

The Corporation of the Town of Aurora
Consolidated Financial Statements
For the year ended December 31, 2023

**The Corporation of the Town of Aurora
Consolidated Financial Statements
For the year ended December 31, 2023**

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INDEPENDENT AUDITOR'S REPORT

To the Mayor and Councilors of The Corporation of the Town of Aurora

Opinion

We have audited the consolidated financial statements of The Corporation of the Town of Aurora (the Entity), which comprise:

- the consolidated statement of financial position as at December 31, 2023
- the consolidated statement of operations and accumulated surplus for the year then ended
- the consolidated statement of change in net financial assets for the year then ended
- the consolidated statement of changes in remeasurement gains and losses for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the Entity as at December 31, 2023, and its consolidated results of operations, its consolidated remeasurement gains and losses, its consolidated change in net financial assets and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "***Auditor's Responsibilities for the Audit of the Financial Statements***" section of our auditor's report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



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Emphasis of Matter - Comparative Information

We draw attention to Note 2 to the financial statements ("Note 2"), which explains that certain comparative information presented for the year ended December 31, 2022, has been restated as a result of the modified retroactive adoption of the asset retirement obligation standard.

Note 2 explains the reason for the restatement and also explains the adjustments that were applied to restate certain comparative information.

Our opinion is not modified in respect of this matter.

Other Matter - Comparative Information

As part of our audit of the financial statements for the year ended December 31, 2023, we also audited the adjustments that were applied to restate certain comparative information presented for the year ended December 31, 2022. In our opinion, such adjustments are appropriate and have been properly applied.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.



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We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, slightly slanted style. Below the signature is a horizontal line that starts under the 'K' and ends under the 'P'.

Chartered Professional Accountants, Licensed Public Accountants

Vaughan, Canada

June 25, 2024

The Corporation of the Town of Aurora

Consolidated Statement of Financial Position

December 31	2023	2022
(Dollar amounts presented in '000's)		Restated (Note 2)
Financial assets		
Cash (note 3)	\$ 17,231	\$ 10,674
Taxes receivable	13,861	9,716
User fees receivable	6,648	5,885
Accounts receivable	9,162	12,785
Investments (note 5)	154,795	170,169
	<u>201,697</u>	<u>209,229</u>
Liabilities		
Loans payable (note 6)	10,921	25,576
Accounts payable and accrued liabilities	29,629	20,371
Deposits (note 7)	4,812	9,081
Deferred revenue (note 8)	59,026	59,682
Employee benefits liabilities (note 9)	2,161	1,981
Net long-term liabilities (note 11)	6,026	10,093
Asset retirement obligation liabilities (note 10)	394	360
	<u>112,969</u>	<u>127,144</u>
Net financial assets	<u>88,728</u>	<u>82,085</u>
Non-financial assets		
Tangible capital assets (note 21)	582,581	553,027
Prepaid expenses	300	534
	<u>582,881</u>	<u>553,561</u>
Accumulated surplus		
Accumulated remeasurement losses	(829)	-
Accumulated surplus from operations (note 12)	672,438	635,646
	<u>\$ 671,609</u>	<u>\$ 635,646</u>

Contingencies and contractual obligations (notes 18 and 19)

Approved by Council



Mayor



Chief Administrative Officer

The accompanying notes are an integral part of these consolidated financial statements

The Corporation of the Town of Aurora
Consolidated Statement of Operations and Accumulated Surplus

For the year ended December 31	Budget 2023	2023	2022
(Dollar amounts presented in '000's)	(note 4)		Restated (Note 2)
Revenue			
Taxation (note 13)	\$ 57,616	\$ 57,883	\$ 54,808
User fees	51,769	54,989	40,478
Grants (note 14)	8,000	7,707	9,657
Loss on tangible capital asset disposal	-	(700)	(2,201)
Assumed infrastructure tangible capital assets	-	21,999	11,599
Other (note 15)	12,000	15,638	14,800
	<u>129,385</u>	<u>157,516</u>	<u>129,141</u>
Expenses			
General government	12,322	19,921	17,518
Protection to person and property	17,265	17,711	19,955
Transportation services	10,105	15,922	13,140
Environmental services	28,399	34,773	32,090
Leisure and cultural services	24,226	30,444	26,582
Planning and development	1,883	1,953	2,099
	<u>94,200</u>	<u>120,724</u>	<u>111,384</u>
Annual surplus	<u>35,185</u>	<u>36,792</u>	<u>17,757</u>
Accumulated surplus, beginning of year	<u>635,646</u>	<u>635,646</u>	<u>617,889</u>
Accumulated surplus, end of year	\$ 670,831	\$ 672,438	\$ 635,646

The accompanying notes are an integral part of these consolidated financial statements

The Corporation of the Town of Aurora
Consolidated Statement of Change in Net Financial Assets

For the year ended December 31	Budget 2023	2023	2022
(Dollar amounts presented in '000's)	(note 4)		Restated (Note 2)
Annual surplus	\$ 35,185	\$ 36,792	\$ 17,757
Amortization of tangible capital assets	23,719	23,719	19,126
Net proceeds on disposal of tangible capital assets		740	132
Loss on disposal of tangible capital assets		700	2,201
Acquisition of tangible capital assets		(32,714)	(34,393)
Assumed infrastructure tangible capital assets		(21,999)	(11,599)
Change in portfolio investments		(829)	-
Change in prepaid expenses		234	(294)
Change in net financial assets	58,904	6,643	(7,070)
Net financial assets, beginning of year	82,085	82,085	89,155
Net financial assets, end of year	\$ 140,989	\$ 88,728	\$ 82,085

The accompanying notes are an integral part of these consolidated financial statements

The Corporation of the Town of Aurora

Consolidated Statement of Change in Remeasurement

For the year ended December 31	Budget 2023	2023	2022
(Dollar amounts presented in '000's)			
Unrealized losses attributable to:			
Portfolio investments	\$	\$ (829)	\$ -
Amounts reclassified to the statement of operations:			
Portfolio investments		-	-
Net change in accumulated remeasurement losses		(829)	-
Accumulated remeasurement losses, beginning of year		-	-
Accumulated remeasurement losses, end of year	\$	\$ (829)	\$ -

The accompanying notes are an integral part of these consolidated financial statements

The Corporation of the Town of Aurora

Consolidated Statement of Cash Flows For the year ended December 31

	2023	2022
		Restated (Note 2)
(Dollar amounts presented in '000s)		
Operating transactions		
Annual surplus	\$ 36,792	\$ 17,757
Non-cash charges to operations:		
Amortization of tangible capital assets	23,719	19,126
Accretion for asset retirement obligation liabilities	19	16
Loss on disposal of tangible capital assets	700	2,201
Assumed infrastructure tangible capital assets	(21,999)	(11,599)
Changes in non-cash operating working capital:		
Taxes receivable	(4,145)	1,830
User fees receivable	(763)	34
Accounts receivable	3,623	1,340
Accounts payable and accrued liabilities	9,258	(8,502)
Deposits	(4,269)	1,357
Deferred revenue	(656)	8,675
Employee benefit liabilities	180	151
Prepaid expenses	234	(294)
Total Operating Transactions	42,693	32,092
Capital transactions		
Acquisitions of tangible capital assets	(32,714)	(34,393)
Change in asset retirement obligation related assets	15	-
Net proceeds on disposal of tangible capital assets	740	132
Total Capital Transactions	(31,959)	(34,261)
Investing transactions		
Purchase of portfolio investments, net	14,545	(14,197)
Total investing transactions	14,545	(14,197)

The accompanying notes are an integral part of these consolidated financial statements

Financing transactions		
Advances / (principal repayments) on long-term liabilities	(4,067)	(1,359)
Advances of loans payable	(14,655)	16,238
Total financing transactions	(18,722)	14,879
Increase (decrease in cash)	6,557	(1,487)
Cash, beginning of year	10,674	12,161
Cash, end of year	\$ 17,231	\$ 10,674

The accompanying notes are an integral part of these consolidated financial statements

The Corporation of the Town of Aurora Notes to the Consolidated Financial Statements

December 31, 2023

(Dollar amounts presented in '000's)

1. Summary of Significant Accounting Policies

The Corporation of the Town of Aurora (the "Town") is a municipality in the Province of Ontario. The Town conducts its operations guided by the provisions of provincial statutes such as the Municipal Act, Municipal Affairs Act, and related legislation.

Management's Responsibility

The consolidated financial statements of the Town are the responsibility of management. They have been prepared in accordance with Canadian public sector accounting standards established by the Public Sector Accounting Board ("PSAB") of The Chartered Professional Accountants of Canada.

Basis of Consolidation

The consolidated financial statements reflect the assets, liabilities, revenue, expenditures and fund balances of the Town and the Aurora Public Library Board (the "Board"). The Board is accountable for the administration of its financial affairs and resources to the Town and it owned by the Town. All inter-organizational and inter-fund transactions and balances are eliminated.

All inter-organizational and inter-fund transactions and balances are eliminated.

Non-consolidated entities

The following regional municipality and local boards are not consolidated and should be contacted directly if examination of their annual financial statements is desired:

- The Regional Municipality of York ("Region of York");
- The York Region District School Board;
- The York Catholic District School Board;
- Aurora Business Improvement Area Inc.

The Town collects and administers tax levies on behalf of these entities. These tax levies are not recorded in the Town's financial statements.

**The Corporation of the Town of Aurora
Notes to the Consolidated Financial Statements**

December 31, 2023

(Dollar amounts presented in '000's)

1. Summary of Significant Accounting Policies (continued)

Basis of Accounting

Revenue and expenses are reported on the accrual basis of accounting whereby revenue is recognized as it is earned and measurable; and expenses are recognized in the period that goods and services are acquired, a liability is incurred, or transfers are due.

Cash

Cash and cash equivalents are comprised of cash on hand, cash held in financial institutions and temporary investments with maturities of 90 days or less.

Government Transfers

Government transfers, which include legislative grants, are recognized in the consolidated financial statements in the period in which the events giving rise to the transfers occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made, except to the extent possible that the transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the consolidated statement of operations as the stipulated liabilities are settled.

The Corporation of the Town of Aurora Notes to the Consolidated Financial Statements

December 31, 2023

(Dollar amounts presented in '000's)

1. Summary of Significant Accounting Policies (continued)

Financial Instruments

PS 3450 Financial Instrument establishes standards on how to account for and report all types of financial instruments including derivatives. Financial instruments include primary instruments (such as receivables, payables, and equity instruments) and derivative financial instruments (such as financial options, futures and forwards, interest rate swaps and currency swaps). The Town's investments in Principal Protected Notes (PPN) meet the requirements of a financial instrument that has an embedded derivative included in the financial instrument. The standards allow for the financial instruments that contain one or more embedded derivatives; the Town may designate the entire hybrid (combined) instrument carried at fair value. This designation is irrevocable. The Town has made an election for the PPN to report the combined instrument at fair value. Any unrealized gains and losses are reported through a new statement called statement of remeasurement gains and losses. Unrealized gains and losses are realized upon settlement of the financial instrument when the financial instrument is sold or reaches maturity.

Tangible Capital Assets

Tangible capital assets are non-financial assets that are not generally available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

Tangible capital assets are recorded at cost, less accumulated amortization. Cost includes all costs directly attributable to acquisition, construction, development or betterment of the tangible capital asset including transportation costs, installation costs, design and engineering fees, legal fees, and site preparation costs. Contributed tangible capital assets are recorded at fair value at the time of the donation, with a corresponding amount recorded as revenue. Amortization is recorded on a straight-line basis over the estimated life of the tangible capital asset using the following rates.

The Corporation of the Town of Aurora
Notes to the Consolidated Financial Statements

December 31, 2023

(Dollar amounts presented in '000's)

1. Summary of Significant Accounting Policies (continued)

General

Buildings	10 - 50 years
Landscaping & Other	5 - 20 years
Vehicles	7 - 15 years
Computer and other	4 - 10 years
Machinery and Equipment	7 - 20 years
Library Collection	7 years
Facilities (excluding Buildings)	5 - 50 years

Infrastructure

Roads	20 - 36 years
Signage	1 - 36 years
Underground and Other Networks	15 - 100 years
Bridges and Other Structure	15 - 40 years

One half of the annual amortization is charged in the year of acquisition and in the year of disposal.

Tangible capital assets under construction are not amortized until such a time that they are available for productive use.

Tangible capital assets are reviewed for impairment whenever events or changes in circumstances indicate that a tangible capital asset no longer contributes to the Town's ability to provide goods and services or that the value of the future economic benefits associated with the tangible capital assets is below the carrying value. Tangible capital assets to be disposed of would be separately presented in the statement of financial position and reported at the lower of carrying amount or fair market value less costs to sell and are no longer amortized. The tangible capital assets classified as held-for-sale would be presented separately in the appropriate asset section of the statement of financial position. No impairment was identified during the year.

The Corporation of the Town of Aurora
Notes to the Consolidated Financial Statements

December 31, 2023

(Dollar amounts presented in '000's)

1. Summary of Significant Accounting Policies (continued)

Asset Retirement Obligation Liabilities

An asset retirement obligation liability is recognized when, as at the financial reporting date, all the following criteria are met:

There is a legal obligation to incur retirement costs in relation to a tangible capital asset;

- The past transaction or event giving rise to the liability has occurred;
- It is expected that future economic benefits will be given up; and
- A reasonable estimate of the amount can be made.

The Town ARO liability stems from the removal of asbestos in several of the buildings owned by the Town. The ARO liability for removal of asbestos has been based on actual demolition cost of a building containing asbestos and has been recognized under modified retroactive method. The Town has also identified associated costs related to the asbestos disposal and calculated a cost per square foot, which was applied to the remaining buildings built before 1990. Where renovations had taken place, the gross area of the structure was pro-rated to account for partial abatement. Assumptions used in the calculations are revised on an annual basis.

The liability is discounted using a present value calculation and adjusted annually for accretion expense. The recognition of a liability resulted in an accompanying increase to the respective tangible capital assets. The buildings tangible capital assets affected by the asbestos liability are being amortized with the building following the amortization accounting policies outlined in note.

**The Corporation of the Town of Aurora
Notes to the Consolidated Financial Statements**

December 31, 2023

(Dollar amounts presented in '000's)

1. Summary of Significant Accounting Policies (continued)

Non-pension Post-employment Benefits, Compensated Absences & Termination Benefits

The Town accrues its obligations under employee benefit plans as the employees render the services necessary to earn employee future benefits. The Town has adopted the following valuation methods and assumptions:

a) Actuarial cost method:

Accrued benefit obligations are computed using the projected benefit method prorated on service, as defined in PSAB 3250 and PSAB 3255. The objective under this method is to expense each member's benefit under the plan taking into consideration projections of benefit costs to and during retirement. Under this method an equal portion of total estimated future benefit is attributed to each year of service.

b) Accounting policies:

Actuarial gains and losses are amortized on a linear basis over the expected average remaining service life ("EARSL") (expected remaining payment period in respect of the retiring allowance) of members expected to receive benefits under the plan, with amortization commencing in the period following the determination of the gain or loss. Obligations are attributed to the period beginning on the member's date of hire and ending on the expected date of termination, death or retirement, depending on the benefit value.

c) Workplace Safety and Insurance Board (WSIB):

The costs of WSIB obligations are actuarially determined and are expensed in the period they occur. Any actuarial gains and losses that are related to WSIB benefits are recognized immediately in the period they arise.

The Corporation of the Town of Aurora Notes to the Consolidated Financial Statements

December 31, 2023

(Dollar amounts presented in '000's)

1. Summary of Significant Accounting Policies (continued)

Pension agreements

The Town makes contributions to the Ontario Municipal Employees' Retirement System ("OMERS"), a multi-employer public sector pension fund, based on the principles of a defined benefit plan, which specifies the amount of the retirement benefit to be received by the employees on the basis of predefined retirement age, length of eligible service and rates of remuneration over a fixed period of time.

Because OMERS is a multi-employer pension plan, any pension plan surpluses or deficits are a joint responsibility of all participating Ontario municipalities and their employees. As a result, the Town does not recognize any share of the OMERS pension surplus or deficit. Accordingly, contributions made during the year are expensed.

Deposits

The Town receives deposits on building permits and site plan applications that ensure restitution of any potential damage caused by the developer. These deposits are held in trust until the work has been completed, at which point in time, the deposit is returned.

Deferred Revenue

Deferred revenue represents user charges and fees which have been collected, but for which the related services have yet to be performed. These amounts will be recognized as revenue in the fiscal year the services are performed.

The Town receives development charges under the authority of provincial legislation and Town by-laws. These funds, by their nature, are restricted in their use and, until applied to specific capital works, are recorded as deferred revenue (formerly obligatory reserve funds).

The Corporation of the Town of Aurora Notes to the Consolidated Financial Statements

December 31, 2023

(Dollar amounts presented in '000's)

1. Summary of Significant Accounting Policies (continued)

Use of Estimates

The preparation of financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. The principal estimates used in the preparation of these financial statements are the allowance for doubtful accounts, taxes receivable, post-employment benefits liabilities, accrued liabilities, the net amount of development charges, the estimated useful lives of tangible capital assets, fair value of assumed infrastructure assets and valuation of tangible capital assets. Actual results could differ from management's best estimates as additional information becomes available in the future.

Assumed Infrastructure Tangible Capital Assets

Subdivision streets, lighting, sidewalks, drainage, and other infrastructure and in some instances park fixtures and trail networks are required to be provided by subdivision developers. Upon completion they are assumed by the Town and recorded at fair value at the date of assumption. The Town is generally not involved in the construction of these assets. In some instances, the Town may construct these assets on the developer's behalf on a fully cost recoverable basis. Under either scenario the Town does not budget for the contributions from the developer or the capital expenditure.

**The Corporation of the Town of Aurora
Notes to the Consolidated Financial Statements**

December 31, 2023

(Dollar amounts presented in '000's)

1. Summary of Significant Accounting Policies (continued)

Revenue Recognition

Revenues are recognized as follows:

- a) Taxation revenue is recognized as revenue when it is authorized and the taxable event occurs. For property taxes, the taxable event is the period for which the tax is levied. Related penalties and interest are recognized as revenue in the year that they are earned. As the Town's total taxes receivable are based on management's best estimates at the time, it is possible for the final amount collected to differ as a result of property value reassessments arising from audits, appeals or court decisions.
- b) User fees and other revenues are reported when a performance obligation has been satisfied through the delivery of a good or service or when authority to claim or retain an economic inflow exists and a past transaction or event that gives rise to an asset has been identified.
- c) Grants
 - Conditional grant revenue is recognized to the extent the conditions imposed on it have been fulfilled.
 - Unconditional grant revenue is recognized when monies are receivable.
- d) Investment income earned on surplus funds is reported as revenue in the period earned.

Investment income earned on deferred revenue amounts such as development charges and parkland allowances, is added to the associated funds and forms part of the respective deferred revenue balance.

Investment income earned on the Town's reserve fund balances is added to the associated funds and forms part of the respective period ending reserve fund balance. Reserve fund balances in a debit (over-allocated) position are similarly charged interest.
- e) Development related fees and charges are recognized over the period of services or when required expenses occur if applicable, net of development.

The Corporation of the Town of Aurora Notes to the Consolidated Financial Statements

December 31, 2023

(Dollar amounts presented in '000's)

2. Adoption of New Accounting Standards

Financial Instruments

On January 1, 2023, the Town adopted Canadian public sector accounting standard PS 3450 Financial Instruments. The standard was adopted prospectively from the date of adoption. The new accounting standards provide comprehensive requirements for the recognition, measurement, presentation, and disclosure of financial instruments.

Under PS 3450, all financial instruments including derivatives, are included on the statement of financial position and are measured either at fair value or amortized cost based on the characteristics of the instruments and the Town's remeasurement accounting policy choices (see note 1).

In accordance with the provisions of this new standard, the Town has reflected a decrease of \$829 to investments and a corresponding decrease of \$829 to its accumulated remeasurement gains (losses) due to unrealized losses from the Town's revaluation of its PPNs previously classified as amortized costs and are being reclassified to accumulated remeasurement gains (losses) in 2023. As a result of the above, accumulated remeasurement gains (losses) at the end of December 31, 2023 was a loss of \$829 (2022 - \$Nil).

**The Corporation of the Town of Aurora
Notes to the Consolidated Financial Statements**

December 31, 2023

(Dollar amounts presented in '000's)

2. Adoption of New Accounting Standards (continued)

Asset Retirement Obligation Liabilities

On January 1, 2023, the Town adopted Canadian public sector accounting standard PS 3280 Asset Retirement Obligations using the modified retroactive method with a restatement of comparative balances for year ended December 31, 2022. The December 31, 2022 statement of financial position amounts are adjusted as indicated in the table below to provide comparative figures for balances reported as at December 31, 2023. A discount rate of 5.25% was used for 2023.

As a result of adopting the new standard, on January 1, 2022, the Town recognized tangible capital assets with a net book value of \$185 (comprised of carrying value of \$244 and accumulated amortization of \$59) and asset retirement obligation liabilities of \$344 on its statement of financial position. The opening balance of accumulated surplus/deficit as at January 1, 2022, is decreased by \$159.

	As Previously Reported	ARO Adjustment	2022 Restated
Consolidated Statement of Financial Position			
Asset retirement obligation liabilities as at December 31, 2022	\$ -	\$ 360	\$ 360
Tangible capital assets as at December 31, 2022	552,861	166	553,027
Accumulated surplus as at December 31, 2022	\$ 635,840	\$ (194)	\$ 635,646

**The Corporation of the Town of Aurora
Notes to the Consolidated Financial Statements**

December 31, 2023

(Dollar amounts presented in '000's)

2. Adoption of New Accounting Standards (continued)

	As Previously Reported	ARO Adjustment	2022 Restated
Consolidated Statement of Operations and Accumulated Surplus			
Annual surplus for the year ended December 31, 2022	\$ 17,792	\$ (35)	\$ 17,757
Accumulated surplus as at January 1, 2022	618,048	(159)	617,889
Accumulated surplus as at December 31, 2022	\$ 635,840	\$ (194)	\$ 635,646

3. Cash

The Town's bank accounts are held at a chartered bank. The bank accounts earn interest at composite prime rate minus 1.95%. As at December 31, 2023, the rate is 5.25% (2022 – 4.50%).

The Town has an overdraft credit facility agreement with a chartered Bank, to be used for day to day operations. The maximum credit limit is \$1,000 with interest calculated using the composite prime rate minus 0.25%. As at December 31, 2023, the rate is 7.20% (2022 – 6.20%) and the outstanding balance is \$Nil (2022 - \$Nil).

The Town has letters of credit outstanding with the bank as at December 31, 2023 of \$486,208 (2022 - \$486,208), which were required by its utilities provider for security on a development project.

**The Corporation of the Town of Aurora
Notes to the Consolidated Financial Statements**

December 31, 2023

(Dollar amounts presented in '000's)

4. Budget Reconciliation

The Budget for 2023 adopted by Council on January 31, 2023 was prepared on a basis not consistent with that used to report actual results (Canadian public sector accounting standards). The budget was prepared on a modified accrual basis, while Canadian public sector accounting standards now require financial statements to be prepared on a full accrual basis. Accordingly, the budget expensed all tangible capital expenditures rather than including amortization expense. As a result, the budget figures presented in the statements of operations and change in net financial assets represent the 2023 budget adopted by Council with adjustments as follows:

	Revenue	Expense	Net
Council approved budget:			
Operating - Town & Library	\$ 79,326	\$ 79,326	\$ -
Operating - water /sewer	33,229	33,229	-
Capital (for multiple years)		29,601	(29,601)
Total Council approved budget	112,555	142,156	(29,601)
Less: Multiple years capital		(29,601)	29,601
debt principal payment ¹		(4,067)	4,067
Plus: Non-TCA capital		2,699	(2,699)
transfers to/from other funds ²	(23,117)	(40,725)	17,608
transfers from deferred revenue	39,947	-	39,947
amortization expense ³		23,738	(23,738)
Adjusted budget per the consolidated statement of operations	\$ 129,385	\$ 94,200	\$ 35,185

The Corporation of the Town of Aurora Notes to the Consolidated Financial Statements

December 31, 2023

(Dollar amounts presented in '000's)

4. Budget Reconciliation (continued)

¹ "Debt principal payments" are considered a repayment of a long-term liability and are not considered an expense under accrual accounting - only the related interest portion remains a valid expense under accrual accounting.

² "Transfers to/from other funds" represents transfer to/from reserves for expenditures and is not considered a revenue source under accrual accounting.

³ Under accrual accounting, costs related to the acquisition of "Tangible Capital Assets" are recorded on the balance sheet - only the amortization of existing Tangible Capital Assets is included as an expense.

5. Financial Instruments

All financial instruments must be classified in accordance with the significance of the inputs used in making fair value measurements. The fair value hierarchy prioritizes the valuation techniques used to determine the fair value of a financial instrument based on whether the inputs to those techniques are observable or unobservable:

- Level 1: when valuation can be based on quoted prices in active markets for identical assets and liabilities;
- Level 2: when they are valued using quoted prices for similar assets and liabilities, quoted prices in markets that are not active, or models using inputs that are observable; and
- Level 3: when their values are determined using pricing models, discounted cash flow methodologies or similar techniques and at least one significant model assumption or input is unobservable.

The Corporation of the Town of Aurora Notes to the Consolidated Financial Statements

December 31, 2023

(Dollar amounts presented in '000's)

5. Financial Instruments (continued)

Fair value inputs are taken from observable markets where possible, but if they are unavailable, judgement is required in establishing fair value. The Town's fair value hierarchy is classified as Level 2 for PPN. The classification for disclosure purposes has been determined in accordance with generally accepted pricing models, based on discounted cash flow analysis, with the most significant inputs being the contractual terms of the instrument and the market discount rates that reflect the credit risk of counterparties. All other financial instruments are classified as Level 1.

The carrying amount of cash & cash equivalents, investments, property tax receivables, accounts receivable, customer deposits, accounts payable and accrued liabilities, employee future benefits liabilities, long-term liabilities, and contract holdbacks approximate their fair value due to the short-term maturity of these financial instruments.

The carrying value and fair value of the Corporation's other financial instruments are as follows:

	2023		2022	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Assets:				
Level One:				
Portfolio investments	\$ 94,116	\$ 92,930	\$ 78,263	\$ 78,372
Bonds	2,374	2,226	8,623	8,696
GICs	39,887	39,932	65,234	65,448
Level Two:				
Principal protected notes	18,418	18,418	18,048	17,174
	\$ 154,795	\$ 153,505	\$ 170,169	\$ 169,690

**The Corporation of the Town of Aurora
Notes to the Consolidated Financial Statements**

December 31, 2023

(Dollar amounts presented in '000's)

5. Financial Instruments (continued)

Credit Risk

Credit risk is the risk of a financial loss to the Town if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Such risks arise principally from certain financial assets held by the Town consisting of accounts receivables.

As at December 31, 2023 there were no significant balances of accounts receivable due from any single customer. There were no write-offs during the year including any for the write offs related to section 354 of the Municipal Act, 2001 which was approved by the Town Council. The Town actively monitors accounts receivable and has the right to enforce payment as per the contract.

Liquidity Risk

Liquidity risk is the risk that the Town will not be able to meet its obligations as they become due. The Town's objective is to have sufficient liquidity to meet these liabilities when due. The Town monitors its cash balance and cash flows generated from operations to meet its liquidity requirements.

**The Corporation of the Town of Aurora
Notes to the Consolidated Financial Statements**

December 31, 2023

(Dollar amounts presented in '000's)

5. Financial Instruments (continued)

	2023				Total
	Carrying Value	Within 1 Year	1-5 Years	Later than 5 Years	
Liabilities					
Loans payable	\$ 10,921	\$ 10,462	\$ 459	-	\$ 10,921
Accounts payable and accrued liabilities	29,629	29,629	-	-	29,629
Deposits	4,812	1,873	2,939	-	4,812
Net long-term liabilities	6,026	877	2,096	3,052	6,026
	<u>\$ 51,388</u>	<u>\$ 42,842</u>	<u>\$ 5,494</u>	<u>\$ 3,052</u>	<u>\$ 51,388</u>

	2022				Total
	Carrying Value	Within 1 Year	1-5 Years	Later than 5 Years	
Liabilities					
Loans payable	\$ 25,576	\$ 14,655	\$10,921	-	\$ 25,576
Accounts payable and accrued liabilities	20,371	20,371	-	-	20,371
Deposits	9,081	3,535	5,546	-	9,081
Net long-term liabilities	10,093	4,067	2,711	3,314	10,093
	<u>\$ 65,121</u>	<u>\$ 42,628</u>	<u>\$19,179</u>	<u>\$ 3,314</u>	<u>\$ 65,121</u>

The Corporation of the Town of Aurora Notes to the Consolidated Financial Statements

December 31, 2023

(Dollar amounts presented in '000's)

5. Financial Instruments (continued)

Market Risk

Market risk is the risk that changes in market price, such as foreign exchange rates, interest rates and other price risks, will affect the Town's net results of operations or the fair value of its holdings of financial instruments.

- Foreign currency risk – the Town is not exposed to any significant currency risk due to limited foreign currency transactions.
- Interest rate risk – the Town limits its exposure to interest rate risk by issuing long-term fixed rate debt in the form of debentures, and promissory notes. At December 31, 2023, the Town did not hold financial assets or financial liabilities that expose it to significant variation in cash flow due to fluctuations in interest rates.

6. Loans payable

For the purposes of constructing Town Square consisting of a new multi-purpose building, new outdoor square, bridge between the existing library and new multipurpose building and enhancements to existing nearby buildings, the Town arranged for a construction line of credit (LOC #1) through Infrastructure Ontario on October 19, 2020. This line of credit is fully open with no security covenant or other conditions, bears a monthly variable interest rate and interest is paid monthly. As of December 31, 2023, the interest rate is 5.61% (2022 – 4.41%). This line of credit is to be refinanced within 120 days of completion of the project. It is the Town's intent to refinance any balance remaining on its line of credit upon substantial completion of this project, which is presently estimated to be June 2024, but may be subject to change.

As of December 31, 2023, the outstanding balance on the Aurora Town Square construction line of credit (LOC #1) is \$10,462 (2022 - \$25,338).

**The Corporation of the Town of Aurora
Notes to the Consolidated Financial Statements**

December 31, 2023

(Dollar amounts presented in '000's)

6. Loans payable (continued)

Further, for the purpose of constructing a new gymnasium at the Town's Stronach Aurora Recreation Centre, the Town arranged for a second construction line of credit (LOC #2) through Infrastructure Ontario on June 7, 2021. This line of credit is fully open with no security covenant or other conditions, bears a monthly variable interest rate and interest is paid monthly. As of December 31, 2023, the interest rate is 5.61% (2022 – 4.41%). This line of credit is to be refinanced within 120 days of completion of the project. It is the Town's intent to refinance any balance remaining on its line of credit upon substantial completion of this project, which is presently estimated to be February 2025, but may be subject to change.

As of December 31, 2023, the outstanding balance of the Stronach Aurora Recreation Centre gymnasium construction line of credit (LOC#2) is \$459 (2022 - \$238).

7. Deposits

	<u>2023</u>	<u>2022</u>
Opening balance	9,081	7,713
Receipts	1,965	3,799
Refunds	(6,234)	(2,431)
Ending balance	<u>4,812</u>	<u>9,081</u>

The Corporation of the Town of Aurora
Notes to the Consolidated Financial Statements

December 31, 2023

(Dollar amounts presented in '000's)

8. Deferred Revenue

	Beginning			Ending
	Balance	Inflows	Outflows	Balance
Development charges	\$ 23,893	\$ 6,951	\$ (7,453)	\$ 23,391
Parkland purposes	25,127	4,916	(3,627)	26,416
Federal gas tax	3,667	1,937	(3,600)	2,004
Revenue deferral - general	1,533	29,195	(28,364)	2,364
Provincial grants	5,462	369	(980)	4,851
	<u>\$ 59,682</u>	<u>\$ 43,368</u>	<u>\$ (44,024)</u>	<u>\$ 59,026</u>

	Beginning			Ending
	Balance	Inflows	Outflows	Balance
Development charges	\$ 18,698	\$ 8,284	\$ (3,089)	\$ 23,893
Parkland purposes	19,773	5,364	(10)	25,127
Federal gas tax	5,193	1,845	(3,371)	3,667
Revenue deferral - general	2,485	1,070	(2,022)	1,533
Provincial grants	4,858	8,517	(7,913)	5,462
	<u>\$ 51,007</u>	<u>\$ 25,080</u>	<u>\$ (16,405)</u>	<u>\$ 59,682</u>

The Corporation of the Town of Aurora
Notes to the Consolidated Financial Statements

December 31, 2023

(Dollar amounts presented in '000's)

9. Employee Benefit Liabilities

	2023	2022
Post-employment benefits	\$ 1,172	\$ 1,168
Accrued sick leave	777	727
	1,949	1,895
WSIB benefits	212	86
	\$ 2,161	\$ 1,981

Post-employment Benefits and Accrued Sick Leave

Post-employment benefits are health and dental benefits that are provided to early retirees and employees currently on a long-term disability. The Town recognizes these post-employment costs as they are earned during the employee's tenure of service.

The accrued benefit obligations for the Town's post-employment benefits and accrued sick leave liabilities as at December 31, 2023 are as follows:

	2023	2022
Accrued benefit obligation, beginning of year	\$ 2,153	\$ 2,091
Add: Benefit expense	129	186
Interest cost	65	73
Less: Benefits paid for the period	(160)	(197)
Accrued benefit obligation, end of year	2,187	2,153
Unamortized actuarial losses	(238)	(258)
Accrued benefit liability	\$ 1,949	\$ 1,895

**The Corporation of the Town of Aurora
Notes to the Consolidated Financial Statements**

December 31, 2023

(Dollar amounts presented in '000's)

9. Employee Benefit Liabilities (continued)

The accrued benefit obligations for the Town's post-employment benefits liability and accrued sick leave as at December 31, 2023 are based on actuarial valuations for accounting purposes as at December 31, 2022 with projections to December 31, 2025. These actuarial valuations were based on assumptions about future events. The economic assumptions used in these valuations are management's best estimates of expected rates of:

	2023	2022
Expected future inflation rates	2.00%	1.75%
Discount on accrued benefit obligations	5.00%	3.50%
Drug costs escalation	6.00%	6.75%
Other health care costs escalation	6.00%	6.75%
Dental costs escalation	4.00%	3.75%

Amortization of actuarial losses during the year was \$21 (2022 - \$77).

The value of benefits paid by the Town during the year was \$84 (2022 - \$58).

Workplace Safety and Insurance Board (WSIB) benefits

The Town is a Schedule 2 employer under the Workplace Safety and Insurance Act and, as such, assumes responsibility for financing its workplace safety and insurance costs. The accrued WSIB benefit obligations for the Town's WSIB benefits liability as at December 31, 2023 are based on actuarial valuations for accounting purposes as at December 31, 2023 with projections to December 31, 2025. These actuarial valuations were based on assumptions about future events.

The Corporation of the Town of Aurora Notes to the Consolidated Financial Statements

December 31, 2023

(Dollar amounts presented in '000's)

10. Asset Retirement Obligation Liabilities

The Town's asset retirement obligation liabilities consist of the following:

Opening balance, December 31, 2022, as previously reported	\$	-
Adjustment on adoption of asset retirement obligation		360
Opening balance, December 31, 2022, as restated		360
Accretion for asset retirement obligation in the year		19
Additional asset retirement obligation recognized in the year		15
Closing balance, December 31, 2023	\$	394

11. Net Long-term Liabilities

	<u>2023</u>	<u>2022</u>
Debenture, bearing interest at 2.65%, maturing in July 2041. Principal and interest is repayable in semi-annual installments of \$109.	3,111	3,245
Debenture, bearing interest at 2.42%, maturing in July 2036. Principal and interest is repayable in semi-annual installments of \$64.	1,419	1,510
Debenture, bearing interest at 2.29%, maturing in March 2026. Principal and interest is repayable in semi-annual installments of \$184.	\$ 888	\$ 1,229
Debenture, bearing interest at 4.37%, maturing in September 2025. Principal and interest is repayable in semi-annual installments of \$160.	608	892
Debenture, bearing interest at 2.85%, maturing in May 2023. Principal and interest is repayable in semi-annual installments of \$318.	-	3,217
	\$ 6,026	\$ 10,093

11. Net Long-term Liabilities (continued)

**The Corporation of the Town of Aurora
Notes to the Consolidated Financial Statements**

December 31, 2023

(Dollar amounts presented in '000's)

Principal repayments for each of the next five years and thereafter are as follows:

2024	\$ 877
2025	904
2026	425
2027	249
2028	256
Thereafter	<u>3,315</u>
	<u>\$ 6,026</u>

The interest expense related to the above long-term debt was \$229 (2022 - \$312).

The Town's debenture maturing in September 2025 was issued by The Regional Municipality of York in the name of the Town to fund the construction of a recreation complex. The remaining three debentures were issued by Infrastructure Ontario in the name of the Town of Aurora to fund the Town's conversion of all streetlights to LED, construction of Hallmark Baseball Diamonds and purchase and fit-up of the Aurora Sports Dome, respectively. These long-term liabilities have been approved by municipal and regional by-laws. The annual principal and interest payments required to service these liabilities are within the annual debt repayment limit prescribed by the Ministry of Municipal Affairs and Housing.

The Corporation of the Town of Aurora
Notes to the Consolidated Financial Statements

December 31, 2023

(Dollar amounts presented in '000's)

12. Accumulated Surplus From Operations

Accumulated surplus is comprised of the following:

	<u>2023</u>	<u>2022</u>
		Restated (Note 2)
Non financial surpluses		
General revenue	\$ (4,752)	\$ (6,627)
Invested in tangible capital assets	582,581	553,027
Less: financed by liabilities	(16,947)	(35,669)
Total non-financial surpluses	<u>560,882</u>	<u>510,731</u>
Reserves set aside by Council for infrastructure		
Infrastructure sustainability - water rate funded	30,083	27,895
Infrastructure sustainability - tax rate funded	32,686	28,174
	<u>62,769</u>	<u>56,069</u>
Reserve funds, set aside for specific purposes by Council	34,845	35,551
Proceeds of sale of Aurora Hydro	13,113	33,295
	<u>110,727</u>	<u>124,915</u>
Total reserves and reserve funds	<u>110,727</u>	<u>124,915</u>
Less: Accumulated remeasurement losses	(829)	-
Accumulated surplus from operations	<u>672,438</u>	<u>635,646</u>

The Corporation of the Town of Aurora
Notes to the Consolidated Financial Statements

December 31, 2023

(Dollar amounts presented in '000's)

13. Net Taxation

	2023	2022
Gross taxes levied	\$ 108,142	\$ 103,980
Less amounts levied on behalf of:		
Boards of Education	41,369	40,700
Regional Municipality of York	66,754	63,243
Aurora Business Improvement Area	19	37
Net taxes levied for the Town	\$ 57,883	\$ 54,808

14. Grants Revenue

	2023	2022
Federal	\$ 3,840	\$ 3,649
Provincial	3,032	5,123
Other	835	885
	\$ 7,707	\$ 9,657

The Corporation of the Town of Aurora
Notes to the Consolidated Financial Statements

December 31, 2023

(Dollar amounts presented in '000's)

15. Other Revenue

	2023	2022
Penalties and interest on taxes	\$ 1,725	\$ 1,563
Fines	324	253
Licenses, permits and fees	7,495	6,835
Interest income	5,739	4,472
Other	355	1,677
	\$ 15,638	\$ 14,800

16. Pension Agreements

OMERS provides pension services to almost 600,000 active and retired members and their approximately 1,000 employers. Each year an independent actuary determines the funding status of OMERS Primary Pension Plan (the Plan) by comparing the actuarial value of invested assets to the estimated present value of all pension benefits that members have earned to date. The most recent actuarial valuation of the Plan was conducted at December 31, 2023. The results of this valuation disclosed total actuarial liabilities of \$136,185 million in respect of benefits accrued for service with actuarial assets at that date of \$131,983 million indicating an actuarial deficit of \$4,202 million. Because OMERS is a multi-employer plan, any pension plan surpluses or deficits are a joint responsibility of Ontario municipal organizations and their employees. As a result, the town does not recognize any share of the OMERS pension surplus or deficit.

Contributions in 2023 ranged from 9.0% to 14.6% depending on the level of earnings. As a result, \$2,754 (2022 - \$2,516) was contributed to OMERS for current year services.

**The Corporation of the Town of Aurora
Notes to the Consolidated Financial Statements**

December 31, 2023

(Dollar amounts presented in '000's)

17. Insurance Coverage

The Town is self-insured for insurance claims up to \$10 for any individual claim and for any number of claims arising out of a single occurrence.

Claim costs during the year amounted to \$131 (2022 - \$65).

The Town has made provisions for reserves for self-insurance claims under \$10 to be used for those claims that exceed the sum provided for in the annual budget. These reserves are reported on the Financial Statement Operations and Accumulated Surplus under reserves set aside by Council. In 2013, the Insurance stand alone reserve was collapsed into the Town's general Tax Rate Stabilization Reserve; this reserve will be similarly accessible for this purpose. The balance of the Tax Rate Stabilization Reserve as of December 31, 2023 was \$6,890 (2022 – \$6,276).

18. Contingencies

The Town is subject to various legal claims arising in the normal course of its operations. The ultimate outcome of these claims cannot be determined at this time; therefore, no amounts have been recorded in these financial statements. The Town's management believe that the ultimate disposition of these matters will not have a material adverse effect on its financial position.

The Corporation of the Town of Aurora Notes to the Consolidated Financial Statements

December 31, 2023

(Dollar amounts presented in '000's)

19. Contractual Obligations

The Town committed contractual obligations on major capital projects of approximately \$28,705 during 2023, which have various contract completion dates.

Effective January 1, 2002, the Town entered into an agreement with the Town of Newmarket with respect to the provision of Fire and Emergency services. Under the Agreement, the Town of Newmarket assumed responsibility for the combined Central York Fire Services. The cost of these services is shared between the two municipalities on the basis of a pre-defined cost sharing formula. The Town's share of costs for the year was \$12,723 (2022 - \$12,294).

20. Segment Information

The Town is a diversified municipal government institution that provides a wide range of services to its citizens. Distinguishable functional segments have been separately disclosed in the Consolidated Schedule of Segment Disclosure. The nature of the segments and the activities they encompass are as follows:

Taxation Revenue

The Town's primary source of funding for its operations is achieved through property taxes levied against property owners.

Governance & Corporate Support

This functional segment includes The Mayor's office and Council, CAO Office, Legislative Services, Legal, Communication, Information Technology and Financial Services, and all other support services.

Fire & Emergency Services

Central York Fire Services provides fire and emergency services to the residents of Aurora and Newmarket. The cost the Town paid for these services is described in Note 20.

The Corporation of the Town of Aurora Notes to the Consolidated Financial Statements

December 31, 2023

(Dollar amounts presented in '000's)

20. Segment Information (continued)

Building, Bylaw & Licensing Services

The Town issues a variety of licenses and permits. This segment ensures an acceptable quality of building construction and maintenance of properties through enforcement of construction codes, building standards and by-laws for the protection of occupants. It enforces all zoning by-laws and the processing of building permit applications.

Roads & Related Services

This segment represents the reconstruction, repair, maintenance works and winter control services provided to the Town's roads, sidewalks, street lighting, walkways and bridges.

Environmental Services

This segment represents the water/sewer services and waste management services provided by the Public Works Department.

Community Programs & Events

This segment represents the services that the Parks & Recreation Services Department provided through community programs and special events.

Parks & Facilities

This segment maintains numerous recreation facilities, as well as indoor community space for booking and community use. It also maintains parks and playgrounds, open spaces, and a vast trail system.

Public Library Services

This segment of library services covers the Library Board and The Town's library expenses. The funding from the Town to the Library Board is eliminated before the segment amount is determined.

**The Corporation of the Town of Aurora
Notes to the Consolidated Financial Statements**

December 31, 2023

(Dollar amounts presented in '000's)

20. Segment Information (continued)

Planning & Development

This functional segment manages the Town's urban development through the development application process. It also oversees community economic development, environmental concerns, heritage matters, local neighbourhoods, and the Town's Official Plan.

**The Corporation of the Town of Aurora
Notes to the Consolidated Financial Statements**

December 31, 2023

(Dollar amounts presented in '000's)

20. Tangible Capital Assets

	General					Infrastructure			Total	
	Land	Buildings	Vehicles	Computer and other	Facilities	Roads	Underground and Other Networks	Bridges and Other Structures		Assets Under Construction
Cost										
Balance, beginning of year	\$ 111,959	\$ 139,736	\$ 13,127	\$ 9,934	\$ 44,712	\$ 127,705	\$ 270,935	\$ 25,845	\$ 69,243	\$ 813,196
Add: Additions during the year	3,404	690	1,577	711	1,021	5,706	1,036	-	18,569	32,714
Add: Donations and transfers	-	625	1,205	167	4,134	22,692	15,958	3,197	(25,981)	21,999
Less: Disposals during the year	-	-	(48)	(400)	(573)	(393)	(986)	(177)	(740)	(3,317)
Balance, end of year	<u>115,363</u>	<u>141,051</u>	<u>15,861</u>	<u>10,412</u>	<u>49,294</u>	<u>155,710</u>	<u>286,943</u>	<u>28,865</u>	<u>61,091</u>	<u>864,592</u>
Accumulated amortization										
Balance, beginning of year	-	61,438	7,291	7,103	15,698	56,270	93,952	18,417	-	260,169
Add: Amortization during the year	-	6,458	1,125	766	2,004	6,797	5,652	917	-	23,719
Less: Disposals during the year	-	-	(48)	(400)	(244)	(316)	(699)	(170)	-	(1,877)
Balance, end of year	<u>-</u>	<u>67,896</u>	<u>8,368</u>	<u>7,469</u>	<u>17,458</u>	<u>62,750</u>	<u>98,905</u>	<u>19,164</u>	<u>-</u>	<u>282,011</u>
Net book value of tangible capital assets	<u>\$ 115,363</u>	<u>\$ 73,155</u>	<u>\$ 7,493</u>	<u>\$ 2,943</u>	<u>\$ 31,836</u>	<u>\$ 92,960</u>	<u>\$ 188,038</u>	<u>\$ 9,701</u>	<u>\$ 61,091</u>	<u>\$ 582,581</u>

The Corporation of the Town of Aurora
Notes to the Consolidated Financial Statements

December 31, 2023

(Dollar amounts presented in '000's)

21. Tangible Capital Assets (continued)

	2022 Restated (Note 2)									
	General				Infrastructure				Total	
	Land	Buildings	Vehicles	Computer and other	Facilities	Roads	Underground and Other Networks	Bridges and Other Structures	Assets Under Construction	
Cost										
Balance, beginning of year	\$ 111,958	\$ 117,746	\$ 13,017	\$ 9,553	\$ 38,480	\$ 117,377	\$ 262,556	\$ 23,974	\$ 76,815	\$ 771,476
Add: Additions during the year	1	646	684	734	563	55	245	-	31,465	34,393
Add: Donations and transfers	-	21,464	-	-	6,723	10,453	8,638	1,899	(37,578)	11,599
Less: Disposals during the year	-	(120)	(574)	(353)	(1,054)	(180)	(504)	(28)	(1,459)	(4,272)
Balance, end of year	111,959	139,736	13,127	9,934	44,712	127,705	270,935	25,845	69,243	813,196
Accumulated amortization										
Balance, beginning of year	-	55,843	6,817	6,611	14,681	51,799	89,392	17,839	-	242,982
Add: Amortization during the year	-	5,636	1,048	845	1,513	4,603	4,856	606	-	19,107
Add: Net TCA adjustment	-	19	-	-	-	-	-	-	-	19
Less: Disposals during the year	-	(60)	(574)	(353)	(496)	(132)	(296)	(28)	-	(1,939)
Balance, end of year	-	61,438	7,291	7,103	15,698	56,270	93,952	18,417	-	260,169
Net book value of tangible capital assets	\$ 111,959	\$ 78,298	\$ 5,836	\$ 2,831	\$ 29,014	\$ 71,435	\$ 176,983	\$ 7,428	\$ 69,243	\$ 553,027

**The Corporation of the Town of Aurora
Notes to the Consolidated Financial Statements**

December 31, 2023

(Dollar amounts presented in '000's)

21. Tangible Capital Assets (continued)

Tangible capital assets under construction and other capital work in progress by the Town having a value of \$61,091 (2022 - \$69,243) have not been amortized. Amortization of these assets will commence when these noted assets are put into service. This value excludes any developer constructed assets which have yet to be assumed.

22. Comparative Information

The consolidated financial statements have been reclassified, where applicable, to conform to the presentation used in the current year.

The Corporation of the Town of Aurora
Schedule 1 - Consolidated Schedule of Segmented Disclosure

December 31, 2023

(Dollar amounts presented in '000's)

	2023										
	Taxation	Governance & Corporate Support	Fire & Emergency Services	Bylaw & Licensing Services	Roads & Related Services	Environmental Services	Community Programs & Events	Parks & Facilities	Public Library Services	Planning & Development	Consolidated
Revenue											
Taxation	\$ 57,883	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	57,883
User fees	-	10,607	25	63	1,166	32,637	4,965	4,362	15	1,149	54,989
Grants	-	2,817	281	218	3,630	323	309	84	45	-	7,707
Loss on disposal of tangible capital asset	-	(700)	-	-	-	-	-	-	-	-	(700)
Assumed infrastructure tangible capital assets	-	-	-	-	9,713	12,286	-	-	-	-	21,999
Other	(181)	26,536	-	2,848	(157)	542	967	(16,272)	90	1,265	15,638
Total Revenue	57,702	39,260	306	3,129	14,352	45,788	6,241	(11,826)	150	2,414	157,516
Expenses											
Salaries, Wages and benefits	-	12,110	-	3,105	4,326	1,402	5,970	6,843	2,838	1,780	38,374
Amortization & Accretion	-	5,221	437	-	7,088	6,318	-	4,183	491	-	23,738
Materials and supplies	-	(1,648)	-	882	1,607	2,244	470	2,928	395	10	6,888
Contracted services	19	3,626	229	316	2,874	24,794	1,334	3,826	343	160	37,521
Interest	-	860	-	19	27	15	-	36	-	-	957
Others	-	(267)	12,723	-	-	-	787	-	-	3	13,246
Total Expenses	19	19,902	13,389	4,322	15,922	34,773	8,561	17,816	4,067	1,953	120,724
Annual Surplus (Deficit)	\$ 57,683	\$ 19,358	\$ (13,083)	\$ (1,193)	\$ (1,570)	\$ 11,015	\$ (2,320)	\$ (29,642)	\$ (3,917)	\$ 461	\$ 36,792

The Corporation of the Town of Aurora
Schedule 1 - Consolidated Schedule of Segmented Disclosure

December 31, 2023

(Dollar amounts presented in '000's)

	2022 Restated (Note 2)										
	Taxation	Governance & Corporate Support	Fire & Emergency Services	Bylaw & Licensing Services	Roads & Related Services	Environmental Services	Community Programs & Events	Parks & Facilities	Public Library Services	Planning & Development	Consolidated
Revenue											
Taxation	\$ 54,808	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	54,808
User fees	-	1,545	464	54	1,110	30,560	1,933	2,922	9	1,881	40,478
Grants	25	3,605	-	64	3,670	706	944	579	45	19	9,657
Loss on disposal of tangible capital asset	-	(2,201)	-	-	-	-	-	-	-	-	(2,201)
Assumed infrastructure tangible capital assets	-	11,599	-	-	-	-	-	-	-	-	11,599
Other	(280)	6,446	2,197	2,951	1,515	(4,815)	737	5,032	224	793	14,800
Total Revenue	54,553	20,994	2,661	3,069	6,295	26,451	3,614	8,533	278	2,693	129,141
Expenses											
Salaries, Wages and benefits	-	10,610	-	2,989	3,676	1,389	5,278	6,088	2,940	1,708	34,678
Amortization & Accretion	-	6,723	318	-	4,807	5,239	-	1,526	529	-	19,142
Materials and supplies	-	(2,155)	447	849	2,132	2,252	382	2,825	292	6	7,030
Contracted services	-	1,578	584	244	2,492	23,213	1,425	4,874	277	363	35,050
Interest	-	717	-	33	33	(3)	-	37	-	-	817
Others	-	45	14,491	-	-	-	109	-	-	22	14,667
Total Expenses	-	17,518	15,840	4,115	13,140	32,090	7,194	15,350	4,038	2,099	111,384
Annual Surplus (Deficit)	\$ 54,553	\$ 3,476	\$ (13,179)	\$ (1,046)	\$ (6,845)	\$ (5,639)	\$ (3,580)	\$ (6,817)	\$ (3,760)	\$ 594	\$ 17,757