

AGENDA

SPECIAL COUNCIL MEETING

Monday, July 8, 2019, Call to Order 2:00 p.m. in Council Chambers, 2:05 p.m. for Closed Session, Reconvene into Open Council Meeting at 3:00 p.m. in Council Chambers

Halton Hills Town Hall, Council Chambers

1 Halton Hills Drive

WE REQUEST YOUR CO-OPERATION IN MAINTAINING THE FOCUS AT COUNCIL MEETINGS. PLEASE REFRAIN FROM TALKING DURING DELEGATION PRESENTATIONS, AND PLEASE ENSURE THAT ALL PAGERS AND CELLULAR TELEPHONES ARE SWITCHED TO A NON-AUDIBLE FUNCTION

Pages

1. OPENING OF THE COUNCIL MEETING

2:00 p.m. Council Chambers

2. DISCLOSURES OF PECUNIARY INTEREST/CONFLICT OF INTEREST

3. CLOSED SESSION

1. REPORT NO. ADMIN-2019-0027

OFFICE OF THE CAO REPORT NO. ADMIN-2019-0027 dated June 25, 2019 regarding a trade secret or scientific, commercial or financial information that belongs to the municipality or local board and has monetary value or potential monetary value.

2. REPORT NO. ADMIN-2019-0026

OFFICE OF THE CAO REPORT NO. ADMIN-2019-0026 dated June 25, 2019 regarding personal matters about an identifiable individual, including municipal or local board employees. (HHCEC Board Appointments)

3. REPORT NO. TPW-2019-0028

TRANSPORTATION AND PUBLIC WORKS REPORT NO. TPW-2019-0028 dated June 27, 2019 regarding a proposed or pending acquisition or disposition of land by the municipality or local board.

4. REPORT NO. RP-2019-0027

RECREATION AND PARKS REPORT NO. RP-2019-0027 dated June 27, 2019 regarding a trade secret or scientific, technical, commercial, financial or labour relations information, supplied in confidence to the municipality or local board, which, if disclosed, could reasonably be expected to prejudice significantly the competitive position or interfere significantly with the contractual or other negotiations of a person, group of persons, or organizations. (Special Event Agreement)

(Distribution to Council Members and Senior Management)

4. RECONVENE INTO OPEN SESSION

5. GENERAL COMMITTEE

COUNCIL TO CONVENE INTO GENERAL COMMITTEE

Councillor Jane Fogal, Chair

1. DELEGATIONS/PRESENTATIONS REGARDING ITEMS IN GENERAL COMMITTEE

a. Lois Ouellette of KPMG and Moya Leighton, Manager of Accounting and Town Treasurer

Opening Remarks By M. Leighton followed by a Presentation by L. Ouellette and M. Leighton regarding Annual Financial Report and Financial Information Return.

(Refer to Item No. 5.2.a of this Agenda, Report No. CORPSERV-2019-0015)

2. MUNICIPAL OFFICERS REPORTS TO BE CONSIDERED BY GENERAL COMMITTEE

a. REPORT NO. CORPSERV-2019-0015 (AUTOMATIC HOLD)

4

CORPORATE SERVICES REPORT NO. CORPSERV-2019-0015 dated May 21, 2019 regarding 2018 Financial Statements, Management Discussion and Analysis, and Financial Information Return.

b. REPORT NO. CORPSERV-2019-0028

212

CORPORATE SERVICES REPORT NO. CORPSERV-2019-0028 dated June 13, 2019 regarding Operating Budget Status as at December 31, 2018 and Final Operating Surplus Distribution.

c.	REPORT NO. CORPSERV-2019-0004	223
	CORPORATE SERVICES REPORT NO. CORPSERV-2019-0004 dated June 26, 2019 regarding Capital Budget Status as at December 31, 2018.	
d.	REPORT NO. CORPSERV-2019-0017	241
	CORPORATE SERVICES REPORT NO. CORPSERV-2019-0017 dated June 3, 2019 regarding 2018 Financial Statements, Financial Information Return and Audit Findings Report.	
e.	REPORT NO. CORPSERV-2019-0005	244
	CORPORATE SERVICES REPORT NO. CORPSERV-2019-0005 dated June 26, 2019 regarding 2018 Completed Capital Projects.	
f.	REPORT NO. CORPSERV-2019-0012	258
	CORPORATE SERVICES REPORT NO. CORPSERV-2019-0012 dated June 14, 2019 regarding 2018 Treasurer's Statement for Development Charges Reserve Funds, Parkland Dedication Reserve Fund and the Public Benefits Reserve Fund.	
g.	REPORT NO. CORPSERV-2019-0029	270
	CORPORATE SERVICES REPORT NO. CORPSERV-2019-0029 dated July 3, 2019 regarding Federal Gas Tax One-Time Payment.	

3. ADJOURN BACK INTO COUNCIL

6. REPORTS AND RECOMMENDATIONS FORWARDED FROM GENERAL COMMITTEE FOR APPROVAL

7. MOTION TO ADOPT CLOSED SESSION ITEMS

8. CONSIDERATION OF BYLAWS

1.	BY-LAW NO. 2019-0029	277
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A By-law to adopt the proceedings of the Special Council Meeting held on the 8th day of July 2019 and to authorize its execution.

9. ADJOURNMENT

REPORT

REPORT TO: Mayor Bonnette and Members of Council

REPORT FROM: Dana Stanescu, Accounting Supervisor

DATE: May 21, 2019

REPORT NO.: CORPSERV-2019-0015

RE: 2018 Financial Statements, Management Discussion and Analysis, and Financial Information Return

RECOMMENDATION:

THAT Report CORPSERV-2019-0015 dated May 21, 2019 regarding the 2018 Financial Statements, Management Discussion and Analysis, and Financial Information Return be received;

AND FURTHER THAT the 2018 audited draft Financial Statements, and Financial Information Return be approved as presented and forwarded to Council for approval;

AND FURTHER THAT the 2018 Management Discussion and Analysis be received as information;

AND FURTHER THAT the 2018 audit findings report (Appendix C) be received as information and forwarded to Council for information.

BACKGROUND:

This report is presented in order to provide General Committee with an overview of the 2018 Financial Statements, and Financial Information Return (FIR). The Financial Statements have been prepared by staff in accordance with Canadian Public Sector Accounting Standards for local governments as recommended and established by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada. These statements have been audited by the Town's external auditors KPMG, LLP, who have provided an audit findings report (Appendix C).

Approval is requested from Committee for the audited draft 2018 Financial Statements and FIR. As in other years, it will be presented to Council following the General Committee Meeting.

In addition, a Management Discussion and Analysis is also included to provide General Committee with a narrative to accompany the draft financial statements.

COMMENTS:

The attached financial statements (Appendix A) are presented in draft format and will be finalized pending Council approval on June 17, 2019.

In addition to the Financial Information Return (FIR), the draft 2018 Financial Statements consist of:

- the Consolidated draft Financial Statements of the Town including the Halton Hills Public Library, the Acton Business Improvement Area, the Georgetown Central Business Improvement Area and Investment in Halton Hills Community Energy Corp. (HHCEC)
- the draft Trust Fund Statements administered by the Town

For the FIR, the Municipal Act, 2001, S.O.2001, c25 as amended, specifically states that each municipality will annually report on its financial affairs, accounts and transactions.

The purpose of the FIR is to gather specified information on the finances of municipalities across Ontario, which is then stored on the Ministry of Municipal Affairs and Housing server. The data is publicly available on the Ministry's website. It is used by the Ministries for policy development, evaluation and monitoring. Other users include the Local Planning Appeal Tribunal, municipalities, municipal associations, Statistics Canada, other provinces, the investment and banking communities, debenture holders, the academic community, consultants and others interested in the municipal sector.

The Management Discussion and Analysis (MD&A) (Appendix B) is a narrative prepared by the Treasurer and staff to supplement the 2018 financial results. An MD&A is an audited document which is intended to supply the reader of the financial statements with a balanced commentary of the Town's financial performance, systems, controls, legal compliance, financial position and financial condition. It also highlights forward-looking information and any future impact on the Town.

The audit findings report is presented to Committee following the completion of the Town's audit each year. It outlines the audit risks associated with any findings that might have arisen throughout the course of the audit. It also provides an overview of KPMG's approach to audit quality and risk management alongside information on any upcoming regulatory developments pertaining to the Town.

RELATIONSHIP TO STRATEGIC PLAN:

This report supports Council's current "Top Eight" priorities through:

Effective, efficient and economical delivery of the Town's existing services.

FINANCIAL IMPACT:

There is no financial impact directly associated with this report.

CONSULTATION:

Corporate Services staff was consulted throughout the preparation of the 2018 Financial Statements.

PUBLIC ENGAGEMENT:

There is no public engagement associated with this report.

SUSTAINABILITY IMPLICATIONS:

The Sustainability Implications of the recommendations of this report were reviewed against the requirements of the Town's Sustainability Implications Worksheet. The Worksheet is completed for substantial non-administrative reports, major projects, studies, policies and initiatives that are relevant to advancing the Town's economic, cultural, environmental and social wellbeing, and quality of life. Since this report is none of the latter, the Sustainability Implications section is not applicable.

COMMUNICATIONS:

Notification to residents is made via the Council agenda and the Town's website. Once approved by Council, the Financial Statements, FIR and MD&A will be incorporated into the Town's annual Financial Report. This report will be posted on the Town's website, and residents can also contact the Service Halton Hills counter to request a printed copy.

CONCLUSION:

Once the draft statements have been approved by Council, the annual financial report will be published, which will include the Town's consolidated financial statements, separate financial statements for the Halton Hills Public Library, the Acton Business Improvement Area, the Georgetown Central Business Improvement Area and the Halton Hills Community Energy Corporation (HHCEC).

Reviewed and Approved by,

A handwritten signature in black ink, appearing to read "M. J. Leighton".

Moya Jane Leighton, Manager of Accounting and Town Treasurer

A handwritten signature in black ink, appearing to read "Jane Diamanti".

Jane Diamanti, Commissioner of Corporate Services

A handwritten signature in black ink, appearing to read "Brent Marshall".

Brent Marshall, Chief Administrative Officer

TOWN OF HALTON HILLS

2018 Financial Statements and
Financial Information Return

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Table of Contents

	PAGE NUMBER
INDEPENDENT AUDITOR'S REPORT	1
CONSOLIDATED STATEMENT OF FINANCIAL POSITION	2
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS	3
CONSOLIDATED STATEMENT OF OPERATIONS	4
CONSOLIDATED STATEMENT OF CASH FLOWS	5
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS	6
TRUST FUNDS	
Independent Auditor's Report	31
Statement of Financial Position	32
Statement of Change in Net Financial Assets	33
Statement of Operations	34
Statement of Cash Flows	35
Notes to Financial Statements	36
HALTON HILLS LIBRARY BOARD	
Independent Auditor's Report	38
Statement of Financial Position	39
Statement of Change in Net Financial Assets	40
Statement of Operations	41
Statement of Cash Flows	42
Notes to Financial Statements	43
ACTON BUSINESS IMPROVEMENT AREA	
Independent Auditor's Report	49
Statement of Financial Position	52
Statement of Change in Net Financial Assets	53
Statement of Operations	54
Statement of Cash Flows	55
Notes to Financial Statements	56
GEORGETOWN CENTRAL BUSINESS IMPROVEMENT AREA	
Independent Auditor's Report	59
Statement of Financial Position	62
Statement of Change in Net Financial Assets	63
Statement of Operations	64
Statement of Cash Flows	65
Notes to Financial Statements	66

	PAGE NUMBER
HALTON HILLS COMMUNITY ENERGY CORPORATION	
Independent Auditor's Report	70
Statement of Financial Position	73
Statement of Change in Net Financial Assets	75
Statement of Operations	76
Statement of Cash Flows	77
Notes to Financial Statements	78
2018 Financial Information Return	109

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This page is reserved for the Independent Auditors' Report issued by KPMG related to their audit of the consolidated financial statements for the Corporation of the Town of Halton Hills

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THE CORPORATION OF THE TOWN OF HALTON HILLS
Consolidated Statement of Financial Position
December 31, 2018, with comparative information for 2017

	2018	2017
Financial assets		
Cash	\$ 4,338,742	\$ 6,162,358
Short-term investments (Note 2)	73,061,443	68,417,557
Taxes receivable (Note 3)	5,424,874	4,542,809
Accounts receivable	1,713,340	2,197,395
Long-term receivables (Note 4)	1,823,142	2,114,067
Investment - HHCEC (Note 5)	47,878,544	47,497,246
Inventory	15,570	13,922
	134,255,655	130,945,354
Financial Liabilities		
Accounts payable and accrued liabilities (Note 7)	6,574,474	6,294,666
Other current liabilities	8,155,053	8,468,257
Deferred revenue (Note 8)	9,301,275	12,591,600
Employee benefits obligation (Note 9)	3,148,700	3,031,984
Liability for contaminated sites (Note 10)	375,952	367,500
Liability for post closure solid waste landfill (Note 11)	140,902	121,643
Long-term liabilities (Note 12)	23,925,060	27,981,565
	51,621,416	58,857,215
Net financial assets	82,634,239	72,088,139
Non-financial assets (Note 14)		
Tangible capital assets - net (Note 15)	326,630,202	332,895,930
Prepaid expenses and inventory	1,034,872	908,904
	327,665,074	333,804,834
Accumulated surplus (Note 16)	\$ 410,299,313	\$ 405,892,973
Contingent liabilities (Note 17)		
Lease commitments (Note 18)		

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

THE CORPORATION OF THE TOWN OF HALTON HILLS
Consolidated Statement of Change in Net Financial Assets
Year ended December 31, 2018, with comparative information for 2017

	Budget (Note 23)	2018	2017
Annual surplus	\$ 6,248,473	\$ 4,406,340	\$ 8,933,709
Acquisition of tangible capital assets	(12,482,561)	(12,482,561)	(15,756,631)
Amortization of tangible capital assets	17,369,886	17,922,371	18,350,776
(Gain) loss on disposal of tangible capital assets	-	673,182	-
Proceeds on sale of tangible capital assets	-	152,736	-
Change in prepaid expenses and inventory	-	(125,968)	(99,370)
Change in net financial assets	11,135,798	10,546,100	11,428,484
Net financial assets, beginning of year	72,088,139	72,088,139	60,659,655
Net financial assets, end of year	\$ 83,223,937	\$ 82,634,239	\$ 72,088,139

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

THE CORPORATION OF THE TOWN OF HALTON HILLS
Consolidated Statement of Operations
Year ended December 31, 2018, with comparative information for 2017

	Budget (Note 23)	2018	2017
Revenues			
Taxation	\$ 48,948,100	\$ 50,293,503	\$ 47,269,959
User fees and charges	7,208,798	7,433,145	6,985,311
Government transfers			
Federal (Note 19)	2,613,600	1,864,256	2,271,607
Provincial (Note 19)	2,048,300	3,101,968	1,883,982
Other municipalities	-	619,449	1,818,695
Investment income	900,000	1,920,591	1,783,034
Development charges	8,593,450	5,577,272	6,830,187
Donated tangible capital assets	-	297,489	1,874,482
Donations	500	121,739	348,692
Interest from HHCEC (Note 5)	665,000	665,049	665,049
Equity income from HHCEC (Note 5)	1,692,000	2,073,249	2,693,525
Other	5,072,222	5,782,427	5,131,606
	77,741,970	79,750,137	79,556,129
Expenses			
General government	11,067,132	13,259,050	11,705,085
Protection services	12,079,672	11,764,788	11,063,681
Transportation services	22,158,419	22,787,697	22,394,707
Environmental services	1,212,479	1,361,917	1,358,689
Health services	276,974	352,520	276,946
Social and family services	904,620	920,659	863,001
Recreation and cultural services	20,188,312	20,435,543	19,435,584
Planning and development	4,299,181	4,461,623	3,524,727
	72,186,789	75,343,797	70,622,420
Annual surplus	5,555,181	4,406,340	8,933,709
Accumulated surplus, beginning of year	405,892,973	405,892,973	396,959,264
Accumulated surplus, end of year (Note 16)	\$ 411,448,154	\$410,299,313	\$405,892,973

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

THE CORPORATION OF THE TOWN OF HALTON HILLS

Consolidated Statement of Cash Flows

Year ended December 31, 2018, with comparative information for 2017

	2018	2017
Operating Activities		
Annual surplus	\$ 4,406,340	\$ 8,933,709
Items not affecting cash:		
(Gain) loss on disposal of tangible capital assets	673,182	-
Amortization of tangible capital assets	17,922,371	18,350,776
Donated tangible capital assets	(297,489)	(1,874,482)
Change in employee benefit obligation	116,716	975,220
Change in liability for contaminated sites	8,452	17,500
Change in liability for post closure solid waste landfill	19,259	(7,608)
Equity income from HHCEC	(2,073,249)	(2,693,525)
Changes in non-cash working capital:		
Taxes receivable	(882,065)	16,317
Accounts receivable	484,055	3,272,152
Prepaid expenses and inventory	(125,968)	(99,370)
Accounts payable and accrued liabilities	279,808	187,704
Other current liabilities	(313,204)	341,671
Deferred revenue	(3,290,325)	(150,396)
Inventory	(1,648)	638
Net change in cash from operations	16,926,235	27,270,306
Capital Activities		
Acquisition of tangible capital assets	(12,185,072)	(13,882,149)
Proceeds on sale of tangible capital assets	152,736	-
Net change in cash from capital activities	(12,032,336)	(13,882,149)
Investing Activities		
(Acquisition) redemption of investments	(4,352,961)	(10,293,825)
Dividends from HHCEC	1,691,951	1,691,951
Net change in cash from investing activities	(2,661,010)	(8,601,874)
Financing Activities		
Long-term debt issued	222,770	415,467
Long-term debt repaid	(4,279,274)	(4,696,984)
Net change in cash from financing activities	(4,056,505)	(4,281,517)
Net change in cash activities	(1,823,616)	504,766
Cash, beginning of year	6,162,358	5,657,592
Cash, end of year	\$ 4,338,742	\$ 6,162,358

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

THE CORPORATION OF THE TOWN OF HALTON HILLS

Notes to Consolidated Financial Statements

Year ended December 31, 2018

1. Summary of Significant Accounting Policies

The consolidated financial statements of The Corporation of the Town of Halton Hills (Town) are the representation of the Town's management prepared in accordance with Canadian public sector accounting standards as recommended by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada.

Significant accounting policies adopted by the Town are as follows:

(a) Basis of Consolidation

(i) Consolidated entities

These consolidated financial statements reflect the assets, liabilities, revenue, and expenses of the reporting entity (excluding Halton Hills Community Energy Corporation see (ii) below). The reporting entity is comprised of all organizations, local boards and committees accountable for the administration of their financial affairs and resources, to the Town, and which are owned and controlled by the Town. The following local boards are included in these consolidated financial statements:

The Halton Hills Library Board
Acton Business Improvement Area
Georgetown Central Business Improvement Area

All material interdepartmental and organizational transactions and balances are eliminated on consolidation.

(ii) Investment in Halton Hills Community Energy Corporation (HHCEC)

The Town's investment in Halton Hills Community Energy Corporation (HHCEC) is accounted for on a modified equity basis, consistent with Canadian public sector accounting standards. Under the modified equity basis, HHCEC's accounting principles are not adjusted to conform with those of the Town and inter-organizational transactions and balances are not eliminated. The Town recognizes its equity interest in the annual income or loss of HHCEC in its statement of operations with a corresponding increase or decrease in its investment asset account. Any dividends that the Town may receive from HHCEC will be reflected as reductions in the investment asset account.

(iii) Accounting for region and school board transactions

The taxation, other revenues, expenses, assets and liabilities with respect to the operations of the school boards and the Region of Halton are not reflected in the these consolidated financial statements.

(iv) Trust funds

Trust funds and their related operations administered by the Town are not consolidated, but are reported separately on the trust funds financial statements.

1. Summary of Significant Accounting Policies (Continued)

(b) (i) Basis of accounting

Revenues and expenses are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they are earned 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.

(ii) Investments

Short term investments are carried at the lower of cost and market value.

(iii) Inventory

Inventory is valued at the lower of cost and net realizable value.

(iv) Tangible capital assets

- (a) Tangible capital assets are recorded at cost plus all directly related charges incurred in order to bring the asset into a condition ready for use by the Town. Cost includes amounts that are directly attributed to acquisition, construction, development or betterment of the asset. Tangible capital assets are amortized on a straight-line basis over the estimated useful life of the asset. The only exception as noted below is for land, which is considered to have an infinite life. Amortization costs are recorded in the Consolidated Statement of Operations and are calculated and charged monthly against the appropriate asset class. The asset categories and useful lives are as follows:

ASSETS	USEFUL LIFE (YEARS)
Land	Infinite
Land improvements	3-100
Buildings	10-50
Equipment	3-25
Vehicles	3-20
Linear assets	5-50
Leasehold improvements	Duration of lease

The Town regularly reviews its tangible capital assets to eliminate obsolete items.

Assets under construction (construction in progress) are not amortized until the asset is available for productive use. Interest on debt incurred during construction of related tangible capital assets is expensed in the consolidated statement of operations.

- (b) Contributed and donated tangible capital assets are recorded at their fair value at the date of receipt and are also recorded as revenue.

THE CORPORATION OF THE TOWN OF HALTON HILLS

Notes to Consolidated Financial Statements

Year ended December 31, 2018

1. Summary of Significant Accounting Policies (Continued)

(v) Taxation and related revenues

Property tax billings are prepared by the Town based on assessment rolls issued by the Municipal Property Assessment Corporation (MPAC) based upon Current Value Assessment (CVA). Tax rates are established annually by Town Council, incorporating amounts to be raised for local services and the requisition made by the Region of Halton in respect of regional services. The Town is required to collect education taxes on behalf of the Province of Ontario. Requisitions from the Region of Halton and the Province for education taxes are not reported in taxation revenue on the statement of operations. A mandatory property tax mitigation process exists in Ontario whereby commercial, industrial and multi-residential property tax increases are capped at the greater of 10% of the previous year's actual taxes and 5% of the previous year's actual CVA taxes. The cap is funded through a reserve at the Region. A normal part of the assessment process is the issue of supplementary assessment rolls which provide updated information with respect to changes in property assessment. Once a supplementary assessment roll is received the Town determines the taxes applicable and renders supplemental tax billings. Taxation revenues and related services are recognized when they meet the definition of an asset, the tax is authorized and the taxable event has occurred. Assessments and the related property taxes are subject to appeal. Tax adjustments as a result of appeals are recorded when the result of the appeal process is known.

The Town is entitled to collect interest and penalties on overdue taxes. These revenues are recorded in the period the interest and penalties are levied.

(vi) Deferred revenue

Receipts which are restricted by governments or by agreement with external parties are in nature restricted revenues and are reported as deferred revenues. When qualifying expenses are incurred, deferred revenues are brought into revenue in the fiscal period they are expended.

(vii) Investment income

Investment income earned on surplus current funds, reserves and reserve funds (other than obligatory reserve funds) are reported as revenue 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.

(viii) Other revenue recognition

Other revenue received throughout the year is recognized on an accrual basis when collectability is reasonably assured.

1. Summary of Significant Accounting Policies (Continued)

(ix) Government transfers

Government transfers are recognized as revenue in the financial statements when the transfer is authorized, any eligibility criteria are met and a reasonable estimate of the amount can be made except, when and to the extent that, stipulations by the transferor give rise to an obligation that meets the definition of a liability. Government transfers that meet the definition of a liability are recognized as revenue as the liability is extinguished.

(x) Employee benefits obligation

The Town 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 extended health and dental benefits for a closed group of early retirees. An independent actuarial study to determine the costs of benefits under the Workplace Safety and Insurance Board Act and liabilities for future payments of extended health and dental benefits has been undertaken using management's best estimate of insurance and health care cost trends, long term inflation rates and discount rates. Unamortized actuarial gains and losses are amortized over the expected average remaining service life of the employee group (EARSL). EARSL is 13.42 years for WSIB and 14 years for extended health and dental benefits.

(xi) Liability for contaminated sites

On January 01, 2015, the Town adopted Public Sector Accounting Standard PS 3260 Liability for Contaminated Sites. Contaminated sites are defined as the result of contamination being introduced in air, soil, water or sediment of a chemical, organic, or radioactive material or live organism that exceeds an environmental standard.

A liability for remediation of contaminated sites is recognized, net of any expected recoveries, when all of the following criteria are met:

- a) An environmental standard exists
- b) Contamination exceeds the environmental standard
- c) The organization is directly responsible or accepts responsibility for the liability
- d) Future economic benefits will be given up, and
- e) A reasonable estimate of the liability can be made.

The liability is estimated based upon information that is available when the financial statements are prepared. It is based upon the costs directly attributable to the remediation activities required using a present value measurement technique.

1. Summary of Significant Accounting Policies (Continued)

(xii) Liability for post closure solid waste landfill

The Town accrues landfill post closure costs including pumping of ground water and leachates from the site, and ongoing environmental monitoring, site inspection and maintenance. The estimated costs to maintain solid waste landfill sites are based on estimated future expenses, discounted, adjusted for estimated inflation, and reduce the liability when paid.

Future events may result in significant changes to the estimated total expenses and the estimated liabilities, and would be recognized prospectively, as a change in estimates, when applicable.

(xiii) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and balances with banks and investments in money market instruments, with a term to maturity of 90 days or less at acquisition. Investing and financing activities that do not require the use of cash or cash equivalents are excluded from the Consolidated Cash Flow Statement and disclosed separately.

(xiv) 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, 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, doubtful accounts, in performing actuarial valuations of employee future benefits, estimating the liabilities for contaminated sites and post closure solid waste landfill.

The Town's implementation of PS3150 has also required management to make estimates of historical costs, useful lives and residual values of tangible capital assets.

Actual results could differ from these estimates.

(xv) Long-term receivables

The long-term receivables are valued at cost. Recoverability is assessed annually and a valuation allowance is recorded when recoverability has been impaired. The loan receivable is written off when it is no longer recoverable. Recoveries of loans receivable previously written off are recognized in the year received. Interest revenue is recognized as it is earned. Loans with significant concessionary terms, (such as non-interest bearing loans), are accounted for as a grant which is shown as an expense on the Consolidated Statement of Operations. Long-term receivables are reported in Note 4.

1. Summary of Significant Accounting Policies (Continued)

(xvi) Related Party Disclosures

On January 01, 2018, the Town adopted Public Sector Accounting Standard PS 2200 Related Party Disclosures. This section defines related parties and establishes disclosures required for related party transactions. Disclosure of information about related party transactions and the relationship underlying them is required when they have occurred at a value different from that which would have been arrived at if the parties were unrelated, and they have, or could have, a material financial effect on the financial statements.

(xvii) Contingent Assets

On January 01, 2018, the Town adopted Public Sector Accounting Standard PS 3320 Contingent Assets. Contingent assets are possible assets arising from existing conditions or situations involving uncertainty. That uncertainty will ultimately be resolved when one or more future events not wholly within the Town's control occur or fail to occur. Resolution of the uncertainty will confirm the existence or non-existence of the asset.

(xviii) Contractual Rights

On January 01, 2018, the Town adopted Public Sector Accounting Standard PS 3380 Contractual Rights. This section establishes disclosure standards on contractual rights, and does not include contractual rights to exchange assets where revenue does not arise. Contractual rights are distinct from contingent assets as there is no uncertainty related to the existence of the contractual rights.

THE CORPORATION OF THE TOWN OF HALTON HILLS

Notes to Consolidated Financial Statements

Year ended December 31, 2018

2. Short-term Investments

The Town pools its investment money with Halton Region in an effort to obtain a better rate of return. The Town is able to withdraw from funds as needed with no restrictions. The Town has \$73,061,443 (2017 - \$68,417,557) invested in the fund as at December 31, 2018. The market value of the investment is \$72,281,760 (2017 - \$68,510,666). During 2018, the invested funds earned a realized year-to-date rate of return, net of fees, of 2.86%.

3. Taxes Receivable

Included in taxes receivable of \$5,424,874 (2017 - \$4,542,809) as reported on the Consolidated Statement of Financial Position as at December 31, 2018, are taxes owing from 4 (2017 - 2) properties in the amount of \$77,779 (2017 - \$38,856), which have been placed under tax registration under the authority of the Municipal Tax Sales Act of 1990. It is the policy of council to take all authorized measures to control the escalation of defaulted tax payments.

4. Long-term Receivables

	<u>2018</u>	<u>2017</u>
Acton Agricultural Society	\$ 247,910	\$ 390,628
Halton Hills Gymnastic Centre Loan	198,052	234,663
Acton Town Hall	230,726	253,800
Georgetown Soccer Club	838,790	884,247
Halton Hills Minor Football Association	245,260	271,036
Other long-term receivables	62,404	79,693
	<u>\$ 1,823,142</u>	<u>\$ 2,114,067</u>

Acton Agricultural Society Loan

The loan is repayable in blended semi-annual principal and interest payments (principal of \$142,717 and interest of \$8,240 for year 2018), bears interest annually at the 10 year Canadian bond rate in effect at the beginning of the year (2018- 2.32%) and matures May 31, 2021.

Halton Hills Gymnastic Centre Loan

The loan is repayable annually in the amount of \$36,610 plus interest at the average 10 year Canadian Bond rate in effect at the beginning of the calendar year (2018- 2.33%). The loan amount is not to exceed \$324,000 and matures March 31, 2024.

Acton Town Hall

The loan is repayable annually in the amount of \$23,074 plus interest based on the Bank of Canada prime business rate in effect on December 31 of the previous year (2018 - 2.26%). The loan matures on December 3, 2028.

THE CORPORATION OF THE TOWN OF HALTON HILLS

Notes to Consolidated Financial Statements

Year ended December 31, 2018

Georgetown Soccer Club Loan

The loan is repayable annually in the amount of \$102,600 (2018 - principal of \$45,457 and interest of \$57,143) and matures in 2030. It carries an effective interest rate of 6.5%.

Halton Hills Minor Football Association Loan

The loan is repayable annually in the amount of \$30,000 (2018 - principal of \$12,485 and interest of \$17,515) and matures in 2030. It carries an effective interest rate of 6.5%.

5. Investment in Halton Hills Community Energy Corporation

HHCEC and its wholly owned subsidiaries is owned and controlled by the Town and as a government business enterprise is accounted for on the modified equity basis in these consolidated financial statements.

HHCEC serves as the electrical distribution utility for Halton Hills' residents. Other activities of HHCEC and its subsidiaries are to provide hot water tank and sentinel light rentals, water metre reading and billing services as well as energy related services.

(a) Promissory Note Receivable

HHCEC issued a promissory note to the Town, which bears interest at a prescribed rate set annually by the Town, and is due December 31, 2020. The prescribed rate of interest on the note is 4.12% for the period January 1, 2018 to December 31, 2018 (2017 - 4.12%). There are no fixed terms for the repayment of principal. Interest received during the year with respect to the promissory note is \$665,049 (2017 - \$665,049).

The obligations of HHCEC for the promissory note payable to the Town are subordinated to secured credit agreements of HHCEC to TD bank.

(b) Note payable to Southwestern Energy Inc. (LED Streetlights) converted to a term loan

The Town entered into an agreement with Southwestern Energy Inc. to implement an LED streetlight conversion project. Financing was provided through a note payable in the amount of \$1,958,891, plus HST. \$1,071,121 was outstanding as at December 31, 2018 (2017 - \$1,222,113). The note payable was converted into a loan payable with a prescribed rate of interest of 3.95% per annum and is repayable over five years starting January 1, 2019.

(c) Loan payable to Southwestern Energy Inc. (Geothermal)

The Town entered into an agreement with Southwestern Energy Inc. to install a geothermal HVAC System at a Town facility. The loan was provided in the amount of \$535,614 with a prescribed rate of interest of 1.57% per annum (2017 - 1.57%). Quarterly interest and principal repayments are scheduled up to January 1, 2029 with an outstanding balance of \$295,374 as at December 31, 2018 (2017 - \$321,735).

(d) Loan payable to Southwestern Energy Inc. (LED Parking Lot)

The Town entered into an agreement with Southwestern Energy Inc. to install LED lights in the parking lot of the Town Hall. The loan was provided in the amount of \$373,762 with a prescribed rate of interest of 3.95% per annum (2017 – nil). Monthly interest and principal repayments are scheduled to begin at January 1, 2019 and will be made up to May 1, 2023 with an outstanding balance of \$373,762 as at December 31, 2018 (2017 - nil).

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THE CORPORATION OF THE TOWN OF HALTON HILLS

Notes to Consolidated Financial Statements

Year ended December 31, 2018

5. Investment in Halton Hills Community Energy Corporation (Continued)

The following table provides condensed supplementary consolidated financial information for HHCEC and its subsidiaries for the year ended December 31:

Financial Position	2018	2017
Assets		
Current	\$ 17,511,845	\$ 17,513,089
Capital	100,656,267	78,151,389
Other	11,013,453	13,672,177
Total Assets	\$ 129,181,565	\$ 109,336,655
Liabilities		
Current	\$ 43,762,121	\$ 29,087,825
Promissory note payable to Town of Halton Hills	16,141,970	16,141,970
Other	37,540,900	32,751,584
Total Liabilities	\$ 97,444,991	\$ 77,981,379
Equity		
Share capital	\$ 16,161,663	\$ 16,161,663
Retained earnings	15,799,258	15,417,960
Accumulated other comprehensive income/(loss)	(224,347)	(224,347)
Total equity	\$ 31,736,574	\$ 31,355,276
Total liabilities and equity and regulatory balances	\$ 129,181,565	\$ 109,336,655
Financial Activities		
Revenue	\$ 77,112,172	\$ 79,125,259
Expenses	75,940,886	76,152,143
Net movement in regulatory balances	(901,963)	185,745
Net income & net movement in regulatory balances	\$ 2,073,249	\$ 2,787,371
Other comprehensive income	-	(93,846)
Total comprehensive income	\$ 2,073,249	\$ 2,693,525
Equity income from HHCEC	\$ 2,073,249	\$ 2,693,525
Retained earnings, beginning of year	\$ 15,417,960	\$ 14,322,540
Net income & net movement in regulatory balances	2,073,249	2,787,371
Dividends on common shares	(1,691,951)	(1,691,951)
Retained earnings, end of year	\$ 15,799,258	\$ 15,417,960
Accumulated other comprehensive income/(loss), beginning of year	\$ (224,347)	\$ (130,501)
Other comprehensive income	-	(93,846)
Accumulated other comprehensive income/(loss), end of year	\$ (224,347)	\$ (224,347)
Town of Halton Hills' investment in HHCEC represented by:		
Promissory note receivable	\$ 16,141,970	\$ 16,141,970
Investment in shares of HHCEC	16,161,663	16,161,663
Accumulated other comprehensive income/(loss)	(224,347)	(224,347)
HHCEC retained earnings	15,799,258	15,417,960
Total investment in HHCEC	\$ 47,878,544	\$ 47,497,246

5. Investment in Halton Hills Community Energy Corporation (Continued)

Related Party Transactions and Balances

The following summarizes the Town's related party transactions and balances with the Corporation for the years ended December 31:

	<u>2018</u>	<u>2017</u>
<u>Transactions</u>		
Revenue		
Property taxes	125,785	125,648
Interest on promissory notes	665,049	665,049
Expenses		
Energy purchases (at commercial rates)	1,488,845	1,580,634
Distribution expenses	265,559	258,403
Streetlight maintenance and other	1,000,922	1,312,468
Dividends Received	1,691,951	1,691,951
Amounts due to the Town		
Promissory note	16,141,970	16,141,970
Amounts due to related party		
Accounts payable and accrued liabilities	584,866	390,554
Loan payable to SWE (Geothermal)	295,374	321,735
Loan payable to SWE (LED Streetlights)	1,071,121	1,222,113
Loan payable to SWE (LED Parking Lot)	373,762	-
SWE - Southwest Energy		

6. Bank Indebtedness

Credit facilities available to the Town from a financial institution, by way of loans, overdrafts or Bankers Acceptances, amount to \$10,000,000. Interest on these facilities is at prime minus 0.80%. At December 31, 2018, these credit facilities were not utilized by the Town.

THE CORPORATION OF THE TOWN OF HALTON HILLS

Notes to Consolidated Financial Statements

Year ended December 31, 2018

7. Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities include financial obligations to outside organizations and individuals as a result of transactions and events on or before the end of the accounting period. They are the result of contracts, agreements and legislation in force at the end of the accounting period that require the Town to pay for goods and services acquired or provided prior to the accounting date. A further breakdown is provided below:

	<u>2018</u>	<u>2017</u>
Trade Accounts Payable	\$ 4,711,088	\$ 4,439,665
Payables to Other Governments	1,107,529	1,693,605
Accrued Liabilities	755,857	161,396
	<u>6,574,474</u>	<u>6,294,666</u>

8. Deferred Revenue

In accordance with standards established by PSAB, obligatory reserve funds are reported as deferred revenue. Provincial legislation restricts how these funds may be used. The balances in the obligatory reserve funds of the Town are provided below:

	<u>Balance at 31-Dec-17</u>	<u>Receipts</u>	<u>Revenue Recognized</u>	<u>Balance at 31-Dec-18</u>
Development charges	\$ (1,741,937)	\$ 2,339,191	\$ (5,577,272)	\$ (4,980,018)
Capital committed	27,860	(27,860)	-	-
Parkland	4,748,219	1,250,122	(1,055,059)	4,943,282
Building Code Act, 1992	5,589,600	663,981	(999,893)	5,253,688
Gas tax - Federal	699,177	1,918,124	(1,733,232)	884,069
Deferred Government Grants	-	229,012	-	229,012
Total Deferred Revenue - Obligatory	9,322,919	6,372,570	(9,365,456)	6,330,033
Other	3,268,681	13,137,992	(13,435,431)	2,971,242
	<u>\$ 12,591,600</u>	<u>\$ 19,510,562</u>	<u>\$ (22,800,887)</u>	<u>\$ 9,301,275</u>

9. Employee Benefits Obligation

Summary of employee benefits obligation is provided below:

Future payments required for:	<u>2018</u>	<u>2017</u>
Liability for WSIB (a)	\$ 1,400,943	\$ 1,417,042
Vacation pay liability (b)	175,044	164,787
Retirement benefits (c)	1,572,713	1,450,155
	<u>\$ 3,148,700</u>	<u>\$ 3,031,984</u>

(a) Liability for Workplace Safety & Insurance Board (WSIB)

The Town is a Schedule II employer under the Workplace Safety and Insurance Act. As a Schedule II employer, the Town assumes the liability for any award made under the Act.

An independent actuarial valuation dated March 16, 2016 and updated to December 31, 2018 estimated the liability at \$1,400,943 (2017 - \$1,417,042) as at December 31, 2018. A reserve in the amount of \$695,820 (2017 - \$645,820) is available to partially offset this liability. The service cost of \$904,633 in 2017 includes the one-time payment of a survivor pension benefit. A similar payment did not occur in 2018 hence the decrease in Service cost to \$53,576 in 2018.

The significant actuarial assumptions adopted in estimating the Town's accrued benefits obligations are as follows:

- Interest (discount rate): 4.25%
- Administration costs: 38% of compensation
- WSIB Benefit escalation of 2.75% for Loss of Earnings, 6% for Health Care, 2% for Survivor Benefits and 2% for Non-Economic Loss

Information about the Town's WSIB liability is as follows:

WSIB Liability	<u>2018</u>	<u>2017</u>
Accrued benefit obligation at January 1	\$ 1,283,525	\$ 418,803
Service cost	53,576	904,633
Interest cost	53,399	17,669
Benefit payments	(107,729)	(57,580)
	<u>1,282,771</u>	<u>1,283,525</u>
Unamortized actuarial gain	118,172	133,517
Employee benefits obligation at December 31	<u>\$ 1,400,943</u>	<u>\$ 1,417,042</u>

Included in current service cost is amortization of the actuarial gain in the amount of \$15,345 (2017 - \$16,284)

9. Employee Benefits Obligation (continued)

(b) Vacation Pay Liability

The vacation year for CUPE members is from May 1 to April 30. Vacation earned in that twelve month period may be taken anytime during the following twelve months. The vacation pay liability at December 31, 2018 represents the vacation earned but not yet taken.

(c) Retirement Benefits

The Town provides dental and health care benefits between the time an employee retires under the Ontario Municipal Employees Retirement System (OMERS), or retires at a normal retirement age, up to the age of 65.

Using the information contained in an independent actuarial valuation dated March 16, 2016, management has estimated a liability of \$1,572,713 (2017 - \$1,450,155) for the retirement benefits based on the present value of the current obligation for past and current employees. The significant actuarial assumptions adopted in estimating the Town's accrued benefits obligations are as follows:

- Interest (discount rate): 4.75%
- Dental benefit escalation: 4.00%
- Health benefit escalation: 6% in 2017, reducing by 0.333% per year to 4% in 2023

Information about the Town's benefit liabilities are as follows:

Retirement Benefit Liability	2018	2017
Accrued benefit obligation at January 1	\$ 1,713,466	\$ 1,636,159
Service cost	95,517	89,398
Interest cost	81,520	77,708
Benefit payments	(90,036)	(89,799)
	<u>1,800,467</u>	<u>1,713,466</u>
Unamortized actuarial loss	<u>(227,754)</u>	<u>(263,311)</u>
Accrued benefit obligation at December 31	<u>\$ 1,572,713</u>	<u>\$ 1,450,155</u>

Included in current service cost is amortization of the actuarial loss in the amount of \$35,557 (2017 - \$35,081).

THE CORPORATION OF THE TOWN OF HALTON HILLS

Notes to Consolidated Financial Statements

Year ended December 31, 2018

10. Liability for contaminated sites

The Town estimated a liability of \$375,952 as at December 31, 2018 (2017 - \$367,500) for remediation of a contaminated site. The site was a former junk yard with shallow soils less than 0.5m below grade which have been impacted and contain broken glass, bricks and small fragments of plastic and metal. The soil contamination obligates the Town to undertake remediation activities. Clean up and restoration to MOE standard requires subsurface investigation, sort/screen, removal of materials, and placement of clean fill. Subsequent to the initial measurement, the obligation will be adjusted at the end of each year to reflect the passage of time and changes in the estimated obligation. Changes in the obligation are recognized in the Statement of Operations as an operating expense.

The future remediation costs and any post-remediation costs have an estimated undiscounted cost of \$390,238 and have been recorded in the financial statements at present value using a discount rate of 1.9%. Estimates for these costs are based upon quotes provided by experts.

11. Liability for post closure solid waste landfill

The Town ceased to operate its solid waste landfill site in 1973 and is required to conduct post-closure procedures. These procedures are conducted by the Region of Halton on behalf of the Town. The Region monitors the site and the expenditure is included in the waste management levy. The recorded liability of \$140,902 (2017 - \$121,643) is the present value of future cash flows associated with the closure and post-closure costs of \$6,096 annually, discounted using an average long-term borrowing rate of 5% and an annual inflation rate of 2%. The total undiscounted liability is \$379,053. The estimated length of time required for post-closure care is estimated to be 40 years.

12. Long-term Liabilities

(a)

Total long-term liabilities incurred by the Town at the end of the year.	<u>2018</u>	<u>2017</u>
Debentures payable to Region of Halton	\$ 21,365,921	\$ 25,294,918
LT Debt SWE (LED Streetlights)	1,071,121	1,222,113
LT Debt SWE (LED Parking lot)	373,762	-
LT Debt SWE (Geothermal)	295,374	321,735
Loan payable to Halton District School Board	818,882	1,142,799
	<u>\$ 23,925,060</u>	<u>\$ 27,981,565</u>

THE CORPORATION OF THE TOWN OF HALTON HILLS

Notes to Consolidated Financial Statements

Year ended December 31, 2018

- (b) Of the long-term liabilities reported in (a) of this note, principal payments are payable as follows:

2019	\$ 4,002,155
2020	4,097,001
2021	4,165,812
2022	3,730,269
2023	2,259,669
2024-2035	5,670,154
	<u>\$ 23,925,060</u>

- (c) The long-term liabilities in (a) issued in the name of the Town have been approved by by-law. The annual principal and interest payments required to service these liabilities are within the annual debt repayment limit prescribed by the Ministry of Municipal Affairs and Housing.
- (d) Interest expense on net long-term liabilities amounted to \$833,821 (2017 - \$735,167). The long-term liabilities bear interest at rates ranging from 1.57% to 6.46%.

13. Charges for Long-term Liabilities

Total charges for the year for long-term liabilities which are reported on the Consolidated Statement of Financial Position are as follows:

	<u>2018</u>	<u>2017</u>
<u>Principal Repaid</u>		
Debentures	\$3,951,798	\$3,866,710
Debentures recoverable from Region of Halton	3,560	3,505
Loan agreement with Halton District School Board	323,916	55,182
Note payable to Southwestern Energy	-	771,587
	<u>\$4,279,274</u>	<u>\$4,696,984</u>
<u>Loan Interest Payments</u>		
Debentures	833,161	734,451
Debentures recoverable from Region of Halton	661	716
	<u>\$833,822</u>	<u>\$735,167</u>
	<u>\$5,113,096</u>	<u>\$5,432,151</u>

THE CORPORATION OF THE TOWN OF HALTON HILLS

Notes to Consolidated Financial Statements

Year ended December 31, 2018

The Principal amount repaid for the loan agreement with Halton District School Board (HDSB) includes a retroactive adjustment of \$252,873 that was applied by HDSB against the outstanding principal amount. This adjustment reflects donations and contributions received by HDSB from developers, in relation to the Kiwanis sports field.

The Note payable to Southwestern Energy has been refinanced and converted into a term loan payable with a prescribed rate of interest of 3.95% per annum and is repayable over five years starting January 1, 2019.

14. Non-financial Assets

Tangible capital and other non-financial assets are accounted for as assets by the Town because they can be used to provide government services in future periods. These assets do not normally provide resources to discharge the liabilities of the Town unless they are sold.

(a) Contributed or Donated Capital Assets

The Town received \$297,489 (2017 - \$1,874,482) in contributed capital assets.

<u>Contributed Assets</u>	<u>2018</u>	<u>2017</u>
Paved Roads & Sidewalks	\$ -	\$ 1,130,503
Land	297,489	-
Street Lighting	-	90,554
Urban Storm Sewers	-	536,644
Storm Water Management Pond	-	94,581
Traffic Operations & Roadside	-	22,200
	<u>\$ 297,489</u>	<u>\$ 1,874,482</u>

(b) Tangible Capital Assets Disclosed at Nominal Values

There are no tangible capital assets recognized at a nominal value.

(c) Write Down of Tangible Capital Assets

The Town has recorded \$Nil (2017 - \$Nil) in write-downs of tangible capital assets.

THE CORPORATION OF THE TOWN OF HALTON HILLS
Notes to Consolidated Financial Statements
Year ended December 31, 2018

15. Tangible Capital Assets

Cost	Balance Dec 31, 2017	Additions	Disposals	Balance Dec 31, 2018
General				
Land	40,051,975	830,407		40,882,382
Land improvements	39,225,716	1,531,562	59,171	40,698,108
Buildings	92,229,648	390,557	-	92,620,204
Equipment	27,612,177	1,774,125	10,367,058	19,019,244
Vehicles	4,939,112	156,150	129,554	4,965,708
Leasehold improvements	320,771	75,538	-	396,309
Infrastructure				
Land	4,206,067	-	-	4,206,067
Land improvements	2,505,176	142,961	-	2,648,136
Buildings	8,769,983	138,290	-	8,908,273
Linear assets	360,275,302	8,103,174	6,683,663	361,694,813
Equipment	10,072,336	807,483	24,754	10,855,065
Vehicles	10,173,350	646,004	544,023	10,275,331
Construction in progress	-			
Work in progress	4,773,347	1,190,211	3,303,899	2,659,659
Total Cost	605,154,959	15,786,460	21,112,121	599,829,298
Accumulated Amortization				
General				
Land improvements	17,634,509	1,356,350	57,933	18,932,926
Buildings	33,336,625	2,937,715	-	36,274,339
Equipment	18,165,945	1,620,482	10,362,253	9,424,174
Vehicles	2,800,177	269,644	129,554	2,940,267
Leasehold improvements	195,136	10,594	-	205,730
Infrastructure				
Land improvements	1,132,083	137,443	-	1,269,526
Buildings	1,649,002	355,800	-	2,004,802
Linear assets	186,062,153	10,033,797	5,929,783	190,166,167
Equipment	5,751,215	490,165	24,754	6,216,626
Vehicles	5,532,184	710,382	478,028	5,764,538
Accumulated Amortization	272,259,029	17,922,371	16,982,304	273,199,096
Net Book Value				
General				
Land	40,051,975	830,407	-	40,882,382
Land improvements	21,591,207	175,212	1,238	21,765,182
Buildings	58,893,023	(2,547,158)	-	56,345,865
Equipment	9,446,232	153,643	4,805	9,595,070
Vehicles	2,138,935	(113,494)	-	2,025,441
Leasehold improvements	125,635	64,944	-	190,579
Infrastructure				
Land	4,206,067	-	-	4,206,067
Land improvements	1,373,093	5,518	-	1,378,611
Buildings	7,120,980	(217,509)	-	6,903,471
Linear assets	174,213,149	(1,930,623)	753,880	171,528,646
Equipment	4,321,121	317,317	-	4,638,438
Vehicles	4,641,166	(64,378)	65,995	4,510,793
Construction in progress				
Work in progress	4,773,347	1,190,211	3,303,899	2,659,659
Net Book Value - 2018	332,895,930	(2,135,911)	4,129,817	326,630,202
Net Book Value - 2017	335,490,075	794,247	3,388,392	332,895,930

15. Tangible Capital Assets (Continued)

Works of art and historical treasures

The Town has received paintings and other pieces of artwork that are displayed at various Town facilities. The works of art and historical treasures are held for exhibition, educational and historical interest. Such assets are deemed worthy of preservation because of social rather than financial benefits they provide to the community. The historical costs of the art and treasures are not determinable or relevant to their significance. No valuation of the collection has been conducted or disclosed in the consolidated financial statements.

16. Accumulated Surplus

	<u>2018</u>	<u>2017</u>
General surplus/deficit		
-General Surplus (Contract employee costs)	\$ 174,410	\$ 137,624
-General Surplus (Asset Disposal Proceeds)	152,736	-
-Unexpended capital financing	11,464,888	9,101,383
	11,792,034	9,239,007
Equity in tangible capital assets		
-Net tangible capital assets	323,970,543	328,122,583
-Construction in progress	2,659,659	4,773,347
-Debt issued (net of Region recoveries)	(23,066,282)	(25,573,197)
	303,563,920	307,322,733
Equity in HHCEC	47,878,544	47,497,246
Unfunded employee benefits	(2,772,046)	(2,665,587)
Unfunded liability for contaminated sites	(375,953)	(367,500)
Unfunded liability for postclosure care of solid waste landfill sites	(140,902)	(121,643)
Business Improvement Area	151,608	157,047
Reserve funds set aside for specific purposes by Council		
- Operating	6,447,886	3,555,259
- Capital	43,743,781	40,633,912
Total Reserves	50,191,667	44,189,171
Reserve funds set aside for specific purposes related to discretionary funds		
-for John Elliott Award	10,441	10,454
-for capital purposes	-	632,045
Total Discretionary Reserve Funds	10,441	642,499
	\$ 410,299,313	\$ 405,892,973

THE CORPORATION OF THE TOWN OF HALTON HILLS

Notes to Consolidated Financial Statements

Year ended December 31, 2018

17. Contingent Liabilities

- (a) From time to time, the Town may be involved in claims in the normal course of business. Management assesses such claims and where material exposure is considered likely and, where the amount of the claim is quantifiable, provisions for loss are made based on management's assessment of the likely outcome. The Town does not provide for claims that are considered unlikely to result in a significant loss, claims for which the outcome is not determinable or claims where the amount of loss cannot be reasonably estimated. Any settlements or awards under such claims are provided for when reasonably determinable.
- (b) In the normal course of business, appeals are made by taxpayers against property assessments, the resolution of which is not known as at the date of issuance of these financial statements. It is the practice of the Town to provide for any claims only when the amount of decrease in assessment can be estimated.

18. Lease Commitments

The Town leases premises and is committed to minimum annual lease payments under terms of lease agreements which include Georgetown Seniors Centre lease with Lenbro Holdings Ltd. which expires in 2019 and also the 50 year lease of Heritage Acton for recreational programming purposes:

2019	\$	182,783
2020	\$	13,112
2021	\$	13,375
2022	\$	13,642
2023	\$	13,915
Thereafter	\$	953,211
	\$	<u>1,190,039</u>

19. Government Transfers

<u>Federal</u>	<u>2018</u>	<u>2017</u>
Federal Gas Tax	\$ 1,733,232	\$ 2,250,682
Canada 150	88,958	4,000
Other grants	42,066	16,925
	<u>\$ 1,864,256</u>	<u>\$ 2,271,607</u>
 <u>Provincial</u>		
Dedicated Gas Tax	\$ 553,478	\$ 436,443
Ministry of Health and Long Term Care	165,306	219,763
Ontario Community Infrastructure Fund	906,461	717,670
Other grants	1,476,723	510,106
	<u>\$ 3,101,968</u>	<u>\$ 1,883,982</u>

20. Segmented Information

Segmented information has been identified based on various operating departments within the Town. Their activities are reported by functional area in the body of the financial statements. Revenue and expenses are separately disclosed in the segmented information, along with the services they provide, as follows:

General government – Mayor and Council, Office of the CAO, Finance, Information Technology, & Purchasing

The departments within general government are responsible for the general management and control of the Corporation, including adopting bylaws, adopting administrative policy, levying taxes, providing administrative, technical, and financial services. They also ensure quality services are provided to the community and that the services provided are aligned with Council approved actions.

Protection services – Fire Protection and Preventive Services Department, By-law Enforcement, Licensing, Animal and Weed Control, Building Services

The Fire Protection and Preventive Services department provides a wide range of fire prevention, fire suppression and emergency rescue services. Community, marriage and business licensing are provided by Finance department. Animal and weed control are provided by the Planning & Infrastructure department. The Building Services Division is responsible for permit processing and building inspections and by-law enforcement.

20. Segmented Information (Continued)

Transportation services – Planning & Infrastructure Department, Parking Control

The Planning & Infrastructure department is responsible for operations, infrastructure management (roads, bridges and sewers), traffic control, accessible transit service and development engineering. The Enforcement Services team under Office of the CAO provides the parking enforcement.

Environmental services – Storm Water Management

Storm water management services are provided by the Planning & Infrastructure department.

Health services

Cemetery services are provided by the Planning & Infrastructure department and Recreation and Parks departments.

Social and family services

The Senior Centres services are provided by the Recreation and Parks department.

Recreation and cultural services – Recreation and Parks Department, Library

The Recreation and Parks department is responsible for the development, provision and maintenance of facilities, parks and recreation and cultural programs and services. Planning & Infrastructure department provides the maintenance for parks. The Halton Hills Public Library provides the community with materials, programs and services to support and encourage informal life-long learning.

Planning and development – Planning and Sustainability, Economic Development, Business Improvement Area

The Planning & Infrastructure department provides direction to Council and the community through land use policy formulation and implementation. The Economic Development section of the Office of the CAO assists businesses through technical processes associated with the relocation or set up of business. With support of the Town, the Business Improvement Area board of management provides business promotion and improvement in downtown Acton and Georgetown.

THE CORPORATION OF THE TOWN OF HALTON HILLS
Notes to Consolidated Financial Statements
Year ended December 31, 2018

20. Segmented Information (Continued)

For each reported segment, revenues and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information. Property taxation has been apportioned to segments based on net budgeted expenses. Equity income from Halton Hills Hydro has been included under the General Government segment, other revenue. For additional information, see the schedules below for the years 2018 and 2017.

2018	General Government	Protection Services	Transportation Services	Environmental Services	Health Services	Social & Family Services	Recreation & Cultural Services	Planning & Development	Total 2018
Revenue:									
Taxation for municipal purposes	\$ 8,192,950	\$ 8,416,069	\$ 15,438,067	\$ 844,750	\$ 192,971	\$ 630,261	\$ 14,065,467	\$ 2,512,968	\$ 50,293,503
User fees and charges	284,853	118,983	817,564	-	260,643	76,499	5,025,882	848,721	7,433,145
Government of Canada grants	1,680	-	1,807,396	-	-	-	41,846	13,334	1,864,256
Province of Ontario grants	189,714	-	2,244,738	7,359	-	182,908	378,649	98,600	3,101,968
Other municipalities	(15,000)	37,262	582,391	-	-	-	3,546	11,250	619,449
Investment income	1,920,591	-	-	-	-	-	-	-	1,920,591
Development charges	2,392,136	-	1,788,238	-	-	-	1,083,262	313,636	5,577,272
Donations	10,000	-	1,300	-	-	-	110,439	-	121,739
Other	4,382,983	2,591,875	538,806	-	1,758	122,915	1,235,753	617,307	9,491,397
Total revenue	17,359,907	11,164,189	23,218,500	852,109	455,372	1,012,583	21,944,844	4,415,816	80,423,320
Expenses:									
Salaries, wages & employee benefits	7,550,319	9,541,210	7,842,009	-	149,592	490,606	11,564,778	2,631,719	39,770,233
Interest on long-term debt	829,033	4,128	-	-	-	-	-	-	833,161
Purchased goods	569,386	311,233	2,371,790	7,443	22,108	23,478	2,295,135	296,559	5,897,132
Purchased services	3,804,669	804,276	2,079,488	-	48,489	98,341	1,535,916	646,566	9,017,745
Financial expenses	794,957	4,921	(5,598)	-	-	241,322	127,650	2,637	1,165,889
Transfers to others	(927,984)	317,345	(294,235)	-	106,497	65,476	602,207	867,960	737,266
	12,620,380	10,983,113	11,993,454	7,443	326,686	919,223	16,125,686	4,445,441	57,421,426
Amortization	638,665	781,680	10,794,243	1,354,474	25,834	1,436	4,309,857	16,182	17,922,371
Write-down of tangible capital assets	-	-	-	-	-	-	-	-	-
(Gain) Loss on disposal	(64,437)	-	730,537	1,040	-	-	6,043	-	673,183
Total expenses	13,194,608	11,764,793	23,518,234	1,362,957	352,520	920,659	20,441,586	4,461,623	76,016,980
Annual surplus/(deficit)	\$ 4,165,299	\$ (600,604)	\$ (299,734)	\$ (510,848)	\$ 102,852	\$ 91,924	\$ 1,503,258	\$ (45,807)	\$ 4,406,340

2017	General Government	Protection Services	Transportation Services	Environmental Services	Health Services	Social & Family Services	Recreation & Cultural Services	Planning & Development	Total 2017
Revenue:									
Taxation for municipal purposes	\$ 6,637,529	\$ 7,798,080	\$ 15,836,114	\$ 813,101	\$ 185,421	\$ 605,703	\$ 12,882,592	\$ 2,511,419	\$ 47,269,959
User fees and charges	277,396	117,076	865,873	-	286,140	69,452	4,885,153	484,221	6,985,311
Government of Canada grants	-	-	2,253,346	-	-	-	18,261	-	2,271,607
Province of Ontario grants	9,384	-	1,450,372	-	-	219,763	204,463	-	1,883,982
Other municipalities	-	38,758	1,446,513	-	-	-	333,424	-	1,818,695
Investment income	1,782,161	-	873	-	-	-	-	-	1,783,034
Development charges	13,438	439,980	3,429,444	-	-	-	2,761,763	185,562	6,830,187
Donations	-	-	1,261,820	613,962	-	-	347,392	-	2,223,174
Other	4,877,507	2,285,589	610,771	-	1,890	122,186	430,242	161,995	8,490,180
Total revenue	13,597,415	10,679,483	27,155,126	1,427,063	473,451	1,017,104	21,863,290	3,343,197	79,556,129
Expenses:									
Salaries, wages & employee benefits	7,556,299	8,871,948	7,105,881	-	125,066	477,743	10,598,108	2,486,176	37,221,221
Interest on long-term debt	729,867	4,584	-	-	-	-	-	-	734,451
Purchased goods	503,899	313,569	2,349,560	3,276	19,426	46,082	2,264,968	310,705	5,811,485
Purchased services	2,648,358	618,958	2,265,894	-	11,221	32,677	1,507,726	433,948	7,518,782
Financial expenses	190,916	4,690	725	-	-	233,587	75,252	639	505,809
Transfers to others	(270,383)	232,637	(596,019)	416	99,407	71,236	661,970	280,632	479,896
	11,358,956	10,046,386	11,126,041	3,692	255,120	861,325	15,108,024	3,512,100	52,271,644
Amortization	346,129	1,017,295	11,268,666	1,354,997	21,826	1,676	4,327,560	12,627	18,350,776
Write-down of tangible capital assets	-	-	-	-	-	-	-	-	-
Loss on disposal	-	-	-	-	-	-	-	-	-
Total expenses	11,705,085	11,063,681	22,394,707	1,358,689	276,946	863,001	19,435,584	3,524,727	70,622,420
Annual surplus/(deficit)	\$ 1,892,330	\$ (384,198)	\$ 4,760,419	\$ 68,374	\$ 196,505	\$ 154,103	\$ 2,427,706	\$ (181,530)	\$ 8,933,709

THE CORPORATION OF THE TOWN OF HALTON HILLS

Notes to Consolidated Financial Statements

Year ended December 31, 2018

21. Trust Funds

Trust funds administered by the Town amounting to \$5,312,336 (2017 - \$5,084,115) are not included in the Consolidated Statement of Financial Position, nor have their operations been included in the Consolidated Statement of Operations.

22. Pension Agreements

The Town makes contributions to the Ontario Municipal Employees Retirement Fund (OMERS), a multi-employer plan, which as of December 31, 2018, was on behalf of 355 members of its staff (2017– 356). The plan is a defined benefit plan which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay.

Contributions of employees with a normal retirement age of 65 were being made at a rate of 9% for earnings up to the yearly maximum pensionable earnings of \$55,900 and at a rate of 14.6% for earnings greater than the yearly maximum pensionable earnings. Contributions of employees with a normal retirement age of 60 (Fire Department) were being made at a rate of 9.2% for earnings up to the yearly maximum pensionable earnings of \$55,900 and at a rate of 15.8% for earnings greater than the yearly maximum pensionable earnings.

The amount contributed to OMERS for 2018 was \$2,676,660 (2017 - \$2,466,071) for current service and is included as an expense on the Consolidated Statement of Operations.

23. Budget Figures

The budget figures are those approved by Council and have been reclassified to conform with these financial statements.

24. Comparative Figures

Certain comparative figures have been reclassified to conform to the current year's presentation, which has had no effect on annual surplus or cash position.

25. Related Party Disclosures

The Town's related parties, as defined by the CPA Canada Public Sector Accounting Board in standard PS 2200 Related Party Disclosures, are Halton Hills Community Energy Corporation (HHCEC) and its subsidiaries, and key management personnel of the Town and their close family members. The Town may enter into transactions with these entities and individuals in the normal course of operations.

During fiscal year 2018 there were no material transactions between the Town and its key management personnel.

Transactions between the Town and HHCEC for fiscal year 2018 are itemized in Note 5 to the financial statements. Debt liabilities and promissory note receivable with HHCEC are also shown in Note 5.

26. Contingent Assets

The Town does not have any contingent assets for the fiscal year ending December 31, 2018 (2017 - \$nil).

27. Contractual Rights

The Town does not have any contractual rights for the fiscal year ending December 31, 2018 (2017 - \$nil).

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This page is reserved for the Independent Auditors' Report issued by KPMG related to their audit of the Trust Funds of the Corporation of the Town of Halton Hills (Page 1 of 1)

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THE CORPORATION OF THE TOWN OF HALTON HILLS
Trust Funds
Statement of Financial Position
December 31, 2018, with comparative information for 2017

	2018	2017
Financial assets		
Investments (Note 2)	\$ 5,312,336	\$ 5,084,115
Net financial assets, accumulated surplus	\$ 5,312,336	\$ 5,084,115

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

THE CORPORATION OF THE TOWN OF HALTON HILLS

Trust Funds

Statement of Change in Net Financial Assets

Year ended December 31, 2018, with comparative information for 2017

	2018	2017
Annual surplus, being change in net financial assets	\$ 228,221	\$ 242,403
Net financial assets - beginning of year	5,084,115	4,841,712
Net financial assets, end of year	\$ 5,312,336	\$ 5,084,115

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

THE CORPORATION OF THE TOWN OF HALTON HILLS

Trust Funds

Statement of Operations

Year ended December 31, 2018, with comparative information for 2017

	2018	2017
Revenue		
Cemetery maintenance	\$ 47,386	\$ 38,051
Developer contributions	133,843	160,488
Interest	145,305	138,617
	326,534	337,156
Expenses		
Transfer to Town of Halton Hills	94,399	93,729
Transfer to Georgetown Hospital	2,909	-
Limehouse Presbyterian Cemetery	1,005	1,024
	98,313	94,753
Annual surplus	228,221	242,403
Accumulated surplus, beginning of year	5,084,115	4,841,712
Accumulated surplus, end of year	\$ 5,312,336	\$ 5,084,115
Analysis of year end position		
Fairview Cemetery	\$ 590,825	\$ 566,917
Greenwood Cemetery	1,317,332	1,270,114
Hornby Presbyterian Cemetery	853	841
Limehouse Presbyterian Cemetery	37,635	36,714
Union Presbyterian Cemetery	4,366	4,247
Hillcrest Cemetery	4,915	-
Georgetown Hospital Foundation	15,144	17,599
Transportation Maintenance	2,927,867	2,801,470
Gateway Feature	169,947	149,387
Private Traffic Signal Maintenance Fund	243,452	236,826
Total trust funds	\$ 5,312,336	\$ 5,084,115

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

THE CORPORATION OF THE TOWN OF HALTON HILLS
Trust Funds
Statement of Cash Flows
Year ended December 31, 2018, with comparative information for 2017

	2018	2017
Operating activities		
Annual surplus	\$ 228,221	\$ 242,403
Financing activities		
Acquisition of investments	(228,221)	(124,462)
Net change in cash	-	-
Cash, beginning of year	-	-
Cash, end of year	\$ -	\$ -

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

1. Summary of Significant Accounting Policies

The financial statements of the Trust Funds of The Corporation of the Town of Halton Hills (the "Town") are the representation of the Town's management prepared in accordance with Canadian public sector accounting standards recommended by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada.

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

i) Basis of Accounting

Revenue and expenses are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they are 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.

ii) Revenue Recognition

Revenue received throughout the year is recognized on an accrual basis when collectability is reasonably assured.

iii) Investments

Investments are carried at cost. 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.

2. Investments

The Town pools its investment money with Halton Region in an effort to obtain a better rate of return. The Town is able to withdraw the funds as needed with no restrictions. The Town has \$5,312,336 (2017 - \$5,084,115) invested in the fund as at December 31, 2018. The market value of the amount invested is \$5,255,645 (2017 - \$5,091,034). During 2018, the invested funds earned a realized year-to-date rate of return, net of fees, of 2.76% (2017 - 2.78%).

3. Terms of Trust

The investments held at year end are in accordance with the Trustee Act R.S.O. 1990.

4. Hillcrest Cemetery Trust Fund

In 2018 the Hillcrest Cemetery Board transferred to the Town the ownership and maintenance of the Hillcrest Cemetery with the approval of the Bereavement Authority of Ontario for the land, trust fund and operations of the cemetery. The Town received the custody of the funds related to Hillcrest Cemetery in January 2019. The Town will provide the administration of the funds and submit all reporting requirements for Hillcrest Cemetery starting with fiscal year 2018.

5. Trust Fund Transfers

Transfers from the trust funds are repayments of funds to the beneficiaries of the trust funds, as per agreed terms.

- i) Transfer to Town of Halton Hills – transfer of funds that are dedicated for the perpetual maintenance of cemeteries and subdivision features built by developers and transferred to the Town. Subdivision features include stormwater management ponds and gateway features that the Town takes ownership of and continuously maintains.
- ii) Transfer to Georgetown Hospital – transfer of interest earned on the funds entrusted to the Town.
- iii) Transfer to Limehouse Presbyterian Cemetery – transfer of interest earned in the prior year. In the case of the Limehouse Presbyterian Cemetery the Town holds the money on behalf of a third party cemetery operator who is responsible for the maintenance of the cemetery. The full amount of interest earned on the funds is forwarded annually to the cemetery operator.

This page is reserved for the Independent Auditors' Report issued by KPMG related to their audit of the Library financial statements for the Corporation of the Town of Halton Hills (Page 1 of 1)

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THE CORPORATION OF THE TOWN OF HALTON HILLS
Halton Hills Library Board
Statement of Financial Position
December 31, 2018, with comparative information for 2017

	2018	2017
Financial assets		
Due from the Town of Halton Hills	\$ 620,791	\$ 556,528
	620,791	556,528
Financial liabilities		
Deferred revenue (Note 7)	575	7,968
Long-term liabilities (Note 2)	5,558,877	5,944,434
	5,559,452	5,952,402
Net debt	(4,938,661)	(5,395,874)
Non-financial assets		
Tangible capital assets (Note 3)	13,787,475	14,381,564
Accumulated surplus (Note 5)	\$ 8,848,814	\$ 8,985,690

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

THE CORPORATION OF THE TOWN OF HALTON HILLS
Halton Hills Library Board
Statement of Change in Net Debt
 Year ended December 31, 2018, with comparative information for 2017

	Budget (Note 6)	2018	2017
Annual deficit	\$ (65,871)	(136,876)	\$ (18,265)
Acquisition of tangible capital assets	(459,395)	(459,395)	\$ (362,324)
Amortization of tangible capital assets	961,070	1,053,484	\$ 1,049,121
Change in net debt	435,804	457,213	\$ 668,532
Net debt - beginning of year	(5,395,874)	(5,395,874)	\$(6,064,406)
Net debt, end of year	\$ (4,960,070)	(4,938,661)	\$(5,395,874)

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

THE CORPORATION OF THE TOWN OF HALTON HILLS
Halton Hills Library Board
Statement of Operations
Year ended December 31, 2018, with comparative information for 2017

	Budget (Note 6)	2018	2017
Revenue			
Town of Halton Hills	\$ 4,196,827	\$ 4,201,403	\$ 3,963,169
Government of Canada grants (Note 4)	-	25,372	18,261
Province of Ontario grants (Note 4)	61,300	80,372	77,024
Development charges	372,700	387,498	404,112
Fines, rentals and other	89,967	106,233	106,990
	4,720,794	4,800,878	4,569,556
Expenses			
Salaries, wages and benefits	3,251,850	3,176,833	2,833,885
Materials and supplies	19,200	63,555	64,985
Programming	6,900	25,661	24,044
Repairs and maintenance	9,600	10,062	8,316
Telephone	4,350	4,351	3,212
Advertising	2,700	3,212	4,367
Printing and photocopying	14,700	16,281	17,920
Audit	4,300	4,470	5,529
Contracted services	69,600	143,380	136,938
Rent	307,795	307,795	301,905
Equipment costs	2,500	2,500	2,500
General	132,100	126,170	135,099
Amortization	961,070	1,053,484	1,049,121
	4,786,665	4,937,754	4,587,821
Annual deficit	(65,871)	(136,876)	(18,265)
Accumulated surplus, beginning of year	8,985,690	8,985,690	9,003,955
Accumulated surplus, end of year	\$ 8,919,819	\$ 8,848,814	\$ 8,985,690

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

THE CORPORATION OF THE TOWN OF HALTON HILLS
HALTON HILLS LIBRARY BOARD
Statement of Cash Flows
Year ended December 31, 2018, with comparative information for 2017

	2018	2017
Operating activities		
Annual deficit	\$ (136,876)	\$ (18,265)
Item not affecting cash:		
Amortization of tangible capital assets	1,053,484	1,049,121
Changes in non-cash working capital:		
Due from Town of Halton Hills	(64,263)	(297,539)
Deferred revenue	(7,393)	7,394
Net change in cash from operations	844,952	740,711
Capital activities		
Acquisition of tangible capital assets	(459,395)	(362,324)
Net change in cash from capital activities	(459,395)	(362,324)
Financing activities		
Long-term debt repaid	(385,557)	(378,387)
Net change in cash from financing activities	(385,557)	(378,387)
Net change in cash	-	-
Cash - beginning of year	-	-
Cash - end of year	\$ -	\$ -

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

1. Summary of Significant Accounting Policies

The financial statements of the Halton Hills Library Board of the Corporation of the Town of Halton Hills (the "Library") are the representation of management prepared in accordance with Canadian public sector accounting standards as recommended and established by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada.

Significant accounting policies adopted by the Halton Hills Library Board are as follows:

(i) Basis of Accounting

Revenue and expenses are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they are earned 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.

(ii) Deferred revenue

Receipts which are restricted by governments or by agreement with external parties are in nature restricted revenues and are reported as deferred revenues. When qualifying expenses are incurred, deferred revenues are brought into revenue in the fiscal period they are expended.

(iii) Measurement Uncertainty

The preparation of financial statements in accordance with 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.

Actual results could differ from those estimates.

(iv) Revenue Recognition

Revenue received throughout the year is recognized on an accrual basis when collectability is reasonably assured.

(v) Government Transfers

Government transfers are recognized in the financial statements in the period in which the events giving rise to the transfer occur, providing that the transfers are authorized, any eligibility criteria have been met and reasonable estimates of the amounts can be made, except when and to the extent that, stipulations by the transferor give rise to an obligation that meets the definition of a liability. Government transfers that meet the definition of a liability are recognized as revenue as the liability is extinguished.

1. Summary of Significant Accounting Policies (continued)

(vi) Tangible Capital Assets

(a) Tangible capital assets are recorded at cost plus all directly related charges incurred in order to bring the asset into a condition ready for use by the Library. Cost includes amounts that are directly attributed to acquisition, construction, development or betterment of the asset. Tangible capital assets are amortized on a straight-line basis over the estimated useful life of the asset. The only exception as noted below, is for land, which is considered to have an infinite life. Amortization costs are recorded in the Statement of Operations and are calculated and charged monthly against the appropriate asset class. The asset categories and useful lives are as follows:

ASSET	USEFUL LIFE (YEARS)
Land	Infinite
Buildings	10-50
Equipment	3-25

The Library regularly reviews its tangible capital assets to eliminate obsolete items.

Assets under construction (work in progress) are not amortized until the asset is available for productive use.

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

(vii) Related Party Disclosures

On January 01, 2018, the library adopted Public Sector Accounting Standard PS 2200 Related Party Disclosures. This section defines related parties and establishes disclosures required for related party transactions. Disclosure of information about related party transactions and the relationship underlying them is required when they have occurred at a value different from that which would have been arrived at if the parties were unrelated, and they have, or could have, a material financial effect on the financial statements.

(viii) Contingent Assets

On January 01, 2018, the library adopted Public Sector Accounting Standard PS 3320 Contingent Assets. Contingent assets are possible assets arising from existing conditions or situations involving uncertainty. That uncertainty will ultimately be resolved when one or more future events not wholly within the library's control occur or fail to occur. Resolution of the uncertainty will confirm the existence or non-existence of the asset.

1. Summary of Significant Accounting Policies (continued)

(ix) Contractual Rights

On January 01, 2018, the library adopted Public Sector Accounting Standard PS 3380 Contractual Rights. This section establishes disclosure standards on contractual rights, and does not include contractual rights to exchange assets where revenue does not arise. Contractual rights are distinct from contingent assets as there is no uncertainty related to the existence of the contractual rights.

2. Long-term Liabilities

(a)

	<u>2018</u>	<u>2017</u>
Total long-term liabilities incurred by the Library	\$5,558,877	\$ 5,944,434

(c) Of the long-term liabilities reported in (a) of this note, principal payments are payable as follows:

2019	393,696
2020	401,033
2021	408,551
2022	365,914
2023	373,269
2024-2032	<u>3,616,414</u>
	<u>\$ 5,558,877</u>

(c) The long-term liabilities in (a) issued in the name of the Town have been approved by Town by-law. The debt is attributable directly to the library's capital operations. The annual principal and interest payments required to service these liabilities are within the annual debt repayment limit prescribed by the Ministry of Municipal Affairs and Housing.

(d) Interest expense on net long-term liabilities amounted to \$117,755 (2017 - \$125,551). The long-term liabilities bear interest at rates ranging from 2.0% to 3.3%.

3. Tangible Capital Assets

Cost	Balance December 31, 2017	Additions	Disposals	Balance December 31, 2018
Land	78,836	-	-	78,836
Buildings	17,392,486	-	-	17,392,486
Equipment	5,281,170	459,395	(2,663,889)	3,076,676
Work in progress	-	-	-	-
Total Cost	22,752,492	459,395	(2,663,889)	20,547,998
Accumulated Amortization				
Buildings	4,394,504	665,378	-	5,059,882
Equipment	3,976,424	388,106	(2,663,889)	1,700,641
Accumulated Amortization	8,370,928	1,053,484	(2,663,889)	6,760,523
Net Book Value				
Land	78,836	-	-	78,836
Buildings	12,997,982	(665,378)	-	12,332,604
Equipment	1,304,746	71,289	-	1,376,035
Work in progress	-	-	-	-
Net Book Value - 2018	14,381,564	(594,089)	-	13,787,475
Net Book Value - 2017	15,068,361	(686,797)	-	14,381,564

(i) Contributed Capital Assets

The Library received \$nil (2017 - \$nil) in contributed tangible capital assets.

(ii) Tangible Capital Assets Disclosed at Nominal Values

There are no tangible capital assets recognized at a nominal value.

(iii) Write-down of Tangible Capital Assets

The Library has not recorded write-downs of tangible capital assets in the current year.

4. Government Transfers

The government transfers reported in the Statement of Operations are:

	<u>2018</u>	<u>2017</u>
Federal		
Canada Summer Jobs grant	\$ 3,360	\$ 14,261
New Horizons for Seniors grant	<u>22,012</u>	<u>4,000</u>
	<u>\$ 25,372</u>	<u>\$ 18,261</u>
Provincial		
Per Capita	<u>\$ 80,372</u>	<u>\$ 77,024</u>
	<u>\$ 80,372</u>	<u>\$ 77,024</u>

5. Accumulated Surplus

	<u>2018</u>	<u>2017</u>
General Operating deficit	\$ 85,923	\$ 165,095
Unexpended Capital financing	<u>128,489</u>	<u>149,933</u>
	<u>214,412</u>	<u>315,028</u>
Equity in tangible capital assets		
-Net tangible capital assets	13,787,475	14,381,564
-Debt recoverable	<u>(5,558,877)</u>	<u>(5,944,434)</u>
	<u>8,228,598</u>	<u>8,437,130</u>
Library Capital Reserve	405,804	233,532
Total Reserves	<u>405,804</u>	<u>233,532</u>
	<u>\$ 8,848,814</u>	<u>\$ 8,985,690</u>

6. Budget

The budget figures are those approved by Council and have been reclassified to conform with these financial statements.

7. Deferred Revenue

The Town of Halton Hills manages a development charge obligatory reserve fund for the library in the amount of \$575 (2017 - \$7,968) that is funded by contributions from developers as stipulated by the development charges by-law and identified in the development charges background study.

Opening Balance	\$ 7,968
Funds Received	380,105
Revenue Recognized	<u>(387,498)</u>
Closing Balance	<u>\$ 575</u>

The development charges will be spent on tangible capital assets to facilitate library growth. Tangible capital assets are Town owned, recognizing that the Town maintains title of Library facilities and furniture.

Development charges are funded and recognized as revenue in the Library's Statement of Operations when eligible expenses are incurred.



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INDEPENDENT AUDITORS' REPORT

To the Members of Acton Business Improvement Area

Opinion

We have audited the accompanying financial statements of Acton Business Improvement Area (the "Entity"), which comprise:

- the statement of financial position as at December 31, 2018,
- the statements of operations for the year then ended,
- the statement of changes in net financial assets for the year then ended,
- the statement of cash flows for the year then ended,
- and notes, including a summary of significant accounting policies and other explanatory information.

(Hereinafter referred to as the "financial statements")

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2018, and its results of operations, its changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "Auditors' Responsibilities for the Audit of the Financial Statements" section of our auditors' report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other responsibilities in accordance with these requirements.

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



Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusion is based on the audit evidence obtained up to the date of our auditors report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- Provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, stylized font and is underlined with a single horizontal stroke.

Chartered Professional Accountants, Licensed Public Accountants

Hamilton, Ontario
April 16, 2019

ACTON BUSINESS IMPROVEMENT AREA

Statement of Financial Position

December 31, 2018, with comparative information for 2017

	2018	2017
Financial Assets		
Cash	\$ 7,298	\$ 18,123
Accounts receivable	25,952	31,590
Prepaid expenses	474	-
	33,724	49,713
Financial Liabilities		
Accounts payable and accrued liabilities	3,664	1,173
Due to Town of Halton Hills	4,500	5,085
	8,164	6,258
Net financial assets	25,560	43,455
Non-Financial assets		
Tangible capital assets (note 2)	53,009	54,156
Lease commitments (note 4)		
Accumulated surplus	\$ 78,569	\$ 97,611

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

On behalf of the Board:

Director

Director

ACTON BUSINESS IMPROVEMENT AREA

Statement of Operations

Year ended December 31, 2018, with comparative information for 2017

	Budget (note 3)	2018	2017
Revenue:			
Town of Halton Hills	\$ 115,700	\$ 93,950	\$ 99,841
Provincial government	-	14,905	-
Leathertown festival	18,000	18,323	17,575
Facade improvement grant	5,000	-	2,350
Summer student grant	2,500	3,699	2,663
Sponsorship program	4,250	1,000	2,970
Other revenue	7,270	4,701	4,269
Winter carnival	9,500	7,067	10,405
Canada day grant	950	-	-
	163,170	143,645	140,073
Expenses:			
Salaries and wages	56,850	50,419	50,000
Advertising and promotion	7,410	9,933	8,493
Repairs and maintenance	29,300	24,573	26,004
Rent	13,200	13,200	13,200
General expenses	6,379	14,605	11,628
Facade Improvement Program expenses	10,000	1,350	5,356
Event entertainment	15,900	16,199	17,795
Strategic plan	13,000	19,947	10,408
Amortization	-	1,147	1,147
Insurance	1,000	1,000	-
Professional fees	1,600	3,508	-
Miscellaneous	3,351	6,806	5,328
	157,990	162,687	149,359
Annual surplus (deficit)	5,180	(19,042)	(9,286)
Accumulated surplus, beginning of year	97,611	97,611	106,897
Accumulated surplus, end of year	\$ 102,791	\$ 78,569	\$ 97,611

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

ACTON BUSINESS IMPROVEMENT AREA

Statement of Changes in Net Financial Assets

Year ended December 31, 2018, with comparative information for 2017

	Budget (note 3)	2018	2017
Annual surplus (deficit)	\$ 5,180	\$ (19,042)	\$ (9,286)
Amortization of tangible capital assets	-	1,147	1,147
Change in net financial assets	5,180	(17,895)	(8,139)
Net financial assets, beginning of year	43,455	43,455	51,594
Net financial assets, end of year	\$ 48,635	\$ 25,560	\$ 43,455

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

ACTON BUSINESS IMPROVEMENT AREA

Statement of Cash Flows

Year ended December 31, 2018, with comparative information for 2017

	2018	2017
Cash provided by (used in):		
Operating activities		
Annual deficit	\$ (19,042)	\$ (9,286)
Item not involving cash:		
Amortization of capital assets	1,147	1,147
	(17,895)	(8,139)
Change in non-cash operating working capital:		
Accounts receivable	5,638	(12,625)
Prepaid expenses	(474)	-
Accounts payable and accrued liabilities	2,491	(2,117)
Deferred Revenue	-	(2,600)
Due to Town of Halton Hills	(585)	-
	7,070	(17,342)
Net change in cash	(10,825)	(25,481)
Cash, beginning of year	18,123	43,604
Cash, end of year	\$ 7,298	\$ 18,123

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

ACTON BUSINESS IMPROVEMENT AREA

Notes to Financial Statements

Year ended December 31, 2018

1. Significant accounting policies:

The financial statements of the Business Improvement Area are the representations of management prepared in accordance with Canadian public sector accounting standards.

(a) Basis of accounting:

The Business Improvement Area 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 and services and/or the creation of a legal obligation to pay.

(b) Government transfers:

Government transfers are recognized in the financial statements as revenues when the transfer is authorized, any eligibility criteria are met and a reasonable estimate of the amounts can be made except when, and to the extent that, stipulations by the transferors give rise to an obligation that meet the definition of a liability. Government transfers that meet the definition of a liability are recognized as revenue as the liability is extinguished.

(c) Other income:

Revenues from other income, fundraising and donations are recognized as earned.

(d) 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. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

ACTON BUSINESS IMPROVEMENT AREA

Notes to Financial Statements (continued)

Year ended December 31, 2018

1. Significant accounting policies (continued):

(d) Tangible capital assets:

- (i) 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 are amortized on a straight line basis over their estimated useful lives as follows:

Asset	Useful life - years
Street signs	15
Trash receptacles	10

Amortization is charged from the date of acquisition.

- (ii) Contributions of tangible capital assets:

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

2. Tangible capital assets:

Cost	Balance at December 31, 2017	Additions	Disposals	Balance at December 31, 2018
Land	\$ 51,470	\$ -	\$ -	\$ 51,470
Street signs	4,761	-	-	4,761
Trash receptacles	8,296	-	-	8,296
	\$ 64,527	\$ -	\$ -	\$ 64,527

Accumulated amortization	Balance at December 31, 2017	Amortization expense	Disposals	Balance at December 31, 2018
Land	\$ -	\$ -	\$ -	\$ -
Street signs	3,412	319	-	3,731
Trash receptacles	6,959	828	-	7,787
	\$ 10,371	\$ 1,147	\$ -	\$ 11,518

ACTON BUSINESS IMPROVEMENT AREA

Notes to Financial Statements (continued)

Year ended December 31, 2018

2. Tangible capital assets (continued):

	Net book value December 31, 2017	Net book value December 31, 2018
Land	\$ 51,470	\$ 51,470
Street signs	1,349	1,030
Trash receptacles	1,337	509
	\$ 54,156	\$ 53,009

(a) Contributed tangible capital assets:

The Business Improvement Area received \$nil (2017 - \$nil) in contributed tangible capital assets.

(b) Tangible capital assets disclosed at nominal values:

There are no tangible capital assets recognized at a nominal value.

(c) Write-down of tangible capital assets:

The Business Improvement Area has not recorded write-downs of tangible capital assets during the year.

3. Budget:

The budget data is based on the approved 2018 budget approved by the Board on October 10, 2017. Amortization and acquisitions of tangible capital assets were not contemplated on development of the budget and as such have not been included. For this reason, budget figures were not provided on the statement of changes in net financial assets.

4. Lease commitments:

The Business Improvement Area is committed to minimum annual lease payments under an operating lease for its office space until 2018 in the amount of \$13,200. Subsequently, the Business Improvement Area is on a month-to-month lease with no commitments.

5. Government transfers:

	2018	2017
Town of Halton Hills	\$ 93,950	\$ 99,841
Provincial Government	14,905	-
	\$ 108,855	\$ 99,841



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INDEPENDENT AUDITORS' REPORT

To the Members of Georgetown Central Business Improvement Area

Opinion

We have audited the accompanying financial statements of Georgetown Central Business Improvement Area (the "Entity"), which comprise:

- the statement of financial position as at December 31, 2018,
- the statements of operations for the year then ended,
- the statement of changes in net financial assets for the year then ended,
- the statement of cash flows for the year then ended,
- and notes, including a summary of significant accounting policies and other explanatory information.

(Hereinafter referred to as the "financial statements")

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2018, and its results of operations, its changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "Auditors' Responsibilities for the Audit of the Financial Statements" section of our auditors' report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other responsibilities in accordance with these requirements.

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



Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusion is based on the audit evidence obtained up to the date of our auditors report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- Provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Hamilton, Ontario

April 9, 2019

GEORGETOWN CENTRAL BUSINESS IMPROVEMENT AREA

Statement of Financial Position

December 31, 2018, with comparative information for 2017

	2018	2017
Financial assets		
Cash	\$ 126,819	\$ 114,518
Accounts receivable	30,237	17,027
Prepaid expenses	1,476	-
	158,532	131,545
Liabilities		
Accounts payable and accrued liabilities	32,484	17,953
Net financial assets	126,048	113,592
Non-financial assets		
Tangible capital assets (note 2)	106,641	97,344
Lease commitments (note 4)		
Accumulated surplus	\$ 232,689	\$ 210,936

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

On behalf of the Board:

Director

Director

GEORGETOWN CENTRAL BUSINESS IMPROVEMENT AREA

Statement of Operations

Year ended December 31, 2018, with comparative information for 2017

	Budget	2018	2017
	(Note 3)		
Revenue:			
Town of Halton Hills	\$ 197,610	\$ 197,610	\$ 193,000
Farmer's market	28,000	27,529	29,077
Sponsorship program	6,000	4,621	6,435
International flavours	7,000	-	5,025
Facade improvement grant	5,000	5,000	5,000
Classic car show	7,000	7,087	5,880
Student grant	-	7,398	4,391
Pop-up market	-	-	1,349
	250,610	249,245	250,157
Expenses:			
Salaries and wages	98,860	94,791	100,614
Repairs and maintenance	66,000	37,817	47,086
Advertising and promotion	49,950	39,681	39,713
Office and general	9,300	13,398	7,088
Facade improvement expenses	10,000	10,000	9,673
Rent	8,500	10,346	10,439
Amortization of tangible capital assets	-	15,035	11,480
Insurance	1,000	1,000	1,108
Professional fees	-	2,287	-
Memberships	2,000	3,137	1,741
	245,610	227,492	228,942
Annual surplus	5,000	21,753	21,215
Accumulated surplus, beginning of year	210,936	210,936	189,721
Accumulated surplus, end of year	\$ 215,936	\$ 232,689	\$ 210,936

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

GEORGETOWN CENTRAL BUSINESS IMPROVEMENT AREA

Statement of Changes in Net Financial Assets

Year ended December 31, 2018, with comparative information for 2017

	Budget (note 3)	2018	2017
Annual surplus	\$ 5,000	\$ 21,753	\$ 21,215
Purchase of tangible capital assets	-	(24,332)	(4,750)
Amortization of tangible capital assets	-	15,035	11,480
Change in net financial assets	5,000	12,456	27,945
Net financial assets, beginning of year	113,592	113,592	85,647
Net financial assets, end of year	\$ 118,592	\$ 126,048	\$ 113,592

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

GEORGETOWN CENTRAL BUSINESS IMPROVEMENT AREA

Statement of Cash Flows

Year ended December 31, 2018, with comparative information for 2017

	2018	2017
Cash provided by (used in):		
Operating activities:		
Annual surplus	\$ 21,753	\$ 21,215
Item not involving cash:		
Amortization of tangible capital assets	15,035	11,480
Change in non-cash operating working capital:		
Accounts receivable	(13,210)	(8,609)
Prepaid expenses and deposits	(1,476)	-
Accounts payable and accrued liabilities	14,531	(7,556)
Net change in cash from operating activities	36,633	16,530
Capital activities:		
Purchase of tangible capital assets	(24,332)	(4,750)
Net change in cash	12,301	11,780
Cash, beginning of year	114,518	102,738
Cash, end of year	\$ 126,819	\$ 114,518

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

GEORGETOWN CENTRAL BUSINESS IMPROVEMENT AREA

Notes to Financial Statements (continued)

Year ended December 31, 2018

The Georgetown Central Business Improvement Area was established in accordance with Section 220 of the Municipal Act (R.S.O. 1990) for the purpose of providing improvement, beautification and maintenance of lands, buildings and structures in the area and the promotion of Georgetown as a business and shopping area.

1. Significant accounting policies:

The financial statements of the Georgetown Central Business Improvement Area are the representations of management prepared in accordance with Canadian public sector accounting standards.

(a) Basis of accounting:

The Business Improvement Area follows the accrual method of accounting for revenues and expenses. Revenues are 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 creation of a legal obligation to pay.

(b) Government transfers:

Government transfers are recognized in the financial statements as revenues when the transfer is authorized, any eligibility criteria are met and a reasonable estimate of the amounts can be made except when, and to the extent that, stipulations by the transferors give rise to an obligation that meet the definition of a liability. Government transfers that meet the definition of a liability are recognized as revenue as the liability is extinguished.

(c) Other income:

Other income is reported as revenue in the period earned.

(d) 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. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

GEORGETOWN CENTRAL BUSINESS IMPROVEMENT AREA

Notes to Financial Statements (continued)

Year ended December 31, 2018

1. Significant accounting policies (continued):

(e) Tangible capital assets:

Tangible capital assets are stated at cost plus all directly related charges incurred in order to bring the asset into a condition ready for use by the organization less accumulated amortization. Tangible capital assets are amortized over the estimated useful life of the asset. All asset categories are amortized. Amortization costs are recorded in the statement of operations. Amortization is calculated and charged monthly against the appropriate asset class. Tangible capital assets are amortized over their estimated useful lives at the following rates and methods.

Asset	Basis	Rate
Kiosk	Straight-line	10 years
Trash receptacles and benches	Straight-line	10 years
Leasehold improvements	Straight-line	15 years
Signage and sculpture	Straight-line	15 years
Office furniture	Declining balance	20%
Computer equipment	Declining balance	55%

The organization regularly reviews its capital assets to eliminate obsolete items.

GEORGETOWN CENTRAL BUSINESS IMPROVEMENT AREA

Notes to Financial Statements (continued)

Year ended December 31, 2018

2. Tangible capital assets:

Cost	Balance at December 31, 2017	Additions	Disposals	Balance at December 31, 2018
Kiosk	\$ 5,935	\$ -	\$ -	\$ 5,935
Trash receptacles and benches	20,671	-	-	20,671
Leasehold Improvements	-	13,025	-	13,025
Signage and sculpture	124,743	-	-	124,743
Office Furniture	-	8,337	-	8,337
Computer equipment	3,962	2,970	-	6,932
	\$ 155,311	\$ 24,332	\$ -	\$ 179,643

Accumulated amortization	Balance at December 31, 2017	Amortization expense	Disposals	Balance at December 31, 2018
Kiosk	\$ 4,649	\$ 593	\$ -	\$ 5,242
Trash receptacles and benches	9,452	2,067	-	11,519
Leasehold Improvements	-	1,303	-	1,303
Signage and sculpture	41,915	8,315	-	50,230
Office Furniture	-	834	-	834
Computer equipment	1,951	1,923	-	3,874
	\$ 57,967	\$ 15,035	\$ -	\$ 73,002

	Net book value December 31, 2017	Net book value December 31, 2018
Kiosk	\$ 1,286	\$ 693
Trash receptacles and benches	11,219	9,152
Leasehold Improvements	-	11,722
Signage and art sculpture	82,828	74,513
Office Furniture	-	7,503
Computer equipment	2,011	3,058
	\$ 97,344	\$ 106,641

GEORGETOWN CENTRAL BUSINESS IMPROVEMENT AREA

Notes to Financial Statements (continued)

Year ended December 31, 2018

3. Budget:

The budget data presented in these financial statements is based upon the 2018 budget approved by the Board on October 10, 2017. Amortization and acquisitions of tangible capital assets were not contemplated on development of the budget and, as such, has not been included. For this reason, budget figures were not provided on the statement of changes in net financial assets.

4. Lease commitments:

The Business Improvement Area is committed to minimum annual lease payments under an operating lease for its office space expiring in 2024 as follows:

2019	\$	14,640
2020		16,411
2021		16,903
2022		17,410
2023		17,932
Thereafter		1,498
	\$	84,794



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INDEPENDENT AUDITORS' REPORT

To the Shareholder of Halton Hills Community Energy Corporation:

Opinion

We have audited the consolidated financial statements of Halton Hills Community Energy Corporation, (the Corporation), which comprise:

- The consolidated statement of financial position as at December 31, 2018
- the consolidated statement of comprehensive income for the year then ended
- the consolidated statement of changes in equity for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated statement of financial position of the Corporation as at December 31, 2018, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "***Auditors' Responsibilities for the Audit of the Financial Statements***" section of our auditors' report.

We are independent of the Corporation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other responsibilities in accordance with these requirements.

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



Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting 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.

In preparing the financial statements, management is responsible for assessing the Corporation's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Corporation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Corporation's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group Entity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.



We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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 Corporation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A handwritten signature in black ink that reads 'KPMG LLP' with a long horizontal line underneath.

Chartered Professional Accountants, Licensed Public Accountants

Hamilton, Canada

April 26, 2019

HALTON HILLS COMMUNITY ENERGY CORPORATION

Consolidated Statement of Financial Position

Year ended December 31, 2018, with comparative information for 2017

	Note	2018	2017
Assets			
Current assets			
Accounts receivable	5	\$ 8,920,660	\$ 8,335,989
Unbilled revenue		6,314,123	6,777,411
Income tax receivable		17,593	14,238
Materials and supplies	6	1,244,581	1,329,242
Current portion of note receivable	8	335,257	489,789
Prepaid expenses		679,631	566,420
Total current assets		17,511,845	17,513,089
Non-current assets			
Property, plant and equipment	7	100,656,267	78,151,389
Note receivable	8	1,405,000	1,469,641
Deferred charges		223,781	223,781
Deferred income taxes	9	2,327,291	3,672,287
Goodwill		295,604	295,604
Total non-current assets		104,907,943	83,812,702
Total assets		122,419,788	101,325,791
Regulatory balances	10	6,761,777	8,010,864
Total assets and regulatory balances		\$ 129,181,565	\$ 109,336,655

HALTON HILLS COMMUNITY ENERGY CORPORATION

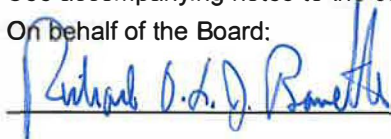
Consolidated Statement of Financial Position

Year ended December 31, 2018, with comparative information for 2017

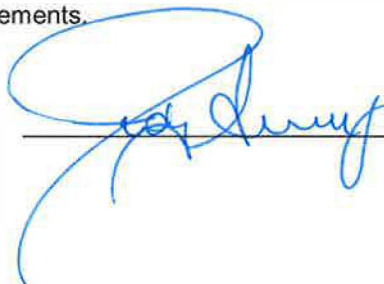
	Note	2018	2017
Liabilities			
Current liabilities			
Bank overdraft		\$ 6,917,134	\$ 3,502,982
Accounts payable and accrued liabilities	11	14,456,638	13,872,234
Current portion of bank term loan	12	21,216,817	10,983,125
Customer deposits		884,157	667,943
Current portion of finance lease obligation	13	78,933	49,409
Income taxes payable		208,442	12,132
Total current liabilities		43,762,121	29,087,825
Non-current liabilities			
Bank term loans	12	22,771,218	16,279,770
Loan payable	20	16,141,970	16,141,970
Employee future benefits	14	994,201	968,464
Finance lease obligation	13	33,550	58,116
Deferred revenue		4,769,141	3,972,659
Deferred income taxes	9	6,826,463	7,175,198
Total non-current liabilities		51,536,543	44,596,177
Total liabilities		95,298,664	73,684,002
Equity			
Share capital	15	16,161,663	16,161,663
Retained earnings		15,799,258	15,417,960
Accumulated other comprehensive loss		(224,347)	(224,347)
Total equity		31,736,574	31,355,276
Total liabilities and equity		127,035,238	105,039,278
Regulatory balances	10	2,146,327	4,297,377
Total liabilities, equity and regulatory balances		\$ 129,181,565	\$ 109,336,655

See accompanying notes to the consolidated financial statements.

On behalf of the Board:



Director



Director

HALTON HILLS COMMUNITY ENERGY CORPORATION

Consolidated Statement of Comprehensive Income

Year ended December 31, 2018, with comparative information for 2017

	Note	2018	2017
Revenue			
Distribution revenue		\$ 10,676,661	\$ 10,107,104
Other income	17	5,966,009	6,482,029
		16,642,670	16,589,133
Sale of electricity		60,469,502	62,536,126
Total revenue	16	77,112,172	79,125,259
Operating expenses			
Employee salaries and benefits	18	5,111,189	4,449,077
Material costs		1,204,727	946,937
Contract services		910,686	1,153,136
Property costs		945,983	964,631
Other costs		1,103,875	1,872,376
Communication costs		526,478	540,748
Depreciation		2,651,905	2,465,887
		12,454,843	12,392,792
Cost of power purchased		60,673,385	61,732,303
Total expenses		73,128,228	74,125,095
Income from operating activities		3,983,944	5,000,164
Finance income		152,989	120,451
Finance costs		(1,715,800)	(1,311,019)
Income before income taxes		2,421,133	3,809,596
Income taxes expense	9	(1,249,847)	(836,480)
Net income for the year		1,171,286	2,973,116
Net movement in regulatory balances, net of tax			
Net movement in regulatory balances	10	235,411	(752,231)
Income tax	10	666,552	566,486
		901,963	(185,745)
Net income for the year, net movement in regulatory balances and total comprehensive income		2,073,249	2,787,371
Other comprehensive income			
Items that will not be reclassified to profit or loss:			
Re-measurement of employee future benefits		-	(127,681)
Tax on re-measurements		-	33,835
Other comprehensive income for the year		-	(93,846)
Total comprehensive income for the year		\$ 2,073,249	\$ 2,693,525

See accompanying notes to the consolidated financial statements.

HALTON HILLS COMMUNITY ENERGY CORPORATION

Consolidated Statement of Changes in Equity

Year ended December 31, 2018, with comparative information for 2017

	Share capital	Retained earnings	Accumulated other comprehensive loss	Total
Balance at January 1, 2017	\$ 16,161,663	\$ 14,322,540	\$ (130,501)	\$ 30,353,702
Net income and net movement in regulatory balances	-	2,787,371	-	2,787,371
Other comprehensive income	-	-	(93,846)	(93,846)
Dividends	-	(1,691,951)	-	(1,691,951)
Balance at December 31, 2017	\$ 16,161,663	\$ 15,417,960	\$ (224,347)	\$ 31,355,276
Balance at January 1, 2018	\$ 16,161,663	\$ 15,417,960	\$ (224,347)	\$ 31,355,276
Net income and net movement in regulatory balances	-	2,073,249	-	2,073,249
Dividends	-	(1,691,951)	-	(1,691,951)
Balance at December 31, 2018	\$ 16,161,663	\$ 15,799,258	\$ (224,347)	\$ 31,736,574

See accompanying notes to the consolidated financial statements.

HALTON HILLS COMMUNITY ENERGY CORPORATION

Consolidated Statement of Cash Flows

Year ended December 31, 2018, with comparative information for 2017

	2018	2017
Operating activities		
Net Income and net movement in regulatory balances	\$ 2,073,249	\$ 2,787,371
Adjustments for:		
Depreciation	2,868,289	2,658,920
Amortization of deferred revenue	(306,583)	(275,609)
Employee future benefits	25,737	35,668
Net finance costs	1,562,811	1,190,568
Income tax expense	1,249,847	836,480
Change in non-cash operating working capital:		
Accounts receivable	(584,671)	(565,241)
Unbilled revenue	463,288	631,454
Materials and supplies	84,661	(388,606)
Prepaid expenses	(113,211)	169,709
Accounts payable and accrued liabilities	584,404	(696,592)
Customer deposits	216,214	127,477
Capital contributions	1,103,065	1,495,511
Regulatory balances	(901,963)	185,745
Income tax paid	(69,961)	(62,868)
Income tax received	9,329	8,921
Interest paid	(1,715,800)	(1,311,019)
Interest received	152,989	120,451
Net cash from operating activities	6,701,694	6,948,340
Investing activities		
Purchase of property, plant and equipment	(25,373,166)	(12,059,214)
Note receivable	219,173	339,630
Net cash used by investing activities	(25,153,993)	(11,719,584)
Financing activities		
Dividends paid	(1,691,951)	(1,691,951)
Issuance of bank term loans	18,139,960	9,836,977
Repayment of bank term loans	(1,414,820)	(1,505,125)
Finance lease obligation	4,958	25,783
Net cash from financing activities	15,038,147	6,665,684
Change in cash and cash equivalents	(3,414,152)	1,894,440
Cash and cash equivalents, beginning of year	(3,502,982)	(5,397,422)
Cash and cash equivalents, end of year	\$ (6,917,134)	\$ (3,502,982)

See accompanying notes to the consolidated financial statements.

HALTON HILLS COMMUNITY ENERGY CORPORATION

Notes to Consolidated Financial Statements

Year ended December 31, 2018

1. Reporting entity:

Halton Hills Community Energy Corporation (the "Corporation") is wholly-owned by the Town of Halton Hills.

The Corporation is the parent company of Halton Hills Hydro Inc., SouthWestern Energy Inc. and 2008949 Ontario Ltd. o/a Quality Tree Service. The principal activities of the Corporation are to deliver electricity and energy related services to customers in the Town of Halton Hills, generate energy and provide water meter reading and billing services for residents of the Town of Halton Hills. The address of the Corporation's registered head office is 43 Alice Street, Halton Hills (Acton), Ontario.

The consolidated financial statements comprise the Corporation and its subsidiaries as at and for the year ended December 31, 2018.

2. Basis of presentation:

(a) Statement of compliance:

The Corporation's financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS").

The financial statements were approved by the Board of Directors on April 26, 2019.

(b) Basis of measurement:

These financial statements have been prepared on the historical cost basis, unless otherwise stated.

(c) Functional and presentation currency:

These financial statements are presented in Canadian dollars, which is the Corporation's functional currency. All financial information presented in Canadian dollars has been rounded to the nearest dollar.

(d) Use of estimates and judgments:

(i) Assumptions and estimation uncertainty

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and disclosure of contingent assets and liabilities. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future years affected.

HALTON HILLS COMMUNITY ENERGY CORPORATION

Notes to Consolidated Financial Statements

Year ended December 31, 2018

2. Basis of presentation (continued):

(d) Use of estimates and judgments (continued):

(i) Assumptions and estimation uncertainty (continued)

Information about assumptions and estimation uncertainties that have a significant risk of resulting in material adjustment is included in the following notes:

- (i) Note 3(c) – measurement of unbilled revenue
- (ii) Note 3(e) – estimation of useful lives of its property, plant and equipment
- (iii) Note 10 – recognition and measurement of regulatory balances
- (iv) Note 14 – measurement of defined benefit obligations: key actuarial assumptions
- (v) Note 3(n), 19 – recognition and measurement of provisions and contingencies

(ii) Judgements

Information about significant judgements made in applying accounting policies that have the most significant effects on the amounts recognized in the financial information is included in the following note:

- (i) Note 3(c) – determination of the performance obligation for contributions from customers and the related amortization period

(e) Rate regulation:

The Corporation is regulated by the Ontario Energy Board (“OEB”), under the authority granted by the *Ontario Energy Board Act, 1998*. Among other things, the OEB has the power and responsibility to approve or set rates for the transmission and distribution of electricity, providing continued rate protection for electricity consumers in Ontario, and ensuring that transmission and distribution companies fulfill obligations to connect and service customers. The OEB may also prescribe license requirements and conditions of service to local distribution companies (“LDCs”), such as the Corporation, which may include, among other things, record keeping, regulatory accounting principles, separation of accounts for distinct businesses, and filing and process requirements for rate setting purposes.

The Corporation is required to bill customers for the debt retirement charge set by the province for certain customer classes. Effective March 31, 2018, the debt retirement charge is no longer charged to any customer in the province. The Corporation may file to recover uncollected debt retirement charges from Ontario Electricity Financial Corporation (“OEFEC”) once each year.

HALTON HILLS COMMUNITY ENERGY CORPORATION

Notes to Consolidated Financial Statements

Year ended December 31, 2018

2. Basis of presentation (continued):

(e) Rate regulation (continued):

Rate setting

(i) *Distribution revenue*

For the distribution revenue, the Company files a “Cost of Service” (“COS”) rate application with the OEB every five years where rates are determined through a review of the forecasted annual amount of operating and capital expenditures, debt and shareholder’s equity required to support the Company’s business. The Company estimates electricity usage and the costs to service each customer class to determine the appropriate rates to be charged to each customer class. The COS application is reviewed by the OEB and interveners and rates are approved based upon this review, including any revisions resulting from that review.

In the intervening years an Incentive Rate Mechanism application (“IRM”) is filed. An IRM application results in a formulaic adjustment to distribution rates that were set under the last COS application. The previous year’s rates are adjusted for the annual change in the Gross Domestic Product Implicit Price Inflator for Final Domestic Demand (“GDP IPI-FDD”) net of a productivity factor and a “stretch factor” determined by the relative efficiency of an electricity distributor.

As a licensed distributor, the Company is responsible for billing customers for electricity generated by third parties and the related costs of providing electricity service, such as transmission services and other services provided by third parties. The Company is required, pursuant to regulation, to remit such amounts to these third parties, irrespective of whether the Company ultimately collects these amounts from customers.

The company filed an application with the Ontario Energy Board (OEB) on October 15, 2018 for rates pursuant to the OEB’s Price Cap IR framework for electricity rates effective May 01, 2019. On December 3, 2018, the company also submitted an application for proposed incremental revenue requirement recovery as it relates to the building of a Municipal Transformer Station (TS), through rate riders effective May 1, 2019, requesting that the Board deem the TS to be a distribution asset and therefore allow recovery of incremental OM&A costs related to the TS”.

HALTON HILLS COMMUNITY ENERGY CORPORATION

Notes to Consolidated Financial Statements

Year ended December 31, 2018

2. Basis of presentation (continued):

(e) Rate regulation (continued):

Rate setting (continued)

(i) *Distribution revenue (continued)*

The Company filed applications with the Ontario Energy Board (OEB) on September 25, 2017, October 23, 2017 and December 1, 2017 for rates pursuant to the OEB's Price Cap IR framework, for the establishment and disposition of a variance account to account for and remedy an error related to depreciation expense and for recovery of costs incurred as a result of a pay equity settlement agreement (Z factor), respectively. The applications were filed under section 78 of the Ontario Energy Board Act, 1998, S.O. 1998, c. 15, (Schedule B) and under the OEB's Filing Requirements for Incentive Regulation Rate Applications seeking approval for changes to Halton Hills Hydro's electricity distribution rates to be effective May 1, 2018. The OEB approved the Price Cap IR and depreciation recovery applications but denied the requested Z-factor application for recovery of pay equity settlement costs.

(ii) *Electricity rates*

Historically, the OEB set electricity prices for low-volume consumers twice each year based on an estimate of how much it will cost to supply the province with electricity for the next year. As a result of the Ontario Fair Hydro Plan Act, the OEB was instructed to freeze those electricity prices until April 30, 2018. The rate was adjusted on May 1, 2018 but did not exceed the rate of inflation. All remaining consumers pay the market price for electricity. The Corporation is billed for the cost of the electricity that its customers use and passes this cost on to the customer at cost without a mark-up.

HALTON HILLS COMMUNITY ENERGY CORPORATION

Notes to Consolidated Financial Statements

Year ended December 31, 2018

3. Significant accounting policies:

The accounting policies set out below have been applied consistently in all years presented in these financial statements.

(a) Basis of consolidation:

These consolidated financial statements include the accounts of the following corporations:

- Halton Hills Community Energy Corporation
- Halton Hills Hydro Inc.
- SouthWestern Energy Inc.
- 2008949 Ontario Ltd. o/a Quality Tree Service

Subsidiaries are entities controlled by the Corporation. The financial statements of the subsidiaries are included in these consolidated financial statements from the date on which control commences until the date on which control ceases.

All inter-company accounts and transactions have been eliminated.

(b) Financial instruments:

All financial assets and all financial liabilities are recognized initially at fair value plus any directly attributable transaction costs. Subsequently, they are measured at amortized cost using the effective interest method less any impairment for the financial assets as described in note 3(f). The Corporation has not entered into any derivative instruments..

Hedge accounting has not been used in the preparation of these financial statements.

(c) Revenue recognition:

Sale and distribution of electricity

The performance obligations for the sale and distribution of electricity are recognized over time using an output method to measure the satisfaction of the performance obligation. The value of the electricity services transferred to the customer is determined on the basis of cyclical meter readings plus estimated customer usage since the last meter reading date to the end of the year and represents the amount that the Corporation has the right to bill. Revenue includes the cost of electricity supplied, distribution, and any other regulatory charges. The related cost of power is recorded on the basis of power used.

For customer billings related to electricity generated by third parties and the related costs of providing electricity service, such as transmission services and other services provided by third parties, the Corporation has determined that it is acting as a principal for these electricity charges and, therefore, has presented electricity revenue on a gross basis.

Customer billings for debt retirement charges are recorded on a net basis as the Corporation is acting as an agent for this billing stream.

HALTON HILLS COMMUNITY ENERGY CORPORATION

Notes to Consolidated Financial Statements

Year ended December 31, 2018

3. Significant accounting policies (continued):

(c) Revenue recognition (continued):

Sale and distribution of electricity (continued)

The performance obligations are recognized over time using an output method to measure the satisfaction of the performance obligation. The value of the electricity services transferred to the customer is determined on the basis of cyclical meter readings plus estimated customer usage since the last meter reading date to the end of the year and represents the amount that the Corporation has the right to bill.

Capital contributions

Developers are required to contribute towards the capital cost of construction of distribution assets in order to provide ongoing service. The developer is not a customer and therefore the contributions are scoped out of IFRS 15 *Revenue from Contracts with Customers*. Cash contributions, received from developers are recorded as deferred revenue. When an asset other than cash is received as a capital contribution, the asset is initially recognized at its fair value, with a corresponding amount recognized as deferred revenue. The deferred revenue, which represents the Corporation's obligation to continue to provide the customers access to the supply of electricity, is amortized to income on a straight-line basis over the useful life of the related asset.

Certain customers are also required to contribute towards the capital cost of construction of distribution assets in order to provide ongoing service. These contributions fall within the scope of IFRS 15 *Revenue from Contracts with Customers*. The contributions are received to obtain a connection to the distribution system in order receive ongoing access to electricity. The Corporation has concluded that the performance obligation is the supply of electricity over the life of the relationship with the customer which is satisfied over time as the customer receives and consumes the electricity. Revenue is recognized on a straight-line basis over the useful life of the related asset.

Other revenue

Revenue earned from the provision of services is recognized as the service is rendered. Amounts received in advance of these milestones are presented as deferred revenue.

Government grants and the related performance incentive payments under Conservation and Demand Management (CDM) programs are recognized as revenue in the year when there is reasonable assurance that the program conditions have been satisfied and the payment will be received.

HALTON HILLS COMMUNITY ENERGY CORPORATION

Notes to Consolidated Financial Statements

Year ended December 31, 2018

3. Significant accounting policies (continued):

(d) Materials and supplies:

Materials and supplies, the majority of which is consumed by the Corporation in the provision of its services, is valued at the lower of cost and net realizable value, with cost being determined on a weighted average cost basis, and includes expenditures incurred in acquiring the materials and supplies and other costs incurred in bringing them to their existing location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated selling expenses.

(e) Property, plant and equipment:

Items of property, plant and equipment ("PP&E") used in rate-regulated activities are measured at deemed cost established on the transition date less accumulated depreciation. All other items of PP&E measured at cost, or, where the item is contributed by customers, its fair value, less accumulated depreciation.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes contracted services, materials and transportation costs, direct labour, overhead costs, borrowing costs and any other costs directly attributable to bringing the asset to a working condition for its intended use.

Borrowing costs on qualifying assets are capitalized as part of the cost of the asset based upon the weighted average cost of debt incurred on the Corporation's borrowings. Qualifying assets are considered to be those that take in excess of six months to construct.

When parts of an item of PP&E have different useful lives, they are accounted for as separate items (major components) of PP&E.

When items of PP&E are retired or otherwise disposed of, a gain or loss on disposal is determined by comparing the proceeds from disposal, if any, with the carrying amount of the item and is included in profit or loss.

Major spare parts and standby equipment are recognized as items of PP&E.

The cost of replacing a part of an item of PP&E is recognized in the net book value of the item if it is probable that the future economic benefits embodied within the part will flow to the Corporation and its cost can be measured reliably. In this event, the replaced part of PP&E is written off, and the related gain or loss is included in profit or loss. The costs of the day-to-day servicing of PP&E are recognized in profit or loss as incurred.

The need to estimate the decommissioning costs at the end of the useful lives of certain assets is reviewed periodically. The Corporation has concluded it does not have any legal or constructive obligation to remove PP&E.

HALTON HILLS COMMUNITY ENERGY CORPORATION

Notes to Consolidated Financial Statements

Year ended December 31, 2018

3. Significant accounting policies (continued):

(e) Property, plant and equipment (continued):

Depreciation is calculated to write off the cost of items of PP&E using the straight-line method over their estimated useful lives, and is generally recognized in profit or loss. Depreciation methods, useful lives, and residual values are reviewed at each reporting date and adjusted prospectively if appropriate. Land is not depreciated. Construction-in-progress assets are not depreciated until the project is complete and the asset is available for use.

The estimated useful lives are as follows:

Asset	Rate
Distribution system	25 - 50 years
Plant	20 - 42 years
Fleet	8 - 15 years
Other equipment	5 - 20 years
Computer equipment and software	1 - 5 years
General office	5 years
Store equipment	10 years
Contributed capital	20 - 50 years

(f) Impairment:

(i) Financial assets measured at amortized cost

A loss allowance for expected credit losses on financial assets measured at amortized cost is recognized at the reporting date. The loss allowance is measured at an amount equal to the lifetime expected credit losses for the asset.

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss is calculated as the difference between an asset's carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate. Interest on the impaired assets continues to be recognized through the unwinding of the discount. Losses are recognized in profit or loss. An impairment loss is reversed through profit or loss if the reversal can be related objectively to an event occurring after the impairment loss was recognized.

HALTON HILLS COMMUNITY ENERGY CORPORATION

Notes to Consolidated Financial Statements

Year ended December 31, 2018

3. Significant accounting policies (continued):

(f) Impairment (continued):

(ii) Non-financial assets

The carrying amounts of the Corporation's non-financial assets, other than materials and supplies and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit" or "CGU"). The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

The goodwill acquired in a business combination for the purposes of impairment testing is allocated to CGU's that are expected to benefit from the synergies of the combination.

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a prorated basis, if applicable.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

(g) Customer deposits:

Customer deposits represent cash deposits from electricity distribution customers and retailers to guarantee the payment of energy bills. Interest is paid on customer deposits.

Deposits are refundable to customers who demonstrate an acceptable level of credit risk as determined by the Corporation in accordance with policies set out by the OEB or upon termination of their electricity distribution service.

(h) Provisions:

A provision is recognized if, as a result of a past event, the Corporation has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

HALTON HILLS COMMUNITY ENERGY CORPORATION

Notes to Consolidated Financial Statements

Year ended December 31, 2018

3. Significant accounting policies (continued)

(i) Regulatory balances:

Regulatory deferral account debit balances represent costs incurred in excess of amounts billed to the customer at OEB approved rates. Regulatory deferral account credit balances represent amounts billed to the customer at OEB approved rates in excess of costs incurred by the Corporation.

Regulatory deferral account debit balances are recognized if it is probable that future billings in an amount at least equal to the deferred cost will result from inclusion of that cost in allowable costs for rate-making purposes. The offsetting amount is recognized in net movement in regulatory balances in profit or loss or OCI. When the customer is billed at rates approved by the OEB for the recovery of the deferred costs, the customer billings are recognized in revenue. The regulatory debit balance is reduced by the amount of these customer billings with the offset to net movement in regulatory balances in profit or loss or OCI.

The probability of recovery of the regulatory deferral account debit balances is assessed annually based upon the likelihood that the OEB will approve the change in rates to recover the balance. The assessment of likelihood of recovery is based upon previous decisions made by the OEB for similar circumstances, policies or guidelines issued by the OEB, etc. Any resulting impairment loss is recognized in profit or loss in the year incurred.

When the Corporation is required to refund amounts to ratepayers in the future, the Corporation recognizes a regulatory deferral account credit balance. The offsetting amount is recognized in net movement in regulatory balances in profit or loss or OCI. The amounts returned to the customers are recognized as a reduction of revenue. The credit balance is reduced by the amount of these customer repayments with the offset to net movement in regulatory balances in profit or loss or OCI.

HALTON HILLS COMMUNITY ENERGY CORPORATION

Notes to Consolidated Financial Statements

Year ended December 31, 2018

3. Significant accounting policies (continued):

(j) Employee future benefits:

The Corporation pays certain life insurance benefits, under unfunded defined benefit plans, on behalf of its retired employees and extended health and dental benefits under unfunded defined benefit plans, on behalf of early retirees.

(i) Pension plan

The Corporation provides a pension plan for all its full-time employees through Ontario Municipal Employees Retirement System ("OMERS"). OMERS is a multi-employer pension plan which operates as the Ontario Municipal Employees Retirement Fund ("the Fund"), and provides pensions for employees of Ontario municipalities, local boards and public utilities. The Fund is a contributory defined benefit pension plan, which is financed by equal contributions from participating employers and employees, and by the investment earnings of the Fund. To the extent that the Fund finds itself in an under-funded position, additional contribution rates may be assessed to participating employers and members.

OMERS is a defined benefit plan. However, as OMERS does not segregate its pension asset and liability information by individual employers, there is insufficient information available to enable the Corporation to directly account for the plan. Consequently, the plan has been accounted for as a defined contribution plan. The Corporation is not responsible for any other contractual obligations other than the contributions. Obligations for contributions to defined contribution pension plans are recognized as an employee benefit expense in profit or loss when they are due.

(ii) Post-employment benefits, other than pension

The Corporation provides some of its retired employees with life insurance and medical benefits beyond those provided by government sponsored plans.

The obligations for these post-employment benefit plans are actuarially determined by applying the projected unit credit method and reflect management's best estimate of certain underlying assumptions. Remeasurement of the net defined benefit obligations, including actuarial gains and losses and the return on plan assets (excluding interest), are recognized immediately in other comprehensive income. When the benefits of a plan are improved, the portion of the increased benefit relating to past service by employees is recognized immediately in profit or loss.

(k) Finance income and finance costs:

Finance income is recognized as it accrues in profit or loss, using the effective interest method. Finance income comprises interest earned on cash balances and the note receivable.

Finance costs comprise interest expense on borrowings, customer deposits and finance lease obligation. Finance costs are recognized in profit or loss unless they are capitalized as part of the cost of qualifying assets.

HALTON HILLS COMMUNITY ENERGY CORPORATION

Notes to Consolidated Financial Statements

Year ended December 31, 2018

3. Significant accounting policies (continued):

(l) Income taxes:

The income tax expense comprises current and deferred tax. Income tax expense is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case, it is recognized in equity.

The Corporation is currently exempt from taxes under the Income Tax Act (Canada) and the Ontario Corporations Tax Act (collectively the "Tax Acts"). Under the *Electricity Act*, 1998, the Corporation makes payments in lieu of corporate taxes to the Ontario Electricity Financial Corporation ("OEFC"). These payments are calculated in accordance with the rules for computing taxable income and taxable capital and other relevant amounts contained in the Tax Acts as modified by the *Electricity Act*, 1998, and related regulations. Prior to October 1, 2001, the Corporation was not subject to income or capital taxes. Payments in lieu of taxes are referred to as income taxes.

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized in respect of temporary differences between the tax basis of assets and liabilities and their carrying amounts for accounting purposes. Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted, at the reporting date.

(m) Goodwill:

Goodwill is measured at cost less accumulated impairment losses as described in note 3(f).

(n) Leased assets:

Leases, where the terms cause the Corporation to assume substantially all the risks and rewards of ownership, are classified as finance leases. Upon initial recognition, the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

All other leases are classified as operating leases and the leased assets are not recognized on the Corporation's statement of financial position. Payments made under operating leases are recognized in profit or loss on a straight-line basis over the term of the lease.

HALTON HILLS COMMUNITY ENERGY CORPORATION

Notes to Consolidated Financial Statements

Year ended December 31, 2018

3. Significant accounting policies (continued):

(o) Business combinations:

The Corporation accounts for business combinations using the acquisition method when control is transferred to the Corporation. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment as described in note 3(f)(ii). Any gain on a bargain purchase is recognized in profit or loss immediately. Transaction costs are expensed as incurred.

4. Changes in Accounting Policy:

IFRS 15 Revenue from Contracts with Customers and IFRS 9 Financial Instruments

The Corporation has initially applied IFRS 15 *Revenue from Contracts with Customers* and IFRS 9 *Financial Instruments* from January 1, 2018 on a retrospective basis. The following practical expedients have been used in the initial application of these new standards:

For completed contracts, the Corporation did not restate contracts that:

- (i) Began and ended within the same annual reporting period; or
- (ii) Were completed at the beginning of January 1, 2016.

There have been no material changes to the Company's comparative figures as a result of this implementation.

Leases

In January 2016, IASB issued IFRS 16 to establish principles for the recognition, measurement, presentation, and disclosure of leases, with the objective of ensuring that lessees and lessors provide relevant information that faithfully represents those transactions. IFRS 16 replaces IAS 17 and it is effective for annual periods beginning on or after January 1, 2019. The standard introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognize a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. This standard substantially carries forward the lessor accounting requirements of IAS 17, while requiring enhanced disclosures to be provided by the lessor. Other areas of the lease accounting model have been impacted, including the definition of a lease. Transitional provisions have been provided. The Corporation intends to adopt IFRS 16 in its financial statements for the annual period beginning January 1, 2019. The Corporation does not expect the standard to have a material impact on the financial statements.

HALTON HILLS COMMUNITY ENERGY CORPORATION

Notes to Consolidated Financial Statements

Year ended December 31, 2018

4. Changes in Accounting Policy (continued):

Uncertainty over Income Tax Treatments

The IASB issued IFRIC 23 to clarify how to apply the recognition and measurement requirements in IAS 12 *Income Taxes*. The IFRIC is effective for annual periods beginning on or after January 1, 2019. The Corporation has assessed their uncertain tax treatments and concluded that it is probable that the tax authorities will accept the treatment.

5. Accounts receivable:

	2018	2017
Service revenue	\$ 6,429,105	\$ 5,634,331
Recoverable work	1,546,549	1,302,275
Others	711,845	1,160,854
Town of Halton Hills	426,461	385,190
Less allowance for expected credit losses	(193,300)	(146,661)
	<u>\$ 8,920,660</u>	<u>\$ 8,335,989</u>

The accounts receivable from the Town of Halton Hills arose in the normal course of operations and is due under normal terms of trade.

6. Materials and supplies:

The Corporation has included certain major standby equipment as in-service fixed assets and amortizes these assets over their useful lives. The Corporation has reclassified \$1,020,971 (2017 - \$952,087) to capital assets during the year.

The amount of inventory consumed by the Corporation and recognized as an expense during 2018 was \$22,851 (2017 - \$37,124). No amount of inventory has been written down due to obsolescence (2017 - \$nil).

HALTON HILLS COMMUNITY ENERGY CORPORATION

Notes to Consolidated Financial Statements

Year ended December 31, 2018

7. Property, plant and equipment:

	January 1, 2018	Additions/ Depreciation	Transfers	Disposals/ Retirements	December 31, 2018
<i>Cost</i>					
Distributions system	\$ 61,080,253	\$ 6,856,062	\$ -	\$ -	\$ 67,936,315
Plant	12,686,171	71,249	-	-	12,757,420
Fleet	2,742,108	314,571	-	(35,000)	3,021,679
Other equipment	2,239,645	410,506	-	-	2,650,151
Computer equipment and software	1,399,969	102,799	-	-	1,502,768
General office	255,199	6,518	-	-	261,717
Store equipment	4,732	-	-	-	4,732
Construction in process	7,368,542	17,957,753	(334,627)	-	24,991,668
	87,776,619	25,719,458	(334,627)	(35,000)	113,126,450
<i>Accumulated Depreciation</i>					
Distributions system	5,649,510	2,012,013	-	-	7,661,523
Plant	1,277,740	212,189	-	-	1,489,929
Fleet	842,367	221,036	95,142	(23,333)	1,135,212
Other equipment	626,041	138,454	53,078	-	817,573
Computer equipment and software	1,045,081	106,453	-	-	1,151,534
General office	179,759	24,710	5,211	-	209,680
Store equipment	4,732	-	-	-	4,732
Construction in process	-	-	-	-	-
	9,625,230	2,714,855	153,431	(23,333)	12,470,183
Carrying amount	\$ 78,151,389	\$ 23,004,603	\$ (488,058)	\$ (11,667)	\$ 100,656,267
	January 1, 2017	Additions/ Depreciation	Transfers	Disposals/ Retirements	December 31, 2017
<i>Cost</i>					
Distributions system	\$ 53,740,262	\$ 7,339,991	\$ -	\$ -	\$ 61,080,253
Plant	11,554,256	1,131,915	-	-	12,686,171
Fleet	2,038,587	703,521	-	-	2,742,108
Other equipment	1,718,198	522,966	(1,519)	-	2,239,645
Computer equipment and software	1,251,933	148,036	-	-	1,399,969
General office	238,153	6,010	11,036	-	255,199
Store equipment	4,732	-	-	-	4,732
Construction in process	5,161,767	2,206,775	-	-	7,368,542
	75,707,888	12,059,214	9,517	-	87,776,619
<i>Accumulated Depreciation</i>					
Distributions system	3,776,408	1,873,102	-	-	5,649,510
Plant	1,098,026	183,804	(4,090)	-	1,277,740
Fleet	565,420	276,947	-	-	842,367
Other equipment	460,076	163,394	2,571	-	626,041
Computer equipment and software	913,660	131,421	-	-	1,045,081
General office	138,471	30,252	11,036	-	179,759
Store equipment	4,732	-	-	-	4,732
Construction in process	-	-	-	-	-
	6,956,793	2,658,920	9,517	-	9,625,230
Carrying amount	\$ 68,751,095	\$ 9,400,294	\$ -	\$ -	\$ 78,151,389

Interest capitalized in property, plant and equipment for 2018 was \$452,956 (2017 - \$64,320).

The Corporation leases equipment under a number of finance lease agreements. At December 31, 2018, the net carrying amount of leased equipment was \$112,483 (2017 - \$134,817).

At December 31, 2018, property, plant and equipment with a carry value of \$100,656,267 (2017 - \$78,151,389) are subject to a general security agreement.

HALTON HILLS COMMUNITY ENERGY CORPORATION

Notes to Consolidated Financial Statements

Year ended December 31, 2018

8. Note receivable:

The note receivable from the Town of Halton Hills in the amount of \$295,374 bears interest of 1.568% per annum with quarterly interest and principal repayments up to August 30, 2029.

A second note receivable for the amount of \$1,444,883 from the Town of Halton Hills was issued. It bears interest of 3.95% and has a five year term.

	2018	2017
Total note receivable	\$ 1,740,257	\$ 1,959,430
Less: current portion	335,257	489,789
	\$ 1,405,000	\$ 1,469,641

9. Income tax expense:

Current tax expense

	2018	2017
Current year	\$ 241,352	\$ 78,250
Adjustment for prior years	12,235	(13,824)
	\$ 253,587	\$ 64,426

Deferred tax expense

	2018	2017
Origination and reversal of temporary differences	\$ 996,260	\$ 772,054

Reconciliation of effective tax rate

	2018	2017
Income before taxes	\$ 2,421,133	\$ 3,809,596
Canada and Ontario statutory Income tax rates	26.50%	26.50%
Expected tax provision on income at statutory rates	641,600	1,009,543
Increase in income taxes resulting from:		
Permanent differences	3,314	1,675
Change in valuation allowance	-	(6,003)
Over provided in prior year	47,709	2,713
Other	593,921	27,893
Other adjustments – regulatory movements	(36,697)	(199,341)
Income tax expense	\$ 1,249,847	\$ 836,480

HALTON HILLS COMMUNITY ENERGY CORPORATION

Notes to Consolidated Financial Statements

Year ended December 31, 2018

9. Income tax expense (continued):

Significant components of the Corporation's deferred tax balances

	2018	2017
Deferred tax assets (liabilities):		
Property, plant and equipment	\$ (6,766,909)	\$ (7,172,252)
Cumulative eligible capital	3,831	6,629
Post-employment benefits	264,539	257,529
Deferred revenue	1,092,404	914,095
Allowance for doubtful accounts	160,849	600,675
Non-capital losses	234,408	1,478,523
Investment tax credit	(2,946)	(2,946)
Other	51,224	45,664
Corporate minimum tax	463,428	369,172
	<u>\$ (4,499,172)</u>	<u>\$ (3,502,911)</u>

HALTON HILLS COMMUNITY ENERGY CORPORATION

Notes to Consolidated Financial Statements

Year ended December 31, 2018

10. Regulatory balances:

Reconciliation of the carrying amount for each regulatory account

Regulatory deferral account debit balances	January 1, 2018	Additions	Recovery/ reversal	December 31, 2018	Remaining recovery/ reversal years
Other regulatory assets	\$ 64,913	\$ 356,060	\$ -	\$ 420,973	1 -3 yrs
RCVA retail services	26,207	7,248	-	33,455	1 -3 yrs
RCVA service transaction request	425	77	-	502	1 -3 yrs
Low voltage variance	859,695	(210,293)	(649,402)	-	-
LRAM variance account	265,625	36,900	-	302,525	3-5 yrs
Smart meter capital & recovery	97,567	607	-	98,174	1 -3 yrs
Extraordinary events	180,818	(180,818)	-	-	-
RSVA network services	60,373	87,877	(105,306)	42,944	1 -3 yrs
RSVA connection services	136,099	3,965	(140,064)	-	-
Global adjustment	1,538,259	(1,350,080)	227,590	415,769	1 -3 yrs
Deferred income taxes	4,780,883	666,552	-	5,447,435	*
	\$ 8,010,864	\$ (581,905)	\$ (667,182)	\$ 6,761,777	

Regulatory deferral account debit balances	January 1, 2017	Additions	Recovery/ reversal	December 31, 2017	Remaining recovery/ reversal years
Other regulatory assets	\$ 22,888	\$ 42,025	\$ -	\$ 64,913	1 -3 yrs
RCVA retail services	16,379	9,828	-	26,207	1 -3 yrs
RCVA service transaction request	277	148	-	425	1 -3 yrs
Low voltage variance	842,035	17,660	-	859,695	1 -3 yrs
LRAM variance account	139,659	125,966	-	265,625	4-6 yrs
Smart meter capital & recovery	97,167	400	-	97,567	1 -3 yrs
Extraordinary events	107,656	73,162	-	180,818	1 -3 yrs
RSVA network services	104,196	(43,823)	-	60,373	1 -3 yrs
RSVA connection services	233,742	(97,643)	-	136,099	1 -3 yrs
Global adjustment	-	1,762,050	(223,791)	1,538,259	1 -3 yrs
Disposition and refund regulatory balance	113,909	(303,329)	189,420	-	-
Deferred income taxes	4,214,397	566,486	-	4,780,883	*
	\$ 5,892,305	\$ 2,152,930	\$ (34,371)	\$ 8,010,864	

*The deferred income taxes balances will be recovered over the lives of the related capital assets.

Regulatory deferral account credit balances	January 1, 2018	Additions	Recovery/ reversal	December 31, 2018	Remaining recovery/ reversal years
Low voltage variance	\$ -	\$ (210,293)	\$ 3,468	\$ (206,825)	1 -3 yrs
Smart metering entity charge	(18,651)	(22,800)	13,302	(28,149)	1 -3 yrs
RSVA wholesale market services	(2,022,040)	(81,959)	1,525,309	(578,690)	1 -3 yrs
RSVA connection services	-	3,965	(100,835)	(96,870)	1 -3 yrs
RSVA power	(2,067,266)	903,164	261,577	(902,525)	1 -3 yrs
Disposition and refund regulatory balance	(189,420)	685,464	(829,311)	(333,267)	1 -3 yrs
	\$ (4,297,377)	\$ 1,277,540	\$ 873,510	\$ (2,146,327)	

HALTON HILLS COMMUNITY ENERGY CORPORATION

Notes to Consolidated Financial Statements

Year ended December 31, 2018

10. Regulatory balances (continued):

Regulatory deferral account credit balances	January 1, 2017	Additions	Recovery/ reversal	December 31, 2017	Remaining recovery/ reversal years
Smart metering entity charge	\$ (13,084)	\$ (5,567)	\$ -	\$ (18,651)	1 -3 yrs
RSVA wholesale market services	(1,499,120)	(522,920)	-	(2,022,040)	1 -3 yrs
RSVA power	(257,078)	(1,810,188)	-	(2,067,266)	1 -3 yrs
Global adjustment	(223,791)	1,762,050	(1,538,259)	-	1 -3 yrs
Disposition and refund regulatory balance	-	(303,329)	113,909	(189,420)	1 -3 yrs
	\$ (1,993,073)	\$ (879,954)	\$ (1,424,350)	\$ (4,297,377)	

The regulatory balances are recovered or settled through rates approved by the OEB which are determined using estimates of future consumption of electricity by its customers. Future consumption is impacted by various factors including the economy, weather and conservation. The Company has received approval from the OEB to establish its regulatory balances.

Settlement of the deferral accounts is done on an annual basis through application to the OEB. The 2017 IRM application, made to the OEB, did not meet the minimum requirement for disposition and therefore, no disposition was sought or approved for the 2017 rate year.

The OEB requires the Corporation to estimate its income taxes when it files a cost of service rate application to set its rates. As a result, the Corporation has recognized a regulatory debit account for the amount of deferred taxes that will ultimately be recovered from its customers. This balance will fluctuate as the Corporation's deferred tax balance fluctuates. Costs in the other regulatory assets account are related to increased OEB Assessment costs as per OEB direction.

Regulatory balances attract interest at OEB prescribed rates, which are based on Bankers' Acceptances three-month rate plus a spread of 25 basis points. In 2018, the rate was 1.10% for the period January 2018 to September 2018 and 1.50% for the period October 2018 to December 2018.

HALTON HILLS COMMUNITY ENERGY CORPORATION

Notes to Consolidated Financial Statements

Year ended December 31, 2018

11. Accounts payable and accrued liabilities:

	2018	2017
Accounts payable – energy purchases	12,300,051	\$ 11,122,679
Debt retirement charge payable to OEFC	-	149,692
Payroll payable	510,794	550,272
Other	1,645,793	2,049,591
	\$ 14,456,638	\$ 13,872,234

12. Credit facilities:

a) Credit limit:

The Corporation has an operating credit facility available from a financial institution in the amount of \$9,150,000 (2017 - \$9,150,000) bearing interest at prime. Credit is available to the Corporation in the form of prime based loans, bankers' acceptances, letters of credit or stand-by letters of guarantee. At year end, the letter of credit described in b) below is outstanding and the operating line utilized is \$6,907,000 (2017 - \$3,345,000). Security is in the form of a first charge over the assets of one of its subsidiaries and undertakings and an assignment of liability and fire insurance has been provided. Amounts under this facility are due on demand.

b) Security on electricity purchases:

As of May 2002, in order for Halton Hills Hydro Inc. to obtain the electricity it requires to distribute to its customers, Halton Hills Hydro Inc. is required to provide security to the Independent Electricity System Operator based on its estimated usage. The security obtained was a letter of credit issued in the amount of \$1,754,315 (2017 - \$1,754,315) from a financial institution.

HALTON HILLS COMMUNITY ENERGY CORPORATION

Notes to Consolidated Financial Statements

Year ended December 31, 2018

12. Credit facilities (continued):

c) Term loans:

	2018	2017
Halton Hills Hydro:		
Smart Meter Term Loan: Fixed rate term loan due May 25, 2021 bearing interest at 3.63% per year repayable monthly \$12,418, principal and interest. Interest of \$85,593 (2017-\$62,373) was paid and expensed during the year.	\$ 2,302,297	\$ 2,456,762
Capital Term Loan 1: Fixed rate term loan due May 25, 2021 bearing interest at 3.71% repayable monthly in the amounts of \$7,952, principal and interest	1,522,193	1,592,155
Capital Term Loan 2: Fixed rate term loan due May 25, 2021 bearing interest at 3.71% repayable monthly in the amounts of \$10,094, principal and interest	1,957,578	2,038,910
Capital Term Loan 3: Fixed rate term loan due May 25, 2021 bearing interest at 3.76% repayable monthly in the amounts of \$12,554, principal and interest	2,479,864	2,576,170
Capital Term Loan 4: Fixed rate term loan due May 25, 2021 bearing interest at 3.83% repayable monthly in the amounts of \$17,412, principal and interest	3,522,177	3,646,826
Capital Term Loan 5: Fixed rate term loan due May 25, 2021 bearing interest at 3.86% repayable monthly in the amounts of \$22,268, principal and interest	4,630,380	4,746,666
Facility 6: \$23,000,000 construction loan due on demand. Interest is at a floating prime rate and payable interest only. Subsequent to December 31, 2018, the Company has entered into an interest rate SWAP on this facility to fix the interest rate exposure when fully drawn. The interest rate on this instrument is 4.095%	18,155,398	4,334,753
Capital Term Loan 7: Fixed rate term loan due May 25, 2021 bearing interest at 3.91% repayable monthly in the amounts of \$20,022, principal and interest	4,238,433	-

HALTON HILLS COMMUNITY ENERGY CORPORATION

Notes to Consolidated Financial Statements

Year ended December 31, 2018

12. Credit facilities (continued):

c) Term loans (continued):

	2018	2017
Halton Hills Community Energy:		
Term Loan Facility 1: Paid in full on December 11, 2018	\$ -	\$ 2,842,531
Term Loan Facility 2: Reducing term facility in the amount of \$160,000 due on June 30, 2021. Interest is a floating prime rate monthly principal payments on the loan of \$5,333 plus interest.	160,000	229,333
Term Loan Facility 3: The amount is due on demand with scheduled monthly principal payments of \$5,770 plus interest. Interest is at floating prime rate.	1,205,945	1,275,185
Term Loan Facility 4: The amount is due on demand with scheduled monthly principal payments of \$4,168 plus interest. Interest is at floating prime rate.	954,155	1,000,000
SouthWestern Energy Inc.:		
Reducing Term Facility: The loan interest is floating prime rate. Interest of \$13,908 (2017 - \$6,558) was paid and expensed during the year. The loan is payable in the amount of \$20,309 monthly principal plus interest.	199,492	523,602
Bank Term Loan: Reducing Term Facility with a contractual term of 5 years to July 20, 2023 and an amortization period of 20 years to July 2, 2033. The loan interest is at a floating prime rate. Interest of \$2,894 (2017 - \$nil) was paid and expensed during the year. The loan is payable in the amount of \$15,201 monthly principal plus interest.	2,660,123	-
	\$ 43,988,035	\$ 27,262,895

HALTON HILLS COMMUNITY ENERGY CORPORATION

Notes to Consolidated Financial Statements

Year ended December 31, 2018

12. Credit facilities (continued):

c) Term loans (continued):

2019	\$	1,020,572
2020		836,484
2021		824,781
2022		811,711
2023		831,369
2024 – 2035		39,663,118
		43,988,035
Less: current portion		(21,216,817)
Long-term portion of loan	\$	22,771,218

The term loans described in (c)(i) to (c)(viii) are secured by a General Security Agreement over all of the assets of Halton Hills Hydro Inc. and an assignment of liability and fire insurance.

The term loan described in (c)(xiii) to (xiv) is secured by a General Security Agreement over all of the assets of SouthWestern Energy Inc.

The term loans described in (c)(ix) to (c)(xii) are secured by a General Security Agreement over all of the assets of Halton Hills Community Energy Corporation and an assignment of its IESO contracts.

HALTON HILLS COMMUNITY ENERGY CORPORATION

Notes to Consolidated Financial Statements

Year ended December 31, 2018

13. Finance lease obligation

	2018	2017	
Finance lease obligation	\$ 112,483	\$ 107,525	
	Less than one year	Between one and five years	Total
Future min lease payments			
2019	\$ 81,936	\$ 33,947	\$ 115,882
Interest			
Less 2019	(3,002)	(396)	(3,399)
Present value of min lease payments			
2019	\$ 78,933	\$ 33,550	\$ 112,483

14. Employee future benefits:

(a) OMERS pension plan

The Corporation provides a pension plan for its employees through OMERS. The plan is a multi-employer, contributory defined pension plan with equal contributions by the employer and its employees. In 2018, the Corporation made employer contributions of \$537,910 to OMERS (2017 - \$502,897), of which \$303,262 (2017 - \$295,283) has been capitalized as part of PP&E and the remaining amount of \$234,648 (2017 - \$207,614) has been recognized in profit or loss. The Corporation estimates that a contribution of \$593,302 to OMERS will be made during the next fiscal year.

As at December 31, 2018, OMERS had approximately 496,000 members, of whom 66 are current employees of the Corporation. The most recently available OMERS annual report is for the year ended December 31, 2018, which reported that the plan was 96% (2017 - 94%) funded, with an unfunded liability of \$4.2 Billion (2016 - \$5.4 Billion). This unfunded liability is likely to result in future payments by participating employers and members.

(b) Employee future benefits other than pension

The Corporation pays certain medical and life insurance benefits on behalf of some of its retired employees. The Corporation recognizes these post-employment benefits in the year in which employees' services were rendered. The Corporation is recovering its post-employment benefits in rates based on the expense and re-measurements recognized for post-employment benefit plans. The accrued benefit liability and expenses for the year ended December 31, 2018 were based on results and assumptions determined by actuarial valuation as at December 31, 2017.

HALTON HILLS COMMUNITY ENERGY CORPORATION

Notes to Consolidated Financial Statements

Year ended December 31, 2018

14. Employee future benefits (continued):

(b) Employee future benefits other than pension (continued)

Reconciliation of the obligation	2018	2017
Defined benefit obligation, beginning of year	\$ 968,464	\$ 805,115
Included in profit or loss		
Current service cost	31,244	27,599
Interest cost	32,286	32,120
	1,031,994	864,834
Benefits paid	(37,793)	(24,051)
Included in OCI		
Unamortized actuarial loss	-	127,681
Defined benefit obligation, end of year	\$ 994,201	\$ 968,464

Actuarial assumptions	2018	2017
General inflation	2.00%	2.00%
Discount (interest) rate	3.40%	3.40%
Salary levels	2.70%	2.70%
Medical costs	6.20%	6.20%
Dental costs	4.50%	4.50%

15. Share capital:

	2018	2017
Authorized:		
Unlimited number of common shares		
Issued:		
2,000 common shares	\$ 16,161,663	\$ 16,161,663

Dividends

The Corporation has established a dividend policy to pay 50% of budgeted net income with consideration given to the cash position, the working capital requirements and the net capital expenditures requirements.

The Corporation paid aggregate dividends in the year on common shares of \$846 per share (2017 - \$846), which amount to total dividends paid in the year of \$1,691,951 (2017 - \$1,691,951).

HALTON HILLS COMMUNITY ENERGY CORPORATION

Notes to Consolidated Financial Statements

Year ended December 31, 2018

16. Revenue from Contracts with Customers

The Company generates revenue primarily from the sale and distribution of electricity to its customers. Other sources of revenue include performance incentive payments under CDM programs.

	2018	2017
Revenue from contracts with customers	\$ 76,031,908	\$ 77,456,496
Other revenue:		
CDM programs	773,681	1,161,766
Other	306,583	506,997
	\$ 77,112,172	\$ 79,125,259

In the following table, revenue from contracts with customers is disaggregated by type of customer.

	2018	2017
Residential	\$ 29,721,483	\$ 29,994,517
Commercial	41,033,751	42,177,284
Other	5,276,674	5,284,695
	\$ 76,031,908	\$ 77,456,496

HALTON HILLS COMMUNITY ENERGY CORPORATION

Notes to Consolidated Financial Statements

Year ended December 31, 2018

17. Other revenue:

	2018	2017
Rendering of services	\$ 4,885,745	\$ 4,813,266
Amortization of deferred revenue	306,583	275,609
Government grants under CDM programs	773,681	1,161,104
Performance incentive payments under CDM programs	-	232,050
	\$ 5,966,009	\$ 6,482,029

18. Employee salaries and benefits:

	2018	2017
Salaries, wages and benefits	\$ 4,668,955	\$ 4,033,595
CPP and EI remittances	145,613	135,024
Contributions to OMERS	270,884	244,790
Post-employment benefit plans	25,737	35,668
	\$ 5,111,189	\$ 4,449,077

19. Commitments and contingencies:

General

From time to time, the Corporation is involved in various litigation matters arising in the ordinary course of its business. The Corporation has no reason to believe that the disposition of any such current matter could reasonably be expected to have a materially adverse impact on the Corporation's financial position, results of operations or its ability to carry on any of its business activities.

General Liability Insurance

The Corporation is a member of the Municipal Electric Association Reciprocal Insurance Exchange (MEARIE). MEARIE is a pooling of public liability insurance risks of many of the LDCs in Ontario. All members of the pool are subjected to assessment for losses experienced by the pool for the years in which they were members, on a pro-rata basis based on the total of their respective service revenues. As at December 31, 2018, no assessments have been made.

HALTON HILLS COMMUNITY ENERGY CORPORATION

Notes to Consolidated Financial Statements

Year ended December 31, 2018

20. Related party transactions:

(a) Parent and ultimate controlling party

The Corporation is a wholly-owned subsidiary of the Town of Halton Hills. The Town produces consolidated financial statements that are available for public use.

(b) Transactions with parent (the Town)

The Corporation had the following significant transactions with its ultimate parent, a government entity:

	2018	2017
Transactions:		
Revenue		
Other income	\$ 49,331	\$ 305,295
Street light maintenance & other	1,000,922	1,312,468
Distribution revenue	265,559	258,403
Sale of electricity	1,488,845	1,580,634
Finance income on the loans receivable	-	-
Expenses		
Property taxes	125,785	125,648
Interest	655,049	665,049
Dividends	1,691,951	1,691,951
Balances:		
Amounts due to:		
Long-term debt, bearing interest at 4.12% per Annum	16,141,970	16,141,970
Amounts due from:		
Accounts receivable	426,461	385,190
Loan receivable, bearing interest at 1.568% per Annum with quarterly interest and principal Repayments up to August 30, 2029	295,374	321,735
Loan receivable bearing interest at 3.95% per annum	1,444,838	-

The Corporation delivers electricity to the Town throughout the year for the electricity needs of the Town and its related organizations. Electricity delivery charges are at prices and under terms approved by the OEB. The Corporation also provides additional services to the Town, including streetlight, traffic and other outdoor lighting maintenance services, sentinel lights and water and waste water billing and customer care services.

HALTON HILLS COMMUNITY ENERGY CORPORATION

Notes to Consolidated Financial Statements

Year ended December 31, 2018

20. Related party transactions (continued):

(b) Transactions with parent (the Town) (continued)

During 2018, SouthWestern Energy Inc. entered into an agreement with the Town to install lights in Town parking lot. Included in interest revenue is \$4,847 (2017 - nil) related to the agreement with the Town.

(c) Key management personnel

The key management personnel of the Corporation have been defined as members of its board of directors and management team members. The compensation paid or payable is as follows:

	2018	2017
Salaries, directors fees, bonuses and short term benefits	\$ 2,469,935	\$ 2,275,644
Employee future benefits	10,407	13,797
	\$ 2,480,342	\$ 2,289,441

21. Financial instruments and risk management:

Fair value disclosure:

The carrying values of accounts receivable, unbilled revenue, and accounts payable and accrued liabilities approximate fair value because of the short maturity of these instruments. The carrying value of the customer deposits approximates fair value because the amounts are payable on demand. The carrying value of the bank overdraft approximates fair value as the overdraft bears interest at current market rates.

The fair value of the loan payable to the parent (Town) at December 31, 2018 is \$14,300,590. The fair value is calculated based on the present value of future principal and interest cash flows, discounted at the current rate of interest at the reporting date. The interest rate used to calculate fair value at December 31, 2018 was 4.12%.

The fair value of the note receivable from the ultimate parent (Town) at December 31, 2018 is \$1,630,970. The fair value is calculated based on the present value of future principal and interest cash flows, discounted at the current rate of interest at the reporting date. The interest rate used to calculate fair value at December 31, 2018 was 3.95%.

The bank term loans have a carrying value that approximates fair value as the loans bear interest at current rates.

HALTON HILLS COMMUNITY ENERGY CORPORATION

Notes to Consolidated Financial Statements

Year ended December 31, 2018

21. Financial instruments and risk management (continued):

Financial risks

The Corporation understands the risks inherent in its business and defines them broadly as anything that could impact its ability to achieve its strategic objectives. The Corporation's exposure to a variety of risks such as credit risk, interest rate risk, and liquidity risk, as well as related mitigation strategies are discussed below.

(a) Credit risk

Financial assets carry credit risk that a counter party will fail to discharge an obligation which could result in a financial loss. Financial assets held by the Corporation, such as accounts receivable, expose it to credit risk. The Corporation earns its revenue from a broad base of customers located in the Municipality of Halton Hills. No single customer accounts for a balance in excess of 2% of total accounts receivable.

The carrying amount of accounts receivable is reduced through the use of an allowance for expected credit losses and the amount of the related impairment loss is recognized in profit or loss. Subsequent recoveries of receivables previously provisioned are credited to profit or loss. The balance of the allowance for impairment at December 31, 2018 is \$193,300 (2017 - \$146,661). An impairment loss of \$46,639 (2017 - \$73,780) was recognized during the year.

The Corporation's credit risk associated with accounts receivable is primarily related to payments from distribution customers. At December 31, 2018, approximately \$213,890 (2017 - \$188,020) is considered 90 days past due. The Corporation has over 22,982 customers, the majority of whom are residential. Credit risk is managed through collection of security deposits from customers in accordance with directions provided by the OEB. As at December 31, 2018 the Corporation holds security deposits in the amount of \$884,157 (2017 - \$667,943).

Deposits from electricity distribution customers are applied against any unpaid portion of individual customer accounts. Consumer deposits in excess of unpaid account balances are refundable to individual customers upon termination of their electricity distribution service. Consumer deposits are also refundable to residential electricity distribution customers demonstrating an acceptable level of credit risk, as determined by the Corporation. Interest expense of \$16,664 (2017 - \$4,055) was incurred on consumer deposits.

HALTON HILLS COMMUNITY ENERGY CORPORATION

Notes to Consolidated Financial Statements

Year ended December 31, 2018

21. Financial instruments and risk management (continued):

Financial risks (continued)

(b) Market risk

Market risks primarily refer to the risk of loss resulting from changes in commodity prices, foreign exchange rates, and interest rates. The Corporation currently does not have any material commodity or foreign exchange risk. The Corporation is exposed to interest rate risk since its term loans bear interest at prime rates. The Corporation is also exposed to fluctuations in interest rates as the regulated rate of return for the Corporation's distribution business is derived using a complex formulaic approach which is in part based on the forecast for long-term Government of Canada bond yields. This rate of return is approved by the OEB as part of the approval of distribution rates.

(c) Liquidity risk

The Corporation monitors its liquidity risk to ensure access to sufficient funds to meet operational and investing requirements. The Corporation's objective is to ensure that sufficient liquidity is on hand to meet obligations as they fall due while minimizing interest exposure. The Corporation has access to a line of credit and monitors cash balances daily to ensure that a sufficient level of liquidity is on hand to meet financial commitments as they become due.

The majority of accounts payable, as reported on the statement of financial position, are due within 60 days.

(d) Capital disclosures

The main objectives of the Corporation, when managing capital, are to ensure ongoing access to funding to maintain and improve the electricity distribution system, compliance with covenants related to its credit facilities, prudent management of its capital structure with regard for recoveries of financing charges permitted by the OEB on its regulated electricity distribution business, and to deliver the appropriate financial returns.

The Corporation's definition of capital includes shareholder's equity and long-term debt. As at December 31, 2018, shareholder's equity amounts to \$31,736,574 (2017 - \$31,355,276), long-term debt amounts to \$43,988,035 (2017 - \$27,262,895) and note payable amounts to \$16,141,970 (2017 - \$16,141,970).

2018 FINANCIAL INFORMATION RETURN

Municipality: **Halton Hills T**
 Tier: **Lower-Tier**
 Area: **Halton R**

MSO Office: **Central Ontario**
 Asmt Code: **2415**
 MAH Code: **14401**

Submitting: **FIR Schedules Only**
 Version: **2018.01001**

DECLARATION OF THE MUNICIPAL TREASURER

Pursuant to the information required by the Province of Ontario under the Municipal Affairs Act, the following schedules are attached:

Schedule	Title	Completion
10	CONSOLIDATED STATEMENT OF OPERATIONS: REVENUE	
12	GRANTS, USER FEES AND SERVICE CHARGES	
20	TAXATION INFORMATION	
22	MUNICIPAL AND SCHOOL BOARD TAXATION	
24	PAYMENTS-IN-LIEU OF TAXATION	
26	TAXATION AND PAYMENTS-IN-LIEU SUMMARY	
28	UPPER-TIER ENTITLEMENTS	UPPER-TIER ONLY
40	CONSOLIDATED STATEMENT OF OPERATIONS: EXPENSES	
42	ADDITIONAL INFORMATION	
51	SCHEDULE OF TANGIBLE CAPITAL ASSETS	
53	CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS (NET DEBT) AND TANGIBLE CAPITAL ASSET ACQUISITION FINANCING/DONATIONS	
54	CONSOLIDATED STATEMENT OF CASH FLOW (SELECT DIRECT OR INDIRECT METHOD)	
60	CONTINUITY OF RESERVES AND RESERVE FUNDS	
61	DEVELOPMENT CHARGES RESERVE FUNDS	
62	DEVELOPMENT CHARGES RATES (INCLUDING SPECIAL AREAS)	
70	CONSOLIDATED STATEMENT OF FINANCIAL POSITION	
72	CONTINUITY OF TAXES RECEIVABLE	SINGLE/LOWER-TIER ONLY
74	LONG TERM LIABILITIES AND COMMITMENTS	
76	GOVERNMENT BUSINESS ENTERPRISES (GBE)	
77	OTHER ENTITIES (DSSAB, HEALTH UNIT, OTHER AND TOTAL ALL)	
79	COMMUNITY IMPROVEMENT PLANS	
80	STATISTICAL INFORMATION	
81	ANNUAL DEBT REPAYMENT LIMIT	
83	NOTES	

For the purposes of this Financial Information Return, the amounts disclosed on the attached schedules are in agreement with the books and records of the municipality and its consolidated entities.

This Financial Information Return has been prepared in accordance with the Financial Information Return instructions.

Questions regarding the information contained in the Schedules should be addressed to:

0020	Name	Dana Stanescu
0022	Telephone	905-873-2601 ext 2434
0024	Fax	905-873-2347
0028	Email (Required)	dstancescu@haltonhills.ca
0030	Website address of Municipality	www.haltonhills.ca
0091	Municipal Auditor	Lois Oullette
0092	Municipal Audit Firm	KPMG
0095	Municipal Auditor's Email (Required)	loullette@kpmg.ca
0090	Municipal Treasurer	Moya Jane Leighton
0093	Municipal Treasurer's Email(Required)	moyajanel@haltonhills.ca
0094	Date	24/05/2019

Signature of Municipal Treasurer

0070	Outstanding In-Year Critical Errors	1
0075	Schedule 54: Cashflow - Direct or Indirect Method Chosen	INDIRECT
0077	Method used to allocate Program Support to other functions in Schedule 40	Percentage of Total Expenditures
0078	If "Other Method" is selected in line 0077, please describe method of allocating Program Support	

Municipal Data	Data Source
1	2
(#)	(List)
0040 Households	21,975 MPAC
0041 Population	61,161 Stats Can
0042 Youth Population	9,055 Stats Can

2018.01

FIR2018: Halton Hills T

Asmt Code: 2415

MAH Code: 14401

**Schedule 10
CONSOLIDATED STATEMENT OF OPERATIONS: REVENUE**

for the year ended December 31, 2018

STATEMENT OF OPERATIONS: REVENUE			Own Purposes Revenue
			1
			\$
0299	Property Taxation		
	Taxation - Own Purposes (SLC 26 9199 04 - 72 2899 07) For UT (SLC 28 0299 12 - 28 0299 08)		48,248,939
0499	Payments-In-Lieu of Taxation (SLC 26 9599 08) For UT (SLC 28 0299 08)		1,428,149
9940		Subtotal	49,677,088
0510	Estimated tax revenue		
0620	Ontario Municipal Partnership Fund (OMPF)		0
0625	Revenue from Cannabis		
0695	Other		
0696	Other		
0697	Other		
0698	Other		
0699		Subtotal	0
	Conditional Grants		
0810	Ontario conditional grants (SLC 12 9910 01)		2,193,455
0815	Ontario Grants for Tangible Capital Assets (SLC 12 9910 05)		908,513
0820	Canada conditional grants (SLC 12 9910 02)		73,961
0825	Canada Grants for Tangible Capital Assets (SLC 12 9910 06)		57,063
0830	Deferred revenue earned (Provincial Gas Tax) (SLC 60 1042 01 + SLC 60 1045 01)		0
0831	Deferred revenue earned (Canada Gas Tax) (SLC 60 1047 01)		1,733,232
0899		Subtotal	4,966,224
1098	Revenue from other municipalities for Tangible Capital Assets (SLC 12 9910 07)		0
1099	Revenue from other municipalities (SLC 12 9910 03)		619,449
1299	Total User Fees and Service Charges (SLC 12 9910 04)		7,452,270
	Licences, permits, rents, etc.		
1410	Trailer revenue and permits		
1420	Licences and permits		1,172,140
1430	Rents, concessions and franchises		
1431	Royalties		
1432	Green Energy		
1498	Other		
1499		Subtotal	1,172,140
	Fines and penalties		
1605	Provincial Offences Act (POA) Municipality which administers POA only		
1610	Other fines		485,211
1620	Penalties and interest on taxes		853,957
1698	Other		
1699		Subtotal	1,339,168
	Other revenue		
1805	Investment income		1,437,676
1806	Interest earned on reserves and reserve funds		482,915
1811	Gain/Loss on sale of land & capital assets		-673,183
1812	Deferred revenue earned (Development Charges) (SLC 60 1025 01 + SLC 60 1026 01)		5,577,272
1813	Deferred revenue earned (Recreational land (The Planning Act)) (SLC 60 1032 01 + SLC 60 1035 01)		1,055,059
1814	Other Deferred revenue earned Building Permit		999,893
1830	Donations		121,739
1831	Donated Tangible Capital Assets (SLC 53 0610 01)		297,489
1840	Sale of publications, equipment, etc.		
1850	Contributions from non-consolidated entities		
1865	Other Revenues from Government Business Enterprise (ie. Dividends, etc.)		2,357,000
1870	Gaming and Casino Revenues		
1890	Other General Recoveries		1,086,201
1891	Other VISA Rebate		64,321
1892	Other Other interest & misc revenue		499,940
1893	Other Royalties		238,888
1894	Other		
1895	Other		
1896	Other		
1897	Other		
1898	Other		
1899		Subtotal	13,545,210
1880	Municipal Land Transfer Tax (City of Toronto Act, 2006)		
1885	Transient Accommodation Tax		
1905	Increase/Decrease in Government Business Enterprise equity		381,298
9910		TOTAL Revenues	79,152,847

2018.01

FIR2018: Halton Hills T

Asmt Code: 2415

MAH Code: 14401

**Schedule 10
CONSOLIDATED STATEMENT OF OPERATIONS: REVENUE**

for the year ended December 31, 2018

Continuity of Accumulated Surplus/(Deficit)		1
		\$
2010	PLUS: Total Revenues (SLC 10 9910 01)	79,152,847
2020	LESS: Total Expenses (SLC 40 9910 11)	74,746,507
2030	PLUS:	
2040	PLUS:	
2045	PLUS: PSAB Adjustments	
2099	Annual Surplus/(Deficit)	4,406,340
2060	Accumulated surplus/(deficit) at the beginning of year	405,892,973
2061	Prior period adjustments	
2062	Restated accumulated surplus/(deficit) at the beginning of year	405,892,973
9950	Accumulated surplus/(deficit) at the end of year (SLC 10 2099 01 + SLC 10 2062 01)	410,299,313

Continuity of Government Business Enterprise Equity		1
		\$
6010	Government Business Enterprise Equity, beginning of year	47,878,544
6020	PLUS: Net Income for Government Business Enterprise for year	
6060	PLUS:	
6090	Government Business Enterprise Equity, end of year	47,878,544

Total of line 0899 includes:		1
Provincial Gas Tax Funding		\$
4018	Provincial Gas Tax for Transit operating expenses.	670,733
4019	Provincial Gas Tax for Transit capital expenses.	
4020	Provincial Gas Tax	670,733

Total of line 0899 includes:		1
Canada Gas Tax Funding		\$
4025	General Government	
Transportation Services:		
4030	Roads - Paved	673,551
4031	Roads - Unpaved	
4032	Roads - Bridges and Culverts	534,309
4033	Roadways - Traffic Operations & Roadside	449,053
4040	Transit - Conventional	
4041	Transit - Disabled & special needs	
4045	Air transportation	
4046	Other	
Environmental Services:		
4060	Wastewater collection/conveyance	
4061	Wastewater treatment & disposal	
4062	Urban storm sewer system	
4063	Rural storm sewer system	
4064	Water treatment	
4065	Water distribution/transmission	
4066	Solid waste collection	
4067	Solid waste disposal	
4068	Waste diversion	
4069	Other	
4075	Recreation Facilities - All Other	
4076	Cultural services	
4080	Commercial and industrial	
4099	Canada Gas Tax	1,656,913

FIR2018: Halton Hills T

Asmt Code: 2415

MAH Code: 14401

Schedule 12
GRANTS, USER FEES AND SERVICE CHARGES
for the year ended December 31, 2018

	Ontario Conditional Grants	Canada Conditional Grants	Other Municipalities	User Fees and Service Charges	Ontario Grants - Tangible Capital Assets	Canada Grants - Tangible Capital Assets	Other Municipalities - Tangible Capital Assets
	1 \$	2 \$	3 \$	4 \$	5 \$	6 \$	7 \$
0299 General government	280,767	11,315	-3,750	303,978			
Protection services							
0410 Fire			37,262	2,056			
0420 Police							
0421 Court Security							
0422 Prisoner Transportation							
0430 Conservation authority							
0440 Protective inspection and control				115,415			
0445 Building permit and inspection services				1,512			
0450 Emergency measures							
0460 Provincial Offences Act (POA)							
0498 Other							
0499 Subtotal	0	0	37,262	118,983	0	0	0
Transportation services							
0611 Roads - Paved	678,211	17,101	575,509	483,567	388,676	57,063	
0612 Roads - Unpaved							
0613 Roads - Bridges and Culverts					464,539		
0614 Roads - Traffic Operations & Roadside							
0621 Winter Control - Except sidewalks, Parking Lots	42,580						
0622 Winter Control - Sidewalks, Parking Lots Only							
0631 Transit - Conventional							
0632 Transit - Disabled & special needs	670,733		6,882	261,798			
0640 Parking							
0650 Street lighting							
0660 Air transportation							
0698 Other							
0699 Subtotal	1,391,524	17,101	582,391	745,365	853,215	57,063	0
Environmental services							
0811 Wastewater collection/conveyance							
0812 Wastewater treatment & disposal							
0821 Urban storm sewer system							
0822 Rural storm sewer system							
0831 Water treatment							
0832 Water distribution/transmission							
0840 Solid waste collection							
0850 Solid waste disposal							
0860 Waste diversion							
0898 Other							
0899 Subtotal	0	0	0	0	0	0	0
Health services							
1010 Public health services							
1020 Hospitals							
1030 Ambulance services							
1035 Ambulance dispatch							
1040 Cemeteries				332,843			
1098 Other							
1099 Subtotal	0	0	0	332,843	0	0	0
Social and family services							
1210 General assistance							
1220 Assistance to aged persons	182,908			76,499			
1230 Child care							
1298 Other							
1299 Subtotal	182,908	0	0	76,499	0	0	0
Social Housing							
1410 Public Housing							
1420 Non - Profit/Cooperative Housing							
1430 Rent Supplement Programs							
1497 Other							
1498 Other							
1499 Subtotal	0	0	0	0	0	0	0
Recreation and cultural services							
1610 Parks				324,201			
1620 Recreation programs	89,248		3,546	1,726,687			
1631 Recreation facilities - Golf Course, Marina, Ski Hill							
1634 Recreation facilities - All Other	150,503	14,794		2,795,414	55,298		
1640 Libraries	80,372	25,372		33,945			
1645 Museums							
1650 Cultural services	3,228	1,680		145,634			
1698 Other							
1699 Subtotal	323,351	41,846	3,546	5,025,881	55,298	0	0
Planning and development							
1810 Planning and zoning				848,721			
1820 Commercial and industrial	14,905	3,699					
1830 Residential development							
1840 Agriculture and reforestation							
1850 Tile drainage/shoreline assistance							
1898 Other							
1899 Subtotal	14,905	3,699	0	848,721	0	0	0
1910 Other							
9910 TOTAL	2,193,455	73,961	619,449	7,452,270	908,513	57,063	0

FIR2018: Halton Hills T

Asmt Code: 2415

MAH Code: 14401

Schedule 20
TAXATION INFORMATION
for the year ended December 31, 2018**General Information****1. Optional Property Classes in Effect**

		2
		Y or N
0202	N New Multi-Residential	Y
0205	G Parking Lot (Includes CJ, CR, CX, CY, CZ)	Y
0210	D Office Building	Y
0215	S Shopping Centre	Y
0220	L Large Industrial	Y
0225	Other <input type="text"/>	N

2. Capping Parameters and Results

		Exit capping immediately	Decrease - Percentage Retained	Tax Adjustment - Increases	Net Class Impact	Annualized Tax Limit	CVA Tax Limit	CVA Threshold Value for Protected Properties	CVA Threshold Value for Clawed Back Properties	Exclude Properties Previously at CVA Tax	Exclude Properties that go from Capped to Clawed Back	Exclude Properties that go from Clawed Back to Capped
		1 Y or N	2 %	3 \$	4 \$	5 %	6 %	7 \$	8 \$	9 Y or N	10 Y or N	11 Y or N
0320	M Multi-Residential	Y										
0330	C Commercial	Y										
0340	I Industrial	Y										

3. Graduated Taxation (Tax Bands)

		Grad. Tax Rates in Effect?	Number of Tax Bands	Low Band		Middle Band	
		2 Y or N	3 #	CVA Boundary 4 \$	% of Highest Band Rate 5 %	CVA Boundary 6 \$	% of Highest Band Rate 7 %
0610	C Commercial	N					
0611	G Parking Lot	N					
0612	D Office Building	N					
0613	S Shopping Centre	N					
0620	I Industrial	N					
0621	L Large Industrial	N					

4. Phase-In Program in Effect (Most recent Phase-In only)

		Phase-In Program in Effect?	Year Current Phase-In Initiated	Term of Current Phase-In
		2 Y or N	3 Year	4 # of Yrs
0805	R Residential	N		
0810	M Multi-Residential	N		
0815	N New Multi-Residential	N		
0820	C Commercial (Includes G, D, S)	N		
0840	I Industrial (Includes L)	N		
0850	F Farmland	N		
0855	T Managed Forest	N		
0860	P Pipeline	N		

5. Rebates for Eligible Charities

		2
		%
1010	Rebate Percentage for Eligible Charities (SLC 72 2099 xx)	40.0%

6. Property Tax Due Dates for Current Year

To be completed by Single/Lower-tier Municipalities Only

		INTERIM Billing Installments			FINAL Billing Installments		
		Installments 2 #	First Due Date 3 YYYYMMDD	Last Due Date 4 YYYYMMDD	Installments 5 #	First Due Date 6 YYYYMMDD	Last Due Date 7 YYYYMMDD
1210	R Residential	2	20180226	20180426	2	20180627	20180926
1220	M Multi-Residential	2	20180226	20180426	2	20180627	20180926
1230	F Farmland	0			1	20180926	
1240	T Managed Forest	2	20180226	20180426	2	20180627	20180926
1250	C Commercial	2	20180226	20180426	2	20180627	20180926
1260	I Industrial	2	20180226	20180426	2	20180627	20180926
1270	P Pipeline	2	20180226	20180426	2	20180627	20180926
1298	Other <input type="text"/> P/L's and Right of Ways	2	20180226	20180426	2	20180627	20180926

2018.01

FIR2018: Halton Hills T

Asmt Code: 2415

MAH Code: 14401

Schedule 22
MUNICIPAL and SCHOOL BOARD TAXATION
 for the year ended December 31, 2018
1. GENERAL PURPOSE LEVY INFORMATION

9299	TOTAL	Phase-In Taxable Assessment	LT/ST Taxes	UT Taxes	Education Taxes	TOTAL
		12,325,629,819	46,987,003	34,820,288	31,379,430	113,186,721

	RTC RTQ	Tax Band	Property	Tax Rate	Tax Ratio	Percent of	CVA	Phase-In	Tax Rates				Municipal Taxes		Education	TOTAL
			Class	Description		Full Rate	Assessment	Taxable Assessment	LT / ST	UT	EDUC	TOTAL	LT / ST	UT	Taxes	
1 LIST	2 LIST	3	4	5	6 %	7 \$	16 \$	8 0.000000%	9 0.000000%	10 0.000000%	11 0.000000%	12 \$	13 \$	14 \$	15 \$	
2001	0	Halton Hills T														
0010	RT	0	Residential	Full Occupied	1.000000	100%	11,427,473,004	10,320,341,392	0.361129%	0.267619%	0.170000%	0.798748%	37,269,746	27,619,194	17,544,580	82,433,520
0012	RH	0	Residential	Full Occupied, Shared PIL	1.000000	100%	347,000	313,000	0.361129%	0.267619%	0.170000%	0.798748%	1,130	838	532	2,500
0027	RD	0	Residential	Education Only	1.000000	100%	4,629,700	4,516,850	0.000000%	0.000000%	0.170000%	0.170000%	0	0	7,679	7,679
0031	R1	0	Residential	Farm. Awaiting Devel. - Ph I	1.000000	75%	1,269,200	1,094,750	0.270847%	0.200714%	0.127500%	0.599061%	2,965	2,197	1,396	6,558
0050	MT	0	Multi-Residential	Full Occupied	2.000000	100%	108,044,100	106,499,650	0.722258%	0.535238%	0.170000%	1.427496%	769,202	570,027	181,049	1,520,278
0080	NT	0	New Multi-Residential	Full Occupied	1.000000	100%	3,747,900	3,734,350	0.361129%	0.267619%	0.170000%	0.798748%	13,486	9,994	6,348	29,828
0110	FT	0	Farmland	Full Occupied	0.200000	100%	440,373,600	374,989,592	0.072226%	0.053524%	0.042500%	0.168250%	270,840	200,709	159,371	630,920
0140	TT	0	Managed Forest	Full Occupied	0.250000	100%	12,539,500	10,996,805	0.090282%	0.066905%	0.042500%	0.199687%	9,928	7,357	4,674	21,959
0210	CT	0	Commercial	Full Occupied	1.456500	100%	649,865,200	585,122,355	0.525984%	0.389787%	0.838216%	1.753987%	3,077,650	2,280,731	4,904,589	10,262,970
0215	CH	0	Commercial	Full Occupied, Shared PIL	1.456500	100%	797,600	697,926	0.525984%	0.389787%	0.838216%	1.753987%	3,671	2,720	5,850	12,241
0240	CU	0	Commercial	Excess Land	1.456500	70%	18,782,600	15,795,026	0.368189%	0.272851%	0.586751%	1.227791%	58,156	43,097	92,677	193,930
0270	CX	0	Commercial	Vacant Land	1.456500	70%	25,825,195	22,998,312	0.368189%	0.272851%	0.586751%	1.227791%	84,677	62,751	134,943	282,371
0310	GT	0	Parking Lot	Full Occupied	1.456500	100%	1,025,200	968,200	0.525984%	0.389787%	0.838216%	1.753987%	5,093	3,774	8,116	16,983
0320	DT	0	Office Building	Full Occupied	1.456500	100%	2,671,000	2,412,500	0.525984%	0.389787%	0.838216%	1.753987%	12,689	9,404	20,222	42,315
0340	ST	0	Shopping Centre	Full Occupied	1.456500	100%	151,028,100	141,299,630	0.525984%	0.389787%	0.838216%	1.753987%	743,213	550,768	1,184,396	2,478,377
0510	IT	0	Industrial	Full Occupied	2.359900	100%	212,704,300	186,113,137	0.852228%	0.631554%	1.244198%	2.727980%	1,586,108	1,175,405	2,315,616	5,077,129
0515	IH	0	Industrial	Full Occupied, Shared PIL	2.359900	100%	2,683,800	2,331,825	0.852228%	0.631554%	1.244198%	2.727980%	19,872	14,727	29,013	63,612
0531	I1	0	Industrial	Farm. Awaiting Devel. - Ph I	1.000000	75%	2,064,500	1,558,750	0.270847%	0.200714%	0.127500%	0.599061%	4,222	3,129	1,987	9,338
0540	IU	0	Industrial	Excess Land	2.359900	65%	6,383,100	5,647,453	0.553948%	0.410510%	0.808729%	1.773187%	31,284	23,183	45,673	100,140
0545	IK	0	Industrial	Excess Land, Shared PIL	2.359900	65%	557,100	488,050	0.553948%	0.410510%	0.808729%	1.773187%	2,704	2,003	3,947	8,654
0570	IX	0	Industrial	Vacant Land	2.359900	65%	123,276,400	103,746,177	0.553948%	0.410510%	0.808729%	1.773187%	574,700	425,888	839,025	1,839,613
0610	LT	0	Large Industrial	Full Occupied	2.359900	100%	46,938,100	43,598,463	0.852228%	0.631554%	1.244198%	2.727980%	371,558	275,348	542,451	1,189,357
0620	LU	0	Large Industrial	Excess Land	2.359900	65%	6,180,300	5,532,450	0.553948%	0.410510%	0.808729%	1.773187%	30,647	22,711	44,743	98,101
0710	PT	0	Pipeline	Full Occupied	1.061700	100%	19,249,000	18,356,500	0.383411%	0.284131%	1.090000%	1.757542%	70,381	52,157	200,086	322,624
2140	JT	0	Industrial, NConstr.	Full Occupied	2.359900	100%	15,716,700	14,728,860	0.852228%	0.631554%	1.090000%	2.573782%	125,523	93,021	160,545	379,089
2145	JU	0	Industrial, NConstr.	Excess Land	2.359900	65%	2,673,800	2,509,311	0.553948%	0.410510%	0.708500%	1.672958%	13,900	10,301	17,778	41,979
2440	XT	0	Commercial, NConstr.	Full Occupied	1.456500	100%	140,791,700	126,675,464	0.525984%	0.389787%	0.838216%	1.753987%	666,293	493,764	1,061,814	2,221,871
2445	XU	0	Commercial, NConstr.	Excess Land	1.456500	70%	2,248,800	2,070,636	0.368189%	0.272851%	0.586751%	1.227791%	7,624	5,650	12,149	25,423
2835	ZT	0	Shopp. Centre, NConstr.	Full Occupied	1.456500	100%	252,605,000	220,483,875	0.525984%	0.389787%	0.838216%	1.753987%	1,159,710	859,417	1,848,131	3,867,258
2840	ZU	0	Shopp. Centre, NConstr.	Excess Land	1.456500	70%	10,000	8,530	0.368189%	0.272851%	0.586751%	1.227791%	31	23	50	104
													0	0	0	0
9201			Subtotal				13,682,501,499	12,325,629,819					46,987,003	34,820,288	31,379,430	113,186,721

2019.01001

FIR2018: Halton Hills T

Asmt Code: 2415

MAH Code: 14401

Schedule 22

MUNICIPAL and SCHOOL BOARD TAXATION

for the year ended December 31, 2018

2. LOWER-TIER / SINGLE-TIER SPECIAL AREA LEVY INFORMATION

9499

TOTAL

LT/ST Taxes	UT Taxes	Education Taxes	TOTAL
335,026			335,026

4001	RTC	Tax	Property	Tax Rate		Percent of	Phase-In	Tax Rates				Municipal Taxes		Education	TOTAL
	RTQ	Band	Class	Description	Tax Ratio	Full Rate	Taxable Assessment	LT / ST	UT	EDUC	TOTAL	LT / ST	UT	Taxes	
	1	2	3	4	5	6	16	8	9	10	11	12	13	14	15
LIST	LIST					%	\$	0.xxxxxx%	0.xxxxxx%	0.xxxxxx%	0.xxxxxx%	\$	\$	\$	\$
	510	01	Hospitals												
0010	RT	0	Residential	Full Occupied	1.000000	100%	10,320,341,392	0.002575%			0.002575%	265,749			265,749
0012	RH	0	Residential	Full Occupied, Shared PIL	1.000000	100%	313,000	0.002575%			0.002575%	8			8
0031	R1	0	Residential	Farm. Awaiting Devel. - Ph I	1.000000	75%	1,094,750	0.001931%			0.001931%	21			21
0050	MT	0	Multi-Residential	Full Occupied	2.000000	100%	106,499,650	0.005149%			0.005149%	5,484			5,484
0080	NT	0	New Multi-Residential	Full Occupied	1.000000	100%	3,734,350	0.002575%			0.002575%	96			96
0110	FT	0	Farmland	Full Occupied	0.200000	100%	374,989,592	0.000515%			0.000515%	1,931			1,931
0140	TT	0	Managed Forest	Full Occupied	0.250000	100%	10,996,805	0.000644%			0.000644%	71			71
0210	CT	0	Commercial	Full Occupied	1.456500	100%	585,122,355	0.003750%			0.003750%	21,942			21,942
0215	CH	0	Commercial	Full Occupied, Shared PIL	1.456500	100%	697,926	0.003750%			0.003750%	26			26
0240	CU	0	Commercial	Excess Land	1.456500	70%	15,795,026	0.002625%			0.002625%	415			415
0270	CX	0	Commercial	Vacant Land	1.456500	70%	22,998,312	0.002625%			0.002625%	604			604
0310	GT	0	Parking Lot	Full Occupied	1.456500	100%	968,200	0.003750%			0.003750%	36			36
0320	DT	0	Office Building	Full Occupied	1.456500	100%	2,412,500	0.003750%			0.003750%	90			90
0340	ST	0	Shopping Centre	Full Occupied	1.456500	100%	141,299,630	0.003750%			0.003750%	5,299			5,299
0510	IT	0	Industrial	Full Occupied	2.359900	100%	186,113,137	0.006076%			0.006076%	11,308			11,308
0515	IH	0	Industrial	Full Occupied, Shared PIL	2.359900	100%	2,331,825	0.006076%			0.006076%	142			142
0531	I1	0	Industrial	Farm. Awaiting Devel. - Ph I	1.000000	75%	1,558,750	0.001931%			0.001931%	30			30
0540	IU	0	Industrial	Excess Land	2.359900	65%	5,647,453	0.003949%			0.003949%	223			223
0545	IK	0	Industrial	Excess Land, Shared PIL	2.359900	65%	488,050	0.003949%			0.003949%	19			19
0570	IX	0	Industrial	Vacant Land	2.359900	65%	103,746,177	0.003949%			0.003949%	4,097			4,097
0610	LT	0	Large Industrial	Full Occupied	2.359900	100%	43,598,463	0.006076%			0.006076%	2,649			2,649
0620	LU	0	Large Industrial	Excess Land	2.359900	65%	5,532,450	0.003949%			0.003949%	218			218
0710	PT	0	Pipeline	Full Occupied	1.061700	100%	18,356,500	0.002734%			0.002734%	502			502
2140	JT	0	Industrial, NConstr.	Full Occupied	2.359900	100%	14,728,860	0.006076%			0.006076%	895			895
2145	JU	0	Industrial, NConstr.	Excess Land	2.359900	65%	2,509,311	0.003949%			0.003949%	99			99
2440	XT	0	Commercial, NConstr.	Full Occupied	1.456500	100%	126,675,464	0.003750%			0.003750%	4,750			4,750
2445	XU	0	Commercial, NConstr.	Excess Land	1.456500	70%	2,070,636	0.002625%			0.002625%	54			54
2835	ZT	0	Shopp. Centre, NConstr.	Full Occupied	1.456500	100%	220,483,875	0.003750%			0.003750%	8,268			8,268
2840	ZU	0	Shopp. Centre, NConstr.	Excess Land	1.456500	70%	8,530	0.002625%			0.002625%	0			0
							8,530					0			0
9401			Subtotal				12,321,112,969					335,026			335,026

FIR2018: Halton Hills T

Asmt Code: 2415

MAH Code: 14401

Schedule 22 MUNICIPAL and SCHOOL BOARD TAXATION for the year ended December 31, 2018

3. UPPER-TIER SPECIAL AREA LEVY INFORMATION

9699 TOTAL

LT/ST Taxes	UT Taxes	Education Taxes	TOTAL
	2,764,188		2,764,188

	RTC RTQ 1 LIST	Tax Band 2 LIST	Property Class 3	Tax Rate Description 4	Tax Ratio 5	Percent of Full Rate 6 %	Phase-In Taxable Assessment 16 \$	Tax Rates				Municipal Taxes		Education	TOTAL 15 \$
								LT / ST 8 0.xxxxxx%	UT 9 0.xxxxxx%	EDUC 10 0.xxxxxx%	TOTAL 11 0.xxxxxx%	LT / ST 12 \$	UT 13 \$	Taxes 14 \$	
6001	450	01	Waste Collection												
0010	RT	0	Residential	Full Occupied	1.000000	100%	8,397,038,452		0.027664%		0.027664%		2,322,957		2,322,957
0012	RH	0	Residential	Full Occupied, Shared PIL	1.000000	100%	313,000		0.027664%		0.027664%		87		87
0050	MT	0	Multi-Residential	Full Occupied	2.000000	100%	106,499,650		0.055329%		0.055329%		58,925		58,925
0080	NT	0	New Multi-Residential	Full Occupied	1.000000	100%	3,734,350		0.027664%		0.027664%		1,033		1,033
0110	FT	0	Farmland	Full Occupied	0.200000	100%	2,909,200		0.005533%		0.005533%		161		161
0140	TT	0	Managed Forest	Full Occupied	0.250000	100%	196,950		0.006916%		0.006916%		14		14
0210	CT	0	Commercial	Full Occupied	1.456500	100%	437,805,478		0.040293%		0.040293%		176,405		176,405
0215	CH	0	Commercial	Full Occupied, Shared PIL	1.456500	100%	631,300		0.040293%		0.040293%		254		254
0240	CU	0	Commercial	Excess Land	1.456500	70%	5,969,621		0.028205%		0.028205%		1,684		1,684
0270	CX	0	Commercial	Vacant Land	1.456500	70%	11,771,812		0.028205%		0.028205%		3,320		3,320
0310	GT	0	Parking Lot	Full Occupied	1.456500	100%	796,500		0.040293%		0.040293%		321		321
0320	DT	0	Office Building	Full Occupied	1.456500	100%	2,412,500		0.040293%		0.040293%		972		972
0340	ST	0	Shopping Centre	Full Occupied	1.456500	100%	141,299,630		0.040293%		0.040293%		56,934		56,934
0510	IT	0	Industrial	Full Occupied	2.359900	100%	120,472,192		0.065285%		0.065285%		78,650		78,650
0515	IH	0	Industrial	Full Occupied, Shared PIL	2.359900	100%	1,799,700		0.065285%		0.065285%		1,175		1,175
0531	I1	0	Industrial	Farm. Awaiting Devel. - Ph I	1.000000	75%	1,558,750		0.020748%		0.020748%		323		323
0540	IU	0	Industrial	Excess Land	2.359900	65%	4,496,103		0.042435%		0.042435%		1,908		1,908
0545	IK	0	Industrial	Excess Land, Shared PIL	2.359900	65%	488,050		0.042435%		0.042435%		207		207
0570	IX	0	Industrial	Vacant Land	2.359900	65%	15,546,550		0.042435%		0.042435%		6,597		6,597
0610	LT	0	Large Industrial	Full Occupied	2.359900	100%	43,598,463		0.065285%		0.065285%		28,463		28,463
0620	LU	0	Large Industrial	Excess Land	2.359900	65%	5,532,450		0.042435%		0.042435%		2,348		2,348
0710	PT	0	Pipeline	Full Occupied	1.061700	100%	16,322,500		0.029371%		0.029371%		4,794		4,794
2140	JT	0	Industrial, NConstr.	Full Occupied	2.359900	100%	1,709,600		0.065285%		0.065285%		1,116		1,116
2145	JU	0	Industrial, NConstr.	Excess Land	2.359900	65%	8,900		0.042435%		0.042435%		4		4
2440	XT	0	Commercial, NConstr.	Full Occupied	1.456500	100%	37,339,268		0.040293%		0.040293%		15,045		15,045
2445	XU	0	Commercial, NConstr.	Excess Land	1.456500	70%	1,364,225		0.028221%		0.028221%		385		385
2835	ZT	0	Shopp. Centre, NConstr	Full Occupied	1.456500	100%	258,350		0.040293%		0.040293%		104		104
2840	ZU	0	Shopp. Centre, NConstr	Excess Land	1.456500	70%	8,530		0.028205%		0.028205%		2		2
9601	Subtotal						9,361,882,074						2,764,188		2,764,188

2018.01

FIR2018: Halton Hills T**Asmt Code: 2415****MAH Code: 14401**

Schedule 22
MUNICIPAL and SCHOOL BOARD TAXATION
for the year ended December 31, 2018

		Municipal Taxes		Education Taxes	TOTAL
		LT / ST	UT	14	15
		12	13		
		\$	\$	\$	\$
4. ADJUSTMENTS TO TAXATION					
7010	Adjustments for properties, shared as if Payment-In-Lieu (Hydro properties RTQ = H, J, K)	38,810		-38,810	0
5. SUPPLEMENTARY TAXES					
9799	Total of all supplementary taxes (Supps, Omits, Section 359)	1,345,964	1,043,351	1,313,791	3,703,106
6. AMOUNT LEVIED BY TAX RATE					
9910	TOTAL Levied by Tax Rate	48,706,803	38,627,827	32,654,411	119,989,041
7. AMOUNTS ADDED TO TAX BILL					
8005	Local improvements				0
8010	Sewer and water service charges				0
8015	Sewer and water connection charges				0
8020	Fire service charges				0
8025	Minimum tax (differential only)				0
8030	Municipal drainage charges				0
8035	Waste management collection charges				0
8040	Business improvement area	290,944			290,944
8097	Other <input type="text"/>				0
9890	Subtotal	290,944	0	0	290,944
8. OTHER TAXATION AMOUNTS					
8045	Railway rights-of-way (RTC = W)				0
8050	Utility transmission and utility corridors (RTC = U)				0
8098	Other <input type="text"/>				0
9892	Subtotal	0	0	0	0
9. TOTAL AMOUNT LEVIED					
9990	TOTAL Levies	48,997,747	38,627,827	32,654,411	120,279,985

FIR2018: Halton Hills T

Asmt Code: 2415

MAH Code: 14401

Schedule 24
PAYMENTS-IN-LIEU of TAXATION
for the year ended December 31, 2018

1. GENERAL PURPOSE PAYMENTS-IN-LIEU

[illegible]

MAH Code: 14401

Schedule 24
PAYMENTS-IN-LIEU of TAXATION
for the year ended December 31, 2018

2. LOWER-TIER / SINGLE-TIER SPECIAL AREA PAYMENTS-IN-LIEU INFORMATION

LT/ST PILS	UT PILS	Education PILS	TOTAL
1985			1985

9499 TOTAL

	RTC RTQ	Tax Band	Property Class	Tax Rate Description	Tax Ratio	Percent of Full Rate	PIL Phase-In Assessment	Tax Rates				Municipal PILS		Education	
	1 LIST	2 LIST	3	4	5	6 %	16 \$	8 0.xxxxxx%	9 0.xxxxxx%	10 0.xxxxxx%	11 0.xxxxxx%	LT / ST 12 \$	UT 13 \$	PILS 14 \$	TOTAL 15 \$
4001	510	01	Hospitals												
1015	RP	0	Residential	PIL: Full Occupied, Taxable Ten	1.000000	100%	589,000	0.002575%			0.002575%	15			1
1028	RG	0	Residential	PIL: 'General' Only (No Educ.)	1.000000	100%	694,500	0.002575%			0.002575%	18			1
1210	CF	0	Commercial	PIL: Full Occupied	1.466500	100%	26,675,850	0.003750%			0.003750%	1,000			1,000
1220	CG	0	Commercial	PIL: 'General' Only (No Educ.)	1.456500	100%	18,291,469	0.003750%			0.003750%	686			686
1290	CZ	0	Commercial	PIL: Vacant Land, 'General' Only	1.456500	70%	2,514,434	0.002625%			0.002625%	66			66
1560	IW	0	Industrial	PIL: Excess Land, 'General' Onl	2.359900	65%	5,063,000	0.003949%			0.003949%	200			200
1590	IZ	0	Industrial	PIL: Vacant Land, 'General' Onl	2.359900	65%	12,473	0.003949%			0.003949%	0			
												0			
												0			
												0			
												0			
												0			
												0			
												0			
												0			
												0			
												0			
												0			
												0			
												0			
												0			
												0			
												0			
9401			Subtotal				53,840,726					1,985			1,985

FIR2018: Halton Hills T

Asmt Code: 2415

MAH Code: 14401

Schedule 24
PAYMENTS-IN-LIEU of TAXATION
for the year ended December 31, 2018

3. UPPER-TIER SPECIAL AREA PAYMENTS-IN-LIEU INFORMATION

		LT/ST PILS	UT PILS	Education PILS	TOTAL
9699	TOTAL		11,993		11,993

	RTO LIST	Tax Rand LIST	Property Class 3	Tax Rate Description 4	Tax Ratio 5	Percent of Full Rate 6 %	PIL Phased-In Assessment 16 \$	Tax Rates				Municipal PILS		Education PILS 14 \$	TOTAL 15 \$
								LT / ST 8 0.xxxxxx%	UT 9 0.xxxxxx%	EDUC 10 0.xxxxxx%	TOTAL 11 0.xxxxxx%	LT / ST 12 \$	UT 13 \$		
6001	450	01	Waste Collection												
1028	RG	0	Residential	PIL: 'General' Only (No Educ.)	1.000000	100%	694,500		0.027664%		0.027664%		192		192
1210	CF	0	Commercial	PIL: Full Occupied	1.456500	100%	23,867,650		0.040293%		0.040293%		9,617		9,617
1220	CG	0	Commercial	PIL: 'General' Only (No Educ.)	1.456500	100%	5,042,969		0.040293%		0.040293%		2,032		2,032
1290	CZ	0	Commercial	PIL: Vacant Land, 'General' Only	1.456500	70%	538,500		0.028205%		0.028205%		152		152
													0		0
													0		0
													0		0
													0		0
													0		0
													0		0
													0		0
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													0		0
													0		0
													0		0
													0		0
													0		0
													0		0
													0		0
9601	Subtotal						30,143,619						11,993		11,993

2018.01

FIR2018: Halton Hills T**Asmt Code: 2415****MAH Code: 14401**

Schedule 24
PAYMENTS-IN-LIEU of TAXATION
 for the year ended December 31, 2018

		Municipal PILS		Education PILS	TOTAL
		LT / ST 12 \$	UT 13 \$	14 \$	15 \$
9799	Total of all supplementary PILS (Supps, Omits, Section 444)	3,329	2,771	5,299	11,399
4. SUPPLEMENTARY PAYMENTS-IN-LIEU					
9910	5. PAYMENTS-IN-LIEU LEVIED BY TAX RATE	TOTAL PILS Levied by Tax Rate			
		283,843	221,172	229,901	734,916
6. AMOUNTS ADDED TO PAYMENTS-IN-LIEU					
8005	Local improvements				0
8010	Sewer and water service charges				0
8015	Sewer and water connection charges				0
8020	Fire service charges				0
8030	Municipal drainage charges				0
8035	Waste management collection charges				0
8040	Business improvement area				0
8097	Other <input type="text"/>				0
9890	Subtotal	0	0	0	0
7. OTHER PAYMENTS-IN-LIEU AMOUNTS					
8045	Railway rights-of-way (RTC = W) - from Ontario Enterprises				0
8046	Railway rights-of-way (RTC = W) - from Province	100,855	74,211	234,154	409,220
8050	Utility transmission and utility corridors (RTC = U) - from Ontario Enterprises				0
8051	Utility transmission and utility corridors (RTC = U) - from Province	231,846	170,594	583,215	985,655
8055	Institutional Payments - Heads and Beds (Mun. Act 323, 324)	4,789	3,611		8,400
8060	Hydro-electric Power Dams - from Province				0
8098	Other <input type="text"/>				0
9892	Subtotal	337,490	248,416	817,369	1,403,275
9990	8. TOTAL PAYMENTS-IN-LIEU LEVIED	TOTAL PILS Levied			
		621,333	469,588	1,047,270	2,138,191

2018.01001

FIR2018: Halton Hills T

Asmt Code: 2415

MAH Code: 14401

Schedule 26

TAXATION and PAYMENTS-IN-LIEU SUMMARY

for the year ended December 31, 2018

1. Municipal and School Board Taxation

1. Municipal and School Board Taxation						TOTAL	ENG - Public	FRE - Public	ENG - Separate	FRE - Separate	Other		
9010 Legislated Percentage of Education Taxes distributed to each School Board (Applic. to Com, Ind, Pipelines)						100.000%	64.026%	0.740%	33.663%	1.571%	0.000%		
Property Class Group	Taxable Asmt. (CVA)	Taxable Asmt. (Wtd & Disc CVA)	Phase-In Taxable Asmt. (CVA)	Phase-In Taxable Asmt. (Wtd & Disc CVA)	TOTAL Taxes	Municipal Taxes			Distribution of Education Taxes in column 6 by School Board				
	16 \$	2 \$	18 \$	17 \$	3 \$	LT / ST 4 \$	UT 5 \$	Education Taxes 6 \$	ENG - Public 7 \$	FRE - Public 8 \$	ENG - Separate 9 \$	FRE - Separate 10 \$	Other 11 \$
0010 Residential	11,433,718,904	11,433,401,604	10,326,265,992	10,325,992,305	85,039,079	37,539,619	29,945,273	17,554,187	13,514,863	28,937	3,829,881	180,506	
0050 Multi-residential	111,792,000	219,836,100	110,234,000	216,733,650	1,615,644	788,268	639,979	187,397	168,246	323	18,155	673	
0110 Farmland	440,373,600	88,074,720	374,989,592	74,997,918	633,012	272,771	200,870	159,371	153,130	0	6,241	0	
0140 Managed Forests	12,539,500	3,134,875	10,996,805	2,749,201	22,044	9,999	7,371	4,674	3,995	1	579	99	
9110 Subtotal	11,998,424,004	11,744,447,299	10,822,486,389	10,620,473,074	87,309,779	38,610,657	30,793,493	17,905,629	13,840,234	29,261	3,854,856	181,278	0
0210 Commercial	695,270,595	993,170,246	624,613,619	892,798,987	10,956,162	3,247,141	2,570,962	5,138,059	3,289,694	38,022	1,729,625	80,719	0
0215 Commercial New Construction	143,040,500	207,355,875	128,746,100	186,613,930	2,267,528	678,721	514,844	1,073,963	687,616	7,947	361,528	16,872	0
0310 Parking Lot	1,025,200	1,493,204	968,200	1,410,183	17,340	5,129	4,095	8,116	5,196	60	2,732	128	0
0320 Office Building	2,671,000	3,890,312	2,412,500	3,513,806	43,377	12,779	10,376	20,222	12,947	150	6,807	318	0
0325 Office Building New Constructio	0	0	0	0	0	0	0	0	0	0	0	0	0
0340 Shopping Centre	151,028,100	219,972,428	141,299,630	205,802,911	2,540,610	748,512	607,702	1,184,396	758,321	8,765	398,703	18,607	0
0345 Shopping Centre New Construc	252,615,000	367,929,378	220,492,405	321,143,461	3,875,736	1,168,009	859,546	1,848,181	1,183,316	13,677	622,153	29,035	0
9120 Subtotal	1,245,650,395	1,793,811,442	1,118,532,454	1,611,283,279	19,700,753	5,860,291	4,567,525	9,272,937	5,937,091	68,620	3,121,549	145,678	0
0510 Industrial	347,669,200	709,586,553	299,885,392	614,431,683	7,203,165	2,234,709	1,733,195	3,235,261	2,071,408	23,941	1,089,086	50,826	0
0515 Industrial New Construction	18,390,500	41,191,276	17,238,171	38,607,757	423,182	140,417	104,442	178,323	114,173	1,320	60,029	2,801	0
0610 Large Industrial	53,118,400	120,249,401	49,130,913	111,374,432	1,321,136	405,072	328,870	587,194	375,957	4,345	197,667	9,225	0
0615 Large Industrial New Constructi	0	0	0	0	0	0	0	0	0	0	0	0	0
9130 Subtotal	419,178,100	871,027,229	366,254,476	764,413,871	8,947,483	2,780,198	2,166,507	4,000,778	2,561,538	29,606	1,346,782	62,852	0
0705 Landfill	0	0	0	0	0	0	0	0	0	0	0	0	0
0710 Pipelines	19,249,000	20,436,663	18,356,500	19,489,096	327,920	70,883	56,951	200,086	128,107	1,481	67,355	3,143	0
0810 Other Property Classes	0	0	0	0	0	0	0	0					
9160 Adj. for shared PIL properties					0	38,810	0	-38,810	-24,849	-287	-13,064	-610	
9170 Supplementary Taxes					3,703,106	1,345,964	1,043,351	1,313,791	929,165	7,281	359,921	17,424	
9180 Total Levied by Rate					119,989,041	48,706,803	38,627,827	32,654,411	23,371,286	135,961	8,737,399	409,765	0
9190 Amts Added to Tax Bill					290,944	290,944	0	0					
9192 Other Taxation Amounts					0	0	0	0					
9199 TOTAL before Adj.	13,682,501,499	14,429,722,633	12,325,629,819	13,015,659,320	120,279,985	48,997,747	38,627,827	32,654,411	23,371,286	135,961	8,737,399	409,765	0

2. Payments-in-Lieu of Taxation

Property Class Group	PIL Asmt. (CVA)	PIL Asmt. (Wtd & Disc CVA)	Phase-In PIL Asmt. (CVA)	Phase-In PIL Asmt. (Wtd & Disc CVA)	Total PILS Levied	Municipal PILS		Education PILS
	16 \$	2 \$	18 \$	17 \$	3 \$	LT / ST 4 \$	UT 5 \$	6 \$
1010 Residential	1,466,000	1,466,000	1,283,500	1,283,500	9,296	4,668	3,627	1,001
1050 Multi-residential	0	0	0	0	0	0	0	0
1110 Farmland	0	0	0	0	0	0	0	0
1140 Managed Forests	0	0	0	0	0	0	0	0
9210 Subtotal	1,466,000	1,466,000	1,283,500	1,283,500	9,296	4,668	3,627	1,001
1210 Commercial	51,245,700	73,250,298	47,481,753	68,058,491	665,071	247,531	193,939	223,601
1215 Commercial New Construction	0	0	0	0	0	0	0	0
1310 Parking Lot	0	0	0	0	0	0	0	0
1320 Office Building	0	0	0	0	0	0	0	0
1325 Office Building New Constructio	0	0	0	0	0	0	0	0
1340 Shopping Centre	0	0	0	0	0	0	0	0
1345 Shopping Centre New Construc	0	0	0	0	0	0	0	0
9220 Subtotal	51,245,700	73,250,298	47,481,753	68,058,491	665,071	247,531	193,939	223,601
1510 Industrial	5,887,000	9,030,275	5,075,473	7,785,446	49,150	28,315	20,835	0
1515 Industrial New Construction	0	0	0	0	0	0	0	0
1610 Large Industrial	0	0	0	0	0	0	0	0
1615 Large Industrial New Constructi	0	0	0	0	0	0	0	0
9230 Subtotal	5,887,000	9,030,275	5,075,473	7,785,446	49,150	28,315	20,835	0
1705 Landfill	0	0	0	0	0	0	0	0
1718 Pipelines	0	0	0	0	0	0	0	0
1810 Other Property Classes	0	0	0	0	0	0	0	0
9270 Supplementary PILS					11,399	3,329	2,771	5,299
9280 Total Levied by Rate					734,916	283,843	221,172	229,901
9290 Amts Added to PILS					0	0	0	0
9292 Other PIL Amounts					1,403,275	337,490	248,416	817,369
9299 TOTAL before Adj.	58,598,700	83,746,573	53,840,726	77,127,437	22,199,220	22,739,658	469,588	1,047,270

Part 3 contains Distribution of PILS by School Boards

2018.01

FIR2018: Halton Hills T**Asmt Code: 2415****MAH Code: 14401****Schedule 26****TAXATION and PAYMENTS-IN-LIEU SUMMARY****for the year ended December 31, 2018****3. Payments-In-Lieu of Taxation: Distribution of Entitlements**

Source of PILS	PILS Levied			TOTAL PILS Levied	Adjustment to PILS Levied	TOTAL PIL Entitlement	Distrib. of PIL Entitlement in Col. 7			Distribution of Education PILS in column 10 by School Board				
	LT / ST	UT	Education				LT / ST	UT	Education	English - Public	French - Public	English - Separate	French - Separate	Other
	3	4	5				8	9	10	11	12	13	14	15
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
5010 Canada	24,691	20,046	39,069	83,806		83,806	63,760	20,046						
5020 Canada Enterprises	12,308	9,993	19,476	41,777		41,777	31,784	9,993						
Ontario														
Municipal Tax Assist. Act														
5210 Prev. Exempt Properties				0		0								
5220 Other Mun. Tax Asst. Act	43,543	32,128		75,671		75,671	43,543	32,128						
5230 Inst. Payments - Heads and Beds	4,789	3,611	0	8,400		8,400	4,789	3,611						
5232 Railway Rights-of-way	100,855	74,211	234,154	409,220		409,220	100,855	74,211	234,154	149,921	78,823	1,733	3,677	
5234 Utility Corridors/Transmission	231,846	170,594	583,215	985,655		985,655	815,061	170,594						
5236 Hydro-Electric Power Dams	0	0	0	0		0								
5240 Other <input type="text" value="Min of Energy and Infrastructure"/>	5,808	4,273	1,001	11,082		11,082	5,808	4,273	1,001	1,001				
Ontario Enterprises														
5410 Ontario Mortgage and Housing Corporation.				0		0								
5430 Liquor Control Board of Ont.	4,749	3,856		8,605		8,605	4,749	3,856						
5432 Railway Rights-of-way	0	0	0	0		0								
5434 Utility Corridors/Transmission	0	0	0	0		0								
5437 Ontario Lottery and Gaming Corp.				0		0								
5460 Other <input type="text"/>				0		0								
5610 Municipal Enterprises	3,869	3,142	6,123	13,134		13,134	9,992	3,142	0	0				
5910 Other Muns and Enterprises	188,875	147,734	164,232	500,841		500,841	347,808	147,734	5,299	3,408	38	1,772	81	
5950 Amounts Added to PIL	0	0	0	0		0								
9599 TOTAL	621,333	469,588	1,047,270	2,138,191	0	2,138,191	1,428,149	469,588	240,454	154,330	78,861	3,505	3,758	0

2018.01

FIR2018: Halton Hills T

Asmt Code: 2415

MAH Code: 14401

Schedule 40

CONSOLIDATED STATEMENT OF OPERATIONS: EXPENSES

for the year ended December 31, 2018

		Salaries, Wages and Employee Benefits	Interest on Long Term Debt	Materials	Contracted Services	Rents and Financial Expenses	External Transfers	Amortization	Total Expenses Before Adjustments	Inter-Functional Adjustments	Allocation of Program Support *	Total Expenses After Adjustments
		1 \$	2 \$	3 \$	4 \$	5 \$	6 \$	16 \$	7 \$	12 \$	13 \$	11 \$
General government												
0240	Governance	1,411,877		138,062	186,327	-1,233	114,571		1,849,604	-57,551	147,711	1,939,764
0250	Corporate Management	3,065,652		165,818	1,521,727	213,737		638,665	5,605,599	25,786	440,047	6,071,432
0260	Program Support	3,072,794	829,033	265,506	2,096,615	-14,837			6,249,111	-1,010,790	-4,409,288	829,033
0299	Subtotal	7,550,323	829,033	569,386	3,804,669	197,667	114,571	638,665	13,704,314	-1,042,555	-3,821,530	8,840,229
Protection services												
0410	Fire	6,734,237	4,128	261,379	457,385	899		781,680	8,239,708	36,434	659,189	8,935,331
0420	Police								0			0
0421	Court Security								0			0
0422	Prisoner Transportation								0			0
0430	Conservation authority								0			0
0440	Protective inspection and control	711,358		16,932	341,968	3,490			1,073,748		94,359	1,168,107
0445	Building permit and inspection services	2,095,610		32,922	4,923	532			2,133,987	280,911	212,528	2,627,426
0450	Emergency measures								0			0
0460	Provincial Offences Act (POA)								0			0
0498	Other								0			0
0499	Subtotal	9,541,205	4,128	311,233	804,276	4,921	0	781,680	11,447,443	317,345	966,076	12,730,864
Transportation services												
0611	Roads - Paved	5,479,050		1,253,252	1,023,404	804		9,031,638	16,788,148	-1,536,861	547,193	15,798,480
0612	Roads - Unpaved	31,177		7,039	6,628			60,252	105,096	54,383	8,819	168,298
0613	Roads - Bridges and Culverts	24,589		14,487	5,393			837,795	882,264	30,765	6,614	919,643
0614	Roads - Traffic Operations & Roadside	822,982		104,963	287,596			315,122	1,530,663	337,573	136,688	2,004,924
0621	Winter Control - Except sidewalks, Parking Lots	683,032		536,195	2,417				1,221,644	763,844	174,608	2,160,096
0622	Winter Control - Sidewalks, Parking Lots Only	74,920		33,016					107,936	61,366	14,992	184,294
0631	Transit - Conventional								0			0
0632	Transit - Disabled & special needs	545,219		117,510	543,978			45,228	1,251,935	-34	106,264	1,358,165
0640	Parking	15,731		4,078	24,147			115,199	158,155	12,610	4,850	176,615
0650	Street lighting	587		292,328	118,686	-6,402		389,009	794,208	103	35,715	830,026
0660	Air transportation								0			0
0698	Other - Maintenance agreements	109,784		5,388	67,239				182,411	-101,748	7,055	87,718
0699	Subtotal	7,787,071	0	2,368,256	2,079,488	-5,596	0	10,794,243	23,023,460	-377,999	1,042,798	23,688,259
Environmental services												
0811	Wastewater collection/conveyance								0			0
0812	Wastewater treatment & disposal								0			0
0821	Urban storm sewer system							1,354,474	1,354,474		441	1,354,915
0822	Rural storm sewer system	54,937		3,534					58,471	83,764	12,346	154,581
0831	Water treatment								0			0
0832	Water distribution/transmission								0			0
0840	Solid waste collection								0			0
0850	Solid waste disposal								0			0
0860	Waste diversion								0			0
0898	Other - Litter free/Emerald Ash Borer			7,443					7,443			7,443
0899	Subtotal	54,937	0	10,977	0	0	0	1,354,474	1,420,388	83,764	12,787	1,516,939
Health services												
1010	Public health services								0			0
1020	Hospitals								0			0
1030	Ambulance services								0			0
1035	Ambulance dispatch								0			0
1040	Cemeteries	149,593		22,108	48,489			25,834	246,024	106,497	28,660	381,181
1098	Other								0			0
1099	Subtotal	149,593	0	22,108	48,489	0	0	25,834	246,024	106,497	28,660	381,181
Social and family services												
1210	General assistance			102	15,017				15,119			15,119
1220	Assistance to aged persons	490,607		23,376	83,324	241,322		1,436	840,065	65,476	1,323	906,864
1230	Child care								0		79,367	79,367
1298	Other								0			0
1299	Subtotal	490,607	0	23,478	98,341	241,322	0	1,436	855,184	65,476	80,690	1,001,350

FIR2018: Halton Hills T

Asmt Code: 2415

MAH Code: 14401

Schedule 40
CONSOLIDATED STATEMENT OF OPERATIONS: EXPENSES
for the year ended December 31, 2018

		Salaries, Wages and Employee Benefits	Interest on Long Term Debt	Materials	Contracted Services	Rents and Financial Expenses	External Transfers	Amortization	Total Expenses Before Adjustments	Inter-Functional Adjustments	Allocation of Program Support *	Total Expenses After Adjustments
		1	2	3	4	5	6	16	7	12	13	11
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Social Housing												
1410	Public Housing								0			0
1420	Non-Profit/Cooperative Housing								0			0
1430	Rent Supplement Programs								0			0
1497	Other <input type="text"/>								0			0
1498	Other <input type="text"/>								0			0
1499	Subtotal	0	0	0	0	0	0	0	0	0	0	0
Recreation and cultural services												
1610	Parks	670,440		246,697	126,901			1,108,199	2,152,237	467,580	133,160	2,752,977
1620	Recreation programs	2,271,872		154,869	120,105	75,288			2,622,134	6,553	231,488	2,860,175
1631	Rec. Fac. - Golf Crs, Marina, Ski Hill								0			0
1634	Rec. Fac. - All Other	4,770,342		1,623,998	1,003,303	44,966		2,047,437	9,490,046	133,444	666,683	10,290,173
1640	Libraries	3,196,798		122,472	162,803	1,945		1,053,484	4,537,502	282,495	331,578	5,151,575
1645	Museums								0			0
1650	Cultural services	655,326		147,099	122,804	5,451		100,737	1,031,417	-287,865	56,439	799,991
1698	Other <input type="text"/>								0			0
1699	Subtotal	11,564,778	0	2,295,135	1,535,916	127,650	0	4,309,857	19,833,336	602,207	1,419,348	21,854,891
Planning and development												
1810	Planning and zoning	2,150,856		48,537	635,052	1,251	12,500		2,848,196	245,265	271,171	3,364,632
1820	Commercial and Industrial	480,863		248,022	11,514	1,386	610,195	16,182	1,368,162			1,368,162
1830	Residential development								0			0
1840	Agriculture and reforestation								0			0
1850	Tile drainage/shoreline assistance								0			0
1898	Other <input type="text"/>								0			0
1899	Subtotal	2,631,719	0	296,559	646,566	2,637	622,695	16,182	4,216,358	245,265	271,171	4,732,794
1910	Other <input type="text"/>								0			0
9910	TOTAL	39,770,233	833,161	5,897,132	9,017,745	568,599	737,266	17,922,371	74,746,507	0	0	74,746,507

2018.01

FIR2018: Halton Hills T**Asmt Code: 2415****MAH Code: 14401****Schedule 42**
ADDITIONAL INFORMATION
for the year ended December 31, 2018**Additional information contained in Schedule 40**

		1
		\$
Total of column 1 includes:		
5010	Salaries and wages	31,488,967
5020	Employee benefits	8,281,266
5099	Total Salaries, Wages and Employee benefits (Not including line 5050)	39,770,233
5050	Salaries, Wages and Employee benefits capitalized on Schedule 51	
5098	Total Salaries, Wages and Employee benefits (including capitalized wages)	39,770,233
Total of column 3 includes:		
5110	Amounts for tax write-offs reported in SLC 40 0250 03	
Total of column 4 includes:		
5210	Municipal Property Assessment Corporation (MPAC)	
Total of column 5 includes:		
5610	Short term interest costs	
Total of column 6 includes:		
5810	Grants to charitable and non-profit organizations	
5820	Grants to universities and colleges	43,834
Contributions to UNCONSOLIDATED joint local boards		
5840	Health unit	
5850	District Social Services Administration Board (DSSAB)	
5860	Consolidated Municipal Service Manager (CMSM)	
5870	Homes for the aged	
5880	Recreation boards	
5890	Fire area boards	
5895	Other	
5896	Other	
5897	Other	
5898	Other	
Tourism		
5991	Specify	
5992	Specify	
5993	Specify	
Total of column 11 includes:		
Payments for long term commitments and liabilities financed from the consolidated		
6010	statement of operations	

FIR2018: Halton Hills T

Asmt Code: 2415

MAH Code: 14401

Schedule 51
SCHEDULE OF TANGIBLE CAPITAL ASSETS
for the year ended December 31, 2018**ANALYSIS BY FUNCTIONAL CLASSIFICATION**

ANALYSIS BY FUNCTIONAL CLASSIFICATION		COST					AMORTIZATION					
		2018 Opening Net Book Value	2018 Opening Cost Balance	Additions and Betterments	Disposals	Write Downs	2018 Closing Cost Balance	2018 Opening Amortization Balance	Annual Amortization	Amortization Disposal	2018 Closing Amortization Balance	2018 Closing Net Book Value
		1 \$	2 \$	3 \$	4 \$	5 \$	6 \$	7 \$	8 \$	9 \$	10 \$	11 \$
0299	General government.	8,217,780	18,501,847	1,451,906	67,166		19,886,587	10,284,067	406,468	67,166	10,623,369	9,263,218
Protection services												
0410	Fire	11,457,638	20,451,428	316,035	813,581		19,953,882	8,993,790	1,000,645	813,581	9,180,854	10,773,028
0420	Police	0	0				0	0			0	0
0421	Court Security	0	0				0	0			0	0
0422	Prisoner Transportation	0	0				0	0			0	0
0430	Conservation authority	0	0				0	0			0	0
0440	Protective inspection and control	0	0				0	0			0	0
0445	Building permit and inspection services	0	0				0	0			0	0
0450	Emergency measures	0	0				0	0			0	0
0460	Provincial Offences Act (POA)	0	0				0	0			0	0
0498	Other		0				0	0			0	0
0499	Subtotal	11,457,638	20,451,428	316,035	813,581	0	19,953,882	8,993,790	1,000,645	813,581	9,180,854	10,773,028
Transportation services												
0611	Roads - Paved	140,455,543	289,854,671	5,727,619	7,074,560		288,507,730	149,399,128	9,042,473	6,325,398	152,116,203	136,391,527
0612	Roads - Unpaved	898,496	2,821,461	38,104			2,859,565	1,922,965	61,044		1,984,009	875,556
0613	Roads - Bridges and Culverts	17,510,892	38,678,313	1,237,687	150,315		39,765,685	21,167,421	828,230	80,641	21,915,010	17,850,675
0614	Roads - Traffic Operations & Roadside	4,764,427	9,700,223	494,038	18,098		10,176,163	4,935,796	325,897	18,098	5,243,595	4,932,568
0621	Winter Control - Except sidewalks, Parking Lots	0	0				0	0			0	0
0622	Winter Control - Sidewalks, Parking Lots Only	0	0				0	0			0	0
0631	Transit - Conventional	0	0				0	0			0	0
0632	Transit - Disabled & special needs	291,394	520,284		24,106		496,178	228,890	40,734	24,106	245,518	250,660
0640	Parking	1,540,064	2,526,988		18,326		2,508,662	986,924	115,199	18,326	1,083,797	1,424,865
0650	Street lighting	4,472,762	11,512,557	552,565			12,065,122	7,039,795	389,010		7,428,805	4,636,317
0660	Air transportation	0	0				0	0			0	0
0698	Other	Adjust opening balance	1				1	1			1	0
0699	Subtotal	169,933,578	355,614,498	8,050,013	7,285,405	0	356,379,106	185,680,920	10,802,587	6,466,569	190,016,938	166,362,168
Environmental services												
0811	Wastewater collection/conveyance	0	0				0	0			0	0
0812	Wastewater treatment & disposal	0	0				0	0			0	0
0821	Urban storm sewer system	54,949,853	74,981,654	2,986,341	-8,320		77,976,315	20,031,801	1,367,169	-9,360	21,408,330	56,567,985
0822	Rural storm sewer system	0	0				0	0			0	0
0831	Water treatment	0	0				0	0			0	0
0832	Water distribution/transmission	0	0				0	0			0	0
0840	Solid waste collection	0	0				0	0			0	0
0850	Solid waste disposal	0	0				0	0			0	0
0860	Waste diversion	0	0				0	0			0	0
0898	Other		0				0	0			0	0
0899	Subtotal	54,949,853	74,981,654	2,986,341	-8,320	0	77,976,315	20,031,801	1,367,169	-9,360	21,408,330	56,567,985
Health services												
1010	Public health services	0	0				0	0			0	0
1020	Hospitals	0	0				0	0			0	0
1030	Ambulance services	0	0				0	0			0	0
1035	Ambulance dispatch	0	0				0	0			0	0
1040	Cemeteries	507,473	706,565	11,535			718,100	199,092	21,547		220,639	497,461
1098	Other		0				0	0			0	0
1099	Subtotal	507,473	706,565	11,535	0	0	718,100	199,092	21,547	0	220,639	497,461
Social and family services												
1210	General assistance	0	0				0	0			0	0
1220	Assistance to aged persons	18,886	95,362		31,487		63,875	76,476	1,436	31,487	46,425	17,450
1230	Child care	0	0				0	0			0	0
1298	Other		0				0	0			0	0
1299	Subtotal	18,886	95,362	0	31,487	0	63,875	76,476	1,436	31,487	46,425	17,450

2018.01

FIR2018: Halton Hills T

Asmt Code: 2415

MAH Code: 14401

Schedule 51

SCHEDULE OF TANGIBLE CAPITAL ASSETS

for the year ended December 31, 2018

ANALYSIS BY FUNCTIONAL CLASSIFICATION

ANALYSIS BY FUNCTIONAL CLASSIFICATION		COST						AMORTIZATION				
		2018 Opening Net Book Value	2018 Opening Cost Balance	Additions and Betterments	Disposals	Write Downs	2018 Closing Cost Balance	2018 Opening Amortization Balance	Annual Amortization	Amortization Disposal	2018 Closing Amortization Balance	2018 Closing Net Book Value
		1 \$	2 \$	3 \$	4 \$	5 \$	6 \$	7 \$	8 \$	9 \$	10 \$	11 \$
Social Housing												
1410	Public Housing	0	0				0	0			0	0
1420	Non-Profit/Cooperative Housing	0	0				0	0			0	0
1430	Rent Supplement Programs	0	0				0	0			0	0
1497	Other <input type="text"/>	0	0				0	0			0	0
1498	Other <input type="text"/>	0	0				0	0			0	0
1499	Subtotal	0	0	0	0	0	0	0	0	0	0	0
Recreation and cultural services												
1610	Parks	22,626,650	36,363,413	451,424	85,864		36,728,973	13,736,763	1,107,099	79,821	14,764,041	21,964,932
1620	Recreation programs	0	0				0	0			0	0
1631	Rec. Fac. - Golf Crs, Marina, Ski Hill	0	0				0	0			0	0
1634	Rec. Fac. - All Other	43,441,209	66,960,063	845,266	6,867,628		60,937,701	23,518,854	2,046,178	6,867,629	18,697,403	42,240,298
1640	Libraries	14,381,561	22,752,492	459,397	2,663,891		20,547,998	8,370,931	1,053,483	2,663,891	6,760,523	13,787,475
1645	Museums	0	0				0	0			0	0
1650	Cultural services	2,392,978	3,690,976		1,520		3,689,456	1,297,998	99,577	1,520	1,396,055	2,293,401
1698	Other <input type="text"/>	0	0				0	0			0	0
1699	Subtotal	82,842,398	129,766,944	1,756,087	9,618,903	0	121,904,128	46,924,546	4,306,337	9,612,861	41,618,022	80,286,106
Planning and development												
1810	Planning and zoning	0	0				0	0			0	0
1820	Commercial and Industrial	194,977	263,314	24,332			287,646	68,337	16,182		84,519	203,127
1830	Residential development	0	0				0	0			0	0
1840	Agriculture and reforestation	0	0				0	0			0	0
1850	Tile drainage/shoreline assistance	0	0				0	0			0	0
1898	Other <input type="text"/>	0	0				0	0			0	0
1899	Subtotal	194,977	263,314	24,332	0	0	287,646	68,337	16,182	0	84,519	203,127
1910	Other <input type="text"/>	0	0				0	0			0	0
9910	Total Tangible Capital Assets	328,122,583	600,381,612	14,596,249	17,808,222	0	597,169,639	272,259,029	17,922,371	16,982,304	273,199,096	323,970,543

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FIR2018: Halton Hills T

Asmt Code: 2415

MAH Code: 14401

Schedule 51
SCHEDULE OF TANGIBLE CAPITAL ASSETS
 for the year ended December 31, 2018
SEGMENTED BY ASSET CLASS

		2018 Opening Net Book Value (NBV) 1 \$	2018 Closing Net Book Value (NBV) 11 \$
General Capital Assets			
2005	Land	40,051,975	40,882,382
2010	Land Improvements	21,591,207	21,765,182
2020	Buildings	58,893,023	56,345,865
2030	Machinery & Equipment	9,446,232	9,595,070
2040	Vehicles	2,138,935	2,025,441
2097	Other <table border="1" data-bbox="456 594 792 625">Leasehold improvements</table>	125,635	190,579
2098	Other <table border="1" data-bbox="456 625 792 657"></table>	0	
2099	Total General Capital Assets	132,247,007	130,804,519
		2018 Opening Net Book Value (NBV) 1 \$	2018 Closing Net Book Value (NBV) 11 \$
Infrastructure Assets			
2205	Land	4,206,067	4,206,067
2210	Land Improvements	1,373,093	1,378,611
2220	Buildings	7,120,981	6,903,471
2230	Machinery & Equipment	4,321,121	4,638,438
2240	Vehicles	4,641,166	4,510,792
2250	Linear Assets	174,213,148	171,528,645
2297	Other <table border="1" data-bbox="456 1062 792 1094"></table>	0	
2298	Other <table border="1" data-bbox="456 1094 792 1125"></table>	0	
2299	Total Infrastructure Assets	195,875,576	193,166,024
9920	Total Tangible Capital Assets	328,122,583	323,970,543
2405	Construction-in-progress	4,773,347	2,659,659
9921	Total Tangible Capital Assets and Construction-in-progress	332,895,930	326,630,202

2018.01

FIR2018: Halton Hills T

Asmt Code: 2415

MAH Code: 14401

Schedule 51**SCHEDULE OF TANGIBLE CAPITAL ASSET: CONSTRUCTION-IN-PROGRESS**

for the year ended December 31, 2018

ANALYSIS BY FUNCTIONAL CLASSIFICATION

		COST			
		2018 Opening Balance	Expenditures in 2018	Less Assets Capitalized	2018 Closing Balance
		1	2	3	4
		\$	\$	\$	\$
0299	General government	48,369			48,369
	Protection services				
0410	Fire	0			0
0420	Police	0			0
0421	Court Security	0			0
0422	Prisoner Transportation	0			0
0430	Conservation authority	0			0
0440	Protective inspection and control	0			0
0445	Building permit and inspection services	0			0
0450	Emergency measures	0			0
0460	Provincial Offences Act (POA)	0			0
0498	Other	0			0
0499	Subtotal	0	0	0	0
	Transportation services				
0611	Roads - Paved	2,075,494	154,071	1,470,671	758,894
0612	Roads - Unpaved	55,439			55,439
0613	Roads - Bridges and Culverts	334,511		15,530	318,981
0614	Roadways - Traffic Operations & Roadside	11,405		8,469	2,936
0621	Winter Control - Except sidewalks, Parking Lots	0			0
0622	Winter Control - Sidewalks, Parking Lots Only	0			0
0631	Transit - Conventional	0			0
0632	Transit - Disabled & special needs	0			0
0640	Parking	0			0
0650	Street lighting	0	52,581		52,581
0660	Air transportation	0			0
0698	Other	0			0
0699	Subtotal	2,476,849	206,652	1,494,670	1,188,831
	Environmental services				
0811	Wastewater collection/conveyance	0			0
0812	Wastewater treatment & disposal	0			0
0821	Urban storm sewer system	1,733,503		1,733,502	1
0822	Rural storm sewer system	0			0
0831	Water treatment	0			0
0832	Water distribution/transmission	0			0
0840	Solid waste collection	0			0
0850	Solid waste disposal	0			0
0860	Waste diversion	0			0
0898	Other	0			0
0899	Subtotal	1,733,503	0	1,733,502	1
	Health services				
1010	Public health services	0			0
1020	Hospitals	0			0
1030	Ambulance services	0			0
1035	Ambulance dispatch	0			0
1040	Cemeteries	0			0
1098	Other	0			0
1099	Subtotal	0	0	0	0
	Social and family services				
1210	General assistance	0			0
1220	Assistance to aged persons	0			0
1230	Child care	0			0
1298	Other	0			0
1299	Subtotal	0	0	0	0
	Social Housing				
1410	Public Housing	0			0
1420	Non-Profit/Cooperative Housing	0			0
1430	Rent Supplement Programs	0			0
1497	Other	0			0
1498	Other	0			0
1499	Subtotal	0	0	0	0
	Recreation and cultural services				
1610	Parks	401,216	946,480	190	1,347,506
1620	Recreation programs	0			0
1631	Rec. Fac. - Golf Crs, Marina, Ski Hill	0			0
1634	Rec. Fac. - All Other	113,410	37,079	75,537	74,952
1640	Libraries	0			0
1645	Museums	0			0
1650	Cultural services	0			0
1698	Other	0			0
1699	Subtotal	514,626	983,559	75,727	1,422,458
	Planning and development				
1810	Planning and zoning	0			0
1820	Commercial and Industrial	0			0
1830	Residential development	0			0
1840	Agriculture and reforestation	0			0
1850	Tile drainage/shoreline assistance	0			0
1898	Other	0			0
1899	Subtotal	0	0	0	0
1910	Other	0			0
9910	Total Construction-In-Progress	4,773,347	1,190,211	3,303,899	2,659,659

2018/01

FIR2018: Halton Hills T

Asmt Code: 2415

MAH Code: 14401

**CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
(NET DEBT) AND TANGIBLE CAPITAL ASSET ACQUISITION FINANCING/DONATIONS**

for the year ended December 31, 2018

Schedule 53**CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS (NET DEBT)**

		1 \$
1010	Annual Surplus/(Deficit) (SLC 10 2099 01)	4,406,340
1020	Acquisition of tangible capital assets	-12,185,072
1030	Amortization of tangible capital assets (SLC 51 9910 08)	17,922,371
1031	Contributed (Donated) tangible capital assets	-297,489
1032	Change in construction-in-progress	
1040	(Gain)/Loss on sale of tangible capital assets	673,182
1050	Proceeds on sale of tangible capital assets	152,736
1060	Write-downs of tangible capital assets	
1070	Other	
1071	Other	
1099	Subtotal	6,265,728
1210	Change in supplies inventories	-109,700
1220	Change in prepaid expenses	-16,268
1230	Other	
1299	Subtotal	-125,968
1410	(Increase)/decrease in net financial assets/net debt	10,546,100
1420	Net financial assets (net debt), beginning of year	72,088,139
9910	Net financial assets (net debt), end of year	82,634,239

SOURCES OF FINANCING FOR TCA ACQUISITIONS / DONATIONS

		1 \$
Long Term Liabilities Incurred		
0205	Canada Mortgage and Housing Corporation (CMHC)	
0210	Ontario Financing Authority	
0215	Commercial Area Improvement Program	
0220	Other Ontario housing programs	
0235	Serial debentures	336,584
0240	Sinking fund debentures	
0245	Long term bank loans	
0250	Long term reserve fund loans	
0255	Lease purchase agreements (Tangible capital leases)	
0260	Construction Financing Debentures	
0265	Infrastructure Ontario	
0297	Other	
0298	Other	
0299	Subtotal	336,584
Financing from Dedicated Revenue		
0405	Municipal Property Tax by Levy	
0406	Reserves and Reserve funds (SLC 60 1012 01 + SLC 60 1012 02 + SLC 60 1012 03)	3,761,744
0410	Municipal User Fees & Service Charges	
0415	Development Charges (SLC 61 0299 08)	2,509,540
0416	Recreation land (The Planning Act) (SLC 60 1032 01)	517,609
0419	Donations	1,162
0420	Other BIA Assets	24,332
0446	Proceeds from the sale of Tangible Capital Assets, etc.	
0447	Investment income	
0448	Prepaid special charges	
0495	Other Apply funds from capital holding	1,964,970
0496	Other Recoveries	191,750
0497	Other Gas tax used to fund non tangible capital assets	-76,319
0498	Other Operating Funds	2,727
0501	Subtotal	8,897,515
Government Transfers		
0425	Capital Grants: Federal (SLC 12 9910 06 - (SLC 10 4099 01 - SLC 60 1047 01)	133,382
0430	Capital Grants: Provincial (SLC 12 9910 05 - (SLC 10 4019 01 - SLC 60 1045 01)	908,513
0435	Capital Grants: Other Municipalities (SLC 12 9910 07)	0
0440	Canada Gas Tax (SLC 10 4099 01)	1,656,913
0445	Provincial Gas Tax (SLC 10 4019 01)	0
0502	Subtotal	2,698,808
0499	Subtotal	11,596,323
0610	Contributed (Donated) tangible capital assets	297,489
9920	Total Capital Financing	12,230,396
0810	Unexpended Capital Financing or (Unfinanced Capital Outlay)	-252,165

2018.01

FIR2018: Halton Hills T**Schedule 54**

Asmt Code: 2415

CONSOLIDATED STATEMENT OF CASH FLOW - DIRECT METHOD

MAH Code: 14401

for the year ended December 31, 2018

* Municipalities must choose either the direct or indirect method. If indirect method is chosen, please use Schedule 54B.

CONSOLIDATED STATEMENT OF CASH FLOW - DIRECT METHOD

		2018 Actual 1 \$
Operating Transactions		
Cash received from		
0210	Taxes	
0220	Transfers	
0230	User Fees	
0240	Fees, Permits, Licenses and Fines	
0250	Enterprises	
0260	Investments	
0298	Other <input type="text"/>	
0299	Subtotal	0
Cash paid for		
0410	Salaries, Wages and Employment Contracts and Benefits	
0420	Material and Supplies	
0430	Contracted Services	
0440	Financing Charges	
0450	External Transfers	
0498	Other <input type="text"/>	
0499	Subtotal	0
2099	Cash provided by operating transactions	0
Capital Transactions		
0610	Proceeds on sale of tangible capital assets	
0620	Cash used to acquire tangible capital assets	
0630	Change in construction-in-progress	
0698	Other <input type="text"/>	
0699	Cash applied to capital transactions	0
Investing Transactions		
0810	Proceeds from portfolio investments	
0820	Portfolio investments	
0898	Other <input type="text"/>	
0899	Cash provided by / (applied to) investing transactions	0
Financing Transactions		
1010	Proceeds from long term debt issues	
1020	Principal long term debt repayment	
1030	Temporary loans	
1031	Repayment of temporary loans	
1096	Other <input type="text"/>	
1097	Other <input type="text"/>	
1098	Other <input type="text"/>	
1099	Cash applied to financing transactions	0
1210	Increase in cash and cash equivalents	0
1220	Cash and cash equivalents, beginning of year	0
9920	Cash and cash equivalents, end of year	0

		2018 Actual 1 \$
Cash and cash equivalents represented by:		
1401	Cash	
1402	Temporary borrowings	
1403	Short term investments	
1404	Other <input type="text"/>	
9940	Cash and cash equivalents, end of year	0
Cash:		
1501	Unrestricted	
1502	Restricted	
1503	Unallocated	
9950	Cash and cash equivalents, end of year	0

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FIR2018: Halton Hills T

Asmt Code: 2415

MAH Code: 14401

CONSOLIDATED STATEMENT OF CASH FLOW - INDIRECT METHOD**Schedule 54**

for the year ended December 31, 2018

*** Municipalities must choose either the direct or indirect method. If direct method is chosen, please use Schedule 54A.****CONSOLIDATED STATEMENT OF CASH FLOW - INDIRECT METHOD**

		2018 Actual 1 \$
Operating Transactions		
2010	Annual Surplus/(Deficit) (SLC 10 2099 01)	4,406,340
2020	Non-cash items including amortization	18,739,979
2021	Contributed (Donated) tangible capital assets	-297,489
2022	Change in non-cash assets and liabilities	-2,506,303
2030	Prepaid expenses	-125,968
2040	Change in deferred revenue	-3,290,325
2096	Other <input type="text"/>	
2097	Other <input type="text"/>	
2098	Other <input type="text"/>	
2099	Cash provided by operating transactions	16,926,234
Capital Transactions		
0610	Proceeds on sale of tangible capital assets	152,736
0620	Cash used to acquire tangible capital assets	-12,185,072
0630	Change in construction-in-progress	
0698	Other <input type="text"/>	
0699	Cash applied to capital transactions	-12,032,336
Investing Transactions		
0810	Proceeds from portfolio investments	290,925
0820	Portfolio investments	1,691,951
0898	Other <input type="text"/>	
0899	Cash provided by / (applied to) investing transactions	1,982,876
Financing Transactions		
1010	Proceeds from long term debt issues	373,762
1020	Principal long term debt repayment	-3,951,798
1030	Temporary loans	
1031	Repayment of temporary loans	920,129
1096	Other <input type="text"/> Kiwanis	-323,916
1097	Other <input type="text"/> Geothermal	-3,560
1098	Other <input type="text"/> Note Payable to SWE	-1,071,121
1099	Cash applied to financing transactions	-4,056,504
1210	Increase in cash and cash equivalents	2,820,270
1220	Cash and cash equivalents, beginning of year	74,579,915
9920	Cash and cash equivalents, end of year	77,400,185

		2018 Actual 1 \$
Cash and cash equivalents represented by:		
1401	Cash	4,338,742
1402	Temporary borrowings	
1403	Short term investments	73,061,443
1404	Other <input type="text"/>	
9940	Cash and cash equivalents, end of year	77,400,185
Cash:		
1501	Unrestricted	77,400,185
1502	Restricted	
1503	Unallocated	
9950	Cash and cash equivalents, end of year	77,400,185

2018.01

FIR2018: Halton Hills T

Asmt Code: 2415

MAH Code: 14401

**Schedule 60
CONTINUITY OF RESERVES AND RESERVE FUNDS**

for the year ended December 31, 2018

		Obligatory Res. Funds, Deferred Rev.	Discretionary Res. Funds	Reserves
		1	2	3
		\$	\$	\$
0299	Balance, beginning of year	9,322,918	642,500	44,189,170
0310	Allocation of Surplus		30,000	25,155,467
0315	Allocation of Surplus : for operating.		30,000	4,436,852
0320	Allocation of Surplus : for capital.			20,718,615
Development Charges Act				
0610	Non-discounted services	1,668,121		
0620	Discounted services	516,738		
0630	Credits utilized (Development Charges Act) (SLC 61 0299 05).	0		
0699	Subtotal Development Charges Act	2,184,859		
0810	Lot levies			
0820	Subdivider contributions			
0830	Recreational land (the Planning Act)	1,118,121		
0841	Investment Income	440,228	288	482,627
0860	Gasoline Tax - Province			
0861	Building Code Act, 1992 (Section 1.9.1.1 (d))	523,914		
0862	Gasoline Tax - Federal	1,879,461		
0864	Building Canada Fund (BCF)			
0870	Inter - Reserve Fund / Reserves Transfer			
0895	Other Deferred government grants	225,989		
0896	Other			
0897	Other			
0898	Other			
9940	TOTAL Revenues & Surplus	6,372,572	30,288	25,638,094
Less: Utilization of reserve funds and reserves (transfers)				
1012	For acquisition of tangible capital asset		19,498	3,742,246
1015	For current operations	999,893	300	15,893,351
1025	Development Charges earned to tangible capital asset acquisition (SLC 61 0299 08).	2,509,540		
1026	Development Charges earned to operations (SLC 61 0299 07).	3,067,732		
1032	Recreational land (the Planning Act) earned to tangible capital asset acquisition	517,609		
1035	Recreational land (the Planning Act) earned to operations	537,450		
1042	Deferred revenue earned (Provincial Gas Tax) for Transit (Operations)			
1045	Deferred revenue earned (Provincial Gas Tax) for Transit (Capital)			
1047	Deferred revenue earned (Canada Gas Tax)	1,733,232		
1055	Development Charges Act - Credits Provided (SLC 61 0299 10)	0		
1070	Inter - Reserve Fund / Reserves Transfer		642,548	
0910	Less: Utilization (deferred revenue recognized).	9,365,456	662,346	19,635,597
2099	Balance, end of year	6,330,034	10,442	50,191,667

2018.01

FIR2018: Halton Hills T

Asmt Code: 2415

MAH Code: 14401

**Schedule 60
CONTINUITY OF RESERVES AND RESERVE FUNDS**

for the year ended December 31, 2018

Totals in line 2099 are analysed as follows:

		Obligatory Res. Funds, Deferred Rev. 1 \$	Discretionary Res. Funds 2 \$	Reserves 3 \$
5010	Working funds			
5020	Contingencies			
	Asset Replacement funds for: Sewer & Water			
5030	Sewer			
5040	Water			
5050	Replacement of equipment			3,277,904
5060	Sick leave			
5070	Insurance			
5080	Workplace Safety and Insurance Board (WSIB)			695,820
5090	Post-employment benefits			
5091	Tax rate stabilization			4,546,390
5630	Lot levies			
5660	Parking revenues			
5670	Debenture repayment			
5680	Exchange rate stabilization			
Per Service Purpose:				
5205	General government			300,000
5210	Protection services			5,050,640
	Transportation services:			
5215	Roadways			2,585,016
5216	Winter Control			750,000
5220	Transit			
5221	Parking			
5222	Street lighting			
5223	Air transportation			
	Environmental services:			
5225	Wastewater system			
5230	Storm water system			
5235	Waterworks system			
5240	Solid waste collection			
5245	Solid waste disposal			
5246	Waste diversion			
5250	Health services			69,665
5255	Social and family services			
5260	Social housing			
	Recreation and cultural services:			
5265	Parks			
5266	Recreation programs			
5271	Recreation facilities - Golf Course, Marina, Ski Hill			
5274	Recreation facilities - All Other			
5275	Libraries			491,725
5276	Museums			
5277	Cultural services			55,230
5280	Planning and development			
5290	Other JE Award(Discr)/SILR, Cap Rep, etc		10,442	32,369,277
Obligatory Deferred Revenue:				
5610	Development Charges Act - Non-discounted services	4,343,058		
5620	Development Charges Act - Discounted services	-9,323,072		
5640	Subdivider contributions			
5650	Recreational land (the Planning Act)	4,943,281		
5661	Building Code Act, 1992 (Section 1.9.1.1 (d))	5,253,687		
5690	Gasoline Tax - Province			
5691	Gasoline Tax - Federal	884,068		
5692	Canada Transit Funding (Bill C-48)			
5693	Building Canada Fund (BCF)			
5695	Other Deferred Federal Grants	229,012		
5696	Other			
5697	Other			
5698	Other			
5699	Other			
9930	TOTAL	6,330,034	10,442	50,191,667

2018.01

FIR2018: Halton Hills T

Asmt Code: 2415

MAH Code: 14401

Schedule 61**DEVELOPMENT CHARGES RESERVE FUNDS**

for the year ended December 31, 2018

		Development Charges Proceeds				Development Charges Disbursements						
		Balance January 1	Development Charges Collected	Interest and Investment Income	Credits Utilized	Total	To: Consolidated Statement of Operations	To: Tangible Capital Asset Acquisition	Other Disbursements	Credits Provided	Total	Balance December 31
		1	2	3	5	6	7	8	9	10	11	12
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Development Charges												
0205	General Government	918,988	107,519	3,716		111,235	304,773				304,773	725,450
0210	Fire Protection	-1,241,295	114,835	4,923		119,758	390,898				390,898	-1,512,435
0215	Police Protection	0				0					0	0
0220	Roads and Structures	6,185,597	1,504,420	95,376		1,599,796	-253,189	1,512,437			1,259,248	6,526,145
0225	Transit	3,607	6,803	158		6,961	-1,359				-1,359	11,927
0230	Wastewater	0				0					0	0
0235	Stormwater	-732,050	48,866	3,137		52,003	-15,483	6,086			-9,397	-670,650
0240	Water	0				0					0	0
0245	Emergency Medical Services	0				0					0	0
0250	Homes for the Aged	0				0					0	0
0255	Daycare	0				0					0	0
0260	Housing	0				0					0	0
0265	Parkland Development	0				0					0	0
0270	GO Transit	0				0					0	0
0275	Library	-252,195	45,506	4,022		49,528	378,990				378,990	-581,657
0280	Recreation	-6,302,751	344,675	28,982		373,657	2,267,091	991,017			3,258,108	-9,187,202
0285	Development Studies	0				0					0	0
0286	Parking	-321,834	12,235	14,018		26,253	-3,989				-3,989	-291,592
0287	Animal Control	0				0					0	0
0288	Municipal Cemeteries	0				0					0	0
0290	Other	0				0					0	0
0295	Other	0				0					0	0
0296	Other	0				0					0	0
0297	Other	0				0					0	0
0299	TOTAL	-1,741,933	2,184,859	154,332	0	2,339,191	3,067,732	2,509,540	0	0	5,577,272	-4,980,014

MAH Code: 14401

Sq. Foot / Sq. Metre / Per Hectare / Per Other (Please specify)

[illegible]

137

2018.01

Schedule 70

for the year ended December 31, 2018

MAH Code: 14401138

2018/01

FIR2018: Halton Hills T**Schedule 70****Asmt Code: 2415****CONSOLIDATED STATEMENT OF FINANCIAL POSITION****MAH Code: 14401****for the year ended December 31, 2018**

Liabilities		1
Temporary loans		\$
2010	Operating purposes	
Tangible Capital Assets:		
2020	Canada	
2030	Ontario	
2040	Other	
2099	Subtotal	0
Accounts Payable		
2210	Canada	124
2220	Ontario	441,879
2230	Upper-tier	398,250
2240	Other municipalities	267,276
2250	School boards	696,940
2260	Interest on debt	58,917
2270	Trade accounts payable	4,711,088
2290	Other	8,155,053
2299	Subtotal	14,729,527
2301	Estimated Tax Liabilities (PS3510)	
Deferred revenue		
2410	Obligatory reserve funds (SLC 60 2099 01)	6,330,034
2490	Other	2,971,241
2499	Subtotal	9,301,275
Long term liabilities		
2610	Debt issued	21,661,295
2620	Debt payable to others	
2630	Lease purchase agreements (Tangible capital leases)	
2640	Other <input type="text" value="HDSB Loan"/>	818,882
2650	Other <input type="text" value="Note Payable SWE"/>	1,444,883
2660	LESS: Debt issued on behalf of Government Business Enterprise	
2699	Subtotal	23,925,060
Solid Waste Management Facility Liabilities		
2799	Solid waste landfill closure and post-closure	140,902
Post employment benefits		
2810	Accumulated sick leave	
2820	Accrued vacation pay	175,044
2830	Accrued pensions payable	1,400,943
2840	Accrued Workplace Safety and Insurance Board claims (WSIB)	1,572,713
2898	Other <input type="text"/>	
2899	Subtotal post employment benefits	3,148,700
Liability for contaminated sites		
2910	Remediation costs of contaminated sites	375,952
9940	TOTAL Liabilities	51,621,416
9945	Net Financial Assets / Net Debt (Total Financial Assets LESS Total Liabilities)	82,634,239
Non-Financial Assets		1
		\$
6210	Tangible Capital Assets (SLC 51 9921 11)	326,630,202
6250	Inventories of Supplies	547,041
6260	Prepaid Expenses	487,831
6299	Total Non-Financial Assets	327,665,074
9970	Total Accumulated Surplus/(Deficit)	410,299,313
Analysis of the Accumulated Surplus/(Deficit)		1
		\$
6410	Equity in Tangible Capital Assets	326,614,020
6420	Reserves and Reserve Funds (SLC 60 2099 02 + SLC 60 2099 03)	50,202,109
6430	General Surplus/ (Deficit)	327,144
6431	Unexpended capital financing	11,464,888
Local boards		
5030	Transit operations	
5035	Water operations	
5040	Wastewater operations	
5041	Solid waste operations	
5045	Libraries	
5050	Cemeteries	
5055	Recreation, community centres and arenas	
5060	Business Improvement Area	167,790
5076	Other <input type="text"/>	
5077	Other <input type="text"/>	
5078	Other <input type="text"/>	
5079	Other <input type="text"/>	
5098	Total Local Boards	167,790
5080	Equity in Government Business Enterprises (SLC 10 6090 01)	47,878,544
6601	Unfunded Employee Benefits	-1,371,103
6602	Unfunded Landfill closure costs	-140,902
6603	Unfunded Remediation costs of contaminated sites	-375,952
6610	Other <input type="text" value="Long Term Debt"/>	-23,066,282
6620	Other <input type="text" value="Unfunded WSIB costs"/>	-1,400,943
6630	Other <input type="text"/>	
6640	Other <input type="text"/>	
6699	Total Other	-26,355,182
9971	Total Accumulated Surplus/(Deficit)	410,299,313

FIR2018: Halton Hills T

Asmt Code: 2415

MAH Code: 14401

Single/Lower-Tier ONLY Schedule 72**CONTINUITY OF TAXES RECEIVABLE**

for the year ended December 31, 2018

Continuity of Taxes Receivable

		9
		\$
0210	Taxes receivable, beginning of year	4,542,809
0215	PLUS: Amounts added to tax bills for collection purposes only	2,138,191
0220	PLUS: Tax amounts levied in the year (SLC 26 9199 03)	120,279,985
0225	PLUS: Current Year Penalties and Interest	870,876
0240	LESS: Total cash collections (SLC 72 0699 09)	123,006,801
0250	LESS: Tax adjustments before allowances (SLC 72 2899 09)	1,523,610
0260	LESS: Tax adjustments not applied to taxation (SLC 72 4999 09)	30,120
0280	PLUS: <input type="text" value="Adjustments"/>	2,153,544
0290	Taxes receivable, end of year	5,424,874

Cash Collections

		9
		\$
0610	Current year's tax	118,290,652
0620	Previous year's tax	3,110,443
0630	Penalties and interest	977,177
0640	Amounts added to tax bills for collection purposes only	1,403,275
0690	Other <input type="text" value="credits"/>	-774,746
0699	TOTAL Cash Collections	123,006,801

2018.01001

FIR2018: Halton Hills T**Asmt Code: 2415****MAH Code: 14401****Single/Lower-Tier ONLY Schedule 72**
CONTINUITY OF TAXES RECEIVABLE
for the year ended December 31, 2018

Tax Adjustments Applied to Taxation		SCHOOL BOARDS					TOTAL Education 6 \$	Lower-Tier (Single-Tier) 7 \$	Upper-Tier 8 \$	TOTAL Tax Adjustment 9 \$
		English - Public	French - Public	English - Separate	French - Separate	Other				
		1	2	3	4	5				
		\$	\$	\$	\$	\$				
1099	Municipal Act (353, 354, 357, 358, RfR)	190,508	1,304	73,567	3,238		268,617	604,429	211,122	1,084,168
1299	Discounts for Advance Payments (Mun. Act 345(10))									0
1499	Tax Credit (Mun. Act 474.3)									0
1699	Tax Cancellation - Low income seniors and Disabled persons (Mu	12,848	2,283	431	0		15,562	32,994	26,369	74,925
1810	Rebates to Commercial properties (Mun. Act 362)						0			0
1820	Rebates to Industrial properties (Mun. Act 362)						0			0
1899	Subtotal	0	0	0	0	0	0	0	0	0
2099	Rebates for Charities (Mun. Act 361)	17,553	203	9,229	431		27,416	17,901	13,298	58,615
2299	Vacant Unit Rebates (Mun. Act 364)	82,477	953	43,364	2,024		128,818	84,060	69,077	281,955
2399	Reduction for Heritage Property (Mun. Act 365.2)	5,247	23	1,269	212		6,751	9,424	7,772	23,947
2890	Other						0			0
2891	Other						0			0
2892	Other						0			0
2893	Other						0			0
2899	Tax adjustments before allowances	308,633	4,766	127,860	5,905	0	447,164	748,808	327,638	1,523,610

Tax Adjustments Not Applied to Taxation		SCHOOL BOARDS					TOTAL Education 6 \$	Lower-Tier (Single-Tier) 7 \$	Upper-Tier 8 \$	TOTAL Tax Adjustment 9 \$
		English - Public	French - Public	English - Separate	French - Separate	Other				
		1	2	3	4	5				
		\$	\$	\$	\$	\$				
4010	Tax sale, Tax registration accounts							30,120		30,120
4210	Tax Deferral - Low income seniors and Disabled persons (Mun. A						0			0
4420	Net Impact of 5% Capping Limit Program						0			0
4890	Other						0			0
4891	Other						0			0
4999	Tax Adjustments Not Applied to Taxation	0	0	0	0	0	0	30,120	0	30,120

Additional Information										
6010	Recovery of Tax Deferrals						0			0
7010	Entitlement of School Boards	23,216,983	210,056	8,613,044	407,618	0	32,447,701			

2018/01

FIR2018: Halton Hills T**Asmt Code: 2415****MAH Code: 14401****Schedule 74
LONG TERM LIABILITIES AND COMMITMENTS**

for the year ended December 31, 2018

1. Debt burden of the municipality

	All outstanding debt issued by the municipality, predecessor municipalities and consolidated entities	1	\$
0210	To Ontario and agencies		
0220	To Canada and agencies		
0230	To Others		
0297	Other <input type="text"/>		
0298	Other <input type="text"/>		
0299	Subtotal	0	
0499	PLUS: All debt assumed by the municipality from others	23,925,060	
	LESS: All debt assumed by others		
0610	Ontario		
0620	School boards		
0630	Other Municipalities	39,895	
0640	Government Business Enterprises		
0697	Other <input type="text"/>		
0698	Other <input type="text"/>		
0699	Subtotal	39,895	
	LESS: Debt retirement funds		
0810	Sewer		
0820	Water		
0896	Other <input type="text"/>		
0897	Other <input type="text"/>		
0898	Other <input type="text"/>		
0899	Subtotal	0	
	LESS: Own sinking funds (Actual balances)		
1010	General municipal		
1020	Enterprises and others		
1096	Other <input type="text"/>		
1097	Other <input type="text"/>		
1098	Other <input type="text"/>		
1099	Subtotal	0	
9910	TOTAL Net Long Term Liabilities of the Municipality	23,885,165	

2. Debt burden of the municipality: Analysed by debt instrument

1210	Sinking fund debentures	21,365,922	
1220	Installment (serial) debentures		
1230	Long term bank loans		
1240	Lease purchase agreements (Tangible capital leases)		
1250	Mortgages		
1280	Construction Financing Debentures		
1297	Other <input type="text"/> SWE Loan	1,700,361	
1298	Other <input type="text"/> HDSB Loan	818,882	
9920	TOTAL Net Long Term Liabilities of the Municipality	23,885,165	

3. Debt burden of the municipality: Analysed by function

1405	General government	845,925	
1410	Protection services	255,478	
	Transportation services:		
1415	Roadways		
1416	Winter Control		
1420	Transit		
1421	Parking		
1422	Street Lighting	1,444,883	
1423	Air Transportation		
	Environmental services:		
1425	Wastewater system		
1430	Storm water system		
1435	Waterworks system		
1440	Solid Waste collection		
1445	Solid Waste disposal		
1446	Waste diversion		
1450	Health services		
1455	Social and family services		
1460	Social housing		
	Recreation and cultural services:		
1465	Parks		
1466	Recreation programs		
1471	Recreation facilities - Golf Course, Marina, Ski Hill		
1474	Recreation facilities - All Other	15,767,386	
1475	Libraries	5,558,877	
1476	Museums		
1477	Cultural services	12,616	
1480	Planning and development		
1490	Other long term liabilities		
9930	TOTAL Net Long Term Liabilities of the Municipality	23,885,165	

2018.01001

FIR2018: Halton Hills T**Asmt Code: 2415****MAH Code: 14401****Schedule 74****LONG TERM LIABILITIES AND COMMITMENTS**

for the year ended December 31, 2018

4. Debt payable in foreign currencies (net of sinking fund holdings)

		1
		\$
1610	US Dollars:	
	Canadian dollar equivalent included in SLC 74 9910 01	
1620	Par value in 'U.S. Dollars'	
	Other currency:	
1630	Canadian dollar equivalent included in SLC 74 9910 01	
1640	Par value in <input type="text"/>	
1650	Canadian dollar equivalent included in SLC 74 9910 01	
1660	Par value in <input type="text"/>	

5. Interest earned on sinking funds and on debt retirement funds during the year

1810	Own funds	<input type="text"/>
------	---------------------	----------------------

6. Details of sinking fund balance

2010	Value of own sinking fund debentures issued and outstanding at year end	<input type="text"/>
	Balance of own sinking funds at year end	
2110	Total contributions to own sinking funds	<input type="text"/>
2120	Total income earned from investments of sinking funds' monies	<input type="text"/>
2199	Subtotal	0
2210	Estimated total future contributions from this municipality required to meet obligations in line 2010 above	<input type="text"/>
2220	Estimated total future income earned from investments in lines 2199 and 2210 above	<input type="text"/>

7. Long term commitments at year end

2410	Hospital support	<input type="text"/>
2420	University support	<input type="text"/>
2430	Leases and other agreements	<input type="text"/>
2440	Capital equipment, land acquisition	<input type="text"/>
2496	Other <input type="text"/>	<input type="text"/>
2497	Other <input type="text"/>	<input type="text"/>
2498	Other <input type="text"/>	<input type="text"/>
2499	TOTAL	0

2018.01

Schedule 74

LONG TERM LIABILITIES AND COMMITMENTS

for the year ended December 31, 2018

Contingent Liabilities	Is Value in Column 2 Estimated?	Value	Number of Years Payable Over
4	1	2	3
Y or N	Y or N	\$	Years
		0	

TOTAL

Principal	Interest	Total
1	2	3
\$	\$	\$
1,375,054	398,709	
2,576,744	434,452	
3,951,798	833,161	

TOTAL

--	--	--

Principal	Interest
1	2
\$	\$
1 071 121	

3410	Repayment of Provincial Special Assistance
3420	Other long term debt refinanced

FIR2018: Halton Hills T

Asmt Code: 2415

MAH Code: 14401

Schedule 74**LONG TERM LIABILITIES AND COMMITMENTS**

for the year ended December 31, 2018

12. Future principal and interest payments on EXISTING debt

		RECOVERABLE FROM:							
		Consolidated Statement of Operations		Reserve Funds		Unconsolidated Entities		All Others	
		Principal 1	Interest 2	Principal 3	Interest 4	Principal 5	Interest 6	Principal 7	Interest 8
		\$	\$	\$	\$	\$	\$	\$	\$
3210	Year 2019	331,640	55,390	1,386,288	172,622	74,471	58,129	2,206,139	379,753
3220	Year 2020	344,293	42,737	1,413,745	134,451	78,104	54,496	2,257,185	323,691
3230	Year 2021	357,687	29,343	1,441,499	92,691	50,504	37,703	2,312,390	261,522
3240	Year 2022	371,490	15,540	1,016,362	48,083	53,544	34,663	2,285,083	193,653
3250	Year 2023	159,284	3,612	366,323	22,662	56,768	31,440	1,673,444	130,187
3260	Years 2024 to 2028	129,236	5,913	485,899	48,118	339,404	101,633	2,887,060	249,915
3270	Years 2029 onwards	6,731	26	263,651	10,820	166,087	10,328	1,370,854	60,583
3280	Int. to be earned on sink. funds .								
3299	TOTAL	1,700,361	152,561	6,373,767	529,447	818,882	328,392	14,992,155	1,599,304

13. Other notes

Please list all Other Notes and forward supporting schedules as required by email to:

FIR.mah@ontario.ca

3601

* Use ALT + ENTER Keys to "Return" to the next line.

FIR2018: Halton Hills T

Asmt Code: 2415

MAH Code: 14401

Schedule 76 GOVERNMENT BUSINESS ENTERPRISES for the year ended December 31, 2018

GOVERNMENT BUSINESS ENTERPRISES

STATEMENT OF FINANCIAL POSITION

		Please Specify GBE					Total
		Halton Hills Community Energy Corporation					
		1	2	3	4	5	20
		\$	\$	\$	\$	\$	\$
Assets							
0210	Current	17,511,845					17,511,845
0220	Capital	102,061,267					102,061,267
0297	Other	2,846,676					2,846,676
0298	Other <input type="text" value="Regulatory balances"/>	6,761,777					6,761,777
0299	Total Assets	129,181,565	0	0	0	0	129,181,565
Liabilities							
0410	Current	43,762,121					43,762,121
0420	Long-term	38,913,188					38,913,188
0497	Other	12,623,355					12,623,355
0498	Other <input type="text" value="Regulatory balances"/>	2,146,327					2,146,327
0499	Total Liabilities	97,444,991	0	0	0	0	97,444,991
9910	Net Equity	31,736,574	0	0	0	0	31,736,574
0610	Municipality's Share	31,736,574					31,736,574

STATEMENT OF OPERATIONS

0810	Revenues	77,265,161					77,265,161
0820	Expenses	75,191,912					75,191,912
9920	Net Income (Loss)	2,073,249	0	0	0	0	2,073,249
1010	Municipality's Share	2,073,249					2,073,249
1020	Dividends paid	1,692,951					1,692,951

2018.01001

FIR2018: Halton Hills T
Asmt Code: 2415
MAH Code: 14401
Schedule 79
COMMUNITY IMPROVEMENT PLANS
for the year ended December 31, 2018
Community Improvement Plans (Section 28 of the Planning Act)
Grants

2010	Environment Site Assessment/Remediation
2020	Development/Redevelopment of Land/Buildings

Total Value of all approved Grants, Loans & Tax Assistance	Number of Approved Grants/Loans/Tax Assistance Applications
1 \$	2 #

Loans

2210	Loans issued in current year (2018)
2220	Outstanding Loans as of 2018

Tax Assistance (per Municipal Act 365.1 ss21)

2410	Cancellation
2420	Deferral

Long Term Commitments for Grants, Loans or Tax Assistance beyond 2018

2610	Year: 2019
2620	Year: 2020
2630	Year: 2021
2640	Year: 2022
2650	Year: 2023
2660	Years beyond 2023

FIR2018: Halton Hills T

Asmt Code: 2415

MAH Code: 14401

Schedule 80
STATISTICAL INFORMATION
for the year ended December 31, 2018**1. Municipal workforce profile****Employees of the Municipality**

	Full-Time Funded Positions 1 #	Part-Time Funded Positions 2 #	Seasonal Employees 3 #
0205 Administration	58.00	3.00	
0210 Fire	47.00	65.00	0.00
0211 Uniform	38.00	65.00	
0212 Civilian	9.00		
0215 Police	0.00	0.00	0.00
0216 Uniform			
0217 Civilian			
0260 Court Security	0.00	0.00	0.00
0261 Uniform			
0262 Civilian			
0263 Prisoner Transportation	0.00	0.00	0.00
0264 Uniform			
0265 Civilian			
0220 Transit	14.00		
0225 Public Works	100.00	42.00	35.00
0227 Ambulance	0.00	0.00	0.00
0228 Uniform			
0229 Civilian			
0230 Health Services			
0235 Homes for the Aged			
0240 Other Social Services			
0245 Parks and Recreation	64.00	240.00	
0250 Libraries	17.00	45.00	
0255 Planning	21.00		
0290 Other		4.00	
0298 Subtotal	321.00	399.00	35.00
0300 Proportion of Munic. Empl. covered by 'Collective Agreements' (%)			

Employees of Joint Local Boards

0305 Administration			
0310 Fire	0.00	0.00	0.00
0311 Uniform			
0312 Civilian			
0315 Police	0.00	0.00	0.00
0316 Uniform			
0317 Civilian			
0360 Court Security	0.00	0.00	0.00
0361 Uniform			
0362 Civilian			
0363 Prisoner Transportation	0.00	0.00	0.00
0364 Uniform			
0365 Civilian			
0320 Transit			
0325 Public Works			
0327 Ambulance	0.00	0.00	0.00
0328 Uniform			
0329 Civilian			
0330 Health Services			
0335 Homes for the Aged			
0340 Other Social Services			
0345 Parks and Recreation			
0350 Libraries			
0355 Planning			
0390 Other			
0398 Subtotal	0.00	0.00	0.00
0399 TOTAL	321.00	399.00	35.00

FIR2018: Halton Hills T

Asmt Code: 2415

MAH Code: 14401

Schedule 80**STATISTICAL INFORMATION**

for the year ended December 31, 2018

2. Selected investments of own sinking funds as at Dec. 31

0610 Own sinking funds

Own Municipality	Other Munic., School Boards	Provincial	Federal
1	2	3	4
\$	\$	\$	\$

3. Municipal procurement this year

1010 Total construction contracts awarded

1020 Construction contracts awarded at \$100,000 or greater

Number of Contracts	Value of Contracts
1	2
#	\$
14	4,321,030
10	4,080,008

4. Building permit information

1210 Residential properties

1220 Multi-Residential properties

1230 All other property classes

1299 Subtotal

Number of Building Permits	Total Value of Building Permits
1	2
#	\$
319	44,973,800
379	128,069,054
698	173,042,854

5. Insured value of physical assets

1410 Buildings

1420 Machinery and equipment

1430 Vehicles

1497 Other

Fine Arts & Art Gallery

1498 Other

Contents

**1499 Subtotal**

1
\$
134,410,743
1,415,944
21,299,823
1,005,240
13,474,138
171,605,888

6. Total Dollar Losses due to Structural Fires

1510 Losses due to structural fires, averaged over 3 yrs (2016 - 2018)

1
\$
2,057,367

FIR2018: Halton Hills T

Asmt Code: 2415

MAH Code: 14401

Schedule 80 STATISTICAL INFORMATION for the year ended December 31, 2018

7. Alternate service delivery arrangements

Municipal services which the municipality currently provides through some form of alternate service delivery: (Top 10 by Operating Expenses)

	Municipal service 1	S40 Functional Heading 3 LIST	S40 Line Number 2	Statement of Operations: Expenses 4 \$	Comments 5
1601					
1602					
1603					
1604					
1605					
1606					
1607					
1608					
1609					
1610					

FIR2018: Halton Hills T

Asmt Code: 2415

MAH Code: 14401

Schedule 80 STATISTICAL INFORMATION for the year ended December 31, 2018

8. Consolidated Local boards including Joint local boards and all local entities set up by the municipality

(I) PROPORTIONALLY CONSOLIDATED joint local boards

	Name of Board or Entity 1	Board Description 3 LIST	Board Code 2	Proportion of Total Munic. Contributions Consolidated 4 %	Municipality's Share of Total Contributions 5 \$	Municipality's Share of Total Fee Revenues 6 \$
0801						
0802						
0803						
0804						
0805						
0806						
0807						
0808						
0809						
0810						
0811						
0812						
0813						
0814						
0815						
0816						
0817						
0818						
0819						
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0821						
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0833						
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0838						
0839						
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0841						
0842						
0843						
0844						
0845						
0846						
0847						
0848						
0849						

FIR2018: Halton Hills T

Asmt Code: 2415

MAH Code: 14401

Schedule 80 STATISTICAL INFORMATION for the year ended December 31, 2018

(II) FULLY CONSOLIDATED local boards and any local entities set up by the municipality

	Name of Board or Entity 1	Board Description 3 LIST	Board Code 2	Proportion of Total Munic. Contributions Consolidated 4 %	Municipality's Share of Total Contributions 5 \$	Municipality's Share of Total Fee Revenues 6 \$
0851	The Halton Hills Public Library	Library Board	1604	100%		
0852	Acton Business Improvement Area	Business Improvement Area	1805	100%		
0853	Georgetown Central Business Imp. Area	Business Improvement Area	1805	100%		
0854				100%		
0855				100%		
0856				100%		
0857				100%		
0858				100%		
0859				100%		
0860				100%		
0861				100%		
0862				100%		
0863				100%		
0864				100%		
0865				100%		
0866				100%		
0867				100%		
0868				100%		
0869				100%		
0870				100%		
0871				100%		
0872				100%		
0873				100%		
0874				100%		
0875				100%		
0876				100%		
0877				100%		
0878				100%		
0879				100%		
0880				100%		
0881				100%		
0882				100%		
0883				100%		
0884				100%		
0885				100%		
0886				100%		
0887				100%		
0888				100%		
0889				100%		
0890				100%		
0891				100%		
0892				100%		
0893				100%		
0894				100%		
0895				100%		
0896				100%		
0897				100%		
0898				100%		
0899				100%		

FIR2018: Halton Hills T

Asmt Code: 2415

MAH Code: 14401

Schedule 80
STATISTICAL INFORMATION
for the year ended December 31, 2018**9. Building Permit Information (Performance Measures)**

- 1300 What method does your municipality use to determine total construction value?
- 1302 If "Other Method" is selected in line 1300, please describe the method used to determine total construction value

Column 1 #	Column 2 #	Column 3 #	Description 4 LIST
			TACBOC Construction Value Standard

Total Value of Construction Activity

- 1304 Total Value of Construction Activity for 2018 based on permits issued.

1 \$
173,042,854

Review of Complete Building Permit Applications: Median number of working days to review a complete building permit application and issue a permit or not issue a permit, and provide all reasons for refusal (by Category):

- 1306 **Category 1 : Houses (houses not exceeding 3 storeys/600 square metres)**
- Reference : provincial standard is 10 working days

Median Number of Working Days 1 #
8

- 1308 **Category 2 : Small Buildings (small commercial/industrial not exceeding 3 storeys/600 square metres)**
- Reference : provincial standard is 15 working days

15

- 1310 **Category 3 : Large Buildings (large residential/commercial/industrial/institutional)**
- Reference : provincial standard is 20 working days

16

- 1312 **Category 4 : Complex Buildings (post disaster buildings, including hospitals, power/water, fire/police/EMS), communications**
- Note : If no complete applications were submitted and accepted for a Category on lines 1306 to 1312, please leave the cell blank and do not enter zero.

--

Number Of Building Permit Applications

- 1314 **Category 1 : Houses (houses not exceeding 3 storeys/600 square metres)**

Number of Complete Applications 1 #	Number of Incomplete Applications 2 #	Total Number of Complete and Incomplete Applications 3 #
295	161	456

- 1316 **Category 2 : Small Buildings (small commercial/industrial not exceeding 3 storeys/600 square metres)**

16	22	38
----	----	----

- 1318 **Category 3 : Large Buildings (large residential/ commercial/ industrial/ institutional)**

60	36	96
----	----	----

- 1320 **Category 4 : Complex Buildings (post disaster buildings, including hospitals, power/water, fire/police/EMS), communications**

		0
--	--	---

- 1322 **Subtotal**

371	219	590
-----	-----	-----

Note: Zero should be entered on lines 1314 to 1320 in column 1 if no complete applications were submitted and accepted for a category.
Zero should be entered in column 2 if no incomplete applications were submitted and accepted for a category.

10. Planning and Development**Land Use Planning (using building permit information)**

- 1350 Number of residential units in new detached houses
- 1352 Number of residential units in new semi-detached houses
- 1354 Number of residential units in new row houses
- 1356 Number of residential units in new apartments/condo apartments
- 1358 **Subtotal**

Residential Units within Settlement Areas 1 #	Total Residential Units 2 #	Total Secondary Units 3 #
22	35	
8	9	
30	44	0

Land Designated for Agricultural Purposes

- 1370 Hectares of land designated for agricultural purposes in the Official Plan as of December 31, 2018.

Hectares 1 #
22,776

11. Transportation Services

- 1710 Roads : Total Paved Lane Km

1 #
891

- 1720 Condition of Roads : Number of paved lane kilometres where the condition is rated as good to very good.

330

- 1722 Has the entire municipal road system been rated?

Column 1 #	Column 2 #	Column 3 #	Description 4 LIST
			Y

FIR2018: Halton Hills T

Asmt Code: 2415

MAH Code: 14401

Schedule 80
STATISTICAL INFORMATION
 for the year ended December 31, 2018

1725	Indicate the rating system used and the year the rating was conducted				PCI2014						
1730	Roads : Total UnPaved Lane Km	24									
1740	Winter Control : Total Lane Km maintained in winter	903									
1750	Transit : Total Number of Regular Service Passenger Trips on Conventional Transit in Service Area.										
1755	Transit : Population of Service Area.										
1760	Bridges and Culverts : Total Square Metres of Surface Area on Bridges and Culverts	20,073									
		<table border="1"> <tr> <td>Number of structures where the condition of primary components is rated as good to very good, requiring only repair</td> <td>Total Number</td> </tr> <tr> <td>1</td> <td>2</td> </tr> <tr> <td>#</td> <td>#</td> </tr> </table>				Number of structures where the condition of primary components is rated as good to very good, requiring only repair	Total Number	1	2	#	#
Number of structures where the condition of primary components is rated as good to very good, requiring only repair	Total Number										
1	2										
#	#										
	Rating Of Bridges And Culverts										
1765	Bridges	46	75								
1766	Culverts	28	66								
1767	Subtotal	74	141								
		Column 1	Column 2	Column 3	Description 4						
		#	#	#	LIST						
1768	Have all bridges and culverts in the municipal system been rated?				Y						
1769	Indicate the rating system used and the year the rating was conducted.				OSIM2018						
	12. Environmental Services	1									
		#									
1810	Wastewater Main Backups : Total number of backed up wastewater mains										
1815	Wastewater Collection/Conveyance : Total KM of Wastewater Mains.										
1820	Wastewater Treatment and Disposal : Total Megalitres of Wastewater Treated.										
1825	Wastewater Bypasses Treatment : Estimated megalitres of untreated wastewater.										
1835	Urban Storm Water Management : Total KM of Urban Drainage System plus (0.005 KM times No. of Catch basins)	497									
1840	Rural Storm Water Management : Total KM of Rural Drainage System plus (0.005 KM times No. of Catch basins).	508									
1845	Water Treatment : Total Megalitres of Drinking Water Treated.										
1850	Water Main Breaks : Number of water main breaks in a year.										
1855	Water Distribution/Transmission : Total kilometres of Water Distribution / Transmission Pipe.										
1860	Solid Waste Collection : Total tonnes collected from all property classes.										
1865	Solid Waste Disposal : Total tonnes disposed of from all property classes.										
1870	Waste Diversion : Total tonnes diverted from all property classes.										
	13. Recreation Services	1									
		#									
1910	Trails : Total kilometres of trails (owned by municipality and third parties).	25									
1920	Indoor recreation facility space : Square metres of indoor recreation facilities (municipally owned).	30,510									
1930	Outdoor recreation facility space : Square metres of outdoor recreation facility space (municipally owned).	14,545									
		1									
		\$									
	14. Other Revenue (Used for the calculation of Operating Cost)										
2310	Fire Services: Other revenue.										
2320	Paved Roads : Other revenue.										
2330	Solid Waste Disposal : Other revenue.										
2340	Waste Diversion : Other Revenue.										
2370	Assessment on Exempt Properties (Enter data from returned roll)	543,456,930									

2018.01

FIR2018: Halton Hills T**Asmt Code: 2415****MAH Code: 14401****Schedule 81****ANNUAL DEBT REPAYMENT LIMIT**

based on the information reported for the year ended December 31, 2018

NOTE: THE ESTIMATED ANNUAL REPAYMENT LIMIT IS EFFECTIVE JANUARY 01, 2020**Please note that fees and revenues for Homes for the Aged are not reflected in this estimate.****DETERMINATION OF ANNUAL DEBT REPAYMENT LIMIT**

		1
		\$
	Debt Charges for the Current Year	
0210	Principal (SLC 74 3099 01)	3,951,798
0220	Interest (SLC 74 3099 02)	833,161
0299	Subtotal	4,784,959
0610	Payments for Long Term Commitments and Liabilities financed from the consolidated statement of operations (SLC 42 6010 01)	0
9910	Total Debt Charges	4,784,959

		1
		\$
	Excluded Debt Charges	
1010	Electricity - Principal (SLC 74 3030 01)	0
1020	Electricity - Interest (SLC 74 3030 02)	0
1030	Gas - Principal (SLC 74 3040 01)	0
1040	Gas - Interest (SLC 74 3040 02)	0
1050	Telephone - Principal (SLC 74 3050 01)	0
1060	Telephone - Interest (SLC 74 3050 02)	0
1099	Subtotal	0
1410	Debt Charges for Tile Drainage/Shoreline Assistance (SLC 74 3015 01 + SLC 74 3015 02)	0
1411	Provincial Grant funding for repayment of long term debt (SLC 74 3120 01 + SLC 74 3120 02)	0
1412	Lump sum (balloon) repayments of long term debt (SLC 74 3110 01 + SLC 74 3110 02)	73,065
1420	Total Debt Charges to be Excluded	73,065
9920	Net Debt Charges	4,711,894

		1
		\$
1610	Total Revenues (* Sale of Hydro Utilities Removed) (SLC 10 9910 01)	79,152,847
	Excluded Revenue Amounts	
2010	Fees for Tile Drainage / Shoreline Assistance (SLC 12 1850 04)	0
2210	Ontario Grants, including Grants for Tangible Capital Assets (SLC 10 0699 01 + SLC 10 0810 01 + SLC 10 0815 01)	3,101,968
2220	Canada Grants, including Grants for Tangible Capital Assets (SLC 10 0820 01 + SLC 10 0825 01)	131,024
2225	Deferred revenue earned (Provincial Gas Tax) (SLC 10 0830 01)	0
2226	Deferred revenue earned (Canada Gas Tax) (SLC 10 0831 01)	1,733,232
2230	Revenue from other municipalities, including Revenue for Tangible Capital Assets (SLC 10 1099 01 + SLC 10 1098 01)	619,449
2240	Gain/Loss on sale of land & capital assets (SLC 10 1811 01)	-673,183
2250	Deferred revenue earned (Development Charges) (SLC 10 1812 01)	5,577,272
2251	Deferred revenue earned (Recreation Land (The Planning Act)) (SLC 10 1813 01)	1,055,059
2253	Other Deferred revenue earned (SLC 10 1814 01)	999,893
2252	Donated Tangible Capital Assets (SLC 53 0610 01)	297,489
2254	Increase / Decrease in Government Business Enterprise equity (SLC 10 1905 01)	381,298
2299	Subtotal	13,223,501
2410	Fees and Revenue for Joint Local Boards for Homes for the Aged	
2610	Net Revenues	65,929,346
2620	25% of Net Revenues	16,482,337
9930	ESTIMATED ANNUAL REPAYMENT LIMIT	11,770,443

For Illustration Purposes Only

Annual Interest Rate

@

Term

years =

2018.01

FIR2018: Halton Hills T**Schedule 83****Asmt Code: 2415****NOTES****MAH Code: 14401****for the year ended December 31, 2018****NOTES**0010 **Schedule 10 :**0020 **Schedule 12 :**0030 **Schedule 40 :**0040 **Schedule 51 :**0050 **Schedule 53 :**0060 **Schedule 54 :**0070 **Schedule 60 :**0080 **Schedule 70 :**0090 **Schedule 74 :**

Schedule 2: Population # for 2018 was 51,806 (per MPAC information)

0110 **Schedule - Other :**

MANAGEMENT DISCUSSION & ANALYSIS

The 2018 Consolidated Financial Statements attest to the Town's continued commitment to service and program delivery while maintaining a strong financial foundation to support future growth.

The Town of Halton Hills is pleased to present its 2018 Annual Financial Report including a management discussion and analysis, which provides a descriptive narrative to support the consolidated financial statements. These statements include the operations of the Town, the Halton Hills Public Library Board, the Acton Business Improvement Area, the Georgetown Business Improvement Area and the Town's investment in its local distribution company, Halton Hills Community Energy Corporation (HHCEC), providing details of the municipality's financial position and activities for the fiscal year ended December 31, 2018.

These financial statements, prepared in accordance with the Canadian public sector accounting standards as prescribed by the Public Sector Accounting Board (PSAB) include the consolidated statement of financial position, the statement of operations, the statement of change in net financial assets and the statement of cash flows. Each of these four statements are explained in detail and provide information concerning the Towns' assets and liabilities, activities undertaken during the year and how they were financed.

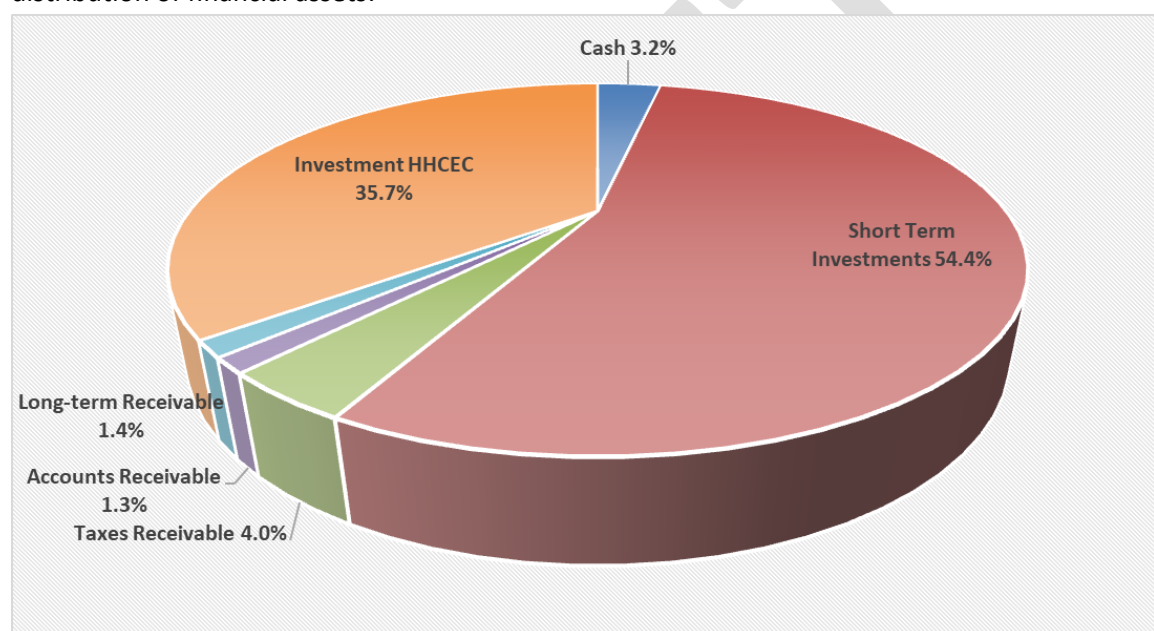
The Town also manages a number of trust funds which are not consolidated within the Town's financial statements. These funds are reported and audited separately and are attached with this report.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

The consolidated statement of financial position is a snapshot of the total financial assets (cash, investments and receivables) less liabilities (payables, deferred revenue, long-term debt) at December 31, 2018, resulting in a net financial asset position for the Town. This statement also provides details relating to the Town's non-financial assets including tangible capital assets and the Town's accumulated surplus (reserves, unspent capital funds, equity in tangible capital assets).

Financial Assets

The Town's overall financial assets have increased by \$3.3M, totaling \$134.2M at the end of 2018. The increase is mainly due to contributions to short term investments. The following graph shows the distribution of financial assets:



Cash & Short Term Investments

Short term investments of \$73M have increased by \$4.6M since 2017. This increase is reflective of:

- additional contributions to Town reserves as a result of a favourable 2018 operating budget surplus;
- planned contributions to reserves as per the Town's Long Range Financial Plan;
- the timing of cash outflows related to capital project commitments.

Return on Investment

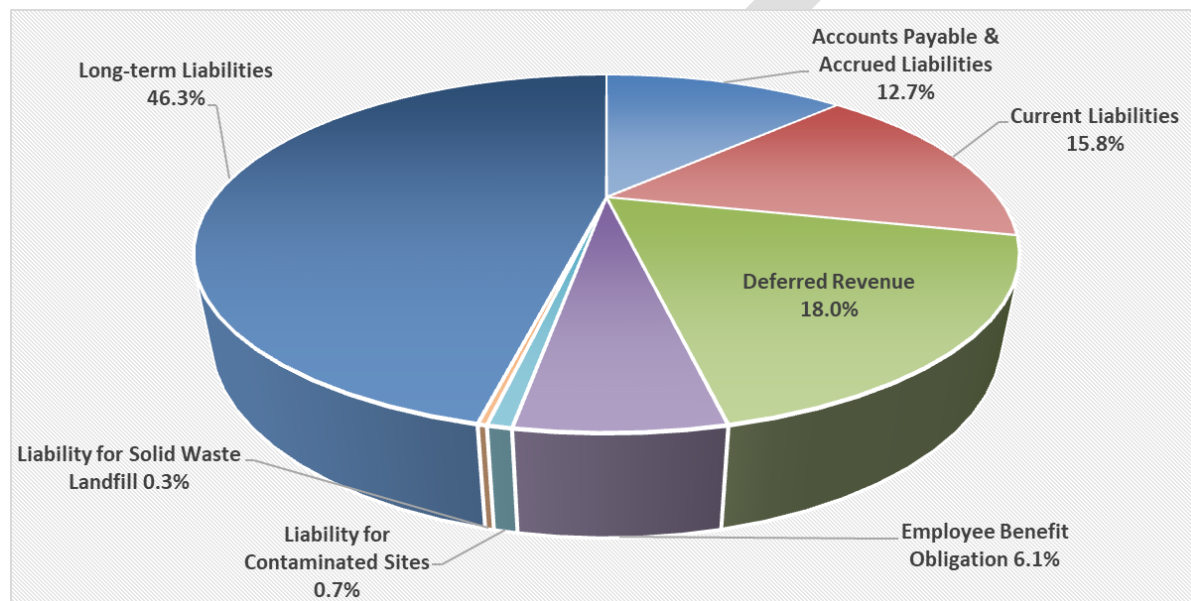
The Town invests its reserves with the Region of Halton through a pooled investment agreement and also holds its operating funds with Scotiabank in interest-bearing accounts. The combined rate of return from all investments is 2.76%, which is comparable to 2017's return of 2.78%. The rate of return on investments is subject to market conditions and fluctuations based on the pooled investment aggregate amount and the length of the investment term.

Investment in Halton Hills Community Energy Corporation

The Town's investment in the Halton Hills Community Energy Corporation (HHCEC) amounts to 35.7% of the total financial assets or \$47.8M. Owned and controlled by the Town of Halton Hills, HHCEC and its wholly owned subsidiaries are accounted for on the modified equity basis in the consolidated financial statements.

Liabilities

The Town's liabilities total \$51.6M and have decreased by \$7.2M since 2017, due mainly to repayment of long term debt and lower deferred revenue balances. Both categories are analyzed in more detail in the following sections. Accounts payable and other current liabilities remain steady at a total of \$14.7M.



Long term Liabilities

Long term liabilities represent the largest share of the Town's liabilities amounting to \$23.9M, a reduction of \$4M since 2017. These liabilities consist of debentures payable to the Regional Municipality of Halton, SouthWestern Energy and Halton District School Board.

The Province sets an allowable debt limit for municipalities whereby annual debt repayments should not exceed 25% of net revenues. Town Council has also approved a further restriction on debt levels through the Corporate Debt Management Policy in 2019. This policy limits annual debt charges to a targeted maximum of 10% of the annual tax levy. For 2018, the Town's debt repayments are within 0.1% of this target.

In addition to the prescribed debt limit, the Province monitors each municipality's debt load through a financial indicator which measures the annual debt servicing cost as a percentage of total operating revenue. In the past few years, the Town has been in the low end of the moderate risk category, which is expected to continue over the next 5 years due to the debt requirements identified in the long range financial plan.

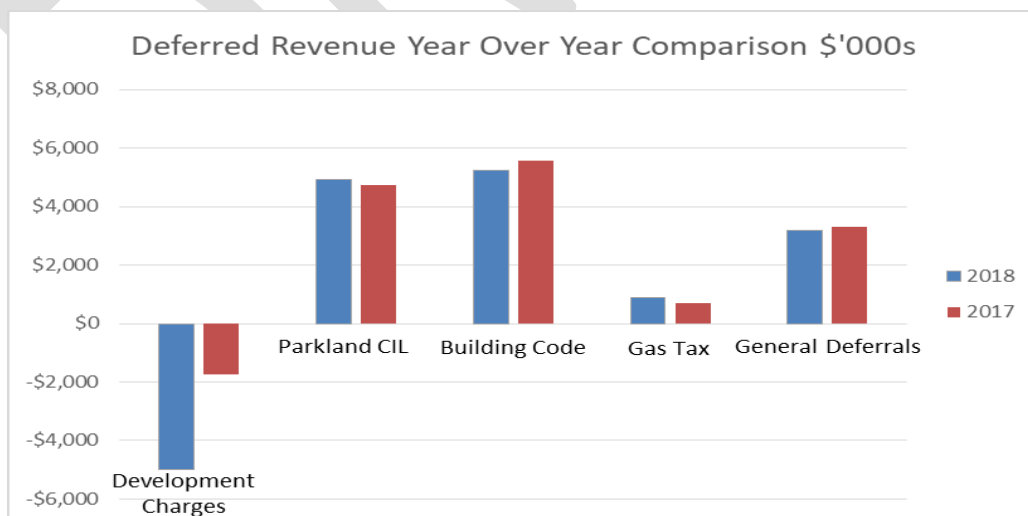
<u>Flexibility Indicator</u>	Range	Actuals							
		2018	Level of Challenge	2017	Level of Challenge	2016	Level of Challenge	2015	Level of Challenge
Debt Servicing Cost as a % of Total Revenues	Low: < 5% Mod: 5% to 10% High: > 10%	6.0%	Mod	5.8%	Mod	5.4%	Mod	5.0%	Low

Deferred Revenue

Deferred revenue represents receipts which by their nature are restricted revenues. Once qualifying expenses are incurred by the Town, these deferred revenues are brought into revenue in the fiscal period that they are expended. It is a significant contributor to the liabilities with a total of \$9.3M; however, total deferred revenue in 2018 is \$3.3M less than the prior year.

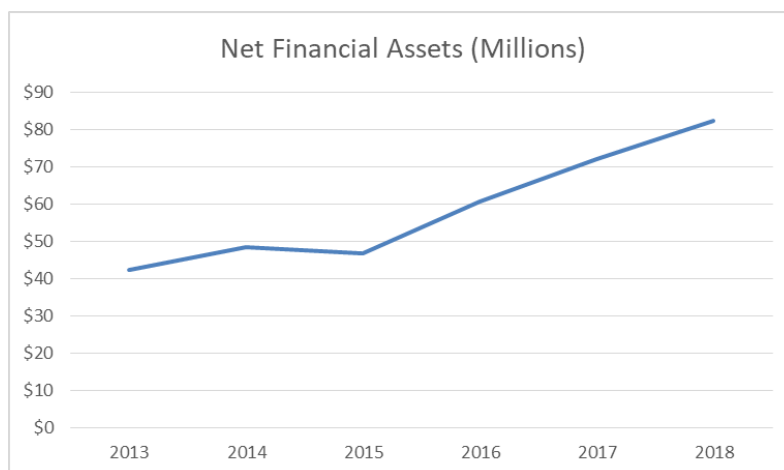
Development charges form a part of the deferred revenue balance and lower collections of these charges combined with continued recognition of revenues for capital requirements have increased the net deficit position of the development charges to \$5M. This deficit is being supported through loans from various reserves and these internal loans are not recognized as liabilities. The Town has taken the approach to interim fund growth-related costs from healthy reserves until development charges can be recovered.

The deferred revenue category also contains unrecognized revenues related to cash in lieu of parkland, building permits, federal gas tax and general deferrals such as restricted government grants, development applications and development agreements, with levels that remained consistent with those of the prior year. The following graph shows the year over year comparison of the change in composition of deferred revenue on the Statement of Financial Position.



Net Financial Assets

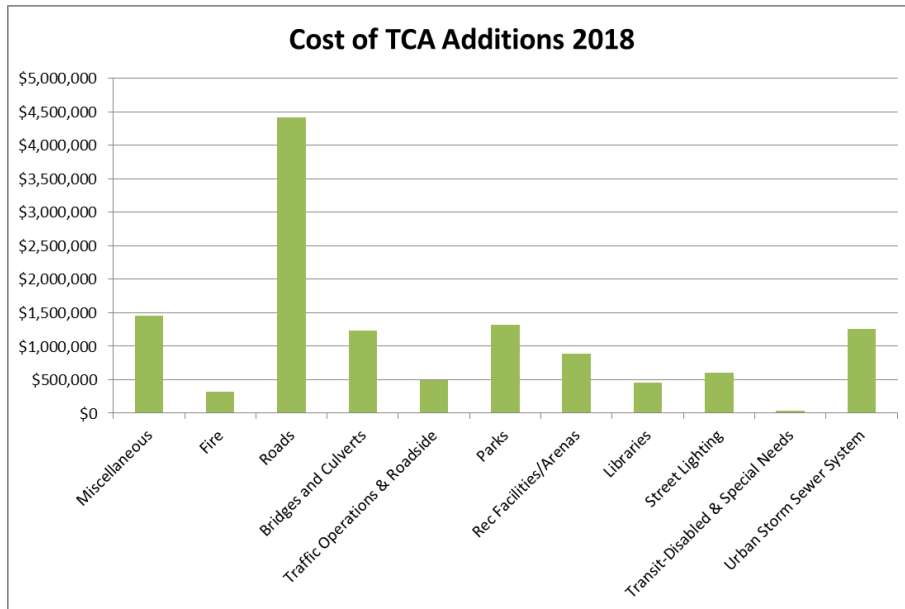
The Town is in a net financial asset position of \$82.6M which has increased by \$10.5M since 2017. This indicates there is an increase in resources available for the future, a continuing trend over the last few years. Higher balances in reserves and lower investments in tangible capital assets have contributed to this increase. The following chart shows the increase since 2013 in the net financial asset value:



Non-Financial Assets

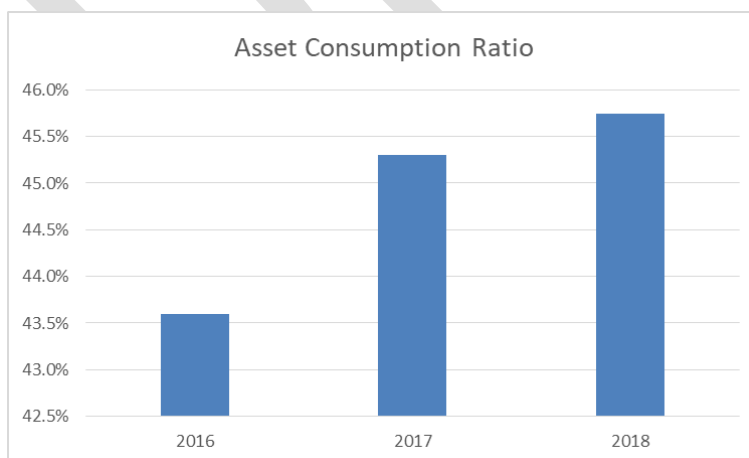
Non-financial assets primarily consist of net tangible assets. Tangible capital assets or TCAs represent a significant value and are a key component in the delivery of many programs. Tangible capital assets include items such as roads, bridges, buildings, vehicles, land, storm water systems and computer hardware. Net tangible assets represent the cost of these assets less the accumulated amortization. (Amortization is the term used to describe the annual allocation of a portion of the TCA's historical cost as an expense over its useful life). The purpose of amortization is to show the decline in the asset's value as it ages through time and use. It is important to note that amortization uses an 'accounting useful life' which covers the period when the assets are expected to contribute to the Town's operations. In addition to this accounting treatment, the Town's asset management group does undertake periodic assessments of the physical condition of assets. The results of these assessments are considered in the capital budgets with respect to asset replacements, rehabilitation and enhancements.

In 2018, the Town invested over \$12.2M in tangible capital assets including \$4.4M for upgrading road infrastructure assets through the regular pavement management program and the construction of 22nd Side Rd from Highway 7 to Wolseley St. in Limehouse. An additional \$1.2M was spent to upgrade bridges and culverts, with the most significant investment made in upgrading the railings and performing asphalt rehabilitation of the bridge on River Dr. A further \$1.2M was used to improve various community parks, such as the Upper Canada College Parkette, Smith Drive Parkette, and the construction of a skate park at the Gellert Community Centre. There were no other large infrastructure projects planned for 2018. The following graph shows the distribution of the 2018 tangible capital assets by cost over the different asset groups:



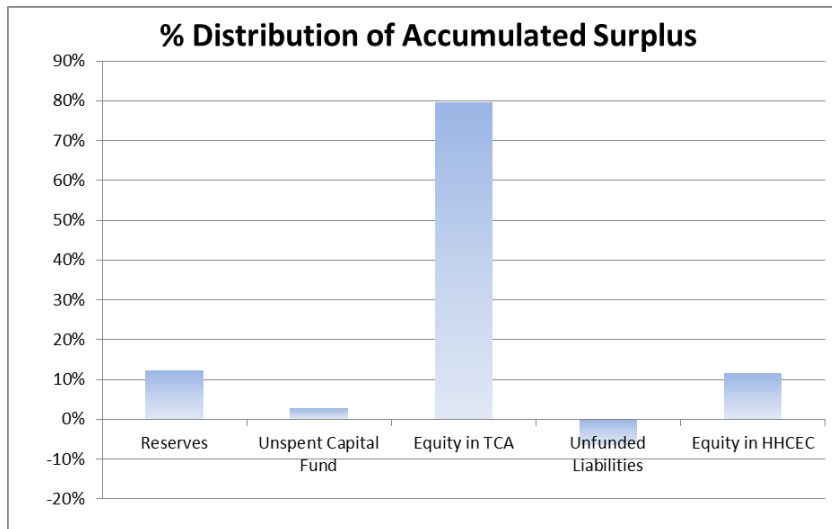
In 2018, the Town's assets decreased in net book value by \$6.2M indicating that they are amortizing at a faster rate than they are being replaced. A decrease in asset costs is also the result of adjustments for assets that have been fully amortized, replaced or sold in prior years but were still part of the assets cost at the beginning of 2018.

The status of assets can be measured through a ratio; this asset consumption ratio calculates the closing amortization balance as a percentage of the total historical cost of capital assets. In essence, it highlights the aging of infrastructure and the potential need for replacement. Using the asset consumption ratio, there was an increase in 2018 relative to previous years. This is attributable to a combination of factors: a reduction in the number of large construction projects; fewer new assets (roads, sidewalks, streetlights) assumed from developers and the disposal of assets at end of life. The following graph depicts the asset consumption ratio which shows an increasing trend over the last 3 years:



Accumulated Surplus

The accumulated surplus includes the Town's reserves of \$50M and unspent capital project funds of \$11.4M. However, the majority of the accumulated surplus represents the value of non-financial assets such as the equity in tangible capital assets and the Town's investment in Halton Hills Community Energy Corporation. The following table illustrates the components of the accumulated surplus on a percentage basis:



CONSOLIDATED STATEMENT OF OPERATIONS

The consolidated statement of operations shows the Town's revenues and expenditures. It combines all operating fund activities, and non-tangible capital asset related items from the capital fund.

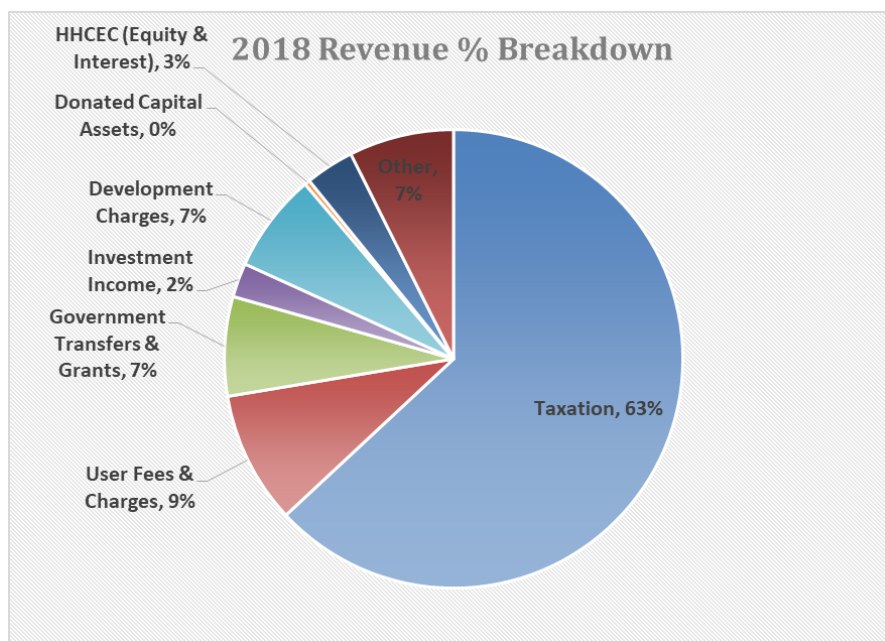
Budget

As part of the Town's annual budget process, a combined operating and capital budget compliant with the Public Sector Accounting Board (PSAB) requirements is presented to Council for approval. These numbers can be located in the budget columns of both the consolidated statement of operations and consolidated statement of change in net financial assets. The table below shows the transition from the cash-based operating surplus to the surplus reported in accordance with standards prescribed by PSAB:

Operating Budget Surplus	\$ 1,644,939
Add general surplus (contract carry-forward)	\$36,786
Remove operating transfers to & from reserves	\$12,180,022
Remove debt principal repayment	\$3,955,358
Remove debenture revenue from operating budget	(\$1,071,121)
Add operating expenses from capital budget	(\$4,376,634)
Add revenues from capital budget	\$9,292,133
Add amortization expense	(\$17,922,371)
Add assumed/donated assets	\$297,489
Add net gain/(loss) on asset disposal	(\$673,183)
Add post employment benefit expenses	(\$106,459)
Add post closure landfill expenses	(\$19,259)
Add contaminated sites expenses	(\$8,453)
Add interest income related to reserve balance	\$482,915
Add arena surcharge & misc recovery	\$293,987
Consolidation of HHCEC	\$381,298
Consolidation of BIAs (excluding amortization)	\$18,893
PSAB Annual Surplus	\$ 4,406,340
<i>(Reported in the Financial Statements)</i>	

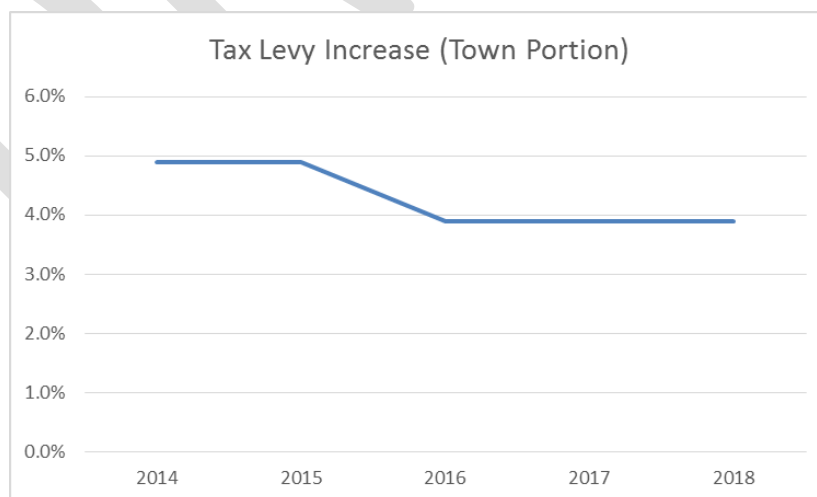
Revenues

Revenues have increased slightly by \$200K since 2017. Taxation revenue has increased, while lower utilization of development charges revenues, fewer assets assumed from developers and a decrease in projects in 2018 that were eligible to be funded by the Regional Municipality of Halton serve to offset these increases. The following chart illustrates the percentage breakdown of all 2018 revenues:



Taxation

In 2018, Council approved a 3.9% general levy tax increase net of assessment growth -- a tax rate consistent with prior years. The supplementary tax billing amount was approximately \$900K more than 2017. The following table illustrates the consistency of rate increases over the past 5 years:



User Fees & Charges

Revenues from user fees have increased by \$500K over prior year mainly due to an increase in development application revenue that was eligible to be recognized as per public sector accounting standards. The Town periodically reviews its rates and fees and in 2018 the planning fees were updated. In 2019, the recreation department will undertake a rates and fees review. The following table shows further details of the types of fees included in the reported user fee revenue line:

Comparison Of User Fees Year Over Year			
	<u>2018</u>	<u>2017</u>	<u>Difference</u>
Activan	\$261,799	\$271,528	(\$9,729)
Aquafit/Lifesaving	125,370	141,681	(16,311)
Arena Floor Rental	111,672	90,983	20,689
Business Licenses	115,415	112,865	2,550
Cemetery Fees	225,118	247,514	(22,396)
Facility Rentals	396,905	390,027	6,878
General Admission	116,079	127,182	(11,103)
General Registration	1,228,338	1,163,330	65,008
Ice Rental	2,116,218	2,094,395	21,823
Memberships	89,295	96,714	(7,419)
Park Rental	324,201	304,508	19,693
Planning Fees	1,260,432	916,142	344,290
Tax Certificates & Information	275,388	266,595	8,793
Miscellaneous User Fees	786,915	761,847	25,068
	<u>\$7,433,145</u>	<u>\$6,985,311</u>	<u>\$447,834</u>

Development Charges

Development charges recognized as revenue in 2018 are \$1.2M lower than the prior year. In 2017, there were several large construction projects that were eligible for development charge funding, such as Armstrong Avenue and Drainage Area No. 10, which increased the amount of revenue that could be recognized for that year. The following table highlights how development charges were used in 2018 to fund the repayment of debentures and finance capital and non-capital projects:

	\$
22nd SdRd Limehouse Construction	800,000
Georgetown Sports Action Park	655,416
New Equipment	198,127
Nassagaweya/Esq Construction	160,880
Upper Canada College Parkette	144,238
HHVHI 13 Neighbourhood Park	138,724
Steeles Ave. Sidewalk	97,180
Halton Hills Dr Extension Design	33,925
Maple Creek Park Phase 2	33,005
Miscellaneous Capital Assets	227,324
Non Capital Expenditures	34,941
Fund Debentures	<u>3,053,512</u>
	<u>\$5,577,272</u>

Government Transfers and Grants

Transfers from upper levels of government also contribute to the Town's revenues. In 2018, they totaled \$5.6M. The federal gas tax funds recognized as revenue were roughly \$500K less than the prior year due to a decrease in major road construction projects. Recognition of provincial funding increased by \$1.2M predominantly from the Ontario Community Infrastructure Fund (OCIF)-\$188K, the Clean Water and Wastewater Fund-\$622K, and the Public Transit Infrastructure Fund-\$117K.

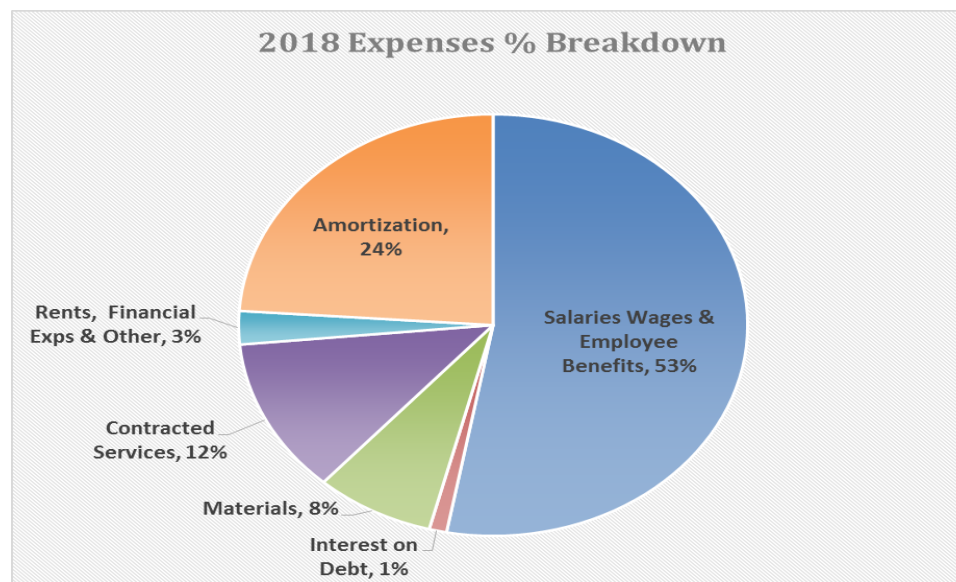
Donated Capital Assets

In 2018, the Town assumed \$297K of land from developers, a decrease of \$1.5M over the prior year when the Town assumed new tangible capital assets such as roads, sidewalks, storm sewers and streetlights. These are reported as revenue in the statement of operations as the assets provide a future benefit to the Town. Subsequent budgets are adjusted accordingly to reflect operating costs related to asset acquisitions. The following table highlights the 2018 and 2017 asset assumptions:

<u>Contributed Assets</u>	<u>2018</u>	<u>2017</u>
Paved Roads & Sidewalks	\$ -	\$1,130,503
Land	297,489	-
Street Lighting	-	90,554
Urban Storm Sewers	-	536,644
Storm Water Management Pond	-	94,581
Traffic Operations & Roadside	-	22,200
	<u>\$297,489</u>	<u>\$1,874,482</u>

Expenses

Expenses have increased by \$4.7M, mostly driven by inflationary labour increases and the need for additional positions to support growth. The following table shows the percentage split of total expenses:



Salaries, Wages & Employee Benefits

Total labour costs increased by 6.8% over 2017. There were 7.0 full-time equivalent positions added in 2018. The Town also uses contract labour to meet increased service delivery demands and growth requirements. In addition, there was a cost of living adjustment of 1.75% for non-union positions, and adjustments to the pay grid resulting from the recommendations approved in the Non-Union Salary Survey. The aggregate cost of these increases was mitigated to some degree by savings through salary gapping resulting from staff vacancies.

Amortization

As noted previously, amortization expenses represent the annual allocation of a portion of the historical cost of tangible capital assets as an expense over its useful life. The purpose of amortization is to show the decline in the asset's value as it ages through time and use. In 2018, the amortization expense decreased slightly by \$400K due to the mix of fixed assets with remaining net book value and the conversion to an automated process for fixed assets accounting, which provided greater accuracy.

Contracted Services

Contracted services increased by 20% (\$1.5M) when compared with the prior year. The year-over-year increase was the result of one-time expenses for the implementation of new payroll and recreation management software, as well as accrued costs of \$500K associated with the planned re-skinning of the Kiwanis sports field.

Materials

Material costs in 2018 remained consistent with 2017. Inflationary increases were offset by decreases in asphalt purchases and a favourable winter season. While road repairs and patching activities remained at planned service levels, less material was required in 2018.

Annual Surplus

An annual surplus of \$4.4M is being reported and contributes to the accumulated surplus which now stands at \$410.3M.

CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS

The Consolidated Statement of Change in net financial assets outlines the difference between the reported annual surplus and the change in net financial assets. This statement demonstrates how the Town has increased its net financial assets through changes in tangible capital assets, including lower investments and the reduction of debt outstanding.

DRAFT

CONSOLIDATED STATEMENT OF CASH FLOWS

The Consolidated Statement of Cash Flows shows how the Town used its cash in 2018. By adjusting the annual surplus for items that do not result in a cash transaction and taking into account the changes in working capital since the prior year, the result is a net increase in cash of \$16.9M from operations. Of the total \$23M available in cash, \$16.4M was used to buy new capital assets and repay debt and loans. Additional monies of \$1.6M were received in the form of dividends from Halton Hills Community Energy Corporation, and \$0.2M was provided as an additional financing facility from Southwestern Energy (SWE) to cover the upfront cost of the LED conversion project for street lights and the Town Hall parking lot. Of the \$8.6M remaining, \$4.4M was transferred to the Region of Halton to take advantage of the pooled investment arrangement, and \$4.3M was placed in the Scotiabank operating account. The following table shows the movements in the Town's cash throughout 2018:

Cash at beginning of year		\$6,162,358
Annual Surplus	\$4,406,340	
Adjust for all non-cash transactions	\$16,369,242	
Remove impact of non-cash working capital	<u>(\$3,849,347)</u>	
	<u>\$16,926,235</u>	<u>\$23,088,593</u>
How was this cash used?		
Purchase of new Capital Assets	<u>(\$12,185,072)</u>	
Repayment of Debt and Other Loans	<u>(\$4,279,274)</u>	
	<u>(\$16,464,346)</u>	<u>\$6,624,246</u>
New cash coming in the door.....		
Additional Debenture proceeds (LED program)	\$222,770	
Cash from Fixed Asset disposals	\$152,736	
Dividends from HHCEC	<u>\$1,691,951</u>	
	<u>\$2,067,457</u>	<u>\$8,691,703</u>
Move excess cash to invest with Region		<u>(\$4,352,961)</u>
Cash at end of year		\$4,338,742

PLANNING DOCUMENTS

Long Range Financial Plan

Financial planning is an ongoing activity that is critical given the increasing complexity of the Town's financial portfolio. In 2018, the Town retained Watson & Associates Economists Ltd. to develop a Long Range Financial Plan (LRFP) and financial planning tool enabling analysis and scenario planning to support key financing decisions.

The LRFP is based on the following key principles:

1. Manage the timing of the capital program to align capital projects with growth
2. Limit debt terms to a maximum of 10 years; longer terms require special Council approval
3. Optimize reserve balances
4. Focus on core infrastructure to reduce the infrastructure deficit over time

The LRFP plan is supported by a dynamic model that will update critical variables as they change, allowing for adjustments to keep the Town in a financially healthy state.

Asset Management Plan

Asset management is the application of financial, technical, strategic planning and other interdisciplinary techniques to effectively utilize and realize value from physical assets over their lifecycles. In 2018, the Town developed its Corporate Asset Management Policy. This policy confirms the Town's commitment to the planning, design, construction, acquisition, operation, maintenance, renewal, replacement and disposal of assets in a way that ensures sound stewardship while delivering valued customer service and improved quality of life.

The Town aligns asset management with other key corporate initiatives including the long range financial plan, storm water management, fleet management, urban tree management strategy, the climate change adaptation plan and the corporate technology strategic plan. Ultimately, the culminating effect of this alignment is reflected in the annual capital and operating budgets where carefully planned funding ensures ongoing commitment to optimize asset lifecycles.

CONCLUSION

Consistent tax rate increases of 3.9% (Town portion) combined with a solid debt management approach and commitment to maintaining healthy reserves have all contributed to the Town having preserved a steady financial position over the last few years. The Town's reserves were increased in 2018 due to lower levels of investment in tangible capital assets and a focus on re-investment back to reserves. The 2018 operating surplus was also relatively favourable, a true testament to careful management of operating budgets and a sustained commitment to ensuring reserves remain healthy in order to support future growth. An ongoing focus on long range financial planning and the ability to adapt quickly to changing conditions will be key to sustaining the Town's positive fiscal position.

Moya Leighton CPA, CGA, MBA

Town Treasurer

June 27, 2019

2019 and Beyond

The Town of Halton Hills prides itself in maintaining a small-town feel while offering residents the amenities of big city living. The slogan 'Small Town Living at its Best' is reflective of the Town's exceptionally high quality of life. Maintaining balance while attracting businesses becomes particularly important as the Town prepares to meet provincial growth targets of an additional 30,000 people by 2031.

Over the next several years, the Town endeavours to create a balance between managing expected growth, addressing replacement of existing infrastructure and providing the quality of life expected by residents. As such, the municipal tax levy has been stabilized at a 3.9% increase (net of assessment growth) for the fourth consecutive year. These increases are reflective of the Municipal Price Index for the area, while still addressing the requirements needed to maintain current levels of service expected by residents and advancing strategic initiatives as reflected in Council's Strategic Plan, developed each term to guide the Town's priorities over the next four years.

The 2019 Budget balances the demand to maintain current service levels while investing to meet infrastructure demands and future requirements.

FINANCIAL MANAGEMENT

The responsibility for financial management is governed through a series of by-laws which prescribe the appropriate purchasing, investment, risk management, reserve and debt management policies. Halton Hills Town Council has ultimate authority to allocate funds through the annual operating and capital budget process. The following areas are subject to rigorous defined processes and controls supporting effective and efficient management of Town resources.

Capital Budget

The capital budget process commences with planning for the implementation of Council's strategic priorities. These priorities in combination with the Asset Management Plan guide the creation of the capital budget. A detailed business case for each capital project is compiled which is then subject to a management review and prioritized using a prioritization matrix. Financial affordability is determined through the long range financial planning tool and the appropriate funding sources are confirmed by the Treasurer and allocated to capital projects. Following a comprehensive review by Senior Management, the proposed capital budget is presented to Council through a series of ward- specific budget review meetings providing the opportunity for detailed discussion. The capital budget is subsequently presented to Budget Committee for final review and is open to public delegation, prior to finalization.

Capital projects approved through the capital budget process are the responsibility of the department heads who are accountable to the CAO, Council and taxpayers for financial performance and service delivery.

Operating Budget

The creation of the annual operating budget also follows a highly structured process. Starting with a detailed needs assessment, senior management reviews existing programs and service levels along with requests for new initiatives to determine if additional resources will be required, or if there is the opportunity to reallocate resources to achieve efficiencies. Research is conducted and projections are made to determine appropriate inflationary increases for operating expenditures. Senior management holds a series of thorough discussions to review revenues and expenditures for potential savings, opportunities for economies of scale and/or adjustments to services and programs. The proposed tax rate increase is reviewed for consistency with prior tax years, comparability with neighbouring municipalities and affordability for the average taxpayer. The preliminary operating budget is presented to Council early on in order to secure direction for staff when preparing the budget details. The final proposed budget is discussed again with members of Council through ward-specific review meetings prior to the final presentation to budget committee and is subject to public delegations.

Department Heads are responsible for the delivery of effective and efficient services and programs. They are ultimately accountable to the CAO, Council and tax payers.

Treasury Team

The Town has a highly skilled Treasury team responsible for all finance functions from debt management to taxes to budgets providing advice on various options available to support growth and maintain existing programs and service levels.

In addition to being responsible for maintaining accurate records, the team regularly provides information to management who are accountable for the programs, services and capital projects that they manage and deliver. The Treasury team also reports periodically to Council on various financial aspects such as reserve balances, and performance against budget.

Annually, the Treasury team prepares the Town's financial statements in accordance with the standards prescribed by the Public Sector Accounting Board (PSAB) and coordinates the operating and capital budget process. Bound by Ontario Regulation 284/09 which requires municipalities to prepare a report to Council outlining expenses that have been excluded from budgets, the Treasury team prepares a report which converts the budget into a PSAB compliant format. This report is presented to Budget Committee and is subsequently audited by the Town's external auditors and reported in the annual consolidated financial statements.

The Treasury team also has the responsibility for developing, monitoring and ensuring compliance with financial controls. Recognizing that accurate information is of upmost importance for sound decision-making and effective management of the Town's resources, strong financial controls and processes are integral to providing reasonable assurance on the accuracy of the Town's data and the ensuing financial statements.

MANAGEMENT REPORT

The accompanying consolidated financial statements of the Corporation of the Town of Halton Hills have been prepared in accordance with Canadian public sector accounting standards and are the responsibility of the Town's management. The preparation of financial statements includes the use of estimates based on management's judgment. These estimates are required when transactions affecting the current reporting period cannot be finalized with certainty until future periods.

The Town has an internal control system that provides reasonable assurance over the safeguarding of its assets and the accuracy of transactions. Through the established authorization process and formal reporting procedures along with appropriate levels of management review, these controls ensure accurate, timely and reliable information.

Additionally, the Town has many accounting policies that provide technical guidance on the treatment of various transactions. Note 1 of the accompanying notes to the financial statements includes a summary of the significant accounting policies used to prepare the financial statements.

The consolidated financial statements have been audited by KPMG LLP, the external auditors for the Town. The auditors have included an independent auditor report for each of the attached financial statements. These reports outline the scope and responsibility of the auditors and management throughout the audit process and express an opinion over the financial statements.

The auditors meet regularly with Town management throughout the audit process and report to the Community and Corporate Affairs Committee at the planning stage of the audit and again at completion to present their significant audit findings.

Moya Leighton CPA, CGA, MBA

Town Treasurer

June 27, 2019

The Corporation of the Town of Halton Hills

Audit Findings Report for the year ended
December 31, 2018

May 17, 2019

kpmg.ca/audit



Table of contents

EXECUTIVE SUMMARY	1
AUDIT RISKS AND RESULTS	3
ACCOUNTING ESTIMATES	8
TECHNOLOGY IN THE AUDIT	12
ADJUSTMENTS AND DIFFERENCES	13
CURRENT DEVELOPMENTS AND AUDIT TRENDS	14
APPENDICES	18



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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 ("the financial statements") of the Corporation of the Town of Halton Hills ("the Town") as at and for the year ended December 31, 2018.

This Audit Findings Report builds on the Audit Plan we presented to the Audit Committee on February 4, 2019.



Changes from the Audit Plan

There have been no significant changes regarding our audit from the Audit Planning Report that was reported to management.



Finalizing the audit

As of the date of this report, we have completed the audit of the financial statements, with the exception of certain remaining procedures, which include amongst others:

- Receipt of legal letter replies;
- Completing our discussions with the Audit Committee;
- Obtaining evidence of the Council's approval of the financial statements;
- Receipt of the signed management representation letter (to be signed upon approval of the financial statements).

We will update the Audit Committee, and not solely the Chair (as required by professional standards), on significant matters, if any, arising from the completion of the audit, including the completion of the above procedures. Our auditors' report will be dated upon the completion of any remaining procedures.

*This Audit Findings Report should not be used for any other purpose or by anyone other than the Audit Committee and Town 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.



Executive summary



Adjustments and differences

For the Town financial statements, we have identified one difference that remains uncorrected and we did not identify any adjustments that were communicated to management and subsequently corrected in the financial statements.



Accounting estimates

Overall, we are satisfied with the reasonability of accounting estimates.

The areas of estimation relate to the employee benefits obligation and the liabilities for contaminated sites and post closure solid waste landfill.

See pages 8 and 9.



Significant accounting policies and practices

There are several new accounting standards which have been implemented this year. The impact of these standards is discussed within this report.

See pages 10 and 11.



Control and other observations

We did not identify any control deficiencies that we determined to be significant deficiencies in ICFR.



Independence

We are independent with respect to the Corporation of the Town of Halton Hills (and its related entities), within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any other standards or applicable legislation or regulation.



Audit risks and results

We highlight our significant findings in respect of areas of audit focus as identified in our discussion with management in the Audit Plan, as well as any additional significant risks identified.

Significant financial reporting risk

- Fraud risk from management override of control
-
- As this risk is not rebuttable, our audit methodology incorporated the required procedures in professional standards to address this risk.
 - These procedures included the testing of journal entries and other adjustments, performing a retrospective review of estimates and evaluating the business rationale of significant unusual transactions.
 - We did not identify any issues or concerns regarding management override of controls.

Significant financial reporting risk

- Fraud risk from revenue recognition
-
- This risk was rebutted as reported to you in our audit planning report
 - We did not identify any issues related to fraud risk that required a change in audit approach.



Audit risks and results

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

Area of focus

- Tangible capital assets

Our response and significant findings

- We reviewed on a sample basis the additions to tangible capital assets and noted that management has correctly capitalized the additions from work in progress to capital assets and developer contributions land acquisitions.
- In our testing, we reviewed the contributions from developers and charges earned of \$5.57M (2017 - \$6.83M) on the statement of operations and noted that management has appropriately recognized this revenue.
- No exceptions were noted during testing.



Audit risks and results

Area of focus

- Operating Expenditures

Our response and significant findings (continued)

- KPMG performed substantive procedures to ensure that cut-off was appropriate for all material expenditures surrounding year-end.
- KPMG performed substantive analytical procedures to assess the trend in operating expenditures both in comparison to the approved budget and year over year, and performed substantive testing over a sample of expenditures including payroll and employee benefits expenditures. Based on the results of these procedures no material issues were noted.
- No misstatements related to operating expenses were identified during our testing.



Audit risks and results

Area of focus

- Investment in Halton Hills Community Energy Corporation (“HHCEC”)

Our response and significant findings (continued)

- KPMG relied upon the audited consolidated financial statements of HHCEC to support the audit of the investment reported on the statement of financial position.
- The investment was appropriately updated for the financial results of HHCEC.
- Equity income from HHCEC was reported appropriately
- No audit differences were found



Audit risks and results

Area of focus

- Developer charges and developer contribution revenues

Our response and significant findings (continued)

- KPMG performed substantive testing over the recognition of significant developer contributions and charges earned.
- KPMG ensured the charges and contributions were recognized as the eligible expenditures are incurred.
- No audit differences were found



Accounting estimates

Certain figures in the consolidated financial statements contain elements requiring the use of judgment and assumptions that management makes about the future, and other sources of estimation uncertainty, at the end of the reporting period. These judgments and estimates have a risk of resulting in a material adjustment to carrying amounts of assets and liabilities within the next financial year.

We have summarized our assessment of the subjective areas.

Item	
Contaminated sites liability	\$375,952 (2017 - \$367,500)
KPMG comment	
Contaminated sites liability:	
<ul style="list-style-type: none">– We reviewed management’s process for identifying potential sites and reviewed management’s listing of contaminated sites and the analysis against the prescribed criteria to determine if a liability should be recorded.– We gained an understanding and assessed the reasonability of the remediation estimates for contaminated sites deemed to be relevant to this standard and performed a recalculation of the present value of the determined liability.– We have similarly gained an understanding of management’s methodology for estimating contaminated site liabilities and are satisfied that the approach used to quantify the potential liabilities is reasonable.– We have concluded that management’s approach to identifying, evaluation and determining the liability in accordance with the PSAB standard is appropriate and that the liability recorded in the current year is reasonable.	



Accounting estimates

Item	Balance (\$'000s)
Post-employment benefit liability	\$3,148,700 (2017 – \$3,031,984)

Item

Employee future benefits:

- The Town provides certain employee benefits which will require funding in future periods. These benefits include long term disability, benefits under the Workplace Safety Insurance Board (“WSIB”) Act and extended health and dental benefits for early retirees. The liability for these future benefits has been determined by actuarial valuation.
- We obtained a copy of the most recent actuarial valuation completed in 2018.
- We assessed management’s assumptions for reasonableness.
- We assessed the actuary’s qualifications
- We determined that the work of management’s expert and management’s assumptions were reasonable and could be utilized as audit evidence to support our assessment of the post-employment benefit liability.

We believe management’s process for identifying accounting estimates is appropriate.

No audit differences were found



Significant accounting policies

Adoption of accounting standards

The following new significant accounting policies and practices were selected and applied during the period as per the requirement of Public Sector Accounting Standards. These accounting policies will be applied prospectively.

Our response and significant findings

For the year ended December 31, 2018, the Town is required to adopt the following new public sector accounting standards (PSAS) :

PS 2200 – Related Party Disclosures

- This standard defines related parties and requires disclosure of material transactions occurring between related parties at a value that is different from that which would have been arrived at if the parties were unrelated.
- The Town has internal policies over procurement and conduct that address conflicts of interest and transactions with individuals or parties at non-arms' length. We held discussions with management who informed us that there were no material related party transactions that were not transacted at fair value during the year. Our findings from our review of Council and committee meeting minutes were consistent in this regard. At the completion of the audit, we will obtain from management a signed representation letter indicating that there were no related parties or transactions not identified to us or disclosed in the financial statements.
- No changes to the financial statement disclosures were required.

PS 3420 – Inter-Entity Transactions

- These are transactions occurring between commonly controlled entities. Inter-entity transactions are eliminated upon consolidation.

PS 3380 – Contractual Rights

- Contractual rights, which are rights to economic resources arising from contracts or agreements that will result in both an asset and revenue in the future, must be disclosed and described. As at December 31, 2018, there were no contractual rights.



Our response and significant findings (continued)

PS 3320 – Contingent Assets


- Contingent assets, which exist when an unresolved existing condition exists and an expected future event will resolve that uncertainty as to whether an asset exists, must be disclosed. Management has considered a number of circumstances, including litigation where the Town is the plaintiff and situations with the potential for recoveries. Management has not identified any contingent assets, which is supported by the Town Solicitor. No disclosures are required.

PS 3210 – Assets

- Items meeting the expanded definition of assets must be recorded as assets in the statement of financial position. The Town has recorded all such assets. This standard does not have a significant impact on the financial statements.

Technology in the audit

As previously communicated in our Audit Planning Report, we have utilized technology to enhance the quality and effectiveness of the audit.

 Areas of the audit where Technology and D&A routines were used		
Tool		Our results and insights
Journal Entry Testing		<p>We utilized our proprietary D&A tool, IDEA, to evaluate the completeness of the journal entry population through a roll-forward of all accounts, analyze journal entries and determine sub-populations for more focused and risk-based testing, and apply certain criteria to sub-populations to identify potential high-risk journal entries for further testing.</p> <p>We did not identify any issues in regards to the completeness of journal entries. Moreover, we are satisfied with the results of our testing of specific relevant journal entries</p>

Adjustments and differences



Adjustments and differences identified during the audit have been categorized as “Corrected adjustments” or “Uncorrected differences”. These include disclosure adjustments and differences.

Professional standards require that we request of management and the audit committee that all identified adjustments or differences be corrected. We have already made this request of management.

Corrected adjustments

We did not identify any adjustments that were communicated to management and subsequently corrected in the financial statements.

Uncorrected differences

A liability in the amount of \$500,000 was accrued for the future resurfacing of Kiwanis field in accordance with the agreement with Halton District School Board. Since the resurfacing has not yet been done, this is not a liability to the Town at December 31, 2018.

Current developments and audit trends

Public Sector Accounting Standards

The following are upcoming changes that will be effective in future periods. We have provided an overview of what these standards are and what they mean to your financial reporting so that you may evaluate any impact to your future financial statements.

Standard	Summary and implications
Asset Retirement Obligations	<ul style="list-style-type: none">– A new standard has been approved that is effective for fiscal years beginning on or after April 1, 2021 (<i>for the Town's 2022 year end</i>).– The new standard addresses the recognition, measurement, presentation and disclosure of legal obligations associated with retirement of tangible capital assets in productive use. Retirement costs would be recognized as an integral cost of owning and operating tangible capital assets. PSAB currently contains no specific guidance in this area.– The ARO standard would require the public sector entity to record a liability related to future costs of any legal obligations to be incurred upon retirement of any controlled tangible capital assets ("TCA"). The amount of the initial liability would be added to the historical cost of the asset and amortized over its useful life.– As a result of the new standard, the public sector entity would have to:<ul style="list-style-type: none">• consider how the additional liability will impact net debt, as a new liability will be recognized with no corresponding increase in a financial asset;• carefully review legal agreements, senior government directives and legislation in relation to all controlled TCA to determine if any legal obligations exist with respect to asset retirements;• begin considering the potential effects on the organization as soon as possible to coordinate with resources outside the finance department to identify AROs and obtain information to estimate the value of potential AROs to avoid unexpected issues.
Revenue	<ul style="list-style-type: none">– A new standard has been approved that is effective for fiscal years beginning on or after April 1, 2022 (<i>for the Town's 2023 year end</i>).– The new standard establishes a single framework to categorize revenues to enhance the consistency of revenue recognition and its measurement.– The standard notes that in the case of revenues arising from an exchange, a public sector entity must ensure the recognition of revenue aligns with the satisfaction of related performance obligations.– The standard notes that unilateral revenues arise when no performance obligations are present, and recognition occurs when there is authority to record the revenue and an event has happened that gives the public sector entity the right to the revenue.

Financial Instruments and Foreign Currency Translation	<ul style="list-style-type: none"> – New accounting standards, PS3450 <i>Financial Instruments</i>, PS2601 <i>Foreign Currency Translation</i>, PS1201 <i>Financial Statement Presentation</i> and PS3041 <i>Portfolio Investments</i> have been approved by PSAB and are effective for years commencing on or after April 1, 2021 (<i>for the Town's 2022 year end</i>). – Equity instruments quoted in an active market and free-standing derivatives are to be carried at fair value. All other financial instruments, including bonds, can be carried at cost or fair value depending on the government's choice and this choice must be made on initial recognition of the financial instrument and is irrevocable. – Hedge accounting is not permitted. – A new statement, the Statement of Remeasurement Gains and Losses, will be included in the financial statements. Unrealized gains and losses incurred on fair value accounted financial instruments will be presented in this statement. Realized gains and losses will continue to be presented in the statement of operations. – Based on stakeholder feedback received, PSAB is considering certain scope amendments to PS 3450 <i>Financial Instruments</i>. The proposed amendments are expected to include the accounting treatment of bond repurchases, scope exclusions for certain activities by the federal government, and improvements to the transitional provisions.
Employee Future Benefit Obligations	<ul style="list-style-type: none"> – PSAB has initiated a review of sections PS3250 <i>Retirement Benefits</i> and PS3255 <i>Post-Employment Benefits, Compensated Absences and Termination Benefits</i>. Given the complexity of issues involved and potential implications of any changes that may arise from this review, the project will be undertaken in phases. Phase I will address specific issues related to measurement of employment benefits. Phase II will address accounting for plans with risk sharing features, multi-employer defined benefit plans and sick leave benefits. – Three Invitations to Comment were issued and have closed. The first Invitation to Comment sought guidance on whether the deferral provisions in existing public sector standards remain appropriate and justified and the appropriateness of accounting for various components of changes in the value of the accrued benefit obligation and plan assets. The second Invitation to Comment sought guidance on the present value measurement of accrued benefit obligations. A third Invitation to Comment sought guidance on non-traditional pension plans. – The ultimate objective of this project is to issue a new employment benefits section to replace existing guidance.
Public Private Partnerships ("P3")	<ul style="list-style-type: none"> – A taskforce was established in 2016 as a result of increasing use of public private partnerships for the delivery of services and provision of assets. – A Statement of Principles ("SOP") was issued in August 2017 which proposes new requirements for recognizing, measuring and classifying infrastructure procured through a public private partnership. – The SOP proposes that recognition of infrastructure by the public sector entity would occur when it controls the purpose and use of the infrastructure, when it controls access and the price, if any, charged for use, and it controls any significant interest accumulated in the infrastructure when the P3 ends. – The SOP proposes the public sector entity recognize a liability when it needs to pay cash or non-cash consideration to the private sector partner for the infrastructure. – The infrastructure would be valued at cost, with a liability of the same amount if one exists. Cost would be measured by discounting the expected cash flows by a discount rate that reflects the time value of money and risks specific to the project.

International Strategy

- PSAB is in the process of reviewing its current approach towards International Public Sector Accounting Standards. This project may result in changes to the role PSAB plays in setting standards in Canada.
 - A consultation paper was released for comment in May 2018 and has closed. The consultation paper described the decision-making criteria PSAB expects to consider in evaluating the international strategy that best serves the public sector. It also introduced four proposed international strategies that PSAB considers to be viable.
-

Our discussions with you, our audit opinion and what KPMG is seeing in the marketplace—both from an audit and industry perspective—indicate the following is specific information that will be of particular interest to you. We would, of course, be happy to further discuss this information with you at your convenience.

Thought Leadership	Overview	Links
Accelerate	Accelerate is a KPMG trends report and video series that includes the perspective of subject matter leaders from across KPMG in Canada on seven key issues impacting organizations today that are disrupting the audit committee mandate.	Link to report
The Blockchain shift will be seismic	Blockchain technology is a focused disruptor of the very foundations of external and internal audit: financial recordkeeping and reporting. This Audit Point of View article offers insight on how blockchain technology is impacting business and what audit committees should be thinking about to prepare for certain risks.	Link to report
Audit Quality 2017	Learn about KPMG's ongoing commitment to continuous audit quality improvement. We are investing in new innovative technologies and building strategic alliances with leading technology companies that will have a transformative impact on the auditing process and profession. How do we seek to make an impact on society through the work that we do?	Link to report
Cyber defense in depth	High walls alone won't defend the castle Assume that you have been compromised and work on what needs to be done to address it.	Link to report

Appendices



Appendix 1: Required communications



Appendix 2: Audit Quality and Risk Management



Appendix 3: Background and professional standards

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 attached to the draft financial statements.



Management representation letter

In accordance with professional standards, copies of the management representation letter are provided to the Audit Committee. Management has provided you with a copy of the representation letter for the audit of the financial statements.

Appendix 2: 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 summarizes the six key elements of our quality control system.

Visit our [Audit Quality Resources page](#) for more information including access to our most recent [Audit Quality Report](#).

Other controls include:

- Before the firm issues its audit report, the Engagement Quality Control Reviewer reviews the appropriateness of key elements of publicly listed client audits
- 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.

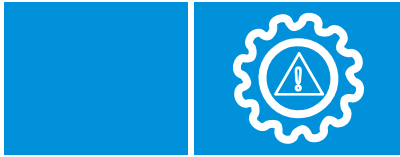
The processes we employ to help retain and develop people include:

- Assignment based on skills and experience
- Rotation of partners
- Performance evaluation
- Development and training
- 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 3: 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 or material weaknesses and therefore, there can be no assurance that all significant deficiencies or material weaknesses 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.

The control deficiencies communicated to you are limited to those control deficiencies that we identified during the audit.

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.



kpmg.ca/audit



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REPORT

REPORT TO: Mayor Bonnette and Members of Council

REPORT FROM: Duncan Robertson, CPA, CMA
Budgets & Financial Reporting Supervisor

Dana Stanescu, CPA, CGA
Accounting Supervisor

DATE: June 13, 2019

REPORT NO.: CORPSERV-2019-0028

RE: Operating Budget Status as at December 31, 2018 and Final
Operating Surplus Distribution

RECOMMENDATION:

THAT Report No. CORPSERV-2019-0003 dated June 13, 2019 regarding the Operating Budget Status as at December 31, 2018 and Final Operating Surplus Distribution be received;

AND FURTHER THAT Council receive for information the 2018 net operating surplus of \$1,644,939;

AND FURTHER THAT Council approve the transfer of \$870,300 of the operating surplus to the Tax Rate Stabilization Reserve and \$51,300 to the Fire Services Reserve for the purposes of funding the approved one-time 2019 contractual positions in the 2019 Operating Budget;

AND FURTHER THAT Council approve the distribution of \$250,000 of the operating surplus to the Tax Rate Stabilization Reserve for the purposes of funding affordable housing initiatives, as per the confidential attachment;

AND FURTHER THAT Council approve the distribution of the remaining 2018 operating surplus to the Library Capital Reserve in the amount of \$85,921 and the Tax Rate Stabilization Reserve in the amount of \$280,531.

BACKGROUND:

The purpose of this report is to provide Council with an update on the 2018 Operating Budget results. Appendix A summarizes the Town's 2018 actual operating activities from January 1 to December 31 inclusive. In addition, this report seeks Council's approval on the distribution of the operating surplus in accordance with the General Reserve and Reserve Fund Policy (PLCY-2018-0004).

COMMENTS:

As illustrated in Appendix A, the Town has a net operating surplus for 2018 of \$1,644,939. This surplus represents positive variances of \$381,634 in net expenditures and \$1,263,305 in corporate revenue received through supplementary taxes, the Provincial Offences Act and other revenue sources. There were two main drivers for the 2018 operating surplus: supplementary taxes and staff gapping.

The corporate revenue section in Appendix A indicates that the Town received an additional \$1,064,680 from supplementary taxes in 2018. Supplemental assessment occurs when new construction is completed or when there is an increase in the value of property during the current tax year, e.g., after a major renovation/addition. The timing of supplementary assessment is dependent upon the completion of construction and subject to an independent review by MPAC. As such, accurate forecasting of these unknown variances cannot be accomplished during the budget process.

As detailed in Appendix B, staffing gaps account for \$1,132,854 of the surplus, net of a contingency for gapping of \$276,300. It is important to note that the Town's average recruitment period for full-time staff is 9 weeks, which is in line with industry standards. Moreover, the employee turnover rate in 2018 of 3.9% was below the market average of 6%. The budgeted contingency for gapping will be reviewed during the 2020 budget process.

Staff is seeking approval for the transfer of \$106,887 in general surplus to fund the balance for contractual positions that were approved through the 2018 Operating Budget, as outlined in Appendix C.

Staff is also seeking approval for the transfer of \$921,600 of the operating surplus to the Tax Rate Stabilization and Fire Services Reserves to fund contractual positions; funding for these positions through the 2018 operating surplus was approved in the 2019 Operating Budget.

It is further recommended that up to \$250,000 of the 2018 unallocated surplus be used to fund affordable housing initiatives; further details are provided under separate cover in the confidential attachment. This amount will be transferred to the Tax Rate Stabilization Reserve and drawn down when required in 2019.

The remaining unallocated operating surplus of \$366,452 is recommended to be transferred to the Library Capital Reserve in the amount of \$85,921 and the Tax Rate

Stabilization Reserve in the amount of \$280,531, as per policy number PLCY-2018-0004 General Reserve and Reserve Fund Policy. Reserve balances will be aligned with the expected December, 2018 Long Range Financial Plan targets.

The below table summarizes the recommended surplus distribution:

	Surplus Distribution
General Surplus	
Contract Carry-forward	<u>\$106,887</u>
Contributions to Reserves	
Library Capital Reserve	\$85,921
Fire Services Reserve	
2019 Contractual-staff	\$51,300
Tax Rate Stabilization Reserve	
2019 Contractual-staff	\$870,300
Affordable Housing Initiatives	\$250,000
Remaining Surplus Distribution	<u>\$280,531</u>
	<u>\$1,538,052</u>
Total Surplus 2018	<u>\$1,644,939</u>

As noted in report CORPSERV-2019-0005, there was \$2,097,626 returned to reserves throughout 2018 related to the completion of capital projects. Of this amount, \$451,822 was directed towards funding other capital projects. This leaves a net total of \$1,645,804 being returned to reserves following the completion of capital projects in 2018. The 2018 operating surplus of \$1,644,939 less the approved transfers of funds for contract staff in 2019 and the recommended affordable housing initiatives is \$366,452. Combining the \$1,645,804 returned to reserves from the completion of capital projects and the \$366,452 from the operating surplus, the total contribution to reserves will be \$2,012,256. As noted in report CORPSERV-2019-0011 regarding reserve balances as at December 31, 2018, the \$2,012,256 cash inflow to reserves is consistent with the Long Range Financial Plan assumptions.

	2018 Surplus	Net Transferred to Capital Fund	Recommended Transfers to Operating Fund
Completed Capital Projects	(2,097,626)		
2018 Operating Budget	(1,644,939)		
Open Capital Projects		451,822	
Contract Carry-forward			106,887
2019 Contractual-staff			921,600
Affordable Housing Initiatives			250,000
Total	(3,742,565)	451,822	1,278,487
Net Balance to Remain in Reserves			(2,012,256)

The following is a synopsis of operating results provided by each Commissioner for inclusion in this report. Note that all staff gapping amounts are included in the comments below, amounting to a surplus of \$1,132,854.

Council

The Council Department had a year-end surplus of \$26,438 (3.3%); due to generalized savings within Council Committees and discretionary allowances which offsets the increased spending in municipal assistance.

Office of the CAO

The Office of the CAO had a year-end surplus of \$78,223 (2.9%) in 2018. The surplus is the result of staffing changes and vacancies within the department, as well as cost savings for part-time wages. Internal restructuring has resulted in staff savings within the Office of the CAO with an offsetting increase to staff wages in both Corporate Services and Recreation & Parks.

Corporate Services

Corporate Services finished 2018 with a year-end deficit of \$4,825 (-0.1%), due to the immediate need to hire an Assessment Analyst on a contract basis. The Assessment Review Board announced numerous changes to the appeal process with the objective of providing a more efficient and timely resolution to appeals. These changes have had major impacts on municipalities across the province in their ability to defend their assessment base. Without the addition of this dedicated resource, the Town runs the risk of forfeiting its right to be part of any negotiations or settlements in assessment

appeals, negatively impacting the Town's ability to protect the assessment base. The deficit generated from this position was offset by savings in salaries and benefits resulting from staff vacancies.

Library Services

Library Services had a year-end surplus of \$85,921 (2.4%) for 2018 resulting from savings due to staff vacancies. Additional revenue from various grants; the New Horizons for Seniors grant; the Seniors Community grant; and the Improving Library Digital Services grant has funded community initiatives, including programs for seniors and youth. Savings in staff wages due to position vacancies were partially offset by an increase in contracted services for computer support.

Fire Services

Fire Services had an operating surplus of \$351,875 (5.3%), as a result of staff vacancies. The 2018 firefighter recruitment process was completed in November with the hiring of two full-time firefighters. The transition of dispatch services to the Burlington Fire Department was successfully implemented resulting in an annualized savings of \$125,900.

Transportation & Public Works

The Transportation and Public Works department had a surplus of \$842,207 (7.0%). This surplus is driven by \$292,853 in savings on materials and supplies, as well as \$405,762 in savings due to staff vacancies throughout the department.

Savings on materials and supplies were primarily related to lower than expected material requirements for asphalt and sanding activities. Asphalt patching activities remained at expected levels; however, material requirements were less than anticipated. Sanding requirements were less than expected due to lighter winter weather in the later part of the year. The total winter control budget was in a \$372,437 surplus position at the end of 2018.

Lower than anticipated revenues from building permits and new development applications were partially offset by lower departmental expenses.

Planning & Sustainability

The Planning and Sustainability department had a year-end surplus of \$613,408 (34.1%) due primarily to the recognition of \$275,000 from deferred development application revenue. Additional savings were realized from staff vacancies in the amount of \$234,144, as well as lower discretionary expenses and annual maintenance support costs for the Energy Management System of \$15,000.

Recreation & Parks

The Recreation and Parks department finished with a year-end surplus of \$43,951 (0.7%), resulting from generalized savings in utilities. Grants received in 2018 from the Ontario Sport & Recreation Fund and Seniors Active Living Centre helped to update and improve the Active Living and Older Adult programs, facilitating the funding of additional programs.

Corporate Expenses

Corporate expenditures such as legal services, financing, insurance, advertising, health and safety, professional development, and voice and data coverage, are included in the Corporate Expenses operating budget.

Corporate expenses resulted in a year-end deficit of \$1,701,279 (-92.3%), mainly driven from additional financing expenditure. The Town has a contractual agreement in place with the Halton District School Board to fund the re-skinning of the Kiwanis playing field. An accrual of \$500,000 was made for these costs, which is payable at a future date. Other higher than anticipated corporate expenses include corporate legal expenses, primarily associated with Vision Georgetown and the Halton Hills Premier Gateway, at \$394,046 over budget, as well as tax write-offs and allowances for bad debt in the amount of \$295,980 and \$204,904 respectively.

Tax write-offs represent property taxes that are deemed no longer collectible as a result or pending result of property assessment appeals. Similarly, bad debt expenses represent receivable amounts owing that are likely not to be recovered.

Capital Financing & Other

The Capital Financing section, which includes all budgeted transfers to reserves and debenture payments, had a year-end surplus of \$45,746 (0.4%).

Corporate Revenue & General Levy

Corporate revenues resulted in a surplus of \$1,263,274 (2.4%), due to favourable supplementary tax revenues.

RELATIONSHIP TO STRATEGIC PLAN:

This report supports the following strategic objectives:

- Establish sustainable financing, asset management and master plans to acquire, operate, maintain, renew and replace infrastructure.
- Continue to provide timely and transparent communications with the Town's residents and business owners.

FINANCIAL IMPACT:

The surplus distribution outlined in this report assists with achieving the strategic goals of the Town through supporting the recommendations put forward in the 2019 Operating Budget, affordable housing initiatives and reserve contribution targets outlined in the Long Range Financial Plan.

CONSULTATION:

Accounting staff consulted with all departments to review operating amounts at December 31, 2018 and received a synopsis of comments from each Commissioner and the CAO to be included in this report.

PUBLIC ENGAGEMENT:

No public engagement is required in reference to this report.

SUSTAINABILITY IMPLICATIONS:

The sustainability implications of the recommendations of the report were reviewed against the requirements of the Town's Sustainability Implications Worksheet. The Worksheet is completed for substantial non-administrative reports, major projects, studies, policies and initiatives that are relevant to advancing the Town's economic, cultural, environmental and social wellbeing, and quality of life. Since this report is none of the latter, the Sustainability Implications section is not applicable.

COMMUNICATIONS:

There is no communications impact.

CONCLUSION:

In summary, the Town has a net operating surplus of \$1,644,939 in 2018. After factoring in the total approved funding for 2019 contract staff (\$1,028,487), the recommended affordable housing initiatives (\$250,000), and the \$1,645,804 returned to reserves through the completion of capital projects, the net impact on reserves is \$2,012,256. This is consistent with the Long Range Financial Plan assumptions as at December 31, 2018.

Reviewed and Approved by,

A handwritten signature in black ink, appearing to read "M. J. Leighton".

Moya Jane Leighton, Manager of Accounting and Town Treasurer

A handwritten signature in black ink, appearing to read "Jane Diamanti".

Jane Diamanti, Commissioner of Corporate Services

A handwritten signature in black ink, appearing to read "Brent Marshall".

Brent Marshall, Chief Administrative Officer

**Town of Halton Hills
2018 General Operating Surplus**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	
Net Expenditures				
Council	\$ 812,667	\$ 786,229	\$ 26,438	
Office of the CAO	2,699,199	2,620,976	78,223	
Corporate Services	4,913,101	4,917,926	(4,825)	
Library Services	3,617,594	3,531,673	85,921	
Fire Services	6,701,700	6,349,825	351,875	
Transportation & Public Works	11,992,180	11,149,973	842,207	
Planning & Sustainability	1,799,500	1,186,092	613,408	
Recreation & Parks	6,578,570	6,534,619	43,951	
Corporate Expenses	1,843,389	3,544,668	(1,701,279)	
Capital Financing & Other	11,804,000	11,758,285	45,715	
Total Net Expenditures				\$ 381,634
Corporate Revenue				
Investment Income	(900,000)	(900,000)	-	
Tax Penalty	(800,000)	(853,957)	53,957	
Halton Hills Community Energy	(1,313,100)	(1,313,100)	-	
Provincial Offences	(180,000)	(317,223)	137,223	
Capital Chargeback	(505,500)	(505,500)	-	
Supplementary taxes	(275,000)	(1,339,680)	1,064,680	
Payments in Lieu of Taxes	(1,464,800)	(1,459,257)	(5,543)	
General Levy Variance to Budget		(4,373)	4,373	
Other (Includes net bag tag program)	(1,500)	(10,115)	8,615	
Total Corporate Revenue				1,263,305
	<u>47,322,000</u>	<u>45,677,061</u>		
2018 Total General Operating Surplus				\$ 1,644,939
Distribution of Surplus				
General Surplus				
Contract Carry-forward				<u>106,887</u>
Contributions to Reserves				
Library Capital Reserve				85,921
Fire Services Reserve				
2019 Budget Initiatives				51,300
Tax Rate Stabilization Reserve				
2019 Budget Initiatives				870,300
Affordable Housing Initiatives				250,000
Remaining Surplus Distribution				<u>280,531</u>
				<u>1,538,052</u>
Total				\$ 1,644,939

TOWN OF HALTON HILLS
2018 YTD Actuals - Salary Gapping
YTD Actuals to December 31, 2018

Department	YTD Actuals to December 31, 2018	
	Permanent Staff Complement Vacancy (\$)	Vacancy Rate
Office of the CAO	65,168	2.4%
Corporate Services	75,023	1.7%
Library Services	75,056	2.3%
Fire Services	624,949	8.7%
Transportation & Public Works	405,762	3.9%
Planning & Sustainability	153,043	6.3%
Recreation & Parks	10,153	0.1%
TOTAL	1,409,154	3.7%
Budgeted Salary Gapping	(276,300)	-0.7%
Net Budget Vacancy	1,132,854	3.0%

TOWN OF HALTON HILLS
2018 YTD Actuals - Contract Carry-forward
YTD Actuals to December 31, 2018

Department	Temporary Staff Complement Vacancy (\$)
Office of the CAO	-
Corporate Services	25,786
Library Services	-
Fire Services	-
Transportation & Public Works	-
Planning & Sustainability	81,101
Recreation & Parks	-
TOTAL	106,887

REPORT

REPORT TO: Mayor Bonnette and Members of Council

REPORT FROM: Duncan Robertson, CPA, CMA
Budgets & Financial Reporting Supervisor

DATE: June 26, 2019

REPORT NO.: CORPSERV-2019-0004

RE: Capital Budget Status as at December 31, 2018

RECOMMENDATION:

THAT Report No. CORPSERV-2019-0004 dated June 26, 2019 regarding Capital Budget Status as at December 31, 2018 be received;

AND FURTHER THAT staff be authorized to transfer \$47,921 from various funding sources including the Capital Replacement Reserve, the Technology Replacement Reserve and the Asset Management Plan project to finance the unfunded balances as outlined in Table 1;

AND FURTHER THAT staff be authorized to transfer \$446,427 of funds from identified capital projects to capital projects of similar scope as outlined in Table 2;

AND FURTHER THAT staff be authorized to transfer \$75,000 of funds from the Brownfield Development Strategy project and \$60,000 of funds from the Green Economic Development project to the Economic Development and Tourism Strategy project.

BACKGROUND:

The purpose of this report is to provide a status update on open capital projects as of December 31, 2018. In addition, this report will recommend additional financing for projects with unfunded balances as well as the consolidation of similar capital projects to maximize the use of funds.

COMMENTS:

With regard to the status of capital projects, Appendix A provides a detailed 'life to date' report on open capital projects showing total funding and total expenditures as of December 31, 2018, as well as comments from the project manager.

Shown in the table below are over budget capital projects that were completed as of December 31, 2018. The recommended funding source for each project can accommodate the required financing and is in accordance with the General Reserves and Reserve Fund Policy (PLCY-2018-0004):

TABLE - 1

Project Code	Project Name	Total Funding	Total Expenditure	Unfunded Balance	Recommended Funding Source
2100-05-1701	Parking Ticket System Replacement	(50,000)	59,137	9,137	Capital Replacement Reserve
6200-05-1408	Mandated Design Software Upgrade and Training	(25,000)	31,810	6,810	Technology Replacement Reserve
6200-22-0111	Sidewalk Strategic Preventative Maintenance	(274,063)	280,245	6,183	Capital Replacement Reserve
8003-10-1804	Levels of Service Phase 2	(49,600)	71,404	21,804	Asset Management Plan Project
8221-02-1601	GCC Regrout Pool Deck/Tanks	(25,000)	28,987	3,987	Capital Replacement Reserve
TOTAL		(423,663)	471,584	47,921	

Additionally, staff recommends that several projects be combined due to similar scope. It has been determined that the following list of projects can be amalgamated with the project indicated on the right side of the table for more effective and efficient project management:

TABLE - 2

Project Code	Project Name	Total Funding	Total Expenditure	Remaining Balance	Combined with Project	
					Project Code	Project Name
6100-17-1604	Pedestrian Facilities Crosswalks	(34,332)	24,104	(10,228)	6100-28-1805	Enhanced Pedestrian Ladder Crossing
6100-22-1403	22 Side Road Slope Stability Invest.	(58,306)	28,306	(30,000)	6200-16-1501	22nd Side Road Conc. 11 Realignment
6200-16-0025	22 Side Road Conc. 11 Retaining Wall	(75,000)	50,420	(24,580)		
6100-22-1512	10th Line Slope Stability Invs.	(75,000)	3,832	(71,168)	6200-27-1612	10th Line Gabion Wall Engineering
6200-16-1807	Maple & Guelph Turn Lane Construction	(250,000)	50,490	(199,510)	6200-16-1808	Maple & Main Northbound Turn Lane Construction
6200-20-0106	Storm Sewer Rehab. - Phase 2	(128,291)	100,118	(28,174)	6200-16-0104	Pavement Management
6200-22-0109	Master Drainage Plan Update	(56,165)	46,310	(9,855)	6200-22-1901	Stormwater Master Plan
6200-22-1801	Main St. N. Bridge CNR Design	(124,964)	113,040	(11,924)	6200-26-1407	Bridge Rehabilitation Engineering
6200-26-0014	5th Line Lot 3/Culvert Replacement	(80,000)	23,882	(56,118)	6200-26-1606	Culvert #37/C Replacement
6530-21-1001	Street Light & Pole Replacement	(25,000)	20,131	(4,869)	6100-21-0107	Street Light & Pole Replacement Lakeview
TOTAL		(907,058)	460,632	(446,427)		

Further to the above, it has been determined that the previously approved Brownfield Development Strategy and the Green Economic Development Action Plan/Strategy can be consolidated into the Economic Development and Tourism Strategy. This will result in a comprehensive strategy that replaces the existing outdated Economic Development

Strategy (2012) and Tourism Strategy (2014). It also allows for the efficient delivery of this significant project while realizing about \$65,000 in savings. Therefore, staff is recommending that the \$75,000 of funds approved for the Brownfield Development Strategy and the \$60,000 of funds approved for the Green Economic Development Action Plan be transferred to the Economic Development and Tourism Strategy, and that project savings be returned to the reserve or directed towards the implementation of the Economic Development and Tourism Strategy as determined at the time of completion.

RELATIONSHIP TO STRATEGIC PLAN:

This report supports the following strategic objectives:

- Establish sustainable financing, asset management and master plans to acquire, operate, maintain, renew and replace infrastructure.
- Continue to provide timely and transparent communications with the Town's residents and business owners.

FINANCIAL IMPACT:

The recommendations in this report would approve additional funding of \$19,307 from the Capital Replacement Reserve and \$6,810 from the Technology Replacement Reserve to complete various capital projects. Additionally, already approved funding of \$21,804 for the Asset Management Plan has been recommended to fund the remaining balance in the Levels of Service Phase 2 Asset Management initiative.

Staff also recommends that \$581,427 of funds be redirected to various approved capital projects for the purposes of project management efficiency.

CONSULTATION:

All project managers were consulted on the status and progress of open projects.

PUBLIC ENGAGEMENT:

No public engagement required in reference to this report.

SUSTAINABILITY IMPLICATIONS:

The sustainability implications of the recommendations of the report were reviewed against the requirements of the Town's Sustainability Implications Worksheet. The Worksheet is completed for substantial non-administrative reports, major projects, studies, policies and initiatives that are relevant to advancing the Town's economic, cultural, environmental and social wellbeing, and quality of life. Since this report is none of the latter, the Sustainability Implications section is not applicable.

COMMUNICATIONS:

There is no communications impact.

CONCLUSION:

Appendix A provides an informational update on 'life-to-date' spending on open capital projects as at December 31, 2018. In addition, staff is recommending the financing of over budget capital projects through various reserves, and the consolidation of similar capital projects to support more effective and efficient project management.

Reviewed and Approved by,

A handwritten signature in dark ink, appearing to read "M. J. Leighton".

Moya Jane Leighton, Manager of Accounting and Town Treasurer

A handwritten signature in dark ink, appearing to read "Jane Diamanti".

Jane Diamanti, Commissioner of Corporate Services

A handwritten signature in dark ink, appearing to read "Brent Marshall".

Brent Marshall, Chief Administrative Officer

Town of Halton Hills Life to Date Capital Project Status Report <u>Summary By Department</u> As at December 31, 2018			
Department	Total Funding	Expenditure	Balance Remaining
Council & Office Of The CAO	(2,164,381)	1,543,952	(620,429)
Corporate Services	(2,111,448)	1,508,806	(602,642)
Library Services	(575,710)	447,222	(128,488)
Fire Services	(12,579,978)	12,290,208	(289,770)
Transportation & Public Works	(51,967,383)	40,689,707	(11,277,676)
Planning & Sustainability	(3,168,070)	1,783,777	(1,384,293)
Recreation and Parks	(26,239,627)	19,285,958	(6,953,669)
Total	(98,806,597)	77,549,630	(21,256,967)

<p style="text-align: center;">Town of Halton Hills Life to Date Capital Project Status Report COUNCIL & OFFICE OF THE CAO As at December 31, 2018</p>							
Project Code	Project Name	Capital Budget	Other Funding	Total Expenditure	Balance Remaining	% Remaining	Comment
0510-01-0101	Municipal Accessibility Plan	(510,412)	(9,170)	355,168	(164,414)	32%	Funding to be used to meet legislative requirements per the AODA.
0510-10-1401	Cycl.Master Plan-Outreach Prog	-	(3,037)	839	(2,198)	72%	Project ongoing - purchase of additional promotional material to be completed in 2019.
1100-10-0101	Community Improvement Plan	(361,350)	(94,945)	289,029	(167,266)	37%	All available funding allocated to projects pending completion.
1100-10-0105	EcDev Manufact.Expansion Fund	-	(1,215)	-	(1,215)	100%	Project ongoing. As part of the 2019 Budget, dedicated funding for the Manufacturing Expansion Fund has been established.
1100-10-1801	Foreign Direct Investm Stratg	(40,000)	-	-	(40,000)	100%	Project Terms of Reference under development. Anticipate RFP to be issued in Q1 2019.
1100-10-1802	Brownfield Development Stratgy	(75,000)	-	-	(75,000)	100%	Recommended to amalgamate with 1100-10-2201 Economic Development and Tourism Strategy.
1100-10-1803	HH-Wenjiang Action Plan Implem	(75,000)	-	2,643	(72,357)	96%	Implementation of the sister-city Action Plan and its 20+ actions continues. These funds will assist with the implementation of the 2019 Action Plan priorities.
1400-10-1701	Strategic Plan Dashboard	(15,000)	-	-	(15,000)	100%	Dashboard work expected to start after new Strategy Plan in place.
1400-10-1801	Strategic Plan Update	(27,226)	-	-	(27,226)	100%	Review with Council and the Senior Management Team, as well as Council workshops and the Citizen Satisfaction Survey are expected in the first quarter of 2019.
1400-10-1901	Ontario Cannabis Legaliz Implm	-	(12,124)	12,124	-		The Ontario Cannabis Legalization Implementation Fund will provide funding over two years to municipalities to help with the implementation costs of recreational cannabis legalization. The Town has received its first allocation of funding for \$27,747 - revenue will be recognized against the project as costs are incurred.
2000-22-0003	Document Management Solutions	(321,000)	-	310,503	(10,497)	3%	Remaining funding anticipated to be used for electronic records retention initiative.
2100-05-1701	Parking Ticket System Replac	(50,000)	-	59,137	9,137	0%	Project completed.
2100-10-1702	Service Halton Hills	-	(435,475)	461,928	26,454	0%	Over expenditure due to need for additional office areas for staff in the Office of the CAO; and Transportation and Public Works Departments. Project Completed.
4001-10-1801	Cultural Asset Tours	(25,000)	(3,658)	7,811	(20,847)	73%	The Cultural Asset Tours are under development. All funding is anticipated to be used as originally planned.
4001-15-1701	Public Art Master Plan	-	(44,770)	44,769	(1)	0%	Project completed.
7300-22-1801	Green Economic Dev Action Plan	(60,000)	-	-	(60,000)	100%	Recommended to amalgamate with 1100-10-2201 Economic Development and Tourism Strategy.
Total Council & Office Of The CAO		(1,559,988)	(604,393)	1,543,952	(620,429)	29%	

Town of Halton Hills Life to Date Capital Project Status Report <u>CORPORATE SERVICES</u> As at December 31, 2018							
Project Code	Project Name	Capital Budget	Other Funding	Total Expenditure	Balance Remaining	% Remaining	Comment
1200-10-1701	Redevelopment of Town Website	(100,000)	-	57,840	(42,160)	42%	Remaining balance expected to fund external support services throughout implementation.
2200-05-1401	Payroll System Upgrade (All Ph)	(195,000)	-	150,562	(44,438)	23%	System launched October 20, 2018. Due to purchase of extra biometric clock and unbudgeted cabling expenses project ran over budget by \$14K. \$45K was transferred from 2300-05-1701 H&S Monitoring Software project.
2200-22-0104	Benefits Review	(40,000)	-	25,945	(14,056)	35%	Project underway. Consultation phase completed. Recommendations to SMT February, 2019.
2300-04-0101	Technology Refresh	(473,000)	(115,145)	553,735	(34,410)	6%	Ongoing program for the replacement of IT equipment that is reaching end of life on an established cycle corresponding with warranty periods. Numbers reflect a six year total.
2300-04-0102	Server/Server Rm Improvements	(90,507)	-	65,507	(25,000)	28%	Project completed within budget. Remaining invoices to be posted in Q1-2019
2300-04-1601	Mobile Devices (GPS Enabled)	(25,000)	-	20,631	(4,369)	17%	In progress with anticipated additional hardware purchases pending.
2300-04-1801	Storage Area Network Refresh	(50,000)	-	35,412	(14,588)	29%	In progress.
2300-04-1805	Backup Netwk Links w/Fire Serv	(40,000)	-	2,167	(37,833)	95%	In progress.
2300-05-0103	Microsoft Licensing	(350,000)	-	183,581	(166,419)	48%	On going purchases required to support the organization.
2300-10-1501	Geospatial Data	(30,000)	-	28,891	(1,109)	4%	Further data purchases required.
2300-10-1802	Windows10/Office 2016 Dev Plan	(50,000)	-	-	(50,000)	100%	Project has commenced in Q1-2019. Anticipated completion is within the year.
2400-10-0001	Asset Management Plan	-	(552,796)	384,536	(168,260)	30%	Project ongoing - CAM initiatives.
Total Corporate Services		(1,443,507)	(667,941)	1,508,806	(602,642)	29%	

Town of Halton Hills Life to Date Capital Project Status Report LIBRARY SERVICES As at December 31, 2018							
Project Code	Project Name	Capital Budget	Other Funding	Total Expenditure	Balance Remaining	% Remaining	Comment
3000-09-0105	Library Technology Renewal	(54,700)	-	44,582	(10,118)	18%	Purchase of self check station in process.
3000-22-0005	Library Cap. Campaign-Acton	-	(15,240)	(7,000)	(22,240)	146%	Capital Campaign for Acton Reading Deck.
3100-09-1701	Library Furnishing/Equip G'town	(20,000)	-	16,808	(3,192)	16%	Remaining funds are for signage, which is currently under review.
3160-15-0101	Lib Adult Mats	(211,410)	-	202,820	(8,591)	4%	Purchases processed in January 2019.
3170-15-0101	Lib Chdns Mats	(63,091)	-	53,124	(9,968)	16%	Purchases processed in January 2019.
3180-15-0101	Lib Ref Mats	(88,660)	-	63,649	(25,011)	28%	Purchases processed in January 2019.
3190-15-0101	Lib Processing	(30,217)	-	25,643	(4,575)	15%	Purchases processed in January 2019.
3200-03-0002	Acton Branch Reading Deck	(44,133)	-	-	(44,133)	100%	Project delayed to 2019 when in-house design resources will be available.
3260-15-0101	Lib Adult Mats	(28,114)	-	29,940	1,826	0%	Over expenditure to be offset by Lib Adult Mats 3160-15-0101.
3270-15-0101	Lib Chdns Mats	(18,374)	-	15,612	(2,762)	15%	Purchases processed in January 2019.
3280-15-0101	Lib Ref Mats	(1,771)	-	2,044	273	0%	Over expenditure to be offset by Lib Ref Mats 3180-15-0101.
Total Library Services		(560,470)	(15,240)	447,222	(128,488)	22%	

<p style="text-align: center;">Town of Halton Hills Life to Date Capital Project Status Report <u>FIRE SERVICES</u> As at December 31, 2018</p>							
Project Code	Project Name	Capital Budget	Other Funding	Total Expenditure	Balance Remaining	% Remaining	Comment
5200-06-0101	Small Equipment Replace	(213,000)	(43,000)	244,824	(11,176)	4%	Purchases ongoing - expenditures reflect 6 year total
5200-06-1701	Drone & Camera System	(19,000)	-	-	(19,000)	100%	Project ongoing
5200-07-0102	FF Protective Clothing Repl	(282,702)	(25,181)	348,666	40,783	0%	Purchases ongoing - expenditures reflect 6 year total
5200-07-0104	Breathing Apparatus Replacemnt	(330,000)	(2,463)	303,466	(28,997)	9%	Purchases ongoing - expenditures reflect 6 year total
5400-05-0101	Mobile Data System (All Phase)	(122,000)	-	95,416	(26,584)	22%	Project ongoing
5400-05-1701	NICE Dispatch Upgrade	(100,000)	-	11,292	(88,708)	89%	Project completed - awaiting final invoices.
5400-05-1801	Mobile Data Terminal	(30,000)	-	817	(29,183)	97%	Project ongoing
5400-14-1501	Next-Gen 911 Equipment	(12,000)	(11,005)	19,381	(3,624)	16%	Project completed - awaiting final invoices.
5500-02-0101	Fire Facilities R&R	(90,000)	-	52,711	(37,289)	41%	Purchases ongoing - expenditures reflect 2 year total
5500-02-1601	Training Centre Upgrades	(35,000)	-	23,690	(11,310)	32%	Purchases ongoing - expenditures reflect 3 year total
5500-02-1602	D1 Emergency Ops centre	(40,000)	-	-	(40,000)	100%	Consultation in progress
5500-03-0001	Maple Avenue Station	(2,456,240)	(3,679,997)	6,154,871	18,634	0%	Project completed
5500-03-0002	New Headquarters Station	(633,760)	(4,243,630)	4,878,924	1,535	0%	Project completed
5900-25-1703	Replace Support Unit 706 (106)	(60,000)	-	35,991	(24,009)	40%	Purchase made - final outfitting in progress
5900-25-1801	Repl Haz Mat Resp Team Trailer	(25,000)	-	17,630	(7,370)	29%	Purchase expected in Q4-2018
5900-25-1802	Replace Unit 700 (300)	(60,000)	-	67,149	7,149	0%	Purchase made - final outfitting in progress
5900-25-1804	Replace Unit 708 (208)	(50,000)	-	35,380	(14,620)	29%	Purchase made - final outfitting in progress
5900-25-1805	Replace Fire Prevention Trailer	(16,000)	-	-	(16,000)	100%	Refurbishment of existing trailer vs. purchase of new expected in Q4. Total cost expected to be ~ \$2,000
Total Fire Services		(4,574,702)	(8,005,275)	12,290,208	(289,770)	2%	

Town of Halton Hills Life to Date Capital Project Status Report <u>TRANSPORTATION & PUBLIC WORKS</u> As at December 31, 2018							
Project Code	Project Name	Capital Budget	Other Funding	Total Expenditure	Balance Remaining	% Remaining	Comment
6100-05-1601	Mobile Technology	(10,000)	-	8,627	(1,373)	14%	Project is on-going
6100-05-1603	Synchro Software for Tsignals	(30,000)	-	4,558	(25,442)	85%	Additional software to be purchased In 2019
6100-05-1801	TES Vehicle Collision Software	(40,000)	-	26,152	(13,848)	35%	Additional traffic module to be purchased in 2019.
6100-10-1003	Guelph/Eramosa Quarry	-	(147,016)	135,727	(11,289)	8%	Project delayed.
6100-10-1402	Upper Reach Tributary	(25,000)	-	-	(25,000)	100%	Project to be initiated in Q2/Q3 2019
6100-10-1608	Bikes Lanes - churchill Rd S	(43,580)	(96,420)	54,788	(85,212)	61%	Additional infrastructure to be installed in 2019/2020 to improve cycling safety.
6100-10-1801	Bike Lanes (All Phases)	(100,000)	-	45,187	(54,813)	55%	Barber Drive W Ph2 to be completed as part of Pvm. Mgmt. Traffic signs to be installed in 2019
6100-12-1706	Parking Lot Reconstruction	(125,000)	-	65,614	(59,386)	48%	Project on-going. Still under warranty.
6100-16-1002	Crewsons Corners Flooding	(95,000)	-	22,174	(72,826)	77%	Project on hold pending MECP review of upstream ECA.
6100-17-1604	Pedestrian Facilities Xwalks	(5,000)	(29,332)	24,104	(10,228)	30%	Work to be identified in 2019 traffic work plan. Recommended to be amalgamated with 6100-28-1805 Enhanced Pedestrian Ladder Crossing project.
6100-21-0107	StreetLight&Pole Repl Lakeview	(599,000)	-	497,421	(101,579)	17%	Project is on-going - Guelph from Delrex to Armstrong street light pole replacement transferred to 2019, pending a new design.
6100-21-1605	Streetlight Repl w/ HH Hydro	(40,000)	-	5,671	(34,329)	86%	Project On-going.
6100-21-1701	Rural Intrscn Streetlighting	(60,000)	-	21,943	(38,057)	63%	Project On-going - 3rd Line @ 15 Sd. rd., 22 sd. rd. W, 22 sd. rd. E to be done in 2019.
6100-21-1704	Princess Anne Pole Repl	(225,000)	(74,164)	222,273	(76,891)	26%	Work completed, waiting for invoice
6100-21-1801	Longfield Subddv Strlight Repl	(125,000)	-	123,454	(1,546)	1%	Ph1 of project complete in 2018. On-going project - funding to be carried forward to Ph2 in 2019
6100-21-1802	Streetlight Pole Transfrmr Rpl	(220,000)	-	25,932	(194,068)	88%	Project On-going. Project managed by HHCEC
6100-22-1403	22 SdRd Slope Stability Invest	(58,306)	-	28,306	(30,000)	51%	Project recommended to be amalgamated with 6200-16-1501 22nd Side Road Conc. 11 Realignment project due to similar scope.
6100-22-1512	10th Line Slope Stability Invs	(75,000)	-	3,832	(71,168)	95%	Project recommended to be amalgamated with 6200-27-1612 10th Line Gabion Wall Engineering project due to similar scope.
6100-22-1606	OMB Reserve	(100,000)	-	86,858	(13,142)	13%	Project on-going - monies set aside for expert witnesses
6100-22-1607	Truck Strategy	(100,000)	-	75,038	(24,962)	25%	To be completed Q2 2019.
6100-22-1701	Transit Service Strategy	(300,000)	-	260,518	(39,482)	13%	Projected On-going to be completed in summer of 2019
6100-22-1702	16 Mile Creek Modelling	(50,000)	-	-	(50,000)	100%	Discussions to be conducted with conservation authority to determine needs.
6100-22-1703	Premier Gateway Trans. Study	-	(147,984)	135,676	(12,309)	8%	Project On-going to be completed Q1 2019
6100-22-1705	Neighbourhood Study	(75,000)	-	30,567	(44,433)	59%	Project On-going to be completed Q4 2019
6100-22-1803	Acton Bypass Feasibility Study	(100,000)	-	-	(100,000)	100%	Project anticipated to be initiated in 2019 based on MTO

Town of Halton Hills Life to Date Capital Project Status Report <u>TRANSPORTATION & PUBLIC WORKS</u> As at December 31, 2018							
Project Code	Project Name	Capital Budget	Other Funding	Total Expenditure	Balance Remaining	% Remaining	Comment
6100-22-1804	Active Transp Master Plan	-	-	3,880	3,880		Project commenced. To be Funded by MTS(A Major Transit Station Area) from Region \$175,000. To be completed Q1 2020
6100-23-1602	Active Transportation	(10,000)	-	-	(10,000)	100%	Project is on-going - Funds for unexpected traffic expenditures
6100-26-1513	5th Line Culvert (37/C) Repl	(75,000)	-	81,650	6,650	0%	Project completed and in monitoring phase.
6100-28-0101	Opticom Replacement Program	(210,000)	-	167,646	(42,354)	20%	Equipment Purchased. More equipment to be purchased for Opticom.
6100-28-1516	Traffic Calming (Permanent)	(85,000)	-	79,984	(5,016)	6%	Project On-going.
6100-28-1701	Mandated Rail Crossing Upgrade	(100,000)	-	784	(99,216)	99%	Undertaking Railway safety reviews in Summer 2019 to determine scope of work.
6100-28-1703	Pedestrian Crossings	(265,000)	-	267,054	2,054	0%	On-going Project: January 2019 - Finished last of Pedestrian crossovers scheduled for 2018.
6100-28-1805	Enhanced Ped (Ladder Crossing)	(90,000)	-	46,974	(43,026)	48%	Project on-going.
6100-28-1806	Railway Safety Assem (GEXR)	(35,000)	-	-	(35,000)	100%	Undertaking Railway safety reviews in Summer 2019 to determine scope of work
6100-28-1808	Mand AODA Access Traff Sgnl	(240,000)	-	180,402	(59,598)	25%	Project on-going: Compliance with AODA standards
6200-05-1408	Mand Dsgn Software Upg & Train	(25,000)	-	31,810	6,810	0%	Project Complete
6200-08-0001	Eighth Line-5 to 10 SdRd Prop.	(160,000)	(1,567)	47,632	(113,934)	71%	Project is on-going - EA to commence in Q1 of 2019
6200-10-1702	Bike Lanes - Berton & Atwood	(38,928)	(91,072)	50,924	(79,076)	61%	Project is on-going - additional signage to be installed in 2019.
6200-10-1703	Hornby Rd Drainage (w/Region)	(360,000)	-	287,921	(72,079)	20%	To be closed Q2 2019. Region is leading work
6200-16-0007	Sixth Line Steeles Avenue S.	(526,490)	-	284,272	(242,218)	46%	To be closed Q2 2019. Region is leading work. Region is in arbitration with Contractor.
6200-16-0009	Cycling Master Plan Constructi	(192,000)	(5,684)	124,175	(73,508)	37%	Project is on-going - currently no targeted completion date.
6200-16-0025	22 SR Conc.11 Retaining Wall	(75,000)	-	50,420	(24,580)	33%	Recommendation to be amalgamated with 6200-16-1501 22nd Side Road Conc. 11 Realignment project due to similar scope.
6200-16-0104	Pavement Management	(14,405,000)	(8,525,871)	21,324,752	(1,606,119)	7%	Project is on-going.
6200-16-1006	Armstrong Ave. Engineering	(3,115,000)	(1,740,166)	3,682,799	(1,172,367)	24%	Construction to commence 2019.
6200-16-1007	Sixth Line Steeles Ave S Const	(355,000)	-	14,000	(341,000)	96%	To be closed Q2 2019. Region is leading work. Region is in arbitration with Contractor.
6200-16-1008	Inters Imp SteelesAve-Various	(157,000)	-	7,000	(150,000)	96%	To be closed Q2 2019. Region is leading work.
6200-16-1409	5 SdRd Asphalt Upgrade	(540,000)	-	553,683	13,683	0%	Final phase of micro-surfacing will be complete 2019. Project on-going
6200-16-1411	10th Line - 5 to 10 SdRd Eng	(110,000)	-	13,946	(96,054)	87%	Project on hold. Deferred until 2020. Potential amalgamation with 6200-16-1902 in 2019 budget.
6200-16-1501	22nd SdRd Conc 11 Realignment	(150,000)	-	6,000	(144,000)	96%	Project on hold - monitoring conditions
6200-16-1606	Main St N. Resurfacing (Acton)	-	(750,000)	762,475	12,475	0%	Project under warranty
6200-16-1610	Upgrade Surf Trtmt to Asphalt	(850,000)	-	591,538	(258,462)	30%	Project under warranty - June 22nd 2019

Town of Halton Hills Life to Date Capital Project Status Report <u>TRANSPORTATION & PUBLIC WORKS</u> As at December 31, 2018							
Project Code	Project Name	Capital Budget	Other Funding	Total Expenditure	Balance Remaining	% Remaining	Comment
6200-16-1701	22nd SdRd Limehouse Constr	(1,000,000)	-	1,077,094	77,094	0%	Project under warranty - October 10th 2019
6200-16-1803	Prince St (All Phases)	(108,305)	-	-	(108,305)	100%	Project is on-going. Additional funds in 2019 Capital Budget. Design to commence in 2019.
6200-16-1806	Nassagawea/Esq Construction	(271,000)	-	239,552	(31,448)	12%	Project is on-going: Asphalt work to be done
6200-16-1807	Maple & Guelph Turn Lane Const	(250,000)	-	50,490	(199,510)	80%	Engineering Project is on-going. Construction to be done in 2020.
6200-16-1808	Maple & Main NB Tun Lane Cons	(61,749)	-	28,680	(33,069)	54%	Engineering Project is on-going. Construction to be done in 2020. Additional funds were approved in the 2019 budget.
6200-16-1810	32 SdRd to W. Churchill Const	(100,000)	-	-	(100,000)	100%	Project is on-going. Region of Peel to lead. Complete in 2020
6200-16-1811	Guelph/Mill Appr Improvement	-	(5,936)	5,936	-		Project is on-going - design to be completed Q2 2019.
6200-16-1813	Eighth Line - Main to Maple EA	(519,000)	-	-	(519,000)	100%	Project Commenced. Consultant will be retained in Q1 2019
6200-17-0010	Steeles Ave. Sidewalk 401 Corr	(322,000)	(64,682)	386,083	(599)	0%	To be closed Q2 2019. Region is leading work.
6200-17-1802	Mill St (All Phases)	(150,000)	-	-	(150,000)	100%	Project on hold pending completion of Neighbourhood Study.
6200-20-0106	Storm Sewer Rehab. - Phase 2	(128,291)	-	100,118	(28,174)	22%	Project Complete - recommendation to transfer unused funds to Pavement Management (6200-16-0104).
6200-22-0020	Traff Signal Legal Draw Update	(25,000)	-	-	(25,000)	100%	Project Commenced. Consultant will be retained in Q1 2019
6200-22-0107	Bridge Rehab Study Update	(150,000)	-	119,444	(30,556)	20%	Project on-going.
6200-22-0109	Master Drainage Plan Update	(50,000)	(6,165)	46,310	(9,855)	18%	Project complete - recommendation to transfer unused funds to the Stormwater Master Plan 6200-22-1901 in 2019.
6200-22-0110	Asph Pavement Strat Preventati	(406,594)	-	365,543	(41,051)	10%	Project On-going
6200-22-0111	Sidewalk Strat. Prev. Maint.	(274,063)	-	280,245	6,183	0%	Project Complete.
6200-22-1603	Stormwater Mgmt Strategy	(100,000)	(19,400)	74,010	(45,390)	38%	Project On-going.
6200-22-1702	Pvmt Mgmt Study - 5 YR Cycle	(85,000)	-	53,669	(31,331)	37%	Project on-going. Training outstanding for 2019
6200-22-1801	Main St N Bridge CNR Design	-	(124,964)	113,040	(11,924)	10%	Recommendation to be combined with 6200-26-1407 Bridge Rehabilitation Engineering project due to similar scope.
6200-24-1616	Sinclair Multi Use Path	(100,000)	-	116,227	16,227	0%	Project Under Warranty
6200-26-0014	5th Line Lot 3/Culvert Replace	(80,000)	-	23,882	(56,118)	70%	Recommendation to be combine with 6200-26-1606 Culvert #37/C Replacement project - project under monitoring.
6200-26-1407	Bridge Rehab Eng (Hwy 7)	(43,352)	-	23,352	(20,000)	46%	Project is on-going.
6200-26-1602	10th Line Lot 25 Bridge Rehab	(990,000)	-	922,080	(67,920)	7%	Project under monitoring until 2020
6200-26-1606	Culvert #37/C Replacement	(1,050,119)	(70,000)	1,192,313	72,194	0%	Project under monitoring. Overspend recommended to be funded by remaining funds in 6200-26-0014 5th Line Lot 3/Culvert Replacement.
6200-26-1711	Mtnview/CNR Brgde Eng (#13207)	(103,405)	-	73,109	(30,297)	29%	Engineering work to be completed in Q2 2019
6200-26-2410	Const Bridge 23208 - River Dr	(887,333)	-	990,859	103,526	0%	Project under warranty until October 2019
6200-27-0101	Glen Lawson Surface Treatment	(291,567)	-	141,567	(150,000)	51%	Project on hold pending completion of Class EA.
6200-27-0114	Halton Hills Dr Extension Desi	(2,862,000)	(54,147)	300,774	(2,615,373)	90%	Construction to commence in 2019.

Town of Halton Hills Life to Date Capital Project Status Report TRANSPORTATION & PUBLIC WORKS As at December 31, 2018							
Project Code	Project Name	Capital Budget	Other Funding	Total Expenditure	Balance Remaining	% Remaining	Comment
6200-27-1010	Brdg Struct&Apprch Eng/Constr	(254,893)	-	199,667	(55,226)	22%	Project on-going. Safety upgrades as needed.
6200-27-1012	Glen Lawson E/A	-	(168,000)	139,586	(28,414)	17%	To be completed in Q2 2019
6200-27-1604	10th Line - 5 to 10 SdRd Eng	(125,000)	-	8,399	(116,601)	93%	Project on hold. Deferred until 2020. Potential amalgamation with 6200-16-1902 in 2019 budget.
6200-27-1612	10th Line Gabion Wall R/Eng	(130,000)	-	2,152	(127,848)	98%	Project is on-going
6500-02-1801	PW Ops Ctr Roof Repair	(90,000)	-	-	(90,000)	100%	Survey of asbestos is complete. Specs for repair received. Waiting to begin RFP.
6500-03-1704	Truck Wash Facility Ph 1	(75,000)	-	-	(75,000)	100%	Commercial Pressure washer system purchased. Delivery/installation anticipated in 2019
6500-05-1802	GPS Fleet Tracking	(195,000)	-	-	(195,000)	100%	Anticipated march 2019
6500-06-1701	New Equipment	-	(482,320)	348,127	(134,194)	28%	Project is on-going. Equipment Purchases scheduled for 2019
6500-11-1517	Street Tree Replanting	(450,000)	(4,345)	434,811	(19,535)	4%	Project is on-going. Tree Replanting to continue through 2019
6500-16-0101	Surface Treatment	(1,036,952)	-	982,683	(54,270)	5%	Project complete - Project moved to operating in 2019.
6500-16-1801	At Grade Railway Xing Maint	(30,000)	-	-	(30,000)	100%	Work Completed at CN's 15 sd. rd. railway crossing. Waiting for Invoice from CN.
6500-16-1802	Danby & Barber Roundabout Cons	(30,000)	-	-	(30,000)	100%	Project is on-going - Surveying and engineering was completed in 2018. Construction to be completed in 2019.
6500-18-0110	Traffic Infrastructure	(429,070)	-	266,815	(162,254)	38%	Project On-going.
6500-18-0111	Signage	(250,000)	(27,383)	248,391	(28,991)	10%	Project On-going. Regular Signage activities
6500-21-1001	Traff Sig Install-School Lane	(14,000)	-	4,000	(10,000)	71%	Received additional 2019 funds for signal. Design to commence in Q1 2019
6500-28-0002	Traffic Signal Interconnect	(144,901)	(64,670)	193,319	(16,252)	8%	Ph2 of interconnect implementation to be completed in 2019
6500-28-1002	Traff Cntrl Signals Replace	(328,000)	(49,198)	279,365	(97,834)	26%	Project on-going - 3 controllers to be installed in 2019
6500-28-1003	Signal Upgrade (LED)	(90,000)	-	69,361	(20,639)	23%	2 locations to be upgraded with new LED units
6500-28-1501	Interconnect Mountainview Sgnl	(120,000)	-	55,192	(64,808)	54%	Ph2 of interconnect implementation to be completed in 2019
6530-21-1001	Street Light & Pole Replace	(25,000)	-	20,131	(4,869)	19%	Recommendation to transfer unused funds to 6100-21-0107 (same project for light replacement).
6800-05-1601	Activan Transit Software	(150,000)	(20,000)	120,478	(49,522)	29%	Project is on-going - two (2) of three (3) modules have been completed. Third module has been deferred to Phase 2. Funds remaining will be used for third module in Phase 2 implementation.
6800-22-1801	Fleet Management Strategy	(50,000)	-	26,712	(23,288)	47%	Project on-going - strategy to be complete march 2019
Total Transportation & Public Works		(39,196,898)	(12,770,485)	40,689,707	(11,277,676)	22%	

Town of Halton Hills Life to Date Capital Project Status Report PLANNING & SUSTAINABILITY As at December 31, 2018							
Project Code	Project Name	Capital Budget	Other Funding	Total Expenditure	Balance Remaining	% Remaining	Comment
7000-22-0001	Official Plan	(294,700)	-	72,903	(221,797)	75%	Project is on-going - major work dependent on timing/progress of Region OP Review.
7000-22-0002	Prmr Gateway Rpl Emp Lands SS	(660,000)	-	601,702	(58,298)	9%	Project is on-going - plan adopted and in Regional approval stage. Anticipated completion Q3 2019.
7100-02-0002	South Acton Land Use Study	(200,000)	-	-	(200,000)	100%	Project on hold pending further review of site constraints.
7100-22-0001	HPBATS Corridor Protection	(53,000)	-	25,309	(27,691)	52%	Project on hold - province proposing to reactivate GTA West
7100-22-0007	SWG Planning Study	(247,400)	-	223,411	(23,989)	10%	Project is on-going - Secondary plan adopted and in Regional Approval Stage
7100-22-0008	SWG Planning Study - Misc Exp	-	-	15,515	15,515	0%	Project is on-going - overspend to be offset by surplus in 7100-22-0007 SWG Planning Study.
7100-22-0101	Comprehensive Zoning By-Law P2	(190,000)	-	166,003	(23,997)	13%	Funds reserved for outstanding appeal before LPAT.
7100-22-1501	Zoning By-law Review	(154,000)	-	102,152	(51,848)	34%	Project is on-going. Targeted to be complete Q4 2019
7100-22-1502	Glen Williams Sec Plan Review	(95,000)	-	39,450	(55,550)	58%	40,000 to be split into new project. Project to commence Q2 2019.
7100-22-1601	Post 2031 Intensification Stdy	(75,000)	-	34,682	(40,318)	54%	Project is on-going - targeted completion in Q4 2019.
7100-22-1602	Fiscal Impact of Post 2031	(75,000)	-	-	(75,000)	100%	Project scope to be further determined as part of the ROP Review
7100-22-1604	Source Protection Plan Impl	(10,000)	-	-	(10,000)	100%	Reserved for anticipated costs of SPP implementation.
7100-22-1702	Vision Gtown Detailed Analysis	(200,000)	-	56,674	(143,326)	72%	Project is on-going - Secondary plan adopted and in Regional Approval Stage
7100-22-1802	OP Review - emp Land Need Stdy	(100,000)	-	49,923	(50,077)		Project is on-going - project initiated in Q2 2018. Completion by Q4 2019.
7100-22-1901	G'town Downtown Secondary Plan	(200,000)	-	159,627	(40,373)	20%	Targeted completion early Summer 2019.
7300-10-1001	TCE Community Investment Prog	-	(25,000)	4,579	(20,421)	82%	Project is on-going. Further project scope to be determined.
7300-22-1001	Stewarttown Planning Study	(150,000)	-	-	(150,000)	100%	Project deferred to 2019.
7300-22-1501	Comm Sustain Invest Fund	-	(39,617)	41,617	2,000	0%	Project is complete. Additional funds requested in 2019 Capital Budget to continue community activities.
7300-22-1601	Energy Cnsv Comm Eng Strategy	(15,000)	-	-	(15,000)	100%	Project has been integrated with Mayor's Community Energy Plan Update. Scheduled for 2020 based on Cap Forecast
7300-22-1602	Corp Sust A&A Plan Impl	(135,987)	-	1,852	(134,135)	99%	Project is on-going - Collaborating with departments to implement projects. E.g. Procurement of Quench buggy
7300-22-1604	Climate Chg Adaptation Strtgy	(75,000)	-	86,856	11,856	0%	Project is on-going - FCM has approved project extension to Q4 2019. Currently wrapping up milestone 2 (research). Will be turning to Milestone 3 in Q2 2019.
7300-22-1702	Greenhouse Gas Model Update	(15,000)	-	12,567	(2,433)	16%	Project is on-going - FCM has approved project extension to Q4 2019. Currently wrapping up milestone 2 (research). Will be turning to Milestone 3 in Q2 2019.
7300-22-1703	Corp Energy Cnsv Plan Impl	(158,366)	-	88,955	(69,411)	44%	Energy Coordinator continues to work with departments on procurement of energy efficiency matters.
Total Planning & Sustainability		(3,103,453)	(64,617)	1,783,777	(1,384,293)	44%	

Town of Halton Hills Life to Date Capital Project Status Report RECREATION & PARKS As at December 31, 2018							
Project Code	Project Name	Capital Budget	Other Funding	Total Expenditure	Balance Remaining	% Remaining	Comment
1000-09-0101	Office Furniture	(239,930)	-	209,282	(30,648)	13%	Project ongoing - remaining 2018 funds will carry-over into 2019 to accommodate increased staffing needs.
8000-10-0001 / 8221-08-1601	Land Acquisitions and Disposals		(5,358,602)	5,781,784	423,182	0%	Project on going: awaiting disposition of lands identified in confidential Surplus Lands Strategy.
8000-10-0102	Employee Recognition	-	(5,614)	-	(5,614)	100%	Ongoing project for employee recognition.
8003-10-1801	Asset Inv & Condition Asmt	-	-	62,313	62,313		Report to CCA Committee on Feb 4. Project completed, awaiting final invoices.
8003-10-1804	Levels of Service PH2 FCM	(49,600)	-	71,404	21,804		Project completed July 31, 2018. Grant funding from FCM received. Project to be closed.
8100-22-1701	R&P Strategic Action Plan	(185,000)	-	-	(185,000)	100%	Rates and Fees Strategy Awarded Q4 2018, RFP for remaining scope to be awarded Q1 2019, completion targeted Q1 2020.
8190-10-0101	Buy Lease Partnership (All Ph)	(1,000,000)	(73,350)	1,042,340	(31,010)	3%	Gellert Phase 2 Feasibility Study to be completed Q3.
8200-02-0102	Facility Revit. and Renewal	(458,000)	-	395,177	(62,823)	14%	Project ongoing - remaining 2018 funds will carry-over into 2019 to support additional projects that are scheduled to be completed in 2019. A list of 2019 R&R projects have been compiled.
8200-02-0104	Arena Compresso Overhauls	(20,000)	-	17,025	(2,975)	15%	Project ongoing - remaining 2018 funds will carry-over into 2019 to support the completion of more overhauls. Project will be completed in conjunction with the R&R budget.
8200-22-0001	GCC Prelim Schematic Plan	(50,000)	-	17,744	(32,256)	65%	Gellert Phase 2 Feasibility Study to be completed Q3.
8200-25-0101	Arena Ice Resurfacer	(100,000)	-	100,742	742	0%	Over budget due to decreased trade-in.
8200-25-1601	Ice Resurfacer Laser Levels	(30,000)	-	6,106	(23,894)	80%	Project ongoing - lasering required every time a new ice resurfacer is purchased. Another ice resurfacer is scheduled for purchase in 2019.
8200-27-1401	Acton Youth Space Reno Des/Eng	(50,000)	-	-	(50,000)	100%	Consultant currently engaged. Conceptual to be completed in May.
8200-27-1801	Acton Youth Centre Des/Eng	(75,000)	-	-	(75,000)	100%	Consultant to be engaged by end of the year to complete design and engineering.
8210-03-0002	Arena Capital Campaign	-	(1,481,682)	883,591	(598,092)	40%	Project ongoing - still collecting funds from committed pledges/donations.
8210-10-0004	H.H. Sports Mus. & Res. Ctr.	-	(8,660)	1,106	(7,554)	87%	Funds are being held for use by the User Group.
8211-02-1802	AA Window & Door Sealant	(20,000)	-	6,922	(13,078)	65%	Additional work to be targeted for 2019.
8211-12-1601	Acton Arena Repaving	(160,000)	-	8,000	(152,000)	95%	Project to be initiated in 2019.
8220-02-1402	CedarvaleCC Exter.EnvelopeRepr	(30,000)	-	19,945	(10,055)	34%	Additional work to be targeted for 2019.
8220-02-1601	Cedervale Park Watermain	(107,000)	-	6,126	(100,874)	94%	Waiting on final billing from Region & Canada 150 grant.
8220-02-1701	Cedarvale Waterline Repl	(354,000)	-	304,854	(49,146)	14%	Waiting on final billing from Region.
8220-22-1601	Cedarvale CC Feasability Study	(50,000)	-	45,190	(4,810)	10%	Work to be completed in Q2 2019.
8221-02-1601	GCC Regrout Pool Deck/Tanks	(25,000)	-	28,987	3,987	0%	Project completed.
8230-02-1601	Collegiate Pool Revitalization	(75,000)	-	920	(74,080)	99%	Staff still doing prep work in order to engage an consultant.

Town of Halton Hills Life to Date Capital Project Status Report <u>RECREATION & PARKS</u> As at December 31, 2018							
Project Code	Project Name	Capital Budget	Other Funding	Total Expenditure	Balance Remaining	% Remaining	Comment
8240-02-0001	Cultural Centre Alterations	(1,995,000)	(310,997)	2,222,778	(83,219)	4%	Additional work to be completed in the Helson Gallery.
8240-10-1401	Cultural Centre Donations	-	(21,877)	13,804	(8,072)	37%	Additional work to be completed in the Helson Gallery.
8251-02-1702	MMSP Roof Replacement Ph 2	(300,000)	-	9,114	(290,886)	97%	Work to completed by summer 2019.
8251-02-1805	MMSP Emergency Lighting	(50,000)	-	31,226	(18,774)	38%	Additional work to be targeted for 2019.
8251-02-1806	MMSP Windows & Door Seal	(15,000)	-	10,584	(4,416)	29%	Additional work to be targeted for 2019.
8261-02-1702	GCC Generator	-	(330,883)	351,263	20,380	0%	Project completed. Waiting on recovery portion from Region.
8310-10-0001	Georgetown Armoury Fund	-	(67,497)	66,905	(591)	1%	Funds are being held for use by the User Group.
8310-11-1001	Hornby Park Servicing	(54,000)	-	2,000	(52,000)	96%	Work is done. Waiting on invoicing from Region.
8400-02-0001	Civic Centre Renovations	(648,000)	(10,457)	624,232	(34,224)	5%	Additional work required to accommodate space needs for staff.
8400-02-0003	Civic Centre Interior Painting	(10,000)	-	727	(9,273)	93%	Additional work required to accommodate space needs for staff.
8400-02-1402	Civic Centre Carpet Replace	(14,000)	-	-	(14,000)	100%	Additional work required to accommodate space needs for staff.
8400-02-1601	Civic Centre Cooling Tower Rep	(250,000)	-	-	(250,000)	100%	Work to be completed by fall 2019.
8400-02-1602	Civic Centre Conc Entr Repl	(40,000)	-	-	(40,000)	100%	Project on hold until completion of Town Hall Master Plan.
8400-02-1603	Civic Centre HVAC Pumps/Cntrl's	(15,000)	-	-	(15,000)	100%	Work being completed in fall 2019.
8400-02-1702	Town Hall Replace Heat Pumps	(50,000)	-	11,719	(38,281)	77%	Remaining 2018 funds will carry-over into 2019 to support the replacement of additional heat pumps through out the year.
8400-02-1802	Civic Centre Roof Replacement	(600,000)	-	11,382	(588,618)	98%	Work being completed in fall 2019.
8400-02-1803	Town Hall Generator Trf Switch	(35,000)	-	-	(35,000)	100%	Work being completed in fall 2019.
8400-02-1804	TH Repl of Make-up Air Unit	(35,000)	-	-	(35,000)	100%	Work being completed in fall 2019 as part of generator project
8400-02-1805	TH Window & Door Sealant	(25,000)	-	-	(25,000)	100%	More assessment work to be done prior to completion in 2019.
8400-22-1801	Town Hall Master Plan	(115,000)	-	-	(115,000)	100%	Consultant engaged with an expected completion of fall 2019.
8421-02-0001	Norval Roof Replacment	(150,000)	-	10,321	(139,680)	93%	Consultant engaged. Work to be completed in summer 2019.
8500-11-0102	Park Revitalization & Renewal	(652,800)	(55,118)	588,643	(119,275)	17%	Project ongoing - remaining 2018 funds will carry-over into 2019 to support additional projects that are scheduled to be completed in 2019. A list of 2019 R&R projects have been compiled.
8500-11-0103	Cemetery Revitalization & Rene	(217,900)	-	143,726	(74,174)	34%	Project ongoing - remaining 2018 funds will carry-over into 2019 to support additional projects that are scheduled to be completed in 2019. A list of 2019 R&R projects have been compiled.

Town of Halton Hills Life to Date Capital Project Status Report <u>RECREATION & PARKS</u> As at December 31, 2018							
Project Code	Project Name	Capital Budget	Other Funding	Total Expenditure	Balance Remaining	% Remaining	Comment
8500-11-0106	Park Pavilion Repairs	(32,000)	(79,794)	39,735	(72,059)	64%	Public consultation and construction in 2019 for Glen Williams Park.
8500-11-0112	HHVHI 13 Neighbourhood Park	(343,632)	-	338,847	(4,785)	1%	Project delayed until Summer 2019 due to contractor deficiencies.
8500-11-1607	Upper Canada College Parkette	(230,000)	-	217,970	(12,030)	5%	Project substantially completed. Remaining funds to be used on additional upgrades.
8500-11-1702	Georgetown Sports Action Park	(800,000)	-	715,936	(84,064)	11%	Skate Park to be completed in Spring 2019. Multi-Purpose Court to be completed by end of 2019.
8500-11-1801	Maple Creek Park Ph 2	(260,000)	-	46,005	(213,995)	82%	Project to be completed in Fall 2019. Delayed due to Developer. Tender to be awarded in Q1.
8500-11-1808	Tolton Park Ph 1	(42,000)	-	22,364	(19,636)	47%	Work has been completed - waiting on invoicing from contractor.
8500-11-2103	MMSP Skatepark Design & Eng	(50,000)	-	-	(50,000)	100%	Project deferred to 2020 pending Recreation Strategy Plan update.
8500-12-0101	Park Parking Lot Surfacing	(240,000)	-	153,125	(86,875)	36%	Project to be completed in 2019 in conjunction with PW projects.
8500-13-0106	Play Equipment Replacement	(787,500)	(56,280)	836,006	(7,773)	1%	Project ongoing - remaining 2018 funds will carry-over into 2019 to support additional projects that are scheduled to be completed in 2019. A list of 2019 projects have been compiled.
8500-19-0105	Trafalgar Sports Park	-	(215,395)	154,280	(61,115)	28%	Project to be completed in 2019 with TSP Field of Dreams projects.
8500-19-0107	Sportsfield Lighting Replacmnt	(1,417,700)	(19,603)	1,198,524	(238,780)	17%	Tender has been awarded and work to be completed in Q2.
8500-19-0109	Playing Field Rehabilitation	(511,100)	(80,638)	472,366	(119,372)	20%	Project ongoing - remaining 2018 funds will carry-over into 2019 to support additional projects that are scheduled to be completed in 2019. A list of 2019 projects have been compiled.
8500-19-1401	Traf.Sports Pk.Ph 5B-Scope Chg	(320,000)	-	230,348	(89,652)	28%	Project to be completed in 2019 with TSP Field of Dreams projects.
8500-19-1801	TSP Ph6 - Field of Dreams	-	(2,263,000)	14,262	(2,248,738)	99%	Tender to be awarded in Q1.
8500-22-1501	Parkland Acquisition Strategy	(85,000)	-	71,067	(13,933)	16%	Project to be completed in Summer 2019.
8500-22-1802	Glen Lawson Lands Env Assess	(30,000)	-	2,239	(27,761)	93%	Project to be completed by end of 2019. Ongoing negotiations with CRH.
8500-24-0102	Trails Revitalization & Renew	(437,300)	(5,045)	397,684	(44,661)	10%	Project ongoing - remaining 2018 funds will carry-over into 2019 to support additional projects that are scheduled to be completed in 2019. A list of 2019 R&R projects have been compiled.
8500-24-0110	Trails System 1	(633,000)	(174)	600,697	(32,477)	5%	MNR approvals under review.

Town of Halton Hills Life to Date Capital Project Status Report <u>RECREATION & PARKS</u> As at December 31, 2018							
Project Code	Project Name	Capital Budget	Other Funding	Total Expenditure	Balance Remaining	% Remaining	Comment
8500-24-0111	Park Pathway Lighting Replace	(460,000)	-	380,133	(79,867)	17%	Project ongoing - remaining 2018 funds will carry-over into 2019 to support additional projects that are scheduled to be completed in 2019. Projects are in coordination with SWE.
8500-24-1701	Hungry Hallow Trails Ph 1	(208,000)	-	8,120	(199,880)	96%	Project to be completed pending MNR approval.
8500-24-1702	Silvercreek Valley Trail	-	(50,000)	-	(50,000)	100%	Project to be completed pending MNR approval. Developer contribution to complete project.
8500-24-1801	Hungry Hallow Trails Ph 2	(216,000)	-	10,800	(205,200)	95%	Project to be completed pending MNR approval.
8500-26-1401	Cedarvale Vehicular Bridge Rep	(260,000)	-	239,953	(20,047)	8%	Project ongoing. Five year monitoring requirement by MNR.
8510-10-0101	Potential Comm. Partnership	(31,500)	-	27,516	(3,984)	13%	Pending 2019 community partnerships.
Total Recreation and Parks		(15,744,962)	(10,494,665)	19,285,958	(6,953,669)	27%	

REPORT

REPORT TO: Mayor Bonnette and Members of Council

REPORT FROM: Councillor Jane Fogal
Chair, General Committee

DATE: June 3, 2019

REPORT NO.: CORPSERV-2019-0017

RE: 2018 Financial Statements, Financial Information Return and
Audit Findings Report

RECOMMENDATION:

THAT Report No. CORPSERV-2019-0017 dated June 3, 2019 regarding 2018 Financial Statements, Financial Information Return and Audit Findings Report be received;

AND FURTHER THAT the 2018 audited Financial Statements and Financial Information Return be approved as presented;

AND FURTHER THAT the Audit Findings Report provided by KPMG LLP be received for information.

BACKGROUND:

Report No. CORPSERV-2019-0015 introduces the draft 2018 audited Financial Statements, Financial Information Return (FIR), and the Audit Findings Report, presented to the General Committee by Ms. Lois Ouellette on behalf of the Town's audit firm KPMG LLP. Following the review and discussion of these various documents, Members of the General Committee are requesting that Council approves the following recommendations:

THAT Report No. CORPSERV-2019-0017 dated June 3, 2019 regarding 2018 Financial Statements, Financial Information Return and Audit Findings Report be received;

AND FURTHER THAT the 2018 audited Financial Statements and Financial Information Return be approved as presented;

AND FURTHER THAT the Audit Findings Report provided by KPMG LLP be received for information.

As in past years, the purpose of this report is to update Members of Council on the General Committee's actions and to formally present the draft 2018 Financial Statements and FIR to Council for approval.

COMMENTS:

The General Committee received for review the draft Financial Statements and FIR from Town staff and the Audit Findings report from KPMG, LLP and discussions took place in areas they felt required clarification.

Members of the General Committee also received a Management Discussion and Analysis prepared by the Treasurer. This supplementary information is audited and is intended to provide readers of the financial statements with a balanced overview of the Town's financial position, its systems, controls, legal compliance, and financial condition. The analysis also includes forward-looking information that impacts the Town.

Following the completion of this review, the Committee recommended that these documents be approved as presented and forwarded to Council for its consideration. These statements are in draft form and will be finalized pending Council's approval on July 8, 2019. The 2018 draft Financial Statements and FIR, which are being recommended for approval, have been provided to Council under separate cover.

Since the auditors of the Town present the audited financial statements to the General Committee, and not to Council, no further formal presentations will be made. However, should Members of Council have questions pertaining to the Financial Statements or the Audit Findings Report, they may be addressed to either the Treasurer or members of the General Committee.

RELATIONSHIP TO STRATEGIC PLAN:

This report supports the strategic Council's priority:

Effective, efficient and economical delivery of the Town's existing services.

FINANCIAL IMPACT:

There is no financial impact directly associated with this report.

CONSULTATION:

Finance staff and various Town departments were consulted throughout the preparation of the 2018 Financial Statements.

PUBLIC ENGAGEMENT:

There is no public engagement associated with this report.

SUSTAINABILITY IMPLICATIONS:

The Sustainability Implications of the recommendations of this report were reviewed against the requirements of the Town's Sustainability Implications Worksheet. The Worksheet is completed for substantial non-administrative reports, major projects, studies, policies and initiatives that are relevant to advancing the Town's economic, cultural, environmental and social wellbeing, and quality of life. Since this report is none of the latter, the Sustainability Implications section is not applicable.

COMMUNICATIONS:

Notification to residents is made via Council agenda and the Town's website. Once the draft financial statements are approved by Council, staff will publish the Annual Financial Report on the Town's website. Residents can also contact staff at the Service Halton Hills counter to request a printed copy.

CONCLUSION:

After reviewing the 2018 draft Financial Statements and Financial Information Return, the General Committee recommends that they be approved by Council.

Reviewed and Approved by,

A handwritten signature in cursive script, reading "Jane F. Fogal". The signature is written in black ink and is positioned below the text "Reviewed and Approved by,".

Councillor J. Fogal, Chair - General Committee

REPORT

REPORT TO: Mayor Bonnette and Members of Council

REPORT FROM: Duncan Robertson, CPA, CMA
Budgets & Financial Reporting Supervisor

DATE: June 26, 2019

REPORT NO.: CORPSERV-2019-0005

RE: 2018 Completed Capital Projects

RECOMMENDATION:

THAT Report No. CORPSERV-2019-0005 dated June 26, 2019 regarding 2018 Completed Capital Projects be received as information.

BACKGROUND:

The purpose of this report is to provide information to Council on the projects that were completed in 2018. In addition, this report identifies any residual project funds that were returned to reserves or additional financing that was required for the completion of projects.

Appendix A provides a summary by department of completed capital projects as of December 31, 2018. Appendix B shows the individual project detail at the department level. Each appendix lists the reserves or development charges that financed the project or to which residual funds were returned.

All completed capital projects are managed in accordance with Town policy. The Town has a comprehensive Capital Budget Governance Policy for the management of capital projects that was approved through report CORPSERV-2019-0008. The policy establishes financial controls that maintain public accountability and transparency while allowing flexibility to alter projects as circumstances change. In accordance with the Capital Budget Governance Policy, the Town Treasurer may authorize gross expenditures where costs for a capital project exceed the original funding approval of the lessor of 10% or \$25,000. Projects requiring funding in excess of \$25,000 require Council approval. Appendix C notes the project funding authorized by the Treasurer through the Capital Budget Governance Policy (CORPSERV-2019-0008) and project funding approved by Council.

COMMENTS:

Through effective monitoring and strict adherence to purchasing policies, often times capital projects can finish with a positive variance to budget. These funds are then returned to the various reserves and reserve funds from which they originated. In 2018, a net total of \$2,097,626 was returned to the following reserves:

	Net Funding Returned to Reserves
Capital Replacement Reserve	(577,669)
Technology Replacement Reserve	(153,310)
Library Capital Reserve	(557)
Fire Services Reserve	(98,839)
Pavement Management Reserve	(10,503)
Equipment Reserve	(817,714)
Community Sustainability Reserve	(60,987)
Deferred Revenue - Canada Gas Tax	(4,035)
Deferred Revenue Parkland Cash-in-lieu	(90,737)
Development Charges	(283,273)
Total	(2,097,626)

Of the \$2,097,626 returned to reserves, a net amount of \$451,822 was allocated to various capital projects as approved by Council (refer to Appendix C). The amount remaining in reserves following the completion of capital projects is \$1,645,804. As noted in report CORPSERV-2019-0028, the Town had an additional inflow to reserves of \$366,452 from the operating surplus. When combined with the \$1,645,804 returning to reserves from capital projects, the total contribution to reserves is \$2,012,256. This is consistent with the Long Range Financial Plan assumptions as of December 31, 2018.

	2018 Surplus	Net Transferred to Capital Fund	Recommended Transfers to Operating Fund
Completed Capital Projects	(2,097,626)		
2018 Operating Budget	(1,644,939)		
Open Capital Projects		451,822	
Contract Carry-forward			106,887
2019 Contractual-staff			921,600
Affordable Housing Initiatives			250,000
Total	(3,742,565)	451,822	1,278,487
Net Balance to Remain in Reserves			(2,012,256)

RELATIONSHIP TO STRATEGIC PLAN:

This report supports the strategic objectives:

- Establish sustainable financing, asset management and master plans to acquire, operate, maintain, renew and replace infrastructure.
- Continue to provide timely and transparent communications with the Town's residents and business owners.

FINANCIAL IMPACT:

This report is for information only. The \$2,097,626 of net funding returned to reserves throughout 2018 was the result of recommendations previously approved during the year and through the application of the Capital Budget Governance Policy.

CONSULTATION:

All departments were consulted on the closing of capital projects.

PUBLIC ENGAGEMENT:

No public engagement required in reference to this report.

SUSTAINABILITY IMPLICATIONS:

The Sustainability Implications of the recommendations of this report were reviewed against the requirements of the Town's Sustainability Implications Worksheet. The Worksheet is completed for substantial non-administrative reports, major projects, studies, policies and initiatives that are relevant to advancing the Town's economic, cultural, environmental and social wellbeing, and quality of life. Since this report is none of the latter, the Sustainability Implications section is not applicable.

COMMUNICATIONS:

There is no communications impact.

CONCLUSION:

The report on 2018 Completed Capital Projects is for information. Due to careful stewardship, a number of capital projects finished with a positive variance resulting in the return of \$2,097,626 to reserves, reserve funds and deferred revenue. Of the \$2,097,626, a net amount of \$451,822 was directed towards funding other capital

projects as approved by Council. The remaining \$1,645,804 when combined with the reserves contribution of \$366,452 from the operating surplus, amounts to a total return to reserves of \$2,012,256. The reserve balances as at December 31, 2018 were consistent with the Long Range Financial Plan assumptions.

Reviewed and Approved by,

A handwritten signature in black ink, appearing to read "M. J. Leighton".

Moya Jane Leighton, Manager of Accounting and Town Treasurer

A handwritten signature in black ink, appearing to read "Jane Diamanti".

Jane Diamanti, Commissioner of Corporate Services

A handwritten signature in black ink, appearing to read "Brent Marshall".

Brent Marshall, Chief Administrative Officer

Town of Halton Hills Completed Capital Projects SUMMARY As at December 31, 2018					
Department	Balance Unfinanced (Remaining Balance) on Project completion	Sources of Financing or (Remaining Balance) to/from Original Source			
		Capital Replacement	Development Charges	Other Reserves and Reserve Funds	Other Description
Office Of The CAO	(12,226)	-	(12,226)	-	
Corporate Services	(164,187)	(888)	-	(163,298)	Technology Replacement Reserve
Library	(620)	(62)	-	(557)	Library Capital
Fire	(98,839)	-	-	(98,839)	Fire Services Reserve
Transportation & Public Works	(1,243,722)	(145,220)	(270,424)	(4,035)	Canada Gas Tax
				(10,503)	Pavement Management Reserve
				(813,541)	Equipment Reserve
Planning & Sustainability	(112,599)	(51,611)	-	(60,987)	Community Sustainability Reserve
Recreation & Parks	(465,434)	(379,888)	(624)	9,988	Technology Replacement Reserve
				(4,173)	Equipment Reserve
				(90,737)	Deferred Revenue - Parkland CIL
Net (Return) to: Original Source of Financing	(2,097,626)	(577,669)	(283,273)	(1,141,773)	

Town of Halton Hills Completed Capital Projects <u>OFFICE OF THE CAO</u> As at December 31, 2018									
Project					Balance Unfinanced (Remaining Balance) on Project completion	Sources of Financing or (Remaining Balance) to/from Original Source			
Year	No.	Name	Total Funding	Total Expenditure		Capital Replacement Reserve	Development Charges	Other Reserves	Other Description
2007	1000-22-0004	Strategic Plan & Performance Management	(34,400)	22,174	(12,226)		(12,226)		
Total			(34,400)	22,174	(12,226)	-	(12,226)	-	

Town of Halton Hills Completed Capital Projects <u>CORPORATE SERVICES</u> As at December 31, 2018									
Project					Balance Unfinanced (Remaining Balance) on Project completion	Sources of Financing or (Remaining Balance) to/from Original Source			
Year	No.	Name	Total Funding	Total Expenditure		Capital Replacement Reserve	Development Charges	Other Reserves	Other Description
2017	2200-22-0105	Council Compensation Survey	(10,000)	5,597	(4,403)	(4,403)	-	-	
2018	2300-04-1803	Active Directory Upgrade	(10,000)	4,289	(5,711)	-	-	(5,711)	Technology Replacement Reserve
2012	2300-05-0003	Recreation & Parks Membership Software	(45,000)	-	(45,000)	-	-	(45,000)	Technology Replacement Reserve
2017	2300-05-1502	Class Replacement	(426,000)	427,797	1,797	-	-	1,797	Technology Replacement Reserve
2017	2300-05-1701	H&S Monitoring Software	(45,000)	-	(45,000)	-	-	(45,000)	Technology Replacement Reserve
2018	2300-05-1804	Corporate Server and Data Backup	(10,000)	7,521	(2,479)	-	-	(2,479)	Technology Replacement Reserve
2015	2300-05-3101	SharePoint/Employee Communications	(87,000)	87,038	38	-	-	38	Technology Replacement Reserve
2016	2300-22-1601	Technology Strategic Plan Update	(50,000)	47,953	(2,047)	-	-	(2,047)	Technology Replacement Reserve
2007	2400-05-0101	Enterprise Information Management	(92,373)	27,477	(64,896)	-	-	(64,896)	Technology Replacement Reserve
2015	2500-22-0105	Long Term Financial Plan	(65,264)	68,779	3,515	3,515	-	-	
Total			(840,637)	676,450	(164,187)	(888)	-	(163,298)	

Town of Halton Hills Completed Capital Projects <u>LIBRARY</u> As at December 31, 2018									
Project					Balance Unfinanced (Remaining Balance) on Project completion	Sources of Financing or (Remaining Balance) to/from Original Source			
Year	No.	Name	Total Funding	Total Expenditure		Capital Replacement Reserve	Development Charges	Other Reserves	Other Description
2017	3000-05-0002	Website Renewal	(60,000)	59,424	(576)	-	-	(576)	Library Capital Reserve
2012	3000-15-0101	Library Materials	(1,420,953)	1,420,891	(62)	(62)	-	-	
2016	3200-09-1601	Library Furnishings Acton	(10,000)	10,019	19	-	-	19	Library Capital Reserve
Total			(1,490,953)	1,490,333	(620)	(62)	-	(557)	

Town of Halton Hills Completed Capital Projects <u>FIRE SERVICES</u> As at December 31, 2018									
Project					Balance Unfinanced (Remaining Balance) on Project completion	Sources of Financing or (Remaining Balance) to/from Original Source			
Year	No.	Name	Total Funding	Total Expenditure		Capital Replacement Reserve	Development Charges	Other Reserves	Other Description
2017	5200-07-0107	Heavy Extraction Equipment Replacement	(50,000)	2,732	(47,268)	-	-	(47,268)	Fire Services Reserve
2018	5220-07-1806	Fire Extinguisher Training Sim	(22,000)	19,975	(2,025)			(2,025)	Fire Services Reserve
2016	5900-25-1501	Replace Heavy Rescue (R2)	(325,000)	303,925	(21,075)			(21,075)	Fire Services Reserve
2015	5900-25-1502	Replace TRT Rescue (R3) 731	(30,000)	31,529	1,529			1,529	Fire Services Reserve
2017	5900-25-1704	Tire Replacement	(30,000)	-	(30,000)			(30,000)	Fire Services Reserve
Total			(457,000)	358,161	(98,839)	-	-	(98,839)	

Town of Halton Hills Completed Capital Projects <u>TRANSPORTATION & PUBLIC WORKS</u> As at December 31, 2018									
Project					Balance Unfinanced (Remaining Balance) on Project completion	Sources of Financing or (Remaining Balance) to/from Original Source			
Year	No.	Name	Total Funding	Total Expenditure		Capital Replacement Reserve	Development Charges	Other Reserves	Other Description
2013	6100-16-1001	CNR Rail Crossing Gates-Dublin Line	(73,000)	14,000	(59,000)	(59,000)	-	-	
2018	6100-17-1801	Infill S/W Connections	(50,000)	47,518	(2,482)	(248)	(2,234)	-	
2015	6100-26-1514	15 SdRd West 5th Line Culvert	(105,000)	107,047	2,047	-	-	2,047	Canada Gas Tax
2015	6100-27-1511	Main Street Retaining Wall Repair	(30,000)	28,890	(1,110)	(1,110)	-	-	
2018	6100-28-1804	Enhanced Pedestrian Crossing	(75,000)	-	(75,000)	(75,000)	-	-	
2011	6200-08-0021	4th Line Culvert & Bridge Lot	(1,193,526)	1,303,506	109,980	109,980			
2014	6200-10-1406	Guelph & Albert St. Turn Lane	(14,000)	-	(14,000)	(2,000)	(12,000)		
2013	6200-16-1005	Mill St. W. Acton Cobble-Dublin	(624,000)	785,879	161,879	161,879			
2014	6200-16-1402	Prince Street Engineering S/W	(10,000)	1,695	(8,305)			(8,305)	Canada Gas Tax
2014	6200-16-1403	Mill Street Acton-Wellington to Young	(10,000)	2,746	(7,254)	(7,254)			
2015	6200-16-1515	Mill Street East Acton	(175,000)	7,850	(167,150)	(167,150)			
2016	6200-16-1602	Northbound Right Turn Lane	(100,000)	102,223	2,223			2,223	Canada Gas Tax
2005	6200-20-0117	Drainage Area No. 10 Construction	(2,550,000)	2,464,603	(85,397)		(85,397)		
2017	6200-26-1701	Culvert #33/C	(10,000)	9,443	(557)	(557)			
2005	6200-27-0018	5th Line Realignment EA & ENG	(1,217,119)	1,167,119	(50,000)	(7,600)	(42,400)		
2014	6200-27-1011	Tweedle Street Engineering	(56,000)	6,000	(50,000)	(50,000)			
2017	6500-03-1702	Sand & Salt Storage Shed - Acton	(40,000)	44,034	4,034	4,034			
2011	6500-06-0102	Equipment Replacement	(6,968,000)	6,162,026	(805,974)			(805,974)	Equipment Reserve
2018	6500-06-1703	Total Station Survey Equip. Rpl.	(45,000)	44,805	(195)	(195)			
2013	6500-16-0106	Gravel Resurfacing	(205,000)	194,497	(10,503)			(10,503)	Pavement Management Reserve
2015	6500-17-1520	2015 Mill Street Acton - Sidewalk Replacement	(47,714)	38,522	(9,192)	(9,192)			
2016	6500-17-1601	Mill St. Acton Sidewalk Replacement	(30,000)	25,714	(4,286)	(4,286)			
2014	6500-28-1401	Traffic Signal 8th Line & 15 Side Road	(260,000)	243,660	(16,340)	(3,268)	(13,072)		
2013	6540-16-1001	Snow-Meltwater Monitoring	(35,000)	1,255	(33,745)	(33,745)			
2016	6800-06-1602	New Equipment 2016	(630,000)	514,680	(115,320)		(115,320)		
2018	6810-25-1001	ActiVan Replacement	(61,500)	53,933	(7,567)			(7,567)	Equipment Reserve
2017	6810-25-1601	New Activan Vehicles	(277,255)	276,748	(507)	(507)			
Total			(14,892,114)	13,648,392	(1,243,722)	(145,220)	(270,424)	(828,079)	

Town of Halton Hills Completed Capital Projects <u>PLANNING & SUSTAINABILITY</u> As at December 31, 2018									
Project					Balance Unfinanced (Remaining Balance) on Project completion	Sources of Financing or (Remaining Balance) to/from Original Source			
Year	No.	Name	Total Funding	Total Expenditure		Capital Replacement Reserve	Development Charges	Other Reserves	Other Description
2013	7000-22-0101	Municipal Heritage Register	(50,000)	37,852	(12,148)	(12,148)	-	-	
2017	7000-22-1701	PDS User Fee Update	(35,616)	40,704	5,088	5,088	-	-	
2011	7100-22-0005	Green Building Standard Study	(50,000)	27,683	(22,317)	(22,317)	-	-	
2014	7300-22-1402	Corporate Sustainability Implementation	(75,000)	14,013	(60,987)	-	-	(60,987)	Community Sustainability Reserve
2015	7300-22-1504	2015 Corporate Energy Conservation Plan Implementation	(50,100)	38,811	(11,289)	(11,289)	-	-	
2016	7300-22-1603	2016 Corporate Energy Conservation Plan Implementation	(50,100)	39,155	(10,945)	(10,945)	-	-	
Total			(310,816)	198,217	(112,599)	(51,611)	-	(60,987)	

Town of Halton Hills Completed Capital Projects <u>RECREATION & PARKS</u> As at December 31, 2018									
Project					Balance Unfinanced (Remaining Balance) on Project completion	Sources of Financing or (Remaining Balance) to/from Original Source			
Year	No.	Name	Total Funding	Total Expenditure		Capital Replacement Reserve	Development Charges	Other Reserves	Other Description
2018	8003-10-1803	Levels of Service FCM	(38,000)	47,988	9,988			9,988	Technology Replacement Reserve
2013	8200-02-0101	Facility Structural Repairs	(343,342)	216,855	(126,487)	(126,487)			
2014	8200-02-0103	Facility Emergency Repairs	(246,100)	134,668	(111,432)	(111,432)			
2018	8200-06-1801	Facility Floor Maintenance Machine	(23,000)	18,827	(4,173)			(4,173)	Equipment Reserve
2013	8210-02-1006	Acton Arena Washroom Part Replacement	(11,000)	7,881	(3,119)	(3,119)			
2018	8221-02-1502	GCC Kinsmen Hall Floor	(25,000)	24,321	(679)	(679)			
2014	8230-02-1401	Acton Indoor Pool Replace Pool Pump & Motor	(50,000)	20,199	(29,801)	(29,801)			
2016	8231-06-1801	Georgetown Indoor Pool Replace HVAC	(110,000)	75,945	(34,055)	(34,055)			
2014	8251-02-1401	SportsPlex Refrigeration System Control	(35,000)	31,037	(3,963)	(3,963)			
2014	8251-18-1401	SportsPlex Marquis Replacement	(60,000)	52,799	(7,201)	(7,201)			
2017	8420-22-1701	Hornby Feasibility Study	(15,000)	19,649	4,649	4,649			
2010	8500-08-0001	Property Acquisition Tolton	(115,000)	24,263	(90,737)			(90,737)	Deferred Revenue - Parkland CIL
2017	8500-10-1701	Parks & Open Space Staff	(136,100)	65,222	(70,878)	(70,878)			
2015	8500-11-1505	Splash Pad Repairs	(50,000)	55,556	5,556	5,556			
2015	8500-22-1502	Cemetery Business Plan Update	(50,000)	46,880	(3,120)	(2,496)	(624)		
2016	8500-26-1601	Acton Rotary Park Bridge Replacement	(114,000)	123,274	9,274	9,274			
2017	8500-26-1701	Acton Library Bridge	(120,000)	110,745	(9,255)	(9,255)			
Total			(1,541,542)	1,076,108	(465,434)	(379,888)	(624)	(84,922)	

Town of Halton Hills Year to Date Completed Capital Projects As at December 31, 2018							
Project Code	Project Name	To Fund	From Fund	To Project	From Project	Funds Transferred To/From	Approval
Completed projects returning funds to reserves							
2300-05-1804	Corporate Server and Data Backup	2,479				Technology Replacement Reserve	CORPSERV-2019-0008
2300-04-1803	Active Directory Upgrade	5,711				Technology Replacement Reserve	CORPSERV-2019-0008
2300-22-1601	Technology Strategic Plan Update	2,047				Technology Replacement Reserve	CORPSERV-2019-0008
3000-05-0002	Website Renewal	576				Library Capital Reserve	CORPSERV-2019-0008
3000-15-0101	Library Materials	62				Capital Replacement Reserve	CORPSERV-2019-0008
5200-07-0107	Heavy Extraction Equipment Replacement	47,268				Fire Services Reserve	CORPSERV-2019-0008
5220-07-1806	Fire Extinguisher Training Sim	2,025				Fire Services Reserve	CORPSERV-2019-0008
5900-25-1501	Replace Heavy Rescue (R2)	21,075				Fire Services Reserve	CORPSERV-2019-0008
5900-25-1704	Tire Replacement	30,000				Fire Services Reserve	CORPSERV-2019-0008
6100-16-1001	CNR Rail Crossing Gates-Dublin Line	59,000				Capital Replacement Reserve	CORPSERV-2019-0008
6100-17-1801	Infill S/W Connections	248				Capital Replacement Reserve	CORPSERV-2019-0008
		2,234				DC - Transportation Services	CORPSERV-2019-0008
6100-27-1511	Main Street Retaining Wall Repair	1,110				Capital Replacement Reserve	CORPSERV-2019-0008
		2,000				Capital Replacement Reserve	CORPSERV-2019-0008
6200-10-1406	Guelph & Albert St. Turn Lane	12,000				DC - Transportation Services	CORPSERV-2019-0008
6200-20-0117	Drainage Area No. 10 Construction	85,397				DC - Stormwater Management	CORPSERV-2019-0008
6200-26-1701	Culvert #33/C	557				Capital Replacement Reserve	CORPSERV-2019-0008
6200-27-0018	5th Line Realignment EA & ENG	7,600				Capital Replacement Reserve	CORPSERV-2019-0008
		42,400				DC - Transportation Services	CORPSERV-2019-0008
6200-27-1011	Tweedle Street Engineering	50,000				Capital Replacement Reserve	CORPSERV-2019-0008
6500-06-0102	Equipment Replacement	805,974				Equipment Reserve	CORPSERV-2019-0008
6500-06-1703	Total Station Survey Equip. Rpl.	195				Capital Replacement Reserve	CORPSERV-2019-0008
6500-16-0106	Gravel Resurfacing	10,503				Pavement Management Reserve	CORPSERV-2019-0008
6500-17-1601	Mill St. Acton Sidewalk Replacement	4,286				Capital Replacement Reserve	CORPSERV-2019-0008
6500-28-1401	Traffic Signal 8th Line & 15 Side Road	13,072				DC - Transportation Services	CORPSERV-2019-0008
		3,268				Capital Replacement Reserve	CORPSERV-2019-0008
6540-16-1001	Snow-Meltwater Monitoring	33,745				Capital Replacement Reserve	CORPSERV-2019-0008
6810-25-1601	New Activan Vehicles	507				Capital Replacement Reserve	CORPSERV-2019-0008
6810-25-1001	ActiVan Replacement	7,567				Equipment Reserve	CORPSERV-2019-0008
7000-22-0101	Municipal Heritage Register	12,148				Capital Replacement Reserve	CORPSERV-2019-0008
7100-22-0005	Green Building Standard Study	22,317				Capital Replacement Reserve	CORPSERV-2019-0008
8200-02-0101	Facility Structural Repairs	126,487				Capital Replacement Reserve	CORPSERV-2019-0008
8200-02-0103	Facility Emergency Repairs	111,432				Capital Replacement Reserve	CORPSERV-2019-0008
8200-06-1801	Facility Floor Maintenance Machine	4,173				Equipment Reserve	CORPSERV-2019-0008
8210-02-1006	Acton Arena Washroom Part Replacement	3,119				Capital Replacement Reserve	CORPSERV-2019-0008
8230-02-1401	Acton Indoor Pool Replace Pool Pump & Motor	29,801				Capital Replacement Reserve	CORPSERV-2019-0008
8221-02-1502	GCC Kinsmen Hall Floor	679				Capital Replacement Reserve	CORPSERV-2019-0008
8231-06-1801	Georgetown Indoor Pool Replace HVAC	34,055				Capital Replacement Reserve	CORPSERV-2019-0008
8251-02-1401	SportsPlex Refrigeration System Control	3,963				Capital Replacement Reserve	CORPSERV-2019-0008
8251-18-1401	SportsPlex Marquis Replacement	7,201				Capital Replacement Reserve	CORPSERV-2019-0008
8500-08-0001	Property Acquisition Tolton	90,737				Deferred Revenue - Parkland Cash in Lieu	CORPSERV-2019-0008
8500-10-1701	Parks & Open Space Staff	70,878				Capital Replacement Reserve	CORPSERV-2019-0008
8500-22-1502	Cemetery Business Plan Update	3,120				Capital Replacement Reserve	CORPSERV-2019-0008
Completed projects requiring funds from reserves							
2300-05-3101	SharePoint/Employee Communications		(38)			Technology Replacement Reserve	CORPSERV-2019-0008
2300-05-1502	Class Replacement		(1,797)			Technology Replacement Reserve	CORPSERV-2019-0008
2500-22-0105	Long Term Financial Plan		(3,515)			Capital Replacement Reserve	CORPSERV-2019-0008
3200-09-1601	Library Furnishings Acton		(19)			Library Capital Reserve	CORPSERV-2019-0008
5900-25-1502	Replace TRT Rescue (R3) 731		(1,529)			Equipment Reserve	CORPSERV-2019-0008
6100-26-1514	15 SdRd West 5th Line Culvert		(2,047)			Capital Replacement Reserve	CORPSERV-2019-0008
6200-08-0021	4th Line Culvert & Bridge Lot		(109,980)			Capital Replacement Reserve	CORPSERV-2018-0039
6200-16-1602	Northbound Right Turn Lane		(2,223)			Canada Gas Tax	CORPSERV-2019-0008
6500-03-1702	Sand & Salt Storage Shed - Acton		(4,034)			Capital Replacement Reserve	CORPSERV-2019-0008
7000-22-1701	PDS User Fee Update		(5,088)			Capital Replacement Reserve	CORPSERV-2018-0051
8420-22-1701	Hornby Feasibility Study		(4,649)			Capital Replacement Reserve	CORPSERV-2019-0008
8500-11-1505	Splash Pad Repairs		(5,556)			Capital Replacement Reserve	CORPSERV-2018-0051
Completed projects transferring funds to other capital projects							
1000-22-0004	Strategic Plan & Performance Management			12,226		Strategic Plan Update	CORPSERV-2018-0039
2200-22-0105	Council Compensation Survey			4,403		Corporate HR Operating Budget	CORPSERV-2018-0039
2300-05-0003	Recreation & Parks Membership Software			45,000		CLASS Replacement	CORPSERV-2018-0039
2300-05-1701	H&S Monitoring Software			45,000		Payroll System Upgrade	CORPSERV-2018-0051
2400-05-0101	Enterprise Information Management			64,896		Asset Management Plan	CORPSERV-2018-0039
6100-28-1804	Enhanced Pedestrian Crossing			75,000		Enhanced Pedestrian Ladder Crossings	CORPSERV-2018-0039
6200-16-1402	Prince Street Engineering S/W			8,305		Prince Street (All Phases)	CORPSERV-2018-0039
6200-16-1515	Mill Street East Acton			167,150		Mill Street West Acton	CORPSERV-2018-0022
6200-16-1403	Mill Street Acton-Wellington to Young			7,254		Mill Street West Acton	CORPSERV-2018-0022
6800-06-1602	New Equipment 2016			115,320		New Equipment	CORPSERV-2018-0039
7300-22-1402	Corporate Sustainability Implementation			60,987		Corporate Sustainability Audit & Action Plan Implementation	CORPSERV-2018-0039
7300-22-1504	2015 Corporate Energy Conservation Plan Implementation			11,289		2017 Corporate Energy Conservation Plan Implementation	CORPSERV-2018-0039
7300-22-1603	2016 Corporate Energy Conservation Plan Implementation			10,945		2017 Corporate Energy Conservation Plan Implementation	CORPSERV-2018-0039

Project Code	Project Name	To Fund	From Fund	To Project	From Project	Funds Transferred To/From	Approval
6500-17-1520	2015 Mill Street Acton - Sidewalk Replacement	754				Capital Replacement Reserve	CORPSERV-2019-0008
				8,437		2016 Mill Street Acton - Sidewalk Replacement	CORPSERV-2018-0022
8500-26-1701	Acton Library Bridge			9,255		Acton Rotary Park Bridge Replacement	CORPSERV-2018-0051
Completed projects requiring funds from other capital projects							
6200-16-1005	Mill St. W. Acton Cobble-Dublin				(167,150)	Mill Street East Acton	CORPSERV-2018-0022
					(7,254)	Mill Street Acton-Wellington to Young	CORPSERV-2018-0022
		12,525				Capital Replacement Reserve	CORPSERV-2019-0008
8003-10-1803	Levels of Service FCM				(9,988)	Asset Management Plan	CORPSERV-2018-0051
8500-26-1601	Acton Rotary Park Bridge Replacement		(19)		(9,255)	Acton Library Bridge	CORPSERV-2018-0051
Total		1,786,294	(140,493)	645,469	(193,647)		

REPORT

REPORT TO: Mayor Bonnette and Members of Council

REPORT FROM: Amy Prueter, Financial Accountant
Moya Jane Leighton, Manager of Accounting and
Town Treasurer

DATE: June 14, 2019

REPORT NO.: CORPSERV-2019-0012

RE: 2018 Treasurer's Statement for Development Charges Reserve
Funds, Parkland Dedication Reserve Fund and the Public
Benefits Reserve Fund

RECOMMENDATION:

THAT Report No. CORPSERV-2019-0012 dated June 14, 2019 regarding the 2018 Treasurer's statement for development charges reserve funds, parkland dedication reserve fund and the public benefits reserve fund be received.

BACKGROUND:

In accordance with the Development Charges Act, 1997, and the Planning Act, the Treasurer is required to provide Council with an annual financial statement on the development charges, the parkland dedication and the public benefits reserve funds.

COMMENTS:

Development Charges Reserve Fund Statement

The following extract of Section 12 of O. Reg. 82/98 prescribes the information that must be included in the Treasurer's statement. The information is in addition to the opening and closing balance for the previous year and the transactions relating to that year as required by subsection 43 (2) of the Act. O.Reg.82/98. For each reserve fund:

1. A description of the service for which the fund was established. If the fund was established for a service category, the services in the category.
2. For the credits in relation to the service or service category for which the fund was established;

- i. the amount outstanding at the beginning of the previous year, given in the year, used in the year and outstanding at the end of the year,
 - ii. the amount outstanding at the beginning of the previous year and outstanding at the end of the year, broken down by individual credit holder.
- 3. The amount of any money borrowed from the fund by the municipality during the previous year and the purpose for which it was borrowed.
- 4. The amount of interest accrued during the previous year on money borrowed from the fund by the municipality.
- 5. The amount and source of any money used by the municipality to repay, in the previous year, money borrowed from the fund or interest on such money.
- 6. A schedule that identifies credits recognized under section 17 and, for each credit recognized, sets out the value of the credit, the service against which the credit is applied and the source of funds used to finance the credit. O. Reg. 82/98, s. 12 (2).

The following is also prescribed as information to be included in the statement of the treasurer of a municipality under section 43 of the Act:

- 1. For each project that is financed, in whole or in part, by development charges;
 - i. the amount of money from each reserve fund established under section 33 of the Act that is spent on the project, and
 - ii. the amount and source of any other money that is spent on the project. O. Reg. 82/98, s. 12 (3).

The Treasurer's statement must be made available to the public and a copy must be given to the Minister of Municipal Affairs and Housing upon request.

The 2018 development charges Treasurer's statement completed as part of the above requirements is presented in schedules 1 to 3:

Schedule 1 provides a summary of the development charges (DCs) including the opening and closing balances as well as a summary of financial transactions that occur within the reserve fund during the year. The Town collected \$2.2 million in DCs in 2018 and earned interest of \$154K on the combined balance of DC funds. DCs were used to fund the addition of \$2.5 million in assets, supported \$14K of expenditures that did not meet the asset capitalization threshold and financed \$3 million of debenture principal and interest for previously acquired assets.

The Town has currently borrowed \$14.3 million from reserves to interim finance growth-related capital projects where cash inflows have not yet been received into the DC reserve funds. This information was previously presented to Council and approved as part of Halton Hills Reserves, Reserve Funds, Deferred Revenue and Trust Fund Report, CORPSERV-2019-0011. Additionally, to interim finance debenture-related repayments from DCs, a series of loans over a ten year period between the Special Infrastructure Levy Reserve and the Recreation and Parks DC Reserve Fund were approved through Council Report FIN-2016-0023.

The un-booked commitments column summarizes the DC funds that have already been committed through previous budgets, and will be recognized once the expenditures have been incurred.

The Town has no current front-ending agreements and therefore has not recognized any credits against development charges in the 2018 Treasurer statement.

Schedule 2 provides a list of current growth-related capital projects that have received contributions from DCs. In total, the Town expended \$2.5 million on eligible growth-related projects in 2018 with a further \$9.2 million of DCs committed through approved capital budgets to fund future expenditure on projects.

Schedule 3 provides detailed information on the Town's 2018 debt repayments. Total principal and interest repayments for 2018 were \$4.6 million; \$3 million of this was funded by DCs and \$1.6 million was funded through other reserves, recoveries and operating budget funds.

Parkland Dedication Reserve Fund Statement

Section 42 of the Planning Act prescribes the information that must be provided to Council with annual financial statements for payments in lieu of parkland held by the Town, known as the Cash-in-Lieu of Parkland Reserve Fund. For this reserve fund:

1. (17) The treasurer of the municipality shall each year, on or before the date specified by the council, give the council a financial statement relating to the special account. 2015, c. 26, s. 28 (11).
2. (18) The statement shall include, for the preceding year;
 - (a) statements of the opening and closing balances of the special account and of the transactions relating to the account,
 - (b) statements identifying;
 - (i) any land or machinery acquired during the year with funds from the special account,

- (ii) any building erected, improved or repaired during the year with funds from the special account,
 - (iii) details of the amounts spent, and
 - (iv) for each asset mentioned in sub-clauses (i) and (ii), the manner in which any capital cost not funded from the special account was or will be funded, and
- (c) any other information that is prescribed. 2015, c. 26, s. 28 (11).
3. (19) The treasurer shall give a copy of the statement to the Minister on request.
4. (20) The council shall ensure that the statement is made available to the public.

The 2018 Treasurer's statement for the cash-in-lieu of parkland (CIL) reserve is included in schedules 4 and 5:

Schedule 4 provides a summary of the revenues collected, including the opening and closing balances as well as a summary of financial transactions that occur within the reserve fund during the year. The Town collected \$1.1 million from developers in 2018 and earned \$132K in interest on the balance of the CIL reserve fund. The funds were used for the addition of \$517K in assets and to finance \$506K of capital expenditures and \$32K in current operations for parks purposes that do not meet the asset capitalization criteria.

The un-booked commitments amount of \$27K represents the CIL funds that have already been committed to capital projects through previous budgets, and will be recognized once the expenditures have been incurred.

Schedule 5 provides a list of current capital projects and current operations for parks purposes that have received contributions from CIL. In total, the Town expended \$1 million on eligible projects and operations in 2018 with a further \$27,761 of CIL funds committed through approved capital budgets to fund future expenditure on projects.

Public Benefits Reserve Fund Statement

Section 37 of the Planning Act prescribes the information that must be provided to council with annual financial statements on the Town's Public Benefits Reserve Fund. This section of the Planning Act permits the town to authorize increases in permitted height and/or density through a zoning bylaw in return for community benefits.

At this time, the Town does not hold any funds received under section 37.

RELATIONSHIP TO STRATEGIC PLAN:

The recommendations within this report support Council's strategic priority regarding financial sustainability:

Establish sustainable financing, asset management and master plans to acquire, operate, maintain, renew and replace infrastructure.

FINANCIAL IMPACT:

The current inter-fund loans of \$14.3 million from the Town's reserves to interim finance growth-related capital projects have a financial impact on cash flows. The current Development Charges Background Study and Long Range Financial Plan projections have incorporated the impact of these loans.

CONSULTATION:

Financial data used to complete the 2018 Annual Financial Statements and Financial Information Return was referred to in the compilation of this report.

PUBLIC ENGAGEMENT:

There has been no public engagement by the Town with respect to this report.

SUSTAINABILITY IMPLICATIONS:

The Town is committed to implementing our Community Sustainability Strategy, Imagine Halton Hills. Doing so will lead to a higher quality of life.

The recommendation outlined in this report is not applicable to the Strategy's implementation.

COMMUNICATIONS:

A copy of this report will be forwarded to the Minister of Municipal Affairs and Housing if requested. The report will also be made available to the public for information on the Town's website.

CONCLUSION:

As required by the Development Charges Act, 1997, and the Planning Act, the Treasurer's annual statement regarding the 2018 activity related to the Development Charges Reserve Funds and the Cash-In-Lieu of Parkland Reserve Fund is provided to Council for information.

Reviewed and Approved by,

A handwritten signature in black ink, appearing to read "M. J. Leighton".

Moya Jane Leighton, Manager of Accounting and Town Treasurer

A handwritten signature in black ink, appearing to read "Jane Diamanti".

Jane Diamanti, Commissioner of Corporate Services

A handwritten signature in black ink, appearing to read "Brent Marshall".

Brent Marshall, Chief Administrative Officer

Town of Halton Hills December 31, 2018										
Obligatory Reserve Funds (Deferred Revenue)	Opening Bal.	Collection		Utilization			Subtotal 31-Dec-18	Interfund Loans	Unbooked Commitments	Estimated Balance 31-Dec-18
	01-Jan-18	Interest	DCs Collected	TCA	Current Operations	Debt Financing				
<u>Development Charges Act</u>										
Transportation Services	6,185,597	95,376	1,504,420	(1,512,437)	253,189	-	6,526,145	(96,857)	(5,203,305)	1,225,983
Storm Water Management Services	(732,050)	3,137	48,866	(6,086)	15,483	-	(670,650)	934,181	(147,079)	116,452
Municipal Parking Services	(321,834)	14,018	12,235	-	3,989	-	(291,592)	337,126	-	45,534
Fire Protection Services	(1,241,295)	4,923	114,835	-	36,728	(427,626)	(1,512,435)	1,095,886	-	(416,549)
Recreation and Parks Services	(6,302,751)	28,982	344,675	(991,017)	(28,704)	(2,238,387)	(9,187,203)	11,421,260	(3,030,178)	(796,121)
Library Services	(252,195)	4,022	45,506	-	8,508	(387,498)	(581,657)	582,233	-	576
Administration Services	918,988	3,716	107,519	-	(304,773)	-	725,450	-	(829,118)	(103,668)
Transit Services	3,607	158	6,803	-	1,359	-	11,927	-	-	11,927
Total	(1,741,933)	154,332	2,184,859	(2,509,540)	(14,221)	(3,053,512)	(4,980,014)	14,273,829	(9,209,680)	84,135

Schedule 2
rpt-CORPSERV-2019-0012

Project Code	Capital Project	Total Project Expenditures to Dec 31, 2018	Assets - DC Funded 2018	Capital Costs DC Funded 2018 - Outside of Capitalization Criteria	DC Funded Prior to 2018	Unbooked DC Funding/ Committed	Municipal Contribution	Grants / Other	Total Funding	Net Project Balance - Dec 31, 2018
1000-22-0004	Strategic Plan & Perf. Mgmt	-	-	12,226	(12,226)	-	-	-	-	-
1100-10-1801	Foreign Direct Investmt Strategy	-	-	-	-	(9,600)	(30,400)	-	(40,000)	(40,000)
1100-10-1802	Brownfield Development Strategy	-	-	-	-	(33,750)	(41,250)	-	(75,000)	(75,000)
1400-10-1801	Strategic Plan Update	-	-	-	-	(12,226)	(15,000)	-	(27,226)	(27,226)
5200-07-0102	FF Protective Clothing Repl	344,415	-	-	(54,000)	-	(249,632)	-	(303,632)	40,783
5500-03-0001	Maple Avenue Station	6,154,871	-	-	(341,000)	-	(2,498,643)	(3,318,808)	(6,158,451)	(3,580)
6100-10-1402	Upper Reach Tributary	-	-	-	-	(25,000)	-	-	(25,000)	(25,000)
6100-17-1801	Infill S/W Connections	47,518	(13,980)	(28,786)	-	-	(4,752)	-	(47,518)	(0)
6100-22-1701	Transit Service Strategy	260,518	-	(206,052)	(54,466)	(39,482)	-	-	(300,000)	(39,482)
6100-22-1702	16 Mile Creek Modelling	-	-	-	-	(50,000)	-	-	(50,000)	(50,000)
6100-22-1703	Premier Gateway Trans. Study	135,675	-	(37,580)	(98,095)	(12,309)	-	-	(147,984)	(12,309)
6100-22-1803	Acton Bypass Feasibility Study	-	-	-	-	(50,000)	(50,000)	-	(100,000)	(100,000)
6200-08-0001	Eighth Line-5 to 10 SdRd Prop.	47,632	-	-	(46,945)	(113,055)	-	(1,566)	(161,566)	(113,934)
6200-10-1703	Hornby Rd Drainage (w/Region)	287,921	(6,086)	-	(242,235)	(72,079)	(39,600)	-	(360,000)	(72,079)
6200-16-0007	Sixth Line Steeles Avenue S.	233,849	(7,219)	-	(155,021)	(242,218)	(71,610)	-	(476,067)	(242,218)
6200-16-0009	Cycling Master Plan Constructi	124,175	-	-	(58,520)	(31,980)	(101,500)	(5,684)	(197,684)	(73,509)
6200-16-1006	Armstrong Ave. Engineering	3,682,798	-	-	(1,211,003)	(418,547)	(793,568)	(2,432,047)	(4,855,165)	(1,172,367)
6200-16-1007	Sixth Line Steeles Ave S Const	14,000	-	-	(11,690)	(323,950)	(19,360)	-	(355,000)	(341,000)
6200-16-1008	Inters Imp SteelesAve-Various	7,000	-	-	(1,382)	(29,618)	(126,000)	-	(157,000)	(150,000)
6200-16-1411	10th Line - 5 to 10 SdRd Eng	13,946	-	-	(13,946)	(96,054)	-	-	(110,000)	(96,054)
6200-16-1610	Upgrade Surf Trtmt to Asphalt	591,538	(65,547)	-	-	(231,953)	(34,000)	(518,500)	(850,000)	(258,462)
6200-16-1701	22nd SdRd Limehouse Constr	1,077,094	(800,000)	-	-	-	(200,000)	-	(1,000,000)	77,094
6200-16-1803	Prince St (All Phases)	-	-	-	-	(58,000)	(42,000)	-	(100,000)	(100,000)
6200-16-1806	Nassagaweya/Esq Construction	239,552	(160,880)	-	-	(21,120)	(89,000)	-	(271,000)	(31,448)
6200-16-1807	Maple & Guelph Turn Lane Const	38,741	(28,741)	(6,126)	-	(179,559)	(23,825)	-	(238,251)	(199,510)
6200-16-1808	Maple & Main NB Turn Lane Cons	28,680	(25,812)	-	-	(29,762)	(6,175)	-	(61,749)	(33,069)
6200-16-1813	Eighth Line - Main to Maple EA	-	-	-	-	(519,000)	-	-	(519,000)	(519,000)
6200-17-0010	Steeles Ave. Sidewalk 401 Corr	374,083	(97,180)	-	(33,820)	(599)	(243,083)	-	(374,682)	(599)
6200-27-0018	5th Line Realignment EA & ENG	-	-	42,400	(42,400)	-	-	-	-	-
6200-27-0101	Glen Lawson Surface Treatment	-	-	-	-	(150,000)	-	-	(150,000)	(150,000)
6200-27-0114	Halton Hills Dr Extension Desi	218,830	(33,925)	(32,427)	(140,905)	(2,226,946)	(400,000)	-	(2,834,203)	(2,615,373)
6200-27-1012	Glen Lawson E/A	139,586	-	-	(139,586)	(28,414)	-	-	(168,000)	(28,414)
6200-27-1604	10th Line - 5 to 10 SdRd Eng	8,399	-	-	(8,399)	(116,601)	-	-	(125,000)	(116,601)
6500-06-1701	New Equipment	198,127	(198,127)	-	-	(134,194)	-	-	(332,320)	(134,193)
6500-16-0101	Surface Treatment	982,683	(6,723)	-	(97,277)	-	(340,000)	(538,683)	(982,683)	(0)
6500-18-0110	Traffic Infrastructure	266,815	(74,303)	(1,143)	(161,242)	(162,254)	(30,000)	(127)	(429,070)	(162,255)
7000-22-0001	Official Plan	72,903	-	-	(38,204)	(30,000)	(226,496)	-	(294,700)	(221,797)
7000-22-0002	Prrmr Gateway Rpl Emp Lands SS	601,702	-	(100,731)	(425,971)	(58,298)	(75,000)	-	(660,000)	(58,298)
7100-02-0002	South Acton Land Use Study	-	-	-	-	(180,000)	(20,000)	-	(200,000)	(200,000)

Project Code	Capital Project	Total Project Expenditures to Dec 31, 2018	Assets - DC Funded 2018	Capital Costs DC Funded 2018 - Outside of Capitalization Criteria	DC Funded Prior to 2018	Unbooked DC Funding/ Committed	Municipal Contribution	Grants / Other	Total Funding	Net Project Balance - Dec 31, 2018
7100-22-0007	SWG Planning Study	223,410	-	(12,087)	(96,583)	(23,989)	(114,740)	-	(247,400)	(23,990)
7100-22-1501	Zoning By-law Review	102,153	-	-	(30,816)	(38,184)	(85,000)	-	(154,000)	(51,847)
7100-22-1702	Vision Gtown Detailed Analysis	56,674	-	(36,180)	(494)	(143,326)	(20,000)	-	(200,000)	(143,326)
7100-22-1802	OP Review - Emp Land Need Stdy	49,923	-	(39,938)	-	(40,062)	(20,000)	-	(100,000)	(50,077)
7100-22-1901	Gtown Downtown Secondary Plan	159,627	-	(124,699)	(14,927)	(40,373)	(20,000)	-	(200,000)	(40,373)
7300-22-1001	Stewarttown Planning Study	-	-	-	-	(108,000)	(42,000)	-	(150,000)	(150,000)
8100-22-1701	R&P Strategic Action Plan	-	-	-	-	(41,600)	(143,400)	-	(185,000)	(185,000)
8200-22-0001	GCC Prelim Schematic Plan	17,744	-	(1,918)	(1,826)	(32,256)	(14,000)	-	(50,000)	(32,256)
8200-27-1401	Acton Youth Space Reno Des/Eng	-	-	-	-	(45,000)	(5,000)	-	(50,000)	(50,000)
8200-27-1801	Acton Youth Centre Des/Eng	-	-	-	-	(67,500)	(7,500)	-	(75,000)	(75,000)
8210-03-1002	Acton Arena Twin Construct	12,473,976	(10,980)	(33,905)	(434,404)	-	(11,371,397)	(623,290)	(12,473,976)	(0)
8240-02-0001	Cultural Centre Alternation	1,946,325	-	-	(251,672)	(41,548)	(1,107,020)	(629,304)	(2,029,544)	(83,219)
8400-22-1801	Town Hall Master Plan	-	-	-	-	(57,400)	(57,600)	-	(115,000)	(115,000)
8500-11-0112	HHVHI 13 Neighbourhood Park	338,847	(138,724)	(188)	(54,303)	(4,785)	(22,000)	(123,632)	(343,632)	(4,785)
8500-11-1604	Frnbrk Ph3 HHVHI 17 Parkette	229,208	-	-	(191,437)	-	(21,271)	(16,500)	(229,208)	-
8500-11-1607	Upper Canada College Parkette	217,970	(144,238)	(3,837)	(46,895)	(12,030)	(23,000)	-	(230,000)	(12,030)
8500-11-1702	Georgetown Sports Action Park	715,936	(612,126)	-	-	(71,874)	(116,000)	-	(800,000)	(84,064)
8500-11-1801	Maple Creek Park Ph 2	46,005	(33,005)	(6,807)	-	(185,188)	(35,000)	-	(260,000)	(213,995)
8500-11-1808	Tolton Park - Phase 1	22,364	(8,654)	(11,473)	-	(17,672)	(4,200)	-	(42,000)	(19,636)
8500-19-0105	Trafalgar Sports Park	154,280	-	-	(154,280)	(61,115)	-	-	(215,395)	(61,115)
8500-19-1401	Traf.Sports Pk.Ph 5B-Scope Chg	230,348	-	-	(206,226)	(81,774)	(32,000)	-	(320,000)	(89,652)
8500-19-1801	TSP Ph6-Field of Dreams	19,462	-	(17,475)	-	(2,019,225)	(226,300)	(5,200)	(2,268,200)	(2,248,738)
8500-24-0110	Trails System	392,469	-	(7,282)	(343,600)	(32,477)	(41,587)	-	(424,946)	(32,477)
8500-24-1701	Hungry Hollow Trails Ph 1	8,120	-	-	(7,308)	(179,892)	(20,800)	-	(208,000)	(199,880)
8500-24-1801	Hungry Hallow Trails Ph 2	10,800	-	(9,360)	-	(177,840)	(28,800)	-	(216,000)	(205,200)
8500-27-1601	Gtown Sports Action Pk D&E	50,000	(43,290)	-	(1,710)	-	(5,000)	-	(50,000)	0
0104-10-0001	DC Exemptions (contra capital proj)	-	-	649,150	-	-	(649,150)	-	-	-
Total		33,658,693	(2,509,540)	(14,220)	(5,224,814)	(9,209,680)	(20,003,659)	(8,213,341)	(45,175,252)	(11,516,559)

Schedule 3
rpt-CORPSERV-2019-0012

Capital Projects Currently Funded by Debentures	2018 Debt Repayment (Principal & Interest)	Growth Related/DC Eligible			Total Funded from DC	Non DC Eligible Cost Share				2018 Total Funding
		Funded from Fire Protection Services DC	Funded from Recreation & Parks Services DC	Funded from Library Services DC		Funded from SILR	Funded from Other Reserves	Regional Recovery	Funded from Operating	
Georgetown Library	421,442			(325,859)	(325,859)	(54,612)	(40,972)	-	-	(421,443)
Acton Library	102,732			(61,639)	(61,639)	(41,093)	-	-	-	(102,732)
Georgetown Hospital	311,636			-	-	-	(311,636)	-	-	(311,636)
Cultural Centre	4,648		(4,648)		(4,648)	-	-	-	-	(4,648)
Tennis Courts	70,414		(21,124)		(21,124)	(49,290)	-	-	-	(70,414)
Soccer Field	71,460			-	-	(71,460)	-	-	-	(71,460)
Georgetown Arena	1,778,282		(912,778)		(912,778)	(865,504)	-	-	-	(1,778,282)
Acton Arena	1,444,264		(1,299,838)		(1,299,838)	(144,426)	-	-	-	(1,444,264)
Fire Station	460,097	(427,626)			(427,626)	-	-	(4,386)	(28,084)	(460,097)
Totals	4,664,975	(427,626)	(2,238,387)	(387,498)	(3,053,512)	(1,226,385)	(352,608)	(4,386)	(28,084)	(4,664,975)

Town of Halton Hills
Treasurer Statement
Parkland Cash-In-Lieu
for the period January 1, 2018 to December 31, 2018

Opening Balance	\$ 4,748,219
Revenues (collections)	
Parkland Cash-in-lieu	1,118,121
Interest	<u>132,001</u>
Total Revenues	1,250,122
Utilization	
Tangible Capital Assets	(517,609)
Current Operations	<u>(537,450)</u>
Total Expenditures	(1,055,059)
Ending Balance	<u>\$ 4,943,282</u>
Un-booked Commitments	(27,761)
Balances as at December 31, 2018	
net of un-booked commitments	<u>\$ 4,915,521</u>

Usage of Parkland Cash-In-Lieu
as at December 31, 2018

Schedule 5
rpt-CORPSERV-2019-0012

		2018			Unbooked CIL Committed	Municipal/ Other Contribution	Total Funding	Net Project Balance Dec 31, 2018
Project/Account	Capital Project	Total Project/Account Expenditures to Dec 31, 2018	Assets CIL Funded	Costs CIL Funded Outside of Capitalization Criteria				
Capital Projects								
1100-10-0101	Community Improvement Plan	587,726		(503,512)	(503,512)	(251,481)	(754,992)	(167,266)
8000-10-0001	Surplus Land	868,434	(517,609)	-	(517,609)	(221)	(517,830)	350,603
8500-22-1802	Glen Lawson Lands Env Assessment	2,239	-	(2,239)	(2,239)	-	(30,000)	(27,761)
Operating Account								
00-80-8500-1010	Parks Admin Staff	67,991		(31,700)	(31,700)	(36,291)	(67,991)	-
Total Cash In Lieu of Parkland		1,526,390	(517,609)	(537,450)	(1,055,059)	(27,761)	(287,993)	(1,370,813)
								155,576

REPORT

REPORT TO: Mayor Bonnette and Members of Council

REPORT FROM: Duncan Robertson, CPA, CMA
Budgets & Financial Reporting Supervisor

Jane Diamanti, Commissioner of Corporate Services

DATE: July 3, 2019

REPORT NO.: CORPSERV-2019-0029

RE: Federal Gas Tax One-Time Payment

RECOMMENDATION:

THAT Report No. CORPSERV-2019-0029 dated July 3, 2019 regarding the Federal Gas Tax One-Time Payment be received;

AND FURTHER THAT Council approve the allocation of the Federal Gas Tax Fund one-time payment to the capital projects identified in Table 1 of Report CORPSERV-2019-0029.

BACKGROUND:

The purpose of this report is to inform Council of the one-time top-up payment through the Federal Gas Tax Fund and to propose the allocation of this funding to various capital projects.

The federal Gas Tax Fund is a permanent source of federal funding for municipal infrastructure. Funds are provided to communities up front, twice a year, and can be strategically invested across eligible project categories to address local priorities.

The 2019 Federal Budget received royal assent on the proposed one-time transfer of \$2.2 billion through the federal Gas Tax Fund. From this one-time top-up payment, the Town of Halton Hills will receive an additional payment equal to the total allocation received in 2018 (\$1,879,461).

COMMENTS:

The Town of Halton Hills will receive an unbudgeted one-time payment from the Federal Gas Tax Fund of \$1,879,461 by the second week of July, 2019. Use of these funds is limited to the eligible expenditures within the project categories that are outlined in the Administrative Agreement on the Federal Gas Tax Fund. A list of eligible project categories and expenditures are provided in Appendices A and B respectively.

Accounting staff reviewed all projects in the 2019 and 2020 capital forecast against the eligibility requirements to develop an initial list of projects to be considered for funding through the top-up payment. Eligible projects were reviewed and ranked in consultation with department staff on the basis of service level improvements, potential risks, corporate priorities and readiness to commence implementation. The recommended project list, presented below in Table 1, was finalized by the Department Heads.

TABLE - 1

Project Code	Project Name	Total Cost	Recommended Gas Tax Funding
8500-19-0107	Sportsfield Lighting Replacement	550,000	450,000
8300-11-0104	Tennis Court Lighting Replacement	175,000	104,000
7300-22-1703	Corporate Energy Conservation Plan Implementation	75,000	75,000
6200-27-1612	10th Line Slope Alignment	630,000	500,000
6200-16-2008	Young St. - Queen to Mill Reconstruction	750,000	750,000
TOTAL		2,180,000	1,879,000

The Sportsfield Lighting Replacement project includes the replacement of lighting at Gellert Park diamond 1 and the Cedarvale Park soccer field with LED lighting systems. The current lighting systems are at the end of their useful life, which increases the probability of a failure. By updating these older systems with a more efficient LED lighting system, the Town will provide a safer level of play to users, as well as gain operational savings in energy reduction. It is recommended that \$450,000 of the one-time payment be used to commence this project in 2019, with the remaining \$100,000 of the total cost to be referred to Budget Committee for consideration in 2020.

Included in the Tennis Court Lighting Replacement project is the replacement of tennis court lighting at Emmerson Park with LED lighting systems. Similar to the Sportsfield Lighting Replacement project, this project will reduce the risk around the potential failure of the outdated lighting system, as well as provide operational efficiencies around energy consumption. The total cost of the project is \$175,000; it is recommended that the one-time payment be used to fund \$ 104,000 in 2019 and the remaining \$71,000 be referred to Budget Committee for consideration in 2020.

Staff will be coming forward with a report in the third quarter of 2019 regarding the Corporate Energy Conservation Plan Update, relating specifically to the Climate Change Emergency Resolution. It is recommended that \$75,000 of the one-time funding be used to support implementation of the priorities identified in that report.

The 10th Line slope consistently fails each spring resulting in lane restrictions and significant effort and expenditure to restore the roadway surface. The 10th Line Slope Alignment project includes the stabilization and reinforcement of the road base and slope approximately 1,900 metres south of 32nd Side Road; this will improve the safety and reliability of 10th Line. Additionally, enhanced slope stability and improved drainage will mitigate seasonal deterioration, significantly reducing maintenance requirements. The total cost of the project is \$630,000, which includes design work of \$130,000 already approved and completed. It is recommended that the remaining \$500,000 for the construction phase be funded from the one-time funding.

It is further recommended that \$750,000 of the one-time payment be used to fund the Young Street Reconstruction project from Queen Street to Mill Street in Acton. This project includes storm sewer repairs, as well as the partial replacement of the existing road. Young Street is part of the main thoroughfare through Acton, and will result in a significant public benefit when replaced. This project would result in a safer, more reliable roadway and ensure the proper functioning and long-term viability of the Town's storm water system. Moreover, staff is reviewing the potential incorporation of active transportation.

Staff is aware that there may be Council interest in moving forward on the Tolton Park project. The project is currently in the 2020 capital program, with \$120,000 allocated for design and engineering and \$800,000 for re-development work. Development charges will fund 90% of the project, with the remaining funded through reserves. Although the Town was unsuccessful in its submission to Building Canada Small Communities Fund in 2015, and has not met eligibility requirements for the FCM – Green Municipal Fund program, staff will continue to explore alternative funding options for review by Budget Committee.

By way of background, this property located at 11134, 22nd Side Road in Limehouse, was formerly owned by the Tolton family and operated as a licensed salvage yard. The 2.23 acre parcel was purchased by the Town in April 2008, with the intent of converting into a passive park. In order to change the use to a park, the site requires remediation and the submission of a Record of Site Condition to the Ministry of the Environment. The clean-up process is expected to be extensive and will require careful coordination of the design/engineering and re-development work to ensure that they are completed in a timely manner (environmental reports are only valid for 18 months in Ontario).

Staff recommends proceeding with the Tolton Park project in early 2020. While an important project in terms of increasing the Town's inventory of parkland, staff gave it a lower risk score compared to the proposed lighting replacement projects. As noted, the systems used to illuminate the heavily utilised Gellert Park baseball diamond 1, the Cedarvale Park soccer field and the tennis court in Emmerson Park are at 'end of life' and if they fail, could create a safety hazard. The outdated lighting not only has risk attached, but it is more costly to operate. The other factor associated with the Tolton Park project is that it is largely funded through DCs. As such, any federal gas tax

applied to this project would mean a further discounting of the DCs in the amount of \$85,500.

Staff is hopeful that the Tolton Park project will move forward in 2020. With projects proposed for funding through the federal gas tax top-up, room will be created in the 2020 capital budget for projects such as the Tolton Park re-development.

RELATIONSHIP TO STRATEGIC PLAN:

The recommendations put forward in this report support and advance Council's Strategic Priorities.

FINANCIAL IMPACT:

The 2019 Federal Budget received royal assent on the proposed additional one-time transfer of \$2.2 billion through the federal Gas Tax Fund. The Town will receive an additional \$1,879,461 of funding in July, 2019. This report recommends that the additional funding be used to implement the projects identified in Table 1 of this report.

CONSULTATION:

The recommendations put forward in this report are the result of a thorough review and ranking of eligible capital projects by representatives from applicable departments, as well as the Senior Management Team.

PUBLIC ENGAGEMENT:

No public engagement required in reference to this report.

SUSTAINABILITY IMPLICATIONS:

The Town is committed to implementing our Community Sustainability Strategy, Imagine Halton Hills. Doing so will lead to a higher quality of life.

The recommendation outlined in this report advances the Strategy's implementation.

This report supports all pillars of sustainability through financing capital projects related to the pillars as outlined in Table 1 of this report and, in summary, the alignment of this report with the Community Sustainability Strategy is excellent.

COMMUNICATIONS:

There is no communications impact.

CONCLUSION:

In summary, the Town will receive an additional \$1,879,461 from the federal Gas Tax Fund in July, 2019. Staff is recommending that these funds be used to implement the projects listed in Table 1 of this report. These projects were carefully selected through a thorough review of all eligible projects and will advance Council's strategic priorities.

Reviewed and Approved by,

A handwritten signature in cursive script, appearing to read "M. J. Leighton".

Moya Jane Leighton, Manager of Accounting and Town Treasurer

A handwritten signature in cursive script, appearing to read "Jane Diamanti".

Jane Diamanti, Commissioner of Corporate Services

A handwritten signature in cursive script, appearing to read "Brent Marshall".

Brent Marshall, Chief Administrative Officer

SCHEDULE B - Eligible Project Categories

Eligible Projects include investments in Infrastructure for its construction, renewal or material enhancement in each of the following categories:

1. Local roads and bridges – roads, bridges, tunnels and active transportation infrastructure (active transportation refers to investments that support active methods of travel. This can include: cycling lanes and paths, sidewalks, hiking and walking trails).
2. Highways – highway infrastructure.
3. Short-sea shipping – infrastructure related to the movement of cargo and passengers around the coast and on inland waterways, without directly crossing an ocean.
4. Short-line rail – railway related infrastructure for carriage of passengers or freight.
5. Regional and local airports – airport-related infrastructure (excludes the National Airport System).
6. Broadband connectivity – infrastructure that provides internet access to residents, businesses, and/or institutions in Canadian communities.
7. Public transit – infrastructure that supports a shared passenger transport system which is available for public use.
8. Drinking water – infrastructure that supports drinking water conservation, collection, treatment and distribution systems.
9. Wastewater – infrastructure that supports wastewater and storm water collection, treatment and management systems.
10. Solid waste – infrastructure that supports solid waste management systems including the collection, diversion and disposal of recyclables, compostable materials and garbage.
11. Community energy systems – infrastructure that generates or increases the efficient usage of energy.
12. Brownfield Redevelopment – remediation or decontamination and redevelopment of a brownfield site within municipal boundaries, where the redevelopment includes:
 - the construction of public infrastructure as identified in the context of any other category under the GTF, and/or;
 - the construction of municipal use public parks and publicly-owned social housing.
13. Sport Infrastructure – amateur sport infrastructure (excludes facilities, including arenas, which would be used as the home of professional sports teams or major junior hockey teams (e.g. Junior A)).
14. Recreational Infrastructure – recreational facilities or networks.
15. Cultural Infrastructure – infrastructure that supports arts, humanities, and heritage.
16. Tourism Infrastructure – infrastructure that attract travelers for recreation, leisure, business or other purposes.
17. Disaster mitigation – infrastructure that reduces or eliminates long-term impacts and risks associated with natural disasters.
18. Capacity building – includes investments related to strengthening the ability of Municipalities to develop long-term planning practices.

Note: Investments in health infrastructure (hospitals, convalescent and senior centres) are not eligible.

SCHEDULE C - Eligible and Ineligible Expenditures

1. Eligible Expenditures

1.1 Eligible Expenditures of Ultimate Recipients will be limited to the following:

- a) the expenditures associated with acquiring, planning, designing, constructing or renovating a tangible capital asset, as defined by Generally Accepted Accounting Principles (GAAP), and any related debt financing charges specifically identified with that asset;
- b) for the capacity building category only, the expenditures related to strengthening the ability of Municipalities to improve local and regional planning including capital investment plans, integrated community sustainability plans, life-cycle cost assessments, and Asset Management Plans. The expenditures could include developing and implementing:
 - i. studies, strategies, or systems related to asset management, which may include software acquisition and implementation;
 - ii. training directly related to asset management planning; and,
 - iii. long-term infrastructure plans.
- c) the expenditures directly associated with joint federal communication activities and with federal project signage.

1.2 Employee and Equipment Costs: The incremental costs of the Ultimate Recipient's employees or leasing of equipment may be included as Eligible Expenditures under the following conditions:

- a) the Ultimate Recipient is able to demonstrate that it is not economically feasible to tender a contract;
- b) the employee or equipment is engaged directly in respect of the work that would have been the subject of the contract; and
- c) the arrangement is approved in advance and in writing by Canada and AMO's Executive Leads or Canada and Toronto's Executive Leads, as appropriate.

1.3 Administration expenses of AMO and Toronto related to program delivery and implementation of this Agreement, in accordance with Section 5 (Administration Expenses) of Annex B (Terms and Conditions) are Eligible Expenditures.

2. Ineligible Expenditures

The following are deemed Ineligible Expenditures:

- a) project expenditures incurred before April 1, 2005;
- b) project expenditures incurred before April 1, 2014 for the following investment categories:
 - i. highways;
 - ii. regional and local airports;
 - iii. short-line rail;
 - iv. short-sea shipping;
 - v. disaster mitigation;
 - vi. broadband connectivity;
 - vii. brownfield redevelopment;
 - viii. cultural infrastructure;
 - ix. tourism infrastructure;
 - x. sport infrastructure; and
 - xi. recreational infrastructure.
- c) the cost of leasing of equipment by the Ultimate Recipient, any overhead costs, including salaries and other employment benefits of any employees of the Ultimate Recipient, its direct or indirect operating or administrative costs of Ultimate Recipients, and more specifically its costs related to planning, engineering, architecture, supervision, management and other activities normally carried out by its staff, except in accordance with Eligible Expenditures above;
- d) taxes for which the Ultimate Recipient is eligible for a tax rebate and all other costs eligible for rebates;
- e) purchase of land or any interest therein, and related costs;
- f) legal fees; and
- g) routine repair and maintenance costs.



BY-LAW NO. 2019-0029

A By-law to adopt the proceedings of the Special Council Meeting held on the 8th day of July 2019 and to authorize its execution.

WHEREAS Section 5(3) of *The Municipal Act*, 2001, c.25, as amended, provides that Council's powers shall be exercised by by-law;

AND WHEREAS certain actions of Council do not require the enactment of a specific by-law;

NOW, THEREFORE, BE IT RESOLVED THAT THE COUNCIL OF THE CORPORATION OF THE TOWN OF HALTON HILLS ENACTS AS FOLLOWS:

1. Subject to Paragraph 3 of this by-law, the proceedings of the above-referenced Council meeting, including all Resolutions, By-laws, Recommendations, Adoptions of Committee Reports, and all other motions and matters decided in the said Council Meeting are hereby adopted and confirmed, and shall have the same force and effect, as if such proceedings were expressly embodied in this by-law.
2. The Mayor and Clerk are hereby authorized to execute all such documents, and to direct other officials of the Town to take all other action, that may be required to give effect to the proceedings of the Council Meeting referred to in Paragraph 1 of this by-law.
3. Nothing in this by-law has the effect of conferring the status of a by-law upon any of the proceedings of the Council Meeting referred to in Paragraph 1 of this by-law where any legal prerequisite to the enactment of a specific by-law has not been satisfied.
4. Any member of Council who complied with the provisions of Section 5 of the *Municipal Conflict of Interest Act*, R.S.O. 1990, Chapter M.50 respecting the proceedings of the Council Meeting referred to in Paragraph 1 of this by-law shall be deemed to have complied with said provisions in respect of this by-law.

BY-LAW read and passed by the Council for the Town of Halton Hills this 8th day of July, 2019.

MAYOR – RICK BONNETTE

CLERK – SUZANNE JONES