

# 2023 Financial Results

Audit Committee

May 13, 2024

## 2023 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 revenue and expenses are not included in the budget
- Enersource, BIAs are consolidated into the financial statements
- Annual surplus differs from budgeted surplus

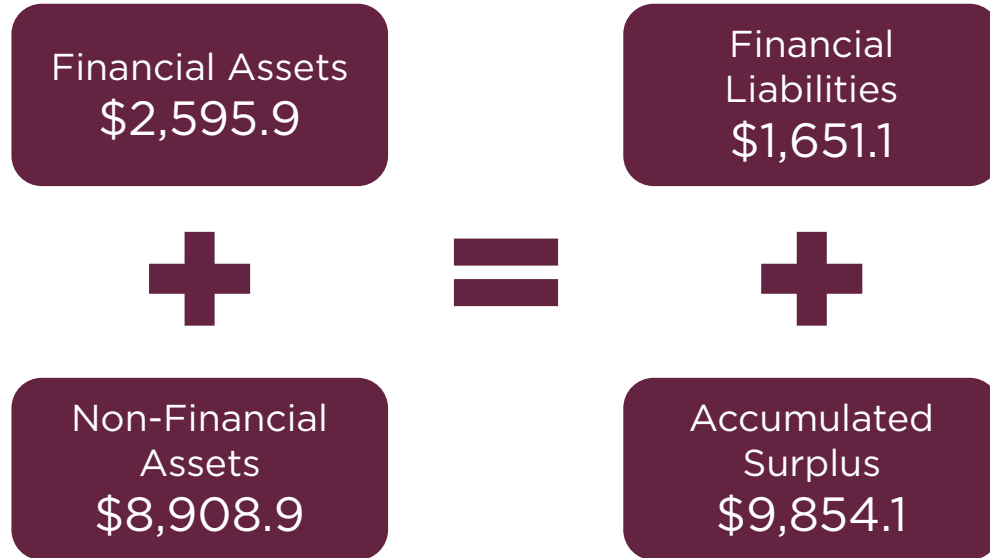
## New Accounting Standards for 2023

**Asset Retirement Obligations:** The cost of recognizing the legal obligations of retiring assets like buildings, equipment, lease agreements

**Financial Instruments:** New disclosures on how the City reports its financial instruments, like cash, investments, accounts receivable, accounts payable, etc.

# 2023 Financial Overview (\$ millions)

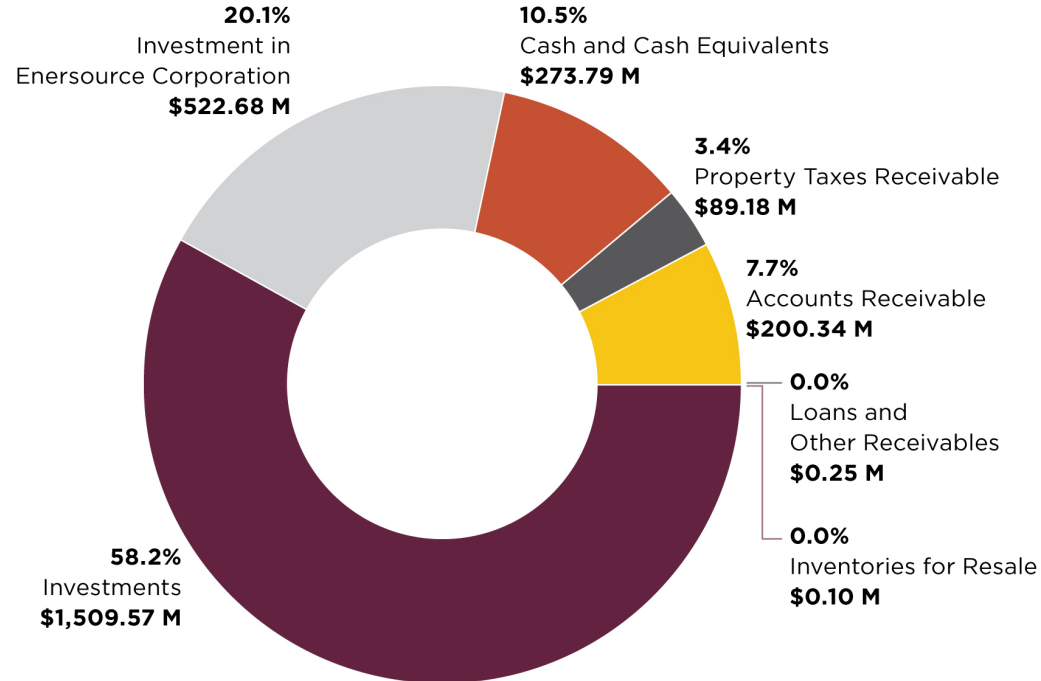
## Statement of Financial Position



## Statement of Operations



# Financial Assets (\$2.6 billion)



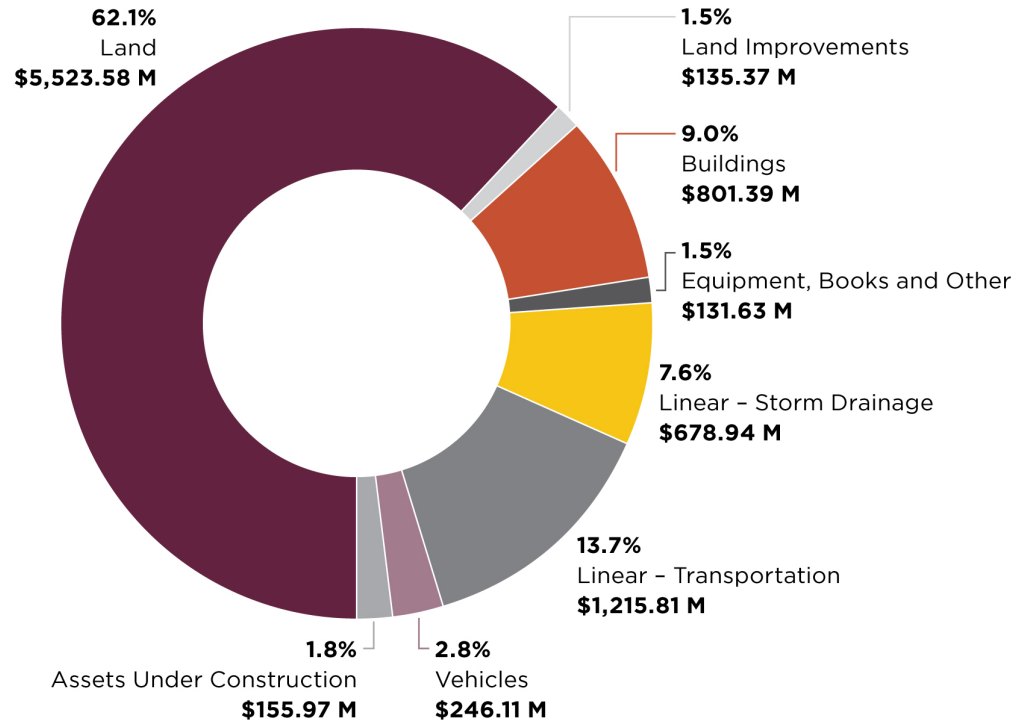
## Investment in Enersource Corporation

(\$ millions)	2023	2022
Opening Balance	505.4	510.5
Share of Net Income in Enersource Corp.	36.2	15.9
Share of other comprehensive income	(0.3)	0.0
City's Share of Dividend	(18.6)	(21.0)
<b>Closing Balance</b>	<b>522.7</b>	<b>505.4</b>

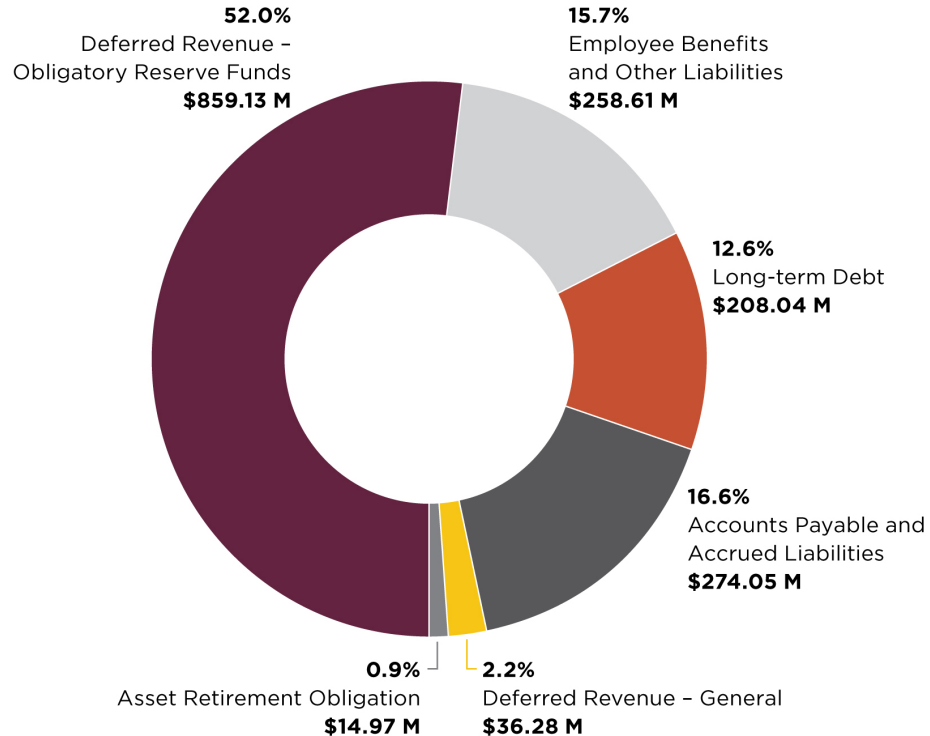
Enersource's interest in Alectra is currently 29.57%



# Tangible Capital Assets (\$8.89 billion)



# Financial Liabilities (\$1.65 billion)



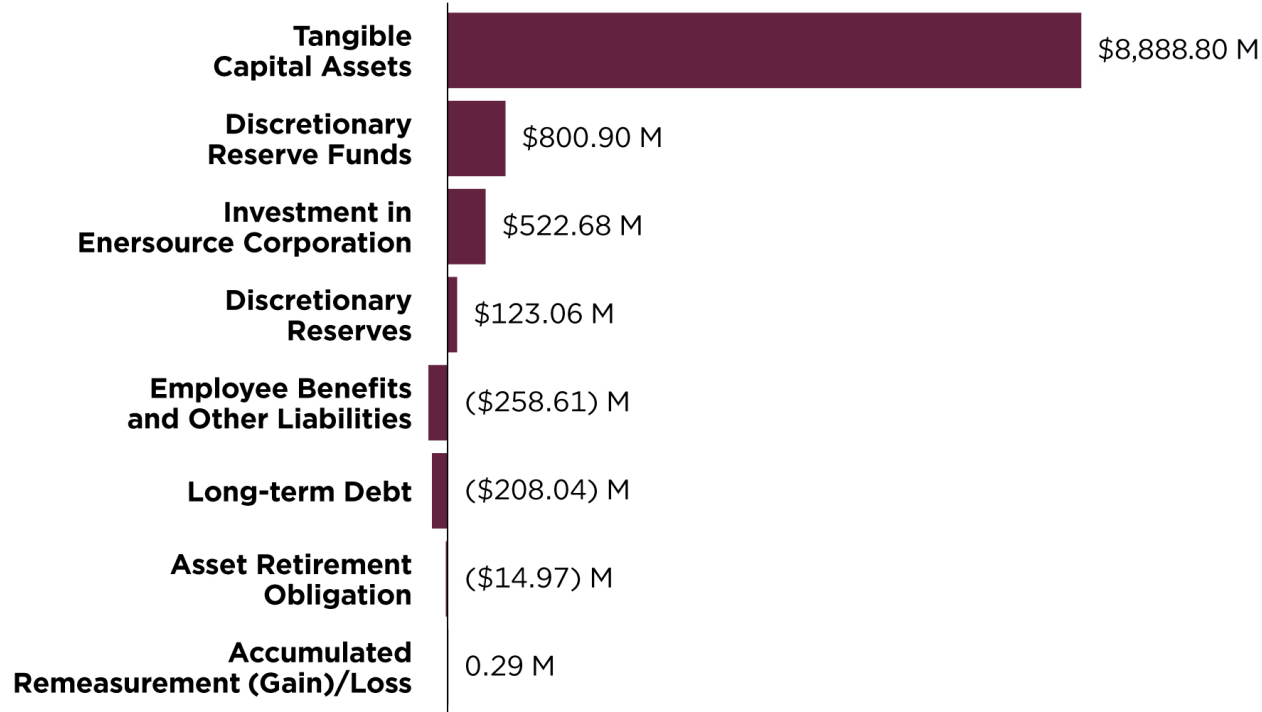


## Deferred Revenue - Obligatory Reserve Funds

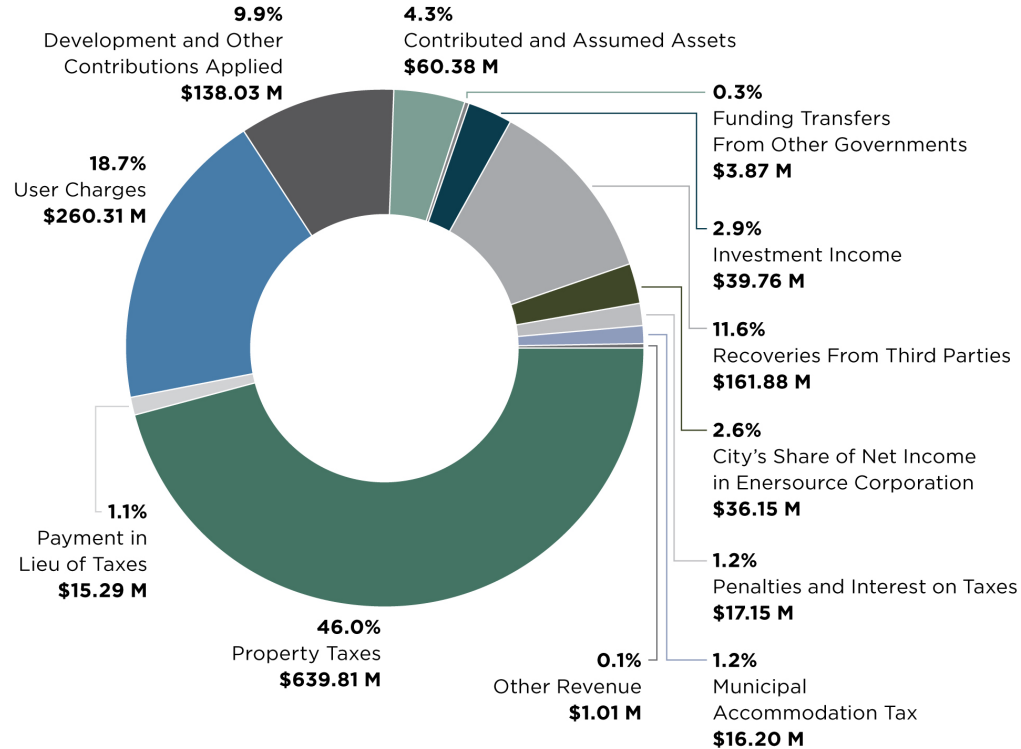
Item (\$ millions)	2023	2022
Development Charges	413.8	357.9
CIL Parkland	170.1	172.0
CIL Parking	7.2	3.2
Community Benefit Charges	25.4	18.0
Provincial Public Transit Funds and Gas Tax	48.2	43.6
Canada Community-Building Fund and Federal Public Transit Funds	166.1	190.0
Housing Accelerator Fund	28.4	-
<b>Total Deferred Revenue - Obligatory Reserve Funds</b>	<b>859.1</b>	<b>784.7</b>

- 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 31<sup>st</sup>

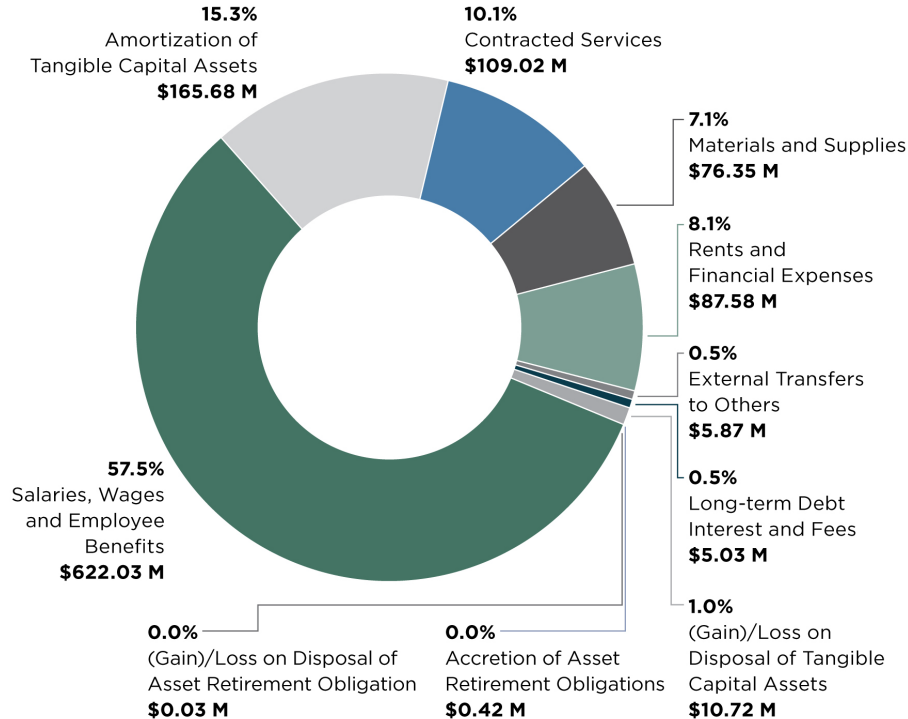
# Accumulated Surplus (\$9.85 billion)



# 2023 Revenue (\$1.39 billion)

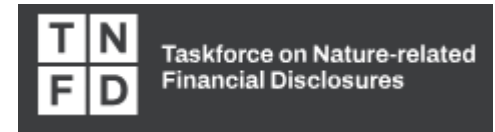


# 2023 Expenses (\$1.1 billion)



# Sustainability Accounting & Reporting

- Note 28 provides unaudited disclosure on the recognition of natural assets
- Inclusion of sustainability progress in the Financial and Sustainability Report
- Upcoming formal recognition of sustainability in public sector accounting standards



# Questions