

The Corporation Of Haldimand County

Consolidated Financial Statements

December 31, 2017



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December 31, 2017

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MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The consolidated financial statements of The Corporation of Haldimand County have been prepared in accordance with Canadian Public Sector Accounting Standards. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. These statements include certain amounts based on management's estimates and judgments. Management has determined such amounts based on a reasonable basis in order to ensure that the financial statements are presented fairly in all material respects.

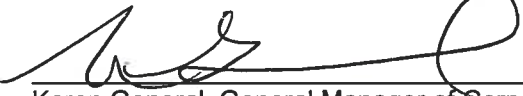
The integrity and reliability of The Corporation of Haldimand County's reporting systems are achieved through the use of formal policies and procedures, the careful selection of employees and an appropriate division of responsibilities. These systems are designed to provide reasonable assurance that the financial information is reliable and accurate.

The Chief Administrative Officer is responsible for ensuring that management fulfills its responsibility for financial reporting and is ultimately responsible for reviewing and approving the consolidated financial statements before they are submitted to Council.

The consolidated financial statements have been audited on behalf of the members of council, inhabitants and ratepayers of The Corporation of Haldimand County by Millard, Rouse & Rosebrugh LLP , in accordance with Canadian generally accepted auditing standards.



Don Boyle, Chief Administrative Officer



Karen General, General Manager of Corporate Services - Chief Financial Officer



Mark Merritt, Treasurer

Cayuga, Ontario
August 15, 2018



INDEPENDENT AUDITORS' REPORT

To the Members of Council, Inhabitants and Ratepayers of The Corporation of Haldimand County:

We have audited the accompanying consolidated financial statements of The Corporation of Haldimand County, which comprise the consolidated statement of financial position as at December 31, 2017 and the consolidated statements of operations and accumulated surplus, changes in net financial assets and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the 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 consolidated financial position of The Corporation of Haldimand County as at December 31, 2017 and its consolidated results of operations, consolidated changes in net financial assets and consolidated cash flow for the year then ended in accordance with Canadian Public Sector Accounting Standards.

Budget figures are provided for comparative purposes and have not been subject to audit procedures. Accordingly, we do not express any opinion regarding the budget figures.

August 15, 2018
Simcoe, Ontario

Millard, Rouse & Rosebrugh LLP

Millard, Rouse & Rosebrugh LLP
Chartered Professional Accountants
Licensed Public Accountants

The Corporation of Haldimand County
Consolidated Statement of Financial Position
As at December 31, 2017

	2017	2016
FINANCIAL ASSETS		
Cash	\$ 4,310,337	\$ 7,217,575
Investments (Note 3)	166,693,855	140,920,964
Taxes receivable	7,957,740	12,797,410
Accounts receivable	10,781,143	9,037,530
Loan receivable (Note 4)	2,320,189	1,890,695
	192,063,264	171,864,174
LIABILITIES		
Accounts payable	19,492,785	17,342,881
Due to Norfolk County (Note 5)	372,329	1,749,789
Due to trust funds	109,752	154,370
Employee benefits liability (Note 6)	10,750,336	10,300,899
Allowance for assessment adjustments (Note 7)	2,450,066	10,361,220
Deferred revenue (Note 8)	16,608,751	9,235,778
Solid waste landfill closure and post-closure liability (Note 9)	13,958,038	14,053,543
Long term liabilities (Note 10)	47,715,918	39,641,590
	111,457,975	102,840,070
NET FINANCIAL ASSETS	80,605,289	69,024,104
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 11)	452,782,576	441,435,520
Prepaid expenses	802,227	281,891
Inventory	517,155	638,494
	454,101,958	442,355,905
ACCUMULATED SURPLUS (Note 12)	\$534,707,247	\$511,380,009

See accompanying notes



The Corporation of Haldimand County
Consolidated Statement of Operations and Accumulated Surplus
Year Ended December 31, 2017

	Budget 2017	2017	2016
(Note 20)			
REVENUES			
Taxation	\$ 65,231,370	\$ 66,218,815	\$ 64,059,582
Government transfers - Federal (Note 13)	4,483,418	2,146,560	3,177,443
Government transfers - Provincial (Note 14)	15,868,127	16,968,383	15,914,190
Recoveries from other municipalities	2,230,770	2,630,187	2,377,224
User charges	29,090,540	28,056,491	26,932,912
Other income (Note 15)	7,040,730	26,329,021	21,275,227
	123,944,955	142,349,457	133,736,578
Expenses			
General government	9,529,519	10,148,024	10,396,672
Protection services	18,000,534	14,529,219	15,402,358
Transportation services	27,044,051	31,070,055	28,423,275
Environmental services	27,561,509	27,091,041	28,200,578
Health services	7,910,525	7,518,718	8,214,313
Social and family services	12,586,137	12,442,798	12,620,101
Social housing	1,132,400	719,277	1,095,155
Recreation and cultural services	10,086,655	12,910,788	11,155,732
Planning and development	2,543,590	2,592,299	2,315,221
	116,394,920	119,022,219	117,823,405
ANNUAL SURPLUS	\$ 7,550,035	23,327,238	15,913,173
Accumulated surplus - beginning of year	511,380,009	511,380,009	495,466,836
ACCUMULATED SURPLUS - END OF YEAR	\$ 518,930,044	\$ 534,707,247	\$ 511,380,009

See accompanying notes



The Corporation of Haldimand County
Consolidated Statement of Changes in Net Financial Assets
Year Ended December 31, 2017

	Budget 2017	2017	2016
(Note 20)			
ANNUAL SURPLUS	\$ 7,550,035	\$ 23,327,238	\$ 15,913,173
Amortization of tangible capital assets	23,700,950	23,700,950	23,403,319
Purchase of tangible capital assets	(34,730,810)	(36,351,996)	(36,992,871)
Proceeds on disposal of tangible capital assets	-	871,732	748,695
Loss on disposal of assets	-	432,258	2,179,058
Decrease (increase) in prepaid expenses	-	(520,336)	53,745
Decrease (increase) in inventory	-	121,339	(117,799)
	(11,029,860)	(11,746,053)	(10,725,853)
INCREASE (DECREASE) IN NET FINANCIAL ASSETS	(3,479,825)	11,581,185	5,187,320
Net financial assets - beginning of year	69,024,104	69,024,104	63,836,784
NET FINANCIAL ASSETS - END OF YEAR	\$ 65,544,279	\$ 80,605,289	\$ 69,024,104

See accompanying notes



The Corporation of Haldimand County

Consolidated Statement of Cash Flow

Year Ended December 31, 2017

	2017	2016
OPERATING ACTIVITIES		
Annual surplus	\$ 23,327,238	\$ 15,913,173
Items not affecting cash:		
Amortization of tangible capital assets	23,700,950	23,403,319
Loss on disposal of tangible capital assets	432,258	2,179,058
	47,460,446	41,495,550
Changes in non-cash working capital:		
Taxes receivable	4,839,670	(4,203,449)
Accounts receivable	(1,743,613)	(3,026,700)
Loan receivable	(429,494)	(1,890,695)
Accounts payable	2,149,904	3,463,467
Due to Norfolk County	(1,377,460)	885,419
Due to trust funds	(44,618)	(50,819)
Employee benefits liability	449,437	1,116,980
Allowance for assessment adjustments	(7,911,154)	(3,799,986)
Deferred revenue	7,372,973	2,834,903
Solid waste landfill closure and post-closure liability	(95,505)	(262,998)
Prepaid expenses	(520,336)	53,745
Inventory	121,339	(117,799)
	2,811,143	(4,997,932)
Cash flow from operating activities	50,271,589	36,497,618
CAPITAL ACTIVITIES		
Purchase of tangible capital assets	(36,351,996)	(36,992,871)
Proceeds from sale of tangible capital assets	871,732	748,695
Cash flow used by capital activities	(35,480,264)	(36,244,176)
FINANCING ACTIVITIES		
Long term debt issued	12,332,000	7,363,100
Repayment of long term debt	(4,257,672)	(3,532,630)
Cash flow from financing activities	8,074,328	3,830,470
INCREASE IN CASH FLOW	22,865,653	4,083,912
Cash - beginning of year	148,138,539	144,054,627
CASH - END OF YEAR	171,004,192	148,138,539
CASH CONSISTS OF:		
Cash	\$ 4,310,337	\$ 7,217,575
Investments	166,693,855	140,920,964
	\$171,004,192	\$148,138,539

See accompanying notes



The Corporation of Haldimand County

Notes to Consolidated Financial Statements

Year Ended December 31, 2017

1. INCORPORATION

Effective January 1, 2001, Haldimand County was incorporated as a single tier municipality. Haldimand County assumed all assets, liabilities and operations of the former Town of Haldimand, and former Town of Dunnville and some of the assets, liabilities and operations of the former City of Nanticoke and former Regional Municipality of Haldimand-Norfolk.

Based on the recommendations of the provincially appointed arbitrator of the transition and restructuring process, Haldimand County was given the administrative responsibility over investments and long term liabilities existing as at December 31, 2000, some of which are to be shared with Norfolk County. Haldimand County was also to administer the Tom Howe and Canborough waste disposal sites. Norfolk County was given administrative responsibility as the Consolidated Municipal Service Manager, as well as the Board of Health, for the provision of Public Health and Social Services to both Haldimand County and Norfolk County.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of The Corporation of Haldimand County are prepared by management in accordance with Canadian generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

Significant aspects of the accounting policies adopted by The Corporation of Haldimand County are as follows:

Reporting entity

(i) Consolidated entities

The consolidated financial statements reflect the assets, liabilities, revenues, expenses, changes in accumulated surplus, and changes in net financial assets of the reporting entity. The consolidated financial statements include the activities of all committees of Council and local boards, municipal enterprises and utilities which are owned or controlled by the County. These consolidated financial statements include:

*Haldimand County Public Library Board
Police Services Board
Court of Revision
Committee of Adjustment
Accessibility Advisory Board
Haldimand County Business Development and Planning Advisory Committee
Agricultural Advisory Committee
Heritage Haldimand Advisory Committee
Trails Advisory Committee
Museum Advisory Committee
Caledonia Business Improvement Area
Dunnville Business Improvement Area
Hagersville Business Improvement Area*

All inter-departmental and inter-organizational transactions and balances between these organizations have been eliminated.

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The Corporation of Haldimand County

Notes to Consolidated Financial Statements

Year Ended December 31, 2017

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

(ii) *Joint local boards*

As explained in Note 1, Norfolk County has been given administrative responsibility for the following joint local board:

Joint Health and Social Services Advisory Committee

Amounts paid to Norfolk County for Haldimand County's proportionate share of Health, Social and Family Services and Social Housing are recorded as an expense on the Consolidated Statement of Operations.

(iii) *Accounting for school board transactions*

The taxation, other revenue, expenses, assets and liabilities with respect to the operations of the school boards are not reflected in the municipal fund balances of these financial statements. The taxation revenue collected and remitted on behalf of the school boards amounted to \$14,906,562 (2016 - \$15,598,391).

(iv) *Trust funds*

Trust funds and their related operations administered by the municipality are not consolidated and have their own separate audited financial statements.

(v) *Provincial offences fines*

Haldimand County administers the Provincial Offences Act (POA) on behalf of the Ministry of the Attorney General for the Haldimand County Court Service Area.

Fine revenue is recognized as the fine payment is received. Fine revenue includes all monies received less payments made to other municipalities for monies received on their behalf, less payments made to the Ministry of the Attorney General for victim fine surcharges and dedicated fines. Revenue also includes outstanding transfers of fine receipts collected by other municipalities.

A receivable for the value of fines issued but unpaid as at the year-end date amounts to \$7,774,381 (2016 - \$7,474,693) and is not recorded in these consolidated financial statements. Included in this figure is an amount in arrears transferred from the Province in 2001 approximating \$1,647,000.

(vi) *Haldimand-Norfolk Housing Corporation*

Bill 128 (the Social Housing Reform Act, 2000) provided for the formation of local housing corporations to be organized under the provisions of the Ontario Business Corporations Act with a municipal service manager as the sole shareholder. The Haldimand-Norfolk Housing Corporation was incorporated under the Ontario Business Corporations Act on December 14, 2000. The Corporation was deemed upon incorporation to have issued 100 common shares to The Corporation of Norfolk County. On July 12, 2001 40 of those shares were transferred to The Corporation of Haldimand County. Haldimand-Norfolk Housing Corporation financial statements are not consolidated within these financial statements. The Haldimand-Norfolk Housing Corporation have their own audited financial statements reported separately.

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The Corporation of Haldimand County

Notes to Consolidated Financial Statements

Year Ended December 31, 2017

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

Basis of presentation

Revenue and expenses are reported on the accrual basis of accounting. 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.

Revenue recognition

(i) Taxation

Annually, the County bills and collects property tax revenue for municipal levy purposes as well as education taxes on behalf of the local school boards. The County has the authority to levy and collect property taxes under the Municipal Act, 2001.

The amount of the total annual municipal property tax levy is determined each year through Council's approval of the annual operating budget. Municipal tax rates are set annually by Council for each class of property, in accordance with legislation and Council-approved policies, in order to raise the revenue needed to meet operating budget requirements.

The Municipal Property Assessment Corporation (MPAC), a not-for-profit corporation funded by all of Ontario's municipalities, is responsible for property assessments. MPAC provides the current value assessment (CVA) of each property in the returned assessment roll in December of each year. The amount of property tax levied on an individual property is the product of the CVA, the municipal tax rate by class, and the education tax rate by class.

Taxation revenue is recorded at the time tax billings are issued. Additional property tax revenue can be added throughout the year, relating to: newly occupied properties, properties omitted in the December assessment roll, or other MPAC adjustments. Tax revenue can also be reduced if there are reductions in assessment values resulting from property assessment appeals.

(ii) Government transfers

Government transfers are recognized as revenues when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

(iii) User charges

User charges relate to various municipal programs and fees imposed based on specific activities. Examples of user charges include: recreation programs, water, wastewater and solid waste. Revenue is recognized when the activity is performed or when services are rendered.

(iv) Developer contributed assets

Developer contributed assets are recognized in the year that the subdivision has reached preliminary acceptance from the County. Estimated value is provided by the developer with the exception of storm management ponds which is estimated based on acreage.

(v) Other income

Other income is recognized in the year that the events giving rise to the revenue occur and the revenue is earned. Amounts received which relate to revenue that will be earned in a future year are deferred and reported as liabilities on the Consolidated Statement of Financial Position.

(continues)



The Corporation of Haldimand County

Notes to Consolidated Financial Statements

Year Ended December 31, 2017

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

Tangible capital assets

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

Land improvements	50 years
Buildings and structures	50 to 100 years
Infrastructure	28 to 100 years
Vehicles, machinery and equipment	5 to 20 years

Investments

Investments are recorded at amortized cost, less any amounts written off to reflect a permanent decline in value. Investments consist of authorized investments pursuant to provisions of the Municipal Act and comprise of government bonds, GICs, debentures and money market instruments.

Investment income earned on available current funds, reserves and reserve funds (other than obligatory funds) are reported in the period earned. Investment income earned on obligatory reserve funds is added to the fund balance and forms part of the respective deferred revenue balances.

As approved in the Hydro Legacy Fund Policy, starting in 2017 market investment earnings are to be accrued to the Hydro Legacy Fund based on the average yield to maturity. The annual market yield to be accrued is determined annually by the Investment Committee, with advice from the external investment manager. Any accrued investment income to the Hydro Legacy Fund will be offset by the Investment Income Stabilization Reserve and later reconciled as the related growth income matures or is liquidated.

Inventory

Inventory of supplies held for consumption is valued at the lower of cost or replacement value.

Deferred revenue

The municipality receives funds for specific purposes which are externally restricted by legislation, regulation or agreement. These restricted funds are not available for general municipal purposes and are recognized as revenue in the fiscal year the funds are used for the specified purpose.

(continues)



The Corporation of Haldimand County

Notes to Consolidated Financial Statements

Year Ended December 31, 2017

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

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 amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period.

Significant items subject to such estimates and assumptions include valuation allowances for taxes receivable, accounts receivable, employee benefits liability and solid waste landfill closure and post-closure liability. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in operations in the year which they become known.

Actual results could differ from management's best estimates as additional information becomes available in the future.



The Corporation of Haldimand County

Notes to Consolidated Financial Statements

Year Ended December 31, 2017

3. INVESTMENTS

Investments, as at December 31, consist of the following:

	<u>2017</u>		<u>2016</u>	
	Market Value	Carrying Value	Market Value	Carrying Value
<u>Fixed Income</u>				
Government bonds and GICs	\$ 13,315,289	\$ 13,500,867	\$ 38,434,803	\$ 38,434,803
Money market instruments	286,897	286,897	486,161	486,161
High interest savings	15,906,091	15,906,091	-	-
Principal protected notes	46,792,085	45,000,000	35,000,000	35,000,000
	76,300,362	74,693,855	73,920,964	73,920,964
<u>Growth/Equity Investments</u>				
Principal protected notes	101,622,930	92,000,000	67,000,000	67,000,000
	\$ 177,923,292	\$ 166,693,855	\$ 140,920,964	\$ 140,920,964

Maturity dates on the investments in the portfolio range from 2018 to 2022.

4. LOAN RECEIVABLE

In 2015, Council approved a policy and framework for Front End Financing of Residential Development. Eligible properties, as approved by Council, can receive a loan of up to 50% of the eligible development costs. All approved loans have a maximum term of 10 years and accumulated annual interest at 1% above the County's borrowing rate.

Council has approved one loan agreement to date, the maximum approved loan is \$2,367,096. The term of the loan is for 10 years commencing on October 5, 2017 and bears interest at 4.04%. As at December 31, 2017, the principal amount outstanding is \$2,320,189.

5. DUE TO NORFOLK COUNTY

Net amounts payable to Norfolk County as at December 31, represent a combination of certain amounts owing to Haldimand for Norfolk's share of the Tom Howe and Canborough waste disposal sites and offset by certain amounts owing from Haldimand for its share of Health, Social Services, and Social Housing, which were administered by Norfolk County.



The Corporation of Haldimand County

Notes to Consolidated Financial Statements

Year Ended December 31, 2017

6. EMPLOYEE BENEFITS LIABILITY

The municipality provides certain employee benefits which will require funding in future periods and is comprised of the following:

	2017	2016
Vested and non-vested sick leave	\$ 913,100	\$ 862,300
Post employment and post retirement benefits	2,719,200	2,686,500
Workers' compensation	7,118,036	6,752,099
	\$10,750,336	\$ 10,300,899

The County is liable for vacation days earned by its employees as at December 31, but not taken until a later date. The liability as at December 31, 2017 is estimated at \$302,849 (2016 - \$290,156) and is recorded in accounts payable.

a) *Liability for vested and non-vested sick leave benefits*

Under the sick leave benefit plan, unused sick leave can be accumulated and some employees may become entitled to a cash payment when they leave the municipality's employment. The amount paid to employees who left the County's employment during the year amounted to \$8,643 (2016 - \$14,734).

A comprehensive actuarial evaluation for the vested and non-vested sick leave benefits liability was conducted as at December 31, 2015. The report includes projections for the years 2016 to 2018.

b) *Post employment and post retirement benefits*

Haldimand County provides retirement benefits consisting of health care, dental and life insurance to qualifying members.

A comprehensive actuarial evaluation for the employee benefits liability was conducted as at December 31, 2015, the report includes projections for the years 2016 to 2018. Significant assumptions used in the actuarial evaluation are:

Discount rate	3.50%
Extended healthcare trend rate	
Initial	5.45%
Ultimate	4.00%
Year ultimate reached	2036
Dental trend rate	4.00%

c) *Workers' compensation*

Haldimand County is self-insured for injured worker benefits with the Workplace Safety and Insurance Board (WSIB) administering the benefits on behalf of the municipality as a schedule II employer.

(continues)



The Corporation of Haldimand County

Notes to Consolidated Financial Statements

Year Ended December 31, 2017

6. EMPLOYEE BENEFITS LIABILITY (*continued*)

The estimate of future benefit costs for WSIB claims based on the WSIB board calculations are \$7,118,036 (2016 - \$6,752,099). The County has established a reserve fund to mitigate some of the future impacts of these obligations; however, WSIB is unfunded by a balance of \$1,020,211 (2016 - \$758,224). This unfunded liability is presented in the Consolidated Statement of Financial Position in accumulated surplus (Note 12).

The County also administers a reserve fund, in trust, from the former Regional Municipality of Haldimand-Norfolk, for WSIB, which has a gross amount of \$446,014 (2016 - \$472,393).

7. ALLOWANCE FOR ASSESSMENT ADJUSTMENTS

Haldimand County has included annual allowances to cover the estimated costs of the disposition of various assessment appeals initiated by property owners. During 2017, several large assessment appeals were finalized and the cost associated with these appeals were funded from the accumulated allowance. A review of the remaining accumulated allowance and management's estimate of the cost of the disposition of the remaining appeals identified an excess allowance of approximately \$6,500,000. This excess was transferred to the Capital Replacement Reserve - Roads Infrastructure during 2017, resulting in realized income of \$6,500,000 as denoted in Note 15. Management believes the ultimate disposition of the remaining assessment appeals will not materially exceed the allowance recorded in these financial statements.

8. DEFERRED REVENUE

A requirement of the public sector accounting principles of the Canadian Institute of Chartered Professional 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 deferred revenue including obligatory reserve funds of The Corporation of Haldimand County are as follows:

	Opening Balance	Contributions Received	Investment Income	Revenue Recognized	Ending Balance
Parkland	\$ 726,758	\$ 24,749	\$ 10,938	\$ (9,071)	\$ 753,374
Development charges	(227,059)	5,478,101	(3,788)	(2,345,012)	2,902,242
Building permits	3,975,100	1,250,538	58,959	(6,052)	5,278,545
Federal gas tax	3,864,987	2,777,054	62,792	(931,524)	5,773,309
Provincial OCIF	-	1,207,563	11,695	(873,510)	345,748
Deferred provincial grants	755,781	-	-	-	755,781
Other	140,211	799,752	-	(140,211)	799,752
	\$9,235,778	\$11,537,757	\$ 140,596	\$(4,305,380)	\$16,608,751



The Corporation of Haldimand County

Notes to Consolidated Financial Statements

Year Ended December 31, 2017

9. SOLID WASTE LANDFILL CLOSURE AND POST-CLOSURE LIABILITY

Tom Howe landfill site is jointly owned by Norfolk County and Haldimand County and, as anticipated, reached its capacity of 2,300,000 cubic metres in October 2015.

Canborough landfill site is also jointly owned by Norfolk County and Haldimand County. The Canborough landfill site was temporarily closed, to be re-opened and used once Tom Howe landfill site reached its capacity. In July 2014, it was decided by both counties that the Canborough landfill site would not be re-opened and would be permanently closed.

The costs of closing and maintaining the landfill sites are shared by both Norfolk County and Haldimand County. It is estimated that Haldimand County's share of the total costs to close and maintain the sites are approximately \$13,958,038. The estimated costs are calculated at net present value. Haldimand County has not designated any specific assets to assist with the cost of closing the sites. However, Haldimand County's share of the capital costs to close the sites have been included in the 10-year Capital Forecast and have been funded from capital reserves. Post-closure activities will continue for approximately 50 years for both landfill sites.

Key assumptions in determining the liability at December 31, 2017 for the sites are as follows:

Inflation rate	2.0%
Discount rate	4.0%
Estimated time for post-closure site rehabilitation and monitoring	50 years

	2017	2016
Capital costs upon closure	\$ 490,836	\$ 622,348
Closed landfill site rehabilitation and monitoring	13,467,202	13,431,195
	\$ 13,958,038	\$ 14,053,543



The Corporation of Haldimand County

Notes to Consolidated Financial Statements

Year Ended December 31, 2017

10. LONG TERM LIABILITIES

a) Long term liabilities reported on the Consolidated Statement of Financial Position is comprised of the following:

	2017	2016
Total long term liabilities issued or assumed by the municipality and outstanding at the end of the year amounts to:	\$ 47,735,030	\$ 39,680,885
Of the long term liabilities shown above, the responsibility for payment of principal and interest charges for Tile Drainage Loans has been assumed by individuals. At the end of the year, the outstanding principal amount is:	(19,112)	(39,295)
	\$ 47,715,918	\$ 39,641,590

b) Of the long term liabilities reported above, principal payments are recoverable from general municipal revenues and are repayable as follows:

2018	\$ 5,187,728
2019	5,222,873
2020	5,259,626
2021	4,495,948
2022	4,513,948
Thereafter	23,035,795
	\$ 47,715,918

The above long term liabilities have maturity dates ranging from 2018 to 2033 with interest rates varying between 1.20% to 5.27%.

c) The municipality is contingently liable for long term liabilities with respect to those for which the responsibility for the payment of principal and interest has been assumed by individuals for Tile Drainage Loans. The total amount outstanding as at December 31, 2017 is \$19,112 (2016 - \$39,295) and is not recorded on the Consolidated Statement of Financial Position.

d) The long term liabilities in part (a) have been approved by by-law. The annual principal and interest payments required to service these liabilities are within the annual debt repayments and limits prescribed by the Ministry of Municipal Affairs and Housing.



The Corporation of Haldimand County
Notes to Consolidated Financial Statements
Year Ended December 31, 2017

11. TANGIBLE CAPITAL ASSETS

	Land	Land Improvements	Buildings and Structures	Infrastructure	Vehicles, Machinery and Equipment	Assets Under Construction	2017
Cost, beginning of year	\$9,436,179	\$ 65,704,970	\$147,269,455	\$512,639,758	\$ 76,415,365	\$14,054,235	\$825,519,962
Additions	112,163	2,092,618	7,450,198	19,174,008	12,711,094	14,928,450	56,468,531
Disposals	(19,724)	(81,389)	(1,633,542)	(3,894,227)	(1,593,403)		(7,222,285)
Transfer to capital assets	-	-	-	-	-	(20,116,535)	(20,116,535)
Cost, end of year	9,528,618	67,716,199	153,086,111	527,919,539	87,533,056	8,866,150	854,649,673
Accumulated amortization, beginning of year	-	29,714,220	43,863,590	273,064,626	37,442,006	-	384,084,442
Amortization	-	1,424,094	2,962,724	14,730,937	4,583,195	-	23,700,950
Disposals	-	(81,259)	(1,329,627)	(3,136,739)	(1,370,670)	-	(5,918,295)
Accumulated amortization, end of year	-	31,057,055	45,496,687	284,658,824	40,654,531	-	401,867,097
Net carrying amount, end of year	\$9,528,618	\$ 36,659,144	\$107,589,424	\$243,260,715	\$ 46,878,525	\$ 8,866,150	\$452,782,576

(continues)



The Corporation of Haldimand County
Notes to Consolidated Financial Statements
Year Ended December 31, 2017

11. TANGIBLE CAPITAL ASSETS (continued)

	Land	Land Improvements	Buildings and Structures	Infrastructure	Vehicles, Machinery and Equipment	Assets Under Construction	2016
Cost, beginning of year	\$8,799,948	\$ 64,653,445	\$144,853,583	\$498,433,330	\$ 73,127,511	\$11,893,854	\$801,761,671
Additions	750,082	1,210,549	3,658,071	23,491,711	5,719,322	13,801,973	48,631,708
Disposals	(113,851)	(159,024)	(1,242,199)	(9,285,283)	(2,431,468)	(2,755)	(13,234,580)
Transfer to capital assets	-	-	-	-	-	(11,638,837)	(11,638,837)
Cost, end of year	9,436,179	65,704,970	147,269,455	512,639,758	76,415,365	14,054,235	825,519,962
Accumulated amortization, beginning of year	-	28,105,252	41,844,944	265,420,236	35,617,518	-	370,987,950
Amortization	-	1,746,803	2,944,730	14,565,378	4,146,408	-	23,403,319
Disposals	-	(137,835)	(926,084)	(6,920,988)	(2,321,920)	-	(10,306,827)
Accumulated amortization, end of year	-	29,714,220	43,863,590	273,064,626	37,442,006	-	384,084,442
Net carrying amount, end of year	\$9,436,179	\$ 35,990,750	\$103,405,865	\$239,575,132	\$ 38,973,359	\$14,054,235	\$441,435,520



The Corporation of Haldimand County

Notes to Consolidated Financial Statements

Year Ended December 31, 2017

12. ACCUMULATED SURPLUS

The Corporation of Haldimand County segregates its accumulated surplus into the following categories:

	2017	2016
Investment in tangible capital assets	\$ 452,782,576	\$ 441,435,520
Long term liabilities	(47,715,918)	(39,641,590)
Unfinanced capital	(2,099,063)	(13,467,722)
Net investment in tangible capital assets	402,967,595	388,326,208
BIA surpluses	135,884	85,819
Reserves		
Contingencies	11,741,120	10,458,170
Capital purposes	36,800,703	32,682,017
Other	13,637,148	12,566,068
	62,178,971	55,706,255
Reserve funds		
Capital replacement - sewer	11,325,961	10,078,245
Capital replacement - water	6,102,820	6,015,008
Waste management	655,036	785,598
Hydro legacy fund	77,497,487	74,561,517
Community vibrancy	(10,800,308)	(9,140,201)
Other	1,889,537	1,964,416
	86,670,533	84,264,583
WSIB reserve fund held jointly with Norfolk County (gross amounts)	446,014	472,393
Unfunded liabilities		
Solid waste landfill closure and post-closure liability	(13,958,038)	(14,053,543)
Post employment and post retirement benefits liability	(2,133,345)	(2,137,777)
Vested and non-vested sick leave liability	(580,156)	(525,705)
WSIB	(1,020,211)	(758,224)
	(17,691,750)	(17,475,249)
	\$ 534,707,247	\$ 511,380,009



The Corporation of Haldimand County

Notes to Consolidated Financial Statements

Year Ended December 31, 2017

13. GOVERNMENT TRANSFERS - FEDERAL

	Budget (Note 20)	2017	2016
Operating			
Conditional	\$ 58,280	\$ 55,550	\$ 73,606
Capital			
Infrastructure funding	1,696,388	1,159,486	-
Federal gas tax revenue	2,728,750	931,524	3,103,837
	\$ 4,483,418	\$ 2,146,560	\$ 3,177,443

14. GOVERNMENT TRANSFERS - PROVINCIAL

	Budget (Note 20)	2017	2016
Operating			
Ontario Municipal Partnership Fund	\$ 3,697,200	\$ 3,697,200	\$ 3,545,800
Conditional	9,889,850	10,680,430	10,362,020
Capital			
Infrastructure funding	2,281,077	2,590,753	2,006,370
	\$ 15,868,127	\$ 16,968,383	\$ 15,914,190

15. OTHER INCOME

	Budget (Note 20)	2017	2016
Licenses, permits, rents and concessions	\$ 1,875,760	\$ 1,754,248	\$ 1,442,242
Provincial offences and other fines	600,150	455,634	542,331
Penalties and interest on taxes	1,155,000	1,414,510	1,363,926
Investment income	1,914,380	2,620,769	5,767,474
Development charges earned	-	2,354,082	1,805,856
Developer contributed assets	-	9,682,117	9,021,721
Proceeds from sale of land and other assets	487,030	87,262	87,608
Loss on disposal of tangible capital assets	-	(432,258)	(2,179,058)
Donations	315,590	875,819	2,381,990
Allowance for assessment adjustments - recovery	-	6,500,000	-
Other	692,820	1,016,838	1,041,137
	\$ 7,040,730	\$ 26,329,021	\$ 21,275,227

The Corporation of Haldimand County

Notes to Consolidated Financial Statements

Year Ended December 31, 2017

16. CONTRACTUAL OBLIGATIONS

a) Veolia Water Canada (U.S. Filter) (PSG)

Haldimand County has entered into an agreement with Veolia Water Canada for the operation and maintenance of regional wastewater treatment facilities and pumping stations. This contract expires June 30, 2024 and the annual cost of this contract for 2017 was \$2,387,459 (2016 - \$2,327,051).

As well, Haldimand County negotiated an operating and maintenance agreement with Veolia Water Canada for the Central Water System in Nanticoke and the water systems in Dunnville. This contract expires June 30, 2020. The annual cost of this contract for 2017 was \$2,211,010 (2016 - \$2,047,951).

b) Ontario Provincial Police contract

Haldimand County has entered into a five-year agreement with the Solicitor General of Ontario for the provision of police services. The five-year term expires December 31, 2022. The annual cost of this contract for 2017 was \$7,605,335 (2016 - \$7,567,057).

c) Hamilton Water contract

Haldimand County has entered into a twenty-year contract with the City of Hamilton to purchase water for the supply to Caledonia and Cayuga, this contract expires July 31, 2034. In 2017 Haldimand County paid \$2,301,613 (2016 - \$2,161,489) for water under this contract.

d) Halton Cheshire Homes Inc. mortgage guarantee

Haldimand County has entered into a twenty-five year agreement as the guarantee for the mortgage between Halton Cheshire Homes Inc. as mortgagor and Infrastructure Ontario as mortgagee in the amount of \$999,165. As at December 31, 2017 the balance outstanding was \$751,868. This agreement expires August 31, 2036.

e) Landfill sites

Under the terms of an interim agreement between Haldimand County and Norfolk County, Haldimand County is responsible for the two landfill sites within the geographic boundaries of Haldimand County, which are available for the use of both counties. Ownership of all facilities is vested jointly through Provincial legislation and/or asset allocation through the Arbitrator's Report following restructuring.

17. PENSION AGREEMENTS

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

The amount contributed to OMERS for current service is included as an expenditure on the Consolidated Statement of Operations. The amount contributed to OMERS for 2017 was \$2,451,374 (2016 - \$2,387,352). 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 consolidated financial statements.

The Corporation of Haldimand County

Notes to Consolidated Financial Statements

Year Ended December 31, 2017

18. PUBLIC LIABILITY INSURANCE

Haldimand County has a program of risk identification, evaluation and control to minimize the risk of injury to its employees and to third parties and to minimize the risk of damage to its property and the property of others. It uses a combination of self-insurance and purchased insurance to protect itself financially against the risk that it cannot reasonably control. The municipality has adequate self-insurance coverage. Purchased insurance coverage is in place for claims in excess of these limits to a maximum of \$50,000,000 with the exception of certain environmental liability claims, should such claims arise.

At December 31, 2017 there are outstanding legal and liability claims against Haldimand County, which were assumed from predecessor municipalities. Any insured amounts have not been provided for in the financial statements, as the outcome of the related claim(s) is not in excess of insurance coverage. For claims not covered by purchased insurance, a reserve has been established by Haldimand County (post restructuring), which has a balance at December 31, 2017 of \$1,214,051 (2016 - \$1,182,455).

19. CONTAMINATED SITES

A contaminated site is an unproductive site at which substances occur in concentrations that exceed the maximum acceptable amounts under an environmental standard. A liability for remediation of contaminated sites is recognized when the County is directly responsible or accepts responsibility; it is expected that future economic benefits will be given up; and a reasonable estimate for the amount can be made. All criteria must be met in order to recognize a liability. As at December 31, 2017 there is no liability recorded in the consolidated financial statements. The County will continue to review contaminated sites on an annual basis and when the criteria for recognition have been met, a liability will be recorded.

The Corporation of Haldimand County

Notes to Consolidated Financial Statements

Year Ended December 31, 2017

20. BUDGET FIGURES

The budget adopted by Council 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 now require a full accrual basis to be used. 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 Consolidated Statements of Operations represent the budget adopted by Council with adjustments as follows:

	2017
Budget surplus for the year adopted by Council	\$ -
Add:	
Capital expenditures	34,730,810
Budgeted transfers to accumulated surplus	27,463,060
Principal payments on debt	4,257,680
Less:	
Debt proceeds	(271,000)
Budgeted transfers from accumulated surplus	(34,929,565)
Amortization	(23,700,950)
Budget surplus per Consolidated Statement of Operations	\$ 7,550,035

21. COMPARATIVE FIGURES

Certain prior year figures have been adjusted to conform with the 2017 financial statement presentation.



The Corporation of Haldimand County

Notes to Consolidated Financial Statements

Year Ended December 31, 2017

22. SEGMENTED INFORMATION

The Corporation of Haldimand County is a municipality that provides a wide range of services to its residents. The major services chosen for segmented disclosure are the five departments which consume the greatest amount of the County's total operating expenses. The revenue and expenses reported for each segment includes directly attributable amounts as well as internal charges and recoveries allocated on a reasonable basis.

A description of each major service and the activities each provide are as follows:

General government

The general government includes council and corporate management.

Protection services

The protection services includes fire, police, conservation authority, protection inspection and control, emergency measures, and Provincial Offences Act.

Transportation services

The transportation services department is responsible for the safe and efficient movement of people and goods within Haldimand County. Responsibilities include road construction and maintenance, traffic signals and signs, winter control, developing parking and traffic by-laws, and implementation and maintenance of street lighting.

Environmental services

This segment includes sanitary sewer system, storm sewer system, waterworks system, waste collection and disposal, recycling and administration.

Social and family services

Social and family services includes general assistance for Ontario Works, assistance to aged persons for Grandview Lodge, and child care.

(continues)



The Corporation of Haldimand County

Notes to Consolidated Financial Statements

Year Ended December 31, 2017

22. SEGMENTED INFORMATION (continued)

	General Government	Protection Services	Transportation Services	Enviromental Services	Social and Family Services	Other Services [1]	Consolidated 2017
Revenue							
Government transfers - Federal	\$ 943,532	\$ -	\$ -	\$ 453,337	\$ -	\$ 749,691	\$ 2,146,560
Government transfers - Provincial	4,757,763	154,502	1,621,925	974,877	6,379,216	3,080,100	16,968,383
User charges	3,444,072	207,070	181,325	19,561,069	2,662,288	2,000,667	28,056,491
Other revenue [2]	13,334,790	1,629,853	5,509,018	7,650,083	59,640	775,824	28,959,208
	22,480,157	1,991,425	7,312,268	28,639,366	9,101,144	6,606,282	76,130,642
Expenses							
Salaries, wages and benefits	5,953,732	3,554,488	6,035,594	3,347,088	7,939,083	12,192,833	39,022,818
Materials	414,544	91,510	3,288,899	2,552,870	791,533	350,700	7,490,056
Contracted services	2,140,158	8,999,058	7,122,021	15,504,960	1,768,432	6,079,710	41,614,339
External transfers	64,654	668,042	-	2,023	780,162	2,211,222	3,726,103
Financial expenses	1,055,657	10,213	28,480	844,262	421	57,954	1,996,987
Interest on long term liabilities	-	110,924	-	193,149	532,110	634,783	1,470,966
Amortization	519,279	1,094,984	14,595,061	4,646,689	631,057	2,213,880	23,700,950
	10,148,024	14,529,219	31,070,055	27,091,041	12,442,798	23,741,082	119,022,219
Surplus (deficiency) of revenue over expenses for the year financed by net municipal levy	\$12,332,133	\$(12,537,794)	\$(23,757,787)	\$ 1,548,325	\$(3,341,654)	\$(17,134,800)	\$(42,891,577)
Taxation revenue							66,218,815
Annual surplus							\$ 23,327,238

[1] Other services - Includes health services, social housing, recreation and cultural services and planning and development.

[2] Other revenue - Includes fines, penalties and interest on taxes, recoveries from other municipalities, investment income, sale of assets, prepaid special charges and donations.



The Corporation of Haldimand County

Notes to Consolidated Financial Statements

Year Ended December 31, 2017

22. SEGMENTED INFORMATION (continued)

	General Government	Protection Services	Transportation Services	Enviromental Services	Social and Family Services	Other Services [1]	Consolidated 2016
Revenue							
Government transfers - Federal	\$ 3,103,837	\$ -	\$ -	\$ -	\$ -	\$ 73,606	\$ 3,177,443
Government transfers - Provincial	4,407,333	87,009	1,452,450	673,910	6,306,321	2,987,167	15,914,190
User charges	2,035,477	260,296	1,854,199	18,187,276	2,692,242	1,903,422	26,932,912
Other revenue [2]	7,243,182	1,631,494	5,749,950	6,673,476	55,390	2,298,959	23,652,451
	16,789,829	1,978,799	9,056,599	25,534,662	9,053,953	7,263,154	69,676,996
Expenses							
Salaries, wages and benefits	5,620,281	3,941,645	5,902,334	3,258,990	7,688,863	11,834,669	38,246,782
Materials	239,685	90,634	3,062,403	2,329,653	774,377	403,297	6,900,049
Contracted services	2,403,232	9,615,701	4,973,058	16,826,078	1,747,479	4,625,977	40,191,525
External transfers	62,500	663,978	-	-	1,198,453	3,128,845	5,053,776
Financial expenses	1,607,146	13,184	65,518.00	833,288	402	39,638	2,559,176
Interest on long term liabilities	-	23,461	-	241,224	582,765	621,328	1,468,778
Amortization	463,828	1,053,755	14,419,962	4,711,345	627,762	2,126,667	23,403,319
	10,396,672	15,402,358	28,423,275	28,200,578	12,620,101	22,780,421	117,823,405
Surplus (deficiency) of revenue over expenses for the year financed by net municipal levy	\$ 6,393,157	\$(13,423,559)	\$(19,366,676)	\$(2,665,916)	\$(3,566,148)	\$(15,517,267)	\$(48,146,409)
Taxation revenue							64,059,582
Annual surplus							\$ 15,913,173

[1] Other services - Includes health services, social housing, recreation and cultural services and planning and development.

[2] Other revenue - Includes fines, penalties and interest on taxes, recoveries from other municipalities, investment income, sale of assets, prepaid special charges and donations.



The Corporation of Haldimand County
Library Division - Schedule of Operations
Year Ended December 31, 2017

	Budget 2017	2017	2016
REVENUE			
Government transfers:			
Provincial library operating grant (Ministry of Tourism, Culture and Sport)	\$ 72,438	\$ 72,400	\$ 72,400
Pay equity	6,762	6,762	6,762
Other	5,710	5,286	10,287
Fees and service charges	20,340	21,519	19,792
Fines	30,370	25,892	29,068
Donations	7,900	7,268	7,583
Other revenue	20,200	18,865	20,034
	163,720	157,992	165,926
EXPENSES			
Salaries, wages and benefits	1,243,420	1,145,393	1,180,055
Materials and supplies	84,920	57,551	73,011
Services	184,070	156,251	168,340
Rents and financial expenses	29,000	24,379	27,760
	1,541,410	1,383,574	1,449,166
DEFICIENCY OF REVENUE OVER EXPENSES BEFORE UNDERNOTED ITEMS	(1,377,690)	(1,225,582)	(1,283,240)
Transfer from reserves	(67,140)	-	(8,000)
Transfer to reserves	231,680	316,648	373,189
	164,540	316,648	365,189
DEFICIENCY OF REVENUE OVER EXPENSES FOR THE YEAR FINANCED BY NET MUNICIPAL LEVY	\$ (1,542,230)	\$ (1,542,230)	\$ (1,648,429)

The above financial information is included in the consolidated financial statements of Haldimand County.

See accompanying notes



The Corporation of Haldimand County

Museum Division - Schedule of Operations

Year Ended December 31, 2017

	Budget 2017	2017	2016
REVENUE			
Government transfers	\$ 84,550	\$ 73,595	\$ 94,686
Fees and service charges	13,670	11,626	10,983
Donations	16,990	15,488	17,666
	115,210	100,709	123,335
EXPENSES			
Salaries, wages and benefits	318,460	312,790	296,030
Materials and supplies	41,880	33,155	53,490
Services	51,670	43,613	58,328
Rents and financial expenses	910	555	794
	412,920	390,113	408,642
DEFICIENCY OF REVENUE OVER EXPENSES BEFORE UNDERNOTED ITEMS	(297,710)	(289,404)	(285,307)
Transfer from reserves	(1,200)	(789)	-
DEFICIENCY OF REVENUE OVER EXPENSES FOR THE YEAR FINANCED BY NET MUNICIPAL LEVY	\$ (296,510)	\$ (288,615)	\$ (285,307)

The above financial information is included in the consolidated financial statements of Haldimand County.

See accompanying notes



The Corporation Of Haldimand County

Trust Funds - Financial Statements

December 31, 2017



INDEPENDENT AUDITORS' REPORT

To the Members of Council, Inhabitants and Ratepayers of The Corporation of Haldimand County:

We have audited the accompanying financial statements of the trust funds of The Corporation of Haldimand County, which comprise of the balance sheet as at December 31, 2017 and the statement of continuity 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.

Auditors' 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 Haldimand County's trust funds as at December 31, 2017 and the results of their operations for the year then ended in accordance with Canadian Public Sector Accounting Standards.

August 15, 2018
Simcoe, Ontario

Millard, Rouse & Rosebrugh LLP

Millard, Rouse & Rosebrugh LLP
Chartered Professional Accountants
Licensed Public Accountants

The Corporation of Haldimand County

Balance Sheet - Trust Funds

Year Ended December 31, 2017

	Combined Cemetery Perpetual Care	Grandview Bequest Trust	Grandview Comfort Trust	Total 2017	Total 2016
NET ASSETS					
Cash	\$ 617,003	\$ -	\$ 145,047	\$ 762,050	\$ 726,632
Investments (Note 2)	604,820	-	-	604,820	597,053
Due from Haldimand County	(1,560)	116,001	(4,689)	109,752	154,370
TOTAL NET ASSETS	\$ 1,220,263	\$ 116,001	\$ 140,358	\$1,476,622	\$ 1,478,055
TRUST FUND BALANCE	\$ 1,220,263	\$ 116,001	\$ 140,358	\$1,476,622	\$ 1,478,055

See accompanying notes



The Corporation of Haldimand County

Statement of Continuity - Trust Funds

Year Ended December 31, 2017

	Combined Cemetery Perpetual Care	Grandview Bequest Trust	Grandview Comfort Trust	Total 2017	Total 2016
RECEIPTS					
Sale of plots and markers	\$ 25,576	\$ -	\$ -	\$ 25,576	\$ 30,337
Investment income	14,365	2,124	-	16,489	13,238
Resident contributions	-	-	178,544	178,544	178,493
Donations	-	100	-	100	200
	39,941	2,224	178,544	220,709	222,268
Disbursements					
Transfer to cemetery operations	14,365	-	-	14,365	6,329
Transfer to County (Note 3)	-	44,200	-	44,200	38,910
Transfer to residents	-	-	163,577	163,577	183,115
	14,365	44,200	163,577	222,142	228,354
NET RECEIPTS (DISBURSEMENTS) FOR THE YEAR					
	25,576	(41,976)	14,967	(1,433)	(6,086)
Trust fund balance - beginning of year					
	1,194,687	157,977	125,391	1,478,055	1,484,141
TRUST FUND BALANCE - END OF YEAR					
	\$ 1,220,263	\$ 116,001	\$ 140,358	\$ 1,476,622	\$ 1,478,055

See accompanying notes



The Corporation of Haldimand County

Notes to the Trust Funds Financial Statements

Year Ended December 31, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

Revenue and expenses are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they become available and measurable; disbursements 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.

Measurement uncertainty

The preparation of financial statements in accordance with Canadian Public Sector Accounting Standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period.

Actual results could differ from management's best estimates as additional information becomes available in the future.

2. INVESTMENTS

Trust fund investments of \$604,820 (2016 - \$597,053) reported on the Balance Sheet at cost, have a fair value of \$604,820 (2016 - \$597,053) at the end of the year.

3. TRANSFER TO COUNTY

During the year, the Grandview Bequest Trust contributed to Haldimand County capital projects that were for the benefit of Grandview residents in the amount of \$44,200 (2016 - \$38,910).

4. STATEMENT OF CASH FLOW

A statement of cash flow has not been provided as the information is readily available in the financial statements provided.

