

VILLAGE OF SUSSEX CORNER
CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2016

VILLAGE OF SUSSEX CORNER
CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2016

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INDEPENDENT AUDITOR'S REPORT

To His Worship The Mayor
and Members of the Council

I have audited the accompanying financial statements for the Village of Sussex Corner, which comprise the consolidated statement of financial position as at December 31, 2016, and the consolidated statements of operations, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements in accordance with Canadian generally accepted accounting principles adopted for New Brunswick municipalities, 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.

Auditor's Responsibility

My responsibility is to express an opinion on these consolidated financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I 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 consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation 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 presentation of the consolidated financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Village of Sussex Corner as at December 31, 2016 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Sussex, New Brunswick
October 24, 2017



CHARTERED PROFESSIONAL ACCOUNTANT

VILLAGE OF SUSSEX CORNER
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2016

	<u>2016</u>	<u>2015</u>
FINANCIAL ASSETS		
Cash (note 3)	\$ 1,075,689	\$ 1,112,076
Receivables		
General	19,568	11,637
Federal government and its agencies (note 4)	36,555	15,312
Province of New Brunswick (note 5)		222,979
Investments (note 6)	<u>70,945</u>	<u>69,678</u>
	<u>\$ 1,202,757</u>	<u>\$ 1,431,682</u>
LIABILITIES		
Accounts payable and accrued liabilities	\$ 23,385	\$ 212,711
Deferred revenue (note 7)	99,857	99,568
Long term debt (note 8)	<u>583,000</u>	<u>630,000</u>
	<u>706,242</u>	<u>942,279</u>
NET ASSETS	<u>496,515</u>	<u>489,403</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (note 14)	10,958,550	10,662,138
Accumulated amortization	<u>4,670,323</u>	<u>4,430,742</u>
	6,288,227	6,231,396
Inventory of supplies	12,586	11,660
Prepaid expenses	<u>21,073</u>	<u>18,921</u>
	<u>6,321,886</u>	<u>6,261,977</u>
ACCUMULATED SURPLUS	<u>\$ 6,818,401</u>	<u>\$ 6,751,380</u>

Approved by

Mayor



Clerk



VILLAGE OF SUSSEX CORNER
CONSOLIDATED STATEMENT OF OPERATIONS
YEAR ENDED DECEMBER 31, 2016

	<u>2016</u>		<u>2015</u>
	(Unaudited) Budget (note 19)	<u>Actual</u>	<u>Actual</u>
Revenue			
Property tax warrant	\$ 1,172,369	\$ 1,172,369	\$ 1,183,505
Services provided to other governments	11,100	19,719	
Sale of services, fines and other fees	28,475	34,811	38,372
Unconditional grant	25,919	25,919	11,316
Conditional transfers from other governments		105,233	455,923
Water and sewer user fees	321,200	322,514	321,211
Interest	600	2,925	2,890
Other		1,500	5,964
Donations			<u>35,926</u>
	<u>1,559,663</u>	<u>1,684,990</u>	<u>2,055,107</u>
Expenditure			
General government services	242,980	217,142	237,457
Protective services	389,891	379,727	356,574
Transportation services	343,097	520,485	443,319
Environmental health services	95,056	87,688	89,926
Environmental development services	39,089	36,099	70,594
Recreational and cultural services	66,840	30,653	48,778
Water and sewer	<u>316,288</u>	<u>346,175</u>	<u>408,441</u>
	<u>1,493,241</u>	<u>1,617,969</u>	<u>1,655,089</u>
Annual surplus (note 16)	\$ <u>66,422</u>	67,021	400,018
Accumulated surplus, beginning of year		<u>6,751,380</u>	<u>6,351,362</u>
Accumulated surplus, end of year		<u>\$6,818,401</u>	<u>\$6,751,380</u>

VILLAGE OF SUSSEX CORNER

CONSOLIDATED STATEMENT OF CHANGE IN NET ASSETS

YEAR ENDED DECEMBER 31, 2016

	<u>2016</u>	<u>2015</u>
Annual surplus	\$ <u>67,021</u>	\$ <u>400,018</u>
Acquisition of tangible capital assets	(296,412)	(295,426)
Amortization of tangible capital assets	<u>239,581</u>	<u>234,470</u>
	<u>(56,831)</u>	<u>(60,956)</u>
	<u>10,190</u>	<u>339,062</u>
Acquisition of inventories	(926)	(1,180)
Use of prepaid assets	<u>(2,152)</u>	<u>(205)</u>
	<u>(3,078)</u>	<u>(1,385)</u>
Increase in net assets	7,112	337,677
Net assets, beginning of the year	<u>489,403</u>	<u>151,726</u>
Net assets, end of the year	<u>\$ 496,515</u>	<u>\$ 489,403</u>

VILLAGE OF SUSSEX CORNERCONSOLIDATED STATEMENT OF CASH FLOWSYEAR ENDED DECEMBER 31, 2016

	<u>2016</u>	<u>2015</u>
Operating transactions		
Annual surplus	\$ 67,021	\$ 400,018
Amortization of tangible capital assets	239,581	234,470
Receivable - General	215,048	(1,548)
Receivable - Federal Government and its agencies	(21,243)	(2,243)
Receivable - Province of New Brunswick		(222,979)
Payables and accruals	(189,326)	206,028
Deferred revenue	289	63,642
Change in inventory/prepaid expenses	<u>(3,078)</u>	<u>(1,385)</u>
	<u>308,292</u>	<u>676,003</u>
Capital transactions		
Acquisition of tangible capital assets	<u>(296,412)</u>	<u>(295,426)</u>
Financing transactions		
Long-term debt	<u>(47,000)</u>	<u>(66,000)</u>
Investing transactions		
Investments	<u>(1,267)</u>	<u>(7,963)</u>
Net increase (decrease) in cash and cash equivalents	(36,387)	306,614
Cash and cash equivalents		
Beginning of year	<u>1,112,076</u>	<u>805,462</u>
End of year	<u>\$ 1,075,689</u>	<u>\$ 1,112,076</u>

VILLAGE OF SUSSEX CORNER

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2016

1. PURPOSE OF THE ORGANIZATION

The Village of Sussex Corner was incorporated as a village by the Province of New Brunswick Municipalities Act on November 9, 1966 and was approved for status as a Municipality effective November 9, 1991 by an amendment of New Brunswick Regulation 85-6 under the Municipalities Act. As a municipality, the Village of Sussex Corner is exempt from income tax under section 149(1)(c) of the Canadian Income Tax Act.

2. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the Village of Sussex Corner are the representations of management prepared in accordance with Canadian generally accepted accounting principles for local governments, as recommended by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada.

The Village of Sussex Corner has adopted PSA as of January 1, 2011.

The focus of PSA financial statements is on the financial position of the Village of Sussex Corner and the changes thereto. The Consolidated Statement of Financial Position includes all of the assets and liabilities of the Village of Sussex Corner.

Significant aspects of the accounting policies adopted by the Municipality 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 Village of Sussex Corner and which are owned or controlled by the Village of Sussex Corner.

Interdepartmental and organizational transactions and balances are eliminated.

Budget

The budget figures contained in these financial statements were approved by Council on December 21, 2015 and the Minister of Environment and Local Government on January 15, 2016.

Revenue recognition

(a) 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.

(b) Other revenue is recorded when it is earned.

Use of estimates

The preparation of the consolidated financial statements in conformity with Canadian generally accepted accounting principles 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.

Financial instruments

The Village of Sussex Corner's financial instruments consist of cash, short-term investments, accounts receivable, due from the Federal and Provincial Governments, payables and accruals, funds held in trust and long-term debt. Unless otherwise noted, it is management's opinion that the Village of Sussex Corner is not exposed to significant interest, currency or credit risk arising from these financial instruments. The fair value of these financial instruments approximates their carrying values, unless otherwise noted.

The village is subject to credit risk through accounts receivable. The Village of Sussex Corner minimises credit risk through ongoing credit management.

VILLAGE OF SUSSEX CORNER

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2016

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash and cash equivalents

Cash and cash equivalents include cash on hand, balances with banks and short term deposits with original maturities of three months or less.

Tangible capital assets

Effective January 1, 2011, the Village of Sussex Corner adopted the provisions of PSA section 3150 Tangible Capital Assets. Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost of the tangible capital asset is amortized on a straight line basis over the estimated useful life as follows:

Asset type	Useful Years
Land improvements	5 - 25 years
Buildings	25 - 40 years
Vehicles	5 -10 years
Machinery and equipment	15 - 20 years
Heavy equipment	10 - 15 years
Computer hardware and software and communication equipment	3 -5 years
Furniture and fixtures	3 -5 years
Road surface	15 - 20 years
Road grade	15 - 50 years
Water and wastewater networks	15 - 75 years
Water structures	25 - 75 years

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

Segmented information

The Village of Sussex Corner is a diversified municipal unit that provides a range of services to its residents. For management reporting purposes, the Village of Sussex Corner'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 Village of Sussex Corner. 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 provision of waste collection and disposal.

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.

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 and reservoirs.

Inventory of supplies

Inventory is valued at the lower of cost and net replacement cost with cost being determined on the first-in, first out basis.

VILLAGE OF SUSSEX CORNER

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2016

3. CASH	<u>2016</u>	<u>2015</u>
Cash - restricted	\$ 146,319	\$ 257,052
Cash - unrestricted	<u>929,370</u>	<u>855,024</u>
	<u>\$ 1,075,689</u>	<u>\$ 1,112,076</u>

4. DUE FROM FEDERAL GOVERNMENT AND ITS AGENCIES

	<u>2016</u>	<u>2015</u>
Canada Revenue Agency (HST refund)	<u>\$ 36,555</u>	<u>\$ 15,312</u>

5. DUE FROM PROVINCE OF NEW BRUNSWICK

	<u>2015</u>
Department of Transportation and Infrastructure	<u>\$ 222,979</u>

6. INVESTMENTS

The investments consist of guaranteed investment certificates with maturity dates ranging from October 2017 to December 2019 and interest rates ranging from 0.25% to 2.75%

7. DEFERRED REVENUE

Deferred revenue consists of the January 2017 transfer from the Province of New Brunswick in the amount of \$99,857, which was deposited December 30, 2016.

8. LONG TERM DEBT

Debentures	<u>2016</u>	<u>2015</u>
(a) AZ-60 2.10% - 5.55% due 2023, OIC 07-0040	\$ 25,000	\$ 28,000
(b) BD-48 1.50% - 3.85% due 2020, OIC 10-0037	264,000	279,000
(c) BI-48 1.35% - 3.25% due 2023, OIC 03-0029	68,000	77,000
(d) BD-49 1.50% - 3.85% due 2020, OIC 09-0128	136,000	144,000
(e) BI-49 1.35% - 3.25% due 2023, OIC 13-0004	<u>90,000</u>	<u>102,000</u>
	<u>\$ 583,000</u>	<u>\$ 630,000</u>

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:

2017	\$ 48,000
2018	48,000
2019	50,000
2020	353,000
2021	27,000

In 2020, debenture BD 49 will mature with a final amount due of \$111,000 however, a portion of this payment is expected to be refinanced during that year.

In 2020, debenture BD 48 will mature with a final amount due of \$215,000 however, a portion of this payment is expected to be refinanced during that year.

VILLAGE OF SUSSEX CORNER
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2016

9. ACCRUED SICK LEAVE

The Village of Sussex Corner provides sick leave that accumulates at twelve (12) hours per month for full-time employees to a maximum of one hundred and sixty (160) days or one thousand two hundred and eighty (1,280) hours per employee. At December 31, 2016 there is no recorded liability for accumulated sick time as employees are not entitled to any cash payment related to them. The Village of Sussex Corner's practice has been, and continues to be, that replacement staff is not employed to replace those employees away from the workplace due to sickness.

10. CONTINGENCIES

In the normal course of operations, the Municipality becomes involved in various claims and legal proceedings. While the final outcome with respect to claims and legal proceedings pending at December 31, 2016 cannot be predicted with certainty, it is the opinion of management and council that resolution of any matters will not have a material adverse effect as the Municipality maintains insurance coverage in amounts considered appropriate.

11. SHORT-TERM BORROWINGS COMPLIANCE

Operating borrowing

As prescribed in the Municipalities Act, borrowing to finance General Fund operations is limited to 4% of the Village of Sussex Corner's operating budget. Borrowing to finance Utility Fund operations is limited to 50% of the operating budget for the year. In 2016, the Village of Sussex Corner has complied with these restrictions.

Inter-fund borrowing

The Municipal Financial 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 not in compliance with the requirements.

12. WATER AND SEWERAGE OPERATING FUND DEFICIT

The Municipalities Act requires Water and Sewerage Fund surplus or deficit amounts to be absorbed into one or more of four operating budgets, commencing with the second following year. The balance of the deficit at the end of the year consists of:

	<u>2016</u>	<u>2015</u>
2016 surplus	\$ 91,408	
2015 surplus	63,053	\$ 63,053
2014 surplus	<u> </u>	<u>145,568</u>
	<u>\$ 154,461</u>	<u>\$ 208,621</u>

13. WATER COST TRANSFER

The Village of Sussex Corner's water cost transfer for fire protection is within the maximum allowable by Regulation 81-195 under the Municipalities Act based upon the applicable percentage of water system expenditures for the population.

VILLAGE OF SUSSEX CORNER
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
 YEAR ENDED DECEMBER 31 2016

14. Schedule of Tangible Capital Assets

Cost	Land	Land Improvements	Buildings	Vehicles	Machinery and Equipment	Infrastructure		2016 Total	2015 Total
						Roads and Streets	Water and Sewer		
Balance, beginning of year	\$ 171,906	\$ 51,593	\$ 887,869	\$ 62,233	\$ 245,215	\$ 3,267,496	\$ 5,975,826	\$ 10,662,138	\$ 10,366,712
Add: Net additions during the year	68,071						228,341	296,412	295,426
BALANCE, END OF YEAR	<u>171,906</u>	<u>119,664</u>	<u>887,869</u>	<u>62,233</u>	<u>245,215</u>	<u>3,267,496</u>	<u>6,204,167</u>	<u>10,958,550</u>	<u>10,662,138</u>
Accumulated Amortization									
Balance, beginning of year		32,130	216,799	39,042	101,872	1,799,387	2,241,512	4,430,742	4,196,272
Add: Amortization during the year		6,667	24,756	7,777	7,012	96,094	97,275	239,581	234,470
BALANCE, END OF YEAR		<u>38,797</u>	<u>241,555</u>	<u>46,819</u>	<u>108,884</u>	<u>1,895,481</u>	<u>2,338,787</u>	<u>4,670,323</u>	<u>4,430,742</u>
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	<u>\$ 171,906</u>	<u>\$ 80,867</u>	<u>\$ 646,314</u>	<u>\$ 15,414</u>	<u>\$ 136,331</u>	<u>\$ 1,372,015</u>	<u>\$ 3,865,380</u>	<u>\$ 6,288,227</u>	<u>\$ 6,231,396</u>
Consists of:									
General Capital Assets	\$ 125,829	\$ 80,867	\$ 431,275	\$ 10,659	\$ 73,327	\$ 1,372,015		\$ 2,093,972	\$ 2,153,758
Water & Sewer Capital Fund Assets	46,077		215,039	4,755	63,004		\$ 3,865,380	4,194,255	4,077,638
	<u>\$ 171,906</u>	<u>\$ 80,867</u>	<u>\$ 646,314</u>	<u>\$ 15,414</u>	<u>\$ 136,331</u>	<u>\$ 1,372,015</u>	<u>\$ 3,865,380</u>	<u>\$ 6,288,227</u>	<u>\$ 6,231,396</u>

VILLAGE OF SUSSEX CORNER
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2016

15. Schedule of Segment Disclosure

	General	Protective	Transportation	Environmental Health	Environmental Development	Recreation and Culture	Water and Sewer	2016 Consolidated	2015 Consolidated
Revenues									
Property tax warrant	\$ 1,114,369		\$ 18,000				\$ 40,000	\$ 1,172,369	\$ 1,183,505
Services provided to other governments	29,141		19,719				600	34,811	38,372
Sale of service, fines and other fees	25,919					\$ 5,070		25,919	11,316
Unconditional grant	105,233							105,233	455,923
Other government transfers							322,514	322,514	321,211
Water and sewer user fees	682						2,243	2,925	2,890
Interest							1,500	1,500	41,890
Other	<u>1,275,344</u>		<u>37,719</u>			<u>5,070</u>	<u>366,857</u>	<u>1,684,990</u>	<u>2,055,107</u>
Expenses									
Salaries and benefits	82,955		214,411				41,368	354,127	345,392
Goods and services	91,004	\$ 379,727	170,041	\$ 87,688	\$ 36,099		185,250	960,924	999,187
Amortization	(395)		124,107				111,723	239,580	234,471
Interest	1,895		11,926				7,834	21,655	23,129
Other	<u>41,683</u>							<u>41,683</u>	<u>52,910</u>
	<u>217,142</u>	<u>379,727</u>	<u>520,485</u>	<u>87,688</u>	<u>36,099</u>	<u>30,653</u>	<u>346,175</u>	<u>1,617,969</u>	<u>1,655,089</u>
Surplus (deficit) for the year	<u>\$ 1,058,202</u>	<u>\$ (379,727)</u>	<u>\$ (482,766)</u>	<u>\$ (87,688)</u>	<u>\$ (36,099)</u>	<u>\$ (25,583)</u>	<u>\$ 20,682</u>	<u>\$ 67,021</u>	<u>\$ 400,018</u>

VILLAGE OF SUSSEX CORNER
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2016

16. Reconciliation of Annual Surplus

	General Operating Fund	General Capital Fund	Water & Sewer Operating Fund	Water & Sewer Capital Fund	General Operating Reserve Fund	General Capital Reserve Fund	Water & Sewer Operating Reserve Fund	Water & Sewer Capital Reserve Fund	Land for Public Purposes Reserve Fund	Total
2016 annual surplus (deficit)	\$ 68,296	\$ (22,153)	\$ 130,880	\$ (111,723)	\$ 44	\$ 148	\$ 23	\$ 1,504	\$ 2	\$ 67,021
Adjustments to annual surplus (deficit) for funding requirements										
Second previous year's surplus (deficit)	146,898		145,568							292,466
Transfer from general capital fund to the water & sewer capital fund		(216,455)		216,455						
Transfer from water & sewer capital reserve fund to the water & sewer capital fund			13,526					(13,526)		
Transfer from general operating fund to the general capital fund	(68,071)	68,071								
Transfer from general operating fund to the general capital reserve fund	(35,000)					35,000				
Transfer from general operating fund to the general operating fund	(35,000)				35,000					
Transfer from water & sewer operating fund to the water & sewer capital fund			(11,886)	11,886						
Transfer from water & sewer operating fund to the water & sewer capital reserve fund			(6,500)					6,500		
Transfer from the water & sewer operating fund to the water & sewer capital reserve fund			(156,180)					156,180		
Transfer from the water & sewer operating fund to the water & sewer operating reserve fund			(4,000)				4,000			
Long term debt principal repayment	(27,000)	27,000								
Long term debt principal repayment			(20,000)	20,000						
Amortization expense		127,856		111,723						
Total adjustments to 2016 annual surplus (deficit)	(18,173)	6,472	(39,472)	360,064	35,000	35,000	4,000	149,154		239,579
2016 annual fund surplus (deficit)	\$ 50,123	\$ (15,681)	\$ 91,408	\$ 248,341	\$ 35,044	\$ 35,148	\$ 4,023	\$ 150,658	\$ 2	\$ 599,066

VILLAGE OF SUSSEX CORNER
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
 YEAR ENDED DECEMBER 31, 2016

17. Statement of Reserves

	General Operating Reserve	General Capital Reserve	Water & Sewer Operating Reserve	Water & Sewer Capital Reserve	Land for Public Purposes Reserve	<u>2016</u> Total	<u>2015</u> Total
Cash	\$ 64,648	\$ 133,668	\$ 19,242	\$ 315,804	\$ 1,023	\$ 534,385	\$ 310,777
Investments	<u>64,648</u>	<u>133,668</u>	<u>19,242</u>	<u>386,749</u>	<u>1,023</u>	<u>605,330</u>	<u>69,678</u>
Accumulated Surplus							
Revenue							
Transfer from general operating fund	35,000	35,000					
Transfers from water & sewer operating fund			4,000	162,680		70,000	
Interest	\$ 44	\$ 148	\$ 23	1,504	2	\$ 166,680	\$ 6,500
	<u>35,044</u>	<u>35,148</u>	<u>4,023</u>	<u>164,184</u>	<u>2</u>	<u>238,401</u>	<u>1,948</u>
Expenditures							
Transfer to water & sewer capital fund				13,526		13,526	
Annual Surplus (Deficit)	\$ 35,044	\$ 35,148	\$ 4,023	\$ 150,658	\$ 2	\$ 224,875	\$ 8,448

Name of Investment	Principal Amount	Interest Rate	Date of Maturity	Name of Investment	Principal Amount	Interest Rate	Date of Maturity
Term deposit	\$ 6,524	1.40 %	October 2017	GIC non-redeemable	\$ 2,663	0.25 %	December 2017
GIC	\$ 25,435	1.25 %	December 2018	GIC non-redeemable	\$ 1,065	0.25 %	December 2017
Bond beater	\$ 2,520	1.40 %	November 2017	GIC non-redeemable	\$ 3,195	0.25 %	December 2017
GIC 5 year step	\$ 3,129	2.75 %	November 2018	GIC non-redeemable	\$ 2,130	0.25 %	December 2017
GIC 5 year step	\$ 1,131	0.25 %	December 2017	GIC 5 year step	\$ 3,068	2.00 %	December 2019
GIC 5 year step	\$ 2,263	0.25 %	December 2017	GIC 5 year step	\$ 1,023	2.00 %	December 2019
GIC 5 year step	\$ 2,252	0.25 %	December 2017	GIC 5 year step	\$ 1,043	2.75 %	November 2018
GIC 5 year step	\$ 3,378	0.25 %	December 2017	GIC 5 year step	\$ 2,018	2.75 %	November 2018
GIC 5 year step	\$ 1,126	0.25 %	December 2017	GIC 5 year step	\$ 2,018	2.75 %	November 2018
GIC 5 year step	\$ 2,828	0.25 %	December 2017	GIC 5 year step	\$ 3,394	0.25 %	December 2017

VILLAGE OF SUSSEX CORNER
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2016

17. Statement of Reserves (continued)

Council Resolutions regarding transfers to and from reserves:

- Moved by Councilor Loder, seconded by Councilor Shay that \$35,000 be transferred from the general operating fund to the general operating reserve fund.
- Moved by Councilor Loder, seconded by Councilor Shay that \$3,000 be transferred from the water & sewer operating fund to the water & sewer capital reserve fund.
- Moved by Councilor Loder, seconded by Councilor Shay that \$1,000 be transferred from the water & sewer operating fund to the water & sewer capital reserve fund.
- Moved by Councilor Loder, seconded by Councilor Shay that \$2,500 be transferred from the water & sewer operating fund to the water & sewer capital reserve fund.
- Moved by Councilor Loder, seconded by Councilor Shay that \$35,000 be transferred from the general operating fund to the general capital reserve fund.
- Moved by Councilor Loder, seconded by Councilor Shay that \$4,000 be transferred from the water and sewer operating fund to the water and sewer operating reserve fund.
- Moved by Councilor Loder, seconded by Councilor Shay that \$106,180 be transferred from the water and sewer operating fund to the water and sewer capital reserve fund.
- Moved by Councilor Loder, seconded by Councilor MacLeod that \$50,000 be transferred from the water and sewer operating fund to the water and sewer capital reserve fund.
- Moved by Councilor Loder, seconded by Councilor Bobbitt that \$13,526.14 be transferred from the water and sewer capital reserve fund to the water and sewer operating fund.

I hereby certify that the above are true and exact copies of resolutions adopted at meetings of Council on December 20, 2016.



Don Smith
Clerk,
Village of Sussex Corner

2017/11/10
Date

Buckley Professional Corporation
CHARTERED PROFESSIONAL ACCOUNTANT

VILLAGE OF SUSSEX CORNER
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2016

18. Operating Budget to PSA Budget

	Operating Budget General	Operating Budget Water & Sewer	Amortization TCA	Other	Transfers	Total
Revenues						
Property tax warrant	\$ 1,172,369					\$ 1,172,369
Services provided to other governments	11,100					11,100
Sale of service, fines and other fees	27,875	600				28,475
Unconditional grant	25,919					25,919
Other transfers		40,000				
Water & sewer user fees		321,200			\$ (40,000)	321,200
Interest		600				600
Surplus/deficit of second previous year	<u>146,898</u>	<u>145,568</u>			<u>(292,466)</u>	
	<u>1,384,161</u>	<u>507,968</u>			<u>(332,466)</u>	<u>1,559,663</u>
Expenditures						
General government services	241,080					241,080
Protective services	389,891					389,891
Transportation services	331,280					331,280
Environment health services	95,056					95,056
Environmental development services	39,089					39,089
Recreational and cultural services	66,840					66,840
Fiscal services						
- Long term debt repayments	27,000	20,000			(47,000)	21,589
- Interest	13,717	7,872				850
- other		850				
- Transfer from the general operating fund to the general capital reserve fund					(35,000)	
- Transfer from the general operating fund to the general operating reserve fund	35,000					
- Transfer from the general operating reserve fund to the general operating reserve fund	35,208				(35,208)	
- Transfer from the general operating reserve fund to the general capital fund	70,000				(70,000)	
- Transfer from the general operating fund to the water & sewer operating fund	40,000				(40,000)	
- Transfers from the water & sewer operating fund to the water & sewer capital reserve funds		112,680			(112,680)	
- Transfer from the water & sewer operating fund to the water & sewer operating reserve funds		4,000			(4,000)	
- Transfer from the water & sewer operating fund to the water & sewer capital funds		55,000			(55,000)	
Water & sewer		<u>307,566</u>				<u>307,566</u>
	<u>1,384,161</u>	<u>507,968</u>			<u>(388,888)</u>	<u>1,493,241</u>
Surplus for the year	<u>NIL</u>	<u>NIL</u>			<u>\$ 66,422</u>	<u>\$ 66,422</u>

Buckley Professional Corporation
 CHARTERED PROFESSIONAL ACCOUNTANT

VILLAGE OF SUSSEX CORNER

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

	<u>YEAR ENDED DECEMBER 31, 2016</u>		
	<u>2016</u>	<u>2016</u>	<u>2015</u>
19. Revenue and Expense Support	Unaudited		
Revenue	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
<i>Services Provided to Other Governments</i>			
Roads and streets	\$ <u>11,100</u>	\$ <u>19,719</u>	
<i>Sale of services</i>			
Hall rentals	\$ 14,275	\$ 14,300	\$ 13,334
Leaf bags	500		563
Skating rink	3,300	5,070	3,296
Connection charge	<u>600</u>	<u>600</u>	<u>300</u>
	<u>\$ 18,675</u>	<u>\$ 19,970</u>	<u>\$ 17,493</u>
<i>Other revenue from own sources</i>			
License and permits	\$ 300	\$ 315	\$ 285
Miscellaneous	9,500	14,526	20,594
Interest	600	2,925	2,890
Other	<u> </u>	<u>1,500</u>	<u>5,964</u>
	<u>\$ 10,400</u>	<u>\$ 19,266</u>	<u>\$ 29,733</u>
Expenditures			
<i>General government services</i>			
Mayor	\$ 6,745	\$ 6,481	\$ 6,558
Councilors	22,804	21,704	21,782
Development seminars	6,000	7,545	5,124
Other legislative cost	<u>400</u>	<u>382</u>	<u>372</u>
	<u>35,949</u>	<u>36,112</u>	<u>33,836</u>
<i>Administrative</i>			
Clerk	57,175	57,144	56,259
Solicitor	2,000		
Other	<u>54,731</u>	<u>42,926</u>	<u>41,007</u>
	<u>113,906</u>	<u>100,070</u>	<u>97,266</u>
<i>Financial management</i>			
External audit	6,000	5,689	5,689
Other	<u>4,500</u>	<u>6,396</u>	<u>2,315</u>
	<u>10,500</u>	<u>12,085</u>	<u>8,004</u>
<i>Common services</i>			
Civic relations	15,000	3,138	13,965
Training and development	4,200	3,279	801
Assessment charge	<u>12,700</u>	<u>19,275</u>	<u>19,793</u>
	<u>31,900</u>	<u>25,692</u>	<u>34,559</u>
<i>Other general government services</i>			
Insurance	9,250	9,374	9,148
Amalgamation plebiscite			9,886
Other	39,575	32,309	33,876
Interest	1,900	1,895	2,097
Amortization	<u> </u>	<u>(395)</u>	<u>8,785</u>
	<u>50,725</u>	<u>43,183</u>	<u>63,792</u>
	<u>\$ 242,980</u>	<u>\$ 217,142</u>	<u>\$ 237,457</u>

VILLAGE OF SUSSEX CORNER
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2016

19. Revenue and Expense Support (continued)

	<u>2016</u> Unaudited <u>Budget</u>	<u>2016</u> <u>Actual</u>	<u>2015</u> <u>Actual</u>
<i>Protective services</i>			
Police			
R.C.M.P.	\$ <u>275,816</u>	\$ <u>275,816</u>	\$ <u>247,180</u>
Fire protection	<u>100,225</u>	<u>100,225</u>	<u>105,324</u>
Emergency measures	<u>10,000</u>		<u>150</u>
<i>Other</i>			
Animal and pest control	<u>3,850</u>	<u>3,686</u>	<u>3,920</u>
	<u>\$ 389,891</u>	<u>\$ 379,727</u>	<u>\$ 356,574</u>
<i>Transportation services</i>			
<i>Common services</i>			
Administration, personnel	\$ 143,200	\$ 214,411	\$ 138,203
Workshops and other buildings	23,780	21,274	21,320
Interest	11,817	10,323	10,704
Amortization	<u> </u>	<u>7,605</u>	<u>7,605</u>
	<u>178,797</u>	<u>253,613</u>	<u>177,832</u>
<i>Road transport</i>			
<i>Roads and streets</i>			
Summer maintenance	15,050	9,827	13,676
Sidewalks, curb and gutter	10,000	7,013	
Culverts and drainage ditches		2,386	6,030
Storm sewers	3,000	12	1,158
Street cleaning and flushing	7,000	11,823	5,171
Snow and ice removal	66,800	66,769	75,047
Interest	1,200	1,603	2,010
Amortization	<u> </u>	<u>116,502</u>	<u>110,805</u>
	<u>103,050</u>	<u>215,935</u>	<u>213,897</u>
<i>Street lighting</i>	<u>25,750</u>	<u>23,036</u>	<u>25,103</u>
<i>Traffic services</i>			
Street signs	1,000	220	822
Traffic lanemarking and crosswalks	3,700	12,307	11,296
Safety equipment	2,500	1,501	523
Crosscuts	8,000		664
Vehicles	<u>20,300</u>	<u>13,873</u>	<u>13,182</u>
	<u>35,500</u>	<u>27,901</u>	<u>26,487</u>
	<u>\$ 343,097</u>	<u>\$ 520,485</u>	<u>\$ 443,319</u>

VILLAGE OF SUSSEX CORNER
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2016

19. Revenue and Expense Support (continued)

	<u>2016</u> Unaudited <u>Budget</u>	<u>2016</u> Actual	<u>2015</u> Actual
<i>Environmental health services</i>			
Solid waste collection	\$ 27,800	\$ 27,894	\$ 26,956
Solid waste disposal	<u>67,256</u>	<u>59,794</u>	<u>62,970</u>
	<u>\$ 95,056</u>	<u>\$ 87,688</u>	<u>\$ 89,926</u>
<i>Environmental development services</i>			
Beautification and land rehabilitation	\$ 2,200	\$ 1,696	\$ 4,019
Tree removal and planting	1,500	155	883
Other tourism	900	170	475
Other, decorative lighting	5,200	4,239	5,035
Research and planning			22,126
Regional Service Commission 8	<u>29,289</u>	<u>29,839</u>	<u>38,056</u>
	<u>\$ 39,089</u>	<u>\$ 36,099</u>	<u>\$ 70,594</u>
<i>Recreational and cultural services</i>			
Residents user fee rebates	\$ 6,000	\$ 4,408	3,196
Administration		19,207	\$ 33,916
Parks and playgrounds	7,800	4,952	1,754
Community improvement projects	2,850	(3,499)	7,517
Library	1,000	1,107	2,074
Nature trails		333	321
Amortization		<u>4,145</u>	
	<u>\$ 17,650</u>	<u>\$ 30,653</u>	<u>\$ 48,778</u>
<i>Water and sewer</i>			
<i>Water supply</i>			
Administration	\$ 104,400	\$ 71,959	\$ 104,350
Source of supply	22,050	23,746	22,055
Transmission and distribution	18,100	15,523	16,868
Water purchased		1,036	916
Interest	3,856	3,839	4,170
Amortization		<u>59,682</u>	<u>55,234</u>
	<u>\$ 148,406</u>	<u>\$ 175,785</u>	<u>\$ 203,593</u>
<i>Sewer collection and disposal</i>			
Administration	\$ 67,550	\$ 25,107	\$ 59,645
Collection system	14,000	7,444	13,385
Treatment and disposal	82,316	81,802	75,628
Interest	4,016	3,995	4,148
Amortization		<u>52,042</u>	<u>52,042</u>
	<u>\$ 167,882</u>	<u>\$ 170,390</u>	<u>\$ 204,848</u>