

TOWN OF TILLSONBURG
CONSOLIDATED FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2017

**TOWN OF TILLSONBURG
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

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INDEPENDENT AUDITOR'S REPORT

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

We 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, 2017 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

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 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.

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 Corporation of the Town of Tillsonburg as at December 31, 2017 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 14, 2018
London, Canada

Scrimgeour & Company
LICENSED PUBLIC ACCOUNTANT

**TOWN OF TILLSONBURG
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2017**

	2017	2016
FINANCIAL ASSETS		
Cash	\$ 5,292,887	\$ 4,911,801
Investments (note 7)	36,409	35,452
Taxes receivable	728,266	829,371
Accounts receivable	2,851,777	1,203,612
Due from unconsolidated entities (note 14)	840,217	1,350,956
Other long-term assets (note 5)	1,870,636	1,849,482
Investment in Tillsonburg Hydro Inc. (note 12)	11,238,411	10,728,213
	22,858,603	20,908,887
LIABILITIES		
Accounts payable and accrued liabilities	4,634,292	4,871,330
Other current liabilities	1,771,229	1,338,746
Accrued employee benefits (notes 8 and 13)	196,149	332,850
Deferred revenue (note 9)	2,352,352	2,661,647
Long-term debt (note 10)	10,057,976	9,695,891
	19,011,998	18,900,464
NET FINANCIAL ASSETS	3,846,605	2,008,423
NON-FINANCIAL ASSETS		
Tangible capital assets - Schedule 1	53,381,340	52,164,723
Capital work in progress	968,012	1,567,516
Inventories	78,352	18,501
Prepaid expenditures	442,208	454,276
	54,869,912	54,205,016
ACCUMULATED SURPLUS (page 3)	\$58,716,517	\$56,213,439

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

**TOWN OF TILLSONBURG
CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS
FOR THE YEAR ENDED DECEMBER 31, 2017**

	Budget 2017	Actual 2017	Actual 2016
REVENUE			
Property taxation	\$14,160,600	\$14,193,696	\$13,638,403
User charges	4,167,100	4,169,232	4,046,662
Government grants	636,400	656,105	606,504
Investment income	177,200	239,534	221,006
Penalty and interest on taxes	173,000	164,037	178,503
Donations	19,100	34,366	27,805
	19,333,400	19,456,970	18,718,883
EXPENDITURES			
General government	2,131,900	2,731,789	2,739,597
Protection to persons and property	5,415,300	5,424,373	5,347,545
Transportation services	3,560,200	4,784,314	4,751,478
Environmental services	520,400	543,021	500,799
Health services	279,700	273,425	281,627
Recreation and cultural development	4,659,900	5,199,554	4,818,441
Planning and development	520,000	696,077	844,972
	17,087,400	19,652,553	19,284,459
EXCESS OF REVENUE OVER EXPENDITURES (EXPENDITURES OVER REVENUE)	2,246,000	(195,583)	(565,576)
OTHER			
Gain (loss) on disposal of tangible capital assets	-	(560,298)	(207,167)
Equity acquired in Tillsonburg Hydro Inc. (note 12)	-	510,198	333,192
Government transfers related to capital	3,466,300	1,824,467	197,556
Donations and other revenue related to capital	290,600	430,947	100,945
Developer contributions-in-kind related to capital	558,200	493,347	59,525
	4,315,100	2,698,661	484,051
Excess of revenue over expenditures	6,561,100	2,503,078	(81,525)
ACCUMULATED SURPLUS, BEGINNING OF YEAR	56,213,439	56,213,439	55,104,577
Prior period adjustment (note 12)	-	-	1,190,387
ACCUMULATED SURPLUS, END OF YEAR (note 11)	\$62,774,539	\$58,716,517	\$56,213,439

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

**TOWN OF TILLSONBURG
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2017**

	2017	2016
NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES:		
OPERATING		
Excess of revenue over expenditures (page 3)	\$ 2,503,078	\$ (81,525)
Non-cash changes to operations		
Amortization	2,515,407	2,458,408
Loss on disposal of tangible capital assets	924,703	680,789
Net change in non-cash operating balances (A)	(1,308,026)	3,211,757
Net change in cash from operating activities	4,635,162	6,269,429
CAPITAL		
Acquisition of tangible capital assets	(4,656,727)	(2,124,996)
Decrease (increase) in work in progress	599,504	(1,089,220)
(Increase) decrease in other non-financial assets	(47,783)	16,742
Net change in cash from capital activities	(4,105,006)	(3,197,474)
INVESTING		
Net change in investment in Tillsonburg Hydro Inc. (note 12)	(510,198)	(333,192)
FINANCING		
Net change in long-term debt (note 10)	362,085	(334,650)
Net change in cash and cash equivalents during the year	382,043	2,404,113
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	4,947,253	2,543,140
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 5,329,296	\$ 4,947,253
COMPRISED OF:		
Cash	\$ 5,292,887	\$ 4,911,801
Investments	36,409	35,452
	\$ 5,329,296	\$ 4,947,253

(A) Non-cash operating balances includes taxes and accounts receivable, due from unconsolidated entities, other long-term assets, accounts payable and accrued liabilities, other current liabilities, accrued employee benefits and deferred revenue.

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

**TOWN OF TILLSONBURG
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2017**

	2017	2016
Excess of revenue over expenditures (page 3)	\$ 2,503,078	\$ (81,525)
Amortization of tangible capital assets	2,515,407	2,458,408
Acquisition of tangible capital assets	(4,656,727)	(2,124,996)
Loss on sale of tangible capital assets	924,703	680,789
Decrease (increase) in work in progress	599,504	(1,089,220)
Disposal of (acquisition of) supplies inventory	(59,851)	8,090
Disposal of (acquisition of) prepaid expenditures	12,068	8,652
Increase (decrease) in net financial assets	1,838,182	(139,802)
NET FINANCIAL ASSETS, BEGINNING OF YEAR	2,008,423	2,148,225
NET FINANCIAL ASSETS, END OF YEAR	\$ 3,846,605	\$ 2,008,423

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

**TOWN OF TILLSONBURG
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

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.

1. 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 local boards, joint local boards, 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.

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.

**TOWN OF TILLSONBURG
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

1. Significant accounting policies continued

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

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.

**TOWN OF TILLSONBURG
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

1. Significant accounting policies continued

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.

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.

2. 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 2017 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.

**TOWN OF TILLSONBURG
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

3. Trust funds

Trust funds administered by the Town amounting to \$1,297,895 (2016 - \$1,188,174) 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.

4. Operations of School Boards and the County of Oxford

Further to note 2, the taxation revenue of the School Boards and County are comprised of the following:

	School Boards	County
Taxation	\$ 5,021,708	\$ 7,819,903
Requisitions	\$ 5,021,708	\$ 7,819,903

5. Other long-term assets

Included in other long-term assets as at December 31, 2017, is land held for resale of \$1,858,373 (2016 - \$1,830,244).

6. 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 2017 was \$708,130 (2016 - \$676,758) for current service and is included as an expenditure on the Consolidated Statement of Operations and Accumulated Surplus. The Town has no obligation, as at December 31, 2017, under the past service provisions. The OMERS funding ratio for 2017 is 94.2% (2016 - 93.4%), with the goal of being fully funded by 2025.

7. Investments

Investments of \$36,409 (2016 - \$35,452) 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.

8. Liability for vested sick leave benefits

The liability for vested sick leave benefits was paid out in 2017.

**TOWN OF TILLSONBURG
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

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

	2017	2016
Development charges	\$ 1,602,548	\$ 1,737,773
Federal gas tax	412,024	567,465
Building	188,284	206,892
Deferred operating revenue	149,496	149,517
	\$ 2,352,352	\$ 2,661,647

10. Long-term debt

- a. The balance of net long-term liabilities on the Consolidated Statement of Financial Position is made up of the following:

	2017	2016
Total long-term liabilities incurred by the Municipality	\$10,057,976	\$ 9,695,891

- b. Principle due on net long-term liabilities reported in a. of this note is summarized as follows, \$4,890,122 in principal payments are payable from 2018 to 2022, \$2,660,860 is payable in 2023 to 2027 and \$2,506,994 is payable thereafter.
- 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 principal and interest payments required to service these pending issues and commitments are within the debt repayment limit prescribed by the Ministry of Municipal Affairs.
- d. The Town is not contingently liable for any long-term debt with respect to an unconsolidated local board at December 31, 2017.
- e. Interest, for the year, for net long-term debt which is reported on the Consolidated Statement of Operations and Accumulated Surplus is \$403,435 (2016 - \$436,392).

**TOWN OF TILLSONBURG
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

11. Accumulated surplus

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

	2017	2016
Operating surplus (deficits)		
- Revenue fund	\$ 239,589	\$ 254,138
Invested in tangible capital assets	43,267,318	42,079,405
Investment in Tillsonburg Hydro Inc. (note 12)	11,238,411	10,728,213
Reserves set aside for specific purpose		
- for acquisition of capital assets and general purposes	3,971,199	3,151,683
Accumulated surplus	\$58,716,517	\$56,213,439

12. 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.

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

Condensed financial information of Tillsonburg Hydro Inc. is as follows:

Statement of Financial Position as at December 31

	2017	2016
Current assets	\$ 5,458,137	\$ 6,857,548
Property, plant and equipment	11,755,195	10,426,340
Non-regulatory assets	59,563	74,336
	\$17,272,895	\$17,358,224
Current liabilities	\$ 2,666,685	\$ 3,377,190
Long-term liabilities	3,279,750	2,546,847
Regulatory liabilities	88,049	705,974
Equity	11,238,411	10,728,213
	\$17,272,895	\$ 17,358,224

**TOWN OF TILLSONBURG
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

12. Investment in Tillsonburg Hydro Inc. continued

Statements of Comprehensive Income and Retained Earnings

	2017	2016
Power revenue	\$23,698,378	\$26,053,864
Cost of power	23,698,378	26,053,864
Gross margin	-	-
Distribution revenue	3,700,414	3,661,445
Net non-utility revenue	313	39,806
Expenditures	3,103,631	3,093,559
Net operating revenue	597,096	607,692
Provision for taxes	(63,102)	124,500
Net earnings for the year, before dividends	660,198	483,192
Dividends	150,000	150,000
Return of capital	-	-
Net change in investment in Tillsonburg Hydro Inc.	\$ 510,198	\$ 333,192
Opening, Investment in Tillsonburg Hydro Inc.	\$10,728,213	\$ 9,204,634
Prior period adjustment (see note below)	-	1,190,387
Net change in investment in Tillsonburg Hydro Inc.	510,198	333,192
Closing, Investment in Tillsonburg Hydro Inc.	\$11,238,411	\$10,728,213

The investment in Tillsonburg Hydro Inc. has been adjusted for their contributed capital which represented the increase in fair market value of their property, plant and equipment upon incorporation. The effect of this adjustment is to increase the Investment in Tillsonburg Hydro Inc. by \$1,190,387 and increase the Town's surplus in Tillsonburg Hydro Inc. This adjustment has been applied retroactively.

13. Post-employment benefit liability

Included in the accrued employee benefits is an amount for post-employment benefits of \$26,125 (2016 - \$41,866). 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 included in accrued employee benefits.

**TOWN OF TILLSONBURG
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

14. 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:

	2017	2016
Tillsonburg Hydro Inc.	\$ 430,143	\$ 829,781
Town of Tillsonburg - Waterworks Department	253,914	305,586
Town of Tillsonburg - Sanitary Sewer Department	156,160	215,589
	\$ 840,217	\$ 1,350,956

15. Budget figures

The Town's Council completes separate budget reviews for its operating and capital budgets each year. The approved operating budget for 2017 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:

	2017
REVENUES	
Operating Budget	\$19,603,900
Capital budget	9,763,300
Less:	
Transfers from other funds	(2,039,100)
Proceeds on debt issue	(2,451,300)
TOTAL REVENUE	24,876,800
EXPENDITURES	
Operating budget	19,609,800
Capital budget	9,763,300
Less:	
Transfers from other funds	(449,400)
Capital expenses	(9,624,700)
Debt principal payments	(983,300)
TOTAL EXPENSES	18,315,700
ANNUAL SURPLUS	\$ 6,561,100

**TOWN OF TILLSONBURG
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

16. 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.

17. Public sector salary disclosure

There were thirteen employees in 2017 paid a salary, as defined in the Public Sector Disclosure Act, 1996, of \$100,000 or more.

18. Comparative balances

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

19. 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
CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2017**

	Land	Buildings and Fixtures	Furniture and Equipment	Computer Hardware	Transportation Equipment	Roads and Bridges	Communication Equipment	Other Equipment	2017 Total	2016 Total
COST										
Balance, beginning 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
Add:										
Additions during the year	-	1,084,321	-	-	1,136,986	2,264,201	80,385	90,834	4,656,727	2,124,996
Less:										
Disposals during the year	-	-	-	-	(561,543)	(1,370,424)	-	(120,079)	(2,052,046)	(1,104,587)
Balance, end of year	1,266,961	23,305,660	125,004	1,093,111	6,723,822	58,221,263	1,707,611	3,137,515	95,580,947	92,976,266
ACCUMULATED AMORTIZATION										
Balance, beginning 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
Add:										
Amortization during the year	-	512,116	6,151	82,226	391,626	1,275,114	105,750	142,424	2,515,407	2,458,408
Less:										
Disposals during the year	-	-	-	-	(561,543)	(445,721)	-	(120,079)	(1,127,343)	(423,798)
Balance, end of year	-	8,644,430	104,609	981,381	3,843,175	25,565,253	479,484	2,581,275	42,199,607	40,811,543
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	\$ 1,266,961	\$ 14,661,230	\$ 20,395	\$ 111,730	\$ 2,880,647	\$ 32,656,010	\$ 1,228,127	\$ 556,240	\$ 53,381,340	\$ 52,164,723

This schedule is provided for information purposes only.

**TOWN OF TILLSONBURG
CONSOLIDATED SCHEDULE OF SEGMENTED INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2017**

	General Government	Protective Services	Transportation	Environmental	Health Services	Recreation and Culture	Planning and Development	Total
REVENUE								
Property taxation	\$ 13,935,658	\$ -	\$ 138,297	\$ -	\$ -	\$ -	\$ 119,741	\$ 14,193,696
User charges	560,311	1,140,878	498,387	129,956	157,377	1,482,796	199,527	4,169,232
Government grants	275,573	80,752	82,039	119,956	-	79,930	17,855	656,105
Investment income	234,821	-	-	-	4,636	-	77	239,534
Penalties and interest on taxes	164,037	-	-	-	-	-	-	164,037
Donations	5,216	-	-	-	-	21,050	8,100	34,366
	15,175,616	1,221,630	718,723	249,912	162,013	1,583,776	345,300	19,456,970
EXPENDITURES								
Salaries and benefits	2,105,541	1,645,135	1,618,679	102,179	121,004	2,508,616	333,165	8,434,319
Materials and supplies	767,197	237,349	892,587	117,802	48,805	1,039,056	26,559	3,129,355
Contracted expenditures	530,139	3,155,626	310,736	174,896	17,461	411,137	48,447	4,648,442
Other	588,546	57,730	138,966	61	2,584	457,284	162,383	1,407,554
Interfunctional transfers	(1,904,527)	255,744	349,550	139,391	79,690	203,350	(9,157)	(885,959)
Debt interest	39,207	1,237	162,775	-	-	150,862	49,354	403,435
Amortization	605,686	71,552	1,311,021	8,692	3,881	429,249	85,326	2,515,407
	2,731,789	5,424,373	4,784,314	543,021	273,425	5,199,554	696,077	19,652,553
EXCESS OF REVENUE OVER EXPENDITURES								
(EXPENDITURES OVER REVENUE)	12,443,827	(4,202,743)	(4,065,591)	(293,109)	(111,412)	(3,615,778)	(350,777)	(195,583)
OTHER								
Gain (loss) on disposal	69,180	-	(924,703)	-	-	-	295,225	(560,298)
Equity in Tillsonburg Hydro	510,198	-	-	-	-	-	-	510,198
Government transfers related to capital	-	-	1,320,208	229,388	-	274,871	-	1,824,467
Donations and other revenue related to capital	54,996	-	171,780	-	8,000	196,171	-	430,947
Developer contributions related to capital	17,706	-	313,637	53,746	-	108,258	-	493,347
	652,080	-	880,922	283,134	8,000	579,300	295,225	2,698,661
EXCESS OF REVENUE OVER EXPENDITURES								
(EXPENDITURES OVER REVENUE)	\$ 13,095,907	\$ (4,202,743)	\$ (3,184,669)	\$ (9,975)	\$ (103,412)	\$ (3,036,478)	\$ (55,552)	\$ 2,503,078

This schedule is provided for information purposes only.