

FINANCIAL INDICATOR REVIEW

(Based on 2015 Financial Information Return)

Tweed M (Hastings Co)

Date Prepared:	01-Nov-16	Tier:	Lower Tier
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FINANCIAL INDICATORS

Indicator	Ranges	Actuals	South - LT - Counties - Rural		Level of Challenge	
			Median	Average		
Net Financial Assets or Net Debt as a % of Own Purpose Taxation Plus User Fees	Low: > -50% Mod: -50% to -100% High: < -100%	2011	57.8%	26.0%	20.2%	LOW
		2012	61.4%	34.3%	26.3%	LOW
		2013	64.7%	31.5%	31.8%	LOW
		2014	63.9%	32.5%	31.4%	LOW
		2015	68.8%	32.6%	32.0%	LOW
Total Reserves and Discretionary Reserve Funds as a % of Operating Expenses	Low: > 20% Mod: 10% to 20% High: < 10%	2011	39.5%	47.2%	52.1%	LOW
		2012	43.3%	49.5%	54.3%	LOW
		2013	43.1%	50.7%	55.2%	LOW
		2014	46.4%	53.3%	57.9%	LOW
		2015	50.8%	55.8%	61.4%	LOW
Debt Servicing Cost as a % of Total Operating Revenue	Low: < 5% Mod: 5% to 10% High: > 10%	2011	0.2%	3.0%	4.0%	LOW
		2012	0.2%	3.4%	3.9%	LOW
		2013	0.2%	3.4%	4.0%	LOW
		2014	0.2%	3.1%	3.7%	LOW
		2015	0.1%	2.9%	3.5%	LOW
Total Taxes Receivable less Allowance for Uncollectables as a % of Total Taxes Levied	Low: < 10% Mod: 10% to 15% High: > 15%	2011	16.1%	10.7%	11.5%	HIGH
		2012	16.4%	10.6%	11.4%	HIGH
		2013	16.6%	10.6%	11.6%	HIGH
		2014	16.5%	10.3%	11.3%	HIGH
		2015	14.1%	9.9%	10.6%	MODERATE
Total Cash and Cash Equivalents as a % of Operating Expenses	Low: > 10% Mod: 5% to 10% High: < 5%	2011	27.5%	36.2%	39.9%	LOW
		2012	37.8%	38.4%	43.6%	LOW
		2013	52.8%	44.3%	47.1%	LOW
		2014	41.7%	43.9%	47.7%	LOW
		2015	56.0%	42.9%	50.5%	LOW
Net Working Capital as a % of Total Municipal Operating Expenses	Low: > 10% Mod: 10% to -10% High: < -10%	2011	45.9%	52.6%	54.7%	LOW
		2012	60.1%	53.2%	57.6%	LOW
		2013	70.0%	55.1%	61.5%	LOW
		2014	66.1%	53.6%	61.0%	LOW
		2015	66.2%	57.0%	62.0%	LOW
* Asset Consumption Ratio	Low: < 25% Mod: 26% to 75% High: > 75%	2011	39.6%	37.7%	39.6%	MODERATE
		2012	41.7%	38.1%	40.9%	MODERATE
		2013	44.4%	39.8%	42.2%	MODERATE
		2014	45.3%	40.5%	43.2%	MODERATE
		2015	47.1%	41.8%	44.0%	MODERATE

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NOTES

Financial Information Returns ("FIRs") are a standard set of year-end reports submitted by municipalities to the Province which capture certain financial information. On an annual basis, Ministry staff prepare certain financial indicators for each municipality, based on the information contained in the FIRs. It is important to remember that these financial indicators provide a snapshot at a particular moment in time and should not be considered in isolation, but supported with other relevant information sources. In keeping with our Financial Information Return review process and follow-up, Ministry staff may routinely contact and discuss this information with municipal officials.

Additional Notes on what Financial Indicators may indicate:

Net Financial Assets or Net Debt as a % of Own Purpose Taxation Plus User Fees - *How much tax and fee revenue is servicing debt?*

Reserves and Reserve Funds as a % of Operating Expenses - *How much money is set aside for future needs / contingencies?*

Debt Charges as a % of Total Operating Revenue - *How much of each dollar raised is spent on debt?*

Total Taxes Receivable less Allowance for Uncollectables as a % of Total Taxes Levied - *How much of the taxes billed are not collected.*

Total Cash and Cash Equivalents as a % of Operating Expenses - *How much cash and liquid investments could be available to cover operating expenses?*

Net Working Capital as a % of Total Municipal Operating Expenses - *How much cash, receivables and inventory less short-term debt could be available to cover operating expenses?*

Asset Consumption Ratio - *(expressed as a percentage) measures the age of a municipality's physical assets. It measures the extent to which depreciable assets have been consumed by comparing the amount of the assets that have been used up and their cost.*

*< 25% - Relatively NEW Infrastructure
26% to 50% - Moderately NEW Infrastructure
51% to 75% - Moderately OLD Infrastructure
>75% - OLD Infrastructure*

** In 2016, the indicator Net Book Value of Capital Assets as a % of Cost of Capital Assets (NBV) has been replaced by the indicator Asset Consumption Ratio. Asset Consumption Ratio is an indicator of asset consumption which is the reverse of the previous NBV indicator, which measured remaining life.*