



## Staff Report

**Report Title: 2020 Audited Financial Statements**

**Prepared By: Jodi MacArthur, Treasurer**

**Department: Treasury**

**Date: Sep. 8, 2021**

**Report Number: TR-2021-09-61**

**File Number:**

**F10-AUD14**

**Attachments: 2020 Draft Consolidated Financial Statements, 2020 Auditor's Report**

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### **Recommendation:**

That the Township of Huron-Kinloss Committee of the Whole hereby receives Report Number TR-2021-09-61 prepared by Jodi MacArthur, Treasurer and approved the 2020 audited financial statements as presented.

### **Background:**

The 2020 consolidated financial statements have been prepared by the Township's auditors Seebach & Company. Once approved, the statements are posted on the Township's website for the public.

The auditors have also provided a report for Council that highlights some of the key comparators. 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

2016	2017	2018	2019	2020
\$63,071,217	\$64,374,912	\$67,507,154	\$70,899,775	\$74,107,240

Results Achieved:

- Growth from previous year
- \$11 million total growth over 5 years

- Maintain a positive position

#### Indicator 2: Debt versus Reserves

Fiscal Year	Debt (note 6/pg 4)	Reserves (sch 1)	Ratio
2016	\$383,191	\$9,017,810	1:23.5
2017	\$322,693	\$10,676,463	1:33.1
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

#### Results Achieved:

- Low debt
- Sufficient reserves
- Ratio of 1:67.2 exceeds recommended minimum of 1:1

#### Indicator 3: Tangible Capital Assets and Amortization

Fiscal Year	TCA (pg 4/pg 19)	Amortization (pg 6)	Capital Budget
2016	\$54,690,176	\$2,146,075	\$2.41 million
2017	\$55,526,815	\$2,261,266	\$3.38 million
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

#### 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

**Approved By:**

Mary Rose Walden, Chief Administrative Officer