

Financial Statements of

TOWN OF HAY RIVER

December 31, 2013

Accepted by Council,
August 11, 2014
by motion #14-267

Approved on Behalf of the Council:





Mayor

Senior Administrative Officer

TOWN OF HAY RIVER

Financial Statements

Year Ended December 31, 2013

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MANAGEMENT RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Town Council, which is responsible for, among other things, the financial statements of the Town of Hay River, delegates to Administration the responsibility of the financial statements. The Town Council appoints independent auditors to examine and report directly to them on the financial statements. The financial statements were prepared by Administration. Accounting principles have been followed as recommended by the Department of Municipal and Community Affairs, based upon the requirements of the Cities, Towns and Villages Act of the Northwest Territories, and the Public Sector Accounting Board recommendations of the Canadian Institute of Chartered Accountants.

Administration maintains a system of internal controls to ensure that transactions are accurately recorded on a timely basis, are properly approved and result in reliable financial statements. There are limits inherent in all systems based on the recognition that the cost of such systems should not exceed the benefits to be derived. Administration believes its system provides the appropriate balance in this respect.

The Town Council carries out its responsibility for review of the financial statements primarily through the Administration. The Administration reports regularly to Council on financial matters, including the results of the audit examination and any other matters necessary for its consideration in approving the financial statement issuance.

The financial statements have been reported on by Ashton Chartered Accountants. The auditors' report outlines the scope of their audit and their opinion on the presentation of the information included in the financial statements.

Senior Administrative Officer
Town of Hay River

Hay River, NT
August 11, 2014

AUDITORS' REPORT

To the Mayor and Council

We have audited the consolidated financial statements of the Town of Hay River, which comprise the consolidated statement of financial position as at December 31, 2013, and the consolidated statement of operations and surplus, changes in net financial assets (debt), changes in accumulated surplus and cash flows for the year then ended, and 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 generally accepted accounting principles, 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.

Auditor's 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 required 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 the auditor's judgment, including the assessment of the risks of material misstatement in the financial statements, whether due to fraud or error. In making those risks assessments, the auditor considers 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.

Basis for Qualified Opinion

As explained in Note 12, the Town has recorded its land held for town use at the cost incurred to acquire it. This constitutes a departure from Canadian Public Sector Accounting Standards contributed assets are to be recorded at their fair market value at the date of contribution. The effects on the financial statements have not been determined as the fair market value of the land was not ascertained. As a result, we were unable to determine any adjustments that might have been found necessary in respect of the land inventory, government transfers or accumulated surplus.

Qualified Opinion

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the consolidated financial statements present fairly, in all material respects, the financial position of the Town of Hay River as at December 31, 2013, and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.



ASHTON
Chartered Accountants
Business Advisors

Hay River, NT
August 11, 2014

TOWN OF HAY RIVER

Consolidated Statement of Financial Position

Statement I

December 31, 2013

	2013	2012
Financial Assets		
Cash & cash equivalents, Note 2	\$ 14,656,975	\$ 15,443,511
Receivables		
Municipal taxes receivable, Note 3	306,680	277,526
Accounts receivable, Note 4	1,159,035	493,392
Land inventory for resale	506,021	356,866
Total Financial Assets	16,628,711	16,571,295
Liabilities		
Accounts payable and accrued liabilities, Note 6	2,796,302	1,020,997
School taxes payable, Note 7	982,294	496,366
Deferred contributions, Note 8	5,749,259	9,217,650
Deposits held	207,099	155,784
Landfill closure liability, Note 9	1,185,127	1,172,597
Long-term debt, Note 10	3,077,047	3,198,399
Total Liabilities	13,997,128	15,261,793
Net Financial Assets (Debt)	\$ 2,631,583	\$ 1,309,502
Contingent Liabilities, Note 16		
Non-Financial Assets		
Prepaid expenditure	\$ 49,883	\$ 56,132
Inventory held for use	113,102	114,719
Tangible capital assets, Note 12		
General fund	32,037,583	29,610,486
Utility fund	16,831,981	15,705,667
Total Non-Financial Assets	\$ 49,032,549	\$ 45,487,004
Accumulated Surplus, Note 13	\$ 51,664,132	\$ 46,796,506

TOWN OF HAY RIVER

Statement II

Consolidated Statement of Operations and Surplus

For the year ended December 31, 2013

	Schedule	Budget (unaudited)	2013	2012
Revenue				
Property taxes	4	\$ 4,813,769	\$ 4,821,571	\$ 4,801,704
Sales of services	4	638,205	700,832	497,859
Other revenue from own sources	4	535,126	544,506	514,129
Government transfers for operating	5	2,067,475	2,124,058	2,010,600
Government transfers for water and sewer	2	330,267	341,034	330,003
Water and sewer revenues	2	1,823,129	1,939,593	2,026,846
Land sales, lease and development	3	300,123	338,755	313,955
Total Revenue		10,508,094	10,810,349	10,495,096
Expenses				
General government	6	1,831,865	1,640,664	1,574,740
Protective services	7	1,018,100	781,042	761,946
Transportation and public works	8	2,115,193	2,311,871	2,501,236
Environmental and public health services	9	525,650	575,932	437,888
Planning and development	10	403,050	355,597	194,668
Recreational and cultural	11	2,979,045	2,947,330	2,865,689
Fiscal and valuation	12	496,000	483,671	583,608
Water and sewer expenses	2	2,973,193	2,553,232	2,773,942
Land development	3	81,778	84,880	90,935
Total Expenditures		12,423,874	11,734,219	11,784,652
Annual surplus (deficit), before the undernoted		(1,915,780)	(923,870)	(1,289,556)
Other revenue (expenditure)				
Net government transfers for capital	5	4,714,622	5,866,884	3,344,280
Provision for landfill closure		-	-	(675,574)
Gain (loss) on disposal of capital assets		-	(75,388)	8,653
		4,714,622	5,791,496	2,677,359
Annual Surplus (Deficit)		\$ 2,798,842	\$ 4,867,626	\$ 1,387,803
Accumulated surplus, beginning of year		46,796,506	46,796,506	45,408,703
Accumulated surplus, end of year		\$ 49,595,348	\$ 51,664,132	\$ 46,796,506

TOWN OF HAY RIVER

Consolidated Statement of Changes in Net Financial Assets (Debt)

Statement III

For the year ended December 31, 2013

	Budget (unaudited)	2013	2012
Annual Surplus (Deficit)	\$ 2,798,842	\$ 4,867,626	\$ 1,387,803
Amortization expense	2,049,500	2,017,010	1,997,113
Acquisition of tangible capital assets	(4,714,622)	(5,920,560)	(3,461,088)
Projects transferred from work in progress	-	274,751	-
(Gain) loss on disposal of capital assets	-	75,388	(8,653)
Proceeds on disposal of tangible capital assets	-	-	12,000
Change in prepaid expenses	-	6,249	(3,745)
Change in inventory held for use	-	1,617	(4,057)
Increase (decrease) in net financial assets	133,720	1,322,081	(80,627)
Net financial assets (debt), beginning of year	1,309,502	1,309,502	1,390,129
Net financial assets (debt), end of year	\$ 1,443,222	\$ 2,631,583	\$ 1,309,502

TOWN OF HAY RIVER

Consolidated Statement of Cash Flows

Statement IV

For the year ended December 31, 2013

	2013	2012
Operating Activities		
Annual Surplus (Deficit)	\$ 4,867,626	\$ 1,387,803
Non-cash charges to operations:		
Amortization expense	2,017,010	1,997,113
(Gain) loss on disposal of capital assets	75,388	(8,654)
Projects transferred from work in progress	274,751	-
Change in landfill closure estimate	-	675,574
Provision for landfill closure	12,530	-
	7,247,305	4,051,836
Change in non-cash working capital balances:		
Municipal taxes receivable	(29,154)	(5,224)
Accounts receivable	(665,643)	27,999
Land inventory for resale	(149,155)	299,352
Accounts payable and accrued liabilities	1,775,305	(100,177)
School taxes payable	485,928	(107,038)
Deferred contributions	(3,468,391)	(947,955)
Deposits held	51,315	17,278
Prepaid expenditure	6,249	(3,744)
Inventory held for use	1,617	(4,057)
	5,255,376	3,228,270
Net change in cash from operations	5,255,376	3,228,270
Financing Activities		
Principal repayment of long-term debt	(121,352)	(115,524)
Proceeds of long-term debt	-	-
	(121,352)	(115,524)
Net change in cash from financing activities	(121,352)	(115,524)
Capital Activities		
Purchase of tangible capital assets	(5,920,560)	(3,461,087)
Proceeds on disposal of tangible capital assets	-	12,000
	(5,920,560)	(3,449,087)
Net change in cash from investing activities	(5,920,560)	(3,449,087)
Increase (decrease) in cash during the year	(786,536)	(336,341)
Bank accounts, opening	15,443,511	15,779,852
Bank accounts, closing	\$ 14,656,975	\$ 15,443,511

TOWN OF HAY RIVER

Notes to the Financial Statements

December 31, 2013

Note 1. Significant Accounting Policies

The financial statements of the Town of Hay River 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 Hay River are as follows:

Reporting Entity

The financial statements reflect the assets, liabilities, revenues and expenditures, changes in fund balance and change in financial position of the reporting entity.

The Town of Hay River receives significant funding from the Government of the Northwest Territories in the form of operating grants and capital grants. Administration is of the opinion that discontinuance of funding would significantly disrupt operations.

Fund Accounting

The accounts of the Town are maintained in accordance with fund accounting procedures. The various operations of the Town are segregated into the following funds:

- General Operating Fund
- Utility Operating Fund
- Land Development Fund

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

Government transfers are the transfer of monetary assets or tangible capital assets from a government for which the government making the transfer does not:

- receive any goods or services directly in return;
- expect to be repaid in future; or
- expect a direct financial return

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

TOWN OF HAY RIVER

Notes to the Financial Statements

December 31, 2013

Note 1. Significant Accounting Policies (continued)

Government Transfers (continued)

Capital transfers or transfers of tangible capital assets are initially recognized as deferred capital contributions and subsequently recognized as revenue when the related tangible capital assets are purchased, constructed or the eligible expense is incurred

Financial Instruments

Cash and receivables, and current liabilities are recorded at approximate fair market value due to their short term maturities.

Inventory for Resale

Land inventory is stated at the lower of cost or net realizable value where cost is determined on an average basis. Cost includes purchase price, survey costs and all development costs but excludes debenture interest. Related development costs incurred to provide infrastructure such as water and wastewater services, roads, sidewalks and street lighting are recorded as tangible capital assets under the respective function.

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.

TOWN OF HAY RIVER

Notes to the Financial Statements

December 31, 2013

Note 1. Significant Accounting Policies (continued)

Tangible Capital Assets

Tangible capital assets are recorded at the net book value (cost less accumulated amortization) on the statement of financial position. Cost includes all amounts directly attributable to acquisition, construction, development or betterment of the asset. The assets are amortized over their estimated useful lives at the following rates:

Asset	Method	Rate
Land held for town use	Not amortized	
Works of Art	Not amortized	
Buildings	Straight line	15-50 years
Linear Infrastructure	Straight line	10-75 years
Computer Equipment	Straight line	3 years
IT Infrastructure	Straight line	5 years
Furniture and Fixtures	Straight line	10 years
Operating Equipment	Straight line	10 years
Mobile Equipment	Declining Balance	24%

The full amount of the annual amortization is charged in the year of acquisition and none in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

Donated assets are capitalized and recorded at their estimated fair market value upon acquisition. Certain capital assets for which the historical cost information is not available have been recorded at current fair market value discounted by a relevant inflation factor.

Work-in-Progress

Work-in-progress represents expenditures incurred on projects not complete at the end of the year.

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.

Investment in Tangible Capital Assets

Investment in Tangible Capital Assets represents the Town's net investment in its total capital assets, after deducting the portion financed by third parties through debenture, long-term capital borrowings and other capital liabilities.

School Taxes

School taxes are collected by the Town on behalf of the Government of the Northwest Territories. These taxes are payable to the Government of the Northwest Territories upon collection from taxpayers.

TOWN OF HAY RIVER

Notes to the Financial Statements

December 31, 2013

Note 1. Significant Accounting Policies (continued)

Deferred Revenue

Deferred revenue consists mainly of government transfers for which the events giving rise to the transfer have not yet occurred. The deferred revenue will be recognized in the financial statement as revenue in the period in which the related expenses are incurred.

Liability for Landfill Closure and Post-Closure Costs

The Town is required to fund the closure of its landfill site and provide for post-closure care of the facility. Closure and post-closure activities include the final clay cover, landscaping, as well as surface and ground water monitoring, leachate control, and visual inspection. The liability is determined using the estimated total closure costs adjusted for the remaining capacity of the site and the estimated remaining landfill life.

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.

Segmented Information

The Town of Hay River segments its operations for financial reporting purposes based upon areas of managerial responsibility. This information is provided in schedule 6 through schedule 12.

TOWN OF HAY RIVER

Notes to the Financial Statements

December 31, 2013

Note 2. Cash

	2013	2012
<i>Unrestricted</i>		
Operating account	\$ 3,494,170	\$ (270,446)
<i>Internally restricted</i>		
General fund reserve account	2,405,274	1,591,989
Utility fund reserve account	2,980,792	2,254,726
<i>Externally restricted</i>		
Gas tax account	1,621,659	\$ 2,186,900
Build Canada Fund account	-	2,173,868
Community Public Infrastructure account	4,155,080	7,506,474
	\$ 14,656,975	\$ 15,443,511

Note 3. Municipal Taxes Receivable

	2013	2012
Current taxes and grant in lieu receivable	\$ 195,616	\$ 170,517
Arrears taxes	156,445	130,930
	352,061	301,447
Allowance for doubtful collection	(45,381)	(23,921)
	\$ 306,680	\$ 277,526

Note 4. Accounts Receivable

	2013	2012
General accounts receivable	\$ 273,592	\$ 136,769
Utility system receivable	139,428	196,437
Ambulance receivable	185,913	143,670
Lease fees receivable	19,298	28,597
Gas tax funding receivable	507,811	-
	1,126,042	505,473
Allowance for doubtful collection	(146,126)	(114,664)
	979,916	390,809
Goods and services tax refundable	179,119	102,583
	\$ 1,159,035	\$ 493,392

TOWN OF HAY RIVER

Notes to the Financial Statements

December 31, 2013

Note 5. Supplementary Information

Amounts owed to the Town which are considered doubtful of collection have been recorded as bad debts. The provision for (recovery of) bad debts is comprised of:

	2013		2012
General Operating Fund:			
Property taxes	\$ 16,460	\$	11,952
Other	2,724		15,183
	\$ 19,184	\$	27,135

Note 6. Accounts Payable and Accrued Liabilities

	2013		2012
Trade accounts payable	\$ 2,656,323	\$	880,409
Due to GNWT (payroll tax)	1,670		1,670
Accrued vacation pay and banked time	138,309		138,917
	\$ 2,796,302	\$	1,020,996

Note 7. School Tax Payable

	2013		2012
Balance consists of:			
2013 levy	\$ 547,282	\$	-
2012 levy	424,603		478,287
2011 and prior levy	10,409		18,079
	\$ 982,294	\$	496,366

School tax levies are recorded as payable in the year they are assessed and are to be remitted to the GNWT as they are collected.

TOWN OF HAY RIVER

Notes to the Financial Statements

December 31, 2013

Note 8. Deferred Contributions

	2013	2012
Gas Tax Funding, Schedule 17	\$ 1,554,508	\$ 2,043,517
Community Public Infrastructure Funding, Schedule 18	4,069,751	5,945,231
Community Capacity Building Funding, Schedule 19	-	-
Build Canada Funding, Schedule 20	-	1,103,902
Public Transit Funding, Schedule 21	125,000	125,000
	\$ 5,749,259	\$ 9,217,650

Note 9. Landfill Closure Liability

The Town is required to estimate future closure and post-closure costs for its landfill site. The estimated liability is based on the sum of discounted future cash flows for closure and post-closure activities for 25 years after closure using a discount rate of 5.25% and inflation of 2.06%.

The accrued liability portion is based on the capacity used at year end compared to the estimated total capacity. The remaining estimated life of the landfill is 9 years and of the total capacity approximately 8.7% remains.

	2013	2012
Estimated closure costs	518,030	518,030
Estimated post-closure costs	780,149	780,149
Estimated total liability	1,298,179	1,298,179
Estimated capacity used	91.3%	90.3%
Accrued liability	1,185,127	1,172,597

Note 10. Long-Term Debt

Description	Issue Date	Maturity Date	Rate %	Payment	Principal Balance 2013	Principal Balance 2012
Aquatic Facility - RBC	2/23/11	2/25/16	4.93	*\$ 23,021	3,077,047	3,198,399
					\$ 3,077,047	\$ 3,198,399

* Principal and interest included, payable monthly

TOWN OF HAY RIVER

Notes to the Financial Statements

December 31, 2013

Note 11. Long-Term Debt (continued)

Principal and interest payments due within the next five years:

	Principal	Interest	Total
2014	\$ 127,372	\$ 140,434	\$ 267,806
2015	133,423	134,383	267,806
2016	139,761	128,045	267,806
2017	146,400	121,406	267,806
2018	153,355	114,451	267,806
Subsequent	2,376,736	677,743	3,054,479
	\$ 3,077,047	\$ 1,316,462	\$ 4,393,509

Note 12. Tangible capital assets

	Cost	Accumulated Amortization	2013 Net Book Value	2012 Net Book Value
General Fund:				
Linear Structures	\$ 14,179,993	\$ 5,094,447	\$ 9,085,546	\$ 9,643,742
Buildings	20,088,660	7,118,562	12,970,098	13,446,465
Machinery and Equipment	6,313,684	5,176,090	1,137,594	1,099,169
Work in progress	6,565,652	-	6,565,652	3,029,996
Land held for town use	2,222,659	-	2,222,659	2,335,080
Art Work	56,034	-	56,034	56,034
	\$ 49,426,682	\$ 17,389,099	\$ 32,037,583	\$ 29,610,486
Utility Fund:				
Water and Sewer System	\$ 14,934,837	\$ 3,426,057	\$ 11,508,780	\$ 11,539,707
Buildings	5,897,610	2,038,802	3,858,808	3,979,321
Land	1,000	-	1,000	1,000
Vehicles	359,529	294,327	65,202	25,536
Heavy Equipment	33,741	31,636	2,105	2,632
Furniture & Equipment	1,558,642	1,526,808	31,834	35,581
Work in progress	1,364,252	-	1,364,252	121,890
	\$ 24,149,611	\$ 7,317,630	\$ 16,831,981	\$ 15,705,667
Total	\$ 73,576,293	\$ 24,706,729	\$ 48,869,564	\$ 45,316,153

Land held for town use has been recorded at the cost incurred to acquire the land. A significant portion of the balance is comprised of land transferred from other governments which was transferred at a nominal value. This constitutes a departure from Canadian Public Sector Accounting Standards as the cost of contributed assets are required to be recorded at their fair market value, or estimate thereof, at the date of contribution.

TOWN OF HAY RIVER

Notes to the Financial Statements

December 31, 2013

Note 13. Accumulated Surplus

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

	2013	2012
Accumulated Surplus per Statement of Financial Position	\$ 51,664,132	\$ 46,796,506
Invested in Tangible Capital Assets		
General Fund	28,960,536	26,412,087
Utility Fund	16,831,981	15,705,667
	45,792,517	42,117,754
Internally restricted reserves		
Reserve for Mobile Equipment Replacement	914,726	822,483
Reserve for Management Training	19,862	19,721
Reserve for Recreation Infrastructure	91,332	90,689
Reserve for Municipal Infrastructure	674,736	669,989
Reserve for Computer Systems	7,380	11,524
Reserve for Landfill	156,780	155,677
Reserve for Recreation Center Replacement	135,784	104,811
Reserve for Utility Infrastructure	2,630,171	2,590,605
	4,630,771	4,465,499
Unappropriated surplus (deficit)		
General fund	(663,079)	(2,887,433)
Utility fund	(1,957,422)	(506,784)
Land development fund	3,861,345	3,607,470
	1,240,844	213,253
	\$ 51,664,132	\$ 46,796,506

TOWN OF HAY RIVER

Notes to the Financial Statements

December 31, 2013

Note 14. Reserves and Deferred Contributions

The Financial Administration By-law requires that funds accumulated in reserves are deposited into the General reserve bank account. Interest earned on the account is credited to the appropriate reserve.

	Account Balance	Cash Balance	Receivable	Excess (Shortfall)
Reserves				
Mobile Equipment	\$ 914,726	\$		
Management Training	19,862			
Recreation Infrastructure	91,332			
Municipal Infrastructure	674,736			
Computer System	7,380			
Landfill	156,780			
Recreation Center Replacement	135,784			
	2,000,600	2,405,274	-	404,674
Utility Infrastructure	2,630,171	2,980,792	-	350,621
	\$ 4,630,771	\$ 5,386,066	\$ -	\$ 755,295
Deferred Contributions, Note 8				
Gas Tax Funding	1,554,508	1,621,659	507,811	574,962
Community Public Infrastructure	4,069,751	4,155,080	-	85,329
	5,624,259	5,776,739	507,811	660,291
	\$ 10,255,030	\$ 11,162,805	\$ 507,811	\$ 1,415,586

Note 15. Operating Leases and Rental Payments

The Town has entered into agreements extending beyond one year for the use of equipment and various service contracts which require periodic payments. The minimum payments under existing agreements over the next five years are as follows:

For the year ending December 31:

2014	\$ 325,888
2015	\$ 325,888
2016	\$ 185,850

TOWN OF HAY RIVER

Notes to the Financial Statements

December 31, 2013

Note 16. **Contingent liabilities**

The Town participates in the Northern Communities Insurance Program. Under this program 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 has a contingent liability with respect to its town hall. Subsequent to year end, the town hall closed due to air quality concerns. At the financial statement date, alternatives for remediation are being investigated; however, no liability has been recorded in the financial statements as the cost to put the building back into service is not determinable. Any costs associated with the remediation will be accounted for as expenses in the period in which they occur.

Note 17. **Pension Benefits**

Employees of the Town can participate in the Desjardins Financial Securities pension plan. This program is a defined contribution program providing pension plan benefits. Members, if they choose to be part of the pension plan, are required to make contributions ranging from 5% to 7.5% depending on the position held. The Town of Hay River is required to make matching contributions of this amount. Employees are permitted to make additional voluntary contributions up to the maximum combined amount of 18% of their salary. Total contributions by the Town to the program in 2013 were \$84,977 (2012 - \$89,045), which were expensed as incurred.

Note 18. **Financial instruments**

The Town's financial instruments consist of cash, accounts receivable accounts payable and accrued liabilities, and long-term debt. It is managements opinion that the town is not exposed to significant interest or currency risks arising from this 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 too fulfill 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.

Note 19. **Budget**

The budgeted figures are those approved by Council and are unaudited.

TOWN OF HAY RIVER

Notes to the Financial Statements

December 31, 2013

Note 20. Reclassification

Certain prior year's figures have been reclassified to agree with current year presentation.

Note 21. Reconciliation of operating results to budgeting system

The 2013 budget, prepared by the Town of Hay River, reflects all municipal activities including debt repayments and reserves for future use. The reconciliation below is provided to encompass these items and is provided for information purposes only.

	Budget (unaudited)	2013	2012
General fund:			
Excess of revenue over expenditures per financial statements	\$ 3,400,294	\$ 4,886,356	\$ 1,581,876
Other items affecting surplus			
Purchase of tangible capital assets	(2,380,000)	(4,352,307)	(3,370,397)
Amortization	1,494,800	1,575,071	1,561,544
Debenture (repayment)	(120,000)	(121,353)	(115,524)
Allocation to reserves	(503,339)	(113,555)	(426,435)
Transfer (to) utility fund	(1,891,600)	-	-
Results of operations	155	1,874,212	(768,936)

	Budget (unaudited)	2013	2012
Utility fund:			
Excess of revenue over expenditures per financial statements	\$ (819,797)	\$ (272,605)	\$ (417,093)
Other items affecting surplus			
Purchase of tangible capital assets	(1,100,000)	(1,568,253)	(90,690)
Amortization	539,000	441,939	435,568
Allocation to reserve for utility infrastructure	(506,287)	39,566	8,400
Allocation (to) from mobile equipment reserve	(7,402)	12,151	-
Transfer (to) from general fund	1,891,600	-	-
Results of operations	\$ (2,886)	\$ (1,347,202)	\$ (63,815)

TOWN OF HAY RIVER

General Fund
Schedule of Operations and Surplus

Schedule 1

For the year ended December 31, 2013

	Schedule	2013 Budget	2013 Actual	2012 Actual
Revenue				
Property taxes	4	\$ 4,813,769	\$ 4,821,571	\$ 4,801,704
Sales of services	4	638,205	700,832	497,859
Other revenue from own sources	4	535,126	544,506	514,129
Government transfers for operating	5	2,067,475	2,124,058	2,010,600
Total Revenue		8,054,575	8,190,967	7,824,292
Expenditure				
General government	6	1,831,865	1,640,664	1,574,740
Protective services	7	1,018,100	781,042	761,946
Transportation and public works	8	2,115,193	2,311,871	2,501,236
Environmental and public health services	9	525,650	575,932	437,888
Planning and development	10	403,050	355,597	194,668
Recreational and cultural	11	2,979,045	2,947,330	2,865,689
Fiscal and valuation	12	496,000	483,671	583,608
Total Expenditure		9,368,903	9,096,107	8,919,775
Excess revenues over expenses before the undernoted		(1,314,328)	(905,140)	(1,095,483)
Other revenue (expenditure)				
Government transfers for capital	5	4,714,622	5,866,884	3,344,280
Adjustment to landfill closure expense		-	-	(675,574)
Gain (loss) on disposal of capital assets		-	(75,388)	8,653
		4,714,622	5,791,496	2,677,359
Excess (Deficiency of) revenues over expenses		\$ 3,400,294	\$ 4,886,356	\$ 1,581,876

TOWN OF HAY RIVER

Utility Fund

Schedule of Operations and Surplus

Schedule 2

For the year ended December 31, 2013

	2013 Budget	2013 Actual	2012 Actual
Revenue			
Water and sewer billings	\$ 1,800,000	\$ 1,905,056	\$ 1,990,649
Government transfers for water and sewer operations	330,267	341,034	330,003
Frontage taxation	3,129	3,129	3,129
Interest on reserves	13,000	22,937	24,123
Other revenues	2,000	3,078	3,803
Maintenance service	5,000	5,393	5,142
Gain (loss) on disposal of tangible capital assets	-	-	-
	2,153,396	2,280,627	2,356,849
Expenditure			
Overhead charges from General Fund			
Administration	214,687	214,687	299,544
Public Works	-	-	51,821
Salaries and benefits	420,455	361,674	368,862
Transmission and distribution	753,001	534,402	643,445
Trucked water delivery service	1,010,000	969,942	946,232
Trucked sewage subsidy	36,050	30,590	28,470
Amortization of tangible capital assets	539,000	441,937	435,568
	2,973,193	2,553,232	2,773,942
Net revenue	\$ (819,797)	\$ (272,605)	\$ (417,093)

TOWN OF HAY RIVER

Land Development Fund
 Schedule of Operations and Surplus

Schedule 3

For the year ended December 31, 2013

	2013 Budget	2013 Actual	2012 Actual
Revenue			
Land sales	\$ -	\$ 10,747	\$ -
Land leases	299,423	322,606	305,744
Legal and transfer fees recovered	500	2,702	2,629
Interest and penalties	200	2,700	5,582
Total Revenue	300,123	338,755	313,955
Expenditure			
Cost of land sold	-	3,604	-
Land leases	36,060	36,060	35,310
Overhead charges from General Fund			
Administration	35,818	35,818	28,021
Public Works	-	-	9,341
Professional fees	7,500	8,846	8,790
Search fees and sundry	2,400	552	145
Uncollectible Interest and penalties	-	-	9,328
Total Expenditure	81,778	84,880	90,935
Net revenue	\$ 218,345	\$ 253,875	\$ 223,020

TOWN OF HAY RIVER

General Fund
Schedule of Revenue

Schedule 4

For the year ended December 31, 2013

	2013 Budget	2013 Actual	2012 Actual
Property taxes	\$ 4,656,516	\$ 4,694,082	\$ 4,656,519
Grants in Lieu of Taxes			
Federal	153,219	149,830	150,011
Territorial	570,127	571,224	570,127
NWT Power Corporation	50,861	40,714	40,603
Less school taxes	(636,954)	(652,397)	(633,014)
Discounts allowed on school tax	20,000	18,118	17,458
	\$ 4,813,769	\$ 4,821,571	\$ 4,801,704
Sales of Services			
Recreation			
- Pool	\$ 93,750	\$ 109,022	\$ 96,156
- Community center	203,599	206,142	177,656
- Curling club rental	27,006	21,156	22,507
- Ballpark rental	6,600	6,537	6,306
- Other	85,500	16,596	30,315
Collection fee school taxes	5,000	5,000	5,000
Dump tipping fees	18,200	31,284	15,000
Ambulance	146,650	136,092	139,377
Insurance proceeds	-	126,350	-
Other	51,900	42,653	5,542
	\$ 638,205	\$ 700,832	\$ 497,859
Other Revenue From Own Sources			
Franchise fee	\$ 265,000	\$ 274,422	\$ 265,398
Licenses and permits	90,000	105,498	107,303
Fines and dog pound fees	2,500	5,823	4,300
Interest and penalties	152,000	133,137	109,356
Programs	25,626	25,626	27,772
	\$ 535,126	\$ 544,506	\$ 514,129

TOWN OF HAY RIVER

General Fund
Schedule of Revenue

Schedule 5

For the year ended December 31, 2013

	2013 Budget	2013 Actual	2012 Actual
Government Transfers			
General - GNWT			
Operating and Maintenance Block Funding	\$ 1,902,000	\$ 1,945,000	\$ 1,902,000
Sport and Recreation	-	29,000	29,000
Ground Ambulance	40,000	33,333	40,000
Fire department revenue	5,000	5,000	
Community financial services	-	20,899	
Road construction	-	27,000	
SEED - Community Economic Development	-	6,276	-
SEED - Community Economic Development (Plans & Plannin	8,000	-	5,000
Advancing Local Government Administrators Program	-	-	20,000
Territorial Farmers Association	-	39,024	
Other Miscellaneous Grants	102,875	326	-
General - Federal			
Summer Employment	9,600	10,300	9,600
Celebrate Canada	-	7,900	5,000
	2,067,475	2,124,058	2,010,600
Transfers (to) from deferred revenues			
Other Miscellaneous Grants	-	-	-
	\$ 2,067,475	\$ 2,124,058	\$ 2,010,600
Utility - GNWT			
Water and Sewer Block Funding	\$ 330,267	\$ 341,034	\$ 330,003
Capital - GNWT			
Community Public Infrastructure Funding	\$ 1,260,000	\$ 1,260,000	\$ 1,260,000
Gas Tax	1,015,622	1,015,622	1,015,622
Build Canada	-	-	-
	2,275,622	2,275,622	2,275,622
Interest earned on deferred contributions			
Community Public Infrastructure Funding	45,000	88,605	78,686
Gas Tax	5,000	26,948	16,934
Build Canada	9,000	7,318	25,458
	59,000	122,871	121,078
Transfers (to) from deferred contributions			
Community Public Infrastructure Funding	926,100	1,875,480	(214,697)
Gas Tax	350,000	489,009	(941,866)
Build Canada	1,103,900	1,103,902	1,046,631
Community Capacity Building Fund	-	-	1,057,512
	2,380,000	3,468,391	947,580
	\$ 4,714,622	\$ 5,866,884	\$ 3,344,280

TOWN OF HAY RIVER

General Fund
Schedule of Expenditure

Schedule 6

For the year ended December 31, 2013

	2013 Budget	2013 Actual	2012 Actual
General Government			
Mayor's indemnity	\$ 43,600	\$ 43,584	\$ 43,826
Councilors' indemnity	85,500	84,852	69,408
Boards and agencies indemnities and meeting expenses	1,000	200	200
Administration - salaries and benefits	940,739	805,061	903,432
Administration - other	430,450	437,085	282,276
Vehicle	-	-	-
Postage	5,000	4,509	4,712
Xerox	9,500	10,202	8,396
Professional services	119,750	172,689	180,483
Taxation	5,688	3,206	4,029
Insurance	85,871	79,340	79,811
Lease fees	-	-	-
Town hall operations	82,250	83,659	80,865
Town hall building maintenance	35,522	37,784	16,821
Town hall equipment maintenance	5,000	1,048	7,967
Personnel interviews, advertising, memberships and publications	-	-	31,071
Election expense	-	-	-
Conventions, delegations and public relations	45,000	16,051	48,770
Grants administered by Town	-	-	61,672
Amortization of tangible capital assets	136,500	60,899	78,566
	2,031,370	1,840,169	1,902,305
Deduct overhead charged to:			
Utility Fund	(174,687)	(174,687)	(299,544)
Land Development Fund	(24,818)	(24,818)	(28,021)
	\$ 1,831,865	\$ 1,640,664	\$ 1,574,740

TOWN OF HAY RIVER

General Fund
Schedule of Expenditure

Schedule 7

For the year ended December 31, 2013

	2013 Budget	2013 Actual	2012 Actual
Protective Services			
Insurance	\$ 14,400	\$ 11,493	\$ 11,744
Bylaw enforcement	91,190	69,463	88,063
Bylaw vehicle maintenance	3,000	415	2,498
Fire protection	385,683	364,846	367,638
Fire department vehicle maintenance	34,600	17,582	24,217
Fire department building maintenance	1,000	1,671	2,764
Emergency response training center	25,700	16,056	14,486
Civil emergency	47,981	11,176	26,455
Ambulance	77,800	64,918	49,912
Animal and pest control	80,946	76,000	70,652
Amortization of tangible capital assets	255,800	147,422	103,517
	\$ 1,018,100	\$ 781,042	\$ 761,946

TOWN OF HAY RIVER

General Fund
Schedule of Expenditure

Schedule 8

For the year ended December 31, 2013

	2013 Budget	2013 Actual	2012 Actual
Transportation and Public Works			
Public works			
Administration	\$ 425,071	\$ 407,180	\$ 396,462
Vehicle maintenance	7,000	564	56
Equipment operations administration	-	-	-
Vehicle operations maintenance	134,616	158,485	144,827
Town garage			
Yards	95,864	90,752	90,818
Building maintenance	23,761	29,604	15,471
Equipment maintenance	-	9,442	-
Carpenter shop	65,475	64,265	65,057
Vehicle maintenance	1,206	452	675
Building maintenance	1,500	937	863
Equipment maintenance	500	-	95
Roads			
General roads	36,700	36,359	48,087
Summer roads	315,028	226,646	474,818
Roads brushing	19,142	14,635	14,145
Sidewalks	9,528	10,442	5,706
Drainage	42,170	22,446	19,382
Winter roads	227,110	237,485	227,102
Street lighting	162,000	192,307	156,270
Parking	-	-	-
Road safety	37,022	18,613	36,674
Marine world	-	-	-
Amortization of tangible capital assets	562,500	842,257	865,890
	2,166,193	2,362,871	2,562,398
Deduct overhead charged to:			
Utility Fund	(40,000)	(40,000)	(51,821)
Land Development Fund	(11,000)	(11,000)	(9,341)
	\$ 2,115,193	\$ 2,311,871	\$ 2,501,236

TOWN OF HAY RIVER

General Fund
Schedule of Expenditure

Schedule 9

For the year ended December 31, 2013

	2013 Budget	2013 Actual	2012 Actual
Environmental and Public Health Services			
Sanitation operations	\$ 353,000	\$ 354,013	\$ 320,473
Landfill			
Maintenance	104,747	102,587	60,222
Amortization of tangible capital assets	15,700	6,175	6,231
Landfill accretion expense	-	12,530	-
Annual town clean-up	19,261	55,986	9,546
Cemetery			
Maintenance	22,142	9,611	10,170
Amortization of tangible capital assets	10,800	35,030	31,246
	\$ 525,650	\$ 575,932	\$ 437,888

TOWN OF HAY RIVER

General Fund
Schedule of Expenditure

Schedule 10

For the year ended December 31, 2013

	2013 Budget	2013 Actual	2012 Actual
Planning and Development			
Planning and Zoning	\$ 140,997	\$ 112,913	\$ 110,819
Tourism	115,033	97,988	57,917
Building and yard maintenance	10,558	6,688	2,870
Programs	-	-	-
Amortization of tangible capital assets	9,200	7,897	8,029
Economic development	127,262	130,111	15,033
Start Your Engines	-	-	-
	\$ 403,050	\$ 355,597	\$ 194,668

TOWN OF HAY RIVER

General Fund
Schedule of Expenditure

Schedule 11

For the year ended December 31, 2013

	2013 Budget	2013 Actual	2012 Actual
Recreational and Cultural			
Recreation administration	\$ 342,580	\$ 331,746	\$ 328,917
Insurance	-	-	-
Vehicle maintenance	4,164	6,448	6,204
Recreation center operations	534,125	665,056	535,475
Building maintenance	38,261	77,686	80,478
Mechanical maintenance	43,292	33,297	25,999
Swimming pool operations	610,887	615,731	670,754
Building maintenance	15,000	19,177	19,046
Mechanical maintenance	14,000	10,315	71,948
Curling club operations	91,000	92,002	89,930
Building maintenance	6,028	3,329	3,497
Sports fields	33,572	28,551	18,615
Parkland	142,510	73,066	124,817
Library	160,000	160,000	177,800
Museum	-	-	-
Community television and other services	207,064	149,527	73,064
Recreation programs	216,562	206,004	171,079
Amortization of tangible capital assets	520,000	475,395	468,066
	\$ 2,979,045	\$ 2,947,330	\$ 2,865,689

TOWN OF HAY RIVER

General Fund
Schedule of Expenditure

Schedule 12

For the year ended December 31, 2013

	2013 Budget	2013 Actual	2012 Actual
Fiscal and Valuation			
Discount on taxes	\$ 157,000	\$ 134,329	\$ 146,134
Debenture interest	161,000	168,758	168,757
Bank charges	6,000	4,639	3,851
Senior/disabled tax exemptions	167,000	156,762	151,439
Write-down of land inventory	-	-	86,291
Provision for (recovery of) bad debts, Note 5	5,000	19,183	27,136
	\$ 496,000	\$ 483,671	\$ 583,608

TOWN OF HAY RIVER

Schedule of Reserves

Schedule 13

For the year ended December 31, 2013

	2013 Budget	2013 Actual	2012
Reserve for Mobile Equipment Replacement			
Balance, beginning of year	\$ 745,482	\$ 745,482	\$ 768,570
Current year appropriation			
- General Fund	-	157,090	94,766
- Utility Fund	-	12,154	8,400
Proceeds from sale of equipment			
- General Fund	-	-	12,000
- Utility Fund	-	-	-
Transfer from reserve for current year expenditure			
- General Fund	-	-	(150,012)
- Utility Fund	-	-	11,758
Balance, end of year	\$ 745,482	\$ 914,726	\$ 745,482
Reserve for Management Training			
Balance, beginning of year	\$ 19,721	\$ 19,721	\$ 19,386
Current year appropriation	-	141	335
Transfer from reserve for current year expenditure	-	-	-
Balance, end of year	\$ 19,721	\$ 19,862	\$ 19,721
Reserve for Recreation Infrastructure			
Balance, beginning of year	\$ 90,689	\$ 90,689	\$ 77,111
Current year appropriation	-	643	13,578
Less debenture repayments	-	-	-
Transfer from reserve for current year expenditure	-	-	-
Balance, end of year	\$ 90,689	\$ 91,332	\$ 90,689
Reserve for Municipal Infrastructure			
Balance, beginning of year	\$ 669,989	\$ 669,989	\$ 646,881
Current year appropriation	-	4,747	23,108
Transfer from reserve for current year expenditure	-	-	-
Balance, end of year	\$ 669,989	\$ 674,736	\$ 669,989
Reserve for Computer Systems			
Balance, beginning of year	\$ 11,524	\$ 11,524	\$ 1,513
Current year appropriation	-	81	10,011
Transfer from reserve for current year expenditure	-	(4,225)	-
Balance, end of year	\$ 11,524	\$ 7,380	\$ 11,524
Reserve for Landfill			
Balance, beginning of year	\$ 155,677	\$ 155,677	\$ 152,812
Current year appropriation	-	1,103	2,865
Transfer from reserve for current year expenditure	-	-	-
Balance, end of year	\$ 155,677	\$ 156,780	\$ 155,677
Reserve for Recreation Center Replacement			
Balance, beginning of year	\$ 104,811	\$ 104,811	\$ 67,086
Current year appropriation	-	30,973	37,725
Balance, end of year	\$ 104,811	\$ 135,784	\$ 104,811

TOWN OF HAY RIVER

Schedule of Expenditures by Object

Schedule 14

For the year ended December 31, 2013

	2013 Budget	2013 Actual	2012 Actual
Salaries, wages and benefits	\$ 3,898,642	\$ 3,693,451	\$ 3,630,394
Contracted and general services	9,960,171	3,643,942	3,504,306
Materials, goods and utilities	2,461,153	2,187,236	2,972,053
Interest on long-term debt	281,000	168,756	168,757
Provision for allowances	5,000	19,185	113,426
Grants	-	-	61,672
Bank charges and interest	6,025	4,639	3,852
Amortization of tangible capital assets	2,049,500	2,017,010	1,997,113
	\$ 18,661,491	\$ 11,734,219	\$ 12,451,573

TOWN OF HAY RIVER

Schedule of Changes in Accumulated Surplus

Schedule 15

December 31, 2013

	General Operating	Utility	Land Development	Reserves	Investment in Tangible Capital Assets	2013	2012
Excess (Deficiency) of revenue over expenditures	\$ 4,886,356	\$ (272,605)	\$ 253,875	\$ -	\$ -	\$ 4,867,626	\$ 1,387,803
Net interfund transfers							
Amortization	1,575,073	441,937	-	-	(2,017,010)	-	-
Disposals of tangible capital assets	350,139	-	-	-	(350,139)	-	-
Purchase of tangible capital assets	(4,352,307)	(1,568,253)	-	-	5,920,560	-	-
Debtenture (repayment)	(121,352)	-	-	-	121,352	-	-
Allocations to Reserves	(113,555)	(51,717)	-	165,272	-	-	-
Changes in fund balances	2,224,354	(1,450,638)	253,875	165,272	3,674,763	4,867,626	1,387,803
Accumulated Surplus (Deficit), beginning of year	(2,887,433)	(506,784)	3,607,470	4,465,499	42,117,754	46,796,506	45,408,703
Accumulated Surplus (Deficit), end of year	\$ (663,079)	\$ (1,957,422)	\$ 3,861,345	\$ 4,630,771	\$ 45,792,517	\$ 51,664,132	\$ 46,796,506

Reserves	2012	Increase	Decrease	2013
General Operating Fund	\$ 1,874,894	\$ 129,932	\$ (4,226)	\$ 2,000,600
Utility Operating Fund	2,590,605	39,566	-	2,630,171
	\$ 4,465,499	\$ 169,498	\$ (4,226)	\$ 4,630,771

TOWN OF HAY RIVER
Schedule of Tangible Capital Assets
December 31, 2013

Schedule 16

General Fund	Opening Balance	Additions	Disposals	Closing Balance	Accumulated Amortization Beginning of Year	Net Carrying Amount Beginning of year	Deletions	Amortization	Accumulated Amortization End of Year	Net Carrying Amount
General Fund										
Linear Structures										
Roads, sidewalks, parking lots	\$ 10,216,281	\$ 71,220	\$ -	\$ 10,287,501	\$ 3,158,424	\$ 7,057,857	\$ -	\$ 612,466	\$ 3,770,890	\$ 6,516,611
Recreation facilities	800,458	19,888	-	820,346	250,385	550,073	-	32,283	282,678	537,668
Marine facilities	156,731	-	-	156,731	94,038	62,693	-	6,269	100,307	56,424
Land fil treatment facility	137,550	34,228	-	171,778	115,989	6,174	-	6,174	27,735	144,043
Drainage	2,569,539	111,690	46,690	2,634,539	776,945	1,792,594	14,887	102,580	864,638	1,769,901
Traffic lights	109,098	-	-	109,098	44,562	64,536	-	3,637	48,199	60,899
	13,989,657	237,026	46,690	14,179,993	4,345,915	9,643,742	14,887	763,419	5,094,447	9,085,546
Buildings										
Administration	852,200	-	-	852,200	528,364	323,836	-	17,044	545,408	306,792
Fire halls	1,145,000	-	-	1,145,000	477,065	667,935	-	24,079	501,144	643,866
Generator building	116,400	-	-	116,400	37,830	78,570	-	2,910	40,740	75,660
Emergency response training center	240,400	-	-	240,400	66,110	174,290	-	6,010	72,120	168,280
Fire training centers	325,100	-	-	325,100	125,795	199,305	-	9,289	135,084	190,016
Tourist information	186,600	-	-	186,600	85,778	100,822	-	5,045	90,823	95,777
Arena complex	5,946,193	-	-	5,946,193	2,932,787	3,013,406	-	125,721	3,058,508	2,887,685
Aquatic facility	7,766,880	-	-	7,766,880	970,183	6,796,697	-	194,849	1,165,032	6,601,668
Golf clubhouse	918,800	-	-	918,800	321,590	597,220	-	26,446	348,026	570,774
Ski chalet	588,200	-	-	588,200	161,755	426,445	-	14,705	176,460	411,740
Public works garages	969,722	-	-	969,722	529,097	440,625	-	20,170	549,267	420,455
Carpentry	175,432	-	-	175,432	106,965	68,467	-	3,959	110,924	64,508
Land fill	69,600	-	-	69,600	-	-	-	-	-	-
Storage	244,747	-	-	244,747	50,504	194,243	-	9,726	60,230	184,517
Staff house	170,000	-	-	170,000	59,272	140,728	-	4,863	34,125	135,875
Dog pound	157,400	-	-	157,400	59,025	98,375	-	3,935	62,960	94,440
Ball parks	124,372	-	-	124,372	47,526	76,846	-	3,648	51,174	73,198
Other	91,614	-	-	91,614	42,959	48,655	-	3,978	46,937	44,677
	20,088,660	-	-	20,088,660	6,642,195	13,446,465	-	476,367	7,118,562	12,970,098
Machinery and Equipment										
Vehicles	3,170,904	192,750	-	3,363,654	2,733,396	437,508	-	151,261	2,884,657	478,997
Heavy equipment	97,948	-	-	97,948	75,383	22,565	-	4,086	79,469	18,479
Office furniture and equipment	661,284	-	-	661,284	514,461	146,823	-	33,704	548,165	113,119
Operating equipment	1,254,195	149,000	-	1,403,195	904,382	349,813	-	85,001	989,383	413,812
Computer equipment	280,705	4,225	-	284,930	209,209	41,496	-	24,448	233,657	21,273
IT Infrastructure	504,938	27,735	-	532,673	403,974	100,964	-	36,785	440,759	91,914
	5,939,974	373,710	-	6,313,684	4,840,905	1,099,169	-	335,285	5,176,090	1,137,594
Work in progress	3,029,996	3,618,351	82,695	6,566,552	-	3,029,996	-	-	-	6,566,552
Land	142,624	123,220	-	265,844	-	142,624	-	-	-	265,844
Land in development	2,192,456	-	235,641	1,956,815	-	2,192,456	-	-	-	1,956,815
	2,335,080	123,220	235,641	2,222,859	-	2,335,080	-	-	-	2,222,859
Art Work	56,034	-	-	56,034	-	56,034	-	-	-	56,034
Tangible Capital Assets - General Fund	\$ 45,439,401	\$ 4,352,307	\$ 365,026	\$ 49,426,682	\$ 15,826,915	\$ 29,610,486	\$ 14,887	\$ 1,575,071	\$ 17,389,099	\$ 32,037,583
Utility Fund										
Water and Sewer System	\$ 14,655,419	\$ 279,418	\$ -	\$ 14,934,837	\$ 3,115,712	\$ 11,539,707	\$ -	\$ 310,345	\$ 3,426,057	\$ 11,508,780
Buildings	5,897,610	-	-	5,897,610	1,918,289	3,979,321	-	120,513	2,038,802	3,858,808
Land	1,000	-	-	1,000	-	1,000	-	-	-	1,000
Vehicles	313,056	46,473	-	359,529	287,520	25,536	-	6,807	294,327	65,202
Heavy Equipment	33,741	-	-	33,741	31,109	2,632	-	527	31,636	2,105
Furniture & Equipment	1,558,642	-	-	1,558,642	1,523,061	35,581	-	3,747	1,526,808	31,834
Work in progress	121,890	1,242,362	-	1,364,252	-	121,890	-	-	-	1,364,252
	\$ 22,581,358	\$ 1,568,253	\$ -	\$ 24,149,611	\$ 6,875,691	\$ 15,705,667	\$ -	\$ 441,939	\$ 7,317,630	\$ 16,831,981
Tangible Capital Assets - Utility Fund	\$ 68,020,759	\$ 5,920,560	\$ 365,026	\$ 73,576,293	\$ 22,704,606	\$ 45,316,153	\$ 14,887	\$ 2,017,010	\$ 24,706,729	\$ 48,869,564

TOWN OF HAY RIVER

Gas Tax Agreement
Statement of Revenue, Expenditure and Deferred Contribution

For the year ended December 31, 2013

	2009 Actual	2010 Actual	2011 Actual	2012 Actual	2013 Actual	Cumulative April 21/06 to December 31/13
Funding						
Deferred contribution balance, opening	\$ 344,184	\$ -	\$ 539,179	\$ 1,101,651	\$ 2,043,517	\$ 344,184
Annual Gas Tax allocation	1,036,607	1,015,622	1,015,622	1,015,622	1,015,622	5,099,095
Interest earned	233	-	9,553	16,934	26,948	53,668
	<u>1,381,024</u>	<u>1,015,622</u>	<u>1,564,354</u>	<u>2,134,207</u>	<u>3,086,087</u>	<u>5,496,947</u>
Funds Spent						
Water treatment plant upgrades	-	-	-	-	9,800	9,800
Ecoliner	-	-	-	-	279,418	279,418
Water/Sewer replacement Wright Crescent	-	-	-	76,433	-	76,433
Upgrade Lift Station #1	-	-	-	9,792	887,070	896,862
Upgrade Lift Station #2	-	-	-	4,465	355,291	359,756
Stewart Drive Drainage and Restoration	1,381,024	-	5,039	-	-	1,386,063
Woodland Drive Water Main Repairs	-	476,443	9,750	-	-	486,193
Studney/Poplar Water Main Replacement	-	-	447,914	-	-	447,914
	<u>1,381,024</u>	<u>476,443</u>	<u>462,703</u>	<u>90,690</u>	<u>1,531,579</u>	<u>3,942,439</u>
Deferred contribution balance, closing	\$ -	\$ 539,179	\$ 1,101,651	\$ 2,043,517	\$ 1,554,508	\$ 1,554,508

TOWN OF HAY RIVER

Community Public Infrastructure Agreement
Statement of Revenue, Expenditure and Deferred Contribution

Schedule 18

For the year ended December 31, 2013

	2009 Actual	2010 Actual	2011 Actual	2012 Actual	2013 Actual	Cumulative April 1/07 to December 31/13
Funding						
Deferred contribution balance, opening	\$ 2,329,836	\$ 3,591,497	\$ 4,858,080	\$ 5,730,534	\$ 5,945,231	\$ 2,329,836
Annual CPI allocation	1,259,640	1,259,640	1,259,640	1,260,000	1,260,000	6,298,920
Interest earned	2,021	6,943	58,755	78,686	88,605	235,010
	3,591,497	4,858,080	6,176,475	7,069,220	7,293,836	8,863,766
Funds Spent						
Fire Hall	-	-	168,004	395,455	2,440,129	3,003,588
Vale Island Drainage	-	-	7,643	49,700	33,665	91,008
Ambulance	-	-	-	-	159,417	159,417
Engineering surveys	-	-	-	-	7,264	7,264
5-ton box truck	-	-	-	-	46,473	46,473
Repeater system	-	-	-	-	9,545	9,545
Riding Mowers	-	-	-	-	52,892	52,892
Sound system	-	-	-	-	15,684	15,684
Line Laser	-	-	-	-	8,299	8,299
Pine Point Ball Park	-	-	-	6,420	50,000	56,420
Debenture payment (principal & interest portion)	-	-	-	-	276,249	276,249
Landfill improvements	-	-	-	9,115	59,135	68,250
Computer hardware & software	-	-	-	197,870	-	197,870
Storage garage	-	-	-	6,454	-	6,454
Parking lot curbs	-	-	-	2,092	-	2,092
Park Signage	-	-	-	2,111	-	2,111
Downtown Banners	-	-	-	3,466	-	3,466
Fisherman's Wharf improvements	-	-	-	14,732	-	14,732
Visitor Information Centre improvements	-	-	-	20,013	-	20,013
Water treatment plant upgrades	-	-	-	9,100	-	9,100
Drainage master plan	-	-	-	20,682	-	20,682
Dump Truck	-	-	-	134,717	-	134,717
Delancey Estates road chip sealing	-	-	25,864	-	-	25,864
Miron Drive weeping tile	-	-	28,703	-	-	28,703
Trans Canada Trail	-	-	6,062	22,680	-	28,742
Gord Thompson Park equipment installation	-	-	3,185	-	-	3,185
Don Wright Park drainage	-	-	8,500	-	-	8,500
Aquatic center external stairs	-	-	27,080	-	-	27,080
Recreation center repairs & maintenance	-	-	5,309	92,361	12,122	109,792
Recreation storage garage	-	-	16,433	-	-	16,433
Fire department equipment	-	-	19,237	19,587	17,390	56,214
IT servers	-	-	38,200	-	-	38,200
Various furniture and equipment	-	-	42,975	-	35,821	78,796
Drainage improvements	-	-	-	25,459	-	25,459
Downtown accessibility & beautification	-	-	-	26,686	-	26,686
Tri-Service Park development	-	-	-	19,888	-	19,888
Upgrade golf course road	-	-	25,819	45,401	-	71,220
Town hall plan	-	-	6,027	-	-	6,027
Downtown survey	-	-	16,900	-	-	16,900
	-	-	445,941	1,123,989	3,224,085	4,794,015
Deferred contribution balance, closing	\$ 3,591,497	\$ 4,858,080	\$ 5,730,534	\$ 5,945,231	\$ 4,069,751	\$ 4,069,751

TOWN OF HAY RIVER

Community Capacity Building Fund
Statement of Revenue, Expenditure and Deferred Contribution

Schedule 19

For the year ended December 31, 2013

	2009 Actual	2010 Actual	2011 Actual	2012 Actual	2013 Actual	Cumulative Jul 31/07 to Dec 31/13
Funding						
Deferred contribution balance, opening	\$ 1,057,512	\$ 1,057,512	\$ 1,057,512	\$ 1,057,512	\$ -	\$ 1,057,512
Annual allocation	-	-	-	-	-	-
	1,057,512	1,057,512	1,057,512	1,057,512	-	1,057,512
Funds Spent						
Fire hall Construction	-	-	-	1,057,512	-	1,057,512
	-	-	-	1,057,512	-	1,057,512
Deferred contribution balance, closing	\$ 1,057,512	\$ 1,057,512	\$ 1,057,512	\$ -	\$ -	\$ -

TOWN OF HAY RIVER

Build Canada Funding
Statement of Revenue, Expenditure and Deferred Contribution

Schedule 20

For the year ended December 31, 2013

	2010 Actual	2011 Actual	2012 Actual	2013 Actual	Cumulative Sep 29/10 to Dec 31/13
Funding					
Deferred contribution balance, opening	\$ -	\$ -	\$ 2,150,533	\$ 1,103,902	\$ -
Annual allocation	-	2,127,649	-	-	2,127,649
Interest earned	-	22,884	25,458	7,318	55,660
	-	2,150,533	2,175,991	1,111,220	2,183,309
Funds Spent					
Fire hall design and construction	-	-	1,072,089	1,111,220	2,183,309
	-	-	1,072,089	1,111,220	2,183,309
Deferred contribution balance, closing	\$ -	\$ 2,150,533	\$ 1,103,902	\$ -	\$ -

TOWN OF HAY RIVER

Public Transit Funding
Statement of Revenue, Expenditure and Deferred Contribution

Schedule 21

For the year ended December 31, 2013

	2009 Actual	2010 Actual	2011 Actual	2012 Actual	2013 Actual	Cumulative Nov 26/07 to Dec 31/13
Funding						
Deferred contribution balance, opening	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000
Annual allocation	-	-	-	-	-	-
	125,000	125,000	125,000	125,000	125,000	125,000
Funds Spent						
	-	-	-	-	-	-
	-	-	-	-	-	-
Deferred contribution balance, closing	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000

TOWN OF HAY RIVER

Schedule of Honoraria and Travel

Schedule 22

For the year ended December 31, 2013

	Salaries	Honoraria	Travel
Mayor			
Andrew Cassidy	\$ 29,056	\$ 14,528	\$ 2,855
Councilors			
Brad Mapes	8,224	4,112	-
Mike Maher	6,577	3,289	-
Rodger Candow	6,577	3,289	-
Jason Coakwell	6,577	3,289	437
Keith Dohey	6,577	3,289	-
Kandis Jameson	6,577	3,289	-
Donna Lee Jungkind	6,577	3,289	75
Vince McKay	6,577	3,289	242
	\$ 83,321	\$ 41,662	\$ 3,609