces: SwimAbilities

The Peace Regional Pool piloted SwimAbilities, a new program designed to support swimmers with special needs or those who require extra support in the water. The program helped fill a gap left by the discontinuation of the Red Cross equivalent several years ago, and its first year showed strong promise.

SwimAbilities was introduced during school swim lessons in October and November. Schools including Springfield, Good Shepherd, École des Quatre-Vents, TA Norris, Peace High, Glenmary, and Grimshaw Public collaborated to share lessons, form appropriate swim groups, and reduce overall program costs.

All students participating in SwimAbilities were supported one-on-one by an aide or caregiver, a detail that required close coordination and deep commitment from families, school staff, and pool personnel alike.

The result was a safe, successful launch that opened the doors to more inclusive programming in aquatics. The Town is proud of this step toward greater accessibility and looks forward to building on the momentum in future years.



Classes at the Peace Regional Pool teach swimmers of all abilities while promoting health and fitness.



We’re passionate about maintaining a friendly and welcoming atmosphere at the Peace Regional Pool – and our staff are trained with your safety in mind.

National Drowning Prevention Week

In recognition of National Drowning Prevention Week, we featured some of the dedicated staff at the Peace Regional Pool. These are the instructors, coordinators, and reception staff who make water safety their mission year-round. They help build confidence, skill, and fun in every swim.



Jaimie Gaudreau – Aquatics Coordinator

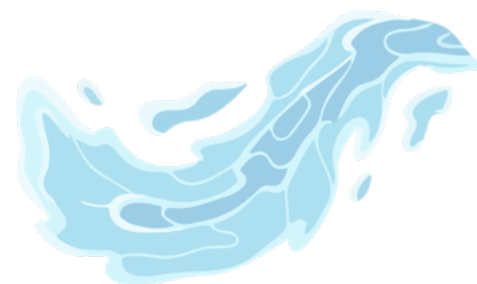
Jaimie has worked at the Peace Regional Pool since 2013, and her aquatics resume is unmatched. She's a Swim Instructor Trainer, First Aid Instructor, Lifesaving Instructor, and one of only two National Trainers with the Lifesaving Society north of Edmonton. Jaimie loves mentoring young adults and watching them grow into strong leaders — both in and out of the water.

Hayley Haggett – Receptionist

Hayley has been at the pool since 2021, but she's been in the water much longer. A lifelong local, she grew up swimming at the Peace Regional Pool and now greets swimmers with a smile at the front desk. Outside of work, she enjoys crocheting and staying creative.

Samantha Monette – L3 Lifeguard/Instructor Supervisor

Sam joined the team in 2021 and recently moved into a supervisor role. She holds SwimAbilities certification and helps lead both the Wahoos and Porpoises swim clubs. Her favourite part of the job? Seeing kids beam with pride when they master new skills.



Keeping Peace River safe in and around the water



Zach Hewko – Administrative Assistant

Zach started at the pool in 2017 and now supports the full operation behind the scenes. After finishing university, he returned full-time to help ensure things run smoothly. He's known for his bright attitude, his long hair, and his love of fishing and 3D printing.

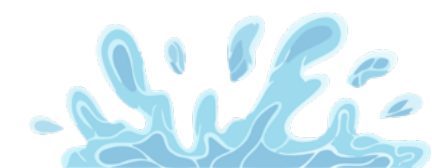
Coralie – L4 Lifeguard/Instructor Supervisor

With over 18 years in aquatics, Coralie has been with the Peace Regional Pool since 2017. As a National Lifeguard Instructor and head coach of the Porpoises, she's passionate about helping kids succeed — especially when those tricky skills finally click.



Shelley – L1 Lifeguard/Instructor

Shelley returned to aquatics in 2011 after a career in DNA lab work, and she hasn't looked back. She teaches nearly every course offered at the pool and brings creativity to the job with handmade crafts and a deep love for water safety. Her trusty sidekick, shark-dog Tucker, is a familiar sight around the facility.



Where the Past Meets Creativity

Showcasing art, tradition, and community connections at the museum



The Peace River Museum continued to shine as a hub of culture, creativity, and community engagement throughout 2024.

In July, the museum proudly hosted the Tale of a Fish Scale art exhibit, a travelling showcase courtesy of the Art Gallery of Grande Prairie and the Alberta Foundation for the Arts. The exhibit explored traditional Indigenous craft and storytelling through intricate fish scale art. As part of the experience, the museum welcomed Pearl, an Indigenous artist, who led a hands-on workshop. Attendees had the opportunity to learn about this unique artform and create their own works using locally sourced fish scales — a special connection to the land and culture of the north.



Then in December, the museum embraced holiday cheer with its fifth annual Gingerbread Decorating Contest. Local organizations took part in crafting elaborate gingerbread displays, with the public voting online to determine the winner. The Peace Regional Pool's imaginative entry took first place, featuring a poem that captured the winter spirit and the warmth of their workplace:

“Winter outside the pool isn’t always so bright,
So the lifeguards sought a place with warm sunlight
Oh, Peace Regional Pool, you’re still number one,
But lifeguards just wanna have sun!”

Through exhibits, workshops, and seasonal fun, the museum once again brought our community together to celebrate history, art, and imagination.



Around this page are just a few of the many interesting activities taking place at the museum throughout the year.



Supporting Families, Building Community



Town of Peace River staff enjoying the April Parade of Programs.

Peace River's Family and Community Support Services (FCSS) delivered a wide range of programming in 2024, focused on helping people connect, learn, and grow. From skill-building sessions and educational workshops to recognition events and partnerships, FCSS supported families and youth in meaningful, practical ways throughout the year.

Parade of Programs

Held in the spring (April 10) and fall (September 10), Parade of Programs brought together local organizations, clubs, and service providers to showcase the many activities and supports available in Peace River. Residents browsed booths, asked questions, and signed up for everything from sports to support services.

Spring event: 15 groups, 145 attendees

Fall event: 25 groups, 175 attendees

Active Bystander Training

Delivered on March 21 — the International Day

for the Elimination of Racial Discrimination — and again in May, Active Bystander Training equipped participants with the tools to safely respond to harassment, bullying, and discrimination. Seven people attended the March session and five more in May.

Home Alone

Two Home Alone sessions were offered in 2024, serving 30 children across weekend classes. With growing interest and waitlists, FCSS is expanding the program in 2025. In partnership with Project Peace, school staff will be trained to deliver the course directly to students in grades 5 to 7.

Creating a Culture of Respect for Gender and Sexual Diversity

This online workshop, held May 2 in collaboration with Peace Pride Society and the Centre for Sexuality, explored the differences between sex, gender, and sexual orientation, and the impacts of homophobia, biphobia, and transphobia. Twenty-six participants took part in what was described as a thoughtful and engaging session.

Food Safe

In May, 24 residents completed Food Safe training led by an AHS-certified instructor. The course focused on kitchen safety, proper food storage, hygiene practices, and preventing cross-contamination.

National Volunteer Week Recognition

FCSS partnered with the Art Hub to host a

Highlights from Peace River FCSS



Mayor Elaine Manzer attends and speaks at World Suicide Prevention Day.

volunteer celebration during National Volunteer Week. Guests enjoyed music, snacks, gallery tours, and new art exhibits. The Town also ran volunteer recognition messages across its website, social media, radio, billboards, and posters to say thank you to those who give their time.

Poverty Simulation

Held October 22 at the Sagitawa Friendship Society, the Poverty Simulation brought 50 participants and 17 volunteers together for a powerful experience highlighting the challenges faced by people living in poverty. Feedback was overwhelmingly positive, with many encouraging future simulations in schools.

World Suicide Prevention Day Gathering

In collaboration with Northern Sunrise County and other partners, FCSS helped organize a community event at Riverfront Park. With music, food, life-promoting booths, and door prizes, the event created space for conversation, support, and connection.

ASIST Training & River of Life

Thanks to a \$5,000 donation from Mercer International Peace River, FCSS offered three suicide prevention courses in 2024:

ASIST: 12 participants

ASIST Tune-Up: 5 participants

River of Life: 7 participants

These courses equipped participants with skills to recognize and respond to signs of suicide and support others in crisis.

Newcomer Hub Collaboration

FCSS worked with the Municipal Library, Family Resource Network, and Vision Learning Centre to support newcomer inclusion. The group helped launch the Library's Newcomer Nexus and began developing a rack card to highlight local services and supports for new residents.

Safety ID Kits

Child Identification Kits were distributed at the Teddy Bear Picnic and a Peace Playland pop-up. These kits are useful tools for parents and guardians, helping ensure quick, coordinated responses if a child ever goes missing.

Staff Appreciation Day

Awards, golf, games in September as staff took a chance to breathe before the busy fall season



And from here, on to the financials....

TOWN OF PEACE RIVER
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024




MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. The responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.


In discharging its responsibility for the integrity and fairness of the consolidated financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded, and financial records are properly maintained to provide reliable information for the preparation of the consolidated financial statements.

The elected Mayor and Council of the Town of Peace River are composed entirely of individuals who are neither management nor employees of the Town. The Mayor and Council have the responsibility of meeting with management and the external auditors to discuss the internal controls over the financial reporting process, auditing matters, and financial reporting issues. The Mayor and Council are also responsible for the appointment of the Town's external auditors.

Metrix Group LLP, an independent firm of Chartered Professional Accountants, is appointed by Council to audit the consolidated financial statements and to report directly to them. The external auditors have full and free access to and meet periodically and separately with both the Mayor and Council and management to discuss their audit findings.



Barbara Miller, CPA, CGA, CLGM
Chief Administrative Officer



Sam Mugford, CPA, CA
Director of Corporate Services

April 28, 2025
Peace River, Alberta

INDEPENDENT AUDITORS' REPORT

To the Mayor and Council of the Town of Peace River

Qualified Opinion

We have audited the accompanying consolidated financial statements of the Town of Peace River (the Town), which comprise the consolidated statement of financial position as at December 31, 2024 and the consolidated statements of operations, change in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

Basis for Qualified Opinion

We did not observe the counting of physical inventories at the beginning of the year. We were unable to satisfy ourselves by alternative means concerning inventory quantities held at January 1, 2024. Since opening inventories enter into the determination of the financial performance and cash flows, we were unable to determine whether adjustments might have been necessary in respect of the surplus for the year reported and the net cash flows from operating activities reported in the statement of cash flows.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' 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 those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

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

Management is responsible for the preparation and fair presentation of these 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.

(continues)



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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control.
- Evaluate the appropriateness of accounting policies 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 auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' 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 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 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.

METRIX GROUP LLP

Chartered Professional Accountants

Edmonton, Alberta

April 28, 2025



TOWN OF PEACE RIVER
Consolidated Statement of Financial Position
As at December 31, 2024

	<u>2024</u>	<u>2023</u> (Restated) (Note 28)
FINANCIAL ASSETS		
Cash and temporary investments (Note 2)	\$ 16,150,554	\$ 11,755,413
Taxes and grants in place of taxes receivable (Note 3)	606,584	639,902
Trade and other receivables (Note 4)	7,659,853	6,649,466
Debt recoverable - local improvements	1,271,335	1,418,423
Land held for resale	42,789	41,868
Investments (Note 5)	<u>1,057,953</u>	<u>2,566,845</u>
	<u>26,789,068</u>	<u>23,071,917</u>
LIABILITIES		
Accounts payable and accrued liabilities (Note 6)	3,772,345	3,417,247
Deposit liabilities	54,267	54,937
Deferred revenue (Note 7)	3,585,692	3,781,652
Employee benefit obligations (Note 8)	236,027	253,707
Obligations under capital leases (Note 10)	269,469	980,753
Long-term debt (Note 11)	20,395,906	22,646,393
Asset retirement obligations (Note 12)	<u>3,466,928</u>	<u>3,254,404</u>
	<u>31,780,634</u>	<u>34,389,093</u>
NET FINANCIAL DEBT	<u>(4,991,566)</u>	<u>(11,317,176)</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	132,744,643	133,317,589
Inventory for consumption (Note 14)	1,184,844	1,116,118
Prepaid expenses	<u>208,957</u>	<u>167,504</u>
	<u>134,138,444</u>	<u>134,601,211</u>
ACCUMULATED SURPLUS (SCHEDULE 2, NOTE 15)	<u>\$129,146,878</u>	<u>\$123,284,035</u>

Commitments (Note 18)

Contingency (Note 22)

ON BEHALF OF COUNCIL:

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

TOWN OF PEACE RIVER

Consolidated Statement of Operations and Accumulated Surplus

For The Year Ended December 31, 2024

	<u>2024</u> (Budget) (Note 24)	<u>2024</u> (Actual)	<u>2023</u> (Restated) (Note 28)
REVENUE			
User fees and sales of goods <i>(Schedule 5)</i>	\$ 10,360,789	\$ 12,894,525	\$ 10,584,037
Net municipal taxes <i>(Schedule 3)</i>	12,457,970	12,411,440	12,288,186
Government transfers for operating <i>(Schedule 4)</i>	5,128,965	4,474,781	4,933,604
Franchise fees and concession contracts <i>(Note 13)</i>	1,887,060	1,869,965	1,727,177
Investment income	381,489	788,695	649,136
Other	380,001	653,055	950,940
Rentals	355,629	378,168	429,374
Penalties on taxes	426,000	374,176	354,032
Licenses and permits	189,050	179,398	165,296
Development levies	-	-	2,432
	<u>31,566,953</u>	<u>34,024,203</u>	<u>32,084,214</u>
EXPENSES			
Transportation services	7,282,830	6,249,542	6,564,836
Parks and recreation	5,470,810	5,338,932	4,882,565
Water supply and distribution	4,731,540	4,408,751	4,129,802
Protective services	4,471,450	4,227,144	4,445,464
Administration	3,198,740	3,606,304	2,835,260
Waste management	2,107,822	2,651,008	2,559,121
Wastewater treatment and disposal	2,020,650	1,838,731	1,802,787
Public health services	1,014,200	1,048,232	1,006,862
Culture	999,709	965,914	1,084,505
Planning and development	833,420	555,061	459,770
Council	426,170	356,937	311,667
	<u>32,557,341</u>	<u>31,246,556</u>	<u>30,082,639</u>
ANNUAL SURPLUS (DEFICIT) BEFORE OTHER INCOME	<u>(990,388)</u>	<u>2,777,647</u>	<u>2,001,575</u>
OTHER INCOME			
Government transfers for capital <i>(Schedule 4)</i>	-	3,085,196	2,484,259
Gain (loss) on disposal of tangible capital assets	-	-	(244,915)
	<u>-</u>	<u>3,085,196</u>	<u>2,239,344</u>
ANNUAL SURPLUS (DEFICIT)	<u>(990,388)</u>	<u>5,862,843</u>	<u>4,240,919</u>
ACCUMULATED SURPLUS, BEGINNING OF YEAR, AS PREVIOUSLY STATED	-	122,316,988	118,337,433
Restatement <i>(Note 28)</i>	-	967,047	705,683
ACCUMULATED SURPLUS, BEGINNING OF YEAR, AS RESTATED	<u>123,284,035</u>	<u>123,284,035</u>	<u>119,043,116</u>
ACCUMULATED SURPLUS, END OF YEAR (SCHEDULE 2, NOTE 15)	<u>\$ 122,293,647</u>	<u>\$ 129,146,878</u>	<u>\$ 123,284,035</u>

TOWN OF PEACE RIVER

Consolidated Statement of Change in Net Financial Debt

For The Year Ended December 31, 2024

	<u>2024</u> (Budget) (Note 24)	<u>2024</u> (Actual)	<u>2023</u> (Restated) (Note 28)
ANNUAL SURPLUS	\$ <u>(990,388)</u>	\$ <u>5,862,843</u>	\$ <u>4,240,919</u>
Acquisition of tangible capital assets	(6,698,943)	(6,379,612)	(4,943,758)
Write down of tangible capital assets	-	62,673	-
Proceeds on disposal of tangible capital assets	-	-	43,253
Amortization of tangible capital assets	6,578,630	6,889,885	6,521,588
Loss (gain) on disposal of tangible capital assets	<u>-</u>	<u>-</u>	<u>244,915</u>
	<u>(120,313)</u>	<u>572,946</u>	<u>1,865,998</u>
Net change in prepaid expenses	-	(41,453)	(46,046)
Net change in inventory for consumption	<u>-</u>	<u>(68,726)</u>	<u>(319,225)</u>
	<u>-</u>	<u>(110,179)</u>	<u>(365,271)</u>
DECREASE IN NET FINANCIAL DEBT	(1,110,701)	6,325,610	5,741,646
NET FINANCIAL DEBT, BEGINNING OF YEAR	<u>(11,317,176)</u>	<u>(11,317,176)</u>	<u>(17,058,822)</u>
NET FINANCIAL DEBT, END OF YEAR	\$ <u>(12,427,877)</u>	\$ <u>(4,991,566)</u>	\$ <u>(11,317,176)</u>

TOWN OF PEACE RIVER
Consolidated Statement of Cash Flows
For The Year Ended December 31, 2024

	<u>2024</u>	<u>2023</u> (Restated) (Note 28)
OPERATING ACTIVITIES		
Cash from operations:		
Annual surplus	\$ 5,862,843	\$ 4,240,919
Non-cash items included in annual surplus:		
Amortization of tangible capital assets	6,889,885	6,521,588
Write down of tangible capital assets	62,673	-
Loss (gain) on disposal of tangible capital assets	-	244,915
Revision in estimates of asset retirement obligations	59,748	-
Asset retirement obligation accretion expense	<u>152,776</u>	<u>145,876</u>
	<u>13,027,925</u>	<u>11,153,298</u>
Change in non-cash working capital balances:		
Accounts receivable	(977,069)	2,307,118
Inventory for consumption	(68,726)	(319,225)
Prepaid expenses	(41,453)	(46,046)
Local improvements - recoverable	147,088	(103,840)
Land held for resale	(921)	(12,987)
Accounts payable and accrued liabilities	355,225	(2,057,914)
Employee benefit obligations	(17,679)	33,962
Deposit liabilities	(670)	(17,698)
Deferred revenue	<u>(195,960)</u>	<u>(1,161,119)</u>
	<u>(800,165)</u>	<u>(1,377,749)</u>
	<u>12,227,760</u>	<u>9,775,549</u>
FINANCING ACTIVITIES		
Repayment of long-term debt	(2,250,488)	(1,915,522)
Repayment of obligations under capital lease	(711,284)	(164,499)
Proceeds from obligations under capital lease	<u>-</u>	<u>971,152</u>
	<u>(2,961,772)</u>	<u>(1,108,869)</u>
CAPITAL ACTIVITIES		
Acquisition of tangible capital assets	(6,379,612)	(4,943,758)
Proceeds on disposal of tangible capital assets	<u>-</u>	<u>43,253</u>
	<u>(6,379,612)</u>	<u>(4,900,505)</u>
INVESTING ACTIVITIES		
Proceeds on sale of investments	2,501,792	1,153,053
Purchase of investments	<u>(993,027)</u>	<u>(1,343,457)</u>
	<u>1,508,765</u>	<u>(190,404)</u>
CHANGE IN CASH AND TEMPORARY INVESTMENTS, DURING THE YEAR	4,395,141	3,575,771
CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR	<u>11,755,413</u>	<u>8,179,642</u>
CASH AND TEMPORARY INVESTMENTS, END OF YEAR (NOTE 2)	\$ <u>16,150,554</u>	\$ <u>11,755,413</u>

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

TOWN OF PEACE RIVER
Consolidated Schedule of Tangible Capital Assets
For The Year Ended December 31, 2024

Schedule 1

	<u>Land and Land improvements</u>	<u>Buildings</u>	<u>Engineered Structures</u>	<u>Machinery and Equipment</u>	<u>Vehicles</u>	<u>Construction in Progress*</u>	<u>2024</u>	<u>2023</u> (Restated) (Note 28)
COST:								
Balance, Beginning of Year	\$ 7,839,808	\$ 66,520,971	\$ 149,100,882	\$ 18,925,661	\$ 1,966,275	\$ 2,744,471	\$ 247,098,068	\$ 244,771,367
Restatement (Note 28)	-	-	334,800	256,007	-	-	590,807	590,807
Balance, Beginning of Year, as Restated	7,839,808	66,520,971	149,435,682	19,181,668	1,966,275	2,744,471	247,688,875	245,362,174
Additions	516,533	1,141,661	3,671,503	732,096	135,160	182,659	6,379,612	4,943,758
Disposals	-	-	-	-	-	-	-	(2,617,057)
Transfers	117,587	64,469	2,085,502	77,560	-	(2,345,118)	-	-
Write down of tangible capital assets	-	(62,673)	-	-	-	-	(62,673)	-
Balance, End of Year	<u>8,473,928</u>	<u>67,664,428</u>	<u>155,192,687</u>	<u>19,991,324</u>	<u>2,101,435</u>	<u>582,012</u>	<u>254,005,814</u>	<u>247,688,875</u>
ACCUMULATED AMORTIZATION:								
Balance, Beginning of Year	2,518,037	22,236,810	76,526,098	11,439,093	1,161,412	-	113,881,450	109,702,364
Restatement (Note 28)	-	-	253,942	235,894	-	-	489,836	476,090
Balance, Beginning of Year, as Restated	2,518,037	22,236,810	76,780,040	11,674,987	1,161,412	-	114,371,286	110,178,454
Amortization expense	160,098	1,688,592	3,730,904	1,143,385	166,906	-	6,889,885	6,521,588
Disposals	-	-	-	-	-	-	-	(2,328,756)
Balance, End of Year	<u>2,678,135</u>	<u>23,925,402</u>	<u>80,510,944</u>	<u>12,818,372</u>	<u>1,328,318</u>	<u>-</u>	<u>121,261,171</u>	<u>114,371,286</u>
NET BOOK VALUE, END OF YEAR	<u>\$ 5,795,793</u>	<u>\$ 43,739,026</u>	<u>\$ 74,681,743</u>	<u>\$ 7,172,952</u>	<u>\$ 773,117</u>	<u>\$ 582,012</u>	<u>\$ 132,744,643</u>	<u>\$ 133,317,589</u>
NET BOOK VALUE, BEGINNING OF YEAR	<u>\$ 5,321,771</u>	<u>\$ 44,284,161</u>	<u>\$ 72,655,642</u>	<u>\$ 7,506,681</u>	<u>\$ 804,863</u>	<u>\$ 2,744,471</u>	<u>\$ 133,317,589</u>	<u>\$ -</u>
 *Construction in progress is comprised of	 <u>\$ 17,250</u>	 <u>\$ 278,861</u>	 <u>\$ 259,351</u>	 <u>\$ 26,550</u>	 <u>\$ -</u>	 <u>\$ -</u>	 <u>\$ 582,012</u>	 <u>\$ 2,744,471</u>

TOWN OF PEACE RIVER

Schedule 2

Consolidated Schedule of Changes in Accumulated Surplus
For The Year Ended December 31, 2024

	Unrestricted Surplus (Deficit)	Restricted Surplus	Equity in Tangible Capital Assets	2024	2023 (Restated) (Note 28)
BALANCE, BEGINNING OF YEAR	\$ (1,503,451)	\$ 16,066,945	\$ 107,753,494	\$ 122,316,988	\$ 118,337,433
Restatement (Note 28)	<u>861,076</u>	<u>5,000</u>	<u>100,971</u>	<u>967,047</u>	<u>705,683</u>
BALANCE, BEGINNING OF YEAR, AS RESTATED	<u>(642,375)</u>	<u>16,071,945</u>	<u>107,854,465</u>	<u>123,284,035</u>	<u>119,043,116</u>
Annual surplus	5,862,843	-	-	5,862,843	4,240,919
Funds transferred to restricted surplus	(601,411)	601,411	-	-	-
Current year funds used for tangible capital assets	(6,379,612)	-	6,379,612	-	-
Write down of tangible capital assets	62,673	-	(62,673)	-	-
Accretion on asset retirement obligations	152,776	-	(152,776)	-	-
Revision in estimates on asset retirement obligations	59,748	-	(59,748)	-	-
Annual amortization expense	6,889,885	-	(6,889,885)	-	-
Levied portion of debt recoverable - local improvements	147,088	-	(147,088)	-	-
Long-term debt and obligations under capital leases repaid	<u>(2,961,772)</u>	<u>-</u>	<u>2,961,772</u>	<u>-</u>	<u>-</u>
Change in accumulated surplus	<u>3,172,470</u>	<u>601,411</u>	<u>2,088,962</u>	<u>5,862,843</u>	<u>4,240,919</u>
BALANCE, END OF YEAR (NOTE 15)	<u>\$ 2,589,843</u>	<u>\$ 16,673,356</u>	<u>\$ 109,883,679</u>	<u>\$ 129,146,878</u>	<u>\$ 123,284,035</u>

Consolidated Schedule of Property and Other Taxes

For The Year Ended December 31, 2024

	<u>2024</u> (Budget) (Note 24)	<u>2024</u> (Actual)	<u>2023</u> (Actual)
TAXATION			
Real property taxes	\$ 14,996,920	\$ 14,875,665	\$ 14,466,809
Linear property taxes	305,000	402,079	332,149
Government grants in lieu of property taxes	294,800	318,499	309,849
Local improvement taxes	<u>-</u>	<u>-</u>	<u>248,000</u>
	<u>15,596,720</u>	<u>15,596,243</u>	<u>15,356,807</u>
REQUISITIONS			
Alberta School Foundation Fund	2,690,000	2,668,208	2,564,179
North Peace Housing Foundation	448,750	515,185	503,228
Designated Industrial Property	<u>-</u>	<u>1,410</u>	<u>1,214</u>
	<u>3,138,750</u>	<u>3,184,803</u>	<u>3,068,621</u>
NET MUNICIPAL TAXES	<u>\$ 12,457,970</u>	<u>\$ 12,411,440</u>	<u>\$ 12,288,186</u>

Consolidated Schedule of Government Transfers

For The Year Ended December 31, 2024

	<u>2024</u> (Budget) (Note 24)	<u>2024</u> (Actual)	<u>2023</u> (Restated) (Note 28)
TRANSFERS FOR OPERATING			
Local governments	\$ 3,978,740	\$ 2,946,871	\$ 3,483,807
Provincial government	1,135,875	1,522,909	1,398,522
Federal government	<u>14,350</u>	<u>5,001</u>	<u>51,275</u>
	<u>5,128,965</u>	<u>4,474,781</u>	<u>4,933,604</u>
TRANSFERS FOR CAPITAL			
Provincial government	-	1,834,180	1,933,516
Federal government	-	1,006,227	299,065
Local governments	<u>-</u>	<u>244,789</u>	<u>251,678</u>
	<u>-</u>	<u>3,085,196</u>	<u>2,484,259</u>
TOTAL GOVERNMENT TRANSFERS	<u>\$ 5,128,965</u>	<u>\$ 7,559,977</u>	<u>\$ 7,417,863</u>

TOWN OF PEACE RIVER

Schedule 5

Consolidated Schedule of Segmented Information
For The Year Ended December 31, 2024

	Council and Administration	Protective Services	Planning and Development	Public Health Services	Transportation Services	Water, Sewer and Waste Management	Parks and Recreation and Culture	Total
REVENUE								
User fees and sales of goods	\$ -	\$ 26,740	\$ 11,950	\$ 49,055	\$ 329,322	\$ 12,108,745	\$ 368,713	\$ 12,894,525
Taxation	12,411,440	-	-	-	-	-	-	12,411,440
Government transfers	118,068	824,137	(15,909)	861,548	-	-	2,686,937	4,474,781
All other	2,346,075	315,209	3,370	20,384	19,810	51,644	518,872	3,275,364
Investment income	681,778	-	-	-	-	106,799	118	788,695
Licenses and permits	14,490	139,291	25,617	-	-	-	-	179,398
	<u>15,571,851</u>	<u>1,305,377</u>	<u>25,028</u>	<u>930,987</u>	<u>349,132</u>	<u>12,267,188</u>	<u>3,574,640</u>	<u>34,024,203</u>
EXPENSES								
Salaries, wages, and benefits	1,961,619	919,495	298,369	753,304	1,553,814	1,944,158	2,438,507	9,869,266
Contracted and general services	901,177	2,392,756	155,101	207,173	859,401	1,947,462	1,185,721	7,648,791
Amortization of tangible capital assets	87,405	323,733	9,168	774	2,435,235	2,839,201	1,194,369	6,889,885
Materials, goods, supplies and utilities	134,959	367,222	49,857	35,545	1,279,382	1,610,080	1,125,602	4,602,647
Other	801,248	185,366	-	10,768	9,510	101,639	18,363	1,126,894
Interest on long-term debt and obligations under capital leases	-	24,681	-	-	112,200	307,489	283,111	727,481
Transfers to local boards and organizations	68,870	13,488	42,566	40,668	-	-	55,900	221,492
Accretion expense	639	403	-	-	-	148,461	3,273	152,776
Transfers to other governments	7,324	-	-	-	-	-	-	7,324
	<u>3,963,241</u>	<u>4,227,144</u>	<u>555,061</u>	<u>1,048,232</u>	<u>6,249,542</u>	<u>8,898,490</u>	<u>6,304,846</u>	<u>31,246,556</u>
ANNUAL SURPLUS BEFORE OTHER INCOME	<u>11,608,610</u>	<u>(2,921,767)</u>	<u>(530,033)</u>	<u>(117,245)</u>	<u>(5,900,410)</u>	<u>3,368,698</u>	<u>(2,730,206)</u>	<u>2,777,647</u>
Government transfers for capital	44,708	56,160	-	-	1,872,698	923,001	188,629	3,085,196
ANNUAL SURPLUS	<u>\$ 11,653,318</u>	<u>\$ (2,865,607)</u>	<u>\$ (530,033)</u>	<u>\$ (117,245)</u>	<u>\$ (4,027,712)</u>	<u>\$ 4,291,699</u>	<u>\$ (2,541,577)</u>	<u>\$ 5,862,843</u>

TOWN OF PEACE RIVER

Schedule 5

Consolidated Schedule of Segmented Information

For the Year Ended December 31, 2023

	<u>Council and Administration</u>	<u>Protective Services</u>	<u>Planning and Development</u>	<u>Public Health Services</u>	<u>Transportation Services</u>	<u>Water, Sewer and Waste Management</u>	<u>Parks and Recreation and Culture</u>	<u>Total (Restated) (Note 28)</u>
REVENUE								
Taxation	\$ 12,288,186	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,288,186
User fees and sales of goods	-	470	20,985	34,069	312,302	9,885,178	331,033	10,584,037
Government transfers	118,068	1,001,166	69,806	809,837	-	-	2,934,727	4,933,604
All other	2,238,729	520,656	3,145	17,322	52,012	52,268	579,823	3,463,955
Investment income	593,551	-	-	-	-	55,503	82	649,136
Licenses and permits	<u>11,782</u>	<u>112,526</u>	<u>40,988</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>165,296</u>
	<u>15,250,316</u>	<u>1,634,818</u>	<u>134,924</u>	<u>861,228</u>	<u>364,314</u>	<u>9,992,949</u>	<u>3,845,665</u>	<u>32,084,214</u>
EXPENSES								
Salaries, wages, and benefits	1,706,241	958,987	257,691	704,851	1,612,317	1,925,813	2,190,815	9,356,715
Contracted and general services	666,704	2,474,787	134,837	180,537	741,128	1,905,647	1,174,617	7,278,257
Amortization of tangible capital assets	73,164	326,984	15,383	774	2,284,671	2,648,013	1,172,598	6,521,587
Materials, goods, supplies and utilities	133,415	237,466	1,784	68,204	1,802,641	1,445,706	977,347	4,666,563
Other	504,770	385,139	-	13,496	11,203	80,296	61,675	1,056,579
Interest on long-term debt and obligations under capital leases	-	23,230	-	-	112,876	344,466	302,732	783,304
Transfers to local boards and organizations	54,700	38,488	50,075	39,000	-	-	84,171	266,434
Accretion expense	609	383	-	-	-	141,769	3,115	145,876
Transfers to other governments	<u>7,324</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,324</u>
	<u>3,146,927</u>	<u>4,445,464</u>	<u>459,770</u>	<u>1,006,862</u>	<u>6,564,836</u>	<u>8,491,710</u>	<u>5,967,070</u>	<u>30,082,639</u>
ANNUAL SURPLUS (DEFICIT) BEFORE OTHER INCOME	<u>12,103,389</u>	<u>(2,810,646)</u>	<u>(324,846)</u>	<u>(145,634)</u>	<u>(6,200,522)</u>	<u>1,501,239</u>	<u>(2,121,405)</u>	<u>2,001,575</u>
Government transfers for capital	55,292	70,000	-	-	2,177,289	-	181,678	2,484,259
Gain (loss) on disposal of tangible capital assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>(106,171)</u>	<u>(113,882)</u>	<u>16,516</u>	<u>(41,378)</u>	<u>(244,915)</u>
	<u>55,292</u>	<u>70,000</u>	<u>-</u>	<u>(106,171)</u>	<u>2,063,407</u>	<u>16,516</u>	<u>181,678</u>	<u>2,280,722</u>
ANNUAL SURPLUS	<u>\$ 12,158,681</u>	<u>\$ (2,740,646)</u>	<u>\$ (324,846)</u>	<u>\$ (251,805)</u>	<u>\$ (4,137,115)</u>	<u>\$ 1,517,755</u>	<u>\$ (1,981,105)</u>	<u>\$ 4,240,919</u>

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

1. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the Town of Peace River (the "Town") are the representations of management prepared in accordance with Canadian public sector accounting standards. Significant aspects of the accounting policies adopted by the Town are as follows:

(a) Reporting Entity

The consolidated financial statements reflect the assets, liabilities, revenues, expenses, and change in net financial assets and cash flows of the reporting entity. The entity is comprised of all the organizations that are owned or controlled by the Town and are, therefore, accountable to the Council for the administration of their financial affairs and resources. They include the Town of Peace River Library Board and the Town's 43% proportionate share of the Peace Regional Waste Management Company (see Note 27).

Interdepartmental and inter-organizational transactions and balances between these entities and organizations are eliminated.

The schedule of taxes levied also includes requisitions for education and seniors foundations that are not part of the municipal reporting entity.

The statements exclude trust assets that are administered for the benefit of external parties. Interdepartmental and organizational transactions and balances are eliminated.

(b) Basis of Accounting

The consolidated financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting recognizes revenue as it is earned and measurable. Expenses are recognized as they are incurred and measurable based upon receipt of goods and services and/or the legal obligation to pay.

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

(c) Land Held for Resale

Land held for resale is recorded at the lower of cost or net realizable value. Cost includes costs for land acquisition and improvements required to prepare the land for servicing such as clearing, stripping and leveling charges. Related development costs incurred to provide infrastructure such as water and wastewater services, roads, sidewalks and street lighting are recorded as physical assets under their respective function.

(d) Investments

Investments are recorded at amortized cost. When there has been a loss in value that is other than a temporary decline, the respective investment is written down to recognize the loss.

Investment income is reported as revenue in the period earned. When required by the funding government or related act, investment income earned on deferred revenue is added to the investment, and forms part of the deferred revenue balance.

(Continues)

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Asset retirement obligations

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

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

Asset retirement obligations are initially measured at the later of the date of acquisition or legislative obligation. When a liability for an asset retirement obligation is recognized, the asset retirement costs are added to the carrying amount of the related tangible capital asset in productive use and are amortized over the estimated useful life of the related tangible capital asset. Asset retirement costs related to unrecognized tangible capital assets or for tangible capital assets no longer in productive use are expensed in the consolidated statement of operations.

When the future retirement date is unknown, the asset retirement obligation is measured at the current estimated cost to settle or otherwise extinguish the liability. When the future retirement date is known, a present value technique is used to measure the liability. Subsequent to the initial measurement, the asset retirement obligation is adjusted to reflect the passage of time and changes in the estimated future cash flows underlying the obligation and is recognized as an accretion expense in the consolidated statement of operations.

(f) Cash and Temporary Investments

Cash and temporary investments include items that are readily convertible to known amounts of cash, are subject to an insignificant risk of change in value, and have a maturity of three months or less at acquisition.

(g) Tax Revenue

Property tax revenue is based on assessments determined in accordance with the *Municipal Government Act*. Tax mill rates are established annually. Taxation revenues are recorded at the time tax billings are issued. Assessments are subject to appeal.

Construction and borrowing costs associated with local improvement projects are recovered through annual special property assessments during the period of the related borrowing. These levies are collectible from property owners for work performed by the Town. Under the accrual basis of accounting, revenues to be received from local improvement assessments are recognized in full in the period the local improvement project costs are incurred and the passing of the related imposition by-law.

(Continues)

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Use of Estimates

The preparation of consolidated financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenue and expenditure during the period. Where management uncertainty exists, the consolidated financial statements have been prepared within reasonable limits of materiality. Actual results could differ from those estimates.

Accounts receivable are stated after evaluation as to their collectibility and an appropriate allowance for doubtful accounts is provided where considered necessary. The amounts recorded for valuation of tangible capital assets, the useful lives and related amortization of tangible capital assets, future cash flows associated with asset retirement obligations, and accrued liabilities are areas where management makes significant estimates and assumptions in determining the amounts to be recorded in the consolidated financial statements.

(i) Government Transfers

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

Government transfers are recognized in the consolidated financial statements as revenue in the period that the events giving rise to the transfer occurred, providing the transfers are authorized, any eligibility criteria have been met by the Town, and reasonable estimates of the amounts can be made.

(j) Requisition Over-Levies and Under-Levies

Over-levies and under-levies arise from the difference between the actual property tax levy made to cover each requisition and the actual amount requisitioned.

If the actual levy exceeds the requisition, the over-levy is accrued as a liability and property tax revenue is reduced. In situations where the actual levy is less than the requisition amount, the under-levy is accrued as a receivable and as property tax revenue.

Requisition tax rates in the subsequent year are adjusted for any over-levies or under-levies of the prior year.

(k) Pension Expenses

Contributions for current and past service pension benefits are recorded as expenses in the year in which they become due.

(l) Allowances for Operating and Physical Assets

Allowances for asset valuations are netted against the related asset. Increases in allowances are recorded as expenditures, while decreases in allowances are recorded as revenues.

(Continues)

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(m) 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 normal course of operations. The change in non-financial assets during the year, together with the annual surplus, provides the consolidated change in net financial assets for the year.

i) **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 is amortized on a straight-line basis over the estimated useful life as follows:

Land Improvements	15 years
Buildings	40 years
Engineered Structures	
Transportation	15 - 40 years
Water distribution system	40 years
Wastewater treatment system	15 years
Machinery and Equipment	10 years
Vehicles	10 years

One-half of the annual amortization is charged in the year of acquisition. Assets under construction are not amortized until the asset is available for productive use.

ii) **Contributions of Tangible Capital Assets**

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

iii) **Leases**

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

iv) **Inventory for Consumption**

Inventory held for consumption is recorded at the lower of cost and replacement cost with cost determined using the average cost method.

v) **Cultural and Historical Tangible Capital Assets**

Works of art for display are not recorded as tangible capital assets but are disclosed.

(n) Valuation of Financial Assets and Liabilities

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

<u>Financial Statement Component</u>	<u>Measurement</u>
Cash and temporary investments	Cost
Receivables	Lower of cost and net realizable value
Debt recoverable - local improvements	Amortized cost
Investments	Amortized cost
Accounts payable and accrued liabilities	Cost
Employee benefit obligations	Cost
Long-term debt	Amortized cost
Obligations under capital leases	Amortized cost

(Continues)

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(o) *Change in Accounting Policies*

Effective January 1, 2024, the Town adopted Canadian public sector accounting standards PS 3400 Revenue, PS 3160 Public Private Partnerships and PSG-8 Purchased Intangible Assets. Adoption of these standards had no effect on the Town's consolidated financial statements.

(p) *Future Accounting Standard Pronouncements*

The following summarizes upcoming changes to *Public Sector Accounting Standards*. The Town will continue to assess the impact and prepare for the adoption of these standards.

i) *Financial Statement Presentation*

PS 1202, Financial Statement Presentation, sets out general and specific requirements for the presentation of information in general purpose financial statements. The financial statement principles are based on the concepts in the Conceptual Framework for Financial Reporting in the Public Sector. This standard is applicable to fiscal years beginning on or after April 1, 2026.

2. CASH AND TEMPORARY INVESTMENTS

	<u>2024</u>	<u>2023</u> (Restated) (Note 28)
Cash	\$ 1,905,095	\$ 1,752,456
Temporary investments	<u>14,245,459</u>	<u>10,002,957</u>
	<u>\$ 16,150,554</u>	<u>\$ 11,755,413</u>

Temporary investments are short-term deposits with original maturities of three months or less bearing interest at variable rates ranging from 3.55% to 3.85% (2023 - 5.30% to 5.60%) maturing in 2025.

Included in cash is the Town's portion of the Peace Regional Waste Management Company's cash on hand totaling \$1,536,675 (2023 - \$1,477,407) and the Town of Peace River Library Board's cash on hand totaling \$249,699 (2023 - \$227,160).

3. TAXES AND GRANTS IN PLACE OF TAXES RECEIVABLE

	<u>2024</u>	<u>2023</u> (Restated) (Note 28)
Taxes and grants in place of taxes		
Current taxes	\$ 663,204	\$ 487,067
Arrears taxes	<u>1,059,228</u>	<u>837,890</u>
	1,722,432	1,324,957
Less: Allowance for doubtful accounts	<u>(1,115,848)</u>	<u>(685,055)</u>
	<u>\$ 606,584</u>	<u>\$ 639,902</u>

TOWN OF PEACE RIVER
Notes to Consolidated Financial Statements
Year Ended December 31, 2024

4. TRADE AND OTHER RECEIVABLES

	<u>2024</u>	<u>2023</u> (Restated) (Note 28)
Receivable from other governments	\$ 5,239,032	\$ 3,639,900
Utilities receivables	1,222,608	1,005,457
Peace Regional Waste Management Company receivables	568,211	289,195
Trade and other receivables	480,062	1,934,888
Receivable from other governments - GST	165,045	180,048
Due from Northern Sunrise County	19,537	7,101
Loan receivable	16,000	20,000
Town of Peace River Library Board receivables	<u>7,172</u>	<u>12,873</u>
	7,717,667	7,089,462
Less: Allowance for doubtful accounts	<u>(57,814)</u>	<u>(439,996)</u>
	<u>\$ 7,659,853</u>	<u>\$ 6,649,466</u>

Amounts due from Northern Sunrise County are the Town's proportionate share of the amounts owed Peace Regional Waste Management Company for payments made on their behalf and administration fees for management positions.

5. INVESTMENTS

	<u>2024</u>	<u>2023</u>
Peace River Waste Management Company - investments	\$ 941,745	\$ 76,377
Vision Credit Union shares	116,208	93,334
Guaranteed Investment Certificates	<u>-</u>	<u>2,397,134</u>
	<u>\$ 1,057,953</u>	<u>\$ 2,566,845</u>

Guaranteed Investment Certificates bearing interest at a fixed rates of N/A per annum (2023 - 4.00% - 4.75%) maturing N/A (2023 - October 2, 2024 to October 3, 2024).

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	<u>2024</u>	<u>2023</u> (Restated) (Note 28)
Trade	\$ 2,693,610	\$ 2,388,963
Other governments	1,061,906	900,562
Accrued interest payable	<u>16,829</u>	<u>127,722</u>
	<u>\$ 3,772,345</u>	<u>\$ 3,417,247</u>

TOWN OF PEACE RIVER
Notes to Consolidated Financial Statements
Year Ended December 31, 2024

7. DEFERRED REVENUE

Deferred revenue consists of the following amounts, which have been restricted by third parties for a specified purpose. These amounts are recognized as revenue in the period in which the related expenditures are incurred.

	<u>2023</u> (Restated) (Note 28)	<u>Additions</u>	<u>Revenue</u> <u>Recognized</u>	<u>2024</u>
Local Government Fiscal Framework \$	-	\$ 1,081,131	\$ -	\$ 1,081,131
Alberta Community Resilience Program	770,575	23,117	-	793,692
Municipal Sustainability Initiative	1,820,060	27,178	(1,077,621)	769,617
Other	400,509	1,262,285	(1,090,589)	572,205
Northern and Regional Economic Development Program	12,500	208,000	(15,991)	204,509
Canada Community Building Fund	732,828	436,071	(1,006,227)	162,672
Town of Peace River Library Board	472	5,000	(3,606)	1,866
Government of Canada - Enabling Access	<u>44,708</u>	<u>-</u>	<u>(44,708)</u>	<u>-</u>
	<u>\$ 3,781,652</u>	<u>\$ 3,042,782</u>	<u>\$(3,238,742)</u>	<u>\$ 3,585,692</u>

8. EMPLOYEE BENEFIT OBLIGATIONS

	<u>2024</u>	<u>2023</u> (Restated) (Note 28)
Vacation payable	\$ 228,149	\$ 247,394
Overtime / time off in lieu payable	<u>7,878</u>	<u>6,313</u>
	<u>\$ 236,027</u>	<u>\$ 253,707</u>

The vacation and overtime liability is comprised of the vacation and overtime that employees are deferring. Employees have either earned the benefits (and are vested) or are entitled to these benefits within the next budgetary year. The Town does not provide post-employment benefits to their employees.

9. REVOLVING LOAN

The Town has a \$6,000,000 revolving loan through ATB Financial at a rate of prime plus 1%. Prime rate as at December 31, 2024 was 5.45% (2023 - 7.20%). As at December 31, 2024, no amounts had been drawn on the revolving loan (2023 - \$NIL).

TOWN OF PEACE RIVER
Notes to Consolidated Financial Statements
Year Ended December 31, 2024

10. OBLIGATIONS UNDER CAPITAL LEASES

The Caterpillar Financial Services Limited leases were retired during the year. The Enterprise Fleet Management leases consist of 7 leases bearing interest ranging from 5.557% to 6.431% (2023 - 5.557% to 6.431%) and matures between 2027 and 2028 (2023 - 2027 and 2028). The cost of assets under capital lease are \$431,403 (2023 - \$431,403) the accumulated amortization is \$172,561 (2023 - \$86,281) and the resulting net book value included in capital assets is \$258,842 (2023 - \$345,122).

	<u>2024</u>	<u>2023</u>
Enterprise Fleet Management leases	\$ 269,469	\$ 353,661
Caterpillar Financial Services Limited leases	<u>-</u>	<u>627,092</u>
	<u>\$ 269,469</u>	<u>\$ 980,753</u>

The current portion of the capital lease amounts to \$83,228 (2023 - \$137,301).

Principal and interest repayments:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 83,228	\$ 13,820	\$ 97,048
2026	88,331	8,717	97,048
2027	95,813	3,307	99,120
2028	<u>2,097</u>	<u>11</u>	<u>2,108</u>
	<u>\$ 269,469</u>	<u>\$ 25,855</u>	<u>\$ 295,324</u>

11. LONG-TERM DEBT

	<u>2024</u>	<u>2023</u>
Debenture debt	\$ 20,008,256	\$ 21,888,093
Other long-term debt	387,650	452,258
Bank debt	<u>-</u>	<u>306,042</u>
	<u>\$ 20,395,906</u>	<u>\$ 22,646,393</u>

The current portion of the long-term debt amounts to \$2,002,905 (2023 - \$1,973,783).

Principal and interest repayments:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 2,002,905	\$ 601,287	\$ 2,604,192
2026	2,063,247	540,945	2,604,192
2027	2,101,861	478,803	2,580,664
2028	2,131,256	415,484	2,546,740
2029	1,685,322	354,051	2,039,373
Thereafter	<u>10,411,315</u>	<u>2,071,872</u>	<u>12,483,187</u>
	<u>\$ 20,395,906</u>	<u>\$ 4,462,442</u>	<u>\$ 24,858,348</u>

(Continues)

TOWN OF PEACE RIVER
Notes to Consolidated Financial Statements
Year Ended December 31, 2024

11. LONG-TERM DEBT (CONTINUED)

Debenture debt is repayable to the Province of Alberta bearing interest at rates ranging from 1.416% - 5.096% per annum maturing in the year 2026 and 2050 respectively.

Bank debt was retired during the year.

Other long-term debt is repayable to Northern Lights County and is interest free. The loan is repayable in annual payments of \$64,608 and matures September 30, 2030.

Debenture, bank and other long-term debt is issued on the credit and security of the Town at large.

Interest on long-term debt amounted to \$708,847 (2023 - \$728,455). The Town's total cash payments for interest is \$673,059 (2023 - \$737,936).

12. ASSET RETIREMENT OBLIGATIONS

Tangible capital assets with associated retirement obligations include buildings and engineered structures.

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

The Town has asset retirement obligations pursuant to the *Environmental Enhancement and Protection Act* (Alberta) to fund the future reclamation of its work sites. Reclamation activities include the final soil cover, landscaping, and visual inspection. Although, the timing of the work site reclamation is conditional on the length of time until the site is expected to be inactive, regulations create an existing obligation for the Town to reclaim the work site when the asset retirement activity occur.

	<u>2024</u>	<u>2023</u> (Restated) (Note 28)
Balance, Beginning of Year	\$ 3,254,404	\$ 3,108,528
Net Change for the Year		
Revision in estimates	59,748	-
Accretion expense	<u>152,776</u>	<u>145,876</u>
Balance, End of Year	\$ <u>3,466,928</u>	\$ <u>3,254,404</u>

Asset retirement obligations of \$3,466,928 (2023 - \$3,254,404) were measured using a present value technique. The present value was calculated using estimated total undiscounted cash flow amounting to \$10,676,547 (2023 - \$10,676,547), a discount rates between 4.07% and 5.25% (2023 - 4.07% and 5.25%), an annual inflation rates between 2.00% and 3.65% (2023 - 2.00% and 3.65%), with retirement and reclamation activities expected to be settled between 2025 and 2074.

TOWN OF PEACE RIVER
Notes to Consolidated Financial Statements
Year Ended December 31, 2024

13. FRANCHISE FEES AND CONCESSION CONTRACTS

Disclosure of utility franchise agreement annual revenues as required by *Alberta Regulation 313/2000* is as follows:

	<u>2024</u>	<u>2023</u>
ATCO Electric Ltd.	\$ 1,087,354	\$ 982,995
ATCO Gas Ltd.	<u>782,611</u>	<u>744,182</u>
	<u>\$ 1,869,965</u>	<u>\$ 1,727,177</u>

14. INVENTORY FOR CONSUMPTION

	<u>2024</u>	<u>2023</u>
Parts, culverts and other	\$ <u>1,184,844</u>	\$ <u>1,116,118</u>

15. ACCUMULATED SURPLUS

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

	<u>2024</u>	<u>2023</u> (Restated) (Note 28)
Unrestricted surplus (deficit)	\$ <u>2,589,843</u>	\$ <u>(642,375)</u>
Restricted surplus		
Tax supported capital reserve -		
Buildings and engineered structures	5,924,196	6,665,882
Neighbourhood infrastructure renewal	3,205,354	3,111,994
Water - capital reserve	2,500,800	2,608,081
Tax supported operating reserve	1,621,613	1,293,168
Wastewater capital reserve	1,070,828	78,300
Off-site levies reserve	1,020,002	990,293
Landfill post closure reserve	271,199	263,300
Peace Regional Waste Management Company reserve	254,212	254,213
Storm sewer capital reserve	214,647	20,390
Safe communities initiatives	192,136	186,540
Solid waste reserve	170,536	-
Museum acquisitions reserve	135,957	131,997
Public use recreation land reserve	86,876	84,345
Town of Peace River Library Board	5,000	5,000
Water - operating reserve	-	49,997
Mill rate stabilization	-	328,445
	<u>16,673,356</u>	<u>16,071,945</u>
Equity in tangible capital assets	<u>109,883,679</u>	<u>107,854,465</u>
	<u>\$ 129,146,878</u>	<u>\$ 123,284,035</u>

TOWN OF PEACE RIVER**Notes to Consolidated Financial Statements****Year Ended December 31, 2024****16. DEBT LIMITS**

Section 276(2) of the *Municipal Government Act* requires that debt and debt limits as defined by Alberta Regulation 255/2000 for the Town be disclosed as follows:

	<u>2024</u>	<u>2023</u>
Total debt limit	\$ 51,036,305	\$ 48,126,321
Total debt	<u>20,665,375</u>	<u>23,627,146</u>
Amount of total debt limit unused	<u>\$ 30,370,930</u>	<u>\$ 24,499,175</u>
Debt servicing limit	\$ 8,506,051	\$ 8,021,054
Debt servicing	<u>2,701,240</u>	<u>2,722,404</u>
Amount of debt servicing limit unused	<u>\$ 5,804,811</u>	<u>\$ 5,298,650</u>

The debt limit is calculated at 1.50 times revenue of the Town (as defined in the Alberta Regulation 255/2000) and the debt service limit is calculated as 0.25 times such revenue. Incurring debt beyond these limitations requires approval by the Minister of Municipal Affairs. These thresholds are a conservative guideline used by Alberta Municipal Affairs to identify municipalities that could be at a financial risk if further debt is acquired. The calculation taken alone does not represent the financial stability of the Town. Rather, the consolidated financial statements must be interpreted as a whole.

17. SALARIES AND BENEFITS DISCLOSURE

Disclosure of remuneration and benefits for elected municipal officials, the Chief Administrative Officer and designated officers as required by Alberta Regulation 313/2000 is as follows:

	<u>Salary (1)</u>	<u>Benefits, Travel and Allowances (2)</u>	<u>2024 Total</u>	<u>2023 Total</u>
Elected Officials:				
Mayor Manzer	\$ 57,329	\$ 81	\$ 57,410	\$ 46,355
Councillor Shannon	34,873	5,307	40,180	34,441
Councillor Schamehorn	32,680	5,132	37,812	29,284
Councillor Boychuk	26,885	4,787	31,672	32,817
Councillor Good	27,711	3,125	30,836	26,909
Councillor Carr	27,119	1,738	28,857	26,613
Councillor Ford	<u>24,589</u>	<u>2,648</u>	<u>27,237</u>	<u>28,675</u>
	<u>\$ 231,186</u>	<u>\$ 22,818</u>	<u>\$ 254,004</u>	<u>\$ 225,094</u>
Chief Administrative Officer	<u>\$ 200,491</u>	<u>\$ 36,528</u>	<u>\$ 237,019</u>	<u>\$ 234,764</u>

(1) Salary includes gross honoraria, regular base pay, bonuses, overtime, lump sum payments, and any other direct cash remuneration.

(2) Employer's share of all employee benefits, travel and allowances or payments made on behalf of employees including, pension, health care, dental coverage, vision coverage, group life disability plans, professional memberships and tuition.

18. COMMITMENTS

The Town is in an energy services agreement with Alberta Municipal Services Corporation ("AMSC") to provide electricity for the Town. The agreement was in effect August 4, 2022 and amended September 5, 2023 and is in place until December 31, 2029. The fees for the services include \$0.0695 per kilowatt hour of electricity. Under this contract, the Town had a total electricity cost in 2024 of \$1,035,838 (2023 - \$1,016,011).

The Town has entered into multiple vehicle and equipment operating lease agreements, with annual payments as follows:

2025	\$ 113,095
2026	17,435
2027	8,262
2028	7,542
2029	3,398
2030	2,737
2031	2,737
2032	<u>2,737</u>
	<u>\$ 157,943</u>

19. LOCAL AUTHORITIES PENSION PLAN

Employees of the Town participate in the Local Authorities Pension Plan (LAPP), which is covered by the *Public Sector Pension Plans Act*. LAPP is financed by employer and employee contributions and investment earnings of the LAPP Fund.

The Town is required to make current service contributions to the Plan of 8.45% (2023 - 8.45%) of pensionable earnings up to the Canada Pension Plan year's maximum pensionable earnings and 11.65% (2023 - 12.23%) for the excess. Employees of the Town are required to make current service contributions of 7.45% (2023 - 7.45%) of pensionable earnings up to the year's maximum pensionable earnings and 10.65% (2023 - 11.23%) on pensionable earnings above this amount.

Total current and past service contributions made by the Town to the LAPP in 2024 were \$473,662 (2023 - \$442,548). Total current and past service contributions made by the employees of the Town to the LAPP in 2024 were \$421,932 (2023 - \$394,686).

At December 31, 2023, the LAPP disclosed an actuarial surplus of \$15.06 billion (2022 - \$12.67 billion).

20. APEX SUPPLEMENTARY PENSION PLAN

The APEX supplementary pension plan, and Alberta Urban Municipality Association (AUMA) sponsored defined benefit pension plan covered under the provisions of the Alberta Employment Pensions Plans Act commenced on January 1, 2003 and provides supplementary pension benefits to a prescribed class of employees (approximately 124 beneficiaries). The plan supplements the Local Authorities Pension Plan.

The prescribed class of employees and the Town make contributions. Employees and the Town are required to make current service contributions to APEX of 2.42% (2023 - 2.42%) and 2.96% (2023 - 2.96%) respectively of pensionable earnings up to \$175,333 (2023 - \$175,333).

Total current service contributions by the Town to APEX in 2024 were \$18,967 (2023 - \$16,431). Total current and past service contributions made by the employees of the Town to the APEX in 2024 were \$15,507 (2023 - \$13,434).

21. FINANCIAL INSTRUMENTS

The Town's financial instruments consist of cash and temporary investments, accounts receivable, investments, accounts payable and accrued liabilities, deposit liabilities, debt recoverable local improvements, long-term debt and obligations under capital leases. It is management's opinion that the Town is not exposed to significant interest, currency or credit risk arising from these financial instruments.

Credit risk

The Town is subject to credit risk with respect to taxes and grants in place of taxes receivable and trade and other receivables. Credit risk arises from the possibility that taxpayers and entities to which the Town provides services may experience financial difficulty and be unable to fulfil their obligations. The large number and diversity of customers minimizes the Town's credit risk.

Unless otherwise noted, the carrying value of these financial instruments approximates their fair value.

22. CONTINGENCY

The Town is a member of the Alberta Municipal Insurance Exchange (the "Exchange"). Under the terms of the memberships, the Town could become liable for its proportionate share of any claim losses in excess of the funds held by the Exchange. Any liability incurred would be accounted for as a current transaction in the year the losses are determined.

23. SEGMENTED INFORMATION

The Town is a diversified municipal government that provides a wide range of services to its citizens including police, fire, roads, water and waste management.

For management reporting purposes, the Town's operations and activities are organized and reported by functions and services provided. The functions that have been disclosed in the segmented information, along with the services provided are as follows:

i. Council and Administration

General government consists of Town council and general administrative which includes executive leadership, corporate services, legislative services and human resources and communications.

ii. Protective Services

Protective services includes police, municipal enforcement and fire.

iii. Planning and Development

Planning and development includes subdivision land development and economic development.

iv. Public Health Services

Public health services includes family and community services (FCSS).

v. Transportation Services

Transportation services include roads and transit.

vi. Water, Sewer and Waste Management

Water, sewer and waste management includes water, wastewater and storm sewer, and waste.

(Continues)

TOWN OF PEACE RIVER
Notes to Consolidated Financial Statements
Year Ended December 31, 2024

23. SEGMENTED INFORMATION (CONTINUED)

vii. Parks and Recreation and Culture

Parks and recreation and culture includes parks and recreation and culture and library. Parks and recreation and culture provide recreational and cultural services and activities which promote the well-being of its citizens. These areas are responsible for the parks, playgrounds, facilities, and green spaces of the Town.

For each reported segment, revenue and expenses represent amounts that are directly attributable to the segments and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information. The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements. For additional information see the Schedule of Segmented Disclosure (Schedule 5).

24. BUDGET

The budget figures presented in these consolidated financial statements are based on the budget approved by the Town's council on December 11, 2023 and includes the Town of Peace River Library Board's budget and the Town's proportionate share of the Peace Regional Waste Management Company's budget. The Town compiles a budget on a modified accrual basis. The reconciliation below adjusts annual surplus to align with the budget process. It should not be used as a replacement for the consolidated statement of operations and accumulated surplus. Users should note that this information may not be appropriate for their purposes.

	<u>2024</u> (Budget)	<u>2024</u> (Actual)	<u>2023</u> (Actual)
Annual surplus	(990,388)	5,862,843	4,240,919
Add back (deduct):			
Amortization expense	\$ 6,578,630	\$ 6,889,885	\$ 6,521,588
Accretion expense	212,143	152,776	145,876
Net transfers (to) from reserves	2,948,268	(601,411)	(3,594,446)
Acquisition of tangible capital assets	(6,698,943)	(6,379,612)	(4,943,758)
Loss (gain) on disposal of tangible capital assets	-	-	244,915
Proceeds on tangible capital assets	-	-	43,253
Principal debt repayments	(2,049,710)	(2,250,488)	(1,915,522)
Levied portion of debt recoverable - local improvements	-	147,088	(103,840)
Operating surplus	\$ <u>-</u>	\$ <u>3,821,081</u>	\$ <u>638,985</u>

25. APPROVAL OF CONSOLIDATED FINANCIAL STATEMENTS

These consolidated financial statements were approved by Council and Management.

26. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the current year's financial statement presentation.

TOWN OF PEACE RIVER
Notes to Consolidated Financial Statements
Year Ended December 31, 2024

27. GOVERNMENT PARTNERSHIP

In accordance with the Canadian public sector accounting standards *PS 3060 Government Partnerships*, the financial position of the Town has been consolidated with the Town's proportionate share of the Peace Regional Waste Management Company. Ownership is determined by the number of shares issued to the Directors of the Company. The Town contributes 3 of the 7 Directors to the Board of Directors and this is used to determine the Town's 43% proportionate share.

The following is a summary of the Town's share in this government partnership:

	<u>2024</u>	<u>2023</u> (Restated) (Note 28)
FINANCIAL ASSETS		
Cash and temporary investments	\$ 1,536,675	\$ 1,477,407
Investments	941,745	76,377
Accounts receivable	<u>587,748</u>	<u>296,296</u>
	<u>3,066,168</u>	<u>1,850,080</u>
LIABILITIES		
Accounts payable and accrued liabilities	337,731	217,010
Asset retirement obligations	<u>2,923,729</u>	<u>2,794,926</u>
	<u>3,261,460</u>	<u>3,011,936</u>
NET FINANCIAL DEBT	<u>(195,292)</u>	<u>(1,161,856)</u>
NON-FINANCIAL ASSETS		
Prepaid expenses	25,656	25,702
Tangible capital assets	<u>3,566,861</u>	<u>2,061,195</u>
	<u>3,592,517</u>	<u>2,086,897</u>
ACCUMULATED SURPLUS	\$ <u>3,397,225</u>	\$ <u>925,041</u>
REVENUE		
User fees and sales of goods	\$ 4,523,201	\$ 2,798,129
Investment income	106,799	55,503
Other	<u>500</u>	<u>1,424</u>
	<u>4,630,500</u>	<u>2,855,056</u>
EXPENSES		
Salaries, wages and benefits	750,115	723,331
Contracted and general services	609,062	793,470
Amortization of tangible capital assets	389,357	227,776
Materials, goods, supplies and utilities	280,979	211,310
Accretion expense	<u>128,803</u>	<u>123,092</u>
	<u>2,158,316</u>	<u>2,078,979</u>
ANNUAL SURPLUS BEFORE OTHER INCOME	<u>2,472,184</u>	<u>776,077</u>
OTHER INCOME		
Gain on disposal of tangible capital assets	<u>-</u>	<u>16,516</u>
ANNUAL SURPLUS	\$ <u>2,472,184</u>	\$ <u>792,593</u>

TOWN OF PEACE RIVER
Notes to Consolidated Financial Statements
Year Ended December 31, 2024

28. RESTATEMENT

During the year, it was determined that the Town controls the Town of Peace River Library Board (the "Library Board") and the financial records are to be consolidated.

The consolidation with the Library Board has resulted in the following:

- Increase to financial assets, liabilities, non-financial assets and accumulated surplus;
- Increase in revenue and expenses;
- Adjustment to the opening balance of accumulated surplus.

During the year, the Peace Regional Waste Management Company adopted public sector accounting standard 3280, Asset Retirement Obligations, and applied the standard using the modified retroactive approach with restatement of prior year comparative information.

The Peace Regional Waste Management Company recognized the following to conform to the new standard, and the Town consolidated their portion of the restatement:

- Asset retirement obligation, adjusted for accumulated accretion to the effective date;
- Asset retirement cost capitalized as an increase to the carrying amount of the related tangible capital assets in productive use;
- Accumulated amortization on the capitalized cost; and
- Adjustment to the opening balance of accumulated surplus.

Comparative figures have been restated as follows.

	<u>As Previously Stated</u>	<u>Restatement</u>	<u>As Restated</u>
Consolidated statement of financial position			
Assets			
Cash and temporary investments	\$ 11,528,252	\$ 227,161	\$ 11,755,413
Taxes and grants in place of taxes receivable	639,902	-	639,902
Trade and other receivables	6,636,593	12,873	6,649,466
Debt recoverable - local improvements	1,418,423	-	1,418,423
Land held for resale	41,868	-	41,868
Investments	<u>2,566,845</u>	<u>-</u>	<u>2,566,845</u>
	<u>22,831,883</u>	<u>240,034</u>	<u>23,071,917</u>
Liabilities			
Accounts payable and accrued liabilities	3,407,502	9,745	3,417,247
Deposit liabilities	54,937	-	54,937
Deferred revenue	3,781,180	472	3,781,652
Employee benefit obligations	246,413	7,294	253,707
Obligations under capital leases	980,753	-	980,753
Long-term debt	22,646,393	-	22,646,393
Asset retirement obligation	<u>3,897,957</u>	<u>(643,553)</u>	<u>3,254,404</u>
	<u>35,015,135</u>	<u>(626,042)</u>	<u>34,389,093</u>
Net financial debt	<u>(12,183,252)</u>	<u>866,076</u>	<u>(11,317,176)</u>
Non-financial assets			
Tangible capital assets	133,216,618	100,971	133,317,589
Inventory for consumption	1,116,118	-	1,116,118
Prepaid expenses	<u>167,504</u>	<u>-</u>	<u>167,504</u>
	<u>\$122,316,988</u>	<u>\$ 967,047</u>	<u>\$123,284,035</u>

TOWN OF PEACE RIVER
Notes to Consolidated Financial Statements
Year Ended December 31, 2024

28. RESTATEMENT (CONTINUED)

Consolidated statement of operations and accumulated surplus

Revenues

Net municipal taxes	\$ 12,288,186	\$ -	\$ 12,288,186
User fees and sales of goods	10,571,706	12,332	10,584,038
Government transfers for operating	4,866,545	67,059	4,933,604
Franchise fees and concession contracts	1,727,177	-	1,727,177
Other	934,181	16,759	950,940
Investment income	649,053	82	649,135
Rentals	428,276	1,098	429,374
Penalties on taxes	354,032	-	354,032
Licenses and permits	165,296	-	165,296
Development levies	2,432	-	2,432
	<u>31,986,884</u>	<u>97,330</u>	<u>32,084,214</u>

Expenses

Transportation services	6,564,836	-	6,564,836
Parks and recreation	4,882,565	-	4,882,565
Protective services	4,445,464	-	4,445,464
Water supply and distribution	4,129,802	-	4,129,802
Administration	2,835,260	-	2,835,260
Waste management	2,783,749	(224,628)	2,559,121
Wastewater treatment and disposal	1,802,787	-	1,802,787
Culture	1,023,911	60,594	1,084,505
Public health services	1,006,862	-	1,006,862
Planning and development	459,770	-	459,770
Council	311,667	-	311,667
	<u>30,246,673</u>	<u>(164,034)</u>	<u>30,082,639</u>

Annual surplus before other income	1,740,211	261,364	2,001,575
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Other income

Government transfers for capital	2,484,259	-	2,484,259
Gain (loss) on disposal of tangible capital assets	(244,915)	-	(244,915)
	<u>2,239,344</u>	<u>-</u>	<u>2,239,344</u>

Annual surplus	<u>3,979,555</u>	<u>261,364</u>	<u>4,240,919</u>
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Accumulated surplus

Accumulated surplus - Beginning of year	\$ 118,337,433	\$ 705,683	\$ 119,043,116
Accumulated surplus - End of year	\$ 122,316,988	\$ 967,047	\$ 123,284,035