

MUNICIPALITY OF THE TOWN OF RIVERVIEW, NEW BRUNSWICK
CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2018

DRAFT

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INDEPENDENT AUDITORS' REPORT

To Her Worship the Mayor and Members of Town Council of the Municipality of the Town of Riverview, New Brunswick:

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of the Municipality of the Town of Riverview, New Brunswick, which comprise the consolidated statement of financial position as at December 31, 2018 and the consolidated statements of operations and accumulated surplus, changes in net debt and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Municipality of the Town of Riverview, New Brunswick as at December 31, 2018, and the results of its operations and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis of Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's 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 these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

The Department of Local Government of New Brunswick has requested some additional disclosures based on the Municipal Financial Reporting Manual dated December 16, 2011. The Municipality of the Town of Riverview, New Brunswick has added schedules of regulatory reporting requirements on pages 24 to 26 to comply with these requirements.

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

Members of Council and Management are responsible for the preparation and fair presentation of the financial statements in accordance with 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 related 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.

INDEPENDENT AUDITORS' REPORT (CONTINUED)

Auditors' Responsibilities for the Audit of the Financial Statements

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 auditor's 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 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.

Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the corporation to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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.

Riverview, NB
"Date approved by Council"

Chartered Professional Accountants

MUNICIPALITY OF THE TOWN OF RIVERVIEW, NEW BRUNSWICK
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2018

	2018	2017
FINANCIAL ASSETS		
Cash in bank (Note 10)	\$ 7,667,344	\$ 2,650,102
Receivables (Note 3)	5,579,367	7,270,035
Pension assets (Note 7)	<u>1,184,500</u>	<u>822,100</u>
	<u>14,431,211</u>	<u>10,742,237</u>
LIABILITIES		
Accounts payable and accrued liabilities (Note 4)	\$ 4,845,955	\$ 5,522,809
Deferred government transfers (Note 5)	920,479	-
Long-term debt (Note 6)	23,666,000	22,184,000
Accrued retirement allowances (Note 8)	<u>1,055,532</u>	<u>1,034,057</u>
	<u>30,487,966</u>	<u>28,740,866</u>
Net debt	<u>(16,056,755)</u>	<u>(17,998,629)</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 9)	149,522,262	144,100,977
Inventories of materials and supplies	608,609	501,246
Prepaid expenses and deposits	<u>46,105</u>	<u>37,034</u>
	<u>150,176,976</u>	<u>144,639,257</u>
Accumulated surplus	<u>\$134,120,221</u>	<u>\$126,640,628</u>

APPROVED BY:

_____ Mayor

_____ Treasurer

The accompanying notes to the financial statements are an integral part of these financial statements.

MUNICIPALITY OF THE TOWN OF RIVERVIEW, NEW BRUNSWICK
CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS
FOR THE YEAR ENDED DECEMBER 31, 2018

	2018 Budget (Unaudited)	2018 Actual	2017 Actual
Revenue (Schedule 2)			
Property tax warrant	\$ 23,611,174	\$ 23,611,174	\$ 23,498,318
Unconditional transfers from the Provincial			
Government	2,408,142	2,462,272	2,153,830
Other contributions and government transfers	3,052,510	3,052,678	6,771,823
Sales of services	1,469,934	1,506,717	1,538,902
Other revenue from own sources	574,778	604,044	440,376
Water and sewer revenue	<u>7,028,579</u>	<u>7,156,311</u>	<u>6,805,745</u>
Total revenue	<u>38,145,117</u>	<u>38,393,196</u>	<u>41,208,994</u>
Expenses (Schedule 3)			
General government services	2,526,522	2,477,348	2,375,308
Protective services	6,608,501	6,684,109	6,500,957
Transportation services	3,595,729	3,675,224	3,701,684
Environmental health and development services	2,157,775	2,046,149	2,080,926
Recreation and cultural services	4,845,070	4,643,443	4,588,751
Water supply	3,046,768	2,915,313	2,836,573
Sewerage collection and disposal	2,542,854	2,562,434	2,499,330
Amortization of tangible capital assets (Note 9)	5,099,926	5,099,926	4,851,170
Interest expense and miscellaneous	<u>929,933</u>	<u>809,657</u>	<u>827,732</u>
Total expenses	<u>31,353,078</u>	<u>30,913,603</u>	<u>30,262,431</u>
Annual surplus	<u>\$ 6,792,039</u>	<u>7,479,593</u>	<u>10,946,563</u>
Accumulated surplus at beginning of year		<u>126,640,628</u>	<u>115,694,065</u>
Accumulated surplus at end of year		<u>\$134,120,221</u>	<u>\$126,640,628</u>

The accompanying notes to the financial statements are an integral part of these financial statements.

MUNICIPALITY OF THE TOWN OF RIVERVIEW, NEW BRUNSWICK
CONSOLIDATED STATEMENT OF CHANGES IN NET DEBT
FOR THE YEAR ENDED DECEMBER 31, 2018

	2018 Budget	2018	2017
Annual surplus	\$ <u>6,792,039</u>	\$ <u>7,479,593</u>	\$ <u>10,946,563</u>
Acquisition of tangible capital assets	(12,411,960)	(11,575,529)	(12,479,032)
Amortization of tangible capital assets	5,099,926	5,099,926	4,851,170
(Gain) loss on disposal of tangible capital assets	(36,000)	190,763	92,409
Proceeds on sale of tangible capital assets	-	771,481	142,286
Transfer of assets under construction	<u>-</u>	<u>92,074</u>	<u>17,582</u>
	<u>(7,348,034)</u>	<u>(5,421,285)</u>	<u>(7,375,585)</u>
Change in inventories of materials and supplies	-	(107,363)	(82,844)
Change in prepaid expenses and deposits	<u>-</u>	<u>(9,071)</u>	<u>(9,282)</u>
	<u>-</u>	<u>(116,434)</u>	<u>(92,126)</u>
Reduction (increase) in net debt	(555,995)	1,941,874	3,478,852
Net debt at beginning of year	<u>(17,998,629)</u>	<u>(17,998,629)</u>	<u>(21,477,481)</u>
Net debt at end of year	\$ <u>(18,554,624)</u>	\$ <u>(16,056,755)</u>	\$ <u>(17,998,629)</u>

The accompanying notes to the financial statements are an integral part of these financial statements.

MUNICIPALITY OF THE TOWN OF RIVERVIEW, NEW BRUNSWICK
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2018

	2018	2017
Operating transactions		
Annual surplus	\$ 7,479,593	\$ 10,946,563
Amortization of tangible capital assets	5,099,926	4,851,170
Loss on disposal of tangible capital assets	190,763	92,409
Change in accrued pension liability	(362,400)	(449,400)
Change in accrued retirement allowances	21,475	84,835
Change in receivables	1,690,668	(3,599,965)
Change in accounts payable and accrued liabilities	(676,854)	615,807
Change in inventories of materials and supplies	(107,363)	(82,844)
Change in prepaid expenses and deposits	<u>(9,071)</u>	<u>(9,282)</u>
Cash provided by operating transactions	<u>13,326,737</u>	<u>12,449,293</u>
Capital transactions		
Acquisition of tangible capital assets	(11,575,529)	(12,479,032)
Change in assets under construction	92,074	17,582
Change in deferred government transfers	920,479	(458,035)
Proceeds on sale of tangible capital assets	<u>771,481</u>	<u>142,286</u>
Cash applied to capital transactions	<u>(9,791,495)</u>	<u>(12,777,199)</u>
Financing transactions		
Proceeds from long-term debt issue	4,500,000	4,100,000
Long-term debt repayment	<u>(3,018,000)</u>	<u>(4,045,000)</u>
Cash provided by financing transactions	<u>1,482,000</u>	<u>55,000</u>
Increase (decrease) in cash and cash equivalents	5,017,242	(272,906)
Cash and cash equivalents at beginning of year	<u>2,650,102</u>	<u>2,923,008</u>
Cash and cash equivalents at end of year	<u>\$ 7,667,344</u>	<u>\$ 2,650,102</u>

The accompanying notes to the financial statements are an integral part of these financial statements.

MUNICIPALITY OF THE TOWN OF RIVERVIEW, NEW BRUNSWICK
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018

Purpose of organization

The Municipality of the Town of Riverview, New Brunswick (the "Town") is incorporated and operates under the provisions of the Province of New Brunswick Local Governance Act. As a municipality the Town is exempt from income tax under section 149(1)(c) of the Canadian Income Tax Act as a Public Service Body.

The Town provides municipal services such as police, fire, public works, engineering, parks and recreation, community development and other general government operations.

1. Adoption of new and revised standards and interpretations

At the date of authorization of these financial statements, the accounting standards board of Canada has issued the following new and revised standards, amendments and interpretations which are not yet effective during the period covered by these financial statements.

Public Sector (PS) 3400 Revenue is a new section that establishes standards on how to account for and report on revenue. Specifically, it differentiates between revenue arising from transactions that include performance obligations and transactions that do not have performance obligations. PS 3400 is effective for reporting periods beginning on or after April 1, 2022.

PS 3280 Asset Retirement Obligations establishes standards on how to account for and report a liability for asset retirement obligations. This section assists in determine what qualifies as, and how to account for, an Asset Retirement Obligation. PS 3280 is effective for reporting periods beginning on or after April 1, 2021.

PS 3450 Financial Instruments establishes standards on how to account for and report all types of financial instruments including derivatives. Financial instruments include primary instruments (such as receivables, payables and equity instruments) and derivative financial instruments (such as financial options, futures and forwards, interest rate swaps and currency swaps). PS 3450 is effective for reporting periods beginning on or after April 1, 2021.

The municipality is currently assessing the potential impact on its financial statements of the above standards. The municipality expects the adoption of PS 3400 and 3450 may have an impact on its financial statements, but it is not expected to be material. The municipality expects there to be no material impact on the financial statement for the other standards to be adopted.

There are no other Public Sector standards that are not yet effective that would be expected to have a material impact on the municipality's future financial statements.

2. Summary of significant accounting policies

The consolidated financial statements of the Municipality of the Town of Riverview, New Brunswick are the representations of management prepared in accordance with Canadian generally accepted accounting principles for local governments, as recommended by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada.

The focus of Public Sector Accounting consolidated financial statements is on the financial position of the Town and the changes thereto. The consolidated statement of financial position includes all of the assets and liabilities of the Town.

MUNICIPALITY OF THE TOWN OF RIVERVIEW, NEW BRUNSWICK
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018

2. Summary of significant accounting policies (continued)

The significant aspects of the accounting policies adopted by the Town are as follows:

(a) Reporting entity

These 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 Town and which are owned or controlled by the Town.

Interdepartmental and organizational transactions and balances are eliminated.

(b) Government transfers

Government transfers are recognized in the consolidated financial statements as revenues in the period in which events giving rise to the transfer occur, provided the transfers are authorized, all eligibility criteria have been met and reasonable estimates of the amounts can be made. Transfers received for which expenses are not yet incurred are included in deferred government transfers.

(c) Deferred revenue

Deferred revenue includes grants, contributions and other amounts received from third parties pursuant to legislation, regulation and agreement which may only be used in certain programs, in the completion of specific work, or the purchase of tangible capital assets. In addition, certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred, services performed or the tangible capital assets are acquired. In addition, all funds from external parties and earnings thereon restricted by agreement or legislation are accounted for as deferred revenues until used for the purpose specified.

(d) Non-financial assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the normal course of operations. The change in non-financial assets during the year, together with the excess of revenues over expenses, provides the change in net debt for the year.

Tangible capital assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost of the tangible capital asset is amortized on a straight line basis over the estimated useful life as follows:

Land improvements	15 - 25 years
Buildings	25 - 50 years
Vehicles and equipment	5 - 15 years
Computer hardware and software	5 years
Roads, streets, sidewalks and culverts	20 - 50 years
Water and wastewater networks	30 - 100 years

Assets under construction

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

MUNICIPALITY OF THE TOWN OF RIVERVIEW, NEW BRUNSWICK
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018

2. Summary of significant accounting policies (continued)

(d) Non-financial assets

Contribution of tangible capital assets

Tangible capital assets received as contributions are recorded at their fair value and as revenue at the date of receipt. Fair value is determined by the Town's engineering staff using current expected construction costs of similar assets.

Inventories of materials and supplies

Inventories of materials and supplies consist mainly of parts and road maintenance materials and are valued at the lower of cost and net realizable value.

(e) Cash and cash equivalents

Cash and cash equivalents are comprised of cash on hand, demand deposits and short term investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(f) Employee future benefits

The Town and its employees contribute to the Town of Riverview Employees' Pension Plan, a jointly trustee defined benefit pension plan. The Plan provides for service pensions based on length of service and rate of pay.

In addition to the Employees' Pension Plan, a retirement allowance is provided for the Town's employees (Note 8).

Employees may carry forward unused sick leave throughout their employment. This sick leave does not vest to the employees, and as such the Town is not required to compensate employees for unused amounts upon leaving employment with the Town.

(g) Budget

The budget figures contained in these consolidated financial statements were approved by council on December 11, 2017 and the Minister of Local Government approved the Operating budgets on January 11, 2018.

(h) Reserve funds

Under the Province of New Brunswick Local Governance Act, Council may establish discretionary reserves for each type of its operating and capital funds. In addition, the Community Planning Act requires that a statutory Land Reserve be established and maintained for the purpose of acquiring and developing land held for public purposes.

Certain amounts, as approved by Town Council, are set aside in reserve funds for future operating and capital purposes. Transfers to and from reserve funds are recorded as an adjustment to accumulated surplus of that fund. Note 2 in the Schedules of Regulatory Requirements indicates the reserve fund balances as supplementary information.

MUNICIPALITY OF THE TOWN OF RIVERVIEW, NEW BRUNSWICK
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018

2. Summary of significant accounting policies (continued)

(i) Segmented information

The Town of Riverview is a diversified municipal unit that provides a wide range of services to its residents. For management reporting purposes, the Town's operations and activities are organized and reported by function. This presentation was created for the purpose of recording specific activities to attain certain objectives in accordance with special regulations, restrictions or limitations. Municipal services are provided by departments as follows:

General government services

This department is responsible for the overall governance and financial administration of the Municipality. This includes council functions, general and financial management, legal matters and compliance with legislation as well as civic relations.

Protective services

This department is responsible for the provision of policing services, fire protection, emergency measures, animal control and other protective measures.

Transportation services

This department is responsible for common services, roads and streets maintenance, street lighting, traffic services, parking and other transportation related functions.

Environmental health services and development services

This department is responsible for the provision of waste collection and disposal, planning and zoning, community development, tourism and other municipal development and promotion services.

Recreation and cultural services

The department is responsible for the maintenance and operation of recreational and cultural facilities, including swimming pools, arena, parks and playgrounds and other recreational and cultural facilities.

Water and wastewater system

This department is responsible for the provision of water and sewer services including the maintenance and operation of the underground networks.

(j) Use of estimates

The preparation of the consolidated financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates that affect the reported amounts 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 annual surplus in the period in which they become known. Actual results may differ from those estimates.

MUNICIPALITY OF THE TOWN OF RIVERVIEW, NEW BRUNSWICK
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018

2. Summary of significant accounting policies (continued)

(k) Financial instruments

The Town's financial instruments consist of cash, accounts receivable, pension asset (net), accounts payable and accrued liabilities, long-term debt, accrued pension liability and accrued retirement allowances. Unless otherwise noted, it is management's opinion that the Town is not exposed to significant interest, currency or credit risk arising from these financial instruments.

The Town is subject to credit risk through accounts receivable. The Town maintains a provision for credit losses, and minimizes credit risk through on-going credit management.

(l) Revenue recognition

Warrant revenue represents annual property tax levy administered and collected by the Province of New Brunswick on behalf of all New Brunswick Municipalities for municipal services.

Government Transfers are recognized as revenue in the period that the transfer is authorized, eligibility criteria have been met by the Town, and a reasonable estimate of the amount to be received can be made.

Sale of services and other charge revenue including sales of services, licences and permits, fines, other, and water and wastewater are recorded on an accrual basis and recognized as earned which is usually when services are provided or facilities are utilized.

Other revenues are recorded when it is earned, and collection is reasonably assured.

(m) Expense recognition

Expenses are recognized in the period that the goods and services were acquired and a liability was incurred. Expenses are recorded on an accrual basis.

3. Receivables

	2018	2017
Trade receivables - General operating	\$ 291,285	\$ 302,033
Water and sewer receivables - Utility operating	1,290,571	1,248,064
Deferred local improvement receivables	2,137,463	1,908,050
Federal/Provincial government - capital and operating contributions	1,348,657	3,158,703
Canada Revenue Agency (HST refundable)	<u>511,391</u>	<u>653,185</u>
	<u>\$ 5,579,367</u>	<u>\$ 7,270,035</u>

4. Accounts payable and accrued liabilities

	2018	2017
Accounts payable	\$ 2,146,858	\$ 2,969,706
Contractors' holdbacks	524,540	611,649
Interest on long-term debt	60,497	68,801
Local improvement deferred revenue	1,986,395	1,758,393
Deferred revenue	<u>127,665</u>	<u>114,260</u>
	<u>\$ 4,845,955</u>	<u>\$ 5,522,809</u>

MUNICIPALITY OF THE TOWN OF RIVERVIEW, NEW BRUNSWICK
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018

5. Deferred government transfers

Deferred government transfers represent amounts held at year end to be applied to approved projects. These deferred contributions consist of Gas Tax Funds of \$920,479 (2017 - \$NIL).

6. Long-term debt

New Brunswick Municipal Finance Corporation

Interest rate and due dates	Debenture #	2018	2017
<i>General capital</i>			
3.30% to 4.85% due 2018	AY-16	\$ -	\$ 1,002,000
1.00% to 4.50% due 2019	BB-25	2,740,000	3,250,000
1.50% to 3.85% due 2020	BD-23	880,000	994,000
1.35% to 3.45% due 2021	BF-21	862,000	959,000
2.10% to 5.55% due 2023	AZ-27	455,000	786,000
1.20% to 3.80% due 2036	BP-20	5,520,600	5,761,800
1.65% to 3.30% due 2037	BR-21	3,940,000	4,100,000
2.55% to 3.55% due 2033	BU-20	<u>4,500,000</u>	<u>-</u>
		<u>18,897,600</u>	<u>16,852,800</u>

New Brunswick Municipal Finance Corporation

Interest rate and due dates	Debenture #	2018	2017
<i>Utility capital</i>			
2.10% to 4.95% due 2018	AY-17, AZ-28	-	254,000
1.50% to 3.85% due 2020	BD-23	928,000	1,047,000
1.25% to 3.70% due 2023	BJ-23	160,000	189,000
1.20% to 3.80% due 2036	BP-20	<u>3,680,400</u>	<u>3,841,200</u>
		<u>4,768,400</u>	<u>5,331,200</u>
		<u>\$ 23,666,000</u>	<u>\$ 22,184,000</u>

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

2019	\$ 4,002,000
2020	2,617,000
2021	1,629,000
2022	992,000
2023	1,021,000

Approval of the Municipal Capital Borrowing Board has been obtained for the debenture debt reported and all the long-term debt has been approved by Order-in-Council of the Provincial Legislature.

MUNICIPALITY OF THE TOWN OF RIVERVIEW, NEW BRUNSWICK
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018

7. Accrued pension asset

Pension benefits are provided to employees of the Municipality of the Town of Riverview, New Brunswick under the Town of Riverview Employees' Pension Plan established in 1974. The plan is registered and meets the requirements of Canada Revenue Agency and the Superintendent of Pensions for New Brunswick. The plan is a defined benefit plan with employees contributing 6% of earnings. The Town is currently contributing 8.3% of employees' earnings (2017 - 8.3%).

The contribution by the Town in 2018 was \$594,738 (2017 - \$608,991). Total benefit payments to retirees during the year were \$1,286,884 (2017 - \$1,183,630). A separate pension fund is maintained. The Town is in a net funded position at December 31, 2018 as follows:

	2018	2017
Fair market value of plan assets	\$ 26,180,800	\$ 27,055,200
Accrued benefit obligation	<u>(25,392,800)</u>	<u>(24,298,200)</u>
Funded status	788,000	2,757,000
Unamortized actuarial gains (losses)	<u>396,500</u>	<u>(1,934,900)</u>
Accounting pension asset	<u>\$ 1,184,500</u>	<u>\$ 822,100</u>

Actuarial valuations for accounting purposes are performed annually using the traditional unit credit method. The most recent valuation of the Pension Plan by the Town's actuaries, Eckler Ltd. was carried out effective December 31, 2017. The valuation results from 2017 were used to extrapolate forward using valuations assumptions, along with actual contributions and benefit payments made during the extrapolation period. The net unamortized actuarial gain (loss) of \$(396,500) (2017 - \$1,934,900) is to be amortized on a straight-line basis over the expected average remaining service life (16 years) of the employee group.

The actuarial valuation was based on a number of assumptions about future events, such as interest rates, employee turnover and mortality. The assumptions used reflect the Town's best estimates:

Discount rate	5.5%	
Mortality	2014 Mortality Table projected with CPM Improvement Scale B	
Normal retirement age	Earlier of age 65 or Rule of 85	
	2018	2017
Current period benefit cost	\$ 1,010,556	\$ 871,783
Amortization of actuarial gain/losses	<u>(196,219)</u>	<u>(207,915)</u>
	814,337	663,868
Less: Employee contributions	<u>(430,024)</u>	<u>(346,404)</u>
Pension expense	384,313	317,464
Interest recovery on the average accrued benefit obligation	<u>(152,025)</u>	<u>(157,809)</u>
Total expenses related to pension	<u>\$ 232,288</u>	<u>\$ 159,655</u>

MUNICIPALITY OF THE TOWN OF RIVERVIEW, NEW BRUNSWICK
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018

8. Accrued retirement allowances

The Town provides a retirement allowance to eligible employees reaching the minimum retirement age under the pension plan. This amount is payable to the employee upon retirement. For non-union employees, upon completion of a minimum of 10 or more years service, employees are entitled to 5 days pay for each year of service to a maximum of 125 days. For union employees, upon completion of a minimum of 10 or more years service, employees are entitled to 1 month regular salary for each 5 years service to a maximum of 6 months. The total liability included in these consolidated financial statements for this accrued retirement allowance is \$1,055,532 (2017 - \$1,034,057).

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MUNICIPALITY OF THE TOWN OF RIVERVIEW, NEW BRUNSWICK
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
DECEMBER 31, 2018

9. Schedule of Tangible Capital Assets

	Land	Land Improvements	Buildings	Vehicles and Equipment	Computer Hardware and Software	Assets Under Construction	Roads Streets Sidewalks Culverts	Water and Sewer Buildings	Water and Sewer Pipes	Total
Cost										
Balance, beginning of year	\$ 1,004,824	\$ 9,276,287	\$ 32,583,594	\$ 12,981,186	\$ 586,365	\$ 132,953	\$ 96,572,440	\$ 6,926,796	\$ 46,788,209	\$ 206,852,654
Add:										
Additions during the year	-	746,308	1,790,502	1,080,221	17,840	20,542	5,537,163	-	2,382,953	11,575,529
Less:										
Disposals during the year	(24,217)	(51,787)	(1,555,817)	(401,688)	-	(92,074)	(557,418)	-	(180,106)	(2,863,107)
Balance, end of year	<u>980,607</u>	<u>9,970,808</u>	<u>32,818,279</u>	<u>13,659,719</u>	<u>604,205</u>	<u>61,421</u>	<u>101,552,185</u>	<u>6,926,796</u>	<u>48,991,056</u>	<u>215,565,076</u>
Accumulated amortization										
Balance, beginning of year	-	3,288,252	7,135,876	7,860,832	363,017	-	29,981,554	2,005,998	12,116,148	62,751,677
Add:										
Amortization during the year	-	430,654	803,458	1,032,009	80,575	-	2,017,467	173,170	562,593	5,099,926
Less:										
Accumulated amortization on disposals	-	(45,825)	(933,490)	(401,688)	-	-	(269,546)	-	(158,240)	(1,808,789)
Balance, end of year	<u>-</u>	<u>3,673,081</u>	<u>7,005,844</u>	<u>8,491,153</u>	<u>443,592</u>	<u>-</u>	<u>31,729,475</u>	<u>2,179,168</u>	<u>12,520,501</u>	<u>66,042,814</u>
Net Book Value of Tangible Capital Assets December 31, 2018	<u>\$ 980,607</u>	<u>\$ 6,297,727</u>	<u>\$ 25,812,435</u>	<u>\$ 5,168,566</u>	<u>\$ 160,613</u>	<u>\$ 61,421</u>	<u>\$ 69,822,710</u>	<u>\$ 4,747,628</u>	<u>\$ 36,470,555</u>	<u>\$ 149,522,262</u>
Net Book Value of Tangible Capital Assets December 31, 2017	<u>\$ 1,004,824</u>	<u>\$ 5,988,035</u>	<u>\$ 25,447,718</u>	<u>\$ 5,120,354</u>	<u>\$ 223,348</u>	<u>\$ 132,953</u>	<u>\$ 66,590,886</u>	<u>\$ 4,920,798</u>	<u>\$ 34,672,061</u>	<u>\$ 144,100,977</u>

MUNICIPALITY OF THE TOWN OF RIVERVIEW, NEW BRUNSWICK
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018

10. Short-term borrowings compliance

Interim borrowing for capital

Bank overdrafts are amounts due to the bank with interest payable on a monthly basis at prime less .75% (at December 31, 2018 - 3.2%) These amounts are secured by resolutions signed by the Municipal Capital Borrowing Board, Province of New Brunswick. As of December 31, 2018 the Town had the following Orders in Council outstanding for short-term borrowings:

		General Capital	Utility Capital	Total
OIC# 18-0019	April 9, 2018	\$ <u>900,000</u>	\$ <u>-</u>	\$ <u>900,000</u>

As of December 31, 2018 the Town's temporary advances net of amounts receivable in the utility capital funds were within its limits in accordance with the Municipal Capital Borrowing Act of New Brunswick.

As of December 31, 2018 the Town's temporary advances net of amounts receivable in the general capital fund were in excess of OIC's outstanding for that fund. As a result the Town was not within its limits in accordance with the Municipal Capital Borrowing Act of New Brunswick for temporary advances in the general capital fund. This matters is as a result of the current financing of the new operations centre. The Town is in the process of developing a plan to rectify this in the short term.

Operating borrowing

As prescribed in the Province of New Brunswick Local Governance Act, the borrowing to finance its General Fund operations is limited to 4% of the Town's operating budget. Borrowing to finance Utility Fund operations is limited to 50% of the Town's operating budget. As of December 31, 2018 the Town had no net borrowing in the General Operating or Utility Operating funds.

In 2018, the Town has complied with these restrictions.

Restricted cash and receivable balances

Included in cash and receivable amounts in the consolidated financial statements are funds restricted by the Town for specific use. Restricted cash and receivables is as follows:

	2018	2017
Riverview P.R.O. Kids	\$ 32,338	\$ 29,902
Gas Tax Fund	920,479	-
General Operating Reserve	485,181	329,408
General Capital Reserve	4,286,007	1,753,931
General Parkland Reserve	172,843	169,926
Utility Operating Reserve	105,610	103,828
Utility Capital Reserve	<u>1,509,713</u>	<u>1,044,826</u>
	\$ <u>7,512,171</u>	\$ <u>3,431,821</u>

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. In the case of capital projects, the amount borrowed has to be repaid within one year of the completion of the project. The amounts payable between funds are in compliance with the requirements.

MUNICIPALITY OF THE TOWN OF RIVERVIEW, NEW BRUNSWICK
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018

11. Contingency

In the normal course of the Town's activities, the Town is subject to a number of claims and litigations. The Town intends to defend and negotiate such claims and litigations. The eventual outcome of these claims and litigations are not determinable at year end.

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MUNICIPALITY OF THE TOWN OF RIVERVIEW, NEW BRUNSWICK
SCHEDULE OF SEGMENT DISCLOSURES
DECEMBER 31, 2018

Schedule 1

	<u>General Government</u>	<u>Protective</u>	<u>Transportation</u>	<u>Environmental Health & Development</u>	<u>Recreational and Cultural</u>	<u>Water & Sewer</u>	<u>Total 2018</u>	<u>Total 2017</u>
Revenue								
Property tax warrant	\$ 9,205,536	\$ 5,985,230	\$ 3,095,159	\$ 1,787,272	\$ 3,537,977	\$ -	\$ 23,611,174	\$ 23,498,318
Unconditional transfers from the Provincial Government	1,141,867	548,600	283,699	163,819	324,287	-	2,462,272	2,153,830
Other contributions and government transfers	-	372,448	2,542,215	-	-	138,015	3,052,678	6,771,823
Sales of services	359,993	-	20,245	-	1,126,480	-	1,506,718	1,538,902
Other revenue from own sources	422,350	6,780	(168,896)	171,720	-	172,089	604,043	440,376
Water and sewer revenue	-	-	-	-	-	7,156,310	7,156,310	6,805,745
Total revenue	<u>11,129,746</u>	<u>6,913,058</u>	<u>5,772,422</u>	<u>2,122,811</u>	<u>4,988,744</u>	<u>7,466,414</u>	<u>38,393,195</u>	<u>41,208,994</u>
Expenses								
Salaries and benefits	1,033,940	2,680,235	1,262,787	215,001	2,769,944	1,405,312	9,367,219	9,075,942
Goods and services	1,448,609	3,998,675	2,412,436	1,831,148	1,873,498	4,072,435	15,636,801	15,507,588
Amortization, disposals and transfers	303,286	256,939	3,105,903	-	641,981	791,817	5,099,926	4,851,170
Interest	76,413	47,861	447,958	16,278	46,271	174,876	809,657	827,732
	<u>2,862,248</u>	<u>6,983,710</u>	<u>7,229,084</u>	<u>2,062,427</u>	<u>5,331,694</u>	<u>6,444,440</u>	<u>30,913,603</u>	<u>30,262,432</u>
Surplus (deficit)	<u>\$ 8,267,498</u>	<u>\$ (70,652)</u>	<u>\$ (1,456,662)</u>	<u>\$ 60,384</u>	<u>\$ (342,950)</u>	<u>\$ 1,021,974</u>	<u>\$ 7,479,592</u>	<u>\$ 10,946,562</u>

MUNICIPALITY OF THE TOWN OF RIVERVIEW, NEW BRUNSWICK
CONSOLIDATED SCHEDULE OF REVENUES
DECEMBER 31, 2018

Schedule 2

	2018 Budget (Unaudited)	2018 Actual	2017 Actual
Other contributions and government transfers			
Infrastructure program	\$ 1,557,044	\$ 1,557,044	\$ 3,426,555
Gas tax program	495,000	495,000	1,820,815
Contributed assets - developers	450,518	450,518	936,262
Fire-local service district	372,448	372,448	410,174
Roads and streets	162,000	161,825	162,105
Lane marking	15,500	15,843	15,912
	\$ 3,052,510	\$ 3,052,678	\$ 6,771,823
Sales of services			
Community centre	\$ 239,091	\$ 246,066	\$ 244,645
Swimming pools	216,111	318,706	222,045
Skating rinks and arenas	417,110	402,672	426,233
Other recreational programs	159,000	159,035	210,080
RCMP building lease	231,122	214,182	215,948
Fundy Station lease income	200,000	145,811	204,405
Other - culverts, curb cutting	7,500	20,245	15,546
	\$ 1,469,934	\$ 1,506,717	\$ 1,538,902
Other revenue from own sources			
Licences and permits			
Building	\$ 160,000	\$ 125,595	\$ 132,374
Animal	23,700	20,915	21,050
Planning commission	27,500	46,125	33,310
Fines			
Municipal By-Law	10,000	6,780	11,060
Other			
Local improvement levy	53,390	238,131	10,767
Development cost recovery	15,000	-	-
Miscellaneous	54,152	85,633	129,527
Gain (loss) on disposal of assets	36,000	(190,763)	(92,409)
Return on investments			
Interest on cash in bank	6,000	56,748	11,522
Interest on past due accounts	128,200	154,044	148,623
Interest on reserve funds	60,836	60,836	34,552
	\$ 574,778	\$ 604,044	\$ 440,376
Water and sewerage revenue			
Water user charges - residential	\$ 2,999,250	\$ 3,026,111	\$ 2,891,318
- other	741,000	750,507	716,093
Sewer user charges - residential	1,283,550	1,291,860	1,204,436
- other	269,640	279,719	251,274
Sewer treatment levy	1,698,900	1,722,018	1,678,048
Water and sewer other revenue	36,239	86,096	64,576
	\$ 7,028,579	\$ 7,156,311	\$ 6,805,745

MUNICIPALITY OF THE TOWN OF RIVERVIEW, NEW BRUNSWICK
CONSOLIDATED SCHEDULE OF EXPENSES
DECEMBER 31, 2018

Schedule 3

	2018 Budget (Unaudited)	2018 Actual	2017 Actual
General government services			
Legislative			
Mayor	\$ 37,196	\$ 36,150	\$ 33,825
Councilors	123,300	116,363	113,343
Other	<u>39,587</u>	<u>35,614</u>	<u>36,759</u>
	<u>200,083</u>	<u>188,127</u>	<u>183,927</u>
Administrative			
Manager	243,576	231,290	216,296
Office building	68,286	79,490	81,751
Solicitor	85,000	94,634	83,843
Other	<u>174,098</u>	<u>150,257</u>	<u>189,081</u>
	<u>570,960</u>	<u>555,671</u>	<u>570,971</u>
Financial and Human Resources			
Administrative	260,948	246,832	228,575
Accounting and human resources	<u>535,724</u>	<u>541,889</u>	<u>465,695</u>
	<u>796,672</u>	<u>788,721</u>	<u>694,270</u>
Other General Government Services			
Civic relations	98,700	109,300	62,349
Other general government services	21,475	21,075	34,138
Public liability insurance premiums	107,800	107,050	112,933
Grants to organizations	277,303	275,624	290,474
Assessment costs	289,429	289,429	288,046
Building expense - RCMP station	<u>164,100</u>	<u>142,351</u>	<u>138,200</u>
	<u>958,807</u>	<u>944,829</u>	<u>926,140</u>
	<u>\$ 2,526,522</u>	<u>\$ 2,477,348</u>	<u>\$ 2,375,308</u>
Protective services			
Police			
RCMP contract	\$ 3,409,452	\$ 3,409,452	\$ 3,499,677
RCMP building consulting fees	<u>-</u>	<u>5,200</u>	<u>-</u>
	<u>\$ 3,409,452</u>	<u>\$ 3,414,652</u>	<u>\$ 3,499,677</u>
Fire			
Administration	2,450,276	2,508,878	2,298,207
Volunteers	71,682	65,848	69,017
Fire alarm system	24,000	35,381	24,491
Fire investigation and prevention	10,550	10,441	8,622
Training and development	66,550	48,907	68,452

MUNICIPALITY OF THE TOWN OF RIVERVIEW, NEW BRUNSWICK
CONSOLIDATED SCHEDULE OF EXPENSES (CONTINUED)
DECEMBER 31, 2018

Schedule 3

	2018 Budget (Unaudited)	2018 Actual	2017 Actual
Protective services (continued)			
Fire (continued)			
Station and building	113,750	142,863	106,882
Firefighting equipment	168,850	193,146	137,987
Other	<u>7,750</u>	<u>5,748</u>	<u>8,932</u>
	<u>2,913,408</u>	<u>3,011,212</u>	<u>2,722,590</u>
Other			
Bylaw enforcement	114,946	82,432	112,374
Animal and pest control	89,195	94,619	86,362
Crosswalk guards	<u>81,500</u>	<u>81,194</u>	<u>79,954</u>
	<u>285,641</u>	<u>258,245</u>	<u>278,690</u>
	<u>\$ 6,608,501</u>	<u>\$ 6,684,109</u>	<u>\$ 6,500,957</u>
Transportation services			
Common Services			
Administration	\$ 864,915	\$ 812,684	\$ 807,390
General equipment	170,530	181,365	180,459
Workshops, yard and other buildings	<u>127,200</u>	<u>117,817</u>	<u>117,209</u>
	<u>1,162,645</u>	<u>1,111,866</u>	<u>1,105,058</u>
Road transport			
Engineering planning, supervision	<u>52,480</u>	<u>43,175</u>	<u>98,294</u>
Roads and streets			
Summer maintenance	343,300	374,778	355,842
Culverts and drainage ditches	25,400	21,217	15,808
Storm sewers	14,400	12,271	21,731
Snow and ice removal	<u>766,045</u>	<u>905,229</u>	<u>824,641</u>
	<u>1,149,145</u>	<u>1,313,495</u>	<u>1,218,022</u>
Street lighting	<u>553,000</u>	<u>546,257</u>	<u>538,407</u>
Traffic services			
Street signs	19,200	41,163	17,765
Traffic lane marking	55,000	45,312	54,609
Traffic signals	8,000	3,217	6,762
Crosswalks	10,000	11,153	10,070
Public transit	<u>586,259</u>	<u>559,586</u>	<u>652,697</u>
	<u>678,459</u>	<u>660,431</u>	<u>741,903</u>
	<u>\$ 3,595,729</u>	<u>\$ 3,675,224</u>	<u>\$ 3,701,684</u>

MUNICIPALITY OF THE TOWN OF RIVERVIEW, NEW BRUNSWICK
CONSOLIDATED SCHEDULE OF EXPENSES (CONTINUED)
DECEMBER 31, 2018

Schedule 3

	2018 Budget (Unaudited)	2018 Actual	2017 Actual
Environmental health and development services			
Environmental health services			
Garbage and waste collection	\$ 497,900	\$ 488,081	\$ 473,215
Landfill costs	<u>395,228</u>	<u>395,404</u>	<u>392,636</u>
	<u>893,128</u>	<u>883,485</u>	<u>865,851</u>
Environmental development services			
Community planning	366,738	356,780	362,761
Community development agency	78,074	78,074	78,074
Economic development and tourism	436,835	359,976	397,625
Beautification and land rehabilitation	<u>383,000</u>	<u>367,834</u>	<u>376,615</u>
	<u>1,264,647</u>	<u>1,162,664</u>	<u>1,215,075</u>
	<u>\$ 2,157,775</u>	<u>\$ 2,046,149</u>	<u>\$ 2,080,926</u>
Recreation and cultural services			
Administration	\$ 2,457,221	\$ 2,421,538	\$ 2,455,548
Community centres and halls	663,818	635,889	642,111
Swimming pools	348,456	373,597	363,198
Rinks and arenas	426,500	457,013	431,266
Parks and playgrounds	204,300	222,883	239,199
Other recreational facilities	429,900	224,392	170,684
Library	31,693	32,019	32,004
Fundy Chocolate River Station	213,632	212,693	188,388
Other	<u>69,550</u>	<u>63,419</u>	<u>66,353</u>
	<u>\$ 4,845,070</u>	<u>\$ 4,643,443</u>	<u>\$ 4,588,751</u>
Water supply			
Administration	\$ 117,876	\$ 112,352	\$ 103,517
Billing and collection	93,030	99,420	88,917
Water purchased	1,390,000	1,250,803	1,284,060
Other	<u>1,445,862</u>	<u>1,452,738</u>	<u>1,360,079</u>
	<u>\$ 3,046,768</u>	<u>\$ 2,915,313</u>	<u>\$ 2,836,573</u>
Sewerage collection and disposal			
Administration	\$ 47,535	\$ 45,287	\$ 41,718
Sewerage treatment and disposal	1,689,698	1,689,698	1,668,870
Other	<u>805,621</u>	<u>827,449</u>	<u>788,742</u>
	<u>\$ 2,542,854</u>	<u>\$ 2,562,434</u>	<u>\$ 2,499,330</u>

MUNICIPALITY OF THE TOWN OF RIVERVIEW, NEW BRUNSWICK
CONSOLIDATED SCHEDULE OF EXPENSES (CONTINUED)
DECEMBER 31, 2018

Schedule 3

	2018 Budget (Unaudited)	2018 Actual	2017 Actual
Interest and miscellaneous			
Interest on bank overdraft	\$ 87,003	\$ 78,291	\$ 77,200
Interest on long-term debt	<u>842,930</u>	<u>731,366</u>	<u>750,532</u>
	<u>\$ 929,933</u>	<u>\$ 809,657</u>	<u>\$ 827,732</u>

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MUNICIPALITY OF THE TOWN OF RIVERVIEW, NEW BRUNSWICK
SCHEDULES OF REGULATORY REPORTING REQUIREMENTS
DECEMBER 31, 2018

The Department of Local Government of New Brunswick has requested some disclosures in addition to Canadian Public Sector Accounting Standards for monitoring purposes. The Town has provided these disclosure requirements in the following pages

1. Reconciliation of Annual Surplus in Consolidated Financial Statements to Provincial Municipal Reporting Standards

	General Operating Fund	General Capital Fund	Water & Sewer Operating Fund	Water & Sewer Capital Fund	General Reserve Fund	Water & Sewer Reserve Fund	Total
2018 annual fund surplus (deficit) per consolidated financial statements	<u>\$ 9,359,100</u>	<u>\$ (3,825,291)</u>	<u>\$ 1,619,265</u>	<u>\$ 265,682</u>	<u>\$ 40,766</u>	<u>\$ 20,070</u>	<u>\$ 7,479,592</u>
<i>Adjustments to annual surplus for funding requirements</i>							
Second previous year surplus	29,170	-	4,987	-	-	-	34,157
Transfers between funds:							
Transfer from operating to capital	(6,004,375)	6,004,375	(1,866,387)	1,866,387	-	-	-
Transfer from reserve to capital	-	-	-	-	-	-	-
Transfer from operating to reserve	(2,650,000)	-	(26,600)	(420,000)	2,650,000	446,600	-
Recovery of accrued pension liability	(362,400)	-	-	-	-	-	(362,400)
Amortization expense	-	4,308,109	-	791,817	-	-	5,099,926
Contributed tangible capital assets	-	(312,503)	-	-	-	-	(312,503)
Water cost transfer	(300,000)	-	300,000	-	-	-	-
Total adjustments to 2018 annual surplus (deficit)	<u>(9,287,605)</u>	<u>9,999,981</u>	<u>(1,588,000)</u>	<u>2,238,204</u>	<u>2,650,000</u>	<u>446,600</u>	<u>4,459,180</u>
2018 annual surplus (deficit)	<u>\$ 71,495</u>	<u>\$ 6,174,690</u>	<u>\$ 31,265</u>	<u>\$ 2,503,886</u>	<u>\$ 2,690,766</u>	<u>\$ 466,670</u>	<u>\$ 11,938,772</u>

MUNICIPALITY OF THE TOWN OF RIVERVIEW, NEW BRUNSWICK
SCHEDULES OF REGULATORY REPORTING REQUIREMENTS
DECEMBER 31, 2018

2. Statement of reserves

	<u>General Operating</u>	<u>General Capital</u>	<u>General Parkland</u>	<u>Water & Sewer Operating</u>	<u>Water & Sewer Capital</u>	<u>Total 2018</u>	<u>Total 2017</u>
<i>Assets</i>							
Cash	\$ <u>485,181</u>	\$ <u>4,286,008</u>	\$ <u>172,843</u>	\$ <u>105,610</u>	\$ <u>1,509,714</u>	\$ <u>6,559,356</u>	\$ <u>3,401,919</u>
<i>Surplus</i>							
Accumulated Surplus, beginning of year	329,408	1,753,932	169,926	103,828	1,044,826	3,401,920	3,450,367
Annual surplus	<u>155,773</u>	<u>2,532,076</u>	<u>2,917</u>	<u>1,782</u>	<u>464,888</u>	<u>3,157,436</u>	<u>(48,448)</u>
Accumulated Surplus, end of year	\$ <u>485,181</u>	\$ <u>4,286,008</u>	\$ <u>172,843</u>	\$ <u>105,610</u>	\$ <u>1,509,714</u>	\$ <u>6,559,356</u>	\$ <u>3,401,919</u>
<i>Revenue</i>							
Interest	5,773	32,076	2,917	1,782	18,288	60,836	34,552
Transfer from capital funds	-	-	-	-	420,000	420,000	-
Transfers from operating funds	<u>150,000</u>	<u>2,500,000</u>	<u>-</u>	<u>-</u>	<u>26,600</u>	<u>2,676,600</u>	<u>787,000</u>
	155,773	2,532,076	2,917	1,782	464,888	3,157,436	821,552
<i>Expenses</i>							
Transfer to capital funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>870,000</u>
Annual surplus (deficit)	\$ <u>155,773</u>	\$ <u>2,532,076</u>	\$ <u>2,917</u>	\$ <u>1,782</u>	\$ <u>464,888</u>	\$ <u>3,157,436</u>	\$ <u>(48,448)</u>

MUNICIPALITY OF THE TOWN OF RIVERVIEW, NEW BRUNSWICK
SCHEDULES OF REGULATORY REPORTING REQUIREMENTS
DECEMBER 31, 2018

3. Reconciliation of Operating Budget to Public Sector Accounting for year ended December 31, 2018

	<u>Operating</u>	<u>Amortization</u>	<u>Other</u>	<u>Transfers</u>	<u>Total</u>
Revenue					
Warrant of assessment	\$ 23,611,174	\$ -	\$ -	\$ -	\$ 23,611,174
Unconditional transfers from Provincial Government	2,408,142	-	-	-	2,408,142
Other contributions and government transfers	549,947	-	2,502,563	-	3,052,510
Sales of services	1,469,934	-	-	-	1,469,934
Other revenue from own sources	513,940	-	60,838	-	574,778
Water and sewer revenue	<u>7,328,579</u>	<u>-</u>	<u>(300,000)</u>	<u>-</u>	<u>7,028,579</u>
	<u>35,881,716</u>	<u>-</u>	<u>2,263,401</u>	<u>-</u>	<u>38,145,117</u>
Expenses					
General government services	2,564,294	-	(37,772)	-	2,526,522
Protective services	7,009,798	-	(401,297)	-	6,608,501
Transportation services	3,648,221	-	(52,492)	-	3,595,729
Environment health and development	2,166,518	-	(8,743)	-	2,157,775
Recreation and cultural services	4,948,858	-	(103,788)	-	4,845,070
Water supply	3,088,127	-	(41,359)	-	3,046,768
Sewerage collection and disposal	2,559,803	-	(16,949)	-	2,542,854
Amortization of tangible capital assets	-	5,099,926	-	-	5,099,926
Interest expense and miscellaneous	<u>929,933</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>929,933</u>
	<u>26,915,552</u>	<u>5,099,926</u>	<u>(662,400)</u>	<u>-</u>	<u>31,353,078</u>
Fiscal services					
Transfer from operating fund to capital fund	7,620,721	-	-	(7,620,721)	-
Transfer from operating fund to reserve fund	1,379,600	-	-	(1,379,600)	-
Second previous years' surplus	<u>(34,157)</u>	<u>-</u>	<u>-</u>	<u>34,157</u>	<u>-</u>
	<u>8,966,164</u>	<u>-</u>	<u>-</u>	<u>(8,966,164)</u>	<u>-</u>
	<u>35,881,716</u>	<u>5,099,926</u>	<u>(662,400)</u>	<u>(8,966,164)</u>	<u>31,353,078</u>
Annual surplus	<u>\$ -</u>	<u>\$ (5,099,926)</u>	<u>\$ 2,925,801</u>	<u>\$ 8,966,164</u>	<u>\$ 6,792,039</u>