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# 2013 AUDITORS' PRESENTATION

**HAWKINGS EPP DUMONT LLP**  
CHARTERED ACCOUNTANTS

**PHIL DIRKS, CA**  
Partner

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# INDEPENDENT AUDITORS' REPORT

- **MANAGEMENT'S RESPONSIBILITY**
  - PREPARATION AND FAIR PRESENTATION
  - IN ACCORDANCE WITH CANADIAN PSAS
  
- **AUDITORS' RESPONSIBILITY**
  - EXPRESS OUR OPINION
  - FOLLOW CANADIAN GAAS
  - PROCEDURES DEPEND ON AUDITORS' JUDGMENT
  - CONSIDER RELEVANT INTERNAL CONTROLS
  - EVALUATE ACCOUNTING POLICIES / ESTIMATES
  
- **OUR OPINION**
  - PRESENT FAIRLY IN ALL MATERIAL RESPECTS

# STATEMENT OF FINANCIAL POSITION

	2013	2012
<b>FINANCIAL ASSETS</b>		
CASH	\$ 628,639	\$ 401,017
RECEIVABLES	370,606	541,308
LAND HELD FOR RESALE	216,095	144,926
	<u>1,215,340</u>	<u>1,087,251</u>
<b>LIABILITIES</b>		
ACCOUNTS PAYABLE	238,590	210,799
DEFERRED REVENUE	169,449	231,227
LONG TERM DEBT	1,981,131	2,039,987
	<u>2,389,170</u>	<u>2,482,013</u>
<b>NET DEBT</b>	<b>(1,173,830)</b>	<b>(1,394,762)</b>
<b>NON-FINANCIAL ASSETS</b>		
TANGIBLE CAPITAL ASSETS	9,485,783	9,394,133
PREPAID EXPENSES	10,151	16,739
	<u>9,495,934</u>	<u>9,410,872</u>
<b>ACCUMULATED SURPLUS</b>	<b>\$ 8,322,104</b>	<b>\$ 8,016,110</b>

## RECEIVABLES

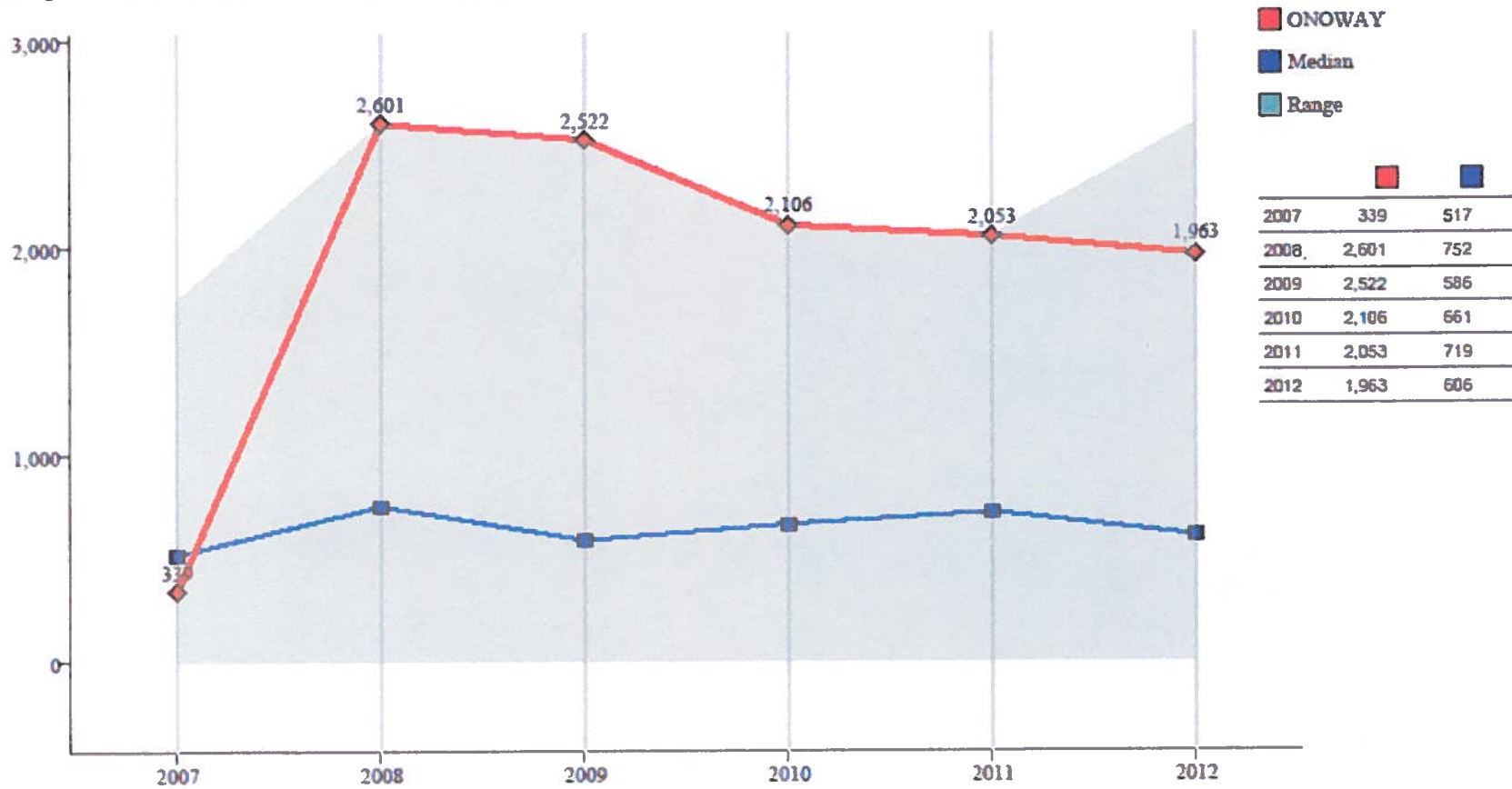
	2013	2012
TAXES AND GRANTS IN LIEU	\$ 177,381	\$ 139,202
TRADE AND OTHER	81,430	164,464
UTILITIES	59,435	53,736
GOODS AND SERVICES TAX	52,360	52,979
GOVERNMENT GRANTS	-	130,927
	<b>370,606</b>	<b>541,308</b>
<b>ALLOWANCE FOR DOUBTFUL ACCOUNTS</b>	-	-
	<b>\$ 370,606</b>	<b>\$ 541,308</b>

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Financial Indicator Graphs  
**ONOWAY**

**Long Term Municipal Debt Per Capita**

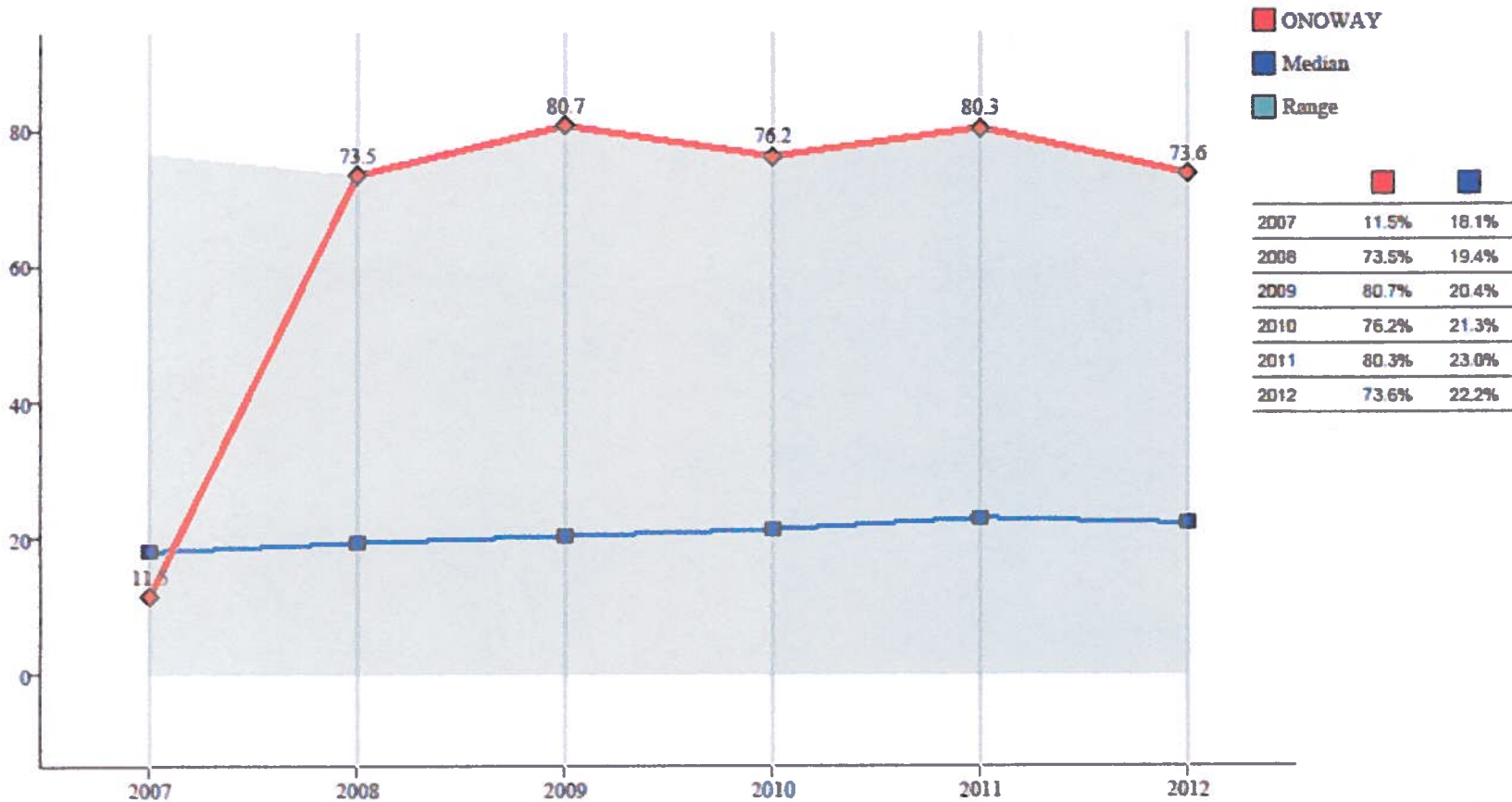


## DEBT LIMITS

	2013	2012
TOTAL DEBT LIMIT	\$ 3,187,874	\$ 2,773,482
TOTAL DEBT	(1,981,131)	(2,039,987)
<b>AMOUNT OF DEBT LIMIT UNUSED</b>	<b>\$ 1,206,743</b>	<b>\$ 733,495</b>
SERVICE ON DEBT LIMIT	\$ 531,312	\$ 462,247
SERVICE ON DEBT	(153,565)	(153,566)
<b>AMOUNT OF DEBT SERVICING LIMT UNUSED</b>	<b>\$ 377,747</b>	<b>\$ 308,681</b>

Financial Indicator Graphs  
**ONOWAY**

**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.



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# TANGIBLE CAPITAL ASSETS

	2012					2013
	NBV	PURCHASES	DISPOSALS	AMORTIZATION	NBV	
ENGINEERED STRUCTURES	\$ 8,266,794	\$ 283,388		\$ (189,985)	\$ 8,360,197	
LAND	180,756				180,756	
BUILDINGS	429,202			(26,012)	403,190	
MACHINERY & EQUIPMENT	306,552	113,677		(61,267)	358,962	
VEHICLES	210,829			(28,151)	182,678	
	\$ 9,394,133	\$ 397,065	\$ -	\$ (305,415)	\$ 9,485,783	

Industrial Avenue	\$ 237,763
WTP PLC upgrade to CompactLogix platform	78,726
Office furniture (flood)	31,951
Lagoon erosion prevention	22,997
Water meters	22,628
Other	3,000
	\$ 397,065

# STATEMENT OF FINANCIAL POSITION

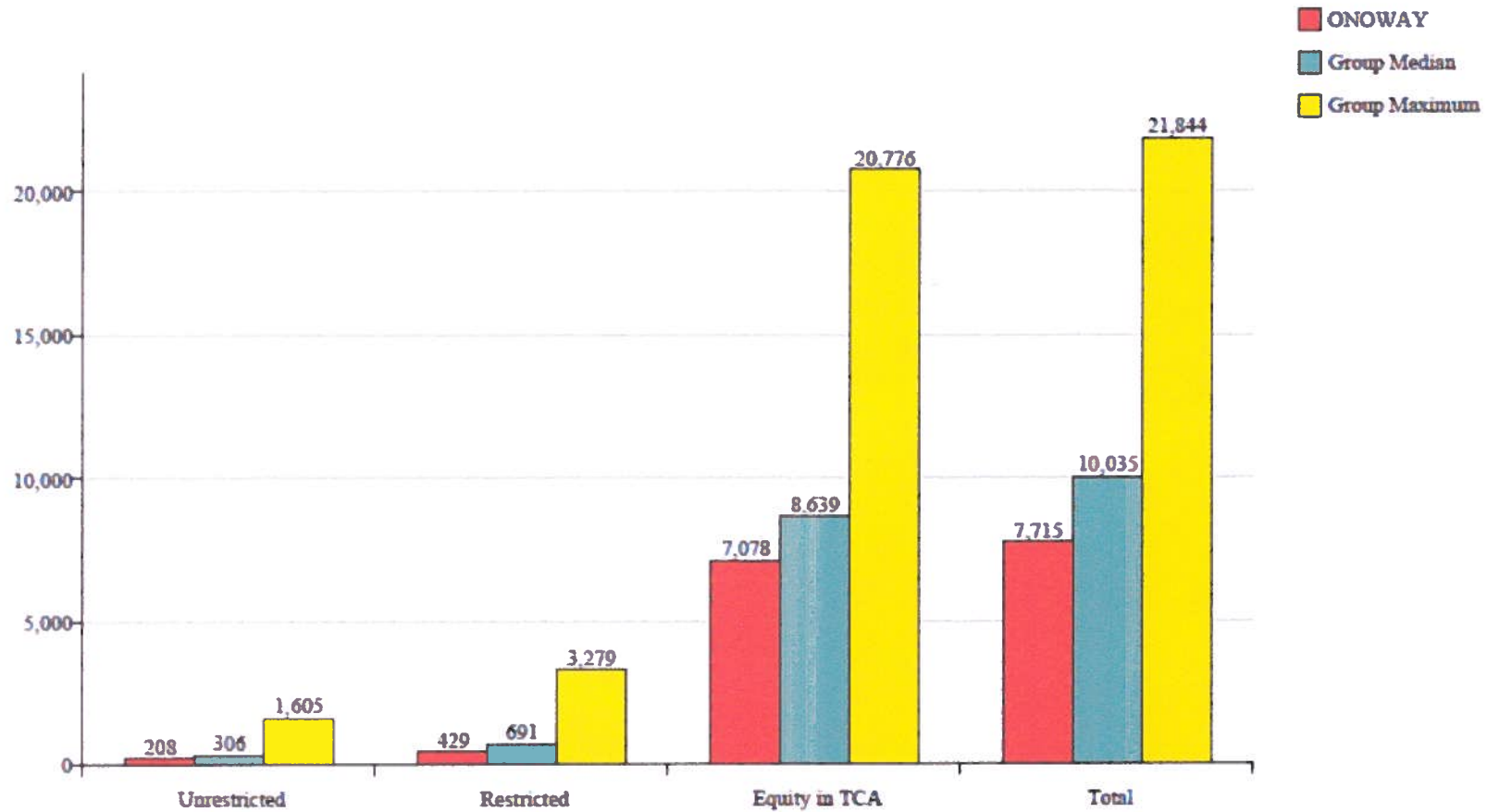
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## ACCUMULATED SURPLUS

	2013	2012
<b>UNRESTRICTED</b>	<b>\$ 372,340</b>	<b>\$ 216,473</b>
<b>RESERVES</b>	<b>445,112</b>	<b>445,491</b>
<b>EQUITY IN TCA</b>	<b>7,504,652</b>	<b>7,354,146</b>
	<b>\$ 8,322,104</b>	<b>\$ 8,016,110</b>
<b>LIQUID EQUITY</b>	<b>817,452</b>	<b>661,964</b>

Financial Indicator Graphs  
**ONOWAY**

**Accumulated Surplus Per Capita, 2012**

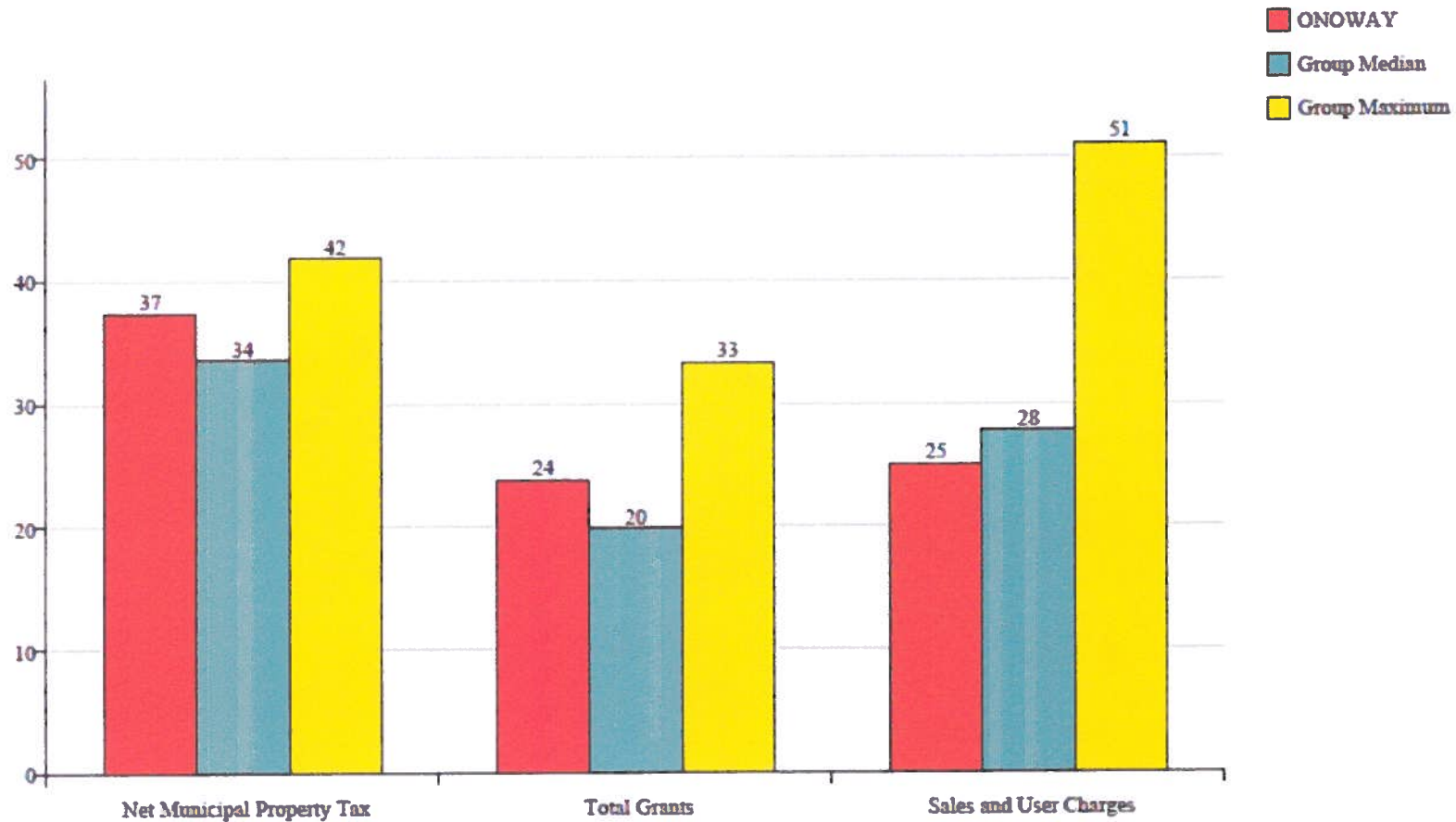


# REVENUE

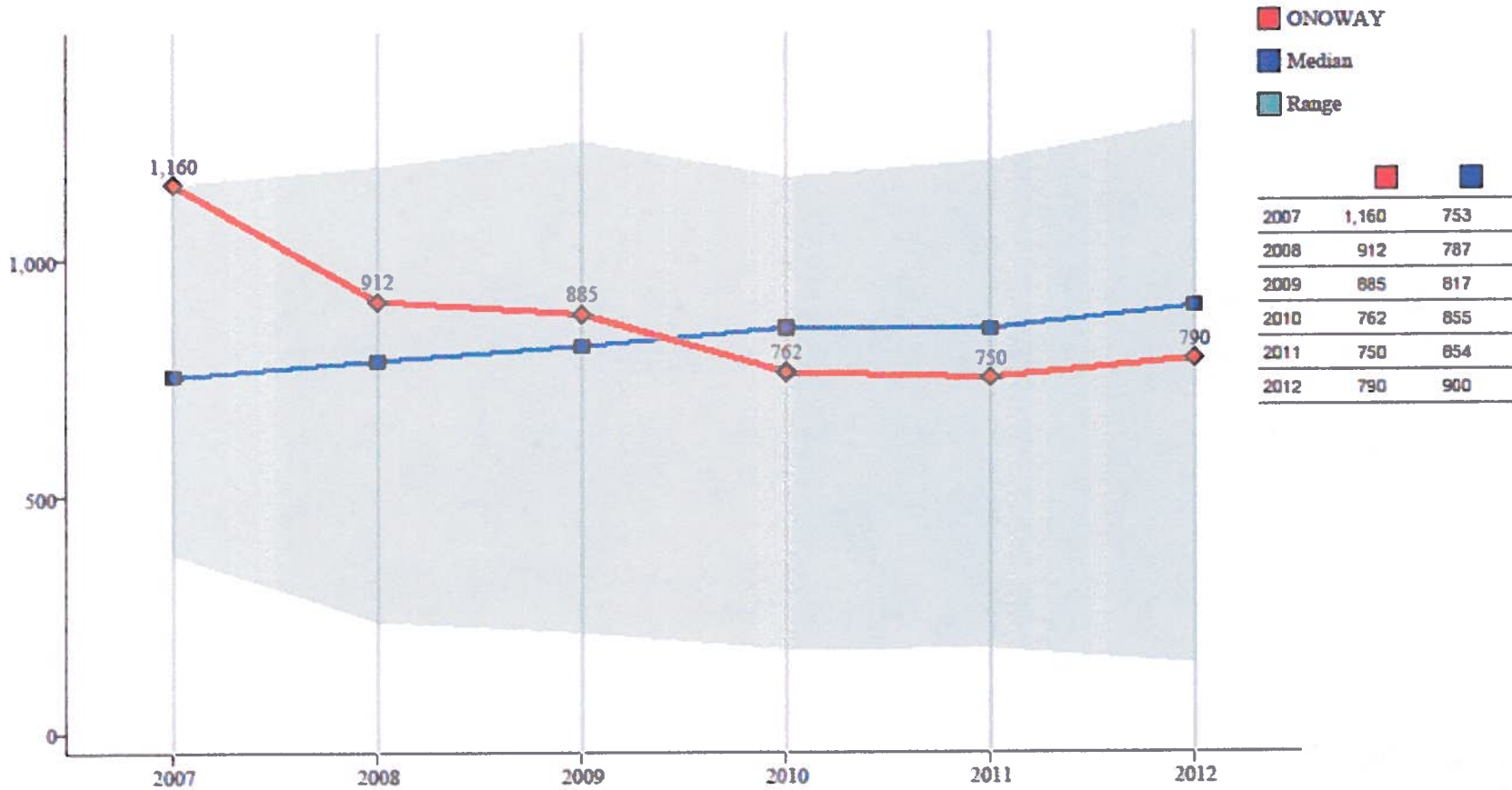
	2013 (Budget)	2013 (Actual)	2012 (Actual)
NET PROPERTY TAXES	\$ 876,433	\$ 872,111	\$ 820,664
SALES AND USER CHARGES	655,500	811,423	550,990
GOVERNMENT TRANSFERS	99,526	236,512	303,722
PENALTIES AND COSTS ON TAXES	40,000	36,386	42,112
FRANCHISE FEES	53,000	61,940	43,649
RENTALS	35,400	38,900	28,921
ALL OTHER REVENUES	15,500	67,977	58,930
	<b>\$ 1,775,359</b>	<b>\$ 2,125,249</b>	<b>\$ 1,848,988</b>

Financial Indicator Graphs  
ONOWAY

Major Revenue Sources As % of Total Revenue, 2012



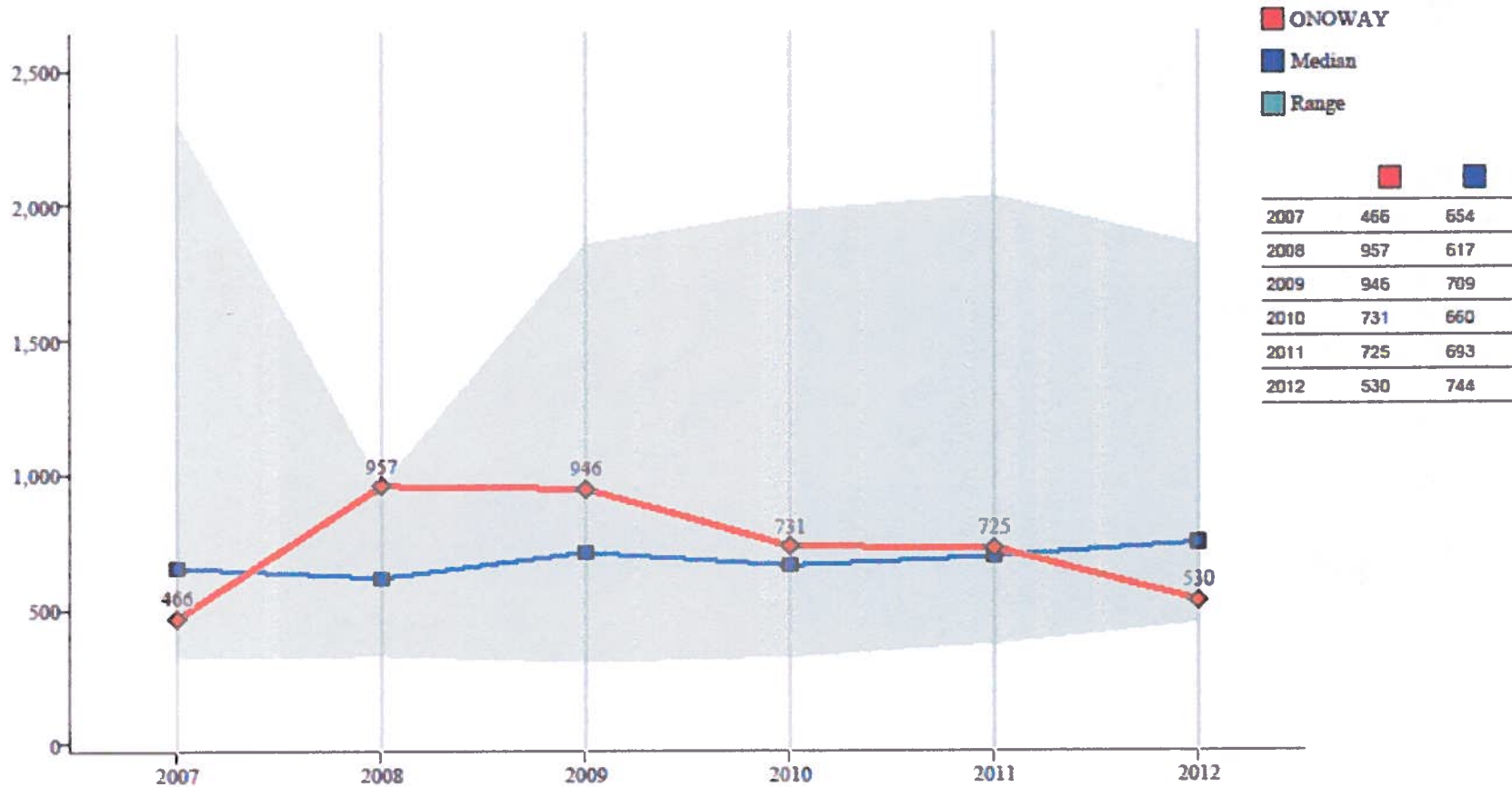
**Revenue Sources Per Capita: Net Municipal Property Taxes**





Financial Indicator Graphs  
**ONOWAY**

**Revenue Sources Per Capita: Sales and User Charges**

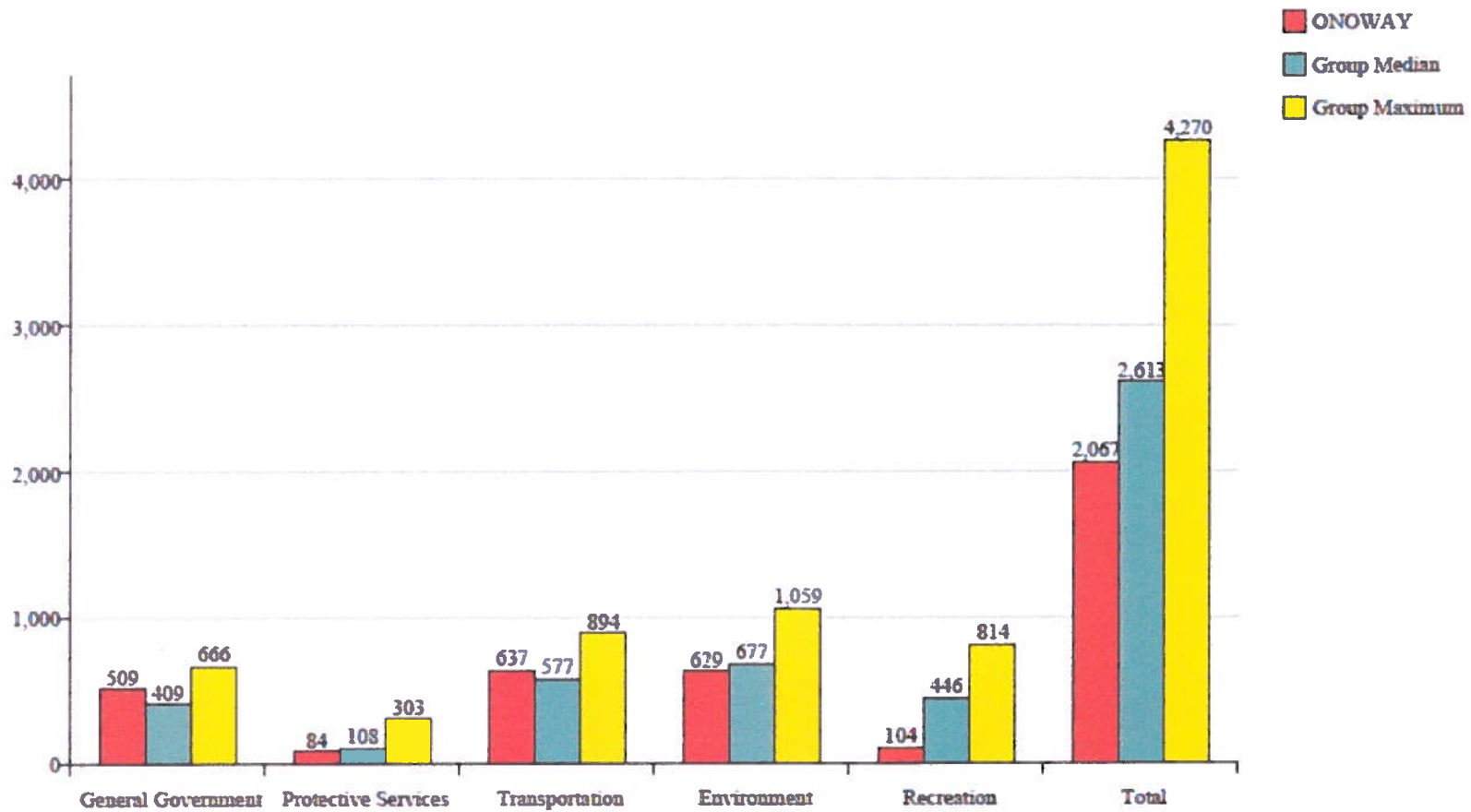


# EXPENSES

	2013 (Budget)	2013 (Actual)	2012 (Actual)
GENERAL ADMINISTRATION	423,200	439,617	433,866
ROADS, STREETS, WALKS, LIGHTING	\$ 183,640	\$ 316,141	\$ 448,743
WATER SUPPLY AND DISTRIBUTION	248,679	301,652	245,976
WASTEWATER TREATMENT AND DISPOSAL	157,585	177,556	162,579
COMMON AND EQUIPMENT POOL	148,300	161,780	151,041
WASTE MANAGEMENT	121,260	114,937	82,225
PARKS AND RECREATION	71,060	72,489	63,311
COUNCIL AND OTHER LEGISLATIVE	73,060	65,785	63,537
FIRE	57,900	54,130	58,390
SUBDIVISION LAND AND DEVELOPMENT	13,500	41,261	17,940
FAMILY AND COMMUNITY SUPPORT	30,200	31,246	34,597
LAND USE PLANNING AND DEVELOPMENT	30,650	21,546	18,682
POLICE	25,000	14,763	21,374
RECREATION BOARDS & OTHER SERVICES	14,150	12,989	14,101
LAND/HOUSING/BUILDING RENTALS AND OTHER	16,575	11,350	27,806
CULTURE: LIBRARIES, MUSEUMS, HALLS	12,500	10,941	10,390
OTHER	9,500	1,953	8,580
BYLAWS ENFORCEMENT	5,000	577	6,998
DISASTER & EMERGENCY SERVICES	4,800	(450)	309
AMORTIZATION	60,945	305,415	277,102
	<b>\$ 1,707,504</b>	<b>\$ 2,155,678</b>	<b>\$ 2,147,547</b>

Financial Indicator Graphs  
**ONOWAY**

**Major Expenditures Per Capita by Broad Function, 2012**



## OTHER INCOME

	2013 (Budget)	2013 (Actual)	2012 (Actual)
<b>ANNUAL SURPLUS (DEFICIT) BEFORE OTHER INCO</b> \$	<b>67,855</b> \$	<b>(30,429)</b> \$	<b>(298,559)</b>
<b>OTHER INCOME</b>			
GOVERNMENT TRANSFERS FOR CAPITAL	639,500	334,773	218,664
GAIN (LOSS) ON DISPOSAL OF TCA	-	1,650	1,752
OTHER CAPITAL REVENUE	-	-	126,117
	<b>639,500</b>	<b>336,423</b>	<b>346,533</b>
<b>ANNUAL SURPLUS</b>	<b>\$ 707,355</b>	<b>\$ 305,994</b>	<b>\$ 47,974</b>

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# SUMMARY

- **TOWNS FINANCIAL POSITION IMPROVING...**
  - RELATIVELY HIGH LEVEL OF DEBT
  - LOWER EQUITY
  - COMPARABLE TAXES & USER CHARGES
  - MODERATE SPENDING
  
- **AUDIT FINDINGS LETTER TO COUNCIL (see letter)**
  - NO UNUSUAL ACCOUNTING POLICIES / ESTIMATES
  - NO SIGNIFICANT UNCORRECTED MISSTATEMENTS
  - NO SIGNIFICANT DIFFICULTIES DURING THE AUDIT
  
- **THANK YOU TO TOWN STAFF**
  
- **QUESTIONS?**