

TOWN OF SAINT ANDREWS
CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2012

TOWN OF SAINT ANDREWS

DECEMBER 31, 2012

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SAUNDERS
DOYLE & CO.**
Chartered Accountants

Independent member of DFK International

INDEPENDENT AUDITORS' REPORT

To His Worship The Mayor and Members of Council
Town of Saint Andrews, New Brunswick

We have audited the consolidated statement of financial position of the Town of Saint Andrews as at December 31, 2012, December 31, 2011, and January 1, 2011 and the consolidated statements of operations, changes in net debt and cash flows for the years ended December 31, 2012 and December 31, 2011, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

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

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

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

Saint John Partners
Andrew P. Logan Peter L. Logan
Jean-Marc Poirier



Fredericton Partners
Brian J. Saunders Jeffrey E. Saunders
John H. Landry Kenneth H. Kyle
T.J. Smith

Independent Auditors' Report to His Worship The Mayor and Members of Council of Town of St. Andrews (cont'd)

Opinion

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Town of St. Andrews as at December 31, 2012, December 31, 2011 and January 1, 2011 and the results of its operations and changes in net debt for the years ended December 31, 2012 and December 31, 2011 in accordance with Canadian public sector accounting standards.



CHARTERED ACCOUNTANTS

Saint John, NB
June 2, 2014

TOWN OF SAINT ANDREWS

CONSOLIDATED STATEMENT OF OPERATIONS

FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>2012</u> Under (Over)	<u>2012</u> Budget (Note 23)	<u>2012</u> Actual	Restated <u>2011</u> Actual (Note 2)
REVENUE (Note 3)				
Property tax warrant	\$ (4)	\$ 2,892,664	\$ 2,892,668	\$ 2,724,132
Services provided to other governments (Note 24)	449	109,678	109,229	108,695
Sale of services (Note 24)	(58,299)	288,474	346,773	308,806
Other revenue from own sources (Note 24)	(152,289)	188,172	340,461	313,100
Unconditional grant	2	128,632	128,630	131,256
Conditional government transfers (Note 24)	(490,098)	139,729	629,827	2,511,347
Other transfers	-	4,242	4,242	499
Water and sewer user fees	45,091	652,100	607,009	720,062
Interest	(6,978)	4,000	10,978	35,421
	<u>(662,126)</u>	<u>4,407,691</u>	<u>5,069,817</u>	<u>6,853,318</u>
EXPENDITURE (Notes 3 and 24)				
General government services	99,567	777,937	678,370	605,087
Protective services	(4,359)	648,833	653,192	625,086
Transportation services	4,288	1,130,015	1,125,727	1,020,708
Environmental health services	3,565	128,000	124,435	109,162
Environmental development services	(176,748)	86,762	263,510	213,156
Recreation and cultural services	52,605	821,664	769,059	769,231
Water and sewer services	(14,555)	760,540	775,095	732,325
	<u>(35,637)</u>	<u>4,353,751</u>	<u>4,389,388</u>	<u>4,074,755</u>
ANNUAL SURPLUS FOR THE YEAR BEFORE UNREALIZED GAINS (LOSSES) ON INVESTMENTS	(626,489)	53,940	680,429	2,778,563
UNREALIZED GAINS (LOSSES) ON INVESTMENTS (Note 8)	<u>(40,375)</u>	<u>-</u>	<u>40,375</u>	<u>(19,001)</u>
ANNUAL SURPLUS FOR THE YEAR (Note 20)	<u>\$ (666,864)</u>	<u>\$ 53,940</u>	720,804	2,759,562
ACCUMULATED SURPLUS - BEGINNING OF YEAR			<u>16,996,321</u>	<u>14,236,759</u>
ACCUMULATED SURPLUS - END OF YEAR			<u>\$ 17,717,125</u>	<u>\$ 16,996,321</u>

TOWN OF SAINT ANDREWS

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

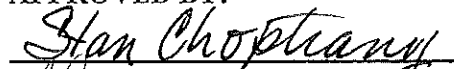
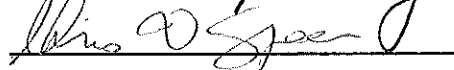
AS AT DECEMBER 31, 2012

	<u>2012</u>	Restated <u>2011</u>	Restated <u>2010</u> (Note 2)
FINANCIAL ASSETS			
Cash (Notes 3, 4 and 5)	\$ 35,244	\$ 27,548	\$ 229,990
Accounts receivable (Notes 3 and 4)			
General	749,674	600,799	1,304,185
Federal Government and its agencies (Note 6)	403,677	81,576	144,598
Province of New Brunswick (Note 7)	-	287,766	-
Investments (Notes 3, 4 and 8)	<u>734,768</u>	<u>706,636</u>	<u>730,550</u>
	<u>\$ 1,923,363</u>	<u>\$ 1,704,325</u>	<u>\$ 2,409,323</u>
LIABILITIES			
Bank loan (Notes 3, 4 and 13)	615,000	1,715,000	700,000
Accounts payable and accrued liabilities (Notes 3 and 4)	616,928	345,358	1,244,450
Deferred revenue (Note 9)	135,277	79,371	143,331
Long term debt (Notes 3, 4 and 10)	4,404,000	3,689,000	3,917,000
Accrued retirement allowance (Notes 3 and 11)	<u>151,003</u>	<u>139,800</u>	<u>128,900</u>
	<u>5,922,208</u>	<u>5,968,529</u>	<u>6,133,681</u>
NET DEBT	<u>(3,998,845)</u>	<u>(4,264,204)</u>	<u>(3,724,358)</u>
NON-FINANCIAL ASSETS			
Tangible capital assets (Notes 3 and 17)	35,614,342	34,327,813	30,536,389
Accumulated amortization (Notes 3 and 17)	<u>(13,908,258)</u>	<u>(13,137,612)</u>	<u>(12,578,562)</u>
	21,706,084	21,190,201	17,957,827
Prepaid expenses	<u>9,886</u>	<u>70,324</u>	<u>3,290</u>
	<u>21,715,970</u>	<u>21,260,525</u>	<u>17,961,117</u>
ACCUMULATED SURPLUS	<u>\$ 17,717,125</u>	<u>\$ 16,996,321</u>	<u>\$ 14,236,759</u>

CONTINGENT LIABILITY (Note 12)

COMPARATIVE FIGURES (Note 25)

APPROVED BY:

 Mayor
 Treasurer

TOWN OF SAINT ANDREWS

CONSOLIDATED STATEMENT OF CHANGES IN NET DEBT

AS AT DECEMBER 31, 2012

	<u>2012</u>	<u>2011</u>
Annual surplus - before restatement	\$ 720,804	\$ 3,480,642
Prior period adjustment (amortization)	-	(751,621)
Cost of tangible capital asset expensed	-	(7,090)
Loss on disposal of capital assets	-	192,571
Adjustment to cost of asset disposals under PSAS	-	(119,741)
Second previous year's surplus	-	(5,298)
Unrealized losses on investments	-	(19,001)
Accrued retirement allowance	<u>-</u>	<u>(10,900)</u>
Annual surplus - as restated	720,804	2,759,562
Acquisition of tangible capital assets	(1,362,432)	(4,011,065)
Proceeds on disposal of tangible capital assets	18,500	18,500
Amortization of tangible capital assets	803,850	751,621
Loss on disposal of tangible capital assets	<u>24,199</u>	<u>8,570</u>
	<u>204,921</u>	<u>(472,812)</u>
Acquisition of prepaid assets	(9,886)	(70,324)
Use of prepaid assets	<u>70,324</u>	<u>3,290</u>
	<u>60,438</u>	<u>(67,034)</u>
(Increase) decrease in net debt	265,359	(539,846)
Net debt - beginning of year	<u>(4,264,204)</u>	<u>(3,724,358)</u>
Net debt - end of year	<u>\$ (3,998,845)</u>	<u>\$ (4,264,204)</u>



APPROVED BY:

Stan Chaptarian Mayor

Kevin W. Spoor Treasurer

TOWN OF SAINT ANDREWS

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>2012</u>	<u>Restated 2011</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		
OPERATING TRANSACTIONS		
Annual surplus	\$ 720,804	\$ 2,759,562
Loss on disposal of tangible capital assets	24,199	8,570
Unrealized (gains) losses on investments	(40,375)	19,001
Amortization of tangible capital assets	803,850	751,621
Receivable - General	(148,875)	703,386
Receivable - Federal Government and its agencies	(322,101)	63,022
Receivable - Province of New Brunswick	287,766	(287,766)
Accounts payable and accrual liabilities	271,570	(899,092)
Deferred revenue	55,906	(63,960)
Accrued retirement allowance	11,203	10,900
Prepaid expenses	<u>60,438</u>	<u>(67,034)</u>
	<u>1,724,385</u>	<u>2,998,210</u>
CAPITAL TRANSACTIONS		
Acquisition of tangible capital assets	(1,362,432)	(4,011,065)
Proceeds on disposal of tangible capital assets	<u>18,500</u>	<u>18,500</u>
	<u>(1,343,932)</u>	<u>(3,992,565)</u>
FINANCING TRANSACTION		
Bank loan	(1,100,000)	1,015,000
Long term debt	<u>715,000</u>	<u>(228,000)</u>
	<u>(385,000)</u>	<u>787,000</u>
INVESTING TRANSACTIONS		
Decrease in investments	<u>12,243</u>	<u>4,913</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	7,696	(202,442)
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>27,548</u>	<u>229,990</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 35,244</u>	<u>\$ 27,548</u>

TOWN OF SAINT ANDREWS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2012

1. PURPOSE OF THE ORGANIZATION

The Town of Saint Andrews was incorporated under the Province of New Brunswick Municipalities Act on August 5, 1903, and was approved for status as a Town effective August 5, 1903, by an amendment of New Brunswick Regulation 85-6 under the Municipalities Act. As a municipality, the Town is exempt from income tax under section 149(1)(c) of the Canadian Income Tax Act.

2. CHANGE IN ACCOUNTING POLICY

Effective January 1, 2011, the Town has restated its consolidated financial statements to adopt the Public Sector Accounting Standards (PSAS). The changes made were to comply with the provisions of Section 3150, Tangible Capital Assets and to adopt full accrual accounting. Section 3150 has established standards on how to account for, and report, tangible capital assets. Tangible capital assets are a significant economic resource managed by government and a key component in the delivery of many government programs. The standard requires these assets to be recorded at historical cost on the balance sheet and their costs allocated to future accounting periods through annual amortization expenses based on the tangible capital assets estimated useful lives. The Town was required to record the historical cost of their tangible capital assets and accumulated amortization on a retroactive basis with restatement of prior years.

The Town determined historical cost based on historical records and discounted replacement costs. If historical cost could not be determined, the asset was recorded at a nominal value.

The Town calculated and recorded liabilities for its sick accrual and accrued retirement benefits.

The December 31, 2011 figures presented for comparative purposes have been restated from those previously reported. The following adjustments were made to the prior periods:

Adjustments to annual surplus (deficit)

Annual deficit, as previously reported in the operating fund	\$ (4,270)
Annual surplus of other funds	3,484,912
Add: accumulated amortization on disposal of capital assets	192,571
Less: previous year surplus	(5,298)
Less: accrued retirement allowance	(10,900)
Less: cost of tangible capital assets expensed	(7,090)
Less: unrealized losses on investments	(19,001)
Less: adjustment to cost of asset disposals under PSAS	(119,741)
Less: amortization on tangible capital assets	<u>(751,621)</u>
Annual surplus, as restated	\$ <u>2,759,562</u>

TOWN OF SAINT ANDREWS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2012

2. CHANGE IN ACCOUNTING POLICY (cont'd)

Adjustments for net book value of tangible capital assets

As previously reported, December 31, 2010	\$ 30,562,516
Adjustment to historical cost of tangible capital assets, net	(8,620,694)
Amortization expense recorded	<u>(751,621)</u>
Adjusted net book value as at December 31, 2011	<u>\$ 21,190,201</u>

See Note 18 for the reconciliation of accumulated surplus (deficit).

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the Town are the representations of management prepared in accordance with Canadian generally accepted accounting principles for local government, as recommended by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants.

The Town has adopted PSAS as of January 1, 2011.

The focus of PSAS financial statements is on the financial position of the Town and the changes thereto. The consolidated statement of financial position includes all of the assets and liabilities of the Town.

Significant aspects of the accounting policies adopted by the Town are as follows:

Reporting Entity

The consolidated financial statements reflect the assets, liabilities, revenues, expenditures and changes in net debt and cash flows of the reporting entity. The reporting entity is comprised of all organizations and enterprises accountable for the administration of their affairs and resources to the Town and which are owned or controlled by the Town.

Interdepartmental and organizational transactions and balances are eliminated.

The Ross Memorial Library has been consolidated into these financial statements.

Budget

The budget figures contained in these consolidated financial statements were approved by Council on December 14, 2011 and the Minister of Local Government on January 23, 2012.

Financial Instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, equity instruments with actively traded markets are reported at fair value, with any unrealized gains losses reported in income. All other financial instruments are reported at amortized costs, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale or issue of financial instruments are expensed when incurred.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and balances with banks.

TOWN OF SAINT ANDREWS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2012

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Revenue Recognition

Unrestricted revenue is recorded on an accrual basis and is recognized when collection is reasonably assured. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred.

Other revenue is recorded when it is earned.

Expenditure Recognition

Expenditures are recorded on an accrual basis.

Measurement Uncertainty

The preparation of the consolidated financial statements in conformity with Canadian public sector accounting standards requires management to make estimates that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amount of revenues and expenses during the reporting period. These estimates are reviewed periodically, and as adjustments become necessary, they are reported in earnings in the period in which they become known. Actual results may differ from those estimates.

Examples of significant estimates include:

- allowance for doubtful accounts;
- providing for amortization of tangible capital assets;
- the estimated useful lives of tangible capital assets;
- the recoverability of tangible capital assets; and
- accrued retirement benefit liability.

Capital Reserves

The use of the Capital Reserve Funds is restricted to capital expenditures. The intention is to use these funds for future expenditures and reduce future borrowing requirements.

Operating Reserves

The use of these funds is restricted to payment of operating expenses.

TOWN OF SAINT ANDREWS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2012

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Tangible Capital Assets

Effective January 1, 2011, the Town adopted the provisions of PSA Section 3150 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 the asset. The cost of the tangible capital asset, less any residual value when applicable, is amortized on a straight-line basis over the estimated useful lives as follows:

<u>Asset Type</u>	<u>Estimated Useful Life</u>
Land improvements	5-30 years
Buildings	5-40 years
Vehicles	5-10 years
Machinery and equipment	5-15 years
Heavy equipment	10-15 years
Furniture & fixtures	3-5 years
Road surface	5-15 years
Road grade	20 years
Marine structures	20-40 years
Water and wastewater networks	20-60 years
Dams and water structures	25-50 years

Assets under construction are not amortized until the asset is available for productive use.

Segmented Information

The Town is a diversified municipal unit that provides a wide range of services to its residents. For management reporting purposes, the Town's operations and activities are organized and reported by function. This presentation was created for the purpose of recording specific activities to attain certain objectives in accordance with special regulations, restrictions or limitations. Municipal services are provided by departments as follows:

General Government Services

This department is responsible for the overall governance and financial administration of the Town. This includes council functions, general and financial management, legal matters and compliance with legislation, as well as civic relations.

Protective Services

This department is responsible for the provision of policing services, fire protection, emergency measures, animal control and other protective measures.

Transportation Services

This department is responsible for common services, roads and streets maintenance, street lighting, traffic services, parking and other transportation related functions.

Environmental Health Services

This department is responsible for the provision of waste collection and disposal.

TOWN OF SAINT ANDREWS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2012

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Segmented Information (cont'd)

Environmental Development Services

This department is responsible for planning and zoning, community development, tourism and other municipal development and promotion services.

Recreation and Cultural Services

This department is responsible for the maintenance and operation of recreational and cultural facilities, including the arena, parks and playgrounds and other recreational and cultural facilities.

Water and Wastewater Systems

This department is responsible for the provision of water and sewer services including the maintenance and operation of the underground networks, treatment plants, reservoirs and lagoons.

The Town has documented a schedule of segmented disclosure in Note 19.

4. FINANCIAL INSTRUMENTS

The Town is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Town's risk exposure and concentration as of December 31, 2012:

Credit Risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Town is exposed to credit risk from its accounts receivable. The Town's credit risk is mitigated by the fact that its accounts receivables consist primarily of funds due from the Federal Government and the Province of New Brunswick.

Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Town is exposed to this risk mainly in respect of its receipt of funds from its customers and other related sources, long term debt, accounts payable and accrued liabilities and other obligations.

Currency Risk

Currency risk is the risk to the company's earnings that arise from fluctuations of foreign exchange rates and the degree of volatility of these rates. The Town is not exposed to foreign currency risk as it does not hold foreign currencies.

TOWN OF SAINT ANDREWS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2012

4. FINANCIAL INSTRUMENTS (cont'd)

Interest Rate Risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the Town manages exposure through its normal operating and financing activities. The Town is exposed to interest rate risk as it has a line of credit with a variable interest rate.

5. CASH

	<u>2012</u>	<u>2011</u>
Cash - unrestricted	\$ 10,198	\$ 5,199
Ross Memorial Library	<u>25,046</u>	<u>22,349</u>
	<u>\$ 35,244</u>	<u>\$ 27,548</u>

6. DUE FROM FEDERAL GOVERNMENT AND ITS AGENCIES

	<u>2012</u>	<u>2011</u>
Canada Revenue Agency (HST refund)	\$ 121,872	\$ 54,910
Atlantic Canada Opportunity Agency	<u>281,805</u>	<u>26,666</u>
	<u>\$ 403,677</u>	<u>\$ 81,576</u>

7. DUE FROM PROVINCE OF NEW BRUNSWICK

	<u>2012</u>	<u>2011</u>
Regional Development Corporation	<u>\$ -</u>	<u>\$ 287,766</u>

8. INVESTMENTS

The investments are held in custody with Scotia McLeod and consist of the following:

	<u>2012</u>	<u>2011</u>
Fixed income	\$ 423,004	\$ 406,045
Canadian equity	213,494	243,516
Other	92,435	91,615
Unrealized gain (loss)	<u>5,835</u>	<u>(34,540)</u>
	<u>\$ 734,768</u>	<u>\$ 706,636</u>

9. DEFERRED REVENUE

Deferred revenue consists of unspent funds received by the Town for specific projects. As the funds are spent, the revenue will be recognized into income.

TOWN OF SAINT ANDREWS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2012

10. LONG TERM DEBT

	Balance January 1, 2012	Issued during year	Redeemed during year	Balance December 31, 2012
New Brunswick Municipal Financing Corporation				
Debentures:				
AN - 19 3.1% - 5.6% series, due 2012	\$ 22,000	\$ -	\$ 22,000	\$ -
AP - 22 2.75% - 5.125% series, due 2013	43,000	-	21,000	22,000
AS - 13 2.85% - 4.35% series, due 2015	120,000	-	23,000	97,000
AX - 29 4.45% - 4.85% series, due 2017	189,000	-	28,000	161,000
BA - 25 0.95% - 5.0% series, due 2019	192,000	-	21,000	171,000
BB - 30 1.00% - 4.5% series, due 2019	61,000	-	7,000	54,000
BD - 25 1.5% - 3.85% series, due 2020	481,000	-	39,000	442,000
BF - 24 1.35% - 3.45% series, due 2021	371,000	-	33,000	338,000
AN - 20 3.1% - 5.6% series, due 2012	238,000	-	238,000	-
AP - 23 2.75% - 5.125% series, due 2013	287,000	-	36,000	251,000
BB - 31 1.00% - 3.35% series, due 2014	96,000	-	31,000	65,000
AT - 30 3.75% - 4.735% series, due 2015	445,000	-	51,000	394,000
BD - 26 1.5% - 2.5% series, due 2015	434,000	-	106,000	328,000
AU - 17 1.25% - 4.7% series, due 2016	429,000	-	34,000	395,000
BF - 25 1.35% - 2.2% series, due 2016	133,000	-	26,000	107,000
AX - 30 4.45% - 4.85% series, due 2017	148,000	-	22,000	126,000
FCM 10353 1 2.0% series, due 2032	-	961,000	-	961,000
BH - 26 1.35% - 2.15% series, due 2017	-	203,000	-	203,000
BG - 20 1.65% - 3.8% series, due 2027	-	289,000	-	289,000
	<u>\$ 3,689,000</u>	<u>\$ 1,453,000</u>	<u>\$ 738,000</u>	<u>\$ 4,404,000</u>

TOWN OF SAINT ANDREWS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2012

10. LONG TERM DEBT (cont'd)

Approval of the Municipal Capital Borrowing Board has been obtained for the long term debt.

Principal payments required during the next five years are as follows:

2013	\$ 791,000
2014	576,400
2015	808,400
2016	644,000
2017	370,400

In 2013, debenture AP - 23 will mature with a final amount due of \$251,000, however \$212,000 of this payment is expected to be refinanced during that year. In 2015, debentures AS - 13 & AT - 30 will mature with a final amounts due of \$48,000 and \$286,000 respectively, however \$22,000 and \$228,000 of these payments are expected to be refinanced during that year. In 2016, debenture AU - 17 will mature with a final amount due of \$282,000, however \$242,000 of this payment is expected to be refinanced during that year.

Debenture AX - 29 in the General Capital Fund represents part of the agreement for the creation and operation of Kingsbrae Horticultural Garden Inc. ("Gardens"). Per the agreement, the Town had agreed to borrow \$450,000 from the New Brunswick Municipal Capital Borrowing Board repayable over a twenty year term. Repayment of the debt is to be made from a combination of property taxes assessed against the Garden's property and a grant to the Gardens from the Province of New Brunswick. Principal and interest repayments on this debt do not form part of the expenditures ratios.

Approval of the Municipal Capital Borrowing Board has been obtained for the long term debt.

11. ACCRUED RETIREMENT ALLOWANCE

The retirement benefit program provides a benefit payable when an employee reaches the age of 65. The benefit is equal to one week's pay for each year of service. In order to qualify for this benefit, the employee must have a minimum of ten years of service with the Town of Saint Andrews and service is not considered for this benefit beyond age 65.

An actuarial valuation was performed on the 15 employees plan in accordance with PSA 3255. The actuarial method used was the Projected Benefit method pro-rated on service to expected usage. The valuation was based on a number of assumptions about future events, such as interest rates, wage and salary increases and employee turnover and retirement. The assumptions used reflect the Town's best estimates.

The following summarizes the major assumptions in the valuation:

- annual salary increase is 3.00%;
- average age is 46.4
- the discount rate used to determine the accrued benefit obligations is 3.85%; and
- retirement age is 65.

The liability was estimated to be \$151,003 as at December 31, 2012. This compares to \$128,900 as January 1, 2011 and \$139,800 as at December 31, 2011. This amount is included in the accrued retirement allowance on the consolidated statement of financial position.

The accrued sick leave liability was also reviewed by the actuary and was determined to be immaterial.

TOWN OF SAINT ANDREWS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2012

12. CONTINGENT LIABILITY

In the normal course of operations, the Town becomes involved in various claims and legal proceedings. While the final outcome with respect to claims and legal proceedings pending at December 31, 2012 cannot be predicted with certainty, it is the opinion of management and council that resolution of these matters will not have a material adverse effect as the Town maintains insurance coverage in amounts considered appropriate.

13. SHORT TERM BORROWING

Interim Borrowing Capital Funds

The Town has a line of credit with a Chartered bank that bears interest at prime. The line of credit is used to provide interim financing for capital projects as well as temporary borrowing for operations.

The Town has remaining outstanding authority for short-term borrowings as follows:

General Capital Fund, OIC # 12-0092	\$ <u>200,000</u>
-------------------------------------	-------------------

Operating Borrowing

As prescribed in the Municipalities Act, borrowing to finance General Operating Fund operations is limited to 4% of the Municipality's budget. Borrowing to finance Water and Sewer Fund operations is limited to 50% of the operating budget for the year. In 2012, the Town has complied with these restrictions.

Inter-fund Borrowing

The Municipal Financing Reporting Manual requires that short term inter-fund borrowings be repaid in the next year unless the borrowing is for a capital project. The amounts payable between Funds are in compliance with the requirements.

14. WATER AND SEWER FUND SURPLUS (DEFICIT)

The Municipalities Act requires Water and Sewer Fund surplus (deficit) amounts to be absorbed into one or more of three Operating Budgets commencing with the second next ensuing year; the balance of the surplus at the end of the year consists of:

	<u>2012</u>	<u>2011</u>
2012 Deficit	\$ (6,200)	\$ -
2011 Surplus	9,603	9,603
2010 Surplus	<u>-</u>	<u>3,425</u>
	<u>\$ 3,403</u>	<u>\$ 13,028</u>

TOWN OF SAINT ANDREWS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2012

15. GENERAL FUND SURPLUS

The Municipalities Act requires the General Fund surplus amounts to be absorbed into the Operating Budgets of the second ensuing year; the balance of the surplus (deficit) at the end of the year consists of:

	<u>2012</u>	<u>2011</u>
2012 Deficit	\$ (25,031)	\$ -
2011 Deficit	(4,270)	(4,270)
2010 Surplus	<u>-</u>	<u>13,154</u>
	<u>\$ (29,301)</u>	<u>\$ 8,884</u>

16. ASSETS HELD IN TRUST

The Town is the trustee for several trusts for which it is the beneficiary. The income earned from the Trust investments each year are contributed to the Town to fund various operating expenses or capital projects for Town owned properties such as the Ross Memorial Library, Museum and the WC O'Neil Arena. The spending of the investment income from the trusts is established by the related trust agreements.

The assets of the trusts have been excluded from these financial statements, with the exception of contributions from the Trusts to the Town. The balance of the Trusts at December 31, 2012 consist of the following:

	<u>2012</u>	<u>2011</u>
Ross Trust	\$ 1,739,428	\$ 1,738,290
Sir James Dunn	109,617	109,546
Wallace Broad	92,257	92,196
Albert McQuoid	84,090	86,027
Other	<u>219,426</u>	<u>223,361</u>
	<u>\$ 2,244,818</u>	<u>\$ 2,249,420</u>

TOWN OF SAINT ANDREWS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2012

17. SCHEDULE OF TANGIBLE CAPITAL ASSETS

		Land	Sports Facilities and Parks	Buildings and Leasehold Improvements	Vehicles	Machinery and Equipment	Roads and Streets	Infrastructure Treatment Facilities	Water and Sewer	Dam and Wharf	Assets Under Construction	2012 Total	2011 Total
COST													
Balance - beginning of year \$		1,288,504	\$ 454,641	\$ 2,405,770	\$ 1,429,585	\$ 857,098	\$ 5,090,713	\$ 3,987,438	\$ 14,971,796	\$ 3,842,268	\$ -	\$ 34,327,813	\$ 30,536,389
Add: net additions during the year		1,272	22,146	340,874	-	49,942	113,846	264,221	20,663	549,468	-	1,362,432	4,011,065
Less: disposals during the year		-	-	-	-	-	(75,903)	-	-	-	-	(75,903)	(219,641)
Balance - end of year		<u>1,289,776</u>	<u>476,787</u>	<u>2,746,644</u>	<u>1,429,585</u>	<u>907,040</u>	<u>5,204,559</u>	<u>4,175,756</u>	<u>14,992,459</u>	<u>4,391,736</u>	<u>-</u>	<u>35,614,342</u>	<u>34,327,813</u>
ACCUMULATED AMORTIZATION													
Balance - beginning of year		-	106,362	1,190,709	642,490	722,829	3,639,806	1,274,162	3,424,095	2,137,159	-	13,137,612	12,578,562
Add: amortization during the year		-	17,529	50,141	105,988	23,997	166,183	143,533	204,272	92,207	-	803,850	751,621
Less: accumulated amortization on disposals		-	-	-	-	-	-	(33,204)	-	-	-	(33,204)	(192,571)
Balance - end of year		<u>-</u>	<u>123,891</u>	<u>1,240,850</u>	<u>748,478</u>	<u>746,826</u>	<u>3,805,989</u>	<u>1,384,491</u>	<u>3,628,367</u>	<u>2,229,366</u>	<u>-</u>	<u>13,908,258</u>	<u>13,137,612</u>
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS		<u>\$ 1,289,776</u>	<u>\$ 352,896</u>	<u>\$ 1,505,794</u>	<u>\$ 681,107</u>	<u>\$ 160,214</u>	<u>\$ 1,398,570</u>	<u>\$ 2,791,265</u>	<u>\$ 11,364,092</u>	<u>\$ 2,162,370</u>	<u>\$ -</u>	<u>\$ 21,706,084</u>	<u>\$ 21,190,201</u>
Consists of:													
General Fund Assets		\$ 1,260,314	\$ 352,896	\$ 1,505,794	\$ 664,169	\$ 153,438	\$ 1,398,570	\$ -	\$ -	\$ 2,154,898	\$ -	\$ 7,490,079	\$ 8,092,494
Water & Sewer Fund Assets		29,462	-	-	16,938	6,776	-	2,791,265	11,364,092	7,472	-	14,216,005	13,097,707
		<u>\$ 1,289,776</u>	<u>\$ 352,896</u>	<u>\$ 1,505,794</u>	<u>\$ 681,107</u>	<u>\$ 160,214</u>	<u>\$ 1,398,570</u>	<u>\$ 2,791,265</u>	<u>\$ 11,364,092</u>	<u>\$ 2,162,370</u>	<u>\$ -</u>	<u>\$ 21,706,084</u>	<u>\$ 21,190,201</u>

TOWN OF SAINT ANDREWS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2012

18. SCHEDULE OF ACCUMULATED SURPLUS (DEFICIT) RECONCILIATION TO PUBLIC SECTOR ACCOUNTING BOARD (PSAB) REQUIREMENTS

	General Operating Fund	General Capital Fund	General Operating Reserve Fund	Water and Sewer Operating Fund	Water and Sewer Capital Fund	Water and Sewer Capital Reserve Funds	Ross Memorial Library	Total
2011 annual fund surplus (deficit)	\$ (4,270)	\$ 1,153,815	\$ 19,202	\$ 9,603	\$ 2,533,087	\$ (57,138)	\$ (1,680)	\$ 3,480,642
Adjustments to 2011 annual surplus (deficit) for PSAB requirements	(4,900)	-	-	(398)	-	-	-	(5,298)
Second previous year's surplus (deficit) Transfers between funds	424,524	(424,524)	-	-	-	-	-	-
Transfer elimination	-	(250,000)	250,000	-	-	-	-	-
Transfer elimination	(20,082)	-	-	20,082	-	-	-	-
Transfer elimination	60,000	-	(60,000)	-	-	-	-	-
Transfer elimination	15,000	-	(15,000)	-	-	-	-	-
Transfer elimination	-	-	-	29,661	(29,661)	-	-	-
Transfer elimination	-	-	-	-	(125,000)	125,000	-	-
Transfer elimination	25,000	-	-	(25,000)	-	-	-	-
Transfer elimination	-	-	-	60,000	-	(60,000)	-	-
Transfer elimination	-	-	-	329,000	(329,000)	-	-	-
Long term debt principal payment	147,000	(147,000)	-	-	-	-	-	(10,900)
Accrued retirement allowance	(10,900)	-	-	-	-	-	-	-
Accumulated amortization on disposal of tangible capital assets	-	192,571	-	-	-	-	-	192,571
Cost of tangible capital assets expensed	-	(7,090)	-	-	-	-	-	(7,090)
Adjustment to cost of asset disposals under PSAS	-	(119,741)	-	-	-	-	-	(119,741)
Unrealized losses on investments	-	-	(19,001)	-	-	-	-	(19,001)
Amortization expense	-	(455,418)	-	-	(296,203)	-	-	(751,621)
Total adjustments to 2011 annual surplus (deficit)	635,642	(1,211,202)	(34,001)	413,345	(779,864)	65,000	-	(721,080)
2011 annual surplus (deficit) per PSAB requirements	631,372	(57,387)	(14,799)	422,948	1,753,223	7,862	(1,680)	2,759,562
Accumulated surplus (deficit) before prior period adjustments - beginning of year	18,059	15,262,338	234,202	3,027	10,599,594	224,958	42,310	27,011,417
Accumulated surplus before prior period adjustments - end of year	649,431	15,204,951	219,403	425,975	12,352,817	232,820	40,630	29,770,979
Prior period adjustments	(128,900)	(9,233,189)	(15,539)	-	(3,371,500)	-	(25,530)	(12,774,658)
Accumulated surplus (deficit) per PSAB requirements - end of year	\$ 520,531	\$ 5,971,762	\$ 203,864	\$ 425,975	\$ 8,981,317	\$ 232,820	\$ 15,100	\$ 16,996,321

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TOWN OF SAINT ANDREWS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2012

19. SCHEDULE OF SEGMENT DISCLOSURE

	General	Protective	Transportation	Environmental Health	Environmental Development	Recreation and Culture	Water and Sewer	2012 Consolidated	2011 Consolidated
REVENUE									
Property tax warrant	\$ 542,953	\$ 520,680	\$ 899,620	\$ 98,351	\$ 211,165	\$ 619,899	\$ -	\$ 2,892,668	\$ 2,724,132
Services provided to other governments	-	87,374	21,855	-	-	-	-	109,229	108,695
Sale of services	76,256	-	-	-	-	270,517	-	346,773	308,806
Other revenue from own sources	212,364	10,369	-	-	67,728	50,000	-	340,461	313,100
Unconditional grant	24,145	23,153	40,004	4,373	9,390	27,565	-	128,630	131,256
Conditional transfers from other governments	-	-	490,097	-	-	-	139,730	629,827	2,511,347
Other transfers	4,242	-	-	-	-	-	-	4,242	499
Water and sewer user fees	-	-	-	-	-	-	607,009	607,009	720,062
Interest	4,654	-	-	-	-	-	6,324	10,978	35,421
	<u>864,614</u>	<u>641,576</u>	<u>1,451,576</u>	<u>102,724</u>	<u>288,283</u>	<u>967,981</u>	<u>753,063</u>	<u>5,069,817</u>	<u>6,853,318</u>
EXPENDITURE									
Salaries and benefits	353,973	67,299	310,038	-	33,622	360,936	39,685	1,165,553	1,088,341
Goods and services	269,466	529,545	445,082	124,435	225,996	353,522	266,931	2,214,977	2,052,753
Interest	53,038	-	-	-	-	-	125,878	178,916	173,470
Other	1,922	-	-	-	-	-	24,199	26,121	8,570
Amortization	-	56,348	370,578	-	3,892	54,601	318,402	803,821	751,621
	<u>678,399</u>	<u>653,192</u>	<u>1,125,698</u>	<u>124,435</u>	<u>263,510</u>	<u>769,059</u>	<u>775,095</u>	<u>4,389,388</u>	<u>4,074,755</u>
Surplus (deficit) for the year	<u>\$ 186,215</u>	<u>\$ (11,616)</u>	<u>\$ 325,878</u>	<u>\$ (21,711)</u>	<u>\$ 24,773</u>	<u>\$ 198,922</u>	<u>\$ (22,032)</u>	<u>\$ 680,429</u>	<u>\$ 2,778,563</u>

TOWN OF SAINT ANDREWS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2012

20. RECONCILIATION OF ANNUAL SURPLUS

	General Operating Fund	General Capital Fund	General Operating Reserve Fund	General Capital Reserve Fund	Water and Sewer Operating Fund	Water and Sewer Capital Fund	Water and Sewer Reserve Funds	Ross Memorial Library	Total
2012 annual surplus (deficit)	\$ 629,442	\$ 86,534	\$ (97,760)	\$ 142,782	\$ 327,748	\$ (68,101)	\$ (291,897)	\$ (7,951)	\$ 720,804
Adjustments to annual surplus (deficit) for funding requirements									
Second previous year's surplus	13,154				3,425				16,579
Transfers between funds									
Transfer from general operating fund to general capital fund	(30,000)	30,000							
Transfer from general capital reserve fund to general capital fund	-	275,000		(275,000)					
Transfer from general operating fund to general operating reserve fund	(10,000)		10,000						
Transfer from general capital reserve fund to general operating reserve fund	139,800			(139,800)					
Transfer from general operating fund to general capital reserve fund	(75,000)			75,000					
Transfer from water and sewer operating fund to water and sewer reserve fund					(293,000)		293,000		
Transfer from water and sewer operating fund to water and sewer capital reserve fund					(90,000)		90,000		
Transfer from general operating fund to water and sewer operating fund	(386,627)				386,627				
Long term debt principal repayment	(166,000)	166,000			(341,000)	341,000			
Unrealized gains on investments			(40,375)						(40,375)
Cost of tangible capital assets expensed		19,959							19,959
Accumulated amortization on disposal of capital assets						(33,204)			(33,204)
Amortization expense		485,448				318,402			803,850
Accrued retirement allowance	(139,800)								(139,800)
Total adjustments to 2012 annual surplus (deficit)	(654,473)	976,407	(30,375)	(339,800)	(333,948)	626,198	383,000		627,009
2012 annual surplus (deficit)	\$ (25,031)	\$ 1,062,941	\$ (128,135)	\$ (197,011)	\$ (6,200)	\$ 558,097	\$ 91,103	\$ (7,951)	\$ 1,347,813

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Chartered Accountants

TOWN OF SAINT ANDREWS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2012

21. STATEMENT OF RESERVES

	General Operating Reserve	General Capital Reserve	Water and Sewer Operating Reserve	Water and Sewer Capital Reserve	2012 Total	2011 Total
ASSETS						
Investments	\$ 255,069	\$ 304,941	\$ 72,147	\$ 96,776	\$ 728,933	\$ 741,177
Due to (from) other funds	(129,800)	(47,000)	-	90,000	(86,800)	135,000
TOTAL ASSETS	<u>\$ 125,269</u>	<u>\$ 257,941</u>	<u>\$ 72,147</u>	<u>\$ 186,776</u>	<u>\$ 642,133</u>	<u>\$ 876,177</u>
ACCUMULATED SURPLUS	<u>\$ 125,269</u>	<u>\$ 257,941</u>	<u>\$ 72,147</u>	<u>\$ 186,776</u>	<u>\$ 642,133</u>	<u>\$ 876,177</u>
REVENUE						
Transfers from General Operating Funds	\$ 10,000	\$ 75,000	\$ -	\$ -	\$ 85,000	\$ 75,000
Transfer from Water and Sewage Funds	-	-	-	90,000	90,000	60,000
Interest	1,665	2,989	471	632	5,757	30,088
	<u>11,665</u>	<u>77,989</u>	<u>471</u>	<u>90,632</u>	<u>180,757</u>	<u>165,088</u>
EXPENDITURES						
Transfers to General and Water and Sewer Capital Funds	-	275,000	-	-	275,000	375,000
Transfer to General Operating Fund	139,800	-	-	-	-	-
	<u>139,800</u>	<u>275,000</u>	<u>-</u>	<u>-</u>	<u>275,000</u>	<u>375,000</u>
ANNUAL SURPLUS (DEFICIT)	<u>\$ (128,135)</u>	<u>\$ (197,011)</u>	<u>\$ 471</u>	<u>\$ 90,632</u>	<u>\$ (94,243)</u>	<u>\$ (209,912)</u>

TOWN OF SAINT ANDREWS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2012

21. STATEMENT OF RESERVES (cont'd)

Council Resolutions regarding transfers to and from reserves:

Moved by Deputy Mayor Akagi and seconded by Councillor Sochasky and carried that \$139,800 be transferred from the General Operating Reserve Fund to the General Operating Fund for the continued development of the Employee Retirement Reserve.

Moved by Councillor Naish and seconded by Councillor Wood and carried that \$20,000 be transferred from the Utility Operating Fund to the Utility Capital Reserve Fund for future capital upgrades for the Water Treatment System as per the agreement with the Canada-New Brunswick Infrastructure Program and the Build Canada Fund agreement.

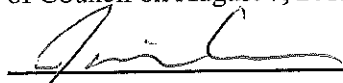
Moved by Deputy Mayor Akagi and seconded by Councillor Naish and carried that \$75,000 be transferred from the General Operating Fund to the General Capital Reserve Fund for future capital purchases.

Moved by Councillor Sochasky and seconded by Councillor Wood and carried that \$70,000 be transferred from the Water and Sewer Operating Fund to the Water and Sewer Capital Reserve Fund for future capital purchases.

Moved by Councillor Naish and seconded by Deputy Mayor Akagi and carried that \$10,000 be transferred from the General Operating Fund to the General Operating Reserve Fund for future consideration.

Moved by Deputy Mayor Akagi and seconded by Councillor Naish and carried to transfer \$275,000 from the General Capital Reserve Fund to the General Capital Fund.

I hereby certify that the above are true and exact copies of resolutions adopted at the regular meeting of Council on August 7, 2012 and the special meeting of Council on December 17, 2012.



Clerk,
Town of Saint Andrews

June 3, 2014

Date

TOWN OF SAINT ANDREWS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2012

22. STATEMENT OF CONTROLLED ENTITY OPERATIONS

	<u>2012</u> <u>Total</u>	<u>2011</u> <u>Total</u>
ASSETS	\$ <u>23,976</u>	\$ <u>24,453</u>
LIABILITIES	\$ <u>16,827</u>	\$ <u>9,353</u>
ACCUMULATED SURPLUS	\$ <u>7,149</u>	\$ <u>15,100</u>
REVENUE	\$ 3,546	\$ 12,008
EXPENDITURES	<u>11,497</u>	<u>13,688</u>
ANNUAL DEFICIT	\$ <u>(7,951)</u>	\$ <u>(1,680)</u>

The above noted is from the Ross Memorial Library and are included in the consolidated financial statements.

TOWN OF SAINT ANDREWS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2012

23. OPERATING BUDGET TO PSA BUDGET

	Operating Budget General	Operating Budget Water and Sewer	Amortization TCA	Controlled Entities	Transfers	Total
REVENUE						
Property tax warrant	\$ 2,892,664	\$ -	\$ -	\$ -	\$ -	\$ 2,892,664
Services provided to other governments	109,678	-	-	-	-	109,678
Sales of services, fines and other fees	196,456	-	-	-	92,018	288,474
Other revenue from own sources	215,148	330,486	-	-	(357,462)	188,172
Unconditional grant	137,104	-	-	-	(8,472)	128,632
Conditional transfers	26,000	139,729	-	-	(26,000)	139,729
Other transfers	24,242	-	-	-	(20,000)	4,242
Water and sewer user fees	-	648,500	-	-	3,600	652,100
Interest	67,500	4,000	-	-	(67,500)	4,000
Surplus (deficit) of second previous year	13,157	3,423	-	-	(16,580)	-
	<u>3,681,949</u>	<u>1,126,138</u>	<u>-</u>	<u>-</u>	<u>(400,396)</u>	<u>4,407,691</u>
EXPENDITURES						
General government services	720,491	-	-	-	57,446	777,937
Protective services	919,371	-	56,348	-	(326,886)	648,833
Transportation services	692,873	-	370,607	-	66,535	1,130,015
Environmental health services	128,000	-	-	-	-	128,000
Environmental development services	82,870	-	3,892	-	-	86,762
Recreation and cultural services	833,598	-	54,601	-	(66,535)	821,664
Fiscal services	-	-	-	-	-	-
Short term interest and bank charges	3,000	20,910	-	-	(23,910)	-
Interest on long term debt	54,446	94,644	-	-	(149,090)	-
Principal payments on long term debt	194,000	341,000	-	-	(535,000)	-
Transfer from General Operating Fund to General Operating Reserve Fund	15,000	-	-	-	(15,000)	-
Transfer from General Operating Fund to General Capital Fund	38,300	-	-	-	(38,300)	-
Transfer from Water and Sewer Operating Fund to Water and Sewer Capital reserve Fund	-	20,000	-	-	(20,000)	-
Transfer from Water and Sewer Operating Fund to Water and Sewer Operating Reserve Fund	-	40,000	-	-	(40,000)	-
Transfer from Water and Sewer Operating Fund to Water and Sewer Capital Fund	-	263,000	-	-	(263,000)	-
Water and Sewer	-	346,584	318,402	-	95,554	760,540
	<u>3,681,949</u>	<u>1,126,138</u>	<u>803,850</u>	<u>-</u>	<u>(1,258,186)</u>	<u>4,353,751</u>
Surplus (deficit)	\$ -	\$ -	\$ (803,850)	\$ -	\$ 857,790	\$ 53,940

TOWN OF SAINT ANDREWS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2012

24. REVENUE AND EXPENDITURE SUPPORT

	<u>2012</u>	<u>2012</u>	<u>2012</u>	<u>2011</u>
	Under (Over)	Budget	Actual	Actual
REVENUE				
Services provided to other governments				
Fire protection	\$ (1)	\$ 87,373	\$ 87,374	\$ 86,840
Roads and streets	<u>450</u>	<u>22,305</u>	<u>21,855</u>	<u>21,855</u>
	<u>\$ 449</u>	<u>\$ 109,678</u>	<u>\$ 109,229</u>	<u>\$ 108,695</u>
Sale of services				
Recreation	\$ (33,652)	\$ 173,854	\$ 207,506	\$ 186,606
Katy's Cove	(3,083)	21,100	24,183	25,699
Wharf	(15,061)	41,500	56,561	44,333
Buildings rentals	825	20,520	19,695	20,558
Youth centre	<u>(7,328)</u>	<u>31,500</u>	<u>38,828</u>	<u>31,610</u>
	<u>\$ (58,299)</u>	<u>\$ 288,474</u>	<u>\$ 346,773</u>	<u>\$ 308,806</u>
Conditional government transfers				
ACOA/RDC	(490,097)	-	490,097	322,191
Gas tax funding	(1)	139,729	139,730	139,730
Building Canada Fund	-	-	-	1,953,286
FCM	<u>-</u>	<u>-</u>	<u>-</u>	<u>96,140</u>
	<u>(490,098)</u>	<u>139,729</u>	<u>629,827</u>	<u>2,511,347</u>
Other revenue from own sources				
Animal licenses	\$ 73	\$ 1,500	\$ 1,427	\$ 2,280
Construction permits	888	21,200	20,312	11,871
Other permits and licenses	2,943	3,000	57	457
Fines	(413)	8,472	8,885	8,914
Donations - Capital	(24,000)	-	24,000	110,000
Donations - Operating	8,278	126,000	117,722	141,949
Contributions by developers	(77,845)	-	77,845	-
Miscellaneous	<u>(62,213)</u>	<u>28,000</u>	<u>90,213</u>	<u>37,629</u>
	<u>\$ (152,289)</u>	<u>\$ 188,172</u>	<u>\$ 340,461</u>	<u>\$ 313,100</u>
EXPENDITURE				
General government services				
Legislative				
Mayor	\$ (46)	\$ 8,173	\$ 8,219	\$ 7,748
Councillors	<u>6,129</u>	<u>33,885</u>	<u>27,756</u>	<u>29,187</u>
	<u>6,083</u>	<u>42,058</u>	<u>35,975</u>	<u>36,935</u>
Administrative				
Manager's office	28,732	152,041	123,309	92,435
Treasurer and clerk's office	9,407	192,893	183,486	171,904
Office building	(10,706)	76,611	87,317	89,518
Solicitor	<u>12,009</u>	<u>25,000</u>	<u>12,991</u>	<u>18,119</u>
	<u>39,442</u>	<u>446,545</u>	<u>407,103</u>	<u>371,976</u>

TOWN OF SAINT ANDREWS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2012

24. REVENUE AND EXPENDITURE SUPPORT (cont'd)

	<u>2012</u> Under (Over)	<u>2012</u> Budget	<u>2012</u> Actual	<u>2011</u> Actual
General government services (cont'd)				
Financial management				
Audit	503	15,500	14,997	15,422
Other				
Common services - liability insurance	67	21,000	20,933	20,219
Common services - grants	29,537	32,177	2,640	6,327
Cost of assessment	(2)	50,661	50,663	47,710
Interest on long term debt	4,408	57,446	53,038	53,525
Post employment benefits retirement allowance	(11,203)	-	11,203	10,900
Other services	30,732	112,550	81,818	39,741
Amortization	-	-	-	2,332
	<u>53,539</u>	<u>273,834</u>	<u>220,295</u>	<u>180,754</u>
	<u>\$ 99,567</u>	<u>\$ 777,937</u>	<u>\$ 678,370</u>	<u>\$ 605,087</u>
Protective services				
Fire				
Fire fighting force	\$ (12,989)	\$ 54,310	\$ 67,299	\$ 78,984
Fire administration	15,585	29,305	13,720	13,104
Fire alarm system	(15,549)	1,200	16,749	20,355
Fire training	4,650	7,300	2,650	8,023
Fire station and buildings	12,210	42,200	29,990	29,524
Fire fighting equipment	20,709	50,100	29,391	27,764
Amortization	-	55,847	55,847	57,449
	<u>24,616</u>	<u>240,262</u>	<u>215,646</u>	<u>235,203</u>
Police				
R.C.M.P.	5,492	340,000	334,508	300,111
Station and building	(29,798)	19,470	49,268	44,045
	<u>(24,306)</u>	<u>359,470</u>	<u>383,776</u>	<u>344,156</u>
Other				
Bylaw officer and building inspector	(7,537)	40,000	47,537	39,495
Animal and pest control	2,868	8,600	5,732	6,232
Amortization	-	501	501	-
	<u>(4,669)</u>	<u>49,101</u>	<u>53,770</u>	<u>45,727</u>
	<u>\$ (4,359)</u>	<u>\$ 648,833</u>	<u>\$ 653,192</u>	<u>\$ 625,086</u>

TOWN OF SAINT ANDREWS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2012

24. REVENUE AND EXPENDITURE SUPPORT (cont'd)

	<u>2012</u>	<u>2012</u>	<u>2012</u>	<u>2011</u>
	Under (Over)	Budget	Actual	Actual
Transportation services				
Common				
Administration	\$ (70,289)	\$ 243,714	\$ 314,003	\$ 288,844
General equipment	(136,558)	11,500	148,058	87,607
Work shop	<u>13,971</u>	<u>52,885</u>	<u>38,914</u>	<u>32,385</u>
	(192,876)	308,099	500,975	408,836
Roadway surfaces	(32,280)	67,250	99,530	72,224
Storm sewers	(1,221)	8,750	9,971	16,128
Snow and ice removal	219,435	256,263	36,828	64,623
Street lighting	8,003	48,511	40,508	39,722
Street signs	2,928	4,000	1,072	2,882
Wharf	<u>299</u>	<u>66,535</u>	<u>66,236</u>	<u>70,436</u>
	<u>4,288</u>	<u>759,408</u>	<u>755,120</u>	<u>674,851</u>
Loss on disposal of capital assets	-	-	-	8,570
Amortization	<u>-</u>	<u>370,607</u>	<u>370,607</u>	<u>337,287</u>
	<u>-</u>	<u>370,607</u>	<u>370,607</u>	<u>345,857</u>
	<u>\$ 4,288</u>	<u>\$ 1,130,015</u>	<u>\$ 1,125,727</u>	<u>\$ 1,020,708</u>
Environmental health services				
Regional landfill and waste pickup	<u>\$ 3,565</u>	<u>\$ 128,000</u>	<u>\$ 124,435</u>	<u>\$ 109,162</u>
Environmental development services				
Organization grants and support	\$ (75,474)	\$ 16,500	\$ 91,974	\$ 62,430
Tourist promotion	(89,609)	66,370	155,979	136,937
Other	(11,665)	-	11,665	9,897
Amortization	<u>-</u>	<u>3,892</u>	<u>3,892</u>	<u>3,892</u>
	<u>\$ (176,748)</u>	<u>\$ 86,762</u>	<u>\$ 263,510</u>	<u>\$ 213,156</u>
Recreation and cultural services				
Youth centre	\$ 31,400	\$ 102,214	\$ 70,814	\$ 67,024
Medical centre	14,387	73,360	58,973	62,507
Rinks and arena	10,742	280,961	270,219	286,505
Parks and playground	(18,583)	99,482	118,065	103,805
Libraries and museum	14,659	211,046	196,387	194,932
Amortization	<u>-</u>	<u>54,601</u>	<u>54,601</u>	<u>54,458</u>
	<u>\$ 52,605</u>	<u>\$ 821,664</u>	<u>\$ 769,059</u>	<u>\$ 769,231</u>

TOWN OF SAINT ANDREWS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2012

24. REVENUE AND EXPENDITURE SUPPORT (cont'd)

	<u>2012</u>	<u>2012</u>	<u>2012</u>	<u>2011</u>
	Under (Over)	Budget	Actual	Actual
Water and sewer services				
Water and Sewerage				
Administration	\$ (15,347)	\$ 33,600	\$ 48,947	\$ 41,793
Transmission and distribution	12,067	53,423	41,356	44,357
Power and pumping	84	19,143	19,059	12,806
Water meters	13,169	13,500	331	2,653
Water treatment	<u>6,967</u>	<u>115,544</u>	<u>108,577</u>	<u>121,959</u>
	<u>16,940</u>	<u>235,210</u>	<u>218,270</u>	<u>223,568</u>
Sewerage collection and disposal				
Collection system	6,451	28,201	21,750	42,749
Treatment and disposal	<u>(3,423)</u>	<u>63,173</u>	<u>66,596</u>	<u>49,860</u>
	<u>3,028</u>	<u>91,374</u>	<u>88,346</u>	<u>92,609</u>
Loss on disposal of capital assets	(24,199)	-	24,199	-
Interest on long term debt	(10,324)	115,554	125,878	119,945
Amortization	<u>-</u>	<u>318,402</u>	<u>318,402</u>	<u>296,203</u>
	<u>(34,523)</u>	<u>433,956</u>	<u>468,479</u>	<u>416,148</u>
	<u>\$ (14,555)</u>	<u>\$ 760,540</u>	<u>\$ 775,095</u>	<u>\$ 732,325</u>

25. COMPARATIVE FIGURES

Certain amounts in the prior year financial statements have been reclassified for comparative purposes to conform with the presentation in the current year financial statements.