

Town of Faro
Financial Statements
For the year ended December 31, 2018

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Financial Statements
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Management's Responsibility for Financial Reporting

The accompanying financial statements of the Town of Faro are the responsibility of management and have been approved by the Mayor and Council.


The financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles. Financial statements are not precise since they include certain amounts based on estimates and judgments. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the financial statements are presented fairly, in all material respects.

The Town maintains systems of internal accounting and administrative controls of high quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the Town's assets are appropriately accounted for and adequately safeguarded.

The Mayor and Council are responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements.

The Mayor and Council review management's financial statements and recommend their approval. The Mayor and Council meet periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the financial statements and the external auditors' report. The Mayor and Council takes this information into consideration when approving the financial statements for issuance to the Town. The Mayor and Council also considers the engagement of the external auditors.

The financial statements have been audited by BDO Canada LLP in accordance with Canadian generally accepted auditing standards on behalf of the Town. BDO Canada LLP has full access to the Mayor and Council.



Councillor



Mayor

Independent Auditor's Report

To the Mayor and Council Members of Town of Faro

Opinion

We have audited the financial statements of the Town of Faro (the "Town"), which comprise the statement of financial position as at December 31, 2018 and the statements of operations, change in net financial assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

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

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Town in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Town's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Town to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted the audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.


We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.


Chartered Professional Accountants

Whitehorse, Yukon
June 11, 2019

Town of Faro
Statement of Financial Position

December 31	2018	2017
Financial assets		
Cash and cash equivalents (Note 1)	\$ 1,976,863	\$ 2,462,590
Accounts receivable		
Taxes, penalties and interest (Note 2)	10,314	34,297
Grants	549,980	532,885
Properties held for sale	<u>256,736</u>	<u>296,136</u>
	<u>2,793,893</u>	<u>3,325,908</u>
Liabilities		
Accounts payable		
Trade payables and accrued liabilities	413,186	673,970
Salaries and benefits payable	207,989	191,682
Landfill closure and post-closure liability (Note 7)	48,000	48,000
Deferred revenue	<u>9,525</u>	<u>98,668</u>
	<u>678,700</u>	<u>1,012,320</u>
Net financial assets	<u>2,115,193</u>	<u>2,313,588</u>
Non-financial assets		
Tangible capital assets (Note 3)	14,723,601	13,514,797
Inventories of supplies	<u>17,483</u>	<u>21,523</u>
	<u>14,741,084</u>	<u>13,536,320</u>
Accumulated surplus (Note 5)	<u>\$16,856,277</u>	<u>\$ 15,849,908</u>


 _____ Councilor


 _____ Mayor

Town of Faro
Statement of Operations

For the year ended December 31	2018	2018	2017
	Budget	Actual	Actual
Revenue (Schedule 1)			
Taxation, including grants in lieu of taxes	\$ 606,280	\$ 610,160	\$ 548,257
Grants - Government of Canada	9,000	48,849	466,335
Grants - Government of Yukon	222,777	234,677	184,330
Government of Yukon - block funding	1,734,765	1,734,765	1,734,765
Government of Yukon - capital funding	984,601	564,796	311,921
Government of Yukon contributed assets (Note 3)	13,030,000	1,073,610	-
Equipment and property rental	46,400	45,846	46,225
Utility charges	174,500	166,827	189,411
User fees, admissions fees, licences, permits and fines	4,000	4,040	5,115
Sale of goods and services	43,450	43,627	40,458
Other revenue	72,526	70,814	96,562
Gain on sale of properties held for sale	25,000	24,453	79,001
Investment income	14,800	34,313	11,793
	16,968,099	4,656,777	3,714,173
Expenses (Schedule 1)			
Administrative	929,894	953,328	844,501
Council/Legislative	125,593	112,594	118,385
Public works	1,140,564	901,401	906,311
Protective Services	136,377	119,132	145,665
Transportation	49,277	63,481	57,142
Environmental Health	737,032	677,803	579,498
Planning and Development	140,813	206,715	144,348
Recreation and Culture	589,503	615,954	562,888
	3,849,053	3,650,408	3,358,738
Annual surplus	13,119,046	1,006,369	355,435
Accumulated surplus, beginning of year	15,849,908	15,849,908	15,494,473
Accumulated surplus, end of year	\$ 28,968,954	\$ 16,856,277	\$ 15,849,908

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

Town of Faro
Statement of Change in Net Financial Assets

For the year ended December 31	2018	2018	2017
	Budget (Note 9)	Actual	Actual
Annual surplus	\$ 13,119,046	\$ 1,006,369	\$ 355,435
Acquisition of tangible capital assets	(984,601)	(800,687)	(1,176,711)
Amortization of tangible capital assets	895,555	665,493	603,341
Government of Yukon contributed tangible capital assets (Note 3)	(13,030,000)	(1,073,610)	-
	-	(202,435)	(217,935)
Consumption (purchase) of prepaid expenses and inventory of supplies	-	4,040	5,794
Change in net financial assets for the year	-	(198,395)	(212,141)
Net financial assets, beginning of year	2,313,588	2,313,588	2,525,729
Net financial assets, end of year	\$ 2,313,588	\$ 2,115,193	\$ 2,313,588

Town of Faro
Statement of Cash Flows

For the year ended December 31	2018	2017
Cash provided by (used in)		
Operating transactions		
Annual surplus	\$ 1,006,369	\$ 355,435
Items not involving cash		
Contribution of tangible capital assets	(1,073,610)	-
Gain on sale of tangible capital assets	-	(8,524)
Amortization of tangible capital assets	<u>665,493</u>	<u>603,341</u>
	598,252	950,252
Changes in non-cash operating balances		
Decrease (increase) in taxes receivable (Note 2)	23,983	(10,728)
Increase in grants receivable	(17,095)	(391,123)
Decrease in properties held for sale	39,400	140,650
Decrease in inventory of supplies	4,040	5,794
Increase (decrease) in trade payables and accrued liabilities	(260,784)	529,367
Increase in salaries and benefits payable	16,307	42,425
Increase (decrease) in deferred revenue	<u>(89,143)</u>	<u>95,648</u>
	314,960	1,362,285
Capital transactions		
Acquisition of tangible capital assets	(800,687)	(1,176,711)
Proceeds from the sale of tangible capital assets	<u>-</u>	<u>8,524</u>
	<u>(800,687)</u>	<u>(1,168,187)</u>
Increase (decrease) in cash and cash equivalents	(485,727)	194,098
Cash and cash equivalents, beginning of year	<u>2,462,590</u>	<u>2,268,492</u>
Cash and cash equivalents, end of year	<u>\$ 1,976,863</u>	<u>\$ 2,462,590</u>

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

Town of Faro
Summary of Significant Accounting Policies

December 31, 2018

Management's Responsibility for the Financial Statements	The financial statements of the Town of Faro are the responsibility of management. They have been prepared in accordance with Canadian public sector accounting standards established by the Public Sector Accounting Board ("PSAB") of the Canadian Institute of Chartered Accountants. The Town of Faro (the "Town") is a municipality in the Yukon Territory. The Town provides municipal services such as protective, public works, environmental health, recreation, and other general government services.
Basis of Accounting	The statements include the accounts of all the funds of the Town. Inter-fund transactions and balances have been eliminated.
Budget Amounts	The budgeted figures included in these financial statements were approved by Council for the Town of Faro on April 3, 2018.
Financial Instruments	The Town's financial assets consist of cash and cash equivalents, accounts receivable, and accounts payables. Unless otherwise noted, it is management's opinion that the Town is not exposed to significant interest, currency or credit risk arising from its financial instruments. The fair value of these financial instruments approximate their carrying values unless otherwise noted.
Revenue Recognition	<p>Taxes are recognized as revenue in the year they are levied. Charges for sewer and water usage are recorded as utility charge revenue when used. Connection fee revenues are recognized when the connection has been established.</p> <p>Sales of service, user fees, admissions fees, licenses, and rentals and other revenue are recognized on an accrual basis.</p> <p>Management assesses the collectibility of its property tax, penalty and interest receivable balances annually. When the collection is in doubt, the balance is written down to the estimated receivable amount being the estimated net realizable value of the underlying properties.</p> <p>Government transfers, which include legislative grants, are recognized in the financial statements when received if the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.</p>

Town of Faro
Summary of Significant Accounting Policies

December 31, 2018

Landfill Closure Liability

The landfill closure liability is based on estimated costs to close and post closure activities of the solid waste landfill site at the end of its expected useful life. The estimated cost is accrued as the landfill site's capacity is used. The liability and annual expense is calculated based on the rate of utilization to total capacity. Any changes in estimate are recorded prospectively.

Tangible Capital Assets

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

Land improvements	20 years
Buildings	25 - 40 years
Building components	20 years
Vehicles	7 years
Machinery and equipment	10 - 15 years
Furnishings	10 years
Electronics	3 years
Water and sewer infrastructure	50 years
Roads and surface	15 - 50 years

Liability for Contaminated Sites

Under PS3260 governments are required to accrue a liability for the costs to remediate a contaminated site. Liabilities are recognized when an environmental standard exists, contamination exceeds the standard, the government has responsibility for remediation, future economic benefits will be given up and a reasonable estimate can be made.

Management has assessed its potential liabilities under the standard including sites that are no longer in productive use and sites which the Town accepts responsibility.

During the year, the Council approved a budget of \$100,000 to perform a hazardous materials assessment of the Town's vacant properties held for sale. The Town has performed a review of the Solar Complex mall, which resulted in an estimated costs of \$810,000 to remediate the asbestos in the facility. There is no requirement to remediate the facility at this time, so no liability has been recorded in the financial statements at December 31, 2018.

Town of Faro
Summary of Significant Accounting Policies

December 31, 2018

Use of Estimates

The preparation of financial statements in accordance with Canadian public sector accounting standards requires the management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, expenses and related disclosures. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in the revenue and expenditures in the period in which they become known.

Inventories of Supplies

Inventories of supplies held for consumption are recorded at the lower of weighted-average cost and replacement cost

Properties Held for Sale

Properties held for sale are valued at the lower of cost and expected realizable value. When a decline in net realizable value is determined to be other than temporary, the impairment is recognized in the statement of operations.

Town of Faro
Notes to Financial Statements

December 31, 2018

1. Cash and Cash Equivalents

	<u>2018</u>	<u>2017</u>
Cash	\$ 270,922	\$ 440,920
Money market fund	1,705,941	2,021,670
	<u>\$ 1,976,863</u>	<u>\$ 2,462,590</u>

The money market fund earns interest at an average of 1.33%.

2. Taxes, Penalties and Interest Receivable

	<u>2018</u>	<u>2017</u>
Balance outstanding	\$ 14,008	\$ 38,962
Allowance for doubtful accounts	(3,694)	(4,665)
	<u>\$ 10,314</u>	<u>\$ 34,297</u>

The allowance for doubtful accounts is assessed by management each fiscal period. The allowance is assessed based on the receivable balance and the estimated recoverable value of the underlying property, which is subject to a property tax sale.

Town of Faro
Notes to Financial Statements

3. Tangible Capital Assets

	Land	Buildings	Building Components	Machinery & Equipment	Furnishings & Electronics	Roads & Surface	Water & Sewer Infrastructure	Land Improvement s	Vehicles	2018 Total
Cost, beginning of year	\$ 929,040	\$ 4,737,832	\$ 1,160,443	\$ 1,763,463	\$ 300,536	\$ 1,969,817	\$ 14,624,448	\$ 1,701,908	\$ 356,413	\$ 27,543,900
Additions	-	-	444,178	226,752	22,055	-	-	46,359	61,343	800,687
Contributed TCA	-	-	-	-	-	-	-	1,073,610	-	1,073,610
Disposals	-	(817,469)	-	-	-	(64,923)	(50,766)	-	-	(933,158)
Cost, end of year	<u>929,040</u>	<u>3,920,363</u>	<u>1,604,621</u>	<u>1,990,215</u>	<u>322,591</u>	<u>1,904,894</u>	<u>14,573,682</u>	<u>2,821,877</u>	<u>417,756</u>	<u>28,485,039</u>
Accumulated amortization, beginning of year	-	3,817,208	107,951	973,442	255,360	1,572,555	5,744,675	1,303,396	254,516	14,029,103
Amortization	-	71,315	79,383	89,587	14,094	28,476	290,241	62,902	29,495	665,493
Disposals	-	(817,469)	-	-	-	(64,923)	(50,766)	-	-	(933,158)
Accumulated amortization, end of year	-	<u>3,071,054</u>	<u>187,334</u>	<u>1,063,029</u>	<u>269,454</u>	<u>1,536,108</u>	<u>5,984,150</u>	<u>1,366,298</u>	<u>284,011</u>	<u>13,761,438</u>
Net carrying amount, end of year	<u>\$ 929,040</u>	<u>\$ 849,309</u>	<u>\$ 1,417,287</u>	<u>\$ 927,186</u>	<u>\$ 53,137</u>	<u>\$ 368,786</u>	<u>\$ 8,589,532</u>	<u>\$ 1,455,579</u>	<u>\$ 133,745</u>	<u>\$ 14,723,601</u>

During the year, the Town recorded several disposals. The renovations and upgrade of the arena was completed and, therefore, since the historical portions of the building prior to the completion of the renovations and upgrade were fully replaced the amount of \$817,469 was removed from buildings. As well, the Town decommissioned three roads with original estimated total cost of \$64,923 and a generator with an original cost of \$50,766 which is no longer in use. All these items were fully amortized, therefore there was no loss on disposal recorded in the financial statements.

Town of Faro
Notes to Financial Statements

3. Tangible Capital Assets (continued)

	Land	Buildings	Building Components	Machinery & Equipment	Furnishings & Electronics	Roads & Surface	Water & Sewer Infrastructure	Land Improvements	Vehicles	2017 Total
Cost, beginning of year	\$ 864,290	\$ 4,737,832	\$ 371,248	\$ 1,509,401	\$ 300,536	\$ 1,969,817	\$ 14,624,448	\$ 1,684,766	\$ 354,464	\$ 26,416,802
Additions	64,750	-	789,195	265,465	-	-	-	17,142	40,159	1,176,711
Disposals	-	-	-	(11,403)	-	-	-	-	(38,210)	(49,613)
Cost, end of year	929,040	4,737,832	1,160,443	1,763,463	300,536	1,969,817	14,624,448	1,701,908	356,413	27,543,900
Accumulated amortization, beginning of year	-	3,746,520	86,079	899,854	234,839	1,544,078	5,452,186	1,239,822	271,997	13,475,375
Amortization	-	70,688	21,872	84,991	20,521	28,476	292,490	63,574	20,729	603,341
Disposals	-	-	-	(11,403)	-	-	-	-	(38,210)	(49,613)
Accumulated amortization, end of year	-	3,817,208	107,951	973,442	255,360	1,572,554	5,744,676	1,303,396	254,516	14,029,103
Net carrying amount, end of year	\$ 929,040	\$ 920,624	\$ 1,052,492	\$ 790,021	\$ 45,176	\$ 397,263	\$ 8,879,772	\$ 398,512	\$ 101,897	\$ 13,514,797

Town of Faro
Notes to Financial Statements

December 31, 2018

4. Funds Held in Trust

	<u>2018</u>		<u>2017</u>
Faro Youth Group	\$ 3,664	\$	1,575
Faro Curling Club	984		984
Swim Team	518		783
	<u>\$ 5,166</u>	\$	<u>3,342</u>

The Funds held in Trust are held on behalf of the above noted organizations and are not available for use by the Town. As such they are not reported in these financial statements.

5. Accumulated Surplus

The Town segregates its accumulated surplus in the following categories:

	<u>2018</u>		<u>2017</u>
General Fund	\$ 1,318,440	\$	1,295,656
Reserve Fund	796,753		1,017,932
Investment in non-financial assets	14,741,084		13,536,320
	<u>\$16,856,277</u>	\$	<u>15,849,908</u>

Reserve funds represent funds set aside by bylaw or council resolution and may be restricted in accordance with Section 244(1) of the Municipal Act.

6. Economic Dependence

Town of Faro is economically dependant on the continued support of the Government of Yukon to maintain normal operations.

Town of Faro
Notes to Financial Statements

December 31, 2018

7. Landfill Closure and Post Closure Liability

The Town has made a provision for the closure and post closure costs of the landfill based on its best estimates of the closure costs, post closure costs, discount rate, inflation, expected useful life of the landfill and its capacity. Management relied on an initial report prepared on behalf of the Government of Yukon in 2013 which was updated in 2017. However, subsequent to receiving the initial report, Management commissioned a more detailed report in 2014. This report is considered more relevant to the circumstances of the Town, and continues to be the basis for management's position.

	2018	2017
Estimated provision	\$ 48,000	\$ 48,000
Estimated closure cost	9,762,751	9,762,751
Remaining useful life	115	116
Inflation rate	3 %	3 %
Discount rate	4.5 %	4.5 %
Capacity	29 %	29 %

8. Segmented Information

The Town of Faro is a diversified municipal government institution that provides a wide range of services to its citizens such as fire protection, water, sewer and refuse, recreation and community beautification. Distinguishable functional segments have been separately disclosed in the segmented information. The nature of the segments and the activities they encompass are as follows:

Administrative

This area handles administration for the Town of Faro including support to Council, Council Committees and all municipal departments. The office processes all financial transactions for the municipality and is the public face of the Town that handles inquiries, takes payments and issues business licenses and dog tags.

Council and Legislative

This area is comprised of expenditures that relate to Council and Council's membership in the Association of Yukon Communities.

Public Works

This department handles repair and maintenance of all municipal buildings and maintenance of municipal vehicles.

Protective Services

Protective Services includes the fire department and emergency management operations planning.

December 31, 2018

8. Segmented Information (Continued)

Transportation

Transportation is responsible for roads, streets and lighting.

Environmental Health

Environmental Health is responsible for the maintenance of the municipal water and sewer systems and ensuring the water system meets all required standards. Management of the municipal landfill and cemetery is also included under Environmental Health.

Planning and Development

Planning and development is responsible for advertising and website maintenance, assisting with funding applications and organizing events such as the Sheep and Crane festival.

Recreation and Interpretive Centre

Recreation is managing the activities and programming at the recreation centre, pool during the summer months and arena during the winter.

Interpretive centre is open during the summer months and provides information to tourists, oversees the RV park and assists with various community events.

9. Contingent Asset

The Town of Faro is a member of the Yukon Communities Insurance Association (the "Association"). The Association is established for the purpose of permitting the subscribers to exchange a reciprocal contract of indemnity or inter-insurance as provided in the Act. The subscribers agree to exchange a contract of inter-insurance through a Reciprocal Insurance Exchange (as amended). The Association is responsible for property coverage of its subscribers to a maximum limit of \$100,000 for any one claim and \$250,000 in any one policy term for all subscribers combined. The Association has retained earnings of \$883,651 at December 31, 2018 (2017 - \$723,417). The Town has not recorded any portion of the retained earnings as an investment, because the amount to be distributed in the future, if any, cannot be reasonably estimated and collection of any such amount is uncertain.

Town of Faro
Schedule 1 - Statement of Operations by Segment

For the year ended December 31, 2018

	Administrative	Council/ Legislative	Public Works	Protective Services	Transportation	Environmental Health	Planning & Development	Recreation & Culture	Total 2018 Actual
Revenues									
Taxation, including grants in lieu of taxes	\$ 610,160	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 610,160
Grants - Government of Canada	14,682	-	-	-	-	-	-	34,167	48,849
Grants - Government of Yukon	234,677	-	-	-	-	-	-	-	234,677
Government of Yukon - block funding	1,684,765	-	-	50,000	-	-	-	-	1,734,765
Government of Yukon - capital funding	62,055	-	444,761	-	-	-	-	57,980	564,796
Government of Yukon - contributed assets	1,073,610	-	-	-	-	-	-	-	1,073,610
Equipment and property rental	27,595	-	-	18,251	-	-	-	-	45,846
Utility charges	-	-	-	-	-	166,827	-	-	166,827
User fees, admission fees, licences, permits and fines	4,040	-	-	-	-	-	-	-	4,040
Sale of goods and services	-	-	24,488	-	-	-	-	19,139	43,627
Other revenue	18,249	952	5,590	793	8,814	-	5,478	30,938	70,814
Gain on sale of properties held for sale	24,453	-	-	-	-	-	-	-	24,453
Investment income	34,313	-	-	-	-	-	-	-	34,313
Total revenue	3,788,599	952	474,839	69,044	8,814	166,827	5,478	142,224	4,656,777
Expenses									
Operating									
Salaries and benefits	549,082	60,399	537,300	19,787	14,330	109,659	43,707	238,095	1,572,359
Development incentive	28,514	-	-	-	-	-	-	-	28,514
Other goods and services	25,223	37,188	26,436	5,659	150	16,557	30,663	51,804	193,680
Insurance	26,783	-	13,982	2,342	260	21,258	3,131	34,911	102,667
Interest and other	3,838	-	-	-	-	-	-	-	3,838
Training, travel and meetings	16,072	15,007	8,550	3,670	-	8,153	-	8,511	59,963
Communications	10,920	-	9,012	6,338	-	5,402	909	3,710	36,291
Utilities and fuel	27,662	-	115,347	20,482	-	85,676	8,399	135,183	392,749
Vehicles	-	-	39,083	9,745	-	8,039	-	-	56,867
Professional fees and consultants	174,968	-	-	-	-	15,292	-	-	190,260
Equipment and supplies	6,789	-	50,289	15,320	-	54	2,703	10,471	85,626
Repairs and maintenance	46,359	-	7,463	144	15,542	108,518	60,282	23,793	262,101
Total operating expenses	916,210	112,594	807,462	83,487	30,282	378,608	149,794	506,478	2,984,915
Amortization	37,118	-	93,939	35,645	33,199	299,195	56,921	109,476	665,493
Total expenses	953,328	112,594	901,401	119,132	63,481	677,803	206,715	615,954	3,650,408
Excess (deficiency) in revenues over expenses	\$ 2,835,271	\$ (111,642)	\$ (426,562)	\$ (50,088)	\$ (54,667)	\$ (510,976)	\$ (201,237)	\$ (473,730)	\$ 1,006,369

Town of Faro
Schedule 1 - Statement of Operations by Segment (continued)

For the year ended December 31, 2017

	Administrative	Council/ Legislative	Public Works	Protective Services	Transportation	Environmental Health	Planning & Development	Recreation & Culture	Total 2017 Actual
Revenues									
Taxation, including grants in lieu of taxes	\$ 548,257	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 548,257
Grants - Government of Canada	5,274	-	-	-	-	-	-	461,061	466,335
Grants - Government of Yukon	180,587	3,743	-	-	-	-	-	-	184,330
Government of Yukon - block funding	1,684,765	-	-	50,000	-	-	-	-	1,734,765
Government of Yukon - capital funding	-	-	86,579	-	-	-	-	225,342	311,921
Equipment and property rental	28,419	-	-	17,806	-	-	-	-	46,225
Utility charges	-	-	-	-	-	189,411	-	-	189,411
User fees, admission fees, licenses, permits and fines	5,115	-	-	-	-	-	-	-	5,115
Sales of goods and services	8,524	-	12,622	-	-	-	-	19,312	40,458
Other revenue	19,919	-	19,099	727	13,908	-	7,599	35,310	96,562
Gain on sale of properties held for sale	79,001	-	-	-	-	-	-	-	79,001
Investment income	11,793	-	-	-	-	-	-	-	11,793
Total revenue	2,571,654	3,743	118,300	68,533	13,908	189,411	7,599	741,025	3,714,173
Expenses									
Operating									
Salaries and benefits	522,679	54,515	552,675	16,067	10,737	70,112	42,617	224,176	1,493,578
Bad debt provision	971	-	-	-	-	-	-	-	971
Other goods and services	42,747	38,116	18,281	20,065	706	13,539	30,361	36,421	200,236
Insurance	25,968	-	16,814	2,116	247	20,926	2,995	34,370	103,436
Interest and other	4,108	-	-	-	-	-	-	-	4,108
Training, travel and meetings	18,247	25,754	18,005	1,924	-	10,896	-	11,355	86,181
Communications	11,736	-	8,134	3,742	-	5,194	917	3,785	33,508
Utilities and fuel	19,318	-	107,981	18,273	-	63,553	6,805	117,347	333,277
Vehicles	-	-	34,014	10,680	-	5,437	-	-	50,131
Professional fees and consultants	95,231	-	-	-	-	20,357	-	-	115,588
Equipment and supplies	10,851	-	53,329	26,314	1,550	4,449	2,372	25,043	123,908
Repairs and maintenance	49,606	-	14,105	16,605	10,704	63,685	957	54,813	210,475
	801,462	118,385	823,338	115,786	23,944	278,148	87,024	507,310	2,755,397
Amortization	43,039	-	82,973	29,879	33,198	301,350	57,324	55,578	603,341
Total expenses	844,501	118,385	906,311	145,665	57,142	579,498	144,348	562,888	3,358,738
Excess (deficiency) in revenues over expenses	\$ 1,727,153	\$ (114,642)	\$ (788,011)	\$ (77,132)	\$ (43,234)	\$ (390,087)	\$ (136,749)	\$ 178,137	\$ 355,435