KPMG
cutting through complexity

AUDIT

The Corporation of the County of Dufferin

Audit Findings Report
For the year ended December 31, 2014

KPMG LLP

June, 2015

The contacts at KPMG in connection with this report are:

Matthew Betik
Audit Engagement Partner

Tel: 519-747-8245
Mobile: 519-500-7038
mbetik@kpmg.ca

Brendan Hall
Audit Senior Manager

Tel: 519-747-8273
Mobile: 226-339-1804
bdhall@kpmg.ca

Amanda Haverla

Audit Senior Accountant

Tel: 519-747-8800 ext 7729
aocon@kpmg.ca

Table of Contents

At KPMG, we are **passionate** about earning your **trust**. We take deep **personal accountability**, individually and as a team, to deliver **exceptional service and value** in all our dealings with you.

At the end of the day, we measure our success from the **only perspective that matters – yours**.

Executive summary

Purpose of this report*

The purpose of this Audit Findings Report is to assist you, as a member of Council, in your review of the results of our audit of the consolidated financial statements of the County of Dufferin as at and for the period ended December 31, 2014.

Changes from the Audit Plan

There have been no significant changes regarding our audit from the planning of the engagement.

Status Update

- Legal letters returned to KPMG
- Returned signed copy of the management representation letter

Audit risks and results

We discussed with you at the start of the audit a number of **significant financial reporting risks**.

We are satisfied that our audit work has appropriately dealt with the risks.

We also discussed with you some **other areas of audit focus**. *See pages 5 & 6*

* This Audit Findings Report should not be used for any other purpose or by anyone other than the County of Dufferin & Council. KPMG shall have no responsibility or liability for loss or damages or claims, if any, to or by any third party as this Audit Findings Report has not been prepared for, and is not intended for, and should not be used by, any third party or for any other purpose.

Consolidated Financial Statements

The County of Dufferin Consolidated Financial Statements include the following:

- Proportionate consolidation of the Wellington-Dufferin-Guelph Public Health Unit
- The County's share of revenue and expenses are captured in the statement of operations
- The County's share of assets and liabilities are captured on the statement of financial position at December 31, 2014
- The audit of the Health Unit is performed by a separate audit firm that issued an unqualified opinion on the Health Unit's financial statements in May of 2015

Audit risks and results

Inherent risk of material misstatement is the susceptibility of a balance or assertion to misstatement which could be material, individually or when aggregated with other misstatements, assuming that there are no related controls.

We highlight our significant findings in respect of significant financial reporting risks as identified in our discussion with you in the Audit Plan, as well as any additional significant risks identified.

Significant financial reporting risks	Why	Our significant findings from the audit
Fraud risk from management override of controls	In accordance with Canadian Audit Standards, there is the presumption of a risk of management override. We have not identified additional risks of management override relating to this audit.	• KPMG performed a variety of procedures examining journal entries that were being posted to the general ledger. • Journal entries were selected using various criteria to identify journal entries that could possibly be related to override activities. • No issues were identified in our testing performed.

Audit Areas of Focus

Significant findings from the audit regarding other areas of focus are as follows:

Other areas of focus	Why	Our significant findings from the audit
Cash & Investments	Significant FS Caption	• Confirmations were sent to the County's financial institutions confirming balances; custody over the confirmation submission and receipt process was maintained at all times by KPMG LLP • Reconciling items tested
Payroll	Represents the largest class of expenditures	• Control testing performed • Procedures were performed over payroll expenditures, benefits expense
Tangible Capital Assets	Significant FS Caption	• Tested a sample of additions both to capital assets and WIP in fiscal 2014 • Review of expense accounts to ensure that items related to capital assets were not expensed in 2014 • Recalculation of amortization expenses
Debt	Significant FS Caption	• KPMG sent confirmations to the County's lenders to confirm balance at December 31, 2014. KPMG agreed confirmations to year end balances, and maintained custody of the confirmation process at all times.
Taxation Revenue	Significant FS Caption	• Confirmations were sent by KPMG directly to the lower tier municipalities to confirm taxes levied on behalf of the County for fiscal 2014, and confirmation of any receivable or payable balances at year end relating to lower tier taxes.

Critical accounting estimates

Management is required to disclose information in the consolidated financial statements about the assumptions it makes about the future, and other major sources of estimation uncertainty at the end of the reporting period, that have a significant risk of resulting in a material adjustment to carrying amounts of assets and liabilities within the next financial year. Generally, these are considered to be "critical accounting estimates."

We have summarized our assessment of the subjective areas.

Estimates

Critical Accounting Estimates	Management's process for identification and making accounting estimates are consistent with prior year. The potential impact of measurement uncertainty on the financial statements has been disclosed in the notes to the financial statements. During the course of our engagement, we did not identify instances of management bias in development of estimates.

We believe management's process for identifying critical accounting estimates is considered adequate

Significant accounting policies and practices

Significant accounting policies and practices are disclosed in Note 1 to the financial statements.

Other matters

Professional standards require us to communicate to the Audit Committee (or other body of governance such as Council) Other Matters, such as material inconsistencies or material misstatements between MD&A and the audited financial statements, identified fraud or non-compliance with laws and regulations, consultations with other accountants, significant matters relating to the Company's related parties, significant difficulties encountered during the audit, and disagreements with management.

Other matters

We have highlighted below other significant matters that we would like to bring to your attention:

Matter	KPMG comment
Cash/Prepaid Reclass	• KPMG noted that in our work in connection with reconciling items in the cash section of the audit, we noted that there were cheques that had been written prior to December 31, 2014 that were being added back to the cash balance. Per discussion with management this related to social services cheques that are required to be issued before month end, but are for assistance to the recipient for the following month. • The appropriate treatment would have been to record the item as a prepaid expense as opposed to a reconciling item to cash, thus a reclassification audit difference with no impact on annual surplus.
Easement Access	• During fiscal 2014 the County entered into an agreement to allow Dufferin Wind Power to access and utilize portions of County of Dufferin land which consists of a rail corridor. Dufferin Wind Power provided the County with $1.4M for access for a 45 year period. • The County is not renting land to Dufferin Wind Power, but is providing an easement. An easement allows access and use of the land, but is non-exclusive, meaning that the County could provide other easements to other parties in future periods. • The County of Dufferin is considered to be required to provide an element of service to Dufferin Wind for the next 45 years, and as such should record revenue over that period. • The $1.4M that Dufferin Wind Power has provided to the County is considered to be earned and brought into revenue over the 45 year period, which approximates $31,100 per year. • An audit adjustment has been recorded to defer $1,368,900 of the revenue as at December 31, 2014. • Over each of the next 44 years, $31K will contribute to the County's annual surplus.

Tangible Capital Assets	• There were a couple of bridges/culverts that were recorded in work-in-progress caption at December 31, 2014 but had been put into use before year end, and thus should have been transferred into the respective asset class. Given that these assets have such long lives the approximate impact with respect to additional depreciation expense would have been a nominal amount. • There was a deposit for a snow plow that was made prior to December 31, 2014 and the amount was capitalized into work-in-progress. Given that the asset was not actually available for use at December 31, 2014 the amount should have been recorded as a deposit as opposed to being recorded into tangible capital assets at December 31, 2014. This is a reclassification item, and would not have had an impact on surplus.
Expense Testing	• During our sample of expense testing procedures whereby we are examining expenditures recorded in the general ledger reviewing source documentation to ensure the existence and accuracy of the expenses we identified two invoices which had been recorded incorrectly to the general ledger. • The County had recorded the full Hydro invoice without taking into account a credit that they receive. • Management corrected for the two differences that were identified during the audit, amounting to approximately $12K.
Debt Balances	• The County has long term debt of $20M, which bears interest at rates between 3.24% and 6.38%, while the County is currently carrying $23M in cash, and $7.9M in investments, which earns interest at rates around 2%. Is there an opportunity that funds could be used to pay down debts that may be attracting interest at greater rates than what cash and investments are earning to have the impact of increasing surplus generation in future periods?
Provincial Ambulance Accrual	• Accrual is based off what has been received during the year for the province to cover the County's 50% share operational costs, but doesn't take into account amortization/depreciation. If this were taken into account at December 31, 2014 the result would be a reduction to the amount payable to the province and result in additional grant revenue of approximately $134K. Management intends to reduce this accrual in fiscal 2015, and thus this difference is simply a timing difference.
Financial Statements	• The County reports an annual surplus, meaning that revenues exceeded expenditures on a PSAB basis. • While non-cash in nature the deferral of the Dufferin Wind Power, will result in excess of $30K of revenue for each of the next 40+ years.

Appendices

Appendix 1: Required communications

In accordance with professional standards, there are a number of communications that are required during the course of and upon completion of our audit. These include:

- **Auditors' report** – the conclusion of our audit is set out in our draft auditors' report which will be issued upon approval of the financial statements.

- **Management representation letter** –In accordance with professional standards, copies of the management representation letter are provided to the Council. We will require the management representation letter to be signed to subsequent to the approval of the financial statements, and prior to the issuance of our Auditors' report.

Appendix 2: Independence

KPMG maintains a system of quality control designed to reflect our drive and determination to deliver independent, unbiased advice and opinions, and also meet the requirements of Canadian professional standards.

Professional standards require that we communicate the related safeguards that have been applied to eliminate identified threats to independence or to reduce them to an acceptable level. Although we have policies and procedures to ensure that we did not provide any prohibited services and to ensure that we have not audited our own work, we have applied the following safeguards related to the threats to independence listed above:

- We instituted policies and procedures to prohibit us from making management decisions or assuming responsibility for such decisions
- We obtained pre-approval of non-audit services, and during this pre-approval process we discussed the nature of the engagement and other independence issues related to the services
- We obtained management's acknowledgement of responsibility for the results of the work performed by us regarding non-audit services, and we have not made any management decisions or assumed responsibility for such decisions

Appendix 3: Audit Quality and Risk Management

KPMG maintains a system of quality control designed to reflect our drive and determination to deliver independent, unbiased advice and opinions, and also meet the requirements of Canadian professional standards.

Quality control is fundamental to our business and is the responsibility of every partner and employee. The following diagram summarises the six key elements of our quality control systems.

Visit http://www.kpmg.com/Ca/en/services/Audit/Pages/Audit-Quality-Resources.aspx for more information.

- Other controls include:
  - Technical department and specialist resources provide real-time support to audit teams in the field.
- We conduct regular reviews of engagements and partners. Review teams are independent and the work of every audit partner is reviewed at least once every three years.
- We have policies and guidance to ensure that work performed by engagement personnel meets applicable professional standards, regulatory requirements and the firm's standards of quality.
- All KPMG partners and staff are required to act with integrity and objectivity and comply with applicable laws, regulations and professional standards at all times.

- We do not offer services that would impair our independence.
- The processes we employ to help retain and develop people include:
  - Assignment based on skills and experience;
  - Rotation of partners;
  - Performance evaluation;
  - Development and training; and
  - Appropriate supervision and coaching.
- We have policies and procedures for deciding whether to accept or continue a client relationship or to perform a specific engagement for that client.
- Existing audit relationships are reviewed annually and evaluated to identify instances where we should discontinue our professional association with the client.

Appendix 4: Background and professional standards

Internal control over financial reporting

As your auditors, we are required to obtain an understanding of internal control over financial reporting (ICFR) relevant to the preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on internal control. Accordingly, we do not express an opinion on the effectiveness of internal control.

Our understanding of ICFR was for the limited purpose described above and was not designed to identify all control deficiencies that might be significant deficiencies and therefore, there can be no assurance that all significant deficiencies and other control deficiencies have been identified. Our awareness of control deficiencies varies with each audit and is influenced by the nature, timing, and extent of audit procedures performed, as well as other factors.

Documents containing or referring to the audited financial statements

We are required by our professional standards to read only documents containing or referring to audited financial statements and our related auditors' report that are available through to the date of our auditors' report. The objective of reading these documents through to the date of our auditors' report is to identify material inconsistencies, if any, between the audited financial statements and the other information. We also have certain responsibilities, if on reading the other information for the purpose of identifying material inconsistencies, we become aware of an apparent material misstatement of fact.

We are also required by our professional standards when the financial statements are translated into another language to consider whether each version, available through to the date of our auditors' report, contains the same information and carries the same meaning.

Appendix 5: Current developments

Please visit the Current Developments Update for Audit Committee section of the Audit Committee Institute page for recent developments in IFRS, Canadian securities matters, Canadian auditing and other professional standards and US accounting, auditing and regulatory matters.

The following is a summary of the current developments that are relevant to the Company:

Standard	Summary and implications
PS 3260: Liability for Contaminated Site	• Approved by PSAB in March 2010 • A liability for remediation of contaminated sites should be recognized when an environmental standard exists, contamination exceeds the standard, the County of Dufferin is directly responsible or accepts responsibility, it is expected that future economic benefits will be given up and a reasonable estimate can be made. • Effective for fiscal year beginning January 1, 2015 for the County of Dufferin, with retrospective application to December 31, 2014
GST/HST Harmonized Audits	The Canada Revenue Agency (CRA) has followed through on its intent to focus on public service bodies (e.g., municipalities, universities, colleges, hospitals, schools, associations, charities, non-profits etc.) for purposes of conducting GST/HST audits. Many public service bodies have undergone audits or have been contacted to begin an audit. We offer the following general observations on the impact of the CRA's increased focus on the public sector: • It is important that you have a plan in place for a GST/HST audit, including having a fixed point of contact for the auditor. Planning and managing the audit is as important as having the appropriate policies and procedures. • The CRA has been focusing on documentation, sharing arrangements, grants and sponsorships, and the allocation of inputs between taxable and exempt activities for input tax credit purposes (e.g. the filing of a Section 211 election and claiming of input tax credits on the use of real property). • The CRA has not consistently been applying audit offsets (e.g., allowing unclaimed input tax credits or rebates) that would help minimize the impact of any assessments. Our experience with GST/HST auditors has varied from audit to audit. However, in each case, the taxpayer has the burden of proof. The best approach is to be prepared in advance of receiving that call from CRA.

Consolidated Financial Statements of

THE CORPORATION OF THE COUNTY OF DUFFERIN

Year ended December 31, 2014

THE CORPORATION OF THE COUNTY OF DUFFERIN

Consolidated Financial Statements

Year ended December 31, 2014

Page

Consolidated Financial Statements

KPMG LLP
115 King Street South, 2nd Floor
Waterloo ON N2J 5A3

Telephone 519-747-8800
Fax 519-747-8830
Internet www.kpmg.ca

INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying consolidated financial statements of The Corporation of the County of Dufferin ("the Entity"), which comprise the consolidated statement of financial position as at December 31, 2014 and the consolidated statement of operations, change in net debt, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian 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 an 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 our 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, we consider 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 consolidated financial statements present fairly, in all material respects, the consolidated financial position of The Corporation of the County of Dufferin as at December 31, 2014, and its consolidated results of operations and the changes in its net debt and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

June 11, 2015

Waterloo, Canada

THE CORPORATION OF THE COUNTY OF DUFFERIN

Consolidated Statement of Financial Position

December 31, 2014, with comparative information for 2013

	2014	2013
Financial assets:		
Cash and cash equivalents	$ 23,115,840	$ 20,739,946
Accounts receivable	2,685,574	3,378,086
Temporary investments (note 2)	5,914,275	4,621,375
Long-term investments (note 2)	2,050,000	1,400,000
	33,765,689	30,139,407
Financial liabilities:		
Temporary borrowing	2,500,000	-
Accounts payable and accrued liabilities	6,422,073	6,618,851
Deferred revenue (note 3)	7,298,346	5,524,803
Long-term liabilities (note 4)	20,157,407	18,832,383
Capital lease obligation (note 5)	544,742	578,363
Employee benefits and other liabilities (note 6)	1,649,493	1,636,882
	38,572,061	33,191,282
Net debt	(4,806,372)	(3,051,875)
Non-financial assets:		
Tangible capital assets (note 7)	129,219,831	123,252,242
Prepaid expenses	191,879	144,637
Inventory	70,000	-
	129,481,710	123,396,879
Accumulated surplus (note 8)	$ 124,675,338	$ 120,345,004

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

THE CORPORATION OF THE COUNTY OF DUFFERIN

Consolidated Statement of Operations

Year ended December 31, 2014, with comparative information for 2013

	Budget	2014	2013
Revenue:			
Taxation	$ 31,830,260	$ 31,967,235	$ 30,792,113
User charges	4,103,100	4,133,293	3,943,649
Government contributions (note 14)	28,724,100	28,360,922	27,756,496
Investment income	195,850	340,281	398,932
Developer contributions	646,825	775,152	534,902
Other	5,264,865	6,561,819	5,298,335
Total revenue	70,765,000	72,138,702	68,724,427
Expenses:			
General government	5,906,150	5,970,876	5,451,536
Protection to persons and property	1,067,300	1,408,203	1,112,180
Transportation services	8,359,000	8,383,654	8,556,089
Environmental services	4,837,550	5,001,568	4,841,898
Health services	11,893,000	11,988,246	9,643,652
Community services	26,404,200	26,496,710	24,741,287
Social housing	7,268,100	6,767,420	6,484,859
Recreation and culture services	1,296,200	1,359,409	1,363,486
Planning and development	583,500	432,282	479,526
Total expenses	67,615,000	67,808,368	62,674,513
Annual surplus	3,150,000	4,330,334	6,049,914
Accumulated surplus, beginning of year	120,345,004	120,345,004	114,295,090
Accumulated surplus, end of year	$ 123,495,004	$ 124,675,338	$ 120,345,004

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

THE CORPORATION OF THE COUNTY OF DUFFERIN

Consolidated Statement of Change in Net Financial Assets (Net Debt)

Year ended December 31, 2014, with comparative information for 2013

	2014	2013
Annual surplus	$ 4,330,334	$ 6,049,914
Acquisition of tangible capital assets	(13,281,052)	(14,039,326)
Amortization of tangible capital assets	6,844,050	6,575,518
Loss on sale of tangible capital assets	376,885	324,056
Proceeds on sale of tangible capital assets	92,528	121,442
	(1,637,255)	(968,396)
Change in inventories of supplies	(70,000)	25,212
Change in prepaid expenses	(47,242)	27,348
	(117,242)	52,560
Change in net financial assets	(1,754,497)	(915,836)
Net debt, beginning of year	(3,051,875)	(2,136,039)
Net debt, end of year	$ (4,806,372)	$ (3,051,875)

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

THE CORPORATION OF THE COUNTY OF DUFFERIN

Consolidated Statement of Cash Flows

Year ended December 31, 2014, with comparative information for 2013

	2014	2013
Cash provided by (used in):		
Operating activities:		
Annual surplus	$ 4,330,334	$ 6,049,914
Items not involving cash:		
Amortization	6,844,050	6,575,518
Loss (gain) on sale of tangible capital assets	376,885	324,056
Change in employee benefits and other liabilities	12,611	27,098
Change in non-cash assets and liabilities:		
Accounts receivable	692,512	(702,048)
Accounts payable and accrued liabilities	(196,778)	377,167
Deferred revenue	1,773,543	(187,226)
Inventories of supplies	(70,000)	25,212
Prepaid expenses	(47,242)	27,348
Net change in cash from operating activities	13,715,915	12,517,039
Capital activities:		
Cash used to acquire tangible capital assets	(13,281,052)	(14,039,326)
Proceeds on sale of tangible capital assets	92,528	121,442
Net change in cash from capital activities	(13,188,524)	(13,917,884)
Investing activities:		
Sale of investments	-	350,000
Acquisition of investments	(1,942,900)	-
Net change in cash from investing activities	(1,942,900)	350,000
Financing activities:		
Long-term debt obtained, net of repayments	1,325,024	4,841,391
Capital lease obligation repaid	(33,621)	(32,610)
Net change in temporary borrowings	2,500,000	(4,000,000)
Net change in cash from financing activities	3,791,403	808,781
Net change in cash	2,375,894	(242,064)
Cash and cash equivalents, beginning of year	20,739,946	20,982,010
Cash and cash equivalents, end of year	$ 23,115,840	$ 20,739,946

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

The Corporation of the County of Dufferin (the "County") is a municipality operating pursuant to the Municipal Act. The County provides municipal services such as police, fire, ambulance, public works, planning, environmental, health, community housing, parks and recreation, and other general government operations.

1. Significant accounting policies:

The consolidated financial statements of the County are prepared by management in accordance with Canadian generally accepted accounting principles for governments as recommended by the Public Sector Accounting Board ("PSAB") of the Canadian Institute of Chartered Accountants. Significant accounting policies adopted by the County are as follows:

(a) Basis of consolidation:

(i) Consolidated entities

The consolidated financial statements reflect the assets, liabilities, revenues and expenses of the reporting entity. The reporting entity is comprised of all organizations, committees and local boards accountable for the administration of their financial affairs and resources to the County and which are owned or controlled by the County.

These entities and organizations include:

Dufferin Oaks Home for the Aged
Dufferin County Museum

Interdepartmental and inter-organizational transactions and balances between these entities and organizations have been eliminated.

Under PSAB standards, the County reports only its share of assets, liabilities and results of operations of any government partnerships in which it participates. The County participates in the Wellington-Dufferin-Guelph Public Health Unit to the extent of 21% (2013 - 21%) based on population, as stated in agreement with the other participants, the City of Guelph and the County of Dufferin.

(ii) Trust funds

Trust funds and their related operations administered by the County are not included in these consolidated financial statements.

(b) Basis of accounting:

The County follows the accrual method of accounting for revenues and expenses. Revenues are normally recognized in the year in which they are earned and measurable. Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and/or the creation of a legal obligation to pay.

1. Significant accounting policies (continued):

(c) Government transfers:

Government transfers received relate to public works, social services, child care, housing and health programs. Government transfers paid relate to social services programs. Transfers are recognized in the financial statements as revenues in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made.

(d) Deferred revenue:

Deferred revenue represents licenses, permits and other fees which have been collected, but for which the related services or inspections have yet to be performed. These amounts will be recognized as revenue in the fiscal year the services are performed.

(e) Investment income:

Investment income is reported as revenue in the period earned. When required by the funding government or related Act, investment income earned on deferred revenue is added to the investment and forms part of the deferred revenue balance.

(f) Cash equivalents:

Cash equivalents include short-term highly liquid investments with a term to maturity of 90 days or less at acquisition.

(g) Investments:

Investments consist of bonds and debentures and are recorded at amortized cost. Discounts and premiums arising on the purchase of these investments are amortized over the term of the investments. When there has been a loss in value that is other than a temporary decline in value, the respective investment is written down to recognize the loss.

(h) Employee future benefits:

(i) The County provides certain employee benefits which will require funding in future periods. These benefits include benefits under the Workplace Safety and Insurance Board (“WSIB”) Act, and life insurance extended health and dental benefits, for early retirees.

The costs of sick leave, benefits under the Workplace Safety and Insurance Board Act and life insurance, extended health and dental benefits are actuarially determined using management’s best estimate of salary escalation, accumulated sick days at retirement, insurance and health care cost trends, long-term inflation rates and discount rates.

For self-insured retirement and other employee future benefits that vest or accumulate over the periods of service provided by employees, such as retirement gratuities, compensated absences and health, dental and life insurance benefits for retirees, the cost is actuarially determined using the projected benefits method prorated on service. Under this method, the benefit costs are recognized over the expected average service life of the employee group. Any actuarial gains and losses related to the past service of employees are amortized over the expected average remaining service life of the employee group.

1. Significant accounting policies (continued):

(h) Employee future benefits (continued):

(i) For those self-insured benefit obligations that arise from specific events that occur from time to time, such as obligations for workers' compensation and life insurance and health care benefits for those on disability leave, the cost is recognized immediately in the period the events occur. Any actuarial gains and losses that are related to these benefits are recognized immediately in the period they arise.

(ii) The costs of multi-employer defined contribution pension plan benefits, such as the Municipal Employees Retirement System ("OMERS") pensions, are the employer's contributions due to the plan in the period.

(i) Non-financial assets:

Non financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

(i) Tangible capital assets:

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

Asset	Useful Life - Years
Buildings and components	10 - 50
Equipment	5 - 20
Roads and components	16 - 50
Bridges and culverts	20 - 75
Vehicles	4.5 - 10
Other	5 - 10

Annual amortization is charged in the year following acquisition and in the year of disposal. Assets under construction are not amortized until the year following the year the asset is in service.

(ii) Contributions of tangible capital assets:

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

(iii) Natural resources:

Natural resources that have not been purchased are not recognized as assets in the financial statements.

1. Significant accounting policies (continued):

(i) Non-financial assets (continued):

(iv) 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.

(v) Interest capitalization:

Interest is capitalized whenever external debt is issued to finance the construction of tangible capital assets.

(vi) Leased tangible capital assets:

Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as leased tangible capital assets. All other leases are accounted for as operating leases and the related payments are charged to expenses as incurred.

(vii) Inventories of supplies:

Inventories of supplies held for consumption are recorded at the lower of cost and replacement cost.

(j) Use of estimates:

The preparation of financial statements 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 period. Significant estimates include assumptions used in estimating provisions for accrued liabilities and in performing actuarial valuations of employee future benefits.

In addition, the County's implementation of the Public Sector Accounting Handbook PS3150 has required management to make estimates of historical cost and useful lives of tangible capital assets.

Actual results could differ from these estimates.

2. Investments:

Temporary investments of $5,914,275 (2013 - $4,621,575) consist of guaranteed investment certificates, One Fund public sector group of equity funds and fixed income securities with interest rates varying from 1.85% to 2.10%, all maturing in 2014.

Long-term investments consist of the following:

	2014	2013
One Fund public sector group of equity funds	$ 1,150,000	$ -
Guaranteed Investment certificates	-	500,000
Corporate bonds, maturing from 2021	900,000	900,000
Total	$ 2,050,000	$ 1,400,000

3. Deferred revenue:

The deferred revenue, reported on the consolidated statement of financial position, is made up of the following:

	2014	2013
Federal gas tax	$ 1,196,958	$ 1,524,995
Development charges	4,553,082	3,501,141
Long-term easement access	1,368,900	-
Other	179,406	498,667
Total deferred revenue	$ 7,298,346	$ 5,524,803

Continuity of deferred revenue is as follows:

	2014	2013
Balance, beginning of year	$ 5,524,803	$ 5,712,029
Other revenue	4,517,657	3,040,990
Interest earned	194,660	103,043
Total revenue	10,237,120	3,144,033
Contributions used	(2,938,774)	(3,331,259)
Balance, end of year	$ 7,298,346	$ 5,524,803

4. Long-term liabilities:

(a) The balance of long-term liabilities reported on the consolidated statement of financial position is made up of the following:

	2014	2013
Amortizing debentures, 4.40%, combined semi-annual payments of principal and interest, due January 2016	$ 429,823	$ 701,172
Amortizing debentures, 6.38%, combined semi-annual payments of principal and interest, due December 2022	6,345,000	7,412,000
Amortizing debentures, 4.46%, combined semi-annual payments of principal and interest, due January 2031	3,307,957	3,441,293
Amortizing debentures, 3.75%, combined semi-annual payments of principal and interest, due January 2021	829,643	940,418
Amortizing debentures, 3.24%, combined semi-annual payments of principal and interest, due June 2033	6,012,500	6,337,500
Bank loan, 4.10% combined monthly payments of principal and interest due October 2014	3,232,484	-
Long-term liabilities, end of year	$ 20,157,407	$ 18,832,383

(b) The total principal payments for the next five years, and thereafter, by the County are as follows:

2015	$ 2,108,612
2016	2,061,738
2017	2,013,114
2018	2,114,557
2019	2,058,691
Thereafter	9,800,695
	$ 20,157,407

(c) Total interest on long-term liabilities which are reported on the consolidated statement of operations amounted to $894,829 in 2014 (2013 - $861,733).

5. Obligations under capital leases:

The County has entered into capital leasing arrangements.

Obligation adds under capital leases are due as follows:

Year ending December 31:	
2015	$ 50,000
2016	50,000
2017	50,000
2018	50,000
2019	50,000
Later years, through 2027	400,000
Total minimum lease payments	650,000
Less amount representing interest (at 3.10%)	105,258
Present value of net minimum capital lease payments	$ 544,742

6. Employee benefits and other liabilities:

The employee benefit and other liabilities, reported on the consolidated statement of financial position, are made up of the following:

	2014	2013
Future payments required to WSIB	$ 794,967	$ 830,918
Retiree benefits	602,897	558,083
Wellington-Dufferin-Guelph Public Health Unit	251,629	247,881
Total	$ 1,649,493	$ 1,636,882

The County has established reserve funds to mitigate the future impact of these obligations. Reserves relating to these liabilities are as follows:

	2014	2013
Workplace safety and insurance	$ 1,889,991	$ 1,916,586

6. Employee benefits and other liabilities (continued):

Information about the County's benefit plans is as follows:

	WSIB	Retiree Benefits	2014	2013
Accrued benefit obligation:				
Balance, beginning of year	$ 639,905	$ 566,256	$ 1,206,161	$ 1,148,168
Actuarial gain	(211,587)	-	(211,587)	-
Current benefit cost	56,072	30,350	86,422	114,495
Interest	19,179	24,482	43,661	48,989
Benefits paid	(60,315)	(10,775)	(71,090)	(105,491)
Balance, end of year	443,254	610,313	1,053,567	1,206,161
Unamortized actuarial gain	351,713	(7,416)	344,297	182,840
Wellington-Dufferin-Guelph Public Health	-	251,629	251,629	247,881
Liability for benefits	$ 794,967	$ 854,526	$ 1,649,493	$ 1,636,882

Included in expenses is $8,863 (2013 - $30,895) for amortization of the actuarial gains. The unamortized actuarial gains are amortized over the expected average remaining service life as listed below:

Workplace safety and insurance	10 years
Retiree benefits	15 years

WSIB

With respect to responsibilities under provisions of the Workplace Safety and Insurance Board ("WSIB") Act the County has elected to be treated as a Schedule 2 employer and remits payments to the WSIB as required to fund disability payments. An actuarial estimate of future liabilities has been completed and forms the basis for the estimated liability reported in these financial statements. The most recent actuarial valuation was performed as at December 31, 2013.

The main actuarial assumptions employed for the valuation are as follows:

(a) Interest (discount rate):

The obligation as at December 31, 2014, of the present value of future liabilities and the expense for the 12 months ended December 31, 2014, were determined using a discount rate of 4.25% (2013 - 4.25%).

(b) Compensation expense:

Compensation costs, which include loss of earnings benefits, health care costs and non-economic loss awards, were assumed to increase at rates ranging from 2.25% to 6.0%, depending on the benefit type.

6. Employee benefits and other liabilities (continued):

Retiree benefits

The County pays certain life insurance benefits on behalf of the retired employees as well as extended health and dental benefits for early retirees to age 65. The County recognizes these post-retirement costs in the period in which the employees rendered the services. The most recent actuarial valuation was performed as at December 31, 2011.

The main actuarial assumptions employed for the valuations are as follows:

(a) Interest (discount rate):

The obligation as at December 31, 2014, of the present value of future liabilities and the expense for the 12 months ended December 31, 2014, were determined using a discount rate of 4.25% (2013 - 4.25%).

(b) Medical costs:

Medical costs were assumed to increase at the rate of 6.7% per year reducing to 4.0% per year over by 2020.

(c) Dental costs:

Dental costs were assumed to increase at the rate of 4.0% per year.

Other pension plans:

The municipality makes contribution to the Ontario Municipal Employees Retirement Fund (OMERS) which is a multi-employer plan, on behalf of 242 members of County of Dufferin staff, plus the County's share of 187 Health Unit staff. This plan is a defined benefit plan which specifies the amount of the retirement benefit to be received by the employees based on their length of service and rate of pay. Employees and employers contribute jointly to the plan. The amount contributed to OMERS by the municipality for 2014 was $1,661,732 (2013 - $1,644,370). The contribution rate was 9% - 14.6% depending on age and income level for 2014 (2013 - 9.0% - 14.6%).

Because OMERS is a multi-employer pension plan, any pension plan surpluses or deficits are a joint responsibility of Ontario municipal organizations and their employees. As a result, the municipality does not recognize any share of the OMERS pension surplus or deficit.

7. Tangible capital assets:

2014	Land	Buildings	Equipment	Roads	Bridges and culverts	Vehicles	Assets under construction	Other	Total
Cost									
Balance, beginning of year	$ 9,481,095	$ 77,445,265	$ 7,862,952	$ 73,490,498	$ 19,795,385	$ 5,903,617	$ 5,173,592	$ 5,997,398	$ 205,149,802
Additions	-	2,149,612	606,509	1,642,783	346,108	587,498	7,302,184	646,358	13,281,052
Transfers	-	4,731,948	-	3,737,129	625,556	-	(9,094,633)	-	-
Disposals	-	(80,679)	(314,219)	(2,224,273)	(55,993)	(449,338)	-	-	(3,124,502)
Balance, end of year	$ 9,481,095	$ 84,246,146	$ 8,155,242	$ 76,646,137	$ 20,711,056	$ 6,041,777	$ 3,381,143	$ 6,643,756	$ 215,306,352
Accumulated amortization									
Balance, beginning of year	$ -	$ 31,151,283	$ 3,751,967	$ 34,819,494	$ 6,579,389	$ 2,546,276	$ -	$ 3,049,151	$ 81,897,560
Amortization	-	2,177,767	654,542	2,805,034	289,934	627,852	-	288,921	6,844,050
Disposals	-	(80,680)	(269,271)	(1,855,570)	(55,993)	(393,575)	-	-	(2,655,089)
Balance, end of year	-	33,248,370	4,137,238	35,768,958	6,813,330	2,780,553	-	3,338,072	86,086,521
Net book value, end of year	$ 9,481,095	$ 50,997,776	$ 4,018,004	$ 40,877,179	$ 13,897,726	$ 3,261,224	$ 3,381,143	$ 3,305,684	$ 129,219,831

7. Tangible capital assets (continued):

2013	Land	Buildings	Equipment	Roads	Bridges and culverts	Vehicles	Assets under construction	Other	Total
Cost									
Balance, beginning of year	$ 9,477,392	$ 69,986,793	$ 7,125,990	$ 72,998,860	$ 18,200,655	$ 5,466,899	$ 3,926,958	$ 6,334,750	$ 193,518,297
Additions	3,703	3,233,517	246,351	1,584,593	1,628,108	882,268	6,427,167	33,619	14,039,326
Transfers	-	4,241,626	788,758	-	55,139	-	(5,180,533)	95,010	-
Disposals	-	(16,671)	(298,147)	(1,092,955)	(88,517)	(445,550)	-	(465,981)	(2,407,821)
Balance, end of year	$ 9,481,095	$ 77,445,265	$ 7,862,952	$ 73,490,498	$ 19,795,385	$ 5,903,617	$ 5,173,592	$ 5,997,398	$ 205,149,802
Accumulated amortization									
Balance, beginning of year	$ -	$ 29,311,682	$ 3,308,437	$ 32,781,882	$ 6,415,657	$ 2,325,915	$ -	$ 3,140,792	$ 77,284,365
Amortization	-	1,855,272	686,792	2,853,116	252,249	575,004	-	352,085	6,575,518
Disposals	-	(16,671)	(243,262)	(815,504)	(88,517)	(354,643)	-	(443,726)	(1,962,323)
Balance, end of year	-	31,151,283	3,751,967	34,819,494	6,579,389	2,546,276	-	3,049,151	81,897,560
Net book value, end of year	$ 9,481,095	$ 46,293,982	$ 4,110,985	$38,671,004	$ 13,215,996	$ 3,357,341	$ 5,173,592	$ 2,948,247	$ 123,252,242

7. Tangible capital assets (continued):

(a) Assets under construction:

Assets under construction having a value of $3,381,143 (2013 - $5,173,592) have not been amortized. Amortization of these assets will commence in the year following when the asset is put into service.

(b) Contributed tangible capital assets:

Contributed capital assets have been recognized at fair market value at the date of contribution. The value of contributed assets received during the year is $nil (2013 - $nil).

(c) Works of art and historical treasures:

The County manages and controls various works of art and non-operational historical cultural assets including buildings, artifacts, paintings and sculptures located at County sites and public display areas. These assets are not recorded as tangible capital assets and are not amortized.

(d) Write-down of tangible capital assets:

The write-down of tangible capital assets during the year was $nil (2013 - $nil).

8. Accumulated surplus:

Accumulated surplus consists of individual fund surplus and reserves and reserve funds as follows:

	2014	2013
Surplus:		
Invested in county tangible capital assets	$ 123,394,707	$ 119,597,787
Long-term liabilities to be recovered	(20,157,407)	(18,832,383)
Capital lease obligation	(544,742)	(578,363)
	102,692,558	100,187,041
Operations		
Wellington-Dufferin-Guelph Public Health	3,050,290	2,391,363
Incomplete capital projects awaiting financing	(3,370,777)	(1,516,039)
Incomplete capital projects already financed	10,697,206	7,077,853
Employee benefits	(1,397,864)	(1,389,001)
Total surplus	111,671,413	106,751,217
Reserves and reserve funds set aside by Council:		
Various capital purposes	4,071,201	4,722,781
Contingencies	400,000	400,000
WSIB	1,889,991	1,916,586
Building department	2,627,077	1,386,974
Children's services	976,170	1,161,302
Other current purposes	1,726,584	1,274,825
Winter control	349,902	349,902
Tax rate stabilization	666,029	1,797,286
Dufferin Oaks operations	296,971	584,131
Total reserves and reserve funds	13,003,925	13,593,787
Accumulated surplus	$ 124,675,338	$ 120,345,004

9. Trust funds:

Trust funds administered by the County amounting to $1,012,670 (2013 - $872,339) have not been included in the consolidated statement of financial position nor have their operations been included in the consolidated statement of operations.

10. Commitments:

(a) The County has entered into contracts for capital projects totaling $7,088,457, of which $3,644,927 remains to be spent. These commitments will be funded by municipal tax levies and reserves and reserve funds.

(b) The County was allocated funding of $2,710,000 as of December 31, 2014 for affordable housing projects under the Canada-Ontario Affordable Housing Program. These funds will be used to create new housing units within the County. If the units remain as affordable housing units for a period of 20 years, no amount will be repayable.

(c) The County has various operating contracts for services to be provided over multiple years. The payments for the following five years are as follows:

2015	$ 5,670,883
2016	4,787,937
2017	4,600,656
2018	4,515,007
2019	4,513,724
	$ 24,088,207

11. Social housing obligation:

As part of the Provincial Local Services Realignment Program, the Ontario Housing Corporation (OHC) is still responsible for the servicing of the debentures used to finance the public housing projects transferred to the County of Dufferin under authority of the Social Housing Reform Act, 2000.

11. Social housing obligation (continued):

Information received from the OHC as at December 31, 2014 indicates the following:

Principal payments	$ 154,974
Interest payments	133,876
	$ 288,850
Debentures outstanding at year end	$ 1,969,780

The principal and interest repayments are recovered at source from Federal Social Housing funding provided to the Province and the balance is flowed to or recovered from the Consolidated Municipal Service Manager (County of Dufferin). The County of Dufferin is showing the revenues from the Federal Social Housing funding at gross and recording a transfer to the Province for the recovered amount.

12. Contingent liabilities:

From time to time, the County is subject to claims and other lawsuits that arise in the ordinary course of business, some of which may seek damages in substantial amounts. These claims may be covered by the County's insurance up to a maximum of $50,000,000 per occurrence. Liability for these claims and lawsuits are recorded to the extent that the probability of a loss is likely and it is estimable.

13. Comparative figures:

Certain comparative figures have been reclassified to conform to the current year's presentation.

14. Government contributions:

The County recognizes the transfer of government funding as expenses or revenues in the period that the events giving rise to the transfer occurred. The Government transfers reported on the Statement of Operations are:

	2014	2013
Operating:		
Provincial grants:		
Community services	$ 16,921,707	$ 15,820,189
Housing	914,364	452,535
Other	7,174,469	6,491,465
Subtotal provincial grants	25,010,540	22,764,189
Federal grants:		
Community services	-	13,606
Gas tax	1,730	1,628
Housing	1,025,266	1,050,418
Other	1,499	1,416
Subtotal federal grants	1,028,495	1,067,068
Other municipal:		
Roads	73,415	107,948
Other	54,502	56,721
	127,917	164,669
Total revenues - operating	$ 26,166,952	$ 23,995,926
Capital:		
Provincial grants:		
Housing	$ -	$ 371,192
Other	5,772	146,898
Subtotal provincial grants	5,772	518,090
Federal grants:		
Gas tax	2,030,698	2,665,179
Housing	157,500	553,392
Other	-	23,909
Subtotal federal grants	2,188,198	3,242,480
Total revenues - capital	$ 2,193,970	$ 3,760,570
Total grant revenues	$ 28,360,922	$ 27,756,496

15. Segmented information:

The County of Dufferin is a diversified municipal government institution that provides a wide range of services to its citizens. Distinguishable functional segments have been separately disclosed in the segmented information. The nature of the segments and the activities they encompass are as follows:

(i) General government:
General government revenues and expenses relate to the governance and operations of the County itself and cannot be directly attributed to a specific segment.

(ii) Protection to persons and property:
Protection provides building and septic permits, property information and the emergency management program.

(iii) Transportation services:
Transportation services administer, upgrade, maintain and plan for future requirements for the County road system.

(iv) Environment services:
Environment services consist of waste management in the County, including the compost program, household hazardous waste and electronic goods recycling, the Take it Back product stewardship program and other initiatives that divert waste from landfill sites.

(v) Health services:
Health services include the provision of public health services and land ambulance services.

(vi) Community services:
Community services administrate and deliver community services for the County, including the Ontario Works program, various children's services, homelessness prevention programs, assistance to elderly persons and physically disabled adults and a non-profit long-term care facility.

(vii) Housing services:
Housing services administrate and deliver housing services for the County, including maintaining the centralized waiting list for subsidized housing, managing and operating the County owned properties, administering the Rent Supplement Program and funding the administering of the non-profit, co-operative, municipal and federal housing programs in the County.

15. Segmented information (continued):

(viii) Recreation and cultural services:

Recreation and cultural services provide services meant to improve the health and development of the County's citizens. The County operates and maintains a museum.

(ix) Planning and development:

The planning and development department is responsible for planning and zoning. For the County, this service relates to the operation of the County Forest and support of economic development activities carried out by external agencies.

The accounting policies of the segments are the same as those described in the summary of significant accounting policies. Taxation revenue has been allocated based on the annual net budget of each segment as approved by council.

(in thousands of dollars)

15. Segmented information (continued):

2014	General government	Protection	Transport services	Environment services	Health services	Community services	Housing services	Cultural services	Development services	Total
Revenue:										
Taxation	$ 4,629	$ 347	$ 8,445	$ 3,629	$ 5,334	$ 5,367	$ 2,922	$ 961	$ 333	$ 31,967
Fees and user charges	38	133	78	60	-	3,771	18	35	-	4,133
Grants	88	40	2,048	59	7,131	16,923	2,017	55	-	28,361
Investment income	314	-	2	-	18	-	6	-	-	340
Other income	758	2,065	44	913	117	844	1,620	150	51	6,562
Development charges	-	-	394	-	186	65	120	-	10	775
	$ 5,827	$ 2,585	$ 11,011	$ 4,661	$ 12,786	$ 26,970	$ 6,703	$ 1,201	$ 394	$ 72,138
Expenses:										
Salaries and benefits	$ 2,984	$ 741	$ 1,934	$ 370	$ 3,968	$ 13,604	$ 840	$ 884	$ 125	$ 25,450
Materials and supplies	876	224	1,588	185	1,267	3,126	1,661	308	32	9,267
Contributions to others	138	173	-	122	-	7,182	3,256	-	155	11,026
Contracted services	1,122	255	853	4,321	5,804	498	435	34	120	13,442
Interest expense	112	-	28	-	22	581	152	-	-	895
Rent and financials	1	4	1	-	335	177	-	2	-	520
Amortization	738	11	3,649	4	592	1,296	423	131	-	6,844
Loss on sale of assets	-	-	331	-	-	33	-	-	-	364
	$ 5,971	$ 1,408	$ 8,384	$ 5,002	$ 11,988	$ 26,497	$ 6,767	$ 1,359	$ 432	$ 67,808
Annual surplus (deficit)	$ (144)	$ 1,177	$ 2,627	$ (341)	$ 798	$ 473	$ (64)	$ (158)	$ (38)	$ 4,330

(in thousands of dollars)

15. Segmented information (continued):

2013	General government	Protection	Transport services	Environment services	Health services	Community services	Housing services	Cultural services	Development services	Total
Revenue:										
Taxation	$ 4,333	$ 447	$ 7,925	$ 3,880	$ 4,545	$ 5,412	$ 2,905	$ 1,070	$ 275	$ 30,792
Fees and user charges	13	66	83	51	-	3,672	20	39	-	3,944
Grants	95	27	2,775	-	6,257	15,826	2,698	78	-	27,756
Investment income	375	-	-	-	24	-	-	-	-	399
Other income	563	1,256	86	669	11	720	1,562	213	218	5,298
Development charges	-	-	191	-	21	57	259	-	7	535
	$ 5,379	$ 1,796	$ 11,060	$ 4,600	$ 10,858	$ 25,687	$ 7,444	$ 1,400	$ 500	$ 68,724
Expenses:										
Salaries and benefits	$ 2,876	$ 599	$ 1,933	$ 391	$ 3,215	$ 13,277	$ 870	$ 810	$ 122	$ 24,093
Materials and supplies	556	164	1,894	384	688	2,829	1,461	356	16	8,347
Contributions to others	122	110	-	-	30	6,362	3,132	37	246	10,039
Contracted services	1,048	225	757	4,065	4,917	388	445	31	93	11,969
Interest expense	79	-	39	-	-	586	158	-	-	862
Rent and financials	3	3	1	-	244	207	3	2	-	463
Amortization	767	11	3,633	2	539	1,077	416	128	3	6,576
Loss on sale of assets	-	-	299	-	10	15	-	-	-	325
	$ 5,451	$ 1,112	$ 8,556	$ 4,842	$ 9,643	$ 24,741	$ 6,485	$ 1,364	$ 480	$ 62,674
Annual surplus (deficit)	$ (72)	$ 684	$ 2,504	$ (242)	$ 1,215	$ 946	$ 959	$ 36	$ 20	$ 6,050

THE CORPORATION OF THE COUNTY OF DUFFERIN

Schedule - Service Contract Approval with Ministry of Community and Social Services
(unaudited)

Year ended December 31, 2014

The County has service contracts with the Ministry of Community and Social Services. A requirement of the service contracts is the production of reports by management, which summarizes all revenues and expenditures and any resulting surpluses and deficits relating to the service contracts.

	EDU	MCYS	MCSS	Legislated cost share	Total	Expenditures	Surplus/ (Deficit)
Ontario works administrative	$ -	$ -	$ 844,650	$ 844,650	$ 1,689,300	$ 1,689,959	$ (330)
Learning, earning and parenting	-	-	886	114	1,000	500	443
Addiction services	-	-	22,324	2,872	25,196	25,196	-
Employment assistance	-	-	360,264	46,355	406,619	406,619	-
Time-limited projects	-	-	55,500	-	55,500	55,500	-
	-	-	1,283,624	893,991	2,177,615	2,177,774	113
Ontario early years centre	476,104	-	-	-	467,104	860,597	(384,493)
Data analysis coordinator	33,502	-	-	-	33,502	42,932	(9,430)
EDC planning	21,202	-	-	-	21,202	21,200	2
	530,808	-	-	-	530,808	924,729	(393,921)
Early literacy specialist	-	33,500	-	-	33,500	33,500	-
Children’s community support-other	-	6,196	-	-	6,196	5,890	306
	-	39,696	-	-	39,696	39,930	306
Total	$ 530,808	$ 39,696	$ 1,283,624	$ 893,991	$ 2,478,119	$ 3,141,893	$ (393,502)