

CORPORATION OF THE TOWN OF AYLMER

CONSOLIDATED FINANCIAL REPORT

DECEMBER 31, 2011

SCRIMGEOUR & COMPANY

CHARTERED ACCOUNTANT

INDEPENDENT AUDITOR'S REPORT

To the Members of Council, Inhabitants and Ratepayers of the Corporation of the Town of Aylmer

I have audited the accompanying consolidated financial statements of the Corporation of the Town of Aylmer, which comprise the consolidated statement of financial position as at December 31, 2011 and the consolidated statements of operations and accumulated surplus, changes in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian generally accepted accounting principles, 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

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

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

Opinion

In my opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Corporation of the Town of Aylmer as at December 31, 2011 and its financial performance and its changes in net financial assets and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles for municipalities as prescribed by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants.

London, Canada
July 16, 2012

Scrimgeour Company
LICENSED PUBLIC ACCOUNTANT

CORPORATION OF THE TOWN OF AYLMER
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2011

(with comparative balances as at December 31, 2010)

	<u>2011</u>	<u>2010</u>
FINANCIAL ASSETS		
Cash and short-term investments	\$ 3,135,998	\$ 2,629,677
Loan receivable (note 3)	2,263,500	2,263,500
Taxes receivable	922,118	558,660
Accounts receivable	938,620	1,063,076
Investment in EARTH Corporation (note 5)	<u>2,273,872</u>	<u>2,272,056</u>
	<u>9,534,108</u>	<u>8,786,969</u>
LIABILITIES		
Accounts payable and accrued liabilities	801,113	1,061,613
Other current liabilities	73,024	231,307
Deferred revenue (note 8)	773,482	553,032
Employee post-retirement benefit liabilities (note 7)	745,268	707,699
Net long-term liabilities (note 9)	<u>2,919,757</u>	<u>3,174,238</u>
	<u>5,312,644</u>	<u>5,727,889</u>
NET FINANCIAL ASSETS	<u>4,221,464</u>	<u>3,059,080</u>
NON FINANCIAL ASSETS		
Tangible capital assets (note 1) (Schedule 1)	55,344,190	54,145,602
Work in progress	633,155	1,621,602
Prepaid expenses	<u>80,295</u>	<u>87,085</u>
	<u>56,057,640</u>	<u>55,854,289</u>
ACCUMULATED SURPLUS (note 10)	<u>\$ 60,279,104</u>	<u>\$ 58,913,369</u>

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

CORPORATION OF THE TOWN OF AYLMEER
CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS
FOR THE YEAR ENDED DECEMBER 31, 2011

(with comparative balances for the year ended December 31, 2010)

	<u>Budget</u> <u>2011</u>	<u>Actual</u> <u>2011</u>	<u>Actual</u> <u>2010</u>
REVENUES			
Property taxation	\$ 4,783,517	\$ 4,846,370	\$ 4,743,002
User charges	3,360,389	3,108,422	2,938,879
Government grants	2,560,154	2,347,597	1,975,783
Investment income	358,600	341,939	232,958
Penalty and interest on taxes	65,000	112,690	98,775
Investment increase (decrease) in EARTH Corporation (note 5)		908	(417,093)
Other revenue	<u>87,600</u>	<u>47,355</u>	<u>281,250</u>
	<u>11,215,260</u>	<u>10,805,281</u>	<u>9,853,554</u>
EXPENDITURES			
General government	1,332,601	1,078,255	1,140,444
Protection to persons and property	2,817,297	2,812,425	2,853,420
Transportation services	831,284	1,137,177	1,092,400
Environmental services	2,377,636	3,164,160	2,820,412
Health services	79,530	85,983	77,418
Recreation and cultural development	1,266,745	1,061,903	1,150,649
Planning and development	<u>165,528</u>	<u>156,236</u>	<u>127,654</u>
	<u>8,870,621</u>	<u>9,496,139</u>	<u>9,262,397</u>
Net operating revenues over expenditures (expenditures over revenues)	<u>2,344,639</u>	<u>1,309,142</u>	<u>591,157</u>
OTHER REVENUES (EXPENDITURES)			
Government transfers related to capital		85,253	893,191
Developer contributions related to capital			220,498
Gain (loss) on disposal of tangible capital assets		8,909	(190,898)
Net (increase) decrease in post retirement benefits		<u>(37,569)</u>	<u>(35,520)</u>
		<u>56,593</u>	<u>887,271</u>
Net revenues over expenditures for the year	2,344,639	1,365,735	1,478,428
Accumulated surplus, beginning of year	<u>58,913,369</u>	<u>58,913,369</u>	<u>57,434,941</u>
ACCUMULATED SURPLUS, END OF YEAR	<u>\$ 61,258,008</u>	<u>\$ 60,279,104</u>	<u>\$ 58,913,369</u>

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

CORPORATION OF THE TOWN OF AYLMER
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2011

(with comparative balances for the year ended December 31, 2010)

	<u>2011</u>	<u>2010</u>
OPERATIONS		
Net revenues over expenditures - Statement 2	\$ 1,365,735	\$ 1,478,428
Non-cash changes to operations		
Amortization of tangible capital assets	1,298,050	1,237,292
Changes to non-cash operating balances (A)	<u>(399,766)</u>	<u>(144,925)</u>
Net change from operating activities	<u>2,264,019</u>	<u>2,570,795</u>
CAPITAL		
Acquisition of tangible capital assets	(2,508,083)	(1,151,272)
Decrease (increase) in work in progress	988,447	(1,332,335)
Loss (gain) on disposal of tangible capital assets	11,445	190,898
Decrease (increase) in prepaid expenses	<u>6,790</u>	<u>1,170</u>
Net change from capital activities	<u>(1,501,401)</u>	<u>(2,291,539)</u>
INVESTING		
Net change in investment in Erie Thames Power Corporation	<u>(1,816)</u>	<u>417,093</u>
FINANCING		
Advances (repayments) of long-term liabilities	<u>(254,481)</u>	<u>(683,671)</u>
Net change in cash and cash equivalents for the year	506,321	12,678
Cash and cash equivalents, beginning of year	<u>2,629,677</u>	<u>2,616,999</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 3,135,998</u>	<u>\$ 2,629,677</u>

(A) Net change in non-cash operating balances includes loan, taxes and other accounts receivable, accounts payable and accrued liabilities, other accrued liabilities, deferred revenue and employee post-retirement benefit liabilities.

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

CORPORATION OF THE TOWN OF AYLMER
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2011

(with comparative balances for the year ended December 31, 2010)

	<u>2011</u>	<u>2010</u>
Net revenues over expenditures - Statement 2	\$ 1,365,735	\$ 1,478,428
Amortization of tangible capital assets	1,298,050	1,237,292
Acquisition of tangible capital assets	(2,508,083)	(1,151,272)
Loss on disposal of tangible capital assets	11,445	190,898
Decrease (increase) in work in progress	988,447	(1,332,335)
Decrease (increase) in prepaid expenses	<u>6,790</u>	<u>1,170</u>
Increase (decrease) in net financial assets	1,162,384	424,181
Net financial assets, beginning of year	<u>3,059,080</u>	<u>2,634,899</u>
NET FINANCIAL ASSETS, END OF YEAR	<u><u>\$ 4,221,464</u></u>	<u><u>\$ 3,059,080</u></u>

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

CORPORATION OF THE TOWN OF AYLMER
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011

The Corporation of the Town of Aylmer is a municipality in the Province of Ontario, Canada. It conducts its operations guided by the provisions of provincial statutes such as the Municipal Act, Municipal Affairs Act and related legislation.

1. **Significant Accounting Policies**

The consolidated financial statements of the Corporation of the Town of Aylmer are prepared by management in accordance with generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants.

The focus of PSAB financial statements is on the financial position of the Town and changes thereto. The Statement of Financial Position reports financial assets and liabilities. Financial assets are available to provide resources to discharge existing liabilities or finance future operations. Net financial assets represent the financial position of the Town and is the difference between financial assets and liabilities. This information explains the Town's overall future revenue requirements and its ability to finance activities and meet its obligations.

Significant aspects of the accounting policies adopted by the Town are as follows:

(a) **Reporting Entity**

These consolidated statements reflect the tangible capital assets, liabilities, revenues, expenditures and accumulated surpluses of the reporting entity. The reporting entity includes the activities of all local boards, joint local boards, municipal enterprises and committees of Council including the following:

- Aylmer Business Improvement Area
- Aylmer Police Services
- East Elgin Community Complex (Town's portion only - 50%)
- East Elgin Community Complex Fundraising Campaign (Town's portion only - 50%)
- East Elgin Medical Facility (Town's portion only - 44%)
- ERTH Corporation (modified equity method)
- Aylmer Area Secondary Water System (note 11)

All interfund assets and liabilities and revenues and expenditures have been eliminated

CORPORATION OF THE TOWN OF AYLMER
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011

1. Significant Accounting Policies continued

(a) Reporting entity

The following are local boards, joint local boards, municipal enterprises and utilities which are not consolidated:

Elgin Area Primary Water Board (note 11)

(b) Accrual Accounting

The accrual basis of accounting recognizes revenues as they become available and measurable; expenditures 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.

(c) 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 costs, less residual value, of the tangible capital assets are amortized on a straight-line basis over their estimated useful lives as follows:

Buildings	30-50 years
Land improvements	15-80 years
Fleet	4-25 years
Equipment	7-45 years
Infrastructure - water	60-100 years
Infrastructure - sewer	60-100 years
Infrastructure - transportation	40-60 years
Infrastructure - storm sewers	80 years
Bridges and other structures	50-80 years

Amortization is charged for a half year in the year of acquisition and in the year of disposal.

The Town has a capitalization threshold of \$ 10,000 so that individual assets of lesser value are expensed unless they are pooled because collectively they have a significant value. Tangible capital assets are recorded based on the reporting entity as described in note 1 a).

(d) Leases

Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expense as incurred.

CORPORATION OF THE TOWN OF AYLMER
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011

1. Significant Accounting Policies continued

(e) Government Transfers

Government grants and 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 estimates of the amounts can be made.

(f) Deferred Revenue

Grants, contributions and other amounts are received from third parties pursuant to legislation, regulation or agreement and may only be used in the conduct of certain programs, in the completion of specific work, or for the purchase of tangible capital assets. In addition, certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenditures are incurred, services performed, or the tangible capital assets are acquired.

(g) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the period. Actual results could differ from these estimates.

(h) Employee Benefit Plans

The costs of retirement benefits are actuarially determined using the projected benefit method prorated on services and management's best estimate of retirement ages of employees and salary escalation.

(i) Financial Instruments

Financial instruments of the Town consist mainly of cash, accounts and taxes receivable. The carrying values of these financial assets approximate their fair values unless otherwise disclosed.

(j) Short-term investments

Short-term investments are recorded at cost which approximates market value.

CORPORATION OF THE TOWN OF AYLMER
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011

2. Tax Revenues

Property tax billings are prepared by the Town based on an assessment roll prepared by the Ontario Property Assessment Corporation. All assessed property values in the Town were reviewed and new values established based on a common valuation date which was used by the the Town in computing the 2011 property tax bills. Property tax revenue and tax receivables are subject to appeals which may not have been heard yet. Any supplementary billing adjustments made necessary by the determination of such appeals will be recognized in the fiscal year they are determined and the effect shared with the County of Elgin and the appropriate school boards.

3. Loan Receivable

The Town entered into a loan arrangement for \$2,263,500 with EARTH Corporation on September 1, 2000 as a result of the restructuring of the former Aylmer Public Utilities Commission under Bill 35. The loan is receivable from EARTH Corporation with no specific terms of repayment, bearing interest at a rate of 7.25% commencing January 1, 2003. In 2011, \$164,104 interest was received on this loan. The loan is convertible to Class B shares of EARTH Corporation.

4. Operations of School Boards and the County of Elgin

Further too note 2, the Town's share of taxation revenues of the school boards and County of Elgin are comprised of the following:

	<u>School Boards</u>	<u>County</u>
Taxation and user charges	\$ <u>1,822,697</u>	\$ <u>3,046,302</u>
Requisitions	\$ <u>1,822,697</u>	\$ <u>3,046,302</u>

CORPORATION OF THE TOWN OF AYLMER
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011

5. Investment in EARTH Corporation

As at December 31, 2011, the Town of Aylmer owns 18.7% (2010 - 18.7%) of EARTH Corporation. As a business enterprise of the Town of Aylmer it is accounted for on a Modified Equity basis in these financial statements. The Corporation is the electricity distribution utility for the Town's residents. The following table provides condensed supplementary financial information for the Corporation for the year ended December 31 from their audited financial statements:

	<u>2011</u>	<u>2010</u>
Financial Position		
Total net assets	\$ <u>12,158,606</u>	\$ <u>12,157,698</u>
Results of Operations		
Total revenues	\$ 65,394,040	\$ 62,515,396
Total operating and other expenditures	<u>64,643,132</u>	<u>62,621,535</u>
Total net income (loss)	\$ <u>750,908</u>	\$ <u>(106,139)</u>

ERTH Corporation declared a dividend of \$ 750,000 in 2011 (2010 - \$ NIL) of which the Town of Aylmer received \$ 140,250 (18.7%) (2010 - \$ NIL).

6. Pension Agreements

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

The amount contributed to OMERS for the Town and Police Services Board employees for 2011 was \$ 231,146 (2010 - \$ 205,980) for current service and is included as an expenditure on the Consolidated Statement of Operations.

CORPORATION OF THE TOWN OF AYLMER
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011

7. Employee Post-Retirement Benefit Liability

Employee post-retirement benefits represents the Town's share of the cost to provide employees with extended benefits on retirement. This liability will require funding in future periods. The accrued benefit obligation and the net periodic benefit cost were determined by an actuarial valuation updated in 2010 in accordance with the financial reporting guideline of PSAB 3250 established by the Public Sector Accounting Board of the CICA.

	<u>2011</u>	<u>2010</u>
Post employment benefits - Town	\$ 104,507	\$ 97,750
- Police Services	<u>640,761</u>	<u>609,949</u>
Total post-retirement benefit liability	<u>\$ 745,268</u>	<u>\$ 707,699</u>

Significant assumptions are as follows:

General inflation	2.00%
Discount rate	5.00%
Rate of compensation increase	3.25%
Dental cost increase	4.00%
Life insurance cost increase	3.00%
Healthcare and travel cost increase	4.00% - 6.67%

CORPORATION OF THE TOWN OF AYLMER
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011

8. Deferred Revenue - Obligatory Reserve Funds

A requirement of the public sector accounting principles of the Canadian Institute of Chartered Accountants, is that obligatory reserve funds be reported as deferred revenue. This requirement is in place as provincial legislation restricts how these funds may be used and under certain circumstances these funds may possibly be refunded. The balances in the obligatory reserve funds of the Town are summarized as follows:

	<u>2011</u>	<u>2010</u>
Parkland	\$ 4,523	\$ 4,494
Building Code	1,357	1,348
Gas tax	367,772	149,952
Development charges	<u>399,830</u>	<u>397,238</u>
	<u>\$ 773,482</u>	<u>\$ 553,032</u>

9. Net Long-Term Liabilities

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

Total long-term liabilities incurred by the municipality outstanding at the end of the year amount to

	<u>2011</u>	<u>2010</u>
	<u>\$ 2,919,757</u>	<u>\$ 3,174,238</u>

(b) Of the net long-term liabilities reported in (a) of this note, \$ 104,099 in principal payments are payable in 2012 and are recoverable from user rates.

Of the net long-term liabilities reported in (a) of this note, \$ 702,983 in principal payments are payable from 2012 to 2016 and \$ 2,112,675 thereafter and are recoverable from general tax revenues.

(c) Approval of the Ontario Municipal Board has been obtained for those pending issues of long-term liabilities 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 pending issues and commitments are within the debt repayment limit prescribed by the Ministry of Municipal Affairs.

(d) Interest paid during the year on long-term liabilities was \$ 147,579 (2010 - \$ 163,954)

CORPORATION OF THE TOWN OF AYLMER
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011

10. Accumulated Surplus

The accumulated surplus at the end of the year is comprised of the following:

	<u>2011</u>	<u>2010</u>
Operations - surplus (deficit)		
Town	\$ 247,320	\$ 388,055
Water	73,528	(18,955)
Sewer	(428,446)	(277,853)
Business Improvement Area	<u>15,054</u>	<u>9,914</u>
	<u>(92,544)</u>	<u>101,161</u>
Future employee post-retirement benefits	(745,268)	(707,699)
Investment in tangible capital assets	<u>53,057,588</u>	<u>52,547,684</u>
ERTH Corporation net investment	<u>4,536,464</u>	<u>4,535,556</u>
Reserves set aside for specific purpose		
- for working capital	<u>303,000</u>	<u>303,000</u>
Reserve funds set aside for specific purpose		
- acquisition of capital assets	1,856,804	772,204
- replacement of sanitary and storm sewers	130,565	150,102
- replacement of water systems	269,257	278,882
- replacement of sidewalks	28,721	28,535
- industrial development	351,143	322,736
- maintenance of Municipal building	115,501	121,366
- health services	11,939	11,861
- parks development	50,911	30,710
- parking development	41	41
- police services	85,071	51,691
- arena development	131,995	167,677
- contingencies	<u>187,916</u>	<u>197,862</u>
	<u>3,219,864</u>	<u>2,133,667</u>
ACCUMULATED SURPLUS	<u>\$ 60,279,104</u>	<u>\$ 58,913,369</u>

CORPORATION OF THE TOWN OF AYLMER
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011

11. Contractual Obligations

(a) Elgin Area Primary Water Supply System

In accordance with a transfer order from the Ministry of the Environment, the Elgin Area Primary Water Supply System is operated by an outside party. The Town is obligated to meet its share of the operating costs and deficits, and repay its share of the long-term liabilities related to these projects. The Town's share (7.7%) is based on its water consumption relative to that of other participating municipalities and the costs associated with this consumption are reflected in the Consolidated Statement of Operations..

The charges relating to operating costs and debt servicing are recovered through the water rates levied by the Town of Aylmer.

Information received from the City of London as at December 31, 2011 indicates the Town of Aylmer's share is as follows:

	<u>Accumulated Surplus</u>	<u>Outstanding Long-term Liabilities</u>
Primary Water Supply System	\$ <u>2,877,387</u>	\$ <u>406,497</u>

The accumulated surplus and long-term liabilities indicated above are not reflected in the accompanying consolidated financial statements as the Town does not have controlling interest in the System.

(b) Aylmer Area Secondary Water System

In accordance with a transfer order with the Ministry of the Environment, the Aylmer Area Secondary Water System is operated by an outside party. The Town is obligated to meet its share of the operating costs and deficits related to these projects. The Town's share (96%) is based on its water consumption relative to that of other participating municipalities.

The charges relating to operating costs are recovered through the water rates levied by the Town of Aylmer. The cost of the water purchases are reflected in these financial statements.

The Town's share of the tangible capital assets are included on Schedule 1 and the accumulated surplus.

12. Public Sector salary disclosure

There were five employees of the Police Services Board of the Town of Aylmer paid a salary, as defined in the Public Sector Disclosure Act, 1996 of \$100,000 or more.

CORPORATION OF THE TOWN OF AYLMER
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011

13. **Segmented Information**

Segmented information is presented on Schedule 2. The Town of Aylmer is a diversified municipality and provides a wide range of services to its citizens including police, fire, transportation and community services, including recreation and planning. The general government segment includes such functions as finance, council and administrative offices.

14. **Subsequent Event**

Subsequent to year end, the Town sold the property known as East Elgin Medical Facility.

**CORPORATION OF THE TOWN OF AYLMER
 SCHEDULE OF TANGIBLE CAPITAL ASSETS
 DECEMBER 31, 2011**

(with comparative balances as at December 31, 2010)

	2011		2010	
	Total	Environmental	Total	Total
COST				
Balance, beginning of year	\$ 3,343,706	\$ 12,145,218	\$ 3,014,582	\$ 15,589,425
Add:				
Additions during the year	447,577	660,490	62,507	556,824
Less:				
Disposals during the year	—	—	(32,701)	—
Balance, end of year	<u>3,854,732</u>	<u>12,805,708</u>	<u>3,044,388</u>	<u>16,146,242</u>
ACCUMULATED AMORTIZATION				
Balance, beginning of year	1,757,719	2,953,062	1,571,400	5,555,076
Add:				
Amortization during the year	84,393	263,594	85,168	289,982
Less:				
Disposals during the year	—	—	(21,256)	—
Balance, end of year	<u>1,842,112</u>	<u>3,216,656</u>	<u>1,635,312</u>	<u>5,845,058</u>
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	<u>\$ 3,343,706</u>	<u>\$ 9,589,052</u>	<u>\$ 1,409,076</u>	<u>\$ 10,301,191</u>

This schedule is provided for information purposes only.

**CORPORATION OF THE TOWN OF AYLMER
CONSOLIDATED SCHEDULE OF SEGMENTED INFORMATION
DECEMBER 31, 2011**

	General Government	Protective Services	Transportation	Environmental	Health	Recreation and Culture	Planning and Development	Total
REVENUES								
Taxation	\$ 4,846,370							\$ 4,846,370
User fees	49,699	\$ 113,919	\$ 46,541	\$ 2,348,553	\$ 56,311	\$ 315,438	\$ 177,961	3,108,422
Government grants	2,013,288	97,703	69,427	75,311		91,868		2,347,597
Investment income	341,939							341,939
Penalty and interest on taxes	112,690							112,690
Investment in EARTH Corporation	908							908
Other	<u>26,032</u>	<u>211,622</u>	<u>115,968</u>	<u>5,116</u>	<u>56,311</u>	<u>16,207</u>	<u>177,961</u>	<u>47,355</u>
	7,390,926		2,428,980			423,513		10,805,281
EXPENDITURES								
Salaries and benefits	632,428	2,138,269	457,140	262,840		499,721	2,953	3,993,351
Materials, goods and services	439,465	562,866	334,761	2,243,023	74,027	402,866	147,730	4,204,738
Amortization	<u>6,362</u>	<u>111,290</u>	<u>345,276</u>	<u>658,297</u>	<u>11,956</u>	<u>159,316</u>	<u>5,553</u>	<u>1,298,050</u>
	1,078,255	2,812,425	1,137,177	3,164,160	85,983	1,061,903	156,236	9,496,139
EXCESS REVENUES OVER EXPENDITURES								
(EXPENDITURES OVER REVENUES)	<u>6,312,671</u>	<u>(2,600,803)</u>	<u>(1,021,209)</u>	<u>(735,180)</u>	<u>337,530</u>	<u>(638,390)</u>	<u>21,725</u>	<u>1,309,142</u>
OTHER								
Government transfers related to capital			51,923	33,330				85,253
Developer contributions								
Loss on disposal of tangible capital assets	<u>(6,758)</u>	<u>(30,811)</u>				7,109		8,909
Post retirement benefits	<u>(6,758)</u>	<u>1,800</u>	<u>51,923</u>	<u>33,330</u>				<u>(37,569)</u>
EXCESS REVENUES OVER EXPENDITURES	<u>\$ 6,305,913</u>	<u>\$ (2,599,003)</u>	<u>\$ (969,286)</u>	<u>\$ (701,850)</u>	<u>\$ 337,530</u>	<u>\$ (638,390)</u>	<u>\$ 21,725</u>	<u>\$ 1,365,735</u>

This schedule is provided for information purposes only.