

MUNICIPAL ANNUAL REPORT

2014

TOWN OF RAYMOND



2014 was full of milestones and provided tangible evidence that Raymond is becoming more sustainable with each passing year. Whether it is new residential construction, improved utility infrastructure or enhanced regional partnerships, Raymond is finding ways to give better value to its residents.



99

new residents in Raymond since 2013.



27.3%

growth in population since 2006.



\$3,290,000

in new residential construction in 2014.

Mayors Message

2014 was a monumental year in our history as we broke the 4000 resident mark for the first time in our 112 year history!



Over the last seven years I have had the privilege of serving as Mayor of this great community, I have been amazed at the milestones we have achieved. 2014 was no exception. Our population surpassed 4000 people and we now have 4081 people who call Raymond home. This is an important milestone as it provides tangible evidence that we are attracting and retaining new residents and finding the right balance when determining what services to provide and at what cost. Council is eager to find out how to best serve you, our residents, and appreciates your willingness to participate in the democratic process.

During 2014, we saw construction begin on the Raymond Health Centre. This project will be funded completely with provincial funding and will bring \$3.4 million dollars worth of investment into our community. Once completed, it will have redeveloped the vacant wing of our hospital and relocated many health and social services into one location. Our ability to maintain a thriving clinic is key to our future sustainability.

We also saw ground break on our \$3.2 million dollar Victoria Park Sports Fields Complex. Once completed, this facility will become home to our local soccer, rugby and football teams, as well as other community groups who will benefit from the creation of this new facility.

that make the investment climate within Raymond more and more attractive to future commercial or industrial partners.

As always, Heritage Days 2014 was tremendous and we enjoyed celebrating both our nations and our community's birthday! Our community could not

Council is eager to find out how to best serve you, our residents, and appreciates your willingness to participate in the democratic process.

We were also able to welcome some new businesses to our community and would like to encourage and thank our residents for shopping local. As a Council, we are aware of the need to attract additional commercial investment to offset our residential tax base and we are consciously trying to implement policies

achieve so much without the selfless efforts of the hundreds of volunteers who contribute so much of their time, talents and means to these worthwhile causes. We thank you and look forward to what we can achieve in 2015!

George Bohne, Mayor

Council 2013-2017



Back Row: Councillor Greg Robinson, Councillor Jim Depew, Councillor Clark Holt, Chief Administrative Officer Scott Barton and Councillor Barry Wolsey.

Front Row: Councillor Dustin Ralph, Mayor George Bohne and Councillor Cathy Needham.



Charles A. Major & Associates, Surveyors, 46 Belmont Street, Raymond, N.H.
 This plan was prepared and published by Charles A. Major & Associates, Surveyors, in accordance with the provisions of the Statute of the State of New Hampshire, Chapter 281:1, which provides that a surveyor may publish a plan of a survey if the same is approved by the State Surveyor.
 Approved by the State Surveyor, Charles A. Major, on this 10th day of December, A.D. 1931.

NOTE:
 1. This plan is prepared and published by Charles A. Major & Associates, Surveyors, in accordance with the provisions of the Statute of the State of New Hampshire, Chapter 281:1, which provides that a surveyor may publish a plan of a survey if the same is approved by the State Surveyor.
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Plan of RAYMOND

B-ENG PARTS OF SECTIONS 7, 8, 9, 16, 17 & 18, TOWNSHIP 6 RANGE
20 WEST OF 4TH M.
SCALE 200 FEET TO THE INCH

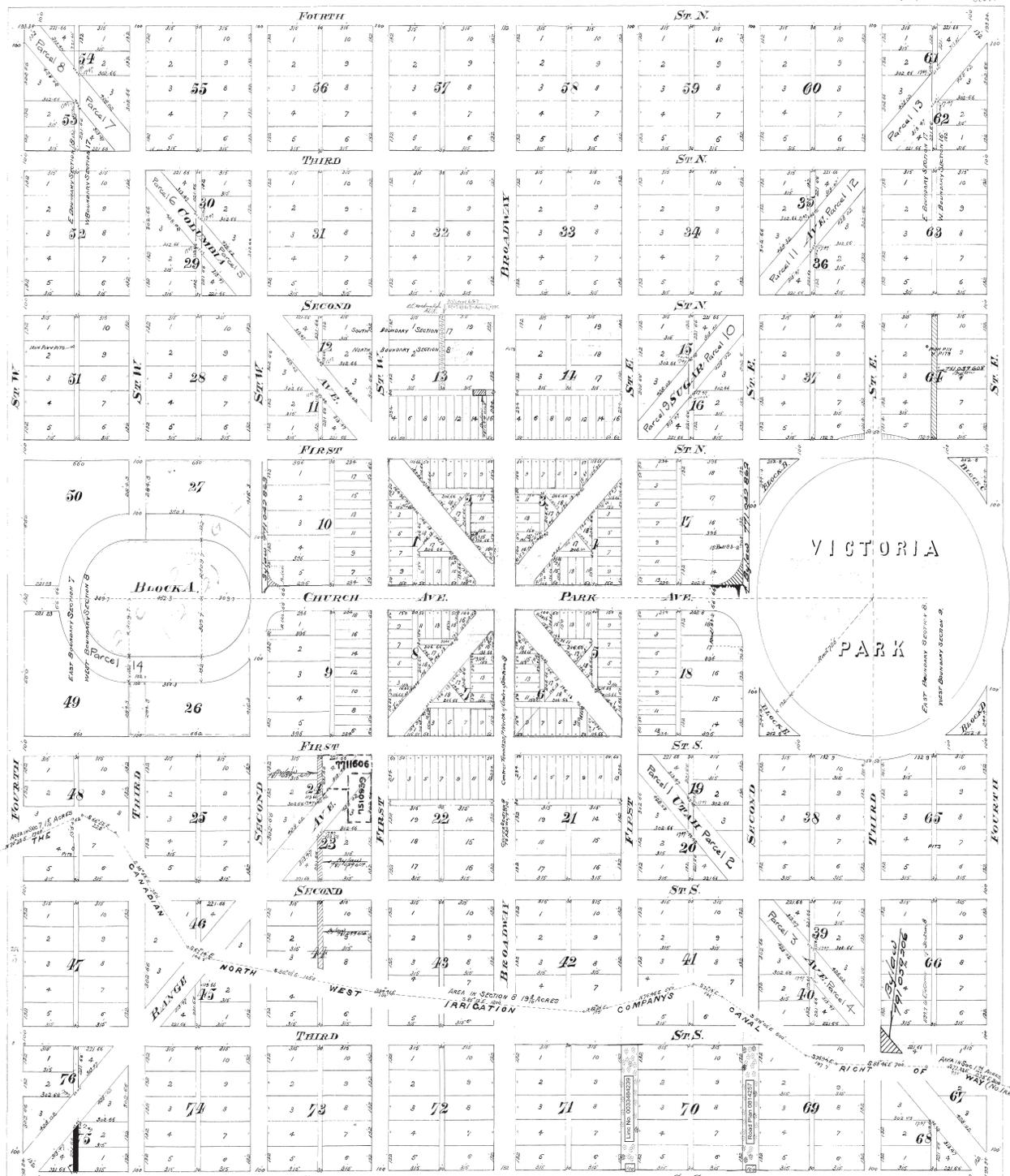
NOTE

Area of Subdivision in	Acres
Section 7	16.3
Section 8	16.3
Section 9	16.3
Section 16	16.3
Section 17	16.3
Section 18	16.3
Total	97.8

Raymond, 2039 I

Owners of Sections 7, 8, 16, 17 & 18: The North Ray and Carl Company
 per C. A. Major

Owners of Section 9: The Concord North West Building Company
 per C. A. Major



Original plan layout of the Town of Raymond



Strategic Planning

What will Raymond be like in the next 10, 20, 50 or 100 years? Each term Council identifies their vision for the community and then establishes priorities to help that vision become a reality. This annual strategic review is fundamental to ensure that every dollar spent helps us achieve our long term goals.

We utilize a strategic management process. This process facilitates an effective and logical path for strategic thinking, which is critical to effective decision making. We feel that strategic thinking is a critical component of municipal governance and aids in aligning organizational resources to self-defined strategic priorities. There are three fundamental parts: strategy formulation, strategy implementation, and strategy evaluation. This process delineates governance and operational responsibilities as defined in the Municipal Government Act (MGA).

Purposes of a Municipality

The purpose of a municipality is to provide good government, services, facilities or other things that, in the opinion of the council, are necessary or desirable for all or part of the municipality and to develop and maintain safe and viable communities. MGA Section 3.

Our Vision

Raymond is an attractive, safe and progressive family oriented community, which provides inclusive, innovative and sustainable municipal services.

Our Mission

We strive to preserve a lifestyle that facilitates community involvement, friendliness and a government receptive to the needs and desires of the community; to be a progressive, fiscally responsible community promoting sustainable development and growth; and to provide facilities and services necessary to ensure a clean, attractive and safe community.

Values

As an organization, we value and support honesty, fairness, professionalism, and accountability, while focusing on exceptional service delivery. We value our staff and their contributions of innovation, creativity, collaboration and open communication. We feel these elements are vital to achieving our vision.

Strategic Priorities

Council is charged with providing Administration with a vision of what they want the community to look like in 10, 20, 50 or 100 years into the future. Council's current strategies are listed on the next page.

Long Term Strategies

- 1) To be a clean, attractive, family-oriented community.
- 2) To be an innovative and proactive organization that successfully adapts to emerging trends, threats and opportunities.
- 3) To have a human resource team with the expertise and technical skills to provide high quality municipal services and programs.
- 4) To facilitate organized growth, development, and environmentally sustainable practices.
- 5) To maintain healthy relationships with neighbouring municipalities and participate in shared service initiatives.
- 6) To have planned and maintained infrastructure systems.
- 7) To facilitate an open, receptive, and participatory governance process, where community input is linked to the decision-making.
- 8) To be an organization that recognizes the importance of its heritage and traditions.
- 9) To maintain and enhance a healthy commercial sector.
- 10) To be a financially viable organization with multiple revenue streams that aggressively targets financial assistance programs.
- 11) To have fair and equitable property tax rates

Term Strategies:

Each year Council discusses the infrastructure needs of the community and considers recommendations made by Administration. After much discussion, they collectively assign each project a number based upon how much of a priority it is for Administration to find ways to complete the project during the upcoming year and over the next three years. These projects all are reviewed against the Long Term Strategies previously mentioned to ensure that we are

always moving toward realizing our vision of the future.

Priority Strategies:

- 1) Victoria Park Project
- 2) New Seniors Lodge
- 3) Water Quality at Ridge Reservoir
- 4) Promotion of Economic Development and Business Growth
- 5) North West Infrastructure Project
- 6) Street Improvement Projects – all surfaces and maintenance
- 7) Municipal trail network maintenance and expansion
- 8) Care Centre Property
- 9) Transfer of Highway 845 and 350 East
- 10) Perrett Park Expansion Project

Other Strategies:

- 1) A Budget that can keeps our town improving and supports all priority projects
- 2) Green Strip Park maintenance and beautification
- 3) Safety in schools, on main street and throughout town
- 4) Continue to attract new residential development
- 5) Establish a savings policy for future economic needs
- 6) Plan to develop and refresh town parks
- 7) Town signage on Highway 4 and 5 to encourage the short drive to Raymond
- 8) Wastewater Lagoon Upgrade Project
- 9) Peace Officer Program functional and positive
- 10) Funding from new Collaboration Program
- 11) Waste management (composting, tree branches, etc)

- 12) Relationship with the County

Existing Strategies with Funding

Each year Council identifies projects that they would like to see completed. Some have been allocated funding and some have not yet been approved but a detailed design has been completed so that when and if funding becomes available, we act quickly and leverage as many dollars as we can from external stakeholders.

- 1) Victoria Park Project
- 2) Perrett Park Expansion (Land Purchase)
- 3) Streets Improvement Program
- 4) Sidewalk Replacement Program
- 5) Ice Arena Renovation Project
- 6) Storm Sewer Project – Block 56
- 7) Community Centre Renovations
- 8) Historical Resources Context Paper and Survey
- 9) Broadway Traffic Safety Concept Design
- 10) KD Jen Subdivision Servicing

Existing Strategies without Funding

- 1) Centennial Park Project
- 2) Transfer Station Expansion Project
- 3) Golf Course Enhancement Project



Chief Administrative Officers Message

I am pleased to provide this brief report of our operations during 2014. The Corporation of the Town of Raymond provides the majority of the services our citizens count on in their daily lives. We know that behind each dollar spent is a different Town service, and behind each Town service or program is a team of dedicated professionals delivering that service. Residents have a vested interest in their municipal government and we recognize the community's demand for responsible management of their tax dollars and their entitlement to receive quality services for those dollars. We strive to find effective ways to leverage every dollar and to meet as many of Council's objectives as possible during their term.

A census was conducted in 2014, which saw our population increase to 4,081 residents. With increased growth, comes increased challenges and Council is actively seeking to improve the quality of life for you, our residents. Street paving, sidewalk repairs, and the detailed design and start of construction on the Victoria Park Sports Field Complex were some of the capital projects that Council authorized Town crews to complete during the year.

Another notable project was the development of our Raymond Public WiFi service which allows facility users to "stay connected" while enjoying our facilities. Whether you are lounging at the pool, watching your child playing hockey in the arena, quilting at the seniors centre or watching the barrel racers at the stampede grounds, you can keep up with family, work or whatever else you are curious about as long as you want while saving your data plan for times when you really need it.

We are excited about our future and are committed to doing our part in making Raymond the best place to call home!

J. Scott Barton - Chief Administrative Officer

Residents have a vested interest in their municipal government and we recognize the community's demand for responsible management of their tax dollars...



“Our sustainability is a true measure of our most valuable, intangible, asset of all – people.”

Management Team

Martin Woolf

Chief Financial Officer

Oversees the financial operations of the municipality and provides financial support on a contract basis as part of the Regional Strategic Initiatives Team to eight other regional municipalities or service commissions.

Ethan Gorner

Community Development Director

Manages all residential, commercial, industrial and institutional development within the community and works with Oldman River Regional Services Commission to ensure that all subdivision and other municipal planning initiatives are in accordance with established planning practices.

Jeff Coppieters

Community Services Director

Ensures that all municipal facilities, parks & playgrounds and community programs are well maintained and that our facilities are welcoming and inclusive to all users within our community.

Kim Coppieters

Corporate Services Director

Provides oversight of all of the day to day operations of the corporation of the Town of Raymond, including human resources, record management, tax and utility services and financial support to the Chief Financial Officer.

Randy Olson

Operational Services Director

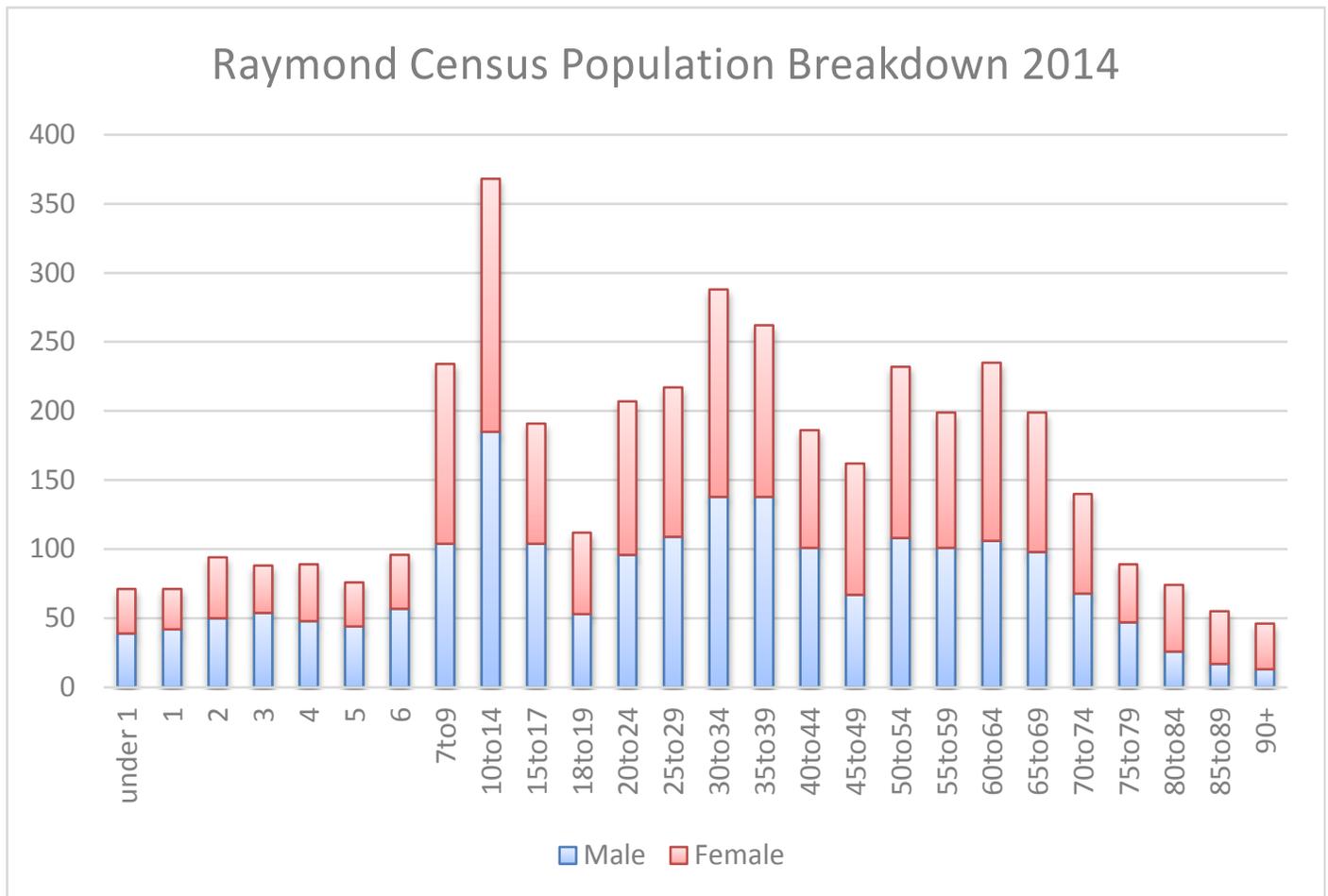
Is responsible for the maintenance of utility and transportation infrastructure within the community and as part of our regional network.

Population Trends

We are growing! More and more people are finding out that Raymond is a great place to call home! Our demographics show that our schools, community programs and municipal facilities will be brimming at the seams for the foreseeable future!

In 2014 our municipal population reached 4081 people, representing a year over year increase of 2.5% and a 27.3% increase since 2006. What is equally exciting is that Raymond is attracting more and more young families who see the advantages that can be experienced by choosing to live in our community. Since 2006, we have seen a dramatic increase in the number of children between the ages of 0-4 and 5-14 as well as the number of adults between the ages of 25-44 years of age. These statistics are used by the Town to plan what type of facilities the community needs and to work with external stakeholders to lobby the government to ensure that our hospitals, schools and seniors lodges are sized accordingly to meet the needs of our residents.

The Town of Raymond conducts a census each year to provide an accurate count for provincial and federal per-capita grants, which are largely based on population. Funding from these sources helps pay for infrastructure improvements as well as construction of facilities such as street paving, sidewalk replacements, the new Victoria Park Regional Sports Fields Complex and Ice Arena Ice Plant Upgrades.

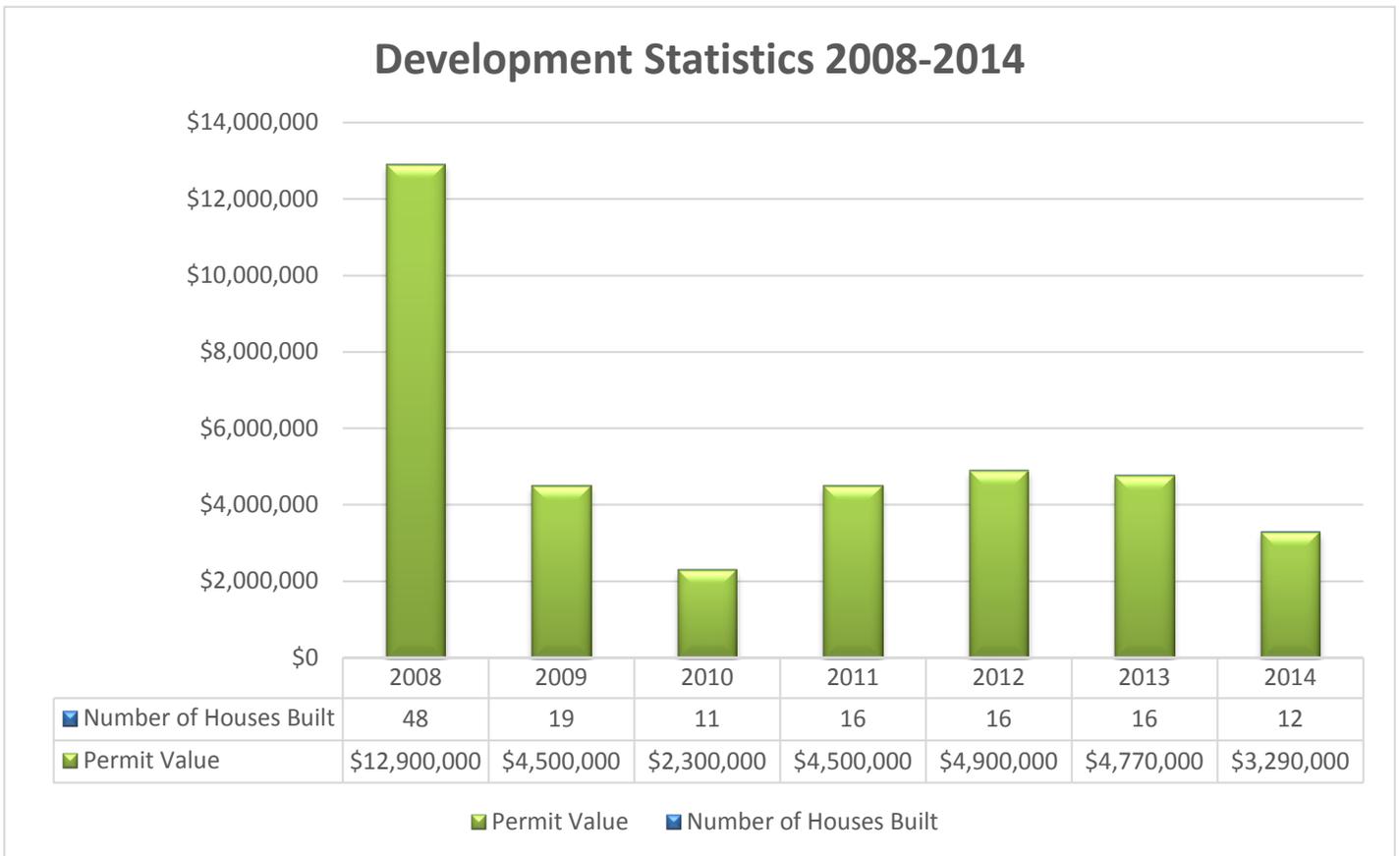


Building Permits

New homes were being built and renovations were being made to existing properties at a steady pace. This type of growth is important as it increases the assessed value of properties within our community and helps to beautify our community.

12 new principle use buildings were built in Raymond during 2014 equalling \$3.29 million dollars in construction value. These buildings were spread evenly throughout the community, with 4 in the northeast, 4 in the southeast, and 3 in the southwest quadrants of Town. Compared annually, we were actually down 4 new constructions when compared to the 16 new builds built in 2013, 2012 and 2011. However we deem that there was a lot of apprehension over the impact of the Alberta New Home Warranty Protection Program that was enacted by the province during the year and that some of these home were delayed until the impacts could be assessed.

Development Statistics show that number of new builds in Raymond has stabalized at an average of 15 per year since 2008 when the housing market was booming. With two new subdivisions coming on stream in 2015, there will be plenty of options for potential home buyers to consider as they make the decision to move to Raymond.



Capital Projects

While the total number of capital projects was down this year, the impact that these new projects will have on our community will be limitless.

Capital improvements are absolutely essential to maintaining and enhancing a viable and sustainable community. Each year, Council assigns funding to various infrastructure projects and tasks Administration with the responsibility to carry them out. In 2014, Council authorized Administration to begin work on \$3,946,422 dollars worth of projects. These projects are in various stages of completion and work will continue until they are completed.

Victoria Park Regional Sports Fields & Wellness Complex

Current Status:	Active
Timeline:	Detailed Design: 2013 Construction: March 2015 - April 2016
Location:	340N 100E
Cost:	\$3,209,991
Department Responsible:	Chief Administrative Officer

Phase1 developmet will see the construction of the following components:

- 1) 3 regulation length grass fields
- 2) 1 regulation length artificial turf field
- 3) Raised seating for up to at least 1200 spectators
- 4) Wellness Centre
- 5) Parking for up to 160 vehicles in offstreet parking
- 6) Lighting for up to two sports fields.
- 7) Storage Facilities
- 8) Multi-purpose space
- 9) 6 lane track, with track and field amenities.
- 10) Underground utilities and drainage infrastructure

Phase 2 will consist of baseball and softball diamond redevelopments as well as other community park amenities.



Ice Arena Condenser Replacement

Current Status: Complete

Timeline: Construction: Dec 2013 - Sept 2014

Location: 40W 100N

Cost: \$343,690

Department Responsible: Community Services



Replaced the condensor unit in the Ice Arena as it was over 40 years old. This improvement will allow us to make better ice and reduce our energy and repair costs to operate the arena.

Northwest Infrastructure Project

Current Status: Complete

Timeline: Construction: May 2014 - October 2014

Location: 500N 200W

Cost: \$53,368

Department Responsible: Operational Services



Redeveloped the roadway and removed the rail crossing to improve travel into and from the community, while installing storm water drainage infrastructure to handle the pooling of water that chronically affected this intersection.

Street Paving Projects

Current Status: Active

Timeline: Construction: May 2014 - June 2015

Location: 500N 200W & 200S btwn 300E & 400E

Cost: \$171,840

Department Responsible: Operational Services



Based and crowned roadway, installed curbing and gutters and paved these two stretches of roadway to improve accessibility to adjacent property owners. This is also part of Council's long term plan to pave every street within the community.

Sidewalk Replacement Program

Current Status:	Complete
Timeline:	Construction: May 2014 - Sept 2014
Location:	Various locations
Cost:	\$60,000
Department Responsible:	Operational Services



Replaced the most critical sections of sidewalk throughout the community that were identified by Operational Services according to the criteria established in the as per the Town Engineering Standards 2006 Report.

Storm Sewer Projects

Current Status:	Complete
Timeline:	Construction: May 2014 - Dec 2014
Location:	Block 56
Cost:	\$24,000
Department Responsible:	Operational Services



Enhanced storm sewer infrastructure along this block to better handle storm water and reduce pooling and potential flooding in the region during extreme weather events.

400 East Roadway Expansion and Utility Infrastructure

Current Status:	Complete
Timeline:	Construction: May 2014 - Dec 2014
Location:	400E btwn 200S & Cobblestone Lane
Cost:	\$83,533
Department Responsible:	Operational Services



Extended 400E between 200S and Cobblestone Lane, while installing underground water, sewer and storm water infrastructure towards Perrett Park and looping with infrastructure in StoneGate Meadows.

TOWN OF RAYMOND

Financial Statements

December 31, 2014

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INDEPENDENT AUDITORS' REPORT

To The Mayor and Council
of the Town of Raymond

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Town of Raymond, which comprise the statement of financial position as at December 31, 2014 and the statements of operations, changes in net financial assets and cash flows for the period then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Town of Raymond as at December 31, 2014, the results of its operations, change in its net financial assets and its cash flows for the period then ended in accordance with Canadian public sector accounting standards.

Lethbridge, Alberta

April 21, 2015

Chartered Accountants

TOWN OF RAYMOND
Consolidated Statement of Financial Position
As at December 31, 2014

	2014	2013
	\$	\$
FINANCIAL ASSETS		
Cash (Note 2)	284,371	3,379
Receivables		
Taxes and grants in place of taxes (Note 3)	775,741	689,418
Trade and other receivables	801,789	812,847
Land for resale inventory	<u>63,988</u>	<u>67,586</u>
	<u>1,925,889</u>	<u>1,573,230</u>
LIABILITIES		
Temporary bank indebtedness (Note 2)	-	380,544
Accounts payable and accrued liabilities	452,366	300,565
Deferred revenue (Note 4)	506,719	477,425
Long-term debt (Note 5)	<u>1,551,325</u>	<u>1,845,585</u>
	<u>2,510,410</u>	<u>3,004,119</u>
NET FINANCIAL ASSETS (DEBT)	<u>(584,521)</u>	<u>(1,430,889)</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 2)	23,147,222	23,207,853
Inventory for consumption	36,005	72,499
Prepaid expenses and deposits	<u>-</u>	<u>1,921</u>
	<u>23,183,227</u>	<u>23,282,273</u>
ACCUMULATED SURPLUS (Schedule 1 and Note 8)	<u>22,598,706</u>	<u>21,851,384</u>
CONTINGENCIES (Note 12)		

TOWN OF RAYMOND
Consolidated Statement of Operations
For the Year Ended December 31, 2014

	Budget (Unaudited) \$	2014 \$	2013 \$
REVENUE			
User fees and sales of goods	2,572,852	2,658,539	2,404,294
Net municipal property taxes (Schedule 3)	2,367,112	2,465,151	2,404,548
Raymond Strategic Initiatives Team revenues	321,100	269,843	302,882
Government transfers (Schedule 4)	758,642	749,707	537,159
Penalties and costs of taxes	111,650	98,741	92,808
Franchise and concession contracts	130,000	179,555	88,876
Investment income	6,336	9,873	1,107
Gain on disposal of tangible capital assets	-	-	17,643
Total Revenue	<u>6,267,692</u>	<u>6,431,409</u>	<u>5,849,317</u>
EXPENSES			
Water, wastewater and waste management	1,224,282	1,343,998	1,225,574
Parks and recreation	1,396,663	1,561,694	1,497,873
Roads, streets, walks, lighting	822,867	924,338	863,527
Administration	766,926	647,775	706,135
Raymond Strategic Initiatives Team expenses	187,920	231,909	213,398
Police, fire, ambulance and bylaw enforcement	504,182	547,626	335,347
Legislative	174,860	235,044	153,690
Land use planning, zoning and development	47,910	66,004	60,417
Other	96,714	167,691	130,521
Loss on disposal of tangible capital assets	-	6,305	-
Amortization	-	962,948	960,125
Total Expenses	<u>5,034,404</u>	<u>6,695,332</u>	<u>6,146,607</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES BEFORE OTHER	1,233,288	(263,923)	(297,290)
OTHER			
Government transfers for capital (Schedule 3)	<u>1,139,051</u>	<u>1,011,245</u>	<u>1,758,877</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	2,372,339	747,322	1,461,587
ACCUMULATED SURPLUS, BEGINNING OF YEAR	<u>21,851,384</u>	<u>21,851,384</u>	<u>20,389,797</u>
ACCUMULATED SURPLUS, END OF YEAR	<u>24,223,723</u>	<u>22,598,706</u>	<u>21,851,384</u>

TOWN OF RAYMOND**Consolidated Statement of Change in Net Financial Assets (Debt)****For the Year Ended December 31, 2014**

	Budget (Unaudited) \$	2014 \$	2013 \$
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	<u>2,372,339</u>	<u>747,322</u>	<u>1,461,587</u>
Acquisition of tangible capital assets	-	(926,717)	(2,121,125)
Proceeds on disposal of tangible capital assets	-	18,095	17,643
Amortization of tangible capital assets	-	962,948	960,125
Loss (gain) on disposal of tangible capital assets	<u>-</u>	<u>6,305</u>	<u>(17,643)</u>
	<u>-</u>	<u>60,631</u>	<u>(1,161,000)</u>
Use of prepaid assets	-	1,921	3,842
Use (acquisition) of supplies inventory	<u>-</u>	<u>36,494</u>	<u>(12,172)</u>
	<u>-</u>	<u>38,415</u>	<u>(8,330)</u>
DECREASE IN NET DEBT	2,372,339	846,368	292,257
NET FINANCIAL DEBT, BEGINNING OF YEAR	<u>(1,430,889)</u>	<u>(1,430,889)</u>	<u>(1,723,146)</u>
NET FINANCIAL DEBT, END OF YEAR	<u>941,450</u>	<u>(584,521)</u>	<u>(1,430,889)</u>

TOWN OF RAYMOND
Consolidated Statement of Cash Flows
For the Year Ended December 31, 2014

	2014 \$	2013 \$
NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES:		
OPERATING		
Excess (deficiency) of revenue over expenses	747,322	1,461,587
Non-cash items included in excess of revenue over expenses		
Amortization of tangible capital assets	962,948	960,125
Loss (gain) on disposal of tangible capital assets	6,305	(17,643)
Non-cash charges to operations (net changes)		
(Increase) in taxes and grants in lieu receivable	(86,323)	(46,379)
Decrease in trade and other receivables	11,058	261,806
Decrease in land held for resale	3,598	2,644
Decrease (increase) in inventory for consumption	36,494	(12,172)
Increase (decrease) in accounts payable and accrued liabilities	151,801	(135,869)
Increase in deferred revenue	29,294	133,706
Decrease in prepaid expenses and deposits	<u>1,921</u>	<u>3,842</u>
	<u>1,864,418</u>	<u>2,611,647</u>
CAPITAL		
Acquisition of tangible capital assets	(926,717)	(2,121,125)
Proceeds on disposal of tangible capital assets	<u>18,095</u>	<u>17,643</u>
	<u>(908,622)</u>	<u>(2,103,482)</u>
FINANCING		
(Repayment) of temporary bank indebtedness	(380,544)	(285,517)
Long-term debt issued	17,500	60,907
Long-term debt repaid	<u>(311,760)</u>	<u>(283,612)</u>
	<u>(674,804)</u>	<u>(508,222)</u>
CHANGE IN CASH DURING THE YEAR	280,992	(57)
CASH, BEGINNING OF YEAR	<u>3,379</u>	<u>3,436</u>
CASH, END OF YEAR	<u><u>284,371</u></u>	<u><u>3,379</u></u>

TOWN OF RAYMOND**Schedule of Changes in Accumulated Surplus
For the Year Ended December 31, 2014****SCHEDULE 1**

	Unrestricted Surplus \$	Restricted Surplus \$	Equity in Tangible Capital Assets \$	2014 \$	2013 \$
BALANCE, BEGINNING OF THE YEAR	<u>39,842</u>	<u>449,274</u>	<u>21,362,268</u>	<u>21,851,384</u>	<u>20,389,797</u>
Excess (deficiency) of revenue over expenses	747,322	-	-	747,322	1,461,587
Unrestricted funds designated for future use	(13,989)	13,989	-	-	-
Current year funds used for tangible capital assets	(926,717)	-	926,717	-	-
Disposal of tangible capital assets	24,400	-	(24,400)	-	-
Annual amortization expense	962,948	-	(962,948)	-	-
New long-term debt issued	17,500	-	(17,500)	-	-
Long-term debt repaid	<u>(311,760)</u>	<u>-</u>	<u>311,760</u>	<u>-</u>	<u>-</u>
Change in accumulated surplus	<u>499,704</u>	<u>13,989</u>	<u>233,629</u>	<u>747,322</u>	<u>1,461,587</u>
BALANCE, END OF YEAR	<u>539,546</u>	<u>463,263</u>	<u>21,595,897</u>	<u>22,598,706</u>	<u>21,851,384</u>

TOWN OF RAYMOND
Schedule of Tangible Capital Assets
For the Year Ended December 31, 2014

SCHEDULE 2

	Land \$	Land Improvements \$	Buildings \$	Engineered Structures \$	Machinery & Equipment \$	Vehicles \$	2014 \$	2013 \$
COST:								
BALANCE, BEGINNING OF YEAR	779,996	1,033,098	10,550,356	19,648,546	2,943,475	765,525	35,720,996	33,599,871
Acquisition of tangible capital assets	-	-	127,055	-	90,483	20,000	237,538	2,033,364
Disposal of tangible capital assets	-	-	-	-	(30,500)	-	(30,500)	-
Assets under construction	<u>-</u>	<u>156,814</u>	<u>-</u>	<u>532,365</u>	<u>-</u>	<u>-</u>	<u>689,179</u>	<u>87,761</u>
BALANCE, END OF YEAR	<u>779,996</u>	<u>1,189,912</u>	<u>10,677,411</u>	<u>20,180,911</u>	<u>3,003,458</u>	<u>785,525</u>	<u>36,617,213</u>	<u>35,720,996</u>
ACCUMULATED AMORTIZATION:								
BALANCE, BEGINNING OF YEAR	-	134,069	3,474,191	7,076,915	1,590,916	237,052	12,513,143	11,553,018
Annual amortization	-	39,604	236,934	436,396	199,318	50,696	962,948	960,125
Accumulated amortization on disposals	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(6,100)</u>	<u>-</u>	<u>(6,100)</u>	<u>-</u>
BALANCE, END OF YEAR	<u>-</u>	<u>173,673</u>	<u>3,711,125</u>	<u>7,513,311</u>	<u>1,784,134</u>	<u>287,748</u>	<u>13,469,991</u>	<u>12,513,143</u>
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	<u>779,996</u>	<u>1,016,239</u>	<u>6,966,286</u>	<u>12,667,600</u>	<u>1,219,324</u>	<u>497,777</u>	<u>23,147,222</u>	<u>23,207,853</u>
2013 NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	<u>779,996</u>	<u>899,029</u>	<u>7,076,165</u>	<u>12,571,631</u>	<u>1,352,559</u>	<u>528,473</u>	<u>23,207,853</u>	

TOWN OF RAYMOND
Schedule of Property Taxes Levied
For the Year Ended December 31, 2014

SCHEDULE 3

	Budget (Unaudited) \$	2014 \$	2013 \$
TAXATION			
Real property taxes	3,115,230	3,222,741	3,174,102
Linear property taxes	<u>57,202</u>	<u>59,764</u>	<u>58,543</u>
	<u>3,172,432</u>	<u>3,282,505</u>	<u>3,232,645</u>
REQUISITIONS			
Alberta School Foundation Fund	694,981	695,637	718,606
Separate school	18,353	18,353	18,865
Seniors foundation	<u>91,986</u>	<u>103,364</u>	<u>90,626</u>
	<u>805,320</u>	<u>817,354</u>	<u>828,097</u>
NET MUNICIPAL PROPERTY TAXES	<u>2,367,112</u>	<u>2,465,151</u>	<u>2,404,548</u>

TOWN OF RAYMOND
Schedule of Government Transfers
For the Year Ended December 31, 2014

SCHEDULE 4

	Budget (Unaudited) \$	2014 \$	2013 \$
TRANSFERS FOR OPERATING:			
Federal Government	-	3,000	3,000
Provincial Government	714,250	676,344	458,108
Other Local Governments	<u>44,392</u>	<u>70,363</u>	<u>76,051</u>
	<u>758,642</u>	<u>749,707</u>	<u>537,159</u>
TRANSFERS FOR CAPITAL:			
Federal Government	93,690	79,288	30,310
Provincial Government	1,039,361	920,350	1,691,028
Other Local Governments	<u>6,000</u>	<u>11,607</u>	<u>37,539</u>
	<u>1,139,051</u>	<u>1,011,245</u>	<u>1,758,877</u>
TOTAL GOVERNMENT TRANSFERS	<u><u>1,897,693</u></u>	<u><u>1,760,952</u></u>	<u><u>2,296,036</u></u>

TOWN OF RAYMOND**Schedule of Consolidated Expenditures by Object
For the Year Ended December 31, 2014****SCHEDULE 5**

	Budget (Unaudited) \$	2014 \$	2013 \$
EXPENDITURES			
Salaries, wages and benefits	2,934,468	3,006,272	2,698,493
Contracted and general services	1,313,910	1,478,087	1,347,886
Materials, goods, and utilities	798,863	1,052,119	934,772
Interest on long-term debt	77,321	80,589	103,338
Transfers to local boards and agencies	94,763	106,004	99,467
Bank charges and short-term interest	3,000	3,008	2,526
Amortization	-	962,948	960,125
Loss on disposal of tangible capital assets	-	<u>6,305</u>	<u>-</u>
TOTAL EXPENDITURES	<u>5,222,325</u>	<u>6,695,332</u>	<u>6,146,607</u>

TOWN OF RAYMOND
Schedule of Segmented Disclosure
For the Year Ended December 31, 2014

SCHEDULE 6

	General Government \$	Protective Services \$	Transportation Services \$	Planning & Development \$	Recreation & Culture \$	Environmental Services \$	Total \$
REVENUE							
Net municipal taxes	2,465,151	-	-	-	-	-	2,465,151
Government transfers	162,000	310,000	240,247	25,000	827,698	196,007	1,760,952
User fees and sales of goods	34,695	267,439	133	129,328	671,483	1,555,461	2,658,539
Investment income	9,873	-	-	-	-	-	9,873
Raymond Strategic Initiatives Team	269,843	-	-	-	-	-	269,843
Other revenue	278,296	-	-	-	-	-	278,296
	<u>3,219,858</u>	<u>577,439</u>	<u>240,380</u>	<u>154,328</u>	<u>1,499,181</u>	<u>1,751,468</u>	<u>7,442,654</u>
EXPENSES							
Salaries, wages and benefits	880,568	311,998	352,216	86,803	921,052	453,635	3,006,272
Contracted and general services	179,223	107,110	207,967	52,816	220,336	710,635	1,478,087
Materials, goods, and utilities	51,929	128,518	364,155	60,250	283,968	163,299	1,052,119
Transfers to local boards and agencies	-	-	-	6,390	99,614	-	106,004
Long-term debt interest	-	-	-	-	64,160	16,429	80,589
Bank charges, short-term interest and other	3,008	-	6,305	-	-	-	9,313
	<u>1,114,728</u>	<u>547,626</u>	<u>930,643</u>	<u>206,259</u>	<u>1,589,130</u>	<u>1,343,998</u>	<u>5,732,384</u>
NET REVENUE BEFORE AMORTIZATION	2,105,130	29,813	(690,263)	(51,931)	(89,949)	407,470	1,710,270
Amortization	34,979	63,719	448,811	-	189,967	225,472	962,948
NET REVENUE	<u>2,070,151</u>	<u>(33,906)</u>	<u>(1,139,074)</u>	<u>(51,931)</u>	<u>(279,916)</u>	<u>181,998</u>	<u>747,322</u>

TOWN OF RAYMOND
Notes to Financial Statements
For the Year Ended December 31, 2014

1. Significant Accounting Policies

The consolidated financial statements of the Town of Raymond are the representations of management prepared in accordance with generally accepted accounting principles for local governments established by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. Significant aspects of the accounting policies adopted by the Town of Raymond are as follows:

a) Reporting Entity -

The consolidated financial statements reflect the assets, liabilities, revenues and expenditures, changes in fund balances and change in financial position of the reporting entity. The entity is comprised of the municipal operations plus all of the organizations that are owned or controlled by the town and are, therefore, accountable to the town council for the administration of their financial affairs and resources.

The schedule of taxes levied also includes requisitions for education, health, social and other external organizations that are not part of the municipal reporting entity.

The statements exclude trust assets that are administered for the benefit of external parties. Interdepartmental and organizational transactions and balances are eliminated.

b) Basis of Accounting -

The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting records revenue as it is earned and measurable. Expenses are recognized as they are incurred and measurable based upon receipt of goods or services and/or the legal obligation to pay.

Funds from external parties and earnings thereon restricted by agreement or legislation are accounted for as deferred revenue until used for the purpose specified.

Government transfers, contributions and other amounts are received from third parties pursuant to legislation, regulation or agreement and may only be used for certain programs, in the completion of specific work, or for 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.

c) Use of Estimates -

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditure during the period. Where measurement uncertainty exists, the financial statements have been prepared within reasonable limits of materiality. Actual results could differ from those estimates.

d) Inventories for Resale-

Land held for resale is recorded at the lower of cost or net realizable value. Cost includes costs for land acquisition and improvements required to prepare the land for servicing such as clearing, stripping and levelling charges. Related development costs incurred to provide infrastructure such as water and wastewater services, roads, sidewalks and street lighting are recorded as physical assets under their respective function.

TOWN OF RAYMOND
Notes to Financial Statements
For the Year Ended December 31, 2014

1. Significant Accounting Policies (continued)

- e) **Prepaid Local Improvement Charges -**
 Construction and borrowing costs associated with local improvement projects are recovered through annual special assessments during the period of the related borrowings. These levies are collectible from property owners for work performed by the municipality.

Where a taxpayer has elected to prepay the outstanding local improvement charges, such amounts are recorded as deferred revenue. Deferred revenue is amortized to revenue on a straight line basis over the remaining term of the related borrowings.

In the event that the prepaid amounts are applied against the related borrowing, the deferred revenue is amortized to revenue by an amount equal to the debt repayment.

- f) **Government Transfers -**
 Government transfers are the transfer of assets from senior levels of government that are not the result of an exchange transaction, are not expected to be repaid in the future, or the result of a direct financial return.

Government transfers are recognized in the financial statements as revenue in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be determined.

- g) **Tax Revenue -**
 Tax revenues are recognized when the tax has been authorized by bylaw and the taxable event has occurred.
 Requisitions operate as a flow through and are excluded from municipal revenue.

- h) **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 consolidated Change in Net Financial Assets (Debt) for the year.

- i) **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, less residual value, of the tangible capital assets is amortized on a straight-line basis over the estimated useful life as follows:

	<u>YEARS</u>
Land Improvements	15-20
Buildings	25-50
Engineered Structures	
Water System	35-70
Wastewater System	35-70
Other Engineered Structures	15-40
Machinery and Equipment	5-20
Vehicles	5-20

TOWN OF RAYMOND
Notes to Financial Statements
For the Year Ended December 31, 2014

1. Significant Accounting Policies (continued)

- i) Tangible Capital Assets (continued) -

A full year of amortization is charged in the year of acquisition and no amortization is charged in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

- ii) Leases -

Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

- iii) Inventories -

Inventories held for consumption are recorded at the lower of cost or replacement cost.

2. Cash and Temporary Bank Indebtedness

	2014 \$	2013 \$
Cash on hand	284,371	3,379
Temporary bank indebtedness	<u>-</u>	<u>(380,544)</u>
	<u>284,371</u>	<u>(377,165)</u>

The town has two demand lines of credit with ATB Financial with an authorized limit of \$2,000,000 each which bear interest at 3.00%. Security pledged consists of an assignment of property taxes.

Included in bank accounts is a restricted amount of \$506,719 (2013 - \$477,425) received from the Municipal Sustainability Initiative - Capital Component and the Alberta Community Partnership - Community Action Plan and held exclusively for approved projects (Note 4).

3. Taxes and Grants in Place of Taxes Receivables

	2014 \$	2013 \$
Current taxes and grants in place of taxes	385,440	467,032
Arrears taxes	<u>390,301</u>	<u>222,386</u>
	<u>775,741</u>	<u>689,418</u>

4. Deferred Revenue

	2014 \$	2013 \$
Alberta Community Partnerships - Community Action Plan	23,187	-
Municipal Sustainability Initiative - Capital	<u>483,532</u>	<u>477,425</u>
	<u>506,719</u>	<u>477,425</u>

TOWN OF RAYMOND
Notes to Financial Statements
For the Year Ended December 31, 2014

4. Deferred Revenue (Continued)

Municipal Sustainability Initiative

Funding in the amount of \$1,572,292 was received in the current year from the Municipal Sustainability Initiative. Of the \$1,572,292 received, \$1,185,644 was from the capital component of the program and was restricted to eligible capital projects, as approved under the funding agreement, which were scheduled for completion in 2014. The eligible capital projects not completed in the year give rise to the deferred revenue amount shown. The remaining \$386,648 was from the operating component of the program and was restricted to eligible operating projects, as approved under the funding agreement, which were also scheduled for completion in 2014.

5. Long-term Debt

	2014	2013
	\$	\$
Self-supported debentures	1,361,312	1,510,283
Bank loans	129,709	263,736
Obligation under capital leases	<u>60,304</u>	<u>71,566</u>
	<u>1,551,325</u>	<u>1,845,585</u>

The current portion of long-term amounts to \$254,582 (2013 - \$283,611).

Principle and interest repayments are as follows:

	Principal	Interest	Total
	\$	\$	\$
2015	254,582	62,977	317,559
2016	81,747	59,528	141,275
2017	66,720	56,106	122,826
2018	53,371	53,200	106,571
2019	51,778	50,599	102,377
Thereafter	<u>1,043,127</u>	<u>390,153</u>	<u>1,433,280</u>
	<u>1,551,325</u>	<u>672,563</u>	<u>2,223,888</u>

Debenture debt is repayable to the Alberta Capital Finance Authority and bears interest at rates ranging from 2.575% to 4.676%, before provincial subsidy and matures in periods 2015 to 2033. For qualifying debentures, the Province of Alberta rebates 60% of interest in excess of 8%, 9%, and 11% to a maximum annual rate of 12.5%, depending on the date borrowed. Debenture debt is issued on the credit and security of the town at large.

Bank loan is repayable to ATB Financial in annual payments of \$133,925 and bears interest at 3.250% per annum and matures in 2015.

Interest on long-term debt amounted to \$80,589 (2013 - \$103,338).

TOWN OF RAYMOND
Notes to Financial Statements
For the Year Ended December 31, 2014

6. Debt Limits

Section 276(2) of the Municipal Government Act requires that debt and debt limits as defined by Alberta Regulation 255/00 for the town be disclosed as follows:

	2014	2013
	\$	\$
Total debt limit	9,647,114	8,773,976
Total debt	<u>1,551,325</u>	<u>1,845,585</u>
Total unused debt limit	<u>8,095,789</u>	<u>6,928,391</u>
Service on debt limit	1,607,852	1,462,329
Service on debt	<u>317,559</u>	<u>374,016</u>
Amount of unused service on debt	<u>1,290,293</u>	<u>1,088,313</u>

The debt limit is calculated at 1.5 times revenue of the municipality (as defined in Alberta Regulation 255/00) and the debt service limit is calculated at 0.25 times such revenue. Incurring debt beyond these limitations requires approval by the Minister of Municipal Affairs. These thresholds are guidelines used by Alberta Municipal Affairs to identify municipalities that could be at financial risk if further debt is acquired. The calculation taken alone does not represent the financial stability of the municipality. Rather, the financial statements must be interpreted as a whole.

7. Equity in Tangible Capital Assets

	2014	2013
	\$	\$
Tangible capital assets (Schedule 2)	36,617,213	35,720,996
Accumulated amortization (Schedule 2)	(13,469,991)	(12,513,143)
Long-term debt (Note 5)	<u>(1,551,325)</u>	<u>(1,845,585)</u>
	<u>21,595,897</u>	<u>21,362,268</u>

8. Accumulated Surplus

Accumulated surplus consists of restricted and unrestricted amounts and equity in tangible capital assets as follows:

	2014	2013
	\$	\$
Unrestricted surplus (deficit)	539,546	39,842
Restricted surplus:		
Capital reserves		
Fire equipment	104,810	104,810
Operating equipment	50,000	50,000
Administrative	3,989	-
Cemetery	51,771	41,771
Development	252,693	252,693
Equity in tangible capital assets	<u>21,595,897</u>	<u>21,362,268</u>
	<u>22,598,706</u>	<u>21,851,384</u>

TOWN OF RAYMOND
Notes to Financial Statements
For the Year Ended December 31, 2014

9. Segmented Disclosure

The Town of Raymond provides a range of services to its ratepayers. For each reported segment, revenues and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. The accounting policies used in these segments are consistent with those followed in the preparation of the financial statements as disclosed in Note 1.

Refer to the Schedule of Segmented Disclosure (schedule 6).

10. Salary and Benefits Disclosure

Disclosure of salaries and benefits for town officials, the chief administrative officer and designated officers as required by Alberta Regulation 313/2000 is as follows:

	Salary (1)	Benefits & Allowances (2)	2014 Total	2013 Total
	\$	\$	\$	\$
Mayor	31,593	4,017	35,610	24,197
Councilor - Jim Depew	16,833	1,743	18,576	14,796
- Clark Holt	22,368	4,069	26,437	4,738
- Doug Holt	-	-	-	9,720
- Cathy Needham	25,433	4,069	29,502	17,211
- Dustin Ralph	22,098	4,069	26,167	19,856
- Greg Robinson	24,528	4,069	28,597	19,826
- Barry Wolsey	19,263	4,069	23,332	17,326
Designated officer - CAO	152,902	32,478	185,380	178,805

(1) Salary includes regular base pay, bonuses, overtime, lump sum payments, gross honoraria and any other direct cash remuneration.

(2) Employer's share of all employee benefits and contributions or payments made on behalf of employees including pension, health care, dental coverage, vision coverage, group life insurance, accident disability and dismemberment insurance, long and short term disability plans, professional memberships and tuition.

Benefits and allowances figures also include the employer's share of the costs of additional taxable benefits including special leave with pay, car and travel allowances, conferences, and memberships.

TOWN OF RAYMOND
Notes to Financial Statements
For the Year Ended December 31, 2014

11. Local Authorities Pension Plan

Employees of the town participate in the Local Authorities Pension Plan (LAPP), which is one of the plans covered by the Alberta Public Sector Pension Plans Act. The LAPP serves about 133,000 people and 389 employers. The LAPP is financed by employer and employee contributions and by investment earnings of the LAPP Fund.

Contributions for current service are recorded as expenditures in the year in which they become due.

The town is required to make current service contributions of 5.525% of pensionable earnings up to the year's maximum pensionable earnings under the Canadian Pension Plan and 7.4% on pensionable earnings above this amount. Employees of the town are required to make current service contributions of 4.525% of pensionable salary up to the year's maximum pensionable salary and 6.4% on pensionable salary above this amount.

The total current service contributions by the town to the LAPP in 2014 were \$208,111 (2013 - \$182,295). Total current year service contributions by the employees of the town to the LAPP were \$191,387 (2013 - \$166,007).

At December 31, 2013, the LAPP disclosed an actuarial deficiency of \$4.861 billion.

12. Contingencies

The town is a member of the Alberta Municipal Insurance Exchange (MUNIX). Under the terms of the membership, the town could become liable for its proportionate share of any claim losses in excess of the funds held by the exchange. Any liability incurred would be accounted for as a current transaction in the year the losses are determined.

13. Financial Instruments

The town's financial instruments consist of cash and temporary investments, receivables, bank indebtedness, accounts payable and accrued liabilities and long-term debt. It is management's opinion that the town is not exposed to significant interest or currency risks arising from these financial instruments.

The town is subject to credit risk with respect to taxes and grants in place of taxes receivables and trade and other receivables. Credit risk arises from the possibility that taxpayers and entities to which the town provides services may experience financial difficulty and be unable to fulfil their obligations. The large number and diversity of taxpayers and customers minimizes the credit risk.

Unless otherwise noted, the carrying value of the financial instrument approximates fair value.

14. Approval of Financial Statements

Council and Management have approved these financial statements.



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