

Now, for tomorrow



Municipality of Tweed

**Comparative Analysis
December 31, 2023**

**Council Presentation
April 23, 2024**

Independent Auditor's Report

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Municipality of Tweed as at December 31, 2023, and the results of its operations and cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

Audit Procedures

Review of minutes of council

Substantive Testing

- Sampling
- Analytical review
- Management estimates

Systems documentation and related control testing

- Revenues
- Disbursements
- Payroll
- Journal entries

Audit Overview – Matters of Communication

Audit is complete pending:

- Council approval of financial statements
- Receipt of signed representation letter
- Receipt of legal letter

No significant difficulties encountered during the course of our audit procedures:

- No changes to initial audit plan
- No disagreements or difficulties with management
- Excellent cooperation from management and staff
- Additional audit procedures, presentation and disclosure related to Asset Retirement Obligations and Financial Instruments.

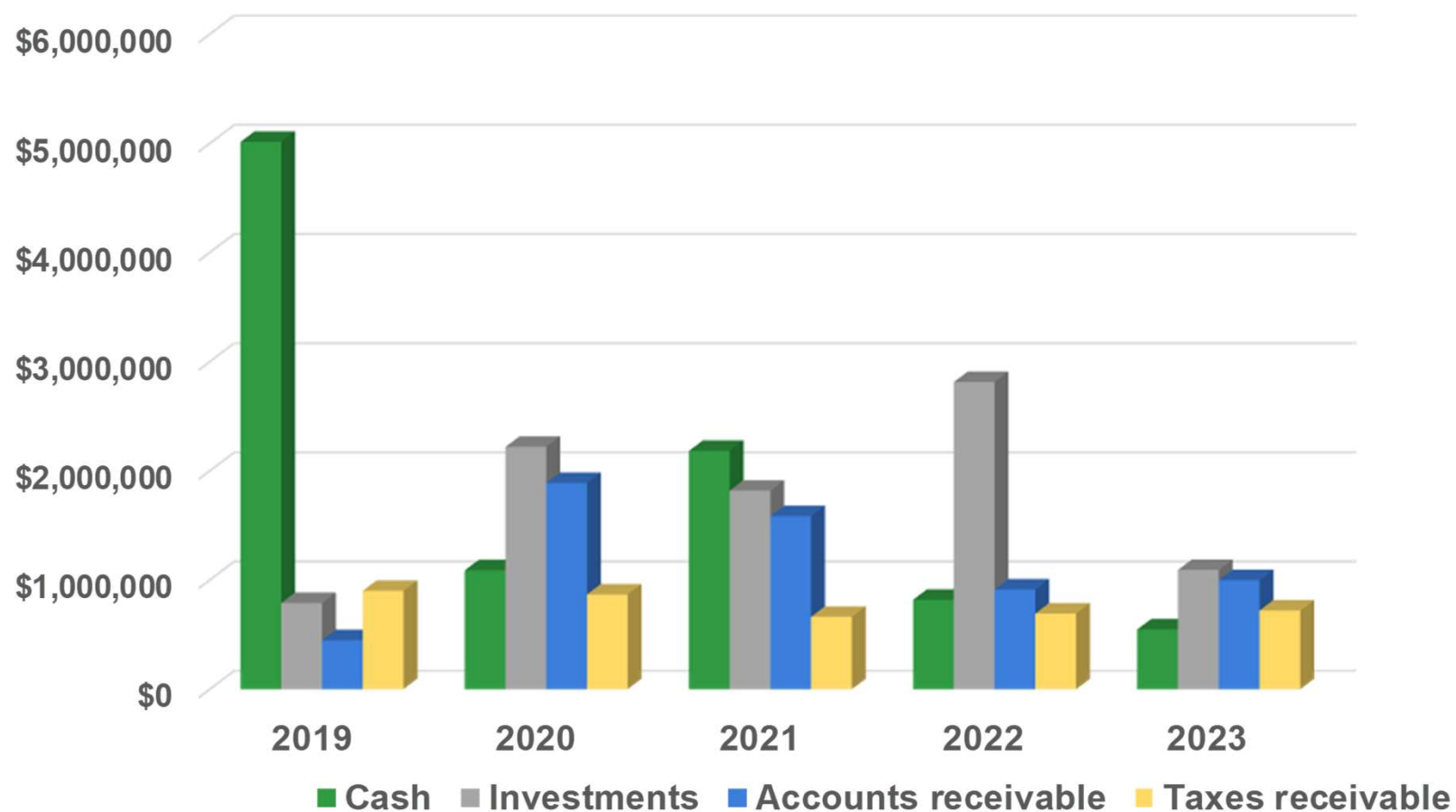
Uncorrected audit difference noted:

- None

Financial Assets at December 31st

	2023	2022	2021	2020	2019
Cash	\$ 547,500	\$ 818,702	\$ 2,181,728	\$ 1,088,021	\$ 5,012,166
Investments	\$ 1,091,672	\$ 2,813,326	\$ 1,817,362	\$ 2,218,669	\$ 788,332
Accounts receivable	\$ 997,448	\$ 912,461	\$ 1,584,947	\$ 1,887,119	\$ 448,877
Taxes receivable	\$ 719,207	\$ 691,922	\$ 662,127	\$ 866,688	\$ 900,113
	<u>\$ 3,355,827</u>	<u>\$ 5,236,411</u>	<u>\$ 6,246,164</u>	<u>\$ 6,060,497</u>	<u>\$ 7,149,488</u>

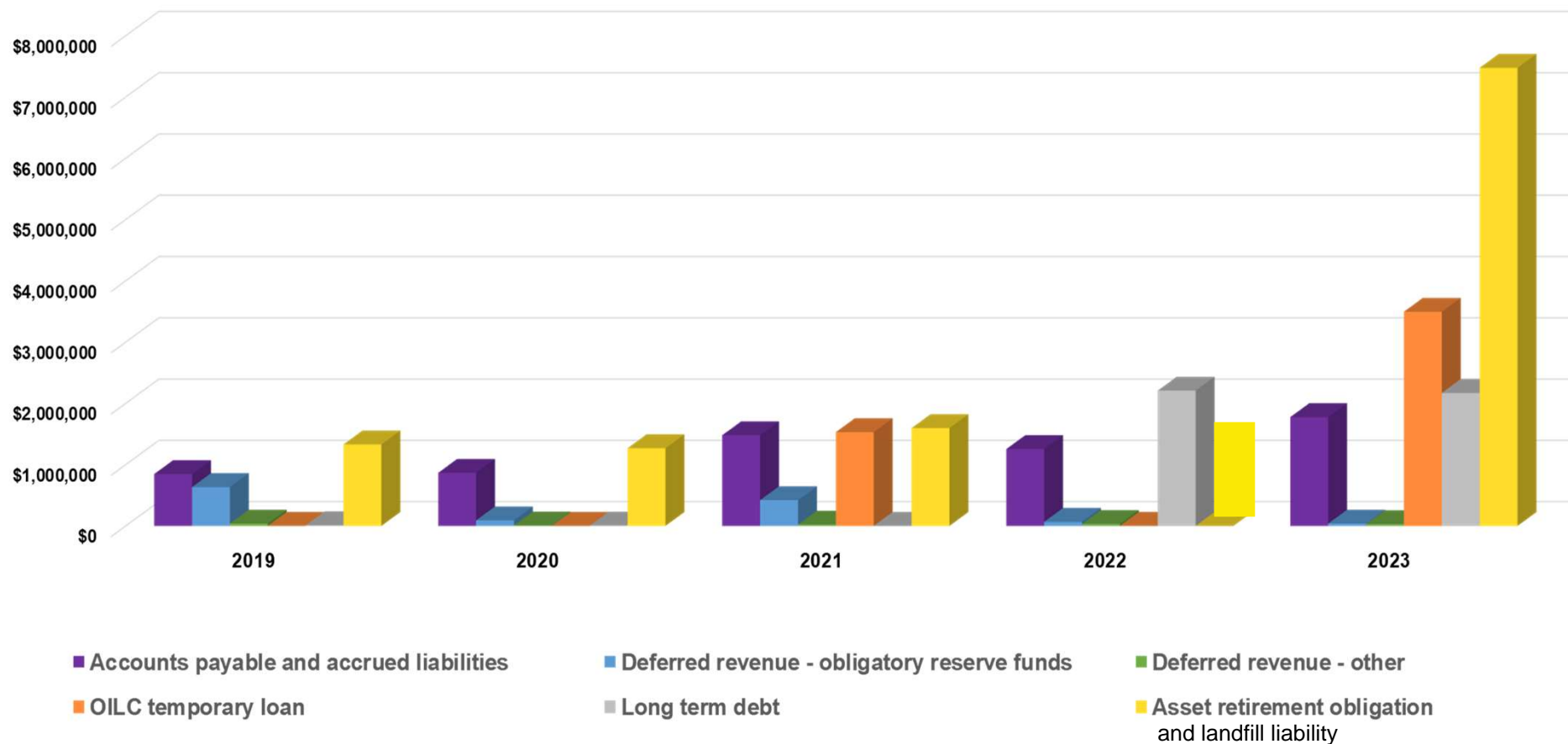
Financial Assets at December 31st



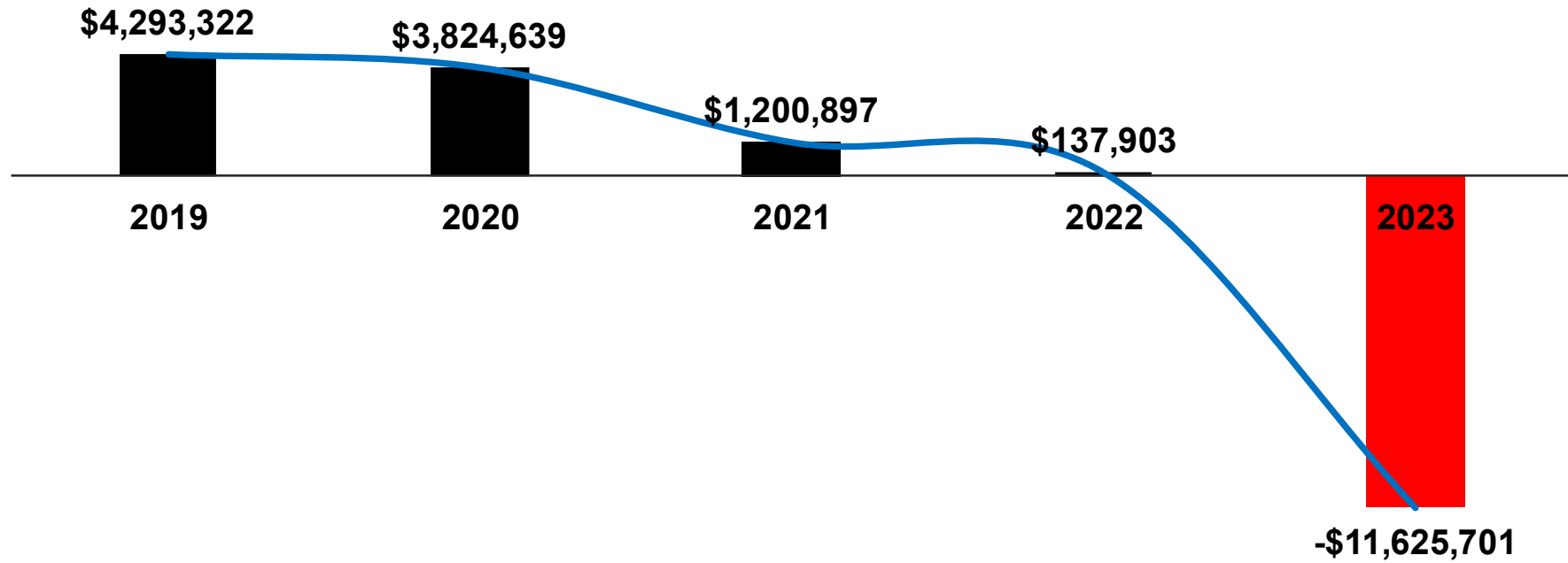
Financial Liabilities as at December 31st

	2023	2022	2021	2020	2019
Accounts payable and accrued liabilities	\$ 1,775,540	\$ 1,253,633	\$ 1,479,421	\$ 866,130	\$ 845,756
Deferred revenue - obligatory reserve funds	\$ 37,511	\$ 65,550	\$ 420,265	\$ 89,634	\$ 633,306
Deferred revenue - other	\$ 29,094	\$ 31,329	\$ 19,588	\$ 7,291	\$ 37,532
OILC temporary loan	\$ 3,494,762	\$ -	\$ 1,530,000	\$ -	\$ -
Long term debt	\$ 2,169,360	\$ 2,207,429	\$ -	\$ 5,000	\$ 10,000
Asset retirement obligation	\$ 7,475,261	\$ -	\$ -	\$ -	\$ -
Landfill liability	\$ -	\$ 1,540,567	\$ 1,595,993	\$ 1,267,803	\$ 1,329,572
	<u>\$ 14,981,528</u>	<u>\$ 5,098,508</u>	<u>\$ 5,045,267</u>	<u>\$ 2,235,858</u>	<u>\$ 2,856,166</u>

Financial Liabilities as at December 31st



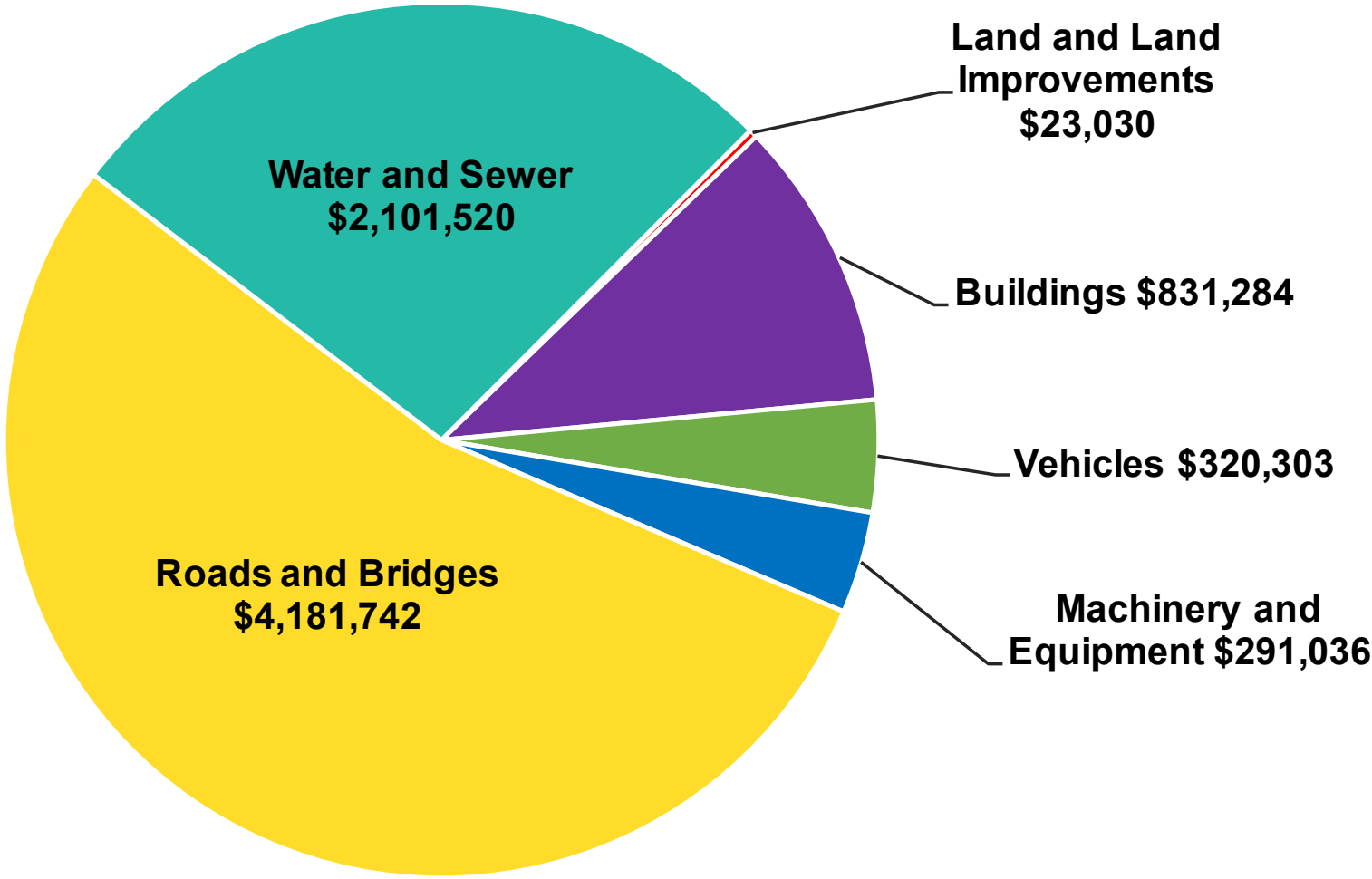
Net Financial Assets – 5 Year Trend



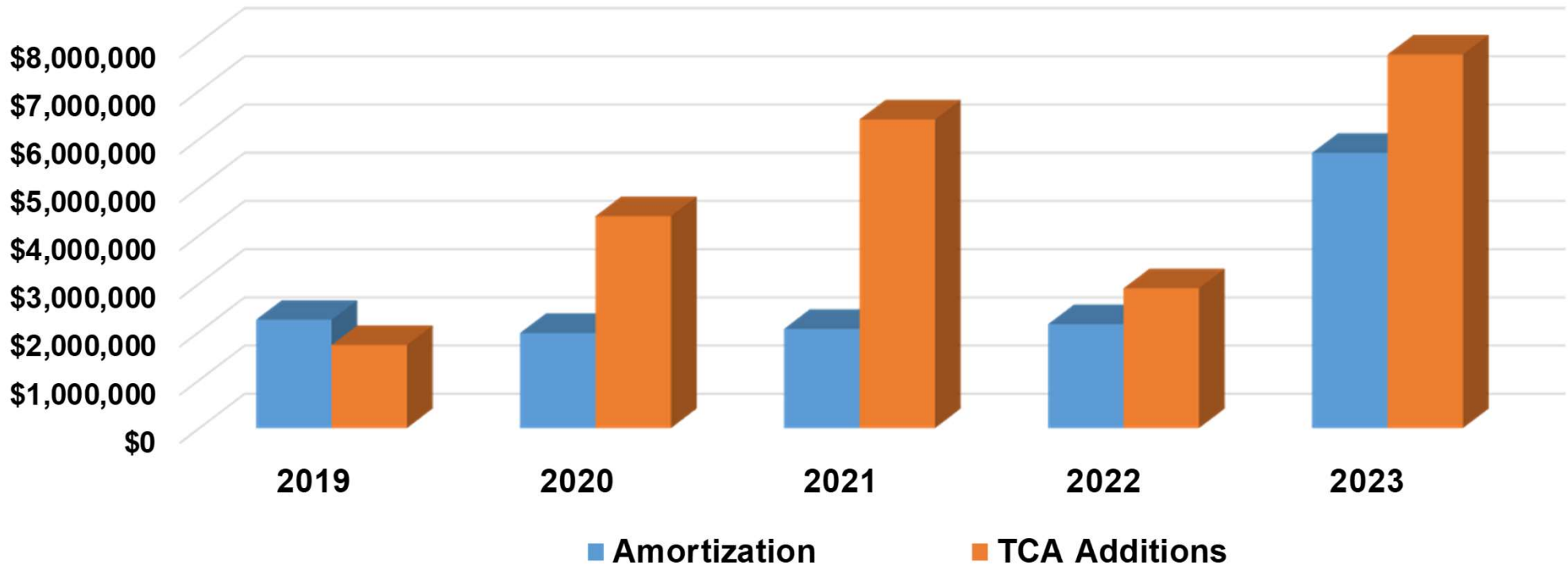
Non-Financial Assets as at December 31st

	2023	2022
Non-Financial Assets		
Tangible capital assets	43,714,914	34,634,917
Other non-financial assets	298,977	260,334
	<hr/>	<hr/>
	\$ 44,013,891	\$ 34,895,251
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Tangible Capital Assets – Additions



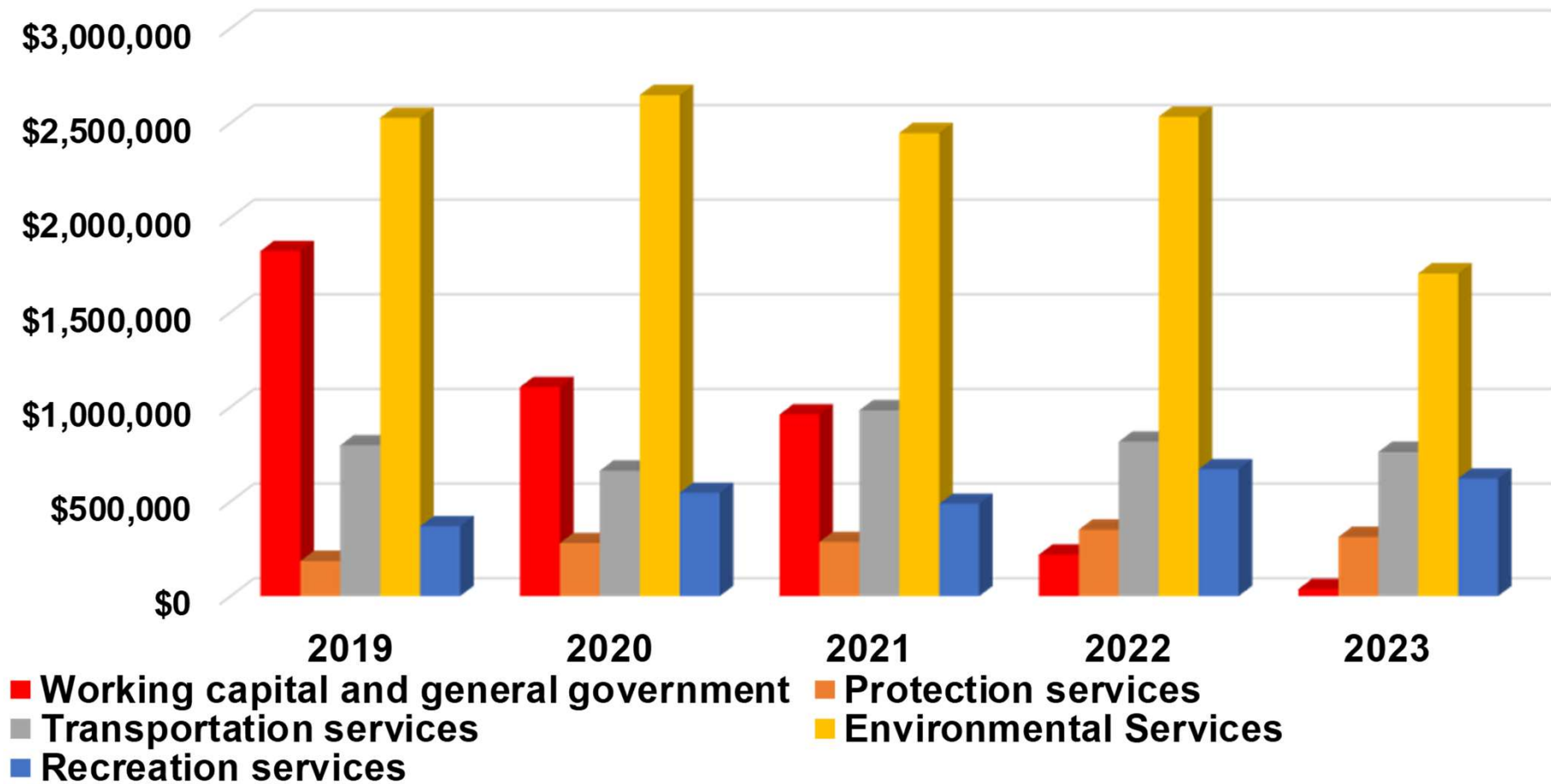
Tangible Capital Asset Additions vs Amortization



Accumulated Surplus

	2023	2022
Surplus (Deficit)		
Invested in capital assets	\$ 29,430,466	\$ 32,317,466
Unfunded landfill closure	-	(1,540,567)
Municipality	(370,317)	(344,369)
Library board	(3,394)	10,646
Surplus	<u>\$ 29,056,755</u>	<u>\$ 30,443,176</u>
 Reserves and Reserve Funds		
Working capital and general government	37,601	219,439
Protection services	312,838	351,566
Transportation services	761,423	815,972
Environmental Services	1,704,558	2,532,488
Recreation services	621,217	670,513
Reserves and Reserve Funds	<u>\$ 3,437,637</u>	<u>\$ 4,589,978</u>
 Accumulated Surplus	<u>\$ 32,494,392</u>	<u>\$ 35,033,154</u>

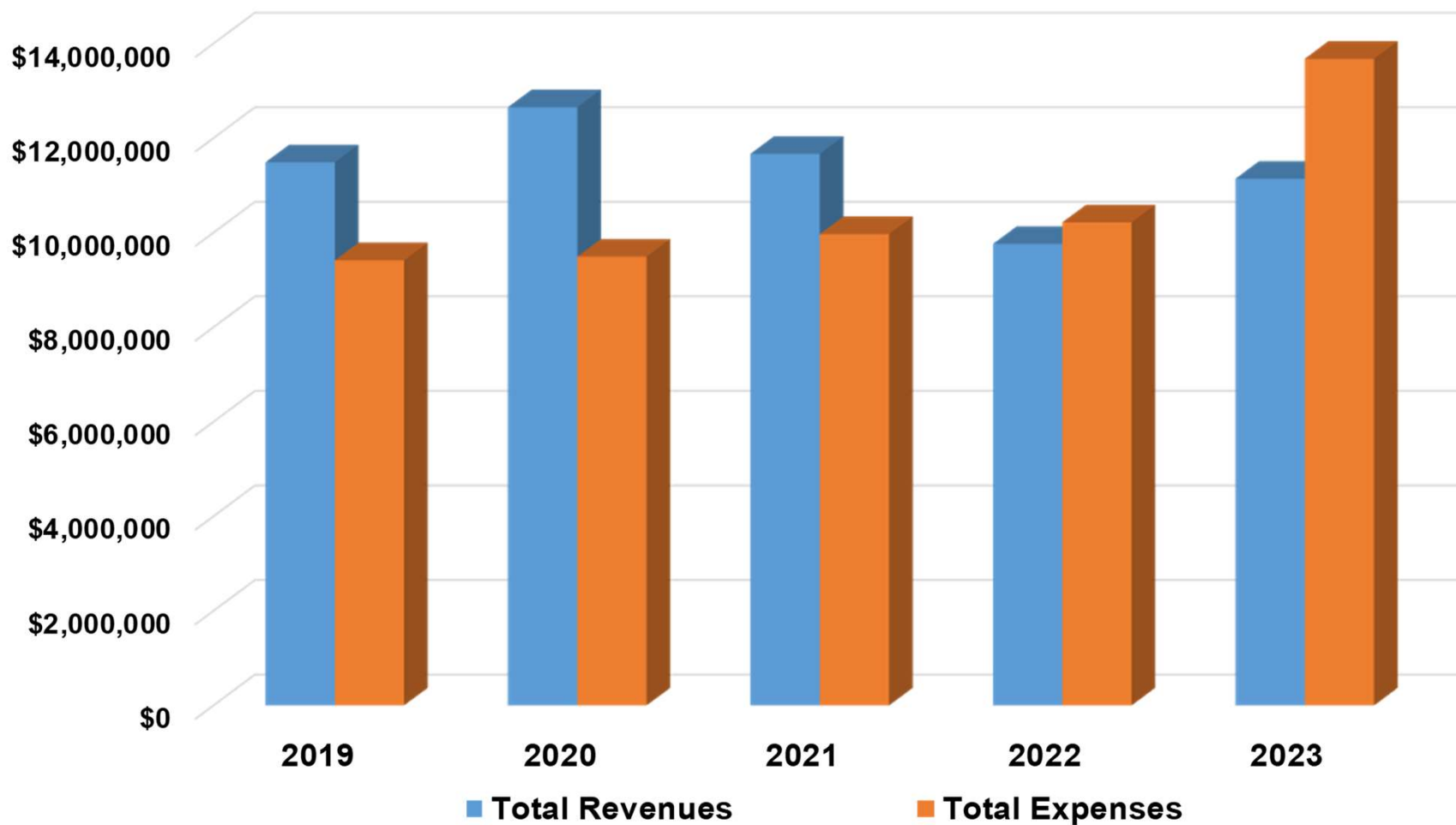
Reserves and Reserve Funds



Consolidated Statement of Operations

	2023 Budget	2023 Actual	2022 Actual
Total Revenues	\$ 10,524,615	\$ 11,139,022	\$ 9,761,003
Total Expenses	11,077,014	13,677,784	10,216,091
PSAB Annual deficit	(552,399)	(2,538,762)	(455,088)
Accumulated Surplus - Beginning		35,033,154	35,488,242
Accumulated Surplus - Ending		<u>\$ 32,494,392</u>	<u>\$ 35,033,154</u>
Operating Surplus Reconciliation	\$ (552,399)	\$ (2,538,762)	\$ (455,088)
Amortization of tangible capital assets	2,154,413	5,707,168	2,154,920
Purchase of tangible capital assets	(7,811,449)	(7,580,790)	(2,899,243)
Gain on disposal of tangible capital assets	-	(16,342)	(33,673)
Proceeds on sale of tangible capital assets	-	144,482	275,803
Accretion expense	-	308,872	-
Contributed tangible capital assets	-	(168,125)	-
Change in unfunded capital	-	4,529,807	(2,109,809)
Change in unfunded landfill closure	9,400	(1,540,567)	(55,426)
Transfer to/from reserves and reserve funds	(1,126,202)	(1,100,261)	(1,377,428)
Transfer from reserves and reserve funds	3,592,156	2,252,599	1,948,630
Proceeds of long term debt	3,772,150	-	2,225,861
Principal repayments of long term debt	(38,069)	(38,069)	(18,432)
Change in Municipal operations balance	-	25,948	344,369
Change in Library operations balance	-	14,040	(484)
	<u>-</u>	<u>-</u>	<u>-</u>

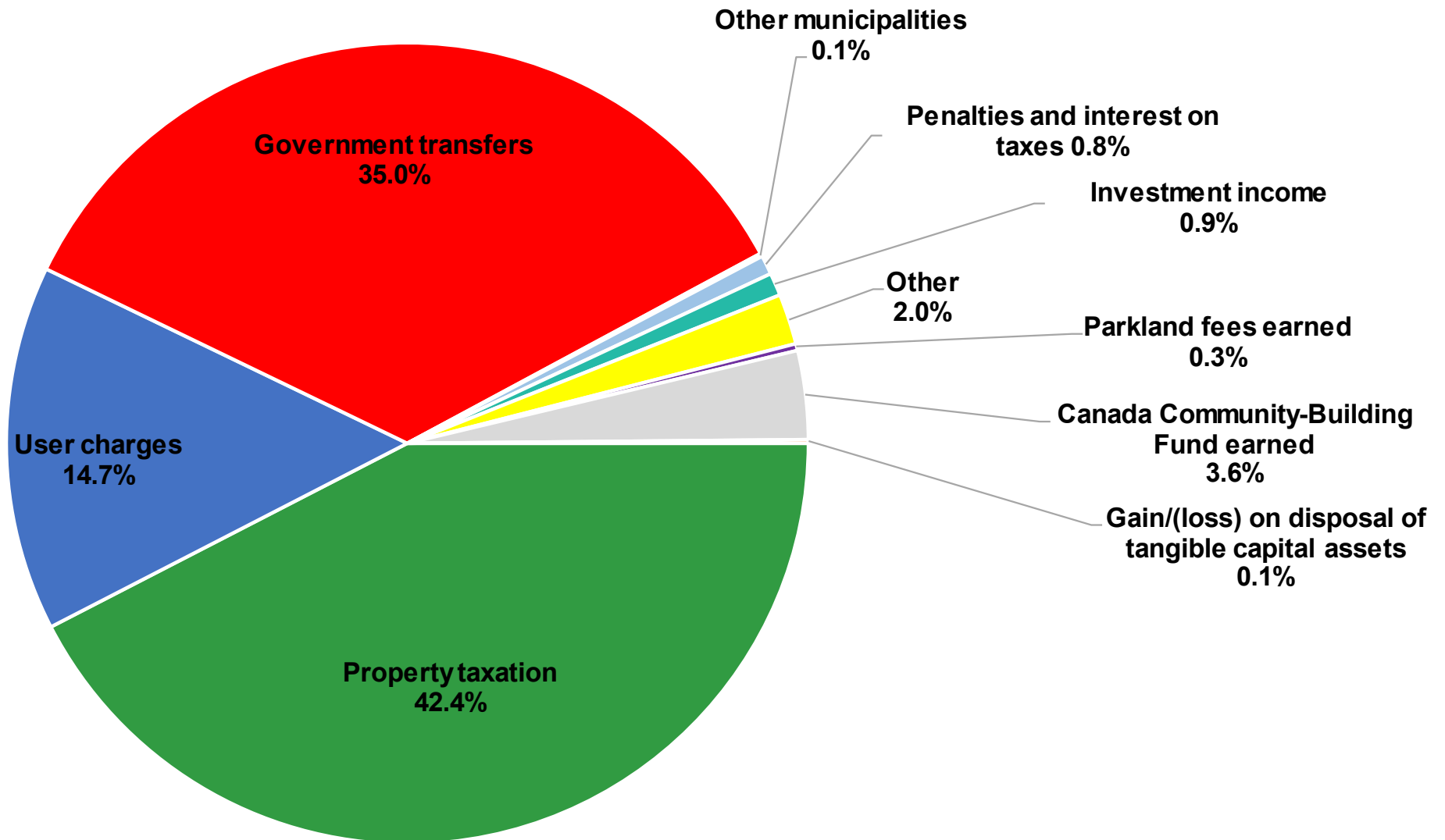
Total Revenues and Expenses



Financial Activities – Revenues

	2023 Budget	2023 Actual	2022 Actual
Property taxation	\$ 4,736,293	\$ 4,725,168	\$ 4,439,489
User charges	1,656,272	1,642,802	1,507,944
Government transfers	3,257,550	3,894,685	2,637,437
Other municipalities	55,000	15,000	90,000
Penalties and interest on taxes	90,000	85,522	87,569
Investment income	67,500	102,986	86,016
Other	27,000	227,286	137,358
Parkland fees earned	45,000	30,413	-
Canada Community-Building Fund earned	390,000	398,818	741,517
Gain/(loss) on disposal of tangible capital assets	200,000	16,342	33,673
Total Revenues	\$ 10,524,615	\$ 11,139,022	\$ 9,761,003

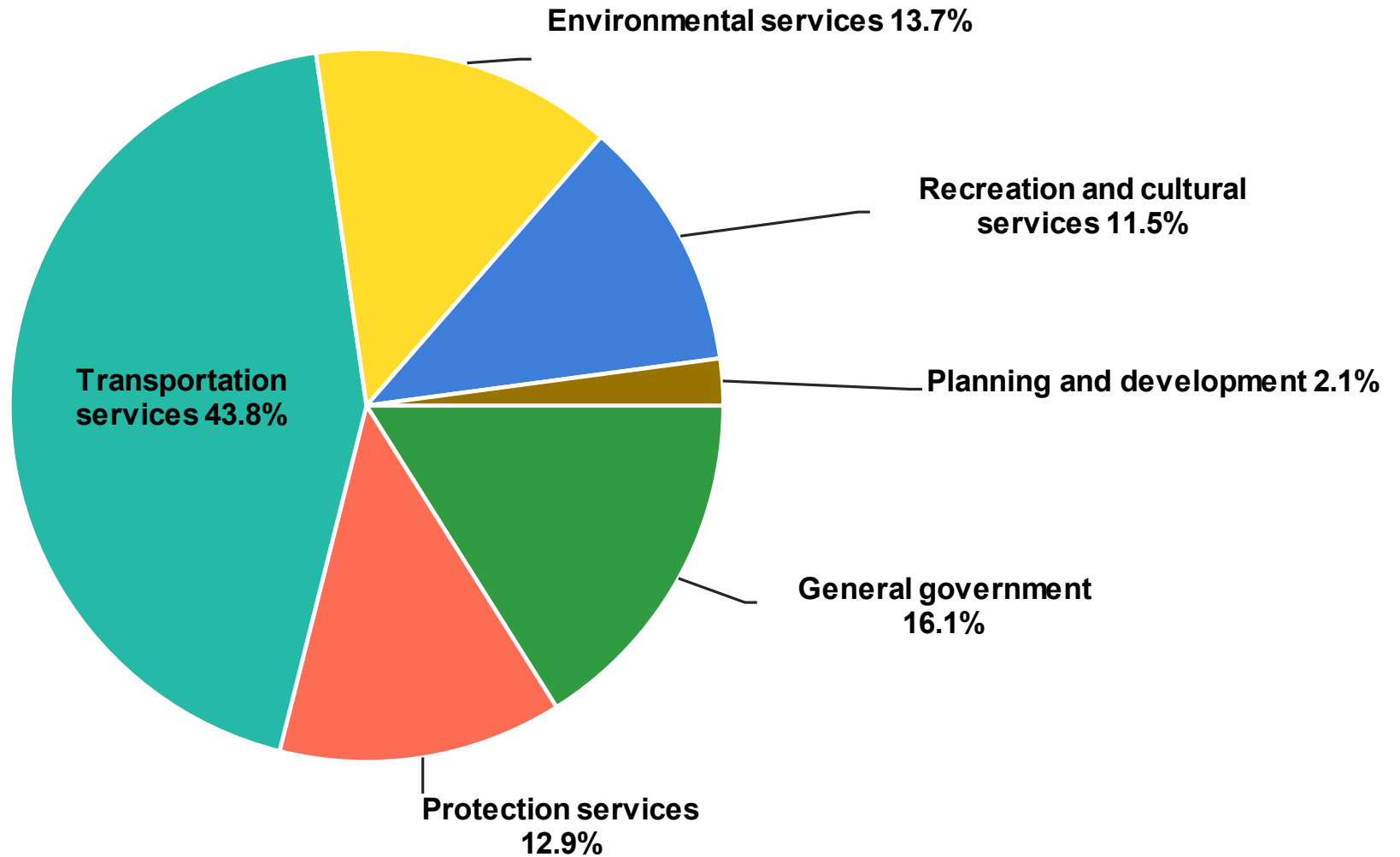
Financial Activities – Revenues



Financial Activities – Expenses

	2023 Budget	2023 Actual	2022 Actual
General government	\$ 1,343,130	\$ 2,196,238	\$ 1,474,269
Protection services	1,846,973	1,758,702	1,687,368
Transportation services	3,890,258	5,994,104	4,048,884
Environmental services	2,144,299	1,870,654	1,430,767
Recreation and cultural services	1,522,018	1,569,258	1,237,244
Planning and development	330,336	288,828	337,559
Total Expenses	<u>\$ 11,077,014</u>	<u>\$ 13,677,784</u>	<u>\$ 10,216,091</u>

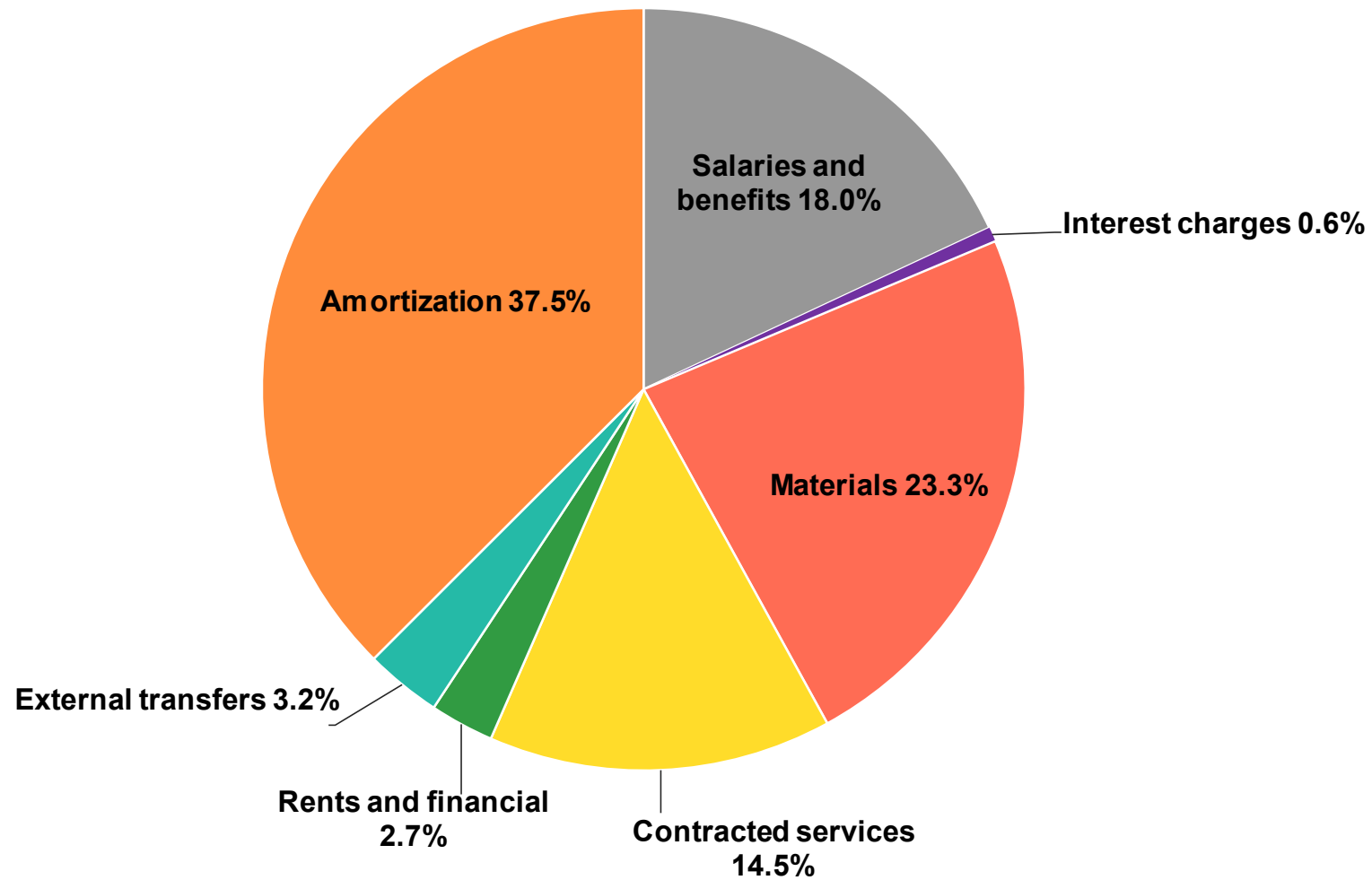
Financial Activities – Expenses



Expenses – Segmented Information

	2023	2023	2022
	Budget	Actual	Actual
Salaries and benefits	\$ 2,784,243	\$ 2,744,627	\$ 2,653,647
Interest charges	93,956	93,956	47,581
Materials	2,864,314	3,553,308	2,638,334
Contracted services	2,659,857	2,214,054	2,319,903
Rents and financial	70,660	413,302	75,155
External transfers	449,571	491,936	381,977
Amortization	2,154,413	5,707,168	2,154,920
Change in landfill liability	-	(1,540,567)	(55,426)
Total Expenses	<u>\$ 11,077,014</u>	<u>\$ 13,677,784</u>	<u>\$ 10,216,091</u>

Expenses – Segmented Information



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