

Notes to Accompany Financial Statements and Budget 2008:

REVENUE

1. Grants – a) Municipal support grant is provincial “equalization”; an unexpected increase was received in 2007. **b)** Budget 08 - Infrastructure-Capacity Building Fund for Water/Wastewater study, and for project with nearby communities regarding Special Planning Areas. Much of the money received in 2007 for the Official Plan has not yet been spent, and auditors have allocated it to “Deferred Revenues”, rather than “income” in their report. Auditors also allocated \$9715 received in 2007 for the Park shelter (and showing as budgeted income for 07) to accounts receivable for 2006. **c)** Council has applied for funding from the Department of Canadian Heritage. **d)** Council will apply for federal and provincial funding programs for 2 summer jobs. **e)** No change projected for property tax rates.

2. Fees -Rentals –Community Pasture income and Park Shelter or ball field rental.

3. Expense recovery represents money from reserves \$1,057.59 which remains from 2006 shelter MRIF Infrastructure funding and approx \$45,000 for the Official Plan from New Deal/Gas Tax Infrastructure received in 07, plus some of the 2007 surplus. **GST** – The community recovered \$11,546.33 GST paid from 2003 -2006 in the ‘07 fiscal year, but the bulk of it is accounted for as “receivables”, rather than income. **Donation** – Donations to a municipality are tax-deductible. This donation was directed to the Hall.

EXPENSES

1. General Administrative –a) Anticipating more meetings in 08 – due to Official Plan, and Special Planning Area. **f) Insurance** includes general liability, errors and omissions, comprehensive crime, conflict of interest, legal expense, non-owned automobile and council member’s accident. **m) Tax admin fee** is charged by province to collect property tax. **o)** Council has developed policy on **donations** to residents/group requests. **p) Website** – was redesigned in 2007 to include minutes, community businesses... (auditors included full costs in their report- payments were split over 2007-08 in this statement). Hosting costs will decrease in 2008.

2. Facilities and Public Property – includes park and shelter. **b)** Shelter was completely shut down over winter 2007-08, resulting in heating savings. **c) Maintenance** includes winterizing; grass cutting, general maintenance, alarm system monitoring, cleaning, snow clearing. **d)** Sewer is pumping of septic holding tank. **f) Hall** donation ‘07 for replacement windows at Milton Community Hall, plus additional donation directed from resident. **g) APM Centre** –represents the annual commitment to Communities 13 Inc. **i) Shelter** costs in ‘07 alarm for septic system, additional heater, donor plaque. Approx \$14,000 architect and contractor fees were paid in 07, but auditor determined they should be expensed in 2006.

3. Fire Protection rates are set by North River Fire Dept. Rates for 08 stay at \$.07/\$100 assessment.

4. A. Planning and Zoning – Research ‘07 represents the cost involved in the Community’s Official Plan and Bylaws and will be offset by a grant of \$45,000 received in 2007 (Capacity Building funds – Infrastructure). Much of this work will occur in 2008. **Consultant** fees are for the Development Officer.

4. B – Community Development – i) The community purchased two signs for entrances in ‘07, and hopes to purchase more this year, and maintain flowers around the main sign. ii) Community **Promotion** will include the costs of producing and distributing the newsletter. A **Green Initiative** program will be developed to encourage energy reduction.

5. Professional Services and Memberships – a) Auditing fees for 2007 do not include the audit costs for 2007 (which the audited report includes). **d)** An amount is set aside for possible legal fees.

6. Public Works – Money in the 07 budget paid for an application for funding for a **water and wastewater feasibility study**. This Project has received funding through the Canada-Prince Edward Island New Deal for Cities and Communities Capacity Building Fund which is managed by the Prince Edward Island Department of Communities, Cultural Affairs and Labour. IWMC has set aside (in trust) \$228,520.81 (value Dec 31/07) to provide water to residents in close proximity to the Queens County Landfill Site.

7. Recreation and Parks -Two summer students are to be hired at the park and provide a summer program. Funds which are usually received from government are “topped” up. **b) Grants** -The Child Bursary program provides \$50 reimbursement for costs of art/sports/cultural lessons/activities for resident children. **c) Rec. Programs** budget allotment in will provide craft/gardening supplies. \$1600 in **Office Equip/supplies** will be spent on a table, possible stove, and paper products. **e) Parks /Playgrounds** – games, toys, equipment.

Balances as of Dec 31, 2007	Investments	\$301,686.44
	IMWC (in trust)	\$228,520.81
	Credit Union Chequing account balance	\$30,777.40
	Credit Union Shares Account	\$79.40
	Official Plan fund	<u>\$ 44,894.58</u>
Total		\$ 605,958.63

* Notable changes between auditors report and this statement, are due to auditors classifying \$45,000 Official Plan as deferred revenue, and their calculations of prepaids, accounts receivable and payable.