



**MUNICIPALITY OF WEST GREY 2007 FINANCIAL STATEMENTS**

In accordance with the Municipal Act, Chapter 25, Section 295, Subsection (1) (b) R.S.O. 2001

**To the Members of Council, Inhabitants and Ratepayers**

The accompanying summarized consolidated statements of financial position and financial activities are derived from the complete financial statements of the Corporation of the Municipality of West Grey as at December 31st, 2007 and for the year then ended on which we expressed an opinion without reservation in our report dated March 10th, 2008. The fair summarization of the complete financial statements is the responsibility of management. Our responsibility, in accordance with the applicable Assurance Guideline of the Canadian Institute of Chartered Accountants, is to report on the summarized financial statements.

In our opinion, the accompanying consolidated financial statements fairly summarize, in all material respects, the related complete consolidated financial statements in accordance with the criteria described in the Guideline referred to above.

These summarized consolidated statements do not contain all the disclosures required by the accounting principles disclosed in the summary of significant accounting policies. Readers are cautioned that these statements may not be appropriate for their purposes. For more information on the Municipality's financial position, financial activities and cash flows, reference should be made to the related complete financial statements.

BDO Dunwoody LLP, Chartered Accountants  
Owen Sound, Ontario  
March 10th, 2008

<b>The Corporation of the Municipality of West Grey</b>			
<b>Consolidated Statement of Financial Position</b>			
<b>31st December</b>	<b>2007</b>	<b>2006</b>	
<b>Financial Assets</b>			
Cash	\$ 956,563	\$ 335,314	
Temporary investments	565,247	528,357	
Taxes receivable	1,768,899	1,508,707	
Trade and other receivables	1,229,594	2,983,437	
Inventory held for resale	6,848	6,969	
	<u>\$ 4,527,151</u>	<u>\$ 5,362,784</u>	
<b>Liabilities</b>			
<b>Liabilities and Municipal Position</b>			
Temporary borrowings	\$ 1,300,000	\$ 1,169,093	
Accounts payable and accrued liabilities	1,183,382	2,096,705	
Deferred revenue	456,622	187,846	
Net-long term liabilities	1,964,318	1,079,379	
Post-Employment Benefits	469,600	142,000	
Landfill closure and post closure liability	616,695	628,783	
	<u>5,990,617</u>	<u>5,303,806</u>	
<b>Municipal Position</b>			
Current fund	-63,362	-609,870	
Capital fund	-1,611,251	-649,813	
Reserves and reserve funds	2,831,643	2,862,370	
Amounts to be recovered	1,157,030	1,602,687	
	<u>-2,620,496</u>	<u>-1,543,709</u>	
	<u>-1,463,466</u>	<u>58,978</u>	
	<u>\$ 4,527,151</u>	<u>\$ 5,362,784</u>	

**The Corporation of the Municipality of West Grey**  
**Consolidated Statement of Financial Activities**

<b>31st December</b>	<b>2007</b>	<b>2006</b>	
	<b>Budget</b>	<b>Actual</b>	<b>Actual</b>
<b>Revenue</b>			
Taxation	\$ 5,448,042	5,492,029	5,220,227
Water/sewer charges	1,757,890	977,266	622,258
Fees and user charges	1,080,785	1,261,058	1,318,075
Canada grants	60,000	41,268	38,455
Ontario grants	2,702,236	2,679,868	4,942,783
Municipal/County grants	117,730	91,544	242,849
Other income	735,674	545,088	450,488
Obligatory reserve fund revenue recognized	0	13,220	8,698
	<u>11,902,357</u>	<u>11,101,341</u>	<u>12,843,833</u>
<b>Expenditures</b>			
General Government	\$ 1,020,399	936,612	940,309
Protection Services	3,198,124	3,501,573	3,205,870
Transportation services	2,644,529	2,830,321	2,579,396
Environmental services	1,531,988	1,143,785	1,213,581
Health services	49,491	34,756	35,774
Social and family services	4,007	0	11,886
Recreation and cultural services	985,277	996,495	983,264
Planning and development	132,270	121,523	98,417
	<u>9,566,085</u>	<u>9,565,065</u>	<u>9,068,497</u>
<b>Capital</b>			
General Government/Health Services	9,550	10,368	3,658
Protection Services	280,316	264,338	122,952
Transportation Services	553,500	544,431	3,087,523
Environmental services	1,820,505	1,849,819	886,503
Recreational and cultural services	431,642	297,932	115,571
Planning and development	100,000	91,832	165,596
	<u>3,195,513</u>	<u>3,058,720</u>	<u>4,381,803</u>
<b>Total expenditures</b>	<u>12,761,598</u>	<u>12,623,785</u>	<u>13,450,300</u>
<b>Net revenues (expenditures) for the year</b>	-859,241	-1,522,444	-606,467
<b>Restatement of opening fund balances</b>	-859,241	-1,522,444	-606,467
<b>Change in amounts to be recovered</b>			
New debt issued	1,713,442	1,156,414	-
Debt principal repayments	-456,943	-395,139	-105,260
Change in post-employment benefits	0	327,600	23,000
Change in landfill closure and post closure liability	0	-12,088	36,948
	<u>1,256,499</u>	<u>1,076,787</u>	<u>-45,312</u>
<b>Change in fund balances for the year</b>	<u>\$ 397,258</u>	<u>-445,657</u>	<u>-651,779</u>

**Notes to Financial Statements**  
**Summary of Significant Accounting Policies**  
**Management Responsibility**

The consolidated financial statements are the representation of management prepared in accordance with accounting principles established by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants as prescribed by the Ministry of Municipal Affairs and Housing. The preparation of financial statements requires management to make estimates. Actual results could differ as additional information becomes available in the future.

**Basis of Consolidation**

The consolidated statements reflect the assets, liabilities, revenues and expenditures of the current fund, capital fund, reserves and reserve funds of all municipal organizations, committees, and boards which are owned or controlled by Council, including:

- West Grey Library Board
- Ayton Union Cemetery Board
- Durham Business Improvement Area
- Durham Cemetery Board
- A government partnership exists where the municipality has shared control over the board or entity.
- The municipality's pro-rate shares are reflected in the financial statements using proportionate consolidation method. The municipality's proportionate interest of the following government partnerships are reflected in the consolidated financial statements.
- Elmwood & District Fire Department 59%
- Elmwood Community Centre Joint Board 50%
- Markdale Area Fire Department 24%
- Saugeen Municipal Airport 25%

**Landfill Closure and Post Closure Liability**

Landfill closure and post-closure care requirements have been defined in accordance with industry

standards and include final covering and landscaping of the landfill, removal of ground water and leachates, and ongoing environmental monitoring, site inspection and maintenance.

**County and School Board**

The municipality collects taxation revenue on behalf of the school boards and the County of Grey. The taxation, other revenues, expenditures, assets and liabilities with respect to the operations of the school boards and the County of Grey are not reflected in these financial statements.

	<b>2007</b>	<b>2006</b>
School Boards	<b>\$3,279,420</b>	<b>\$3,265,885</b>
County of Grey	<b>4,076,796</b>	<b>4,079,106</b>
	<b>\$7,356,216</b>	<b>\$7,344,991</b>

**Trust Funds**

Funds held in trust by the municipality, and their related operations, are not included in these financial statements. The financial activity and position of the trust funds are separately on the trust fund statements of continuity and balance sheet.

	<b>2007</b>	<b>2006</b>
Cemetery		
Care & Maintenance	<b>\$184,050</b>	<b>\$177,112</b>
Pre Need Assurance	<b>4,603</b>	<b>4,406</b>
Ontario Home Renewal	<b>8,192</b>	<b>13,277</b>
	<b>\$196,845</b>	<b>\$194,795</b>

**Long Term Debt Payments during the year**

Principal	<b>\$395,139</b>	<b>\$105,261</b>
Interest	<b>\$111,378</b>	<b>\$47,739</b>

The above data has been extracted from the audited 2007 Consolidated Financial Report of the Municipality of West Grey and its local boards. Copies of the 2007 Consolidated Financial Report and the auditor's report thereon, or the audited financial statements for the local boards, enterprises, and other entities not consolidated are available at the Municipal Office to any resident who wishes to review or analyze the financial operations of the Municipality in greater detail.

**The Municipality of West Grey**  
**# 402813 Grey Road # 4**  
**R.R. # 2**  
**Durham, Ontario**  
**N0G 1R0**  
**(519) 369-2200**

**2007 Tax Rates**

Tax Class	Township	County	Education	Total
Residential	0.00608747	0.00455332	0.00264000	0.01328079
Multi-Res	0.00877324	0.00656223	0.00264000	0.01797547
Commercial Occupied	0.00795596	0.00595091	0.01854276	0.03244963
Commercial Unoccupied	0.00556917	0.00416564	0.01297993	0.02271474
Commercial Vacant	0.00556917	0.00416564	0.01297993	0.02271474
Industrial Occupied	0.01131166	0.00846092	0.02670975	0.04648233
Industrial Unoccupied	0.00735258	0.00549960	0.01736134	0.03021352
Industrial Vacant	0.00735258	0.00549660	0.01736134	0.03021052
Pipelines	0.00552041	0.00412917	0.01583249	0.02548207
Farmlands	0.00152187	0.00113833	0.00066000	0.00332020
Managed Forest	0.00152187	0.00113833	0.00066000	0.00332020

**2006 Tax Rates**

Tax Class	Township	County	Education	Total
Residential	0.00577104	0.00462076	0.00264000	0.01303180
Multi-Res	0.00831721	0.00665942	0.00264000	0.01761663
Commercial Occupied	0.00754240	0.00603905	0.01854276	0.03212421
Commercial Unoccupied	0.00527968	0.00422734	0.01297993	0.02248695
Commercial Vacant	0.00527968	0.00422734	0.01297993	0.02248695
Industrial Occupied	0.01072367	0.00858623	0.02670975	0.04601965
Industrial Unoccupied	0.00697039	0.00558105	0.01736134	0.02991278
Industrial Vacant	0.00697039	0.00558105	0.01736134	0.02991278
Pipelines	0.00523346	0.00419032	0.01583249	0.02525627
Farmlands	0.00144276	0.00115519	0.00066000	0.00325795
Managed Forest	0.00144276	0.00115519	0.00066000	0.00325795

Listed above are the tax rates for the Municipality of West Grey for the year 2006 and 2007.