

**The Corporation of the City of Dryden
Consolidated Financial Statements
For the year ended December 31, 2010**

**The Corporation of the City of Dryden
Consolidated Financial Statements
For the year ended December 31, 2010**

Contents

Independent Auditors' Report	2
Consolidated Financial Statements	
Consolidated Statement of Financial Position	4
Consolidated Statement of Operations and Accumulated Deficit	5
Consolidated Statement of Change in Net Debt	6
Consolidated Statement of Cash Flows	7
Summary of Significant Accounting Policies	8
Notes to Consolidated Financial Statements	13



Tel: 807 223 5321
Fax: 807 223 2978
www.bdo.ca

BDO Canada LLP
37 King Street
PO Box 3010
Dryden ON P8N 3G3 Canada

Independent Auditors' Report

To the Members of Council, Inhabitants and Ratepayers of The Corporation of the City of Dryden

We have audited the accompanying consolidated financial statements of The Corporation of the City of Dryden, which comprise the consolidated statement of financial position as at December 31, 2010, and the consolidated statements of operations and accumulated deficit, change in net debt and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards 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 consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the consolidated 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 consolidated financial statements.

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



Basis for Adverse Opinion

As explained in Note 1, the municipality has not set up the tangible capital assets of the municipality as they have not yet been able to ascertain the value of these assets.

Under Canadian public sector accounting principles, the municipality was required to record the tangible capital assets owned by the municipality for the year ended December 31, 2009. Had these assets been recorded, many elements in the accompanying financial statements in both the current and prior year figures would have been materially affected. The effects on the consolidated financial statements of the failure to record the tangible capital assets have not been determined.

Adverse Opinion

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion paragraph, the consolidated financial statements do not present fairly the financial position of The Corporation of the City of Dryden as at December 31, 2010, and the results of its operations, change in net debt, and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

A handwritten signature in black ink that reads "BDO Canada LLP". The "BDO" is written in a stylized, lowercase font, while "Canada LLP" is written in a more standard, uppercase font.

Chartered Accountants, Licensed Public Accountants

Dryden, Ontario
May 4, 2012

The Corporation of the City of Dryden
Consolidated Statement of Financial Position

December 31	2010	2009
		Restated (Notes 2-4)
Financial assets		
Cash and cash equivalents	\$ 3,821,576	\$ 1,104,733
Investments (Note 5)	1,496,382	1,405,139
Inventory held for resale	789,385	1,366,329
Inventory of surplus land	1,480,900	1,524,065
Taxes receivable	629,451	603,996
Accounts receivable (Note 6)	1,574,183	1,475,675
User charges receivable (Note 7)	540,645	442,722
Grants receivable	2,945,953	2,237,149
Leases receivable	21,121	30,963
Long-term receivables (Note 8)	6,329,524	6,310,550
Long-term investments (Note 9)	16,562	16,248
	<u>19,645,682</u>	<u>16,517,569</u>
Liabilities		
Bank indebtedness (Note 10)	-	2,257,538
Accounts payable and accrued liabilities	6,296,797	7,177,147
Employee benefits liability (Note 11)	805,815	646,021
Landfill closure and post closure liability (Note 12)	762,754	799,267
Post-retirement benefits liability (Note 13)	1,189,024	1,044,981
Deferred revenue/obligatory reserve funds (Note 14)	277,984	341,258
Debt financing (Note 15)	35,082,804	22,836,311
	<u>44,415,178</u>	<u>35,102,523</u>
Net debt	<u>(24,769,496)</u>	<u>(18,584,954)</u>
Non-financial assets		
Inventory for internal consumption	371,756	399,152
Prepaid expenses	246,479	129,433
Tangible capital assets (Note 16)	15,783,726	14,930,799
	<u>16,401,961</u>	<u>15,459,384</u>
Accumulated deficit (Note 17)	\$ (8,367,535)	\$ (3,125,570)

The Corporation of the City of Dryden
Consolidated Statement of Operations and Accumulated Deficit

For the year ended December 31	2010 Budget	2010 Actual	2009 Actual Restated (Notes 2-4)
Revenue			
Taxation	\$ 10,394,817	\$ 10,908,273	\$ 10,521,109
Fees and user charges	6,546,029	6,124,566	5,676,460
Canada grants	2,577,441	2,818,463	1,571,486
Ontario grants	19,188,748	12,399,390	8,728,742
Dryden Municipal Telephone System revenue	4,244,500	4,140,584	4,079,347
Dryden Mobility revenue	3,689,273	2,536,617	1,840,722
Other income (Note 18)	4,119,676	2,907,106	2,599,611
	50,760,484	41,834,999	35,017,477
Expenditures (Note 19)			
General government	3,538,234	4,302,317	5,807,292
Protection services	5,639,155	5,676,586	5,187,009
Transportation services	7,214,130	6,924,288	5,444,384
Environmental services	17,893,948	9,424,564	5,004,036
Health services	1,362,014	1,351,792	1,278,107
Social and family services	3,661,110	3,739,758	3,828,468
Social housing	572,559	537,026	543,773
Recreation and cultural services	4,908,376	4,435,964	3,543,253
Planning and development	2,525,414	2,435,455	1,648,128
Dryden Municipal Telephone System expenditures	3,720,502	3,561,355	3,652,777
Dryden Mobility expenditures	3,678,294	4,687,859	3,598,235
	54,713,736	47,076,964	39,535,462
Annual deficit	(3,953,252)	(5,241,965)	(4,517,985)
Accumulated surplus (deficit), beginning of year, as previously stated	(3,125,570)	(2,530,050)	1,911,595
Prior period adjustment (Note 3)	-	(646,021)	(519,293)
Prior period adjustment (Note 4)	-	50,501	113
Accumulated surplus (deficit), beginning of year, restated	(3,125,570)	(3,125,570)	1,392,415
Accumulated deficit, end of year	\$ (7,078,822)	\$ (8,367,535)	\$ (3,125,570)

The Corporation of the City of Dryden
Consolidated Statement of Change in Net Debt

<u>For the year ended December 31</u>	2010 Budget	2010 Actual	2009 Actual Restated (Notes 2-4)
Annual deficit	\$ (3,953,252)	\$ (5,241,965)	\$ (4,517,985)
Acquisition of tangible capital assets	(1,414,782)	(3,404,208)	(11,465,540)
Amortization of tangible capital assets	2,196,346	2,551,281	2,401,507
Loss on disposal of tangible capital assets	-	-	15,162
	<hr/>	<hr/>	<hr/>
Acquisition of prepaid expenses and inventory for internal consumption	(3,171,688)	(6,094,892)	(13,566,856)
	<hr/>	<hr/>	<hr/>
Net change in net debt	(3,171,688)	(6,184,542)	(13,656,546)
	<hr/>	<hr/>	<hr/>
Net financial assets (debt), beginning of year, as previously stated	(18,584,954)	(3,008,807)	1,587,062
Prior period adjustment (Note 2)	-	(15,686,699)	(5,997,992)
Prior period adjustment (Note 3)	-	(646,021)	(519,293)
Prior period adjustment (Note 4)	-	756,573	1,815
Net debt, beginning of year, restated	-	(18,584,954)	(4,928,408)
Net debt, end of year	\$ (21,756,642)	\$ (24,769,496)	\$ (18,584,954)

The Corporation of the City of Dryden Consolidated Statement of Cash Flows

For the year ended December 31	2010	2009
	Restated (Notes 2-4)	
Cash provided by (used in)		
Operating activities		
Annual deficit	\$ (5,241,965)	\$ (4,517,985)
Items not involving cash		
Amortization of tangible capital assets	2,551,281	2,401,507
Loss on disposal of tangible capital assets	-	15,162
	<u>(2,690,684)</u>	<u>(2,101,316)</u>
Changes in non-cash operating balances		
Increase in taxes receivable	(25,454)	(15,630)
(Acrease) decrease in accounts receivable	(98,508)	233,148
(Acrease) decrease in user charges receivable	(97,923)	164,258
Increase in grants receivable	(708,804)	(1,475,060)
Decrease (increase) in inventory held for resale	576,944	(1,177,845)
Decrease in surplus land inventory	43,165	-
Increase in prepaid expenses	(117,046)	(50,433)
(Acrease) decrease in long-term receivables	(18,974)	850,086
(Dcrease)increase in accounts payable and accrued liabilities	(880,351)	1,932,225
Increase in employee benefits liability	159,794	126,728
(Dcrease) increase in landfill closure and post closure liability	(36,513)	208,753
Increase in post-retirement benefits liability	144,043	83,428
Decrease in deferred revenue	(63,274)	(1,290,060)
Increase (decrease) in inventory held for internal consumption	27,396	(39,257)
	<u>(1,095,505)</u>	<u>(449,659)</u>
	<u>(3,786,189)</u>	<u>(2,550,975)</u>
Capital activities		
Purchase of tangible capital assets	<u>(3,404,208)</u>	<u>(11,465,540)</u>
Investing activities		
(Acrease) decrease in investments	(91,243)	1,655,729
Increase in long-term investments	(314)	(480)
	<u>(91,557)</u>	<u>1,655,249</u>
Financing activities		
(Dcrease) increase in bank indebtedness	(2,257,538)	2,257,538
Decrease in leases receivable	9,842	12,683
Proceeds from debt financing	14,000,000	10,485,959
Repayment of debt financing	(1,753,507)	(1,513,552)
Decrease in obligations under capital lease	-	(34,328)
	<u>9,998,797</u>	<u>11,208,300</u>
Net change in cash and cash equivalents	2,716,843	(1,152,966)
Cash and cash equivalents, beginning of year	1,104,733	2,257,699
Cash and cash equivalents, end of year	\$ 3,821,576	\$ 1,104,733

The accompanying summary of significant accounting policies and notes are an integral part of these consolidated financial statements.

The Corporation of the City of Dryden Summary of Significant Accounting Policies

December 31, 2010

Management's Responsibility for the Consolidated Financial Statements

The consolidated financial statements of The Corporation of the City of Dryden are the responsibility of management. They have been prepared in accordance with Canadian generally accepted accounting principles established by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. The Corporation of the City of Dryden is a municipality in the Province of Ontario and operates under the provisions of the Community Charter. The Corporation of the City of Dryden provides municipal services such as police, fire, public works, planning, parks, recreation and other general government services.

Basis of Consolidation

The consolidated financial statements reflect the assets, liabilities, revenues and expenditures of all municipal organizations, committees, and boards which are owned or controlled by Council. All interfund assets and liabilities and revenues and expenditures have been eliminated on consolidation.

The following boards and municipal enterprises owned or controlled by Council have been consolidated:

Dryden Regional Airport
Dryden Public Library Board
Dryden Police Services Board
Dryden Museum Advisory Board
Dryden Cemetery Board
Dryden Waterworks Department
Dryden Development Corporation
Dryden Renewable Energy Corporation
Dryden Municipal Telephone System
Dryden Mobility

The Corporation of the City of Dryden Summary of Significant Accounting Policies

December 31, 2010

Non-consolidated Entities The following joint local boards are not consolidated:

District of Kenora Home for the Aged
Northwestern Health Unit
Kenora District Services Board

Basis of Accounting Revenues and expenditures are reported on the accrual basis of 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 receipts of goods or services and the creation of a legal obligation to pay.

The consolidated statement of financial position reflects all of the financial assets and liabilities of the municipality. Financial assets are those assets which could provide resources to discharge existing liabilities or finance future operations. Municipal position represents the financial position of the municipality and is the difference between its assets and liabilities. This provides information about the municipality's overall future revenue requirements and its ability to finance activities and meet its obligations.

Cash and Cash Equivalents Management considers all highly liquid investments with maturity of three months or less at acquisition to be cash equivalents.

Investments Investments are recorded at cost unless there has been a decline in the market value which is other than temporary in nature in which case the investments are written down to market value.

Inventory held for Resale Inventory held for resale is valued at the lower of cost and net realizable value.

Tangible Capital Assets Municipal Operations
The historical cost and accumulated amortization of capital assets have not been recorded. Capital assets are reported as an expenditure on the consolidated statement of financial activities in the period of acquisition.

The Corporation of the City of Dryden Summary of Significant Accounting Policies

December 31, 2010

Tangible Capital Assets (continued)

Municipal Owned or Controlled Enterprises

Tangible capital assets are recorded at cost less accumulated amortization. Cost includes all costs directly attributable to acquisition or construction of the tangible capital asset including transportation costs, installation costs, design and engineering fees, legal fees and site preparation costs. Contributed tangible capital assets are recorded at fair value at the time of the donation, with a corresponding amount recorded as revenue. Amortization is recorded on a straight-line basis over the estimated life of the tangible capital asset commencing once the asset is available for productive use as follows:

Buildings	1.56%
Mobility equipment	5.00-6.66%
Telephone equipment	5.00-33.33%
Office equipment	5.00-33.33%
Vehicles	12.50%
Vehicles under lease obligations	12.50%

Deferred Revenue/Obligatory Reserve Funds

Revenue restricted by legislation, regulation or agreement and not available for general municipal purposes is reported as deferred revenue on the consolidated statement of financial position. The revenue is reported on the consolidated statement of operations and accumulated surplus (deficit) in the year in which it is used for the specified purpose.

Customer deposits are cash collections from customers to guarantee the payment of telephone and/or cellular bills. These deposits are refunded to the customer once it has been determined there is no risk of collection of their account.

Government Transfers

Government transfers, which include legislative grants, are recognized in the consolidated financial statements in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility have been met and reasonable estimates of the amount can be made.

Tax Revenues

The amount of the total tax levy is determined each year through Council's approval of the annual operation budget. Municipal tax rates are set annually by Council for each class or type of property, in accordance with legislation and Council approved policies, in order to raise the revenues required to meet operating budget requirements. Education tax rates are established by the Province each year in order to fund the costs of education on a Province wide basis.

The Corporation of the City of Dryden Summary of Significant Accounting Policies

December 31, 2010

Tax Revenues (continued)	<p>Property assessment, on which property taxes are based, are established by the Municipal Property Assessment Corporation. The current value assessment (CVA) of a property represents an estimated market value of a property as of a fixed date. Assessed values for all properties within the municipality are provided to the City in the form of the returned assessment roll in December of each year.</p> <p>The amount of property tax levied on an individual property is the product of the CVA of the property and the tax rate for the class, together with any adjustments that reflect Council approved mitigation or other tax policy measures.</p>
Fees, Rentals and User Charges	<p>Revenues are recorded in the accounts when the title passes to the buyer and/or when services have been rendered and the transaction can be reasonably measured.</p>
Collection of Taxes on Behalf of Other Taxation Authorities	<p>The municipality collects taxation revenue on behalf of the school boards. The taxation, other revenues, expenditures, assets and liabilities with respect to the operations of the school boards are not reflected in these consolidated financial statements.</p>
Trust Funds	<p>Funds held in trust by the municipality, and their related operations, are not included in these consolidated financial statements. The financial activity and position of the trust funds are reported separately.</p>
Solid Waste Landfill	<p>The estimated costs to close and maintain solid waste landfill sites are based on estimated future expenses in current dollars, discounted, adjusted for estimated inflation, and are charged to expense as the landfill site's capacity is used.</p>
Post-retirement Benefits	<p>The municipality is an employer member of the Ontario Municipal Employees Retirement System (OMERS), which is a multi-employer, defined benefit pension plan. The Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the pension plan, including investment of the assets and administration of the benefits. The municipality has adopted defined contribution plan accounting principles for this Plan because insufficient information is available to apply defined benefit plan accounting principles. The municipality records as pension expense the current service cost, amortization of past service costs and interest costs related to the future employer contributions to the Plan for past employee service.</p>

The Corporation of the City of Dryden Summary of Significant Accounting Policies

December 31, 2010

Use of Estimates

The preparation of financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

The Corporation of the City of Dryden Notes to Consolidated Financial Statements

December 31, 2010

1. Departure from Public Sector Accounting Standards

On January 1, 2009 the municipality was required to adopt Canadian Public Sector Accounting Standards Section 3150 - Tangible Capital Assets. This adoption has not been made. Had the adoption been made, the presentation of the financial statements would have changed. The standards require the recognition of tangible capital assets in the financial statements. In addition, revenue from contributed assets, and amortization on tangible capital assets would be recorded in the statement of operations and accumulated deficit. This change in accounting policy would have been applied retroactively with the restatement of the prior period. The impact of adopting the tangible capital asset standard is not determinable.

2. Prior Period Adjustment - Change in Reporting for Dryden Municipal Telephone System and Dryden Mobility

A prior period adjustment was made to consolidate Dryden Municipal Telephone and Dryden Mobility instead of presenting them as an equity investment. These entities have been consolidated as they do not meet the requirements of a government business enterprise. Since they do not meet the definition of a government business enterprise, they are considered other government organizations and must be consolidated. This has resulted in the following changes for the year ended December 31, 2009:

Consolidated Statement of Financial Position

Financial assets	
Investment in government business enterprises	\$ (15,800,629)
Inventory held for resale	609,756
User charges receivable	213,104
Leases receivable	30,963
Long-term investments	<u>16,248</u>
	(14,930,558)
Liabilities	<u>756,141</u>
Net debt	\$ (15,686,699)

Non-financial assets

Tangible capital assets	\$ 15,636,871
Other	<u>49,828</u>
	<u>15,686,699</u>

Accumulated deficit

\$ -

Consolidated Statement of Operations and Accumulated Deficit

Revenue	
Dryden Municipal Telephone System share of income	\$ (88,527)
Dryden Mobility share of loss	2,097,322
Dryden Municipal Telephone System revenue	4,081,568
Dryden Mobility revenue	<u>1,840,722</u>
	<u>7,931,085</u>
Expenditures	
Dryden Municipal Telephone System expenditures	\$ 3,993,042
Dryden Mobility expenditures	<u>3,938,043</u>
	<u>7,931,085</u>
Annual deficit	\$ <u>-</u>

The Corporation of the City of Dryden Notes to Consolidated Financial Statements

December 31, 2010

3. Prior Period Adjustment - Non-vested Sick Leave Liability

A prior period adjustment was made to accrue the non-vested sick leave liability for The Corporation of the City of Dryden. As required by Canadian public sector accounting standards section 3255, the municipality is required to accrue benefits that accumulate but do not vest as they represent a potential liability for the organization. As this liability has not been set up in the past, the prior year figures have been retroactively adjusted as follows:

Consolidated Statement of Financial Position

Increase in employee benefits payable	\$ 646,021
Increase in annual deficit	<u>(126,728)</u>
Decrease in opening 2009 accumulated surplus	\$ <u>519,293</u>

Consolidated Statement of Operations and Accumulated Deficit

Increase in salaries, wages and employee benefits	\$ <u>(126,728)</u>
Increase in annual deficit	\$ <u>(126,728)</u>

4. Prior Period Adjustment - Reclassification of Inventory

A prior period adjustment was made to correct an error found in the capitalization of assets for Dryden Mobility. Assets had been capitalized and amortized in 2008, 2009 and 2010 when they should have been recorded as inventory. The prior year figures have been retroactively adjusted as follows:

Consolidated Statement of Financial Position

Inventory held for resale	\$ 756,573
Tangible capital assets	<u>(706,072)</u>
Increase in opening 2010 accumulated surplus	50,501
Decrease in annual deficit	<u>(50,388)</u>
Increase in opening 2009 accumulated surplus	\$ <u>113</u>

Consolidated Statement of Operations and Accumulated Deficit

Decrease in amortization expense	\$ 50,388
Decrease in annual deficit	\$ <u>50,388</u>

5. Investments

	2010	2009
GICs - (for retired employees) interest earned at varying rates between 0.20% and 3.30% per annum	\$ 56,382	\$ 55,139
Term deposit - (hydro sale investment) interest earned at 1.12% per annum; maturing 2011	1,440,000	1,300,000
Northern Ontario Grow Bonds-interest earned at 4% per annum	<u>-</u>	50,000
	<u>\$ 1,496,382</u>	\$ 1,405,139

Investments have a market value of \$1,496,735 (2009- \$1,406,885) at the end of the year.

The Corporation of the City of Dryden Notes to Consolidated Financial Statements

December 31, 2010

6. Accounts Receivable

	2010	2009
Trade and other	\$ 1,265,479	\$ 1,475,675
Due from School Boards	308,704	-
Provincial Offences Act		
Fines and charges	4,630,848	4,348,448
Allowance for doubtful accounts	<u>(4,630,848)</u>	<u>(4,348,448)</u>
	<u>\$ 1,574,183</u>	<u>\$ 1,475,675</u>

Provincial Offences Act

The majority of the fines and penalties receivable for the Provincial Offences Act have been outstanding for more than one hundred and twenty days. Due to the nature of these fines and penalties, it is difficult for the municipality to actively pursue collection of these outstanding accounts.

7. User Charges Receivable

	2010	2009
User charges	\$ 241,783	\$ 229,618
Dryden Municipal Telephone System user charges	243,218	153,786
Dryden Mobility user charges	<u>55,644</u>	<u>59,318</u>
	<u>\$ 540,645</u>	<u>\$ 442,722</u>

The Corporation of the City of Dryden
Notes to Consolidated Financial Statements

December 31, 2010

8. Long-term Receivables

	2010	2009
Loan receivable from Dryden Regional Health Centre, unsecured, repayable in monthly instalments of \$14,380 including interest at 5%; maturing January 2014	\$ 1,406,764	\$ 636,139
Loan receivable from District of Kenora Home for the Aged, repayable in monthly instalments of \$76,282 including interest at 5.28%, secured by debenture By-law # 3139-2004; maturing June 2016	4,275,494	5,027,145
Loan receivable from District of Kenora Home for the Aged, repayable in monthly instalments of \$9,822 including interest at 5.28%, secured by debenture By-law # 3139-2004; maturing June 2016	<u>647,266</u>	<u>647,266</u>
	<u><u>\$ 6,329,524</u></u>	<u><u>\$ 6,310,550</u></u>

Principal repayments on long-term receivables for the next five years and thereafter are as follows:

Year	Amount
2011	\$ 1,017,625
2012	1,072,734
2013	1,130,832
2014	1,030,569
2015	1,071,824
Thereafter	<u>1,005,940</u>
	<u><u>\$ 6,329,524</u></u>

9. Long-term Investments

	2010	2009
Guaranteed investment certificates, interest payable at 1.9% and 2% per annum; maturing in various months in 2014	<u>\$ 16,562</u>	<u>\$ 16,248</u>

The Corporation of the City of Dryden Notes to Consolidated Financial Statements

December 31, 2010

10. Bank Indebtedness

	2010	2009
Line of credit	<u>\$ -</u>	<u>\$ 2,257,538</u>

The Corporation of the City of Dryden has an operating line of credit of \$7,500,000 with the Canadian Imperial Bank of Commerce. This operating line of credit is for general business purposes, is due on demand and bears interest at prime less 0.10%. The operating line of credit is secured by Council By-laws.

The Corporation of the City of Dryden had not utilized any advances under this facility at December 31, 2010.

The agreements governing the line of credit contain certain covenants regarding i) provision of audited financial statements within 120 days of the fiscal year end, and ii) provision of the approved budget within 150 days of the fiscal year end. The City was in violation of covenant i) provision of audited financial statements within 120 days of the fiscal year end as at December 31, 2010.

11. Employee Benefits Liability

The employee benefits liability consists solely of non-vested sick leave payable that has been calculated by an actuary based on the projected benefit method prorated on service. The significant assumptions assume a discount rate of 5.00%, future salary increases of 3.50%, and an estimated average remaining service life of 12.3 years.

Employee Benefits Liability	2010	2009
Accrued employee benefits liability	<u>\$ 883,871</u>	<u>\$ 646,021</u>
Unamortized actuarial loss	<u>(78,056)</u>	<u>-</u>
Employee benefits liability	<u><u>\$ 805,815</u></u>	<u><u>\$ 646,021</u></u>

Employee Benefits Liability Expenditures	2010	2009
Current year benefit costs	<u>\$ 197,304</u>	<u>\$ 172,406</u>
Interest on accrued benefit obligation	<u>43,220</u>	<u>39,407</u>
Employee contributions	<u>(80,730)</u>	<u>(85,085)</u>
Employee benefits expenditure	<u><u>\$ 159,794</u></u>	<u><u>\$ 126,728</u></u>

The Corporation of the City of Dryden Notes to Consolidated Financial Statements

December 31, 2010

12. Landfill Closure and Post Closure Liability

The consolidated statement of financial position reflects liabilities for anticipated future costs related to the closing and monitoring of the existing landfill sites. This liability is recognized over the operating life of the waste disposal sites, in proportion to the sites' utilized capacity.

Relevant information regarding the landfill sites is as follows:

	Dryden Site	Barclay Site
Total estimated expenditures for closure and post closure Landfill closure and post closure liability as at December 31, 2010	\$ 1,350,475	\$ 443,337
Total expenditures remaining to be recognized	\$ 394,292	\$ 368,462
Remaining capacity of the site (cubic metres)	\$ 956,183	\$ 74,875
Remaining landfill site life (years)	410,660	2,280
Number of years required for post closure care	24	8
	25	25

The Corporation of the City of Dryden Notes to Consolidated Financial Statements

December 31, 2010

13. Post-retirement Benefits Liability

The Corporation of the City of Dryden provides the following benefits to employees who have been a member of the benefits plan for at least one year immediately prior to retirement from active service with retirement under the terms of the OMERS pension plan:

- Extended health care drug plan
- Dental benefits
- Semi-private hospital coverage
- Vision care
- Group life insurance and AD&D insurance

At December 31, 2010 The Corporation of the City of Dryden's accrued benefit obligation relating to post-retirement benefit plans was \$1,189,024 (2009 - \$1,044,981).

The significant actuarial assumptions adopted and estimated for The Corporation of the City of Dryden's accrued benefit obligations are as follows:

Discount Rate	5.00%
Health Care Drug Cost Increase	8.2% decreasing linearly to an ultimate rate after 7 years of Consumer Price Index (CPI), plus 1%
General Inflation	3%
Other Benefits Cost Increase	Consumer Price Index plus 1%

Post-retirement Benefits Liabilities	2010	2009
Accrued post-retirement benefits obligations	\$ 1,151,705	\$ 845,692
Unamortized actuarial loss	84,960	96,459
Change in obligation from experience	(47,641)	102,830
Post-retirement benefits liability	<u>\$ 1,189,024</u>	<u>\$ 1,044,981</u>

Post-retirement Benefits Expenditure	2010	2009
Current year benefit costs	\$ 71,138	\$ 51,663
Interest on accrued benefit obligation	56,326	57,576
Employee contributions	(20,351)	(25,811)
Post-retirement benefits expenditure	<u>\$ 107,113</u>	<u>\$ 83,428</u>

The Corporation of the City of Dryden Notes to Consolidated Financial Statements

December 31, 2010

14. Deferred Revenue/Obligatory Reserve Funds

	2010	2009
Deferred revenue	<u>\$ 277,984</u>	<u>\$ 341,258</u>

The net change during the year in the deferred revenue/obligatory reserve fund balances is made up as follows:

	2010	2009
Balance, beginning of year	<u>\$ 341,258</u>	<u>\$ 1,631,318</u>
Transfers from revenue in the current year		
Customer deposits	105,390	99,831
Deferred grants	112,526	140,904
Donations	-	18,000
Miscellaneous	<u>17,431</u>	<u>20,346</u>
	<u>235,347</u>	<u>279,081</u>
Transfers to revenue in the current year		
Transfer to grant revenue	169,257	1,344,728
Transfer to miscellaneous revenue	11,533	13,594
Transfer to donation revenue	18,000	111,026
Transfer to user fee revenue	<u>99,831</u>	<u>99,793</u>
	<u>298,621</u>	<u>1,569,141</u>
Balance, end of year	<u>\$ 277,984</u>	<u>\$ 341,258</u>

The Corporation of the City of Dryden Notes to Consolidated Financial Statements

December 31, 2010

15. Debt Financing

- a) The balance of net long-term liabilities reported on the consolidated statement of financial position is made up of the following:

	2010	2009
Fire and Police building debenture repayable in monthly instalments of \$52,746 including principal and interest at 4.540%, secured by By-law #3297-2005; maturing 2015	\$ 2,826,521	\$ 3,318,959
Wabigoon Lift Station debenture repayable in monthly instalments of \$42,825 including principal and interest at 5.200%, secured by By-law #3532-2007; maturing 2017	3,009,550	3,356,982
District of Kenora Home for the Aged debenture #1 repayable in monthly instalments of \$76,282 including principal and interest at 5.280%, secured by By-law #3139-2004; maturing 2016	4,361,233	5,027,145
District of Kenora Home for the Aged debenture #2 repayable in monthly instalments of \$9,822 including principal and interest at 5.280%, secured by By-law #3139-2004; maturing 2016	561,527	647,266
Promissory note repayable in annual instalments of \$161,986 plus interest at prime plus 2%; secured by By-law #3643-2009; maturing 2012	323,973	485,959
Ontario Infrastructure Projects Corporation advance, interest at floating rates based on the risk adjusted cost of borrowing, advance to be converted into a debenture upon completion of project	-	10,000,000
Ontario Infrastructure Projects Corporation debenture, repayable in semi annual instalments of \$718,392 including principal and interest at 3.56%, secured by By-law #3794-2010; maturing 2020	12,000,000	-
Canada Mortgage and Housing Corporation mortgage repayable in semi annual instalments of \$868,965 including principal and interest at 3.82%, secured by By-law #3808-2010; maturing 2030	<u>12,000,000</u>	-
	<u><u>\$ 35,082,804</u></u>	<u><u>\$ 22,836,311</u></u>

The Corporation of the City of Dryden Notes to Consolidated Financial Statements

December 31, 2010

15. Debt Financing (continued)

- b) Debt charges for the next five years and thereafter are as follows:

	Principal	Interest	Total
2011	\$ 3,264,647	\$ 1,411,320	\$ 4,675,967
2012	3,403,166	1,265,217	4,668,383
2013	3,386,073	1,099,772	4,485,845
2014	3,537,649	948,193	4,485,845
2015	3,696,222	789,623	4,485,845
Thereafter	<u>17,795,047</u>	<u>3,967,764</u>	<u>21,762,811</u>
	<u>\$ 35,082,804</u>	<u>\$ 9,481,889</u>	<u>\$ 44,564,696</u>

- c) The net long-term liabilities in a) issued in the name of the municipality have either received approval of the Ontario Municipal Board on or before December 31, 2000 or are within the annual debt repayment limit prescribed by the Ministry of Municipal Affairs and Housing, if issued after January 1, 2006.

The agreements governing the long-term debt facilities contain certain covenants regarding i) provision of audited financial statements within 120 days of the fiscal year end, and ii) provision of the approved budget within 120 days of the fiscal year end. The City was in violation of covenant i) provision of audited financial statements within 120 days of the fiscal year end as at December 31, 2010.

The Corporation of the City of Dryden
Notes to Consolidated Financial Statements

December 31, 2010

16. Tangible Capital Assets

	2010						
	Land	Buildings	Mobility Equipment	Telephone Equipment	Office Equipment	Vehicles under lease obligations	Total
Cost, beginning of year	\$ 38,781	\$ 781,954	\$ 13,455,751	\$ 16,338,572	\$ 1,115,294	\$ 579,915	\$ 151,426
Additions	-	-	2,899,214	411,733	59,966	33,295	\$ 32,461,693
Disposals	-	-	(460,026)	(97,821)	(130,074)	-	3,404,208
Transfers	-	-	-	-	-	-	(687,921)
Cost, end of year	\$ 38,781	\$ 781,954	\$ 15,894,939	\$ 16,652,484	\$ 1,045,186	\$ 764,636	\$ 35,177,980
Accumulated amortization, beginning of year	\$ -	\$ 461,309	\$ 2,004,130	\$ 13,754,341	\$ 916,697	\$ 302,506	\$ 91,911
Amortization	-	12,199	883,568	1,423,762	138,253	93,499	\$ 17,530,894
Disposals	-	-	(460,026)	(97,821)	(130,074)	-	2,551,281
Transfers	-	-	-	-	-	-	(687,921)
Accumulated amortization, end of year	\$ -	\$ 473,508	\$ 2,427,672	\$ 15,080,282	\$ 924,876	\$ 487,916	\$ 19,394,254
Net carrying amount, end of year	\$ 38,781	\$ 308,446	\$ 13,467,267	\$ 1,572,202	\$ 120,310	\$ 276,720	\$ 15,783,726

The Corporation of the City of Dryden
Notes to Consolidated Financial Statements

December 31, 2010

16. Tangible Capital Assets (continued)

	2009						
	Land	Buildings	Mobility Equipment	Telephone Equipment	Office Equipment	Vehicles under lease obligations	Total
Cost, beginning of year	\$ 31,221	\$ 765,150	\$ 3,540,793	\$ 15,429,625	\$ 909,959	\$ 528,315	\$ 151,426
Additions	7,560	16,804	9,914,958	1,245,425	205,335	75,458	\$ 21,356,489
Disposals	-	-	-	(336,478)	-	(23,858)	11,465,540
Cost, end of year	<u>\$ 38,781</u>	<u>\$ 781,954</u>	<u>\$ 13,455,751</u>	<u>\$ 16,338,572</u>	<u>\$ 1,115,294</u>	<u>\$ 579,915</u>	<u>\$ 151,426</u>
Accumulated amortization, beginning of year	\$ -	\$ 449,241	\$ 1,509,651	\$ 12,390,078	\$ 795,506	\$ 257,100	\$ 72,983
Amortization	12,068	494,479	1,685,577	121,191	69,764	18,928	\$ 15,474,559
Disposals	-	-	(321,314)	-	(23,858)	-	2,401,507
Accumulated amortization, end of year	<u>\$ -</u>	<u>\$ 461,309</u>	<u>\$ 2,004,130</u>	<u>\$ 13,754,341</u>	<u>\$ 916,697</u>	<u>\$ 302,506</u>	<u>\$ 91,911</u>
Net carrying amount, end of year	<u>\$ 38,781</u>	<u>\$ 320,645</u>	<u>\$ 11,451,621</u>	<u>\$ 2,584,231</u>	<u>\$ 198,597</u>	<u>\$ 277,409</u>	<u>\$ 59,515</u>
							\$ 17,530,894
							\$ 14,930,799

The Corporation of the City of Dryden Notes to Consolidated Financial Statements

December 31, 2010

17. Accumulated Deficit

The Municipality segregates its accumulated surplus in the following categories:

	2010	2009
Current Funds	\$ 8,792,976	\$ (1,127,104)
Investment in tangible capital assets	15,783,726	14,930,799
Dryden Municipal Telephone System	2,976,435	2,490,766
Dryden Mobility	(5,252,667)	(13,153,179)
Amounts to be recovered	(34,180,074)	(10,895,741)
Reserves		
for working capital		
for administration	734,335	891,615
for capital		
for roads	48,318	48,011
for water	110,000	110,000
for other capital projects	2,619,416	3,579,263
	<u>\$ (8,367,535)</u>	<u>\$ (3,125,570)</u>

Reserves represent funds set aside by By-law or Council resolution for specific purposes.

18. Other Income

	2010	2009
Penalties and interest on taxation	\$ 95,781	\$ 78,807
Investment	372,273	437,386
Building rentals	561,858	545,298
Provincial Offences Act	817,124	783,592
Licences and permits	104,982	63,062
Sale of land	7,281	
Other fines	9,687	11,581
Miscellaneous	830,980	513,450
Donations	107,140	166,435
	<u>\$ 2,907,106</u>	<u>\$ 2,599,611</u>

The Corporation of the City of Dryden Notes to Consolidated Financial Statements

December 31, 2010

19. Expenditures by Object

Total operating expenditures for the year reported on the consolidated statement of operations and accumulated deficit are as follows:

	2010	2009
Salaries, wages and employee benefits	\$ 14,142,106	\$ 13,576,355
Materials	19,250,779	12,858,002
Contracted services	1,627,129	2,202,100
Rents and financial expenses	454,648	249,698
Interest on long-term debt	626,774	666,544
Contributions to other organizations	2,726,314	2,731,751
Dryden Municipal Telephone System expenditures	3,561,355	3,652,777
Dryden Mobility expenditures	<u>4,687,859</u>	<u>3,598,235</u>
	<u>\$ 47,076,964</u>	<u>\$ 39,535,462</u>

20. Pension Agreements

OMERS provides pension services to more than 409,746 active and retired members and approximately 931 employers. Each year an independent actuary determines the funding status of OMERS Primary Pension Plan (the Plan) by comparing the actuarial value of invested assets to the estimated present value of all pension benefits that members have earned to date. The most recent actuarial valuation of the Plan was conducted at December 31, 2010. The results of this valuation disclosed total actuarial liabilities of \$60,035 million in respect of benefits accrued for service with actuarial assets at that date of \$55,568 million indicating an actuarial deficit of \$4,467 million. Because OMERS is a multi-employer plan, any pension plan surpluses or deficits are a joint responsibility of Ontario municipal organization and their employees. As a result, the municipality does not recognize any share of the OMERS pension surplus or deficit. Contributions made by the municipality to OMERS for 2010 was \$826,851 (2009 - \$810,707).

21. Trust Funds

The trust funds administered by the municipality amounting to \$529,256 (2009 - \$527,109) have not been included in the consolidated statement of financial position nor have the operations been included in the consolidated statement of operations and accumulated deficit. At December 31, 2010 the trust funds balance is as follows:

	2010	2009
Cemetery Perpetual Care	<u>\$ 529,256</u>	<u>\$ 527,109</u>

The Corporation of the City of Dryden Notes to Consolidated Financial Statements

December 31, 2010

22. Contributions to Unconsolidated Joint Boards

The following contributions were made by the municipality to joint boards:

	<u>2010</u>	<u>2009</u>
District of Kenora Home for the Aged	\$ 721,686	\$ 683,370
Northwestern Health Unit	384,950	388,560
Kenora District Services Board	<u>1,402,109</u>	<u>1,500,319</u>
	<u>\$ 2,508,745</u>	<u>\$ 2,572,249</u>

23. Taxation

	<u>2010</u>	<u>2009</u>
Property taxes	\$ 14,556,688	\$ 13,757,810
Payments to school boards	<u>(3,648,415)</u>	<u>(3,236,701)</u>
Available for general municipal purposes	<u>\$ 10,908,273</u>	<u>\$ 10,521,109</u>

24. Budget

The Financial Plan (Budget) By-law adopted by Council on February 16, 2010 (revised on July 12, 2010) was not prepared on a basis consistent with that used to report actual results (Public Sector Accounting Standards). The budget was prepared on a modified accrual basis while Public Sector Accounting Standards now require a full accrual basis. As a result, the budget figures presented in the statements of operations and accumulated deficit, and change in net debt represent the Financial Plan adopted by Council on February 16, 2010 (revised on July 12, 2010) with adjustments as follows:

	<u>2010</u>
Financial Plan (Budget) By-law surplus for the year	\$ 1,489,129
Add:	
Transfers to accumulated surplus	1,127,100
Loan payments	837,606
Less:	
Transfers from accumulated surplus	(2,642,087)
Proceeds on Debenture	<u>(4,765,000)</u>
Budget surplus per statement of operations and accumulated deficit	<u>\$ (3,953,252)</u>

The Corporation of the City of Dryden Notes to Consolidated Financial Statements

December 31, 2010

25. Physical Assets

The amounts below represent the values as estimated by the municipality's insurer:

Building and structures	\$ 53,888,248
Contents and equipment	53,720,700

26. Commitments

The Corporation of the City of Dryden leases certain of its premises and equipment under various operating leases. The future minimum lease payments over the next five years are as follows:

Year	Amount
2011	\$ 273,821
2012	157,318
2013	69,913
2014	26,972
2015	151

27. Contingent Liabilities

The Corporation of the City of Dryden is involved in a wrongful dismissal suit with a previous employee. The outcome of this suit is not determinable at the audit date. No opinion is expressed as to whether these claims would have a material effect on the City's current year consolidated financial statements. If any settlements result from the claims, these settlements will be expensed in the Consolidated Statement of Operations and Accumulated Deficit in the year in which judgements are rendered. No provision has been made in these consolidated financial statements in respect of the above claim.

The municipality has settled a claim with Roma Insurance. The City may still be liable for additional amounts, however, management is unable to determine if there will be a liability from future claims. No opinion is expressed as to whether these claims would have a material effect on the City's current year consolidated financial statements. If any settlements result from the claims, these settlements will be expensed in the Consolidated Statement of Operations and Accumulated Deficit in the year in which judgements are rendered. No provision has been made in these consolidated financial statements in respect of the above claim.

In the normal course of business, appeals are made by taxpayers against property assessments, the resolution of which is not known as at the date of issuance of these consolidated financial statements. It is the practice of The Corporation of the City of Dryden to provide for any claims only when the decisions are rendered by the appropriate authorities.

A significant taxpayer has filed an appeal with the Assessment Review Board for a reduction in their taxes for a number of years. In the opinion of management, the overall reduction of tax is not determinable. As such, no provision has been provided for in the consolidated financial statements. Reductions, if any, made with respect to this appeal are expected to be accounted for as a charge to expenditures in the period in which the realization is known.

The Corporation of the City of Dryden Notes to Consolidated Financial Statements

December 31, 2010

28. Comparative Figures

Certain of the comparative figures have been restated to conform to the presentation adopted in the current year.

29. Segmented Information

The Corporation of the City of Dryden is a diversified municipal government institution that provides a wide range of services to its citizens. The management of the municipality considers decisions based on separate service areas. These service areas are: general government, protection services, transportation services, environmental services, health services, social and family services, social housing, recreational and cultural services and planning and development.

Descriptions of the services and funds that management bases their decisions on, are as follows:

General Government

General government consists of governance, corporate management and program support. These categories relate to operations of all of the various programs and services that the municipality offers to its citizens.

Protection Services

Protection is comprised of police services and fire protection. Police service is contracted out to the Ontario Provincial Police. The fire department is responsible to provide fire suppression service, fire prevention programs, training and education related to prevention, detection or extinguishment of fires.

Transportation Services

The transportation services area provides construction and maintenance of the roadways throughout the municipality as well as the municipal airport.

Environmental Services

Environmental services consists of the management and maintenance of the sanitary sewer system, waterworks system, and waste disposal facility located within the municipal borders.

Health Services

Health services are comprised of public health services and ambulance service. The municipality contributes to local boards which provide these services to the citizens of the municipality.

Social and Family Services

Social and family services are comprised of general assistance, child care and assistance to the aged. The municipality contributes to local boards which provide these services to the citizens of the municipality.

The Corporation of the City of Dryden Notes to Consolidated Financial Statements

December 31, 2010

29. Segmented Information (continued)

Social Housing

The municipality contributes to a local board, which provides social housing if the citizens of The Corporation of the City of Dryden require the service.

Recreational and Cultural Services

This service area consists of the operation and maintenance of local parks, recreational facilities, cultural facilities, and the town library.

Planning and Development

These services relate to zoning issues as well as planning of various municipal maintenance projects.

The Corporation of the City of Dryden
Notes to Consolidated Financial Statements

December 31, 2010

29. Segmented Information (continued)

For the year ended December 31, 2010	General Government	Protection Services	Transportation Services	Environmental Services	Health Services	Social and Family Services	Social Housing	Recreational and Cultural Services	Planning and Development	Eliminations	Total
Revenue											
Taxation	\$ 1,560,450	\$ 3,140,391	\$ 581,717	\$ 1,637,830	\$ 700,360	\$ 942,270	\$ -	\$ 1,847,065	\$ 498,190	\$ -	\$ 10,908,273
Fees and user charges	-	225,517	4,789,036	73,045	322,487	-	697,547	16,934	-	6,124,566	-
Conditional grants	1,577,922	193,778	5,640,644	873,338	42,219	1,711,374	-	382,140	1,545,540	-	11,966,955
Unconditional grants	201,112	463,255	108,430	722,326	110,620	171,339	1,056,218	342,428	75,172	-	3,250,900
Other	203,980	410,508	96,109	640,245	98,050	151,869	936,196	303,517	66,630	-	2,907,104
Dryden Municipal Telephone System	-	-	-	-	-	-	-	-	4,140,584	-	4,140,584
Dryden Mobility	-	-	-	-	-	-	-	-	2,536,617	-	2,536,617
Total revenue	3,543,464	4,207,932	6,652,417	8,662,775	1,024,294	3,299,339	1,992,414	3,572,697	8,879,667	-	41,834,999
Expenses											
Wages and benefits	2,504,087	4,243,592	2,119,347	967,716	80,266	1,966,708	-	2,035,934	224,458	-	14,142,108
Long-term debt charges (interest)	93,468	25,191	-	212,721	-	281,592	-	13,802	-	-	626,774
Materials	748,675	1,110,878	4,571,490	7,763,415	329,876	311,800	-	2,275,092	2,139,031	-	19,250,257
Contracted services	625,749	79,361	224,990	462,504	88,847	14,480	-	81,135	50,063	-	1,627,129
Rents and financial	330,335	-	8,462	18,207	-	46,260	-	30,000	21,384	-	454,648
External transfers	-	217,569	-	-	852,802	1,118,917	537,026	-	-	520	-
Amortization	-	-	-	-	-	-	-	-	-	520	-
Dryden Municipal Telephone System	-	-	-	-	-	-	-	-	3,561,355	-	3,561,355
Dryden Mobility	-	-	-	-	-	-	-	-	4,687,859	-	4,687,859
Total expenses	4,302,314	5,676,591	6,924,289	9,424,563	1,351,791	3,739,757	537,026	4,435,963	10,684,670	-	47,076,964
Net surplus (deficit)	\$ (758,850)	\$ (1,468,659)	\$ (271,872)	\$ (761,788)	\$ (327,497)	\$ (440,418)	\$ 1,455,388	\$ (863,266)	\$ (1,805,003)	-	\$ (5,241,965)

The Corporation of the City of Dryden
Notes to Consolidated Financial Statements

December 31, 2010

29. Segmented Information (continued)

	For the year ended December 31, 2009			General Government Services			Health Services		Social and Family Services		Recreational and Cultural Services		Planning and Development		Eliminations		Total	
Revenue																		
Taxation	\$ 2,714,314	\$ 2,896,132	\$ 1,864,191	\$ 217,025	4,329,827	\$ 246,850	\$ 796,286	\$ 56,487	\$ 340,929	-	\$ 1,391,339	\$ 611,995	\$ -	\$ 10,521,107	-	5,676,460	-	
Fees and user charges	-	-	-	1,167,054	1,991,846	678,118	-	-	2,049,913	-	-	719,190	13,002	-	6,993,331	-	3,306,901	-
Conditional grants	475,300	507,138	353,644	443,104	489,080	182,178	413,863	-	-	333,798	108,796	585,984	-	2,599,609	-	2,079,347	-	
Unconditional grants	373,641	398,670	278,005	348,332	384,474	143,213	325,344	-	-	262,404	85,526	-	4,079,347	-	4,079,347	-		
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,840,722	-
Dryden Municipal Telephone System	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,840,722	-
Dryden Mobility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total revenue	4,730,309	4,037,887	4,704,711	5,799,381	1,176,891	3,512,519	739,207	2,991,200	7,325,372	-	35,017,477	-	-	-	-	-	-	-
Expenses																		
Wages and benefits	2,326,622	4,096,454	2,014,419	940,151	79,592	1,972,360	-	-	1,812,999	-	207,028	-	13,449,625	-	666,544	-	666,544	-
Long-term debt charges (interest)	107,979	29,102	-	193,351	-	320,167	-	-	-	15,945	-	-	-	-	-	-	12,984,732	-
Materials	2,136,124	778,777	3,211,492	3,359,509	315,795	279,376	-	-	1,599,865	1,303,794	-	84,444	121,021	-	2,202,100	-	249,698	-
Contracted services	1,116,011	123,176	210,072	486,866	45,284	15,226	-	-	30,000	16,286	-	-	-	-	-	-	2,731,751	-
Rents and financial	120,556	8,400	-	24,158	-	50,298	-	-	-	-	-	-	-	-	-	-	3,652,777	-
External transfers	-	159,502	-	-	837,435	1,191,041	543,773	-	-	-	-	-	-	-	-	-	3,598,235	-
Dryden Municipal Telephone System	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,598,235	-
Dryden Mobility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total expenses	5,807,292	5,187,011	5,444,383	5,004,035	1,278,106	3,828,468	543,773	3,543,253	8,899,141	-	39,535,462	-	\$(4,517,985)	-	\$(4,517,985)	-	\$(4,517,985)	-
Net surplus (deficit)	\$ (1,076,983)	\$ (1,149,124)	\$ (739,672)	\$ 795,346	\$ (101,215)	\$ (315,949)	\$ 195,434	\$ (552,053)	\$ (1,573,769)	\$ -	\$ 39,535,462	-	\$ (4,517,985)	-	\$ (4,517,985)	-	\$ (4,517,985)	-