

Town of St. George
Consolidated Financial Statements
Year Ended December 31, 2019



Town of St. George

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Year Ended December 31, 2019

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INDEPENDENT AUDITORS' REPORT

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

Opinion

We have audited the financial statements of the Town of St. George (the Municipality), which comprise the consolidated statement of financial position as at December 31, 2019, 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 Town of St. George as at December 31, 2019, 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.

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 consolidated 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.

(continues)


Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 auditor's report to the related disclosures in the consolidated 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 auditor's 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 consolidated 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
August 18, 2020



CHARTERED PROFESSIONAL ACCOUNTANTS

Town of St. George
Consolidated Statement of Operations
Year Ended December 31, 2019

	2019		2018
	(Unaudited)		
	Budget	Actual	Actual
	(Note 22)		
Revenue			
Property tax warrant	\$ 1,909,853	\$ 1,909,853	\$ 1,880,402
Community funding and equalization grant	121,122	121,122	115,801
Services provided to other governments	149,838	149,769	159,793
Sales of services	4,000	7,261	2,326
Other revenue from own sources	20,049	43,424	62,941
Unconditional transfers from other governments	-	2,236	1,822
Conditional transfers from other governments	650	495,418	743,971
Water and sewer fees	752,580	741,254	731,476
Interest	7,000	17,877	12,460
	<u>2,965,092</u>	<u>3,488,214</u>	<u>3,710,992</u>
Expenditures			
General government services	353,256	336,653	391,811
Protective services	766,847	780,474	752,499
Transportation services	743,300	855,802	786,603
Environmental health services	131,000	117,734	108,886
Public health and welfare services	27,600	46,063	25,293
Planning and development services	106,950	99,599	109,214
Recreational and cultural services	123,781	96,330	131,976
Water & sewer	1,054,623	978,612	979,986
Loss on disposal of tangible capital assets	-	27,095	31,856
	<u>3,307,357</u>	<u>3,338,362</u>	<u>3,318,124</u>
Annual surplus (deficit) (Note 20)	<u>\$ (342,265)</u>	149,852	392,868
Accumulated surplus, beginning of year		<u>10,825,218</u>	<u>10,432,350</u>
Accumulated surplus, end of year		<u>\$ 10,975,070</u>	<u>\$ 10,825,218</u>

Town of St. George
Consolidated Statement of Financial Position
As at December 31, 2019

	2019	2018
Financial assets		
Cash (Note 3)	\$ 590,833	\$ 510,109
Receivables		
General	232,418	229,241
Federal government and its agencies (Note 4)	44,868	64,050
Province of New Brunswick (Note 5)	283,810	635,315
	<u>1,151,929</u>	<u>1,438,715</u>
Liabilities		
Bank indebtedness (Note 6)	273,683	422,883
Payables and accruals	409,715	377,956
Deferred revenue (Note 7)	195,170	196,777
Obligations under capital leases (Note 8)	90,750	121,570
Long term debt (Note 9)	1,874,000	2,062,000
Accrued sick leave (Note 10)	4,410	3,150
	<u>2,847,728</u>	<u>3,184,336</u>
NET DEBT	<u>(1,695,799)</u>	<u>(1,745,621)</u>
Non-Financial Assets		
Tangible capital assets (Note 18)	25,809,745	25,276,812
Accumulated amortization	(13,178,811)	(12,738,180)
	<u>12,630,934</u>	<u>12,538,632</u>
Inventory of supplies	36,201	30,539
Land inventory for resale	1,000	1,000
Prepaid expenses	2,734	668
	<u>12,670,869</u>	<u>12,570,839</u>
ACCUMULATED SURPLUS	<u>\$ 10,975,070</u>	<u>\$ 10,825,218</u>

On behalf of Council

Approved by:

Mayor 

Treasurer 

Town of St. George
Consolidated Statement of Changes in Net Debt
Year Ended December 31, 2019

	2019	2018
Annual surplus	\$ 149,852	\$ 392,868
Add (deduct) :		
Acquisition of tangible capital assets	(935,235)	(1,228,435)
Proceeds on disposal of tangible capital assets	80,721	22,754
Amortization of tangible capital assets	735,117	726,021
Loss (gain) on disposal of tangible capital assets	27,095	31,856
Acquisition of inventories	(5,662)	-
Consumption of inventories	-	5,812
Acquisition of prepaid assets	(2,066)	-
Use of prepaid assets	-	1
	<hr/>	<hr/>
(Increase) decrease in Net Debt	49,822	(49,123)
Net Debt, beginning of the year	(1,745,621)	(1,696,498)
	<hr/>	<hr/>
Net Debt, end of the year	\$ (1,695,799)	\$ (1,745,621)
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Town of St. George
Consolidated Statement of Cash Flows
Year Ended December 31, 2019

	2019	2018
Increase (decrease) in cash and cash equivalents		
Operating transactions		
Annual surplus	\$ 149,852	\$ 392,868
Loss on disposal of tangible capital assets	27,095	31,856
Amortization of tangible capital assets	735,117	726,021
Receivable - General	(3,177)	(23,259)
Receivable - Federal Government and its agencies	19,182	(24,872)
Receivable - Province of New Brunswick	351,505	(296,489)
Payables and accruals	31,759	169,663
Deferred revenue	(1,607)	(125,934)
Accrued sick leave	1,260	-
Change in inventory/prepaid expenses	(7,728)	5,813
	<u>1,303,258</u>	<u>855,667</u>
Capital transactions		
Acquisition of tangible capital assets	(935,235)	(1,106,402)
Proceeds on sale of tangible capital assets	80,721	22,754
	<u>(854,514)</u>	<u>(1,083,648)</u>
Financing transactions		
Increase (decrease) in bank indebtedness	(149,200)	371,047
Reduction of obligations under capital lease	(30,820)	(22,911)
Issue of long term debt	-	-
Reduction of long term debt	(188,000)	(186,000)
	<u>(368,020)</u>	<u>162,136</u>
Net increase (decrease) in cash and cash equivalents	80,724	(65,845)
Cash and cash equivalents		
Beginning of year	<u>510,109</u>	<u>575,954</u>
End of year	<u>\$ 590,833</u>	<u>\$ 510,109</u>

Town of St. George
Notes to the Consolidated Financial Statements
December 31, 2019

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 Town 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 21, 2019 and the Department of Environment and Local Government on January 24, 2019.

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.

Town of St. George
Notes to the Consolidated Financial Statements
December 31, 2019

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 expenditures during the reporting period. These estimates are reviewed periodically, and as adjustments become necessary, they are reported in annual surplus 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.

Town of St. George
Notes to the Consolidated Financial Statements
December 31, 2019

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:

Asset type	<u>Years</u>
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
Heavy equipment under capital lease obligation	8 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.

Town of St. George
Notes to the Consolidated Financial Statements
December 31, 2019

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.

Planning and 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 19 to the consolidated financial statements.

Town of St. George
Notes to the Consolidated Financial Statements
December 31, 2019

3. Cash

	2019	2018
Restricted - Reserve Funds	\$ 286,324	\$ 275,398
Restricted - Gas Tax Funds	130,013	120,459
Restricted - Capital projects	-	50,806
Unrestricted	174,496	63,446
	<u>\$ 590,833</u>	<u>\$ 510,109</u>

4. Due from federal government and its agencies

	2019	2018
Canada Revenue Agency	\$ 43,578	\$ 63,995
Public Works and Government Services	1,290	55
	<u>\$ 44,868</u>	<u>\$ 64,050</u>

5. Due from Province of New Brunswick

	2019	2018
Transportation and Infrastructure	\$ 2,063	\$ 242,004
Natural Resources and Energy Development	2,300	1,784
Post-Secondary Education, Training and Labour	3,054	-
Family and Youth Capital Assistance Program	13,000	-
Small Communities Fund	47,370	353,416
IBA Green Infrastructure	126,125	962
Clean Water and Wastewater Fund	43,458	36,575
New Building Canada Fund	46,440	574
	<u>\$ 283,810</u>	<u>\$ 635,315</u>

6. Bank Indebtedness

	2019	2018
Interim bank loan financing under MO #18-0048 bearing interest at Scotiabank prime (3.95% at December 31, 2018)	\$ -	\$ 360,000
Interim bank loan financing under MO #19-0016 bearing interest at Scotiabank prime (3.95% at December 31, 2019)	240,452	-
Visa Business Card, \$ 75,000 credit limit, unsecured	33,231	62,883
	<u>\$ 273,683</u>	<u>\$ 422,883</u>

Authorized bank indebtedness for operating purposes totals \$ 90,516 in the General Fund and \$ 134,500 in the Water and Sewer Fund. These operating loan balances were not utilized at December 31, 2019

Town of St. George
Notes to the Consolidated Financial Statements
December 31, 2019

7. Deferred revenue	2019	2018
Sale of water and sewer services		
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	\$ 37,632	\$ 36,288
Billing for September 1st to August 31st	65,145	62,720
Transfer to revenue	(63,690)	(61,376)
Balance, end of year	39,087	37,632
New Building Canada Fund		
Capital project funding for construction of water distribution tower and transmission line		
Balance, beginning of year	-	13,127
Contributions received during the year	45,866	-
Transfer to revenue	(45,866)	(5,781)
Applied to claim receivable	-	(7,346)
Balance, end of year	-	-
Contributions for Community Garden		
Contributions for capital costs of multigenerational park		
Contributions received during the year	12,171	-
Transfer to revenue	(2,604)	-
Balance, end of year	9,567	-
Contributions for Community Garden		
Contributions for capital costs of community garden construction		
Balance, beginning of year	658	-
Contributions received during the year	-	8,500
Transfer to revenue	-	(7,842)
Balance, end of year	-	658
Enabling Accessibility Fund		
Construction of building entryway ramp to increase accessibility at the Town Hall		
Balance, beginning of year	11,000	-
Contributions received during the year	-	11,000
Transfer to revenue	(11,000)	-
Balance, end of year	-	11,000
AVIVA Community Fund		
Contribution for construction of community splash pad	15,000	15,000
Regional Development Corporation		
Transfer from the Province of New Brunswick for the refurbishment of "Eagle's Nest" tourism site		
Balance, beginning of year	12,028	-
Contributions received during the year	45,000	50,000
Transfer to revenue	(55,525)	(37,972)
Balance, end of year	1,503	12,028

Town of St. George
Notes to the Consolidated Financial Statements
December 31, 2019

7. Deferred revenue (continued)

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 an interest-bearing bank account and investment income accumulates in the fund.

Balance, beginning of year	120,459	273,296
Contributions received during the year	219,494	113,786
Interest earned	2,532	2,873
Transfer to revenue for capital projects	(212,472)	(269,496)
Balance, end of year	130,013	120,459
	<u>\$ 195,170</u>	<u>\$ 196,777</u>

8. Obligations under capital leases

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.

	2019	2018
	\$ -	\$ 4,196

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.

- 4,338

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 \$ 99,152.

	90,750	113,036
	<u>90,750</u>	<u>121,570</u>

Obligations maturing during the subsequent period

	23,548	30,820
	<u>\$ 67,202</u>	<u>\$ 90,750</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:

2020	30,843
2021	30,843
2022	30,843
2023	18,003
	<u>110,532</u>
Less: Refundable portion of HST	10,298
Less: Interest included in minimum payments	9,484
	<u>\$ 90,750</u>

Town of St. George
Notes to the Consolidated Financial Statements
December 31, 2019

9. Long-term debt

	2019	2018
<u>New Brunswick Municipal Finance Corporation Debentures:</u>		
General Capital Fund		
BJ-28, 1.25% - 3.70%, due Nov 20, 2023, OIC #13-0021	\$ 64,000	\$ 79,000
BL-31, 1.20% - 3.10%, due Dec 8, 2024, OIC #14-0027	105,000	125,000
BM-24, .95% - 2.80%, due July 6, 2025, OIC #14-0027	30,000	35,000
BO-27, 1.45% - 3.50%, due June 6, 2031, OIC #15-0081	258,000	283,000
BP-23, 1.20% - 2.95%, due Dec 7, 2026, OIC #16-0013	190,000	244,000
BQ-25, 1.20% - 2.70%, due June 1, 2027, OIC #16-0013	162,000	181,000
Water and Sewer Capital Fund		
BJ-29, 1.25% - 3.70%, due Nov 20, 2023, OIC #13-0021	64,000	79,000
BL-32, 1.20% - 3.10%, due Dec 8, 2024, OIC #14-0027	53,000	63,000
BM-25, .95% - 2.80%, due July 6, 2025, OIC #13-0021	17,000	19,000
BO-28, 1.45% - 3.75%, due June 6, 2036, OIC #15-0081	931,000	954,000
	<u>\$ 1,874,000</u>	<u>\$ 2,062,000</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:

2020 - \$ 191,000; 2021 - \$ 195,000; 2022 - \$ 152,000; 2023 - \$ 155,000; 2024 - \$ 124,000;

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, 2019 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 \$ 4,410 at December 31, 2019 and \$ 3,150 at December 31, 2018

Town of St. George
Notes to the Consolidated Financial Statements
December 31, 2019

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, 2019 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	\$	100,000	Environmental Health Services interim financing (Utility)
MO #16-0013	\$	20,000	Environmental Health Services (Utility)
MO #18-0044	\$	269,000	Transportation Services interim financing
MO #18-0048	\$	100,000	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)
MO #19-0016	\$	93,000	Transportation Services
MO #19-0016	\$	165,000	Environmental Health Services (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. Since the Municipality has only one operating bank account, the amount payable between the General Operating Fund and Water and Sewer Operating Fund is not in compliance with the requirements. However, interest is recorded at a rate of 5.0% on the monthly interfund balance 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.

Town of St. George
Notes to the Consolidated Financial Statements
December 31, 2019

14. Economic dependence

Sales of water & sewer services to the fish processing industry accounted for 39.2% (2018 - 41.9%) 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:

	2019	2018
Net financial assets (debt)	\$ (1,695,799)	\$ (1,745,621)
Adjustments:		
Long term debt	1,874,000	2,062,000
Less: Unspent portion of long term debt	-	(50,806)
Obligations under capital lease	90,750	121,570
Temporary financing for capital projects	240,452	20,000
Accrued sick leave: Non-vesting / unfunded portion	4,410	3,150
Inventory of supplies	36,201	30,539
Prepaid expenses	2,734	668
Current net assets	\$ 552,748	\$ 441,500
Composition of current net assets		
Pre-1967 General Fund Surplus		\$ 15,004
Pre-1967 Utility Fund Surplus		17,625
2017 General Fund Surplus for PNB budgeting purposes		42,802
2017 Utility Fund Surplus for PNB budgeting purposes		7,776
2018 General Fund Surplus for PNB budgeting purposes	\$ 97,303	97,303
2018 Utility Fund Deficit for PNB budgeting purposes	(14,408)	(14,408)
2019 General Fund Surplus for PNB budgeting purposes	147,360	
2019 Utility Fund Surplus for PNB budgeting purposes	36,169	
Reserve Fund balances	286,324	275,398
	\$ 552,748	\$ 441,500

16. Comparative figures

Certain of the 2018 comparative figures have been reclassified to conform with the financial statement presentation adopted for the current year.

17. Subsequent event

On March 11, 2020, the World Health Organization characterized the outbreak of a strain of the novel coronavirus ("COVID-19") as a pandemic which has resulted in a series of public health and emergency measures that have been put in place to combat the spread of the virus. The duration and impact of COVID-19 is unknown at this time and it is not possible to reliably estimate the impact that length and severity of these developments will have on the financial assets and condition of the Municipality in future periods.

Town of St. George
Notes to the Consolidated Financial Statements
December 31, 2019

18. Schedule of Tangible Capital Assets

	Land	Land Improvements	Buildings & Leasehold Improvements	Vehicles	Assets Under Capital Lease	Heavy Equipment	Machinery and Equipment	Roads and Street	Infrastructure Treatment Facilities	Communication & Computer Equipment		Assets Under Construction	2019 Total	2018 Total
										Water and Sewer	Equipment			
COST														
Balance, beginning of year	\$ 464,327	\$ 901,695	\$ 5,524,631	\$ 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
Net additions during the year	17,698		217,555	69,108	(69,108)	272,147	24,976	112,472	-	759	-	289,628	935,235	1,228,435
Disposals during the year	(86,562)	-	(75,312)	-	-	(157,112)	(23,169)	(60,147)	-	-	-	-	(402,302)	(144,632)
Balance, end of year	395,463	901,695	5,666,874	144,667	122,033	1,483,642	466,864	5,059,964	2,206,551	8,827,245	116,394	418,353	25,809,745	25,276,812
ACCUMULATED AMORTIZATION														
Balance, beginning of year	-	737,204	2,177,869	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
Amortization during the year	-	19,676	169,709	10,884	15,254	80,262	25,593	125,799	46,950	240,990	-	-	735,117	726,021
Accumulated amortization on disposals	-	-	(75,312)	62,199	(62,199)	(143,379)	(23,169)	(52,626)	-	-	-	-	(294,486)	(90,022)
Balance, end of year	-	756,880	2,272,266	138,705	22,881	699,581	361,311	3,746,842	1,750,302	3,313,649	116,394	-	13,178,811	12,738,180
NET BOOK VALUE	\$ 395,463	\$ 144,815	\$ 3,394,608	\$ 5,962	\$ 99,152	\$ 784,061	\$ 105,553	\$ 1,313,122	\$ 456,249	\$ 5,513,596	\$ -	\$ 418,353	\$ 12,630,934	\$ 12,538,632
Consists of:														
General Fund Assets	\$ 280,461	\$ 144,815	\$ 1,033,033	\$ 5,962	\$ 99,152	\$ 627,082	\$ 52,888	\$ 1,313,122	\$ -	\$ -	\$ -	\$ 109,807	\$ 3,666,322	\$ 3,643,626
Water & Sewer Fund Assets	115,002	-	2,361,575	-	-	156,979	52,665	-	456,249	5,513,596	-	308,546	8,964,612	8,895,006
	\$ 395,463	\$ 144,815	\$ 3,394,608	\$ 5,962	\$ 99,152	\$ 784,061	\$ 105,553	\$ 1,313,122	\$ 456,249	\$ 5,513,596	\$ -	\$ 418,353	\$ 12,630,934	\$ 12,538,632

Town of St. George
Notes to the Consolidated Financial Statements
December 31, 2019

19. Schedule of Segment Disclosure

	General	Protective	Transportation	Environmental Health	Public Health & Welfare	Planning & Development	Recreation & Culture	Water & Sewer	2019 Consolidated	2018 Consolidated
Revenues										
Property tax warrant	\$ 171,746	\$ 605,896	\$ 775,749	\$ 131,000	\$ 27,600	\$ 61,825	\$ 136,037	\$ -	\$ 1,909,853	\$ 1,880,402
Unconditional grant	121,122	-	-	-	-	-	-	-	121,122	115,801
Services provided to other governments	-	139,138	10,631	-	-	-	-	-	149,769	159,793
Sale of service, fines and other fees	-	6,599	662	-	-	-	-	-	7,261	2,326
Other revenue from own sources	4,706	10,284	7,455	-	1,541	658	18,780	-	43,424	62,941
Unconditional transfers from other governments	2,236	-	-	-	-	-	-	-	2,236	1,822
Conditional transfers from other governments	12,794	-	125,232	-	-	62,974	116,506	177,912	495,418	743,971
Water and sewer fees	-	-	-	-	-	-	-	741,254	741,254	731,476
Interest	16,558	-	-	-	-	-	-	1,319	17,877	12,460
Gain on disposal of tangible capital assets	-	-	6,419	-	-	-	-	16,606	23,025	-
	329,162	761,917	926,148	131,000	29,141	125,457	271,323	937,091	3,511,239	3,710,992
Expenses										
Salaries and benefits	128,866	98,797	290,270	-	-	-	-	213,615	731,548	792,620
Goods and services	204,201	628,443	343,362	-	46,063	52,474	70,449	307,250	1,769,976	1,699,219
Amortization	3,586	46,713	198,397	117,734	-	47,125	25,729	413,567	735,117	726,021
Interest	-	6,521	23,773	-	-	-	152	44,180	74,626	68,408
Loss on disposal of tangible capital assets	-	-	-	-	-	50,120	-	-	50,120	31,856
	336,653	780,474	855,802	117,734	46,063	149,719	96,330	978,612	3,361,387	3,318,124
Surplus (deficit) for the year	\$ (7,491)	\$ (18,557)	\$ 70,346	\$ 13,266	\$ (16,922)	\$ (24,262)	\$ 174,993	\$ (41,521)	\$ 149,852	\$ 392,868

Town of St. George
Notes to the Consolidated Financial Statements
December 31, 2019

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
2019 annual surplus (deficit)	\$ 257,158	\$ (69,991)	\$ 176,208	\$ (219,049)	\$ 1,840	\$ 2,367	\$ 596	\$ 723	\$ 149,852
Adjustments to annual surplus (deficit) for funding requirements									
Second previous year's surplus	42,802	-	7,776	-	-	-	-	-	50,578
Pre-1967 surplus	15,004	-	17,625	-	-	-	-	-	32,629
Transfers between funds									
Transfer from Water & Sewer Operating Fund to the Water & Sewer Capital Fund	-	-	(120,735)	120,735	-	-	-	-	-
Transfer from General Operating Fund to the General Capital Fund	(50,070)	50,070	-	-	-	-	-	-	-
Transfer from Water & Sewer Operating Fund to the Water & Sewer Capital Reserve Fund	-	-	(5,400)	-	-	-	-	5,400	-
Temporary capital borrowing repayment	-	-	(20,000)	20,000	-	-	-	-	-
Long term debt principal repayment	(138,000)	138,000	(50,000)	50,000	-	-	-	-	-
Obligations under capital lease repayment	(30,820)	30,820	-	-	-	-	-	-	-
Proceeds from disposal of tangible capital assets	50,383	-	30,338	-	-	-	-	-	80,721
Loss (gain) on disposal of tangible capital assets	-	43,701	-	(16,606)	-	-	-	-	27,095
Provision for sick leave accrual	903	-	357	-	-	-	-	-	1,260
Amortization expense	-	321,550	-	413,567	-	-	-	-	735,117
Total adjustments to 2019 annual surplus (deficit)	(109,798)	584,141	(140,039)	587,696	-	-	-	5,400	927,400
2019 annual fund surplus (deficit) for PNB budgeting purposes	\$ 147,360	\$ 514,150	\$ 36,169	\$ 368,647	\$ 1,840	\$ 2,367	\$ 596	\$ 6,123	\$ 1,077,252

Town of St. George
Notes to the Consolidated Financial Statements
December 31, 2019

21. Statement of Reserves

	<u>General Operating Reserve</u>	<u>General Capital Reserve</u>	<u>Water & Sewer Operating Reserve</u>	<u>Water & Sewer Capital Reserve</u>	<u>2019 Total</u>	<u>2018 Total</u>
<u>Assets</u>						
Cash	\$ 95,840	\$ 117,877	\$ 31,084	\$ 41,523	\$ 286,324	\$ 275,398
<u>Accumulated Surplus</u>	\$ 95,840	\$ 117,877	\$ 31,084	\$ 41,523	\$ 286,324	\$ 275,398
<u>Revenue</u>						
Transfers from Water and Sewer Operating Fund	\$ -	\$ -	\$ -	\$ 5,400	\$ 5,400	\$ 5,400
Transfers from General Operating Fund	-	-	-	-	-	2,500
Interest	1,840	2,367	596	723	5,526	5,422
	1,840	2,367	596	6,123	10,926	13,322
<u>Expenditures</u>						
Transfers to Water and Sewer Capital Fund	-	-	-	-	-	87,000
<u>Annual Surplus (Deficit)</u>	1,840	2,367	596	6,123	10,926	(73,678)
<u>Accumulated Surplus, Beginning of year</u>	94,000	115,510	30,488	35,400	275,398	349,076
<u>Accumulated Surplus, End of year</u>	\$ 95,840	\$ 117,877	\$ 31,084	\$ 41,523	\$ 286,324	\$ 275,398

The General Capital Reserve Fund includes replacement reserves totalling \$ 26,690 and the Water and Sewer Utility Capital Reserve Fund includes replacement reserves totalling \$ 12,788. 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.

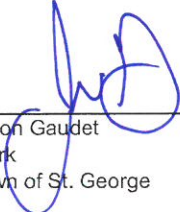
Under Regulation 97-145 to the Municipalities Act, money held in capital reserve funds shall be used for no purpose other than the payment of capital expenses. Money held in operating reserve funds shall be used for no purpose other than the payment of operating expenses.

21. Statement of Reserves (continued)

Council resolutions regarding transfers to and from reserves:

December 30, 2019 Special Council Meeting

3) a. Resolution of 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. Moved by Councillor Allison, seconded by Councillor Harris. Motion Carried.



Jason Gaudet
Clerk
Town of St. George

Aug. 21 2020
Date

Town of St. George
Notes to the Consolidated Financial Statements
December 31, 2019

22. Operating Budget to PSA Budget

	Operating Budget General	Operating Budget Water & Sewer	Amortization TCA	Transfers	Total
Revenue					
Property tax warrant	\$ 1,909,853	\$ -	\$ -	\$ -	\$ 1,909,853
Community funding and equalization grant	121,122	-	-	-	121,122
Services provided to other governments	149,838	-	-	-	149,838
Sales of services	4,000	-	-	-	4,000
Other revenue from own sources	22,549	-	-	(2,500)	20,049
Conditional transfers from other governments	650	-	-	-	650
Water and sewer fees	-	752,580	-	-	752,580
Interest	7,000	-	-	-	7,000
Surplus of second previous year	42,802	7,776	-	(50,578)	-
	2,257,814	760,356	-	(53,078)	2,965,092
Expenditures					
General government services	345,570	-	3,586	4,100	353,256
Protective services	713,694	-	46,713	6,440	766,847
Transportation services	523,050	-	198,397	21,853	743,300
Environmental health services	131,000	-	-	-	131,000
Public health and welfare services	27,600	-	-	-	27,600
Planning and development services	61,825	-	47,125	(2,000)	106,950
Recreational and cultural services	95,900	-	25,729	2,152	123,781
Fiscal services					-
- Long-term debt repayments	168,820	50,001	-	(218,821)	-
- Interest	28,445	55,604	-	(84,049)	-
- Other debt charges	4,100	2,450	-	(6,550)	-
- Transfer from the General Operating Fund to the General Capital Fund	157,810	-	-	(157,810)	-
- Transfer from the Water & Sewer Operating Fund to the Water & Sewer Capital Fund	-	63,899	-	(63,899)	-
- Transfer from the Water & Sewer Operating Fund to the Water & Sewer Capital Reserve Fund	-	5,400	-	(5,400)	-
Water & sewer	-	583,002	413,567	58,054	1,054,623
	2,257,814	760,356	735,117	(445,930)	3,307,357
Surplus (Deficit)	\$ -	\$ -	\$ (735,117)	\$ 392,852	\$ (342,265)

Town of St. George
Notes to the Consolidated Financial Statements
December 31, 2019

23. Revenue and Expense Support

	2019		2018
	(Unaudited)		
	Budget	Actual	Actual
Revenue			
Services provided to other governments			
Province of New Brunswick			
Protective - Fire to Local Service Districts	\$ 139,138	\$ 139,138	\$ 148,798
Transportation - Roads and streets	8,700	8,699	8,699
Traffic services - Lane marking	2,000	1,932	2,296
	<u>\$ 149,838</u>	<u>\$ 149,769</u>	<u>\$ 159,793</u>
Sales of services			
Fire - Department of Natural Resources	\$ 3,000	\$ 6,599	\$ 2,306
Road transport	1,000	662	20
	<u>\$ 4,000</u>	<u>\$ 7,261</u>	<u>\$ 2,326</u>
Other revenue from own sources			
Licenses and permits	\$ 5,100	\$ 10,284	\$ 7,051
Rentals	7,949	9,396	25,749
Contributions	3,500	14,613	22,690
Miscellaneous	3,500	9,131	7,451
	<u>\$ 20,049</u>	<u>\$ 43,424</u>	<u>\$ 62,941</u>
Unconditional transfers from other governments			
Province of New Brunswick			
Other transfers	\$ -	\$ 2,236	\$ 1,822
Conditional transfers from other governments			
Federal / Provincial agreements			
Gas Tax	\$ -	\$ 212,472	\$ 269,495
Small Communities Fund	-	-	353,416
IBA-Green Infrastructure	-	125,163	962
New Building Canada Fund	-	45,866	5,781
Clean Water and Wastewater Fund	-	6,883	-
Federal Government			
Celebrate Canada	650	700	650
Canada Summer Jobs	-	2,806	3,152
Enabling Accessibility	-	11,000	-
Employment and Social Development	-	5,000	-
Provincial Government			
Tourism, Heritage and Culture	-	55,525	37,972
Employment assistance	-	14,553	15,643
Children's programs	-	-	6,500
Community garden	-	-	15,000
Family and Youth Capital Assistance Program	-	13,000	-
Regional Development Corporation	-	2,450	-
Federation of Canadian Municipalities	-	-	35,400
	<u>\$ 650</u>	<u>\$ 495,418</u>	<u>\$ 743,971</u>
Water and sewer fees			
Water and sewer user fees			
Residential and commercial	\$ 353,430	\$ 358,861	\$ 340,239
Industrial	305,000	278,064	296,714
Institutional	63,750	63,690	61,376
Connection and service charges	400	770	245
Miscellaneous	-	9,869	2,902
Water supply for fire protection	30,000	30,000	30,000
	<u>\$ 752,580</u>	<u>\$ 741,254</u>	<u>\$ 731,476</u>

Town of St. George
Notes to the Consolidated Financial Statements
December 31, 2019

23. Revenue and Expense Support (continued)

	2019		2018
	(Unaudited)		
	Budget	Actual	Actual
Expenditures			
General government services			
<u>Legislative</u>			
Personnel			
Mayor	\$ 8,800	\$ 9,083	\$ 8,079
Councillors	36,400	37,347	25,645
Other	8,000	8,463	7,631
	53,200	54,893	41,355
<u>General Administrative</u>			
Administrative			
Personnel	91,400	85,641	120,450
Office building	7,150	5,484	5,702
Legal services	6,000	6,671	4,315
Other administrative services	18,650	12,456	13,571
	123,200	110,252	144,038
Financial management			
Personnel	43,400	43,225	45,916
External audit and accounting fees	27,000	23,579	26,973
Purchasing	150	714	223
Asset management plan	-	-	46,929
	70,550	67,518	120,041
Common services			
Personnel recruitment	-	-	2,401
Civic relations	500	-	-
Cost of assessment	26,465	26,465	26,057
Regional and collaborative services	5,455	5,437	5,801
	32,420	31,902	34,259
Other general administrative services	3,700	2,886	2,669
<u>Other general government services</u>			
Conventions and delegations	2,000	651	1,599
Liability insurance	52,000	55,186	34,151
Grants for social or environmental purposes	8,500	8,000	8,610
Bank service charges	2,400	1,779	1,617
Debenture issue costs	1,700	-	-
Amortization	3,586	3,586	3,472
	70,186	69,202	49,449
Total general government services	\$ 353,256	\$ 336,653	\$ 391,811

Town of St. George
Notes to the Consolidated Financial Statements
December 31, 2019

23. Revenue and Expense Support (continued)

	2019		2018
	(Unaudited)		
	Budget	Actual	Actual
Protective services			
<u>Fire protection</u>			
Administration			
Personnel	\$ 20,000	\$ 18,963	\$ 22,523
Other	15,500	13,089	12,761
Firefighting force - personnel	52,000	79,834	51,600
Firefighting force - other	17,000	17,611	18,384
Alarm systems	21,100	19,536	20,201
Investigation and prevention	700	1,115	589
Water cost for fire protection	30,000	30,000	30,000
Training and development	8,500	4,701	11,346
Station and building	21,400	16,453	17,108
Fire fighting equipment	66,350	66,245	51,987
Amortization	46,713	46,713	55,023
Interest	6,440	6,521	7,470
	305,703	320,781	298,992
<u>Police protection</u>			
R.C.M.P.	430,617	430,617	426,330
<u>Emergency measures</u>			
Personnel	-	-	3,779
Training and development	850	-	1,018
Other	500	-	193
	1,350	-	4,990
<u>Other protection</u>			
Building inspection - personnel	-	-	5,291
Building inspection - other	22,977	22,944	9,697
Animal control - personnel	6,000	6,000	6,000
Animal control - other	200	132	-
Amortization	-	-	1,199
	29,177	29,076	22,187
Total protective services	\$ 766,847	\$ 780,474	\$ 752,499
Transportation services			
<u>Common services</u>			
Administration			
Personnel	\$ 50,000	\$ 57,062	\$ 51,348
Other	18,400	15,664	15,910
Training and development	1,500	6,995	1,628
Engineering services	8,000	16,368	4,177
General equipment	57,250	77,435	59,181
Workshop, yards and other buildings	21,400	16,452	17,108
	156,550	189,976	149,352
<u>Road transport</u>			
Personnel	203,300	233,208	246,744
Roads and streets	29,000	54,446	20,884
Culverts and drainage ditches	2,500	7,681	3,779
Street cleaning	4,000	5,359	3,983
Snow and ice removal			
Salt and sand	38,000	65,874	65,180
Private contractors	10,000	1,611	530
Department of Transportation & Infrastructure	7,200	7,037	6,999
	294,000	375,216	348,099

Town of St. George
Notes to the Consolidated Financial Statements
December 31, 2019

23. Revenue and Expense Support (continued)

	2019		2018
	(Unaudited)		
	Budget	Actual	Actual
Other			
Street lighting	62,000	54,947	66,696
Traffic services	10,500	13,493	8,314
Amortization	198,397	198,397	193,380
Interest	21,853	23,773	20,762
	292,750	290,610	289,152
Total transportation services	\$ 743,300	\$ 855,802	\$ 786,603
Environmental health services			
<u>Solid waste collection and disposal</u>			
Solid waste collection	\$ 91,000	\$ 84,355	\$ 69,281
Solid waste disposal	40,000	33,379	39,605
Total environmental health services	\$ 131,000	\$ 117,734	\$ 108,886
Public health and welfare services			
<u>Public health</u>			
Medical clinics	\$ 27,600	\$ 36,494	\$ 25,293
Provision for bad debts	-	9,569	-
Total public health and welfare services	\$ 27,600	\$ 46,063	\$ 25,293
Planning and development services			
<u>Environmental planning and zoning</u>			
Planning - Contracted services	\$ 19,300	\$ 19,272	\$ 5,060
Administration - Personnel	-	-	30,796
<u>Community development</u>			
Beautification and land rehabilitation	7,000	6,041	3,968
<u>Economic development</u>			
Industrial park	1,000	747	747
<u>Other development services</u>			
Tourism			
Tourist bureau	18,600	15,210	14,642
Tourist camps and parks	6,000	5,971	4,062
Promotion of tourist attractions	3,300	2,833	1,601
Other tourism	4,325	1,012	1,155
Other	300	1,388	2,373
Amortization	47,125	47,125	44,810
Total environmental development services	\$ 106,950	\$ 99,599	\$ 109,214
Recreation and cultural services			
<u>Recreation</u>			
Community centre and halls	\$ 37,200	\$ 24,480	\$ 48,858
Swimming pools, beaches and marinas	2,000	4,387	956
Skating rinks	1,000	62	1,243
Parks and playgrounds	5,000	-	553
Other recreation facilities	6,200	2,975	3,411
<u>Cultural</u>			
Museum	300	294	335
Library	1,000	1,000	3
<u>Other recreation and cultural services</u>			
Festivals and events	38,200	30,251	39,108
Fundy Arena grant	7,000	7,000	7,000
Amortization	25,729	25,729	30,349
Interest	152	152	160
Total recreation and cultural services	\$ 123,781	\$ 96,330	\$ 131,976

Town of St. George
Notes to the Consolidated Financial Statements
December 31, 2019

23. Revenue and Expense Support (continued)

	2019		2018
	(Unaudited)		
	Budget	Actual	Actual
Water and Sewer			
Water supply			
Administration and general			
Personnel			
Other	\$ 67,626	\$ 62,168	\$ 57,000
Purification and treatment	32,445	31,413	31,568
Transmission and distribution	20,000	18,143	19,374
Personnel			
Other	63,600	46,789	53,242
Power and pumping	40,800	51,755	49,907
Billing and collection	64,600	45,788	56,483
Bank service charges	500	-	551
Debenture issue costs	600	344	511
Provision for loss on accounts receivable	1,000	-	-
Amortization	-	-	-
Interest	289,841	289,841	283,136
	46,043	37,396	34,932
	627,055	583,637	586,704
Wastewater collection and disposal			
Administration and general			
Personnel			
Other	67,661	62,168	56,965
Wastewater collection system	34,170	27,397	32,352
Personnel			
Other	56,900	42,490	46,966
Wastewater lift stations	25,300	27,995	35,576
Wastewater treatment and disposal	48,150	44,255	43,451
Billing and collection	60,750	59,780	57,725
Bank service charges	500	-	-
Debenture issue costs	600	380	511
Provision for loss on accounts receivable	250	-	-
Amortization	-	-	-
Interest	123,726	123,726	114,652
	9,561	6,784	5,084
	427,568	394,975	393,282
Total water and sewer	\$ 1,054,623	\$ 978,612	\$ 979,986