

VILLAGE OF BELLEDUNE
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
DECEMBER 31, 2013

VILLAGE OF BELLEDUNE

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For the year ended December 31, 2013

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VILLAGE OF BELLEDUNE
Consolidated Financial Statements
Year ended December 31, 2013

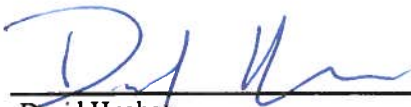
Management's Responsibility for the Consolidated Financial Statements

The accompanying consolidated financial statements of the Village of Belledune (the "Municipality") are the responsibility of the Municipality's management and have been prepared in compliance with legislation, and in accordance with Canadian public sector accounting standards established by the Public Sector Accounting Board of The Canadian Institute of Chartered Accountants. A summary of the significant accounting policies are described in Note 2 to the consolidated financial statements. The preparation of consolidated financial statements necessarily involves the use of estimates based on management's judgement, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The Municipality's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the consolidated financial statements. These systems are monitored and evaluated by management.

The mayor and council meet with management to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the consolidated financial statements.

The consolidated financial statements have been audited by Allen, Paquet & Arseneau, LLP, independent external auditors appointed by the Municipality. The accompanying Independent Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the Municipality's consolidated financial statements.



David Hughes
Chief Administrative Officer



Brenda Cormier
Clerk-Treasurer



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INDEPENDENT AUDITORS' REPORT

To His Worship the Mayor
and Members of Council of the Village of Belledune

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of the Village of Belledune, which comprise the consolidated statement of financial position as at December 31, 2013, and the consolidated statement of operations, change in net debt and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

The Municipality is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian generally accepted accounting principles and for such internal control as the Municipality 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 consolidated financial statements. The procedures selected depend on the auditor's judgment, 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 and fair presentation of the consolidated 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 the Municipality, as well as evaluating the overall presentation of the consolidated financial statements.

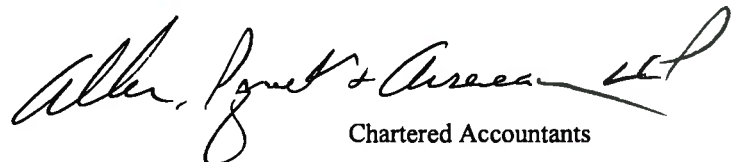
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Village of Belledune as at December 31, 2013 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles as outlined in the Public Sector Accounting (PSA) Handbook.

Bathurst, NB

June 23, 2014



Chartered Accountants

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VILLAGE OF BELLEDUNE
Consolidated Statement of Operations
For the year ended December 31

	2013	2013	2012
	(Unaudited) Budget Note 19	Actual	Actual
REVENUE			
Warrant Assessment	\$ 4,331,278	\$ 4,331,278	\$ 4,284,572
Unconditional Grants	139,917	139,917	41,211
Services Provided to Other Governments	29,637	32,070	31,754
Sales of Services	139,637	135,896	135,080
Other Revenue from Own Sources	20,938	66,034	9,284
Unconditional Transfers from Other Governments	7,400	7,387	7,562
Conditional Transfers from Other Governments	8,200	10,307	182,355
Other Transfers	-	-	2,664
Water and Sewer Utility			
Sale of Services	45,810	47,082	45,806
Other Revenue from Own Sources	46,393	46,304	48,692
Other Transfers	20,930	19,777	15,335
Gain from Disposal of Property Held for Resale	-	97,998	11,380
Gas Tax Fund	-	459,464	9,292
Interest	-	20,688	18,938
Miscellaneous		16,393	23,074
	4,790,140	5,430,595	4,866,999
EXPENDITURES			
Environmental Development	529,217	383,347	498,975
Environmental Health	203,943	202,722	200,202
Fiscal Services	118,500	948,873	154,498
General Government	853,488	826,129	763,292
Protective Services	866,508	835,211	845,847
Recreation and Cultural	535,732	462,833	499,958
Transportation	1,399,847	1,291,342	1,258,941
Water and Sewer Utilities	124,248	129,905	128,728
	4,631,483	5,080,362	4,350,441
ANNUAL SURPLUS (Note 17)	\$ 158,657	\$ 350,233	\$ 516,558
ACCUMULATED SURPLUS, Beginning of Year		11,014,912	10,498,354
ACCUMULATED SURPLUS, End of Year		\$ 11,365,145	\$ 11,014,912

VILLAGE OF BELLEDUNE
Consolidated Statement of Financial Position

As at December 31	2013	2012
FINANCIAL ASSETS		
Cash and Short Term Investments (Note 3)	\$ 2,508,770	\$ 1,443,068
Accounts Receivable	29,045	223,751
Due from Federal Government (Note 4)	146,176	61,983
Due from Province of New Brunswick (Note 5)	-	9,292
Deposit in Trust (Note 3)	-	165,000
	\$ 2,683,991	\$ 1,903,094
LIABILITIES		
Accounts Payable and Accrued Liabilities	\$ 671,651	\$ 124,511
Deferred Revenue (Note 6)	100,003	56,665
Long Term Debt (Note 7)	3,270,800	3,015,000
Trust Liability, Prepaid Lawsuit Settlement	-	165,000
	4,042,454	3,361,176
NET DEBT	\$(1,358,463)	\$(1,458,082)
NON-FINANCIAL ASSETS		
Tangible Capital Assets (Note 15)	23,538,365	22,428,759
Accumulated Amortization	(11,087,912)	(10,304,962)
	12,450,453	12,123,797
Property Held for Resale	208,170	291,372
Prepaid Insurance	64,985	57,825
	12,723,608	12,472,994
ACCUMULATED SURPLUS	\$ 11,365,145	\$ 11,014,912

On Behalf of the Council

 Mayor

Clerk-Treasurer

VILLAGE OF BELLEDUNE**Consolidated Statement of Change in Net Debt****For the year ended December 31**

	2013	2012
Annual Surplus	\$ 350,233	\$ 516,558
Acquisition of Tangible Capital Assets	(1,157,908)	(812,376)
Amortization of Tangible Capital Assets	830,913	811,814
Loss on Disposal of Tangible Capital Assets	339	8,516
	<u>23,577</u>	<u>524,512</u>
Acquisition of Property Held for Resale	(11,200)	2,035
Proceeds on Disposal of Property Held for Resale	192,400	17,605
Gain of Disposal of Property Held for Resale	(97,998)	(11,380)
Use (Acquisition) of Prepaid Insurance	(7,160)	(10,927)
	<u>76,042</u>	<u>(2,667)</u>
DECREASE IN NET DEBT	99,619	521,845
NET DEBT, Beginning of Year	(1,458,082)	(1,979,927)
NET DEBT, End of Year	\$(1,358,463)	\$(1,458,082)

VILLAGE OF BELLEDUNE
Consolidated Statement of Cash Flow
For the year ended December 31

	2013	2012
OPERATING TRANSACTIONS		
Annual Surplus	\$ 350,233	\$ 516,558
Loss on Disposal of Tangible Capital Assets	339	8,516
Gain on Disposal of Property Held for Resale	(97,998)	(11,380)
Amortization of Tangible Capital Assets	830,913	811,814
Accounts Receivable	194,706	(195,669)
Due from Federal Government	(84,193)	(14,081)
Due from Province of New Brunswick	9,292	(9,292)
Prepaid Insurance	(7,160)	(10,927)
Accounts Payable and Accrued Liabilities	547,140	(27,890)
Deferred Revenue	43,338	(20,335)
	1,786,610	1,047,314
CAPITAL TRANSACTIONS		
Acquisition of Tangible Capital Assets	(1,157,908)	(812,376)
Acquisition of Property Held for Resale	(11,200)	2,035
Proceeds of Disposal of Property Held for Resale	192,400	17,605
	(976,708)	(792,736)
FINANCING TRANSACTIONS		
Long Term Debt	255,800	(396,000)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,065,702	(141,422)
CASH AND CASH EQUIVALENTS, Beginning of Year	1,443,068	1,584,490
CASH AND CASH EQUIVALENTS, End of Year	\$ 2,508,770	\$ 1,443,068

1. PURPOSE OF THE ORGANIZATION

The Municipality was incorporated as a village by the Province of New Brunswick Municipalities Act on January 24, 1968. The Village of Belledune and the Village of Jacquet River were amalgamated effective January 1, 1994, by an amendment of New Brunswick Regulation 85-6 under the Municipalities Act. As a municipality, the Municipality is exempt from income tax under section 149(1)(c) of the Canadian Income Tax Act. The Municipality has the following vision statement, "The Municipality, is a sustainable, prosperous community, committed to preservation of its rural identity through the encouragement of growth in an environmentally and economically sound fashion; a progressive, open-minded community providing effective governance combined with responsible and efficient service delivery; a welcoming community in which a viable, goal oriented, productive environment is provided for all residents and extended partners; a vibrant, safe, positive community which provides needed municipal services for all its citizens; a community where business and industry can grow and prosper in an economically and ecologically sustainable manner."

2. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the Municipality 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 Canadian Institute of Chartered Accountants.

The Municipality has adopted PSA as of January 1, 2010.

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

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

(a) Reporting Entity

The consolidated financial statements reflect the assets, liabilities, revenues, expenditures and changes in net debt and cash flows of the Municipality.

Interdepartmental and organizational transactions and balances are eliminated.

(b) Budget

The budget figures contained in these consolidated financial statements were approved by Council on December 17, 2012 and the Minister of Local Government on April 5, 2013.

(c) Revenue Recognition

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

(d) 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.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Financial Instruments

The Municipality's financial instruments consist of cash, short-term investments, accounts receivable, deposits in trust, due from the Federal Government, due from own funds, bank loan, payables and accruals, funds held in trust and long-term debt. Unless otherwise noted, it is management's opinion that the Municipality 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 Municipality is subject to credit risk through accounts receivable. The Municipality minimizes credit risk through ongoing credit management.

(f) 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.

(g) Tangible Capital Assets

Effective January 1, 2010, The Municipality 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:

	<u>Years</u>
Land:	
All land owned by the Village, including land under buildings	N/A
Land Improvements:	
Includes major landscaping projects, sports fields, courts, trail culverts, paved trails, parking lots, play grounds and similar assets	15 - 25 years
Buildings:	
All buildings owned by the Village, with the exception of treatment plants, as single assets or broken into components: structural, interior, exterior, mechanical, electrical, specialty items, equipment and site work	25 - 70 years
Machinery and Equipment:	
Includes information technology assets, large signage, transit fare boxes, motorized fleet equipment, parking meters, leasehold improvements and similar assets	5 - 20 years
Linear Assets:	
All public works infrastructure including roads, sidewalks, street lights, traffic signals, storm sewers, water and sewer main	
Road Surfaces	5 - 30 year
Road Grade	10 - 40 years
Spur Line	5 - 65 years
Traffic Lights	10 - 30 years
Vehicles:	
All vehicles including cars, trucks, buses and similar assets	5 - 25 years

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Tangible Capital Assets (continued)

Years

Water and Wastewater Facilities:

Includes water and wastewater treatment plants broken into components: process piping and equipment, electrical and instrumentation, structural, architectural, mechanical and site work

10 - 100 years

The Village has a capitalization threshold of \$5,000. Any item purchased under this threshold is recorded as an expense in the year the item is acquired. An exception is pooled assets, which include computers, street lights, parking meters and groups of assets of a similar nature that when purchased in bulk have a cost of \$25,000. Another exception relates to specific items such as land, vehicles, roads, water pipe segments, etc. that would be recorded with no threshold level.

All grants, donations from subdivision developers and other third party contributions are recorded as income in the year the expenditure for the capital asset is incurred. The full cost of the asset is capitalized during the year the asset is substantially complete and put into use.

(h) Segmented Information

The Municipality is a diversified municipal unit that provides a wide range of services to its residents. For management reporting purposes, the Municipality'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 Municipality. 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.

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 swimming pool, arena, parks and playgrounds and other recreational and cultural facilities.

VILLAGE OF BELLEDUNE
Notes to the Consolidated Financial Statements
For the year ended December 31, 2013

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Segmented Information (continued)

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, reservoirs and lagoons.

3. CASH

	2013	2012
Deposit in Trust (Restricted - Prepaid Lawsuit Settlement)	\$ -	\$ 165,000
Cash (Unrestricted)	2,508,770	1,443,068
	\$ 2,508,770	\$ 1,608,068

4. DUE FROM FEDERAL GOVERNMENT

	2013	2012
Canada Revenue Agency (HST Refund)	\$ 146,176	\$ 61,983

5. DUE FROM PROVINCE OF NEW BRUNSWICK

	2013	2012
Gas Tax Fund (GTF)	\$ -	\$ 9,292

6. DEFERRED REVENUE

	2013	2012
Deferred Government Transfers - Gas Tax Fund (GTF)	\$ 63,115	\$ -
Utility Funds	36,888	56,665
	\$ 100,003	\$ 56,665

VILLAGE OF BELLEDUNE
Notes to the Consolidated Financial Statements
For the year ended December 31, 2013

7. LONG TERM DEBT

	2013	2012
Chaleur Sawmills Associates, non interest bearing, principal payable annually in the amount of \$103,967, maturing January 2, 2019	\$ 623,800	\$ -
Maintenance contractor (spurline), non interest bearing, principal payable annually in the amount of \$5,000, maturing January 2, 2019	30,000	-
2004 - New Brunswick Municipal Finance Corporation, debentures, variable interest rate from 2.75% to 5.50%, principal payable annually and interest semi annually, maturing July 8, 2014, renewable to the year 2019. O.I.C. # AQ-21	380,000	434,000
2005 - New Brunswick Municipal Finance Corporation, debentures, variable interest rate from 2.85% to 4.35%, principal payable annually and interest semi annually, maturing in 2015, renewable to the year 2020. O.I.C. # AS-20	422,000	474,000
2006 - New Brunswick Municipal Finance Corporation, debentures, variable interest rate from 4.15% to 4.45%, principal payable annually and interest semi annually, maturing in 2016, renewable to the year 2021. O.I.C. # AV-38	542,000	607,000
2007 - New Brunswick Municipal Finance Corporation, debentures, variable interest rate from 4.45% to 4.85%, principal payable annually and interest semi annually, maturing in 2017, renewable to the year 2022. O.I.C. # AX-36	320,000	391,000
2007 - New Brunswick Municipal Finance Corporation, debentures, variable interest rate from 4.45% to 4.85%, principal payable annually and interest semi annually, maturing in 2017, renewable to the year 2022. O.I.C. # AX-37	83,000	102,000
2011 - New Brunswick Municipal Finance Corporation, debentures, variable interest rate from 1.65% to 4.25%, principal payable annually and interest semi annually, maturing in 2021, renewable to the year 2026. O.I.C. # BE-24	290,000	308,000
2011 - New Brunswick Municipal Finance Corporation, debentures, variable interest rate from 1.35% to 3.45%, principal payable annually and interest semi annually, maturing in 2021, renewable to the year 2026. O.I.C. # BF-31	307,000	327,000
2012 - New Brunswick Municipal Finance Corporation, debentures, variable interest rate from 1.65% to 2.10%, principal payable annually and interest semi annually, maturing in 2015, renewable to the year 2027. O.I.C. # BG-30	66,000	98,000
2012 - New Brunswick Municipal Finance Corporation, debentures, variable interest rate from 1.35% to 1.95%, principal payable annually and interest semi annually, maturing in 2016, renewable to the year 2027. O.I.C. # BH-35	207,000	274,000
	\$ 3,270,800	\$ 3,015,000

VILLAGE OF BELLEDUNE
Notes to the Consolidated Financial Statements
For the year ended December 31, 2013

7. LONG TERM DEBT (continued)

Principal payments of long term debt are due as follows:

2014	\$	843,967
2015		786,967
2016		725,967
2017		258,967
2018		151,967
Subsequent years		502,965
		<hr/>
		\$ 3,270,800

Approval of the Municipal Capital Borrowing Board has been obtained for the above long term debt. The Municipality is in compliance with the requirements of the Municipal Capital Borrowing Act.

8. CONTINGENT LIABILITIES

The Village has guaranteed in part a loan of the Chaleur Regional Service Commission. The loan is guaranteed by five other municipalities.

9. COMMITMENT

The Village of Belledune is liable with respect to a legal action settled on November 18, 2013, against the Village for an amount of \$1,000,000. This settlement is payable over a six year period and by virtue of section 8 of the *Control of Municipalities Act*, authority was granted by the province to defer its recognition in the operating fund.

Lawsuit Settlement	\$	1,000,000
Less: Funds Held in Trust (2013)	(165,000)
		<hr/>
		835,000
Deferred:		
Transfer of Property Held for Resale (2014)	(181,200)
Annual Payment (2014 - 2019) (Note 7)	(623,800)
Maintenance Contract (2014 - 2019) (Note 7)	(30,000)
		<hr/>
		\$ -

10. REPORTING TO THE PROVINCE OF NEW BRUNSWICK

The Village complies with PSAB accounting standards. The Village is also required to comply with the Municipal Financial Reporting Manual prescribed by the Province of New Brunswick. Differences in accounting policies include the methodology for accounting for Tangible Capital Assets, and government transfers. PSAB also requires full consolidation of funds.

VILLAGE OF BELLEDUNE
Notes to the Consolidated Financial Statements
For the year ended December 31, 2013

11. 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 the four Operating Budgets commencing with the second next ensuing year. The balance of the surplus/deficit at the end of the year consists of the following:

	2013	2012
2013 Surplus	\$ 5,736	\$ -
2012 Surplus	3	3
2011 Deficit	-	(94)
	<u>\$ 5,739</u>	<u>\$ -</u>

12. WATER COST TRANSFER

The Municipality'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.

13. FUNDS HELD IN TRUST

Funds administered by the Municipality for the benefit of external parties are not included in the consolidated financial statements.

14. RECONCILIATION OF ANNUAL SURPLUS BY FUND ACCOUNTING

	2013	2012
Net Debt (Page 4)	\$(1,358,463)	\$(1,458,082)
Add:		
Long Term Debt	3,270,800	3,015,000
Prepaid Insurance	64,985	57,825
Short Term Assets	<u>1,977,322</u>	<u>1,614,743</u>
Less:		
Prior Year Annual Surplus (Deficit):		
General Operating Fund	11,077	(38,640)
Water and Sewer Utility Operating Fund	3	(94)
Reserve Fund (Note 18)	<u>1,861,859</u>	<u>1,592,084</u>
	<u>1,872,939</u>	<u>1,553,350</u>
Operating Surplus	<u>\$ 104,383</u>	<u>\$ 61,393</u>
Current Year Annual Surplus: (Note 17)		
General Operating Fund	\$ 98,647	\$ 11,077
Water and Sewer Utility Operating Fund	5,736	3
Change in Amount Recorded for Prepaid Insurance	-	50,315
	<u>\$ 104,383</u>	<u>\$ 61,395</u>

VILLAGE OF BELLEDUNE
Notes to the Consolidated Financial Statements
For the year ended December 31, 2013

15. SCHEDULE OF TANGIBLE CAPITAL ASSETS

	Land	Land Improvements	Buildings	Machinery and Equipment	Vehicles	Roads and Streets	Infrastructure		2012 Total
							Treatment Facilities	Water and Sewer	
COST									
Balance, Beginning of Year	\$ 431,098	\$ 488,646	\$ 3,479,788	\$ 366,946	\$ 1,777,741	\$ 14,804,956	\$ 560,000	\$ 519,584	\$ 22,428,759
Add: Net Additions during the Year	-	459,464	96,118	69,062	173,418	359,846	-	-	1,157,908
Less: Disposals during the Year	339	-	-	47,963	-	-	-	-	48,302
BALANCE, END OF YEAR	430,759	948,110	3,575,906	388,045	1,951,159	15,164,802	560,000	519,584	23,538,365
ACCUMULATED AMORTIZATION									
Balance, Beginning of Year	-	229,867	1,508,949	135,803	856,590	7,440,542	45,818	87,393	10,304,962
Add: Amortization during the Year	-	23,197	103,625	70,160	20,875	577,847	22,909	12,300	830,913
Less: Accumulated amortization on disposals	-	-	-	47,963	-	-	-	-	47,963
BALANCE, END OF YEAR	-	253,064	1,612,574	158,000	877,465	8,018,389	68,727	99,693	11,087,912
NET BOOK VALUE OF CAPITAL ASSETS	\$ 430,759	\$ 695,046	\$ 1,963,332	\$ 230,045	\$ 1,073,694	\$ 7,146,413	\$ 491,273	\$ 419,891	\$ 12,450,453
Consists of:									
General Capital Fund	\$ 430,759	\$ 695,046	\$ 1,963,332	\$ 230,045	\$ 1,073,694	\$ 7,146,413	\$ -	\$ -	\$ 11,539,289
Water and Sewer Utility Capital Fund	-	-	-	-	-	-	491,273	419,891	911,164
BALANCE, END OF YEAR	\$ 430,759	\$ 695,046	\$ 1,963,332	\$ 230,045	\$ 1,073,694	\$ 7,146,413	\$ 491,273	\$ 419,891	\$ 12,450,453
BALANCE, END OF YEAR	-	253,064	1,612,574	158,000	877,465	8,018,389	68,727	99,693	10,304,962
NET BOOK VALUE OF CAPITAL ASSETS	\$ 430,759	\$ 695,046	\$ 1,963,332	\$ 230,045	\$ 1,073,694	\$ 7,146,413	\$ 491,273	\$ 419,891	\$ 12,450,453

VILLAGE OF BELLEDUNE
Notes to the Consolidated Financial Statements
For the year ended December 31, 2013

16. SCHEDULE OF SEGMENT DISCLOSURE

	General Government	Protective Services	Transportation	Environmental Health	Environmental Development	Recreation and Cultural	Water and Sewer	2013	2012
REVENUES									
Warrant of Assessment	\$ 1,513,282	\$ 712,062	\$ 1,100,938	\$ 172,831	\$ 326,824	\$ 394,590	\$ 110,751	\$ 4,331,278	\$ 4,284,572
Unconditional Grant	139,917	-	-	-	-	-	-	139,917	41,211
Services Provided to Other Governments	-	18,637	13,433	-	-	-	-	32,070	31,754
Sales of Service	-	1,200	-	26,337	20,995	87,364	47,082	182,978	180,886
Other Revenue from Own Sources	66,034	-	-	-	-	-	46,304	112,338	57,976
Unconditional Transfers from Other Governments	-	7,387	-	-	-	-	-	7,387	7,562
Conditional Transfers from Other Governments	10,307	-	-	-	-	-	-	10,307	182,355
Other Transfers	-	-	-	-	-	-	19,777	19,777	17,999
Gain on Disposal of Property Held for Resale	97,998	-	-	-	-	-	-	97,998	11,380
Gas Tax Fund	19,740	-	-	-	-	459,464	948	459,464	9,292
Interest	-	-	-	-	-	-	-	20,688	18,938
Miscellaneous	16,393	-	-	-	-	-	-	16,393	23,074
	1,863,671	739,286	1,114,371	199,168	347,819	941,418	224,862	5,430,595	4,866,999
EXPENDITURES									
Salaries and Benefits	326,829	620,262	96,995	99,405	43,232	110,440	-	1,297,163	1,319,886
Legislative	58,601	-	-	-	-	-	-	58,601	47,274
Goods and Services	287,662	139,919	616,500	84,374	318,205	256,161	89,932	1,792,753	1,857,107
Amortization	18,530	62,242	577,847	18,943	21,910	96,232	35,209	830,913	811,814
Interest and Bank Charges	113,534	-	-	-	-	-	4,764	118,298	151,636
Bad Debt	-	-	-	-	-	-	-	-	594
Other	969,507	12,788	-	-	-	-	-	982,295	153,614
Loss on Disposal of Capital Assets	339	-	-	-	-	-	-	339	8,516
	1,775,002	835,211	1,291,342	202,722	383,347	462,833	129,905	5,080,362	4,350,441
SURPLUS FOR THE YEAR	\$ 88,669	\$(95,925)	\$(176,971)	\$(3,554)	\$(35,528)	\$ 478,585	\$ 94,957	\$ 350,233	\$ 516,558

VILLAGE OF BELLEDUNE
Notes to the Consolidated Financial Statements
For the year ended December 31, 2013

17. RECONCILIATION OF ANNUAL SURPLUS (DEFICIT)

	General Capital Fund	General Operating Fund	Water and Sewer Utility Capital Fund	Water and Sewer Utility Operating Fund	General Capital Reserve Fund	Utility Capital Reserve Fund	Total
2013 ANNUAL SURPLUS (DEFICIT) PER PSAB	\$ (795,705)	\$ 1,141,993	\$ (35,209)	\$ 19,378	\$ 19,740	\$ 36	\$ 350,233
Adjustments to Annual Surplus (Deficit) for Funding Requirements							
Second Previous Year's Surplus	-	(38,640)	-	(94)	-	-	(38,734)
Transfers Between Funds	-	(250,000)	-	-	250,000	-	-
Transfer Elimination	1,157,908	(1,157,908)	-	-	-	-	-
Capital Expenditures	-	339	-	-	-	-	339
Disposal of Capital Assets	-	83,202	-	-	-	-	83,202
Disposal of Property Held for Resale	379,000	(379,000)	-	-	-	-	-
Long Term Debt Principal Repayment	-	-	19,000	(19,000)	-	-	-
Long-Term Debt Principal Repayment	-	(181,200)	-	-	-	-	(181,200)
Proceeds from Disposal of Property Held for Resale	795,705	-	35,209	-	-	-	830,914
Amortization Expense	-	44,861	-	5,452	-	-	50,313
Change in Amount Recorded for Prepaid Insurance	-	835,000	-	-	-	-	835,000
Deferred Legal Settlement. (Note 9)	-	-	-	-	-	-	-
Total Adjustments to 2013 Annual Surplus (Deficit)	2,332,613	(1,043,346)	54,209	(13,642)	250,000	-	1,579,834
2013 ANNUAL FUND SURPLUS (DEFICIT) FOR FUNDING PURPOSES	\$ 1,536,908	\$ 98,647	\$ 19,000	\$ 5,736	\$ 269,740	\$ 36	\$ 1,930,067

VILLAGE OF BELLEDUNE
Notes to the Consolidated Financial Statements
For the year ended December 31, 2013

18. STATEMENT OF RESERVES

	General Capital Reserve Fund	Utility Capital Reserve Fund	Total 2013	Total 2012
ASSETS				
Cash	\$ 1,608,959	\$ 2,900	\$ 1,611,859	\$ 1,487,084
Receivable from Operating Fund	250,000	-	250,000	105,000
ACCUMULATED SURPLUS	\$ 1,858,959	\$ 2,900	\$ 1,861,859	\$ 1,592,084
REVENUE				
Interest	\$ 19,740	\$ 36	\$ 19,776	\$ 17,682
Transfer from General Operating Fund	250,000	-	250,000	105,000
ANNUAL SURPLUS	\$ 269,740	\$ 36	\$ 269,776	\$ 122,682

Council Resolution regarding transfers to and from reserves:

Moved by Councillor Culligan, seconded by Councillor Mazerolle that \$250,000 be transferred from the General Operating Fund to the General Capital Reserve Fund.

I hereby certify that the above is true and an exact copy of the resolution adopted at a special meeting of Council on December 30, 2013.


NAME

Clerk-Treasurer
Village of Belledune


Date

Municipal Seal

VILLAGE OF BELLEDUNE**Notes to the Consolidated Financial Statements****For the year ended December 31, 2013****19. OPERATING BUDGET TO PSA BUDGET**

	Operating Budget General	Operating Budget Water & Sewer Amortization		Transfers	Total
REVENUE					
Warrant Assessment	\$ 4,331,278	\$ -	\$ -	\$ -	\$ 4,331,278
Unconditional Grants	139,917	-	-	-	139,917
Services Provided to Other Governments	29,637	-	-	-	29,637
Sales of Service	139,637	45,810	-	-	185,447
Other Revenue From Own Sources	20,938	46,393	-	-	67,331
Unconditional Transfers from					
Other Governments	7,400	-	-	-	7,400
Conditional Transfers from					
Other Governments	8,200	-	-	-	8,200
Other Transfers	-	20,930	-	-	20,930
	4,677,007	113,133	-	-	4,790,140
EXPENDITURES					
Deficit - Second Previous Year	38,640	94	-	(38,734)	-
Environmental Development	507,307	-	21,910	-	529,217
Environmental Health	185,000	-	18,943	-	203,943
Fiscal Services					
- Capital Expenditure	547,836	5,000	-	(552,836)	-
- Interest and Bank Fees	500	-	-	-	500
- Interest on Long Term Debt	118,000	4,839	-	-	122,839
- Principal Repayment of Long Term Debt	379,000	19,000	-	(398,000)	-
General Government	834,958	-	18,530	-	853,488
Protective Services	804,266	-	62,242	-	866,508
Recreation and Cultural	439,500	-	96,232	-	535,732
Transportation	822,000	-	577,847	-	1,399,847
Water and Sewer Utilities	-	84,200	35,209	-	119,409
	4,677,007	113,133	830,913	(989,570)	4,631,483
SURPLUS (DEFICIT)	\$ -	\$ -	\$(830,913)	\$ 989,570	\$ 158,657

VILLAGE OF BELLEDUNE
Notes to the Consolidated Financial Statements
For the year ended December 31, 2013

20. REVENUE AND EXPENDITURES SUPPORT

	(Unaudited) 2013 Budget	2013 Actual	2012 Actual
REVENUE			
Warrant Assessment	\$ 4,331,278	\$ 4,331,278	\$ 4,284,572
Unconditional Grants	\$ 139,917	\$ 139,917	\$ 41,211
<u>Services Provided to Other Governments</u>			
Province of New Brunswick			
Protective Services	\$ 18,637	\$ 18,637	\$ 18,637
Traffic Services	11,000	13,433	13,117
	\$ 29,637	\$ 32,070	\$ 31,754
<u>Sales of Service</u>			
Fire Services	\$ 1,200	\$ 1,200	\$ 1,200
Environmental Health Services	26,937	26,337	26,337
Environmental Development Services	17,000	20,995	22,566
Recreation and Cultural	94,500	87,364	84,977
	\$ 139,637	\$ 135,896	\$ 135,080
<u>Other Revenue from Own Sources</u>			
Licenses and Permits	\$ 15,438	\$ 49,436	\$ -
Rentals	500	500	500
Return on Investment	5,000	16,098	8,784
	\$ 20,938	\$ 66,034	\$ 9,284
<u>Unconditional Transfers from Other Governments</u>			
Provincial Governments			
Municipal Fine Revenue Sharing	\$ 7,400	\$ 7,387	\$ 7,562
<u>Conditional Transfers from Other Governments</u>			
Federal Government	\$ 4,200	\$ 3,200	\$ 1,800
Provincial Government:			
Environmental Development	-	-	177,004
Provincial Government Agencies	4,000	7,107	3,551
	\$ 8,200	\$ 10,307	\$ 182,355

VILLAGE OF BELLEDUNE
Notes to the Consolidated Financial Statements
For the year ended December 31, 2013

20. REVENUE AND EXPENDITURES SUPPORT (continued)

	(Unaudited) 2013 Budget	2013 Actual	2012 Actual
REVENUE (continued)			
<u>Other Transfers</u>			
Other	\$ -	\$ -	\$ 2,664
<u>Water and Sewer Utility</u>			
<u>Sale of Services</u>			
Sale of Water	\$ 39,810	\$ 41,082	\$ 39,806
Sale of Sewerage Services	6,000	6,000	6,000
	\$ 45,810	\$ 47,082	\$ 45,806
<u>Other Revenue from Own Sources</u>			
Water Supply (Fire)	\$ 38,151	\$ 38,111	\$ 40,409
Other	8,242	8,193	8,283
	\$ 46,393	\$ 46,304	\$ 48,692
<u>Other Transfers</u>			
From Own Funds	\$ 20,930	\$ 19,777	\$ 15,335
<u>Other</u>			
Gain on Disposal of Property Held for Resale	\$ -	\$ 97,998	\$ 11,380
Gas Tax Fund	-	459,464	9,292
Interest	-	20,688	18,938
Miscellaneous	-	16,393	23,074
	\$ -	\$ 594,543	\$ 62,684

VILLAGE OF BELLEDUNE
Notes to the Consolidated Financial Statements
For the year ended December 31, 2013

20. REVENUE AND EXPENDITURES SUPPORT (continued)

	(Unaudited) 2013 Budget	2013 Actual	2012 Actual
EXPENDITURES			
<u>General Government Services</u>			
<i>Legislative</i>			
Mayor	\$ 17,500	\$ 15,852	\$ 9,773
Councillors	45,200	42,749	37,501
Development Seminars	8,000	7,406	5,175
	70,700	66,007	52,449
<i>Administrative</i>			
Administrator	201,000	191,041	182,110
Administrative Assistant	71,000	62,499	65,153
Municipal Works	74,000	73,289	71,680
Office Building	115,000	116,848	105,089
Solicitor	20,000	36,833	18,021
Public Liability Insurance	47,000	46,551	34,023
Other Administrative	52,000	50,589	44,465
	580,000	577,650	520,541
<i>Financial Management</i>			
External Audit	18,000	19,548	38,941
Financial Consulting Fees	4,000	17,291	2,068
	22,000	36,839	41,009
<i>Common Services</i>			
Amortization	18,530	18,530	19,508
Cost of Assessment	73,594	73,594	72,801
Conventions and Delegations	6,000	2,544	2,341
Grants and Sundry	53,000	27,478	33,188
Civic Relations	15,000	14,549	13,582
Training and Development	10,000	4,294	7,279
Bad Debts	-	-	594
RSC Admin Costs	4,664	4,644	-
	180,788	145,633	149,293
	\$ 853,488	\$ 826,129	\$ 763,292

VILLAGE OF BELLEDUNE
Notes to the Consolidated Financial Statements
For the year ended December 31, 2013

20. REVENUE AND EXPENDITURES SUPPORT (continued)

	(Unaudited) 2013 Budget	2013 Actual	2012 Actual
EXPENDITURES (continued)			
<u>Protective Services</u>			
<i>Police</i>	\$ 543,155	\$ 543,155	\$ 570,000
<i>Fire Protection</i>			
Administration	8,000	7,200	7,200
Amortization	62,242	62,242	43,526
Personnel	50,000	44,519	42,888
Fire Alarm Systems	26,000	25,388	27,279
Water Cost	38,111	38,111	40,409
Training	18,000	13,038	14,010
Fire Station and Building	70,000	72,842	67,910
Equipment	32,000	15,928	13,376
Other	12,000	6,272	12,762
	316,353	285,540	269,360
<i>Animal Control</i>	7,000	6,516	6,487
	\$ 866,508	\$ 835,211	\$ 845,847
<u>Transportation Services</u>			
<i>Roads and Streets</i>			
Amortization	\$ 577,847	\$ 577,847	\$ 579,117
Personnel	92,000	96,995	87,915
Engineering and Planning	35,000	12,458	48,575
Summer Maintenance	160,000	152,985	67,261
Culverts and Ditches	125,000	99,460	123,267
Snow Removal	213,000	219,041	216,857
Roads and Streets	81,000	28,287	37,291
Street Cleaning	13,000	4,456	9,652
	1,296,847	1,191,529	1,169,935
<i>Street Lighting</i>	92,000	95,074	85,581
<i>Traffic Services</i>			
Signals	7,000	3,288	3,328
Street Signs	4,000	1,451	97
	11,000	4,739	3,425
	\$ 1,399,847	\$ 1,291,342	\$ 1,258,941

VILLAGE OF BELLEDUNE
Notes to the Consolidated Financial Statements
For the year ended December 31, 2013

20. REVENUE AND EXPENDITURES SUPPORT (continued)

	(Unaudited) 2013 Budget	2013 Actual	2012 Actual
EXPENDITURES (continued)			
<u>Environmental Health Services</u>			
Amortization	\$ 18,943	\$ 18,943	\$ 17,104
Solid Waste Collection Personnel	96,000	98,196	93,650
Solid Waste Collection Disposal	89,000	85,583	89,448
	\$ 203,943	\$ 202,722	\$ 200,202
<u>Environmental Development Services</u>			
Amortization	\$ 21,910	\$ 21,910	\$ 15,145
Planning Commissions	117,313	117,325	75,411
Industrial Parks and Commission	15,000	18,007	20,706
Promotion, Tourism	105,000	76,792	104,813
Public Receptions	2,000	888	1,577
Research and Planning	146,000	29,272	41,053
Community Improvements	10,000	6,663	1,387
Economic Development	29,994	17,721	161,347
Conservation	82,000	94,769	77,536
	\$ 529,217	\$ 383,347	\$ 498,975
<u>Recreation and Cultural Services</u>			
Amortization	\$ 96,232	\$ 96,232	\$ 102,205
Community Centre and Hall	98,000	65,108	83,155
Skating Rinks and Arenas	205,000	186,903	210,760
Parks and Playgrounds	46,000	41,177	46,653
Library	13,500	11,867	12,396
Bus Service	25,000	8,079	159
Festivals and Fairs	37,000	45,776	38,300
Wharf	15,000	7,691	6,330
	\$ 535,732	\$ 462,833	\$ 499,958
<u>Fiscal Services</u>			
Bank Charges	\$ 500	\$ 298	\$ 3,012
Interest on Long Term Debt	118,000	113,236	142,970
Interest on Short Term Debt	-	-	-
Other - Lawsuit Settlement	-	835,000	-
Loss on Disposal of Capital Asset	-	339	8,516
	\$ 118,500	\$ 948,873	\$ 154,498

VILLAGE OF BELLEDUNE
Notes to the Consolidated Financial Statements
For the year ended December 31, 2013

20. REVENUE AND EXPENDITURES SUPPORT (continued)

	(Unaudited) 2013 Budget	2013 Actual	2012 Actual
EXPENDITURES (continued)			
<u>Water and Sewer Utilities</u>			
Administration	\$ 12,500	\$ 18,717	\$ 10,759
Amortization	35,209	35,209	35,209
Fiscal Services:			
Bank Charges	-	18	75
Interest on Long Term Debt	4,839	4,746	5,580
Other	51,200	54,817	59,320
Treatment	20,500	16,398	17,785
	\$ 124,248	\$ 129,905	\$ 128,728