

**The Corporation of the Township
of Lake of Bays
Consolidated Financial Statements
For the year ended December 31, 2015**

	Contents
Independent Auditor's Report	2
Consolidated Financial Statements	
Consolidated Statement of Financial Position	4
Consolidated Statement of Operations	
Consolidated Statement of Change in Net Financial Assets	6
Consolidated Statement of Cash Flows	7
Summary of Significant Accounting Policies	8 - 10
Notes to the Consolidated Financial Statements	11 - 22



Tel: 705 789 4469
Fax: 705 789 1079
www.bdo.ca

BDO Canada LLP
4 Elm Street
Huntsville ON P1H 1L1 Canada

Independent Auditor's Report

To the Members of Council, Residents and Ratepayers of The Corporation of the Township of Lake of Bays

We have audited the accompanying consolidated financial statements of The Corporation of the Township of Lake of Bays, which comprise the consolidated statement of financial position as at December 31, 2015, and 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 municipality'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 municipality'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 Lake of Bays as at December 31, 2015, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants

Huntsville, Ontario

May 17, 2016

**The Corporation of the Township of Lake of Bays
Consolidated Statement of Financial Position**

December 31	2015	2014
Financial assets		
Cash	\$ 2,756,838	\$ 2,008,078
Restricted cash (Note 1)	957,565	930,585
Taxes receivable	1,620,058	1,569,179
Accounts receivable	156,659	236,823
Due from trust funds	218	19,590
	<u>5,491,338</u>	<u>4,764,255</u>
Liabilities		
Accounts payable and accrued liabilities	692,194	588,818
Tax revenue received in advance	638,681	589,605
Deferred revenue (Note 1)	957,565	930,585
Long-term debt (Note 2)	1,031,015	955,667
	<u>3,319,455</u>	<u>3,064,675</u>
Net financial assets	<u>2,171,883</u>	<u>1,699,580</u>
Non-financial assets		
Tangible capital assets (Note 3)	19,037,666	18,934,507
Prepaid expenses and inventory of supplies	147,186	123,268
	<u>19,184,852</u>	<u>19,057,775</u>
Accumulated surplus (Note 4)	<u>\$ 21,356,735</u>	<u>\$ 20,757,355</u>

On behalf of Council:

_____ Treasurer

_____ Mayor

**The Corporation of the Township of Lake of Bays
Consolidated Statement of Operations**

For the year ended December 31	(Note 5) Budget 2015	Actual 2015	Actual 2014
Revenue			
Taxation (Note 6)	\$ 4,383,935	\$ 4,411,782	\$ 4,202,358
Government transfers - Federal	67,500	38,531	19,944
Government transfers - Provincial	791,234	800,904	766,823
Government transfers - Municipal	328,000	271,107	315,595
User fees and service charges	267,455	509,145	622,439
Permits, licenses and fines	513,550	635,063	573,646
Gain on sale of tangible capital assets	20,000	2,108	35,473
Investment income	31,600	40,696	42,913
Interest and penalty on taxes	215,000	236,214	215,907
Donations	24,100	63,462	69,847
Other grants	25,000	9,729	5,000
Obligatory reserve funds used (Note 1)	284,816	165,854	273,819
	<u>6,952,190</u>	<u>7,184,595</u>	<u>7,143,764</u>
Expenses			
General government	1,280,384	1,303,802	1,261,663
Protection services	1,124,514	1,095,799	1,127,584
Transportation services	2,878,094	2,561,579	2,632,595
Environmental services	15,210	17,319	13,165
Health services	46,179	45,622	38,651
Recreation and cultural services	1,107,687	1,106,249	1,026,378
Planning and development	501,855	454,845	430,116
	<u>6,953,923</u>	<u>6,585,215</u>	<u>6,530,152</u>
Annual surplus (deficit)	(1,733)	599,380	613,612
Accumulated surplus, beginning of year	<u>20,757,355</u>	<u>20,757,355</u>	<u>20,143,743</u>
Accumulated surplus, end of year	<u>\$ 20,755,622</u>	<u>\$ 21,356,735</u>	<u>\$ 20,757,355</u>

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

**The Corporation of the Township of Lake of Bays
Consolidated Statement of Change in Net Financial Assets**

For the year ended December 31	(Note 5) Budget 2015	Actual 2015	Actual 2014
Annual surplus (deficit)	\$ (1,733)	\$ 599,380	\$ 613,612
Acquisition of tangible capital assets	(1,964,865)	(1,446,300)	(1,485,732)
Amortization of tangible capital assets	1,375,000	1,329,983	1,296,265
Gain on sale of tangible capital assets	-	(2,108)	(35,473)
Proceeds on sale of tangible capital assets	-	15,266	35,473
	(591,598)	496,221	424,145
Acquisition of prepaid expenses and inventory of supplies	-	(23,918)	(3,482)
Net change in net financial assets (debt)	(591,598)	472,303	420,663
Net financial assets, beginning of year	1,699,580	1,699,580	1,278,917
Net financial assets, end of year	\$ 1,107,982	\$ 2,171,883	\$ 1,699,580

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

**The Corporation of the Township of Lake of Bays
Consolidated Statement of Cash Flows**

For the year ended December 31	2015	2014
Operating transactions		
Annual surplus	\$ 599,380	\$ 613,612
Items not involving cash		
Amortization of tangible capital assets	1,329,983	1,296,265
Gain on sale of tangible capital assets	(2,108)	(35,473)
Changes in non-cash operating balances		
Taxes receivable	(50,879)	(125,048)
Accounts receivable	80,164	94,405
Due from trust funds	19,372	(15,057)
Accounts payable and accrued liabilities	103,376	(234,016)
Tax revenue received in advance	49,076	53,677
Deferred revenue	26,980	(79,444)
Prepaid expenses and inventory of supplies	(23,918)	(3,482)
	<u>2,131,426</u>	<u>1,565,439</u>
Capital transactions		
Acquisition of tangible capital assets	(1,446,300)	(1,485,732)
Proceeds on sale of tangible capital assets	15,266	35,473
	<u>(1,431,034)</u>	<u>(1,450,259)</u>
Investing transactions		
Increase in restricted cash	(26,980)	79,444
Financing transactions		
Proceeds from issuance of long-term debt	300,000	293,172
Repayment of long-term debt	(224,652)	(222,968)
	<u>75,348</u>	<u>70,204</u>
Increase in cash during the year	748,760	264,828
Cash, beginning of year	2,008,078	1,743,250
Cash, end of year	\$ 2,756,838	\$ 2,008,078

Supplementary Information

During the year, the company paid cash interest in the amount of \$35,431 (2014 - \$29,986).

The Corporation of the Township of Lake of Bays Summary of Significant Accounting Policies

December 31, 2015

**Management Responsibility
for the Financial Statements**

The consolidated financial statements of The Corporation of the Township of Lake of Bays ("Municipality") are the responsibility of management. They have been prepared in accordance with Canadian public sector accounting standards. The Corporation of the Township of Lake of Bays is a municipality in the province of Ontario. The municipality provides services such as general government services, protection to persons and property, transportation and roadways, recreation, public works, planning, parks and recreation.

Reporting Entity

The reporting entity includes the Municipality and all entities that are controlled by the Municipality.

All controlled entities are consolidated in the Municipality's financial statements according to the Municipality's percentage ownership. Inter-organizational balances and transactions are eliminated upon consolidation.

Entities fully consolidated in the Municipality's financial statements include:

Libraries (Dwight and Baysville)	100%
Cemeteries (Franklin, Sinclair, Ridout, and McLean)	100%

Basis of Accounting

The financial statements have been prepared using Canadian public sector accounting standards.

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:

Facilities	10 to 40 years
Roads and bridges	10 to 75 years
Equipment, fleet and vehicles	3 to 15 years

The Corporation of the Township of Lake of Bays Summary of Significant Accounting Policies

December 31, 2015

Non-financial Assets	Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year, together with the excess of revenue over expenses, provides the consolidated change in net financial assets for the year.
Inventory of Supplies	Inventory of supplies are recorded at the lower of cost and net realizable value. Inventory of materials is recorded at the lower of average cost and net realizable value.
Deferred Revenue	Revenue restricted by legislation, regulation or agreement and not available for general municipal purposes is reported as deferred revenue on the consolidated statement of financial position. The revenue is reported on the consolidated statement of operations in the year in which it is used for the specified purpose.
Post Retirement Benefits	The municipality is an employer member of the Ontario Municipal Employees Retirement System (OMERS), which is a multi-employer, defined benefit pension plan. The Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the pension plan, including investment of the assets and administration of the benefits. The municipality has adopted defined contribution plan accounting principles for this Plan because insufficient information is available to apply defined benefit plan accounting principles. The municipality records as a pension expense the current service cost, amortization of past service costs and interest costs related to the future employer contributions to the Plan for past employee service.
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>The municipality is entitled to collect interest and penalties on overdue taxes. These revenues are recorded in the year the interest and penalties are levied.</p> <p>Fees and user charges, licenses, permits and rents are recognized as revenue when the services are provided and there is reasonable assurance of collection.</p>

**The Corporation of the Township of Lake of Bays
Summary of Significant Accounting Policies**

December 31, 2015

Government Transfers

Government transfers are recognized as revenue in the consolidated 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. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

District and School Boards

The municipality collects taxation revenue on behalf of the school boards and the District Municipality of Muskoka. The taxation, other revenues, expenses, assets and liabilities with respect to the operations of the school boards and the District Municipality of Muskoka are not reflected in these consolidated financial statements.

Trusts Under Administration

Trusts administered by the Municipality are not included in these financial statements. The trust balances are disclosed in Note 10.

The Corporation of the Township of Lake of Bays
Notes to Consolidated Financial Statements

December 31, 2015

1. Restricted Cash and Deferred Revenue

	2015	2014
Obligatory reserve funds		
Federal gas tax	\$ 128,752	\$ 150,526
Development Charges Act	466,736	442,966
Parkland	362,077	337,093
	\$ 957,565	\$ 930,585

The net change during the year in the deferred revenue balances is made up as follows:

	Federal Gas Tax	Development Charges Act	Parkland
Deferred revenue, beginning of year	\$ 150,526	\$ 442,966	\$ 337,093
Funds received during the year	101,518	38,809	44,174
Interest earned	1,708	3,660	2,965
Funds used during the year	(125,000)	(18,699)	(22,155)
Deferred revenue, end of year	\$ 128,752	\$ 466,736	\$ 362,077

The above funds held as deferred revenue are restricted in their use by their respective legislation.

The Corporation of the Township of Lake of Bays
Notes to Consolidated Financial Statements

December 31, 2015

2. Long-Term Debt

The balance of long-term debt reported on the consolidated statement of financial position is made up of the following:

	2015	2014
Demand loan payable, secured by equipment, repayable \$506 monthly including interest at 2.33% per annum, maturing October 2016	\$ 5,005	\$ 10,885
Demand loan payable, secured by equipment, repayable \$1,217 monthly including interest at 2.67% per annum, maturing October 2017	26,104	39,812
Demand loan payable, secured by equipment, repayable \$3,936 monthly including interest at the bank's prime rate plus 2.85% per annum, maturing November 2017	88,004	132,041
Demand loan payable, secured by equipment, repayable \$3,637 monthly including interest at 3.01% per annum, maturing October 2018	118,384	158,461
Demand loan payable, secured by equipment, repayable \$5,222 monthly including interest at 2.65% per annum, maturing July 2019	218,753	270,194
Demand loan payable, secured by equipment, repayable \$3,927 monthly including interest at 2.73% per annum, maturing October 2020	216,567	-
Demand loan payable, secured by equipment, repayable \$1,585 monthly including interest at 2.42% per annum, maturing October 2018	53,524	-
Demand loan payable, secured by equipment, repayable \$721 monthly including interest at 2.42% per annum, maturing October 2018	24,330	-
Demand loans payable, secured by equipment, repayable \$829 to \$894 monthly including interest at 2.34% to 2.97% per annum, matured during the year	-	15,611
Debentures payable to District Municipality of Muskoka, payable \$64,752 annually including interest at 5.00% per annum, due in 2020	280,344	328,663
	\$ 1,031,015	\$ 955,667

The Corporation of the Township of Lake of Bays
Notes to Consolidated Financial Statements

December 31, 2015

2. Long-Term Liabilities (continued)

Long-term debt payments for the next five years are due as follows:

2016	\$	281,149
2017		278,592
2018		221,613
2019		145,381
2020		<u>104,280</u>
	\$	<u>1,031,015</u>

Interest expense in the amount of \$35,431 (2014 - \$29,986) relating to the above long-term liabilities has been recognized in the consolidated statement of operations.

The Township has a revolving demand facility agreement with Royal Bank of Canada. The amount available under the facility is \$3,000,000 to finance general operating requirements. The interest rate on this facility is prime less 0.50% per annum. At December 31, 2015, the Township had not drawn on this facility.

The Corporation of the Township of Lake of Bays
Notes to Consolidated Financial Statements

December 31, 2015

3. Tangible Capital Assets

	2015				2014	
	Land	Facilities	Equipment, Fleet and Vehicles	Roads and Bridges	Total	Total
Cost, beginning of year	\$ 2,615,639	\$ 7,388,191	\$ 6,423,363	\$ 18,346,802	\$ 34,773,995	\$ 33,614,309
Additions	-	8,881	353,241	1,084,178	1,446,300	1,485,732
Disposals	-	-	(225,169)	(18,653)	(243,822)	(326,046)
Cost, end of year	2,615,639	7,397,072	6,551,435	19,412,327	35,976,473	34,773,995
Accumulated amortization, beginning of year	-	2,845,247	4,749,815	8,244,428	15,839,490	14,869,269
Amortization	-	181,213	372,247	776,523	1,329,983	1,296,265
Disposals	-	-	(212,013)	(18,653)	(230,666)	(326,046)
Accumulated amortization, end of year	-	3,026,460	4,910,049	9,002,298	16,938,807	15,839,488
Net carrying amount, end of year	\$ 2,615,639	\$ 4,370,612	\$ 1,641,386	\$ 10,410,029	\$ 19,037,666	\$ 18,934,507

The municipality holds various works of art and historical treasures. These items are not recognized as tangible capital assets in the consolidated financial statements because a reasonable estimate of the future benefits associated with such property cannot be made.

**The Corporation of the Township of Lake of Bays
Notes to Consolidated Financial Statements**

December 31, 2015

4. Accumulated Surplus

The municipality segregates its accumulated surplus in the following categories:

	2015	2014
Reserves		
Working Capital	\$ 184,814	\$ 184,814
OMPF	175,000	175,000
OLRA	780,886	792,737
Fire Boat	51,321	51,321
Fire	187,815	157,815
Elections	21,081	7,081
Building Department	277,589	134,084
LoB Fish Habitat	10,257	11,435
Library	9,358	9,358
Youth fund	2,027	-
A. Daniels Fish	3,135	3,135
Pit Rehabilitation	77,708	76,814
Gravel	62,379	62,379
Green	302	302
Tourism/economic development fund	13,509	16,509
General surplus reserve	1,106,124	925,000
Baysville community fund	(3,085)	-
Dorset community fund	-	189
Dwight community fund	506	16,025
Fire station 20	1,195	-
Fire station 30	8,118	153
Fire station 40	4,937	768
Fire station 50	37	37
Land sale	229,948	229,948
Planning aerial photo	19,580	19,580
WSIB schedule 2	110,001	-
Heritage	5,276	-
Dorset nursing hub	-	30,000
	3,339,818	2,904,484
Capital outlay financed by long-term liabilities and to be recovered in future years	(1,031,015)	(955,667)
Investment in tangible capital assets	19,037,666	18,934,507
Surplus (deficit)	10,266	(125,969)
	\$ 21,356,735	\$ 20,757,355

The investment in tangible capital assets represents amounts already spent and invested in infrastructure and other non-financial assets.

Reserves represent amounts set aside by bylaw or council resolution for specific purposes.

The Corporation of the Township of Lake of Bays
Notes to Consolidated Financial Statements

December 31, 2015

5. Budget

The Financial Plan (Budget) By-Law adopted by Council on March 17, 2015. The budget was prepared on a modified accrual basis while Canadian public sector accounting standards now require a full accrual basis. Council has reviewed and approved the 2015 Report on Excluded Expenses as required by Ontario Regulation 284/09 which expressly permits municipalities to exclude amortization expense from the budget. The budget approved by Council represents a balanced budget from a cash flow perspective and therefore includes budgeted transfers from prior year's reserves and reduction of long-term debt. In addition, the budget expensed all tangible capital expenditures rather than including amortization expense. As a result, the budget figures presented in the consolidated statements of operations and change in net financial assets represent the Financial Plan adopted by Council on March 17, 2015 with adjustments as follows:

	<u>2015</u>
Financial Plan (Budget) By-law surplus for the year	\$ -
Add:	
Capital expenditures	1,964,865
Transfers to reserves	55,532
Debt repayment	251,379
Less:	
Amortization of tangible capital assets	(1,375,000)
Transfers from reserves	(437,509)
Proceeds from long-term debt	<u>(461,000)</u>
Budget deficit per statement of operations	<u>\$ (1,733)</u>

Under Canadian public sector accounting standards, budget amounts are to be reported on the consolidated statement of operations for comparative purposes. The 2015 budget amounts for the The Corporation of the Township of Lake of Bays approved by Council have been restated to conform to the basis of preparation of the revenues and expenses on the consolidated statement of operations.

The Corporation of the Township of Lake of Bays
Notes to Consolidated Financial Statements

December 31, 2015

6. Operations of School Boards and the District of Muskoka

During the year, the following taxation revenue was levied and remitted to the school boards and the District of Muskoka:

	<u>2015</u>	<u>2014</u>
Taxation	\$ 18,815,249	\$ 18,387,713
Less: school board requisitions	(5,596,752)	(5,696,328)
Less: upper tier requisitions	(8,806,715)	(8,489,027)
	<u>\$ 4,411,782</u>	<u>\$ 4,202,358</u>

The Corporation of the Township of Lake of Bays Notes to Consolidated Financial Statements

December 31, 2015

7. Post Retirement Benefits

OMERS provides pension services to more than 461,000 active and retired members and approximately 1,000 employers. Each year an independent actuary determines the funding status of OMERS Primary Pension Plan (the Plan) by comparing the actuarial value of invested assets to the estimated present value of all pension benefits that members have earned to date. The most recent actuarial valuation of the Plan was conducted at December 31, 2015. The results of this valuation disclosed total actuarial liabilities of \$82,369 million in respect of benefits accrued for service with actuarial assets at that date of \$75,392 million indicating an actuarial deficit of \$6,977 million. Because OMERS is a multi-employer plan, any pension plan surpluses or deficits are a joint responsibility of Ontario municipal organizations and their employees. As a result, the municipality does not recognize any share of the OMERS pension surplus or deficit.

Contributions made by the municipality to OMERS for 2015 were \$192,225 (2014 - \$186,339).

8. Contingent Liability

During 2014, the Government of Ontario expanded regulations to include six additional cancers presumed to be work-related for firefighters under the Workplace Safety and Insurance Act. This change is retroactive to January 1, 1960. During the years 1996 to 2004, the municipality was a schedule 2 employer for WSIB, meaning that the municipality self-insured for WSIB benefits. This change in regulations may give rise to liabilities of the municipality for work-related cancers incurred by firefighters during this time. The municipality is assessing the impact of this change and is unable to determine whether a liability exists at year end. Consequently, no provision has been made in these financial statements for any liability that may result.

9. Commitments

The municipality is liable for a Workplace Safety and Insurance Board (WSIB) claim when it was a "schedule 2" employer. The municipality is required to make payments each year until 2029. The total payments remaining for this claim are approximately \$237,000. WSIB invoices the municipality for this claim annually based on the initial claim amount. Actual payments will be reflected in the consolidated statement of operations in the period in which the payment is invoiced by WSIB. Payments made in 2015 were \$32,195 (2014 - \$36,354).

The Corporation of the Township of Lake of Bays
Notes to Consolidated Financial Statements

December 31, 2015

10. Trust Funds

The trust funds administered by the municipality amounting to \$193,158 (2014 - \$207,596) have not been included in the consolidated statement of financial position nor have the operations been included in the consolidated statement of operations. At December 31, 2015, the trust fund balances are as follows:

	<u>2015</u>		<u>2014</u>
Cemetery Care and Maintenance	\$ 177,589	\$	172,654
Planning costs recoverable	15,569		34,942
	<u>\$ 193,158</u>	<u>\$</u>	<u>207,596</u>

The Corporation of the Township of Lake of Bays Notes to Consolidated Financial Statements

December 31, 2015

11. Segmented Information

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

General Government

General government accounts for the revenues and expenses that relate to the operations of the municipality itself and cannot be directly attributed to any specific segment.

Protection Services

Protection is comprised of fire protection, by-law enforcement services and emergency planning. The fire department is responsible to provide fire suppression service, fire prevention programs, training and education. The members of the fire department consist of volunteers.

Transportation and Environmental Services

Transportation is responsible for the seasonal maintenance of roads, winter control, storm sewer maintenance and streetlighting.

Health Services

Included in health services is the maintenance and upkeep of the municipally controlled cemeteries.

Recreation and Cultural Services

Recreational programs and cultural programs like skating lessons are provided at arenas, aquatic centres and community centres. Also, the municipality provides library services to assist with its citizens' informational needs.

Planning and Development

This department provides a number of services including township and economic planning, maintenance and enforcement of building and construction codes and review of all property development plans through its application process.

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 are measured on the basis of budgeted amounts.

Amounts that are directly attributable to a number of segments have been allocated on a reasonable basis as follows:

Taxation	allocated to those segments that are funded by these amounts based on the net surplus for the year.
----------	---

The Corporation of the Township of Lake of Bays
Notes to Consolidated Financial Statements

December 31, 2015

11. Segmented Information (continued)

For the year ended December 31	General Government	Protection Services	Transportation Services	Environmental Services	Health Services	Recreation and Cultural Services	Planning and Development	2015 Total
Revenue								
Taxation	\$ 738,387	\$ 455,917	\$ 2,147,696	\$ 13,843	\$ 37,829	\$ 895,320	\$ 122,790	\$ 4,411,782
Government transfers	747,000	18,891	271,107	3,476	-	31,537	38,531	1,110,542
User fees and service charges	69,822	39,475	14,026	-	6,424	90,874	288,524	509,145
Permits, licenses and fines	60,533	551,241	-	-	-	23,289	-	635,063
Gain on sale of tangible capital assets	2,108	-	-	-	-	-	-	2,108
Interest and penalties on tax arrears	236,214	-	-	-	-	-	-	236,214
Other	39,327	30,275	-	-	1,369	37,916	5,000	113,887
Obligatory reserve fund revenue recognized	9,791	-	128,750	-	-	27,313	-	165,854
	1,903,182	1,095,799	2,561,579	17,319	45,622	1,106,249	454,845	7,184,595
Expenses								
Salaries and benefits	956,853	481,324	635,585	8,302	31,819	506,349	339,461	2,959,693
Goods and services	143,872	296,950	493,964	6,073	10,666	354,932	100,172	1,406,629
Contracted services	169,450	243,131	404,009	2,944	-	18,262	12,576	850,372
Interest	-	989	34,329	-	-	112	-	35,430
Amortization	30,514	73,405	993,692	-	3,137	226,594	2,636	1,329,978
Other	3,113	-	-	-	-	-	-	3,113
	1,303,802	1,095,799	2,561,579	17,319	45,622	1,106,249	454,845	6,585,215
	\$ 599,380	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 599,380

The Corporation of the Township of Lake of Bays
Notes to Consolidated Financial Statements

December 31, 2015

11. Segmented Information (continued)

For the year ended December 31	General Government	Protection Services	Transportation Services	Environmental Services	Health Services	Recreation and Cultural Services	Planning and Development	2014 Total
Revenue								
Taxation	\$ 711,730	\$ 558,676	\$ 2,097,900	\$ 11,517	\$ 33,078	\$ 770,462	\$ 18,995	\$ 4,202,358
Government transfers	722,400	18,589	315,595	1,648	-	24,186	24,944	1,107,362
User fees and service charges	73,575	41,878	19,100	-	4,007	97,702	386,177	622,439
Permits, licenses and fines	62,992	485,419	-	-	-	25,235	-	573,646
Gain on sale of tangible capital assets	35,473	-	-	-	-	-	-	35,473
Interest and penalties on tax arrears	215,907	-	-	-	-	-	-	215,907
Other	41,347	23,022	-	-	1,566	46,825	-	112,760
Obligatory reserve fund revenue recognized	11,851	-	200,000	-	-	61,968	-	273,819
	<u>1,875,275</u>	<u>1,127,584</u>	<u>2,632,595</u>	<u>13,165</u>	<u>38,651</u>	<u>1,026,378</u>	<u>430,116</u>	<u>7,143,764</u>
Expenses								
Salaries and benefits	900,101	479,093	695,578	7,604	22,798	482,940	302,356	2,890,470
Goods and services	176,538	334,961	650,048	2,662	12,391	300,994	69,468	1,547,062
Contracted services	117,025	206,871	367,729	2,899	325	12,187	56,226	763,262
Interest	-	1,441	27,982	-	-	563	-	29,986
Amortization	64,892	105,218	891,258	-	3,137	229,694	2,066	1,296,265
Other	3,107	-	-	-	-	-	-	3,107
	<u>1,261,663</u>	<u>1,127,584</u>	<u>2,632,595</u>	<u>13,165</u>	<u>38,651</u>	<u>1,026,378</u>	<u>430,116</u>	<u>6,530,152</u>
	<u>\$ 613,612</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 613,612</u>