



Year End Report for
Municipality of Northern Bruce Peninsula
December 31, 2020

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Financial Report 2020

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We have audited the consolidated financial statements of the Municipality of Northern Bruce Peninsula which comprise the consolidated statement of financial position as at December 31, 2020 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 draft report thereon dated June 14, 2021.

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.

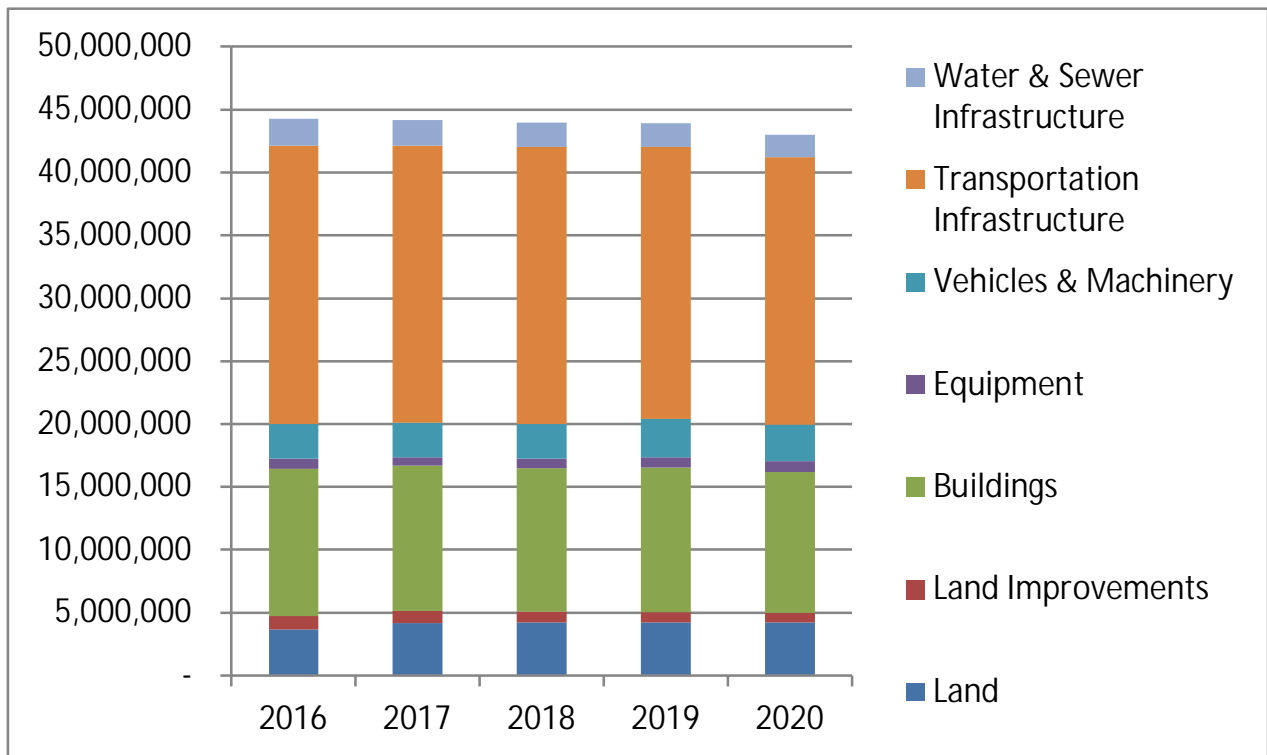
The year-end report is prepared to provide Council with more detailed financial information and graphical analysis of the consolidated financial statements. As a result, the year-end report may not be suitable for other purposes. Our year-end report is intended solely for the use of Council and should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

WHERE ARE YOU TODAY?

	2020	2019	2018	2017	2016
Cash	\$ 12,135,150	\$ 9,476,069	\$ 6,657,187	\$ 5,086,552	\$ 3,698,715
Investments	652,378	639,084	1,144,623	1,125,618	1,613,639
	<u>12,787,528</u>	<u>10,115,153</u>	<u>7,801,810</u>	<u>6,212,170</u>	<u>5,312,354</u>
Long-term debt					
Ontario Strategic Infrastructure Financing Authority (Lion's Head Water System)	650,858	734,222	813,694	889,454	961,676
Tile drainage loans	5,012	6,497	7,898	9,220	10,467
	<u>655,870</u>	<u>740,719</u>	<u>821,592</u>	<u>898,674</u>	<u>972,143</u>
Net financial assets	<u>11,811,380</u>	<u>9,479,808</u>	<u>7,331,864</u>	<u>5,876,850</u>	<u>5,009,827</u>
Accumulated surplus					
Tangible capital assets at cost less amortization	43,093,382	43,917,642	43,940,052	44,150,821	44,048,009
Capital assets financed by long-term liabilities and to be funded in future years	(650,858)	(734,222)	(813,694)	(889,454)	(961,676)
Total invested in capital assets	<u>42,442,524</u>	<u>43,183,420</u>	<u>43,126,358</u>	<u>43,261,367</u>	<u>43,086,333</u>
Unfunded post-employment benefits	(157,100)	(160,500)	(164,500)	(165,065)	(172,410)
Unfunded WSIB future benefit liability	(28,800)	(48,900)	(71,600)	(93,300)	(205,706)
Unfunded solid waste closure and post closure costs	(236,004)	(222,882)	(213,000)	(178,325)	(310,931)
	<u>42,020,620</u>	<u>42,751,138</u>	<u>42,677,258</u>	<u>42,824,677</u>	<u>42,397,286</u>
Reserves and discretionary reserve funds	13,043,018	10,774,952	8,684,589	7,303,413	6,845,235
	<u>\$ 55,063,638</u>	<u>\$ 53,526,090</u>	<u>\$ 51,361,847</u>	<u>\$ 50,128,090</u>	<u>\$ 49,242,521</u>

TANGIBLE CAPITAL ASSETS

	2020	2019	2018	2017	2016
Tangible capital assets					
Beginning of year	\$ 43,917,642	\$ 43,940,052	\$ 44,150,821	\$ 44,048,009	\$ 44,418,020
Purchases	1,662,731	2,417,413	2,223,100	2,465,251	1,836,918
Disposals	(17,839)	(14,425)	(29,271)	(44,774)	(2,304)
Amortization	(2,469,152)	(2,425,398)	(2,404,598)	(2,317,665)	(2,204,625)
End of year	\$ 43,093,382	\$ 43,917,642	\$ 43,940,052	\$ 44,150,821	\$ 44,048,009

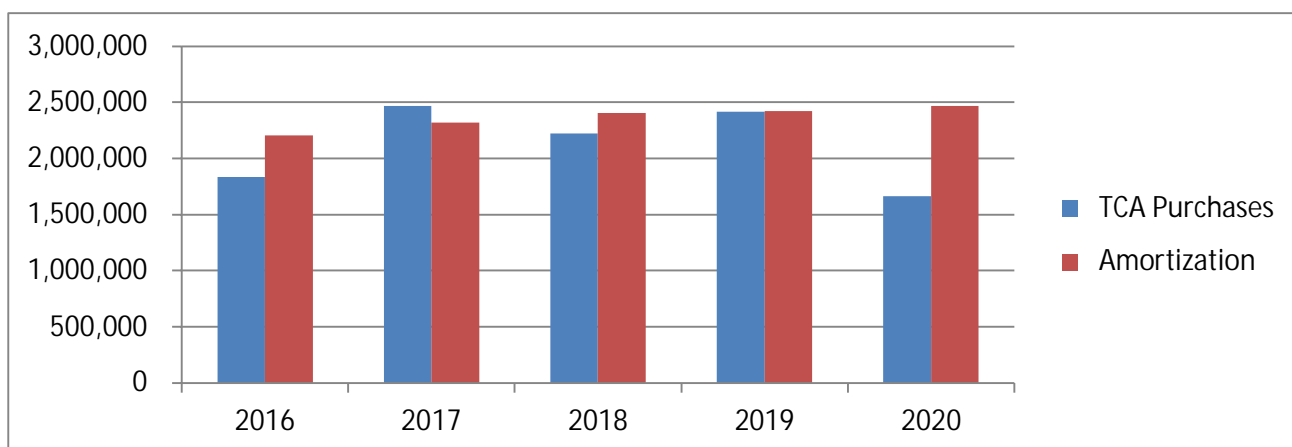


TANGIBLE CAPITAL ASSETS

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

Aged TCA	2020	2019	2018	2017	2016
	50%	52%	53%	55%	56%



Long-term Debt Sustainability Ratio

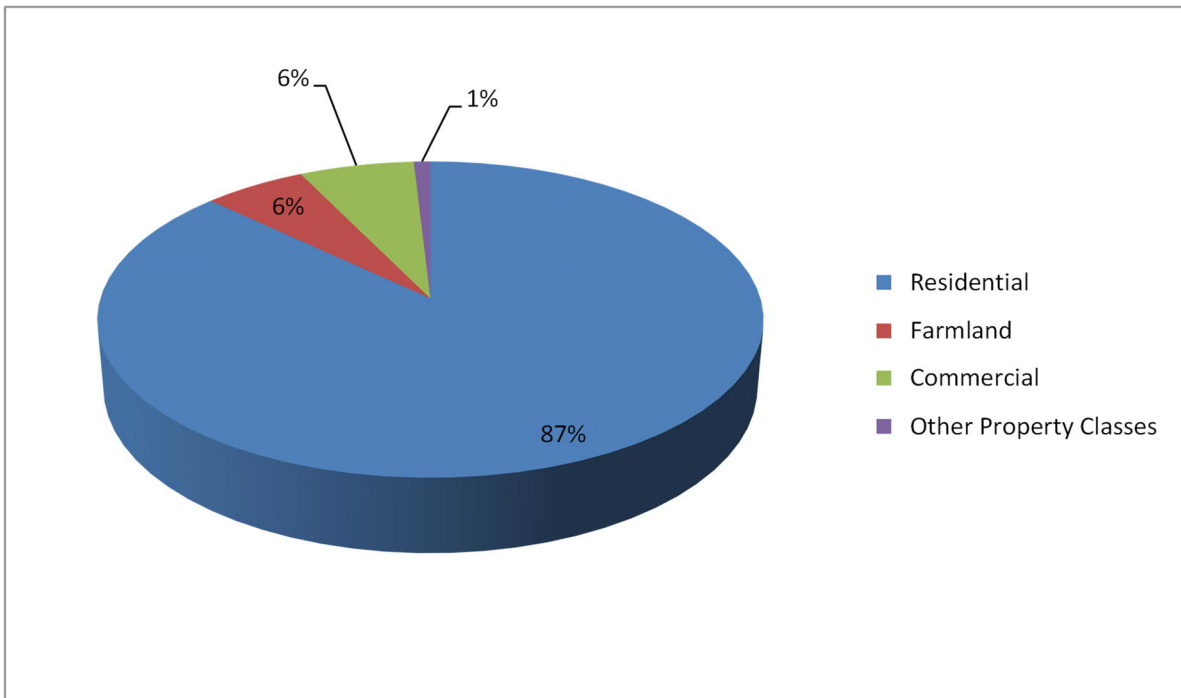
$\frac{\text{Long-term Debt}}{\text{Tangible Capital Assets}}$

2020	2019	2018	2017	2016
1.51%	1.67%	1.85%	2.01%	2.18%

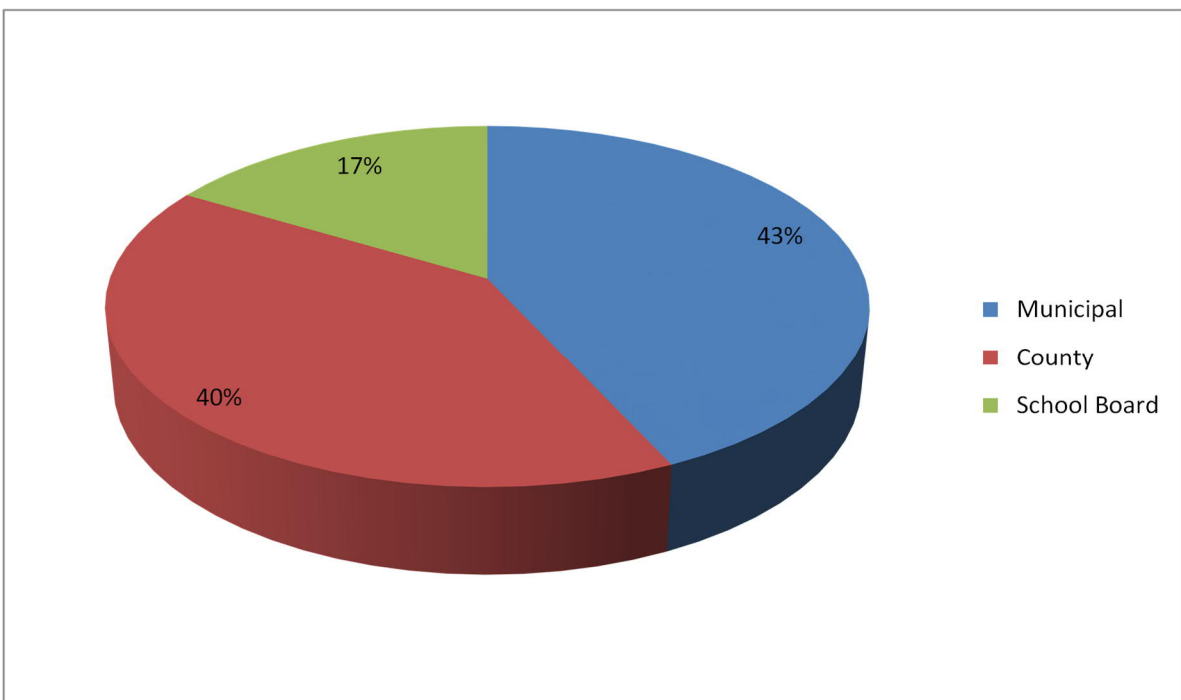
TAXATION

	2020	% Change	2019	% Change	2018	% Change	2017	% Change	2016	% Change
Residential Tax Rate										
Municipal	0.396131%	2.3%	0.387396%	1.8%	0.380656%	2.4%	0.371566%	4.9%	0.354201%	-1.5%
County	0.398701%	2.3%	0.389693%	0.7%	0.386942%	-0.2%	0.387743%	3.5%	0.374629%	-1.1%
School Board	0.153000%	-5.0%	0.161000%	-5.3%	0.170000%	-5.0%	0.179000%	-4.8%	0.188000%	-3.6%
	<u>0.947832%</u>	<u>1.0%</u>	<u>0.938089%</u>	<u>0.1%</u>	<u>0.937598%</u>	<u>-0.1%</u>	<u>0.938309%</u>	<u>2.3%</u>	<u>0.916830%</u>	<u>-1.8%</u>
Assessments (Including Payments-In-Lieu)										
Residential	1,529,356,221	2.2%	1,496,265,074	2.9%	1,454,037,660	2.1%	1,423,499,526	-2.0%	1,452,357,113	5.6%
Multi-Residential	6,901,200	2.3%	6,746,650	2.3%	6,592,100	2.4%	6,437,550	23.7%	5,203,000	5.5%
Farmland	100,168,400	13.0%	88,624,069	14.5%	77,389,566	17.3%	65,968,300	17.8%	55,977,600	12.9%
Managed Forests	5,762,700	8.1%	5,332,356	27.1%	4,196,972	0.4%	4,178,673	3.2%	4,049,130	-32.1%
Commercial	111,846,501	5.6%	105,915,732	5.5%	100,382,504	5.4%	95,232,990	2.4%	92,999,026	6.4%
Industrial	3,063,800	-9.8%	3,396,856	8.9%	3,120,544	11.0%	2,812,101	2.3%	2,749,418	2.5%
Landfill	371,700	-19.9%	464,041	59.5%	290,850	16.1%	250,425	-	-	-
	<u>1,757,470,522</u>	<u>3.0%</u>	<u>1,706,744,778</u>	<u>3.7%</u>	<u>1,646,010,196</u>	<u>3.0%</u>	<u>1,598,379,565</u>	<u>-0.9%</u>	<u>1,613,335,287</u>	<u>5.7%</u>
Tax Levies										
Municipal	7,242,618	4.0%	6,966,710	5.3%	6,613,120	5.8%	6,253,493	3.3%	6,051,611	4.6%
County	6,783,853	4.0%	6,521,793	3.5%	6,300,440	3.6%	6,078,783	2.0%	5,959,722	4.3%
School Board	2,766,477	-3.0%	2,851,844	-3.2%	2,945,819	-1.4%	2,986,752	-5.7%	3,166,915	0.6%
	<u>16,792,948</u>	<u>2.8%</u>	<u>16,340,347</u>	<u>3.0%</u>	<u>15,859,379</u>	<u>3.5%</u>	<u>15,319,028</u>	<u>0.9%</u>	<u>15,178,248</u>	<u>3.6%</u>
Tax Arrears										
Current	168,822		258,084		241,392		258,663		383,188	
Previous	223,153		265,160		274,013		277,133		328,924	
Prior	324,920		475,357		424,654		412,426		445,149	
Interest	165,561		332,302		297,563		296,601		294,639	
Allowance for doubtful accounts	(39,852)		(121,222)		(111,396)		(104,208)		(92,340)	
	<u>842,604</u>		<u>1,209,681</u>		<u>1,126,226</u>		<u>1,140,615</u>		<u>1,359,560</u>	
Collection % of										
Current year Taxes	<u>99.0%</u>		<u>98.4%</u>		<u>98.5%</u>		<u>98.3%</u>		<u>97.5%</u>	
Tax Arrears as % of										
Total Levy	<u>5.02%</u>		<u>7.40%</u>		<u>7.10%</u>		<u>7.45%</u>		<u>8.96%</u>	

ASSESSMENT



TAX LEVY



TAXATION

Net Municipal Levy Per Households

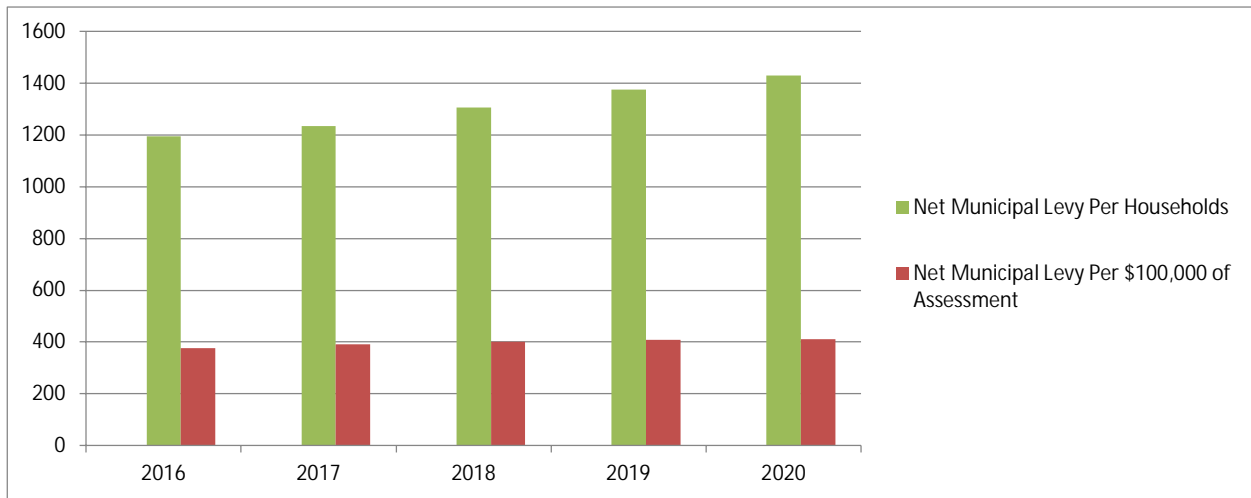
Net Municipal Levy Municipal Households

	2020	2019	2018	2017	2016
Net Municipal Levy (per Financial Statements)	\$7,242,618	\$6,966,710	\$6,613,120	\$6,253,493	\$6,051,611
Municipal Households	5,069	5,069	5,069	5,069	5,069
Net Municipal Levy Per Households	\$1,429	\$1,374	\$1,305	\$1,234	\$1,194

Net Municipal Levy Per \$100,000 of Assessment

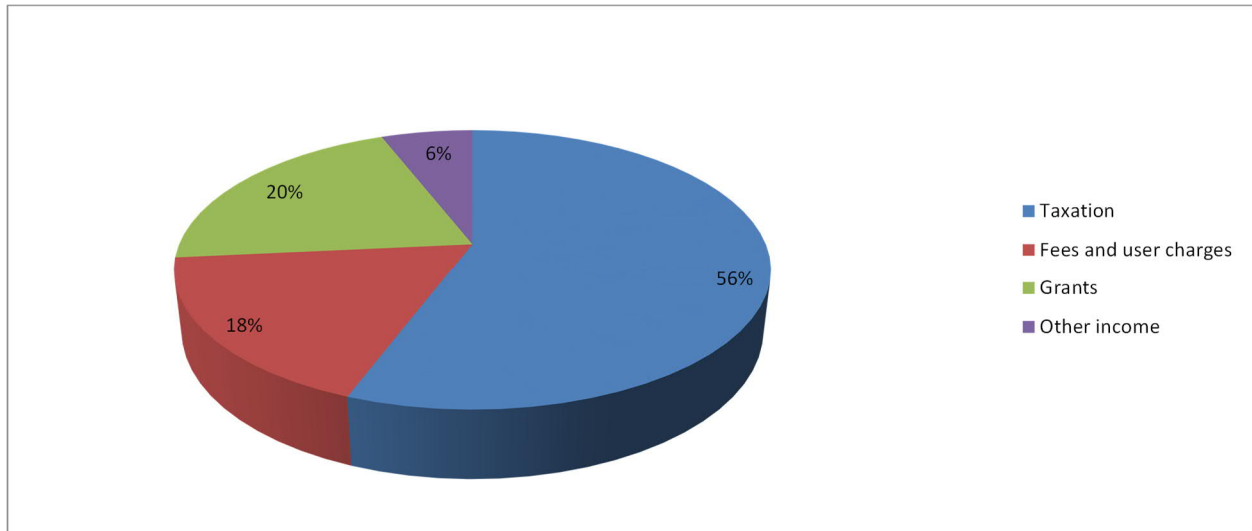
Net Municipal Levy x \$100,000 Assessment

	2020	2019	2018	2017	2016
Net Municipal Levy (per Financial Statements)	\$7,242,618	\$6,966,710	\$6,613,120	\$6,253,493	\$6,051,611
Assessment	1,757,470,522	1,706,744,778	1,646,010,196	1,598,379,565	1,613,335,287
Net Municipal Levy Per \$100,000 of Assessment	\$412	\$408	\$402	\$391	\$375



2020 TOTAL REVENUE

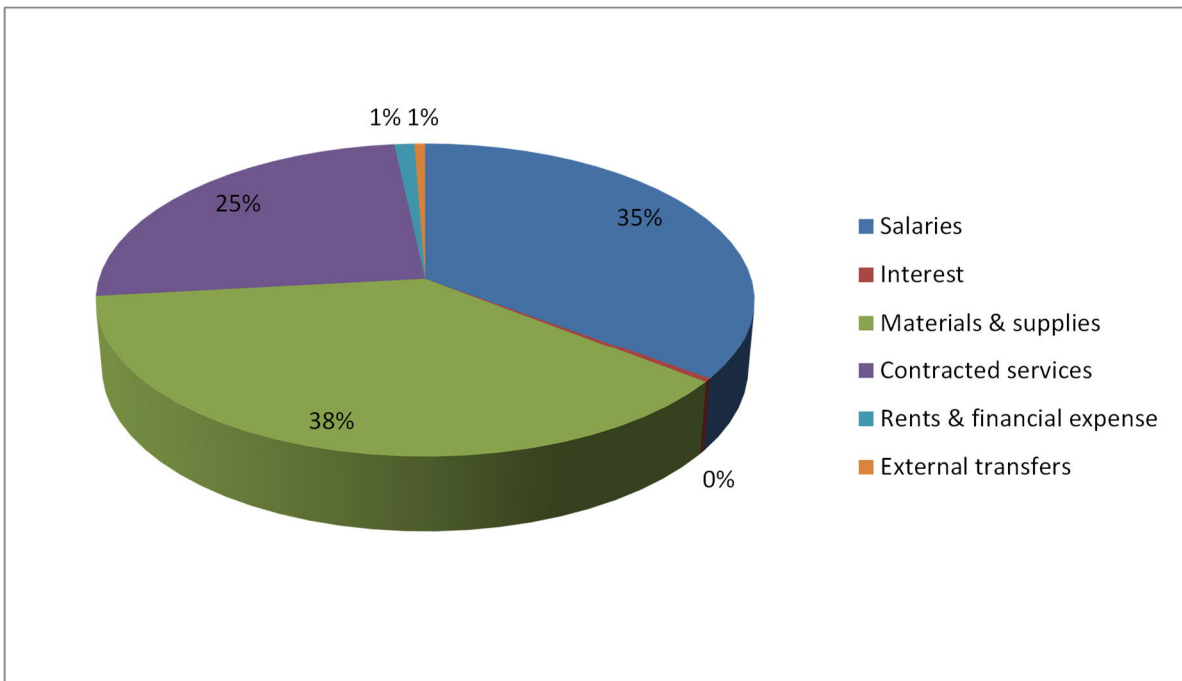
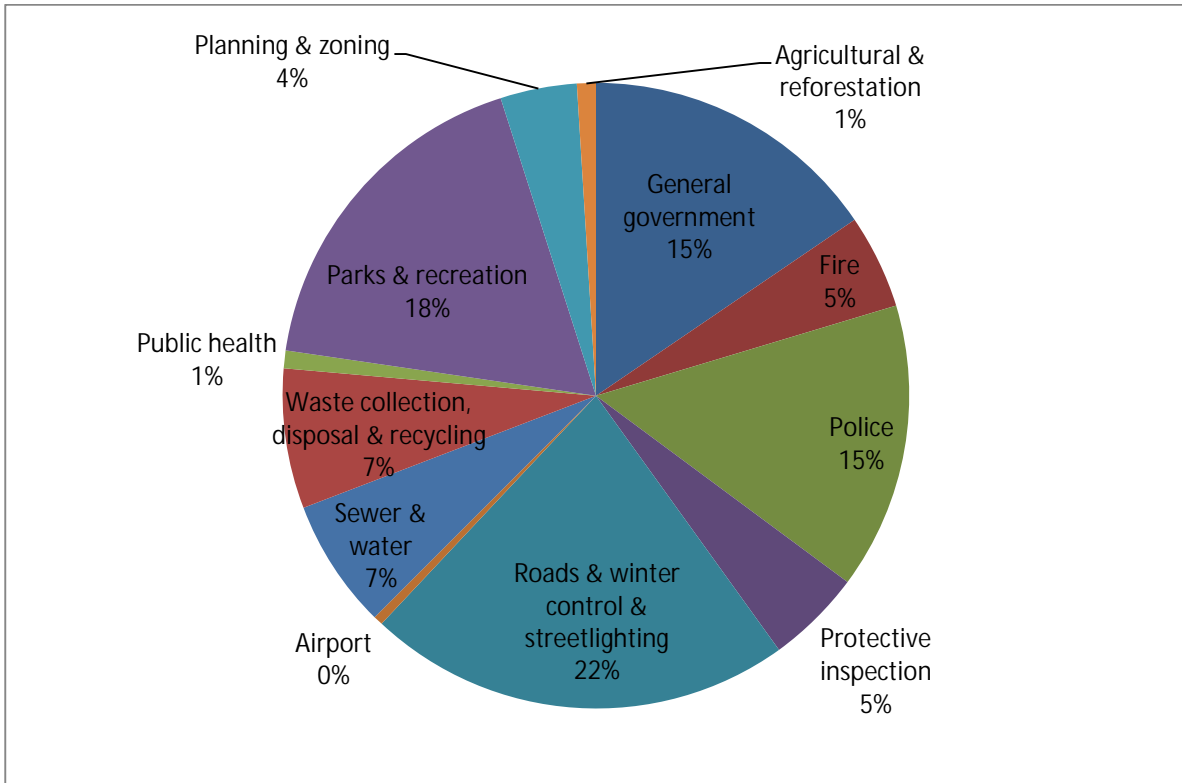
	Budget	2020	2019	2018	2017	2016
Taxation	\$ 7,233,077	\$ 7,242,618	\$ 6,966,710	\$ 6,613,120	\$ 6,253,493	\$ 6,051,611
Fees and user charges	2,309,283	2,303,869	2,350,409	2,366,936	2,241,621	2,066,544
Government transfers	2,226,426	2,681,278	2,852,387	2,046,921	1,904,935	1,527,011
Other income	833,940	769,555	1,036,078	1,116,639	1,083,974	1,058,797
	\$ 12,602,726	\$ 12,997,320	\$ 13,205,584	\$ 12,143,616	\$ 11,484,023	\$ 10,703,963



FOUR YEAR COMPARISON OF OPERATING EXPENSES (excluding amortization and unfunded post-employment benefits and landfill closure and post-closure costs)

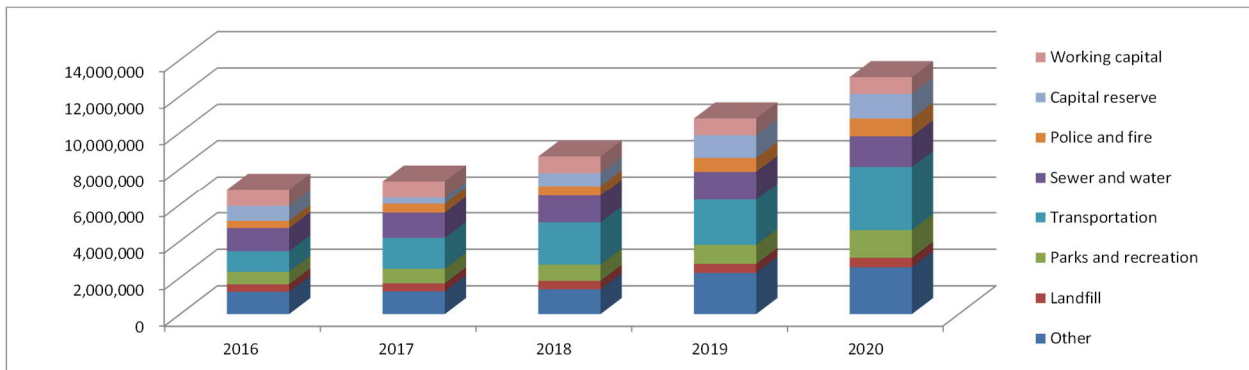
	Budget	2020	2019	2018	2017
Council	\$ 126,800	\$ 100,790	\$ 122,976	\$ 89,730	\$ 94,315
General government	1,278,500	1,292,367	1,207,632	1,279,214	1,253,118
Fire	481,100	438,496	416,898	435,008	421,785
Police	1,345,249	1,332,513	1,336,456	1,318,654	1,325,520
Protective inspection	424,800	428,344	395,071	325,558	344,911
Emergency measures	21,500	15,047	16,635	17,414	25,948
Roads & winter control & streetlighting	2,131,800	1,971,401	1,878,817	1,880,698	1,923,373
Airport	60,300	43,296	40,991	52,141	56,521
Sewer & water	695,750	604,428	623,145	609,741	598,842
Waste collection, disposal & recycling	640,400	649,810	512,556	515,032	566,309
Cemeteries	55,550	49,833	51,141	44,003	55,137
Other health services	23,500	32,473	41,038	30,332	42,808
Parks & recreation	1,731,450	755,698	819,939	1,654,316	1,538,026
Other cultural	50,400	844,886	818,359	41,666	48,964
Planning & zoning	512,662	354,600	283,687	157,374	205,152
Agricultural & reforestation	58,000	86,625	66,949	41,417	31,789
Tile drainage	-	390	474	553	628
Total	9,637,761	9,000,997	8,632,764	8,492,851	8,533,146
Salaries	3,266,800	3,171,013	3,069,228	3,035,222	2,911,914
Interest	58,250	33,404	37,452	41,311	44,988
Materials & supplies	3,832,762	3,388,801	3,136,668	3,104,781	3,265,981
Contracted services	2,293,749	2,252,871	2,198,898	2,137,417	2,159,592
Rents & financial expense	115,850	100,733	114,148	115,886	104,078
External transfers	70,350	54,175	76,370	58,234	46,593
	\$ 9,637,761	\$ 9,000,997	\$ 8,632,764	\$ 8,492,851	\$ 8,533,146

2020 OPERATING EXPENSES BY OBJECT



WHAT DO YOU HAVE FOR THE FUTURE?

	2020	2019	2018	2017	2016
Obligatory Reserve Funds					
Gas tax	\$ 133,870	\$ 131,558	\$ 5,985	\$ 5,726	\$ 2,246
Recreational land	58,708	49,500	48,575	38,699	37,326
Main Street Revitalization	0	32,093	41,188	0	0
	192,578	213,151	95,748	44,425	39,572
Reserves and discretionary reserve funds					
Working capital	921,165	921,165	921,165	921,165	921,165
Capital reserve	1,350,678	1,247,161	724,777	332,226	820,467
Transportation	3,505,278	2,489,915	2,315,466	1,690,743	1,129,018
Sewer and water	1,690,265	1,556,394	1,477,140	1,385,915	1,265,673
Police and fire	977,511	773,025	538,443	494,948	398,706
Landfill	520,074	494,579	465,466	438,095	412,298
Parks and recreation	1,518,426	1,040,804	885,905	796,279	678,057
Other	2,559,621	2,251,909	1,356,227	1,244,042	1,219,851
	\$ 13,043,018	\$ 10,774,952	\$ 8,684,589	\$ 7,303,413	\$ 6,845,235



	2020	2019	2018	2017	2016
Reserves as a % of Total Expenses	113.82%	94.02%	75.78%	69.28%	67.28%
Reserves as a % of Taxation	180.09%	154.66%	131.32%	116.79%	113.11%