

2022 FINANCIAL STATEMENTS

PRESENTATION TO THE AUDIT COMMITTEE

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COMMISSIONER OF FINANCE & REGIONAL TREASURER

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June 8, 2023



AGENDA

- Share key 2022 financial results
- Recommend Committee and Council receive the 2022 Financial Statements and Auditor's Report for information

KEY POINTS

- The Region achieved an operating surplus of **\$78 million** in 2022. After adjustments for reserves, debt and capital assets, the annual surplus for financial statement purposes was **\$688 million**
- The Region continued to save for future needs, including asset management by adding **\$553 million** to reserves, increasing the balance to **\$4.8 billion** by the end of 2022
- The Region's net financial assets increased by **\$507 million**

STATEMENT OF OPERATIONS

(INCOME STATEMENT)

BUDGET TO FINANCIAL STATEMENT CONVERSION \$ (MILLIONS)

	Approved Budget	Conversions	Full Accrual Budget	2022 Actuals
Revenue	3,662	(479)	3,182	3,135
Expenses	3,662	(1,218)	2,444	2,448
Surplus	--	739	739	688

*numbers may not add due to rounding

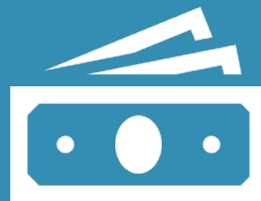
**Tangible Capital
Assets**



Debt



**Transfers to/from
Reserves**



Amortization



Presentation



STATEMENT OF OPERATIONS \$ (MILLIONS)

	2022 Budget	2022 Actuals	2021 Actuals	Budget to Actual Variance	Year over Year Variance
Revenues	3,182	3,135	2,970	(47)	165
Expenses	2,443	2,448	2,300	4	148
Annual Surplus, accrual basis	739	688	671	(51)	17

*numbers may not add due to rounding

REVENUE VARIANCES \$ (MILLIONS)

	2022 Budget	2022 Actuals	2021 Actuals	Budget to Actual Variance	Year over Year Variance
Net Taxation	1,284	1,282	1,233	(2)	49
User Charges	376	388	378	12	10
Government Transfers	650	721	694	72	27
Development Charges	594	434	371	(160)	63
Fees and Services	126	151	117	24	33
Investment Income	93	125	115	32	10
Other	59	35	62	(24)	(27)
Total Revenue	3,182	3,135	2,970	(47)	165

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EXPENSE VARIANCES \$ (MILLIONS)

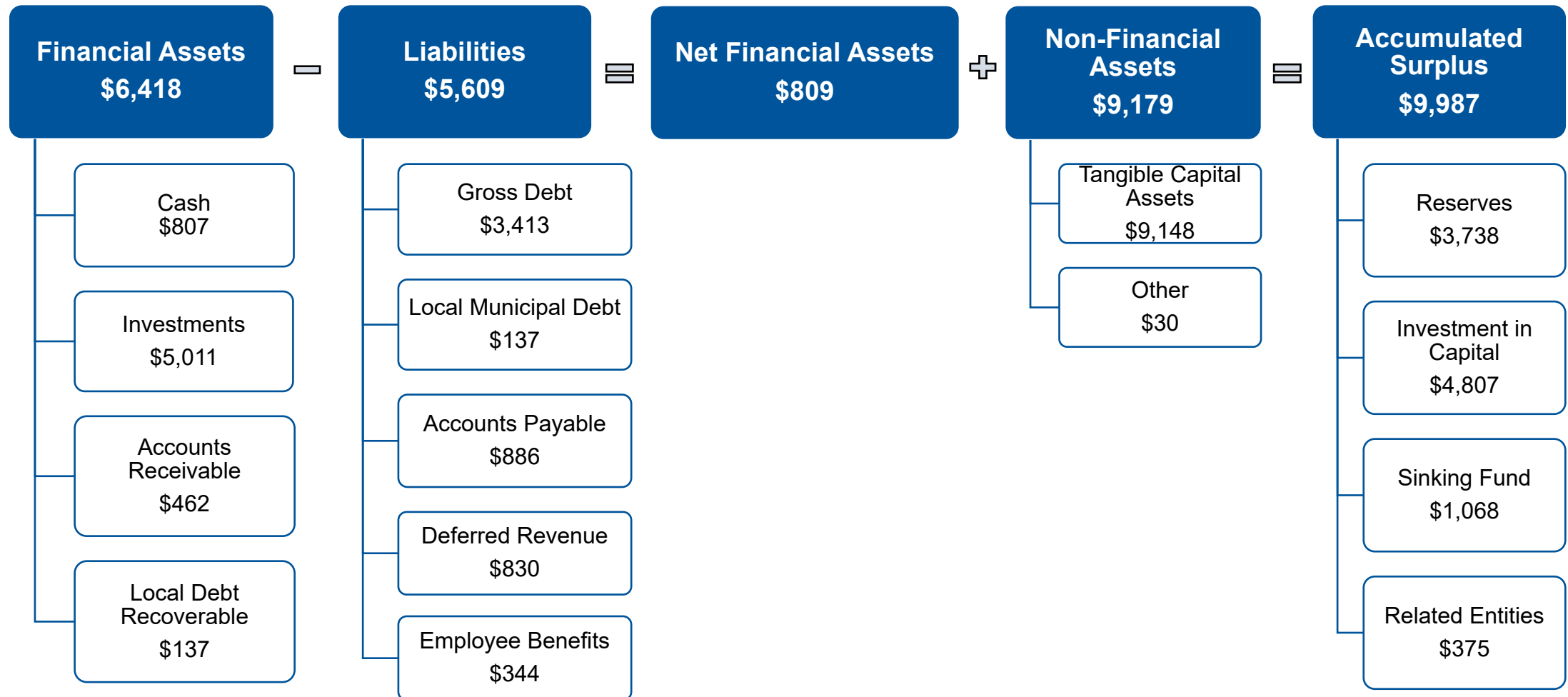
	2022 Budget	2022 Actuals	2021 Actuals	Budget to Actual Variance	Year over Year Variance
Community and Health Services	749	845	740	97	105
Transportation Services	538	511	477	(27)	33
Environmental Services	532	487	485	(45)	2
Protection to Persons and Property	455	451	436	(4)	15
General Government and Other	170	154	160	(16)	(7)
	2,443	2,448	2,300	4	148

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STATEMENT OF FINANCIAL POSITION

(BALANCE SHEET)

STATEMENT OF FINANCIAL POSITION \$ (MILLIONS)



*numbers may not add due to rounding

STATEMENT OF FINANCIAL POSITION \$ (MILLIONS)

	2022 Actuals	2021 Actuals	Variance	% Change
Financial Assets	6,418	5,728	689	12%
Financial Liabilities	5,609	5,427	182	3%
Net Financial Asset	809	301	507	168%
Non-Financial Assets	9,179	8,998	181	2%
Accumulated Surplus	9,987	9,300	688	7%

* Note: numbers may not add due to rounding

TANGIBLE CAPITAL ASSETS — \$9.1 BILLION

Wastewater



**Net book value
\$2.4B**

Transit



**Net book value
\$2.1B**

Roads



**Net book value
\$2.0B**

Water



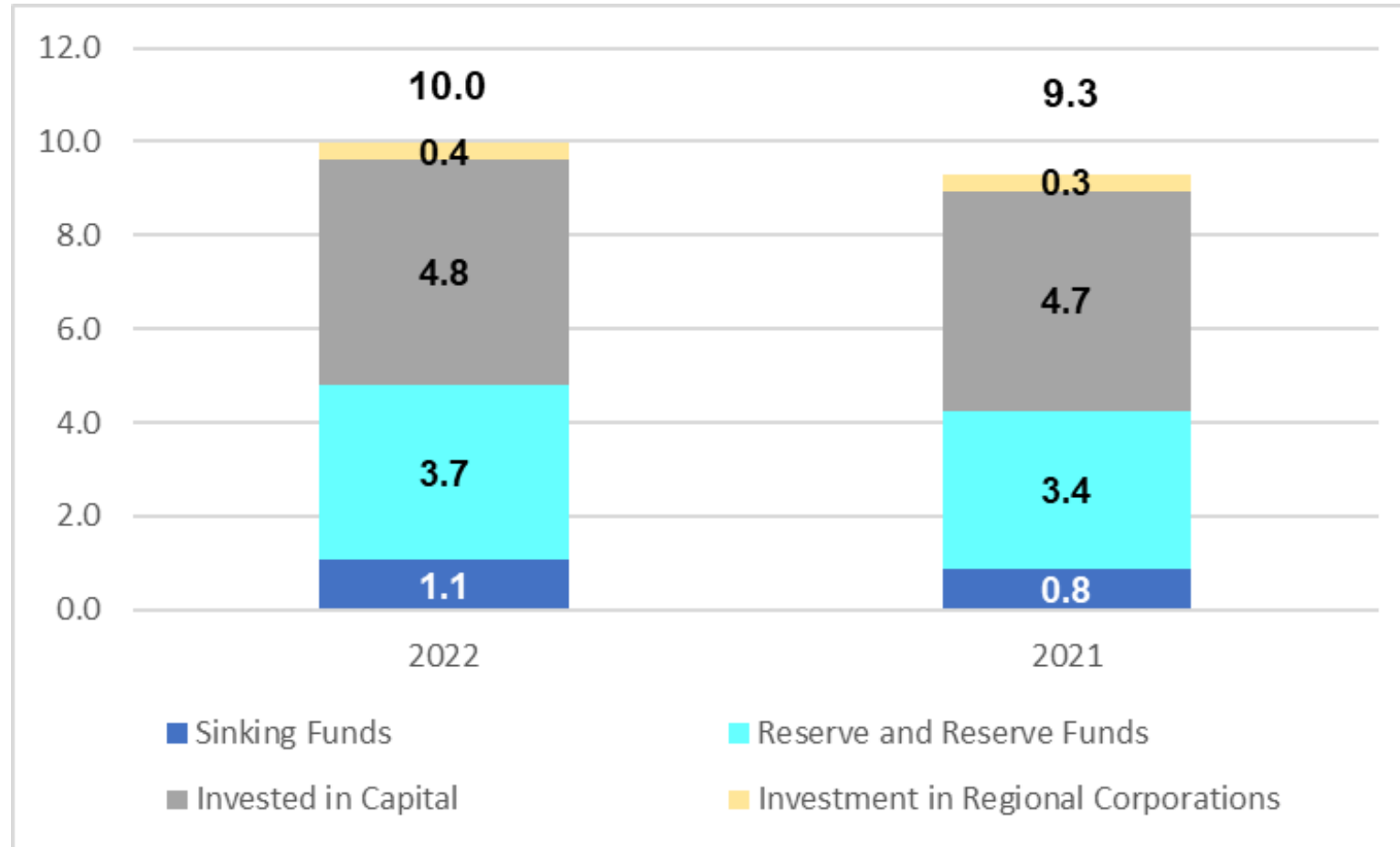
**Net book value
\$1.4B**

Other



**Net book value
\$1.2B**

ACCUMULATED SURPLUS \$(BILLIONS)



* Note: numbers may not add due to rounding

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.

