



Year End Report for
Municipality of Meaford
December 31, 2015

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Financial Report 2015

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We have audited the consolidated financial statements of the Municipality of Meaford which comprise the consolidated statement of financial position as at December 31, 2015 and the consolidated statements of operations and accumulated surplus, changes in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, and have issued our report thereon dated May 2, 2016.

The audit was performed to form an opinion on the consolidated financial statements as a whole. The information in this year-end report is presented for the purposes of additional analysis and is not a required part of the consolidated financial statements. The information was derived from the underlying accounting and other records used to prepare the consolidated financial statements. The information in this year-end report has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling the information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves.

The year-end report is prepared to provide Council with more detailed financial information and graphical analysis of the consolidated financial statements. As a result, the year-end report may not be suitable for other purposes. Our year-end report is intended solely for the use of Council and should not be distributed to or used by parties other than Council in conjunction with the audited consolidated financial statements.

The information in this year-end report pertaining to comparative information to other municipalities is derived from Financial Information Returns that are made publicly available online by the Ministry of Municipal Affairs and Housing and we have not audited those numbers. Any references to other municipalities should be taken for discussion purposes only and as a starting point for additional analysis as the amounts may be classified differently in each municipality. Comparative information is based on the 2014 Financial Information Returns, as the 2015 Financial Information Returns are not yet available.

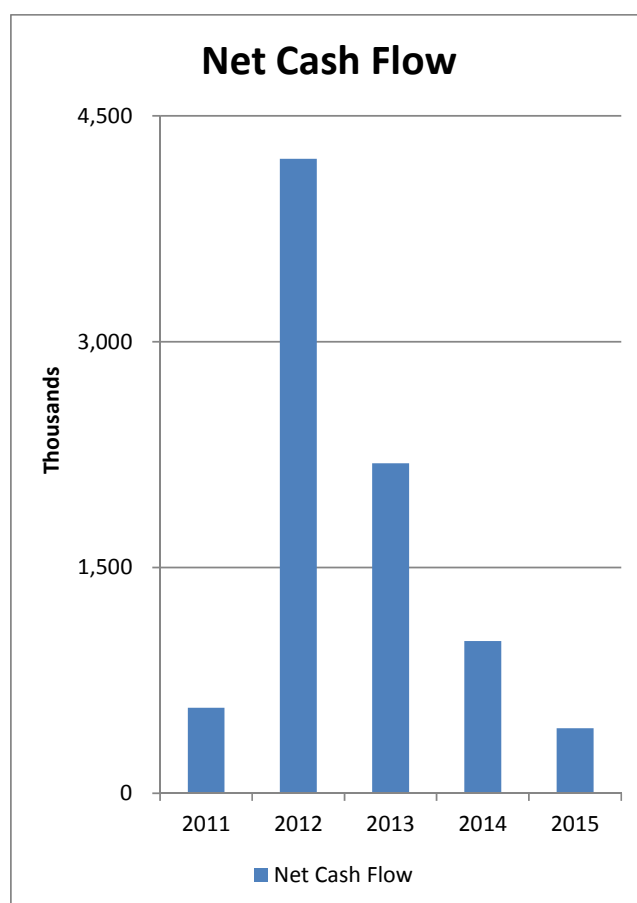
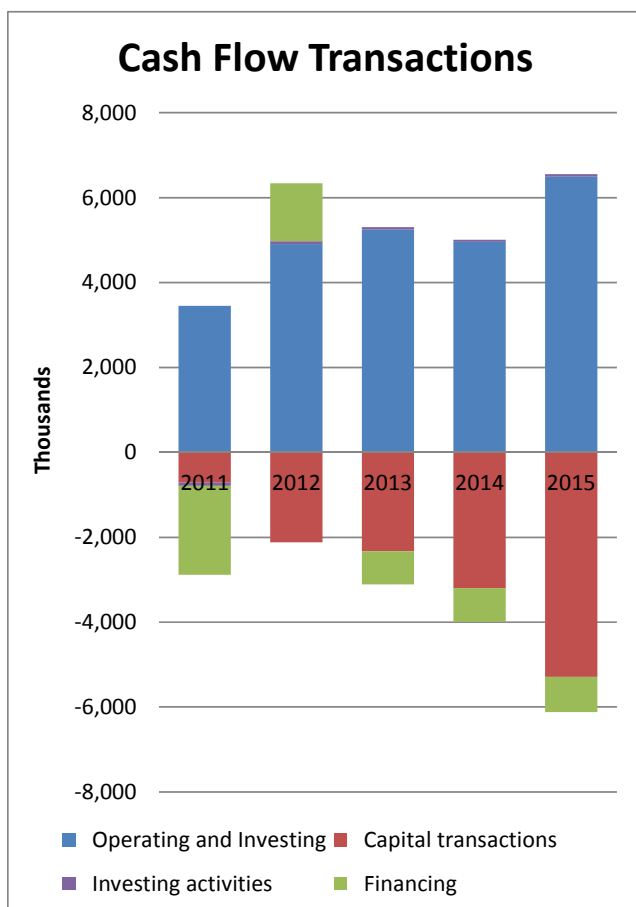
WHERE ARE YOU TODAY?

	2015	2014	2013	2012	2011
Cash	732,063	764,857	877,780	4,743,614	564,004
Temporary investments	4,689,800	4,622,458	3,538,046	43,225	8,947
Long-term investments	3,002,032	2,603,876	2,563,553	-	-
	<u>8,423,895</u>	<u>7,991,191</u>	<u>6,979,379</u>	<u>4,786,839</u>	<u>572,951</u>
Long term debt					
Meaford Hall	2,443,140	2,572,537	2,695,527	2,812,434	2,923,555
Capital roads projects	1,092,630	1,168,824	1,240,667	1,300,096	1,350,457
Capital water projects	2,232,430	2,357,775	2,480,995	2,593,424	2,447,498
Capital sewer projects	582,627	622,565	661,689	693,385	720,244
Meaford waste pollution control plant	628,007	672,017	714,896	756,673	797,377
Leith capital and water project	411,704	456,960	498,826	539,717	577,430
Meaford fire truck	86,231	116,007	144,907	171,229	195,443
Other	-	-	-	-	55,613
Various capital projects	721,273	1,040,405	1,351,165	1,653,804	-
	<u>8,198,042</u>	<u>9,007,090</u>	<u>9,788,672</u>	<u>10,520,762</u>	<u>9,067,617</u>
Tile drainage loans	81,055	99,231	118,275	138,867	155,668
	<u>8,279,097</u>	<u>9,106,321</u>	<u>9,906,947</u>	<u>10,659,629</u>	<u>9,223,285</u>
Capital lease obligations	-	-	-	27,715	102,315
Net debt	<u>(3,498,601)</u>	<u>(4,268,726)</u>	<u>(5,962,276)</u>	<u>(9,228,137)</u>	<u>(11,676,782)</u>
Accumulated surplus					
Invested in tangible capital assets					
Tangible capital assets at cost less amortization	68,038,257	66,872,650	67,414,566	69,096,623	70,908,967
Unfinanced capital	(357,189)	-	-	(9,900)	(2,195,601)
Capital assets financed by long-term liabilities and to be funded in future years	<u>(8,198,042)</u>	<u>(9,007,090)</u>	<u>(9,788,672)</u>	<u>(10,548,477)</u>	<u>(9,169,932)</u>
Total invested in capital assets	59,483,026	57,865,560	57,625,894	58,538,246	59,543,434
Unfunded post-employment benefits	(2,062,600)	(2,048,115)	(2,060,058)	(2,069,813)	(2,077,223)
Unfunded solid waste post-closure costs	(150,913)	(163,610)	(96,616)	-	-
Unfunded liability	<u>(175,000)</u>	<u>(200,000)</u>			
General surplus (deficit)	-	29,167	-	-	-
Water	-	-	-	(189,000)	(234,884)
Sewer	-	-	-	502,301	428,074
Library	-	-	-	43,177	31,891
Cemetery	-	-	-	2,036	(9,914)
Georgian Trail Board of Management	47,754	43,700	38,984	33,718	37,010
Bognor Community Centre	19,272	16,390			
Riverside Community Centre	17,500	14,384			
Business Improvement Area	26,680	19,393	19,490	18,575	13,822
Unfinanced legal costs	-	-	-	(73,637)	-
	<u>57,205,719</u>	<u>55,576,869</u>	<u>55,527,694</u>	<u>56,805,603</u>	<u>57,732,210</u>
Reserves and discretionary reserve funds	7,787,674	7,421,502	6,307,236	3,400,539	1,812,289
	<u>64,993,393</u>	<u>62,998,371</u>	<u>61,834,930</u>	<u>60,206,142</u>	<u>59,544,499</u>

CASH FLOWS

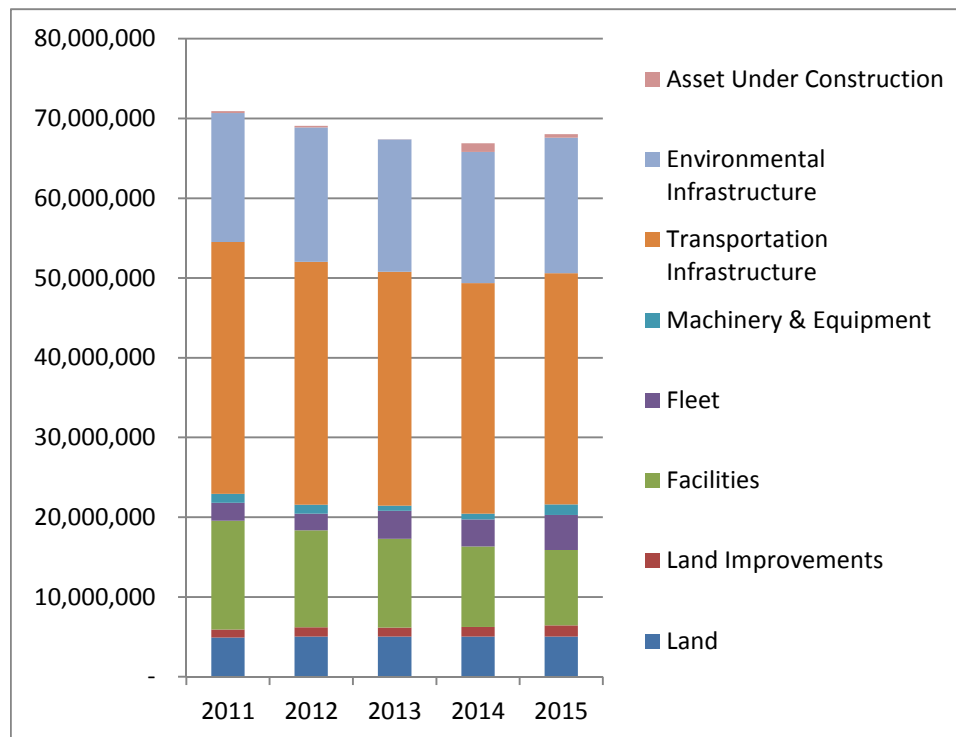
	2015	2014	2013	2012	2011
Cash	\$ 732,063	\$ 764,857	\$ 877,780	\$ 4,743,614	\$ 564,004
Investments	7,691,832	7,226,334	6,101,599	43,225	8,947
	<u>\$ 8,423,895</u>	<u>\$ 7,991,191</u>	<u>\$ 6,979,379</u>	<u>\$ 4,786,839</u>	<u>\$ 572,951</u>

Cash Flows	2015	2014	2013	2012	2011
Operating and Investing	\$ 6,497,632	\$ 4,957,770	\$ 5,243,727	\$ 4,906,173	\$ 3,452,276
Capital transactions	(5,292,626)	(3,195,950)	(2,330,370)	(2,121,473)	(710,101)
Investing activities	54,922	50,618	59,580	67,444	(76,507)
Financing	(827,224)	(800,626)	(780,397)	1,361,744	(2,097,896)
Increase (decrease) in cash	<u>\$ 432,704</u>	<u>\$ 1,011,812</u>	<u>\$ 2,192,540</u>	<u>\$ 4,213,888</u>	<u>\$ 567,772</u>



TANGIBLE CAPITAL ASSETS

	2015	2014	2013	2012	2011
Tangible capital assets					
Beginning of year	66,872,650	67,414,566	69,096,623	70,908,967	74,230,076
Purchases	5,577,666	3,766,460	2,396,397	2,130,848	752,735
Disposals	(295,509)	(282,850)	(137,630)	(13,763)	-
Amortization	(4,116,550)	(4,025,526)	(3,940,824)	(3,929,429)	(4,073,844)
End of year	68,038,257	66,872,650	67,414,566	69,096,623	70,908,967



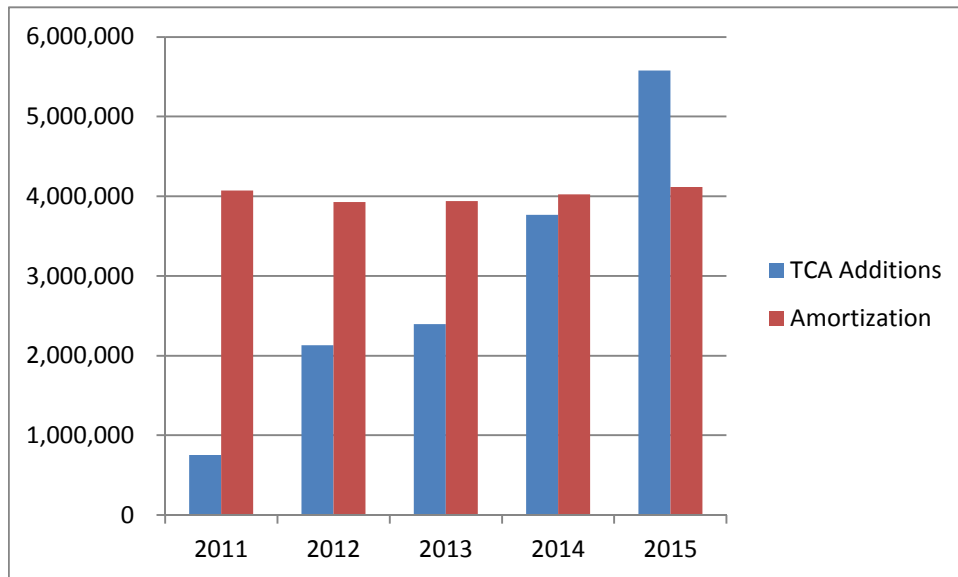
TANGIBLE CAPITAL ASSETS

As assets age, the TCA Financial Indicator percentage will decrease. The newer the assets, the longer the remaining life of the asset and the higher the percentage.

Using information from the 2014 Financial Information Return, it was noted that the average Age of TCA Indicator for municipalities within Grey, Bruce, Dufferin and Simcoe Counties was 62% (low 34%, high 84%).

Age of TCA Financial Indicator $\frac{\text{Net Book Value of TCA}}{\text{Historical Cost of TCA}}$

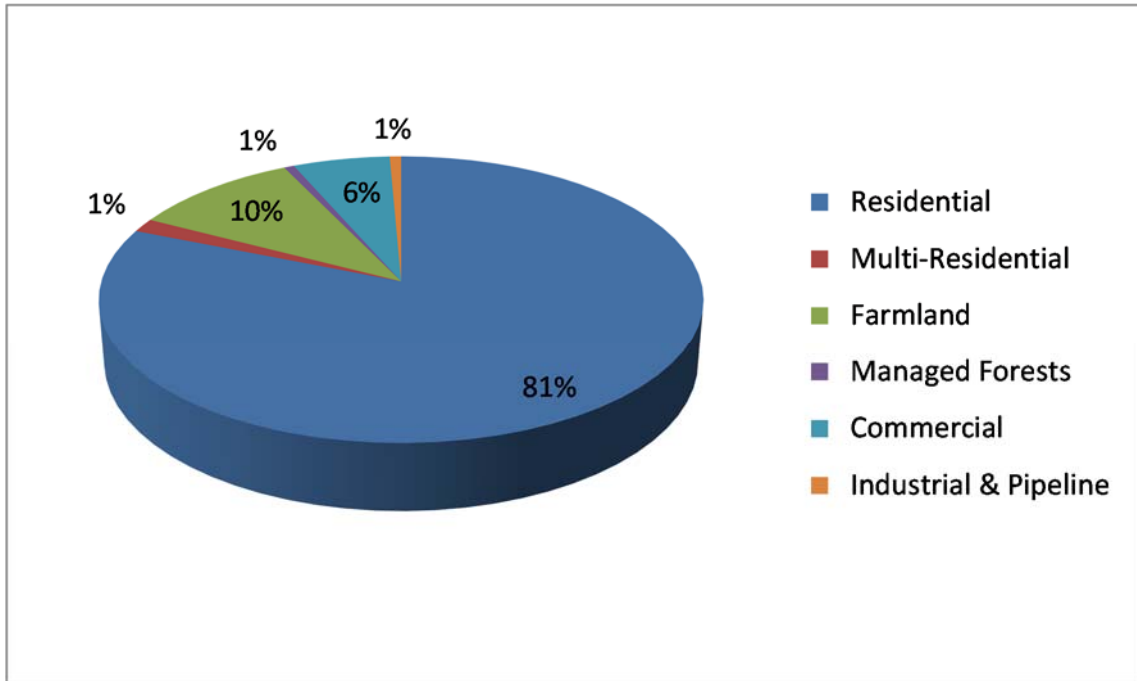
2011	2012	2013	2014	2015
53.65%	52.09%	50.52%	49.54%	48.82%



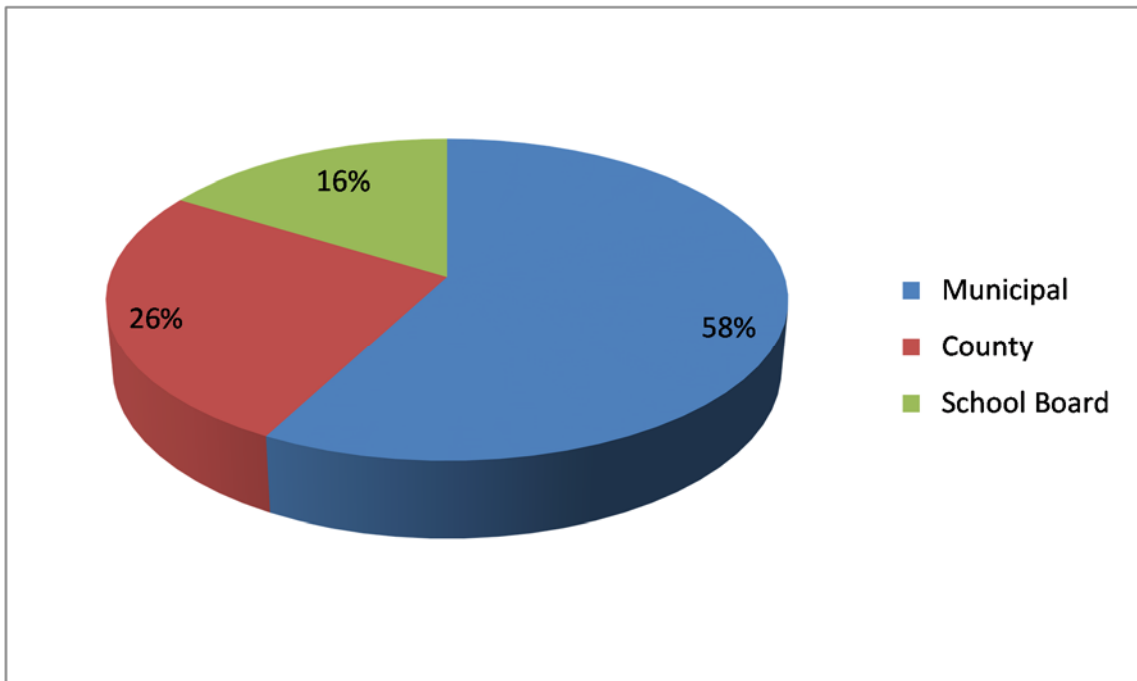
TAXATION

	2015	% Change	2014	% Change	2013	% Change	2012	% Change	2011
Residential Tax Rate-Meaford									
Municipal	0.768265%	-3.1%	0.792839%	-14.4%	0.926039%	-1.9%	0.944043%	5.4%	0.895280%
County	0.363835%	-5.7%	0.385762%	-2.8%	0.396898%	-2.4%	0.406654%	-2.0%	0.415091%
School Board	0.195000%	-3.9%	0.203000%	-4.2%	0.212000%	-4.1%	0.221000%	-4.3%	0.231000%
	<u>1.327100%</u>	<u>-3.9%</u>	<u>1.381601%</u>	<u>-10.0%</u>	<u>1.534937%</u>	<u>-2.3%</u>	<u>1.571697%</u>	<u>2.0%</u>	<u>1.541371%</u>
Residential Tax Rate-St. Vincent									
Municipal					0.763530%	6.8%	0.714747%	8.2%	0.660705%
County					0.396898%	-2.4%	0.406654%	-2.0%	0.415091%
School Board					0.212000%	-4.1%	0.221000%	-4.3%	0.231000%
					<u>1.372428%</u>	<u>2.2%</u>	<u>1.342401%</u>	<u>2.7%</u>	<u>1.306796%</u>
Residential Tax Rate-Sydenham									
Municipal					0.730765%	8.0%	0.676598%	6.6%	0.634824%
County					0.406654%	-2.0%	0.415091%	-1.8%	0.422913%
School Board					0.221000%	-4.3%	0.231000%	-4.1%	0.241000%
					<u>1.358419%</u>	<u>2.7%</u>	<u>1.322689%</u>	<u>1.8%</u>	<u>1.298737%</u>
Assessments (Including Payments-In-Lieu)									
Residential	1,413,231,452	5.0%	1,345,390,529	5.2%	1,278,805,743	5.1%	1,217,169,762	5.4%	1,154,765,173
Multi-Residential	26,770,750	6.1%	25,237,500	5.3%	23,977,250	7.3%	22,349,000	4.8%	21,327,710
Farmland	177,581,202	6.8%	166,209,456	10.1%	150,924,229	12.5%	134,147,950	4.7%	128,077,684
Managed Forests	10,678,791	18.7%	8,995,985	19.6%	7,522,800	6.8%	7,045,400	23.8%	5,693,190
Commercial	102,407,196	3.9%	98,588,494	3.3%	95,414,752	2.2%	93,350,309	2.9%	90,699,621
Industrial & Pipeline	12,036,857	2.1%	11,784,051	2.0%	11,553,258	13.0%	10,224,824	4.2%	9,817,157
	<u>1,742,706,248</u>	<u>5.2%</u>	<u>1,656,206,015</u>	<u>5.6%</u>	<u>1,568,198,032</u>	<u>5.7%</u>	<u>1,484,287,245</u>	<u>5.2%</u>	<u>1,410,380,535</u>
Tax Levies									
Municipal	13,192,987	0.9%	13,073,579	0.9%	12,956,939	5.2%	12,315,191	18.4%	10,405,042
County	5,954,749	-1.6%	6,051,202	1.7%	5,951,685	3.2%	5,766,126	1.1%	5,701,251
School Board	3,704,339	0.7%	3,680,267	0.6%	3,658,740	2.2%	3,581,309	0.5%	3,564,767
	<u>22,852,075</u>	<u>0.2%</u>	<u>22,805,048</u>	<u>1.1%</u>	<u>22,567,364</u>	<u>4.2%</u>	<u>21,662,626</u>	<u>10.1%</u>	<u>19,671,060</u>
Tax Arrears									
Current	908,496		966,151		784,121		778,940		678,757
Previous	506,651		434,546		324,239		344,319		269,385
Prior	212,698		168,991		110,795		131,117		116,191
Interest	132,483		136,193		94,144		95,405		68,632
Tax Accrual	9,111		35,533		39,832		0		0
	<u>1,769,439</u>		<u>1,741,414</u>		<u>1,353,131</u>		<u>1,349,781</u>		<u>1,132,965</u>
Collection % of									
Current year Taxes	<u>96.0%</u>		<u>95.8%</u>		<u>96.5%</u>		<u>96.4%</u>		<u>96.5%</u>

ASSESSMENT



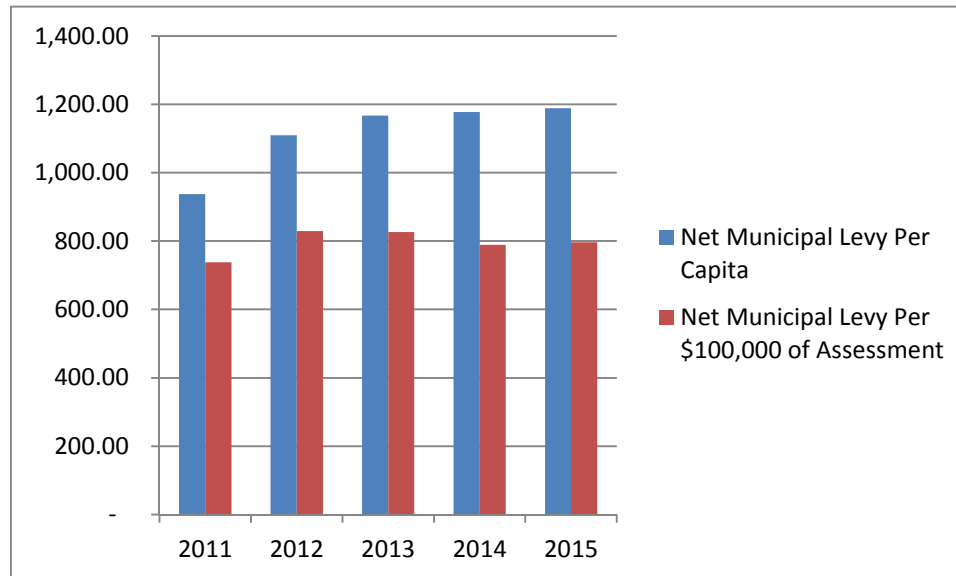
TAX LEVY



TAXATION

	Net Municipal Levy Per Capita		Net Municipal Levy Municipal Population		
	2015	2014	2013	2012	2011
Net Municipal Levy (per Financial Statements)	13,192,987	13,073,579	12,956,939	12,315,191	10,405,042
Municipal Population	11,100	11,100	11,100	11,100	11,100
Net Municipal Levy Per Capita	1,188.56	1,177.80	1,167.29	1,109.48	937.39

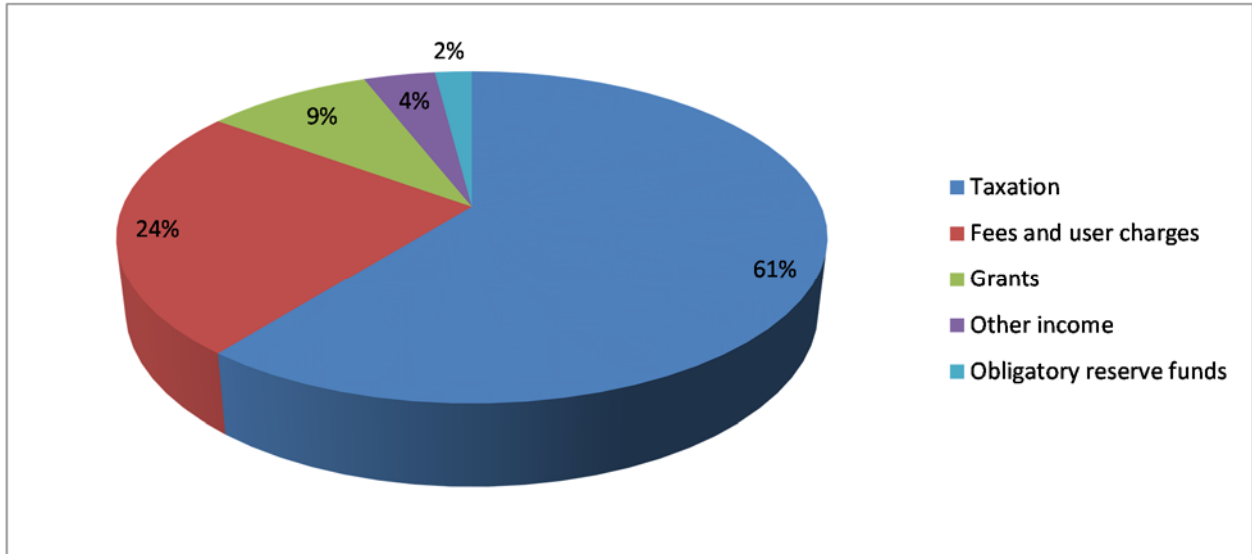
	Net Municipal Levy Per \$100,000 of Assessment		Net Municipal Levy x \$100,000 Assessment		
	2015	2014	2013	2012	2011
Net Municipal Levy (per Financial Statements)	13,192,987	13,073,579	12,956,939	12,315,191	10,405,042
Assessment	1,742,706,248	1,656,206,015	1,568,198,032	1,484,287,245	1,410,380,535
Net Municipal Levy Per \$100,000 of Assessment	757.04	789.37	826.23	829.70	737.75



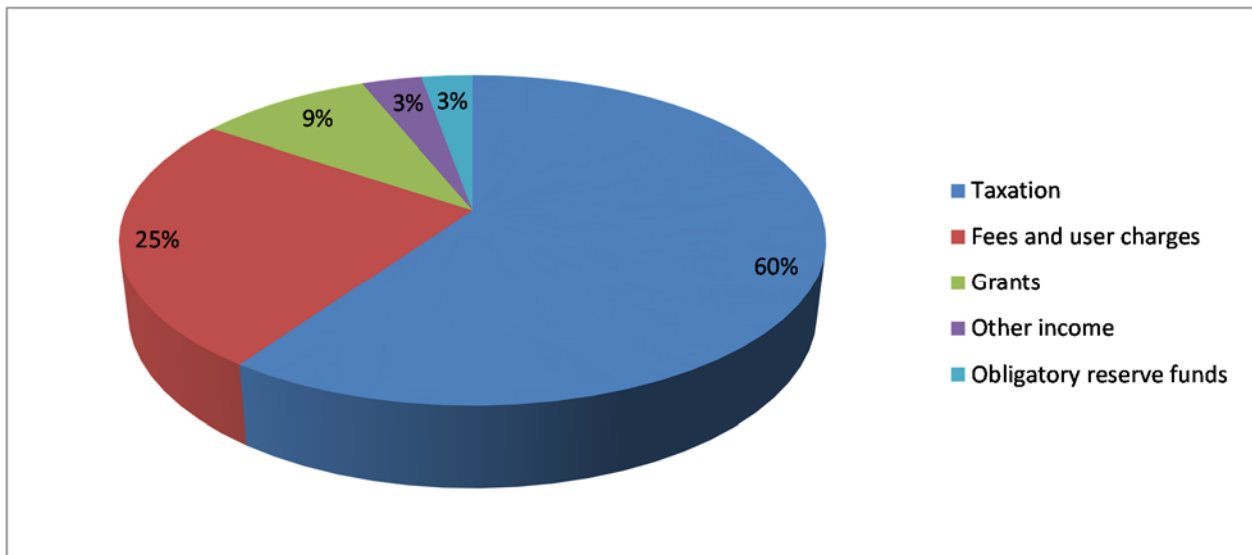
HOW DID YOU DO THIS YEAR?

	Budget	2015	Surplus (Deficit)
Operating Revenues			
Taxation	13,170,843	13,192,987	22,144
Fees and user charges	5,246,950	5,278,448	31,498
Grants	1,285,750	1,545,824	260,074
Other income	574,875	707,335	132,460
Obligatory reserve fund revenue recognized	99,827	116,268	16,441
	<u>20,378,245</u>	<u>20,840,862</u>	<u>462,617</u>
Operating Expenses			
Council	233,850	205,494	28,356
General government	2,314,475	2,287,593	26,882
Fire	855,200	781,114	74,086
Police	1,789,750	1,769,278	20,472
Conservation authority	171,675	168,341	3,334
Protective inspection	361,125	353,085	8,040
Roads & winter control & streetlighting	3,502,100	3,376,256	125,844
Sewer & water	1,949,675	1,916,001	33,674
Waste collection, disposal & recycling	1,039,700	981,730	57,970
Cemeteries	107,725	103,157	4,568
Other health services	50,000	50,000	-
Parks & recreation	1,167,650	1,251,657	(84,007)
Harbour	163,250	168,683	(5,433)
Library	572,545	578,579	(6,034)
Arts & cultural services	902,975	1,028,346	(125,371)
Planning & zoning	334,575	345,525	(10,950)
Commercial & industrial	412,475	205,454	207,021
Tile drainage	5,950	6,131	(181)
	<u>15,934,695</u>	<u>15,576,424</u>	<u>358,271</u>
	<u>4,443,550</u>	<u>5,264,438</u>	<u>820,888</u>
Budget transfers and debt payments			
Transfer to reserves & reserve funds	(3,621,350)	(3,621,350)	-
Debt payments	(822,200)	(809,048)	13,152
Proceeds from sale	-	164,427	164,427
Total	<u>(4,443,550)</u>	<u>(4,265,971)</u>	<u>177,579</u>
Operating surplus	-	998,467	998,467
Non-budgeted transfers to reserves and reserve funds	-	(865,671)	(865,671)
	-	132,796	132,796
Allocated surplus per resolution	-	(132,796)	(132,796)
Operating surplus carryforward to 2016	-	-	-

2015 TOTAL REVENUE



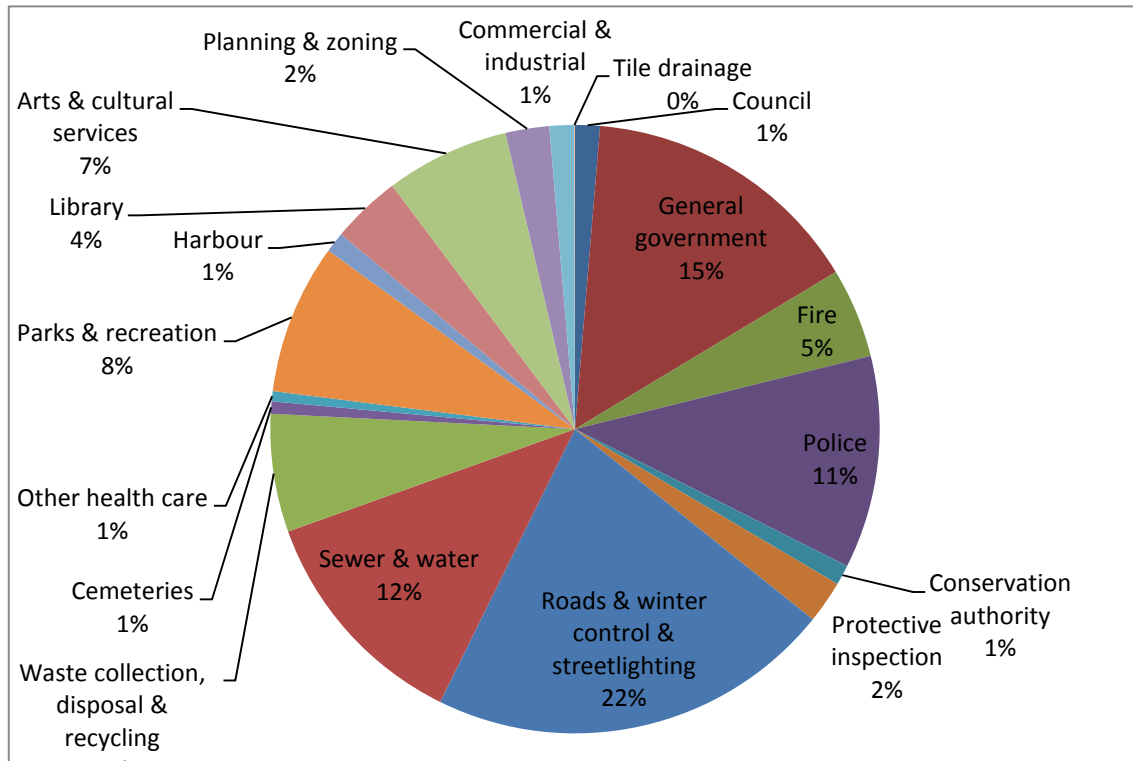
2011 TOTAL REVENUE



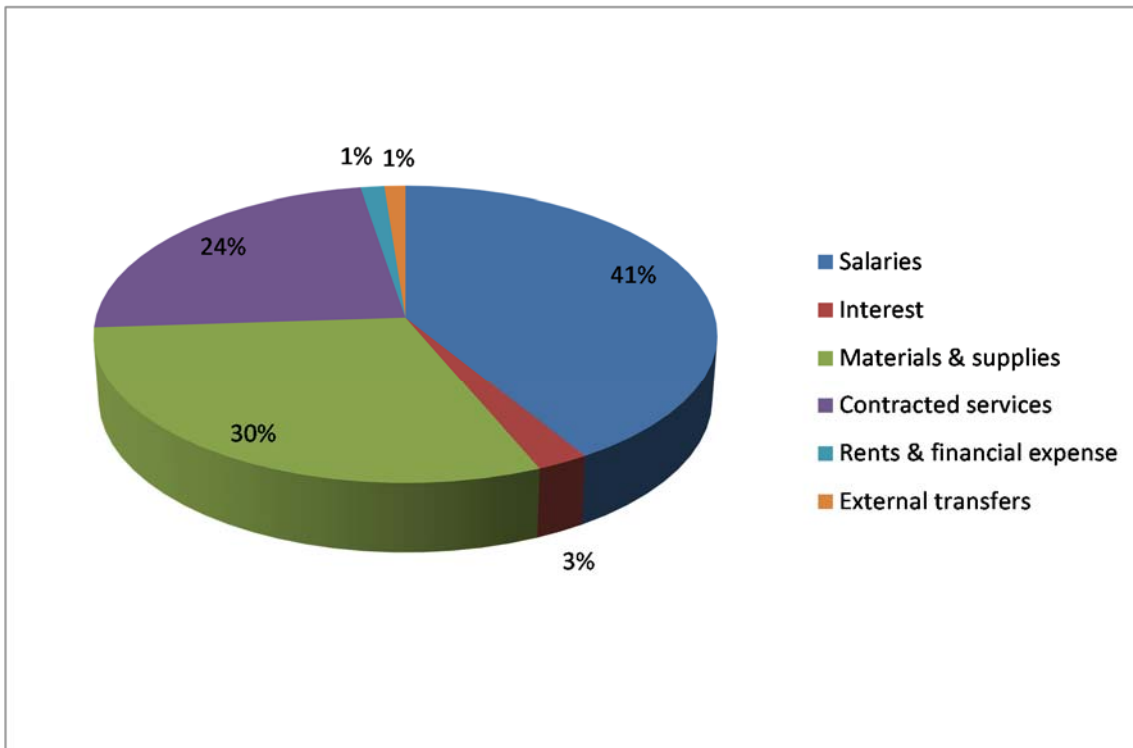
FIVE YEAR COMPARISON OF EXPENSES (excluding amortization and unfunded post-employment benefits)

	2015	2014	2013	2012	2011
Council	205,494	227,461	66,002	177,909	199,917
General government	2,356,061	2,544,448	2,301,485	3,245,813	2,812,114
Fire	747,161	746,935	752,627	654,623	639,973
Police	1,769,278	1,621,830	1,674,062	1,693,317	1,790,355
Conservation authority	168,341	167,025	158,169	153,955	142,500
Protective inspection	353,085	321,759	314,160	346,780	284,324
Roads & winter control & streetlighting	3,376,256	3,488,068	3,185,462	2,847,246	2,964,825
Sewer & water	1,916,001	1,692,119	1,715,610	1,644,533	1,511,608
Waste collection, disposal & recycling	981,730	985,463	951,455	961,189	939,021
Cemeteries	103,157	101,844	131,828	132,959	92,860
Other health care	84,272	93,685	75,000	75,000	78,571
Parks & recreation	1,251,657	1,106,960	815,649	811,632	729,472
Harbour	168,683	148,806	234,010	219,358	152,009
Library	578,579	548,638	557,644	537,138	449,871
Arts & cultural services	1,028,346	1,007,337	1,080,625	1,075,286	997,946
Planning & zoning	363,529	313,771	265,826	287,028	263,383
Commercial & industrial	205,454	228,539	377,178	270,240	280,589
Tile drainage	6,131	7,263	8,175	9,340	4,976
Total	15,663,215	15,351,951	14,664,967	15,143,346	14,334,314
Salaries	6,426,452	6,415,763	6,182,195	6,023,483	5,678,163
Interest	377,468	406,377	483,687	533,615	504,253
Materials & supplies	4,699,541	4,583,334	4,244,445	4,894,768	4,366,434
Contracted services	3,621,692	3,518,215	3,233,347	3,218,104	3,237,604
Rents & financial expense	214,336	245,158	218,428	190,033	237,485
External transfers	323,726	183,104	302,865	283,343	310,375
	15,663,215	15,351,951	14,664,967	15,143,346	14,334,314
Expenses per FS	19,756,553	19,632,528	18,692,652	19,065,365	18,272,307
Amortization	4,116,550	4,025,526	3,940,824	3,929,429	4,073,844
Landfill	12,697	(66,994)	(96,616)		
Change in PEB	(14,485)	11,943	9,755	7,410	135,851
Change in Other Liability	25,000	(200,000)			
	15,663,215	15,351,951	14,664,967	15,143,346	14,334,314

2015 OPERATING EXPENSES BY FUNCTION

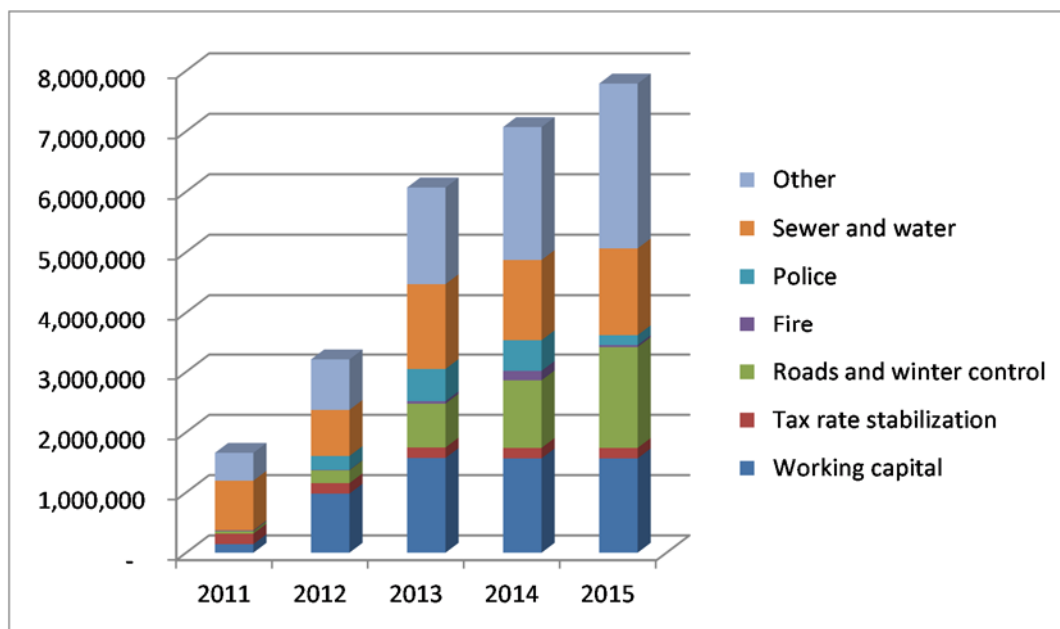


2015 OPERATING EXPENSES BY OBJECT



WHAT DO YOU HAVE FOR THE FUTURE?

	2015	2014	2013	2012	2011
Obligatory Reserve Funds					
Development charges	1,390,535	1,106,311	1,086,187	952,626	1,043,355
Recreational land	121,292	98,367	99,697	161,927	152,643
Gas tax	663,101	591,298	589,347	597,000	446,127
	2,174,928	1,795,976	1,775,231	1,711,553	1,642,125
Reserves and discretionary reserve funds					
Working capital	1,565,614	1,565,614	1,572,470	981,070	142,724
Tax rate stabilization	173,893	173,893	173,893	173,893	173,893
Roads and winter control	1,672,119	1,120,659	726,697	212,319	41,471
Fire	33,649	157,603	41,436	7,843	14,748
Police	164,245	508,062	534,774	230,249	-
Sewer and water	1,452,202	1,344,390	1,421,687	765,195	822,605
Other	2,725,953	2,198,467	1,598,059	837,264	462,366
	7,787,674	7,421,502	6,307,236	3,400,539	1,812,289



	2015	2014	2013	2012	2011
Reserves as a % of Total Expenses	39.60%	37.80%	33.74%	17.84%	9.92%
Reserves as a % of Taxation	59.03%	56.77%	48.68%	27.61%	17.42%

The Municipality of Meaford held reserves equivalent to 39.60% of 2015 (2014 - 37.80%) expenses or 59.03% of 2015 (2014 - 56.77%) own purpose taxation. Using information from the Financial Information Return, for all municipalities within Grey, Bruce, Dufferin and Simcoe, the average reserve level was 53.73% of 2014 expenses or 107.9% of own purpose taxation revenues.