

**The Corporation of the County of Perth
Consolidated Financial Statements
For the year ended December 31, 2014**

**The Corporation of the County of Perth
Consolidated Financial Statements
For the year ended December 31, 2014**

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Independent Auditors' Report

To the Members of Council, Inhabitants and Ratepayers of The Corporation of the County of Perth

We have audited the accompanying consolidated financial statements of The Corporation of the County of Perth, which comprise the consolidated statement of financial position as at December 31, 2014, the consolidated statements of operations, change in net financial assets and cash flows for the year then ended, 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 financial statements in accordance with Canadian Public Sector Accounting Standards established by CPA Canada, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these 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 control relevant to the entity's preparation 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 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 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 County of Perth as at December 31, 2014 and the results of its operations, change in net financial assets and cash flows for the year then ended, in accordance with Canadian Public Sector Accounting Standards.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants

Stratford, Ontario
July 24, 2015

**The Corporation of the County of Perth
Consolidated Statement of Financial Position**

December 31	2014	2013
Financial assets		
Cash and cash equivalents	\$ 8,474,435	\$ 11,216,454
Accounts receivable	2,869,839	2,706,770
Mortgage and loan receivable (Note 2)	353,087	364,858
	11,697,361	14,288,082
Liabilities		
Accounts payable and accrued liabilities	4,620,875	4,446,129
Employee benefits liability (Note 1)	406,906	433,645
Deferred revenue (Note 3)	262,033	88,510
	5,289,814	4,968,284
Net financial assets	6,407,547	9,319,798
Non-financial assets		
Tangible capital assets (Note 4)	93,305,005	90,314,525
Prepaid expenses	105,790	74,678
Inventories of supplies	466,597	394,647
	93,877,392	90,783,850
Net Municipal Position (Note 5)	\$100,284,939	\$100,103,648

_____ Treasurer _____ Warden

**The Corporation of the County of Perth
Consolidated Statement of Operations**

For the year ended December 31	Budget 2014	Actual 2014	Actual 2013
	(Note 11)		
Revenue			
Taxation	\$ 11,907,722	\$ 11,974,286	\$ 10,937,484
Government transfers - Federal (Note 6)	1,174,694	1,152,972	1,323,495
Government transfers - Provincial (Note 7)	14,725,755	14,804,553	15,132,853
Municipal transfers	4,484,229	4,445,765	4,196,788
User fees and service charges	1,848,046	1,920,312	1,927,527
Other (Note 8)	2,527,877	2,800,684	2,995,139
	36,668,323	37,098,572	36,513,286
Expenses			
General government	2,341,323	2,314,866	2,498,509
Protection services	1,890,841	2,024,110	1,792,396
Transportation services	5,226,655	9,997,739	9,135,356
Health services	12,740,853	12,871,732	12,569,230
Social and family services	6,507,167	6,688,315	6,457,182
Social housing	1,711,462	1,703,418	1,616,104
Recreation and cultural services	501,074	466,176	464,207
Planning and development	873,665	822,452	801,102
	31,793,040	36,888,808	35,334,086
Increase In Net Municipal Position	4,875,283	209,764	1,179,200
Net Municipal Position, beginning of year, as previously reported	100,103,648	100,103,648	98,881,897
Change in proportionate consolidation (Note 13)	(28,473)	(28,473)	42,551
Net Municipal Position, beginning of year, restated	100,075,175	100,075,175	98,924,448
Net Municipal Position, end of year	\$104,950,458	\$100,284,939	\$100,103,648

**The Corporation of the County of Perth
Consolidated Statement of Change in Net Financial Assets**

For the year ended December 31	Budget 2014	Actual 2014	Actual 2013
	(Note 11)		
Increase in Net Municipal Position	\$ 4,875,283	\$ 209,764	\$ 1,179,200
Acquisition of tangible capital assets	(9,414,006)	(8,093,135)	(5,710,131)
Amortization of tangible capital assets	49,603	4,857,647	3,582,015
(Gain) Loss on disposal of tangible capital assets	-	151,846	(660,335)
Proceeds on disposal of tangible capital assets	-	68,300	1,471,623
Proceeds on issuance of long-term debt	3,938,000	-	-
	(551,120)	(2,805,578)	(137,628)
Utilization (acquisition) of prepaid expenses and inventory of supplies	-	(103,062)	101,092
Net change in net financial assets	(551,120)	(2,908,640)	(36,536)
Net financial assets, beginning of year	9,319,798	9,319,798	9,352,381
Change in proportionate consolidation (Note 13)	(3,611)	(3,611)	3,953
Net financial assets, end of year	\$ 8,765,067	\$ 6,407,547	\$ 9,319,798

The Corporation of the County of Perth
Consolidated Statement of Cash Flows

For the year ended December 31	2014	2013
Operating transactions		
Increase in Net Municipal Position	\$ 209,764	\$ 1,179,200
Items not involving cash		
Amortization	4,857,647	3,582,015
Loss (gain) on disposal of tangible capital assets	151,846	(660,335)
Changes in non-cash operating balances		
Accounts receivable	(163,069)	(1,390,440)
Prepaid expenses and inventories of supplies	(103,062)	101,092
Accounts payable and accrued liabilities	174,746	1,485,055
Employment benefits liabilities	(26,739)	(354,840)
Deferred revenue	173,523	(135,616)
	5,274,656	3,806,131
Capital transactions		
Acquisition of tangible capital assets	(8,093,135)	(5,710,131)
Proceeds on disposal of tangible capital assets	68,300	1,471,623
	(8,024,835)	(4,238,508)
Investing transactions		
Decrease of mortgages receivable	11,771	11,539
Net change in cash and cash equivalents	(2,738,408)	(420,838)
Cash and cash equivalents, beginning of year	11,216,454	11,633,339
Change in proportionate consolidation (Note 13)	(3,611)	3,953
Cash and cash equivalents, end of year	\$ 8,474,435	\$ 11,216,454

The Corporation of the County of Perth Summary of Significant Accounting Policies

December 31, 2014

**Management's
Responsibility for the
Financial Statements**

The consolidated financial statements of the Corporation of the County of Perth are the responsibility of management. They have been prepared in accordance with Canadian Public Sector Accounting Standards established by CPA Canada. The Corporation of the County of Perth is a municipality in the Province of Ontario and operates under the provisions of the Municipal Act to provide municipal services such as public works, emergency medical services, planning, provincial offences administration and other general government services.

Basis of Consolidation

These consolidated financial statement reflect the assets, liabilities, revenue and expenses of all municipal organizations, committees and Boards which are owned or controlled by the County. All interfund assets and liabilities and revenues and expenditures have been eliminated upon consolidation.

Joint local boards controlled by the Corporation of the County of Perth have been proportionately consolidated. Participating municipalities have approved new funding agreements which are effective January 1, 2012, changing the percentages reported. Details of percentages reported are as follows:

	<u>2014</u>	<u>2013</u>
Perth District Health Unit	47.03%	47.29%
Spruce Lodge Home for the Aged	48.01%	48.27%
Spruce Lodge Home Assistance Corporation	48.01%	48.27%
Spruce Lodge Foundation	48.01%	48.27%

Basis of Accounting

These financial statements have been prepared on an accrual basis except for Provincial Offences Administration. The accrual basis of accounting recognizes revenues as they become available and measurable; expenditures 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.

**Cash and Cash
Equivalents**

Management considers all highly liquid investments with maturity of three months or less at acquisition to be cash equivalents.

The Corporation of the County of Perth
Summary of Significant Accounting Policies

December 31, 2014

Tangible Capital Assets

Tangible capital assets are recorded at cost less accumulated amortization. Cost includes all costs directly attributable to acquisition or construction of the tangible capital asset including transportation costs, installation costs, design and engineering fees, legal fees and site preparation costs. Contributed tangible capital assets are recorded at fair value at the time of the donation, with a corresponding amount recorded as revenue. Amortization is recorded on a straight-line basis over the estimated life of the tangible capital asset commencing once the asset is available for productive use as follows:

Land improvement	15 years
Facilities	10 to 75 years
Equipment	10 to 20 years
Vehicles	7 to 20 years
Infrastructure - roads	20 to 50 years
Infrastructure - bridges and culverts	30 to 80 years
Computer systems	4 to 7 years

Trust Funds

Funds held in trust by the County of Perth, its consolidated local boards, and their related operations, are not included in these financial statements. The financial activity and position of any trust funds are reported separately.

Deferred Revenue

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

Government Transfers

Government transfers, which include legislative grants, are recognized in the financial statements when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability - in which case they are recognized as deferred revenue until such time as the stipulations are met.

The Corporation of the County of Perth Summary of Significant Accounting Policies

December 31, 2014

Revenue Recognition	<p>Taxes are recorded at estimated amounts when they meet the definition of an asset, have been authorized and the taxable event occurs. For property taxes, the taxable event is the period for which the tax is levied. Taxes receivable are recognized net of an allowance for anticipated uncollectible amounts.</p> <p>Conditional grant revenue is recognized to the extent the conditions imposed on it have been fulfilled. Unconditional grant revenues are recognized as they become receivable.</p> <p>Grants for the acquisition of tangible capital assets are recognized in the period in which eligible expenditures are made.</p> <p>Sales of service and other revenue is recognized on an accrual basis.</p> <p>Provincial Offences revenue is recognized on a cash basis.</p>
Use of Estimates	<p>The preparation of financial statements in accordance with Canadian Public Sector Accounting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.</p>

The Corporation of the County of Perth
Notes to Consolidated Financial Statements

December 31, 2014

1. Employee Benefits Liability

The amount reported for employee benefits liability on the consolidated statement of financial position consists of the following:

	2014	2013
Sick leave benefits	\$ 265,047	\$ 300,598
Workplace Safety and Insurance	141,835	133,047
	\$ 406,882	\$ 433,645

Sick Leave Benefits

The County and its consolidated boards provide sick leave benefits for employees that can be carried forward and employees may become entitled to a cash payment when they leave their respective employment.

The County eliminated this benefit as of June 30, 2013, and as of December 31, 2014, the County had no outstanding sick leave benefits liability.

Workplace Safety and Insurance Board ("WSIB")

The County is a Schedule II employer under the Workplace Safety and Insurance Act, whereby it self-insures the entire risk of their own WSIB claims. The County is also responsible for reimbursing the WSIB for all costs relating to its workers' claims.

The liability reported in the consolidated statement of financial position is the result of an actuarial update that estimated potential liabilities of the municipality under the provisions of the Workplace Safety and Insurance Act. The last full actuarial evaluation for the County of Perth was completed as at December 31, 2011 and forecasted for the next three years.

	2014	2013
WSIB liability		
Accrued benefit obligation at January 1	\$ 133,047	\$ 124,702
Add estimated cost of claims (service cost)	3,068	2,982
Add interest accrued	5,720	5,363
Liability at December 31	\$ 141,835	\$ 133,047

	2014	2013
WSIB benefits expense		
Current year benefit cost	\$ 3,068	\$ 2,982
Interest on accrued benefit obligation	5,720	5,363
Total	\$ 8,788	\$ 8,345

Pension Agreements

The County of Perth and its consolidated boards make contributions to the Ontario Municipal Employees Retirement System (OMERS), which is a multi-employer plan, on behalf of all eligible employees. The plan is a defined benefit plan which specifies the amount of the retirement to be received by the employees based on length of service and rates of pay. During the year, employer contributions of \$1,457,794 (2013 - \$1,430,642) were paid by the

The Corporation of the County of Perth
Notes to Consolidated Financial Statements

December 31, 2014

County and its consolidated boards and reported as an expense on the consolidated statement of operations.

2. Mortgage and Loan Receivable

	<u>2014</u>	<u>2013</u>
First mortgage receivable - Stratford Perth Museum, interest at 3.0%, payable in monthly installments of \$1,194 principal and interest, due September 2037.	236,684	243,799
Second mortgage receivable - Stratford Perth Museum, interest at 0.5%, payable in monthly installments of \$438 principal and interest, due July 2038.	116,403	125,693
	<u>\$ 353,087</u>	<u>\$ 369,492</u>

The Corporation of the County of Perth
Notes to Consolidated Financial Statements

December 31, 2014

3. Deferred Revenue

	Opening balance	Contributions received	Externally restricted investment income	Revenue recognized	Ending balance
Federal gas tax		1,118,425	1,005	(1,119,430) \$	-
Source Water Protection		30,804		(1,874)	28,930
PDHU & Spruce Lodge	88,510	218,367	-	(73,774)	233,103
	<u>\$ 88,510</u>	<u>1,367,596</u>	<u>1,005</u>	<u>(1,195,078) \$</u>	<u>262,033</u>

Federal gas tax

Gas tax revenue is provided by the Government of Canada. The use of the funding is established by a funding agreement between the County of Perth and the Association of Municipalities of Ontario (AMO). Gas tax funding may be used towards designated environmentally sustainable municipal infrastructure and capacity building projects as specified in the funding agreements.

Source Water Protection

Source water protection revenue is provided by the Government of Ontario through the Ministry of the Environment. The use of such revenue is established by a funding agreement which specifies that funding may be used towards a portion of costs for small, rural municipalities in preparing and implementing source water protection plans.

The Corporation of the County of Perth
Notes to Consolidated Financial Statements

December 31, 2014

4. Tangible Capital Assets

	2014							
	Land and land improvement	Facilities	Equipment	Vehicles	Infrastructure - roads	Infrastructure - bridges and culverts	Computer systems	Total
Cost, beginning of year	\$ 1,089,688	\$ 13,135,509	\$ 1,736,175	\$ 4,164,120	\$ 90,061,775	\$ 21,343,499	\$ 1,146,340	\$ 132,677,106
Additions	653,349	3,145,403	10,927	593,955	2,853,705	744,759	91,037	8,093,135
Disposals	(61,568)	(28,171)	(122)	(273,073)	(1,393,715)	(40,799)	(82,055)	(1,879,503)
Change in consol- idation (Note 15)	(242)	(43,462)	-	-	-	-	(1,373)	(45,077)
Cost, end of year	\$ 1,681,227	\$ 16,209,279	\$ 1,746,980	\$ 4,485,002	\$ 91,521,765	\$ 22,047,459	\$ 1,153,949	\$ 138,845,661
Accumulated amortization, beginning of year	\$ 77,676	\$ 4,911,464	\$ 600,936	\$ 2,173,372	\$ 25,713,686	\$ 8,039,236	\$ 846,211	\$ 42,362,581
Amortization	15,609	1,169,248	141,342	248,272	2,449,080	716,387	117,709	4,857,647
Disposals	-	(28,171)	(22)	(230,002)	(1,279,989)	(40,799)	(80,374)	(1,659,357)
Change in consol- idation (Note 15)	(93)	(19,281)	-	-	-	-	(841)	(20,215)
Accumulated amortization, end of year	\$ 93,192	\$ 6,033,260	\$ 742,256	\$ 2,191,642	\$ 26,882,777	\$ 8,714,824	\$ 882,705	\$ 45,540,656
Net book value, end of year	\$ 1,588,035	\$ 10,176,019	\$ 1,004,724	\$ 2,293,360	\$ 64,638,988	\$ 13,332,635	\$ 271,244	\$ 93,305,005

The net book value of capital assets not being amortized because they are under construction (or development) is \$1,925,448 (2013 - \$1,051,398).

The Corporation of the County of Perth
Notes to Consolidated Financial Statements

December 31, 2014

4. Tangible Capital Assets (continued)

	2013							
	Land and land improvement	Facilities	Equipment	Vehicle	Infrastructure - roads	Infrastructure - bridges and culverts	Computer systems	Total
Cost, beginning of year	\$ 621,542	\$ 13,176,856	\$ 1,672,234	\$ 4,043,929	\$ 89,857,208	\$ 19,790,338	\$ 1,067,581	\$ 130,229,688
Additions	37,015	485,226	71,011	499,108	2,744,265	1,744,584	128,922	5,710,131
Disposals		(160,764)	(7,070)	(378,917)	(2,539,698)	(191,423)	(52,229)	(3,330,101)
Transfers	430,755	(430,755)						-
Change in consolidation	376	64,946	-	-	-	-	2,066	67,388
Cost, end of year	\$ 1,089,688	\$ 13,135,509	\$ 1,736,175	\$ 4,164,120	\$ 90,061,775	\$ 21,343,499	\$ 1,146,340	\$ 132,677,106
Accumulated amortization, beginning of year	\$ 36,274	\$ 4,541,757	\$ 498,018	\$ 2,257,494	\$ 25,205,397	\$ 7,950,537	\$ 781,112	\$ 41,270,589
Amortization	13,272	476,174	109,788	210,756	2,393,754	262,661	115,610	3,582,015
Disposals		(105,934)	(6,870)	(294,878)	(1,885,465)	(173,962)	(51,704)	(2,518,813)
Transfers	27,999	(27,999)						-
Change in consolidation	131	27,466	-	-	-	-	1,193	28,790
Accumulated amortization, end of year	\$ 77,676	\$ 4,911,464	\$ 600,936	\$ 2,173,372	\$ 25,713,686	\$ 8,039,236	\$ 846,211	\$ 42,362,581
Net book value, end of year	\$ 1,012,012	\$ 8,224,045	\$ 1,135,239	\$ 1,990,748	\$ 64,348,089	\$ 13,304,263	\$ 300,129	\$ 90,314,525

The Corporation of the County of Perth
Notes to Consolidated Financial Statements

December 31, 2014

5. Net Municipal Position

	2014	2013
Investment in tangible capital assets	\$ 93,305,005	\$ 90,314,524
Inventory, prepaid expenses and current funds	1,789,279	2,013,317
Operating Surplus		
Perth County	223,872	26,231
Perth District Health Unit	(35,124)	12,702
Spruce Lodge	4,930	484,853
Reserves		
Working funds	1,583,984	1,571,872
Current purposes	1,387,153	1,900,651
Capital purposes	1,672,656	3,354,255
Sick leave and WSIB	609,011	693,155
Reserve Funds		
Archives Special Donations	9,244	9,102
Unfunded sick leave liability	(265,071)	(277,014)
	\$100,284,939	\$100,103,648

Reserves and reserve funds represent funds set aside by bylaw or council resolution for specific purposes.

6. Government Transfers - Federal

	Budget 2014	Actual 2014	Actual 2013
	(Note 11)		
Operating			
Conditional - PDHU grant	\$ 31,694	\$ 33,542	\$ 42,367
Capital			
Federal gas tax revenue	1,143,000	1,119,430	1,281,128
	\$ 1,174,694	\$ 1,152,972	\$ 1,323,495

The Corporation of the County of Perth
Notes to Consolidated Financial Statements

December 31, 2014

7. Government Transfers - Provincial

	Budget 2014	Actual 2014	Actual 2013
	(Note 11)		
Operating			
Ontario Municipal Partnership Fund	\$ 3,381,100	\$ 3,381,200	\$ 3,977,800
Conditional -EMS grant	4,976,523	4,897,203	4,733,213
-PDHU and Spruce Lodge grants	6,343,132	6,509,276	6,421,840
-other	25,000	16,874	-
	\$ 14,725,755	\$ 14,804,553	\$ 15,132,853

8. Other Income

	Budget 2014	Actual 2014	Actual 2013
	(Note 11)		
Fines and penalties	\$ 1,666,000	\$ 1,876,364	\$ 1,597,942
Less: fines under appeal	-	(110,010)	-
Investment income	70,477	114,672	147,715
Licences, permits and rents	316,000	290,036	297,674
Donations (includes in-kind)	400	19,714	22,839
Insurance proceeds	-	123,507	-
Gain on disposal of tangible capital assets	-	-	853,969
Sale of land inventory (Clayton Street)	-	486,401	-
IPM advance repayment	-	-	75,000
	\$ 2,527,877	\$ 2,800,684	\$ 2,995,139

The Corporation of the County of Perth
Notes to Consolidated Financial Statements

December 31, 2014

9. Expenditures by Object

Total operating expenditures for the year reported on the consolidated statement of financial activities are as follows:

	Budget 2014	Actual 2014	Actual 2013
	(Note 11)		
Salaries, wages and employee benefits	\$ 20,497,849	\$ 20,608,040	\$ 20,098,977
Materials	4,906,975	5,088,965	5,627,557
Contracted services	5,095,380	4,949,813	4,773,453
Rents and financial expenses	266,218	258,871	152,461
Contributions to other organizations	977,015	973,627	905,989
Amortization	49,603	4,857,646	3,582,015
Loss on disposal of capital assets	-	151,846	193,634
	31,793,040	\$ 36,888,808	\$ 35,334,086

10. Trust Funds

The County's proportional amount of the trust funds administered by the Spruce Lodge amounting to \$14,368 (2013 - \$9,975) have not been included in the consolidated financial statements.

The Corporation of the County of Perth
Notes to Consolidated Financial Statements

December 31, 2014

11. Budget

The Financial Plan/Budget, adopted by Council on February 6, 2014, by resolution #2014-46, other than the proportionate budgets of the consolidated local boards, were not prepared on the same basis as would be reported on the annual financial statements, the latter being required by Public Sector Accounting Standards. The budget was prepared on a modified accrual basis while Public Sector Accounting Standards now require a full accrual basis. The budget figures anticipated use of surpluses accumulated in previous years to reduce current year expenditures in excess of current year revenues to \$ nil. In addition, all included budgets do not include full amortization expense. As a result, had the budget been presented on a basis consistent with Public Sector Accounting Standards, the Statement of Operations and Change in Net Assets, including proportionately consolidated budgets of the outside local boards would have been shown as follows:

	<u>2014</u>
Financial Plan (Budget) Resolution surplus for the year	\$ -
Add:	
Capital expenditures	9,414,006
Budgeted transfers to net municipal position	3,348,568
Budgeted surplus from other local boards	10,066
Less:	
Budgeted transfers from net municipal position	(3,959,357)
Proceeds from issuance of long-term debt	<u>(3,938,000)</u>
Increase to net municipal position per statement of operations	<u>\$ 4,875,283</u>

12. Comparative Figures

Certain comparative figures have been reclassified to conform with the current year's financial statement presentation.

The Corporation of the County of Perth
Notes to Consolidated Financial Statements

December 31, 2014

13. Change in Proportionate Consolidation

The change in proportionate consolidation of joint local boards is the result of new funding agreements effective January 1, 2012. The resulting changes in funding percentages and their effects are as follows:

Funding Percentage	<u>2014</u>	<u>2013</u>	<u>Change</u>
Perth District Health Unit	47.03%	47.29%	(0.26)%
Spruce Lodge	48.01%	48.27%	(0.26)%
 Effect of Change in Funding Percentages			<u>January 1, 2014</u>
Tangible capital assets			
Cost		\$	(45,077)
Accumulated amortization			<u>20,215</u>
Net book value			(24,862)
Net financial assets			(3,475)
Other non-financial assets			<u>(136)</u>
Change in Net Municipal Position		\$	<u>(28,473)</u>

14. Segmented Information

The Corporation of the County of Perth is a diversified municipal government institution that provides a wide range of services to its citizens. Distinguishable functional segments have been separately disclosed in the segmented information. The nature of the segments and the activities they encompass are as follows:

Council and CAO/Clerk

This office of the Chief Administrative Officer is responsible for costs relating to the legislative duties of the Clerk, the position of the Chief Administrative Officer, and the administrative functions of Accessibility, Human Resources and Economic Development. Council expenditures relate to the remuneration, professional development, and other expenses related to the execution of the duties of the Warden and Councilors.

The Corporation of the County of Perth Notes to Consolidated Financial Statements

December 31, 2014

Corporate Services

This department is responsible for four functions: Finance, Technology Services, Provincial Offences Administration, and Archives.

Finance

Finance is responsible for the administration of the annual budget and procurement policies, providing advice on financial legislative obligations, reserve and reserve fund administration, financial impacts and analysis, investments and borrowing, financial policy and procedures, insurance claims and risk management, administration of payroll, and to foster relations with financial institutions and other stakeholders. This area also relates to the corporate-wide revenues and expenses of the operations of the County that cannot be directly attributed to specific segments.

Technology Services

These costs relate to network and Internet connectivity support and implementation, and assistance to departments in the effective use of communications, workflow and data management.

Provincial Offences Administration (POA)

POA is responsible for providing administrative support for the Ontario Court of Justice. The Provincial Offences Act applies to all Ontario statutes (and regulations), municipal by-laws, and some federal contraventions.

Stratford - Perth Archives

Archives is responsible for preserving, protecting and making available the documentary heritage, including municipal and school records of Perth County, including its four lower tier municipalities, and the City of Stratford.

Public Works

Public works is responsible for the maintenance and winter control of the County's road network, the maintenance and operations of all facilities and fleet assets used by County operations.

Emergency Services (ES)

ES is responsible for the provision of pre-hospital medical care and transportation services to the ill and injured in the County, and for the planning, maintenance and mobilization of community resources for declared and non-declared emergencies.

The Corporation of the County of Perth
Notes to Consolidated Financial Statements

December 31, 2014

14. Segmented Information (Continued)

Planning and Development

This department provides a number of services including planning, protection to persons and property, geographic information system and Land Division Committee services and support.

Shared Services

The operations of the Perth District Health Unit and Spruce Lodge - Home for the Aged are proportionately consolidated with the County. Other services provided by the City of Stratford - Social Services Department and the Stratford-Perth Museum Board are funded in part by the County, but not consolidated. All of these services are reported together in the following chart under "Shared Services" for segmentation purposes.

The accounting policies of the segments are the same as those described in the summary of significant accounting policies. In measuring and reporting segment revenue from transactions with other segments, inter-segment transfers have been measured on the basis of the actual cost of services provided. Amounts that are directly attributable to a number of segments have been allocated on a reasonable basis as follows:

Taxation and OMPF grants are allocated to those segments that are funded by the County based on the budgeted share of municipal levy for the year.

The Corporation of the County of Perth
Notes to Consolidated Financial Statements

December 31, 2014

14. Segmented Information (continued)

For the year ended December 31	Council & CAO	Corporate Services	Public Works	Emergency Services	Planning and Development	Shared Services	2014 Total
Revenue							
Taxation operating	\$ 735,464	\$ 827,613	\$ 2,062,079	\$ 1,310,098	\$ 414,676	\$ 3,343,488	8,693,418
Taxation capital	-	70,000	3,130,868	80,000	-	-	3,280,868
Government grants	417,618	580,665	3,200,196	8,126,425	235,159	7,843,228	20,403,291
User fees and service charges	475	3,713	43,997	3,746	64,549	1,803,831	1,920,311
Other	486,401	1,866,014	413,543	-	-	34,726	2,800,684
	<u>1,639,958</u>	<u>3,348,005</u>	<u>8,850,683</u>	<u>9,520,269</u>	<u>714,384</u>	<u>13,025,273</u>	<u>37,098,572</u>
Expenses							
Salaries and wages	847,290	1,169,933	2,143,476	8,238,786	489,708	7,718,847	20,608,040
Goods and services	215,830	1,539,630	3,183,536	641,916	149,635	4,567,049	10,297,596
External transfers	168,364	714,406	-	-	-	90,857	973,627
Amortization	-	77,755	4,294,362	121,402	-	364,127	4,857,646
Loss on disposal	-	1,628	150,118	100	-	53	151,899
	<u>1,231,484</u>	<u>3,503,352</u>	<u>9,771,492</u>	<u>9,002,204</u>	<u>639,343</u>	<u>12,740,933</u>	<u>36,888,808</u>
Increase (decrease) in net municipal position	<u>\$ 408,474</u>	<u>\$ (155,347)</u>	<u>\$ (920,809)</u>	<u>\$ 518,065</u>	<u>\$ 75,041</u>	<u>\$ 284,340</u>	<u>209,764</u>

The Corporation of the County of Perth
Notes to Consolidated Financial Statements

December 31, 2014

14. Segmented Information (continued)

For the year ended December 31	Council & CAO	Corporate Services	Public Works	Emergency Services	Planning and Development	Shared Services	2013 Total
Revenue							
Taxation	\$ 753,593	\$ 894,686	\$ 3,918,901	\$ 1,448,123	\$ 454,999	\$ 3,467,182	10,937,484
Government grant	274,070	623,133	3,913,130	7,935,884	181,749	7,725,170	20,653,136
User fees and service charges	17,896	5,090	52,246	11,989	70,463	1,769,843	1,927,527
Other	17,795	1,731,270	1,151,643	-	75,000	19,431	2,995,139
	<u>1,063,354</u>	<u>3,254,179</u>	<u>9,035,920</u>	<u>9,395,996</u>	<u>782,211</u>	<u>12,981,626</u>	<u>36,513,286</u>
Expenses							
Salaries and benefits	846,553	1,154,407	2,074,773	7,984,687	505,147	7,533,409	20,098,976
Goods and services	370,131	1,407,180	3,767,550	546,860	150,382	4,311,369	10,553,472
External transfers	40,000	658,327	-	-	109,250	98,409	905,986
Amortization	-	72,134	3,098,800	62,807	-	348,277	3,582,018
Loss on disposal	-	525	193,109	-	-	-	193,634
	<u>1,256,684</u>	<u>3,292,573</u>	<u>9,134,232</u>	<u>8,594,354</u>	<u>764,779</u>	<u>12,291,464</u>	<u>35,334,086</u>
Increase (decrease) in net municipal position	<u>\$ (193,330)</u>	<u>\$ (38,394)</u>	<u>\$ (98,312)</u>	<u>\$ 801,642</u>	<u>\$ 17,432</u>	<u>\$ 690,162</u>	<u>1,179,200</u>