

THE CORPORATION OF THE TOWNSHIP OF NORTH DUMFRIES

CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2013

THE CORPORATION OF THE TOWNSHIP OF NORTH DUMFRIES

For the year ended December 31, 2013

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INDEPENDENT AUDITORS' REPORT

To the Members of Council, Inhabitants and Ratepayers of The Corporation of the Township of North Dumfries

We have audited the accompanying consolidated financial statements of The Corporation of the Township of North Dumfries which comprise the consolidated statement of financial position as at December 31, 2013, consolidated statements of operations and accumulated surplus, changes in net financial assets and cash flows 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.

Auditors' Responsibility

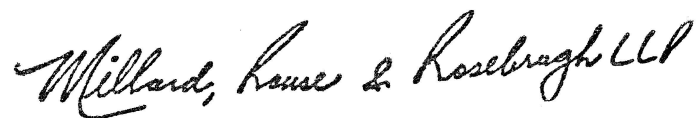
Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain 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 auditors' 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 entity'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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Township 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 Corporation of the Township of North Dumfries as at December 31, 2013, and its consolidated results of operations, its consolidated change in net financial assets and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.



November 21, 2014
Brantford, Ontario

CHARTERED PROFESSIONAL ACCOUNTANTS
Licensed Public Accountants

THE CORPORATION OF THE TOWNSHIP OF NORTH DUMFRIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at December 31	2013	2012
FINANCIAL ASSETS		
Cash and bank	2,010,477	5,079,255
Taxes receivable (Note 4)	1,544,391	1,359,480
Accounts and grants receivable (Note 5)	1,271,126	522,939
Investment in Cambridge and North Dumfries Energy Plus Inc. (Note 6)	6,278,287	6,084,231
Notes receivable (Note 7)	3,019,708	3,019,708
TOTAL FINANCIAL ASSETS	14,123,989	16,065,613
FINANCIAL LIABILITIES		
Accounts payable and accrued liabilities	753,571	2,377,894
Other current liabilities	446,368	185,281
Deferred revenue (Obligatory Reserve Funds) (Note 8)	1,155,508	1,260,729
Employee post employment benefits (Note 11)	216,662	210,733
Net long-term liabilities (Note 9)	2,203,104	2,365,001
TOTAL LIABILITIES	4,775,213	6,399,638
NET FINANCIAL ASSETS	9,348,776	9,665,975
NON-FINANCIAL ASSETS		
Tangible capital assets - net (Schedule 1)	23,880,387	23,447,318
Inventories and prepaid expenses	41,482	45,049
	23,921,869	23,492,367
NET ASSETS	33,270,645	33,158,342
ACCUMULATED SURPLUS (Note 12)	33,270,645	33,158,342

THE CORPORATION OF THE TOWNSHIP OF NORTH DUMFRIES
CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS

For the year ended December 31	Budget <i>(Note 17)</i>	2013	2012
REVENUES			
Residential and farm taxation	3,490,514	2,526,467	2,388,673
Commercial, industrial and business taxation	-	1,068,578	1,013,910
Taxation from other governments	-	81,508	75,316
Fees and user charges (Note 13)	726,515	827,985	884,518
Canada grants	-	131,472	46,900
Ontario grants	303,800	331,195	337,500
Recoveries from other municipalities	20,000	6,743	4,830
Other revenue (Note 16)	932,927	1,708,603	2,896,771
	5,473,756	6,682,551	7,648,418
Change in equity in Cambridge and North Dumfries Energy Plus Inc. (Note 6)	-	194,056	183,207
TOTAL REVENUES	5,473,756	6,876,607	7,831,625
EXPENSES			
General government	1,003,750	1,082,226	1,030,892
Interest	100,885	100,493	104,146
Protection services	1,288,465	1,355,614	1,278,913
Transportation services	2,056,760	1,727,009	1,613,645
Environmental services	-	37,065	39,301
Recreation and cultural services	1,232,102	1,352,914	1,096,581
Planning and development	231,175	316,041	253,071
	5,913,137	5,971,362	5,416,549
INCOME BEFORE UNDER-NOTED ITEMS	(439,381)	905,245	2,415,076
OTHER INCOME/(EXPENSE)			
Gain on disposal of tangible capital assets	10,000	11,590	14,120
Amortization of tangible capital assets (Schedule 1)	-	(804,532)	(759,251)
	10,000	(792,942)	(745,131)
ANNUAL SURPLUS FROM OPERATIONS	(429,381)	112,303	1,669,945
ACCUMULATED SURPLUS - BEGINNING OF YEAR	-	33,158,342	31,488,397
ACCUMULATED SURPLUS - END OF YEAR	(429,381)	33,270,645	33,158,342

THE CORPORATION OF THE TOWNSHIP OF NORTH DUMFRIES
CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS

For the year ended December 31	2013	2012
Annual Surplus from Operations	112,303	1,669,945
Amortization of tangible capital assets	804,532	759,251
Acquisition of tangible capital assets (net of transferred CIP)	(1,237,601)	(1,107,087)
(Gain) on disposal of tangible capital assets	(11,590)	(14,120)
Proceeds on disposal of tangible capital assets	11,590	14,120
Inventories and prepaid expenses	3,567	(9,253)
Increase/(Decrease) in Net Financial Assets	(317,199)	1,312,856
Net Financial Assets - Beginning of Year	9,665,975	8,353,119
Net Financial Assets - End of Year	9,348,776	9,665,975

THE CORPORATION OF THE TOWNSHIP OF NORTH DUMFRIES
CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended December 31	2013	2012
Operating Activities		
Annual Surplus from operations	112,303	1,669,945
sources (uses) of cash:		
Taxes receivable	(184,911)	(154,739)
Accounts receivable	(748,187)	446,515
Accounts payable and accruals	(1,624,323)	1,311,914
Employee post employment benefits	5,929	8,340
Deferred revenues - obligatory reserve funds	(105,221)	(349,078)
Other current liabilities	261,087	173,042
Inventories and prepaid expenses	3,567	(9,253)
	(2,279,756)	3,096,686
Non-cash charges to operations:		
Amortization	804,532	759,251
(Gain) on disposal of assets	(11,590)	(14,120)
Cash Provided by Operating Transactions	(1,486,814)	3,841,817
Capital Activities		
Acquisition of tangible capital assets (net of transferred CIP)	(1,237,601)	(1,107,087)
Proceeds on disposal of tangible capital assets	11,590	14,120
Cash Applied to Financing Transactions	(1,226,011)	(1,092,967)
Investing Activities		
Increase in investment in Cambridge and North Dumfries Energy Inc.	(194,056)	(183,207)
Financing Activities		
Repayment of long-term liabilities	(161,897)	(157,687)
Net Change in Cash	(3,068,778)	2,407,956
Cash - Beginning of Year	5,079,255	2,671,299
Cash - End of Year	2,010,477	5,079,255

THE CORPORATION OF THE TOWNSHIP OF NORTH DUMFRIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2013

The Corporation of the Township of North Dumfries is a Township in the Province of Ontario, Canada. It conducts its operations guided by the provisions of provincial statutes such as the Municipal Act and related legislation.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of The Corporation of the Township of North Dumfries (the "Township") are prepared by management in accordance with Canadian generally accepted accounting principles as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants Canada.

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenditures during the period. Since precise determination of many assets and liabilities is dependent upon future events, the preparation of periodic consolidated financial statements necessarily involves the use of estimates and approximations. These have been made using careful judgment. Actual results could differ from these estimates. Significant aspects of the accounting policies adopted by the Township are as follows:

(a) Reporting Entities

- (i) The consolidated financial statements reflect the assets, liabilities, revenues, expenditures and fund balances of the reporting entity. The reporting entity is composed of all organizations, committees and local boards accountable for the administration of their financial affairs and resources to the Township and which are owned or controlled by the Township.
- (ii) **Non-Consolidated Entities**
The Township has no unconsolidated local boards, joint local boards and municipal enterprises.
- (iii) **Accounting for Region and School Board Transactions**
The taxation, other revenues, expenditures, assets and liabilities with respect to the operations of the school boards and the Regional Municipality of Waterloo are not reflected in the municipal fund balances of these consolidated financial statements.
- (iv) **Trust Funds**
Trust funds and their related operations administered by the Township are not consolidated, but are reported separately on the Trust Funds Statement of Continuity and Financial Position.
- (v) **Investment in Cambridge and North Dumfries Energy Plus Inc.**
The Township reports its share investment in Cambridge and North Dumfries Energy Plus Inc. using the modified equity basis of accounting.

THE CORPORATION OF THE TOWNSHIP OF NORTH DUMFRIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Basis of Accounting

(i) 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 revenues over expenses, provides the change in net financial assets for the year.

(ii) Accrual Basis of Accounting

Expenditures and related sources of financing are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues in the period in which transactions or events occurred that gave rise to the revenues; expenditures are recognized in the period the goods and services are acquired and a liability is incurred or transfers are due.

(iii) 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, excluding land, are amortized on a straight-line basis over their estimated useful lives as follows:

Park equipment	15 years
Infrastructure - Roads	15 years
Infrastructure - Bridges	75 years
Land improvements	10-30 years
Buildings	40 years
Technology	4 years
Equipment	14 years
Vehicles	7 years

(iv) Reserves and Reserve Funds

Certain amounts, as approved by Township Council, are set aside in reserves and reserve funds for future operating and capital purposes. Transfers to/from reserves and reserve funds are an adjustment to the respective funds when approved.

(v) Government Transfers

Government transfers are recognized in the consolidated financial statements as revenues 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.

THE CORPORATION OF THE TOWNSHIP OF NORTH DUMFRIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(vi) **Deferred Revenue - Obligatory Reserve Funds**

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

2. OPERATIONS OF SCHOOL BOARDS AND REGION OF WATERLOO

Further to Note 1(a)(iii), during 2013, the Township made property tax transfers to School Boards and the Region. The amount collected and remitted is summarized below:

	2013	2012
Public English	5,337,491	5,280,619
Separate English	1,637,910	1,670,003
Public French	17,617	10,259
Separate French	51,820	44,864
Region of Waterloo	10,076,995	9,935,211

3. TRUST FUNDS

Trust funds administered by the Township amounting to \$264,394 (2012 - \$262,224) have not been included on the Consolidated Balance Sheet nor have their operations been included in the Consolidated Statement of Operations.

4. TAXES RECEIVABLE

	2013	2012
Taxes receivable	1,555,391	1,370,480
Allowance for doubtful accounts	(11,000)	(11,000)
	1,544,391	1,359,480

THE CORPORATION OF THE TOWNSHIP OF NORTH DUMFRIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2013

5. ACCOUNTS AND GRANTS RECEIVABLE

	2013	2012
Grants receivable - Federal	421,038	-
Grants receivable - Provincial	8,409	-
Other municipalities	12,860	183,653
HST receivable	337,651	-
Other accounts receivable	491,168	339,286
	1,271,126	522,939

6. INVESTMENT IN CAMBRIDGE AND NORTH DUMFRIES ENERGY PLUS INC.

In compliance with provincial legislation enacted to restructure the electricity industry in Ontario, Council approved the incorporation of the business of the former Cambridge and North Dumfries Hydro-Electric Commission. Four companies were incorporated under the Ontario Business Corporations Act; the holding company, Cambridge and North Dumfries Energy Plus Inc., and its wholly owned subsidiaries, Cambridge and North Dumfries Energy Solutions Inc., Cambridge and North Dumfries Hydro Inc. and Fibretech Telecommunications (Cambridge) Inc.

The Township owns 7.9% of all outstanding shares of Cambridge and North Dumfries Energy Plus Inc.

	2013	2012
The Township's investment is comprised of the following:		
Accumulated Equity		
Common shares (79 shares)	3,221,948	3,221,948
Prior years accumulated earnings	2,862,283	2,679,076
	6,084,231	5,901,024
Net Income for the year	402,533	416,956
Dividends	(208,477)	(233,749)
Change in equity for the year	194,056	183,207
Equity- End of Year	6,278,287	6,084,231
Notes receivable (Note 7)	3,019,708	3,019,708
Net Investment	9,297,995	9,103,939

THE CORPORATION OF THE TOWNSHIP OF NORTH DUMFRIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2013

7. NOTES RECEIVABLE

The Township holds a promissory note from Cambridge and North Dumfries Hydro Inc. The note is payable on demand with six months notice and is payable interest only on a quarterly basis. The established interest rate is currently 4.993% (2012 - 4.993%). The principal amount outstanding is as follows:

	2013	2012
Cambridge and North Dumfries Hydro Inc.	3,019,708	3,019,708

8. DEFERRED REVENUE (OBLIGATORY RESERVE FUNDS)

A requirement of the public sector accounting principles of the Chartered Professional Accountants 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 possibly be refunded. The balances in the obligatory reserve funds of the Township are summarized as follows:

Obligatory Reserve Funds	2013	2012
Development charges	704,246	693,322
Recreational land	55,933	129,425
Federal gas transfer	395,329	304,354
Building Code Act	-	133,628
	1,155,508	1,260,729

Continuity of Deferred Revenue is as Follows:

	2013	2012
Balance, beginning of year	1,260,729	1,609,807
Contributions from Federal gas tax	278,008	278,008
Contributions from Development Charges Act	155,723	362,334
Contributions from Developers	87,054	201,833
Interest earned	5,749	5,607
Total revenue	526,534	847,782
Less: Development charges and grants earned	631,755	1,196,860
Balance, end of year	1,155,508	1,260,729

THE CORPORATION OF THE TOWNSHIP OF NORTH DUMFRIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2013

9. NET LONG-TERM LIABILITIES

The total long-term liabilities reported on the consolidated statement of financial position include the following:

	2013	2012
4.5% Loan payable to Region of Waterloo, annual payments of \$8,456 including principal and interest.	62,374	67,271
Variable rate (1% to 4.95%) 15 year debenture payable to the Region of Waterloo. Annual payments of \$150,000 plus interest. Principal payments increase annually up to the final year payment of \$243,000.	2,140,730	2,297,730
	<u>2,203,104</u>	<u>2,365,001</u>

The following table outlines the principal and interest repayment requirements on the long-term debt:

	Principal	Interest	Total
2014	166,117	95,955	262,072
2015	171,348	90,721	262,069
2016	177,588	84,849	262,437
2017	183,839	78,233	262,072
2018	191,103	70,940	262,043
Thereafter	1,313,109	231,537	1,544,646
	<u>2,203,104</u>	<u>652,235</u>	<u>2,855,339</u>

10. PENSION AGREEMENTS

The Township makes contributions to the Ontario Municipal Employees Retirement System (OMERS), which is a multi-employer plan, on behalf of all permanent, full-time 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 2013 was \$146,132 (2012 - \$118,152) and is included as an expenditure on the Consolidated Statements of Operations.

Since any surpluses or deficits are a joint responsibility of all Ontario municipalities and their employees, The Township does not recognize any share of the OMERS pension surplus or deficit in these consolidated financial statements. The OMERS pension plan has a deficit. If actuarial surpluses are not available to offset the existing deficit and subsidize future contributions, increases in contributions will be required in the future.

THE CORPORATION OF THE TOWNSHIP OF NORTH DUMFRIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2013

11. POST EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS

The Township provides post employment benefits to employees voluntarily electing retirement before the age of sixty-five. The Township provides an Extended Health Care Plan and a Dental Plan to retirees who have at least fifteen years of service and had commenced employment within fifteen years of their normal retirement date. The Township also offers life insurance coverage up to two times salary at retirement. The post employment benefits terminate at the earlier of the retiree's sixty-fifth birthday or in the event of death preceding the retiree's sixty-fifth birthday.

The Township had an actuarial estimate of this liability completed in 2012. This valuation forms the basis of the estimated liability reported in these financial statements.

Assumptions	2013	2012
Discount rate	4.75%	4.75%
Healthcare cost increases	3%-6.33%	3%-6.33%
Post Employment Benefits		
Accrued benefit - end of prior year	210,733	202,393
Current period benefit expense	9,365	8,765
Accrued interest	9,915	9,584
Benefit payments	(13,351)	(10,009)
Liability as at December 31	216,662	210,733

12. ACCUMULATED SURPLUS

The fund balances at the end of the year, as reflected in the Consolidated Statement of Operations are comprised of the following:

	2013	2012
For the general reduction of taxation	(1,547,075)	(776,180)
Invested in tangible capital assets	23,880,387	23,447,318
	22,333,312	22,671,138
Cambridge and North Dumfries Utility Corporations		
- Net investment (Note 6)	9,297,995	9,103,939
Reserves (Note 19)	1,206,780	949,845
Reserve funds (Note 19)	432,558	433,420
	10,937,333	10,487,204
	33,270,645	33,158,342

THE CORPORATION OF THE TOWNSHIP OF NORTH DUMFRIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2013

13. FEES AND USER CHARGES

Fees and other charges consist of the following:

	2013 Budget	2013 Actual	2012 Actual
Administration and general governance	3,000	275,470	279,413
Fire services	29,500	26,926	67,719
Inspection and roadways	10,350	6,187	4,442
Recreation facilities and programs	602,550	452,591	478,335
Cultural services	3,965	125	258
Planning and zoning	77,150	66,686	54,351
	726,515	827,985	884,518

14. EMPLOYEE COMPENSATION

As required by Public Sector Salary Disclosure Act, 1996, the Township did not have any employees who were paid \$100,000 or more in 2013.

15. COMPARATIVE AMOUNTS

Certain of the comparative figures, provided for the purpose of comparison, have been reclassified to conform to the current year's presentation.

16. OTHER REVENUE

Other revenues of the Township are comprised of the following:

	2013 Budget	2013 Actual	2012 Actual
Penalties and interest on taxes	162,500	201,489	183,241
Investment income	45,000	63,682	54,635
Interest earned on Energy Plus promissory note	-	150,774	150,774
Dividends from Energy Plus	-	208,477	233,749
Development charges and contributions	-	631,755	1,173,192
Licenses and permits	286,000	241,817	295,415
Donations	391,630	195,709	796,165
Other income	47,797	14,900	9,600
	932,927	1,708,603	2,896,771

THE CORPORATION OF THE TOWNSHIP OF NORTH DUMFRIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2013

17. BUDGET AMOUNTS

The Township Council approves the operating and capital budgets each year on a modified-accrual basis of accounting (sometimes referred to as cash basis). Since the audited financial statements are prepared on a full accrual basis, a reconciliation must be performed in order to present the annual budget. A summary of the reconciliation for 2013 is as follows:

STATEMENT OF OPERATIONS	2013 Approved Operating Budget	Adjustments*	2013 Full Accrual Budget
Source of Revenue			
Residential and farm taxation	3,490,514	-	3,490,514
Commercial, industrial and business taxation	-	-	-
Taxation from other governments	-	-	-
Fees and user charges	726,515	-	726,515
Canada grants	-	-	-
Ontario grants	303,800	-	303,800
Recoveries from other municipalities	20,000	-	20,000
Other revenue	932,927	-	932,927
Internal recoveries	1,572,726	(1,572,726)	-
Other income	10,000	-	10,000
	7,056,482	(1,572,726)	5,483,756
Expenses by Function			
General Government	1,003,750	-	1,003,750
Interest	253,885	(153,000)	100,885
Protection Services	1,530,965	(242,500)	1,288,465
Transportation Services	2,056,760	-	2,056,760
Environmental Services	-	-	-
Recreation and Cultural Services	1,971,247	(739,145)	1,232,102
Planning and Development	239,875	(8,700)	231,175
	7,056,482	(1,143,345)	5,913,137
Annual Surplus (Deficit)	-	(429,381)	(429,381)

*Adjustments are required to convert the budget from a modified-accrual (cash) basis to a full accrual basis. These adjustments include the removal of all transfers to and from reserves and reserve funds and capital fund revenue and expenses, removal of debt principal payments from expenses, and the addition of non-cash accounting revenues and expenses such as asset amortization.

18. CONTINGENCY

The Township has received a notice of potential claim. The claim is against the Township and its architect/consultant related to the construction of the Community Complex. The ultimate payer and any amount of settlement, if any, cannot be determined at this time.

THE CORPORATION OF THE TOWNSHIP OF NORTH DUMFRIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2013

19. RESERVES AND RESERVE FUNDS

The total balance of reserves and reserve funds of \$1,206,780 (2012 - \$949,845) and \$432,558 (2012 - \$433,420) respectively is made up of the following:

	2013	2012
Reserves Set Aside for Specific Purpose by Council:		
Building department	3,600	-
Water and sewer	(12,313)	(12,313)
Parks equipment	54,023	54,023
Public works equipment	21,898	21,898
Energy Plus Inc. interest	235,447	130,638
Working funds	109,376	128,213
Roads public works	-	708
Slater hall	465	465
Rural water	4,144	4,144
Gravel subsidy	517,023	389,267
L.A.C.A.C.	10,972	10,972
Fire reservoir	45,150	45,150
Ayr special area rate	26,100	36,100
New library	63,395	63,080
Multi-use facility	2,500	2,500
Roseville Community Centre	-	25,000
Infrastructure	125,000	50,000
Total Reserves	1,206,780	949,845
Reserve Funds Set Aside for Specific Purposes by Council:		
Charges for capital purposes	6,403	6,371
Lot grading deposits refundable	341,742	343,042
West River road	27,392	27,256
Letter of Credit Runion	4,885	4,860
Letter of Credit Boida	903	898
Inspection fees	35,719	35,541
Oliver/Fowlie Works	2,248	2,237
Heaman Works	6,341	6,309
Edgar/Burnside	3,925	3,906
Tender deposits	3,000	3,000
Total Reserve Funds	432,558	433,420
Total Reserves and Reserve Funds	1,639,338	1,383,265

THE CORPORATION OF THE TOWNSHIP OF NORTH DUMFRIES

SCHEDULE OF TANGIBLE CAPITAL ASSETS For the year ended December 31, 2013

SCHEDULE 1

	Land	Parks	Building	Equipment	Bridges	Technology	Vehicles	Assets under Construction	Total 2013 (incl. WIP)	Total 2012 (incl. WIP)
Cost										
Balance, beginning of year	3,040,883	364,966	19,789,270	610,509	2,168,539	51,442	2,573,190	-	28,598,799	27,618,916
Additions during the year	-	-	623,710	14,280	-	46,917	379,527	173,167	1,237,601	1,107,087
Disposals during the year	-	-	-	-	-	-	143,246	-	143,246	127,204
Balance, end of year	3,040,883	364,966	20,412,980	624,789	2,168,539	98,359	2,809,471	173,167	29,693,154	28,598,799
Accumulated Amortization										
Balance, beginning of year	-	273,978	1,574,710	184,123	1,072,508	46,025	2,000,137	-	5,151,481	4,519,434
Amortization during the year	-	22,068	507,171	40,695	28,914	17,146	188,538	-	804,532	759,251
Accumulated amortization on disposal	-	-	-	-	-	-	143,246	-	143,246	127,204
Balance, end of year	-	296,046	2,081,881	224,818	1,101,422	63,171	2,045,429	-	5,812,767	5,151,481
Net Book Value of Tangible Capital Assets	3,040,883	68,920	18,331,099	399,971	1,067,117	35,188	764,042	173,167	23,880,387	23,447,318

THE CORPORATION OF THE TOWNSHIP OF NORTH DUMFRIES

SCHEDULE OF SEGMENTED INFORMATION

SCHEDULE 2

The Township is a lower tier municipality that provides a wide range of services to its citizens. The major services chosen for segmented disclosure are those for which the percentage of annual operating expenditures is greater than 10% of the Township's total operating expenditures. The revenues and expenditures reported for each segment include directly attributable amounts as well as internal charges and recoveries allocated on a reasonable basis.

A description of each major service and the activities each provide are as follows:

Governance and Corporate Services

This segment reports the activities of the general governmental services, including political governance, corporate services (finance and clerks). This segment also includes all general activities for the Township that cannot be easily apportioned to one department or another.

Fire Protection and Emergency Services

The Township provides emergency fire services. The service is to protect the lives and property of the residents of the Township from fires. The goals of the department are to prevent fires, educate the public with regards to fire related risks, to enforce safety standards, fight and suppress fires and to plan and respond to all emergencies throughout the Township.

Transportation Services

The transportation services department is responsible for the safe and efficient movement of people and goods within the Township. Responsibilities include road construction and maintenance, traffic signals and signs, winter control, developing parking and traffic control bylaws, implementation and maintenance of street lighting, and management and maintenance of parking lots.

Recreation and Cultural Services

This segment includes parks, recreation programs, recreation facilities, libraries and cultural services. Responsibilities include management and provision of recreational services, facilities and programs and administration and maintenance of the libraries.

THE CORPORATION OF THE TOWNSHIP OF NORTH DUMFRIES

SCHEDULE OF SEGMENTED INFORMATION For the year ended December 31, 2013

SCHEDULE 2

	Governance	Fire and Protection Services	Transportation Services	Recreational and Cultural Services	Other	Total 2013
Revenues						
Taxation	3,676,553	-	-	-	-	3,676,553
Grants	324,249	-	-	138,418	-	462,667
Revenue from other municipalities	-	6,825	6,805	-	-	13,630
Other revenue [1]	660,573	313,384	231,970	888,677	87,436	2,182,040
Government Business Enterprise	359,251	-	-	-	194,056	553,307
Total Revenues	5,020,626	320,209	238,775	1,027,095	281,492	6,888,197
Expenses						
Salaries and benefits	737,841	684,493	661,576	619,923	184,285	2,888,118
Materials	290,645	219,621	978,731	661,829	145,219	2,296,045
Contracted services	32,182	451,500	86,703	64,997	23,602	658,984
Debt servicing	-	-	-	97,443	3,050	100,493
Amortization	10,296	114,040	124,268	555,928	-	804,532
Other expenditures [2]	21,557	-	-	6,165	-	27,722
Total Expenditures	1,092,521	1,469,654	1,851,278	2,006,285	356,156	6,775,894
Net Surplus (Deficit)	3,928,105	(1,149,445)	(1,612,503)	(979,190)	(74,664)	112,303

[1] Other Revenues - Includes licenses, permits, interest, donations, sale of publications and user charges.

[2] Other Expenditures - Includes rents and financial expenses, inter-functional adjustments and allocations of program support.

THE CORPORATION OF THE TOWNSHIP OF NORTH DUMFRIES

SCHEDULE OF SEGMENTED INFORMATION For the year ended December 31, 2012

SCHEDULE 2

	Governance	Fire and Protection Services	Transportation Services	Recreational and Cultural Services	Other	Total 2012
Revenues						
Taxation	3,477,899	-	-	-	-	3,477,899
Grants	337,500	-	-	46,900	-	384,400
Revenue from other municipalities	-	-	18,950	-	-	18,950
Other revenue [1]	474,642	84,630	3,142	487,935	2,346,417	3,396,766
Government Business Enterprise	384,523	-	-	-	183,207	567,730
Total Revenues	4,674,564	84,630	22,092	534,835	2,529,624	7,845,745
Expenses						
Salaries and benefits	653,642	558,568	515,434	510,104	104,788	2,342,536
Materials	357,169	250,369	959,338	512,394	100,805	2,180,075
Contracted services	7,607	469,976	138,875	53,483	86,778	756,719
Debt servicing	-	-	-	100,885	3,261	104,146
Amortization	52,781	71,046	135,634	499,791	-	759,252
Other expenditures [2]	16,283	-	-	16,789	-	33,072
Total Expenditures	1,087,482	1,349,959	1,749,281	1,693,446	295,632	6,175,800
Net Surplus (Deficit)	3,587,082	(1,265,329)	(1,727,189)	(1,158,611)	2,233,992	1,669,945

[1] Other Revenues - Includes licenses, permits, interest, donations, sale of publications and user charges.

[2] Other Expenditures - Includes rents and financial expenses, inter-functional adjustments and allocations of program support.