

Consolidated Financial Statements of

**THE CORPORATION OF THE  
MUNICIPALITY OF TEMAGAMI**

Year ended December 31, 2014

# THE CORPORATION OF THE MUNICIPALITY OF TEMAGAMI

Consolidated Financial Statements

Year ended December 31, 2014

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

The accompanying consolidated financial statements of The Corporation of the Municipality of Temagami (the "Municipality") are the responsibility of the Municipality'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 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 Municipality'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.

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 Municipality. The accompanying Independent Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the Municipality's consolidated financial statements.

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Chief Administrative Officer

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Treasurer



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## INDEPENDENT AUDITORS' REPORT

To the Members of Council, Inhabitants and Ratepayers of  
The Corporation of the Municipality of Temagami

We have audited the accompanying consolidated financial statements of **The Corporation of the Municipality of Temagami**, which comprise the consolidated statement of financial position as at December 31, 2014, the consolidated statements of operations and accumulated surplus, change 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 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, the consolidated financial statements present fairly, in all material respects the consolidated financial position of The Corporation of the Municipality of Temagami as at December 31, 2014, and its results of operations, its changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Chartered Professional Accountants, Licensed Public Accountants

April 23, 2015  
Sudbury, Canada

# THE CORPORATION OF THE MUNICIPALITY OF TEMAGAMI

## Consolidated Statement of Financial Position

December 31, 2014, with comparative information for 2013

	2014	2013
<b>Financial assets:</b>		
Cash	\$ 1,632,634	\$ 1,987,176
Taxes receivable	805,159	736,847
Accounts receivable (note 2)	194,764	174,617
Property held for sale	63,120	-
	<u>2,695,677</u>	<u>2,898,640</u>
<b>Financial liabilities:</b>		
Accounts payable and accrued liabilities (note 3)	476,583	741,081
Deferred revenue - general	-	70,520
Deferred revenue - obligatory	37,849	2,402
Municipal debt (note 4)	357,053	522,638
Landfill closure liabilities (note 5)	107,500	95,000
	<u>978,985</u>	<u>1,431,641</u>
Net financial assets	1,716,692	1,466,999
<b>Non-financial assets:</b>		
Tangible capital assets (note 6)	13,093,106	13,580,252
	<u>13,093,106</u>	<u>13,580,252</u>
Accumulated surplus (note 7)	\$ 14,809,798	\$ 15,047,251

The accompanying notes are an integral part of this consolidated financial statement.

# THE CORPORATION OF THE MUNICIPALITY OF TEMAGAMI

## Consolidated Statement of Operations and Accumulated Surplus

Year ended December 31, 2014, with comparative information for 2013

	Budget 2014	Actual 2014	Actual 2013
	(note 11)		
Revenues:			
Operating revenues:			
Municipal taxation	\$ 3,340,628	\$ 3,335,899	\$ 3,291,516
User charges	671,792	669,996	679,658
Provincial grants	1,082,745	1,722,625	1,830,644
Federal grants	-	6,200	1,208
Investment income	14,500	17,975	21,468
Penalties and interest on taxes	72,000	104,085	84,995
Provincial Offences Act	12,500	14,384	17,076
Other	52,263	49,622	67,591
Gain (loss) on sale of tangible capital assets	-	10,464	(3,774)
	5,246,428	5,931,250	5,990,382
Capital revenues:			
Provincial grants	283,659	133,645	383,050
Federal grants	107,301	14,729	121,356
Donations	-	2,047	3,356
	390,960	150,421	507,762
<b>Total revenues</b>	<b>5,637,388</b>	<b>6,081,671</b>	<b>6,498,144</b>
Expenses:			
Current operations:			
General government	957,223	1,094,498	1,024,311
Protection to persons and property	723,590	697,940	635,430
Transportation services	657,784	1,096,303	1,109,933
Environmental services	581,651	978,378	570,821
Health services	52,420	774,847	734,442
Social and family services	1,134,433	1,128,823	1,169,565
Recreational and cultural services	269,262	377,339	358,557
Planning and development	195,299	170,996	147,844
<b>Total expenses</b>	<b>4,571,662</b>	<b>6,319,124</b>	<b>5,750,903</b>
<b>Annual surplus (deficit)</b>	<b>1,065,726</b>	<b>(237,453)</b>	<b>747,241</b>
Accumulated surplus, beginning of the year	15,047,251	15,047,251	14,300,010
<b>Accumulated surplus, end of year</b>	<b>\$ 16,112,977</b>	<b>\$ 14,809,798</b>	<b>\$ 15,047,251</b>

The accompanying notes are an integral part of this consolidated financial statement.

# THE CORPORATION OF THE MUNICIPALITY OF TEMAGAMI

## Consolidated Statement of Change in Net Financial Assets

Year ended December 31, 2014, with comparative information for 2013

	Budget 2014	Actual 2014	Actual 2013
Annual surplus (deficit)	\$ 1,065,726	\$ (237,453)	\$ 747,241
Acquisition of tangible capital assets	(1,095,949)	(455,846)	(1,081,175)
Amortization of tangible capital assets	-	879,872	930,374
Loss (gain) on sale of tangible capital assets	-	(10,464)	3,774
Proceeds on sale of tangible capital assets	-	10,464	4,664
Transfer to property held for sale	-	63,120	-
<b>Change in net financial assets</b>	<b>(30,223)</b>	<b>249,693</b>	<b>604,878</b>
Net financial assets, beginning of the year	1,466,999	1,466,999	862,121
<b>Net financial assets, end of the year</b>	<b>\$ 1,436,776</b>	<b>\$ 1,716,692</b>	<b>\$ 1,466,999</b>

The accompanying notes are an integral part of this consolidated financial statement.

# THE CORPORATION OF THE MUNICIPALITY OF TEMAGAMI

## Consolidated Statement of Cash Flows

Year ended December 31, 2014, with comparative information for 2013

	2014	2013
Cash provided by (used in):		
Operating activities:		
Annual surplus (deficit)	\$ (237,453)	\$ 747,241
Items not involving cash:		
Amortization of tangible capital assets	879,872	930,374
Loss (gain) on sale of tangible capital assets	(10,464)	3,774
Increase (decrease) in landfill closure liabilities	12,500	(410,000)
	644,455	1,271,389
Change in non-cash assets and liabilities:		
Increase in taxes receivable	(68,312)	(166,986)
Increase in accounts receivable	(20,147)	(1,989)
Increase (decrease) in accounts payable and accrued liabilities	(264,498)	350,961
Increase (decrease) in deferred revenue - general	(70,520)	20,183
Increase (decrease) in deferred revenue - obligatory	35,447	(56,916)
Net change in cash from operating activities	256,425	1,416,642
Financing activities:		
Principal repayments on net long-term liabilities	(165,585)	(178,613)
Net change in financing activities	(165,585)	(178,613)
Capital activities:		
Proceeds on sale of tangible capital assets	10,464	4,664
Acquisition of tangible capital assets	(455,846)	(1,081,175)
Net change in cash from capital activities	(445,382)	(1,076,511)
<b>Net change in cash</b>	<b>(354,542)</b>	<b>161,518</b>
Cash, beginning of year	1,987,176	1,825,658
<b>Cash, end of year</b>	<b>\$ 1,632,634</b>	<b>\$ 1,987,176</b>

The accompanying notes are an integral part of this consolidated financial statement.



# THE CORPORATION OF THE MUNICIPALITY OF TEMAGAMI

## Notes to Consolidated Financial Statements

Year ended December 31, 2014

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The Corporation of the Municipality of Temagami is a municipality in the Province of Ontario, Canada. It conducts its operations guided by the provisions of provincial statutes such as the Municipal Act and other related legislation.

### 1. Significant accounting policies:

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

#### (a) Reporting entity:

- (i) These consolidated financial statements reflect the assets, liabilities, revenues and expenses and include the activities of all committees of Council and the following boards which are under the control of Council:

- Parks and Recreation Committee
- Water Supply System
- Planning Board
- Temagami Community Library
- Cemetery Board
- Temagami Ambulance Service

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

- (ii) The Municipality collects taxation revenue on behalf of the school boards.

The taxation, other revenues, expenses, assets and liabilities with respect to the operations of the school boards are not reflected in the municipal fund balances on these financial statements (Note 8).

- (iii) Trust funds and their related operations administered by the Municipality are not included in these financial statements but are reported on separately on the Trust Funds Financial Statements (Note 9).

#### (b) Basis of accounting:

Sources of financing and expenses are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they are earned and measurable. Expenses are recognized as they are incurred and measurable as a result of the receipt of goods or services and the creation of a legal obligation to pay. Amounts applied to specific operating and capital projects are recorded as revenue in the fiscal period in which the funds are expended on these projects.

# THE CORPORATION OF THE MUNICIPALITY OF TEMAGAMI

Notes to Consolidated Financial Statements

Year ended December 31, 2014

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## 1. Significant accounting policies (continued):

### (c) 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:

<b>Asset</b>	<b>Useful Life - Years</b>
Buildings	10 - 50
Heavy equipment	10 - 25
Vehicles	10 - 25
Equipment	5 - 20
Roads	10 - 30
Water distribution lines	40 - 50
Sewer lines	40 - 50
Land improvements	10 - 50

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

Annual amortization is charged in the year of acquisition and in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

### (d) Deferred revenues:

Deferred revenues represent cash received for which the related services or inspections have yet to be performed or eligibility criteria have not been met. These amounts will be recognized as revenues in the fiscal year the services are performed and eligibility criteria have been met.

### (e) Landfill liability:

The liability for closure of operational sites and post-closure care has been recognized based on estimated future expenses, estimated inflation and the usage of the site's capacity during the year.

# THE CORPORATION OF THE MUNICIPALITY OF TEMAGAMI

## Notes to Consolidated Financial Statements

Year ended December 31, 2014

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### 1. Significant accounting policies (continued):

(f) Use of estimates:

The preparation of financial statements 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 revenue and expenses during the periods specified. Significant items subject to such estimates and assumptions include the valuation allowances for taxes and accounts receivable, the carrying value of tangible capital assets and provisions for accrued liabilities and landfill 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.

(g) Investments:

Investments are carried at market value.

### 2. Accounts receivable:

Accounts receivable consist of the following:

	2014	2013
Government of Canada	\$ 71,021	\$ 96,300
Province of Ontario	24,674	50,605
Other	99,069	27,712
	<u>\$ 194,764</u>	<u>\$ 174,617</u>

### 3. Accounts payable and accrued liabilities:

Accounts payable and accrued liabilities consist of the following:

	2014	2013
Trade and miscellaneous	\$ 402,105	\$ 695,805
Personnel related obligations	74,478	45,276
	<u>\$ 476,583</u>	<u>\$ 741,081</u>

# THE CORPORATION OF THE MUNICIPALITY OF TEMAGAMI

## Notes to Consolidated Financial Statements

Year ended December 31, 2014

### 4. Municipal debt:

Municipal debt reported on the consolidated statement of financial position is made up of the following:

	2014	2013
Bank loan payable in monthly installment of \$7,125 plus interest at bank prime, due December 2015 (water system debt)	\$ 85,500	\$ 171,000
Debenture with the Ontario Infrastructure Projects Corporation bearing interest at 4.19% and payable in semi-annual blended payments of \$27,897, due May 2020	271,553	314,611
Bank loan payable in monthly installment of \$4,167 plus interest at bank prime rate, paid in the current year	–	37,027
	<u>\$ 357,053</u>	<u>\$ 522,638</u>

Principal repayments on the municipal debt are as follows:

2015	\$ 130,381
2016	46,781
2017	48,762
2018	50,826
2019	52,978
Thereafter	27,325
	<u>\$ 357,053</u>

# THE CORPORATION OF THE MUNICIPALITY OF TEMAGAMI

Notes to Consolidated Financial Statements

Year ended December 31, 2014

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## 5. Landfill 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 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 terms 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 the risk-free rate adjusted for the effect of the Municipality's credit standing of 3.0%. The estimated total landfill closure and post-closure care expenditures are calculated to be \$107,500 (2013 - \$95,000). The estimated liability for these expenditures is recognized as the landfill site's capacity is used.

The estimated remaining capacity of the landfill sites is 40,762 cubic meters. The Municipality has established a reserve of \$105,000 to date to provide for these obligations.

# THE CORPORATION OF THE MUNICIPALITY OF TEMAGAMI

## Notes to Consolidated Financial Statements

Year ended December 31, 2014

### 6. Tangible capital assets:

Cost	Balance at December 31, 2013	Additions	Disposals	Balance at December 31, 2014
Land	\$ 62,664	\$ 36,714	\$ -	\$ 99,378
Buildings	8,643,963	41,749	(166,101)	8,519,611
Land improvements	221,252	20,645	-	241,897
Vehicles	222,883	-	-	222,883
Equipment	4,917,804	14,858	-	4,932,662
Heavy equipment	1,257,046	193,595	(67,022)	1,383,619
Roads	3,267,903	148,285	-	3,416,188
Water distribution lines	3,849,902	-	-	3,849,902
Sewer lines	3,213,967	-	-	3,213,967
<b>Total</b>	<b>\$ 25,657,384</b>	<b>\$ 455,846</b>	<b>\$ (233,123)</b>	<b>\$ 25,880,107</b>

Accumulated amortization	Balance at December 31, 2013	Disposals	Amortization expense	Balance at December 31, 2014
Land	\$ -	\$ -	\$ -	\$ -
Buildings	1,956,181	(102,981)	179,894	2,033,094
Land improvements	74,862	-	10,905	85,767
Vehicles	141,647	-	14,319	155,966
Equipment	1,476,371	-	209,816	1,686,187
Heavy equipment	627,666	(67,022)	79,759	640,403
Roads	2,431,866	-	243,902	2,675,768
Water distribution lines	2,925,925	-	76,998	3,002,923
Sewer lines	2,442,614	-	64,279	2,506,893
<b>Total</b>	<b>\$ 12,077,132</b>	<b>\$ (170,003)</b>	<b>\$ 879,872</b>	<b>\$ 12,787,001</b>

	Net book value December 31, 2013	Net book value December 31, 2014
Land	\$ 62,664	\$ 99,378
Buildings	6,687,782	6,486,517
Land improvements	146,390	156,130
Vehicles	81,236	66,917
Equipment	3,441,433	3,246,475
Heavy equipment	629,380	743,216
Roads	836,037	740,420
Water distribution lines	923,977	846,979
Sewer lines	771,353	707,074
<b>Total</b>	<b>\$ 13,580,252</b>	<b>\$ 13,093,106</b>

# THE CORPORATION OF THE MUNICIPALITY OF TEMAGAMI

## Notes to Consolidated Financial Statements

Year ended December 31, 2014

### 6. Tangible capital assets (continued):

Cost	Balance at December 31, 2012	Additions	Disposals	Balance at December 31, 2013
Land	\$ 58,764	\$ 3,900	\$ -	\$ 62,664
Buildings	7,947,937	696,026	-	8,643,963
Land improvements	221,252	-	-	221,252
Vehicles	192,028	30,855	-	222,883
Equipment	4,838,742	79,062	-	4,917,804
Heavy equipment	1,065,153	212,983	(21,090)	1,257,046
Roads	3,212,237	58,349	(2,683)	3,267,903
Water distribution lines	3,849,902	-	-	3,849,902
Sewer lines	3,213,967	-	-	3,213,967
<b>Total</b>	<b>\$ 24,599,982</b>	<b>\$ 1,081,175</b>	<b>\$ (23,773)</b>	<b>\$ 25,657,384</b>

Accumulated amortization	Balance at December 31, 2012	Disposals	Amortization expense	Balance at December 31, 2013
Land	\$ -	\$ -	\$ -	\$ -
Buildings	1,773,801	-	182,380	1,956,181
Land improvements	65,515	-	9,347	74,862
Vehicles	122,744	-	18,903	141,647
Equipment	1,267,840	-	208,531	1,476,371
Heavy equipment	589,601	(12,652)	50,717	627,666
Roads	2,115,330	(2,683)	319,219	2,431,866
Water distribution lines	2,848,927	-	76,998	2,925,925
Sewer lines	2,378,335	-	64,279	2,442,614
<b>Total</b>	<b>\$ 11,162,093</b>	<b>\$ (15,335)</b>	<b>\$ 930,374</b>	<b>\$ 12,077,132</b>

	Net book value December 31, 2012	Net book value December 31, 2013
Land	\$ 58,764	\$ 62,664
Buildings	6,174,136	6,687,782
Land improvements	155,737	146,390
Vehicles	69,284	81,236
Equipment	3,570,902	3,441,433
Heavy equipment	475,552	629,380
Roads	1,096,907	836,037
Water distribution lines	1,000,975	923,977
Sewer lines	835,632	771,353
<b>Total</b>	<b>\$ 13,437,889</b>	<b>\$ 13,580,252</b>

# THE CORPORATION OF THE MUNICIPALITY OF TEMAGAMI

## Notes to Consolidated Financial Statements

Year ended December 31, 2014

### 7. Accumulated surplus:

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

	2014	2013
Surplus (deficit):		
Invested in tangible capital assets	\$ 13,093,106	\$ 13,580,252
General municipal	334,467	340,392
Amounts to be recovered:		
Unfinanced municipal debt - operating	(85,500)	(208,027)
Unfinanced municipal debt - grinder pumps	(271,553)	(314,611)
<b>Total surplus</b>	<b>13,070,520</b>	<b>13,398,006</b>
Reserves set aside by Council for:		
- Working capital	961,559	961,559
- Arena	54,925	54,925
- Public Works Complex	152,000	102,000
- Official Plan Review	44,230	44,230
- Survey	21,291	21,291
- Lot Creation and Development	50,000	50,000
- Future Improvements Lake Temagami Access Road	85,000	50,000
- Town roads	85,000	60,000
- Marten River Fire	30,000	80,000
- Temagami Fire	20,000	40,000
- Grinder service	58,797	58,797
- Future improvements	-	10,000
- Landfill closure costs	105,000	95,000
- OMB Hearing	30,000	20,000
- Welcome Centre - Generator Primary EOC	25,000	-
- Loan Reserve	12,977	-
- Cemetery Columbarium / Memory Wall	3,499	1,443
	<b>1,739,278</b>	<b>1,649,245</b>
<b>Accumulated surplus</b>	<b>\$ 14,809,798</b>	<b>\$ 15,047,251</b>



# THE CORPORATION OF THE MUNICIPALITY OF TEMAGAMI

## Notes to Consolidated Financial Statements

Year ended December 31, 2014

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### 8. Operations of school boards:

Further to note 1 (a) (ii), the property taxes collected on behalf of the school boards are \$1,972,916 (2013 - \$1,985,276).

### 9. Trust Funds:

Trust Funds administered by the Municipality amounting to \$35,308 (2013 - \$35,180) have not been included on the consolidated statement of financial position nor have their operations been included in the consolidated statement of operations and accumulated surplus.

### 10. Pension agreement:

The Municipality makes contributions to the Ontario Municipal Employees' Retirement Fund (OMERS), which is a multi-employer plan, on behalf of certain 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 amount contributed to OMERS for 2014 was \$103,596 (2013 - \$100,860) for current service.

### 11. Budget figures:

The budget adopted by Council was not prepared on a basis consistent with that used to report actual results according to Public Sector Accounting Standards. As a result, the budget figures presented in the consolidated statement of operations and accumulated surplus and change in net financial assets represent the financial plan adopted by Council with adjustment as follows:

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	2014
Annual surplus per budget approved by Council	\$ -
Less:	
Internal transfers	(227,361)
Add:	
Investment in tangible capital assets	1,095,949
Debt principal repayments	197,138
Surplus per revised budget	\$ 1,065,726

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# THE CORPORATION OF THE MUNICIPALITY OF TEMAGAMI

Notes to Consolidated Financial Statements

Year ended December 31, 2014

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## 12. Public Sector Salary Disclosure:

During 2014, one employee was paid a salary, as defined in the Public Sector Salary Disclosure Act, 1996, of \$100,000 or more by the Municipality.

## 13. Comparative information:

Certain of the 2013 comparative information have been reclassified to conform to the current year presentation.

## 14. Segmented information:

The Municipality of Temagami is a diversified municipal government institution that provides a wide range of services to its citizens, including General Government Services, Protection Services, Transportation Services, Environmental Services, Health Services, Social and Family Services, Recreational and Cultural Services and Planning and Development Services. Service areas were created for the purposes of recording specific activities to attain certain objectives in accordance with regulations, restrictions or limitations (see Schedule to note).

Municipal Services are provided by departments and their activities are reported in these Service Areas. Departments disclosed in the Segmented Information, along with the services they provide, are as follows:

### **General Government Services**

The Departments within General Government Services are responsible for adopting bylaws; adopting administrative policy; levying taxes; acquiring, disposing and managing Municipal assets; ensuring effective financial management; monitoring performance and ensuring that high quality Municipal Service standards are met.

### **Protection Services**

Services provided in this segment include the enforcement of laws, prevention of crime, and maintenance of peace, order, and security by protecting life, property and the environment through the provision of emergency response, thus ensuring safe homes and safe communities.

### **Transportation Services**

Areas of responsibility include planning, design, construction, cleaning, repair, snow removal and signage.

# THE CORPORATION OF THE MUNICIPALITY OF TEMAGAMI

Notes to Consolidated Financial Statements

Year ended December 31, 2014

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## 14. Segmented information (continued):

### **Environmental Services**

The environmental services include water and sewer services as well as garbage and recycling services.

Water and Sewer services include the operation and distribution of water and networking sewer mains, storm sewers and the pump station.

The Garbage and Recycling Services Group are responsible for the delivery of municipal services including garbage collection and recycling.

### **Health Services**

The Municipality funds a range of public health services and provides cemetery services through the health unit.

### **Social and Family Services**

The services are provided indirectly by the Municipality through the District Social Services Board and include family and children's services and housing services.

### **Recreation and Cultural Services**

The Department is responsible for providing, facilitating the development of, and maintaining high quality parks, recreational facilities, and cultural services.

### **Planning and Development**

The Planning and Development Department is responsible for preparing land use plans, bylaws and policies for sustainable development of the Municipality and for reviewing and approving new development, some of which is carried out by the Manitoulin Planning Board of which the Municipality is a member.

# THE CORPORATION OF THE MUNICIPALITY OF TEMAGAMI

Schedule to Note 14 - Segmented Information

Year ended December 31, 2014

	General Government Services	Protection Services	Transportation Services	Environmental Services	Health Services	Social & Family Services	Recreation & Cultural Services	Planning and Development	Total 2014
<b>Revenues:</b>									
<b>Operating revenues:</b>									
Municipal taxes	\$ 3,335,899	-	-	-	-	-	-	-	\$ 3,335,899
User charges	40,666	68,635	1,404	535,933	2,584	-	10,564	10,210	669,996
Provincial grants	1,076,590	-	-	-	627,230	-	18,805	-	1,722,625
Federal grants	-	-	-	-	-	-	6,200	-	6,200
Investment income	17,975	-	-	-	-	-	-	-	17,975
Penalties and interest on taxes	104,085	-	-	-	-	-	-	-	104,085
Provincial Offences Act revenues	-	14,384	-	-	-	-	-	-	14,384
Other	16,945	7,165	570	-	3,679	-	7,598	13,665	49,622
Gain (loss) on sale of assets	10,464	-	-	-	-	-	-	-	10,464
<b>Capital revenues:</b>									
Provincial grants	133,645	-	-	-	-	-	-	-	133,645
Federal grants	14,729	-	-	-	-	-	-	-	14,729
Donations	-	2,047	-	-	-	-	-	-	2,047
	4,750,998	92,231	1,974	535,933	633,493	-	43,167	23,875	6,081,671
<b>Expenses:</b>									
Salaries, wages and benefits	485,610	124,375	365,177	58,888	644,486	-	134,750	108,089	1,921,375
Long-term debt interest	4,454	-	-	12,735	-	-	-	-	17,189
Materials	426,753	116,648	323,368	143,352	64,148	-	155,076	38,534	1,267,879
Contracted services	107,545	418,675	53,711	407,022	22,963	-	4,345	21,879	1,036,140
Rents and financial	5,564	-	22,904	-	-	-	-	-	28,468
External transfers	-	-	-	-	39,378	1,128,823	-	-	1,168,201
Amortization of tangible capital assets	64,572	38,242	331,143	356,381	3,872	-	83,168	2,494	879,872
	1,094,498	697,940	1,096,303	978,378	774,847	1,128,823	377,339	170,996	6,319,124
<b>Annual surplus (deficit)</b>	<b>\$ 3,656,500</b>	<b>(605,709)</b>	<b>(1,094,329)</b>	<b>(442,445)</b>	<b>(141,354)</b>	<b>(1,128,823)</b>	<b>(334,172)</b>	<b>(147,121)</b>	<b>\$ (237,453)</b>

# THE CORPORATION OF THE MUNICIPALITY OF TEMAGAMI

Schedule to Note 14 - Segmented Information

Year ended December 31, 2013

	General Government Services	Protection Services	Transportation Services	Environmental Services	Health Services	Social & Family Services	Recreation & Cultural Services	Planning and Development	Total 2013
Revenues:									
Operating revenues:									
Municipal taxes	\$ 3,291,516	-	-	-	-	-	-	-	\$ 3,291,516
User charges	44,107	75,582	3,250	523,831	5,393	-	15,235	12,260	679,658
Provincial grants	1,131,949	-	640	21,737	662,750	-	13,568	-	1,830,644
Federal grants	-	-	-	-	-	-	1,208	-	1,208
Investment income	21,468	-	-	-	-	-	-	-	21,468
Penalties and interest on taxes	84,995	-	-	-	-	-	-	-	84,995
Provincial Offences Act revenues	-	17,076	-	-	-	-	-	-	17,076
Other	816	6,552	4,481	22,754	104	-	18,257	14,627	67,591
Gain (loss) on sale of assets	(3,774)	-	-	-	-	-	-	-	(3,774)
Capital revenues:									
Provincial grants	383,050	-	-	-	-	-	-	-	383,050
Federal grants	114,602	-	-	-	-	-	-	6,754	121,356
Donations	-	3,356	-	-	-	-	-	-	3,356
	5,068,729	102,566	8,371	568,322	668,247	-	48,268	33,641	6,498,144
Expenses:									
Salaries, wages and benefits	460,146	122,801	368,264	69,723	561,300	-	130,042	97,396	1,809,672
Long-term debt interest	8,481	-	-	14,485	-	-	-	-	22,966
Materials	306,969	140,011	303,721	(295,868)	68,304	-	141,162	27,373	691,672
Contracted services	180,056	342,972	25,298	426,436	57,994	-	5,406	20,581	1,058,743
Rents and financial	5,356	-	22,904	-	-	-	-	-	28,260
External transfers	-	-	-	-	39,650	1,169,565	-	-	1,209,215
Amortization of tangible capital assets	63,303	29,646	389,746	356,045	7,194	-	81,947	2,494	930,375
	1,024,311	635,430	1,109,933	570,821	734,442	1,169,565	358,557	147,844	5,750,903
<b>Annual surplus (deficit)</b>	<b>\$ 4,044,418</b>	<b>(532,864)</b>	<b>(1,101,562)</b>	<b>(2,499)</b>	<b>(66,195)</b>	<b>(1,169,565)</b>	<b>(310,289)</b>	<b>(114,203)</b>	<b>\$ 747,241</b>