

**THE CORPORATION OF THE  
TOWNSHIP OF FAUQUIER AND  
STRICKLAND**

**AUDITORS' REPORT AND  
CONSOLIDATED FINANCIAL STATEMENTS**

**DECEMBER 31, 2008**

**THE CORPORATION OF THE TOWNSHIP OF  
FAUQUIER AND STRICKLAND**

**CONSOLIDATED FINANCIAL STATEMENTS**

**DECEMBER 31, 2008**

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## **AUDITORS' REPORT**

To the Members of Council, Inhabitants  
and Ratepayers of the Corporation of the  
Township of Fauquier and Strickland

We have audited the consolidated statement of financial position of the Corporation of the Township of Fauquier and Strickland as at December 31, 2008 and the consolidated statements of financial activities and fund balances and changes in financial position for the year then ended. These financial statements are the responsibility of the township's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the township as at December 31, 2008 and the results of its operations and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles as disclosed in note 1 to the financial statements.

Chartered Accountants  
Licenced Public Accountants  
March 5, 2009

**THE CORPORATION OF THE TOWNSHIP OF  
FAUQUIER AND STRICKLAND**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

**DECEMBER 31, 2008**

	<b>2008</b>	<b>2007</b>
<b>FINANCIAL ASSETS</b>		
Cash	\$ 22,819	\$ 89,573
Term deposits	1,985,753	1,906,998
Taxes receivable	75,947	63,355
Water and sewer charges receivable	4,000	4,220
Trade and other receivables (note 4)	60,600	87,181
Prepaid expenses	36,752	38,743
	<u>\$ 2,185,871</u>	<u>\$ 2,190,070</u>
<b>LIABILITIES</b>		
Bank indebtedness (note 5)	\$ 63,414	\$ -
Accounts payable and accrued liabilities (note 6)	36,169	58,482
Post-employment benefits payable	84,241	84,660
Deferred revenue (note 7)	923,392	905,185
Long-term liabilities (note 8)	1,171,564	1,250,339
	<u>2,278,780</u>	<u>2,298,666</u>
<b>MUNICIPAL POSITION</b>		
<b>FUND BALANCES</b>		
Operating fund (note 10, page 11)	103,303	112,624
Reserves (page 13)	1,059,593	1,113,779
	<u>1,162,896</u>	<u>1,226,403</u>
<b>AMOUNTS TO BE RECOVERED IN FUTURE YEARS</b>	<u>(1,255,805)</u>	<u>(1,334,999)</u>
	<u>(92,909)</u>	<u>(108,596)</u>
	<u>\$ 2,185,871</u>	<u>\$ 2,190,070</u>

The accompanying notes form an integral part of this financial statement.

**THE CORPORATION OF THE TOWNSHIP OF  
FAUQUIER AND STRICKLAND**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES  
AND FUND BALANCES**

**YEAR ENDED DECEMBER 31, 2008**

	<b>Budget</b>	<b>2008 Actual</b>	<b>2007 Actual</b>
<b>REVENUES</b>			
Taxation and user charges	\$ 865,362	\$ 865,190	\$ 848,781
Grants	1,811,830	708,262	575,776
Other	133,237	116,195	115,154
	<u>2,810,429</u>	<u>1,689,647</u>	<u>1,539,711</u>
<b>EXPENDITURES</b>			
<b>OPERATING</b>			
General government	210,850	207,518	179,081
Protection services	107,830	90,471	77,695
Transportation services	395,511	382,186	340,844
Environmental services	236,756	252,558	206,640
Health and social services	301,065	297,014	305,613
Recreation and cultural services	206,387	179,344	142,175
Planning and development	15,500	4,004	3,890
	<u>1,473,899</u>	<u>1,413,095</u>	<u>1,255,938</u>
<b>CAPITAL</b>			
General government	-	-	6,362
Protection services	40,165	22,863	28,067
Transportation services	173,902	168,992	50,849
Environmental services	928,500	28,409	12,155
Health and social services	4,887	3,887	2,882
Recreation and cultural services	472,500	36,714	27,473
	<u>1,619,954</u>	<u>260,865</u>	<u>127,788</u>
	<u>3,093,853</u>	<u>1,673,960</u>	<u>1,383,726</u>
<b>NET REVENUES (EXPENDITURES)</b>	(283,424)	15,687	155,985
<b>DEBT PRINCIPAL PAYMENTS</b>	(73,000)	(78,775)	(71,383)
<b>POST-EMPLOYMENT BENEFITS</b>	4,239	(419)	4,876
<b>NET CHANGE IN FUND BALANCES</b>	(352,185)	(63,507)	89,478
<b>FUND BALANCES, BEGINNING OF YEAR</b>	<u>1,226,403</u>	<u>1,226,403</u>	<u>1,136,925</u>
<b>FUND BALANCES, END OF YEAR</b>	<u>\$ 874,218</u>	<u>\$ 1,162,896</u>	<u>\$ 1,226,403</u>

The accompanying notes are an integral part of this financial statement.

**THE CORPORATION OF THE TOWNSHIP OF  
FAUQUIER AND STRICKLAND**

**CONSOLIDATED STATEMENT OF CHANGES IN FINANCIAL POSITION**

**YEAR ENDED DECEMBER 31, 2008**

	<b>2008</b>	<b>2007</b>
<b>OPERATING ACTIVITIES</b>		
Net revenue	\$ 15,687	\$ 155,985
Changes in:		
Taxes receivable	(12,592)	(24,856)
Water and sewer charges receivable	220	1,057
Trade and other receivables	26,581	(5,114)
Prepaid expenses	1,991	2,720
Accounts payable and accrued liabilities	(22,313)	13,667
Post-employment benefits payable	(419)	4,876
Deferred revenue	18,207	905,185
	27,362	1,053,520
<b>FINANCING ACTIVITIES</b>		
Debt principal payments	(78,775)	(71,383)
<b>INCREASE (DECREASE) IN CASH POSITION</b>	(51,413)	982,137
<b>CASH POSITION, BEGINNING OF YEAR</b>	1,996,571	1,014,434
<b>CASH POSITION, END OF YEAR</b>	\$ 1,945,158	\$ 1,996,571

**CASH POSITION IS COMPRISED OF THE FOLLOWING:**

	<b>2008</b>	<b>2007</b>
Cash	\$ 22,819	\$ 89,573
Term deposits	1,985,753	1,906,998
Bank indebtedness	(63,414)	-
	\$ 1,945,158	\$ 1,996,571

# THE CORPORATION OF THE TOWNSHIP OF FAUQUIER AND STRICKLAND

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2008

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### 1. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the Municipality are the representation of management prepared in accordance with accounting policies prescribed for Ontario municipalities by the Ministry of Municipal Affairs.

#### (a)(i) BASIS OF CONSOLIDATION

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

Public Library Board  
Public Cemetery Board

All interfund assets and liabilities and sources of financing and expenditures have been eliminated.

#### (ii) NON-CONSOLIDATED ENTITIES

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

The District of Cochrane Social Services Administration Board  
Porcupine Health Unit

#### (iii) ACCOUNTING FOR SCHOOL BOARD TRANSACTIONS

The taxation, other revenues and expenditures with respect to the operations of the school boards are not reflected in the municipal fund balances of these financial statements.

# THE CORPORATION OF THE TOWNSHIP OF FAUQUIER AND STRICKLAND

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2008

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### 1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### (iv) TRUST FUNDS

Trust funds and their related operations administered by the municipality are not consolidated but are reported separately on the Trust Funds Statement of Financial Position and Statement of Continuity.

#### b) BASIS OF ACCOUNTING

i) Sources of financing and expenditures are reported on the accrual basis of accounting which recognizes revenues as they become available and measurable; expenditures are recognized as they are incurred and measurable as a result of the receipt of goods or services and the creation of a legal obligation to pay.

#### ii) PROPERTY AND EQUIPMENT

The historical cost and accumulated amortization for property and equipment are not recorded for municipal purposes. Property and equipment are reported as an expenditure on the Consolidated Statement of Operations in the year of acquisition.

Starting in 2009, tangible capital assets will have to be recorded on the statement of financial position. As per the Public Sector Accounting Board guideline PSG-7, there are disclosure requirements starting this fiscal year. The disclosure is only required for categories of assets for which the information is available. As there is no information available on any of the categories of assets, no disclosures have been made.

#### iii) AMOUNTS TO BE RECOVERED IN FUTURE YEARS

Amounts to be recovered in future years, represents the outstanding principal portion of unmatured long-term liabilities and the post-employment benefits payable.

#### c) USE OF ESTIMATES

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in the period in which they become known.

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**THE CORPORATION OF THE TOWNSHIP OF  
FAUQUIER AND STRICKLAND**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**DECEMBER 31, 2008**

**2. CONTRIBUTIONS TO UNCONSOLIDATED ENTITIES**

Further to note 1(a)(ii), the following contributions were made by the municipality to these boards:

	<b>2008</b>	<b>2007</b>
The District of Cochrane Social Services Administration Board	\$ 241,637	\$ 244,023
Porcupine Health Unit	<u>17,792</u>	<u>18,413</u>
	<b>\$ 259,429</b>	<b>\$ 262,436</b>

The Municipality is contingently liable for its share of any accumulated deficits as at the end of the year for these boards.

**3. TRUST FUNDS**

Trust funds administered by the Municipality amounting to \$ 67,589 (2007 - \$ 63,446) have not been included on the Consolidated Statement of Financial Position nor have their operations been included in the Consolidated Statement of Financial Activities. The year-end balances of these funds are as follows:

	<b>2008</b>	<b>2007</b>
Ontario Home Renewal Program (O.H.R.P.)	\$ 35,679	\$ 32,426
Cemetery Care and Maintenance Fund	<u>31,910</u>	<u>31,020</u>
	<b>\$ 67,589</b>	<b>\$ 63,446</b>

**4. TRADE AND OTHER RECEIVABLES**

	<b>2008</b>	<b>2007</b>
Government of Canada	\$ 35,418	\$ 36,397
Province of Ontario	12,907	37,406
Due from local school boards	5,967	-
Other	<u>6,308</u>	<u>13,378</u>
	<b>\$ 60,600</b>	<b>\$ 87,181</b>

**THE CORPORATION OF THE TOWNSHIP OF  
FAUQUIER AND STRICKLAND**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**DECEMBER 31, 2008**

**5. BANK INDEBTEDNESS**

The municipality has an authorized line of credit of \$ 350,000 bearing interest at prime + 0.5 %.

**6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	<b>2008</b>	<b>2007</b>
Trade payables	\$ 28,169	\$ 43,249
Due to local school boards	-	7,233
Accrued liabilities	<u>8,000</u>	<u>8,000</u>
	<b>\$ 36,169</b>	<b>\$ 58,482</b>

**7. DEFERRED REVENUE**

A grant in the amount of \$ 901,185 was received in March 2007 from the Ministry of Public Infrastructure Renewal for the project Waste Water Stabilization Basin. This project will start in May 2009 with a completion date scheduled for October 31, 2009.

A grant in the amount of \$ 26,830 was received in May 2008 from the Ministry of Health Promotion for the recreation project. At December 31, 2008 only \$ 14,623 was expended and the difference was set up as deferred revenue for an amount of \$ 12,207.

A grant of \$ 10,000 was received in September 2008 from Hydro One Network for the recreation project. This project will continue in June 2009.

**THE CORPORATION OF THE TOWNSHIP OF  
FAUQUIER AND STRICKLAND**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**DECEMBER 31, 2008**

**8. LONG-TERM LIABILITIES**

	<b>2008</b>	<b>2007</b>
Caisse Populaire de Kapuskasing Limitée debenture incurred by the municipality to cover the cost of reconstruction and paving of municipal roads, 5.25 %, payable in monthly interest and principal payments of \$ 12,500	\$ 1,171,564	\$ 1,250,339

The long-term liabilities are to be recovered from general ratepayers as follows:

2009	\$	90,654
2010		95,529
2011		100,667
2012		106,081
2013		111,786
2014 and subsequent years		<u>666,847</u>
	\$	<u>1,171,564</u>

**9. CHARGES FOR LONG-TERM LIABILITIES**

During the year, the municipality paid the following long-term debt charges:

	<b>2008</b>	<b>2007</b>
Principal payments	\$ 78,775	\$ 71,383
Interest charges	<u>71,225</u>	<u>78,617</u>
	\$ 150,000	\$ 150,000

**10. FUND BALANCES**

The operating fund balance on the Consolidated Statement of Financial Position consists of the following:

	<b>2008</b>	<b>2007</b>
Available for general reduction of taxation	\$ 84,241	\$ 84,660
Library Board	<u>19,062</u>	<u>27,964</u>
	\$ 103,303	\$ 112,624

# **THE CORPORATION OF THE TOWNSHIP OF FAUQUIER AND STRICKLAND**

## **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**DECEMBER 31, 2008**

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### **11. COMMITMENTS**

The municipality has entered into the following long-term agreements:

Ontario Clean Water Agency (OCWA) - Five agreements starting on January 1, 2008 and ending on December 31, 2012, renewable for successive one year terms, to provide supervision and operation and maintenance services for the water treatment plant and lagoon at an annual cost of \$112,772 for 2009.

The municipality has made a commitment to give a donation of \$ 500 per year, over the next 4 years to the Fondation Université de Hearst.

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### **12. FINANCIAL INSTRUMENTS**

The municipality's financial instruments consists of cash, term deposits, receivables, accounts payable and accrued liabilities and long-term debt. 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 approximated their carrying values, unless otherwise noted.

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**THE CORPORATION OF THE TOWNSHIP OF  
FAUQUIER AND STRICKLAND**

**SCHEDULE OF OPERATING FUND OPERATIONS**

**YEAR ENDED DECEMBER 31, 2008**

	<b>Budget</b>	<b>2008 Actual</b>	<b>2007 Actual</b>
<b>REVENUES</b>			
Taxation and user charges	\$ 865,362	\$ 865,190	\$ 848,781
Grants	612,483	665,412	526,678
Other revenues	108,237	107,084	115,154
	<u>1,586,082</u>	<u>1,637,686</u>	<u>1,490,613</u>
<b>EXPENDITURES</b>			
General government	210,850	207,518	179,081
Protection services	107,830	90,471	77,695
Transportation services	395,511	382,186	340,844
Environmental services	236,756	252,558	206,640
Health and social services	301,065	297,014	305,613
Recreation and cultural services	206,387	179,344	142,175
Planning and development	15,500	4,004	3,890
	<u>1,473,899</u>	<u>1,413,095</u>	<u>1,255,938</u>
<b>NET REVENUES</b>	<u>112,183</u>	<u>224,591</u>	<u>234,675</u>
<b>FINANCING AND TRANSFERS</b>			
Post-employment benefits	4,239	(419)	4,876
Debt principal payments	(73,000)	(78,775)	(71,383)
Net transfer to reserves	(357,424)	(122,006)	(132,435)
Net transfer to capital fund	(29,417)	(32,712)	(21,211)
<b>NET FINANCING AND TRANSFERS</b>	<u>(455,602)</u>	<u>(233,912)</u>	<u>(220,153)</u>
<b>NET CHANGE IN FUND BALANCE</b>	(343,419)	(9,321)	14,522
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>112,624</u>	<u>112,624</u>	<u>98,102</u>
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ (230,795)</u>	<u>\$ 103,303</u>	<u>\$ 112,624</u>

**THE CORPORATION OF THE TOWNSHIP OF  
FAUQUIER AND STRICKLAND**

**SCHEDULE OF CAPITAL FUND OPERATIONS**

**YEAR ENDED DECEMBER 31, 2008**

	<b>Budget</b>	<b>2008 Actual</b>	<b>2007 Actual</b>
<b>REVENUES</b>			
Provincial grant	\$ 1,199,347	\$ 40,433	\$ 49,098
Federal grant	-	2,417	-
Donations	25,000	9,111	-
	<u>1,224,347</u>	<u>51,961</u>	<u>49,098</u>
<b>EXPENDITURES</b>			
General government	-	-	6,362
Protection services	40,165	22,863	28,067
Transportation services	173,902	168,992	50,849
Environmental services	928,500	28,409	12,155
Health and social services	4,887	3,887	2,882
Recreation and cultural services	472,500	36,714	27,473
	<u>1,619,954</u>	<u>260,865</u>	<u>127,788</u>
<b>NET EXPENDITURES</b>	<u>(395,607)</u>	<u>(208,904)</u>	<u>(78,690)</u>
<b>FINANCING AND TRANSFERS</b>			
Net transfer from operating fund	29,417	32,712	21,211
Net transfer from reserve fund	366,190	176,192	57,479
	<u>395,607</u>	<u>208,904</u>	<u>78,690</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	-	-
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**THE CORPORATION OF THE TOWNSHIP OF  
FAUQUIER AND STRICKLAND**

**SCHEDULE OF CONTINUITY OF RESERVES**

**YEAR ENDED DECEMBER 31, 2008**

	<b>Budget</b>	<b>2008 Actual</b>	<b>2007 Actual</b>
<b>NET TRANSFER FROM OPERATING FUND</b>	\$ 357,424	\$ 122,006	\$ 132,435
<b>NET TRANSFER TO CAPITAL FUND</b>	(366,190)	(176,192)	(57,479)
	(8,766)	(54,186)	74,956
<b>FUND BALANCE, BEGINNING OF YEAR</b>	1,113,779	1,113,779	1,038,823
<b>FUND BALANCE, END OF YEAR</b>	\$ 1,105,013	\$ 1,059,593	\$ 1,113,779

**RESERVES ARE COMPRISED OF THE FOLLOWING:**

Reserves set aside for specific purpose by council

General reserve	\$ 914,657	\$ 955,313
Fire capital funds	15,353	22,553
Community hall capital funds	13,021	12,091
Transportation services	-	26,543
Economic development	10,900	10,900
Sick leave	-	1,000
Landfill site - Haggart dump	20,000	17,500
Beautification committee	11,368	9,968
Cemetery reserve	12,029	12,029
Transition funding reserve	7,399	13,047
Gas tax fund reserve	54,866	32,835
	\$ 1,059,593	\$ 1,113,779

**THE CORPORATION OF THE TOWNSHIP OF  
FAUQUIER AND STRICKLAND**

**SCHEDULE OF OPERATING FUND REVENUES**

**YEAR ENDED DECEMBER 31, 2008**

	<b>Budget</b>	<b>2008 Actual</b>	<b>2007 Actual</b>
<b>TAXATION AND USER CHARGES</b>			
Residential taxation	\$ 156,741	\$ 156,741	\$ 154,739
Multi-residential taxation	5,475	5,475	5,394
Commercial taxation	6,669	6,669	5,616
Pipeline taxation	238,858	238,858	235,328
Industrial taxation	320	320	369
Supplementary taxation	13,467	1,452	2,337
Payment in lieu of taxation	5,576	18,537	14,784
Water and sewage system user fees	119,192	118,073	110,120
Hydro-electric power dam	319,064	319,065	320,094
	<u>865,362</u>	<u>865,190</u>	<u>848,781</u>
<b>GRANTS</b>			
Community reinvestment fund	465,100	465,100	465,041
Make-work projects	27,161	18,582	23,715
Provincial and Federal grants	115,065	161,936	17,625
Library	5,157	19,794	20,297
	<u>612,483</u>	<u>665,412</u>	<u>526,678</u>
<b>OTHER REVENUES</b>			
Rentals	25,880	28,650	27,908
Interest and penalties	57,181	54,755	52,452
Licences and permits	3,152	6,099	3,565
Fines	5,500	7,653	10,848
Donations	6,100	2,685	3,946
Sales and other revenues	10,424	7,242	16,435
	<u>108,237</u>	<u>107,084</u>	<u>115,154</u>
<b>TOTAL REVENUES</b>	<b>\$ 1,586,082</b>	<b>\$ 1,637,686</b>	<b>\$ 1,490,613</b>

**THE CORPORATION OF THE TOWNSHIP OF  
FAUQUIER AND STRICKLAND**

**SCHEDULE OF OPERATING FUND EXPENDITURES**

**YEAR ENDED DECEMBER 31, 2008**

	<b>Budget</b>	<b>2008 Actual</b>	<b>2007 Actual</b>
<b>GENERAL GOVERNMENT</b>			
MEMBERS OF COUNCIL			
Salaries and benefits	\$ 26,437	\$ 26,799	\$ 26,455
Materials	7,600	4,183	7,489
	<u>34,037</u>	<u>30,982</u>	<u>33,944</u>
GENERAL ADMINISTRATION			
Salaries and benefits	79,935	87,037	81,545
Materials	16,571	18,840	19,795
Public relations and advertising	14,592	18,387	8,052
Contracted services	65,565	51,703	35,689
Rents and financial expenses	150	569	56
	<u>176,813</u>	<u>176,536</u>	<u>145,137</u>
	<u>210,850</u>	<u>207,518</u>	<u>179,081</u>
<b>PROTECTION SERVICES</b>			
FIRE			
Salaries and benefits	26,403	25,410	18,958
Materials	14,744	7,154	6,858
Contracted services	31,247	22,573	21,316
	<u>72,394</u>	<u>55,137</u>	<u>47,132</u>
POLICE			
External transfers	<u>35,436</u>	<u>35,334</u>	<u>30,563</u>
	<u>107,830</u>	<u>90,471</u>	<u>77,695</u>

**THE CORPORATION OF THE TOWNSHIP OF  
FAUQUIER AND STRICKLAND**

**SCHEDULE OF OPERATING FUND EXPENDITURES**

**YEAR ENDED DECEMBER 31, 2008**

	<b>Budget</b>	<b>2008 Actual</b>	<b>2007 Actual</b>
<b>TRANSPORTATION SERVICES</b>			
<b>ROADWAYS</b>			
Salaries and benefits	\$ 125,585	\$ 109,981	\$ 115,358
Interest on long-term debt	77,000	71,225	78,617
Materials	106,826	102,911	65,258
Contracted services	49,250	49,009	48,047
	<u>358,661</u>	<u>333,126</u>	<u>307,280</u>
<b>WINTER CONTROL</b>			
Salaries and benefits	18,700	29,734	18,329
Materials	3,150	4,908	2,206
	<u>21,850</u>	<u>34,642</u>	<u>20,535</u>
<b>STREET LIGHTING</b>			
Contracted services	15,000	14,418	13,029
	<u>395,511</u>	<u>382,186</u>	<u>340,844</u>
<b>ENVIRONMENTAL SERVICES</b>			
<b>SANITARY SEWER SYSTEM</b>			
Salaries and benefits	2,675	1,398	178
Materials	15,500	20,188	7,399
Contracted services	5,860	8,055	5,414
	<u>24,035</u>	<u>29,641</u>	<u>12,991</u>
<b>WATERWORKS SYSTEM</b>			
Salaries and benefits	2,041	7,483	2,637
Materials	15,500	12,612	6,768
Contracted services	138,342	141,598	131,692
Rents and financial expenses	9,500	8,627	8,881
	<u>165,383</u>	<u>170,320</u>	<u>149,978</u>

**THE CORPORATION OF THE TOWNSHIP OF  
FAUQUIER AND STRICKLAND**

**SCHEDULE OF OPERATING FUND EXPENDITURES**

**YEAR ENDED DECEMBER 31, 2008**

	<b>Budget</b>	<b>2008 Actual</b>	<b>2007 Actual</b>
<b>WASTE COLLECTION</b>			
Salaries and benefits	\$ 34,833	\$ 35,704	\$ 32,235
Materials	7,425	13,845	5,743
Rents and financial expenses	5,080	3,048	5,693
	<u>47,338</u>	<u>52,597</u>	<u>43,671</u>
	<u>236,756</u>	<u>252,558</u>	<u>206,640</u>
<b>HEALTH AND SOCIAL SERVICES</b>			
<b>PUBLIC HEALTH SERVICES</b>			
External transfers	<u>17,792</u>	<u>17,792</u>	<u>18,413</u>
<b>AMBULANCE SERVICES</b>			
External transfers	<u>51,113</u>	<u>51,113</u>	<u>50,175</u>
<b>CEMETARIES</b>			
Salaries and benefits	7,360	5,207	5,356
Materials	-	125	1,189
	<u>7,360</u>	<u>5,332</u>	<u>6,545</u>
<b>MEDICAL CENTRE</b>			
Salaries and benefits	9,105	8,174	10,135
Materials	3,580	2,556	4,133
Contracted services	<u>11,920</u>	<u>11,851</u>	<u>10,760</u>
	<u>24,605</u>	<u>22,581</u>	<u>25,028</u>
<b>GENERAL ASSISTANCE</b>			
External transfers	<u>190,523</u>	<u>190,524</u>	<u>193,848</u>
<b>ASSISTANCE TO AGED PERSONS</b>			
External transfers	<u>9,672</u>	<u>9,672</u>	<u>11,604</u>
	<u>301,065</u>	<u>297,014</u>	<u>305,613</u>

**THE CORPORATION OF THE TOWNSHIP OF  
FAUQUIER AND STRICKLAND**

**SCHEDULE OF OPERATING FUND EXPENDITURES**

**YEAR ENDED DECEMBER 31, 2008**

	<b>Budget</b>	<b>2008 Actual</b>	<b>2007 Actual</b>
<b>RECREATION AND CULTURAL SERVICES</b>			
<b>RECREATION PROGRAMS</b>			
Salaries and benefits	\$ 11,192	\$ 11,640	\$ 13,378
Materials	25,344	23,328	742
	<u>36,536</u>	<u>34,968</u>	<u>14,120</u>
<b>RECREATION FACILITIES</b>			
Salaries and benefits	12,873	12,181	14,394
Materials	15,975	8,849	846
Contracted services	7,739	7,247	6,973
	<u>36,587</u>	<u>28,277</u>	<u>22,213</u>
<b>LIBRARIES</b>			
Salaries and benefits	28,163	34,250	27,700
Materials	10,844	13,510	15,553
Contracted services	3,350	3,151	3,288
	<u>42,357</u>	<u>50,911</u>	<u>46,541</u>
<b>CULTURAL SERVICES</b>			
Salaries and benefits	8,574	8,096	8,689
Materials	10,250	2,716	10,565
Contracted services	17,700	17,515	17,107
	<u>36,524</u>	<u>28,327</u>	<u>36,361</u>
<b>ECONOMIC DEVELOPMENT</b>			
Salaries and benefits	54,383	36,861	22,940
	<u>206,387</u>	<u>179,344</u>	<u>142,175</u>
<b>PLANNING AND DEVELOPMENT</b>			
<b>PLANNING AND ZONING</b>			
Materials	15,500	4,004	3,890
<b>TOTAL OPERATING FUND EXPENDITURES</b>	<b>\$ 1,473,899</b>	<b>\$ 1,413,095</b>	<b>\$ 1,255,938</b>

## **AUDITORS' REPORT ON TRUST FUNDS**

To the Members of Council, Inhabitants  
and Ratepayers of the Corporation of the  
Township of Fauquier and Strickland

We have audited the statement of financial position of the trust funds of the Corporation of the Township of Fauquier and Strickland as at December 31, 2008 and the statement of continuity of trust funds for the year then ended. These financial statements are the responsibility of the township's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the trust funds of the township as at December 31, 2008 and the continuity of trust funds for the year then ended in accordance with Canadian generally accepted accounting principles disclosed in note 1 to the financial statements.

Chartered Accountants  
Licenced Public Accountants  
March 5, 2009

**THE CORPORATION OF THE TOWNSHIP OF  
FAUQUIER AND STRICKLAND**

**TRUST FUNDS**

**STATEMENT OF FINANCIAL POSITION**

**DECEMBER 31, 2008**

	<b>O.H.R.P.</b>	<b>Cemetery Care and Maintenance Fund</b>	<b>Total</b>
<b>FINANCIAL ASSETS</b>			
Cash	\$ 29	\$ 31,910	\$ 31,939
Loans receivable	35,779	-	35,779
	<u>\$ 35,808</u>	<u>\$ 31,910</u>	<u>\$ 67,718</u>
<b>LIABILITIES</b>			
DUE TO MUNICIPALITY	\$ 97	\$ -	\$ 97
DUE TO PROVINCE	32	-	32
	129	-	129
FUND BALANCE	<u>35,679</u>	<u>31,910</u>	<u>67,589</u>
	<u>\$ 35,808</u>	<u>\$ 31,910</u>	<u>\$ 67,718</u>

**STATEMENT OF CONTINUITY OF TRUST FUNDS**

**YEAR ENDED DECEMBER 31, 2008**

	<b>O.H.R.P.</b>	<b>Cemetery Care and Maintenance Fund</b>	<b>Total</b>
Balance, beginning of year	\$ 32,426	\$ 31,020	\$ 63,446
Interest earned	3,253	-	3,253
Sale of plots and monuments	-	890	890
Balance, end of year	<u>\$ 35,679</u>	<u>\$ 31,910</u>	<u>\$ 67,589</u>

The accompanying notes are an integral part of this financial statement.

# **THE CORPORATION OF THE TOWNSHIP OF FAUQUIER AND STRICKLAND**

## **NOTES TO TRUST FUNDS FINANCIAL STATEMENTS**

**DECEMBER 31, 2008**

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### **1. SIGNIFICANT ACCOUNTING POLICIES**

#### **BASIS OF ACCOUNTING**

Capital receipts and income are reported on the cash basis of accounting.

Expenditures are reported on the cash basis of accounting with the exception of administrative expenses which are reported on the accrual basis of accounting, which recognizes expenditures as they are incurred and measurable as a result of the receipt of goods or services and the creation of a legal obligation to pay.

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### **2. ONTARIO HOME RENEWAL PROGRAM**

The Ontario Home Renewal Program was established by the Ontario Ministry of Housing in 1973 to provide grants for municipalities to make loans to assist owner occupants to repair, rehabilitate and improve their homes to local property standards.

Ontario Home Renewal Program loans receivable at December 31, 2008 comprise repayable loans of \$ 35,779 (2007 - \$ 32,526). In the event of the sale or lease of the home or in the event of the homeowner ceasing to occupy the home, the balances of the repayable loan immediately become due and payable by the homeowner.

In July 1993, the program was discontinued by the Ministry. Under the agreement with the Ministry of Housing, all monies accumulated as of December 31, are to be remitted to the Ministry by March 1 of the following year until all outstanding loans are cleared. As of December 31, 2008, \$ 32 was due to the Ministry of Housing.

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