TOWN OF SAINT ANDREWS
W. C. O'NEILL ARENA COMPLEX DINING ROOM
Regular Council Meeting
MINUTES
June 4, 2018 at 7:00 PM

RECORDING OF ATTENDANCE

A Regular Meeting of the Town of Saint Andrews Council was held at the W. C. O'Neill Arena Complex Dining Room beginning at 7:01 PM with the following members present: Mayor Doug Naish, Deputy Mayor Brad Henderson, Councillors Edie Bishop, Guy Groulx, and Andrew Harrison. Also present were: Angela McLean, Clerk, Chris Spear, Treasurer, Terry Acton, Asset Manager, Alex Henderson, Planning Superintendent (Acting Director), and Nikki Mott, Administrative Assistant.

Absent: Councillor Kurt Gumushel

APPROVAL OF AGENDA

Motion 129 – 06/18
It was moved by Councillor Bishop, seconded by Councillor Harrison and carried that the Agenda be approved as presented.

Carried

DISCLOSURE OF CONFLICT OF INTEREST

Deputy Mayor Brad Henderson declared a conflict on item *FA180502 (Proclamation of Garden Day in Saint Andrews)* as he is the Garden Days Spokesperson for New Brunswick.

APPROVAL OF THE MINUTES OF PREVIOUS MEETING

Councillor Groulx suggested that for future minutes that the heading of the motion be added for clarification on what the motion is referring to.

Motion 130 – 06/18 Regular Meeting of Council - May 7, 2018
It was moved by Concillor Bishop, seconded by Deputy Mayor Henderson and carried that the Minutes of the May 7, 2018 Regular Meeting of Council be adopted as presented.

Carried

PRESENTATIONS

2017 Audited Financial Statements Report

Peter Logan, CPA, CA of Teed, Saunders, Doyle & Co. is the official auditor for the Town. He presented a clean audit of the Consolidated Financial Statements in accordance with the Canadian public sector accounting standards.

Auditor Opinion:

"In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Town of Saint Andrews as at December 31, 2017, and the results of its operations, changes in net debt and cash flows for the year the ended in accordance with Canadian public sector accounting standards."

Southwest NB Transit Authority (Rural Lynx) - Information on ridership.

Stan Choptiany, Board Chair of the Southwest NB Transit Authority (Rural Lynx) presented statistics on the total ridership to date. 1,826 passengers have been recorded as using the new bus system since it launched on September 25th, 2017 and up to May 30th, 2018. Mr. Choptiany noted that a significant number of users are students who are traveling home for weekends, or residents going to the Airport.

Mr. Choptiany stated the Board is very appreciative fore core funding, especially the support from the Town of Saint Andrews who provided a $10,000 donation to assist in the implementation of the program. There have also been a number of Councillors have showed ongoing support throughout the six years of the planning and implementation of this project.

Out of the 1,826 tickets sold, 28.01% are from Saint Andrews with seniors being the primary user at 47% and students second at 33%.

The Board is currently planning to add a wheelchair accessible option as part of "Phase 2", and hopes to access government funding to create a more affordable rate. The wheelchair accessible option would be a higher fare, but the service would be door-to-door to assist those who have special mobility issues. They are also looking into having the "Dial-a-Ride" as a backup option.

St. Andrews Kiwanis Father's Day Race - 2018 Race information

Mike Power, Co-Race Director for the St. Andrews Kiwanis Father's Day Race gave an update on the 2018 plans. They are celebrating their 40th anniversary this year. The race has grown tremendously since it first began in 1979 and they are anticipating over 200 participants with another 100 children participating in the Kid's Race.

The Committee is asking for access to barriers and to close off the street as done in previous years. The first 150 people who register this year will get a special limited edition "40th Anniversary" t-shirt.

The CAO confirmed to Council that the road closure and barriers have already been approved by Town staff.

COMMUNICATIONS
None

STAFF AND FINANCIAL REPORTS

Cpl. Jayson Hansen presented the RCMP report. Cpl. Hansen also wanted to acknowledge that today is the 4th anniversary of the Moncton shooting where three RCMP Officers were killed in the line of duty.

Cpl. Hansen also noted that the 2018 Paddlefest led to a number of dispatched calls for service and also included unplanned overtime hours for checkstops and increased presence patrols.

Following Cpl. Hansen's report, Deputy Mayor Henderson suggested that maybe the Town staff and Council plan in advance for next year's Paddlefest, and for any future festivals, to have an "Overflow" parking plan for when the campground is full and campers are camping on Water Street.

Motion 131 – 06/18 Acceptance of Staff Reports
It was moved by Councillor Groulx, seconded by Deputy Mayor Henderson and carried that Council accept the Staff Reports as presented.

Carried

INTRODUCTION, CONSIDERATION AND PASSING OF BY-LAWS AND MOTIONS

Finance & Administration - Councillor Bishop

Motion 132 – 06/18 FA180206 Procurement Policy
It was moved by Councillor Bishop and seconded by Councillor Groulx that Council approve the *Procurement Policy #P18-02*, dated May 28, 2018.

Following discussion the amendments below were noted as:

Motion 133 – 06/18 Amendment #1
It was moved by Councillor Harrison, seconded by Councillor Groulx and carried to remove *Paragraph 17 & 18* from the Policy.

Amended

Motion 133a – 06/18 Amendment #2
It was moved by Councillor Groulx, seconded by Councillor Harrison and carried to amend *Paragraph 7.1 Budgeted Expenditures - Construction/Capital* limit under CAO to $250,000.

Amended

Motion 133b – 06/18 Amendment #3
It was moved by Councillor Groulx, seconded by Councillor Harrison and carried to amend *Paragraph 9.1 - Competitive quotes* so that the Goods column is aligned with the Services column, as well as align all other references to Goods and Services in the Policy.

Amended

Following the above noted amendments to the policy, the final motion read as follows:

Motion 132a – 06/18 Final Amended Motion
It was moved by Councillor Bishop, seconded by Councillor Groulx and carried to approve the *Procurement Policy #P18-02*, dated May 28, 2018 as amended three times. (See Appendix A for final copy).

Carried

Motion 134 – 06/18 FA180405 Renewal of Agreement for the Operation of Sherriff Andrews House

It was moved by Councillor Bishop, seconded by Councillor Groulx and carried that the Town enters into a five year agreement with The Province of New Brunswick for the Operation of Sherriff Andrews House.

Carried

Motion 135 – 06/18 FA180502 Proclamation of Garden Day in Saint Andrews

At 8:01 PM, Deputy Mayor Brad Henderson declared a conflict on this item.

It was move by Councilllor Bishop, seconded by Councillor Groulx and carried that Council proclaim June 16th, 2018 as Garden Day in the Town of Saint Andrews.

Carried

Following the motion, the official proclamation was read by Mayor Naish:

GARDEN DAY PROCLAMATION

WHEREAS The Town of Saint Andrews is part of **Garden Days**, a nine-day (June 16 – 24, 2018) country-wide celebration of the role of gardens in our lives and communities, and includes **National Garden Day**, Saturday, June 16, 2018, celebrated annually on the Saturday before Father's Day; and

WHEREAS **Garden Days** will educate residents of Saint Andrews about the community's garden culture and history; the importance of public and private gardens; the values of home gardening; the health, well-being and aesthetic benefits of gardens; and the promotion of environmental stewardship; and

WHEREAS **Garden Days** will be an opportunity for new and seasoned gardening enthusiasts, families, schools and tourists alike to go out into their own garden, visit a local garden or garden centre or travel to our community to share their knowledge and passion for gardens and gardening; and

WHEREAS **Garden Days** will celebrate our community's garden culture and heritage and our local horticulture business community.

THEREFORE I, Doug Naish, Mayor of the Town of Saint Andrews do hereby proclaim June 16th as the **Official Garden Day** for 2018 in Saint Andrews.

DATED AT TOWN HALL, Saint Andrews, NB the 04 day of June, 2018

_____

Doug Naish, Mayor

At 8:04 PM, Deputy Mayor Henderson returned to the table.

Motion 136 – 06/18 FA180503 Proclamation of World Ocean Week
It was moved by Councillor Bishop, seconded by Deputy Mayor Henderson and carried that the Town of Saint Andrews recognizes the week of June 1st - 8th, 2018 as World Oceans Week in Saint Andrews.

Carried

Motion 137 – 06/18 FA180504 Triathlon Sponsorship request
It was moved by Councillor Bishop and seconded by Councillor Groulx that the Town approves the request from the organizers of the Rev3 Triathlon for $2,500 sponsorship for the 2018 race. Mayor Naish called the vote, which resulted in a 2/2 tie. The Mayor then gave the final nay vote defeating the motion 3 to 2 in opposition.

Defeated

The Clerk noted that the Town already provides "in-kind" support to the triathlon for an approximate value of $2,500.

Motion 138 – 06/18 FA180505 Call for Expressions of Interest for Consulting Work on Facility Usage
It was moved by Councillor Bishop and seconded by Deputy Mayor Henderson that Council authorizes staff to issue a *Call for Expressions of Interest* for a consultant to study a number of Town facilities to provide the following information:

- Where applicable, assess if the current use meets the current needs.
- Identify the needs of the current and potential users of the facilities.
- Provide a cost estimate to refurbish the facility to meet the recommended use.
- Advantages and disadvantages of moving the current users.

The facilities to be included are:

- W. C. O'Neill Arena
- Town Hall & Town Yard
- Ross Memorial Library
- Charlotte County Court House
- Parcels of Town land

Mayor Naish called the question which resulted in a vote of 4/0 in opposition defeating the motion unanimously.

Defeated

Motion 139 – 06/18 FA180506 2017 Audited Financial Statements
It was moved by Councillor Bishop, seconded by Councillor Groulx and carried that Council approve the 2017 Audited Financial Statements as presented by our Auditors, Teed, Saunders, Doyle & Co. (See Appendix B for final copy)

Carried

Public Works - Councillor ( ) Formerly Boyd

Mayor Naish asked Councillor Groulx to read the motion under the Public Works portfolio.

Motion 140 – 06/18 PW180502 Request from SJDA to Block Street for Graduation
It was moved by Councillor Groulx, seconded by Councillor Bishop and carried that Council approve the request from Sir James Dunn Academy to block Adolphus St. (from Carleton St. to Prince of Wales St.) on June 21, 2018 from 5:00 PM to midnight in order to accommodate graduation activities, and to approve it for future years, subject to any terms and conditions set by the CAO.

Carried

Public Safety - Councillor Groulx

Motion 141 – 06/18 PS180302 Federal Motion 167 on Rural Crime Assessment
It was moved by Councillor Groulx, seconded by Councillor Bishop and carried that Council instructs the CAO to write a letter to the Standing Committee on Public Safety and National Security in support of Motion 167.

Carried

Business, Tourism, Heritage and Culture - Deputy Mayor Henderson

Motion 142 – 06/18 BTHC170802(b) Custodial Responsibility for Courthouse Artifacts
It was moved by Deputy Mayor Henderson, seconded by Councillor Harrison and carried that the CAO draft an agreement, for Council approval, to assign custodial responsibility of the Charlotte County Courthouse artifacts to the Civic Trust, upon the Town assuming ownership of the Courthouse property from the Province.

Carried

Recreation and Community Services - Councillor Gumushel

Mayor Naish asked Deputy Mayor Henderson if he would read the Recreation and Community Services portfolio due to the absence of Councillor Gumushel.

Motion 143 – 06/18 RCS180502 Market Wharf Operating Policy
It was moved by Deputy Mayor Henderson and seconded by Councillor Bishop that Council approves the Town of Saint Andrews Wharf Operating Policy #P18-03, dated May 28, 2018.

Motion 143a – 06/18 Motion to table item # RCS180502
It was moved by Deputy Mayor Henderson, seconded by Councillor Groulx and carried to table the motion for one month pending consultations from the Wharf Operators. None were opposed.

Tabled

Planning & Economic Development - Councillor Harrison

Motion 144 – 06/18 PED170701 Municipal Plan Steering Committee Terms of Reference
It was moved by Councillor Harrison, seconded by Councillor Groulx and carried that Council accept the Municipal Plan Steering Committee Terms of Reference dated May 28, 2018, as presented.

Carried

Motion 145 – 06/18 PED170701 Municipal Plan Steering Committee Membership
It was moved by Councillor Harrison, seconded by Councillor Groulx and carried that Council approve the Municipal Plan Steering Committee membership, as follows:

- **Town of Saint Andrews Council:** Andrews Harrison, Guy Groulx
- **Saint Andrews Chamber of Commerce:** Jamey Smith (also representing science and recreation)
- **Saint Andrews BIA:** Dayle Chambers (also representing real estate)
- **Heritage / Civic Trust:** Barry Murray
- **Education:** Jeff Dempsey (NBCC)
- **Age-Friendly Community Committee:** Sandy Morgan, Lezlie LeBlanc (Caroline Davies, alternate)
- **Cultural Assets & Sciences:** Jessie Davies
- **Town of Saint Andrews Staff:** Angela McLean, Terry Acton
- **Supporting Resources:** RSC Planning Staff Alex Henderson, Alexander Gopen

Carried

Motion 146 – 06/18 PED170902 Application for Funding for Bar Road
It was moved by Councillor Harrison, seconded by Councillor Groulx and carried that Council authorize Staff to submit an application for funding for rehabilitation of the Bar Road, and to seek funding support from Ministers Island to share the Town's portion of the cost.

Carried

Motion 147 – 06/18 **PED180401 Zoning By-Law Amendment Z18-01 - to define Microbreweries**

It was moved by Councillor Harrison and seconded by Councillor Groulx that leave be granted to introduce for first reading, *Amendment Z18-01 to By-Law No. 10-04, A By-Law of the Town of Saint Andrews Respecting Zoning.*

Motion 147a – 06/18 **Amendment**

It was moved by Councillor Groulx and seconded by Councillor Harrison to lower the *"annual production amount of 500,000 liters"* to 100,000 liters.

Withdrawn

Following discussion this motion was withdrawn and a final motion was drafted as:

Motion 147b – 06/18 **Motion to table item # PED180401**

It was moved by Deputy Mayor Henderson, seconded by Councillor Bishop and carried to table the motion pending further discussions between Council and the Southwest New Brunswick Service Commission.

Tabled

NEW BUSINESS

None

QUESTION PERIOD

A resident expressed concerns on why the Town would be requesting Ministers Island to assist financially for the upgrades on Bar Road.

A resident asked if the Staff Reports were available for the public after the Regular Council Meeting.

A suggestion was made that a list of the pros and cons for each of the proposed Wellness Centre locations be posted on the Town website prior to the Public Forum for the public to have an opportunity to review in advance.

COUNCILLORS' AND DEPUTY MAYOR'S COMMENTS

Councillor Groulx suggested that the one year contract with the Southwest New Brunswick Service Commission for Development, Planning, and Building Inspection services be reviewed at the July meeting and be added to the register.

Councillor Bishop expressed concerns regarding the microbrewery and other similar drinking establishments on the front street. She expressed concern that it could potentially change the atmosphere of Saint Andrews.

Deputy Mayor Henderson reminded the public that there is a vacancy on Council, which Council hopes to fill during the fall by-election. If anyone wishes to run for office they should contact the Town office.

Deputy Mayor Henderson also congratulated Mr. Franklin Cardy, a Saint Andrews resident, on the successful viewing of his film *"Hockey in Saint Andrews 1900-1980"*. The film was based on the late W. C. "Bill" O'Neill personal films and put together by Mr. Cardy to raise funds for the Charlotte County Archives.

Councillor Harrison stated that the Zoning By-Law amendment for the Microbreweries was tabled, but this doesn't mean someone cannot apply. Council wants to be able to review the applications at this time instead of deferring it to the PRAC.

MAYOR'S COMMENTS

Mayor Naish advised the public about the announcement that was held at Kingsbrae Gardens on Friday, June 1st regarding the Province's *"Tourism Employment Funding for Seniors"* program. This is a pilot project which is appropriate for our aging community. The program will be similar to the SEED program for students. If your organization is a non-profit group then the government can pay up to 100% of minimum wage. Interested parties should go to the Government of New Brunswick's website for more information.

Mayor Naish also stated that Saint Andrews has not had a second physician in a number of years. He urged anyone without a doctor to help convince the Dept. of Health that a second doctor or nurse practitioner is needed in our Town by calling "811" to add your name to the roster. It only takes about 10 minutes.

ADJOURNMENT

Motion 148 – 06/18
At 8:53 PM, it was moved by Councillor Groulx, seconded by Deputy Mayor Henderson and carried that the meeting be adjourned.

Carried

Doug Naish, Mayor

Angela McLean, Clerk

TOWN OF SAINT ANDREWS

COUNCIL POLICY P18-02

POLICY ON PROCUREMENT

Table of Contents

Definitions 2

Background 3

Policy 3

Signatures 10

Definitions

1. The following definitions apply to this policy:

    1.1. "Budget" means the budget as approved by Council
    1.2. "Chief Administrative Officer" (CAO means the Town Chief Administrative Officer appointed by the Council of the Town of Saint Andrews)
    1.3. "Clerk" means the Clerk appointed by the Council of the Town of Saint Andrews
    1.4. "Council" means the Mayor and Council
    1.5. "Councillor" means a member of the Council other than the Mayor
    1.6. "Deputy Mayor" means the Councillor elected as Deputy Mayor
    1.7. "Mayor" means the Mayor of the Town of Saint Andrews duly elected to such post
    1.8. "Member" means any person elected to Council
    1.9. "Municipality" means the Town of Saint Andrews
    1.10. "Town" means the Town of Saint Andrews
    1.11. "Act" means the *Local Governance Act* 2017.c.18
    1.12. "Procurement Act" means the *Procurement Act* SNB 2012, c. 20
    1.13. "Procurement" means the process that normally leads to an agreement to purchase, rent, or lease goods and services
    1.14. "Supplies" mean, in relation to procurement, raw materials, products, supplies, equipment and other physical objects of every kind and description whether in solid, liquid, gaseous or electronic form, unless they are procured as part of a general construction contract.
    1.15. "Services" mean, in relation to procurement, all services including printing, garbage removal, snow removal, salt hauling, janitorial services, studies, utilities, consulting, professional services, etc., unless the services form part of a general construction contract.
    1.16. "Construction" means a construction, reconstruction, demolition, repair or renovation of a building, structure, road or other civil engineering or architectural work and includes site preparation, excavation, drilling, seismic investigation, the supply of products and materials, the supply of equipment and machinery if they are included as an incidental to the construction, and the installation and repair of fixtures of a building, structure, road or other civil engineering or architectural work, but does not include professional consulting services related to the construction contract unless they are included in the procurement.
    1.17. "Unbudgeted" means expenditures that are not included in the budget and are unplanned at the time of the budget being passed.

Background

2. Procurement is the process that leads to an agreement for the Town of Saint Andrews to purchase, rent or lease goods and services from a third party.

3. It is important in all dealings that the Town of Saint Andrews act and be seen as acting in a fair, transparent manner and that promotes an atmosphere of trust and confidence in the procurement process.

4. To avoid confusion, procurements by the Town of Saint Andrews should reflect industry wide procurement practices and be consistent with other procurement processes in the Province of New Brunswick.

5. Although efficiency in procurement is important, care must be taken prior to engaging in procurement activities to ensure that the procurement is aligned with Council objectives.

Policy

6. PROCUREMENT

6.1. The Town of Saint Andrews will adhere to the following legislation with its procurement practices:

6.1.1. Province of NB *Procurement Act* and regulations

6.1.2. *Crown Construction Contracts Act* and

6.1.3. Canadian Free Trade Agreement

7. DELEGATED AUTHORITIES

7.1. **Budgeted Expenditures**

The CAO is authorized to purchase goods, services and construction projects which have been specifically set out in the approved Operating and Capital budgets and where the amounts of the purchase is less than or equal to those set out in the budget.

	Supplies	Services	Construction/Capital
CAO	$25,000	$25,000	$250,000
Treasurer	$5,000	$5,000	0
Department Heads	$1,000	$1,000	0
Other authorized Staff	$100	$100	0

7.2. Staff may authorize procurement of up to their delegated amounts provided that:

7.2.1. there is a clear estimate for the goods and it is expected that the value will not exceed their authority;
7.2.2. the Provincial Procurement Act and regulations are strictly followed;
7.2.3. the amount of the procurement is within the approved budget amount for the year;
7.2.4. the procurement does not commit the Town to further procurements causing the total procurement to exceed the delegated authority for a specific project.

7.3. The following positions are considered "Department Heads" for the sake of this purchasing policy:

7.3.1. Public Works Supervisor
7.3.2. Arena Supervisor
7.3.3. Fire Department Chief
7.3.4. Water & Sewer Technician
7.3.5. Wharfinger
7.3.6. Ross Memorial Museum Manager
7.3.7. Ross Memorial Library Manager
7.3.8. Asset Manager

7.4. Each department head can only spend from their own budget, with the following noted exception:

Public Works Supervisor - can authorize expenditures for public works, parks and recreation, water and sewer main maintenance, youth centre repairs.

7.5. **Unbudgeted Expenditures**
For amounts not authorized in the budget, the CAO may authorize a purchase not more than $10,000.

7.5.1 Emergency Purchases: True emergencies generally occur as a result of fire, flood, water breaks or equipment repairs. Notwithstanding the authorities outlined elsewhere in this policy, the Chief Administrative Officer/Clerk or Treasurer is authorized to make an emergency expenditure deemed necessary in order to maintain services within the Town, of up to $25,000. Such expenditures must be reported to Council at a Special Meeting of Council and will also be reported on the monthly financial statements.

8. COUNCIL APPROVAL OF PROCUREMENT

8.1. For any procurement beyond the delegated authority of the CAO, a presentation to Council must be made prior to taking any procurement action outlining the following:

8.1.1. the name of the goods and service provider, if known;
8.1.2. a detailed description of the goods and services to be provided;
8.1.3. the estimated total cost of providing the goods and services and the source of the estimate;
8.1.4. the approved budget for the goods and services;
8.1.5. the dates the goods and services are to be provided;
8.1.6. the reason for the request; and
8.1.7 the method of procurement of the goods and services.

9. COMPETITIVE QUOTES:

9.1. In order to ensure tax dollars are wisely spent, the following limits shall be followed for acquiring competitive bids;

	Goods	Services	Construction
2 Quotes	$2,500-$5,000	$2,500-$5,000	$5,000-$10,000
3 Quotes	$5001-$25,000	$5001-$25,000	$10,000-$100,000

9.2. Purchases which are described in section 10.5 are exempt from the above limits.

9.3 Quotes must be documented in writing via letter, fax or email. The Department Head, or designate, will prepare a request for quotation in writing to each identified vendor.

10. PUBLIC TENDERING

10.1. As prescribed by the *Procurement Act,* procurements in excess of the following amounts must be put out for tender;

10.1.1.1. Goods over $25,000
10.1.1.2. Services over $50,000
10.1.1.3. Construction Projects over $100,000
10.1.1.4. At the direction of the CAO, staff or a consultant may prepare the tendering documentation, for approval by the CAO, or delegate.

10.2. Final tender documentation to be approved by the CAO or delegate. The following information, as applicable, should be on any request for quotation or proposal sent out:

10.2.1. The supply or service that quotes were requested on, along with minimum specifications and any other pertinent information;
10.2.2. To whom quotations or proposals are to be submitted;
10.2.3. Date and time quotations are required;
10.2.4. A statement that all prices should be quoted FOB Saint Andrews, net of taxes;
10.2.5. A statement to the effect that "The Town does not, by virtue of any proposal call, tender, or request for quotation or proposal, commit to an award, nor does the Town limit itself to accepting the lowest price of any submitted, but reserves the right to award, or not to award, in any manner deemed to be in the Town's best interest.";
10.2.6. Required delivery date;
10.2.7. Requirement for Proof of WorkSafe NB registration;
10.2.8. Requirement for Proof of Insurance as per tender documentation;
10.2.9. A place for the vendor's name., address, phone #, email, and signature;
10.2.10. A statement as to whether fax or phone quotes are acceptable;
10.2.11. A statement as to whether a quote can be accepted in whole or in part;
10.2.12. A statement as to whether substitute products will be considered;
10.2.13. Any other conditions or stipulations that may apply;
10.2.14. A request for a list of references.

10.3. All Procurement Tenders shall be advertised on the New Brunswick Opportunities Network (NBON), and MAY BE advertised in a local paper or posted to the Town's website.

10.4. The CAO will advise Council of any awards over $50,000.

10.5. **Exemptions from Tenders:**
A detailed list of exemptions from tenders and competitive quotes is provided in Regulation 2014-93, Section 166. The exemption includes the following professional services:

10.5.1.1. engineers
10.5.1.2. land surveyors
10.5.1.3. accountants

10.5.1.4. barristers and solicitors
10.5.1.5. medical practitioners
10.5.1.6. dentists
10.5.1.7. nurses
10.5.1.8. pharmacists
10.5.1.9. veterinarians, and
10.5.1.10. architects.

10.6. At the discretion of the CAO or by the direction of Council, any of the exempt services may go out for a competitive bidding process.

11. SMALL PURCHASE AUTHORITY

11.1 Under the authority of the CAO, the Town will issue identification cards to signify that staff members are able to purchase items under the following conditions:

11.1.1 A vendor with whom we have approved credit;
11.1.2 The staff member has authority from their department head to make the purchase;
11.1.3 The total value of that purchase is under $200;
11.1.4 An invoice is supplied immediately from the vendor;
11.1.5. The purchaser provides the invoice to the department head for final approval.

12. PURCHASE ORDERS

12.1. Purchase orders have four main purposes:

12.1.1. Inform Finance Department of purchases of a significant amount to assist with budget tracking and monthly accruals,

12.1.2. Inform CAO & Department Heads of purchases for invoice authorization,

12.1.3. Ensure quoted amounts at the time of order agree with amount invoiced, and

12.1.4. Provide documentation to vendors that purchases are authorized by the Town.

12.2. In order to be effective, purchase orders are to be provided to the Finance Department at the time of purchase or order.

12.2.1. All purchases should be authorized by purchase order except for the items listed below:

12.2.1.1. phone bills, fuel, electricity, taxes, insurance, debenture payments, payroll remittances, service contracts covered by approved tender or a supply agreement;
12.2.1.2. approved budgeted payments to external agencies;
12.2.1.3. project payments covered by approved tender;
12.2.1.4. engineering fees included in capital project budgets;
12.2.1.5. budgeted amounts of less than $100.

12.2.2. All purchases of goods and services in excess of the thresholds shall have the signature of the employee's supervisor prior to the issuance of the purchase order.

12.2.3. Purchase order books will be maintained at the town hall and prepared by the Treasurer or his approved designates.

12.2.4. The purchase order should contain the following information:
12.2.4.1. Name of company
12.2.4.2. Date
12.2.4.3. Brief item description
12.2.4.4. Estimated cost before taxes or quotation amount
12.2.4.5. Name of employee making purchase (where applicable) and signature of personnel with appropriate spending authority.

13. INVOICE AUTHORIZATIONS AND PAYMENT

13.1. The Accounts Payable Clerk will match invoices to purchase orders and packing slips and forward them to the proper Department Head for approval for payment. Department Heads will ensure that goods or services have been received before authorization is provided. Department Heads, or designate, will return invoices to the Accounts Payable Clerk after they have signed the invoice as approval for payment as well as indicated the appropriate budget code it should be charged to.

Cheques or EFT reports, along with supporting documents, will be prepared by the Accounts Payable Clerk and submitted to the CAO for approval and signature on the Cheque Register; and then submitted for signature. Designated signing authorities include the Mayor or Deputy Mayor, AND Treasurer or CAO.

13.2. Authorized purchasers shall notify the Treasurer of a designated purchasing authority in their absence.

13.3. The CAO and Treasurer have authority to authorize all invoices in the absence of a Department Head.

14. VISA CARD PROCEDURES

14.1. Use of the corporate Visa card is subject to the same spending authorizations provided in this policy. The corporate Visa is intended for the following purposes:

14.1.1. Travel arrangements
14.1.2. On-line purchases
14.1.3. Payment of invoices in US funds
14.1.4. Payments for course registrations when Visa is accepted; and
14.1.5. Other items as ordered by the CAO (and within his/her authority)

14.2 Staff are responsible for obtaining the appropriate approval before using the card. All the authorities contained here within also apply to Visa Card purchases

14.3 Purchasers are responsible for ensuring credit slips are maintained and submitted to the Finance Department for reconciliation to the appropriate monthly statement. Please note, the slip turned in must be the original invoice, not the credit card slip.

14.4 When the Visa statement is received, the Finance Department reconciles to the Visa Log and reviews with Department Heads as necessary and is approved by the CAO and Mayor for final authorization.

15. FUEL CARDS

15.1. Fuel cards are provided for use in Town vehicles. Their use is restricted to the provision of fuel only. The vehicle operator is responsible for ensuring credit slips are maintained and submitted to the Finance Department for reconciliation to the appropriate monthly statement.

16. PETTY CASH

16.1 Petty cash should be used for small incidental items required on short notice. Items from suppliers where the Town has a credit facility or larger value should follow the normal procurement process and/or utilize the credit card.

16.2 All amounts are to be supported by appropriate documentation.

16.3 Petty cash is to be balanced as required but not less than once a month.

Given under the Corporate Seal of the Town of Saint Andrews, this policy becomes effective this 4th day of June, 2018.

Doug Naish
Mayor

Angela McLean
Chief Administrative Officer

TOWN OF SAINT ANDREWS

CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2017

TOWN OF SAINT ANDREWS

DECEMBER 31, 2017

CONTENTS

	Page
INDEPENDENT AUDITORS' REPORT	1 - 2
FINANCIAL STATEMENTS	
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 - 27

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, 2017 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 misstatement 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.

Opinion

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Town of Saint Andrews as at December 31, 2017, and the results of its operations, changes in net debt and cash flows for the year the ended in accordance with Canadian public sector accounting standards.

CHARTERED PROFESSIONAL ACCOUNTANTS

Saint John, NB
June 4th, 2018

teed saunders doyle | chartered professional accountants & advisors

TOWN OF SAINT ANDREWS

CONSOLIDATED STATEMENT OF OPERATIONS

FOR THE YEAR ENDED DECEMBER 31, 2017

	2017 Under (Over)	2017 Budget (Note 21)	2017 Actual	2016 Actual
REVENUE (Note 17)				
Property tax warrant	$ -	$ 3,501,942	$ 3,501,942	$ 3,380,423
Services provided to other governments (Note 22)	(9,677)	130,855	140,532	129,643
Sale of services (Note 22)	(41,871)	214,557	256,428	277,767
Other revenue from own sources (Note 22)	(155,586)	213,481	369,067	347,376
Unconditional grant	-	54,050	54,050	52,483
Conditional government transfers (Note 22)	709,744	1,809,870	1,100,126	649,722
Other transfers	-	8	8	-
Water and sewer user fees	43,225	691,100	647,875	690,721
Interest	(43,368)	24,996	68,364	21,632
Loss on disposal of tangible capital assets	(2,127)	-	2,127	(167,074)
	500,340	6,640,859	6,140,519	5,382,693
EXPENDITURE (Notes 17 and 22)				
General government services	(36,527)	974,655	1,011,182	792,023
Protective services	32,125	863,482	831,357	710,792
Transportation services	84,386	1,410,460	1,326,074	1,278,044
Environmental health services	(1,419)	148,483	149,902	167,029
Environmental development services	49,378	265,570	216,192	214,391
Recreation and cultural services	(23,168)	755,889	779,057	702,721
Water and sewer services	33,708	760,379	726,671	681,545
	138,483	5,178,918	5,040,435	4,546,545
ANNUAL SURPLUS (DEFICIT) FOR THE YEAR BEFORE UNREALIZED GAINS (LOSS) ON INVESTMENTS	361,857	1,461,941	1,100,084	836,148
UNREALIZED GAINS (LOSS) ON INVESTMENTS (Note 7)	3,258	-	(3,258)	39,323
ANNUAL SURPLUS (DEFICIT) FOR THE YEAR (Note 18)	$ 365,115	$ 1,461,941	1,096,826	875,471
ACCUMULATED SURPLUS - BEGINNING OF YEAR			20,059,196	19,183,725
ACCUMULATED SURPLUS - END OF YEAR			$ 21,156,022	$ 20,059,196

teed saunders doyle | chartered professional accountants & advisors

TOWN OF SAINT ANDREWS

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2017

	2017	2016
FINANCIAL ASSETS		
Cash (Note 4)	$ 934,564	$ 173,506
Accounts receivable		
General	805,502	649,260
Federal Government and its agencies (Note 5)	677,681	228,768
Province of New Brunswick (Note 6)	217,057	447,147
Investments (Note 7)	652,777	685,693
	$ 3,287,581	$ 2,184,374
LIABILITIES		
Bank loan (Note 12)	$ 900,003	$ 940,000
Accounts payable and accrued liabilities	1,175,216	724,553
Deferred revenue (Note 8)	231,002	159,778
Long term debt (Note 9)	4,420,000	3,698,000
Accrued sick leave (Note 10)	17,000	-
Accrued retirement allowance (Note 10)	178,100	161,709
	6,921,321	5,684,040
NET DEBT	(3,633,740)	(3,499,666)
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 16)	41,833,973	40,102,929
Accumulated amortization (Note 16)	(17,115,109)	(16,616,108)
	24,718,864	23,486,821
Prepaid expenses	70,898	72,041
	24,789,762	23,558,862
ACCUMULATED SURPLUS	$ 21,156,022	$ 20,059,196

CONTINGENT LIABILITY (Note 11)

APPROVED BY:

_____ Deputy Mayor

_____ Treasurer

teed saunders doyle | chartered professional accountants & advisors

TOWN OF SAINT ANDREWS

CONSOLIDATED STATEMENT OF CHANGES IN NET DEBT

AS AT DECEMBER 31, 2017

	2017	2016
Annual surplus	$ 1,096,826	$ 875,471
Acquisition of tangible capital assets	(2,423,044)	(1,905,511)
Proceeds on disposal of tangible capital assets	165,578	55,546
Amortization of tangible capital assets	1,027,550	992,383
Loss on disposal of tangible capital assets	(2,127)	167,074
	(135,217)	184,963
Acquisition of prepaid assets	(70,898)	(72,041)
Use of prepaid assets	72,041	74,620
	1,143	2,579
Decrease (increase) in net debt	(134,074)	187,542
Net debt - beginning of year	(3,499,666)	(3,687,208)
Net debt - end of year	$ (3,633,740)	$ (3,499,666)

APPROVED BY:

_____ Deputy Mayor

_____ Treasurer

teed saunders doyle | chartered professional accountants & advisors

TOWN OF SAINT ANDREWS

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2017

	2017	2016
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		
OPERATING TRANSACTIONS		
Annual surplus	$ 1,096,826	$ 875,471
Loss (gain) on disposal of tangible capital assets	(2,127)	167,074
Unrealized loss (gains) on investments	3,258	(39,323)
Amortization of tangible capital assets	1,027,550	992,383
Accounts receivable - General	(156,242)	(154,750)
Accounts receivable - Federal Government and its agencies	(448,913)	(23,187)
Accounts receivable - Province of New Brunswick	230,090	(33,197)
Accounts payable and accrued liabilities	450,663	(583,485)
Deferred revenue	71,224	(133,177)
Accrued sick leave	17,000	-
Accrued retirement allowance	16,391	17,300
Prepaid expenses	1,143	2,579
	2,306,863	1,087,688
CAPITAL TRANSACTIONS		
Acquisition of tangible capital assets	(2,423,044)	(1,905,511)
Proceeds on disposal of tangible capital assets	165,578	55,546
	(2,257,466)	(1,849,965)
FINANCING TRANSACTIONS		
Bank loan	(39,997)	245,000
Long term debt	722,000	391,000
	682,003	636,000
INVESTING TRANSACTIONS		
(Increase) decrease in investments	29,658	(68,987)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	761,058	(195,264)
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	173,506	368,770
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 934,564	$ 173,506

teed saunders doyle | chartered professional accountants & advisors

1. PURPOSE OF THE ORGANIZATION

The Town of Saint Andrews (the "Town") 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 January 9, 2017 and the Director of Community Finances on January 22, 2017 for the the general fund and January 30, 2017 for the Water and Sewer fund.

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.

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 expenditures 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 expenditures 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;
- accrued sick leave liability, 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 expenditures.

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:

Asset Type	Estimated Useful Life
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	20-100 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.

teed saunders doyle | chartered professional accountants & advisors

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 17.

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, 2017:

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 Town'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.

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 on its interest bearing investments and on its line of credit with a variable interest rate.

Other Price Risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Town is exposed to other price risk through its investment in quoted shares.

4. CASH

	2017	2016
Cash - unrestricted	$ 762,439	$ 85,451
Cash reserves - restricted (Note 19)	146,934	51,838
Cash Gas Tax Funding - restricted	14,772	14,772
Ross Memorial Library	10,419	21,445
	$ 934,564	$ 173,506

5. DUE FROM FEDERAL GOVERNMENT AND ITS AGENCIES

	2017	2016
Canada Revenue Agency (HST refund)	$ 119,537	$ 93,944
Atlantic Canada Opportunity Agency	-	134,824
Building Canada Fund	120,439	-
Canada Water and Wastewater Fund	437,705	-
	$ 677,681	$ 228,768

6. DUE FROM PROVINCE OF NEW BRUNSWICK

	2017	2016
Regional Development Corporation	$ -	$ 215,000
Designated Highways Regular Program	217,057	232,147
	$ 217,057	$ 447,147

teed saunders doyle | chartered professional accountants & advisors

7. INVESTMENTS

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

	2017	2016
Fixed income	$ 279,430	$ 406,169
Canadian equity	200,714	134,341
Other	112,856	82,149
Unrealized gain	59,777	63,034
	$ 652,777	$ 685,693

8. DEFERRED REVENUE

Deferred revenue consists of unspent funds received by the Town for specific projects. As the funds are spent, the revenue is recognized into annual surplus.

9. LONG TERM DEBT

	Balance January 1, 2017	Issued during year	Redeemed during year	Balance December 31, 2017
New Brunswick Municipal Financing Corporation				
Debentures:				
AX - 29 4.45% - 4.85% series, due 2017	35,000	-	35,000	-
BA - 25 0.95% - 5.0% series, due 2019	79,000	-	25,000	54,000
BB - 30 1.00% - 4.5% series, due 2019	25,000	-	8,000	17,000
BD - 25 1.5% - 3.85% series, due 2020	292,000	-	29,000	263,000
BF - 24 1.35% - 3.45% series, due 2021	203,000	-	15,000	188,000
AX - 30 4.45% - 4.85% series, due 2017	28,000	-	28,000	-
FCM 10353 1 2.0% series, due 2032	798,000	-	43,000	755,000
BH - 26 1.35% - 2.15% series, due 2017	42,000	-	42,000	-
BG - 20 1.65% - 3.8% series, due 2027	255,000	-	9,000	246,000
BJ - 24 1.25% - 4.4% series, due 2033	213,000	-	9,000	204,000
BB - 25 1.25% - 2.5% series, due 2018	87,000	-	43,000	44,000

teed saunders doyle | chartered professional accountants & advisors

9. LONG TERM DEBT (cont'd)

	Balance January 1, 2017	Issued during year	Redeemed during year	Balance December 31, 2017
BK - 13 1.15% - 3.45% series, due 2024	164,000	-	19,000	145,000
BN - 19 1.05% - 2.1% series, due 2020	18,000	-	4,000	14,000
BN - 20 1.05% - 3.9% series, due 2035	391,000	-	50,000	341,000
BO - 22 1.45% - 3.75% series, due 2036	526,000	-	27,000	499,000
BO - 23 1.45% - 3.75% series, due 2036	542,000	-	54,000	488,000
BQ - 18 1.20% - 3.55% series, due 2037	-	387,000	-	387,000
BR - 23 1.65% - 3.20% series, due 2032	-	535,000	-	535,000
BQ - 19 1.20% - 3.55%, series, due 2037	-	240,000	-	240,000
	$ 3,698,000	$ 1,162,000	$ 440,000	$ 4,420,000

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:

2018	$ 714,000
2019	640,000
2020	612,000
2021	535,000
2022	453,000

In 2020, debenture BD - 25 will mature with a final amount due of $202,000, however $170,000 of this payment is expected to be refinanced during that year. In 2021, debenture BF - 24 will mature with a final amount due of $138,000, however $121,000 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. This debenture was fully paid off during the year.

10. 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.

10. ACCRUED RETIREMENT ALLOWANCE (cont'd)

An actuarial valuation was performed as at December 31, 2017 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 49.2;
- the discount rate used to determine the accrued benefit obligations is 1.96%; and
- retirement age is 65.

The liability was calculated to be $178,100 as at December 31, 2017. This compares to the estimated amount of $161,709 as at December 31, 2016. This amount is included in the accrued retirement allowance on the consolidated statement of financial position.

The actuaries also reviewed the accrued sick leave liability (using the same assumptions as the retirement allowance) as at December 31, 2017. The liability was calculated to be $17,000.

11. 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, 2017 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.

12. SHORT TERM BORROWING

Interim Borrowing Capital Funds

The Town has demand loans with a chartered bank that bears interest at 2.45%. The demand loans are 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 # 15-0028	$ 15,000
General Capital Fund, OIC # 16-0025	238,000
General Capital Fund, OIC # 16-0036	2,000
General Capital Fund, OIC # 17-0035	200,000
Water and Sewerage Capital Fund, OIC # 16-0036	3,000
Water and Sewerage Capital Fund, OIC # 17-0035	300,000
	$ 758,000

12. SHORT TERM BORROWING (cont'd)

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 2017, 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.

13. 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:

	2017	2016
2017 Surplus	$ 37,320	$ -
2016 Deficit	(6,855)	(6,855)
2015 Deficit	(3,161)	(3,161)
2014 Surplus	3,499	3,499
2013 Surplus	-	11,627
	$ 30,803	$ 5,110

14. GENERAL FUND SURPLUS

The Municipalities Act requires the General Fund surplus (deficit) 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:

	2017	2016
2017 Surplus	$ 7,747	$ -
2016 Deficit	(8,932)	(8,932)
2015 Surplus	6,305	6,305
2014 Surplus	-	17,337
	$ 5,120	$ 14,710

teed saunders doyle | chartered professional accountants & advisors

15. 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, 2017 consist of the following:

	2017	2016
Ross Trust	$ 1,800,056	$ 1,791,871
Sir James Dunn	112,026	111,356
Wallace Broad	94,283	93,720
Albert McQuoid	97,071	92,983
Other	239,745	231,298
	$ 2,343,181	$ 2,321,228

teed saunders doyle | chartered professional accountants & advisors

16. SCHEDULE OF TANGIBLE CAPITAL ASSETS

	Land	Sports Facilities and Parks	Buildings and Leasehold Improvements	Vehicles	Machinery and Equipment	Infrastructure: Roads and Streets	Infrastructure: Treatment Facilities	Infrastructure: Water and Sewer	Infrastructure: Dam and Wharf	Assets Under Construction	2017 Total	2016 Total
COST												
Balance - beginning of year	$ 1,496,004	$ 515,932	$ 3,757,416	$ 1,833,218	$ 1,263,147	$ 5,388,983	$ 5,141,155	$ 14,921,237	$ 5,785,837	$ -	$ 40,102,929	$ 38,885,553
Add: net additions during the year	100,000	-	221,415	598,439	62,369	448,351	16,088	926,195	50,187	-	2,423,044	1,905,511
Less: disposals during the year	(95,444)	-	(75,767)	(294,796)	-	(126,463)	-	(99,530)	-	-	(692,000)	(688,135)
Balance - end of year	1,500,560	515,932	3,903,064	2,136,861	1,325,516	5,710,871	5,157,243	15,747,902	5,836,024	-	41,833,973	40,102,929
ACCUMULATED AMORTIZATION												
Balance - beginning of year	-	208,104	1,330,173	986,262	844,887	4,405,011	713,094	5,591,571	2,537,006	-	16,616,108	16,089,240
Add: amortization during the year	-	22,894	112,458	154,820	56,839	119,036	94,052	276,512	190,939	-	1,027,550	992,383
Less: accumulated amortization on disposals	-	-	(48,669)	(294,796)	-	(123,961)	-	(61,123)	-	-	(528,549)	(465,515)
Balance - end of year	-	230,998	1,393,962	846,286	901,726	4,400,086	807,146	5,806,960	2,727,945	-	17,115,109	16,616,108
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	$ 1,500,560	$ 284,934	$ 2,509,102	$ 1,290,575	$ 423,790	$ 1,310,785	$ 4,350,097	$ 9,940,942	$ 3,108,079	$ -	$ 24,718,864	$ 23,486,821
Consists of:												
General Fund Assets	$ 1,471,098	$ 284,934	$ 2,509,102	$ 1,290,575	$ 422,872	$ 1,310,785	$ -	$ 1,657,768	$ 3,101,577	$ -	$ 12,048,711	$ 11,050,837
Water & Sewer Fund Assets	29,462	-	-	-	918	-	4,350,097	8,283,174	6,502	-	12,670,153	12,435,984
	$ 1,500,560	$ 284,934	$ 2,509,102	$ 1,290,575	$ 423,790	$ 1,310,785	$ 4,350,097	$ 9,940,942	$ 3,108,079	$ -	$ 24,718,864	$ 23,486,821

teed saunders doyle | accountants & advisors

17. SCHEDULE OF SEGMENT DISCLOSURE

	General	Protective	Transportation	Environmental Health	Environmental Development	Recreation and Culture	Water and Sewer	2017 Consolidated	2016 Consolidated
REVENUE									
Property tax warrant	$ 710,778	$ 785,320	$ 1,076,397	$ 122,132	$ 133,640	$ 673,675	$ -	$ 3,501,942	$ 3,380,423
Services provided to other governments	-	118,677	21,855	-	-	-	-	140,532	129,643
Sale of services	80,355	-	-	-	-	176,073	-	256,428	277,767
Other revenue from own sources	358,431	4,682	-	-	-	5,954	-	369,067	347,376
Unconditional grant	10,970	12,121	16,613	1,885	2,063	10,398	-	54,050	52,483
Conditional transfers from other governments	898	-	541,788	-	-	120,439	437,001	1,100,126	649,722
Other transfers	8	-	-	-	-	-	-	8	-
Water and sewer user fees	-	-	-	-	-	-	647,875	647,875	690,721
Interest	46,095	-	-	-	-	-	22,269	68,364	21,632
Loss on disposal of tangible capital assets	2,127	-	-	-	-	-	-	2,127	(167,074)
	1,209,662	920,800	1,656,653	124,017	135,703	866,100	1,107,145	6,140,519	5,382,693
EXPENDITURE									
Salaries and benefits	680,441	61,793	417,474	-	46,450	328,295	46,502	1,580,955	1,297,972
Goods and services	248,991	688,929	378,291	149,902	164,172	372,627	276,409	2,279,321	2,135,747
Interest	81,750	-	-	-	-	-	70,859	152,609	120,443
Amortization	-	80,635	530,309	-	5,570	78,135	332,901	1,027,550	992,383
	1,011,182	831,357	1,326,074	149,902	216,192	779,057	726,671	5,040,435	4,546,545
Surplus (deficit) for the year before unrealized gains (loss) on investments	$ 198,480	$ 89,443	$ 330,579	$ (25,885)	$ (80,489)	$ 87,043	$ 380,474	$ 1,100,084	$ 836,148

teed saunders doyle | accountants & advisors

18. 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
2017 annual surplus (deficit)	$ 1,209,035	$ (507,500)	$ 5,805	$ 40,290	$ 312,028	$ 24,158	$ 19,343	$ (6,333)	$ 1,096,826
Adjustments to annual surplus (deficit) for funding requirements									
Second previous year's surplus	6,830	-	-	-	11,965	-	-	-	18,795
Transfers between funds									
Transfer from general operating fund to general capital fund	(263,300)	263,300	-	-	-	-	-	-	-
Transfer from general operating fund to general operating reserve fund	(15,000)	-	15,000	-	-	-	-	-	-
Transfer from general operating fund to general capital reserve fund	(285,000)	-	-	285,000	-	-	-	-	-
Accrued sick leave	16,473	-	-	-	527	-	-	-	17,000
Transfer from water and sewer operating fund to water and sewer reserve fund	-	-	-	-	(15,000)	-	15,000	-	-
Transfer from water and sewer reserve fund to water and sewer capital fund	-	-	-	-	-	80,000	(80,000)	-	-
Transfer from water and sewer operating fund to water and sewer capital fund	-	-	-	-	(3,200)	3,200	-	-	-
Long term debt principal repayment	(136,000)	136,000	-	-	(269,000)	269,000	-	-	-
Unrealized gain on investments	3,258	-	-	-	-	-	-	-	3,258
Accumulated amortization on disposal of capital assets	(528,549)	-	-	-	-	-	-	-	(528,549)
Amortization expense	-	694,648	-	-	-	332,901	-	-	1,027,549
Total adjustments to 2017 annual surplus (deficit)	(1,201,288)	1,093,948	15,000	285,000	(274,708)	685,101	(65,000)	-	521,053
2017 annual surplus (deficit)	$ 7,747	$ 586,448	$ 20,805	$ 325,290	$ 37,320	$ 709,259	$ (45,657)	$ (6,333)	$ 1,634,879

19. STATEMENT OF RESERVES

	General Operating Reserve	General Capital Reserve	Water and Sewer Operating Reserve	Water and Sewer Capital Reserve	2017 Total	2016 Total
ASSETS						
Cash	$ -	$ 146,934	$ -	$ -	$ 146,934	$ 51,838
Investments	107,814	169,861	6,837	308,488	593,000	622,658
Due from (to) other funds	15,000	535,567	47,000	46,999	644,566	409,567
TOTAL ASSETS	$ 122,814	$ 852,362	$ 53,837	$ 355,487	$ 1,384,500	$ 1,084,063
ACCUMULATED SURPLUS	$ 122,814	$ 852,362	$ 53,837	$ 355,487	$ 1,384,500	$ 1,084,063
REVENUE						
Transfers from General Operating Fund	$ 15,000	$ 285,000	$ -	$ -	$ 300,000	$ 250,000
Transfer from Water and Sewer Fund	-	-	-	15,000	15,000	237,000
Interest	5,805	40,290	2,544	16,799	65,438	17,997
	20,805	325,290	2,544	31,799	380,438	504,997
EXPENDITURES						
Transfers to General and Water and Sewer Capital Funds	-	-	-	80,000	80,000	-
ANNUAL SURPLUS (DEFICIT)	$ 20,805	$ 325,290	$ 2,544	$ (48,201)	$ 300,438	$ 504,997

teed saunders doyle | accountants & advisors

19. **STATEMENT OF RESERVES** (cont'd)

Council Resolutions regarding transfers to and from reserves:

Moved by Councillor Bishop and seconded by Councillor Groulx and carried that $15,000 be transferred from the General Operating Fund to the General Operating Reserve Fund.

Moved by Councillor Bishop and seconded by Deputy Mayor Henderson and carried that $285,000 be transferred from the General Operating Fund to the General Capital Reserve Fund.

Moved by Councillor Bishop and seconded by Councillor Boyd and carried that $15,000 be transferred from the Utility Operating Fund to the Utility Capital Reserve Fund.

Moved by Councillor Bishop and seconded by Councillor Groulx and carried that $80,000 be transferred from the Utility Capital Reserve Fund to the Utility Capital Fund.

I hereby certify that the above are true and exact copies of resolutions adopted at the Special meeting of Council on December 18, 2017.

Angela K McLea
Clerk,
Town of Saint Andrews

May 31, 2018
Date

teed saunders doyle | chartered professional accountants & advisors

20. STATEMENT OF CONTROLLED ENTITY OPERATIONS

	2017 Total	2016 Total
ASSETS	$ 12,218	$ 23,114
LIABILITIES	$ 2,396	$ 6,959
ACCUMULATED SURPLUS	$ 9,822	$ 16,155
REVENUE	$ 5,954	$ 10,740
EXPENDITURES	12,287	16,181
ANNUAL SURPLUS (DEFICIT)	$ (6,333)	$ (5,441)

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

teed saunders doyle | chartered professional accountants & advisors

21. OPERATING BUDGET TO PSA BUDGET

	Operating Budget General	Operating Budget Water and Sewer	Amortization TCA	Controlled Entities	Transfers	Total
REVENUE						
Property tax warrant	$ 3,501,942	$ -	$ -	$ -	$ -	$ 3,501,942
Services provided to other governments	130,855	-	-	-	-	130,855
Sales of services, fines and other fees	142,156	-	-	-	72,401	214,557
Other revenue from own sources	204,189	78,026	-	-	(68,734)	213,481
Unconditional grant	54,050	-	-	-	-	54,050
Other government transfers	20,008	-	-	-	(20,000)	8
Conditional government transfers	74,692	-	-	-	1,735,178	1,809,870
Water and sewer user fees	-	691,100	-	-	-	691,100
Interest	73,689	5,100	-	-	(53,793)	24,996
Deficit of second previous year	6,305	11,965	-	-	(18,270)	-
	4,207,886	786,191	-	-	1,646,782	6,640,859
EXPENDITURES						
General government services	987,031	-	-	-	(12,376)	974,655
Protective services	866,476	-	80,634	-	(83,628)	863,482
Transportation services	762,292	-	530,309	-	117,859	1,410,460
Environmental health services	203,600	-	-	-	(55,117)	148,483
Environmental development services	121,852	-	5,570	-	138,148	265,570
Recreation and cultural services	827,363	-	78,135	-	(149,609)	755,889
Fiscal services						
Short term interest and bank charges	6,500	5,000	-	-	(11,500)	-
Interest on long term debt	57,905	62,122	-	-	(120,027)	-
Principal payments on long term debt	171,000	269,000	-	-	(440,000)	-
Transfer from General Operating Fund to General Capital Fund	203,867	-	-	-	(203,867)	-
Transfer from Water and Sewer Operating Fund to Water and Sewer Capital Reserve Fund	-	10,000	-	-	(10,000)	-
Transfer from Water and Sewer Operating Fund to Water and Sewer Operating Reserve Fund	-	25,000	-	-	(25,000)	-
Transfer from Water and Sewer Operating Fund to Water and Sewer Capital Fund	-	34,713	-	-	(34,713)	-
Water and sewer services	-	380,356	332,901	-	47,122	760,379
	4,207,886	786,191	1,027,549	-	(842,708)	5,178,918
Surplus (deficit)	$ -	$ -	$ (1,027,549)	$ -	$ 2,489,490	$ 1,461,941

teed saunders doyle | accountants & advisors

22. REVENUE AND EXPENDITURE SUPPORT

	2017 Under (Over)	2017 Budget	2017 Actual	2016 Actual
REVENUE				
Services provided to other governments				
Fire protection	$ (9,677)	$ 109,000	$ 118,677	$ 107,788
Roads and streets	-	21,855	21,855	21,855
	$ (9,677)	$ 130,855	$ 140,532	$ 129,643
Sale of services				
Recreation	$ (27,566)	$ 134,557	$ 162,123	$ 176,136
Katy's Cove	(5,850)	6,100	11,950	11,274
Wharf	(7,897)	67,700	75,597	76,957
Buildings rentals	(58)	4,700	4,758	12,000
Youth centre	(500)	1,500	2,000	1,400
	$ (41,871)	$ 214,557	$ 256,428	$ 277,767
Conditional government transfers				
ACOA/RDC	$ (898)	$ -	$ 898	$ 416,755
Gas tax funding	9,418	144,000	134,582	232,967
Building Canada	472,894	593,333	120,439	-
CWWF	228,330	1,072,537	844,207	-
	$ 709,744	$ 1,809,870	$ 1,100,126	$ 649,722
Other revenue from own sources				
Animal licenses	$ 453	$ 1,400	$ 947	$ 915
Construction permits	(7,890)	11,500	19,390	16,471
Other permits and licenses	(3,510)	200	3,710	1,870
Fines	(25)	-	25	2,223
Donations - Capital	(139,330)	-	139,330	87,527
Donations - Operating	2,891	172,381	169,490	180,960
Miscellaneous	(8,175)	28,000	36,175	57,410
	$ (155,586)	$ 213,481	$ 369,067	$ 347,376
EXPENDITURE				
General government services				
Legislative				
Mayor	$ 300	$ 10,300	$ 10,000	$ 9,456
Councilors	889	39,674	38,785	33,842
	1,189	49,974	48,785	43,298
Administrative				
Manager and clerk's office	16,144	197,021	180,877	114,659
Civic development	(62,787)	70,452	133,239	70,581
Treasurer's office	12,743	180,654	167,911	149,013
Office building	366	120,841	120,475	105,163
Solicitor	(39,713)	47,000	86,713	80,983
	(73,247)	615,968	689,215	520,399

teed saunders doyle | chartered professional accountants & advisors

22. REVENUE AND EXPENDITURE SUPPORT (cont'd)

	2017 Under (Over)	2017 Budget	2017 Actual	2016 Actual
General government services (cont'd)				
Financial management				
Audit	(2,103)	16,000	18,103	15,781
Other				
Common services - liability insurance	(5,397)	22,667	28,064	23,872
Common services - grants	(2,976)	7,651	10,627	2,475
Cost of assessment	-	57,090	57,090	55,109
Interest on long term debt	(17,345)	64,405	81,750	56,288
Post employment benefits retirement allowance	909	17,300	16,391	17,300
Other services	62,443	123,600	61,157	57,501
	37,634	292,713	255,079	212,545
	$ (36,527)	$ 974,655	$ 1,011,182	$ 792,023
Protective services				
Fire				
Fire fighting force	$ (7,404)	$ 54,389	$ 61,793	$ 53,157
Fire administration	6,705	67,051	60,346	28,453
Fire alarm system	(1,514)	25,000	26,514	20,326
Fire training	2,810	7,300	4,490	5,396
Fire station and buildings	8,349	61,866	53,517	49,973
Fire fighting equipment	5,012	40,000	34,988	29,469
Amortization	-	79,917	79,917	76,857
	13,958	335,523	321,565	263,631
Police				
R.C.M.P.	45,512	398,450	352,938	314,865
Station and building	7,328	52,301	44,973	43,882
	52,840	450,751	397,911	358,747
Other				
Bylaw officer and building inspector	(34,295)	70,491	104,786	82,066
Animal and pest control	(378)	6,000	6,378	5,658
Amortization	-	717	717	690
	(34,673)	77,208	111,881	88,414
	$ 32,125	$ 863,482	$ 831,357	$ 710,792

teed saunders doyle | chartered professional accountants & advisors

22. REVENUE AND EXPENDITURE SUPPORT (cont'd)

	2017 Under (Over)	2017 Budget	2017 Actual	2016 Actual
Transportation services				
Common				
Administration	$ (15,835)	$ 412,287	$ 428,122	$ 407,183
General equipment	31,124	106,400	75,276	83,294
Work shop	3,439	41,405	37,966	33,396
	18,728	560,092	541,364	523,873
Roadway surfaces	37,827	103,000	65,173	61,800
Storm sewers	5,255	15,000	9,745	11,918
Snow and ice removal	8,811	60,000	51,189	55,821
Street lighting	7,052	42,200	35,148	40,313
Street signs	6,532	10,000	3,468	4,149
Wharf	181	89,859	89,678	70,167
	84,386	880,151	795,765	768,041
Amortization	-	530,309	530,309	510,003
	$ 84,386	$ 1,410,460	$ 1,326,074	$ 1,278,044
Environmental health services				
Regional landfill and waste pickup	$ (1,419)	$ 140,100	$ 141,519	$ 158,819
Regional commission	-	8,383	8,383	8,210
	$ (1,419)	$ 148,483	$ 149,902	$ 167,029
Environmental development services				
Organization grants and support	$ 13,330	$ 76,000	$ 62,670	$ 58,484
Tourist promotion	24,660	117,050	92,390	91,261
Medical Centre	11,879	63,500	51,621	51,949
Other	(491)	3,450	3,941	7,340
Amortization	-	5,570	5,570	5,357
	$ 49,378	$ 265,570	$ 216,192	$ 214,391
Recreation and cultural services				
Youth centre	$ 7,189	$ 79,064	$ 71,875	$ 71,589
Rinks and arena	(54,664)	337,129	391,793	338,856
Parks and playground	21,492	109,963	88,471	82,621
Libraries and museum	2,815	151,598	148,783	134,512
Amortization	-	78,135	78,135	75,143
	$ (23,168)	$ 755,889	$ 779,057	$ 702,721

teed saunders doyle | chartered professional accountants & advisors

22. REVENUE AND EXPENDITURE SUPPORT (cont'd)

	2017 Under (Over)	2017 Budget	2017 Actual	2016 Actual
Water and sewer services				
Water and Sewer				
Administration	$ 171	$ 53,698	$ 53,527	$ 49,845
Transmission and distribution	4,719	43,677	38,958	31,907
Power and pumping	1,056	14,250	13,194	11,736
Water meters (recovery)	1,169	5,000	3,831	-
Water treatment	4,825	122,398	117,573	106,765
	11,940	239,023	227,083	200,253
Sewer collection and disposal				
Collection system	21,713	39,756	18,043	24,192
Treatment and disposal	3,792	81,577	77,785	68,612
	25,505	121,333	95,828	92,804
Interest on long term debt	(3,737)	67,122	70,859	64,155
Amortization	-	332,901	332,901	324,333
	(3,737)	400,023	403,760	388,488
	$ 33,708	$ 760,379	$ 726,671	$ 681,545

23. 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.

teed saunders doyle | chartered professional accountants & advisors