

**THE CORPORATION OF THE MUNICIPALITY**

**OF CENTRAL ELGIN**

**Consolidated Financial Statements**

**December 31, 2009**

**THE CORPORATION OF THE MUNICIPALITY OF CENTRAL ELGIN**  
**Consolidated Financial Statements**  
**For the Year Ended December 31, 2009**

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## **AUDITORS' REPORT**

To the Members of Council, Inhabitants and Ratepayers of  
**The Corporation of the Municipality of Central Elgin**

We have audited the consolidated statement of financial position of **The Corporation of the Municipality of Central Elgin** as at December 31, 2009 and the consolidated statement of operations and accumulated surplus, change in net debt, and cash flows for the year then ended. These consolidated financial statements are the responsibility of the Municipality's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

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

In our opinion, these consolidated financial statements present fairly, in all material respects, the consolidated financial position of The Corporation of the Municipality of Central Elgin as at December 31, 2009 and the results of its consolidated operations and consolidated cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

St. Thomas, Ontario  
August 5, 2010

*Graham Scott Enns LLP*  
**CHARTERED ACCOUNTANTS**  
Licensed Public Accountants

# THE CORPORATION OF THE MUNICIPALITY OF CENTRAL ELGIN

## Consolidated Statement of Financial Position December 31, 2009

	2009	(restated Note 2) 2008
	<u>\$</u>	<u>\$</u>
<b>ASSETS</b>		
<b>Financial Assets</b>		
Cash	2,987,367	3,838,355
Loan receivable (Note 3)	1,077,000	1,077,000
Taxes receivable (Note 5)	1,557,377	1,900,773
Accounts receivable	1,414,065	1,307,309
Investment in EARTH Corporation (Note 6)	<u>1,278,575</u>	<u>1,327,615</u>
<b>Total</b>	<u>8,314,384</u>	<u>9,451,052</u>
<b>LIABILITIES</b>		
Temporary bank advances	2,000,000	-
Deferred revenue - obligatory reserve funds (Note 4)	1,265,121	1,302,467
Accounts payable and accrued liabilities	1,186,098	1,644,012
Employee post-retirement benefit liabilities (Note 9)	102,376	119,629
Net long-term liabilities (Note 8)	<u>9,465,568</u>	<u>9,822,724</u>
<b>Total</b>	<u>14,019,163</u>	<u>12,888,832</u>
<b>NET FINANCIAL DEBT</b>	<u>(5,704,779)</u>	<u>(3,437,780)</u>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Note 10)	88,357,517	83,759,758
Prepaid expenses	<u>42,462</u>	<u>19,664</u>
<b>Total</b>	<u>88,399,979</u>	<u>83,779,422</u>
<b>ACCUMULATED SURPLUS (NOTE 12)</b>	<u>82,695,200</u>	<u>80,341,642</u>

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

**THE CORPORATION OF THE MUNICIPALITY OF CENTRAL ELGIN**

**Consolidated Statement of Operations and Accumulated Surplus  
For the Year Ended December 31, 2009**

	Budget (Unaudited) <b>2009</b> \$	<b>Actual</b> <b>2009</b> \$	(restated Note 2) Actual 2008 \$
<b>REVENUES</b>			
Property taxation	9,768,861	<b>9,841,169</b>	9,393,508
Taxation from other governments	259,525	<b>328,034</b>	322,347
User charges	3,727,088	<b>3,522,673</b>	3,677,132
Government grants	2,483,601	<b>2,523,865</b>	3,304,748
Contribution from developers	215,748	<b>324,115</b>	794,409
Investment income	130,000	<b>276,455</b>	385,301
Penalties and interest on taxes	200,000	<b>249,664</b>	270,820
Other	330,026	<b>854,961</b>	732,632
ERTH Corporation net income (loss)	-	<b>(49,040)</b>	10,759
Total revenues	<u>17,114,849</u>	<u><b>17,871,896</b></u>	<u>18,891,656</u>
<b>EXPENSES</b>			
General government	1,215,934	<b>1,253,096</b>	1,208,864
Protection to persons and property	3,407,473	<b>3,254,676</b>	3,144,226
Transportation services	3,598,452	<b>3,840,045</b>	4,530,832
Environmental services	4,109,903	<b>4,276,516</b>	4,494,133
Health services	65,200	<b>82,974</b>	93,276
Social housing	197,563	<b>202,566</b>	191,243
Recreation and cultural services	1,504,300	<b>1,694,915</b>	1,713,446
Planning and development	327,675	<b>614,323</b>	404,327
Loss on disposal of tangible capital assets	-	<b>299,227</b>	-
Total expenditures	<u>14,426,500</u>	<u><b>15,518,338</b></u>	<u>15,780,347</u>
<b>ANNUAL SURPLUS</b>	<u>2,688,349</u>	<u><b>2,353,558</b></u>	<u>3,111,309</u>
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR (NOTE 12)</b>	<u>80,341,642</u>	<u><b>80,341,642</b></u>	<u>77,230,333</u>
<b>ACCUMULATED SURPLUS, END OF YEAR</b>	<u><b>83,029,991</b></u>	<u><b>82,695,200</b></u>	<u>80,341,642</u>

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

# THE CORPORATION OF THE MUNICIPALITY OF CENTRAL ELGIN

## Consolidated Statement of Change in Net Debt For the Year Ended December 31, 2009

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	2009	(restated Note 2) 2008
	<u>\$</u>	<u>\$</u>
<b>ANNUAL SURPLUS</b>	<b>2,353,558</b>	3,111,309
Acquisition of tangible capital assets	<b>(7,536,590)</b>	(3,828,352)
Amortization of tangible capital assets	<b>2,594,008</b>	2,558,789
Proceeds on disposal of tangible capital assets	<b>45,596</b>	-
Change in inventories and prepaid expenses	<b>(22,798)</b>	25,195
Loss (gain) on sale of tangible capital assets	<b><u>299,227</u></b>	<u>-</u>
<b>INCREASE (DECREASE) IN NET FINANCIAL ASSETS</b>	<b>(2,266,999)</b>	1,866,941
<b>NET DEBT, BEGINNING OF YEAR</b>	<b><u>(3,437,780)</u></b>	<u>(5,304,721)</u>
<b>NET DEBT, END OF YEAR</b>	<b><u>(5,704,779)</u></b>	<u>(3,437,780)</u>

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

# THE CORPORATION OF THE MUNICIPALITY OF CENTRAL ELGIN

## Consolidated Statement of Cash Flows For the Year Ended December 31, 2009

	<b>2009</b>	(restated Note 2) 2008
	<u>\$</u>	<u>\$</u>
<b>OPERATING ACTIVITIES</b>		
Annual surplus	2,353,558	3,111,309
<b>Add (deduct) items not involving cash:</b>		
Amortization of tangible capital assets	2,594,008	2,558,789
Change in employee benefits and other liabilities	(17,253)	(62,866)
Equity in (earnings) loss of government business enterprise	49,040	(10,759)
Loss on disposal of tangible capital assets	<u>299,227</u>	<u>-</u>
	<b>5,278,580</b>	<b>5,596,473</b>
<b>Change in non-cash assets and liabilities related to operations:</b>		
(Increase) decrease in taxes receivable	343,396	(237,346)
(Increase) decrease in accounts receivable	(106,756)	12,876
(Increase) decrease in inventories and prepaid expenses	(22,798)	25,195
Decrease in temporary bank advances	2,000,000	-
Increase (decrease) in accounts payable and accrued liabilities	(457,914)	90,722
Increase (decrease) in deferred revenue - obligatory reserve funds	<u>(37,346)</u>	<u>(195,391)</u>
Net change in cash from operating activities	<u><b>6,997,162</b></u>	<u><b>5,292,529</b></u>
<b>INVESTING</b>		
Acquisition of tangible capital assets	(7,536,590)	(3,828,352)
Proceeds on disposal of tangible capital assets	<u>45,596</u>	<u>-</u>
Net change in cash from investing	<u><b>(7,490,994)</b></u>	<u><b>(3,828,352)</b></u>
<b>FINANCING</b>		
Long-term debt repayment	<u>(357,156)</u>	<u>(560,325)</u>
Net change in cash from financing	<u><b>(357,156)</b></u>	<u><b>(560,325)</b></u>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>(850,988)</b>	903,852
<b>OPENING CASH AND CASH EQUIVALENTS</b>	<u><b>3,838,355</b></u>	<u><b>2,934,503</b></u>
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	<u><b>2,987,367</b></u>	<u><b>3,838,355</b></u>
<b>SUPPLEMENTARY INFORMATION:</b>		
Cash paid for interest on debt	<u>473,026</u>	<u>504,272</u>
Cash received for interest on investments	<u>276,455</u>	<u>385,301</u>

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

# THE CORPORATION OF THE MUNICIPALITY OF CENTRAL ELGIN

## Notes to the Consolidated Financial Statements For the Year Ended December 31, 2009

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The Municipality of Central Elgin is a municipality in the Province of Ontario. It conducts its operations guided by the provisions of provincial statutes such as the Municipal Act, Municipal Affairs Act and related legislation.

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the Corporation of the Municipality of Central Elgin are prepared by management 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. Significant aspects of the accounting policies adopted by the Municipality are as follows:

#### **Reporting Entity**

The consolidated financial statements reflect the assets, liabilities, revenues, expenses of the reporting entity. The reporting entity is comprised of all organizations, committees and local boards accountable for the administration of their financial affairs and resources to the Municipality and which are 100% owned or controlled by the Municipality.

#### **Consolidated Entities**

The following local boards are consolidated:

Port Stanley Business Improvement Area Board  
Central Elgin Municipal Non-Profit Housing Corporation

Interdepartmental and inter-organizational transactions and balances between these organizations are eliminated.

#### **Proportionate Consolidation**

The Elgin Area Primary Water Board, Port Burwell Water Board, Elgin Area Secondary Water Board, Aylmer Area Water Board and East Elgin Medical Facility have been consolidated on a proportionate basis. The Water Boards are proportionately consolidated based upon the water flow used by our Municipality in proportion to the entire flows provided by the joint boards.

#### **Equity Accounting**

The investment in EARTH Corporation (a Government Business Enterprise) is accounted for on a modified equity basis, consistent with the generally accepted accounting treatment for government business enterprises. Under the modified equity basis, the business enterprise's accounting principles are not adjusted to conform with those of the Municipality, and inter-organizational transactions and balances are not eliminated. The Municipality recognizes its equity interest in the annual income or loss of EARTH Corporation in its consolidated statement of operations with corresponding increase or decrease in its investment asset account. Any dividends that the Municipality may receive from EARTH Corporation will be reflected as a reduction in the investment asset account.

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# THE CORPORATION OF THE MUNICIPALITY OF CENTRAL ELGIN

## Notes to the Consolidated Financial Statements For the Year Ended December 31, 2009

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### **Accounting for School Board Transactions**

Although the Municipality collects taxation on behalf of the School Boards, the taxation, other revenues, expenses, assets and liabilities with respect to the operations of the school boards are not reflected in these statements.

#### **Trust Funds**

Trust funds and their related operations administered by the Municipality are not included in these consolidated financial statements.

#### **Basis of Accounting**

The consolidated financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting records revenue as it is earned and measurable. Expenses are recognized as they are incurred and measurable based upon receipt of goods or services and/or the creation of a legal obligation to pay.

#### **Government Transfers**

Government transfers are recognized in the consolidated financial statements as revenues in the financial period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met including performance and return requirements, and reasonable estimates of the amounts can be determined. Any amount received but restricted is recorded as deferred revenue in accordance with Section 3100 of the Public Sector Accounting Handbook and recognized as revenue in the period in which the resources are used for the purpose specified.

In addition, the Municipality periodically receives senior government capital funding in the form of infrastructure grants and receives ongoing funding from both senior levels of government as a result of an allocation of the gas tax funds.

#### **Deferred Revenue**

Government transfers, contributions and other amounts are received from third parties pursuant to legislation, regulation or agreement and may only be used in the conduct of certain programs, in the completion of specific work. In addition, certain user charges and fees which have been collected but for which the related services have yet to be performed. Revenue is recognized in the period when the related expense are incurred, services preformed.

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# THE CORPORATION OF THE MUNICIPALITY OF CENTRAL ELGIN

## Notes to the Consolidated Financial Statements For the Year Ended December 31, 2009

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### **Investment Income**

Investment income is reported as revenue in the period earned. When required by funding government or related Act, investment income earned on deferred revenue is added to the investment and forms part of the deferred revenue balance.

#### **Tax Revenues**

In 2009 the Municipality received \$ 10,169,203 (2008 - \$9,715,855) in property tax revenues for municipal purposes. The authority to levy and collect property taxes is established under the Municipal Act 2001, the Assessment Act, the Education Act, and other legislation.

The amount of the total annual property tax levy is determined each year through Council's approval of the annual budget. Municipal tax rates are set annually by Council for each class or type of property, in accordance with legislation and Council-approved policies, in order to raise the revenue required to meet operating budget requirements. Education tax rates are established by the Province each year in order to fund costs of education on a Province-wide basis.

Taxation revenues are recorded at the time billings are issued. Additional property tax revenue can be added throughout the year, related to new properties that become occupied, or that become subject to property tax, after the return of the annual assessment roll used for billing purposes. The Municipality may receive supplementary assessment rolls over the course of the year from MPAC that identify new or omitted assessments. Property taxes for these supplementary/omitted amounts are then billed according to the approved tax rate for the property class.

Taxation revenues in any year may also be reduced as a result of reductions in assessment value rising from assessment and/or tax appeals. Each year, an amount is identified to cover the estimated amount of revenue loss attributable to assessment appeals, tax appeals or other deficiencies in tax revenue (e.g. uncollectible amounts, write-offs, etc.).

#### **Employee benefit plans**

The Municipality accounts for its participation in the Ontario Municipal Employees Retirement System (OMERS), a multi-employer public sector pension fund, as a defined contribution plan. The OMERS plan specifies the retirement benefits to be received by the employees based on the length of service and pay rates. Employee benefits include post employment benefits. Post employment benefits are subject to actuarial valuations and are accrued in accordance with the projected benefit method, prorated on service and management's best estimate of salary escalation and retirement ages of employees. Any actuarial gains and losses related to past service of employees are amortized over the expected average remaining service period.

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# THE CORPORATION OF THE MUNICIPALITY OF CENTRAL ELGIN

## Notes to the Consolidated Financial Statements For the Year Ended December 31, 2009

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Non-financial assets

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

#### i) Tangible capital assets

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

Building and components	20 to 75 years
Vehicles	7 to 15 years
Machinery and equipment	5 to 30 years
Land improvements	25 years
Plants and facilities	20 to 75 years
Roads	6 to 60 years
Bridges and other structures	40 to 80 years
Underground and other networks	15 to 100 years

No amortization is charged in the year of acquisition and a full year of amortization is charged in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

#### ii) Contributions of tangible capital assets

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and also are recorded as revenue.

#### iii) Leases

Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

# THE CORPORATION OF THE MUNICIPALITY OF CENTRAL ELGIN

## Notes to the Consolidated Financial Statements For the Year Ended December 31, 2009

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### iv) Inventories

Inventories held for consumption are recorded at the lower of cost and replacement cost.

#### v) Works of art and cultural and historic assets

Works of art and cultural and historic assets are not recorded as assets in these financial statements.

#### vi) Interest capitalization

Interest costs attributable to financing up-front costs of the acquisition, construction, or development of tangible capital assets will be expensed in the operating budget, and not capitalized.

#### 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 and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the period. Significant estimates include assumptions used in estimating provisions for accrued liabilities and in performing actuarial valuations of employee future benefits.

In addition, the Municipality's implementation of the Public Sector Accounting Handbook PS3150 has required management to make estimates of historical costs and useful lives of tangible capital assets.

Actual results could differ from these estimates.

# THE CORPORATION OF THE MUNICIPALITY OF CENTRAL ELGIN

## Notes to the Consolidated Financial Statements For the Year Ended December 31, 2009

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### 2. CHANGE IN ACCOUNTING POLICIES

The Municipality has implemented Public Sector Accounting Board (PSAB) sections 1200 Financial Statement Presentation and 3150 Tangible Capital Assets. Section 1200 establishes general reporting principles and standards for the disclosure of information in government financial statements. Section 3150 requires governments to record and amortize their tangible capital assets in their financial statements. In prior years, tangible capital asset additions were expensed in the year of acquisition or construction.

The financial information recorded includes the actual or estimated historical cost of the tangible capital assets. When historical cost records were not available, other methods were used to estimate the costs and accumulated amortization of the assets. The Municipality applied a consistent method of estimating the replacement or reproduction cost of the tangible capital assets for which it did not have historical cost records, except in circumstances where it could be demonstrated that a different method would provide a more accurate estimate of the cost of a particular type of tangible capital asset. After defining replacement or reproduction cost, the non-residential building construction price index (NRBCP) and the consumer price index (CPI) were used as a resource for determining appropriate indices in order to deflate the replacement or reproduction cost to an estimated historical cost at the year of acquisition.

This change has been applied retroactively and prior periods have been restated. This change in accounting policy has changed amounts reported in the prior period as follows:

#### **Accumulated surplus at January 1, 2008**

Operating fund balance	2,422,612
Capital fund balance	(3,836,884)
Reserves balance	3,700,958
Reserve fund balance	631,701
Investment in EARTH Corporation	2,393,856
Amounts to be recovered	<u>(10,572,107)</u>
Accumulated surplus (deficit), as previously reported	(5,259,864)
Net book value of tangible capital assets reported	<u>82,490,197</u>
<b>Accumulated surplus, as restated</b>	<b><u>77,230,333</u></b>

#### **Annual surplus for 2008:**

Net increase in fund balances, as previously reported	1,841,746
Amortization expense not previously expensed	(2,558,789)
Tangible capital assets capitalized but previously expensed	<u>3,828,352</u>
Annual surplus, as restated	<b><u>3,111,309</u></b>

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# THE CORPORATION OF THE MUNICIPALITY OF CENTRAL ELGIN

## Notes to the Consolidated Financial Statements For the Year Ended December 31, 2009

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### 3. LOAN RECEIVABLE

The loan arose on September 1, 2000 as a result of the restructuring of the Hydro-Electric Power Commission of the Corporation of the Municipality of Central Elgin under Bill 35. The loan is receivable from EARTH Corporation with no specific terms of repayment, bearing interest at a rate of 7.25% commencing January 1, 2003. In 2009, \$78,083 was charged and received on this loan. The loan is convertible to Class B shares of EARTH Corporation.

### 4. DEFERRED REVENUE - OBLIGATORY RESERVE FUNDS

A requirement of the public sector accounting principles of the Canadian Institute of Chartered Accountants, is that obligatory reserve funds be reported as deferred revenue. This requirement is in place as provincial legislation restricts how these funds may be used and under certain circumstances these funds may possibly be refunded. The balances in the obligatory reserve funds of the Municipality are summarized below:

	<b>2009</b>	2008
	<u>\$</u>	<u>\$</u>
Development charges	<b>825,669</b>	902,654
Parkland	<b>306,306</b>	349,160
Other	<b><u>133,146</u></b>	<u>50,653</u>
	<b><u>1,265,121</u></b>	<u>1,302,467</u>

### 5. TAXES RECEIVABLE

Taxes receivable are reported net of allowance for doubtful accounts. Balances as at December 31 were as follows:

	<b>2009</b>	2008
	<u>\$</u>	<u>\$</u>
Taxes receivable	<b>1,470,853</b>	1,734,901
Penalties and interest	<b>155,536</b>	234,884
Allowance for doubtful accounts	<b><u>(69,012)</u></b>	<u>(69,012)</u>
	<b><u>1,557,377</u></b>	<u>1,900,773</u>

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# THE CORPORATION OF THE MUNICIPALITY OF CENTRAL ELGIN

## Notes to the Consolidated Financial Statements For the Year Ended December 31, 2009

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### 6. INVESTMENT IN EARTH CORPORATION

The Corporation of the Municipality of Central Elgin owns 10% of EARTH Corporation (formally known as Erie Thames Power Corporation). As a business enterprise of the Corporation of the Municipality of Central Elgin it is accounted for on a modified equity basis in these financial statements. The Corporation is the electricity distribution utility for the municipality's urban residents. The following table provides condensed supplementary financial information for the Corporation for the year ended December 31:

	<b>2009</b>	2008
	<u>\$</u>	<u>\$</u>
<b>Financial Position:</b>		
Total Net Assets	<b><u>12,744,782</u></b>	<u>13,233,612</u>
<b>Results of operations:</b>		
Total Revenues from Operations	<b>22,889,083</b>	23,406,591
Total Operating expenses	<b><u>23,216,913</u></b>	<u>22,762,568</u>
Total net income (loss)	<b>(327,830)</b>	644,023
Change in accounting policy	<b>(161,000)</b>	-
Dividends issued	<u>-</u>	<u>536,775</u>
Net increase (decrease) in retained earnings	<b><u>(488,830)</u></b>	<u>107,248</u>

### 7. OPERATION OF SCHOOL BOARDS AND THE COUNTY OF ELGIN

During 2009, requisitions were made by the school boards and the County of Elgin requiring the municipality to collect property taxes and payments in lieu of property taxes on their behalf. The amounts collected and remitted are summarized below:

	School Boards	County
	<u>\$</u>	<u>\$</u>
Taxation and user charges	3,523,453	6,669,611
Share of payments in lieu of taxes	<u>-</u>	<u>36,021</u>
Amounts requisitioned	<b><u>3,523,453</u></b>	<b><u>6,705,632</u></b>

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**THE CORPORATION OF THE MUNICIPALITY OF CENTRAL ELGIN**

**Notes to the Consolidated Financial Statements  
For the Year Ended December 31, 2009**

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**8. NET LONG-TERM LIABILITIES**

a) The balance of net long-term liabilities reported on the Consolidated Statement of Financial Position is made up of the following:

	<b>2009</b>	2008
	<u>\$</u>	<u>\$</u>
Total long-term liabilities incurred by the municipality and outstanding at the end of the year amount to	<b>9,217,399</b>	9,503,668
Long-term liabilities assumed by the municipality	<u><b>248,169</b></u>	<u>319,056</u>
Total long-term liabilities at the end of the year	<u><b>9,465,568</b></u>	<u>9,822,724</u>

Principal repayments are summarized as follows:

	2010	2011	2012	2013	2014	Beyond	Total
	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
Recoverable from:							
General tax revenue	-	-	-	-	-	-	-
User charges	<u>618,484</u>	<u>626,413</u>	<u>607,503</u>	<u>629,729</u>	<u>654,566</u>	<u>6,328,873</u>	<u>9,465,568</u>
	<u>618,484</u>	<u>626,413</u>	<u>607,503</u>	<u>629,729</u>	<u>654,566</u>	<u>6,328,873</u>	<u>9,465,568</u>

b) All long-term liabilities issued on or before December 31, 1992 have received approval of the Ontario Municipal Board. Long-term liabilities issued after January 31, 1993 have been approved by by-law. The annual principal and interest payments required to service these liabilities are within the annual debt repayment limit prescribed by the Ministry of Municipal Affairs and Housing

c) Interest expense on long-term liabilities in **2009** amounted to \$473,026 (2008 - \$504,272)

**9. POST EMPLOYMENT BENEFITS**

The Municipality provides some medical and life insurance benefits to certain retirees until the age of 65. None of the active employees are eligible for this benefit and as such no actuarial review has been prepared. Premiums paid for 2009 amounted to \$16,195 (2008 - \$15,259).



# THE CORPORATION OF THE MUNICIPALITY OF CENTRAL ELGIN

## Notes to the Consolidated Financial Statements For the Year Ended December 31, 2009

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10. TANGIBLE CAPITAL ASSETS	Net Book Value	
	2009	2008
	<u>\$</u>	<u>\$</u>
<b>General</b>		
Land	981,131	981,131
Buildings	3,313,566	3,404,935
Vehicles	1,612,178	1,432,837
Machinery and equipment	1,091,025	1,198,322
Land improvements	1,154,900	964,445
<b>Infrastructure</b>		
Land	28,943	28,943
Plants and facilities	11,852,615	11,931,759
Machinery and equipment	2,256,635	1,972,407
Roads and related transportation assets	35,491,186	34,293,992
Underground and other networks	<u>29,208,358</u>	<u>27,550,987</u>
	86,990,537	83,759,758
Assets under construction	<u>1,366,980</u>	<u>-</u>
	<u>88,357,517</u>	<u>83,759,758</u>

For additional information, see the Consolidated Schedule of Tangible Capital Assets.

During the year there were no write-downs of assets (2008 - \$nil). In addition, roads and underground networks contributed to the Municipality totalled in **2009** \$nil (2008 - \$nil) and were capitalized at their fair value at the time of receipt.

## 11. PENSION AGREEMENTS

The Municipality makes contributions to the Ontario Municipal Employees Retirement Fund (OMERS), which is a multi-employer plan, on behalf of approximately 52 members of its staff. The plan is a defined benefit plan which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay.

The amount contributed to OMERS for 2009 was \$192,556 (2008 - \$189,617).

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**THE CORPORATION OF THE MUNICIPALITY OF CENTRAL ELGIN**

**Notes to the Consolidated Financial Statements  
For the Year Ended December 31, 2009**

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**12. ACCUMULATED SURPLUS**

The accumulated surplus consists of individual fund surplus/(deficit) and reserves/reserve funds as follows:

	<b>2009</b>	2008
	<u>\$</u>	<u>\$</u>
<b>SURPLUS</b>		
General revenue fund	<b>2,009,004</b>	1,444,352
Sewer operations	<b>(163,973)</b>	(50,530)
Water operations	<b>1,137,427</b>	876,551
Benefiting land owners	<b>72,848</b>	72,848
Invested in tangible capital assets	<b>88,357,517</b>	83,759,758
Invested in EARTH Corporation	<b>2,355,575</b>	2,404,615
Capital Fund	<b>(7,111,913)</b>	(4,673,773)
Reserves and reserve funds	<b><u>5,606,659</u></b>	<u>6,450,174</u>
	<b>92,263,144</b>	90,283,995
<b>AMOUNTS TO BE RECOVERED</b>		
Employee benefits	<b>(102,376)</b>	(119,629)
Net long-term debt	<b><u>(9,465,568)</u></b>	<u>(9,822,724)</u>
<b>ACCUMULATED SURPLUS</b>	<b><u>82,695,200</u></b>	<u>80,341,642</u>
<b>RESERVES AND RESERVE FUNDS</b>		
Reserves set aside for specific purposes by council:		
- for working capital	<b>1,696,626</b>	1,564,693
- for current purposes	<b>451,465</b>	446,170
- for capital purposes	<b><u>2,760,506</u></b>	<u>3,744,596</u>
Total reserves	<b><u>4,908,597</u></b>	<u>5,755,459</u>
Reserve funds set aside for specific purposes by council:		
- for replacement of equipment	<b>11,494</b>	11,433
- for replacement of sanitary and storm sewers	<b>100,791</b>	100,271
- for replacement of water systems	<b>289,805</b>	287,166
- for sick leave	<b>19,108</b>	19,094
- for social housing capital projects	<b>152,283</b>	153,276
- from lot levies and parking revenues	<b>96,328</b>	95,209
- for capital projects	<b><u>28,253</u></b>	<u>28,266</u>
Total reserve funds	<b><u>698,062</u></b>	<u>694,715</u>

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# THE CORPORATION OF THE MUNICIPALITY OF CENTRAL ELGIN

## Notes to the Consolidated Financial Statements For the Year Ended December 31, 2009

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### 13. PUBLIC SECTOR SALARY DISCLOSURE

In 2009 four employees were paid a salary, as defined in the Public Sector Salary Disclosure Act, 1996, of \$100,000 or more by The Corporation of the Municipality of Central Elgin.

### 14. CONTINGENT LIABILITIES

As at December 31, 2009 certain legal actions are pending against the municipality. An estimate of the contingency cannot be made since the outcome of these matters is indeterminate at this time.

### 15. BUDGET FIGURES

The operating budget approved by the council of the The Corporation of the Municipality of Central Elgin for **2009** is reflected on the consolidated statement of operations. The budgets established for capital investment in tangible capital assets are on a project-oriented basis, the costs of which may be carried out over one or more years and, therefore, may not be comparable with current year's actual expenditure amounts. As well, the Municipality does not budget activity within Reserve and Reserve Funds, with the exception being those transactions, which affect either operations or capital investments. Budget figures have been reclassified for the purposes of these financial statements to comply with PSAB reporting requirements.

### 16. SUPPLEMENTARY INFORMATION:

	<b>2009</b>	2008
	<u>\$</u>	<u>\$</u>
Current fund expenditures by object:		
Salaries, wages and employee benefits	<b>4,884,743</b>	4,597,949
Long-term debt interest expense	<b>473,028</b>	504,272
Materials	<b>3,407,714</b>	4,255,689
Contracted services	<b>3,256,697</b>	3,249,371
Rents and financial expenses	<b>323,056</b>	340,307
Amortization	<b>2,594,008</b>	2,558,789
Transfer to others	<b><u>279,865</u></b>	<u>273,970</u>
	<b><u>15,219,111</u></b>	<u>15,780,347</u>

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# THE CORPORATION OF THE MUNICIPALITY OF CENTRAL ELGIN

## Notes to the Consolidated Financial Statements For the Year Ended December 31, 2009

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### 17. SEGMENTED INFORMATION

The Municipality of Central Elgin is a diversified municipal government institution that provides a wide range of services to its citizens, including contract police services, fire, roads, community services, water and sewer. For management reporting purposes the Government's operations and activities are organized and reported by Fund. Funds were created for the purpose of recording specific activities to attain certain objectives in accordance with special regulations, restrictions or limitations.

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

#### **Protection**

Protection is comprised of the Police Services Board and Fire departments. The mandate of the Police Services Board, by way of contact with the Ontario Provincial Police, is to ensure the safety of the lives and property of citizens; preserve peace and good order; prevent crimes from occurring; detect offenders; and enforce the law. The Fire department is responsible to provide fire suppression service; fire prevention programs; training and education related to prevention, detection or extinguishment of fires.

#### **Community Services**

The Parks and Recreation department provides public services that contribute to neighbourhood development and sustainability through the provision of parks, recreation and leisure services. It provides public services that contribute to healthy communities through partnerships, promotion, prevention and protection.

The County of Elgin is contracted to provide the information needs of the Municipality's citizens through the provision of library services.

#### **Planning, By-Law Enforcement and Economic Development**

The Planning, Property and Development departments provides a diverse bundle of services. It manages urban development for business interest, environmental concerns, heritage matters, local neighbourhoods and the downtown through city planning, community development, and parks planning. It ensures an acceptable quality of building construction and maintenance of properties through enforcement of construction codes, building standards and by-law for the protection of occupants. It facilitates economic development through its economic development programs.

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# THE CORPORATION OF THE MUNICIPALITY OF CENTRAL ELGIN

## Notes to the Consolidated Financial Statements For the Year Ended December 31, 2009

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### 17. SEGMENTED INFORMATION (CONTINUED)

#### **Public Works**

The Physical Services department is responsible for the delivery of municipal public works services related to the planning, development and maintenance of both county and municipal roadway and municipal drainage systems, the maintenance of parking, street lighting and the Port Stanley lift bridge.

#### **The Water and Waste Funds**

Water, stormwater and wastewater disposal is provided by the Water and Sewer Department. The department provides drinking water to citizens of Central Elgin, as well as, collection and treatment of stormwater and wastewater.

#### **Social Housing**

The Municipal Non-Profit Housing Corporation provides lowing housing to the community.

#### **Finance and Administration**

This segment includes a number of support functions that are responsible for maintenance of buildings, Mayor and Council, the Clerk's department, Treasury Department and Human Resources Department.

#### **Other funds and Corporation**

This segment includes the remaining departments and activities of the Corporation. Some of the larger activities in this segment include Solid Waste collection and disposal, Emergency Measures and Animal Control, Public Health Services, Business Improvement Association, Conservation authorities, and cemetery maintenance.

For each reported segment, revenues and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information. The General Revenue Fund reports on municipal services that are funded primarily by taxation such as property and business tax revenues. Taxation and payments-in-lieu of taxes are apportioned to General Revenue Fund services based on the Fund's net surplus. Certain government transfers, transfer from other funds, and other revenues have been apportioned based on a percentage of budgeted expenses.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in Note 2. For additional information see the Consolidated Schedule of Segment Disclosure – Current Fund Operations and Schedule of Segment Disclosure – Current Fund Operations.

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**THE CORPORATION OF THE MUNICIPALITY OF CENTRAL ELGIN**

**Consolidated Schedule of Segment Disclosure  
For the year ended December 31, 2009**

	Social Housing	Planning	Public Works	Finance & Administration	Protection	Water and Waste Funds	Community Services	Other Funds & Corporation	Consolidated
	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>REVENUES</b>									
Taxation	-	380,793	1,273,575	938,934	2,958,147	-	1,005,244	3,612,510	10,169,203
Sales of services and regulatory fees	217,104	159,049	74,124	485,984	24,961	2,852,949	557,731	341,182	4,713,084
Government transfers	60,207	-	551,966	-	-	-	-	1,911,692	2,523,865
Other	-	184,669	-	-	-	330,115	-	(49,040)	465,744
	<u>277,311</u>	<u>724,511</u>	<u>1,899,665</u>	<u>1,424,918</u>	<u>2,983,108</u>	<u>3,183,064</u>	<u>1,562,975</u>	<u>5,816,344</u>	<u>17,871,896</u>
<b>EXPENSES</b>									
Salaries, wages and employees benefits	29,270	209,483	1,324,599	812,460	553,121	839,717	840,984	275,109	4,884,743
Long-term debt interest expense	5,393	15,925	-	-	-	451,710	-	-	473,028
Materials	162,900	395,492	431,236	361,779	355,389	583,059	631,466	486,393	3,407,714
Contracted services, rents and financial	-	169,063	113,001	145,034	1,738,345	432,717	84,015	1,177,443	3,859,618
Amortization	10,033	-	1,363,594	33,940	215,832	774,215	149,932	46,462	2,594,008
	<u>207,596</u>	<u>789,963</u>	<u>3,232,430</u>	<u>1,353,213</u>	<u>2,862,687</u>	<u>3,081,418</u>	<u>1,706,397</u>	<u>1,985,407</u>	<u>15,219,111</u>
<b>ANNUAL SURPLUS (DEFICIT)</b>	<u>69,715</u>	<u>(65,452)</u>	<u>(1,332,765)</u>	<u>71,705</u>	<u>120,421</u>	<u>101,646</u>	<u>(143,422)</u>	<u>3,830,937</u>	<u>2,652,785</u>

**THE CORPORATION OF THE MUNICIPALITY OF CENTRAL ELGIN**

**Consolidated Schedule of Segment Disclosure  
For the Year Ended December 31, 2008**

	Social Housing	Planning	Public Works	Finance & Administration	Protection	Water and Waste Funds	Community Services	Other Funds & Corporation	Consolidated
	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>REVENUES</b>									
Taxation	-	264,327	2,627,598	867,261	2,735,688	-	953,960	2,267,021	9,715,855
Sales of services and regulatory fees	187,329	153,606	186,006	62,760	54,972	2,898,578	504,792	355,823	4,403,866
Government transfers	45,496	-	539,002	-	-	-	-	2,720,250	3,304,748
Other	9,696	371,303	-	-	-	423,106	-	6,961	811,066
Interest and penalties	-	-	-	503,112	-	-	-	153,009	656,121
	<u>242,521</u>	<u>789,236</u>	<u>3,352,606</u>	<u>1,433,133</u>	<u>2,790,660</u>	<u>3,321,684</u>	<u>1,458,752</u>	<u>5,503,064</u>	<u>18,891,656</u>
<b>EXPENSES</b>									
Salaries, wages and employees benefits	18,379	196,757	1,369,597	743,968	575,135	764,304	813,195	116,614	4,597,949
Long-term debt interest expense	10,065	14,311	-	-	-	479,896	-	-	504,272
Materials	136,343	225,416	319,988	293,211	363,899	797,953	706,629	1,412,250	4,255,689
Contracted services, rents and financial	-	168,214	106,816	175,677	1,658,914	504,248	77,478	1,172,301	3,863,648
Amortization	10,372	-	1,345,541	49,391	170,941	847,202	121,606	13,736	2,558,789
	<u>175,159</u>	<u>604,698</u>	<u>3,141,942</u>	<u>1,262,247</u>	<u>2,768,889</u>	<u>3,393,603</u>	<u>1,718,908</u>	<u>2,714,901</u>	<u>15,780,347</u>
<b>ANNUAL SURPLUS (DEFICIT)</b>	<u>67,362</u>	<u>184,538</u>	<u>210,664</u>	<u>170,886</u>	<u>21,771</u>	<u>(71,919)</u>	<u>(260,156)</u>	<u>2,788,163</u>	<u>3,111,309</u>

**THE CORPORATION OF THE MUNICIPALITY OF CENTRAL ELGIN**

**Schedule of Segment Disclosure -- Current Fund Operations  
For the Year Ended December 31, 2009**

	Unaudited Budget	Actual	Actual
	2009	2009	2008
	<u>\$</u>	<u>\$</u>	<u>\$</u>
<b>PROTECTION</b>			
<b>Revenue</b>			
Taxation	2,958,147	<b>2,958,147</b>	2,735,688
Sales of services and regulatory fees	<u>40,391</u>	<u><b>24,961</b></u>	<u>54,972</u>
Total Revenues	<u>2,998,538</u>	<u><b>2,983,108</b></u>	<u>2,790,660</u>
<b>Expenditures</b>			
Salaries, wages and employees benefits	634,735	<b>553,121</b>	575,135
Materials	415,913	<b>355,389</b>	363,899
Contracted services	1,947,890	<b>1,738,345</b>	1,658,914
Amortization	<u>-</u>	<u><b>215,832</b></u>	<u>170,941</u>
Total Expenditures	<u>2,998,538</u>	<u><b>2,862,687</b></u>	<u>2,768,889</u>
<b>Net Surplus (Deficit)</b>	<u>-</u>	<u><b>120,421</b></u>	<u>21,771</u>
<b>COMMUNITY SERVICES</b>			
<b>Revenue</b>			
Taxation	1,005,244	<b>1,005,244</b>	953,960
Sales of services and regulatory fees	<u>504,500</u>	<u><b>557,731</b></u>	<u>504,792</u>
Total Revenues	<u>1,509,744</u>	<u><b>1,562,975</b></u>	<u>1,458,752</u>
<b>Expenditures</b>			
Salaries, wages and employees benefits	831,512	<b>840,984</b>	813,195
Materials	595,532	<b>631,466</b>	706,629
Contracted services	54,300	<b>58,539</b>	56,538
Amortization	-	<b>149,932</b>	121,606
Transfer to others	<u>28,400</u>	<u><b>25,476</b></u>	<u>20,940</u>
Total Expenditures	<u>1,509,744</u>	<u><b>1,706,397</b></u>	<u>1,718,908</u>
<b>Net Surplus (Deficit)</b>	<u>-</u>	<u><b>(143,422)</b></u>	<u>(260,156)</u>



**THE CORPORATION OF THE MUNICIPALITY OF CENTRAL ELGIN**

**Schedule of Segment Disclosure - Current Fund Operations  
For the Year Ended December 31, 2009**

	Unaudited Budget 2009 \$	<b>Actual 2009 \$</b>	Actual 2008 \$
<b>PLANNING</b>			
<b>Revenue</b>			
Taxation	380,793	<b>380,793</b>	264,327
Sales of services and regulatory fees	166,100	<b>159,049</b>	153,606
Other	<u>184,669</u>	<u><b>184,669</b></u>	<u>371,303</u>
Total Revenues	<u>731,562</u>	<u><b>724,511</b></u>	<u>789,236</u>
<b>Expenditures</b>			
Salaries, wages and employees benefits	218,504	<b>209,483</b>	196,757
Long-term debt interest expense	15,925	<b>15,925</b>	14,311
Materials	330,402	<b>395,492</b>	225,416
Contracted services	18,000	<b>20,331</b>	21,791
Transfer to others	<u>148,731</u>	<u><b>148,732</b></u>	<u>146,423</u>
Total Expenditures	<u>731,562</u>	<u><b>789,963</b></u>	<u>604,698</u>
<b>Net Surplus (Deficit)</b>	<u>-</u>	<u><b>(65,452)</b></u>	<u>184,538</u>
 <b>PUBLIC WORKS</b>			
<b>Revenue</b>			
Taxation	1,273,575	<b>1,273,575</b>	2,627,598
Sales of services and regulatory fees	89,950	<b>74,124</b>	186,006
Government transfers	<u>551,284</u>	<u><b>551,966</b></u>	<u>539,002</u>
Total Revenues	<u>1,914,809</u>	<u><b>1,899,665</b></u>	<u>3,352,606</u>
<b>Expenditures</b>			
Salaries, wages and employees benefits	1,435,218	<b>1,324,599</b>	1,369,597
Materials	358,937	<b>431,236</b>	319,988
Contracted services	35,000	<b>27,347</b>	25,613
Rents and financial expenses	85,654	<b>85,654</b>	81,203
Amortization	<u>-</u>	<u><b>1,363,594</b></u>	<u>1,345,541</u>
Total Expenditures	<u>1,914,809</u>	<u><b>3,232,430</b></u>	<u>3,141,942</u>
<b>Net Surplus (Deficit)</b>	<u>-</u>	<u><b>(1,332,765)</b></u>	<u>210,664</u>

# THE CORPORATION OF THE MUNICIPALITY OF CENTRAL ELGIN

## Schedule of Segment Disclosure- Current Fund Operations For the Year Ended December 31, 2009

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	Unaudited Budget	Actual	Actual
	2009	2009	2008
	\$	\$	\$
<b>FINANCE AND ADMINISTRATION</b>			
<b>Revenue</b>			
Taxation	938,934	<b>938,934</b>	867,261
Sales of services and regulatory fees	17,000	<b>94,339</b>	62,760
Interest and penalties	<u>330,000</u>	<u><b>391,645</b></u>	<u>503,112</u>
Total Revenues	<u>1,285,934</u>	<u><b>1,424,918</b></u>	<u>1,433,133</u>
<b>Expenditures</b>			
Salaries, wages and employees benefits	798,167	<b>812,460</b>	743,968
Materials	328,875	<b>361,779</b>	293,211
Contracted services	70,000	<b>54,443</b>	94,008
Rents and financial expenses	88,892	<b>90,591</b>	81,669
Amortization	<u>-</u>	<u><b>33,940</b></u>	<u>49,391</u>
Total Expenditures	<u>1,285,934</u>	<u><b>1,353,213</b></u>	<u>1,262,247</u>
<b>Net Surplus</b>	<u>-</u>	<u><b>71,705</b></u>	<u>170,886</u>

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# THE CORPORATION OF THE MUNICIPALITY OF CENTRAL ELGIN

## Consolidated Schedule of Tangible Capital Assets For the Year Ended December 31, 2009

ASSET TYPE	Opening Historical Cost Balance Jan 1/2009	2009 Acquisitions	2009 Disposals	2009 Write-Offs	Ending Historical Cost Balance Dec 31/2009	Opening Accumulated Amortization Balance Jan 1/2009	2009 Disposals	2009 Amortization	2009 Write-Offs	Ending Accumulated Amortization Balance Dec 31/2009	Ending Net Book Value Dec 31/2009
<b><u>Infrastructure Related</u></b>											
Land	28,943	-	-	-	28,943	-	-	-	-	-	<b>28,943</b>
Buildings/Building Improvements	14,586,850	284,376	-	-	14,871,226	2,655,091	-	363,520	-	3,018,611	<b>11,852,615</b>
Machinery and Equipment	3,945,395	621,900	333,862	-	4,233,433	1,972,988	313,036	316,846	-	1,976,798	<b>2,256,635</b>
Linear - Roadways	45,983,729	2,563,755	622,494	-	47,924,990	11,689,737	323,477	1,067,544	-	12,433,804	<b>35,491,186</b>
Linear - Sewer and Water Services	<u>32,786,910</u>	<u>2,098,670</u>	<u>84,693</u>	<u>-</u>	<u>34,800,887</u>	<u>5,235,923</u>	<u>68,588</u>	<u>425,194</u>	<u>-</u>	<u>5,592,529</u>	<b><u>29,208,358</u></b>
<b>Infrastructure Related Total</b>	<b><u>97,331,827</u></b>	<b><u>5,568,701</u></b>	<b><u>1,041,049</u></b>	<b><u>-</u></b>	<b><u>101,859,479</u></b>	<b><u>21,553,739</u></b>	<b><u>705,101</u></b>	<b><u>2,173,104</u></b>	<b><u>-</u></b>	<b><u>23,021,742</u></b>	<b><u>78,837,737</u></b>
<b><u>General</u></b>											
Land	981,131	-	-	-	981,131	-	-	-	-	-	<b>981,131</b>
Land Improvements	1,489,022	249,388	-	-	1,738,410	524,577	-	58,933	-	583,510	<b>1,154,900</b>
Building/Building Improvements	6,323,431	-	-	-	6,323,431	2,918,496	-	91,369	-	3,009,865	<b>3,313,566</b>
Machinery and Equipment	2,117,108	34,620	-	-	2,151,728	918,786	-	141,917	-	1,060,703	<b>1,091,025</b>
Vehicle	<u>2,656,999</u>	<u>316,901</u>	<u>177,492</u>	<u>-</u>	<u>2,796,408</u>	<u>1,224,162</u>	<u>168,617</u>	<u>128,685</u>	<u>-</u>	<u>1,184,230</u>	<b><u>1,612,178</u></b>
<b>General Total</b>	<b><u>13,567,691</u></b>	<b><u>600,909</u></b>	<b><u>177,492</u></b>	<b><u>-</u></b>	<b><u>13,991,108</u></b>	<b><u>5,586,021</u></b>	<b><u>168,617</u></b>	<b><u>420,904</u></b>	<b><u>-</u></b>	<b><u>5,838,308</u></b>	<b><u>8,152,800</u></b>
<b>Total Capital Assets Sub-Total</b>	<b><u>110,899,518</u></b>	<b><u>6,169,610</u></b>	<b><u>1,218,541</u></b>	<b><u>-</u></b>	<b><u>115,850,587</u></b>	<b><u>27,139,760</u></b>	<b><u>873,718</u></b>	<b><u>2,594,008</u></b>	<b><u>-</u></b>	<b><u>28,860,050</u></b>	<b><u>86,990,537</u></b>
Work In Progress	<u>-</u>	<u>1,366,980</u>	<u>-</u>	<u>-</u>	<u>1,366,980</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<b><u>1,366,980</u></b>
<b>Total Tangible Capital Assets</b>	<b><u>110,899,518</u></b>	<b><u>7,536,590</u></b>	<b><u>1,218,541</u></b>	<b><u>-</u></b>	<b><u>117,217,567</u></b>	<b><u>27,139,760</u></b>	<b><u>873,718</u></b>	<b><u>2,594,008</u></b>	<b><u>-</u></b>	<b><u>28,860,050</u></b>	<b><u>88,357,517</u></b>

**THE CORPORATION OF THE MUNICIPALITY OF CENTRAL ELGIN**

**Consolidated Schedule of Tangible Capital Assets  
For the year ended December 31, 2008**

ASSET TYPE	Opening				Ending	Opening				Ending	Ending
	Historical Cost Balance Jan 1/2008	2008 Acquisitions	2008 Disposals	2008 Write-Offs	Historical Cost Balance Dec 31/2008	Accumulated Amortization Balance Jan 1/2008	2008 Disposals	2008 Amortization	2008 Write-Offs	Accumulated Amortization Balance Dec 31/2008	Net Book Value Dec 31/2008
<b><u>Infrastructure Related</u></b>											
Land	28,943	-	-	-	28,943	-	-	-	-	-	28,943
Buildings/Building Improvements	14,586,732	118	-	-	14,586,850	2,287,992	-	367,099	-	2,655,091	11,931,759
Machinery and Equipment	3,865,408	79,987	-	-	3,945,395	1,639,894	-	333,094	-	1,972,988	1,972,407
Linear - Roadways	43,468,533	2,515,196	-	-	45,983,729	10,659,802	-	1,029,935	-	11,689,737	34,293,992
Linear - Sewer and Water Services	32,260,749	526,161	-	-	32,786,910	4,817,242	-	418,681	-	5,235,923	27,550,987
<b>Infrastructure Related Total</b>	<b>94,210,365</b>	<b>3,121,462</b>	<b>-</b>	<b>-</b>	<b>97,331,827</b>	<b>19,404,930</b>	<b>-</b>	<b>2,148,809</b>	<b>-</b>	<b>21,553,739</b>	<b>75,778,088</b>
<b><u>General</u></b>											
Land	981,131	-	-	-	981,131	-	-	-	-	-	981,131
Land Improvements	1,101,507	387,515	-	-	1,489,022	485,019	-	39,558	-	524,577	964,445
Building/Building Improvements	6,134,509	188,922	-	-	6,323,431	2,820,549	-	97,947	-	2,918,496	3,404,935
Machinery and Equipment	1,986,655	130,453	-	-	2,117,108	783,870	-	134,916	-	918,786	1,198,322
Vehicle	2,656,999	-	-	-	2,656,999	1,086,603	-	137,559	-	1,224,162	1,432,837
<b>General Total</b>	<b>12,860,801</b>	<b>706,890</b>	<b>-</b>	<b>-</b>	<b>13,567,691</b>	<b>5,176,041</b>	<b>-</b>	<b>409,980</b>	<b>-</b>	<b>5,586,021</b>	<b>7,981,670</b>
<b>Total Tangible Capital Assets</b>	<b>107,071,166</b>	<b>3,828,352</b>	<b>-</b>	<b>-</b>	<b>110,899,518</b>	<b>24,580,971</b>	<b>-</b>	<b>2,558,789</b>	<b>-</b>	<b>27,139,760</b>	<b>83,759,758</b>