



# Financial Report and Consolidated Financial Statements

For the year ended  
December 31, 2013

The Corporation of the Town of Caledon  
Caledon, Ontario, Canada

Prepared by  
Corporate Services Department, Town of Caledon

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Canadian Award for Financial Reporting to the Town of Caledon for its annual financial report for the fiscal year ended December 31, 2012. The Canadian Award for Financial Reporting program was established to encourage municipal governments throughout Canada to publish high quality financial reports and to provide peer recognition and technical guidance for officials preparing these reports.

In order to be awarded a Canadian Award for Financial Reporting, a government unit must publish an easily readable and efficiently organized annual financial report, whose contents conform to program standards. Such reports should go beyond the minimum requirements of generally accepted accounting principles and demonstrate an effort to clearly communicate the municipal government's financial picture, enhance an understanding of financial reporting by municipal governments, and address user needs.

A Canadian Award for Financial Reporting is valid for a period of one year only. We believe our current report continues to conform to the Canadian Award for Financial Reporting program requirements, and we are submitting it to GFOA.



Government Finance Officers Association

**Canadian Award  
for  
Financial Reporting**

Presented to

**The Corporation of the Town  
of Caledon, Ontario**

For its Annual  
Financial Report  
for the Year Ended

**December 31, 2012**

Executive Director/CEO





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**INTRODUCTION**

<b>Introduction to the Town of Caledon</b>	<b>10</b>
<b>Introduction to the 2013 Financial Report</b>	<b>18</b>
<b>2013 Management Discussion &amp; Analysis</b>	<b>22</b>

**FINANCIAL STATEMENTS**

<b>Management Report</b>	<b>34</b>
<b>Independent Auditors' Report</b>	<b>35</b>
<b>Consolidated Statement of Financial Position</b>	<b>36</b>
<b>Consolidated Statement of Operations and Accumulated Surplus</b>	<b>37</b>
<b>Consolidated Statement of Changes in Net Financial Assets</b>	<b>38</b>
<b>Consolidated Statement of Cash Flows</b>	<b>39</b>
<b>Notes to the Consolidated Financial Statements</b>	<b>40</b>
<b>Schedule of Segmented Information</b>	<b>55</b>
<b>Schedule of Tangible Capital Assets</b>	<b>57</b>

**STATISTICAL INFORMATION**

<b>Municipality Statistics</b>	<b>60</b>
<b>Tax Rate Statistics</b>	<b>61</b>
<b>Tax Information</b>	<b>62</b>
<b>Financial Information</b>	<b>63</b>
<b>Accumulated Surplus &amp; Tangible Capital Assets</b>	<b>65</b>



TOWN OF CALEDON

# Introduction Section



## **Welcome to the Town of Caledon**

The Town of Caledon combined with the Cities of Brampton and Mississauga make up the Region of Peel.

Caledon is considered the best of both worlds; a safe natural haven that together blends business success with an unmatched quality of life, and all this within an hour of Toronto – North America’s fifth largest urban centre.

As an award winning green community, Caledon strives to maintain it’s status as an environmental leader in the municipal world. The Niagara Escarpment, the Oak Ridges Moraine, and the Credit and Humber River watersheds contribute to Caledon’s character as the best place to live, work and raise a family.

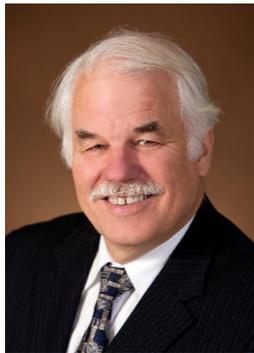
With a focus on maintaining service levels and planning for future anticipated growth, Caledon is striving to improve the Town’s non-residential tax base while continuing to invest in health and wellness, roads and the safety of our residents.



Caledon is comprised of five Wards. Council members are elected by their Ward residents, with the last election being held in October 2010. Since the term of Council is four years, the next election will be held in the Fall of 2014.

Caledon Council is made up of the Mayor and eight Councillors who represent the residents of Caledon. Of the eight Councillors (shown in the table below), four are also elected, along with the Mayor to represent Caledon on Region of Peel Council.

Ward	Regional Councillors	Area Councillors
Mayor	Marolyn Morrison	
Ward 1	Richard Paterak	Doug Beffort
Ward 2	Allan Thompson	Gord McClure
Ward 3 & 4	Richard Whitehead	Nick deBoer
Ward 5	Patti Foley	Rob Mezzapelli



Ward 1  
Richard Paterak



Ward 1  
Doug Beffort



Ward 2  
Allan Thompson



Ward 2  
Gord McClure



Ward 3 & 4  
Richard Whitehead



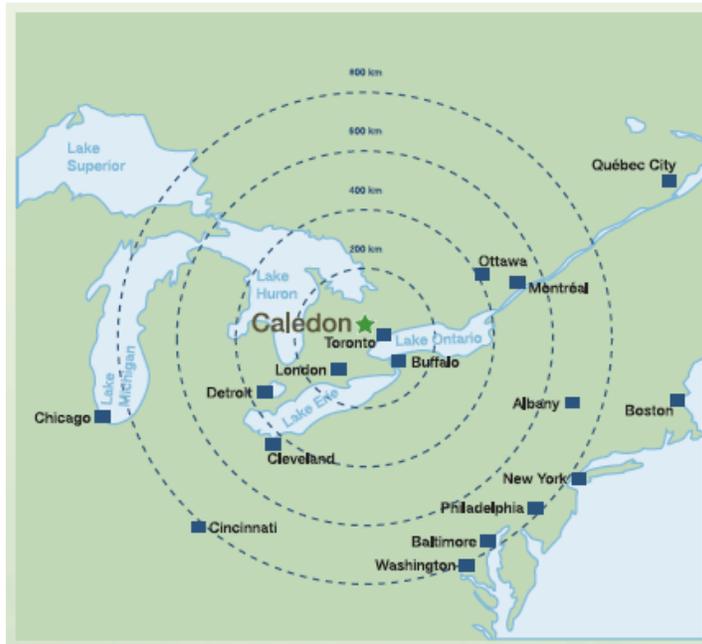
Ward 3 & 4  
Nick deBoer



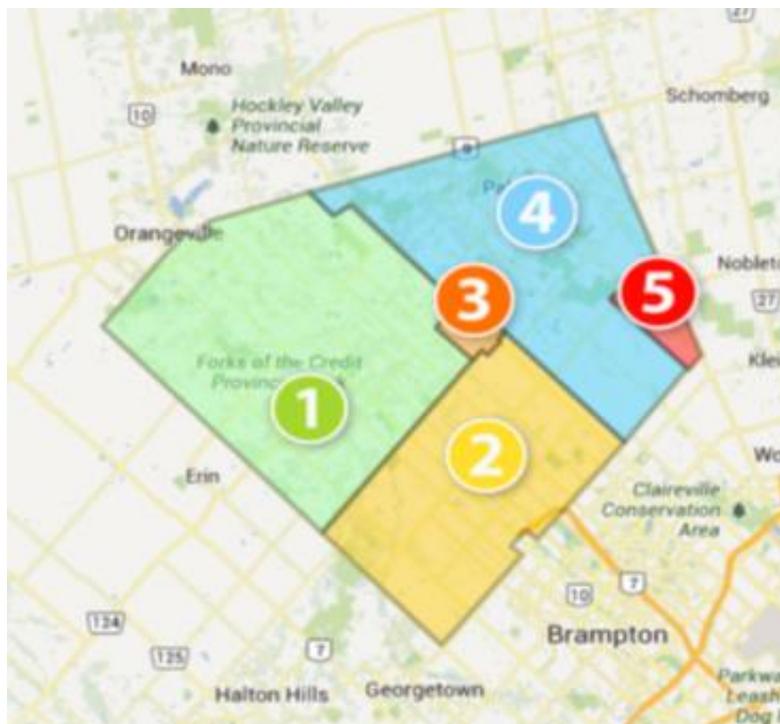
Ward 5  
Patti Foley



Ward 5  
Rob Mezzapelli



Caledon is comprised of five Wards. Council members are elected by their Ward residents, with the last election being held in October 2010. Since the term of Council is four years, the next election will be held in the Fall of 2014.



A vibrant community of close to 60,000 residents (2011 Census), Caledon benefits from its strategic location in the Greater Toronto Area (GTA). The GTA's population of over five million people continues to grow, and there are over 135 million people within a 500-mile radius of Caledon. This translates to an abundant, diversified and skilled labour force.

Caledon is an award-winning green community, with an unmatched natural heritage of public parks, conservation areas, the Niagara Escarpment, Oak Ridges Moraine, and the Credit and Humber River watersheds.



### **Excellent Infrastructure and Location**

Toronto, Canada's largest city and economic pulse, is just a stone's throw away. With that proximity comes many key benefits:

- a wide range of post-secondary learning institutions and continuing education opportunities;
- the countless cultural and economic opportunities of a major North American urban centre; and
- a well-established, efficient transportation infrastructure.

## **Growth and Services**

Residential development in the Town continued to grow in 2012 and is expected that building activity will continue to rise with major development of the south-west part of the Town, known as the Mayfield West area.

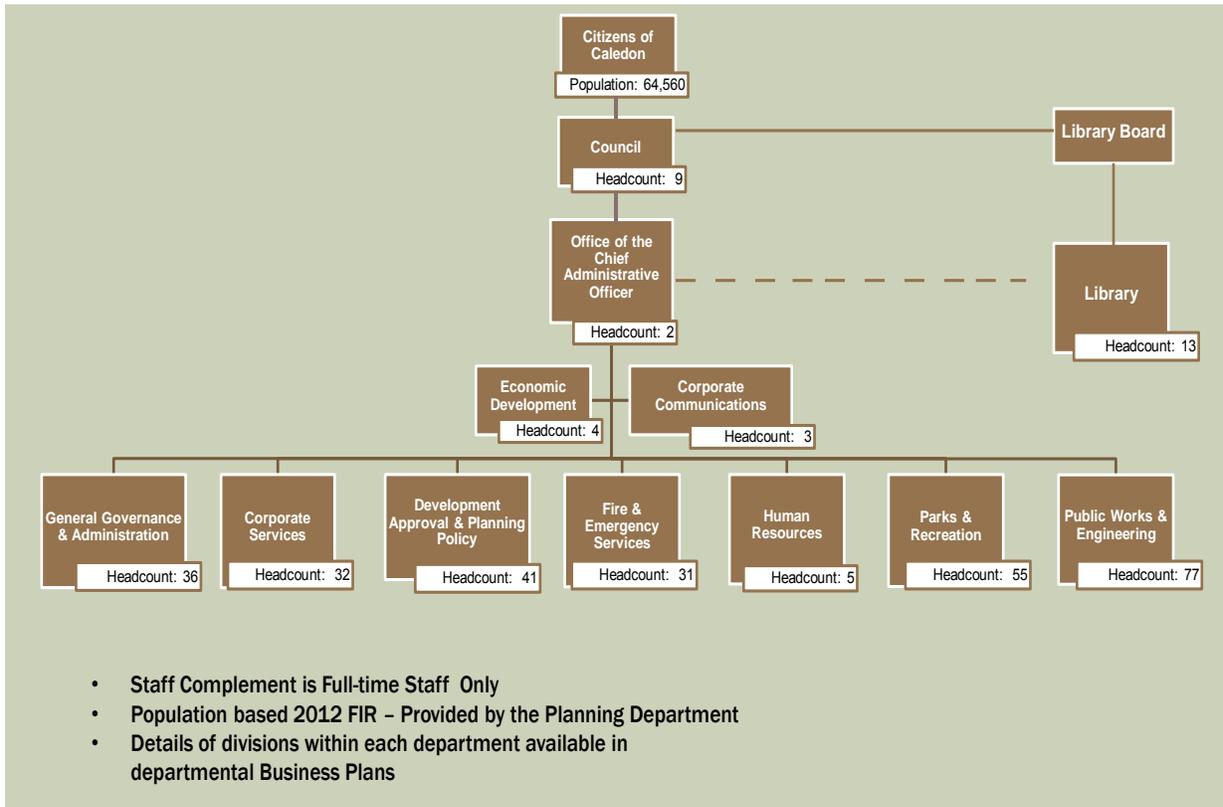
Growth within the Town also means higher demand for infrastructure (such as roads, recreational, fire & emergency, and library facilities) and services that the Town provides to the taxpayers of Caledon.

As noted previously, the Town of Caledon is one of the three lower-tier municipalities within the Region of Peel. The Region of Peel is responsible for services such as water/waste water, waste collection, health services, and social services. Services provided by the lower-tier municipalities within the Region of Peel, and specifically within the Town of Caledon, is outlined on the following pages.



The Town of Caledon is a diversified municipal government that provides a wide range of services to its citizens such as fire, recreation, library and planning. The following organizational chart outlines the major departments and divisions within the Town:

# TOWN OF CALEDON ORGANIZATIONAL CHART



\*2013 projected population based on 2011 Census data adjusted for under count and numbers provided Development Approval and Planning Policy data as at May 2013.

## **Office of the Chief Administrative Officer | Economic Development | Corporate Communications | General Governance and Administration**

As the liaison between Council and staff, the CAO and Clerk ensure Council directives are carried out. The CAO's office includes the Economic Development section which attracts and retains business and investment, and provides support to tourism, promotion and investment; and the Corporate Communications section which maintains internal and external communications standards.

General Governance and Administration department provides efficient and effective service delivery, while maintaining a high level of integrity and adhering to regulatory and statutory obligations. The department also provides the following services Animal Services, Customer Service, Legal Services, Legislative Services, and the Provincial Offences Court.

## **Corporate Services**

The department helps to shape the future of the community by providing corporate-based financial, procurement, risk management, capital project and property management, property tax & revenue, and information technology services and advice that enhances the current/long-term vision, goals and performance of Town Council, our customers, partners and other stakeholders.

## **Development Approval and Planning Policy**

The department helps to create a prosperous and liveable community that values its pasts, respects the environment and looks to the future by:

- Providing professional planning advice and legal support to Town Council regarding appropriate current and future land use planning and development of the Town.
- Representing the municipality and its interests regarding such land use planning to the public, the development industry and other government departments, agencies and levels.
- Administer and enforce the Building Code Act and the Ontario Building Code with respect to buildings as they relate to health and safety, fire protection, structural sufficiency, conservation, environmental integrity and barrier free accessibility while maintaining mandatory legislative requirements and providing an excellent level of service.
- Ensuring that the Town's development activities comply with provincial planning legislation and land use policies while working co-operatively with landowners to build communities that are safe, diverse and economically vibrant.
- Maintaining the Town's environmental leadership track record through a multitude of energy, climate change, sustainability and other "green" initiatives while staying abreast of new emerging issues and building capacity within the corporation and community to respond to these various opportunities and challenges.

## **Fire and Emergency Services**

The department provides a team of highly trained, caring professionals who lead a collaborative effort to provide the community with an efficient emergency and safety system dedicated to protecting and strengthening our community through education, prevention, and rapid intervention at emergencies.



The goal of the department is to provide effective, efficient, safe, professional and prompt fire protection services to the public. As one of the largest volunteer Fire Service in Ontario, this department prides itself on protecting life, property and the environment.

## **Human Resources**

The department guides, facilitates, advises, coaches and coordinates corporate wide efforts to provide innovative cost effective human resource services in support of the strategic goals to recruit, retain, develop and reward Town employees.

## Library Services

Caledon Public Library offers seven branches across Caledon to meet the informational and educational needs of residents and to promote lifelong learning, literacy and the love of reading.



The Caledon Public Library serves and benefits Caledon by

- Engaging the community
- Connecting people to information and inspiring creative works
- Partnering and collaborating
- Conducting business with transparency and fiscal accountability

## Parks and Recreation

The department strives to be a leader in the provision of Parks & Recreation services by providing opportunities and experiences for all ages and abilities resulting in a healthy Community. The department offers barrier-free, accessible structured and non-structured active living and leisure activities for all ages and abilities and oversees the design and maintenance of Town parks and sports fields. The department is also responsible for the design, construction and maintenance of Town trails and paths.



## Public Works and Engineering

The Public Works Department strives to be a recognized leader in the delivery of public services through diligent management of the Town's infrastructure (including roads, fleet, storm water management infrastructure, sidewalks and streetlights), by-laws, and through assuring the compliant construction of new buildings with the Town's jurisdiction.



## **2013 Financial Report**

The Town of Caledon is pleased to present its 2013 Financial Report and Consolidated Financial Statements, for the year ended December 31, 2013. This report has been prepared in accordance with the Municipal Act, 2001 and based on the reporting standards set by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants and best practices in financial reporting as recommended by the Government Finance Officers Association.

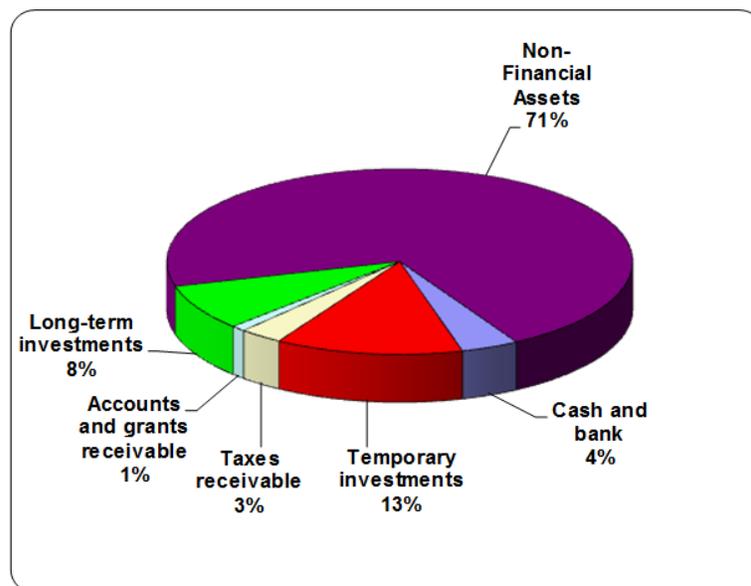
The 2013 Financial Report and Consolidated Financial Statements are the responsibility of Management of the Corporation of the Town of Caledon. The financial statements have been examined by Millard, Rouse and Rosebrugh, LLP Chartered Accountants, the external auditors for the Corporation. The responsibility of the external auditor is to express an opinion on whether the financial statements are fairly presented, in all material respects, in accordance with Canadian generally accepted accounting principles.

The Financial Highlights have been extracted from the Town's Audited Consolidated Financial Statements.

### **Balance Sheet**

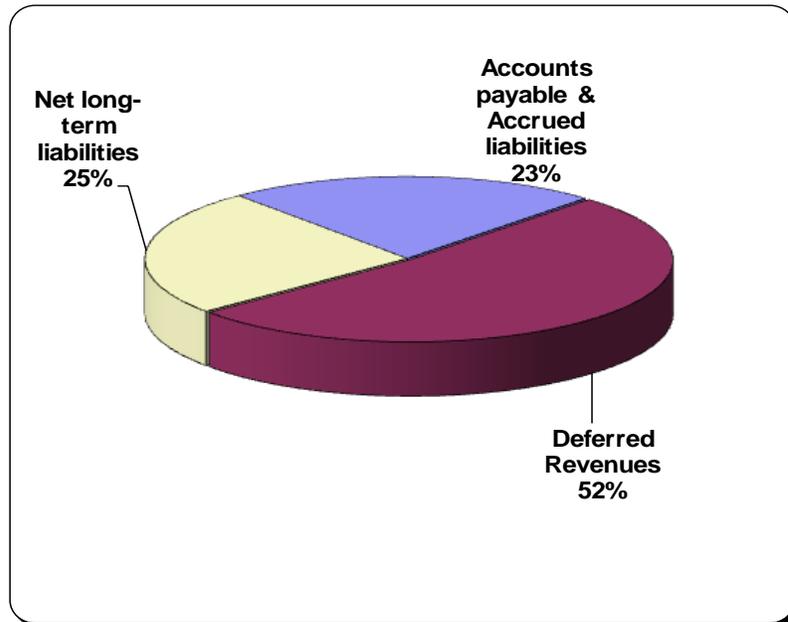
The following highlights outline the Balance Sheet as at December 31, 2013 (in thousands of dollars)

<b>What we own</b>	<b>\$ 000's</b>	<b>%</b>
Cash and bank	\$ 15,207	4
Temporary investments	48,278	13
Taxes receivable	10,402	3
Accounts and grants receivable	4,524	1
Long-term investments	28,854	8
Non-Financial Assets	272,154	71
	<b>\$ 379,420</b>	<b>100</b>



<b>What we owe</b>	<b>\$ 000's</b>	<b>%</b>
Accounts payable & Accrued liabilities	\$ 17,423	23
Deferred Revenues	39,065	52
Net long-term liabilities	18,765	25
	<u>\$ 75,253</u>	<u>100</u>

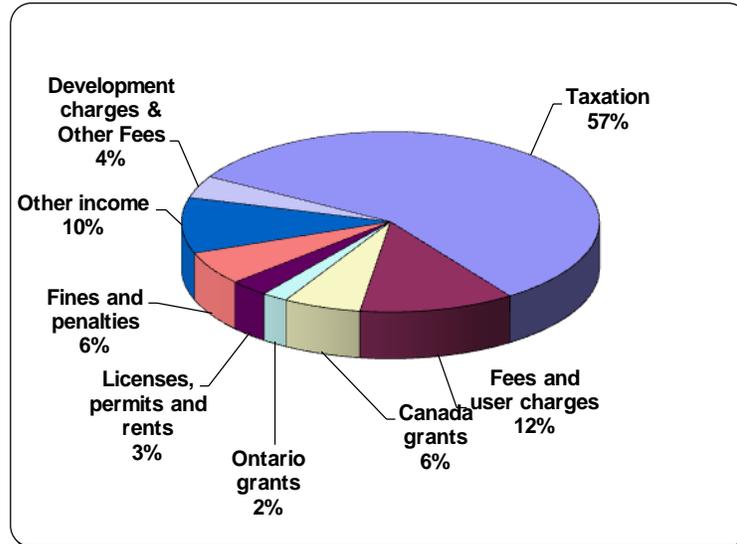
<b>Net worth</b>	<b>\$</b>	<b>%</b>
Accumulated operating surplus	\$ (3,215)	-1
Investment in Tangible Capital Assets	271,656	89
Reserves and Reserve Funds	35,726	12
	<u>\$ 304,167</u>	<u>100</u>
	<u>\$ 379,420</u>	



## Revenues and Expenses

The following highlights outline the Balance Sheet as at December 31, 2013 (in thousands of dollars)

<b>Where the money came from</b>	<b>\$ 000's</b>	<b>%</b>
Taxation	\$ 45,125	57
Fees and user charges	9,283	12
Canada grants	5,044	6
Ontario grants	1,205	2
Licenses, permits and rents	1,999	3
Fines and penalties	4,308	6
Other income	7,908	10
Development charges & Other Fees	3,121	4
	<b>\$ 77,993</b>	<b>100</b>

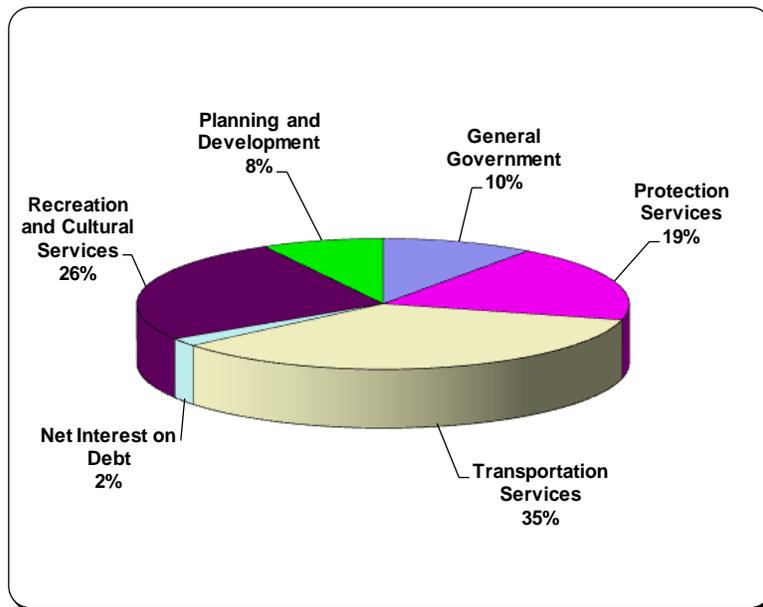


The Town's significant financial accounting policies are contained within the notes to the Town's financial statements. During the year, financial transactions and review/refinement of financial processes/policies are guided by provincial legislation, the Ontario *Municipal Act, 2001* and related regulations, that all municipalities in Ontario must comply with, Generally Accepted Accounting Principles (GAAP), and the following:

- the Town's Community Based Strategic Plan (CBSP) which includes specific goals on:
  - transparent, accountable and exceptional municipal management practices; and
  - improving and strengthening the Long-term Financial Health of the Town by managing Caledon with fiscal responsibility to ensure ongoing financial strength.

- the Caledon Long-term Strategic Financial Plan (CLTSFP), approved by Council, which provides broad financial guidance such as the establishment of revenues that attempt to cost recover the cost of services, where possible.
- Debt Management and Surplus Management policies

<b>What the money was used for</b>	<b>\$ 000's</b>	<b>%</b>
General Government	\$ 7,322	10
Protection Services	13,823	19
Transportation Services	26,076	35
Net Interest on Debt	1,259	2
Recreation and Cultural Services	19,244	26
Planning and Development	6,320	8
	<u>\$ 74,044</u>	<u>100</u>



In addition to the Management Discussion and Analysis and the Consolidated Financial Statements reported in previous years, the 2013 Financial Report contains supplementary financial, non-financial and statistical information about the Town in order to provide more information in a consolidated format to the Town's various stakeholders. The information included in this report is consistent with Goal 6 of the Town's Community Based Strategic Plan: providing transparent and accountable municipal management along with fiscal responsibility to ensure ongoing financial strength.

## 2013 MANAGEMENT DISCUSSION AND ANALYSIS

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In 2013, significant positive impacts to the Town's financials included:

- The 2013 statement of operations reflects a modest full accrual surplus
- The Town's tangible capital assets (TCA) increased by approximately \$15.7M in gross expenditures. However, the Town had several assets fully depreciated in 2013 which is reflected in the amortization expense for 2013 which has decreased from 2012 by \$1.7M.
- The deferred revenue line on the statement of financial position shows an increase of approximately \$15.8M which relates to additional development charges collected.
- The accounts receivable shows an overall increase of \$1.6M which is due to the additional billing related to the Pan Am capital project.
- The taxes receivable shows an overall decrease of \$0.6M which is a direct result of the Town continuing proactive collection on past due amounts and outstanding property taxes with measures available to staff.

### 2013 Financial Position of the Town

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The Town's total net assets (also referred to as accumulated surplus) increased by \$3.9M in 2013 as shown in the table below:

Account description	Change in 2013 Increase/(Decrease)
Financial Assets – eg. cash, receivables and investments	\$18.7M
Financial Liabilities – eg. Payables, deferred revenues and debt	\$12.6M
Non-Financial Assets – eg. Tangible Capital Assets	<u>(\$2.1M)</u>
2013 Change in Total Net Assets	\$4.0M

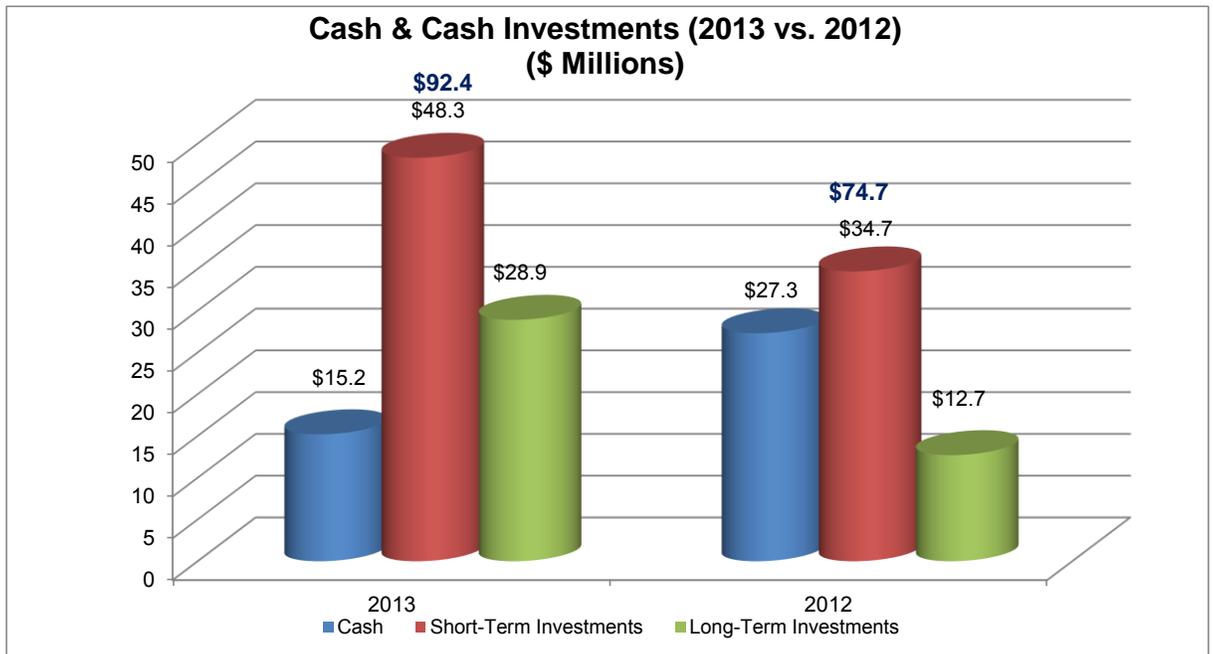
### Financial Assets

As at December 31 (\$ millions)	2013	2012
<b>Financial Assets</b>		
Cash and Bank	\$ 15.2	\$ 27.3
Temporary Investments	\$ 48.3	\$ 34.7
Taxes Receivable	\$ 10.4	\$ 11.0
Accounts Receivable and Grants Receivable	\$ 4.5	\$ 2.9
Long Term Investments	\$ 28.9	\$ 12.7
	<b>\$ 107.3</b>	<b>\$ 88.6</b>

**Financial Assets**

The \$18.7M increase in financial assets for the Town is mainly attributed to the following reasons:

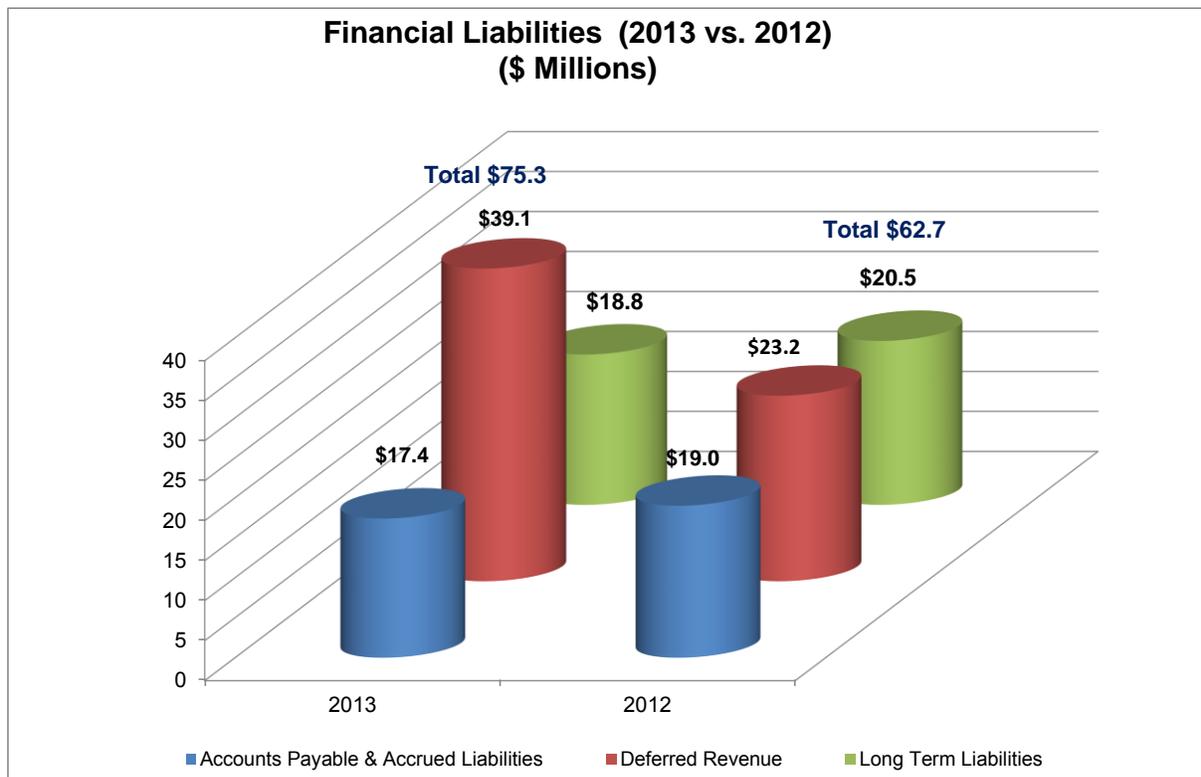
- \$13.M increase in short term investments by improved cash flows from better collection of tax arrears and additional development charges collected
- \$0.6M decrease in taxes receivable as the Town initiated a proactive property tax collection process. The new collection process allows for special payment program for taxpayers in arrears. The Town has started to sell properties in arrears greater than 3 years.
- \$1.6M increase in accounts receivable due to additional billing for third parties on the Pan Am construction project.
- \$16.2M increase in long term investments. The Town has initiated diversifying any additional cash flow available into short term and longer term investments for 3 and 5 years.
- \$12.1M decrease in cash in the bank is re-distributing available cash to either short term or long term investments.



**Financial Liabilities**

<b>As at December 31 (\$ millions)</b>	<b>2013</b>	<b>2012</b>
<b>Financial Liabilities</b>		
Accounts Payable and Accrued Liabilities	\$ 17.4	\$ 19.0
Deferred Revenue	\$ 39.1	\$ 23.2
Net Long Term Liabilities	\$ 18.8	\$ 20.5
	<b>\$ 75.3</b>	<b>\$ 62.7</b>

Overall, financial liabilities for the Town have increased by \$12.6M primarily due to a \$15.9M increase in deferred revenues from additional development charges received from building activity. The Town received some large applications for building permits in 2013. There was a decrease in accounts payable and accrued liabilities by \$1.6M which is attributed to fluctuations in accruals and commitments for 2013. The annual payment related to the Hydro debenture was made in 2013 for \$1.7M to reduce the principal payment on the Hydro debt.



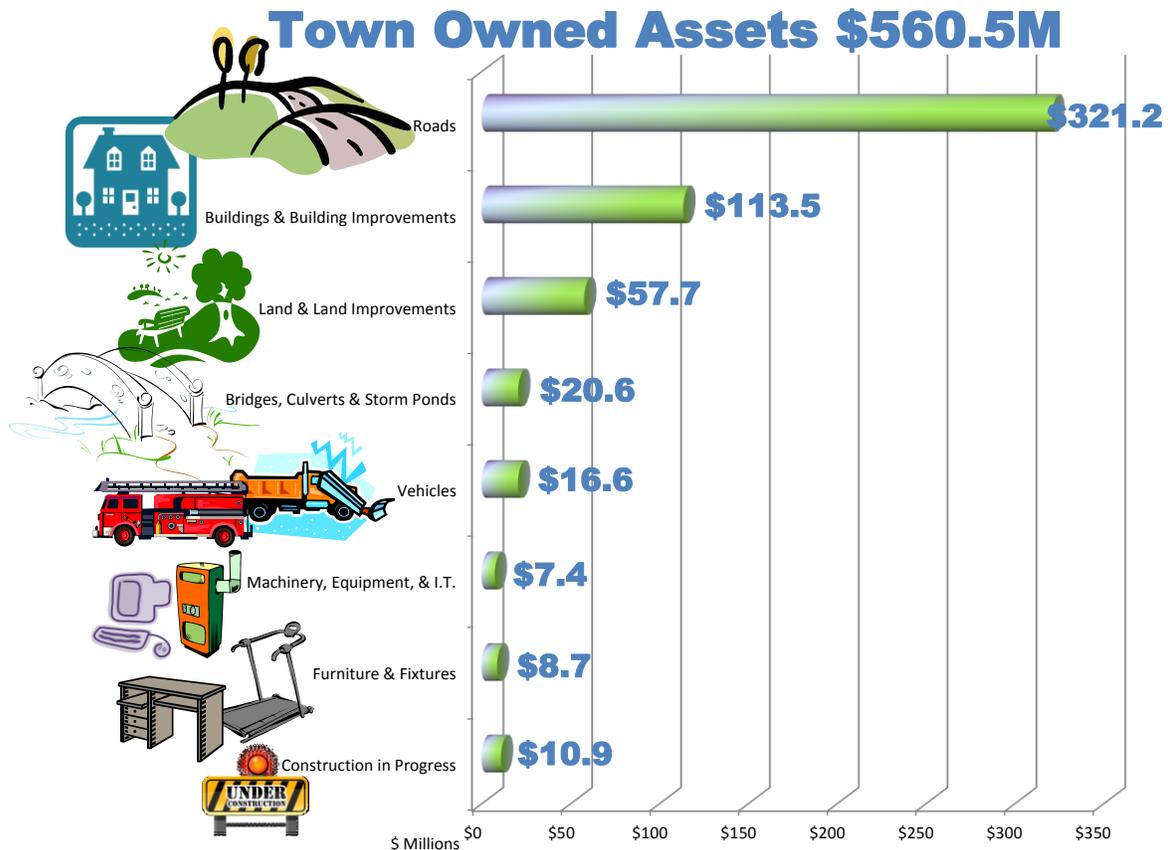
**Non-Financial Assets**

As at December 31 (\$ millions)	2013	2012
<b>Non-Financial Assets</b>		
Tangible Capital Assets - Net	\$ 271.7	273.9
Inventory of Supplies	\$ 0.2	0.2
Prepaid Expenses	\$ 0.3	0.2
	<b>\$ 272.2</b>	<b>274.3</b>

In 2013, there was a decrease of \$2.1M in the non-financial assets. Despite an investment of approximately \$15.7M (gross capital expenditures before disposals of \$1.0M) in tangible capital assets in 2013 the net book value decreased by \$2.1M. In 2013 a large portion of Town assets were fully amortized which resulted in a decrease in amortization expense from \$19.5M in 2012 to \$17.8M in 2013. The balance of the change in non-financial asset is an increase of \$0.1M in inventories and prepaid expenses.

As shown in the following chart, the historical cost of the Town’s assets has increased from \$544.4M in 2012 to \$560.5M at the end of 2013.

**The chart below is the current value of 2013 assets:**

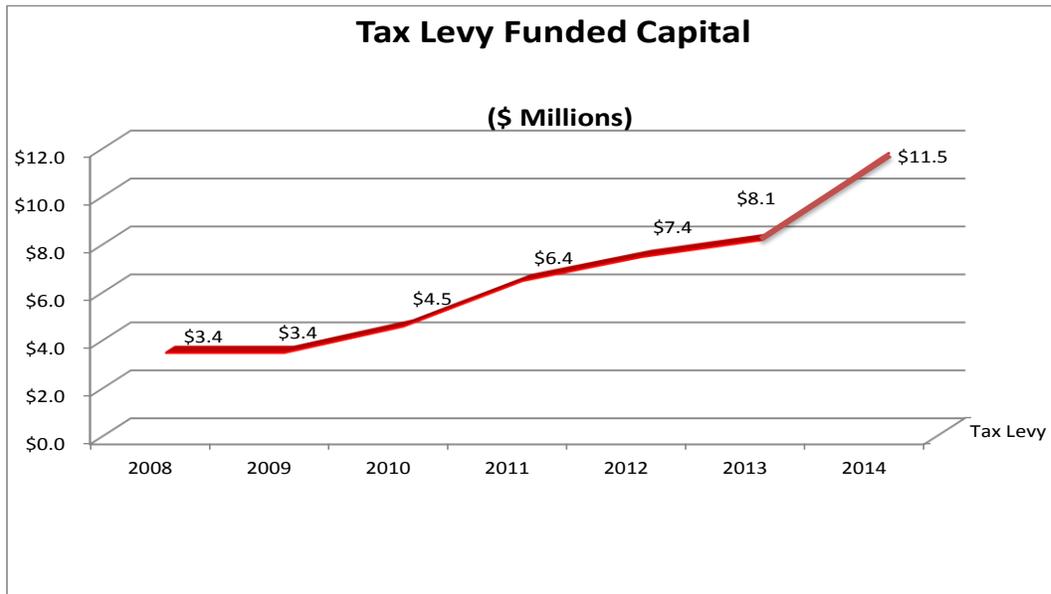


In 2013, annual amortization related to the Town’s tangible capital assets decreased by \$1.7M from \$19.5M in 2012 to \$17.8M in 2013. The decrease in amortization is largely due to a number of Town assets that are now fully amortized and disposal of \$0.4M from assets in buildings, IT equipment and vehicles.

### MAJOR PROJECTS CAPITALIZED IN 2013

OPP - Headquarters	\$9.0M
Johnston Sports Park	\$1.6M
Fleet Replacement	\$1.5M
Roads 2013 Reconstruction & Rehabilitation	\$2.3M

The Town’s sustainable funding source for capital does not fully offset projected amortization expenses of approximately \$17.8M per year. With amortization providing an indication of how much should be set aside/spent each year to repair and replace the Town’s assets, the Town needs to build-up sustainable funding for capital. In recent years, the Town has actively worked to reduce the infrastructure funding shortfall by levying more property tax dollars for capital purposes. To illustrate the Town’s commitment to funding the Town’s infrastructure gap, the chart below outlines the Town’s base tax levy contributions to capital over the past six years (2009 to 2013) and also includes the 2014 tax levy funded capital approved in the 2014 budget.



#### Accumulated Surplus

As at December 31	2013	2012
Accumulated Surplus - End of Year	\$ 304,164,014	\$ 300,214,556

To complete the discussion on the Town’s financial position, the Town’s accumulated surplus at the end of December 31, 2013, increased by \$4.0M (from \$300.2M in 2012 to \$304.2M in 2013). The change is due to the 2013 full accrual accounting surplus, discussed in the next section.

## 2013 OPERATIONS AND FULL ACCRUAL ACCOUNTING SURPLUS

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The Town of Caledon reported revenues and expenses on the full accrual basis of accounting starting in 2009. The budgets for the Town are prepared on the funding basis of accounting where revenues equal expenditures for budget/planning purposes. On the fund basis of accounting, the Town ended 2013 with a surplus of \$1.1M due primarily to interest revenue from investments and additional supplementary tax revenue due to growth. In 2013 the Fees and User Charges showed fluctuations as compared to budget in particular in the Planning and Development area. This is due to several subdivision application plans that did not come in 2013 however, are expected to materialize in 2014.

In 2013, additional Federal Grants related to TO2015 Pan Am Equestrian Park and the Federal gas tax was used to fund capital projects such as Roads and Rehabilitation.

When reporting the Town operations on the full accrual basis of accounting, adjustments are made to fund accounting numbers as treatment of revenues and expenses differ between the two accounting methods. For example, prior to 2009 there was no requirement to list tangible capital assets on the Town's statement of financial position (or "balance sheet"). Accordingly, municipalities did not have amortization (or "depreciation") expenses listed in financial statements prior to 2009. Instead, the Town, as all Ontario municipalities at the time, expensed TCA additions with revenues related to capital project additions shown to fully offset the capital expenditures. Under the full accrual method of accounting, the TCA additions are now capitalized on the Town's balance sheet and amortization expenses are listed on the statement of operations, similar to private sector financial statements.

Amortization has become one of the largest expenses for many municipalities due to the value of municipal tangible capital assets including roads, bridges, recreational facilities, fire stations, fire and public works vehicles.

The Town has a long-term plan of increasing tax funded capital to reduce the gap between sustainable tax funded capital and TCA amortization. However, by meeting this gap it only covers the historical cost of the asset and not the replacement cost.

Also as outlined in previous sections, the Town has continued with its plan for sustainable capital funding by increasing the tax-levy funded capital by almost 238% since 2009 (from \$3.4M in 2009 to \$11.5M in 2014).

The following is the adjustment from the Town's fund accounting surplus of \$1.1M to the full accrual surplus of \$4.0M. Below is the full accrual budgeted surplus of \$6.0M deficit:

	<u>\$ Millions</u>	
<b>2013 Proposed Budget - Fund Accounting</b>		
Proposed 2013 Operating Budget Revenues	\$67.4	
Proposed 2013 Operating Budget Expenses	<u>(\$67.4)</u>	
2012 Operating Budget Surplus/(Shortfall) - Fund Accounting		\$0.0
Projected 2013 Tangible Capital Asset Amortization	(\$22.9)	
2013 Proposed Budget Tax Levy Funded Capital Program	\$8.0	
2013 Capital Budget Items not considered TCA	(\$1.3)	
2013 Proposed Budget Transfer from Reserves considered		
Deferred Revenues & Other external Funding (e.g. grants)	<u>\$6.0</u>	
		<u>(\$10.2)</u>
<b>Revised shortfall after accounting for TCA</b>		(\$10.2)
<b>Other Full Accrual Adjustments</b>		
Net 2013 Budget Transfers to Reserves not considered as		
Expenses	\$3.3	
Accounting for Net Interest on Debt	<u>\$0.9</u>	
		<u>\$4.2</u>
<b>Estimated Impact on the ending 2013 Accumulated Surplus</b>		<u>(\$6.0)</u>

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## MUNICIPAL DEBT

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The Town currently has external debt, issued through the Region of Peel, related to:

1. The purchase of hydro assets outside the former Village of Bolton from Ontario Hydro.
2. The completion of the Bolton Arterial Route – Phase 3 on Coleraine Drive.
3. The 2011 Fire Aerial Apparatus purchase.

### **Hydro Debenture (1999)**

Semi-annual payments of principal and interest for the Hydro debenture are funded from a Debt Retirement Fund, held at the Region of Peel, which was established after the Town subsequently sold the hydro distribution assets to Hydro One. When the Debt Retirement fund was established, projections on the initial investment and interest to be earned indicated that the Debt Retirement Fund would have sufficient funds to meet the semi-annual interest payments and annual principal payments to maturity, December 2019. Due to past and current economic conditions, projections on interest income for the Debt Retirement Fund have been revised downwards in recent years and there is a projected shortfall between the Debt Retirement Fund and the Town's future debt payments (towards the end of 2016). The Town of Caledon plans to use an existing internal reserve fund that has accumulated sufficient funds to cover the projected 2016-2019 shortfall of approximately \$8.4M in the Debt Retirement Fund.

### **Bolton Arterial Route Debenture (2010)**

This external debenture was issued in 2010 for the completion of the Bolton Arterial Route (BAR) on Coleraine Drive. The thirty-year, \$5.4M debenture issued is known as a "sinker", where interest payments are made semi-annually and the full amount of the \$5.4M principal is due at the end of 30 years. The sinking fund is held and managed by the Region of Peel, for the purposes of extinguishing the debt at maturity. The annual sinking fund contributions and the interest income to be earned on the investments of the sinking fund over 30 years are projected to fully cover the principal payment due at maturity.

### **Fire Aerial Apparatus (2011)**

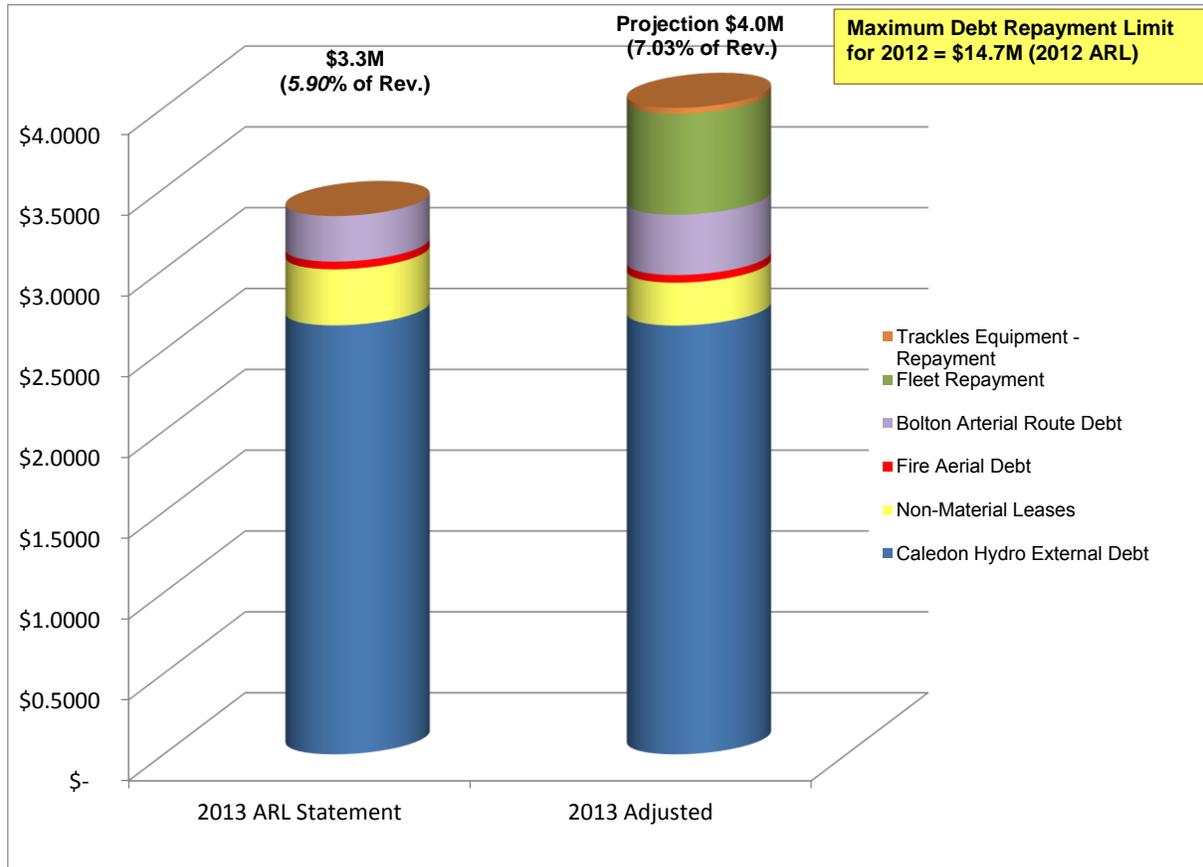
In 2011, Council approved additional external debt to be issued, through the Region of Peel, for the purchase of a Fire Aerial truck. The ten-year, \$0.6M debenture issued in 2011 is also a "sinker", described above where interest payments are made semi-annually and the full amount of the \$0.6M principal is due at the end of 10 years. The sinking fund is held and managed by the Region of Peel, for the purposes of extinguishing the debt at maturity. The annual sinking fund contributions and the interest income to be earned on the investments of the sinking fund over 10 years are projected to fully cover the principal payment due at maturity.

### Annual Repayment Limit (ARL)

The Town of Caledon currently has external debt, issued by the upper-tier municipality, the Region of Peel related to capital infrastructure. Provincial limits on municipal debt are set based on a maximum percentage of revenues that may be used to service the debt costs (e.g. interest and principal payments) on an annual basis.

In the Province of Ontario, municipalities have the authorization to incur long-term debt for municipal infrastructure as long as annual debt repayments do not exceed 25% of net revenues. The Province provides an annual statement for municipalities known as the Annual Repayment Limit statement, outlining the revenue and debt servicing calculations. The Town of Caledon’s 2012 Annual Repayment Limit statement from the Province states that the Town is utilizing 5.90% of net revenues to service debt.

The Town of Caledon’s debt servicing costs, as a percentage of new revenues, are projected not to exceed the provincial annual repayment limit of 25%. As a Town approved internal policy, the Town may issue long-term debt to a maximum projected debt servicing charges (principal and interest payments) of 10% of net revenues. The Town is also not projected to exceed the 10% of net revenue limit.

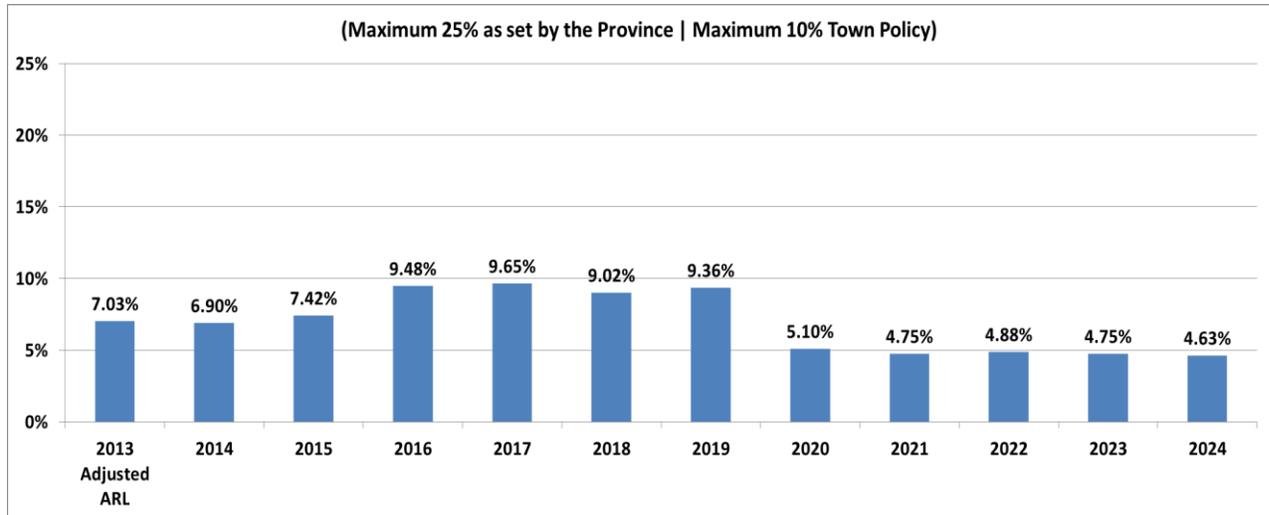


At \$3.3M, the Town will be utilizing 5.90% of revenues to service debt. This would leave a maximum repayment limit balance available of 19.10% (=25% - 5.90%) or a maximum of approximately \$11.4M of remaining revenues to service debt. Currently, the majority of debt servicing costs relate to the Town of Caledon’s \$29M debenture for the purchase of Caledon Hydro. Caledon Hydro was subsequently sold in 2000 and a debt retirement fund was established to offset the debt servicing costs to debt maturity, 2019.

In 2012, Council approved a capital project for the replacement of 34 vehicles and equipment. The annual debenture payments were estimated at \$640,000 annually for a five year term (2013 to 2017), which is included in the 2013 operating budget.

In 2013, Council approved a new two year capital project for the Caledon East Concrete Road Replacement in the amount of \$1.34M which includes debt of \$0.67M.

The projected 2014 capital budget has a request for \$4.1M for debt to fund an enhancement reconstruction and rehabilitation of roads project. This is part of addressing the roads infrastructure deficit that has accumulated over the years.



The above chart shows an adjusted ARL and includes updates/assumptions such as:

- Revised photocopier lease costs;
- Maturity of the Caledon Hydro Debenture in 2019
- Future debentures assumed:

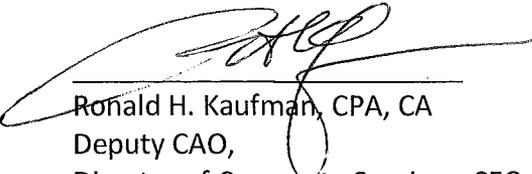
Budget Year	Description of debenture	Year debt payment starts
2012	Fleet Repayment \$0.6M	2013
2013	(7) Trackless Sidewalk Plow and Sanding Units	2013
2013	Caledon Equestrian Park (Town's \$1.7M investment to be funded via a Non-Tax Supported debenture following construction 2014)	2015
2014	Caledon East Concrete Road \$0.67M	2015
2014	Reconstruction and Rehabilitation Roads Project (Enhanced) \$4.1M (For 5 Years)	2015-2019
2015	Mayfield West Recreation Facility (DC Debenture \$24.0M less amount in reserve fund for \$6.0M = \$18.0M)	2016
2020	Animal Shelter Facility \$0.4M	2021

Assessment growth revenue projections for 2014 to 2022 based on the same assumptions used in the 2014 budget

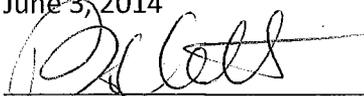
## CONCLUSION

Overall, the Town has maintained its stable financial shape. The Town has positive cash flows from operations to cover all activities with the exception of capital activities. To address this issue, the Town continues to update the long-term plan to increase funding to the capital program each year to address the infrastructure gap and continue to support all the budget requirements. The Town's statement of financial position shows that the Town's financial assets are adequate to cover the Town's financial liabilities. The Town has a plan in place to fund the projected 2016-2019 investment shortfall in the Hydro Debt Retirement Fund via Town's internal Hydro reserve funds. The Town's projected debt servicing cost at 5.9% of net revenues is well within the maximum 25% set by the province and the 10% maximum set by the Town of Caledon Council policy.

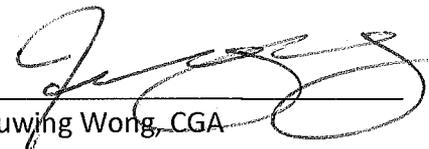
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Ronald H. Kaufman, CPA, CA  
Deputy CAO,  
Director of Corporate Services, CFO  
June 3, 2014



Peggy Tollett, CGA  
Deputy-Treasurer  
June 3, 2014



Fuwing Wong, CGA  
Treasurer  
June 3, 2014

TOWN OF CALEDON

# Financial Section





Albion, 1840

Alton, 1820

Belfountain, 1825

Bolton, 1823

Caledon East, 1821

Caledon Village, 1826

Campbell's Cross, c. 1820

Cataract, 1858

Cheltenham, 1827

Claude, c. 1832

Inglewood, 1883

Mayfield West, 2006

Melville, 1831

Mono Road, 1871

Mono Mills, 1819

Palgrave, 1846

Sandhill, 1839

Terra Cotta, 1855

Tullamore, c. 1820

Victoria, c. 1850

Wildfield, 1833

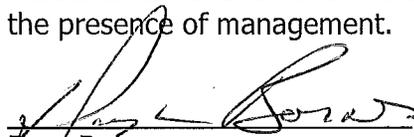
## Management Report

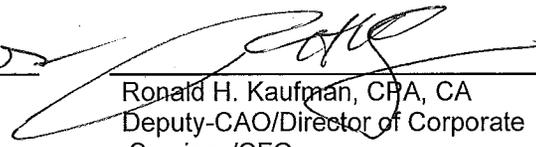
The accompanying financial statements are the responsibility of the management of the Corporation of the Town of Caledon. In management's opinion, these financial statements have been prepared in accordance with Canadian generally accepted accounting principles. Management has selected accounting principles and methods that are appropriate for the Corporation's circumstances. Financial statements are not precise since they include certain amounts based on estimates and judgments. Management has determined such amounts on a reasonable basis in order to ensure that the financial statements and any other supplementary information presented are consistent with that in the financial statements.

The Corporation maintains systems of internal accounting and administrative controls that are designed to provide reasonable assurance that the financial information is relevant, reliable, and accurate, that transactions are properly authorized and that the Corporation's assets are properly accounted for and adequately safeguarded.

The financial statements have been examined by Millard, Rouse and Rosebrugh, LLP, Chartered Accountants, the external auditors for the Corporation. The responsibility of the external auditor is to express an opinion on whether the financial statements are fairly presented, in all materials respects, in accordance with Canadian generally accepted accounting principles.

Town Council, through the Audit Committee, is responsible for ensuring that management fulfills its responsibility for financial reporting and internal control. The Audit Committee meets periodically with management, as well as with the external auditors to satisfy itself that each party is properly discharging its responsibilities with respect to internal controls and financial reporting. The Audit Committee also reviews the financial statements and recommends their approval to Town Council. Millard, Rouse and Rosebrugh, LLP, Chartered Accountants have full and free access to the Audit Committee, with or without the presence of management.

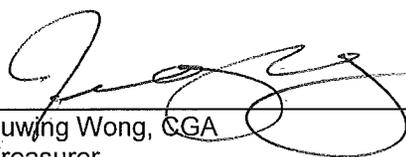
  
Doug Barnes  
Chief Administrative Officer  
June 3, 2014

  
Ronald H. Kaufman, CPA, CA  
Deputy-CAO/Director of Corporate  
Services/CFO  
June 3, 2014

## Corporate Services

6311 Old Church Road  
Caledon, ON L7C 1J6  
www.caledon.ca

T. 905.584.2272  
1.888.225.3366  
F. 905.584.4325

  
Fuwing Wong, CGA  
Treasurer  
June 3, 2014

  
Peggy Tollett, CGA  
Deputy-Treasurer  
June 3, 2014

## INDEPENDENT AUDITORS' REPORT

### To the Members of Council, Inhabitants and Ratepayers of The Corporation of the Town of Caledon

We have audited the accompanying consolidated financial statements of The Corporation of the Town of Caledon which comprise the consolidated statement of financial position as at December 31, 2013, and the consolidated statements of operations and accumulated surplus, changes in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

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

#### **Auditors' Responsibility**

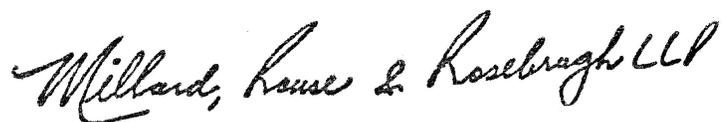
Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain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

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

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

#### **Opinion**

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of The Corporation of the Town of Caledon as at December 31, 2013, and the results of its operations, its changes in net assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.



May 12, 2014

CHARTERED ACCOUNTANTS  
Licensed Public Accountants

**THE CORPORATION OF THE TOWN OF CALEDON**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

As at December 31	2013	2012
<b>Financial Assets</b>		
Cash and bank (Note 2)	15,206,635	27,278,128
Temporary investments (Note 3)	48,277,806	34,719,760
Taxes receivable (Note 4)	10,401,613	11,040,251
Accounts and grants receivable (Note 5)	4,523,626	2,868,176
Long-term investments (Note 6)	28,854,126	12,715,100
	<u>107,263,806</u>	<u>88,621,415</u>
<b>Financial Liabilities</b>		
Accounts payable and accrued liabilities	17,423,254	19,007,621
Deferred revenue (Note 7)	39,065,206	23,235,628
Net long-term liabilities (Note 8)	18,765,365	20,459,365
	<u>75,253,825</u>	<u>62,702,614</u>
<b>Net Financial Assets</b>	32,009,981	25,918,801
<b>Non-Financial Assets</b>		
Tangible capital assets - net	271,655,687	273,894,853
Inventories of supplies	195,590	245,845
Prepaid expenses	302,756	155,057
	<u>272,154,033</u>	<u>274,295,755</u>
<b>Total Net Assets</b>	304,164,014	300,214,556
<b>Accumulated Surplus - End of Year</b> (Note 9)	304,164,014	300,214,556

*See accompanying notes*

# THE CORPORATION OF THE TOWN OF CALEDON

## CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS

<b>For the year ended December 31</b>	<b>2013 Budget</b>	<b>2013 Actual</b>	<b>2012 Actual</b>
<b>Revenue</b>			
Taxation	44,970,061	45,125,535	40,568,240
Fees and user charges (Note 13)	10,916,810	9,282,612	9,999,278
Canada grants	40,200	5,044,194	3,707,309
Ontario grants	1,222,700	1,205,319	1,825,211
Licenses, permits and rents	2,033,229	1,998,809	1,886,418
Fines, penalties and interest on taxes	4,368,351	4,307,797	4,859,597
Other income (Note 14)	1,284,734	7,907,868	9,414,159
Development charges and other fees	14,550	3,121,658	2,461,735
	<b>64,850,635</b>	<b>77,993,792</b>	<b>74,721,947</b>
<b>Expenses</b>			
General government	6,043,851	7,322,504	7,112,784
Protection services	13,457,113	13,822,735	13,495,243
Transportation services	24,671,501	25,394,374	25,987,977
Environmental services	778,275	682,177	134,015
Social and family services	72,150	48,686	41,392
Recreation and cultural services	18,735,459	19,195,002	18,357,310
Planning and development	5,833,701	6,320,270	5,156,184
Interest on corporate debt	1,258,585	1,258,586	1,362,727
	<b>70,850,635</b>	<b>74,044,334</b>	<b>71,647,632</b>
<b>Annual Surplus/(Deficit) from Operations</b>	<b>(6,000,000)</b>	<b>3,949,458</b>	<b>3,074,315</b>
<b>Accumulated Surplus - Beginning of Year</b>	<b>300,214,556</b>	<b>300,214,556</b>	<b>297,140,241</b>
<b>Accumulated Surplus - End of Year (Note 9)</b>	<b>294,214,556</b>	<b>304,164,014</b>	<b>300,214,556</b>

See accompanying notes

**THE CORPORATION OF THE TOWN OF CALEDON**  
**CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS**

<b>For the year ended December 31</b>	<b>2013 Budget</b>	<b>2013 Actual</b>	<b>2012 Actual</b>
<b>Annual Surplus from Operations</b>	(6,000,000)	3,949,458	3,074,315
Amortization of tangible capital assets	22,500,000	17,739,846	19,517,787
Acquisition of tangible capital assets (net of transferred CIP)	(21,715,608)	(15,698,828)	(18,133,846)
(Gain)/Loss on disposal of tangible capital assets	-	(303,267)	37,882
Proceeds on disposal of tangible capital assets	-	501,415	96,201
Other	-	(97,444)	395,286
<b>Increase/(Decrease) in Net Financial Assets</b>	(5,215,608)	6,091,180	4,987,625
<b>Net Financial Assets - Beginning of Year</b>	25,918,801	25,918,801	20,931,176
<b>Net Financial Assets - End of Year</b>	20,703,193	32,009,981	25,918,801

**THE CORPORATION OF THE TOWN OF CALEDON**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**

<b>For the year ended December 31</b>	<b>2013</b>	<b>2012</b>
<b>Cash Provided By (Used In)</b>		
<b>Operating Activities</b>		
Annual Surplus from operations	3,949,458	3,074,315
Items not involving cash		
Amortization of tangible capital assets	17,739,846	19,517,787
Loss/(Gain) on disposal of tangible capital assets	(303,267)	37,882
Long-term bond premium amortization	40,694	58,124
	<u>21,426,731</u>	<u>22,688,108</u>
Changes in non-cash working capital items (Note 11)	13,130,955	8,735,240
<b>Capital Activities</b>		
Acquisition of tangible capital assets (net of transferred CIP)	(15,698,828)	(18,133,846)
Proceeds on disposal of tangible capital assets	501,415	96,201
	<u>(15,197,413)</u>	<u>(18,037,645)</u>
<b>Investing Activities</b>		
Net (purchase)/redemption of investments	(29,737,766)	(13,337,510)
<b>Financing Activities</b>		
Repayment of long-term liabilities and sinking fund contributions	(1,694,000)	(1,590,000)
<b>Net Change in Cash and Cash Equivalents</b>	<b>(12,071,493)</b>	<b>(1,541,807)</b>
<b>Cash and Cash Equivalents - Beginning of Year</b>	<b>27,278,128</b>	<b>28,819,935</b>
<b>Cash and Cash Equivalents - End of Year</b>	<b>15,206,635</b>	<b>27,278,128</b>
<b>Cash and Cash Equivalents are Comprised of:</b>		
Cash and bank (unrestricted)	9,459,789	19,911,971
Cash and bank (restricted)	5,746,846	7,366,157
	<u>15,206,635</u>	<u>27,278,128</u>

*See accompanying notes*

**THE CORPORATION OF THE TOWN OF CALEDON**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**For the year ended December 31, 2013**

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The Corporation of the Town of Caledon 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. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

---

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

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the period. 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. Actual results could differ from these estimates. Significant aspects of the accounting policies adopted by the Town are as follows:

**(a) Reporting Entities**

- (i) The consolidated financial statements reflect the assets, liabilities, revenues, expenses and fund balances of the reporting entity. The reporting entity is composed of all organizations, committees and local boards accountable for the administration of their financial affairs and resources to the Town and which are owned or controlled by the Town. These consolidated financial statements include:

Town of Caledon Library Board  
Town of Caledon Business Improvement Area  
Town of Caledon Provincial Offences Office

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

**Reporting Entities**

**(ii) Non-Consolidated Entities**

The following local boards, joint local boards, municipal enterprises and utilities are not consolidated:

The Regional Municipality of Peel  
The Peel District School Board  
The Dufferin-Peel Catholic District School Board  
Conseil Scolaire de District du Centre-Sud Ouest  
Conseil Scolaire de District Catholique Centre-Sud

**THE CORPORATION OF THE TOWN OF CALEDON**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**For the year ended December 31, 2013**

---

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

---

**(b) Basis of Accounting**

**(i) Accrual Basis of Accounting**

Expenses and related sources of financing are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues in the period in which transactions or events occurred that gave rise to the revenues; expenses are recognized in the period the goods and services are acquired and a liability is incurred or transfers are due.

**(ii) Financial Instruments**

Financial instruments consist of cash and bank, temporary investments, taxes receivable, accounts and grants receivable, long-term investments, accounts payable and accrued liabilities and net long-term liabilities. Unless otherwise noted, it is management's opinion that the municipality is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values, unless otherwise noted.

**(iii) Cash and Cash Equivalents**

Cash and cash equivalents consist of cash and bank and funds held at the Region of Peel.

**(iv) Temporary Investments**

Temporary investments are recorded at the lower of cost and market value.

**(v) Inventory Held for Resale**

Inventory of goods held for resale is recorded at the lower of cost and net realizable value. Cost is determined on the average cost basis.

**THE CORPORATION OF THE TOWN OF CALEDON**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**For the year ended December 31, 2013**

---

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

---

**(b) Basis of Accounting (Continued)**

**(vi) Non-Financial Assets, Tangible Capital Assets**

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year, and are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year, together with the excess of revenues over expenses, provides the Change in Net Financial Assets for the year.

Tangible Capital Assets

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

Land	No amortization		
Land improvements	15-20 years	Information technology	3-5 years
Buildings	40 years	Roads	7-35 years
Building improvements	40 years	Machinery and equipment	5-15 years
Vehicles	5-20 years	Bridges, culverts and storm ponds	20-50 years
Furniture and fixtures	5-20 years		

Contribution of Tangible Capital Assets

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt, and that fair value is also recorded as revenue. Similarly, transfers of assets to third parties are recorded as an expense equal to the net book value of the asset as of the date of transfer.

**(vii) Long-Term Investments**

Long-term investments are recorded at cost. When there has been a loss in value of an investment that is other than a temporary decline, the investment is written down to recognize the loss.

**(viii) Reserves and Reserve Funds**

Certain amounts, as approved by Town Council, are set aside in reserves and reserve funds for future operating and capital purposes. Transfers to/from reserves and reserve funds are an adjustment to the respective funds when approved.

**(ix) Deferred Revenue - Unearned User Charges and Fees**

Deferred revenue represents user charges and fees which have been collected but for which the related services have not yet been performed. These receipts will be recognized as revenues in the fiscal year the services are performed.

**THE CORPORATION OF THE TOWN OF CALEDON**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**For the year ended December 31, 2013**

---

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

---

**(b) Basis of Accounting (Continued)**

**(x) Deferred Revenue - Obligatory Reserve Funds**

Revenues restricted by legislation, regulation or agreement and not available for general municipal purposes are reported as deferred revenue on the consolidated statement of financial position. The revenue is reported on the consolidated statement of operations in the year in which it is used for the specified purpose.

**(xi) Taxation and Related Revenues**

Property tax billings are prepared by the Town based on assessment rolls issued by the Municipal Property Assessment Corporation. Tax rates are established annually by Town Council, incorporating amounts to be raised for local services. 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 supplementary tax billings. Taxation revenues are recorded at the time tax billings are issued. Assessments and the related property taxes are subject to appeal. Tax adjustments as a result of appeals are recorded when the results of the appeal process are 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.

**(xii) Investment Income**

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

**(xiii) Government Transfers**

Government transfers 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.

**(xiv) Region and School Boards**

The municipality collects taxation revenue on behalf of the Regional Municipality of Peel and the school boards. The taxation, other revenues, expenses, assets and liabilities with respect to the operations of the Regional Municipality of Peel and the school boards are not reflected in these financial statements.

**THE CORPORATION OF THE TOWN OF CALEDON**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
For the year ended December 31, 2013

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(b) Basis of Accounting (Continued)**

**(xv) Trust Funds**

Funds held in trust by the municipality, and their related operations, are not included in these financial statements. The financial activity and position of the trust funds are reported separately on the trust funds statement of continuity and balance sheet.

**(xvi) Pension Plan**

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

**2. CASH AND BANK**

	<b>2013</b>	<b>2012</b>
Unrestricted	9,459,789	19,911,971
Restricted - debt retirement fund	5,746,846	7,366,157
	<b>15,206,635</b>	<b>27,278,128</b>

Restricted cash is held by the Region of Peel in the Town's Debt Retirement Fund for the purpose of providing periodic repayments of debt issued on behalf of the Town.

**3. TEMPORARY INVESTMENTS**

	<b>2013</b>	<b>2012</b>
Short-term interest bearing investments	43,799,945	29,727,723
Short-term Provincial Government bond	1,971,014	2,306,103
Restricted - debt retirement fund investments	2,506,847	2,685,934
	<b>48,277,806</b>	<b>34,719,760</b>

Temporary investments have interest rates ranging from 0.05% to 5.875% and a market value of \$48,538,302 (2012 - \$34,669,251) at the end of the year.

During the year, amortization in the amount of \$47,957 (2012 - \$34,582) was taken on the premium paid on the short-term provincial government bond.

The Town's Debt Retirement Fund investments held by the Region of Peel are restricted for the purpose of providing periodic repayments of debt issued on behalf of the Town.

**THE CORPORATION OF THE TOWN OF CALEDON**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
For the year ended December 31, 2013

**4. TAXES RECEIVABLE**

	<b>2013</b>	<b>2012</b>
Taxes receivable	11,062,438	11,701,076
Allowance for doubtful accounts	(660,825)	(660,825)
	<b>10,401,613</b>	<b>11,040,251</b>

**5. ACCOUNTS AND GRANTS RECEIVABLE**

	<b>2013</b>	<b>2012</b>
Accounts receivable	818,911	823,506
Grants receivable - Federal	3,689,315	2,030,657
Grants receivable - Provincial	15,400	14,013
	<b>4,523,626</b>	<b>2,868,176</b>

**6. LONG-TERM INVESTMENTS**

	<b>2013</b>	<b>2012</b>
Medium-term Provincial Government bond	-	2,123,100
Long-term Government of Canada bond	2,129,000	2,129,000
Long-term Provincial Government bonds	26,464,809	8,030,460
Restricted - sinking fund	260,317	125,009
Restricted - debt retirement fund investments	-	307,531
	<b>28,854,126</b>	<b>12,715,100</b>

The long-term investments have interest rates ranging from 4.25% to 4.70% and maturity dates from March 2015 to June 2019. The market value of the long-term investments is \$28,659,764 (2012 - \$13,607,320).

During the year, amortization in the amount of \$40,694 (2012 - \$58,124) was taken on premiums paid on the long-term investments.

The Town's long-term Debt Retirement Fund investments held by the Region of Peel are restricted for the purpose of providing repayments of debt issued on behalf of the Town.

**THE CORPORATION OF THE TOWN OF CALEDON**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the year ended December 31, 2013

**7. DEFERRED REVENUE**

	Balance at December 31 2012	Contributions Received	Investment Income	Revenue Recognized	Balance at December 31 2013
<b>Obligatory Reserve Funds</b>					
Heritage property grant	15,524	-	156	-	15,680
Development charges	20,643,929	17,537,133	275,270	3,693,903	34,762,429
Recreational land	31,452	1,797,050	4,182	1,554,827	277,857
Building stabilization	1,756,095	879,554	17,642	-	2,653,291
Federal gas tax	429,805	3,202,516	6,873	2,687,553	951,641
	<u>22,876,805</u>	<u>23,416,253</u>	<u>304,123</u>	<u>7,936,283</u>	<u>38,660,898</u>
<b>User Charges and Fees</b>					
Deferred memberships	353,623	50,685	-	-	404,308
Deferred grant	5,200	-	-	5,200	-
	<u>358,823</u>	<u>50,685</u>	<u>-</u>	<u>5,200</u>	<u>404,308</u>
	<u>23,235,628</u>	<u>23,466,938</u>	<u>304,123</u>	<u>7,941,483</u>	<u>39,065,206</u>

**THE CORPORATION OF THE TOWN OF CALEDON**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**For the year ended December 31, 2013**

**8. NET LONG-TERM LIABILITIES**

- (a) The total long-term liabilities reported on the consolidated statement of financial position include the following:

	<b>2013</b>	<b>2012</b>
The Town has long-term debt managed and issued by the Region of Peel. The Town has the responsibility for the payment of principal and interest charges. The long-term debt, issued in 1999, has interest rates ranging from 6.45% to 6.65% and a maturity date of December 14, 2019. At the end of the year, the outstanding principal amount of the liability is	12,743,000	14,437,000
2010 sinking fund debenture. The long-term debt has an interest rate of 5.1% and a maturity date of June 29, 2040. At the end of the year the outstanding principal amount of the liability is	5,381,277	5,381,277
2011 sinking fund debenture. The long-term debt has an interest rate of 3.5% and a maturity date of December 31, 2021. At the end of the year the outstanding principal amount of the liability is	641,088	641,088
	<b>18,765,365</b>	<b>20,459,365</b>

The following table outlines the principal and interest requirements on the long-term debt.

	Principal	Interest	Total
2014	1,925,046	1,159,418	3,084,464
2015	2,042,046	1,040,354	3,082,400
2016	2,167,046	912,608	3,079,654
2017	2,300,046	776,548	3,076,594
2018	2,441,046	631,644	3,072,690
2019 - 2023	3,028,031	1,684,130	4,712,161
Thereafter	1,631,128	4,528,345	6,159,473
Interest to be earned on sinking funds	3,230,976	-	3,230,976
	<b>18,765,365</b>	<b>10,733,047</b>	<b>29,498,412</b>

Interest expense in the amount of \$1,258,586 (2012 - \$1,362,727) has been recognized on the consolidated statement of operations.

**THE CORPORATION OF THE TOWN OF CALEDON**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**For the year ended December 31, 2013**

**8. NET LONG-TERM LIABILITIES (Continued)**

The annual principal and interest payments required to service the long-term liabilities of the municipality are within the annual debt repayment limit prescribed by the Ministry of Municipal Affairs and Housing.

Principal payments include sinking fund contributions and projected interest earned on the sinking funds.

- (b) For the 1999 debt issuance, the Town's debt retirement reserve held by the Region of Peel has a balance of \$5,746,846 (2012 - \$7,366,157) in restricted cash and \$2,506,847 (2012 - \$2,685,934) in short term investments for a total of \$8,253,693 (2012 - \$10,052,091). The funds held by the Region are projected to have sufficient funds to repay the principal and interest payments until December 2016. The Town will assume the balance of the payments from 2017 - 2019 in the amount of \$8,157,307. This is comprised of \$7,210,481 in principal repayments and \$946,826 of interest repayments. This projected shortfall between the debt retirement reserve fund and the Town's external long-term debt repayments is planned to be covered from the Town's other reserve funds.
- (c) For the 2010 debt issuance, the Town is contributing \$95,949 annually to a sinking fund held at the Region of Peel. It is anticipated that the principal will be fully funded by maturity in 2040 of \$5,381,277 with the combined sinking fund contributions and investment income. The balance in the restricted fund is \$206,159 (2012 - \$99,912).
- (d) For the 2011 debt issuance, the Town will be contributing \$25,096 annually to a sinking fund held at the Region of Peel commencing in 2012. It is anticipated that the principal will be fully funded by maturity in 2021 of \$641,088 with the combined sinking fund contributions and investment income. The balance in the restricted sinking fund is \$54,158 (2012 - \$25,097).

**9. ACCUMULATED SURPLUS**

Accumulated surplus is comprised of the following amounts:

	<b>2013</b>	<b>2012</b>
General purposes	(3,302,897)	(6,830,993)
Caledon Library Board (operations)	54,660	30,646
Caledon Business Improvement Area (operations)	30,090	33,553
Caledon Youth Services Board	-	(12,391)
Invested in Tangible Capital Assets	271,655,687	273,894,853
Reserves and Reserve Funds (Note 10)	35,726,474	33,098,888
	<b>304,164,014</b>	<b>300,214,556</b>

**THE CORPORATION OF THE TOWN OF CALEDON**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
For the year ended December 31, 2013

**10. RESERVES AND RESERVE FUNDS**

	<b>2013</b>	<b>2012</b>
<b>Reserves set aside by Council:</b>		
Working funds	1,299,647	1,299,647
Contingencies	4,451,677	4,029,130
Current purposes	102,566	212,005
Capital purposes	2,780,180	2,516,714
	<b>8,634,070</b>	<b>8,057,496</b>
<b>Reserve funds set aside by Council:</b>		
Hydro proceeds	10,392,313	7,440,770
Current purposes	1,835,102	2,603,125
Debt retirement	14,432,693	14,642,243
Bolton Community Improvement	432,296	355,254
	<b>27,092,404</b>	<b>25,041,392</b>
	<b>35,726,474</b>	<b>33,098,888</b>

**11. CHANGE IN NON-CASH WORKING CAPITAL ITEMS**

	<b>2013</b>	<b>2012</b>
Decrease (Increase) in taxes receivable	638,638	1,936,396
Decrease (Increase) in trade and other receivables	(1,655,450)	1,694,885
Decrease (Increase) in inventories	50,255	320,634
Decrease (Increase) in prepaid expenses	(147,699)	74,652
(Decrease) Increase in accounts payable	(1,584,367)	1,275,514
(Decrease) Increase in deferred revenue	15,829,578	3,433,159
	<b>13,130,955</b>	<b>8,735,240</b>

**THE CORPORATION OF THE TOWN OF CALEDON**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
For the year ended December 31, 2013

**12. TAXATION**

Property tax billings are prepared by the Town based on an assessment roll prepared by 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 Peel in respect of regional services. The Town is required to collect education taxes on behalf of the Province of Ontario. 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 supplementary tax billings. Taxation revenues are recorded at the time tax billings are issued. Assessments and 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.

**13. FEES AND USER CHARGES**

	<b>2013 Budget</b>	<b>2013 Actual</b>	<b>2012 Actual</b>
Recreation	2,631,796	2,766,278	2,719,516
Planning and development	6,261,635	4,492,086	5,554,719
Public works	812,060	149,320	750,613
Administration and general governance	931,119	1,681,661	787,485
Fire services	269,000	190,225	184,788
Library services	11,200	3,042	2,157
	<b>10,916,810</b>	<b>9,282,612</b>	<b>9,999,278</b>

**14. OTHER INCOME**

	<b>2013 Budget</b>	<b>2013 Actual</b>	<b>2012 Actual</b>
Investment income	603,500	2,048,965	1,795,056
Donations, contributions and agreements	17,200	204,231	177,267
Recovery from other municipalities	619,034	3,766,680	7,408,106
Developer contributions	-	1,551,841	54,650
Other	45,000	336,151	(20,920)
	<b>1,284,734</b>	<b>7,907,868</b>	<b>9,414,159</b>

**THE CORPORATION OF THE TOWN OF CALEDON**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**For the year ended December 31, 2013**

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**15. PENSION AGREEMENTS**

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The municipality makes contributions to the Ontario Municipal Employees Retirement Fund (OMERS), which is a multi-employer plan, on behalf of 370 employees. This 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. Employees and employers contribute jointly to the plan. The amount contributed for current service to OMERS for 2013 by the Town of Caledon was \$2,278,980 (2012 - \$2,007,576); employee contributions were \$2,278,980 (2012 - \$2,007,576). The contribution rate for 2013 was 8.3% to 13.9% depending on normal retirement age and income level (2012 - 8.3% to 13.9%).

**16. BUDGET AMOUNTS**

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Under Public sector accounting standards, budget amounts are to be reported on the consolidated statements of operations and changes in net financial assets for comparative purposes.

The Town's 2013 budget was approved by council on December 4, 2012 on the fund basis of accounting where revenues balance to expenses. Also on December 4, 2012, council received and approved a report on the full accrual accounting impact of the 2013 budget based on assumptions such as the timing of capital expenses, recognition of deferred revenues, and projections on tangible capital asset amortization. The budget data included in the Town's financial statements incorporate the same assumptions to convert the Town's fund accounting budget to a full accrual accounting budget.

**17. REGIONAL MUNICIPALITY OF PEEL AND SCHOOL BOARDS**

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During the year, the following taxation revenue was raised and remitted to the Regional Municipality of Peel and the school boards:

	<b>2013</b>	<b>2012</b>
Regional Municipality of Peel	43,511,966	41,002,284
School boards	42,008,951	40,193,951
	<b>85,520,917</b>	<b>81,196,235</b>

These amounts are not included in the consolidated statement of operations.

**THE CORPORATION OF THE TOWN OF CALEDON**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**For the year ended December 31, 2013**

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**18. TRUST FUNDS**

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The trust funds administered by the municipality amounting to \$4,034,878 (2012 - \$3,411,514) have not been included in the consolidated statement of financial position nor have the operations been included in the consolidated statement of operations. At December 31, 2013, the trust fund balances are as follows:

	<b>2013</b>	<b>2012</b>
Cemetery Perpetual Care	6,016	6,016
Developer Deposits	4,022,448	3,399,084
Other	6,414	6,414
	<b>4,034,878</b>	<b>3,411,514</b>

**19. CONTRACTUAL COMMITMENTS**

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The Town of Caledon has entered into the following contracts:

- a) The lease of photocopiers at all Town locations at an approximate cost of \$84,548 per year. The lease will expire in 3 years ending May 2015.
- b) Leases on two properties at an approximate cost of \$24,178. The first property's annual lease cost is \$11,967 and expires October 2017. The second property's annual lease cost is \$12,211 and expires December 2017.

The Town of Caledon has entered into contracts worth approximately \$11,867,474 as of December 31, 2013 for capital project spending in 2014 and beyond on various transportation services, protection services, and recreation and cultural services capital projects.

**20. CONTINGENCIES**

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A number of claims relating to properties expropriated by the Town are pending. It is not possible, at this time, for the Town to predict with certainty the outcome of such litigation. Management is of the opinion, based upon information presently available, that it is unlikely that any liability, to the extent not provided for, would be material in relation to the Town's financial position.

Certain claims, suits and complaints arising in the ordinary course of operations have been filed or are pending against the Town. In the opinion of management, the amounts of these claims would not have a significant effect on the financial position or results of operations of the Town if disposed of unfavourably.

A number of appeals of the current value assessment of properties in the municipality are currently in process. The impact on taxation revenue as a result of settlement of these appeals is not determinable at this time. The effect on taxation of the settlement of these appeals will be recorded in the fiscal year in which they can be determined.

The Town has been served with various claims as a result of accidents and other incidents. The Town is not aware of any possible settlements in excess of its liability insurance coverage. The outcomes of these claims are not determinable at this time. Should any liability be determined and not covered by insurance, it will be recognized in the period when determined.

**THE CORPORATION OF THE TOWN OF CALEDON**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**For the year ended December 31, 2013**

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**21. PROVINCIAL OFFENCES ADMINISTRATION**

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Effective March 29, 1999, the Corporation of the Town of Caledon assumed the responsibilities of the Provincial Offences Act (POA) from the Ministry of the Attorney General.

The POA is a procedural law for administering and prosecuting provincial offences, including those committed under the Highway Traffic Act, Compulsory Automobiles Insurance Act, Trespass to Property Act, Liquor Licence Act, Municipal by-laws and other minor offences.

The revenues of the operations of the Caledon East POA administration facility and revenues collected on behalf of the Town at other POA court locations in the Province of Ontario consisting of fines and charges amount to \$2,742,069 for the year ended December 31, 2013 (2012 - \$2,871,496).

Pursuant to a Memorandum of Understanding, the Town of Caledon also provides administration and court support for the serviced municipalities within the County of Dufferin. A cost recovery fee is deducted from revenue transferred to the serviced municipalities. For the year ended December 31, 2013, cost recovery fees of \$501,847 (2012 - \$698,790) were collected from serviced municipalities within the County of Dufferin.

**22. SUBSEQUENT EVENT**

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Subsequent to year end, the Town received notice from its insurance provider, Ontario Municipal Insurance Exchange, that the Town will be subject to a supplemental assessment. The assessment of \$847,980 is due January 1, 2015 and may be paid over a 5 year period beginning January 1, 2015.

**23. COMPARATIVE AMOUNTS**

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The comparative amounts presented in the financial statements have been reclassified to conform to the current year's presentation.

**THE CORPORATION OF THE TOWN OF CALEDON**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**For the year ended December 31, 2013**

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**24. SEGMENTED INFORMATION**

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The Town of Caledon is a diversified municipal government that provides a wide range of services to its citizens such as fire, recreation, library and planning. Distinguishable functional segments have been separately disclosed in the segmented information. The nature of the segments and the activities they encompass are as follows:

**Public Works**

Responsible for the design, construction and maintenance of Town roads, storm sewers, storm water management, sidewalks, streetscapes, streetlights, and development design standards and assurance. This department is responsible for the enforcement of the building code and by-laws.

**Fire and Emergency Services**

As one of the largest volunteer Fire Services in Ontario, this department prides itself on protecting life, property and the environment.

**Parks and Recreation**

Offers barrier-free, accessible structured and non-structured active living and leisure activities for all ages and abilities and oversees the design and maintenance of Town parks and sports fields. This area is responsible for the design, construction and maintenance of Town trails and paths.

**Library Services**

Caledon Public Library offers seven branches across Caledon to meet the informational and educational needs of residents and to promote lifelong learning, literacy and the love of reading.

**General Governance and Administration**

As the liaison between Council and staff, the CAO and Clerk ensure Council directives are carried out. The CAO's office includes the Communications section which maintains internal and external communications standards. Administration includes Animal Services, Customer Service, Legal Services, Legislative Services, and the Provincial Offences Court.

**Human Resources**

Provides human resource advice, counsel and solutions to meet the goals and challenges facing Town staff.

**Other**

Other includes:

- Development Approval and Planning Policy which is responsible for official plan policy, the Town's zoning by-law, development applications, the heritage resource office, the office of environmental progress, planning law, administration of the Building Code Act and Ontario Building Code.
- Economic Development which enhances and promotes the corporate reputation of the Town, attracts and retains business and investments and provides support to tourism, promotion and investments.
- Corporate Services which is responsible for the Town's operating and capital budgets; billing and collection of municipal, regional and local school board property taxes and development charges; includes the Capital Projects and Property Management Division, Purchasing and Risk Management Division, Finance Division and Information Technology Division.

**THE CORPORATION OF THE TOWN OF CALEDON**  
**CONSOLIDATED SCHEDULE OF SEGMENTED INFORMATION**  
**For the year ended December 31, 2013**

	Public Works	Fire and Emergency Services	Parks and Recreation	Library Services	General Governance and Administration	Human Resources	Other	Total 2013
<b>Revenue</b>								
Taxation	9,832,439	7,938,597	8,288,252	2,122,637	9,522,599	525,254	6,895,757	45,125,535
Fees and user charges	149,319	190,225	2,765,012	4,310	1,681,660	-	4,492,086	9,282,612
Specific grants	2,976,207	-	2,364,087	73,696	5,697	-	829,826	6,249,513
Other revenue	1,927,838	88,964	3,191,156	-	3,830,615	-	5,175,902	14,214,475
Development charges and other fees	1,096,657	-	1,620,000	-	-	-	405,000	3,121,657
	<b>15,982,460</b>	<b>8,217,786</b>	<b>18,228,507</b>	<b>2,200,643</b>	<b>15,040,571</b>	<b>525,254</b>	<b>17,798,571</b>	<b>77,993,792</b>
<b>Expenses</b>								
Salaries and benefits	5,773,511	5,435,854	7,177,396	2,176,125	6,676,667	617,225	5,537,790	33,394,568
Interest on debt	277,836	22,438	-	-	958,312	-	-	1,258,586
Materials and supplies	6,230,872	1,304,588	3,426,962	599,562	3,243,019	83,280	1,556,622	16,444,905
Contracted services	1,308,867	252,215	243,901	180,616	1,549,405	165,690	664,378	4,365,072
Other transfers	-	-	44,799	-	149,330	-	65,124	259,253
Rents and financial expenses	59,121	-	4,481	-	470,717	-	47,785	582,104
Amortization on tangible capital assets	11,385,470	1,432,389	3,575,035	278,587	1,068,365	-	-	17,739,846
	<b>25,035,677</b>	<b>8,447,484</b>	<b>14,472,574</b>	<b>3,234,890</b>	<b>14,115,815</b>	<b>866,195</b>	<b>7,871,699</b>	<b>74,044,334</b>
<b>Net Surplus (Deficit)</b>	<b>(9,053,217)</b>	<b>(229,698)</b>	<b>3,755,933</b>	<b>(1,034,247)</b>	<b>924,756</b>	<b>(340,941)</b>	<b>9,926,872</b>	<b>3,949,458</b>

**THE CORPORATION OF THE TOWN OF CALEDON**  
**CONSOLIDATED SCHEDULE OF SEGMENTED INFORMATION**  
**For the year ended December 31, 2012**

	Public Works	Fire and Emergency Services	Parks and Recreation	Library Services	General Governance and Administration	Human Resources	Other	Total 2012
<b>Revenue</b>								
Taxation	10,545,338	5,243,807	6,820,486	2,331,155	9,251,363	478,943	5,897,148	40,568,240
Fees and user charges	750,613	184,788	2,719,516	2,157	711,320	-	5,630,884	9,999,278
Specific grants	3,678,320	-	85,568	80,889	397,648	-	1,290,095	5,532,520
Other revenue	41,430	212,857	1,740,801	44,290	3,312,942	-	10,807,854	16,160,174
Development charges and other fees	389,454	22,438	1,780,097	243,000	-	-	26,746	2,461,735
	15,405,155	5,663,890	13,146,468	2,701,491	13,673,273	478,943	23,652,727	74,721,947
<b>Expenses</b>								
Salaries and benefits	5,720,313	5,326,775	6,224,288	2,196,230	6,212,791	528,790	5,989,249	32,198,436
Interest on debt	277,038	22,438	-	-	1,063,251	-	-	1,362,727
Materials and supplies	5,072,662	818,357	3,087,036	491,178	2,959,870	84,651	1,212,944	13,726,698
Contracted services	1,350,181	321,814	253,196	-	1,089,499	144,285	709,980	3,868,955
Other transfers	-	-	47,862	-	77,707	-	38,176	163,745
Rents and financial expenses	239,882	-	709	-	392,403	-	176,290	809,284
Amortization on tangible capital assets	12,592,835	1,340,864	4,137,822	319,176	1,127,090	-	-	19,517,787
	25,252,911	7,830,248	13,750,913	3,006,584	12,922,611	757,726	8,126,639	71,647,632
<b>Net Surplus (Deficit)</b>	(9,847,756)	(2,166,358)	(604,445)	(305,093)	750,662	(278,783)	15,526,088	3,074,315

**THE CORPORATION OF THE TOWN OF CALEDON**  
**CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS**  
**For the year ended December 31, 2013**

	Land and Land Improvements	Buildings and Building Improvements	Furniture and Fixtures	Machinery, Equipment, Information Technology	Vehicles	Bridges, Culverts and Storm Ponds	Roads	Construction in Progress	Total 2013	Total 2012
<b>Cost</b>										
Balance, beginning of year	54,670,235	102,562,572	8,215,728	9,236,605	16,583,038	21,137,876	316,411,472	16,501,097	545,318,623	528,731,756
Additions during the year	2,991,593	11,424,069	521,059	670,185	1,453,752	-	4,212,601	5,061,121	26,334,380	28,354,478
Disposals during the year	749	500,473	-	29,492	48,266	-	-	10,635,552	11,214,532	11,767,611
Balance, end of year	57,661,079	113,486,168	8,736,787	9,877,298	17,988,524	21,137,876	320,624,073	10,926,666	560,438,471	545,318,623
<b>Accumulated Amortization</b>										
Balance, beginning of year	3,416,007	43,972,406	6,699,306	4,263,665	8,456,273	11,438,888	193,177,225	-	271,423,770	253,318,879
Amortization during the year	384,222	4,376,029	603,276	690,457	1,225,887	316,300	10,143,675	-	17,739,846	19,517,787
Accumulated amortization on disposal	749	305,062	-	27,784	47,237	-	-	-	380,832	1,412,896
Balance, end of year	3,799,480	48,043,373	7,302,582	4,926,338	9,634,923	11,755,188	203,320,900	-	288,782,784	271,423,770
Net Book Value of Tangible Capital Assets	53,861,599	65,442,795	1,434,205	4,950,960	8,353,601	9,382,688	117,303,173	10,926,666	271,655,687	273,894,853



TOWN OF CALEDON

# Statistical Section



## FIVE YEAR REVIEW SUMMARY

Fiscal Year	2013	2012	2011	2010	2009
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### MUNICIPALITY STATISTICS

Population *	67054	64560	59,460	57,900	57,900
Households *	21319	20484	19,649	18,900	18,900
Area in hectares *	68717	68717	68,717	68,717	68,717
Construction activity (value)	\$ 11,867,474	\$ 11,581,437	\$ 5,733,968	\$ 18,491,948	\$ 7,515,620

\* from Financial Information Report / Statistics Canada / MPAC

### Staffing Statistics

Full Time Staff	298	299	257	249	242
per 1000 people	0.44%	0.46%	0.43%	0.43%	0.42%
Part Time Staff	337	338	407	358	338

### Taxable Assessment upon which the year's rates of taxation were set

Residential, farm, multi-residential	10,345,924,627	9,675,607,730	9,023,667,436	8,439,050,179	7,957,056,318
Commercial, industrial and other	2,047,675,541	1,646,595,694	1,506,853,612	1,289,917,975	1,134,740,874
<b>Total Taxable Assessment</b>	<b>11,994,229,811</b>	<b>11,322,203,424</b>	<b>10,530,521,048</b>	<b>9,728,968,154</b>	<b>9,091,797,192</b>
<i>Total per capita</i>	<i>178,874</i>	<i>170,179</i>	<i>177,103</i>	<i>168,031</i>	<i>157,026</i>

### TOP TEN PRINCIPAL CORPORATE TAXPAYERS

(by taxes paid)

<b>1</b>	AMB AIRPORT ROAD CANCO INC
<b>2</b>	MANCHESTER COURT LAND HOLDINGS
<b>3</b>	PIRET HOLDINGS INC
<b>4</b>	HUSKY INJECTION MOLDING
<b>5</b>	FIRST BOLTON DEVELOPMENT LTD
<b>6</b>	2281140 ONTARIO INC.
<b>7</b>	PROLOGIS CANADA INC
<b>8</b>	PENRETAIL MANAGEMENT LTD
<b>9</b>	MARS CANADA INC
<b>10</b>	RITCHIE BROS PROPERTIES LTD

## FIVE YEAR REVIEW SUMMARY

Fiscal Year	2013	2012	2011	2010	2009
<b>Residential and Farm</b>					
Town purposes	0.366249%	0.360371%	0.360686%	0.345260%	0.338305%
Region purposes	0.348476%	0.359716%	0.369991%	0.382847%	0.394459%
School purposes	0.212000%	0.221000%	0.231000%	0.241000%	0.252000%
<b>Total - Residential and Farm</b>	<b>0.926725%</b>	<b>0.941087%</b>	<b>0.961677%</b>	<b>0.969107%</b>	<b>0.984764%</b>
<b>Commercial</b>					
Town purposes	0.480651%	0.467437%	0.467846%	0.447837%	0.438815%
Region purposes	0.457327%	0.466588%	0.479915%	0.496590%	0.511653%
School purposes	1.147477%	1.177386%	1.253034%	1.339544%	1.439162%
<b>Total - Commercial</b>	<b>2.085455%</b>	<b>2.111411%</b>	<b>2.200795%</b>	<b>2.283971%</b>	<b>2.389630%</b>
<b>Industrial</b>					
Town purposes	0.578857%	0.529745%	0.530208%	0.507532%	0.497308%
Region purposes	0.550766%	0.528783%	0.543887%	0.562785%	0.579855%
School purposes	1.399256%	1.421817%	1.499357%	1.585675%	1.681288%
<b>Total - Industrial</b>	<b>2.528879%</b>	<b>2.480345%</b>	<b>2.573452%</b>	<b>2.655992%</b>	<b>2.758451%</b>

## FIVE YEAR REVIEW SUMMARY

Fiscal Year	2013	2012	2011	2010	2009
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### TAX INFORMATION

#### Taxes Levied

Town portion	\$ 43,985,488	\$ 41,076,937	\$ 39,501,484	\$ 35,019,288	\$ 31,456,011
Region portion	41,851,006	41,002,284	40,371,511	38,689,338	36,523,671
School Board portion	40,114,171	40,193,951	40,655,091	39,515,899	36,707,286
<b>Total</b>	<b>\$ 125,950,665</b>	<b>\$ 122,273,172</b>	<b>\$ 120,528,086</b>	<b>\$ 113,224,525</b>	<b>\$ 104,686,968</b>

#### Taxes Collected

Town collection	\$ 47,484,573	\$ 43,020,004	\$ 36,656,384	\$ 34,100,541	\$ 34,860,879
Taxes transferred to the Region	43,018,166	41,999,274	40,371,511	38,689,338	36,523,671
Taxes transferred to the School Boards	40,558,272	41,131,444	40,655,091	39,515,899	36,707,286
<b>Total</b>	<b>\$ 131,061,011</b>	<b>\$ 126,150,722</b>	<b>\$ 117,682,986</b>	<b>\$ 112,305,778</b>	<b>\$ 108,091,836</b>

#### Taxes Receivable, End of Year

Taxes Receivable	\$ 10,401,613	\$ 11,040,251	\$ 12,976,647	\$ 12,480,963	\$ 11,285,868
<i>Taxes Receivable per capita</i>	155.12	171.01	218.24	215.56	194.92
<b>Percentage of current years' levy</b>	<b>8.26%</b>	<b>9.03%</b>	<b>10.77%</b>	<b>11.02%</b>	<b>10.78%</b>

## FIVE YEAR REVIEW SUMMARY

Fiscal Year	2013	2012	2011	2010	2009
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### FINANCIAL INFORMATION

<b>Consolidated Revenues</b>					
Taxation	\$ 45,125,535	\$ 40,568,240	\$ 38,474,230	\$ 33,439,041	\$ 31,407,198
Fees and user charges	9,282,612	9,999,278	8,498,589	8,882,800	6,902,098
Canada grants	5,044,194	3,707,309	3,646,523	4,861,018	2,283,132
Ontario grants	1,205,319	1,825,211	1,814,906	7,854,327	7,621,085
Licenses, permits and rents	1,998,809	1,886,418	2,212,277	1,972,046	3,988,054
Fines, penalties and interest on taxes	4,307,797	4,859,597	4,786,324	4,309,382	3,933,949
Other income	7,907,868	9,414,159	5,812,349	3,113,455	2,594,775
Development charges and other fees	3,121,658	2,461,735	4,628,643	6,457,689	1,405,368
<b>Total</b>	<b>\$ 77,993,792</b>	<b>\$ 74,721,947</b>	<b>\$ 69,873,841</b>	<b>\$ 70,889,758</b>	<b>\$ 60,135,659</b>

<b>Consolidated Expense by Function</b>					
General government	\$ 7,322,504	7,112,784	\$ 3,912,061	\$ 4,785,286	\$ 7,740,340
Protection services	13,822,735	13,495,243	11,809,467	9,016,506	8,511,284
Transportation services	25,394,374	25,987,977	12,907,547	11,541,440	14,173,503
Interest on corporate debt	1,258,586	1,362,727	1,438,931	1,390,692	1,337,055
Environmental services	682,177	134,015	507,862	23,591	24,018
Health services	-	-	-	11,298	21,196
Social and family services	48,686	41,392	41,718	30,670	55,400
Recreation and cultural services	19,195,002	18,357,310	13,821,567	12,420,580	13,190,812
Planning and Development	6,320,270	5,156,184	4,316,924	5,464,429	4,179,026
Other - (Gain)/Loss on disposal of tangible capital assets*	-	-	(145,275)	(310,753)	13,431
Amortization of tangible capital assets*	-	-	19,908,980	19,190,772	19,406,587
<b>Total</b>	<b>\$ 74,044,334</b>	<b>\$ 71,647,632</b>	<b>\$ 68,519,782</b>	<b>\$ 63,564,511</b>	<b>\$ 68,652,652</b>

\* (Gain)/ Loss on disposal and Amortization has been consolidated to the functional groups

## FIVE YEAR REVIEW SUMMARY

Fiscal Year	2013	2012	2011	2010	2009
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### FINANCIAL INFORMATION

#### Consolidated Expenses by Object

Salary, wages and benefits	\$ 33,394,570	\$ 32,198,435	\$ 28,952,206	\$ 26,867,896	\$ 25,534,967
Interest on Debt	1,258,586	1,362,727	1,438,931	1,390,692	1,337,055
Materials and supplies	16,444,905	13,726,698	13,538,515	11,241,714	15,631,360
Contracted services	4,185,158	3,420,115	3,817,968	3,999,566	5,348,754
Other Transfers	762,016	809,284	97,071	157,438	265,793
Rents and financial expenses	259,253	650,468	911,386	1,027,186	1,114,705
Amortization	17,739,846	19,517,787	19,908,980	19,190,772	19,406,587
Loss on disposal of assets	-	(37,882)	(145,275)	(310,753)	13,431
<b>Total</b>	<b>\$ 74,044,334</b>	<b>\$ 71,647,632</b>	<b>\$ 68,519,782</b>	<b>\$ 63,564,511</b>	<b>\$ 68,652,652</b>

#### Long-Term Liabilities

Gross long term debt	\$ 18,765,365	\$ 20,459,365	\$ 21,951,640	\$ 22,901,277	\$ 18,922,000
<i>Per capita</i>	279.85	316.90	369.18	395.53	326.80
Interest on Long-term debt	\$ 1,258,586	\$ 1,362,727	\$ 1,438,931	\$ 1,390,692	\$ 1,337,055
<i>Per capita</i>	18.77	21.11	24.20	24.02	23.09

#### Sources of Debt Repayment

Debt Retirement Fund *	\$ 2,652,312	\$ 2,653,252	\$ 2,654,044	2,654,174	2,653,055
Development Charges	174,085	132,431	132,431	65,790	
Tax Supported	196,309	196,309	196,309	72,728	
<b>Total - Funding</b>	<b>\$ 3,022,706</b>	<b>\$ 2,981,992</b>	<b>\$ 2,982,784</b>	<b>\$ 2,792,692</b>	<b>\$ 2,653,055</b>

\*Debt Retirement Fund held by the Region of Peel

#### Debt Repayment Limit (as determined by the Province of Ontario)

	\$ 13,076,856	\$ 10,182,235	\$ 8,949,676	\$ 6,330,907	\$ 5,895,599
<b>Trust Funds</b>	<b>\$ 4,034,878</b>	<b>\$ 3,425,082</b>	<b>\$ 2,715,712</b>	<b>\$ 2,211,604</b>	<b>\$ 2,142,567</b>

## FIVE YEAR REVIEW SUMMARY

Fiscal Year	2013	2012	2011	2010	2009
<b>ACCUMULATED SURPLUS &amp; TANGIBLE CAPITAL ASSETS</b>					
Accumulated Surplus - Beginning of Year	\$ 300,214,556	\$ 297,140,241	\$ 295,786,182	\$ 288,460,935	\$ 305,056,178
Annual Surplus	3,949,458	3,074,315	1,354,059	7,325,247	(16,595,243)
<b>Accumulated Surplus - End of Year</b>	<b>\$ 304,164,014</b>	<b>\$ 300,214,556</b>	<b>\$ 297,140,241</b>	<b>\$ 295,786,182</b>	<b>\$ 288,460,935</b>

<b>Tangible Capital Asset Net Book Value</b>					
Land and Land Improvements	\$ 53,861,598	\$ 51,254,227	\$ 51,021,002	\$ 44,835,129	\$ 44,535,193
Buildings and Building Improvements	65,447,272	58,594,643	58,872,278	54,330,266	53,250,590
Furniture and Fixtures	1,434,207	1,516,423	1,644,269	1,930,432	2,249,276
Machinery, Equipment, Information Technology	3,088,033	3,110,008	5,012,455	5,047,328	3,980,003
Vehicles	10,212,054	9,985,218	7,401,183	5,729,302	6,209,832
Bridges, Culverts and Storm Ponds	8,939,670	9,255,971	8,700,576	7,464,980	7,663,457
Roads	117,746,187	123,677,260	126,030,032	122,394,950	137,007,684
Construction in Progress	10,926,665	16,501,103	16,731,082	39,026,902	23,372,984
<b>Total</b>	<b>\$ 271,655,687</b>	<b>\$ 273,894,853</b>	<b>\$ 275,412,877</b>	<b>\$ 280,759,289</b>	<b>\$ 278,269,019</b>

<b>Tangible Capital Asset Cost</b>					
Assets - Beginning of Year	\$ 534,689,683	\$ 528,733,753	\$ 514,522,802	\$ 486,392,836	\$ 477,768,120
Additions	26,338,183	18,135,692	36,881,409	30,008,424	18,485,095
Disposals and Transfers	575,974	1,548,820	22,672,455	1,878,458	219,854
<b>Assets - End of Year</b>	<b>\$ 560,451,892</b>	<b>\$ 545,320,625</b>	<b>\$ 528,731,756</b>	<b>\$ 514,522,802</b>	<b>\$ 496,033,361</b>

<b>Tangible Capital Asset Amortization</b>					
Accumulated Amortization - Beginning of Year	\$ 271,433,623	\$ 253,320,881	\$ 233,763,513	\$ 215,919,239	\$ 198,564,178
Amortization during the year	17,740,197	19,517,787	19,908,980	19,473,600	19,406,587
Accumulated Amortization on disposal	377,615	1,412,896	353,614	1,629,326	206,423
<b>Accumulated Amortization - End of Year</b>	<b>\$ 288,796,205</b>	<b>\$ 271,425,772</b>	<b>\$ 253,318,879</b>	<b>\$ 233,763,513</b>	<b>\$ 217,764,342</b>

<b>Net Book Value of Tangible Capital Assets</b>	<b>\$ 271,655,687</b>	<b>\$ 273,894,853</b>	<b>\$ 275,412,877</b>	<b>\$ 280,759,289</b>	<b>\$ 278,269,019</b>
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<b>Net Financial Assets</b>					
Net Financial Assets - Beginning of Year	\$ 25,918,801	\$ 20,931,176	\$ 14,410,634	\$ 17,577,270	\$ 25,289,488
Net Financial Assets	6,091,180	4,987,625	6,520,542	(3,166,636)	(7,712,218)
<b>Net Financial Assets - End of Year</b>	<b>\$ 32,009,981</b>	<b>\$ 25,918,801</b>	<b>\$ 20,931,176</b>	<b>\$ 14,410,634</b>	<b>\$ 17,577,270</b>

\*\*Financial data are derived from statements in accordance with PS 1200 and PS 3150, in which five years of data is not currently available.



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