

2020 FINANCIAL STATEMENTS

PRESENTATION TO THE AUDIT COMMITTEE

LAURA MIRABELLA, FCPA, FCA COMMISSIONER OF FINANCE & REGIONAL TREASURER
JASON LI, CPA, CA DIRECTOR, CONTROLLERSHIP OFFICE & DEPUTY TREASURER

June 9, 2021



AGENDA

- Share key 2020 financial results
- Recommend Committee and Council receive the 2020 Financial Statements and Auditor's Report for information

KEY POINTS

- Report includes two key attachments:
 - 2020 Financial Statements
 - Treasurer's Report
- The audit opinion was issued without reservation or condition
- The Region's financial assets increased by \$692 million
- The Region's net debt as defined for public sector reporting purposes decreased by \$371 million
- The Region had an annual surplus of \$720 million
- The Region's entire 2020 operating surplus of \$88 million was contributed to the Pandemic Management Reserve

COVID-19 IMPACTS

\$ (Millions)		2020 Impacts
Increased Costs		109
Reduced Revenues		80
Total COVID-19 Impacts		189
Senior Government Funding		(91)

STATEMENT OF OPERATIONS

(INCOME STATEMENT)

BUDGET TO FINANCIAL STATEMENT CONVERSION (\$M)

	Approved Budget	Conversions	Full Accrual Budget
Revenue	3,293	(399)	2,894
Expenses	3,293	(898)	2,395
Surplus	--	499	499

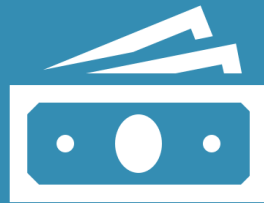
Tangible Capital
Assets



Debt



Transfers to/from
Reserves



Amortization



Presentation



STATEMENT OF OPERATIONS

\$ (Millions)	2020 Budget	2020 Actuals	2019 Actuals	Budget to Actual Variance	Year over Year Variance
Revenues	2,894	2,826	2,942	(67)	(115)
Expenses	2,395	2,106	2,253	(289)	(146)
Annual, Surplus, Accrual Basis	499	720	689	221	31

*numbers may not add due to rounding

REVENUE VARIANCES

\$ (Millions)	2020 Budget	2020 Actuals	2019 Actuals	Budget to Actual Variance	Year over Year Variance
Net taxation	1,197	1,197	1,152	0	45
User charges	385	374	354	(11)	20
Transfer payments - Other	511	579	511	68	68
Transfer payments - Metrolinx	142	112	268	(30)	(156)
Development charges	390	269	293	(121)	(24)
Fees and services - Transportation	82	35	80	(47)	(45)
Fees and services - Other	79	72	83	(7)	(11)
Investment income	72	145	119	73	26
Other	35	44	81	8	(37)
Total Revenue	2,894	2,826	2,942	(67)	(115)

*numbers may not add due to rounding

EXPENSES VARIANCES

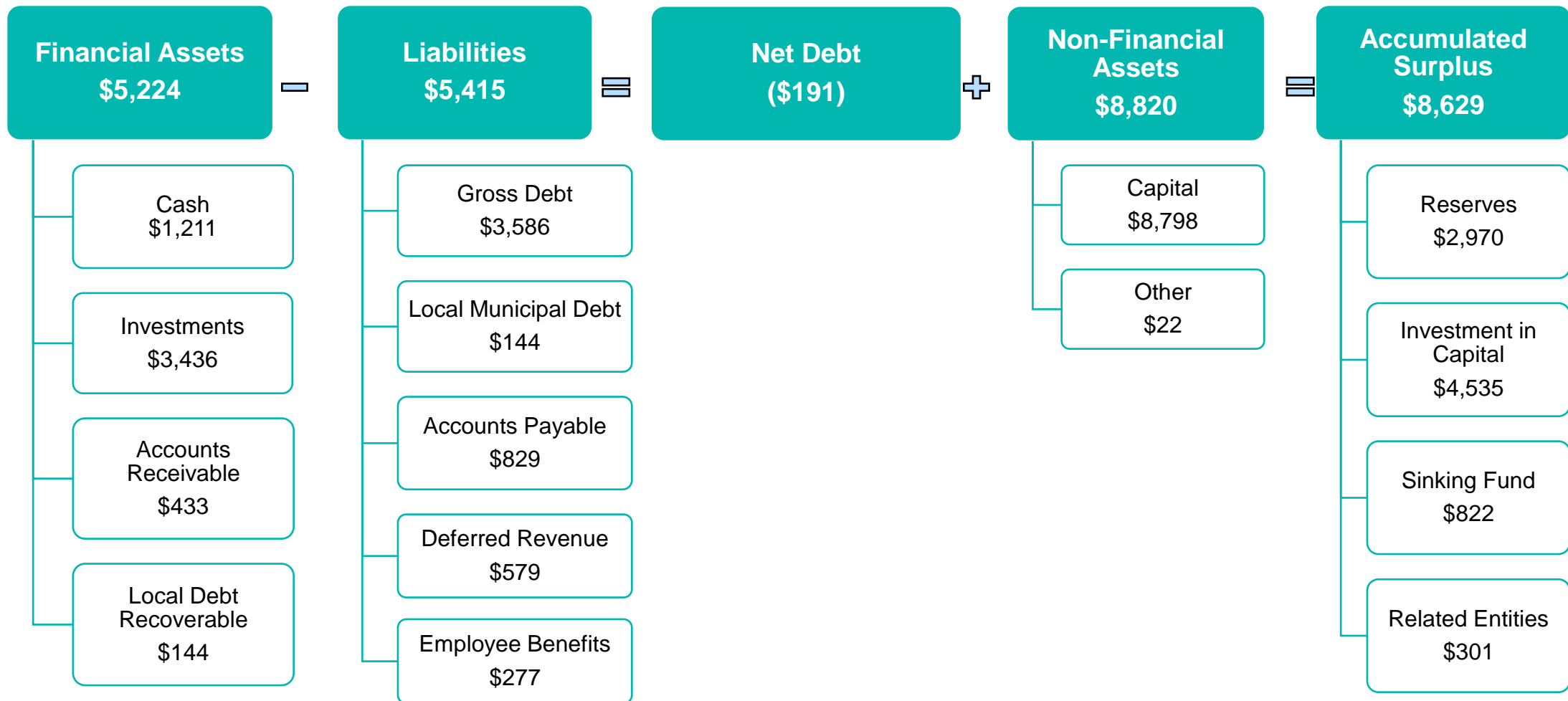
\$ (Millions)	2020 Budget	2020 Actuals	2019 Actuals	Budget to Actual Variance	Year over Year Variance
Community and Emergency Services and Social Housing	568	549	539	(19)	10
Public Health Services	78	91	69	13	22
Hospital funding	7	59	4	52	55
Transportation Services	592	465	608	(127)	(143)
Environmental Services	515	388	482	(126)	(94)
Protection to Persons and Property	413	425	406	12	19
General Government and Other	223	130	145	(93)	(15)
	2,395	2,106	2,253	(289)	(146)

*numbers may not add due to rounding

STATEMENT OF FINANCIAL POSITION

(BALANCE SHEET)

STATEMENT OF FINANCIAL POSITION (\$M)



*numbers may not add due to rounding

STATEMENT OF FINANCIAL POSITION (\$M)

\$ (Millions)	2020 Actuals	2019 Actuals	Variance	% Change
Financial Assets	5,224	4,531	692	15%
Financial Liabilities	5,415	5,094	321	6%
Net Debt	(191)	(562)	371	-66%
Non-Financial Assets	8,820	8,471	349	4%
Accumulated Surplus	8,629	7,909	720	9%

*numbers may not add due to rounding

TANGIBLE CAPITAL ASSETS BY FUNCTION

Wastewater



**Net book value
\$2.3B**

Transit



**Net book value
\$2.1B**

Roads



**Net book value
\$1.8B**

Water



**Net book value
\$1.4B**

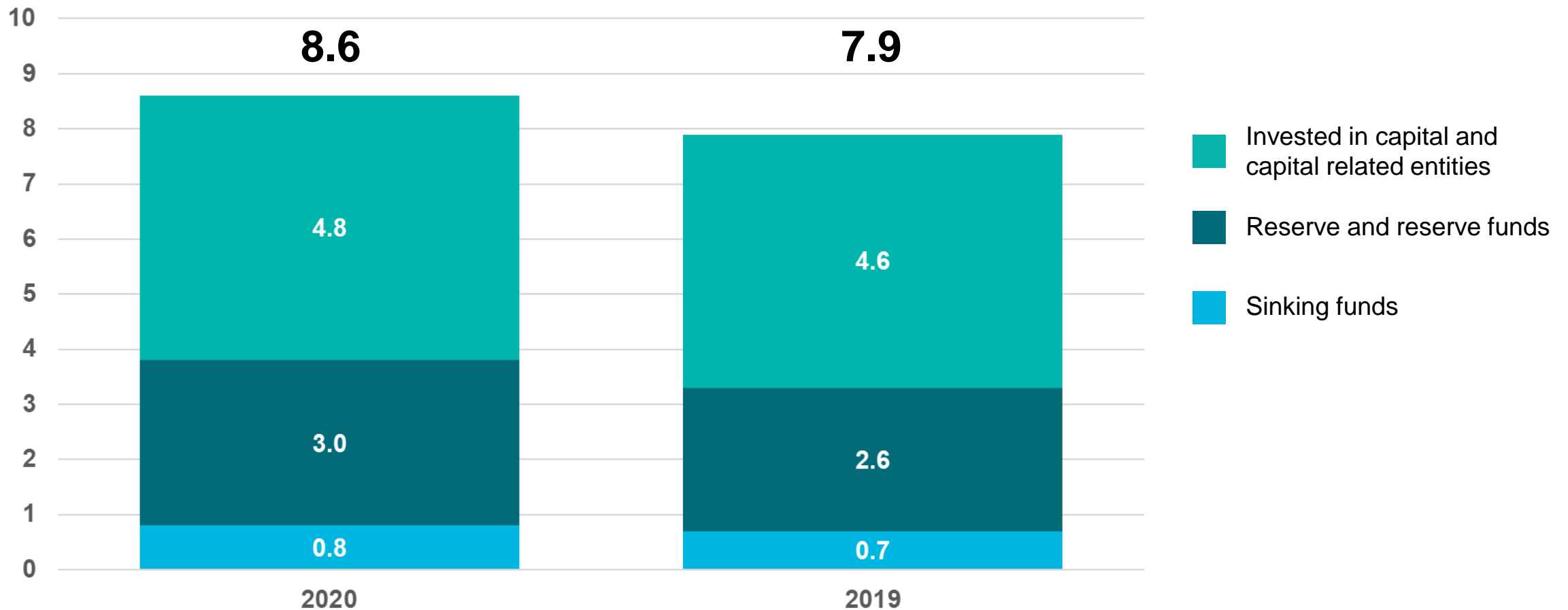
Other



**Net book value
\$1.2B**

*numbers may not add due to rounding

ACCUMULATED SURPLUS



SUMMARY

- The unqualified audit opinion and receipt of the GFOA Award are evidence of high quality financial statements
- It is recommended that Committee and Council receive the report for information

