

**TOWN OF SAINT ANDREWS**  
**CONSOLIDATED FINANCIAL STATEMENTS**

**DECEMBER 31, 2014**

# TOWN OF SAINT ANDREWS

DECEMBER 31, 2014

## CONTENTS

|   | Page   |
|---|--------|
| <b>INDEPENDENT AUDITORS' REPORT</b>           | 1 - 2  |
| <b>FINANCIAL STATEMENTS</b>                   |        |
| Consolidated Statement of Operations          | 3      |
| Consolidated Statement of Financial Position  | 4      |
| Consolidated Statement of Changes in Net Debt | 5      |
| Consolidated Statement of Cash Flows          | 6      |
| Notes to Consolidated Financial Statements    | 7 - 26 |

39 Canterbury Street  
P.O. Box 6668  
Saint John  
New Brunswick  
E2L 4S1

Tel (506) 636-9220  
Fax (506) 634-8208  
E-mail tsdsj@tsdca.com

---

**TEED  
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, 2014 and the consolidated statements of operations, changes in net debt and cash flows for the year then ended, 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 audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit 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 opinion.

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



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

Independent Auditors' Report to His Worship The Mayor and Members of Council of Town of Saint 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, 2014, and the results of its operations and changes in net debt for the year the ended in accordance with Canadian public sector accounting standards.

*Teed Saunders Doyle & Co.*  
CHARTERED PROFESSIONAL ACCOUNTANTS

Saint John, NB  
July 6, 2015

# TOWN OF SAINT ANDREWS

## CONSOLIDATED STATEMENT OF OPERATIONS

FOR THE YEAR ENDED DECEMBER 31, 2014

|   | 2014<br>Under (Over) | 2014<br>Budget<br>(Note 20) | 2014<br>Actual       | 2013<br>Actual       |
|---|----------------------|-----------------------------|----------------------|----------------------|
| <b>REVENUE (Note 2)</b>   |                      |                             |                      |                      |
| Property tax warrant  | \$ -                 | \$ 3,083,837                | \$ 3,083,837         | \$ 2,922,658         |
| Services provided to other governments (Note 21)                                    | 449                  | 115,536                     | 115,087              | 113,224              |
| Sale of services (Note 21)  | (38,101)             | 258,526                     | 296,627              | 295,934              |
| Other revenue from own sources (Note 21)  | (140,797)            | 166,715                     | 307,512              | 522,279              |
| Unconditional grant   | -                    | 76,993                      | 76,993               | 104,247              |
| Conditional government transfers (Note 21)  | 139,729              | 189,729                     | 50,000               | 250,393              |
| Other transfers   | 4                    | 24,427                      | 24,423               | 15,695               |
| Water and sewer user fees   | (1,580)              | 634,700                     | 636,280              | 612,556              |
| Interest  | (23,593)             | 20,767                      | 44,360               | 22,339               |
| Gain on disposal of tangible capital assets   | (179,271)            | -                           | 179,271              | -                    |
|   | <u>(243,160)</u>     | <u>4,571,230</u>            | <u>4,814,390</u>     | <u>4,859,325</u>     |
| <b>EXPENDITURE (Notes 2 and 21)</b>   |                      |                             |                      |                      |
| General government services   | (42,042)             | 723,869                     | 765,911              | 731,630              |
| Protective services   | 83,790               | 644,007                     | 560,217              | 658,224              |
| Transportation services   | 37,586               | 1,269,539                   | 1,231,953            | 1,180,314            |
| Environmental health services   | (2,787)              | 132,838                     | 135,625              | 145,000              |
| Environmental development services  | (10,423)             | 210,532                     | 220,955              | 216,082              |
| Recreation and cultural services  | 37,899               | 847,326                     | 809,427              | 790,535              |
| Water and sewer services  | 33,647               | 733,881                     | 700,234              | 733,881              |
|   | <u>137,670</u>       | <u>4,561,992</u>            | <u>4,424,322</u>     | <u>4,455,666</u>     |
| <b>ANNUAL SURPLUS (DEFICIT) FOR THE YEAR BEFORE UNREALIZED GAINS ON INVESTMENTS</b> | (380,830)            | 9,238                       | 390,068              | 403,659              |
| <b>UNREALIZED GAINS ON INVESTMENTS (Note 6)</b>                                     | <u>(1,552)</u>       | <u>-</u>                    | <u>1,552</u>         | <u>42,225</u>        |
| <b>ANNUAL SURPLUS (DEFICIT) FOR THE YEAR (Note 17)</b>                              | <u>\$ (382,382)</u>  | <u>\$ 9,238</u>             | 391,620              | 445,884              |
| <b>ACCUMULATED SURPLUS - BEGINNING OF YEAR</b>                                      |                      |                             | <u>18,163,009</u>    | <u>17,717,125</u>    |
| <b>ACCUMULATED SURPLUS - END OF YEAR</b>  |                      |                             | <u>\$ 18,554,629</u> | <u>\$ 18,163,009</u> |

# TOWN OF SAINT ANDREWS

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2014

|  | <u>2014</u>          | <u>2013</u>          |
|--|----------------------|----------------------|
| <b>FINANCIAL ASSETS</b>                                  |                      |                      |
| Cash (Notes 2, 3 and 4)                                  | \$ 216,067           | \$ 93,163            |
| Accounts receivable (Notes 2 and 3)                      |                      |                      |
| General  | 628,950              | 679,128              |
| Federal Government and its agencies (Note 5)             | 46,225               | 35,926               |
| Investments (Notes 2, 3 and 6)                           | <u>631,318</u>       | <u>768,512</u>       |
|  | <u>\$ 1,522,560</u>  | <u>\$ 1,576,729</u>  |
| <b>LIABILITIES</b>                                       |                      |                      |
| Bank loan (Notes 2, 3 and 11)                            | \$ -                 | \$ 200,000           |
| Accounts payable and accrued liabilities (Notes 2 and 3) | 578,802              | 718,756              |
| Deferred revenue (Note 7)                                | 177,279              | 167,353              |
| Long term debt (Notes 2, 3 and 8)                        | 3,681,000            | 4,065,000            |
| Accrued retirement allowance (Notes 2 and 9)             | <u>143,800</u>       | <u>162,207</u>       |
|  | <u>4,580,881</u>     | <u>5,313,316</u>     |
| <b>NET DEBT</b>  | <u>(3,058,321)</u>   | <u>(3,736,587)</u>   |
| <b>NON-FINANCIAL ASSETS</b>                              |                      |                      |
| Tangible capital assets (Notes 2 and 15)                 | 37,155,976           | 36,619,529           |
| Accumulated amortization (Notes 2 and 15)                | <u>(15,550,804)</u>  | <u>(14,792,371)</u>  |
|  | 21,605,172           | 21,827,158           |
| Prepaid expenses   | <u>7,778</u>         | <u>72,438</u>        |
|  | <u>21,612,950</u>    | <u>21,899,596</u>    |
| <b>ACCUMULATED SURPLUS</b>                               | <u>\$ 18,554,629</u> | <u>\$ 18,163,009</u> |
| <b>CONTINGENT LIABILITY (Note 10)</b>                    |                      |                      |

APPROVED BY:

*Stan Choptany* Mayor

*John W. Shear* Treasurer

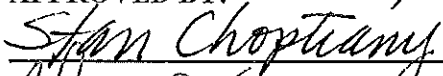
# TOWN OF SAINT ANDREWS


## CONSOLIDATED STATEMENT OF CHANGES IN NET DEBT

AS AT DECEMBER 31, 2014

|  | <u>2014</u>           | <u>2013</u>           |
|--|-----------------------|-----------------------|
| Annual surplus                                     | \$ 391,620            | \$ 445,884            |
| Acquisition of tangible capital assets             | (698,155)             | (1,031,359)           |
| Proceeds on disposal of tangible capital assets    | 190,502               | -                     |
| Amortization of tangible capital assets            | 908,910               | 898,922               |
| Loss (gain) on disposal of tangible capital assets | <u>(179,271)</u>      | <u>11,363</u>         |
|  | <u>613,606</u>        | <u>324,810</u>        |
| Acquisition of prepaid assets                      | (7,778)               | (72,438)              |
| Use of prepaid assets                              | <u>72,438</u>         | <u>9,886</u>          |
|  | <u>64,660</u>         | <u>(62,552)</u>       |
| Decrease in net debt                               | 678,266               | 262,258               |
| Net debt - beginning of year                       | <u>(3,736,587)</u>    | <u>(3,998,845)</u>    |
| Net debt - end of year                             | <u>\$ (3,058,321)</u> | <u>\$ (3,736,587)</u> |

APPROVED BY:

  
Stan Choptiany Mayor

  
Dan W. Shea Treasurer

# TOWN OF SAINT ANDREWS

## CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2014

|   | 2014              | 2013               |
|---|-------------------|--------------------|
| <b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b> |                   |                    |
| <b>OPERATING TRANSACTIONS</b>                           |                   |                    |
| Annual surplus  | \$ 391,620        | \$ 445,884         |
| Loss (gain) on disposal of tangible capital assets      | (179,271)         | 11,363             |
| Unrealized gains on investments                         | (1,552)           | (42,225)           |
| Amortization of tangible capital assets                 | 908,910           | 898,922            |
| Receivable - General                                    | 50,178            | (51,454)           |
| Receivable - Federal Government and its agencies        | (10,299)          | 367,751            |
| Accounts payable and accrual liabilities                | (139,954)         | 223,828            |
| Deferred revenue  | 9,926             | 32,076             |
| Accrued retirement allowance                            | (18,407)          | 11,204             |
| Prepaid expenses  | <u>64,660</u>     | <u>(62,552)</u>    |
|   | <u>1,075,811</u>  | <u>1,834,797</u>   |
| <b>CAPITAL TRANSACTIONS</b>                             |                   |                    |
| Acquisition of tangible capital assets                  | (698,155)         | (1,031,359)        |
| Proceeds on disposal of tangible capital assets         | <u>190,502</u>    | <u>-</u>           |
|   | <u>(507,653)</u>  | <u>(1,031,359)</u> |
| <b>FINANCING TRANSACTION</b>                            |                   |                    |
| Bank loan   | (200,000)         | (415,000)          |
| Long term debt  | <u>(384,000)</u>  | <u>(339,000)</u>   |
|   | <u>(584,000)</u>  | <u>(754,000)</u>   |
| <b>INVESTING TRANSACTIONS</b>                           |                   |                    |
| Decrease in investments                                 | <u>138,746</u>    | <u>8,481</u>       |
| <b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>        | 122,904           | 57,919             |
| <b>CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR</b>    | <u>93,163</u>     | <u>35,244</u>      |
| <b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>          | <u>\$ 216,067</u> | <u>\$ 93,163</u>   |



# TOWN OF SAINT ANDREWS

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2014

### 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. 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 CPA Canada.

The focus of Public Sector Accounting Standards (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 2, 2013 and the acting Director of Community Finances on October 28, 2014.

#### 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 and losses reported in annual surplus. 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, 2014

### 2. 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, 2014

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

#### 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, 2014

### 2. 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 16.

### 3. 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, 2014:

#### 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 minimizes credit risk through ongoing credit management.

#### 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, 2014

### 3. 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.

### 4. CASH

|                                      | <u>2014</u>       | <u>2013</u>      |
|--------------------------------------|-------------------|------------------|
| Cash - unrestricted                  | \$ 89,105         | \$ 65,339        |
| Cash reserves - restricted (Note 18) | 99,405            | -                |
| Ross Memorial Library                | <u>27,557</u>     | <u>27,824</u>    |
|                                      | <u>\$ 216,067</u> | <u>\$ 93,163</u> |

### 5. DUE FROM FEDERAL GOVERNMENT AND ITS AGENCIES

|                                    | <u>2014</u>      | <u>2013</u>      |
|------------------------------------|------------------|------------------|
| Canada Revenue Agency (HST refund) | \$ <u>46,225</u> | \$ <u>35,926</u> |

### 6. INVESTMENTS

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

|                 | <u>2014</u>       | <u>2013</u>       |
|-----------------|-------------------|-------------------|
| Fixed income    | \$ 348,892        | \$ 359,343        |
| Canadian equity | 134,872           | 259,162           |
| Other           | 97,942            | 101,947           |
| Unrealized gain | <u>49,612</u>     | <u>48,060</u>     |
|                 | <u>\$ 631,318</u> | <u>\$ 768,512</u> |

### 7. 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, 2014

### 8. LONG TERM DEBT

|   | Balance<br>January 1,<br><u>2014</u> | Issued<br>during<br><u>year</u> | Redeemed<br>during<br><u>year</u> | Balance<br>December 31,<br><u>2014</u> |
|---|--------------------------------------|---------------------------------|-----------------------------------|--|
| New Brunswick Municipal Financing Corporation |                                      |                                 |                                   |  |
| Debentures:                                   |                                      |                                 |                                   |  |
| AS - 13 2.85% - 4.35%<br>series, due 2015     | \$ 73,000                            | \$ -                            | \$ 25,000                         | \$ 48,000                              |
| AX - 29 4.45% - 4.85%<br>series, due 2017     | 132,000                              | -                               | 31,000                            | 101,000                                |
| BA - 25 0.95% - 5.0%<br>series, due 2019      | 149,000                              | -                               | 23,000                            | 126,000                                |
| BB - 30 1.00% - 4.5%<br>series, due 2019      | 47,000                               | -                               | 7,000                             | 40,000                                 |
| BD - 25 1.5% - 3.85%<br>series, due 2020      | 403,000                              | -                               | 41,000                            | 362,000                                |
| BF - 24 1.35% - 3.45%<br>series, due 2021     | 305,000                              | -                               | 33,000                            | 272,000                                |
| BB - 31 1.00% - 3.35%<br>series, due 2014     | 33,000                               | -                               | 33,000                            | -                                      |
| AT - 30 3.75% - 4.735%<br>series, due 2015    | 341,000                              | -                               | 55,000                            | 286,000                                |
| BD - 26 1.5% - 2.5%,<br>series, due 2015      | 221,000                              | -                               | 109,000                           | 112,000                                |
| AU - 17 1.25% - 4.7%<br>series, due 2016      | 359,000                              | -                               | 38,000                            | 321,000                                |
| BF - 25 1.35% - 2.2%<br>series, due 2016      | 81,000                               | -                               | 27,000                            | 54,000                                 |
| AX - 30 4.45% - 4.85%<br>series, due 2017     | 103,000                              | -                               | 24,000                            | 79,000                                 |
| FCM 10353 1 2.0%<br>series, due 2032          | 921,000                              | -                               | 40,000                            | 881,000                                |
| BH - 26 1.35% - 2.15%<br>series, due 2017     | 164,000                              | -                               | 40,000                            | 124,000                                |
| BG - 20 1.65% - 3.8%<br>series, due 2027      | 281,000                              | -                               | 8,000                             | 273,000                                |
| BJ - 24 1.25% - 4.4%<br>series, due 2033      | 240,000                              | -                               | 9,000                             | 231,000                                |
| BB - 25 1.25% - 2.5%<br>series, due 2018      | 212,000                              | -                               | 41,000                            | 171,000                                |
| BK - 13 1.15% - 3.45%<br>series, due 2024     | -                                    | 200,000                         | -                                 | 200,000                                |
|   | <u>\$ 4,065,000</u>                  | <u>\$ 200,000</u>               | <u>\$ 584,000</u>                 | <u>\$ 3,681,000</u>                    |

# TOWN OF SAINT ANDREWS

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2014

### 8. 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:

|      |    |         |
|------|----|---------|
| 2015 | \$ | 835,000 |
| 2016 |    | 625,000 |
| 2017 |    | 305,000 |
| 2018 |    | 207,000 |
| 2019 |    | 168,000 |

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.

### 9. 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 as at December 31, 2014 on the 19 employees of the 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 48
- the discount rate used to determine the accrued benefit obligations is 2.39%; and
- retirement age is 65.

The liability was calculated to be \$143,800 as at December 31, 2014. This compares to the estimate of \$162,207 as at December 31, 2013. 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, 2014

### 10. 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, 2014 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.

### 11. 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 a well as temporary borrowing for operations.

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

|  |                   |
|--|-------------------|
| General Capital Fund, OIC # 13-0035      | \$ 70,000         |
| General Capital Fund, OIC # 14-0029      | 270,000           |
| Water and Sewerage Capital Fund, 14-0029 | <u>245,000</u>    |
|  | <u>\$ 585,000</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 2014, 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.

### 12. 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>2014</u>      | <u>2013</u>     |
|--------------|------------------|-----------------|
| 2014 Surplus | \$ 3,499         | \$ -            |
| 2013 Surplus | 11,627           | 11,627          |
| 2012 Deficit | <u>-</u>         | <u>(6,200)</u>  |
|              | <u>\$ 15,126</u> | <u>\$ 5,427</u> |



# TOWN OF SAINT ANDREWS

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2014

### 13. 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>2014</u>      | <u>2013</u>        |
|--------------|------------------|--------------------|
| 2014 Surplus | \$ 17,337        | \$ -               |
| 2013 Surplus | 1,021            | 1,021              |
| 2012 Deficit | <u>-</u>         | <u>(25,031)</u>    |
|              | <u>\$ 18,358</u> | <u>\$ (24,010)</u> |

### 14. 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, 2014 consist of the following:

|                | <u>2014</u>         | <u>2013</u>         |
|----------------|---------------------|---------------------|
| Ross Trust     | \$ 1,798,526        | \$ 1,739,428        |
| Sir James Dunn | 110,679             | 109,617             |
| Wallace Broad  | 93,150              | 92,257              |
| Albert McQuoid | 89,463              | 84,090              |
| Other          | <u>225,103</u>      | <u>219,426</u>      |
|                | <u>\$ 2,316,921</u> | <u>\$ 2,244,818</u> |

# TOWN OF SAINT ANDREWS

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2014

15. SCHEDULE OF TANGIBLE CAPITAL ASSETS

|  | Land                | Sports<br>Facilities<br>and Parks | Buildings and<br>Leasehold<br>Improvements | Vehicles          | Machinery<br>and<br>Equipment | Roads and<br>Streets | Infrastructure<br>Treatment<br>Facilities | Water and<br>Sewer  | Dam and<br>Wharf    | Assets Under<br>Construction | 2014<br>Total        | 2013<br>Total        |
|--|---------------------|-----------------------------------|--|-------------------|-------------------------------|----------------------|---|---------------------|---------------------|------------------------------|----------------------|----------------------|
| <b>COST</b>                                      |                     |                                   |  |                   |                               |                      |   |                     |                     |                              |                      |                      |
| Balance - beginning of year                      | \$ 1,517,048        | \$ 476,787                        | \$ 3,183,141                               | \$ 1,491,642      | \$ 955,285                    | \$ 5,224,907         | \$ 5,141,155                              | \$ 14,027,966       | \$ 4,601,598        | \$ -                         | \$ 36,619,529        | \$ 35,614,342        |
| Add: net additions during the year               | -                   | 32,352                            | 225,808                                    | 161,288           | 101,412                       | -                    | -   | 3,602               | 29,637              | 144,056                      | 698,155              | 1,031,359            |
| Less: disposals during the year                  | -                   | -                                 | (5,738)                                    | (125,901)         | (30,069)                      | -                    | -   | -                   | -                   | -                            | (161,708)            | (26,172)             |
| Balance - end of year                            | <u>1,517,048</u>    | <u>509,139</u>                    | <u>3,403,211</u>                           | <u>1,527,029</u>  | <u>1,026,628</u>              | <u>5,224,907</u>     | <u>5,141,155</u>                          | <u>14,031,568</u>   | <u>4,631,235</u>    | <u>144,056</u>               | <u>37,155,976</u>    | <u>36,619,529</u>    |
| <b>ACCUMULATED AMORTIZATION</b>                  |                     |                                   |  |                   |                               |                      |   |                     |                     |                              |                      |                      |
| Balance - beginning of year                      | -                   | 143,026                           | 1,303,057                                  | 874,429           | 775,854                       | 3,977,238            | 437,142                                   | 4,913,176           | 2,368,449           | -                            | 14,792,371           | 13,908,258           |
| Add: amortization during the year                | -                   | 19,944                            | 88,551                                     | 118,286           | 31,785                        | 165,304              | 91,870                                    | 248,840             | 144,330             | -                            | 908,910              | 898,922              |
| Less: accumulated amortization on disposals      | -                   | -                                 | (1,075)                                    | (119,333)         | (30,069)                      | -                    | -   | -                   | -                   | -                            | (150,477)            | (14,809)             |
| Balance - end of year                            | <u>-</u>            | <u>162,970</u>                    | <u>1,390,533</u>                           | <u>873,382</u>    | <u>777,570</u>                | <u>4,142,542</u>     | <u>529,012</u>                            | <u>5,162,016</u>    | <u>2,512,779</u>    | <u>-</u>                     | <u>15,550,804</u>    | <u>14,792,371</u>    |
| <b>NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS</b> | <u>\$ 1,517,048</u> | <u>\$ 346,169</u>                 | <u>\$ 2,012,678</u>                        | <u>\$ 653,647</u> | <u>\$ 249,058</u>             | <u>\$ 1,082,365</u>  | <u>\$ 4,612,143</u>                       | <u>\$ 8,869,552</u> | <u>\$ 2,118,456</u> | <u>\$ 144,056</u>            | <u>\$ 21,605,172</u> | <u>\$ 21,827,158</u> |
| Consists of:                                     |                     |                                   |  |                   |                               |                      |   |                     |                     |                              |                      |                      |
| General Fund Assets                              | \$ 1,487,586        | \$ 346,169                        | \$ 2,012,678                               | \$ 645,546        | \$ 245,600                    | \$ 1,082,365         | \$ -                                      | \$ 1,126,930        | \$ 2,111,372        | \$ -                         | \$ 9,058,246         | \$ 7,954,790         |
| Water & Sewer Fund Assets                        | 29,462              | -                                 | -  | 8,101             | 3,458                         | -                    | 4,612,143                                 | 7,742,622           | 7,084               | 144,056                      | 12,546,926           | 13,827,368           |
|  | <u>\$ 1,517,048</u> | <u>\$ 346,169</u>                 | <u>\$ 2,012,678</u>                        | <u>\$ 653,647</u> | <u>\$ 249,058</u>             | <u>\$ 1,082,365</u>  | <u>\$ 4,612,143</u>                       | <u>\$ 8,869,552</u> | <u>\$ 2,118,456</u> | <u>\$ 144,056</u>            | <u>\$ 21,605,172</u> | <u>\$ 21,782,158</u> |

**TOWN OF SAINT ANDREWS**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**DECEMBER 31, 2014**

**16. SCHEDULE OF SEGMENT DISCLOSURE**

|  | General           | Protective        | Transportation      | Environmental<br>Health | Environmental<br>Development | Recreation<br>and Culture | Water and<br>Sewer | 2014<br>Consolidated | 2013<br>Consolidated |
|--|-------------------|-------------------|---------------------|-------------------------|------------------------------|---------------------------|--------------------|----------------------|----------------------|
| <b>REVENUE</b>   |                   |                   |                     |                         |                              |                           |                    |                      |                      |
| Property tax warrant   | \$ 712,365        | \$ 441,306        | \$ 915,789          | \$ 117,988              | \$ 192,222                   | \$ 704,167                | \$ -               | \$ 3,083,837         | \$ 2,922,658         |
| Services provided to other governments                               | -                 | 93,232            | 21,855              | -                       | -                            | -                         | -                  | 115,087              | 113,224              |
| Sale of services   | 64,375            | -                 | -                   | -                       | -                            | 232,252                   | -                  | 296,627              | 295,934              |
| Other revenue from own sources                                       | 26,732            | 10,032            | -                   | -                       | -                            | 270,748                   | -                  | 307,512              | 522,279              |
| Unconditional grant  | 17,784            | 11,018            | 22,865              | 2,946                   | 4,799                        | 17,581                    | -                  | 76,993               | 104,247              |
| Conditional transfers from other governments                         | 50,000            | -                 | -                   | -                       | -                            | -                         | -                  | 50,000               | 250,393              |
| Other transfers  | 24,423            | -                 | -                   | -                       | -                            | -                         | -                  | 24,423               | 15,695               |
| Water and sewer user fees  | -                 | -                 | -                   | -                       | -                            | -                         | 636,280            | 636,280              | 612,556              |
| Interest   | 24,214            | -                 | -                   | -                       | -                            | -                         | 20,146             | 44,360               | 22,339               |
| Gain on disposal of tangible capital assets                          | -                 | 160,939           | 18,332              | -                       | -                            | -                         | -                  | 179,271              | -                    |
|  | <u>919,893</u>    | <u>716,527</u>    | <u>978,841</u>      | <u>120,934</u>          | <u>197,021</u>               | <u>1,224,748</u>          | <u>656,426</u>     | <u>4,814,390</u>     | <u>4,859,325</u>     |
| <b>EXPENDITURE</b>   |                   |                   |                     |                         |                              |                           |                    |                      |                      |
| Salaries and benefits  | 387,696           | 50,584            | 375,526             | -                       | 37,069                       | 352,105                   | 43,371             | 1,246,351            | 1,167,433            |
| Goods and services   | 326,706           | 440,402           | 401,117             | 135,625                 | 179,104                      | 390,237                   | 264,323            | 2,137,514            | 2,223,170            |
| Interest   | 51,509            | -                 | -                   | -                       | -                            | -                         | 80,038             | 131,547              | 154,778              |
| Other  | -                 | -                 | -                   | -                       | -                            | -                         | -                  | -                    | 11,363               |
| Amortization   | -                 | 69,231            | 455,310             | -                       | 4,782                        | 67,085                    | 312,502            | 908,910              | 898,922              |
|  | <u>765,911</u>    | <u>560,217</u>    | <u>1,231,953</u>    | <u>135,625</u>          | <u>220,955</u>               | <u>809,427</u>            | <u>700,234</u>     | <u>4,424,322</u>     | <u>4,455,666</u>     |
| Surplus (deficit) for the year before unrealized gain on investments | \$ <u>153,982</u> | \$ <u>156,310</u> | \$ <u>(253,112)</u> | \$ <u>(14,691)</u>      | \$ <u>(23,934)</u>           | \$ <u>415,321</u>         | \$ <u>(43,808)</u> | \$ <u>390,068</u>    | \$ <u>403,659</u>    |

TOWN OF SAINT ANDREWS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2014

17. RECONCILIATION OF ANNUAL SURPLUS

|  | General Operating Fund | General Capital Fund | General Operating Reserve Fund | Water and Sewer Operating Fund | Water and Sewer Capital Fund | Water and Sewer Reserve Funds | Ross Memorial Library | Total        |
|--|------------------------|----------------------|--------------------------------|--------------------------------|------------------------------|-------------------------------|-----------------------|--------------|
| 2014 annual surplus (deficit)  | \$ 893,645             | \$ (700,168)         | \$ 8,037                       | \$ 464,699                     | \$ (312,502)                 | \$ 16,444                     | \$ 3,736              | \$ 391,620   |
| Adjustments to annual surplus (deficit) for funding requirements             |                        |                      |                                |                                |                              |                               |                       |              |
| Second previous year's deficit   | (25,031)               | -                    | -                              | (6,200)                        | -                            | -                             | -                     | (31,231)     |
| Transfers between funds  |                        |                      |                                |                                |                              |                               |                       |              |
| Transfer from general operating fund to general capital fund                 | (361,800)              | 361,800              | -                              | -                              | -                            | -                             | -                     | -            |
| Transfer from general operating fund to general capital reserve fund         | (170,000)              | -                    | 170,000                        | -                              | -                            | -                             | -                     | -            |
| Transfer from water and sewer operating fund to water and sewer capital fund | -                      | -                    | -                              | (40,000)                       | -                            | 40,000                        | -                     | -            |
| Long term debt principal repayment   | (169,000)              | 169,000              | -                              | (415,000)                      | 415,000                      | -                             | -                     | -            |
| Unrealized gains on investments  | -                      | -                    | (1,552)                        | -                              | -                            | -                             | -                     | (1,552)      |
| Accumulated amortization on disposal of capital assets                       | (150,477)              | -                    | -                              | -                              | -                            | -                             | -                     | (150,477)    |
| Amortization expense   | -                      | 596,408              | -                              | -                              | 312,502                      | -                             | -                     | 908,910      |
| Total adjustments to 2014 annual surplus (deficit)                           | (876,308)              | 1,127,208            | (1,552)                        | (461,200)                      | 727,502                      | 40,000                        | -                     | 725,650      |
| 2014 annual surplus  | \$ 17,337              | \$ 427,040           | \$ 6,485                       | \$ 3,499                       | \$ 415,000                   | \$ 56,444                     | \$ 3,736              | \$ 1,117,270 |

TOWN OF SAINT ANDREWS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2014

18. STATEMENT OF RESERVES

|   | General<br>Operating<br>Reserve | General<br>Capital<br>Reserve | Water<br>and Sewer<br>Operating<br>Reserve | Water<br>and Sewer<br>Capital<br>Reserve | 2014<br>Total     | 2013<br>Total      |
|---|---------------------------------|-------------------------------|--|--|-------------------|--------------------|
| <b>ASSETS</b>   |                                 |                               |  |  |                   |                    |
| Cash  | \$ 19,839                       | \$ 32,180                     | \$ 11,426                                  | \$ 35,960                                | \$ 99,405         | \$ -               |
| Investments   | 116,098                         | 188,312                       | 66,865                                     | 210,430                                  | 581,705           | 720,452            |
| Due from (to) other funds                                 | -                               | 151,120                       | -  | 20,000                                   | 171,120           | (118,880)          |
| <b>TOTAL ASSETS</b>                                       | <u>\$ 135,937</u>               | <u>\$ 371,612</u>             | <u>\$ 78,291</u>                           | <u>\$ 266,390</u>                        | <u>\$ 852,230</u> | <u>\$ 601,572</u>  |
| <b>ACCUMULATED SURPLUS</b>                                | <u>\$ 135,937</u>               | <u>\$ 371,612</u>             | <u>\$ 78,291</u>                           | <u>\$ 266,390</u>                        | <u>\$ 852,230</u> | <u>\$ 601,572</u>  |
| <b>REVENUE</b>  |                                 |                               |  |  |                   |                    |
| Transfers from General Operating Funds                    | \$ -                            | \$ 170,000                    | \$ -                                       | \$ -                                     | \$ 170,000        | \$ -               |
| Transfer from Water and Sewage Funds                      | -                               | -                             | -  | 40,000                                   | 40,000            | 20,000             |
| Interest  | 6,485                           | 17,729                        | 3,735                                      | 12,709                                   | 40,658            | 19,439             |
|   | <u>6,485</u>                    | <u>187,729</u>                | <u>3,735</u>                               | <u>52,709</u>                            | <u>250,658</u>    | <u>39,439</u>      |
| <b>EXPENDITURES</b>                                       |                                 |                               |  |  |                   |                    |
| Transfers to General and Water and Sewer<br>Capital Funds | -                               | -                             | -  | -  | -                 | 80,000             |
| <b>ANNUAL SURPLUS (DEFICIT)</b>                           | <u>\$ 6,485</u>                 | <u>\$ 187,729</u>             | <u>\$ 3,735</u>                            | <u>\$ 52,709</u>                         | <u>\$ 250,658</u> | <u>\$ (40,561)</u> |

TOWN OF SAINT ANDREWS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2014

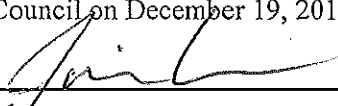
18. STATEMENT OF RESERVES (cont'd)

Council Resolutions regarding transfers to and from reserves:

Moved by Councillor Sochasky and seconded by Deputy Mayor Akagi and carried that \$170,000 be transferred from the General Operating Fund to the General Capital Reserve Fund.

Moved by Councillor Bishop and seconded by Deputy Mayor Akagi and carried that \$40,000 be transferred from the Water and Sewer Operating Fund to the Water and Sewer Capital Reserve Fund.

I hereby certify that the above are true and exact copies of resolutions adopted at the regular meeting of Council on December 19, 2014.

  
\_\_\_\_\_  
Clerk,  
Town of Saint Andrews

July 7, 2015  
\_\_\_\_\_  
Date

# TOWN OF SAINT ANDREWS

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2014

### 19. STATEMENT OF CONTROLLED ENTITY OPERATIONS

|                     | <u>2014</u><br><u>Total</u> | <u>2013</u><br><u>Total</u> |
|---------------------|-----------------------------|-----------------------------|
| ASSETS              | \$ <u>26,718</u>            | \$ <u>26,905</u>            |
| LIABILITIES         | \$ <u>9,998</u>             | \$ <u>13,921</u>            |
| ACCUMULATED SURPLUS | \$ <u>16,720</u>            | \$ <u>12,984</u>            |
| <br>                |                             |                             |
| REVENUE             | \$ 13,885                   | \$ 18,850                   |
| EXPENDITURES        | <u>10,149</u>               | <u>13,015</u>               |
| ANNUAL SURPLUS      | \$ <u>3,736</u>             | \$ <u>5,835</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, 2014

20. OPERATING BUDGET TO PSA BUDGET

|  | Operating Budget General | Operating Budget Water and Sewer | Amortization TCA | Controlled Entities | Transfers          | Total            |
|--|--------------------------|----------------------------------|------------------|---------------------|--------------------|------------------|
| <b>REVENUE</b>   |                          |                                  |                  |                     |                    |                  |
| Property tax warrant   | \$ 3,083,837             | \$ -                             | \$ -             | \$ -                | \$ -               | \$ 3,083,837     |
| Services provided to other governments   | 115,536                  | -                                | -                | -                   | -                  | 115,536          |
| Sales of services, fines and other fees  | 194,306                  | -                                | -                | -                   | 64,220             | 258,526          |
| Other revenue from own sources   | 221,911                  | 104,750                          | -                | -                   | (159,946)          | 166,715          |
| Unconditional grant  | 86,017                   | -                                | -                | -                   | (9,024)            | 76,993           |
| Conditional transfers  | 50,000                   | 139,729                          | -                | -                   | -                  | 189,729          |
| Other transfers  | 109,427                  | -                                | -                | -                   | -                  | 109,427          |
| Water and sewer user fees  | -                        | 631,100                          | -                | -                   | (85,000)           | 546,100          |
| Interest   | 79,200                   | 4,000                            | -                | -                   | 3,600              | 86,800           |
| Deficit of second previous year  | (25,031)                 | (6,200)                          | -                | -                   | (62,433)           | (93,664)         |
|  | <u>3,915,203</u>         | <u>873,379</u>                   | <u>-</u>         | <u>-</u>            | <u>(217,352)</u>   | <u>4,571,230</u> |
| <b>EXPENDITURES</b>  |                          |                                  |                  |                     |                    |                  |
| General government services  | 753,755                  | -                                | -                | -                   | (29,886)           | 723,869          |
| Protective services  | 675,926                  | -                                | 69,233           | -                   | (101,152)          | 644,007          |
| Transportation services  | 749,129                  | -                                | 455,310          | -                   | 65,100             | 1,269,539        |
| Environmental health services  | 196,600                  | -                                | -                | -                   | (63,762)           | 132,838          |
| Environmental development services   | 117,838                  | -                                | 4,782            | -                   | 87,912             | 210,532          |
| Recreation and cultural services   | 798,291                  | -                                | 67,085           | -                   | (18,050)           | 847,326          |
| Fiscal services  |                          |                                  |                  |                     |                    |                  |
| Short term interest and bank charges   | 63,764                   | 80,618                           | -                | -                   | (144,382)          | -                |
| Interest on long term debt   | 189,000                  | 415,000                          | -                | -                   | (604,000)          | -                |
| Transfer from General Operating Fund to General Capital Fund                           | 370,900                  | 7,000                            | -                | -                   | (377,900)          | -                |
| 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 | -                        | 10,000                           | -                | -                   | (10,000)           | -                |
| Water and Sewer  | -                        | 340,761                          | -                | -                   | 80,618             | 421,380          |
|  | <u>3,915,203</u>         | <u>873,379</u>                   | <u>312,502</u>   | <u>-</u>            | <u>(1,135,502)</u> | <u>4,561,992</u> |
| Surplus (deficit)  | \$ -                     | \$ -                             | \$ (908,912)     | \$ -                | \$ 918,150         | \$ 9,238         |



# TOWN OF SAINT ANDREWS

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2014

### 21. REVENUE AND EXPENDITURE SUPPORT

|  | 2014<br>Under (Over) | 2014<br>Budget    | 2014<br>Actual    | 2013<br>Actual    |
|--|----------------------|-------------------|-------------------|-------------------|
| <b>REVENUE</b>                         |                      |                   |                   |                   |
| Services provided to other governments |                      |                   |                   |                   |
| Fire protection                        | \$ (1)               | \$ 93,231         | \$ 93,232         | \$ 91,369         |
| Roads and streets                      | <u>450</u>           | <u>22,305</u>     | <u>21,855</u>     | <u>21,855</u>     |
|  | <u>\$ 449</u>        | <u>\$ 115,536</u> | <u>\$ 115,087</u> | <u>\$ 113,224</u> |
| Sale of services                       |                      |                   |                   |                   |
| Recreation                             | \$ (42,192)          | \$ 173,856        | \$ 216,048        | \$ 211,388        |
| Katy's Cove                            | 4,809                | 18,950            | 14,141            | 20,795            |
| Wharf                                  | (3,625)              | 49,000            | 52,625            | 44,928            |
| Buildings rentals                      | 3,470                | 15,220            | 11,750            | 13,718            |
| Youth centre                           | <u>(563)</u>         | <u>1,500</u>      | <u>2,063</u>      | <u>5,105</u>      |
|  | <u>\$ (38,101)</u>   | <u>\$ 258,526</u> | <u>\$ 296,627</u> | <u>\$ 295,934</u> |
| Conditional government transfers       |                      |                   |                   |                   |
| ACOA/RDC                               | \$ -                 | \$ -              | \$ -              | \$ 110,664        |
| Gas tax funding                        | 139,729              | 139,729           | -                 | 139,729           |
| Service Canada                         | <u>-</u>             | <u>50,000</u>     | <u>50,000</u>     | <u>-</u>          |
|  | <u>\$ 139,729</u>    | <u>\$ 189,729</u> | <u>\$ 50,000</u>  | <u>\$ 250,393</u> |
| Other revenue from own sources         |                      |                   |                   |                   |
| Animal licenses                        | \$ (128)             | \$ 1,200          | \$ 1,328          | \$ 1,325          |
| Construction permits                   | 6,418                | 20,000            | 13,582            | 21,527            |
| Other permits and licenses             | 4,130                | 4,200             | 70                | 20                |
| Fines                                  | 390                  | 9,024             | 8,634             | 9,015             |
| Donations - Capital                    | 11,053               | 50,000            | 38,947            | 53,300            |
| Donations - Operating                  | (128,801)            | 53,000            | 181,801           | 162,731           |
| Miscellaneous                          | <u>(33,859)</u>      | <u>29,291</u>     | <u>63,150</u>     | <u>274,361</u>    |
|  | <u>\$ (140,797)</u>  | <u>\$ 166,715</u> | <u>\$ 307,512</u> | <u>\$ 522,279</u> |
| <b>EXPENDITURE</b>                     |                      |                   |                   |                   |
| General government services            |                      |                   |                   |                   |
| Legislative                            |                      |                   |                   |                   |
| Mayor                                  | \$ (37)              | \$ 8,715          | \$ 8,752          | \$ 8,349          |
| Councillors                            | <u>12,556</u>        | <u>41,172</u>     | <u>28,616</u>     | <u>30,897</u>     |
|  | <u>12,519</u>        | <u>49,887</u>     | <u>37,368</u>     | <u>39,246</u>     |
| Administrative                         |                      |                   |                   |                   |
| Manager's office                       | 12,231               | 125,549           | 113,318           | 123,617           |
| Treasurer and clerk's office           | (9,150)              | 157,946           | 167,096           | 159,145           |
| Office building                        | (9,748)              | 79,985            | 89,733            | 83,226            |
| Solicitor                              | <u>(26,662)</u>      | <u>25,000</u>     | <u>51,662</u>     | <u>52,303</u>     |
|  | <u>(33,329)</u>      | <u>388,480</u>    | <u>421,809</u>    | <u>418,291</u>    |

# TOWN OF SAINT ANDREWS

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2014

### 21. REVENUE AND EXPENDITURE SUPPORT (cont'd)

|   | <u>2014</u><br>Under (Over) | <u>2014</u><br>Budget | <u>2014</u><br>Actual | <u>2013</u><br>Actual |
|---|-----------------------------|-----------------------|-----------------------|-----------------------|
| General government services (cont'd)          |                             |                       |                       |                       |
| Financial management                          |                             |                       |                       |                       |
| Audit   | (11,420)                    | 15,000                | 26,420                | 20,500                |
| Other   |                             |                       |                       |                       |
| Common services - liability insurance         | (985)                       | 22,500                | 23,485                | 20,512                |
| Common services - grants                      | 2,280                       | 7,536                 | 5,256                 | 3,675                 |
| Cost of assessment                            | -                           | 53,052                | 53,052                | 51,187                |
| Interest on long term debt                    | 12,255                      | 63,764                | 51,509                | 55,182                |
| Post employment benefits retirement allowance | (6,069)                     | 10,900                | 16,969                | 11,203                |
| Other services                                | (17,293)                    | 112,750               | 130,043               | 111,834               |
|   | (9,812)                     | 270,502               | 280,314               | 253,593               |
|   | <u>\$ (42,042)</u>          | <u>\$ 723,869</u>     | <u>\$ 765,911</u>     | <u>\$ 731,630</u>     |
| Protective services                           |                             |                       |                       |                       |
| Fire  |                             |                       |                       |                       |
| Fire fighting force                           | \$ 1,142                    | \$ 51,726             | \$ 50,584             | \$ 49,916             |
| Fire administration                           | 1,794                       | 25,832                | 24,038                | 25,785                |
| Fire alarm system                             | 1,001                       | 18,500                | 17,499                | 20,659                |
| Fire water cost transfer                      | (386)                       | -                     | 386                   | -                     |
| Fire training                                 | 2,637                       | 8,800                 | 6,163                 | 2,850                 |
| Fire station and buildings                    | (2,846)                     | 41,970                | 44,816                | 40,494                |
| Fire fighting equipment                       | 7,130                       | 41,638                | 34,508                | 54,382                |
| Amortization                                  | -                           | 68,615                | 68,615                | 67,495                |
|   | 10,472                      | 257,081               | 246,609               | 261,581               |
| Police  |                             |                       |                       |                       |
| R.C.M.P.                                      | 93,735                      | 300,000               | 206,265               | 299,443               |
| Station and building                          | 216                         | 46,910                | 46,694                | 47,604                |
|   | 93,951                      | 346,910               | 252,959               | 347,047               |
| Other   |                             |                       |                       |                       |
| Bylaw officer and building inspector          | (23,840)                    | 30,000                | 53,840                | 43,137                |
| Animal and pest control                       | 3,207                       | 9,400                 | 6,193                 | 5,854                 |
| Amortization                                  | -                           | 616                   | 616                   | 605                   |
|   | (20,633)                    | 40,016                | 60,649                | 49,596                |
|   | <u>\$ 83,790</u>            | <u>\$ 644,007</u>     | <u>\$ 560,217</u>     | <u>\$ 658,224</u>     |

# TOWN OF SAINT ANDREWS

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2014

### 21. REVENUE AND EXPENDITURE SUPPORT (cont'd)

|                                    | <u>2014</u>        | <u>2014</u>         | <u>2014</u>         | <u>2013</u>         |
|------------------------------------|--------------------|---------------------|---------------------|---------------------|
|                                    | Under (Over)       | Budget              | Actual              | Actual              |
| Transportation services            |                    |                     |                     |                     |
| Common                             |                    |                     |                     |                     |
| Administration                     | \$ 2,974           | \$ 377,396          | \$ 374,422          | \$ 345,068          |
| General equipment                  | (5,606)            | 100,818             | 106,424             | 93,606              |
| Work shop                          | <u>(1,143)</u>     | <u>41,632</u>       | <u>42,775</u>       | <u>41,456</u>       |
|                                    | (3,775)            | 519,846             | 523,621             | 480,130             |
| Roadway surfaces                   | 2,629              | 75,000              | 72,371              | 67,860              |
| Storm sewers                       | 5,232              | 15,000              | 9,768               | 11,361              |
| Snow and ice removal               | 23,458             | 91,969              | 68,511              | 66,922              |
| Street lighting                    | 5,549              | 43,314              | 37,765              | 42,208              |
| Street signs                       | 3,274              | 4,000               | 726                 | 1,075               |
| Wharf                              | <u>1,219</u>       | <u>65,100</u>       | <u>63,881</u>       | <u>62,890</u>       |
|                                    | <u>37,586</u>      | <u>814,229</u>      | <u>776,643</u>      | <u>732,446</u>      |
| Amortization                       | <u>-</u>           | <u>455,310</u>      | <u>455,310</u>      | <u>447,868</u>      |
|                                    | <u>\$ 37,586</u>   | <u>\$ 1,269,539</u> | <u>\$ 1,231,953</u> | <u>\$ 1,180,314</u> |
| Environmental health services      |                    |                     |                     |                     |
| Regional landfill and waste pickup |                    |                     |                     |                     |
|                                    | \$ (2,786)         | \$ 127,100          | \$ 129,886          | \$ 138,661          |
| Regional commission                | <u>(1)</u>         | <u>5,738</u>        | <u>5,739</u>        | <u>6,339</u>        |
|                                    | <u>\$ (2,787)</u>  | <u>\$ 132,838</u>   | <u>\$ 135,625</u>   | <u>\$ 145,000</u>   |
| Environmental development services |                    |                     |                     |                     |
| Organization grants and support    | \$ (5,688)         | \$ 45,000           | \$ 50,688           | \$ 57,592           |
| Tourist promotion                  | 9,039              | 160,750             | 151,711             | 144,185             |
| Other                              | (13,774)           | -                   | 13,774              | 9,601               |
| Amortization                       | <u>-</u>           | <u>4,782</u>        | <u>4,782</u>        | <u>4,704</u>        |
|                                    | <u>\$ (10,423)</u> | <u>\$ 210,532</u>   | <u>\$ 220,955</u>   | <u>\$ 216,082</u>   |
| Recreation and cultural services   |                    |                     |                     |                     |
| Youth centre                       | \$ (4,446)         | \$ 68,677           | \$ 73,123           | \$ 76,259           |
| Medical centre                     | 13,274             | 69,500              | 56,226              | 61,834              |
| Rinks and arena                    | (7,652)            | 284,891             | 292,543             | 274,668             |
| Parks and playground               | 31,264             | 135,146             | 103,882             | 131,630             |
| Sheriff Andrews                    | 4,123              | 3,000               | (1,123)             | 3,056               |
| Libraries and museum               | 1,336              | 219,027             | 217,691             | 177,100             |
| Amortization                       | <u>-</u>           | <u>67,085</u>       | <u>67,085</u>       | <u>65,988</u>       |
|                                    | <u>\$ 37,899</u>   | <u>\$ 847,326</u>   | <u>\$ 809,427</u>   | <u>\$ 790,535</u>   |

# TOWN OF SAINT ANDREWS

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2014

### 21. REVENUE AND EXPENDITURE SUPPORT (cont'd)

|  | 2014<br>Under (Over) | 2014<br>Budget    | 2014<br>Actual    | 2013<br>Actual    |
|--|----------------------|-------------------|-------------------|-------------------|
| Water and sewer services               |                      |                   |                   |                   |
| Water and Sewerage                     |                      |                   |                   |                   |
| Administration                         | \$ 25,836            | \$ 69,600         | \$ 43,764         | \$ 57,258         |
| Transmission and distribution          | 11,527               | 40,479            | 28,952            | 37,988            |
| Power and pumping                      | (1,795)              | 14,000            | 15,795            | 9,468             |
| Water meters                           | 5,347                | 8,000             | 2,653             | 8,585             |
| Water treatment                        | <u>(9,521)</u>       | <u>105,315</u>    | <u>114,836</u>    | <u>108,023</u>    |
|  | <u>31,394</u>        | <u>237,394</u>    | <u>206,000</u>    | <u>221,322</u>    |
| <br>Sewerage collection and disposal   |                      |                   |                   |                   |
| Collection system                      | (55)                 | 28,538            | 28,593            | 15,670            |
| Treatment and disposal                 | <u>1,728</u>         | <u>74,829</u>     | <u>73,101</u>     | <u>73,668</u>     |
|  | <u>1,673</u>         | <u>103,367</u>    | <u>101,694</u>    | <u>89,338</u>     |
| <br>Loss on disposal of capital assets | -                    | -                 | -                 | 11,363            |
| Interest on long term debt             | 580                  | 80,618            | 80,038            | 99,596            |
| Amortization                           | <u>-</u>             | <u>312,502</u>    | <u>312,502</u>    | <u>312,262</u>    |
|  | <u>580</u>           | <u>393,120</u>    | <u>392,540</u>    | <u>423,221</u>    |
|  | <u>\$ 33,647</u>     | <u>\$ 733,881</u> | <u>\$ 700,234</u> | <u>\$ 733,881</u> |

### 22. 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.