

**THE CORPORATION OF THE TOWN OF NORTHEASTERN  
MANITOULIN AND THE ISLANDS**

**CONSOLIDATED FINANCIAL STATEMENTS**

**Year Ended December 31, 2010**



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INDEPENDENT AUDITOR'S REPORT

To the Members of Council, Inhabitants and Ratepayers of  
The Corporation of the Town of Northeastern Manitoulin and the Islands

*Report on the Consolidated Financial Statements*

We have audited the accompanying financial statements of The Corporation of the Town of Northeastern Manitoulin and the Islands, which comprise the consolidated statement of financial position as at December 31, 2010, and the consolidated statements of operations and changes in accumulated surplus, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

*Management's Responsibility for the Consolidated Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

*Auditor's Responsibility*

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 comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

*Opinion*

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Corporation of the Town of Northeastern Manitoulin and the Islands as at December 31, 2010, and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

FREELANDT CALDWELL REILLY LLP

Chartered Accountants  
Licensed Public Accountants

Espanola, Ontario

April 20, 2011

**CORPORATION OF THE TOWN OF NORTHEASTERN MANITOULIN AND THE ISLANDS**  
**Consolidated Statement of Financial Position**  
**December 31, 2010 with comparative figures for 2009**

	2010	2009
	\$	\$
<b>Financial Assets</b>		
Cash	1,886,888	844,945
Taxes receivable (note 3)	321,805	286,576
User charges receivable	317,245	290,545
Grants receivable	720,300	1,180,625
Accounts receivable	566,358	517,880
Long-term investments (note 5)	107,497	172,565
	<b>3,920,093</b>	<b>3,293,136</b>
<b>Liabilities</b>		
Accounts payable and accrued liabilities	1,675,684	1,341,941
Deferred revenue	100,321	32,644
Deferred revenue – obligatory reserve funds	–	52,002
Long-term debt (note 6)	2,130,417	2,312,683
Landfill closure and post-closure liability (note 7)	236,988	243,366
Employee future benefits payable (note 8)	139,679	56,055
	<b>4,283,089</b>	<b>4,038,691</b>
<b>Net assets (note 9)</b>	<b>(362,996)</b>	<b>(745,555)</b>
<b>Non-Financial Assets (note 10)</b>		
Tangible capital assets (note 11)	26,333,628	25,657,112
Land held for resale	106,882	106,882
Inventory	24,365	41,371
Prepaid expenses	17,694	13,591
	<b>26,482,569</b>	<b>25,818,956</b>
<b>Accumulated Surplus</b>	<b>26,119,573</b>	<b>25,073,401</b>

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

**CORPORATION OF THE TOWN OF NORTHEASTERN MANITOULIN AND THE ISLANDS**  
**Consolidated Statement of Operations and Changes in Accumulated Surplus**  
**Year ended December 31, 2010 with comparative figures for 2009**

	Budget (Unaudited) \$	2010 Actual \$	2009 Actual \$
<b>Revenues:</b>			
<b>Taxation</b>			
Residential and farm	3,400,000	3,610,560	3,428,621
Commercial, industrial and business	733,440	611,520	601,808
Other governments and agencies	120,000	152,560	152,946
	4,253,440	4,374,640	4,183,375
Deduct:			
Amounts raised on behalf of the school boards	850,000	927,460	890,810
	3,403,440	3,447,180	3,292,565
<b>Government Transfers</b>			
Government of Canada	--	588,554	798,736
Province of Ontario	1,640,400	3,356,368	3,660,323
Other	--	33,957	24,597
	1,640,400	3,978,879	4,483,656
<b>User Charges</b>			
Sewer and water charges	390,245	681,749	687,020
Marina services	--	377,873	338,792
Fees, service charges and donations	390,246	912,402	1,026,173
Licenses and permits	--	13,701	10,976
	780,491	1,985,725	2,062,961
<b>Other</b>			
Investment income	40,000	29,998	13,206
Penalties and interest charges	60,000	56,009	56,511
Sale of land and equipment	--	327,765	--
Other	36,600	46,753	27,761
	136,600	460,525	97,478
<b>Total Revenue</b>	5,960,931	9,872,309	9,936,660
<b>Expenditures:</b>			
General government	933,983	1,055,321	814,736
Protection to persons and property	910,603	934,482	916,197
Transportation services	1,063,247	1,161,769	1,073,138
Environmental services	582,357	1,385,681	1,110,401
Health services	524,998	879,251	822,093
Social and family services	723,042	1,727,668	1,767,742
Recreation and cultural services	923,638	1,407,359	1,216,673
Planning and development	79,000	209,538	270,686
<b>Total expenditures</b>	5,740,868	8,761,069	7,991,666
<b>Annual surplus before undernoted item</b>	220,063	1,111,240	1,944,994
Income (loss) from long-term investment		(65,068)	(21,837)
<b>Accumulated surplus, beginning of year</b>		25,073,401	23,150,244
<b>Accumulated surplus, end of year</b>		26,119,573	25,073,401

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

**CORPORATION OF THE TOWN OF NORTHEASTERN MANITOULIN AND THE ISLANDS**  
**Consolidated Statement of Changes in Net Assets**  
**Year ended December 31, 2010 with comparative figures for 2009**

	2010	2009
	\$	\$
<b>Annual surplus</b>	1,111,240	1,944,994
Acquisition of tangible capital assets	(1,807,189)	(4,178,319)
Amortization of tangible capital assets	1,130,673	806,381
Proceeds on disposal of tangible capital assets	(13,067)	12,202
Change in obligatory reserve funds	(52,002)	(72,285)
Change in inventory	17,007	6,737
Change in prepaid expenses	(4,103)	13,637
Change in net assets	382,559	(1,466,653)
<b>Net assets, beginning of year</b>	(745,555)	721,098
<b>Net assets, end of year</b>	(362,996)	(745,555)

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

**CORPORATION OF THE TOWN OF NORTHEASTERN MANITOULIN AND THE ISLANDS**  
**Consolidated Statement of Cashflows**  
**Year ended December 31, 2010 with comparative figures for 2009**

	2010	2009
	\$	\$
<b>Cash flows from operations</b>		
<b>Annual surplus</b>	1,046,172	1,944,994
<b>Items not involving cash:</b>		
Amortization of tangible capital assets	1,130,673	806,381
Decrease (increase) in long-term equity investment	65,068	21,837
<b>Change in non-cash assets and liabilities:</b>		
Taxes receivable	(35,229)	85,055
User charges receivable	(26,700)	(138,215)
Grants receivable	460,325	(161,586)
Accounts receivable	(48,478)	128,294
Accounts payable and accrued liabilities	441,952	211,246
Deferred revenue	67,677	(85,774)
Deferred revenue – obligatory reserve funds	(52,002)	(20,283)
Inventory	17,007	6,737
Prepaid expenses	(4,103)	13,637
	3,062,362	2,812,323
<b>Capital transactions</b>		
Proceeds on disposal of tangible capital assets	-	12,202
<b>Investing transactions</b>		
Cash used to acquire tangible capital assets	(1,807,189)	(4,178,319)
<b>Financing transactions</b>		
Repayment of long-term debt	(182,266)	(165,377)
Proceeds from debt issues	-	1,100,000
Employee future benefits payable	(24,586)	(1,072)
Landfill closure and post-closure liability	(6,378)	(6,066)
	(213,230)	927,485
Increase / Decrease in cash	1,041,943	(426,309)
<b>Cash, beginning of year</b>	844,945	1,271,254
<b>Cash, end of year</b>	1,886,888	844,945

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

**1. SIGNIFICANT ACCOUNTING POLICIES**

The consolidated financial statements of the Town are the representation of management. The financial statements are prepared in accordance with Canadian public sector accounting standards as recommended by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants except that joint local boards are not proportionately consolidated as explained in note 1 (a)(ii).

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

**a) Basis of Consolidation**

**i) Local Boards**

These consolidated financial statements reflect the assets, liabilities, revenues and expenditures of the Town and include the activities of all committees of Council and the local boards which are under the control of Council:

Manitoulin Centennial Manor  
Manitoulin Planning Board  
Sudbury and District Health Unit  
Northeastern Manitoulin and the Islands Public Library

**ii) Joint Local Boards**

These consolidated financial statements reflect contributions to the following joint local boards, which are not under the direct control of council, as expenditures in the consolidated statement of operations and changes in accumulated surplus:

Manitoulin East Municipal Airport Commission Inc.

The assets, liabilities, revenues and expenditures of these joint local boards have not been proportionately consolidated in these consolidated financial statements.

**iii) Accounting for School Board Transactions**

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

**iv) Trust Funds**

Trust funds and their related operations administered by the Town are not consolidated, but are reported separately on the Trust Funds financial statements.

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

b) Basis of Accounting

i) Debt Retirement Costs

The accrual basis of accounting recognizes revenues as they are earned and measurable; expenditures are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

ii) Accrual Accounting

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

iii) Temporary Investments

Temporary investments are recorded at the lower of cost and market value.

iv) Tangible Capital Assets

Tangible capital assets are recorded at cost. The Town provides for amortization using the straight-line method designed to amortize the cost, less any residual value, of the tangible capital assets over their estimated useful lives. The annual amortization rates are as follows:

	<u>Years</u>
Buildings	40
Roads and bridges	5 - 30
Automotive equipment	15 - 20
Furniture and equipment	5
Computer equipment	3
Computer software	3
Water and sewer	40
Landfill	40
Marina	10 - 25

Additions are amortized at one half of the annual rate in the year of acquisition.

v) Inventory

Inventory held for consumption is recorded at the lower of cost and replacement cost.

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

**vi) Revenue Recognition**

Property tax billings are prepared by the Town based on assessment rolls issued by the Municipal Property Assessment Corporation. Tax rates are established annually by Council, incorporating amounts to be raised for local services and amounts the Town is required to collect on behalf of the Province of Ontario in respect of education taxes.

A normal part of the assessment process is the issue of supplementary assessment rolls which provide updated information with respect to changes in property assessments. Once a supplementary assessment roll is received, the Town determines the taxes applicable and renders supplementary tax billings. Supplementary taxation revenues are recorded at the time these bills are issued.

Assessments and related property taxes are subject to appeal by ratepayers. Tax adjustments as a result of appeals are recorded when the result of the appeal is known.

The Town is entitled to collect interest and penalties on overdue taxes. These revenues are recorded in the accounts in the period the interest and penalties are levied.

Government transfers are recognized in the period that the events giving rise to the transfer have occurred as long as: the transfer is authorized; the eligibility criteria, if any, have been met and the amount can be reasonably estimated. Government transfers received before these criteria have been met are recorded in the accounts as deferred revenue and are recognized as revenue in the period in which all of these criteria are met.

**vii) Use of Estimates**

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. By their nature, these estimates are subject to measurement uncertainty. The effect of changes in such estimates on the financial statements in future periods could be significant. Accounts specifically affected by estimates in these consolidated financial statements are the landfill closure and post-closure liability and estimated useful lives of tangible capital assets.

**CORPORATION OF THE TOWN OF NORTHEASTERN MANITOULIN AND THE ISLANDS**  
**Notes to the Consolidated Financial Statements**  
**December 31, 2010**

**2. CONTRIBUTIONS TO JOINT LOCAL BOARDS**

Further to note 2 (a) (ii), the following contributions were made by the Town to these boards:

	2010 \$	2009 \$
Manitoulin-Sudbury District Social Services		
Administration Board	1,095,066	1,166,083
Manitoulin Planning Board	23,016	23,356
Manitoulin Centennial Manor	89,767	87,152
Northeastern Manitoulin and the Islands Public Library Board	77,468	76,290
Sudbury and District Health Unit	75,840	76,344
	<b>1,361,157</b>	<b>1,429,225</b>

The Town's share of the assets, liabilities, revenue and expenditures of these joint local boards are as follows:

	2010 %	2009 %
Manitoulin-Sudbury District Social Services		
Administration Board	12.105	11.832
Manitoulin Planning Board	32.32	31.460
Manitoulin Centennial Manor	32.826	32.826
Sudbury and District Health Unit	1.219	1.260

**3. TAXES RECEIVABLE**

The components of taxes receivable are as follows:

	2010 \$	2009 \$
Taxes receivable	303,329	261,964
Interest receivable on outstanding tax balances	18,476	24,612
	<b>321,805</b>	<b>286,576</b>

**CORPORATION OF THE TOWN OF NORTHEASTERN MANITOULIN AND THE ISLANDS**  
**Notes to the Consolidated Financial Statements**  
**December 31, 2010**

**4. DEFERRED REVENUE – OBLIGATORY RESERVE FUNDS**

A requirement of the Public Sector Accounting Principles of the Canadian Institute of Chartered Accountants, is that obligatory reserves funds be reported as deferred revenue. This requirement is in place as legislation and external agreements restrict how these funds may be used and under certain circumstances these funds may possibly be refunded. The balances in the obligatory reserve funds of the Town are summarized below:

	2010 \$	2009 \$
Deferred revenue, beginning of year	52,002	72,285
Contributions received during the year	166,848	164,480
Amounts recognized as revenue during the year	(218,850)	(184,763)
Deferred revenue, end of year	–	52,002
Deferred revenue – obligatory reserve consists of the following:		
Federal gas tax revenue	–	52,002
	–	52,002

**5. LONG-TERM INVESTMENTS**

Long-term investments reflect the Town's investment in Manitoulin East Municipal Airport Commission Inc. The Town holds a two-thirds share of the corporation.

The carrying value of the investment on a modified equity basis is as follows:

	2010 \$	2009 \$
Balance, beginning of year	172,565	194,402
Current year income (loss)	(65,068)	(21,837)
Balance, end of year	107,497	172,565

**CORPORATION OF THE TOWN OF NORTHEASTERN MANITOULIN AND THE ISLANDS**  
**Notes to the Consolidated Financial Statements**  
**December 31, 2010**

**6. LONG-TERM DEBT**

	2010 \$	2009 \$
a) The balance of the net long-term liabilities reported on the Consolidated Statement of Financial Position is made up of the following:		
Total long-term liabilities incurred by the Town including those incurred on behalf of school boards, other municipalities and municipal enterprises and outstanding at the end of the year amount to:		
4.74% Bank loan payable, \$72,045 annually plus interest	864,543	936,588
Bank note payable at prime - \$93,332 annually plus interest	182,763	276,095
Ontario Infrastructure Project Corporation (OIPC) 4.69% loan payable \$85,368 annually including interest	1,083,111	1,100,000
	<b>2,130,417</b>	<b>2,312,683</b>

b) Of the long-term liabilities reported in (a) of this note, principal payments are payable as follows:

	\$
2011	200,352
2012	196,451
2013	107,020
2014 and beyond	1,626,594
	<u>2,130,417</u>

c) Total charges for the year for net long-term liabilities are as follows:

	2010 \$	2009 \$
Principal payments	182,266	165,377
Interest	79,972	56,887
	<b>262,238</b>	<b>222,264</b>

**7. LANDFILL SITE CLOSURE AND POST-CLOSURE LIABILITY**

Under environmental law in the province of Ontario, there is a requirement for the Town to provide for closure and post-closure care of all active and inactive solid waste landfill sites. Accounting standards require that the costs associated with this requirement are provided for in the accounts over the service life of the landfill site based on its usage on a volumetric basis. The reported liability is based on estimates and assumptions regarding future events using the best information available to management. Actual results will vary from the estimated amounts and the change in the estimate will be recognized on a prospective basis as a change in accounting estimate in the year the change is determined.

The liability for closure and post-closure care represents the discounted future cashflows of estimated closure and post-closure care costs using the following rates and assumptions.

	Active Site \$	Inactive Sites \$	2010 Total \$	2009 Total \$
Remaining life (years)	34 years			
Post-closure monitoring period (years)	20 years	16 years	15 years	16 years
Annual monitoring costs – 20 years	30,856	16,590	47,446	47,446
Total projected liability	617,120	248,850	865,970	882,560
Present value of total liability	459,059	203,381	662,440	673,019
Current estimated liability	33,607	203,381	236,988	243,366
Amount remaining to be recognized	583,513	45,469	628,982	639,194

Future cash flows have been discounted using a long-term interest rate of 6% and an estimated inflation rate of 3%.

**8. LIABILITY FOR VESTED SICK LEAVE BENEFITS**

Under the sick leave benefit plan, unused sick leave can accumulate and employees may become entitled to a cash payment when they leave the Town's employment.

A reserve has been established to provide for vested sick leave benefits and is included in the reserves reported on the Consolidated Statement of Financial Position. The balance at the end of the year is \$108,209 (2009 - \$100,818). An amount of \$7,391 (2009 - \$2,430) has been recorded as an expenditure on the consolidated statement of operations and changes in accumulated surplus.

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**CORPORATION OF THE TOWN OF NORTHEASTERN MANITOULIN AND THE ISLANDS**  
**Notes to the Consolidated Financial Statements**  
**December 31, 2010**

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**9. NET ASSETS**

The balance on the Consolidated Statement of Financial Position of net assets at the end of the year is comprised of the following:

	2010	2009
	\$	\$
To be used:		
- for the general reduction of (increase in) taxation and user charges	(3,433,010)	(3,654,537)
- for reserves and reserve funds (Schedule 1)	3,070,014	2,908,982
	<u>(362,996)</u>	<u>(745,555)</u>

**10. NON-FINANCIAL ASSETS**

Tangible capital assets and other non-financial assets are accounted for as assets by the Town because they can be used to provide services to residents and ratepayers of the Town in future periods. These assets do not normally provide resources to discharge the liabilities of the Town unless they are sold.

**CORPORATION OF THE TOWN OF NORTHEASTERN MANITOULIN AND THE ISLANDS**  
**Notes to the Consolidated Financial Statements**  
**December 31, 2010**

**11. TANGIBLE CAPITAL ASSETS**

2010												
	Construction in Progress \$	Land \$	Buildings \$	Leasehold Improvements \$	Roads and Bridges \$	Automotive Equipment \$	Furniture and Equipment \$	Computer Equipment \$	Water and Sewer \$	Landfill Site \$	Marina \$	Total \$
<b>Cost</b>												
Balance, beginning of year	-	2,735,590	12,171,735	4,931	6,492,228	2,504,779	279,555	225,777	8,362,311	336,154	6,383,868	39,496,928
Additions	1,189,737	-	188,507	-	257,078	269,486	3,953	1,451	34,038	-	38,100	1,982,350
Disposals	(123,848)	(16,893)	(28,086)	-	(6,334)	-	-	-	-	-	-	(175,161)
Balance, end of year	1,065,889	2,718,697	12,332,156	4,931	6,742,972	2,774,265	283,508	227,228	8,396,349	336,154	6,421,968	41,304,117
<b>Accumulated Amortization</b>												
Balance, beginning of year	-	70,000	4,692,793	856	4,047,251	1,442,617	94,268	164,175	1,728,604	53,591	1,545,661	13,839,816
Amortization expense	-	8,167	320,938	541	173,841	137,088	5,420	15,197	239,682	6,650	223,149	1,130,673
Balance, end of year	-	78,167	5,013,731	1,397	4,221,092	1,579,705	99,688	179,372	1,968,286	60,241	1,768,810	14,970,489
Net book value	1,065,889	2,640,530	7,318,425	3,534	2,521,880	1,194,560	183,820	47,856	6,428,063	275,913	4,653,158	26,333,628
2009												
	Construction in Progress \$	Land \$	Buildings \$	Leasehold Improvements \$	Roads and Bridges \$	Automotive Equipment \$	Furniture and Equipment \$	Computer Equipment \$	Water and Sewer \$	Landfill Site \$	Marina \$	Total \$
<b>Cost</b>												
Balance, beginning of year	2,076,502	2,735,590	11,348,913	4,931	5,639,649	2,230,978	264,585	222,623	4,772,987	312,943	5,700,652	35,310,353
Additions	-	-	822,822	-	852,579	273,801	14,970	3,154	3,589,324	23,211	683,216	6,263,077
Disposals	2,076,502	-	-	-	-	-	-	-	-	-	-	2,076,502
Adjustment on proportionate consolidation	-	-	-	-	-	-	-	-	-	-	-	-
Balance, end of year	-	2,735,590	12,171,735	4,931	6,492,228	2,504,779	279,555	225,777	8,362,311	336,154	6,383,868	39,496,928
<b>Accumulated Amortization</b>												
Balance, beginning of year	-	63,636	4,495,052	315	3,934,037	1,360,396	83,368	154,521	1,539,880	46,941	1,355,289	13,033,435
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
Amortization expense	-	6,364	197,741	541	113,214	82,221	10,900	9,654	188,724	6,650	190,372	806,381
Balance, end of year	-	70,000	4,692,793	856	4,047,251	1,442,617	94,268	164,175	1,728,604	53,591	1,545,661	13,839,816
Net book value	-	2,665,590	7,478,942	4,075	2,444,977	1,062,162	185,287	61,602	6,633,707	282,563	4,838,207	25,657,112

**CORPORATION OF THE TOWN OF NORTHEASTERN MANITOULIN AND THE ISLANDS**  
**Notes to the Consolidated Financial Statements**  
**December 31, 2010**

**12. CONTINGENT LIABILITIES**

- a) The Town is the subject of a loss of earnings claim by a former employee under the Workplace Safety and Insurance Act seeking an unspecified amount of benefits. The claim is currently before the Workplace Safety and Insurance Board and is subject to appeal by the Town. At the report date, the outcome and the amount of liability, if any, resulting from the claim are not reasonably determinable. As a result, no amount has been accrued in these financial statements relating to this claim.
- b) The Town receives transfers from the governments of Canada and Ontario. Some government transfers are subject to audit by the transferring government with adjustments, if any, repayable to the transferring government. Audit adjustments, if any, are recorded in the accounts in the year in which they become known.

**13. EXPENDITURES BY OBJECT**

As required by Section 1700 of the Public Sector Accounting Board reporting requirements, these financial statements report on the Town's expenditures by function. The Town's expenditures by object are as follows:

	2010 \$	2009 \$
Amortization of tangible capital assets	1,130,674	806,381
Salaries, wages and benefits	1,554,291	2,678,351
Materials	2,088,297	2,176,041
Contracted services	2,570,425	1,109,017
Rents and financial items	22,662	28,843
External transfers	1,392,216	1,133,038
Interest on long-term debt	79,972	59,995
	<b>8,838,537</b>	<b>7,991,666</b>

**14. TRUST FUNDS**

Trust funds administered by the Town amounting to \$148,446 (2009 - \$143,594) have not been included in the consolidated statement of financial position nor have their operations been included in the consolidated statement of operations and changes in accumulated surplus.

**15. PENSION PLAN**

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

The amount contributed to OMERS for 2010 was \$55,295 (2009 - \$53,307) for current service and is included as an expenditure on the consolidated statement of operations and changes in accumulated surplus.

**16. COMPARATIVE FIGURES**

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

