



Year End Report for
Municipality of Meaford
December 31, 2018

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Financial Report 2018

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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, 2018 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 27, 2019.

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.

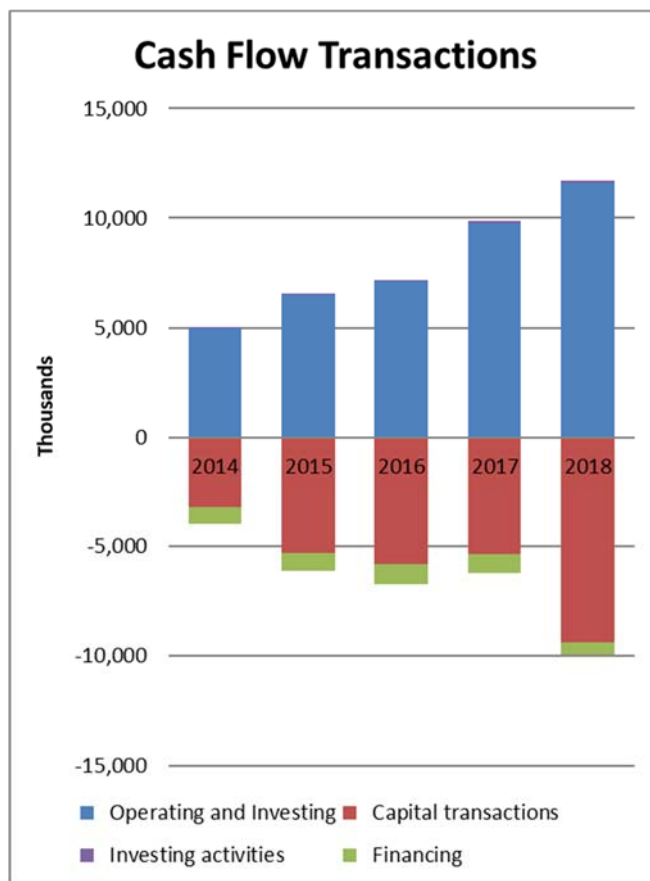
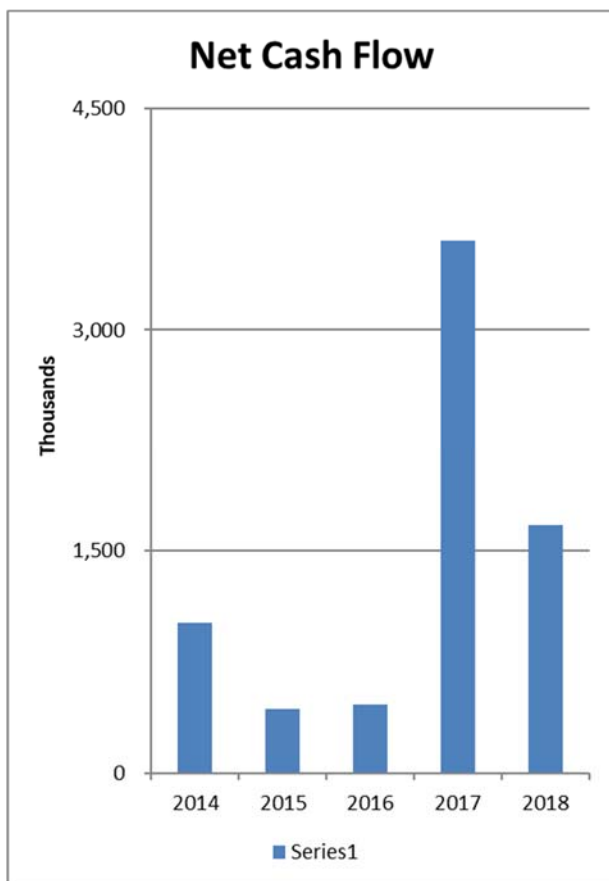
The year-end report is prepared to provide Council with more detailed financial information and graphical analysis of the consolidated financial statements. As a result, the year-end report may not be suitable for other purposes. Our year-end report is intended solely for the use of Council and should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

WHERE ARE YOU TODAY?

	2018	2017	2016	2015	2014
Cash	2,225,177	2,404,933	756,204	732,063	764,857
Temporary investments	10,434,963	5,577,807	4,375,648	4,689,800	4,622,458
Long-term investments	1,500,000	4,506,045	3,755,073	3,002,032	2,603,876
	14,160,140	12,488,785	8,886,925	8,423,895	7,991,191
Long term debt					
Meaford Hall	2,013,115	2,163,790	2,307,008	2,443,140	2,572,537
Capital roads projects	857,906	937,669	1,015,878	1,092,630	1,168,824
Capital water projects	1,795,010	1,953,630	2,096,613	2,232,430	2,357,775
Capital sewer projects	457,558	500,103	541,819	582,627	622,565
Meaford waste pollution control plant	488,890	536,474	582,836	628,007	672,017
Leith capital and water project	280,917	322,436	364,727	411,704	456,960
Meaford fire truck	-	24,175	55,634	86,231	116,007
Various capital projects	-	57,211	393,673	721,273	1,040,405
	5,893,396	6,495,488	7,358,188	8,198,042	9,007,090
Tile drainage loans	45,399	22,595	33,173	81,055	99,231
	5,938,795	6,518,083	7,391,361	8,279,097	9,106,321
Net financial assets (debt)	1,511,014	832,468	(1,046,488)	(3,498,601)	(4,268,726)
Accumulated surplus					
Invested in tangible capital assets					
Tangible capital assets at cost less amortization	78,060,004	72,540,031	70,652,327	66,872,650	66,872,650
Unfinanced capital	(2,157,808)	(413,151)	(377,089)	(357,189)	-
Capital assets financed by long-term liabilities and to be funded in future years	(5,893,395)	(6,495,489)	(7,358,188)	(8,198,042)	(9,007,090)
Total invested in capital assets	70,008,801	65,631,391	62,917,050	58,317,419	57,865,560
Unfunded post-employment benefits	(2,035,800)	(2,007,600)	(1,998,300)	(2,062,600)	(2,048,115)
Unfunded solid waste post-closure costs	(140,034)	(138,172)	(144,290)	(150,913)	(163,610)
Unfunded liability	(100,000)	(125,000)	(150,000)	(175,000)	(200,000)
General surplus (deficit)	1,048,562	753,119	420,209	-	29,167
Georgian Trail Board of Management	-	-	20,013	47,754	43,700
Bognor Community Centre	21,659	18,559	16,526	19,272	16,390
Riverside Community Centre	19,386	18,040	16,966	17,500	14,384
Business Improvement Area	33,956	28,733	35,060	26,680	19,393
	68,856,530	64,179,070	61,133,234	56,040,112	55,576,869
Reserves and discretionary reserve funds	11,085,353	11,151,198	8,855,679	7,787,674	7,421,502
	79,941,883	75,330,268	69,988,913	63,827,786	62,998,371

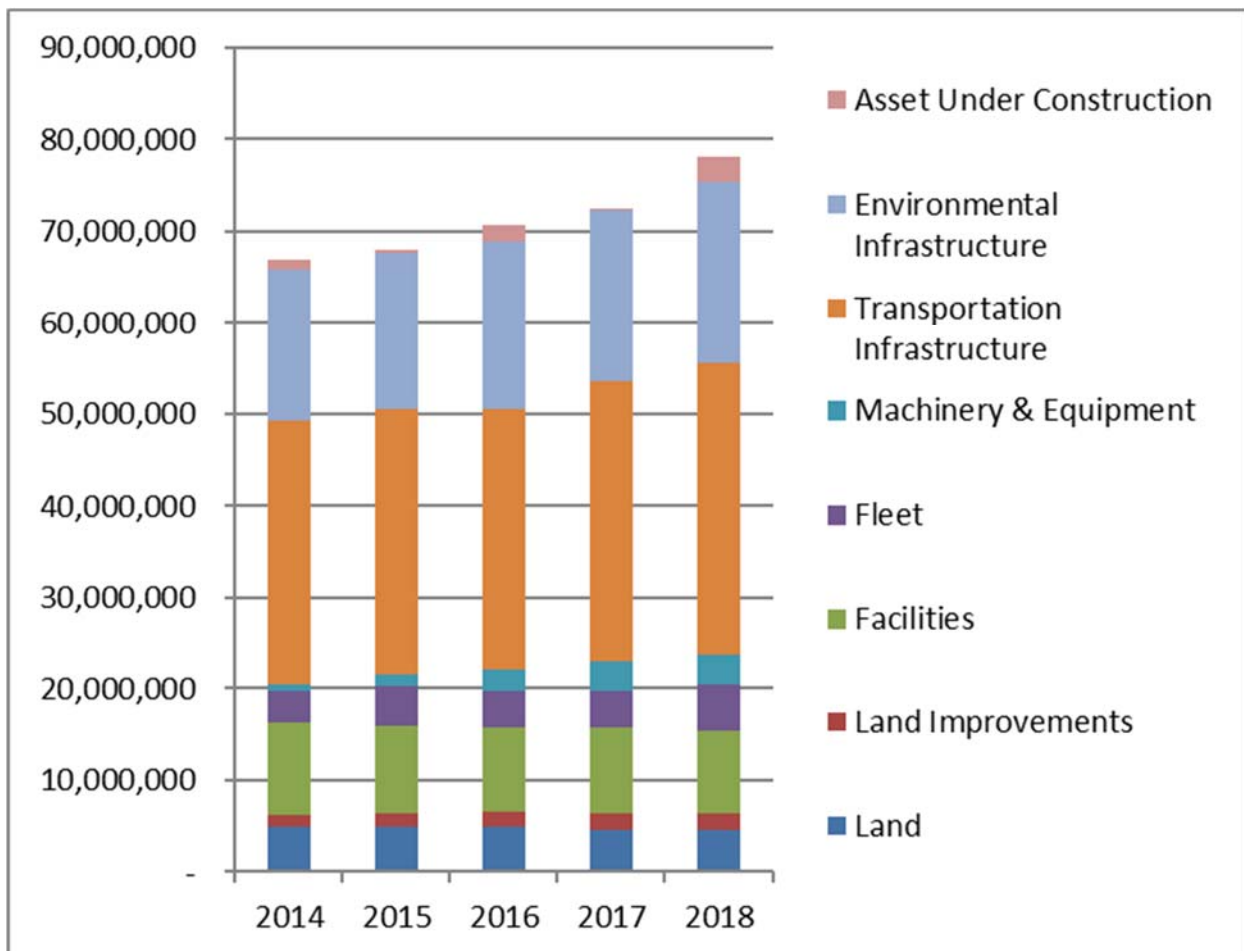
CASH FLOWS

	2018	2017	2016	2015	2014
Cash	\$ 2,225,177	\$ 2,404,933	\$ 756,204	\$ 732,063	\$ 764,857
Investments	11,934,963	10,083,852	8,130,721	7,691,832	7,226,334
	\$ 14,160,140	\$ 12,488,785	\$ 8,886,925	\$ 8,423,895	\$ 7,991,191
Cash Flows					
Operating and Investing	\$ 11,609,805	\$ 9,792,074	\$ 7,119,605	\$ 6,497,632	\$ 4,957,770
Capital transactions	(9,362,681)	(5,356,420)	(5,841,124)	(5,292,626)	(3,195,950)
Investing activities	3,519	39,483	72,285	54,922	50,618
Financing	(579,288)	(873,278)	(887,736)	(827,224)	(800,626)
Increase (decrease) in cash and investments	\$ 1,671,355	\$ 3,601,859	\$ 463,030	\$ 432,704	\$ 1,011,812



TANGIBLE CAPITAL ASSETS

	2018	2017	2016	2015	2014
Tangible capital assets					
Beginning of year	72,540,031	70,652,327	68,038,257	66,872,650	67,414,566
Purchases	9,442,147	5,765,178	6,018,230	5,577,666	3,766,460
Disposals	(68,055)	(468,490)	(166,810)	(295,509)	(282,850)
Amortization	(3,854,119)	(3,408,984)	(3,237,350)	(4,116,550)	(4,025,526)
End of year	78,060,004	72,540,031	70,652,327	68,038,257	66,872,650

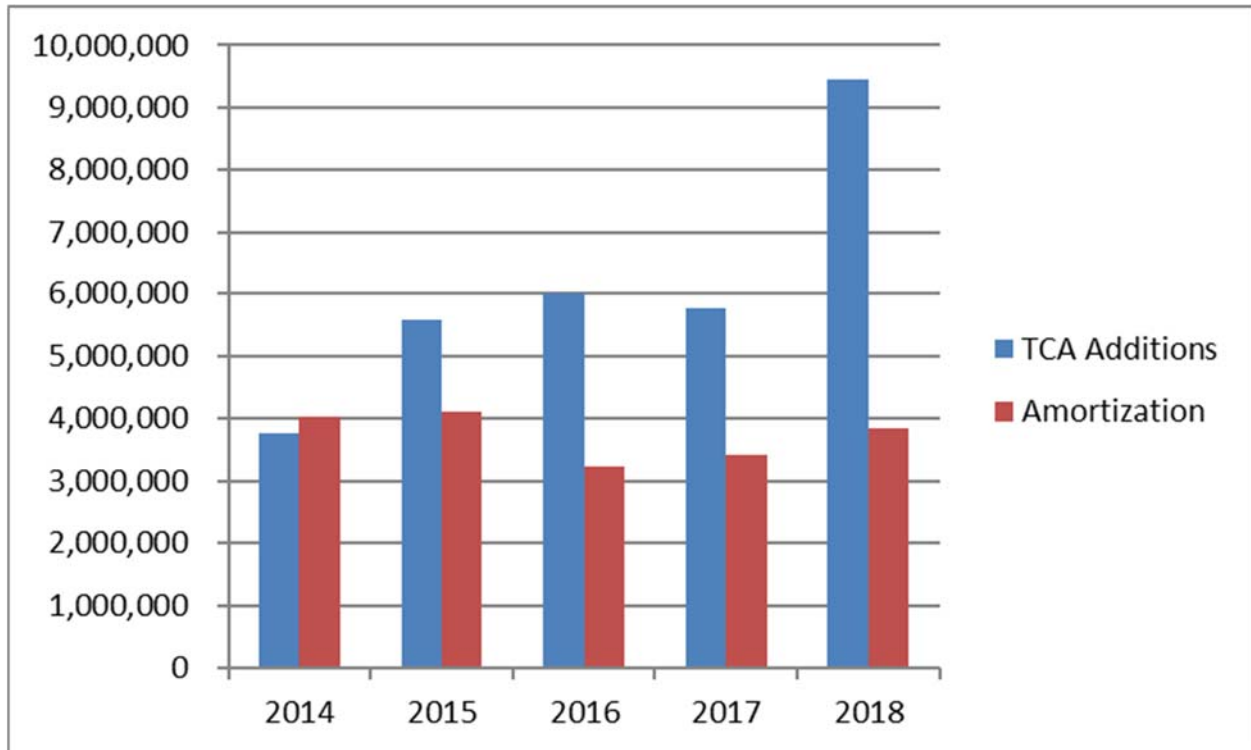


TANGIBLE CAPITAL ASSETS

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.

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

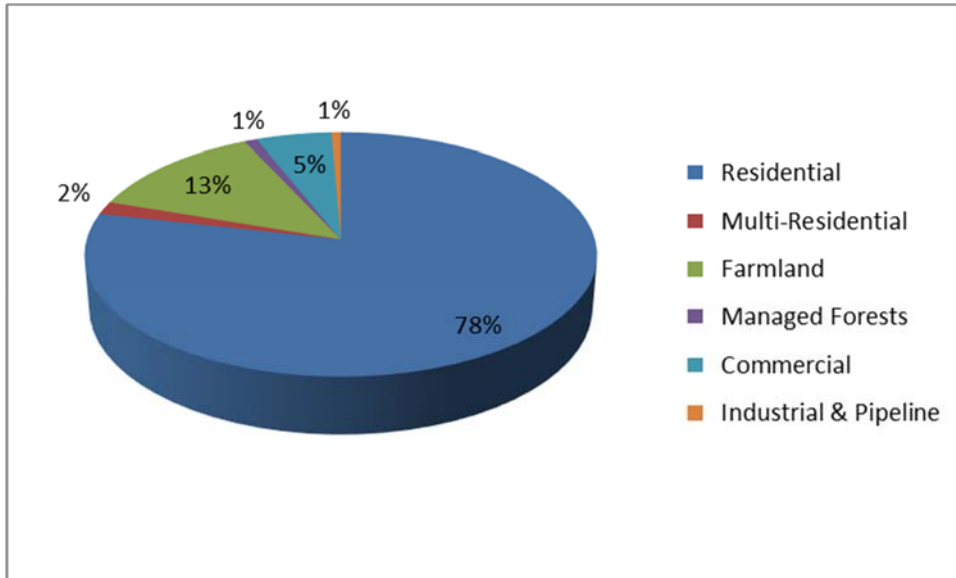
2014	2015	2016	2017	2018
49.54%	48.82%	49.11%	48.89%	49.94%



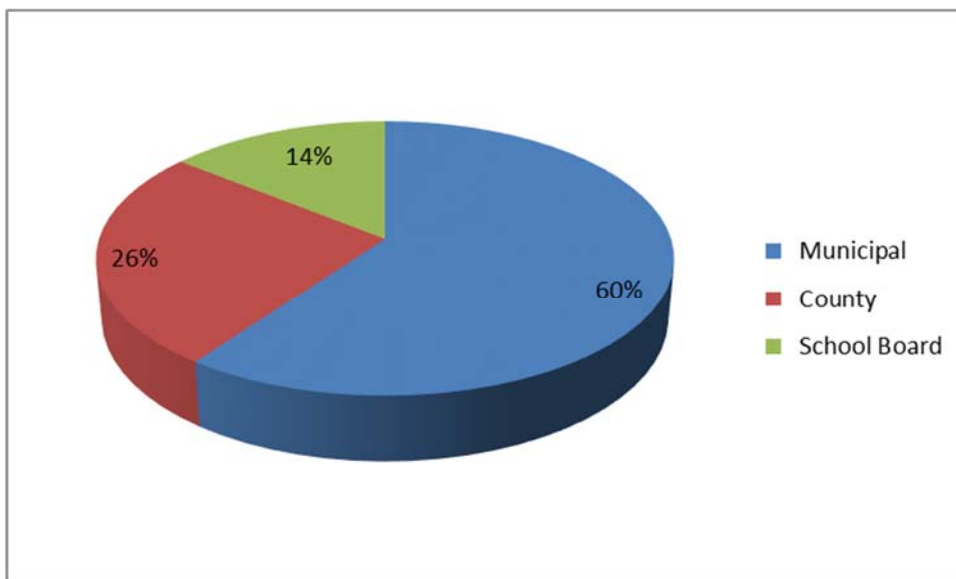
TAXATION

	2018	% Change	2017	% Change	2016	% Change	2015	% Change
Residential Tax Rate-Meaford								
Municipal	0.793153%	1.2%	0.784080%	4.2%	0.752769%	-2.0%	0.768265%	-3.1%
County	0.359098%	-1.9%	0.365995%	2.4%	0.357563%	-1.7%	0.363835%	-5.7%
School Board	0.170000%	-5.0%	0.179000%	-4.8%	0.188000%	-3.6%	0.195000%	-3.9%
	<u>1.322251%</u>	<u>-0.5%</u>	<u>1.329075%</u>	<u>2.4%</u>	<u>1.298332%</u>	<u>-2.2%</u>	<u>1.327100%</u>	<u>-3.9%</u>
Assessments (Including Payments-In-Lieu)								
Residential	1,489,741,881	2.6%	1,452,399,683	-1.3%	1,470,788,998	4.1%	1,413,231,452	5.0%
Multi-Residential	32,396,663	18.5%	27,336,750	0.3%	27,252,000	1.8%	26,770,750	6.1%
Farmland	243,735,952	11.0%	219,671,319	13.3%	193,833,100	9.2%	177,581,202	6.8%
Managed Forests	16,958,136	21.0%	14,019,925	17.1%	11,972,100	12.1%	10,678,791	18.7%
Commercial	102,441,809	-1.3%	103,802,668	-1.1%	104,993,375	2.5%	102,407,196	3.9%
Industrial & Pipeline	12,565,881	2.8%	12,225,675	-2.0%	12,473,046	3.6%	12,036,857	2.1%
	<u>1,897,840,322</u>	<u>3.7%</u>	<u>1,829,456,020</u>	<u>0.4%</u>	<u>1,821,312,619</u>	<u>4.5%</u>	<u>1,742,706,248</u>	<u>5.2%</u>
Tax Levies								
Municipal	14,687,085	3.7%	14,160,284	4.8%	13,508,043	2.4%	13,192,987	0.9%
County	6,325,463	0.7%	6,278,544	2.8%	6,106,580	2.5%	5,954,749	-1.6%
School Board	3,491,054	-1.9%	3,558,249	-4.9%	3,741,621	1.0%	3,704,339	0.7%
	<u>24,503,602</u>	<u>2.1%</u>	<u>23,997,077</u>	<u>2.7%</u>	<u>23,356,244</u>	<u>2.2%</u>	<u>22,852,075</u>	<u>0.2%</u>
Tax Arrears								
Current	687,309		844,952		887,715		908,496	
Previous	343,222		338,030		463,172		506,651	
Prior	79,815		127,998		155,525		212,698	
Interest	100,988		90,681		101,904		132,483	
Tax Accrual	94,811		60,117		38,604		9,111	
	<u>1,306,145</u>		<u>1,461,778</u>		<u>1,646,920</u>		<u>1,769,439</u>	
Collection % of								
Current year Taxes	<u>97.2%</u>		<u>96.5%</u>		<u>96.2%</u>		<u>96.0%</u>	

ASSESSMENT



TAX LEVY



TAXATION

Net Municipal Levy Per Capita

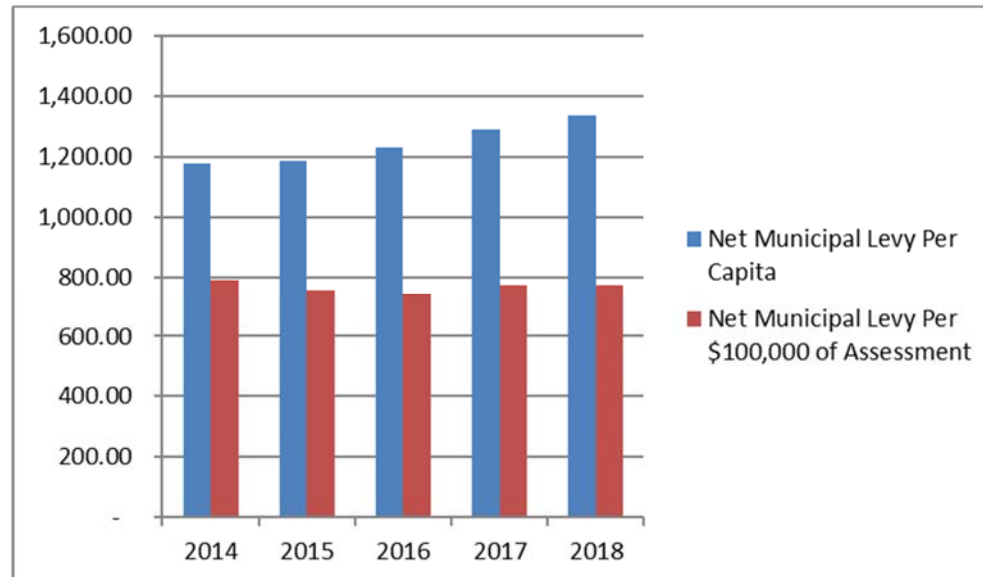
Net Municipal Levy Municipal Population

	2018	2017	2016	2015	2014
Net Municipal Levy (per Financial Statements)	14,687,085	14,160,284	13,508,043	13,192,987	13,073,579
Municipal Population	10,991	10,991	10,991	11,100	11,100
Net Municipal Levy Per Capita	1,336.28	1,288.35	1,229.01	1,188.56	1,177.80

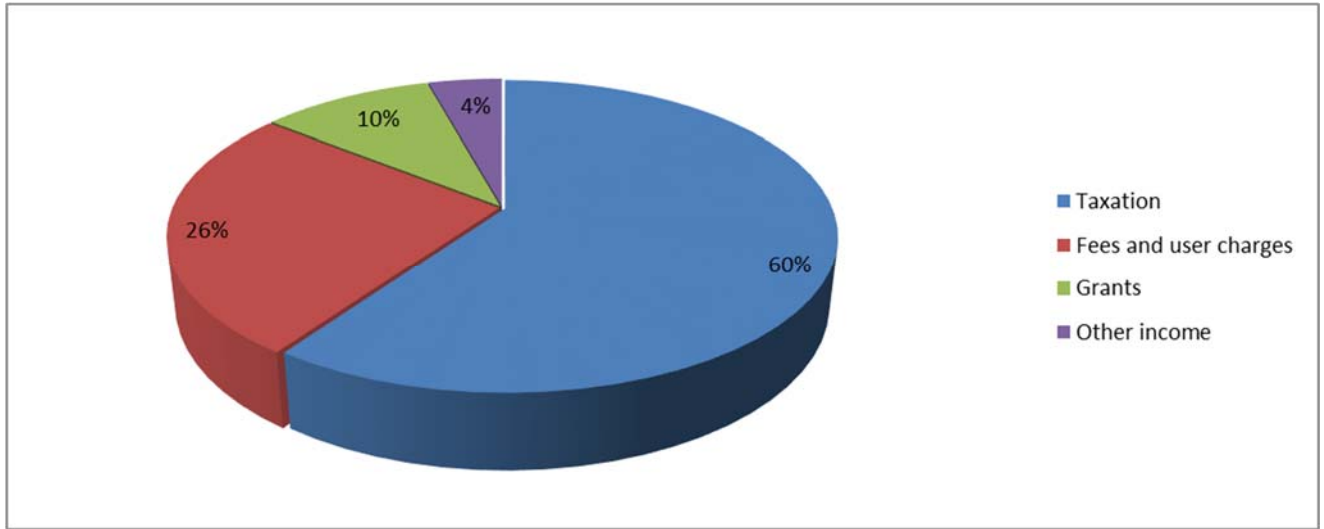
Net Municipal Levy Per \$100,000 of Assessment

Net Municipal Levy x \$100,000 Assessment

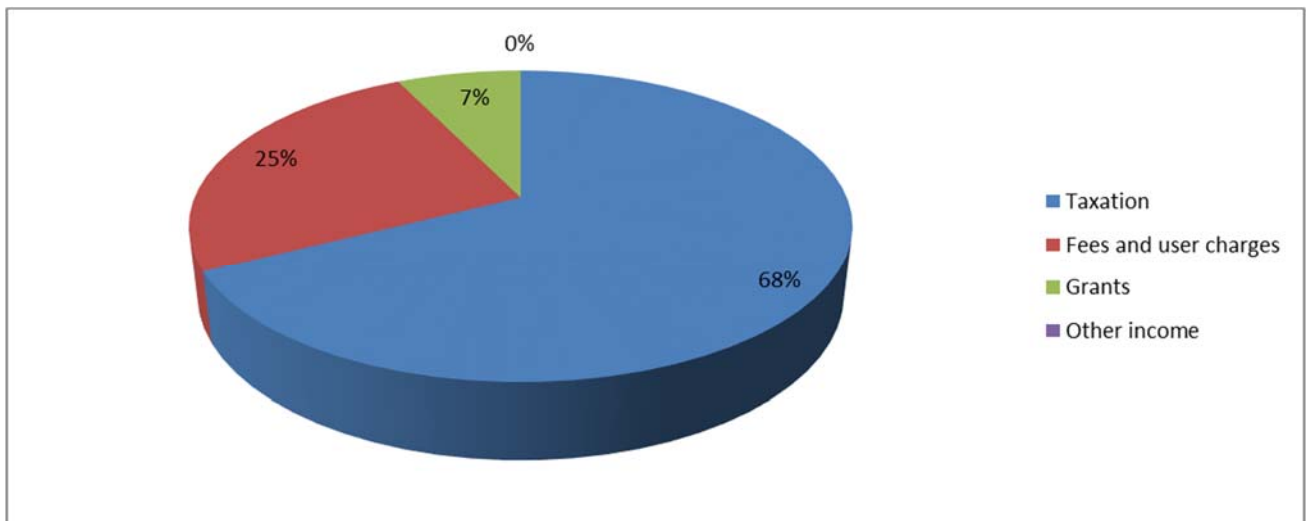
	2018	2017	2016	2015	2014
Net Municipal Levy (per Financial Statements)	14,687,085	14,160,284	13,508,043	13,192,987	13,073,579
Assessment	1,897,840,322	1,829,456,020	1,821,312,619	1,742,706,248	1,656,206,015
Net Municipal Levy Per \$100,000 of Assessment	773.88	774.02	741.67	757.04	789.37



2018 TOTAL REVENUE



2014 TOTAL REVENUE



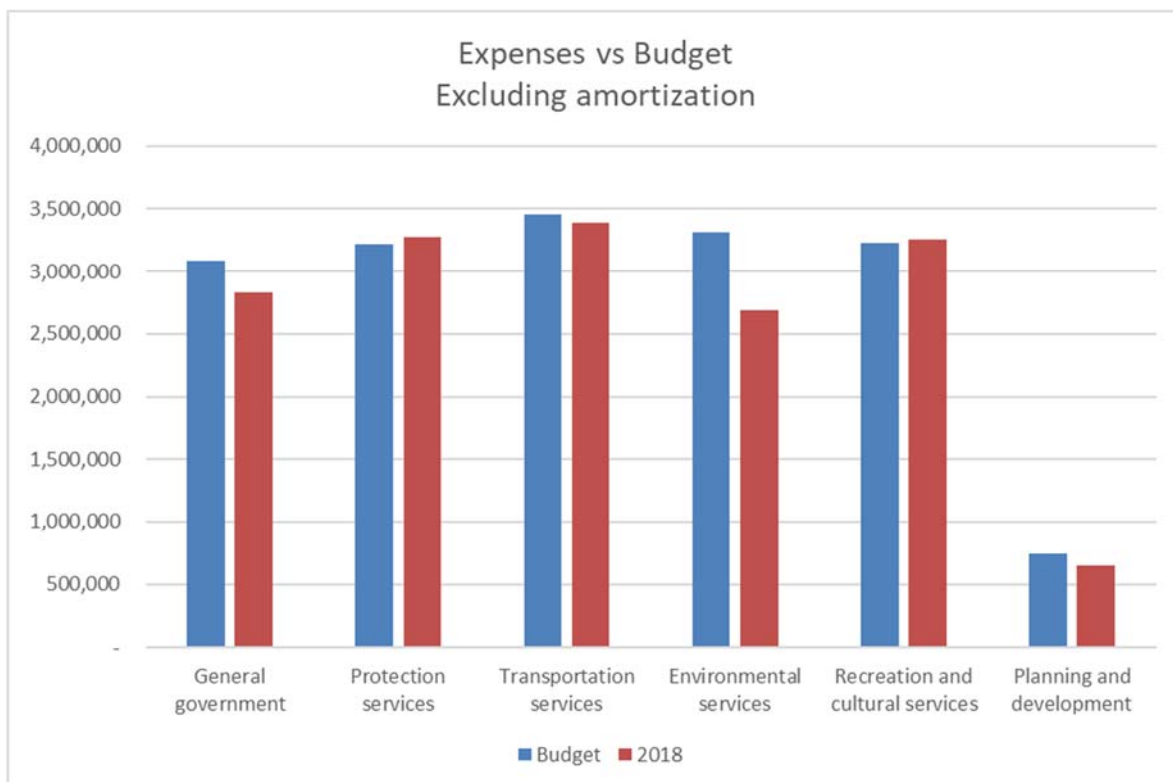
FOUR YEAR COMPARISON OF EXPENSES AND BUDGET (excluding amortization)

By Functional Area

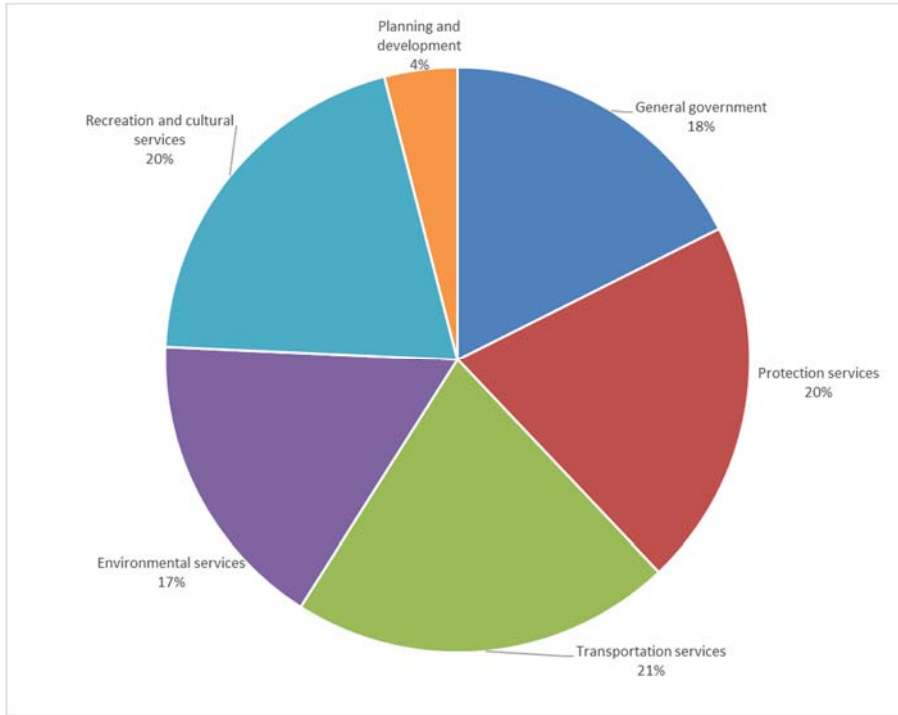
	Budget	2018	2017	2016	2015
General government	3,084,450	2,834,129	2,698,278	2,767,358	2,532,572
Protection services	3,223,900	3,273,023	3,096,819	3,209,944	3,113,426
Transportation services	3,455,800	3,393,814	2,882,489	2,925,075	3,376,256
Environmental services	3,315,500	2,689,899	2,813,118	2,754,771	2,885,033
Recreation and cultural services	3,227,500	3,261,461	3,004,245	3,400,363	3,164,695
Planning and development	744,575	648,696	654,770	629,419	568,021
	17,051,725	16,101,022	15,149,719	15,686,930	15,640,003

By Object

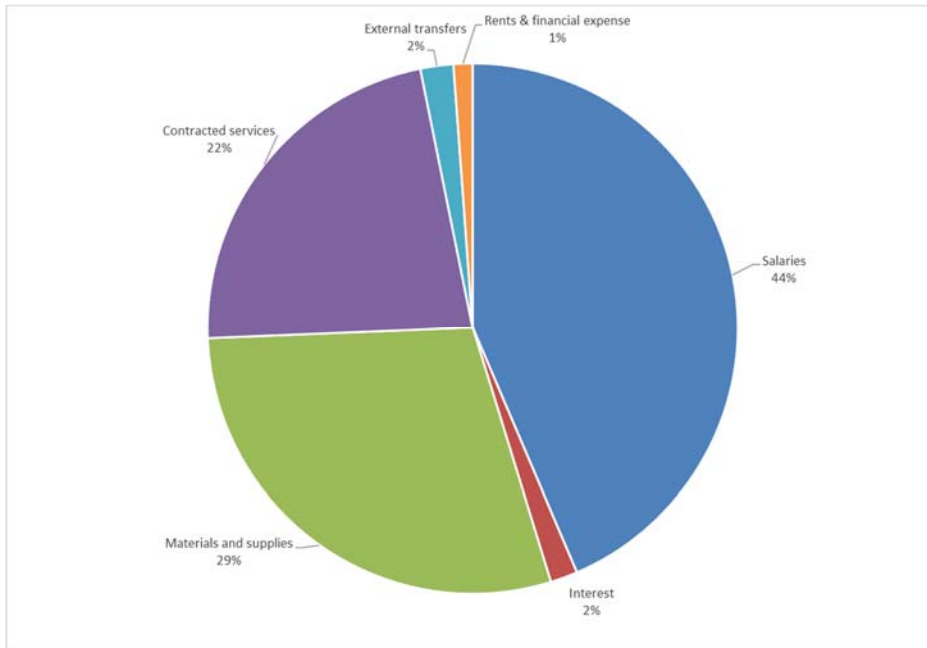
Salaries	7,356,837	7,015,420	6,647,926	6,574,611	6,440,938
Interest	279,525	267,183	324,039	345,663	377,468
Materials and supplies	5,035,112	4,689,415	4,167,290	4,678,722	4,699,511
Contracted services	3,895,900	3,618,249	3,597,630	3,634,984	3,608,995
External transfers	342,126	323,839	274,896	292,862	298,725
Rents & financial expense	142,225	186,916	137,938	160,088	214,366
	17,051,725	16,101,022	15,149,719	15,686,930	15,640,003



2018 OPERATING EXPENSES BY SEGMENT

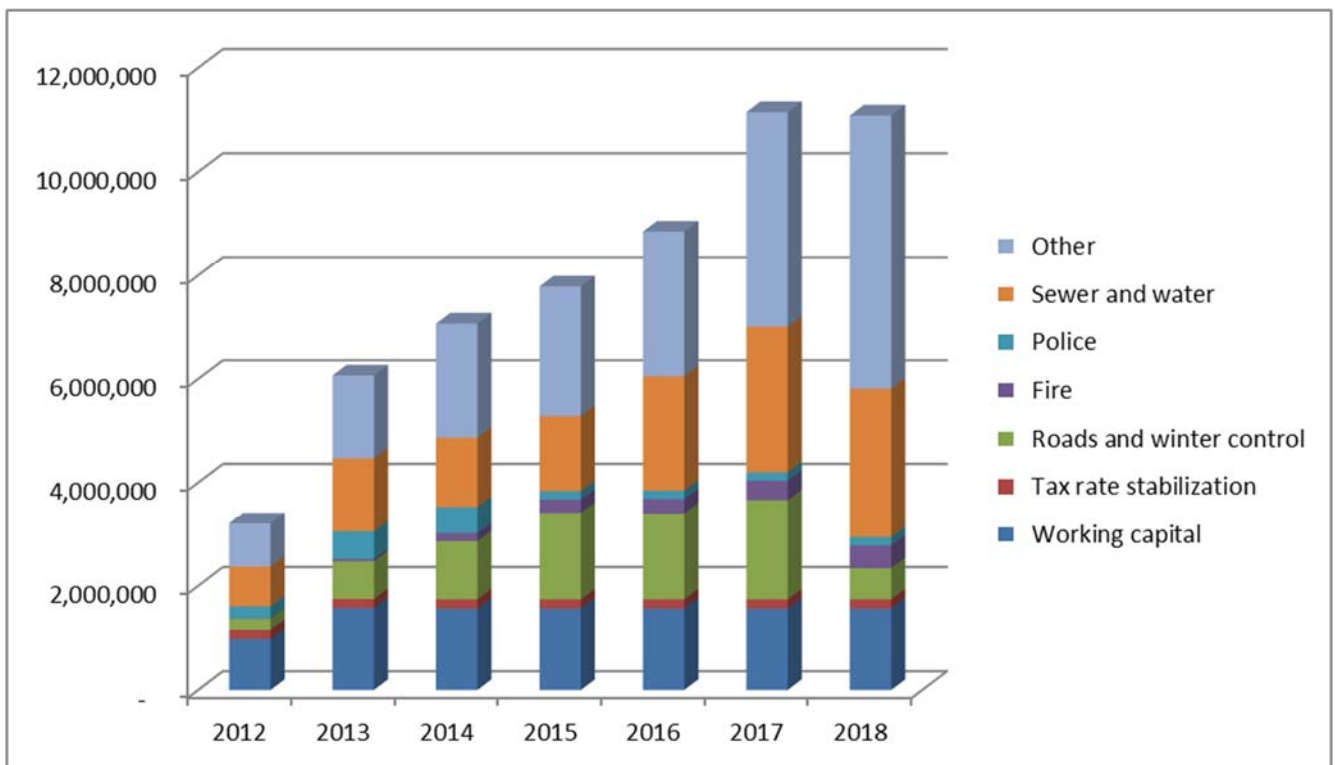


2018 OPERATING EXPENSES BY OBJECT



WHAT DO YOU HAVE FOR THE FUTURE?

	2018	2017	2016	2015	2014
Obligatory Reserve Funds					
Development charges	3,019,913	2,426,772	1,825,866	1,390,535	1,106,311
Recreational land	384,662	114,424	140,989	121,292	98,367
Gas tax	804,200	784,557	731,980	663,101	591,298
	4,208,775	3,325,753	2,698,835	2,174,928	1,795,976
Reserves and discretionary reserve funds					
Working capital	1,565,614	1,565,613	1,565,613	1,565,614	1,565,614
Tax rate stabilization	173,893	173,893	173,893	173,893	173,893
Roads and winter control	600,714	1,920,585	1,661,869	1,672,119	1,120,659
Fire	436,916	378,749	281,407	261,158	157,603
Police	164,245	164,245	164,245	164,245	508,062
Sewer and water	2,870,282	2,806,929	2,206,434	1,452,202	1,344,390
Other	5,273,689	4,141,184	2,802,218	2,498,444	2,198,467
	11,085,353	11,151,198	8,855,679	7,787,674	7,421,502



	2018	2017	2016	2015	2014
Reserves as a % of Total Expenses	55.55%	60.09%	46.80%	39.42%	37.80%
Reserves as a % of Taxation	75.48%	78.75%	65.56%	59.03%	56.77%