
AUDITORS' PRESENTATION

METRIX GROUP LLP

CHARTERED PROFESSIONAL ACCOUNTANTS

PHIL DIRKS, CPA, CA

PARTNER

AUDIT OVERVIEW

□ OUR OPINION

In our opinion, the financial statements present fairly, in all material respects, the financial position of the County as at December 31, 2019 and the results of its operations, changes in net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

□ MANAGEMENT'S RESPONSIBILITIES

- PREPARATION, FAIR PRESENTATION, & INTERNAL CONTROL
- GOING CONCERN

□ AUDITORS' RESPONSIBILITIES

- **REASONABLE** ASSURANCE FS NOT **MATERIALLY** MISSTATED
- REASONABLE ASSURANCE = HIGH ASSURANCE NOT GUARANTEE
- SOME EVIDENCE PERSUASIVE NOT CONCLUSIVE
- PROFESSIONAL JUDGMENT & PROFESSIONAL SKEPTICISM

STATEMENT OF FINANCIAL POSITION

	2019	2018
CASH AND SHORT-TERM INVESTMENTS	\$ 46,699,377	\$ 53,597,777
ACCOUNTS RECEIVABLE	10,914,742	8,909,842
LOANS RECEIVABLE	3,312,317	3,464,675
INVESTMENTS	29,172,193	18,810,869
	\$ 90,098,629	\$ 84,783,163
ACCOUNTS PAYABLE	\$ 16,227,122	\$ 15,700,420
LONG-TERM DEBT	27,383,965	30,814,015
DEFERRED REVENUE	36,999,683	34,276,117
	\$ 80,610,770	\$ 80,790,552
NET FINANCIAL ASSETS	\$ 9,487,859	\$ 3,992,611
PREPAID EXPENSES	668,330	642,360
INVENTORY FOR CONSUMPTION	1,889,586	2,182,580
TANGIBLE CAPITAL ASSETS	290,688,916	274,646,505
	\$ 293,246,832	\$ 277,471,445
ACCUMULATED SURPLUS	\$ 302,734,691	\$ 281,464,056

RECEIVABLES

(Note 4)

	2019	2018
RECEIVABLE FROM OTHER GOVERNMENT	\$ 4,902,786	\$ 4,068,142
TRADE AND OTHER	2,661,075	2,536,734
TAXES AND GRANTS IN LIEU	3,208,681	1,837,433
LOCAL IMPROVEMENT TAXES	597,968	862,534
	11,370,510	9,304,843
LESS:		
ALLOWANCE FOR DOUBTFUL ACCOUNTS	(455,768)	(395,001)
	\$ 10,914,742	\$ 8,909,842

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LONG-TERM DEBT

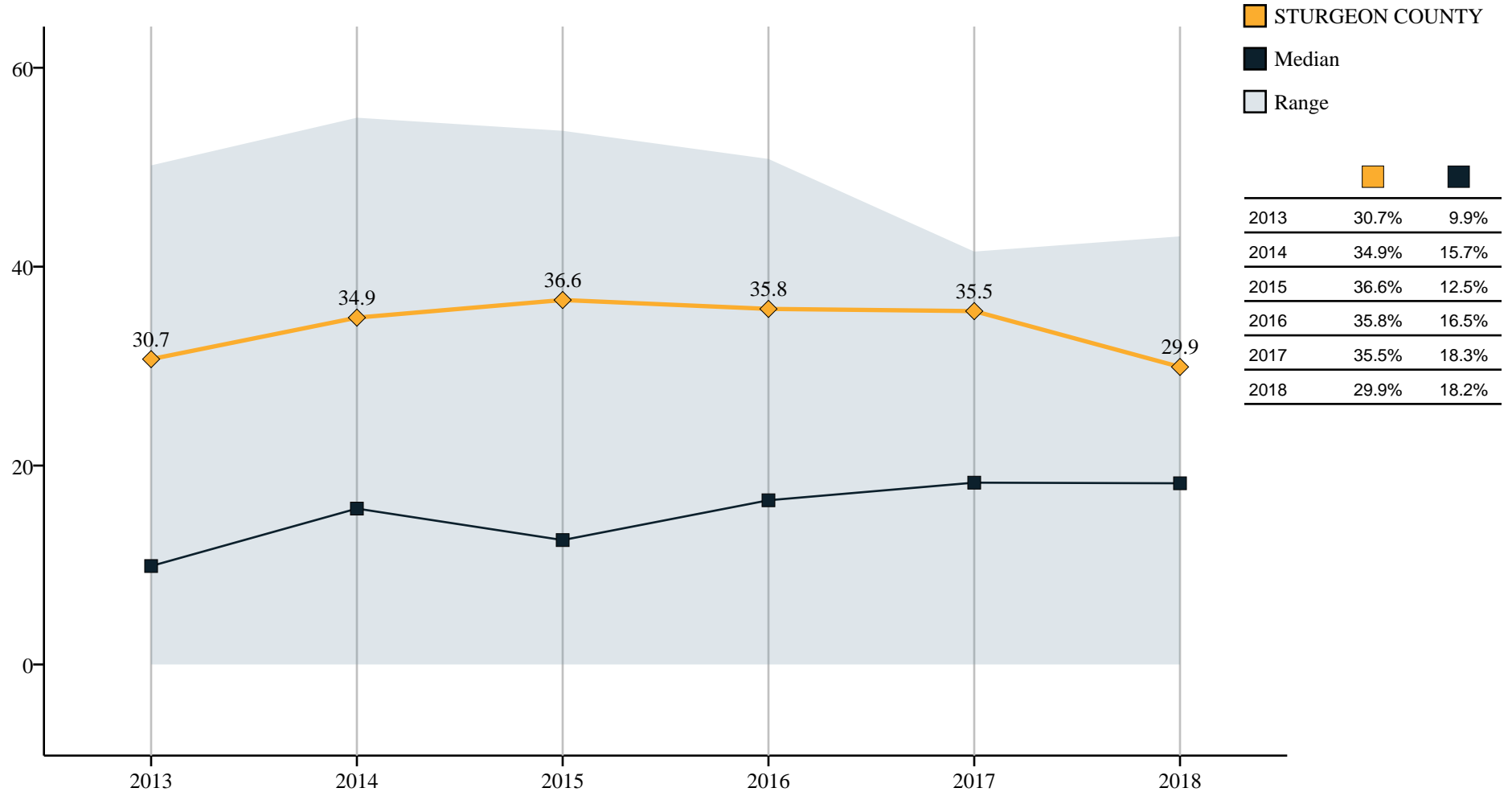
- **NO NEW DEBT ISSUED**

- **DEBT REPAYED - \$3,430,050**

- **INTEREST RATES**
 - 1.949% - 4.654%

- **MATURITIES**
 - 2020 - 2037

Percent of Debt Limit Used



Note: This graph shows, in percentage terms, the municipality's debt as a percentage of the regulated limit. This is compared to the median for the group of similar municipalities.

DEBT LIMITS

(Note 19)

	2019	2018
TOTAL DEBT LIMIT	\$ 110,341,380	\$ 102,997,562
TOTAL DEBT	27,383,965	30,814,015
DEBT LIMIT AVAILABLE	82,957,415	72,183,547
DEBT LIMIT USED	25%	30%
DEBT SERVICING LIMIT	18,390,230	17,166,260
DEBT SERVICING	3,763,231	3,930,573
DEBT SERVICING AVAILABLE	\$ 14,626,999	\$ 13,235,687

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DEFERRED REVENUE

(Note 12)

	2019	2018
TAX PREPAYMENTS	\$ 15,130,161	\$ 14,802,021
OFF SITE LEVIES	9,768,415	9,222,081
GOVERNMENT TRANSFERS		
MSI	7,080,386	6,376,736
FGTF	2,024,232	687,558
OTHER	2,357,392	2,622,772
ALL OTHER	639,097	564,949
	\$ 36,999,683	\$ 34,276,117

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TANGIBLE CAPITAL ASSETS

	2018					2019	
	NBV	PURCHASES	DISPOSALS	AMORTIZATION	TRANSFERS	NBV	
ROAD NETWORK	\$ 145,161,032	\$ 4,782,591	\$ -	\$ (6,596,713)	\$ 7,374,676	\$ 150,721,586	
ENGINEERED STRUCTURES	67,829,333	5,592,180	(570)	(1,453,382)	786,863	72,754,424	
LAND	27,204,820	63,981	-	-	349,546	27,618,347	
MACHINERY & EQUIPMENT	10,589,914	818,618	(628,884)	(911,884)		9,867,764	
BUILDINGS	8,465,825	-	-	(289,850)	-	8,175,975	
VEHICLES	5,927,442	1,350,566	(144,378)	(622,660)	-	6,510,970	
LAND IMPROVEMENTS	4,396,561	304,211	-	(281,986)	-	4,418,786	
WORK IN PROGRESS	5,071,577	14,060,572	-	-	(8,511,085)	10,621,064	
	\$ 274,646,504	\$ 26,972,719	\$ (773,832)	\$ (10,156,475)	\$ -	\$ 290,688,916	

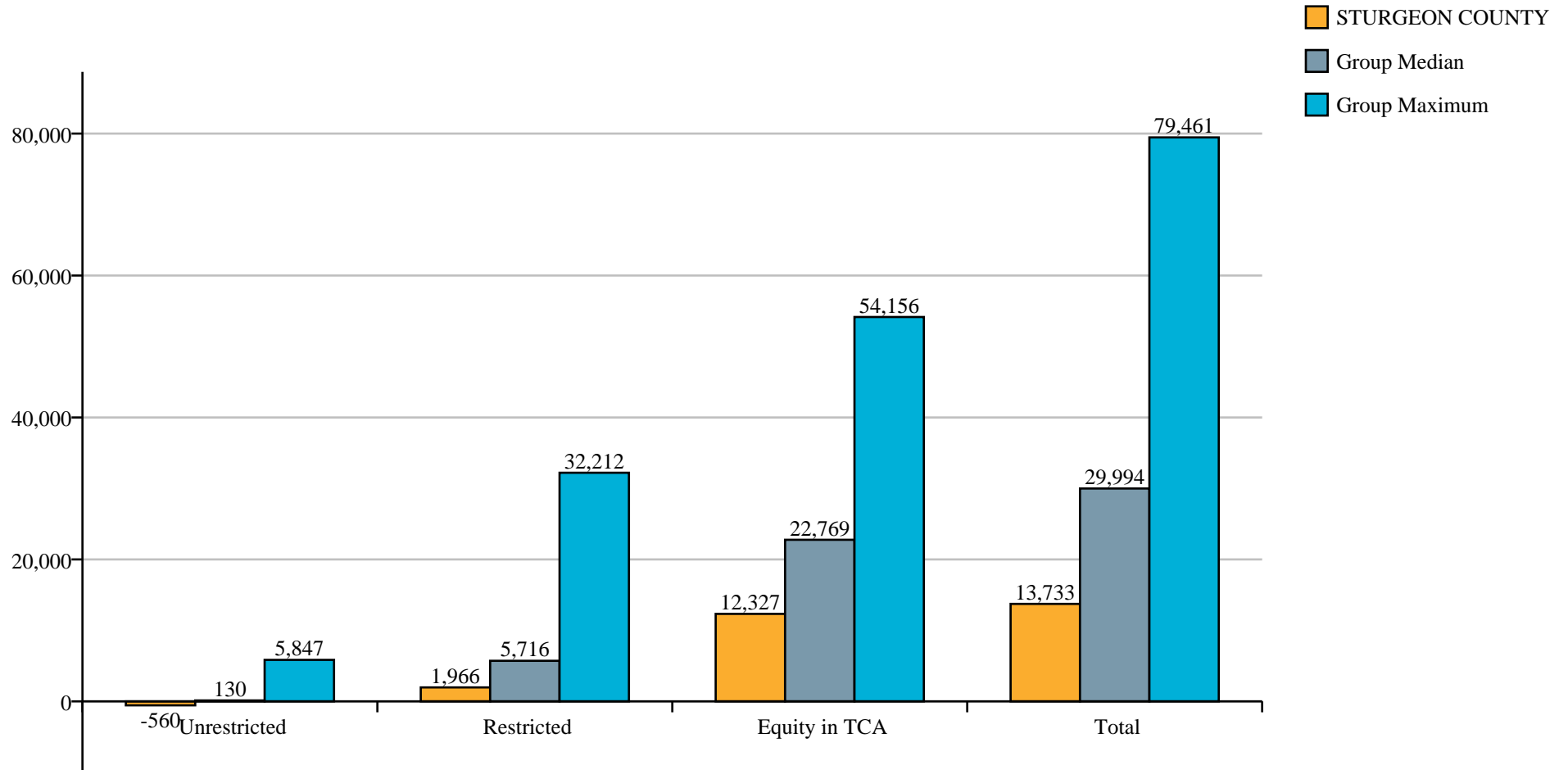
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ACCUMULATED SURPLUS

	2019	2018
DEFICIT FROM OPERATIONS	\$ (10,545,261)	\$ (11,477,611)
INTERNALLY DESIGNATED (RESERVE FUNDS)		
OPERATING	17,138,734	17,290,859
CAPITAL	24,320,054	23,007,276
TOTAL RESERVES	41,458,788	40,298,135
EQUITY IN TANGIBLE CAPITAL ASSETS	271,821,164	252,643,532
ACCUMULATED SUPRLUS	\$ 302,734,691	\$ 281,464,056

Accumulated Surplus Per Capita, 2018

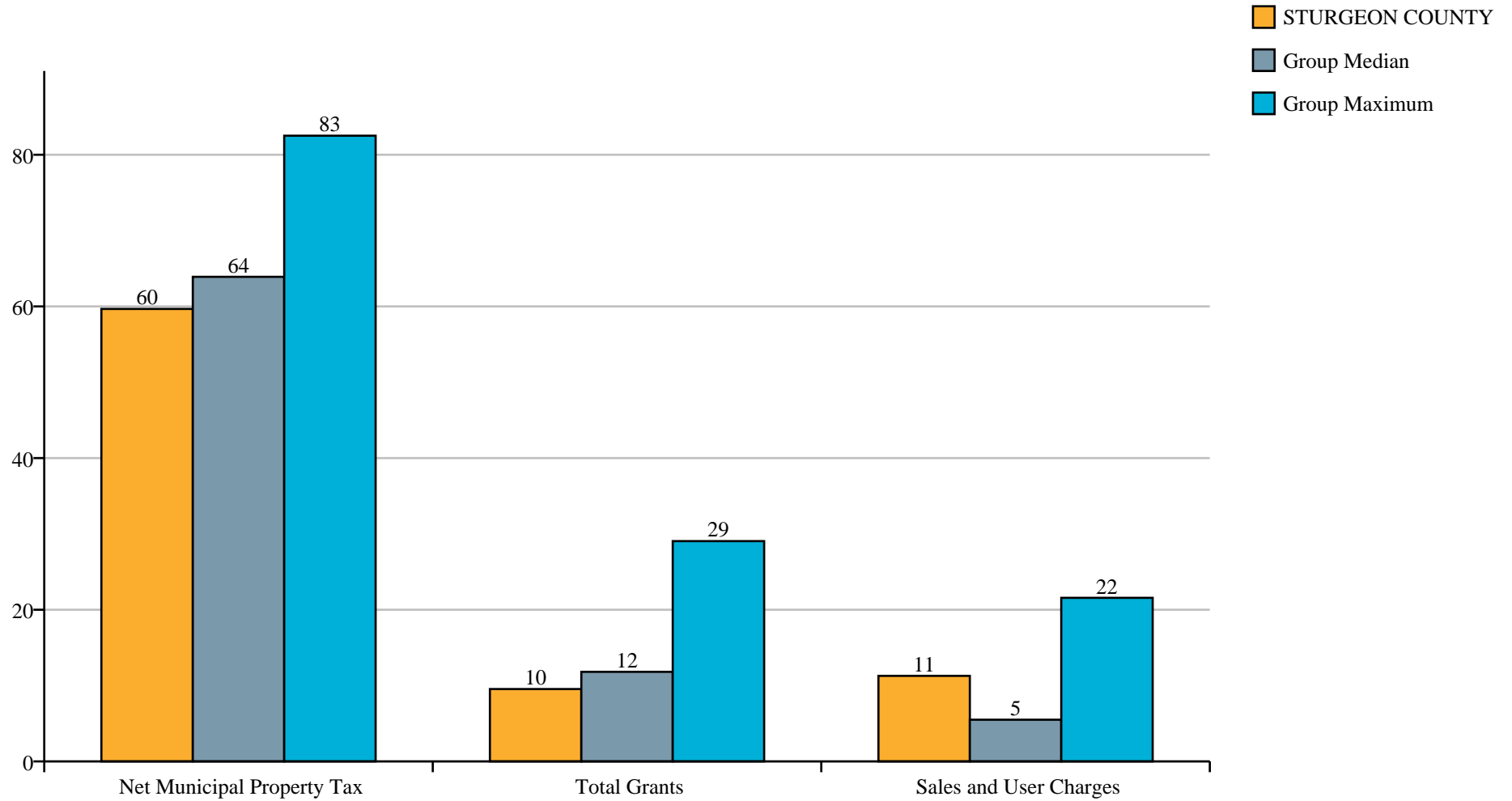


STATEMENT OF OPERATIONS

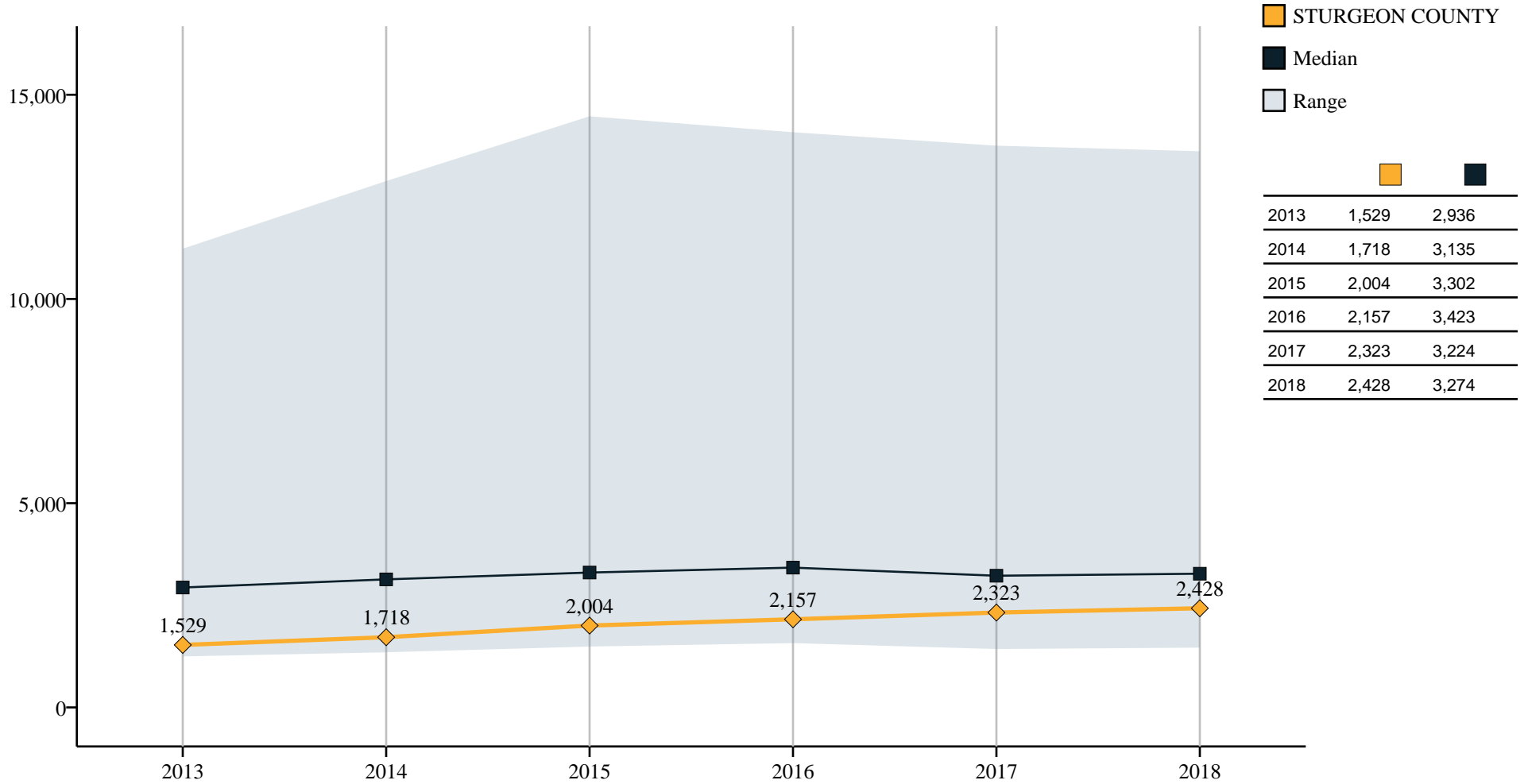
REVENUE

	2019 (Budget)	2019 (Actual)	2018 (Actual)
NET MUNICIPAL TAXES	\$80,422,327	\$50,308,830	\$49,752,395
SPECIAL LEVIES	1,058,425	976,488	1,029,951
GOVERNMENT TRANSFERS FOR OPERATING	1,427,155	1,560,163	1,782,277
USER FEES & SALES OF GOODS	9,488,343	9,845,875	9,407,007
RETURN ON INVESTMENTS	580,930	1,664,320	1,063,192
LICENSES & PERMITS	897,910	825,398	1,015,872
INTER-MUNICIPAL AGREEMENTS	517,329	530,444	686,400
PENALTIES ON TAXES AND SERVICE CHARGES	398,000	648,666	427,436
OTHER REVENUES	1,178,615	6,562,610	3,013,935
	\$ 95,969,034	\$ 72,922,794	\$ 68,178,465

Major Revenue Sources As % of Total Revenue, 2018



Revenue Sources Per Capita: Net Municipal Property Taxes

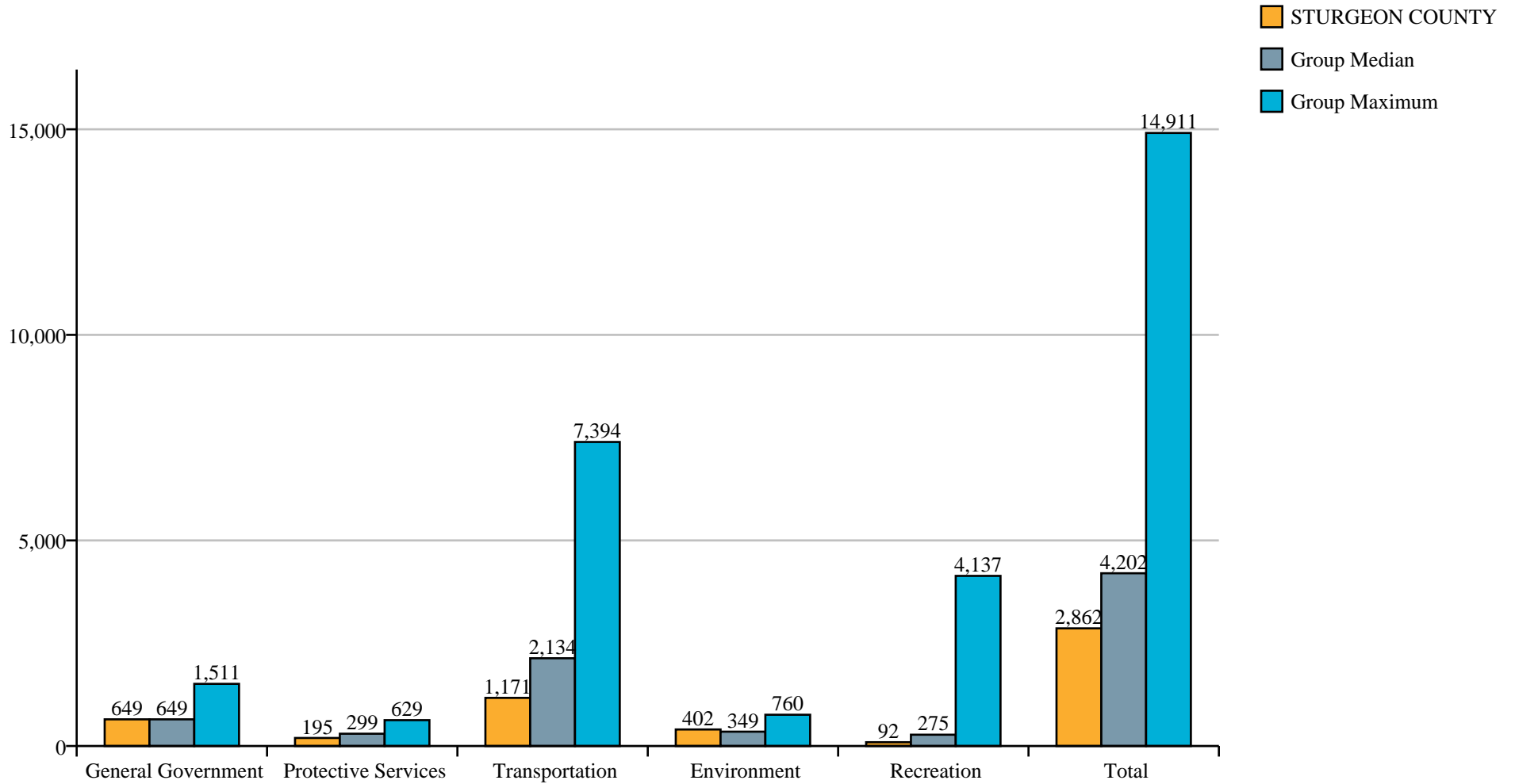


STATEMENT OF OPERATIONS

EXPENSES

	2019 (Budget)	2019 (Actual)	2018 (Actual)
TRANSPORTATION	\$ 22,833,269	\$ 25,256,703	\$ 21,605,659
ADMINISTRATION & BUILDING SERVICES	13,757,716	13,295,245	12,519,549
UTILITIES	7,232,230	8,255,180	7,779,287
PLANNING, ECONOMIC DEVELOPMENT, & ENGINEERING	6,679,972	6,117,762	6,447,724
PROTECTIVE SERVICES	4,563,321	4,585,009	4,002,428
COMMUNITY SERVICES	4,086,459	3,955,035	3,248,575
AGRICULTURAL SERVICES	2,764,147	2,687,710	2,279,637
COUNCIL	793,043	770,535	764,916
FLEET	3,800	(12,653)	3,233
	\$ 62,713,957	\$ 64,910,526	\$ 58,651,008

Major Expenditures Per Capita by Broad Function, 2018



STATEMENT OF OPERATIONS

ANNUAL SURPLUS

	2019 (Budget)	2019 (Actual)	2018 (Actual)
ANNUAL OPERATING SURPLUS	\$ 33,255,077	\$ 8,012,268	\$ 9,527,457
OTHER INCOME			
GOVERNMENT TRANSFERS FOR CAPITAL	6,000,000	3,437,176	6,173,827
CONTRIBUTED TANGIBLE CAPITAL ASSETS	-	9,183,065	8,544,334
UNREALIZED FOREIGN EXCHANGE GAIN (LOSS)	-	(270,367)	457,377
OTHER CAPITAL REVENUE	-	789,235	-
DEVELOPER OFF SITE LEVIES	680,000	119,258	29,199
	6,680,000	13,258,367	15,204,737
ANNUAL SURPLUS	\$ 39,935,077	\$ 21,270,635	\$ 24,732,194

SUMMARY

- **COUNTY REMAINS IN GOOD FINANCIAL CONDITION**
 - MODERATE DEBT LEVELS, LOW TAXES, LOW SPENDING

- **AUDIT FINDINGS LETTER TO COUNCIL (see letter)**
 - NO SIGNIFICANT CONTROL DEFICIENCIES
 - NO UNUSUAL ACCOUNTING POLICIES / ESTIMATES
 - NO MATERIAL UNCORRECTED MISSTATEMENTS
 - NO SIGNIFICANT DIFFICULTIES

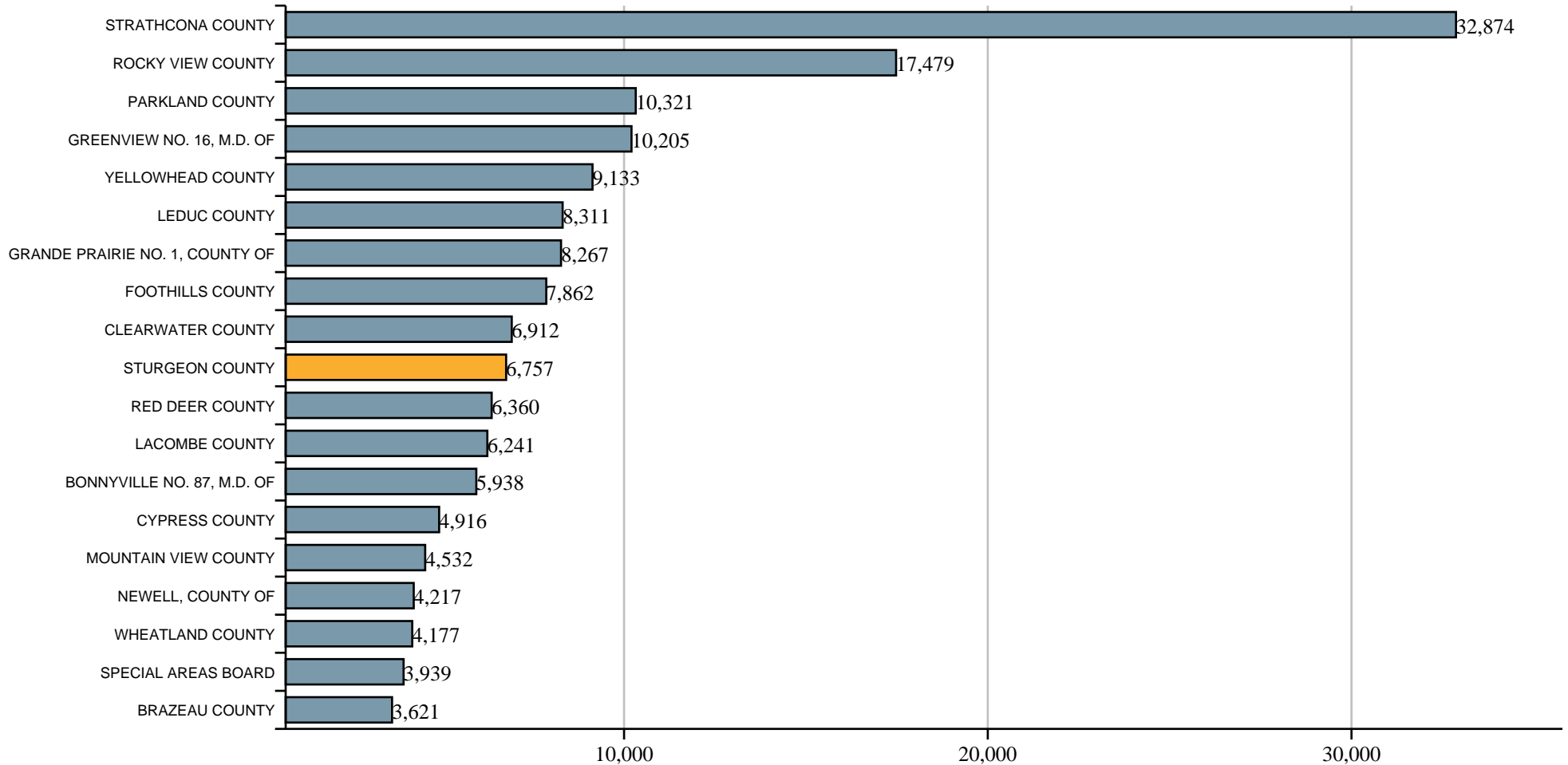
- **THANK YOU TO MANAGEMENT AND STAFF**

- **QUESTIONS?**



Financial Indicator Graphs
STURGEON COUNTY

Total Equalized Assessment (in Millions)



Financial Indicator Graphs

STURGEON COUNTY

Group Population

