

**Study of the consequences and cost of a  
possible reconstitution of the former  
Town of Cookshire-Eaton**

**Document presented  
to**

**Ministère des Affaires Municipales, du Sport et du Loisir**

**By :**

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## **1. TOWN OF COOKSHIRE-EATON**

### **1.1 Geographic presentation**

The present Town of Cookshire-Eaton is in the administrative region of the Eastern Townships, in the regional county municipality of Le Haut Saint-François. It is about 150 km east of Montreal, not far from Sherbrooke. The Town of Cookshire-Eaton (geographic code 41038) results from merging the former Town of Cookshire (geographic code 41045), the Municipality of Eaton (geographic code 41042) and the Township of Newport (geographic code 41038). The Town of Cookshire forms an enclave within the Municipality of Eaton.

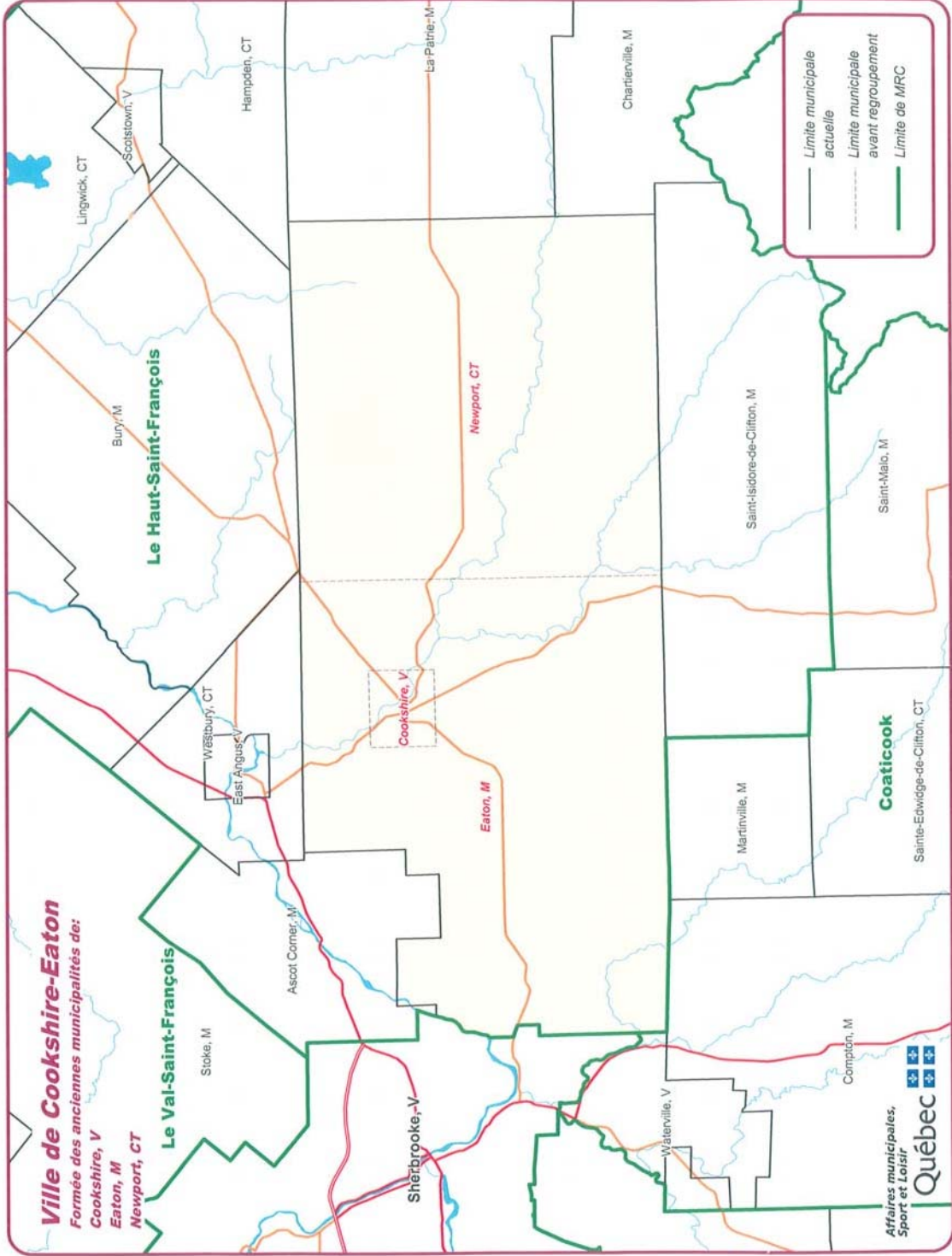
The territory of the Town of Cookshire-Eaton is bounded by: (i) the Municipality of Ascot Corner (to the North-west), (ii) the Township of Westbury (to the North), (iii) the Municipality of Bury (to the North), (iv) the Township of Hampden (to the North-east), (v) the municipalities of La Partie (to the East), Chartierville (to the East) and Saint-Isidore-de-Clifton (to the South), in the county regional Municipality of Coaticook, (vi) the municipalities of Martinville and Crompton (to the South), (vii) the Town of Waterville (to the South-west) and (viii) the Town of Sherbrooke (to the West).

The present Town of Cookshire-Eaton has an area of 555.2 km<sup>2</sup>, made up of 273 km<sup>2</sup> in the Municipality of Eaton (49 % of the total area), 10.2 km<sup>2</sup> in the Town of Cookshire (2 % of the total area) and 272 km<sup>2</sup> in the Township of Newport (49 % of the total area).

The map on the following page shows the town's location and the three municipalities that make it up.

### **1.2 Demographic indicators**

In 2003, the Town of Cookshire-Eaton had 5 955 residents, 3 753 in the Municipality of Eaton (63 %), 1 491 in the Town of Cookshire (25 %) and 711 in the Township of Newport (12 %). The Municipality of Eaton is by far the most populated, comprising some two-thirds of the total population of the new town.



**Table 1  
Evolution of the population**

Municipality	2003		2004	
	Population	% of total	Population	% of total
Township of Newport	711	12%	767	13%
Municipality of Eaton	3 753	63%	3 691	61%
Town of Cookshire	1 491	25%	1 549	26%
<b>Town of Cookshire-Eaton</b>	<b>5 955</b>	<b>100%</b>	<b>6 007</b>	<b>100%</b>

### Financial indicators

The 2002 financial statements of the municipalities show the financial situation of each one before the merger.

**Table 2  
2002 financial statements**

Items	Town of Cookshire		Township of Newport		Municipality of Eaton	
	\$	% of revenues	\$	% of revenues	\$	% of revenues
Revenues	1 276 722 \$		739 971 \$		2 886 258 \$	
Operating expenses	982 344 \$	77%	665 754 \$	90%	2 265 033 \$	78%
Other financial activities	220 098 \$	17%	27 995 \$	4%	553 691 \$	19%
Results before allocations	74 280 \$	6%	46 222 \$	6%	67 534 \$	2%
Net allocations	12 697 \$	1%	12 430 \$	2%	24 490 \$	1%
Surplus/deficit	86 977 \$	7%	58 652 \$	8%	92 024 \$	3%

Source : 2002 Financial reports, Town of Cookshire, Township of Newport and Municipality of Eaton

In 2002 the Municipality of Eaton had revenues of \$2.8 million, while the Township of Newport had \$740 000 and the Town of Cookshire \$1.3 million.

Operating expenses for the Municipality of Eaton were \$2.3 million, for the Township of Newport \$670 000 and for the Town of Cookshire \$980 000. The ratio of operating expenses to revenue was 78 % for the Municipality of Eaton, 90 % for the Township of Newport and 77 % for the Town of Cookshire.

The net result after allocations was \$92 000 for Eaton (or 3 % of its 2002 revenues), \$59 000 for Newport (or 8 % of its revenues) and \$87 000 for Cookshire (or 7 % of its revenues).

Table 3 shows the principal results for the new town, extrapolated from the 2003 and 2004 budgets.

**Table 3**  
**Detailed budget for 2003 and 2004**

Items	Town of Cookshire-Eaton				
	budget 2003	% of revenues	budget 2004	% of revenues	evolution 2003/2004
revenues	4 290 953 \$		4 716 998 \$		9,9%
operating expenses	4 107 285 \$	95,7%	4 298 526 \$	91,1%	4,7%
other financial activities	183 668 \$	4,3%	418 472 \$	8,9%	127,8%
results before allocations	- \$	0,0%	- \$	0,0%	
net allocations					
net result					

Source: Town of Cookshire-Eaton 2004 budget.

The Town of Cookshire-Eaton's 2004 budget predicts revenues of over \$4.7 million, with operating expenses of \$4.3 million. The Town intends to reduce its long-term debt by \$290 000 and use \$128 000 for investment purposes, thus permitting it to balance the budget. No surplus is foreseen for 2004.

### **1.3 Principal bills or orders leading to constitution of the new Town**

The Government of Québec set up the new Town of Cookshire-Eaton under articles 125.11 and 125.27 of the Loi sur l'organisation territoriale municipale, LRQ c.O-9, upon recommendation of the Minister of Municipal Affairs and the Metropolitan Area, and in the absence of any joint request for merger from the three municipalities concerned.

## **Constitution of the Town of Cookshire-Eaton**

Merging the Town of Cookshire, Township of Newport and the Municipality of Eaton was difficult; residents of the Township of Newport were against the merger to the extent that they could not see any immediate benefits. Little credence was given to the argument that more services could be offered and economies of scale realized. The fact is that many residents do not live in the Township year round and that young people are leaving the region, so there is no great demand for services.

The Town of Cookshire-Eaton was created in several steps:

- 1) a first Order in Council (no. 407-2001 dated April 11 2001) merged the Village of Sawyerville with the Township of Eaton. The new municipality received the name of "Municipality of Eaton";
- 2) by a second Order in Council (no. 1169-2001 dated October 3 2001), the Department of Municipal Affairs and the Metropolitan Area (MAMM) demanded that the Town of Cookshire, the Municipality of Eaton and the Township of Newport submit a joint merger request by November 30 2001 at the latest;
- 3) the MAMM appointed a conciliator to help the three towns agree on their joint request.
- 4) since the Township of Newport was opposed to the merger, and since no joint request was received by the deadline, the MAMSL obtained a third Order in Council (no. 858-2002 dated July 10 2002) ordering that the three towns be merged under the name of Town of Cookshire-Eaton. Order no. 858-2002 prescribes conditions for constitution and organization of the new town with respect to:
  - division of territory (creation of a borough corresponding to the territory of the former Township of Newport);
  - creation and organization of the town council and borough council;
  - the date for elections (the first general election was set for November 2002 and a second one in 2005);
  - integration of budgets, expenses and revenues;
  - allocation of accrued surplus and deficits;
  - consolidation of working capital and special funds;
  - reimbursement of debt (capital and interest);
  - determination of property taxes and evaluation, and
  - zoning and lot regulations.

Order no. 858-2002 also provides for credits or levies of property taxes during the six financial years following the merger. The following table provides a synopsis of the principal prescriptions:

**Table 4**  
**Property tax credits and special taxes**  
**prescribed by Order in Council no. 858-2002**

	Property tax credit for the Township of Newport	Property tax credit for the Municipality of Eaton	Special property tax for the Town of Cookshire
First year	0,15\$	0,06\$	0,25 \$
Second year	0,12\$	0,05\$	0,20 \$
Third year	0,10\$	0,04\$	0,16 \$
Fourth year	0,08\$	0,03\$	0,12 \$
Fifth year	0,05\$	0,02\$	0,08\$
Sixth year	0,02\$	0,01\$	0,04\$

In our simulations we assumed that these taxes and credits would not apply if the municipalities reverted to their former state. But we kept them in for the scenario where the merger remains in force.

### **Local political features**

The Town of Cookshire-Eaton is presently represented at the Municipal Regional Council of « Le Haut Saint-François » where it has 7 votes (1 vote for each thousand residents). Before the new town was created the mayors of each municipality sat on the MRC. If the municipalities revert, they will have to seek representation on the MRC the same way as before the merger.

### **Local association features**

The new town is a member of two municipal associations, l'Union des Municipalités du Québec (UMQ) and the Fédération Québécoise des Municipalités (FQM). If they revert, the former municipalities will each have to join these two associations.

## **1.4 Current political representation**

The Town of Cookshire-Eaton is a legal corporation governed by the Loi sur les Cités et Villes du Québec.

The town is governed by a municipal council made up of a mayor, 8 municipal councillors -- one for each of the 8 ridings created at the time of the first general elections in 2002 -- and two borough councillors.

More specifically, the municipal council includes :

- two councillors from the former Town of Cookshire;
- one councillor from Johnville;
- three councillors from the former Municipality of Eaton;
- one councillor from the Village of Sawyerville and;
- members of the borough council corresponding to the former Township of Newport, i.e. one municipal councillor and two borough councillors. .

The General Management coordinates all municipal activities. It runs the town in accordance with plans and policies adopted by Council. It provides liaison between the council and the various municipal services. It is responsible for budget, real estate and draft bylaws.

The General Management oversees four departments, namely:

- general administration, for reception, treasury and the City Clerk;
- public security, covering fire, civil protection and first response;
- leisure;
- technical services techniques such as Public Works and Urban Affairs.

The chart below shows the administrative organization of the Town of Cookshire-Eaton in graphic form.

The town also has thirteen committees, which are listed in the table below together with their principal functions. These committees have no decision-making powers and can only submit recommendations to the municipal council.

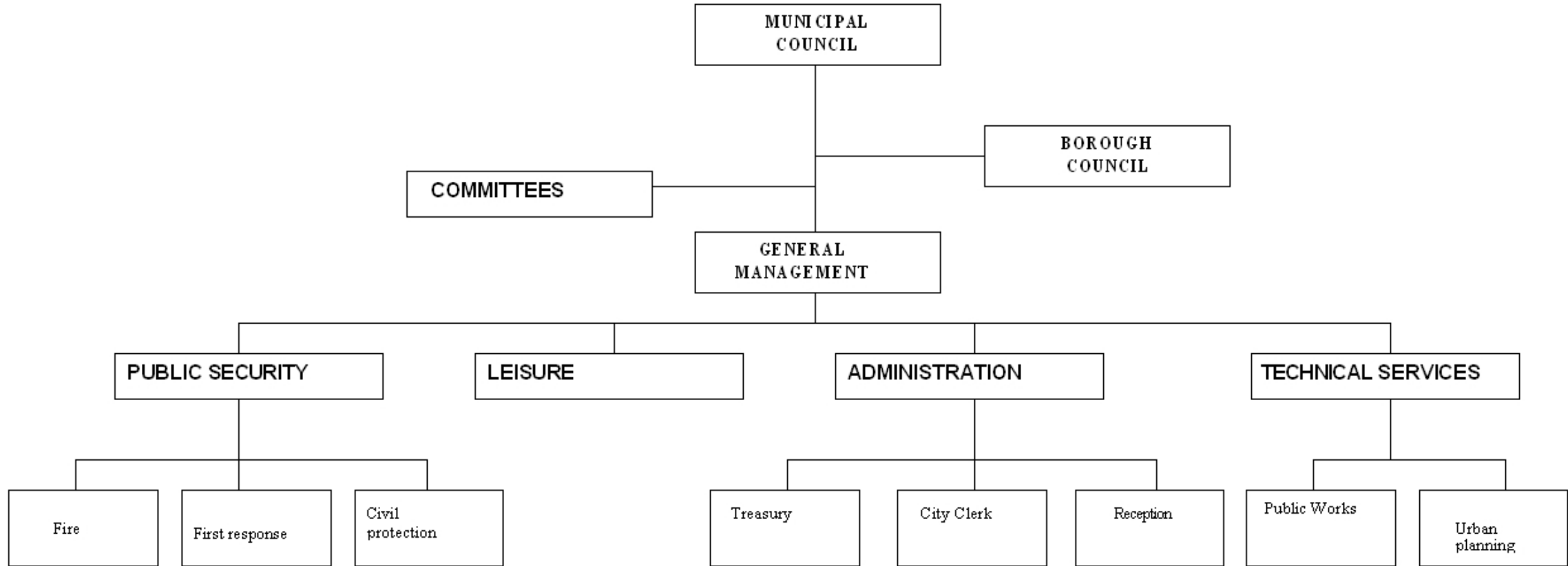
**Table 5  
Town of Cookshire-Eaton**

<b>List of committees</b>	<b>Principal functions</b>
<b>AQUEDUCT, SEWERS AND SANITATION</b>	<input type="checkbox"/> Aqueducts Cookshire, Sawyerville <input type="checkbox"/> Sewers Cookshire, Island Brook, Sawyerville <input type="checkbox"/> Planned sewers Eaton Corner <input type="checkbox"/> Planned sewers Johnville <input type="checkbox"/> Lagoons and septic tanks
<b>AGRO-FORESTRY</b>	<input type="checkbox"/> Information to agricultural and forestry producers concerning laws and regulations <input type="checkbox"/> Overseeing urban regulations that apply to agriculture and forestry <input type="checkbox"/> Expo Cookshire
<b>BOROUGH OF NEWPORT</b>	<input type="checkbox"/> Summer trails <input type="checkbox"/> Winter trails <input type="checkbox"/> Fire protection <input type="checkbox"/> Relations with citizens <input type="checkbox"/> Urban planning regulations and amendments
<b>DEVELOPMENT</b>	<input type="checkbox"/> Industrial development fund <input type="checkbox"/> Airport industrial park <input type="checkbox"/> Craig Nord Industrial Park <input type="checkbox"/> Future development <input type="checkbox"/> Industry and trade in general
<b>EXPANDED DEVELOPMENT</b>	<input type="checkbox"/>
	<input type="checkbox"/> Study of a plan to expand the school <input type="checkbox"/> Citizens' committee
<b>JOHNVILLE SCHOOL</b>	<input type="checkbox"/> Selective waste collection <input type="checkbox"/> Household waste <input type="checkbox"/> Beautification
<b>ENVIRONMENT</b>	
<b>FAMILIES</b>	<input type="checkbox"/> Questions concerning families
<b>FINANCES</b>	<input type="checkbox"/> Budget Cookshire <input type="checkbox"/> Budget Eaton <input type="checkbox"/> Budget Newport <input type="checkbox"/> Budget for the new Town
<b>INFORMATION</b>	<input type="checkbox"/> <i>Le Haut-Saint-François</i> Newspaper <input type="checkbox"/> Billboards <input type="checkbox"/> Identification of the municipality on the territory
<b>LEISURE</b>	<input type="checkbox"/> Support for organizations <input type="checkbox"/> Study of government programs <input type="checkbox"/> Search for financing <input type="checkbox"/> Improvement of land <input type="checkbox"/> Libraries Cookshire, Sawyerville and Johnville <input type="checkbox"/> Internet Sawyerville <input type="checkbox"/> Drop-in centres Cookshire, Johnville and Sawyerville <input type="checkbox"/> New projects
<b>MUNICIPAL PROPERTIES</b>	<input type="checkbox"/> Maintenance and improvement of buildings <input type="checkbox"/> Maintenance and improvement of land
<b>LABOUR RELATIONS</b>	<input type="checkbox"/> Applying the collective agreement <input type="checkbox"/> Renewing the collective agreement

List of committees	Principal functions
<b>PUBLIC SECURITY</b>	<input type="checkbox"/> Fire protection, civil protection <input type="checkbox"/> First response <input type="checkbox"/> Neighbourhood protection <input type="checkbox"/> New traffic lights <input type="checkbox"/> Fire liaison <input type="checkbox"/> Emergency plan <input type="checkbox"/> Chimney sweeping
<b>TOURISM</b>	<input type="checkbox"/> Tourist information office <input type="checkbox"/> Eco-forestry park <input type="checkbox"/> Developing Sawyerville dam <input type="checkbox"/> Rivière Eaton (landscaping) <input type="checkbox"/> Eaton Corner museum <input type="checkbox"/> Covered bridges <input type="checkbox"/> New tourist projects
<b>URBAN PLANNING</b>	<input type="checkbox"/> Overseeing urban planning regulations and amendments <input type="checkbox"/> Integrating urban planning regulations <input type="checkbox"/> Zoning <input type="checkbox"/> Built environment <input type="checkbox"/> CCU
<b>ROADS</b>	<input type="checkbox"/> Maintenance of trails, roads, sidewalks <input type="checkbox"/> Ditches, bridges <input type="checkbox"/> Traffic lights
<b>ADAPTED TRANSPORT</b>	<input type="checkbox"/> Transport du Bonheur

# TOWN OF COOKSHIRE – EATON

## CHART



## 1.5 Political representation if the former municipalities are reconstituted

***Municipal council*** : before the merger the former municipalities each had a mayor and 6 councillors, except the municipality of Eaton whose council had a mayor and 9 elected representatives. Unless the law provides otherwise, each municipality will probably go back to the same political structure it had before the merger, i.e. a mayor and 6 councillors for Newport and Cookshire and a mayor and 9 councillors for Eaton.

***Transition committee***: for each town where at least one referendum opts for the former municipality to be reconstituted, the government can appoint a transition committee to facilitate the transfer of municipal administrations. Because of the way the merger came about, the people in charge of our town feel that such a committee will definitely be needed in order to divide certain assets and re-organize the services, be they under the agglomerate jurisdiction or local jurisdiction:

- before the merger each municipality had set up its own services, so there is no history of cooperation;
- there will be gaps in the reorganization and delivery of services because some prices went up after the merger and it will be hard to revert to the same costs as before, and

- some residents see no benefit in keeping certain services merged since (i) they do not use them and (ii) they have to pay for them.

**Urban agglomeration council:** if the former municipalities are reconstituted they will not get back the same responsibilities they had before. Under Bill 9 there are now some functions that for purposes of efficiency and equity must be financed at the agglomerate level, i.e. that of the entire territory of the merged towns. The central municipality will therefore need an additional deliberative body called “urban agglomeration council” or “mixed council.” For the Town of Cookshire-Eaton, we propose that the urban agglomeration council be the same size as the present municipal council, i.e. 10 members plus the mayor of the central municipality. Taking the ratio of each of the three municipalities to the total population of the present town, which is 12% for the Township of Newport, 63% for the Municipality of Eaton and 25% for the Town of Cookshire, there are two options:

- **Option 1:** the urban agglomeration council has 1 representative from Newport, 7 representatives from Eaton and 3 representatives from Cookshire including the mayor; or
- **Option 2:** the urban agglomeration council has 1 representative from Newport, 7 representatives from Eaton including the mayor and 3 representatives from Cookshire.

It should be mentioned however that Bill 9 gives the central municipality a right of veto over decisions made by the urban agglomeration council.

**Determining the central municipality:** Article 2 of Bill 9 concerning consultation of citizens on the territorial reorganization of certain municipalities names the former Town of Cookshire as the central municipality.

## 2.0 PROVIDING MUNICIPAL SERVICES

### 2.1 Services provided by the new town

Before the merger there were few connections between the various sectors that now constitute the Town of Cookshire-Eaton, and each one had developed its own services, as the following table shows.

**Table 6**  
**Services provided by the former municipalities**  
**before merger**

	Township of Newport	Municipality of Eaton	Town of Cookshire
Public security	X	X	X
Fire protection	X	X	X
Road maintenance	X	X	X
Public works		X	X
Water supply		X	X
Purification of used water		X	X
Pickup and disposal of waste	X	X	X
Urban planning			
Promotion and economic development		X	X
Leisure and culture		X	X

Among the rare agreements that had been made, the Township of Newport worked with:

- the Municipality of Bury, the Village of Sawyerville and the Town of Cookshire in the realm of fire protection;
- the Municipalities of Saint-Isidore-de-Clifton and Eaton for snow removal.

There were also informal arrangements based on the notion of good citizenship, particularly in the realm of leisure and culture, allowing residents of the other municipalities access to some of the amenities in the Town of Cookshire.

The General Management of the new town reports that the merger of the three municipalities made it possible to consolidate infrastructures, offer a wider array of services and realize economies of scale both for administration and for delivery of fire, road and water supply services. Manpower was streamlined in terms of the number of days worked, machinery was pooled<sup>1</sup> and waste pickup was better organized throughout the territory.

## **2.2 Impact on services in the case of reconstitution**

The main impact on services in the case of reconstitution will be on the division of assets, but also on the cost of delivery of those services. Like many other merged municipalities, the Town of Cookshire-Eaton adjusted its costs to reflect not only the new-sized territory but also the increased responsibilities for staff. The difficulties we experienced before the merger are likely to resurface during the reverse process, and no need will be seen to maintain certain agglomerated services as residents of certain sectors “are not getting their money’s worth.”

That being said, for the following in particular:

- **supply and purification of water:** the Township of Newport should hardly be affected by a demerger, since residents have their own artesian wells and septic tanks. But an inter-municipal agreement could be negotiated between the Municipality of Eaton and the Town of Cookshire for delivery of these services, although these towns have no aqueducts, sewers and treatment facilities in common.
- **public security:** reconstitution of the former municipalities should not have a major impact on the cost of this service because the three sectors paid the same tariff before merger as what the Sécurité du Québec charges them now, namely 0.18\$ per \$100 evaluation.
- **road maintenance:** the General Management reports that the territory covered by the new town has no arterial road network, but only a local road network of 318 km, 114 km (36%) in the Township of Newport, 179 km (58%) in the Municipality of Eaton and 25 km (8%) in the Town of Cookshire. If each municipality has to assume its respective costs, the reconstitution issue will focus mainly on division of the newly-acquired assets and road equipment. The same problem will arise for collection and disposal of waste.

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<sup>1</sup> There are now only 3 fire stations instead of 4. In addition a first response service, which previously was only available in the Township of Newport, is now available throughout the territory.

### 3.0 HUMAN AND PHYSICAL RESOURCES

#### 3.1 Human resources

##### *Present situation*

The table below shows the personnel for the present Town of Cookshire-Eaton and that of the three towns before the merger.

**Table 7**  
**Municipal staff before and after merger**

Posts	Before merger (2002)			After merger (2004)
	Township of Newport	Municipality of Eaton	Village of Cookshire	Town of Cookshire- Eaton
Management and foremen	2	3	2	3
Professionals and white-collar	0	5	1	8
Blue-collar	0	9	3	20
Police	0	0		0
Volunteer firemen	0	42	16	58
<b>Total</b>	<b>2</b>	<b>59</b>	<b>22</b>	<b>89</b>

In 2002, the last year of separate organization, the Township of Newport had only 2 managers and foremen, over and above the 7 elected representatives. The Municipality of Eaton had a total of 59 staff, including 42 volunteer firemen who were shared with other municipalities. The Town of Cookshire had 22 municipal employees, including 16 volunteer firemen.

Table 7 shows that merging the three towns, rather than streamlining personnel, has increased its size from 83 in 2002 to 89 in 2004. Apart from the category of management and foremen which has decreased by 4, all other categories have expanded, especially the blue-collar (+8), and professionals and white-collar (+2). There is no change in the number of volunteer firemen.

## **Reconstitution**

The General Management feels that it would be highly speculative and difficult to predict the amount of personnel for each of the towns in the case of reconstitution. It would depend on the division of assets and jurisdictions that reorganization of the various services would require. Without precise figures for the new distribution of tasks within each town, we assume that reconstitution will not eliminate any. So the existing staff will be reassigned to one of the three towns, and there will not be any additional manpower costs. Any savings realized by the reduction of white-collars, managers and professionals will be offset by an increase in blue-collars. The case of volunteer firemen will not change, as their numbers have not changed. The likely result of reconstitution in terms of staff is shown in Table 8 below. We should point out that this list is based on our own assumptions, not those of the Town General Management .

**Table 8**  
**Municipal staff after reconstitution**

	<b>Township of Newport</b>	<b>Municipality of Eaton</b>	<b>Town of Cookshire</b>	<b>Total</b>
Management and foremen	1	1	1	3
Professionals and white-collars	1	5	2	8
Blue-collars	2	10	8	20
Police		0	0	0
Firemen		42	16	58
<b>Total</b>	<b>4</b>	<b>58</b>	<b>27</b>	<b>89</b>

In terms of impact on salaries after reconstitution, we only considered the additional salaries that would be needed to re-organize the municipal councils.<sup>2</sup> Table 9 shows our results.

<sup>2</sup> That is: 4 elected representatives for Cookshire, 4 for Newport and 5 for Eaton.

**Table 9  
Impact on salaries**

	<b>Township of Newport</b>	<b>Municipality of Eaton</b>	<b>Town of Cookshire</b>
Salary for elected representatives	39 719 \$	52 258 \$	39 719 \$
Additional salary for staff	n/a	n/a	n/a
<b>Total</b>	<b>39 719 \$</b>	<b>52 258 \$</b>	<b>39 719 \$</b>

n/a : non applicable

### **3.2 Physical resources**

Table 10 below contains the list of buildings, equipment, machinery and vehicles of the present town. It also shows:

- where they originally came from, and how they would be reassigned if the former towns are reconstituted;
- the municipal services to which they are assigned;
- their book value in 2003.

According to the information we were given, reconstitution of physical resources should not generate much additional cost, beyond that of some machines used for garbage disposal. The reconstituted municipalities may have to acquire some new equipment unless they sign agreements to share services in this area. .

The main issue concerning physical resources lies in dividing up the pieces that belong to the new town. Especially affected is the equipment used for roads and public works.

**Table 10**  
Town of Cookshire-Eaton: list of physical resources

List (1)	Source				Service concerned (3)	Book value end of 2003
	Town of Cookshire-Eaton (2)	Municipality of Eaton	Town of Cookshire	Township of Newport		
<b>Buildings</b>						
Pumping station – Etang Cloutier			X		Local hygiene	
Garage west side of 100 rue Principale est			X		Public works	
Warehouse west side rue Principale est			X		Public works	
Library – rooms – offices			X		Leisure	
Skating chalet Cookshire			X		Leisure	
City Hall			X		Administration	
Filter room – pool and dressing room			X		Leisure	
Skating chalet and drop-in centre			X		Leisure	
Restaurant (no fryer)			X		Leisure	
Fire station with 1 dwelling			X		Public security	
Pumping station			X		Local hygiene	
Game structure			X		Leisure	
Pumping station (1)			X		Local hygiene	
Pumping station (2)			X		Local hygiene	
Water purification chemin des Étangs			X		Local hygiene	
Pumping station (3)			X		Local hygiene	
Announcers' cabin			X		Leisure	
Overpressure station			X		Local hygiene	
Cookshire Community/leisure centre			X		Leisure	
Space rented out			X		Leisure	
Public toilet			X		Leisure	
Skating cabin				X	Leisure	
Municipal offices				X	Administration	
Sawyerville fire station		X			Public security	\$40,800
Birchton tourist kiosk		X			Leisure	
Church well		X			Local hygiene	
Shelter over reservoir – rte 253		X			Local hygiene	
Shelter over reservoir – High Forest road		X			Local hygiene	
Municipal offices and Société d'histoire et du patrimoine du Haut-Saint-François		X			Administration – Leisure	\$64,800
Municipal offices and Birchton fire station		X			Public works – Security	\$164,500
Johnville fire station		X			Public security	\$10,500
Purification station, chemin des Iris		X			Local hygiene	\$105,000
Communications tower		X			Public works – Security	
Birchton park chalet		X			Leisure	\$86,500
Municipal warehouse		X			Public works	\$40,000
Shermag pumping station		X			Local hygiene	
Warehouse (municipal garage)		X			Public works	
Community hall and apartments, Sawyerville		X			Leisure	
Library, Johnville sector		X			Leisure	
Municipal garage, Sawyerville		X			Public works	\$32,700
Skating chalet, Sawyerville		X			Leisure	\$32,000
Sports centre		X			Leisure	\$83,360
Electrical outlet protector for sports field lighting system		X			Leisure	\$38,142
Municipal warehouse		X			Public works	\$7,600
Bowling alley – sewing workshop – private body		X			Leisure	\$366,500
Purification station for used water		X			Public works	\$289,100
Brazel warehouse		X			Leisure	
Community Hall, Johnville		X			Local hygiene	\$175,300
Pumping station rue Principale		X			Local hygiene	\$289,100
Pumping station rue Faulkner		X			Local hygiene	\$3,500
Pumping station aqueduct		X			Local hygiene	\$18,500
Sports field, Johnville		X			Leisure	
Municipal garage, Birchton	X				Public works	
<b>Subtotal Buildings</b>						<b>\$1,847,902</b>

**Table 10 (suite)**  
Town of Cookshire-Eaton: list of physical resources

List (1)	Source				Service concerned (3)	Book value end of 2003
	Town of Cookshire -Eaton (2)	Municipality of Eaton	Town of Cookshire	Township of Newport		
<b>Equipment, machinery and vehicles</b>						
Asphalt roller – pavé 300 E			X		Roads	n.a.
Dodge Ram pick-up 1994			X		Supervision by Public works	n.a.
Inter 1975			X		Fire- autopompe-Cookshire	n.a.
GMC 1979			X		Fire emergency - Cookshire	n.a.
Bombardier tractor 1978			X		Roads – for sidewalks	n.a.
Gardener road roller 1961			X		Roads	n.a.
Roller trailer 6 ½ x 12			X		Stone vibrating plate and accessories	n.a.
Cookshire fire equipment			X		Fire – Cookshire	n.a.
Case 580K backhoe 1990			X		Roads	n.a.
Snow cart			X		Roads – winter trails	n.a.
Case 9010B hydraulic shovel	X				Roads	n.a.
Garbage truck (bought April 04)	X				Domestic waste	n.a.
Manac trailer 1974	X				Roads	n.a.
Champion leveller 1994	X				Roads – snow removal	n.a.
Ford F 550	X				Roads	n.a.
Traffic light trailer	X				Roads – winter	n.a.
Western Star 1998	X				Roads – winter	n.a.
Inter XCN 1985	X				Roads – garbage septic tanks	n.a.
Radio communication system, 755 Pope	X				Communication roads	n.a.
Radio communication system, 100 Principale est	X				Communication roads	n.a.
Ford F350 1991	X				Roads	n.a.
Truck radio comm. system, Eaton fire	X				Communication fire	n.a.
Inter 1987	X				Road trucks winter	n.a.
Tanker trailer (1981)		X			Roads and fire	n.a.
Sander		X			Winter trails	n.a.
Ford COF 1995		X			Roads and municipal inspection	n.a.
Mack R600 1973		X			Winter trails	n.a.
Ford COF 1997		X			Road and winter trails	n.a.
Mack 600 1981		X			Winter trails	n.a.
Freight CON 1988		X			Roads and winter trails	n.a.
Inter SS 1987		X			Roads and winter trails	n.a.
Inter 4DS 1990		X			Selective pickup	n.a.
Inter 4DS 1996		X			Domestic waste	n.a.
Jeep Cherokee 1994		X			First response Johnville	n.a.
Inter SS 1996		X			Fire tanker Sawyerville	n.a.
GMC FCC 1991		X			Fire Birchton emergency unit	n.a.
Inter SS 1985		X			Fire tanker, Johnville	n.a.
GMC C6V 1985		X			Fire autopompe Birchton	n.a.
Storage trailer 1985		X			Roads	n.a.
Freight MCV 1995		X			Roads winter trails	n.a.
Ford COL 1985		X			Fire tanker Birchton	n.a.
Case 580K backhoe 1990		X			Roads	n.a.
Chevrolet CTV 1988		X			Sawyerville emergency unit	n.a.
Eaton fire equipment		X			Fire	n.a.
Sawyerville fire equipment		X			Fire	n.a.
Sander		X			Winter trails	n.a.
Kubota B1550 tractor 1988		X			Roads leisure	n.a.

List (1)	Source				Service concerned (3)	Book value end of 2003
	Town of Cookshire-Eaton (2)	Municipality of Eaton	Town of Cookshire	Township of Newport		
<b>Equipment, machinery and vehicles</b>						
Ford backhoe 1987		X			Roads	n.a.
Ford MHV 1990		X			Fire autopompe Sawyerville	n.a.
Inter 40S 1992		X			Fire autopompe Johnville	n.a.
Portable pump		X			Roads hygiene	n.a.
Sander		X			Winter trails	n.a.
Sander		X			Winter trails	n.a.
Sander		X			Winter trails	n.a.
Sander		X			Winter trails	n.a.
Sander		X			Winter trails	n.a.
Eaton snow-removal equipment		X			Winter trails	n.a.
Honda lawn tractor 1992		X			Roads	n.a.
General use trailer 1996		X			Roads	n.a.
Ford F-150 COF 1991		X			Roads	n.a.
Ford Pick Up 1998				X	Roads municipal inspection	n.a.
John Deer 700 leveller 1975				X	Roads winter trails	n.a.
<b>Sub-total equipement, machinery, vehicles</b>						n.a.

## 4.0 LOCAL FINANCES

### 4.1 Transition costs

The table below gives an estimate of the transition costs, according to information we received from town officials.

**Table 11**  
**Estimated transition costs**

<b>Item</b>	<b>Township of Newport</b>	<b>Municipality of Eaton</b>	<b>Town of Cookshire</b>
<b>Cost of elections to new council</b>	7 500 \$	7 500 \$	7 500 \$
<b>Cost of upgrading premises</b>			
<b>Cost of moving</b>	20 000 \$	20 000 \$	20 000 \$
<b>Cost of special studies (if necessary)</b>			
<b>Revision of regulations</b>	3 000 \$	3 000 \$	3 000 \$
<b>Transition committee cost</b>	31 283 \$	150 540 \$	63 177 \$
<b>Membership in UMQ</b>	1 500 \$	1 500 \$	1 500 \$
<b>Membership of FQM</b>	1 500 \$	1 500 \$	1 500 \$
<b>Liability insurance for elected representatives</b>			
<b>Other insurance</b>	2 017 \$	15 469 \$	7 734 \$
<b>Subscription to Loi sur le cités et villes</b>			
<b>Other transition costs</b>	10 000 \$	10 000 \$	10 000 \$
<b>Total</b>	<b>76 800 \$</b>	<b>209 509 \$</b>	<b>114 411 \$</b>

Total transition costs will be close to \$400 000, with some \$77 000 for the Township of Newport, \$210 000 for the Municipality of Eaton and \$114 000 for the Town of Cookshire. This includes the costs of a transition committee of three people, for which we estimate a charge of \$245 000. For the purposes of our budget projections we have assumed that these costs will be amortized uniformly over 3 years.

## 4.2 Financial aid for mergers

The following table summarizes all grants received by the Town of Cookshire-Eaton since 2002 under the Programme d'aide au regroupement municipal (PAFREM) and Programme de neutralité financière.

**Table 12**  
**Financial aid for mergers**

	2002	2003	2004	2005	2006
Programme d'aide financière au regroupement municipal	74 710 \$	50 330 \$	35 950 \$	17 975 \$	10 785 \$
Previous Eaton-Sawyerville merger		38 990 \$	19 495 \$	11 697 \$	
Programme de neutralité financière		67 916 \$	64 167 \$	60 418 \$	
<b>Total</b>	<b>74 710 \$</b>	<b>157 236 \$</b>	<b>119 612 \$</b>	<b>90 090 \$</b>	<b>10 785 \$</b>

For the years 2005 and 2006, assuming that the former municipalities are reconstituted, the balance of government financial aid has been attributed to the agglomeration budget, except for the amount listed under the Eaton-Sawyerville merger which has been treated as revenue for the Municipality of Eaton.

## 4.3 Working capital, accumulated surplus and other funds

### 4.3.1 *Working capital and other funds*<sup>3</sup>

The Town of Cookshire-Eaton has working capital of \$330 000, which it has used up. It intends to reconstitute it over 5 years by annual deposits of \$65 000. For 2004 the Town planned to reuse up to \$40 000 of this deposit.

In the case of reconstitution the yearly repayments can be allocated to the agglomeration budget. Each municipality would contribute in proportion to its property value.

### 4.3.2 *Accumulated surplus*

In 2002, the last year for which separate financial statements were prepared, all surpluses were allocated and used. For 2003 and 2004, the town budgets balanced revenues and expenses, so no surplus or deficit was entered. Therefore, without preliminary information on the financial activities of 2003, we assumed there in accordance with the budget there would be no unallocated surplus in 2004.

<sup>3</sup> Most of these figures are taken from the unaudited 2003 preliminary financial report.

Should future financial reports show unallocated accumulated surpluses (or deficits), these can be divided between the municipalities, in proportion to their property value.

#### 4.4 Long-term debt

Table 13 shows the present town's long-term debt and how it could be divided in the case of reconstitution.

**Table 13  
Town of Cookshire-Eaton: Long-Term debt**

	2004	2005	2006	2007
<b>Former debt</b>				
Municipality of Eaton	38 774 \$	76 180 \$	23 280 \$	5 600 \$
Town of Cookshire	186 900 \$	52 800 \$	56 800 \$	45 300 \$
Township of Newport	0 \$	0 \$	0 \$	0 \$
<b>Sub-total former debt</b>	<b>225 674 \$</b>	<b>128 980 \$</b>	<b>80 080 \$</b>	<b>50 900 \$</b>
<b>New debt</b>				
Municipality of Eaton	21 259 \$	22 534 \$	23 887 \$	25 320 \$
Town of Cookshire	5 120 \$	5 427 \$	5 753 \$	6 098 \$
Township of Newport	3 329 \$	3 529 \$	3 740 \$	3 965 \$
<b>Sub-total new debt</b>	<b>29 708 \$</b>	<b>31 490 \$</b>	<b>33 380 \$</b>	<b>35 382 \$</b>
<b>Total debt</b>	<b>255 382 \$</b>	<b>160 470 \$</b>	<b>113 460 \$</b>	<b>86 282 \$</b>

Only the Municipality of Eaton and the Town of Cookshire still carried former debts on their books, with repayments budgeted up to 2007.

The new debt is made up of loans for:

- setting up offices in Eaton; et
- purchase of a garbage truck.

The entire office debt has been allocated to the Municipality of Eaton whereas the garbage truck debt has been divided in proportion to the number of dwellings it services.

#### **4.5 Three-year programs for capital expenditures**

The Town of Cookshire-Eaton has a three-year capital expenditures program which runs from 2004 to 2006. Table 14 on next page shows the main elements and projections

Table 14						
Town of Cookshire-Eaton: 3-Year Program for capital expenditures						
Items	2004	2005	2006	Location		
				Town of Cookshire	Township of Newport	Municipality of Eaton
<b>Administration</b>						
1- Parking lots – Sawyerville (Fence, tenants)	8 000,00 \$					X
2- Façade, City Hall – Cookshire	3 000,00 \$			X		
3- Painting, City Hall	5 000,00 \$			X		
4- Ventilation/air conditioning, City Hall		20 000,00 \$		X		
<b>Public security</b>						
1- Fire stations – Cookshire – Island Brook – Johnville	175 000,00 \$	125 000,00 \$		X	X	X
2- Fire trucks	250 000,00 \$	150 000,00 \$	150 000,00 \$	X	X	X
3- Fire communication (St-Mathias)		15 000,00 \$			X	
4- Signposting (Sawyerville, Dolbec, Cookshire) \$5,000 per unit		10 000,00 \$	10 000,00 \$	X	X	X
5- Trailers (Civil protection, brushfires)		15 000,00 \$	15 000,00 \$	X	X	X
6- Fire reservoirs – Rte 251-Ch. North Spring, Newport		10 000,00 \$	10 000,00 \$		X	X
7- Electrical outlets, Sawyerville fire station		10 000,00 \$				X
8- Jaws of life		30 000,00 \$		X	X	X
9- Vehicle – First response		15 000,00 \$		X	X	X
<b>Road transport</b>						
1- Trailer-carpentry	15 000,00 \$			X	X	X
2- Belly Dump	25 000,00 \$	25 000,00 \$		X	X	X
3- Brushcutter		20 000,00 \$		X	X	X
4- Tools, mechanic – Birchton	5 000,00 \$	5 000,00 \$		X	X	X
5- Trucks – public works (snow removal Newport)	235 000,00 \$	190 000,00 \$	100 000,00 \$		X	
6- Tractor (lawn, mechanical sweeper, sidewalk snow)		40 000,00 \$		X	X	X
7- Loader (gravel Birchton-Bulwer)		75 000,00 \$				X
8- Chemin Robinson	400 000,00 \$					X
9- Rue Beaudoin (+ network)	400 000,00 \$			X		
10- Municipal garage – Birchton (part)	200 000,00 \$					X
11- Shelter, stores of gravel/sand – Sawyerville – Island Barook		10 000,00 \$	10 000,00 \$		X	X
12- Rue du Parc, work on English school		10 000,00 \$		X		
13- Sidewalks	15 000,00 \$	15 000,00 \$	15 000,00 \$	X	X	X
14- Demolition CPR pylon, rivière-Cookshire			20 000,00 \$	X		
15- Site, snow dump – Cookshire	25 000,00 \$			X		
16- Chemin Clifton (+ network)	900 000,00 \$					X
17- Furniture (tourist kiosk – offices – garage)	5 000,00 \$					X
18- Cube network			20 000,00 \$	X		X
19-Court Birchton	15 000,00 \$	110 000,00 \$				X
20- Renovation, rental Sawyerville		5 000,00 \$	5 000,00 \$			X
21- Island, ch. North – rte 251	10 000,00 \$					X
22- Street lighting		10 000,00 \$	10 000,00 \$	X	X	X
23- Snow plow		5 000,00 \$		X	X	X
<b>Local hygiene</b>						
1- Sewer, Larochelle – Johnville	18 000,00 \$					X
2- Sewer Bonair-Cookshire industrial park	427 570,00 \$			X		
3- Water meters		5 000,00 \$		X		X
4- Fencing for lagoons – Johnville (600m/\$50)		30 000,00 \$				X
5- Supplying drinking water – Sawyerville	200 000,00 \$					X
6- Truck adapted for selective pickup	10 000,00 \$			X	X	X
7- Gasoline control system	6 000,00 \$			X	X	X
8- Study, rivière Eaton		100 000,00 \$		X	X	X
9- Hydraulic capacity – Cookshire – Sawyerville			12 000,00 \$	X		X
10- Drying post – Cookshire		110 000,00 \$		X		
11- Rue Craig sud, end of line, correction			6 000,00 \$	X		
<b>Leisure and culture</b>						
1- Community centre – Johnville (windows, etc.)	50 000,00 \$					X
2- Community hall, small rooms – 210 Principale est		30 000,00 \$		X		
3- Sports grounds (Cook pool, \$3,000)	3 000,00 \$	10 000,00 \$	10 000,00 \$	X		
4- Bicycle path		5 000,00 \$	5 000,00 \$	X	X	X
5- Community centre – Sawyerville		10 000,00 \$				X
6- Covering for bowling alley – Sawyerville	15 000,00 \$	60 000,00 \$				X
7- Furniture (large hall) – 210 Principale est		5 000,00 \$		X		
8- Johnville library – furniture	3 000,00 \$					X
9- Rue Eaton, furniture			5 000,00 \$	X		
10- Garage Castonguay, renovation		20 000,00 \$		X		
11- Sawyerville library, furniture	5 000,00 \$					X
13- CACI-Cookshire		6 000,00 \$		X		
<b>Urban planning and development</b>						
1- Sawyerville dam	10 000,00 \$					X
2- Musée-Académie – landscaping	10 000,00 \$					X
3- Airport motel			50 000,00 \$			X
4- Landscaping rivière Eaton, Cookshire sector			50 000,00 \$	X		
5- Development agent		50 000,00 \$		X	X	X
<b>Total</b>	<b>3 448 570 \$</b>	<b>1 361 000 \$</b>	<b>503 000 \$</b>			

Total investments of close to \$5.3 million are predicted for the period. However for 2004 only \$128 000 is entered under the heading of transfer for investment activities. The General Management says that investments should be higher for the three coming years and have a yield of 20%.

Based on this information and in agreement with the Town General Management , we have made the following adjustments under the heading “transfer for investment activities”:

- 1) first we considered that investments with financing that is forecast should be removed from the operating budget;
- 2) then we divided these investments into those of the agglomeration and local investments;
- 3) then we allocated local investments to the former municipalities.in proportion to their property value;
- 4) last, we applied a 20% yield rate uniformly to all amounts in step 3.

#### **4.6 Valuation and rental value rolls**

The Town of Cookshire-Eaton’s total valuation roll came to \$290 160 800 in 2004, as table 15 shows. The Municipality of Eaton contains 60% of the total property value of the new town, compared to 20% for each of the other two municipalities.

	Township of Newport		Municipality of Eaton		Town of Cookshire		Total
	\$	%	\$	%	\$	%	
Taxable value	\$ 56 989 100		166 428 407 \$		51 648 193 \$		275 065 700 \$
Non-taxable value	\$ 374 600		6 971 525 \$		7 748 975 \$		15 095 100 \$
<b>Total</b>	<b>\$ 57 363 700</b>	<b>20%</b>	<b>173 399 932 \$</b>	<b>60%</b>	<b>59 397 168 \$</b>	<b>20%</b>	<b>290 160 800 \$</b>

## 5.0 BUDGET OF REVENUES AND EXPENSES

### 5.1 General approach

Pro forma budgets of revenues and expenses for reconstitution of the former municipalities are based on the forecast revenues and expenses for the year 2004. We first drew up four budgets :

- one 2004 budget for the agglomeration; and
- three 2004 local budgets, one for the former Township of Newport, the second for the former Municipality of Eaton and the third for the former Town of Cookshire.

We proceeded according to the following steps:

- showing both agglomeration and local expenses in the 2004 budget as prescribed by Bill 9 for the principal budget categories: general administration, public security, transport, local hygiene, health and welfare, landscaping, urban planning and development, leisure and culture, electricity, etc.
- attributing local expenses and revenues for each of the towns; this was done with the assistance of the town's General Management , which either sent us precise figures for operating expenses attributable to each of the towns, or indicated the rules for making such attributions.
- calculating the net cost of financing each expense; we did this by deducting from the operating cost of each service the conditional transfers and services rendered, contributions, fines and interest from the amortization fund; this was done for both the agglomeration budget and the three local budgets; the total of net costs to be financed allowed us to determine the total operating costs to be financed before servicing the debt.
- determining the total net cost to be financed for the four budgets: this was done **by adding** :
  - (i) financing costs,
  - (ii) repayment of long-term debt,
  - (iii) transfers for investment activities,

**and by deducting** :

- (i) unconditional transfers,
- (ii) other revenues (fees, fines and penalties, interest, surrender of long-term assets, contributions from promoters, public transport and others),
- (iii) transition costs and
- (iv) surplus allocations.

The result gave us the excess of costs over revenues that will have to be financed by the regular property taxes so as to balance revenues and expenses. For the Town of Cookshire-Eaton the net cost to be financed was adjusted to take into account tax credits and special property taxes prescribed in Order no. 858-2002.

## 5.2 Calculating the property tax rates

**Calculating the property tax rates:** for the present town or for calculating taxes for the agglomeration, we used the taxable property value of the present town. For property taxes broken down by locality we applied the taxable property value of each town. .

**Specific residential taxes (water, sewers and domestic waste):** these specific taxes were calculated based on the numbers of dwelling units, as supplied by the town. It should be noted that for the Township of Newport we only calculated taxes for collecting domestic waste, because this municipality does not offer water or purification of water to its residents. .

We used 2004 dollars for the 2005-2007 projections. We assumed that the same rate of expenses and revenues would be maintained except for:

- ❑ of expenses for common and local administration, which were adjusted to reflect the impact on salaries;
- ❑ of expenses under the heading of transfers for investment activities which we practically doubled for 2005-2007 based on information received, and
- ❑ of certain conditional transfers which are not predicted to be renewed after 2005.

## 5.3 Assumptions for calculations

The 2004 budget headings for revenues and expenses have been treated in several ways. The table below shows the principal assumptions and calculation methods used for drawing up pro forma budgets.

EXPENSE ITEMS	ASSUMPTIONS AND RULES FOR CALCULATION
<b>General administration</b>	
Property valuation	Allocated as an agglomeration expense
Implementation of the law	Allocated as an agglomeration expense
Other, common	General admin. expenses (other than property valuation and implementation of the law) ratio of common expenses to total expenses (except for general admin), 30%
Other, local	General admin. expenses (other than property valuation and implementation of the law) weighted by the other common expenses at 82%. For 2005-2007 these expenses were adjusted to account for increased salaries for elected representatives, additional employees and participation on the agglomeration council.
<b>Public security</b>	
Police	Allocated to local expenses in the event of reconstitution. Before merging the three towns paid the same rate to the SQ (18 cents per \$100 evaluation) as the present town. We assume the rate would not change in the case of reconstitution.
Fire protection	
Civil security and 911	Allocated as an agglomeration expense
Other	
<b>Transport</b>	
Arterial road network, common	
Local road network	The General Management reports that the present Town has no arterial road network, only a local road network of 318 km, of which 114 km cross the Township of Newport, 179 km the Municipality of Eaton and 25 km the Town of Cookshire. Maintenance costs have been allocated in proportion to their lengths, respectively 36%, 58% and 6%.
Public transport	Handicapped transport. Treated as an agglomeration expense
Other	N/A
<b>Local hygiene</b>	
Supply and treatment of drinking water	Treated as local expenses. The 3 towns have no common aqueduct system. There is no water supply in the Township of Newport
Distribution network for drinking water	
Treatment of used water	Entire expense allocated as an agglomeration expense
Sewer network	According to General Management, these expenses are allocated 44% to Eaton and 56% to Cookshire. Newport has no such network
Waste – treatment and elimination	The 2004 budget had a sum of \$94 399 for this. It corresponds to the MRC payment for expenses of waste treatment and elimination. We have therefore allocated it as an agglomeration expense.
Waste – pickup and transport	Expenses of waste pick-up and transport have been allocated to the three towns in proportion to the number of dwellings served. Then they were put into the local budgets.
Watercourses	N/A. No expenses entered in 2004 budget
Environmental protection	N/A. No expenses entered in 2004 budget
Other	See treatment and elimination of waste
<b>Health and welfare</b>	
Social housing	
Other (food inspection)	N/A. No expenses entered in 2004 budget
Other (income security)	
<b>Development, urban planning</b>	
Zoning, common	N/A
Zoning, local	All these expenses were considered local expenses and divided among the municipalities in proportion to their property value.
Urban renovation	N/A. No expenses entered in 2004 budget
Promotion and economic development	Allocated entirely to the agglomeration budget. We also included the expenses for salaries and rental of the airport building.
Other	Allocated entirely to the local Eaton budget because it is for salaries and maintenance of the Sawyerville bowling alley.
<b>Leisure and culture</b>	
Recreational activities	
Recreational activities, other	
cultural activities	
Libraries, common	
Libraries, other	
Other, common	
Other, local	All expenses for leisure and culture were treated as local expenses and allocated according to the directions given by the General Management of the town.
<b>Electricity</b>	N/A. No expenses entered in 2004 budget
<b>Financing cost</b>	
<b>Reimbursement of long-term debt</b>	Extrapolated from projected reimbursement of interest and capital received from the General Management. Debts (old and new) are allocated to local budgets according to available information on their users and use.
<b>Transfer for investment activities</b>	See section 4.5 for more details on the treatment of expenses in the 3-year capital expenditures program.
<b>Transition costs</b>	These were established from General Management information and our approximations.
<b>Other revenue</b>	Other revenue has been apportioned between the three towns in proportion to their respective property value.
<b>Conditional transfers</b>	We included in the agglomeration budget the balances owing to PAFREM and the Programme de neutralité financière. We also included the balance remaining in 2005 for the Eaton-Sawyerville merger. If there is reconstitution this sum is allocated to Eaton.
<b>Allocation of surplus</b>	No surplus allocation was considered for 2005-2007.
<b>Credits or special taxes</b>	Based on Order no. 858-2002 we assumed that the third financial year would be 2005. We applied the rate of tax credits or the special tax to the taxable value of the property roll for each municipality to establish the amount of credit or tax payable for each one.

#### **5.4 Principal results**

The tables below give pro forma budgets for the Town of Cookshire-Eaton for the years 2005-2007, assuming that the former municipalities will be reconstituted. For each year we have drawn up 5 distinct pro forma budgets:

- one budget for the present town corresponding to the status quo;
- one pro forma budget for the agglomeration;
- one pro forma local budget for the Township of Newport;
- one pro forma local budget for the Municipality of Eaton; and
- one pro forma local budget for the Town of Cookshire.

The present town's 2004 budget is also presented for reference purposes. .

BUDGET 2004				
TOWN OF COOKSHIRE-EATON				
COST OF SERVICES				
EXPENSES	OPERATING EXPENSES	CONDITIONAL TRANSFERS	Services rendered, contributions, fines and interest from investments funds	Net cost to be financed
	(1)	(2)	(3)	(1)-(2)-(3)
<b>General administration</b>				
Property valuation	81 392 \$	- \$	- \$	81 392 \$
Implementation of the law	83 000 \$	- \$	- \$	83 000 \$
Other, common	279 696 \$	- \$	- \$	279 696 \$
Other, local	450 998 \$	- \$	32 714 \$	418 284 \$
<b>Public security</b>				
police	495 782 \$	- \$	5 000 \$	490 782 \$
fire protection	247 772 \$	- \$	- \$	247 772 \$
civil security and 911	59 000 \$	- \$	- \$	59 000 \$
other	10 000 \$	- \$	- \$	10 000 \$
<b>Transport</b>				
arterial road network, common	- \$	- \$	- \$	- \$
local road network	1 413 817 \$	934 406 \$	30 886 \$	448 525 \$
public transport	13 200 \$	- \$	- \$	13 200 \$
other	- \$	- \$	- \$	- \$
<b>Local hygiene</b>				
supply and treatment of drinking water	168 866 \$	- \$	53 400 \$	115 466 \$
distribution network for drinking water	- \$	- \$	- \$	- \$
treatment of used water	128 722 \$	127 632 \$	- \$	1 090 \$
main sewer network	- \$	- \$	- \$	- \$
sewer network	42 491 \$	- \$	- \$	42 491 \$
waste – treatment and elimination	103 274 \$	- \$	- \$	103 274 \$
waste – pickup and transport	166 831 \$	- \$	15 000 \$	151 831 \$
watercourses	- \$	- \$	- \$	- \$
environmental protection	- \$	- \$	- \$	- \$
other	- \$	- \$	- \$	- \$
<b>Health and welfare</b>				
social housing	- \$	- \$	- \$	- \$
other (food inspection)	- \$	- \$	- \$	- \$
other (income security)	- \$	- \$	- \$	- \$
<b>Development, urban planning</b>				
zoning, common	- \$	- \$	- \$	- \$
zoning, local	101 936 \$	- \$	67 100 \$	34 836 \$
urban renovation	- \$	- \$	- \$	- \$
promotion and economic development	60 586 \$	- \$	- \$	60 586 \$
other	10 000 \$	- \$	7 500 \$	2 500 \$
<b>Leisure and culture</b>				
recreational activities	- \$	- \$	- \$	- \$
recreational activities, other	216 073 \$	- \$	5 050 \$	211 023 \$
cultural activities	- \$	- \$	- \$	- \$
libraries, common	- \$	- \$	- \$	- \$
libraries, other	43 690 \$	- \$	- \$	43 690 \$
other, common	- \$	- \$	- \$	- \$
other, local	54 600 \$	- \$	- \$	54 600 \$
<b>Electricity</b>				0
<b>Summary 2004</b>				
Total before debt service and investments	4 231 726 \$	1 062 038 \$	216 650 \$	2 953 038 \$
Supramunicipal contributions		- \$	- \$	- \$
Other common expenses	1 721 290 \$	- \$	- \$	1 721 290 \$
% common	41%			58%
Financing cost	66 800 \$			66 800 \$
Reimbursement of long-term debt	290 472 \$			290 472 \$
Net debt service	- \$			- \$
Transfer for investment activities	128 001 \$			128 001 \$
Grand total 2003 including debt service	4 716 999 \$	1 062 038 \$	216 650 \$	3 438 311 \$
Common portion	1 721 290 \$	- \$	- \$	1 721 290 \$
% common	36%			50%

**BUDGET 2005**

**PRESENT TOWN OF COOKSHIRE-EATON**

**COST OF SERVICES**

<b>EXPENSES</b>	<b>OPERATING EXPENSES</b>	<b>CONDITIONAL TRANSFERS</b>	<b>Services rendered, contributions, fines and interest from investments funds</b>	<b>Net cost to be financed</b>
	(1)	(2)	(3)	(1)-(2)-(3)
<b>General administration</b>				
Property valuation	81 392 \$	-	-	81 392 \$
Implementation of the law	83 000 \$	-	-	83 000 \$
Other, common	279 696 \$	-	-	279 696 \$
Other, local	450 998 \$	-	32 714 \$	418 284 \$
<b>Public security</b>				
police	495 782 \$	-	5 000 \$	490 782 \$
fire protection	247 772 \$	-	-	247 772 \$
civil security and 911	59 000 \$	-	-	59 000 \$
other	10 000 \$	-	-	10 000 \$
<b>Transport</b>				
arterial road network, common	-	-	-	-
local road network	1 413 817 \$	934 406 \$	30 886 \$	448 525 \$
public transport	13 200 \$	-	-	13 200 \$
other	-	-	-	-
<b>Local hygiene</b>				
supply and treatment of drinking water	168 866 \$	-	53 400 \$	115 466 \$
distribution network for drinking water	-	-	-	-
treatment of used water	128 722 \$	-	-	128 722 \$
main sewer network	-	-	-	-
sewer network	42 491 \$	-	-	42 491 \$
waste – treatment and elimination	103 274 \$	-	-	103 274 \$
waste – pickup and transport	166 831 \$	-	15 000 \$	151 831 \$
watercourses	-	-	-	-
environmental protection	-	-	-	-
other	-	-	-	-
<b>Health and welfare</b>				
social housing	-	-	-	-
other (food inspection)	-	-	-	-
other (income security)	-	-	-	-
<b>Development, urban planning</b>				
zoning, common	-	-	-	-
zoning, local	101 936 \$	-	67 100 \$	34 836 \$
urban renovation	-	-	-	-
promotion and economic development	60 586 \$	-	-	60 586 \$
other	10 000 \$	-	7 500 \$	2 500 \$
<b>Leisure and culture</b>				
recreational activities	-	-	-	-
recreational activities, other	216 073 \$	-	5 050 \$	211 023 \$
cultural activities	-	-	-	-
libraries, common	-	-	-	-
libraries, other	43 690 \$	-	-	43 690 \$
other, common	-	-	-	-
other, local	54 600 \$	-	-	54 600 \$
<b>Electricity</b>	-	-	-	-
<b>Summary 2005</b>				
Total before debt service and investments	4 231 726 \$	934 406 \$	216 650 \$	3 080 670 \$
Supramunicipal contributions				
Other common expenses				
% common				
Financing cost	60 072 \$			60 072 \$
Reimbursement of long-term debt	160 470 \$			160 470 \$
Net debt service				-
Transfer for investment activities	203 919 \$			203 919 \$
Grand total 2004 including debt service	4 656 187 \$	934 406 \$	216 650 \$	3 505 131 \$
Common portion				
% common				

<b>OTHER REVENUE</b>				156 114 \$
<b>UNCONDITIONAL TRANSFERS</b>				
Municipal mergers				90 090 \$
Equalization				-
Diversification of revenue				-
<b>Total unconditional transfer</b>				90 090 \$
<b>NET TOTAL TO BE FINANCED</b>				<b>3 258 927 \$</b>
<b>ALLOCATION OF SURPLUS</b>				-
<b>CREDITS OR SPECIAL TAXES</b>				
Eaton tax credit				66 571 \$
Crédit de Taxe Newport				56 989 \$
Special tax Cookshire				82 637 \$
<b>NET TOTAL TO BE FINANCED taking surplus allocation into account</b>				<b>3 299 850 \$</b>

**BUDGET 2005 FOR THE AGGLOMERATION**

<b>COST OF SERVICES FOR THE AGGLOMERATION</b>				
<b>EXPENSES</b>	<b>OPERATING EXPENSES</b>	<b>CONDITIONAL TRANSFERS</b>	<b>Services rendered, contributions, fines and interest from investments funds</b>	<b>Net cost to be financed</b>
	(1)	(2)	(3)	(1)-(2)-(3)
<b>General administration</b>				
Property valuation	81 392 \$	-	-	81 392 \$
Implementation of the law	83 000 \$	-	-	83 000 \$
Other, common	279 696 \$	-	-	279 696 \$
Other, local				
<b>Public security</b>				
police	495 782 \$	-	5 000 \$	490 782 \$
fire protection	247 772 \$	-	-	247 772 \$
civil security and 911	59 000 \$	-	-	59 000 \$
other	10 000 \$			10 000 \$
<b>Transport</b>				
arterial road network, common	-	-	-	-
local road network				
public transport	13 200 \$	-	-	13 200 \$
other	-	-	-	-
<b>Local hygiene</b>				
supply and treatment of drinking water				
distribution network for drinking water				
treatment of used water	128 722 \$		-	128 722 \$
main sewer network	-	-	-	-
sewer network				
waste – treatment and elimination	103 274 \$	-	-	103 274 \$
waste – pickup and transport				
watercourses	-	-	-	-
environmental protection				
other				
<b>Health and welfare</b>				
social housing	-	-	-	-
other (food inspection)	-	-	-	-
other (income security)	-			
<b>Development, urban planning</b>				
zoning, common	-	-	-	-
zoning, local				
urban renovation	-			
promotion and economic development	60 586 \$	-	-	60 586 \$
other	-			
<b>Leisure and culture</b>				
recreational activities	-	-	-	-
recreational activities, other				
cultural activities				
libraries, common	-	-	-	-
libraries, other				
other, common	-	-	-	-
other, local				
<b>Electricity</b>				0
<b>Summary 2005</b>				
Total before debt service and investments	1 562 424 \$	-	5 000 \$	1 557 424 \$
Supramunicipal contributions				
Other common expenses				
% common				
Financing cost	-			-
Reimbursement of long-term debt	-			-
Net debt service				-
Transfer for investment activities	64 867 \$			64 867 \$
Grand total 2003 including debt service	1 627 290 \$	-	5 000 \$	1 622 290 \$
Common portion				
% common				
<b>TRANSITION COSTS</b>				
<b>Grand total 2003 including debt service and transition costs</b>				1 622 290 \$
<b>OTHER REVENUE</b>				
<b>UNCONDITIONAL TRANSFERS</b>				
Municipal mergers				90 090 \$
Equalization				
Diversification of revenue				
<b>Total unconditional transfer</b>				90 090 \$
<b>NET TOTAL TO BE FINANCED</b>				<b>1 532 200 \$</b>
<b>ALLOCATION OF SURPLUS</b>				-
<b>NET TOTAL TO BE FINANCED taking surplus allocation into account</b>				<b>1 532 200 \$</b>

**BUDGET 2005 FOR LOCAL MUNICIPALITIES**

**TOWNSHIP OF NEWPORT**

**COST OF LOCAL SERVICES**

<b>EXPENSES</b>	<b>OPERATING EXPENSES</b>	<b>CONDITIONAL TRANSFERS</b>	<b>Services rendered, contributions, fines and interest from investments funds</b>	<b>Net cost to be financed</b>
	(1)	(2)	(3)	(1)-(2)-(3)
<b>General administration</b>				
Property valuation				
Implementation of the law				
Other, common				
Other, local	128 879 \$	- \$	6 467 \$	122 412 \$
<b>Public security</b>				
police	- \$	- \$	- \$	- \$
fire protection				
civil security and 911				
other				
<b>Transport</b>				
arterial road network, common				
local road network	556 406 \$	367 734 \$	12 155 \$	176 516 \$
public transport				
other				
<b>Local hygiene</b>				
supply and treatment of drinking water	- \$	- \$	- \$	- \$
distribution network for drinking water	- \$	- \$	- \$	- \$
treatment of used water				
main sewer network				
sewer network	4 953 \$	- \$	- \$	4 953 \$
waste – treatment and elimination				
waste – pickup and transport	29 280 \$	- \$	2 633 \$	26 648 \$
watercourses				
environmental protection				- \$
other				- \$
<b>Health and welfare</b>				
social housing				
other (food inspection)				
other (income security)	- \$	- \$		- \$
<b>Development, urban planning</b>				
zoning, common	- \$			
zoning, local	20 152 \$	- \$	13 265 \$	6 887 \$
urban renovation	- \$			- \$
promotion and economic development				
other	- \$			- \$
<b>Leisure and culture</b>				
recreational activities	- \$			
recreational activities, other	31 945 \$	- \$	747 \$	31 199 \$
cultural activities				- \$
libraries, common				
libraries, other	- \$	- \$	- \$	- \$
other, common				
other, local	6 972 \$	- \$	- \$	6 972 \$
<b>Electricity</b>				0
<b>Summary 2005</b>				
Total before debt service and investments	778 587 \$	367 734 \$	35 267 \$	375 586 \$
Supramunicipal contributions				
Other common expenses				
% common				
Financing cost	2 433 \$			2 433 \$
Reimbursement of long-term debt	3 529 \$			3 529 \$
Net debt service				- \$
Transfer for investment activities	27 490,12 \$			27 490 \$
Grand total 2003 including debt service	812 039 \$	367 734 \$	35 267 \$	409 037 \$
Common portion				
% common				
<b>TRANSITION COSTS</b>				\$ 25 599,85
<b>Grand total 2003 including debt service and transition costs</b>				434 637 \$
<b>OTHER REVENUE</b>				30 863 \$
<b>UNCONDITIONAL TRANSFERS</b>				
Municipal mergers				- \$
Equalization				- \$
Diversification of revenue				- \$
				- \$
<b>NET TOTAL TO BE FINANCED</b>				<b>403 774 \$</b>
<b>ALLOCATION OF SURPLUS</b>				- \$
<b>NET TOTAL TO BE FINANCED taking surplus allocation into account</b>				<b>403 774 \$</b>

**BUDGET 2005 FOR LOCAL MUNICIPALITIES**

**MUNICIPALITY OF EATON**

**COST OF LOCAL SERVICES**

<b>EXPENSES</b>	<b>OPERATING EXPENSES</b>	<b>CONDITIONAL TRANSFERS</b>	<b>Services rendered, contributions, fines and interest from investments funds</b>	<b>Net cost to be financed</b>
	(1)	(2)	(3)	(1)-(2)-(3)
<b>General administration</b>				
Property valuation				
Implementation of the law				
Other, common				
Other, local	321 442 \$	- \$	19 526 \$	301 916 \$
<b>Public security</b>				
police	- \$	- \$	- \$	- \$
fire protection				
civil security and 911				
other	- \$	- \$	- \$	- \$
<b>Transport</b>				
arterial road network, common				
local road network	650 933 \$	430 208 \$	14 220 \$	206 505 \$
public transport				
other				
<b>Local hygiene</b>				
supply and treatment of drinking water	56 289 \$	- \$	17 800 \$	38 489 \$
distribution network for drinking water	- \$	- \$	- \$	- \$
treatment of used water				
main sewer network				
sewer network	16 892 \$	- \$	- \$	16 892 \$
waste – treatment and elimination				
waste – pickup and transport	92 517 \$	- \$	8 318 \$	84 199 \$
watercourses				
environmental protection	- \$	- \$	- \$	- \$
other	- \$	- \$	- \$	- \$
<b>Health and welfare</b>				
social housing				
other (food inspection)				
other (income security)	- \$	- \$	- \$	- \$
<b>Development, urban planning</b>				
zoning, common				
zoning, local	60 842 \$	- \$	40 049 \$	20 792 \$
urban renovation	- \$	- \$	- \$	- \$
promotion and economic development				
other	10 000 \$	- \$	7 500 \$	2 500 \$
<b>Leisure and culture</b>				
recreational activities				
recreational activities, other	139 786 \$	- \$	3 267 \$	136 519 \$
cultural activities	- \$	- \$	- \$	- \$
libraries, common				
libraries, other	29 272 \$	- \$	- \$	29 272 \$
other, common				
other, local	33 549 \$	- \$	- \$	33 549 \$
<b>Electricity</b>	- \$	- \$	- \$	0
<b>Summary 2005</b>				
Total before debt service and investments	1 411 522 \$	430 208 \$	110 681 \$	870 633 \$
Supramunicipal contributions				
Other common expenses				
% common				
Financing cost	32 793 \$			32 793 \$
Reimbursement of long-term debt	98 714 \$			98 714 \$
Net debt service				- \$
Transfer for investment activities	82 995,15 \$			82 995 \$
Grand total 2003 including debt service	1 626 024 \$	430 208 \$	110 681 \$	1 085 136 \$
Common portion				
% common				
<b>TRANSITION COSTS</b>				\$ 69 836,32
<b>Grand total 2003 including debt service and transition costs</b>				1 154 972 \$
<b>OTHER REVENUE</b>				93 179 \$
<b>UNCONDITIONAL TRANSFERS</b>				
Municipal mergers				11 697 \$
Equalization				- \$
Diversification of revenue				- \$
				11 697 \$
<b>NET TOTAL TO BE FINANCED</b>				<b>1 050 096 \$</b>
<b>ALLOCATION OF SURPLUS</b>				- \$
<b>NET TOTAL TO BE FINANCED taking surplus allocation into account</b>				<b>1 050 096 \$</b>

**BUDGET 2005 FOR LOCAL MUNICIPALITIES**

**TOWN OF COOKSHIRE**

**COST OF LOCAL SERVICES**

<b>EXPENSES</b>	<b>OPERATING EXPENSES</b>	<b>CONDITIONAL TRANSFERS</b>	<b>Services rendered, contributions, fines and interest from investments funds</b>	<b>Net cost to be financed</b>
	(1)	(2)	(3)	(1)-(2)-(3)
<b>General administration</b>				
Property valuation				
Implementation of the law	-			
Other, common				
Other, local	132 372 \$	-	6 721 \$	125 651 \$
<b>Public security</b>				
police	-	-	-	-
fire protection				
civil security and 911				
other	-	-	-	-
<b>Transport</b>				
arterial road network, common				
local road network	206 479 \$	136 464 \$	4 511 \$	65 504 \$
public transport				
other				
<b>Local hygiene</b>				
supply and treatment of drinking water	112 577 \$		35 600 \$	76 977 \$
distribution network for drinking water	-	-	-	-
treatment of used water				
main sewer network				
sewer network	20 646 \$	-	-	20 646 \$
waste – treatment and elimination				
waste – pickup and transport	45 034 \$	-	4 049 \$	40 985 \$
watercourses				
environmental protection	-	-	-	-
other	-	-	-	-
<b>Health and welfare</b>				
social housing	-			
other (food inspection)	-			
other (income security)	-	-	-	-
<b>Development, urban planning</b>				
zoning, common	-			
zoning, local	20 942 \$	-	13 785 \$	7 157 \$
urban renovation	-	-	-	-
promotion and economic development				
other	-	-	-	-
<b>Leisure and culture</b>				
recreational activities	-			
recreational activities, other	44 342 \$	-	1 036 \$	43 305 \$
cultural activities				
libraries, common				
libraries, other	14 418 \$	-	-	14 418 \$
other, common				
other, local	14 079 \$	-	-	14 079 \$
<b>Electricity</b>				0
<b>Summary 2005</b>				
Total before debt service and investments	610 889 \$	136 464 \$	65 702 \$	408 723 \$
Supramunicipal contributions				
Other common expenses				
% common				
Financing cost	24 846 \$			24 846 \$
Reimbursement of long-term debt	58 227 \$			58 227 \$
Net debt service				-
Transfer for investment activities	28 567,06 \$			28 567 \$
Grand total 2003 including debt service	722 528 \$	136 464 \$	65 702 \$	520 363 \$
Common portion				
% common				
<b>TRANSITION COSTS</b>				\$ 38 137,17
<b>Grand total 2003 including debt service and transition costs</b>				558 500 \$
<b>OTHER REVENUE</b>				32 072 \$
<b>UNCONDITIONAL TRANSFERS</b>				
Municipal mergers				-
Equalization				-
Diversification of revenue				-
				-
<b>NET TOTAL TO BE FINANCED</b>				526 428 \$
<b>ALLOCATION OF SURPLUS</b>				-
<b>NET TOTAL TO BE FINANCED taking surplus allocation into account</b>				526 428 \$

BUDGET 2006				
PRESENT TOWN OF COOKSHIRE-EATON				
COST OF SERVICES				
EXPENSES	OPERATING EXPENSES	CONDITIONAL TRANSFERS	Services rendered, contributions, fines and interest from investments funds	Net cost to be financed
	(1)	(2)	(3)	(1)-(2)-(3)
<b>General administration</b>				
Property valuation	81 392 \$	- \$	- \$	81 392 \$
Implementation of the law	83 000 \$	- \$	- \$	83 000 \$
Other, common	279 696 \$	- \$	- \$	279 696 \$
Other, local	450 998 \$	- \$	32 714 \$	418 284 \$
<b>Public security</b>				
police	495 782 \$	- \$	5 000 \$	490 782 \$
fire protection	247 772 \$	- \$	- \$	247 772 \$
civil security and 911	59 000 \$	- \$	- \$	59 000 \$
other	10 000 \$	- \$	- \$	10 000 \$
<b>Transport</b>				
arterial road network, common	- \$	- \$	- \$	- \$
local road network	1 413 817 \$	934 406 \$	30 886 \$	448 525 \$
public transport	13 200 \$	- \$	- \$	13 200 \$
other	- \$	- \$	- \$	- \$
<b>Local hygiene</b>				
supply and treatment of drinking water	168 866 \$	- \$	53 400 \$	115 466 \$
distribution network for drinking water	- \$	- \$	- \$	- \$
treatment of used water	128 722 \$	- \$	- \$	128 722 \$
main sewer network	- \$	- \$	- \$	- \$
sewer network	42 491 \$	- \$	- \$	42 491 \$
waste – treatment and elimination	103 274 \$	- \$	- \$	103 274 \$
waste – pickup and transport	166 831 \$	- \$	15 000 \$	151 831 \$
watercourses	- \$	- \$	- \$	- \$
environmental protection	- \$	- \$	- \$	- \$
other	- \$	- \$	- \$	- \$
<b>Health and welfare</b>				
social housing	- \$	- \$	- \$	- \$
other (food inspection)	- \$	- \$	- \$	- \$
other (income security)	- \$	- \$	- \$	- \$
<b>Development, urban planning</b>				
zoning, common	- \$	- \$	- \$	- \$
zoning, local	101 936 \$	- \$	67 100 \$	34 836 \$
urban renovation	- \$	- \$	- \$	- \$
promotion and economic development	60 586 \$	- \$	- \$	60 586 \$
other	10 000 \$	- \$	7 500 \$	2 500 \$
<b>Leisure and culture</b>				
recreational activities	- \$	- \$	- \$	- \$
recreational activities, other	216 073 \$	- \$	5 050 \$	211 023 \$
cultural activities	- \$	- \$	- \$	- \$
libraries, common	- \$	- \$	- \$	- \$
libraries, other	43 690 \$	- \$	- \$	43 690 \$
other, common	- \$	- \$	- \$	- \$
other, local	54 600 \$	- \$	- \$	54 600 \$
<b>Electricity</b>	- \$	- \$	- \$	0
<b>Summary 2006</b>				
Total before debt service and investments	4 231 726 \$	934 406 \$	216 650 \$	3 080 670 \$
Supramunicipal contributions				
Other common expenses				
% common				
Financing cost	50 052 \$			50 052 \$
Reimbursement of long-term debt	113 460 \$			113 460 \$
Net debt service				- \$
Transfer for investment activities	203 919 \$			203 919 \$
Grand total 2003 including debt service	4 599 156 \$	934 406 \$	216 650 \$	3 448 100 \$
Common portion				
% common				
<b>OTHER REVENUE</b>				156 114 \$
<b>UNCONDITIONAL TRANSFERS</b>				
Municipal mergers				10 875 \$
Equalization				
Diversification of revenue				10 875 \$
<b>NET TOTAL TO BE FINANCED</b>				<b>3 281 111 \$</b>
<b>ALLOCATION OF SURPLUS</b>				- \$
<b>CREDITS OR SPECIAL TAXES</b>				
Eaton tax credit				49 929 \$
Newport tax credit				45 591 \$
Special tax Cookshire				61 978 \$
<b>NET TOTAL TO BE FINANCED taking surplus allocation into account</b>				<b>3 314 653 \$</b>

**BUDGET 2006 FOR THE AGGLOMERATION**

<b>COST OF SERVICES FOR THE AGGLOMERATION</b>				
<b>EXPENSES</b>	<b>OPERATING EXPENSES</b>	<b>CONDITIONAL TRANSFERS</b>	<b>Services rendered, contributions, fines and interest from investments funds</b>	<b>Net cost to be financed</b>
	(1)	(2)	(3)	(1)-(2)-(3)
<b>General administration</b>				
Property valuation	81 392 \$	-	-	81 392 \$
Implementation of the law	83 000 \$	-	-	83 000 \$
Other, common	279 696 \$	-	-	279 696 \$
Other, local				
<b>Public security</b>				
police	495 782 \$	-	5 000 \$	490 782 \$
fire protection	247 772 \$	-	-	247 772 \$
civil security and 911	59 000 \$	-	-	59 000 \$
other	10 000 \$			10 000 \$
<b>Transport</b>				
arterial road network, common	-	-	-	-
local road network				
public transport	13 200 \$	-	-	13 200 \$
other	-	-	-	-
<b>Local hygiene</b>				
supply and treatment of drinking water				
distribution network for drinking water				
treatment of used water	128 722 \$	-	-	128 722 \$
main sewer network	-	-	-	-
sewer network				
waste – treatment and elimination	103 274 \$	-	-	103 274 \$
waste – pickup and transport				
watercourses	-	-	-	-
environmental protection				
other				
<b>Health and welfare</b>				
social housing	-	-	-	-
other (food inspection)	-	-	-	-
other (income security)				
<b>Development, urban planning</b>				
zoning, common	-	-	-	-
zoning, local				
urban renovation				
promotion and economic development	60 586 \$	-	-	60 586 \$
other				
<b>Leisure and culture</b>				
recreational activities	-	-	-	-
recreational activities, other				
cultural activities				
libraries, common	-	-	-	-
libraries, other				
other, common	-	-	-	-
other, local				
<b>Electricity</b>				
<b>Summary 2006</b>				
Total before debt service and investments	1 562 424 \$	-	5 000 \$	1 557 424 \$
Supramunicipal contributions				
Other common expenses				
% common				
Financing cost	-			-
Reimbursement of long-term debt	-			-
Net debt service				-
Transfer for investment activities	64 867 \$			64 867 \$
Grand total 2003 including debt service	1 627 290 \$	-	5 000 \$	1 622 290 \$
Common portion				
% common				
<b>TRANSITION COSTS</b>				
<b>Grand total 2003 including debt service and transition costs</b>				<b>1 622 290 \$</b>
<b>OTHER REVENUE</b>				<b>- \$</b>
<b>UNCONDITIONAL TRANSFERS</b>				
Municipal mergers				10 875 \$
Equalization				
Diversification of revenue				
<b>Total unconditional transfer</b>				<b>10 875 \$</b>
<b>NET TOTAL TO BE FINANCED</b>				<b>1 611 415 \$</b>
<b>ALLOCATION OF SURPLUS</b>				<b>- \$</b>
<b>NET TOTAL TO BE FINANCED taking surplus allocation into account</b>				<b>1 611 415 \$</b>

**BUDGET 2006 FOR LOCAL MUNICIPALITIES**

**TOWNSHIP OF NEWPORT**

**COST OF LOCAL SERVICES**

<b>EXPENSES</b>	<b>OPERATING EXPENSES</b>	<b>CONDITIONAL TRANSFERS</b>	<b>Services rendered, contributions, fines and interest from investments funds</b>	<b>Net cost to be financed</b>
	(1)	(2)	(3)	(1)-(2)-(3)
<b>General administration</b>				
Property valuation				
Implementation of the law				
Other, common				
Other, local	128 879 \$	- \$	6 467 \$	122 412 \$
<b>Public security</b>				
police	- \$	- \$	- \$	- \$
fire protection				
civil security and 911				
other	- \$	- \$	- \$	- \$
<b>Transport</b>				
arterial road network, common				
local road network	556 406 \$	367 734 \$	12 155 \$	176 516 \$
public transport				
other				
<b>Local hygiene</b>				
supply and treatment of drinking water	- \$	- \$	- \$	- \$
distribution network for drinking water	- \$	- \$	- \$	- \$
treatment of used water				
main sewer network				
sewer network	4 953 \$	- \$	- \$	4 953 \$
waste – treatment and elimination				
waste – pickup and transport	29 280 \$	- \$	2 633 \$	26 648 \$
watercourses				
environmental protection				- \$
other				- \$
<b>Health and welfare</b>				
social housing				
other (food inspection)				
other (income security)	- \$	- \$		- \$
<b>Development, urban planning</b>				
zoning, common				
zoning, local	20 152 \$	- \$	13 265 \$	6 887 \$
urban renovation	- \$			- \$
promotion and economic development				
other	- \$		- \$	- \$
<b>Leisure and culture</b>				
recreational activities				
recreational activities, other	31 945 \$	- \$	747 \$	31 199 \$
cultural activities				- \$
libraries, common				
libraries, other	- \$	- \$	- \$	- \$
other, common				
other, local	6 972 \$	- \$	- \$	6 972 \$
<b>Electricity</b>				0
<b>Summary 2006</b>				
Total before debt service and investments	778 587 \$	367 734 \$	35 267 \$	375 586 \$
Supramunicipal contributions				
Other common expenses				
% common				
Financing cost	2 221 \$			2 221 \$
Reimbursement of long-term debt	3 740 \$			3 740 \$
Net debt service				- \$
Transfer for investment activities	27 490 \$			27 490 \$
Grand total 2003 including debt service	812 039 \$	367 734 \$	35 267 \$	409 037 \$
Common portion				
% common				
<b>TRANSITION COSTS</b>				\$ 25 599.85
<b>Grand total 2003 including debt service and transition costs</b>				434 637 \$
<b>OTHER REVENUE</b>				30 863 \$
<b>UNCONDITIONAL TRANSFERS</b>				
Municipal mergers				
Equalization				
Diversification of revenue				
<b>Total unconditional transfer</b>				- \$
<b>NET TOTAL TO BE FINANCED</b>				<b>403 774 \$</b>
<b>ALLOCATION OF SURPLUS</b>				- \$
<b>NET TOTAL TO BE FINANCED taking surplus allocation into account</b>				<b>403 774 \$</b>

**BUDGET 2006 FOR LOCAL MUNICIPALITIES**

**MUNICIPALITY OF EATON**

**COST OF LOCAL SERVICES**

<b>EXPENSES</b>	<b>OPERATING EXPENSES</b>	<b>CONDITIONAL TRANSFERS</b>	<b>Services rendered, contributions, fines and interest from investments funds</b>	<b>Net cost to be financed</b>
	(1)	(2)	(3)	(1)-(2)-(3)
<b>General administration</b>				
Property valuation				
Implementation of the law				
Other, common				
Other, local	321 442 \$	- \$	19 526 \$	301 916 \$
<b>Public security</b>				
police	- \$	- \$	- \$	- \$
fire protection				
civil security and 911				
other	- \$	- \$	- \$	- \$
<b>Transport</b>				
arterial road network, common				
local road network	650 933 \$	430 208 \$	14 220 \$	206 505 \$
public transport				
other				
<b>Local hygiene</b>				
supply and treatment of drinking water	56 289 \$	- \$	17 800 \$	38 489 \$
distribution network for drinking water	- \$	- \$	- \$	- \$
treatment of used water				
main sewer network				
sewer network	16 892 \$	- \$	- \$	16 892 \$
waste – treatment and elimination				
waste – pickup and transport	92 517 \$	- \$	8 318 \$	84 199 \$
watercourses				
environmental protection	- \$	- \$	- \$	- \$
other	- \$	- \$	- \$	- \$
<b>Health and welfare</b>				
social housing				
other (food inspection)				
other (income security)	- \$	- \$	- \$	- \$
<b>Development, urban planning</b>				
zoning, common				
zoning, local	60 842 \$	- \$	40 049 \$	20 792 \$
urban renovation	- \$	- \$	- \$	- \$
promotion and economic development				
other	10 000 \$	- \$	7 500 \$	2 500 \$
<b>Leisure and culture</b>				
recreational activities				
recreational activities, other	139 786 \$	- \$	3 267 \$	136 519 \$
cultural activities	- \$	- \$	- \$	- \$
libraries, common				
libraries, other	29 272 \$	- \$	- \$	29 272 \$
other, common				
other, local	33 549 \$	- \$	- \$	33 549 \$
<b>Electricity</b>	- \$	- \$	- \$	0
<b>Summary 2006</b>				
Total before debt service and investments	1 411 522 \$	430 208 \$	110 681 \$	870 633 \$
Supramunicipal contributions				
Other common expenses				
% common				
Financing cost	26 397 \$			26 397 \$
Reimbursement of long-term debt	47 167 \$			47 167 \$
Net debt service				- \$
Transfer for investment activities	82 995 \$			82 995 \$
Grand total 2003 including debt service	1 568 081 \$	430 208 \$	110 681 \$	1 027 192 \$
Common portion				
% common				
<b>TRANSITION COSTS</b>				\$ 69 836.32
<b>Grand total 2003 including debt service and transition costs</b>				1 097 028 \$
<b>OTHER REVENUE</b>				93 179 \$
<b>UNCONDITIONAL TRANSFERS</b>				
Municipal mergers				
Equalization				
Diversification of revenue				- \$
<b>NET TOTAL TO BE FINANCED</b>				<b>1 003 849 \$</b>
<b>ALLOCATION OF SURPLUS</b>				- \$
<b>NET TOTAL TO BE FINANCED taking surplus allocation into account</b>				<b>1 003 849 \$</b>

**BUDGET 2006 FOR LOCAL MUNICIPALITIES**

**TOWN OF COOKSHIRE**

**COST OF LOCAL SERVICES**

<b>EXPENSES</b>	<b>OPERATING EXPENSES</b>	<b>CONDITIONAL TRANSFERS</b>	<b>Services rendered, contributions, fines and interest from investments funds</b>	<b>Net cost to be financed</b>
	(1)	(2)	(3)	(1)-(2)-(3)
<b>General administration</b>				
Property valuation				
Implementation of the law				
Other, common				
Other, local	132 372 \$	- \$	6 721 \$	125 651 \$
<b>Public security</b>				
police	- \$	- \$	- \$	- \$
fire protection				
civil security and 911				
other	- \$	- \$	- \$	- \$
<b>Transport</b>				
arterial road network, common				
local road network	206 479 \$	136 464 \$	4 511 \$	65 504 \$
public transport				
other				
<b>Local hygiene</b>				
supply and treatment of drinking water	112 577 \$		35 600 \$	76 977 \$
distribution network for drinking water	- \$	- \$	- \$	- \$
treatment of used water				
main sewer network				
sewer network	20 646 \$	- \$	- \$	20 646 \$
waste – treatment and elimination				
waste – pickup and transport	45 034 \$	- \$	4 049 \$	40 985 \$
watercourses				
environmental protection	- \$	- \$	- \$	- \$
other	- \$	- \$	- \$	- \$
<b>Health and welfare</b>				
social housing				
other (food inspection)				
other (income security)	- \$	- \$	- \$	- \$
<b>Development, urban planning</b>				
zoning, common				
zoning, local	20 942 \$	- \$	13 785 \$	7 157 \$
urban renovation	- \$			- \$
promotion and economic development				
other	- \$	- \$	- \$	- \$
<b>Leisure and culture</b>				
recreational activities				
recreational activities, other	44 342 \$	- \$	1 036 \$	43 305 \$
cultural activities				
libraries, common				
libraries, other	14 418 \$	- \$	- \$	14 418 \$
other, common				
other, local	14 079 \$	- \$	- \$	14 079 \$
<b>Electricity</b>				0
<b>Summary 2006</b>				
Total before debt service and investments	610 889 \$	136 464 \$	65 702 \$	408 723 \$
Supramunicipal contributions				
Other common expenses				
% common				
Financing cost	21 434 \$			21 434 \$
Reimbursement of long-term debt	62 553 \$			62 553 \$
Net debt service				- \$
Transfer for investment activities	28 567 \$			28 567 \$
Grand total 2003 including debt service	723 442 \$	136 464 \$	65 702 \$	521 276 \$
Common portion				
% common				
<b>TRANSITION COSTS</b>				\$ 38 137,17
<b>Grand total 2003 including debt service and transition costs</b>				559 413 \$
<b>OTHER REVENUE</b>				32 072 \$
<b>UNCONDITIONAL TRANSFERS</b>				
Municipal mergers				
Equalization				
Diversification of revenue				
<b>Total unconditional transfert</b>				- \$
<b>NET TOTAL TO BE FINANCED</b>				527 341 \$
<b>ALLOCATION OF SURPLUS</b>				- \$
<b>NET TOTAL TO BE FINANCED taking surplus allocation into account</b>				527 341 \$

**BUDGET 2007**

**PRESENT TOWN OF COOKSHIRE-EATON**

**COST OF SERVICES**

<b>EXPENSES</b>	<b>OPERATING EXPENSES</b>	<b>CONDITIONAL TRANSFERS</b>	<b>Services rendered, contributions, fines and interest from investments funds</b>	<b>Net cost to be financed</b>
	(1)	(2)	(3)	(1)-(2)-(3)
<b>General administration</b>				
Property valuation	81 392 \$	-	-	81 392 \$
Implementation of the law	83 000 \$	-	-	83 000 \$
Other, common	279 696 \$	-	-	279 696 \$
Other, local	450 998 \$	-	32 714 \$	418 284 \$
<b>Public security</b>				
police	495 782 \$	-	5 000 \$	490 782 \$
fire protection	247 772 \$	-	-	247 772 \$
civil security and 911	59 000 \$	-	-	59 000 \$
other	10 000 \$	-	-	10 000 \$
<b>Transport</b>				
arterial road network, common	-	-	-	-
local road network	1 413 817 \$	934 406 \$	30 886 \$	448 525 \$
public transport	13 200 \$	-	-	13 200 \$
other	-	-	-	-
<b>Local hygiene</b>				
supply and treatment of drinking water	168 866 \$	-	53 400 \$	115 466 \$
distribution network for drinking water	-	-	-	-
treatment of used water	128 722 \$	-	-	128 722 \$
main sewer network	-	-	-	-
sewer network	42 491 \$	-	-	42 491 \$
waste – treatment and elimination	103 274 \$	-	-	103 274 \$
waste – pickup and transport	166 831 \$	-	15 000 \$	151 831 \$
watercourses	-	-	-	-
environmental protection	-	-	-	-
other	-	-	-	-
<b>Health and welfare</b>				
social housing	-	-	-	-
other (food inspection)	-	-	-	-
other (income security)	-	-	-	-
<b>Development, urban planning</b>				
zoning, common	-	-	-	-
zoning, local	101 936 \$	-	67 100 \$	34 836 \$
urban renovation	-	-	-	-
promotion and economic development	60 586 \$	-	-	60 586 \$
other	10 000 \$	-	7 500 \$	2 500 \$
<b>Leisure and culture</b>				
recreational activities	-	-	-	-
recreational activities, other	216 073 \$	-	5 050 \$	211 023 \$
cultural activities	-	-	-	-
libraries, common	-	-	-	-
libraries, other	43 690 \$	-	-	43 690 \$
other, common	-	-	-	-
other, local	54 600 \$	-	-	54 600 \$
<b>Electricity</b>	-	-	-	0
<b>Summary 2007</b>				
Total before debt service and investments	4 231 726 \$	934 406 \$	216 650 \$	3 080 670 \$
Supramunicipal contributions	-	-	-	-
Other common expenses	-	-	-	-
% common	-	-	-	-
Financing cost	43 187 \$	-	-	43 187 \$
Reimbursement of long-term debt	86 282 \$	-	-	86 282 \$
Net debt service	-	-	-	-
Transfer for investment activities	203 919 \$	-	-	203 919 \$
Grand total 2003 including debt service	4 565 114 \$	934 406 \$	216 650 \$	3 414 058 \$
Common portion	-	-	-	-
% common	-	-	-	-
<b>OTHER REVENUE</b>				156 114 \$
<b>UNCONDITIONAL TRANSFERS</b>				
Municipal mergers				
Equalization				
Diversification of revenue				
<b>Total unconditional transfert</b>				-
<b>NET TOTAL TO BE FINANCED</b>				<b>3 257 944 \$</b>
<b>ALLOCATION OF SURPLUS</b>				-
<b>CREDITS OR SPECIAL TAXES</b>				
Eaton tax credit				33 286 \$
Newport tax credit				28 495 \$
Special tax Cookshire				41 319 \$
<b>NET TOTAL TO BE FINANCED taking surplus allocation into account</b>				<b>3 278 406 \$</b>

**BUDGET 2007 FOR THE AGGLOMERATION**

**COST OF SERVICES FOR THE AGGLOMERATION**

<b>EXPENSES</b>	<b>OPERATING EXPENSES</b>	<b>CONDITIONAL TRANSFERS</b>	<b>Services rendered, contributions, fines and interest from investments funds</b>	<b>Net cost to be financed</b>
	(1)	(2)	(3)	(1)-(2)-(3)
<b>General administration</b>				
Property valuation	81 392 \$	-	-	81 392 \$
Implementation of the law	83 000 \$	-	-	83 000 \$
Other, common	279 696 \$	-	-	279 696 \$
Other, local				
<b>Public security</b>				
police	495 782 \$	-	5 000 \$	490 782 \$
fire protection	247 772 \$	-	-	247 772 \$
civil security and 911	59 000 \$	-	-	59 000 \$
other	10 000 \$			10 000 \$
<b>Transport</b>				
arterial road network, common	-	-	-	-
local road network				
public transport	13 200 \$	-	-	13 200 \$
other	-	-	-	-
<b>Local hygiene</b>				
supply and treatment of drinking water				
distribution network for drinking water				
treatment of used water	128 722 \$	-	-	128 722 \$
main sewer network	-	-	-	-
sewer network				
waste – treatment and elimination	103 274 \$	-	-	103 274 \$
waste – pickup and transport				
watercourses	-	-	-	-
environmental protection				
other				
<b>Health and welfare</b>				
social housing	-	-	-	-
other (food inspection)	-	-	-	-
other (income security)				
<b>Development, urban planning</b>				
zoning, common	-	-	-	-
zoning, local				
urban renovation				
promotion and economic development	60 586 \$	-	-	60 586 \$
other				
<b>Leisure and culture</b>				
recreational activities	-	-	-	-
recreational activities, other				
cultural activities				
libraries, common	-	-	-	-
libraries, other				
other, common	-	-	-	-
other, local				
<b>Electricity</b>				
<b>Summary 2007</b>				
Total before debt service and investments	1 562 424 \$	-	5 000 \$	1 557 424 \$
Supramunicipal contributions				
Other common expenses				
% common				
Financing cost	-			-
Reimbursement of long-term debt	-			-
Net debt service				-
Transfer for investment activities	64 867 \$			64 867 \$
Grand total 2003 including debt service	1 627 290 \$	-	5 000 \$	1 622 290 \$
Common portion				
% common				
<b>TRANSITION COSTS</b>				
<b>Grand total 2003 including debt service and transition costs</b>				<b>1 622 290 \$</b>
<b>OTHER REVENUE</b>				<b>- \$</b>
<b>UNCONDITIONAL TRANSFERS</b>				
Municipal mergers				
Equalization				
Diversification of revenue				
<b>Total unconditional transfer</b>				<b>- \$</b>
<b>NET TOTAL TO BE FINANCED</b>				<b>1 622 290 \$</b>
<b>ALLOCATION OF SURPLUS</b>				<b>- \$</b>
<b>NET TOTAL TO BE FINANCED taking surplus allocation into account</b>				<b>1 622 290 \$</b>

BUDGET 2007 FOR LOCAL MUNICIPALITIES				
TOWNSHIP OF NEWPORT				
COST OF LOCAL SERVICES				
EXPENSES	OPERATING EXPENSES	CONDITIONAL TRANSFERS	Services rendered, contributions, fines and interest from investments funds	Net cost to be financed
	(1)	(2)	(3)	(1)-(2)-(3)
<b>General administration</b>				
Property valuation				
Implementation of the law				
Other, common				
Other, local	128 879 \$	- \$	6 467 \$	122 412 \$
<b>Public security</b>				
police	- \$	- \$	- \$	- \$
fire protection				
civil security and 911				
other	- \$	- \$	- \$	- \$
<b>Transport</b>				
arterial road network, common				
local road network	556 406 \$	367 734 \$	12 155 \$	176 516 \$
public transport				
other				
<b>Local hygiene</b>				
supply and treatment of drinking water	- \$	- \$	- \$	- \$
distribution network for drinking water	- \$	- \$	- \$	- \$
treatment of used water				
main sewer network				
sewer network	4 953 \$	- \$	- \$	4 953 \$
waste – treatment and elimination				
waste – pickup and transport	29 280 \$	- \$	2 633 \$	26 648 \$
watercourses				
environmental protection	- \$	- \$	- \$	- \$
other	- \$	- \$	- \$	- \$
<b>Health and welfare</b>				
social housing				
other (food inspection)				
other (income security)	- \$	- \$	- \$	- \$
<b>Development, urban planning</b>				
zoning, common				
zoning, local	20 152 \$	- \$	13 265 \$	6 887 \$
urban renovation	- \$			- \$
promotion and economic development				
other	- \$		- \$	- \$
<b>Leisure and culture</b>				
recreational activities				
recreational activities, other	31 945 \$	- \$	747 \$	31 199 \$
cultural activities				
libraries, common				
libraries, other	- \$	- \$	- \$	- \$
other, common				
other, local	6 972 \$	- \$	- \$	6 972 \$
<b>Electricity</b>				0
<b>Summary 2007</b>				
Total before debt service and investments	778 587 \$	367 734 \$	35 267 \$	375 586 \$
Supramunicipal contributions				
Other common expenses				
% common				
Financing cost	1 997 \$			1 997 \$
Reimbursement of long-term debt	3 965 \$			3 965 \$
Net debt service				- \$
Transfer for investment activities	27 490 \$			27 490 \$
Grand total 2003 including debt service	812 039 \$	367 734 \$	35 267 \$	409 037 \$
Common portion				
% common				
<b>TRANSITION COSTS</b>				\$ 25 599,85
<b>Grand total 2003 including debt service and transition costs</b>				434 637 \$
<b>OTHER REVENUE</b>				30 863 \$
<b>UNCONDITIONAL TRANSFERS</b>				
Municipal mergers				
Equalization				
Diversification of revenue				
<b>Total unconditional transfer</b>				- \$
<b>NET TOTAL TO BE FINANCED</b>				403 774 \$
<b>ALLOCATION OF SURPLUS</b>				- \$
<b>NET TOTAL TO BE FINANCED taking surplus allocation into account</b>				403 774 \$

**BUDGET 2007 FOR LOCAL MUNICIPALITIES**

**MUNICIPALITY OF EATON**

**COST OF LOCAL SERVICES**

<b>EXPENSES</b>	<b>OPERATING EXPENSES</b>	<b>CONDITIONAL TRANSFERS</b>	<b>Services rendered, contributions, fines and interest from investments funds</b>	<b>Net cost to be financed</b>
	(1)	(2)	(3)	(1)-(2)-(3)
<b>General administration</b>				
Property valuation				
Implementation of the law				
Other, common				
Other, local	321 442 \$	-	19 526 \$	301 916 \$
<b>Public security</b>				
police	-	-	-	-
fire protection				
civil security and 911				
other	-	-	-	-
<b>Transport</b>				
arterial road network, common				
local road network	650 933 \$	430 208 \$	14 220 \$	206 505 \$
public transport				
other				
<b>Local hygiene</b>				
supply and treatment of drinking water	56 289 \$	-	17 800 \$	38 489 \$
distribution network for drinking water	-	-	-	-
treatment of used water				
main sewer network				
sewer network	16 892 \$	-	-	16 892 \$
waste – treatment and elimination				
waste – pickup and transport	92 517 \$	-	8 318 \$	84 199 \$
watercourses				
environmental protection	-	-	-	-
other	-	-	-	-
<b>Health and welfare</b>				
social housing				
other (food inspection)				
other (income security)	-	-	-	-
<b>Development, urban planning</b>				
zoning, common				
zoning, local	60 842 \$	-	40 049 \$	20 792 \$
urban renovation	-	-	-	-
promotion and economic development				
other	10 000 \$	-	7 500 \$	2 500 \$
<b>Leisure and culture</b>				
recreational activities				
recreational activities, other	139 786 \$	-	3 267 \$	136 519 \$
cultural activities	-	-	-	-
libraries, common				
libraries, other	29 272 \$	-	-	29 272 \$
other, common				
other, local	33 549 \$	-	-	33 549 \$
<b>Electricity</b>	-	-	-	0
<b>Summary 2007</b>				
Total before debt service and investments	1 411 522 \$	430 208 \$	110 681 \$	870 633 \$
Supramunicipal contributions				
Other common expenses				
% common				
Financing cost	23 422 \$			23 422 \$
Reimbursement of long-term debt	30 920 \$			30 920 \$
Net debt service				-
Transfer for investment activities	82 995 \$			82 995 \$
Grand total 2003 including debt service	1 548 859 \$	430 208 \$	110 681 \$	1 007 970 \$
Common portion				
% common				
<b>TRANSITION COSTS</b>				\$ 69 836,32
<b>Grand total 2003 including debt service and transition costs</b>				1 077 807 \$
<b>OTHER REVENUE</b>				93 179 \$
<b>UNCONDITIONAL TRANSFERS</b>				
Municipal mergers				
Equalization				
Diversification of revenue				
<b>Total unconditional transfer</b>				-
<b>NET TOTAL TO BE FINANCED</b>				<b>984 628 \$</b>
<b>ALLOCATION OF SURPLUS</b>				-
<b>NET TOTAL TO BE FINANCED taking surplus allocation into account</b>				<b>984 628 \$</b>

**BUDGET 2007 FOR LOCAL MUNICIPALITIES**

**TOWN OF COOKSHIRE**

**COST OF LOCAL SERVICES**

<b>EXPENSES</b>	<b>OPERATING EXPENSES</b>	<b>CONDITIONAL TRANSFERS</b>	<b>Services rendered, contributions, fines and interest from investments funds</b>	<b>Net cost to be financed</b>
	(1)	(2)	(3)	(1)-(2)-(3)
<b>General administration</b>				
Property valuation				
Implementation of the law				
Other, common				
Other, local	132 372 \$	- \$	6 721 \$	125 651 \$
<b>Public security</b>				
police	- \$	- \$	- \$	- \$
fire protection				
civil security and 911				
other	- \$	- \$	- \$	- \$
<b>Transport</b>				
arterial road network, common				
local road network	206 479 \$	136 464 \$	4 511 \$	65 504 \$
public transport				
other				
<b>Local hygiene</b>				
supply and treatment of drinking water	112 577 \$	- \$	35 600 \$	76 977 \$
distribution network for drinking water	- \$	- \$	- \$	- \$
treatment of used water				
main sewer network				
sewer network	20 646 \$	- \$	- \$	20 646 \$
waste – treatment and elimination				
waste – pickup and transport	45 034 \$	- \$	4 049 \$	40 985 \$
watercourses				
environmental protection	- \$	- \$	- \$	- \$
other	- \$	- \$	- \$	- \$
<b>Health and welfare</b>				
social housing				
other (food inspection)				
other (income security)	- \$	- \$	- \$	- \$
<b>Development, urban planning</b>				
zoning, common				
zoning, local	20 942 \$	- \$	13 785 \$	7 157 \$
urban renovation	- \$	- \$	- \$	- \$
promotion and economic development				
other	- \$	- \$	- \$	- \$
<b>Leisure and culture</b>				
recreational activities				
recreational activities, other	44 342 \$	- \$	1 036 \$	43 305 \$
cultural activities	- \$	- \$	- \$	- \$
libraries, common				
libraries, other	14 418 \$	- \$	- \$	14 418 \$
other, common				
other, local	14 079 \$	- \$	- \$	14 079 \$
<b>Electricity</b>	- \$	- \$	- \$	0
<b>Summary 2007</b>				
Total before debt service and investments	610 889 \$	136 464 \$	65 702 \$	408 723 \$
Supramunicipal contributions				
Other common expenses				
% common				
Financing cost	17 768 \$			17 768 \$
Reimbursement of long-term debt	51 398 \$			51 398 \$
Net debt service				- \$
Transfer for investment activities	28 567 \$			28 567 \$
Grand total 2003 including debt service	708 621 \$	136 464 \$	65 702 \$	506 455 \$
Common portion				
% common				
<b>TRANSITION COSTS</b>				\$ 38 137,17
<b>Grand total 2003 including debt service and transition costs</b>				544 593 \$
<b>OTHER REVENUE</b>				32 072 \$
<b>UNCONDITIONAL TRANSFERS</b>				
Municipal mergers				
Equalization				
Diversification of revenue				
<b>Total unconditional transfer</b>				- \$
<b>NET TOTAL TO BE FINANCED</b>				512 520 \$
<b>ALLOCATION OF SURPLUS</b>				- \$
<b>NET TOTAL TO BE FINANCED taking surplus allocation into account</b>				512 520 \$

## 6.0 TAX IMPACT

The tax impact of reconstituting the former municipalities is shown on the tables on the following pages. The simulations are based on the residential tax account for each of the former municipalities that can be reconstituted for:

- a single-family residence with a value corresponding to the average property value for 2004, namely \$71 656;
- a single-family residence with a property value of \$100 000; and
- a single-family residence with a property value of \$200 000.

Each of these tax accounts gives for 2004 to 2007:

- the taxes corresponding to the status quo (present situation);
- the taxes for the agglomeration;
- the taxes for the reconstituted municipality; and
- property tax rates corresponding to a single-family dwelling.

The results were also compared to the tax rate for a single-family residence before the merger, i.e. in 2002. To do this we determined the general normalized property tax rate in 2002. We calculated the tax account by the following steps:

- determination of the average current value of a single-family residence on the 2002 roll. This was \$70 357 for the Township of Newport, \$69 121 for the Municipality of Eaton and \$ 69 703 for the Town of Cookshire;
- calculation of the difference between surplus allocations in 2002 and the average of surplus allocations for the period 1997-2001. From this amount we also deducted the reduction on the Fund for financing local activities entered in 2002;
- calculation of the adjustment factor; this was obtained by dividing the net operating excess of the previous year by the property value of the three municipalities in 2001;
- calculation of the uniform General Property Tax (GPT) in 2002 : the uniform GPT was obtained by adding to the 2002 GPT, adjustment factor obtained from the previous year of operation. The 2002 uniform GPT was \$0.6414 per

\$100 evaluation for the Township of Newport, \$0.7671 per \$100 evaluation for the Municipality of Eaton and \$1.044 per \$100 for the Town of Cookshire;

- determination of the 2002 tax account for each of the towns according to the uniform GPT rate. The result was converted to 2004 values to take inflation into account. The results were:
  - Township of Newport: \$594;
  - Municipality of Eaton: \$770;
  - Town of Cookshire: \$1055.

TAX ACCOUNT FOR A SINGLE FAMILY HOUSE			
	Township of Newport	Municipality of Eaton	Town of Cookshire
<b>AVERAGE VALUE OF A RESIDENCE IN THE AGGLOMERATION (2004)</b>	71 656 \$	71 656 \$	71 656 \$
<b>TAX ACCOUNT FOR 2002* (before merger)</b>	594 \$	770 \$	1 055 \$
<b>TAX ACCOUNT IN THE PRESENT SITUATION</b>			
2004	659 \$	819 \$	1 033 \$
2005	748 \$	963 \$	1 165 \$
2006	781 \$	964 \$	1 156 \$
at the end of the transition period – 2007	803 \$	963 \$	1 107 \$
<b>TAX ACCOUNT IF THERE IS RECONSTITUTION</b>			
2004	- \$	- \$	- \$
2005	962 \$	1 096 \$	1 234 \$
2006	983 \$	1 097 \$	1 256 \$
at the end of the transition period – 2007	986 \$	1 092 \$	1 238 \$
<b>INCREASE (REDUCTION)</b>			
2004	- \$	- \$	- \$
2005	214 \$	133 \$	68 \$
2006	202 \$	133 \$	99 \$
at the end of the transition period – 2007	184 \$	129 \$	131 \$
<b>IMPACT AS PERCENTAGE</b>			
2004	0%	0%	0%
2005	28,8%	13,8%	5,9%
2006	25,8%	13,7%	8,6%
at the end of the transition period – 2007	22,9%	13,4%	11,8%
Includes taxes and charges for the whole. Therefore local improvement taxes (sector taxes) are not included			
*based on a single-family residence of the same value			

Township of Newport				
<b>TAX ACCOUNT FOR A SINGLE-FAMILY HOUSE VALUED AT:</b>				<b>71 656 \$</b>
<b>(average municipal evaluation in your sector)</b>				
	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007*</b>
<b>PRESENT SITUATION</b>	659 \$	748 \$	781 \$	803 \$
<b>IF THE FORMER TOWNSHIP OF NEWPORT IS RECONSTITUTED</b>				
agglomeration tax		411 \$	431 \$	434 \$
tax of the reconstituted municipality		552 \$	552 \$	552 \$
<b>TOTAL</b>		962 \$	983 \$	986 \$
<b>INCREASE (REDUCTION)</b>		214 \$	202 \$	184 \$
<b>IMPACT AS PERCENTAGE</b>		29%	26%	23%
Includes taxes and charges for all taxpayers. Therefore local improvement taxes (sector taxes) are not included.				
*at the end of the merger transition period				

Township of Newport				
TAX ACCOUNT FOR A SINGLE-FAMILY HOUSE VALUED AT:				100 000 \$
	2004	2005	2006	2007*
<b>PRESENT SITUATION</b>	860 \$	985 \$	1 031 \$	1 061 \$
<b>IF THE FORMER TOWNSHIP OF NEWPORT IS RECONSTITUTED</b>				
agglomeration tax		545 \$	574 \$	578 \$
tax of the reconstituted municipality		737 \$	737 \$	737 \$
<b>TOTAL</b>		1 282 \$	1 311 \$	1 315 \$
<b>INCREASE (REDUCTION)</b>		297 \$	280 \$	254 \$
<b>IMPACT AS PERCENTAGE</b>		30%	27%	24%
Includes taxes and charges for all taxpayers. Therefore local improvement taxes (sector taxes) are not included.				
*at the end of the merger transition period				

<b>Township of Newport</b>				
<b>TAX ACCOUNT FOR A SINGLE-FAMILY HOUSE VALUED AT:</b>				<b>200 000 \$</b>
	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007*</b>
<b>PRESENT SITUATION</b>	1 570 \$	1 820 \$	1 912 \$	1 971 \$
<b>IF THE FORMER TOWNSHIP OF NEWPORT IS RECONSTITUTED</b>				
agglomeration tax		1 017 \$	1 075 \$	1 083 \$
tax of the reconstituted municipality		1 391 \$	1 391 \$	1 392 \$
<b>TOTAL</b>		2 409 \$	2 466 \$	2 475 \$
<b>INCREASE (REDUCTION)</b>		589 \$	554 \$	503 \$
<b>IMPACT AS PERCENTAGE</b>		32%	29%	26%
Includes taxes and charges for all taxpayers. Therefore local improvement taxes (sector taxes) are not included.				
*at the end of the merger transition period				

<b>Township of Newport</b>				
<b>TAX RATES AND CHARGES FOR A SINGLE-FAMILY HOUSE VALUED</b>				
	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007*</b>
<b>PRESENT SITUATION</b>				
- general property tax rate (1)	0,710	0,835	0,881	0,911
- charges (water, sewers, garbage)	150 \$	150 \$	150 \$	150 \$
<b>IF THE FORMER MUNICIPALITY IS RECONSTITUTED</b>				
<b>TAXES LEVIED BY THE CONSEIL D'AGGLOMÉRATION</b>				
- general property tax rate (1)		0,473	0,501	0,505
- charges (water, sewers, garbage)		72 \$	72 \$	72 \$
<b>TAXES LEVIED BY THE RECONSTITUTED MUNICIPALITY</b>				
- general property tax rate (1)		0,654	0,654	0,654
- charges (water, sewers, garbage)		83 \$	83 \$	83 \$
(1) rate per \$100 valuation				
*at the end of the merger transition period				

Municipality of Eaton				
<b>TAX ACCOUNT FOR A SINGLE-FAMILY HOUSE VALUED AT:</b>				
				71 656 \$
<b>(average municipal evaluation in your sector)</b>				
	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007*</b>
<b>PRESENT SITUATION</b>	819 \$	963 \$	964 \$	963 \$
<b>IF THE FORMER TOWNSHIP OF EATON IS RECONSTITUTED</b>				
agglomeration tax		477 \$	498 \$	501 \$
tax of the reconstituted municipality		619 \$	599 \$	591 \$
<b>TOTAL</b>		1 096 \$	1 097 \$	1 092 \$
<b>INCREASE (REDUCTION)</b>		133 \$	133 \$	129 \$
<b>IMPACT AS PERCENTAGE</b>		13,787%	13,749%	13%
Includes taxes and charges for all taxpayers. Therefore local improvement taxes (sector taxes) are not included.				
*at the end of the merger transition period				

<b>Municipality of Eaton</b>				
<b>TAX ACCOUNT FOR A SINGLE-FAMILY HOUSE VALUED AT:</b>				<b>100 000 \$</b>
	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007*</b>
<b>PRESENT SITUATION</b>	1 040 \$	1 236 \$	1 238 \$	1 236 \$
<b>IF THE FORMER TOWNSHIP OF EATON IS RECONSTITUTED</b>				
agglomeration tax		611 \$	640 \$	644 \$
tax of the reconstituted municipality		773 \$	746 \$	734 \$
<b>TOTAL</b>		1 385 \$	1 386 \$	1 378 \$
<b>INCREASE (REDUCTION)</b>		148 \$	148 \$	143 \$
<b>IMPACT AS PERCENTAGE</b>		12%	12%	12%
Includes taxes and charges for all taxpayers. Therefore local improvement taxes (sector taxes) are not included.				
*at the end of the merger transition period				

<b>Municipality of Eaton</b>				
<b>TAX ACCOUNT FOR A SINGLE-FAMILY HOUSE VALUED AT:</b>				<b>200 000 \$</b>
	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007*</b>
<b>PRESENT SITUATION</b>	1 820 \$	2 200 \$	2 203 \$	2 198 \$
<b>IF THE FORMER TOWNSHIP OF EATON IS RECONSTITUTED</b>				
agglomeration tax		1 084 \$	1 142 \$	1 150 \$
tax of the reconstituted municipality		1 319 \$	1 264 \$	1 241 \$
<b>TOTAL</b>		<b>2 403 \$</b>	<b>2 405 \$</b>	<b>2 390 \$</b>
<b>INCREASE (REDUCTION)</b>		<b>203 \$</b>	<b>203 \$</b>	<b>192 \$</b>
<b>IMPACT AS PERCENTAGE</b>		<b>9%</b>	<b>9%</b>	<b>9%</b>
Includes taxes and charges for all taxpayers. Therefore local improvement taxes (sector taxes) are not included.				
*at the end of the merger transition period				

<b>Municipality of Eaton</b>				
<b>TAX RATES AND CHARGES FOR A SINGLE-FAMILY HOUSE VALUED</b>				
	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007*</b>
<b>PRESENT SITUATION</b>				
- general property tax rate (1)	0,780	0,963	0,965	0,963
- charges (water, sewers, garbage)	260 \$	273 \$	273 \$	273 \$
<b>IF THE FORMER MUNICIPALITY IS RECONSTITUTED</b>				
<b>TAXES LEVIED BY THE CONSEIL D'AGGLOMÉRATION</b>				
- general property tax rate (1)		0,473	0,501	0,505
- charges (water, sewers, garbage)		139 \$	139 \$	139 \$
<b>TAXES LEVIED BY THE RECONSTITUTED MUNICIPALITY</b>				
- general property tax rate (1)		0,546	0,518	0,506
- charges (water, sewers, garbage)		228 \$	228 \$	228 \$
(1) rate per \$100 valuation				
*at the end of the merger transition period				

Ville de Cookshire				
TAX ACCOUNT FOR A SINGLE-FAMILY HOUSE VALUED AT:				
				71 656 \$
(average municipal evaluation in your sector)				
	2004	2005	2006	2007*
<b>PRESENT SITUATION</b>	1 033 \$	1 165 \$	1 156 \$	1 107 \$
<b>IF THE FORMER TOWNSHIP OF COOKSHIRE IS RECONSTITUTED</b>				
agglomeration tax		477 \$	498 \$	501 \$
tax of the reconstituted municipality		756 \$	758 \$	737 \$
<b>TOTAL</b>		1 234 \$	1 256 \$	1 238 \$
<b>INCREASE (REDUCTION)</b>		68 \$	99 \$	131 \$
<b>IMPACT AS PERCENTAGE</b>		5,874%	8,563%	12%
Comprend les taxes et la tarification applicables à l'ensemble des contribuables. Ainsi, les taxes d'améliorations locales (taxes de secteur) ne sont pas incluses.				
* au terme des mesures de transition liées au regroupement				

<b>Ville de Cookshire</b>				
<b>TAX ACCOUNT FOR A SINGLE-FAMILY HOUSE VALUED AT:</b>				<b>100 000 \$</b>
	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007*</b>
<b>PRESENT SITUATION</b>	1 339 \$	1 518 \$	1 506 \$	1 437 \$
<b>IF THE FORMER TOWNSHIP OF COOKSHIRE IS RECONSTITUTED</b>				
agglomeration tax		611 \$	640 \$	644 \$
tax of the reconstituted municipality		968 \$	970 \$	942 \$
<b>TOTAL</b>		1 580 \$	1 610 \$	1 586 \$
<b>INCREASE (REDUCTION)</b>		62 \$	104 \$	149 \$
<b>IMPACT AS PERCENTAGE</b>		4%	7%	10%
Includes taxes and charges for all taxpayers. Therefore local improvement taxes (sector taxes) are not included.				
*at the end of the merger transition period				

<b>Ville de Cookshire</b>				
<b>TAX ACCOUNT FOR A SINGLE-FAMILY HOUSE VALUED AT:</b>				<b>200 000 \$</b>
	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007*</b>
<b>PRESENT SITUATION</b>	2 418 \$	2 763 \$	2 739 \$	2 600 \$
<b>IF THE FORMER TOWNSHIP OF COOKSHIRE IS RECONSTITUTED</b>				
agglomeration tax		1 084 \$	1 142 \$	1 150 \$
tax of the reconstituted municipality		1 717 \$	1 721 \$	1 664 \$
<b>TOTAL</b>		2 801 \$	2 863 \$	2 813 \$
<b>INCREASE (REDUCTION)</b>		38 \$	124 \$	213 \$
<b>IMPACT AS PERCENTAGE</b>		1%	5%	8%
Includes taxes and charges for all taxpayers. Therefore local improvement taxes (sector taxes) are not included.				
*at the end of the merger transition period				

Ville de Cookshire				
TAX RATES AND CHARGES FOR A SINGLE-FAMILY HOUSE VALUED				
	2004	2005	2006	2007*
<b>PRESENT SITUATION</b>				
- general property tax rate (1)	1,079	1,245	1,233	1,164
- charges (water, sewers, garbage)	260 \$	273 \$	273 \$	273 \$
<b>IF THE FORMER MUNICIPALITY IS RECONSTITUTED</b>				
<b>TAXES LEVIED BY THE CONSEIL D'AGGLOMÉRATION</b>				
- general property tax rate (1)		0,473	0,501	0,505
- charges (water, sewers, garbage)		139 \$	139 \$	139 \$
<b>TAXES LEVIED BY THE RECONSTITUTED MUNICIPALITY</b>				
- general property tax rate (1)		0,749	0,751	0,722
- charges (water, sewers, garbage)		220 \$	220 \$	220 \$
(1) rate per \$100 valuation				
*at the end of the merger transition period				