



Consolidated Financial Statements of the

**CORPORATION OF THE
TOWNSHIP OF ST. CLAIR**

December 31, 2015

CORPORATION OF THE TOWNSHIP OF ST. CLAIR
Consolidated Financial Statements
Year ended December 31, 2015

TABLE OF CONTENTS

	<u>PAGE</u>
Management's Report	1
Independent Auditors' Report	2-3
Consolidated Statement of Financial Position	4
Consolidated Statement of Operations	5
Consolidated Statement of Change in Net Debt	6
Consolidated Statement of Cash Flows	7
Notes to the Consolidated Financial Statements	8-21
Schedule 1 – Consolidated Schedule of Deferred Revenues	22
Schedule 2 – Consolidated Schedule of Tangible Capital Assets	23
Schedule 3 – Consolidated Schedule of Accumulated Surplus	25
Schedule 4 – Moore Museum Statement of Revenue and Expenditures	26
Schedule 5 – Sombra Museum Statement of Revenue and Expenditures	27
Schedule 6 – Consolidated Schedule of Segment Disclosure – 2015 Operating Revenues	28
Schedule 7 – Consolidated Schedule of Segment Disclosure – 2015 Operating Expenses	29
Schedule 8 – Consolidated Schedule of Segment Disclosure – 2014 Operating Revenues	30
Schedule 9 – Consolidated Schedule of Segment Disclosure – 2014 Operating Expenses	31

MANAGEMENT'S REPORT

The management of the Corporation of the Township of St. Clair ("Township) is responsible for the integrity, objectivity and accuracy of the financial information in the accompanying consolidated financial statements.

The consolidated financial statements have been prepared by management in accordance with Canadian Generally Accepted Accounting Principles established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. A summary of the significant accounting policies is disclosed in Note 1 to the consolidated financial statements.

To meet its responsibility, management maintains comprehensive financial and internal control systems designed to ensure the proper authorization of transactions, the safeguarding of assets and the integrity of the financial data. The Township employs highly qualified professional staff and deploys an organizational structure that effectively segregates responsibilities, and appropriately delegates authority and accountability.

The Finance and Administration Committee, a sub-committee of Township Council ("Council"), reviews and approves the consolidated financial statements before they are submitted to Council.

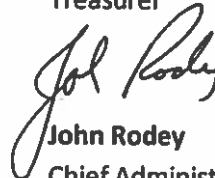
The 2015 consolidated financial statements have been examined by Corporation of the Township of St. Clair's external auditors, Collins Barrow KMD LLP, and their report precedes the consolidated financial statements.

Mooretown, Canada
September 19, 2016



Charles Quenneville

Treasurer



John Rodey

Chief Administrative Officer

INDEPENDENT AUDITORS' REPORT

To the Members of Council, Inhabitants and Ratepayers of the Corporation of the Township of St. Clair

We have audited the accompanying consolidated financial statements of the Corporation of the Township of St. Clair, which comprise the consolidated statement of financial position as at December 31, 2015 and the consolidated statements of operations, change in net debt and cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and schedules to the consolidated financial statements.

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.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' 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 entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Corporation of the Township of St. Clair as at December 31, 2015 and the results of its consolidated operations, its consolidated change in net debt and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Collins Barrow KMD LLP


Chartered Accountants
Licensed Public Accountants

London, Canada
September 6, 2016

CORPORATION OF THE TOWNSHIP OF ST. CLAIR
Consolidated Statement of Financial Position
As at December 31, 2015

	<u>2015</u>	<u>2014</u>
FINANCIAL ASSETS		
Cash (Note 16)	\$ 3,552,964	\$ 4,047,407
Taxes receivable	1,435,426	1,011,624
Accounts receivable	8,171,261	6,801,660
Long-term receivables (Note 5)	256,056	428,330
TOTAL FINANCIAL ASSETS	13,415,707	12,289,021
LIABILITIES		
Accounts payable and accrued charges	\$ 3,477,653	\$ 2,676,642
Note payable (Note 8)	-	826,083
Deferred revenue - Schedule 1	825,266	515,676
Other current liabilities	245,891	55,805
Post employment benefits (Note 7)	1,834,672	1,792,804
Net long-term liabilities (Note 6)	15,478,788	13,505,750
TOTAL LIABILITIES	21,862,270	19,372,760
TOTAL NET DEBT	(8,446,563)	(7,083,739)
Commitments (Note 13)		
Contingencies (Note 15)		
NON-FINANCIAL ASSETS		
Tangible capital assets - net - Schedule 2	206,750,903	201,329,764
Prepaid expenses	292,099	101,026
Inventories of material and supplies	92,128	99,323
TOTAL NON-FINANCIAL ASSETS	207,135,130	201,530,113
ACCUMULATED SURPLUS - Schedule 3	\$ 198,688,567	\$ 194,446,374

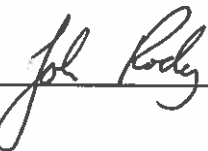
Approved on behalf of Council:



Mayor



Treasurer



CAO

CORPORATION OF THE TOWNSHIP OF ST. CLAIR
Consolidated Statement of Operations
For the Year ended December 31, 2015

	Budget 2015 (Note 11)	Actual 2015	Actual 2014
REVENUES			
TAXATION AND USER CHARGES			
Net municipal taxation	\$ 12,734,729	\$ 12,694,006	\$ 11,596,415
User charges	12,271,731	14,493,545	13,482,156
	<u>25,006,460</u>	<u>27,187,551</u>	<u>25,078,571</u>
GOVERNMENT TRANSFERS			
Province of Ontario	2,104,515	1,735,107	1,351,596
Federal grant	946,955	901,925	481,584
Other municipalities	183,872	190,433	194,964
	<u>3,235,342</u>	<u>2,827,465</u>	<u>2,028,144</u>
OTHER			
Investment income	137,105	165,318	139,621
Penalties and interest on taxes	184,000	199,611	184,458
Deferred revenue earned		39,920	59,327
Contribution (donated) tangible capital assets	1,000,000	61,990	1,190,266
Donations and other revenues	1,808,138	498,706	236,668
Loss on sale of land & assets	-	(109,830)	(69,450)
	<u>3,129,243</u>	<u>855,715</u>	<u>1,740,890</u>
TOTAL REVENUES	<u>31,371,045</u>	<u>30,870,731</u>	<u>28,847,605</u>
EXPENSES			
General government	1,677,136	1,554,896	1,733,151
Protection to persons and property	4,747,894	4,540,183	4,379,224
Transportation services	5,100,741	5,460,528	5,219,054
Environmental services	8,454,289	9,403,071	8,001,986
Health services	39,224	72,309	27,370
Social and family services		20,082	17,711
Recreation and cultural services	4,849,652	4,425,633	4,378,642
Planning and development	1,603,260	2,989,356	2,169,640
TOTAL EXPENSES	<u>26,472,196</u>	<u>28,466,058</u>	<u>25,926,778</u>
ANNUAL SURPLUS	4,898,849	2,404,673	2,920,827
ACCUMULATED SURPLUS, BEGINNING OF YEAR	194,446,374	194,446,374	193,025,736
EQUITY (DECREASE) INCREASE IN LAWSS		1,837,520	(1,500,189)
ACCUMULATED SURPLUS, END OF YEAR	<u>\$ 199,345,223</u>	<u>\$ 198,688,567</u>	<u>\$ 194,446,374</u>

CORPORATION OF THE TOWNSHIP OF ST. CLAIR
Consolidated Statement of Change in Net Debt
For the Year ended December 31, 2015

	Budget 2015 (Note 11)	2015 Actual	2014 Actual
ANNUAL SURPLUS	\$ 3,862,899	\$ 2,404,673	\$ 2,920,827
Amortization of tangible capital assets	2,666,198	4,867,830	4,676,089
Acquisition of tangible capital assets	(8,709,724)	(8,430,310)	(4,153,995)
Contribution (donated) tangible capital assets	(1,490,266)	(61,990)	(1,190,266)
Share of LAWSS adjustment on tangible capital assets	1,648,751	(1,961,371)	1,648,751
Loss on sale of tangible capital assets		164,702	250,977
(Acquisition) use of supplies inventories	-	7,195	(14,471)
Use of prepaid expenses	-	(191,073)	1,754
Change in LAWSS ownership	(1,500,189)	1,837,520	(1,500,189)
DECREASE IN NET DEBT	(3,522,331)	(1,362,824)	2,639,477
NET DEBT, BEGINNING OF YEAR	(7,083,739)	(7,083,739)	(9,723,216)
NET DEBT, END OF YEAR	\$ (10,606,070)	\$ (8,446,563)	\$ (7,083,739)

The accompanying notes and schedules are an integral part of these consolidated financial statements.

CORPORATION OF THE TOWNSHIP OF ST. CLAIR
Consolidated Statement of Cash Flows
Year ended December 31, 2015

	Actual 2015	Actual 2014
Cash provided by (used in)		
OPERATING ACTIVITIES		
Annual surplus	\$ 2,404,673	\$ 2,920,827
ITEMS NOT INVOLVING CASH		
Amortization of tangible capital assets	4,867,830	4,676,089
Loss on sale of tangible capital assets	164,702	250,977
Contribution (donated) tangible capital assets	(61,990)	(1,190,266)
Unfunded liabilities for benefits	41,868	62,984
CHANGE IN NON-CASH ASSETS AND LIABILITIES		
Prepaid expenses	(191,073)	1,754
Inventories of material and supplies	7,195	(14,471)
Deferred revenue	309,590	48,744
Taxes receivable	(423,802)	32,987
Accounts receivable	(1,369,601)	(518,808)
Accounts payable & and accrued charges	801,011	832,071
Other Current liabilities	190,086	
Net change in cash from operating activities	6,740,489	7,102,888
CAPITAL ACTIVITIES		
Cash used to acquire tangible capital assets	(8,430,310)	(4,153,995)
Share of LAWSS adjustment on tangible capital assets	(1,961,371)	1,648,751
Net change in cash from capital activities	(10,391,681)	(2,505,244)
INVESTING ACTIVITIES		
Decrease (increase) in long-term receivables	172,274	(118,828)
Increase (decrease) in note payable	(826,083)	(826,084)
Equity (decrease) increase in LAWSS due to change in ownership	1,837,520	(1,500,189)
Net change in cash from investment activities	1,183,711	(2,445,101)
FINANCING ACTIVITIES		
Proceeds from debt issuance	3,502,000	
Debt repayment	(1,728,964)	(1,426,649)
Share in LAWSS Adjustment	200,002	(214,879)
Net change in cash from financing activities	1,973,038	(1,641,528)
NET CHANGE IN CASH	(494,443)	511,015
CASH, BEGINNING OF YEAR	4,047,407	3,536,392
CASH, END OF YEAR	\$ 3,552,964	\$ 4,047,407
Cash paid for interest	\$ 794,397	\$ 426,520
Cash received from interest	364,928	324,079

CORPORATION OF THE TOWNSHIP OF ST. CLAIR

Notes to the Consolidated Financial Statements

Year ended December 31, 2015

The Corporation of the Township of St. Clair was amalgamated in 2001 as a municipality under the Province of Ontario under the provision of the Municipal Act, 2001.

1. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the Township are the representation of management and have been prepared in accordance with Canadian generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board (PSAB) as defined in the CPA Canada Public Sector Accounting Handbook. Significant aspects of the accounting policies are as follows.

(a) (i) Basis of consolidation

These consolidated financial statements reflect the assets, liabilities, revenues and expenditures for all municipal organizations, committees, and boards which are owned or controlled by Council. All interfund assets and liabilities and revenues and expenditures have been eliminated on consolidation.

The following Boards controlled by Council have been consolidated:

Brigden Community Hall
Courtright Community Hall
Moore Township Museum
Port Lambton Athletic Field Board
Port Lambton Community Centre
Sombra Athletic Field Board
Sombra Community Centre
Sombra Township Museum
Wilkesport Community Centre
Wilkesport Field Board

(ii) Joint Local Board

The Lambton Area Water Supply System (here after referred to as "LAWSS") has been consolidated on a proportionate equity basis based upon the water flow of the Township in proportion to the entire flows provided by the joint board for the previous year. Under the proportionate equity basis, the Township's pro rata share of each of the assets, liabilities, revenues and expenditures of the board are consolidated with similar items in the Township's consolidated financial statements. For 2015, the Township's share of the System was 28.78% (2014 - 26.58%). Material inter-organizational transaction and balances have been eliminated.

CORPORATION OF THE TOWNSHIP OF ST. CLAIR
Notes to the Consolidated Financial Statements
Year ended December 31, 2015

1. ACCOUNTING POLICIES (Continued)

(iii) Accounting for county and school board transactions

The taxation, other revenues, expenditures, assets and liabilities with respect to the operations of the school boards and the County of Lambton are not reflected in the municipal fund balances of these consolidated financial statements.

(iv) Trust Funds

Trust funds and their related operations administered by the Township are not consolidated, but are reported separately on the Trust Funds' Statement of Continuity and Financial Position.

(b) Basis of accounting

(i) Accrual accounting

The accrual basis of accounting recognizes revenues in the period in which they are earned and measurable. Expenses are recognized as they are incurred and measurable as a result of receipt of goods and services and the creation of legal obligation to pay.

(ii) 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.

(iii) Tangible Capital Assets

Tangible capital assets are recorded at cost, which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets, excluding land are amortized on a straight-line basis over their estimated useful lives as follows:

Asset	Useful Life – Years
Land Improvements	10 - 25
Buildings and building improvements	5 - 50
Machinery and equipment	5 - 50
Linear assets	10 - 90

Amortization for non infrastructure assets is calculated for six months if purchased before July. Assets purchased after July 1st are not amortized until the following year. For infrastructure assets amortization will be recorded in the year following acquisition. Assets under construction are not amortized until the asset is available for productive use.

CORPORATION OF THE TOWNSHIP OF ST. CLAIR
Consolidated Financial Statements
Year ended December 31, 2015

(a) Contribution of tangible capital assets

Tangible capital assets received as contributions are recorded at their estimated fair value at the date of receipt, and that fair value is also recorded as revenue.

(b) Works of art and cultural and historical assets

Works of art and cultural and historic assets are not recorded as assets in these consolidated financial statements.

(c) Inventories of materials and supplies

Inventories held for consumption are recorded at the lower of cost or replacement value

(iv) *Financial instruments*

(i) *Measurement of financial instruments*

The Township initially measures its financial assets and financial liabilities at fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instrument.

The Township subsequently measures its financial assets and financial liabilities at amortized cost.

Financial assets measured at amortized cost include cash, accounts receivable and long term receivables.

Financial liabilities measured at amortized cost include accounts payable and accrued charges, note payable, other current liabilities and net long-term liabilities.

(ii) *Impairment*

Financial assets measured at amortized cost are tested for impairment when there are indicators of possible impairment. When a significant adverse change has occurred during the period in the expected timing or amount of future cash flows from the financial asset or group of assets, a write-down is recognized in the statement of operations. The write down reflects the difference between the carrying amount and the higher of:

- a) the present value of the cash flows expected to be generated by the asset or group of assets;
- b) the amount that could be realized by selling the assets or group of assets;

CORPORATION OF THE TOWNSHIP OF ST. CLAIR
Notes to the Consolidated Financial Statements
Year ended December 31, 2015

c) the net realizable value of any collateral held to secure repayment of the assets or group of assets.

When the event occurring after the impairment confirm that a reversal is necessary, the reversal is recognized in the statement of operations up to the amount of the previously recognized impairment.

(v) *Revenue recognition*

Property tax billings are prepared by the Township based on assessment rolls issued by the Municipal Property Assessment Corporation. Tax rates are established annually by Council, incorporating amounts to be raised for local services. A normal part of the assessment process is the issue of supplementary assessment rolls, which provide updated information with respect to changes in property assessments. Once a supplementary assessment roll is received, the Township determines the taxes applicable and renders supplementary tax billings. Taxation revenues are recorded at the time the tax billings are issued.

The Township is entitled to collect interest and penalties on overdue taxes. These revenues are recorded in the period the interest and penalties are levied.

User Charges and other revenues are recognized when related goods or services are provided and collectability is reasonably assured. Tangible capital assets received as contributions are recorded at their fair value at date of receipt and that fair value is recorded as revenues.

Government transfers are recognized in the financial statements as revenues in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimate of the amounts can be made.

Investment income earned on surplus funds is recognized when earned.

(vi) *Deferred revenues*

The Township receives funds for specific purposes under the authority of provincial legislation, Government transfer of gas taxes and Township by-laws and are reported as deferred revenue in the Consolidated Statement of Financial Position. These amounts by their nature are restricted in their use and will be recognized as revenues in the period in which expenditures are incurred.

CORPORATION OF THE TOWNSHIP OF ST. CLAIR
Notes to the Consolidated Financial Statements
Year ended December 31, 2015

vii) *Use of Estimates*

The preparation of financial statements in conformity with the Chartered Professional Accountants of Canada Public Sector Accounting Handbook requires management to make estimates and assumptions that affect the reported amounts of the assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the period. Actual results could differ from the estimates. Estimates are used with accounting for items such as accrued receivables, accrued liabilities, post-retirement benefits and tangible capital assets.

viii) *Post Retirement benefits*

The Township has adopted the accrual method of employee future benefits as required by the Chartered Professional Accountants of Canada. The cost of future benefits earned by employees is determined using the projected benefit method prorated on service and assumption with respect to mortality and termination rates, retirement age and expected inflation rates with respect to employee benefit costs.

2. OPERATIONS OF SCHOOL BOARDS AND THE COUNTY OF LAMBTON

Further to note 1(a)(iii), the taxation, other revenues and requisitions for the school boards and the County of Lambton are comprised of the following:

	<u>School Boards</u>	<u>County of Lambton</u>
Taxation	\$ 8,061,468	\$ 9,636,532
Share of payments-in-lieu of taxes	29,081	74,824
	<hr/> \$ 8,090,549	<hr/> \$ 9,711,356

3. TRUST FUNDS

The following trust funds: Bradshaw Cemetery, Water Well Contamination Deposits and the St. Clair River Trail are administered by the Township. The total fund balance amounting to \$204,226 at December 31, 2015 (\$334,265 at December 31, 2014) has not been included in the Consolidated Financial Position nor have its operations been included in the Consolidated Statement of Operations.

CORPORATION OF THE TOWNSHIP OF ST. CLAIR
Consolidated Financial Statements
Year ended December 31, 2015

4. PENSION AGREEMENTS

The Township makes contributions to the Ontario Municipal Employees Retirement System (OMERS), which is a multi-employer plan, on behalf of 75 members of its staff. The plan is a defined benefit plan, which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay.

The amount contributed to OMERS for 2015 was \$735,822 (2014 - \$708,060) (50% by employees and 50% by the employer) for current service and the employer's portion is included as an expenditure on the consolidated Statement of Operations. The OMERS plan had a \$6,977 million funding deficit as of December 31, 2015 (\$7,078 million deficit as of December 31, 2014) and the Plan had an actuarial value of net assets of \$74,947 million as of December 31, 2015 (\$69,846 million as of December 31, 2014.)

5. LONG-TERM RECEIVABLES

The Township has self financed ratepayers capital drainage projects in amount of \$185,990 payable over five years bearing interest rate of 6.75%.

Pembina Pipeline Corporation has committed \$31,000 for the Shell Health Centre in 2016 bearing zero interest rate.

The Township has self financed the Stag Island Fraternal Fellowship Association water project in the amount of \$1,963 bearing interest rate of 4.58% payable in equal installments of \$2,053 ending in 2016.

There are three loans with the Port Lambton Athletic Association for the Vandamm Pavillon in the amount of \$7,888 and for the Skateboard project in the amount of \$9,215 and for Splash Pad project for \$20,000 bearing zero interest repayable over the next two years.

Repayments over the next four years:

2016	\$112,032
2017	\$ 80,191
2018	\$ 54,660
2019	<u>\$ 9,173</u>
Total	<u>\$256,056</u>

CORPORATION OF THE TOWNSHIP OF ST. CLAIR
Consolidated Financial Statements
Year ended December 31, 2015

6. NET LONG-TERM LIABILITIES

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

	<u>2015</u>	<u>2014</u>
Long-term debt issued by the Corporation of the County of Lambton at interest of 7.95% to 8.00 % maturing May 2017	\$ 1,805,827	\$ 2,410,588
Long-term debt issued with Infrastructure Ontario at an interest rate of 4.58% maturing March 2016	40,880	119,915
Long-term debt issued with Infrastructure Ontario at an interest rate of 4.36% maturing June 2018	124,847	171,136
Long-term debt issued with Infrastructure Ontario at an interest rate of 2.77% maturing January 2023	1,937,925	2,167,404
Long-term debt issued with Infrastructure Ontario at an interest rate of 4.69% maturing November 2029	790,038	829,208
Long-term debt issued with Infrastructure Ontario at an interest rate of 4.84% maturing March 2026	493,988	529,354
Long-term debt issued with Canada Mortgage and Housing Corporation at an interest rate of 3.91% maturing June 2030	6,942,250	7,278,145
Long-term debt issued with Infrastructure Ontario at an interest rate of 2.01% maturing May 2025	3,343,033	
Net long-term liabilities, end of year	\$ 15,478,788	\$13,505,750
Long-term debt issued by the Province of Ontario for tile drainage assumed by individuals at an interest rate of 6.00% with maturity ranging from 2016 to 2024	267,257	278,707
Total long-term liabilities, end of year	\$ 15,746,045	\$13,784,457

CORPORATION OF THE TOWNSHIP OF ST. CLAIR
Consolidated Financial Statements
Year ended December 31, 2015

- (b) The principal payments of the long-term liabilities reported in (a) of this note are summarized as follows:

From general municipal revenues:

2016	\$ 1,989,365
2017	2,046,741
2018	1,106,398
2019	1,114,899
2020	1,142,678
2021 – 2025	5,267,101
2026 and thereafter	3,078,863
	<u>\$ 15,746,045</u>

- (c) The long-term liabilities in (a) issued in the name of the Township 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 payment limit prescribed by the Ministry of Municipal Affairs.
- (d) The Township is contingently liable for long-term liabilities with respect to tile drainage and shoreline property assistance loans. The total amount outstanding as at December 31, 2015 is \$267,257 (2014 - \$278,707), and is not recorded on the Consolidated Statement of Financial Position.
- (e) The charges for long-term liabilities assumed by individuals, regarding tile drainage and shoreline property assistance loans are not reflected in these consolidated financial statements.
- (f) Total interest charges on net long term debt reported on the Consolidated Statement of Operations are \$794,396 (2014 - \$426,520). The long-term liabilities bear interest at rates ranging from 2.77% to 8.0%.

CORPORATION OF THE TOWNSHIP OF ST. CLAIR
Consolidated Financial Statements
Year ended December 31, 2015

7. POST EMPLOYMENT BENEFITS

The Township provides post-employment benefits to our retirees accounted for under the Chartered Professional Accountants of Canada Handbook, section 3250. The actuary determined a liability obligation of \$41,868 for 2015 (2014 - \$62,984) which is composed of current service of \$66,628 (2014 - \$65,363), interest of \$62,965 (2014 - \$60,586) and amortization of gains and losses of \$1,764 (2014 - \$Nil) less payment by the Township \$89,489 (2014 - \$62,965). The most recent full actuarial valuation report was prepared on April 10, 2015 (with an effective date of December 31, 2014.)

Employees who meet the criteria of having a minimum of 10 years of service and are a minimum age of 55 can retire with the Township paying the dental and health benefits to the age of 65 and share 50% to the age of 70 for union and age 70 for non union employees. Assumptions used are as follows:

- a) a discount factor of 3.5% (2014 - 3.5%)
- b) an annual increase in health and dental care cost of 3.5% (2014- 3.5%)
- c) rate of compensation increase of 3.0% (2014 – 3.0%)
- d) in addition to the annual increase, inflation of 3.0% (2014 – 3.0%)
- e) an employee is presumed to retire at the later of age 60 and their current age plus one year
- f) It is assumed that 70% of union retirees who reach age 65 will remain in the program for which the cost is split 50%.

The liability based on the above assumptions at the year-end date is presented below.

	2015	2014
Accrued benefit as of January 1	\$1,792,804	\$1,729,820
Expense in period	131,357	125,949
Employer contribution	<u>(89,489)</u>	<u>(62,965)</u>
Projected accrued benefit as of December 31	<u>\$1,834,672</u>	<u>\$1,792,804</u>

8. NOTE PAYABLE

On November 29, 2014 a Memorandum Agreement to settle OPG property tax appeals was signed by OPG, MPAC and the Corporation of the Township of St. Clair for total settlement of \$3,300,000. The settlement is to be paid in three equal installment of \$1,100,000 plus .05% interest. Payments are shared between the Township and County of Lambton. The last installment of the Township's outstanding portion was paid in 2015 in the amount of \$826,083.

CORPORATION OF THE TOWNSHIP OF ST. CLAIR
Consolidated Financial Statements
Year ended December 31, 2015

9. JOINT LOCAL BOARD CONSOLIDATION - LAWSS

The following summarizes the financial position and operations of Lambton Area Water Supply System (LAWSS) which has been reported in these consolidated financial statements using the proportionate consolidation method.

The consolidated financial statements include the Township's 26.78% (2014 - 26.58%) proportionate interest as follows:

	<u>2015</u>	<u>2014</u>
Cash	\$1,117,741	\$850,187
Accounts receivable	96,348	93,189
Accounts payable	(260,709)	(28,920)
	<u>953,380</u>	<u>914,456</u>
Long term debt	(1,805,657)	(2,410,806)
Tangible capital assets	<u>25,416,946</u>	<u>23,696,925</u>
Accumulated surplus	<u>24,564,669</u>	<u>22,200,575</u>
Total revenues	\$2,984,247	\$2,638,017
Total expenses	<u>2,457,674</u>	<u>2,108,643</u>
Annual surplus	<u>\$ 526,573</u>	<u>\$ 529,374</u>

10. EXPENDITURE BY OBJECT

Total expenditures for the year reported on the Consolidated Statement of Operations are as follows:

	<u>2015</u>	<u>2014</u>
Wages and employee benefits	\$ 6,897,757	\$ 6,799,389
Materials	6,365,681	5,753,373
Contracted services	9,535,796	8,271,407
Amortization	4,867,830	4,676,089
Interest on long-term debt	798,994	426,520
	<u>\$28,466,058</u>	<u>\$25,926,778</u>

CORPORATION OF THE TOWNSHIP OF ST. CLAIR
Consolidated Financial Statements
Year ended December 31, 2015

11. BUDGET DATA

Budget data presented in these consolidated financial statements are based upon the 2015 operating and capital budgets approved by Council and actual for consolidated entities. The chart below reconciles the approved budget figures reported in these consolidated financial statements. The Township approved budget general expenses include amortization expense in the amount of \$4,898,849.

	Township Approved Budget	PSAB Adjustment for Consolidated Entities	Budget Per Financial Statements
General revenues	\$31,227,887	\$143,158	\$31,371,045
General expenses	(26,250,850)	(221,346)	(26,472,196)
Annual Surplus (Deficit)	\$4,977,037	\$ (78,188)	\$4,898,849

12. SEGMENT INFORMATION

The Corporation of the Township of St. Clair is a diversified Township and provides a wide range of services to its citizens. Distinguishable functional segments have been separately disclosed in segment information. Segmented information is presented on Schedule 6 through 9.

The nature of those segments and the activities they encompass are as follows.

General Government

The departments within general government are responsible for the general management and control of the Township, including by-laws, adopting administrative policy, levying taxes and providing administrative services. They also ensure that quality services are provided to the community and that the services are aligned with Council approved actions.

Protection Services

Protection is comprised of police services, fire protection, building department and animal control. The Police protection is provided by the Ontario Provincial Police (OPP) through a joint contract with nine other municipalities within Lambton County. The contract is administrated by the Lambton Group Police Services Board of which St. Clair is a member. The fire department is responsible to provide fire suppression services, fire prevention programs, training and education related to prevention, detection or extinguishment of fires. The building department is responsible for permit processing and building inspection. The animal control department is responsible to providing a licensing system for dogs. By-Law enforcement is contracted with the administration provided by St. Clair Staff.

CORPORATION OF THE TOWNSHIP OF ST. CLAIR

Consolidated Financial Statements

Year ended December 31, 2015

Transportation Services

Transportation includes the delivery of municipal public works services related to the planning, development and maintenance of the municipality's infrastructure including roads, bridges, storm drains, sidewalks, street lights, traffic signals and winter control.

Environmental Services

Environmental Services consist of providing sanitary and storm sewer, water, waste collection and disposal, and recycling services.

Recreation and Cultural Services

This service area provides services meant to improve the health and development of the Township's citizens. The Township is responsible for the development, provision and maintenance of the Moore Sports Complex, Community Halls, as well as parks and recreation (including a golf course). The Township has five libraries administered by the County of Lambton and two Museum Boards.

Planning and Development

The County of Lambton Planning Department provides guidance and recommendation to Council, the Committee of Adjustment and staff members on all planning issues. The administration of all planning application is dealt with by municipal staff. The Township has a number of drains under its management and control. The drains are created and maintained pursuant to the Municipal Drainage Act and require an extensive amount of administration and supervision. The Township administers industrial park sales for land it owns in the industrial park. The Township also has three campgrounds.

13. COMMITMENTS

a) Recycling Services

St. Clair has entered into an agreement with Waste Management of Canada Corporation for recycling services commencing July 1, 2012 at an annual cost of \$104,453 including HST. The contract expires June 30, 2019.

St. Clair has entered into an agreement with Emterra Environmental for recycling services commencing July 1, 2012 at an annual cost of \$182,042 including HST. The contract expires June 30, 2019.

CORPORATION OF THE TOWNSHIP OF ST. CLAIR
Consolidated Financial Statements
Year ended December 31, 2015

b) Waste Collection Services

St. Clair has entered into an agreement with Marcotte Disposal Inc. for waste collection services commencing January 1, 2013 at an annual cost of \$760,148 including HST. The contract expires June 30, 2019.

c) Wastewater Facilities Operations, Maintenance & Management

St. Clair has entered into an agreement with Operations Management International Canada, Inc. for wastewater facilities operations, maintenance and management commencing December 2011 at an annual cost of \$327,964 including HST. Beginning June 1, 2015 the contract has increased to an annual cost of \$361,427 including HST. The contract expires November 30, 2021.

14. FINANCIAL INSTRUMENTS AND RISKS

Unless otherwise noted it is management's opinion that the Township is not exposed to significant risks. There have been no changes in the Township's risk exposures from the prior year.

Credit risk

The Township is exposed to credit risk through its cash, trade and other receivables, loans receivable and long-term receivables. There is a possibility of non-collection of its trade and other receivables. The majority of the Township's receivables are from rate payers and government entities. The Township mitigates its exposure to credit loss by placing its cash with major financial institutions.

Liquidity risk

Liquidity risk is the risk that the Township will not be able to meet its obligations as they become due. The Township manages this risk by establishing budgets and funding plans to fund its expenses and debt payments.

CORPORATION OF THE TOWNSHIP OF ST. CLAIR
Notes to the Consolidated Financial Statements
Year ended December 31, 2015

15. CONTINGENCIES

Ontario Power Generation Inc. (OPG) has launched an assessment appeal with the Municipal Property Assessment Corporation (MPAC) for the generating plant located in the Township of St. Clair for the 2013 to 2016 taxation years. The Township's legal counsel believes the 2013 potential claim may not be significant given the generating station was fully operational at that time of the assessment; however for 2014 - 2016, the generating station was shut down and therefore the amount may be more significant. The outcome and the amount of the contingent loss, if any, cannot be determined at this time. No provision has been reflected in these financial statements related to this claim.

Legal action has been undertaken against the Township relating to two WSIB claims. The outcome of these actions is not presently determinable. It is management's opinion that the Township's insurance will adequately cover any potential liability arising from these claims. The outcome and the amount of contingent loss, if any, cannot be determined at this time. No provision has been reflected in these financial statements related to these claims.

16. BANK INDEBTEDNESS

An operating line of credit was available by way of bank overdraft in the amount of \$5,000,000 as of December 31, 2015 (\$5,000,000 December 31, 2014). Amounts obtained under this credit are due on demand and bear interest at bank's prime rate less 0.75%, calculated and paid monthly. The amount drawn on this line as of December 31, 2015 is \$Nil.

17. COMPARATIVE AMOUNTS

Certain comparative amounts presented in the financial statements have been restated to conform with the current year's presentation. These changes do not affect prior year's net debt.

CORPORATION OF THE TOWNSHIP OF ST. CLAIR
Consolidated Schedule of Deferred Revenues
Year ended December 31, 2015

Schedule 1

	Balance, Beginning of 2015	Increase in Deferred Revenues		Total	Decreases in Deferred Revenues		Balance, End of 2015
		Interest	Development Charges		Operations	To Capital Acquisitions	
Payments-in-lieu of park land	39,448	233	34,344	34,577	19,960	19,960	54,065
Development charges	476,228	3,109	317,132	320,241	5,308	19,960	771,201
Total for 2015	515,676	3,342	351,476	354,818	5,308	39,920	825,266

	Balance, Beginning of 2014	Increase in Deferred Revenues		Total	Decreases in Deferred Revenues		Balance, End of 2014
		Interest	Development Charges		Operations	To Capital Acquisitions	
Payments-in-lieu of park land	65,881	517	7,827	8,344	34,777	34,777	39,448
Development charges	401,051	5,380	94,347	99,727	24,550	24,550	476,228
Total for 2014	466,932	5,897	102,174	108,071	-	59,327	515,676

The accompanying notes and schedules are an integral part of these consolidated financial statements.

CORPORATION OF THE TOWNSHIP OF ST. CLAIR
Consolidated Schedule of Tangible Capital Assets
Year ended December 31, 2015

Schedule 2

	General				Infrastructure			Work in Progress	Total 2015	
	Land	Land Improvements	Buildings	Machinery and Equipment	Vehicles	Transportation and Storm	Water			Wastewater
COST										
Balance, beginning of year	7,089,223	5,632,246	13,510,421	2,450,317	4,692,087	79,950,429	118,716,957	52,070,493	1,933,497	286,045,670
Add: Share in LAWSS Adjustment							2,837,317			2,837,317
Add: Additions during the year		547,936	711,084	145,905	70,547	1,545,064	778,237	472,935	4,158,602	8,430,310
Less: Disposals during the year				40,515	126,032	639,092	47,797			853,436
Other Contribution from Developer						12,020		14,975		61,990
BALANCE, END OF YEAR	7,089,223	6,180,182	14,221,505	2,555,707	4,636,602	80,868,421	122,319,709	52,558,403	6,092,099	296,521,851
ACCUMULATED AMORTIZATION										
Balance, beginning of year	-	1,994,562	5,050,304	1,376,300	2,556,802	33,754,323	31,418,261	8,565,354	-	84,715,906
Add: Share in LAWSS Adjustment							875,946			875,946
Add: Amortization during the year		199,885	354,928	161,865	186,099	1,639,705	1,573,729	751,619		4,867,830
Less: Accumulated amortization on disposals				34,515	126,032	483,463	44,724			688,734
BALANCE, END OF YEAR	-	2,194,447	5,405,232	1,503,650	2,616,869	34,910,565	33,823,212	9,316,973	-	89,770,948
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	7,089,223	3,985,735	8,816,273	1,052,057	2,019,733	45,957,856	88,496,497	43,241,430	6,092,099	206,750,903

CORPORATION OF THE TOWNSHIP OF ST. CLAIR
Consolidated Schedule of Tangible Capital Assets
Year ended December 31, 2014

Schedule 2

	General				Infrastructure			Work in Progress	Total 2014
	Land	Land Improvements	Buildings	Machinery and Equipment	Vehicles	Transportation and Storm	Water		
COST									
Balance, beginning of year	7,089,223	5,447,469	13,071,908	2,353,603	4,462,153	78,242,382	118,953,066	51,669,169	284,071,216
Add: Share in LAWSS Adjustment							(2,349,399)		(2,349,399)
Add: Additions during the year	184,777	438,513	174,637	277,384	277,384	1,769,921	2,101,462	56,047	5,002,741
Less: Disposals during the year				77,923	47,450	723,880	168,711	2,444	1,869,154
Other: Contribution from Developer						662,006	180,539	347,721	1,190,266
BALANCE, END OF YEAR	7,089,223	5,632,246	13,510,421	2,450,317	4,692,087	79,950,429	118,716,957	52,070,493	1,933,497
ACCUMULATED AMORTIZATION									
Balance, beginning of year		1,799,078	4,710,916	1,288,312	2,422,920	32,716,597	30,750,913	7,821,162	81,509,898
Add: Share in LAWSS Adjustment							(700,648)		(700,648)
Add: Amortization during the year	195,484	339,388	145,326	181,332	181,332	1,576,818	1,492,901	746,636	4,677,885
Less: Accumulated amortization on disposals				57,338	47,450	539,092	124,905	2,444	771,229
BALANCE, END OF YEAR	-	1,994,562	5,050,304	1,376,300	2,556,802	33,754,323	31,418,261	8,565,354	-
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	7,089,223	3,637,684	8,460,117	1,074,017	2,135,285	46,196,106	87,298,696	43,505,139	1,933,497
									201,329,764

CORPORATION OF THE TOWNSHIP OF ST. CLAIR
Consolidated Schedule of Accumulated Surplus
Year Ended December 31, 2015

Schedule 3

	2015	2014
Reserves		
Working Capital	\$ 643,500	\$ 643,500
Election	11,000	
General operating reserve	(141,598)	502,254
Tax Supplementary billing	1,291,423	1,071,880
Capital expenditures	5,783,236	4,156,338
Water distribution	4,697,137	3,849,072
Water distribution LAWSS	953,380	914,457
Sanitary Sewage system	1,463,529	2,382,005
Uncollectible taxes	113,475	112,910
Insurance claim	27,245	27,110
St. Clair Parkway	573,655	590,750
Total Reserves	15,415,982	14,250,276
Surplus		
Invested in tangible capital assets General	66,796,171	67,529,317
Invested in tangible capital assets LAWSS	23,611,118	21,286,119
Invested in tangible capital assets Water	64,803,640	63,482,073
Invested in tangible capital assets Sanitary	36,061,184	35,526,504
Local Boards	147,671	152,691
Unfunded Post employment benefits	(1,834,672)	(1,792,804)
Deficit	(6,312,527)	(5,987,802)
Total Surplus	183,272,585	180,196,098
ACCUMULATED SURPLUS	\$ 198,688,567	\$ 194,446,374

MOORE MUSEUM
CORPORATION OF THE TOWNSHIP OF ST. CLAIR
Statement of Revenue & Expenditures
Year ended December 31, 2015

	2015 Budget (Unaudited)	2015 Actual	2014 Budget (Unaudited)	2014 Actual
REVENUE				
Ministry of Culture, Tourism and Recreation				
Operating grant	\$ 17,340	17,340	\$ 17,340	17,340
Other grants	2,310	5,222	2,150	6,511
Museum revenue				
Admissions, proceeds and donations	19,900	26,789	22,225	24,794
Net sales	2,500	2,707	2,000	2,925
Municipal contribution	235,802	205,056	227,187	210,939
	277,852	257,114	270,902	262,509
EXPENDITURES				
Advertising	6,450	6,679	6,400	5,510
Amortization	4,951	4,596	4,600	4,733
Building maintenance	7,135	6,156	6,450	6,276
Capital expenditures	33,067	15,987	34,120	28,743
Gift Shop	1,100	1,051	1,100	1,053
Ground maintenance	7,500	8,520	7,500	6,934
Insurance	3,700	5,241	3,000	3,566
Janitorial service and supplies	13,240	5,439	13,000	12,571
Membership	550	583	525	536
Mileage	800	773	800	502
Office and miscellaneous	8,500	8,159	7,500	8,992
Postage and delivery	1,000	826	1,000	993
Salaries, wages and benefits	169,640	174,644	165,239	165,228
Seminars, education and training	1,200	1,171	1,200	1,098
Supplies	9,019	8,406	8,468	7,732
Utilities	10,000	8,883	10,000	8,042
	\$ 277,852	\$ 257,114	\$ 270,902	\$ 262,509
Excess of revenues over (under) expenditures	\$ -	\$ -	\$ -	\$ -

SOMBRA MUSEUM
CORPORATION OF THE TOWNSHIP OF ST. CLAIR
Statement of Revenue & Expenditures
Year ended December 31, 2015

	2015 Budget (Unaudited)	2015 Actual	2014 Budget (Unaudited)	2014 Actual
Revenues				
Ministry of Culture, Tourism and Recreation	\$ 2,946	2,946	\$ 2,946	2,946
Federal Grant	5,000	5,280	4,500	4,937
Museum revenue				
Admissions, membership, proceeds and donations	3,945	2,600	6,540	12,271
Events	2,600	3,344	2,500	1,870
Interest Income	100	140	70	120
Municipal contribution	81,581	74,584	88,138	84,524
	<u>\$ 96,172</u>	<u>\$ 88,894</u>	<u>\$ 104,694</u>	<u>\$ 106,668</u>
Expenditures				
Wages & Benefit	\$ 51,384	\$ 44,824	\$ 41,850	\$ 44,431
Advertising and membership	1,400	2,092	2,010	1,730
Amortization	12,588	13,585	12,588	12,587
Capital	7,500		23,200	9,985
Events	2,750	4,854	1,000	402
Utilities, Security and telephone	9,600	11,775	10,600	10,165
Insurance	2,600	2,809	3,000	2,533
Office Supplies & exhibits	1,550	1,018	2,396	2,677
Maintenance and supplies	6,200	9,453	6,350	10,864
Seminars & Miscellaneous	600	643	1,700	1,869
	<u>\$ 96,172</u>	<u>\$ 91,053</u>	<u>\$ 104,694</u>	<u>\$ 97,243</u>
Excess (deficiency) of revenues over expenditures	<u>\$ -</u>	<u>\$ (2,159)</u>	<u>\$ -</u>	<u>\$ 9,425</u>
Surplus balance, beginning of the year	\$ 26,669	\$ 26,669	\$ 17,244	\$ 17,244
Excess (deficiency) of revenues over expenditures for the year	<u>-</u>	<u>(2,159)</u>	<u>-</u>	<u>9,425</u>
Surplus balance, end of year	<u>\$ 26,669</u>	<u>\$ 24,510</u>	<u>\$ 17,244</u>	<u>\$ 26,669</u>

CORPORATION OF THE TOWNSHIP OF ST. CLAIR

Consolidated Schedule of Segment Disclosure - Operating Revenues

Year ended December 31, 2015

Schedule 6

	Taxation	User Charges	Government Transfers	Developer Contributions	Deferred Revenues	Loss (Gain) on Sales of assets	Other	Total 2015
General Government	12,694,006	339,295	648,500				369,797	14,051,598
Fire		6,491	560			11,350	6,000	24,401
Police		26,562	93,122					119,684
Other Protection Services			67,432				27,686	95,118
Total Protection Services	-	33,053	161,114	-	-	11,350	33,686	239,203
Transportation Services		1,010,389	762,218	12,020		(126,907)		1,657,720
Water		5,392,847		34,995		(3,073)	1,965,576	7,390,345
Waste Water		2,152,091	869,890	14,975				3,036,956
Storm Systems		6,626						6,626
Solid Waste & diversion		1,015,796	72,078					1,087,874
Total Environmental Services	-	8,567,360	941,968	49,970	-	(3,073)	1,965,576	11,521,801
Parks and Recreation		220,468	38,454		39,920	3,500	187,701	490,043
Recreational Facilities		557,009	1,340				129,452	687,801
Golf Course		1,098,980	5,370					1,104,350
Museum		18,651	30,789				14,943	64,383
Total Recreation and Culture Services	-	1,895,108	75,953	-	39,920	3,500	332,096	2,346,577
Planning and Zoning		39,402	15,000					54,402
Commercial and Industrial		463,514				5,300		468,814
Campgrounds		589,959	531					590,490
Agriculture and Reforestation		1,555,465	222,181					1,777,646
Total Planning and Development	-	2,648,340	237,712	-	-	5,300	-	2,891,352
Total Revenues	12,694,006	14,493,545	2,827,465	61,990	39,920	(109,830)	2,701,155	32,708,251

The accompanying notes and schedules are an integral part of these consolidated financial statements.

CORPORATION OF THE TOWNSHIP OF ST. CLAIR

Consolidated Schedule of Segment Disclosure - Operating Expenses
Year ended December 31, 2015

Schedule 7

	Wages & Benefits	Material	Contracted Services	Rent & Finance Charges	Amortization	Inter functional Transfers	Total 2015
General Government	1,051,809	448,417	72,793	13,330	65,535	(96,988)	1,554,896
Fire	575,400	725,019	3,953	65,280	248,293	54,977	1,672,922
Police		20,027	2,432,774	19,069	43,980	(24,054)	2,491,796
Other Protection Services	56,761	64,481	238,674		5,477	10,072	375,465
Total Protection Services	632,161	809,527	2,675,401	84,349	297,750	40,995	4,540,183
Transportation Services	1,833,094	1,795,781	1,077,456	55,324	1,501,224	(802,351)	5,460,528
Water	274,354	230,443	1,545,151	360,063	1,573,729	471,087	4,454,827
Waste Water	178,225	603,764	1,137,909	300,531	751,619	271,658	3,243,706
Storm Systems	43,364	202,942	166,163		200,770	84,890	698,129
Solid Waste & diversion	1,093	28,053	945,001			32,262	1,006,409
Total Environmental Services	497,036	1,065,202	3,794,224	660,594	2,526,118	859,897	9,403,071
Health Services		54,494	6,419		7,126	4,270	72,309
Social and Family Services		18,915				1,167	20,082
Parks and Recreation	618,480	326,889	42,027	8,757	138,564	(45,716)	1,089,001
Recreational Facilities	994,675	765,940	32,846	6,231	170,109	(74,428)	1,895,373
Golf Course	486,644	475,858	13,166	59	67,396	5,096	1,048,219
Libraries		11,946	1,203		4,206	9,566	26,921
Museum	219,467	107,854	5,762		18,536	14,500	366,119
Total Recreation and Culture services	2,319,266	1,688,487	95,004	15,047	398,811	(90,982)	4,425,633
Planning and Zoning	82,356	25,647	57,595		59,552	10,320	235,470
Commercial and Industrial	50,004	237,662	12,395		11,714	14,157	325,932
Campgrounds	222,161	193,977	15,939			20,827	452,904
Agriculture and Reforestation	209,870	27,572	1,698,919			38,689	1,975,050
Total Planning and development	564,391	484,858	1,784,848	-	71,266	83,993	2,989,356
Total Expenses	6,897,757	6,365,681	9,506,145	828,644	4,867,830	1	28,466,058
Annual Surplus							4,242,193

The accompanying notes and schedules are an integral part of these consolidated financial statements.

CORPORATION OF THE TOWNSHIP OF ST. CLAIR

Consolidated Schedule of Segment Disclosure - Operating Revenues

Year ended December 31, 2014

Schedule 8

	Taxation	User Charges	Government Transfers	Developer Contributions	Deferred Revenues	Loss (Gain) on Sales of assets	Other	Total 2014
General Government	11,596,415	286,502	810,600				324,079	13,017,596
Fire		8,920	649				39,955	49,524
Police		1,350	93,122					94,472
Other Protection Services		137,980	65,512					203,492
Total Protection Services	-	148,250	159,283	-	-	-	39,955	347,488
Transportation Services		1,493,745	472,796	703,666		(25,644)	50,451	2,695,014
Water		4,890,781		161,879		(43,806)		5,008,854
Waste Water		2,818,050	68,355	324,721				3,211,126
Storm Systems		9,865						9,865
Solid Waste & diversion		357,685	51,365					409,050
Total Environmental Services	-	8,076,381	119,720	486,600	-	(43,806)	-	8,638,895
Parks and Recreation		166,986	15,009		59,327		108,819	350,141
Recreational Facilities		602,886						602,886
Golf Course		937,903	6,127					944,030
Museum		19,115	31,734				31,842	82,691
Total Recreation and Culture Services	-	1,726,890	52,870	-	59,327	-	140,661	1,979,748
Planning and Zoning		44,694	27,740				5,600	78,034
Commercial and Industrial		438,144						438,144
Campgrounds		558,391	1,230					559,621
Agriculture and Reforestation		709,160	383,905					1,093,065
Total Planning and Development	-	1,750,389	412,875	-	-	-	5,600	2,168,864
Total Revenues	11,596,415	13,482,157	2,028,144	1,190,266	59,327	(69,450)	560,746	28,847,605

The accompanying notes and schedules are an integral part of these consolidated financial statements.

CORPORATION OF THE TOWNSHIP OF ST. CLAIR

Consolidated Schedule of Segment Disclosure - Operating Expenses
Year ended December 31, 2014

Schedule 9

	Wages & Benefits	Material	Contracted Services	Rent & Finance Charges	Amortization	Inter functional Transfers	Total 2014
General Government	1,058,566	605,939	110,952	10,376	68,125	(121,807)	1,733,151
Fire	519,673	448,721	3,290	20,929	233,927	48,246	1,274,786
Police		21,077	2,682,948	19,962	41,819	(24,722)	2,741,084
Other Protection Services	47,747	66,704	232,865		5,477	10,561	363,354
Total Protection Services	567,420	536,502	2,919,103	40,891	281,223	34,085	4,379,224
Transportation Services	1,884,618	1,804,958	801,353	69,670	1,438,779	(780,324)	5,219,054
Water	255,848	160,349	3,128,202	(306)	1,492,901	457,644	5,494,638
Waste Water	163,164	540,145	454,877	325,055	746,636	249,985	2,479,862
Storm Systems	41,241	54,663	148,759	315	198,533	92,690	536,201
Solid Waste & diversion	1,348	16,037	941,423			32,666	991,474
Total Environmental Services	461,601	771,194	4,673,261	325,064	2,438,070	832,985	9,502,175
Health Services	-	13,224	876	6,040	7,230	-	27,370
Social and Family Services	-	16,844	-	-	-	867	17,711
Parks and Recreation	605,721	334,482	59,789	12,447	126,369	(34,981)	1,103,827
Recreational Facilities	992,979	745,487	41,680	6,132	170,685	(63,902)	1,893,061
Golf Course	463,972	454,703	6,388	10,423	57,320	7,829	1,000,635
Libraries		12,607	407		4,541	9,982	27,537
Museum	209,365	100,727	11,196		17,320	14,975	353,583
Total Recreation and Culture services	2,272,037	1,648,006	119,460	29,002	376,235	(66,097)	4,378,643
Planning and Zoning	83,329	12,919	24,231			18,300	138,779
Commercial and Industrial	50,004	150,792	27,760		59,552	17,848	305,956
Campgrounds	210,552	176,133	13,513		8,065	18,301	426,564
Agriculture and Reforestation	211,262	15,862	1,032,604			38,612	1,298,340
Total Planning and development	555,147	355,706	1,098,108	-	67,617	93,061	2,169,639
Total Expenses	6,799,389	5,753,373	9,723,113	475,003	4,676,089	-	27,426,967
Annual Surplus							1,420,638

The accompanying notes and schedules are an integral part of these consolidated financial statements.