

Consolidated Financial Statements of

**CORPORATION OF THE TOWNSHIP
OF FRONT OF YONGE**

Year ended December 31, 2015

INDEPENDENT AUDITOR'S REPORT

To the Members of Council, Inhabitants and Ratepayers of the Corporation of the Township of Front of Yonge

We have audited the accompanying consolidated financial statements of the Corporation of the Township of Front of Yonge, which comprise the consolidated statement of financial position as at December 31, 2015 and the consolidated statements of operations, 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 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.

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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Corporation of the Township of Front of Yonge as at December 31, 2015 and the results of its operations, changes in its net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Other Matters

The consolidated financial statements of the Corporation of the Township of Front of Yonge for the year ended December 31, 2014, were audited by Bennett McMahon Stillar of Brockville, Canada, prior to its merger with MNP LLP. Bennett McMahon Stillar issued an unmodified opinion on those statements on August 10, 2015.

MNP LLP

Chartered Professional Accountants, Licensed Public Accountants

August 22, 2016
Brockville, Canada

CORPORATION OF THE TOWNSHIP OF FRONT OF YONGE

Consolidated Statement of Financial Position

December 31, 2015, with comparative figures for 2014

	2015	2014
Financial assets		
Cash	\$ 113,079	\$ 33,859
Guaranteed investment certificates and accrued interest (note 2)	417,762	388,627
Investment in The Public Sector Group of Funds bond fund (market value \$244,255; 2014 - \$239,614)	253,056	246,763
Taxes receivable	221,966	223,470
Other receivables	62,342	130,368
Land held for resale	10,033	10,033
	<u>1,078,238</u>	<u>1,033,120</u>
Financial liabilities		
Bank loan (note 3)	–	58,547
Accounts payable and accrued liabilities	144,913	157,224
Deferred grant revenues	41,646	32,852
Deferred revenues – obligatory federal gasoline tax reserve fund	4,354	29,143
Developer deposit	30,000	30,000
Obligations under capital leases (note 4)	46,150	93,890
Promissory note and debenture payable (note 5)	129,060	152,093
Employee future benefits (note 6)	85,030	76,340
Solid waste landfill closure and post-closure liabilities (note 7)	196,000	229,000
	<u>677,153</u>	<u>859,089</u>
Net financial assets	401,085	174,031
Non-financial assets		
Tangible capital assets (note 8)	4,693,229	4,886,938
Accumulated surplus (note 9)	<u>\$ 5,094,314</u>	<u>\$ 5,060,969</u>

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

CORPORATION OF THE TOWNSHIP OF FRONT OF YONGE

Consolidated Statement of Operations

Year ended December 31, 2015, with comparative figures for 2014

	Budget 2015 (note 11)	Actual 2015	Actual 2014
Revenues:			
Property taxation	\$ 1,414,159	\$ 1,417,434	\$ 1,307,371
Taxation from other governments	39,810	41,045	39,477
User charges	153,830	200,696	126,408
Charges to other municipalities	54,703	56,333	30,980
Federal grants	105,000	105,000	86,011
Provincial grants	271,384	284,626	282,975
Investment income	2,500	19,309	18,004
Penalties and interest on taxes	38,500	38,376	38,271
Donations	2,100	5,079	2,274
Gain on disposal of tangible capital assets	–	–	2,001
	<u>2,081,986</u>	<u>2,167,898</u>	<u>1,933,772</u>
Expenses:			
General government	412,185	402,223	413,368
Protection to persons and property	581,949	627,303	565,146
Transportation services	665,078	819,455	784,819
Environmental services	163,222	144,156	173,049
Health services	2,200	3,192	2,250
Recreation and cultural services	89,326	115,470	105,439
Planning and development	21,750	22,754	28,392
	<u>1,935,710</u>	<u>2,134,553</u>	<u>2,072,463</u>
Annual surplus (deficit)	\$ 146,276	33,345	(138,691)
Accumulated surplus, beginning of year		5,060,969	5,199,660
Accumulated surplus, end of year		<u>\$ 5,094,314</u>	<u>\$ 5,060,969</u>

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

CORPORATION OF THE TOWNSHIP OF FRONT OF YONGE

Consolidated Statement of Change in Net Financial Assets

Year ended December 31, 2015, with comparative figures for 2014

	Budget 2015 (note 11)	Actual 2015	Actual 2014
Annual surplus (deficit)	\$ 146,276	\$ 33,345	\$ (138,691)
Acquisition of tangible capital assets	(24,000)	(99,689)	(147,790)
Amortization of tangible capital assets	-	293,398	291,080
Gain on disposal of tangible capital assets	-	-	(2,001)
Proceeds from disposal of tangible capital assets	-	-	2,001
Change in net financial assets	122,276	227,054	9,599
Net financial assets, beginning of year	174,031	174,031	164,432
Net financial assets, end of year	\$ 296,307	\$ 401,085	\$ 174,031

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

CORPORATION OF THE TOWNSHIP OF FRONT OF YONGE

Consolidated Statement of Cash Flows

Year ended December 31, 2015, with comparative figures for 2014

	2015	2014
Cash provided by (used for):		
Operating activities:		
Annual surplus (deficit)	\$ 33,345	\$ (138,691)
Items not involving cash:		
Amortization of tangible capital assets	293,398	291,080
Loss on disposal of tangible capital assets	-	(2,001)
Employee future benefits	8,690	9,860
Decrease in solid waste landfill closure and post-closure liabilities	(33,000)	-
Change in non-cash working capital:		
Decrease in taxes receivable	1,504	8,028
Decrease (increase) in other receivables	68,026	(16,144)
Decrease in accounts payable and accrued liabilities	(12,311)	(11,626)
Increase in deferred grant revenues	8,794	25,533
Decrease in deferred revenues – obligatory federal gasoline tax reserve fund	(24,789)	(842)
	343,657	165,197
Financing activities:		
Decrease in bank loan	(58,547)	(46,453)
Principal payments on obligations under capital leases	(47,740)	(56,519)
Principal payments on promissory note	(13,518)	(13,518)
Proceeds from debenture	-	108,592
Principal payments on debenture	(9,515)	-
Payments for employee future benefits	-	(1,660)
	(129,320)	(9,558)
Investing activities:		
Increase in guaranteed investment certificates and accrued interest	(29,135)	(33,469)
Increase in investment in The Public Sector Group of Funds bond fund	(6,293)	(6,667)
	(35,428)	(40,136)
Capital activities:		
Acquisition of tangible capital assets	(99,689)	(142,790)
Proceeds from disposal of tangible capital assets	-	2,001
	(99,689)	(140,789)
Increase (decrease) in cash	79,220	(25,286)
Cash, beginning of year	33,859	59,145
Cash, end of year	\$ 113,079	\$ 33,859

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

CORPORATION OF THE TOWNSHIP OF FRONT OF YONGE

Notes to Consolidated Financial Statements

Year ended December 31, 2015

The Corporation of the Township of Front of Yonge is a municipality in the Province of Ontario. It conducts its operations under the direction of its elected Council, guided by the provisions of provincial statutes such as the Municipal Act 2001, Municipal Affairs Act and related legislation.

1. Summary of significant accounting policies:

The consolidated financial statements of the Municipality are prepared by management in accordance with Canadian public sector accounting standards for local governments as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants Canada. Significant accounting policies are as follows:

(a) Reporting entity:

(i) Consolidated entities:

These consolidated financial statements reflect the assets, liabilities, revenues and 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 municipal Council and which are owned or controlled by the Municipality. These consolidated financial statements include the Public Library Board.

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

(ii) Accounting for School Board transactions:

The taxation, other revenues, expenses, assets and liabilities with respect to the operations of the local school boards are not reflected in these consolidated financial statements.

(b) Investments:

Investments are recorded at cost. If the market value of investments becomes lower than cost and this decline in value is considered to be other than temporary, the investments are written down to market value.

(c) Revenue recognition:

Property tax billings are prepared by the Municipality based on an assessment roll prepared by Municipal Property Assessment Corporation ("MPAC"), an agency of the Ontario government, and taxation revenues are recorded at the time tax billings are issued. Any supplementary billing adjustments made necessary by assessment appeals submitted by the ratepayers and changes to assessed value reflecting new construction are recognized in the year they are determined.

User charges and charges to other municipalities are recognized as revenues in the year the goods and services are provided.

Government grants are recognized as revenue in the year in which the events giving rise to the grants occur, providing the grants are authorized, any eligible criteria have been met, and reasonable estimates of the amounts can be made. A government transfer with stipulations giving rise to an obligation that meets the definition of a liability is recognized as a liability. In such circumstances, the Municipality recognizes revenue as the liability is settled. Transfers on non-depreciable assets are recognized in revenue when received or receivable.

CORPORATION OF THE TOWNSHIP OF FRONT OF YONGE

Notes to Consolidated Financial Statements

Year ended December 31, 2015

1. Significant accounting policies (continued):

(c) Revenue recognition (continued):

Investment income earned on the Federal gas tax obligatory reserve fund is recorded as deferred revenues - obligatory reserve fund and included in municipal revenues in the year that they are applied to qualifying expenditures. Other investment income is reported in revenues in the period earned.

(d) Vacation pay:

Vacation pay is accrued for all employees as entitlement to these payments is earned in accordance with the Municipality's benefit plan for vacation.

(e) Employee future benefits:

The Municipality accrues its obligation for retiring allowances as the employees render the services necessary to earn the post-retirement benefit. The cost of the retiring allowance earned by employees is determined based on years of service and management's best estimate of retirement age.

(f) Solid waste landfill closure and post-closure liabilities:

The costs of closing the solid waste landfill site and post-closure costs related to the site are accrued as the site's capacity is used.

(g) Tangible capital assets:

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

Asset	Useful life – years
General capital:	
Land improvements	10 – 25 years
Buildings	20 – 50 years
Machinery, furniture and equipment	1 – 20 years
Vehicles	5 – 25 years
Roads infrastructure	5 – 75 years
Street lighting	20 years

Amortization is charged from the date of acquisition to the date of disposal. Assets under construction are not amortized until the asset is put into service.

(ii) Tangible capital assets disclosed at nominal values:

Where an estimate of fair value cannot be made or where there is no future benefit related to the asset, the tangible capital asset is recognized at a nominal value.

(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.

CORPORATION OF THE TOWNSHIP OF FRONT OF YONGE

Notes to Consolidated Financial Statements

Year ended December 31, 2015

1. Significant accounting policies (continued):

(g) Tangible capital assets (continued):

(iv) Capitalized interest:

Interest is capitalized whenever external debt is issued to finance the construction of tangible capital assets.

(v) Leased tangible capital assets:

Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as tangible capital assets. All other leases are accounted for as operating leases and the related payments are charged to expenses as incurred.

(h) 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 date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant items subject to such estimates and assumptions include amortization of tangible capital assets, employee future benefits and solid waste landfill closure and post-closure liabilities. Actual results could differ from these estimates.

2. Guaranteed investment certificates and accrued interest:

Guaranteed investment certificates mature at various dates from August, 2016 to October, 2020. The interest rates range from 2.01% to 2.95%.

3. Bank loan:

The Municipality has an unsecured demand revolving credit facility in the amount of \$400,000 to finance operating requirements and to bridge finance the acquisition of capital assets.

The bank loan bears interest at the bank's prime rate minus 0.05%.

4. Obligations under capital leases:

The capital lease obligations bear interest at 6.95% and 7.95%. The future minimum payments for these capital lease obligations are as follows:

	Principal	Interest
2016	\$ 32,102	\$ 2,198
2017	14,048	245
	\$ 46,150	\$ 2,443

The amount of interest relating to the capital lease obligation that is included as an expense in the statement of operations is \$4,840 (2014 - \$9,117).

CORPORATION OF THE TOWNSHIP OF FRONT OF YONGE

Notes to Consolidated Financial Statements

Year ended December 31, 2015

5. Promissory note and debenture payable:

	2015	2014
Promissory note payable to Ontario Infrastructure and Lands Corporation	\$ 29,983	\$ 43,501
Debenture payable	99,077	108,592
	<u>\$ 129,060</u>	<u>\$ 152,093</u>

(a) Promissory note payable to Ontario Infrastructure and Lands Corporation ("OILC"):

The note bears interest at a floating annual rate based on OILS's cost of funds plus OILC's prevailing spread assigned to the municipal sector with an effective rate during 2015 of 1.40% (2014 – 1.51%) and is paid monthly. The advance is repayable in full by the facility termination date of April 26, 2018. The Township has indicated it will make annual repayments on the advance equal to \$13,518.

(b) Debenture payable:

The Township obtained a debenture through the United Counties of Leeds and Grenville with the Ontario Infrastructure and Lands Corporation to finance the purchase of equipment. The debenture is payable in semi-annual payments of \$6,288, including interest at a rate of 2.88%. The debenture matures October 15, 2024.

(c) Principal is due on the above liabilities as follows:

2016	\$ 23,310
2017	23,594
2018	13,315
2019	10,669
2020	10,979
Thereafter	47,193
	<u>\$ 129,060</u>

(d) The amount of interest relating to the above liabilities that is reported as an expense in the statement of operations is \$3,573 (2014 - \$1,910).

(e) 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.

CORPORATION OF THE TOWNSHIP OF FRONT OF YONGE

Notes to Consolidated Financial Statements

Year ended December 31, 2015

6. Employee future benefits:

The municipality provides a retiring allowance, upon retirement, to employees who have a minimum 10 years of service with the municipality.

The present value of the cost of the retiring allowance earned by employees is determined based on years of service and management's best estimate of retirement age, using a discount rate of 2% (2014 – 2%). Management has made the assumption that all employees will remain employed by the municipality until they retire and will have been employed by the municipality for a minimum of 10 years.

	2015	2014
Accrued benefits obligation, beginning of year	\$ 76,340	\$ 68,140
Add: Current period benefit cost	8,690	9,860
Less: Benefits paid	-	(1,660)
Accrued benefits obligation, end of year	\$ 85,030	\$ 76,340

In order to help reduce the future financial impact of this obligation, the Municipality has established a reserve fund. The balance in the employee future benefit reserve fund as at December 31, 2015 is \$22,427 (2014 - \$11,069) (note 10).

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

The Ontario Environmental Protection Act sets out the regulatory requirements for the closure and maintenance of landfill sites. Under this Act, the Municipality is required to provide for closure and post-closure care of solid waste landfill sites. The costs related to these obligations are provided over the estimated remaining life of the landfill site based on usage.

The main components of the landfill closure plan are final capping using clay, covering by top soil and seeding. The post-closure care requirements will involve surface water monitoring, groundwater monitoring and inspections.

The estimated remaining capacity of the site is approximately 84,500 cubic meters (2014 – 81,000 cubic meters) and the site has an estimated remaining life of more than 33 years (2014 – 26 years). Post-closure care is estimated to continue for a period of approximately 10 years.

The estimated liabilities represent the present value of future cash flows associated with closure and post-closure costs discounted using an average long-term investment rate of 3.65% (2014 – 3.65%) and the Bank of Canada targeted inflation rate of 2.0% (2014 – 2.0%). The recorded liabilities have been determined as follows:

	2015		2014	
	Closure	Post-closure	Total	Total
Estimated undiscounted future cash flows	\$ 542,000	\$ 191,000	\$ 733,000	\$ 733,000
Less amount to be recognized in the future	394,000	143,000	537,000	504,000
Recorded liabilities	\$ 148,000	\$ 48,000	\$ 196,000	\$ 229,000

In order to help reduce the future financial impact of these obligations, the Municipality has established a reserve fund. The balance in the landfill closure and post-closure reserve fund as at December 31, 2015 is \$257,886 (2014 - \$280,056) (note 10).

CORPORATION OF THE TOWNSHIP OF FRONT OF YONGE

Notes to Consolidated Financial Statements

Year ended December 31, 2015

8. Tangible capital assets:

Cost	Balance December 31, 2014	Additions and transfers	Disposals	Balance December 31, 2015
General capital:				
Land	\$ 53,001	\$ 26,937	\$ -	\$ 79,938
Land improvements	38,126	-	-	38,126
Buildings	1,250,264	-	-	1,250,264
Machinery, furniture and equipment	340,913	10,675	8,131	343,457
Vehicles	1,058,328	178,930	-	1,237,258
Vehicles under capital lease	381,335	(178,930)	-	202,405
Roads infrastructure	5,474,071	23,561	-	5,497,632
Street lighting	-	42,175	-	42,175
Total	\$ 8,596,038	\$ 103,348	\$ 8,131	\$ 8,691,255

Accumulated Amortization	Balance December 31, 2014	Additions and transfers	Disposals	Balance December 31, 2015
General capital:				
Land improvements	\$ 10,484	\$ 1,906	\$ -	\$ 12,390
Buildings	542,240	28,751	-	570,991
Machinery, furniture and equipment	126,441	22,654	4,472	144,623
Vehicles	693,129	121,620	-	814,749
Vehicles under capital lease	87,415	(40,186)	-	47,229
Roads infrastructure	2,249,391	157,599	-	2,406,990
Street lighting	-	1,054	-	1,054
Total	\$ 3,709,100	\$ 293,398	\$ 4,472	\$ 3,998,026

	Net book value December 31, 2014	Net book value December 31, 2015
General capital:		
Land	\$ 53,001	\$ 79,938
Land improvements	27,642	25,736
Buildings	708,024	679,273
Machinery, furniture and equipment	214,472	198,834
Vehicles	365,199	422,509
Vehicles under capital lease	293,920	155,176
Roads infrastructure	3,224,680	3,090,642
Street lighting	-	41,121
Total	\$ 4,886,938	\$ 4,693,229

During the year one capital lease was fully repaid. The vehicle under capital lease with a cost of \$178,930 and accumulated amortization of \$65,609 was transferred to vehicles during the year.

CORPORATION OF THE TOWNSHIP OF FRONT OF YONGE

Notes to Consolidated Financial Statements

Year ended December 31, 2015

9. Accumulated surplus:

The accumulated surplus consists of the following:

	2015	2014
Operating surplus (deficit):		
Operations of the municipality	\$ 33,689	\$ (73,400)
Library board	-	1,241
	33,689	(72,159)
Reserve and reserve funds (note 9):		
Reserves	107,200	107,200
Reserve funds	706,403	680,280
	813,603	787,480
Land held for resale	10,033	10,033
Tangible capital assets	4,693,229	4,886,938
Unfunded liabilities:		
Obligations under capital leases	(46,150)	(93,890)
Long-term liabilities	(129,060)	(152,093)
Employee future benefits	(85,030)	(76,340)
Solid waste landfill closure and post-closure liabilities	(196,000)	(229,000)
	(456,240)	(551,323)
	\$ 5,094,314	\$ 5,060,969

10. Reserves and reserve funds:

Reserves and reserve funds consist of the following:

	2015	2014
Reserves:		
Working capital	\$ 54,000	\$ 54,000
Uncollected taxes	53,200	53,200
Total reserves	\$ 107,200	\$ 107,200
Reserve funds:		
Acquisition of capital assets:		
- roads	\$ 39,428	\$ 38,476
- fire equipment	276,377	237,053
- roads resurfacing	46,205	55,968
- information technology	19,799	19,321
- other equipment	27,158	24,536
- library	11,315	8,493
Landfill closure and post-closure costs	257,886	280,056
Payne children bursary fund	5,808	5,308
Employee future benefits	22,427	11,069
Total reserve funds	\$ 706,403	\$ 680,280

CORPORATION OF THE TOWNSHIP OF FRONT OF YONGE

Notes to Consolidated Financial Statements

Year ended December 31, 2015

11. Budget:

The budget data presented in these consolidated financial statements is based upon the 2015 operating budget approved by Council on April 20, 2015.

The budgeted revenue in the consolidated statement of operations do not include investment income on reserve funds.

The budgeted expenses presented in the consolidated statement of operations do not include amortization of tangible capital assets. Actual expenses for the current year are presented by segment in note 15. A subtotal is provided in that note that reflects actual expenses before amortization.

The budget figures presented in the Statement of Operations required the following adjustments:

Approved budgeted annual surplus	\$ 15,000
Add: Capital expenses	24,000
Debt principal payments	80,776
Net transfer to reserve and reserve funds	26,500
Budget annual surplus, per statement of operations	\$ 146,276

12. Operations of school boards and the United Counties of Leeds and Grenville:

During 2015 requisitions were made by School Boards and the United Counties of Leeds and Grenville requiring the Municipality to collect property taxes and payments in lieu of taxes on their behalf. The amounts requisitioned are summarized below:

	School Boards		Counties	
	2015	2014	2015	2014
Property taxes	\$ 835,363	\$ 822,134	\$1,163,329	\$1,099,690
Payments in lieu of taxes	6,011	7,461	20,626	20,516
	\$ 841,374	\$ 829,595	\$1,183,955	\$1,120,206

13. Expenses by object:

The following is a summary of the expenses reported on the Consolidated Statement of Operations by object:

	2015	2014
Wages and benefits	\$ 652,772	\$ 639,764
Materials and supplies	391,619	459,843
Contracted services	749,182	606,873
Rents and financial services	24,973	53,030
Transfer payments	22,609	21,873
Amortization	293,398	291,080
	\$ 2,134,553	\$ 2,072,463

CORPORATION OF THE TOWNSHIP OF FRONT OF YONGE

Notes to Consolidated Financial Statements

Year ended December 31, 2015

14. Pension agreement:

Substantially all of the employees of the Municipality are members of the Ontario Municipal Employees Retirement Fund (OMERS), which is a multi-employer defined benefit pension plan. The plan specifies the amount of the retirement benefit to be received by the employees based on length of service and rates of pay.

Contributions to the plan made during the year by the Municipality on behalf of its employees amounted to \$34,852 (2014 - \$33,420) and are included as expenses in the consolidated statement of operations.

The most recent actuarial valuation was at December 31, 2015 and the December 31, 2015 financial statements of OMERS report net assets of \$77 billion and an actuarial funding deficit of \$7 billion.

15. Segmented information:

Segmented information has been provided in accordance with the functional lines of service that are presented in the consolidated statement of operations. The activities that are included in each functional line of service are as follows:

General government consists of the Mayor and Council, and administrative services.

Protection consists of Fire, Police and By-law Enforcement departments as well as contributions to the Cataraqui Region Conservation Authority.

Transportation services includes road and sidewalk construction and maintenance and winter control.

Environmental services include the operations of solid waste disposal and recycling.

Health services consists of cemetery maintenance.

Recreation and cultural services is comprised primarily of parks services and the operation of recreational facilities, the library and the heritage building.

Planning and development is comprised of planning and zoning, and economic development.

CORPORATION OF THE TOWNSHIP OF FRONT OF YONGE

Notes to Consolidated Financial Statements

Year ended December 31, 2015

15. Segmented information (continued):

2015	General Government	Protection to Persons and Property	Transportation Services	Environmental Services	Health Services	Recreation and Cultural Services	Planning and Development	Total
Revenues:								
Property taxation	\$1,417,434	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$1,417,434
Taxation from other governments	41,045	-	-	-	-	-	-	41,045
User charges	18,691	85,826	8,272	70,464	-	8,053	9,390	200,696
Charges to other municipalities	-	31,058	24,625	-	-	650	-	56,333
Federal grants	-	-	105,000	-	-	-	-	105,000
Provincial grants	219,369	905	-	29,928	-	34,424	-	284,626
Investment income	19,309	-	-	-	-	-	-	19,309
Penalties and interest on taxes	38,376	-	-	-	-	-	-	38,376
Donations	100	20	-	-	-	4,959	-	5,079
	\$1,754,324	\$117,809	\$137,897	\$100,392	\$ -	\$ 48,086	\$ 9,390	\$2,167,898
Expenses:								
Wages and benefits	\$ 316,711	\$ 72,847	\$198,840	\$ 14,075	\$ -	\$ 23,624	\$ -	\$ 626,097
Materials and supplies	41,760	82,302	184,209	18,873	1,000	51,489	11,986	391,619
Contracted services	35,363	399,442	208,478	99,259	2,192	20,355	10,768	775,857
Rent and financial services	2,724	2,773	8,631	7,756	-	3,089	-	24,973
Transfer payments	-	22,609	-	-	-	-	-	22,609
	396,558	579,973	600,158	139,963	3,192	98,557	22,754	1,841,155
Amortization	5,665	47,330	219,297	4,193	-	16,913	-	293,398
	\$ 402,223	\$ 627,303	\$819,455	\$144,156	\$ 3,192	\$115,470	\$ 22,754	\$2,134,553

CORPORATION OF THE TOWNSHIP OF FRONT OF YONGE

Notes to Consolidated Financial Statements

Year ended December 31, 2015

15. Segmented information (continued):

2014	General Government	Protection to Persons and Property	Transportation Services	Environmental Services	Health Services	Recreation and Cultural Services	Planning and Development	Total
Revenues:								
Property taxation	\$ 1,307,371	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,307,371
Taxation from other governments	39,477	-	-	-	-	-	-	39,477
User charges	16,462	38,116	1,263	60,349	-	7,668	2,550	126,408
Charges to other municipalities	-	30,330	-	-	-	650	-	30,980
Federal grants	-	-	83,511	-	-	-	2,000	86,011
Provincial grants	235,222	-	20,543	19,392	-	7,818	-	282,975
Investment income	18,004	-	-	-	-	-	-	18,004
Penalties and interest on taxes	38,271	-	-	-	-	-	-	38,271
Donations	100	-	-	-	-	2,174	-	2,274
Gain on disposal of tangible capital assets	-	-	2,001	-	-	-	-	2,001
	\$ 1,654,907	\$ 68,446	\$ 107,318	\$ 79,741	\$ -	\$ 18,310	\$ 5,050	\$ 1,933,772
Expenses:								
Wages and benefits	\$ 299,410	\$ 67,875	\$ 201,323	\$ 42,059	\$ -	\$ 23,771	\$ 5,326	\$ 639,764
Materials and supplies	49,001	96,541	230,956	29,239	1,000	42,436	10,670	459,843
Contracted services	56,527	331,951	114,741	70,866	1,250	19,142	12,396	606,873
Rent and financial services	2,765	1,814	21,759	26,692	-	-	-	53,030
Transfer payments	-	21,873	-	-	-	-	-	21,873
	407,703	520,054	568,779	168,856	2,250	85,349	28,392	1,781,383
Amortization	5,665	45,092	216,040	4,193	-	20,090	-	291,080
	\$ 413,368	\$ 565,146	\$ 784,819	\$ 173,049	\$ 2,250	\$ 105,439	\$ 28,392	\$ 2,072,463