



# 2023 FINANCIAL STATEMENTS

Presented to  
**AUDIT COMMITTEE**

Presented on  
**JUNE 13, 2024**

Presented by  
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**COMMISSIONER OF FINANCE & REGIONAL TREASURER**

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# AGENDA

- Share key 2023 financial results
- Recommend Committee and Council receive the 2023 Financial Statements and Auditor's Report for information

# KEY POINTS

- The Region achieved an operating surplus of **\$68 million** in 2023. After adjustments for reserves, debt and capital assets, the annual surplus for financial statement purposes was **\$767 million**
- The Region continued to save for future needs, including asset management by adding **\$591 million** to reserves, increasing the balance to **\$5.4 billion** by the end of 2023
- The Region's net financial assets increased by **\$525 million**

# **STATEMENT OF OPERATIONS**

**(INCOME STATEMENT)**

# BUDGET TO FINANCIAL STATEMENT CONVERSION \$ (MILLIONS)

	Approved Budget	Conversions	Full Accrual Budget	2023 Actuals
Revenue	3,958	(581)	3,377	3,510
Expenses	3,958	(1,099)	2,858	2,744
<b>Surplus</b>	<b>--</b>	<b>519</b>	<b>519</b>	<b>767</b>

\*numbers may not add due to rounding

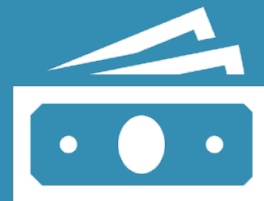
**Tangible Capital  
Assets**



**Debt**



**Transfers to/from  
Reserves**



**Amortization**



**Presentation**





# STATEMENT OF OPERATIONS \$ (MILLIONS)

	2023 Budget	2023 Actual	2022 Actual	Budget to Actual Variance	Year over Year Variance
Revenues	3,377	3,510	3,135	134	375
Expenses	2,858	2,744	2,448	(114)	296
<b>Annual Surplus, accrual basis</b>	<b>519</b>	<b>767</b>	<b>687</b>	<b>248</b>	<b>79</b>

\*numbers may not add due to rounding

# REVENUE VARIANCES \$ (MILLIONS)

	2023 Budget	2023 Actual	2022 Actual	Budget to Actual Variance	Year over Year variance
Net Taxation	1,351	1,357	1,282	6	75
User Charges	392	395	388	3	7
Government Transfers	869	869	721	0	148
Development Charges	380	467	434	87	33
Fees and Services	151	180	151	28	29
Investment Income	154	186	125	33	61
Other	80	57	35	(24)	22
<b>Total Revenue</b>	<b>3,377</b>	<b>3,510</b>	<b>3,135</b>	<b>134</b>	<b>375</b>

\*numbers may not add due to rounding

# EXPENSE VARIANCES \$ (MILLIONS)

	2023 Budget	2023 Actual	2022 Actual	Budget to Actual Variance	Year over Year variance
Community and Health Services	1,069	1,009	846	(60)	163
Transportation Services	610	541	511	(68)	30
Environmental Services	529	534	487	4	47
Protection to Persons and Property	473	476	451	2	24
General Government and Other	177	185	154	8	31
	<b>2,858</b>	<b>2,744</b>	<b>2,448</b>	<b>(114)</b>	<b>296</b>

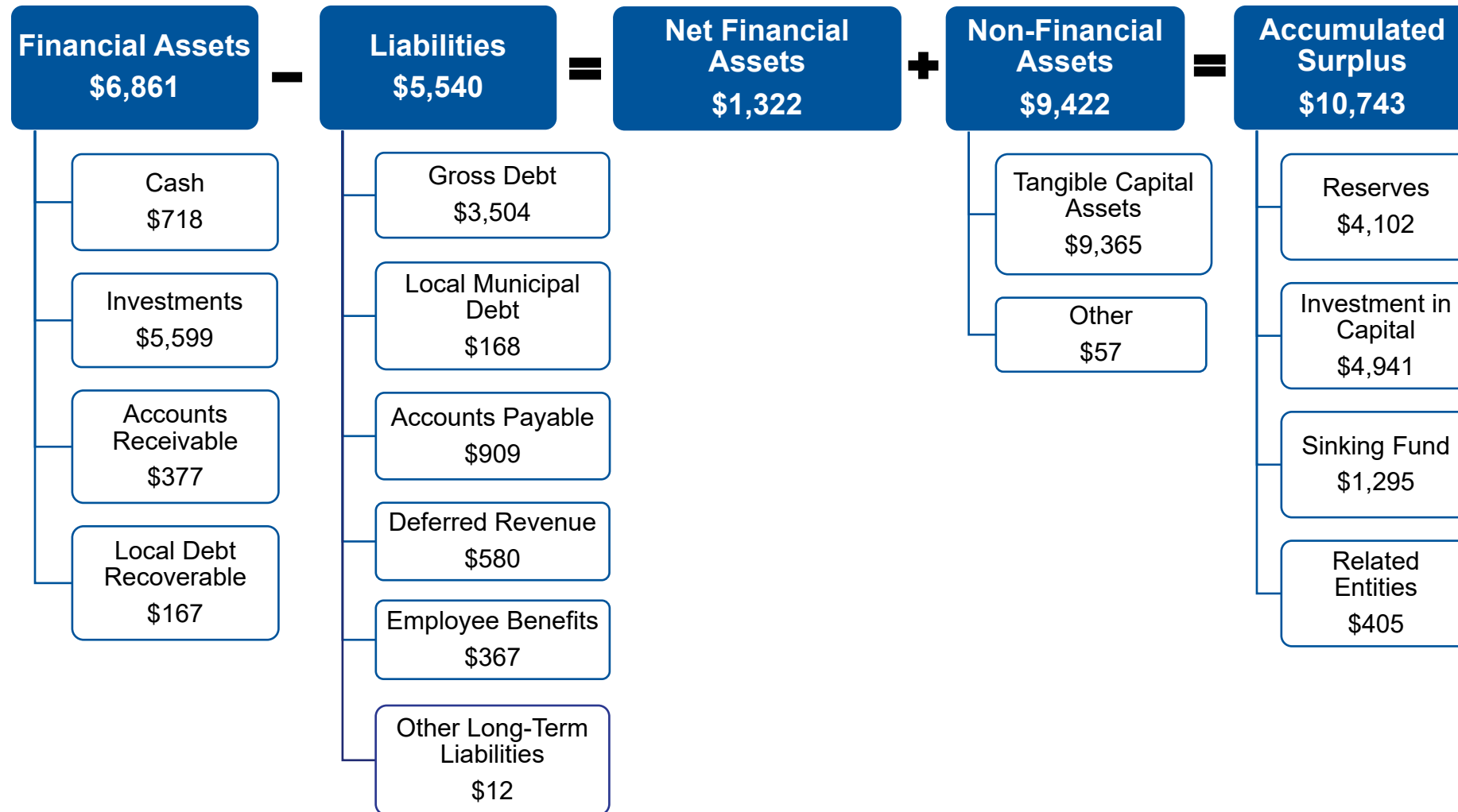
\*numbers may not add due to rounding



# **STATEMENT OF FINANCIAL POSITION**

**(BALANCE SHEET)**

# STATEMENT OF FINANCIAL POSITION \$ (MILLIONS)



\*numbers may not add due to rounding

# STATEMENT OF FINANCIAL POSITION \$ (MILLIONS)

	2023 Actual	2022 Actual	Variance	% Change
Financial Assets	6,861	6,418	444	7%
Financial Liabilities	5,540	5,621	(81)	-1%
<b>Net Financial Asset</b>	<b>1,322</b>	<b>797</b>	<b>525</b>	<b>66%</b>
Non-Financial Assets	9,422	9,180	242	3%
<b>Accumulated Surplus</b>	<b>10,743</b>	<b>9,977</b>	<b>767</b>	<b>8%</b>

\* Note: numbers may not add due to rounding

# TANGIBLE CAPITAL ASSETS — \$9.4 BILLION

## Wastewater



Net book value  
\$2.4B

## Roads



Net book value  
\$2.2B

## Transit



Net book value  
\$2.1B

## Water



Net book value  
\$1.4B

## Other

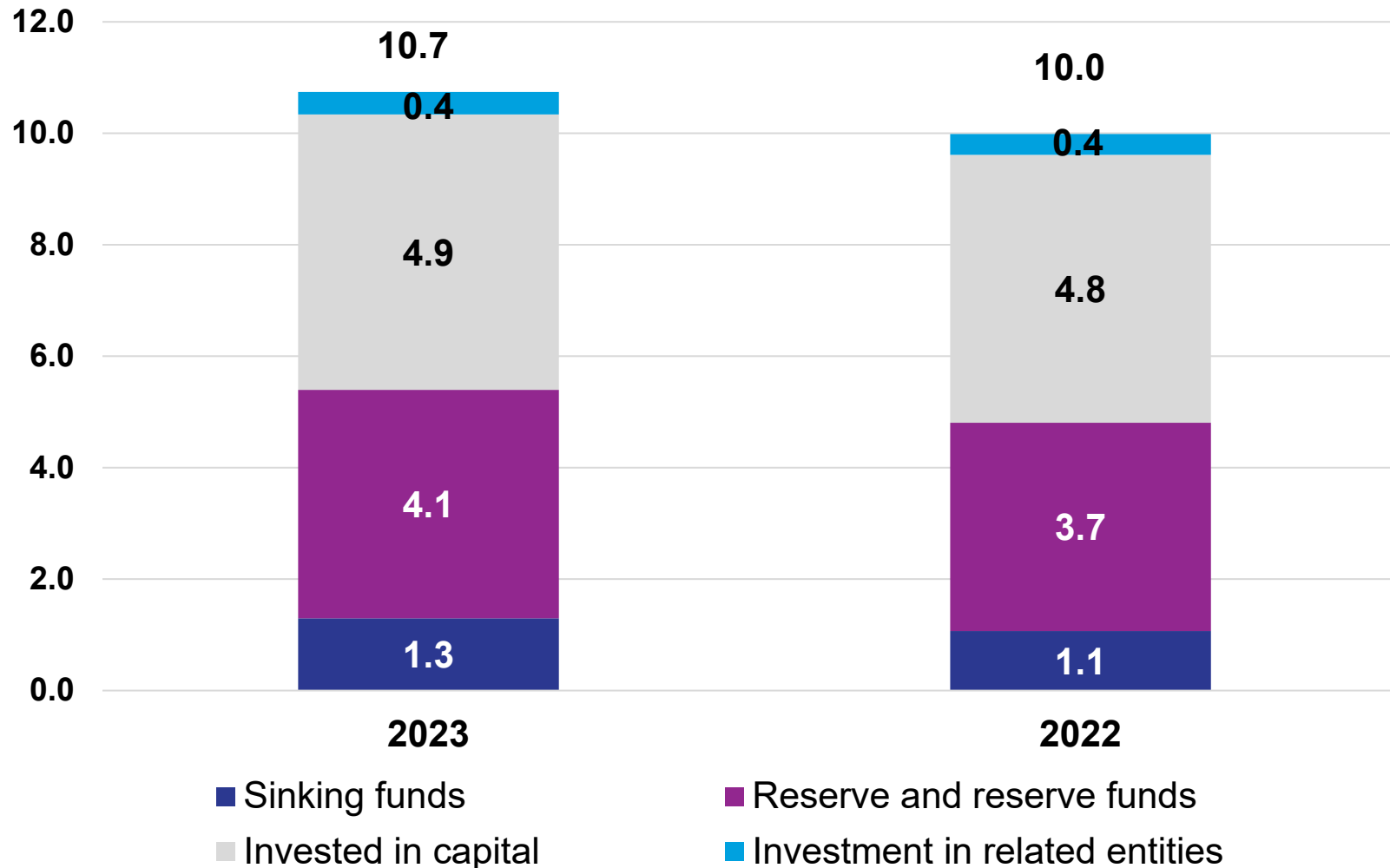


Net book value  
\$1.3B

Historical cost - \$13.2 billion – December 31, 2023

Replacement cost - \$25.3 billion (estimate) – December 31, 2022

# ACCUMULATED SURPLUS \$ (BILLIONS)



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# 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.

