



Town of Raymond 2019 Annual Report



TOWN OF RAYMOND

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MESSAGE

FROM THE MAYOR



Jim Depew
MAYOR

On behalf of Council, I am pleased to present the Town of Raymond's 2019 Annual Report. This past year was exciting for all of us on Council, as we continued to learn and grow together as a group. We are incredibly proud of the work we have done and are looking forward to doing plenty more.

Raymond continues to change and grow, and we take pride in welcoming new people to this wonderful community. In 2019 we encouraged community development and advocated for local business. We also committed funding to maintaining our recreation facilities and infrastructure, and we created sustainable housing opportunities for many people. Council wants Raymond to be a place that people are proud to call home.

One of our biggest recreation projects in 2019 was paving 2km of the walking trail. The trail is a fantastic addition to our public spaces, as it gives us an opportunity to take in the beauty of our town from a different perspective. We also completed new beach volleyball courts, and the Hell's Creek Golf Course opened for its first full season. With renovations to the clubhouse, and the course in the best shape it has ever been, we were pleased for residents and visitors to enjoy this excellent facility.

Our Town employees have done an incredible job making these projects a reality, and we are very grateful for their hard work.

Council continued to collaborate with our municipal neighbours in 2019. From PeaceOfficer services, to solid waste management and water treatment, our partnerships with other communities lead to more efficient and better-quality services for our residents. Of particular importance in 2019 were Inter-municipal Collaboration Framework (ICF) negotiations with the County of Warner, which when complete, will facilitate fair sharing of services and resources between our two communities. Given our recent challenging economic and fiscal climates, cooperation will be a vital component in our continued prosperity.

This annual report captures some of the Town's highlights from the past year. Raymond is a place we are proud to call home, and we want to share that pride.



MESSAGE

FROM THE CAO



Once again, I have had the honour to guide our staff through another successful year. Though there are always ways we can improve, we have made significant steps this year to improve the quality and efficiency of our services.

2019 has been a transformational year and we expect

Kurtis Pratt
CAO

these changes to continue into 2020 as the provincial government continues its work on balancing the provincial budget. What these changes are and how they will impact us have yet to be determined, but your Council and Administration are focused on strengthening the foundation of our community to ensure a sustainable future. Raymond is a wonderful place to call home, and we all take pride in making it better everyday.

Council's Economic Strategic Priorities continue to guide Administration. Since 2006, these priorities have significantly improved and revitalized our community, and we look forward to new opportunities in the future. Thank you for taking the time to read and learn more about your local government. Our democracy works best when you have a say, so feel free to contact us at the Town office at your convenience.

TOWN COUNCIL



JIM DEPEW
Mayor



STEWART FOSS
Deputy Mayor



BRYCE COPPIETERS
Councillor



RON FROMM
Councillor



RALPH PRICE
Councillor



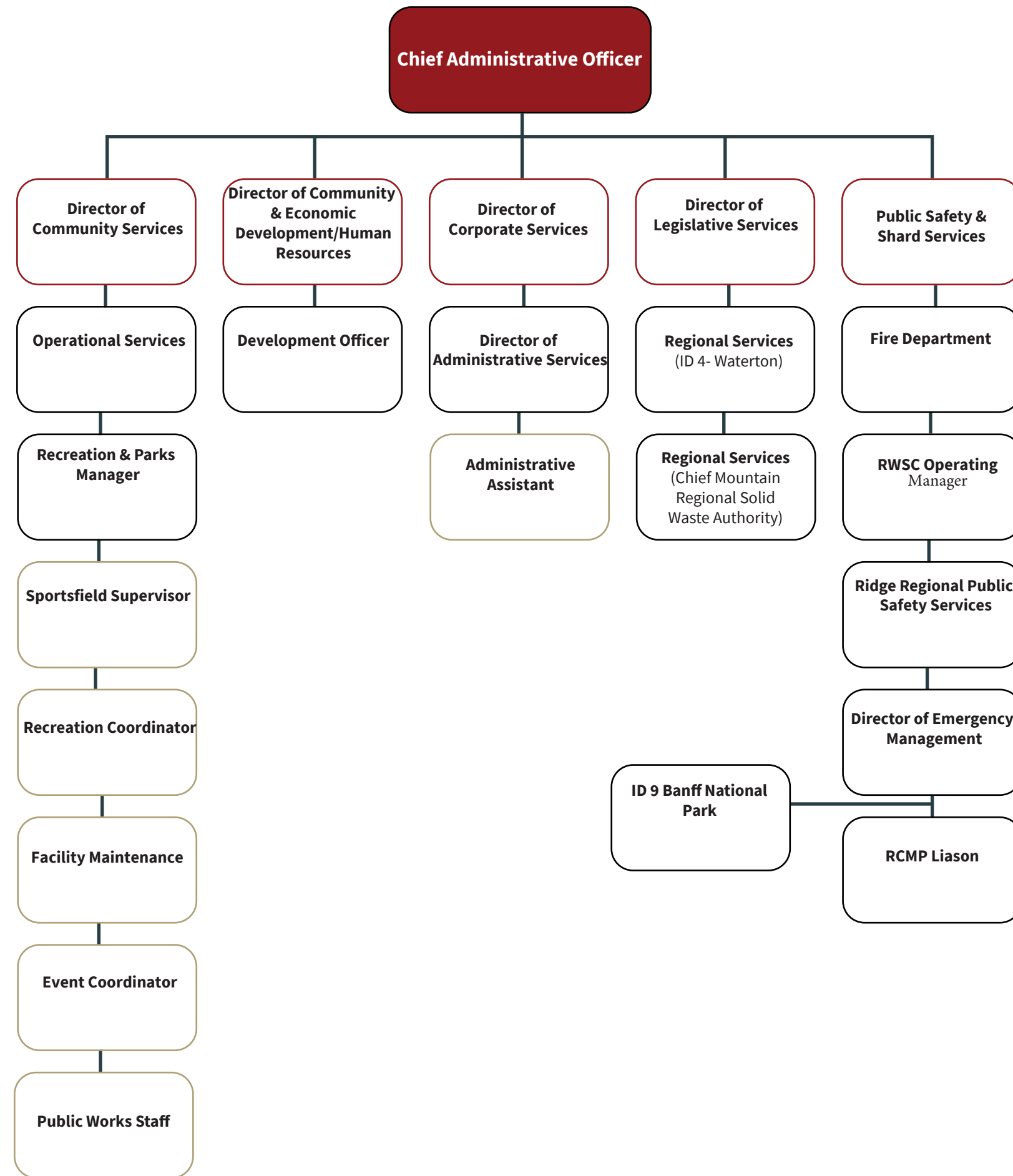
JOAN HARKER
Councillor



KEN HEGGIE
Councillor

“Individual commitment to a group effort--that is what makes a team work, a company work, a society work, a civilization work.”
-Vince Lombardi

COUNCIL





TOWN OF RAYMOND

A Small Look



Council members conduct Town business on over 40 committees and boards. Some of these groups are organized internally through a bylaw or Council approved terms of reference. Examples of internal committees include the Achievement, Beautification, Tourism and Economic Development, and the Bylaw and Policy Committees. Council members also represent Raymond on external committees and boards. These groups often deliver professional services, such as development and planning, solid waste removal, library, water treatment and economic development.

Visit the town's website under "Government" for more information on town committees, or other legislative related topics. You can also call the town office at 403-752-3322 to find out more information.



> **BUCKING HORSE ENTRY TO BUSINESS PARK**

> **ALL RESOURCES TO BUILD RAYMOND'S BUCKING HORSE WERE KINDLY DONATED BY DESERET RANCHES & THE BEAUTIFICATION COMMITTEE**

2019 Population
4,241

PROGRAMMING REGISTRANTS

2,524



All recreation programs, including: swimming, races, triathlons, soccer, tennis, skating, flag football, and summer games

NEW REBRAND AND LOGO FOR TOWN AND WEBSITE

UPDATED SITE RESOURCES, MAPS AND TOOLS FOR NEW AND EVERYDAY USERS



> **COMPLETION OF UPGRADES AND IMPROVEMENTS ON THE GOLF COURSE**

> **REBRAND AND LAUNCH OF HELL'S CREEK. FORMERLY THE RAYMOND MUNICIPAL GOLF COURSE.**

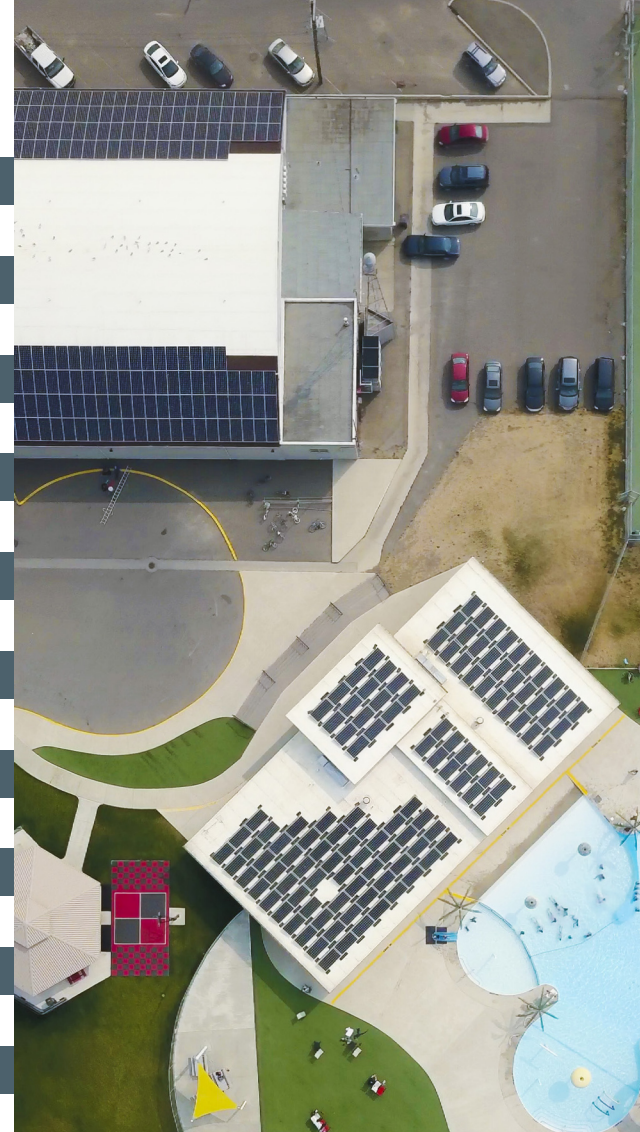


CAPITAL PROJECTS

PROJECT	FUND	2019
New Town Offices-Landscaping & Signage	Operations	\$40,000
RCMP Roof Replacement	MSI CAP	\$45,000
Sewage Lagoon Lift Station Study	Utility Reserves	\$15,000
Road Closure Purchase	MSI CAP	\$40,000
Ridgeview Lodge Infrastructure Project	MSI CAP	\$142,807
Phase 1 VSP Capital Debt Payment	MSI CAP	\$193,737
Beach Volleyball Complex	DONATIONS	\$15,500
Downtown Enhancements	MSI CAP	\$60,000
Sidewalk Accessibility Enhancement	GTF	\$35,000
South Drainage Phase 3 Completion	GTF	\$33,737
Total Capital Expense		\$620,781

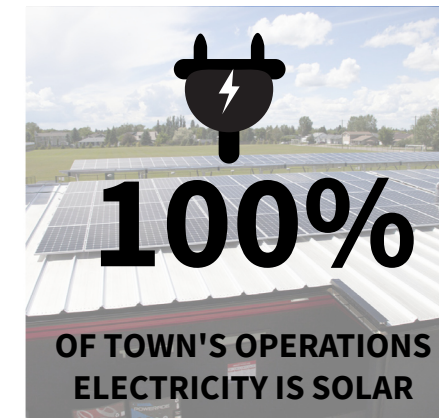
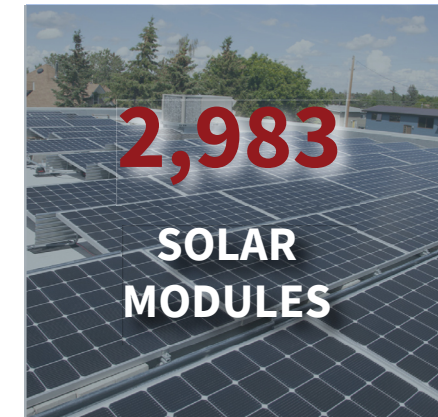
PROJECT	Fund	2020
PROJECT 200N Trail Expansion (Cobblestone to 400E) Phase 2 Pavement	MSI	\$100,000
Cobblestone & Pebble Creek Access Corridor Landscaping	MSI	\$42,000
PROJECT Fairgrounds 2.0 Land Purchase	MSI	\$100,000
Beach Volleyball Complex	Donations	\$40,000
Cemetery Plaza	MSI	\$70,000
Seniors Centre & RCMP Rehabilitation	OPERATIONS	
Aquatic Centre & Arena Energy Retrofit	MSI	\$42,000
Operational Services		
PROJECT NorthWest Infrastructure - Phases 2-6 Water/Sewer	GTF	\$56,250
Annual Sidewalk Replacement	GTF	\$73,000
Annual Curb & Pavement Rehabilitation	MSI	\$60,000
PROJECT 300S (50E & 100E) Phase 1 Utilities & Basing		\$55,000
PROJECT 400N (200E & 250E) Phase 1 Base & Pavement	GTF	\$107,000
PROJECT Hwy 845 (Hwy 52 to Railway Ave) Curb & Gutter	MSP	
Stonegate Drainage - Cobblestone Lane & West Common Area (Southwest)	GTF	\$50,000
Cooper's Drop Raw Water Main Replacement Phase 1	GTF	\$129,000
Cooper's Drop Raw Water Main Replacement Phase 2	OPERATIONS	
RV Dump Redevelopment Project	GTF	\$65,000
Solar Pedestrian Street Lights - Elementary Proposal	OPERATIONS	
Water Meter Bulk Purchase	MSI	\$42,000
Economic & Community Development Services		
Wayfinding, Parklets & Digital Displays	Cashflow	\$30,000
Drive-In Equipment	Cashflow	\$40,000
Sugar City Development Corporation		
Sugar City Development Corporation Capital Development Project	MSP	
Equipment		
OP's Garbage Truck (MSI-12215), Sanding Unit (2021),	RESERVES	\$306,500
Rec Ventrax Mower & Attachments (20-21) UTV's (21-23) Golf Carts (21-23)	MSI	\$67,500
Facility Safety - Backup Generator & Some Defibrulators	OPERATIONS	

MSI CAP = Municipal Sustainability Initiative Capital Funding
GTF = Gas Tax Fund MSP = Municipal Stimulus Program



MUNICIPAL SUSTAINABILITY PROJECT

For years, the Town of Raymond Council and leaders have been looking for ways to make Raymond stand out as an innovative community. Being part of the Alberta Municipal Solar Program is just one of the ways that made sense not only from a fiscal standpoint but an environmental one.



**REAL SAVINGS.
REAL CHANGE.**



EXAMPLES OF THE FUTURE

With the help of the Municipal Climate Change Action Centre, Raymond has completed two phases of a town wide solar project.

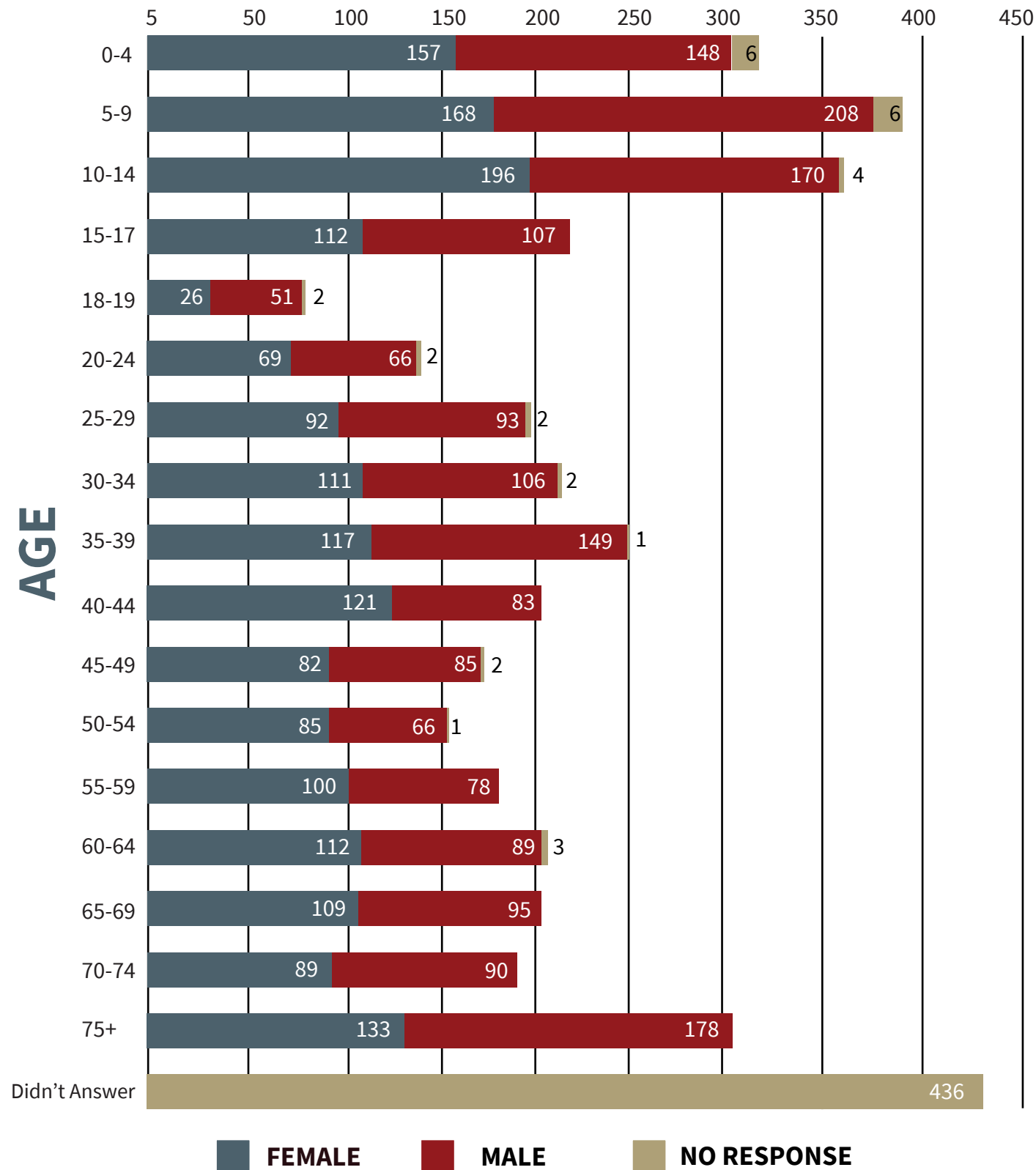
Using precious solar resources highly abundant in our area, Raymond has successfully become electrically net zero in town operations, thanks to solar modules all over the town.

Gaining national attention as an example of small town innovation, the main lesson is on the importance of alternate energy and how it can benefit the people of Raymond & the world.

AGE, GENDER & COMMUNITY

Gender by Age

NUMBER OF RESIDENTS



Town Council and committee members gather survey results at one of the questionnaire locations



With 380 resident responses, the information collected allows Town Council to make more informed decisions on future projects and budgets for the town

Raymond residents had the opportunity to provide feedback on important municipal issues, including fiscal policy, capital funding and taxes. Surveys were available on-line, through mail-out questionnaires and in-person at locations around Raymond.

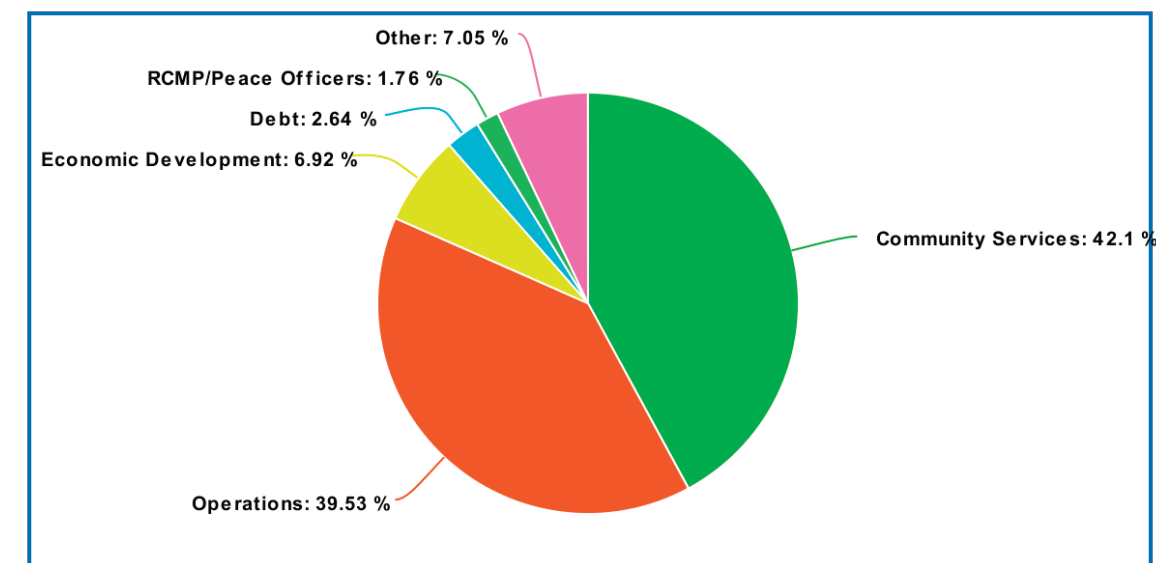
Who: Members of administration, community engagement committee and council participated in the collection of data.

Where: Collection took place at the pool, golf course and Merc, with mail outs and on-line surveys as well.

When: August 2019

QUESTION 1 RESULTS

Capital Funding Priorities



Community Services Operations Economic Development Debt
RCMP/Peace Officers Other

For more question results please visit raymond.ca

Town of Raymond Strategic Plan

Vision Statement

A family-focused community with diverse year-round activities for all ages and all families.

Mission Statement

To create a community that feels like home and is intentionally designed for families in a modern world.

Values/Principals

Dignity & Mutual Respect, Integrity, Proactive, Accountability, Collaboration

Who are We?

Raymond is more than a town. We are a community in every sense of the word and in every aspect of life. We strive each day to invest in what families look for in a quality community. We live and breathe the commitment to bring great schools, family doctors, recreation and positive suburban living to Raymond.

We also know that our work is never done. Raymond must be prepared for the future and the changes that brings to us while holding on to what makes us great. Families are always looking for new services and new ways to connect in such an isolated fast moving world. Which is why we are always looking for innovative ways to grow and build every service and social centre. This is why every family that lives or visits will know that Raymond is a place for families.

Infrastructure Focused

- SugarCity Municipal Development
- Relocate Transfer Station
- Improved Raw Water Access
- Mainstreet-Covered, stage, pedestrian
- North West Infrastructure Improvement
- Corner Lake Enhancement
- Enhance and Expand Greenspace
- Skate Park

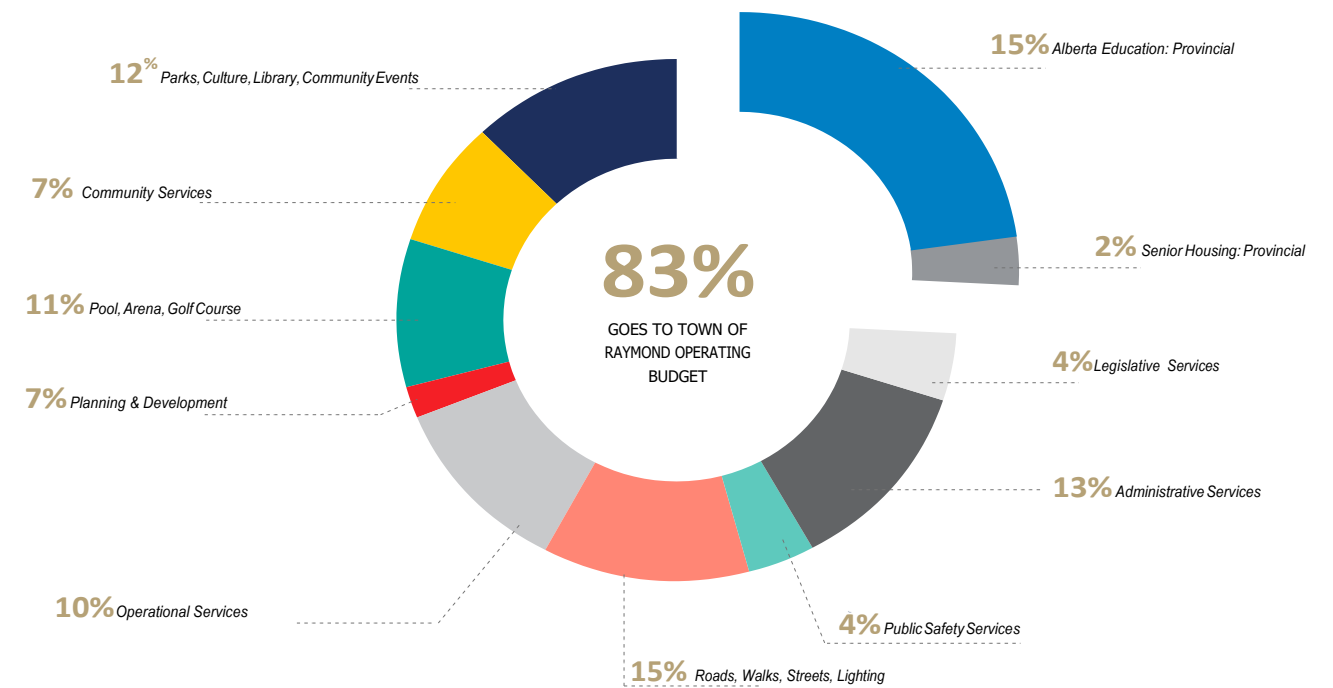
Growth/Customer Focused

- New Businesses on Mainstreet
- New Housing Developments
- Food Trucks and Restaurants
- Local Pro-Business/Customer Focus
- Seniors Housing Options
- Expand Rental Property Options
- Specialize Sports Training Camps
- Expanded Campground
- Brownfield Site Reclamation

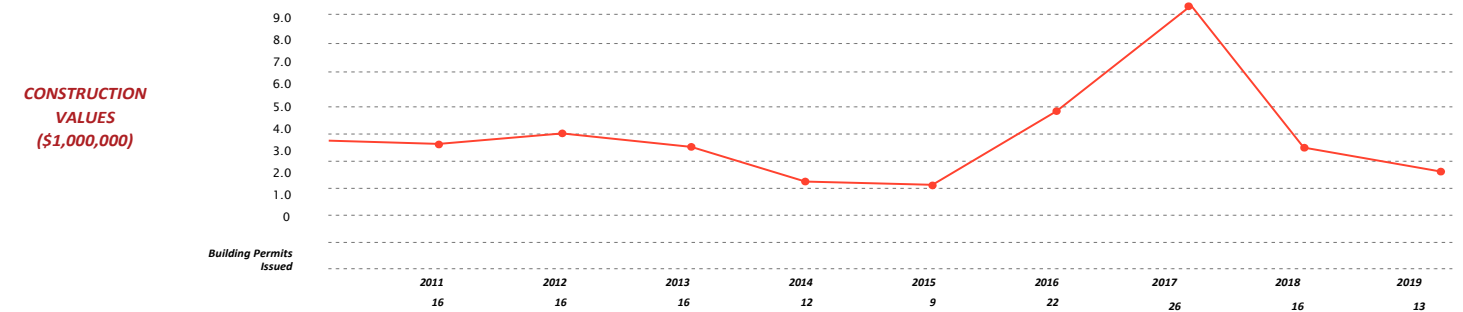
Quality of Life Focused

- New Social Activities: Downtown, movies, firepits, etc.
- Seniors Transportation
- Activities Connecting Gens
- Monetize/Grow Theatre
- Beautify-Bylaws, CIB
- Dog Park

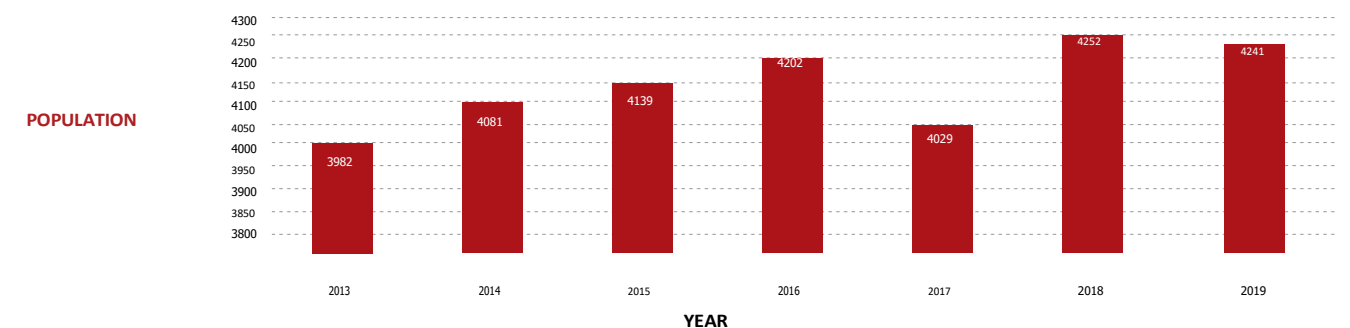
WHERE DOES MY TAX DOLLAR GO?



BUILDING PERMITS



POPULATION TREND 2013 - 2019



R



TOWN
OF
RAYMOND
ANNUAL REPORT
2019

TOWN OF RAYMOND

Financial Statements

December 31, 2019

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MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The consolidated financial statements are the responsibility of the management of the Town of Raymond (the Town).

These consolidated financial statements have been prepared from information provided by management. These statements include certain amounts based on management's estimates and judgments. Management has determined such amounts based on a reasonable basis in order to ensure that the financial statements are presented fairly in all material respects.

The Town maintains systems of internal accounting and administrative controls that are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and that the Town's assets are properly accounted for and adequately safeguarded.

The elected Council of the Town is responsible for ensuring that management fulfills its responsibility for financial reporting and is ultimately responsible for reviewing and approving the financial statements. Council meets periodically with management and the external auditors to review significant accounting, reporting and internal control matters. Following its review of the financial statements and discussions with the auditors, the Council approves the financial statements. The Council approves the appointment of the external auditors and reviews the monthly financial reports.

The consolidated financial statements have been audited by Shawn Cook Professional Corporation, Chartered Professional Accountants, the external auditor, in accordance with Canadian generally accepted auditing standards on behalf of the Council, residents and ratepayers of the Town. Shawn Cook Professional Corporation has full and free access to the Council.

Mr. Kurtis Pratt, CAO

Raymond, Alberta



INDEPENDENT AUDITOR'S REPORT

To the Members of Town of Raymond

Opinion

We have audited the financial statements of the Town of Raymond (the Town), which comprise the consolidated statement of financial position as at December 31, 2019, and the consolidated statements of operations, changes in net financial assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Town as at December 31, 2019, and the results of its operations, change in its net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

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

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

(continues)

Independent Auditor's Report to the Members of Town of Raymond *(continued)*

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

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

Lethbridge, Alberta
September 10, 2020

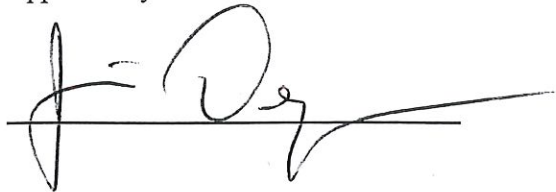
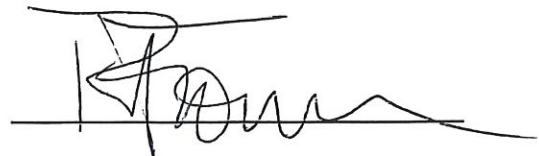
Shawn Cook
Professional Corporation

Chartered Professional Accountants

TOWN OF RAYMOND
Consolidated Statement of Financial Position
As at December 31, 2019

	2019 \$	2018 \$
FINANCIAL ASSETS		
Cash (Note 2)	347,795	2,099
Receivables		
Taxes and grants in place of taxes receivables (Note 3)	420,912	432,909
Trade and other receivables (Note 4)	1,682,165	1,740,133
Land for resale inventory	<u>109,226</u>	<u>109,226</u>
	<u>2,560,098</u>	<u>2,284,367</u>
LIABILITIES		
Temporary bank indebtedness (Note 2)	-	3,853,775
Accounts payable and accrued liabilities	1,033,104	1,063,129
Deferred revenue (Note 5)	-	37,987
Long-term debt (Note 6)	<u>10,040,810</u>	<u>4,353,456</u>
	<u>11,073,914</u>	<u>9,308,347</u>
NET FINANCIAL ASSETS (DEBT)	<u>(8,513,816)</u>	<u>(7,023,980)</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 2)	33,135,721	32,264,259
Inventory for consumption	28,380	44,092
Prepaid expenses and deposits	<u>-</u>	<u>1,674</u>
	<u>33,164,101</u>	<u>32,310,025</u>
ACCUMULATED SURPLUS (Schedule 1 and Note 9)	<u>24,650,285</u>	<u>25,286,045</u>
CONTINGENCIES (Note 13)		

Approved by the Council:

TOWN OF RAYMOND
Consolidated Statement of Operations
For the Year Ended December 31, 2019

	Budget (Unaudited) \$	2019 \$	2018 \$
REVENUE			
User fees and sales of goods	3,883,811	3,734,576	2,973,829
Net municipal property taxes (Schedule 3)	2,695,593	2,804,438	2,608,659
Government transfers (Schedule 4)	557,953	566,697	624,226
Raymond Strategic Initiatives Team revenues	235,544	236,112	269,527
Penalties and costs of taxes	78,000	93,712	69,765
Franchise and concession contracts	275,000	288,602	274,089
Investment income	3,600	11,693	5,175
Gain on disposal of tangible capital assets	-	-	29,550
	<u>7,729,501</u>	<u>7,735,830</u>	<u>6,854,820</u>
EXPENSES			
Water, wastewater and waste management	1,568,601	1,595,583	1,757,669
Parks and recreation	2,109,568	2,587,949	2,479,376
Roads, streets, walks, lighting	964,530	1,501,238	1,194,395
Administration	868,930	922,747	735,889
Raymond Strategic Initiatives Team	195,175	148,845	168,750
Police, fire, ambulance and bylaw enforcement	745,368	691,606	646,037
Legislative	200,000	213,311	203,856
Land use planning, zoning and development	64,000	52,445	165,645
Other	401,300	492,388	559,368
Amortization	1,009,064	1,464,313	1,345,758
	<u>7,931,361</u>	<u>9,670,425</u>	<u>9,256,743</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES BEFORE OTHER	(201,860)	(1,934,595)	(2,401,923)
OTHER			
Government transfers for capital (Schedule 4)	<u>709,904</u>	<u>1,298,835</u>	<u>1,525,963</u>
EXCESS OF (DEFICIENCY) REVENUE OVER EXPENSES	<u>508,044</u>	<u>(635,760)</u>	<u>(875,960)</u>
ACCUMULATED SURPLUS, BEGINNING OF YEAR	25,286,045	25,286,045	26,162,005
ACCUMULATED SURPLUS, END OF YEAR	<u>25,794,089</u>	<u>24,650,285</u>	<u>25,286,045</u>

TOWN OF RAYMOND

Consolidated Statement of Change in Net Financial Assets (Debt)

For the Year Ended December 31, 2019

	Budget (Unaudited) \$	2019 \$	2018 \$
EXCESS OF REVENUE OVER EXPENSES	<u>508,044</u>	<u>(635,760)</u>	<u>(875,960)</u>
Acquisition of tangible capital assets	(536,812)	(2,335,774)	(3,720,790)
Proceeds on disposal of tangible capital assets	-	-	89,772
Amortization of tangible capital assets	1,009,064	1,464,313	1,345,758
(Gain) on disposal of tangible capital assets	<u>-</u>	<u>-</u>	<u>(29,550)</u>
	<u>472,252</u>	<u>(871,461)</u>	<u>(2,314,810)</u>
Use (acquisition) of prepaid assets	-	1,674	-
(Acquisition) use of supplies inventory	<u>-</u>	<u>15,711</u>	<u>9,536</u>
	<u>-</u>	<u>17,385</u>	<u>9,536</u>
(INCREASE) DECREASE IN NET DEBT	980,296	(1,489,836)	(3,181,234)
NET FINANCIAL DEBT, BEGINNING OF YEAR	<u>(7,023,980)</u>	<u>(7,023,980)</u>	<u>(3,842,746)</u>
NET FINANCIAL DEBT, END OF YEAR	<u><u>(6,043,684)</u></u>	<u><u>(8,513,816)</u></u>	<u><u>(7,023,980)</u></u>

TOWN OF RAYMOND
Consolidated Statement of Cash Flows
For the Year Ended December 31, 2019

	2019	2018
	\$	\$
NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES:		
OPERATING		
Excess (deficiency) of revenue over expenses	(635,760)	(875,960)
Non-cash items included in excess of revenue over expenses		
Amortization of tangible capital assets	1,464,313	1,345,758
(Gain) loss on disposal of tangible capital assets	-	(29,550)
Non-cash charges to operations (net changes)		
Decrease (increase) in taxes and grants in lieu receivable	11,997	(63,227)
Decrease (increase) in trade and other receivables	57,968	1,264,943
(Increase) decrease in land held for resale	-	47,920
(Increase) decrease in inventory for consumption	15,712	9,536
Increase (decrease) in accounts payable and accrued liabilities	(30,026)	326,317
(Decrease) increase in deferred revenue	(37,987)	(801,868)
Decrease (increase) in prepaid expenses and deposits	1,674	-
	<u>847,891</u>	<u>1,223,869</u>
CAPITAL		
Acquisition of tangible capital assets	(2,335,774)	(3,720,790)
Proceeds on disposal of tangible capital assets	-	89,772
	<u>(2,335,774)</u>	<u>(3,631,018)</u>
FINANCING		
(Repayment) advancement of temporary bank indebtedness	(3,853,775)	2,086,888
Long-term debt issued	6,153,244	724,615
Long-term debt repaid	(465,890)	(402,330)
	<u>1,833,579</u>	<u>2,409,173</u>
CHANGE IN CASH DURING THE YEAR	345,696	2,024
CASH, BEGINNING OF YEAR	<u>2,099</u>	<u>75</u>
CASH, END OF YEAR (Note 2)	<u><u>347,795</u></u>	<u><u>2,099</u></u>

TOWN OF RAYMOND

**Schedule of Changes in Accumulated Surplus
For the Year Ended December 31, 2019**

SCHEDULE 1

	Unrestricted Surplus \$	Restricted Surplus \$	Equity in Tangible Capital Assets \$	2019 \$	2018 \$
BALANCE, BEGINNING OF THE YEAR	<u>(3,076,556)</u>	<u>451,798</u>	<u>27,910,803</u>	<u>25,286,045</u>	<u>26,162,005</u>
Excess (deficiency) of revenue over expenses	(635,760)	-	-	(635,760)	(875,960)
Current year funds used for tangible capital assets	(2,335,774)	-	2,335,774	-	-
Annual amortization expense	1,464,313	-	(1,464,313)	-	-
New long-term debt issued	6,153,244	-	(6,153,244)	-	-
Long-term debt repaid	<u>(465,890)</u>	<u>-</u>	<u>465,890</u>	<u>-</u>	<u>-</u>
Change in accumulated surplus	<u>4,180,133</u>	<u>-</u>	<u>(4,815,893)</u>	<u>(635,760)</u>	<u>(875,960)</u>
BALANCE, END OF YEAR	<u><u>1,103,577</u></u>	<u><u>451,798</u></u>	<u><u>23,094,910</u></u>	<u><u>24,650,285</u></u>	<u><u>25,286,045</u></u>

TOWN OF RAYMOND
Schedule of Tangible Capital Assets
For the Year Ended December 31, 2019

SCHEDULE 2

	Land \$	Land Improvements \$	Buildings \$	Engineered Structures \$	Machinery & Equipment \$	Vehicles \$	2019 \$	2018 \$
COST:								
BALANCE, BEGINNING OF YEAR	1,202,414	4,095,543	12,798,634	24,753,589	6,049,192	1,076,702	49,976,074	46,447,390
Acquisition of tangible capital assets	40,000	112,357	70,977	580,775	1,531,665	-	2,335,774	2,441,613
Disposal of tangible capital assets	-	-	-	-	(12,840)	-	(12,840)	(192,106)
Assets under construction	-	-	-	-	-	-	-	1,279,177
BALANCE, END OF YEAR	<u>1,242,414</u>	<u>4,207,900</u>	<u>12,869,611</u>	<u>25,334,364</u>	<u>7,568,017</u>	<u>1,076,702</u>	<u>52,299,008</u>	<u>49,976,074</u>
ACCUMULATED AMORTIZATION:								
BALANCE, BEGINNING OF YEAR	-	685,255	4,827,090	9,499,453	2,149,934	550,083	17,711,815	16,497,941
Annual amortization	-	168,316	299,961	542,823	375,488	77,724	1,464,312	1,345,758
Accumulated amortization on disposals	-	-	-	-	(12,840)	-	(12,840)	(131,884)
BALANCE, END OF YEAR	<u>-</u>	<u>853,571</u>	<u>5,127,051</u>	<u>10,042,276</u>	<u>2,512,582</u>	<u>627,807</u>	<u>19,163,287</u>	<u>17,711,815</u>
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	<u>1,242,414</u>	<u>3,354,329</u>	<u>7,742,560</u>	<u>15,292,088</u>	<u>5,055,435</u>	<u>448,895</u>	<u>33,135,721</u>	<u>32,264,259</u>
2018 NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	<u>1,202,414</u>	<u>3,410,288</u>	<u>7,971,544</u>	<u>15,254,136</u>	<u>3,899,258</u>	<u>526,619</u>	<u>32,264,259</u>	

TOWN OF RAYMOND
Schedule of Property Taxes Levied
For the Year Ended December 31, 2019

SCHEDULE 3

	Budget (Unaudited) \$	2019 \$	2018 \$
TAXATION			
Real property taxes	3,604,826	3,696,852	3,484,504
Linear property taxes	<u>56,398</u>	<u>58,217</u>	<u>56,952</u>
	<u>3,661,224</u>	<u>3,755,069</u>	<u>3,541,456</u>
REQUISITIONS			
Alberta School Foundation Fund	828,665	813,305	795,855
Separate school	16,947	17,662	17,096
Designated industrial properties	292	292	119
Seniors foundation	<u>119,727</u>	<u>119,372</u>	<u>119,727</u>
	<u>965,631</u>	<u>950,631</u>	<u>932,797</u>
NET MUNICIPAL PROPERTY TAXES	<u><u>2,695,593</u></u>	<u><u>2,804,438</u></u>	<u><u>2,608,659</u></u>

TOWN OF RAYMOND
Schedule of Government Transfers
For the Year Ended December 31, 2019

SCHEDULE 4

	Budget (Unaudited) \$	2019 \$	2018 \$
TRANSFERS FOR OPERATING:			
Federal Government	14,500	5,000	-
Provincial Government	478,453	479,912	468,891
Other Local Governments	<u>65,000</u>	<u>81,785</u>	<u>155,335</u>
	<u>557,953</u>	<u>566,697</u>	<u>624,226</u>
TRANSFERS FOR CAPITAL:			
Federal Government	-	321,187	274,156
Provincial Government	709,904	927,648	1,251,807
Other Local Governments	<u>-</u>	<u>50,000</u>	<u>-</u>
	<u>709,904</u>	<u>1,298,835</u>	<u>1,525,963</u>
TOTAL GOVERNMENT TRANSFERS	<u>1,267,857</u>	<u>1,865,532</u>	<u>2,150,189</u>

TOWN OF RAYMOND**Schedule of Consolidated Expenditures by Object
For the Year Ended December 31, 2019****SCHEDULE 5**

	Budget (Unaudited) \$	2019 \$	2018 \$
EXPENDITURES			
Salaries, wages and benefits	3,769,837	4,465,551	3,982,642
Contracted and general services	1,960,601	1,892,369	2,060,445
Materials, goods, and utilities	1,026,323	1,360,305	1,481,160
Interest on long-term debt	229,331	333,549	241,386
Transfers to local boards and agencies	134,000	145,997	136,975
Bank charges and short-term interest	7,750	8,341	8,377
Amortization	<u>1,009,064</u>	<u>1,464,313</u>	<u>1,345,758</u>
TOTAL EXPENDITURES	<u><u>8,136,906</u></u>	<u><u>9,670,425</u></u>	<u><u>9,256,743</u></u>

TOWN OF RAYMOND
Schedule of Segmented Disclosure
For the Year Ended December 31, 2019

SCHEDULE 6

	General Government \$	Protective Services \$	Transportation Services \$	Planning & Development \$	Recreation & Culture \$	Environmental Services \$	Total \$
REVENUE							
Net municipal taxes	2,804,438	-	-	-	-	-	2,804,438
Government transfers	472,188	14,807	606,596	-	309,328	462,613	1,865,532
User fees and sales of goods	110,915	518,440	2,377	118,983	890,703	2,093,158	3,734,576
Investment income	11,693	-	-	-	-	-	11,693
Raymond Strategic Initiatives Team	236,112	-	-	-	-	-	236,112
Other revenue	382,314	-	-	-	-	-	382,314
	<u>4,017,660</u>	<u>533,247</u>	<u>608,973</u>	<u>118,983</u>	<u>1,200,031</u>	<u>2,555,771</u>	<u>9,034,665</u>
EXPENSES							
Salaries, wages and benefits	956,395	366,000	847,287	274,372	1,464,399	557,098	4,465,551
Contracted and general services	244,266	212,101	180,709	103,698	279,009	872,586	1,892,369
Materials, goods, and utilities	75,656	104,647	467,433	118,913	427,756	165,900	1,360,305
Transfers to local boards and agencies	-	-	-	15,491	130,506	-	145,997
Long-term debt interest	5,342	8,857	5,809	-	313,541	-	333,549
Bank charges, short-term interest and other	3,243	-	-	-	5,098	-	8,341
	<u>1,284,902</u>	<u>691,605</u>	<u>1,501,238</u>	<u>512,474</u>	<u>2,620,309</u>	<u>1,595,584</u>	<u>8,206,112</u>
NET REVENUE BEFORE AMORTIZATION	2,732,758	(158,358)	(892,265)	(393,491)	(1,420,278)	960,187	828,553
Amortization	56,924	103,364	491,383	240	533,098	279,304	1,464,313
NET REVENUE	<u>2,675,834</u>	<u>(261,722)</u>	<u>(1,383,648)</u>	<u>(393,731)</u>	<u>(1,953,376)</u>	<u>680,883</u>	<u>(635,760)</u>

TOWN OF RAYMOND
Notes to Financial Statements
For the Year Ended December 31, 2019

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 Chartered Professional Accountants of Canada. 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, 2019

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, 2019

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 Investments

	2019	2018
	\$	\$
Cash	347,795	2,099
Temporary bank indebtedness	-	(3,853,775)
	<u>347,795</u>	<u>(3,851,676)</u>

The Town has two demand lines of credit with ATB Financial with an authorized limit of \$2,985,000 for one and \$2,000,000 for the other. Both of these revolving loans bear interest at prime less 0.25% which at December 31, 2019 was 3.95%. Security pledged consists of an assignment of property taxes. There is nil balance on the lines of credit at year end.

Included in cash and temporary investments is a restricted amount of nil (2018 - \$37,987) received from various grant programs which are held exclusively for approved projects (Note 5).

3. Taxes and Grants in Place of Taxes Receivables

	2019	2018
	\$	\$
Current taxes and grants in place of taxes	277,907	298,298
Arrears taxes	143,005	134,611
	<u>420,912</u>	<u>432,909</u>

4. Trade and Other Receivables

	2019	2018
	\$	\$
Trade	998,913	942,464
Grants	558,111	462,166
GST	125,141	335,503
	<u>1,682,165</u>	<u>1,740,133</u>

TOWN OF RAYMOND
Notes to Financial Statements
For the Year Ended December 31, 2019

5. Deferred Revenue

	2019 \$	2018 \$
Federal Gas Tax Fund	-	37,987
	<u>-</u>	<u>37,987</u>

Municipal Sustainability Initiative

Funding in the amount of \$711,279 was received in the current year from the Municipal Sustainability Initiative. Of the \$711,279 received, \$310,688 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 2019. The eligible capital projects not completed in the year give rise to deferred revenue, of which for the current year is nil (2018 - nil). The remaining \$400,591 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 2019.

6. Long-term Debt

	2019 \$	2018 \$
Self-supported debentures	1,156,476	1,165,113
Bank loans	7,182,242	2,529,121
Enmax Solar Panel Loans	<u>1,702,092</u>	<u>659,222</u>
	<u>10,040,810</u>	<u>4,353,456</u>

The current portion of long-term amounts to \$863,619 (2018 - \$491,203).

Principle and interest repayments are as follows:

	Principal \$	Interest \$	Total \$
2020	863,619	346,702	1,210,321
2021	612,891	323,134	936,025
2022	635,155	300,870	936,025
2023	649,300	277,828	927,128
2024	654,995	254,536	909,531
Thereafter	<u>6,624,850</u>	<u>1,506,045</u>	<u>8,130,895</u>
	<u>10,040,810</u>	<u>3,009,115</u>	<u>13,049,925</u>

TOWN OF RAYMOND

Notes to Financial Statements

For the Year Ended December 31, 2019

6. Long-term Debt (Continued)

Debenture debt is repayable to the Alberta Capital Finance Authority and bears interest at a rate of 4.676%, before provincial subsidy and matures in 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 monthly at payments of \$8,900, \$3,600, \$23,600 and \$178,005 half year payments. Loans bears interest at prime less 0.25% which at December 31, 2019 was 3.95%. These loans mature in 2021, 2022, 2027, and 2040.

The loans from Enmax for the purchase of solar panels mature in 2033 with annual payments of \$57,615 (including GST) at 3.00% interest per annum.

Interest on long-term debt amounted to \$333,549 (2018 - \$241,386).

7. 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:

	2019 \$	2018 \$
Total debt limit	11,603,745	10,282,230
Total debt	<u>10,040,810</u>	<u>8,207,231</u>
Total unused debt limit	<u>1,562,935</u>	<u>2,074,999</u>
Service on debt limit	1,933,958	1,713,705
Service on debt	<u>1,210,321</u>	<u>556,477</u>
Amount of unused service on debt	<u>723,637</u>	<u>1,157,228</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.

8. Equity in Tangible Capital Assets

	2019 \$	2018 \$
Tangible capital assets (Schedule 2)	52,299,008	49,976,074
Accumulated amortization (Schedule 2)	(19,163,287)	(17,711,815)
Long-term debt (Note 6)	<u>(10,040,810)</u>	<u>(4,353,456)</u>
	<u>23,094,911</u>	<u>27,910,803</u>

TOWN OF RAYMOND
Notes to Financial Statements
For the Year Ended December 31, 2019

9. Accumulated Surplus

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

	2019 \$	2018 \$
Unrestricted surplus	1,103,576	(3,076,556)
Restricted surplus:		
Capital reserves		
Fire equipment	104,810	104,810
Operating equipment	50,000	50,000
Fallen Heroes	2,024	2,024
Cemetery	42,271	42,271
Development	252,693	252,693
Equity in tangible capital assets	<u>23,094,911</u>	<u>27,910,803</u>
	<u>24,650,285</u>	<u>25,286,045</u>

10. 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).

TOWN OF RAYMOND
Notes to Financial Statements
For the Year Ended December 31, 2019

11. 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)	2019 Total	2018 Total
	\$	\$	\$	\$
Mayor - Jim Depew	25,413	-	25,413	22,308
Councilor - Bryce Coppieters	16,690	-	16,690	17,770
- Stewart Foss	20,470	-	20,470	6,803
- Ron Fromm	18,580	-	18,580	21,415
- Joan Harker	25,870	-	25,870	27,355
- Ken Heggie	15,610	-	15,610	14,800
- Ralph Price	24,790	-	24,790	26,950
- Greg Robinson	-	-	-	14,044
Designated officer- CAO Barton	67,899	2,476	70,375	198,988
Designated officer- CAO Pratt	145,906	30,427	176,333	39,228
Designated officer- assessor (1)	44,345	-	44,345	40,529

- (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, 2019

12. 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 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 to the LAPP of 9.39% (2018 - 10.39%) of pensionable earnings up to the year's maximum pensionable earnings under the Canadian Pension Plan and 13.84% (2018 - 14.84%) on pensionable earnings above this amount.

Total current service contributions by the town to the LAPP in 2019 were \$276,334 (2018 - \$268,954). Total current service contributions by the employees of the town to the LAPP in 2019 were \$250,492 (2018 - \$245,878).

At December 31, 2019, the LAPP disclosed an actuarial surplus of \$7.91 billion.

13. 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.

The town had a legal matter lodged against them in 2018. The matter has not been resolved. The town is exposed to loss in excess of the amount accrued.

14. 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.

15. Subsequent Events

Since December 31, 2019 the outbreak of the novel strain of coronavirus, specifically identified as "COVID-19", has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self imposed quarantine periods and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. Government and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and conditions of the organization.

TOWN OF RAYMOND
Notes to Financial Statements
For the Year Ended December 31, 2019

16. Comparative Figures

Some of the comparative figures have been reclassified to conform to the current year's presentation. These changes do not affect prior year's earnings.

17. Approval of Financial Statements

Council and Management have approved these financial statements.