

CORPORATION OF THE CITY OF BROCKVILLE

Notes to Consolidated Financial Statements

Year ended December 31, 2010

17. Financial instruments:

The City's financial instruments include cash and short-term investments, accounts receivable, accounts payable and accrued liabilities, short-term credit facility and net long-term liabilities.

The City invests its cash with one or more Canadian Schedule I Banks.

Management estimates that the fair value of the net long-term liabilities does not differ materially from the carrying value.

Due to their nature or capacity for prompt liquidation, the fair values of the other financial instruments approximate their carrying values.

The City is exposed to interest rate risk with respect to its short-term credit facility since it has a variable interest rate. A 1% increase in interest rates would result in an annual increase of \$64,000 in expenses.

It is management's opinion that the City is not exposed to significant interest rate or currency risks arising from the other financial instruments. Provision is made for losses on collection of accounts receivable, when management determines it is necessary.

18. Segmented information:

Segmented information has been provided in accordance with the functional lines of service that are presented in the consolidated statement of operations. The activities that are included in each functional line of services are as follows:

General government consists of the Mayor and Council, the City Manager and administrative services which include the Clerk, Finance, Human Resources and Information Technology departments.

Protection consists of Fire, Police and By-law Enforcement departments as well as contributions to the Cataraqui Region Conservation Authority.

Transportation services includes engineering, road and sidewalk construction and maintenance, winter control, traffic operations and parking.

Environmental services included the operations of waterworks, sanitary and storm sewers, wastewater treatment, solid waste disposal and recycling.

Health services consists of cemetery management and maintenance and transfers to the local Health Unit.

Social and family services consists of transfers to the United Counties of Leeds and Grenville for social and family services and social housing, transfers to St Lawrence Lodge and interest on net long-term liabilities with respect to St Lawrence Lodge.

Recreational and cultural services is comprised primarily of parks services and the operation of recreational facilities, the library and the museum.

Planning and development is comprised of planning and zoning, and economic development.

CORPORATION OF THE CITY OF BROCKVILLE

Notes to Consolidated Financial Statements

Year ended December 31, 2010

15. Public sector salary disclosure:

Under the Public Sector Salary Disclosure Act, 1996 the City is required to disclose the name, position, salary and taxable benefits of employees with annual salaries of \$100,000 or more.

For 2010 the employees who met the requirements for disclosure were as follows:

<u>Name</u>	<u>Position</u>	<u>Salary</u>	<u>Taxable Benefits</u>
Adrian Geraghty	Police Chief	\$ 149,510	\$ 1,193
Robert Casselman	City Manager	\$ 146,738	\$ 1,266
Lee MacArthur	Deputy Police Chief	\$ 137,511	\$ 1,092
Conal Cosgrove	Director, Operations	\$ 126,845	\$ 1,097
Paul Ladoucer	Detective Sergeant	\$ 123,359	\$ 839
D. Thomas Fournier	Police Investigator 1	\$ 117,040	\$ 794
Harry Jones	Fire Chief	\$ 113,340	\$ 972
Donna Cyr	Director, Finance	\$ 109,151	\$ 934
Robert Ferguson	1 st Class Police Constable	\$ 108,242	\$ 714
Paul Smith	Police Investigator 1	\$ 107,479	\$ 812
Christopher Dwyre	Deputy Fire Chief	\$ 106,849	\$ 918
Maureen Pascoe-Merkley	Director, Planning	\$ 106,695	\$ 914
Scott Fraser	Police Inspector	\$ 105,782	\$ 892
Mark Noonan	Police Investigator 1	\$ 102,654	\$ 794
Darlene Reilly	1 st Class Police Constable	\$ 102,204	\$ 766
Craig Mason	Fire Captain	\$ 101,940	\$ 775
Shawn Borgford	1 st Class Police Constable	\$ 101,888	\$ 665
Douglas Locke	Police Sergeant	\$ 101,722	\$ 812
Edmund Stone	Staff Sergeant	\$ 101,377	\$ 857
John Inglis	Fire Captain	\$ 101,085	\$ 789
Andrew Harvie	Police Sergeant	\$ 100,780	\$ 776

16. Expenses by object:

The following is a summary of the expenses by object:

	2010	2009
Salaries, wages and benefits	\$ 23,606,808	\$ 21,013,147
Interest on long-term liabilities	1,201,804	1,256,935
Materials and supplies	6,896,046	6,601,376
Contracted services	8,433,604	6,596,278
Rents and financial	52,444	29,321
Transfer payments	6,149,190	7,335,613
Amortization of tangible capital assets	2,685,136	2,467,880
Loss on disposal of tangible capital assets	104,461	-
	\$ 49,129,493	\$ 45,300,550

CORPORATION OF THE CITY OF BROCKVILLE

Consolidated Statement of Operations

Year ended December 31, 2010, with comparative figures for 2009

	Budget 2010 (unaudited)	Actual 2010	Actual 2009
Revenues:			
Property taxation	\$ 28,711,779	\$ 28,598,218	\$ 27,374,337
Taxation from other governments	423,923	410,344	406,363
User charges	10,685,134	11,017,313	10,872,635
Charges to other municipalities	783,891	793,054	854,350
Government grants	13,984,003	20,792,801	7,708,249
Contributions from developers	150,000	145,808	137,949
Penalties and interest on taxes	356,077	419,517	316,501
Investment income	63,660	126,057	225,961
Donations	55,855	216,164	938,349
Disposal of property and equipment	-	22,119	102,166
Recovery of expenses and miscellaneous	471,697	850,375	416,486
	55,686,019	63,391,770	49,353,346
Expenses:			
General government	4,715,220	3,721,842	3,605,122
Protection	12,090,121	14,041,416	12,164,961
Transportation services	6,019,798	7,392,798	4,955,401
Environmental services	25,960,642	7,944,505	9,603,343
Health services	1,709,075	1,725,202	1,657,578
Social services	5,456,099	5,271,700	6,366,044
Recreation and cultural services	4,616,882	5,904,930	5,079,086
Planning and development	1,835,600	3,127,100	1,869,015
	62,403,437	49,129,493	45,300,550
Excess of revenues over expenses	\$ (6,717,418)	14,262,277	4,052,796
Accumulated surplus, beginning of year		41,123,391	37,070,595
Accumulated surplus, end of year		\$ 55,385,668	\$ 41,123,391

Certain comparative figures in this consolidated financial statement have been restated to conform with the financial statement presentation adopted for the current year.

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

CORPORATION OF THE CITY OF BROCKVILLE

Notes to Consolidated Financial Statements

Year ended December 31, 2010

18. Segmented information (continued):

	General Government	Protection	Transportation Services	Environmental Services	Health Services	Social Services	Recreational and Cultural Services	Planning and Development	Total
Revenues:									
Property taxation	\$ 28,341,884	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 256,334	\$ 28,598,218
Taxation from other governments	349,744	-	14,905	40,728	-	-	4,967	-	410,344
User charges	228,817	1,158,689	718,917	6,836,037	158,324	-	1,734,684	181,845	11,017,313
Charges to other municipalities	46,760	236,379	-	-	-	509,915	-	-	793,054
Government grants	878,034	174,019	2,731,357	14,733,699	-	-	1,128,099	1,147,593	20,792,801
Contributions from developers	-	-	-	145,808	-	-	-	-	145,808
Penalties and interest on taxes	369,406	-	-	50,111	-	-	-	-	419,517
Investment income	112,980	-	-	12,247	-	-	830	-	126,057
Donations	-	2,400	-	-	-	-	126,436	87,328	216,164
Sale of property and equipment	-	(575)	13,970	13,536	(5,112)	-	300	-	22,119
Recovery of expenditures and miscellaneous	213,358	61,762	54,397	6,052	42,212	-	133,066	339,528	850,375
	\$ 30,540,983	\$ 1,632,674	\$ 3,533,546	\$ 21,838,218	\$ 195,424	\$ 509,915	\$ 3,128,382	\$ 2,012,628	\$ 63,391,770
Expenses:									
Wages and benefits	\$ 1,812,118	\$ 12,388,334	\$ 2,375,445	\$ 3,421,365	\$ 198,679	\$ -	\$ 2,384,829	\$ 1,026,038	\$ 23,606,808
Interest on long-term liabilities	-	31,152	191,560	165,608	-	804,507	8,977	-	1,201,804
Materials and supplies	1,232,649	888,072	1,092,648	2,103,558	48,171	-	1,139,340	391,608	6,896,046
Contracted services	527,720	251,959	2,389,828	1,550,405	23,261	-	1,981,751	1,708,680	8,433,604
Rent and financial services	1,819	536	2,875	26,185	-	-	20,255	774	52,444
Transfer payments	4,154	136,679	-	-	1,443,155	4,467,193	98,009	-	6,149,190
Amortization	143,382	344,684	1,288,205	625,160	11,936	-	271,769	-	2,685,136
Loss on disposal of tangible capital assets	-	-	52,237	52,224	-	-	-	-	104,461
	\$ 3,721,842	\$ 14,041,416	\$ 7,392,798	\$ 7,944,505	\$ 1,725,202	\$ 5,271,700	\$ 5,904,930	\$ 3,127,100	\$ 49,129,493

CORPORATION OF THE CITY OF BROCKVILLE

Notes to Consolidated Financial Statements

Year ended December 31, 2009

18. Segmented information (continued):

	General Government	Protection	Transportation Services	Environmental Services	Health Services	Social Services	Recreational and Cultural Services	Planning and Development	Total
Revenues:									
Property taxation	\$ 27,119,968	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 254,369	\$ 27,374,337
Taxation from other governments	342,484	-	15,763	42,994	-	-	5,122	-	406,363
User charges	234,534	1,368,000	771,262	6,682,122	160,106	-	1,515,392	141,219	10,872,635
Charges to other municipalities	46,168	298,107	160	-	-	509,915	-	-	854,350
Government grants	2,292,086	494,296	1,397,138	1,629,122	5,251	-	1,461,675	428,681	7,708,249
Contributions from developers	-	-	-	137,949	-	-	-	-	137,949
Penalties and interest on taxes	316,501	-	-	-	-	-	-	-	316,501
Investment income	158,617	-	-	66,734	-	-	610	-	225,961
Donations	-	3,815	-	-	500	-	930,600	3,434	938,349
Sale of property and equipment	78,908	1,370	21,128	670	-	-	90	-	102,166
Recovery of expenditures and miscellaneous	186,841	87,770	449	40,358	40,545	-	48,725	11,798	416,486
	\$ 30,776,107	\$ 2,253,358	\$ 2,205,900	\$ 8,599,949	\$ 206,402	\$ 509,915	\$ 3,962,214	\$ 839,501	\$ 49,353,346
Expenses:									
Wages and benefits	\$ 1,738,454	\$ 10,540,348	\$ 1,704,358	\$ 3,706,911	\$ 179,588	\$ -	\$ 2,213,177	\$ 930,311	\$ 21,013,147
Interest on long-term liabilities	-	35,532	220,466	151,649	-	839,440	9,848	-	1,256,935
Materials and supplies	978,139	880,787	269,758	3,210,861	46,246	-	1,011,286	204,299	6,601,376
Contracted services	770,051	273,724	1,415,312	2,035,425	7,603	-	1,360,668	733,495	6,596,278
Rent and financial services	1,546	-	1,840	10,087	-	-	14,938	910	29,321
Transfer payments	-	132,461	-	-	1,414,006	5,526,604	262,542	-	7,335,613
Amortization	116,932	302,109	1,343,667	488,410	10,135	-	206,627	-	2,467,880
	\$ 3,605,122	\$ 12,164,961	\$ 4,955,401	\$ 9,603,343	\$ 1,657,578	\$ 6,366,044	\$ 5,079,086	\$ 1,869,015	\$ 45,300,550