

**MUNICIPALITY OF CENTRAL HURON**  
**FINANCIAL STATEMENTS**  
**DECEMBER 31, 2008**

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

Vodden, Bender & Seebach LLP  
Chartered Accountants

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## AUDITOR'S REPORT

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To the Members of Council, Inhabitants and Ratepayers  
of the Corporation of the Municipality of Central Huron

We have audited the consolidated statement of financial position of the Corporation of the Municipality of Central Huron as at December 31, 2008 and the consolidated statements of financial activities and changes in financial position for the year then ended. These financial statements are the responsibility of the municipality's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Corporation of the Municipality of Central Huron as at December 31, 2008 and the results of its financial activities and changes in its financial position for the year then ended in accordance with the accounting principles for municipal governments established by the Canadian Institute of Chartered Accountants.

*Vodden, Bender & Seebach LLP*

Vodden, Bender & Seebach LLP  
Chartered Accountants  
Licensed Public Accountants  
Clinton, Ontario  
February 13, 2009

**MUNICIPALITY OF CENTRAL HURON**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

As at December 31	2008	2007
<b>FINANCIAL ASSETS</b>		
Cash	3,562,593	2,493,254
Taxes receivable	843,219	773,140
Accounts receivable	2,093,874	1,919,581
Long-term receivables	309,112	632,341
Investment in government business enterprises (note 8)	<u>1,672,370</u>	<u>1,672,370</u>
Total assets	<u>\$ 8,481,168</u>	<u>\$ 7,490,686</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	1,015,975	419,814
Landfill closure and post closure liability (note 6)	1,211,190	1,044,643
Municipal debt (note 5)	<u>1,799,555</u>	<u>803,430</u>
	<u>4,026,720</u>	<u>2,267,887</u>
<b>MUNICIPAL POSITION</b>		
Operating fund	1,604,391	1,751,079
Capital fund	(543)	(8,278)
Reserves fund	<u>5,322,382</u>	<u>4,916,233</u>
Fund balances (note 7)	<u>6,926,230</u>	<u>6,659,034</u>
Less: Amounts to be recovered in future years (note 7)		
Long term liabilities	<u>(1,260,592)</u>	<u>(391,592)</u>
Solid waste landfill closure and post-closure liabilities	<u>(1,211,190)</u>	<u>(1,044,643)</u>
	<u>4,454,448</u>	<u>5,222,799</u>
Total liabilities and municipal position	<u>\$ 8,481,168</u>	<u>\$ 7,490,686</u>

The accompanying notes are an integral part of this financial statement

**MUNICIPALITY OF CENTRAL HURON**  
**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**

<b>For the year ended December 31, 2008</b>	<b>2008 Budget</b>	<b>2008 Actual</b>	<b>2007 Actual</b>
<b>Revenue</b>			
Taxation for municipal purposes	3,791,698	<b>3,828,640</b>	3,621,048
User charges	2,503,874	<b>2,916,630</b>	2,856,115
Transfer payments	3,065,264	<b>4,499,860</b>	3,323,288
Other	1,918,050	<b>1,019,666</b>	868,738
Total revenue	<u>11,278,886</u>	<u><b>12,264,796</b></u>	<u>10,669,189</u>
<b>Expenditure</b>			
<b>Current</b>			
General government	1,162,042	<b>1,132,574</b>	970,560
Protection to persons and property	2,082,509	<b>1,891,205</b>	1,819,252
Transportation services	1,736,938	<b>2,127,687</b>	1,773,126
Environmental services	1,427,633	<b>1,643,660</b>	1,533,049
Health services	72,453	<b>53,841</b>	54,936
Recreation and culture	678,358	<b>660,833</b>	611,458
Planning and development	23,300	<b>23,916</b>	20,371
Total current expenditure	<u>7,183,233</u>	<u><b>7,533,716</b></u>	<u>6,782,752</u>
<b>Capital</b>			
General government	5,538,650	<b>3,273,429</b>	97,639
Protection to persons and property	41,671	<b>36,791</b>	26,948
Transportation services	960,450	<b>921,243</b>	1,087,914
Environmental services	955,032	<b>1,227,938</b>	481,854
Health services	5,000	<b>3,695</b>	5,000
Recreation and culture	41,100	<b>28,120</b>	60,761
Planning and development	86,000	-	-
Total capital expenditure	<u>7,627,903</u>	<u><b>5,491,216</b></u>	<u>1,760,116</u>
Total expenditure	<u>14,811,136</u>	<u><b>13,024,932</b></u>	<u>8,542,868</u>
<b>Net revenue (expenditure)</b>	<b>(3,532,250)</b>	<b>(760,136)</b>	2,126,321
<b>Financing and transfers</b>			
Proceeds from long-term debt	3,700,000	<b>1,000,000</b>	-
Debt principal repayments	(121,000)	<b>(139,214)</b>	(102,000)
Transfer to amounts to be recovered in future years	-	<b>166,546</b>	105,354
<b>Change in fund balances</b>	46,750	<b>267,196</b>	2,129,675
<b>Fund balances beginning of year</b>	<u>6,659,034</u>	<u><b>6,659,034</b></u>	<u>4,529,359</u>
<b>Fund balances end of year</b>	<u><u>\$ 6,705,784</u></u>	<u><u><b>\$ 6,926,230</b></u></u>	<u><u>\$ 6,659,034</u></u>

The accompanying notes are an integral part of this financial statement

**MUNICIPALITY OF CENTRAL HURON  
CONSOLIDATED SCHEDULE OF OPERATING FUND ACTIVITIES**

For the year ended December 31, 2008	2008 Budget	2008 Actual	2007 Actual
<b>Revenue</b>			
<b>Taxation for municipal purposes</b>	3,791,698	<b>3,828,640</b>	3,621,048
<b>User charges</b>			
Water user charges	1,159,580	<b>1,210,446</b>	1,201,062
Sewer user charges	815,000	<b>730,472</b>	749,546
Street light charges	57,380	<b>57,380</b>	52,414
Garbage collection and disposal fees	66,600	<b>459,200</b>	491,363
Licences and permits	103,200	<b>150,477</b>	85,569
Recreation fees, rentals and recoveries	225,064	<b>226,153</b>	198,005
Other user charges	77,050	<b>82,502</b>	78,156
	<u>2,503,874</u>	<u><b>2,916,630</b></u>	<u>2,856,115</u>
<b>Transfer payments</b>			
Ontario municipal partnership fund	1,924,900	<b>1,924,900</b>	1,924,887
Other	324,075	<b>1,117,067</b>	1,048,401
	<u>2,248,975</u>	<u><b>3,041,967</b></u>	<u>2,973,288</u>
<b>Other revenue</b>			
Penalties and interest on taxes	85,000	<b>98,941</b>	90,599
Investment income	28,050	<b>115,057</b>	96,533
Gaming Centre	600,000	<b>662,868</b>	617,298
	<u>713,050</u>	<u><b>876,866</b></u>	<u>804,430</u>
Total operating fund revenue	<u>9,257,597</u>	<u><b>10,664,103</b></u>	<u>10,254,881</u>
<b>Expenditure</b>			
General government	1,162,042	<b>1,132,574</b>	970,560
Protection to persons and property	2,082,509	<b>1,891,205</b>	1,819,252
Transportation services	1,736,938	<b>2,127,687</b>	1,773,126
Environmental services	1,427,633	<b>1,643,660</b>	1,533,049
Health services	72,453	<b>53,841</b>	54,936
Recreation, parks and culture	678,358	<b>660,833</b>	611,458
Planning and development	23,300	<b>23,916</b>	20,371
Total operating fund expenditure	<u>7,183,233</u>	<u><b>7,533,716</b></u>	<u>6,782,752</u>
<b>Net operating fund revenue (expenditure)</b>	<u>2,074,364</u>	<u><b>3,130,387</b></u>	<u>3,472,129</u>
<b>Financing and transfers</b>			
Debt principal repayments	(121,000)	<b>(139,214)</b>	(102,000)
From (to) capital fund	(1,866,233)	<b>(2,080,131)</b>	(1,244,675)
From (to) reserves fund	(165,849)	<b>(1,057,730)</b>	(2,413,194)
<b>Change in fund balance</b>	(78,718)	<b>(146,688)</b>	(287,740)
<b>Opening balance</b>	<u>80,718</u>	<u><b>1,751,079</b></u>	<u>2,038,819</u>
<b>Closing balance</b>	<u>\$ 2,000</u>	<u><b>\$ 1,604,391</b></u>	<u>\$ 1,751,079</u>

The accompanying notes are an integral part of this financial statement

**MUNICIPALITY OF CENTRAL HURON  
CONSOLIDATED SCHEDULE OF CAPITAL FUND ACTIVITIES**

<b>For the year ended December 31, 2008</b>	<b>2008 Budget</b>	<b>2008 Actual</b>	<b>2007 Actual</b>
<b>Revenue</b>			
Government transfers - Ontario	716,289	<b>1,357,893</b>	350,000
Government transfers - other municipalities	100,000	<b>100,000</b>	-
Donations	435,000	<b>76,050</b>	2,000
Sale of assets	770,000	-	-
Total capital fund revenue	<u>2,021,289</u>	<u><b>1,533,943</b></u>	<u>352,000</u>
<b>Expenditure</b>			
General government	5,538,650	<b>3,273,429</b>	97,639
Protection to persons and property	41,671	<b>36,791</b>	26,948
Transportation services	960,450	<b>921,243</b>	1,087,914
Environmental services	955,032	<b>1,227,938</b>	481,854
Health services	5,000	<b>3,695</b>	5,000
Recreation, parks and culture	41,100	<b>28,120</b>	60,761
Planning and development	86,000	-	-
Total capital fund expenditure	<u>7,627,903</u>	<u><b>5,491,216</b></u>	<u>1,760,116</u>
<b>Net capital fund revenue (expenditure)</b>	<u>(5,606,614)</u>	<u><b>(3,957,273)</b></u>	<u>(1,408,116)</u>
<b>Financing and transfers</b>			
Proceeds from long-term debt	3,700,000	<b>1,000,000</b>	-
From (to) operating fund	1,866,233	<b>2,080,131</b>	1,244,675
From (to) reserves fund	40,381	<b>718,331</b>	63,984
From (to) unfunded landfill closure liability	-	<b>166,546</b>	105,354
<b>Change in fund balance</b>	-	<b>7,735</b>	5,897
<b>Opening balance</b>	-	<b>(8,278)</b>	(14,175)
<b>Closing balance</b>	<u>\$ 0</u>	<u><b>(\$ 543)</b></u>	<u>(\$ 8,278)</u>

The accompanying notes are an integral part of this financial statement

**MUNICIPALITY OF CENTRAL HURON  
CONSOLIDATED SCHEDULE OF RESERVES AND RESERVE FUNDS**

For the year ended December 31, 2008	2008 Budget	2008 Actual	2007 Actual
<b>Revenue</b>			
Interest	-	66,750	62,308
<b>Transfers from (to) other funds</b>			
Operating fund	165,849	1,057,730	2,413,194
Capital fund	(40,381)	(718,331)	(63,984)
	<u>125,468</u>	<u>339,399</u>	<u>2,349,210</u>
<b>Change in reserves fund balance</b>	125,468	406,149	2,411,518
<b>Opening balance</b>	4,916,233	4,916,233	2,504,715
<b>Closing balance</b>	<u>\$ 5,041,701</u>	<u>\$ 5,322,382</u>	<u>\$ 4,916,233</u>
<b>Analyzed as follows:</b>			
<b>Reserves set aside for specific purposes by council</b>			
for general government	1,866,196	1,822,274	1,830,427
for protection services	227,267	230,834	177,267
for transportation services	374,934	272,771	374,934
for environmental services	1,179,200	2,021,270	1,299,451
for health services	1,823	1,823	1,823
for recreation and cultural services	145,368	178,234	145,368
for planning and development	453,352	17,352	453,352
	<u>4,248,140</u>	<u>4,544,558</u>	<u>4,282,622</u>
<b>Reserves funds set aside for specific purposes by council</b>			
Recreation	3,938	2,428	438
Arena Capital	644,129	625,310	497,679
Rural Water System Upgrades	33,630	34,624	33,630
Ward 1 Parkland	14,776	15,721	14,776
Blyth Landfill	85,535	87,847	75,535
Ward 2 Pit Rehabilitation	11,553	11,894	11,553
	<u>793,561</u>	<u>777,824</u>	<u>633,611</u>
	<u>\$ 5,041,701</u>	<u>\$ 5,322,382</u>	<u>\$ 4,916,233</u>

The accompanying notes are an integral part of this financial statement

**MUNICIPALITY OF CENTRAL HURON  
CONSOLIDATED STATEMENT OF CHANGES IN FINANCIAL POSITION**

For the year ended December 31, 2008	2008	2007
<b>Operating activities</b>		
Net revenue (expenditures)	<b>(760,136)</b>	2,126,321
Decrease (increase) in taxes receivable	<b>(70,079)</b>	(127,260)
Decrease (increase) in accounts receivable	<b>(174,293)</b>	(286,052)
Increase (decrease) in accounts payable	<b>587,946</b>	(454,517)
Increase (decrease) in landfill closure and post closure liability	<b>166,547</b>	105,353
Cash provided by (used for) operating activities	<b><u>(250,015)</u></b>	<u>1,363,845</u>
<b>Investing activities</b>		
Decrease (increase) in long-term receivables	<b>323,229</b>	119,207
Cash provided by (used for) investing activities	<b><u>323,229</u></b>	<u>119,207</u>
<b>Financing activities</b>		
Increase (decrease) in municipal debt	<b>996,125</b>	(159,662)
Cash provided by (used for) financing activities	<b><u>996,125</u></b>	<u>(159,662)</u>
<b>Increase (decrease) in cash position</b>	<b>1,069,339</b>	1,323,390
<b>Cash (overdraft) beginning of year</b>	<b><u>2,493,254</u></b>	<u>1,169,864</u>
<b>Cash (overdraft) end of year</b>	<b><u><u>\$ 3,562,593</u></u></b>	<u><u>\$ 2,493,254</u></u>

The accompanying notes are an integral part of this financial statement

**MUNICIPALITY OF CENTRAL HURON**  
**NOTES TO FINANCIAL STATEMENTS**

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**For the year ended December 31, 2008**

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**1. Accounting policies**

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

Significant aspects of 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 general government tax-supported operations, they include water and sewer systems operated by the municipality and the municipality's proportionate share of joint local boards.

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

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

b) Basis of accounting

The basis of accounting followed in the financial statement presentation includes revenues in the period in which the transactions or events occurred that give rise to the revenues, and expenditures 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 reserve funds. Transfers between funds are recorded as adjustments to the appropriate fund balance.

d) Long-term investments

The investment in government business enterprise reported on the statement of financial position is accounted for on a modified equity basis, and includes the cost of the municipality's investment in the entity with adjustments for the municipality's proportionate share of earnings and dividends. The government business enterprise earnings are accounted for consistent with generally accepted accounting principles and are not modified to conform to municipal accounting principles.

e) 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.

f) Reserves for future expenditures

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

g) Government transfers

Government transfers are recognized in the financial statements as revenues 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.

**1. Accounting policies**

h) 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. Operations of school boards and county**

Taxation levied for school board and county purposes are not reflected in the financial statements. The amounts levied were \$2,214,931. (2007 : \$2,167,431.) for school boards and \$4,138,195. (2007 : \$3,984,208.) for the County of Huron.

**3. Trust funds**

Trust funds administered by the municipality amounting to \$ 268,095. (2007 : \$ 261,105.) have not been included in the statement of financial position nor have their operations been included in the consolidated statement of financial activities.

**4. Pension agreements**

The municipality makes contributions to a multi-employer pension plan on behalf of members of its staff. The plan is a defined benefit plan which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay. The amount contributed for 2007 was \$119,761. (2007 : \$ 111,545.) for current services and is included as an expenditure on the consolidated statement of financial activities.

**5. Municipal debt**

Debt payable	<b>2008</b>	<b>2007</b>
Tile drain loan debentures	300,177	261,838
Bank demand loans and construction loans	<u>1,499,378</u>	<u>541,592</u>
	<u>\$ 1,799,555</u>	<u>\$ 803,430</u>
Debt attributed to long-term receivables	<u>\$ 300,177</u>	<u>\$ 411,838</u>

Principal payments due on tile drainage loans and recoverable from landowners in the next five years are as follows:

2009: \$31,730. 2010: \$28,112. 2011: \$29,869. 2012: \$28,756. 2013: \$30,504.

Principal payments recoverable from property owners in the next five years to finance the bank demand loans are:

2009: \$1,308,329. 2010: \$51,071. 2011: \$49,404. 2012: \$49,404. 2014: \$41,170.

**6. Landfill closure and post closure cost liability**

A liability for the costs of solid waste landfill closure and post closure care requirements accrues as the capacity of sites is used. Care requirements include final covering, landscaping, removal of ground water and leachates and ongoing monitoring and maintenance. The estimated liability is the present value of future cash flows related to capacity used to date discounted at the rate of 6%. The recorded liability is \$1,211,190. (2007 : \$1,044,643.) based on a total estimated undiscounted future outflow of \$1,536,262. leaving a balance to be recognized in the future of \$325,072.

The Blyth-Hullett site, for which the reported liability is \$31,900. (2007 : \$23,500.), has a remaining capacity of 24,470 cubic metres and a remaining life of 15 years. Post closure care of the sites is expected to continue for 15 years. Reserves of \$87,847. (2007 : \$75,535.) have been designated for landfill sites. The balance of the future liability is expected to be funded through budget allocations to the landfill reserve.

The municipality's proportionate liability for the Mid-Huron landfill site is \$1,179,290. (2007 : \$1,021,143.). The Mid-Huron Landfill Site Board has set aside reserves and reserve funds of which the municipality's proportionate share is \$1,415,364. (2007 : \$1,223,657.). The site has a estimated remaining life of 2 years.

**7. Municipal position at the end of the year**

The balances on the statement of financial position of \$4,454,448. (2007 : \$5,222,799.) as the end of the year are comprised of the following:

	<b>2008</b>	<b>2007</b>
Operating fund		
general reduction (increase) of taxation	(67,979)	78,709
investment in government business enterprises	<u>1,672,370</u>	<u>1,672,370</u>
	<u>1,604,391</u>	<u>1,751,079</u>
Capital fund		
to be recovered from general taxation	<u>(543)</u>	<u>(8,278)</u>
Reserves fund		
reserves and reserve funds set aside by council	<u>5,322,382</u>	<u>4,916,233</u>
Unfunded liability for long-term liabilities and landfill closure and post-closure to be recovered from taxation and user charges	<u>(2,471,782)</u>	<u>(1,436,235)</u>
Total	<u>\$ 4,454,448</u>	<u>\$ 5,222,799</u>

**8. Investment in government business enterprises**

	<b>2008</b>	<b>2007</b>
Note receivable, Clinton Power Corporation	770,958	770,958
Common shares, Clinton Power Corporation	811,565	811,565
Common shares, Clinton Hydro Electric Retail Affiliate Inc.	<u>89,847</u>	<u>89,847</u>
	<u>\$1,672,370</u>	<u>\$1,672,370</u>

Effective November 1, 2000, the municipality transferred its electrical utilities to Clinton Power Corporation and Clinton Hydro Electric Retail Affiliate Inc. The above note receivable and common shares were received in consideration for the transfer.

The note from Clinton Power Corporation is receivable on demand, but, since it is not the intention to demand payment within the next fiscal year, it is shown as long-term.

The municipality owns 100% of the outstanding common shares of Clinton Power Corporation and Clinton Hydro Electric Retail Affiliate Inc., private companies incorporated under the laws of the Province of Ontario. The shares have no fixed maturity dates and are generally not exposed to interest rate risk. The fair value of these shares is not practicable to determine in the absence of published market quotations.

**9. Expenditure by object**

	<b>2008</b>	<b>2007</b>
Salaries, wages and benefits	2,327,657	2,017,109
Contracted services	2,390,267	2,297,379
Materials and supplies	2,690,201	2,354,960
Capital expenditures	5,491,216	1,760,116
External transfers	125,591	113,304
	<u>\$ 13,024,932</u>	<u>\$ 8,542,868</u>

**10. Tangible capital assets**

Effective for years ending on or after January 1, 2009 local governments must disclose tangible capital assets in accordance with section 3150 of the Public Sector Accounting Handbook of the Canadian Institute of Chartered Accountants. Tangible capital assets will be capitalized and amortized over their estimated useful lives.

The municipality is compiling the necessary data to account for its tangible capital assets in the 2009 financial statements.

**11. Contingent liability**

The municipality has been notified of liability claims including unspecified amounts. Because the claims are expected to be within the municipality's insurance coverage, no provision has been made for the contingency in the financial statements.

Vodden, Bender & Seebach LLP  
Chartered Accountants

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vbs@vbsca.ca

## **AUDITORS' REPORT**

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To the Members of Council, Inhabitants and Ratepayers  
of the Corporation of the Municipality of Central Huron

We have audited the balance sheet of the trust funds of the Corporation of the Municipality of Central Huron as at December 31, 2008 and the statement of continuity of trust funds for the year then ended. These financial statements are the responsibility of the municipality'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 Municipality of Central Huron as at December 31, 2008 and the continuity of trust funds for the year then ended in accordance with the accounting principles disclosed in note 1 to the financial statements.

*Vodden, Bender & Seebach LLP*

Vodden, Bender & Seebach LLP  
Chartered Accountants  
Licensed Public Accountants  
Clinton, Ontario  
February 13, 2009

**MUNICIPALITY OF CENTRAL HURON  
TRUST FUNDS**

**STATEMENT OF CONTINUITY**

For the Year Ended December 31, 2008

	Total		Cemetery Perpetual Care		Ontario Home Renewal Program		Radar Trust Fund		Woon Trust Fund	
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
<b>Balance beginning of year</b>	<b>261,105</b>	253,549	<b>202,576</b>	196,806	<b>1,117</b>	1,689	<b>3,569</b>	3,422	<b>53,843</b>	51,632
<b>Receipts</b>										
Perpetual care	6,410	5,770	6,410	5,770						
Donations	-	-								
Interest earned	7,333	10,045	5,623	7,603	13	84	105	147	1,592	2,211
Transfers to cemetery perpetual care	-	-								
	<b>13,743</b>	15,815	<b>12,033</b>	13,373	<b>13</b>	84	<b>105</b>	147	<b>1,592</b>	2,211
<b>Expenditure</b>										
Transfers to cemetery	5,623	7,603	5,623	7,603						
Repayments to Province	-	566				566				
Foregiveable portion of loans	573	-			573					
Expenditures	-	-								
Administration fee	557	90			557	90				
	<b>6,753</b>	8,259	<b>5,623</b>	7,603	<b>1,130</b>	656	-	-	-	-
<b>Balance end of year</b>	<b>\$ 268,095</b>	261,105	<b>\$ 208,986</b>	202,576	<b>\$ 0</b>	1,117	<b>\$ 3,674</b>	3,569	<b>\$ 55,435</b>	53,843

**BALANCE SHEET**

As at December 31, 2008

	Total		Cemetery Perpetual Care		Ontario Home Renewal Program		Radar Trust Fund		Woon Trust Fund	
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
<b>Assets</b>										
Cash	238,754	233,183	179,088	175,149	557	622	3,674	3,569	55,435	53,843
Investments, cost	29,898	29,410	29,898	29,410						
Due from general fund	-	-								
Loans receivable	-	1,117				1,117				
<b>Liabilities</b>										
Due to general fund	(557)	(2,038)		(1,983)	(557)	(55)				
Due to Province of Ontario	-	(567)				(567)				
<b>Net assets</b>	<b>268,095</b>	261,105	<b>208,986</b>	202,576	<b>-</b>	1,117	<b>3,674</b>	3,569	<b>55,435</b>	53,843
<b>Trust fund balances</b>	<b>\$ 268,095</b>	261,105	<b>\$ 208,986</b>	202,576	<b>\$ 0</b>	1,117	<b>\$ 3,674</b>	3,569	<b>\$ 55,435</b>	53,843

**MUNICIPALITY OF CENTRAL HURON**  
**TRUST FUNDS**  
**NOTES TO FINANCIAL STATEMENTS**

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**For the Year Ended December 31, 2008**

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**1. Accounting Policies**

Basis of Accounting

Capital receipts and income are reported on the cash basis of accounting. Expenditures are reported on the cash basis of accounting with the exception of administration expenses which are reported on the accrual basis of accounting, which recognizes expenditures as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

**2. Investments**

Trust fund investments have a market value equal to cost of \$ 29,898. (2007 : \$ 29,410.)

**3. Ontario Home Renewal Program**

The Ontario Home Renewal Program was established by the Ontario Ministry of Housing in 1973 to provide grants for municipalities to make loans to assist owner occupants to repair, rehabilitate and improve their homes to local property standards. Individual loans are limited to \$ 7,500. of which the maximum forgivable portion is \$ 4,000.

Ontario Home Renewal Program loans receivable at December 31, 2008 comprise repayable loans. In the event of the sale or lease of the home, or in the event of the homeowner ceasing to occupy the home, the balances of the loans immediately become due and payable by the homeowner.

The Ontario Home Renewal Program was discontinued in 1994 except for loans existing at that time.