



**The Corporation of the Town of Tillsonburg**  
**Consolidated Financial Statements**  
**December 31, 2016**

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**INDEPENDENT AUDITOR'S REPORT**

**To the Members of Council, Inhabitants and Ratepayers of the Corporation of the Town of Tillsonburg:**

I have audited the accompanying consolidated financial statements of the Corporation of the Town of Tillsonburg, which comprise the Consolidated Statement of Financial Position as at December 31, 2016 and the Consolidated Statements of Operations and Accumulated Surplus, Cash Flows, and Change in Net Financial Assets 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 financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the 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 entity'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 overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

**Opinion**

In my opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Corporation of the Town of Tillsonburg as at December 31, 2016 and its financial performance and its changes in cash flows and net financial assets for the year then ended in accordance with Canadian public sector accounting standards.

June 26, 2017  
London, Canada

*Scrimgeour & Company*  
LICENSED PUBLIC ACCOUNTANT

**The Corporation of the Town of Tillsonburg**  
Consolidated Statement of Financial Position  
As at December 31, 2016

	2016	2015
	\$	\$
<b>FINANCIAL ASSETS</b>		
Cash	4,911,801	2,511,209
Investments (note 8)	35,452	31,931
Taxes receivable	829,371	1,045,270
Accounts receivable	1,203,612	2,176,724
Due from unconsolidated entities (note 17)	1,350,956	1,073,562
Other long term assets (note 6)	1,849,482	1,856,267
Investment in Tillsonburg Hydro Inc. (note 14)	9,537,826	9,204,634
	<b>19,718,500</b>	<b>17,899,597</b>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	4,871,330	3,326,809
Other current liabilities	1,338,746	1,327,907
Deferred revenue (note 10)	2,661,647	1,923,849
Accrued employee benefits (notes 9, 15 and 16)	332,850	332,653
Long-term debt (note 11)	9,695,891	10,030,541
	<b>18,900,464</b>	<b>16,941,759</b>
<b>NET FINANCIAL ASSETS</b>	<b>818,036</b>	<b>957,838</b>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets - net (schedule 1)	52,164,723	53,178,924
Capital work in progress	1,567,516	478,296
Inventories	18,501	26,591
Prepays and deferred charges	454,276	462,928
	<b>54,205,016</b>	<b>54,146,739</b>
<b>ACCUMULATED SURPLUS (note 13)</b>	<b>55,023,052</b>	<b>55,104,577</b>

The accompanying notes are an integral part of these financial statements.

**The Corporation of the Town of Tillsonburg**

Consolidated Statement of Operations and Accumulated Surplus

For the year ending December 31, 2016

	Budget 2016	Actual 2016	Actual 2015
	\$	\$	\$
<b>REVENUES</b>			
Property taxation	13,537,700	13,638,403	13,223,917
User charges	3,830,100	4,046,662	4,005,258
Grants	515,200	606,504	694,020
Investment income	171,000	221,006	215,277
Penalties and interest on taxes	170,000	178,503	180,412
Donations	14,100	27,805	23,387
	<b>18,238,100</b>	<b>18,718,883</b>	<b>18,342,271</b>
<b>EXPENDITURES</b>			
General government	2,177,300	2,739,597	2,949,758
Protection to persons and property	5,204,400	5,347,545	5,347,301
Transportation services	3,409,500	4,751,478	4,586,646
Environmental services	512,200	500,799	557,830
Health services	321,500	281,627	293,175
Recreation and cultural Services	4,221,600	4,818,441	4,731,322
Planning and development	455,700	844,972	707,039
	<b>16,302,200</b>	<b>19,284,459</b>	<b>19,173,071</b>
(Excess expenditures over revenue)			
excess revenue over expenditures	<b>1,935,900</b>	<b>(565,576)</b>	<b>(830,800)</b>
<b>OTHER</b>			
Equity acquired in Tillsonburg Hydro Inc. (note 14)	-	333,192	544,767
Loss on disposal of tangible capital assets	-	(207,167)	(628,968)
Government transfers related to capital	1,172,400	197,556	964,532
Donations and other revenues related to capital	500,500	100,945	800,036
Developer contributions related to capital	260,000	59,525	15,020
	<b>1,932,900</b>	<b>484,051</b>	<b>1,695,387</b>
(Excess expenditures over revenue)			
excess revenue over expenditures (schedule 2)	<b>3,868,800</b>	<b>(81,525)</b>	<b>864,587</b>
Accumulated surplus beginning of year	<b>55,104,577</b>	<b>55,104,577</b>	<b>54,239,990</b>
<b>ACCUMULATED SURPLUS, END OF YEAR (note 11)</b>	<b>58,973,377</b>	<b>55,023,052</b>	<b>55,104,577</b>

The accompanying notes are an integral part of these financial statements.



## The Corporation of the Town of Tillsonburg

### Consolidated Statement of Cash Flows

For the year ending December 31, 2016

	2016	2015
	\$	\$
<b>NET INFLOW OF CASH RELATED TO THE FOLLOWING ACTIVITIES</b>		
<b>OPERATING</b>		
(Excess expenditures over revenue)		
excess revenue over expenditures	(81,525)	864,587
Non-cash changes to operations:		
Amortization	2,458,408	2,446,252
Loss on disposal of tangible capital assets	680,789	721,794
Net Change in non-cash operating balances	3,211,757	233,738
Net Change in cash from operating activities	6,269,429	4,266,371
<b>CAPITAL</b>		
Acquisition of tangible capital assets	(2,124,996)	(3,634,512)
(Increase) decrease in work in progress	(1,089,220)	829,183
Net Change in other non-financial assets	16,742	(422,266)
Net Change in cash from capital activities	(3,197,474)	(3,227,595)
<b>INVESTING</b>		
Net change in investments in Tillsonburg Hydro Inc. (note 14)	(333,192)	(544,767)
<b>FINANCING</b>		
Net change in long term debt	(334,650)	(898,352)
<b>Net Change in cash and cash equivalents during the year</b>	<b>2,404,113</b>	<b>(404,343)</b>
Cash and cash equivalents, beginning of year	2,543,140	2,947,483
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<b>4,947,253</b>	<b>2,543,140</b>
<b>COMPRISED OF:</b>		
Cash	4,911,801	2,511,209
Investments	35,452	31,931

The accompanying notes are an integral part of these financial statements.



## The Corporation of the Town of Tillsonburg

### Consolidated Statement of Change in Net Financial Assets

As at December 31, 2016

	2016	2015
	\$	\$
(Excess expenditures over revenue) excess revenue over expenditures	(81,525)	864,587
Amortization of tangible capital assets	2,458,408	2,446,252
Acquisition of tangible capital assets	(2,124,996)	(3,634,512)
Loss on sale of tangible capital assets	680,789	721,794
(Increase) decrease in work in progress	(1,089,220)	829,183
Disposal of supplies of inventory	8,090	6,914
Disposal of (acquisition of) prepaid expenses	8,652	(429,180)
Increase In net financial liabilities	(139,802)	805,038
Net financial assets, beginning of year	957,838	152,800
	818,036	957,838
<b>NET FINANCIAL ASSETS, END OF YEAR</b>	<b>818,036</b>	<b>957,838</b>

The accompanying notes are an integral part of these financial statements.

**1. Nature of operations**

The Town of Tillsonburg (the Town), is a Town in the 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.

**2. Significant accounting policies**

The consolidated financial statements of the Corporation of the Town of Tillsonburg are prepared by management in accordance with Canadian public sector accounting standards.

The focus of these consolidated financial statements is on the financial position of the Town and changes thereto. The Consolidated Statement of Financial Position reports financial assets and liabilities. Financial assets are available to provide resources to discharge existing liabilities or finance future operations. Net financial assets represent the financial position of the Town and is the difference between financial assets and liabilities. This information presents the Town's overall future revenue requirements and its ability to finance activities and meet its obligations.

The following outlines the significant accounting policies:

**(a) Reporting entity**

These consolidated financial statements reflect the assets, liabilities, revenue, expenditures and accumulated surplus and changes in investment in non-financial assets of the Town. The reporting entity includes the activities of all committees of Council and the following boards, municipal enterprises and utilities which are under the control of Council:

Tillsonburg Business Improvement Area Board of Management

All interfund assets and liabilities and revenue and expenditures have been eliminated. The following municipal enterprises and utilities are not consolidated:

Tillsonburg Waterworks Department

Tillsonburg Sanitary Sewer Department

Government business enterprises are separate legal entities that do not rely on the Town for funding. Investments in government business enterprises are accounted for using the modified equity method. Tillsonburg Hydro Inc. is a government business enterprise and the Town's investment in this corporation is reflected in these consolidated financial statements.



## 2. Significant accounting policies (continued)

### (b) Accounting for County and School Board transactions

The taxation, other revenue, expenditures, assets and liabilities with respect to the operations of the School Boards, and the Town of Tillsonburg are not reflected in the operations in these consolidated financial statements.

### (c) Trust funds

Trust funds and their related operations administered by the Town are not consolidated, but are reported separately on the Trust Funds Statements of Financial Position and Statement of Operations.

### (d) Accrual accounting

The accrual basis of accounting recognizes revenue as they become available and measurable; expenditures 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.

### (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 excess of revenue over expense, provides the Consolidated Change in Net Financial Assets for the year.

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

Land improvements	25-50 years
Buildings and structures	30-70 years
Leasehold improvements	term of lease
Vehicles	3-20 years
Information technology	3-10 years
Equipment	5-40 years
Roads	20-50 years
Bridges and other structures	40-50 years

## **2. Significant accounting policies (continued)**

### **(e) Non-financial assets continued**

The Town has a capitalization threshold of \$5,000 to \$25,000, depending on the nature of the assets, so that individual assets of lesser value are expensed unless they are pooled because collectively they have a significant value.

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

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt. The fair value is also recorded as contributed revenue.

### **(f) Inventories**

Inventories held for consumption are recorded at the lower of cost or replacement cost.

### **(g) Revenue recognition**

Government grants and transfers are recognized in the financial statements as revenue in the period in which 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.

### **(h) Deferred revenue**

Grants, contributions and other amounts are received from third parties pursuant to legislation, regulation or agreement and may only be used in the conduct of certain programs, in the completion of specific work, or for the purchase of tangible capital assets. In addition, certain user charges and fees are collected for which the related services have yet to be performed.

Revenue is recognized in the period when the related expenditures are incurred, services performed, or the tangible capital assets are acquired.

### **(i) Financial instruments**

Financial instruments of the Town consist mainly of cash, investments, accounts and taxes receivable. The carrying values of these financial assets approximate their fair values unless otherwise disclosed.

## 2. Significant accounting policies (continued)

### (j) 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 revenue and expenditures during the period. Actual results could differ from these estimates.

## 3. Tax revenue

Property tax billings are prepared by the Town based on an assessment roll prepared by the Municipal Property Assessment Corporation. All assessed property values in the Town were reviewed and new values established based on a common valuation date which was used by the Town in computing the 2016 property tax bills. Property tax revenue and tax receivables are subject to appeals which may not have been heard yet. Any supplementary billing adjustments, made necessary by the determination of such appeals, will be recognized in the fiscal year they are determined and the effect shared with the County of Oxford and the appropriate School Boards.

## 4. Trust funds

Trust funds administered by the Town amounting to \$1,188,174 (2015 - \$1,165,374) have not been included in the Consolidated Statement of Financial Position nor have their operations been included in the Consolidated Statement of Operations and Accumulated Surplus.

## 5. Operations of School Boards and the County of Oxford

Further to note 3, the taxation revenue of the School Boards and County are comprised of the following:

	School Boards	County
	\$	\$
Taxation	5,353,111	7,728,952
Requisitions	5,353,111	7,728,952

**6. Other long-term assets**

Included in other long-term assets as at December 31, 2016, is land held for resale of \$1,830,244 (2015 - \$1,830,055).

**7. Pension agreements**

The Town makes contributions to the Ontario Municipal Employees Retirement Fund (OMERS), which is a multi-employer plan, on behalf of members of its staff. The plan is a defined benefit plan which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay.

The amount contributed to OMERS for 2016 was \$676,758 (2015 - \$651,552) for current service and is included as an expenditure on the Consolidated Statement of Operations.

**8. Investments**

Investments of \$35,452 (2015 - \$31,931) are recorded at their market value and are short-term in nature. Investments consist of money market funds, which have a market value approximating cost.

**9. Liability for vested sick leave benefits**

Effective January 1, 2000, the sick leave benefit plan was replaced by a short-term protection plan. Accumulation of sick leave benefits ceased December 31, 1999. Employees with accumulated sick leave benefits are entitled to receive payment of a maximum of fifty percent of their accumulated sick leave benefit as of December 31, 1999. Payments cannot be made in excess of 130 days.

The liability for these accumulated days, to the extent that they have vested and could be taken in cash by the employee, approximated \$14,694 (2015 - \$14,475) at the end of the year. The full amount of this liability has been accrued on the Consolidated Statement of Financial Position. The anticipated payments in subsequent years are not determinable at this time.

**10. Deferred revenue**

A requirement of the Canadian public sector accounting standards 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 possibly be refunded.

#### 10. Deferred revenue (continued)

The balances in the obligatory reserve funds of the Town are summarized as follows:

	2016 \$	2015 \$
Development charges	1,737,773	1,358,965
Federal gas tax	567,465	204,356
Building	206,892	149,924
Deferred operating revenue	149,517	210,604
	<b>2,661,647</b>	<b>1,923,849</b>

#### 11. Long-term debt

- a. The balance of net long-term liabilities reported on the Consolidated statement of financial position is made up of the following:

	2016 \$	2015 \$
Total long-term liabilities incurred by the Municipality	<b>9,695,891</b>	<b>10,030,541</b>

- b. Principle due on net long-term liabilities reported in (a) is summarized as follows:

	2017 to 2021 \$	2022 to 2026 \$	2027 and thereafter \$
Principle payments	3,883,752	2,139,855	3,672,284

- c. Approval of the Ontario Municipal Board has been obtained for the long-term liabilities and commitments to be financed by revenue beyond the term of Council and approved on or before December 31, 1992. Those approved after January 1, 1993 have been approved by by-law. The principle and interest payments required to service these pending issues and commitments are within the debt repayment limit prescribed by the Ministry of Municipal Affairs.

## 12. Long-term debt (continued)

- (d) The Town is not contingently liable for any long-term debt with respect to an unconsolidated local board at December 31, 2016.
- (e) Included in the long-term debt is a capital lease of \$29,091 (2015 - \$49,446) incurred to finance capital equipment. The lease expires in 2018.
- (f) Interest, for the year, for net long-term debt which is reported on the Consolidated Statement of Operations and Accumulated Surplus is \$436,392 (2015 – \$469,900).

## 13. Accumulated surplus

The accumulated surplus on the Consolidated Statement of Financial Position at the end of the year are comprised of the following:

	2016 \$	2015 \$
Operating surplus (deficits)		
Revenue fund	254,138	88,486
Invested in tangible capital assets	42,079,405	42,561,124
Investment in Tillsonburg Hydro Inc. (note 14)	9,537,826	9,204,634
Unfunded liability for unused vacation (note 16)	-	(134,797)
Reserves set aside for specific purpose		
for acquisition of capital assets and general purposes	3,151,683	3,385,130
Accumulated surplus	55,023,052	55,104,577

## 14. Investment in Tillsonburg Hydro Inc.

The Town accounts for its 100% investment in Tillsonburg Hydro Inc. using the modified equity method. Under this method, the accounting policies of Tillsonburg Hydro Inc. are not adjusted to conform to those of the Town. In subsequent years, the cost of this investment is increased by the earnings or decreased by the losses of Tillsonburg Hydro Inc.

#### 14. Investment in Tillsonburg Hydro Inc. (continued)

Tillsonburg Hydro Inc. prepares their financial statements in accordance with International Financial Reporting Standards ("IFRS").

	2016 \$	2015 \$
<b>Statement of Financial Position as at December 31</b>		
Current assets	6,857,548	6,551,543
Property, plant and equipment	10,426,340	9,913,580
Regulatory assets	-	212,035
Non—regulatory assets	74,336	89,109
	<b>17,358,224</b>	<b>16,766,267</b>
Current liabilities	3,377,190	3,688,269
Long-term liabilities	2,546,847	2,682,977
Regulatory liabilities	705,974	-
Equity	10,728,213	10,395,021
	<b>17,358,224</b>	<b>16,766,267</b>
<b>Statements of Comprehensive Income and Retained Earnings</b>		
Power revenue	26,053,864	23,698,378
Cost of power	26,053,864	23,698,378
Gross margin	-	-
Distribution revenue	3,661,445	3,651,920
Net non—utility revenue	39,806	32,762
Expenditures	3,093,559	2,871,415
Net operating revenue	607,692	813,267
Provision for taxes	124,500	118,500
Net earnings for the year, before dividends	483,192	694,767
Dividends	150,000	150,000
Net change in investment in Tillsonburg Hydro Inc.	333,192	544,767
Opening, Investment in Tillsonburg Hydro Inc.	9,204,634	8,659,867
Net change in investment in Tillsonburg Hydro Inc.	333,192	544,767
Closing, Investment in Tillsonburg Hydro Inc.	9,537,826	9,204,634

#### 15. Post-employment benefit liability

Included in the accrued employee benefits is an amount for post—employment benefits of \$41,866 (2015 - \$56,305). The Town provides certain employee benefits which will require funding in future periods. An internal estimate of future liabilities was completed and forms the basis for the estimated liability reported in these consolidated financial statements.

#### 16. Liability for vacation credits

During 2014, the Town determined that under their vacation plan, some vacation credits are earned as at December 31 of each year, but are generally not utilized until a later date. These credits are available to employees to take in future periods. The approximate value of these credits at December 31, 2016 is \$nil (2015 - \$134,797).

#### 17. Due from unconsolidated entities

The banking activities of the following entities are administered by the Town. Accordingly, the amount due from these entities represents the net working capital position between the Town and the entity as follows:

	2016 \$	2015 \$
Tillsonburg Hydro Inc.	829,781	740,651
Town of Tillsonburg - Waterworks Department	305,586	208,462
Town of Tillsonburg - Sanitary Sewer Department	215,589	124,448
	<b>1,350,956</b>	<b>1,073,561</b>

#### 18. Budget figures

The Town's Council completes separate budget reviews for its operating and capital budgets each year. The approved operating budget for 2016 is reflected on the Consolidated Statement of Operations and Accumulated Surplus. For capital spending, budgets are set for individual projects and funding for these activities is determined annually and made by transfers from reserve funds and by the application of applicable grants or other funds available to apply to capital projects.

Amortization was not contemplated on development of the budget and, as such, has not been included. The chart below reconciles the approved budget to the budget figures reported in these consolidated financial statements:



## 18. Budget figures (continued)

	2016 \$
<b>REVENUES</b>	
Operating budget	18,557,300
Capital budget	5,880,700
Less:	
Transfers from other funds	(1,405,400)
Proceeds on debt issue	(1,644,800)
<b>Total revenue</b>	<b>21,387,800</b>
<b>EXPENDITURES</b>	
Operating budget	18,557,300
Capital budget	5,880,700
Less:	
Transfers from other funds	(709,500)
Capital expenses	(5,322,000)
Debt principle payments	(887,500)
<b>Total Expenses</b>	<b>17,519,000</b>
<b>Annual Surplus</b>	<b>3,868,800</b>

## 19. Contingent liabilities - Contaminated Sites

The Public Sector Accounting Board of CPA Canada released a standard, 3510, related to contaminated sites. This standard requires municipalities to evaluate sites owned by the municipality and the associated costs, if any, to remediate such sites, as well as financial statement presentation and criteria to recognize these costs.

The Town received an order from the Ministry of Natural Resources to clean up the discharge from a failing abandoned oil well. The source well is under an existing road embankment, however, the exact location is not apparent. The responsibility for the cost to clean up and plug the abandoned oil well is in dispute. The matter has been referred to legal counsel and the outcome is not determinable at this time.

The Town is not aware of any other contaminated sites.

## **20. Contingent liability**

The Town received correspondence from the Ontario Workplace Safety and Insurance Board (WSIB) which estimates the cost to the Town of future benefits payable under presumptive cancer legislation for volunteer firefighters of \$88,387 (2015 – \$92,832). This estimate was prepared by WSIB using Province wide estimates based on actuarial assumptions. This liability has not been accrued in the financial statements.

## **21. Public sector salary disclosure**

There were eleven employees in 2016 paid a salary, as defined in the Public Sector Disclosure Act, 1996, of \$100,000 or more.

## **22. Comparative balances**

Certain comparative balances have been reclassified to conform with the current year's financial statement presentation.

## **23. Segmented information**

Segmented information is presented on Schedule 2. The Town is a diversified municipality and provides a wide range of services to its citizens including police, fire, transportation and community services, including recreation and planning. The general government segment includes such functions as finance and information services, council and administrative offices.

**Town of Tillsonburg**  
**Schedule 1 - Consolidated Schedule of Tangible Capital Assets**  
**For the year ended December 31, 2016**

	Land	Building & Fixtures	Furniture & Equipment	Computer Hardware	Transportation Equipment	Roads & Bridges	Communication Equipment	Other equipment	2016 Total	2015 Total
<b>COST</b>	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance, Beginning of year	1,881,721	21,622,166	125,004	1,093,111	6,085,974	56,480,824	1,564,176	3,102,881	91,955,857	89,740,256
Add:										
Additions during the year		599,173			251,968	1,093,442	63,050	117,363	2,124,996	3,634,512
Less:										
Disposals during the year	(614,760)				(189,563)	(246,780)		(53,484)	(1,104,587)	(1,418,911)
Balance, End of year	1,266,961	22,221,339	125,004	1,093,111	6,148,379	57,327,486	1,627,226	3,166,760	92,976,266	91,955,857
<b>ACCUMULATED AMORTIZATION</b>										
Balance, Beginning of year	-	7,653,415	92,307	816,615	3,828,672	23,654,260	280,732	2,450,932	38,776,933	37,027,798
Add:										
Amortization during the year		478,899	6,151	82,540	373,983	1,262,496	93,002	161,337	2,458,408	2,446,252
Less:										
Disposals during the year					(189,563)	(180,896)		(53,339)	(423,798)	(697,117)
Balance, End of year	-	8,132,314	98,458	899,155	4,013,092	24,735,860	373,734	2,558,930	40,811,543	38,776,933
<b>NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS</b>	1,266,961	14,089,025	26,546	193,956	2,135,287	32,591,626	1,253,492	607,830	52,164,723	53,178,924

**Town of Tillsonburg**  
**Schedule 2 - Consolidated Schedule of Segmented Information**  
**For the year ended December 31, 2016**

	General Government		Protection Services		Transportation Services		Environmental Services		Health Services		Recreation and Cultural Services		Planning and Development		Total
	Actual	\$	Actual	\$	Actual	\$	Actual	\$	Actual	\$	Actual	\$	Actual	\$	Actual
<b>REVENUE</b>															
Taxation	13,383,076		-		137,942		-		-		-		117,385		13,638,403
User charges	516,914		1,138,177		499,998		127,102		127,484		1,455,901		181,086		4,046,662
Grants	200,671		109,704		82,887		133,840		-		70,032		9,370		606,504
Investment income	213,351		-		-		-		7,451		-		204		221,006
Penalties and interest on taxes	178,503		-		-		-		-		-		-		178,503
Donations	-		-		-		-		500		18,848		8,457		27,805
	14,492,515		1,247,881		720,827		260,942		135,435		1,544,781		316,502		18,718,883
<b>EXPENDITURES</b>															
Wages and benefits	2,104,496		1,627,539		1,672,104		81,707		118,587		2,587,727		300,095		8,492,255
Materials and supplies	759,904		228,971		946,521		107,204		33,344		1,088,807		27,090		3,191,841
Amortization	596,137		67,639		1,296,557		8,692		3,024		401,034		85,326		2,458,409
Other	475,972		135,692		71,030		-		822		205,107		304,330		1,192,953
Contracted expenditures	451,827		3,102,520		292,195		170,788		21,546		319,538		66,175		4,424,589
Debt interest	46,387		-		163,843		-		-		164,804		61,956		436,990
Interfunctional transfers	(1,695,126)		185,184		309,228		132,408		104,304		51,424		-		(912,578)
	2,739,597		5,347,545		4,751,478		500,799		281,627		4,818,441		844,972		19,284,459
<b>Excess of Revenue over Expenditures</b>															
<b>(Expenditures over Revenue)</b>	11,752,918		(4,099,664)		(4,030,651)		(239,857)		(146,192)		(3,273,660)		(528,470)		(565,576)
<b>OTHER</b>															
Equity in Tillsonburg Hydro Inc.	333,192		-		-		-		-		-		-		333,192
Sale of assets	(442,988)		-		(65,883)		-		-		-		301,704		(207,167)
Government transfers related to capital	-		-		98,229		10,327		-		89,000		-		197,556
Donations and other revenues related to capital	1,435		-		7,355		-		4,800		87,355		-		100,945
Developer contributions related to capital	-		-		-		-		-		59,525		-		59,525
<b>TOTAL EXPENDITURES</b>	(108,361)		-		39,701		10,327		4,800		235,880		301,704		484,051
<b>NET REQUISITION ON MUNICIPALITY</b>	11,644,557		(4,099,664)		(3,990,950)		(229,530)		(141,392)		(3,037,780)		(226,766)		(81,525)