



Consolidated Financial Statements

Town of Stratford

December 31, 2010

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Grant Thornton

Independent auditors' report

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To His Worship the Mayor and members of the Town Council of

The Town of Stratford

We have audited the accompanying consolidated financial statements of the Town of Stratford, which comprise the statement of financial position as at December 31, 2010, and the consolidated statements of operations, cash flows and changes in net debt 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 financial statements in accordance with Canadian generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

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

Charlottetown, PEI

April 6, 2011

The logo for Grant Thornton LLP, featuring the company name in a stylized, cursive script font.

Chartered Accountants

Town of Stratford

Consolidated statement of operations

Year ended December 31

2010

2009

	<u>Page</u>	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Revenue				
General Fund	18	\$ 3,691,400	\$ 3,838,862	\$ 3,671,338
Stratford Utility Corporation	24	1,559,861	1,687,237	1,582,178
Stratford Business Park	25	<u>135,000</u>	<u>89,000</u>	<u>-</u>
		<u>5,386,261</u>	<u>5,615,099</u>	<u>5,253,516</u>
Expenses				
General Fund	18	3,555,400	3,612,201	3,533,322
Stratford Utility Corporation	24	1,332,800	1,259,808	1,264,180
Stratford Business Park	25	<u>102,550</u>	<u>75,003</u>	<u>18,435</u>
		<u>4,990,750</u>	<u>4,947,012</u>	<u>4,815,937</u>
Excess of revenue over expenses		<u>\$ 395,511</u>	<u>668,087</u>	437,579
Accumulated surplus, beginning of year			<u>2,860,341</u>	<u>2,422,762</u>
Accumulated surplus, end of year			<u>\$ 3,528,428</u>	<u>\$ 2,860,341</u>

Town of Stratford**Consolidated statement of financial position**

December 31

2010**2009**

Financial assets

Cash and cash equivalents

Unrestricted \$ 60,311 \$ 68,841

Restricted (Note 5) 680,900 184,107

Receivables

Trade 810,675 790,381

Federal and Provincial grants 1,027,779 609,341

Leases, loans, and contributions receivable (Note 2) 322,453 277,384

Land held for resale, at cost 198,185 249,917

Long term investments (Note 3) 517,500 517,500

Advances to Stratford Community Seniors' Complex Ltd.,
non-interest bearing, no set terms of repayment 10,352 1,6043,628,155 2,699,075**Liabilities**

Bank indebtedness and short term borrowings (Note 4) 1,167,444 651,725

Payables and accruals

Trade 469,041 541,247

Capital assets 351,909 170,398

Holdbacks 219,095 217,463

Deferred revenue (Note 5) 680,900 184,107

Employee benefits payable (Note 6) 81,847 63,664

Long term debt (Note 7) 11,155,650 11,436,185

14,125,886 13,264,789**Net debt**

(10,497,731) (10,565,714)

Non-financial assets

Inventories of materials and supplies, at cost 10,380 6,166

Prepays 36,361 41,738

Tangible capital assets - Town (Page 16) 7,892,724 7,886,032

Tangible capital assets - Utility (Page 17) 25,791,106 23,867,842

Contributions in aid of construction (Note 8) (19,704,412) (18,375,723)

Accumulated surplus

\$ 3,528,428 \$ 2,860,341

Municipal position

Reserve funds (Note 9) \$ 976,419 \$ 869,954

Operating funds 2,552,009 1,990,387

Accumulated surplus

\$ 3,528,428 \$ 2,860,341

Commitments (Note 12)

On behalf of the Council

Mayor

Chief Administrative Officer

Town of Stratford**Consolidated statement of change in net debt**

Year ended December 31

2010**2009**

Decrease (increase) in net debt

Net revenue	\$ 668,087	\$ 437,579
Acquisition of tangible capital assets	(2,953,357)	(3,127,556)
Proceeds from sale of capital assets	-	2,226
Contributions in aid of construction	1,902,343	2,390,813
Depreciation and amortization	<u>449,747</u>	<u>472,903</u>
	<u>66,820</u>	<u>175,965</u>
Acquisition of supplies inventories	(10,380)	(6,166)
Acquisition of prepaid expenses	(36,361)	(41,738)
Consumption of supplies inventories	6,166	5,474
Use of prepaid expenses	<u>41,738</u>	<u>41,407</u>
	<u>1,163</u>	<u>(1,023)</u>
Change in net debt	67,983	174,942
Net debt, beginning of year	<u>(10,565,714)</u>	<u>(10,740,655)</u>
Net debt, end of year	<u>\$ (10,497,731)</u>	<u>\$ (10,565,714)</u>

Town of Stratford

Consolidated statement of cash flows

Year ended December 31

2010

2009

Increase (decrease) in cash and cash equivalents

Operating activities

Net revenue	\$ 668,087	\$ 437,579
Depreciation and amortization	<u>449,747</u>	<u>472,903</u>
	1,117,834	910,482
Change in non-cash working capital		
Receivables	(438,732)	1,371,441
Leases, loans and contributions receivable	(45,069)	(8,505)
Prepays	5,377	(331)
Inventories of materials and supplies	(4,214)	(692)
Land held for resale	51,732	-
Payables, accruals, and deferred revenue	<u>625,913</u>	<u>(337,459)</u>
	<u>1,312,841</u>	<u>1,934,936</u>

Financing activities

Payment of long term debt		
Town	(365,127)	(350,142)
Utility	(359,138)	(363,787)
Business park	(45,893)	(43,456)
Proceeds from issuance of long term debt		
Utility	489,623	505,954
Increase (decrease) in bank indebtedness	515,719	(982,801)
Advances (to) from Stratford Community Seniors' Complex Ltd.	<u>(8,748)</u>	<u>10,677</u>
	<u>226,436</u>	<u>(1,223,555)</u>

Investing activities

Purchase of tangible capital assets	(2,953,357)	(3,127,556)
Proceeds from sale of capital assets	-	2,226
Contributions in aid of construction	<u>1,902,343</u>	<u>2,390,813</u>
	<u>(1,051,014)</u>	<u>(734,517)</u>

Net increase (decrease) in cash and cash equivalents 488,263 (23,136)

Cash and cash equivalents,

Beginning of year	<u>252,948</u>	<u>276,084</u>
End of year	<u>\$ 741,211</u>	<u>\$ 252,948</u>

Town of Stratford

Notes to the consolidated financial statements

December 31, 2010

1. Summary of significant accounting policies

The consolidated financial statements of the Town of Stratford "the Town" are prepared by management in accordance with Canadian generally accepted accounting principles for local governments, as recommended by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants. Significant aspects of the accounting policies adopted by the Town are as follows:

Reporting entity

The consolidated financial statements reflect the assets, liabilities, revenues, expenditures, and changes in net debt and in financial position of the reporting entity. The reporting entity is comprised of all organizations and committees that are accountable to the Town for administration of their financial affairs and resources, and which are owned or controlled by the Town. This includes the Stratford Utility Corporation and Stratford Business Park Corporation Inc. interdepartmental and organizational transactions and balances are eliminated.

The financial activities of certain entities associated with the Town of Stratford are considered to be separate government business enterprises and are not consolidated. The Town's transactions with these entities are recorded in the consolidated statement of financial activities. These entities include:

Stratford Community Seniors' Complex Ltd.

Basis of accounting

The basis of accounting followed in the financial statement presentation includes revenues in the period in which the transactions or events occurred that gave rise to the revenues and expenditures in the period the goods and services are acquired and a liability is incurred.

Fund accounting

Funds within the consolidated financial statements consist of the operating and reserve funds for the general operations, the water and sewer utility, and the business park. Transfers between funds are recorded as adjustments to the appropriate fund balance.

Revenue recognition

The accrual basis of accounting is used for all funds. The accrual basis of accounting recognizes revenues as they are earned and measurable; expenditures are recognized as they are incurred and measurable as a result of legal obligation to pay.

The Town follows the deferral method for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Inventories of materials and supplies

Inventories are valued at the lower of cost and net realizable value.

Land held for resale

Inventories of land are valued at original cost plus any development costs incurred to date.

Town of Stratford

Notes to the consolidated financial statements

December 31, 2010

1. Summary of significant accounting policies (cont'd)

Tangible capital assets

Tangible capital assets are recorded at cost, which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset.

Half of the annual amortization is charged in the year of acquisition. Assets under construction are not amortized until the asset is available for productive use.

Equipment, furniture, software, buildings, and improvements with a cost in excess of \$2,500 and an estimated useful life of two years or more are capitalized at cost. All civil infrastructure assets with construction costs over \$25,000 are capitalized.

All costs associated with placing an asset in service, including freight, installation costs, site preparation costs, alterations, and professional fees are included in the capitalized value.

Interest expense on capital debt incurred during the construction or renovation of an asset is included in the capitalized value.

a) Depreciation - general

Rates and bases of depreciation applied to write-off the cost of property and equipment over their estimated lives are as follows:

Multi purpose facility	40 year straight line
Buildings	40 year straight line
Other assets	10-50 year straight line
Sidewalks, parks, and paving	25 year straight line
Vehicles	7 year straight line
Machinery and equipment	10 year straight line
Small equipment	5 year straight line
Computer hardware and software	4 year straight line

b) Depreciation – sewer and water utility

Rates and bases of depreciation applied to write-off the cost of capital assets over their estimated lives are as follows:

Sewer systems	50 year straight line
Water systems	50 year straight line
Computer software	4 year straight line
Machinery and equipment	10 year straight line
Small equipment	5 year straight line
Vehicles	7 year straight line

c) Contributions in aid of construction

Infrastructure and other program grants and rebates related to capital asset purchases are recorded as contributions in aid of construction on the statement of financial position and are amortized to income using the same method and annual rates as the related assets are depreciated.

Town of Stratford

Notes to the consolidated financial statements

December 31, 2010

1. Summary of significant accounting policies (cont'd)

Management estimates

The presentation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reported period. Actual results could differ from those reported.

Reserves

The reserve funds are credited by specific charges as a direct transfer from surplus.

Cash and cash equivalents

Cash and cash equivalents include cash on hand and balances on deposit with banks.

2. Leases, loans, and contributions receivable	<u>2010</u>	<u>2009</u>
CHANCES Inc., 5.48% capital lease, repayable in equal monthly instalments of \$1,020 consisting of principal and interest.	\$ 77,150	\$ 84,930
Island Sprinkler Systems Ltd., non-interest bearing, repayable in full in 2011	51,500	-
Stratford Soccer Association, non-interest bearing, repayable in annual principal instalments of \$10,000.	15,000	20,000
Capital contributions receivable	<u>178,803</u>	<u>172,454</u>
	<u>\$ 322,453</u>	<u>\$ 277,384</u>

3. Long term investments, at cost	<u>2010</u>	<u>2009</u>
Capital Area Recreation Inc.	\$ 385,000	\$ 385,000
Charlottetown Area Development Corporation (CADC), 50 common shares	<u>132,500</u>	<u>132,500</u>
	<u>\$ 517,500</u>	<u>\$ 517,500</u>

Town of Stratford

Notes to the consolidated financial statements

December 31, 2010

4. Bank indebtedness and short term borrowings

The Town has total authorized operating lines of credit of \$750,000, of which \$264,905 was unused at December 31, 2010, \$2,000,000, of which \$1,572,171 was unused at December 31, 2010, and \$350,000, of which \$48,448 was unused at December 31, 2010. Bank indebtedness consists of:

	<u>2010</u>	<u>2009</u>
Bank indebtedness	\$ (1,214,476)	\$ (488,618)
Outstanding cheques	(58,122)	(244,695)
Outstanding deposits	62,126	25,237
Outstanding transfer from New Deal Gas Tax account	<u>43,028</u>	<u>56,351</u>
	<u>\$ (1,167,444)</u>	<u>\$ (651,725)</u>

5. Deferred revenue

During the year the Town was allocated \$679,388 (2009 - \$659,976) under the New Deal Gas Tax Funding for Incorporated Communities agreement. Total proceeds of \$680,464 received by the Town as at December 31, 2010 is comprised of \$679,388 plus interest of \$1,076. The Town must use their allocation of the New Deal Gas Tax funds for eligible infrastructure and capacity building projects as outlined in the agreement dated November 22, 2005.

	<u>2010</u>	<u>2009</u>
Deferred, beginning of year	\$ 184,107	\$ 208,931
Received	680,464	660,748
Spent	<u>(183,671)</u>	<u>(685,572)</u>
Deferred, end of year	<u>\$ 680,900</u>	<u>\$ 184,107</u>

Under the Agreement on the Transfer of Federal Gas Tax Revenues through the New Deal for Cities and Communities, the Town has received revenues which are restricted for expenditure on eligible projects. During the year, \$183,671 (2009 - \$685,572) was spent on eligible projects. The Town has prepared, and the governmental regulating body has accepted, a Capital Investment Plan which details determined expenditures.

6. Employee benefits

The liability of \$81,847 (2009 - \$63,664) has been accrued for future employee benefits for sick leave and vacation pay.

The Town matches employee's contributions to a Registered Retirement Savings Plan (RRSP) up to a maximum of 6% of their annual salary. During the year there was \$121,610 (2009 - \$115,043) contributed to RRSP plans. This represented both the Town's and the employees' portion of the contribution.

Town of Stratford

Notes to the consolidated financial statements

December 31, 2010

7. Long term debt 2010 2009

Town of Stratford

5.25% Bank of Montreal loan payable in equal monthly instalments of \$1,002 including interest, maturing in and amortized to September 2011. \$ 8,721 \$ 19,969

4.67% Bank of Montreal loan payable in equal monthly instalments of \$2,685 including interest, maturing in December 2017, amortized to December 2022. 276,289 295,136

4.16% Royal Bank loan payable in equal monthly instalments of \$12,484 including interest, maturing in March 2013, amortized to December 2022. 1,433,744 1,521,906

4.45% Royal Bank loan payable in equal monthly instalments of \$24,903 including interest, maturing in May 2013, amortized to January 2024. 2,846,614 3,014,694

3.46% Bank of Montreal loan payable in equal monthly instalments of \$7,463 including interest, maturing in and amortized to March 2014. 268,371 347,161

4,833,739 5,198,866

Stratford Utility Corporation

5.32% Bank of Montreal loan payable in equal monthly instalments of \$5,225 including interest, maturing in and amortized to April 2016. 290,668 336,580

4.73% Bank of Montreal loan payable in equal monthly instalments of \$2,582 including interest, maturing in November 2016, and amortized to November 2021. 158,986 181,867

4.63% Pacific and Western loan payable in equal monthly instalments of \$5,617 including interest, maturing in October 2018, amortized to June 2023. 646,960 683,484

4.90% Metro Credit Union Limited loan payable in equal monthly instalments of \$4,033 including interest, maturing in July 2011, amortized to July 2020. 368,057 397,627

4.67% Bank of Montreal loan payable in equal monthly instalments of \$3,249 including interest, maturing in November 2015, amortized to November 2020. 308,420 332,397

Town of Stratford

Notes to the consolidated financial statements

December 31, 2010

7. Long term debt (cont'd)	<u>2010</u>	<u>2009</u>
4.73% Bank of Montreal loan payable in equal monthly instalments of \$2,847 including interest, maturing in November 2016 and amortized to November 2021.	175,296	200,522
4.51% Royal Bank loan payable in equal monthly instalments of \$2,896 including interest, maturing in February 2013, amortized to December 2022.	324,996	344,605
4.88% Bank of Montreal loan payable in equal monthly instalments of \$1,073 including interest, maturing in March 2017, amortized to March 2022.	110,989	118,262
4.97% Bank of Montreal loan payable in equal monthly instalments of \$3,423 including interest, maturing in November 2014, amortized to October 2024.	410,195	430,359
4.63% Royal Bank loan payable in equal monthly instalments of \$3,205 including interest, maturing in January 2014, amortized to December 2023.	376,906	397,406
4.72% Bank of Montreal loan payable in equal monthly instalments of \$4,762 including interest, maturing in December 2015, amortized to December 2025.	612,279	639,822
4.72% Pacific & Western loan payable in equal monthly instalments of \$4,519 including interest, maturing in March 2017, amortized to March 2027.	613,133	637,786
5.01% Royal Bank loan payable in equal monthly instalments of \$6,830 including interest, maturing in December 2012, amortized to December 2028.	936,681	970,906
4.87% Royal Bank loan payable in equal monthly instalments of \$3,302 including interest, maturing in April 2019, amortized to April 2029.	480,031	495,863
3.98% CMHC loan payable in equal annual instalments of \$19,054 including interest, maturing in February 2025, amortized to February 2025.	212,142	-
5.18% Bank of Montreal loan payable in equal monthly instalments of \$1,859 including interest, maturing in April 2020, amortized to April 2030.	<u>272,018</u>	<u>-</u>
	<u>6,297,757</u>	<u>6,167,486</u>

Town of Stratford

Notes to the consolidated financial statements

December 31, 2010

7. Long term debt (cont'd)

Stratford Business Park Corporation Inc.

5.00% mortgage payable in equal monthly instalments of \$4,011 including interest, maturing in June 2011.

<u>24,154</u>	<u>69,833</u>
<u>\$ 11,155,650</u>	<u>\$ 11,436,185</u>

As security for the loans, the Town has provided a first charge on specific equipment and a first mortgage on specific property.

Based on current repayment amounts, principal repayments in each of the next five years are due as follows:

	<u>General</u>	<u>Utility</u>	<u>Business Park</u>	<u>Total</u>
2011	\$ 377,516	\$ 390,195	\$ 24,154	\$ 791,865
2012	384,362	409,424	-	793,786
2013	400,603	429,602	-	830,205
2014	342,058	450,779	-	792,837
2015	<u>341,675</u>	<u>473,005</u>	<u>-</u>	<u>814,680</u>
	<u>\$ 1,846,214</u>	<u>\$ 2,153,005</u>	<u>\$ 24,154</u>	<u>\$ 4,023,373</u>

8. Contributions in aid of construction

			<u>2010</u>	<u>2009</u>
	<u>Cost</u>	<u>Accumulated amortization</u>	<u>Net book value</u>	<u>Net book value</u>
Federal grants	\$ 8,758,870	\$ 928,792	\$ 7,830,078	\$ 7,412,158
Provincial grants	7,835,144	930,588	6,904,556	6,417,526
Privately contributed	<u>6,642,028</u>	<u>1,672,250</u>	<u>4,969,778</u>	<u>4,546,039</u>
	<u>\$ 23,236,042</u>	<u>\$ 3,531,630</u>	<u>\$ 19,704,412</u>	<u>\$ 18,375,723</u>

9. Reserve funds

	<u>2010</u>	<u>2009</u>
Balance, beginning of year	\$ 869,954	\$ 888,258
Allocations to (from) reserves (net)	<u>106,465</u>	<u>(18,304)</u>
Balance, end of year	<u>\$ 976,419</u>	<u>\$ 869,954</u>

Town of Stratford

Notes to the consolidated financial statements

December 31, 2010

9. Reserve funds (cont'd)

Comprising of:

Town		
Dedication fees	\$ 61,608	\$ 31,608
Election	-	25,500
Utility capital contribution	176,327	176,327
Town capital project	135,803	135,803
Heritage grant reserve	15,000	10,000
Arts and culture needs assessment reserve	7,500	15,000
Utility		
Water supply capital contribution	<u>580,181</u>	<u>475,716</u>
	<u>\$ 976,419</u>	<u>\$ 869,954</u>

10. Robert L. Cotton Memorial Park

During 1998, the Town received from the Province of Prince Edward Island, for a nominal fee of \$1, the land and buildings currently known as the Robert L. Cotton Memorial Park. The purchase agreement with the Province stipulates that no income can be generated from this property and the property cannot be sold in part or as a whole. The property must be returned to the Province for the same nominal fee of \$1 should the Town no longer desire to own the property.

11. External restrictions

The Town has agreements with external parties that stipulate the purpose for which certain funds can be used. The subdivision dedication fees received totalling \$61,608 (2009 - \$31,608) are to be used only for parkland development and are shown in reserves.

12. Commitments

As part of an agreement dated November 28, 2002 the Town agreed to provide fixed capital funding to Capital Area Recreation Inc. (CARI) for the construction of an aquatic facility. As part of the agreement CARI shall submit an annual business plan and budget for approval by the Town relating to the Town's recreation programs to include scheduling, rates and subsidies. As part of the agreement the Town can appoint a member to the Board of Directors of CARI.

The Town has made a commitment to CARI to fund 8% of the aquatic facility's operational shortfall to a maximum of \$3,000 per year as well as contributing 8% to the capital replacement sinking fund to a maximum of \$6,582 per year, adjusted for inflation.

Town of Stratford

Notes to the consolidated financial statements

December 31, 2010

13. Budget

The budget figures have not been audited and have been included on the financial statements for comparative purposes only.

14. Comparative figures

Certain of the figures on the 2009 financial statements have been reclassified to conform to the 2010 financial statement presentation.

Town of Stratford

Schedule of tangible capital assets - Town

Year ended December 31, 2010

	Land	Buildings	Equipment	Other	Vehicle	Multipurpose facility	Computer Equipment	Roads and Paving	2010	2009
Cost										
Opening Balance	\$ 1,071,333	\$ 664,427	\$ 616,906	\$ 1,064,512	\$ 1,050,332	\$ 6,048,120	\$ 197,796	\$ 2,616,746	\$ 13,330,174	\$ 12,097,201
Acquisition of tangible capital assets	6,185	13,075	7,704	52,796	-	38,095	25,709	294,205	437,769	1,235,196
Disposal of tangible capital assets	-	-	-	-	-	-	-	-	-	(2,226)
Balance, end of year	<u>1,077,518</u>	<u>677,501</u>	<u>624,610</u>	<u>1,117,308</u>	<u>1,050,332</u>	<u>6,086,216</u>	<u>223,506</u>	<u>2,910,952</u>	<u>13,767,943</u>	<u>13,330,171</u>
Accumulated Amortization										
Opening Balance	-	373,947	583,587	982,708	210,908	1,473,640	177,053	1,642,459	5,444,304	5,041,407
Annual Amortization	-	12,579	23,346	4,410	150,047	151,679	13,245	75,608	430,915	402,732
Balance, end of year	<u>-</u>	<u>386,526</u>	<u>606,933</u>	<u>987,118</u>	<u>360,956</u>	<u>1,625,320</u>	<u>190,298</u>	<u>1,718,068</u>	<u>5,875,218</u>	<u>5,444,139</u>
Net Book value of tangible capital assets	<u>\$ 1,077,518</u>	<u>\$ 290,976</u>	<u>\$ 17,677</u>	<u>\$ 130,190</u>	<u>\$ 689,377</u>	<u>\$ 4,460,896</u>	<u>\$ 33,207</u>	<u>\$ 1,192,884</u>	<u>\$ 7,892,725</u>	<u>\$ 7,886,032</u>

Town of Stratford

Schedule of tangible capital assets - Utility

Year ended December 31, 2010

	Land	Equipment	Vehicles	Computer Software	Sewer	Water	2010	2009
Cost								
Opening Balance	\$ 175,324	\$ 50,575	\$ 97,225	\$ 39,918	\$ 18,539,704	\$ 9,277,502	\$ 28,180,247	\$ 26,287,992
Acquisition of tangible capital assets	-	-	-	-	1,278,948	1,236,640	2,515,588	1,892,542
Disposal of tangible capital assets	-	-	-	-	-	-	-	-
Balance, end of year	175,324	50,575	97,225	39,918	19,818,652	10,514,142	30,695,835	28,180,534
Accumulated Amortization								
Opening Balance	-	45,266	34,722	39,918	3,288,258	905,132	4,313,296	3,751,332
Annual Amortization	-	(2,950)	13,889	-	383,584	196,910	591,433	561,360
Balance, end of year	-	42,316	48,612	39,918	3,671,842	1,102,042	4,904,729	4,312,692
Net book value of tangible capital assets	\$ 175,324	\$ 8,259	\$ 48,613	\$ -	\$ 16,146,810	\$ 9,412,100	\$ 25,791,106	\$ 23,867,842

Town of Stratford

General account

Schedule of operations

Year ended December 31	Budget	2010	2009
Revenue			
Real property tax – Town levy, net	\$2,401,300	\$2,479,531	\$2,343,284
Municipal support grant	928,700	932,318	924,185
Rental	200,000	225,271	204,272
Police fines	50,000	54,866	61,044
Dedication fees	-	30,000	-
Development permits	67,000	63,625	76,643
Miscellaneous	-	2,646	14,071
Interest	6,200	5,260	5,378
Equalization grant	5,800	7,269	11,631
Recreation programs	14,500	20,178	13,198
Seniors Complex wage allocation	9,000	9,000	9,000
Field maintenance levy	4,600	3,600	4,208
Animal control	<u>4,300</u>	<u>5,298</u>	<u>4,424</u>
	<u>3,691,400</u>	<u>3,838,862</u>	<u>3,671,338</u>
Expenses			
Depreciation	200,000	232,623	257,117
Finance and administration (page 19)	606,200	581,672	592,970
General government (page 20)	1,456,100	1,505,317	1,368,884
Planning (page 21)	320,900	294,022	227,520
Public works (page 22)	510,000	532,856	510,647
Recreation (page 23)	<u>462,200</u>	<u>465,711</u>	<u>576,184</u>
	<u>3,555,400</u>	<u>3,612,201</u>	<u>3,533,322</u>
Excess revenue over expenses	<u>\$ 136,000</u>	226,661	138,016
Allocations and transfers			
Allocation from Utility for rent		37,300	37,300
Transfer from (to) election reserve		25,500	(8,500)
Transfer to heritage grants reserve		(5,000)	(10,000)
Transfer from (to) arts and culture needs assessment reserve		7,500	(15,000)
Transfer to dedication fees reserve		(30,000)	-
Transfer from indoor soccer complex reserve		<u>-</u>	<u>150,000</u>
Change in general account fund balance		<u>\$ 261,961</u>	<u>\$ 291,816</u>

Town of Stratford

General account

Schedule of expenses

Year ended December 31	Budget	2010	2009
Finance and administration			
Advertising	\$ 12,500	\$ 11,172	\$ 10,948
Bank charges and interest	6,000	4,839	5,165
Computer support services	34,000	33,593	30,358
Fees and journals	3,000	2,609	3,331
Insurance	56,000	50,943	54,037
Interest on long term debt	220,000	216,829	241,741
Leased equipment	8,700	7,235	7,698
Office supplies	33,000	29,020	26,077
Postage and courier	4,500	4,619	3,281
Professional fees	14,000	14,674	11,824
Property taxes	24,500	24,149	23,844
Property tax rebates	18,500	23,722	21,267
Salaries and benefits	119,000	107,113	107,261
Staff development and travel	10,000	9,997	6,769
Telephone and fax	30,000	28,306	27,493
Workers compensation	<u>12,500</u>	<u>12,852</u>	<u>11,876</u>
	<u>\$ 606,200</u>	<u>\$ 581,672</u>	<u>\$ 592,970</u>

Town of Stratford

General account

Schedule of expenses

Year ended December 31	Budget	2010	2009
General government			
Animal control	\$ 25,500	\$ 25,047	\$ 24,848
Committee expenses	22,500	25,924	21,206
Donations and gifts	10,000	9,905	10,266
Dues - Federations of PEI and Canadian Municipalities	13,500	13,347	13,581
Election	10,500	36,073	-
Sustainable economic development	50,000	48,404	36,030
Fire protection	174,000	174,000	165,950
GIS development and maintenance	10,000	1,823	17,159
Mayor and council expenses			
Council honorariums	59,300	53,543	52,422
Discretionary fund	4,000	4,092	3,615
Council development and travel	35,000	31,852	36,648
RCMP contract	534,200	505,798	519,564
RCMP office lease	8,800	8,800	8,800
Professional fees			
Consulting	15,000	28,321	16,970
Legal	15,000	38,251	14,005
Promotional expenditures	10,000	25,364	10,018
Salaries and benefits	139,500	147,235	123,204
Staff development and travel	13,000	16,807	12,132
Staff EAP and incentives	9,500	9,650	7,138
Street lighting	150,000	153,273	137,737
Transit	146,800	147,808	137,591
	1,456,100	1,505,317	1,368,884
Transfers			
Election reserve	-	(25,500)	8,500
	<u>\$1,456,100</u>	<u>\$ 1,479,817</u>	<u>\$1,377,384</u>

Town of Stratford

General account

Schedule of expenses

Year ended December 31	Budget	2010	2009
Planning			
Administrative expenses	\$ 2,000	\$ 1,559	\$ 453
Heritage	11,600	5,784	936
Newsletter	17,000	17,945	16,825
Professional fees	50,000	50,025	12,336
Salaries and benefits	226,700	207,262	188,450
Staff development and travel	<u>13,600</u>	<u>11,447</u>	<u>8,520</u>
	320,900	294,022	227,520
Transfers			
Heritage grant reserve	<u>-</u>	<u>5,000</u>	<u>10,000</u>
	<u>\$ 320,900</u>	<u>\$ 299,022</u>	<u>\$ 237,520</u>

Town of Stratford

General account

Schedule of expenses

Year ended December 31	Budget	2010	2009
Public works			
Beautification plan	\$ 15,000	\$ 11,062	\$ 7,777
Buildings maintenance	119,000	147,002	119,316
Electricity	82,000	87,325	87,451
Fuel	12,000	12,612	12,171
Grass cutting	23,400	18,340	21,610
Professional fees	4,000	-	6,115
Salaries and benefits	162,500	166,856	156,653
Sewer charges	10,000	13,613	10,242
Sidewalk maintenance	3,000	1,211	770
Signage	2,200	1,310	894
Small tools	3,000	2,148	1,993
Snow removal	44,900	45,762	62,381
Staff development and travel	4,000	4,739	2,407
Vehicle and equipment operating	<u>25,000</u>	<u>20,876</u>	<u>20,867</u>
	<u>\$ 510,000</u>	<u>\$ 532,856</u>	<u>\$ 510,647</u>

Town of Stratford

General account

Schedule of expenses

Year ended December 31	Budget	2010	2009
Recreation			
Arts and culture	\$ 17,500	\$ 24,727	\$ 4,095
Events	21,000	24,739	21,018
Grants and agreements			
CARI operating	15,000	15,000	15,000
Glen Stewart playground	5,000	1,550	10,000
Pownal rink	34,000	34,000	32,000
School levy	1,000	1,400	700
PEI Soccer Association	-	-	150,000
Maintenance			
Playground	12,000	14,444	9,369
Sports fields	22,500	27,415	14,378
Trails	5,000	5,000	10,498
Professional fees	4,500	3,314	4,427
Programs	12,000	15,120	8,282
Promotion	1,000	496	1,595
Rink operations	1,000	690	1,768
Salaries and benefits	303,700	291,570	286,142
Staff development and travel	<u>7,000</u>	<u>6,246</u>	<u>6,912</u>
	462,200	465,711	576,184
Transfers from			
Indoor soccer complex reserve	-	-	(150,000)
Arts and culture needs			
assessment reserve	<u>-</u>	<u>(7,500)</u>	<u>15,000</u>
	<u>\$ 462,200</u>	<u>\$ 458,211</u>	<u>\$ 441,184</u>

Town of Stratford

Utility

Schedule of operations

Year ended December 31	Budget	2010	2009
Revenue			
Unmetered sales	\$ 1,394,265	\$ 1,377,262	\$ 1,298,472
Late penalty charges	20,000	29,507	23,875
Frontage charges	52,326	44,264	42,528
Metered sales	88,270	113,118	90,629
Miscellaneous	-	1,244	1,191
Connection fees	5,000	7,970	8,850
Water supply capital contribution	-	104,465	106,438
Interest	-	9,407	10,195
	<u>1,559,861</u>	<u>1,687,237</u>	<u>1,582,178</u>
Expenses			
Water conservation	8,000	5,850	2,235
Depreciation	235,000	217,124	215,785
Electricity	125,000	144,197	124,862
Honorariums	500	500	500
Insurance	15,000	12,185	13,144
Interest and bank charges	20,000	17,024	18,375
Interest on long term debt	310,000	305,949	295,325
Office	10,000	9,617	8,430
Postage	7,500	6,284	6,698
Professional fees	105,500	39,937	39,547
Property taxes	3,000	(601)	2,984
Repairs and maintenance			
Sewer	46,000	71,186	137,354
Water	51,500	37,524	37,045
Software maintenance	10,500	5,750	6,400
Snow removal	6,600	5,669	5,462
Telephone	16,200	16,602	16,401
Tools and equipment	8,000	6,323	4,019
Travel	12,000	10,223	9,471
Wages and employee benefits	326,000	327,822	301,081
Workers compensation	6,500	6,450	5,967
Vehicle	10,000	14,193	13,095
	<u>1,332,800</u>	<u>1,259,808</u>	<u>1,264,180</u>
Excess revenue over expenses	<u>\$ 227,061</u>	427,429	317,998
Allocations and transfers			
Allocation to Town for rent		(37,300)	(37,300)
Transfer to water supply capital contribution reserve		(104,465)	(106,438)
1% capital contribution from general account		<u>-</u>	<u>8,242</u>
Change in utility fund balance		<u>\$ 285,664</u>	<u>\$ 182,502</u>

Town of Stratford **Business Park** **Schedule of operations**

Year ended December 31	Budget	2010	2009
Lot sales	\$ 135,000	\$ 89,000	\$ -
Expenses			
Annual fee	100	30	30
Cost of sales	78,470	51,732	-
Interest and bank charges	8,500	8,549	5,956
Interest on long term debt	4,600	2,263	4,496
Professional fees	5,000	6,471	1,823
Property taxes	1,230	1,247	1,286
Repairs and maintenance	4,650	4,711	4,844
	<u>102,550</u>	<u>75,003</u>	<u>18,435</u>
Excess revenues over expenses	\$ 32,450	\$ 13,997	\$ (18,435)