

VILLAGE OF BELLEDUNE
CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED
DECEMBER 31, 2014



Allen, Paquet & Arseneau LLP
Chartered Accountants • Comptables agréés CA

VILLAGE OF BELLEDUNE

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For the year ended December 31, 2014

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VILLAGE OF BELLEDUNE
Consolidated Financial Statements
Year ended December 31, 2014


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 Chartered Professional Accountants of Canada. 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



Allen, Paquet & Arseneau LLP

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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, 2014, 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, 2014 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

April 20, 2015



Chartered Accountants

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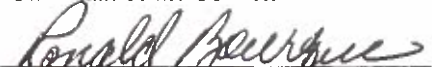
VILLAGE OF BELLEDUNE
Consolidated Statement of Operations
For the year ended December 31

	2014	2014	2013
	(Unaudited) Budget Note 18	Actual	Actual
REVENUE			
Warrant Assessment	\$ 4,377,684	\$ 4,377,684	\$ 4,331,278
Unconditional Grants	242,488	242,488	139,917
Services Provided to Other Governments	22,269	36,334	32,070
Sales of Services	116,200	121,833	135,896
Other Revenue from Own Sources	16,500	22,607	66,034
Unconditional Transfers from Other Governments	7,400	7,015	7,387
Conditional Transfers from Other Governments	8,200	51,833	10,307
Water and Sewer Utility			
Sale of Services	57,580	52,177	47,082
Other Revenue from Own Sources	54,147	54,147	46,304
Other Transfers	10,375	-	19,777
Gain from Disposal of Tangible Capital Assets	-	17,354	-
Gain from Disposal of Property Held for Resale	-	-	97,998
Gas Tax Fund	-	61,025	459,464
Interest	-	23,220	20,688
Miscellaneous		15,151	16,393
	4,912,843	5,082,868	5,430,595
EXPENDITURES			
Environmental Development	538,455	420,303	383,347
Environmental Health	216,167	223,906	202,722
Fiscal Services	131,822	121,112	948,873
General Government	874,707	834,706	826,129
Protective Services	884,765	881,467	835,211
Recreation and Cultural	514,415	444,578	462,833
Transportation	1,350,137	1,166,818	1,291,342
Water and Sewer Utilities	126,864	112,018	129,905
	4,637,332	4,204,908	5,080,362
ANNUAL SURPLUS (Note 16)	\$ 275,511	\$ 877,960	\$ 350,233
ACCUMULATED SURPLUS, Beginning of Year		11,365,145	11,014,912
ACCUMULATED SURPLUS, End of Year		\$ 12,243,105	\$ 11,365,145

VILLAGE OF BELLEDUNE
Consolidated Statement of Financial Position

As at December 31	2014	2013
FINANCIAL ASSETS		
Cash and Short Term Investments (Note 3)	\$ 2,332,453	\$ 2,508,770
Accounts Receivable	32,323	29,045
Due from Federal Government (Note 4)	77,302	146,176
	\$ 2,442,078	\$ 2,683,991
LIABILITIES		
Accounts Payable and Accrued Liabilities	\$ 105,535	\$ 671,651
Deferred Revenue (Note 5)	40,078	100,003
Long Term Debt (Note 6)	2,750,489	3,270,800
	2,896,102	4,042,454
NET DEBT	\$ (454,024)	\$ (1,358,463)
NON-FINANCIAL ASSETS		
Tangible Capital Assets (Note 14)	24,197,697	23,538,365
Accumulated Amortization	(11,778,090)	(11,087,912)
	12,419,607	12,450,453
Property Held for Resale	208,170	208,170
Prepaid Insurance	69,352	64,985
	12,697,129	12,723,608
ACCUMULATED SURPLUS	\$ 12,243,105	\$ 11,365,145

On Behalf of the Council

 Mayor

 Clerk-Treasurer

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

	2014	2013
Annual Surplus	\$ 877,960	\$ 350,233
Acquisition of Tangible Capital Assets	(865,194)	(1,157,908)
Proceeds on Disposal of Tangible Capital Assets	17,354	-
Amortization of Tangible Capital Assets	896,040	830,913
(Gain) Loss on Disposal of Tangible Capital Assets	(17,354)	339
	<u>908,806</u>	<u>23,577</u>
Acquisition of Property Held for Resale	-	(11,200)
Proceeds on Disposal of Property Held for Resale	-	192,400
Gain of Disposal of Property Held for Resale	-	(97,998)
Use (Acquisition) of Prepaid Insurance	(4,367)	(7,160)
	<u>(4,367)</u>	<u>76,042</u>
DECREASE IN NET DEBT	904,439	99,619
NET DEBT, Beginning of Year	(1,358,463)	(1,458,082)
NET DEBT, End of Year	\$ (454,024)	\$ (1,358,463)

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

	2014	2013
OPERATING TRANSACTIONS		
Annual Surplus	\$ 877,960	\$ 350,233
(Gain) Loss on Disposal of Tangible Capital Assets	(17,354)	339
Gain on Disposal of Property Held for Resale	-	(97,998)
Amortization of Tangible Capital Assets	896,040	830,913
Accounts Receivable	(3,278)	194,706
Due from Federal Government	68,874	(84,193)
Due from Province of New Brunswick	-	9,292
Prepaid Insurance	(4,367)	(7,160)
Accounts Payable and Accrued Liabilities	(566,116)	547,140
Deferred Revenue	(59,925)	43,338
	<u>1,191,834</u>	<u>1,786,610</u>
CAPITAL TRANSACTIONS		
Acquisition of Tangible Capital Assets	(865,194)	(1,157,908)
Proceeds on Disposal of Tangible Capital Assets	17,354	-
Acquisition of Property Held for Resale	-	(11,200)
Proceeds of Disposal of Property Held for Resale	-	192,400
	<u>(847,840)</u>	<u>(976,708)</u>
FINANCING TRANSACTIONS		
Long Term Debt	(520,311)	255,800
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(176,317)	1,065,702
CASH AND CASH EQUIVALENTS, Beginning of Year	2,508,770	1,443,068
CASH AND CASH EQUIVALENTS, End of Year	\$ 2,332,453	\$ 2,508,770

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 16, 2013 and the Minister of Local Government on March 31, 2014.

(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 years
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, 2014

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

	2014	2013
Cash (Unrestricted)	\$ 2,332,453	\$ 2,508,770

4. DUE FROM FEDERAL GOVERNMENT

	2014	2013
Canada Revenue Agency (HST Refund)	\$ 77,302	\$ 146,176

5. DEFERRED REVENUE

	2014	2013
Deferred Government Transfers - Gas Tax Fund (GTF)	\$ 3,190	\$ 63,115
Utility Funds	36,888	36,888
	\$ 40,078	\$ 100,003

6. LONG TERM DEBT

	2014	2013
Chaleur Sawmills Associates, non interest bearing, principal payable annually in the amount of \$103,967, maturing January 2, 2019	\$ 519,833	\$ 623,800
Maintenance contractor (spurline), non interest bearing, principal payable annually in the amount of \$5,000, maturing January 2, 2019	25,656	30,000
Carried Forward	\$ 545,489	\$ 653,800

VILLAGE OF BELLEDUNE
Notes to the Consolidated Financial Statements
For the year ended December 31, 2014

6. LONG TERM DEBT (continued)

	2014	2013
Carried Forward	\$ 545,489	\$ 653,800
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, refinanced during the year. O.I.C. # AQ-21	-	380,000
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	368,000	422,000
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	474,000	542,000
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. O.I.C. # AX-36	246,000	320,000
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. O.I.C. # AX-37	63,000	83,000
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	272,000	290,000
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	287,000	307,000
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. O.I.C. # BG-30	33,000	66,000
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. O.I.C. # BH-35	139,000	207,000
2014 - New Brunswick Municipal Finance Corporation, debentures, variable interest rate from 1.15% to 2.35%, principal payable annually and interest semi annually, maturing in 2019. O.I.C. # BH-35	323,000	-
	\$ 2,750,489	\$ 3,270,800

VILLAGE OF BELLEDUNE
Notes to the Consolidated Financial Statements
For the year ended December 31, 2014

6. LONG TERM DEBT (continued)

Principal payments of long term debt are due as follows:

2015	\$	850,623
2016		788,967
2017		322,967
2018		217,967
2019		220,965
Subsequent years		349,000
		<hr/>
		\$ 2,750,489

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.

7. CONTINGENT LIABILITIES

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

8. 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)
Transfer of Property Held for Resale (2014)	(181,200)
Annual Payment (2014)	(103,967)
Maintenance Contract Payment (2014)	(4,344)
		<hr/>
		545,489
Deferred:		
Annual Payment (2015 - 2019) (Note 6)	(519,833)
Maintenance Contract (2015 - 2019) (Note 6)	(25,656)
		<hr/>
		\$ -

9. 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.

10. 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:

	2014	2013
2014 Deficit	\$(520)	\$ -
2013 Surplus	5,736	5,736
2012 Surplus	-	3
	\$ 5,216	\$ 5,739

11. 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.

12. FUNDS HELD IN TRUST

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

13. RECONCILIATION OF ANNUAL SURPLUS BY FUND ACCOUNTING

	2014	2013
Net Debt (Page 4)	\$(454,024)	\$(1,358,463)
Add:		
Long Term Debt	2,750,489	3,270,800
Prepaid Insurance	69,352	64,985
Short Term Assets	2,365,817	1,977,322
Less:		
Prior Year Annual Surplus (Deficit):		
General Operating Fund	98,647	11,077
Water and Sewer Utility Operating Fund	5,736	3
Reserve Fund (Note 17)	2,235,116	1,861,859
	2,339,499	1,872,939
Operating Surplus	\$ 26,318	\$ 104,383
Current Year Annual Surplus: (Note 16)		
General Operating Fund	\$ 26,838	\$ 98,647
Water and Sewer Utility Operating Fund	(520)	5,736
	\$ 26,318	\$ 104,383

VILLAGE OF BELLEDUNE
Notes to the Consolidated Financial Statements
For the year ended December 31, 2014

14. SCHEDULE OF TANGIBLE CAPITAL ASSETS

	Land	Land Improvements	Buildings	Machinery and Equipment	Vehicles	Infrastructure				2013 Total	
						Roads and Streets	Treatment Facilities	Water and Sewer	2014 Total		
COST											
Balance, Beginning of Year	\$ 430,759	\$ 948,110	\$ 3,575,906	\$ 388,045	\$ 1,951,159	\$ 15,164,802	\$ 560,000	\$ 519,584	\$ 23,538,365	\$ 22,428,759	
Add Net Additions during the Year	-	13,786	140,650	48,438	11,363	650,957	-	-	865,194	1,157,908	
Less: Disposals during the Year	-	-	-	-	205,862	-	-	-	205,862	48,302	
BALANCE, END OF YEAR	430,759	961,896	3,716,556	436,483	1,756,660	15,815,759	560,000	519,584	24,197,697	23,538,365	
ACCUMULATED AMORTIZATION											
Balance, Beginning of Year	-	253,064	1,612,574	158,000	877,465	8,018,389	68,727	99,693	11,087,912	10,304,962	
Add: Amortization during the Year	-	46,635	132,117	22,901	70,042	589,137	13,800	21,408	896,040	830,913	
Less: Accumulated amortization on disposals	-	-	-	-	205,862	-	-	-	205,862	47,963	
Adjustment	-	-	-	-	-	-	(13,527)	13,527	-	-	
BALANCE, END OF YEAR	-	299,699	1,744,691	180,901	741,645	8,607,526	69,000	134,628	11,778,090	11,087,912	
NET BOOK VALUE OF CAPITAL ASSETS	\$ 430,759	\$ 662,197	\$ 1,971,865	\$ 255,582	\$ 1,015,015	\$ 7,208,233	\$ 491,000	\$ 384,956	\$ 12,419,607	\$ 12,450,453	
Consists of:											
General Capital Fund	\$ 430,759	\$ 662,197	\$ 1,971,865	\$ 255,582	\$ 1,015,015	\$ 7,208,233	\$ -	\$ -	\$ 11,543,651	\$ 11,539,289	
Water and Sewer Utility Capital Fund	-	-	-	-	-	-	491,000	384,956	875,956	911,164	
BALANCE, END OF YEAR	\$ 430,759	\$ 662,197	\$ 1,971,865	\$ 255,582	\$ 1,015,015	\$ 7,208,233	\$ 491,000	\$ 384,956	\$ 12,419,607	\$ 12,450,453	

VILLAGE OF BELLEDUNE
Notes to the Consolidated Financial Statements
For the year ended December 31, 2014

15. SCHEDULE OF SEGMENT DISCLOSURE

	General Government	Protective Services	Transportation	Environmental Health	Environmental Development	Recreation and Cultural	Water and Sewer	2014	2013
REVENUES									
Warrant of Assessment	\$ 995,092	\$ 917,686	\$ 1,214,761	\$ 233,107	\$ 437,573	\$ 462,843	\$ 116,622	\$ 4,377,684	\$ 4,331,278
Unconditional Grant	242,488	-	-	-	-	-	-	242,488	139,917
Services Provided to Other Governments	-	20,346	15,988	-	-	-	-	36,334	32,070
Sales of Service	-	1,200	-	-	25,760	94,873	52,177	174,010	182,978
Other Revenue from Own Sources	22,607	-	-	-	-	-	54,147	76,754	112,338
Unconditional Transfers from Other Governments	-	7,015	-	-	-	-	-	7,015	7,387
Conditional Transfers from Other Governments	16,833	-	-	-	35,000	-	-	51,833	10,307
Other Transfers	-	-	-	-	-	-	-	-	19,777
Gain on Disposal of Property Held for Resale	-	-	-	-	-	-	-	-	97,998
Gain on Disposal of Tangible Capital Assets	-	-	-	8,165	9,189	-	-	17,354	-
Gas Tax Fund	-	-	-	-	-	61,025	-	61,025	459,464
Interest	22,220	-	-	-	-	-	1,000	23,220	20,688
Miscellaneous	15,151	-	-	-	-	-	-	15,151	16,393
	1,314,391	946,247	1,230,749	241,272	507,522	618,741	223,946	5,082,868	5,430,595
EXPENDITURES									
Salaries and Benefits	351,333	664,069	104,073	103,840	44,560	96,576	-	1,364,451	1,297,163
Legislative	59,286	-	-	-	-	-	-	59,286	58,601
Goods and Services	264,651	149,219	473,608	91,900	330,101	225,585	72,901	1,607,965	1,792,753
Amortization	18,530	56,940	589,137	28,167	45,642	122,415	35,209	896,040	830,913
Interest and Bank Charges	96,916	-	-	-	-	-	3,909	100,825	118,298
Other	165,102	11,239	-	-	-	-	-	176,341	982,295
Loss on Disposal of Capital Assets	-	-	-	-	-	-	-	-	339
	955,818	881,467	1,166,818	223,907	420,303	444,576	112,019	4,204,908	5,080,362
SURPLUS FOR THE YEAR	\$ 358,573	\$ 64,780	\$ 63,931	\$ 17,365	\$ 87,219	\$ 174,165	\$ 111,927	\$ 877,960	\$ 350,233

VILLAGE OF BELLEDUNE
Notes to the Consolidated Financial Statements
For the year ended December 31, 2014

16. 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	Utility Operating Reserve Fund	Total
2014 ANNUAL SURPLUS (DEFICIT) PER PSAB	\$ (860,831)	\$ 1,721,266	\$ (35,209)	\$ 30,477	\$ 22,221	\$ 36	\$ -	\$ 877,960
Adjustments to Annual Surplus (Deficit) for Funding Requirements								
Second Previous Year's Surplus	-	11,077	-	3	-	-	-	11,080
Transfers Between Funds								
Transfer Elimination	-	(340,000)	-	(11,000)	340,000	6,500	4,500	-
Capital Expenditures	865,194	(865,194)	-	-	-	-	-	-
Proceeds of Long Term Debt	(323,000)	323,000	-	-	-	-	-	-
Long Term Debt Principal Repayment	715,000	(715,000)	-	-	-	-	-	-
Long-Term Debt Principal Repayment	-	-	20,000	(20,000)	-	-	-	-
Amortization Expense	860,831	-	35,209	-	-	-	-	896,040
Deferred Legal Settlement (Note 8)	-	(108,311)	-	-	-	-	-	(108,311)
Total Adjustments to 2014 Annual Surplus (Deficit)	2,118,025	(1,694,428)	55,209	(30,997)	340,000	6,500	4,500	798,809
2014 ANNUAL FUND SURPLUS (DEFICIT)	\$ 1,257,194	\$ 26,838	\$ 20,000	\$ (520)	\$ 362,221	\$ 6,536	\$ 4,500	\$ 1,676,769
FOR FUNDING PURPOSES								

VILLAGE OF BELLEDUNE
Notes to the Consolidated Financial Statements
For the year ended December 31, 2014

17. STATEMENT OF RESERVES

	General Capital Reserve Fund	Utility Capital Reserve Fund	Utility Operating Reserve Fund	Total 2014	Total 2013
ASSETS					
Cash	\$ 1,881,180	\$ 2,936	\$ -	\$ 1,884,116	\$ 1,611,859
Receivable from Operating Fund	340,000	6,500	4,500	351,000	250,000
ACCUMULATED SURPLUS	\$ 2,221,180	\$ 9,436	\$ 4,500	\$ 2,235,116	\$ 1,861,859
REVENUE					
Interest	\$ 22,221	\$ 36	\$ -	\$ 22,257	\$ 19,776
Transfer from General Operating Fund	340,000	6,500	4,500	351,000	250,000
ANNUAL SURPLUS	\$ 362,221	\$ 6,536	\$ 4,500	\$ 373,257	\$ 269,776

Council Resolution regarding transfers to and from reserves:

Moved by Councillor Lapointe, seconded by Councillor Mazerolle that \$340,000 be transferred from the General Operating Fund to the General Capital Reserve Fund.

Moved by Deputy Mayor Culligan, seconded by Councillor Mazerolle that \$6,500 be transferred from the Water and Sewer Utility Operating Fund to the Utility Capital Reserve Fund.

Moved by Councillor Mazerolle, seconded by Councillor Guitard that a Utility Operating Reserve Fund be established and that \$4,500 be transferred from the Water and Sewer Utility Operating Fund to the Utility Operating 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, 2014.



NAME _____ Date April 23, 2015

Clerk-Treasurer
Village of Belledune

Municipal Seal



VILLAGE OF BELLEDUNE
Notes to the Consolidated Financial Statements
For the year ended December 31, 2014

18. OPERATING BUDGET TO PSA BUDGET

	Operating Budget General	Operating Budget Water & Sewer	Amortization	Transfers	Total
REVENUE					
Warrant Assessment	\$ 4,377,684	\$ -	\$ -	\$ -	\$ 4,377,684
Unconditional Grants	242,488	-	-	-	242,488
Services Provided to Other Governments	22,269	-	-	-	22,269
Sales of Service	116,200	57,580	-	-	173,780
Other Revenue From Own Sources	16,500	54,147	-	-	70,647
Unconditional Transfers from					
Other Governments	7,400	-	-	-	7,400
Conditional Transfers from					
Other Governments	8,200	-	-	-	8,200
Other Transfers	-	10,375	-	-	10,375
Surplus - Second Previous Year	11,077	3	-	(11,080)	-
	4,801,818	122,105	-	(11,080)	4,912,843
EXPENDITURES					
Environmental Development	492,813	-	45,642	-	538,455
Environmental Health	188,000	-	28,167	-	216,167
Fiscal Services					
- Capital Expenditure	656,181	10,450	-	(666,631)	-
- Interest and Bank Fees	4,500	-	-	-	4,500
- Interest on Long Term Debt	103,126	3,955	-	-	107,081
- Principal Repayment of Long Term Debt	392,000	20,000	-	(412,000)	-
- Other	128,196	-	-	(104,000)	24,196
General Government	856,177	-	18,530	-	874,707
Protective Services	827,825	-	56,940	-	884,765
Recreation and Cultural	392,000	-	122,415	-	514,415
Transportation	761,000	-	589,137	-	1,350,137
Water and Sewer Utilities	-	87,700	35,209	-	122,909
	4,801,818	122,105	896,040	(1,182,631)	4,637,332
SURPLUS (DEFICIT)	\$ -	\$ -	\$(896,040)	\$ 1,171,551	\$ 275,511

VILLAGE OF BELLEDUNE
Notes to the Consolidated Financial Statements
For the year ended December 31, 2014

19. REVENUE AND EXPENDITURES SUPPORT

	(Unaudited) 2014 Budget	2014 Actual	2013 Actual
REVENUE			
Warrant Assessment	\$ 4,377,684	\$ 4,377,684	\$ 4,331,278
Unconditional Grants	\$ 242,488	\$ 242,488	\$ 139,917
<u>Services Provided to Other Governments</u>			
Province of New Brunswick			
Protective Services	\$ 20,346	\$ 20,346	\$ 18,637
Traffic Services	1,923	15,988	13,433
	\$ 22,269	\$ 36,334	\$ 32,070
<u>Sales of Service</u>			
Fire Services	\$ 1,200	\$ 1,200	\$ 1,200
Environmental Health Services	-	-	26,337
Environmental Development Services	22,000	25,760	20,995
Recreation and Cultural	93,000	94,873	87,364
	\$ 116,200	\$ 121,833	\$ 135,896
<u>Other Revenue from Own Sources</u>			
Licenses and Permits	\$ 6,000	\$ 9,002	\$ 49,436
Rentals	500	500	500
Return on Investment	10,000	13,105	16,098
	\$ 16,500	\$ 22,607	\$ 66,034
<u>Unconditional Transfers from Other Governments</u>			
Provincial Governments			
Municipal Fine Revenue Sharing	\$ 7,400	\$ 7,015	\$ 7,387
<u>Conditional Transfers from Other Governments</u>			
Federal Government	\$ 4,200	\$ 3,200	\$ 3,200
Provincial Government:			
Environmental Development	-	35,000	-
Provincial Government Agencies	4,000	13,633	7,107
	\$ 8,200	\$ 51,833	\$ 10,307

VILLAGE OF BELLEDUNE
Notes to the Consolidated Financial Statements
For the year ended December 31, 2014

20. REVENUE AND EXPENDITURES SUPPORT (continued)

	(Unaudited) 2014 Budget	2014 Actual	2013 Actual
REVENUE (continued)			
<u>Water and Sewer Utility</u>			
<u>Sale of Services</u>			
Sale of Water	\$ 48,580	\$ 44,977	\$ 41,082
Sale of Sewerage Services	9,000	7,200	6,000
	<u>\$ 57,580</u>	<u>\$ 52,177</u>	<u>\$ 47,082</u>
<u>Other Revenue from Own Sources</u>			
Water Supply (Fire)	\$ 45,763	\$ 45,763	\$ 38,111
Other	8,384	8,384	8,193
	<u>\$ 54,147</u>	<u>\$ 54,147</u>	<u>\$ 46,304</u>
<u>Other Transfers</u>			
From Own Funds	\$ 10,375	\$ -	\$ 19,777
<u>Other</u>			
Gain on Disposal of Tangible Capital Assets	\$ -	\$ 17,354	\$ -
Gain on Disposal of Property Held for Resale	-	-	97,998
Gas Tax Fund	-	61,025	459,464
Interest	-	23,220	20,688
Miscellaneous	-	15,151	16,393
	<u>\$ -</u>	<u>\$ 116,750</u>	<u>\$ 594,543</u>

VILLAGE OF BELLEDUNE
Notes to the Consolidated Financial Statements
For the year ended December 31, 2014

20. REVENUE AND EXPENDITURES SUPPORT (continued)

	(Unaudited) 2014 Budget	2014 Actual	2013 Actual
EXPENDITURES			
<u>General Government Services</u>			
<i>Legislative</i>			
Mayor	\$ 17,500	\$ 16,633	\$ 15,852
Councillors	45,200	42,652	42,749
Development Seminars	6,000	1,941	7,406
	68,700	61,226	66,007
<i>Administrative</i>			
Administrator	215,000	202,860	191,041
Administrative Assistant	73,000	70,733	62,499
Municipal Works	78,000	77,741	73,289
Office Building	115,000	100,478	116,848
Solicitor	20,000	40,649	36,833
Public Liability Insurance	50,000	50,218	46,551
Other Administrative	50,000	42,985	50,589
	601,000	585,664	577,650
<i>Financial Management</i>			
External Audit	20,000	25,857	19,548
Financial Consulting Fees	7,000	4,464	17,291
	27,000	30,321	36,839
<i>Common Services</i>			
Amortization	18,530	18,530	18,530
Cost of Assessment	74,401	74,401	73,594
Conventions and Delegations	4,000	725	2,544
Grants and Sundry	53,000	37,803	27,478
Civic Relations	15,000	16,858	14,549
Training and Development	8,000	4,102	4,294
RSC Admin Costs	5,076	5,076	4,644
	178,007	157,495	145,633
	\$ 874,707	\$ 834,706	\$ 826,129

VILLAGE OF BELLEDUNE
Notes to the Consolidated Financial Statements
For the year ended December 31, 2014

20. REVENUE AND EXPENDITURES SUPPORT (continued)

	(Unaudited) 2014 Budget	2014 Actual	2013 Actual
EXPENDITURES (continued)			
<u>Protective Services</u>			
<i>Police</i>	\$ 556,062	\$ 556,062	\$ 543,155
<i>Fire Protection</i>			
Administration	8,000	40,319	7,200
Amortization	56,940	56,940	62,242
Personnel	70,000	42,696	44,519
Fire Alarm Systems	26,000	24,992	25,388
Water Cost	45,763	45,763	38,111
Training	18,000	6,724	13,038
Fire Station and Building	65,000	70,963	72,842
Equipment	25,000	25,769	15,928
Other	7,000	4,904	6,272
	321,703	319,070	285,540
<i>Animal Control</i>	7,000	6,335	6,516
	\$ 884,765	\$ 881,467	\$ 835,211
<u>Transportation Services</u>			
<i>Roads and Streets</i>			
Amortization	\$ 589,137	\$ 589,137	\$ 577,847
Personnel	119,000	104,073	96,995
Engineering and Planning	35,000	10,769	12,458
Summer Maintenance	121,000	78,907	152,985
Culverts and Ditches	75,000	27,042	99,460
Snow Removal	216,000	214,075	219,041
Roads and Streets	79,000	43,258	28,287
Street Cleaning	13,000	-	4,456
	1,247,137	1,067,261	1,191,529
<i>Street Lighting</i>	95,000	92,612	95,074
<i>Traffic Services</i>			
Signals	5,000	6,887	3,288
Street Signs	3,000	58	1,451
	8,000	6,945	4,739
	\$ 1,350,137	\$ 1,166,818	\$ 1,291,342

VILLAGE OF BELLEDUNE
Notes to the Consolidated Financial Statements
For the year ended December 31, 2014

20. REVENUE AND EXPENDITURES SUPPORT (continued)

	(Unaudited) 2014 Budget	2014 Actual	2013 Actual
EXPENDITURES (continued)			
<u>Environmental Health Services</u>			
Amortization	\$ 28,167	\$ 28,167	\$ 18,943
Solid Waste Collection Personnel	102,000	103,347	98,196
Solid Waste Collection Disposal	86,000	92,392	85,583
	\$ 216,167	\$ 223,906	\$ 202,722
<u>Environmental Development Services</u>			
Amortization	\$ 45,642	\$ 45,642	\$ 21,910
Planning Commissions	116,313	116,313	117,325
Industrial Parks and Commission	65,000	29,339	18,007
Promotion, Tourism	90,500	95,319	76,792
Public Receptions	2,000	881	888
Research and Planning	1,500	1,906	29,272
Community Improvements	10,000	10,618	6,663
Economic Development	100,000	15,087	17,721
Conservation	107,500	105,198	94,769
	\$ 538,455	\$ 420,303	\$ 383,347
<u>Recreation and Cultural Services</u>			
Amortization	\$ 122,415	\$ 122,415	\$ 96,232
Community Centre and Hall	60,000	69,565	65,108
Skating Rinks and Arenas	165,000	141,120	186,903
Parks and Playgrounds	41,000	52,046	41,177
Library	9,000	8,746	11,867
Bus Service	12,000	350	8,079
Festivals and Fairs	37,000	36,811	45,776
Wharf	68,000	13,525	7,691
	\$ 514,415	\$ 444,578	\$ 462,833
<u>Fiscal Services</u>			
Bank Charges	\$ 4,500	\$ 2,461	\$ 298
Interest on Long Term Debt	103,126	94,455	113,236
Interest on Short Term Debt	-	-	-
Other	24,196	24,196	835,000
Loss on Disposal of Capital Asset	-	-	339
	\$ 131,822	\$ 121,112	\$ 948,873

VILLAGE OF BELLEDUNE
Notes to the Consolidated Financial Statements
For the year ended December 31, 2014

20. REVENUE AND EXPENDITURES SUPPORT (continued)

	(Unaudited) 2014 Budget	2014 Actual	2013 Actual
EXPENDITURES (continued)			
<u>Water and Sewer Utilities</u>			
Administration	\$ 16,500	\$ 16,068	\$ 18,717
Amortization	35,209	35,209	35,209
Fiscal Services:			
Bank Charges	-	51	18
Interest on Long Term Debt	3,955	3,857	4,746
Other	59,200	51,076	54,817
Treatment	12,000	5,757	16,398
	\$ 126,864	\$ 112,018	\$ 129,905