

COUNTY OF HURON
CONSOLIDATED FINANCIAL REPORT
December 31, 2009

VODDEN, BENDER & SEEBACH LLP
Chartered Accountants

COUNTY OF HURON
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2009

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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 statements of financial position and of accumulated surplus of the Corporation of the County Huron as at December 31, 2009 and the consolidated statements of operations, change in net financial assets, and cash flow for the year then ended. These 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 generally accepted Canadian 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 consolidated financial position of the Corporation of the County of Huron as at December 31, 2009 and the results of its operations, change in net financial assets and cash flow for the year then ended in accordance with accounting principles for municipal governments established by the Canadian Institute of Chartered Accountants.

Vodden, Bender & Seebach LLP

Goderich, Ontario
July 28, 2010

Vodden, Bender & Seebach LLP
Chartered Accountants
Licensed Public Accountants

COUNTY OF HURON

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at December 31		2009	2008
FINANCIAL ASSETS			
Cash and short-term investments	note 2	34,351,027	37,589,947
Accounts receivable		4,995,701	1,015,930
Other current assets		10,820	78,967
		<u>39,357,548</u>	<u>38,684,844</u>
LIABILITIES			
Accounts payable and accrued liabilities		11,628,116	11,364,208
Deferred revenue	note 4	1,450,425	1,439,659
Net long term liabilities		-	690,574
		<u>13,078,541</u>	<u>13,494,441</u>
NET FINANCIAL ASSETS		26,279,007	25,190,403
NON-FINANCIAL ASSETS			
Inventory of materials and supplies (at cost)		94,025	-
Tangible capital assets	schedule 2	151,500,031	144,574,120
ACCUMULATED SURPLUS		\$ 177,873,063	\$ 169,764,523

See the accompanying schedules and notes to the financial statements.

COUNTY OF HURON

CONSOLIDATED STATEMENT OF ACCUMULATED SURPLUS

As at December 31	2009	2008
Operating surplus		
General unallocated surplus (deficit)	711,883	(216,576)
Reserves and reserve funds		
Allocated surplus	25,661,149	26,097,553
schedule 1		
Amounts to be recovered		
For housing debt	-	(690,574)
Total before capital surplus	26,373,032	25,190,403
Capital surplus		
Invested in tangible capital assets	151,500,031	144,574,120
	<u>\$ 177,873,063</u>	<u>\$ 169,764,523</u>

See the accompanying schedules and notes to the consolidated financial statements.

COUNTY OF HURON

CONSOLIDATED STATEMENT OF OPERATIONS

For the year ended December 31	2009 Budget	2009 Actual	2008 Actual
Revenue			
Taxation and payments-in-lieu	32,933,995	33,253,394	32,898,039
Federal government grants	2,426,492	1,079,663	1,016,486
Ontario government grants	41,112,142	42,653,394	42,723,870
Contribution Gas Tax deferred revenue	1,939,873	1,939,873	-
Municipal grants	17,000	1,345,247	473,130
Rents	3,057,401	3,644,821	3,420,094
Fees, services, donations	5,305,158	5,069,396	4,833,147
Fines	1,000,000	2,954,243	1,454,029
Gain on disposal of capital assets	-	37,427	53,151
Investment income	500,000	268,991	1,094,212
Other revenue	480,870	718,594	673,480
Total revenues	88,772,931	92,965,043	88,639,638
Expenditure			
General government	7,372,496	6,658,075	7,372,202
Protection to persons and property	1,292,806	2,352,941	1,035,901
Transportation services	13,386,046	13,620,883	14,177,258
Environmental services	248,200	252,296	211,428
Health services	14,412,842	14,215,301	12,830,471
Social and family services	37,534,231	35,690,363	34,604,685
Social and public housing	4,082,552	5,384,736	4,375,703
Recreation and cultural services	3,685,277	3,604,422	3,432,583
Planning, development, agriculture	2,745,011	3,077,486	3,506,803
	84,759,461	84,856,503	81,547,034
Annual surplus	4,013,470	8,108,540	7,092,604
Accumulated surplus beginning of year	169,764,523	169,764,523	162,671,919
Accumulated surplus end of year	\$ 173,777,993	\$ 177,873,063	\$ 169,764,523

See the accompanying schedules and notes to the consolidated financial statements.

COUNTY OF HURON

CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS

For the year ended December 31	2009 Budget	2009 Actual	2008 Actual
Change during the year			
Annual surplus	4,013,470	8,108,540	7,092,604
Increase in inventory materials and supplies	-	(94,025)	-
Amortization of tangible capital assets	9,910,868	8,885,083	8,465,586
Proceeds of sale of tangible capital assets	-	158,510	73,658
Acquisition of tangible capital assets	(15,371,440)	(15,932,077)	(13,063,760)
Gain on disposition of tangible capital assets	-	(37,427)	(53,151)
Increase (decrease) net financial assets	(1,447,102)	1,088,604	2,514,937
Net financial assets beginning of year	25,190,403	25,190,403	22,675,466
Net financial assets end of year	\$ 23,743,301	\$ 26,279,007	\$ 25,190,403

See the accompanying schedules and notes to the financial statements.

COUNTY OF HURON**CONSOLIDATED STATEMENT OF CASH FLOW**

For the year ended December 31	2009	2008
Operating activities		
Annual surplus	8,108,540	7,092,604
Amortization expenditure not requiring cash outlay	8,885,083	8,465,586
Deduct gain on disposition of capital assets	(37,427)	(53,151)
Decrease (increase) in accounts receivable	(3,979,771)	(265,450)
Decrease (increase) in other current assets	68,147	(48,654)
Decrease (increase) in inventory of materials and supplies	(94,025)	-
Increase (decrease) in accounts payable and accrued liabilities	263,908	303,633
Increase (decrease) in deferred revenue	10,766	990,617
	<u>13,225,221</u>	<u>16,485,185</u>
Capital activities		
Proceeds of disposition of capital assets	158,510	73,658
Purchase of capital assets	(15,932,077)	(13,063,760)
	<u>(15,773,567)</u>	<u>(12,990,102)</u>
Investing activities		
Purchase or sale of long-term investments	-	-
	<u>-</u>	<u>-</u>
Financing activities		
Principal repayment on housing long-term bank loan	(690,574)	(76,703)
	<u>(690,574)</u>	<u>(76,703)</u>
Net increase (decrease) cash and short-term investments	(3,238,920)	3,418,380
Cash and short-term investments beginning of year	37,589,947	34,171,567
Cash and short-term investments end of year	\$ 34,351,027	\$ 37,589,947

See the accompanying schedules and notes to the financial statements.

COUNTY OF HURON

CONSOLIDATED SCHEDULE OF RESERVES AND RESERVE FUNDS

Schedule 1

For the year ended December 31, 2009	Balance, beginning of year	Interest revenue	Other revenue	Transfers from General Funds	Transfers to General Funds	Balance, end of year
Reserves						
for general government working funds	1,200,000					1,200,000
for general government contingency	6,803,883			170,849	(216,576)	6,758,156
for worker's safety insurance	200,000			155,324	(155,324)	200,000
for server replacement	17,500					17,500
for ambulance station capital	451,176			129,104		580,280
for Ontario Works IT equipment	30,000				(10,469)	19,531
for library books	92,471				(9,069)	83,402
	<u>8,795,030</u>	<u>-</u>	<u>-</u>	<u>455,277</u>	<u>(391,438)</u>	<u>8,858,869</u>
Reserve Funds						
for facilities	3,059,066	21,794				3,080,860
for accessibility	6,098	74		4,000		10,172
for corporate IT equipment	69,598	548		16,000		86,146
for insurance	884,898	4,808		177,595		1,067,301
for future infrastructure	1,063,161	9,638				1,072,799
for levy stabilization	711,666	3,182				714,848
for highways	5,146,916	32,139		971,454	(2,038,809)	4,111,700
for fleet	1,990,781	10,389		910,173	(782,562)	2,128,781
for water source protection	282,266	1,441		75,000	(83,707)	275,000
for waste management	1,244,620	6,643		200,000		1,451,263
for EMS fleet	817,724	5,456		217,363	(200,755)	839,788
for homes for the aged	975,669	5,413		201,480		1,182,562
for social housing capital	648,990	4,373			(327,690)	325,673
for Huron Heritage	17,643	160				17,803
for global information system	21,075	95				21,170
for economic development	331,060	2,292		50,000		383,352
for forestry	31,292	290		1,480		33,062
	<u>17,302,523</u>	<u>108,735</u>	<u>-</u>	<u>2,824,545</u>	<u>(3,433,523)</u>	<u>16,802,280</u>
	<u>\$26,097,553</u>	<u>\$ 108,735</u>	<u>\$ -</u>	<u>\$ 3,279,822</u>	<u>\$ (3,824,961)</u>	<u>\$ 25,661,149</u>

COUNTY OF HURON

CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS

Schedule 2

For the year ended December 31, 2009	General		Infrastructure			By Function - continued in next row		
	Land	Vehicles	Roads	Transportation Bridges	Buildings	General Government	Protection	Health
Cost								
Balance beginning of year	1,407,597	5,815,609	398,605,251	65,136,270	2,106,572	12,230,536	22,542	2,982,451
Additions	-	782,563	8,683,840	2,895,829	567,409	1,272,160	3,308	445,326
Disposals	-	(512,451)	-	(374,497)	-	-	-	(110,002)
Balance end of year	<u>1,407,597</u>	<u>6,085,721</u>	<u>407,289,091</u>	<u>67,657,602</u>	<u>2,673,981</u>	<u>13,502,696</u>	<u>25,850</u>	<u>3,317,775</u>
Accumulated amortization								
Balance beginning of year	-	(2,924,952)	(332,753,983)	(29,881,052)	(1,253,770)	(3,969,190)	(11,093)	(1,544,299)
Additions	-	(467,155)	(4,974,796)	(1,006,478)	(60,265)	(476,050)	(5,636)	(540,910)
Disposals	-	403,102	-	362,764	-	-	-	110,002
Balance end of year	<u>-</u>	<u>(2,989,005)</u>	<u>(337,728,779)</u>	<u>(30,524,766)</u>	<u>(1,314,035)</u>	<u>(4,445,240)</u>	<u>(16,729)</u>	<u>(1,975,207)</u>
Net book value end of year	<u>\$ 1,407,597</u>	<u>\$ 3,096,716</u>	<u>\$ 69,560,312</u>	<u>\$ 37,132,836</u>	<u>\$ 1,359,946</u>	<u>\$ 9,057,456</u>	<u>\$ 9,121</u>	<u>\$ 1,342,568</u>

For the year ended December 31, 2009	By Function - continued from row above				Total	Total
	Social & Family Services	Housing	Recreation & Culture	Planning	Net book value 2009	Net book value 2008
Cost						
Balance beginning of year		22,167,080	14,792,995	3,352,366	165,015	528,784,284
Additions		344,470	379,427	458,303	99,442	15,932,077
Disposals		-	-	-	-	(996,950)
Balance end of year		<u>22,511,550</u>	<u>15,172,422</u>	<u>3,810,669</u>	<u>264,457</u>	<u>543,719,411</u>
Accumulated amortization						
Balance beginning of year		(7,624,982)	(2,895,539)	(1,296,037)	(55,268)	(384,210,165)
Additions		(515,951)	(420,708)	(376,674)	(40,460)	(8,885,083)
Disposals		-	-	-	-	875,868
Balance end of year		<u>(8,140,933)</u>	<u>(3,316,247)</u>	<u>(1,672,711)</u>	<u>(95,728)</u>	<u>(392,219,380)</u>
Net book value end of year		<u>\$ 14,370,617</u>	<u>\$ 11,856,175</u>	<u>\$ 2,137,958</u>	<u>\$ 168,729</u>	<u>\$ 151,500,031</u>
						<u>\$ 144,574,120</u>

COUNTY OF HURON

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2009

1. Accounting policies

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

Effective January 1, 2009, the municipality changed its accounting and financial reporting to conform to the guidelines in the Public Sector Accounting Handbook on financial reporting presentation (Section PS 1200) and tangible capital asset accounting (PS 3150). Current year data is presented on the new basis. Prior year data has been restated on the same basis wherever possible, to be comparable with the current year data. The most significant change is the reporting of tangible capital assets for the first time, and the inclusion of the Consolidated Statement of Change in Net Financial Assets.

Significant aspects of accounting policies adopted by the municipality are as follows:

a) Reporting entity

The consolidated financial statements reflect the financial assets, liabilities, non-financial assets, operating revenues and expenditures, surplus, reserves and reserve funds, and changes in investment in tangible capital assets 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 municipality and which are owned or controlled by the municipality.

The following boards and operations are included:

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

Inter-departmental and inter-organizational transactions and balances are omitted.

The consolidated statements exclude trust funds that are administered for the benefit of external parties. Also excluded from the consolidation are the financial statements of the Homes for the Aged Tuck Shop.

b) Basis of Accounting

Accrual basis of accounting

Sources of financing and expenditures are reported on the accrual basis of accounting. Revenues are recognized as they are earned and measurable. Expenditures are

COUNTY OF HURON

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2009

recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of an obligation to pay.

c) 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 business. The change in non-financial assets during the year, together with the excess of revenue over expenses, 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 costs, less residual value, of the tangible capital assets are amortized on a straight-line basis over their estimated useful lives as follows:

Category	Amortization Period	Capitalization Threshold \$
Land	n/a	25,000
Buildings and Building Improvements	30 years	25,000
Transportation Infrastructure - Roads and Bridges	22 to 75 years	100,000
Vehicles and Heavy Equipment	5 to 15 years	10,000
Information Technology and Equipment	4 years	10,000
General Equipment, Furniture, and Fixtures	5 years	1,000

Assets under construction are not amortized until the asset is available for productive use, at which time they are capitalized.

The municipality has a capitalized threshold of \$1,000 to \$100,000, so that individual tangible capital assets of lesser value are expensed, unless they are pooled because, collectively, they have significant value, or for operational reasons. Examples of pooled assets are computer systems, equipment, furniture and fixtures.

COUNTY OF HURON

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2009

- **Contribution of tangible capital assets**
Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and that fair value is also recorded as revenue. Similarly, transfers of assets to third parties are recorded as expenses equal to the net book value of the assets as of the date of transfer.
 - **Leases**
Leases are classified as capital or operating leases. Leases which transfer substantially the entire 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.
 - **Inventories of materials and supplies**
Inventories held for consumption or resale are recorded at the lower of cost and net realizable value.
- d) Reserves and reserve funds**
Certain amounts, as approved by Council, are set aside in reserves and reserve funds for future operating and capital expenditure. These allocations are shown in the consolidated statement of accumulated surplus.
- e) Government transfers**
Government transfers are recognized in the financial statements as revenue in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates can be made.
- f) Deferred revenue**
Government transfers of gas tax are reported as deferred revenue in the Consolidated Statement of Financial Position. These amounts will be recognized as revenues in the period in which the related expenditures are incurred.
- g) Investments**
Investments are recorded at cost plus accrued interest less amounts written off to reflect a permanent decline in value.
- h) 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, the reported amount of revenues and expenditures during the period and the accompanying notes.

COUNTY OF HURON

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2009

Due to the inherent uncertainty in making estimates, actual results could differ from those estimates.

2. Cash and short-term investments

	2009	2008
	\$	\$
Cash	31,023,919	34,384,701
Short-term investments	<u>3,327,108</u>	<u>3,205,246</u>
	<u>34,351,027</u>	<u>37,589,947</u>

3. Trust funds

Trust funds administered by the municipality amounting to \$309,474 (2008 - \$305,055) have not been included in the consolidated financial statement of financial position nor have their operations been consolidated in the consolidated statement of operations.

4. Deferred revenue

Obligatory funds set up by legislation, regulation or agreement consists of the Gas Tax funding. The balances and the changes in this restricted fund were as follows:

Balance beginning of the year	\$ 1,439,659
Funds received during the year	1,939,873
Funds transferred to operations during the year	(1,939,873)
Interest earned	<u>10,766</u>
Balance end of year	<u>\$ 1,450,425</u>

5. Pension agreements

The municipality makes contributions to the Ontario Municipal Employees' Retirement Fund (OMERS) which is a multi-employer plan, on behalf of 503 (2008 - 455) members of its staff. The plan is a defined benefit plan which specifies the amount of the retirement benefit to be received by the employee based on the length of service and rates of pay.

The amount contributed by the employer to this fund was \$851,646 (2008 - \$790,678) and is included as expenditure in the consolidated statement of operations.

COUNTY OF HURON

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2009

6. Expenditure by object

	2009	2008
	\$	\$
Salaries, wages and benefits	34,170,646	32,046,515
Interest on long-term debt	12,723	33,013
Materials, wages and employee benefits	11,820,266	12,374,036
Contracted services	9,197,259	9,730,118
Rents, leases, and financial charges	3,690,581	2,079,834
External transfers	17,079,945	16,817,932
Amortization	<u>8,885,083</u>	<u>8,465,586</u>
	<u>84,856,503</u>	<u>81,547,034</u>

7. Reserves and reserve funds

Schedule 1 Consolidated Schedule of Reserves and Reserve Funds provides information on the discretionary reserves and reserve funds set aside by Council. For each reserve and reserve fund the balance at the beginning of the year, interest revenue, other revenue, transfers from General Funds, transfers to General Funds, and balance at the end of the year are indicated.

8. Tangible capital assets

Schedule 2 Consolidated Schedule of Tangible Capital Assets provides information on the costs and accumulated amortization of those assets owned or controlled by the municipality.

9. Budget amounts

Under generally accepted accounting principles, budget amounts are to be reported on the consolidated statement of operations for comparative purposes. The 2009 budget amounts were approved by Council and are unaudited. The budget amounts have been restated to conform to the basis of presentation of the consolidated statement of operations.

10. Comparative amounts

Certain comparative amounts in the financial statements have been reclassified to conform to the financial statement presentation adopted in the current year.

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, 2009 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

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, 2009 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.

Vodden, Bender & Seebach LLP

Goderich, Ontario.
June 4, 2010

Vodden, Bender & Seebach LLP
Chartered Accountants
Licensed Public Accountants

Huron County Health Unit

General Programs

Statement of Financial Position

as at December 31, 2009

	<u>2009</u>	<u>2008</u>
	\$	\$
<u>Assets</u>		
Cash on hand	40,927	17,835
Due from Government of Canada	-	-
Accounts receivable	-	28,056
Due from County of Huron	<u>610,690</u>	<u>636,673</u>
	<u>651,617</u>	<u>682,564</u>
<u>Liabilities</u>		
Accounts payable	391,936	321,254
Due to Province of Ontario	19,601	180,400
Due to Government of Canada	-	-
Due to other programs	<u>240,080</u>	<u>180,910</u>
	<u>651,617</u>	<u>682,564</u>

See the accompanying notes to the financial statements.

Huron County Health Unit

General Programs

Statement of Financial Activities

for the year ended December 31, 2009

	2009 <u>Budget</u> \$	2009 <u>Actual</u> \$	2008 <u>Actual</u> \$
Revenue			
County of Huron	1,952,253	1,224,155	1,362,324
Province of Ontario	3,829,367	4,095,663	3,657,922
Government of Canada	-	-	-
Other revenue	<u>145,695</u>	<u>304,591</u>	<u>253,923</u>
	<u>5,927,315</u>	<u>5,624,409</u>	<u>5,274,169</u>
Expenditure			
Salaries and wages	3,904,059	3,480,211	3,261,423
Employee benefits	781,650	693,852	719,900
Fees for services	348,644	516,418	323,655
Travel	184,324	113,939	143,625
Materials and supplies	269,147	361,215	323,445
Rents and utilities	252,403	216,423	229,491
Administration	78,738	73,353	110,544
Amortization	<u>108,350</u>	<u>168,998</u>	<u>162,086</u>
	<u>5,927,315</u>	<u>5,624,409</u>	<u>5,274,169</u>
Net Revenue for the Year	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

See the accompanying notes to the financial statements.

Huron County Health Unit

Plumbing

Statement of Financial Position

as at December 31, 2009

	<u>2009</u>	<u>2008</u>
	\$	\$
<u>Assets</u>		
Due from County of Huron	<u>121,783</u>	<u>110,076</u>
	<u><u>121,783</u></u>	<u><u>110,076</u></u>
<u>Liabilities</u>		
Accounts payable	<u>121,783</u>	<u>110,076</u>
	<u><u>121,783</u></u>	<u><u>110,076</u></u>

See the accompanying notes to the financial statements.

Huron County Health Unit

Plumbing

Statement of Financial Activities

for the year ended December 31, 2009

	2009 <u>Budget</u> \$	2009 <u>Actual</u> \$	2008 <u>Actual</u> \$
Revenue			
County of Huron	-	(10,087)	17,230
Fees	<u>148,402</u>	<u>148,991</u>	<u>167,896</u>
	<u>148,402</u>	<u>138,904</u>	<u>185,126</u>
Expenditure			
Salaries	83,124	80,622	113,956
Employee benefits	19,050	17,585	26,358
Fees for service	3,125	1,212	1,181
Travel	24,000	22,782	27,718
Material and supplies	4,132	3,119	4,173
Rent	4,463	4,463	4,463
Telephone	2,656	1,068	1,101
Administration	<u>7,852</u>	<u>8,053</u>	<u>6,176</u>
	<u>148,402</u>	<u>138,904</u>	<u>185,126</u>
Net revenue (expenditures) for the year	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

See the accompanying notes to the financial statements.

Huron County Health Unit

On Site Sewage

Statement of Financial Position

as at December 31, 2009

	<u>2009</u>	<u>2008</u>
	\$	\$
<u>Assets</u>		
Accounts receivable and prepaid expenses	-	-
Due from County of Huron	<u>3,428</u>	<u>2,540</u>
	<u><u>3,428</u></u>	<u><u>2,540</u></u>
<u>Liabilities</u>		
Accounts payable	<u>3,428</u>	<u>2,540</u>
	<u><u>3,428</u></u>	<u><u>2,540</u></u>

See the accompanying notes to the financial statements.

Huron County Health Unit

On Site Sewage

Statement of Financial Activities

for the year ended December 31, 2009

	2009 <u>Budget</u> \$	2009 <u>Actual</u> \$	2008 <u>Actual</u> \$
Revenue			
County of Huron	52,780	38,784	69,731
Fees	<u>79,172</u>	<u>68,885</u>	<u>59,093</u>
	<u>131,952</u>	<u>107,669</u>	<u>128,824</u>
Expenditure			
Salaries	77,229	67,275	86,684
Employee benefits	18,674	19,492	23,396
Fees for service	1,125	1,212	1,181
Travel	20,000	7,986	7,581
Material and supplies	1,418	615	671
Rent	3,233	3,233	3,233
Telephone	500	6	168
Administration	<u>9,773</u>	<u>7,850</u>	<u>5,910</u>
	<u>131,952</u>	<u>107,669</u>	<u>128,824</u>
Net revenue (expenditures) for the year	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

See the accompanying notes to the financial statements.

Huron County Health Unit

Notes to the Financial Statements

for the year ended December 31, 2009

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**
Tangible capital assets are recorded at historical cost less accumulated amortization in the consolidated financial statements of the municipality as corporate general government functional assets. Amortization expense is recorded as a functional charge in the department that utilizes the tangible capital asset.
- (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. Comparative Figures

Certain comparative figures in the financial statements have been reclassified to conform to the financial statement presentation adopted in the current year.

Huron County Health Unit

Notes to the Financial Statements

for the year ended December 31, 2009

3. Reconciliation Report

The Huron County Health Unit has a service contract with the Ministry of Health. A reconciliation report summarizes by program all revenues and expenditures and identifies any resulting surplus or deficit that relates to the service contract approval.

A summary of the actual costs by major programs is provided as follows:

	Total Actual Costs	Funding breakdown		
		Ministry	County	Other
Mandatory programs	4,663,205	3,171,805	1,190,388	301,012
One-time 100% funded projects	42,402	42,402	-	-
Vector-Borne Diseases	135,069	101,302	33,767	-
Infectious Diseases Control	94,601	94,601	-	-
Infection Prevention & Control Nurses	80,000	80,000	-	-
Medical Officer of Health Compensation	70,156	70,156	-	-
Small Drinking Water System	48,340	48,340	-	-
H1N1 one-time funding	29,719	29,719	-	-
H1N1 vaccine	109,480	109,480	-	-
Influenze immunization	14,750	14,750	-	-
Meningococcal vaccine	4,666	4,666	-	-
Human Papilloma Virus vaccine	5,517	5,517	-	-
Smoke Free Ontario Strategy	274,758	271,548	-	3,210
Heart Health Program	51,746	51,377	-	369
	<u>5,624,409</u>	<u>4,095,663</u>	<u>1,224,155</u>	<u>304,591</u>

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Chartered Accountants

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AUDITOR'S REPORT

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

We have audited the statements 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, 2009 and the statements 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, 2009 and the results of their financial activities for the year then ended in accordance with accounting principles for municipal governments established by the Canadian Institute of Chartered Accountants.

Vodden, Bender & Seebach LLP

Goderich, Ontario.
July 14, 2010

Vodden, Bender & Seebach LLP
Chartered Accountants
Licensed Public Accountants

Homes for the Aged

General

Statement of Financial Position

as at December 31, 2009

	<u>2009</u>	<u>2008</u>
	\$	\$
<u>Assets</u>		
Cash	2,500	2,500
Due from County of Huron	340,672	775,487
Due from residents	5,476	-
Due from Province of Ontario	-	-
Other assets	40,846	11,444
	<u>389,494</u>	<u>789,431</u>
<u>Liabilities</u>		
Due to residents	-	2,805
Due to Province of Ontario	341,140	163,301
Due to County of Huron	-	-
Accounts payable and accrued liabilities	48,354	623,325
	<u>389,494</u>	<u>789,431</u>

See the accompanying notes to the financial statements.

Homes for the Aged

General

Statement of Financial Activities

for the year ended December 31, 2009

	2008 <u>Budget</u> \$	2008 <u>Actual</u> \$	2007 <u>Actual</u> \$
Revenue			
Residents care - basic rate	3,088,100	3,182,658	3,101,566
Preferred accommodation	<u>572,400</u>	<u>581,999</u>	<u>576,815</u>
	3,660,500	3,764,657	3,678,381
Apartment rentals	331,073	328,506	323,646
Miscellaneous	122,167	162,133	110,777
Province of Ontario	6,526,432	6,590,801	5,905,462
County of Huron	<u>2,524,033</u>	<u>1,991,443</u>	<u>2,021,591</u>
	<u>13,164,205</u>	<u>12,837,540</u>	<u>12,039,857</u>
Expenditure			
Program and support services	597,635	552,703	564,184
Dietary services	1,808,878	1,846,686	1,705,259
Medical and nursing services	6,791,283	6,790,533	6,409,552
Housekeeping services	727,394	735,167	728,519
Laundry and linen services	356,721	326,155	350,237
Building, property and equipment	996,076	1,235,754	1,012,552
General and administrative	1,322,800	789,369	744,945
Apartment expense	<u>563,418</u>	<u>561,173</u>	<u>524,609</u>
	<u>13,164,205</u>	<u>12,837,540</u>	<u>12,039,857</u>
Surplus (deficit) for current year	-	-	-
Accumulated surplus, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Accumulated surplus, end of year	<u>-</u>	<u>-</u>	<u>-</u>

See the accompanying notes to the financial statements.

Homes for the Aged

Tuck Shop

Statement of Financial Position

as at December 31, 2009

	<u>2009</u>	<u>2008</u>
	\$	\$
<u>Assets</u>		
Current Assets		
Cash on hand	180	180
Inventory, at lower of cost or net realizable value	5,026	4,867
Due from County of Huron	<u>11,343</u>	<u>12,687</u>
	<u><u>16,549</u></u>	<u><u>17,734</u></u>
<u>Liabilities and Accumulated Surplus</u>		
Current Liabilities		
Accounts payable and accrued liabilities	<u>10,610</u>	<u>11,795</u>
Accumulated Surplus		
Balance at the beginning of the year	5,939	5,939
Surplus (deficit) for current 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>16,549</u></u>	<u><u>17,734</u></u>

See the accompanying notes to the financial statements.

Homes for the Aged

Tuck Shop

Statement of Financial Activities

for the year ended December 31, 2009

	2009 <u>Actual</u> \$	2008 <u>Actual</u> \$
Revenue		
Canteen and newspaper sales	<u>25,796</u>	<u>28,160</u>
Expenditure		
Purchase of canteen supplies and newspapers	15,333	16,082
Liquor and beer purchases	59	402
Donations	10,404	11,546
Equipment repairs and maintenance	<u>-</u>	<u>130</u>
	<u>25,796</u>	<u>28,160</u>
Surplus (deficit) for current year	<u><u>-</u></u>	<u><u>-</u></u>

See the accompanying notes to the financial statements.

Homes for the Aged

Notes to the Financial Statements

for the year ended December 31, 2009

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) **Tangible Capital Assets**
Tangible capital assets are recorded at historical cost less accumulated amortization in the consolidated financial statements of the municipality as corporate general government functional assets. Amortization expense is recorded as a functional charge in the department that utilizes the tangible capital asset.
- (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 surplus before donations of \$10,404 (2008 - \$11,546) have been set up as at December 31, 2009 (December 31, 2008) as donations payable to the Homes for the Aged Endowment Fund resulting in a Tuck Shop surplus of \$Nil (2008 - \$Nil).

3. Comparative Figures

Certain comparative figures in the financial statements have been reclassified to conform to the financial statement presentation adopted in the current year.

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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, 2009 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, 2009 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.

Vodden, Bender & Seebach LLP

Goderich, Ontario.
June 11, 2010

Vodden, Bender & Seebach LLP
Chartered Accountants
Licensed Public Accountants

Huron County Library Board

Statement of Financial Position

as at December 31, 2009

	<u>2009</u>	<u>2008</u>
	\$	\$
<u>Assets</u>		
Current		
Cash on hand	400	400
Accounts receivable	2,716	5,265
Due from County of Huron	<u>308,867</u>	<u>428,008</u>
	<u>311,983</u>	<u>433,673</u>
<u>Liabilities and Accumulated Surplus</u>		
Liabilities		
Accounts payable	71,525	129,397
Due to the Province of Ontario - Projects	148,623	187,393
Due to the Federal Government	36,759	50,957
Computer Equipment Fund	-	5,709
Children's Programming Fundraising	-	5,872
Equipment Fundraising	8,914	3,298
General Fundraising	42,925	45,667
Magazines Fundraising	-	30
Materials Fundraising	<u>3,237</u>	<u>5,350</u>
	<u>311,983</u>	<u>433,673</u>
Accumulated Surplus		
Balance at the end of the year	<u>-</u>	<u>-</u>
	<u>311,983</u>	<u>433,673</u>

See the accompanying notes to the financial statements.

Huron County Library Board

Statement of Financial Activities

for the year ended December 31, 2009

	2009 <u>Budget</u> \$	2009 <u>Actual</u> \$	2008 <u>Actual</u> \$
Revenue			
County of Huron	2,302,548	2,166,658	2,044,668
Province of Ontario	137,466	146,390	146,390
Province of Ontario Strategic Planning OPNET	26,800	41,406	63,619
Government of Canada grant	5,700	4,675	5,635
Government of Canada CAP grant	16,050	61,555	12,072
Fines and miscellaneous	52,000	63,340	46,443
Ontario Library Association - CAP	23,104	41,259	13,134
Fundraising and donations	11,400	17,979	12,672
Other municipalities	8,000	6,943	5,887
Other revenue Community Access Program	4,000	4,997	4,192
	<u>2,587,068</u>	<u>2,555,202</u>	<u>2,354,712</u>
Expenditure			
Salaries	1,583,224	1,465,619	1,391,790
Employee benefits	265,994	262,114	254,472
Books, processing and periodicals	56,747	50,865	32,293
Travel	32,740	33,469	36,822
Material and supplies	32,800	36,491	34,647
Administration	81,758	73,333	74,733
Branch maintenance grants	166,560	166,560	166,560
Equipment	5,041	15,278	9,490
Literacy Program	2,000	8,176	7,212
Community Access Program	33,154	74,795	23,229
Depreciation expense	327,050	368,502	323,464
	<u>2,587,068</u>	<u>2,555,202</u>	<u>2,354,712</u>
Surplus (deficit) for current year	-	-	-
Accumulated surplus, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Accumulated surplus, end of year	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

See the accompanying notes to the financial statements.

Huron County Library Board

Notes to the Financial Statements

for the year ended December 31, 2009

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) **Tangible Capital Assets**
Tangible capital assets are recorded at historical cost less accumulated amortization in the consolidated financial statements of the municipality as corporate general government functional assets. Amortization expense is recorded as a functional charge in the department that utilizes the tangible capital asset.
- (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. Comparative Figures

Certain comparative figures in the financial statements have been reclassified to conform to the financial statement presentation adopted in the current year.

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, 2009 and the statement of continuity of the trust funds for the year then ended. These 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 generally accepted Canadian auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the trust funds of the Corporation of the County of Huron as at December 31, 2009 and the revenues and expenditures of those 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, 2010

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, 2009

	<u>Health Unit Special Project Account</u>	<u>Homes for the Aged Residents'</u>	<u>Homes for the Aged Endowment Fund</u>	<u>Total</u>
Assets				
Cash	10,457	8,033	64,176	82,666
Investments at cost (note 2)	-	9,819	216,990	226,809
	<u>\$ 10,457</u>	<u>\$ 17,852</u>	<u>\$ 281,166</u>	<u>\$ 309,475</u>
Liabilities				
Balance at the end of the year				
- income	10,457	8,033	212,392	230,882
- capital	-	9,819	68,774	78,593
	<u>\$ 10,457</u>	<u>\$ 17,852</u>	<u>\$ 281,166</u>	<u>\$ 309,475</u>

See the accompanying notes to the financial statements.

County of Huron

Trust Funds

Statement of Continuity

for the year ended December 31, 2009

	<u>Health Unit Special Project Account</u> \$	<u>Homes for the Aged Residents</u> \$	<u>Homes for the Aged Endowment Fund</u> \$	<u>Total</u> \$
Balance Beginning of the Year	<u>10,409</u>	<u>37,157</u>	<u>257,489</u>	<u>305,055</u>
Revenues				
Donations from Tuck Shop	-	-	21,046	21,046
Donations other	-	-	-	-
Residents' funds received	-	33,375	-	33,375
Interest earned	48	1,805	2,631	4,484
	<u>48</u>	<u>35,180</u>	<u>23,677</u>	<u>58,905</u>
Expenditures				
Residents' funds disbursed	-	54,485	-	54,485
	<u>-</u>	<u>54,485</u>	<u>-</u>	<u>54,485</u>
Balance End of the Year	<u>\$ 10,457</u>	<u>\$ 17,852</u>	<u>\$ 281,166</u>	<u>\$ 309,475</u>

See the accompanying notes to the financial statements.

County of Huron

Trust Funds

Notes to the Financial Statements

for the year ended December 31, 2009

1. Accounting Policies

Basis of Accounting

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

2. Investments

The total of investments \$226,809 (2008 - \$236,901) recorded on the Statement of Financial Position at cost, have a market value of \$223,110 (2008 - \$233,991) as at the end of the year.