

Consolidated Financial Statements of

**THE CORPORATION OF THE
TOWNSHIP OF SEGUIN**

Year ended December 31, 2016

THE CORPORATION OF THE TOWNSHIP OF SEGUIN

Consolidated Financial Statements Index

Year ended December 31, 2016

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Management's Responsibility for the Consolidated Financial Statements

The accompanying consolidated financial statements of The Corporation of the Township of Seguin (the "Township") are the responsibility of the Township's management and have been prepared in compliance with legislation, and in accordance with generally accepted accounting principles for local governments established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. A summary of the significant accounting policies are described in Note 1 to the consolidated financial statements. The preparation of consolidated financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

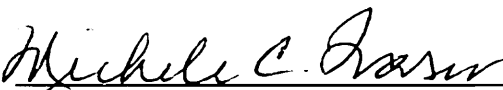
The Township's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the consolidated financial statements. These systems are monitored and evaluated by Management.

The Council meets with Management and the external auditors to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the consolidated financial statements.

The consolidated financial statements have been audited by KPMG LLP, independent external auditors appointed by the Township. The accompanying Independent Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the Township's consolidated financial statements.



Chris Madej
Chief Administrative Officer



Michele C. Fraser
Chief Financial Officer and Treasurer



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INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying consolidated financial statements of The Corporation of the Township of Seguin which comprise the consolidated statement of financial position as at December 31, 2016, the consolidated statements of operations and accumulated surplus, changes in net financial assets and cash flows for the year then ended, and notes, comprising 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 our 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, we consider 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, these consolidated financial statements present fairly, in all material respects, the consolidated financial position of The Corporation of the Township of Seguin as at December 31, 2016 and its consolidated results of operations and changes in its consolidated net financial assets and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

May 1, 2017

Sudbury, Canada

THE CORPORATION OF THE TOWNSHIP OF SEGUIN

Consolidated Statement of Financial Position

December 31, 2016, with comparative information for 2015

	2016	2015
Financial assets		
Cash and cash equivalents	\$ 5,442,013	\$ 5,200,774
Taxes receivable	769,187	931,335
Accounts receivable	76,272	108,823
Harmonized sales tax rebate	147,292	214,205
Loan receivable (note 3)	-	54,714
	<u>6,434,764</u>	<u>6,509,851</u>
Financial liabilities		
Accounts payable and accrued liabilities	956,994	1,311,281
Other current liabilities	98,474	90,839
Deferred revenue - obligatory reserve funds (note 4)	46,554	58,045
Deferred revenue	27,566	45,814
Solid waste landfill closure and post-closure liabilities (note 9)	98,487	72,950
	<u>1,228,075</u>	<u>1,578,929</u>
Net financial assets	5,206,689	4,930,922
Non-financial assets		
Tangible capital assets (note 11)	43,659,383	44,532,395
Inventories of supplies	18,638	19,836
Prepaid expenses	29,444	30,285
	<u>43,707,465</u>	<u>44,582,516</u>
Accumulated surplus (note 10)	<u>\$ 48,914,154</u>	<u>\$ 49,513,438</u>

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

Approved on behalf of Council:



Mayor

THE CORPORATION OF THE TOWNSHIP OF SEGUIN

Consolidated Statement of Operations and Accumulated Surplus

Year ended December 31, 2016, with comparative information for 2015

	Budget 2016	Actual 2016	Actual 2015
Revenues:			
Property taxation	\$ 11,236,664	\$ 11,260,276	\$ 10,981,282
Taxation from other governments	64,387	63,905	61,674
User charges	885,500	1,114,905	925,610
Government transfers:			
Municipal	-	-	79,057
Provincial	2,123,853	2,139,795	2,113,458
Federal	-	-	441,351
Park and lot levies earned	134,000	111,505	196,049
Federal Gas Tax earned	230,948	230,948	432,689
Investment income	53,572	52,660	68,440
Donations	5,772	14,369	104,290
Penalties and interest	230,000	221,541	238,179
Contribution from third parties	-	-	432,993
Excess building permit fees earned	30,000	28,000	-
Gain (loss) on sale of tangible capital assets	-	(53,155)	2,500
Provincial Offenses Act fines	81,215	64,345	80,258
Total revenues	15,075,911	15,249,094	16,157,830
Expenses:			
General government	1,817,702	1,711,867	1,686,763
Protection to persons and property	2,793,193	2,626,593	2,412,244
Transportation services	5,014,749	4,892,394	5,072,736
Environmental services	994,833	1,066,492	1,016,327
Health services	1,108,962	1,118,956	1,081,972
Social and family services	1,967,664	1,967,664	1,925,930
Recreational and cultural services	1,950,730	1,941,287	1,837,289
Planning and development	590,035	523,125	457,717
Total expenses	16,237,868	15,848,378	15,490,978
Annual surplus (deficit)	(1,161,957)	(599,284)	666,852
Accumulated surplus, beginning of the year	49,513,438	49,513,438	48,846,586
Accumulated surplus, end of year	\$ 48,351,481	\$ 48,914,154	\$ 49,513,438

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

THE CORPORATION OF THE TOWNSHIP OF SEGUIN

Consolidated Statement of Changes in Net Financial Assets

Year ended December 31, 2016, with comparative information for 2015

	Budget 2016	Actual 2016	Actual 2015
Annual surplus (deficit)	\$ (1,161,957)	\$ (599,284)	\$ 666,852
Acquisition of tangible capital assets	(1,357,300)	(1,303,032)	(2,814,387)
Amortization of tangible capital assets	2,086,100	2,085,876	2,015,862
Loss (gain) of sale of tangible capital assets	-	53,155	(2,500)
Proceeds on sale of tangible capital assets	-	37,013	3,500
	(433,157)	273,728	(130,673)
Acquisition of prepaid expenses	(30,000)	(29,444)	(30,285)
Use of prepaid expenses	30,285	30,285	25,221
Acquisition of inventories of supplies	(10,000)	(18,638)	(19,836)
Consumption of inventories of supplies	19,836	19,836	24,650
Change in net financial assets	(423,036)	275,767	(130,923)
Net financial assets, beginning of the year	4,930,922	4,930,922	5,061,845
Net financial assets, end of the year	\$ 4,507,886	\$ 5,206,689	\$ 4,930,922

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

THE CORPORATION OF THE TOWNSHIP OF SEGUIN

Consolidated Statement of Cash Flows

Year ended December 31, 2016, with comparative information for 2015

	2016	2015
Cash provided by (used in):		
Operating activities:		
Annual surplus	\$ (599,284)	\$ 666,852
Items not involving cash:		
Amortization of tangible capital assets	2,085,876	2,015,862
Loss (gain) on sale of tangible capital assets	53,155	(2,500)
Change in solid waste landfill closure and post-closure liabilities	25,537	5,778
	<u>1,565,284</u>	<u>2,685,992</u>
Change in non-cash assets and liabilities:		
Decrease in taxes receivable	162,148	190,890
Decrease in accounts receivable	32,551	181,019
Decrease (increase) in harmonized sales tax rebate	66,913	(21,915)
Increase (decrease) in accounts payable and accrued liabilities	(354,287)	192,859
Increase (decrease) in other current liabilities	7,635	(5,862)
Decrease in deferred revenue - obligatory reserve funds	(11,491)	(271,548)
Increase (decrease) in deferred revenue	(18,248)	45,814
Decrease in inventories of supplies	1,198	4,814
Decrease (increase) in prepaid expenses	841	(5,064)
Net change in cash from operating activities	<u>1,452,544</u>	<u>2,996,999</u>
Capital activities:		
Proceeds on sale of tangible capital assets	37,013	3,500
Cash used to acquire tangible capital assets	(1,303,032)	(2,814,387)
Net change in cash from capital activities	<u>(1,266,019)</u>	<u>(2,810,887)</u>
Investing activities:		
Decrease (increase) in loan receivable	54,714	(29,714)
Repayment of long-term receivable	-	130,008
Net change in cash from investing activities	<u>54,714</u>	<u>100,294</u>
Net change in cash	<u>241,239</u>	<u>286,406</u>
Cash and cash equivalents, beginning of year	5,200,774	4,914,368
Cash and cash equivalents, end of year	<u>\$ 5,442,013</u>	<u>\$ 5,200,774</u>

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

THE CORPORATION OF THE TOWNSHIP OF SEGUIN

Notes to Consolidated Financial Statements

Year ended December 31, 2016

1. Significant accounting policies:

The consolidated financial statements of the Corporation of the Township of Seguin (the "Township") are prepared by management in accordance with Canadian generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. Significant aspects of the accounting policies adopted by the Township are as follows:

(a) Reporting entity:

(i) Basis of consolidation:

These consolidated financial statements reflect the assets, liabilities, revenues and expenses and fund balances of the reporting entity and include the activities of all committees of Council and the following boards and municipal enterprises which are under the control of Council:

Seguin Public Library Board

All interfund assets, liabilities, revenues and expenses have been eliminated.

(ii) Non-consolidated entities:

The following joint local boards are not consolidated:

District of Parry Sound Social Services Administration Board

Muskoka Parry Sound Health Unit

Belvedere Heights Home for the Aged

Parry Sound Area Municipal Airport Commission

911 Emergency Services

(iii) Accounting for school board transactions:

The taxation, other revenues, expenses, assets and liabilities with respect to the operations of the school boards 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. These funds amounted to \$163,506 (2015 - \$159,506).

THE CORPORATION OF THE TOWNSHIP OF SEGUIN

Notes to Consolidated Financial Statements

Year ended December 31, 2016

1. Significant accounting policies (continued):

(b) Basis of accounting:

(i) Accrual basis of accounting:

The accrual basis of accounting recognizes revenues as they become available and measurable; expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

(ii) Tangible capital assets:

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

Asset	Useful Life - Years
Buildings	40
Furniture, fixtures, equipment and books	5 - 20
Vehicles and machinery	10 - 25
Land improvements	25 - 40
Bridges and culverts	30 - 45
Linear assets, excluding bridges and culverts	40 - 50

Landfill sites are amortized using the units of production method based upon capacity used during the year.

Amortization in the year of acquisition and in the year of disposal is charged at 50% of the annual amortization. Assets under construction are not amortized until the asset is available for productive use.

(iii) 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.

(iv) Natural resources:

Natural resources that have not been purchased are not recognized as assets in the financial statements.

(v) Works of art and cultural and historic assets:

Works of arts and cultural and historic assets are not recorded as assets in the financial statements.

THE CORPORATION OF THE TOWNSHIP OF SEGUIN

Notes to Consolidated Financial Statements

Year ended December 31, 2016

1. Significant accounting policies (continued):

(b) Basis of accounting (continued):

(vi) Pensions and employee benefits:

The Township accounts for its participation in the Ontario Municipal Employee Retirement System ("OMERS") a multi-employer public sector pension fund, as a defined contribution plan. Vacation entitlements are accrued for as entitlements are earned.

(vii) Solid waste management liabilities:

Solid waste management liabilities are accounted for on the accrual basis as a charge to environmental services expenses (note 9).

(vii) Use of estimates:

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 dates of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Significant items subject to such estimates and assumptions include valuation allowances for accounts receivable, loans receivable and solid waste landfill closure and post-closure liabilities. Actual results could differ from those estimates. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the year in which they become known.

2. Operations of school boards:

During the year, requisitions were made by the 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 summarized below:

	2016	2015
Property taxes	\$ 6,394,924	\$ 6,402,234
Payments in lieu of taxation	7,754	7,393
Amounts levied by Township	\$ 6,402,678	\$ 6,409,627
Amounts requisitioned plus supplementary taxes	\$ 6,402,678	\$ 6,409,627

3. Loan receivable:

A loan in the amount of \$Nil (2015 - \$54,714) was outstanding from the Parry Sound Area Municipal Airport Commission. The loan was unsecured and had interest at prime less 1%. The loan was paid off in 2016.

THE CORPORATION OF THE TOWNSHIP OF SEGUIN

Notes to Consolidated Financial Statements

Year ended December 31, 2016

4. Deferred revenue – obligatory reserve funds:

The continuity of transactions within the obligatory reserve funds are as described below:

	Balance at December 31, 2015	Contributions received	Interest earned	Amounts taken to revenue	Balance at December 31, 2016
Parks and recreation reserves	\$ 8,325	5,942	8,631	(11,411)	11,487
Federal gas tax reserves	47,698	–	–	(28,000)	19,698
Building permits	2,022	242,496	1,799	(230,948)	15,369
	\$ 58,045	248,438	10,430	(270,359)	46,554

5. Pension agreements:

The Township makes contributions to the Ontario Municipal Employees Retirement System (“OMERS”), which is a multi-employee 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 contribution required on account of current service for 2016 of \$292,565 (2015 - \$264,973) is included in the current fund expenditures.

6. Contributions to unconsolidated joint boards:

The following contributions were made by the Township to these joint boards:

	2016	2015
District of Parry Sound Social Services Administration Board	\$ 1,473,360	\$ 1,466,861
Muskoka Parry Sound Health Unit	123,860	121,431
District of Parry Sound (West) Belvedere Heights Home for the Aged	494,304	459,069
Parry Sound Area Municipal Airport Commission	42,160	41,980
911 Emergency Services	3,307	3,306
	\$ 2,136,991	\$ 2,092,647

THE CORPORATION OF THE TOWNSHIP OF SEGUIN

Notes to Consolidated Financial Statements

Year ended December 31, 2016

7. Collateral guarantee:

The Township has provided to the Canadian Imperial Bank of Commerce a guarantee for a portion of the long-term loan of Belvedere Heights Home for the Aged. The Township's guarantee is in the amount of \$1,234,119. The Township does not expect to have to act on this guarantee.

8. Public Sector Salary Disclosure:

During 2016, five employees were paid a salary of \$100,000 or more by the Township, as defined in the Public Sector Salary Disclosure Act, 1996.

9. Solid waste landfill closure and post-closure liabilities:

The Environmental Protection Act sets out the regulatory requirements to properly close and maintain all active and inactive landfill sites. Under environmental law, there is a requirement for closure and post-closure care of solid waste landfill sites. This requirement is to be provided for over the estimated remaining life of the landfill sites based on usage.

Landfill closure and post-closure care requirements have been defined in accordance with industry standards and include final covering and landscaping of the landfill, pumping of ground water and leachates from the site, and ongoing environmental monitoring, site inspection and maintenance. The reported liability is based on estimates and assumptions with respect to events extending over a twenty year period using the best information available to management. Future events may result in significant changes to the estimated total expenditures, capacity used or total capacity and the estimated liability and would be recognized prospectively, as a change in estimate, when applicable.

Estimated total expenditures represent the sum of the discounted future cash flows for closure and post-closure care activities discounted at a rate of 5% (2015 - 5%) minus an inflation rate of 2.0% (10 year average CPI from 1995 to 2004). The estimated total landfill closure and post-closure care expenditures are calculated to be \$122,086 (2015 - \$97,017). The estimated liability for these expenditures is recognized as the landfill site's capacity is used. At December 31, 2016, an amount of \$98,487 (2015 - \$72,950) with respect to landfill closure and post-closure liabilities has been accrued.

The Christie landfill site has a remaining capacity of 19,18% with a remaining life of approximately 4-11 years. The period for post-closure care is estimated to be 10 years.

The Humphrey landfill site has been closed. The period for post-closure care is estimated to be 15 years.

THE CORPORATION OF THE TOWNSHIP OF SEGUIN

Notes to Consolidated Financial Statements

Year ended December 31, 2016

10. Accumulated surplus:

Accumulated surplus consists of individual fund surplus and reserves and reserve funds as follows:

	2016	2015
Surplus:		
Invested in tangible capital assets	\$ 43,659,383	\$ 44,532,395
Other	100,000	100,000
Total surplus	43,759,383	44,632,395
Reserves set aside by Council:		
Working capital	1,519,907	1,518,907
Election	45,289	40,944
Winter control	56,604	56,604
Official Plan review	47,563	37,563
Salary Grid Movement	255,628	255,628
Firefighter compensation	142,152	142,152
Acquisition of capital assets:		
Seguin Museum	5,732	6,032
Cemetery	57,451	47,451
Other	401,256	358,509
Library	29,928	28,948
Total reserves	2,561,510	2,492,738
Reserve funds set aside for specific purpose by Council:		
Capital projects	2,466,955	2,006,498
Fire department	3,336	136,153
Equipment	122,362	245,283
Parks – recreation programs and facilities	608	371
Total reserve funds	2,593,261	2,388,305
	\$ 48,914,154	\$ 49,513,438

THE CORPORATION OF THE TOWNSHIP OF SEGUIN

Notes to Consolidated Financial Statements

Year ended December 31, 2016

11. Tangible capital assets:

Cost	Balance at December 31, 2015	Additions	Disposals	Balance at December 31, 2016
Land	\$ 616,551	-	-	616,551
Buildings	9,563,751	49,343	-	9,613,094
Furniture, fixtures and equipment	3,411,590	325,404	-	3,736,994
Land improvements	4,597,731	120,110	-	4,717,841
Vehicles and machinery	9,328,498	808,175	(380,462)	9,756,211
Linear assets	51,222,225	-	-	51,222,225
Total	\$ 78,740,346	1,303,032	(380,462)	79,662,916

Accumulated Amortization	Balance at December 31, 2015	Disposals	Amortization	Balance at December 31, 2016
Land	\$ -	-	-	-
Buildings	3,194,595	-	215,123	3,409,718
Furniture, fixtures and equipment	1,889,322	-	264,413	2,153,735
Land improvements	1,087,631	-	124,085	1,211,716
Vehicles and machinery	4,776,126	(290,294)	414,588	4,900,420
Linear assets	23,260,277	-	1,067,667	24,327,944
Total	\$ 34,207,951	(290,294)	2,085,876	36,003,533

	Net book value, December 31, 2015	Net book value, December 31, 2016
Land	\$ 616,551	616,551
Buildings	6,369,156	6,203,376
Furniture, fixtures and equipment	1,522,268	1,583,259
Land improvements	3,510,100	3,506,125
Vehicles and machinery	4,552,372	4,855,791
Linear assets	27,961,948	26,894,281
Total	\$ 44,532,395	43,659,383

THE CORPORATION OF THE TOWNSHIP OF SEGUIN

Notes to Consolidated Financial Statements

Year ended December 31, 2016

11. Tangible capital assets (continued):

Cost	Balance at December 31, 2014	Additions	Disposals	Balance at December 31, 2015
Land	\$ 616,551	-	-	616,551
Buildings	9,482,025	81,726	-	9,563,751
Furniture, fixtures and equipment	3,091,761	319,829	-	3,411,590
Land improvements	4,597,731	-	-	4,597,731
Vehicles and machinery	8,955,216	412,809	(39,527)	9,328,498
Linear assets	48,689,581	2,532,644	-	51,222,225
Assets under construction	532,621	(532,621)	-	-
Total	\$ 75,965,486	2,814,387	(39,527)	78,740,346

Accumulated Amortization	Balance at December 31, 2014	Disposals	Amortization	Balance at December 31, 2015
Land	\$ -	-	-	-
Buildings	2,981,110	-	213,485	3,194,595
Furniture, fixtures and equipment	1,649,815	-	239,507	1,889,322
Land improvements	965,047	-	122,584	1,087,631
Vehicles and machinery	4,419,303	(38,527)	395,350	4,776,126
Linear assets	22,215,341	-	1,044,936	23,260,277
Assets under construction	-	-	-	-
Total	\$ 32,230,616	(38,527)	2,015,862	34,207,951

	Net book value, December 31, 2014	Net book value, December 31, 2015
Land	\$ 616,551	616,551
Buildings	6,500,915	6,369,156
Furniture, fixtures and equipment	1,441,946	1,522,268
Land improvements	3,632,684	3,510,100
Vehicles and machinery	4,535,913	4,552,372
Linear assets	26,474,240	27,961,948
Assets under construction	532,621	-
Total	\$ 43,734,870	44,532,395

THE CORPORATION OF THE TOWNSHIP OF SEGUIN

Notes to Consolidated Financial Statements

Year ended December 31, 2016

12. Segmented information:

The Township is a municipal government institution that provides a range of services to its citizens, including police, fire, transportation, recreational and environmental. For management reporting purposes the Township's operations and activities are organized and reported by department. Funds were created for the purpose of recording specific activities to attain certain objectives in accordance with special regulations, restrictions or limitations.

Township 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 provide, are as follows:

- (a) General Government: includes corporate services and governance of the Township. General Government is responsible for human resource management. Support to Council for policy development, by-law development in compliance with the Municipal Act, tax billing and collection responsibilities, financial management reporting, monitoring and overall budget status is provided as well as frontline reception and customer service.
- (b) Protection to persons and property: includes policing, fire protection, protective inspection and control and emergency measures. The mandate of the police services contract 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. Fire protection includes detection, extinguishing and suppression services; emergency medical first response; and prevention education and training programs. Inspection and control includes building inspection, by-law enforcement and dog control services.
- (c) Transportation Services: This department provides the winter and summer maintenance, the repair and the construction of the municipal roads system including bridges and culverts.
- (d) Environmental Services: Includes the management and maintenance of the landfill site, transfer stations and waste collection system that serves the municipality.
- (e) Health Services: The Township provides ambulance services through the Town of Parry Sound and the West Parry Sound Health Centre.
- (f) Social and Family Services: The services are provided indirectly by the Township through the District Social Services Board and include family and children's services, as well as senior citizen services provided through Belvedere Heights Home for the Aged.

THE CORPORATION OF THE TOWNSHIP OF SEGUIN

Notes to Consolidated Financial Statements

Year ended December 31, 2016

12. Segmented information (continued):

(g) Recreation and cultural services: Provides recreation and leisure programs and facilities, including community halls, libraries, parks, recreation fields and arena. It also provides building maintenance services to all municipal facilities.

(h) Planning and Development: Manages rural development for business interests, environmental concerns, heritage matters, local neighbourhoods and community development. It facilitates economic development by providing services for the approval of all land development plans, the application and enforcement of the zoning by-law and official plan, and the provision of geographic information services.

For each segment separately reported in the schedule below, the segment revenue and expenditures 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. These municipal services are funded primarily by taxation such as property tax revenue. Taxation and payments-in-lieu of taxes are apportioned to these services based on the net surplus. Certain government transfers, transfer from other funds, and other revenue 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.

THE CORPORATION OF THE TOWNSHIP OF SEGUIN

Schedule to Note 12 - Segmented Information

Year ended December 31, 2016

	General Government Services	Protection Services	Transportation Services	Environmental Services	Health Services	Social & Family Services	Recreation & Cultural Services	Planning and Development	Total 2016
Revenues:									
Property taxation	\$ 1,216,282	1,866,195	3,476,047	757,743	795,018	1,398,026	1,379,285	371,680	11,260,276
Taxation from other governments	63,905	-	-	-	-	-	-	-	63,905
User charges	245,590	470,197	7,585	54,292	16,516	-	217,075	103,650	1,114,905
Province of Ontario grants	207,184	317,892	630,474	248,487	135,425	238,143	298,876	63,313	2,139,795
Park and lot levies earned	-	-	-	-	-	-	111,505	-	111,505
Federal Gas Tax earned	-	-	230,948	-	-	-	-	-	230,948
Investment income	52,660	-	-	-	-	-	-	-	52,660
Donations and other	-	-	-	-	-	-	14,369	-	14,369
Penalties and interest on taxes	221,541	-	-	-	-	-	-	-	221,541
Excess building permit fees earned	-	28,000	-	-	-	-	-	-	28,000
Gain (loss) on sale of tangible capital assets	-	(45,569)	(5,680)	(1,906)	-	-	-	-	(53,155)
Provincial Offences Act fines	-	64,345	-	-	-	-	-	-	64,345
	2,007,162	2,701,060	4,339,374	1,058,616	946,959	1,636,169	2,021,110	538,643	15,249,094
Expenses:									
Salaries, wages and benefits	1,043,136	850,987	1,184,763	295,094	26,881	-	654,430	360,068	4,415,359
Materials, services, rents and financial items	591,500	1,552,013	2,372,052	648,064	938,876	-	867,605	142,664	7,112,774
Transfer to other governments and the public	-	3,307	40,000	-	123,860	1,967,664	79,145	20,393	2,234,369
Amortization of tangible capital assets	77,231	220,286	1,295,579	123,334	29,339	-	340,107	-	2,085,876
	1,711,867	2,626,593	4,892,394	1,066,492	1,118,956	1,967,664	1,941,287	523,125	15,848,378
Annual surplus (deficit)	\$ 295,295	74,467	(553,020)	(7,876)	(171,997)	(331,495)	79,823	15,518	(599,284)

THE CORPORATION OF THE TOWNSHIP OF SEGUIN

Schedule to Note 12 - Segmented Information

Year ended December 31, 2016

	General Government Services	Protection Services	Transportation Services	Environmental Services	Health Services	Social & Family Services	Recreation & Cultural Services	Planning and Development	Total 2015
Revenues:									
Property taxation	\$ 1,195,717	1,709,997	3,595,973	720,456	766,991	1,365,258	1,302,422	324,468	10,981,282
Taxation from other governments	61,674	-	-	-	-	-	-	-	61,674
User charges	51,003	472,113	4,554	74,785	20,122	-	216,023	87,010	925,610
Other Municipalities	-	79,057	-	-	-	-	-	-	79,057
Province of Ontario grants	206,913	358,762	636,830	236,934	127,649	227,218	265,152	54,000	2,113,458
Government of Canada grants	-	-	-	-	-	-	429,351	12,000	441,351
Park and lot levies earned	-	-	-	-	-	-	196,049	-	196,049
Federal Gas Tax earned	-	-	432,689	-	-	-	-	-	432,689
Investment income	68,440	-	-	-	-	-	-	-	68,440
Donations and other	-	94,404	-	-	-	-	9,886	-	104,290
Penalties and interest on taxes	238,179	-	-	-	-	-	-	-	238,179
Contribution from third parties	-	-	432,993	-	-	-	-	-	432,993
Gain (loss) on sale of tangible capital assets	-	-	-	-	-	-	2,500	-	2,500
Provincial Offences Act fines	-	80,258	-	-	-	-	-	-	80,258
	1,821,926	2,794,591	5,103,039	1,032,175	914,762	1,592,476	2,421,383	477,478	16,157,830
Expenses:									
Salaries, wages and benefits	1,044,664	800,168	1,157,359	261,401	23,547	-	777,581	296,310	4,361,030
Materials, services, rents and financial items	573,499	1,400,845	2,575,955	684,607	907,656	-	644,821	145,147	6,932,530
Transfer to other governments and the public	-	3,306	40,000	-	121,431	1,925,930	74,629	16,260	2,181,556
Amortization of tangible capital assets	68,600	207,925	1,299,422	70,319	29,338	-	340,258	-	2,015,862
	1,686,763	2,412,244	5,072,736	1,016,327	1,081,972	1,925,930	1,837,289	457,717	15,490,978
Annual surplus (deficit)	\$ 135,163	382,347	30,303	15,848	(167,210)	(333,454)	584,094	19,761	666,852