

TOWNSHIP OF HURON-KINLOSS
REPORT TO COUNCIL
For the year ended December 31, 2020

The financial statements are presented on a consolidated basis and, therefore, include the proportional share of the assets, liabilities, operating revenues and expenditures of the various joint boards which the Township of Huron-Kinloss belongs to.

Financial Indicators

	2020	2019	2018	2017	2016	2015	2014
Cash	9,444,677	8,581,572	9,398,437	8,199,871	7,443,508	6,956,541	6,335,298
Taxes receivable (note 1)	1,190,431	1,072,122	1,041,774	1,047,798	1,046,634	896,610	847,383
Accounts receivable	1,182,280	1,093,934	1,412,665	1,918,699	879,401	829,660	1,076,931
Municipal drains in process	979,211	700,679	475,165	296,727	1,080,041	251,007	235,424
Prepaid expenses and inventory	142,224	125,311	101,631	103,133	51,669	50,147	50,839
Long-term receivables	522,987	675,727	778,520	550,014	430,916	436,715	333,498
Long-term investments	770,285	770,285	770,285	770,285	770,285	770,285	770,285
	<u>14,232,095</u>	<u>13,019,630</u>	<u>13,978,477</u>	<u>12,886,527</u>	<u>11,702,454</u>	<u>10,190,965</u>	<u>9,649,658</u>
Accounts payable	1,697,492	1,545,812	3,089,291	1,390,147	1,071,593	933,874	1,116,760
Deferred revenue (gas tax and development charges reserves)	1,184,928	1,184,928	997,601	1,106,158	881,833	928,794	723,942
Long-term debt attributed to long-term receivables	179,424	265,511	318,251	322,693	329,263	325,076	327,179
Long-term debt to be financed from general revenue	-	-	-	-	53,928	158,142	257,685
Landfill closure and post closure liability	1,089,364	1,070,582	991,502	991,632	754,947	735,909	706,160
Post-employment benefits liability	229,854	208,555	201,679	227,800	229,849	219,610	208,993
	<u>4,381,062</u>	<u>4,275,388</u>	<u>5,598,324</u>	<u>4,038,430</u>	<u>3,321,413</u>	<u>3,301,405</u>	<u>3,340,719</u>
Net financial assets (note 2)	<u>9,851,033</u>	<u>8,744,242</u>	<u>8,380,153</u>	<u>8,848,097</u>	<u>8,381,041</u>	<u>6,889,560</u>	<u>6,308,939</u>
Tangible capital assets							
Net book value beginning of year	62,155,533	59,127,001	55,526,815	54,690,176	54,613,152	53,981,825	52,709,074
Purchases	4,882,498	5,755,832	6,359,693	3,617,924	2,523,257	2,933,129	3,524,161
Disposals and adjustments	(109,764)	(286,298)	(431,650)	(520,019)	(300,158)	(135,214)	(255,536)
Amortization	(2,666,762)	(2,441,002)	(2,327,857)	(2,261,266)	(2,146,075)	(2,166,588)	(1,995,874)
Net book value end of year	<u>64,261,505</u>	<u>62,155,533</u>	<u>59,127,001</u>	<u>55,526,815</u>	<u>54,690,176</u>	<u>54,613,152</u>	<u>53,981,825</u>
Accumulated surplus (note 3)							
Investment in capital assets	64,261,505	62,155,533	59,127,001	55,526,815	54,690,176	54,613,152	53,981,825
Capital assets financed by long-term debt	-	-	-	-	(53,928)	(158,142)	(257,685)
Unfunded capital assets	(1,319,393)	(420,456)	-	(1,011,843)			
Net investment in capital assets	62,942,112	61,735,077	59,127,001	54,514,972	54,636,248	54,455,010	53,724,140
Unfunded post-employment and landfill liabilities	(1,319,218)	(1,279,137)	(1,193,181)	(1,219,432)	(984,795)	(955,519)	(915,153)
Reserves	12,061,286	10,020,775	9,132,480	10,676,463	9,017,810	7,599,596	7,078,820
Other surplus	423,060	423,060	440,854	402,909	401,954	403,625	402,957
	<u>74,107,240</u>	<u>70,899,775</u>	<u>67,507,154</u>	<u>64,374,912</u>	<u>63,071,217</u>	<u>61,502,712</u>	<u>60,290,764</u>

Note 1: Taxes receivable

Taxes receivable as percentage of total collected	5.40%	5.70%	5.10%	5.50%	5.80%	5.20%	5.20%
The municipality has maintained a low rate of arrears throughout the comparison period.							

Note 2: Net financial assets

Net financial assets represent the net amount of cash and items that will eventually be turned into cash and indicates the extent of resources available to finance future operations.
The municipality has continued to increase net financial assets.

Note 3: Accumulated surplus

Total accumulated surplus indicates the resources available to provide future services.
Adequate reserves are an indicator of flexibility and ability to deal with contingencies.

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For the year ended December 31, 2020

Five Year Comparison of Operating Revenue Expenses

	2020 budget	2020 actual	2019 actual	2018 actual	2017 actual	2016 actual	2015 actual	2014 actual
Revenue								
Taxation	8,882,383	8,844,497	8,289,834	7,784,522	7,363,467	7,121,993	6,511,868	5,946,860
Grants								
OMPF grant	1,055,600	1,055,600	1,050,000	1,027,900	869,700	779,100	686,900	830,900
Gas tax grant (becomes revenue when spent)	214,447	474,873	262,900	348,166	-	260,115	-	201,266
Municipal drains	13,300	1,560	46,573	115,463	467,578	18,163	15,934	174,839
Other capital grants	275,793	275,793	702,472	358,339	310,987	64,901	63,236	-
Safe Restart funding	-	256,600	-	-	-	-	-	-
Modernization grant	-	45,027	610,865	-	-	-	-	-
Other government grants	167,129	281,882	388,887	234,961	149,778	127,947	209,945	199,680
User fees								
Water and sewer	2,772,116	2,918,233	2,529,878	3,233,537	2,471,729	2,448,639	2,058,567	2,038,932
Garbage collection and disposal	640,862	641,988	565,603	719,711	681,454	630,248	582,236	572,859
Recreation (excl committees of council below)	442,425	263,868	589,102	452,235	537,094	568,173	715,678	432,504
Recreation - Ripley Reunion	-	-	-	176,633	-	-	244,970	-
Recreation - Music in the Fields	-	-	-	-	-	-	1,181,197	1,021,610
Municipal drains	-	555,062	484,834	513,477	326,610	905,912	54,824	434,036
Protective services permits and fees	366,056	413,446	375,380	405,996	371,926	367,775	374,802	258,028
Epcor franchise fee	-	-	-	-	-	250,000	-	-
Other fees and charges	354,592	531,271	548,804	431,501	380,498	327,695	343,128	317,914
Other income								
OPG and Nuclear Waste Management	759,050	961,159	1,101,152	1,139,070	344,249	75,090	465,000	133,693
Bank interest and penalties on taxes	215,074	324,655	308,385	326,773	251,394	250,278	290,404	241,869
Gain (loss) on disposal of tangible capital assets	-	(101,406)	(222,522)	(353,237)	(474,207)	(269,689)	7,644	146,003
Total revenue	16,158,827	17,744,108	17,632,147	16,915,047	14,052,257	13,926,340	13,806,333	12,950,993
Expenditures (line items exclude depreciation and capital)								
Council	196,335	179,729	187,438	178,602	189,495	167,719	173,644	178,971
Other general government	1,421,960	1,423,601	1,236,265	1,316,442	1,010,641	1,185,858	1,041,592	987,615
Fire	435,650	619,553	472,207	441,930	465,872	403,588	264,656	235,526
Policing	1,364,840	1,204,747	1,356,052	1,297,604	1,284,812	1,198,478	958,536	764,075
Conservation authority	196,859	196,469	191,872	189,893	190,218	186,534	180,908	175,086
Building, water quality, and other protective services	667,106	720,586	569,626	529,035	495,185	494,121	501,559	474,372
Roads and streetlights	2,773,067	2,588,499	2,516,673	2,379,869	1,979,598	1,910,141	2,124,485	1,945,269
Water and sewer	1,307,980	1,439,649	1,331,587	1,274,170	1,325,720	1,314,301	1,285,566	1,260,140
Waste collection and disposal	846,265	977,886	874,158	917,995	789,478	769,926	716,238	710,020
Cemeteries and other health and social services	70,185	61,866	46,404	42,315	48,116	46,877	41,861	45,670
Recreation (excl committees of council below)	1,399,493	1,126,344	1,520,829	1,472,637	1,293,532	1,338,773	1,327,344	1,454,920
Recreation - Ripley Reunion	-	-	16,881	138,959	-	-	244,970	-
Recreation - Music in the Fields	-	-	-	-	-	-	1,181,197	1,021,610
Municipal drains	27,725	581,333	549,408	644,887	804,955	940,734	87,026	619,294
Planning and development	622,295	730,837	850,044	630,740	372,989	235,672	268,467	214,342
Capital expenditures	8,276,750	4,882,498	5,755,832	6,359,693	3,617,924	2,523,257	2,933,129	3,524,161
Net transfers to (from) reserves	(1,447,683)	2,040,511	888,295	(1,543,984)	1,658,653	1,418,214	520,775	(198,376)
Total expenditures	18,158,827	18,774,108	18,363,571	16,270,787	15,527,188	14,134,193	13,851,953	13,412,695
Less: capital expenditures	(8,276,750)	(4,882,498)	(5,755,832)	(6,359,693)	(3,617,924)	(2,523,257)	(2,933,129)	(3,524,161)
net transfers to (from) reserves	1,447,683	(2,040,511)	(888,295)	1,543,984	(1,658,653)	(1,418,214)	(520,775)	198,376
Add: Amortization and writedown of capital assets		2,666,762	2,441,002	2,327,857	2,261,266	2,146,075	2,166,588	1,995,874
Add: increase (decrease) in landfill post-closure liability		18,782	79,080	(130)	236,685	19,038	29,748	(16,815)
Total expenditures per financial statements	11,329,760	14,536,643	14,239,526	13,782,805	12,748,562	12,357,835	12,594,385	12,065,969
Net surplus (deficit) per financial statements	4,829,067	3,207,465	3,392,621	3,132,242	1,303,695	1,568,505	1,211,948	885,024