



GEORGINA

# CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2015

Corporation of The Town of Georgina  
26557 Civic Centre Road,  
Keswick, Ontario, Canada  
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georgina.ca



**Town of Georgina  
Consolidated Financial Statements  
December 31, 2015**

Adopted by Council on June 22, 2016

**Council of the Town of Georgina**

Mayor Margaret Quirk  
Deputy Mayor Danny Wheeler  
Councillor Naomi Davison, Ward 1  
Councillor Dan Fellini, Ward 2  
Councillor Dave Neeson, Ward 3  
Councillor Frank A. Sebo, Ward 4  
Councillor Dave Harding, Ward 5

**Chief Administrative Officer**

Winanne Grant, BA, AMCT, CEMC

**The Corporation of the  
Town of Georgina  
Consolidated Financial Statements  
Year ended December 31, 2015**

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Newmarket ON L3Y 7R9 Canada

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## Independent Auditor's Report

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To the Mayor and Councilors of The Corporation of the Town of Georgina

We have audited the accompanying consolidated financial statements of The Corporation of the Town of Georgina which comprise the statement of financial position as at December 31, 2015, and the statement of operations and accumulated surplus, statement of cash flows and statement of changes in net financial assets for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

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

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

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

### Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of The Corporation of the Town of Georgina as at December 31, 2015 and the results of its operations, changes in net financial assets, and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

*BDO Canada LLP*

Chartered Professional Accountants, Licensed Public Accountants

June 22, 2016  
Newmarket, Ontario

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**The Corporation of the Town of Georgina**  
**Consolidated Statement of Financial Position**

December 31

|   | <u>2015</u>        | <u>2014</u>                |
|---|--------------------|----------------------------|
|   | \$                 | Note 3<br>(Restated)<br>\$ |
| <b>Financial assets</b>                               |                    |                            |
| Cash and cash equivalents (Note 7)                    | 40,602,382         | 34,544,499                 |
| Taxes receivable (Note 8)                             | 4,867,841          | 5,728,376                  |
| Water and sewer charges receivable                    | 2,201,023          | 1,804,196                  |
| Accounts receivable (Note 9)                          | 2,535,522          | 2,799,798                  |
|   | <u>50,206,768</u>  | <u>44,876,869</u>          |
| <b>Liabilities</b>                                    |                    |                            |
| Accounts payable and accrued liabilities (Note 10)    | 16,777,243         | 14,348,621                 |
| Deferred revenue - obligatory reserve funds (Note 11) | 9,651,793          | 6,583,499                  |
| Employee future benefits payable (Note 12)            | 3,106,614          | 2,907,887                  |
| Long-term debt (Note 15)                              | 11,345,911         | 12,318,549                 |
|   | <u>40,881,561</u>  | <u>36,158,556</u>          |
| <b>Net Financial Assets</b>                           | <u>9,325,207</u>   | <u>8,718,313</u>           |
| <b>Non-financial assets</b>                           |                    |                            |
| Inventory held for own use                            | 346,292            | 256,466                    |
| Prepaid expenses and deposits                         | 1,030,294          | 490,652                    |
| Tangible capital assets (Note 16 and Schedule 1)      | 346,999,644        | 349,513,575                |
|   | <u>348,376,230</u> | <u>350,260,693</u>         |
| <b>Accumulated surplus (Note 18)</b>                  | <u>357,701,437</u> | <u>358,979,006</u>         |

Commitments, contractual obligations and contingencies (Note 17)

**The Corporation of the Town of Georgina**  
**Consolidated Statement of Operations and Accumulated Surplus**  
Year ended December 31

|  | 2015              |                           | 2014               |
|--|-------------------|---------------------------|--------------------|
|  | Budget            | Actual                    | Actual             |
|  |                   |                           | Note 3 (Restated)  |
|  | \$                | \$                        | \$                 |
| <b>Revenues</b>  |                   |                           |                    |
| Taxation available for municipal purposes                            | 36,701,810        | <b>36,966,544</b>         | 34,335,504         |
| User fees and service charges  | 8,235,630         | <b>8,142,653</b>          | 7,324,124          |
| Government grants and contributions (Note 13)                        | 763,780           | <b>827,199</b>            | 389,633            |
| Fines, penalties and interest  | 1,065,500         | <b>919,522</b>            | 1,076,847          |
| Licenses and permits   | 1,100,100         | <b>1,461,202</b>          | 1,009,547          |
| Investment income  | 460,240           | <b>404,013</b>            | 479,602            |
| Revenue from other municipalities                                    | 799,730           | <b>115,712</b>            | 1,256,576          |
| Other  | -                 | <b>498,028</b>            | 190,778            |
| Other - assumed properties   | -                 | <b>449,000</b>            | 4,242,200          |
| Federal Gas Tax earned   | 3,814,080         | <b>1,578,201</b>          | 636,128            |
| Developer contributions earned                                       | 469,080           | <b>106,523</b>            | 388,376            |
| Rents and concessions  | 221,850           | <b>108,236</b>            | 112,480            |
| Proceeds from insurance  | -                 | <b>61,636</b>             | 65,309             |
| Donations  | 43,050            | <b>950,565</b>            | 93,499             |
| <b>Total revenues</b>  | <u>53,674,850</u> | <u><b>52,589,034</b></u>  | <u>51,600,603</u>  |
| <b>Expenses</b>  |                   |                           |                    |
| Recreation and cultural services                                     | 15,059,136        | <b>15,545,332</b>         | 14,417,260         |
| Protection to persons and property                                   | 9,457,230         | <b>9,816,688</b>          | 9,152,461          |
| Transportation services  | 10,891,321        | <b>11,115,021</b>         | 10,994,570         |
| General government   | 6,052,412         | <b>7,241,203</b>          | 6,382,469          |
| Environmental services   | 7,342,725         | <b>7,942,712</b>          | 7,212,626          |
| Planning and development services                                    | 1,961,459         | <b>1,711,732</b>          | 1,807,690          |
| Health services  | 42,549            | <b>21,774</b>             | 89,692             |
| Social and family services   | 324,408           | <b>321,302</b>            | 329,937            |
| <b>Total expenses</b>  | <u>51,131,240</u> | <u><b>53,715,764</b></u>  | <u>50,386,705</u>  |
| <b>Net revenues (expenses)</b>                                       | 2,543,610         | <b>(1,126,730)</b>        | 1,213,898          |
| Loss on disposal of tangible capital assets                          | -                 | <b>(150,839)</b>          | (9,483)            |
| <b>Annual surplus (deficit)</b>                                      | <u>2,543,610</u>  | <u><b>(1,277,569)</b></u> | <u>1,204,415</u>   |
| <b>Accumulated surplus, beginning of year as previously reported</b> |                   | -                         | 355,918,491        |
| <b>Prior period adjustment (Note 3)</b>                              |                   | -                         | 1,856,100          |
| <b>Accumulated surplus, beginning of year, restated</b>              |                   | <u><b>358,979,006</b></u> | <u>357,774,591</u> |
| <b>Accumulated surplus, end of year</b>                              |                   | <u><b>357,701,437</b></u> | <u>358,979,006</u> |

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

**The Corporation of the Town of Georgina**  
**Consolidated Statement of Cash Flows**  
Year ended December 31

|   | <u>2015</u>              | <u>2014</u>                |
|---|--------------------------|----------------------------|
|   | \$                       | Note 3<br>(Restated)<br>\$ |
| Cash and cash equivalents provided by (used in):    |                          |                            |
| <b>Operating activities</b>                         |                          |                            |
| Annual surplus (deficit)                            | (1,277,569)              | 1,204,415                  |
| Amortization expense                                | 11,174,523               | 10,790,268                 |
| Loss on disposal of tangible capital assets         | 150,839                  | 9,483                      |
| Changes in non-cash item balances                   |                          |                            |
| Taxes receivable                                    | 860,535                  | (257,476)                  |
| Water and sewer charges receivable                  | (396,827)                | 159,885                    |
| Accounts receivable                                 | 264,276                  | (883,602)                  |
| Inventory held for own use                          | (89,826)                 | (51,386)                   |
| Prepaid expenses                                    | (539,642)                | (147,048)                  |
| Accounts payable and accrued liabilities            | 2,428,622                | 2,873,655                  |
| Deferred revenue - obligatory reserve funds         | 3,068,294                | 1,952,870                  |
| Employee future benefits payable                    | 198,727                  | 56,305                     |
| Cash provided by operating activities               | <u>15,841,752</u>        | <u>15,707,369</u>          |
| <b>Capital activities</b>                           |                          |                            |
| Acquisition of tangible capital assets              | <u>(8,811,231)</u>       | <u>(9,016,119)</u>         |
| <b>Financing activities</b>                         |                          |                            |
| Principal repayment on long-term debt               | (718,845)                | (685,838)                  |
| Mortgage payable and tile drainage loan             | (253,793)                | (471,667)                  |
| Cash provided by financing activities               | <u>(972,638)</u>         | <u>(1,157,504)</u>         |
| <b>Net change in cash and cash equivalents</b>      | <b>6,057,283</b>         | <b>5,533,746</b>           |
| <b>Cash and cash equivalents, beginning of year</b> | <u><b>34,544,499</b></u> | <u><b>29,010,753</b></u>   |
| <b>Cash and cash equivalents, end of year</b>       | <u><b>40,602,383</b></u> | <u><b>34,544,499</b></u>   |

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

**The Corporation of the Town of Georgina**  
**Consolidated Statement of Changes in Net Financial Assets**  
Year ended December 31

|  | <u>2015</u>        | <u>2015</u>        | <u>2014</u>          |
|--|--------------------|--------------------|----------------------|
|  | Budget             | Actual             | Note 3<br>(Restated) |
|  | \$                 | \$                 | \$                   |
| <b>Annual surplus (deficit)</b>                | <u>2,543,610</u>   | <u>(1,277,569)</u> | <u>1,204,415</u>     |
| Acquisition of tangible capital assets         | (16,772,970)       | (8,811,231)        | (9,016,119)          |
| Loss on disposal of tangible capital assets    | -                  | 150,839            | 9,483                |
| Amortization of tangible capital assets        | <u>11,174,320</u>  | <u>11,174,323</u>  | <u>10,790,268</u>    |
|  | <u>(5,598,650)</u> | <u>2,513,931</u>   | <u>1,783,632</u>     |
| Changes in inventory held for use              | -                  | (89,826)           | (51,386)             |
| Changes in prepaid expenses                    | -                  | (539,642)          | (147,048)            |
|  | <u>-</u>           | <u>(629,468)</u>   | <u>(198,434)</u>     |
| <b>Change in net financial assets</b>          | (3,055,040)        | 606,894            | 2,789,613            |
| <b>Net financial assets, beginning of year</b> | <u>8,718,313</u>   | <u>8,718,313</u>   | <u>5,928,700</u>     |
| <b>Net financial assets, end of year</b>       | <u>5,663,273</u>   | <u>9,325,207</u>   | <u>8,718,313</u>     |



**The Corporation of the Town of Georgina**  
**Notes to the Consolidated Financial Statements**  
December 31, 2015

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The Town of Georgina (the "Town") is a lower-tier municipality in the Region of York (the "Region"), Province of Ontario, Canada. It conducts its operations guided by the provisions of provincial statutes such as the Municipal Act, Municipal Affairs Act and related legislations.

**1. Summary of significant accounting policies**

The consolidated financial statements of the Town are the representation of management and have been prepared in accordance with generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board ("PSAB").

Significant accounting policies adopted by the Town are as follows:

*Reporting entity*

These consolidated financial statements reflect the financial assets, liabilities, revenues and expenses, changes in accumulated surplus and changes in net assets of the reporting entity. The reporting entity is comprised of all organizations, local boards and committees accountable for the administration of their financial affairs and resources, to the Town, and which are owned or controlled by the Town. Accordingly, the following are consolidated in these financial statements:

Belhaven Community Hall Board  
Egypt Community Hall Board  
Port Bolster Community Hall Board  
Udora Community Hall Board  
Georgina Public Library Board  
Cooke's Cemetery Board  
Keswick Cemetery Board

All material inter-entity transactions and balances are eliminated on consolidation.

The operations of the school boards and the Region are not reflected in the Town's financial statements except to record any resulting receivable or payable balance with the Town at year-end.

Trust funds and their related operations administered by the municipality are not consolidated, but are reported separately in the "Trust Fund Statement of Continuity" and "The Trust Fund Balance Sheet".

*Cash and cash equivalents*

Cash and cash equivalents are comprised of cash on hand and cash held in financial institutions and temporary investments with maturities of three months or less.

**The Corporation of the Town of Georgina**  
**Notes to the Consolidated Financial Statements**  
December 31, 2015

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**1. Summary of significant accounting policies (continued)**

*Accrual accounting*

Revenues are recorded on the accrual basis of accounting, whereby revenues are recognized as they are earned and measureable. Expenses are recognized in the period goods and services are acquired and a liability is incurred or transfers are due.

*Non-financial assets*

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year, and are not intended for sale in the ordinary course of operations.

Tangible capital assets

Tangible capital assets are recorded at cost, which includes all amounts that are directly attributable to acquisition, construction, development or betterment of an asset. The cost, less residual value, is amortized on a straight-line basis over their estimated useful lives as follows:

|   | <u>Years</u> |
|---|--------------|
| Land improvements   | 12-100       |
| Buildings and building components   | 15-50        |
| Transportation network (includes roads, sidewalks, bridges and structures, street lights, etc.) | 10-50        |
| Vehicles  | 5-20         |
| Machinery and equipment   | 5-40         |
| Information technology  | 3-7          |
| Library collection  | 7            |
| Pumping stations  | 20-100       |
| Sanitary sewer  | 70-100       |
| Storm sewer   | 50-100       |
| Water linear  | 70-100       |

Assets are amortized in the year of purchase or in-service date. Annual amortization is charged in the year of acquisition for pooled assets. Assets under construction are not amortized until the asset is available for productive use, at which time they are capitalized.

The Town has a capitalization threshold of \$20,000 for all assets in the general category and \$50,000 for all assets in the infrastructure category (except land improvements which have a threshold of \$20,000). Individual assets of lesser value are expensed, unless they are pooled because, collectively, they have significant value. Examples of pools are computer systems, library collection, and streetlights. The Town's threshold for pooled assets is \$20,000. The Library pools all of their assets and their capitalization threshold is \$10,000.

**The Corporation of the Town of Georgina**  
**Notes to the Consolidated Financial Statements**  
December 31, 2015

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**1. Summary of significant accounting policies (continued)**

Contribution of tangible capital assets

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt, and that fair value is also recorded as revenue.

Interest capitalization

Interest is capitalized during the period of construction whenever external debt is issued to finance the construction of tangible capital assets.

Leases

Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

*Employee future benefits payable*

Vacation entitlements are accrued for as entitlements are earned.

The Town accrues for its obligations under other future employee programs and the related costs. The Town has adopted the following accounting policies:

- The cost of the benefits earned by employees is actuarially determined using the projected benefit method prorated on service and management's best estimate of retirement ages of employees and expected health care and dental costs.
- The present value of the cost of providing employees with other future benefit programs is expensed when employees earn these entitlements through service.
- Net actuarial gains and losses related to the employee benefits are amortized over the estimated average remaining useful life of the employees.

*Pension Plan*

The Town is an employer member of the Ontario Municipal Employees Retirement System (OMERS), which is a multi-employer, defined benefit pension plan. The Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the pension plan, including investment of assets and administration of the benefits. The Town has adopted defined contribution plan accounting principles for this Plan because insufficient information is available to apply defined benefit plan accounting principles. The Town records as pension expense the current service cost, amortization of past service costs and interest costs related to the future employer contributions to the Plan for past employee service.

**The Corporation of the Town of Georgina**  
**Notes to the Consolidated Financial Statements**  
December 31, 2015

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**1. Summary of significant accounting policies (continued)**

*Deferred revenue - obligatory reserve funds*

Deferred revenues represent user charges and fees which have been collected but for which the related services have yet to be performed. These amounts will be recognized as revenues in the fiscal year the services are performed. The Town receives development charges and cash-in-lieu of parkland under the authority of provincial legislation and Town by-laws. These funds, by their nature, are restricted in their use and, until applied to specific capital works, are recorded as deferred revenue. Amounts applied to qualifying capital projects are recorded as revenue in the fiscal period they are expended.

*Reserves and reserve funds*

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

*Revenue recognition*

Taxes are recorded at estimated amounts when they meet the definition of an asset, have been authorized and the taxable event occurs. For property taxes, the taxable event is the period for which the tax is levied. Taxes receivable are recognized net of an allowance for anticipated uncollectable amounts.

Charges for sewer and water usage are recorded as user fees. Connection fee revenues are recognized when the connection has been established.

Sales of service and other revenue is recognized on an accrual basis.

*Investment income*

Investment income earned is reported as revenue in the period earned. Investment income earned on development charges (obligatory reserve funds) is added to the fund balance and forms part of the deferred revenue balance.

*Government transfers*

Government transfers include entitlements, transfers under shared cost agreements, and grants. Government transfers are recognized as revenue in the financial statements when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfers are recognized in the statement of operations as the stipulation liabilities are settled.

*Use of estimates*

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. The principal estimates used in the preparation of these financial statements include the useful life and valuation of tangible capital assets and significant accruals. Actual results could differ from these estimates.



**The Corporation of the Town of Georgina**  
**Notes to the Consolidated Financial Statements**  
December 31, 2015

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**1. Summary of significant accounting policies (continued)**

*Budget figures*

Budget figures have been reclassified for the purposes of these financial statements to comply with PSAB reporting requirements. The approved operating and capital budgets are reflected on the consolidated statement of operations. The budgets established for capital investment in tangible capital assets are on a project-oriented basis, the costs of which may be carried out over one or more years and, therefore, may not be comparable with current year's actual expense amounts.

*Liability for Contaminated Sites*

A contaminated site is a site at which substances occur in concentrations that exceed the maximum acceptable amounts under an environmental standard. Sites that are currently in productive use are only considered a contaminated site if an unexpected event results in contamination. A liability for remediation of contaminated sites is recognized when the Town is directly responsible or accepts responsibility; it is expected that future economic benefits will be given up; and a reasonable estimate of the amount can be made. The liability includes all costs directly attributable to remediation activities including post remediation operations, maintenance and monitoring. The liability is recorded net of any expected recoveries.

**2. Change in Accounting Policy**

Effective January 1, 2015, the Town adopted the Public Sector Accounting Standard Section PS 3260 Liability for Contaminated Sites. This change in accounting policy has been made in accordance with the transitional provisions of the standard which is to be applied either retroactively or prospectively. The Town has chosen to apply this standard prospectively. As a result of this change in accounting policy, there has been no effect on the financial statements.

**3. Prior period adjustment**

During the 2015 fiscal year, it was determined that certain land assumed by the Town under various agreements had not been recorded. The comparative figures have been adjusted as follows:

Statement of Financial Position

|  |           |
|--|-----------|
| Increase in tangible capital assets                | 1,902,800 |
| Increase in accumulated surplus, December 31, 2014 | 1,902,800 |

Statement of Operations

|  |           |
|--|-----------|
| Increase in Other-assumed properties                     | 46,700    |
| Increase in annual surplus                               | 46,700    |
| Increase in opening accumulated surplus, January 1, 2014 | 1,856,100 |

**The Corporation of the Town of Georgina**  
**Notes to the Consolidated Financial Statements**  
December 31, 2015

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**4. Budget reconciliation**

The authority of Council is required before monies can be spent by the Town. Approvals are given in the form of an annually approved budget. The budget approved by Council differs from the budget in the consolidated statement of operations as the Council approved budget has been adjusted to account for material changes due to PSAB reporting requirements.

|  | <u>Revenue</u>    | <u>Expenses</u>     |
|--|-------------------|---------------------|
|  | \$                | \$                  |
| Council approved budget:                                 |                   |                     |
| Operating fund   | 56,076,920        | 58,079,200          |
| Capital budget carried over from previous years          | 14,151,500        | 16,772,970          |
| Total Council approved budget                            | <u>70,228,420</u> | <u>74,852,170</u>   |
| Add: Amortization expense                                | -                 | 11,174,320          |
| Less: Consolidation adjustments                          | (6,976,730)       | (8,784,010)         |
| Less: PSAB adjustments                                   | (9,576,840)       | (11,927,570)        |
| Less: Tangible capital assets capitalized                | <u>-</u>          | <u>(14,183,670)</u> |
| Adjusted budget per consolidated statement of operations | <u>53,674,850</u> | <u>51,131,240</u>   |

**5. Trust fund**

The Trust fund administered by the Town amounting to \$62,236 (2014 - \$54,900) is presented in a separate financial statement of trust balances and operations. As such balances are held in trust by the Town for the benefit of others, they are not included in the Town's consolidated statements of financial position or operations.

**6. Operations of school boards and the Region of York**

During 2015, requisitions were made by the district school boards and the Region, requiring the Town to collect property taxes and payments in lieu of property taxes on their behalf. The amounts collected and remitted are summarized as follows:

|                | <u>2015</u>       | <u>2014</u>       |
|----------------|-------------------|-------------------|
|                | \$                | \$                |
| School boards  | <u>14,611,555</u> | 14,578,250        |
| Region of York | <u>24,165,214</u> | <u>23,716,648</u> |
|                | <u>38,776,769</u> | <u>38,294,898</u> |

**The Corporation of the Town of Georgina**  
**Notes to the Consolidated Financial Statements**  
December 31, 2015

**7. Cash and cash equivalents**

Cash and cash equivalents are segregated as follows:

|  | <u>2015</u>              | <u>2014</u>              |
|--|--------------------------|--------------------------|
|  | \$                       | \$                       |
| Restricted - obligatory reserve funds (refer to Note 11) | <b>9,651,793</b>         | 6,583,499                |
| Unrestricted and undesignated                            | <b>30,950,589</b>        | 27,961,000               |
|  | <b><u>40,602,382</u></b> | <b><u>34,544,499</u></b> |

**8. Taxes receivable**

|                        | <u>2015</u>             | <u>2014</u>             |
|------------------------|-------------------------|-------------------------|
|                        | \$                      | \$                      |
| Current year           | <b>3,474,344</b>        | 4,104,702               |
| Arrears previous years | <b>1,702,713</b>        | 2,195,470               |
|                        | <b>5,177,057</b>        | 6,300,172               |
| Less: allowance        | <b>(309,216)</b>        | (571,796)               |
|                        | <b><u>4,867,841</u></b> | <b><u>5,728,376</u></b> |

**9. Accounts receivable**

|                             | <u>2015</u>             | <u>2014</u>             |
|-----------------------------|-------------------------|-------------------------|
|                             | \$                      | \$                      |
| Government entities         | <b>1,550,960</b>        | 977,524                 |
| Trade and other receivables | <b>1,111,726</b>        | 1,919,438               |
|                             | <b>2,662,686</b>        | 2,896,962               |
| Less: allowance             | <b>(127,164)</b>        | (97,164)                |
|                             | <b><u>2,535,522</u></b> | <b><u>2,799,798</u></b> |

**10. Accounts payable and accrued liabilities**

|                             | <u>2015</u>              | <u>2014</u>              |
|-----------------------------|--------------------------|--------------------------|
|                             | \$                       | \$                       |
| Trade payables and accruals | <b>14,493,186</b>        | 10,809,802               |
| School boards               | <b>105,547</b>           | (78,032)                 |
| Region of York              | <b>198,144</b>           | 2,297,651                |
| Interest on long-term debt  | <b>130,869</b>           | 137,781                  |
| Payroll                     | <b>1,849,497</b>         | 1,181,419                |
|                             | <b><u>16,777,243</u></b> | <b><u>14,348,621</u></b> |

**The Corporation of the Town of Georgina**  
**Notes to the Consolidated Financial Statements**  
December 31, 2015

**11. Deferred revenue - obligatory reserve funds**

|  | <u>2015</u>      | <u>2014</u>      |
|--|------------------|------------------|
|  | \$               | \$               |
| Development charge reserve funds                   | 5,031,209        | 1,933,307        |
| Subdivider contributions                           | 110,278          | 109,260          |
| Recreational land dedicated under the Planning Act | 797,287          | 548,137          |
| Gas tax grant                                      | <u>3,713,019</u> | <u>3,992,795</u> |
|  | <u>9,651,793</u> | <u>6,583,499</u> |

Continuity of obligatory reserve funds

|   | <u>2015</u>        | <u>2014</u>        |
|---|--------------------|--------------------|
|   | \$                 | \$                 |
| Balance at the beginning of the year                  | 6,583,499          | 4,630,629          |
| Development charge collections                        | 3,432,077          | 1,630,842          |
| Gas tax grant   | 1,260,053          | 1,294,757          |
| Investment income                                     | 60,888             | 51,775             |
| Tangible capital assets acquisitions and construction | <u>(1,684,724)</u> | <u>(1,024,504)</u> |
| Balance at the end of the year                        | <u>9,651,793</u>   | <u>6,583,499</u>   |

**12. Employee future benefits payable**

Under the provisions of certain employee benefits plans, an employee who has achieved the appropriate factor as determined by OMERS, is eligible for a retirement pension from OMERS, and is under the age of 65 years will be provided with extended health coverage (drug, vision and dental plan). The Town contributes 100% of the insurance premium obligated under this plan.

Actuarial valuations for accounting purposes are performed every three years using the projected benefit method prorated on services. The most recent actuarial valuation report was prepared as at December 31, 2015.



**The Corporation of the Town of Georgina**  
**Notes to the Consolidated Financial Statements**

December 31, 2015

**12. Employee future benefits payable** (continued)

The accrued benefits liability as at December 31 is as follows:

|                                | <u>2015</u>             | <u>2014</u>             |
|--------------------------------|-------------------------|-------------------------|
|                                | \$                      | \$                      |
| Employee other future benefits | 1,309,027               | 1,258,653               |
| Vacation pay                   | <u>1,797,587</u>        | <u>1,649,234</u>        |
|                                | <u><b>3,106,614</b></u> | <u><b>2,907,887</b></u> |

Total other benefit payments to retirees during the year were \$102,517 (2014 - \$101,117). The plan is unfunded and requires no contributions from employees. The employee other future benefits liability at December 31 is as follows:

|                                  | <u>2015</u>             | <u>2014</u>             |
|----------------------------------|-------------------------|-------------------------|
|                                  | \$                      | \$                      |
| Accrued benefits obligation      | 1,854,090               | 1,630,837               |
| Unamortized actuarial gain       | <u>(545,063)</u>        | <u>(372,184)</u>        |
| Employee future benefits payable | <u><b>1,309,027</b></u> | <u><b>1,258,653</b></u> |

The continuity of the employee other future benefits liability is as follows:

|  | <u>2015</u>             | <u>2014</u>             |
|--|-------------------------|-------------------------|
|  | \$                      | \$                      |
| Balance, beginning of the year         | 1,258,653               | 1,246,800               |
| Annual amortization of actuarial gains | 14,132                  | (6,713)                 |
| Current period service cost            | 90,021                  | 57,967                  |
| Interest cost                          | 48,738                  | 61,716                  |
| Benefits paid for the period           | <u>(102,517)</u>        | <u>(101,117)</u>        |
| Balance, end of the year               | <u><b>1,309,027</b></u> | <u><b>1,258,653</b></u> |

Significant assumptions used are as follows:

|  | <u>2015</u> | <u>2014</u> |
|--|-------------|-------------|
| Expected average remaining service life in years                 | 17.1        | 17.1        |
| Employees future benefits payable as at December 31              |             |             |
| <i>Interest (discount) rate</i>                                  | 2.25%       | 3%          |
| Benefits cost for the year ended December 31                     |             |             |
| <i>Interest (discount) rate</i>                                  | 2.25%       | 3%          |
| <i>Dental costs</i>  | 4.5%        | 4.5%        |
| <i>Health costs</i>  |             |             |
| - Initial rate   | 8%          | 8%          |
| - Rate declines to   | 4.5%        | 5%          |
| - Year that the rate reaches the rate it is assumed to remain at | 2025        | 2025        |

**The Corporation of the Town of Georgina**  
**Notes to the Consolidated Financial Statements**  
December 31, 2015

**13. Government grants and contributions**

|            | <u>2015</u>    | <u>2014</u>    |
|------------|----------------|----------------|
|            | \$             | \$             |
| Federal    | 70,622         | 103,783        |
| Provincial | 756,577        | 285,850        |
|            | <u>827,199</u> | <u>389,633</u> |

**14. Insurance coverage**

The Town is self insured for insurance claims up to \$10,000 for property, liability, automobile, Councillor's accident, and volunteers for any individual claim and for any number of claims arising out of a single occurrence. Claim costs during the year amounted to \$84,804 (2014 - \$31,424).

The Town has made provisions for reserves for self insurance for claims under the limits noted above to be used for those claims that exceed the sum provided for in the annual budget. These reserves are reported in the accumulated surplus under reserves set aside by the Council. As at December 31, 2015 these reserves had a balance of -\$347,473, (2014, - \$472,473).

**15. Long-term debt**

The long-term debt issued in the name of the Town, has been approved by by-law. The annual principal and interest payments required to service these debts are within the annual debt repayment limit prescribed by the Ministry of Municipal Affairs and Housing. The balance of long-term debt reported on the consolidated statement of financial position is made up of the following:

| <u>Purpose</u>                | <u>Rates</u> | <u>Maturity in</u> | <u>2015</u>       | <u>2014</u>       |
|-------------------------------|--------------|--------------------|-------------------|-------------------|
|                               |              |                    | \$                | \$                |
| Willow Beach water and sewers | 4.76%        | 2026               | 10,599,704        | 11,318,549        |
| Tile Drainage Loan            | 0.00%        | 2021               | 46,207            | 50,000            |
| Mortgage payable              | 0.00%        | 2018               | 700,000           | 950,000           |
|                               |              |                    | <u>11,345,911</u> | <u>12,318,549</u> |

Principal repayments for each of the next five years and thereafter are due as follows:

|                     |                   |
|---------------------|-------------------|
|                     | \$                |
| 2016                | 1,007,460         |
| 2017                | 1,043,961         |
| 2018                | 1,032,221         |
| 2019                | 872,326           |
| 2020                | 914,363           |
| 2021 and thereafter | 6,475,580         |
|                     | <u>11,345,911</u> |

**The Corporation of the Town of Georgina**  
**Notes to the Consolidated Financial Statements**

December 31, 2015

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**15. Long-term debt (continued)**

The Town is contingently liable for the tile drainage loans as at December 31, 2015 of \$46,207 (2014 - \$50,000).

Interest expense on long-term debt amounted to \$525,951 (2014 - \$554,057). Interest paid during the year is \$525,951.

Of the long-term debt \$11,345,911 (2014 - \$12,268,549) certain principal payments do not represent a burden on general Town revenue, as they are to be recovered in future years from other sources.

The total long-term debt is to be recovered from the following:

|                               | <u>2015</u>       | <u>2014</u>       |
|-------------------------------|-------------------|-------------------|
|                               | \$                | \$                |
| Water/Wastewater user charges | <u>10,645,911</u> | <u>11,318,549</u> |
|                               | <u>10,645,911</u> | <u>11,318,549</u> |

In 2013, the Town purchased a parcel of land and fully funded the acquisition through discretionary and obligatory reserves. The Town also entered into a mortgage agreement with the vendor, bearing 0% interest.

The balance of mortgage payable in the amount of \$700,000 is reported on the consolidated statement of financial position.

**16. Tangible capital assets**

Schedule 1 provides information on the cost and accumulated amortization of tangible capital assets of the Town by major asset category.

*Assets under construction*

Assets under construction and other capital work in progress having a value of \$835,824 (2014 - \$2,172,634) have not been amortized. Amortization of these assets will commence when the assets are put into service.

*Contributed tangible capital assets*

Contributed tangible capital assets have been recognized at fair market value at the date of contribution. The value of contributed assets received during the year is \$1,369,387 (2014 - \$4,296,932), which includes contribution from developers in the amount of \$920,387 (2014 - \$ 46,700) and property vested in the name of the Corporation under the tax sale provisions of the Municipal Act.

**The Corporation of the Town of Georgina**  
**Notes to the Consolidated Financial Statements**  
December 31, 2015

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**17. Commitments, contractual obligations and contingencies**

*Commitments*

The Town has entered into lease agreements for vehicles, office equipment and safety equipment. The aggregate minimum payments under these leases over the next three years are as follows:

|      |               |
|------|---------------|
|      | \$            |
| 2016 | 40,770        |
| 2017 | 39,540        |
| 2018 | <u>16,475</u> |
|      | <u>96,785</u> |

*Contractual obligations*

The Town has the following contractual obligations at December 31, 2015:

- a) The Town also entered into a multiple-year contract for delivery of services with respect to waste collection. The total purchase commitment from such contract amounted to approximately \$1,346,842 of which expenses of approximately \$121,649 were outstanding as at December 31, 2015.
- b) In November 2013, the Town entered into a contract for animal control services for a period of five (5) years commencing January 1, 2014 at a cost of \$142,352 per year plus taxes, to be indexed annually by inflation per the Consumer Price Index (CPI). The total purchase commitment of this contract amounts to approximately \$711,761 of which expenses of approximately \$423,615 were outstanding as at December 31, 2015.

*Contingencies*

The Town is subject to a number of legal proceedings. Although, the amount of its exposure with respect to these matters cannot be determined, the Town's management believes that the ultimate disposition of these matters will not have a material impact on its consolidated financial position. No amount has been recorded in these financial statements related to any liability which may arise relative to these legal proceedings.



**The Corporation of the Town of Georgina**  
**Notes to the Consolidated Financial Statements**  
December 31, 2015

**18. Accumulated surplus**

The accumulated surplus is comprised of the following:

|  | <u>2015</u>        | <u>2014</u>        |
|--|--------------------|--------------------|
|  | \$                 | \$                 |
| <b>Reserves set aside for specific purposes by Council</b> |                    |                    |
| Equipment replacement                                      | 6,269,124          | 5,735,402          |
| Recreation and cultural programs and facilities            | 76,086             | 68,026             |
| Working capital  | 2,223,235          | 1,170,273          |
| Waste disposal   | 23,345             | 23,345             |
| Health services  | 64,863             | 95,916             |
| Roadways   | 162,082            | 156,042            |
| Protective inspections                                     | 441,511            | 62,177             |
| General government   | 1,185,418          | 1,160,279          |
| Insurance  | (347,473)          | (472,473)          |
| Planning and development                                   | 178,439            | 154,439            |
| Contingencies  | 173,353            | 1,212,348          |
| Parks  | 7,072              | 7,072              |
| Libraries  | 40,390             | 29,752             |
| Green initiatives  | 297,308            | 386,863            |
| Acquisition of capital assets                              | 11,648,031         | 10,487,513         |
| Cemeteries   | 83,298             | 76,498             |
| Waste disposal - landfill site                             | 100,000            | 100,000            |
| Land sale proceeds   | 183,224            | 183,224            |
| Repayment of water and sewer debentures                    | 2,937,708          | 2,340,602          |
| Water and sewer system capital expenses                    | 3,745,668          | 3,476,831          |
| Servicing allocation contribution                          | 42,000             | 42,000             |
| <b>Total reserves</b>                                      | <u>29,534,682</u>  | <u>26,496,129</u>  |
| <b>Surpluses</b>   |                    |                    |
| Invested in tangible capital assets (Schedule 1)           | 346,999,644        | 349,513,575        |
| Less: amount financed by long-term debt (Note 15)          | (11,345,911)       | (12,318,549)       |
| Operating deficit  | (4,380,364)        | (1,804,262)        |
| Employee future benefits (Note 12)                         | (3,106,614)        | (2,907,887)        |
| <b>Total surpluses</b>                                     | <u>328,166,755</u> | <u>332,482,877</u> |
| <b>Accumulated surplus</b>                                 | <u>357,701,437</u> | <u>358,979,006</u> |

**The Corporation of the Town of Georgina**  
**Notes to the Consolidated Financial Statements**  
December 31, 2015

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**19. Pension agreements**

OMERS provides pension services to more than 461,000 active and retired members and approximately 1,000 employers. Each year an independent actuary determines the funding status of OMERS Primary Pension Plan (the Plan) by comparing the actuarial value of invested assets to the estimated present value of all pension benefits that members have earned to date. The most recent actuarial valuation of the Plan was conducted at December 31, 2015. The results of this valuation disclosed total actuarial liabilities of \$81,924 million in respect of benefits accrued for service with actuarial assets at that date of \$74,947 million indicating an actuarial deficit of \$6,977 million. Because OMERS is a multi-employer plan, any pension plan surpluses or deficits are a joint responsibility of Ontario municipal organizations and their employees. As a result, the Town does not recognize any share of the OMERS pension surplus or deficit.

Contributions in 2015 ranged from 8.3% to 13.9% (2014 - 8.3% to 13.9%) depending on the proposed retirement age and level of earnings. As a result \$1,769,438 (2014 - \$1,711,110) was contributed to OMERS for current year services.

**20. Comparative Amounts**

Certain comparative amounts presented in the consolidated financial statements have been reclassified to conform to the current year's presentation.

**21. Segmented information**

The Town provides a range of services to its citizens. For management reporting and stewardship purposes, all operations are organized and reported by the service they supply.

Town services are provided by departments and their activities are reported - see Schedule 2. For each reported segment, revenues and expenses represent both amounts that are directly attributable to the segment and the amounts that are allocated on a reasonable basis. The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in Note 1.

The following services have been separately disclosed in the segmented information.

*Fire & emergency services*

This department is responsible for maintaining and enhancing public safety through emergency management planning, prevention and public education programs, enforcement and emergency response.

*Protective inspection and control*

Services include Building Inspection, Municipal Law Enforcement, Animal Control, Weed Control and Fence Viewers and Livestock.

**The Corporation of the Town of Georgina**  
**Notes to the Consolidated Financial Statements**  
December 31, 2015

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**21. Segmented information** (continued)

*Roads, sidewalks, bridges and public works*

Public Works is responsible for the Town's infrastructure. This includes the safety and maintenance of the Town's roads, sidewalks, bridges, street lights, traffic control devices, and the school crossing guard program.

*Water, wastewater and solid waste*

This segment consists of water, wastewater and solid waste. Responsibilities include the distribution of drinking water and the collection of waste water. It also includes the collection of household waste and recycling.

*Leisure programs, events and facilities*

This segment includes all leisure programs, activities, events and cultural services to its residents. It also includes all leisure facilities (including arenas, pool, youth centres and community halls), parks and open spaces. Cemetery management is also included as it is not considered material enough to warrant a separate segment.

*Library services*

The Library serves the members of the public in their leisure, informational and cultural quests. Library Services reports to the Library Board and is therefore a separate segment.

*Planning & development*

This department manages urban development for business interests, environmental concerns, heritage matters and local neighborhoods.

*Corporate governance and management*

All support staff and services are included here such as Town Council, Office of the CAO, Municipal Treasurer, Finance, Treasury, Information Technology, Purchasing, Clerks and Human Resources.

*Taxation revenue*

The Town's primary source of funding for its operations is achieved through property taxes levied against property owners.

**The Corporation of the Town of Georgina**  
**Schedule 1 -Tangible Capital Assets - Summary by Asset Category**  
December 31, 2015

|                                  | 2 0 1 5            |                        |                    |                    |                          |                      |                    |                    | Net Book Value     |
|----------------------------------|--------------------|------------------------|--------------------|--------------------|--------------------------|----------------------|--------------------|--------------------|--------------------|
|                                  | Cost               |                        |                    |                    | Accumulated Amortization |                      |                    |                    |                    |
|                                  | Opening Balance    | Additions/ Betterments | Disposals          | Closing Balance    | Opening Balance          | Amortization Expense | Disposals          | Closing Balance    |                    |
| \$                               | \$                 | \$                     | \$                 | \$                 | \$                       | \$                   | \$                 | \$                 |                    |
| <b>General</b>                   |                    |                        |                    |                    |                          |                      |                    |                    |                    |
| Land                             | 39,343,421         | 449,000                |                    | 39,792,421         | -                        | -                    | -                  | -                  | 39,792,421         |
| Building                         | 37,388,405         | 3,703,603              | (61,803)           | 41,030,205         | 12,234,952               | 1,192,719            | (17,846)           | 13,409,825         | 27,620,380         |
| Machinery and equipment          | 12,517,816         | 639,229                | (261,865)          | 12,895,180         | 5,022,204                | 860,616              | (261,865)          | 5,620,955          | 7,274,225          |
| Vehicles                         | 6,411,750          | 931,525                |                    | 7,343,275          | 4,810,579                | 469,985              |                    | 5,280,564          | 2,062,711          |
| Information technology           | 1,359,626          | 189,937                | (182,563)          | 1,367,000          | 653,702                  | 231,955              | (182,563)          | 703,094            | 663,906            |
| Library collections              | 1,223,638          | 157,495                | (172,260)          | 1,208,873          | 608,790                  | 172,260              | (172,260)          | 608,790            | 600,083            |
|                                  | <b>98,244,656</b>  | <b>6,070,789</b>       | <b>(678,491)</b>   | <b>103,636,954</b> | <b>23,330,227</b>        | <b>2,927,535</b>     | <b>(634,534)</b>   | <b>25,623,228</b>  | <b>78,013,726</b>  |
| <b>Infrastructure</b>            |                    |                        |                    |                    |                          |                      |                    |                    |                    |
| Land                             | 14,842,660         |                        |                    | 14,842,660         | -                        |                      |                    | -                  | 14,842,660         |
| Land improvements                | 23,812,996         | 81,230                 | (47,716)           | 23,846,510         | 11,410,475               | 952,157              | (47,716)           | 12,314,916         | 11,531,594         |
| Transportation networks          | 145,903,616        | 3,113,800              | (891,138)          | 148,126,278        | 54,557,993               | 4,850,443            | (784,256)          | 58,624,180         | 89,502,098         |
| Pumping stations                 | 9,768,562          |                        |                    | 9,768,562          | 3,981,757                | 277,529              |                    | 4,259,286          | 5,509,276          |
| Sanitary sewer assets            | 82,786,756         | 386,049                |                    | 83,172,805         | 16,467,171               | 924,154              |                    | 17,391,325         | 65,781,480         |
| Storm sewer assets               | 29,595,015         | 326,831                |                    | 29,921,846         | 4,435,384                | 404,152              |                    | 4,839,536          | 25,082,310         |
| Water linear assets              | 70,785,050         | 169,342                |                    | 70,954,392         | 14,215,363               | 838,353              |                    | 15,053,716         | 55,900,676         |
|                                  | <b>377,494,655</b> | <b>4,077,252</b>       | <b>(938,854)</b>   | <b>380,633,053</b> | <b>105,068,143</b>       | <b>8,246,788</b>     | <b>(831,972)</b>   | <b>112,482,959</b> | <b>268,150,094</b> |
| <b>Assets under construction</b> | <b>2,172,634</b>   | <b>(1,336,810)</b>     |                    | <b>835,824</b>     |                          |                      |                    |                    | <b>835,824</b>     |
| <b>Total capital assets</b>      | <b>477,911,945</b> | <b>8,811,231</b>       | <b>(1,617,345)</b> | <b>485,105,831</b> | <b>128,398,370</b>       | <b>11,174,323</b>    | <b>(1,466,506)</b> | <b>138,106,187</b> | <b>346,999,644</b> |



The Corporation of the Town of Georgina  
**Schedule 1 -Tangible Capital Assets - Summary by Asset Category**  
December 31, 2015

|                                  | 2 0 1 4            |                        |                       |                    |                          |                      |                  |                    | Net Book Value     |
|----------------------------------|--------------------|------------------------|-----------------------|--------------------|--------------------------|----------------------|------------------|--------------------|--------------------|
|                                  | Cost               |                        |                       |                    | Accumulated Amortization |                      |                  |                    |                    |
|                                  | Opening Balance    | Additions/ Betterments | Disposals / Transfers | Closing Balance    | Opening Balance          | Amortization Expense | Disposals        | Closing Balance    |                    |
| \$                               | \$                 | \$                     | \$                    | \$                 | \$                       | \$                   | \$               | \$                 |                    |
| <b>General</b>                   |                    |                        |                       |                    |                          |                      |                  |                    |                    |
| Land (Note 3)                    | 35,070,721         | 4,272,700              | -                     | 39,343,421         | -                        | -                    | -                | -                  | 39,343,421         |
| Building                         | 37,029,764         | 366,819                | (8,178)               | 37,388,405         | 11,164,247               | 1,078,883            | (8,178)          | 12,234,952         | 25,153,453         |
| Machinery and equipment          | 11,436,210         | 1,313,005              | (231,399)             | 12,517,816         | 4,477,369                | 775,138              | (230,303)        | 5,022,204          | 7,495,612          |
| Vehicles                         | 6,471,837          | 49,879                 | (109,966)             | 6,411,750          | 4,411,572                | 500,586              | (101,579)        | 4,810,579          | 1,601,171          |
| Information technology           | 1,347,354          | 185,768                | (173,496)             | 1,359,626          | 689,616                  | 137,582              | (173,496)        | 653,702            | 705,924            |
| Library collections              | 1,251,072          | 172,439                | (199,873)             | 1,223,638          | 630,465                  | 178,198              | (199,873)        | 608,790            | 614,848            |
|                                  | <u>92,606,958</u>  | <u>6,360,610</u>       | <u>(722,912)</u>      | <u>98,244,656</u>  | <u>21,373,269</u>        | <u>2,670,387</u>     | <u>(713,429)</u> | <u>23,330,227</u>  | <u>74,914,429</u>  |
| <b>Infrastructure</b>            |                    |                        |                       |                    |                          |                      |                  |                    |                    |
| Land                             | 14,842,660         |                        |                       | 14,842,660         | -                        | -                    | -                | -                  | 14,842,660         |
| Land improvements                | 23,032,371         | 844,344                | (63,719)              | 23,812,996         | 10,497,024               | 977,170              | (63,719)         | 11,410,475         | 12,402,521         |
| Transportation networks          | 145,715,126        | 188,490                |                       | 145,903,616        | 49,857,877               | 4,700,116            |                  | 54,557,993         | 91,345,623         |
| Pumping stations                 | 9,768,562          |                        |                       | 9,768,562          | 3,701,916                | 279,841              |                  | 3,981,757          | 5,786,805          |
| Sanitary sewer assets            | 82,786,756         |                        |                       | 82,786,756         | 15,541,920               | 925,251              |                  | 16,467,171         | 66,319,585         |
| Storm sewer assets               | 29,595,015         |                        |                       | 29,595,015         | 4,034,461                | 400,923              |                  | 4,435,384          | 25,159,631         |
| Water linear assets              | 70,785,050         |                        |                       | 70,785,050         | 13,378,783               | 836,580              |                  | 14,215,363         | 56,569,687         |
|                                  | <u>376,525,540</u> | <u>1,032,834</u>       | <u>(63,719)</u>       | <u>377,494,655</u> | <u>97,011,981</u>        | <u>8,119,881</u>     | <u>(63,719)</u>  | <u>105,068,143</u> | <u>272,426,512</u> |
| <b>Assets under construction</b> | <u>549,959</u>     | <u>1,622,675</u>       | <u>-</u>              | <u>2,172,634</u>   | <u>-</u>                 | <u>-</u>             | <u>-</u>         | <u>-</u>           | <u>2,172,634</u>   |
| <b>Total capital assets</b>      | <u>469,682,457</u> | <u>9,016,119</u>       | <u>(786,631)</u>      | <u>477,911,945</u> | <u>118,385,250</u>       | <u>10,790,268</u>    | <u>(777,148)</u> | <u>128,398,370</u> | <u>349,513,575</u> |



The Corporation of the Town of Georgina

Schedule 2 - Segment Disclosures

Year Ended December 31, 2015

|                                 | Consolidated       |                   | Fire & Emergency   |                    | Protective Inspection & Control |                    | Roads, Sidewalks, Bridges & Public Works |                    |
|---------------------------------|--------------------|-------------------|--------------------|--------------------|---------------------------------|--------------------|--|--------------------|
|                                 | 2015               | 2014              | 2015               | 2014               | 2015                            | 2014               | 2015                                     | 2014               |
|                                 | \$                 | \$                | \$                 | \$                 | \$                              | \$                 | \$                                       | \$                 |
| <b>Revenues</b>                 |                    |                   |                    |                    |                                 |                    |  |                    |
| Taxation                        | 36,966,544         | 34,335,504        | -                  | -                  | -                               | -                  | -  | -                  |
| Grants                          | 827,199            | 389,633           | -                  | -                  | 7,134                           | 6,071              | 349,957                                  | -                  |
| User fees and service charges   | 8,142,653          | 7,324,124         | 50,696             | 16,439             | 92,302                          | 96,235             | 590,977                                  | 781,771            |
| Licenses, permits and rent      | 1,569,438          | 1,122,027         | -                  | -                  | 1,427,000                       | 972,556            | -  | -                  |
| Fines, penalties and interest   | 919,522            | 1,076,847         | -                  | -                  | 155,590                         | 150,278            | -  | -                  |
| Other                           | 4,163,678          | 7,352,468         | -                  | -                  | 475,639                         | 290,834            | 1,576,934                                | 582,913            |
| <b>Total revenues</b>           | <b>52,589,034</b>  | <b>51,600,603</b> | <b>50,696</b>      | <b>16,439</b>      | <b>2,157,664</b>                | <b>1,515,974</b>   | <b>2,517,868</b>                         | <b>1,364,684</b>   |
| <b>Expenses</b>                 |                    |                   |                    |                    |                                 |                    |  |                    |
| Salaries and wages              | 27,535,767         | 25,552,458        | 5,764,866          | 5,574,491          | 2,311,863                       | 2,077,497          | 3,479,271                                | 3,381,035          |
| Interest on long-term debt      | 525,951            | 507,313           | -                  | -                  | -                               | -                  | -  | -                  |
| Materials, good and supplies    | 4,296,303          | 4,285,729         | 376,641            | 271,651            | 160,822                         | 160,761            | 1,495,553                                | 1,638,188          |
| Contracted and general services | 9,840,008          | 8,897,838         | 363,391            | 319,656            | 563,085                         | 490,079            | 868,706                                  | 869,574            |
| Rents and financial             | 140,433            | 113,858           | -                  | -                  | 1,010                           | 1,062              | -  | -                  |
| External transfers              | 202,976            | 239,241           | 150                | -                  | 2,000                           | 2,206              | 55,000                                   | 55,000             |
| Amortization                    | 11,174,326         | 10,790,268        | 264,127            | 247,097            | 8,733                           | 7,961              | 5,216,491                                | 5,050,773          |
| Other                           | -                  | -                 | -                  | -                  | -                               | -                  | -  | -                  |
| <b>Total expenses</b>           | <b>53,715,764</b>  | <b>50,386,705</b> | <b>6,769,175</b>   | <b>6,412,895</b>   | <b>3,047,513</b>                | <b>2,739,566</b>   | <b>11,115,021</b>                        | <b>10,994,570</b>  |
| <b>Net revenues (expenses)</b>  | <b>(1,126,730)</b> | <b>1,213,898</b>  | <b>(6,718,479)</b> | <b>(6,396,456)</b> | <b>(889,849)</b>                | <b>(1,223,592)</b> | <b>(8,597,153)</b>                       | <b>(9,629,886)</b> |

**The Corporation of the Town of Georgina**  
**Schedule 2 - Segment Disclosures**  
Year Ended December 31, 2015

|                                 | Water, Wastewater & Solid Waste |                    | Leisure Programs, Events & Facilities |                     | Library Services |                  | Planning & Development |                  |
|---------------------------------|---------------------------------|--------------------|---------------------------------------|---------------------|------------------|------------------|------------------------|------------------|
|                                 | 2015                            | 2014               | 2015                                  | 2014                | 2015             | 2014             | 2015                   | 2014             |
|                                 | \$                              | \$                 | \$                                    | \$                  | \$               | \$               | \$                     | \$               |
| <b>Revenues</b>                 |                                 |                    |                                       |                     |                  |                  |                        |                  |
| Taxation                        | -                               | -                  | -                                     | -                   | -                | -                | -                      | -                |
| Grants                          | -                               | -                  | 231,476                               | 144,091             | 2,072,712        | 2,005,381        | 18,000                 | 12,818           |
| User fees and service charges   | 3,818,075                       | 2,871,524          | 2,934,431                             | 2,797,493           | 86,398           | 78,859           | 307,834                | 353,167          |
| Licenses, permits and rent      | -                               | -                  | 104,569                               | 94,147              | -                | -                | -                      | -                |
| Fine, penalties and interest    | -                               | -                  | -                                     | -                   | 29,001           | 29,843           | -                      | -                |
| Other                           | 864,023                         | 198,618            | 214,592                               | 706,538             | 4,792            | 8,304            | (246,439)              | 691,029          |
| <b>Total revenues</b>           | <b>4,682,098</b>                | <b>3,070,142</b>   | <b>3,485,068</b>                      | <b>3,742,269</b>    | <b>2,192,903</b> | <b>2,122,387</b> | <b>79,395</b>          | <b>1,057,014</b> |
| <b>Expenses</b>                 |                                 |                    |                                       |                     |                  |                  |                        |                  |
| Salaries and wages              | 1,315,863                       | 1,199,131          | 7,078,186                             | 6,624,404           | 1,478,905        | 1,383,157        | 1,309,900              | 1,324,920        |
| Interest on long-term debt      | 520,627                         | 507,313            | -                                     | -                   | -                | -                | 5,324                  | -                |
| Materials, good and supplies    | 314,599                         | 310,918            | 1,855,259                             | 1,739,177           | 92,091           | 105,626          | 12,213                 | 10,981           |
| Contracted and general services | 3,242,467                       | 2,619,577          | 2,237,727                             | 1,967,685           | 249,758          | 238,901          | 311,616                | 376,417          |
| Rents and financial             | 18,221                          | 21,199             | 38,707                                | 28,876              | 1,869            | 1,754            | 3,793                  | -                |
| External transfers              | -                               | -                  | 2,120,581                             | 2,058,925           | -                | -                | 27,525                 | 65,900           |
| Amortization                    | 2,530,935                       | 2,554,488          | 2,501,321                             | 2,393,449           | 236,283          | 237,725          | 41,361                 | 29,472           |
| Other                           | -                               | -                  | -                                     | -                   | -                | -                | -                      | -                |
| <b>Total expenses</b>           | <b>7,942,712</b>                | <b>7,212,626</b>   | <b>15,831,782</b>                     | <b>14,812,516</b>   | <b>2,058,906</b> | <b>1,967,163</b> | <b>1,711,732</b>       | <b>1,807,690</b> |
| <b>Net revenues (expenses)</b>  | <b>(3,260,614)</b>              | <b>(4,142,484)</b> | <b>(12,346,714)</b>                   | <b>(11,070,247)</b> | <b>133,997</b>   | <b>155,224</b>   | <b>(1,632,337)</b>     | <b>(750,676)</b> |

**The Corporation of the Town of Georgina**

**Schedule 2 - Segment Disclosures**

Year Ended December 31, 2015

|                                 | Corporate Governance & Management |                  | Taxation Revenue  |                   | Elimination        |                    |
|---------------------------------|-----------------------------------|------------------|-------------------|-------------------|--------------------|--------------------|
|                                 | 2015                              | 2014             | 2015              | 2014              | 2015               | 2014               |
|                                 | \$                                | \$               | \$                | \$                | \$                 | \$                 |
| <b>Revenues</b>                 |                                   |                  |                   |                   |                    |                    |
| Taxation                        | -                                 | -                | 36,966,544        | 34,335,504        | -                  | -                  |
| Grants                          | 150,200                           | 164,062          | -                 | -                 | (2,002,280)        | (1,942,790)        |
| User fees and service charges   | 261,941                           | 328,635          | -                 | -                 | -                  | -                  |
| Licenses, permits and rent      | 37,869                            | 55,324           | -                 | -                 | -                  | -                  |
| Fine, penalties and interest    | 734,931                           | 896,726          | -                 | -                 | -                  | -                  |
| Other                           | 1,274,139                         | 4,874,231        | -                 | -                 | -                  | -                  |
| <b>Total revenues</b>           | <b>2,459,077</b>                  | <b>6,318,978</b> | <b>36,966,544</b> | <b>34,335,504</b> | <b>(2,002,280)</b> | <b>(1,942,790)</b> |
| <b>Expenses</b>                 |                                   |                  |                   |                   |                    |                    |
| Salaries and wages              | 4,796,913                         | 3,987,823        | -                 | -                 | -                  | -                  |
| Interest on long-term debt      | -                                 | -                | -                 | -                 | -                  | -                  |
| Materials, good and supplies    | (10,876)                          | 48,427           | -                 | -                 | -                  | -                  |
| Contracted and general services | 2,003,258                         | 2,015,949        | -                 | -                 | -                  | -                  |
| Rents and financial             | 76,833                            | 60,967           | -                 | -                 | -                  | -                  |
| External transfers              | -                                 | -                | -                 | -                 | (2,002,280)        | (1,942,790)        |
| Amortization                    | 375,075                           | 269,303          | -                 | -                 | -                  | -                  |
| Other                           | -                                 | -                | -                 | -                 | -                  | -                  |
| <b>Total expenses</b>           | <b>7,241,203</b>                  | <b>6,382,469</b> | <b>-</b>          | <b>-</b>          | <b>(2,002,280)</b> | <b>(1,942,790)</b> |
| <b>Net revenue (expenses)</b>   | <b>(4,782,125)</b>                | <b>(63,491)</b>  | <b>36,966,544</b> | <b>34,335,504</b> | <b>-</b>           | <b>-</b>           |

**For information regarding the Town of Georgina's 2015 Consolidated Financial Statements, contact:**

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**Administrative Services Department**  
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**Rebecca Mathewson, CPA, CGA**  
**Director of Administrative Services and Treasurer**

**Corporation of the Town of Georgina**  
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