

 OxfordCounty

OXFORD COUNTY
ADMINISTRATION
BUILDING

2014 CONSOLIDATED FINANCIAL STATEMENTS

COUNTY OF OXFORD
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DECEMBER 31, 2014

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INDEPENDENT AUDITOR'S REPORT

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

I have audited the accompanying consolidated financial statements of the County of Oxford, which comprise the consolidated statement of financial position as at December 31, 2014 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

My responsibility is to express an opinion on these consolidated financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the County of Oxford as at December 31, 2014 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.

London, Canada
May 13, 2015

Scrimgeour & Company
LICENSED PUBLIC ACCOUNTANT

COUNTY OF OXFORD
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2014
(with comparative balances as at December 31, 2013)

	2014	2013
FINANCIAL ASSETS		
Cash and cash equivalents	\$ 112,802,039	\$ 112,775,064
Investments (Note 1)	26,780,932	17,173,557
Accounts receivable (Note 3)	19,713,367	21,018,206
	<u>159,296,338</u>	<u>150,966,827</u>
LIABILITIES		
Accounts payable and accrued liabilities	21,810,755	23,396,248
Deferred revenue (Note 4)	12,590,970	22,711,390
Post retirement and employee future benefits (Note 5)	4,267,929	4,176,922
Net long term liabilities (Note 7)	59,254,571	63,695,522
Landfill closure and post closure liabilities (Note 8)	3,837,135	3,792,978
	<u>101,761,360</u>	<u>117,773,060</u>
NET FINANCIAL ASSETS	<u>57,534,978</u>	<u>33,193,767</u>
NON FINANCIAL ASSETS		
Tangible capital assets (Note 16, Schedule 1)	456,368,153	448,595,203
Capital work in progress	9,645,854	7,769,618
Inventories	79,057	93,191
Prepaid and deferred charges	432,000	138,919
	<u>466,525,064</u>	<u>456,596,931</u>
ACCUMULATED SURPLUS (Note 9, Note 16)	<u>\$ 524,060,042</u>	<u>\$ 489,790,698</u>

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, 2014
(with comparative balances for the year ended December 31, 2013)

	Budget 2014	Actual 2014	Actual 2013
	(Note 10)		
REVENUES			
Requisition on local municipalities	\$ 54,263,021	\$ 54,926,344	\$ 53,412,016
User charges	50,790,088	51,573,820	51,585,197
Government grants (Note 15)	45,169,686	45,697,902	44,792,923
Investment income	750,000	1,890,670	1,710,362
Long term care resident maintenance	5,110,145	5,149,941	5,078,775
Provincial offences	1,975,000	2,152,902	2,139,287
Other	17,200	295,975	58,505
	158,075,140	161,687,554	158,777,065
EXPENSES			
General government	4,865,104	5,252,089	3,271,195
Protection to persons and property	2,197,613	2,071,104	2,011,269
Transportation services	17,452,759	16,918,014	15,433,770
Environmental services	35,813,930	36,446,976	35,627,039
Health services	20,583,000	20,568,475	19,713,808
Social and family services	51,282,453	48,272,829	47,839,684
Social housing	8,542,582	8,435,803	8,130,754
Recreation and cultural development	3,408,120	3,537,825	3,377,339
Planning and development	3,605,349	3,227,163	3,061,007
	147,750,910	144,730,278	138,465,865
EXCESS REVENUES OVER EXPENSES BEFORE OTHER	10,324,230	16,957,276	20,311,200
OTHER REVENUES (EXPENSES)			
Government capital transfers	4,725,000	3,224,160	3,125,000
Developer contributions-in-kind related to capital	4,622,142	14,824,920	7,135,439
Gain (Loss) on disposal of capital assets	65,000	(845,514)	(2,290,577)
Capital revenue recoverable from residents	4,808,000	108,502	1,011,176
	14,220,142	17,312,068	8,981,038
EXCESS REVENUES OVER EXPENSES	24,544,372	34,269,344	29,292,238
ACCUMULATED SURPLUS, BEGINNING OF YEAR (Note 16)	489,790,698	489,790,698	460,498,460
ACCUMULATED SURPLUS, END OF YEAR	\$514,335,070	\$524,060,042	\$489,790,698

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, 2014
(with comparative balances for the year ended December 31, 2013)

	2014	2013
EXCESS REVENUES OVER EXPENSES	\$ 34,269,344	\$ 29,292,238
Acquisition of tangible capital assets	(24,283,226)	(31,806,095)
Amortization of tangible capital assets	15,503,852	14,838,400
Loss on sale of tangible capital assets	845,514	2,290,577
Proceeds from the sale of tangible capital assets	160,910	174,358
Decrease (increase) in capital work in progress	(1,876,236)	1,327,747
Decrease of inventory	14,134	11,589
Decrease (increase) in prepaid and deferred charges	(293,081)	14,887
INCREASE IN NET FINANCIAL ASSETS	24,341,211	16,143,701
NET FINANCIAL ASSETS, BEGINNING OF YEAR	33,193,767	17,050,066
NET FINANCIAL ASSETS, END OF YEAR	\$ 57,534,978	\$ 33,193,767

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, 2014
(with comparative balances for the year ended December 31, 2013)

	2014	2013
OPERATING ACTIVITIES		
Excess revenues over expenses	\$ 34,269,344	\$ 29,292,238
Non-cash changes to operations		
Amortization of tangible capital assets	15,503,852	14,838,400
Loss on disposal of capital assets	845,514	2,290,577
Changes in non-cash operating balances		
Accounts receivable	1,304,839	(308,920)
Accounts payable and accrued liabilities	(1,585,493)	2,990,506
Deferred revenue	(10,120,420)	1,592,092
Post retirement and employee future benefits	91,007	(4,387)
Landfill closure and post closure liabilities	44,157	83,164
Inventories	14,134	11,589
Prepaid and deferred charges	(293,081)	14,887
Net change in cash from operating	<u>40,073,853</u>	<u>50,800,146</u>
CAPITAL ACTIVITIES		
Acquisition of tangible capital assets	(24,283,226)	(31,806,095)
Proceeds from the sale of tangible capital assets	160,910	174,358
Decrease in work in progress	(1,876,236)	1,327,747
Net change in cash from capital	<u>(25,998,552)</u>	<u>(30,303,990)</u>
FINANCING ACTIVITIES		
Proceeds from long term debt	1,450,000	7,000,340
Long term debt principal repayments	(5,890,951)	(5,482,807)
Net change in cash from financing	<u>(4,440,951)</u>	<u>1,517,533</u>
Increase in cash and cash equivalents	9,634,350	22,013,689
Cash and short term investments, beginning of year	<u>129,948,621</u>	<u>107,934,932</u>
Cash and short term investments, end of year	<u>\$139,582,971</u>	<u>\$129,948,621</u>
COMPRISED OF:		
Cash and cash equivalents	112,802,039	112,775,064
Short term investments	26,780,932	17,173,557
	<u>\$139,582,971</u>	<u>\$129,948,621</u>

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

COUNTY OF OXFORD
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
DECEMBER 31, 2014

Management's Responsibility for the Consolidated Financial Statements

The County of Oxford 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 provides municipal services such as public works, planning, social services and housing, public health, emergency services and other general government services.

Basis of Consolidation

(i) Consolidated Entities

These consolidated statements reflect the assets, liabilities, revenues and expenses of all committees of Council and the following boards, municipal enterprises and utilities which are under the control of Council:

Oxford County Library

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

(ii) Non-consolidated Entities

Trust funds and their related operations administered by the County are not consolidated, but are reported separately on the "Trust Funds Financial Statements".

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.

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.

COUNTY OF OXFORD
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
DECEMBER 31, 2014

Environmental Provisions

The County provides for the cost of compliance with environmental legislation when conditions are identified which indicate non-compliance with environmental legislation and costs can be reasonably determined. The estimated amounts of future restoration costs are reviewed regularly, based on available information and governing legislation.

Retirement Benefits

The County's contributions due during the period to its multi-employer defined benefit plan are expensed as incurred. Other retirement benefits are expensed as incurred.

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, provides the Change in Net Financial Assets for the year.

Government Transfer

Government transfers, which include legislative grants, 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.

Revenue Recognition

Taxation revenues are recognized at the time tax billings are issued. Additional property tax revenue can be added throughout the year, related to new properties that become occupied, or that become subject to property tax, after the assessment return roll used 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.

Conditional grant revenue is recognized to the extent the conditions imposed on it have been fulfilled. Unconditional grant revenue is recognized when monies are receivable.

Grants for the acquisition of tangible capital assets are recognized in the period in which eligible expenses are made.

Sales of service and other revenue are recognized on an accrual basis.

COUNTY OF OXFORD
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
DECEMBER 31, 2014

Tangible Capital Assets

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

Land	No amortization
Buildings	35 to 40 years
Furnishings and fixtures	10 years
Library books	7 years
Machinery and equipment	10 to 30 years
Infrastructure - water and wastewater	10 to 99 years
Roads and bridges	7 to 99 years
Computer hardware and software	4 years
Vehicles	5 to 20 years

Inventories

Inventories held for consumption are recorded at the lower of cost and market.

Deferred Revenue

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 on the Consolidated Statement of Financial Position. The revenue is recognized in the Consolidated Statement of Operations in the year in which it is used for the specified purpose.

Solid Waste Landfill

The estimated costs to close and maintain solid waste landfill sites are based on estimated future expenses in current dollars, discounted, adjusted for estimated inflation, and are charged to the expense as the landfill's capacity is used.

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.

COUNTY OF OXFORD
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2014

1. Investments

The short term investments of \$26,780,932 (2013 - \$17,173,557) are recorded at cost. The investments have a market value of \$27,156,312 (2013 - \$17,373,876). The market value represents the realizable value of the investments if they were sold on December 31, 2014.

2. Trust Funds

Trust funds administered by the County of Oxford amounting to \$28,840 (2013 - \$44,982) 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

Included in accounts receivable are long term receivables for \$7,678,006 (2013 - \$9,091,997) with repayment continuing until 2023.

Accounts Receivable are reported net of allowance for doubtful accounts of \$88,202 (2013 - \$69,569).

4. Deferred Revenue

The deferred revenue balance is comprised of the following:

	2014	2013
Development charges	\$ 6,448,534	\$ 16,530,470
Economic development grant	3,221,959	3,235,113
Federal gas tax	1,779,436	1,833,721
Other	1,141,041	1,112,086
	\$ 12,590,970	\$ 22,711,390

COUNTY OF OXFORD
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2014

5. Post Retirement and Employee Future Benefits

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

	2014	2013
Workplace Safety & Insurance Board	\$ 4,123,224	\$ 4,012,164
Post retirement benefits	144,705	164,758
	\$ 4,267,929	\$ 4,176,922

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, 2011 and has been extrapolated to estimate the liability for the 2012 to 2014 period. The next required valuation will be conducted in 2015 for the period ending December 31, 2014, and any change in this estimate will be recorded in 2015.

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 70%
- Woodingford Lodge 178%
- Health care inflation CPI plus 4%
- WSIB Administration Rate 30%
- Lost time injury count - County 4
- Woodingford Lodge 5

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

	2014	2013
Accrued benefit obligation, beginning of year	\$ 4,012,164	\$ 3,940,230
Current service cost	497,437	483,704
Interest expense	221,147	224,257
Actuarial loss	1,163,256	1,495,616
Benefits paid	(773,704)	(802,207)
	5,120,300	5,341,600
Unamortized net actuarial gain	(997,076)	(1,329,436)
	\$ 4,123,224	\$ 4,012,164

COUNTY OF OXFORD
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2014

5. Post Retirement and Employee Future Benefits Continued

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

	2014	2013
Current period benefit cost	\$ 497,437	\$ 483,704
Amortization of net actuarial loss	166,180	166,180
Interest expense	221,147	224,257
Accrued benefit obligation, end of year	\$ 884,764	\$ 874,141

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

	2014	2013
Workplace Safety and Insurance Board (Note 9)	\$ 4,747,838	\$ 5,252,690

Liability for Post Retirement Benefits

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

6. Pension Agreements

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 2014 was \$3,590,026 (2013 - \$3,392,437) 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, 2014, under the past service provisions.

COUNTY OF OXFORD
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2014

7. 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:

	2014	2013
Total long term liabilities incurred by the County at various rates of interest ranging from 1.96% to 7.00% (2013 - 1.96% to 7.00%) with maturity dates ranging from February 2015 to December 2040	\$ 99,211,633	\$104,886,374
Of the long term liabilities shown above, the responsibility for payment of principal and interest charges has been assumed by other municipalities	(39,234,409)	(40,332,038)
Of the long term liabilities shown above, the responsibility for payment of principal and interest charges for tile drainage has been assumed by individuals	(722,653)	(858,814)
	\$ 59,254,571	\$ 63,695,522

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

2015	\$ 6,147,169
2016	5,657,511
2017	5,075,308
2018	4,916,201
2019	5,028,581
Thereafter	32,429,801
	\$ 59,254,571

(c) The net interest expense for the year ended December 31, 2014 was \$2,777,351 (2013 - \$2,889,892).

COUNTY OF OXFORD
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2014

7. 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, 2014, was \$39,957,062 (2013 - \$41,190,852) and is not recorded on the Consolidated Statement of Financial Position.

8. 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 3,124,868 (2013 - 3,223,604) cubic metres with an estimated life expectancy of 29 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 2.75%. The estimated expenses for closure and post closure care are \$3,837,135 (2013 - \$3,792,978). and has been reported on the Consolidated Statement of Financial Position. The estimated length of time required for post-closure care is 25 years.

COUNTY OF OXFORD
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2014

9. Accumulated Surplus

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

	2014	2013
Surpluses (deficits)		
Operating fund	\$ (9,360,748)	\$ (9,333,233)
Invested in tangible capital assets	407,814,683	393,877,518
Library	166	136,270
	398,454,101	384,680,555
 Reserves		
Working capital	6,100,000	6,100,000
General	13,749,158	11,298,881
Water and wastewater systems	50,290,732	37,360,911
Waste collection and disposal	2,178,000	2,178,000
Ambulance services	1,267,818	1,234,121
Social housing	4,364,097	4,124,853
Library	492,235	477,828
Workplace Safety and Insurance Board (WSIB)	4,747,838	5,252,690
Planning	693,349	693,349
Other purposes and capital expenses	17,329,681	10,363,953
	101,212,908	79,084,586
 Special Purpose Reserves		
Landfill	24,393,033	26,025,557
	24,393,033	26,025,557
	\$524,060,042	\$489,790,698

COUNTY OF OXFORD
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2014

10. Budget

The Financial Plan (Budget) By-Law adopted by Council on December 11, 2013 was prepared on a modified accrual basis consistent with the requirements of Section 289 of the Ontario Municipal Act, 2001. The 2014 actual balances 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. This is consistent with the Public Sector Accounting Standard. As a result, the budget figures presented in the Consolidated Statement of Operations and Accumulated Surplus represent the Financial Plan adopted by Council on December 11, 2013 with adjustments as follows:

	2014
Financial Plan (Budget) By-Law surplus for the year	\$ -
Add:	
Tangible capital assets	43,683,078
Debt principal repayment	6,152,758
Less:	
Amortization	16,489,924
Issuance of long term liabilities	4,000,000
Transfers from accumulated surplus	4,801,540
	\$ 24,544,372

11. Commitments

In 2008, County Council approved a \$400,000 capital grant to the Stratford General Hospital. The County has committed to fund \$40,000 each year from its general levy to fulfil this obligation. This obligation will be complete in the year 2017.

12. Public Sector Salary Disclosure

In 2014, as defined in the Public Sector Disclosure Act 1996, 29 employees were paid a salary of \$100,000 or more by the County of Oxford.

13. Contingent Liabilities

The County is in the process of defending a claim for damages concerning its involvement in the expropriation of land for industrial development purposes. If successful, the cost associated with this claim will be funded by the County's insurance provider or from revenues the County received from a third party having an interest in the matter.

Property assessment appeals have been filed by a property owner for years 2009 through to 2013 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.

COUNTY OF OXFORD
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2014

14. Liability for Contaminated Sites

The County has adopted PSAB 3260 standard for the year ending December 31, 2014. No disclosure or liability is required for contaminated sites.

15. Oxford County Library Board

In 2014, the Oxford County Library Board received \$135,675 (2013 - \$135,675) from the Ministry of Tourism and Culture for the public library operating grant program and pay equity funding of \$3,229 (2013 - \$3,229). These amounts are included in government grants on the Consolidated Statement of Operations and Accumulated Surplus.

16. Comparative Balances

Certain comparative balances have been restated to conform with the current year's presentation.

COUNTY OF OXFORD
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2014

17. Segmented Information

The County of Oxford is a diversified municipal government institution that provides a wide range of services to its citizens such as emergency services, water and wastewater, roads and public housing. Distinguishable functional segments have been separately disclosed in the segmented information. The nature of the segments they encompass are as follows:

General Government

General government is responsible for: CAO/Clerk, Council, Facilities, 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.

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 department consists of three distinct utilities - water, wastewater and solid waste disposal.

Health Services

Health services are comprised of public health services which works to improve the overall health of the population and overcome health inequalities by providing services to individuals and communities. Emergency Medical Services provides 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 provides services that are meant to help the less fortunate in society and assistance to the aged.

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, 2014
(with comparative balances as at December 31, 2013)

Schedule 1

	Land	Buildings	Vehicles	Furniture and Fixtures	Machinery and Equipment	Bridges
COST						
Balance, beginning of year	\$25,461,990	\$100,795,684	\$10,783,276	\$4,897,008	\$11,276,816	\$29,004,892
Add: additions during the year	297,920	3,325,396	1,526,686	16,392	224,618	506,884
Less: disposals during the year	-	337,018	763,476	-	467,804	7,965
Balance, end of year	25,759,910	103,784,062	11,546,486	4,913,400	11,033,630	29,503,811
ACCUMULATED AMORTIZATION						
Balance, beginning of year	-	\$24,986,901	\$6,075,566	\$4,043,581	\$3,995,968	\$10,071,904
Add: amortization during the year	-	2,730,775	1,228,737	141,385	665,855	426,060
Less: disposals during the year	-	129,940	707,700	-	422,521	7,350
Balance, end of year	-	27,587,736	6,596,603	4,184,966	4,239,302	10,490,614
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	\$25,759,910	\$76,196,326	\$4,949,883	\$728,434	\$6,794,328	\$19,013,197

COUNTY OF OXFORD
CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS
AS AT DECEMBER 31, 2014
(with comparative balances as at December 31, 2013)

Schedule 1

	Water and Waste Water	Roads	Library Books	Computer Hardware and Software	Total	Total 2013 (Note 16)
COST						
Balance, beginning of year	\$342,897,273	\$153,176,061	\$1,888,409	\$1,222,773	\$681,404,182	\$656,716,855
Add: additions during the year	8,094,942	9,441,179	280,744	568,465	24,283,226	31,806,095
Less: disposals during the year	875,147	663,707	494,798	331,773	3,941,688	7,118,768
Balance, end of year	350,117,068	161,953,533	1,674,355	1,459,465	701,745,720	681,404,182
ACCUMULATED AMORTIZATION						
Balance, beginning of year	\$107,970,661	\$73,945,447	\$955,013	\$763,938	\$232,808,979	\$222,624,412
Add: amortization during the year	4,693,116	5,021,004	236,985	359,935	15,503,852	14,838,400
Less: disposals during the year	375,578	465,604	494,798	331,773	2,935,264	4,653,833
Balance, end of year	112,288,199	78,500,847	697,200	792,100	245,377,567	232,808,979
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	\$237,828,869	\$83,452,686	\$977,155	\$667,365	\$456,368,153	\$448,595,203

COUNTY OF OXFORD
CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE
FOR THE YEAR ENDED DECEMBER 31, 2014
(with comparative balances for the year ended December 31, 2013)

Schedule 2

	General Government	Protection to Persons and Property	Transportation Services	Environmental Services	Health Services	Social and Family Services
REVENUES						
Taxation	\$5,196,607	\$357,898	\$16,906,000	\$2,639,691	\$7,862,793	\$12,437,166
User charges	1,376,677	-	1,050,371	43,813,650	435,174	2,354,652
Government grants	31,362	-	-	112,502	12,571,256	29,816,439
Investment income	1,260,822	-	-	627,852	-	-
Long term care resident maintenance	-	-	-	-	-	5,149,941
Provincial offences	-	2,152,902	-	-	-	-
Other	247,192	2,698	-	-	23,011	12,564
	<u>8,112,660</u>	<u>2,513,498</u>	<u>17,956,371</u>	<u>47,193,695</u>	<u>20,892,234</u>	<u>49,770,762</u>
EXPENSES						
Wages and benefits	4,919,634	345,342	4,003,387	6,413,631	15,618,440	20,152,051
Materials and supplies	3,989,770	100,107	3,179,948	11,427,482	1,920,935	4,549,431
Contracted services	2,666,621	269,488	750,528	10,873,931	616,625	1,878,421
Rents and financial expenses	110,967	17,431	26,489	9,974	-	37,220
External transfers	138,317	1,093,887	5,000	-	67,500	17,622,410
Interfunctional transfers	(9,201,524)	196,520	3,422,701	1,299,401	1,596,534	1,802,275
Interest on long term debt	323,222	48,329	8,420	1,287,146	72,531	983,112
Amortization	2,305,082	-	5,521,541	5,135,411	675,910	1,247,909
	<u>5,252,089</u>	<u>2,071,104</u>	<u>16,918,014</u>	<u>36,446,976</u>	<u>20,568,475</u>	<u>48,272,829</u>
EXCESS REVENUES OVER (UNDER) EXPENSES BEFORE OTHER	<u>2,860,571</u>	<u>442,394</u>	<u>1,038,357</u>	<u>10,746,719</u>	<u>323,759</u>	<u>1,497,933</u>
OTHER REVENUES (EXPENSES)						
Government capital transfers	-	-	3,224,160	-	-	-
Developer contributions-in-kind related to capital	143,003	-	2,937,533	11,500,322	-	-
Gain (loss) on disposal	(4,362)	-	(179,019)	(529,377)	19,014	(151,770)
Capital revenue recoverable from residents	-	-	-	108,502	-	-
	<u>138,641</u>	<u>-</u>	<u>5,982,674</u>	<u>11,079,447</u>	<u>19,014</u>	<u>(151,770)</u>
EXCESS REVENUES OVER (UNDER) EXPENSES	<u>\$2,999,212</u>	<u>\$442,394</u>	<u>\$7,021,031</u>	<u>\$21,826,166</u>	<u>\$342,773</u>	<u>\$1,346,163</u>

COUNTY OF OXFORD
CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE
FOR THE YEAR ENDED DECEMBER 31, 2014
(with comparative balances for the year ended December 31, 2013)

Schedule 2

	Social Housing	Oxford County Public Library Board	Planning and Development	Total	Total 2013
REVENUES					
Taxation	\$3,589,160	\$2,962,786	\$2,974,243	\$54,926,344	\$53,412,016
User charges	2,252,987	39,316	250,993	51,573,820	51,585,197
Government grants	2,940,097	222,582	3,664	45,697,902	44,792,923
Investment income	943	1,053	-	1,890,670	1,710,362
Long term care resident maintenance	-	-	-	5,149,941	5,078,775
Provincial offences	-	-	-	2,152,902	2,139,287
Other	-	10,510	-	295,975	58,505
	8,783,187	3,236,247	3,228,900	161,687,554	158,777,065
EXPENSES					
Wages and benefits	-	2,011,206	2,408,368	55,872,059	52,711,221
Materials and supplies	3,030,809	365,318	349,840	28,913,640	26,629,981
Contracted services	448,150	56,115	141,938	17,701,817	19,943,203
Rents and financial expenses	-	215,434	16,373	433,888	407,197
External transfers	4,575,556	-	25,000	23,527,670	21,045,972
Interfunctional transfers	205,011	393,438	285,644	-	-
Interest on long term debt	-	54,592	-	2,777,352	2,889,891
Amortization	176,277	441,722	-	15,503,852	14,838,400
	8,435,803	3,537,825	3,227,163	144,730,278	138,465,865
EXCESS REVENUES OVER (UNDER) EXPENSES BEFORE OTHER	347,384	(301,578)	1,737	16,957,276	20,311,200
OTHER REVENUES (EXPENSES)					
Government capital transfers	-	-	-	3,224,160	3,125,000
Developer contributions-in-kind related to capital	-	244,062	-	14,824,920	7,135,439
Gain (loss) on disposal	-	-	-	(845,514)	(2,290,577)
Capital revenue recoverable from residents	-	-	-	108,502	1,011,176
	-	244,062	-	17,312,068	8,981,038
EXCESS REVENUES OVER (UNDER) EXPENSES	\$347,384	\$(57,516)	\$1,737	\$34,269,344	\$29,292,238