

CONSOLIDATED BALANCE SHEET

		December 31			
		1989	1988	LIABILITIES	
ASSETS				Accounts payable and accrued liabilities	\$ 154,780 \$ 110,001
Unrestricted				Other current liabilities	-- 720
Cash	\$ 66,405	\$19,403		Deferred revenue	29,527 26,561
Taxes receivable	116,011	117,323		Payable to reserve funds	59,929 24,900
User Charges receivable	5,241	3,706		Net long-term liabilities (note 2)	130,671 99,114
Accounts receivable	<u>163,609</u>	<u>213,674</u>		Fund balances at end of year	
	<u>396,344</u>	<u>354,111</u>		To be used to offset taxation (note 3)	2,108 41,929
Restricted				Reserves (note 4)	150,000 150,000
Cash	393,929	416,776		Reserve Funds (note 4)	<u>453,858</u> <u>441,676</u>
Receivable from revenue fund	<u>59,929</u>	<u>24,900</u>			<u>\$ 980,873</u> <u>\$ 894,901</u>
	<u>453,858</u>	<u>441,676</u>		Contractual Obligations (note 10)	
Capital outlay financed by long-term liabilities and to be recovered in future years (note 1(b) (iv))		<u>130,671</u>	<u>99,114</u>	Commitments (note 12)	
	<u>\$980,873</u>	<u>\$894,901</u>			

The accompanying notes to the consolidated financial statements are an integral part of this financial statement.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

1. ACCOUNTING POLICIES (continued)

(iv) Trust Funds

Trust Funds and their related operations administered by the municipality are not consolidated, but are reported separately on the trust funds statement of continuity and balance sheet.

(b) Basis of Accounting

(i) Sources of financing and expenditures are reported on the accrual basis of accounting with the exception of inventories and prepaid expenses which are charged against operations in the period in which they are incurred.

(ii) 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.

(iii) The historical cost and accumulated depreciation of fixed assets are not reported for municipal purposes. Fixed assets are reported as an expenditure on the consolidated statement of operations in the year of acquisition.

(iv) Capital outlay to be recovered in future years, which represents the outstanding principal portion of unmatured long-term liabilities for municipal expenditures or capital funds transferred to other organizations, is reported on the consolidated balance sheet.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

2. NET LONG-TERM LIABILITIES

(a) the balance of net long-term liabilities reported on the consolidated balance sheet is made up of the following:

Total long-term liabilities incurred by the municipality at the end of the year amount to	1989	1988
	\$ 130,671	\$ 99,114

(b) Of the net long-term liabilities reported in (a) of this note the principal payments are payable as follows:

From general municipal revenues	1990 to 1994	1995 to 1999	2000 and thereafter	Total
	\$53,411	\$34,989	\$42,271	\$130,671

(c) Approval of the Ontario Municipal Board has been obtained for the long-term liabilities in (a) issued in the name of the municipality.

3. MUNICIPAL FUND BALANCES AT THE END OF THE YEAR

The balances on the consolidated statement of operations of municipal equity of \$2,108 (1988, \$41,929) at the end of the year are comprised of the following:

	1989	1988
- to be applied to (to be recovered from) operations of the operating fund for the following year	\$ (4,774)	\$ 39,712
- to be applied to operations of local boards for the following year	<u>6,882</u>	<u>2,217</u>
	<u>\$ 2,108</u>	<u>\$ 41,929</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

4. RESERVES AND RESERVE FUNDS

The total balances of reserves and reserve funds of \$150,000 (1988, \$150,000) and \$453,858 (1988, \$441,676), respectively, are made up of the following:

	1989	1988
Reserves set aside for specific purposes by Council		
- for working capital	<u>\$150,000</u>	<u>\$150,000</u>
Total reserve funds	<u>\$150,000</u>	<u>\$150,000</u>
Reserve funds set aside for specific purpose by Council		
- for acquisition of fixed assets	\$146,562	\$137,574
- for waterworks plant renewal	213,353	224,145
- for recreation programs and facilities	19,453	17,894
- for library capital expansion	16,423	12,282
- for town hall renovations	28,126	25,935
- for cemetery expansion	<u>29,941</u>	<u>23,846</u>
Total reserve funds	<u>\$453,858</u>	<u>\$441,676</u>

5. OPERATIONS OF SCHOOL BOARDS

Further to note 1 (a) (iii), the taxation, other revenues, expenditures and overlevies (underlevies) of the school boards are comprised of the following:

	School Boards	
	1989	1988
Taxation	\$451,276	\$383,427
Grants in lieu of taxation	<u>6,476</u>	<u>5,688</u>
Amounts received or receivable	<u>457,752</u>	<u>389,115</u>
Requisitions	447,375	394,288
Supplementary taxation	<u>11,175</u>	<u>1,924</u>
	<u>458,550</u>	<u>396,212</u>
Underlevies for the year	(798)	(7,097)
Overlevies at the beginning of the year	<u>720</u>	<u>7,817</u>
Underlevies (overlevies) at the end of the year	<u>\$(78)</u>	<u>\$720</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

6. CONTRIBUTIONS TO UNCONSOLIDATED JOINT BOARDS

Further to note 1 (a) (ii) the following contributions were made by the municipality to these boards:

	1989	1988
Thunder Bay District Health Unit	\$10,593	\$7,442
District of Thunder Bay Home for the Aged	15,328	15,795
Thunder Bay Area Emergency Measure Organization	1,291	1,315
North Shore Family Resource Centre	<u>4,233</u>	<u>3,239</u>
	<u>\$31,445</u>	<u>\$27,861</u>

The municipality's share of the accumulated surpluses (deficits) of these joint boards is as follows:

	1989	1988
Thunder Bay District Health Unit (1.33%)	\$ 317	\$ 91
District of Thunder Bay Home for the Aged (3.72%)	<u>(2,833)</u>	<u>99</u>
	<u>\$(2,516)</u>	<u>\$ 190</u>

7. TRUST FUNDS

Trust funds administered by the municipality amounting to \$54,527 (1988, \$51,048) have not been included in the consolidated balance sheet nor have their operations been included in the consolidated statement of operations.