

MUNICIPAL
ANNUAL
REPORT



2015

TOWN of RAYMOND

FACTS

2015 was full of milestones and provided tangible evidence that Raymond is becoming more sustainable with each passing year. Whether it is new construction, improved recreation facilities, utility infrastructure or enhanced regional partnerships, Raymond is finding ways to give better value to its residents.

58 NEW RESIDENTS IN RAYMOND SINCE 2014

29.3% GROWTH IN POPULATION 2006

\$3,050,000 IN NEW CONSTRUCTION 2015

→ MAYORS MESSAGE



It has been eight years since I was elected Mayor of our great community and over that time I have been impressed with how our community has grown and welcomed 567 new residents to our community.

This last 8 years of growth has only been surpassed by the first 10 years of our communities founding from 1901–1911. We are now home to 4139 residents and are attracting new professional services to help our residents enjoy the high quality and family focused lifestyle that we are known for.

Despite the economic slowdown, we are continuing to see modest growth and interest in our community and this trend will help to solidify our municipal sustainability. We are privileged to serve you as your elected representatives and strive to consider what is in the best interest of each and every one of our residents.

2015 was a transformative year for the Town. Work was completed on the \$9.4 million dollar renovation to the Raymond Hospital and saw the relocation of our medical clinic and many other health and social service professionals under one roof. This move will provide a more convenient experience for the public in their time of need.

The Victoria Sports Park Complex began to take shape and we are excited to be see the grand opening of this facility in 2016. Design work was also finalized on the outdoor court component of Centennial Park project and will complete our 10 year redevelopment of this sport and recreation complex.

Another new commercial business began construction in 2015 and we welcome home Dr. Jesse Harker and his dental practice to Raymond. His ser-

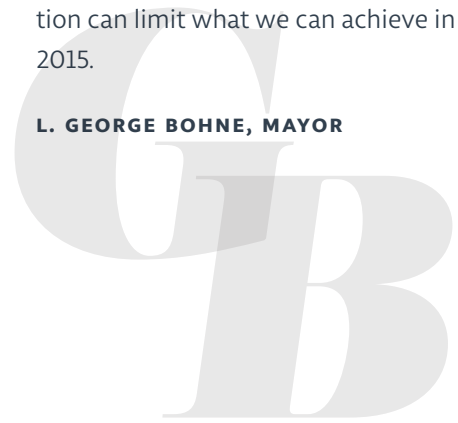
vices will complement the wide range of medical and health professional who have seen the economic potential of our community and have invested their time and talents that make choosing Raymond an even easier decision to make for those who are relocating to the south of the province.

We are always striving to find ways to attract additional economic opportunities to our community by making our operations as efficient, transparent and user friendly as possible.

Our annual Heritage Days Celebrations were another tremendous success and we want to express our deep gratitude for all those who give so much of their time, talents and means in the service of others.

We thank you for your commitment to our community and only our imagination can limit what we can achieve in 2015.

L. GEORGE BOHNE, MAYOR



“Despite the economic slowdown, we are continuing to see modest growth and interest in our community and this trend will help to solidify our municipal sustainability.”

→ 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.

→ 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. (Municipal Government Act, Sec. 3)

Our Vision

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

Guiding Principles

As an organization, we strive to perform our duties with dignity and mutual respect. We seek to build trusting relationships with our common stakeholders. We strive to be proactive in anticipating opportunities and challenges, while being accountable to our ratepayers. We look to collaborate wherever possible and seek for excellence in the programs and services we provide. We see Raymond as an inclusive and family oriented community that is built upon principles of mutual respect and appreciation.

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. Here are the strategic priorities that Council identified as projects to be worked on in 2015.



COUNCIL'S FOCUSED AGENDA (SYSTEM LEVEL)

Our Strategic Plan focuses on three main themes:

Investing in families and our community is at the core of Council's Plan, because the Town's future will be shaped by the people who call Raymond home.

- To maintain a clean and attractive community
- To provide high quality family-oriented activities, programs, and services
- To facilitate an open, receptive, and participatory governance process, where community input is linked to the decision-making process
- To recognize the importance of our heritage and traditions

Securing Raymond's economic future and living within our means by challenging every tax dollar spent, investing wisely, finding new sources of revenue, saving for the future and facilitating sustainable growth and development.

- To be an innovative and proactive organization
- To successfully adapt to emerging trends and threats, while capitalizing on opportunities

- To have an effectively planned, designed and maintained infrastructure systems
- To use a strategic management process that facilitates organized growth, development, and environmentally sustainable practices
- To maintain and enhance a healthy commercial sector
- To be financially viable organization with multiple streams of revenue that leverages grant programs
- To have fair and equitable property taxation levels

Working co-operatively with other levels of government, municipalities, local authorities, and community organizations to maximize the quality, quantity and service levels enjoyed by our community.

- To have a human resource team with the expertise and technical skills to provide high quality programs and services
- To maintain healthy relationships with neighboring municipalities
- To participate in cooperative service and program initiatives



TOWN of RAYMOND

GOVERNANCE PRIORITIES:

1. New Seniors Lodge
2. Water Quality at Ridge Reservoir
3. Promotion of Economic Development & Business Growth
4. Care Centre Property
5. Fire Agreement with County of Warner #5
6. Farm Safety Centre Relocation
7. Town Land Base Expansion
8. Historical Resource Inventory
9. Traffic Safety Concern – Highway 4 & 845 Industrial Area
10. Over Crowding Situation at Schools
11. MP Constituency Office in Raymond
12. Mayors Youth Committee

CAPITAL PRIORITIES:

13. Victoria Sports Park Project
14. Streets & Sidewalk Improvement Projects
15. Northwest Infrastructure Project
16. South Drainage Project
17. Perrett Park & Walking Path Expansion Project
18. Centennial Park & Pool Upgrade Project

19. Ice Arena Renovation Project
20. Wastewater Lagoon Expansion Project
21. Transfer Station Expansion Project
22. Community Centre Renovations
23. Golf Course Enhancement Project
24. Directional Signage & Wayfinding
25. New Town Shop
26. New & Expanded Council Chambers

OPERATIONAL PRIORITIES:

27. Maximize Revenue in Existing Facilities
28. Walking Path Maintenance & Expansion
29. Southeast Annexation Application
30. Veterans Project
31. Improve Public Service Level
32. Handi-bus Pilot Project with AHS

EMERGENT PRIORITIES:

33. Ball Diamond Project
34. Playhouse Society Land Request
35. Road Condition on 200E and 400N
36. Skate Board Park Project
37. Raw Water Infrastructure - Properties West of Victoria Sports Park
38. Affordable Housing for Seniors

→ CHIEF ADMINISTRATIVE OFFICER MESSAGE



I am pleased to provide this brief report of our operations during 2015. 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 2015, which saw our population increase to 4,139 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 construction and completion of the Victoria Sports Park Complex were some of the capital projects that Council authorized Town crews to complete during the year.

Another notable project was the completion of the project planning phase of our new Centennial Park Complex and the Golf Course Revitalization Project. These projects will see construction and completion in 2016. Once completed these projects will have transformed the face of recreation in our community. And the exciting part is that this is just the beginning. There are many other equally transformative projects that are being planned that are awaiting opportunities to fund them through grants and other funding mechanisms.

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

A large, light gray graphic of the initials 'SB' in a serif font. The letters are stylized and overlapping, with the 'S' being larger and positioned to the left of the 'B'.

"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."

→ SENIOR 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.

RICH BOHNE *COMMUNITY SERVICES DIRECTOR*

Oversees the capital expansion and operations of existing of municipal recreational facilities, parks & playgrounds and ensures that they are well maintained and are welcoming and inclusive to all users within our community.



KURTIS PRATT *LEGISLATIVE SERVICES DIRECTOR*

Oversees the legislative, communications, tourism & economic development and various regional strategic initiatives of the Town and assists the Chief Administrative Officer in advising Council on matters as they arise.



RANDY OLSON *OPERATIONAL SERVICES DIRECTOR*

Oversees the capital expansion, operations and maintenance of the utility and transportation infrastructure within the community and as part of our regional network.



→ MANAGEMENT TEAM



KIM COPPIETERS

DIRECTOR OF ADMINISTRATIVE SERVICES

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.

ETHAN GORNER

DIRECTOR OF COMMUNITY DEVELOPMENT

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.



HUGH SIMPSON

RECREATION & PARKS MANAGER

Provides oversight of all of the day to day operations of the Community Services Department, including human resources, operations and programming and provides support to the Director of Community Services.

JEFF COPPIETERS ASSET MANAGER

Ensures that Town owned facilities outside of the Community Services Department are well maintained and are aesthetically pleasing.



→ POPULATION TRENDS

We are continuing to grow! Despite the economic slowdown, Raymond is still growing at a steady, sustainable rate! Our demographics show that our schools, community programs and municipal facilities will be brimming at the seams for the foreseeable future!

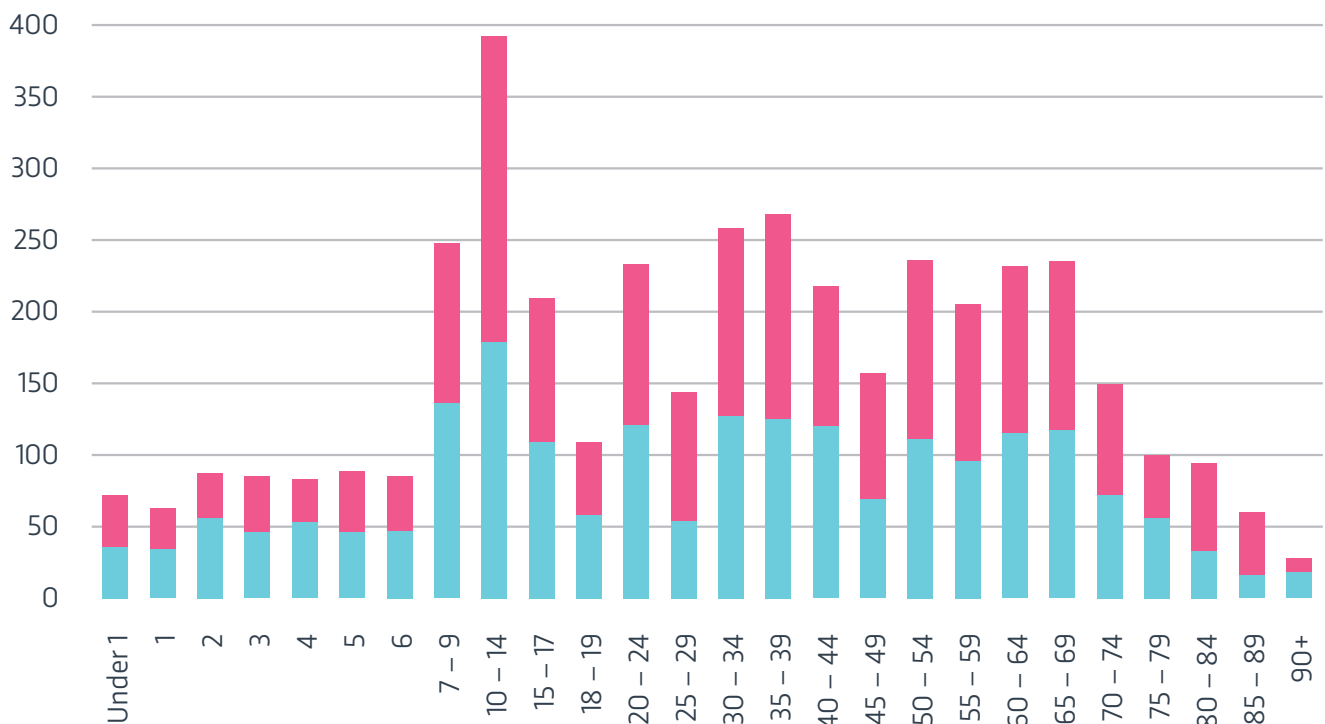
In 2015 our municipal population reached 4139 people, representing a year over year increase of 1.4% and a 29.3% increase since 2006. What is equally exciting is that Raymond is attracting more and more young families who see the advantages that can be experienced by choosing to live in our community. 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 and our new Victoria Sports Park Complex and Centennial Park Project.

Raymond Census Population Breakdown 2015

MALE FEMALE



→ BUILDING PERMITS

New homes were being built and renovations were being made to existing properties, albeit at a slower pace. This type of growth is important as it increases our municipal assessment and helps to beautify our community.

8 new principle use buildings were started in Raymond during 2015 equalling \$3.05 million dollars in construction value. These buildings were spread throughout the community, with 3 in the northeast, 5 in the southeast, and 1 in the southwest quadrants of Town. Compared annually, we were actually down 3 new constructions when compared to the 12 new builds started in 2014 and we are down 43% since our 2011-2013 levels. However we deem that there is 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.

1 new commercial structure was started in 2015 and we anticipate that our 2nd dental office will open sometime in 2016. This addition complements our already strong health professional segment of our local economy and speaks to the strength of our residential market.

Development Statistics show that number of new builds in Raymond has stabilized 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.

Development Statistics 2010 – 2015



→ CAPITAL PROJECTS

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 2015, Council authorized Administration to begin work or continue the completion of \$4,016,873 worth of projects. These projects are in various stages of completion and work will continue until they are completed.

Victoria Sports Park Complex

CURRENT STATUS:	Active
TIMELINE:	Detailed Design: 2013 Construction: March 2015 – August 2016
LOCATION:	340N 100E
COST:	\$3,366,500
DEPARTMENT RESPONSIBLE:	Community Services



Phase 1 development 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 off street 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.

400 East Roadway Expansion and Utility Infrastructure

CURRENT STATUS: Active

TIMELINE: Construction: May 2014 – Dec 2016

LOCATION: 400E between 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.



Aquatic Centre Rehabilitation

CURRENT STATUS: Complete

TIMELINE: Construction: March 2015 – June 2016

LOCATION: 500N 200W

COST: \$270,000

DEPARTMENT RESPONSIBLE: Community Services

Renovated the change rooms, upgraded facility lighting, weather proofed the water slides and added signage to the facility.



Ice Arena Lobby Rehabilitation

CURRENT STATUS:	Complete
TIMELINE:	Construction: April 2015 – Sept 2015
LOCATION:	40W 100N
COST:	\$125,000
DEPARTMENT RESPONSIBLE:	Community Services

Rehabilitated the interior of the arena lobby, washrooms and 2 changerooms with new flooring, lighting, electrical, plumbing and resurfaced the lobby walls and windows.



Street Paving Projects

CURRENT STATUS:	Complete
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.



TOWN OF RAYMOND

Financial Statements

December 31, 2015

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MERCER WILDE GROUP
An Association of
Chartered Accountants

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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, 2015 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 entity'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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the 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, 2015, 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
May 3, 2016

Chartered Accountants

TOWN OF RAYMOND
Consolidated Statement of Financial Position
As at December 31, 2015

	2015 \$	2014 \$
FINANCIAL ASSETS		
Cash (Note 2)	75	284,371
Receivables		
Taxes and grants in place of taxes (Note 3)	827,368	775,741
Trade and other receivables	2,094,636	801,789
Land for resale inventory	154,538	63,988
Loans receivable	<u>64,613</u>	<u>-</u>
	<u>3,141,230</u>	<u>1,925,889</u>
LIABILITIES		
Temporary bank indebtedness (Note 2)	1,678,028	-
Accounts payable and accrued liabilities	560,316	452,366
Deferred revenue (Note 4)	350,000	506,719
Long-term debt (Note 5)	<u>1,397,946</u>	<u>1,551,325</u>
	<u>3,986,290</u>	<u>2,510,410</u>
NET FINANCIAL ASSETS (DEBT)	<u>(845,060)</u>	<u>(584,521)</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 2)	26,216,548	23,147,222
Inventory for consumption	48,566	36,005
Prepaid expenses and deposits	<u>1,674</u>	<u>-</u>
	<u>26,266,788</u>	<u>23,183,227</u>
ACCUMULATED SURPLUS (Schedule 1 and Note 8)	<u>25,421,728</u>	<u>22,598,706</u>

CONTINGENCIES (Note 12)



TOWN OF RAYMOND
Consolidated Statement of Operations
For the Year Ended December 31, 2015

	Budget (Unaudited) \$	2015 \$	2014 \$
REVENUE			
User fees and sales of goods	2,672,842	2,902,175	2,658,539
Net municipal property taxes (Schedule 3)	2,455,987	2,588,521	2,465,151
Raymond Strategic Initiatives Team revenues	223,600	247,115	269,843
Government transfers (Schedule 4)	877,006	818,044	749,707
Penalties and costs of taxes	80,000	97,355	98,741
Franchise and concession contracts	180,000	202,541	179,555
Investment income	<u>6,000</u>	<u>3,736</u>	<u>9,873</u>
Total Revenue	<u>6,495,435</u>	<u>6,859,487</u>	<u>6,431,409</u>
EXPENSES			
Water, wastewater and waste management	1,286,224	1,396,185	1,343,998
Parks and recreation	1,569,619	2,041,424	1,561,694
Roads, streets, walks, lighting	978,226	956,770	924,338
Administration	838,448	793,167	647,775
Raymond Strategic Initiatives Team expenses	160,230	193,327	231,909
Police, fire, ambulance and bylaw enforcement	579,543	572,734	547,626
Legislative	266,745	269,466	235,044
Land use planning, zoning and development	48,389	46,294	66,004
Other	119,383	206,657	167,691
Loss on disposal of tangible capital assets	-	18,334	6,305
Amortization	<u>-</u>	<u>1,007,303</u>	<u>962,948</u>
Total Expenses	<u>5,686,577</u>	<u>7,501,661</u>	<u>6,695,332</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES BEFORE OTHER	808,858	(642,174)	(263,923)
OTHER			
Government transfers for capital (Schedule 3)	<u>1,786,001</u>	<u>3,465,196</u>	<u>1,011,245</u>
EXCESS OF REVENUE OVER EXPENSES	2,594,859	2,823,022	747,322
ACCUMULATED SURPLUS, BEGINNING OF YEAR	<u>22,598,706</u>	<u>22,598,706</u>	<u>21,851,384</u>
ACCUMULATED SURPLUS, END OF YEAR	<u>25,193,565</u>	<u>25,421,728</u>	<u>22,598,706</u>



TOWN OF RAYMOND**Consolidated Statement of Change in Net Financial Assets (Debt)
For the Year Ended December 31, 2015**

	Budget (Unaudited) \$	2015 \$	2014 \$
EXCESS OF REVENUE OVER EXPENSES	<u>2,594,859</u>	<u>2,823,022</u>	<u>747,322</u>
Acquisition of tangible capital assets	-	(4,098,594)	(926,717)
Proceeds on disposal of tangible capital assets	-	3,631	18,095
Amortization of tangible capital assets	-	1,007,303	962,948
Loss (gain) on disposal of tangible capital assets	<u>-</u>	<u>18,334</u>	<u>6,305</u>
	<u>-</u>	<u>(3,069,326)</u>	<u>60,631</u>
(Acquisition) use of prepaid assets	-	(1,674)	1,921
(Acquisition) use of supplies inventory	<u>-</u>	<u>(12,561)</u>	<u>36,494</u>
	<u>-</u>	<u>(14,235)</u>	<u>38,415</u>
(INCREASE) DECREASE IN NET DEBT	2,594,859	(260,539)	846,368
NET FINANCIAL DEBT, BEGINNING OF YEAR	<u>(584,521)</u>	<u>(584,521)</u>	<u>(1,430,889)</u>
NET FINANCIAL DEBT, END OF YEAR	<u>2,010,338</u>	<u>(845,060)</u>	<u>(584,521)</u>



TOWN OF RAYMOND
Consolidated Statement of Cash Flows
For the Year Ended December 31, 2015

	2015	2014
	\$	\$
NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES:		
OPERATING		
Excess of revenue over expenses	2,823,022	747,322
Non-cash items included in excess of revenue over expenses		
Amortization of tangible capital assets	1,007,303	962,948
Loss on disposal of tangible capital assets	18,334	6,305
Non-cash charges to operations (net changes)		
(Increase) in taxes and grants in lieu receivable	(51,627)	(86,323)
(Increase) decrease in trade and other receivables	(1,292,847)	11,058
(Increase) decrease in land held for resale	(90,550)	3,598
(Increase) decrease in inventory for consumption	(12,561)	36,494
(Increase) in loans receivable	(64,613)	-
Increase in accounts payable and accrued liabilities	107,950	151,801
(Decrease) increase in deferred revenue	(156,719)	29,294
(Increase) decrease in prepaid expenses and deposits	(1,674)	1,921
	<u>2,286,018</u>	<u>1,864,418</u>
CAPITAL		
Acquisition of tangible capital assets	(4,098,594)	(926,717)
Proceeds on disposal of tangible capital assets	<u>3,631</u>	<u>18,095</u>
	<u>(4,094,963)</u>	<u>(908,622)</u>
FINANCING		
Advancement (repayment) of temporary bank indebtedness	1,678,028	(380,544)
Long-term debt issued	113,154	17,500
Long-term debt repaid	<u>(266,533)</u>	<u>(311,760)</u>
	<u>1,524,649</u>	<u>(674,804)</u>
CHANGE IN CASH DURING THE YEAR	(284,296)	280,992
CASH, BEGINNING OF YEAR	<u>284,371</u>	<u>3,379</u>
CASH, END OF YEAR	<u><u>75</u></u>	<u><u>284,371</u></u>





TOWN OF RAYMOND

Schedule of Changes in Accumulated Surplus
For the Year Ended December 31, 2015

SCHEDULE 1

	Unrestricted Surplus \$	Restricted Surplus \$	Equity in Tangible Capital Assets \$	2015 \$	2014 \$
BALANCE, BEGINNING OF THE YEAR	<u>539,546</u>	<u>463,263</u>	<u>21,595,897</u>	<u>22,598,706</u>	<u>21,851,384</u>
Excess of revenue over expenses	2,823,022	-	-	2,823,022	747,322
Unrestricted funds designated for future use	13,989	(13,989)	-	-	-
Current year funds used for tangible capital assets	(4,098,594)	-	4,098,594	-	-
Disposal of tangible capital assets	21,965	-	(21,965)	-	-
Annual amortization expense	1,007,303	-	(1,007,303)	-	-
New long-term debt issued	113,154	-	(113,154)	-	-
Long-term debt repaid	(266,533)	-	266,533	-	-
Change in accumulated surplus	<u>(385,694)</u>	<u>(13,989)</u>	<u>3,222,705</u>	<u>2,823,022</u>	<u>747,322</u>
BALANCE, END OF YEAR	<u><u>153,852</u></u>	<u><u>449,274</u></u>	<u><u>24,818,602</u></u>	<u><u>25,421,728</u></u>	<u><u>22,598,706</u></u>



TOWN OF RAYMOND

Schedule of Tangible Capital Assets
For the Year Ended December 31, 2015

SCHEDULE 2

	Land	Land Improvements	Buildings	Engineered Structures	Machinery & Equipment	Vehicles	2015	2014
	\$	\$	\$	\$	\$	\$	\$	\$
COST:								
BALANCE, BEGINNING OF YEAR	779,996	1,189,912	10,677,411	20,180,911	3,003,458	785,525	36,617,213	35,720,996
Acquisition of tangible capital assets	159,240	-	178,055	339,961	349,226	83,394	1,109,876	237,538
Disposal of tangible capital assets	(2)	-	-	(2,199)	(57,383)	(19,800)	(79,384)	(30,500)
Assets under construction	-	1,622,958	335,570	610,850	419,340	-	2,988,718	689,179
BALANCE, END OF YEAR	939,234	2,812,870	11,191,036	21,129,523	3,714,641	849,119	40,636,423	36,617,213
ACCUMULATED AMORTIZATION:								
BALANCE, BEGINNING OF YEAR	-	173,673	3,711,125	7,513,311	1,784,134	287,748	13,469,991	12,513,143
Annual amortization	-	39,604	241,296	469,421	199,366	57,616	1,007,303	962,948
Accumulated amortization on disposals	-	-	-	-	(41,579)	(15,840)	(57,419)	(6,100)
BALANCE, END OF YEAR	-	213,277	3,952,421	7,982,732	1,941,921	329,524	14,419,875	13,469,991
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	<u>939,234</u>	<u>2,599,593</u>	<u>7,238,615</u>	<u>13,146,791</u>	<u>1,772,720</u>	<u>519,595</u>	<u>26,216,548</u>	<u>23,147,222</u>
2014 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>	

TOWN OF RAYMOND
Schedule of Property Taxes Levied
For the Year Ended December 31, 2015

SCHEDULE 3

	Budget (Unaudited) \$	2015 \$	2014 \$
TAXATION			
Real property taxes	3,223,891	3,354,400	3,222,741
Linear property taxes	<u>59,764</u>	<u>59,385</u>	<u>59,764</u>
	<u>3,283,655</u>	<u>3,413,785</u>	<u>3,282,505</u>
REQUISITIONS			
Alberta School Foundation Fund	706,538	706,538	695,637
Separate school	17,766	17,109	18,353
Seniors foundation	<u>103,364</u>	<u>101,617</u>	<u>103,364</u>
	<u>827,668</u>	<u>825,264</u>	<u>817,354</u>
NET MUNICIPAL PROPERTY TAXES	<u>2,455,987</u>	<u>2,588,521</u>	<u>2,465,151</u>



TOWN OF RAYMOND
Schedule of Government Transfers
For the Year Ended December 31, 2015

SCHEDULE 4

	Budget (Unaudited) \$	2015 \$	2014 \$
TRANSFERS FOR OPERATING:			
Federal Government	-	-	3,000
Provincial Government	818,406	777,203	676,344
Other Local Governments	<u>58,600</u>	<u>40,841</u>	<u>70,363</u>
	<u>877,006</u>	<u>818,044</u>	<u>749,707</u>
TRANSFERS FOR CAPITAL:			
Federal Government	-	-	79,288
Provincial Government	1,486,001	3,077,076	920,350
Other Local Governments	<u>300,000</u>	<u>388,120</u>	<u>11,607</u>
	<u>1,786,001</u>	<u>3,465,196</u>	<u>1,011,245</u>
TOTAL GOVERNMENT TRANSFERS	<u><u>2,663,007</u></u>	<u><u>4,283,240</u></u>	<u><u>1,760,952</u></u>



TOWN OF RAYMOND
Schedule of Consolidated Expenditures by Object
For the Year Ended December 31, 2015

SCHEDULE 5

	Budget (Unaudited) \$	2015 \$	2014 \$
EXPENDITURES			
Salaries, wages and benefits	3,291,425	3,324,719	3,006,272
Contracted and general services	1,469,894	1,935,002	1,478,087
Materials, goods, and utilities	893,205	1,034,576	1,052,119
Interest on long-term debt	78,725	66,781	80,589
Transfers to local boards and agencies	111,057	108,179	106,004
Bank charges and short-term interest	2,500	6,767	3,008
Amortization	-	1,007,303	962,948
Loss on disposal of tangible capital assets	-	18,334	6,305
TOTAL EXPENDITURES	<u>5,846,806</u>	<u>7,501,661</u>	<u>6,695,332</u>





TOWN OF RAYMOND

Schedule of Segmented Disclosure
For the Year Ended December 31, 2015

SCHEDULE 6

	General Government \$	Protective Services \$	Transportation Services \$	Planning & Development \$	Recreation & Culture \$	Environmental Services \$	Total \$
REVENUE							
Net municipal taxes	2,588,521	-	-	-	-	-	2,588,521
Government transfers	181,000	87,000	-	41,000	3,974,240	-	4,283,240
User fees and sales of goods	18,512	302,859	1,952	71,743	730,669	1,776,440	2,902,175
Investment income	3,736	-	-	-	-	-	3,736
Raymond Strategic Initiatives Team	247,115	-	-	-	-	-	247,115
Other revenue	299,896	-	-	-	-	-	299,896
	<u>3,338,780</u>	<u>389,859</u>	<u>1,952</u>	<u>112,743</u>	<u>4,704,909</u>	<u>1,776,440</u>	<u>10,324,683</u>
EXPENSES							
Salaries, wages and benefits	921,230	351,922	361,799	97,718	1,204,390	387,660	3,324,719
Contracted and general services	268,835	128,085	227,993	66,735	369,188	874,166	1,935,002
Materials, goods, and utilities	59,128	92,727	366,978	58,610	326,901	130,232	1,034,576
Transfers to local boards and agencies	-	-	-	1,200	106,979	-	108,179
Long-term debt interest	-	-	-	-	62,654	4,127	66,781
Bank charges, short-term interest and other	6,767	-	18,334	-	-	-	25,101
	<u>1,255,960</u>	<u>572,734</u>	<u>975,104</u>	<u>224,263</u>	<u>2,070,112</u>	<u>1,396,185</u>	<u>6,494,358</u>
NET REVENUE BEFORE AMORTIZATION	2,082,820	(182,875)	(973,152)	(111,520)	2,634,797	380,255	3,830,325
Amortization	35,338	65,623	462,121	-	219,254	224,967	1,007,303
NET REVENUE	<u>2,047,482</u>	<u>(248,498)</u>	<u>(1,435,273)</u>	<u>(111,520)</u>	<u>2,415,543</u>	<u>155,288</u>	<u>2,823,022</u>

TOWN OF RAYMOND
Notes to Financial Statements
For the Year Ended December 31, 2015

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, 2015

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, 2015

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

	2015 \$	2014 \$
Cash on hand	75	284,371
Temporary bank indebtedness	<u>(1,678,028)</u>	<u>-</u>
	<u>(1,677,953)</u>	<u>284,371</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 prime less 0.25% which at December 31, 2015 was 2.45%. Security pledged consists of an assignment of property taxes.

Included in bank accounts is a restricted amount of \$350,000 (2014 - \$506,719) received from the Alberta Community Partnership Grant and held exclusively for approved projects (Note 4).

3. Taxes and Grants in Place of Taxes Receivables

	2015 \$	2014 \$
Current taxes and grants in place of taxes	350,296	385,440
Arrears taxes	<u>477,072</u>	<u>390,301</u>
	<u>827,368</u>	<u>775,741</u>

4. Deferred Revenue

	2015 \$	2014 \$
Alberta Community Partnerships	350,000	23,187
Municipal Sustainability Initiative - Capital	<u>-</u>	<u>483,532</u>
	<u>350,000</u>	<u>506,719</u>



TOWN OF RAYMOND
Notes to Financial Statements
For the Year Ended December 31, 2015

4. Deferred Revenue (Continued)

Municipal Sustainability Initiative

Funding in the amount of \$1,319,362 was received in the current year from the Municipal Sustainability Initiative. Of the \$1,319,362 received, \$922,346 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 2015. The eligible capital projects not completed in the year give rise to the deferred revenue amount shown. The remaining \$387,016 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 2015.

5. Long-term Debt

	2015 \$	2014 \$
Self-supported debentures	1,254,518	1,361,312
Bank loans	-	129,709
Obligation under capital leases	<u>143,428</u>	<u>60,304</u>
	<u>1,397,946</u>	<u>1,551,325</u>

The current portion of long-term amounts to \$103,078 (2014 - \$254,582).

Principle and interest repayments are as follows:

	Principal \$	Interest \$	Total \$
2016	103,078	62,632	165,710
2017	88,958	58,304	147,262
2018	76,311	54,696	131,007
2019	75,443	51,371	126,814
2020	65,256	48,275	113,531
Thereafter	<u>988,900</u>	<u>342,003</u>	<u>1,330,903</u>
	<u>1,397,946</u>	<u>617,281</u>	<u>2,015,227</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 2016 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.

Interest on long-term debt amounted to \$66,781 (2014 - \$80,589).



TOWN OF RAYMOND
Notes to Financial Statements
For the Year Ended December 31, 2015

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:

	2015 \$	2014 \$
Total debt limit	10,289,231	9,647,114
Total debt	<u>1,397,946</u>	<u>1,551,325</u>
Total unused debt limit	<u>8,891,285</u>	<u>8,095,789</u>
Service on debt limit	1,714,872	1,607,852
Service on debt	<u>165,710</u>	<u>317,559</u>
Amount of unused service on debt	<u>1,549,162</u>	<u>1,290,293</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

	2015 \$	2014 \$
Tangible capital assets (Schedule 2)	40,636,423	36,617,213
Accumulated amortization (Schedule 2)	(14,419,875)	(13,469,991)
Long-term debt (Note 5)	<u>(1,397,946)</u>	<u>(1,551,325)</u>
	<u>24,818,602</u>	<u>21,595,897</u>

8. Accumulated Surplus

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

	2015 \$	2014 \$
Unrestricted surplus	153,852	539,546
Restricted surplus:		
Capital reserves		
Fire equipment	104,810	104,810
Operating equipment	50,000	50,000
Administrative	-	3,989
Cemetery	41,771	51,771
Development	252,693	252,693
Equity in tangible capital assets	<u>24,818,602</u>	<u>21,595,897</u>
	<u>25,421,728</u>	<u>22,598,706</u>



TOWN OF RAYMOND
Notes to Financial Statements
For the Year Ended December 31, 2015

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) \$	2015 Total \$	2014 Total \$
Mayor	31,279	4,137	35,416	35,610
Councilor - Jim Depew	15,573	2,089	17,662	18,576
- Clark Holt	24,618	4,831	29,449	26,437
- Cathy Needham	27,278	4,919	32,197	29,502
- Dustin Ralph	29,883	5,006	34,889	26,167
- Greg Robinson	25,158	4,849	30,007	28,597
- Barry Wolsey	20,163	4,190	24,353	23,332
Designated officer - CAO	158,609	33,010	191,619	185,380

- (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, 2015

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 2015 were \$230,899 (2014 - \$208,111). Total current year service contributions by the employees of the town to the LAPP were \$212,498 (2014 - \$191,387).

At December 31, 2014, the LAPP disclosed an actuarial deficiency of \$2.455 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.

