

VILLAGE OF BLACKS HARBOUR
Financial Statements
Year Ended December 31, 2013

Mark H. Porter Professional Corporation

VILLAGE OF BLACKS HARBOUR

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Year Ended December 31, 2013

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Mark H. Porter Professional Corporation

To Her Worship The Mayor and members of the Council of VILLAGE OF BLACKS HARBOUR

Report on the Financial Statements

We have audited the accompanying financial statements of VILLAGE OF BLACKS HARBOUR, which comprise the consolidated statement of financial position as at December 31, 2013 and December 31, 2012 and the consolidated statement of operations, consolidated statement of changes in net debt and consolidated statement of cash flows for the years ended December 31, 2013 and December 31, 2012, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for the public sector, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of VILLAGE OF BLACKS HARBOUR as at December 31, 2013 and December 31, 2012 and its financial performance, its changes in net debt and its cash flows for the years ended December 31, 2013 and December 31, 2012 in accordance with Canadian accounting standards for the public sector.



Mark H Porter, Chartered Accountant

April 4, 2014

St. Stephen, New Brunswick

Mark H. Porter Professional Corporation

VILLAGE OF BLACKS HARBOUR
Consolidated Statement of Operations
Year Ended December 31, 2013

	2013		2012	
	(Unaudited)		(Unaudited)	
	Budget	Actual	Budget	Actual
	(Note 22)		(Note 22)	
Revenue				
Property tax warrant	\$ 969,630	\$ 969,630	\$ 969,630	\$ 951,465
Unconditional grant	154,877	154,877	154,877	151,034
Services provided to other governments	139,415	140,308	140,308	146,045
Sales of services	6,500	56,157	-	-
Other revenue from own sources	22,398	119,385	-	56,027
Unconditional transfers from other governments	4,691	4,686	-	4,765
Conditional transfers	-	134,664	-	222,380
Other transfers	4	4	-	-
Water and sewer fees	489,753	491,031	484,609	484,609
Interest	10,000	11,079	-	9,948
	<u>1,797,268</u>	<u>2,081,821</u>	<u>2,026,273</u>	<u>2,026,273</u>
Expenditures				
General government services	268,141	242,449	234,284	234,284
Protective services	492,716	473,150	532,777	532,777
Transportation services	306,718	273,330	268,364	268,364
Environmental health services	55,486	49,175	50,013	50,013
Environmental development services	96,643	49,338	40,678	40,678
Recreational and cultural services	179,968	267,088	211,776	211,776
Water & sewer	663,243	538,944	560,227	560,227
Loss on disposal of tangible capital assets	-	-	7,611	-
	<u>2,062,915</u>	<u>1,893,474</u>	<u>1,905,730</u>	<u>1,905,730</u>
Annual surplus (deficit) (Note 20)	\$ (265,647)	\$ 188,347	\$ 120,543	\$ 120,543
Accumulated surplus (deficit), beginning of year		4,062,170	3,941,627	3,941,627
Accumulated surplus (deficit), end of year		<u>\$ 4,250,517</u>	<u>\$ 4,062,170</u>	<u>\$ 4,062,170</u>

Mark H. Porter Professional Corporation

VILLAGE OF BLACKS HARBOUR
Consolidated Statement of Financial Position
 As at December 31, 2013

	2013	2012
Financial assets		
Cash (Note 3)	\$ 181,717	\$ 175,165
Receivables		
General	94,492	63,451
Contributions		29,000
Federal government and its agencies (Note 4)	21,236	120,045
Province of New Brunswick (Note 5)	4,051	150,293
Canada/NB Municipal Rural Infrastructure Program		106,420
Loans receivable (Note 6)	-	13,290
Portfolio investments (Note 7)	483,498	316,531
	<u>784,994</u>	<u>974,195</u>
Liabilities		
Payables and accruals	263,155	587,082
Holdbacks payable	16,398	48,916
Deferred revenue (Note 8)	204,033	146,059
Long term debt (Note 9)	914,000	1,006,000
Accrued sick leave (Note 10)	30,000	33,400
Post employment benefits payable (Note 11)	287,400	277,600
	<u>1,714,986</u>	<u>2,099,057</u>
NET ASSETS (DEBT)	<u>(929,992)</u>	<u>(1,124,862)</u>
Non-Financial Assets		
Tangible capital assets (Note 18)	10,458,169	10,126,748
Accumulated amortization	(5,376,637)	(5,033,415)
	<u>5,081,532</u>	<u>5,093,333</u>
Inventory of supplies	72,165	68,993
Land inventory for resale	22,020	19,180
Prepaid expenses	4,792	5,526
	<u>5,180,509</u>	<u>5,187,032</u>
ACCUMULATED SURPLUS	<u>\$ 4,250,517</u>	<u>\$ 4,062,170</u>

On behalf of Council

Approved by:

Mayor

Katherine Davis, Deputy Mayor

Treasurer

[Signature]

Mark H. Porter Professional Corporation

VILLAGE OF BLACKS HARBOUR
Consolidated Statement of Changes in Net Debt
Year Ended December 31, 2013

	<u>2013</u>	<u>2012</u>
Annual surplus (deficit)	\$ 188,347	\$ 120,543
Add (deduct) :		
Acquisition of tangible capital assets	(331,421)	(354,951)
Amortization of tangible capital assets	343,222	345,716
(Gain) loss on sale of tangible capital assets	-	7,611
Acquisition of inventories	(3,172)	-
Acquisition of prepaid assets	734	(5,326)
Acquisition of land inventory for resale	(2,840)	-
Consumption of inventories	-	8,831
	<u>194,870</u>	<u>122,424</u>
(Increase) decrease in Net Assets (Debt)		
Net Assets (Debt), beginning of the year	(1,124,862)	(1,247,286)
Net Assets (Debt), end of the year	<u>\$ (929,992)</u>	<u>\$ (1,124,862)</u>

Mark H. Porter Professional Corporation

VILLAGE OF BLACKS HARBOUR
Consolidated Statement of Cash Flows
Year Ended December 31, 2013

2013 2012

Increase (decrease) in cash and cash equivalents

Operating transactions

Annual surplus (deficit)	\$ 188,347	\$ 120,543
Loss on disposal of tangible capital assets	-	7,611
Amortization of tangible capital assets	343,222	345,716
Receivable - General	(31,041)	9,440
Receivable - Contributions	29,000	(29,000)
Receivable - Federal Government and its agencies	98,809	(96,003)
Receivable - Province of New Brunswick	146,242	(138,421)
Receivable - Canada/NB Municipal Rural Infrastructure Program	106,420	(106,420)
Loans receivable	13,290	16,679
Payables and accruals	(323,927)	417,921
Holdbacks payable	(32,518)	48,916
Deferred revenue	57,974	135,246
Accrued sick leave	(3,400)	2,900
Post employment benefits payable	9,800	14,900
Change in inventory/prepaid expenses	(5,278)	3,505
	<u>596,940</u>	<u>753,533</u>

Capital transactions

Acquisition of tangible capital assets	(331,421)	(354,951)
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Financing transactions

Bank loan	-	(99,361)
Long-term debt	(92,000)	(89,000)
	<u>(92,000)</u>	<u>(188,361)</u>

Investing transactions

Investments	(166,967)	(124,553)
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Net (decrease) increase in cash and cash equivalents

6,552 85,668

Cash and cash equivalents

Beginning of year	\$ 175,165	\$ 89,497
End of year	<u>\$ 181,717</u>	<u>\$ 175,165</u>

Mark H. Porter Professional Corporation

VILLAGE OF BLACKS HARBOUR
Notes to the Consolidated Financial Statements
December 31, 2013

1. Purpose of the Organization

The Municipality was incorporated as a village by the Province of New Brunswick Municipalities Act on November 1, 1972 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 Municipality is exempt from income tax under section 149 (1)(c) of the Canadian Income Tax Act. The Municipality provides services pertaining to community development.

2. Summary of 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 focus of PSA 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.

No other entities have been included in these consolidated financial statements.

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 Municipality and which are owned or controlled by the Municipality.

Interdepartmental and organizational transactions and balances are eliminated.

Budget

The budget figures contained in these financial statements were approved by Council on January 16, 2013 and the Minister of Local Government on January 24, 2013.

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.

Mark H. Porter Professional Corporation

VILLAGE OF BLACKS HARBOUR
Notes to the Consolidated Financial Statements
December 31, 2013

2. Summary of significant accounting policies (continued)

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 Municipality's financial instruments consist of cash, portfolio investments, accounts receivable, contributions receivable, Canada/NB Municipal Rural Infrastructure Program receivable, due from the Province of New Brunswick, due from the Federal Government, due from own funds, loans receivable, bank loan, payables and accruals, holdbacks payable, deferred revenue, 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.

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.

Loans receivable

Loans receivable are recorded at face value at the date of issue and discounted by the amount of the grant portion. The grant portion is recorded in expenditures and the loan discount is amortized to revenue using the effective interest rate method. Loans receivable are valued at the lower of cost and net recoverable value. Valuation allowances to reflect collectability and risk of loss are assessed on an individual loan basis.

Inventory of land for resale

Inventory is valued at the lower of cost and estimated net realizable value.

Inventory of supplies

Inventory is valued at the lower of cost and net replacement cost with cost being determined on the average cost basis.

Mark H. Porter Professional Corporation

VILLAGE OF BLACKS HARBOUR
Notes to the Consolidated Financial Statements
December 31, 2013

2. Summary of significant accounting policies (continued)

Tangible capital assets

The municipality follows 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. Donated or contributed tangible capital assets are recorded at their fair market value at the date of construction or contribution. Tangible capital assets below a threshold of \$ 5,000 are expenses in the year of acquisition. Amortization shall begin in July of the year in which the costs were incurred. No amortization is recorded in the year of disposal. The cost of the tangible capital asset is amortized on a straight line basis over the estimated useful life as follows:

<u>Asset type</u>	<u>Years</u>
Land improvements	5-25 years
Buildings	40 years
Vehicles	3-5 years
Machinery and equipment	5-15 years
Heavy equipment	10-15 years
Computer hardware & software & communication equipment	3-5 years
Furniture & fixtures	3-5 years
Road surface	5-15 years
Road grade	10-30 years
Water and wastewater networks	15-100 years
Dams and water structures	25-50 years
Leasehold improvements	Over the term of the lease

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

Contributed goods and services

With the exception of tangible capital assets which are recognized at their fair market value, the value of contributed goods and services are not recognized in the financial statements.

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.

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VILLAGE OF BLACKS HARBOUR
Notes to the Consolidated Financial Statements
December 31, 2013

2. Summary of significant accounting policies (continued)

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 solid 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 arena, ballfields, parks and playgrounds and other recreational and cultural facilities.

Water and wastewater systems

This department is responsible for the provision of water and sewer services including the maintenance and operation of the underground networks, treatment plants, reservoirs and lagoons.

Post-employment benefits

The Municipality recognizes its obligations under post-employment benefit plans and the related costs, net of plan assets. The Municipality has a sick leave benefit as documented in Note 10 and a pension plan as documented in Note 11.

3. Cash

	2013	2012
Restricted - Reserve Funds	\$ 137,008	\$ 69,537
Unrestricted	44,709	105,628
	<u>\$ 181,717</u>	<u>\$ 175,165</u>

Mark H. Porter Professional Corporation

VILLAGE OF BLACKS HARBOUR
Notes to the Consolidated Financial Statements
December 31, 2013

4. Due from federal government and its agencies

	2013	2012
Canada Revenue Agency (HST refund)	\$ 21,236 \$	60,502
Atlantic Canada Opportunities Agency	-	59,543
	<u>\$ 21,236 \$</u>	<u>120,045</u>

5. Due from Province of New Brunswick

	2013	2012
Department of Transportation	\$ 3,540 \$	118,031
Family and Youth Capital Assistance Program	-	29,963
Environmental Trust Fund	-	2,299
Department of Local Government	511	-
	<u>\$ 4,051 \$</u>	<u>150,293</u>

6. Loans receivable

Fundy Arena Inc., non-interest bearing, discounted at 3.3%, maturing December 15, 2014, monthly repayments of \$ 1,553. During the year, the Village assumed operations of Fundy Arena and received equipment and outstanding accounts receivable in partial settlement of the loan balance

Less: valuation allowance	\$ - \$	31,221
Net recoverable amount	-	17,931
	-	13,290

Amount receivable within one year

	-	13,290
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Long term receivable balance

	-	-
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7. Portfolio investments

	2013	2012
Externally restricted - Gas Tax Fund	\$ 199,313 \$	144,958
Externally restricted - Reserve Funds	235,711	160,157
Unrestricted	48,474	11,416
	<u>\$ 483,498 \$</u>	<u>316,531</u>

The investments consist of guaranteed investment certificates with maturity dates in 2014 and interest rates ranging from 0.15% to 1.23%.

Mark H. Porter Professional Corporation

VILLAGE OF BLACKS HARBOUR
Notes to the Consolidated Financial Statements
December 31, 2013

8. Deferred revenue

	2013	2012
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Cans for Kids program

Restricted contributions required to be spent on recreational or cultural programs for children.

Balance, beginning of year	\$ 1,101	\$ 1,101
Contributions for the year	-	-
Transfer to revenue	-	-
Balance, end of year	1,101	1,101

Charlotte County Volunteer Website

Restricted contributions required to be spent to develop volunteer website.

Balance, beginning of year	\$ -	\$ -
Contributions for the year	4,000	-
Transfer to revenue	(696)	-
Balance, end of year	3,304	-

Gas Tax Fund

Transfer from the Canada-New Brunswick Agreement on the Transfer of Federal Gas Tax Revenues and the Provincial Gas Tax Top-up Fund to be applied to the cost of specific capital projects. The unspent balance is invested in portfolio investments and investment income reinvests in the fund.

Balance, beginning of year	144,958	2,962
Contributions for the year	147,968	147,968
Interest earned	1,195	966
Transfer to revenue for PSA adoption expenses	-	(2,962)
Transfer to revenue for capital projects	(94,493)	(3,976)
Balance, end of year	199,628	144,958
Total	\$ 204,033	\$ 146,059

Mark H. Porter Professional Corporation

VILLAGE OF BLACKS HARBOUR
Notes to the Consolidated Financial Statements
December 31, 2013

9. Long-term debt

2013 **2012**

New Brunswick Municipal Finance Corporation Debentures:

General Capital Fund

AQ23, 2.75% - 5.5%, due July 2014, OIC #02-0021	296,000	320,000
AW21, 4.3% - 4.55%, due May 2017, OIC #05-0087	92,000	100,000
AY28, 3.3% - 4.85%, due May 2018, OIC #06-0065 & 07-0042	161,000	178,000
BA33, .95% - 5.0%, due June 2019, OIC #06-0065	12,000	13,000
BB38, 1.0% - 4.5%, due November 2019, OIC #08-0054	77,000	112,000

Water Capital Fund

BA34, .95% - 5.0%, due June 2019, OIC #07-0042 & 07-0089	239,000	245,000
BB39, 1.0% - 4.5%, due November 2019, OIC #07-0042	37,000	38,000
	<u>\$ 914,000</u>	<u>\$ 1,006,000</u>

Approval of the Municipal Capital Borrowing Board has been obtained for long-term debt.

Principal payments required during the next five years are as follows:

2014	\$ 361,000
2015	\$ 39,000
2016	\$ 39,000
2017	\$ 97,000
2018	\$ 123,000

Principal payments on debenture AQ23 due July 8, 2014 totalling \$ 271,000 can be refinanced in the amount of \$ 47,000 for a term not to exceed 5 years and \$ 224,000 for a term not to exceed 10 years. Principal payments on debenture AW21 due May 25, 2017 totalling \$ 54,000 can be refinanced for a term not to exceed 5 years. Principal payments on debenture AY28 due May 16, 2018 totalling \$ 89,000 can be refinanced for a term not to exceed 5 years. Principal payments on debenture BA33 due June 11, 2019 totalling \$ 6,000 can be refinanced for a term not to exceed 6 years. Principal payments on debenture BA34 due June 11, 2019 totalling \$ 200,000 can be refinanced for a term not to exceed 20 years. Principal payments on debenture BB39 due November 6, 2019 totalling \$ 31,000 can be refinanced for a term not to exceed 20 years.

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VILLAGE OF BLACKS HARBOUR
Notes to the Consolidated Financial Statements
December 31, 2013

10. Accrued sick leave

The Municipality provides sick leave that accumulates at 12 hours per month for full-time non-administrative employees and 10.5 hours per month for full-time administrative employees. Full-time non-administrative employees can accumulate a maximum of 1,280 sick leave hours and full-time administrative employees can accumulate a maximum of 1,120 sick leave hours. An employee can take a leave with pay for an amount of time equal to the accumulated sick leave. Accumulated sick leave does not vest.

No actuarial valuation was performed at December 31, 2013 and the liability is based on management's best estimates. An actuarial valuation was last performed on the 7 (2012 - 8) employee plan in accordance with PSA 3255 at December 31, 2012. The actuarial method used was the Projected Unit Credit pro-rated on service to expected usage. The valuation was based on a number of assumptions about future events, such as interest rates, wage and salary increases and employee turnover and retirement. The assumptions used reflect the Municipality's best estimates.

The following summarizes the major assumptions in the valuation:

- annual salary increase is 3%;
- the discount rate used to determine the accrued benefit obligation is 3.38%;
- retirement age is 60; and
- estimated net excess utilization of rate of sick leave varies with age.

The sick leave is an unfunded benefit. As such, there are no applicable assets. Benefits are paid out of general revenue as they come due.

The unfunded liability was \$ 33,400 on December 31, 2012 and \$ 30,000 on December 31, 2013.

11. Post employment benefits payable

(a) Pension obligation

The Municipality and its employees participate in the New Brunswick Municipal Employees Pension Plan (NBMEPP). The NBMEPP is a multiple-employer defined benefit pension plan administered by a board elected by the members under the provisions of the Municipalities Act of New Brunswick. The NBMEPP provides pensions based on length of service and best average earnings.

Actuarial valuations for funding purposes are performed either annually or triennially depending on the financial position of the NBMEPP (currently annually). In turn, the actuarial valuations for accounting purposes are based on these figures (with adjustments). The most recent actuarial valuation was prepared as at December 31, 2011 and resulted in an overall NBMEPP accrued benefit obligation of \$ 78,574,700 based on the accounting basis.

The actuarial valuation for accounting purposes was based on a number of assumptions about future events, such as inflation rates, interest rates, wage and salary increases and employee turnover and mortality. The assumptions used reflect management's best estimates. The following summarizes the major assumptions in the valuation as at December 31, 2012 :

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VILLAGE OF BLACKS HARBOUR
Notes to the Consolidated Financial Statements
December 31, 2013

11. Post employment benefits payable (continued)

- the expected inflation rate is 2.35% (prior 2.35%)
- the discount rate used to determine the accrued benefit obligation is 5.5% (prior 5.5%)
- the expected rate of return on assets is 5.5% (prior 5.5%)
- retirement age varies by age and employment category
- estimated average remaining service life is (EARSL) is 15.1 years (prior 15.1 years)

The actuarial valuation prepared as at December 31, 2011 indicated that the present value of the accumulated plan benefits exceeded the market value of the net assets available for these benefits. The pension plan has been granted a solvency deficiency exemption by the Province of New Brunswick. On a going concern valuation basis, the actuarial valuation indicated a plan deficit of \$ 12,629,600, an increase of \$ 2,926,300 from the December 31, 2010 deficit of \$ 9,703,300. In response to the deficit increase, effective January 1, 2013, plan benefits were amended and contribution rates were increased. Based on the assumptions as at December 31, 2011, the actuary expected the level of employer and employee contributions to be sufficient to fund the deficit in less than fifteen years, as allowed by the Pension Benefits Act.

As at December 31, 2011, the NB MEPP provides benefits for 157 retirees. Total benefit payments to retirees and terminating employees during 2013 are estimated to be approximately \$ 2,317,600 (actual 2012, \$ 2,261,100) in totality for the NBMEPP.

Employees make contributions using rates that vary by earnings level and employment category, with an overall average contribution rate of approximately 7.6%. Each municipality contributes an amount that equals their employees contribution amounts. Pension fund assets are invested in short term securities, bonds, canadian equities and foreign equities. Combined employees and municipalities contributions for 2013 are estimated to be approximately \$ 5,026,000 (actual 2012, \$ 4,831,600) in totality for the NBMEPP.

The following summarizes the NBMEPP data as it relates to the Village of Blacks Harbour:

The average age of the 8 active employees covered by the NBMEPP is 50.9 (as at December 31, 2011)
Benefit payments were \$ 46,900 in 2012 and were estimated to be \$ 46,900 in 2013
Combined contributions were \$ 52,200 in 2012 and were estimated to be \$ 54,000 in 2013

In addition to determining the position of the NBMEPP as it relates to the Village of Blacks Harbour as at December 31, 2011 and December 31, 2012, NBMEPP's actuary performed an extrapolation of the December 31, 2012 accounting valuation to determine the estimated position as at December 31, 2013. The extrapolation assumes that assumptions used as at December 31, 2013 remain unchanged from December 31, 2012. In addition, the extrapolation assumes assets return 5.5% net of all fees and expenses. If experience is different than assumed, amounts will be adjusted to reflect actual experience. Results of the extrapolation are as follows:

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VILLAGE OF BLACKS HARBOUR
Notes to the Consolidated Financial Statements
December 31, 2013

11. Post employment benefits payable (continued)

	Estimated 1-Jan-2013	to	1-Jan-2012
	31-Dec-2013	to	31-Dec-2012
Accrued Benefit Liability / (Asset)			
Accrued benefit liability / (asset) at beginning of period	\$ 277,600	\$	262,700
Pension expense for the year	36,000		39,900
Less: Employer contributions	(26,200)		(25,000)
Accrued benefit liability / (asset) at end of period	<u>\$ 287,400</u>	<u>\$</u>	<u>277,600</u>

In summary, the Accrued Benefit Liability as it relates to the Village of Blacks Harbour is estimated to be \$ 287,400 as at December 31, 2013. This compares to \$ 277,600 as at December 31, 2012 and \$ 262,700 as at January 1, 2012. This amount is included in the Post Employment Benefits Payable on the Consolidated Statement of Financial Position.

The financial position as it relates to the Accrued Benefit Liability is shown as follows and illustrates the unamortized amounts being recognized in Pension Expense over time:

	Estimated 31-Dec-2013	31-Dec-2012
Reconciliation of Funded Status at End of Period		
Accrued benefit obligation	\$ 1,801,100	\$ 1,698,300
Plan assets	1,466,000	1,311,400
Plan deficit / (surplus)	<u>335,100</u>	<u>386,900</u>
Unamortized prior service costs / (savings)	-	-
Unamortized experience losses / (gains)	47,700	109,300
Unamortized transitional obligation / (asset)	-	-
Accrued benefit liability / (asset) at end of period	<u>\$ 287,400</u>	<u>\$ 277,600</u>

The following illustrates the reconciliation of Accrued Benefit Obligation from the beginning of period to the end of period:

	Estimated 1-Jan-2013	to	1-Jan-2012
	31-Dec-2013	to	31-Dec-2012
Reconciliation of Accrued Benefit Obligation			
Accrued benefit obligation at beginning of period	\$ 1,698,300	\$	1,628,600
Current service cost	40,400		39,100
Benefit payments	(35,400)		(58,400)
Interest for period	94,500		89,000
Cost / (savings) of plan amendments	-		-
Experience loss / (gain) during period	3,300		-
Accrued benefit obligation at end of period	<u>\$ 1,801,100</u>	<u>\$</u>	<u>1,698,300</u>

Mark H. Porter Professional Corporation

VILLAGE OF BLACKS HARBOUR
Notes to the Consolidated Financial Statements
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11. Post employment benefits payable (continued)

The following illustrates the reconciliation of Plan assets from the beginning of period to the end of period:

	Estimated 1-Jan-2013 to 31-Dec-2013	1-Jan-2012 to 31-Dec-2012	
Reconciliation of Plan Assets			
Plan assets at beginning of period	\$ 1,311,400	\$ 1,249,000	
Employer contributions	26,200	25,000	
Employee contributions	25,900	27,200	
Benefit payments	(35,400)	(58,400)	
Return on plan assets during period	137,900	68,600	
Plan assets at end of year	<u>\$ 1,466,000</u>	<u>\$ 1,311,400</u>	

Total expenses related to pensions include the following components:

	Estimated 1-Jan-2013 to 31-Dec-2013	1-Jan-2012 to 31-Dec-2012
Pension Expense		
Employer current service cost	\$ 14,500	\$ 11,900
Interest on accrued benefit obligation	94,500	89,000
Expected return on assets	(76,500)	(68,600)
	<u>32,500</u>	<u>32,300</u>
Amortization of unrecognized balances	-	-
Prior service costs / (savings)	-	-
Experience loss / (gain)	3,500	7,600
Transitional obligation / (asset)	-	-
Total amortization	<u>3,500</u>	<u>7,600</u>
Pension expense	<u>\$ 36,000</u>	<u>\$ 39,900</u>

The Pension Expense is included in the statement of operations.

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12. Surplus/Deficit reconciliation

The Municipalities Act requires Water and Sewer Fund surplus/deficit amounts to be absorbed into one or more of three Operating Budgets commencing with the second following year. In addition, the General Operating Fund is not permitted to accumulate any surplus or deficit except for the current and immediately preceding year. The reconciliation of the surplus/deficit at the end of the year consists of:

	2013	2012
Net financial assets (Liabilities)		
Adjustments:		
Long term debt	929,992	1,124,862
Accrued sick leave: Non-vesting / unfunded portion	914,000	1,006,000
Other unfunded liability - NBMEPP	30,000	33,400
Inventory of supplies	287,400	277,600
Less: Inventory Transferred from Utility Capital Fund	72,165	68,993
Prepaid expenses	28,335	28,459
Current net assets	4,792	5,526
	<u>350,030</u>	<u>238,198</u>

Composition of current net assets

General Fund Surplus <Deficit> for 2011 PNB purposes	22,190
Utility Fund Surplus <Deficit> for 2011 PNB purposes	2,765
General Fund Surplus <Deficit> for 2012 PNB purposes	9,633
Utility Fund Surplus <Deficit> for 2012 PNB purposes	1,468
General Fund Surplus <Deficit> for 2013 PNB purposes	8,045
Utility Fund Surplus <Deficit> for 2013 PNB purposes	4,091
Reserve Fund balances	373,267
	<u>229,874</u>
	<u>350,030</u>
	<u>238,198</u>

13. 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, 2013 cannot be predicted with certainty, it is the opinion of management and council that resolution of these matters will not have a material adverse effect as the Municipality maintains insurance coverage in amounts considered appropriate.

Mark H. Porter Professional Corporation

VILLAGE OF BLACKS HARBOUR
Notes to the Consolidated Financial Statements
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14 Short-term borrowings compliance

Interim borrowing for capital

The Municipality has no outstanding ministerial authority for short-term borrowings.

Operating borrowing

As prescribed in the Municipalities Act, borrowing to finance General Fund operations is limited to 4% of the Municipality's operating budget. Borrowing to finance Utility Fund operations is limited to 50% of the operating budget for the year. In 2013, the Municipality 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 amount payable between the General Operating Fund and Water and Sewer Operating Fund is not in compliance with the requirements but interest is recorded at a rate of 5.5% to ensure that no benefit or cost is attributed to either fund.

15. 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.

16. Non-monetary transactions

Connors Bros. supplies potable water at no charge to the Village of Blacks Harbour from its source of supply in Pennfield, New Brunswick. The Village does not charge the company for water distributed through waterlines within the Village limits. No revenues or expenses are recorded in the financial statements for these transactions because the fair values are not reliably measurable.

17. Economic dependence

The Village of Blacks Harbour derives a significant portion of its property tax revenues from its major industry and its employees who reside within the Municipality.

The Village of Blacks Harbour is supplied potable water by Connor Bros. at no charge. The Village has completed potential well site exploration but no viable sources have been identified.

Mark H. Porter Professional Corporation

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18. Schedule of Tangible Capital Assets

	Land	Land	Buildings &		Machinery	Infrastructure			Communication	Assets	2013	2012
	Improvements	Improvements	Leasehold	Vehicles	and	Roads and	Treatment	Water and	& Computer	Under		
	Land	Improvements	Improvements	Vehicles	Equipment	Street	Facilities	Sewer	Equipment	Construction	Total	Total
COST												
Balance, beginning of year	\$ 202,558	\$ 133,312	\$ 2,208,481	\$ 116,314	\$ 1,361,885	\$ 1,455,295	\$ 756,513	\$ 3,711,384	\$ 61,056	\$ 119,950	\$ 10,126,748	\$ 9,804,557
Add:												
Net additions during the year	5,000	121,018	241,821	24,195	25,498		33,839				451,371	354,951
Less:												
Disposals during the year										(119,950)	(119,950)	(32,760)
BALANCE, END OF YEAR	207,558	254,330	2,450,302	140,509	1,387,383	1,455,295	790,352	3,711,384	61,056	-	10,458,169	10,126,748
ACCUMULATED AMORTIZATION												
Balance, beginning of year	-	108,683	905,788	97,724	856,002	978,678	520,405	1,505,079	61,056	-	5,033,415	4,712,848
Add:												
Amortization during the year	-	6,672	61,106	13,812	80,274	47,194	23,741	110,423			343,222	345,716
Less:												
Accumulated amortization on disposals	-										-	(25,149)
BALANCE, END OF YEAR	-	115,355	966,894	111,536	936,276	1,025,872	544,146	1,615,502	61,056	-	5,376,637	5,033,415
NET BOOK VALUE OF TANGIBLE CAPITAL	\$ 207,558	\$ 138,975	\$ 1,483,408	\$ 28,973	\$ 451,107	\$ 429,423	\$ 246,206	\$ 2,095,882	\$ -	\$ -	\$ 5,081,532	\$ 5,093,333
Consists of:												
General Fund Assets	\$ 166,738	\$ 138,975	\$ 1,120,188	\$ 7,198	\$ 309,000	\$ 429,423					\$ 2,171,522	\$ 2,058,103
Water & Sewer Fund Assets	40,820	-	363,220	21,775	142,107	-	246,206	2,095,882	-	-	2,910,010	3,035,230
	\$ 207,558	\$ 138,975	\$ 1,483,408	\$ 28,973	\$ 451,107	\$ 429,423	\$ 246,206	\$ 2,095,882	\$ -	\$ -	\$ 5,081,532	\$ 5,093,333

VILLAGE OF BLACKS HARBOUR
Notes to the Consolidated Financial Statements
December 31, 2013

19. Schedule of Segment Disclosure

	General	Protective	Transportation	Environmental Health	Environmental Development	Recreation & Culture	Water & Sewer	2013 Consolidated	2012 Consolidated
Revenues									
Property tax warrant	\$ 190,007	\$ 299,868	\$ 188,813	\$ 55,486	\$ 89,548	\$ 145,908	\$ -	\$ 969,630	\$ 951,465
Unconditional grant	154,877	-	-	-	-	-	-	154,877	151,034
Services provided to other governments	-	136,768	3,540	-	-	-	-	140,308	146,045
Sale of service, fines and other fees	-	-	-	-	-	56,157	-	56,157	-
Other revenue from own sources	1,700	6,597	15,498	-	74,038	21,552	-	119,385	56,027
Unconditional transfers from other governments	-	4,686	-	-	-	-	-	4,686	4,765
Conditional transfers	-	-	7,107	-	97,893	29,664	-	134,664	222,380
Other transfers	4	-	-	-	-	-	-	4	-
Water and sewer fees	-	-	-	-	-	-	491,031	491,031	484,609
Interest	6,658	-	-	-	-	-	4,421	11,079	9,948
	353,246	447,919	214,958	55,486	261,479	253,281	495,452	2,081,821	2,026,273
Expenses									
Salaries and benefits	107,810	53,818	96,115	-	10,418	120,416	118,133	506,710	514,980
Goods and services	118,772	370,968	78,790	49,175	31,826	122,262	217,547	989,340	981,675
Amortization	7,262	30,701	91,071	-	6,523	24,410	183,255	343,222	345,717
Interest	8,605	17,663	7,354	-	571	-	20,009	54,202	55,747
Other	-	-	-	-	-	-	-	-	7,611
	242,449	473,150	273,330	49,175	49,338	267,088	538,944	1,893,474	1,905,730
Surplus (deficit) for the year	\$ 110,797	\$ (25,231)	\$ (58,372)	\$ 6,311	\$ 212,141	\$ (13,807)	\$ (43,492)	\$ 188,347	\$ 120,543

VILLAGE OF BLACKS HARBOUR
Notes to the Consolidated Financial Statements
December 31, 2013

20. 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	Total
2013 annual surplus (deficit)	\$ 193,718	\$ 36,728	\$ 139,763	\$ (183,255)	\$ 395	\$ 367	\$ 3	\$ 628	\$ 188,347
Adjustments to annual surplus (deficit) for funding requirements									
Second previous year's surplus (deficit)	22,190	-	(2,765)	-	-	-	-	-	19,425
Transfers between funds	-	-	-	-	-	-	-	-	-
Transfer from general operating reserve fund to the general operating fund	1,000	-	-	-	(1,000)	-	-	-	-
Transfer from general operating fund to the general capital reserve fund	(65,000)	-	-	-	-	65,000	-	-	-
Transfer from water & sewer operating fund to the water & sewer operating reserve fund	-	-	(24,000)	-	-	-	24,000	-	-
Transfer from water & sewer operating fund to the water & sewer capital reserve fund	-	-	(54,000)	-	-	-	-	54,000	-
Transfer from general operating fund to the general capital fund	(76,692)	76,692	-	-	-	-	-	-	-
Transfer from water & sewer operating fund to the water & sewer capital fund	-	-	(58,034)	58,034	-	-	-	-	-
Transfer from general operating fund to the general capital fund	(2,840)	2,840	-	-	-	-	-	-	-
Transfer from water and sewer capital fund to the water and sewer operating fund	-	-	124	(124)	-	-	-	-	-
Long-term debt principal repayment	(85,000)	85,000	-	-	-	-	-	-	-
Long-term debt principal repayment	-	-	(7,000)	7,000	-	-	-	-	-
Proceeds from disposal of tangible capital assets	-	-	-	-	-	-	-	-	-
Provision for sick leave accrual	(2,431)	-	(969)	-	-	-	-	-	(3,400)
Amortization expense	-	159,967	-	183,255	-	-	-	-	343,222
Loss on disposal of tangible capital assets	-	-	-	-	-	-	-	-	-
Change in amount recorded under PSA for defined benefit liability	7,010	-	2,790	-	-	-	-	-	9,800
Amount of funding for vested employee benefit liability	-	-	-	-	-	-	-	-	-
Amount of funding for defined benefit liability	-	-	-	-	-	-	-	-	-
Total adjustments to 2013 annual surplus (deficit)	(201,763)	324,499	(143,854)	248,165	(1,000)	65,000	24,000	54,000	369,047
2013 annual fund surplus (deficit) for PNB budgeting purposes	\$ (8,045)	\$ 361,227	\$ (4,091)	\$ 64,910	\$ (605)	\$ 65,367	\$ 24,003	\$ 54,628	\$ 557,394

VILLAGE OF BLACKS HARBOUR
Notes to the Consolidated Financial Statements
December 31, 2013

21. Statement of Reserves

Assets	General Operating Reserve	General Capital Reserve	Water & Sewer		2013 Total	2012 Total
			Operating Reserve	Water & Sewer Capital Reserve		
Cash	\$	64,008 \$	24,000 \$	49,000 \$	137,008	\$ 69,537
Portfolio investments	64,539	61,631	469	109,072	235,711	160,157
Accrued interest receivable	95	185	36	232	548	180
	<u>\$ 64,634</u>	<u>\$ 125,824</u>	<u>\$ 24,505</u>	<u>\$ 158,304</u>	<u>\$ 373,267</u>	<u>\$ 229,874</u>
Accumulated Surplus	\$ 64,634	\$ 125,824	\$ 24,505	\$ 158,304	\$ 373,267	\$ 229,874

Revenue
Other government transfers
Transfers from Utility and General Operating Funds
Interest

\$	-	\$	-	\$	-	\$
	395	65,000	24,000	54,000	143,000	39,400
	395	367	3	628	1,393	377
		<u>65,367</u>	<u>24,003</u>	<u>54,628</u>	<u>144,393</u>	<u>39,777</u>

Expenditures
Transfers to Utility and General Operating Funds

1,000	-	-	-	-	1,000	-
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Annual Surplus (Deficit)

\$	(605)	\$	24,003	\$	54,628	\$	143,393	\$	39,777
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Accumulated Surplus

Beginning of year	\$	65,239	\$	60,457	\$	502	\$	103,676	\$	229,874	\$	190,097
End of year	<u>\$ 64,634</u>	<u>\$ 125,824</u>	<u>\$ 24,505</u>	<u>\$ 158,304</u>	<u>\$ 373,267</u>	<u>\$ 229,874</u>						

The Water and Sewer Capital Reserve Fund includes replacement reserves totalling \$ 88,801. All annual transfers required under the Canada/New Brunswick Infrastructure Program agreement and Canada/New Brunswick Municipal Rural Infrastructure Program agreement have been recorded.

Mark H. Porter Professional Corporation

VILLAGE OF BLACKS HARBOUR
Notes to the Consolidated Financial Statements
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21. Statement of Reserves (continued)

Council resolutions regarding transfers to and from reserves:

November 20, 2013 resolution 112013-13

21.2 Transfer to Utility Capital Reserves

MOVED BY: Councillor Mahar, SECONDED BY: Councillor Anthony

Whereas, the Province of New Brunswick requires the municipality to fund a capital reserve for the utility in the amount of \$5,000

for 10 years;

Be it resolved:

That the CAO be authorized to transfer \$5,000 from the Utility Operating Fund to the Utility Capital Reserve Fund, thereby fulfilling the requirement.

CARRIED

December 18, 2013 resolution 12182013-17

21.1 (A) Year-end Transfers from the General Fund

MOVED BY: Councillor Mahar, SECONDED BY: Deputy Mayor Harris

Be it resolved:

That Council transfer \$15,000 from the Fire Department Operational Budget to the General Capital Reserve -Fire.

CARRIED

December 18, 2013 resolution 12182013-18

21.1 (B) Year-end Transfers from the General Fund

MOVED BY: Councillor Breau, SECONDED BY: Councillor Anthony

Be it resolved:

That Council transfer \$50,000 from the General Operating Fund to the General Capital Reserve Fund.

CARRIED

December 18, 2013 resolution 12182013-19

21.2 (A) Year-end Transfers from the Utility Fund

MOVED BY: Deputy Mayor Harris, SECONDED BY: Councillor Mahar

Be it resolved:

That Council transfer \$24,000 from the Utility Operating Fund to the Utility Operating Reserve Fund.

CARRIED

December 18, 2013 resolution 12182013-20

21.2 (B) Year-end Transfers from the Utility Fund

MOVED BY: Councillor Mahar, SECONDED BY: Councillor Breau

Be it resolved:

That Council transfer \$49,000 from the Utility Operating Fund to the Utility Capital Reserve Fund.

CARRIED

December 18, 2013 resolution 12182013-21

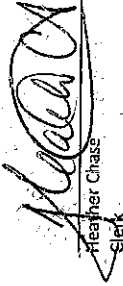
21.3 Year-end Transfer from the General Fund Operating Reserve

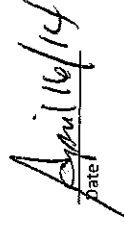
MOVED BY: Deputy Mayor Harris, SECONDED BY: Councillor Mahar

Be it resolved:

That Council transfer \$1,000 from the General Fund Operating Reserve to the General Operating Fund.

CARRIED


 Heather Chase
 Clerk


 Date April 16/14

Village of Blacks Harbour

Mark H. Porter Professional Corporation

VILLAGE OF BLACKS HARBOUR
Notes to the Consolidated Financial Statements
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22. Operating Budget to PSA Budget

	Operating Budget General	Operating Budget Water & Sewer	Amortization TCA	Controlled Entities	Transfers	Total
Revenue						
Property tax warrant	\$ 969,630	\$ -	\$ -	\$ -	\$ -	\$ 969,630
Unconditional grant	154,877	-	-	-	-	154,877
Services provided to other governments	139,415	-	-	-	-	139,415
Sales of services	6,500	-	-	-	-	6,500
Other revenue from own sources	22,398	-	-	-	-	22,398
Unconditional transfers from other governments	4,691	-	-	-	-	4,691
Conditional transfers	-	-	-	-	-	-
Other transfers	4	-	-	-	-	4
Water and sewer fees	-	489,753	-	-	-	489,753
Interest	5,000	5,000	-	-	-	10,000
Surplus/deficit of second previous year	22,190	-	-	-	(22,190)	-
	<u>1,324,705</u>	<u>494,753</u>	<u>-</u>	<u>-</u>	<u>(22,190)</u>	<u>1,797,268</u>
Expenditures						
General government services	252,699	-	7,262	-	8,180	268,141
Protective services	443,939	-	30,701	-	18,076	492,716
Transportation services	208,096	-	91,071	-	7,551	306,718
Environmental health services	55,486	-	-	-	-	55,486
Public health and welfare services	-	-	-	-	-	-
Environmental development services	89,548	-	6,523	-	572	96,643
Recreational and cultural services	155,558	-	24,410	-	-	179,968
Fiscal services						
- Long-term debt repayments	85,000	7,000	-	-	(92,000)	-
- Interest	34,379	18,440	-	-	(52,819)	-
- Deficit of second previous year	-	2,765	-	-	(2,765)	-
- Transfer from the Water & Sewer Operating Fund to the Water & Sewer Capital Fund	-	-	-	-	-	-
- Transfer from the Water & Sewer Operating Fund to the Water & Sewer Operating Reserve Fund	-	5,000	-	-	(5,000)	-
Water & sewer	-	461,548	183,255	-	18,440	663,243
	<u>1,324,705</u>	<u>494,753</u>	<u>343,222</u>	<u>-</u>	<u>(99,765)</u>	<u>2,062,915</u>
Surplus (Deficit)	\$ -	\$ -	\$ (343,222)	\$ -	\$ 77,575	\$ (265,647)

VILLAGE OF BLACKS HARBOUR
Notes to the Consolidated Financial Statements
December 31, 2013

24. Revenue and Expense Support

	2013		2012	
	(Unaudited) Budget	Actual	Actual	Actual
Revenue				
Services provided to other governments				
Province of New Brunswick				
Fire- Local service districts	\$ 135,630	\$ 135,631	\$ 137,890	
Forest fires	-	1,137	4,370	
Transportation	3,785	3,540	3,785	
	<u>\$ 139,415</u>	<u>\$ 140,308</u>	<u>\$ 146,045</u>	
Sales of services				
Recreation				
Skating rink and arena	\$ -	\$ 56,157	-	
Day camp programs	6,500	-	-	
	<u>\$ 6,500</u>	<u>\$ 56,157</u>	<u>\$ -</u>	
Other revenue from own sources				
Licenses and permits	\$ 3,750	\$ 6,387	\$ 3,795	
Rentals - machinery and equipment	15,498	15,498	15,498	
Miscellaneous	3,150	2,010	5,950	
Contributions - business and individuals	-	92,863	30,784	
Loan loss recovery	-	2,627	-	
	<u>\$ 22,398</u>	<u>\$ 119,385</u>	<u>\$ 56,027</u>	
Unconditional transfers from other governments				
Municipal fine revenue sharing	\$ 4,691	\$ 4,686	\$ 4,765	
Conditional transfers				
Municipal Rural Infrastructure Fund	\$ -	\$ -	\$ 106,420	
Gas Tax transfer	-	94,493	6,938	
Government of Canada				
Environmental development				
Tourism	-	3,400	3,200	
Recreation and culture	-	20,060	61,043	
Province of New Brunswick				
Water and sewer - ERA study	-	-	4,981	
Transportation	-	7,107	3,985	
Environmental development	-	-	2,299	
Recreation and culture	-	9,604	33,514	
	<u>\$ -</u>	<u>\$ 134,664</u>	<u>\$ 222,380</u>	

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24. Revenue and Expense Support (continued)

	2013		2012	
	(Unaudited) Budget	Actual	Actual	Actual
Other transfers	\$ 4	\$ 4	\$ 4	\$ -
Adjustment for payment in lieu of taxes				
Water and sewer fees	\$ 438,853	\$ 440,506	\$ 434,054	\$ 555
Water and sewer user fees	900	525	50,000	50,000
Connection and service charges	50,000	50,000	489,753	484,609
Water supply for fire protection	\$ 489,753	\$ 491,031	\$ 489,753	\$ 484,609
Expenditures				
General government services				
Legislative				
Mayor	\$ 9,260	\$ 7,618	\$ 8,935	\$ 19,309
Councillors	21,300	18,209	19,309	28,244
Total	30,560	25,827	28,244	
Administrative				
Personnel	124,644	107,810	100,060	20,091
Other	24,700	21,763	20,091	12,803
Office building	17,150	13,065	12,803	1,138
Solicitor	1,500	3,853	1,138	134,092
Total	167,994	146,491	134,092	
Financial management	15,000	16,031	14,790	
External audit				
Common services				
Training and development	2,000	1,459	872	
Cost of assessment	12,067	12,067	11,917	
Total	14,067	13,526	12,789	
Other				
Conventions and delegations	2,500	2,732	1,255	
Public liability	11,916	12,089	10,770	
Grants to organizations	2,500	2,350	2,700	
Other	6,412	6,250	6,726	
Bank service charges	1,750	1,286	1,306	
Payment in lieu of taxes	-		5,879	
Amortization	7,262	7,262	7,262	
Interest	8,180	8,605	8,471	
Total	40,520	40,574	44,369	
Total general government services	\$ 268,141	\$ 242,449	\$ 234,284	

Mark H. Porter Professional Corporation

VILLAGE OF BLACKS HARBOUR
Notes to the Consolidated Financial Statements
December 31, 2013

24. Revenue and Expense Support (continued)

	2013		2012	
	(Unaudited) Budget	Actual	Budget	Actual
Protective services				
Fire				
Administration - personnel	\$ 16,714	\$ 16,714	\$ 16,714	\$ 16,714
Administration - other	5,010	4,059	4,066	4,066
Firefighting force	50,484	44,617	45,854	45,854
Alarm systems	11,516	8,878	9,539	9,539
Investigation and prevention	500	1,197	1,127	1,127
Water purchased	50,000	50,000	50,000	50,000
Training and development	8,600	2,490	4,956	4,956
Station	21,599	17,207	15,629	15,629
Fire fighting equipment	56,427	66,646	75,424	75,424
Amortization	30,701	30,701	36,456	36,456
Interest	18,076	17,663	19,050	19,050
	<u>269,627</u>	<u>260,172</u>	<u>278,815</u>	<u>278,815</u>
Police				
R.C.M.P.	188,089	188,089	228,000	228,000
Emergency measures				
Other	4,400	1,224	1,967	1,967
Other				
Building inspector	28,500	21,022	23,892	23,892
Animal control	2,100	2,643	103	103
	<u>30,600</u>	<u>23,665</u>	<u>23,995</u>	<u>23,995</u>
Total protective services	\$ 492,716	\$ 473,150	\$ 532,777	\$ 532,777
Transportation services				
Common				
Personnel	\$ 54,108	\$ 52,908	\$ 60,288	\$ 60,288
Administration	3,940	4,510	4,444	4,444
General equipment	25,710	18,788	12,538	12,538
Workshop, yard and other buildings	5,425	4,349	4,769	4,769
	<u>89,183</u>	<u>80,555</u>	<u>82,039</u>	<u>82,039</u>
Road transport				
Roads and streets	31,640	7,016	13,464	13,464
Snow and ice removal				
Personnel	40,275	43,207	32,404	32,404
Department of Transportation	5,348	5,348	5,348	5,348
Other	10,000	7,633	2,012	2,012
	<u>87,263</u>	<u>63,204</u>	<u>53,228</u>	<u>53,228</u>

Mark H. Porter Professional Corporation

VILLAGE OF BLACKS HARBOUR
Notes to the Consolidated Financial Statements
December 31, 2013

24. Revenue and Expense Support (continued)

	2013		2012	
	(Unaudited) Budget	Actual	Actual	Actual
Other				
Street lighting	27,200	25,062	25,930	25,930
Traffic services	4,450	6,084	4,374	4,374
Amortization	91,071	91,071	94,263	94,263
Interest	7,551	7,354	8,530	8,530
	<u>130,272</u>	<u>129,571</u>	<u>133,097</u>	<u>133,097</u>
Total transportation services	\$ 306,718	\$ 273,330	\$ 268,364	\$ 268,364
Environmental health services				
Solid waste collection	29,236	28,424	27,923	27,923
Solid waste disposal	26,250	20,751	22,090	22,090
Total environmental health services	\$ 55,486	\$ 49,175	\$ 50,013	\$ 50,013
Environmental development services				
Environmental planning and zoning	14,650	2,200	11,361	11,361
Community development	47,850	16,579	1,884	1,884
Regional Service Commission	2,123	2,123	-	-
Other environmental development services				
Tourism				
Tourist bureau	11,425	12,712	12,343	12,343
Camps and parks	2,400	1,586	2,147	2,147
Other	11,100	7,044	9,952	9,952
Amortization	6,523	6,523	2,393	2,393
Interest	572	571	598	598
Total environmental development services	\$ 96,643	\$ 49,338	\$ 40,678	\$ 40,678
Recreation and cultural services				
Recreation				
Administration	2,300	2,300	-	-
Rink and arena				
Personnel	83,150	92,911	94,934	94,934
Other	26,594	93,352	18,148	18,148
Exhibitions and fairs	1,700	18,777	7,121	7,121
Parks and playgrounds				
Personnel	13,858	23,687	39,864	39,864
Other	5,731	2,228	5,040	5,040
Other recreation facilities				
Personnel	4,050	3,818	4,719	4,719
Other	5,325	1,115	306	306
Other recreation and cultural services	12,850	4,490	8,652	8,652
Provision for loss on loan receivable	-	-	16,900	16,900
Amortization	24,410	24,410	16,092	16,092
Total recreation and cultural services	\$ 179,968	\$ 267,088	\$ 211,776	\$ 211,776

Mark H. Porter Professional Corporation

VILLAGE OF BLACKS HARBOUR
Notes to the Consolidated Financial Statements
December 31, 2013

24. Revenue and Expense Support (continued)

	2013		2012	
	(Unaudited) Budget	Actual	Budget	Actual
Water and Sewer				
Water supply				
Administration				
Personnel	\$ 13,472	\$ 13,683	\$	16,342
Other	15,163	8,648		8,067
Purification and treatment	7,500	7,941		7,384
Transmission and distribution				
Personnel	40,251	40,106		41,037
Solicitor	-	-		35,633
Other	26,200	14,637		7,509
Power and pumping	8,220	3,929		5,026
Billing and collection				
Personnel	5,953	6,046		10,144
Other	500	548		316
Seniors discounts	2,250	2,098		1,997
Workshop and equipment	32,547	18,165		16,159
Amortization	101,438	101,438		98,868
Interest	7,754	9,330		8,081
	<u>261,248</u>	<u>226,569</u>		<u>256,563</u>
Sewer collection and disposal				
Administration				
Personnel	13,472	13,683		16,531
Other	15,163	14,156		8,610
Sewage collection system				
Personnel	40,251	38,569		25,828
Other	1,000	216		20
Sewage lift stations	20,300	17,956		19,282
Sewage treatment and disposal	173,056	108,086		99,394
Billing and collection				
Personnel	5,953	6,046		10,261
Other	500	548		316
Seniors discounts	2,250	2,098		1,997
Workshop and equipment	37,547	18,154		16,059
Provision for loss on accounts receivable	-	367		3,966
Amortization	81,817	81,817		90,383
Interest	10,686	10,679		11,017
	<u>401,995</u>	<u>312,375</u>		<u>303,664</u>
Total water and sewer	\$ 663,243	\$ 538,944	\$	560,227

Mark H. Porter Professional Corporation