

VILLAGE OF SUSSEX CORNER  
CONSOLIDATED FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2017

VILLAGE OF SUSSEX CORNER  
CONSOLIDATED FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2017

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# Buckley Professional Corporation

CHARTERED PROFESSIONAL ACCOUNTANT

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## INDEPENDENT AUDITOR'S REPORT

To Her Worship The Acting 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, 2017, 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, 2017 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  
June 27, 2018

  
CHARTERED PROFESSIONAL ACCOUNTANT

VILLAGE OF SUSSEX CORNER  
CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT DECEMBER 31, 2017

	<u>2017</u>	<u>2016</u>
<b>FINANCIAL ASSETS</b>		
Cash (note 3)	\$ 1,357,860	\$ 1,075,689
Receivables		
General	35,418	19,568
Federal government and its agencies (note 4)	23,798	36,555
Investments (note 5)	<u>71,776</u>	<u>70,945</u>
	<u>\$ 1,488,852</u>	<u>\$ 1,202,757</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	\$ 38,821	\$ 14,524
Federal Government (payroll remittance)	5,345	8,860
Deferred revenue (note 6)	103,187	99,857
Long term debt (note 7)	<u>535,000</u>	<u>583,000</u>
	<u>682,353</u>	<u>706,241</u>
<b>NET ASSETS</b>	<u>806,499</u>	<u>496,516</u>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (note 13)	11,034,284	10,958,550
Accumulated amortization	<u>4,931,215</u>	<u>4,670,323</u>
	6,103,069	6,288,227
Inventory of supplies	14,779	12,586
Prepaid expenses	<u>21,670</u>	<u>21,073</u>
	<u>6,139,518</u>	<u>6,321,886</u>
<b>ACCUMULATED SURPLUS</b>	<u>\$ 6,946,017</u>	<u>\$ 6,818,402</u>

Approved by

Mayor   
Clerk 

VILLAGE OF SUSSEX CORNER

CONSOLIDATED STATEMENT OF OPERATIONS

YEAR ENDED DECEMBER 31, 2017

	<u>2017</u>		<u>2016</u>
	(Unaudited) Budget (note 17)	<u>Actual</u>	<u>Actual</u>
Revenue			
Property tax warrant	\$ 1,216,034	\$ 1,216,300	\$ 1,172,369
Services provided to other governments	11,100	12,786	19,719
Sale of services, fines and other fees	27,990	31,788	34,811
Unconditional grant	22,209	22,209	25,919
Conditional transfers from other governments		106,511	105,233
Water and sewer user fees	413,520	411,860	322,514
Interest	600	2,258	2,925
Other		<u>123,308</u>	<u>1,500</u>
	<u>1,691,453</u>	<u>1,927,020</u>	<u>1,684,990</u>
Expenditure			
General government services	267,136	246,378	217,142
Protective services	404,851	392,824	379,727
Transportation services	369,012	455,249	520,485
Environmental health services	91,934	92,213	87,688
Environmental development services	40,834	35,759	36,099
Recreational and cultural services	79,340	54,199	30,653
Water and sewer	<u>408,757</u>	<u>522,783</u>	<u>346,174</u>
	<u>1,661,864</u>	<u>1,799,405</u>	<u>1,617,968</u>
Annual surplus (note 15)	\$ <u>29,589</u>	127,615	67,022
Accumulated surplus, beginning of year		<u>6,818,402</u>	<u>6,751,380</u>
Accumulated surplus, end of year		<u>\$6,946,017</u>	<u>\$6,818,402</u>

VILLAGE OF SUSSEX CORNER

CONSOLIDATED STATEMENT OF CHANGE IN NET ASSETS

YEAR ENDED DECEMBER 31, 2017

	<u>2017</u>	<u>2016</u>
Annual surplus	\$ <u>127,615</u>	\$ <u>67,022</u>
Acquisition of tangible capital assets	(75,734)	(296,412)
Amortization of tangible capital assets	<u>260,892</u>	<u>239,581</u>
	<u>185,158</u>	<u>(56,831)</u>
	<u>312,773</u>	<u>10,191</u>
Acquisition of inventories	(2,193)	(926)
Use of prepaid assets	<u>(597)</u>	<u>(2,152)</u>
	<u>(2,790)</u>	<u>(3,078)</u>
Increase in net assets	309,983	7,113
Net assets, beginning of the year	<u>496,516</u>	<u>489,403</u>
Net assets, end of the year	<u>\$ 806,499</u>	<u>\$ 496,516</u>

VILLAGE OF SUSSEX CORNER  
CONSOLIDATED STATEMENT OF CASH FLOWS  
YEAR ENDED DECEMBER 31, 2017

	<u>2017</u>	<u>2016</u>
Operating transactions		
Annual surplus	\$ 127,615	\$ 67,022
Amortization of tangible capital assets	260,892	239,581
Receivable - General	(15,850)	215,048
Receivable - Federal Government and its agencies	12,757	(21,243)
Payables and accruals	20,782	(189,327)
Deferred revenue	3,330	289
Change in inventory/prepaid expenses	<u>(2,790)</u>	<u>(3,078)</u>
	<u>406,736</u>	<u>308,292</u>
Capital transactions		
Acquisition of tangible capital assets	<u>(75,734)</u>	<u>(296,412)</u>
Financing transactions		
Long-term debt	<u>(48,000)</u>	<u>(47,000)</u>
Investing transactions		
Investments	<u>(831)</u>	<u>(1,267)</u>
Net increase (decrease) in cash and cash equivalents	282,171	(36,387)
Cash and cash equivalents		
Beginning of year	<u>1,075,689</u>	<u>1,112,076</u>
End of year	<u>\$ 1,357,860</u>	<u>\$ 1,075,689</u>

VILLAGE OF SUSSEX CORNERNOTES TO CONSOLIDATED FINANCIAL STATEMENTSYEAR ENDED DECEMBER 31, 2017**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 20, 2016 and the Minister of Environment and Local Government on January 24, 2017.

**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, 2017

**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, 2017

<b>3. CASH</b>	<u>2017</u>	<u>2016</u>
Cash - restricted	\$ 252,899	\$ 146,319
Cash - unrestricted	<u>1,104,961</u>	<u>929,370</u>
	<u>\$ 1,357,860</u>	<u>\$ 1,075,689</u>

**4. DUE FROM FEDERAL GOVERNMENT AND ITS AGENCIES**

	<u>2017</u>	<u>2016</u>
Canada Revenue Agency (HST refund)	<u>\$ 23,798</u>	<u>\$ 36,555</u>

**5. INVESTMENTS**

The investments consist of guaranteed investment certificates with maturity dates ranging from October 2018 to December 2019 and interest rates ranging from 0.25% to 4.50%

**6. DEFERRED REVENUE**

Deferred revenue consists of the January 2018 transfer from the Province of New Brunswick in the amount of \$103,187, which was deposited December 30, 2017.

**7. LONG TERM DEBT**

Debtures	<u>2017</u>	<u>2016</u>
(a) AZ-60 2.10% - 5.55% due 2023, OIC 07-0040	\$ 22,000	\$ 25,000
(b) BD-48 1.50% - 3.85% due 2020, OIC 10-0037	248,000	264,000
(c) BI-48 1.35% - 3.25% due 2023, OIC 03-0029	59,000	68,000
(d) BD-49 1.50% - 3.85% due 2020, OIC 09-0128	128,000	136,000
(e) BI-49 1.35% - 3.25% due 2023, OIC 13-0004	<u>78,000</u>	<u>90,000</u>
	<u>\$ 535,000</u>	<u>\$ 583,000</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:

2018	\$ 48,000
2019	50,000
2020	353,000
2021	27,000
2022	28,000

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, 2017

**8. 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, 2017 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.

**9. 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, 2017 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.

**10. 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 2017, 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 in compliance with the requirements.

**11. WATER AND SEWERAGE OPERATING FUND SURPLUS**

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 surplus at the end of the year consists of:

	<u>2017</u>	<u>2016</u>
2017 surplus	\$ 39,623	
2016 surplus	<u>91,408</u>	<u>\$ 91,408</u>
	<u>\$ 131,031</u>	<u>\$ 91,408</u>

**12. 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, 2017

**13. Schedule of Tangible Capital Assets**

Cost	Land	Land Improvements	Buildings	Vehicles	Machinery and Equipment	Infrastructure			2016 Total
						Roads and Streets	Water and Sewer	2017 Total	
Balance, beginning of year	\$ 171,906	\$ 119,664	\$ 887,869	\$ 62,233	\$ 245,215	\$ 3,267,496	\$ 6,204,167	\$ 10,958,550	\$ 10,662,138
Add: Net additions during the year	<u>1,111</u>	<u>4,051</u>			<u>55,570</u>	<u>15,002</u>		<u>75,734</u>	<u>296,412</u>
BALANCE, END OF YEAR	<u>173,017</u>	<u>123,715</u>	<u>887,869</u>	<u>62,233</u>	<u>300,785</u>	<u>3,282,498</u>	<u>6,204,167</u>	<u>11,034,284</u>	<u>10,958,550</u>
Accumulated Amortization									
Balance, beginning of year		38,797	241,555	46,819	108,884	1,895,481	2,338,787	4,670,323	4,430,742
Add: Amortization during the year		<u>10,475</u>	<u>29,085</u>	<u>7,777</u>	<u>11,896</u>	<u>101,487</u>	<u>100,172</u>	<u>260,892</u>	<u>239,581</u>
BALANCE, END OF YEAR		<u>49,272</u>	<u>270,640</u>	<u>54,596</u>	<u>120,780</u>	<u>1,996,968</u>	<u>2,438,959</u>	<u>4,931,215</u>	<u>4,670,323</u>
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	<u>\$ 173,017</u>	<u>\$ 74,443</u>	<u>\$ 617,229</u>	<u>\$ 7,637</u>	<u>\$ 180,005</u>	<u>\$ 1,285,530</u>	<u>\$ 3,765,208</u>	<u>\$ 6,103,069</u>	<u>\$ 6,288,227</u>
Consists of:									
General Capital Assets	\$ 126,940	\$ 74,443	\$ 416,243	\$ 6,052	\$ 62,986	\$ 1,285,531		\$ 1,972,195	\$ 2,093,972
Water & Sewer Capital Fund Assets	<u>46,077</u>		<u>200,986</u>	<u>1,585</u>	<u>117,019</u>		<u>\$ 3,765,207</u>	<u>4,130,874</u>	<u>4,194,255</u>
	<u>\$ 173,017</u>	<u>\$ 74,443</u>	<u>\$ 617,229</u>	<u>\$ 7,637</u>	<u>\$ 180,005</u>	<u>\$ 1,285,531</u>	<u>\$ 3,765,207</u>	<u>\$ 6,103,069</u>	<u>\$ 6,288,227</u>

Buckley Professional Corporation  
 CHARTERED PROFESSIONAL ACCOUNTANT

**VILLAGE OF SUSSEX CORNER**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2017**

**14. Schedule of Segment Disclosure**

	General	Protective	Transportation	Environmental Health	Environmental Development	Recreation and Culture	Water and Sewer	2017 Consolidated	2016 Consolidated
<b>Revenues</b>									
Property tax warrant	\$ 1,158,300		\$ 18,000				\$ 40,000	\$ 1,216,300	\$ 1,172,369
Services provided to other governments	24,273		12,786				938	12,786	19,719
Sale of service, fines and other fees	22,209			\$ 1,343		\$ 5,234		31,788	34,811
Unconditional grant	106,511							22,209	25,919
Other government transfers	1,819						411,860	106,511	105,233
Water and sewer user fees	123,308						439	411,860	322,514
Interest								2,258	2,925
Other								123,308	1,500
	<u>1,436,420</u>		<u>30,786</u>	<u>1,343</u>		<u>5,234</u>	<u>453,237</u>	<u>1,927,020</u>	<u>1,684,990</u>
<b>Expenses</b>									
Salaries and benefits	97,653		142,674			30,381		372,190	354,127
Goods and services	101,411	\$ 392,824	169,917	\$ 92,213	\$ 35,759	19,673	101,482	1,106,769	960,924
Amortization	6,323		131,475			4,145	294,972	260,893	239,580
Interest	1,727		11,183				118,950	20,289	21,655
Other	39,264						7,379	39,264	41,683
	<u>246,378</u>	<u>392,824</u>	<u>455,249</u>	<u>92,213</u>	<u>35,759</u>	<u>54,199</u>	<u>522,783</u>	<u>1,799,405</u>	<u>1,617,969</u>
Surplus (deficit) for the year	<u>\$ 1,190,042</u>	<u>\$ (392,824)</u>	<u>\$ (424,463)</u>	<u>\$ (90,870)</u>	<u>\$ (35,759)</u>	<u>\$ (48,965)</u>	<u>\$ (69,546)</u>	<u>\$ 127,615</u>	<u>\$ 67,021</u>

VILLAGE OF SUSSEX CORNER  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2017

15. 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
2017 annual surplus (deficit)	\$ 271,027	\$ (35,364)	\$ 9,404	\$ (118,950)	\$ 94	\$ 189	\$ 29	\$ 1,186		\$ 127,615
Adjustments to annual surplus (deficit) for funding requirements										
Second previous year's surplus	162,204		63,053							225,257
Transfer between funds										
Transfer from general operating fund to the general capital fund	(157,837)					157,837				
Transfer from the general operating fund to the general operating reserve fund	(4,000)				4,000					
Transfer from general capital reserve fund to the general capital fund		15,002				(15,002)				
Transfer from general operating reserve fund to the general operating fund	3,275				(3,275)					
Transfer to the water and sewer operating fund from the general operating fund	(40,000)		40,000							
Transfer from water and sewer operating fund to the water and sewer capital reserve fund			(6,500)					6,500		
Transfer from water and sewer operating fund to the water and sewer operating reserve fund			(6,000)				6,000			
Transfer from water and sewer capital reserve fund to the water and sewer operating fund				55,236				(55,236)		
Transfer from the water and sewer operating fund to the water & sewer capital fund			(334)							
Transfer from the water and sewer operating fund to the water and sewer capital reserve fund			(334)	334						
Transfer from the water and sewer operating fund to the water and sewer capital reserve fund			(40,000)					40,000		
Transfer from the general operating fund to the general capital fund	(5,162)	5,162								260,893
Long term debt principal repayment	(28,000)	28,000	(20,000)	20,000						486,150
Long term debt principal repayment				118,950						
Amortization expense		141,943								
Total adjustments to 2017 annual surplus (deficit)	(69,520)	190,107	30,219	194,520	725	142,835	6,000	(8,736)		
2017 annual fund surplus (deficit)	\$ 201,507	\$ 154,743	\$ 39,623	\$ 75,570	\$ 819	\$ 143,024	\$ 6,029	\$ (7,550)		\$ 613,765

Buckley Professional Corporation  
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VILLAGE OF SUSSEX CORNER  
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
 YEAR ENDED DECEMBER 31, 2017

**16. Statement of Reserves**

Assets	General Operating Reserve	General Capital Reserve	Water & Sewer Operating Reserve	Water & Sewer Capital Reserve	Land for Public Purposes Reserve	2017 Total	2016 Total
Cash Investments	\$ 65,467	\$ 276,692	\$ 25,271	\$ 307,423	\$ 1,025	\$ 675,878	\$ 534,385
Accumulated Surplus	<u>\$ 65,467</u>	<u>\$ 276,692</u>	<u>\$ 25,271</u>	<u>\$ 379,199</u>	<u>\$ 1,025</u>	<u>\$ 747,654</u>	<u>\$ 70,945</u>
Revenue							
Transfer from general operating fund	\$ 4,000	\$ 157,837				\$ 161,837	\$ 70,000
Transfers from water & sewer operating fund	<u>94</u>	<u>189</u>	<u>29</u>	<u>1,186</u>		<u>1,498</u>	<u>1,721</u>
Interest	<u>4,094</u>	<u>158,026</u>	<u>6,029</u>	<u>47,686</u>		<u>215,835</u>	<u>238,401</u>
Expenditures							
Transfer to general operating fund	3,275	<u>15,002</u>		<u>55,236</u>		3,275	<u>55,236</u>
Transfer to water & sewer capital fund	<u>3,275</u>	<u>15,002</u>		<u>55,236</u>		<u>73,513</u>	
Annual Surplus (Deficit)	<u>\$ 819</u>	<u>\$ 143,024</u>	<u>\$ 6,029</u>	<u>\$ (7,550)</u>		<u>\$ 142,322</u>	<u>\$ 183,165</u>

Name of Investment	Principal Amount	Interest Rate	Date of Maturity	Name of Investment	Principal Amount	Interest Rate	Date of Maturity
Bond beater	\$ 6,524	1.50 %	October 2018	GIC	\$ 1,068	0.25 %	December 2018
Bond beater	\$ 2,555	1.50 %	November 2018	GIC	\$ 3,203	0.25 %	December 2018
GIC	\$ 2,258	0.25 %	December 2018	GIC	\$ 2,135	0.25 %	December 2018
GIC	\$ 3,387	0.25 %	December 2018	GIC 5 year step	\$ 3,215	4.50 %	November 2018
GIC	\$ 1,129	0.25 %	December 2018	GIC 5 year step	\$ 2,680	4.50 %	November 2018
GIC	\$ 2,835	0.25 %	December 2018	GIC 5 year step	\$ 1,071	4.50 %	November 2018
GIC	\$ 3,402	0.25 %	December 2018	GIC	\$ 1,043	2.50 %	December 2019
GIC	\$ 2,268	0.25 %	December 2018	GIC	\$ 3,129	2.50 %	December 2019
GIC	\$ 1,134	0.25 %	December 2018	GIC	\$ 2,608	2.50 %	December 2019
GIC	\$ 2,669	0.25 %	December 2018	GIC 5 year step	\$ 25,753	1.85 %	December 2018

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VILLAGE OF SUSSEX CORNER  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2017

**16. Statement of Reserves (continued)**

Council Resolutions regarding transfers to and from reserves:

- Moved by Councilor Loder, seconded by Councilor Shay that \$41,184 and \$66,653 be transferred from the general operating fund to the general capital reserve fund.
- Moved by Councilor Bobbitt, seconded by Councilor Loder that \$4,000 be transferred from the general operating fund to the general operating reserve fund.
- Moved by Councilor Bobbitt, seconded by Councilor Loder that \$50,000 be transferred from the general operating fund to the general capital reserve fund.
- Moved by Councilor Bobbitt, seconded by Councilor Loder that \$3,000 be transferred from the water & sewer operating fund to the water & sewer capital reserve fund.
- Moved by Councilor Bobbitt, seconded by Councilor Loder that \$1,000 be transferred from the water & sewer operating fund to the water & sewer capital reserve fund.
- Moved by Councilor Bobbitt, seconded by Councilor Loder that \$2,500 be transferred from the water and sewer operating fund to the water and sewer capital reserve fund.
- Moved by Councilor Bobbitt, seconded by Councilor Loder that \$6,000 be transferred from the water and sewer operating fund to the water and sewer operating reserve fund.
- Moved by Councilor Bobbitt, seconded by Councilor Loder that \$40,000 be transferred from the water and sewer operating fund to the water and sewer capital reserve fund.
- Moved by Councilor Bobbitt, seconded by Councilor Loder that \$55,235.86 be transferred from the water and sewer capital reserve fund to the water and sewer capital reserve fund.
- Moved by Councilor Loder, seconded by Councilor Bobbitt that \$15,002 be transferred from the general capital reserve fund to the general capital fund.
- Moved by Councilor Hunt, seconded by Councilor MacLeod that \$3,275.09 be transferred from the general operating reserve fund to the general operating fund.

I hereby certify that the above are true and exact copies of resolutions adopted at meetings of Council on March 21, 2017, May 16, 2017, December 19, 2017 and June 27, 2018.

  
Don Smith  
Clerk,  
Village of Sussex Corner

  
Date

Buckley Professional Corporation  
CHARTERED PROFESSIONAL ACCOUNTANT



VILLAGE OF SUSSEX CORNER  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2017

**17. Operating Budget to PSA Budget**

	Operating Budget General	Operating Budget Water & Sewer	Amortization TCA	Other	Transfers	Total
<b>Revenues</b>						
Property tax warrant	\$ 1,216,034					\$ 1,216,034
Services provided to other governments	11,100					11,100
Sale of service, fines and other fees	27,390	600				27,990
Unconditional grant	22,209					22,209
Other transfers		60,000			\$ (60,000)	
Water and sewer user fees		413,520				413,520
Interest		600				600
Surplus/deficit of second previous year	<u>162,204</u>	<u>64,879</u>			<u>(227,083)</u>	
	<u>1,438,937</u>	<u>539,599</u>			<u>(287,083)</u>	<u>1,691,453</u>
<b>Expenditures</b>						
General government services	249,905					249,905
Protective services	404,851					404,851
Transportation services	365,762					365,762
Environment health services	91,934					91,934
Environmental development services	40,834					40,834
Recreational and cultural services	79,340					79,340
Fiscal services						
- Long term debt repayments	28,000	20,000			(48,000)	
- Interest	20,482	7,322				27,804
- other						
- Transfer from the general operating fund to the general capital reserve fund	106,794				(106,794)	
- Transfer from the general operating fund to the general operating reserve fund	4,000				(4,000)	
- Transfer from the general operating fund to the general capital fund	7,035				(7,035)	
- 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 and sewer capital reserve funds		84,843			(84,843)	
- Transfer from the water and sewer operating fund to the water and sewer operating reserve funds		6,000			(6,000)	
- Transfer from the water and sewer operating reserve funds to the water and sewer operating fund to the water and sewer capital fund		20,000			(20,000)	
Water and sewer	<u>1,438,937</u>	<u>401,434</u>			<u>(316,672)</u>	<u>401,434</u>
Surplus for the year	<u>NIL</u>	<u>539,599</u>			<u>(29,589)</u>	<u>\$ 29,589</u>

Buckley Professional Corporation  
 CHARTERED PROFESSIONAL ACCOUNTANT

## VILLAGE OF SUSSEX CORNER

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

## YEAR ENDED DECEMBER 31, 2017

	2017	2017	2016
18. Revenue and Expense Support	Unaudited	Actual	Actual
Revenue	Budget	Actual	Actual
<i>Services Provided to Other Governments</i>			
Roads and streets	\$ 11,100	\$ 12,786	\$ 19,719
<i>Sale of services</i>			
Hall rentals	\$ 13,900	\$ 15,100	\$ 14,300
Leaf bags	600	1,343	
Summer fun program	3,840	5,234	5,070
Connection charge	600	938	600
	<u>\$ 18,940</u>	<u>\$ 22,615</u>	<u>\$ 19,970</u>
<i>Other revenue from own sources</i>			
License and permits	\$ 250	\$ 220	\$ 315
Miscellaneous	8,800	8,953	14,526
Interest	600		2,925
Other			1,500
	<u>\$ 9,650</u>	<u>\$ 9,173</u>	<u>\$ 19,266</u>
<b>Expenditures</b>			
<i>General government services</i>			
Mayor	\$ 6,745	\$ 6,426	\$ 6,481
Councilors	22,804	21,502	21,704
Development seminars	6,030	2,445	7,545
Other legislative cost	425	423	382
	<u>36,004</u>	<u>30,796</u>	<u>36,112</u>
<i>Administrative</i>			
Clerk	58,810	58,562	57,144
Solicitor	2,010	5,480	
Other	53,133	49,672	42,926
	<u>113,953</u>	<u>113,714</u>	<u>100,070</u>
<i>Financial management</i>			
External audit	9,045	16,164	5,689
Other	3,113	3,520	6,396
	<u>12,158</u>	<u>19,684</u>	<u>12,085</u>
<i>Common services</i>			
Civic relations	19,000	12,447	3,138
Training and development	4,522	3,086	3,279
Assessment charge	19,337	19,337	19,275
	<u>42,859</u>	<u>34,870</u>	<u>25,692</u>
<i>Other general government services</i>			
Insurance	9,700	9,757	9,374
Other	35,230	29,507	32,309
Interest	17,232	1,727	1,895
Amortization		6,323	(395)
	<u>62,162</u>	<u>47,314</u>	<u>43,183</u>
	<u>\$ 267,136</u>	<u>\$ 246,378</u>	<u>\$ 217,142</u>

## VILLAGE OF SUSSEX CORNER

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2017

## 18. Revenue and Expense Support (continued)

	<u>2017</u> Unaudited Budget	<u>2017</u> Actual	<u>2016</u> Actual
<i>Protective services</i>			
Police			
R.C.M.P.	\$ 284,672	\$ 284,672	\$ 275,816
Fire protection	104,329	104,329	100,225
Emergency measures	12,000		
Other			
Animal and pest control	3,850	3,823	3,686
	<u>\$ 404,851</u>	<u>\$ 392,824</u>	<u>\$ 379,727</u>
<i>Transportation services</i>			
<i>Common services</i>			
Administration, personnel	\$ 145,650	\$ 142,674	\$ 214,411
Workshops and other buildings	28,661	27,536	21,274
Interest	1,750	9,887	10,323
Amortization		7,605	7,605
	<u>176,061</u>	<u>187,702</u>	<u>253,613</u>
<i>Road transport</i>			
<i>Roads and streets</i>			
Summer maintenance	550	6,910	9,827
Sidewalks, curb and gutter	11,543	1,679	7,013
Culverts and drainage ditches	6,030	3,308	2,386
Storm sewers	3,015	597	12
Street cleaning and flushing	9,045	7,467	11,823
Snow and ice removal	91,183	70,358	66,769
Interest	1,500	1,296	1,603
Amortization		123,870	116,502
	<u>122,866</u>	<u>215,485</u>	<u>215,935</u>
<i>Street lighting</i>	<u>23,115</u>	<u>24,554</u>	<u>23,036</u>
<i>Traffic services</i>			
Street signs	3,015	793	220
Traffic lanemarking and crosswalks	21,105	8,198	12,307
Safety equipment	2,010	477	1,501
Crosscuts	704	667	
Vehicles	20,136	17,373	13,873
	<u>46,970</u>	<u>27,508</u>	<u>27,901</u>
	<u>\$ 369,012</u>	<u>\$ 455,249</u>	<u>\$ 520,485</u>

## VILLAGE OF SUSSEX CORNER

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2017

## 18. Revenue and Expense Support (continued)

	<u>2017</u> Unaudited <u>Budget</u>	<u>2017</u> <u>Actual</u>	<u>2016</u> <u>Actual</u>
<i>Environmental health services</i>			
Solid waste collection	\$ 28,721	\$ 28,840	\$ 27,894
Solid waste disposal	<u>63,213</u>	<u>63,373</u>	<u>59,794</u>
	<u>\$ 91,934</u>	<u>\$ 92,213</u>	<u>\$ 87,688</u>
<i>Environmental development services</i>			
Beautification and land rehabilitation	\$ 2,211	\$ 1,208	\$ 1,696
Tree removal and planting	1,005	365	155
Other tourism	2,462		170
Other, decorative lighting	2,010	1,041	4,239
Research and planning			
Regional Service Commission 8	<u>33,146</u>	<u>33,145</u>	<u>29,839</u>
	<u>\$ 40,834</u>	<u>\$ 35,759</u>	<u>\$ 36,099</u>
<i>Recreational and cultural services</i>			
Residents user fee rebates		\$ 3,675	\$ 4,408
Administration	\$ 56,837	36,916	19,207
Parks and playgrounds	7,780	2,924	4,952
Community improvement projects	12,914	4,952	(3,499)
Library	1,809	1,220	1,107
Nature trails		367	333
Amortization		<u>4,145</u>	<u>4,145</u>
	<u>\$ 79,340</u>	<u>\$ 54,199</u>	<u>\$ 30,653</u>
<i>Water and sewer</i>			
<i>Water supply</i>			
Administration	\$ 103,230	\$ 102,093	\$ 71,959
Source of supply	27,050	22,690	23,746
Transmission and distribution	17,000	15,770	15,523
Water purchased			1,036
Interest	3,577	3,557	3,839
Amortization		<u>66,074</u>	<u>59,682</u>
	<u>\$ 150,857</u>	<u>\$ 210,184</u>	<u>\$ 175,785</u>
<i>Sewer collection and disposal</i>			
Administration	\$ 64,430	\$ 64,249	\$ 25,107
Collection system	14,000	13,023	7,444
Treatment and disposal	175,725	178,629	81,802
Interest	3,745	3,822	3,995
Amortization		<u>52,876</u>	<u>52,042</u>
	<u>\$ 257,900</u>	<u>\$ 312,599</u>	<u>\$ 170,390</u>