



# OXFORD COMMUNITY POLICE SERVICES BOARD

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**MEMO TO:** Mayor and Members of Council  
Township of Blandford-Blenheim  
Township of East Zorra-Tavistock  
Township of Norwich  
City of Woodstock

**FROM:** Marilyn Pearson, Executive Assistant  
Oxford Community Police Services Board

**DATE:** September 14, 2005

**RE:** Oxford Community Police Services Board  
Consolidated Financial Statement Report - December 31, 2004

The following resolution was passed by the Board on September 12, 2005:

“resolved that the Audited Financial Statements of the Oxford Community Police Services Board for the year ending December 31, 2004, be received and retained by the Board; further that a copy of the Gordon Hardcastle, Chartered Accountants Auditor’s Report be forwarded to the Councils of the four funding municipalities of the Oxford Community Police Service for their records.”

A copy is attached for your information and record.

Encl.

SEP 30 2005

# Oxford Community Police Services Board

## Consolidated Financial Report *December 31, 2004*

### Contents

Auditors' Report.....Page 1

Financial Statements:

Consolidated Statement of Financial Position.....	2
Consolidated Statement of Financial Activities.....	3
Notes to Consolidated Financial Statements.....	4
Schedule of Revenue Fund Operations.....	6
Schedule of Capital Fund Operations.....	7
Schedule of Reserves and Reserve Funds.....	8

## AUDITORS' REPORT

### To the Board Members of the Oxford Community Police Services Board

We have audited the consolidated statement of financial position of the **Oxford Community Police Services Board** as at December 31, 2004 and the consolidated statement of financial activities for the year then ended. These financial statements are the responsibility of the Board's management. 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 I 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 Board as at December 31, 2004 and the results of its operations for the year then ended, in accordance with Canadian generally accepted accounting principles.



**Gordon Hardcastle LLP**  
**Chartered Accountants**

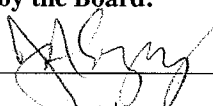
*Dorchester, Ontario*  
*April 29, 2005*

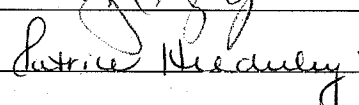
# Oxford Community Police Services Board

## Consolidated Statement of Financial Position December 31, 2004

	2004 \$	2003 \$
<b>Financial assets</b>		
Cash	193,353	168,439
Accounts receivable	<u>428,952</u>	<u>368,900</u>
	<b><u>622,305</u></b>	<b><u>537,339</u></b>
 <b>Liabilities</b>		
Accounts payable and accrued liabilities	4,064	184,936
Deferred employee benefits	<u>604,028</u>	<u>458,715</u>
	<b>608,092</b>	<b>643,651</b>
 <b>Board position</b>		
Revenue fund	253,174	(181,174)
Capital fund	-	-
Reserves and reserve funds	<u>365,067</u>	<u>533,577</u>
	618,241	352,403
Amounts to be recovered	<u>(604,028)</u>	<u>(458,715)</u>
	<b><u>14,213</u></b>	<b><u>(106,312)</u></b>
	<b><u>622,305</u></b>	<b><u>537,339</u></b>

Approved by the Board:

  
\_\_\_\_\_  
Chair

  
\_\_\_\_\_  
Treasurer

# Oxford Community Police Services Board

## Consolidated Statement of Financial Activities Year ended December 31, 2004

	2004	2003
	\$	\$
<b>Revenue</b>		
9-1-1 service	77,807	77,807
Accidents and miscellaneous reports	61,487	47,565
Alarm revenue	57,338	58,348
Court security	156,500	113,171
Municipal grants	9,403,196	8,121,184
Paid duty	17,466	22,913
Prisoner transport	44,203	39,426
Provincial grant	264,263	332,159
County Fire Dispatch	42,081	44,080
Sale of vehicles	21,470	18,435
Donations	500	5,950
OESC Revenue	218,043	156,735
Youth Crime Seminar	-	9,440
Development Charges	9,000	9,000
Other	9,276	13,473
Investment income	3,865	3,608
	<b>10,386,495</b>	<b>9,073,294</b>
<b>Expenditures</b>		
Accounting and payroll services	22,000	22,000
Building repairs and maintenance	49,973	57,606
Computer maintenance	93,985	97,635
Education and training	46,419	54,647
Equipment repairs and service	11,801	17,762
Insurance	84,862	71,924
Heat, hydro and utilities	91,493	71,551
Legal	53,344	12,367
Meetings, conventions and conferences	16,698	11,382
Police Services Board	44,097	34,822
Radio maintenance	22,445	17,457
Salaries and benefits	9,103,306	7,894,412
Stationery and supplies	105,528	110,612
Vehicle	288,909	286,144
Tactical services	12,211	12,411
Wireless communications	11,805	-
Capital expenditures	207,094	303,332
	<b>10,265,970</b>	<b>9,076,064</b>
<b>Net revenues</b>	<b>120,525</b>	<b>(2,770)</b>
Board position, beginning of year	(106,312)	(103,542)
<b>Board position, end of year</b>	<b>14,213</b>	<b>(106,312)</b>

# Oxford Community Police Services Board

## Notes to Consolidated Financial Statements

December 31, 2004

The **Oxford Community Police Services Board** was established February 1, 1999 as a result of agreements between four municipal partners. Operations commenced on January 1, 1999. The Board provides policing services for the Township of Blandford-Blenheim, the Township of East Zorra-Tavistock, the Township of Norwich and the City of Woodstock. The municipalities provide funding based on a formula approved by agreement.

### 1. Significant accounting policies

The consolidated financial statements of the **Oxford Community Police Services Board** (the "Board") are prepared by management in accordance with accounting policies prescribed for local governments as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. Significant accounting policies are as follows:

#### **Reporting entity**

The consolidated financial statements reflect the assets, liabilities, revenues, expenditures and fund balances of the Board.

#### **Fund accounting**

Funds within the consolidated financial statements consist of current, capital and reserve funds. Transfers between funds are recorded as adjustments to the appropriate fund balance.

#### **Capital assets**

Expenditures made on capital assets are reported as capital expenditures on the statement of financial activities in the period incurred.

#### **Reserves and reserve funds**

Certain amounts, as approved by the Board, are set aside in reserves and reserve funds for future operating and capital purposes. Transfers to and from reserves and reserve funds are recorded as an adjustment to the respective fund balance when approved.

#### **Government grants**

Government grants are recognized in the financial statements as revenues in the period in which events giving rise to the grant occurs, providing the grant is authorized, any eligibility criteria have been met, and reasonable estimates of the amount can be made.

#### **Use of estimates**

The preparation of financial statements in conformity with generally accepted accounting principles 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 expenditures during the period. Actual results could differ from these estimates.

## 2. Liability for vested sick leave benefits

Under the sick leave benefit plan, unused sick leave can accumulate and employees may become entitled to a cash payment when they leave the Board's employ. The liability for the vested portion of these accumulated days that could be taken in cash on termination amounted to approximately \$604,028, (2003 - \$458,715).

During the year payments under the plan amounted to \$40,403 (2003 - \$0).

Payments under this plan to employees eligible to retire in the next five years are:

	\$
2005	247,800
2006	54,314
2007	56,974
2008	0
2009	0

## 3. Pension agreements

The Board makes contributions to the Ontario Municipal Employees Retirement System ("OMERS"), which is a multi-employer plan, on behalf of all permanent, full-time members 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. Due to significant surpluses, OMERS declared a temporary contribution holiday for all active employees and participating employers from August 1, 1998 to December 31, 2002. Contributions commenced again January 1, 2003.

## 4. Public Sector Salary Disclosure Act

In accordance with the provisions of the Public Sector Salary Disclosure Act, 1996, two employees of the Board were paid \$100,000 or more - Chief Ron Fraser - \$119,822 and Deputy Chief Harry Paterson - \$102,561.

## 5. Statement of Changes in Financial Position

A statement of changes in financial position is not presented since this information is readily apparent from other financial statements or is adequately disclosed in the notes to the financial statements.

# Oxford Community Police Services Board

## Schedule of Revenue Fund Operations Year ended December 31, 2004

	2004	2003
	\$	\$
<b>Revenue</b>		
9-1-1 service	77,807	77,807
Accidents and miscellaneous reports	61,487	47,565
Alarm revenue	57,338	58,348
Court security	156,500	113,171
Municipal grants	9,403,196	8,121,184
Paid duty	17,466	22,913
Prisoner transport	44,203	39,426
Provincial grant	264,263	332,159
County Fire Dispatch	42,081	44,080
Donations	500	5,950
OESC Revenue	218,043	156,735
Youth Crime Seminar	-	9,440
Development Charges	9,000	9,000
Other	<u>9,276</u>	<u>13,473</u>
	<b>10,361,160</b>	<b>9,051,251</b>
<b>Expenditures</b>		
Accounting and payroll services	22,000	22,000
Building repairs and maintenance	49,973	57,606
Computer maintenance	93,985	97,635
Education and training	46,419	54,647
Equipment repairs and service	11,801	17,762
Insurance	84,862	71,924
Heat, hydro and utilities	91,493	71,551
Legal	53,344	12,367
Meetings, conventions and conferences	16,698	11,382
Police Services Board	44,097	34,822
Radio maintenance	22,445	17,457
Salaries and benefits	9,103,306	7,894,412
Stationery and supplies	105,528	110,612
Tactical services	12,211	12,411
Vehicle	288,909	286,144
Wireless communications	<u>11,805</u>	<u>-</u>
	<b>10,058,876</b>	<b>8,772,732</b>
<b>Net revenues</b>	<b>302,284</b>	<b>278,519</b>
<b>Financing and transfers</b>		
Change in amounts to be recovered	145,313	213,469
Transfers from (to) reserves and reserve funds	161,395	(293,573)
Transfers to capital fund	<u>(174,644)</u>	<u>(262,231)</u>
	<u>132,064</u>	<u>(342,335)</u>
<b>Increase (decrease) in revenue fund</b>	<b>434,348</b>	<b>(63,816)</b>
Revenue fund, beginning of year	<u>(181,174)</u>	<u>(117,358)</u>
<b>Revenue fund, end of year</b>	<b><u>253,174</u></b>	<b><u>(181,174)</u></b>

*This schedule is unaudited and provided for information purposes only.*

# Oxford Community Police Services Board

## Schedule of Capital Fund Operations Year ended December 31, 2004

	2004	2003
	\$	\$
<b>Revenue</b>		
Sale of vehicles	<u>21,470</u>	<u>18,435</u>
	<b>21,470</b>	<b>18,435</b>
<b>Expenditures</b>		
New vehicles	134,369	205,124
New equipment	72,130	98,208
Honour guard	<u>595</u>	<u>-</u>
	<u>207,094</u>	<u>303,332</u>
<b>Net expenditures</b>	<b>(185,624)</b>	<b>(284,897)</b>
<b>Financing and transfers</b>		
Transfers from revenue fund	174,644	262,231
Transfers from reserves and reserve funds	<u>10,980</u>	<u>22,666</u>
	<u>185,624</u>	<u>284,897</u>
Increase (decrease) in capital fund balance	-	-
Capital fund, beginning of year	<u>-</u>	<u>-</u>
<b>Capital fund, end of year</b>	<u><u>-</u></u>	<u><u>-</u></u>

# Oxford Community Police Services Board

## Schedule of Reserves and Reserve Funds Year ended December 31, 2004

	2004 \$	2003 \$
<b>Revenue</b>		
Investment income	<u>3,865</u>	<u>3,608</u>
	3,865	3,608
<b>Net transfers from (to) other funds</b>		
Revenue fund	(161,395)	293,573
Capital fund	<u>(10,980)</u>	<u>(22,666)</u>
	<u>(172,375)</u>	<u>270,907</u>
<b>Decrease in reserves and reserve fund balance</b>	<b>(168,510)</b>	<b>274,515</b>
Reserves and reserve fund balance, beginning of year	<u>533,577</u>	<u>259,062</u>
<b>Reserves and reserve fund balance, end of year</b>	<b><u>365,067</u></b>	<b><u>533,577</u></b>
 <b>Reserves and reserve fund balance comprised as follows:</b>		
Reserves set aside for specific purposes:		
Capital projects	88,375	62,745
Insurance loss	16,506	12,524
Furniture	35,359	30,744
Legal fees	6,270	27,910
Renovations	19,204	14,504
Honour guard	3,686	4,280
Canine unit	6,000	-
Salaries & Wages	-	215,800
	<b>175,400</b>	<b>368,507</b>
Reserve funds set aside for specific purposes:		
Sick leave severance	119,667	105,070
Voice radio	<u>70,000</u>	<u>60,000</u>
	<b><u>189,667</u></b>	<b><u>165,070</u></b>
<b>Total reserves and reserve funds</b>	<b><u>365,067</u></b>	<b><u>533,577</u></b>