

## Reconciliation of Operating Surplus to Consolidated Annual Surplus

	Year Ended Dec 31, 2022	Year Ended Dec 31, 2021
Tax supported surplus (deficit)	1,234,927	(4,651,262)
Enterprise surplus (deficit)	6,037,951	3,258,158
<b>Total operating surplus (deficit)</b>	<b>7,272,878</b>	<b>(1,393,104)</b>
<b>Consolidation</b>		
Belmont Improvement Area	(4,668)	7,222
Kitchener Downtown Improvement Area	91,733	773,160
Kitchener Public Library	(348,497)	(199,715)
The Centre in the Square	2,731,674	(105,580)
Kitchener Generation Corporation	49,318	64,114
Enova Energy Corporation	10,870,521	10,327,388
	<b>13,390,081</b>	<b>10,866,589</b>
<b>Revenues not included in operating surplus</b>		
Gain on dilution from prior interest in Kitchener Power Corp. and its affiliates	71,288,452	-
Reserve fund revenue	43,749,511	42,290,841
Contributions of tangible capital assets	20,157,534	23,914,606
Gain (loss) on sale of tangible capital assets	(1,797,776)	(102,564)
Other capital revenue	10,135,022	9,301,408
	<b>143,532,743</b>	<b>75,404,291</b>
<b>Items in operating surplus, not in consolidated statements</b>		
Net transfers to capital and reserves	92,730,228	89,251,020
Various PSAB adjustments	3,975,051	4,438,141
	<b>96,705,279</b>	<b>93,689,161</b>
<b>COK expenses not included in operating surplus</b>		
Amortization of tangible capital assets	(54,098,524)	(53,172,804)
Other capital expenses	(21,626,744)	(17,977,556)
Change in actuarial estimate for employee future benefits	(415,195)	26,656
Reserve fund expenses	(4,128,026)	(1,915,486)
	<b>(80,268,490)</b>	<b>(73,039,191)</b>
<b>Annual surplus per consolidated financial statements</b>	<b>180,632,491</b>	<b>105,527,746</b>