



OXFORD COUNTY  
ADMINISTRATION  
BUILDING

# 2017 CONSOLIDATED FINANCIAL STATEMENTS

**County of Oxford**  
**Table of Contents**  
**December 31, 2017**

---

Independent Auditor's Report ..... 1

Consolidated Statement of Financial Position ..... 2

Consolidated Statement of Operations and Accumulated Surplus ..... 3

Consolidated Statement of Change in Net Financial Assets ..... 4

Consolidated Statement of Cash Flows ..... 5

Summary of Significant Accounting Policies ..... 6-8

Notes to the Consolidated Financial Statements ..... 9-17

Consolidated Schedule of Tangible Capital Assets ..... 18

Consolidated Schedule of Segmented Disclosure .....19-20



**INDEPENDENT AUDITOR'S REPORT**

**To the Members of Council, Inhabitants and Ratepayers of the County of Oxford:**

We have audited the accompanying consolidated financial statements of the County of Oxford, which comprise the consolidated statement of financial position as at December 31, 2017 and the consolidated statements of operations and accumulated surplus, 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 financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating 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 County of Oxford as at December 31, 2017 and its financial performance and its change in net financial assets and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

*Scrimgeour & Company*

**May 9, 2018**  
**London, Canada**

**LICENSED PUBLIC ACCOUNTANT**

# County of Oxford

## Consolidated Statement of Financial Position

As at December 31, 2017 (comparative balances as at December 31, 2016)

	2017	2016
<b>Financial assets</b>		
Cash and cash equivalents	\$ 120,855,723	\$ 103,517,220
Short term investments (Note 1)	62,323,586	63,542,348
Accounts receivable (Note 3)	14,749,151	12,981,444
Loans receivable (Note 4)	5,593,616	5,986,517
	<u>203,522,076</u>	<u>186,027,529</u>
<b>Liabilities</b>		
Accounts payable and accrued liabilities	30,485,158	25,737,065
Deferred revenue (Note 5)	16,193,304	13,286,821
Post retirement and employee future benefits (Note 6)	4,972,613	4,694,072
Net long term liabilities (Note 8)	46,580,811	51,234,500
Landfill closure and post closure liabilities (Note 9)	4,331,162	4,110,835
	<u>102,563,048</u>	<u>99,063,293</u>
<b>Net financial assets</b>	<b><u>100,959,028</u></b>	<b><u>86,964,236</u></b>
<b>Non financial assets</b>		
Tangible capital assets (Schedule 1)	489,014,892	479,798,363
Capital work in progress	22,615,409	13,090,170
Inventories	59,671	74,619
Prepaid and deferred charges	311,744	320,984
	<u>512,001,716</u>	<u>493,284,136</u>
<b>Accumulated surplus (Note 10)</b>	<b><u>\$ 612,960,744</u></b>	<b><u>\$ 580,248,372</u></b>

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

# County of Oxford

## Consolidated Statement of Operations and Accumulated Surplus

For the year ended December 31, 2017 (comparative balances for year ended December 31, 2016)

	Budget 2017	Actual 2017	Actual 2016
	(Note 11)		
<b>Revenues</b>			
Property taxes	\$ 59,009,106	\$ 59,678,637	\$ 57,549,632
User fees and charges	63,306,302	63,474,141	61,673,540
Government transfers (Note 15)	62,418,613	54,874,272	52,298,098
Investment income	2,200,000	2,646,487	2,352,614
Development charges	5,804,032	4,988,154	4,894,730
Provincial offences (Note 17)	1,860,000	1,856,518	1,802,328
Other	37,000	423,808	2,448,375
	<b>194,635,053</b>	<b>187,942,017</b>	<b>183,019,317</b>
<b>Expenses</b>			
General government	6,800,409	6,381,727	6,552,826
Protection to persons and property	2,571,671	2,410,936	2,312,369
Transportation services	17,485,266	19,617,561	18,366,952
Environmental services	39,367,607	38,080,461	37,722,627
Health services	20,912,544	20,655,462	20,195,693
Social and family services	54,316,499	50,446,538	50,050,880
Social housing	15,019,651	10,882,227	11,314,755
Recreation and cultural development	3,770,116	3,796,186	3,727,563
Planning and development	3,827,518	3,333,664	3,366,412
	<b>164,071,281</b>	<b>155,604,762</b>	<b>153,610,077</b>
<b>Excess revenues over expenses before other</b>	<b>30,563,772</b>	<b>32,337,255</b>	<b>29,409,240</b>
<b>Other revenues (expenses)</b>			
Gain (loss) on disposal of capital assets	1,281,000	375,117	(1,094,804)
<b>Excess revenues over expenses</b>	<b>31,844,772</b>	<b>32,712,372</b>	<b>28,314,436</b>
<b>Accumulated surplus, beginning of year</b>	<b>580,248,372</b>	<b>580,248,372</b>	<b>551,933,936</b>
<b>Accumulated surplus, end of year (Note 10)</b>	<b>\$612,093,144</b>	<b>\$612,960,744</b>	<b>\$580,248,372</b>

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

## County of Oxford

### Consolidated Statement of Change in Net Financial Assets

For the year ended December 31, 2017 (comparative balances for year ended December 31, 2016)

	2017	2016
<b>Excess revenues over expenses</b>	\$ 32,712,372	\$ 28,314,436
Acquisition of tangible capital assets	(28,670,477)	(26,143,929)
Amortization of tangible capital assets	18,010,411	17,407,712
Loss (gain) on sale of tangible capital assets	(375,117)	1,094,804
Proceeds from the sale of tangible capital assets	1,818,654	123,326
(Increase) in capital work in progress	(9,525,239)	(9,274,963)
Decrease (increase) in inventory	14,948	(341)
Decrease in prepaid and deferred charges	9,240	207,656
<b>Increase in net financial assets</b>	13,994,792	11,728,701
<b>Net financial assets, beginning of year</b>	86,964,236	75,235,535
<b>Net financial assets, end of year</b>	<b>\$100,959,028</b>	<b>\$ 86,964,236</b>

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

# County of Oxford

## Consolidated Statement of Cash Flows

For the year ended December 31, 2017 (comparative balances for year ended December 31, 2016)

	2017	2016
<b>Operating activities</b>		
Excess revenues over expenses	\$ 32,712,372	\$ 28,314,436
Non-cash changes to operations		
Amortization of tangible capital assets	18,010,411	17,407,712
Loss (gain) on disposal of capital assets	(375,117)	1,094,804
Post retirement and employee future benefits	278,541	247,170
Landfill closure and post closure liabilities	220,327	148,658
Changes in non-cash operating balances		
Accounts receivable	(1,767,707)	(2,460,910)
Loans receivable	392,901	1,097,604
Accounts payable and accrued liabilities	4,748,093	2,966,500
Deferred revenue	2,906,483	1,970,027
Inventories	14,948	(341)
Prepaid and deferred charges	9,240	207,656
Net change in cash from operating	<u>57,150,492</u>	<u>50,993,316</u>
<b>Capital activities</b>		
Acquisition of tangible capital assets	(28,670,477)	(26,143,929)
Proceeds from the sale of tangible capital assets	1,818,654	123,326
(Increase) in work in progress	(9,525,239)	(9,274,963)
Net change in cash from capital	<u>(36,377,062)</u>	<u>(35,295,566)</u>
<b>Financing activities</b>		
Proceeds from long term debt	793,924	1,928,762
Long term debt principal repayments	(5,447,613)	(5,860,091)
Net change in cash from financing	<u>(4,653,689)</u>	<u>(3,931,329)</u>
Increase in cash and cash equivalents	<b>16,119,741</b>	<b>11,766,421</b>
<b>Cash and short term investments, beginning of year</b>	<u>167,059,568</u>	<u>155,293,147</u>
<b>Cash and short term investments, end of year</b>	<b><u>\$183,179,309</u></b>	<b><u>\$167,059,568</u></b>
<b>Comprised of:</b>		
Cash and cash equivalents	120,855,723	103,517,220
Short term investments	62,323,586	63,542,348
	<b><u>\$183,179,309</u></b>	<b><u>\$167,059,568</u></b>

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

### **Basis of Consolidation**

The County of Oxford ("County") is an upper-tier municipality in the Province of Ontario, Canada. It conducts its operations guided by the provisions of provincial statutes such as the Municipal Act, Municipal Affairs Act and related legislation. The consolidated financial statements of the County of Oxford are the representation of management prepared in accordance with Canadian public sector accounting standards established by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants of Canada ("CPA Canada"). The County of Oxford is comprised of the City of Woodstock, Towns of Ingersoll and Tillsonburg and the Townships of Blandford-Blenheim, East Zorra-Tavistock, Norwich, South-West Oxford and Zorra.

- (i) The consolidated financial statements reflect the assets, liabilities, revenues and expenses and changes in investment in tangible capital assets of the County. These statements comprise all services and enterprises accountable to the County and which are owned or controlled by the County. Oxford County Library is the only board consolidated in these financial statements.

All assets, liabilities, revenues and expenses between consolidated entities have been eliminated.

- (ii) Trust funds and their related operations administered by the County are not consolidated, but are reported separately on the "Woodingford Lodge Resident Trust Fund Financial Statement".

### **Accrual Basis of Accounting**

The consolidated financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting records revenue as it is earned and measurable. Expenses are recognized as they are incurred and measurable based upon receipt of goods or services and/or the creation of a legal obligation to pay.

### **Cash and Cash Equivalents**

Management considers all highly liquid investments with maturity of 90 days or less at acquisition or redeemable on demand to be cash equivalents.

### **Short Term Investments**

Portfolio investments are recorded at cost, unless there has been a decline in the market value which is other than temporary in nature, in which case the investments are written down to market value.

### **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 revenues over expenses, determines the change in net financial assets for the year.



### **Government Transfer**

Government transfers from the province or federal government are recognized in the consolidated financial statements in the period in which events giving rise to the transfers occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amount can be made.

### **Investment Income**

Investment income earned on available funds and accumulated surplus is reported as revenue in the period earned. Investment income earned on development charges, reserve funds, water and wastewater reserves and the insurance reserve are added to the fund balance and forms parts of the deferred revenue and reserve balances.

### **Revenue Recognition**

Taxation revenues are recognized when the tax is authorized and the taxable event has occurred. Additional property tax revenue can be added throughout the year, related to new properties that become occupied, or that become subject to property tax, using property assessments for billing purposes. Property taxes for these supplementary/omitted amounts are then billed according to the approved tax rate for the property class. Taxation revenues in any year may also be reduced as a result of reductions in assessment values arising from assessment and/or tax appeals. These assessment changes are recorded in the year the change is settled.

Charges for sewer and water usage are recorded as user fees when billed. Connection fee revenues are recognized when the connection has been established.

### **Deferred Revenue**

In accordance with PSAB requirements, obligatory reserve funds are reported as a component of deferred revenue. Development charge collections have been segregated, as required by the Development Charges Act, to finance a portion of the cost of growth-related capital projects. Revenue recognition occurs when the County has incurred the expenditure for the capital works for which the development charges were collected.

Revenues 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. The revenue is recognized in the year in which it is used for the specified purpose.

### **Loans Receivable**

Loans receivable are recorded at cost less any amount for valuation allowance. Valuation allowances are made when collection is in doubt. Interest is accrued on loans receivable to the extent it is deemed collectable.

### **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:

#### **General Capital:**

Land	No amortization
Land Improvements	30 to 40 years
Buildings	30 to 40 years
Furnishings and fixtures	10 years
Library books	7 years
Machinery and equipment	10 to 30 years
Computer hardware and software	4 years
Vehicles	5 to 20 years

#### **Infrastructure Capital:**

Land	No amortization
Land Improvements	30 to 40 years
Buildings	30 to 99 years
Machinery and equipment	10 to 30 years
Linear	
Water and wastewater infrastructure	10 to 99 years
Roads and bridges	7 to 99 years

Assets under construction are not amortized until the asset is available for use.

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt.

### **Inventories**

Inventories held for consumption are recorded at the lower of cost and net realizable value.

### **Use of Estimates**

The preparation of consolidated financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the period. Actual results could differ from management's best estimates as additional information becomes available in the future. Adjustments, if any, will be reflected in operations in the period of settlement. Significant estimates include liability for Workplace Safety and Insurance Board, landfill closure and post-closure costs and historical cost and useful lives of tangible capital assets.

**1. Short Term Investments**

The County's investment activities are governed by the Municipal Act and the County's investment policy. The short term investments of \$62,323,586 (2016 - \$63,542,348) are recorded at cost. The investments have a market value of \$61,743,077 (2016 - \$63,391,326). The market value represents the realizable value of the investments if they were sold on December 31, 2017. Accordingly, only realized gains and losses are recognized in the financial statements.

**2. Trust Funds**

Trust funds administered by the County of Oxford amounting to \$23,018 (2016 - \$28,298) have not been included in the Consolidated Statement of Financial Position nor have their operations been included in the Consolidated Statement of Operations and Accumulated Surplus.

**3. Accounts Receivable**

Accounts Receivable are reported net of allowance for doubtful accounts of \$173,706 (2016 - \$119,909).

**4. Loans Receivable**

The County has issued loans to properties for the extension of water and/or wastewater services. Interest rates range from 2.60% to 5.20%, and have repayment terms continuing until 2027. Property owners have assumed responsibility for paying the interest and principal charges for the debt.

**5. Deferred Revenue**

The deferred revenue balance is comprised of the following:

	<b>2017</b>	<b>2016</b>
Development charges	\$ 11,584,097	\$ 9,339,253
Economic development grant	2,933,542	3,062,770
Federal Gas Tax	50,893	50,231
Other	1,624,772	834,567
	<b>\$ 16,193,304</b>	<b>\$ 13,286,821</b>

**6. Post Retirement and Employee Future Benefits**

The County provides certain employee benefits which have been funded as noted below:

	<u>2017</u>	<u>2016</u>
Workplace Safety & Insurance Board	\$ 4,914,290	\$ 4,620,669
Post retirement benefits	58,323	73,403
	<u>\$ 4,972,613</u>	<u>\$ 4,694,072</u>

**Liability for Workplace Safety & Insurance (WSIB)**

The County is a Schedule 2 employer under the Workplace Safety and Insurance Act. As a Schedule 2 employer, the County assumes the liability for any award made under the Act. A comprehensive actuarial valuation of the future liability for WSIB benefits was conducted as at December 31, 2014 and has been extrapolated to estimate the liability for the 2015 to 2017 period. The next required valuation will be conducted in 2018 for the period ending December 31, 2017, and any change in this estimate will be recorded in 2018.

The significant actuarial assumptions adopted in estimating the County's WSIB liabilities are as follows:

- Discount rate 4.25%
- Expected future WSIB payments per lost time injury - County 178%
- Woodingford Lodge 120%
- Health care inflation CPI plus 4%
- WSIB Administration Rate 38%
- Lost time injury count - County 8
- Woodingford Lodge 5

Information about the County's WSIB liability is as follows:

	<u>2017</u>	<u>2016</u>
Accrued benefit obligation, beginning of year	\$ 4,620,669	\$ 4,350,904
Current service cost	726,694	697,793
Interest expense	227,513	220,642
Actuarial loss	641,268	757,816
Benefits paid	(777,134)	(765,218)
	<u>5,439,010</u>	<u>5,261,937</u>
Unamortized net actuarial gain	(524,720)	(641,268)
	<u>\$ 4,914,290</u>	<u>\$ 4,620,669</u>



**6. Post Retirement and Employee Future Benefits Continued**

Information about the County's WSIB expenses recognized in the period is as follows:

	<u>2017</u>	<u>2016</u>
Current period benefit cost	\$ 726,694	\$ 697,793
Amortization of net actuarial loss	116,548	116,548
Interest expense	227,513	220,642
Total expenditure	<u>\$ 1,070,755</u>	<u>\$ 1,034,983</u>

A reserve has been accumulated to fund this obligation. It is funded as follows:

	<u>2017</u>	<u>2016</u>
Workplace Safety and Insurance Board (Note 10)	<u>\$ 3,718,975</u>	<u>\$ 4,002,348</u>

**Liability for Post Retirement Benefits**

The municipality provides retirement benefits consisting of health care benefits and life insurance to qualifying members.

**7. Pension Contributions**

The County makes contributions to the Ontario Municipal Employees Retirement Fund (OMERS), which is a multi-employer plan, on behalf of 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 services and rates of pay. The amount contributed to OMERS for 2017 was \$3,886,440 (2016 - \$3,752,233) for the current service and is included as an expenditure on the Consolidated Statement of Operations and Accumulated Surplus. The County had no obligation, as at December 31, 2017, under the past service provisions. The OMERS funding ratio for 2017 is 94.2% (2016 - 93.4%), with the goal of being fully funded by 2025.

**8. Net Long Term Liabilities**

(a) The balance of long term liabilities reported on the Consolidated Statement of Financial Position is made up of the following:

	<u>2017</u>	<u>2016</u>
Total long term liabilities incurred by the County at various rates of interest ranging from 1.62% to 7.00% (2016 - 1.62% to 7.00%) with maturity dates ranging from August 2018 to December 2040	\$ 85,763,460	\$ 91,724,479
Of the long term liabilities shown above, the responsibility for payment of principal and interest charges has been assumed by other municipalities	(38,822,029)	(39,974,949)
Of the long term liabilities shown above, the responsibility for payment of principal and interest charges for tile drainage has been assumed by individuals	(360,620)	(515,030)
	<u><b>\$ 46,580,811</b></u>	<u><b>\$ 51,234,500</b></u>

(b) Of the net long term liabilities reported in (a) of this note, the minimum principal repayments required are estimated as follows:

2018	\$ 5,367,200
2019	5,489,462
2020	5,583,900
2021	5,337,633
2022	5,320,375
Thereafter	19,482,241
	<u><b>\$ 46,580,811</b></u>

(c) The net interest expense for the year ended December 31, 2017 was \$2,285,478 (2016 - \$2,544,011).

## **8. Net Long Term Liabilities Continued**

(d) The net long term liabilities in (a) issued in the name of the County have received approval of the Ontario Municipal Board for those approved on or before December 31, 1992. Those approved after January 1, 1993 have been approved by by-law. The annual principal and interest payments required to service these liabilities are within the annual debt repayment limit prescribed by the Ministry of Municipal Affairs and Housing.

(e) The County is contingently liable for long term liabilities with respect to tile drainage, and of those for which the responsibility for the payment of principal and interest has been assumed by other municipalities. The total amount outstanding as at December 31, 2017, was \$39,182,649 (2016 - \$40,489,979) and is not recorded on the Consolidated Statement of Financial Position.

## **9. Landfill Closure and Post Closure Liabilities**

The Public Sector Accounting Handbook Section 3270: *Solid Waste Landfill Closure and Post-Closure Liability*, establishes standards on how to account for and report liability for closure and post-closure care of a solid waste landfill site. The Sanitary Closure costs include final cover and vegetation, completing facilities for drainage control features, leachate monitoring, water quality monitoring, and monitoring and recovery of gas. Post-closure care activities include all activities related to monitoring the site once it can no longer accept waste, including acquisition of any additional land for buffer zones, treatment and monitoring of leachate, monitoring ground water and surface water, gas monitoring and recovery, and ongoing maintenance of various control systems, drainage systems, and final cover. The estimated liability for the care of landfill sites is the present value of future cash flows associated with closure and post-closure costs.

The County owns and operates one open landfill site and it owns and monitors two closed landfill sites. The open site has a remaining capacity of 2,849,434 (2016 - 2,917,829) cubic metres with an estimated life expectancy of 46 years (2016 - 47 years). The present value of the expected closure and post closure costs of the open landfill site have been estimated using a discount factor of 2.5% and an annual inflation rate of 2.5% (2016 - 2.5%). The estimated expenses for closure and post closure care at December 31, 2017 are \$4,331,162 (2016 - \$4,110,835), and has been reported on the Consolidated Statement of Financial Position. The estimated length of time required for post-closure care is 25 years.

**10. Accumulated Surplus**

Accumulated surplus consists of individual fund surpluses and reserves as follows:

	<u>2017</u>	<u>2016</u>
<b>Surpluses (deficits)</b>		
Operating fund	\$ (14,359,378)	\$ (11,226,431)
Invested in tangible capital assets	465,608,116	442,384,749
Library	270,090	157,183
	<u>451,518,828</u>	<u>431,315,501</u>
 <b>Reserves</b>		
Working capital	6,100,000	6,100,000
General	16,073,489	12,344,973
Water and wastewater systems	77,924,332	69,166,517
Waste collection and disposal	2,468,482	2,290,735
Ambulance services	1,060,689	952,620
Social housing	8,577,413	6,322,299
Library	383,302	569,066
Workplace Safety and Insurance Board (WSIB)	3,718,975	4,002,348
Planning	693,349	693,349
Other purposes and capital expenses	19,174,680	20,266,500
	<u>136,174,711</u>	<u>122,708,407</u>
 <b>Special Purpose Reserves</b>		
Landfill	<u>25,267,205</u>	<u>26,224,464</u>
	<u><b>\$612,960,744</b></u>	<u><b>\$580,248,372</b></u>



**11. Budget**

The Financial Plan (Budget) By-Law adopted by Council on January 11, 2017 was prepared on a modified accrual basis consistent with the requirements of Section 289 of the Municipal Act, 2001. The 2017 actual balances, in accordance with the Canadian Public Sector Accounting Standards, are reported on a full accrual basis which includes; amortization of, gains and losses on disposal of and certain revenues related to, capital assets, but excludes debt repayment, capital asset costs and transfers of accumulated surplus. As a result, the budget figures presented in the Consolidated Statement of Operations and Accumulated Surplus represent the Financial Plan adopted by Council on January 11, 2017 with adjustments as follows:

	<u>2017</u>
Financial Plan (Budget) By-Law surplus for the year	\$ -
Add:	
Tangible capital assets	67,957,385
Debt principal repayment	6,113,503
Less:	
Amortization	16,863,345
Issuance of long term liabilities	15,425,000
Transfers from accumulated surplus	9,937,771
	<u><u>\$ 31,844,772</u></u>

**12. Public Sector Salary Disclosure**

In 2017, as defined in the Public Sector Disclosure Act 1996, 42 employees were paid a salary of \$100,000 or more by the County of Oxford.

**13. Contingent Liabilities**

A long standing legal claim against the County concerning the expropriation of land for industrial development purposes is waiting decision of the Ontario Municipal Board. Costs associated with this claim will be funded from reserves the County received from a third party having interest in the matter.

Property assessment appeals have been filed by a property owner for years 2013 through to 2017 under the Assessment Act and the Municipal Act that, in the event they are successful, would be funded from the County's Corporate General reserve.

**14. Liability for Contaminated Sites**

The County has adopted PSAB 3260 standard for the purpose of disclosing liabilities associated with remediation of contaminated sites. Accordingly, there is nothing to report for the purposes of these financial statements.

**15. Oxford County Library Board**

In 2017, the Oxford County Library Board received \$135,675 (2016 - \$135,675) from the Ministry of Tourism and Culture for the public library operating grant program and pay equity funding of \$3,229 (2016 - \$3,229). These amounts are included in government grants on the Consolidated Statement of Operations and Accumulated Surplus.

**16. Subsequent Event**

On April 4, 2018, the Government of Ontario announced regulatory changes to the *Health Protection and Promotion Act* to approve the merger of Oxford County Public Health with Elgin St. Thomas Public Health effective May 1, 2018. As of May 1, 2018, the County of Oxford's public health assets and operations will transfer to the new entity and will operate under the legal name of Oxford Elgin St. Thomas Public Health.

**17. Provincial Offences Administration**

The County of Oxford is responsible for the administration of fines arising under the Provincial Offences Act ("POA"). The County performs court support, administration and collection functions for all related fines and fees and prosecutes matters under the POA. The POA is a procedural law for administering and prosecuting provincial offences, including but not limited to, those committed under the Highway Traffic Act, Compulsory Automobile Insurance Act, Trespass to Property Act, Liquor Licence Act and municipal by-laws. Offenders may pay fines at any Provincial Offences Administration office in Ontario, at which time the receipts are recorded in the Integrated Courts Operation Network system ("ICON"). The County recognizes fine revenue when the receipt of funds is recorded in ICON. Gross revenue for 2017 totals \$1,856,518 (2016 - \$1,802,328).

**18. Oxford County Housing Debt Obligations**

On January 1, 2000, the Province of Ontario transferred ownership of housing units to the County. Prior to 2000, the Province issued debentures related to housing properties now owned by the County. The debt obligation for these debentures remains with the Province and has varying maturity dates. The outstanding debt at December 31, 2017 is \$1,999,897 and the principal repayments are scheduled as follows:

2018 to 2022	\$1,431,770
2023 to 2025	568,127

**19. Comparative Balances**

The Consolidated Schedule of Tangible Capital Assets has been reclassified to align with the Ministry of Municipal Affairs' Financial Information Return, and does not represent a change in accounting policy.

## **20. Segmented Information**

### **General Government**

General government is comprised of Council and general administration. These areas include CAO/Clerk, Council, Facilities, Fleet, Finance, Information Services and Human Resources.

### **Protection to Persons and Property**

Provincial Offences Administration 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. Protection to persons and property also includes flood control from conservation authorities.

### **Transportation Services**

Transportation is responsible for the delivery of municipal public works services related to the planning, development and maintenance of roadway systems.

### **Environmental Services**

The environmental services include water supply and distribution, wastewater treatment and collection, and waste diversion, collection and disposal.

### **Health Services**

Health services are comprised of public health and emergency medical services. Public health services work to improve the overall health of the population and overcome health inequalities by providing services to individuals and communities. Emergency medical services provide the County and surrounding areas with pre-hospital medical care and transportation services to the ill and injured in the community.

### **Social and Family Services**

Social Services include social assistance, long-term care and child care services. Social assistance services provide financial, social and employment assistance to those that are less fortunate. Long-term care service provides health services for seniors who can no longer live at home. Child care services provide subsidized child care spaces and wage subsidies.

### **Social Housing**

Social Housing is provided to help shelter individuals, families and elderly in need.

### **Oxford County Public Library Board**

Oxford County Public Library Board provides services meant to improve the health and development of the citizens of the County.

### **Planning and Development**

Planning and development provides services related to property development within the County.

**County of Oxford**  
**Consolidated Schedule of Tangible Capital Assets**  
**As at December 31, 2017**

**Schedule 1**

Tangible capital assets are recorded at cost on the Consolidated Statement of Financial Position. The County has tangible capital assets with a net book value of \$22,615,409 (2016 - \$13,090,170) that are not being amortized as they are under construction. During the year there were no write-downs of assets (2016 - \$nil). Underground water and sewer systems in the amount of \$339,967 (2016 - \$2,311,804) were contributed to County and were recorded at their fair value at the time of contribution. The County has no tangible capital assets recognized at a nominal value. There was no interest capitalized during the year (2016 - \$nil). The County owns various works of art and historical treasures that have not been included as tangible capital assets. These items are categorized as Archival Materials.

The following charts summarize tangible capital asset balances by category for the year ended December 31, 2017:

	Cost Dec 31, 2016	Additions	Disposals	Cost Dec 31, 2017	Accumulated Amortization Dec 31, 2016	Amortization	Disposals	Accumulated Amortization Dec 31, 2017	Net Book Value Dec 31, 2017
<b>General</b>									
Land	\$19,409,013	\$246,934	\$187,421	\$19,468,526	\$-	\$-	\$-	\$-	<b>\$19,468,526</b>
Land improvements	1,422,936	864,660	13,855	2,273,741	368,086	82,882	7,159	443,809	<b>1,829,932</b>
Buildings	92,809,753	1,892,143	412,586	94,289,310	30,813,970	2,634,122	185,875	33,262,217	<b>61,027,093</b>
Vehicle	12,112,911	2,409,025	1,291,390	13,230,546	6,546,363	1,199,133	1,246,223	6,499,273	<b>6,731,273</b>
Furniture and fixtures	4,997,792	138,090	73,653	5,062,229	4,431,206	154,309	73,097	4,512,418	<b>549,811</b>
Machinery and equipment	5,686,425	1,200,408	229,674	6,657,159	2,951,159	613,062	210,728	3,353,493	<b>3,303,666</b>
Library books	1,698,771	216,369	230,411	1,684,729	718,412	242,682	230,411	730,683	<b>954,046</b>
Computer hardware	1,432,888	197,415	278,841	1,351,462	898,582	343,675	278,841	963,416	<b>388,046</b>
<b>Total General Capital</b>	<b>139,570,489</b>	<b>7,165,044</b>	<b>2,717,831</b>	<b>144,017,702</b>	<b>46,727,778</b>	<b>5,269,865</b>	<b>2,232,334</b>	<b>49,765,309</b>	<b>94,252,393</b>
<b>Infrastructure</b>									
Land	\$7,006,959	\$18,208	\$517,437	\$6,507,730	\$-	\$-	\$-	\$-	<b>\$6,507,730</b>
Land improvements	11,664,953	50,647	5,675	11,709,925	2,803,102	203,350	733	3,005,719	<b>8,704,206</b>
Buildings	132,949,471	165,864	37,532	133,077,803	38,938,214	2,063,375	5,089	40,996,500	<b>92,081,303</b>
Machinery and equipment	20,859,001	105,547	-	20,964,548	11,314,782	411,457	-	11,726,239	<b>9,238,309</b>
Bridges	33,738,768	2,794,948	200,674	36,333,042	11,065,346	535,266	141,596	11,459,016	<b>24,874,026</b>
Water and Wastewater	228,652,111	7,818,836	672,645	235,798,302	71,020,033	2,908,742	337,949	73,590,826	<b>162,207,476</b>
Roads	177,291,352	10,551,383	253,817	187,588,918	90,065,486	6,618,356	244,373	96,439,469	<b>91,149,449</b>
<b>Total Infrastructure Capital</b>	<b>612,162,615</b>	<b>21,505,433</b>	<b>1,687,780</b>	<b>631,980,268</b>	<b>225,206,963</b>	<b>12,740,546</b>	<b>729,740</b>	<b>237,217,769</b>	<b>394,762,499</b>
<b>Total Tangible Capital Assets</b>	<b>\$751,733,104</b>	<b>\$28,670,477</b>	<b>\$4,405,611</b>	<b>\$775,997,970</b>	<b>\$271,934,741</b>	<b>\$18,010,411</b>	<b>\$2,962,074</b>	<b>\$286,983,078</b>	<b>\$489,014,892</b>



# County of Oxford

## Consolidated Schedule of Segmented Disclosure

For the Year Ended December 31, 2017 (comparative balances for year ended December 31, 2016)

### Schedule 2

	General Government	Protection to Persons and Property	Transportation Services	Environmental Services	Health Services	Social and Family Services
<b>Revenues</b>						
Property taxes	\$5,444,307	\$842,974	\$18,913,407	\$2,096,642	\$8,055,180	\$12,429,848
User fees and charges	1,351,473	-	541,627	50,462,338	449,297	7,852,763
Government transfers	5,197	9,300	4,442,385	1,926,848	12,859,163	31,580,507
Investment income	646,332	-	176,722	1,747,479	15,048	-
Development charges	42,008	-	1,456,810	3,371,136	40,000	-
Provincial offences	-	1,856,518	-	-	-	-
Other	5,503	2,512	-	339,967	23,039	19,049
	<u>7,494,820</u>	<u>2,711,304</u>	<u>25,530,951</u>	<u>59,944,410</u>	<u>21,441,727</u>	<u>51,882,167</u>
<b>Expenses</b>						
Wages and benefits	5,575,859	399,650	4,666,800	6,934,186	15,794,831	21,534,393
Materials and supplies	7,129,009	95,977	3,075,840	8,956,999	1,903,005	2,985,467
Contracted services	3,848,615	324,960	726,577	10,985,860	406,576	2,057,697
Rents and financial expenses	355,467	-	22,240	1,855	4,561	45,361
External transfers	279,500	1,362,382	5,000	-	40,000	19,859,231
Interfunctional transfers	(13,663,332)	198,739	3,791,187	4,711,995	1,789,826	1,894,261
Interest on long term debt	289,561	29,228	42,401	954,897	48,178	739,477
Amortization	2,567,048	-	7,287,516	5,534,669	668,485	1,330,651
	<u>6,381,727</u>	<u>2,410,936</u>	<u>19,617,561</u>	<u>38,080,461</u>	<u>20,655,462</u>	<u>50,446,538</u>
<b>Excess revenues over (under) expenses before other</b>	<u>1,113,093</u>	<u>300,368</u>	<u>5,913,390</u>	<u>21,863,949</u>	<u>786,265</u>	<u>1,435,629</u>
<b>Other revenues (expenses)</b>						
Gain (loss) on disposal	893,707	-	(75,901)	(367,138)	55,949	(112,019)
<b>Excess revenues over (under) expenses</b>	<u><b>\$2,006,800</b></u>	<u><b>\$300,368</b></u>	<u><b>\$5,837,489</b></u>	<u><b>\$21,496,811</b></u>	<u><b>\$842,214</b></u>	<u><b>\$1,323,610</b></u>

# County of Oxford

## Consolidated Schedule of Segmented Disclosure

For the Year Ended December 31, 2017 (comparative balances for year ended December 31, 2016)

### Schedule 2

	Social Housing	Oxford County Public Library Board	Planning and Development	Total	Total 2016
<b>Revenues</b>					
Property taxes	\$4,981,215	\$3,604,321	\$3,310,743	<b>\$59,678,637</b>	\$57,549,632
User fees and charges	2,464,250	59,050	293,343	<b>63,474,141</b>	61,673,540
Government transfers	3,882,651	165,242	2,979	<b>54,874,272</b>	52,298,098
Investment income	59,907	999	-	<b>2,646,487</b>	2,352,614
Development charges	-	78,200	-	<b>4,988,154</b>	4,894,730
Provincial offences	-	-	-	<b>1,856,518</b>	1,802,328
Other	-	33,738	-	<b>423,808</b>	2,448,375
	<b>11,388,023</b>	<b>3,941,550</b>	<b>3,607,065</b>	<b>187,942,017</b>	183,019,317
<b>Expenses</b>					
Wages and benefits	177,396	2,117,766	2,445,904	<b>59,646,785</b>	58,106,482
Materials and supplies	3,202,516	376,749	362,212	<b>28,087,774</b>	27,584,875
Contracted services	796,823	21,905	188,499	<b>19,357,512</b>	18,876,020
Rents and financial expenses	-	-	4,164	<b>433,648</b>	462,794
External transfers	6,194,581	-	42,460	<b>27,783,154</b>	28,628,181
Interfunctional transfers	177,549	809,350	290,425	-	-
Interest on long term debt	149,780	31,956	-	<b>2,285,478</b>	2,544,013
Amortization	183,582	438,460	-	<b>18,010,411</b>	17,407,712
	<b>10,882,227</b>	<b>3,796,186</b>	<b>3,333,664</b>	<b>155,604,762</b>	153,610,077
<b>Excess revenues over (under) expenses before other</b>	<b>505,796</b>	<b>145,364</b>	<b>273,401</b>	<b>32,337,255</b>	29,409,240
<b>Other revenues (expenses)</b>					
Gain (loss) on disposal	-	(19,481)	-	<b>375,117</b>	(1,094,804)
<b>Excess revenues over (under) expenses</b>	<b>\$505,796</b>	<b>\$125,883</b>	<b>\$273,401</b>	<b>\$32,712,372</b>	<b>\$28,314,436</b>