

# **The Corporation of the Town of Latchford**

## **Financial Report**

**December 31, 2007**

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## **Auditors' Report**

### **To the Members of Council, Inhabitants and Ratepayers of The Corporation of the Town of Latchford**

We have audited the consolidated statement of financial position of The Corporation of the Town of Latchford as at December 31, 2007 and the consolidated statements of financial activities and changes in financial position for the year then ended. These financial statements are the responsibility of the town's management. 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 plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of The Corporation of the Town of Latchford as at December 31, 2007 and the results of its activities for the year then ended in accordance with Canadian generally accepted accounting principles.

*Colline Barrow, Sudbury-Nipissing LLP*

Sudbury, Ontario  
April 11, 2008

CHARTERED ACCOUNTANTS,  
LICENSED PUBLIC ACCOUNTANTS

**The Corporation of the Town of Latchford**  
**Consolidated Statement of Financial Position**  
**December 31, 2007**

	<u>2007</u>	<u>2006</u>
<b>Financial Assets</b>		
Cash	\$ 376,886	\$ 335,317
Taxes receivable	79,197	173,671
Accounts receivable	287,871	686,255
Other current assets	<u>-</u>	<u>53,996</u>
<b>Total Assets</b>	<b><u>\$ 743,954</u></b>	<b><u>\$ 1,249,239</u></b>
<b>Liabilities</b>		
Temporary loan, due on demand, interest rate of prime + 0.5%	\$ -	\$ 264,240
Accounts payable and accrued liabilities	472,047	1,042,958
Deferred revenue	69,716	35,168
Municipal debt (note 5)	359,886	76,590
Landfill closure and post-closure (note 6)	<u>196,000</u>	<u>182,000</u>
	<b><u>1,097,649</u></b>	<b><u>1,600,956</u></b>
<b>Municipal Position</b>		
Current fund (page 4)	(60,485)	10,147
Capital fund (page 5)	115,074	(263,725)
Reserves (page 6)	<u>147,602</u>	<u>160,451</u>
Fund balances	<u>202,191</u>	<u>(93,127)</u>
Amounts to be recovered:		
Opening balance, as previously stated	(76,590)	-
Landfill closure and post-closure liability not previously recorded (note 6)	<u>(182,000)</u>	<u>168,000</u>
Opening balance, as restated	(258,590)	168,000
Increase in amounts to be recovered for the year	<u>(297,296)</u>	<u>(90,590)</u>
	<b><u>(555,886)</u></b>	<b><u>(258,590)</u></b>
	<b><u>(353,695)</u></b>	<b><u>(351,717)</u></b>
<b>Total Liabilities and Municipal Position</b>	<b><u>\$ 743,954</u></b>	<b><u>\$ 1,249,239</u></b>

Contingencies (note 13)

The accompanying notes are an integral part of these financial statements.

**The Corporation of the Town of Latchford**  
**Consolidated Statement of Financial Activities**  
**For The Year Ended December 31, 2007**

	<u>2007</u>		<u>2006</u>
	<u>Budget</u> (see note 14)	<u>Actual</u>	<u>Actual</u>
<b>Revenues</b>			
Net taxation/user charges	\$ 648,395	\$ 609,627	\$ 565,277
Transfer payments	611,648	782,379	1,504,462
Sale of land	59,465	32,913	22,948
Other	<u>63,920</u>	<u>54,915</u>	<u>39,050</u>
Total Revenues	<u>1,383,428</u>	<u>1,479,834</u>	<u>2,131,737</u>
<b>Expenditures</b>			
<b>Current</b>			
General government	372,989	387,699	291,022
Protection to persons and property	82,562	80,981	73,257
Transportation services	137,450	155,727	165,687
Environmental services	198,861	226,957	189,357
Health services	51,347	55,307	46,019
Social and family services	125,533	125,333	125,801
Recreation and culture	55,180	90,229	58,020
Planning and development	<u>955</u>	<u>8,165</u>	<u>-</u>
	<u>1,024,877</u>	<u>1,130,398</u>	<u>949,163</u>
<b>Capital</b>			
General government	-	-	15,007
Protection to persons and property	-	1,037	6,190
Transportation services	30,000	2,440	195,031
Environmental services	35,000	340,314	1,208,621
Recreation and culture	347,102	3,507	40,068
Planning and development	<u>-</u>	<u>4,116</u>	<u>-</u>
	<u>412,102</u>	<u>351,414</u>	<u>1,464,917</u>
Total Expenditures	<u>1,436,979</u>	<u>1,481,812</u>	<u>2,414,080</u>
<b>Net Revenues (Expenditures)</b>	<u>(53,551)</u>	<u>(1,978)</u>	<u>(282,343)</u>
Add: New Debt Issued	263,725	300,000	83,550
Less: Debt Principal Repayments	-	(16,704)	(6,960)
Landfill Closure Costs	<u>-</u>	<u>14,000</u>	<u>14,000</u>
<b>Increase in Amounts to be Recovered</b>	<u>263,725</u>	<u>297,296</u>	<u>90,590</u>
<b>Net Revenues (Expenditures) and Change in Fund Balances</b>	<u>\$ 210,174</u>	<u>\$ 295,318</u>	<u>\$ (191,753)</u>

The accompanying notes are an integral part of these financial statements.

**The Corporation of the Town of Latchford**  
**Consolidated Statement of Changes in Financial Position**  
**For The Year Ended December 31, 2007**

	<u>2007</u>	<u>2006</u>
<b>Operations</b>		
Net revenues (expenditures)	<u>\$ 295,318</u>	<u>\$ (191,753)</u>
Uses:		
Decrease in other liabilities	-	(15,428)
Decrease in accounts payable	<b>(570,911)</b>	-
Increase in accounts receivable	-	(414,016)
Increase in taxes receivable	-	(97,699)
Increase in other current assets	-	(29,261)
	<u><b>(570,911)</b></u>	<u>(556,404)</u>
Sources:		
Decrease in accounts receivable	<b>398,384</b>	-
Decrease in taxes receivable	<b>94,474</b>	-
Increase in other liabilities	<b>34,548</b>	-
Increase in accounts payable	-	879,142
Decrease in other current assets	<b>53,996</b>	-
	<u><b>581,402</b></u>	<u>879,142</u>
<b>Net Change in Cash and Cash Equivalents</b>	<b>305,809</b>	130,985
<b>Cash and Cash Equivalents (Deficiency), Beginning of Year</b>	<u><b>71,077</b></u>	<u>(59,908)</u>
<b>Cash and Cash Equivalents, End of Year</b>	<u><b>\$ 376,886</b></u>	<u>\$ 71,077</u>
<b>Cash and Cash Equivalents Consists of:</b>		
Cash	<b>\$ 376,886</b>	\$ 335,317
Temporary loan	<u>-</u>	<u>(264,240)</u>
	<u><b>\$ 376,886</b></u>	<u>\$ 71,077</u>

The accompanying notes are an integral part of these financial statements.

**The Corporation of the Town of Latchford**  
**Consolidated Schedule of Current Fund Operations**  
**For The Year Ended December 31, 2007**

	<u>2007</u>		<u>2006</u>
	<u>Budget</u> (see note 14)	<u>Actual</u>	<u>Actual</u>
<b>Revenues</b>			
Net municipal taxation and user charges	\$ 648,395	\$ 609,627	\$ 565,277
Transfer payments (note 8)	311,648	352,166	371,450
Sale of lots and land	59,465	32,913	22,948
Other	<u>51,420</u>	<u>54,915</u>	<u>39,050</u>
Total Revenues	<u>1,070,928</u>	<u>1,049,621</u>	<u>998,725</u>
<b>Expenditures</b>			
General government	372,989	387,699	291,022
Protection services	82,562	80,981	73,257
Transportation services	137,450	155,727	165,687
Environmental services	198,861	226,957	189,357
Health services	51,347	55,307	46,019
Social and family services	125,533	125,333	125,801
Recreation and culture	55,180	90,229	58,020
Planning and development	<u>955</u>	<u>8,165</u>	<u>-</u>
Total Expenditures	<u>1,024,877</u>	<u>1,130,398</u>	<u>949,163</u>
<b>Net Revenues (Expenditures)</b>	<u>46,051</u>	<u>(80,777)</u>	<u>49,562</u>
<b>Financing and Transfers</b>			
Debt principal repayments	-	(16,704)	(6,960)
Landfill closure costs	-	14,000	14,000
Transfers from (to) reserves	(46,051)	12,849	(46,773)
Transfers to capital operations	<u>-</u>	<u>-</u>	<u>(1,387)</u>
Net Financing and Transfers	<u>(46,051)</u>	<u>10,145</u>	<u>(41,120)</u>
<b>Change in Current Fund Balance</b>	-	(70,632)	8,442
<b>Current Fund Balance, Beginning of Year</b>	<u>10,147</u>	<u>10,147</u>	<u>1,705</u>
<b>Current Fund Balance, End of Year (note 7(a))</b>	<u>\$ 10,147</u>	<u>\$ (60,485)</u>	<u>\$ 10,147</u>

The accompanying notes are an integral part of these financial statements.

**The Corporation of the Town of Latchford**  
**Consolidated Schedule of Capital Fund Operations**  
**For The Year Ended December 31, 2007**

	<u>2007</u>		<u>2006</u>
	<u>Budget</u> (see note 14)	<u>Actual</u>	<u>Actual</u>
<b>Revenues</b>			
Transfer payments (note 8)	\$ 300,000	\$ 430,213	\$ 1,133,012
Donations	12,500	-	-
Total Revenues	<u>312,500</u>	<u>430,213</u>	<u>1,133,012</u>
<b>Expenditures</b>			
General government	-	-	15,007
Protection to persons and property	-	1,037	6,190
Transportation services	30,000	2,440	195,031
Environmental services	35,000	340,314	1,208,621
Recreation and culture	347,102	3,507	40,068
Planning and development	5,000	4,116	-
Total Expenditures	<u>417,102</u>	<u>351,414</u>	<u>1,464,917</u>
<b>Net Revenues (Expenditures)</b>	<u>(104,602)</u>	<u>78,799</u>	<u>(331,905)</u>
<b>Financing and Transfers</b>			
Proceeds of long-term debt	263,725	300,000	83,550
Transfers from current fund	-	-	1,387
Transfers from reserves	104,602	-	14,754
Net Financing and Transfers	<u>368,327</u>	<u>300,000</u>	<u>99,691</u>
<b>Change in Capital Fund Balance</b>	263,725	378,799	(232,214)
<b>Capital Fund Balance, Beginning of Year</b>	<u>(263,725)</u>	<u>(263,725)</u>	<u>(31,511)</u>
<b>Capital Fund Balance, End of Year (note 7(b))</b>	<u>\$ -</u>	<u>\$ 115,074</u>	<u>\$ (263,725)</u>

The accompanying notes are an integral part of these financial statements.

**The Corporation of the Town of Latchford**  
**Consolidated Schedule of Reserves**  
**For The Year Ended December 31, 2007**

	<u>2007</u>		<u>2006</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
<b>Net Transfers From (To) Other Funds</b>			
Transfer from (to) current fund	\$ 46,051	\$ (12,849)	\$ 46,773
Transfer to capital fund	<u>(104,602)</u>	<u>-</u>	<u>(14,754)</u>
Total Net Transfers	<u>(58,551)</u>	<u>(12,849)</u>	<u>32,019</u>
<b>Change in Reserves</b>	<b>(58,551)</b>	<b>(12,849)</b>	32,019
<b>Reserves, Beginning of Year</b>	<u>160,451</u>	<u>160,451</u>	<u>128,432</u>
<b>Reserves, End of Year</b>	<u><u>\$ 101,900</u></u>	<u><u>\$ 147,602</u></u>	<u><u>\$ 160,451</u></u>
<b>Analyzed as follows:</b>			
<b>Reserves set aside for specific purposes:</b>			
OHRP repayment		\$ 3,066	\$ 3,066
Water		457	457
Working capital		46,909	69,193
Annexation/amalgamation		4,326	4,326
Promotion		10,000	10,000
Roads		30,495	30,496
Equipment		28,756	28,756
Gas Tax		<u>23,593</u>	<u>14,157</u>
<b>Total Reserves</b>		<u><u>\$ 147,602</u></u>	<u><u>\$ 160,451</u></u>

The accompanying notes are an integral part of these financial statements.

# The Corporation of the Town of Latchford

## Notes to the Consolidated Financial Statements

### December 31, 2007

#### 1. Accounting Policies

The consolidated financial statements of the Town are the representation of management prepared in accordance with accounting policies prescribed for local governments as recommended by the Public Sector Accounting Board and the Canadian Institute of Chartered Accountants. Since precise determination of many assets and liabilities is dependent upon future events, the preparation of periodic financial statements necessarily involves the use of estimates and approximations. These have been made using careful judgments.

##### (a) Basis of Consolidation

- (i) These consolidated statements reflect the financial assets, liabilities, revenues and expenditures of the current fund, capital fund and reserves and include the activities of all committees of Council and of The Corporation of the Town of Latchford Public Library Board.

All interfund assets and liabilities and revenues and expenditures have been eliminated.

- (ii) Non-Consolidated Entities

The following joint local boards are not consolidated:

Timiskaming District Health Unit  
District of Timiskaming Social Services Administration Board

- (iii) Accounting for School Board Transactions

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

##### (b) Basis of Accounting

- (i) 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.
- (ii) Capital Assets

The historical cost and accumulated amortization for capital assets are not recorded for municipal purposes. Capital assets are reported as an expenditure on the Consolidated Statement of Financial Activities in the year of acquisition.

**The Corporation of the Town of Latchford**  
**Notes to the Consolidated Financial Statements**  
**December 31, 2007**

**1. Accounting Policies (Continued)**

(iii) Reserves

Certain amounts, as approved by Municipal Council, are set aside in reserves for future operating and capital purposes. Transfers to and/or from reserves are an adjustment to the respective fund when approved.

(iv) Government Transfers

Government transfers are recognized in the financial statements as revenues in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made.

(v) Deferred Revenues

Deferred revenues represent user charges and fees which have been collected but for which the related services have yet to be performed. These amounts will be recognized as revenues in the fiscal year the services are performed.

**2. Future Change in Accounting Policies**

**Segment Disclosures**

The Canadian Institute of Chartered Accountants issued Public Sector Handbook Section 2700, Segment Disclosures, dealing with the presentation and disclosure of segment information, effective for the 2008 fiscal year. The presentation standards requires the identification of segments within the town and of the following:

- (a) the basis for identifying segments, the nature of segments and the activities they encompass, and the method of significant allocations to segments;
- (b) segment expense by major object or category;
- (c) segment revenue by source and type; and
- (d) a reconciliation between the information disclosed for segments and the consolidated information in the financial statements.

**Tangible Capital Assets**

The Public Sector Accounting Board ("PSAB") of the Canadian Institute of Chartered Accountants issued Section PS3150, Tangible Capital Assets. This Section applies to local governments for fiscal years beginning on or after January 1, 2009. The Tangible Capital Assets will be presented on the Consolidated Statement of Financial Position as at December 31, 2009. This information is presently not recorded and the Municipality is in the process of taking inventories and gathering cost information for the various categories of assets to implement this new requirement.

**The Corporation of the Town of Latchford**  
**Notes to the Consolidated Financial Statements**  
**December 31, 2007**

**3. Contributions to Unconsolidated Joint Boards**

Further to note 1(a)(ii), the following contributions were made by the Town to these boards:

	<u>2007</u>	<u>2006</u>
Timiskaming District Health Unit	\$ 18,568	\$ 15,708
District of Timiskaming Social Services Administration Board	<u>162,072</u>	<u>156,112</u>
	<u>\$ 180,640</u>	<u>\$ 171,820</u>

**4. Operations of School Boards**

Further to note 1(a)(iii), the taxation, other revenues, expenditures and overlevies of the school boards are comprised of the following:

	<u>2007</u>	<u>2006</u>
Taxation and user charges	\$ 567,221	\$ 563,892
Requisitions	<u>567,221</u>	<u>563,892</u>
Overlevies for the year	<u>\$ -</u>	<u>\$ -</u>

**5. Municipal Debt**

	<u>2007</u>	<u>2006</u>
Term loan, payable in monthly instalments of \$1,392 plus interest at a rate of 6.5%, final instalment due July 24, 2011	\$ 59,886	\$ 76,590
Construction loan, payable in monthly instalments including variable interest, principal instalments will begin in 2009 and will be paid over a 30 year period	<u>300,000</u>	<u>-</u>
	<u>\$ 359,886</u>	<u>\$ 76,590</u>

**The Corporation of the Town of Latchford**  
**Notes to the Consolidated Financial Statements**  
**December 31, 2007**

**5. Municipal Debt (Continued)**

Principal instalments required to be paid over the next five years are as follows:

2008	\$	16,704
2009		21,020
2010		21,290
2011		14,598
2012		<u>5,075</u>
	\$	<u><u>78,687</u></u>

**6. Landfill Closure and Post-Closure**

Under environmental law, there is a requirement for closure and post-closure care of solid waste landfill sites. This requirement is to be provided for over the estimated remaining life of the landfill site based on usage. The reported liability is based on estimates and assumptions with respect to events extending over an extended period using the best information available to management. Future events may result in significant changes to the estimated total expenditures, capacity used or total capacity and the estimated liability, and would be recognized prospectively, as a change in estimate, when applicable.

The current landfill site is expected to reach capacity in approximately 2015. Closure will involve covering the site with topsoil and vegetation, drainage control, and installing groundwater monitoring wells. Post-closure costs include regular inspection of the cover layer and annual groundwater and surface water monitoring.

During the period, the Town commenced recording its liability for landfill closure and post-closure costs. This change was applied retroactively and the figures for 2006 have been restated. The balance of amounts to be recovered in future periods and the liability for landfill closure and post-closure costs as at January 1, 2006 have been increased by \$168,000 which represents the estimated liability as at that date. Net revenues for 2006 were reduced by \$14,000 which represents current environmental services expenditures for that period and the liability for landfill closure and post-closure costs as at December 31, 2006, has been increased by \$14,000. This transaction has no impact on fund balances as at December 31, 2006.

The estimated total landfill closure and post-closure care expenditures are calculated to be \$14,000 (2006 - \$14,000). The liability recorded at December 31, 2007 is \$196,000 (2006 - \$182,000) and represents the present value of closure and post-closure costs for the current site.

The estimated remaining capacity of the landfill site is 35 % (14,000 cubic meters) of its total estimated capacity and its estimated remaining life is 8 years, after which the period for post-closure care is estimated to be 5 years.

**The Corporation of the Town of Latchford**  
**Notes to the Consolidated Financial Statements**  
**December 31, 2007**

**7. Municipal Fund Balances at the End of the Year**

(a) **Current Fund:**

The current fund balance of \$(60,485) (2006 - \$10,147) at the end of the year is comprised of the following:

	<u>2007</u>	<u>2006</u>
• Town of Latchford	\$ (71,784)	\$ -
• Town of Latchford Public Library Board	<u>11,299</u>	<u>10,147</u>
	<u>\$ (60,485)</u>	<u>\$ 10,147</u>

(b) **Capital Fund:**

The capital fund balance of \$115,074 (2006 - \$(263,725)) at the end of the year is comprised of the following:

	<u>2007</u>	<u>2006</u>
Unexpended capital financing	\$ 216,493	\$ 4,172
To be recovered		
• from long-term debt - water projects	(90,528)	(267,897)
• from long-term debt - various projects	<u>(10,891)</u>	<u>-</u>
	<u>\$ 115,074</u>	<u>\$ (263,725)</u>

**8. Government Transfers**

The following government transfers have been included in revenues:

	<u>2007</u>		<u>2006</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Operating Transfers:			
Federal	\$ 8,050	\$ 13,954	\$ 9,822
Provincial	296,598	331,212	359,628
Other	<u>7,000</u>	<u>7,000</u>	<u>2,000</u>
	<u>311,648</u>	<u>352,166</u>	<u>371,450</u>

**The Corporation of the Town of Latchford**  
**Notes to the Consolidated Financial Statements**  
**December 31, 2007**

**8. Government Transfers (Continued)**

	<u>2007</u>		<u>2006</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Capital Transfers:			
Federal	-	71,588	366,186
Provincial	300,000	358,625	728,145
Other	-	-	38,681
	<u>300,000</u>	<u>430,213</u>	<u>1,133,012</u>
	<u>\$ 611,648</u>	<u>\$ 782,379</u>	<u>\$ 1,504,462</u>

**9. Contractual Obligation - Long-Term Debt - Water and Sewage Plant Operation**

In accordance with a service agreement entered into by the Town with Ontario Clean Water Agency (OCWA), the operations and maintenance of the sewage and water systems are looked after by OCWA. Included in OCWA's bills are principal and interest charges related to debt of the Ministry of the Environment incurred during the initial set up of these systems. The service agreement and debt charges are as follows (this does not include special charges related to operation of the systems which are outside of the operations and maintenance agreements):

	<u>2007</u>	<u>2006</u>
Charges for maintenance and operations		
- Water Treatment and Distribution	\$ 91,131	\$ 93,051
- Wastewater Treatment	34,669	34,292
Debt servicing charges	<u>4,913</u>	<u>4,913</u>
Total Charges	<u>\$ 130,713</u>	<u>\$ 132,256</u>
Balance remaining on debt (interest 8.63% - due 2015)	<u>\$ 26,925</u>	<u>\$ 29,349</u>

This expenditure is reflected as part of environmental services.

**The Corporation of the Town of Latchford**  
**Notes to the Consolidated Financial Statements**  
**December 31, 2007**

**10. Water and Wastewater System**

The Town's operations include the running of a Water and Wastewater facility for some properties in the Town.

	<u>2007</u>	<u>2006</u>
Revenue		
Water and Wastewater facility charges to landowners	<u>\$ 93,829</u>	<u>\$ 96,949</u>
Expenses		
Hydro and utilities	31,322	29,656
Operations contract (OCWA)	130,713	132,256
Other	<u>277</u>	<u>3,861</u>
	<u>162,312</u>	<u>165,773</u>
Town's share of water and wastewater costs	<u>\$ 68,483</u>	<u>\$ 68,824</u>

**11. Expenditures by Object**

As required by Section 1200 of the Public Sector Accounting Board reporting requirements, these financial statements report on expenditures by functions. The Town's expenditures by object are as follows:

	<u>2007</u>		<u>2006</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
<b>Current Fund</b>			
Salaries, wages and employee benefits	\$ 288,118	\$ 343,471	\$ 250,711
Long term debt charges (interest)	-	4,554	2,174
Materials, contracted services, rents and financial expenses	<u>736,759</u>	<u>782,373</u>	<u>696,278</u>
	<u>\$ 1,024,877</u>	<u>\$ 1,130,398</u>	<u>\$ 949,163</u>
<b>Capital Fund</b>			
Materials, contracted services, rents and financial expenses	<u>\$ 417,102</u>	<u>\$ 351,414</u>	<u>\$ 1,464,917</u>

**The Corporation of the Town of Latchford**  
**Notes to the Consolidated Financial Statements**  
**December 31, 2007**

**12. Pension Agreements**

During the year the Town made contributions to the Ontario Municipal Employees Retirement Fund (OMERS), which is a multi-employer plan, on behalf 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 2007 was \$10,343 (2006 - \$8,371) for current services and is included as an expenditure on the Consolidated Statement of Financial Activities.

**13. Contingencies**

Legal actions were filed against the Town by former employees. It is not possible at this time to determine the amount, if any, of awards that may be made against the Town. Any amount awarded as a result of these actions will be recorded when it can be reasonably estimated.

As well, various statements of claim have been issued against the Town claiming damages. Damages, if any, cannot be estimated at this time and in any event, the Town is of the opinion that these claims would be unfounded or covered by insurance after application of a \$5,000 to \$10,000 deductible per claim. Should any loss result, it would be charged to operations when the amount is ascertained

**14. Budget Figures**

Budget figures have been derived from the budget approved by the Council members and are unaudited.