

**COUNTY OF HURON**  
**CONSOLIDATED FINANCIAL REPORT**  
**December 31, 2007**

**VODDEN, BENDER & SEEBACH LLP**  
***Chartered Accountants***

**County of Huron**  
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**2007**

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## AUDITOR'S REPORT

To the Members of Council, Inhabitants and Ratepayers of the Corporation of the County of Huron:

We have audited the consolidated statement of financial position of the Corporation of the County of Huron as at December 31, 2007 and the consolidated statements of financial activities and cash flows for the year then ended. These 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 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 Huron as at December 31, 2007, the results of its financial activities and cash flows for the year then ended in accordance with accounting principles for municipal governments established by the Canadian Institute of Chartered Accountants.

Goderich, Ontario  
July 28, 2008

*Vodden, Bender & Seebach LLP*  
Vodden, Bender & Seebach LLP  
Chartered Accountants  
Licensed Public Accountants

**County of Huron**

**Consolidated Statement of Financial Position**

**as at December 31, 2007**

	<u>2007</u>	<u>2006</u>
	\$	\$
<b>Financial Assets</b>		
Cash and short-term investments (note 2)	34,171,567	29,895,683
Accounts receivable	750,480	843,144
Other current assets	<u>30,313</u>	<u>28,772</u>
Total assets	<u><u>34,952,360</u></u>	<u><u>30,767,599</u></u>
<b>Liabilities</b>		
Accounts payable and accrued liabilities	11,060,575	9,662,420
Deferred revenue	449,042	1,193,141
Net long term liabilities (note 8)	<u>767,277</u>	<u>840,606</u>
Total liabilities	<u><u>12,276,894</u></u>	<u><u>11,696,167</u></u>
<b>Fund balances at the end of the year</b>		
Operating fund	20,926	190,657
Capital fund	-	-
Reserves and reserve funds	<u>23,421,817</u>	<u>19,721,381</u>
Total fund balances	23,442,743	19,912,038
Amounts to be recovered (note 8)	<u>(767,277)</u>	<u>(840,606)</u>
Total municipal position	<u><u>22,675,466</u></u>	<u><u>19,071,432</u></u>
Total liabilities and municipal position	<u><u>34,952,360</u></u>	<u><u>30,767,599</u></u>

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

**County of Huron**

**Consolidated Statement of Financial Activities**

**for the year ended December 31, 2007**

	Budget <u>2007</u> \$	Actual <u>2007</u> \$	Actual <u>2006</u> \$
<b>Revenues</b>			
Taxation and user fees	35,868,032	35,834,346	34,778,220
Government transfers	39,619,404	40,212,843	38,925,559
Other revenue	<u>6,224,504</u>	<u>8,055,057</u>	<u>6,302,507</u>
Total revenues	<u>81,711,940</u>	<u>84,102,246</u>	<u>80,006,286</u>
<b>Expenditures</b>			
Operating			
General government	5,625,527	5,075,893	4,798,191
Protection to persons and property	795,827	872,342	736,602
Transportation services	5,714,663	7,796,299	15,867,913
Environmental services	361,200	247,036	128,817
Health services	12,473,429	12,416,920	11,841,962
Social and family services	33,859,288	34,794,072	32,602,106
Social and public housing	3,287,295	3,737,925	3,109,264
Recreation and cultural services	3,252,453	3,313,780	3,053,618
Planning and development	<u>3,209,449</u>	<u>2,216,290</u>	<u>1,987,940</u>
	<u>68,579,131</u>	<u>70,470,557</u>	<u>74,126,413</u>
Capital			
General government	1,780,525	940,138	734,635
Protection to persons and property	4,000	3,757	18,517
Transportation services	9,798,400	7,954,437	1,145,448
Environmental services	-	-	-
Health services	118,969	130,461	396,386
Social and family services	222,014	482,430	439,720
Social and public housing	403,000	402,706	376,208
Recreation and cultural services	180,063	112,638	118,696
Planning and development	<u>57,960</u>	<u>74,417</u>	<u>46,067</u>
	<u>12,564,931</u>	<u>10,100,984</u>	<u>3,275,677</u>
Total expenditures	<u>81,144,062</u>	<u>80,571,541</u>	<u>77,402,090</u>
Net revenues (expenditures)	567,878	3,530,705	2,604,196
Decrease in amounts to be recovered	73,329	73,329	70,103
Opening municipal position	<u>19,104,112</u>	<u>19,071,432</u>	<u>16,397,133</u>
Closing municipal position	<u><u>19,745,319</u></u>	<u><u>22,675,466</u></u>	<u><u>19,071,432</u></u>

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

**County of Huron**

**Consolidated Statement of Cash Flows**

**for the year ended December 31, 2007**

	Actual <u>2007</u> \$	Actual <u>2006</u> \$
<b>Operations</b>		
Net revenues (expenditures)	3,530,705	2,604,196
Add (deduct) financing items included in operations:		
Housing long-term debt principal repaid	73,329	70,103
Changes in working capital providing (using) cash:		
Decrease (increase) in accounts receivable	92,664	685,261
Decrease (increase) in other current assets	(1,541)	(18,634)
Increase (decrease) in accounts payable and accrued liabilities	1,398,155	438,285
Increase (decrease) in deferred revenue	<u>(744,099)</u>	<u>611,075</u>
<b>Net increase (decrease) from operations</b>	<u>4,349,213</u>	<u>4,390,286</u>
<b>Financing</b>		
Principal repayment on housing long term bank loan	<u>(73,329)</u>	<u>(70,103)</u>
<b>Cash beginning of year</b>	<u>29,895,683</u>	<u>25,575,500</u>
<b>Cash end of year</b>	<u><u>34,171,567</u></u>	<u><u>29,895,683</u></u>

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

**County of Huron**

**Schedule of Operating Fund Activities**

**for the year ended December 31, 2007**

	Budget 2007 \$	Actual 2007 \$	Actual 2006 \$
<b>Revenues</b>			
Taxation and user fees	35,868,032	35,834,346	34,778,220
Government transfers	39,619,404	40,212,843	38,925,559
Other revenue	6,224,504	7,567,544	5,771,446
Total revenues	<u>81,711,940</u>	<u>83,614,733</u>	<u>79,475,225</u>
<b>Expenditures</b>			
General government	5,625,527	5,075,893	4,798,191
Protection to persons and property	795,827	872,342	736,602
Transportation services	5,714,663	7,796,299	15,867,913
Environmental services	361,200	247,036	128,817
Health services	12,473,429	12,416,920	11,841,962
Social and family services	33,859,288	34,794,072	32,602,106
Social and public housing	3,287,295	3,737,925	3,109,264
Recreation and cultural services	3,252,453	3,313,780	3,053,618
Planning and development	3,209,449	2,216,290	1,987,940
Total expenditures	<u>68,579,131</u>	<u>70,470,557</u>	<u>74,126,413</u>
<b>Net revenues (expenditures)</b>	13,132,809	13,144,176	5,348,812
<b>Net interfund transfers</b>			
From (to) capital fund	(12,564,931)	(10,100,984)	(3,275,677)
From (to) reserves and reserve funds	(791,215)	(3,212,923)	(1,869,680)
Total net interfund transfers	<u>(13,356,146)</u>	<u>(13,313,907)</u>	<u>(5,145,357)</u>
<b>Change in fund balance</b>	(223,337)	(169,731)	203,455
<b>Opening balance</b>	<u>223,337</u>	<u>190,657</u>	<u>(12,798)</u>
<b>Closing balance</b>	<u><u>-</u></u>	<u><u>20,926</u></u>	<u><u>190,657</u></u>

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

**County of Huron**

**Schedule of Capital Fund Activities**

**for the year ended December 31, 2007**

	Budget <u>2007</u> \$	Actual <u>2007</u> \$	Actual <u>2006</u> \$
<b>Revenues</b>			
Other revenue	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures</b>			
General government	1,780,525	940,138	734,635
Protection to persons and property	4,000	3,757	18,517
Transportation services	9,798,400	7,954,437	1,145,448
Environmental services	-	-	-
Health services	118,969	130,461	396,386
Social and family services	222,014	482,430	439,720
Social and public housing	403,000	402,706	376,208
Recreation and cultural services	180,063	112,638	118,696
Planning and development	57,960	74,417	46,067
Total expenditures	<u>12,564,931</u>	<u>10,100,984</u>	<u>3,275,677</u>
<b>Net revenues (expenditures)</b>	(12,564,931)	(10,100,984)	(3,275,677)
<b>Net interfund transfers</b>			
From (to) operating fund	12,564,931	10,100,984	3,275,677
From (to) reserves and reserve funds	-	-	-
Total net interfund transfers	<u>12,564,931</u>	<u>10,100,984</u>	<u>3,275,677</u>
<b>Change in fund balance</b>	-	-	-
<b>Opening balance</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Closing balance</b>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

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



**County of Huron**

**Schedule of Reserves and Reserve Funds Activities**

**for the year ended December 31, 2007**

	Budget <u>2007</u> \$	Actual <u>2007</u> \$	Actual <u>2006</u> \$
<b>Revenues</b>			
Interest earned	-	487,513	531,061
Total revenues	<u>-</u>	<u>487,513</u>	<u>531,061</u>
<b>Net interfund transfers</b>			
From (to) operating fund	791,215	3,212,923	1,869,680
From (to) capital fund	-	-	-
Total net interfund transfers	<u>791,215</u>	<u>3,212,923</u>	<u>1,869,680</u>
<b>Change in fund balance</b>	791,215	3,700,436	2,400,741
<b>Opening balance</b>	<u>19,721,381</u>	<u>19,721,381</u>	<u>17,320,640</u>
<b>Closing balance</b>	<u><u>20,512,596</u></u>	<u><u>23,421,817</u></u>	<u><u>19,721,381</u></u>
<b>Analyzed as follows:</b>			
<b>Reserves</b>			
Reserve for Working Funds	1,200,000	1,200,000	1,200,000
Reserve for Contingencies	6,579,188	7,154,676	7,057,188
Reserve for Workers Safety Insurance	200,000	200,000	200,000
Reserve for Server Replacement	9,250	13,375	9,250
Reserve for Ambulance Station Capital	242,072	242,072	145,244
Reserve for Ontario Works IT	30,000	30,000	30,000
Reserve for Library Books	49,827	92,471	109,827
	<u>8,310,337</u>	<u>8,932,594</u>	<u>8,751,509</u>
<b>Reserve funds</b>			
General Capital Works Reserve Fund	1,734,807	1,870,390	1,284,807
Facilities Reserve Fund	-	531,165	-
Accessibility Reserve fund	-	5,962	-
Corporate IT Reserve Fund	49,791	51,422	33,791
Insurance Reserve Fund	772,622	787,325	872,622
Future Infrastructure Reserve Fund	500,000	520,650	-
Levy Stabilization Reserve Fund	1,612,537	1,673,446	2,112,537
Highway Reserve Fund	2,531,178	3,232,831	2,081,178
Fleet Reserve Fund	1,758,520	2,174,184	1,783,933
Water Source Protection Reserve Fund	208,179	252,157	233,179
Waste Management Reserve Fund	973,553	1,073,805	849,553
EMS Fleet Reserve Fund	409,879	540,201	440,579
Huronview Reserve Fund	937,725	742,802	1,003,225
Social Housing Capital Reserve Fund	615,000	640,400	-
Huron Heritage Reserve Fund	20,000	17,249	-
GIS Reserve Fund	-	22,056	71,310
Economic Development Reserve Fund	78,468	336,231	203,158
Forestry Reserve Fund	-	16,947	-
	<u>12,202,259</u>	<u>14,489,223</u>	<u>10,969,872</u>
	<u><u>20,512,596</u></u>	<u><u>23,421,817</u></u>	<u><u>19,721,381</u></u>

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

## County of Huron

### Notes to the Financial Statements

for the year ended December 31, 2007

#### **1. Accounting Policies**

The consolidated financial statements of the County of Huron are the representation of management prepared in accordance with Canadian generally accepted accounting principles prescribed for municipal 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:

##### (a) Reporting Entity

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

- Huron County Board of Health
- Huron County Homes for the Aged
- Huron County Library Board
- Huron County Museum and Historic Gaol

Interdepartmental and organizational transactions and balances have been eliminated.

The statements exclude trust funds that are administered for the benefit of external parties.

##### (b) Basis of Accounting

Revenues are accounted for in the period in which the transactions or events occurred that gave rise to the revenues. Expenditures are accounted for in the period the goods and services are acquired and a liability is incurred or transfers are due.

##### (c) Fund Accounting

Funds within the consolidated financial statements consist of the operating, capital and reserves and reserve funds. Transactions between funds are recorded as interfund transfers.

##### (d) Capital Assets

The historical cost and accumulated depreciation of capital assets are not reported for municipal purposes. Capital assets are reported as an expenditure on the statement of financial activities in the year of acquisition.

**County of Huron**

**Notes to the Financial Statements**

**for the year ended December 31, 2007**

**1. Accounting Policies (continued)**

(e) Reserves and Reserve Funds

Certain amounts, as approved by council or senior management, are set aside in reserves or reserve funds for future operating and capital expenditures. Transfers to and from reserves and reserve funds are reflected as adjustments to the respective funds.

(f) Government Transfers

Government transfers are recognized in the financial statements as revenues in the period in which events giving rise to the transfer occur, provided that the transfers are authorized, any eligibility criteria have been met, and reasonable estimates can be made.

(g) Use of Estimates

The preparation of financial statements in conformity with 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. Actual results could differ from those estimates.

**2. Cash and Short-Term Investments**

	2007	2006
	\$	\$
Cash	31,095,854	26,940,381
Short-term investments	3,075,713	2,955,302
	<u>34,171,567</u>	<u>29,895,683</u>

The short-term investments have a market value of \$2,896,260 (2006 - \$2,789,069).

**3. Trust Funds**

Trust funds administered by the municipality amounting to \$272,600 (2006 - \$323,881) have not been included in the consolidated statement of financial position nor have their operations been included in the consolidated statement of financial activities.

**County of Huron**

**Notes to the Financial Statements**

**for the year ended December 31, 2007**

**4. Pension Agreements**

The municipality makes contributions to the Ontario Municipal Employees Retirement Fund (OMERS), which is a multi-employer plan, on behalf of 446 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 services and rates of pay.

The amount contributed to OMERS for 2007 was \$1,440,604 (2006 - \$1,350,808) and is included as an expenditure on the consolidated statement of financial activities.

**5. Liability for Vested Sick Leave Benefits**

Under the sick leave benefit plan, unused sick leave credits may be used to supplement the seventeen weeks' sick leave benefit up to 100 percent of earnings at time of illness or disability, calculated on current earnings at time of withdrawing credit. The unused credits in this plan were frozen as of December 31, 1971. Employees with unused credits remaining from prior to December 31, 1971 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 terminating, amounted to \$550 (2006 - \$550) at the end of the year. A reduction of \$Nil (2006 - \$Nil) was used to supplement employees' sick leave benefits. An amount of \$Nil (2006 - \$52) was paid to employees who left the municipality's employment during the current year.

Anticipated payments over the next five years to employees who are eligible to retire are:

<u>Year</u>	<u>\$</u>
2008	550
2009	-
2010	-
2011	-
2012	-
	<u>550</u>

**County of Huron**

**Notes to the Financial Statements**

**for the year ended December 31, 2007**

**6. Municipal Position at End of Year**

The balances on the statement of financial position of \$22,675,466 as at the end of the year (2006 - \$16,071,432) are comprised of the following:

	<b>2007</b>	<b>2006</b>
	\$	\$
Operating fund - available for general reduction of taxation or user charges	20,926	190,657
Capital fund	-	-
Reserves and reserve funds	<u>23,421,817</u>	<u>19,721,381</u>
Total fund balances	23,442,743	19,912,038
Amounts to be recovered	<u>(767,277)</u>	<u>(840,606)</u>
Total municipal position	<u>22,675,466</u>	<u>19,071,432</u>

**7. Expenditure by Object**

	<b>2007</b>	<b>2006</b>
	\$	\$
Salaries, wages and benefits	30,352,456	28,801,971
Long term debt charges	109,716	109,716
Materials, goods, supplies, and utilities	10,860,818	17,451,481
Contracted and general services	8,430,844	7,543,868
Rents, leases, bank charges and financial expenses	2,122,475	2,110,638
Capital expenditures	10,100,984	3,275,677
External transfers	<u>18,594,248</u>	<u>18,108,739</u>
	<u>80,571,541</u>	<u>77,402,090</u>

**8. Related Party - Huron County Housing Corporation**

The Huron County Housing Corporation is a non-profit corporation all of whose shares are owned by the County of Huron. The Huron County Housing Corporation owns the land and buildings which are provided to the County of Huron - Housing Department for use as low income residential rental units.

Effective January 1, 2001, the County of Huron assumed responsibility for public housing. The County of Huron has assumed the responsibility for the operating revenues and expenditures of public housing, whereas the Huron County Housing Corporation is responsible for the capital transactions associated with public housing.

**County of Huron**

**Notes to the Financial Statements**

**for the year ended December 31, 2007**

**8. Related Party - Huron County Housing Corporation (continued)**

A debt obligation was transferred in 2001 from the Province of Ontario to the Huron County Housing Corporation on the transfer of responsibility for public housing operations.

As at December 31, 2007 the principal amount was \$767,277 (2006 - \$840,606). The debt is owed to a private sector lending institution. Interest rate is 4.55% per annum with monthly payments of principal and interest totalling \$9,143. Maturity date is May 2009.

This mortgage is insured by the CMHC and fully indemnified by the Province of Ontario.

**Amounts to be recovered**

Related amounts to be recovered have been reduced by principal amounts in 2007 and 2006 as follows:

	\$
2006	70,103
2007	73,329

Future principal payments are payable as follows:

	\$
2008	76,703
2009	690,574
	<u>767,277</u>

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**AUDITOR'S REPORT**

To the Chairman and Members of the Huron County Board of Health:

We have audited the statements of financial position of the Huron County Board of Health as at December 31, 2007 and the statements of financial activities for the year then ended as follows:

Huron County Health Unit - General Programs  
Statement of Financial Position  
Statement of Financial Activities  
Huron County Health Unit - Plumbing  
Statement of Financial Position  
Statement of Financial Activities  
Huron County Health Unit - On Site Sewage  
Statement of Financial Position  
Statement of Financial Activities  
Huron County Health Unit - Septic Re-Inspection  
Statement of Financial Position  
Statement of Financial Activities

These financial statements are the responsibility of the Board'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 misstatements. 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 Huron County Board of Health as at December 31, 2007 and the results of its financial activities for the year then ended in accordance with accounting principles for municipal governments established by the Canadian Institute of Chartered Accountants.

Goderich, Ontario.  
June 18, 2008

*Vodden, Bender & Seebach LLP*  
Vodden, Bender & Seebach LLP  
Chartered Accountants  
Licensed Public Accountants

**Huron County Health Unit**

**General Programs**

**Statement of Financial Position**

**as at December 31, 2007**

	<u>2007</u>	<u>2006</u>
	\$	\$
<b><u>Assets</u></b>		
Cash on hand	37,317	120,324
Due from Government of Canada	-	29,545
Accounts receivable	28,056	-
Due from County of Huron	<u>661,713</u>	<u>555,731</u>
	<u>727,086</u>	<u>705,600</u>
<b><u>Liabilities</u></b>		
Accounts payable	413,584	426,202
Due to Province of Ontario	120,090	133,724
Due to Government of Canada	-	-
Due to other programs	<u>193,411</u>	<u>145,674</u>
	<u>727,085</u>	<u>705,600</u>

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



**Huron County Health Unit**

**General Programs**

**Statement of Financial Activities**

**for the year ended December 31, 2007**

	2007 <u>Budget</u> \$	2007 <u>Actual</u> \$	2006 <u>Actual</u> \$
<b>Revenue</b>			
County of Huron	1,703,341	1,506,478	1,492,113
Province of Ontario	3,593,503	3,560,389	2,971,106
Government of Canada	-	46,451	156,767
Other revenue	<u>163,501</u>	<u>252,783</u>	<u>213,124</u>
	<u>5,460,345</u>	<u>5,366,101</u>	<u>4,833,110</u>
<b>Expenditure</b>			
Salaries and wages	3,490,790	3,381,514	2,939,949
Employee benefits	709,580	671,843	593,750
Fees for services	441,094	384,504	388,126
Travel	161,841	169,558	149,878
Materials and supplies	360,696	451,694	506,299
Rents and utilities	193,465	191,444	156,632
Administration	<u>102,879</u>	<u>115,544</u>	<u>98,476</u>
	<u>5,460,345</u>	<u>5,366,101</u>	<u>4,833,110</u>
<b>Net Revenue for the Year</b>	<u>-</u>	<u>-</u>	<u>-</u>

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

**Huron County Health Unit**

**Plumbing**

**Statement of Financial Position**

**as at December 31, 2007**

	<u>2007</u>	<u>2006</u>
	\$	\$
<b><u>Assets</u></b>		
Due from County of Huron	<u>93,644</u>	<u>138,608</u>
	<u><u>93,644</u></u>	<u><u>138,608</u></u>
<b><u>Liabilities</u></b>		
Accounts payable	<u>93,644</u>	<u>138,608</u>
	<u><u>93,644</u></u>	<u><u>138,608</u></u>

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

**Huron County Health Unit**

**Plumbing**

**Statement of Financial Activities**

**for the year ended December 31, 2007**

	2007 <u>Budget</u> \$	2007 <u>Actual</u> \$	2006 <u>Actual</u> \$
<b>Revenue</b>			
County of Huron	-	(14,772)	(22,005)
Fees	<u>155,926</u>	<u>168,863</u>	<u>148,711</u>
	<u>155,926</u>	<u>154,091</u>	<u>126,706</u>
<b>Expenditure</b>			
Salaries	86,803	84,919	74,171
Employee benefits	21,238	19,516	18,297
Fees for service	3,000	1,100	1,104
Travel	20,000	21,093	21,779
Material and supplies	9,550	7,400	2,934
Rent	4,625	4,625	2,900
Telephone	1,000	1,990	1,070
Administration	<u>9,710</u>	<u>13,448</u>	<u>4,451</u>
	<u>155,926</u>	<u>154,091</u>	<u>126,706</u>
<b>Net revenue (expenditures) for the year</b>	<u>-</u>	<u>-</u>	<u>-</u>

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

**Huron County Health Unit**  
**On Site Sewage**  
**Statement of Financial Position**  
**as at December 31, 2007**

	<u>2007</u>	<u>2006</u>
	\$	\$
<b><u>Assets</u></b>		
Accounts receivable and prepaid expenses	-	-
Due from County of Huron	<u>1,937</u>	<u>1,541</u>
	<u><u>1,937</u></u>	<u><u>1,541</u></u>
<b><u>Liabilities</u></b>		
Accounts payable	<u>1,937</u>	<u>1,541</u>
	<u><u>1,937</u></u>	<u><u>1,541</u></u>

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

**Huron County Health Unit**

**On Site Sewage**

**Statement of Financial Activities**

**for the year ended December 31, 2007**

	2007 <u>Budget</u> \$	2007 <u>Actual</u> \$	2006 <u>Actual</u> \$
<b>Revenue</b>			
County of Huron	38,867	15,623	29,925
Fees	<u>58,300</u>	<u>58,274</u>	<u>63,130</u>
	<u>97,167</u>	<u>73,897</u>	<u>93,055</u>
<b>Expenditure</b>			
Salaries	66,967	50,147	58,032
Employee benefits	16,009	12,308	15,034
Fees for service	541	1,100	1,118
Travel	10,000	6,192	12,472
Material and supplies	750	722	1,803
Rent	1,500	1,500	2,000
Telephone	800	213	667
Administration	<u>600</u>	<u>1,715</u>	<u>1,929</u>
	<u>97,167</u>	<u>73,897</u>	<u>93,055</u>
<b>Net revenues (expenditures) before transfers</b>	-	-	-
<b>Net interfund transfers</b>			
From (to) capital fund	-	-	-
From (to) reserves and reserve funds	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total net interfund transfers</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net revenue (expenditures) for the year</b>	<u>-</u>	<u>-</u>	<u>-</u>

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

**Huron County Health Unit**  
**Septic Re-Inspection**  
**Statement of Financial Position**  
as at December 31, 2007

	<u>2007</u>	<u>2006</u>
	\$	\$
<b><u>Assets</u></b>		
Due from County of Huron	-	-
	-	-
<b><u>Liabilities</u></b>		
Accounts payable	-	-
	-	-

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

**Huron County Health Unit**

**Septic Re-Inspection**

**Statement of Financial Activities**

**for the year ended December 31, 2007**

	2007	2007	2006
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
	\$	\$	\$
<b>Revenue</b>			
County of Huron	58,224	4,712	10,033
Provincial project grants	-	-	20,000
Miscellaneous revenues and recoveries	-	59,941	-
	<u>58,224</u>	<u>64,653</u>	<u>30,033</u>
<b>Expenditure</b>			
Salaries	40,395	49,931	42,039
Employee benefits	4,384	4,760	3,862
Fees for service	4,500	1,743	1,152
Travel	8,000	-	5,876
Material and supplies	545	8,007	7,104
Telephone	400	212	-
	<u>58,224</u>	<u>64,653</u>	<u>60,033</u>
<b>Net revenues (expenditures) before transfers</b>	-	-	(30,000)
<b>Net interfund transfers</b>			
From (to) capital fund	-	-	-
From (to) reserves and reserve funds	-	-	30,000
	<u>-</u>	<u>-</u>	<u>30,000</u>
<b>Total net interfund transfers</b>	-	-	30,000
<b>Net revenue (expenditures) for the year</b>	<u>-</u>	<u>-</u>	<u>-</u>

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

## **Huron County Health Unit**

### **Notes to the Financial Statements**

**for the year ended December 31, 2007**

#### **1. Accounting Policies**

The financial statements of the Huron County Health Unit are the representation of management prepared in accordance with generally accepted accounting principles prescribed for municipal 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:

- (a) **Basis of Accounting**  
Revenues are accounted for in the period in which the transactions or events occurred that gave rise to the revenues. Expenditures are accounted for in the period the goods and services are acquired and a liability is incurred or transfers are due.
- (b) **Capital Assets**  
The historical cost and accumulated depreciation of capital assets are not reported for municipal purposes. Capital assets are reported as an expenditure on the statement of financial activities in the year of acquisition.
- (c) **Government Transfers**  
Government transfers are recognized in the financial statements as revenues in the period in which events giving rise to the transfer occur, provided that the transfers are authorized, any eligibility criteria have been met, and reasonable estimates can be made.
- (d) **Use of Estimates**  
The preparation of financial statements in conformity with 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. Actual results could differ from those estimates.



## AUDITOR'S REPORT


To the Chairman and Members of the Huron County Cultural Services and Seniors Committee:

We have audited the statement of financial position of the Huron County Homes for the Aged General Fund and the Homes for the Aged Tuck Shop as at December 31, 2007 and the statement of financial activities for the year then ended. These statements are the responsibility of the County of Huron'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 misstatements. 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 Huron County Homes for the Aged General Fund and the Homes for the Aged Tuck Shop as at December 31, 2007 and the results of its financial activities for the year then ended in accordance with accounting principles for municipal governments established by the Canadian Institute of Chartered Accountants.

Goderich, Ontario.  
May 23, 2008

  
Vodden, Bender & Seebach LLP  
Chartered Accountants  
Licensed Public Accountants

**Homes for the Aged**

**General**

**Statement of Financial Position**

**as at December 31, 2007**

	<u>2007</u>	<u>2006</u>
	\$	\$
<b><u>Assets</u></b>		
Cash	2,500	2,100
Due from County of Huron	841,383	621,368
Due from residents	-	21,032
Due from Province of Ontario	4,098	-
Other assets	<u>31,616</u>	<u>17,416</u>
	<u><u>879,597</u></u>	<u><u>661,916</u></u>
<b><u>Liabilities</u></b>		
Due to residents	32,783	-
Due to Province of Ontario	163,709	187,302
Due to County of Huron	-	-
Accounts payable and accrued liabilities	<u>683,105</u>	<u>474,614</u>
	<u><u>879,597</u></u>	<u><u>661,916</u></u>

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

## **Homes for the Aged**

### **General**

#### **Statement of Financial Activities**

**for the year ended December 31, 2007**

	2007 <u>Budget</u> \$	2007 <u>Actual</u> \$	2006 <u>Actual</u> \$
<b>Revenue</b>			
Residents care - basic rate	2,907,200	2,988,761	2,921,128
Preferred accommodation	<u>544,000</u>	<u>553,947</u>	<u>547,304</u>
	3,451,200	3,542,708	3,468,432
Apartment rentals	322,160	315,762	310,652
Miscellaneous	123,404	121,941	131,931
Province of Ontario	5,751,889	5,803,076	5,958,403
County of Huron	<u>1,710,461</u>	<u>1,817,714</u>	<u>1,227,772</u>
	<u>11,359,114</u>	<u>11,601,201</u>	<u>11,097,190</u>
<b>Expenditure</b>			
Program and support services	483,812	500,678	476,662
Dietary services	1,678,922	1,636,888	1,670,881
Medical and nursing services	6,253,661	6,460,464	6,181,399
Housekeeping services	661,945	695,836	672,118
Laundry and linen services	343,830	331,846	334,372
Building, property and equipment	900,788	1,203,414	951,175
General and administrative	572,874	573,718	562,227
Apartment expense	<u>528,782</u>	<u>513,895</u>	<u>518,394</u>
	<u>11,424,614</u>	<u>11,916,739</u>	<u>11,367,228</u>
<b>Net revenues (expenditures) before transfers</b>	(65,500)	(315,538)	(270,038)
<b>Net interfund transfers</b>			
From (to) capital fund	-	-	-
From (to) reserves and reserve funds	<u>65,500</u>	<u>315,538</u>	<u>270,038</u>
Total net interfund transfers	<u>65,500</u>	<u>315,538</u>	<u>270,038</u>
<b>Net revenues (expenditures) for the year</b>	<u>-</u>	<u>-</u>	<u>-</u>

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

**Homes for the Aged**

**Tuck Shop**

**Statement of Financial Position**

**as at December 31, 2007**

	<u>2007</u>	<u>2006</u>
	\$	\$
<b><u>Assets</u></b>		
<b>Current Assets</b>		
Cash on hand	110	110
Inventory, at lower of cost or market	3,847	3,142
Due from County of Huron	<u>23,295</u>	<u>13,561</u>
	<u><u>27,252</u></u>	<u><u>16,813</u></u>
<b><u>Liabilities and Accumulated Net Revenue</u></b>		
<b>Current Liabilities</b>		
Accounts payable and accrued liabilities	<u>21,313</u>	<u>10,874</u>
<b>Accumulated Net Revenue</b>		
Balance at the beginning of the year	5,939	5,939
Net revenue for the year	<u>-</u>	<u>-</u>
Balance at the end of the year	<u><u>5,939</u></u>	<u><u>5,939</u></u>
	<u><u>27,252</u></u>	<u><u>16,813</u></u>

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

**Homes for the Aged**

**Tuck Shop**

**Statement of Financial Activities**

**for the year ended December 31, 2007**

	2007 <u>Actual</u> \$	2006 <u>Actual</u> \$
<b>Revenue</b>		
Canteen and newspaper sales	<u>28,916</u>	<u>26,088</u>
<b>Expenditure</b>		
Purchase of canteen supplies and newspapers	16,240	15,991
Liquor and beer purchases	393	701
Donations	11,905	9,181
Equipment repairs and maintenance	<u>378</u>	<u>215</u>
	<u>28,916</u>	<u>26,088</u>
<b>Net Revenue for the Year</b>	<u><u>-</u></u>	<u><u>-</u></u>

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

## **Homes for the Aged**

### **Notes to the Financial Statements**

**for the year ended December 31, 2007**

#### **1. Accounting Policies**

The financial statements of the Homes for the Aged are the representation of management prepared in accordance with generally accepted accounting principles prescribed for municipal 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:

- (a) **Basis of Accounting**  
Revenues are accounted for in the period in which the transactions or events occurred that gave rise to the revenues. Expenditures are accounted for in the period the goods and services are acquired and a liability is incurred or transfers are due.
- (b) **Capital Assets**  
The historical cost and accumulated depreciation of capital assets are not reported for municipal purposes. Capital assets are reported as an expenditure on the statement of financial activities in the year of acquisition.
- (c) **Government Transfers**  
Government transfers are recognized in the financial statements as revenues in the period in which events giving rise to the transfer occur, provided that the transfers are authorized, any eligibility criteria have been met, and reasonable estimates can be made.
- (d) **Use of Estimates**  
The preparation of financial statements in conformity with 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. Actual results could differ from those estimates.

#### **2. Tuck Shop - Donations to Homes for the Aged Endowment Fund**

Tuck Shop net revenues before donations of \$11,905 (2006 - \$9,181) have been set up as at December 31, 2007 (December 31, 2006) as donations payable to the Homes for the Aged Endowment Fund resulting in net Tuck Shop revenues of \$Nil (2006 - \$Nil).

## AUDITOR'S REPORT

To the Chairman and Members of the Huron County Library Board:

We have audited the statement of financial position of the Huron County Library Board as at December 31, 2007 and the statement of financial activities for the year then ended. These statements are the responsibility of the Board'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 misstatements. 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 Huron County Library Board as at December 31, 2007 and the results of its financial activities for the year then ended in accordance with accounting principles for municipal governments established by the Canadian Institute of Chartered Accountants.

Goderich, Ontario.  
June 3, 2008

*Vodden, Bender & Seebach LLP*  
Vodden, Bender & Seebach LLP  
Chartered Accountants  
Licensed Public Accountants

**Huron County Library Board**

**Statement of Financial Position**

**as at December 31, 2007**

	<u>2007</u>	<u>2006</u>
	\$	\$
<b><u>Assets</u></b>		
<b>Current</b>		
Cash on hand	400	400
Accounts receivable	3,963	<u>5,459</u>
Due from County of Huron	<u>450,956</u>	<u>355,428</u>
	<u><u>455,319</u></u>	<u><u>361,287</u></u>
<b><u>Liabilities and Accumulated Net Revenue</u></b>		
<b>Liabilities</b>		
Accounts payable	111,257	105,167
Due to the Province of Ontario - Projects	253,879	149,809
Due to the Federal Government	30,869	40,316
Computer Equipment Fund	5,709	5,709
Children's Programming Fundraising	8,056	3,427
Equipment Fundraising	3,776	4,105
General Fundraising	39,602	43,264
Magazines Fundraising	5	-
Materials Fundraising	<u>2,166</u>	<u>9,490</u>
	<u>455,319</u>	<u>361,287</u>
<b>Accumulated Net Revenue</b>		
Balance at the end of the year	<u>-</u>	<u>-</u>
	<u><u>455,319</u></u>	<u><u>361,287</u></u>

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



## Huron County Library Board

### Statement of Financial Activities

for the year ended December 31, 2007

	2007 <u>Budget</u> \$	2007 <u>Actual</u> \$	2006 <u>Actual</u> \$
<b>Revenue</b>			
County of Huron	1,987,512	2,060,489	1,877,068
Province of Ontario	137,466	146,390	146,390
Province of Ontario Strategic Planning OPNET	124,000	50,377	18,907
Government of Canada grant	3,000	6,132	3,004
Government of Canada CAP grant	22,500	41,437	38,070
Fines and miscellaneous	59,070	46,583	51,695
Ontario Library Association - CAP	21,000	22,655	33,810
Fundraising and donations	17,800	24,355	13,258
Other municipalities	5,000	4,830	4,830
Other revenue Community Access Program	4,000	4,396	4,327
	<u>2,381,348</u>	<u>2,407,644</u>	<u>2,191,359</u>
<b>Expenditure</b>			
Salaries	1,313,784	1,301,256	1,239,757
Employee benefits	224,664	240,231	222,268
Books, processing and periodicals	441,052	454,966	453,948
Travel	40,600	32,949	32,713
Material and supplies	26,400	26,186	21,234
Administration	139,488	74,655	140,710
Branch maintenance grants	166,560	166,560	148,172
Equipment	90,800	92,852	52,588
Literacy Program	500	70	20
Community Access Program	47,500	35,274	53,467
	<u>2,491,348</u>	<u>2,424,999</u>	<u>2,364,877</u>
<b>Net revenues (expenditures)</b>	(110,000)	(17,355)	(173,518)
<b>Net interfund transfers</b>			
From (to) capital fund	-	-	-
From (to) reserves and reserve funds	<u>110,000</u>	<u>17,355</u>	<u>173,518</u>
Total net interfund transfers	<u>110,000</u>	<u>17,355</u>	<u>173,518</u>
<b>Change in fund balance</b>	<u>-</u>	<u>-</u>	<u>-</u>

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

## **Huron County Library Board**

### **Notes to the Financial Statements**

**for the year ended December 31, 2007**

#### **1. Accounting Policies**

The financial statements of the Huron County Library Board are the representation of management prepared in accordance with generally accepted accounting principles prescribed for municipal 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:

- (a) **Basis of Accounting**  
Revenues are accounted for in the period in which the transactions or events occurred that gave rise to the revenues. Expenditures are accounted for in the period the goods and services are acquired and a liability is incurred or transfers are due.
- (b) **Capital Assets**  
The historical cost and accumulated depreciation of capital assets are not reported for municipal purposes. Capital assets are reported as an expenditure on the statement of financial activities in the year of acquisition.
- (c) **Government Transfers**  
Government transfers are recognized in the financial statements as revenues in the period in which events giving rise to the transfer occur, provided that the transfers are authorized, any eligibility criteria have been met, and reasonable estimates can be made.
- (d) **Use of Estimates**  
The preparation of financial statements in conformity with 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. Actual results could differ from those estimates.

## AUDITOR'S REPORT

To the Members of Council, Inhabitants and Ratepayers of the Corporation of the County of Huron:

We have audited the statement of financial position of the trust funds of the Corporation of the County of Huron as at December 31, 2007 and the statement of continuity of trust funds for the year then ended. These 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 trust funds for the Corporation of the County of Huron as at December 31, 2007 and the continuity of the trust funds for the year then ended in accordance with accounting principles for municipal governments established by the Canadian Institute of Chartered Accountants.

Goderich, Ontario  
July 28, 2008

*Vodden, Bender & Seebach LLP*  
Vodden, Bender & Seebach LLP  
Chartered Accountants  
Licensed Public Accountants

**County of Huron**

**Trust Funds**

**Statement of Financial Position**

**as at December 31, 2007**

	Health Unit Special Project <u>Account</u> \$	Homes for the Aged <u>Residents'</u> \$	Homes for the Aged Endowment <u>Fund</u> \$	<u>Total</u> \$
<b>Assets</b>				
Cash	10,094	65,228	20,318	95,640
Investments at cost (note 2)	<u>-</u>	<u>34,168</u>	<u>204,463</u>	<u>238,631</u>
	<u>10,094</u>	<u>99,396</u>	<u>224,781</u>	<u>334,271</u>
<b>Liabilities</b>				
Balance at the end of the year	<u>10,094</u>	<u>37,725</u>	<u>224,781</u>	<u>272,600</u>

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

**County of Huron**

**Trust Funds**

**Statement of Continuity**

**for the year ended December 31, 2007**

	Health Unit Special Project <u>Account</u> \$	Homes for the Aged <u>Residents</u> \$	Homes for the Aged Endowment <u>Fund</u> \$	<u>Total</u> \$
<b>Balance Beginning of the Year</b>	<u>9,671</u>	<u>99,396</u>	<u>214,814</u>	<u>323,881</u>
<b>Revenues</b>				
Donations from Tuck Shop	-	-	-	-
Donations other	-	-	-	-
Residents' funds received	-	67,314	-	67,314
Interest earned	423	3,003	9,967	13,393
	<u>423</u>	<u>70,317</u>	<u>9,967</u>	<u>80,707</u>
<b>Expenditures</b>				
Residents' funds disbursed	-	131,988	-	131,988
	<u>-</u>	<u>131,988</u>	<u>-</u>	<u>131,988</u>
<b>Balance End of the Year</b>	<u><u>10,094</u></u>	<u><u>37,725</u></u>	<u><u>224,781</u></u>	<u><u>272,600</u></u>

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

**County of Huron**

**Trust Funds**

**Notes to the Financial Statements**

**for the year ended December 31, 2007**

**1. Accounting Policies**

**Basis of Accounting**

Revenues and expenditures are reported on the cash basis of accounting.

**2. Investments**

The total of investments \$238,631 (2006 - \$229,581) recorded on the Statement of Financial Position at cost, have a market value of \$237,615 (2006 - \$228,396) as at the end of the year.