



Staff Report

Report Title: 2022 Audited Financial Statements

Prepared By: Jodi MacArthur, Treasurer

Department: Treasury

Date: Oct. 16, 2023

Report Number: TR-2023-10-66

File Number: F10

Attachments: 2022 Draft Consolidated Financial Statements, 2022 Auditor's Report

Recommendation:

THAT the Township of Huron-Kinloss Council hereby receives Report Number TR-2023-10-66 prepared by Jodi MacArthur;

AND FURTHER approves the 2022 audited financial statements as presented.

Background:

The 2022 consolidated financial statements have been prepared by the Township's auditor Seebach & Company. Audit Lead, Nancy Bridge will be in attendance to meet Council and answer any questions. Once approved, the statements are posted on the Township's website for the public.

Ms. Bridge has also provided a report for Council that highlights some of the key comparators over the last five years. Staff have outlined a summary of the key performance indicators below, to simplify the financial statements and provide an overall snapshot of the Township's financial health.

Discussion:

Indicator 1: Accumulated Surplus (assets less liabilities) Reference – Note 10/Page 4

2018	2019	2020	2021	2022
\$67,507,154	\$70,899,775	\$74,107,240	\$77,259,923	\$81,421,266

Results Achieved:

- Growth from prior year,
- \$13.9 million total growth over five-year period,
- Maintain a positive position.

Indicator 2: Debt versus Reserves

Fiscal Year	Debt (note 6/pg 4)	Reserves (sch 1)	Ratio
2018	\$318,251	\$9,132,480	1:28.7
2019	\$265,511	\$10,020,775	1:37.7
2020	\$179,424	\$12,061,286	1:67.2
2021	\$157,712	\$14,774,839	1:93.7
2022	\$118,170	\$16,441,309	1:139

Results Achieved:

- Low Debt,
- Sufficient Reserves,
- Ratio exceeds recommended minimum of 1:1.

Indicator 3: Tangible Capital Assets and Amortization

Fiscal Year	TCA (pg 4/pg19)	Amortization (pg 6)	Capital Budget
2018	\$59,127,001	\$2,327,857	\$3.85 million
2019	\$62,155,533	\$2,441,002	\$5.84 million
2020	\$64,261,505	\$2,666,762	\$5.58 million
2021	\$64,837,903	\$2,803,224	\$5.83 million
2022	\$68,120,720	\$2,898,596	\$12.42 million

Results Achieved:

- Significant net book value indicates majority of assets are not nearing end of useful life,
- Increase in tangible capital assets (TCAs) demonstrates investment in infrastructure,
- Investment in TCAs through capital budget is not less than amortization.

Financial Impacts:

The audited financial statements and the resulting analysis demonstrate fiscal accountability to both the Province and the public and confirm that the Township remains in a strong financial position.

Strategic Alignment / Link:

The information provided in this report is consistent with and in keeping with the municipality's Vision & Mission.

We are a prosperous community that continues to grow in a sustainable manner by investing in infrastructure; and

We are an accessible community that offers opportunities for everyone by being open and transparent.

Respectfully Submitted By:

Jodi MacArthur, Treasurer

Report Approved By:

Mary Rose Walden, Chief Administrative Officer