



Financial Statements of

TOWN OF BLACK DIAMOND

Year ended December 31, 2014



MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The accompanying financial statements of the Town of Black Diamond (the "Town") are the responsibility of management and have been approved by the Town's Council. The financial statements have been prepared in conformity with Canadian public sector accounting standards established by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants, using management's best estimates and judgments, where appropriate. In the opinion of management, these financial statements reflect fairly the financial position, the results of its operations, changes in net financial assets, and cash flows of the Town within reasonable limits of materiality.

A system of internal accounting and administrative controls is maintained by management to provide reasonable assurance that assets are safeguarded against loss from unauthorized use or disposition and that the financial records are properly maintained to provide accurate and reliable financial statements.

Council is responsible for ensuring that management fulfils its responsibilities for financial reporting and internal controls. Council carries out this responsibility through regular meetings with management throughout the year to review significant accounting and auditing matters.

These financial statements have been audited, in accordance with Canadian generally accepted auditing standards, by KPMG LLP ("KPMG"), who were appointed by Council. KPMG have full and unrestricted access to management and Council to discuss their audit and related findings. The Independent Auditors' Report outlining the scope of their examination and their opinion on the financial statements is presented on the following page.

_____, Chief Administrative Officer
Joanne Irwin

April 29, 2015



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INDEPENDENT AUDITORS' REPORT

To the Members of Council of the Town of Black Diamond

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

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the 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 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 financial statements present fairly, in all material respects, the financial position of the Town of Black Diamond as at December 31, 2014, and its results of operations, its changes in net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

KPMG LLP

Chartered Accountants

Calgary, Canada
April 29, 2015

TOWN OF BLACK DIAMOND

Statement of Financial Position

December 31, 2014, with comparative figures for 2013

	2014	2013
Financial Assets		
Cash	\$ 11,035,493	\$ 5,737,025
Temporary investments (note 3)	6,065,252	5,987,284
Receivables:		
Taxes and grants in lieu of taxes (note 4)	200,999	215,178
Trade and other receivables	794,868	1,680,673
	\$ 18,096,612	\$ 13,620,160
Liabilities		
Accounts payable and accrued liabilities	\$ 501,349	\$ 1,416,150
Employee benefit obligations (note 5)	88,231	100,465
Deposit liabilities	805,267	749,771
Deferred revenue (note 6)	9,352	3,231
Deferred grants (note 7)	8,269,737	3,517,858
Long-term debt (note 8)	1,052,777	1,187,764
	10,726,713	6,975,239
Net financial assets	7,369,899	6,644,921
Non-financial assets:		
Tangible capital assets (note 10 and Schedule 2)	31,008,413	24,543,582
Inventory for consumption	67,709	71,704
Prepaid expenses	112,455	76,389
	31,188,577	24,691,675
Accumulated surplus (note 12 and Schedule 1)	\$ 38,558,476	\$ 31,336,596

See accompanying notes to financial statements.

TOWN OF BLACK DIAMOND

Statement of Operations

Year December 31, 2014, with comparative figures for 2013

	Budget (note 15)	2014	2013
Revenue:			
Net municipal taxes (Schedule 3)	\$ 2,795,553	\$ 2,795,553	\$ 2,554,077
Sales and user charges:			
Water and wastewater	1,076,232	1,024,696	1,076,215
Rentals	223,167	222,110	228,238
Waste management	170,545	188,394	185,183
Licenses, permits and fines	146,421	145,345	125,915
Other	45,650	94,028	68,583
Government transfers for operating (Schedule 4)	6,841,587	803,156	1,557,633
Franchise fees	160,905	175,796	147,360
Return on investments	202,922	204,694	147,965
Offsite levies and assessments	-	128,515	42,495
Penalties and costs on taxes	62,199	62,199	61,172
Other	47,442	322,176	1,685,497
	11,772,623	6,166,662	7,880,333
Expenses (Schedule 5):			
Legislative	163,827	153,767	124,837
Administration	716,235	642,328	665,547
Fire, ambulance and policing	500,232	524,961	486,459
Disaster and emergency services	6,399,289	836,261	1,442,159
Road, street, walks and lighting	907,423	965,146	879,196
Water and wastewater	1,319,909	1,226,526	2,229,404
Waste management	150,545	167,178	174,653
Planning and development	482,101	390,344	348,863
Recreation and parks	1,026,247	1,029,664	848,144
Other	249,309	248,566	261,622
	11,915,117	6,184,741	7,460,884
Excess (deficiency) of revenue over expenses before other items	(142,494)	(18,079)	419,449
Other items:			
Government transfers for capital (Schedule 4)	10,296,128	7,239,959	6,352,171
Excess of revenue over expenses	10,153,634	7,221,880	6,771,620
Accumulated surplus, beginning of year	31,336,596	31,336,596	24,564,976
Accumulated surplus, end of year	\$ 41,490,230	\$ 38,558,476	\$ 31,336,596

See accompanying notes to financial statements.

TOWN OF BLACK DIAMOND

Statement of Changes in Net Financial Assets

Year December 31, 2014, with comparative figures for 2013

	Budget (note 15)	2014	2013
Excess of revenue over expenses	\$ 10,153,634	\$ 7,221,880	\$ 6,771,620
Acquisition of tangible capital assets	(10,991,497)	(7,263,116)	(6,477,694)
Amortization of tangible capital assets	-	798,285	663,069
Loss on disposal of tangible capital assets	-	-	855,558
	(837,863)	757,049	1,812,553
Usage (purchase) of inventory for consumption	(18,000)	3,995	2,229
Acquisition of prepaid expenses	-	(36,066)	(14,072)
	(18,000)	(32,071)	(11,843)
Increase (decrease) in net financial assets	(855,863)	724,978	1,800,710
Net financial assets, beginning of year	6,644,921	6,644,921	4,844,211
Net financial assets, end of year	\$ 5,789,058	\$ 7,369,899	\$ 6,644,921

See accompanying notes to financial statements.

TOWN OF BLACK DIAMOND

Statement of Cash Flows

Year December 31, 2014, with comparative figures for 2013

	2014	2013
Cash provided by (used in):		
Operations:		
Excess of revenue over expenses	\$ 7,221,880	\$ 6,771,620
Non-cash items:		
Amortization of tangible capital assets	798,285	663,069
Loss on disposal of tangible capital assets	-	855,558
Changes in non-cash working capital balances:		
Temporary investments	(77,968)	(3,524,931)
Taxes and grants in lieu receivable	14,179	(34,399)
Trade and other receivables	885,805	(1,327,083)
Inventory for consumption	3,995	2,229
Prepaid expenses	(36,066)	(14,072)
Accounts payable and accrued liabilities	(914,801)	987,720
Employee benefit obligation	(12,234)	(22,536)
Deposit liabilities	55,496	(169,664)
Deferred grants	4,751,879	365,679
Deferred revenue	6,121	(4,699)
	12,696,571	4,548,491
Financing:		
Net long-term debt repaid	(134,987)	(137,636)
	(134,987)	(137,636)
Capital:		
Acquisition of tangible capital assets	(7,263,116)	(6,477,694)
	(7,263,116)	(6,477,694)
Increase (decrease) in cash	5,298,468	(2,066,839)
Cash, beginning of year	5,737,025	7,803,864
Cash, end of year	\$11,035,493	\$ 5,737,025

See accompanying notes to financial statements.

TOWN OF BLACK DIAMOND

Notes to Financial Statements

Year ended December 31, 2014, with comparative figures for 2013

1. Significant accounting policies:

The financial statements of Town of Black Diamond (the "Town") are the representations of management prepared in accordance with Canadian public sector accounting standards established by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. Significant accounting policies adopted by the Town are as follows:

(a) Reporting entity:

The financial statements reflect the assets liabilities, revenues and expenses, changes in net financial assets and cash flows of the reporting entity. This entity is comprised of all of the organizations that are owned or controlled by the municipality and are, therefore, accountable to the Council for the administration of their financial affairs and resources.

Inter-departmental and inter-organizational transactions and balances have been eliminated.

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

(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 public sector accounting standards 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 expenses 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.

TOWN OF BLACK DIAMOND

Notes to Financial Statements, page 2

Year ended December 31, 2014, with comparative figures for 2013

1. Significant accounting policies (continued):

(d) 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 made.

(e) Investments:

Investments are recorded at amortized cost. When there has been a loss in value that is other than a temporary decline, the respective investment is written down to recognize the loss. Interest is accrued on the book value of the investments at a rate equivalent to the effective yield of each investment.

(f) Non-financial assets:

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

	Years
Land improvements	10-50
Buildings	40
Engineered structures:	
Water system	50
Wastewater system	50
Other engineered structures	50
Machinery and equipment	10-45
Vehicles	7-25

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

TOWN OF BLACK DIAMOND

Notes to Financial Statements, page 3

Year ended December 31, 2014, with comparative figures for 2013

1. Significant accounting policies (continued):

(f) Non-financial assets (continued):

(ii) Contributions of tangible capital assets:

Tangible capital assets received as contributions are recorded at fair value at the date of receipt and also are recorded as revenue.

(iii) 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.

(iv) Inventory for consumption:

Inventories held for consumption are valued at the lower of cost or net realizable value with cost determined by the average cost method.

2. Recent accounting pronouncements:

The Public Sector Accounting Board recently announced the following accounting pronouncements:

(a) Liability for contaminated sites:

This accounting pronouncement establishes standards on how to account for and report a liability associated with the remediation of contaminated sites. It is effective for fiscal years beginning on or after April 1, 2014, with early adoption encouraged.

(b) Financial instruments:

This accounting pronouncement establishes standards on how to account for and report all types of financial instruments including derivatives. Financial instruments include primary instruments and derivative instruments. It is effective for fiscal years beginning on or after April 1, 2015 for governments and for fiscal years beginning on or after April 1, 2012 for government organizations, with early adoption encouraged.

(c) Foreign currency translation:

This accounting pronouncement establishes standards on how to account for and report transactions that are denominated in a foreign currency in government financial statements. It is effective for fiscal years beginning on or after April 1, 2015 for governments and for fiscal years beginning on or after April 1, 2012 for government organizations, with early adoption encouraged.

Management is assessing the impact of the adoption of these standards on the Town's future financial statements, which is not anticipated to be significant.

TOWN OF BLACK DIAMOND

Notes to Financial Statements, page 4

Year ended December 31, 2014, with comparative figures for 2013

3. Temporary investments:

Temporary investments consist of Guaranteed Investment Certificates.

Interest earned on temporary investments varies from 1.48% to 1.75% (2013 - 1.35% to 1.94%) per annum and maturities are all within 12 months. Interest paid on cash on deposit is bank prime less 2% (2013 – bank prime less 2%).

The fair market value of temporary investments as at December 31, 2014 is \$6,065,252 (2013 - \$5,987,284) which includes accrued interest.

4. Taxes and grants in lieu of taxes receivable:

	2014	2013
Current	\$ 134,713	\$ 157,952
Arrears	66,286	57,226
	<u>\$ 200,999</u>	<u>\$ 215,178</u>

5. Employee benefit obligations:

	2014	2013
Vacation	\$ 68,395	\$ 76,524
Overtime	19,836	23,941
	<u>\$ 88,231</u>	<u>\$ 100,465</u>

Vacation and overtime liability is comprised of vacation and overtime that employees are deferring to future years. Employees have earned these benefits, which have vested.

6. Deferred revenue:

Deferred revenue includes amounts received by the Town for services or items that pertain to the following financial year.

	2014	2013
Prepaid items	\$ 8,512	\$ 1,916
Business licenses	300	530
Dog tags	540	785
	<u>\$ 9,352</u>	<u>\$ 3,231</u>

TOWN OF BLACK DIAMOND

Notes to Financial Statements, page 5

Year ended December 31, 2014, with comparative figures for 2013

7. Deferred grants:

These grants were received by the Town and will be recognized as revenue as the expenses for the designated projects are incurred:

	2013 balance	Grants received and interest	Government transfer revenue	2014 balance
<u>Capital grant</u>				
Municipal Sustainability Initiative	\$ 2,043,979	\$ 669,958	\$ (610,162)	\$ 2,103,775
Federal Gas Tax Fund	74,144	128,625	-	202,769
Alberta Municipal Infrastructure Program	94,611	-	(1,603)	93,008
Basic Municipal Transportation Grant	182,073	142,380	-	324,453
Disaster Recovery Program	901,541	1,745,000	(2,362,035)	284,506
Flood Recovery Erosion Control Program	-	9,313,700	(4,210,457)	5,103,243
Water Purchase Refund	-	109,053	-	109,053
Flood-Readiness Supply Program	-	230,931	(230,931)	-
<u>Operating grant</u>				
Southern Alberta Flood Response - Program	152,261	155,536	(307,797)	-
Regional Collaboration Program - Water-Governance	39,249	-	(39,249)	-
Regional Collaboration Program - Friendship Agreement Mediation	30,000	-	(5,685)	24,315
Innovation and Advanced Education - Program	-	50,000	(25,385)	24,615
Other Miscellaneous Grants	-	249,811	(249,811)	-
	<u>\$ 3,517,858</u>	<u>\$12,749,994</u>	<u>\$ (8,043,115)</u>	<u>\$ 8,269,737</u>

8. Long-term debt:

	2014	2013
Capital leases	\$ 12,235	\$ 23,502
Tax-supported debentures	398,138	447,632
Self-supported debentures	642,404	716,630
	<u>\$ 1,052,777</u>	<u>\$ 1,187,764</u>

Principal and interest repayments are due as follows:

	Principal	Interest	Total
2015	\$ 121,307	\$ 62,444	\$ 183,751
2016	104,680	55,380	160,060
2017	81,676	47,607	129,283
2018	86,278	43,005	129,283
2019	84,377	38,135	122,512
Thereafter	574,459	127,421	701,880
	<u>\$ 1,052,777</u>	<u>\$ 373,992</u>	<u>\$ 1,426,769</u>

TOWN OF BLACK DIAMOND

Notes to Financial Statements, page 6

Year ended December 31, 2014, with comparative figures for 2013

8. Long-term debt (continued):

Debenture debt is repayable to Alberta Municipal Financing Corporation and bears interest at rates ranging from 2.439% to 10.625% per annum, and mature in periods 2015 through 2027. The average annual interest rate is 5.445% for 2014 (5.445% for 2013). Debenture debt is issued on the credit and security of the Town of Black Diamond at large.

Capital leases are repayable in monthly instalments of \$1,062.13 including principal and interest. The leases will mature by September 2016.

9. 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 of Black Diamond be disclosed as follows:

	2014	2013
Total debt limit	\$ 9,249,993	\$11,820,127
Total debt	1,052,777	1,187,764
Total debt limit available	\$ 8,197,216	\$10,632,363
Service on debt limit	\$ 1,541,666	\$ 1,970,021
Service on debt	183,751	204,179
Service on debt limit available	\$ 1,357,915	\$ 1,765,842

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 which 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.

TOWN OF BLACK DIAMOND

Notes to Financial Statements, page 7

Year ended December 31, 2014, with comparative figures for 2013

10. Tangible capital assets:

	2014	2013
Net book value:		
Land	\$ 880,361	\$ 701,965
Land improvements	350,349	265,241
Building	4,407,086	3,944,200
Distribution systems:		
Water	7,654,115	7,715,972
Wastewater	2,308,512	2,359,640
Other engineered structures	12,185,124	6,625,510
Machinery and equipment	1,943,919	1,660,166
Vehicles	1,262,199	1,250,225
Vehicles under capital lease	16,748	20,663
	<u>\$ 31,008,413</u>	<u>\$ 24,543,582</u>

11. Equity in tangible capital assets:

	2014	2013
Tangible capital assets cost (Schedule 2)	\$ 35,051,071	\$ 27,787,955
Accumulated amortization (Schedule 2)	(4,042,658)	(3,244,373)
Long-term debt (note 8)	(1,052,777)	(1,187,764)
	<u>\$ 29,955,636</u>	<u>\$ 23,355,818</u>

12. Accumulated surplus:

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

	2014	2013
Unrestricted surplus	\$ 950,576	\$ 875,174
Restricted surplus:		
Operating reserves	1,843,812	1,397,267
Capital reserves	5,808,452	5,708,337
Equity in tangible capital assets (note 11)	29,955,636	23,355,818
	<u>\$ 38,558,476</u>	<u>\$ 31,336,596</u>

TOWN OF BLACK DIAMOND

Notes to Financial Statements, page 8

Year ended December 31, 2014, with comparative figures for 2013

13. Salary and benefits disclosure:

	2014		2013	
	Salary	Benefits and allowances	Total	Total
	(1)	(2)		
Mayor:				
Brown, S.	\$ 9,420	\$ 4,738	\$ 14,158	\$ 18,514
Councillors:				
Deacon, J.	9,283	4,870	14,153	13,114
Goodwin, R.	8,150	4,103	12,253	2,905
Hart, S.	-	-	-	8,364
Jackson, M.	10,517	6,071	16,588	17,944
Osberg, D.	-	-	-	7,748
Ross, M.	9,633	4,995	14,628	16,655
Stickel, J.	9,383	4,720	14,103	3,787
Thomson, J.	8,800	4,937	13,737	10,979
	65,186	34,434	99,620	100,039
Chief Administrative Officer	108,865	8,548	117,413	130,694
Designated Officer(s)	209,954	12,529	222,483	235,936
	318,819	21,077	339,896	366,630
	\$ 384,005	\$ 55,511	\$ 439,516	\$ 466,669

- (1) Salary includes regular base pay, overtime, lump sum payments, gross honoraria and any other direct cash remuneration.
- (2) Employee'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, accidental disability and dismemberment insurance, long and short term disability plans, and professional memberships.

14. Financial instruments:

The Town's financial instruments consist of cash, temporary investments, receivables, accounts payable and accrued liabilities, employee benefit obligations, deposit 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 receivable 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 fulfill their obligations. The large number and diversity of tax payers and customers minimizes the credit risk. Unless otherwise noted, the carrying value of the financial instruments approximates fair value.

TOWN OF BLACK DIAMOND

Notes to Financial Statements, page 9

Year ended December 31, 2014, with comparative figures for 2013

15. Budget information:

The budget information presented in these financial statements is based upon the 2014 operating and capital budgets approved by Council on June 4, 2014 and any subsequent budget adjustments.

16. Segmented disclosures:

The Schedule of Segmented Disclosure (Schedule 6) has been prepared in accordance with Public Sector Accounting Standard 2700, Segmented Disclosures. Segmented disclosures are intended to help users of the financial statements identify the resources allocated to support major government activities and allow the user to make more informed judgments regarding the government reporting entity. Segmented information has been identified based upon functional activities provided by the Town. For each reported segment, revenue and expenses represent amounts directly attributable to the functional activity and amounts allocated on a reasonable basis. The functional areas that have been separately disclosed in the segmented information, along with services they provide, are as follows:

(a) General Government

General Government includes net municipal taxes, sales and user charges, licence penalties and cost on taxes, franchise and consession contracts, investment income, and government grants.

(b) Protective and Emergency Services

Protective and emergency services includes dispatch, police, fire, emergency management, building inspection and, animal control.

(c) Transportation Services

Transportation services includes common services, roads, storm sewers and drainage.

(d) Environmental Services

Environmental services includes water, sanitary sewage, and garbage removal.

(e) Planning and Development

Planning and development includes planning and development, sustainability, economic development, and tourism.

(f) Recreation

Recreation includes parks and recreation.

(g) Other

Other includes cemetery, family and community support services, and library.

TOWN OF BLACK DIAMOND

Notes to Financial Statements, page 10

Year ended December 31, 2014, with comparative figures for 2013

17. Contingency disclosure:

In the ordinary course of business, various claims and actions are brought against the Town. At the time of the financial statement preparation, there has been no resolution or indication that the settlement of these actions will result in any material liabilities.

18. Approval of financial statements:

Council and Management have approved these financial statements as of April 29, 2015.

TOWN OF BLACK DIAMOND

Schedule of Changes in Accumulated Surplus

Schedule 1

For the year ended December 31, 2014, with comparative figures in 2013

	Unrestricted Surplus	Restricted Surplus	Equity in Tangible Capital Assets	2014	2013
Balance, beginning of year	\$ 875,174	\$ 7,105,604	\$ 23,355,818	\$ 31,336,596	\$ 24,564,976
Excess of revenue over expenses	7,221,880	—	—	7,221,880	6,771,620
Funds designated for future use	(546,660)	546,660	—	—	—
Funds used to purchase tangible capital assets	(7,263,116)	—	7,263,116	—	—
Amortization expense	798,285	—	(798,285)	—	—
Long-term debt repaid	(134,987)	—	134,987	—	—
Accumulated surplus, end of year	\$ 950,576	\$ 7,652,264	\$ 29,955,636	\$ 38,558,476	\$ 31,336,596

TOWN OF BLACK DIAMOND

Schedule of Capital Assets

Schedule 2

For the year ended December 31, 2014, with comparative figures for 2013

		Land	Land	Buildings	Engineered	Vehicles	Machinery and Equipment	2014	2013
		Land	Improvements		Structures				
Cost:									
Balance, beginning of year	\$	701,965	\$ 298,568	\$ 4,591,693	\$ 18,059,797	\$ 1,736,020	\$ 2,399,912	\$ 27,787,955	\$ 22,255,289
Acquisitions		178,396	95,830	581,555	5,840,154	125,800	441,381	7,263,116	6,477,944
Disposals		—	—	—	—	—	—	—	(945,278)
		880,361	394,398	5,173,248	23,899,951	1,861,820	2,841,293	35,051,071	27,787,955
Accumulated amortization:									
Balance, beginning of year		—	33,327	647,493	1,358,675	465,132	739,746	3,244,373	2,670,774
Annual amortization		—	10,722	118,669	393,525	117,741	157,628	798,285	663,068
Accumulated amortization on disposals		—	—	—	—	—	—	—	(89,469)
		—	44,049	766,162	1,752,200	582,873	897,374	4,042,658	3,244,373
Net book value	\$	880,361	\$ 350,349	\$ 4,407,086	\$ 22,147,751	\$ 1,278,947	\$ 1,943,919	\$ 31,008,413	\$ 24,543,582

TOWN OF BLACK DIAMOND

Schedule of Taxes Levied

Schedule 3

For the year ended December 31, 2014, with comparative figures for 2013

	2014	2013
Taxation:		
Real property taxes	\$ 3,577,874	\$ 3,396,672
Business taxes	704	723
Linear property taxes	34,843	34,075
Government grants in lieu of property taxes	43,016	41,783
	<u>3,656,437</u>	<u>3,473,253</u>
Requisitions:		
Alberta School Foundation Fund	782,068	836,863
Separate School Division	33,535	37,196
Foothills Seniors Foundation	45,281	45,117
	<u>860,884</u>	<u>919,176</u>
Net municipal taxes	<u>\$ 2,795,553</u>	<u>\$ 2,554,077</u>

TOWN OF BLACK DIAMOND

Schedule of Government Transfers

Schedule 4

For the year ended December 31, 2014, with comparative figures for 2013

	2014	2013
Operating:		
Provincial transfers:		
Shared cost agreements:		
Administration	\$ 4,661	\$ 82,193
Emergency Services	383,229	769,915
Water and wastewater	39,249	420,860
Family and Community Support	47,772	48,682
Tourism	88,774	7,722
Recreation	—	27,269
	563,685	1,356,641
Federal transfers:		
Shared cost agreements:		
Tourism	4,000	4,000
	4,000	4,000
Local transfers:		
Shared cost agreements and grants:		
Administration	2,343	329
Emergency Services	68,380	51,714
Water and wastewater	6,941	—
Recreation	124,207	110,449
Other	33,600	34,500
	235,471	196,992
	803,156	1,557,633
Capital:		
Provincial transfers:		
Administration	—	3,562
Emergency Services	6,025,909	—
Roads	299,834	1,102,526
Water and wastewater	510,154	5,246,083
Waste management	79,494	—
Tourism	178,396	—
Recreation	146,172	—
	7,239,959	6,352,171
	\$ 8,043,115	\$ 7,909,804

TOWN OF BLACK DIAMOND

Schedule of Expenses by Object

Schedule 5

For the year ended December 31, 2014, with comparative figures for 2013

	Budget (note 15)	2014	2013
Expenses:			
Salaries, wages and benefits	\$ 2,050,445	\$ 1,820,061	\$ 1,903,433
Contracted and general services	5,390,138	2,059,975	2,575,766
Materials, goods, supplies and utilities	3,820,518	821,505	782,979
Amortization of tangible capital assets	—	798,285	663,069
Transfer to Local Boards and Agencies	516,263	534,817	545,603
Transfer to Individuals and Organizations	39,541	40,614	45,569
Interest and bank charges	70,112	69,699	75,856
Miscellaneous	27,600	39,785	11,592
Loss on disposal of tangible capital assets	—	—	855,560
Bad debt allowances	500	—	1,457
	\$11,915,117	\$ 6,184,741	\$ 7,460,884

TOWN OF BLACK DIAMOND

Schedule of Segmented Disclosure

Schedule 6

For the year ended December 31, 2014, with comparative figures for 2013

	General Government	Protective and Emergency Services	Transportation Services	Environmental Services	Planning and Development	Recreation	Other	2014 Total	2013 Total
Revenue:									
Net municipal taxes	\$ 2,795,553	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 2,795,553	\$ 2,554,077
Sales and user charges	5,187	35,285	2,327	1,213,090	44,130	223,527	5,682	1,529,228	1,558,219
Licence, permits and fines	16,118	115,559	—	7,368	6,300	—	—	145,345	125,915
Penalties and costs on taxes	62,199	—	—	—	—	—	—	62,199	61,172
Franchise and concession contracts	60,906	—	—	—	—	114,890	—	175,796	147,360
Return of investments	163,980	35,800	4,844	—	—	70	—	204,694	147,965
Governmental Grants	7,003	6,477,520	299,834	635,837	271,169	270,380	81,372	8,043,115	7,909,804
Offsite levies and assessments	—	6,666	24,316	94,867	2,666	—	—	128,515	42,495
Other revenues	6,742	3,687	3	38,342	26,234	240,668	6,500	322,176	1,685,497
	3,117,688	6,674,517	331,324	1,989,504	350,499	849,535	93,554	13,406,621	14,232,504
Expenses:									
Salaries, wages and benefits	497,238	240,791	244,756	240,115	163,880	396,039	37,242	1,820,061	1,903,433
Contract and general services	193,936	623,300	264,275	421,934	167,322	365,144	24,064	2,059,975	2,575,766
Materials, goods, supplies, and utilities	51,184	329,477	199,699	65,409	41,599	132,300	1,837	821,505	782,979
Transfers to local boards, agencies, Individuals and organizations	—	23,406	—	363,345	3,622	—	185,058	575,431	591,172
Interest and bank charges	1,583	224	16,776	49,637	—	1,479	—	69,699	75,856
Other expenses	10,345	12,500	—	—	11,036	5,884	20	39,785	868,609
	754,286	1,229,698	725,506	1,140,440	387,459	900,846	248,221	5,386,456	6,797,815
Excess (deficiency) of revenue over expenses									
before amortization	2,363,402	5,444,819	(394,182)	849,064	(36,960)	(51,311)	(154,667)	8,020,165	7,434,689
Amortization of tangible capital assets	41,809	131,524	239,640	253,264	2,885	128,818	345	798,285	663,069
Excess (deficiency) of revenue over expenses	\$ 2,321,593	\$ 5,313,295	\$ (633,822)	\$ 595,800	\$ (39,845)	\$ (180,129)	\$ (155,012)	\$ 7,221,880	\$ 6,771,620