

A decorative graphic on the left side of the page features a vertical stack of blue circles of varying sizes. The largest circle is at the top, followed by a medium-sized circle, a small circle, and another medium-sized circle at the bottom. The circles are arranged in a slightly staggered, descending pattern.

TOWNSHIP OF PUSLINCH 2015 FINANCIAL STATEMENT PRESENTATION

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OUTLINE

- Review of significant financial statement elements including:
 - Statement of financial position
 - Statement of operations
 - Statement of net debt
 - Statement of cash flows
 - Long-term debt note
 - Accumulated surplus note
 - Budget amounts note
- Highlights of the municipality's performance



STATEMENT OF FINANCIAL POSITION

- Statement of financial position is a snapshot of the municipality at a point in time.
- It highlights the following:
 - Cash resources
 - Net debt position
 - Non-financial assets
 - Accumulated surplus or deficit





STATEMENT OF FINANCIAL POSITION

The Corporation of the Township of Puslinch Statement of Financial Position

<u>December 31</u>	<u>2015</u>	<u>2014</u>
Assets and Liabilities		
Financial assets		
Cash (Note 1)	\$ 3,473,845	\$ 4,861,071
Temporary investments (Note 2)	2,008,537	-
Taxes receivable	732,326	1,153,412
Trade and other receivable	249,493	218,850
	<u>6,464,201</u>	<u>6,233,333</u>
Liabilities		
Accounts payable and accrued liabilities	380,131	414,640
Grading deposits	134,908	202,908
Security deposits	1,617,417	1,533,534
Deferred revenue (Page 23)	632,280	721,938
Long-term liabilities (Note 5)	345,000	451,000
	<u>3,109,736</u>	<u>3,324,020</u>
Net financial assets	3,354,465	2,909,313
Non-financial assets		
Prepaid expenses	-	102,079
Tangible capital assets (Note 3)	19,399,686	19,902,735
	<u>19,399,686</u>	<u>20,004,814</u>
Accumulated surplus (Note 7)	\$22,754,151	\$ 22,914,127



STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS

- Reports the revenues and expenses of the municipality for the year.
- Total revenue less costs (expenses) gives annual surplus
- It highlights the following
 - Actual vs. budget vs. prior year results
 - Annual surplus
 - Accumulated surplus



STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS

**The Corporation of the Township of Puslinch
Statement of Operations and Accumulated Surplus**

For the year ended December 31	2015	2015	2014
	Budget (Note 10)	Actual	Actual
Revenue			
Taxation	\$ 3,418,832	\$ 3,479,014	\$ 3,471,397
Fees and user charges	291,185	441,023	479,370
Grants (Note 11)	496,645	525,840	554,295
Other income (Note 9)	788,069	884,436	846,748
Obligatory reserve fund revenue recognized	533,762	491,743	796,139
	<u>5,528,493</u>	<u>5,822,056</u>	<u>6,147,949</u>
Expenses			
General government	1,105,734	1,077,196	1,232,166
Protection services	1,091,009	1,172,240	1,045,767
Transportation services	2,796,459	2,684,581	2,871,231
Recreation and cultural services	585,925	524,870	561,278
Planning and development	492,254	523,145	438,036
	<u>6,071,381</u>	<u>5,982,032</u>	<u>6,148,478</u>
Annual surplus (deficit) (Note 10)	(542,888)	(159,976)	(529)
Accumulated surplus, beginning of year	<u>22,914,127</u>	<u>22,914,127</u>	<u>22,914,656</u>
Accumulated surplus, end of year	<u>\$ 22,371,239</u>	<u>\$ 22,754,151</u>	<u>\$ 22,914,127</u>



STATEMENT OF CHANGES IN NET FINANCIAL ASSETS

- Takes annual surplus from statement of operations and removes activity in non-financial assets to get change in net debt for the year that agrees to statement of financial position
- It highlights the following:
 - Changes in capital assets for the year
 - Change in net debt/net financial assets





STATEMENT OF CHANGE IN NET FINANCIAL ASSETS

The Corporation of the Township of Puslinch Statement of Changes in Net Financial Assets

For the year ended December 31	2015	2015	2014
	Budget	Actual	Actual
	(Note 10)		
Annual surplus (deficit) (Page 5)	\$ (542,888)	\$ (159,976)	\$ (529)
Acquisition of tangible capital assets	(1,246,040)	(1,176,243)	(1,033,187)
Amortization of tangible capital assets	1,642,478	1,642,480	1,742,149
Loss (gain) on sale of tangible capital assets	-	(18,878)	125,261
Proceeds on disposal of tangible capital assets	-	55,690	1,854
	396,438	503,049	836,077
Change in prepaid expenses	-	102,079	(102,079)
Increase (decrease) in net financial assets	(146,450)	445,152	733,469
Net financial assets, beginning of the year	2,909,313	2,909,313	2,175,844
Net financial assets, end of the year	\$ 2,762,863	\$ 3,354,465	\$ 2,909,313



STATEMENT OF CASH FLOWS

- Shows the change in cash and cash equivalents for the year
- Breaks down cash between operating, capital, investing and financing
- It highlights the following:
 - Primary sources of cash (Operating , investing or financing)
 - Primary use of cash (Capital transactions)





STATEMENT OF CASH FLOWS

The Corporation of the Township of Puslinch Statement of Cash Flows

For the year ended December 31	2015	2014
Cash provided by (used in)		
Operating activities		
Annual surplus (deficit)	\$ (159,976)	\$ (529)
Items not involving cash		
Amortization of tangible capital assets	1,642,480	1,742,149
Deferred revenue recognized	(532,963)	(817,770)
Loss (gain) on sale of capital assets	(18,878)	125,261
	<u>930,663</u>	<u>1,049,111</u>
Changes in non-cash working capital balances		
Taxes receivable	421,086	47,356
Trade and other receivable	(30,643)	220,353
Accounts payable and accrued liabilities	(34,509)	(269,815)
Grading deposits	(68,000)	(55,202)
Security deposits	83,883	48,040
Prepaid expenses	102,079	(102,079)
Deferred revenue received	443,305	379,699
	<u>917,201</u>	<u>268,352</u>
	<u>1,847,864</u>	<u>1,317,463</u>
Capital transactions		
Cash used to acquire tangible capital assets	(1,176,243)	(1,033,187)
Proceeds on sale of tangible capital assets	55,690	1,854
	<u>(1,120,553)</u>	<u>(1,031,333)</u>
Financing activities		
Repayment of long-term liabilities	(106,000)	(101,000)
Net change in cash and cash equivalents	621,311	185,130
Cash and cash equivalents, beginning of year	<u>4,861,071</u>	<u>4,675,941</u>
Cash and cash equivalents, end of year	\$ 5,482,382	\$ 4,861,071
Cash and cash equivalents are comprised of:		
Cash	\$ 3,473,845	\$ 4,861,071
Temporary investments	<u>2,008,537</u>	<u>-</u>
	<u>\$ 5,482,382</u>	<u>\$ 4,861,071</u>



ACCUMULATED SURPLUS NOTE

- Provides a breakdown of the accumulated surplus balance found on the Statement of Financial Position and Statement of Operations and Accumulated Surplus
- Includes details of:
 - Amount invested in capital assets
 - General surplus (Accumulated Operating Surpluses/Deficits)
 - Capital assets financed by long term liabilities



ACCUMULATED SURPLUS NOTE

7. Accumulated Surplus

Accumulated surplus consists of individual fund surplus and reserves as follows:

	<u>2015</u>	<u>2014</u>
Invested in tangible capital assets		
Tangible capital assets at cost less amortization	\$ 19,399,686	\$ 19,902,735
Capital assets financed by long-term liabilities and to be funded in future years	<u>(345,000)</u>	<u>(451,000)</u>
Total invested in capital assets	19,054,686	19,451,735
General surplus (Note 10)	239,670	626,661
Barber's Beach street lighting area	829	(1,554)
Cambridge fire area	<u>1,087</u>	<u>4,153</u>
	19,296,272	20,080,995
Reserves and reserve funds (Note 8)	<u>3,457,879</u>	<u>2,833,132</u>
Accumulated surplus	<u>\$22,754,151</u>	<u>\$ 22,914,127</u>



RESERVES NOTE

8. Reserves and Reserve Funds Set Aside for Specific Purpose by Council

	<u>2015</u>	<u>2014</u>
Reserves		
Working funds	\$ 158,901	\$ 350,133
Contingencies	109,089	99,293
Current purposes	505,695	396,751
Capital purposes	<u>2,684,194</u>	<u>1,986,955</u>
Reserves and reserve funds set aside for specific purpose by Council	<u>\$ 3,457,879</u>	<u>\$ 2,833,132</u>



BUDGET NOTE

- Shows a reconciliation of PSAB budget to cash based budget
- Removes significant items from Annual Surplus including:
 - Transfers to/from reserves
 - Amortization, Capital acquisition
 - Proceeds from new debt and debt principal payments



BUDGET NOTE

10. Budgets

The budget adopted by Council was not prepared on a basis consistent with that used to report actual results (Public Sector Accounting Standards). The budget was prepared on a modified accrual basis while Public Sector Accounting Standards now require a full accrual basis. The following is a reconciliation of the budget approved by Council.

For comparative purposes, budget amounts reported on the Statement of Operations and Accumulated Surplus have been adjusted for amortization and loss on sale of tangible capital assets.

	2015 Budget	2015 Actual	2014 Actual
Annual surplus (deficit) (Page 5)	\$ (542,888)	\$ (159,976)	\$ (529)
Amortization of tangible capital assets	1,642,478	1,642,480	1,742,149
Change in other surpluses	-	683	251
	1,099,590	1,483,187	1,741,871
Net transfers (to) from reserves	252,450	(624,747)	(761,163)
Tangible capital assets acquisitions, disposals and write-down	(1,246,040)	(1,139,431)	(906,072)
Debt principal repayments	(106,000)	(106,000)	(101,000)
	-	(386,991)	(26,364)
Prior year general surplus	-	626,661	653,025
General surplus (Note 7)	\$ -	\$ 239,670	\$ 626,661

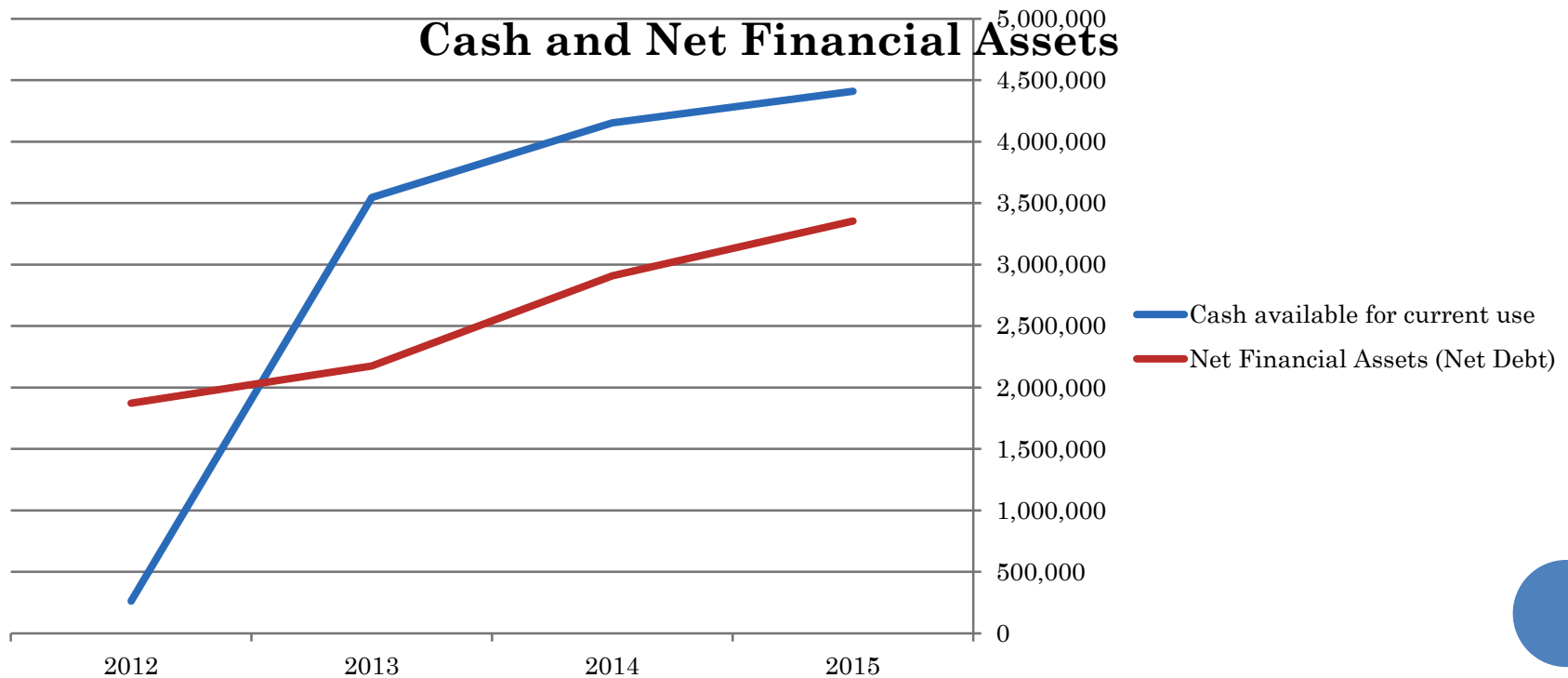




HIGHLIGHTS OF THE MUNICIPALITY'S FINANCIAL PERFORMANCE

HIGHLIGHTS OF MUNICIPALITY PERFORMANCE – CASH AND NET FINANCIAL ASSETS

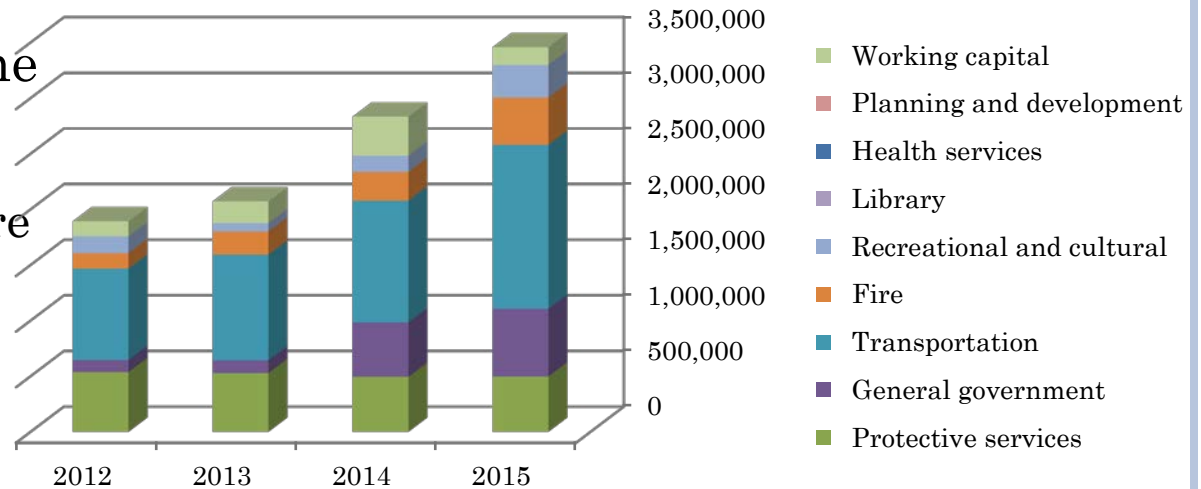
- Cash available for use has been increasing from 2012 – 2015.



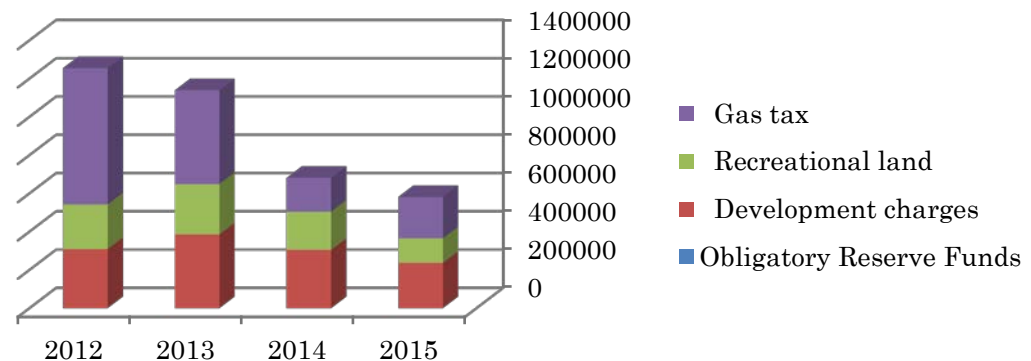
HIGHLIGHTS OF MUNICIPALITY PERFORMANCE – RESERVE BALANCES

- Steadily building reserves and discretionary reserve funds for the past 4 years
 - Building your transportation, fire and general government reserves
- Slowly depleting obligatory reserve funds from 2012 – 2015
- Used obligatory reserve funds in 2014
 - Decrease in development charges and gas tax

Reserves and Discretionary Reserve Funds



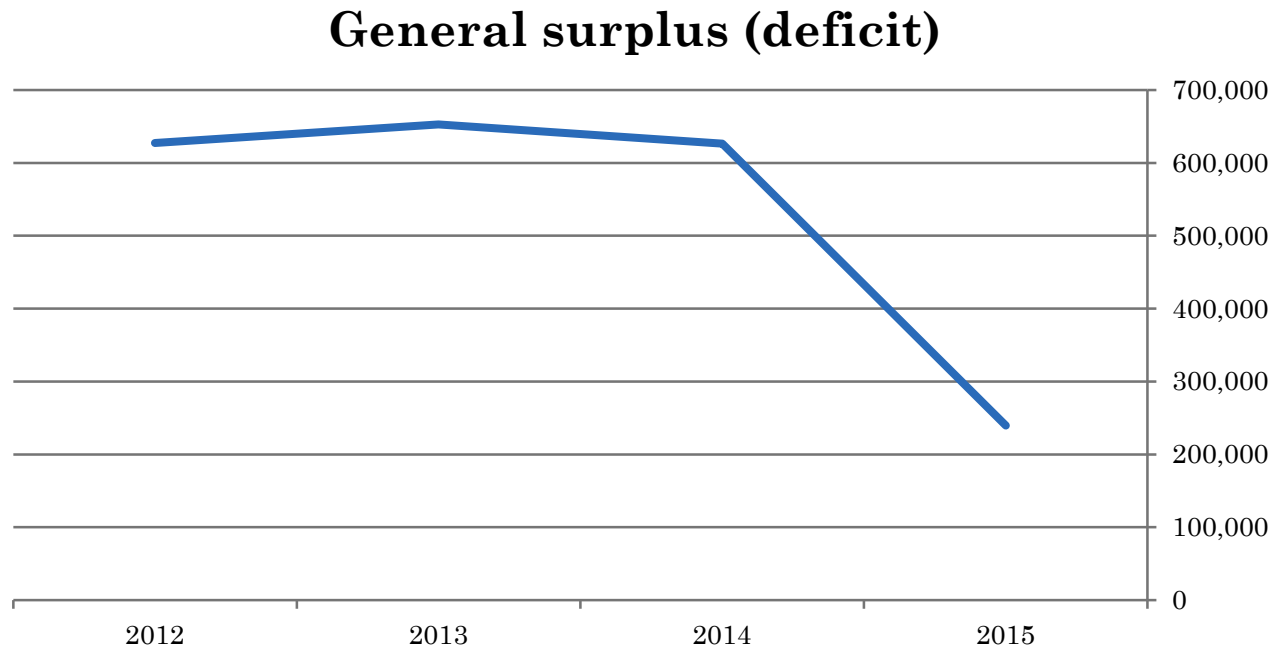
Obligatory Reserve Funds





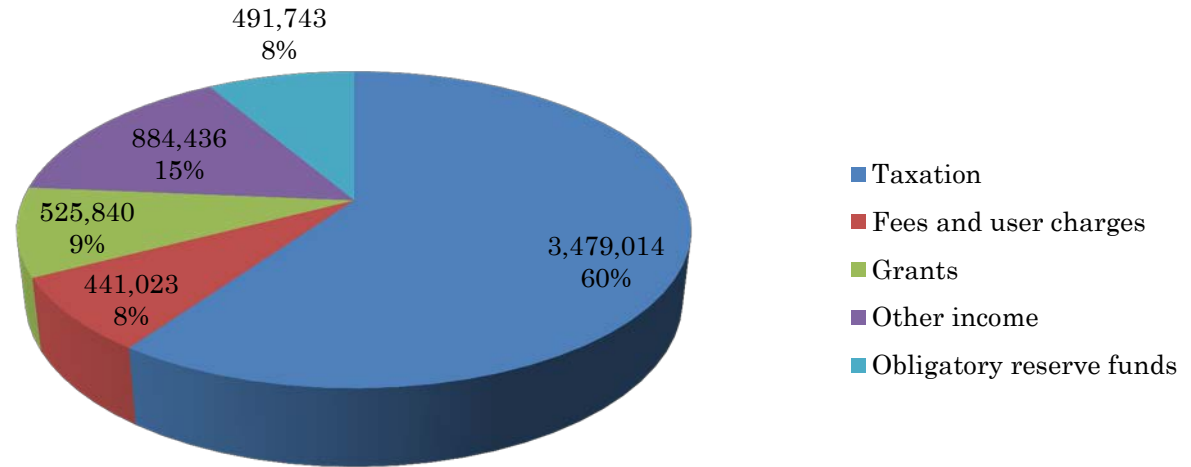
HIGHLIGHTS OF MUNICIPALITY PERFORMANCE – GENERAL SURPLUS (DEFICIT)

- General surplus position from 2012-2014

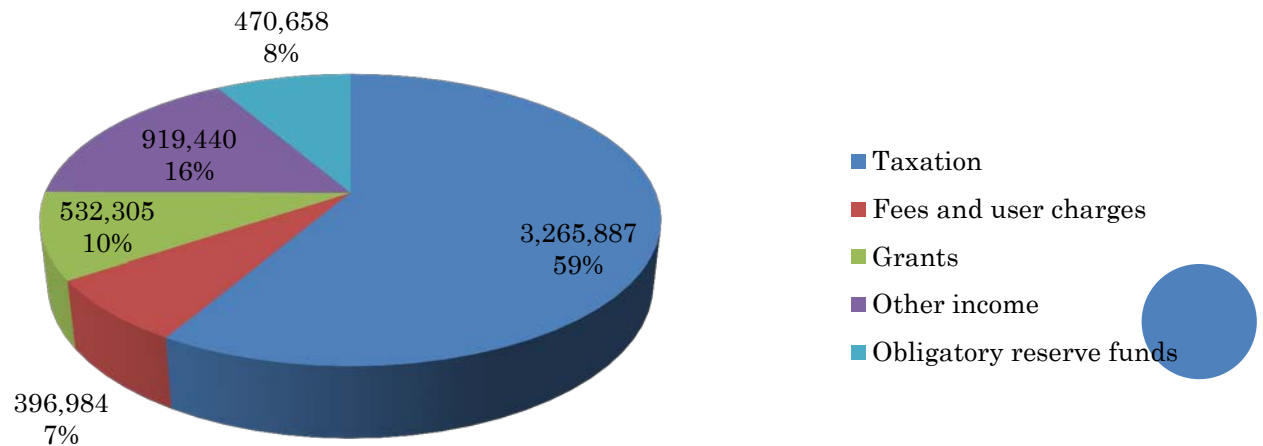


HIGHLIGHTS OF MUNICIPALITY PERFORMANCE – REVENUE 2015

○ No significant change in sources of revenue



2012

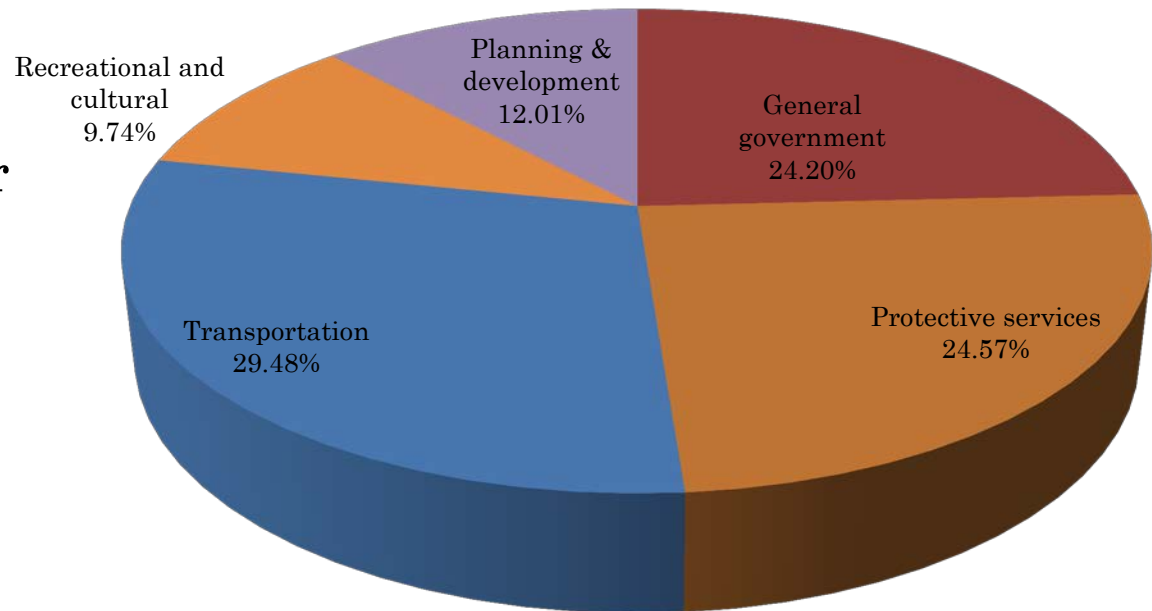


HIGHLIGHTS OF MUNICIPALITY PERFORMANCE – EXPENSES

2015

○ Most significant costs include:

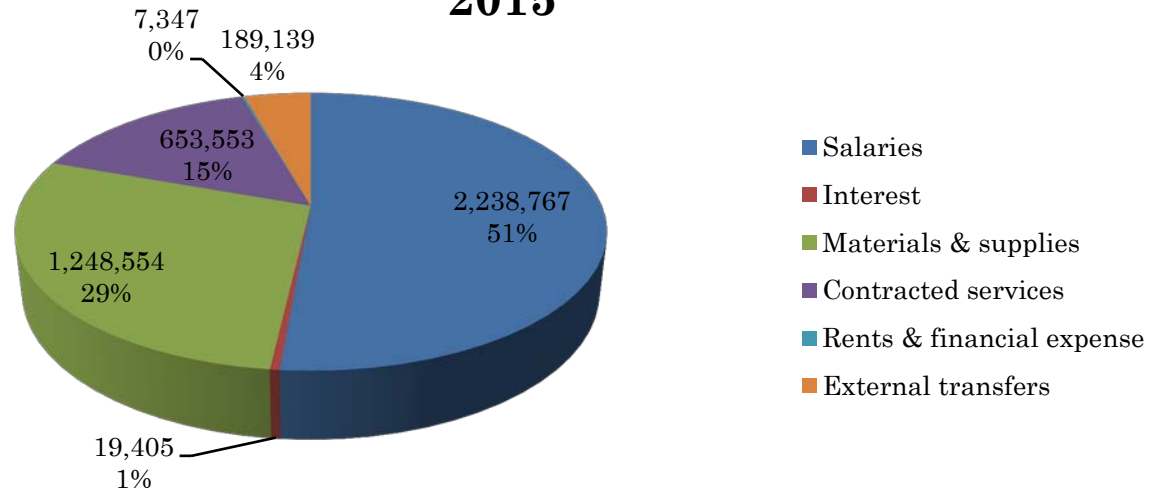
- Roads
- Fire and other protective services
- General government



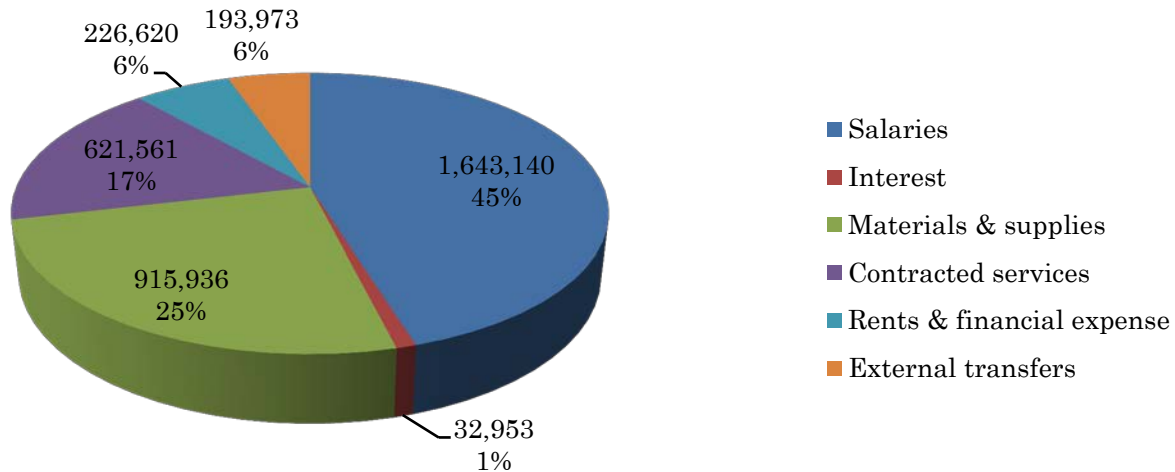
HIGHLIGHTS OF MUNICIPALITY PERFORMANCE – EXPENSES

- Similar expense breakdown by type

2015



2012





HIGHLIGHTS OF MUNICIPALITY PERFORMANCE – 3 YEAR FINANCIAL POSITION

- Overall, general surplus has remained consistent except for current year with gravel pit tax write off accrual and prior year surplus transferred to reserves in current year.
- Reserves have been increasing steadily.
- Increase in cash available for current use.

	2012	2013	2014	2015
Cash and temporary investments - operating	3,586,551	3,546,249	4,152,603	4,409,137
Cash and temporary investments - reserve funds	1,254,949	1,129,692	708,468	1,073,185
Long-term debt	649,000	552,000	451,000	345,000
Net financial Assets (Net debt)	1,873,624	2,175,844	2,909,313	3,354,465
Capital assets	21,247,379	20,738,812	19,902,735	19,399,686
General surplus (deficit)	627,133	653,025	626,661	239,670
Reserves and discretionary reserve funds	1,892,915	2,071,969	2,833,132	3,457,879

