

**The Corporation of the  
Town of Georgina  
Consolidated Financial Statements  
Year ended December 31, 2019**

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Tel: 905 898 1221  
Fax: 905 898 0028  
Toll-free: 866 275 8836  
www.bdo.ca

BDO Canada LLP  
The Gates of York Plaza  
17310 Yonge Street Unit 11  
Newmarket ON L3Y 7R9

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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

### Opinion

We have audited the consolidated financial statements of The Corporation of the Town of Georgina ("the Town"), which comprise the statement of financial position as at December 31, 2019, and the statements of operations and accumulated surplus, cash flows and changes in net financial assets for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Town as at December 31, 2019, and consolidated results of operations, its consolidated change in net financial assets and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Town in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Responsibilities of Management and Those Charged with Governance 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.

In preparing the consolidated financial statements, management is responsible for assessing the Town's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Town or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Town's financial reporting process.

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and



- obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Town's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Town's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Town to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Town to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Town audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Chartered Professional Accountants, Licensed Public Accountants

August 12, 2020  
Newmarket, Ontario

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

December 31

	<u>2019</u>	<u>2018</u>
	\$	\$
<b>Financial assets</b>		
Cash and cash equivalents (Note 5)	29,676,463	24,386,678
Portfolio investments (Note 6)	35,839,173	25,359,614
Taxes receivable (Note 7)	7,049,160	6,184,930
Water and sewer charges receivable	3,103,613	2,986,953
Accounts receivable (Note 8)	2,897,679	3,665,835
	<u>78,566,088</u>	<u>62,584,010</u>
<b>Liabilities</b>		
Accounts payable and accrued liabilities (Note 9)	12,378,316	11,782,508
Deferred revenue - obligatory reserve funds (Note 10)	17,858,662	12,839,951
Employee future benefits payable (Note 11)	4,605,570	4,046,840
Long-term debt (Note 14)	14,984,177	10,000,143
Deferred revenue	8,916,220	8,969,860
	<u>58,742,945</u>	<u>47,639,302</u>
<b>Net Financial Assets</b>	<u>19,823,143</u>	<u>14,944,708</u>
<b>Non-financial assets</b>		
Inventory held for own use	151,455	318,703
Prepaid expenses and deposits	184,061	969,442
Tangible capital assets (Note 15 and Schedule 1)	347,386,052	347,765,091
	<u>347,721,568</u>	<u>349,053,236</u>
<b>Accumulated surplus (Note 17)</b>	<u>367,544,711</u>	<u>363,997,944</u>

Contractual obligations and contingencies (Note 16)

**The Corporation of the Town of Georgina**  
**Consolidated Statement of Operations and Accumulated Surplus**

Year ended December 31

	2019		2018
	Budget (Note 2)	Actual	Actual
	\$	\$	\$
<b>Revenues</b>			
Taxation available for municipal purposes	45,072,540	<b>45,473,615</b>	43,104,698
User fees and service charges	10,996,230	<b>10,443,158</b>	10,042,977
Government grants and contributions (Note 12)	1,621,700	<b>2,215,863</b>	2,611,972
Fines, penalties and interest	1,114,100	<b>1,317,956</b>	1,115,232
Licenses and permits	1,563,000	<b>1,357,722</b>	923,817
Investment income	760,840	<b>1,041,459</b>	773,723
Revenue from other municipalities	727,040	<b>739,783</b>	772,303
Other	-	<b>88,845</b>	86,287
Federal Gas Tax earned	2,620,000	<b>728,912</b>	1,348,761
Developer contributions earned	789,000	<b>145,726</b>	156,880
Rents and concessions	313,420	<b>217,248</b>	241,566
Proceeds from insurance	-	-	191,484
Contributed tangible capital assets	33,800	<b>2,826,991</b>	2,500,730
<b>Total revenues</b>	<u>65,611,670</u>	<u><b>66,597,278</b></u>	<u>63,870,430</u>
<b>Expenses</b>			
Recreation and cultural services	18,499,619	<b>17,965,233</b>	18,100,625
Protection to persons and property	11,838,791	<b>12,015,063</b>	11,710,784
Transportation services	12,220,662	<b>12,609,266</b>	11,932,872
General government	8,704,107	<b>9,310,613</b>	8,061,044
Environmental services	9,307,649	<b>9,130,729</b>	8,852,655
Planning and development services	2,548,454	<b>2,226,468</b>	1,994,845
Health services	54,906	<b>30,872</b>	40,742
Social and family services	343,510	<b>376,399</b>	303,451
<b>Total expenses</b>	<u>63,517,698</u>	<u><b>63,664,643</b></u>	<u>60,997,018</u>
<b>Net revenues</b>	2,093,972	<b>2,932,635</b>	2,873,412
Gain (Loss) on disposal of tangible capital assets	-	<b>614,132</b>	(95,474)
<b>Annual surplus</b>	2,093,972	<b>\$ 3,546,767</b>	\$ 2,777,938
<b>Accumulated surplus, beginning of year</b>		<u><b>363,997,944</b></u>	<u>361,220,006</u>
<b>Accumulated surplus, end of year</b>		<u><b>367,544,711</b></u>	<u>363,997,944</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>2019</u>	<u>2018</u>
	\$	\$
Cash and cash equivalents provided by (used in):		
<b>Operating activities</b>		
Annual surplus	3,546,767	2,777,938
Amortization expense	12,396,130	12,108,569
Loss (gain) on disposal of tangible capital assets	(614,132)	95,474
Changes in non-cash item balances		
Taxes receivable	(864,230)	(394,834)
Water and sewer charges receivable	(116,660)	(233,097)
Accounts receivable	768,156	887,830
Inventory held for own use	167,248	11,877
Prepaid expenses and deposits	785,381	(42,608)
Accounts payable and accrued liabilities	595,808	(4,457,362)
Deferred revenue - obligatory reserve funds	5,018,711	760,718
Deferred revenue	(53,640)	877,975
Employee future benefits payable	558,730	(6,680)
Cash provided by operating activities	<u>22,188,269</u>	<u>12,385,801</u>
<b>Capital activities</b>		
Acquisition of tangible capital assets	(12,363,671)	(11,786,816)
Proceeds from sale of tangible capital assets	960,712	127,168
Cash provided by capital activities	<u>(11,402,959)</u>	<u>(11,659,648)</u>
<b>Investing activities</b>		
Acquisition of portfolio investments	<u>(10,479,559)</u>	<u>(25,359,614)</u>
<b>Financing activities</b>		
Principal repayment on long-term debt	(1,015,966)	(954,488)
Mortgage payable and tile drainage loan	-	(200,000)
Issuance of long-term debt	6,000,000	-
Cash provided by financing activities	<u>4,984,034</u>	<u>(1,154,488)</u>
<b>Net change in cash and cash equivalents</b>	<b>5,289,785</b>	<b>(25,787,950)</b>
<b>Cash and cash equivalents, beginning of year</b>	<u>24,386,678</u>	<u>50,174,628</u>
<b>Cash and cash equivalents, end of year</b>	<u>29,676,463</u>	<u>24,386,678</u>

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

	<u>2019</u>	<u>2019</u>	<u>2018</u>
	Budget (Note 2)	Actual	
	\$	\$	\$
<b>Annual surplus</b>	<u>2,093,972</u>	<u>3,546,767</u>	<u>2,777,938</u>
Acquisition of tangible capital assets	(18,285,350)	<b>(12,363,671)</b>	(11,786,816)
Loss (gain) on disposal of tangible capital assets	-	<b>(614,132)</b>	95,474
Amortization of tangible capital assets	12,396,130	<b>12,396,130</b>	12,108,569
Proceeds on sale of tangible capital assets	-	<b>960,712</b>	127,168
	<u>(5,889,220)</u>	<u>379,039</u>	<u>544,395</u>
Changes in inventory held for use	-	<b>167,248</b>	11,877
Changes in prepaid expenses	-	<b>785,381</b>	(42,608)
	<u>-</u>	<u>952,629</u>	<u>(30,731)</u>
<b>Change in net financial assets</b>	-3,795,248	<b>4,878,436</b>	3,291,602
<b>Net financial assets, beginning of year</b>	<u>14,944,708</u>	<u>14,944,708</u>	<u>11,653,106</u>
<b>Net financial assets, end of year</b>	<u>11,149,460</u>	<u>19,823,143</u>	<u>14,944,708</u>

# The Corporation of the Town of Georgina

## Notes to the Consolidated Financial Statements

December 31, 2019

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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
- Uptown Keswick Business Improvement Area Board
- Jackson's Point Village Association Business Improvement Area Board
- Downtown Sutton Merchants Business Improvement Area 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.

#### *Portfolio investments*

Portfolio investments are recorded at cost unless there has been a decline in the market value which is other than temporary in nature in which case the investments are written down to market value.

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

December 31, 2019

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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 measurable. 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, 2019

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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, 2019

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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 including user fees and service charges, revenue from other municipalities, and rents and concessions 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 valuation of employee future benefits. Actual results could differ from these estimates.

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

December 31, 2019

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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.

**2. 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.

	Revenue	Expenses
	\$	\$
Council approved budget:		
Operating fund	91,306,760	91,306,760
Capital budget carried over from previous years	-	-
Total Council approved budget	91,306,760	91,306,760
Add: Amortization expense	-	12,396,128
Less: Consolidation adjustments	(18,132,020)	(11,761,020)
Less: PSAB adjustments	(7,563,070)	(10,738,820)
Less: Tangible capital assets capitalized	-	(17,685,350)
Adjusted budget per consolidated statement of operations	65,611,670	63,517,698

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

December 31, 2019

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**3. Trust fund**

The Trust fund administered by the Town amounting to \$96,490 (2018 - \$88,849) 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.

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

During 2019, 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>2019</u>	<u>2018</u>
	\$	\$
School boards	<b>16,790,575</b>	16,131,265
Region of York	<b>27,778,226</b>	26,446,514
	<b><u>44,568,801</u></b>	<u>42,577,779</u>

**5. Cash and cash equivalents**

Cash and cash equivalents are segregated as follows:

	<u>2019</u>	<u>2018</u>
	\$	\$
Restricted - obligatory reserve funds (refer to Note 10)	<b>17,858,662</b>	12,839,951
Unrestricted and undesignated	<b>11,817,801</b>	11,546,727
	<b><u>29,676,463</u></b>	<u>24,386,678</u>

Included in cash and cash equivalents is a high interest saving account with interest rate of 2.415% and a balance of \$20,758,322 (2018 - \$15,349,393).

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

December 31, 2019

**6. Portfolio investments**

Portfolio investments are comprised of the following:

	<u>2019</u>	<u>2018</u>
Bond Fund with the effective yield rate of 3.11% for the 2019 fiscal year	\$ <b>10,288,756</b>	\$ <b>5,113,593</b>
Universe Corporate Bond return on investment of 3.24% for the 2019 fiscal year	<b>15,550,417</b>	<b>10,246,021</b>
Equity Fund return on investment of 17.76% in 2019	<b>10,000,000</b>	<b>10,000,000</b>
	<u><b>35,839,173</b></u>	<u><b>25,359,614</b></u>

The market value of the bond and equity fund as of December 31, 2019 is \$37,299,706 (2018 - \$24,896,423).

**7. Taxes receivable**

	<u>2019</u>	<u>2018</u>
	\$	\$
Current year	<b>4,771,837</b>	5,175,643
Arrears previous years	<b>2,620,752</b>	1,311,531
	<u><b>7,392,589</b></u>	<u>6,487,174</u>
Less: allowance	<b>(343,429)</b>	(302,244)
	<u><b>7,049,160</b></u>	<u>6,184,930</u>

**8. Accounts receivable**

	<u>2019</u>	<u>2018</u>
	\$	\$
Government entities	<b>1,196,971</b>	1,103,218
Trade and other receivables	<b>1,866,877</b>	2,728,786
	<u><b>3,063,848</b></u>	<u>3,832,004</u>
Less: allowance	<b>(166,169)</b>	(166,169)
	<u><b>2,897,679</b></u>	<u>3,665,835</u>

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

December 31, 2019

**9. Accounts payable and accrued liabilities**

	<u>2019</u>	<u>2018</u>
	\$	\$
Trade payables and accruals	<b>9,379,331</b>	8,955,595
School boards	<b>281,648</b>	325,984
Region of York	<b>496,171</b>	496,696
Interest on long-term debt	<b>125,072</b>	97,897
Payroll	<b>2,096,093</b>	1,906,336
	<b><u>12,378,316</u></b>	<b><u>11,782,508</u></b>

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

	<u>2019</u>	<u>2018</u>
	\$	\$
Development charge reserve funds	<b>9,602,693</b>	6,996,562
Subdivider contributions	<b>118,524</b>	114,290
Recreational land dedicated under the Planning Act	<b>2,015,687</b>	1,760,413
Gas tax grant	<b>6,121,757</b>	3,968,686
	<b><u>17,858,662</u></b>	<b><u>12,839,951</u></b>

Continuity of obligatory reserve funds

	<u>2019</u>	<u>2018</u>
	\$	\$
Balance at the beginning of the year	<b>12,839,951</b>	12,079,233
Development charge collections	<b>2,779,288</b>	674,606
Gas tax grant	<b>2,881,984</b>	1,386,057
Investment income	<b>232,077</b>	205,696
Tangible capital assets acquisitions and construction	<b>(874,637)</b>	(1,505,641)
Balance at the end of the year	<b><u>17,858,662</u></b>	<b><u>12,839,951</u></b>

**11. Employee future benefits payable**

Under the provisions of certain employee benefit 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) for a maximum of ten years (firefighters twelve years amended in 2016 as shown in the prior period cost plan amendment). 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, 2019.

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

December 31, 2019

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

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

	<u>2019</u>	<u>2018</u>
	\$	\$
Employee other future benefits	<b>2,253,915</b>	2,179,061
Vacation pay	<b>2,351,655</b>	1,867,779
	<b><u>4,605,570</u></b>	<b><u>4,046,840</u></b>

Total other benefit payments to retirees during the year were \$88,004 (2018 - \$116,298). The plan is unfunded and requires no contributions from employees. The employee other future benefits liability at December 31 is as follows:

	<u>2019</u>	<u>2018</u>
	\$	\$
Accrued benefits obligation	<b>2,481,080</b>	1,952,660
Unamortized actuarial gain	<b>(227,165)</b>	226,401
Employee future benefits payable	<b><u>2,253,915</u></b>	<b><u>2,179,061</u></b>

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

	<u>2019</u>	<u>2018</u>
	\$	\$
Balance, beginning of the year	<b>2,179,061</b>	2,126,648
Annual amortization of actuarial gains	<b>(20,302)</b>	(12,476)
Current period service cost	<b>114,189</b>	120,568
Interest cost	<b>68,971</b>	60,619
Benefits paid for the period	<b>(88,004)</b>	(116,298)
Balance, end of the year	<b><u>2,253,915</u></b>	<b><u>2,179,061</u></b>

Significant assumptions used are as follows:

	<u>2019</u>	<u>2018</u>
Expected average remaining service life in years	17	16.7
Employees future benefits payable as at January 1		
<i>Interest (discount) rate</i>	3.50%	3.00%
Benefits cost for the year ended December 31		
<i>Interest (discount) rate</i>	2.80%	3.50%
<i>Dental costs</i>	4.50%	4.50%
<i>Health costs</i>		
- Initial rate	4.50%	4.50%

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

December 31, 2019

**12. Government grants and contributions**

	<u>2019</u>	<u>2018</u>
	\$	\$
Federal	<b>283,205</b>	408,386
Provincial	<b>1,932,658</b>	2,203,586
	<b><u>2,215,863</u></b>	<u>2,611,972</u>

**13. Insurance coverage**

The Town is self insured for insurance claims up to \$10,000 for property, liability and 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 \$53,569 (2018 - \$70,633).

**14. 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>2019</u>	<u>2018</u>
			\$	\$
Willow Beach water and sewers	4.76%	2026	<b>7,361,328</b>	8,228,865
Streetlight Retrofit	8.07%	2026	<b>1,622,849</b>	1,771,278
Dalton Road Watermain	2.65%	2029	<b>6,000,000</b>	-
			<b><u>14,984,177</u></b>	<u>10,000,143</u>

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

	\$
2020	1,642,407
2021	1,712,946
2022	1,788,565
2023	1,869,674
2024	1,956,720
Thereafter	<u>6,013,865</u>
	<b><u>14,984,177</u></b>

**The Corporation of the Town of Georgina**  
**Notes to the Consolidated Financial Statements**  
December 31, 2019

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

Interest expense on long-term debt amounted to \$655,823 (2018 - \$591,792). Interest paid during the year is \$628,648.

Of the long-term debt \$14,984,177 (2018 - \$10,000,143) 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>2019</u>	<u>2018</u>
	\$	\$
Water/Wastewater user charges	<u>13,361,328</u>	<u>8,228,865</u>

In 2016, the Town entered into an agreement with Realterm Energy for the purposes of a streetlight retrofit for a term of 10 years.

**15. 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 \$6,880,854 (2018 - \$2,823,324) 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 \$2,605,751 (2018 - \$2,439,273), which includes contributions from developers in the amount of \$1,839,000 (2018 - \$1,571,581) 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, 2019

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**16. Contractual obligations and contingencies**

*Contractual obligations*

The Town has the following contractual obligations at December 31, 2019:

- a) The Town has 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 \$1,828,084 of which expenses of approximately \$133,379 were outstanding as at December 31, 2019.
- b) In August 2018, the Town entered into a contract for animal control services for a period of two (2) years commencing January 1, 2019 at a cost of \$153,748 per year, to be indexed annually by inflation per the Consumer Price Index (CPI). The total purchase commitment of this contract amounts to approximately \$310,623 of which expenses of approximately \$57,042 were outstanding as at December 31, 2019.

*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, 2019

**17. Accumulated surplus**

The accumulated surplus is comprised of the following:

	2019	2018
	\$	\$
Reserves set aside for specific purposes by Council		
Equipment replacement	6,454,524	7,904,014
Recreation and cultural programs and facilities	109,344	96,720
Working capital	2,627,677	2,200,323
Health services	19,477	15,258
Roadways	2,676,142	1,076,142
Protective inspections	(188,256)	5,350
General government	567,636	393,965
Contingencies	3,505,666	2,425,866
Libraries	25,190	9,190
Acquisition of capital assets	12,582,600	11,502,364
Cemeteries	110,498	103,698
Waste disposal - landfill site	100,000	100,000
Land sale proceeds	925,195	-
Repayment of water and sewer debentures	4,981,858	4,531,093
Water and sewer system capital expenses	5,228,639	5,007,484
WSIB	-	189,950
Infrastructure	<u>6,330,880</u>	<u>5,671,332</u>
 Total reserves	 <u>46,057,070</u>	 <u>41,232,749</u>
 <b>Surpluses</b>		
Invested in tangible capital assets (Schedule 1)	347,386,052	347,765,091
Less: amount financed by long-term debt (Note 14)	(14,984,177)	(10,000,143)
Operating deficit	(6,308,664)	(10,952,913)
Employee future benefits (Note 11)	<u>(4,605,570)</u>	<u>(4,046,840)</u>
 Total surpluses	 <u>321,487,641</u>	 <u>322,765,195</u>
 Accumulated surplus	 <u>367,544,711</u>	 <u>363,997,944</u>

# The Corporation of the Town of Georgina

## Notes to the Consolidated Financial Statements

December 31, 2019

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### 18. Pension agreements

OMERS provides pension services to more than 470,000 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, 2019. The results of this valuation disclosed total actuarial liabilities of \$107,687 million in respect of benefits accrued for service with actuarial assets at that date of \$104,290 million indicating an actuarial deficit of \$3,397 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 2019 ranged from 9% to 14.6% (2018 - 8.3% to 13.9%) depending on the proposed retirement age and level of earnings. As a result \$2,286,117 (2018 - \$2,217,701) was contributed to OMERS for current year services.

### 19. Comparative Amounts

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

### 20. 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.

#### *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, 2019

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**20. 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.

**21. Subsequent Events**

Subsequent to year end, the impact of COVID-19 in Canada and on the global economy increased significantly. The global pandemic has disrupted economic activities and supply chains. Although the disruption from the virus is expected to be temporary, given the dynamic nature of these circumstances, the duration of business disruption and the related financial impact cannot be reasonably estimated at this time.

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

	2 0 1 9								
	Cost				Accumulated Amortization				Net Book Value
	Opening Balance	Additions/Betterments	Disposals	Closing Balance	Opening Balance	Amortization Expense	Disposals	Closing Balance	
\$	\$	\$	\$	\$	\$	\$	\$	\$	
<b>General</b>									
Land	41,195,421	1,839,000	(136,750)	42,897,671	-	-	-	-	<b>42,897,671</b>
Building	43,271,246	143,347	-	43,414,593	17,112,884	1,387,230	-	18,500,114	<b>24,914,478</b>
Machinery and equipment	15,115,988	1,535,099	(431,532)	16,219,555	7,813,092	1,017,444	(338,679)	8,491,857	<b>7,727,698</b>
Vehicles	7,768,258	2,168,539	(914,149)	9,022,648	4,032,018	600,956	(803,667)	3,829,307	<b>5,193,341</b>
Information technology	3,182,133	653,112	(188,997)	3,646,248	1,296,252	397,012	(188,998)	1,504,266	<b>2,141,982</b>
Library collections	1,034,294	125,695	(174,487)	985,502	556,133	145,704	(174,487)	527,350	<b>458,152</b>
	<b>111,567,340</b>	<b>6,464,791</b>	<b>(1,845,914)</b>	<b>116,186,217</b>	<b>30,810,378</b>	<b>3,548,346</b>	<b>(1,505,831)</b>	<b>32,852,894</b>	<b>83,333,323</b>
<b>Infrastructure</b>									
Land	14,842,660	-	-	14,842,660	-	-	-	-	<b>14,842,660</b>
Land improvements	24,711,884	748,035	(104,000)	25,355,919	15,148,176	891,990	(97,504)	15,942,662	<b>9,413,258</b>
Transportation networks	157,258,640	717,140	-	157,975,780	73,822,283	5,433,571	-	79,255,854	<b>78,719,926</b>
Pumping stations	9,576,139	161,058	-	9,737,197	4,735,699	192,061	-	4,927,760	<b>4,809,437</b>
Sanitary sewer assets	84,836,695	-	-	84,836,695	20,189,722	947,429	-	21,137,151	<b>63,699,544</b>
Storm sewer assets	30,722,702	-	-	30,722,702	6,083,946	421,191	-	6,505,137	<b>24,217,565</b>
Water linear assets	79,856,479	215,117	-	80,071,596	17,640,569	961,542	-	18,602,111	<b>61,469,485</b>
	<b>401,805,199</b>	<b>1,841,350</b>	<b>(104,000)</b>	<b>403,542,549</b>	<b>137,620,394</b>	<b>8,847,784</b>	<b>(97,504)</b>	<b>146,370,674</b>	<b>257,171,875</b>
<b>Assets under construction</b>	<b>2,823,324</b>	<b>4,057,530</b>	<b>-</b>	<b>6,880,854</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,880,854</b>
<b>Total capital assets</b>	<b>516,195,863</b>	<b>12,363,671</b>	<b>(1,949,914)</b>	<b>526,609,620</b>	<b>168,430,772</b>	<b>12,396,130</b>	<b>(1,603,335)</b>	<b>179,223,568</b>	<b>347,386,052</b>

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

	2 0 1 8								
	Cost				Accumulated Amortization				Net Book Value
	Opening Balance	Additions/Betterments	Disposals	Closing Balance	Opening Balance	Amortization Expense	Disposals	Closing Balance	
\$	\$	\$	\$	\$	\$	\$	\$	\$	
<b>General</b>									
Land	41,274,921	-	(79,500)	41,195,421	-	-	-	-	41,195,421
Building	42,343,123	1,209,496	(281,373)	43,271,246	16,030,010	1,349,187	(266,313)	17,112,884	26,158,361
Machinery and equipment	14,240,267	1,180,834	(305,113)	15,115,988	7,118,694	916,487	(222,089)	7,813,092	7,302,896
Vehicles	7,980,690	1,055,062	(1,267,494)	7,768,258	4,677,789	576,664	(1,222,435)	4,032,018	3,736,241
Information technology	2,386,841	885,268	(89,976)	3,182,133	932,087	454,141	(89,976)	1,296,252	1,885,881
Library collections	1,090,439	121,182	(177,327)	1,034,294	580,260	153,200	(177,327)	556,133	478,161
	<u>109,316,281</u>	<u>4,451,842</u>	<u>(2,200,783)</u>	<u>111,567,340</u>	<u>29,338,839</u>	<u>3,449,679</u>	<u>(1,978,140)</u>	<u>30,810,378</u>	<u>80,756,962</u>
<b>Infrastructure</b>									
Land	14,842,660	-	-	14,842,660	-	-	-	-	14,842,660
Land improvements	24,556,101	174,763	(18,980)	24,711,884	14,230,271	936,885	(18,980)	15,148,176	9,563,709
Transportation networks	153,482,182	3,776,458	-	157,258,640	68,565,978	5,256,305	-	73,822,283	83,436,357
Pumping stations	9,558,562	17,577	-	9,576,139	4,531,687	204,012	-	4,735,699	4,840,440
Sanitary sewer assets	84,121,533	715,162	-	84,836,695	19,248,455	941,267	-	20,189,722	64,646,973
Storm sewer assets	30,303,797	418,905	-	30,722,702	5,665,804	418,142	-	6,083,946	24,638,756
Water linear assets	71,281,302	8,575,177	-	79,856,479	16,738,290	902,279	-	17,640,569	62,215,910
	<u>388,146,137</u>	<u>13,678,042</u>	<u>(18,980)</u>	<u>401,805,199</u>	<u>128,980,484</u>	<u>8,658,890</u>	<u>(18,980)</u>	<u>137,620,394</u>	<u>264,184,805</u>
<b>Assets under construction</b>	<u>9,166,392</u>	<u>(6,343,068)</u>	<u>-</u>	<u>2,823,324</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,823,324</u>
<b>Total capital assets</b>	<u>506,628,810</u>	<u>11,786,816</u>	<u>(2,219,763)</u>	<u>516,195,863</u>	<u>158,319,323</u>	<u>12,108,569</u>	<u>(1,997,120)</u>	<u>168,430,772</u>	<u>347,765,091</u>

The Corporation of the Town of Georgina

Schedule 2 - Segment Disclosures

Year Ended December 31, 2019

	Consolidated		Fire & Emergency		Protective Inspection & Control		Roads, Sidewalks, Bridges & Public Works	
	2019	2018	2019	2018	2019	2018	2019	2018
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Revenues</b>								
Taxation	45,473,615	43,104,698						
Grants	2,215,862	2,611,972			8,771	3,747	1,386,579	895,517
User fees and service charges	10,443,158	10,042,977	153,536	155,424	120,971	74,461	890,936	754,983
Licenses, permits and rent	1,574,971	1,165,383			1,315,307	880,623		
Fines, penalties and interest	2,359,415	1,888,955			214,505	181,891	8,646	
Other	4,530,256	5,056,445	175,492		555,402	537,718	647,422	2,518,904
<b>Total revenues</b>	<b>66,597,278</b>	<b>63,870,430</b>	<b>329,028</b>	<b>155,424</b>	<b>2,214,956</b>	<b>1,678,440</b>	<b>2,933,583</b>	<b>4,169,404</b>
<b>Expenses</b>								
Salaries and wages	34,586,226	32,756,995	6,838,140	6,770,216	2,719,181	2,684,075	4,167,775	4,144,312
Interest on long-term debt	651,143	588,558					167,977	181,423
Materials, good and supplies	4,674,740	4,434,329	435,875	402,119	141,826	150,345	1,602,331	1,343,879
Contracted and general services	10,697,939	10,592,740	468,620	445,940	902,027	854,283	792,089	517,700
Rents and financial	264,529	199,096			10,613	7,100		
External transfers	393,936	316,731			2,000			55,000
Amortization	12,396,130	12,108,569	433,625	349,413	63,156	47,293	5,879,094	5,690,558
Other		0						
<b>Total expenses</b>	<b>63,664,643</b>	<b>60,997,018</b>	<b>8,176,260</b>	<b>7,967,688</b>	<b>3,838,803</b>	<b>3,743,096</b>	<b>12,609,266</b>	<b>11,932,872</b>
<b>Net revenues (expenses)</b>	<b>2,932,635</b>	<b>2,873,412</b>	<b>-7,847,232</b>	<b>-7,812,264</b>	<b>-1,623,847</b>	<b>-2,064,656</b>	<b>-9,675,683</b>	<b>-7,763,468</b>

The Corporation of the Town of Georgina

Schedule 2 - Segment Disclosures

Year Ended December 31, 2019

	Water, Wastewater & Solid Waste		Leisure Programs, Events & Facilities		Library Services		Planning & Development	
	2019	2018	2019	2018	2019	2018	2019	2018
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Revenues</b>								
Taxation								
Grants	120,313	918,967	204,202	520,329	2,460,292	2,391,863	1,960	69,768
User fees and service charges	4,742,434	5,014,107	3,384,352	3,164,930	140,466	84,704	560,038	388,521
Licenses, permits and rent			213,082	228,891				
Fine, penalties and interest			817		24,956	26,531	269	
Other	265,791	156,046	969,326	1,795,543	14,864	20,545	40,893	27,000
<b>Total revenues</b>	<b>5,128,538</b>	<b>6,089,120</b>	<b>4,771,779</b>	<b>5,709,693</b>	<b>2,640,578</b>	<b>2,523,643</b>	<b>603,160</b>	<b>485,289</b>
<b>Expenses</b>								
Salaries and wages	1,954,794	1,872,298	8,199,468	8,058,603	1,692,414	1,717,465	1,669,760	1,482,025
Interest on long-term debt	483,166	407,135						
Materials, good and supplies	318,969	360,668	1,930,046	1,986,178	217,766	152,580	13,326	9,831
Contracted and general services	3,512,400	3,468,182	2,864,845	3,055,850	261,398	358,533	368,448	385,676
Rents and financial	61,551	16,750	123,070	104,830	2,074	2,151		
External transfers			2,613,699	2,470,177			149,250	96,000
Amortization	2,799,849	2,727,622	2,625,207	2,618,429	231,568	237,941	25,684	21,313
Other								
<b>Total expenses</b>	<b>9,130,729</b>	<b>8,852,655</b>	<b>18,356,335</b>	<b>18,294,067</b>	<b>2,405,220</b>	<b>2,468,670</b>	<b>2,226,468</b>	<b>1,994,845</b>
<b>Net revenues (expenses)</b>	<b>-4,002,191</b>	<b>-2,763,535</b>	<b>-13,584,556</b>	<b>-12,584,374</b>	<b>235,358</b>	<b>54,973</b>	<b>-1,623,308</b>	<b>-1,509,556</b>

**The Corporation of the Town of Georgina**

**Schedule 2 - Segment Disclosures**

Year Ended December 31, 2019

	Corporate Governance & Management		Taxation Revenue		Elimination	
	2019	2018	2019	2018	2019	2018
	\$	\$	\$	\$	\$	\$
<b>Revenues</b>						
Taxation			<b>45,473,615</b>	43,104,698		
Grants	<b>422,796</b>	129,700			<b>-2,389,050</b>	-2,317,919
User fees and service charges	<b>450,425</b>	405,847				
Licenses, permits and rent	<b>46,582</b>	55,869				
Fine, penalties and interest	<b>2,110,222</b>	1,680,533				
Other	<b>1,861,066</b>	689				
<b>Total revenues</b>	<b>4,891,091</b>	2,272,638	<b>45,473,615</b>	43,104,698	<b>-2,389,050</b>	-2,317,919
<b>Expenses</b>						
Salaries and wages	<b>7,344,694</b>	6,028,001				
Interest on long-term debt						
Materials, good and supplies	<b>14,602</b>	28,729				
Contracted and general services	<b>1,528,112</b>	1,506,576				
Rents and financial	<b>67,221</b>	68,265				
External transfers	<b>18,037</b>	13,473			<b>-2,389,050</b>	-2,317,919
Amortization	<b>337,947</b>	416,000				
Other						
<b>Total expenses</b>	<b>9,310,613</b>	8,061,044	<b>0</b>	0	<b>-2,389,050</b>	-2,317,919
<b>Net revenue (expenses)</b>	<b>-4,419,522</b>	-5,788,406	<b>45,473,615</b>	43,104,698	<b>0</b>	0