THE CORPORATION OF THE

CITY OF ST. THOMAS

Consolidated Financial Statements

December 31, 2013

Consolidated Financial Statements

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 City of St. Thomas :

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of The Corporation of the City of St. Thomas, which comprise the consolidated statement of financial position as at December 31, 2013, and the consolidated statements of operations, and 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 Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian accounting standards for public sector entities 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.

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 whether the consolidated financial statements are free of 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 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 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 consolidated statement of financial position of The Corporation of the City of St. Thomas as at December 31, 2013, and the consolidated statements of operations, and changes in net financial assets for the year then ended in accordance with Canadian accounting standards for public sector entities.

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St. Thomas, Ontario

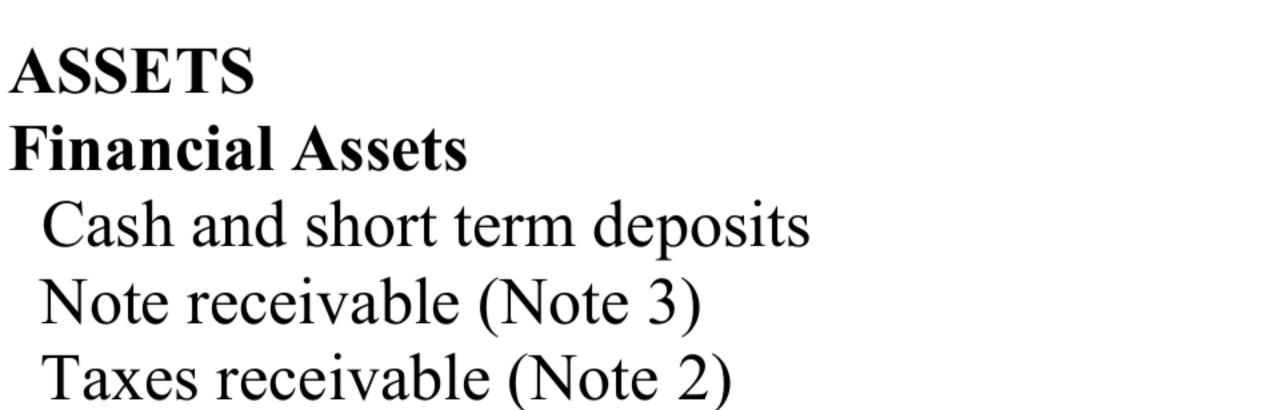
September 2, 2014

Graham Scott Enns LLP

CHARTERED PROFESSIONAL ACCOUNTANTS

Licensed Public Accountants

Consolidated Statement of Financial Position As at December 31, 2013



68,109,480 60,956,006 **7,714,426** 7,714,426

2012

\$

2013

Accounts receivable (Note 14) Land held for resale Investment in Ascent Group Inc. (Note 12)

Total financial assets

LIABILITIES

Deferred revenue (Note 10) Accounts payable and accrued liabilities Employee benefits payable (Note 7) Allowance for tax reassessments Net long-term liabilities (Note 5)

Total financial liabilities

NET FINANCIAL ASSETS

1,484,812	3,180,479
7,152,737	8,396,737
556,624	467,566
<u>13,582,580</u>	12,427,014
<u>98,600,659</u>	93,142,228
21,617,677	23,109,717
12,305,804	10,237,075
0 0 2 2 4 1 5	0 107 0//

21,617,677	23,109,717
12,305,804	10,237,075
8,922,415	9,127,866
2,692,398	1,950,751
20,839,529	20,559,271

66,377,823 64,984,680

32,222,836 28,157,548

NON-FINANCIAL ASSETS

Tangible capital assets (Note 4) Inventories of supplies Prepaid expenses

Total non-financial assets

ACCUMULATED SURPLUS (NOTE 6)

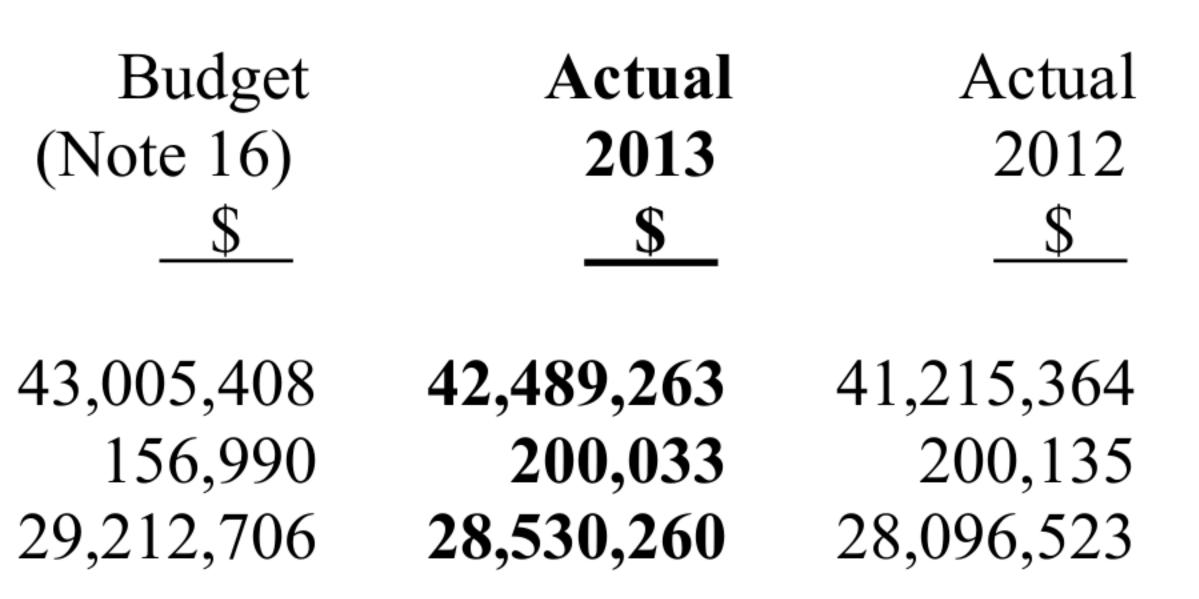
307,604,666	303,590,650
490,518	529,019
<u>1,547,058</u>	1,727,010
<u>309,642,242</u>	<u>305,846,679</u>
<u>341,865,078</u>	<u>334,004,227</u>

The accompanying notes are an integral part of these financial statements -2-

Consolidated Statement of Operations and Accumulated Surplus For the Year Ended December 31, 2013



Property taxation Taxation from other governments User charges and other revenues



Government grants			
Federal	5,629,186	5,737,125	1,895,722
Provincial	35,304,252	34,588,172	32,138,177
Municipalities	4,962,597	5,530,366	4,030,183
Development charges earned	338,443	727,792	618,989
Investment income	930,374	1,289,830	1,163,674
Penalties and interest on taxes	650,000	764,954	662,823
Developer contributions of tangible capital assets	-	1,996,329	8,459,999
Ascent Group Inc. net income (loss)		1,405,566	(2,640,686)
Total Revenues	120,189,956	<u>123,259,690</u>	115,840,903
EXPENSES			
General government	5,155,638	5,956,266	4,512,579
Protection to persons and property	19,880,921	19,900,734	19,582,086
Transportation services	9,661,546	10,674,161	10,190,560
Environmental services	18 715 042		20 165 683

Health service Social and family services Social housing Recreation and cultural services Planning and development

Total Expenses (Note 15)

ANNUAL SURPLUS

18,/15,042 21,343,02/ 20,105,685 5,316,882 5,331,619 5,501,080 34,755,823 32,234,193 33,013,856 11,199,347 9,133,643 10,901,956 6,853,226 6,886,612 7,061,882 1,136,241 1,214,738 1,269,553 115,398,839 112,674,666 109,475,989 6,364,914 7,515,290 7,860,851

ACCUMULATED SURPLUS, BEGINNING OF YEAR

ACCUMULATED SURPLUS, END OF YEAR (NOTE 6)

<u>334,004,227</u> <u>334,004,227</u> <u>327,639,313</u>





The accompanying notes are an integral part of these financial statements. -3-

Consolidated Statement of Changes in Net Financial Assets For the Year Ended December 31, 2013

	Budget	Actual	Actual
	(Note 16)	2013	2012
		\$	
ANNUAL SURPLUS	7,515,290	7,860,851	6,364,914
Amortization of tangible capital assets	11,361,363	11,361,363	10,654,183
Acquisition of tangible capital assets	(26,513,553)	(13,885,058)	(6,469,648)
Change in inventories of supplies and			
prepaid expenses	_	218,453	(789,093)
Loss on disposal of tangible capital assets	_	506,008	586,741
Developer contributions of tangible capital			
assets		<u>(1,996,329</u>)	<u>(8,459,999)</u>
INCREASE IN NET FINANCIAL ASSETS	(7,636,900)	4,065,288	1,887,098
NET FINANCIAL ASSETS, BEGINNING OF YEAR	28,157,548	<u>28,157,548</u>	26,270,450
NET FINANCIAL ASSETS, END OF YEAR	20,520,648	32,222,836	28,157,548

The accompanying notes are an integral part of these financial statements -4-

Consolidated Statement of Cash Flows For the Year Ended December 31, 2013

	2013	2012
	\$	\$
OPERATIONS		
Annual Surplus	7,860,851	6,364,914
Items not involving cash:		
Amortization of tangible capital assets	11,361,363	10,654,183
Loss on disposal of tangible capital assets	506,008	586,741
Developer contributions of tangible capital assets	(1,996,329)	(8,459,999)
Change in employee benefits	(205,451)	191,400
Equity loss (income) from Ascent Group Inc.	<u>(1,405,566</u>)	2,640,686
	8,260,025	5,613,011
Change in non-cash assets and liabilities (Note 15[a])	4,387,398	1,405,154
Net change in cash from operations	20,508,274	13,383,079
CAPITAL ACTIVITIES		
Tangible capital asset and assets under construction additions	<u>(13,885,058</u>)	<u>(6,469,648</u>)
INVESTING ACTIVITIES		
Dividends from Ascent Group Inc. (Note 12)	250,000	250,000
FINANCING ACTIVITIES		

Long-term debt principal repayment Proceeds from issue of long-term debt 2,380,437 3,633,507 Net change in cash from financing 280,258 1,900,448 NET CHANGE IN CASH AND CASH EQUIVALENTS 7,153,474 9,063,879 **OPENING CASH AND CASH EQUIVALENTS** <u>60,956,006</u> 51,892,127 **CLOSING CASH AND CASH EQUIVALENTS** 60,956,006 <u>68,109,480</u>



The accompanying notes are an integral part of these financial statements -5-

Notes to the Consolidated Financial Statements For the Year Ended December 31, 2013

The City of St. Thomas is a municipality in the Province of Ontario. It conducts its operations guided by the provisions of provincial statutes such as the Municipal Act, the Municipal Affairs Act and related legislation.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the Corporation of the City of St. Thomas (the "City") are prepared by management in accordance with Canadian accounting standards for public sector entities. Significant aspects of the accounting policies adopted by the City are as follows:

Reporting Entity

The consolidated financial statements reflect the assets, liabilities, revenues, expenses of the reporting entity. The reporting entity is comprised of all organizations, committees and local boards accountable for the administration of their financial affairs and resources to the City and which are 100% owned or controlled by the City.

Consolidated Entities

The following local boards are consolidated: The St. Thomas Public Library Board St. Thomas Economic Development Corporation

> St. Thomas Downtown Improvement Area Elgin and St. Thomas Housing Corporation

Interdepartmental and inter-organizational transactions and balances between these organizations are eliminated.

Proportionate Consolidation

The Elgin-St. Thomas Health Unit, Elgin Area Primary Water Board and Elgin Area Secondary Water Board have been consolidated on a proportionate basis. The Elgin-St. Thomas Health Unit is proportionately consolidated based on the Municipalities share of contributions which amount to 41%. The Elgin Area Primary Water Board and Elgin Area Secondary Water Board are proportionately consolidated based upon the water flow used by our Municipality in proportion to the entire flows provided by the joint boards. This amounts to 30.92% and 53.57% respectively.

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Notes to the Consolidated Financial Statements For the Year Ended December 31, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity Accounting

The investment in Ascent Group Inc. (a Government Business Enterprise) is accounted for on a modified equity basis, consistent with the generally accepted accounting treatment for government business enterprises. Under the modified equity basis, the business enterprise's accounting principles are not adjusted to conform with those of the City, and inter-organizational transactions and balances are not eliminated. The City recognizes its equity interest in the annual income or loss of Ascent Group Inc. in its consolidated statement of operations with corresponding increase or decrease in its investment asset account. Any dividends that the City may receive from Ascent Group Inc. will be reflected as a reduction in the investment asset account.

Accounting for School Board Transactions

Although the City collects taxation on behalf of the School Boards, the taxation, other revenues, expenses, assets and liabilities with respect to the operations of the school boards are not reflected in these statements.

Trust Funds

Trust funds and their related operations administered by the City are not included in these consolidated financial statements.

Basis of Accounting

The consolidated financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting records revenue as it is earned and measurable. Expenses are recognized as they are incurred and measurable based upon receipt of goods or services and/or the creation of a legal obligation to pay.

Government Transfers

Government transfers are recognized in the consolidated financial statements as revenues in the financial period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met including performance and return requirements, and reasonable estimates of the amounts can be determined. Any amount received but restricted is recorded as deferred revenue in accordance with Section 3100 of the Canadian accounting standards for public sector entities and is recognized as revenue in the period in which the resources are used

for the purpose specified.

In addition, the City periodically receives senior government capital funding in the form of infrastructure grants and receives ongoing funding from both senior levels of government as a result of an allocation of the gas tax funds.

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Notes to the Consolidated Financial Statements For the Year Ended December 31, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Revenue

Government transfers, 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. In addition, certain user charges and fees which have been collected but for which the related services have yet to be performed. Revenue is recognized in the period when the related expense are incurred, services preformed.

Investment Income

Investment income is reported as revenue in the period earned. When required by funding government or related Act, investment income earned on deferred revenue is added to the investment and forms part of the deferred revenue balance.

Cash equivalents

Cash equivalents include short-term highly liquid investments with a term to maturity of 90 days or less at acquisition.

Land Held for Resale

Land held for resale is recorded at the lower of cost and net realizable value. Cost includes amounts for improvements to prepare the land for sale or servicing.

Employee benefit plans

The City accounts for its participation in the Ontario Municipal Employees Retirement System (OMERS), a multi-employer public sector pension fund, as a defined contribution plan. The OMERS plan specifies the retirement benefits to be received by the employees based on the length of service and pay rates. Employee benefits include post employment benefits. Post employment benefits are subject to actuarial valuations and are accrued in accordance with the projected benefit method, prorated on service and management's best estimate of salary escalation and retirement ages of employees. Any actuarial gains and losses related to past service of employees are amortized over the expected average remaining service period.

For those self-insured benefit obligations that arise from specific events that occur from time to time, such as obligations for workers' compensation and life insurance and health care benefits for those on

disability leave, the cost is recognized immediately in the period the events occur. Any actuarial gains or losses that are related to these benefits are recognized immediately in the period they arise.

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Notes to the Consolidated Financial Statements For the Year Ended December 31, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

i) Tangible capital assets

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

Building and components Vehicles Machinery and equipment Land improvements Plants and facilities Roads 40 years 10 to 20 years 5 to 10 years 10 to 50 years 20 to 75 years 5 to 30 years 15 to 50 years 15 to 150 years

Bridges and other structures Underground and other networks

Amortization is charged at half the annual rate in the year of acquisition and the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

ii) Contributions of tangible capital assets

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

iii) Leased tangible capital assets

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 expenses as incurred.



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

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Notes to the Consolidated Financial Statements For the Year Ended December 31, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

v) Works of art and cultural and historic assets

Works of art and cultural and historic assets are not recorded as assets in these financial statements.

vi) Interest capitalization

The City includes interest in the costs associated with the acquisition or construction of tangible capital assets if temporary third party debt is used for the related acquisition or construction.

Tax Revenues

In 2013 the City received \$ 42,689,296 (2012 - \$41,415,499) in property tax revenues for municipal purposes. The authority to levy and collect property taxes is established under the Municipal Act 2001, the Assessment Act, the Education Act, and other legislation.

The amount of the total annual property tax levy is determined each year through Council's approval of the annual budget. City tax rates are set annually by Council for each class or type of property, in accordance with legislation and Council-approved policies, in order to raise the revenue required to meet operating budget requirements. Education tax rates are established by the Province each year in order to fund costs of education on a Province-wide basis.

Taxation revenues are recorded at the time billings are issued. Additional property tax revenue can be added throughout the year, related to new properties that become occupied, or that become subject to property tax, after the return of the annual assessment roll used for billing purposes. The City may receive supplementary assessment rolls over the course of the year from MPAC that identify new or omitted assessments. Property taxes for these supplementary/omitted amounts are then billed according to the approved tax rate for the property class.

Taxation revenues in any year may also be reduced as a result of reductions in assessment value rising from assessment and/or tax appeals. Each year, an amount is identified to cover the estimated amount of revenue loss attributable to assessment appeals, tax appeals or other deficiencies in tax revenue (e.g. uncollectible amounts, write-offs, etc.).

Use of Estimates

The preparation of financial statements in conformity with Canadian accounting standards for public sector entities requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the period. Significant estimates include assumptions used in estimating useful life and net realizable value of tangible capital assets, provisions for accrued liabilities and in performing actuarial valuations of employee future benefits. Actual results could differ from these estimates.

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Notes to the Consolidated Financial Statements For the Year Ended December 31, 2013

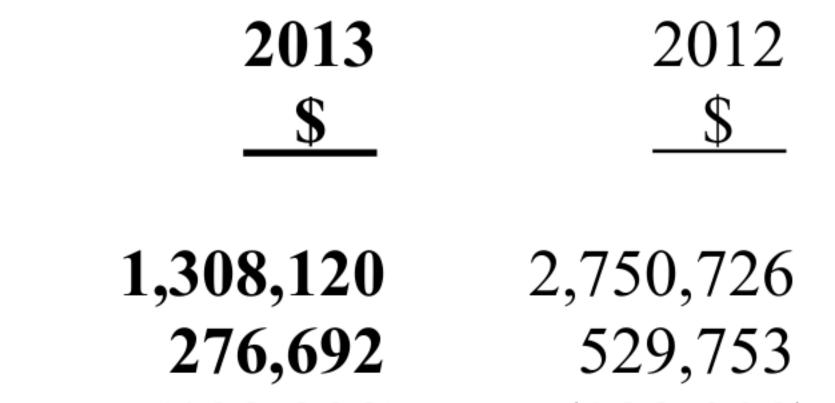
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED) 1.

Recent Accounting Pronouncements

PSAB released a standard related to Financial Instruments (PS 3450). The standard applies to all local governments for fiscal years beginning on or after April 1, 2016. The standard applies to all types of financial instruments. The new standard requires equity and derivative instruments be measured at fair value, with changes in value being recorded in statement of remeasurement gains/losses. The standard gives the option of cost/amortized cost vs. fair value of remaining instruments, which is elected upon by the government organization. The City has not yet determined what, if any, financial reporting implications may arise from this standard.

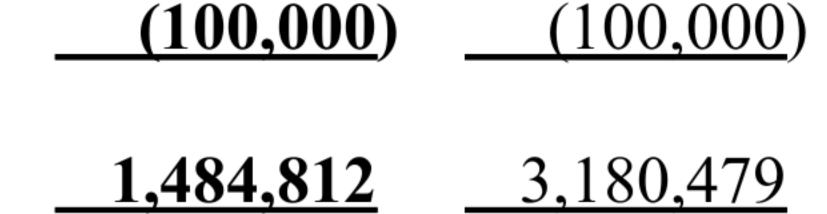
2. TAXES RECEIVABLE

Taxes receivable are reported net of allowance for doubtful accounts. Balances as at December 31 were as follows:



Taxes receivable Penalties and interest

Allowance for doubtful accounts



NOTE RECEIVABLE 3.

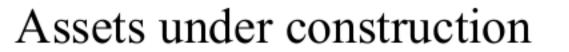
The note arose on November 7, 2000 as a result of restructuring of the St. Thomas Public Utilities Commission under Bill 35. The note was renewed in November of 2010 for a five year term. The note is receivable from St. Thomas Energy Inc., with interest only payable semi-annual at a net rate of 6.75% and is due November 2015. In 2013 annual interest of \$520,724 was received on this loan (2012 - \$520,724).

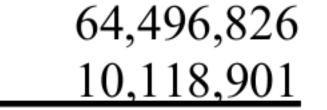
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Notes to the Consolidated Financial Statements For the Year Ended December 31, 2013

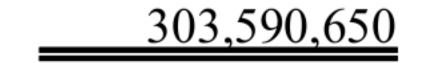
4. TANGIBLE CAPITAL ASSETS

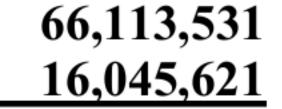
December 31, 2013	Onomina	Additions	Diamogola	Ending
Cost Infrastructure	Opening	Additions	Disposals	Ending
Land	392,592			392,592
Buildings/Building Improvements	92,611,762	32,445	(1,948,512)	90,695,695
Machinery and Equipment	10,264,713	525,493	(1,940,912) (201,131)	10,589,075
Linear - Roadways	73,834,601	2,192,947	(201,131) (510,158)	75,517,390
Linear - Koadways Linear - Sewer and Water Services	250,360,798	3,353,990		253,315,812
Infrastructure Total	427,464,466		(398,976)	
	427,404,400	6,104,875	(3,058,777)	430,510,564
<u>General</u> Land	12,582,385			12,582,385
	21,819,403	1 0/0 082	-	22,859,485
Land Improvements Duilding/Duilding Improvements		1,040,082	-	, ,
Building/Building Improvements	55,993,805	2,447,259	-	58,441,064
Machinery and Equipment	1,425,642	301,874	-	1,727,516
Vehicles Concret Total	<u>6,567,306</u>	<u> </u>	(37,158)	<u>6,590,725</u> 102 201 175
General Total	98,388,541	3,849,792	(37,158)	102,201,175
Work In Progress	<u> </u>	9,254,053	(3,327,333)	<u>16,045,621</u>
Total Cost	535,971,908	19,208,720	(6,423,268)	548,757,360
Accumulated Amortization <u>Infrastructure</u>	Opening	Amortization	Disposal	Ending
Buildings/Building Improvements	83,231,575	835,852	(1,967,807)	82,099,620
Machinery and Equipment	4,112,499	783,035	(161,902)	4,733,632
Linear - Roadways	42,470,817	2,601,369	(381,955)	44,690,231
Linear - Sewer and Water Services	68,674,652	4,908,020	(41,105)	73,541,567
Infrastructure Total	198,489,543	9,128,276	(2,552,769)	205,065,050
General		, <u></u> ,,_		
Land Improvements	15,997,003	359,299	_	16,356,302
Building/Building Improvements	14,375,895	1,361,293	_	15,737,188
Machinery and Equipment	542,316	133,826	_	676,142
Vehicles	2,976,501	378,669	(37,158)	3,318,012
General Total	33,891,715	2,233,087	(37,158)	36,087,644
Total Accumulated Amortization	232,381,258	11,361,363	(2,589,927)	241,152,694
Net Book Value	Opening			Ending
<u>Infrastructure</u>				
Land	392,592			392,592
Building/Building Improvements	9,380,187			8,596,075
Machinery and Equipment	6,152,214			5,855,443
Linear - Roadways	31,363,784			30,827,159
Linear - Sewer and Water Services	181,686,146			179,774,245
	228,974,923			225,445,514
<u>General</u>	10 500 005			
Land	12,582,385			12,582,385
Land Improvements	5,822,400			6,503,183
Building/Building Improvements	41,617,910			42,703,876
Machinery and Equipment	883,326			1,051,374
Vehicles	3,590,805			3,272,713
	64,496,826			66.113.531





Total Net Book Value







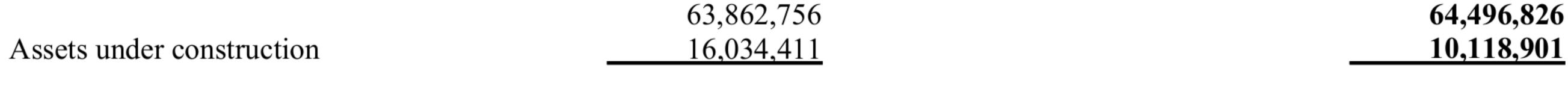


Notes to the Consolidated Financial Statements For the Year Ended December 31, 2013

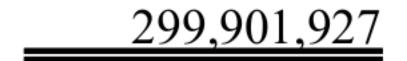
4. TANGIBLE CAPITAL ASSETS (CONTINUED)

December 31, 2012				
Cost	Opening	Additions	Disposals	Ending
<u>Infrastructure</u>			-	
Land	392,592	_	_	392,592
Buildings/Building Improvements	91,577,983	1,033,779	_	92,611,762
Machinery and Equipment	9,670,095	752,997	(158,379)	10,264,713
Linear - Roadways	71,450,653	2,689,487	(305,539)	73,834,601
Linear - Sewer and Water Services	237,225,275	13,176,360	(40,837)	250,360,798
Infrastructure Total	410,316,598	17,652,623	(504,755)	427,464,466
General				
Land	12,262,911	335,775	(16,301)	12,582,385
Land Improvements	21,444,375	375,028	_	21,819,403
Building/Building Improvements	54,657,485	2,212,431	(876,111)	55,993,805
Machinery and Equipment	1,471,483	11,848	(57,689)	1,425,642
Vehicle	6,603,734	257,452	(293,880)	6,567,306
General Total	96,439,988	3,192,534	(1,243,981)	98,388,541
Assets under construction	16,034,411	954,535	(6,870,045)	10,118,901
Total Cost	522,790,997	21,799,692	(8,618,781)	535,971,908
Accumulated Amortization	Opening	Amortization	Disposal	Ending
Infrastructure				2
Buildings/Building Improvements	82,172,612	1,058,963	_	83,231,575
Machinery and Equipment	3,463,633	771,347	(122, 481)	4,112,499
Linear - Roadways	40,053,223	2,495,141	(77,547)	42,470,817
Linear - Sewer and Water Services	64,622,370	4,093,119	(40,837)	68,674,652
Infrastructure Total	190,311,838	8,418,570	(240,865)	198,489,543
General	170,511,050	0,110,270	(210,000)	1/0,10/,515
Land Improvements	15,426,107	570,896	_	15,997,003
Building/Building Improvements	13,983,387	1,193,066	(800,558)	14,375,895
Machinery and Equipment	529,521	70,484	(57,689)	542,316
Vehicle	2,638,217	401,167	(62,883)	2,976,501
General Total	32,577,232	2,235,613	(921,130)	33,891,715
Total Accumulated Amortization	222,889,070	10,654,183	(1,161,995)	232,381,258
Net Book Value	Opening			Ending
Infrastructure	opening			Litung
Land	392,592			392,592
Building/Building Improvements	9,405,371			9,380,187
Machinery and Equipment	6,206,462			6,152,214
Linear - Roadways	31,397,430			31,363,784
Linear - Sewer and Water Services	172,602,905			181,686,146
Linear - Sewer and water Services	220,004,760			228,974,923
General				
Land	12,262,911			12,582,385
Land improvements	6,018,268			5,822,400
Building/Building Improvements	40,674,098			41,617,910
Machinery and Equipment	941,962			883,326
Vehicles	3,965,517			3,590,805
	63,862,756			64,496,826

64,496,826



Total Net Book Value





During the year roads and underground networks contributed to the City totaled \$1,996,329 (2012 - \$8,459,999) and were capitalized at their fair value at the time of receipt.

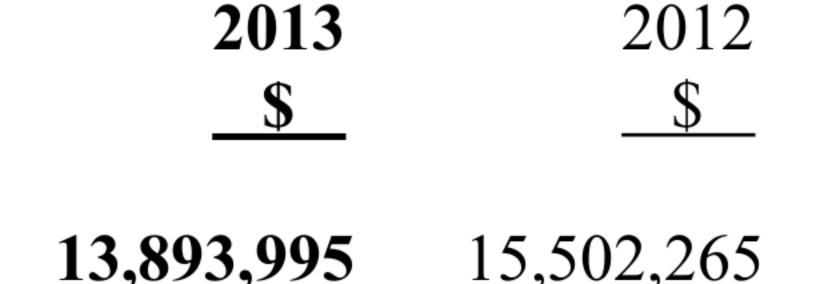
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Notes to the Consolidated Financial Statements For the Year Ended December 31, 2013

5. NET LONG-TERM LIABILITIES

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

Long-term liabilities incurred by the municipality and outstanding at the end of the year amount to



and outstan	laing at the e	and of the yea	ar amount to		13,0	93,993	13,302,203
Long-term l	iabilities ass	umed by the	city		6,9	945,534	5,057,006
Total long-t	erm liabilitie	es at the end	of the year		20,8	<u>339,529</u>	20,559,271
Principal repays	ments are su	mmarized as	follows:				
Recoverable From	2014 m <u>\$</u>	2015 	2016 	2017 	2018 	Beyond	Total
General taxation User charges	1,680,565 <u>3,307,864</u>	1,345,257 537,523	819,516 558,779	858,989 580,483	900,363 603,299	8,289,305 1,357,586	13,893,995 <u>6,945,534</u>
	4,988,429	1,882,780	1,378,295	1,439,472	1,503,662	9,646,891	20,839,529

b) Long-term liabilities have been approved by by-law. The annual principal and interest payments required to service these liabilities are within the annual debt repayment limit prescribed by the Ministry of Municipal Affairs and Housing. Of the above non-assumed principal balances, \$1,498,039 is repayable in monthly instalments of \$81,606 bearing interest at 4.2% and the remaining \$12,395,956 is repayable in semi-annual instalments of \$663,602 bearing interest at 4.8%.

c) Interest expense on long-term liabilities in 2013 amounted to \$844,219 (2012 - \$866,839).

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Notes to the Consolidated Financial Statements For the Year Ended December 31, 2013

ACCUMULATED SURPLUS 6.

The accumulated surplus balance is comprised of current fund, capital fund, equity in government business enterprises, balances in reserves and discretionary reserve funds, unfunded liabilities to be recovered in the future and investment in tangible capital assets.

Operating fund General Operations Sewer Operations Water Operations Elgin-St. Thomas Health Unit Downtown Development Board (BIA)

Invested in tangible capital assets Capital fund Equity in government business enterprise Reserves Reserve funds



Employee benefits payable Net long-term debt

145,483	394,782
784,923	350,232
374,299	364,870
31,380	13,990
103,245	55,860
1,439,330 307,604,666 15,940,138 21,297,006 22,508,142 2,837,740	1,179,734 303,590,650 15,565,484 20,141,440 20,336,049 <u>2,878,007</u>
371,627,022	363,691,364

2013

2012

 Ψ

ACCUMULATED SURPLUS

Reserves and reserve funds consist of the following:

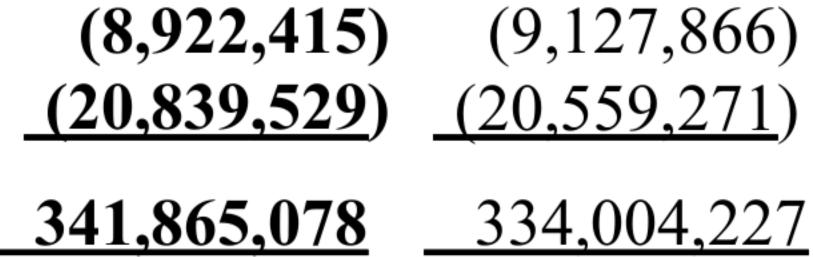
Reserves set aside for specific purposes by Council:

- for working capital and contingencies
- for human resource issues
- for social and family services
- for acquisition of tangible capital assets general operations sewer operations

Total reserves

Reserve funds set aside for specific purposes by Council and Joint Boards:

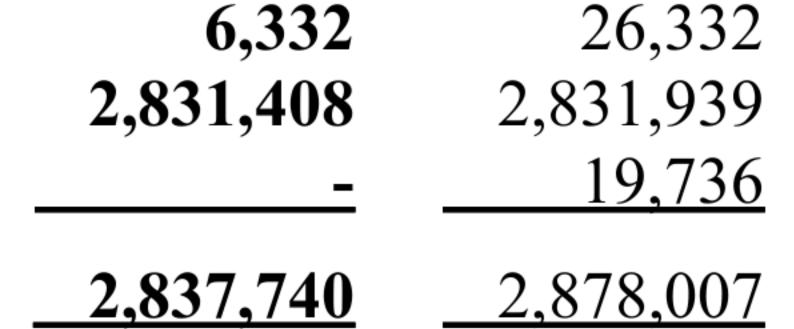
-15 -



6,180,351	4,758,704
1,028,293	1,249,508
1,847,249	1,830,617
3,246,211	2,064,553
10,206,038	10,432,667
<u>22,508,142</u>	20,336,049

- general operations
- water operations
- for human resource issues

Total reserve funds



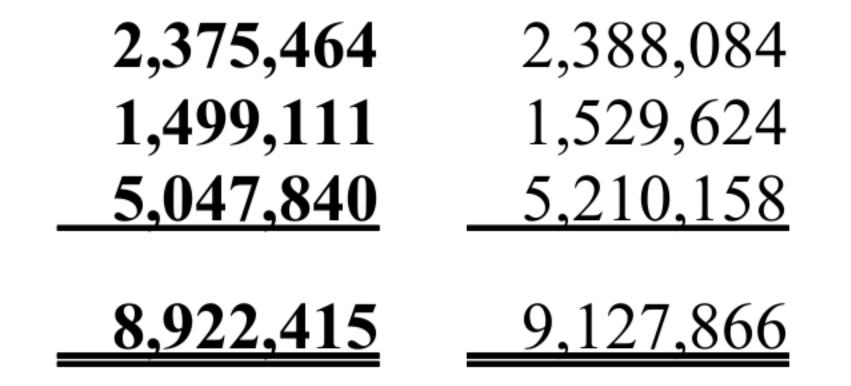
Notes to the Consolidated Financial Statements For the Year Ended December 31, 2013

7. EMPLOYEE BENEFITS PAYABLE

Employee future benefits are liabilities of the City to its employees and early retirees for benefits earned but not taken as at December 31, 2013. Details are as follows:



a) Future payments required to WSIBb) Accumulated sick leave benefit plan entitlementsc) Post employment and retirement benefits



2013

2012

a) Future payment required to WSIB

With respect to responsibilities under provisions of the Workplace Safety and Insurance Board Act, the city has elected to be treated as a Schedule 2 employer and remits payments to the WSIB as required to fund disability payments. The actuarial report was updated in 2011.

The benefit obligation continuity is as follows:

Accrued benefit obligation, January 1	2,388,084	2,516,847
Expense	295,533	291,474
Payment	<u>(331,030</u>)	<u>(331,703</u>)
Actual accrued benefit obligation	2,352,587	2,476,618
Less: unamortized actuarial gain/(loss) (straight-line, ten years)	22,877	<u>(88,534</u>)
Accrued benefit obligation, December 31	<u>2,375,464</u>	2,388,084

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Notes to the Consolidated Financial Statements For the Year Ended December 31, 2013

7. EMPLOYEE BENEFITS PAYABLE (CONTINUED)

b) Liability for vested sick leave benefits

Under the sick leave benefit plan, unused sick leave can accumulate and employees may become entitled to a cash payment when they leave the City's employment. The liability for these accumulated days, to the extent that they have vested and could be taken in cash by an employee on termination, death or retirement, amounted to \$1,499,111 (2012 - \$1,529,624) at the end of the year. An amount of \$129,600 (2012 - \$137,922) was paid to employees who left the City's employment during the current year. An actuarial gain of \$192,258 (2012 - \$215,336) was determined for the sick leave liability in the 2013 review and is being amortized at \$23,078 per year.

c) Post employment and retirement benefits

The City provides certain employee medical and life insurance benefits on behalf of its retired and current employees. An actuarial evaluation was performed on the post employment and retirement benefits in February 2014 and covers the period from December 31, 2013 to December 31, 2015.

Significant assumptions are as follows: General inflation rate - 2.0% Discount rate - 4.25% (2012 - 5.0%) Rate of compensation increase - 3.0% Healthcare cost increase - 4.0% to 6.333%

Dental cost increase - 4.0%

The benefit obligation continuity is as follows:

Accrued benefit obligation, January 1 Expense

Loss due to reduction in discount rate

Loss due to more retirees than expected and change in work force Gain due to health costs escalating less than projection Payment

Actual accrued benefit obligation

Less: unamortized actuarial gain/(loss), (straight-line, 12 years) Unfunded benefit obligation, December 31

2013	2012
\$	\$
5,210,158	4,996,774
475,388	487,573
462,000	_
439,020	-
(606,000)	-
<u>(300,765</u>)	<u>(274,189</u>)
5,679,801	5,210,158
<u>(631,961</u>)	
<u>5,047,840</u>	5,210,158



Notes to the Consolidated Financial Statements For the Year Ended December 31, 2013

8. PENSION AGREEMENTS

The City makes contributions to the Ontario Municipal Employees Retirement Fund (OMERS), which is a multi-employer plan, on behalf of approximately 450 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. Each year, an independent actuary determines the funding status of OMERS Primary Pension Plan (the Plan) by comparing the actuarial value of invested assets to the estimated present value of all pension benefits the members have earned to date. The most recent actuarial valuation of the Plan was conducted December 31, 2013, and the results of this valuation disclosed actuarial liabilities of \$73.0 billion in respect of benefits accrued for service with actuarial assets at that date of \$64.4 billion leaving an actuarial deficit of \$8.6 billion.

Since any surpluses or deficits are a joint responsibility of all Ontario municipalities and their employees, the City does not recognize any share of the OMERS Pension surplus or deficit in these consolidated financial statements.

The amount contributed to OMERS for 2013 was \$3,087,024 (2012 - \$2,845,230).

9. SOCIAL HOUSING ADMINISTRATION

On July 26, 2002 the Ministry of Municipal Affairs and Housing issued a letter of direction for the treatment of the debentures relating to the properties transferred to the Local Housing Corporations on January 1, 2001. As these debentures were unsecured and could not be transferred by the Province to the Local Housing Corporation or the Service Manager, the Ministry's position is not to treat these debentures as a liability of the Local Housing Corporation. Further, the Ministry will fund these debenture payments from Federal social housing funds. The outstanding debentures related to the housing corporation will continue to be disclosed in the notes to the financial statements as well as any debenture payments made on behalf of the corporation by the Ministry. As at December 31, 2013 the outstanding debentures totalled \$3,297,916 (2012 - \$3,486,939) and \$514,190 in Ministry funding was applied to the debenture payment of \$514,190 paid in the year.

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Notes to the Consolidated Financial Statements For the Year Ended December 31, 2013

10. DEFERRED REVENUE

A requirement of the Canadian accounting standards for public sector entities 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 City are summarized below:

	2013	2012
	\$	\$
Development Charges	14,182,823	13,149,073
Parkland	19,547	7,035
Parking	645	637
Federal and Provincial gas taxes	6,820,061	8,817,042
Other	<u> </u>	1,135,930

21,617,677

23,109,717

11. TRUST FUNDS

Trust funds administered by the City amounting to \$377,205 (2012 - \$352,020) are presented in a separate financial statement of trust fund balances and operations. As such balances are held in trust by the City for the benefit of others, they are not presented as part of the City's financial position or financial activities.

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Notes to the Consolidated Financial Statements For the Year Ended December 31, 2013

12. INVESTMENT IN ASCENT GROUP INC.

The City owns 100% of Ascent Group Inc. (formerly St. Thomas Holding Inc.) which in turn owns 100% of St. Thomas Energy Inc., Ascent Energy Services Inc., Ascent Solutions Inc. and Ascent Renewables Inc. As business enterprises of the City, they are accounted for on a Modified Equity basis in these financial statements. The Corporations are involved in the electricity distribution for the city's residents, sub-station construction/maintenance and transformer sales. The following table provides condensed supplementary financial information for the City for the year ended December 31:

Financial Position:

Current assets Capital assets Deferred charges and other assets

Total assets

Current liabilities Other long-term liabilities

Total Liabilities

2013 2012 \$ \$ 27,374,986 19,642,125 28,833,742 29,011,824 4,049,870 4,606,874 53,082,741 60,436,680 25,978,844 18,332,889 22,322,838 20,875,256 40,655,727 46,854,100





Results of operations:

Revenues Operating expenses

Net income (loss)

66,429,695 61,770,355 <u>65,024,129</u> 64,411,041 <u>1,405,566</u> <u>(2,640,686</u>)

Total dividends received in the year from Ascent Group Inc. was \$250,000 (2012 - \$250,000).



Notes to the Consolidated Financial Statements For the Year Ended December 31, 2013

13. CONTINGENT LIABILITIES

As at December 31, 2013 certain legal actions are pending against the City. The final outcome of the outstanding claims cannot be determined at this time. However, management believes that ultimate disposition of these matters will not materially exceed the amounts recorded in these consolidated financial statements.

Estimated costs to settle claims are based on available information and projections of estimated future expenses developed based on the City's historical experience. Claims are reported as an operating expense in the year of the loss, where the costs are deemed to be likely and can be reasonable determined. Claim provisions are reported as a liability in the consolidated statement of financial position.

14. RELATED PARTY TRANSACTIONS

During the year, the City had business transactions with Ascent Services Inc. (the City's subsidiary). The City has contracted Ascent Services Inc. to provide billing and collection services for water and sewer user charges.

The particulars of these transactions and balances owing to the City for the years ended December 31, was as follows:

Transactions during the year: Purchase of services

Balances at end of year: Amounts due from Ascent Services Inc.

<u>2,122,531</u> <u>2,063,300</u>

2013

296,184

2012

508,705

The above amount is included in accounts receivable on the balance sheet. In addition to the above transactions the City received interest payments totaling \$520,724 (2012 - 520,724) from Ascent Services Inc. on its note receivable as disclosed in Note 3.



Notes to the Consolidated Financial Statements For the Year Ended December 31, 2013

15. SUPPLEMENTARY INFORMATION:

[a] Changes in non-cash assets and liabilities:

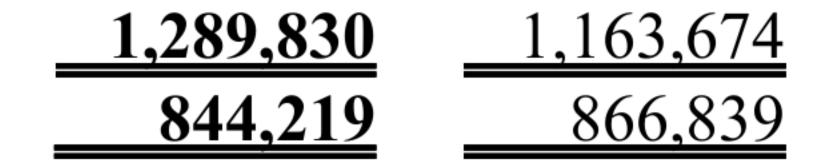


Taxes receivable Accounts receivable Land held for resale Prepaid expenses and inventories of supplies Accounts payable and accrued liabilities Allowance for tax reassessments Deferred revenue - obligatory reserve funds

[b] Supplementary cash flow information:

Cash interest received Cash interest paid

1,695,667 (420,783)1,244,000 1,599,063 (89,058) (9,694)218,453 (789,093)(3,112,203)2,068,729 741,647 935,000 <u>(1,492,040</u>) 3,202,864 **4,387,398** 1,405,154



[c] Current fund expenditures by object:

Salaries, wages and employees benefits Long-term debt interest expense Materials Contracted services Rents and financial expenses Amortization Loss on disposal of tangible capital assets External transfers

42,697,735 44,902,468 844,219 866,839 14,621,086 16,244,573 18,571,453 22,821,455 190,095 359,715 11,361,363 10,654,183 506,008 586,741 20,152,146 19,494,750





Notes to the Consolidated Financial Statements For the Year Ended December 31, 2013

16. BUDGETED AMOUNTS

The operating budget approved by the council of the City for 2013 is reflected on the consolidated statement of operations. Budget figures have been reclassified for the purposes of these financial statements to comply with PSAB reporting requirements. These adjustments include reserve transfers, capital expenditures, amortization and debt financing and repayment.

REVENUES

Property taxation Taxation from other governments User charges and other revenues Transfer payments Federal Provincial Other municipalities Development charges Investment income Penalties and interest on taxes Reserve transfers

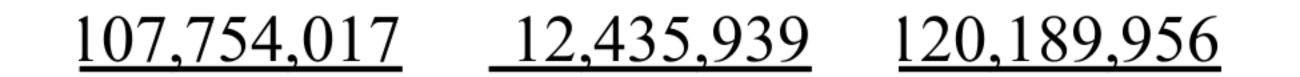
Approved Budget \$	Adjustmen \$	PSAB ts Budget
43,005,408	_	43,005,408
156,990	_	156,990
25,638,905	3,573,801	29,212,706
939,801	4,689,385	5,629,186
31,409,866	3,894,386	35,304,252
4,938,673	23,924	4,962,597
50,000	288,443	338,443
930,374	_	930,374
650,000	_	650,000
34,000	(34,000)	

Total Revenues

EXPENSES

General government Protection to persons and property Transportation services Environmental services Health services Social and family services Social housing Recreation and cultural services Planning and development

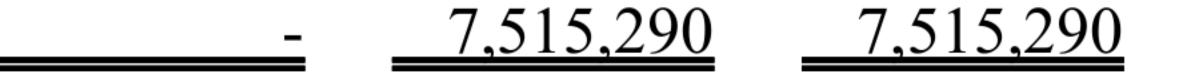
Total Expenses



9,401,505	(4,245,867)	5,155,638
19,549,097	331,824	19,880,921
7,060,177	2,601,369	9,661,546
17,236,477	1,478,565	18,715,042
2,485,741	2,831,141	5,316,882
34,157,207	598,616	34,755,823
11,126,937	72,410	11,199,347
5,621,528	1,231,698	6,853,226
1,115,348	20,893	1,136,241

<u>107,754,017</u> <u>4,920,649</u> <u>112,674,666</u>

BUDGETED ANNUAL SURPLUS





Notes to the Consolidated Financial Statements For the Year Ended December 31, 2013

17. SEGMENTED INFORMATION

The City is a diversified municipal government institution that provides a wide range of services to its citizens, including police, fire, public transit, and water. For management reporting purposes the Government's operations and activities are organized and reported by Fund. Funds were created for the purpose of recording specific activities to attain certain objectives in accordance with special regulations, restrictions or limitations.

City services are provided by departments and their activities are reported in these funds. Certain departments that have been separately disclosed in the segmented information, along with the services they provided, are as follows.

Protection

Protection is comprised of the Police Services Board, Fire department, and by-law enforcement. The mandate of the Police Services Board is to ensure the safety of the lives and property of citizens; preserve peace and good order; prevent crimes from occurring; detect offenders; and enforce the law. The Fire department is responsible to provide fire suppression service; fire prevention programs; training and education related to prevention, detection or extinguishment of fires.

Community Services

The Parks and Recreation department provides public services that contribute to neighbourhood development and sustainability through the provision of parks, recreation and leisure services such as fitness and aquatic programs. It provides public services that contribute to healthy communities through partnerships, promotion, prevention and protection.

The Library Services Board contributes to the information needs of the City's citizens through the provision of library services.

Planning, Property and Economic Development

The Planning, Property and Economic Development department provides a diverse bundle of services. It manages urban development for business interest, environmental concerns, heritage matters, local neighbourhoods and the downtown through city planning, community development, and parks planning. It ensures an acceptable quality of building construction and maintenance of properties through enforcement of construction codes, building standards and by-law for the protection of occupants. It facilitates economic development through its Economic Development Corporation.

Public Works

The Environmental Services department is responsible for the delivery of municipal public works services related to the planning, development and maintenance of roadway systems, the maintenance of parking and open space, public transit and street lighting.



Notes to the Consolidated Financial Statements For the Year Ended December 31, 2013

17. SEGMENTED INFORMATION (CONTINUED)

The Water and Wastewater Funds

Water, stormwater and wastewater disposal is provided by the Environmental Services Department. The department provides drinking water to citizens of St. Thomas, as well as, collection and treatment of stormwater and wastewater.

Social and Family Services

The Ontario Works department provides a number of community programs including income maintenance, employment, childcare and social housing services. Assistance to aged persons is provided by the Valleyview Residence.

Finance and Administration

This segment includes a number of support functions that are responsible for maintenance of City Hall, the Clerk's department, Treasury Department and Human Resources Department.

Other funds and Corporation

This segment includes the remaining departments and activities of the Corporation. Some of the larger activities in this segment include the Airport Operations, Public Health Services, Emergency Services, Ambulance Services, Conservation authorities, Mayor and Council and Solid Waste

collection and disposal.

For each reported segment, revenues and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information. The General Revenue Fund reports on municipal services that are funded primarily by taxation such as property and business tax revenues. Taxation and payments-in-lieu of taxes are apportioned to General Revenue Fund services based on the Fund's net surplus. Certain government transfers, transfer from other funds, and other revenues have been apportioned based on a percentage of budgeted expenses.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in Note 1. For additional information see the Consolidated Schedule of Segment Disclosure and Schedule of Segment Disclosure.

18. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to the 2013 financial statement presentation.



Consolidated Schedule of Segment Disclosure - Operating Revenues and Expenses For the Year Ended December 31, 2013

REVENUES

Taxation	
Sales of services and regulatory fees	
Government transfers	
Other	1
Development charges earned	

EXPENSES

Salaries, wages and employees benefits Long-term debt interest Materials Contracted services Rents, financial and other Amortization

ANNUAL SURPLUS (DEFICIT)

THE CORPORATION OF THE CITY OF ST. THOMAS

	Ascent Group Inc.	Social & Family Services 	Planning \$	Public Works	Finance & Administration	Protection	Water and Waste Funds \$	Community Services	Other Funds & Corporation	Consolidated
	- - 1,405,566	6,425,526 4,783,889 32,894,329 12,577	1,231,999 537,798 217,315 781	4,094,951 457,384 4,429,537 1,199,548	2,298,968 1,710,574 508,931 1,774,228	17,663,643 255,924 592,426	- 16,909,336 672,863 241,525	4,297,578 1,696,382 897,344	6,676,631 2,178,973 5,642,918 822,454	42,689,296 28,530,260 45,855,663 5,456,679
-	1,405,566	44,116,321	1,987,893	<u>12,951</u> <u>10,194,371</u>	<u>14,000</u> 6,306,701	<u>32,622</u> 18,544,615	<u>77,151</u> 17,900,875	<u>209,098</u> 7,100,402	<u>381,970</u> 15,702,946	<u>727,792</u> 123,259,690
-										
S	-	11,773,798 598,616 2,056,796	1,238,096 - 269,740	2,614,903 - 1,571,601	3,320,767 - 56,081	17,128,195 - 907,395	2,683,111 162,953 7,426,540	3,678,806 82,650 1,307,087	2,464,792 - 1,025,846	44,902,468 844,219 14,621,086
	-	12,001,843 17,156,939	374,080 197,000	2,882,488 128,203	1,746,282 53,783	545,746	1,584,443 371,301	621,566 96,000	3,065,007	22,821,455 20,848,249
-	_	<u>327,821</u> 43,915,813	- 2,078,916	<u>2,601,370</u> 9,798,565	<u>378,669</u> 5,555,582	<u>331,824</u> 18,913,160	<u>6,526,906</u> 18,755,254	<u>1,194,773</u> 6,980,882	- 9,400,668	<u>11,361,363</u> 115,398,840
-	1,405,566	200,508	<u>(91,023</u>)	395,806	751,119	<u>(368,545</u>)	<u>(854,379</u>)	119,520	6,302,278	7,860,850

R

REVENUES	Ascent Group Inc.F	Social & Family Services	Planning \$	Public Works A	Finance & Administration	Protection <u></u>	Water and Waste Funds 	Community Services \$	Other Funds & Corporation	Consolidated
Taxation Sales of services and regulatory fees Government transfers Other Development charges earned	- - (2,640,686) - (2,640,686)	6,494,469 4,773,712 29,488,672 50,000 - -	1,489,958 846,001 207,652 4,050 - 2,547,661	3,977,687 482,277 642,278 1,547,643 74,089 6,723,974	2,265,903 821,585 182,135 1,014,582 - 4,284,205	17,210,184 613,217 34,835 1,936 <u>103,947</u> 17,964,119	- 16,790,651 4,551,493 4,506,274 7,894 25,856,312	4,363,137 1,306,883 115,651 540,918 433,059 6,759,648	5,614,161 2,462,197 2,841,366 2,621,093 - 13,538,817	41,415,499 28,096,523 38,064,082 7,645,810 <u>618,989</u> 115,840,903
EXPENSES Salaries, wages and employees benefits Long-term debt interest Materials Contracted services Rents, financial and other Amortization		11,489,120 632,096 2,078,844 9,523,491 16,959,081 <u>685,225</u>	1,371,540 - 306,693 486,929 251,269 -	1,969,355 - 2,410,931 1,983,271 - 3,167,680 9,531,237	2,506,286 - 135,642 1,324,378 98,014 27,495 4,091,815	16,719,878 - 850,820 414,395 - 253,383 18,238,476	2,460,756 $115,621$ $8,133,126$ $1,403,971$ $37,396$ $5,452,574$ $17,603,444$	3,709,091 119,122 1,346,359 541,626 102,587 1,067,826 6,886,611	2,471,709 982,158 2,893,392 2,992,859	42,697,735 866,839 16,244,573 18,571,453 20,441,206 <u>10,654,183</u> <u>109,475,989</u>
ANNUAL SURPLUS (DEFICIT)	(2,640,686)	(561,004)	131,230	(2,807,263)	192,390	(274,357)	8,252,868	(126,963)	4,198,699	6,364,914

A

THE CORPORATION OF THE CITY OF ST. THOMAS

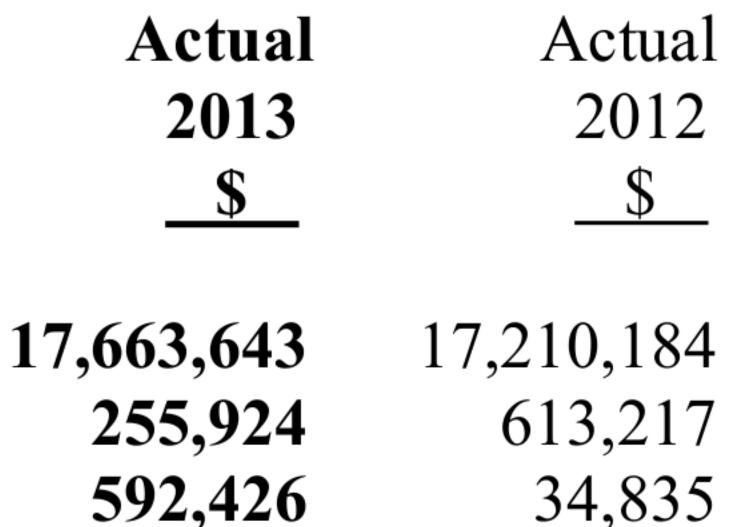
Consolidated Schedule of Segment Disclosure - Operating Revenues and Expenses For the Year Ended December 31, 2012

Schedule of Segment Disclosure- Operating Revenues and Expenses For the Year Ended December 31, 2013



Revenue

Taxation Sales of services and regulatory fees Government transfers



<i>c>=</i> ,:= <i>v</i>	2 1,000
—	1,936
32,622	103,947
<u>18,544,615</u>	17,964,119
17,128,195	16,719,878
907,395	850,820
545,746	414,395
331,824	253,383
<u>18,913,160</u>	18,238,476
<u>(368,545</u>)	<u>(274,357</u>)
	<u>18,544,615</u> 17,128,195 907,395 545,746 <u>331,824</u> <u>18,913,160</u>

COMMUNITY SERVICES

Revenue

Taxation Sales of services and regulatory fees Government transfers Other Development charges earned

Total Revenues

Expenditures

Salaries, wages and employees benefits Long-term debt interest expense Materials Contracted services Rents and financial expenses Transfer to others Amortization

4,297,578	4,363,137
1,696,382	1,306,883
897,344	115,651
-	540,918
209,098	433,059
<u>7,100,402</u>	<u>6,759,648</u>
3,678,806	3,709,091
3,678,806 82,650	3,709,091 119,122
82,650	119,122
82,650 1,307,087	119,122 1,346,359
82,650 1,307,087	119,122 1,346,359 541,626

<u>1,194,773</u> 1,067,826





Total Expenditures

Net Surplus (Deficit)



Schedule of Segment Disclosure- Operating Revenues and Expenses For the Year Ended December 31, 2013

PLANNING	Actual 2013 \$	Actual 2012 \$
Revenue		
Taxation	1,231,999	1,489,958
Sales of services and regulatory fees	537,798	846,001
Government transfers	217,315	207,652
Other	<u> </u>	4,050
Total Revenues	<u>1,987,893</u>	2,547,661
Expenditures		
Salaries, wages and employees benefits	1,238,096	1,371,540
Materials	269,740	306,693
Contracted services	374,080	486,929
Rents and financial expenses	—	14,657
Transfer to others	<u>197,000</u>	236,612
Total Expenditures	<u>2,078,916</u>	2,416,431

Net Surplus (Deficit)

Revenue

Taxation

PUBLIC WORKS

Sales of services and regulatory fees Government transfers Other Development charges earned

Total Revenues

Expenditures

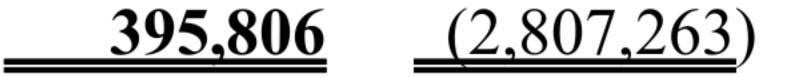
Salaries, wages and employees benefits Materials Contracted services Amortization Loss on disposal of tangible capital assets

4,094,951	3,977,687
457,384	482,277
4,429,537	642,278
1,199,548	1,547,643
12,951	74,089
<u>10,194,371</u>	<u>6,723,974</u>
2,614,903	1,969,355
1,571,601	2,410,931
2,882,488	1,983,271
2,601,370	3,167,680
128,203	

(91<u>,023</u>)







Net Surplus (Deficit)



Schedule of Segment Disclosure- Operating Revenues and Expenses For the Year Ended December 31, 2013

	Actual	Actual
FINANCE AND ADMINISTRATION	2013	2012
	\$	\$
Revenue		
Taxation	2,298,968	2,265,903
Sales of services and regulatory fees	1,710,574	821,585
Government transfers	508,931	182,135
Other	1,774,228	1,014,582
Development charges earned	<u>14,000</u>	
Total Revenues	<u>6,306,701</u>	4,284,205
Expenditures		
Salaries, wages and employees benefits	3,320,767	2,506,286
Materials	56,081	135,642
Contracted services	1,746,282	1,324,378
Rents and financial expenses	33,849	98,014
Transfer to others	-	_
Amortization	378,669	27,495
Loss on disposal of tangible capital assets	<u>19,934</u>	
Total Expenditures	<u>5,555,582</u>	4,091,815
Net Surplus (Deficit)	<u>751,119</u>	192,390

SOCIAL AND FAMILY SERVICES

Revenue

Taxation Sales of services and regulatory fees Government transfers Other

Total Revenues

Expenditures

Salaries, wages and employees benefits Long-term debt interest expense Materials Contracted services Transfer to others Amortization

6,425,526	6,494,469
4,783,889	4,773,712
32,894,329	29,488,672
12,577	50,000
<u>44,116,321</u>	40,806,853
11,773,798	11,489,120
	11,407,120
598,616	632,096
598,616	632,096
598,616 2,056,796	632,096 2,078,844

Total Expenditures

Net Surplus (Deficit)

