

**Corporation Of The  
Town Of Plympton-Wyoming**

**Financial Report  
December 31, 2017**



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

The accompanying consolidated financial statements of The Corporation of the Town of Plympton-Wyoming (the "Town") are the responsibility of the "Town's" management and have been prepared in compliance with legislation, and in accordance with Canadian public sector accounting standards. A summary of the significant accounting policies are described in Note 1 to the consolidated financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The "Town's" management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of consolidated financial statements. These systems are monitored and evaluated by management.

The consolidated financial statements have been audited by Collins Barrow Sarnia, independent external auditors and appointed by the "Town". The accompanying independent Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the "Town's" consolidated financial statements.

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Carolyn Tripp  
Chief Administrative Officer

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Norma Roddick-Preece  
Treasurer

## **Town Council**

Mayor

Lonny Napper

Councillors

Ben Dekker

Netty McEwen

Don Nelson

Ron Schenk

Bob Woolvett

Muriel Wright

## **Town Administration**

Chief Administrative Officer

Carolyn Tripp

Clerk

Erin Kwarciak

Treasurer

Norma Roddick-Preece

Deputy Treasurer / Tax Collector

Christine Joosten

Director of Public Works

Adam Sobanski

Director of Fire and Emergency Services

Steve Clemens

# The Town of Plympton - Wyoming

## 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 Corporation of the Town of Plympton-Wyoming

We have audited the accompanying consolidated financial statements of the **Corporation of the Town of Plympton-Wyoming**, which comprise the consolidated statement of financial position as at December 31, 2017, and the consolidated statements of financial activities and accumulated surplus, cash flows and change in net financial assets 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 public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

#### *Auditor's Responsibility*

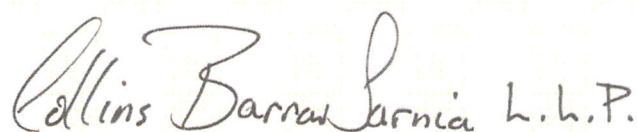
Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

#### *Opinion*

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Corporation of the Town of Plympton-Wyoming as at December 31, 2017 and the results of its operations, cash flows and change in net financial debt for the year ended in accordance with Canadian public sector accounting standards.



Sarnia, Ontario  
October 31, 2018

Chartered Professional Accountants  
Licensed Public Accountants

 An independent member of  
**BAKER TILLY**  
INTERNATIONAL

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## Independent Auditor's Report

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Sarnia, Ontario  
October 31, 2018

Chartered Professional Accountants  
Licensed Public Accountants

**Corporation Of The Town Of Plympton-Wyoming**  
**Consolidated Statement Of Financial Position**  
**December 31, 2017**

	<b>2017</b>	<b>2016</b>
<b>Assets</b>		
<b>Financial Assets</b>		
Cash (note 3)	\$ 13,929,934	\$ 11,559,809
Accounts receivable	1,131,719	499,769
Taxes receivable (note 4)	923,506	936,712
Long-term receivables (note 5)	1,287,696	1,083,278
Debt to be recovered	<u>10,900</u>	<u>21,800</u>
<b>Total financial assets</b>	<b><u>17,283,755</u></b>	<b><u>14,101,368</u></b>
<b>Liabilities</b>		
Accounts payable and accrued liabilities	763,275	702,552
Accrued interest on municipal debt	19	2,971
Municipal debt (note 6)	20,900	204,845
Deferred revenue (note 7)	<u>1,005,972</u>	<u>793,213</u>
<b>Total liabilities</b>	<b><u>1,790,166</u></b>	<b><u>1,703,581</u></b>
<b>Net Financial Assets</b>	<b>15,493,589</b>	<b>12,397,787</b>
<b>Non-Financial Assets</b>		
Tangible Capital Assets (note 11)	<u>61,423,484</u>	<u>61,146,317</u>
<b>Accumulated Surplus (note 10)</b>	<b><u>\$ 76,917,073</u></b>	<b><u>\$ 73,544,104</u></b>

**On Behalf Of Council**

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Mayor

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Treasurer

**Corporation Of The Town Of Plympton-Wyoming**  
**Consolidated Statement of Change in Net Financial Assets**  
**For the Year Ended December 31, 2017**

	<b>Budget 2017</b>	<b>2017</b>	<b>2016</b>
Annual surplus	\$ 2,937,923	\$ 3,372,969	\$ 2,852,190
Amortization of tangible capital assets	-	2,309,086	2,248,268
"LAWSS" adjustment for tangible capital assets	-	371,499	(296,647)
Loss on disposal of assets	-	294,089	268,596
Acquisition of tangible capital assets	-	(2,816,571)	(3,101,065)
Assumed tangible capital assets	<u>-</u>	<u>(435,270)</u>	<u>-</u>
Increase in net financial assets	2,937,923	3,095,802	1,971,342
Net financial assets, beginning of year	<u>12,397,787</u>	<u>12,397,787</u>	<u>10,426,445</u>
Net financial assets, end of year	\$ <u>15,335,710</u>	\$ <u>15,493,589</u>	\$ <u>12,397,787</u>



**Corporation Of The Town Of Plympton-Wyoming**  
**Consolidated Statement Of Financial Activities and Accumulated Surplus**  
**For the Year Ended December 31, 2017**

	<b>Budget 2017</b>	<b>Actual 2017</b>	<b>Actual 2016</b>
<hr/>			
<b>Revenues</b>			
Net municipal taxation	\$ 6,727,849	\$ 6,892,920	\$ 6,734,614
User charges	187,934	224,014	209,280
Water and sewage charges	3,742,860	3,783,400	3,596,554
Transfer payments	1,458,220	1,788,836	825,906
Other	759,680	746,924	1,372,329
<b>Total Revenues</b>	<u>12,876,543</u>	<u>13,436,094</u>	<u>12,738,683</u>
<b>Expenditures</b>			
General government	1,222,429	1,093,308	1,064,915
Protection to persons and property	1,714,430	1,907,743	1,894,231
Transportation services	3,535,760	3,450,331	3,694,952
Environmental services	2,819,159	3,009,723	2,900,277
Health services	55,180	53,210	48,012
Recreation and cultural	333,782	419,226	407,641
Planning and development	257,880	208,439	163,167
<b>Total Expenditures</b>	<u>9,938,620</u>	<u>10,141,980</u>	<u>10,173,195</u>
	2,937,923	3,294,114	2,565,488
Assumed Tangible Capital Assets	-	435,270	-
"LAWSS" Adjustment (note 14)	<u>-</u>	<u>(356,415)</u>	<u>286,702</u>
<b>Annual Surplus</b>	2,937,923	3,372,969	2,852,190
Accumulated Surplus, Beginning of year	<u>73,544,104</u>	<u>73,544,104</u>	<u>70,691,914</u>
Accumulated Surplus, End of Year	<u>\$ 76,482,027</u>	<u>\$ 76,917,073</u>	<u>\$ 73,544,104</u>

**Corporation Of The Town Of Plympton-Wyoming**  
**Consolidated Statement Of Cash Flows**  
**For The Year Ended December 31, 2017**

	2017	2016
<b>Operating Transactions</b>		
Annual surplus	\$ 3,372,969	\$ 2,852,190
Items not requiring cash		
Amortization	2,309,086	2,248,268
Loss on disposal of tangible capital assets	294,089	268,596
Assumed tangible capital assets	(435,270)	-
"LAWSS" adjustment	<u>371,499</u>	<u>(296,647)</u>
	5,912,373	5,072,407
Accounts receivable	(631,950)	105,450
Taxes receivable	13,206	49,449
Long term receivables	(204,418)	(243,363)
Debt to be recovered	10,900	11,000
Accounts payable and accrued liabilities	60,723	298,169
Interest on debt	(2,952)	(2,065)
Deferred revenue	<u>212,759</u>	<u>(180,404)</u>
	<u>5,370,641</u>	<u>5,110,643</u>
<b>Capital Transactions</b>		
Acquisition of tangible capital assets	<u>(2,816,571)</u>	<u>(3,101,065)</u>
<b>Financing Transactions</b>		
Repayment of municipal debt	<u>(183,945)</u>	<u>(163,411)</u>
<b>Net Change In Cash And Cash Equivalents</b>	2,370,125	1,846,167
<b>Opening, Cash And Cash Equivalents</b>	<u>11,559,809</u>	<u>9,713,642</u>
<b>Closing, Cash And Cash Equivalents</b>	<u>\$ 13,929,934</u>	<u>\$ 11,559,809</u>

**Corporation Of The Town Of Plympton-Wyoming**  
**Notes To Consolidated Financial Statements**  
**December 31, 2017**

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**1. Significant Accounting Policies**

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The consolidated financial statements of the Corporation of the Town of Plympton-Wyoming (the "Town") are the representation of management prepared in accordance with local government accounting standards established by the Public Sector Accounting Board ("PSAB") of the Canadian Institute of Chartered Accountants.

Significant accounting policies adopted include:

**(a) (i) Reporting Entity**

These consolidated statements reflect the assets, liabilities, operating revenues, expenditures, reserves and changes in investment in tangible capital assets of the Town and following local boards:

Plympton-Wyoming Cemetery Board  
Plympton-Wyoming Water Board  
Plympton- Wyoming Fire Board  
Plympton-Wyoming Parks and Recreation Board

All inter-entity transactions and balances are eliminated on consolidation.

**(ii) Joint Local Board**

The Lambton Area Water Supply System ("LAWSS") has been consolidated on a proportionate basis based upon the water flow of the municipality from prior year in proportion to the entire water flows provided by the joint local board from prior year. Under this proportionate basis, the municipality's pro rata share of each of the assets, liabilities, revenues and expenditures of "LAWSS" are consolidated with similar items in the municipality's financial statements. For 2017, the municipality's share of "LAWSS" was 4.94000% (2016 - 5.2516%). Material inter-organizational transaction balances have been eliminated.

**(iii) Accounting for County and School Board Transactions**

The taxation, other revenues, expenditures, assets and liabilities with respect to the operations of the school boards and the County of Lambton are not reflected in these financial statements except that any amounts due to or from these organizations are reported on the statement of financial position. Taxation raised by the Township on behalf of these organizations is reflected as a deduction from total taxation on the Statement of Operations and Accumulated Surplus.

**(iv) Trust Funds**

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

**(b) Basis of Accounting**

**(i) Basis of Accounting**

Sources of financing and expenditures are reported on the accrual basis of 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.

**1. Significant Accounting Policies cont'd....**

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**(ii) Cash and Cash Equivalents**

Cash and cash equivalents include cash on account and short-term investments with original maturities of three months or less and are stated at cost, which approximates market value.

**(iii) Non-Financial Assets**

Non-financial assets are 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 expenditures, provides the Change in Net Financial Assets for the year.

**(a) Tangible Capital Assets**

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

<b>Asset</b>	<b>Years</b>
Land improvements	15 to 50 years
Buildings	15 to 95 years
Equipment	10 to 35 years
Vehicles	10 to 25 years
Road infrastructure	30 to 80 years
Environmental infrastructure	10 to 115 years

Only one-half of the above rates are used in the year of acquisition.

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

**(b) Contribution of Tangible Capital Assets**

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

**(c) Works of Art and Cultural and Historic Assets**

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

**(iv) Deferred Revenue**

Deferred revenue represents development charges, building permit fees, parkland fees and gas tax money which have been received and for which related expenditures have yet to be incurred. These amounts will be recognized as revenue in the fiscal year the expenditures are incurred.

**Corporation Of The Town Of Plympton-Wyoming**  
**Notes To Consolidated Financial Statements**  
**December 31, 2017**

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**1. Significant Accounting Policies cont'd....**

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**(v) Revenue Recognition**

User fees and other revenues are recognized when related goods are supplied or services provided.

Investment income earned on surplus funds is reported as revenue in the period earned. Investment income on deferred revenue is added to the fund balance and forms part of the respective deferred revenue balances.

Conditional grant revenue is recognized to the extent the conditions imposed on the grant have been fulfilled. Unconditional grant revenue is recognized when the monies are receivable. Grants for the acquisition of tangible capital assets are recognized in the period in which eligible capital expenditures are made.

Taxation revenues are recorded when the tax rates are set by by-laws and the assessment roll is issued by the assessment office. Supplementary taxation revenue is recorded once a supplementary assessment roll is received and supplementary tax bills are issued. Tax adjustments as a result of appeals are recorded when the result of the appeal process is known. Interest and penalties on overdue taxes are recorded in the period the interest and penalties are levied.

**(vi) Use of Estimates**

The preparation of financial statements in conformity with Canadian public accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Items requiring the use of significant estimates include those related to the useful life of assets, allowance for doubtful accounts and accrued accounts payable. Due to the inherent uncertainty in making estimates, actual results could differ from those estimates.

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**2. Operations Of School Boards And The County Of Lambton**

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

	<b>School Boards</b>	<b>County</b>	<b>2017 Total</b>	<b>2016 Total</b>
Taxation and user charges	\$ 2,468,918	\$ 5,004,004	\$ 7,472,922	\$ 7,267,488
Grants-in-lieu	<u>38,481</u>	<u>30,585</u>	<u>69,066</u>	<u>27,975</u>
Total	\$ <u><u>2,507,399</u></u>	\$ <u><u>5,034,589</u></u>	\$ <u><u>7,541,988</u></u>	\$ <u><u>7,295,463</u></u>

**Corporation Of The Town Of Plympton-Wyoming**  
**Notes To Consolidated Financial Statements**  
**December 31, 2017**

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**3. Cash**

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This represents a consolidation of cash from the operating fund and the deferred revenue as detailed in note 5. The composition is as follows:

	2017	2016
Unrestricted Cash	\$ 12,923,962	\$ 10,775,723
Restricted Cash	<u>1,005,972</u>	<u>784,086</u>
Total	<u>\$ 13,929,934</u>	<u>\$ 11,559,809</u>

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**4. Taxes and Tax Interest Receivable**

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	2017	2016
Current year	\$ 424,504	\$ 391,652
Arrears from previous years	<u>543,577</u>	<u>572,618</u>
	968,081	964,270
Less allowance	<u>44,575</u>	<u>27,558</u>
	<u>\$ 923,506</u>	<u>\$ 936,712</u>

The allowance of \$44,575 has been established to cover the Town's share of potential adjustments from unresolved appeals, vacancy rebates and penalty and interest adjustments.

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**5. Long-Term Receivables**

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	2017	2016
Long-term receivables consists of drains maintenance and drains construction:		
Drains construction	\$ 1,108,139	\$ 849,626
Drains maintenance	<u>179,557</u>	<u>233,652</u>
	<u>\$ 1,287,696</u>	<u>\$ 1,083,278</u>



**Corporation Of The Town Of Plympton-Wyoming**  
**Notes To Consolidated Financial Statements**  
**December 31, 2017**

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**6. Municipal Debt**

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- (a) The balance of net long-term liabilities reported on the consolidated statement of financial position is comprised of the following loans and debentures:

	<b>2017</b>	<b>2016</b>
2.24% debenture, due June 1, 2018	\$ 10,900	\$ 21,800
7.90% - 8.00% debenture, due May 9, 2017	-	171,045
2.25% debenture, due December 1, 2022	<u>10,000</u>	<u>12,000</u>
	<u><b>\$ 20,900</b></u>	<u><b>\$ 204,845</b></u>

- (b) Principal repayments are as follows:

2018	\$ 12,900
2019	2,000
2020	2,000
2021	2,000
2022	<u>2,000</u>
	<u><b>\$ 20,900</b></u>

Revenue for the above principal repayments will be raised from the following sources:

	<b>2018 to 2022</b>
From tax rates	\$ 10,000
From landowners drainage works	<u>10,900</u>
	<u><b>\$ 20,900</b></u>

- (c) Annual principal and interest payments for Town's share of municipal debt relating to "LAWSS" issued by the County of Lambton on behalf of "LAWSS" are determined by the Town's percentage of the total water flow in the system from prior year. The Town's share of municipal debt issued by the County of Lambton on behalf of "LAWSS" is \$NIL (2016 - \$171,045) which represents 4.94000% (2016 - 5.2516%) of the municipal debt issued by the County of Lambton on behalf of "LAWSS" which was paid off in the year.

The Town's share of the municipal debt issued by the County of Lambton on behalf of "LAWSS" is adjusted annually by the change in the Town's percentage of the total water flow in the system from two years ago. Any change in the Town's share of this debt is reflected by a direct charge to municipal debt and amounts to be recovered. For the year 2017, the Town's share of the municipal debt issued by the County of Lambton on behalf of "LAWSS" increased by .3116% from 2016 resulting in Town's share of this debt increasing by \$20,903. For 2016 the Town's share of the municipal debt issued by the County of Lambton on behalf of "LAWSS" increased by .3359% over 2015, resulting in a increase of \$21,074 of the Town's share of this debt.

**Corporation Of The Town Of Plympton-Wyoming**  
**Notes To Consolidated Financial Statements**  
**December 31, 2017**

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**6. Municipal Debt** cont'd...

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- (d) Municipal debt approved after January 1, 1993 have been approved by by-law. The annual principal and interest payments required to service these liabilities are within the annual debt limit prescribed by the Ministry of Municipal Affairs and Housing.
- (e) Total interest charges for the year for municipal debt which is reported on the Statement of Financial Position was \$11,369 (2016 - \$20,297).
- (f) The Town is contingently liable for municipal debt with respect to tile drainage loans. The total amount outstanding as at December 31, 2017 is \$46,737 (2016 - \$65,247) and is not recorded on the "Consolidated Statement of Financial Position".

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<b>7. Deferred Revenue</b>	<b>2017</b>	<b>2016</b>
The deferred revenue is comprised of the following obligatory reserve funds:		
Development Charges Act	\$ 484,945	\$ 286,669
Recreational Land	42,546	34,132
Canada Gas Tax Funding	86,028	92,025
Building Code Act, 1992	<u>392,453</u>	<u>380,387</u>
	<u>\$ 1,005,972</u>	<u>\$ 793,213</u>

The net change during the year in the deferred revenue balances is as follows:

	<b>Building Code Act, 1992</b>	<b>Development Charges Act</b>	<b>Recreational Land</b>	<b>Canada Gas Tax Funding</b>
Balance, Beginning	\$ 380,387	\$ 286,669	\$ 34,132	\$ 92,025
Interest Earned	4,367	4,941	364	8,356
Fees Received	<u>181,183</u>	<u>397,335</u>	<u>8,050</u>	<u>230,334</u>
	565,937	688,945	42,546	330,715
Transfer to Revenue	<u>173,484</u>	<u>204,000</u>	-	<u>244,687</u>
Balance, Ending	<u>\$ 392,453</u>	<u>\$ 484,945</u>	<u>\$ 42,546</u>	<u>\$ 86,028</u>

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**8. Pension Agreements**

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

**Corporation Of The Town Of Plympton-Wyoming**  
**Notes To Consolidated Financial Statements**  
**December 31, 2017**

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**8. Pension Agreements cont'd....**

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Since any surpluses or deficits are a joint responsibility of all Ontario municipalities and their employees, the municipality does not recognize any share of the "OMERS" pension surplus or deficit in these statements.

The amount contributed to "OMERS" for 2017 was \$122,491 (2016 - \$93,163) for current service. Employer's contributions for current service are included as an expense in the consolidated statement of operations.

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**9. Classification Of Expenditures By Object**

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The Consolidated Statement of Financial Activities presents the expenditures by function whereas the following classifies these same expenditures by object:

	2017	2016
Salaries, wages and employee benefits	\$ 2,243,397	\$ 2,120,003
Operating materials and supplies	2,883,287	3,167,022
Contracted services	2,638,258	2,527,852
Rents and financial expenses	20,158	33,000
External transfers to others	36,425	59,765
Amortization	2,309,086	2,248,267
Interest on municipal debt	<u>11,369</u>	<u>17,286</u>
Total Expenditures By Object	<u>\$ 10,141,980</u>	<u>\$ 10,173,195</u>

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**10. Accumulated Surplus**

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Accumulated surplus consists of the following individual surplus accounts and reserves as follows:

	2017	2016
<b>Surplus</b>		
Invested in tangible capital assets	\$ 61,423,484	\$ 61,146,317
To reduce future taxation	656,417	421,898
Unfunded	<u>(35,006)</u>	<u>(176,054)</u>
Total Surplus	<u>62,044,895</u>	<u>61,392,161</u>
<b>Reserves</b>		
Acquisition of property, plant and equipment	4,822,081	2,889,801
Fire	1,464,688	1,324,329
Parks and recreation and culture	210,161	219,172
Cemeteries	64,719	49,910
Sewer and water	7,348,698	6,935,122
Insurance	121,426	91,426
Garbage	101,326	102,976
Miscellaneous	556,522	340,600
Camlachie Community Centre	23,380	33,651
Medical Centre	3,060	3,060
Reserves held by "LAWSS"	<u>156,117</u>	<u>161,896</u>
	<u>14,872,178</u>	<u>12,151,943</u>
<b>Accumulated Surplus</b>	<u>\$ 76,917,073</u>	<u>\$ 73,544,104</u>

**Corporation Of The Town Of Plympton-Wyoming**  
**Notes To Consolidated Financial Statements**  
**December 31, 2017**

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**11. Tangible Capital Assets**

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**Asset Cost 2017**

	Land	Land Improve- ments	Buildings	Equipment	Vehicles	Infrastructure	Assets Under Construction	Total
Balance, beginning	\$ 3,142,794	\$ 321,172	\$ 12,423,126	\$ 3,618,139	\$ 4,874,922	\$ 78,346,131	\$ 849,282	\$ 103,575,566
Assumed Assets	-	-	-	-	-	435,270	-	\$ 435,270
Additions	-	-	104,711	391,030	231,049	1,730,985	358,796	2,816,571
Disposals	-	-	-	-	-	(1,140,276)	(29,040)	(1,169,316)
"LAWSS" adjustment	<u>(3,964)</u>	<u>(1,001)</u>	<u>(137,280)</u>	<u>(116)</u>	<u>-</u>	<u>(360,494)</u>	<u>(4,543)</u>	<u>(507,398)</u>
<b>Balance ending</b>	<b><u>\$ 3,138,830</u></b>	<b><u>\$ 320,171</u></b>	<b><u>\$ 12,390,557</u></b>	<b><u>\$ 4,009,053</u></b>	<b><u>\$ 5,105,971</u></b>	<b><u>\$ 79,011,616</u></b>	<b><u>\$ 1,174,495</u></b>	<b><u>\$ 105,150,693</u></b>

**Accumulated Amortization 2017**

Balance, beginning	\$ -	\$ 51,699	\$ 4,843,874	\$ 2,472,800	\$ 1,879,721	\$ 33,181,155	\$ -	\$ 42,429,249
Amortization	-	697	241,756	265,226	251,845	1,549,562	-	2,309,086
Disposals	-	-	-	-	-	(875,227)	-	(875,227)
"LAWSS" adjustment	<u>-</u>	<u>(1,899)</u>	<u>(60,965)</u>	<u>(106)</u>	<u>-</u>	<u>(72,929)</u>	<u>-</u>	<u>(135,899)</u>
<b>Balance ending</b>	<b><u>\$ -</u></b>	<b><u>\$ 50,497</u></b>	<b><u>\$ 5,024,665</u></b>	<b><u>\$ 2,737,920</u></b>	<b><u>\$ 2,131,566</u></b>	<b><u>\$ 33,782,561</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 43,727,209</u></b>

<b>Net Book Value</b>	<b><u>\$ 3,138,830</u></b>	<b><u>\$ 269,674</u></b>	<b><u>\$ 7,365,892</u></b>	<b><u>\$ 1,271,133</u></b>	<b><u>\$ 2,974,405</u></b>	<b><u>\$ 45,229,055</u></b>	<b><u>\$ 1,174,495</u></b>	<b><u>\$ 61,423,484</u></b>
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**Asset Cost 2016**

	Land	Land Improve- ments	Buildings	Equipment	Vehicles	Infrastructure	Assets Under Construction	Total
Balance, beginning	\$ 3,138,521	\$ 318,904	\$ 12,132,697	\$ 3,432,727	\$ 3,730,142	\$ 77,162,064	\$ 420,608	\$ 100,335,663
Additions	-	-	146,181	190,336	1,144,780	935,215	684,553	3,101,065
Disposals	-	-	-	(5,049)	-	(32,489)	(260,524)	(298,062)
"LAWSS" adjustment	<u>4,273</u>	<u>2,268</u>	<u>144,248</u>	<u>125</u>	<u>-</u>	<u>281,341</u>	<u>4,645</u>	<u>436,900</u>
<b>Balance ending</b>	<b><u>\$ 3,142,794</u></b>	<b><u>\$ 321,172</u></b>	<b><u>\$ 12,423,126</u></b>	<b><u>\$ 3,618,139</u></b>	<b><u>\$ 4,874,922</u></b>	<b><u>\$ 78,346,131</u></b>	<b><u>\$ 849,282</u></b>	<b><u>\$ 103,575,566</u></b>

**Accumulated Amortization 2016**

Balance, beginning	\$ -	\$ 45,995	\$ 4,540,988	\$ 2,391,078	\$ 1,659,399	\$ 31,432,734	\$ -	\$ 40,070,194
Amortization	-	3,704	240,574	86,158	220,322	1,697,510	-	2,248,268
Disposals	-	-	-	(4,544)	-	(24,922)	-	(29,466)
"LAWSS" adjustment	<u>-</u>	<u>2,000</u>	<u>62,312</u>	<u>108</u>	<u>-</u>	<u>75,833</u>	<u>-</u>	<u>140,253</u>
<b>Balance ending</b>	<b><u>\$ -</u></b>	<b><u>\$ 51,699</u></b>	<b><u>\$ 4,843,874</u></b>	<b><u>\$ 2,472,800</u></b>	<b><u>\$ 1,879,721</u></b>	<b><u>\$ 33,181,155</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 42,429,249</u></b>

<b>Net Book Value</b>	<b><u>\$ 3,142,794</u></b>	<b><u>\$ 269,473</u></b>	<b><u>\$ 7,579,252</u></b>	<b><u>\$ 1,145,339</u></b>	<b><u>\$ 2,995,201</u></b>	<b><u>\$ 45,164,976</u></b>	<b><u>\$ 849,282</u></b>	<b><u>\$ 61,146,317</u></b>
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**Assets Under Construction**

Assets under construction having a value of \$1,174,508 (2016 - \$849,282) have not been amortized. Amortization of these assets will commence when the asset is put into service.

**Corporation Of The Town Of Plympton-Wyoming**  
**Notes To Consolidated Financial Statements**  
**December 31, 2017**

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**12. Joint Local Board - "LAWSS"**

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The following summarizes the financial position and operations of "LAWSS" which has been reported in these financial statements using the proportionate consolidation method.

The consolidated financial statements include the municipality's 4.9400% (2016 - 5.2516%) proportionate interest of the following:

	<b>2017</b>	<b>2016</b>
Financial Position		
Financial assets	\$ <u><b>4,448,028</b></u>	\$ <u>4,302,598</u>
Liabilities		
Current liabilities	<b>1,287,755</b>	1,219,800
Municipal debt	<u>-</u>	<u>3,257,000</u>
Total Liabilities	<u><b>1,287,755</b></u>	<u>4,476,800</u>
Net Financial Debt	<b>3,160,273</b>	(174,202)
Non-Financial Assets		
Tangible capital assets	<u><b>88,183,862</b></u>	<u>88,399,594</u>
Accumulated Surplus	\$ <u><b>91,344,135</b></u>	\$ <u>88,225,392</u>
Accumulated Surplus Comprised of:		
Invested in tangible capital assets	\$ <b>88,183,862</b>	\$ 88,399,594
Reserves	<b>3,160,273</b>	3,082,798
Unfunded	<u>-</u>	<u>(3,257,000)</u>
Accumulated Surplus	\$ <u><b>91,344,135</b></u>	\$ <u>88,225,392</u>
Results of Operations		
Revenues	\$ <u><b>10,636,699</b></u>	\$ <u>10,276,298</u>
Expenditures	\$ <u><b>7,517,956</b></u>	\$ <u>7,404,166</u>

### **13. Segmented Information**

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The Corporation of the Town of Plympton-Wyoming is a diversified municipal government institution that provides a wide range of services to its inhabitants such as policing, fire protection, water distribution, sewage collection and treatment, waste collection and disposal, recycling services, recreational services, library facilities, and planning. Distinguishable functional segments have been in the segmented information.

The accounting policies of the segments are the same as those described in the summary of significant accounting policies. Amounts that are directly attributable to a number of segments have been allocated on a reasonable basis as follows:

Taxation and payment-in-lieu, OMPF Grant, net income of government business enterprise and shared other revenue consisting of penalty and interest on taxes, investment income, have been allocated to those segments that are funded by these amounts based on the net surplus for the year.

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

#### **General Government**

This reports the revenues and expenses that relate to the governance and operations of the Township and cannot be directly attributed to a specific segment.

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

Protection to persons and property is comprised of police services, fire protection, animal control and building inspections. The police services work to ensure the safety and protection of the inhabitants and their property. The fire department, whose members are all volunteers, is responsible to provide fire fighting services, fire prevention programs, training and education. The building inspections provides a number of services including enforcement of building and construction codes and a review of all property development plans through its application process.

#### **Transportation Services**

Transportation is responsible for maintenance and construction of the Town's roadways, bridges, parking areas, street lighting and winter control.

#### **Environmental Services**

Environmental services consist of providing water treatment and distribution, sanitary sewage collection and treatment and ensuring that the Township's sewer and water systems meet all Provincial standards. In addition, environmental services consists of providing solid waste collection and recycling services.

#### **Health Services**

Health services consists of cemetery operations.

#### **Recreational and Cultural Services**

This service provides services to improve health and development of the Town inhabitants. This is accomplished by the municipality operating and maintaining parks, ball parks, trails, and providing library and museum facilities.

#### **Planning and Development Services**

The Town is responsible for planning and zoning including the Official Plan. In addition, this area of service includes tourist information, promotion and events, drainage, and commercial and residential development.



**Corporation Of The Town Of Plympton-Wyoming**  
**Notes To Consolidated Financial Statements**  
**December 31, 2017**

**13. Segmented Information cont'd...**

<b>For The Year Ended December 31, 2017</b>	<b>General Government</b>	<b>Protection Services</b>	<b>Transportation Services</b>	<b>Environmental Services</b>	<b>Health Services</b>	<b>Recreation Cultural</b>	<b>Planning Development</b>	<b>Total</b>
Revenue								
Taxation	\$ 1,222,429	\$ 814,030	\$ 4,301,136	\$ -	\$ 22,620	\$ 393,325	\$ 139,380	\$ 6,892,920
Water and sewer charges	-	-	-	3,783,400	-	-	-	3,783,400
Fees and User charges	14,045	35,197	3,804	-	40,823	100,747	29,398	224,014
Transfer payments	913,659	31,868	-	613,751	-	-	229,558	1,788,836
Other	<u>502,237</u>	<u>-</u>	<u>244,687</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>746,924</u>
	<u>2,652,370</u>	<u>881,095</u>	<u>4,549,627</u>	<u>4,397,151</u>	<u>63,443</u>	<u>494,072</u>	<u>398,336</u>	<u>13,436,094</u>
Expenditures								
Salaries and benefits	607,154	238,344	846,788	357,809	16,867	108,239	68,197	2,243,398
Materials and supplies	447,833	353,859	1,398,216	331,163	24,603	210,148	117,465	2,883,287
Contracted services	4,800	1,113,448	-	1,468,913	11,000	21,011	19,086	2,638,258
Interest	-	-	-	7,678	-	-	3,691	11,369
Amortization and loss on disposal of assets	13,363	165,667	1,205,327	844,160	740	79,828	-	2,309,086
Other	<u>20,158</u>	<u>36,425</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>56,583</u>
	<u>1,093,308</u>	<u>1,907,743</u>	<u>3,450,331</u>	<u>3,009,723</u>	<u>53,210</u>	<u>419,226</u>	<u>208,439</u>	<u>10,141,980</u>
Surplus (Deficit) before adjustments for assumed assets and "LAWSS" adjustment	<u>\$ 1,559,062</u>	<u>\$(1,026,648)</u>	<u>\$ 1,099,296</u>	<u>\$ 1,387,428</u>	<u>\$ 10,233</u>	<u>\$ 74,846</u>	<u>\$ 189,897</u>	<u>\$ 3,294,114</u>

**Corporation Of The Town Of Plympton-Wyoming**  
**Notes To Consolidated Financial Statements**  
**December 31, 2017**

**13. Segmented Information** cont'd...

<b>For The Year Ended December 31, 2016</b>	<b>General Government</b>	<b>Protection Services</b>	<b>Transportation Services</b>	<b>Environmental Services</b>	<b>Health Services</b>	<b>Recreation Cultural</b>	<b>Planning Development</b>	<b>Total</b>
Revenue								
Taxation	\$ 6,257,901	\$ 1,664	\$ -	\$ 475,049	\$ -	\$ -	\$ -	\$ 6,734,614
Water and sewer charges	-	-	-	3,596,554	-	-	-	3,596,554
Fees and User charges	17,922	13,827	67,498	-	32,448	51,521	26,064	209,280
Transfer payments	716,421	32,379	-	56,553	750	9,932	9,871	825,906
Other	<u>489,835</u>	<u>202,728</u>	<u>637,335</u>	<u>14,672</u>	<u>4,077</u>	<u>23,682</u>	<u>-</u>	<u>1,372,329</u>
	<u>7,482,079</u>	<u>250,598</u>	<u>704,833</u>	<u>4,142,828</u>	<u>37,275</u>	<u>85,135</u>	<u>35,935</u>	<u>12,738,683</u>
Expenditures								
Salaries and benefits	594,711	227,377	725,611	373,658	10,134	106,130	82,382	2,120,003
Materials and supplies	377,895	353,231	1,706,982	421,468	16,148	214,659	76,639	3,167,022
Contracted services	4,800	1,106,711	-	1,381,741	20,990	13,610	-	2,527,852
Interest	-	-	-	13,140	-	-	4,146	17,286
Amortization and loss on disposal of assets	74,609	147,147	1,262,359	690,170	740	73,242	-	2,248,267
Other	<u>12,900</u>	<u>59,765</u>	<u>-</u>	<u>20,100</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>92,765</u>
	<u>1,064,915</u>	<u>1,894,231</u>	<u>3,694,952</u>	<u>2,900,277</u>	<u>48,012</u>	<u>407,641</u>	<u>163,167</u>	<u>10,173,195</u>
Surplus (Deficit) before "LAWSS" adjustment	<u>\$ 6,417,164</u>	<u>\$(1,643,633)</u>	<u>\$(2,990,119)</u>	<u>\$ 1,242,551</u>	<u>\$ (10,737)</u>	<u>\$ (322,506)</u>	<u>\$ (127,232)</u>	<u>\$ 2,565,488</u>

**Corporation Of The Town Of Plympton-Wyoming**  
**Notes To Consolidated Financial Statements**  
**December 31, 2017**

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**14. "LAWSS" Adjustment**

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The Town's proportionate share of its interest in "LAWSS" is adjusted annually based upon the Town's share of its water consumption from "LAWSS" compared to the total water consumption by all members of "LAWSS". This percentage is based on the consumption from two years ago. This adjustment has resulted in the following increases (decreases) to its share of assets and liabilities of "LAWSS" on January 1 each year as compared to its share of assets and liabilities of "LAWSS" from December 31 of the preceding year.

	2017	2016
<b>Assets</b>		
Cash	\$ (12,909)	\$ 13,045
Accounts receivable	(498)	1,125
Tangible capital assets	<u>(371,499)</u>	<u>296,649</u>
	<u><b>(384,906)</b></u>	<u><b>310,819</b></u>
<b>Liabilities</b>		
Accounts payable	(3,801)	3,043
Long term debt	<u>(24,690)</u>	<u>21,074</u>
	<u><b>(28,491)</b></u>	<u><b>24,117</b></u>
<b>"LAWSS" Adjustment</b>	<u><b>\$ (356,415)</b></u>	<u><b>\$ 286,702</b></u>

This adjustment affected the January 1 balances as compared to the December 31 balances of the prior year of the following accumulated surplus accounts:

Invested in capital assets	\$ (371,499)	\$ 296,649
Reserves	<u>(9,606)</u>	<u>11,127</u>
	<u><b>(381,105)</b></u>	<u><b>307,776</b></u>
Less unfunded	<u><b>(24,690)</b></u>	<u><b>21,074</b></u>
	<u><b>\$ (356,415)</b></u>	<u><b>\$ 286,702</b></u>

**Corporation Of The Town Of Plympton-Wyoming**  
**Notes To Consolidated Financial Statements**  
**December 31, 2017**

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**15. Trust Funds**

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Trust funds, consisting of Cemetery Care and Maintenance Funds administered by the Town amounting to \$230,013 (2016 - \$221,408) are not included in the Consolidated Statement of Financial Position nor have their operations been included in the "Consolidated Statement of Financial Activities".

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**16. Comparative Figures**

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The presentation of certain accounts of the previous year has been changed to conform with the presentation adopted for the current year.