

THE MUNICIPALITY OF LAMBTON SHORES



Draft audited Consolidated Financial Statements
for the year ended December 31, 2017



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AGENDA

- Independent Auditor's Report
- Financial statement highlights
- Other mentionable highlights
- Other Financial Statements (BIA and Trust funds)
- Final Report to Those Charged With Governance



Independent Auditor's Report

- Management's Responsibility for the Consolidated Financial Statements
- Auditor's Responsibility
- Opinion



FINANCIAL STATEMENTS HIGHLIGHTS

- Consolidated Statement of Financial Position
 - Financial Assets
 - Financial Liabilities
 - *Long-term debt*

- Consolidated Statement of Operations
 - Revenues
 - Expenses

FINANCIAL ASSETS

(in thousands)

	2017	2016	2015
Cash & cash equ.	\$19,112	\$13,222	\$8,181
Taxes receivable	1,617	2,078	2,070
Accounts receivable	4,074	3,356	4,156
Portfolio investments	1,018	813	513
Inventory for resale	63	71	50
Due from trust funds	5	3	4
Long-term receivables	2,373	2,925	3,108
TOTAL	\$28,262	\$22,468	\$18,082



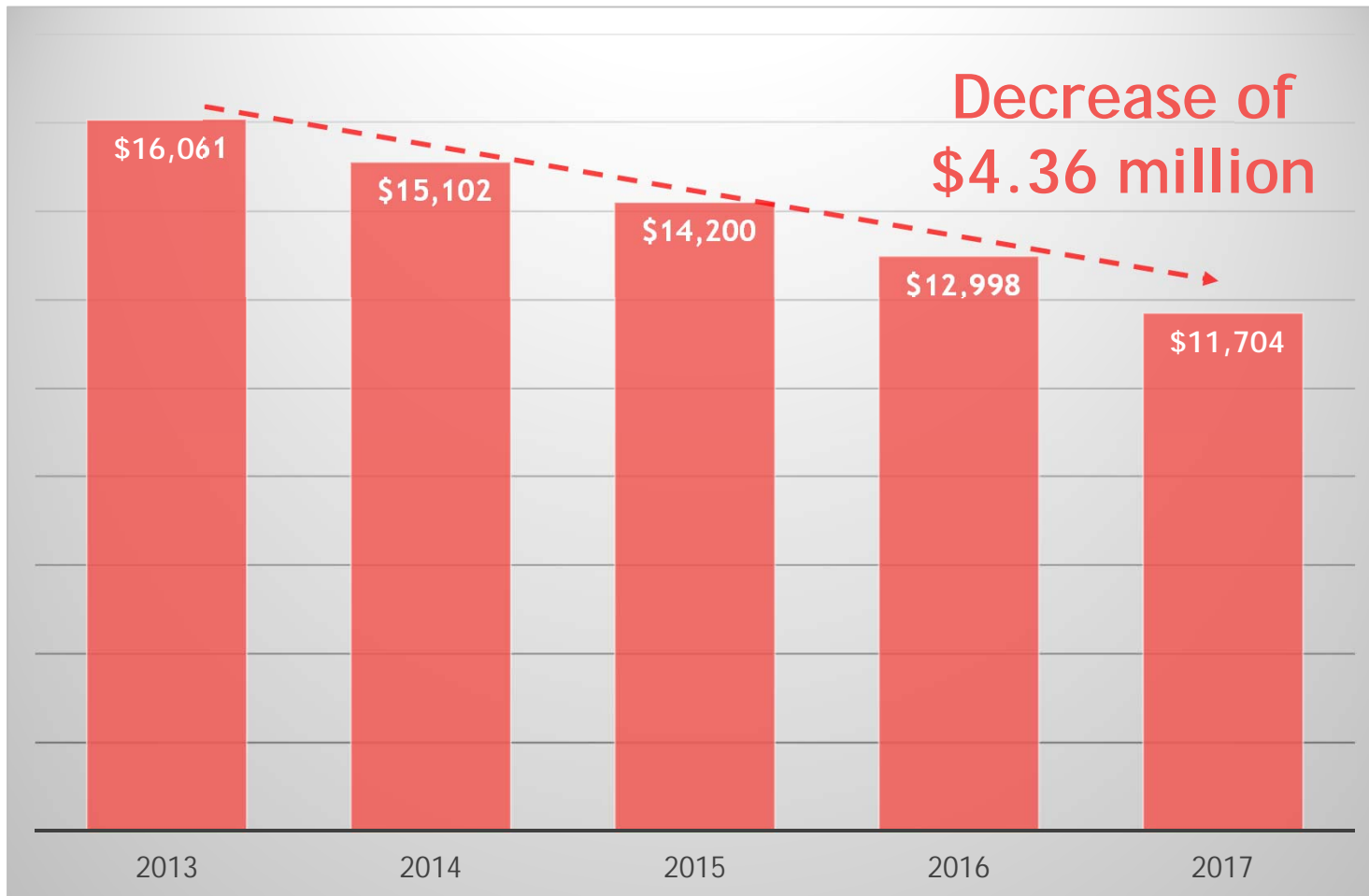
FINANCIAL LIABILITIES

(in thousands)

	2017	2016	2015
Accounts payable and accrued liabilities	\$3,372	\$2,251	\$3,104
Deposits	1,805	1,286	1,202
Deferred revenue	4,144	3,577	2,342
Long-term debt	11,704	12,998	14,200
TOTAL	\$21,025	\$20,112	\$20,848

LONG-TERM DEBT

(IN THOUSANDS '000)



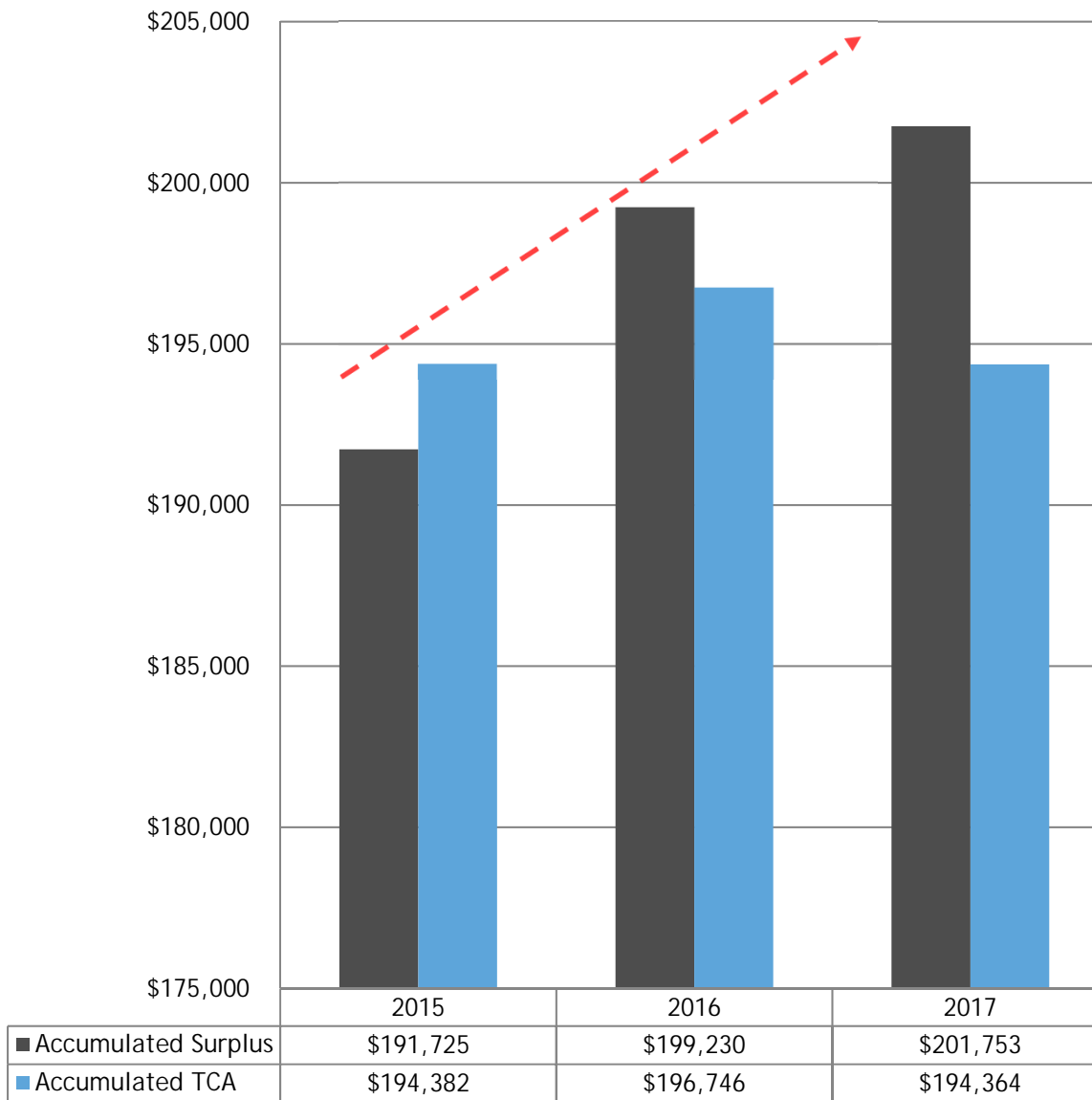


LONG-TERM DEBT (cont'd)

PRINCIPAL REPAYMENTS (in thousands)

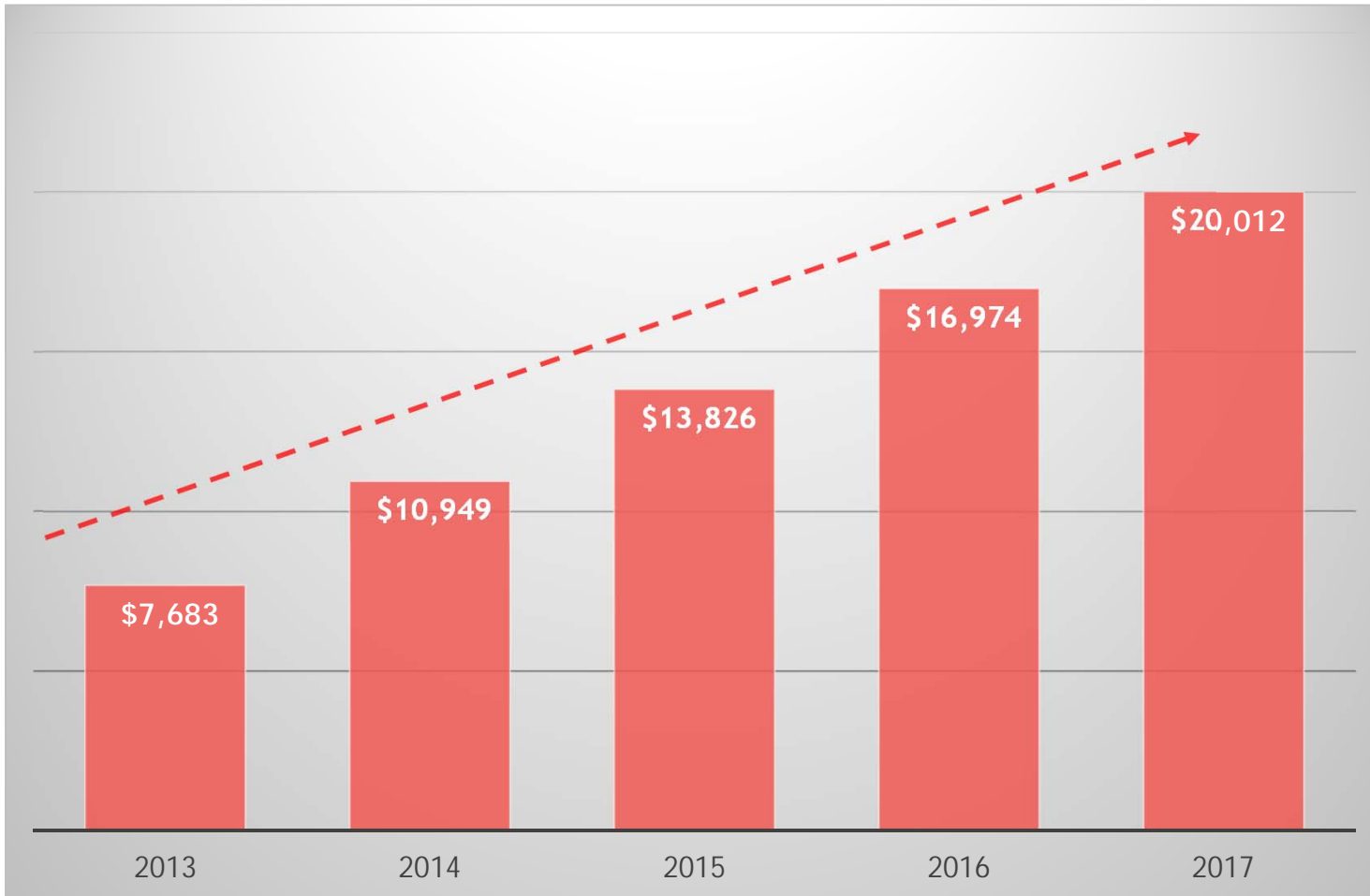
Year	Principal Repayment
2018	\$1,247
2019	1,289
2020	1,239
2021	986
2022	817
2023 to 2027	2,817
Thereafter	3,309
TOTAL	\$11,704

TOTAL ACCUMULATED SURPLUS / TANGIBLE CAPITAL ASSETS (in thousands)



RESERVES & RESERVE FUNDS

(IN THOUSANDS '000)



REVENUES

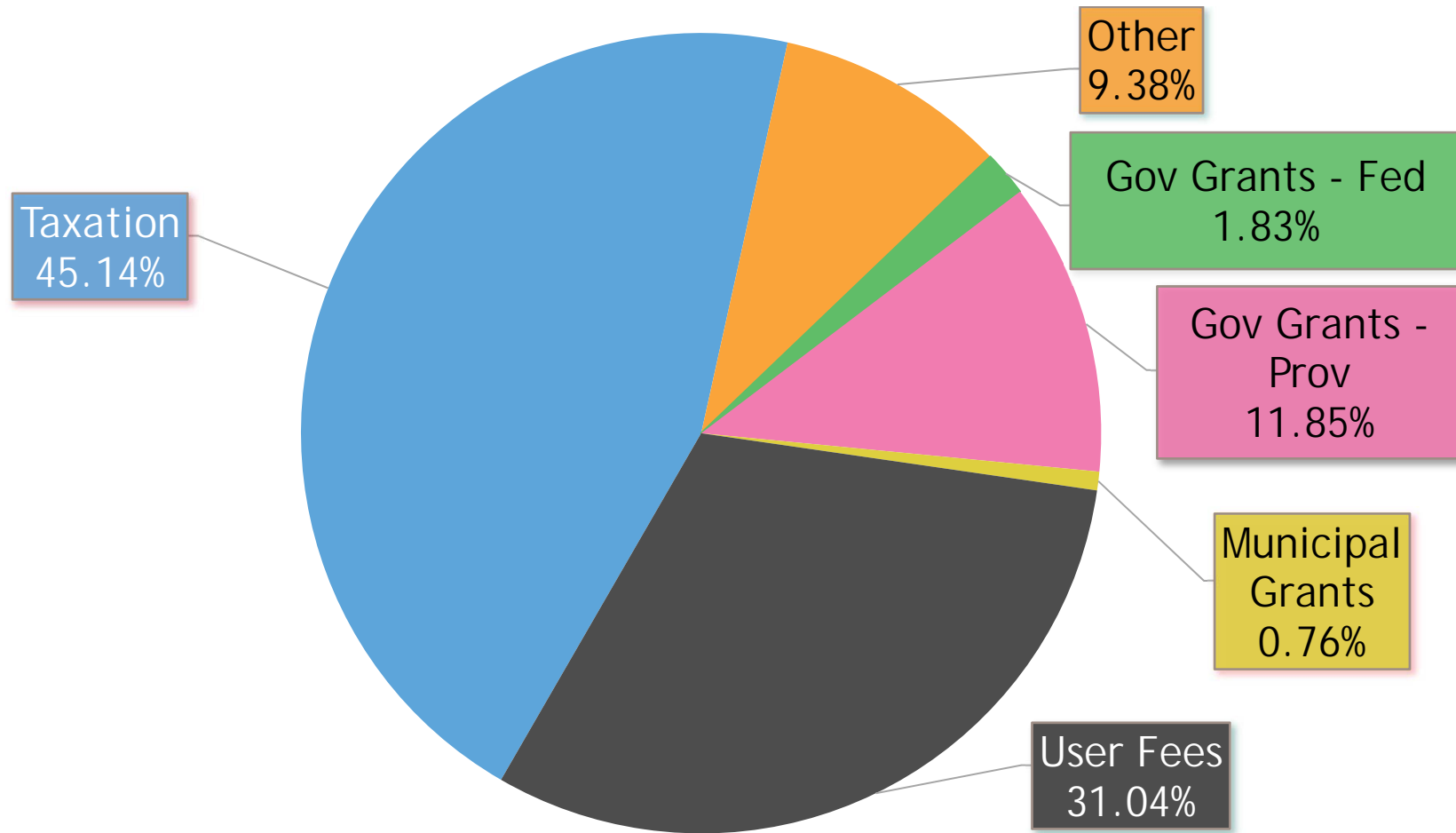
(in thousands)

	Budget	Actual	Difference
Taxation	\$11,724	\$11,768	\$44
Gov grants- Fed	1,044	476	(568)
Gov grants- Prov.	4,980	3,090	(1,890)
Municipal grants	183	197	14
User fees	7,903	8,094	191
Other	1,497	2,447	950
TOTAL	\$27,331	\$26,072	(\$1,259)

Difference of: (4.61%)

Revenue by Type - December 31, 2017

(in thousands)



EXPENSES

(in thousands)

Function	Budget	Actual	Difference
General Government	\$1,710	\$1,449	(\$261)
Protection Services	4,285	4,166	(119)
Transportation Services	5,572	5,221	(351)
Environment Services	6,916	7,030	114
Health Services	67	53	(14)
Harbour	637	690	53
Recreation & Culture	4,347	4,605	258
Planning & Development	731	335	(396)
TOTAL	\$24,265	\$23,549	(\$716)

Difference of: **2.95%**

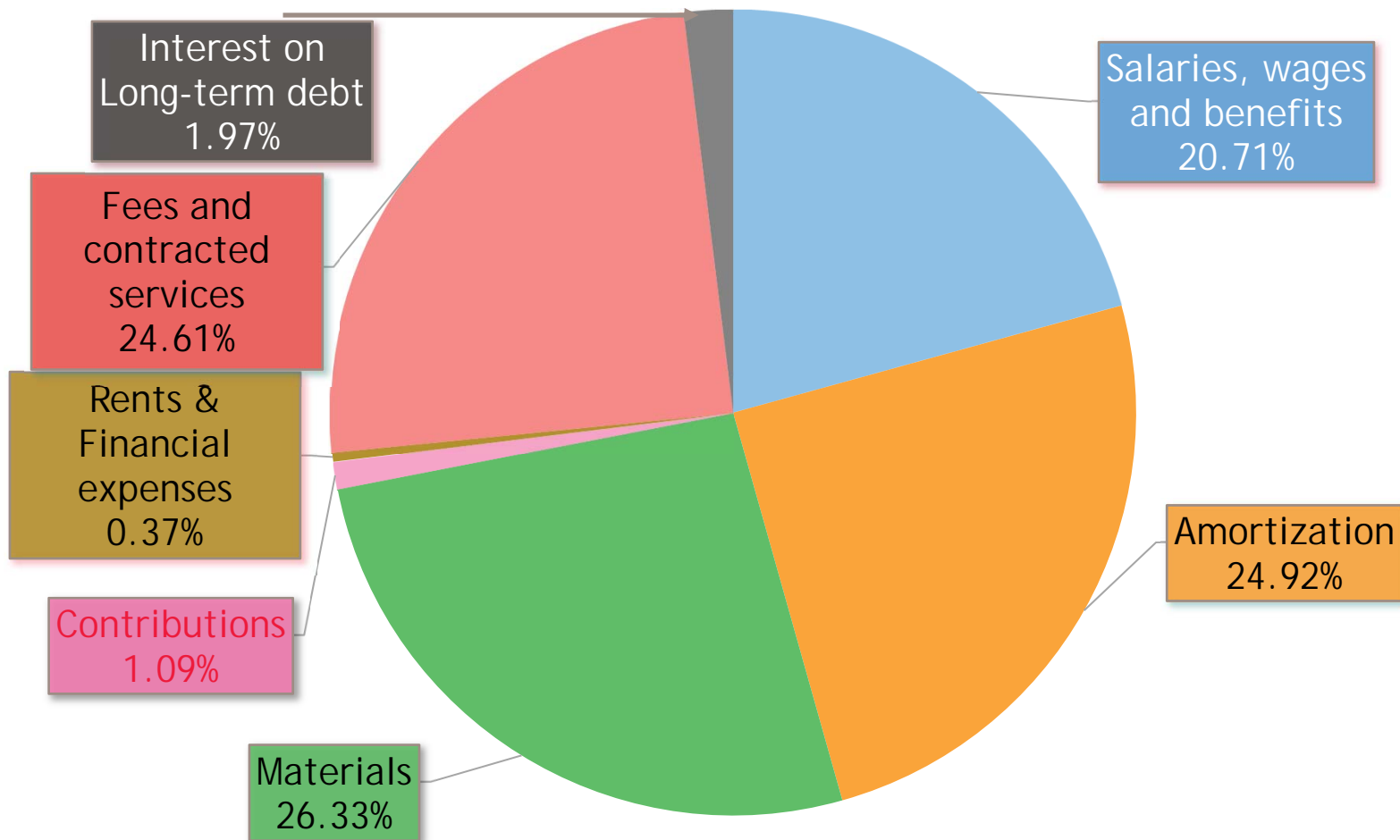
EXPENSES BY OBJECT - Note 9

(in thousands)

Object	Budget	Actual	Difference
Salaries, Wages, Benefits	\$5,108	\$4,877	(\$231)
Amortization	5,869	5,869	-
Materials	6,136	6,201	65
Contributions to other organizations	232	257	25
Rents and financial expenses	73	88	15
Fees and contracted services	6,388	5,794	(594)
Interest on Long-term Debt	459	463	4
TOTAL	\$24,265	\$23,549	(\$716)

EXPENSES BY OBJECT - December 31, 2017

(in thousands)





OTHER HIGHLIGHTS

- ❑ Commitments - (Note 12)
- ❑ Pension Agreements (OMERS) - (Note 11)
 - Board rate remained consistent

2017	2016	2015
\$	\$	\$
282,126	268,993	272,608



OTHER FINANCIAL STATEMENTS

- ❑ Forest Town Centre Business Improvement Area
 - Total Assets of \$28,278
 - 2017 Surplus of \$3,760
 - Accumulated surplus - \$25,102

- ❑ Trust Funds (Cemeteries)
 - Unqualified audit opinion
 - Total Assets of \$379,271
 - Fund balance of \$374,823



FINAL REPORT TO THOSE CHARGED WITH GOVERNANCE

Independence

Materiality

- Adjusted to \$490,000 from \$532,000 (estimated) - Due to decrease in estimated total revenue

Schedule of Likely Aggregate Misstatements

- Net effect = \$82,070

Management Representations

Management Letter - to be delivered

THANK YOU!

ANY QUESTIONS?