

**THE CORPORATION OF THE CITY OF THUNDER BAY  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
Year ended December 31, 2008**

**GENERAL**

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

**1. SIGNIFICANT ACCOUNTING POLICIES**

The consolidated financial statements of The Corporation of the City of Thunder Bay are prepared by management in accordance with accounting policies generally accepted for the local government sector as prescribed by the Public Sector Accounting Board [PSAB] of the CICA. Since precise determination of many assets and liabilities is dependent upon future events, the preparation of periodic financial statements necessarily involves the use of estimates and approximations. These have been made using careful judgement.

**[a] Basis of consolidation**

**Consolidated Financial Statements**

These consolidated financial statements reflect the assets, liabilities, revenues and expenditures of the revenue fund, capital fund, reserves and reserve funds of the City and include the activities of all committees of Council and the following boards, municipal enterprises and utilities which are under the control of Council:

Thunder Bay Public Library Board  
Waterworks  
Transit  
Parking Authority  
Mountain View and St. Patrick's Cemeteries  
Dawson Court Home for the Aged  
Grandview Lodge Home for the Aged  
Pioneer Ridge Home for the Aged  
Heart of the Harbour Business Improvement Area  
Simpson Street Business Improvement Area  
Victoria Avenue Business Improvement Area  
Victoriaville Centre Board of Management  
Thunder Bay Community Auditorium Inc.  
TBayTel (A Municipal Service Board established by the Corporation of the City of Thunder Bay)  
Thunder Bay Court Services Area  
Superior North Emergency Medical Services  
Thunder Bay Community Economic Development Commission Inc.

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**Joint Local Boards**

Certain joint local boards in which the City participates are accounted for on a proportionate consolidation basis, consistent with the generally accepted accounting treatment for government partnerships. Under the proportionate consolidation basis of accounting, the City's pro-rata share of the assets, liabilities, revenues and expenditures (including capital expenditures) that are subject to shared control is combined on a line-by-line basis with similar items in the City's financial statements. All inter-fund assets, liabilities, revenues and expenditures have been eliminated. Joint local boards accounted for in this manner are:

Thunder Bay District Health Unit  
Thunder Bay District Social Services Administration Board

**Subsidiary Corporations**

Thunder Bay Hydro Corporation is accounted for on a modified equity basis, consistent with the generally accepted accounting treatment for government business enterprises [note 14]. Under the modified equity basis, the business enterprise's accounting principles are not adjusted to conform with those of the City's, and inter-organizational transactions and balances are not eliminated.

**Trust Funds**

Trust funds administered by the City have not been included in the Consolidated Statement of Financial Position nor have their operations been included in the Consolidated Statement of Financial Activities. They are reported separately on the Trust Fund Statement of Continuity and Statement of Financial Position.

**Accounting for school board transactions**

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

**[b] Basis of accounting**

**Accrual accounting**

The City uses the accrual basis of accounting and recognizes revenues as they are levied or earned and become measurable; expenditures are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

**Employment benefits**

The City has adopted the following policies with respect to employment benefit plans:

The costs of vacation entitlements are charged as expenditures when earned;

The costs of post-employment benefits, sick leave entitlements and WSIB entitlements are recognized when the event that obligates the City occurs; costs include projected future income payments, health care continuation costs and fees paid to independent administrators of these plans, calculated on a present value basis;

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**Employment benefits (cont'd)**

The costs of post employment benefits, sick leave entitlements and WSIB entitlements are actuarially determined using the projected benefits method prorated on service and management's best estimate of retirement ages of employees, salary escalation, expected health care costs and plan investment performance; accrued obligations and related costs of funded benefits are net of plan assets;

Past service costs from plan amendments are amortized on a straight-line basis over the expected average remaining service period of employees active at the date of amendment; and

The excess of the net actuarial gain (loss) over 10% of the greater of the benefit obligations and the fair value of plan assets are amortized on a straight-line basis over the average remaining service period for active employees.

The contributions to a defined benefit pension plan are expensed when contributions are due.

**Government transfers**

Government transfers relate to the social services and housing programs and are recognized in the consolidated financial statements in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met and reasonable estimates of the amounts can be made.

**Investments**

The City accounts for its investments at cost plus accrued earnings. The carrying value of an investment is written down to its net recoverable amount if a decline in value is judged to be other than temporary.

**Inventories**

Inventories of supplies, including vehicle parts and road maintenance materials, are charged to operations when purchased.

**Deferred revenue**

The City often receives contributions that are restricted under specific agreements or the terms of relevant legislation. Such contributions, together with any income earned thereon by the City, are reported as a deferred revenue liability until the resources are used for the purpose or purposes specified, at which time the resources are recognized as revenue.

**Capital assets**

Capital assets are reported as an expenditure on the Consolidated Statement of Financial Activities in the year of acquisition.

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**[c] Transitional Provisions**

**Tangible Capital Assets**

Effective January 1, 2007, the City adopted Accounting Guideline 7 (PSG-7) of the Public Sector Accounting Handbook of the Canadian Institute of Chartered Accountants (CICA) with respect to the disclosure of tangible capital assets of local governments. PSG-7 provides transitional guidance on presenting information related to tangible capital assets until Section 3150 – Tangible Capital Assets of the Public Sector Accounting Handbook comes into effect January 1, 2009.

During 2008, the City continued to work towards compliance with the new recommendations for accounting for tangible capital assets. As of December 31, 2008, the City has not yet completed a listing of assets and values. The accumulation of data is currently underway and is expected to be completed by December 31, 2009.

**2. OPERATIONS OF SCHOOL BOARDS**

Taxation, other revenues and requisitions for the school boards amounting to \$41,633,861 [2007 - \$46,985,669] are not reflected in these consolidated financial statements.

**3. TRUST FUNDS**

Trust funds administered by the City amounting to \$14,367,014 [2007 - \$14,148,689] have not been included in the Consolidated Statement of Financial Position nor have their operations been included in the Consolidated Statement of Financial Activities.

Trust fund balances as at December 31 are as follows:

	2008 \$	2007 \$
Older Adults Centre	13,366	18,467
Cemetery	914,602	897,967
Cemetery Marker Maintenance	244,673	229,189
Dawson Court Home for Aged	305,399	55,898
Grandview Lodge Home for Aged	56,039	66,955
Pioneer Ridge Home for Aged	21,441	33,192
Lake Superior Regiment Memorial Hillcrest Park	30,642	29,407
Ontario Home Renewal Program	-	1,381
Library	2,335	2,627
Employee Disability	12,751,574	12,787,668
Civic Employees Pension Trust Committee	1,998	1,998
Community Auditorium Repairs	22,850	21,929
Art in Public Places	2,095	2,011
	14,367,014	14,148,689

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**4. CASH AND INVESTMENTS**

Investments are recorded at cost. The total market value of the City's investments at December 31, 2008 was approximately \$123,356,810 [2007 - \$121,312,129]. The City's investments are comprised of federal, provincial, and corporate bonds, the ONE Equity Fund, money market funds, treasury bills and cash in the bank. The bonds have varying maturities and interest rates.

	2008		2007	
	Cost	\$ Market Value	Cost	\$ Market Value
Federal Government	37,227,073	39,366,896	50,133,700	49,922,477
Provincial Government	48,266,459	48,458,357	27,647,798	27,756,044
Corporate	28,222,813	28,238,412	39,418,425	39,047,738
Equity	6,325,848	4,814,896	1,149,403	1,259,923
Other	2,500,082	2,478,249	3,380,266	3,325,947
	122,542,275	123,356,810	121,729,592	121,312,129

The weighted average yield on the cost of the investment portfolio during the year was 4.2 % (2007 - 4.3%). Maturity dates on investments in the portfolio range from January 2009 to June 2037.

**5. PENSION AGREEMENTS**

The City makes contributions to the Ontario Municipal Employees Retirement Fund [OMERS], which is a multi-employer plan. The plan is a defined benefit plan which specifies the amount of retirement benefit to be received by employees based on length of service and rates of pay. The amount contributed to OMERS for 2008 was \$10,981,123 (2007 - \$10,715,638) for current service and is included as an expenditure on the Consolidated Statement of Financial Activities.

**6. EMPLOYMENT BENEFITS**

- [a] Under the sick leave benefit plan, unused sick leave can accumulate and certain employees may become entitled to a cash payment when they retire or leave the City's employment.

The liability for these accumulated days, to the extent that they have vested and could be taken by an employee on retirement or his/her estate upon death amounted to approximately \$7,146,405 [2007 - \$7,245,451]. An amount of \$4,818,658 [2007-\$5,752,305] has been set aside in sick pay liability reserve funds to offset this liability, which includes \$99,573 [2007 - \$96,801] relating to joint local boards.

- [b] Vacation entitlements earned by the employees are converted to a cash payment when they retire or leave the City's employment. The liability for these accumulated days amounted to approximately \$4,617,618 [2007 - \$4,761,458].

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**6. EMPLOYMENT BENEFITS (cont'd)**

[c] The City of Thunder Bay pays certain post retirement benefits on behalf of its retired employees. The City of Thunder Bay recognizes these post retirement costs in the period in which the employees rendered the services. The accrued benefit obligation at December 31, 2008 of \$34,538,826 [2007 - \$33,100,383] was determined by an actuarial valuation prepared for the year ended December 31, 2008. An amount of \$4,540,151 [2007-\$4,239,569] has been set aside in a post-retirement benefits reserve fund to offset this liability.

Information about the City of Thunder Bay's benefit plan is as follows:

	2008 \$	2007 \$
Accrued benefit liability recognized in the financial statements	33,607,937	31,902,177
Expense for the year	3,582,149	3,220,688
Benefits paid for the year	(1,876,389)	(1,692,933)

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

**General Inflation**

Future general inflation levels, as measured by changes in the Consumer Price Index (CPI), were assumed at 2% per annum.

**Interest (discount) rate**

The obligation as at December 31, 2008 of the present value of future liabilities and the expense for the year then ended was determined using an annual discount rate of 5.25%. This rate reflects the assumed long term yield on high quality bonds as at January 1, 2007.

**Salary levels**

Future general salary and wage levels were assumed to increase at 3.3% and 4.3% per annum for various employee groups, reflecting the expected Consumer Price Index adjusted for productivity, merit and promotion.

**Medical costs**

Medical costs were assumed to increase at 9% in 2008, 8% in 2009, 7% in 2010, 6% in 2011 and 5% thereafter.

**Dental costs**

Dental costs were assumed to increase at 5% in 2008 and thereafter.

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**6. EMPLOYMENT BENEFITS (cont'd)**

- [d] The City elected to be under Schedule 2 of the Workplace Safety and Insurance Act and hence, effectively self-insures its workers' compensation claims. According to an extrapolation for 2008 by professional actuaries of an actuarial valuation as at December 31, 2007, the City has an estimated future benefit cost including administration costs of \$29,529,408 [2007 - \$29,326,128].

**7. NET LONG-TERM LIABILITIES**

- [a] The balance of net long-term liabilities reported on the Consolidated Statement of Financial Position totaling \$218,687,312 [2007 - \$229,998,571] is comprised of long-term liabilities outstanding at year-end incurred by the City and joint local boards.

- [b] Principal repayments of long-term liabilities are due as follows:

	From general municipal revenue \$	From benefiting landowners \$	From joint local boards \$	Total \$
2009	16,380,763	139,346	1,325,964	17,846,073
2010	16,862,968	145,024	1,395,270	18,403,262
2011	13,911,789	156,044	1,468,674	15,536,507
2012	14,243,666	85,319	1,546,236	15,875,222
2013	14,591,880	89,939	1,628,432	16,310,251
2014 and thereafter	113,312,825	9,163	21,394,010	134,717,223
Total	189,303,891	624,835	28,758,586	218,687,312

- [c] The long-term liabilities in [a] issued in the name of the City have received approval of the Ontario Municipal Board for those approved on or before December 31, 1992. Those approved after January 1, 1993 have been approved by by-law. The 2009 annual principal and interest payments required to service these liabilities are within the 2009 annual debt repayment limit prescribed by the Ministry of Municipal Affairs of \$55,786,312. The City has available \$28,013,073, based on this annual debt repayment limit.

**8. CHARGES FOR NET LONG-TERM LIABILITIES**

Total payments for the year for net long-term liabilities are as follows:

	2008 \$	2007 \$
Principal payments	17,234,453	15,317,599
Interest payments	10,299,313	10,374,752
	27,533,766	25,692,351

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**9. LANDFILL CLOSURE AND POST-CLOSURE LIABILITY**

The John Street municipal landfill is operated by the City to accept all municipal solid waste from the City. The landfill includes the closed and capped West Cell, and the active East Cell with a remaining life of approximately 50 years. Closure activities include final cover and vegetation, drainage control features, monitoring of leachate, water quality and recovery of gas. Post-closure activities include acquisition of additional land for buffer zone, treatment and monitoring of leachate, monitoring groundwater, surface water and gas, and recovery and ongoing maintenance of various control systems, drainage systems and final cover.

The estimated liability of \$6,617,000 [2007 - \$6,424,000] is the present value of future closure and post-closure costs discounted at a rate of 3%, based on a 2006 Consultant's Report.

**10. MUNICIPAL POSITION AT YEAR-END**

[a] The balance in the Consolidated Statement of Operations of municipal equity of \$252,562,408 [2007 - \$244,441,747] at year-end is comprised of the following:

	2008 \$	2007 \$
<b>OPERATING FUND</b>		
<b>City</b>		
General and designated ratepayers	363,941	355,458
Local improvement ratepayers	530,867	539,350
	894,808	894,808
Library Board	75,037	66,011
Thunder Bay Community Auditorium	(200,498)	(206,825)
Thunder Bay Community Economic Development Commission	310,708	512,582
	1,080,055	1,366,576
<b>Consolidated entities</b>		
TBayTel	50,279,786	27,840,853
<b>Joint local boards</b>		
Thunder Bay District Social Services Administration Board	4,732,774	3,561,695
<b>Operating Fund Total</b>	<b>56,092,915</b>	<b>32,669,124</b>
<b>CAPITAL FUND</b>		
Capital works in progress to be financed from the proceeds of long-term liabilities	(23,425,078)	(16,177,559)
Library Board capital fund	390,692	600,266
Unapplied capital receipts		
- Available for the acquisition or construction of capital assets	26,273,914	33,512,257
<b>Capital Fund Total</b>	<b>3,239,528</b>	<b>17,934,964</b>
<b>RESERVES AND RESERVE FUNDS</b>		
Reserves for designated purposes	9,954,720	9,365,201
Reserve funds for designated purposes	105,213,112	109,468,250
<b>Reserves and Reserve Funds Total</b>	<b>115,167,832</b>	<b>118,833,451</b>
Thunder Bay Hydro Corporation net equity	78,062,433	75,004,208
<b>Total</b>	<b>252,562,408</b>	<b>244,441,747</b>



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**10. MUNICIPAL POSITION AT YEAR-END (cont'd)**

- [b] City Council approved a reserve fund strategy in 2004 authorizing that any surplus for the year be placed in a stabilization reserve fund. For the year ended December 31, 2008, the amount transferred to the stabilization reserve fund was \$1,043,717.

The surplus at the end of 2008 from the revenue fund for general purposes and for designated ratepayers was \$363,941 [2007 - \$355,458]. Had the transfer to the stabilization reserve fund not been made, the balance of the City's revenue fund for general purposes and for designated ratepayers would have been \$1,407,658.

Unapplied capital receipts represents unexpended capital financing from sources such as the sale of lands owned by the Municipality and the receipt of unconditional capital grants.

**11. RESERVES AND RESERVE FUNDS**

The total balance of reserves of \$9,954,720 [2007 - \$9,365,201] and reserve funds of \$105,213,112 [2007 - \$109,468,250] are comprised of the following:

	2008 \$	2007 \$
<b>Reserves set aside for specific purposes by Council</b>		
For acquisition or construction of capital assets	5,651,350	4,909,902
For working capital	4,300,000	4,300,000
Joint local boards	3,370	155,299
<b>Total reserves</b>	9,954,720	9,365,201
<b>Reserve funds set aside for specific purposes by Council</b>		
Acquisition or construction of capital assets	29,125,617	47,129,135
Federal Gas Tax	421,239	2,351,990
Provincial Dedicated Gas Tax	1,232,375	1,877,924
MTO Transit Capital	1,217,271	-
Strategic Infrastructure Investment	10,439,001	-
Recreation	1,883,592	1,848,211
Post-retirement benefits	4,540,151	4,239,569
Stabilization	7,664,357	6,645,942
Insurance	3,081,139	2,360,559
Vested sick leave benefits	4,719,086	5,655,504
Tax assessment appeals	6,863,160	6,270,526
Vested property	1,760,347	2,035,345
Economic development	1,435,686	1,216,641
Winter roads maintenance	1,137,080	1,112,031
Other operating	1,446,632	1,058,170
EMS	5,245,658	3,988,853
TBayTel Dividend	4,350,883	4,051,512
Joint local boards	18,649,838	17,626,339
<b>Total reserve funds</b>	105,213,112	109,468,250
<b>Total reserves and reserve funds</b>	115,167,832	118,833,451

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**12. DEFERRED REVENUE**

	<b>2008</b>	<b>2007</b>
	<b>\$</b>	<b>\$</b>
<b>City</b>		
Park purposes	99,630	161,331
Other	5,312,820	5,380,641
<b>Joint local boards</b>	<b>3,645,431</b>	<b>2,682,164</b>
<b>Total</b>	<b>9,057,881</b>	<b>8,224,136</b>

The continuity of deferred revenue is as follows:

	<b>2008</b>	<b>2007</b>
	<b>\$</b>	<b>\$</b>
<b>Balance, beginning of year</b>	<b>8,224,136</b>	<b>10,121,427</b>
Net contributions from developers and property owners	27,850	46,264
Investment income	5,363	6,588
Net contributions to capital operations	(94,914)	(43,386)
Net contributions from (to) current operations	895,446	(1,906,757)
<b>Balance, end of year</b>	<b>9,057,881</b>	<b>8,224,136</b>

**13. JOINT LOCAL BOARDS**

The following joint local boards represent government partnerships in which the City participates:

The Thunder Bay District Health Unit promotes public health and provides health education to all inhabitants of the District of Thunder Bay.

The Thunder Bay District Social Services Administration Board delivers provincially mandated social services on behalf of the inhabitants of the District of Thunder Bay.

The following table provides condensed supplementary information for the government partnerships:

	<b>Thunder Bay District Health Unit 77.91% \$</b>	<b>Thunder Bay DSSAB 75.16% \$</b>
<b>Financial position</b>		
Financial assets	2,501,096	26,462,295
Liabilities	(2,142,113)	(33,499,473)
<b>Net assets</b>	<b>358,983</b>	<b>(7,037,178)</b>
<b>Results of operations</b>		
Revenues	13,521,934	68,781,599
Expenditures	13,320,022	65,735,110
<b>Excess of revenues over expenditures</b>	<b>201,912</b>	<b>3,046,489</b>

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**14. SUBSIDIARY OPERATIONS**

**Thunder Bay Hydro Corporation**

The Thunder Bay Hydro Corporation is wholly owned by The City of Thunder Bay and provides regulated and unregulated electric utility services and complementary commercial services.

The following table provides condensed supplementary financial information for the Thunder Bay Hydro Corporation, its subsidiary, Thunder Bay Hydro Electricity Distribution Inc. prepared in accordance with accounting principles generally accepted for Hydro utilities.

	2008 \$	2007 \$
<b>Financial position</b>		
Current assets	39,259,818	33,971,029
Capital assets	61,979,173	62,089,767
Long-term assets	1,877,823	1,323,298
<b>Total assets</b>	<b>103,116,814</b>	<b>97,384,094</b>
Current liabilities	14,103,432	12,134,769
Long-term debt	10,950,949	10,245,117
<b>Total liabilities</b>	<b>25,054,381</b>	<b>22,379,886</b>
<b>Net assets</b>	<b>78,062,433</b>	<b>75,004,208</b>
<b>Results of operations</b>		
Revenues	85,526,233	87,322,348
Operating expenses	(84,644,861)	(90,137,417)
Other income	2,176,853	3,504,112
<b>Net income</b>	<b>3,058,225</b>	<b>689,043</b>

The City's investment in Thunder Bay Hydro Corporation is comprised of the following:

	2008 \$	2007 \$
1,000 common shares	34,931,625	34,931,625
Promissory note	34,931,625	34,931,625
Accumulated earnings from date of transfer	8,199,183	5,140,958
	<b>78,062,433</b>	<b>75,004,208</b>

The promissory note is receivable from Thunder Bay Hydro Corporation and is a non-interest bearing note, due on demand.

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**Related Party Transactions**

Thunder Bay Hydro Corporation provides certain services to The Corporation in the normal course of business at commercial rates.

Thunder Bay Hydro Corporation billed The Corporation for electricity in the amount of \$8,229,620 [2007-\$8,301,003]. At December 31, 2008, included in accounts payable and accrued liabilities is \$471,915 [2007-\$538,327] payable to Thunder Bay Hydro Corporation related to this expenditure. Pole rental from Thunder Bay Hydro Corporation in the amount of \$305,748 [2007-\$305,745] and other sundry expenditures in the amount of \$31,748 [2007-\$57,911] were also recorded.

The Corporation provides certain services to Thunder Bay Hydro Corporation in the normal course of business at commercial rates.

The following revenues were recorded:

Rent of \$293,474 [2007 - \$293,474]  
Telecommunication costs of \$206,183 [2007 - \$208,012]  
Water billings of \$8,388 [2007 - \$6,579]  
Property taxes of \$143,045 [2007 - \$149,757]

**15. CONTINGENCIES**

- [a] There were numerous claims and litigation in dispute at December 31, 2008 for which the amount of settlement, if any, is indeterminable at this time. No opinion is expressed as to whether the settlements, if any, would have a material effect on the Municipality's current year consolidated financial statements. The settlements, if any, will be expensed in the Consolidated Statement of Financial Activities in the year in which judgements are rendered. No provision has been made in these consolidated financial statements in respect of the above claims and litigation.
- [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 Municipality to provide for any claims only when the decisions are rendered by the appropriate authorities.

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**16. COMMITMENTS**

The City leases certain of its premises and equipment under various operating leases. The future minimum lease payments over the next five years are as follows:

	\$
2009	2,413,311
2010	1,871,577
2011	1,261,134
2012	972,693
2013	730,097

The City leases multi-function photocopiers which are charged at varying rates on a per-copy basis, with leases expiring in April 2012. The amount of the commitment cannot reasonably be estimated.

**17. PUBLIC LIABILITY INSURANCE**

The City is self-insured for public liability claims up to \$1,000,000 for any number of claims arising out of a single occurrence. Outside coverage is in place for claims in excess of these limits.

The City has provided for self-insurance in a reserve fund reported in the Consolidated Statement of Financial Position amounting to \$3,081,139 [2007 - \$2,360,559].

Self-insured claims settled and accrued during the year amounting to \$891,345 [2007 - \$1,646,651] are reported as an expenditure in the Consolidated Statement of Financial Activities.

**18. EXPENDITURES BY OBJECT**

	2008 \$	2007 \$
Salaries, wages and employee benefits	183,923,770	174,859,477
Materials	55,075,954	52,656,117
Contracted Services	34,622,874	31,500,573
External Transfers	22,098,019	22,317,071
Interest	10,299,313	10,374,752
TBayTel operating	74,504,590	69,195,161
Capital	81,814,033	74,038,500
Other	11,171,403	6,770,775
<b>Total expenditures</b>	<b>473,509,956</b>	<b>441,712,426</b>

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**19. SEGMENTED INFORMATION**

The City of Thunder Bay is a diversified municipal government institution that provides a wide range of services to its citizens, including police, fire, ambulance, public transit and water. For management reporting purposes, the City's operations and activities are organized and reported by Fund. Funds were created for the purpose of recording specific activities to attain certain objectives in accordance with special regulations, restrictions or limitations.

City services are provided by departments and their activities are reported in these funds. Certain departments that have been separately disclosed in the segmented information, along with the services they provide, are as follows:

**General Government**

General Government comprises various administrative services, including the Finance Department, Corporate Services Department, City Manager's Department, Facilities and Fleet Department and Mayor and Council.

**Protection to Persons and Property**

Protection to persons and property is comprised of Police Services, Fire Services, Protective Inspection and Control and Thunder Bay Court Service. The mandate of Police Services is to ensure the safety of the lives and property of citizens; preserve peace and good order; prevent crimes from occurring; detect offenders; and enforce the law. The Fire Services department is responsible for fire suppression; fire prevention programs; training and education related to prevention, detection or extinguishment of fires. Protective Inspection and Control ensures an acceptable quality of building construction and maintenance of properties through enforcement of construction codes, building standards and by-laws for the protection of occupants. Thunder Bay Court Service administers prosecutions and the collection of related fines and fees under the authority of the Provincial Offences Act.

**Transportation Services**

Transportation services include Roadways, Winter Control, Transit, Parking and Street Lighting. Roadways covers the delivery of municipal public works services related to the planning, development and maintenance of roadway systems, culverts, sidewalks, crossing guards and traffic lights. Winter control includes snowplowing, sanding and salting, snow removal and flood control. The Transit division is responsible for providing local public transportation service. The Parking Authority is responsible for the planning, development and maintenance of parking lots, meters and parkades, including enforcement of parking regulations. Street lighting plans, develops and maintains the street lighting system.

**Environmental Services**

Environmental services consist of Waterworks, Sanitary Sewer, Waste Collection and Disposal and Recycling. Waterworks provides drinking water to the citizens of Thunder Bay. Sanitary Sewer collects and treats wastewater. Waste Collection and Disposal and Recycling includes the collection of solid waste, landfill site operations and waste minimization programs.

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**19. SEGMENTED INFORMATION (cont'd)**

**Health Services**

Health Services includes Public Health Services, Hospital, and Ambulance Services. Public Health Services covers the City of Thunder Bay's proportionate share of the activities of the Thunder Bay District Health Unit. In response to the health needs of the community, the Thunder Bay District Health Unit provides health information and prevention-related clinical services to people of all ages; advocates for healthy public policy; protects citizens by investigating reportable diseases; and upholds regulations that apply to public health.

**Social and Family Services**

Social and Family Services include General Assistance, Assistance to Aged Persons, Child Care and Assistance to Disabled. General Assistance represents the City's proportionate share of the activities of The District of Thunder Bay Social Services Administration Board (DSSAB). DSSAB is responsible for issuing welfare payments, Ontario Works program delivery, employment assistance services and social housing. Under Assistance to Aged Persons, the City operates and maintains three Homes for the Aged and the 55+ Centre; and provides services to seniors, including meals on wheels, friendly visiting program and Jasper apartments. Child Care includes the operating and maintenance of child care centres in the City of Thunder Bay. Assistance to Disabled represents the contribution by the City of Thunder Bay to HAGI Transit to provide public transportation services to the disabled.

**Recreation and Cultural Services**

Recreation and Cultural Services include Parks, Recreation Programs and Facilities, Thunder Bay Public Library and Contributions to Cultural Organizations. The Community Services Department provides public services that contribute to neighbourhood development and sustainability through the provision of recreation and leisure services such as fitness and aquatic programs, the development and maintenance of various recreational facilities; and the maintenance of parks and open spaces. The Thunder Bay Public Library is dedicated to providing community access to local and global information resources that support lifelong learning, research and leisure activities. The City of Thunder Bay makes contributions to various cultural organizations under specific funding programs.

**Planning and Development**

The Development Department manages urban development for business interest, environmental concerns, heritage matters, local neighbourhoods and the downtown through city planning and community development and approval of all land development plans. Also included in Planning and Development are the activities of the Thunder Bay Community Economic Development Commission Inc., three Business Improvement Areas (BIA's), and Victoriaville Centre.

**TBayTel**

TBayTel was established as a Municipal Service Board to govern, control, maintain, operate and manage the City's provision of telecommunication services.

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**20. BUDGET AMOUNTS**

Budgets established for capital funds, reserves and reserve funds are based on a project-oriented basis, the costs of which may be carried out over one or more years. As such, they are not directly comparable with current year actual amounts and budgets have therefore not been reflected on the Consolidated Statement of Financial Activities.

**21. COMPARATIVE FIGURES**

Certain of the prior year's comparative figures have been restated to conform to the current year's presentation.