

## 2023 Budget Reconciliation

The budget approved by Council differs from the budget in the Consolidated Statements. The differences are mainly due to PSAB reporting requirements.

|   | <b>Revenues</b>           | <b>Expenses</b>       |
|---|---------------------------|-----------------------|
| <b>Council approved budget for 2023:</b>                        |                           |                       |
| Operating fund - April 3, 2023                                  | \$ 147,074,793            | \$ 147,074,793        |
| Less: Principal payment on long-term debt                       | \$ -                      | \$ (4,074,965)        |
| Less: Transfers to / from other funds                           | \$ (2,118,622)            | \$ (19,182,748)       |
| Capital Program - April 3, 2023                                 | \$ 63,078,700             | \$ 63,078,700         |
| Less: Transfers from other funds                                | \$ (27,281,350)           | \$ -                  |
| Reserves and Reserve funds -                                    | \$ 21,368,831             | \$ 29,399,972         |
| Less: Transfers to / from other funds                           | \$ (19,182,748)           | \$ (29,399,972)       |
| <b>TOTAL COUNCIL APPROVED BUDGET</b>                            | <b>(1) \$ 182,939,604</b> | <b>\$ 186,895,780</b> |
| Less: Projection of Tangible Capital Assets Capitalized         |                           | (2) (58,210,700)      |
| Plus: Budgeted amortization expense                             |                           | (3) 19,662,190        |
| Plus: Post-employment benefit expenses                          |                           | (4) (316,399)         |
| Plus: Investment income from Newmarket Hydro Holdings Inc.      | (5) 2,000,000             |                       |
| <b>Adjusted Budget per Consolidated Statement of Operations</b> | <b>\$ 184,939,604</b>     | <b>\$ 148,030,871</b> |

**Note:**

- (1) Council approves balanced budgets with the exception of Reserves and Reserve Funds. The difference between Revenue and Expenses is the net transfer to or from other funds.
- (2) This figure represents the total expenditures in the Capital Budget for Tangible Capital Assets. Disposals are not considered to be material and are therefore excluded.
- (3) This figure is the estimated amortization for the current year's budgeted Tangible Capital Asset additions and adding it to the previous year's actual amortization expense.
- (4) This is estimated based on the 2022 actuarial evaluation.
- (5) This is estimated based on the previous years' trend.

**THE CORPORATION OF THE TOWN OF NEWMARKET**  
**Consolidated Statement of Projected Financial Position**

**December 31, 2023**

|   | 2022                  | 2023                  |
|---|-----------------------|-----------------------|
|   | Actual                | Budget                |
| <b>FINANCIAL ASSETS</b>                     |                       |                       |
| Cash  | \$ 144,550,381        | \$ 149,149,953        |
| Investments                                 | 61,207,652            | 65,000,000            |
| Taxes receivable                            | 9,318,160             | 8,845,196             |
| User charges receivable                     | 9,963,871             | 9,934,419             |
| Accounts receivable                         | 4,826,132             | 4,009,963             |
| Inventory for resale                        | 81,260                | 82,885                |
| Surplus Land                                | 155,285               | 155,285               |
| Loans receivable                            | 11,718,339            | 15,718,339            |
| Investment in Newmarket Hydro Holdings Inc. | 56,902,217            | 58,902,217            |
|   | <b>298,723,297</b>    | <b>311,798,257</b>    |
| <b>LIABILITIES</b>                          |                       |                       |
| Accounts payable and accrued liabilities    | 51,396,334            | 51,910,297            |
| Interest payable on debt                    | 528,945               | 462,474               |
| Employee future benefits payable            | 8,790,679             | 8,474,277             |
| Long-term disability benefits payable       | 4,784,927             | 5,284,101             |
| Deferred revenue                            | 58,182,754            | 58,764,582            |
| Long-term debt                              | 33,984,039            | 29,909,074            |
|   | <b>157,667,678</b>    | <b>154,804,806</b>    |
| <b>NET FINANCIAL ASSETS</b>                 | <b>141,055,618</b>    | <b>156,993,451</b>    |
| <b>NON FINANCIAL ASSETS</b>                 |                       |                       |
| Inventory                                   | 1,279,996             | 1,305,596             |
| Prepaid expenses                            | 2,084,899             | 1,944,899             |
| Tangible Capital Assets                     | 571,409,095           | 592,494,395           |
|   | <b>574,773,990</b>    | <b>595,744,890</b>    |
| <b>TOTAL NET ASSETS</b>                     | <b>715,829,608</b>    | <b>752,738,341</b>    |
| <b>ACCUMULATED SURPLUS</b>                  | <b>\$ 715,829,608</b> | <b>\$ 752,738,341</b> |

**THE CORPORATION OF THE TOWN OF NEWMARKET**  
**Consolidated Statement of Projected Operations and Accumulated Surplus**  
**Year ended December 31, 2023**

|  | 2022          |               | 2023          |
|--|---------------|---------------|---------------|
|  | Budget        | Actual        | Budget        |
| <b>REVENUES</b>                              |               |               |               |
| <b>Taxation and user charges</b>             |               |               |               |
| Residential and farm taxation                | \$ 57,843,534 | \$ 57,438,549 | \$ 61,716,031 |
| Commercial, industrial and business taxation | 10,917,116    | 11,289,719    | 11,250,209    |
| Taxation from other governments              | 722,525       | 933,419       | 743,725       |
| User charges                                 | 59,073,370    | 58,249,713    | 62,090,119    |
|  | 128,556,545   | 127,911,400   | 135,800,084   |
| <b>Government Transfers</b>                  |               |               |               |
| Government of Canada                         | 90,000        | 590,364       | 100,000       |
| Building Canada Fund                         | 2,500,000     | 2,653,877     | 3,944,000     |
| Province of Ontario                          | 4,715,891     | 5,234,357     | 2,995,891     |
|  | 7,305,891     | 8,478,598     | 7,039,891     |
| <b>Other</b>                                 |               |               |               |
| Contribution from developers                 | 15,091,172    | 18,446,726    | 31,980,830    |
| Investment income                            | 2,916,290     | 5,110,729     | 2,779,083     |
| Fine, penalties and interest                 | 1,750,351     | 1,990,122     | 1,745,993     |
| Rent and other                               | 3,448,159     | 4,249,525     | 3,593,723     |
| Gain on disposal of tangible capital assets  | -             | (59,565)      | -             |
|  | 23,205,971    | 29,737,537    | 40,099,629    |
| <b>TOTAL REVENUES</b>                        | 159,068,408   | 166,127,535   | 182,939,604   |

**THE CORPORATION OF THE TOWN OF NEWMARKET**  
**Consolidated Statement of Projected Operations and Accumulated Surplus**  
**Year ended December 31, 2023**

|  | 2022                  |                       | 2023                  |
|--|-----------------------|-----------------------|-----------------------|
|  | Budget                | Actual                | Budget                |
| <b>EXPENSES</b>                                      |                       |                       |                       |
| General government                                   | 19,087,017            | 21,100,426            | <b>21,479,917</b>     |
| Protection to persons and property                   | 20,840,555            | 21,561,104            | <b>21,669,295</b>     |
| Transportation services                              | 15,326,926            | 14,995,754            | <b>16,786,680</b>     |
| Environmental services                               | 45,687,486            | 42,830,458            | <b>46,470,133</b>     |
| Recreation and cultural services                     | 36,424,852            | 34,969,226            | <b>37,863,666</b>     |
| Planning and development                             | 3,329,977             | 3,150,807             | <b>3,761,180</b>      |
|  | <b>140,696,812</b>    | <b>138,607,774</b>    | <b>148,030,871</b>    |
| Investment income from Newmarket Hydro Holdings Inc. | 2,336,000             | 10,251,402            | <b>2,000,000</b>      |
| <b>Gain/(Loss) on foreign exchange</b>               | -                     | 554,173               | -                     |
| <b>ANNUAL SURPLUS</b>                                | <b>20,707,595</b>     | <b>38,325,336</b>     | <b>36,908,733</b>     |
| <b>ACCUMULATED SURPLUS, BEGINNING OF YEAR</b>        | <b>677,504,272</b>    | <b>677,504,272</b>    | <b>715,829,608</b>    |
| <b>ACCUMULATED SURPLUS, END OF YEAR</b>              | <b>\$ 698,211,867</b> | <b>\$ 715,829,608</b> | <b>\$ 752,738,341</b> |

**THE CORPORATION OF THE TOWN OF NEWMARKET**  
**Consolidated Statement of Projected Change in Net Financial Assets**  
**Year ended December 31, 2023**

|  | 2022              |                   | 2023              |
|--|-------------------|-------------------|-------------------|
|  | Budget            | Actual            | Budget            |
|  |                   |                   | Plug              |
| <b>Annual surplus</b>                              | \$ 20,707,595     | \$ 38,325,336     | \$ 36,908,733     |
| Acquisition of tangible capital assets             | (28,046,650)      | (24,623,692)      | (40,747,490)      |
| Contributed tangible capital assets                | -                 | (8,594,938)       | -                 |
| Amortization of tangible capital assets            | 18,711,580        | 18,408,705        | 19,662,190        |
| Proceeds from sale of tangible capital assets      | -                 | 63,933            | -                 |
| Loss (gain) on disposal of tangible capital assets | -                 | 59,565            | -                 |
|  | (9,335,070)       | (14,686,427)      | (21,085,300)      |
| Changes due to inventory                           | (21,980)          | (180,994)         | (25,600)          |
| Changes due to prepaid expenses                    | 140,000           | (33,653)          | 140,000           |
|  | 118,020           | (214,647)         | 114,400           |
| <b>CHANGE IN NET FINANCIAL ASSETS</b>              | <b>11,490,545</b> | <b>23,424,262</b> | <b>15,937,833</b> |
| <b>NET FINANCIAL ASSETS, BEGINNING OF YEAR</b>     | 117,631,356       | 117,631,356       | 141,055,618       |
| <b>NET FINANCIAL ASSETS, END OF YEAR</b>           | \$ 129,121,901    | \$ 141,055,618    | \$ 156,993,451    |

## THE CORPORATION OF THE TOWN OF NEWMARKET

## Consolidated Statement of Projected Cash Flows

Year ended December 31, 2023

|  | 2022           |                | 2023           |
|--|----------------|----------------|----------------|
|  | Budget         | Actual         | Budget         |
| <b>CASH PROVIDED BY (USED IN):</b>                   |                |                |                |
| <b>OPERATING ACTIVITIES</b>                          |                |                | <b>Plug</b>    |
| <b>Cash received from</b>                            |                |                |                |
| Taxation   | \$ 69,522,559  | \$ 68,980,749  | \$ 74,182,929  |
| User charges   | 61,596,809     | 58,657,868     | 62,119,571     |
| Government transfers                                 | 7,305,891      | 5,398,268      | 7,039,891      |
| Contributions from developers                        | 13,048,481     | 21,465,042     | 16,796,196     |
| Investment income                                    | 4,252,290      | 5,389,455      | 2,779,083      |
| Fine, penalties and interest                         | 2,750,351      | 2,090,548      | 1,745,993      |
| Rent and other                                       | 4,812,159      | 5,294,726      | 3,593,723      |
| Aurora's share of Central York Fire Services         | 12,294,053     | 12,279,515     | 12,722,927     |
|  | 175,582,593    | 179,556,171    | 180,980,313    |
| <b>Cash paid for</b>                                 |                |                |                |
| Salaries, wages and employee benefits                | 62,548,155     | 66,961,883     | 68,802,970     |
| Materials, goods, and supplies                       | 8,308,142      | 5,867,894      | 6,546,853      |
| Utilities  | 3,419,034      | 3,776,220      | 3,851,744      |
| Contracted and general services                      | 38,338,375     | 28,875,180     | 34,928,588     |
| Capital repairs and maintenance                      | 1,195,467      | 12,616,394     | 6,857,129      |
| Interest on long-term debt                           | 1,467,542      | 1,467,543      | 1,273,411      |
| Rents and financial                                  | 344,692        | 481,185        | 1,505,244      |
|  | 115,621,407    | 120,046,299    | 123,765,938    |
| <b>Net change in cash from operating activities</b>  | 59,961,186     | 59,509,873     | 57,214,375     |
| <b>CAPITAL ACTIVITIES</b>                            |                |                |                |
| Proceeds on disposal of tangible capital assets      | -              | 63,933         | -              |
| Cash paid for acquisition of tangible capital assets | (28,046,650)   | (24,623,692)   | (40,747,490)   |
| <b>Net change in cash from capital activities</b>    | (28,046,650)   | (24,559,759)   | (40,747,490)   |
| <b>INVESTMENT ACTIVITIES</b>                         |                |                |                |
| Loss on Foreign Exchange                             | -              | 554,173        | -              |
| Repayment of Hydro Promissory Note                   | -              | 22,000,000     | -              |
| Temporary investment                                 | (21,967,374)   | (17,175,026)   | (3,792,348)    |
| <b>Net increase in investment</b>                    | (21,967,374)   | 5,379,147      | (3,792,348)    |
| <b>FINANCING ACTIVITIES</b>                          |                |                |                |
| Loans receivable                                     | (1,468,224)    | (2,533,904)    | (4,000,000)    |
| Principal repayment on long-term debt                | (3,880,833)    | (3,880,833)    | (4,074,965)    |
| <b>Net change in cash from financing activities</b>  | (5,349,057)    | (6,414,738)    | (8,074,965)    |
| <b>NET CHANGE IN CASH</b>                            | 4,598,105      | 33,914,523     | 4,599,572      |
| <b>CASH, BEGINNING OF YEAR</b>                       | 110,635,858    | 110,635,858    | 144,550,381    |
| <b>CASH, END OF YEAR</b>                             | \$ 115,233,963 | \$ 144,550,381 | \$ 149,149,953 |