

2008 Financial Report

**THE CORPORATION OF THE  
COUNTY OF RENFREW**

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## **THE CORPORATION OF THE COUNTY OF RENFREW**

2008 FINANCIAL REPORT

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# SCOTT ROSIEN & DEMPSEY

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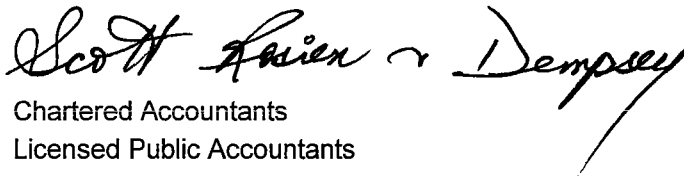
## AUDITORS' REPORT

To the Members of Council,  
Inhabitants and Ratepayers of  
The Corporation of the County of Renfrew

We have audited the consolidated statement of financial position of The Corporation of the County of Renfrew as at December 31, 2008 and the consolidated statements of financial activities and cash flows for the year then ended. These financial statements are the responsibility of the County'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 Corporation of the County of Renfrew as at December 31, 2008 and the results of its financial activities and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

  
Chartered Accountants  
Licensed Public Accountants

Pembroke, Ontario

June 16, 2009

# THE CORPORATION OF THE COUNTY OF RENFREW

## Consolidated Statement of Financial Position

December 31, 2008, with comparative figures for 2007

	2008	2007
<b>ASSETS</b>		
<b>Financial Assets</b>		
Cash	\$ 27,149,427	\$ 19,826,357
Investments (note 4)	3,633,385	5,502,355
Accounts receivable		
Federal Government	1,090,151	992,672
Other municipalities	734,061	322,756
Other	549,562	263,053
Total Financial Assets	33,156,586	26,907,193
<b>Non-Financial Assets</b>		
Inventory and prepaid expenses	842,643	924,511
<b>TOTAL ASSETS</b>	<b>\$ 33,999,229</b>	<b>\$ 27,831,704</b>
<b>LIABILITIES AND MUNICIPAL POSITION</b>		
<b>Liabilities</b>		
Accounts payable and accrued liabilities	\$ 6,596,809	\$ 8,609,226
Payable to Province of Ontario	2,377,860	2,091,166
Deferred revenue	53,356	70,244
Long-term liabilities (note 5)	17,543,515	19,004,187
Accrued interest on long-term liabilities	228,558	247,543
Employee benefit liabilities (note 6)	1,247,538	1,194,772
Total Liabilities	28,047,636	31,217,138
<b>Municipal Position</b>		
Fund Balances		
Current fund	129,631	310,925
Capital fund	-	(2,113,022)
Reserves	23,442,859	17,792,328
Reserve funds	1,398,714	1,070,837
Total Fund Balances	24,971,204	17,061,068
Less: amounts to be recovered in future years (note 7)	(19,019,611)	(20,446,502)
Total Municipal Position	5,951,593	(3,385,434)
<b>TOTAL LIABILITIES AND MUNICIPAL POSITION</b>	<b>\$ 33,999,229</b>	<b>\$ 27,831,704</b>

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

# THE CORPORATION OF THE COUNTY OF RENFREW

## Consolidated Statement of Financial Activities

Year ended December 31, 2008, with comparative figures for 2007

	Budget 2008	Actual 2008	Actual 2007
	(unaudited)		
<b>REVENUES</b>			
Levies on area municipalities	\$ 32,625,853	\$ 32,776,507	\$ 31,569,488
Other municipal revenue	6,324,889	5,393,304	6,493,364
User fees and service charges	11,434,507	12,592,686	12,446,871
Government grants	73,881,723	79,344,699	73,089,300
Investment income	343,332	864,342	948,408
Donation, fines and other	1,460,000	1,394,212	1,754,803
<b>Total Revenues</b>	<b>126,070,304</b>	<b>132,365,750</b>	<b>126,302,234</b>
<b>EXPENDITURES</b>			
<b>Current</b>			
General government	6,533,948	6,069,622	5,543,737
Protection services	963,579	789,498	772,617
Transportation services	6,133,500	6,870,370	6,252,108
Health services	14,283,238	12,220,424	11,642,582
Social and family services	69,978,138	70,607,135	74,841,121
Social housing	9,383,329	9,352,750	8,801,399
Planning and development	1,688,847	1,742,977	1,733,825
<b>Total Current Expenditures</b>	<b>108,964,579</b>	<b>107,652,776</b>	<b>109,587,389</b>
<b>Capital</b>			
General government	186,000	309,809	4,191,262
Transportation services	11,685,300	12,629,444	9,835,512
Health services	833,000	801,490	488,350
Social and family services	1,435,340	787,278	175,063
Social housing	800,800	847,926	788,914
<b>Total Capital Expenditures</b>	<b>14,940,440</b>	<b>15,375,947</b>	<b>15,479,101</b>
<b>Total Expenditures (note 10)</b>	<b>123,905,019</b>	<b>123,028,723</b>	<b>125,066,490</b>
<b>Net Revenue</b>	<b>2,165,285</b>	<b>9,337,027</b>	<b>1,235,744</b>
<b>Financing</b>			
Principal payments on long-term liabilities	(1,467,638)	(1,460,672)	(1,401,514)
Change in employee benefits and interest on long-term liabilities	-	33,781	67,951
<b>Net decrease in amounts to be recovered</b>	<b>(1,467,638)</b>	<b>(1,426,891)</b>	<b>(1,333,563)</b>
<b>Increase (decrease) in Fund Balances</b>	<b>697,647</b>	<b>7,910,136</b>	<b>(97,819)</b>
<b>Balance of Funds Beginning of Year</b>	<b>17,061,068</b>	<b>17,061,068</b>	<b>17,158,887</b>
<b>BALANCE OF FUNDS END OF YEAR</b>	<b>\$ 17,758,715</b>	<b>\$ 24,971,204</b>	<b>\$ 17,061,068</b>

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

# THE CORPORATION OF THE COUNTY OF RENFREW

## Consolidated Statement of Cash Flows

Year ended December 31, 2008, with comparative figures for 2007

	2008	2007
<b>OPERATIONS</b>		
Net revenues	\$ 9,337,027	\$ 1,235,744
<b>Uses:</b>		
Increase in recoverable from Federal Government	(97,479)	-
Increase in recoverable from other municipalities	(411,305)	-
Increase in other accounts receivable	(286,509)	-
Increase in non-financial assets	-	(90,348)
Decrease in accounts payable and accrued liabilities	(2,012,417)	-
Decrease in payable to Federal Government	-	(8,109)
Decrease in deferred revenue	(16,888)	-
Decrease in accrued interest on long-term liabilities	(18,985)	(17,860)
<b>Total Uses</b>	<b>(2,843,583)</b>	<b>(116,317)</b>
<b>Sources:</b>		
Decrease in recoverable from Federal Government	-	203,823
Decrease in recoverable from other municipalities	-	917,392
Decrease in other accounts receivable	-	75,945
Decrease in non-financial assets	81,868	-
Increase in accounts payable and accrued liabilities	-	309,701
Increase in payable to Provincial Government	286,694	981,557
Increase in deferred revenue	-	25,593
Increase in employee benefit liabilities	52,766	85,811
<b>Total Sources</b>	<b>421,328</b>	<b>2,599,822</b>
<b>Net Increase in Cash from Operations</b>	<b>6,914,772</b>	<b>3,719,249</b>
<b>INVESTING</b>		
Net decrease (increase) in investments	1,868,970	(1,242,670)
<b>Total Investing</b>	<b>1,868,970</b>	<b>(1,242,670)</b>
<b>FINANCING</b>		
Long-term liabilities repaid	(1,460,672)	(1,401,514)
<b>Total Financing</b>	<b>(1,460,672)</b>	<b>(1,401,514)</b>
<b>Increase in Cash</b>	<b>7,323,070</b>	<b>1,075,065</b>
<b>Cash, beginning of year</b>	<b>19,826,357</b>	<b>18,751,292</b>
<b>Cash, end of year</b>	<b>\$ 27,149,427</b>	<b>\$ 19,826,357</b>

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

# THE CORPORATION OF THE COUNTY OF RENFREW

## Notes to the Consolidated Financial Statements

Year ended December 31, 2008

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The Corporation of the County of Renfrew is an upper tier municipality in the Province of Ontario, Canada. The provisions of provincial statutes such as the Municipal Act, Municipal Affairs Act and related legislation guide its operations.

### 1. Accounting Policies

The consolidated financial statements of the Corporation of the County of Renfrew are the representation of management and are prepared in accordance with Canadian generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants.

#### (a) (i) Basis of Consolidation

These consolidated financial statements reflect the assets, liabilities, revenues and expenditures of the current fund, capital fund, reserves and reserve funds and include the activities of all committees of Council.

The Renfrew County and District Health Unit has been proportionately consolidated.

The Ottawa Housing Corporation has been consolidated in 2007. Effective January 2, 2008 Ottawa Housing Corporation was acquired and amalgamated with the Renfrew County Housing Corporation.

The Renfrew County Housing Corporation has been consolidated.

All inter-fund assets and liabilities and sources of revenues and expenditures have been eliminated with the exception of loans or advances between reserve funds and any other fund of the municipality and the resulting interest income and expenditures.

#### (ii) Fund Accounting

Funds within the consolidated financial statements consist of current, capital, reserves and reserve funds. Transfers between funds are recorded as adjustments to the appropriate municipal fund balance.

#### (iii) Trust Funds

Trust funds and their related operations administered by the Corporation of the County of Renfrew are not consolidated, but are reported separately on the "Trust Funds Statements of Financial Position, Financial Activities and Changes in Fund Balance".

#### (b) Basis of Accounting

##### (i) Revenue and Expenditure Recognition

Sources of revenue and expenditures are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they are earned and measurable; expenditures are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

##### (ii) Accounts Receivable

Accounts receivable are reported net of any allowance for doubtful accounts.

##### (iii) Inventory

Inventory is valued at the lower of cost or replacement value.

# THE CORPORATION OF THE COUNTY OF RENFREW

Notes to the Consolidated Financial Statements, page 2

Year ended December 31, 2008

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## 1. Accounting Policies (continued)

### (b) Basis of Accounting (cont'd)

#### (iv) Tangible Capital Assets

The historical cost and accumulated amortization for tangible capital assets are not recorded for municipal purposes. Tangible capital assets are reported as an expenditure on the Consolidated Statement of Financial Activities in the year of acquisition.

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

During 2008, the Corporation of the County of Renfrew continued to work towards compliance with the new recommendations for accounting for tangible capital assets. A complete listing of assets and values was completed by December 31, 2008.

#### (v) Deferred Revenue

Deferred revenues represent user charges and fees which have been collected but for which the related services have yet to be performed. These amounts will be recognized as revenues in the fiscal year the related expenditures are incurred or services performed.

#### (vi) Reserves and Reserve Funds

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

#### (vii) Employee Benefit Plan

The contributions to a multi-employer, defined benefit pension plan are expensed when contributions are due.

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

#### (viii) Use of Estimates

The preparation of these consolidated financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions which affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures for the year. These estimates and assumptions, including such areas as employee benefits, are based on the County's best information and judgement and may differ significantly based on actual results.

# THE CORPORATION OF THE COUNTY OF RENFREW

Notes to the Consolidated Financial Statements, page 3

Year ended December 31, 2008

## 1. Accounting Policies (continued)

### (b) Basis of Accounting (cont'd)

#### (ix) Financial Instruments

The Corporation of the County of Renfrew adopted the accounting standards that were issued by the Canadian Institute of Chartered Accountants, particularly Section 3855, Financial Instruments – Recognition and Measurement. This section establishes standards for recognizing and measuring financial assets and financial liabilities. All financial instruments must be classified as held for trading, available-for-sale, held to maturity, loans and receivables, or other financial liabilities. The Corporation has classified its cash and investments as held for trading and they are stated at fair value. Accounts receivable are classified as loans and receivables, which are measured at amortized cost. Accounts payable and accrued liabilities, payable to Province of Ontario, deferred revenue, long-term liabilities, accrued interest on long-term liabilities and employee benefit liabilities are classified as other liabilities which are measured at cost.

## 2. Trust Funds

Trust funds administered by the County amounting to \$190,208 (2007 – \$217,137) have not been included in the "Consolidated Statement of Financial Position" nor have their operations been included in the "Consolidated Statement of Financial Activities".

## 3. Pension Agreement

The County of Renfrew, on behalf of its eligible employees, is a participant in the Ontario Municipal Employees Retirement System (OMERS). OMERS is a defined benefit pension plan, fully funded by equal contributions from participating employers and employees, and by the investment earnings of the OMERS Fund. OMERS pensions are calculated using a defined benefit formula, taking into account length of service and average annual wage that is designed to integrate with the pension payable from the Canada Pension Plan. The amount contributed to OMERS for 2008 was \$1,627,925 (2007 – \$1,523,880) for current service and is included as an expenditure on the Consolidated Statement of Financial Activities. At December 31, 2008 there is no liability for past service under this agreement.

## 4. Investments

Investments are stated at fair value and are comprised of the following:

	2008	2007
Guaranteed investment certificates	\$ 1,011,892	\$ -
One Funds – Money Market	2,494,369	2,397,312
3.875% Province of Ontario bond, due March 8, 2008	-	1,969,620
4.54% Toronto Dominion bond, due September 5, 2008	-	997,507
Phillips, Hager & North - Canadian Money Market	104,950	101,936
Phillips, Hager & North – Canadian Equity	22,174	35,980
	<u>\$ 3,633,385</u>	<u>\$ 5,502,355</u>

The guaranteed investment certificates bear interest at rates from 3.5% to 4.0% and mature from September 14, 2009 to September 13, 2010.

# THE CORPORATION OF THE COUNTY OF RENFREW

Notes to the Consolidated Financial Statements, page 4

Year ended December 31, 2008

## 5. Long-Term Liabilities

The balance of the long-term liabilities reported on the Consolidated Statement of Financial Position is made up of long-term liabilities incurred by the municipality and are outstanding at the end of the year:

	2008	2007
Long-term debt issued by the County at various rates of interest ranging from 2.65% to 5.20%, maturing February 10, 2014	\$ 7,442,000	\$ 8,506,000
Long-term debt issued by the County bearing interest at 5.656%, maturing October 4, 2024	6,542,146	6,788,435
Mortgage payable bearing interest at 3.774%, maturing April 1, 2009	566,129	601,889
Mortgage payable bearing interest at 4.47%, matured	-	1,224,517
Mortgage payable bearing interest at 3.68%, maturing December 1, 2018	1,170,326	-
Mortgage payable bearing interest at 4.46%, matured	-	1,883,346
Mortgage payable bearing interest at 3.65%, maturing June 1, 2018	1,822,914	-
	<u>\$ 17,543,515</u>	<u>\$ 19,004,187</u>

Principal repayments relating to long-term liabilities of \$17,543,515 outstanding as at December 31, 2008 are due as follows:

2009	\$ 2,057,250
2010	1,557,679
2011	1,631,293
2012	1,709,960
2013	1,796,212
Thereafter	<u>8,791,121</u>
	<u>\$ 17,543,515</u>

## 6. Employee Benefit Liabilities

	2008	2007
Employee benefits are summarized as follows:		
Sick leave benefits	\$ 755,279	\$ 735,799
Workplace Safety and Insurance Board obligations	492,259	458,973
	<u>\$1,247,538</u>	<u>\$1,194,772</u>

(a) Under the sick leave benefit plan, unused sick leave can accumulate and employees may become entitled to a cash payment when they leave the municipality's employment.

The liability for these accumulated days, to the extent that they have vested and could be taken in cash by an employee on termination, amounted to \$755,279 (2007 – \$735,799) at the end of the year. A Reserve and Reserve Fund have been established to provide for a portion of this past service liability and are reported on the "Consolidated Statement of Financial Position". The balance at the end of the year is \$255,860 (2007 – \$245,323).

# THE CORPORATION OF THE COUNTY OF RENFREW

Notes to the Consolidated Financial Statements, page 5

Year ended December 31, 2008

## 6. Employee Benefit Liabilities (cont'd)

(b) The County of Renfrew is a Schedule 2 employer under the Workplace Safety and Insurance Board Act and, as such, has assumed the liability for any costs awarded under the Workplace Safety and Insurance Board Act. An actuarial evaluation undertaken in 2006 determined that the liability for present and future awards was \$416,900 as at December 31, 2006. An estimate of \$492,259 for 2008 has been reported on the Statement of Financial Position. An amount of \$1,220,089 (2007 - \$1,276,456) has been provided for current and future pension awards and is reported as a reserve on the Consolidated Schedule of Reserves and Reserve Funds.

## 7. Amounts To Be Recovered In Future Years

Amounts to be recovered in future years comprise the gross amounts of the following liabilities as at December 31, some of which have been partially funded through reserve funds:

	2008	2007
Long-term liabilities	\$ 17,543,515	\$ 19,004,187
Accrued interest on long-term liabilities	228,558	247,543
Employee benefit liabilities	1,247,538	1,194,772
	<u>\$ 19,019,611</u>	<u>\$ 20,446,502</u>

Of the long-term liabilities totaling \$17,543,515, \$6,542,146 will be funded by the Ministry of Health and Long-Term Care ending in 2024.

## 8. Commitments

(a) Under the terms of various operating lease agreements, future minimum payments over the next five years are as follows:

2009	\$ 381,746
2010	275,649
2011	120,632
2012	76,083
2013	<u>20,151</u>
	<u>\$ 874,261</u>

The Renfrew County Housing Corporation has entered into a long-term service agreement with the Ontario Clean Water Agency that ends February 2010.

Future minimum payments over the next two years are as follows:

2009	\$ 38,100
2010	<u>6,350</u>
	<u>\$ 44,450</u>

# THE CORPORATION OF THE COUNTY OF RENFREW

Notes to the Consolidated Financial Statements, page 6

Year ended December 31, 2008

## 9. Contingencies

At December 31, 2008 the Corporation of the County of Renfrew is defending itself with respect to legal actions for damages.

The impact of these actions on the financial statements is not determinable as at the date of the auditors' report. Neither the possible outcome nor the amount of possible settlement, if any, can be foreseen. Therefore, no provision has been made in the financial statements.

In the event that any amount is payable, it will be recorded as an expenditure in the year it is disbursed.

## 10. Expenditures by Object

The total expenditures on the consolidated statement of financial activities are summarized by object as follows:

	2008	2007
Salaries, wages and benefits	\$ 38,796,769	\$ 36,095,369
Materials	16,751,379	16,373,217
Contracted services	11,401,363	11,519,584
Interest on long-term debt	887,487	956,481
Transfer payments	37,450,239	42,770,761
Rents and financial expense	2,365,539	1,871,977
Capital expenditures	15,375,947	15,479,101
<b>Total expenditures</b>	<b>\$ 123,028,723</b>	<b>\$ 125,066,490</b>

## 11. Budget figures

The County of Renfrew's budget process includes the preparation of an annual current and capital budget. The current budget includes the expenditures and revenues approved by County Council for the period January 1 to December 31 each year. The current budget appears on the schedule of current fund operations. The capital budget includes the expenditure and revenue sources to acquire, construct and maintain County assets. The 2008 capital budget approved by Council included projects requiring financing of \$14,940,440.

## 12. Service contract with the Ministry of Community and Social Services and the Ministry of Children and Youth Services

The County of Renfrew has a service contract with the Ministry of Community and Social Services and the Ministry of Children and Youth Services. A review of these programs shows a surplus of \$1,524,499 as at December 31, 2008. These surplus amounts are reflected in the total payable to the Province of Ontario (net).

# THE CORPORATION OF THE COUNTY OF RENFREW

Notes to the Consolidated Financial Statements, page 7

Year ended December 31, 2008

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## 13. Financial instruments

(a) Fair value:

The carrying values of cash, investments, accounts receivable, accounts payable and accrued liabilities, payable to Province of Ontario, deferred revenue, accrued interest on long-term liabilities and employee benefit liabilities approximate the fair value due to their short-term nature.

The carrying value of the long-term liabilities is considered to be its fair value because the interest rate approximates the market rate that would be available to the Corporation for the same or similar instruments at December 31, 2008.

(b) Interest rate risk:

The long-term liabilities bear interest at fixed interest rates. Consequently, the long-term debt risk exposure is minimal.

(c) Credit risk:

The Corporation provides credit to other agencies and to its tenants during the normal course of operations. The Corporation determines on a continuing basis, the probable losses and records a provision for losses based upon the stated realizable value. Concentration of credit risk with respect to accounts receivable is limited due to the number of other agencies and tenants involved. The Corporation does not run any significant risk with respect to a single account receivable.

It is the Management's opinion that the Corporation is not exposed to significant interest, currency or credit risks arising from its financial instruments.

# THE CORPORATION OF THE COUNTY OF RENFREW

## Consolidated Schedule of Current Fund Operations

Year ended December 31, 2008, with comparative figures for 2007

	Budget 2008	Actual 2008	Actual 2007
	(unaudited)		
<b>Revenues</b>			
Levies on area municipalities	\$ 32,625,853	\$ 32,776,507	\$ 31,569,488
Other municipal revenue	6,324,889	5,393,304	6,475,490
User fees and service charges	11,434,507	12,592,686	12,446,871
Government grants	73,881,723	79,344,699	73,011,934
Investment income	343,332	627,503	686,655
Fines and other	1,460,000	1,394,212	1,424,310
<b>Total Revenues</b>	<b>126,070,304</b>	<b>132,128,911</b>	<b>125,614,748</b>
<b>Expenditures</b>			
General government	6,533,948	6,069,622	5,543,737
Protection services	963,579	789,498	772,617
Transportation services	6,133,500	6,870,370	6,252,108
Health services	14,283,238	12,220,424	11,642,582
Social and family services	69,978,138	70,607,135	74,841,121
Social housing	9,383,329	9,352,750	8,801,399
Planning and development	1,688,847	1,742,977	1,733,825
<b>Total Expenditures</b>	<b>108,964,579</b>	<b>107,652,776</b>	<b>109,587,389</b>
<b>Net Revenues</b>	<b>17,105,725</b>	<b>24,476,135</b>	<b>16,027,359</b>
<b>Financing and Transfers</b>			
Principal payments on long-term liabilities	(1,467,638)	(1,460,672)	(1,401,514)
Change in employee benefits and interest on long-term liabilities	-	33,781	67,951
Transfers to Reserves and Reserve Funds	(8,942,430)	(14,772,577)	(8,049,651)
Transfers from Reserves and Reserve Funds	5,695,059	6,956,902	5,146,646
Transfers to Capital Fund	(15,014,335)	(15,414,863)	(12,022,509)
<b>Net Financing and Transfers</b>	<b>(19,729,344)</b>	<b>(24,657,429)</b>	<b>(16,259,077)</b>
<b>Change in Current Fund Balance</b>	<b>(2,623,619)</b>	<b>(181,294)</b>	<b>(231,718)</b>
<b>Opening Current Fund Balance</b>	<b>310,925</b>	<b>310,925</b>	<b>542,643</b>
<b>Closing Current Fund Balance</b>	<b>\$ (2,312,694)</b>	<b>\$ 129,631</b>	<b>\$ 310,925</b>

# THE CORPORATION OF THE COUNTY OF RENFREW

## Consolidated Schedule of Capital Fund Operations

Year ended December 31, 2008, with comparative figures for 2007

	Budget 2008	Actual 2008	Actual 2007
	(unaudited)		
<b>Revenues</b>			
Other municipal revenue	\$ -	\$ -	\$ 17,874
Government grants	-	-	77,366
Investment income	-	3,104	7,504
Construction recoveries	-	-	330,493
<b>Total Revenues</b>	-	<b>3,104</b>	<b>433,237</b>
<b>Expenditures</b>			
General government	186,000	309,809	4,191,262
Transportation services	11,685,300	12,629,444	9,835,512
Health services	833,000	801,490	488,350
Social and family services	1,435,340	787,278	175,063
Social housing	800,800	847,926	788,914
<b>Total Expenditures</b>	<b>14,940,440</b>	<b>15,375,947</b>	<b>15,479,101</b>
<b>Net Expenditures</b>	<b>(14,940,440)</b>	<b>(15,372,843)</b>	<b>(15,045,864)</b>
<b>Financing and Transfers</b>			
Transfers from General Fund	15,014,335	15,414,863	12,022,509
Transfers from Reserves and Reserve Funds	2,019,092	2,071,002	660,455
<b>Net Financing and Transfers</b>	<b>17,033,427</b>	<b>17,485,865</b>	<b>12,682,964</b>
<b>Change in Capital Fund Balance</b>	<b>2,092,987</b>	<b>2,113,022</b>	<b>(2,362,900)</b>
<b>Opening Capital Fund Balance</b>	<b>(2,113,022)</b>	<b>(2,113,022)</b>	<b>249,878</b>
<b>Closing Capital Fund Balance</b>	<b>\$ (20,035)</b>	<b>\$ -</b>	<b>\$ (2,113,022)</b>

# THE CORPORATION OF THE COUNTY OF RENFREW

## Consolidated Schedule of Reserves and Reserve Funds

Year ended December 31, 2008, with comparative figures for 2007

	Budget 2008 (unaudited)	Actual 2008	Actual 2007
<b>Revenue</b>			
Investment income	\$ -	\$ 233,735	\$ 254,249
<b>Total Revenue</b>	<b>-</b>	<b>233,735</b>	<b>254,249</b>
<b>Financing and Transfers</b>			
Transfers to General Fund	(5,695,059)	(6,956,902)	(5,146,646)
Transfers from General Fund	8,942,430	14,772,577	8,049,651
Transfers to Capital Fund	(2,019,092)	(2,071,002)	(660,455)
<b>Net Financing and Transfers</b>	<b>1,228,279</b>	<b>5,744,673</b>	<b>2,242,550</b>
<b>Change in Reserves and Reserve Funds Balance</b>	<b>1,228,279</b>	<b>5,978,408</b>	<b>2,496,799</b>
<b>Opening Reserves and Reserve Funds Balance</b>	<b>18,863,165</b>	<b>18,863,165</b>	<b>16,366,366</b>
<b>Closing Reserves and Reserve Funds Balance</b>	<b>\$ 20,091,444</b>	<b>\$ 24,841,573</b>	<b>\$ 18,863,165</b>
<b>Analyzed As Follows:</b>			
<b>Reserves Set Aside For Specific Purposes By Council</b>			
Working Funds	\$ 2,289,107	\$ 2,888,293	\$ 4,058,195
Contingencies	525,810	4,377,450	390,810
Equipment Replacement	1,959,754	2,507,617	2,960,594
Sick Leave	245,323	255,860	245,323
Workplace Safety Insurance Board	1,150,447	1,220,089	1,276,456
Current – Public Works	3,913,093	3,543,087	1,715,864
Current – Health	829,858	848,509	829,858
Current – Social and Family Services	783,736	1,181,129	1,183,736
Current – Social Housing	2,615,721	1,768,483	1,905,424
Current – Planning	-	26,560	-
Capital – Roadways	-	-	11,608
Capital – Housing	1,828,655	2,148,861	1,736,729
Capital – Health	2,525,878	2,676,921	1,477,731
	<b>18,667,382</b>	<b>23,442,859</b>	<b>17,792,328</b>
<b>Reserve Funds Set Aside For Specific Purposes By Council</b>			
Contingencies	51,136	51,136	49,638
Capital – General	1,365,713	1,340,134	896,294
Capital – Planning and Development	7,213	7,444	7,215
Capital – Social Housing	-	-	117,690
	<b>1,424,062</b>	<b>1,398,714</b>	<b>1,070,837</b>
<b>Total Reserves and Reserve Funds</b>	<b>\$ 20,091,444</b>	<b>\$ 24,841,573</b>	<b>\$ 18,863,165</b>

# SCOTT ROSIEN & DEMPSEY

## Chartered Accountants

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## AUDITORS' REPORT

To the Members of Council, Inhabitants  
and Ratepayers of the Corporation of the County of Renfrew

We have audited the trust funds statement of financial position of the Corporation of the County of Renfrew as at December 31, 2008 and the trust funds statements of financial activities and changes in fund balances for the year then ended. These financial statements are the responsibility of the County'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 funds held in trust by the Corporation of the County of Renfrew as at December 31, 2008 and the results of its financial activities for the year then ended in accordance with Canadian generally accepted accounting principles.



Chartered Accountants  
Licensed Public Accountants

Pembroke, Ontario

June 16, 2009

# THE CORPORATION OF THE COUNTY OF RENFREW

## Trust Funds Statement of Financial Position

December 31, 2008, with comparative figures for 2007

	2008	2007
<b>Financial Assets</b>		
Cash and short-term investments	\$ 190,208	\$ 217,137
	<b>\$ 190,208</b>	<b>\$ 217,137</b>
<b>Fund Balance</b>		
Residents' equity	\$ 190,208	\$ 217,137
	<b>\$ 190,208</b>	<b>\$ 217,137</b>

## Trust Fund Statement of Financial Activities And Changes in Fund Balance

Year ended December 31, 2008, with comparative figures for 2007

	2008	2007
<b>Revenue:</b>		
Deposits from residents	\$ 3,517,500	\$ 3,294,336
Interest	6,309	8,379
	<b>3,523,809</b>	<b>3,302,715</b>
<b>Expenditure:</b>		
Payment for maintenance, withdrawals by residents and estate payments	3,550,738	3,351,683
<b>Change in Financial Assets</b>	<b>(26,929)</b>	<b>(48,968)</b>
<b>Fund Balance at The Beginning of The Year</b>	<b>217,137</b>	<b>266,105</b>
<b>Fund Balance at The End of The Year</b>	<b>\$ 190,208</b>	<b>\$ 217,137</b>

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

# THE CORPORATION OF THE COUNTY OF RENFREW

## Trust Funds

### Note to Financial Statements

Year ended December 31, 2008

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These financial statements reflect the financial activity and financial position of funds held in trust by The Corporation of The County of Renfrew for residents of Bonnechere Manor and Miramichi Lodge.

#### **1. Significant accounting policies:**

##### **(a) Financial instruments:**

The Corporation of the County of Renfrew adopted the accounting standards that were issued by the Canadian Institute of Chartered Accountants, particularly Section 3855, Financial Instruments – Recognition and Measurement. This section establishes standards for recognizing and measuring financial assets and financial liabilities. All financial instruments must be classified as held for trading, available-for-sale, held to maturity, loans and receivables, or other financial liabilities. The Corporation has classified its cash and short term investments as held for trading and they are stated at fair value.

It is management's opinion that the Corporation is not exposed to significant interest, currency or credit risks arising from its financial instruments.