

2021 Financial Results

Audit Committee

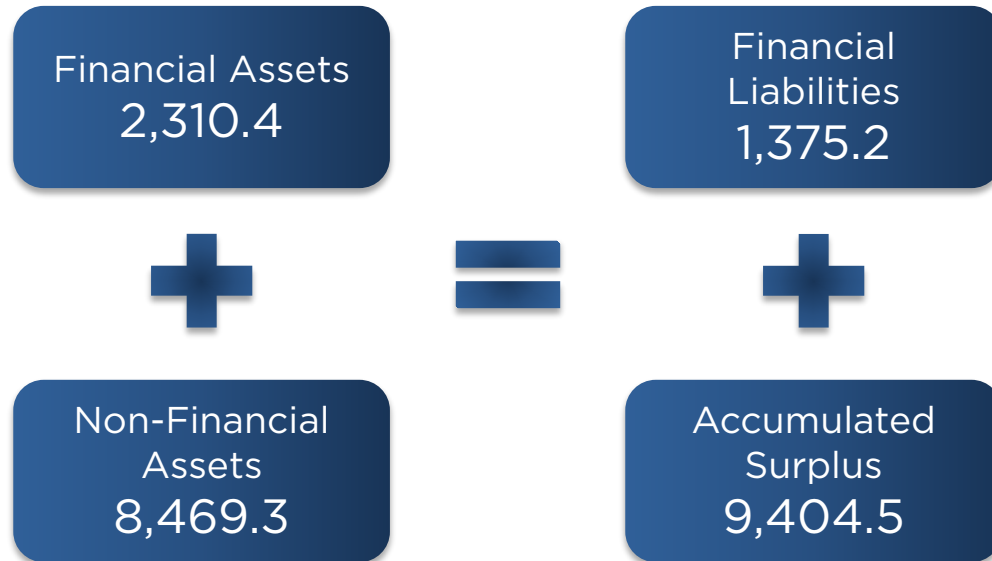
May 16, 2022

2021 Financial Overview

- The City's financial statements are presented on an accrual basis, different than the annual budget approved by Council.
- Amortization, other non-cash revenues and expenses are not included in the budget
- Enersource, BIA's are consolidated into the financial statements
- Annual surplus differs from budgeted surplus

2021 Financial Overview (\$ millions)

Statement of Financial Position



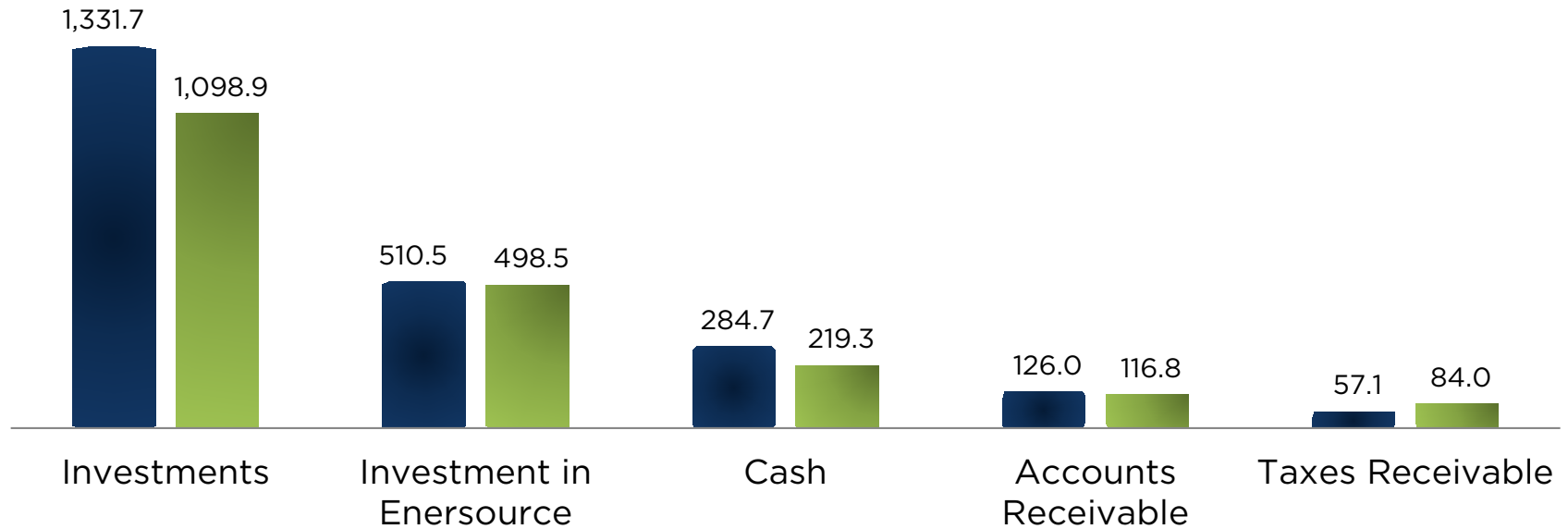
Statement of Operations



Financial Assets (\$2.3 billion)

All dollar amounts in \$millions

■ 2021 ■ 2020



Investment in Enersource Corporation

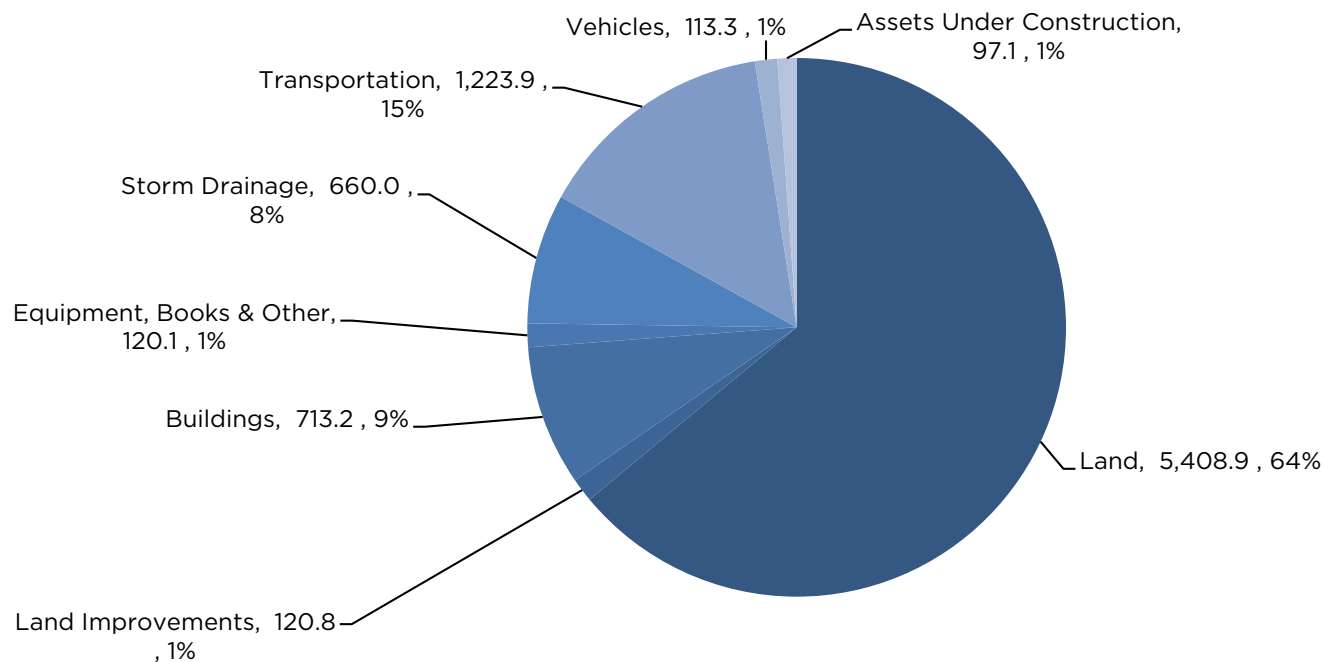
(\$millions)	2021	2020
Opening Balance	498.5	498.8
Share of Net Income in Enersource Corp.	28.7	17.5
City's Share of Dividend	(16.7)	(17.7)
Closing Balance	510.5	498.5

Enersource's interest in Alectra is currently 29.57%



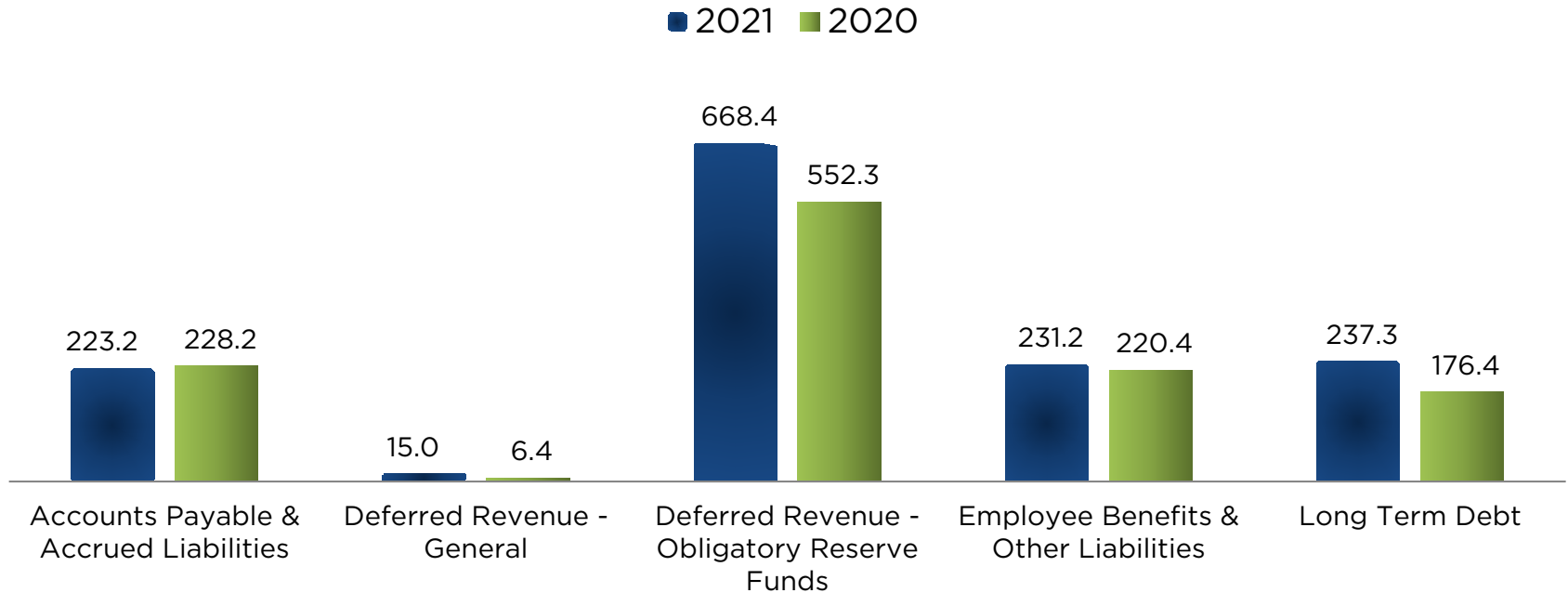
Non-Financial Assets (\$8.47 billion)

Tangible Capital Assets (\$8.46 billion)



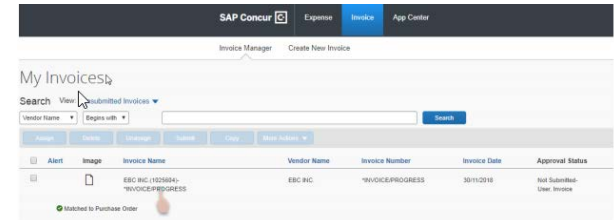
Financial Liabilities (\$1.38 billion)

All dollar amounts in \$millions



Use of Technology

- SAP Concur expense and invoice automates the City's accounts payable workflows, speeds up time to complete year-end accruals and reporting functions
- Transaction matching, reconciliation automation, improvements in year-end and in-year reporting.

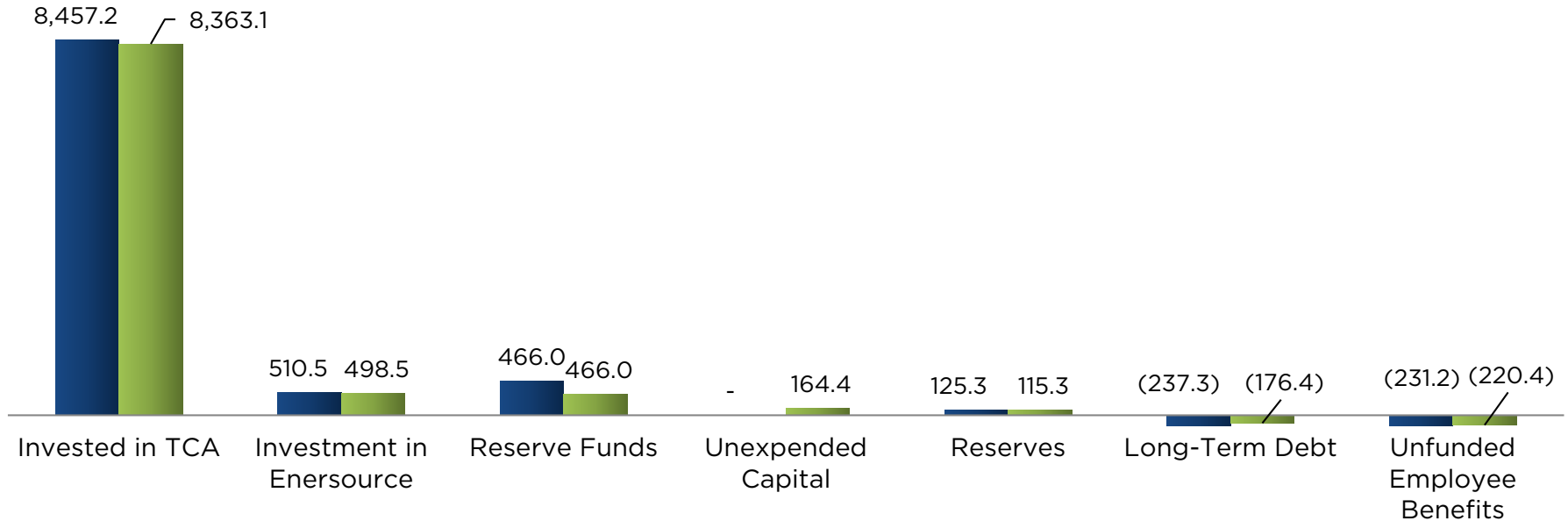


Deferred Revenue-Obligatory Reserve Funds

Item (\$ Millions)	2021	2020
Development Charges	270.9	206.1
CIL Parkland	126.7	117.7
CIL Parking	11.2	10.9
Bonus Zoning	4.2	4.0
Provincial Public Transit Funds and Gas Tax	42.1	53.0
Federal Public Transit Funds and Gas Tax	194.9	160.6
Safe Restart	18.2	0.0
Total Deferred Revenue - Obligatory Reserve Funds	668.4	552.3

- Certain reserve funds are re-classified as liabilities for financial reporting purposes.
- Includes both balances in the reserve funds at year-end, along with unspent balances that are in capital projects as of December 31st.

Accumulated Surplus (\$9.40 billion)



2021 Revenues (\$1.15 billion)

Item (in 000's)	2021 Budget	2021 Actual	2020 Actual	Change vs. Prior Year	
				\$ Change vs. Prior Year	% Change
Taxation	593,846	591,198	572,824	18,374	3.2%
Municipal Accommodation Tax	9,800	5,907	3,799	2,108	55.5%
User Charges	255,742	184,236	168,587	15,649	9.3%
Recoveries From Third Parties	27,996	16,699	19,415	(2,716)	-14.0%
Funding Transfers From Other Governments	3,909	80,860	65,597	15,263	23.3%
Development and Other Contributions Applied	150	154,415	150,930	3,485	2.3%
Investment Income	31,180	32,711	32,049	662	2.1%
Penalties and Interest on Taxes	8,610	14,592	5,334	9,258	173.6%
Contributed and Assumed Assets	-	35,899	27,197	8,702	32.0%
Other	7,885	2,698	10,128	(7,430)	-73.4%
City's Share of Net Income in Enersource Corporation	-	28,712	17,467	11,245	64.4%
Total Revenues	939,118	1,147,927	1,073,327	74,600	7.0%

2021 Expenses (\$954.0 million)

Item (in 000's)	2021 Budget	2021 Actual	2020 Actual	Change vs. Prior Year	
				\$ Change vs. Prior Year	% Change
Salaries, wages and employee benefits	578,780	555,416	529,475	25,941	4.9%
Long-term debt interest and fees	5,501	4,677	4,821	(144)	-3.0%
Materials and supplies	57,995	55,208	61,737	(6,529)	-10.6%
Contracted services	59,696	103,874	86,812	17,062	19.7%
Rents and financial expenses	86,001	78,841	71,844	6,997	9.7%
External transfers to others	9,905	4,783	7,091	(2,308)	-32.5%
Loss on disposal of tangible capital assets	-	849	2,372	(1,523)	-64.2%
Amortization of tangible capital assets	149,776	150,343	144,655	5,688	3.9%
Total Expenses	947,654	953,991	908,807	45,184	5.0%

2021 Safe Restart Agreement Funding

- Safe restart recognized as a third party grant on 2021 financial statements
- \$85.9 million received from the Provincial government in 2021.
- \$18.2 million in obligatory reserve funds to offset 2022 operating pressures.



Sustainability Accounting & Reporting

- Note 22 provides unaudited metrics on the recognition of natural assets
- Upcoming formal recognition of sustainability in public sector accounting standards.
- Work underway to begin formal disclosures of sustainability reporting into financial statements



Questions?