

**CORPORATION OF THE TOWNSHIP OF FARADAY**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2017**

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## CORPORATION OF THE TOWNSHIP OF FARADAY

For The Year Ended December 31, 2017

### MANAGEMENT REPORT

The accompanying consolidated financial statements of the Corporation of the Township of Faraday are the responsibility of management and have been approved by Council.

The consolidated financial statements have been prepared by management in accordance with Canadian Public Sector Accounting Standards. Financial statements are not precise since they include certain amounts based on estimates and judgements. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the financial statements are presented fairly, in all material respects.

The Township maintains systems of internal accounting and administrative controls of high quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the Township's assets are appropriately accounted for and adequately safeguarded.

The Township's Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving financial statements.

Council reviews and approves the Township's financial statements for issuance to the members of Council, inhabitants and ratepayers of the Corporation of the Township of Faraday. Council meets periodically with management, as well as the external auditor, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities and to review the financial statements and the independent auditor's report.

The consolidated financial statements have been audited by Collins Barrow Kawarthas LLP in accordance with Canadian generally accepted auditing standards on behalf of the Township. Collins Barrow Kawarthas LLP has full and free access to Council.

Reeve

Date

May 2, 2018

Clerk-Treasurer

Date

May 2, 2018

## **INDEPENDENT AUDITOR'S REPORT**

### **To the Members of Council, Inhabitants and Ratepayers of the Corporation of the Township of Faraday**

#### *Report on the Financial Statements*

We have audited the accompanying consolidated financial statements of the Corporation of the Township of Faraday, which comprise the consolidated statement of financial position as at December 31, 2017, the consolidated statements of operations and accumulated surplus, change 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 Public Sector Accounting Standards, and for such internal controls as management determines are 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 controls 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 controls. 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 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, these consolidated financial statements present fairly, in all material respects, the financial position of the Corporation of the Township of Faraday as at December 31, 2017 and the results of its operations and cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

*Collins Barrow Kawarthas LLP*

Chartered Professional Accountants  
Licensed Public Accountants

Peterborough, Ontario  
May 2, 2018

# CORPORATION OF THE TOWNSHIP OF FARADAY

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At December 31, 2017

	2017 \$	2016 \$
<b>FINANCIAL ASSETS</b>		
Cash (note 3)	5,026,489	4,269,975
Taxes receivable	311,126	348,966
Accounts receivable	163,818	171,745
Investments (note 4)	1,071,808	1,047,694
<b>TOTAL FINANCIAL ASSETS</b>	<b>6,573,241</b>	<b>5,838,380</b>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	254,740	208,837
Landfill closure and post-closure liability (note 5)	2,450,000	1,123,864
Deferred revenue - obligatory reserve funds (note 8)	143,268	153,362
<b>TOTAL LIABILITIES</b>	<b>2,848,008</b>	<b>1,486,063</b>
<b>NET FINANCIAL ASSETS</b>	<b>3,725,233</b>	<b>4,352,317</b>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (note 9)	7,343,082	7,083,276
Prepaid expenses	59,263	59,978
Inventory	39,937	49,513
<b>TOTAL NON-FINANCIAL ASSETS</b>	<b>7,442,282</b>	<b>7,192,767</b>
<b>ACCUMULATED SURPLUS (note 13)</b>	<b>11,167,515</b>	<b>11,545,084</b>

The accompanying notes are an integral part of these financial statements

# CORPORATION OF THE TOWNSHIP OF FARADAY

## CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS For the Year Ended December 31, 2017

	Budget 2017 \$ (Unaudited)	Actual 2017 \$	Actual 2016 \$
<b>REVENUES</b>			
Property taxation	2,379,683	2,354,102	2,337,312
User charges	87,900	130,147	110,437
Government of Canada	37,122	13,429	21,758
Province of Ontario	588,495	588,495	531,398
Other municipalities	339,679	227,997	165,162
Penalties and interest on taxes	50,000	53,942	57,794
Investment income	40,000	74,190	64,261
Gain on disposal of tangible capital assets	-	-	1,940
Federal gas tax revenue earned	-	100,000	100,000
Other	58,000	98,338	85,868
<b>TOTAL REVENUES</b>	<b>3,580,879</b>	<b>3,640,640</b>	<b>3,475,930</b>
<b>EXPENSES</b>			
General government	468,933	402,634	422,783
Protection services	753,283	734,598	688,376
Transportation services	878,309	861,600	807,463
Environmental services	889,005	596,290	548,837
Health services	22,500	20,533	20,500
Recreation and cultural services	66,019	76,074	57,787
Planning and development	2,300	344	547
Change in landfill closure and post-closure liability	-	1,326,136	44,261
<b>TOTAL EXPENSES</b>	<b>3,080,349</b>	<b>4,018,209</b>	<b>2,590,554</b>
<b>ANNUAL SURPLUS/(DEFICIT)</b>	<b><u>500,530</u></b>	<b>(377,569)</b>	<b>885,376</b>
<b>ACCUMULATED SURPLUS - beginning of year</b>		<b>11,545,084</b>	<b>10,659,708</b>
<b>ACCUMULATED SURPLUS - end of year</b>		<b>11,167,515</b>	<b>11,545,084</b>

The accompanying notes are an integral part of these financial statements

# CORPORATION OF THE TOWNSHIP OF FARADAY

## CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS For the Year Ended December 31, 2017

	Budget 2017 \$ (Unaudited)	Actual 2017 \$	Actual 2016 \$
<b>ANNUAL SURPLUS/(DEFICIT)</b>	500,530	(377,569)	885,376
Amortization of tangible capital assets	441,570	500,946	441,570
Acquisition of tangible capital assets	(1,780,000)	(760,752)	(1,002,261)
Gain on disposal of tangible capital assets	-	-	(1,940)
Proceeds on sale of tangible capital assets	-	-	4,342
Change in prepaid expenses	-	715	(1,540)
Change in inventory	-	9,576	(10,550)
<b>INCREASE/(DECREASE) IN NET FINANCIAL ASSETS</b>	(837,900)	(627,084)	314,997
<b>NET FINANCIAL ASSETS - beginning of year</b>	4,352,317	4,352,317	4,037,320
<b>NET FINANCIAL ASSETS - end of year</b>	3,514,417	3,725,233	4,352,317

The accompanying notes are an integral part of these financial statements

# CORPORATION OF THE TOWNSHIP OF FARADAY

## CONSOLIDATED STATEMENT OF CASH FLOWS For the Year Ended December 31, 2017

	2017 \$	2016 \$
<b>CASH PROVIDED BY (USED IN)</b>		
<b>OPERATING ACTIVITIES</b>		
Annual surplus/(deficit)	(377,569)	885,376
Items not involving cash		
Amortization of tangible capital assets	500,946	441,570
Gain on disposal of tangible capital assets	-	(1,940)
Change in landfill closure and post-closure liability	1,326,136	44,261
Change in non-cash assets and liabilities		
Taxes receivable	37,840	(461)
Accounts receivable	7,927	(10,304)
Prepaid expenses	715	(1,540)
Inventory	9,576	(10,550)
Accounts payable and accrued liabilities	45,903	(95,200)
Deferred revenue - obligatory reserve funds	(10,094)	(9,472)
<b>Net change in cash from operating activities</b>	<b>1,541,380</b>	<b>1,241,740</b>
<b>CAPITAL ACTIVITIES</b>		
Purchase of tangible capital assets	(760,752)	(1,002,261)
Proceeds on disposal of tangible capital assets	-	4,342
<b>Net change in cash from capital activities</b>	<b>(760,752)</b>	<b>(997,919)</b>
<b>INVESTING ACTIVITIES</b>		
Purchase of investments	(24,114)	(21,421)
<b>NET CHANGE IN CASH</b>	<b>756,514</b>	<b>222,400</b>
<b>CASH - beginning of year</b>	<b>4,269,975</b>	<b>4,047,575</b>
<b>CASH - end of year</b>	<b>5,026,489</b>	<b>4,269,975</b>

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



# CORPORATION OF THE TOWNSHIP OF FARADAY

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2017

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The Township of Faraday is a lower tier municipality 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

These consolidated financial statements have been prepared in accordance with the standards in the Chartered Professional Accountants Canada Public Sector Accounting (PSA) Handbook. Significant aspects of the accounting policies are as follows:

#### (a) Reporting Entity

These consolidated financial statements reflect the assets, liabilities, revenues and expenses and fund balances of the reporting entity and include all committees of Council. There are no local boards.

All interfund assets and liabilities and revenues and expenses are eliminated.

#### (b) 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, if any, of tangible capital assets is amortized on a straight-line basis, over the expected useful life of the asset, as follows:

Land improvements	15 - 27 years
Buildings	20 - 50 years
Roads	5 - 100 years
Equipment	4 - 20 years
Vehicles	5 - 10 years

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

Tangible capital assets categorized as assets under construction are not amortized until they are put into service.

#### (c) Non-financial Assets

Tangible capital and other non-financial assets are accounted for as assets by the Township because they can be used to provide services in future periods. These assets do not normally provide resources to discharge the liabilities of the Township unless they are sold.

#### (d) Reserves

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

# CORPORATION OF THE TOWNSHIP OF FARADAY

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2017

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### 1. SIGNIFICANT ACCOUNTING POLICIES, continued

#### (e) Recognition of Revenues and Expenses

Revenues and expenses are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues in the period in which the transactions or events occurred that give rise to the revenue; expenses are recognized in the period the goods or services are acquired and a legal liability is incurred or transfers are due.

##### Taxation

Property tax billings are prepared by the Township based on assessment rolls issued by the Municipal Property Assessment Corporation (MPAC) and in accordance with the provisions of the Municipal Act, 2001. The Township's Council establishes the tax rates annually, incorporating amounts to be raised for local services, and amounts the Township is required to collect on behalf of the County and School Boards. From time to time property assessments are adjusted by MPAC through the reconsideration process or by the Assessment Review Board through the appeal process. Additional assessments, referred to as supplementary and omitted assessment can also be issued by MPAC in accordance with the Assessment Act. These adjustments and additional assessments are reported in the financial statements when amounts can be reasonably determined.

The Township is entitled to collect interest and penalties on overdue taxes. These revenues are recorded in the period the interest and penalties are levied.

##### Government Funding

Government funding is recognized in the financial statements as revenues in the period in which events giving rise to the transfers occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made.

##### Other revenue

User fees are recognized as revenue in the year the goods and services are provided, with the exception of building permits that are recognized when the permits are issued.

#### (f) Use of Estimates

Certain items recognized in the financial statements are subject to measurement uncertainty. The recognized amounts of such items are based on the Township's best information and judgment. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant. The Township's significant estimates are:

- The amounts recorded for landfill closure and post-closure care depend on estimates of costs for closure, post-closure, usage, remaining life and capacity. The provision for future closure and post-closure costs also depends on estimates of such costs; and
- The amounts recorded for amortization and opening costs of tangible capital assets are based on estimates of useful life, residual values and valuation rates.

# CORPORATION OF THE TOWNSHIP OF FARADAY

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2017

### 2. OPERATIONS OF SCHOOL BOARDS AND THE COUNTY OF HASTINGS

During 2017, requisitions were made by the County of Hastings and School Boards requiring the Township to collect property taxes and payments in lieu of property taxes on their behalf. The amounts collected and remitted are as follows:

	School Boards \$	Hastings County \$
Amounts requisitioned and remitted	627,318	910,041

These amounts have not been included in the Consolidated Statement of Operations and Accumulated Surplus.

### 3. CASH

The cash balance consists of the following:

	2017 \$	2016 \$
Unrestricted	4,883,221	4,116,613
Restricted - Federal gas tax	122,598	133,502
Restricted - Parkland	20,670	19,860
	5,026,489	4,269,975

### 4. INVESTMENTS

Investments consist of a Money Market and Bond Fund with The One Investment Program. All investments are recorded at cost.

	Market Value 2017 \$	2017 \$	2016 \$
One Fund - bond fund	1,025,049	1,070,730	1,046,622
One Fund - money market fund	1,078	1,078	1,072
	1,026,127	1,071,808	1,047,694

# CORPORATION OF THE TOWNSHIP OF FARADAY

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2017

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### 5. LANDFILL CLOSURE AND POST-CLOSURE LIABILITY

The liability for landfill closure and post-closure costs of \$2,450,000 (2016 - \$1,123,864) has been estimated using discounted future cash flows associated with closure and post-closure care activities for the landfill site. The closure costs include final cover, vegetation and additional monitoring wells. Post-closure costs include monitoring, maintenance of control systems and consulting fees for 25 years after the site is closed. A reserve of \$400,000 (2016 - \$350,000) has been provided for this liability with the remaining costs to be funded from taxation. There are no specific assets designated for settling this liability. The Township also has a reserve of \$400,000 (2016 - \$350,000) for the reclamation of the landfill.

The reported liability is based upon estimates and assumptions with respect to events extending over the remaining life of the landfill. The remaining capacity of the landfill site is estimated at 2,347 cubic meters (2016 - 3,734) which is 2.3% (2016 - 3.7%) of the site's capacity. The total discounted future cash flows for closure and post-closure cost is estimated at \$5,026,963 (2016 - \$2,334,464) as at December 31, 2017. The landfill is expected to reach its capacity in 2020. The total discounted future cash flows for closure and post-closure costs were calculated using a discounted factor of 3.3% and an inflation rate of 1.5%.

In accordance with an agreement between the Township and the Town of Bancroft, the Township is responsible for 50% of the liability for closure and post-closure costs. Only the Township's share of the liability is recorded in these consolidated financial statements.

### 6. PENSION AGREEMENTS

Certain employees of the Township are eligible members of the Ontario Municipal Employees Retirement System (OMERS), a multi-employer pension plan.

The Actuarial Opinion contained in the 2017 Annual Report disclosed total actuarial liabilities of \$94,431 million in respect of benefits accrued for service with actuarial assets of \$89,028 million indicating an actuarial deficit of \$5,403 million. Because OMERS is a multi-employer plan, any pension plan surpluses or deficits are a joint responsibility of Ontario municipal organizations and their employees. As a result, the Township does not recognize any share of the OMERS pension surplus or deficit.

The Township's required contributions to OMERS in 2017 were \$34,385 (2016 - \$39,165).

### 7. CREDIT FACILITY AGREEMENT

The Township has a revolving credit facility agreement with its main financial institution. The amount available at any time is limited to \$500,000 via an operating loan. Any balance borrowed will accrue interest at the bank's prime lending rate. Council authorized the temporary borrowing limit by By-law 1-2017. At December 31, 2017 there was no balance outstanding (2016 - \$Nil).

# CORPORATION OF THE TOWNSHIP OF FARADAY

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2017

### 8. DEFERRED REVENUE - OBLIGATORY RESERVE FUNDS

A requirement of the Chartered Professional Accountants Canada Public Sector Accounting Handbook, is that obligatory reserve funds be reported as deferred revenue. This requirement is in place as legislation and external agreements restrict 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 below:

	2017 \$	2016 \$
Parkland	20,670	19,860
Federal gas tax revenues	122,598	133,502
	143,268	153,362

The continuity of deferred revenue - obligatory reserve funds is as follows:

	2017 \$	2016 \$
Balance - beginning of year	153,362	162,834
Add amounts received:		
Parkland	800	1,974
Federal gas tax funding received	45,422	44,632
County of Hasting's share of Federal gas tax funding received	42,507	42,507
Interest	1,177	1,415
	89,906	90,528
Less transfer to operations:		
Federal gas tax funding earned	100,000	100,000
Balance - end of year	143,268	153,362

# CORPORATION OF THE TOWNSHIP OF FARADAY

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2017

### 9. TANGIBLE CAPITAL ASSETS

The net book value of the Township's tangible capital assets are:

	2017	2016
	\$	\$
General		
Land	203,186	203,186
Land improvements	789,498	884,866
Buildings	367,548	314,202
Equipment	279,719	300,231
Vehicles	623,405	694,945
Infrastructure		
Roads	4,957,618	4,027,201
	7,220,974	6,424,631
Assets under construction	122,108	658,645
	7,343,082	7,083,276

For additional information, see the Consolidated Schedule of Tangible Capital Assets.

During the year there were no write-downs of assets (2016 - \$Nil) and no interest capitalized (2016 - \$Nil).

The allocation of tangible capital assets by segment is as follows:

	2017	2016
	\$	\$
General government	154,867	162,347
Protection services	362,477	401,312
Transportation services	5,725,513	5,390,645
Environmental services	990,423	1,086,566
Recreation and cultural services	109,802	42,406
	7,343,082	7,083,276

# CORPORATION OF THE TOWNSHIP OF FARADAY

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2017

### 10. EXPENSES BY OBJECT

The expenses for the year reported on the Consolidated Statement of Operations and Accumulated Surplus by object are as follows:

	Budget 2017 \$ (Unaudited)	Actual 2017 \$	Actual 2016 \$
Salaries and benefits	773,628	751,851	744,497
Materials	630,270	490,002	497,062
Contracted services	1,141,685	852,597	778,548
Rents and financial	6,700	6,282	2,656
External transfers	86,496	90,395	81,960
Amortization	441,570	500,946	441,570
Change in landfill closure and post-closure liability	-	1,326,136	44,261
	3,080,349	4,018,209	2,590,554

### 11. BUDGET FIGURES

The budget, approved by the Township, for 2017 is reflected on the Consolidated Statement of Operations and Accumulated Surplus and the Consolidated Statement of Change in Net Financial Assets. The budget established for capital investment in tangible capital assets are on a project-oriented basis, the costs of which may be carried out over one or more years and, therefore, may not be comparable with current year's actual amounts. Budget figures have been reclassified for the purposes of these financial statements to comply with PSA reporting requirements. Budget figures are not subject to audit.

The following is a reconciliation of the Council approved budget amounts to the PSA amounts:

	Revenue \$	Expenses \$
Council approved budget:		
Operating and capital	4,830,879	4,830,879
Total Council approved budget	4,830,879	4,830,879
Less: Tangible capital assets capitalized	-	(1,780,000)
Add: Amortization of tangible capital assets	-	441,570
Less: Transfers to/from reserves	(1,200,000)	(362,100)
Less: Reclassification for financial statement purposes	(50,000)	(50,000)
Adjusted budget per Consolidated Statement of Operations	3,580,879	3,080,349

# CORPORATION OF THE TOWNSHIP OF FARADAY

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2017

### 12. CONTINGENT LIABILITIES

The Township in the course of its operations is subject to claims, lawsuits and contingencies. The Township records settlements as liabilities in the period they are reasonably determined. Although it is possible that liabilities may arise in other instances for which no accruals have been made, the Township does not believe that such an outcome will significantly impair its operations or have a material effect on its financial position.

### 13. ACCUMULATED SURPLUS

Accumulated surplus consists of the following:

	2017 \$	2016 \$
<b>Surplus/(Deficit)</b>		
Unfunded landfill closure and post-closure liability	(2,450,000)	(1,123,864)
<b>Invested In Capital Assets</b>		
Tangible capital assets - net book value	7,343,082	7,083,276
<b>Surplus</b>	<b>4,893,082</b>	<b>5,959,412</b>
<b>Reserves</b>		
Working capital	570,503	570,503
Capital	4,052,192	3,555,531
Administration equipment	13,366	13,366
Roads	153,905	173,905
Tandem truck	17,100	-
Monck road	270,000	250,000
Fire	145,020	120,020
Fire - special grant	2,347	2,347
Landfill reclamation	400,000	350,000
Landfill closure costs	400,000	350,000
Asset management plan - roads	175,000	150,000
Asset management plan - structures	75,000	50,000
<b>Total Reserves</b>	<b>6,274,433</b>	<b>5,585,672</b>
	<b>11,167,515</b>	<b>11,545,084</b>

The operating surplus of \$454,479 (2016 - \$537,423) was transferred to the capital reserve as directed by council.



# CORPORATION OF THE TOWNSHIP OF FARADAY

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2017

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### 14. SEGMENTED INFORMATION

The Township of Faraday is a municipal government organization that provides a range of services to its residents. Township services are reported by function and their activities are separately disclosed in the segmented information.

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. Certain allocation methodologies are employed in the preparation of segmented financial information. Taxation, payments-in-lieu of taxes and certain unconditional government transfers are apportioned based on each segment's net requirements.

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.

#### **General Government**

General government consists of the activities of Council and general financial and administrative management of the Township and its programs and services.

#### **Protection Services**

Protection services include police, fire, conservation authority and protective inspection and control.

#### **Transportation Services**

The activities of the transportation function include construction and maintenance of the Township's roads and bridges and winter control.

#### **Environmental Services**

This function is responsible for waste collection, waste disposal, and recycling.

#### **Health Services**

The health services function consists of external transfers for physician recruitment costs.

#### **Recreation and Cultural Services**

The recreation and cultural services function provides indoor and outdoor recreational facilities and external transfer for library services.

#### **Planning and Development**

The planning and development services function manages commercial, industrial and residential development within the Township.

# CORPORATION OF THE TOWNSHIP OF FARADAY

## CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS For the Year Ended December 31, 2017

	General			Infrastructure			Assets Under Construction	Totals
	Land	Land Improvements	Buildings	Equipment	Vehicles	Roads		
	\$	\$	\$	\$	\$	\$	\$	\$
<b>COST</b>								
Balance, beginning of year, restated	203,186	2,129,506	766,236	541,033	1,094,869	6,998,988	658,645	12,392,463
Add: additions during the year	-	-	32,013	-	-	689,495	39,244	760,752
Less: disposals during the year	-	-	-	-	-	-	-	-
Internal transfers	-	-	43,516	-	-	532,265	(575,781)	-
Balance, end of year	203,186	2,129,506	841,765	541,033	1,094,869	8,220,748	122,108	13,153,215
<b>ACCUMULATED AMORTIZATION</b>								
Balance, beginning of year	-	1,244,640	452,034	240,802	399,924	2,971,787	-	5,309,187
Add: additions during the year	-	95,368	22,183	20,512	71,540	291,343	-	500,946
Less: disposals during the year	-	-	-	-	-	-	-	-
Balance, end of year	-	1,340,008	474,217	261,314	471,464	3,263,130	-	5,810,133
<b>NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS</b>	203,186	789,498	367,548	279,719	623,405	4,957,618	122,108	7,343,082

# CORPORATION OF THE TOWNSHIP OF FARADAY

## CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE

For the Year Ended December 31, 2017

	General Government \$	Protection Services \$	Transportation Services \$	Environmental Services \$	Health Services \$	Recreation and Cultural Services \$	Planning and Development \$	Change in landfill closure and post- closure liability \$	Consolidated \$
<b>Revenues</b>									
Property taxation	353,339	711,802	1,169,800	26,983	22,500	68,378	1,300	-	2,354,102
User charges	11,913	90,522	2,281	18,076	-	3,905	3,450	-	130,147
Government transfers - operating	-	-	532,900	-	-	5,595	-	-	538,495
Government transfers - capital	-	-	50,000	-	-	13,429	-	-	63,429
Other municipalities	150	36,274	7,125	184,448	-	-	-	-	227,997
Penalties and interest on taxes	53,942	-	-	-	-	-	-	-	53,942
Investment income	74,190	-	-	-	-	-	-	-	74,190
Federal gas tax revenue earned	-	-	100,000	-	-	-	-	-	100,000
Other grants	73,188	-	-	25,149	-	-	-	-	98,337
<b>Total revenues</b>	<b>566,722</b>	<b>838,598</b>	<b>1,862,106</b>	<b>254,656</b>	<b>22,500</b>	<b>91,307</b>	<b>4,750</b>	<b>-</b>	<b>3,640,639</b>
<b>Expenses</b>									
Salaries and benefits	241,289	155,983	237,766	104,861	-	11,952	-	-	751,851
Materials	117,639	91,816	210,035	43,741	33	26,394	344	-	490,002
Contracted services	28,694	408,914	63,444	351,545	-	-	-	-	852,597
Rents and financial	6,282	-	-	-	-	-	-	-	6,282
External transfers	1,250	39,050	-	-	20,500	29,595	-	-	90,395
Amortization	7,480	38,835	350,355	96,143	-	8,133	-	-	500,946
Change in landfill closure and post- closure liability	-	-	-	-	-	-	-	1,326,136	1,326,136
<b>Total expenses</b>	<b>402,634</b>	<b>734,598</b>	<b>861,600</b>	<b>596,290</b>	<b>20,533</b>	<b>76,074</b>	<b>344</b>	<b>1,326,136</b>	<b>4,018,209</b>
<b>Net surplus/(deficit)</b>	<b>164,088</b>	<b>104,000</b>	<b>1,000,506</b>	<b>(341,634)</b>	<b>1,967</b>	<b>15,233</b>	<b>4,406</b>	<b>(1,326,136)</b>	<b>(377,570)</b>

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## CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE

For the Year Ended December 31, 2016

	General Government \$	Protection Services \$	Transportation Services \$	Environmental Services \$	Health Services \$	Recreation and Cultural Services \$	Planning and Development \$	Change in landfill closure and post- closure liability \$	Consolidated \$
<b>Revenues</b>									
Property taxation	368,940	1,048,201	920,171	-	-	-	-	-	2,337,312
User charges	11,256	73,843	1,523	18,375	-	3,840	1,600	-	110,437
Government transfers - operating	-	-	477,900	-	21,000	5,595	700	-	505,195
Government transfers - capital	-	-	25,000	1,203	-	21,758	-	-	47,961
Other municipalities	12,500	44,483	5,875	102,304	-	-	-	-	165,162
Penalties and interest on taxes	57,794	-	-	-	-	-	-	-	57,794
Investment income	64,261	-	-	-	-	-	-	-	64,261
Gain on disposal of tangible capital assets	-	-	1,940	-	-	-	-	-	1,940
Federal gas tax revenue earned	-	-	100,000	-	-	-	-	-	100,000
Other grants	9,841	-	-	48,536	-	27,490	-	-	85,867
<b>Total revenues</b>	<b>524,592</b>	<b>1,166,527</b>	<b>1,532,409</b>	<b>170,418</b>	<b>21,000</b>	<b>58,683</b>	<b>2,300</b>	<b>-</b>	<b>3,475,929</b>
<b>Expenses</b>									
Salaries and benefits	256,996	163,280	225,050	87,476	-	11,695	-	-	744,497
Materials	116,671	90,123	221,601	50,547	-	17,573	547	-	497,062
Contracted services	29,297	378,877	55,703	314,671	-	-	-	-	778,548
Rents and financial	2,656	-	-	-	-	-	-	-	2,656
External transfers	750	35,115	-	-	20,500	25,595	-	-	81,960
Amortization	16,413	20,981	305,109	96,143	-	2,924	-	-	441,570
Change in landfill closure and post- closure liability	-	-	-	-	-	-	-	44,261	44,261
<b>Total expenses</b>	<b>422,783</b>	<b>688,376</b>	<b>807,463</b>	<b>548,837</b>	<b>20,500</b>	<b>57,787</b>	<b>547</b>	<b>44,261</b>	<b>2,590,554</b>
<b>Net surplus/(deficit)</b>	<b>101,809</b>	<b>478,151</b>	<b>724,946</b>	<b>(378,419)</b>	<b>500</b>	<b>896</b>	<b>1,753</b>	<b>(44,261)</b>	<b>885,375</b>