



AGENDA
Special Council Meeting - 2020 AUDIT
Monday, August 23, 2021
ZOOM Meeting 1:00 PM

Page

1. CALL TO ORDER

2. APPROVAL OF THE AGENDA

That the agenda for the Special Council Meeting of August 23, 2021, be approved as presented

3. DECLARATION OF CONFLICT OF INTEREST

4. 2020 AUDIT

2 - 26

- 4.1. Joanna Park - Baker Tilly
[2020 Limerick Presentation for Council](#)

5. ADJOURNMENT

Now, for tomorrow



Township of Limerick

**Comparative Analysis
December 31, 2020**

**Council Presentation
August 23, 2021**

Independent Auditor's Report

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Township of Limerick as at December 31, 2020, 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 letters

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

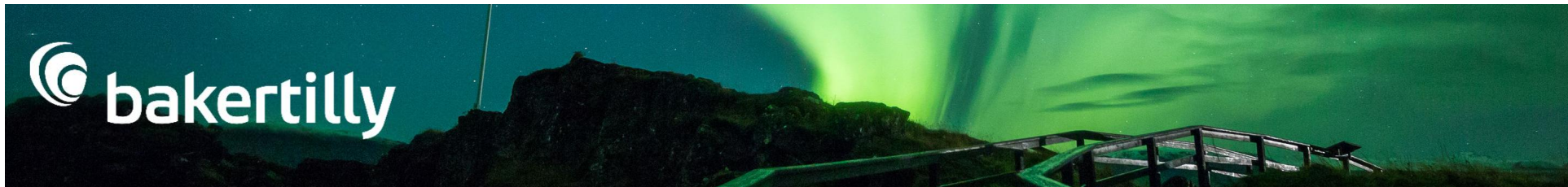
- No changes to initial audit plan
- No disagreements or difficulties with management
- Excellent cooperation from management and staff

Uncorrected audit difference noted:

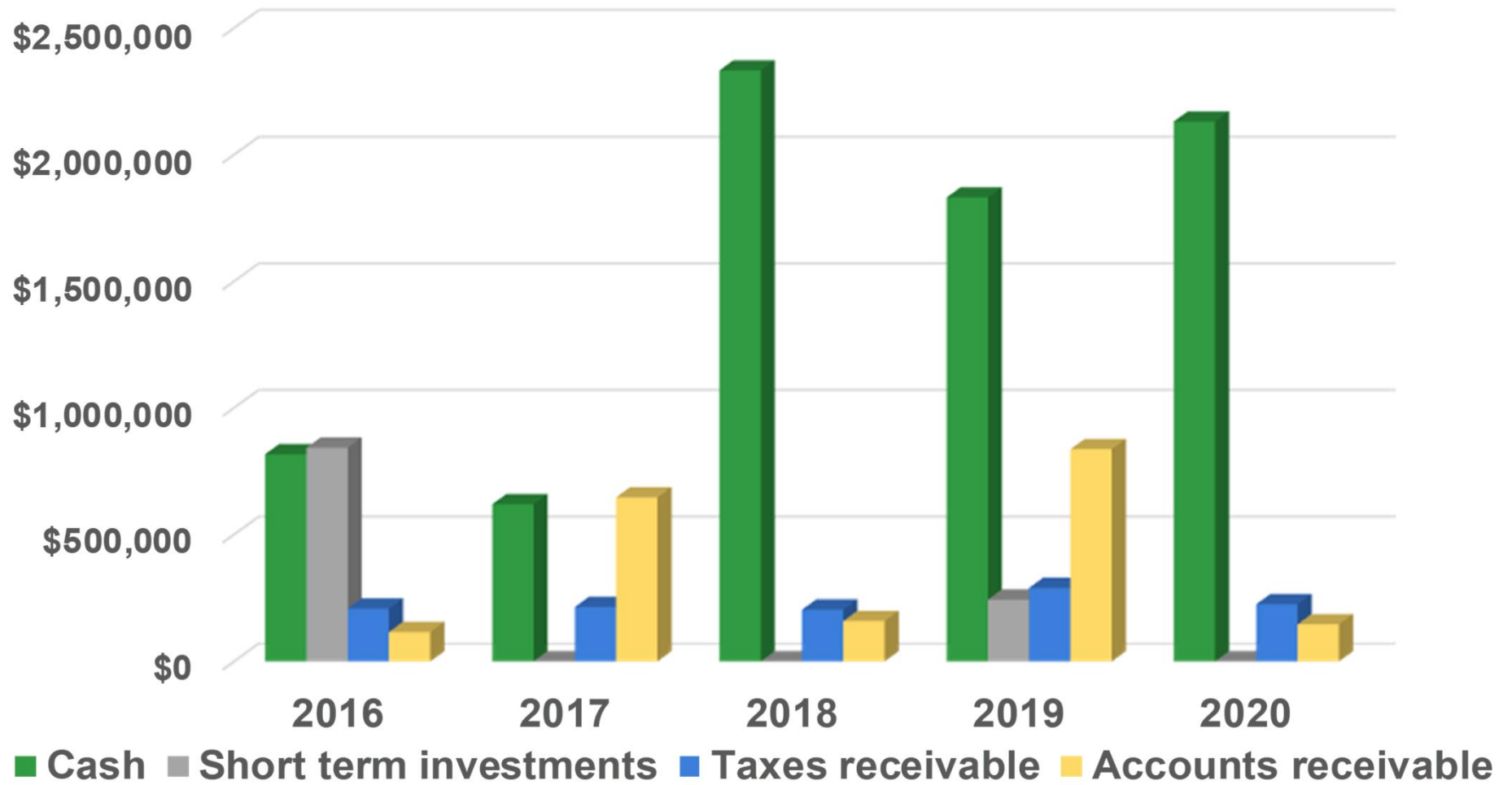
- 2019 expenses recorded in 2020

Financial Assets at December 31st

	2020	2019	2018	2017	2016
Cash	\$ 2,130,499	\$ 1,830,700	\$ 2,332,358	\$ 619,154	\$ 816,523
Short term investments	\$ -	\$ 243,231	\$ -	\$ -	\$ 842,757
Taxes receivable	\$ 225,338	\$ 289,489	\$ 203,803	\$ 214,274	\$ 208,112
Accounts receivable	\$ 146,282	\$ 836,757	\$ 158,900	\$ 646,346	\$ 115,633
	<u>\$ 2,502,119</u>	<u>\$ 3,200,177</u>	<u>\$ 2,695,061</u>	<u>\$ 1,479,774</u>	<u>\$ 1,983,025</u>

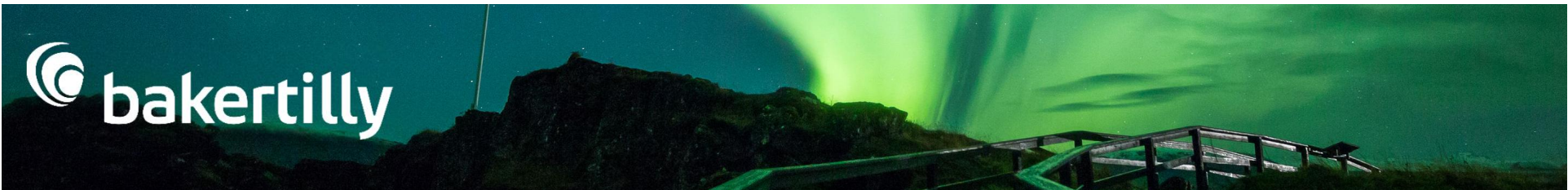


Financial Assets at December 31st

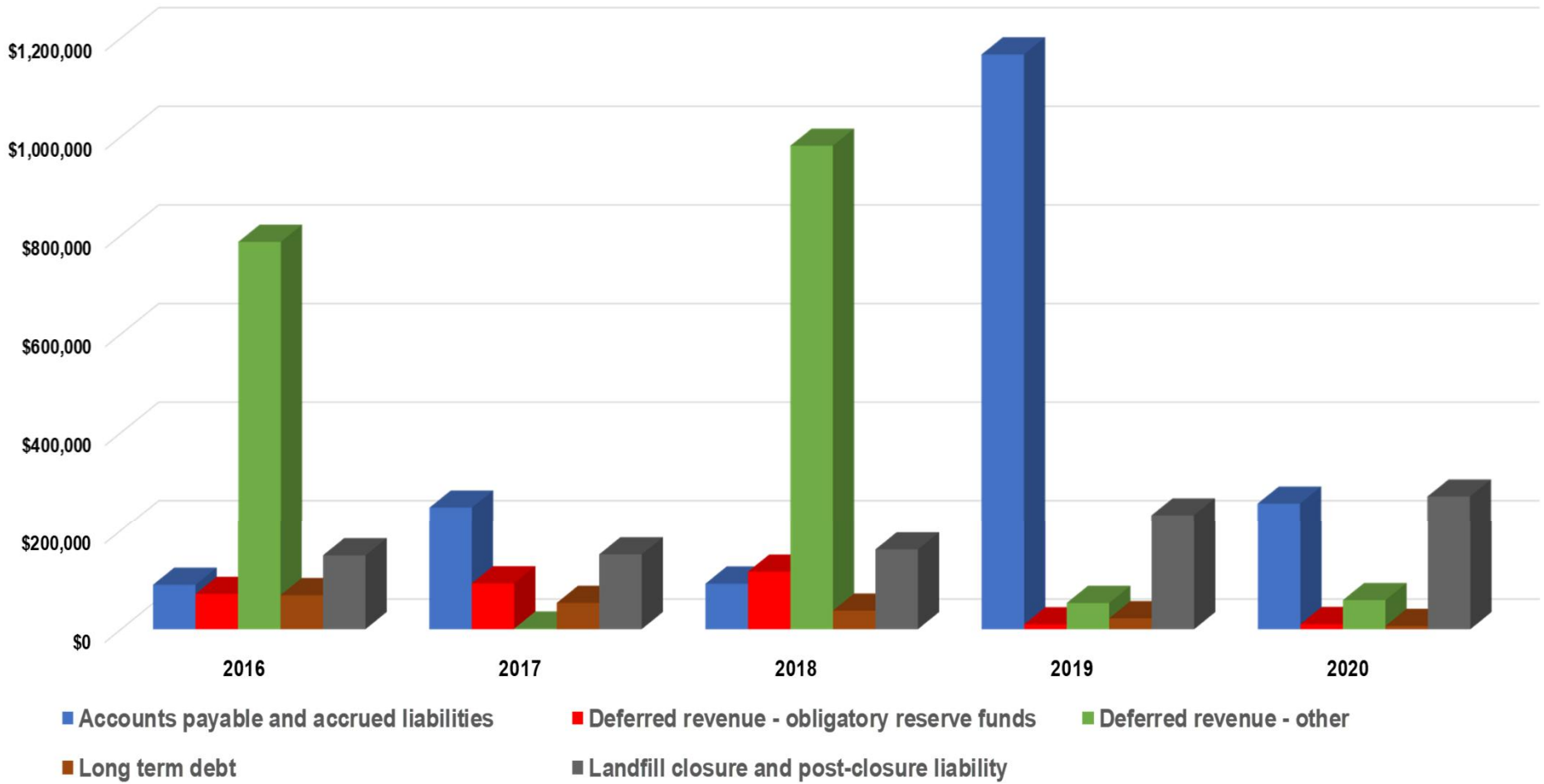


Financial Liabilities as at December 31st

	2020	2019	2018	2017	2016
Accounts payable and accrued liabilities	\$ 254,969	\$ 1,165,802	\$ 91,851	\$ 246,854	\$ 89,535
Deferred revenue - obligatory reserve funds	\$ 10,182	\$ 9,808	\$ 115,905	\$ 92,328	\$ 71,023
Deferred revenue - other	\$ 58,678	\$ 52,843	\$ 980,744	\$ 1,204	\$ 785,862
Long term debt	\$ 6,456	\$ 21,950	\$ 37,444	\$ 52,938	\$ 68,432
Landfill closure and post-closure liability	\$ 269,400	\$ 231,000	\$ 161,000	\$ 151,000	\$ 149,000
	<u>\$ 599,685</u>	<u>\$ 1,481,403</u>	<u>\$ 1,386,944</u>	<u>\$ 544,324</u>	<u>\$ 1,163,852</u>



Financial Liabilities as at December 31st



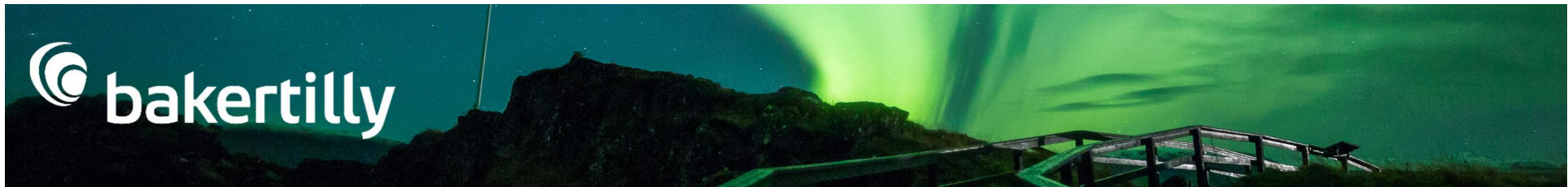
Non-Financial Assets as at December 31st

	2020	2019
Net Financial Assets	\$ 1,902,434	\$ 1,718,774
Non-Financial Assets		
Tangible capital assets	5,648,220	6,188,464
Prepaid expenses	26,771	20,242
	\$ 7,577,425	\$ 7,927,480

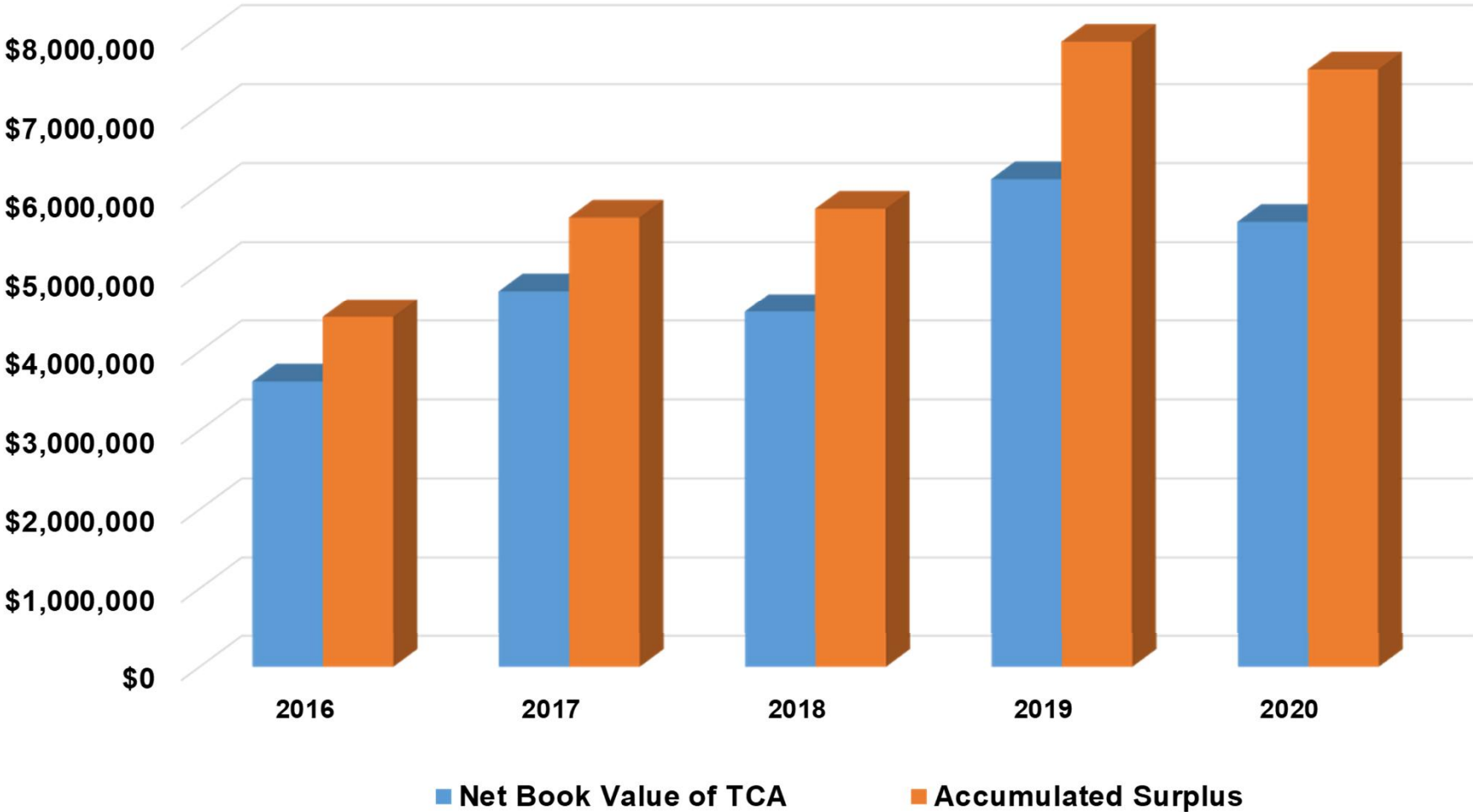


Consolidated Statement of Operations

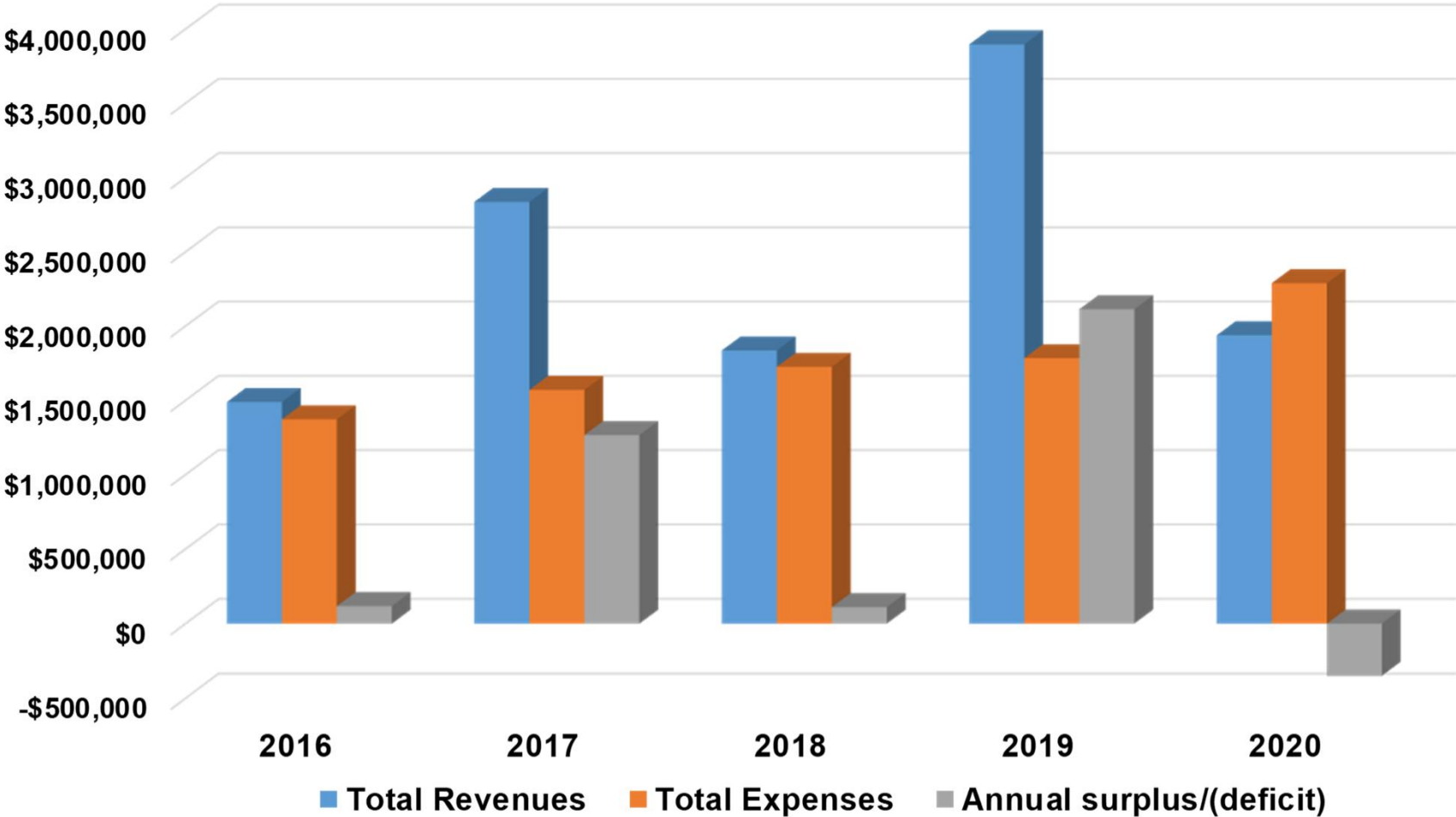
	2020 Budget	2020 Actual	2019 Actual
Total Revenues	\$ 1,760,119	\$ 1,938,273	\$ 3,896,725
Total Expenses	1,994,271	2,288,328	1,783,838
PSAB Annual surplus/(deficit)	<u>(234,152)</u>	<u>(350,055)</u>	<u>2,112,887</u>
Accumulated Surplus - Beginning		<u>7,927,480</u>	<u>5,814,593</u>
Accumulated Surplus - Ending		<u><u>\$ 7,577,425</u></u>	<u><u>\$ 7,927,480</u></u>
Operating Surplus Reconciliation	\$ (234,152)	\$ (350,055)	\$ 2,112,887
Amortization of tangible capital assets	403,652	572,807	403,651
Purchase of tangible capital assets	-	(32,563)	(2,085,639)
Change in Landfill closure liability	-	38,400	70,000
Transfer to reserves and reserve funds	(217,000)	(219,500)	(724,111)
Transfer from reserves and reserve funds	37,500	32,564	-
Principal repayments of long term debt	-	(15,494)	(15,494)
Township surplus	10,000	(26,159)	238,706
	<u>-</u>	<u>-</u>	<u>-</u>



Accumulated Surplus and Tangible Capital Assets

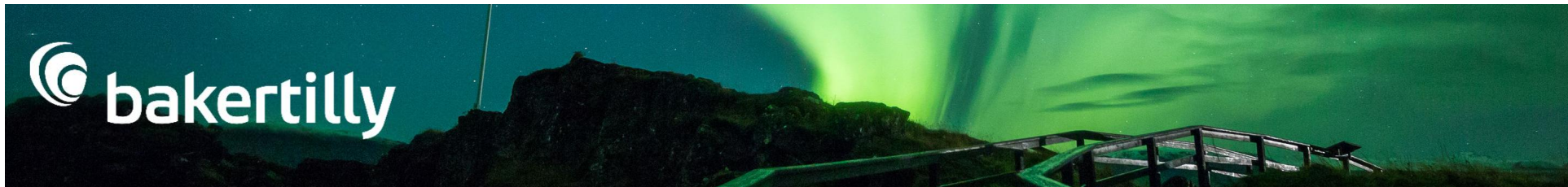


Total Revenues, Expenses, and Annual Surplus

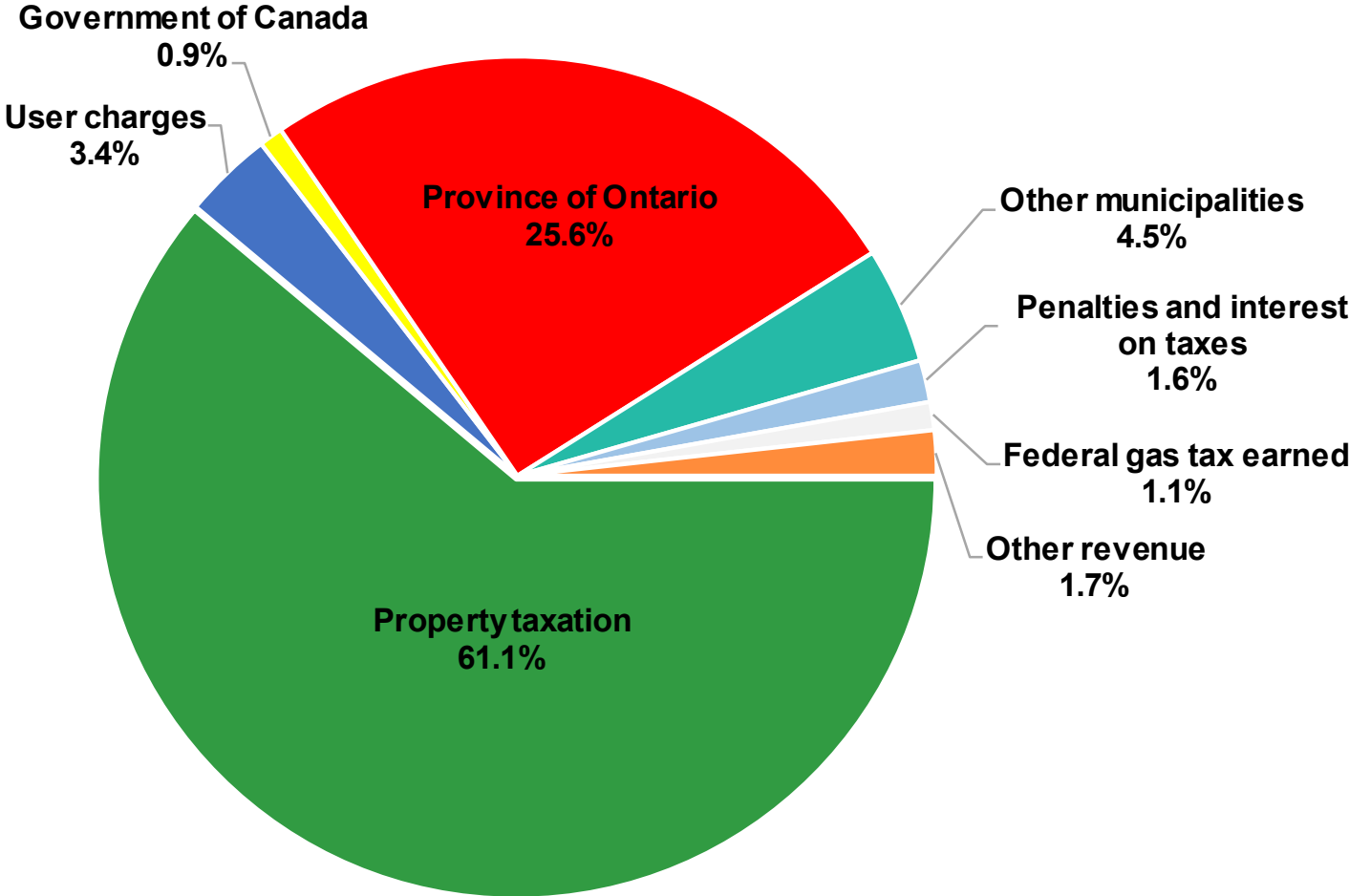


Financial Activities – Revenues

	2020 Budget	2020 Actual	2019 Actual
Property taxation	\$ 1,189,926	\$ 1,183,981	\$ 1,127,451
User charges	37,700	66,718	43,837
Government of Canada	-	18,069	7,514
Province of Ontario	445,500	496,592	2,481,775
Other municipalities	37,000	86,812	8,616
Penalties and interest on taxes	28,000	31,340	31,038
Federal gas tax earned	20,993	20,993	151,075
Other revenue	1,000	33,768	45,419
Total Revenues	\$ 1,760,119	\$ 1,938,273	\$ 3,896,725



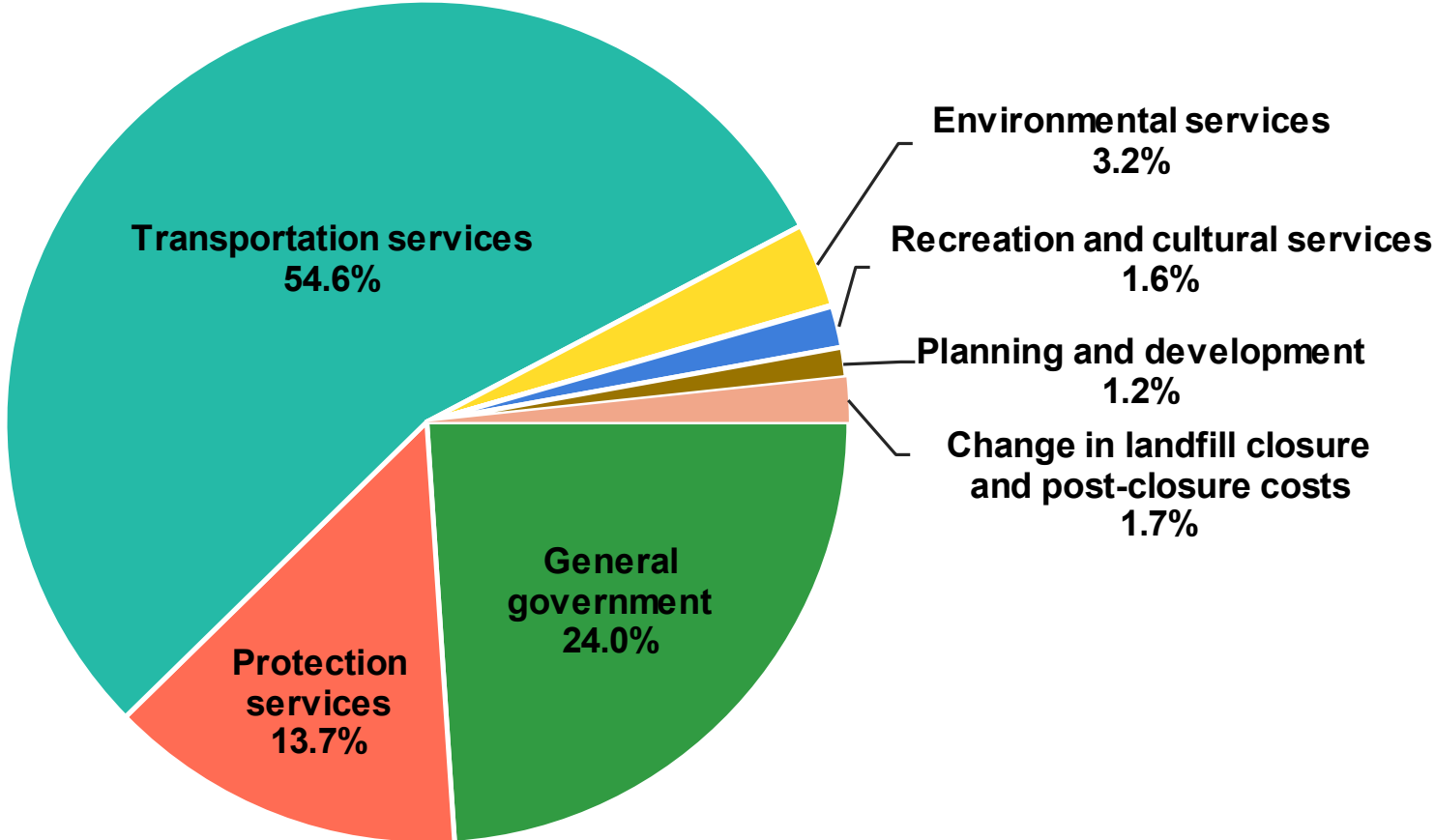
Financial Activities – Revenues



Financial Activities – Expenses

	2020 Budget	2020 Actual	2019 Actual
General government	\$ 492,293	\$ 548,057	\$ 463,473
Protection services	331,060	313,891	276,646
Transportation services	1,060,929	1,250,420	852,848
Environmental services	76,939	73,735	71,265
Health services	500	900	900
Recreation and cultural services	31,850	36,211	43,388
Planning and development	700	26,714	5,318
Change in landfill closure and post-closure costs	-	38,400	70,000
Total Expenses	\$ 1,994,271	\$ 2,288,328	\$ 1,783,838

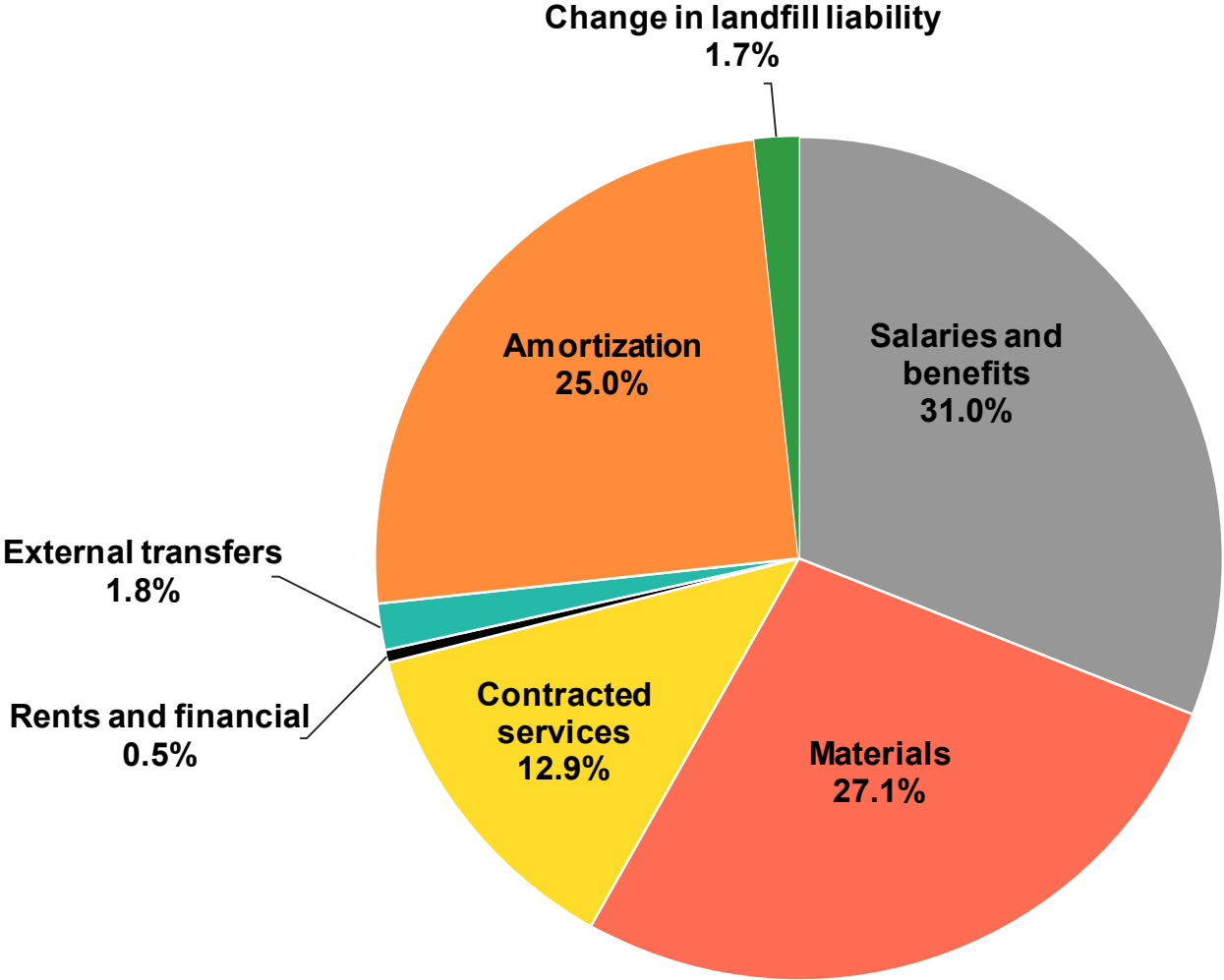
Financial Activities – Expenses



Expenses – Segmented Information

	2020	2020	2019
	Budget	Actual	Actual
Salaries and benefits	\$ 670,952	\$ 709,540	\$ 601,935
Interest charges	-	579	1,183
Materials	619,618	620,688	422,450
Contracted services	252,912	294,660	243,970
Rents and financial	12,500	11,278	11,763
External transfers	34,638	40,376	28,887
Amortization	403,651	572,807	403,651
Change in landfill liability	-	38,400	70,000
Total Expenses	<u>\$ 1,994,271</u>	<u>\$ 2,288,328</u>	<u>\$ 1,783,838</u>

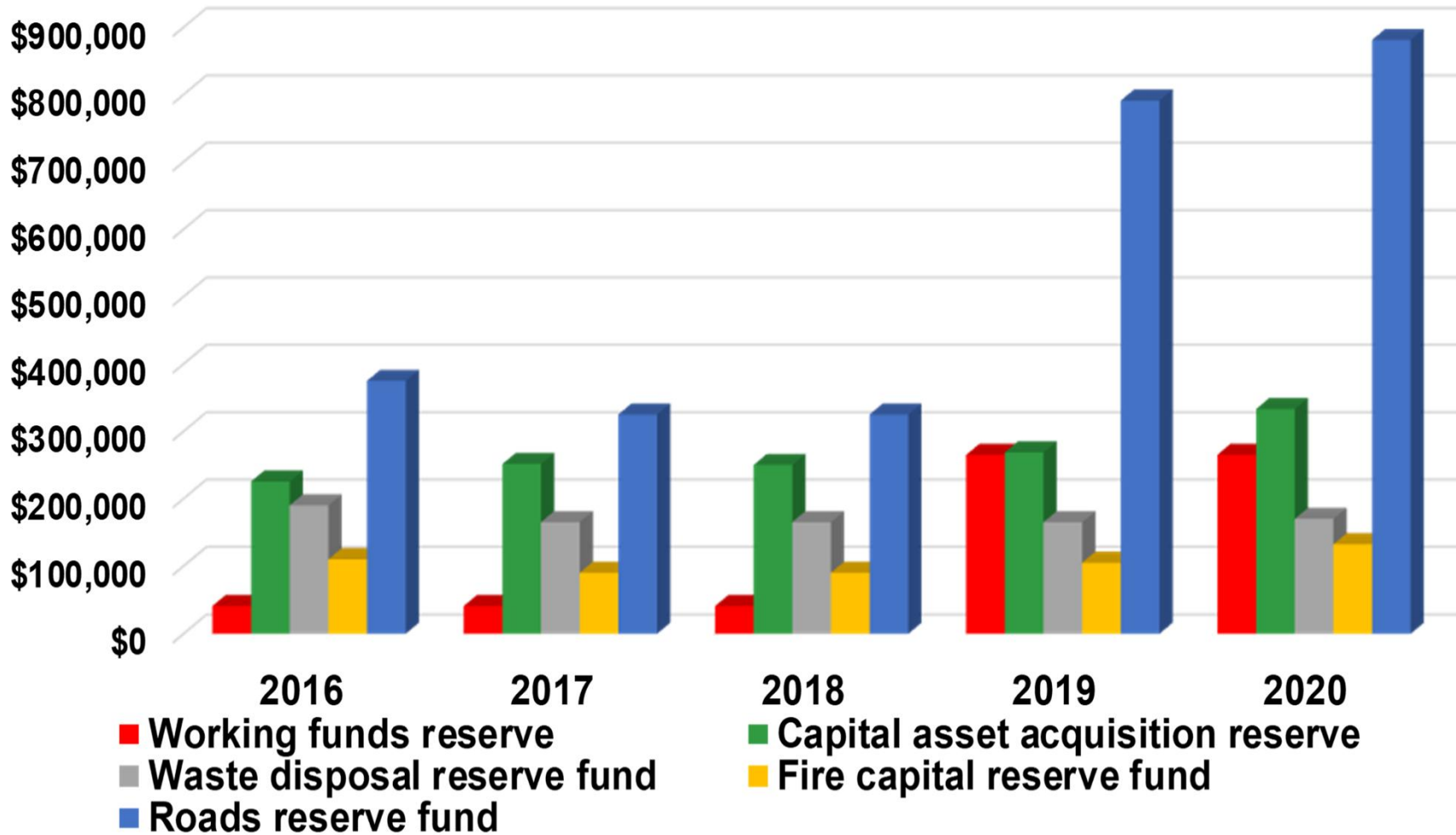
Expenses – Segmented Information



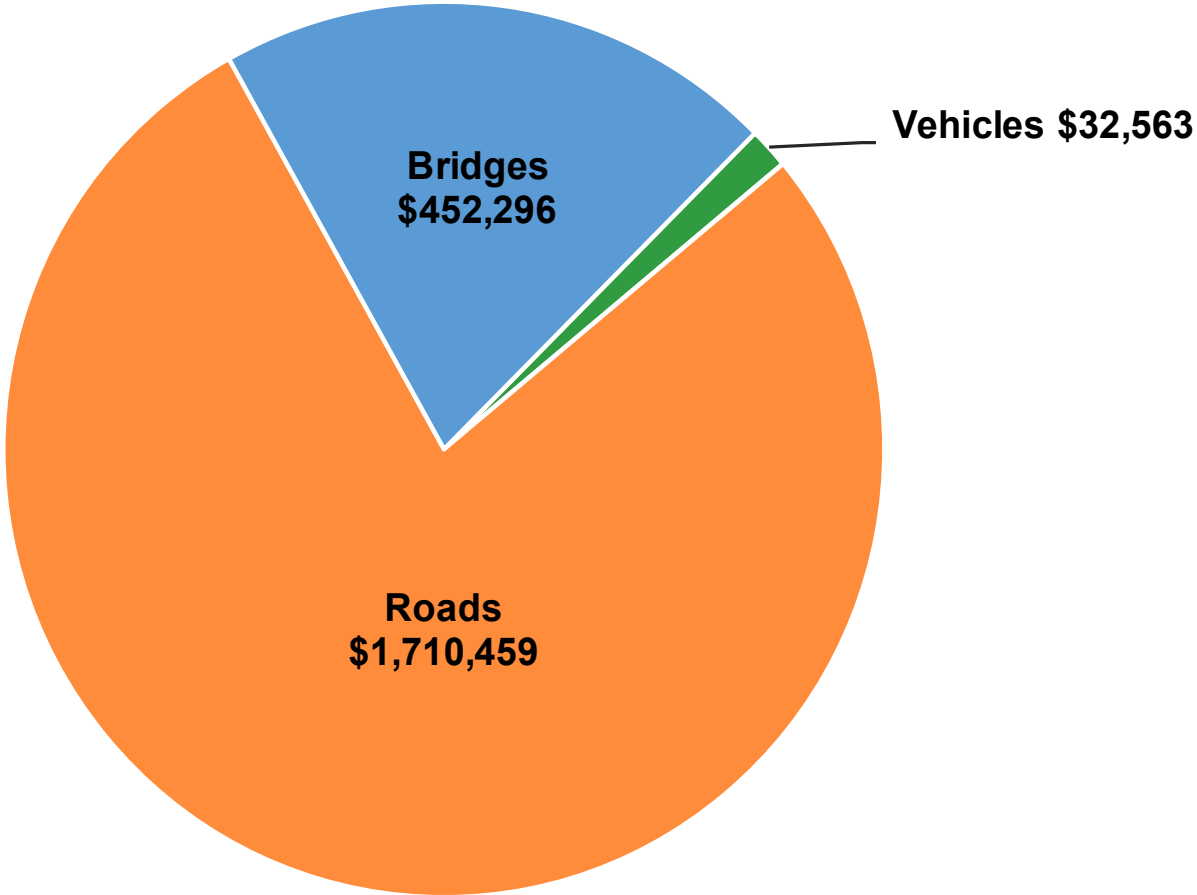
Accumulated Surplus

	2020	2019
Surplus (Deficit)		
Invested in capital assets	\$ 5,641,764	\$ 6,166,514
Unfunded landfill closure and post closure costs	(269,400)	(231,000)
Operations	422,625	396,464
Surplus	<u>\$ 5,794,989</u>	<u>\$ 6,331,978</u>
 Reserves and Reserve Funds		
Working funds reserve	265,205	265,206
Capital asset acquisition reserve	333,331	268,831
Waste disposal reserve fund	170,183	165,183
Fire capital reserve fund	132,506	105,070
Roads reserve fund	881,211	791,212
Reserves and Reserve Funds	<u>\$ 1,782,436</u>	<u>\$ 1,595,502</u>
 Accumulated Surplus	<u>\$ 7,577,425</u>	<u>\$ 7,927,480</u>

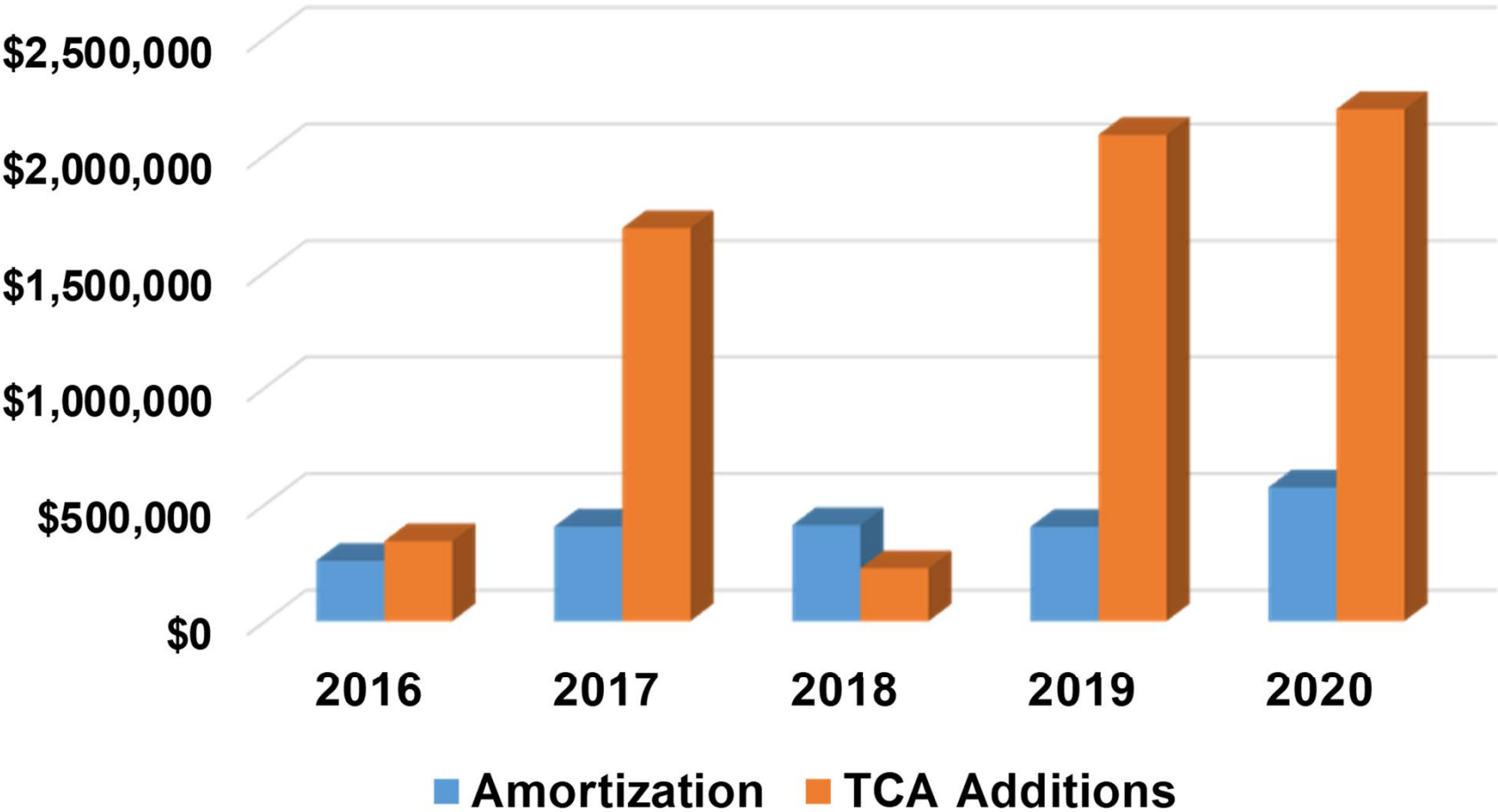
Reserves and Reserve Funds



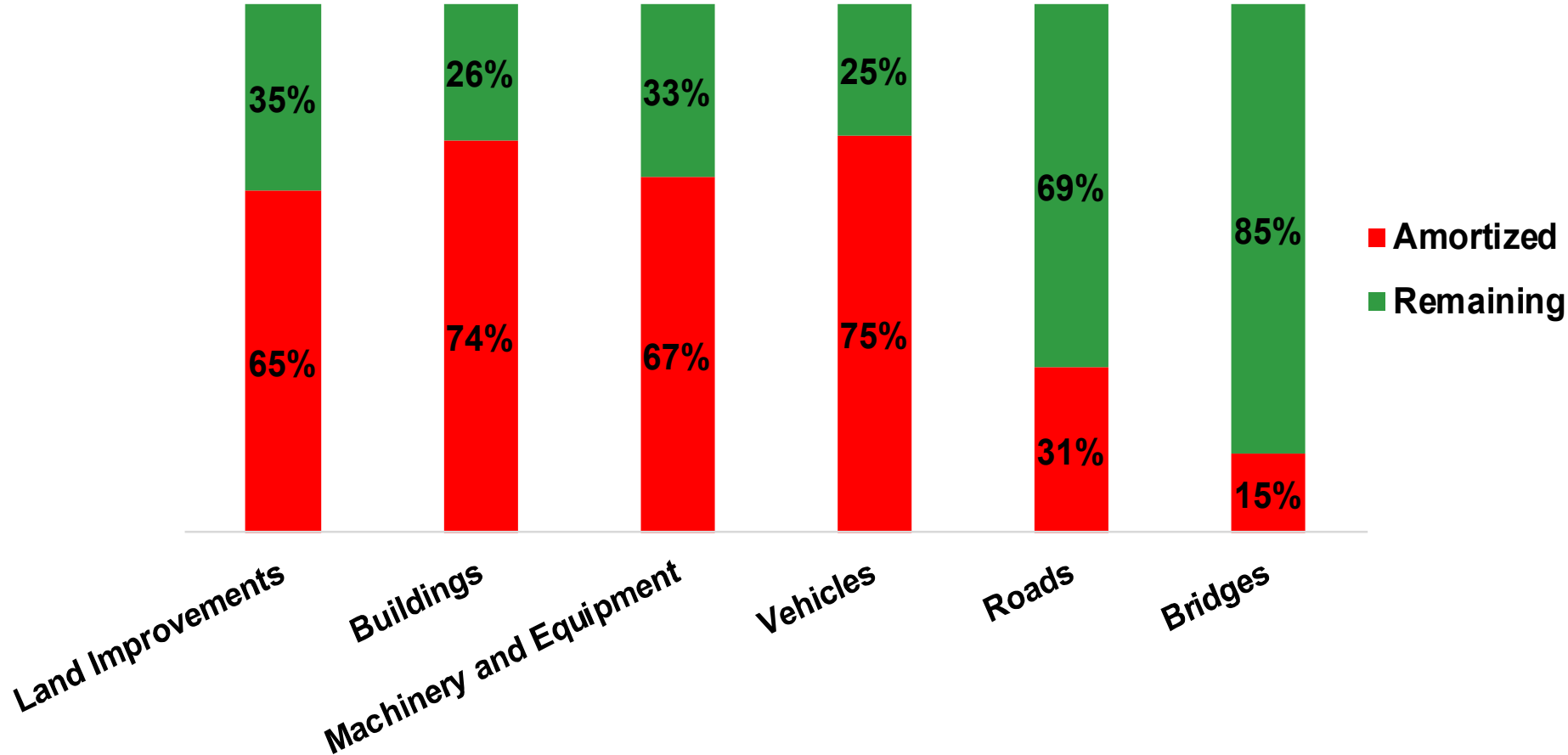
Tangible Capital Assets – Additions



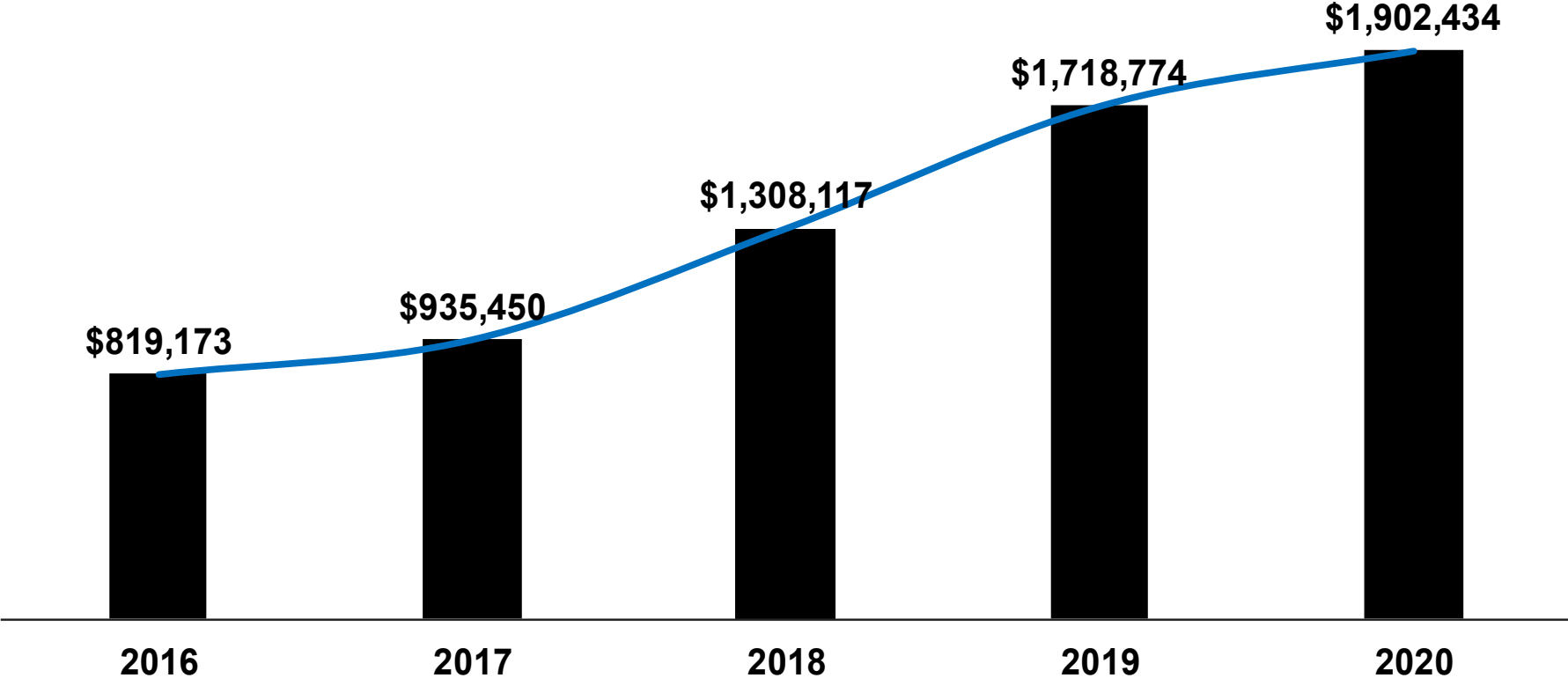
Tangible Capital Asset Additions vs Amortization



Tangible Capital Assets – Average Useful Life



Net Financial Assets – 5 Year Trend





Now, for tomorrow