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**THE CORPORATION OF THE COUNTY OF LAMBTON**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED DECEMBER 31, 2017**

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**THE CORPORATION OF THE COUNTY OF LAMBTON  
INDEX TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2017**

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## Independent Auditor's Report

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### To the Members of Council, Inhabitants and Ratepayers of the The Corporation of the County of Lambton

We have audited the accompanying financial statements of the Corporation of the County of Lambton, which comprise the statement of financial position as at December 31, 2017, and the statement of operations, statement of change in net financial assets (debt) and statement of cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the 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 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 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 financial statements present fairly, in all material respects, the financial position of the Corporation of the County of Lambton as at December 31, 2017 and the results of its operations and its cash flows for the year then ended, in accordance with Canadian public sector accounting standards.

*BDO Canada LLP*

Chartered Professional Accountants, Licensed Public Accountants

Sarnia, Ontario  
June 20, 2018

**THE CORPORATION OF THE COUNTY OF LAMBTON**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT DECEMBER 31, 2017**

	<b>2017</b>	<b>2016</b>
	<b>ACTUAL</b>	<b>ACTUAL</b>
	<b>\$</b>	<b>\$</b>
<b><u>FINANCIAL ASSETS</u></b>		
Cash and Temporary Investments (Note 4)	43,941,509	36,769,512
Accounts Receivable	5,599,078	4,264,574
Due from Community Development Corporation	100	0
Amounts Recoverable on Long Term Debt (Note 7)	2,500,000	3,257,000
Debenture Receivable (Note 23)	4,939,954	4,939,954
Investment in Community Development Corporation (Note 5)	<u>(9,784,446)</u>	<u>(8,938,206)</u>
<b>TOTAL FINANCIAL ASSETS</b>	<b><u>47,196,195</u></b>	<b><u>40,292,834</u></b>
<b><u>LIABILITIES</u></b>		
Accounts Payable and Accrued Liabilities	15,584,728	14,338,786
Deferred Grant (Note 6)	622,731	785,760
Long Term Debt (Note 7)	21,096,282	21,774,710
Landfill Closure and Post Closure Costs (Note 10)	3,721,906	3,793,965
Employment Benefits Payable (Note 2)	2,250,928	2,325,009
Accrued Tax Liabilities (Note 18)	<u>1,177,140</u>	<u>791,702</u>
<b>TOTAL LIABILITIES</b>	<b><u>44,453,715</u></b>	<b><u>43,809,932</u></b>
<b>NET FINANCIAL ASSETS (DEBT)</b>	<b>2,742,480</b>	<b>(3,517,098)</b>
<b><u>NON-FINANCIAL ASSETS</u></b>		
Tangible Capital Assets - net (Schedule 1)	243,866,812	244,010,367
Inventories	391,830	451,871
Prepaid Expenses	<u>2,803,733</u>	<u>2,699,453</u>
<b>TOTAL NON-FINANCIAL ASSETS</b>	<b><u>247,062,375</u></b>	<b><u>247,161,691</u></b>
<b>ACCUMULATED SURPLUS (Schedule 2)</b>	<b><u>249,804,855</u></b>	<b><u>243,644,593</u></b>

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

**THE CORPORATION OF THE COUNTY OF LAMBTON**  
**STATEMENT OF OPERATIONS**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

	<b>2017 BUDGET</b>	<b>2017 ACTUAL</b>	<b>2016 ACTUAL</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>REVENUE</b>			
Taxation (Note 18)	74,006,957	72,919,598	73,887,050
Federal Government Transfers	4,100,832	4,186,008	4,123,502
Provincial Government Transfers	88,337,640	91,285,445	84,808,129
Other Municipalities	819,266	1,081,430	893,618
User Charges	21,104,690	21,576,071	21,241,212
Investment Income	285,000	495,372	400,128
Donations	107,379	603,436	364,680
Other	0	154,289	149,240
Loss on Disposal of Tangible Capital Assets	0	(215,228)	(1,860,150)
Community Development Corporation Share of Loss	0	(846,240)	(930,521)
	<u>188,761,764</u>	<u>191,240,181</u>	<u>183,076,888</u>
<b>EXPENSES</b>			
General Government	12,985,852	13,092,936	12,475,864
Protection Services	4,304,066	4,209,125	4,110,479
Transportation Services	17,320,846	18,037,739	17,378,591
Environmental Services	2,653,238	2,371,925	2,203,598
Health Services	25,557,965	25,271,051	25,707,686
Social and Family Services	88,118,368	90,274,880	88,095,704
Social Housing	16,129,715	17,719,430	14,633,974
Recreation and Cultural Services	10,924,700	10,149,310	9,922,869
Planning and Development	3,901,363	3,953,523	3,913,460
	<u>181,896,113</u>	<u>185,079,919</u>	<u>178,442,225</u>
<b>ANNUAL SURPLUS</b>	6,865,651	6,160,262	4,634,663
<b>ACCUMULATED SURPLUS, beginning of the year</b>	<u>243,644,593</u>	<u>243,644,593</u>	<u>239,009,930</u>
<b>ACCUMULATED SURPLUS, end of the year</b>	<u>250,510,244</u>	<u>249,804,855</u>	<u>243,644,593</u>

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

**THE CORPORATION OF THE COUNTY OF LAMBTON**  
**STATEMENT OF CHANGE IN NET FINANCIAL ASSETS (DEBT)**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

	<b>2017 BUDGET \$</b>	<b>2017 ACTUAL \$</b>	<b>2016 ACTUAL \$</b>
<b>ANNUAL SURPLUS</b>	6,865,651	6,160,262	4,634,663
Amortization of Tangible Capital Assets	14,947,220	14,522,508	14,606,707
Acquisition of Tangible Capital Assets	(21,849,824)	(14,594,181)	(17,271,126)
Loss on Sale of Tangible Capital Assets	0	215,228	1,860,150
Change in Inventories	0	60,041	45,276
Change in Prepaid Expenses	0	(104,280)	(147,855)
<b>(INCREASE) / DECREASE IN NET FINANCIAL DEBT</b>	<b>(36,953)</b>	<b>6,259,578</b>	<b>3,727,815</b>
NET FINANCIAL DEBT, beginning of the year	(3,517,098)	(3,517,098)	(7,244,913)
<b>NET FINANCIAL ASSETS (DEBT), end of the year</b>	<b>(3,554,051)</b>	<b>2,742,480</b>	<b>(3,517,098)</b>

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

**THE CORPORATION OF THE COUNTY OF LAMBTON**  
**STATEMENT OF CASH FLOW**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

	<b>2017</b>	<b>2016</b>
	<b>ACTUAL</b>	<b>ACTUAL</b>
	<b>\$</b>	<b>\$</b>
<b>OPERATING TRANSACTIONS</b>		
Annual Surplus	6,160,262	4,634,663
Uses of Cash		
Increase in Accounts Receivable	(1,334,504)	0
Increase in Prepaid Expenses	(104,280)	(147,855)
Increase in Due from Community Development Corporation	(100)	0
Decrease in Deferred Grant	(163,029)	(334,121)
Decrease in Landfill Closure and Post Closure Costs	(72,059)	(426,740)
Decrease in Employment Benefits Payable	(74,081)	0
Decrease in Accrued Tax Liabilities	0	(1,901,428)
	<u>(1,748,053)</u>	<u>(2,810,144)</u>
Sources of Cash		
Decrease in Accounts Receivable	0	385,724
Decrease in Due from Community Development Corporation	0	22,605
Increase in Accounts Payable and Accrued Liabilities	1,245,942	2,091,472
Increase in Employment Benefits Payable	0	279,678
Increase in Accrued Tax Liabilities	385,438	0
Decrease in Inventories	60,041	45,276
	<u>1,691,421</u>	<u>2,824,755</u>
Non-cash Charges to Operations		
Amortization	14,522,508	14,606,707
Loss on Sale of Tangible Capital Assets	215,228	1,860,150
	<u>14,737,736</u>	<u>16,466,857</u>
Cash Provided by Operations	<u>20,841,366</u>	<u>21,116,131</u>
<b>CAPITAL TRANSACTIONS</b>		
Cash Used to Acquire Tangible Capital Assets	<u>(14,594,181)</u>	<u>(17,271,126)</u>
<b>INVESTING TRANSACTIONS</b>		
Decrease in Investment in Community Development Corporation	<u>846,240</u>	<u>930,521</u>
<b>FINANCING TRANSACTIONS</b>		
Amounts Recoverable on Long Term Debt	757,000	3,017,000
Long Term Debt Issued	6,401,480	1,131,791
Long Term Debt Principal Repayments	(7,079,908)	(6,471,433)
Net Increase (Decrease) in Cash from Financing Activities	<u>78,572</u>	<u>(2,322,642)</u>
<b>INCREASE IN CASH</b>	<u>7,171,997</u>	<u>2,452,884</u>
<b>CASH, beginning of the year</b>	<u>36,769,512</u>	<u>34,316,628</u>
<b>CASH, end of the year</b>	<u>43,941,509</u>	<u>36,769,512</u>

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



**THE CORPORATION OF THE COUNTY OF LAMBTON  
NOTES TO THE FINANCIAL STATEMENTS  
AS AT DECEMBER 31, 2017**

**1. ACCOUNTING POLICIES**

The financial statements of The Corporation of the County of Lambton (the Municipality) are the representation of management and have been prepared in accordance with Canadian public sector accounting standards for municipal governments, as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. Since precise determination of many assets and liabilities is dependent upon future events, the preparation of periodic financial statements necessarily involves the use of estimates and approximations. These have been made using careful judgments.

(a) Basis of Consolidation

(i) Government business enterprises are separate legal entities which do not rely on the Municipality for funding. Investments in government business enterprises are accounted for using the modified equity method. Under this method, the government business enterprise's accounting policies, which follow International Financial Reporting Standards, are not adjusted to conform with Public Sector Accounting Standards and inter-entity transactions and balances are not eliminated. The following government business enterprise is reflected in the financial statements:

- Community Development Corporation

(ii) Trust funds and their related operations administered by the Municipality are not consolidated, but are reported separately on the "Trust Funds Financial Report".

(b) Basis of Accounting

(i) Sources of financing and expenditures are reported on the accrual basis of accounting.

(ii) The accrual basis of accounting recognizes revenues, as they become available and measurable; expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

(iii) 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 (Debt) for the year.

a) Tangible Capital Assets (TCAs)

Tangible capital assets are recorded at cost, which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset, less accumulated amortization. The cost, less residual value, of the tangible capital assets, are amortized over their estimated useful lives as follows:

Bridges	35 - 75 years	Straight Line
Buildings	15 - 40 years	Double Declining Balance
Building Contents	5 - 50 years	Straight Line
Building Site Elements	10 - 50 years	Straight Line
Fleet	5 - 10 years	Straight Line
Information Technology	3 - 10 years	Straight Line
Leasehold Improvements	10 - 40 years	Double Declining Balance
Machinery and Equipment	3 - 40 years	Straight Line
Medical and Emergency Equipment	2 - 20 years	Straight Line
Roads	15 - 50 years	Straight Line
Signage and Illuminations	10 - 20 years	Straight Line

One half of the annual amortization is charged in the year of acquisition and in the year of disposal. Assets under construction are not amortized until the asset is available for productive use, at which time they are capitalized.

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**THE CORPORATION OF THE COUNTY OF LAMBTON  
NOTES TO THE FINANCIAL STATEMENTS  
AS AT DECEMBER 31, 2017**

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The Municipality has a capitalization threshold of \$5,000 so that individual TCAs of lesser value are expensed unless they are pooled because, collectively, they have significant value. Examples of pools are appliances, furnishings, shelving, street furniture, telephone equipment and tools.

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

Works of art, artifacts, cultural and historic assets are not recorded as assets in the financial statements because a reasonable estimate of the future benefits associated with such property cannot be made.

b) Inventories and Prepaid Expenses

Inventories and prepaid expenses held for consumption are recorded at the lower of cost and net realizable value. Cost for inventories is determined on the average cost basis.

(iv) Revenue Recognition

Taxation revenue is recognized in the year that the taxes are levied. Part of the assessment process is supplementary assessment rolls, which provide updated information with respect to changes in property assessment. The County receives supplemental tax revenues and is also subject to tax adjustments as a result of appeals. Each year, management provides a best estimate of the effect on tax revenue.

Government transfers are recognized in the financial statements in the period in which the events giving rise to the transfer occur, eligibility criteria are met, and reasonable estimates of the amount can be made.

User charges are recorded when the amount is determinable, collectability is assured and the services provided.

Investment income is recorded as earned.

Donations are recorded when the amount is determinable and collectability is reasonably assured.

(v) Temporary Investments

Temporary investments are recorded at the lower of cost and market value.

(vi) Liability for Contaminated Sites

A contaminated site is a site at which substances occur in concentrations that exceed the maximum acceptable amounts under an environmental standard. Sites that are currently in productive use are only considered a contaminated site if an unexpected event results in contamination. A liability for remediation of contaminated sites is recognized when the organization is directly responsible or accepts responsibility; it is expected that future economic benefits will be given up; and a reasonable estimate of the amount can be made. The liability includes all costs directly attributable to remediation activities including post remediation operations, maintenance and monitoring. The liability is recorded net of any expected recoveries. At December 31, 2017, the Municipality has not identified any instances that meet the criteria for a liability for contaminated sites.

(vii) Loan Guarantees

The Municipality has guaranteed the demand operating line and demand term instalment loan held by The County of Lambton Community Development Corporation ("CLCDC"). When it is determined that a loss is likely, a provision for loss is recorded. The provision is determined using the best estimates available and taking into consideration the principal amount outstanding, any guaranteed accrued and unpaid interest, any amounts recoverable from the borrower and from the sale of assets pledged as security, and all known circumstances. The provision for loan losses is reviewed by management on an annual basis.

**THE CORPORATION OF THE COUNTY OF LAMBTON  
NOTES TO THE FINANCIAL STATEMENTS  
AS AT DECEMBER 31, 2017**

**2. EMPLOYMENT BENEFITS PAYABLE**

Employment benefits payable are comprised of the following:

	2017	2016
	<u>\$</u>	<u>\$</u>
Liability for vacation credits	2,250,899	2,323,586
Liability for vested sick leave benefits	<u>29</u>	<u>1,423</u>
	<u>2,250,928</u>	<u>2,325,009</u>

**Liability for Vacation Credits**

Under the provisions of certain employee vacation plans, some vacation credits are earned as at December 31 but are generally unavailable for use until a later date. In addition, the provisions of certain plans allow the accumulation of vacation credits for use in future periods. The approximate value of these credits as of December 31, 2017 is \$2,250,899 (2016 - \$2,323,586).

**Liability for Vested Sick Leave Benefits**

Under the terms of the sick leave benefit plan, unused sick leave can increase according to remuneration increases and employees may become entitled to a cash payment of 10% annually, 100% upon termination or up to 100% by special request to County Council. The vested portion of sick leave days is payable to a maximum of one-half year's salary.

This plan is no longer in effect for accumulation of additional sick leave days, with the exception of members of ONA Local 196.

To the extent that these accumulated days have vested and can be taken in cash by the employee, this liability amounted to \$29 (2016 - \$1,423) at the end of the year. An amount of \$5,412 (2016 - \$6,645) was paid to employees who left the Municipality's employment during the current year.

A reserve has been established to provide for this past service liability. The balance at the end of the year is \$25,616 (2016 - \$27,028).

**3. TRUST FUNDS**

Trust funds administered by the Municipality amounting to \$79,802 (2016 - \$78,336) have not been included in the "Statement of Financial Position", nor have their operations been included in the "Statement of Operations".

**4. CASH AND TEMPORARY INVESTMENTS**

	2017	2016
	<u>\$</u>	<u>\$</u>
Cash on Hand and in Banks	43,853,116	36,681,646
Temporary Investments	<u>88,393</u>	<u>87,866</u>
	<u>43,941,509</u>	<u>36,769,512</u>

The Municipality's cash is held at a Canadian chartered bank and earns interest based on the 30 day average bankers acceptance (BA) rate.

The temporary investments, held in a money market fund, are due on demand.

The Municipality has a \$5,500,000 demand operating line available to it. Interest rate of prime less 1.0% is charged on money borrowed. As at December 31, 2017 the Municipality has not drawn anything on the operating line.

**THE CORPORATION OF THE COUNTY OF LAMBTON  
NOTES TO THE FINANCIAL STATEMENTS  
AS AT DECEMBER 31, 2017**

**5. GOVERNMENT BUSINESS ENTERPRISE**

The following summarizes the financial position and operations of the government business enterprise which has been reported in these financial statements using the modified equity method:

- Community Development Corporation

The Community Development Corporation is a corporation incorporated under Part III of The Corporations Act. It has partnered with the University of Western Ontario to establish a university styled research and development park to act as a conduit for the delivery of professional development, education via interaction among institutions of higher education, contract research, technology transfer and commercialization of intellectual property. The Corporation of the County of Lambton holds the controlling interest in the Community Development Corporation.

	April 30, 2017 \$	April 30, 2016 \$
Assets	<u>22,143,719</u>	<u>24,247,546</u>
Liabilities	31,928,165	33,185,752
Deficit	<u>(9,784,446)</u>	<u>(8,938,206)</u>
	<u>22,143,719</u>	<u>24,247,546</u>
Revenues	3,939,024	4,052,344
Expenditures	<u>4,785,264</u>	<u>4,982,865</u>
Net Expenditures	( 846,240)	( 930,521)

**6. DEFERRED GRANT**

The balance of \$622,731 represents the monies received in 2006 for the Best Start Program and is unspent at December 31, 2017.

**THE CORPORATION OF THE COUNTY OF LAMBTON  
NOTES TO THE FINANCIAL STATEMENTS  
AS AT DECEMBER 31, 2017**

**7. LONG-TERM DEBT**

- (a) The balance of the long-term debt reported on the Statement of Financial Position is:

Total long-term debt incurred by the Municipality, including those incurred on behalf of local (lower tier) Municipalities, and outstanding at the end of the year:

	2017	2016
	<u>\$</u>	<u>\$</u>
Long-Term Care	7,453,473	9,042,392
Roads	3,737,330	2,082,025
Emergency Medical Services	914,501	223,015
County Administration Building	538,992	671,899
Information Technology	315,577	387,013
Housing	2,800,235	2,966,516
Library	687	3,379
Lambton Heritage Museum	181,672	47,608
Alix Art Gallery	2,208,556	2,618,819
Inn of the Good Shepherd	445,259	475,044
Lambton Area Waterworks Supply System	0	3,257,000
Bioindustrial Innovation Centre	<u>2,500,000</u>	<u>0</u>
	21,096,282	21,774,710
Long-term debt assumed by local (lower tier) Municipalities and others	<u>2,500,000</u>	<u>3,257,000</u>
Net long-term debt at the end of the year	<u><u>18,596,282</u></u>	<u><u>18,517,710</u></u>

- (b) Of the long-term debt reported in (a) of this note, \$16,920,193 in principal payments are payable from 2018 to 2022 \$1,126,177 from 2023 to 2027, and \$549,912 thereafter and are summarized as follows:

	Years 2018 2022	Years 2023 2027	Years 2028 Thereafter	Total
	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
from general municipal revenue	16,920,193	1,126,177	549,912	18,596,282
from local (lower tier) Municipalities	<u>2,500,000</u>	<u>0</u>	<u>0</u>	<u>2,500,000</u>
	<u><u>19,420,193</u></u>	<u><u>1,126,177</u></u>	<u><u>549,912</u></u>	<u><u>21,096,282</u></u>

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**THE CORPORATION OF THE COUNTY OF LAMBTON  
NOTES TO THE FINANCIAL STATEMENTS  
AS AT DECEMBER 31, 2017**

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- (c) The long-term debt in (a) issued in the name of the Municipality has 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.

Approval of the Ontario Municipal Board has been obtained for those pending issues of long-term debt and commitments to be financed by revenues beyond the term of council and approved on or before December 31, 1992. Those approved after January 1, 1993 have been approved by by-law.

The principal and interest payments required to service these actual and pending issues and commitments are within the debt repayment limit prescribed by the Ministry of Municipal Affairs. The annual repayment limit to be effective January 1, 2018 has been authorized at \$19,317,166. Actual annual repayment of principal and interest in 2017 was \$4,348,515 (2016 - \$4,042,372). Interest rates on long term debt vary between 2.25% and 3.41%.

- (d) On May 9, 1997, the Municipality, on behalf of 10 member Municipalities, refinanced the Ontario Clean Water Agency (OCWA) debt for the Lambton Area Waterworks Supply System (LAWSS). The debenture issue, in the amount of \$35,506,000, required annual principal and interest payments of approximately \$3,450,000 over 20 years. At December 31, 2017, this debt was fully paid. Annual payments made by the Municipality were recovered 100% from the participating Municipalities.

## **8. PENSION AGREEMENTS**

The Municipality makes contributions to the Ontario Municipal Employees Retirement Fund (OMERS), which is a multi-employer plan, on behalf of 926 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. Employees and employers contribute jointly to the plan.

The Administration Corporation Board of Directors, representing plan members and employers, is responsible for overseeing the management of the pension plan, including investment of the plan assets and administration of the benefits. OMERS provides pension services to nearly 500,000 active and retired members and approximately 1,000 employers. Each year an independent actuary determines the funding status of OMERS Primary Pension Plan (the Plan) by comparing the actuarial value of invested assets to the estimated present value of all pension benefits that members have earned to date. The most recent actuarial valuation of the Plan was conducted at December 31, 2017. The results of the valuation disclosed total actuarial liabilities of \$93,600 million in respect of benefits accrued for service with actuarial assets at that date of \$88,200 million indicating an actuarial deficit of \$5,400 million.

Because OMERS is a multi-employer pension plan, any pension plan surpluses or deficits are a joint responsibility of Ontario municipal organizations and their employees. As a result, the Municipality does not recognize any share of the OMERS pension surplus or deficit. The amount contributed to OMERS for 2017 was \$4,903,494 (2016 - \$4,712,884) for current service and is included as an expenditure on the Statement of Operations. The OMERS Board rate was 9.0% to 14.6% depending on income level for 2017 (2016 – 9.0% to 14.6% depending on income level).

The Municipality makes no contributions under the past services provisions of the OMERS Agreement.

## **9. SARNIA-LAMBTON ECONOMIC PARTNERSHIP ASSOCIATION**

The Sarnia-Lambton Economic Partnership Association (SLEP) is an independent body charged with the responsibility for managing economic development within the County of Lambton. It is jointly funded by the Municipality, local Municipalities, the private sector and senior levels of government. The Municipality provided \$1,107,187 (2016 - \$1,155,425) in operating funds during 2017. SLEP has not been consolidated.

**THE CORPORATION OF THE COUNTY OF LAMBTON  
NOTES TO THE FINANCIAL STATEMENTS  
AS AT DECEMBER 31, 2017**

**10. LIABILITY FOR LANDFILL CLOSURE AND POST CLOSURE COSTS**

The Ontario Environmental and Protection Act sets out regulatory requirements to properly close and maintain all active and inactive landfill sites. Under environmental law, there is a requirement for closure and post closure care of solid waste landfill sites.

Landfill closure and post closure care requirements have been defined in accordance with industry standards and include covering and landscaping of the landfill, pumping of ground water and leachates from the site, and ongoing environmental monitoring, site inspection and maintenance.

The total projected closure and post closure costs at December 31, 2017 are \$8,494,489.

The estimated liability of \$3,721,906 (2016 - \$3,793,965) represents the sum of the discounted future cash flows for closure and post closure care activities discounted at the Municipality's current long-term borrowing rate of 3.0%. The estimated remaining capacity of the Municipality's sites are approximately 148,326 cubic metres, which will be filled in 12 years. Post-closure care is estimated to continue for a period of at least 25 years.

The Municipality has established a reserve fund in order to fund this future liability. The fund is currently valued at \$1,331,463.

**11. EXPENDITURE BY OBJECT**

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

	2017	2016
	\$	\$
Salaries, wages and employee benefits	73,699,816	73,164,561
Materials	53,204,714	48,002,658
Contracted services	7,057,175	7,119,666
Rents and financial expenses	3,502,969	3,515,235
Interest on long-term debt	525,607	587,939
Contributions to other organizations	32,567,130	31,445,459
Amortization	<u>14,522,508</u>	<u>14,606,707</u>
	<u>185,079,919</u>	<u>178,442,225</u>

**12. SEGMENTED INFORMATION**

The County of Lambton is a diversified municipal government organization that provides a wide range of services to its citizens. For management reporting purposes the County's operations and activities are organized and reported by segments. The County's services are provided by departments and their activities are reported in these segments. Certain departments that have been separately disclosed in the segmented information, along with the services they provide, are as follows:

General Government & Administration - Providing support to the entire Corporation, this segment includes the Council, CAO, Clerk, Finance, Human Resources, Information Technology, Legal and Procurement and Project Management Departments.

Court Administration - Administration of the County's Court offices includes setting trials, recording court proceedings, generating transcripts and receiving payments for fines resulting from charges laid by the various police forces operating within the County. Grants to area Municipalities towards the cost of court security and local policing are also reflected.

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**THE CORPORATION OF THE COUNTY OF LAMBTON  
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Protective Services - The Building Services Department provides County-wide inspections for plumbing, sewage disposal systems and weed control. Building inspection services and property standards enforcements for most local Municipalities, as well as zoning by-law enforcement is provided.

Public Works - The Public Works Department is responsible for the maintenance and upgrade of the County's road system and bridges. The County's fleet of road equipment operates out of two main depot locations.

Environmental Services - The County owns, operates and manages six former lower tier municipal landfill sites, of which only one continues to accept domestic and commercial waste for disposal. Environmental monitoring and post-closure care continues on an ongoing basis for the five closed facilities. Contracts with private landfills for additional capacity allow the County to fulfill its mandate to dispose of municipally collected waste.

Public Health - Provides specialized public health programs and services in the County through two main streams. Environmental Health & Prevention Services protects the public's health with programs and clinical services such as safe water and food handling, immunizations and the investigation of communicable disease outbreaks and health hazards. Health Promotion & Program Support focuses on the prevention of chronic disease, injury prevention and substance abuse prevention programs.

Emergency Medical Services - The EMS Department offers 24 hour, 7 days a week, land ambulance services to residents from nine stations located throughout the County.

General Assistance - The Ontario Works Department provides employment and income assistance to eligible participants. Income support assistance is provided to persons in need to cover the costs of food, shelter and basic needs. Persons receiving social assistance are required to participate in a plan of increased employment activity. The Social Planning & Program Support Department examines the community's needs, ensures compliance of funds allocated and administers the Lambton Shared Services Centre.

Assistance to Aged - The County operates three long-term care facilities which provide comfort, quality and security to rural and urban residents. In addition, two Adult Day programs are provided for seniors who continue to live in their own homes or with family members.

Child Care - The Children's Services Department maintains service agreements with not-for-profit and profit centres in the County to provide subsidized child care spaces. The Department also offers a variety of services through programs such as Best Start and Child Health.

Housing - The Housing Services Department provides subsidized, well-maintained housing for County residents. The Department completes eligibility assessments, maintains the centralized waiting list for rent-geared-to-income assistance, and administers the non-profit housing programs, rent supplement programs and the affordable housing programs. A Home Ownership down payment program is also provided.

Library - The Library Department provides services to the public through numerous branch libraries, one bookmobile and deposit collections in Long-Term Care Homes.

Culture - Culture is comprised of the Museums and Art Gallery Departments. Two museums are operated by the County, one collects family and corporate artifacts which depict the history of Sarnia-Lambton and the other is located at the site of North America's first commercial oil well. Judith & Norman Alix Art Gallery collects, preserves and holds in trust a collection of Canadian paintings and sculptures. The Lambton County Archives gathers and maintains Lambton County archival materials.

Planning & Development - The Department prepares and maintains the County's Official Plan and provides consent, subdivision, municipal official plan and woodlot approvals. The Department also works closely with local Municipalities preparing official plan and zoning by-laws, and providing comprehensive, ongoing planning advisory services. The Community Development Corporation's deficit for the year of \$846,240 has been included in this segment.



**THE CORPORATION OF THE COUNTY OF LAMBTON  
NOTES TO THE FINANCIAL STATEMENTS  
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For each reported segment, revenues and expenses represent amounts that are directly attributable to the segment. The accounting policies used in these segments are consistent with those followed in the preparation of the financial statements as disclosed in Note 1.

**13. SOCIAL SERVICE CONTRACTS**

The Corporation of the County of Lambton has Service Contracts with the Ministry of Education (EDU) and the Ministry of Community and Social Services (MCSS). A reconciliation report summarizes by detail code where applicable, all revenue and expenditures and resulting surplus or deficit related to the Service Contracts. The surplus amount is included in Accounts Payable and Accrued Liabilities.

The presentation below was prepared in accordance with the modified accrual basis of accounting, which includes short term accruals of revenue and expenditures and does not recognize non-cash transactions such as amortization. The presentation is reflected prior to application of flexibility of funding between detail codes. The subsidy received (revenue) and subsidy earned (expenditure) comprise part of Provincial Government Transfers Revenue and Social and Family Services Expenses that are included in the Statement of Operations.

Detail Code Program Name	2017 Subsidy Received \$	2017 Subsidy Earned \$	(Surplus)/ Deficit \$
<b>EDU</b>			
<u>Operating Allocations</u>			
Core Services Delivery - 100%	4,469,585	3,628,399	(841,186)
Core Services Delivery - Cost Shared Requirement 80/20	3,872,736	3,872,736	-
Core Services Delivery - Cost Shared Requirement 50/50 Administration	227,092	227,092	-
Special Purpose Operating Allocation	5,090,046	4,985,134	(104,912)
Capital Retrofits	-	-	-
	13,659,459	12,713,361	(946,098)
<u>Wage Enhancement</u>			
Wage Enhancement	1,536,117	1,326,801	(209,316)
Wage Enhancement Administration	79,696	79,696	-
	1,615,813	1,406,497	(209,316)
<u>Planning Investment - OEYFC</u>	87,717	87,717	-
<u>Journey Together Capacity Funding Allocation</u>	50,000	50,000	-
Total Child Care Allocation	15,412,989	14,257,575	(1,155,414)
<u>Family Support</u>			
A386 Delivery Agent Resource Centres -Operating (80/20)	98,086	98,086	-
A462 Ontario Early Years Centres	135,981	135,981	-
A466 Data Analysis Services	73,153	73,153	-
A525 Early Child Development Planning - Regular	24,600	24,600	-
A525 Early Child Development Planning - Indigenous	11,000	11,000	-
Total Child and Family Program Allocation	342,820	342,820	-
Total Contract	15,755,809	14,600,395	(1,155,414)

**THE CORPORATION OF THE COUNTY OF LAMBTON  
NOTES TO THE FINANCIAL STATEMENTS  
AS AT DECEMBER 31, 2017**

Detail Code Program Name	2017 Subsidy Received \$	2017 Subsidy Earned \$	(Surplus)/ Deficit \$
<b>MCSS</b>			
<u>Program Delivery</u>			
8693 Ontario Works Upload Funding	2,347,798	2,347,798	-
8648 Ontario Works 50/50 Funding	3,833,332	3,784,755	(48,577)
8668 LEAP Incentives	3,402	2,916	(486)
Total Contract	<u>6,184,532</u>	<u>6,135,469</u>	<u>(49,063)</u>

14. **MINISTER OF CITIZENSHIP AND IMMIGRATION**

The Corporation of the County of Lambton has a Transfer Payment Agreement with the Minister of Citizenship and Immigration. The Municipal Immigration Information Online funding provides for improvements and updates to the County of Lambton's immigration portal including the addition of mobile responsive and French language content. The project aims to ensure the usefulness and effectiveness of the site for newcomer communities in the Lambton region. The project will be complete in March 2018.

The summary for the Immigration Portal Project below illustrates revenue and expenditures to December 31, 2017 and resulting surplus or deficit related to the Transfer Payment Agreement to that date. The surplus amount is included in Accounts Payable and Accrued Liabilities.

The presentation below was prepared in accordance with the modified accrual basis of accounting, which includes short term accruals of revenue and expenditures and does not recognize non-cash transactions such as amortization. The subsidy received (revenue) and subsidy earned (expenditure) to December 31 comprise part of Provincial Government Transfers Revenue and Social and Family Services Expenses that are included in the Statement of Operations.

Program Name	2017 Subsidy Received \$	2017 Subsidy Earned \$	(Surplus)/ Deficit \$
<b>Municipal Immigration Information Online (2016-2017) County of Lambton (Case #: 2016-11-1-505122587)</b>			
Immigration Portal Project (April 1 to December 31, 2017)	<u>19,600</u>	<u>8,734</u>	<u>(10,866)</u>

Subsequent to December 31, 2017, final payment for the project was received. Final full revenue and expenditure for the project at March 31, 2018 are reflected below.

Program Name	2017-18 Subsidy Received \$	2017-18 Subsidy Earned \$	(Surplus)/ Deficit \$
<b>Municipal Immigration Information Online (2016-2017) County of Lambton (Case #: 2016-11-1-505122587)</b>			
Immigration Portal Project (April 1, 2017 to March 31, 2018)	<u>24,500</u>	<u>24,500</u>	<u>-</u>

**THE CORPORATION OF THE COUNTY OF LAMBTON  
NOTES TO THE FINANCIAL STATEMENTS  
AS AT DECEMBER 31, 2017**

**15. PUBLIC HEALTH UNIT**

The Council of The Corporation of the County of Lambton is also the Board of Health for the County of Lambton. The departments and programs that together constitute the operation of the Lambton Health Unit all form parts of other functional areas as reported in these statements. The Ministry of Health and Long-Term Care requires that the values for the Lambton Health Unit be reported on the basis of a single integrated entity. Therefore, in order to meet these requirements these values are presented below.

	<b>2017 Mandatory &amp; Related</b>	<b>2017 Excluded Programs</b>	<b>2017 Total Public Health Unit</b>
<b>Total Public Health Unit Operating Costs:</b>	9,500,353	1,133,333	10,633,686
<b>Total Public Health Unit Amortization Expense:</b>	137,106	16,356	153,462
<b>Total Public Health Unit TCA Expenditures:</b>	90,722	-	90,722

**PUBLIC HEALTH GRANTS**

**Program-Based Grants, Ministry of Health and Long-Term Care  
Public Health Division (PHD) & Health Promotion Division (HPD)**

**A. Base Funding**

	<b>2017 Subsidy Approved \$</b>	<b>2017 Subsidy Earned \$</b>	<b>2017 Subsidy Received \$</b>	<b>(Payable)/ Receivable \$</b>
<b>PHD and HPD Programs Funded at 75%</b>				
Mandatory Programs	5,251,800	5,251,800	5,251,800	-
<b>Total</b>	<u>5,251,800</u>	<u>5,251,800</u>	<u>5,251,800</u>	<u>-</u>
<b>Related Programs Funded at 75% (PHD)</b>				
Small Drinking Water Systems	10,000	10,000	10,000	-
Vector-Borne Diseases	175,200	175,200	175,200	-
<b>Total</b>	<u>185,200</u>	<u>185,200</u>	<u>185,200</u>	<u>-</u>
<b>Related Programs Funded at 100% (PHD)</b>				
Chief Nursing Officer	121,500	121,500	121,500	-
Enhanced Food Safety - Haines	25,000	25,000	25,000	-
Enhanced Safe Water	15,500	15,500	15,500	-
Harm Reduction Program Enhancement	150,000	111,173	111,173	-
Healthy Smiles Ontario	633,800	633,800	633,800	-
Infection Prevention and Control Nurses	90,100	90,100	90,100	-
Infectious Diseases Control	166,700	166,700	166,700	-
Needle Exchange Program Initiative	43,550	43,550	43,550	-
Social Determinants of Health Nurses	180,500	180,500	180,500	-
<b>Total</b>	<u>1,426,650</u>	<u>1,387,823</u>	<u>1,387,823</u>	<u>-</u>
<b>Related Programs Funded at 100% (HPD)</b>				
SFO-OTS Prosecution	12,800	12,800	12,800	-
SFO-OTS Protection and Enforcement	161,900	161,900	161,900	-
SFO-OTS Tobacco Control Coordination	100,000	100,000	100,000	-
SFO-OTS Youth Tobacco Use Prevention	80,000	80,000	80,000	-
SFO-OTS Electronic Cigarette Act	10,400	10,400	10,400	-
<b>Total</b>	<u>365,100</u>	<u>365,100</u>	<u>365,100</u>	<u>-</u>

**THE CORPORATION OF THE COUNTY OF LAMBTON  
NOTES TO THE FINANCIAL STATEMENTS  
AS AT DECEMBER 31, 2017**

**MOH/AMOH Compensation**

MOH/AMOH Compensation		149,000	132,364	132,364	-
	Total	<u>149,000</u>	<u>132,364</u>	<u>132,364</u>	<u>-</u>
<b>Sub-Total A. Base Funding</b>		<u><u>7,377,750</u></u>	<u><u>7,322,287</u></u>	<u><u>7,322,287</u></u>	<u><u>-</u></u>

**B. 2017 One-Time Funding Approved to December 31, 2017**

	<b>2017 Subsidy Approved \$</b>	<b>2017 Subsidy Earned \$</b>	<b>2017 Subsidy Received \$</b>	<b>(Payable)/ Receivable \$</b>
<b>Related Programs Funded at 100% (PHD)</b>				
Human Papillomavirus Vaccine Program	12,500	12,500	12,500	-
	Total	<u>12,500</u>	<u>12,500</u>	<u>-</u>
<b>Sub-Total B. 2017 One-Time Funding Approved to Dec. 31, 2017</b>		<u>12,500</u>	<u>12,500</u>	<u>-</u>

**C. 2016 One-Time Funding Approved to March 31, 2017**

	<b>Subsidy Carried Forward \$</b>	<b>Subsidy Earned \$</b>	<b>Further Subsidy Received \$</b>	<b>(Payable)/ Receivable \$</b>
<b>Related Programs Funded at 100% (PHD)</b>				
Needle Exchange Program Initiative (2016)	(17,236)	-	17,236	-
Panorama (2016/17)	52,928	70,900	17,972	-
PHI Practicum	7,506	10,000	2,494	-
	Total	<u>43,198</u>	<u>80,900</u>	<u>-</u>

**Related Programs Funded at 75% (HPD)**

Internet Hub Development (2016)	1,820	-	(1,820)	-
	Total	<u>1,820</u>	<u>-</u>	<u>(1,820)</u>

**Capital Building Sustainability Funded @ 100% (HCI)**

Building Sustainability and Furniture Replacement (2016)	11,668	-	(11,668)	-
Building Sustainability and Repairs	(11,200)	43,400	54,600	-
Parking Lot Replacement - Phase II	13,620	13,468	-	(152)
	Total	<u>14,088</u>	<u>56,868</u>	<u>42,932</u>

<b>Sub-Total C. 2016 One-Time Funding Approved to Mar. 31, 2017</b>		<u>59,106</u>	<u>137,768</u>	<u>78,814</u>	<u>(152)</u>
<b>Total Subsidy Receivable/(Payable)</b>					<u><u>(152)</u></u>

**THE CORPORATION OF THE COUNTY OF LAMBTON  
NOTES TO THE FINANCIAL STATEMENTS  
AS AT DECEMBER 31, 2017**

**D. 2017 One-Time Funding Approved to March 31, 2018**

	<b>2017 Subsidy Approved \$</b>	<b>2017 Subsidy Earned \$</b>	<b>2017 Subsidy Received \$</b>	<b>Subsidy to Carryover \$</b>
<b>Related Programs Funded at 100% (PHD)</b>				
Healthy Menu Choices Act - Enforcement	9,000	6,504	9,000	(2,496)
Needle Exchange Program Initiative	36,257	16,589	36,257	(19,668)
Panorama (2017/18)	74,000	-	74,000	(74,000)
PHI Practicum Program	10,000	10,000	10,000	-
Total	<u>129,257</u>	<u>33,093</u>	<u>129,257</u>	<u>(96,164)</u>
<b>Related Programs Funded at 100% (HPD)</b>				
SFO Expanded Smoking Cessation Programming	13,200	10,986	13,200	(2,214)
Total	<u>13,200</u>	<u>10,986</u>	<u>13,200</u>	<u>(2,214)</u>
<b>Capital Building Sustainability Funded at 100% (HCI)</b>				
Building Sustainability and Repair	11,800	-	11,800	(11,800)
Total	<u>11,800</u>	<u>-</u>	<u>11,800</u>	<u>(11,800)</u>
<b>Total One-Time Subsidy Receivable/(Carryover)</b>				<u>(110,178)</u>

**Vaccine Program**

	<b>2017 Subsidy Earned \$</b>	<b>2017 Subsidy Received \$</b>	<b>(Payable)/ Receivable \$</b>
Universal Influenza Immunization Program	6,105	100	6,005
Meningococcal C Conjugate Vaccine	13,634	7,608	6,026
Human Papilloma Virus Program	11,892	1,258	10,634
	<u>31,631</u>	<u>8,966</u>	<u>22,665</u>
<b>Total Vaccine Program Receivable/(Payable)</b>			<u>22,665</u>

**Child and Youth Development Branch, Ministry of Children and Youth Services  
Strategic Policy and Planning Division**

	<b>Subsidy Approved \$</b>	<b>Subsidy Earned \$</b>	<b>Subsidy Received \$</b>	<b>(Payable)/ Receivable \$</b>
<b>100% Funded Programs</b>				
Healthy Babies Healthy Children	933,093	904,129	933,093	(28,964)
<b>Total Child and Youth Development Branch</b>	<u>933,093</u>	<u>904,129</u>	<u>933,093</u>	<u>(28,964)</u>

**THE CORPORATION OF THE COUNTY OF LAMBTON  
NOTES TO THE FINANCIAL STATEMENTS  
AS AT DECEMBER 31, 2017**

**16. LAMBTON COUNTY PUBLIC LIBRARY**

The Council of The Corporation of the County of Lambton is also the Board for the Lambton County Public Library. The departments and programs that together constitute the operation of the Lambton County Public Library all form parts of other functional areas as reported in these Statements.

The Municipality has a Transfer Payment Agreement with the Minister of Tourism, Culture and Sport. The Ontario Libraries Capacity Fund (OLCF) - Research and Innovation funding provides for the development and implementation of an IdeaLAB - Makerspace project. This project aims to expand the Lambton County Library patrons' access to various diverse technologies and machines.

The summary for the IdeaLAB - Makerspace Project below illustrates the expenditures over the two year period ending on December 31, 2017 and the funding related to the Transfer Payment Agreement to that date.

The presentation below was prepared in accordance with the modified accrual basis of accounting, which includes short term accruals of revenues and expenditures and does not recognize non-cash transactions such as amortization. The subsidy received (revenue) and subsidy earned (expenditure) to December 31 comprises part of Provincial Government Transfers Revenue and Recreation and Cultural Services that are included in the Statement of Operations for the relevant year.

**MakerSpace Grant - OLCF Grant File #2015-09-1-298395785**

	<b>Approved \$</b>	<b>Earned \$</b>	<b>Over / (Under) \$</b>
2016 - Admissible Expenditures	235,969	186,079	(49,890)
2017 - Admissible Expenditures	<u>92,260</u>	<u>143,681</u>	<u>51,421</u>
Total Admissible	328,229	329,760	1,531
Inadmissible Expenditures	<u>46,000</u>	<u>127,099</u>	<u>81,099</u>
Total Budget	374,229	456,859	82,630

	<b>Approved \$</b>	<b>Earned \$</b>	<b>Difference \$</b>
Maximum Funds from Province	120,000	120,000	0

**17. LIBRARY GOVERNMENT TRANSFERS**

Government Transfers recorded as 2017 revenue for the Library segment are comprised of the following amounts:

Ministry of Tourism, Culture and Sport Operating Grant	\$ 265,865
Ministry of Tourism, Culture and Sport Pay Equity Grant	18,083
Ministry of Tourism, Culture and Sport One Time Grant	15,000
Ministry of Tourism, Culture and Sport Makerspace	60,000
Service Ontario Grant	<u>21,179</u>
	<u>\$ 380,127</u>

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**THE CORPORATION OF THE COUNTY OF LAMBTON  
NOTES TO THE FINANCIAL STATEMENTS  
AS AT DECEMBER 31, 2017**

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**18. ACCRUED TAX LIABILITIES**

Taxation Revenue - General Levy	\$ 72,810,736
Taxation Revenue - Supplementary Tax Levy	794,734
Payment in Lieu Taxation Revenue	1,250,146
Tax Write-Offs	(1,840,580)
Accrued Tax Liability	<u>(95,438)</u>
 Total Property Taxation	 <u>\$ 72,919,598</u>

Reconciliation of Assessment Appeal Provision and Accrued Tax Liability

Estimate of Expected Appeals	\$ 1,937,996
Estimate of Expected Supplementary Taxes	(808,747)
Other Adjustments	<u>47,891</u>

Potential Future Tax Liability \$ 1,177,140

The potential future tax liability includes all potential changes due to the results of tax appeals and supplementary taxes as the result of Assessment Review Board Decisions, Minutes of Settlement, Post Roll Assessments notices, Supplementary and Omitted Assessments and other tax adjustments that are processed under the Municipal Act, 2001.

The actual future results will differ from these estimates as tax appeals are settled and actual assessment values are applied to supplemental properties.

**19. CONTINGENT LIABILITIES**

The Municipality is a defendant in various legal actions. The ultimate outcomes are indeterminable at December 31, 2017 as litigation is still in progress. The Municipality's management is of the opinion that the Municipality has adequate insurance coverage to offset the amount of the claims and related costs, if any. Consequently, no provision for potential loss, if any, is reflected in these financial statements.

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**THE CORPORATION OF THE COUNTY OF LAMBTON  
NOTES TO THE FINANCIAL STATEMENTS  
AS AT DECEMBER 31, 2017**

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**20. COMMITMENTS**

The Municipality routinely enters into short term lease arrangements for the supply of vehicles, photocopiers, postage machines and other such similar office equipment. Annual payments in 2017 amounted to \$145,662.

The Municipality has entered into an agreement with the City of Sarnia for the maintenance of County roads within the City west of Modeland Road. The agreement covers a ten year period commencing June 1, 2010 and ending May 31, 2020.

The Municipality has entered into an agreement with the Village of Point Edward for the maintenance of County roads within the Village over a ten year period commencing January 1, 2010 and ending December 31, 2019.

The Municipality has entered into an agreement with the Town of Petrolia for the maintenance of County roads within the Town over a ten year period commencing November 3, 2015 and ending November 3, 2025.

The Municipality's lease agreement to rent office, storage and terrace premises expired in May 2017 but has continued under the same terms on a month to month basis. The Municipality is currently in negotiations to formalize a new lease with the intention of continuing to rent space at the same location. Annual payments amount to \$660,000.

The Municipality has entered into an agreement with Lambton College to provide a grant of \$5 million dollars over a six year period commencing June 1, 2016 and ending June 1, 2021. The Municipality will pay \$833,333 on June 1 of each year the College complies with the terms of the agreement.

The Municipality has approved a grant to the Strathroy Middlesex General Hospital for \$1,050,000 over a ten year period commencing in 2018 and ending 2027. The Municipality will pay \$105,000 each year to the hospital.

**21. USE OF ACCOUNTING ESTIMATES AND MEASUREMENT UNCERTAINTY**

The preparation of 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 at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods.

In particular, management's estimate for the Landfill closure and post closure liability is subject to measurement uncertainty. The estimate is based on assumptions and calculations prepared by the County's Public Works engineering staff. Actual results could differ significantly from those estimates because of the uncertainty related to future cost estimates, future use of the landfill site, etc.



**THE CORPORATION OF THE COUNTY OF LAMBTON  
NOTES TO THE FINANCIAL STATEMENTS  
AS AT DECEMBER 31, 2017**

**22. BUDGET FIGURES**

The Financial Plan (budget) adopted by the County of Lambton Council on March 2, 2017, was not prepared on a basis consistent with that used to report actual results (Public Sector Accounting Standards). The budget was prepared on a modified accrual basis while Public Sector Accounting Standards require a full accrual basis. The budget figures anticipated using surpluses accumulated in previous years to reduce current year expenditures in excess of current year revenues to \$NIL. In addition, the budget expensed all tangible capital expenditures rather than including amortization expense. As a result, the budget figures presented in the Statement of Operations and Statement of Changes in Net Financial Debt represent the budget adopted by Council with adjustments as follows:

	<b>2017</b>
	<b>\$</b>
Financial Plan (budget) surplus for the year	0
Add:	
Capital Expenditures	21,849,824
Principal Payments	3,804,220
Less:	
Amortization	14,947,220
Long Term Financing	2,669,987
Net Reserve and Reserve Fund Transfers	<u>1,171,186</u>
Budget Surplus per Statement of Operations	<u>6,865,651</u>

**23. DEBENTURE RECEIVABLE**

The amount to be received from The County of Lambton Community Development Corporation matures and is payable in 120 months and one day from April 9, 2015 and bears deferred pay interest at the rate of 2.61%.

**24. LOAN GUARANTEE**

The Municipality has entered into an agreement with CIBC to guarantee a demand operating line of credit with an authorized limit of up to \$2,000,000 and a demand term instalment loan.

At December 31, 2017, the demand operating line has a balance outstanding of \$0 bearing interest at a rate of prime minus 0.50%. All amounts under this operating line are repayable immediately on demand by CIBC.

The demand term instalment loan has a balance outstanding of \$18,477,055 bearing interest at a rate of prime minus 0.25%, with blending monthly payments of principal and interest of \$110,886 and amortized over 20 years. All amounts under this loan are repayable immediately on demand by CIBC.

The Municipality is responsible for any shortfalls in principal repayments or interest payments by CLCDC. There are no provisions for losses recorded in these financial statements as the Municipality is the sole owner of the CLCDC.

**THE CORPORATION OF THE COUNTY OF LAMBTON**  
**SCHEDULE OF TANGIBLE CAPITAL ASSETS**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**  
**Schedule 1**

	Balance, beginning of year \$	Additions \$	Disposals \$	Other- Donations, Writedowns \$	Balance, end of year \$
<b>COST</b>					
Land	37,430,966	0	0	300,000	37,730,966
Bridges	30,394,268	1,999,758	40,374	(63,564)	32,290,088
Buildings	135,632,418	4,627,777	99,465	(2,666,974)	137,493,756
Building Contents	13,321,138	932,289	777,376	0	13,476,051
Building Site Elements	8,547,658	709,500	115,039	(12,741)	9,129,378
Fleet	7,895,063	884,494	768,735	0	8,010,822
Information Technology	3,094,669	182,592	250,460	0	3,026,801
Leasehold Improvements	2,592,319	7,573	0	0	2,599,892
Machinery and Equipment	8,227,604	222,502	292,580	1,434	8,158,960
Medical and Emergency Equipment	3,109,198	154,435	261,297	0	3,002,336
Roads	225,101,559	6,502,301	0	479,827	232,083,687
Signage and Illuminations	2,856,835	38,447	10,303	0	2,884,979
Work In Progress	1,057,268	294,531	0	0	1,351,799
<b>TOTAL COST</b>	<b>479,260,963</b>	<b>16,556,199</b>	<b>2,615,629</b>	<b>(1,962,018)</b>	<b>491,239,515</b>
<b>ACCUMULATED AMORTIZATION</b>					
Land	0	0	0	0	0
Bridges	12,345,138	591,321	40,374	(62,949)	12,833,136
Buildings	69,608,832	4,251,314	38,617	(1,617,122)	72,204,407
Building Contents	7,037,196	1,005,660	749,445	6,007	7,299,418
Building Site Elements	4,804,965	333,744	87,012	(17,722)	5,033,975
Fleet	4,618,192	822,579	768,735	(6)	4,672,030
Information Technology	1,978,771	482,925	250,460	3,671	2,214,907
Leasehold Improvements	1,203,275	84,623	0	0	1,287,898
Machinery and Equipment	4,077,879	437,352	210,565	2,498	4,307,164
Medical and Emergency Equipment	1,891,874	253,171	244,890	(499)	1,899,656
Roads	125,637,560	7,782,167	0	49,462	133,469,189
Signage and Illuminations	2,046,914	114,384	10,303	(72)	2,150,923
Work In Progress	0	0	0	0	0
<b>ACCUMULATED AMORTIZATION</b>	<b>235,250,596</b>	<b>16,159,240</b>	<b>2,400,401</b>	<b>(1,636,732)</b>	<b>247,372,703</b>
<b>NET BOOK VALUE</b>					
Land	37,430,966	0	0	300,000	37,730,966
Bridges	18,049,130	1,408,437	0	(615)	19,456,952
Buildings	66,023,586	376,463	60,848	(1,049,852)	65,289,349
Building Contents	6,283,942	(73,371)	27,931	(6,007)	6,176,633
Building Site Elements	3,742,693	375,756	28,027	4,981	4,095,403
Fleet	3,276,871	61,915	0	6	3,338,792
Information Technology	1,115,898	(300,333)	0	(3,671)	811,894
Leasehold Improvements	1,389,044	(77,050)	0	0	1,311,994
Machinery and Equipment	4,149,725	(214,850)	82,015	(1,064)	3,851,796
Medical and Emergency Equipment	1,217,324	(98,736)	16,407	499	1,102,680
Roads	99,463,999	(1,279,866)	0	430,365	98,614,498
Signage and Illuminations	809,921	(75,937)	0	72	734,056
Work In Progress	1,057,268	294,531	0	0	1,351,799
<b>NET BOOK VALUE - 2017</b>	<b>244,010,367</b>	<b>396,959</b>	<b>215,228</b>	<b>(325,286)</b>	<b>243,866,812</b>

**THE CORPORATION OF THE COUNTY OF LAMBTON  
SCHEDULE OF TANGIBLE CAPITAL ASSETS  
FOR THE YEAR ENDED DECEMBER 31, 2017**

**Schedule 1**

	Balance, beginning of year \$	Additions \$	Disposals \$	Other- Donations, Writedowns \$	Balance, end of year \$
<b>COST</b>					
General Government	21,957,797	1,045,125	253,903	(17,308)	22,731,711
Protection Services	1,262	0	0	0	1,262
Transportation Services	286,272,347	9,167,028	682,572	386,339	295,143,142
Environmental Services	3,979,654	26,759	0	(8,476)	3,997,937
Health Services	11,849,656	235,933	267,533	443,088	12,261,144
Social and Family Services	60,361,856	653,934	350,610	(58,778)	60,606,402
Social Housing	70,923,253	4,323,655	356,531	(2,704,580)	72,185,797
Recreation and Cultural Services	22,736,044	809,234	704,480	(2,303)	22,838,495
Planning and Development	121,826	0	0	0	121,826
Work In Progress	1,057,268	294,531	0	0	1,351,799
<b>TOTAL COST</b>	<b>479,260,963</b>	<b>16,556,199</b>	<b>2,615,629</b>	<b>(1,962,018)</b>	<b>491,239,515</b>
<b>ACCUMULATED AMORTIZATION</b>					
General Government	6,433,258	717,479	253,014	(18,287)	6,879,436
Protection Services	630	84	0	0	714
Transportation Services	147,832,080	9,159,217	682,572	(41,449)	156,267,276
Environmental Services	3,782,605	18,417	0	(8,280)	3,792,742
Health Services	5,164,558	869,320	263,222	(14,374)	5,756,282
Social and Family Services	32,243,574	1,846,134	318,477	(38,303)	33,732,928
Social Housing	28,392,615	2,314,000	184,265	(1,507,244)	29,015,106
Recreation and Cultural Services	11,344,629	1,227,358	698,851	(8,789)	11,864,347
Planning and Development	56,647	7,231	0	(6)	63,872
Work In Progress	0	0	0	0	0
<b>ACCUMULATED AMORTIZATION</b>	<b>235,250,596</b>	<b>16,159,240</b>	<b>2,400,401</b>	<b>(1,636,732)</b>	<b>247,372,703</b>
<b>NET BOOK VALUE</b>					
General Government	15,524,539	327,646	889	979	15,852,275
Protection Services	632	(84)	0	0	548
Transportation Services	138,440,267	7,811	0	427,788	138,875,866
Environmental Services	197,049	8,342	0	(196)	205,195
Health Services	6,685,098	(633,387)	4,311	457,462	6,504,862
Social and Family Services	28,118,282	(1,192,200)	32,133	(20,475)	26,873,474
Social Housing	42,530,638	2,009,655	172,266	(1,197,336)	43,170,691
Recreation and Cultural Services	11,391,415	(418,124)	5,629	6,486	10,974,148
Planning and Development	65,179	(7,231)	0	6	57,954
Work In Progress	1,057,268	294,531	0	0	1,351,799
<b>NET BOOK VALUE - 2017</b>	<b>244,010,367</b>	<b>396,959</b>	<b>215,228</b>	<b>(325,286)</b>	<b>243,866,812</b>

**THE CORPORATION OF THE COUNTY OF LAMBTON**  
**SCHEDULE OF TANGIBLE CAPITAL ASSETS**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**  
**Schedule 1**

	Balance, beginning of year \$	Additions \$	Disposals \$	Other- Donations, Writedowns \$	Balance, end of year \$
<b>COST</b>					
Land	38,130,932	0	699,966	0	37,430,966
Bridges	28,185,397	2,635,775	146,349	(280,555)	30,394,268
Buildings	134,749,473	4,620,085	1,936,484	(1,800,656)	135,632,418
Building Contents	13,582,971	666,331	928,164	0	13,321,138
Building Site Elements	8,341,571	583,363	352,577	(24,699)	8,547,658
Fleet	7,289,421	981,293	376,033	382	7,895,063
Information Technology	3,306,018	405,560	616,909	0	3,094,669
Leasehold Improvements	2,523,865	200,943	0	(132,489)	2,592,319
Machinery and Equipment	8,247,510	334,638	327,882	(26,662)	8,227,604
Medical and Emergency Equipment	2,923,633	222,248	36,683	0	3,109,198
Roads	216,372,611	8,701,933	24,457	51,472	225,101,559
Signage and Illuminations	2,797,255	75,157	10,080	(5,497)	2,856,835
Work In Progress	994,764	62,504	0	0	1,057,268
<b>TOTAL COST</b>	<b>467,445,421</b>	<b>19,489,830</b>	<b>5,455,584</b>	<b>(2,218,704)</b>	<b>479,260,963</b>
<b>ACCUMULATED AMORTIZATION</b>					
Land	0	0	0	0	0
Bridges	12,106,457	504,706	118,810	(147,215)	12,345,138
Buildings	67,521,906	4,197,022	1,090,823	(1,019,273)	69,608,832
Building Contents	6,839,821	1,017,882	824,962	4,455	7,037,196
Building Site Elements	4,745,430	317,222	234,366	(23,321)	4,804,965
Fleet	4,200,831	780,086	364,747	2,022	4,618,192
Information Technology	2,050,425	517,528	596,870	7,688	1,978,771
Leasehold Improvements	1,196,005	79,836	0	(72,566)	1,203,275
Machinery and Equipment	3,963,393	435,882	296,611	(24,785)	4,077,879
Medical and Emergency Equipment	1,674,850	254,414	36,683	(707)	1,891,874
Roads	117,989,331	7,640,173	21,482	29,538	125,637,560
Signage and Illuminations	1,950,874	111,663	10,080	(5,543)	2,046,914
Work In Progress	0	0	0	0	0
<b>ACCUMULATED AMORTIZATION</b>	<b>224,239,323</b>	<b>15,856,414</b>	<b>3,595,434</b>	<b>(1,249,707)</b>	<b>235,250,596</b>
<b>NET BOOK VALUE</b>					
Land	38,130,932	0	699,966	0	37,430,966
Bridges	16,078,940	2,131,069	27,539	(133,340)	18,049,130
Buildings	67,227,567	423,063	845,661	(781,383)	66,023,586
Building Contents	6,743,150	(351,551)	103,202	(4,455)	6,283,942
Building Site Elements	3,596,141	266,141	118,211	(1,378)	3,742,693
Fleet	3,088,590	201,207	11,286	(1,640)	3,276,871
Information Technology	1,255,593	(111,968)	20,039	(7,688)	1,115,898
Leasehold Improvements	1,327,860	121,107	0	(59,923)	1,389,044
Machinery and Equipment	4,284,117	(101,244)	31,271	(1,877)	4,149,725
Medical and Emergency Equipment	1,248,783	(32,166)	0	707	1,217,324
Roads	98,383,280	1,061,760	2,975	21,934	99,463,999
Signage and Illuminations	846,381	(36,506)	0	46	809,921
Work In Progress	994,764	62,504	0	0	1,057,268
<b>NET BOOK VALUE - 2016</b>	<b>243,206,098</b>	<b>3,633,416</b>	<b>1,860,150</b>	<b>(968,997)</b>	<b>244,010,367</b>

**THE CORPORATION OF THE COUNTY OF LAMBTON  
SCHEDULE OF TANGIBLE CAPITAL ASSETS  
FOR THE YEAR ENDED DECEMBER 31, 2017**

**Schedule 1**

	<b>Balance, beginning of year \$</b>	<b>Additions \$</b>	<b>Disposals \$</b>	<b>Other- Donations, Writedowns \$</b>	<b>Balance, end of year \$</b>
<b>COST</b>					
General Government	22,552,523	805,419	1,348,764	(51,381)	21,957,797
Protection Services	1,262	0	0	0	1,262
Transportation Services	274,783,005	12,158,429	413,050	(256,037)	286,272,347
Environmental Services	3,962,294	26,247	410	(8,477)	3,979,654
Health Services	10,559,772	1,844,619	526,197	(28,538)	11,849,656
Social and Family Services	61,771,312	1,200,628	2,303,894	(306,190)	60,361,856
Social Housing	70,014,164	2,585,186	184,580	(1,491,517)	70,923,253
Recreation and Cultural Services	22,686,642	804,655	678,689	(76,564)	22,736,044
Planning and Development	119,683	2,143	0	0	121,826
Work In Progress	994,764	62,504	0	0	1,057,268
<b>TOTAL COST</b>	<b>467,445,421</b>	<b>19,489,830</b>	<b>5,455,584</b>	<b>(2,218,704)</b>	<b>479,260,963</b>
<b>ACCUMULATED AMORTIZATION</b>					
General Government	6,370,025	718,456	618,290	(36,933)	6,433,258
Protection Services	546	84	0	0	630
Transportation Services	139,427,890	8,914,696	363,962	(146,544)	147,832,080
Environmental Services	3,778,554	16,606	164	(12,391)	3,782,605
Health Services	4,794,764	817,846	430,416	(17,636)	5,164,558
Social and Family Services	31,899,657	1,906,730	1,378,954	(183,859)	32,243,574
Social Housing	27,109,634	2,199,087	124,959	(791,147)	28,392,615
Recreation and Cultural Services	10,810,315	1,274,196	678,689	(61,193)	11,344,629
Planning and Development	47,938	8,713	0	(4)	56,647
Work In Progress	0	0	0	0	0
<b>ACCUMULATED AMORTIZATION</b>	<b>224,239,323</b>	<b>15,856,414</b>	<b>3,595,434</b>	<b>(1,249,707)</b>	<b>235,250,596</b>
<b>NET BOOK VALUE</b>					
General Government	16,182,498	86,963	730,474	(14,448)	15,524,539
Protection Services	716	(84)	0	0	632
Transportation Services	135,355,115	3,243,733	49,088	(109,493)	138,440,267
Environmental Services	183,740	9,641	246	3,914	197,049
Health Services	5,765,008	1,026,773	95,781	(10,902)	6,685,098
Social and Family Services	29,871,655	(706,102)	924,940	(122,331)	28,118,282
Social Housing	42,904,530	386,099	59,621	(700,370)	42,530,638
Recreation and Cultural Services	11,876,327	(469,541)	0	(15,371)	11,391,415
Planning and Development	71,745	(6,570)	0	4	65,179
Work In Progress	994,764	62,504	0	0	1,057,268
<b>NET BOOK VALUE - 2016</b>	<b>243,206,098</b>	<b>3,633,416</b>	<b>1,860,150</b>	<b>(968,997)</b>	<b>244,010,367</b>

**THE CORPORATION OF THE COUNTY OF LAMBTON**  
**SCHEDULE OF ACCUMULATED SURPLUS**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**  
**Schedule 2**

	2017 ACTUAL \$	2016 ACTUAL \$
<b>RESERVES</b> (Schedule 3)	34,539,714	29,309,760
<b>RESERVE FUNDS</b> (Schedule 4)	8,669,449	8,112,414
Total Reserves and Reserve Funds	43,209,163	37,422,174
<b>SURPLUSES</b>		
Invested in Tangible Capital Assets	243,866,812	244,010,367
Invested in Community Development Corporation	(9,784,446)	(8,938,206)
General Revenue Fund	(2,419,115)	(3,810,053)
Unfunded		
Long Term Debt	(18,596,282)	(18,517,710)
Landfill Closure and Post Closure Costs	(3,721,906)	(3,793,965)
Employment Benefits Payable	(2,250,928)	(2,325,009)
Accrued Tax Liabilities	(498,443)	(403,005)
Total Surpluses	206,595,692	206,222,419
<b>ACCUMULATED SURPLUS</b>	249,804,855	243,644,593

**THE CORPORATION OF THE COUNTY OF LAMBTON**  
**SCHEDULE OF CONTINUITY OF RESERVES**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**  
**Schedule 3**

	2017 BUDGET \$	2017 ACTUAL \$	2016 ACTUAL \$
BALANCE, beginning of the year	29,309,760	29,309,760	25,632,328
REVENUE CONTRIBUTIONS			
From Operations	5,532,855	17,518,200	15,535,732
TRANSFERS			
To Operations	2,335,006	2,584,851	2,311,144
To Capital Acquisitions	4,305,197	9,703,395	9,547,156
Total Transfers	6,640,203	12,288,246	11,858,300
BALANCE, end of the year	28,202,412	34,539,714	29,309,760
REPRESENTED BY:			
Reserve for Sick Leave	27,028	25,616	27,028
Reserve for Working Funds	1,839,118	1,699,001	1,598,517
Reserve for Future Operations	26,336,266	32,815,097	27,684,215
	28,202,412	34,539,714	29,309,760

**THE CORPORATION OF THE COUNTY OF LAMBTON**  
**SCHEDULE OF CONTINUITY OF RESERVE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**  
**Schedule 4**

	<b>2017 BUDGET \$</b>	<b>2017 ACTUAL \$</b>	<b>2016 ACTUAL \$</b>
BALANCE, beginning of the year	8,112,414	8,112,414	8,119,720
<b>REVENUE CONTRIBUTIONS</b>			
Interest Income	0	123,248	112,488
From Operations	1,960,634	2,032,090	2,018,067
	<u>1,960,634</u>	<u>2,155,338</u>	<u>2,130,555</u>
<b>TRANSFERS</b>			
To Operations	1,577,558	1,433,420	1,372,922
To Capital Acquisitions	446,914	164,883	764,939
Total Transfers	<u>2,024,472</u>	<u>1,598,303</u>	<u>2,137,861</u>
BALANCE, end of the year	<u>8,048,576</u>	<u>8,669,449</u>	<u>8,112,414</u>
<b>REPRESENTED BY:</b>			
Capital Reserve Fund	5,483,220	5,566,988	5,354,533
Lambton Heritage Museum Reserve Fund	247,662	250,261	230,772
Oil Museum Reserve Fund	81,239	85,597	78,639
Gallery Lambton Reserve Fund	106,015	127,386	131,015
R.T. Bradley Reserve Fund	11,151	11,314	11,151
Waste Management Reserve Fund	1,114,711	1,331,463	1,348,744
Senior Services Reserve Fund	555,788	841,102	508,770
Social Housing Reserve Fund	448,790	455,338	448,790
	<u>8,048,576</u>	<u>8,669,449</u>	<u>8,112,414</u>



**THE CORPORATION OF THE COUNTY OF LAMBTON**  
**SCHEDULE OF CURRENT OPERATIONS SEGMENT DISCLOSURE**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**  
**Schedule 5**

	General Gov't & Administration \$	Court Administration \$	Protective Services \$	Public Works \$	Environmental Services \$	Public Health \$	Emergency Medical Services \$
<b>REVENUE</b>							
Taxation	15,915,407	(583,121)	178,492	11,630,974	1,974,156	1,869,848	7,472,819
Government Transfers	5,468	664,003	0	4,339,062	0	8,452,394	7,859,702
User Charges & Other	1,382,285	3,352,445	885,461	2,145,695	466,961	324,498	363,797
Gain/Loss from TCA Disposal	(889)	0	0	0	0	(20,718)	0
	<u>17,302,271</u>	<u>3,433,327</u>	<u>1,063,953</u>	<u>18,115,731</u>	<u>2,441,117</u>	<u>10,626,022</u>	<u>15,696,318</u>
<b>EXPENDITURES</b>							
Salaries, Wages & Employee Benefits	6,065,373	413,504	720,041	2,463,005	259,185	7,921,711	13,377,738
Interest on Long Term Debt	26,219	0	0	76,056	0	0	16,649
Goods and Services	5,468,820	1,345,658	251,637	6,380,910	2,102,603	1,743,418	1,339,732
Contributions to Other Organizations	833,333	1,478,201	0	0	0	0	0
Amortization	699,192	0	84	9,117,768	10,137	183,293	688,509
	<u>13,092,937</u>	<u>3,237,363</u>	<u>971,762</u>	<u>18,037,739</u>	<u>2,371,925</u>	<u>9,848,422</u>	<u>15,422,628</u>
<b>ANNUAL SURPLUS (DEFICIT) 2017</b>	4,209,334	195,964	92,191	77,992	69,192	777,600	273,690

**THE CORPORATION OF THE COUNTY OF LAMBTON**  
**SCHEDULE OF CURRENT OPERATIONS SEGMENT DISCLOSURE**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**  
**Schedule 5**

	General Assistance \$	Assistance to Aged \$	Child Care \$	Housing \$	Library \$	Culture \$	Planning & Development \$	Total \$
<b>REVENUE</b>								
Taxation	4,977,416	6,407,004	1,050,669	8,670,668	6,556,202	2,987,289	3,811,775	72,919,598
Government Transfers	36,046,418	17,262,328	14,763,424	5,474,922	413,389	190,343	0	95,471,453
User Charges & Other	2,072,575	8,294,064	0	3,981,376	339,197	185,079	(729,075)	23,064,358
Gain/Loss from TCA Disposal	0	(15,726)	0	(172,266)	0	(5,629)	0	(215,228)
	<u>43,096,409</u>	<u>31,947,670</u>	<u>15,814,093</u>	<u>17,954,700</u>	<u>7,308,788</u>	<u>3,357,082</u>	<u>3,082,700</u>	<u>191,240,181</u>
<b>EXPENDITURES</b>								
Salaries, Wages & Employee Benefits	7,293,544	24,306,753	1,070,428	2,142,819	4,956,845	1,599,482	1,109,388	73,699,816
Interest on Long Term Debt	0	223,809	0	97,801	72	85,001	0	525,607
Goods and Services	7,395,091	5,114,240	15,415,304	14,672,055	1,219,422	1,069,718	246,250	63,764,858
Contributions to Other Organizations	27,664,737	0	0	0	0	200	2,590,659	32,567,130
Amortization	148,959	1,573,813	68,203	806,756	629,282	589,287	7,225	14,522,508
	<u>42,502,331</u>	<u>31,218,615</u>	<u>16,553,935</u>	<u>17,719,431</u>	<u>6,805,621</u>	<u>3,343,688</u>	<u>3,953,522</u>	<u>185,079,919</u>
<b>ANNUAL SURPLUS (DEFICIT) 2017</b>	594,078	729,055	(739,842)	235,269	503,167	13,394	(870,822)	6,160,262

**THE CORPORATION OF THE COUNTY OF LAMBTON**  
**SCHEDULE OF CURRENT OPERATIONS SEGMENT DISCLOSURE**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**  
**Schedule 5**

	General Gov't & Administration \$	Court Administration \$	Protective Services \$	Public Works \$	Environmental Services \$	Public Health \$	Emergency Medical Services \$
<b>REVENUE</b>							
Taxation	18,338,261	(730,842)	177,242	11,969,602	1,964,413	2,244,039	7,049,452
Government Transfers	23,154	578,839	0	4,107,033	0	8,496,536	7,667,488
User Charges & Other	884,945	2,690,768	760,223	1,973,823	731,000	413,294	56,571
Gain/Loss from TCA Disposal	(730,474)	0	0	(49,088)	(246)	(6,361)	(89,420)
	<u>18,515,886</u>	<u>2,538,765</u>	<u>937,465</u>	<u>18,001,370</u>	<u>2,695,167</u>	<u>11,147,508</u>	<u>14,684,091</u>
<b>EXPENDITURES</b>							
Salaries, Wages & Employee Benefits	5,883,890	445,786	694,691	2,395,369	233,761	8,809,625	12,993,916
Interest on Long Term Debt	29,594	0	0	59,791	0	0	11,149
Goods and Services	5,047,524	1,298,579	188,480	6,155,279	1,965,622	1,647,651	1,424,180
Contributions to Other Organizations	833,333	1,482,859	0	0	0	0	0
Amortization	681,523	0	84	8,768,152	4,215	202,740	618,425
	<u>12,475,864</u>	<u>3,227,224</u>	<u>883,255</u>	<u>17,378,591</u>	<u>2,203,598</u>	<u>10,660,016</u>	<u>15,047,670</u>
<b>ANNUAL SURPLUS (DEFICIT) 2016</b>	6,040,022	(688,459)	54,210	622,779	491,569	487,492	(363,579)

**THE CORPORATION OF THE COUNTY OF LAMBTON**  
**SCHEDULE OF CURRENT OPERATIONS SEGMENT DISCLOSURE**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**  
**Schedule 5**

	General Assistance \$	Assistance to Aged \$	Child Care \$	Housing \$	Library \$	Culture \$	Planning & Development \$	Total \$
<b>REVENUE</b>								
Taxation	5,576,158	5,776,532	1,044,480	7,828,458	6,078,734	2,827,659	3,742,862	73,887,050
Government Transfers	33,113,941	17,147,576	14,197,232	3,082,254	388,730	128,848	0	88,931,631
User Charges & Other	2,043,329	8,126,731	886,380	3,789,218	117,650	463,275	(818,850)	22,118,357
Gain/Loss from TCA Disposal	0	(8,856)	(916,084)	(59,621)	0	0	0	(1,860,150)
	<u>40,733,428</u>	<u>31,041,983</u>	<u>15,212,008</u>	<u>14,640,309</u>	<u>6,585,114</u>	<u>3,419,782</u>	<u>2,924,012</u>	<u>183,076,888</u>
<b>EXPENDITURES</b>								
Salaries, Wages & Employee Benefits	7,074,290	24,165,349	1,152,035	2,090,023	4,671,665	1,482,620	1,071,541	73,164,561
Interest on Long Term Debt	0	260,289	0	129,992	162	96,962	0	587,939
Goods and Services	7,397,159	5,166,527	14,648,452	11,006,019	1,238,720	1,219,537	233,830	58,637,559
Contributions to Other Organizations	26,529,687	0	0	0	0	200	2,599,380	31,445,459
Amortization	72,686	1,519,700	109,530	1,407,940	653,979	559,024	8,709	14,606,707
	<u>41,073,822</u>	<u>31,111,865</u>	<u>15,910,017</u>	<u>14,633,974</u>	<u>6,564,526</u>	<u>3,358,343</u>	<u>3,913,460</u>	<u>178,442,225</u>
<b>ANNUAL SURPLUS (DEFICIT) 2016</b>	(340,394)	(69,882)	(698,009)	6,335	20,588	61,439	(989,448)	4,634,663