

**CORPORATION OF THE MUNICIPALITY
OF TWEED**

CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2009

AUDITORS' REPORT

To the Members of Council, Inhabitants
and Ratepayers of the **Corporation of the
Municipality of Tweed**

We have audited the consolidated statement of financial position of the **CORPORATION OF THE MUNICIPALITY OF TWEED** as at December 31, 2009 and the consolidated statements of operations and accumulated surplus, change in net financial liabilities and cash flows for the year then ended. These financial statements are the responsibility of the Corporation'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 Corporation as at December 31, 2009 and the results of its operations, change in net financial liabilities and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Belleville, Ontario
January 24, 2011



CHARTERED ACCOUNTANTS
LICENSED PUBLIC ACCOUNTANTS

CORPORATION OF THE MUNICIPALITY OF TWEED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2009

	<u>2009</u>	<u>2008</u>
FINANCIAL ASSETS		
Cash - <i>note 4</i>	\$ 2,997,850	\$ 3,315,692
Taxes receivable	1,005,352	830,087
Accounts receivable	811,811	613,950
Long-term receivable - <i>note 5</i>	46,835	64,826
	<u>4,861,848</u>	<u>4,824,555</u>
 LIABILITIES		
Accounts payable and accrued liabilities	139,242	412,559
Accrued liability - Waste Disposal closure - <i>note 6</i>	300,000	300,000
Deferred revenue	5,609	219,604
Long-term debt - <i>note 7</i>	36,798	64,167
	<u>481,649</u>	<u>996,330</u>
 NET FINANCIAL ASSETS	 <u>4,380,199</u>	 <u>3,828,225</u>
 NON-FINANCIAL ASSETS		
Tangible capital assets - <i>note 1, schedule 1</i>	20,919,105	19,594,224
	<u>20,919,105</u>	<u>19,594,224</u>
 ACCUMULATED SURPLUS - <i>note 9</i>	 <u>\$25,299,304</u>	 <u>\$23,422,449</u>

Approved by Council:

Jo-Anne Albert Reeve

Patricia L. Bergman CAO/Clerk

*(The accompanying notes are an integral part
of these financial statements)*

Welch LLP

An Independent Member of BKR International

CORPORATION OF THE MUNICIPALITY OF TWEED
CONSOLIDATED STATEMENT OF FINANCIAL OPERATIONS
YEAR ENDED DECEMBER 31, 2009

	2009 <u>Budget</u> <i>(unaudited)</i>	2009 <u>Actual</u>	2008 <u>Actual</u>
REVENUE			
Municipal taxation	\$ 2,048,099	\$ 2,121,872	\$ 1,816,771
Taxation from other governments	42,200	25,696	34,672
Grants	2,154,737	2,417,590	1,994,248
User charges	827,760	870,471	866,456
Investment income	42,652	22,082	99,832
Penalty and interest on taxes	112,000	121,431	114,226
Other	77,579	425,241	157,146
	<u>5,305,027</u>	<u>6,004,383</u>	<u>5,083,351</u>
EXPENDITURE			
General government	739,439	811,110	724,515
Protection to persons and property	1,104,444	1,164,662	1,057,183
Transportation services	2,689,768	2,644,012	2,690,282
Environmental services	774,322	760,427	697,985
Recreation and cultural services	465,507	437,938	469,457
Planning and development	8,752	660	440
Total Expenditures	<u>5,782,232</u>	<u>5,818,809</u>	<u>5,639,862</u>
NET EXPENDITURES	<u>(477,205)</u>	<u>185,574</u>	<u>(556,511)</u>
OTHER INCOME AND EXPENSES RELATED TO CAPITAL			
Municipal taxation for capital purposes	1,148,901	1,148,901	1,297,593
Government transfers:			
Canada	366,667	271,190	423,662
Ontario	406,667	271,190	2,393,520
	<u>1,922,235</u>	<u>1,691,281</u>	<u>4,114,775</u>
ANNUAL SURPLUS	1,445,030	1,876,855	3,558,264
ACCUMULATED SURPLUS, beginning of year	<u>23,422,449</u>	<u>23,422,449</u>	<u>19,864,185</u>
ACCUMULATED SURPLUS, end of year	<u>\$24,867,479</u>	<u>\$25,299,304</u>	<u>\$23,422,449</u>

(See accompanying notes)

**CORPORATION OF THE MUNICIPALITY OF TWEED
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
DECEMBER 31, 2009**

	2009 <u>Budget</u> <i>(unaudited)</i>	2009 <u>Actual</u>	2008 <u>Actual</u>
ANNUAL SURPLUS	\$ 1,453,141	\$ 1,876,855	\$ 3,558,264
Amortization of tangible capital assets	1,050,000	1,216,311	1,032,512
Acquisition of tangible capital assets	<u>(3,278,637)</u>	<u>(2,541,192)</u>	<u>(5,140,106)</u>
CHANGE IN NET FINANCIAL ASSETS	(775,496)	551,974	(549,330)
NET FINANCIAL ASSETS, beginning of year	<u>3,828,225</u>	<u>3,828,225</u>	<u>4,377,555</u>
NET FINANCIAL ASSETS, end of year	<u>\$ 3,052,729</u>	<u>\$ 4,380,199</u>	<u>\$ 3,828,225</u>

(See accompanying notes)

**CORPORATION OF THE MUNICIPALITY OF TWEED
CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2009**

	2009 <u>Actual</u>	2008 <u>Actual</u>
OPERATING		
Annual surplus	\$ 1,876,855	\$ 3,558,266
Non-cash charges to operations:		
Amortization	1,216,311	1,032,510
Changes in:		
Taxes receivable	(175,265)	(81,607)
Accounts receivable	(197,861)	428,364
Long-term receivables	17,991	(49,041)
Accounts payable and accrued liabilities	(273,317)	260,147
Deferred revenue	<u>(213,995)</u>	<u>72,095</u>
	<u>2,250,719</u>	<u>5,220,734</u>
CAPITAL		
Acquisition of tangible capital assets	<u>(2,541,192)</u>	<u>(5,140,106)</u>
FINANCING		
Repayment of long-term debt	<u>(27,369)</u>	<u>(31,880)</u>
NET CHANGE IN CASH AND EQUIVALENTS	(317,842)	48,748
CASH AND CASH EQUIVALENTS, beginning of year	<u>3,315,692</u>	<u>3,266,944</u>
CASH AND CASH EQUIVALENTS, end of year	<u>\$ 2,997,850</u>	<u>\$ 3,315,692</u>

(See accompanying notes)

Welch LLP

An Independent Member of BKR International

CORPORATION OF THE MUNICIPALITY OF TWEED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2009

The Corporation of the Municipality of Tweed is a municipality in the Province of Ontario and operated under the provisions of the Ontario Municipal Act.

1. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the Corporation of the Municipality of Tweed are the representation of management prepared in accordance with accounting policies prescribed 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 Corporation are as follows:

Reporting Entity

The consolidated financial statements reflect the assets, liabilities, revenues, expenditures of the reporting entity. The reporting entity is comprised of all organizations and enterprises accountable for the administration of their financial affairs and resources to the Corporation and which are owned or controlled by the Corporation. In addition to general government tax-supported operations, they include the following:

The Corporation of the Municipality of Tweed Public Library Board

Interdepartmental and organizational transactions and balances are eliminated.

Accounting for County and School Board Transactions

The assets, liabilities, revenues, and expenditures with respect to the operations of school boards and the County of Hastings are not reflected in these consolidated financial statements.

Trust Funds

Trust funds and their related operations administered by the Corporation are not reflected in these consolidated financial statements, but are reported separately on the "Trust Funds Balance Sheet and Statement of Continuity".

Basis of Accounting

Revenues and expenditures are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they become available and measurable. Expenditures are recognized as they are incurred and measurable as a result of a receipt of goods or services and a creation of a legal obligation to pay.

Deferred Revenue

The Corporation receives contributions under the authority of provincial legislation and funding agencies. These funds, by their nature, are restricted in their use, and, until applied to applicable projects, are recorded as deferred revenue. Amounts applied to projects are recorded as revenue in the fiscal period in which they are expended.

Reserves and Reserve Funds

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

CORPORATION OF THE MUNICIPALITY OF TWEED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2009

1. **SIGNIFICANT ACCOUNTING POLICIES** (continued)

Government Transfers

Government transfers are recognized as revenues or expenditures in the year that the events giving rise to the transfer occurred, provided the transfer is authorized, eligibility criteria, if any, have been met by the recipient, and a reasonable estimate of the amount can be made.

Use of Estimates

The preparation of consolidated financial statements in conformity with accounting policies for local governments, as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants 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 consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Taxation and Related Revenues

Property tax billings are prepared by the Corporation based on assessment rolls issued by the Municipal Property Assessment Corporation ("MPAC"). Tax rates are established annually by Council incorporating amounts to be raised for local services and amounts the Corporation is required to collect on behalf of Hastings County for general and library purposes and the Province of Ontario in respect of education taxes. Realty taxes are billed based on the assessment rolls provided by MPAC. Taxation revenues are recorded at the time tax billings are issued. A normal part of the assessment process is the issue of supplementary assessment rolls that provide updated information with respect to changes in property assessment. Once a supplementary assessment roll is received, the Corporation determines the taxes applicable and renders supplementary tax billings. Assessments and the related property taxes are subject to appeal. Any supplementary billing adjustments made necessary by the determination of such changes will be recognized in the fiscal year they are determined and the effect shared with the county and school boards as appropriate.

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 annual surplus or deficit, provides the Change in Net Financial Assets for the year.

Tangible Capital Assets

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

CORPORATION OF THE MUNICIPALITY OF TWEED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2009

1. **SIGNIFICANT ACCOUNTING POLICIES** (continued)

Tangible Capital Assets

a) Asset Categories and Estimated Useful Life

Land	- not amortized
Buildings	- 40 years
Vehicles	- 10 years
Equipment	- 5 to 10 years
Transportation	
Bridges and other structures	- 20 to 75 years
Roads	- 10 to 70 years
Sidewalks	- 40 years
Waste and wastewater networks	
Underground networks	- 50 years

No annual amortization is charged in the year of acquisition and in the year of disposal. Assets under construction are not amortized until the asset is available for productive use, at which time the costs are transferred to the appropriate asset category.

(b) Contribution 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. Similarly, transfer of assets to third parties are recorded as an expense equal to the net book value of the assets as of the date of transfer.

Use of Estimates

The preparation of consolidated 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 consolidated financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

2. **ACCOUNTING CHANGES**

Effective January 1, 2009, The Corporation changed its accounting principles to comply with the accounting principles for municipal governments established by the Canadian Institute of Chartered Accountants. Public Sector Accounting Handbook (PSAB) Section 1000 (Financial Statement Concepts), Section 1100 (Financial Statement Objectives) and Section 1200 (Financial Statement Presentation) which have replaced Sections 1700 (Objectives of Financial Statements) and 1800 (General Standards of Financial Statement Presentation), set out definitions of assets, liabilities, revenues and expenses, the scope of activities to be included in a government's financial position and results, reporting net debt, the change in net debt, statement of operations and information about non-financial assets.

CORPORATION OF THE MUNICIPALITY OF TWEED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2009

2. **ACCOUNTING CHANGES** (continued)

Effective January 1, 2009, the Corporation adopted PSAB Handbook Section 3150 (Tangible Capital Assets), which establishes new standards for the measurement and disclosure of Tangible Capital Assets. It requires tangible capital assets to be measured at historical cost less accumulated amortization, provides guidance on when conditions indicate that a tangible capital asset should be written down and how to account for the disposal of tangible capital assets.

The Corporation's financial statements have been prepared to comply with the provision of these Sections. Prior year data has been restated on the same basis wherever possible, to be comparable with current year's presentation.

3. **FINANCIAL INSTRUMENTS**

The Corporation's financial instruments consist of cash, taxes receivable, trade and other receivables, long-term investments, accounts payable and accrued liabilities, deposits and municipal debt. Unless otherwise noted, it is management's opinion that the Corporation is not exposed to significant interest rate, currency or credit risks arising from these financial instruments.

4. **CASH**

The balance of cash consists of the following:

	<u>2009</u>	<u>2008</u>
Undesignated cash	\$ 2,318,088	\$ 2,666,960
Designated under Federal gas tax agreement	664,916	364,589
Designated under the Planning Act - Parkland	14,846	70,149
Deferred revenue	-	213,994
	<u>\$ 2,997,850</u>	<u>\$ 3,315,692</u>

Cash received under the Federal Gas Tax agreement is restricted for expenditures on environmentally sustainable infrastructure.

Cash raised under the Planning Act regarding Parkland is restricted for capital costs for the acquisition of land or other capital expenditures for park or other recreational purposes.

Cash received under deferred revenue is restricted for capital costs for water services and other recreational facilities.

CORPORATION OF THE MUNICIPALITY OF TWEED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2009

5. LONG-TERM RECEIVABLE

The balance of long-term receivable consists of the following:

	<u>2009</u>	<u>2008</u>
MORTGAGE RECEIVABLE		
due January 15, 2018; repayable in monthly instalments of principal and interest in the amount of \$857. Interest is calculated at the prime lending rate as established by the Bank of Montreal plus 1%. The mortgage is secured by the property located at 13 Bridgewater Road, Actinolite, Ontario	\$ 38,453	\$ 54,783
Tile drainage and shore-line property assistance loans receivable	<u>8,382</u>	<u>10,043</u>
	<u>\$ 46,835</u>	<u>\$ 64,826</u>

6. ACCRUED LIABILITY - WASTE DISPOSAL CLOSURE

The Ontario Environmental Protection Act sets out the regulatory requirements to properly close and maintain all active and inactive landfill sites. The estimated liability for these expenditures is based on the cumulative capacity used to date, compared to the total estimated landfill capacity.

7. LONG-TERM DEBT

The balance of long-term debt consists of the following:

	<u>2009</u>	<u>2008</u>
Debentures	\$ 8,382	\$ 10,043
Lien notes payable - Chrysler Financial and GMAC; repayable in monthly instalments of principal and interest of \$2,214. Interest is calculated at rates of 0% - 1.9% and the notes are secured by specific automotive units.	<u>28,416</u>	<u>54,124</u>
	<u>\$ 36,798</u>	<u>\$ 64,167</u>

Outstanding debentures of \$8,382 (2009 - \$10,043) are recoverable through special charges levied directly on ratepayers. Outstanding debentures have a maturity date of December 31, 2015, bearing interest at 8%.

Principal repayments over the next five years are estimated to be as follows:

2010	\$ 22,611
2011	9,481
2012	1,076
2013	1,141
2014	1,206

CORPORATION OF THE MUNICIPALITY OF TWEED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2009

8. OPERATIONS OF SCHOOL BOARDS AND THE COUNTY OF HASTINGS

Further to note 1, the taxation, other revenues and expenditures of school boards and the County of Hastings are comprised of the following:

	<u>2009</u>		<u>2008</u>	
	<u>School Boards</u>	<u>County</u>	<u>School Boards</u>	<u>County</u>
Taxation	\$ 1,085,237	\$ 1,302,263	\$ 1,045,576	\$ 1,221,553
Taxation from other governments	<u>5,275</u>	<u>10,655</u>	<u>7,182</u>	<u>13,288</u>
Amounts received or receivable	1,090,512	1,312,918	1,052,758	1,234,841
Requisition	<u>1,090,512</u>	<u>1,312,918</u>	<u>1,052,758</u>	<u>1,234,841</u>
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

9. ACCUMULATED SURPLUS

The accumulated surplus position is comprised of the following:

	<u>2009</u>	<u>2008</u>
Equity in tangible capital assets	\$20,919,105	\$19,594,224
Less: related debt	<u>(28,416)</u>	<u>(54,124)</u>
	20,890,689	19,540,100
Reserves and reserve funds - <i>schedule 2</i>	4,513,192	3,882,349
Amounts to be recovered		
Landfill closure and post closure costs	(300,000)	(300,000)
Unrestricted surplus (deficit)		
Municipality of Tweed	172,506	277,608
Municipality of Tweed Public Library Board	<u>22,917</u>	<u>22,392</u>
	<u>\$25,299,304</u>	<u>\$23,422,449</u>

10. SEGMENTED INFORMATION

Municipal services are provided by departments. Certain departments that have been separately disclosed in the segmented information, along with the services they provide, are as follows:

CORPORATION OF THE MUNICIPALITY OF TWEED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2009

10. **SEGMENTED INFORMATION** (continued)

General Government

General government is comprised of council, chief administrative office (CAO/Clerk) department, and Treasury department. A municipal council is the ultimate authority, subject to provincial law, for all actions taken on behalf of the municipal corporation in that it exercises both executive and legislative roles. It fulfills its role by making policies in accordance with the wishes and concerns of the general public, subject to provincial laws, policies and directives. Council plays a managerial role by monitoring ongoing administrative performance and ensuring the best care of resources. The CAO/Clerk is responsible to municipal council for the general control and management of the affairs of the municipality as prescribed by municipal council. The CAO/Clerk, as head of the corporation's civic administration, provides leadership and direction to the Senior Management team, co-ordinates the administrative functions of the Corporation and exercises general management and control of Municipal operations. The CAO/Clerk ensures coordinated responsive services are delivered to the Municipality's residents and businesses in accordance with the approved policies and directions along with providing the following services: birth and death registrations, marriage, lottery and taxi licensing, commissioning oaths, Municipal by-laws and minutes. The Treasury department is responsible for the administration of taxes, accounts payable and receivable, financial statements and all other financial information and reporting for the Municipality.

Protection to Persons and Property

Protection to persons and property is comprised of police services, fire services, and by-law enforcement. Police services are provided by the Ontario Provincial Police whose mandate is the safety of lives and property of citizens to, preserve peace and good order, prevent crimes from occurring, detect offenders and enforce the law. Fire Services are provided to the Municipality by volunteer firefighters. By-law enforcement is committed to serve, protect and provide a desired quality of life for citizens and visitors to the Municipality through education to raise awareness of community standards, and enforcement of Municipal by-laws to ensure timely compliance with a professional, unbiased approach.

Transportation Services

The public works department is responsible for the delivery of municipal public works services related to the planning, development and maintenance of roadway systems, storm water management and street lighting.

Environmental Services

The Municipality contracts with Dave Moore & Sons for the collection and disposal of household and commercial solid waste within the village of Tweed. The Municipality contracts with Quinte Waste Solutions for the collection of household recycling. The Municipality owns and operates two landfill sites within the Municipal limits. The Municipality contracts with Ontario Clean Water Agency for the management of municipal drinking water and sanitary sewer systems.

CORPORATION OF THE MUNICIPALITY OF TWEED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2009

10. **SEGMENTED INFORMATION** (continued)

Recreation and Cultural Services

The Parks and Recreation department is a social service with its purpose: to assist individual and community development to enhance social functioning and to improve the quality of life. The Parks and Recreation department provides accessible recreational programs including aquatics, minor ball and skating and operates Municipal facilities, including community halls, arenas, parks, ball diamonds and soccer fields.

Planning and Development

The Municipality of Tweed, the Township of Stirling-Rawdon, the Town of Deseronto and the Township of Tyendinaga have entered into an agreement for joint building services. The joint building services agreement came into effect April 1, 2005. Building services is responsible for all economic development, building and planning matters, including the issuance of building permits, land severance and minor variance applications, applications for official plan amendments and zoning by-law amendments, site plan control and subdivision matters and property standards inspections.

Tweed Public Library

Tweed Public Library contributes towards the information needs of the Municipality's citizens through the provision of library services.

11. **PENSION AGREEMENTS**

The Corporation makes contributions to the Ontario Municipal Employees Retirement Fund (OMERS), which is a multi-employer plan, on behalf 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 rate of pay.

The amount contributed to OMERS for 2009 was \$55,623 (2008 - \$39,105) for current service and is included as an expenditure on the "Consolidated Statement of Financial Operations".

12. **BUDGET FIGURES**

Budgets established by the Corporation are based on a project oriented basis, that costs of which may be carried out over one or more years. Although they are not directly comparable with current year actual amounts, budget figures have been reflected on the "Consolidated Statement of Financial Operations" and the "Consolidated Statement of Change in Net Financial Assets". Budget figures have been reclassified for the purpose of these financial statements to conform with PSAB reporting requirements.

CORPORATION OF THE MUNICIPALITY OF TWEED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2009

13. PRIOR YEAR ADJUSTMENTS

The Corporation has restated the 2008 comparative figures to comply with the provisions of Section PS 1200 and PS 3150 of the Public Sector Accounting Board Handbook. The following summarizes these adjustments:

	Tangible Capital <u>Assets</u>	Opening Accumulated <u>Surplus</u>	Annual Surplus <u>(Deficit)</u>
As previously reported	\$ -	\$ 4,377,555	\$ (549,330)
Adjustments			
Cost	28,838,070	-	-
Accumulated amortization	(13,357,440)	-	-
Net book value of tangible capital assets	-	15,486,630	-
Tangible capital assets previously expensed	-	-	5,140,106
Amortization	-	-	(1,032,512)
	<u>\$15,480,630</u>	<u>\$19,864,185</u>	<u>\$ 3,558,264</u>

CORPORATION OF THE MUNICIPALITY OF TWEED
SCHEDULE 1 - CONSOLIDATED STATEMENT OF TANGIBLE CAPITAL ASSETS
DECEMBER 31, 2009

	GENERAL						INFRASTRUCTURE				TOTALS
	Land	Buildings	Vehicles	Equipment	Other	Assets Under Construction	Plants and Facilities	Roads	Underground and Other Networks	Bridges and Other Structures	
COST											
Balance, beginning of year	\$ 1,159,712	\$ 1,842,674	\$ 2,116,992	\$ 837,875	\$ 133,401	\$ -	\$ 2,955,070	\$ 14,879,069	\$ 2,921,849	\$ 7,131,633	\$ 33,978,176
Additions during year	138,556	724,349	16,003	44,011	9,995	-	-	1,065,114	292,836	246,994	2,541,192
Disposals during year	-	-	-	-	-	-	-	-	-	-	-
Balance, end of year	1,298,268	2,567,023	2,132,995	881,886	143,396	3,344	2,955,070	15,944,183	3,214,685	7,378,617	36,519,368
ACCUMULATED AMORTIZATION											
Balance, beginning of year	-	980,208	974,278	287,857	55,205	-	916,014	9,082,562	694,933	1,392,895	14,383,552
Amortization during year	-	53,214	152,069	51,865	14,763	-	98,502	676,262	53,936	115,700	1,216,311
Accumulated amortization on disposals	-	-	-	-	-	-	-	-	-	-	-
Balance, end of year	-	1,033,422	1,126,347	339,722	69,968	-	1,014,516	9,758,824	748,869	1,508,595	15,600,263
Net Book Value of Tangible Capital Assets	\$ 1,298,268	\$ 1,533,601	\$ 1,006,648	\$ 542,164	\$ 73,428	\$ 3,344	\$ 1,940,554	\$ 6,185,359	\$ 2,465,816	\$ 5,870,022	\$ 20,919,105
	December 31, 2008										
COST											
Balance, beginning of year	\$ 1,159,712	\$ 1,711,264	\$ 1,845,158	\$ 656,806	\$ 116,272	\$ -	\$ 2,895,036	\$ 12,483,160	\$ 2,457,987	\$ 5,512,277	\$ 28,838,070
Additions during year	-	131,410	271,736	181,270	17,129	-	59,035	2,395,908	1,454,262	1,519,356	5,140,106
Disposals during year	-	-	-	-	-	-	-	-	-	-	-
Balance, end of year	1,159,712	1,842,674	2,116,892	837,876	133,401	-	2,955,071	14,879,068	2,921,849	7,131,633	33,978,176
ACCUMULATED AMORTIZATION											
Balance, beginning of year	-	948,388	849,382	245,646	41,990	-	819,479	8,484,381	658,960	1,303,214	13,951,440
Amortization during year	-	31,820	124,896	42,211	13,215	-	96,535	598,181	35,973	89,681	1,028,512
Accumulated amortization on disposals	-	-	-	-	-	-	-	-	-	-	-
Balance, end of year	-	980,208	974,278	287,857	55,205	-	916,014	9,082,562	694,933	1,392,895	14,383,552
Net Book Value of Tangible Capital Assets	\$ 1,159,712	\$ 862,466	\$ 1,142,614	\$ 550,019	\$ 78,196	\$ -	\$ 2,039,057	\$ 5,796,506	\$ 2,226,916	\$ 5,738,738	\$ 19,594,224

CORPORATION OF THE MUNICIPALITY OF TWEED
SCHEDULE 2 - CONSOLIDATED SCHEDULE OF CONTINUITY OF RESERVES AND RESERVE FUNDS
 December 31, 2009

	Balance, beginning of year	Revenue Contributions			Total	Transfers		Total	Balance, End of Year
		Interest on Reserve Funds	From Operations			To Capital Acquisitions			
Reserve Funds									
Waste Site reclamation	\$ 681,119	\$ 1,294	\$ 96,582	\$ 778,995	\$ -	\$ 76,700	\$ 76,700	\$ 702,295	
Roads	47,008	134	8,906	56,048	-	-	-	56,048	
Park lands	70,149	117	25,291	95,557	80,711	-	80,711	14,846	
Village infrastructure	677,683	3,782	-	681,465	87,300	-	87,300	594,165	
Gas tax	364,589	5,425	311,054	681,068	16,152	-	16,152	664,916	
Library	20,112	74	12,130	32,316	-	-	-	32,316	
	<u>1,860,660</u>	<u>10,626</u>	<u>453,963</u>	<u>2,325,449</u>	<u>184,163</u>	<u>76,700</u>	<u>260,863</u>	<u>2,064,586</u>	
Reserves									
Capital asset acquisition	264,803	-	-	264,803	-	-	-	264,803	
Working capital	1,001,996	-	-	1,001,996	-	316,800	316,800	685,196	
Contingencies	150,000	-	-	150,000	-	-	-	150,000	
Roads	25,000	-	-	25,000	-	-	-	25,000	
Water and sewer	250,000	-	-	250,000	-	-	-	250,000	
Municipal building expenditure	71,821	-	-	71,821	-	59,500	59,500	12,321	
Capital acquisitions - Fire	61,600	-	45,000	106,600	-	-	-	106,600	
Capital acquisitions - Arena	6,300	-	21,000	27,300	-	-	-	27,300	
Fire	11,269	-	-	11,269	7,470	-	7,470	3,799	
Heritage	30,000	-	-	30,000	-	-	-	30,000	
Library	40,000	-	10,000	50,000	-	-	-	50,000	
Pool	70,000	-	-	70,000	-	40,000	40,000	30,000	
Parks	38,900	-	5,000	43,900	-	19,480	19,480	24,420	
Public works - Equipment	-	-	150,000	150,000	-	-	-	150,000	
Transportation - Clement's Bridge	-	-	359,167	359,167	-	-	-	359,167	
Library - building	-	-	104,166	104,166	-	-	-	104,166	
Transportation - Marbank road	-	-	175,834	175,834	-	-	-	175,834	
	<u>2,021,689</u>	<u>-</u>	<u>870,167</u>	<u>2,891,856</u>	<u>7,470</u>	<u>435,780</u>	<u>443,250</u>	<u>2,448,606</u>	
Total	\$ 3,882,349	\$ 10,826	\$ 1,324,130	\$ 5,217,305	\$ 191,633	\$ 512,480	\$ 704,113	\$ 4,513,192	

CORPORATION OF THE MUNICIPALITY OF TWEED
SCHEDULE 3 - CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE STATEMENT OF OPERATIONS
DECEMBER 31, 2009 BUDGET

	GENERAL GOVERNMENT	PROTECTION SERVICES	TRANSPORTATION SERVICES	ENVIRONMENTAL SERVICES	RECREATION AND CULTURAL SERVICES	PLANNING AND DEVELOPMENT	TWEED PUBLIC LIBRARY BOARD	ELIMINATIONS	CONSOLIDATED
REVENUES									
Municipal Taxation									
Taxation from other governments	\$ (725,965)	\$ 889,525	\$ 1,648,434	\$ (10,670)	\$ 252,075	\$ (5,300)	\$ -	\$ -	\$ 2,048,099
Government Transfers	42,200	-	-	-	-	-	-	-	42,200
Province of Ontario	328,280	138,200	32,983	-	900	-	2,102	-	364,265
Other Municipalities	1,600,400	-	32,983	-	-	-	18,889	-	1,790,472
User charges	-	-	-	-	-	-	70,452	(70,452)	-
Investment Income	18,510	8,000	45,000	621,000	135,200	5,460	650	(6,000)	827,760
Penalty and interest on taxes	42,000	-	-	-	-	652	-	-	42,652
Development charges	112,000	-	-	-	-	-	-	-	112,000
Donations	-	-	-	-	-	8,000	-	-	8,000
Miscellaneous	47,700	7,000	-	-	-	-	3,650	-	3,650
	1,465,125	1,042,725	1,759,400	610,330	388,175	8,752	11,229	(76,452)	5,305,027
CURRENT - EXPENDITURES									
Salaries wages and employee benefits	424,120	128,310	616,500	181,960	175,700	-	79,011	-	1,605,601
Interest on long-term debt	-	-	-	-	-	652	-	-	652
Materials and Supplies	301,900	120,860	1,105,400	185,370	140,475	1,200	21,961	-	1,877,166
Contracted services and general services	-	793,555	37,500	243,000	-	-	-	(6,000)	1,074,055
Rents and Financial Expenses	-	-	-	-	-	-	6,000	-	6,000
External Transfers	-	-	-	-	72,000	6,900	-	(70,452)	8,448
Amortization	13,419	61,719	930,368	163,992	35,097	-	11,715	-	1,216,310
	739,439	1,104,444	2,689,768	774,322	423,272	8,752	118,687	(76,452)	5,782,232
	725,686	(61,719)	(930,368)	(163,992)	(35,097)	-	(11,715)	-	(477,205)

CORPORATION OF THE MUNICIPALITY OF TWEED

SCHEDULE 3 - CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE STATEMENT OF OPERATIONS

DECEMBER 31, 2009 ACTUAL

	GENERAL GOVERNMENT	PROTECTION SERVICES	TRANSPORTATION SERVICES	ENVIRONMENTAL SERVICES	RECREATION AND CULTURAL SERVICES	PLANNING AND DEVELOPMENT	TWEED PUBLIC LIBRARY BOARD	ELIMINATIONS	CONSOLIDATED
REVENUES									
Municipal taxation	\$ (655,189)	\$ 889,525	\$ 1,650,134	\$ (9,373)	\$ 252,075	\$ (5,300)	\$ -	\$ -	\$ 2,121,872
Taxation from other governments	25,696	-	-	-	-	-	-	-	25,696
Government Transfers									
Government of Canada	1,368	-	270,269	-	53,333	-	1,140	-	326,110
Province of Ontario	1,600,400	138,200	87,917	40,000	65,858	-	13,176	-	1,945,551
Other municipalities	-	-	145,929	-	-	-	72,000	(72,000)	145,929
User charges	6,000	4,000	64,486	644,042	157,302	-	641	(6,000)	870,471
Investment Income	20,486	-	-	-	-	652	944	-	22,082
Penalty and interest on taxes	121,431	-	-	-	-	-	-	-	121,431
Donations	-	-	-	-	-	-	-	-	-
Miscellaneous	122,508	5,935	-	5,058	268,944	1,773	5,257	-	274,201
	1,242,700	1,037,660	2,218,735	679,727	799,285	7,137	97,139	(78,000)	6,004,383

CURRENT - EXPENDITURES	GENERAL GOVERNMENT	PROTECTION SERVICES	TRANSPORTATION SERVICES	ENVIRONMENTAL SERVICES	RECREATION AND CULTURAL SERVICES	PLANNING AND DEVELOPMENT	TWEED PUBLIC LIBRARY BOARD	ELIMINATIONS	CONSOLIDATED
Salaries, wages and employee benefits	405,535	134,748	632,726	180,486	167,285	-	80,889	-	1,601,669
Interest on long-term debt	-	-	223	-	-	652	-	-	875
Materials and Supplies	392,156	128,547	1,045,501	177,288	206,146	660	8,806	(72,000)	1,887,104
Contracted services and general services	-	838,996	35,194	238,661	-	-	-	-	1,112,851
Rents and Financial Expenses	-	-	-	-	-	-	6,000	(6,000)	-
External Transfers	-	-	-	-	-	-	-	-	-
Interfunctional adjustments	-	-	-	-	-	-	-	-	-
Amortization	13,419	61,719	930,368	163,992	35,097	-	11,715	-	1,216,310
	811,110	1,164,010	2,644,012	760,427	408,528	1,312	107,410	(78,000)	5,818,809
	\$ 431,590	\$ (126,350)	\$ (425,277)	\$ (80,700)	\$ 390,757	\$ 5,825	\$ (10,271)	\$ -	\$ 185,574

CORPORATION OF THE MUNICIPALITY OF TWEED
SCHEDULE 3 - CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE STATEMENT OF OPERATIONS
DECEMBER 31, 2008 ACTUAL

	GENERAL GOVERNMENT	PROTECTION SERVICES	TRANSPORTATION SERVICES	ENVIRONMENTAL SERVICES	RECREATION AND CULTURAL SERVICES	PLANNING AND DEVELOPMENT	TWEED PUBLIC LIBRARY BOARD	ELIMINATIONS	CONSOLIDATED
Revenues									
Municipal taxation	\$ (1,030,242)	\$ 893,343	\$ 1,726,147	\$ (19,379)	\$ 249,752	\$ (2,850)	\$ -	\$ -	\$ 1,816,771
Taxation from other governments	34,672	-	-	-	-	-	-	-	34,672
Government Transfers	-	-	-	-	-	-	-	-	-
Government of Canada	1,643,588	155,887	164,121	-	900	-	1,172	-	2,072
Province of Ontario	-	-	-	-	-	-	28,580	-	28,580
Other municipalities	41,703	15,180	57,344	597,298	160,444	-	70,452	(70,452)	1,992,176
User charges	72,943	7,130	-	16,356	2,318	1,085	487	(6,000)	866,456
Investment Income	114,226	-	-	-	-	-	-	-	114,226
Penalty and interest on taxes	29,629	-	-	-	-	-	-	-	29,629
Sale of capital assets	-	-	-	-	-	-	-	-	96,378
Donations	-	-	-	-	68,721	-	27,657	-	15,100
Development charges	-	-	-	-	-	15,100	-	-	15,100
Miscellaneous	-	-	-	5,042	7,472	-	3,525	-	16,039
	906,519	1,071,540	1,947,612	599,317	489,607	13,335	131,873	(76,452)	5,083,351
CURRENT - EXPENDITURES									
Salaries wages and employee benefits	412,046	125,057	599,034	154,646	164,683	-	83,195	-	1,538,661
Interest on long-term debt	-	-	-	-	-	1,085	-	-	1,085
Materials and Supplies	241,007	135,540	1,041,105	178,186	247,126	440	19,952	(70,452)	1,792,904
Contracted services and general services	4,710	729,154	249,138	182,475	-	-	-	-	1,165,477
Rents and Financial Expenses	55,888	5,742	434	-	-	-	6,000	(6,000)	62,064
External Transfers	-	-	-	47,159	-	-	-	-	47,159
Amortization	10,864	60,605	800,571	135,519	16,149	-	8,804	-	1,032,512
	724,515	1,056,098	2,690,282	697,985	427,958	1,525	117,951	(76,452)	5,639,862
	\$ 182,004	\$ 15,442	\$ (742,670)	\$ (98,668)	\$ 61,649	\$ 11,810	\$ 13,922	\$ -	\$ (556,511)

CORPORATION OF THE MUNICIPALITY OF TWEED
 SCHEDULE 4 - CONSOLIDATED SCHEDULE OF RECONCILIATION OF FINANCIAL PLAN TO THE BUDGET
 YEAR ENDED DECEMBER 31, 2009

	OPERATING BUDGET	CAPITAL BUDGET	RESERVES AND RESERVE FUNDS	TANGIBLE CAPITAL ASSET ADJUSTMENTS	TWEED PUBLIC LIBRARY BOARD	ELIMINATIONS	PSAB BUDGET
REVENUES							
Municipal Taxation	\$ 2,048,099	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,048,099
Taxation from other governments	42,200	-	-	-	-	-	42,200
Government transfers							
Canada	362,163	-	-	-	2,102	-	364,265
Ontario	1,771,583	-	-	-	18,889	-	1,790,472
Other Municipal					70,452	(70,452)	-
User fees and sale of goods and services	887,810	-	-	-	650	(8,000)	882,460
Investment income	42,652	-	-	-	-	-	42,652
Penalty and interest on taxes	112,000	-	-	-	-	-	112,000
Development charges	8,000	-	-	-	-	-	8,000
Donations	-	-	-	-	3,650	-	3,650
Miscellaneous	-	-	-	-	11,229	-	11,229
	<u>5,274,507</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>106,972</u>	<u>(76,452)</u>	<u>5,305,027</u>
EXPENDITURES							
Current							
General government	726,020	-	-	13,419	-	-	739,439
Protection services	1,042,725	-	-	61,719	-	-	1,104,444
Transportation services	1,759,400	-	-	930,368	-	-	2,689,768
Environmental services	610,330	-	-	163,982	-	-	774,312
Recreation and cultural services	388,175	-	-	46,812	106,972	(76,452)	465,507
Planning and development	8,752	-	-	-	-	-	8,752
Capital							
General government	-	186,000	-	(186,000)	-	-	-
Protection services	-	20,000	-	(20,000)	-	-	-
Transportation services	-	1,994,710	-	(1,934,710)	-	-	-
Environmental services	-	453,930	-	(453,930)	-	-	-
Recreation and cultural services	-	668,835	-	(668,835)	-	-	-
	<u>4,535,402</u>	<u>3,253,475</u>	<u>-</u>	<u>(2,047,165)</u>	<u>106,972</u>	<u>(76,452)</u>	<u>5,782,232</u>
NET REVENUES (EXPENDITURES)	739,105	(3,263,475)	-	2,047,165	-	-	(477,205)
OTHER INCOME AND EXPENSES RELATED TO CAPITAL							
Municipal taxation	-	1,148,901	-	-	-	-	1,148,901
Government transfers	-						
Canada	-	366,667	-	-	-	-	366,667
Ontario	-	408,667	-	-	-	-	408,667
	-	<u>1,922,235</u>	-	-	-	-	<u>1,922,235</u>
FINANCING AND TRANSFERS							
Debt and other long-term borrowings	(1,661)	(15,162)	-	16,823	-	-	-
Debt repayment	1,661	-	-	(1,661)	-	-	-
Benefiting landowners principal repayments	473,367	1,356,402	(1,829,789)	-	-	-	-
Transfers from (to) other funds	473,367	1,341,240	(1,829,789)	15,162	-	-	-
	<u>\$ 1,212,472</u>	<u>\$ -</u>	<u>\$ (1,829,789)</u>	<u>\$ 2,062,327</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,445,030</u>