

**CORPORATION OF THE  
TOWN OF SOUTH BRUCE PENINSULA**

**CONSOLIDATED FINANCIAL REPORT**

**DECEMBER 31, 2017**

# CORPORATION OF THE TOWN OF SOUTH BRUCE PENINSULA

DECEMBER 31, 2017

## CONTENTS

Management's Responsibility for the Consolidated Financial Report	1
Independent Auditor's Report	2
Consolidated Statement of Financial Position	3
Consolidated Statement of Operations	4
Consolidated Statement of Change in Net Financial Assets	5
Consolidated Statement of Cash Flow	6
Notes to the Consolidated Financial Statements	7
Schedule 1 - Consolidated Schedule of Tangible Capital Assets 2017	25
Schedule 2 - Consolidated Schedule of Tangible Capital Assets 2016	26
Schedule 3 - Consolidated Schedule of Segmented Revenues and Expenses 2017 Actual	27
Schedule 4 - Consolidated Schedule of Segmented Revenues and Expenses 2016 Actual	28

# CORPORATION OF THE TOWN OF SOUTH BRUCE PENINSULA

## MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL REPORT

The accompanying consolidated financial statements of the Town of South Bruce Peninsula (the "municipality") are the responsibility of the municipality's management and have been prepared in accordance with Canadian public sector accounting standards established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada, as described in Note 1 to the consolidated financial statements.

The preparation of consolidated financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The municipality's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded (in accordance with Canadian public sector accounting standards established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada), and reliable financial information is available on a timely basis for preparation of the consolidated financial statements. These systems are monitored and evaluated by management. Council meets with management and the external auditor to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the consolidated financial statements.

The consolidated financial statements have been audited by Collins Barrow SGB LLP, independent external auditor appointed by the municipality. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the municipality's consolidated financial statements.

  
\_\_\_\_\_  
**Chief Administrative Officer**  
June 5, 2018

  
\_\_\_\_\_  
**Manager of Financial Services**  
June 5, 2018

**COLLINS BARROW SGB LLP**  
**CHARTERED PROFESSIONAL ACCOUNTANTS**

**INDEPENDENT AUDITOR'S REPORT**

To the Members of Council, Inhabitants and Ratepayers of the **Town of South Bruce Peninsula:**

**Report on the Financial Statements**

We have audited the accompanying consolidated financial statements of the Town of South Bruce Peninsula, which comprise the consolidated statement of financial position as at December 31, 2017, and the consolidated statements of operations, change in net financial assets and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the municipality's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the municipality's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Town of South Bruce Peninsula as at December 31, 2017, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

*Collins Barrow SGB*

Collins Barrow SGB LLP  
Licensed Public Accountants  
Walkerton, Ontario  
June 5, 2018

# CORPORATION OF THE TOWN OF SOUTH BRUCE PENINSULA

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31

	2017	2016
	\$	\$
<b>Financial assets</b>		
Cash (Note 2)	14,724,010	8,405,577
Portfolio investments (Note 3)	1,692,300	4,242,821
Taxes receivable	1,405,505	1,704,166
Accounts receivable	1,169,896	1,891,165
Inventory - held for resale	20,261	16,673
Long-term receivables (Note 4)	547,733	744,569
	19,559,705	17,004,971
<b>Liabilities</b>		
Accounts payable and accruals	1,083,510	1,627,303
Landfill closure and post-closure liability (Note 6)	807,908	271,159
Deferred revenue (Note 7)	836,716	694,897
Employee future benefits (Note 9)	625,153	638,496
Long-term liabilities (Note 8)	1,079,635	1,329,814
	4,432,922	4,561,669
<b>Net financial assets</b>	15,126,783	12,443,302
<b>Non-financial assets</b>		
Tangible capital assets (Schedule 1, Schedule 2 and Note 10)	54,234,187	54,280,926
Prepaid expenses	171,587	376,336
Inventory - held for consumption	84,309	78,495
	54,490,083	54,735,757
<b>Accumulated surplus (Note 11)</b>	69,616,866	67,179,059

The accompanying notes are an integral part of  
these financial statements

# CORPORATION OF THE TOWN OF SOUTH BRUCE PENINSULA

## CONSOLIDATED STATEMENT OF OPERATIONS FOR THE YEAR ENDED DECEMBER 31

	Budget 2017	Actual 2017	Actual 2016
	\$ (Note 12)	\$	\$
<b>Revenues</b>			
Net property taxation (Note 13)	9,292,390	<b>9,564,364</b>	9,404,277
User charges and fees	3,606,908	<b>3,800,989</b>	3,614,688
Government transfers (Note 14)	2,714,500	<b>3,065,346</b>	2,608,792
Other income (Note 15)	1,007,820	<b>1,187,389</b>	1,418,646
	<b>16,621,618</b>	<b>17,618,088</b>	17,046,403
<b>Expenses</b>			
General government	2,114,242	<b>1,964,181</b>	1,865,497
Protection services	3,721,132	<b>3,932,584</b>	4,116,923
Transportation services	3,953,063	<b>4,492,156</b>	4,156,364
Environmental services	2,753,827	<b>4,095,874</b>	3,408,946
Health services	93,792	<b>64,539</b>	66,714
Recreational and cultural services	1,249,437	<b>1,296,796</b>	1,441,108
Planning and development	133,130	<b>96,984</b>	162,462
	<b>14,018,623</b>	<b>15,943,114</b>	15,218,014
<b>Net revenues</b>	<b>2,602,995</b>	<b>1,674,974</b>	1,828,389
<b>Other</b>			
Grants and transfers related to capital			
Government transfers (Note 14)	10,000	<b>305,762</b>	4,120,509
Capital cost recoveries	265,610	<b>469,283</b>	143,968
Gain/(loss) on disposal of tangible capital assets	-	<b>(12,212)</b>	(162,195)
Contributed tangible capital assets	-	-	44,837
	<b>275,610</b>	<b>762,833</b>	4,147,119
<b>Annual surplus (Note 12)</b>	<b>2,878,605</b>	<b>2,437,807</b>	5,975,508
<b>Accumulated surplus, beginning of year</b>		<b>67,179,059</b>	61,203,551
<b>Accumulated surplus, end of year (Note 11)</b>		<b>69,616,866</b>	67,179,059

The accompanying notes are an integral part of  
these financial statements

# CORPORATION OF THE TOWN OF SOUTH BRUCE PENINSULA

## CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS FOR THE YEAR ENDED DECEMBER 31

	Budget 2017	Actual 2017	Actual 2016
	\$ (Note 12)	\$	\$
<b>Annual surplus</b>	2,878,605	2,437,807	5,975,508
Acquisition of tangible capital assets	-	(1,987,296)	(6,314,928)
Amortization of tangible capital assets	-	2,017,210	1,914,490
(Gain)/loss on disposal of tangible capital assets	-	12,212	162,195
Proceeds on disposal of tangible capital assets	-	4,239	415,992
Contributed tangible capital assets	-	-	(44,837)
Change in inventory - held for consumption	-	(5,440)	(5,827)
Change in prepaid expenses	-	204,749	(90,419)
<b>Change in net financial assets</b>	2,878,605	2,683,481	2,012,174
<b>Net financial assets, beginning of year</b>		12,443,302	10,431,128
<b>Net financial assets, end of year</b>		15,126,783	12,443,302

The accompanying notes are an integral part of  
these financial statements

# CORPORATION OF THE TOWN OF SOUTH BRUCE PENINSULA

## CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED DECEMBER 31

	2017	2016
	\$	\$
<b>Cash flows from (for):</b>		
<b>Operating activities</b>		
Annual surplus	2,437,807	5,975,508
Non-cash items:		
Amortization of tangible capital assets	2,017,210	1,914,490
(Gain)/loss on disposal of tangible capital assets	12,212	162,195
Contributed tangible capital assets	-	(44,837)
Change in employee future benefits	(13,343)	(13,904)
Change in landfill closure and post-closure liability	536,749	(49,406)
	<b>4,990,635</b>	<b>7,944,046</b>
Changes in:		
Taxes receivable	298,661	170,058
Accounts receivable	721,269	(907,261)
Inventory - held for resale	(3,588)	(4,640)
Accounts payable and accruals	(543,792)	(243,074)
Prepaid expenses	204,749	(90,419)
Inventory - held for consumption	(5,440)	(5,827)
<b>Net change in cash from operations</b>	<b>5,662,494</b>	<b>6,862,883</b>
<b>Capital activities</b>		
Acquisition of tangible capital assets	(1,987,296)	(6,314,928)
Proceeds on disposal of tangible capital assets	4,239	415,992
<b>Net change in cash from capital</b>	<b>(1,983,057)</b>	<b>(5,898,936)</b>
<b>Investing activities</b>		
Decrease in long-term receivables	196,835	230,871
Portfolio investments	2,550,521	(1,575,819)
<b>Financing activities</b>		
Repayment of long-term liabilities	(250,178)	(286,207)
(Decrease)/increase in deferred revenue	141,819	(381,117)
<b>Net change in cash from financing</b>	<b>(108,359)</b>	<b>(667,324)</b>
<b>Net change in cash position</b>	<b>6,318,434</b>	<b>(1,048,325)</b>
Cash position, beginning of year	8,405,576	9,453,901
<b>Cash position, end of year</b>	<b>14,724,010</b>	<b>8,405,576</b>

The accompanying notes are an integral part of  
these financial statements



# CORPORATION OF THE TOWN OF SOUTH BRUCE PENINSULA

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2017

### Nature of operations

The Town of South Bruce Peninsula ("the municipality") combines the former rural townships of Albemarle, and Amabel, the village of Hepworth and Town of Wiarton and is a lower-tier municipality located in the County of Bruce, Province of Ontario, Canada. It conducts its operations guided by the provisions of provincial statutes, such as the Municipal Act, Municipal Affairs Act and related legislation.

### 1. Summary of significant accounting policies

The consolidated financial statements of the municipality are the representation of management prepared in accordance with local government accounting standards established by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada.

The focus of PSAB financial statements is on the financial position of the municipality and the changes thereto. The consolidated statement of financial position includes all of the assets and liabilities of the municipality. Financial assets are those assets which could provide resources to discharge existing liabilities or finance future operations. Accumulated surplus represents the financial position and is the difference between assets and liabilities. This provides information about the municipality's overall future revenue requirements and its ability to finance activities and meet its obligations. Significant aspects of the accounting policies adopted by the municipality are as follows:

#### (a) Basis of consolidation

These consolidated financial statements reflect assets, liabilities, revenues and expenses, and changes in investment in tangible capital assets of the municipality. They include the activities of all committees of Council and the following organizations which are accountable to, and owned or controlled by the municipality:

Wiaraton Business Improvement Area

Excluded are Funds Held in Trust which are administered by the municipality and reported on separately.

A government partnership exists where the municipality has a shared control over a board or entity. The municipality's pro-rata share of assets, liabilities, revenues and expenses are reflected in the financial statements using the proportionate consolidation method. The municipality's proportionate interest of the following government partnership is reflected in the consolidated financial statements:

Bruce Area Solid Waste Recycling	20.87%
----------------------------------	--------

All interfund assets and liabilities and sources of financing and expenditures have been eliminated.

# CORPORATION OF THE TOWN OF SOUTH BRUCE PENINSULA

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2017

### 1. Summary of significant accounting policies (continued)

#### (b) Basis of accounting

Sources of financing and expenses are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they become available and measurable. Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

#### (c) Cash and cash equivalents

Cash and cash equivalents include cash on deposit, short-term deposits with a maturity of less than three months at acquisition and temporary bank overdrafts which form an integral part of the municipality's cash management.

#### (d) Portfolio investments

Portfolio investments are comprised of bonds, bond funds and equity funds and are recorded at cost unless there has been a decline in the market value which is other than temporary in nature in which case the investments are written down to market value.

#### (e) Inventory

Inventory of goods held for resale is recorded at the lower of cost and net realizable value. Cost is determined on the first-in, first-out basis. Inventory held for consumption is recorded at the lower of cost and replacement cost, recorded on a first in first out basis.

#### (f) Deferred revenue

Revenue restricted by legislation, regulation, or agreement and not available for general municipal purposes is reported as deferred revenue on the consolidated statement of financial position. The revenue is reported on the consolidated statement of operations in the year in which it is used for the specified purpose.

#### (g) Non-financial assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year, together with the annual surplus, provides the consolidated change in net financial assets for the year.

##### Tangible capital assets

Tangible capital assets are recorded at cost, which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost of the tangible capital assets are amortized on a straight-line basis over their estimated useful lives as follows:

Land improvements	- 15 to 25 years
Buildings	- 10 to 25 years
Vehicles	- 10 to 25 years
Equipment	- 5 to 25 years
Infrastructure:	
Roads - paved	- 10 to 20 years
Roads - gravel	- 25 years
Bridges and other structures	- 40 to 70 years
Water and other utility systems	- 45 to 75 years

# CORPORATION OF THE TOWN OF SOUTH BRUCE PENINSULA

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2017

### 1. Summary of significant accounting policies (continued)

#### (h) Revenue recognition

User charges and fees and other revenues are recognized when related goods or services are provided and collectibility is reasonably assured.

Investment income is recognized in the period earned. Investment income earned on obligatory reserve funds is added to the fund balance and forms part of the respective deferred revenue balance and is recognized in the period in which eligible expenditures are made.

Donations, sale of goods, gain/loss on disposal of tangible capital assets, other fines and penalties, licences, permits, rents, capital costs recoveries and capital contributions are recognized on an accrual basis.

#### (i) Taxation and related revenues

Property tax billings are prepared by the municipality based on assessment rolls issued by the Municipal Property Assessment Corporation. Tax rates are established annually by municipal council, incorporating amounts to be raised for local services. A normal part of the assessment process is the issue of supplementary assessment rolls, which provide updated information with respect to changes in property assessment. Once a supplementary assessment roll is received, the municipality determines the taxes applicable and renders supplementary tax billings. Taxation revenues are recorded at the time tax billings are issued.

Assessments and the related property taxes are subject to appeal. Taxes are recorded at estimated amounts when they meet the definition of an asset, have been authorized and the taxable event occurs. For property taxes, the taxable event is the period for which the tax is levied. Taxes receivable are recognized net of allowance for anticipated uncollectable amounts.

The municipality is entitled to collect interest and penalties on overdue taxes. These revenues are recorded in the period the interest and penalties are levied.

#### (j) County and school boards

The municipality collects taxation revenue on behalf of the school boards and the County of Bruce. The taxation, other revenues, expenses, assets and liabilities with respect to the operations of the school boards and the County of Bruce are not reflected in these consolidated financial statements.

#### (k) Government transfers

Government transfers are recognized in the consolidated financial statements as revenues in the period in which the events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met and reasonable estimates of the amounts can be made. Conditional government transfer revenue is recognized to the extent the conditions imposed on it have been fulfilled. Unconditional transfer revenue is recognized when monies are receivable. Government transfers for acquisition of tangible capital assets are recognized in the period in which eligible expenditures are made.

# CORPORATION OF THE TOWN OF SOUTH BRUCE PENINSULA

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2017

### 1. Summary of significant accounting policies (continued)

#### (l) Use of estimates

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. The municipality's implementation of the Public Sector Handbook PS 3150 has required management to make estimates of historical cost, useful lives and amortization of tangible capital assets. In addition, estimates have been made of closure and post-closure costs related to landfill sites and WSIB employee future benefit liabilities. Actual results could differ from those estimates.

#### (m) Segment disclosures

The municipality has adopted the Public Sector Accounting Board standard requiring financial information to be provided on a segmented basis (PS 2700). Municipal services have been segmented by grouping activities that have similar service objectives (by function). Revenues that are directly related to the costs of the function have been attributed to each segment.

#### (n) Pension plan

The municipality offers a pension plan for its full-time employees through the Ontario Municipal Employee Retirement System ("OMERS"). OMERS is a multi-employer, contributory, public sector pension fund established for employees of municipalities, local boards and school boards in Ontario. Participating employers and employees are required to make plan contributions based on participating employees' contributory earnings. The municipality accounts for its participation in OMERS as a defined contribution plan and recognizes the expense related to this plan as contributions are made, even though OMERS is itself a defined benefit plan.

#### (o) Employee future benefits

The municipality accrues employee benefits which will require funding in future periods. These are benefits under the Workplace Safety and Insurance Board Act. The costs of these benefits are actuarially determined using management's best estimate of costs and long term inflation and discount rates.

# CORPORATION OF THE TOWN OF SOUTH BRUCE PENINSULA

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2017

### 2. Cash

Cash consists of the following:

	2017	2016
	\$	\$
Unrestricted	13,887,294	7,710,680
Restricted (Note 7)	836,716	694,897
	<b>14,724,010</b>	<b>8,405,577</b>

The municipality earns interest at between prime minus 1.75% and 1.35% on all bank account balances. The municipality maintains all of its bank accounts at two chartered banks.

### 3. Portfolio investments

The municipality has investments in The One Investment Program, \$1,692,300 (2016 - \$1,667,214). During the year, these portfolio investments earned income of \$25,085 (2016 - \$25,323). In addition, the municipality held GICs with Meridian totalling \$Nil (2016 - \$2,575,607).

	2017	2016
	\$	\$
Carrying value	1,692,300	4,242,821
Market value	1,875,860	4,373,136

### 4. Long-term receivables

Long-term receivables consist of loans to benefiting land owners who chose to finance their share of the cost of projects over the following periods:

	2017	2016
	\$	\$
Water loans receivable, 3.81% interest rate, semi-annual repayments, due 2020. Taxpayer portion related to outstanding debt - refer to Note 8.	506,909	690,985
Water and sewer loan receivable, 5.5% interest rate, due 2020	40,824	53,584
	<b>547,733</b>	<b>744,569</b>

### 5. Temporary borrowings

The municipality has a revolving demand facility available of \$3,000,000 to finance general operating requirements. The facility was not drawn upon at December 31, 2017 (2016 -\$NIL).

# CORPORATION OF THE TOWN OF SOUTH BRUCE PENINSULA

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2017

### 6. Landfill closure and post-closure liability

Solid waste landfill closure and post-closure care requirements are defined in accordance with industry standards and include final covering and landscaping of the landfill, removal of ground water and leachates and ongoing environmental monitoring, site inspection and maintenance. These costs will be incurred as each landfill site stops accepting waste, with the post-closure care expected to continue for an additional 20 years. The total future undiscounted closure and post-closure care costs are estimated to be \$1,243,516 (2016 - \$819,468). The liabilities are expected to be funded through budget allocations to a landfill reserve over the remaining life of the landfill. The balance in this reserve at the end of 2017 is \$236,531 (2016 - \$211,531).

The details for above are separated for each site below.

#### **Amabel landfill site**

As at December 31, 2017, the municipality has recognized in the financial statements a liability of \$618,126 (2016 - \$195,959). This liability represents 73% of the present value of the estimated costs and is based on a total capacity of 517,000 cubic meters and a discount rate of 2.93%. The balance of the liability of \$230,917 will be accrued as the remaining capacity of 140,610 cubic meters is utilized, which is expected to be over the next 14 years.

#### **Albemarle landfill site**

As at December 31, 2017, the municipality has recognized in the financial statements a liability of \$189,782 (2016 - \$75,200). This liability represents 63% of the present value of the estimated costs and is based on a total capacity of 65,000 cubic meters and a discount rate of 2.93%. The balance of the liability of \$113,161 will be accrued as the remaining capacity of 24,280 cubic meters is utilized, which is expected to be over the next 16 years.

# CORPORATION OF THE TOWN OF SOUTH BRUCE PENINSULA

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2017

### 7. Deferred revenue - obligatory reserve funds and other

A requirement of the public sector accounting principles of the Chartered Professional Accountants of Canada is that obligatory reserve funds be reported as deferred revenue. This requirement is in place as provincial legislation restricts how these funds may be used and under certain circumstances these funds may be refunded.

The net change in obligatory reserve funds during the year are as follows:

	Opening	Contributions Received	Investment Income	Revenue Recognized	Ending
	\$	\$	\$	\$	\$
Subdividers' contribution	45,512	-	1,294	-	46,806
Parkland cash in lieu	89,134	4,350	2,095	35,293	60,286
Parking in lieu	18,012	4,722	579	-	23,313
Federal gas tax	268,356	255,782	7,222	284,603	246,757
Building reserve fund	74,854	100,331	3,556	-	178,741
Development Charges	27,644	23,540	1,121	-	52,305
SRNMIF Grant	293	-	-	-	293
OCIF Grant	-	90,049	1,280	-	91,329
<b>Total obligatory</b>	<b>523,805</b>	<b>478,774</b>	<b>17,147</b>	<b>319,896</b>	<b>699,830</b>

The net change in other deferred revenue accounts are as follows:

	Opening	Contributions Received	Investment Income	Revenue Recognized	Ending
	\$	\$	\$	\$	\$
Deferred revenue other	171,092	136,886	-	171,092	136,886
<b>Total deferred revenue</b>	<b>694,897</b>	<b>615,660</b>	<b>17,147</b>	<b>490,988</b>	<b>836,716</b>

# CORPORATION OF THE TOWN OF SOUTH BRUCE PENINSULA

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2017

### 8. Long-term liabilities

(a) Long-term liabilities consist of the following:

	2017	2016
	\$	\$
Loan payable, OSIFA, 2.93%, semi-annual payments of \$43,178 principal and interest, due 2024	507,734	577,673
Loan payable, OSIFA 2.81%, semi-annual payments of \$100,059 principal and interest, due 2020. Debt related to funding taxpayer loans - refer to Note 4.	571,901	752,141
	<b>1,079,635</b>	<b>1,329,814</b>

(b) Payments for the next 5 years and thereafter are as follows:

	Principal	Interest
2018	257,343	29,131
2019	264,713	21,761
2020	272,294	14,180
2021	78,569	7,788
2022	80,888	5,469
Thereafter	125,830	3,705

The annual principal and interest payments required to service these liabilities are within the annual debt repayment limit prescribed by the Ministry of Municipal Affairs and Housing. Total interest charges on long-term liabilities for the year reported on the consolidated statement of operations are \$37,028 (2016 - \$42,712).



# CORPORATION OF THE TOWN OF SOUTH BRUCE PENINSULA

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2017

### 9. Employee future benefits

#### (a) Ontario Municipal Employees Retirement Saving Plan

The employees of the Corporation of the Town of South Bruce Peninsula participate in the Ontario Municipal Employees Retirement Saving Plan ("OMERS"). Although the plan has a defined retirement benefit for employees, the related obligation of the municipality cannot be identified. The municipality has applied defined contribution plan accounting as it has insufficient information to apply defined benefit plan accounting.

OMERS is a multi-employer plan, therefore any pension plan surpluses or deficits are a joint responsibility of Ontario municipal organizations and their employees. As a result, the municipality does not recognize any share of the OMERS pension surplus or deficit. The plan has a reported \$5.4 billion actuarial deficit at the end of 2017 (2016 - \$5.7 billion), based on actuarial liabilities of \$93.6 billion (2016 - \$87.0 billion) and actuarial assets of \$88.2 billion (2016 - \$81.2 billion).

The amount contributed to OMERS for the current year was \$233,920 (2016 - \$226,625) for current service.

#### (b) Workplace Safety and Insurance Board ("WSIB") Act

Previously under the WSIB, the municipality was self-insured (Schedule II) and is required to remit payments to the WSIB as required to fund disability payments for employees were injured as a result of their employment with the Town. The liability recorded of \$625,153 (2016 - \$638,496) has been determined by an actuarial valuation completed as of December 31, 2015. This liability is partially funded by a reserve set aside for this purpose and reported as part of the insurance, sick leave and WISB reserve in the Note 11.

The actuarial report for the WSIB liability was based on the following assumptions:

Interest discount rate	4.5%
WSIB administration and physician fees	38%
Expected level of employee cost increases	1.75% -2.5%
Expected average remaining service life	17 years

The liability is comprised of the following amounts:

	2017	2016
	\$	\$
Accrued benefit obligation	615,517	628,218
Unamortized actuarial gains(/losses)	9,636	10,278
	<b>625,153</b>	<b>638,496</b>

# CORPORATION OF THE TOWN OF SOUTH BRUCE PENINSULA

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2017

### 9. Employee future benefits (continued)

The continuity of WSIB liability is as follows:

	2017	2016
	\$	\$
Liability at January 1	638,496	652,400
Current year benefit cost	NIL	NIL
Interest	27,366	27,940
Amortization of actuarial (gain)/loss	(642)	(642)
Less: benefit payments	(40,067)	(41,202)
	<b>625,153</b>	<b>638,496</b>

### 10. Tangible capital assets

Schedules 1 and 2 provide information on the tangible capital assets of the municipality by major asset class, as well as for accumulated amortization of the assets controlled. The reader should be aware of the following information relating to tangible capital assets:

(a) Work in progress

Work in progress with a value of \$598,821 (2016 - \$514,836) has not been amortized. Amortization of these assets will commence when the asset is put into service.

(b) Contributed tangible capital assets

Contributed capital assets have been recognized at fair market value at the date of contribution. The value of contributed assets received during the year is \$NIL (2016 - \$44,837).

(c) Works of art and historical treasures

The municipality holds various works of art and historical treasures including statues, monuments, plaques, paintings and photographs. These items are not recognized as tangible capital assets in the consolidated financial statements because a reasonable estimate of the future benefits associated with such property cannot be made.

# CORPORATION OF THE TOWN OF SOUTH BRUCE PENINSULA

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2017

### 11. Accumulated surplus

The accumulated surplus consists of individual fund surplus and reserves and reserve funds as follows:

	2017	2016
	\$	\$
Invested in tangible capital assets		
Tangible capital assets at cost less amortization	54,234,187	54,280,926
Unfinanced tangible capital assets	(2,461,296)	(2,400,636)
Tangible capital assets to be financed by long-term liabilities and to be funded in future years	(507,734)	(577,673)
<b>Total invested in tangible capital assets</b>	<b>51,265,157</b>	<b>51,302,617</b>
Surplus		
Unfunded WSIB Schedule 2 liability	(625,153)	(638,496)
Unfunded landfill closure and post-closure costs	(807,908)	(271,159)
General surplus	1,303,770	656,929
<b>Total surplus</b>	<b>(129,291)</b>	<b>(252,726)</b>
Reserves set aside for specific purposes by Council		
Working funds	2,922,221	2,922,221
Insurance, sick leave and WSIB	626,163	572,963
Current purposes	1,845,030	1,700,094
Capital purposes	548,217	481,219
<b>Total reserves</b>	<b>5,941,631</b>	<b>5,676,497</b>
Reserve funds set aside for specific purposes by Council		
Current purposes	443,781	413,053
Capital purposes	12,095,588	10,039,618
<b>Total reserve funds</b>	<b>12,539,369</b>	<b>10,452,671</b>
<b>Total accumulated surplus</b>	<b>69,616,866</b>	<b>67,179,059</b>

# CORPORATION OF THE TOWN OF SOUTH BRUCE PENINSULA

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2017

### 12. Budget amounts

The operating budget approved by Council for 2017 is reflected on the consolidated statement of operations and statement of changes in net financial assets. The budgets established for capital investment in tangible capital assets are on a project oriented basis, the costs of which may be carried out over one or more years and, therefore, may not be comparable with the current year's actual expenditure amounts. The budget figures have not been audited.

The following is a reconciliation of the budget approved by Council:

	Budget 2017	Actual 2017	Actual 2016
	\$	\$	\$
Annual surplus	2,878,605	2,437,807	5,975,508
Net transfers from (to) reserves	(2,878,605)	(2,351,832)	(2,117,776)
Tangible capital asset additions	-	(1,987,296)	(6,359,765)
(Gain)/loss on disposal of tangible capital assets	-	12,212	162,195
Proceeds on disposal of tangible capital assets	-	4,239	415,992
Amortization of tangible capital assets	-	2,017,210	1,914,490
Debt principal repayments	-	(69,939)	(80,677)
Change in unfunded liabilities - landfill & WSIB	-	523,406	(63,310)
Change in other surpluses	-	-	4,188
Subtotal	-	585,807	(149,155)
Prior year capital projects funded	-	60,660	806,084
	-	646,467	656,929

### 13. Net property taxation

Net property taxation consists of:

	2017	2016
	\$	\$
Taxation revenue	20,476,683	20,472,457
Amount levied and remitted to School Boards	(3,949,516)	(4,185,563)
Amount levied and remitted to the County of Bruce	(6,962,803)	(6,882,617)
Net property taxation	9,564,364	9,404,277

# CORPORATION OF THE TOWN OF SOUTH BRUCE PENINSULA

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2017

### 14. Government transfers

	Budget	2017	2016
	\$	\$	\$
Operating:	(Note 12)		
Province of Ontario			
Ontario Municipal Partnership Fund (OMPF)	2,285,700	<b>2,285,700</b>	2,043,200
Conditional - Roads	20,000	<b>16,567</b>	22,189
- Other	272,800	<b>247,105</b>	287,915
	<b>2,578,500</b>	<b>2,549,372</b>	2,353,304
Other Municipalities			
Conditional - Other	136,000	<b>515,974</b>	255,487
<b>Total operating transfers</b>	<b>2,714,500</b>	<b>3,065,346</b>	2,608,791
Capital:			
Province of Ontario			
- Sewer and water	-	-	2,244,817
- Other	10,000	<b>16,630</b>	9,911
	<b>10,000</b>	<b>16,630</b>	2,254,728
Government of Canada			
Federal Gas Tax	-	<b>289,132</b>	239,545
- Sewer and water	-	-	1,562,716
- Other	-	-	63,520
	-	<b>289,132</b>	1,865,781
<b>Total capital transfers</b>	<b>10,000</b>	<b>305,762</b>	4,120,509
<b>Total government transfers</b>	<b>2,724,500</b>	<b>3,371,108</b>	6,729,300

# CORPORATION OF THE TOWN OF SOUTH BRUCE PENINSULA

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2017

### 15. Other income

Other income consists of the following:

	2017 Budget	2017 Actual	2016 Actual
	\$	\$	\$
	(Note 12)		
Penalties and interest on taxation	329,000	324,810	362,455
Other fines and penalties	46,500	46,950	48,174
Investment income	179,600	220,172	167,096
Licenses, permits and rents	417,090	529,695	611,192
Donations	1,500	1,039	5,531
Sale of publications, mementos, etc.	31,130	55,873	37,747
Other	3,000	8,850	186,451
	1,007,820	1,187,389	1,418,646

### 16. Government partnerships

The following summarizes the financial position and operations of the municipal joint boards. The Town of South Bruce Peninsula's pro-rata share of these amounts have been reported in the financial statements using the proportionate consolidation method:

	Bruce Area Solid Waste Recycling
	\$
Financial assets	2,893,033
Liabilities	169,417
Net financial assets	2,723,616
Non-financial assets	1,585,072
Accumulated surplus	4,308,688
General surplus	-
Invested in tangible capital assets	1,581,868
Reserves and reserve funds	2,726,820
	4,308,688
Revenues	3,047,316
Expenses	2,883,564
Annual surplus	163,752

# CORPORATION OF THE TOWN OF SOUTH BRUCE PENINSULA

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2017

### 17. Commitments

- (a) The municipality has entered into a multi-year agreement for residential and commercial garbage collection until December 31, 2018. The cost to the municipality will be:

2018	\$399,225
------	-----------

- (b) The municipality has entered into an agreement with the Ontario Clean Water Agency for the operation, management and maintenance of its water and sewage systems on April 3, 2018 until February 28, 2023. The cost to the municipality will be:

2018	\$762,635
2019	\$770,622 + Consumer Price Index Increase
2020	\$770,622 + Consumer Price Index Increase
2021	\$784,150 + Consumer Price Index Increase
2022	\$797,873 + Consumer Price Index Increase

- (c) The municipality has entered into agreements for cleaning services at the Town Hall and the Ross Whicher Centre as well as various municipal washrooms which end July 31, 2018 and June 2020. The cost to the municipality will be:

2018	\$63,957
2019	\$48,550
2020	\$48,550

- (d) The municipality has entered into a multi-year agreement for covering of a landfill site until March 31, 2018. The commitment to the municipality will be approximately \$11,180 in 2018.

- (e) The municipality pledged \$300,000 to the Bruce Peninsula Health Services Foundation in 2014 to be paid over 5 years. The annual contribution is subject to council's budget approval. A commitment of \$30,000 has been included in the 2018 budget. In addition, the municipality pledged \$15,000 to the Skateboard Park that is being constructed in 2018 and has been included in the budget.

- (f) Contractual capital commitments of approximately \$203,993 (2016- \$556,001) are not reflected in the consolidated financial statements. This amount represents uncompleted contracts as at December 31, 2017.

- (g) The minimum annual payments for operating leases for the next four years are as follows:

2018	\$1,973
2019	\$1,973
2020	\$1,973
2021	\$493

# CORPORATION OF THE TOWN OF SOUTH BRUCE PENINSULA

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2017

### 18. Contingencies

- (a) Several lower tier municipalities on the Bruce Peninsula, including the Town of South Bruce Peninsula, have been named as defendants in a land claim action filed by the Chippewas of Saugeen and Nawash, for damages alleged to total \$92,000,000. Also, joined as defendants in the action are the Counties of Bruce and Grey, the Province of Ontario and the Dominion of Canada. No breakdown as to each municipality's relative share of the \$92,000,000 has been provided. The likelihood of the success of this action is undeterminable at the present time.
- (b) The Town of South Bruce Peninsula along with private land owners, have been named as defendants in a land claim action filed by the Chippewas of Saugeen First Nation for damages alleged to total \$25,000,000. Also, joined as defendants in the action are the Province of Ontario and the Dominion of Canada. No breakdown as to each defendant's relative share of the \$25,000,000 has been provided. The likelihood of the success of this action is undeterminable at the present time.
- (c) During the year ended December 31, 2017, the municipality has had two suits brought against claiming damages. At this time the outcome of these proceedings cannot be determined. No amounts related to these litigations have been recorded in these consolidated financial statements.
- (d) Appeals of the current value assessment of properties in the municipality may be in process. The impact on taxation revenue as a result of settlement of these appeals is not determinable at this time. The effect on taxation of the settlement of these appeals will be recorded in the fiscal year in which they can be determined.
- (e) Applications for property tax rebates for vacant commercial and industrial buildings may be in process. The impact on taxation revenue as a result of these rebates is not determinable at this time. The effect on taxation of these rebates will be recorded in the fiscal year in which they can be determined.
- (f) In the ordinary course of business, various claims and lawsuits are brought against the municipality. It is the opinion of management that the settlement of these actions will not result in any material liabilities beyond any amounts already accrued.

### 19. Trust funds

The trust funds administered by the municipality amounting to \$299,186 (2016 - \$292,663) have not been included in the consolidated statement of financial position nor have the operations been included in the consolidated statement of operations.



# CORPORATION OF THE TOWN OF SOUTH BRUCE PENINSULA

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2017

### 20. Segmented information

The Town of South Bruce Peninsula is a diversified municipal government organization that provides a wide range of services to its citizens such as police, fire, roadways, water, sewer, waste, and recreation and cultural services. Distinguishable functional segments have been separately disclosed in the segmented information. Schedules 3 and 4 provide information on the segmented information of the municipality.

The accounting policies of the segments are the same as those described in the summary of significant accounting policies. In measuring and reporting segment revenue from transactions with other segments, inter-segment transfers are measured on the basis of exchange amount. Property taxation revenue and the Ontario Municipal Partnership Fund grant is allocated to general government. The nature of the segments and the activities that they encompass are as follows:

#### **General government**

This segment relates the operations of the municipality itself and unallocated items that cannot be directly attributed to any specific segment. General administration, council activities and maintenance of municipal buildings are included in the functions of general government.

#### **Protection services**

Protection is comprised of police services, fire protection, emergency plan, building inspections, and animal control.

#### **Transportation services**

Transportation is comprised of the municipality's roadways, storm sewers, sidewalks, street lighting, and winter control. Transportation also includes the provision of air transportation through the Warton Keppel International Airport Joint Municipal Service Board.

#### **Sewer & Water**

Sewer & Water is comprised of water and waste water services, where the municipality treats and distributes the municipality's drinking water and ensures that it meets all provincial standards. It also includes the collection and treatment of waste water.

#### **Environmental services**

Environmental consists of providing waste and recycling collection and the operation of the landfill sites.

#### **Health services**

Health services are comprised of support to the local hospitals and cemeteries.

#### **Recreational and cultural services**

This service area provides services meant to improve the health and development of the municipality's citizens. The municipality operates and maintains parks, arenas, a swimming pool, community centres, a campground, museum and marinas. The municipality also provides library services and recreational programs.

# CORPORATION OF THE TOWN OF SOUTH BRUCE PENINSULA

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2017

### 20. Segmented information (continued)

#### Planning and development

This segment is responsible for planning and zoning including the Official plan for residential and commercial, review of property development plans, and economic development services for the municipality.

### 21. Future accounting pronouncements

The PSAB issued Section PS 3450, "Financial Instruments", which establishes recognition, measurement, presentation and disclosure standards relating to financial instruments such as receivables, payables, and equity instruments. The section is effective for governments for fiscal years beginning on or after April 1, 2019; the municipality is required to adopt this section for its fiscal year beginning January 1, 2020. Earlier adoption is allowed. At this time, we are unable to determine if this accounting pronouncement would have a material impact.

The PSAB issued Section PS 3041, "Portfolio Investments", which replaces Section PS 3040. The new section establishes recognition, measurement, presentation and disclosure standards relating to investments in organization that do not form part of the government reporting entity. This section must be implemented upon the adoption of Section PS 3450. At this time we are unable to determine if this accounting pronouncement would have a material impact.

The PSAB issued Section PS 1201, "Financial Statement Preparation", which replaces Section 1200. The new section establishes reporting principles and standards for the disclosure of information in government financial statements. This section establishes the requirement of the municipality's financial statements to include a statement of financial position, statement of operations, statement of remeasurement gains and losses, a statement of change in net debt and a statement of cash flow. This section must be implemented upon the adoption of Section PS 3450. This pronouncement is not expected to have a material impact.

The PSAB issued Section 3280, "Asset Retirement Obligations", which replaces PS 3270. The new section proposes to enhance comparability of financial statements among public sector entities by establishing uniform criteria for recognition and measurement of assets retirement obligations, including obligations that may not have been previously reported. The section is effective for governments for fiscal years beginning on or after April 1, 2021; the Municipality is required to adopt this section for its fiscal year beginning January 1, 2022. Earlier adoption is allowed. At this time, we are unable to determine if this accounting pronouncement would have a material impact.

**CORPORATION OF THE  
TOWN OF SOUTH BRUCE PENINSULA**

**SCHEDULE 1  
CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS  
FOR THE YEAR ENDED DECEMBER 31, 2017**

	Land						Work in Progress		Total
	Land	Improvements	Buildings	Equipment	Vehicles	Infrastructure	Progress		
	\$	\$	\$	\$	\$	\$	\$	\$	
<b>Cost</b>									
Balance, beginning of year	721,070	2,075,067	14,664,422	6,499,890	4,715,667	61,053,694	514,836	90,244,646	
Additions	392,643	70,603	27,068	281,445	168,992	939,785	106,760	1,987,296	
Disposals	-	-	-	(216,118)	-	(88,882)	-	(305,000)	
Additions from work in progress	-	-	-	1,893	-	20,882	(22,775)	-	
Balance, end of year	1,113,713	2,145,670	14,691,490	6,567,110	4,884,659	61,925,479	598,821	91,926,942	
<b>Accumulated amortization</b>									
Balance, beginning of year	-	926,830	5,525,440	3,449,480	2,707,399	23,354,571	-	35,963,720	
Amortization	-	87,083	284,718	363,529	285,148	996,732	-	2,017,210	
Disposals	-	-	-	(209,967)	-	(78,208)	-	(288,175)	
Balance, end of year	-	1,013,913	5,810,158	3,603,042	2,992,547	24,273,095	-	37,692,755	
Net book value, end of year	1,113,713	1,131,757	8,881,332	2,964,068	1,892,112	37,652,384	598,821	54,234,187	

The accompanying notes are an integral part of these financial statements

**CORPORATION OF THE  
TOWN OF SOUTH BRUCE PENINSULA**

**SCHEDULE 2  
CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS  
FOR THE YEAR ENDED DECEMBER 31, 2016**

	Land						Work in		Total
	Land	Improvements	Buildings	Equipment	Vehicles	Infrastructure	Progress		
<b>Cost</b>	\$	\$	\$	\$	\$	\$	\$	\$	
Balance, beginning of year	1,181,955	1,970,205	14,662,286	6,063,022	4,488,286	53,583,949	2,804,571	84,754,274	
Additions	536	104,862	2,646	738,048	120,224	5,357,615	35,834	6,359,765	
Disposals	(461,421)	-	(510)	(301,811)	(3,232)	(66,516)	(35,903)	(869,393)	
Additions from work in progress	-	-	-	631	110,389	2,178,646	(2,289,666)	-	
Balance, end of year	721,070	2,075,067	14,664,422	6,499,890	4,715,667	61,053,694	514,836	90,244,646	
<b>Accumulated amortization</b>									
Balance, beginning of year	-	844,210	5,228,863	3,324,622	2,441,955	22,500,786	-	34,340,436	
Amortization	-	82,620	296,811	358,056	267,278	909,725	-	1,914,490	
Disposals	-	-	(234)	(233,198)	(1,834)	(55,940)	-	(291,206)	
Balance, end of year	-	926,830	5,525,440	3,449,480	2,707,399	23,354,571	-	35,963,720	
Net book value, end of year	721,070	1,148,237	9,138,982	3,050,410	2,008,268	37,699,123	514,836	54,280,926	

The accompanying notes are an integral part of  
these financial statements

# CORPORATION OF THE TOWN OF SOUTH BRUCE PENINSULA

## SCHEDULE 3 CONSOLIDATED SCHEDULE OF SEGMENTED REVENUES AND EXPENSES ACTUAL FOR THE YEAR ENDED DECEMBER 31, 2017

	General Government	Protection Services	Transportation Services	Sewer and Water	Environmental Services	Health Services	Recreational and Cultural Services	Planning and Development	Total
<b>Revenues</b>									
Property taxation	9,564,364	-	-	-	-	-	-	-	9,564,364
User charges and fees	132,177	215,896	1,512	2,192,727	592,583	25,489	436,919	20,936	3,618,239
Government transfers	2,359,259	166,870	-	556,461	116,268	1,127	47,091	1,020	3,248,096
Government transfers - capital	-	-	-	289,132	-	-	16,630	-	305,762
Capital recoveries	-	-	-	14,591	-	-	454,692	-	469,283
Other revenue	557,922	479,619	2,949	(9,699)	65,244	5,152	67,302	6,688	1,175,177
	12,613,722	862,385	293,593	2,754,080	774,095	31,768	1,022,634	28,644	18,380,921
<b>Expenses</b>									
Salaries, wages and benefits	939,750	856,833	1,689,317	74,596	378,185	7,300	565,179	41	4,511,201
Interest on long-term liabilities	-	-	-	51,530	-	-	-	-	51,530
Materials and supplies	189,716	213,559	1,160,676	449,916	818,249	817	429,160	55,760	3,317,853
Contracted services	706,162	2,498,631	273,006	837,850	530,880	-	167,500	20,220	5,034,249
Rents, financial expenses and external transfers	108,411	236,143	616,738	64,452	11,425	23,402	14,014	17,921	1,092,506
Amortization expense	78,282	139,888	724,367	766,998	61,393	-	250,360	3,042	2,024,330
Interfunctional charges	(58,140)	(12,470)	28,052	50,400	-	33,020	(129,417)	-	(88,555)
	1,964,181	3,932,584	4,492,156	2,295,742	1,800,132	64,539	1,296,796	96,984	15,943,114
Annual surplus (deficit)	10,649,541	(3,070,199)	(4,198,563)	458,338	(1,026,037)	(32,771)	(274,162)	(68,340)	2,437,807

The accompanying notes are an integral part of  
these financial statements

# CORPORATION OF THE TOWN OF SOUTH BRUCE PENNSYLVANIA

## SCHEDULE 4 CONSOLIDATED SCHEDULE OF SEGMENTED REVENUES AND EXPENSES ACTUAL FOR THE YEAR ENDED DECEMBER 31, 2016

	General Government	Protection Services	Transportation Services	Sewer and Water	Environmental Services	Health Services	Recreational and Cultural Services	Planning and Development	Total
<b>Revenues</b>	\$	\$	\$	\$	\$	\$	\$	\$	\$
Property taxation	9,404,277	-	-	-	-	-	-	-	9,404,277
User charges and fees	57,393	31,207	258,565	2,302,027	546,259	30,473	377,586	11,178	3,614,688
Government transfers	2,093,796	125,458	74,009	137,520	106,744	1,577	41,665	28,023	2,608,792
Government transfers - capital	-	-	577,793	3,469,285	-	-	73,431	-	4,120,509
Capital recoveries	-	-	112,376	31,342	-	-	250	-	143,968
Contributed tangible capital assets	44,837	-	-	-	-	-	-	-	44,837
Other revenue	552,210	705,734	(1,266)	(149,379)	38,146	1,903	103,650	5,453	1,256,451
	12,152,513	862,399	1,021,477	5,790,795	691,149	33,953	596,582	44,654	21,193,522
<b>Expenses</b>									
Salaries, wages and benefits	869,950	844,850	1,495,730	73,677	370,222	9,020	638,293	32,190	4,333,932
Interest on long-term liabilities	-	225	-	75,660	-	-	-	-	75,885
Materials and supplies	168,901	115,714	1,298,515	439,034	260,709	414	439,247	85,987	2,808,521
Contracted services	711,698	2,796,082	138,433	838,744	481,380	-	165,911	34,243	5,166,491
Rents and financial expenses	77,306	179,707	569,189	38,401	1,638	25,220	20,234	7,000	918,695
Amortization expense	85,902	140,495	697,237	695,144	53,647	-	239,023	3,042	1,914,490
Interfunctional charges	(48,260)	39,850	(42,740)	80,690	-	32,060	(61,600)	-	-
	1,865,497	4,116,923	4,156,364	2,241,350	1,167,596	66,714	1,441,108	162,462	15,218,014
Annual surplus (deficit)	10,287,016	(3,254,524)	(3,134,887)	3,549,445	(476,447)	(32,761)	(844,526)	(117,808)	5,975,508

The accompanying notes are an integral part of  
these financial statements