

**Town of St. George**  
**Consolidated Financial Statements**  
Year Ended December 31, 2018



## **Town of St. George**

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Year Ended December 31, 2018

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## INDEPENDENT AUDITORS' REPORT

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To Her Worship the Mayor and Members of Councils of Town of St. George

### *Opinion*

We have audited the financial statements of Town of St. George (the Municipality), which which comprise the consolidated statement of financial position as at December 31, 2018, and the consolidated statements of operations, changes in net debt and cash flows for the year then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Municipality as at December 31, 2018, and the results of its operations and changes in net debt for the year then ended in accordance with Canadian public sector accounting standards.

### *Basis for Opinion*

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Municipality in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Other Matter*

The financial statements of Town of St. George for the year ended December 31, 2017 were audited by another auditor who expressed an unmodified opinion on those financial statements on May 31, 2018.

### *Responsibilities of Management and Those Charged with Governance for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, 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.

In preparing the financial statements, management is responsible for assessing the Municipality's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Municipality or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Municipality's financial reporting process.

### *Auditors' Responsibilities for the Audit of the Financial Statements*

(continues)

Independent Auditors' Report to the Worship the Mayor and Members of Councils of Town of St. George  
(continued)

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Municipality's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Municipality's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Municipality to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Saint John, New Brunswick  
June 10, 2019

CHARTERED PROFESSIONAL ACCOUNTANTS

**Town of St. George**  
**Consolidated Statement of Operations**  
**Year Ended December 31, 2018**

	<b>2018</b>		<b>2017</b>
	( Unaudited )		
	Budget	Actual	Actual
	(Note 22)		
<b>Revenue</b>			
Property tax warrant	\$ 1,880,402	\$ 1,880,402	\$ 1,845,744
Community funding and equalization grant	115,801	115,801	99,622
Services provided to other governments	154,738	159,793	117,566
Sales of services	4,000	2,326	4,192
Other revenue from own sources	25,949	62,941	39,828
Unconditional transfers from other governments	-	1,822	1,511
Conditional transfers from other governments	750	743,971	655,543
Other transfers	-	-	-
Water and sewer fees	729,970	731,476	725,503
Interest	8,000	12,460	10,831
Gain on disposal of tangible capital assets	-	-	-
	<u>2,919,610</u>	<u>3,710,992</u>	<u>3,500,340</u>
<b>Expenditures</b>			
General government services	357,979	391,811	324,759
Protective services	765,504	757,559	720,813
Transportation services	737,974	786,603	752,907
Environmental health services	114,000	108,886	108,599
Public health and welfare services	29,200	25,293	57,680
Environmental development services	134,335	105,110	160,982
Recreational and cultural services	139,809	131,020	114,334
Water & sewer	1,073,995	979,986	866,792
Adjustment for payment in lieu of taxes	-	-	-
Loss on disposal of tangible capital assets	-	31,856	41,110
	<u>3,352,796</u>	<u>3,318,124</u>	<u>3,147,976</u>
Annual surplus (deficit) (Note 19)	<u>\$ (433,186)</u>	392,868	352,364
Accumulated surplus, beginning of year		<u>10,432,350</u>	<u>10,079,986</u>
Accumulated surplus, end of year		<u>\$ 10,825,218</u>	<u>\$ 10,432,350</u>

**Town of St. George**  
**Consolidated Statement of Financial Position**  
**As at December 31, 2018**

	<u>2018</u>	<u>2017</u>
<b>Financial assets</b>		
Cash (Note 3)	\$ 510,109	\$ 575,954
Receivables		
General	229,241	205,982
Federal government and its agencies (Note 4)	64,050	39,178
Province of New Brunswick (Note 5)	635,315	338,826
	<u>1,438,715</u>	<u>1,159,940</u>
<b>Liabilities</b>		
Bank indebtedness (Note 6)	422,883	51,836
Payables and accruals	377,956	208,293
Deferred revenue (Note 7)	196,777	322,711
Obligations under capital leases (Note 8)	121,570	22,448
Long term debt (Note 9)	2,062,000	2,248,000
Accrued sick leave (Note 10)	3,150	3,150
	<u>3,184,336</u>	<u>2,856,438</u>
<b>NET ASSETS (DEBT)</b>	<u>(1,745,621)</u>	<u>(1,696,498)</u>
<b>Non-Financial Assets</b>		
Tangible capital assets (Note 17)	25,276,812	24,193,009
Accumulated amortization	(12,738,180)	(12,102,181)
	<u>12,538,632</u>	<u>12,090,828</u>
Inventory of supplies	30,539	36,351
Land inventory for resale	1,000	1,000
Prepaid expenses	668	669
	<u>12,570,839</u>	<u>12,128,848</u>
<b>ACCUMULATED SURPLUS</b>	<u>\$ 10,825,218</u>	<u>\$ 10,432,350</u>

On behalf of Council

Approved by:

Mayor \_\_\_\_\_

Treasurer \_\_\_\_\_

**Town of St. George**  
**Consolidated Statement of Changes in Net Debt**  
**Year Ended December 31, 2018**

	<u>2018</u>	<u>2017</u>
Annual surplus	\$ 392,868	\$ 352,364
Add (deduct) :		
Acquisition of tangible capital assets	(1,228,435)	(1,393,230)
Proceeds on disposal of tangible capital assets	22,754	5,003
Amortization of tangible capital assets	726,021	634,350
Loss (gain) on disposal of tangible capital assets	31,856	41,110
Acquisition of inventories	-	-
Consumption of inventories	5,812	4,333
Acquisition of prepaid assets	-	-
Use of prepaid assets	1	1,987
	<hr/>	<hr/>
(Increase) decrease in Net Assets (Debt)	(49,123)	(354,083)
Net Assets (Debt), beginning of the year	(1,696,498)	(1,342,415)
Net Assets (Debt), end of the year	<u>\$ (1,745,621)</u>	<u>\$ (1,696,498)</u>

**Town of St. George**  
**Consolidated Statement of Cash Flows**  
Year Ended December 31, 2018

	<u>2018</u>	<u>2017</u>
<b>Increase (decrease) in cash and cash equivalents</b>		
<b>Operating transactions</b>		
Annual surplus	\$ 392,868	\$ 352,364
Loss (gain) on disposal of tangible capital assets	31,856	41,110
Amortization of tangible capital assets	726,021	634,350
Receivable - General	(23,259)	39,017
Receivable - Federal Government and its agencies	(24,872)	53,968
Receivable - Province of New Brunswick	(296,489)	265,371
Payables and accruals	169,663	(495,085)
Deferred revenue	(125,934)	126,284
Change in inventory/prepaid expenses	5,813	6,320
	<u>855,667</u>	<u>1,023,699</u>
<b>Capital transactions</b>		
Acquisition of tangible capital assets	(1,106,402)	(1,393,230)
Proceeds on sale of tangible capital assets	22,754	5,003
	<u>(1,083,648)</u>	<u>(1,388,227)</u>
<b>Financing transactions</b>		
Increase (decrease) in bank indebtedness	371,047	(790,943)
Reduction of obligations under capital lease	(22,911)	(24,480)
Issue of long term debt	-	200,000
Reduction of long term debt	(186,000)	(163,000)
	<u>162,136</u>	<u>(778,423)</u>
Net increase (decrease) in cash and cash equivalents	(65,845)	(1,142,951)
<b>Cash and cash equivalents</b>		
Beginning of year	575,954	1,718,905
End of year	<u>\$ 510,109</u>	<u>\$ 575,954</u>



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**Town of St. George**  
**Notes to the Consolidated Financial Statements**  
**December 31, 2018**

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**1. Purpose of the Organization**

The Municipality was incorporated as a Town on October 17, 1904 and was continued as a Town by the Province of New Brunswick Municipalities Act on November 9, 1966. The Town was approved for status as a municipality with territorial limits specified under New Brunswick Regulation 85-6 under the Municipalities Act. On January 1, 2018, the Municipalities Act was repealed and under sections 192 and 193 of the Local Governance Act, the Village continued to exist and its territorial limits remained unchanged. A 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 Standards Board of Chartered Professional Accountants of Canada.

The focus of public sector 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 22, 2018 and the Department of Environment and Local Government on February 1, 2018.

**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.

**Expenditure recognition**

Expenditures are recorded on an accrual basis.

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**Town of St. George**  
**Notes to the Consolidated Financial Statements**  
**December 31, 2018**

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**2. Summary of significant accounting policies (continued)**

**Use of estimates**

The preparation of the consolidated financial statements in conformity with Canadian public sector accounting standards 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.

Examples of significant estimates include:

- allowance for doubtful accounts
- provision for amortization of tangible capital assets
- estimated useful life and residual value of tangible capital assets
- accrued sick leave liability

**Financial instruments**

The Municipality's financial instruments consist of cash, accounts receivable, due from Federal government and its agencies, due from Province of New Brunswick, due from own funds, bank loans, payables and accruals, deferred revenue, obligations under capital lease 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. Bank borrowings are considered to be financing activities

**Leases**

Leases are classified as either capital or operating. A lease that transfers substantially all benefits and risks incidental to the ownership of property is classified as a capital lease. All other leases are accounted for as operating leases and payments are expensed as incurred. At the inception of a capital lease, a tangible capital asset and a liability are recorded at an amount equal to the lesser of the present value of the future minimum lease payments and the asset's fair value at the beginning of the lease.

**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.

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**Town of St. George**  
**Notes to the Consolidated Financial Statements**  
**December 31, 2018**

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**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 expensed 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:

<b>Asset type</b>	<b>Years</b>
Land improvements	5-25 years
Buildings	40 years
Vehicles	3-5 years
Vehicles under capital lease obligation	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.

**Post-employment benefits and compensated absences**

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.

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**Town of St. George**  
**Notes to the Consolidated Financial Statements**  
**December 31, 2018**

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**2. Summary of significant accounting policies (continued)**

**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, building inspection 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.

Public Health and Welfare Services

This department is responsible for the provision of a medical clinic and physician recruitment.

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 community centre, 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.

The Municipality has presented a schedule of segmented disclosure in Note 18 to the consolidated financial statements

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**Town of St. George**  
**Notes to the Consolidated Financial Statements**  
**December 31, 2018**

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**3. Cash**

	<u>2018</u>	<u>2017</u>
Restricted - Reserve Funds	\$ 275,398	\$ 349,076
Restricted - Gas Tax Funds	120,459	218,990
Restricted - Capital projects	50,806	7,588
Unrestricted	63,446	300
	<u>\$ 510,109</u>	<u>\$ 575,954</u>

**4. Due from federal government and its agencies**

	<u>2018</u>	<u>2017</u>
Canada Revenue Agency	\$ 63,995	\$ 39,150
Public Works and Government Services	55	28
	<u>\$ 64,050</u>	<u>\$ 39,178</u>

**5. Due from Province of New Brunswick**

	<u>2018</u>	<u>2017</u>
Transportation and Infrastructure	\$ 242,004	\$ 203,334
Energy and Resource Development	1,784	-
Post-Secondary Education, Training and Labour	-	3,647
Anglophone School District South	-	60,480
Small Communities Fund	353,416	-
IBA Green Infrastructure	962	-
Clean Water and Wastewater Fund	36,575	63,445
New Building Canada Fund	574	7,920
	<u>\$ 635,315</u>	<u>\$ 338,826</u>

**6. Bank Indebtedness**

	<u>2018</u>	<u>2017</u>
Interim bank loan financing under MO #18-0048 bearing interest at Scotiabank prime (3.95% at December 31,2018)	\$ 360,000	\$ -
Visa Business Card, \$ 75,000 credit limit, unsecured	62,883	51,836
	<u>\$ 422,883</u>	<u>\$ 51,836</u>

Authorized bank indebtedness for operating purposes totals \$ 90,516 in the General Fund and \$ 392,515 in the Water and Sewer Fund. These operating loan balances were not utilized at December 31,2018.

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**Town of St. George**  
**Notes to the Consolidated Financial Statements**  
**December 31, 2018**

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7. Deferred revenue	2018	2017
<b>Sale of water and sewer services</b>		
Water and sewer services billed based on school year from September 1st to August 31st. Revenue is recognized in the financial statements on a monthly basis.		
Balance, beginning of year	\$ 36,288	\$ 34,545
Billing for September 1st to August 31st	62,720	60,480
Transfer to revenue	(61,376)	(58,737)
Balance, end of year	<u>37,632</u>	<u>36,288</u>
<b>New Building Canada Fund</b>		
Capital project funding for construction of water distribution tower and transmission line		
Balance, beginning of year	13,127	
Contributions received during the year	-	13,127
Transfer to revenue	(5,781)	
Applied to claim receivable	(7,346)	
Balance, end of year	<u>-</u>	<u>13,127</u>
<b>Contributions for Community Garden</b>		
Contributions for capital costs of community garden construction		
Contributions received during the year	8,500	
Transfer to revenue	(7,842)	
Balance, end of year	<u>658</u>	
<b>Enabling Accessibility Fund</b>		
Construction of building entryway ramp to increase accessibility at the Town hall		
	<u>11,000</u>	
<b>AVIVA Community Fund</b>		
Contribution for construction of community splash pad		
	<u>15,000</u>	
<b>Regional Development Corporation</b>		
Transfer from the Province of New Brunswick for the refurbishment of "Eagle's Nest" tourism site		
Contributions received during the year	50,000	
Transfer to revenue	(37,972)	
Balance, end of year	<u>12,028</u>	
<b>Gas Tax Fund</b>		
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 an interest-bearing bank account and investment income accumulates in the fund.		
Balance, beginning of year	273,296	161,882
Contributions received during the year	113,786	109,931
Interest earned	2,873	1,483
Transfer to revenue for capital projects	(269,496)	-
Balance, end of year	<u>120,459</u>	<u>273,296</u>
	<u>\$ 196,777</u>	<u>\$ 322,711</u>

**Town of St. George**  
**Notes to the Consolidated Financial Statements**  
**December 31, 2018**

**8. Obligations under capital leases**

	<u>2018</u>	<u>2017</u>
The company has the following obligations under capital leases:		
Ford Credit commercial lease agreement with imputed interest of 6.99%, blended monthly payments of \$ 554 plus taxes until July 2019 with a purchase option of \$ 282, secured by a vehicle with a net book value of \$ 2,913	\$ 4,196	\$ 10,532
Ford Credit commercial lease agreement with imputed interest of 6.99%, blended monthly payments of \$ 658 plus taxes until June 2019 with a purchase option of \$ 335, secured by a vehicle with a net book value of \$ 3,996	4,338	11,916
GWB National Leasing commercial lease agreement with imputed interest of 5.66%, blended monthly payments of \$ 2,235 plus taxes until July 2023 with a purchase option of \$ 10, secured by heavy equipment with a net book value of \$ 114,406	113,036	
	<u>121,570</u>	<u>22,448</u>
Obligations maturing during the subsequent period	30,820	13,914
	<u>\$ 90,750</u>	<u>\$ 8,534</u>

Approval of the Municipal Capital Borrowing Board has been obtained for obligations under capital leases.

Future minimum lease payments under capital leases are as follows:

2019	40,551
2020	30,843
2021	30,843
2022	30,843
2023	18,003
	<u>151,083</u>
Refundable portion of HST	14,076
Interest included in minimum payments	15,437
	<u>\$ 121,570</u>

**Town of St. George**  
**Notes to the Consolidated Financial Statements**  
**December 31, 2018**

**9. Long-term debt**

	2018	2017
<u>New Brunswick Municipal Finance Corporation Debentures:</u>		
General Capital Fund		
BJ-28, 1.25% - 3.70%, due Nov 20, 2023, OIC #13-0021	\$ 79,000	\$ 94,000
BL-31, 1.20% - 3.10%, due Dec 8, 2024, OIC #14-0027	125,000	144,000
BM-24, .95% - 2.80%, due July 6, 2025, OIC #14-0027	35,000	40,000
BO-27, 1.45% - 3.50%, due June 6, 2031, OIC #15-0081	283,000	308,000
BP-23, 1.20% - 2.95%, due Dec 7, 2026, OIC #16-0013	244,000	297,000
BQ-25, 1.20% - 2.70%, due June 1, 2027, OIC #16-0013	181,000	200,000
Water and Sewer Capital Fund		
BJ-29, 1.25% - 3.70%, due Nov 20, 2023, OIC #13-0021	79,000	94,000
BL-32, 1.20% - 3.10%, due Dec 8, 2024, OIC #14-0027	63,000	73,000
BM-25, .95% - 2.80%, due July 6, 2025, OIC #13-0021	19,000	21,000
BO-28, 1.45% - 3.75%, due June 6, 2036, OIC #15-0081	954,000	977,000
	<u>\$ 2,062,000</u>	<u>\$ 2,248,000</u>

Approval of the Municipal Capital Borrowing Board has been obtained for long-term debt. At yearend, long term debt of \$ 50,806 issued for Environmental Health (Utility) Services remains unspent.

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

2019 - \$ 188,000; 2020 - \$ 191,000; 2021 - \$ 195,000; 2022 - \$ 152,000; 2023 - \$ 155,000

Refinancing options for future maturing debentures:

<u>Debenture</u>	<u>Maturity date</u>	<u>Amount eligible</u>	<u>Maximum refinancing term</u>
BO-28	June 6, 2036	\$ 427,000	Not exceeding 10 years

**10. Accrued sick leave**

The Municipality provides sick leave that accumulates at 1.25 days per month for full-time employees to a maximum of 240 sick leave days. An employee can take a leave with pay for an amount of time equal to the accumulated sick leave. Accumulated sick leave benefit does not vest. The municipality has a group insurance plan which provides short-term disability benefits after a one week off work if the employee qualifies.

An actuarial valuation was not performed at December 31, 2018 and the liability is based on management's best estimates. The previous actuarial valuation was last performed on the 9 employee plan in accordance with PSA 3255 at December 31, 2015. The actuarial method used was the projected benefit method pro-rated on services. 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%;
- annual consumer price index increase is 2%;
- the discount rate used to determine the accrued benefit obligation is 3.51%
- retirement age is 65; 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 \$ 3,150 at December 31, 2018 and \$ 3,150 at December 31, 2017



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**Town of St. George**  
**Notes to the Consolidated Financial Statements**  
**December 31, 2018**

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### 11. 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, 2018 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.

### 12. Short-term borrowings compliance

#### Interim capital borrowing

The Municipality has ministerial authority for short-term borrowings as follows:

MO #15-0081	\$	18,000	Environmental Health Services (General)
MO #15-0081	\$	1,937,388	Environmental Health Services interim financing (Utility)
MO #16-0013	\$	15,000	Protective Services
MO #16-0013	\$	20,000	Environmental Health Services (Utility)
MO #18-0044	\$	269,000	Transportation Services interim financing
MO #18-0048	\$	360,000	Environmental Health Services interim financing (Utility)
MO #18-0052	\$	42,000	Environmental Health Services (Utility)
MO #18-0052	\$	126,000	Environmental Health Services interim financing (Utility)
MO #18-0052	\$	56,893	Transportation Services interim financing
MO #18-0059	\$	166,000	Environmental Health Services (Utility)
MO #18-0059	\$	456,000	Environmental Health Services interim financing (Utility)

#### Operating borrowing

As prescribed in the Local Governance 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. 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 5.0% to ensure that no benefit or cost is attributed to either fund.

### 13. Water Cost Transfer

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

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**Town of St. George**  
**Notes to the Consolidated Financial Statements**  
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**14. Economic dependence**

Sales of water & sewer services to the fish processing industry accounted for 41.9% ( 2017 - 44.0% ) of total water and sewer user fees

**15 Surplus/Deficit reconciliation**

The Local Governance Act requires Water and Sewer Fund surplus/deficit amounts to be absorbed into one or more of four 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:

	<u>2018</u>	<u>2017</u>
Net financial assets (debt)	\$ (1,745,621)	\$ (1,696,498)
Adjustments:		
Long term debt	2,062,000	2,248,000
Less: Unspent portion of long term debt	(50,806)	(53,697)
Obligations under capital lease	121,570	22,448
Temporary financing for capital projects	20,000	-
Accrued sick leave: Non-vesting / unfunded portion	3,150	3,150
Inventory of supplies	30,539	36,351
Prepaid expenses	668	669
Current net assets	<u>\$ 441,500</u>	<u>\$ 560,423</u>
Composition of current net assets		
Pre-1967 General Fund Surplus	\$ 15,004	\$ 15,004
Pre-1967 Utility Fund Surplus	17,625	17,625
2016 General Fund Surplus for PNB budgeting purposes		73,279
2016 Utility Fund Surplus for PNB budgeting purposes		54,861
2017 General Fund Surplus for PNB budgeting purposes	42,802	42,802
2017 Utility Fund Surplus for PNB budgeting purposes	7,776	7,776
2018 General Fund Surplus for PNB budgeting purposes	97,303	
2018 Utility Fund Deficit for PNB budgeting purposes	(14,408)	
Reserve Fund balances	275,398	349,076
	<u>\$ 441,500</u>	<u>\$ 560,423</u>

**16. Comparative figures**

Certain of the 2017 comparative figures have been reclassified to conform with the financial statement presentation adopted for the current year.

Town of St. George  
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## 17. Schedule of Tangible Capital Assets

	Land		Buildings & Leasehold	Vehicles	Assets Under Capital Lease	Heavy Equipment	Machinery and Equipment	Infrastructure			Communication & Computer Equipment	Assets Under Construction	2018 Total	2017 Total
	Land	Improvements	Improvements					Roads and Street	Treatment Facilities	Water and Sewer				
<b>COST</b>														
Balance, beginning of year	\$ 424,417	\$ 1,569,376	\$ 4,747,755	\$ 75,559	\$ 69,108	\$ 1,456,204	\$ 427,534	\$ 4,957,969	\$ 2,206,551	\$ 8,030,936	\$ 116,394	\$ 111,206	\$ 24,193,009	\$ 22,932,377
Add:														
Net additions during the year	39,910	45,815	63,380	-	122,033	33,756	39,856	64,839	-	801,327	-	17,519	1,228,435	1,393,230
Less:														
Disposals during the year	-	-	-	-	-	(121,353)	(2,333)	(15,169)	-	(5,777)	-	-	(144,632)	(132,598)
Balance, end of year	464,327	1,615,191	4,811,135	75,559	191,141	1,368,607	465,057	5,007,639	2,206,551	8,826,486	116,394	128,725	25,276,812	24,193,009
<b>ACCUMULATED AMORTIZATION</b>														
Balance, beginning of year	-	1,339,431	1,387,350	56,824	48,377	743,177	339,098	3,564,738	1,654,402	2,852,390	116,394	-	12,102,181	11,554,316
Add:														
Amortization during the year	-	35,719	152,573	8,798	21,449	86,264	22,122	124,100	48,950	226,046	-	-	726,021	634,350
Less:														
Accumulated amortization on disposal	-	-	-	-	-	(66,743)	(2,333)	(15,169)	-	(5,777)	-	-	(90,022)	(86,485)
Balance, end of year	-	1,375,150	1,539,923	65,622	69,826	762,698	358,887	3,673,669	1,703,352	3,072,659	116,394	-	12,738,180	12,102,181
<b>NET BOOK VALUE OF TANGIBLE CAPITAL</b>	<b>\$ 464,327</b>	<b>\$ 240,041</b>	<b>\$ 3,271,212</b>	<b>\$ 9,937</b>	<b>\$ 121,315</b>	<b>\$ 605,909</b>	<b>\$ 106,170</b>	<b>\$ 1,333,970</b>	<b>\$ 503,199</b>	<b>\$ 5,753,827</b>	<b>\$ -</b>	<b>\$ 128,725</b>	<b>\$ 12,538,632</b>	<b>\$ 12,090,828</b>
Consists of:														
General Fund Assets	\$ 349,325	\$ 240,041	\$ 929,729	\$ 9,937	\$ 121,315	\$ 592,176	\$ 59,931	\$ 1,333,970	\$ -	\$ -	\$ -	\$ 7,202	\$ 3,643,626	\$ 3,699,524
Water & Sewer Fund Assets	115,002	-	2,341,483	-	-	13,733	46,239	-	503,199	5,753,827	-	121,523	8,895,006	8,391,304
	<b>\$ 464,327</b>	<b>\$ 240,041</b>	<b>\$ 3,271,212</b>	<b>\$ 9,937</b>	<b>\$ 121,315</b>	<b>\$ 605,909</b>	<b>\$ 106,170</b>	<b>\$ 1,333,970</b>	<b>\$ 503,199</b>	<b>\$ 5,753,827</b>	<b>\$ -</b>	<b>\$ 128,725</b>	<b>\$ 12,538,632</b>	<b>\$ 12,090,828</b>

**Town of St. George**  
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**18 Schedule of Segment Disclosure**

	<u>General</u>	<u>Protective</u>	<u>Transportation</u>	<u>Environmental Health</u>	<u>Public Health &amp; Welfare</u>	<u>Environmental Development</u>	<u>Recreation &amp; Culture</u>	<u>Water &amp; Sewer</u>	<u>2018 Consolidated</u>	<u>2017 Consolidated</u>
<b>Revenues</b>										
Property tax warrant	\$ 191,364	\$ 600,287	\$ 744,791	\$ 114,000	\$ 29,200	\$ 89,525	\$ 111,235	\$ -	\$ 1,880,402	\$ 1,845,744
Unconditional grant	115,801	-	-	-	-	-	-	-	115,801	99,622
Services provided to other governments	-	148,798	10,995	-	-	-	-	-	159,793	117,566
Sale of service, fines and other fees	-	2,306	20	-	-	-	-	-	2,326	4,192
Other revenue from own sources	6,587	7,051	19,102	-	-	7,842	22,359	-	62,941	39,828
Unconditional transfers from other governments	1,822	-	-	-	-	-	-	-	1,822	1,511
Conditional transfers from other governments	35,399	-	17,079	-	-	52,972	10,069	628,452	743,971	655,543
Water and sewer fees	-	-	-	-	-	-	-	731,476	731,476	725,503
Interest	10,185	-	-	-	-	-	-	2,275	12,460	10,831
	<u>361,158</u>	<u>758,442</u>	<u>791,987</u>	<u>114,000</u>	<u>29,200</u>	<u>150,339</u>	<u>143,663</u>	<u>1,362,203</u>	<u>3,710,992</u>	<u>3,500,340</u>
<b>Expenses</b>										
Salaries and benefits	166,366	83,193	298,092	-	-	30,796	-	214,173	792,620	755,664
Goods and services	221,973	610,674	274,369	108,886	25,293	29,504	100,511	328,009	1,699,219	1,646,232
Amortization	3,472	56,222	193,380	-	-	44,810	30,349	397,788	726,021	634,350
Interest	-	7,470	20,762	-	-	-	160	40,016	68,408	70,620
Loss on disposal of tangible capital assets	-	-	31,856	-	-	-	-	-	31,856	41,110
	<u>391,811</u>	<u>757,559</u>	<u>818,459</u>	<u>108,886</u>	<u>25,293</u>	<u>105,110</u>	<u>131,020</u>	<u>979,986</u>	<u>3,318,124</u>	<u>3,147,976</u>
<b>Surplus (deficit) for the year</b>	<b>\$ (30,653)</b>	<b>\$ 883</b>	<b>\$ (26,472)</b>	<b>\$ 5,114</b>	<b>\$ 3,907</b>	<b>\$ 45,229</b>	<b>\$ 12,643</b>	<b>\$ 382,217</b>	<b>\$ 392,868</b>	<b>\$ 352,364</b>

Town of St. George  
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## 19. 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
2018 annual surplus (deficit)	\$ 305,577	\$ (298,073)	\$ 149,278	\$ 230,664	\$ 1,424	\$ 1,723	\$ 462	\$ 1,813	\$ 392,868
<b>Adjustments to annual surplus (deficit) for funding requirements</b>									
Second previous year's surplus (deficit)	73,279		54,861						128,140
Transfers between funds									
Transfer from Water & Sewer Operating Fund to the Water & Sewer Capital Fund			(163,147)	163,147					-
Transfer from General Operating Fund to the General Capital Fund	(142,895)	142,895							-
Transfer from Water & Sewer Capital Reserve Fund to the Water & Sewer Capital Fund				87,000				(87,000)	-
Transfer from General Operating Fund to the General Capital Reserve Fund	(2,500)					2,500			-
Transfer from Water & Sewer Operating Fund to the Water & Sewer Capital Reserve Fund			(5,400)					5,400	-
Long term debt principal repayment	(136,000)	136,000	(50,000)	50,000					-
Obligations under capital lease repayment	(22,912)	22,912							-
Proceeds from disposal of tangible capital assets	22,754		-	-					22,754
Loss (gain) on disposal of tangible capital assets		31,856							31,856
Amortization expense	-	328,233	-	397,788					726,021
Total adjustments to 2018 annual surplus (deficit)	(208,274)	661,896	(163,686)	697,935	-	2,500	-	(81,600)	908,771
2018 annual fund surplus (deficit) for PNB budgeting purposes	\$ 97,303	\$ 363,823	\$ (14,408)	\$ 928,599	\$ 1,424	\$ 4,223	\$ 462	\$ (79,787)	\$ 1,301,639

**Town of St. George**  
**Notes to the Consolidated Financial Statements**  
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**20. Statement of Reserves**

	<u>General Operating Reserve</u>	<u>General Capital Reserve</u>	<u>Water &amp; Sewer Operating Reserve</u>	<u>Water &amp; Sewer Capital Reserve</u>	<u>2018 Total</u>	<u>2017 Total</u>
<b><u>Assets</u></b>						
Cash	\$ 94,000	\$ 115,510	\$ 30,488	\$ 35,400	\$ 275,398	\$ 349,076
<b><u>Accumulated Surplus</u></b>	<b>\$ 94,000</b>	<b>\$ 115,510</b>	<b>\$ 30,488</b>	<b>\$ 35,400</b>	<b>\$ 275,398</b>	<b>\$ 349,076</b>
<b><u>Revenue</u></b>						
Transfers from Water and Sewer Operating Fund	\$ -	\$ -	\$ -	\$ 5,400	\$ 5,400	\$ 5,400
Transfers from General Operating Fund	-	2,500	-	-	2,500	2,500
Interest	1,424	1,723	462	1,813	5,422	3,683
	<u>1,424</u>	<u>4,223</u>	<u>462</u>	<u>7,213</u>	<u>13,322</u>	<u>11,583</u>
<b><u>Expenditures</u></b>						
Transfers to Water and Sewer Capital Fund	-	-	-	87,000	87,000	230,000
Transfer to General Capital Fund	-	-	-	-	-	60,000
	<u>-</u>	<u>-</u>	<u>-</u>	<u>87,000</u>	<u>87,000</u>	<u>290,000</u>
<b><u>Annual Surplus (Deficit)</u></b>	<b>1,424</b>	<b>4,223</b>	<b>462</b>	<b>(79,787)</b>	<b>(73,678)</b>	<b>(278,417)</b>
<b><u>Accumulated Surplus, Beginning of year</u></b>	<b>92,576</b>	<b>111,287</b>	<b>30,026</b>	<b>115,187</b>	<b>349,076</b>	<b>627,493</b>
<b><u>Accumulated Surplus, End of year</u></b>	<b>\$ 94,000</b>	<b>\$ 115,510</b>	<b>\$ 30,488</b>	<b>\$ 35,400</b>	<b>\$ 275,398</b>	<b>\$ 349,076</b>

The General Capital Reserve Fund includes replacement reserves totalling \$ 26,073 and the Water and Sewer Utility Capital Reserve Fund includes replacement reserves totalling \$ 7,218. The Town has complied with the Canada/New Brunswick Infrastructure Program agreement and Canada/New Brunswick Municipal Rural Infrastructure Program agreement and all required annual transfers have been recorded.

Under Regulation 97-145 to the Municipalities Act, money held in capital reserve funds shall be used for no purpose other than the payment of capital expenses. Money held in operating reserve funds shall be used for no purpose other than the payment of operating expenses.

20. Statement of Reserves ( continued )

Council resolutions regarding transfers to and from reserves:

December 10, 2018 Regular Council Meeting

11) g. Moved by Deputy Mayor Avery for council to transfer \$5,400.00 from the Utility Operating Fund to the Utility Capital Reserve Fund to comply with replacement reserve requirements for the Sewage Lagoon in accordance with CAN/NB Infrastructure Program, Project #63.38.02.501, seconded by Councillor Allison. Motion Carried.

11) h. Moved by Councillor Allison for council to transfer \$2,500.00 from the General Operating Fund to the General Capital Reserve Fund to comply with replacement reserve requirements for the Community Centre in accordance with CAN/NB Municipal Rural Infrastructure Fund, Project #17928, seconded by Deputy Mayor Avery. Motion carried.

December 10, 2018 Special Council Meeting

3) c. Moved by Deputy Mayor Avery for Council to transfer \$ 87,000.00 from the Utility Capital Reserve Fund (Replacement Reserve) to the Utility Capital Fund to pay for water and sewage lines on Carleton and Portage Street project. Seconded by Councillor Allison. Motion Carried.

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Jason Gaudet  
Clerk  
Town of St. George

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Date

**Town of St. George**  
**Notes to the Consolidated Financial Statements**  
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**21. Operating Budget to PSA Budget**

	Operating Budget General	Operating Budget Water & Sewer	Amortization TCA	Transfers	Total
<b>Revenue</b>					
Property tax warrant	\$ 1,880,402	\$ -	\$ -	\$ -	\$ 1,880,402
Community funding and equalization grant	115,801	-	-	-	115,801
Services provided to other governments	154,738	-	-	-	154,738
Sales of services	4,000	-	-	-	4,000
Other revenue from own sources	25,949	-	-	-	25,949
Conditional transfers from other governments	750	-	-	-	750
Water and sewer fees	-	729,970	-	-	729,970
Interest	8,000	-	-	-	8,000
Surplus of second previous year	73,279	54,861	-	(128,140)	-
	<u>2,262,919</u>	<u>784,831</u>	<u>-</u>	<u>(128,140)</u>	<u>2,919,610</u>
<b>Expenditures</b>					
General government services	349,507	-	3,472	5,000	357,979
Protective services	701,884	-	56,222	7,398	765,504
Transportation services	523,870	-	193,380	20,724	737,974
Environmental health services	114,000	-	-	-	114,000
Public health and welfare services	29,200	-	-	-	29,200
Environmental development services	89,525	-	44,810	-	134,335
Recreational and cultural services	109,300	-	30,349	160	139,809
Fiscal services	-	-	-	-	-
- Long-term debt repayments	149,914	50,000	-	(199,914)	-
- Interest	28,282	43,557	-	(71,839)	-
- Other	5,000	2,200	-	(7,200)	-
- Transfer from the General Operating Fund to the General Capital Fund	159,937	-	-	(159,937)	-
- Transfer from the General Operating Fund to the General Capital Reserve Fund	2,500	-	-	(2,500)	-
- Transfer from the Water & Sewer Operating Fund to the Water & Sewer Capital Fund	-	58,624	-	(58,624)	-
Water & sewer	-	630,450	397,788	45,757	1,073,995
	<u>2,262,919</u>	<u>784,831</u>	<u>726,021</u>	<u>(420,975)</u>	<u>3,352,796</u>
<b>Surplus (Deficit)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (726,021)</b>	<b>\$ 292,835</b>	<b>\$ (433,186)</b>



**Town of St. George**  
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**22. Revenue and Expense Support**

	2018		2017
	( Unaudited ) Budget	Actual	Actual
<b>Revenue</b>			
Services provided to other governments			
Province of New Brunswick			
Protective - Fire to Local Service Districts	\$ 144,038	\$ 148,798	\$ 106,339
Transportation - Roads and streets	8,700	8,699	8,699
Traffic services - Lane marking	2,000	2,296	2,528
	<u>\$ 154,738</u>	<u>\$ 159,793</u>	<u>\$ 117,566</u>
Sales of services			
Fire - Department of Natural Resources	\$ 3,000	\$ 2,306	\$ 3,578
Road transport	1,000	20	614
	<u>\$ 4,000</u>	<u>\$ 2,326</u>	<u>\$ 4,192</u>
Other revenue from own sources			
Licenses and permits	\$ 2,000	\$ 7,051	\$ 925
Rentals	8,000	25,749	11,175
Contributions	12,449	16,290	20,936
Miscellaneous	3,500	13,851	6,792
	<u>\$ 25,949</u>	<u>\$ 62,941</u>	<u>\$ 39,828</u>
Unconditional transfers from other governments			
Province of New Brunswick			
Other transfers	\$ -	\$ 1,822	\$ 1,511
Conditional transfers from other governments			
Federal / Provincial agreements			
Gas Tax	\$ -	\$ 269,495	\$ -
Small Communities Fund	-	353,416	-
IBA-Green Infrastructure	-	962	-
New Building Canada Fund	-	5,781	71,438
Clean Water and Wastewater Fund	-	-	513,784
Federal Government			
Celebrate Canada	750	650	2,500
Employment assistance	-	3,152	4,840
Provincial Government			
Regional Development Corporation	-	37,972	33,248
Employment assistance	-	15,643	15,133
Children's programs	-	6,500	-
Community garden	-	15,000	-
Federation of Canadian Municipalities	-	35,400	14,600
	<u>\$ 750</u>	<u>\$ 743,971</u>	<u>\$ 655,543</u>
Water and sewer fees			
Water and sewer user fees	\$ 699,570	\$ 698,329	\$ 692,836
Connection and service charges	400	245	385
Miscellaneous	-	2,902	2,282
Water supply for fire protection	30,000	30,000	30,000
	<u>\$ 729,970</u>	<u>\$ 731,476</u>	<u>\$ 725,503</u>

**Town of St. George**  
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**22. Revenue and Expense Support (continued)**

	2018		2017
	( Unaudited ) Budget	Actual	Actual
<b>Expenditures</b>			
General government services			
Legislative			
Mayor	\$ 7,800	\$ 8,079	\$ 7,291
Councillors	27,400	25,645	25,925
Other	8,000	7,631	7,030
	<u>43,200</u>	<u>41,355</u>	<u>40,246</u>
Administrative			
Personnel	134,300	143,408	113,441
Office building	12,500	9,955	9,473
Solicitor	8,000	4,315	1,056
Other	14,500	9,318	15,422
	<u>169,300</u>	<u>166,996</u>	<u>139,392</u>
Financial management			
Personnel	32,000	22,958	22,316
External audit and accounting	23,000	26,973	17,516
Purchasing	100	223	16
Asset management plan	-	46,929	18,250
	<u>55,100</u>	<u>97,083</u>	<u>58,098</u>
Common services			
Personnel recruitment	1,600	2,401	1,564
Civic relations	500	-	1,140
Cost of assessment	26,057	26,057	25,947
Regional Service Commission	5,800	5,801	4,923
	<u>33,957</u>	<u>34,259</u>	<u>33,574</u>
Other general administrative services	<u>3,700</u>	<u>2,669</u>	<u>5,549</u>
Other general government services			
Conventions and delegations	3,500	1,599	1,220
Public liability	35,000	34,151	33,583
Grants to organizations	5,750	8,610	5,700
Bank service charges	3,000	1,617	2,325
Debenture issue costs	2,000	-	1,600
Amortization	3,472	3,472	3,472
	<u>52,722</u>	<u>49,449</u>	<u>47,900</u>
Total general government services	<u>\$ 357,979</u>	<u>\$ 391,811</u>	<u>\$ 324,759</u>

**Town of St. George**  
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**22. Revenue and Expense Support (continued)**

	2018		2017
	( Unaudited ) Budget	Actual	Actual
Protective services			
Fire			
Administration - personnel	\$ 22,500	\$ 22,523	\$ 22,039
Firefighting force - personnel	54,000	51,600	44,002
Firefighting force - other	17,375	18,384	17,649
Alarm systems	18,700	20,201	18,584
Investigation and prevention	800	589	965
Water purchased	30,000	30,000	30,000
Training and development	8,500	11,346	4,859
Station and building	37,500	29,869	27,992
Fire fighting equipment	62,300	51,987	66,044
Amortization	55,023	55,023	40,212
Interest	7,398	7,470	5,811
	<u>314,096</u>	<u>298,992</u>	<u>278,157</u>
Police			
R.C.M.P.	426,330	426,330	418,126
Emergency measures			
Personnel	7,033	3,779	6,851
Other		193	283
Training and development	500	1,018	58
	<u>7,533</u>	<u>4,990</u>	<u>7,192</u>
Protective inspection			
Building inspection - personnel	9,846	5,291	9,603
Building inspection - other	-	14,757	261
Animal control - personnel	6,000	6,000	6,000
Animal control - other	500	-	109
Amortization	1,199	1,199	1,199
Interest	-	-	166
	<u>17,545</u>	<u>27,247</u>	<u>17,338</u>
Total protective services	<u>\$ 765,504</u>	<u>\$ 757,559</u>	<u>\$ 720,813</u>
Transportation services			
Common services			
Administration - Personnel	\$ 50,000	\$ 51,348	\$ 46,487
Administration - Other	2,900	3,149	2,553
Training and development	1,500	1,628	282
Engineering	15,000	4,177	6,363
General equipment	62,220	59,181	62,742
Workshop, yards and other buildings	37,500	29,869	27,981
	<u>169,120</u>	<u>149,352</u>	<u>146,408</u>
Road transport			
Personnel	196,800	246,744	212,871
Roads and streets	27,250	20,884	55,763
Culverts and drainage ditches	1,000	3,779	1,075
Street cleaning	4,000	3,983	3,780
Snow and ice removal			
Salt and sand	32,000	65,180	26,852
Contracted equipment	15,000	530	13,456
Department of Transportation & Infrastructure	7,200	6,999	6,999
	<u>283,250</u>	<u>348,099</u>	<u>320,796</u>

**Town of St. George**  
**Notes to the Consolidated Financial Statements**  
**December 31, 2018**

**22. Revenue and Expense Support (continued)**

	2018		2017
	( Unaudited ) Budget	Actual	Actual
Other			
Street lighting	61,000	66,696	54,412
Traffic services	10,500	8,314	11,553
Amortization	193,380	193,380	199,831
Interest	20,724	20,762	19,907
	<u>285,604</u>	<u>289,152</u>	<u>285,703</u>
Total transportation services	<u>\$ 737,974</u>	<u>\$ 786,603</u>	<u>\$ 752,907</u>
Environmental health services			
Solid waste collection	\$ 70,000	\$ 69,281	\$ 67,786
Solid waste disposal	44,000	39,605	40,813
Total environmental health services	<u>\$ 114,000</u>	<u>\$ 108,886</u>	<u>\$ 108,599</u>
Public health and welfare services			
Medical clinics	<u>\$ 29,200</u>	<u>\$ 25,293</u>	<u>\$ 57,680</u>
Environmental development services			
Environmental planning and zoning			
Administration - personnel	\$ 45,000	\$ 30,796	\$ 58,509
Administration - other	-	-	1,241
Community development			
Beautification and land rehabilitation	7,000	3,968	5,716
Industrial park	1,000	747	747
Other environmental development services			
Tourism			
Tourist bureau	18,600	14,642	16,254
Promotion of tourist attractions	3,300	1,601	5,809
Other tourism	13,875	6,173	26,854
Other	750	2,373	2,386
Amortization	44,810	44,810	43,356
Interest			110
Total environmental development services	<u>\$ 134,335</u>	<u>\$ 105,110</u>	<u>\$ 160,982</u>
Recreation and cultural services			
Recreation			
Community centres and halls	\$ 39,700	\$ 48,858	\$ 28,730
Parks and playgrounds	5,000	553	-
Other recreation facilities	16,000	4,973	5,354
Cultural			
Museum	300	16	16
Library	1,000	3	2,268
Other recreation and cultural services			
Festivals and events	40,300	39,108	40,486
Fundy Arena	7,000	7,000	7,000
Amortization	30,349	30,349	30,312
Interest	160	160	168
Total recreation and cultural services	<u>\$ 139,809</u>	<u>\$ 131,020</u>	<u>\$ 114,334</u>

**Town of St. George**  
**Notes to the Consolidated Financial Statements**  
**December 31, 2018**

**22. Revenue and Expense Support (continued)**

	2018		2017
	( Unaudited ) Budget	Actual	Actual
Water and Sewer			
Water supply			
Administration			
Personnel	\$ 60,800	\$ 57,000	\$ 49,966
Other	25,975	31,568	32,362
Purification and treatment	22,000	19,374	19,927
Transmission and distribution			
Personnel	64,100	53,242	63,267
Other	48,400	49,907	34,379
Power and pumping	73,175	56,483	63,373
Billing and collection			
Other	500	551	579
Bank service charges	600	511	568
Debenture issue costs	500	-	-
Amortization	283,136	283,136	203,606
Interest	38,520	34,932	37,933
	<u>617,706</u>	<u>586,704</u>	<u>505,960</u>
Sewer collection and disposal			
Administration			
Personnel	60,800	56,965	49,966
Other	33,900	32,352	28,755
Sewage collection system			
Personnel	57,400	46,966	56,346
Other	28,850	35,576	19,434
Sewage lift stations	76,250	43,451	27,633
Sewage treatment and disposal	78,300	57,725	58,722
Billing and collection			
Other	-	-	521
Bank service charges	600	511	568
Debenture issue costs	500	-	-
Amortization	114,652	114,652	112,362
Interest	5,037	5,084	6,525
	<u>456,289</u>	<u>393,282</u>	<u>360,832</u>
Total water and sewer	<u>\$ 1,073,995</u>	<u>\$ 979,986</u>	<u>\$ 866,792</u>