

**CORPORATION OF THE  
TOWN OF COLLINGWOOD**

**COUNTY OF SIMCOE**

**CONSOLIDATED FINANCIAL REPORT**

**DECEMBER 31, 2005**

# CORPORATION OF THE TOWN OF COLLINGWOOD

DECEMBER 31, 2005

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**GAVILLER & COMPANY LLP**  
**CHARTERED ACCOUNTANTS**

**AUDITORS' REPORT**

To the Members of Council, Inhabitants and Ratepayers of the  
**Corporation of the Town of Collingwood:**

We have audited the consolidated balance sheet of the **Corporation of the Town of Collingwood** as at December 31, 2005, and the consolidated statements of operations and cash flows for the year then ended. These consolidated financial statements are the responsibility of the municipality's management. 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 plan and perform an audit to obtain reasonable assurance whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall consolidated financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the municipality as at December 31, 2005 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

*Gaviller & Company LLP*

Chartered Accountants  
Collingwood, Ontario  
February 23, 2006

# CORPORATION OF THE TOWN OF COLLINGWOOD

## CONSOLIDATED BALANCE SHEET AS AT DECEMBER 31

	2005	2004
	\$	\$
<b>Financial assets</b>		
Cash and temporary investments (Note 2)	9,779,202	10,292,897
Taxes receivable	1,988,156	1,720,424
Accounts receivable	2,156,955	4,748,326
Other assets	242,323	174,045
Note receivable - Hydro companies	1,710,169	1,710,169
Investment in government business enterprises - Hydro companies (Note 14)	8,776,279	8,360,095
Investment in government business enterprise - Public Utilities Service Board (Note 15)	11,543,414	11,123,178
	<b>36,196,498</b>	<b>38,129,134</b>
<b>Liabilities</b>		
Accounts payable	3,948,378	4,861,608
Accrued interest payable	119,700	133,083
Employee future benefits and accrued sick leave (Note 9)	1,024,634	877,000
Developer deposits	1,203,754	1,219,490
Deferred revenue - obligatory reserve funds (Note 3)	2,432,936	2,566,563
Long-term (Note 4)	19,816,246	20,768,000
	<b>28,545,648</b>	<b>30,425,744</b>
Net financial assets	<b>7,650,850</b>	<b>7,703,390</b>
<b>Municipal position</b>		
Current fund (Schedule 1) (Note 5)	163,610	385,331
Capital fund (Schedule 2)	(1,640,106)	(574,348)
Reserves (Schedule 3)	9,667,261	10,086,245
Reserve funds (Schedule 3)	100,972	100,972
Equity in government business enterprises - Hydro companies (Note 14)	8,776,279	8,360,095
Equity in government business enterprise - Public Utilities Service Board (Note 15)	11,543,414	11,123,178
Total fund balances	<b>28,611,430</b>	<b>29,481,473</b>
Amounts to be recovered from future revenues (Note 6)	<b>(20,960,580)</b>	<b>(21,778,083)</b>
Total municipal position	<b>7,650,850</b>	<b>7,703,390</b>

Approved \_\_\_\_\_ Mayor

\_\_\_\_\_ Date

The accompanying notes are an integral part of  
these financial statements

# CORPORATION OF THE TOWN OF COLLINGWOOD

## CONSOLIDATED STATEMENT OF OPERATIONS FOR THE YEAR ENDED DECEMBER 31

	Budget 2005	Actual 2005	Actual 2004
	\$ (Note 10)	\$	\$
<b>Revenues</b>			
Net municipal taxation (Note 11)	15,995,719	<b>16,602,599</b>	15,332,968
Payments in lieu of taxation	215,633	<b>203,933</b>	208,196
User charges	5,742,910	<b>6,624,186</b>	5,624,811
Government transfers	3,123,689	<b>256,059</b>	1,060,903
Other municipalities	859,426	<b>970,774</b>	833,727
Contributions from developers	868,850	<b>2,098,723</b>	854,636
Provincial gas tax funds	85,600	<b>38,488</b>	-
Investment income	140,000	<b>202,332</b>	125,552
Penalties and interest on taxes	260,000	<b>262,721</b>	250,553
Sale of land	134,000	<b>62,333</b>	77,412
Other (Note 7)	2,133,050	<b>1,957,178</b>	2,173,509
	<b>29,558,877</b>	<b>29,279,326</b>	26,542,267
<b>Expenditures</b>			
<b>Current</b>			
General government	2,434,895	<b>2,590,398</b>	2,151,788
Protection to persons and property	6,889,619	<b>6,789,162</b>	5,713,222
Transportation services	3,124,595	<b>3,110,554</b>	2,960,739
Environmental services	3,697,751	<b>3,642,401</b>	3,446,275
Recreational and cultural services	4,464,055	<b>4,704,981</b>	4,374,322
Planning and development	1,804,336	<b>1,347,062</b>	1,106,869
	<b>22,415,251</b>	<b>22,184,558</b>	19,753,215
<b>Capital</b>			
General government	118,000	<b>111,888</b>	265,163
Protection to persons and property	408,500	<b>250,993</b>	3,407,573
Transportation services	9,980,000	<b>3,758,874</b>	2,461,320
Environmental services	5,450,804	<b>2,158,840</b>	6,357,040
Recreational and cultural services	1,120,775	<b>1,544,044</b>	2,283,408
Planning and development	85,708	<b>159,090</b>	30,932
	<b>17,163,787</b>	<b>7,983,729</b>	14,805,436
	<b>39,579,038</b>	<b>30,168,287</b>	34,558,651
<b>Net expenditures</b>	<b>(10,020,161)</b>	<b>(888,961)</b>	<b>(8,016,384)</b>
Income on an equity basis from government business enterprises			
- Hydro companies (Note 14)	-	<b>416,184</b>	190,671
Income on an equity basis from government business enterprise			
- Public Utilities Service Board (Note 15)	-	<b>420,236</b>	533,737
Long-term liabilities repaid	(951,754)	<b>(951,754)</b>	(539,000)
Accrual of interest and employee future benefits	-	<b>134,252</b>	58,976
Long-term liabilities issued	8,738,050	-	13,400,000
<b>Change in fund balances</b>	<b>(2,233,865)</b>	<b>(870,043)</b>	<b>5,628,000</b>

The accompanying notes are an integral part of  
these financial statements

# CORPORATION OF THE TOWN OF COLLINGWOOD

## CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED DECEMBER 31

	2005	2004
	\$	\$
<b>Cash flows from (for):</b>		
<b>Operating activities</b>		
Net revenues	(888,961)	(8,016,384)
Changes in:		
Taxes receivable	(267,732)	(79,381)
Accounts receivable	2,591,371	(1,275,868)
Other assets	(68,278)	(14,851)
Accounts payable and accruals	(778,978)	658,950
Developer deposits	(15,736)	473,209
Deferred revenue - obligatory reserve funds	(133,627)	519,158
Net change in cash from operations	438,059	(7,735,167)
<b>Financing activities</b>		
Long term liabilities issued	-	13,400,000
Long-term liabilities repaid	(951,754)	(539,000)
Net change in cash from financing	(951,754)	12,861,000
<b>Net change in cash position</b>	(513,695)	5,125,833
Cash and cash equivalents, beginning of year	10,292,897	5,167,064
<b>Cash and cash equivalents, end of year</b>	<b>9,779,202</b>	<b>10,292,897</b>

The accompanying notes are an integral part of  
these financial statements

# CORPORATION OF THE TOWN OF COLLINGWOOD

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2005

### 1. Summary of significant accounting policies

#### (a) Management responsibility

The consolidated financial statements of the Corporation of the Town of Collingwood are the representations of management prepared in accordance with local government accounting standards established by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants. Since precise determination of many assets and liabilities is dependent upon future events the preparation of periodic financial statements necessarily involves the use of estimates and approximations.

The focus of PSAB financial statements is on the financial position of the municipality and the changes thereto. The consolidated balance sheet includes all the assets and liabilities of the municipality. Financial assets are those assets which could provide resources to discharge existing liabilities or finance future operations. Municipal position represents the financial position and is the difference between assets and liabilities. This provides information about the municipality's overall future revenue requirements and its ability to finance activities and meet its obligations.

#### (b) Basis of consolidation

The consolidated financial statements reflect the assets, liabilities, sources of financing and expenditures of the current fund, capital fund, reserves and reserve funds and include the activities of all committees of Council and the following organizations which are accountable to, and owned or controlled by the Corporation of the Town of Collingwood:

Corporation of the Town of Collingwood Museum Board  
Corporation of the Town of Collingwood Public Library Board  
Corporation of the Town of Collingwood Business Improvement Area  
Collingwood Elvis Festival Board  
Collingwood Airport Services Board

In addition, the consolidated financial statements include the operations of COLLUS Energy Corp., COLLUS Solutions Corp., COLLUS Power Corp., Collingwood Utility Services Corp. and the Corporation of the Town of Collingwood Public Utilities Service Board, as disclosed in Notes 14 and 15. These business enterprises are accounted for using the modified equity method. Under this method, the business enterprises' accounting principles are not adjusted to conform with those of the municipality, and inter-organizational transactions are not eliminated.

Excluded are Funds Held in Trust which are administered by the municipality and reported on separately. All interfund assets and liabilities and sources of financing and expenditures have been eliminated.

#### (c) Basis of accounting

Sources of financing and expenditures are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they become available and measurable. Expenditures are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

# CORPORATION OF THE TOWN OF COLLINGWOOD

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2005

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

#### (d) Capital assets

The historical cost and accumulated amortization for capital assets are not recorded for municipal purposes. Capital assets are reported as an expenditure on the consolidated statement of operations in the period of acquisition.

#### (e) Deferred revenue

Revenue restricted by legislation, regulation, or agreement and not available for general municipal purposes is reported as deferred revenue on the balance sheet. The revenue is reported on the consolidated statement of operations in the year in which it is used for the specified purpose.

#### (f) Amounts to be recovered from future revenues

Amounts to be recovered are reported in the municipal position on the balance sheet. The balance represents the outstanding principal portion of unmatured long-term liabilities, liabilities not yet due, and other future expenditures not yet levied on the ratepayers.

#### (g) County and school boards

The municipality collects taxation revenue on behalf of the school boards and the County of Simcoe. The taxation, other revenues, expenditures, assets and liabilities with respect to the operations of the school boards and the County of Simcoe are not reflected in these consolidated financial statements.

#### (h) Financial instruments

The municipality's financial instruments consist of cash, temporary investments, taxes receivable, accounts receivable, note receivable, accounts payable and long-term liabilities. It is management's opinion that the municipality is not exposed to significant interest, currency or credit risks arising from these financial instruments.

#### (i) Government transfers

Government transfers are recognized in the consolidated financial statements as revenues in the period in which the events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made.

# CORPORATION OF THE TOWN OF COLLINGWOOD

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2005

### 2. Cash and temporary investments

Cash and temporary investments consist of the following:

	2005	2004
	\$	\$
Unrestricted	7,245,294	7,625,362
Restricted	2,533,908	2,667,535
	9,779,202	10,292,897

Cash includes Guaranteed Investment Certificates, one in the amount of \$1,428,090 bearing interest at 2.15% per annum due January 6, 2006, one in the amount of \$2,000,000 bearing interest at 2.15% per annum due January 10, 2006, one in the amount of \$2,045,247 bearing interest at 2.8% per annum due November 7, 2006, and one in the amount of \$2,042,230 bearing interest at 3.1% per annum due December 12, 2006. Temporary investments are recorded at cost which approximates fair market value.

# CORPORATION OF THE TOWN OF COLLINGWOOD

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2005

### 3. Deferred revenue - obligatory reserve funds

A requirement of the public sector accounting principles of the Canadian Institute of Chartered Accountants is that obligatory reserve funds be reported as deferred revenue. This requirement is in place as provincial legislation restricts how these funds may be used and under certain circumstances these funds may be refunded.

The net change during the year in the restricted deferred revenue balances is comprised of the following:

	2005	2004
	\$	\$
Deferred revenue, beginning of year	2,566,563	2,047,405
New deposits:		
Federal government	156,374	-
Provincial government	64,251	21,417
Private sources	1,856,377	1,302,082
Current fund transfers	30,461	-
Investment income	55,087	47,295
Capital and other transfers	(2,296,177)	(851,636)
Deferred revenue, end of year	2,432,936	2,566,563
Obligatory Reserve Funds:		
Recreational Land	69,168	299,246
Development Charges Act	2,128,024	2,267,317
Stabilization	30,461	-
Provincial Gas Tax	48,909	-
Federal Gas Tax	156,374	-
	2,432,936	2,566,563

# CORPORATION OF THE TOWN OF COLLINGWOOD

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2005

### 4. Long-term liabilities

(a) Long-term liabilities consist of the following:

	2005	2004
	\$	\$
Total long-term liabilities incurred by the municipality and outstanding at the end of the year amount to	<b>19,816,246</b>	20,768,000

(b) Principal payments for the next 5 years and thereafter are as follows:

	\$ Tax Supported
2006	833,256
2007	882,974
2008	934,974
2009	4,763,331
2010	760,119
Thereafter	11,641,592

The above long-term liabilities issued in the name of the municipality have received approval of the Ontario Municipal Board for those approved on or before December 31, 1992. Those approved after January 1, 1993 have been approved by by-law. The annual principal and interest payments required to service these liabilities are within the annual debt repayment limit prescribed by the Ministry of Municipal Affairs and Housing.

(c) Interest is payable at rates ranging from 4.70% to 6.35% per annum.

### 5. Current fund

The current fund consists of the following:

	2005	2004
	\$	\$
Available to offset future revenue requirements (required to be financed from future revenues):		
General area taxation	<b>163,938</b>	385,660
Business Improvement Area	<b>(328)</b>	(329)
	<b>163,610</b>	385,331

# CORPORATION OF THE TOWN OF COLLINGWOOD

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2005

### 6. Amounts to be recovered from future revenues

Amounts to be recovered from future revenues consist of the following:

	2005	2004
	\$	\$
Accrued interest payable	(119,700)	(133,083)
Employee future benefits and accrued sick leave	(1,024,634)	(877,000)
Long-term liabilities	(19,816,246)	(20,768,000)
	<b>(20,960,580)</b>	<b>(21,778,083)</b>

### 7. Other income

Other income consists of the following:

	2005 Actual	2004 Actual
	\$	\$
Licences and permits	442,013	612,068
Facility rentals	473,511	487,533
Fines	59,872	68,521
Donations	84,498	61,452
Revenue from Government Business Enterprises	396,000	390,000
Miscellaneous	501,284	553,935
	<b>1,957,178</b>	<b>2,173,509</b>

### 8. Expenditures by object

Total expenditures for the year reported on the consolidated schedule of current fund operations are as follows:

	2005	2004
	\$	\$
Salaries, wages and employee benefits	8,712,235	7,788,810
Materials, contracted services, rents and financial expense	12,088,364	11,274,194
Interest on long-term liabilities	1,191,797	535,662
Contributions to other organizations	161,701	154,549
	<b>22,154,097</b>	<b>19,753,215</b>

# CORPORATION OF THE TOWN OF COLLINGWOOD

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2005

### 9. Employee future benefits

The employees of the Corporation of the Town of Collingwood participate in the Ontario Municipal Employees Retirement Savings Plan ("OMERS"). Although the plan has a defined retirement benefit for employees, the related obligation of the Corporation cannot be identified. The municipality has applied defined contribution plan accounting as it has insufficient information to apply defined benefit plan accounting. The OMERS plan has several unrelated participating municipalities and costs are not specifically attributed to each participant. Amounts paid to OMERS during the year totaled \$316,283 (2004 -\$264,049).

The Town of Collingwood pays certain post retirement benefits on behalf of its retired employees. The municipality recognizes these post retirement costs in the period in which the employees rendered the services. The accrued benefit obligation at December 31, 2003 of \$692,000 and the net periodic benefit cost for 2003 were determined by an actuarial valuation using a discount rate of 5.5%. No actuarial valuation was prepared in 2004 nor 2005 and the accrued benefit obligation at December 31, 2004 and December 31, 2005 was extrapolated using 2003 amounts as a basis. Actuarial valuations will be prepared every third year or when there are significant changes to the workforce. The current year expense is included in General Government expenditures.

In common with other Schedule 2 employers, the municipality funds its obligations to the Workplace Safety and Insurance Board ("WSIB") on a "pay-as-you-go" basis. December 31, 2004 was the first period for which a WSIB accrued benefit was required to be reported. At December 31, 2005, the municipality's accrued benefit liability related to future payments on WSIB is based on the 2004 WSIB calculation. No independent actuarial valuation was prepared for 2004 nor 2005. The change to a Schedule 2 WSIB employer was not considered significant enough to warrant a study. The WSIB future benefit will be included in the 2006 study.

Information about the Town of Collingwood's defined benefit plan is as follows:

	2005	2004
	\$	\$
Accrued benefit obligation, beginning of year	713,000	692,000
Current service cost	42,688	39,865
Interest cost	43,090	13,065
Benefits paid for the period	(28,021)	(31,930)
Projected accrued benefit obligation, end of year	770,757	713,000
Accrued sick leave (firefighters)	214,851	164,000
Accrued Workplace Safety Insurance	39,026	-
	1,024,634	877,000

# CORPORATION OF THE TOWN OF COLLINGWOOD

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2005

### 9. Employee future benefits (continued)

The main actuarial assumptions employed for the valuation are as follows:

(a) General inflation

Future general inflation levels, as measured by changes in the Consumer Price Index (CPI), were assumed at 2.2% in 2003 and thereafter.

(b) Interest (discount) rate

The obligation as at December 31, 2002, of the present value of future liabilities and the expense was determined using an annual discount rate of 5.5%. This corresponds to the assumed CPI rate plus an assumed real rate of return of 3.3%.

(c) Salary levels

Future general salary and wage levels were assumed to increase 3.5% per annum.

(d) Medical costs

Medical costs were assumed to increase at the CPI rate plus a further increase of 7.8% in 2003 graded down to 2.8% in 2008 and thereafter.

(e) Dental costs

Dental costs were assumed to increase at the CPI rate plus a further increase of 2.8% in 2003 and thereafter.

### 10. Budget amounts

Under Canadian generally accepted accounting principles, budget amounts are to be reported on the consolidated statement of operations for comparative purposes. The Town of Collingwood budget amounts are unaudited and approved by Council.

### 11. Net municipal taxation

Net municipal taxation consists of:

	2005	2004
	\$	\$
Taxation revenue	32,590,934	30,844,584
Amount levied and remitted to School Boards	(9,962,808)	(9,725,652)
Amount levied and remitted to the County of Simcoe	(6,025,527)	(5,785,964)
Net municipal taxation	16,602,599	15,332,968

# CORPORATION OF THE TOWN OF COLLINGWOOD

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2005

### 12. Contingencies

- (a) In the ordinary course of business, various claims and lawsuits are brought against the municipality. No provision has been made for pending expropriations of land beyond the payments already made to affected property owners. Any payment made by the municipality pursuant to claims, lawsuits or expropriations will be charged to the year of settlement.
- (b) A Supreme Court of Canada decision of October 1998 in Ontario stated that application of certain one-time penalties charged for late payments of utility invoices (calculated daily exceeded 60 percent per year) breached the Criminal Code. The municipality has collected similar utility late payment charges; however, the impact, applicability, and the municipality's potential financial obligation is unknown and indeterminable at this time.
- (c) The Town's landfill site was taken over by the County of Simcoe and, as compensation, the County will accept Town waste at a below market rate value of \$76 per tonne, that will be adjusted for inflation annually. Based on maximum tonnes to be accepted by the County this reduced rate is estimated to last until 2028.

### 13. Trust funds

Trust funds administered by the municipality amounting to \$600 (2004 - \$600) have not been included in the consolidated balance sheet nor have their operations been included in the consolidated statement of operations. In the current year there were no transactions in the trust accounts. The trust funds are not audited. The trust funds are comprised of the following:

	2005	2004
	\$	\$
Cultural Trusts	600	600

# CORPORATION OF THE TOWN OF COLLINGWOOD

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2005

### 14. Government business enterprises - Hydro companies

The operations of various hydro companies are included in the Collingwood Utility Services Corp. Consolidated Statement of Operations, accounted for on a modified equity basis.

	2005	2004
	\$	\$
Total assets	<b>19,682,703</b>	19,185,147
Total liabilities	<b>(10,906,424)</b>	(10,825,052)
Net assets	<b>8,776,279</b>	8,360,095
Common shares	<b>5,101,640</b>	5,101,640
Contributed capital	<b>2,966,014</b>	2,966,014
Accumulated income	<b>708,625</b>	292,441
Investment in government business enterprise	<b>8,776,279</b>	8,360,095
Total revenues	<b>33,432,933</b>	31,247,084
Total expenditures	<b>(33,016,749)</b>	(31,056,413)
Net revenues for the year and change in fund balance	<b>416,184</b>	190,671

Comparative information has been reclassified to conform with the current year presentation.

# CORPORATION OF THE TOWN OF COLLINGWOOD

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2005

### 15. Government business enterprise - Public Utilities Service Board

The operations of the Town of Collingwood Public Utilities Service Board are included in the Consolidated Statement of Operations, accounted for on a modified equity basis.

	2005	2004
	\$	\$
Total assets	20,141,722	21,124,326
Total liabilities	(8,598,308)	(10,001,148)
Net assets	11,543,414	11,123,178
Reserve fund	1,047,551	763,487
Contributed surplus	703,230	736,717
Accumulated earnings	9,792,633	9,622,974
Investment in government business enterprise	11,543,414	11,123,178
Total revenues	4,728,456	4,421,219
Total expenditures	(4,592,284)	(4,361,959)
Net revenues for the year	136,172	59,260
Contributed surplus	-	15,625
Reserve fund income	284,064	458,852
Change in fund balance	420,236	533,737

### 16. Comparative figures

Certain comparative figures have been reclassified and restated to conform to the 2004 consolidated financial statement presentation.

# CORPORATION OF THE TOWN OF COLLINGWOOD

## SCHEDULE 1 CONSOLIDATED SCHEDULE OF CURRENT FUND OPERATIONS FOR THE YEAR ENDED DECEMBER 31

	Budget 2005	Actual 2005	Actual 2004
	\$ (Note 10)	\$	\$
<b>Revenues</b>			
Net municipal taxation (Note 11)	15,995,719	<b>16,602,599</b>	15,332,968
Payments in lieu of taxation	215,633	<b>203,933</b>	208,196
User charges	5,742,910	<b>6,624,186</b>	5,624,811
Government transfers	197,935	<b>256,059</b>	86,029
Other municipalities	859,426	<b>970,774</b>	833,727
Contributions from developers	43,500	<b>43,500</b>	120,536
Provincial gas tax funds	85,600	<b>38,488</b>	-
Investment income	140,000	<b>202,332</b>	125,552
Penalties and interest on taxes	260,000	<b>262,721</b>	250,553
Sale of land	134,000	<b>62,333</b>	77,412
Other	1,792,050	<b>1,759,649</b>	1,909,591
	<b>25,466,773</b>	<b>27,026,574</b>	24,569,375
<b>Expenditures (Note 8)</b>			
General government	2,434,895	<b>2,590,398</b>	2,151,788
Protection to persons and property	6,889,619	<b>6,758,701</b>	5,713,222
Transportation services	3,124,595	<b>3,110,554</b>	2,960,739
Environmental services	3,697,751	<b>3,642,401</b>	3,446,275
Recreational and cultural services	4,464,055	<b>4,704,981</b>	4,374,322
Planning and development	1,804,336	<b>1,347,062</b>	1,106,869
	<b>22,415,251</b>	<b>22,154,097</b>	19,753,215
<b>Net revenues</b>	<b>3,051,522</b>	<b>4,872,477</b>	4,816,160
<b>Financing and transfers</b>			
Long-term liabilities repaid	(951,754)	<b>(951,754)</b>	(539,000)
Accrual of interest and employee future benefits	-	<b>134,252</b>	58,976
Capital fund transfers	(458,650)	<b>(1,283,444)</b>	(1,969,182)
Stabilization	-	<b>(30,461)</b>	-
Reserve and reserve fund transfers	(2,026,449)	<b>(2,962,791)</b>	(2,040,078)
<b>Net financing and transfers</b>	<b>(3,436,853)</b>	<b>(5,094,198)</b>	(4,489,284)
<b>Change in current fund balance</b>	<b>(385,331)</b>	<b>(221,721)</b>	326,876
Balance, beginning of the year	385,331	<b>385,331</b>	58,455
<b>Balance, end of the year</b>	<b>-</b>	<b>163,610</b>	385,331

The accompanying notes are an integral part of  
these financial statements

# CORPORATION OF THE TOWN OF COLLINGWOOD

## SCHEDULE 2 CONSOLIDATED SCHEDULE OF CAPITAL FUND OPERATIONS FOR THE YEAR ENDED DECEMBER 31

	Budget 2005	Actual 2005	Actual 2004
	\$ (Note 10)	\$	\$
<b>Revenues</b>			
Government transfers	2,925,754	-	974,874
Contributions from developers	825,350	<b>2,055,223</b>	731,100
Other	341,000	<b>189,520</b>	260,000
	<b>4,092,104</b>	<b>2,244,743</b>	1,965,974
<b>Expenditures</b>			
General government	118,000	<b>111,888</b>	265,163
Protection to persons and property	408,500	<b>250,993</b>	3,407,573
Transportation services	9,980,000	<b>3,758,874</b>	2,461,320
Environmental services	5,450,804	<b>2,158,840</b>	6,357,040
Recreational and cultural services	1,120,775	<b>1,544,044</b>	2,283,408
Planning and development	85,708	<b>159,090</b>	30,932
	<b>17,163,787</b>	<b>7,983,729</b>	14,805,436
<b>Net expenditures</b>	<b>(13,071,683)</b>	<b>(5,738,986)</b>	<b>(12,839,462)</b>
<b>Financing and transfers</b>			
Reserve and reserve fund transfers	3,874,983	<b>3,389,784</b>	1,483,504
Current fund transfers	458,650	<b>1,283,444</b>	1,969,182
Long-term liabilities issued	8,738,050	-	13,400,000
Net financing and transfers	13,071,683	<b>4,673,228</b>	16,852,686
<b>Change in capital fund balance</b>	-	<b>(1,065,758)</b>	4,013,224
Balance, beginning of the year	(574,348)	<b>(574,348)</b>	(4,587,572)
<b>Balance, end of the year</b>	<b>(574,348)</b>	<b>(1,640,106)</b>	<b>(574,348)</b>

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these financial statements

# CORPORATION OF THE TOWN OF COLLINGWOOD

## SCHEDULE 3 CONSOLIDATED SCHEDULE OF RESERVE AND RESERVE FUND OPERATIONS FOR THE YEAR ENDED DECEMBER 31

	Budget 2005	Actual 2005	Actual 2004
	\$ (Note 10)	\$	\$
<b>Revenues</b>			
Contributions from developers	-	-	3,000
Other	-	<b>8,009</b>	3,918
	-	<b>8,009</b>	6,918
<b>Financing and transfers</b>			
Current fund transfers	2,026,449	<b>2,962,791</b>	2,040,078
Capital fund transfers	(3,874,983)	<b>(3,389,784)</b>	(1,483,504)
Net financing and transfers	(1,848,534)	<b>(426,993)</b>	556,574
<b>Change in reserve and reserve fund</b>	(1,848,534)	<b>(418,984)</b>	563,492
Balance, beginning of the year	10,187,217	<b>10,187,217</b>	9,623,725
<b>Balance, end of the year</b>	8,338,683	<b>9,768,233</b>	10,187,217
<b>Analyzed as follows:</b>			
Reserves set aside for specific purposes by Council:			
Working capital		<b>668,672</b>	608,672
Contingencies		<b>29,850</b>	20,850
Sick leave		<b>235,212</b>	185,212
Current purposes		<b>1,819,019</b>	2,365,768
Acquisition of capital assets		<b>6,914,508</b>	6,905,743
		<b>9,667,261</b>	10,086,245
Reserve funds set aside for specific purposes by Council:			
Acquisition of capital assets		<b>100,972</b>	100,972
<b>Total reserves and reserve funds</b>		<b>9,768,233</b>	10,187,217

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