

THE CORPORATION OF THE TOWN OF GEORGINA
Consolidated Statement of Financial Position
December 31, 2005

| | <u>2005</u> | <u>2004</u> |
|--|------------------------|------------------------|
| FINANCIAL ASSETS | | |
| Accounts receivable | \$ 14,542,010 | \$ 17,795,910 |
| Cash and temporary investments (Note 4) | 10,017,531 | 7,281,341 |
| Taxes and user charge receivable | 5,821,716 | 4,946,693 |
| Other | 13,938 | 10,908 |
| | 30,395,195 | 30,034,852 |
| LIABILITIES | | |
| Temporary Financing - capital loan (Note 16) | 30,000,000 | 20,000,000 |
| Long-term liabilities (Note 6) | 5,575,615 | 6,922,811 |
| Other current liabilities | 4,817,630 | 6,091,208 |
| Accounts payable | 4,170,237 | 5,658,397 |
| Deferred revenue (Note 9) | 3,245,825 | 3,031,702 |
| Employee future benefits payable (Note 12) | 1,908,745 | 1,780,184 |
| Interest payable on long-term debt | 72,682 | 57,648 |
| | 49,790,734 | 43,541,950 |
| NET FINANCIAL ASSETS / (LIABILITIES) | (19,395,539) | (13,507,098) |
| NON-FINANCIAL ASSETS | | |
| Prepaid expenses | 96,030 | 144,526 |
| NET ASSETS / (LIABILITIES) | \$ (19,299,509) | \$ (13,362,572) |
| MUNICIPAL POSITION | | |
| Fund Balances | | |
| Operating fund - Schedule 1 | \$ 332,057 | \$ (4,999) |
| Capital fund - Schedule 2 | (20,602,197) | (12,593,142) |
| Reserves and reserve fund - Schedule 3 | 8,454,991 | 7,938,564 |
| | (11,815,149) | (4,659,577) |
| Amounts to be recovered from future revenues (Note 10) | (7,484,360) | (8,702,995) |
| MUNICIPAL POSITION | \$ (19,299,509) | \$ (13,362,572) |

THE CORPORATION OF THE TOWN OF GEORGINA
Consolidated Statement of Financial Activities and Fund Balance
Year ended December 31, 2005

| | 2005 | | 2004 |
|--|-----------------------|-----------------------|-----------------------|
| | Budget (unaudited) | Actual | Actual |
| REVENUES | | | |
| Taxes available for municipal purposes | \$ 21,531,711 | \$ 21,839,472 | \$ 19,610,839 |
| Government grants | 9,263,874 | 9,555,963 | 18,310,134 |
| User fees and service charges | 4,972,219 | 4,507,532 | 3,605,038 |
| Other | 1,077,246 | 1,480,815 | 388,709 |
| Licences and permits | 693,300 | 831,028 | 673,786 |
| Developer contributions earned | - | 766,963 | 1,175,028 |
| Fines and penalties | 786,000 | 732,030 | 753,614 |
| Investment income | 425,075 | 555,043 | 499,339 |
| Revenue from other municipalities | 313,749 | 391,345 | 364,518 |
| Developer and customer contributions | - | 135,772 | 99,869 |
| Rents and concessions | 92,721 | 96,088 | 136,079 |
| Donations | 8,500 | 40,453 | 18,494 |
| Proceeds from sale of debentures | 26,000,000 | - | - |
| Total revenues | 65,164,395 | 40,932,504 | 45,635,447 |
| EXPENDITURES | | | |
| Environmental services | 22,394,593 | 20,440,136 | 33,701,258 |
| Recreation and cultural services | 8,993,174 | 9,278,532 | 8,542,679 |
| Transportation services | 6,314,178 | 6,203,590 | 4,792,427 |
| Protection to persons and property | 5,645,401 | 5,313,194 | 4,793,857 |
| General government | 5,153,406 | 4,171,952 | 3,742,754 |
| Planning and development services | 1,166,477 | 1,166,024 | 987,791 |
| Social and family services | 205,994 | 154,075 | 163,956 |
| Health services | 17,254 | 93,442 | 118,067 |
| Total expenditures | 49,890,477 | 46,820,945 | 56,842,789 |
| NET EXPENDITURES | 15,273,918 | (5,888,441) | (11,207,342) |
| FINANCING | | | |
| Principal repayment on long-term debt | (1,347,195) | (1,347,195) | (1,330,554) |
| Increase (decrease) in employee future benefits payable | - | 128,560 | 238,894 |
| INCREASE (DECREASE) IN AMOUNTS TO BE RECOVERED | (1,347,195) | (1,218,635) | (1,091,660) |
| NET (DECREASE) INCREASE IN NON-FINANCIAL ASSETS | - | (48,496) | 28,771 |
| INCREASE (DECREASE) IN FUND BALANCE | 13,926,723 | (7,155,572) | (12,270,231) |
| OPENING CONSOLIDATED FUND BALANCE | (4,659,577) | (4,659,577) | 7,610,654 |
| CLOSING CONSOLIDATED FUND BALANCE | \$ 9,267,146 | \$(11,815,149) | \$ (4,659,577) |

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

THE CORPORATION OF THE TOWN OF GEORGINA
Schedule of Operating Fund Financial Activities and Fund Balance
Year ended December 31, 2005

| | 2005 | | 2004 |
|---|-----------------------|--------------------|--------------------|
| | Budget (unaudited) | Actual | Actual |
| REVENUES | | | |
| Taxes available for municipal purposes | \$ 21,531,711 | \$ 21,839,472 | \$ 19,610,839 |
| User charges | 4,972,219 | 4,507,532 | 3,605,038 |
| Licences and permits | 693,300 | 831,028 | 673,786 |
| Fines and penalties | 786,000 | 732,030 | 753,614 |
| Investment income | 425,075 | 552,110 | 497,119 |
| Revenue from other municipalities | 313,749 | 391,345 | 364,518 |
| Government grants | 160,084 | 331,960 | 192,135 |
| Rents and concessions | 92,721 | 96,088 | 136,079 |
| Donations | 8,500 | 34,453 | 18,494 |
| Developer contributions earned | - | 20,000 | 100,000 |
| Total revenues | 28,983,359 | 29,336,018 | 25,951,622 |
| EXPENDITURES | | | |
| Recreation and cultural services | 7,083,615 | 7,075,304 | 6,295,586 |
| Protection to persons and property | 5,224,873 | 5,090,094 | 4,739,622 |
| Transportation services | 3,621,936 | 3,653,636 | 3,377,673 |
| General government | 3,531,679 | 3,425,478 | 3,306,202 |
| Environmental services | 2,929,724 | 3,357,273 | 2,844,061 |
| Planning and development services | 1,056,688 | 937,303 | 973,584 |
| Social and family services | 170,181 | 154,075 | 163,956 |
| Health services | 17,254 | 87,300 | 99,725 |
| Total expenditures | 23,635,950 | 23,780,463 | 21,800,409 |
| NET REVENUE | 5,347,409 | 5,555,555 | 4,151,213 |
| FINANCING AND TRANSFERS | | | |
| Transfers to Capital Fund | (2,157,500) | (2,157,500) | (2,080,763) |
| Transfer to Reserves and Reserve Funds | (1,837,715) | (1,793,869) | (1,747,369) |
| Principal repayment on long-term debt | (1,347,195) | (1,347,195) | (1,330,554) |
| Increase (decrease) in employee future benefit payable | - | 128,561 | 238,894 |
| (Decrease) increase in non-financial assets | - | (48,496) | 28,771 |
| Net financing and transfers | (5,342,410) | (5,218,499) | (4,891,021) |

THE CORPORATION OF THE TOWN OF GEORGINA
Schedule of Capital Fund Financial Activities and Fund Balance
Year ended December 31, 2005

| | 2005 | | 2004 |
|---|-----------------------|------------------------|------------------------|
| | Budget (unaudited) | Actual | Actual |
| REVENUES | | | |
| Government grants | \$ 9,103,790 | \$ 9,224,003 | \$ 18,117,999 |
| Other | 1,077,246 | 1,480,815 | 388,709 |
| Developer contributions earned | - | 746,963 | 1,075,028 |
| Developer and customer contributions | - | 135,772 | 99,869 |
| Donations | - | 6,000 | - |
| Proceeds from sale of debentures | 26,000,000 | - | - |
| Total revenues | 36,181,036 | 11,593,553 | 19,681,605 |
| EXPENDITURES | | | |
| Environmental services | 19,464,869 | 17,082,863 | 30,857,197 |
| Transportation services | 2,692,242 | 2,549,954 | 1,414,754 |
| Recreation and cultural services | 1,909,559 | 2,203,228 | 2,247,093 |
| General government | 1,621,727 | 746,474 | 436,552 |
| Planning and development services | 109,789 | 228,721 | 14,207 |
| Protection to persons and property | 420,528 | 223,100 | 54,235 |
| Health services | - | 6,143 | 18,342 |
| Social and family services | 35,813 | - | - |
| Total expenditures | 26,254,527 | 23,040,483 | 35,042,380 |
| NET EXPENDITURES | 9,926,509 | (11,446,930) | (15,360,775) |
| FINANCING AND TRANSFERS | | | |
| Transfers from operating fund | 2,157,500 | 2,157,500 | 2,080,763 |
| Transfers from (to) reserves and reserve fund | 509,133 | 1,280,375 | 2,138,368 |
| NET FINANCING AND TRANSFERS | 2,666,633 | 3,437,875 | 4,219,131 |
| CHANGES IN CAPITAL FUND BALANCE | 12,593,142 | (8,009,055) | (11,141,644) |
| CAPITAL FUND BALANCE, | | | |
| BEGINNING OF YEAR | (12,593,142) | (12,593,142) | (1,451,498) |
| CAPITAL FUND BALANCE, | | | |
| END OF YEAR (NOTE 8b) | \$ - | \$ (20,602,197) | \$ (12,593,142) |

THE CORPORATION OF THE TOWN OF GEORGINA
Schedule of Reserves and Reserve Fund Financial Activities
and Fund Balance
Year ended December 31, 2005

| | 2005 | | 2004 |
|---|-----------------------|--------------|--------------|
| | Budget (unaudited) | Actual | Actual |
| REVENUES | | | |
| Investment income | \$ - | \$ 2,933 | \$ 2,220 |
| Net transfers from (to) other funds | | | |
| Transfers from operating fund | 1,837,715 | 1,793,869 | 1,747,369 |
| Transfers to capital fund | (509,133) | (1,280,375) | (2,138,368) |
| Net transfers from (to) other funds | 1,328,582 | 513,494 | (390,999) |
| CHANGE IN RESERVES AND RESERVE FUND BALANCES | 1,328,582 | 516,427 | (388,779) |
| RESERVES AND RESERVE FUND BALANCE, BEGINNING OF YEAR | 7,938,564 | 7,938,564 | 8,327,343 |
| RESERVES AND RESERVE FUND BALANCE, END OF YEAR (NOTE 8c) | \$ 9,267,146 | \$ 8,454,991 | \$ 7,938,564 |

THE CORPORATION OF THE TOWN OF GEORGINA

Statement of Changes in Financial Position

Year ended December 31, 2005

| | <u>2005</u> | <u>2004</u> |
|--|----------------------|---------------------|
| OPERATIONS | | |
| Net expenditures | \$ (5,888,441) | \$ (11,207,346) |
| (Uses) / Sources | | |
| (Increase) / decrease in accounts receivable | 3,253,900 | (12,916,294) |
| (Increase) / decrease in other assets | (3,030) | (1,694) |
| (Increase) / decrease in taxes and water receivables | (875,023) | 1,317,852 |
| Increase / (decrease) in employment future benefits payable | 128,561 | 238,894 |
| Increase / (decrease) in other current liabilities | (1,235,747) | 3,268,546 |
| Increase / (decrease) in accounts payable | (1,488,160) | 1,998,053 |
| Increase / (decrease) on interest on long-term liabilities | 15,034 | (12,569) |
| Increase / (decrease) in deferred revenue | 176,292 | (359,932) |
| | (28,173) | (6,467,144) |
| Net decrease in cash from operations | (5,916,614) | (17,674,490) |
| FINANCING | | |
| Issue of temporary financing | 10,000,000 | 20,000,000 |
| Repayment of long-term debt | (1,347,196) | (1,330,554) |
| Net increase (decrease) in cash from financing | 8,652,804 | 18,669,446 |
| NET CHANGE IN CASH AND TEMPORARY INVESTMENTS | 2,736,190 | 994,956 |
| CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR | 7,281,341 | 6,286,385 |
| CASH AND TEMPORARY INVESTMENTS, END OF YEAR | \$ 10,017,531 | \$ 7,281,341 |