

**CORPORATION OF THE  
TOWNSHIP OF ORO-MEDONTE**

**COUNTY OF SIMCOE**

**CONSOLIDATED  
FINANCIAL STATEMENTS**

**DECEMBER 31, 2017**

# CORPORATION OF THE TOWNSHIP OF ORO-MEDONTE

DECEMBER 31, 2017

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# CORPORATION OF THE TOWNSHIP OF ORO-MEDONTE

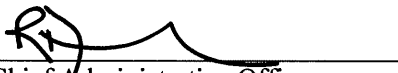
## MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL REPORT


The accompanying consolidated financial statements of the Township of Oro-Medonte (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, 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.

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  
July 18, 2018

  
Treasurer  
July 18, 2018

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

**INDEPENDENT AUDITOR'S REPORT**

To the Members of Council, Inhabitants and Ratepayers of the Township of Oro-Medonte:

**Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of the Township of Oro-Medonte, 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 Consolidated 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 Township of Oro-Medonte 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 LLP*

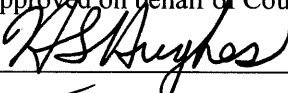
Licensed Public Accountants  
Collingwood, Ontario  
July 18, 2018

# CORPORATION OF THE TOWNSHIP OF ORO-MEDONTE

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31

	2017	2016
	\$	\$
<b>Financial assets</b>		
Cash and cash equivalents (Note 3)	12,276,295	11,336,405
Investments (Note 3)	4,338,410	4,052,927
Taxes receivable	4,193,496	3,559,641
Trade and other receivables	2,313,298	2,113,813
	23,121,499	21,062,786
<b>Liabilities</b>		
Accounts payable and accrued liabilities	4,552,387	3,013,753
Developer deposits and other current liabilities	4,366,225	4,180,318
Deferred revenue - obligatory reserve funds (Note 4)	3,718,484	2,837,644
Long-term (Note 5)	6,334,156	6,639,289
Employee future benefits (Note 7)	166,738	175,291
	19,137,990	16,846,295
<b>Net financial assets</b>	3,983,509	4,216,491
<b>Non-financial assets</b>		
Inventories	276,756	103,989
Prepaid expenses	359,635	-
Tangible capital assets, net (Schedule 1 and Note 8)	80,635,064	78,357,723
	81,271,455	78,461,712
<b>Accumulated surplus (Note 10)</b>	85,254,964	82,678,203

Approved on behalf of Council:

  
 \_\_\_\_\_ Mayor  
 July 18, 2018 \_\_\_\_\_ Date

The accompanying notes are an integral part of  
this financial statement

# CORPORATION OF THE TOWNSHIP OF ORO-MEDONTE

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

	Budget 2017	Actual 2017	Actual 2016
	\$ (Note 2)	\$	\$
<b>Revenues</b>			
Net municipal taxation (Note 11)	17,032,197	<b>17,017,369</b>	15,956,961
Taxation from other governments	143,445	<b>144,372</b>	145,681
User charges	2,184,460	<b>1,937,879</b>	1,815,467
Grants	1,407,786	<b>1,366,944</b>	1,508,730
Contribution from obligatory reserve funds (Note 4)	96,200	<b>17,706</b>	-
Investment	227,000	<b>264,531</b>	226,756
Other (Note 9)	3,143,085	<b>3,542,724</b>	3,459,363
	<b>24,234,173</b>	<b>24,291,525</b>	23,112,958
<b>Expenses</b>			
General government	4,128,481	<b>4,061,150</b>	4,309,777
Fire and emergency services	1,968,829	<b>1,826,826</b>	1,790,998
Police	2,813,118	<b>2,809,761</b>	2,759,365
Planning, building and protection	2,550,469	<b>2,623,970</b>	2,469,974
Transportation	8,197,296	<b>8,327,921</b>	8,180,975
Environmental Services	1,785,073	<b>1,652,005</b>	1,596,936
Parks and recreation	2,172,758	<b>1,935,032</b>	2,040,785
Library services	259,147	<b>271,318</b>	241,656
	<b>23,875,171</b>	<b>23,507,983</b>	23,390,466
Net revenues (expenses)	359,002	<b>783,542</b>	(277,508)
<b>Other</b>			
Grants and transfers related to capital			
Contributed tangible capital assets	261,281	-	6,108,477
Grants	1,258,000	<b>389,292</b>	392,613
Contribution from obligatory reserve funds (Note 4)	2,159,185	<b>1,279,350</b>	1,233,839
Donations and other	49,000	<b>124,577</b>	57,930
Gain on disposal of tangible capital assets	-	-	29,012
	<b>3,727,466</b>	<b>1,793,219</b>	7,821,871
<b>Annual surplus</b>	4,086,468	<b>2,576,761</b>	7,544,363
Accumulated surplus, beginning of year	82,678,203	<b>82,678,203</b>	75,133,840
<b>Accumulated surplus, end of year (Note 10)</b>	<b>86,764,671</b>	<b>85,254,964</b>	82,678,203

The accompanying notes are an integral part of  
this financial statement

# CORPORATION OF THE TOWNSHIP OF ORO-MEDONTE

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

	Budget 2017	Actual 2017	Actual 2016
	\$ (Note 2)	\$	\$
<b>Annual surplus</b>	4,086,468	<b>2,576,761</b>	7,544,363
Acquisition of tangible capital assets	(11,402,944)	<b>(6,349,215)</b>	(6,569,746)
Amortization of tangible capital assets	3,918,093	<b>4,071,874</b>	3,777,231
(Gain) on disposal of tangible capital assets	-	-	(29,012)
Proceeds on disposal of tangible capital assets	-	-	97,911
Change in inventories	-	<b>(172,767)</b>	31,292
Change in prepaid expenses	-	<b>(359,635)</b>	-
Contributed tangible capital assets	-	-	<b>(6,108,477)</b>
<b>Change in net financial assets</b>	<b>(3,398,383)</b>	<b>(232,982)</b>	<b>(1,256,438)</b>
Net financial assets, beginning of year	4,216,491	<b>4,216,491</b>	5,472,929
<b>Net financial assets, end of year</b>	<b>818,108</b>	<b>3,983,509</b>	<b>4,216,491</b>

The accompanying notes are an integral part of  
this financial statement

# CORPORATION OF THE TOWNSHIP OF ORO-MEDONTE

## 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	2,576,761	7,544,363
Non-cash items:		
Amortization of tangible capital assets	4,071,874	3,777,231
Contributed tangible capital assets	-	(6,108,477)
Gain on disposal of tangible capital assets	-	(29,012)
Employee future benefits	(8,553)	10,899
	6,640,082	5,195,004
Changes in:		
Taxes receivable	(633,855)	579,215
Trade and other receivables	(216,833)	203,559
Inventories	(172,767)	31,292
Prepaid expenses	(359,635)	-
Accounts payable and accrued liabilities	1,387,142	463,880
Developer deposits and other current liabilities	185,907	616,665
	6,830,041	7,089,615
<b>Capital activities</b>		
Accounts payable and accrued liabilities - capital	151,492	44,636
Trade and other receivables - capital	17,349	(156,806)
Acquisition of tangible capital assets	(6,349,215)	(6,569,746)
Proceeds on disposal of tangible capital assets	-	97,911
	(6,180,374)	(6,584,005)
<b>Investing activities</b>		
Interest receivable upon maturity	(85,484)	(27,402)
Purchase of investments	(1,522,426)	(1,447,718)
Proceeds from matured investments	1,322,426	408,088
	(285,484)	(1,067,032)
<b>Financing activities</b>		
Issuance of long-term liabilities	1,100,000	1,044,337
Principal repayment of long-term liabilities	(1,405,133)	(1,296,689)
Increase in deferred revenue - obligatory reserve funds	880,840	813,944
	575,707	561,592
<b>Net change in cash position</b>	<b>939,890</b>	<b>170</b>
Cash and cash equivalents, beginning of year	11,336,405	11,336,235
<b>Cash and cash equivalents, end of year</b>	<b>12,276,295</b>	<b>11,336,405</b>

The accompanying notes are an integral part of  
this financial statement



# CORPORATION OF THE TOWNSHIP OF ORO-MEDONTE

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

### Nature of operations

The Township of Oro-Medonte ("the Municipality") is a lower-tier municipality located in the County of Simcoe, 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 have been prepared by management of the Municipality in accordance with Canadian generally accepted accounting principles for organizations operating in the local government sector as recommended 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 of the Municipality. They include the activities of the committees of Council and the following organizations which are accountable to, and owned or controlled by the Municipality:

The Lake Simcoe Regional Airport Inc. (LSRA)	20%
Severn Sound Environmental Association (SSEA)	12%

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

The Township of Oro-Medonte's portion of the LSRA has been included in these consolidated financial statements on a proportionate consolidation basis. The Township's portion of the SSEA has not been consolidated.

#### (b) Basis of accounting

Revenues 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 the receipt of goods or services and the creation of a legal obligation to pay.

#### (c) 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.

# CORPORATION OF THE TOWNSHIP OF ORO-MEDONTE

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

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

#### (d) County and School Boards

The Municipality collects taxation revenue on behalf of the School Boards and the County of Simcoe. The taxation, other revenues, expenses, assets and liabilities with respect to the operations of the School Boards and the County of Simcoe are not reflected in these consolidated financial statements.

#### (e) 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 change in net financial assets for the year.

##### (i) 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, less residual value, of the tangible capital assets are amortized on a straight-line basis over their estimated useful lives as follows:

Land improvements	10 to 60 years
Buildings	15 to 85 years
Vehicles	3 to 40 years
Equipment	5 to 40 years
Infrastructure	6 to 100 years

One half of the annual amortization is charged in the year of acquisition and in the year of disposal. Work in progress is not amortized until the asset is available for productive use.

##### (ii) Leases

Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risks incidental to ownership of the property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

##### (iii) Intangible assets

Intangible assets are not recognized as assets in the consolidated financial statements.

##### (iv) Inventories

Inventories consist of fuel and books and are recorded at the lower of cost and net realizable value. Cost is determined on the average cost basis.

#### (f) Cash and cash equivalents

Cash and cash equivalents include all cash balances and short-term, highly liquid financial instruments with a maturity of three months or less from the date of acquisition.

# CORPORATION OF THE TOWNSHIP OF ORO-MEDONTE

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

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

#### (g) Government grants

Government grants are recognized in the consolidated financial statements as grants 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 grants are recognized to the extent the conditions imposed on them have been fulfilled. Unconditional government grants are recognized when monies are receivable. Government grants for acquisition of tangible capital assets are recognized in the period in which eligible expenditures are made. Grants are recognized as deferred revenue when transfer stipulations give rise to a liability. Grant revenue is recognized in the consolidated statement of operations as the stipulation liabilities are settled.

#### (h) Revenue recognition

Included in user charges are fees for water usage. These fees are recognized as revenue when the service is rendered.

Service charges and fees are included in other income and include subdivider contributions. These fees are recognized over the period of service or when required expenses are incurred if applicable.

Investment income (other than on obligatory funds) is reported as revenue 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 balances. Revenue from the obligatory reserve funds is recognized in the year in which eligible expenses are incurred. This revenue is shown separately on the consolidated statement of operations as it relates to operating expenses and capital expenditures.

User charges, taxation from other governments, donations and other income are recognized on an accrual basis.

#### (i) Use of estimates

The preparation of consolidated 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 consolidated financial statements and the reported amounts of revenues and expenses during the period. Significant estimates have been made of historical cost and useful lives of tangible capital assets, employee future benefits and the collectibility of trade and other receivables. Actual results could differ from those estimates.

#### (j) Segmented disclosures

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. Net municipal taxation revenue is allocated to segments based on the net budget requirements of each segment. Any additional taxation revenue (i.e. supplementary taxes) is considered unallocated for purposes of segmented information.

# CORPORATION OF THE TOWNSHIP OF ORO-MEDONTE

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

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

#### (k) 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.

#### (l) Other post-employment benefits

Employee future benefits other than pension provided by the Municipality include medical and dental benefits. These plans provide benefits to employees when they are no longer providing active service. Employee future benefit expense is recognized in the period in which the employees render services on an accrual basis.

The accrued benefit obligations and the current service costs are calculated using the projected benefit method, prorated on service, and based on assumptions that reflect management's best estimates. The current service cost for a period is equal to the actuarial present value of benefits attributed to employees' services rendered in the period. Past service costs arising from plan amendments are amortized on a straight-line basis over the average remaining service period of employees active at the date of amendment. The excess of the net actuarial gains or losses over 10% of the accrued benefit obligation is amortized to expense over the average remaining service period of active employees to full eligibility.

#### (m) Taxation and related revenues

Municipal tax billings are prepared by the Municipality based on assessment rolls issued by the Municipal Property Assessment Corporation. Tax rates are established annually by the 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 municipal 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 uncollectible 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.

# CORPORATION OF THE TOWNSHIP OF ORO-MEDONTE

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

### 2. Budget amounts

The operating budget approved by Council for 2017 is reflected in the consolidated financial statements. The budgets established for 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 amounts. Budget figures are unaudited and have been reclassified for the purposes of these consolidated financial statements to comply with PSAB reporting requirements.

### 3. Cash, cash equivalents and investments

Cash, cash equivalents and investments consist of the following:

	2017	2016
	\$	\$
Cash and cash equivalents	12,276,255	11,336,405
Short-term investments	4,338,410	4,052,927
	<b>16,614,665</b>	<b>15,389,332</b>

The total is comprised of unrestricted and restricted amounts as follows:

	2017	2016
	\$	\$
Unrestricted	12,896,181	12,551,688
Restricted - obligatory reserve funds	3,718,484	2,837,644
	<b>16,614,665</b>	<b>15,389,332</b>

Cash and cash equivalents includes cash held in financial institutions. The 2017 balance includes three cashable term deposits with maturity dates between January 16, 2018 and March 29, 2018 and earning interest rates of 1.54% to 1.60% per annum.

Investments of \$4,338,410 (2016 - \$4,052,927) consist of cash and fixed income GICs maturing in 2018 to 2022 earning interest at 1.30% to 2.90% per annum. Investments are recorded at cost which approximates fair market value.

Restricted cash relates to obligatory reserve funds as described in Note 4.

# CORPORATION OF THE TOWNSHIP OF ORO-MEDONTE

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

### 4. Deferred revenue - obligatory reserve funds

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 during the year in the obligatory reserve funds was as follows:

	Development Charges Act	Recreational Land	Gas Tax Allocation	Building Code Act	Total
	\$	\$	\$	\$	\$
Deferred revenue, beginning of year	1,452,469	191,051	605,100	589,024	<b>2,837,644</b>
Restricted funds received during the year	1,063,061	53,750	621,242	409,314	<b>2,147,367</b>
Interest earned	22,122	2,515	5,892	-	<b>30,529</b>
Revenue recognized during the year	(217,696)	-	(1,079,360)	-	<b>(1,297,056)</b>
Deferred revenue, end of year	2,319,956	247,316	152,874	998,338	<b>3,718,484</b>
			<b>2017</b>	2016	
			\$	\$	
Obligatory reserve funds:					
Development Charges Act			<b>2,319,956</b>	1,452,469	
Recreational Land			<b>247,316</b>	191,051	
Gas Tax Allocation			<b>152,874</b>	605,100	
Building Code Act			<b>998,338</b>	589,024	
			<b>3,718,484</b>	2,837,644	

# CORPORATION OF THE TOWNSHIP OF ORO-MEDONTE

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

### 5. Long-term liabilities

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

	2017	2016
	\$	\$
Note payable to the City of Barrie, repayable in annual installments of \$23,200 plus interest of 4.35%.	-	23,200
OIPC debenture, interest at 4.96%, repayable in semi-annual payments of \$96,039 to 2017	-	185,162
OIPC debenture, interest of 2.81%, repayable in semi-annual payments of \$106,748 to 2021	<b>802,426</b>	989,424
OIPC debenture, interest of 3.46%, repayable in semi-annual payments of \$119,150 to 2020	<b>673,533</b>	883,075
OIPC debenture, interest of 3.66%, repayable in semi-annual payments of \$90,237 to 2019	<b>345,020</b>	508,369
OIPC debenture, interest at 4.30% repayable in semi-annual payments of \$99,273 to 2019	<b>285,457</b>	465,889
OIPC debenture, interest at 4.38%, repayable in semi-annual payments of \$30,519 to 2018	<b>29,865</b>	87,689
OIPC debenture, interest at 2.74%, repayable in semi-annual payments of \$158,131 to 2024	<b>2,002,056</b>	2,258,185
OIPC debenture, interest at 2.54%, repayable in semi-annual payments of \$59,458 to 2026	<b>951,361</b>	1,044,337
OIPC debenture, interest at 2.76%, repayable in semi-annual payments of \$63,315 to 2027	<b>1,100,000</b>	-
Daimler financing loan, interest at 4.70%, repayable in monthly payments of \$4,528 to 2020	<b>144,438</b>	193,959
	<b>6,334,156</b>	<b>6,639,289</b>

# CORPORATION OF THE TOWNSHIP OF ORO-MEDONTE

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

### 5. Long-term liabilities (continued)

(b) Principal, interest and total debt payments for the next 5 years and thereafter are as follows:

	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
	\$	\$	\$
2018	1,301,669	170,994	1,472,663
2019	1,212,371	130,499	1,342,870
2020	961,582	97,417	1,058,999
2021	702,760	72,543	775,303
2022	507,113	54,694	561,807
Thereafter	1,648,661	92,674	1,741,335
	<b>6,334,156</b>	<b>618,821</b>	<b>6,952,977</b>

The above long-term liabilities have been approved through by-laws. 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.



# CORPORATION OF THE TOWNSHIP OF ORO-MEDONTE

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

### 6. Pension agreements

The employees of the Municipality participate in the Ontario Municipal Employees Retirement Savings 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. The OMERS plan has several unrelated participating municipalities and costs are not specifically attributed to each participant. Amounts paid to OMERS during the year were \$640,142 (2016 - \$574,229) for current service.

OMERS is a multi-employer plan, therefore any pension plan surpluses or deficits are a joint responsibility of Ontario municipal organizations and their employees. The most recent actuarial valuation of the Plan was conducted at December 31, 2017.

### 7. Employee future benefits

The Municipality pays certain post-retirement benefits for extended health and dental benefits on behalf of its retired employees. The Municipality recognizes these post-retirement costs in the period in which the employees rendered the services. The accrued benefit obligation and the net periodic benefit cost were determined using a discount rate of 3.0%. The accrued benefit obligation at December 31, 2017 of \$166,738 (2016 - \$175,291) and the net periodic benefit cost were determined by management and extrapolated to 2043. Actuarial valuations will be prepared when there are significant changes to the workforce.

Information about the Municipality's employee future benefits is as follows:

	2017	2016
	\$	\$
Accrued plan liability, beginning of year	155,986	146,808
Interest costs and adjustments	(6,138)	3,411
Current service costs	11,355	9,761
Benefits paid for the period	(5,176)	(3,994)
	<b>156,027</b>	155,986
Proportionate share - Lake Simcoe Regional Airport	10,711	19,305
Accrued plan liability and accrued benefit obligation, end of year	<b>166,738</b>	175,291

The main assumptions employed for the valuation are as follows:

(a) General inflation

Future general inflation levels, as measured by changes in the Consumer Price Index (CPI), were assumed at 2.0% in 2017 and thereafter.

(b) Interest (discount) rate

The obligation of the present value of future liabilities and the expense was determined using an annual discount rate of 3.0% in 2017 and thereafter.

(c) Health care costs

Health care costs were assumed to increase at a rate of 5.0% in 2017 and thereafter.

(d) Dental costs

Dental costs were assumed to increase at a rate of 5.0% in 2017 and thereafter.

# CORPORATION OF THE TOWNSHIP OF ORO-MEDONTE

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

### 8. Tangible capital assets

Schedules 1, 2 and 3 provide information on the tangible capital assets of the Municipality by major asset class and service segment, 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 \$1,300,509 (2016 - \$845,831) has not been amortized. Amortization of these assets will commence when the asset is put into service.

(b) Contributed tangible capital assets

Contributed tangible 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 - \$6,108,477).

(c) Tangible capital assets disclosed at nominal values

Where an estimate of fair value could not be made, the tangible capital asset was recognized at a nominal value. Land is the only category where nominal values were assigned.

### 9. Other revenues

Other revenues consist of the following:

	2017 Budget	2017 Actual	2016 Actual
	\$	\$	\$
	(Note 2)		
Penalties and interest on taxation	561,900	<b>526,871</b>	501,081
Service charges and fees	455,004	<b>437,530</b>	396,819
Licences and permits	991,219	<b>1,132,503</b>	780,604
Fines	293,000	<b>208,832</b>	272,881
Facility rentals	532,722	<b>551,413</b>	551,916
Sundry revenue	309,240	<b>685,575</b>	956,062
	<b>3,143,085</b>	<b>3,542,724</b>	3,459,363

# CORPORATION OF THE TOWNSHIP OF ORO-MEDONTE

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

### 10. Accumulated surplus

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

	2017	2016
	\$	\$
<b>Surplus</b>		
Invested in tangible capital assets	74,320,909	71,718,434
General area taxation	65,244	(577,673)
Lake Simcoe Regional Airport Inc.	299,037	281,642
Community centres	(15,059)	(3,683)
Water systems	(170,387)	(338,358)
Street lights	(46,366)	(60,584)
Stormwater	(33,741)	-
Septic inspection program	-	(39,403)
Unfunded employee future benefits	(166,738)	(175,291)
	74,252,899	70,805,084
<b>Reserves set aside for specific purposes by Council</b>		
Acquisition of specific assets	5,828,893	6,425,699
Working funds	1,391,965	2,321,805
Insurance	51,169	51,169
Water systems	3,658,226	3,003,088
Community halls	71,812	71,358
	11,002,065	11,873,119
	85,254,964	82,678,203

### 11. Net municipal taxation

Net municipal taxation consists of:

	2017	2016
	\$	\$
Taxation revenue	38,964,149	37,523,339
Amounts levied and remitted to School Boards	(9,492,777)	(9,515,418)
Amounts levied and remitted to County of Simcoe	(12,454,003)	(12,050,960)
	17,017,369	15,956,961

# CORPORATION OF THE TOWNSHIP OF ORO-MEDONTE

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

### 12. Commitments

The Municipality has leased various equipment for which the minimum annual lease payments for the next five years are as follows:

	\$
2018	184,421
2019	184,421
2020	172,815
2021	136,359
2022	20,892

### 13. 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, 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.

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 organizations 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 Presentation", 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, a 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 PS 3280, "Asset Retirement Obligations", which replaces Section 3270. The new section proposes to enhance comparability of financial statements among public sector entities by establishing uniform criteria for recognition and measurement of asset 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 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 TOWNSHIP OF ORO-MEDONTE

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

### 14. Contingencies

- (a) Claims have been filed against the Municipality requesting damages. The ultimate outcome of these claims is not determinable at the time of issue of these consolidated financial statements. No provision for these claims has been recorded in these financial statements. Settlements in excess of insurance, if any, will be reflected in the periods in which financial settlement occurs.
- (b) During 1991, the County of Simcoe assumed the waste management of the Municipality pursuant to provincial legislation. In connection therewith, the Municipality transferred the property and related assets utilized in its waste management activities to the County. The legislation provides for financial adjustments to be made between the Municipality and County with respect to the transfer of these activities, the property and related assets. Settlements were reached for the related assets in prior years. Negotiations remain unresolved and indeterminate regarding the landfill sites and gravel pit property. Settlements will be reflected in the periods in which the settlements occur.

### 15. Government partnerships

The following summarizes the financial position and operations of the Lake Simcoe Regional Airport. The Township of Oro-Medonte's pro-rata share of these amounts have been reported in the consolidated financial statements using the proportionate consolidation method:

	Lake Simcoe Regional Airport
Financial assets	1,614,447
Liabilities	175,080
Net financial assets	1,439,367
Non-financial assets	19,590,734
Accumulated surplus	21,030,101
Employee future benefits	(53,556)
Invested in tangible capital assets	19,588,373
Unallocated	1,495,284
	21,030,101
Revenues	1,953,835
Expenses	2,283,558
Annual deficit	(329,723)

At the time that these consolidated financial statements were prepared, the December 31, 2017 Severn Sound Environmental Association (SSEA) financial statements had not yet been prepared. The Township of Oro-Medonte's pro-rata share of the accumulated deficit for 2017 could not be determined. The accumulated surplus for 2016 was \$4,433. The Township of Oro-Medonte's pro-rata share was \$515 for 2016.

### 16. Comparative figures

Certain comparative figures in Notes 9 and 10 have been reclassified to conform to the current year's presentation.

**CORPORATION OF THE TOWNSHIP OF ORO-MEDONTE**

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

	Land	Land Improvements	Buildings	Vehicles	Equipment	Infrastructure	Work in Progress	2017 Total	2016 Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Cost</b>									
Balance, beginning of year	10,343,233	5,183,566	14,160,751	8,774,197	8,690,176	80,123,584	845,831	<b>128,121,338</b>	116,272,967
Additions	-	12,836	325,185	1,040,620	890,350	3,625,545	1,040,480	<b>6,935,016</b>	14,002,895
Disposals	-	-	-	-	(1,926)	(27,888)	(585,802)	<b>(615,616)</b>	(2,154,524)
Balance, end of year	10,343,233	5,196,402	14,485,936	9,814,817	9,578,600	83,721,241	1,300,509	<b>134,440,738</b>	128,121,338
<b>Accumulated amortization</b>									
Balance, beginning of year	-	2,599,407	3,802,185	4,174,106	3,162,023	36,025,894	-	<b>49,763,615</b>	46,747,337
Amortization	-	145,861	334,624	592,956	377,394	2,621,039	-	<b>4,071,874</b>	3,777,231
Disposals	-	-	-	-	(1,926)	(27,889)	-	<b>(29,815)</b>	(760,953)
Balance, end of year	-	2,745,268	4,136,809	4,767,062	3,537,491	38,619,044	-	<b>53,805,674</b>	49,763,615
Net book value, end of year	10,343,233	2,451,134	10,349,127	5,047,755	6,041,109	45,102,197	1,300,509	<b>80,635,064</b>	78,357,723

The accompanying notes are an integral part of  
this financial statement

**CORPORATION OF THE TOWNSHIP OF ORO-MEDONTE**

**SCHEDULE 2  
CONSOLIDATED SCHEDULE OF SEGMENTED TANGIBLE CAPITAL ASSETS  
FOR THE YEAR ENDED DECEMBER 31, 2017**

	General Government	Fire and Emergency Services	Police	Planning, Building and Protection	Transportation	Environmental Services	Parks, Recreation and Library Services	Total
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Cost</b>								
Balance, beginning of year	12,505,484	5,589,822	46,350	136,772	81,029,679	18,454,076	9,513,324	127,275,507
Additions	395,342	369,413	-	-	4,848,517	238,025	43,239	5,894,536
Disposals	(15,258)	-	-	-	(14,556)	-	-	(29,814)
Assets in service, end of year	12,885,568	5,959,235	46,350	136,772	85,863,640	18,692,101	9,556,563	133,140,229
Work in progress	10,173	408,827	-	-	217,833	162,483	501,193	1,300,509
<b>All assets, end of year</b>	<b>12,895,741</b>	<b>6,368,062</b>	<b>46,350</b>	<b>136,772</b>	<b>86,081,473</b>	<b>18,854,584</b>	<b>10,057,756</b>	<b>134,440,738</b>
<b>Accumulated amortization</b>								
Balance, beginning of year	1,154,666	2,873,271	32,595	45,403	39,062,585	3,633,640	2,961,455	49,763,615
Amortization	97,328	240,082	2,235	20,677	2,996,306	379,954	335,292	4,071,874
Disposals	(15,259)	-	-	-	(14,556)	-	-	(29,815)
<b>Balance, end of year</b>	<b>1,236,735</b>	<b>3,113,353</b>	<b>34,830</b>	<b>66,080</b>	<b>42,044,335</b>	<b>4,013,594</b>	<b>3,296,747</b>	<b>53,805,674</b>
<b>Net book value, end of year</b>	<b>11,659,006</b>	<b>3,254,709</b>	<b>11,520</b>	<b>70,692</b>	<b>44,037,138</b>	<b>14,840,990</b>	<b>6,761,009</b>	<b>80,635,064</b>

The accompanying notes are an integral part of  
this financial statement

**CORPORATION OF THE TOWNSHIP OF ORO-MEDONTE**

**SCHEDULE 3  
CONSOLIDATED SCHEDULE OF SEGMENTED TANGIBLE CAPITAL ASSETS  
FOR THE YEAR ENDED DECEMBER 31, 2016**

	General Government	Fire and Emergency Services	Police	Planning, Building and Protection	Transportation	Environmental Services	Parks, Recreation and Library Services	Total
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Cost</b>								
Balance, beginning of year	11,898,441	4,861,605	46,350	120,212	75,935,219	12,780,497	9,115,033	114,757,357
Additions	625,918	773,115	-	36,201	5,663,896	5,741,754	507,118	13,348,002
Disposals	(18,875)	(44,898)	-	(19,641)	(569,436)	(68,175)	(108,827)	(829,852)
Assets in service, end of year	12,505,484	5,589,822	46,350	136,772	81,029,679	18,454,076	9,513,324	127,275,507
Work in progress	10,174	11,694	-	-	747,059	27,125	49,779	845,831
All assets, end of year	12,515,658	5,601,516	46,350	136,772	81,776,738	18,481,201	9,563,103	128,121,338
<b>Accumulated amortization</b>								
Balance, beginning of year	1,082,532	2,697,762	30,360	47,220	36,799,592	3,351,923	2,737,948	46,747,337
Amortization	91,009	220,407	2,235	17,824	2,807,106	313,792	324,858	3,777,231
Disposals	(18,875)	(44,898)	-	(19,641)	(544,113)	(32,075)	(101,351)	(760,953)
Balance, end of year	1,154,666	2,873,271	32,595	45,403	39,062,585	3,633,640	2,961,455	49,763,615
Net book value, end of year	11,360,992	2,728,245	13,755	91,369	42,714,153	14,847,561	6,601,648	78,357,723

The accompanying notes are an integral part of  
this financial statement



**CORPORATION OF THE TOWNSHIP OF ORO-MEDONTE**

**SCHEDULE 4  
CONSOLIDATED SCHEDULE OF SEGMENTED REVENUES AND EXPENSES  
ACTUAL FOR THE YEAR ENDED DECEMBER 31, 2017**

	General Government	Fire and Emergency Services	Police	Planning, Building and Protection	Transportation	Environmental Services	Parks, Recreation and Library Services	Unallocated	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Revenues</b>									
Net municipal taxation	3,988,341	1,608,519	2,491,629	1,208,869	5,869,900	-	1,252,988	597,123	17,017,369
Taxation from other governments	-	-	-	-	-	-	-	144,372	144,372
User charges	-	-	-	-	132,810	1,792,155	12,914	-	1,937,879
Grants	3,059	-	14,884	9,187	-	-	55,614	1,284,200	1,366,944
Contribution from obligatory reserve funds	-	-	-	7,530	10,176	-	-	-	17,706
Investment	-	-	-	-	-	24,989	-	239,542	264,531
Other	148,723	83,512	180,798	1,391,483	359,437	317,156	552,700	508,915	3,542,724
	4,140,123	1,692,031	2,687,311	2,617,069	6,372,323	2,134,300	1,874,216	2,774,152	24,291,525
<b>Expenses</b>									
Salaries, wages and employee benefits	2,202,989	977,366	674	1,814,764	2,616,296	689,152	901,092	-	9,202,333
Interest on long-term liabilities	-	-	-	-	127,609	-	53,489	-	181,098
Materials and supplies	472,650	531,577	5,441	193,572	1,766,434	541,835	653,696	-	4,165,205
Contracted services	1,144,440	77,801	2,801,411	326,408	703,660	41,064	257,241	-	5,352,025
Rents, financial expenses and external transfers	143,743	-	-	268,549	117,616	-	5,540	-	535,448
Amortization	97,328	240,082	2,235	20,677	2,996,306	379,954	335,292	-	4,071,874
	4,061,150	1,826,826	2,809,761	2,623,970	8,327,921	1,652,005	2,206,350	-	23,507,983
<b>Net revenues (expenses)</b>	<b>78,973</b>	<b>(134,795)</b>	<b>(122,450)</b>	<b>(6,901)</b>	<b>(1,955,598)</b>	<b>482,295</b>	<b>(332,134)</b>	<b>2,774,152</b>	<b>783,542</b>
<b>Other</b>									
Grants and transfers related to capital									
Grants	-	-	-	-	170,581	110,711	108,000	-	389,292
Contribution from obligatory reserve funds	-	-	-	-	1,279,350	-	-	-	1,279,350
Donations and other	-	-	-	-	-	124,577	-	-	124,577
	-	-	-	-	1,449,931	235,288	108,000	-	1,793,219
<b>Annual surplus (deficit)</b>	<b>78,973</b>	<b>(134,795)</b>	<b>(122,450)</b>	<b>(6,901)</b>	<b>(505,667)</b>	<b>717,583</b>	<b>(224,134)</b>	<b>2,774,152</b>	<b>2,576,761</b>

The accompanying notes are an integral part of  
this financial statement

**CORPORATION OF THE TOWNSHIP OF ORO-MEDONTE**

**SCHEDULE 5  
CONSOLIDATED SCHEDULE OF SEGMENTED REVENUES AND EXPENSES  
ACTUAL FOR THE YEAR ENDED DECEMBER 31, 2016**

	General Government	Fire and Emergency Services	Police	Planning, Building and Protection	Transportation	Environmental Services	Parks, Recreation and Library Services	Unallocated	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Revenues</b>									
Net municipal taxation	3,780,535	1,773,532	2,366,938	943,255	7,175,599	-	1,527,277	(1,610,175)	15,956,961
Taxation from other governments	-	-	-	-	-	-	-	145,681	145,681
User charges	-	-	-	-	131,328	1,671,107	13,032	-	1,815,467
Grants	25,642	-	-	10,500	149,444	-	41,644	1,281,500	1,508,730
Contribution from obligatory reserve funds	-	-	-	-	-	-	-	-	-
Investment	-	-	-	-	-	21,712	662	204,382	226,756
Other	174,044	104,605	482,809	1,028,350	305,195	308,022	572,462	483,876	3,459,363
	3,980,221	1,878,137	2,849,747	1,982,105	7,761,566	2,000,841	2,155,077	505,264	23,112,958
<b>Expenses</b>									
Salaries, wages and employee benefits	2,279,236	969,959	138	1,628,492	2,504,941	692,049	950,550	-	9,025,365
Interest on long-term liabilities	-	-	-	-	136,436	-	65,000	-	201,436
Materials and supplies	567,447	529,880	9,738	133,564	1,652,388	545,401	675,146	-	4,113,564
Contracted services	1,204,474	70,752	2,747,254	425,915	665,631	45,694	261,087	-	5,420,807
Rents, financial expenses and external transfers	167,611	-	-	264,179	414,473	-	5,800	-	852,063
Amortization	91,009	220,407	2,235	17,824	2,807,106	313,792	324,858	-	3,777,231
	4,309,777	1,790,998	2,759,365	2,469,974	8,180,975	1,596,936	2,282,441	-	23,390,466
<b>Net revenues (expenses)</b>	<b>(329,556)</b>	<b>87,139</b>	<b>90,382</b>	<b>(487,869)</b>	<b>(419,409)</b>	<b>403,905</b>	<b>(127,364)</b>	<b>505,264</b>	<b>(277,508)</b>
<b>Other</b>									
Grants and transfers related to capital									
Contributed tangible capital assets	547,700	-	-	-	2,292,297	3,268,480	-	-	6,108,477
Grants	-	-	-	-	215,735	-	176,878	-	392,613
Contribution from obligatory reserve funds	-	232,711	-	-	972,032	-	29,096	-	1,233,839
Donations	-	-	-	-	-	31,144	26,786	-	57,930
Gain on disposal of tangible capital assets	-	5,318	-	-	3,270	(36,100)	56,524	-	29,012
	547,700	238,029	-	-	3,483,334	3,263,524	289,284	-	7,821,871
<b>Annual surplus (deficit)</b>	<b>218,144</b>	<b>325,168</b>	<b>90,382</b>	<b>(487,869)</b>	<b>3,063,925</b>	<b>3,667,429</b>	<b>161,920</b>	<b>505,264</b>	<b>7,544,363</b>

The accompanying notes are an integral part of  
this financial statement

**CORPORATION OF THE TOWNSHIP OF ORO-MEDONTE**

**SCHEDULE 6  
CONSOLIDATED SCHEDULE OF SEGMENTED REVENUES AND EXPENSES  
BUDGET FOR THE YEAR ENDED DECEMBER 31, 2017**

	General Government	Fire and Emergency Services	Police	Planning, Building and Protection	Transportation	Environmental Services	Parks, Recreation and Library Services	Unallocated	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Revenues</b>									(Note 2)
Net municipal taxation	3,988,341	1,608,519	2,491,629	1,208,869	5,869,900	-	1,252,988	611,951	17,032,197
Taxation from other governments	-	-	-	-	-	-	-	143,445	143,445
User charges	-	-	-	-	207,240	1,958,720	18,500	-	2,184,460
Grants	50,000	-	14,884	19,000	-	-	39,702	1,284,200	1,407,786
Contribution from obligatory reserve funds	-	-	-	76,200	20,000	-	-	-	96,200
Investment	-	-	-	-	-	24,000	-	203,000	227,000
Other	156,795	131,000	292,200	1,196,773	191,581	75,420	553,116	546,200	3,143,085
	4,195,136	1,739,519	2,798,713	2,500,842	6,288,721	2,058,140	1,864,306	2,788,796	24,234,173
<b>Expenses</b>									
Salaries, wages and employee benefits	2,295,595	1,099,935	900	1,882,059	2,424,356	739,128	952,684	-	9,394,657
Interest on long-term liabilities	-	-	-	-	171,298	-	58,069	-	229,367
Materials and supplies	637,494	564,653	12,585	148,762	1,881,029	612,765	793,005	-	4,650,293
Contracted services	961,483	74,931	2,797,728	230,521	841,500	60,500	30,600	-	4,997,263
Rents, financial expenses and external transfers	142,300	-	-	268,450	10,000	-	264,747	-	685,497
Amortization	91,609	229,310	1,905	20,677	2,869,113	372,680	332,800	-	3,918,094
	4,128,481	1,968,829	2,813,118	2,550,469	8,197,296	1,785,073	2,431,905	-	23,875,171
<b>Net revenues (expenses)</b>	66,655	(229,310)	(14,405)	(49,627)	(1,908,575)	273,067	(567,599)	2,788,796	359,002
<b>Other</b>									
Grants and transfers related to capital									
Contributed tangible capital assets	-	-	-	-	-	261,281	-	-	261,281
Grants	-	-	-	-	140,000	1,000,000	118,000	-	1,258,000
Contribution from obligatory reserve funds	-	750,000	-	-	1,270,185	-	139,000	-	2,159,185
Donations	-	-	-	-	-	-	49,000	-	49,000
	-	750,000	-	-	1,410,185	1,261,281	306,000	-	3,727,466
<b>Annual surplus (deficit)</b>	66,655	520,690	(14,405)	(49,627)	(498,390)	1,534,348	(261,599)	2,788,796	4,086,468

The accompanying notes are an integral part of  
this financial statement