



The Corporation of the Township of Huron-Kinloss

Staff Report

Report Title: 2023 Audited Financial Statements

Date: Nov. 4, 2024

Report Number: TRE-2024-11-62

Department: Treasury

File Number: C11 TRE 24

Prepared By: Christine Heinisch, Manager of Financial Services/Treasurer

Attachments: 2023 Auditor's report; 2023 Draft Consolidated Financial Statements

Recommendation:

THAT the Township of Huron-Kinloss Committee of the Whole hereby receives Report TR-2024-11-62 prepared by Christine Heinisch, Treasurer;

AND FURTHER approves the 2023 audited financial statements as presented.

Background:

The 2023 consolidated financial statements have been prepared by the Township's auditor Seebach & Company. 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/Analysis/Overview:

Indicator 1: Accumulated Surplus (assets less liabilities) Reference Note 11/Page5

2019	2020	2021	2022	2023
\$70,899,775	\$74,107,240	\$77,259,923	\$81,421,266	\$93,544,670

Results Achieved:

- Growth from prior year,
- \$22.6 million total growth over five-year period,
- Maintain a positive position.

Indicator 2: Debt versus Reserves

Fiscal Year	Debt (note 7/pg 5)	Reserves (sch 1)	Ratio
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
2023	\$134,488	\$15,718,089	1:117

Results Achieved:

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

Indicator 3: Tangible Capital Assets and Amortization

Fiscal Year	TCA (pg 5/pg 19)	Amortization (pg 7)	Capital Budget
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
2023	\$81,407,102	\$3,077,242	\$7.4 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 an 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 the fiscal accountability to both the province and the public and confirm that the Township remains in a strong financial position.

Performance Measurement:

The Township of Huron-Kinloss remains in a strong financial position.

Strategic Area:

- Embrace a thriving rural lifestyle
- Enhance Municipal Service Delivery
- Prepare for Inclusive Growth
- Ensure Financial Stability

Strategic Goal: Commit to financial health and sustainability

Respectfully Submitted By:

Christine Heinish, Manager of Financial Services/Treasurer

Report Approved By:

Jodi MacArthur, Chief Administrative Officer