

**TOWNSHIP OF NORTH HURON**  
**REPORT TO COUNCIL**  
**For the year ended December 31, 2017**

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 North Huron belongs to.

**Financial Indicators**

	2017	2016	2015	2014	2013
Cash	10,414,344	10,121,359	10,317,505	8,315,938	8,044,828
Taxes receivable (note 1)	660,427	618,086	603,439	652,222	640,593
Accounts receivable	1,576,014	2,931,775	1,056,449	1,013,729	1,288,017
Long- term receivables	35,467	41,355	46,910	29,218	32,717
Long- term investment	1,620,038	1,620,038	1,620,038	1,620,038	1,620,038
	<u>14,306,290</u>	<u>15,332,613</u>	<u>13,644,341</u>	<u>11,631,145</u>	<u>11,626,193</u>
Accounts payable	1,099,219	2,024,748	807,381	633,648	1,030,004
Deferred revenue	285,256	471,276	406,107	294,303	140,772
Landfill closure and post closure liability	336,200	329,600	323,000	316,700	47,600
Municipal debt	1,925,334	2,103,094	2,274,139	2,415,794	2,990,719
	<u>3,646,009</u>	<u>4,928,718</u>	<u>3,810,627</u>	<u>3,660,445</u>	<u>4,209,095</u>
Net financial assets (note 2)	<u>10,660,281</u>	<u>10,403,895</u>	<u>9,833,714</u>	<u>7,970,700</u>	<u>7,417,098</u>
Tangible capital assets					
Net book value beginning of year	49,906,983	48,916,036	50,071,726	50,509,588	51,219,850
Purchases	4,720,593	3,356,103	553,948	1,227,177	975,348
Disposals and adjustments	(354,375)	(277,978)	(82,875)	(10,125)	(31,854)
Amortization	(2,068,074)	(2,087,178)	(1,626,763)	(1,654,914)	(1,653,756)
Net book value end of year	<u>52,205,127</u>	<u>49,906,983</u>	<u>48,916,036</u>	<u>50,071,726</u>	<u>50,509,588</u>
Accumulated surplus (note 3)					
General surplus and net investment in capital assets	50,993,062	48,529,646	47,379,811	48,382,456	48,517,990
Reserves	10,252,308	10,161,194	9,749,901	8,039,932	7,788,658
Other surplus	1,620,038	1,620,038	1,620,038	1,620,038	1,620,038
	<u>62,865,408</u>	<u>60,310,878</u>	<u>58,749,750</u>	<u>58,042,426</u>	<u>57,926,686</u>
	-	-	-	-	-

**Note 1: Taxes receivable**

Current year taxes receivable as percentage of

total levy for year 4.5% 4.2% 4.0% 4.5% 4.6%

Total taxes receivable as percentage of total levy for year 7.9% 7.6% 7.7% 8.4% 8.4%

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 or paid out in cash and indicates the extent of resources available to finance future operations.

**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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**Five Year Comparison of Operating Revenue Expenses**

	2017 Budget	2017 Actual	2016 Actual	2015 Actual	2014 Actual	2013 Actual
<b>Revenue</b>						
Taxation	4,949,640	4,993,840	4,774,264	4,576,725	4,483,681	4,396,664
Grants						
OMPF grant	1,361,000	1,361,000	1,231,100	1,284,200	1,383,800	1,463,200
Gas tax grant	300,000	350,000	92,452	38,000	-	100,238
Community Infrastructure Improvement Fund	155,000	153,031	268,888	92,938	-	125,000
Canada Cultural Spaces Fund	367,827	367,827	612,080	-	-	-
Policing grants	90,500	101,455	98,518	103,923	100,722	101,540
Other capital grants	394,215	247,709	33,750	542,849	187,740	45,831
County fee subsidies	517,446	604,077	660,993	560,194	521,927	447,289
Fire billings	311,078	311,078	304,989	302,090	330,773	331,473
Shared services and other municipalities	105,032	145,473	220,809	-	-	-
Other government grants	170,458	204,751	175,930	165,670	120,341	137,209
User fees						
Water and sewer	2,019,544	2,053,402	2,048,742	1,963,346	1,712,884	1,733,109
Garbage collection and disposal	192,000	297,173	269,376	205,888	202,240	177,501
ESTC Centre	208,079	63,602	191,467	191,185	207,025	202,055
Road charges and recoveries	395,815	49,496	135,427	101,278	84,469	39,170
Recreation	848,709	848,640	844,979	905,906	964,181	875,121
Childcare	588,383	664,825	501,710	470,906	431,625	384,545
Protective services permits and fees	101,900	119,326	181,262	85,365	102,168	71,541
Blyth Memorial Hall Capital funding	1,617,880	1,841,721	777,396	-	-	-
Other fees and charges	194,898	359,354	305,017	358,529	404,459	250,093
Other income						
Bank interest and penalties on taxes	130,850	266,555	259,133	258,862	262,356	253,654
Gain (loss) on disposition of capital assets	-	23,381	(25,816)	(31,372)	33,513	(7,589)
Total revenue per financial statements	15,020,254	15,427,716	13,962,466	12,176,482	11,533,904	11,127,644
<b>Expenditures</b>						
<b>(line items exclude depreciation and capital)</b>						
Council	96,000	97,669	95,628	93,043	92,841	103,761
Other general government	990,976	946,501	1,007,699	828,999	807,738	822,131
Fire	563,572	518,312	646,083	603,333	670,347	590,259
Policing	1,493,484	1,489,274	1,399,875	1,332,317	1,305,030	1,231,005
Conservation authority	84,840	84,840	82,323	80,230	76,484	71,813
Building, water quality, and other protective serv	244,049	256,371	171,773	93,775	99,935	86,666
ESTC and building	230,558	156,283	192,215	224,691	281,332	278,223
Roads and streetlights	1,860,920	1,774,299	1,753,391	1,344,261	1,404,461	1,522,780
Air transportation	93,656	86,075	82,889	81,295	87,023	103,945
Water and sewer	1,605,902	1,459,229	1,147,478	1,236,142	1,028,086	1,080,195
Waste collection and disposal	507,975	473,977	371,590	359,663	346,552	350,110
Cemeteries and other health and social services	110,977	77,064	63,728	89,675	79,344	89,089
Childcare	1,119,758	1,198,091	1,090,727	994,602	875,416	830,792
Recreation - Parks	252,164	180,934	245,274	239,683	257,079	231,394
Recreation - Programs	404,426	377,167	395,686	406,940	394,596	325,220
Recreation - Facilities	1,328,208	1,324,629	1,226,566	1,188,573	1,164,501	1,023,802
Library and museum	292,788	255,727	314,222	618,937	472,894	270,196
Municipal drains	16,800	18,892	6,561	3,727	1,697	3,472
Planning and development	20,000	23,178	13,852	16,209	48,794	28,230
Capital expenditures	5,820,987	4,720,593	3,356,103	553,948	1,227,177	975,348
Net transfers to (from) reserves	(1,344,839)	90,697	411,112	1,712,850	252,090	922,646
Total expenditures	15,593,201	15,609,802	14,074,775	12,102,893	10,973,417	10,941,077
Less: capital expenditures	(5,820,987)	(4,720,593)	(3,356,103)	(553,948)	(1,227,177)	(975,348)
net transfers to (from) reserves	1,344,839	(90,697)	(411,112)	(1,712,850)	(252,090)	(922,646)

Add: amortization and writedowns	2,068,074	<b>2,068,074</b>	2,087,178	1,626,763	1,654,914	1,653,756
Add: increase (decrease) in landfill post-closure liability		<b>6,600</b>	6,600	6,300	269,100	1,800
Total expenditures per financial statements	<u>13,185,127</u>	<b><u>12,873,186</u></b>	<u>12,401,338</u>	<u>11,469,158</u>	<u>11,418,164</u>	<u>10,698,639</u>
<b>Net surplus (deficit) per financial statements</b>	1,835,127	<b>2,554,530</b>	1,561,128	707,324	115,740	429,005