

The Corporation of the Village of Cumberland

2014 Annual Report

The Corporation of the Village of Cumberland
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Mayor's Message

On behalf of Cumberland Council, I am pleased to present the Village's 2014 Annual Report.

It is an exciting time for the Village. Our population is healthy and growing, and our local economy is holding its own. The Village is working hard to place itself in a good position for the future by taking a good look at our services, facilities and infrastructure. We are planning ahead for growth while placing a priority on maintaining our valuable assets and protecting the natural environment that means so much to us.



We recognize that it is important for us to support and celebrate our community partners and the work that is done every day to make Cumberland the jewel of the Comox Valley.

The Village is looking forward, celebrating our past, and doing our best to make Cumberland a great place to live.

Sincerely,

A handwritten signature in blue ink that reads "Leslie Baird". The signature is written in a cursive style.

Leslie Baird

Community Vision

(Vision Statement, Cumberland Official Community Plan, 2014)

The Village is a unique community. Its rich coal mining history is visible everywhere – from the heritage homes in the historic core, to the abandoned mine sites scattered throughout the surrounding forests.

The people of Cumberland are passionate about their Village. They are here because this Village offers an unmatched quality of life. They envision that Cumberland will continue to be a community vibrating with activity. Surrounded by living forests, the Village is a mecca for outdoor recreation, with opportunities for anyone who wants to immerse themselves in nature. Protected by living natural corridors, the wetlands, forested areas, lakes and streams attract a diversity of wildlife and the network of walking and biking paths attracts visitors from all over the world.

People choose to live in Cumberland for its small town friendliness and values. The core of Cumberland retains its historic look and feel. Small shops and businesses offer respite from the sameness of shopping malls and cookie cutter commercial establishments found elsewhere.

People of all ages and backgrounds greet each other on the streets. They come here for opportunity, to be part of a vibrant community that values diversity, creativity and hard work. The Village is growing. As it grows, it will embrace the best land use practices to ensure that it is a livable community. Housing will be available for all income levels. Walkability, greenways, bikeways, opportunities for urban farming and public spaces will all contribute to continuing to make Cumberland a great place to live.

The Village of the future is well-managed in a sustainable and orderly fashion with full public participation, and a thriving, resilient and diversified economy based on tourism and other industries and businesses that are compatible with community values. Citizens recognize that residential growth must be balanced by revenues from successful businesses with the objective of making jobs available for Cumberland residents.

Subsequently the vision for the Village will be built upon the following priorities:

- Improvement and expansion of infrastructure to accommodate measured growth.
- Attainable housing
- Village centre rejuvenation
- Promotion of the Village for local and regional businesses
- Recreation and tourism
- A healthy, active and engaged citizenry of all ages and walks of life.
- Accountability and transparency
- Protection and enhancement of natural features and functions

These priorities will be reinforced with collective and passionate environmental stewardship and closer ties to the region.

Report on Municipal Services and Operations 2014

PARKS AND RECREATION SERVICES

In 2014, the Village created a new staff position to manage recreation services for the Village. The purpose of this position, in addition to the Parks and Recreation Coordinator, is to manage parks and recreation facilities, programs and services to residents. In 2014, the department focused on developing a long term master plans for Cumberland Lake Park and Coal Creek Historic Park, reviewing recreation programming, and developing a trail use agreement with private landowners.

PROTECTIVE SERVICES

Protective Services developed an evacuation plan for the Village, focused on updating volunteer firefighter training, and continued to provide bylaw enforcement and animal control services for the community. Volunteer firefighter members were at capacity for the department with approximately 34 members in service throughout the year.

PUBLIC WORKS OPERATIONS AND SERVICES

Public Works continued to maintain the water supply and treatment system, the sewer collection and treatment system and storm water system. Water meters were installed in all Village facilities and properties. Facility upgrades and improvements for greenhouse gas reduction were completed with the installation of a heat /cooling pump at the recreation centre, and the insulation of the shop bays. At Village Park, the heating system at the horseshoe clubhouse was upgraded and the infield was upgraded. At Cumberland Lake Park, the boat launch dock was replaced, water tank replaced, and foreshore fencing was replaced. A new street sweeper was purchased. Maintenance was undertaken on Bevan Road and new street signs were installed in the historic Village commercial core and in residential areas. A portion of Maryport Avenue was reconstructed with new underground services.

PLANNING AND DEVELOPMENT

In 2014, the official community plan review and update was completed. The community consultation and the final plan are considered a success to many. New in the OCP is a regional context statement and enhanced environmental protection regulations. Staff also worked with property owners on development applications, including the new Carlisle Lane development and new phases of Coal Valley Estates development, and continued work on updating internal procedures and regulatory policies. An advisory planning commission and heritage commission was established.

CORPORATE SERVICES

Finance and corporate administration continued to provide financial services for the municipality and customer service to the community. A cemetery master plan was completed to guide development of the Village's three cemeteries. Corporate services continued to work to keep data systems, servers, data backups, firewalls, and records management systems current. A new service for online tax and utility payments for the public was established. A carbon inventory for municipal operations was completed. Capital funds were invested. The department administered the local government general election with the first time use of electronic ballot tabulators.

Status of 2014 Municipal Objectives

The 2014 Annual Report outlined Council’s long term, medium term and short term priorities. The following summary outlines the status of those priorities as at December 31, 2014 in no particular order.

Strategic Priority 1: Quality Infrastructure Planning and Development	
• Establish an adequate and high quality source of water for the current and future residents of the Village	Ongoing
• Develop an environmentally sustainable method of treating the liquid waste that is produced by the Village.	Ongoing
• Create a road and utility rehabilitation plan	In Process
• Develop a facility replacement and upgrade plan	In Process
• Purchasing land and constructing a new fire hall	In Process
Strategic Priority 2: Comprehensive Community Planning	
• Complete the review of the Official Community Plan and ensure alignment with the Regional Growth strategy	Completed
• Reviewing the Zoning Bylaw	In Process
• Review development standards to make them green, economically attractive and flexible	Ongoing
• Create an industrial land development and promotion strategy	In Process
• Develop ecotourism plan	In Process
• Develop an active transportation plan	In Process
• Examine all solid waste management options	In Process
• Develop and implement greenhouse gas reduction action plan	In Process
• Implementing the Village Park Plan	Ongoing
• Developing a Coal Creek Historic Park master plan	Completed
• Acquiring Maple Lake for future park	In Process
• Creating a street closure policy for special events	Completed
• Develop a heritage management plan that includes a conservation plan for Village-owned assets	Not started
• Develop a civic cemetery master plan	Completed
• Designing and installing a <i>Welcome to Cumberland</i> community sign	In Process
• Creating an animal attractants/garbage bylaw	Completed

Strategic Priority 3: Healthy Community

- | | |
|--|------------|
| • Improve Youth Programming | In Process |
| • Explore partnerships for community services | Ongoing |
| • Undertake a recreation facility and program review | In Process |

Strategic Priority 4: Highly Developed Internal and External Communications

- | | |
|---------------------------------------|---------|
| • An ongoing civic engagement process | Ongoing |
|---------------------------------------|---------|

Strategic Priority 5: Effective Administrative, Financial and Support Services

- | | |
|--------------------------------------|-------------|
| • Implement a reserve fund policy | Not started |
| • Review the business licence scheme | Not started |
-

2015 Municipal Objectives

Council developed its strategic priorities at the beginning of the calendar year, and finalized the document after public consultation. These short, medium and long term priorities set the foundation for the five year financial plan.

Short Term Priority: by the end of 2015

Medium Term Priority: within four years

Long Term Priority: within 10 years

1. Quality Infrastructure Planning and Development

The Village of Cumberland seeks to replace and expand the utility, dedicated road and building assets of the Village in an organized and responsible fashion by:

- | | |
|---|----------------------|
| ▪ Establishing an adequate and high quality source of water for the current and future residents of the Village | Long Term Priority |
| ▪ Developing an environmentally sustainable method of treating the liquid waste that is produced by the Village | Long Term Priority |
| ▪ Creating a road and utility rehabilitation plan | Medium Term Priority |
| ▪ Developing a facility replacement and upgrade plan | Long Term Priority |
| ▪ Purchasing land and constructing a new fire hall | Medium Term Priority |
| ▪ Revitalization of the historic Village commercial core | Medium Term Priority |
| ▪ Developing an alley enhancement and maintenance strategy | Long Term Priority |

2. Comprehensive Community Planning

The Village of Cumberland seeks to move towards environmental sustainability through a broad range of means including effective land use planning, waste reduction and protection of natural resources by:

- | | |
|---|----------------------|
| ▪ Reviewing the zoning bylaw and bringing it into alignment with the Official Community Plan | Short Term Priority |
| ▪ Reviewing development standards to make them green, economically attractive and flexible | Medium Term Priority |
| ▪ Creating an industrial land development and promotion strategy | Medium Term Priority |
| ▪ Developing an ecotourism plan | Medium Term Priority |
| ▪ Developing an active transportation plan | Long Term Priority |
| ▪ Examining all solid waste management options, including alternative energy and integrated resource recovery | Medium Term Priority |
| ▪ Developing and implementing a greenhouse gas reduction action plan | Medium Term Priority |
| ▪ Acquiring Maple Lake for future park | Medium Term Priority |

▪ Developing a heritage management plan that includes a conservation plan for Village-owned assets	Short Term Priority
▪ Designing and installing a Welcome to Cumberland community sign	Short Term Priority
▪ Developing a new model of providing economic development services	Short Term Priority
▪ Developing a land management strategy for Village-owned forest lands	Medium Term Priority
▪ Creating a Perseverance Creek stewardship plan	Long Term Priority

3. Healthy Community

The Village of Cumberland seeks to create and improve the social, environmental and economic assets that support the health and well-being of residents by:

▪ Improving community recreation programming	Medium Term Priority
▪ Exploring partnerships for community services	Medium Term Priority
▪ Undertaking a recreation facility review	Short Term Priority
▪ Exploring a community grant program	Short Term Priority
▪ Developing an affordable housing action plan	Medium Term Priority
▪ Developing a public art policy	Long Term Priority
▪ Establishing Cumberland Recreation as the hub of recreation in the community	Medium Term Priority
▪ Implementing the Village Park Master Plan	Long Term Priority
▪ Implementing the Coal creek Historic Park Master Plan	Long Term Priority
▪ Implementing the Lake Park Master Plan	Long Term Priority
▪ Implementing the Cemeteries Master Plan	Long Term Priority

4. Highly Developed Internal and External Communications

The Village of Cumberland wants to promote transparency and an easy flow of information both within the corporation and between the corporation and the public by:

▪ An ongoing civic engagement process	Long Term Priority
▪ Using new and emerging technologies for internal and external communications	Medium Term Priority

5. Effective Administrative, Financial and Support Services

The Village of Cumberland seeks to deliver effective services to the community for the benefit of its citizens, businesses and visitors by:

• Implementing a reserve fund policy	Medium Term Priority
• Reviewing the business license scheme	Medium Term Priority
• Including social procurement in an updated purchasing policy	Short Term Priority

Permissive Tax Exemptions

The following properties are granted a permissive property tax exemption for the 2015 taxation year. The amount shown is the property taxes that would have been imposed on the property in 2014 if it were not exempt for that year.

Organization/ Occupier Of Municipal Property	Property Granted Exemption	2014 Property Tax Exemption*
Cumberland United Church	Lot 1, Block 4, Plan 522, District Lot 21, Nelson Land District <i>(Land surrounding church)</i>	\$ 265
Cumberland Community Church	Lot B, Plan 43397, District Lot 21, Nelson Land District <i>(Land surrounding church)</i>	\$ 274
Historical Society (Museum) & Cumberland Chamber of Commerce	Lot 3, Block H, Plan 522E, District Lot 21, Nelson Land District, EXC NLY 76FT	\$ 2,212
Cumberland Old Age Pensioners	Lot B, Plan 29219, District Lot 21&24, Nelson Land District	\$ 5,397
Total Permissive Tax Exemption		\$ 8,148

* These amounts do not include the amounts exempted relating to other agency collections such as the Regional District, Hospital District, Municipal Finance Authority, BC Assessment, library, and school and police taxes. The total tax exemption including these other agency collections was \$18,975.

BC Strategic Community Investment Funds

Progress Report 2014

The Village receives a Small Community Grant each year from the British Columbia Strategic Community Investment (SCI) Funds.

As required by the terms of the Strategic Community Investment (SCI) Funds agreement, the following report outlines a plan that was developed for the intended uses and performance targets for the small community portion of the SCI funds. To date, the Village has received the 2014 grant funds, the March 2015 grants funds, and expects to receive the June 2015 funds shortly.

The Provincial government recognizes that small communities struggle to provide the basic municipal services at affordable tax rates due to their relatively small tax base especially when that tax base is largely residential. The grant is fundamental to the Village of Cumberland in order to provide essential services.

Strategic Community Investment Funds Received or Anticipated

Strategic Community Investment Funds	Use	Date	Amount
Small Community Grants	Local Government services	June 2014	\$ 293,803
		March 2015	\$ 164,048
		June 2015	\$ 317,155

Small Community Portion of the SCI Funds: Performance Targets and Progress

Intended Use

The intended use of the small community portion of SCI funds is to supplement the tax base by apportioning the grant across all departments to provide local government services. (Please note that SCI funds do not fund water and sewer services.)

Performance Targets

1. To recognize the need for affordable property taxes, especially for individuals on fixed and reduced incomes; to keep increases as reasonable as possible while continuing to provide basic municipal services; and to strive to offer a competitive rate to attract business and industry.

Progress made to first reporting period (by June 30, 2014)

The 2013 municipal tax revenues increase to 2012 taxpayers was 2%. Without the small community grant, the tax increase would have been 28%.

The 2014 tax revenues increase to 2013 taxpayers was 1%. Without the small community grant, the tax increase would have been 21%.

Progress made to first reporting period (by June 30, 2015)

The 2015 municipal tax revenues increase to 2014 taxpayers was 2%. Without the small community grant, the tax increase would have been 24%.

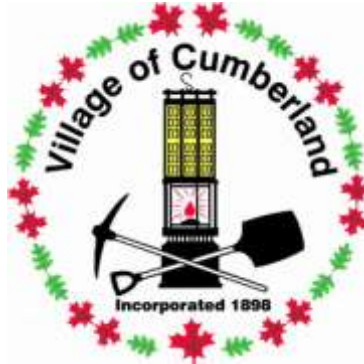
2. To address aging infrastructure, understanding that deferral of infrastructure replacement and repairs is not sustainable.

Progress made to first reporting period (by June 30, 2014)

Infrastructure and many maintenance projects were completed and the capital reserve was contributed to in 2014 to get ready for future large roads projects.

Progress made to first reporting period (by June 30, 2015)

The 2015 approved financial plan includes a project to install a storm sewer trunk main on Egremont Road along with the reconstruction of Egremont Road to take place during the years 2016 and 2017. Designs will be completed for the 2015 – 2016 reconstruction project of the landfill corridor along Cumberland and Bevan Roads. Annual infrastructure replacements will also take place in 2015 along with the purchase of land for a new fire hall.



**THE CORPORATION OF THE
VILLAGE OF CUMBERLAND**

FINANCIAL STATEMENTS

DECEMBER 31, 2014

THE CORPORATION OF THE VILLAGE OF CUMBERLAND

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For the year ended DECEMBER 31, 2014

MANAGEMENT'S RESPONSIBILITY

INDEPENDENT AUDITORS' REPORT

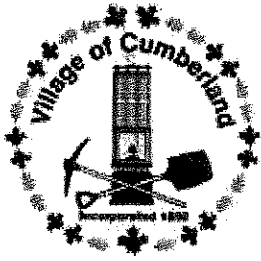
STATEMENTS

- A Statement of Financial Position
- B Statement of Operations and Accumulated Surplus
- C Statement of Change in Net Financial Assets
- D Statement of Cash Flows

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- 2 Debenture and Long-Term Debt
- 3 Segment Disclosure
- 4 Segment Disclosure with Budget Information



Corporation of the Village of Cumberland

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Management's Responsibility for Financial Reporting

The financial statements have been prepared by management in accordance with Canadian public sector accounting standards and are outlined under "Significant Accounting Policies" in the notes to the financial statements. Management is responsible for the integrity and objectivity of these statements and schedules.

Management maintains a system of internal controls to provide reasonable assurance that assets are safeguarded and that transactions are authorized, recorded and reported properly. Management also maintains a program of proper business compliance.

Council is responsible for reviewing and approving the financial statements and for ensuring that management fulfils its responsibilities for financial reporting and internal control.

BDO Canada LLP, Chartered Accountants, the village's independent auditors, have conducted an examination of the financial statements in accordance with Canadian generally accepted auditing standards and have expressed their opinion in a report accompanying this statement.

Michelle Mason, CPA, CGA
Financial Officer,
pursuant to Section 149 of the Community Charter
April 13, 2015



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Langley, BC V2Y 1A2 Canada

Independent Auditor's Report

To the Mayor and Council of the Corporation of the Village of Cumberland

We have audited the accompanying financial statements of the Corporation of the Village of Cumberland, which comprise the Statement of Financial Position as at December 31, 2014, and the Statements of Operations and Accumulated Surplus, Change in Net Financial Assets 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 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted the 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 the auditor's 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, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the 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 Corporation of the Village of Cumberland as at December 31, 2014, and its results of operations, changes in net financial assets and cash flows for the year then ended, in accordance with Canadian public sector accounting standards.

Other Matter

The financial statements of the Corporation of the Village of Cumberland for the year ended December 31, 2013, were audited by other auditors who expressed an unqualified opinion on those financial statements on April 14, 2014.

Chartered Accountants


Vancouver, British Columbia
April 13, 2015

THE CORPORATION OF THE VILLAGE OF CUMBERLAND
Statement of Financial Position
As at December 31, 2014

	<u>2014</u>	<u>2013</u>
Financial Assets		
Cash and cash equivalents	\$ 7,246,391	\$ 6,446,107
Property taxes receivable	256,251	254,921
Accounts receivable (Note 2)	<u>712,010</u>	<u>700,967</u>
	<u>8,214,652</u>	<u>7,401,995</u>
Liabilities		
Accounts payable and accrued liabilities (Note 3)	724,738	589,964
Trust and other deposits (Note 4)	212,116	159,874
Deferred revenue (Note 6)	1,671,543	2,457,567
Debenture and long term-debt (Note 8, Schedule 2)	<u>3,019,663</u>	<u>2,650,967</u>
	<u>5,628,060</u>	<u>5,858,372</u>
Net Financial Assets	<u>2,586,592</u>	<u>1,543,623</u>
Non-financial Assets		
Tangible capital assets (Schedule 1)	36,995,870	36,079,955
Inventories	110,491	91,083
Prepaid expenses	<u>8,707</u>	<u>5,964</u>
	<u>37,115,068</u>	<u>36,177,002</u>
Accumulated Surplus (Note 16)	<u><u>\$ 39,701,660</u></u>	<u><u>\$ 37,720,625</u></u>
Contingent liabilities (Note 7)		

See accompanying notes to the financial statements

Approved by:


 Leslie Baird
 Mayor


 Michelle Mason
 Corporate Financial Officer

THE CORPORATION OF THE VILLAGE OF CUMBERLAND
Statement of Operations and Accumulated Surplus
For the Year Ended December 31, 2014

	2014 Budget	2014 Actual	2013 Actual
	(Note 13)		
Revenues			
Taxes	\$ 2,058,010	\$ 2,051,054	\$ 2,031,474
Grants in lieu of taxes	45,200	48,499	48,248
Frontage taxes	177,450	177,525	177,452
Sale of services	1,070,195	1,134,995	1,065,780
Transfers from other governments	1,281,140	1,358,607	1,329,792
Services to other governments	318,630	302,897	308,242
Other revenue	728,740	720,610	554,365
Development cost charges	295,640	262,411	609,933
Contributed assets	-	804,528	45,000
	<u>5,975,005</u>	<u>6,861,126</u>	<u>6,170,286</u>
Expenses			
General government services	683,105	601,753	548,195
Transportation services	1,112,035	1,284,775	957,264
Protective services	513,940	462,990	476,244
Environmental health services	1,600,130	1,478,157	1,488,671
Public health services	65,105	61,050	21,553
Environmental planning and development services	327,615	236,015	359,770
Recreation and cultural services	808,525	755,351	595,693
	<u>5,110,455</u>	<u>4,880,091</u>	<u>4,447,390</u>
Annual Surplus	864,550	1,981,035	1,722,896
Accumulated Surplus, Beginning Of Year	<u>37,720,625</u>	<u>37,720,625</u>	<u>35,997,729</u>
Accumulated Surplus, End Of Year	<u>\$ 38,585,175</u>	<u>\$ 39,701,660</u>	<u>\$ 37,720,625</u>

Please see accompanying notes to the financial statements.

THE CORPORATION OF THE VILLAGE OF CUMBERLAND
Statement of Change in Net Financial Assets (Debt)
For the Year Ended December 31, 2014

	2014 Budget	2014 Actual	2013 Actual
	(Note 13)		
Annual Surplus	\$ 864,550	\$ 1,981,035	\$ 1,722,896
Amortization of tangible capital assets	860,845	880,962	835,014
Change in supplies inventories	-	(19,408)	(10,848)
Change in prepaid expense	-	(2,743)	(1,660)
Proceeds on disposal of tangible capital assets	-	13,000	-
Loss on disposal of tangible capital assets	-	422,456	241,762
Acquisition of tangible capital assets	<u>(2,588,740)</u>	<u>(2,232,333)</u>	<u>(1,532,724)</u>
Change In Net Financial Assets	(863,345)	1,042,969	1,254,440
Net Financial Assets, Beginning Of Year	1,543,623	1,543,623	289,183
Net Financial Assets, End Of Year	<u><u>\$ 680,278</u></u>	<u><u>\$ 2,586,592</u></u>	<u><u>\$ 1,543,623</u></u>

Please see accompanying notes to the financial statements.

THE CORPORATION OF THE VILLAGE OF CUMBERLAND
Statement of Cash Flows
For the Year Ended December 31, 2014

	2014	2013
	<u> </u>	<u> </u>
Cash Flows From Operating Transactions		
Annual surplus	\$ 1,981,035	\$ 1,722,896
Non-cash items		
Amortization	880,962	835,014
Contributed assets	(804,528)	(45,000)
Long-term debt actuarial reduction	(14,638)	(10,988)
Loss on disposal of tangible capital assets	422,456	241,762
Change in prepaid expense	(2,743)	(1,658)
Change in inventories	(19,408)	(10,848)
Change in deferred revenue	(786,024)	(1,026,010)
Change in working capital		
Change in property taxes receivable	(1,330)	74,354
Change in accounts receivable	(11,043)	718,736
Change in accounts payable	134,774	(179,704)
Change in trust and other deposits	52,242	(49,312)
Cash provided from (applied to) operating transactions	<u>1,831,755</u>	<u>2,269,242</u>
Cash Flow From Capital Transactions		
Purchase of tangible capital assets	(1,427,805)	(1,487,726)
Proceeds on disposal of tangible capital assets	13,000	-
Cash provided from (applied to) capital transactions	<u>(1,414,805)</u>	<u>(1,487,726)</u>
Cash Flow From Financing Transactions		
New debt issued	564,665	13,461
Long-term debt repaid	(181,331)	(194,575)
Cash provided from (applied to) financing transactions	<u>383,334</u>	<u>(181,114)</u>
Increase in Cash and Cash Equivalents	800,284	600,402
Cash and Cash Equivalents, Beginning Of Year	<u>6,446,107</u>	<u>5,845,705</u>
Cash and Cash Equivalents, End Of Year	<u><u>\$ 7,246,391</u></u>	<u><u>\$ 6,446,107</u></u>
Interest Included In Operating Transactions		
Interest received in the year	\$ 182,197	\$ 137,358
Interest paid in the year	\$ (122,996)	\$ (118,190)

Please see accompanying notes to the consolidated financial statements.

**The Corporation of the Village of Cumberland
Notes to Financial Statements
Year Ended DECEMBER 31, 2014**

The Corporation of the Village of Cumberland (the "Municipality") was incorporated in 1898 under the provisions of the *British Columbia Municipal Act and is subject to the provisions of the Community Charter and related legislation*. Its principal activities are the provision of local government services to the residents of the Municipality.

1. SIGNIFICANT ACCOUNTING POLICIES

- a) It is the Municipality's policy to follow Canadian public sector accounting standards.
- b) In accordance with the recommendations of the Public Sector Accounting Board of the Chartered Professional Accountants Canada, the Municipality reports a consolidation of all funds. The financial statements reflect the removal of internal transactions and balances.
- c) Financial instruments consist of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities, trusts and other deposits, debenture and long-term debt. Unless otherwise noted, it is management's opinion that the Municipality is not exposed to significant interest, currency or credit risk arising from these financial instruments.
- d) Tangible capital assets and other non-financial assets are accounted for as non-financial assets by the Municipality because they can be used to provide municipal services in future periods. These assets do not normally provide resources to discharge liabilities unless they are sold.
- e) Cash and cash equivalents include short-term deposits held with the Municipal Finance Authority in the Money Market Fund and the First Credit Union and are carried at cost, which approximates market value.
- f) Inventories are valued at the lower of cost and replacement value.
- g) Tax revenues are recognized in the year that they are levied. Government transfers are recognized as revenues when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled. Restricted grants are recognized when the related expenses are incurred and when collection is reasonably assured. Sewer and water fees are recognized when the commodity has been received by the customer. Other sales of services and other revenue from own sources are recognized when the service is provided or the amount is earned and when the amount can be estimated and collection is reasonably assured. Restricted revenues from collections of development cost charges are deferred and then recognized as revenue in the year that an expense, authorized by bylaw, is incurred.
- h) The Municipality is statutorily obligated to collect and transmit the tax levies of the following bodies:
 - i. Provincial Government – Schools;
 - ii. Provincial Government – Police;
 - iii. Comox Valley Regional District;
 - iv. Regional Hospital District of Comox Strathcona;
 - v. British Columbia Assessment Authority;
 - vi. Municipal Finance Authority; and
 - vii. Vancouver Island Regional Library.

Such levies are not included in the revenues of the Municipality.

- i) Expenses are recorded in the period in which the goods or services are acquired and a liability is incurred.
- j) The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenue and expenditures during the

**The Corporation of the Village of Cumberland
Notes to Financial Statements
Year Ended DECEMBER 31, 2014**

reporting period. Significant areas requiring the use of estimates include the ability to collect property taxes receivable and accounts receivable, obsolete or damaged inventory, amortization of tangible capital assets and post employment benefits. Actual results may vary from the estimates and adjustments, if any, will be reported and reflected in operations as they become known.

- k) The Municipality recognizes the expenses relating to employee benefits in the period in which the employees render the services in return for the benefits, including compensated employee absences that accumulate but do not vest. Absences due to employee illness are paid when an injury or illness occurs, but entitlement to such compensation arises as employees render service. Entitlement to compensated absence due to illness or injury is measured as the expected future utilization of this benefit.
- l) 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 are amortized on a straight-line basis over their estimated useful lives as follows:

Buildings	25-40
Equipment and vehicles	5-15
Water and waste water plant and networks	
Underground networks	60-100
Plants and lift stations	50-100
Pumping stations and reservoirs	100
Other infrastructure	50-100
Transportation	
Road surfaces	15-25
Road base structure	75
Poles and luminaries	100
Parks and other	
Land improvements	10-40
Playing fields and trails	15-20
Parking lots	10-20

Contributions of tangible capital assets are recorded as an asset at their fair value at the date of receipt and as revenue.

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 and the associated asset is recorded at the lower of the present value of future minimum lease payments or fair value.

- m) The Municipality capitalizes interest on interim financing for capital construction projects. In 2014 \$0 was capitalized (2013 - \$0).

**The Corporation of the Village of Cumberland
Notes to Financial Statements
Year Ended DECEMBER 31, 2014**

2. ACCOUNTS RECEIVABLE

Accounts receivable is comprised of the following:

	<u>2014</u>	<u>2013</u>
Due from federal government	\$120,465	\$178,144
Due from provincial government	3,355	112,414
Due from other government	66,270	59,774
Other receivables	521,920	350,635
	<u>\$712,010</u>	<u>\$700,967</u>

3. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Account payable is comprised of the following:

	<u>2014</u>	<u>2013</u>
Due from federal government	\$962	(\$3,773)
Due to provincial government	7,878	11,851
Due to other government	22,859	22,902
Salaries, wages and benefits payable	283,386	251,994
Other payables	409,653	306,990
	<u>\$724,738</u>	<u>\$589,964</u>

4. TRUST AND OTHER DEPOSITS

Trust and other deposits are securities and deposits held by the Municipality to ensure performance of requirements under contract or for approval of development or subdivision applications, or to safeguard against damages to facilities and infrastructure. The balance includes deposits collected for building, plumbing and development permits, subdivision and landscaping performance bonds, lien holdbacks and park and facility rentals.

5. BANK INDEBTEDNESS

The Village has an available unsecured line of credit of \$750,000 from the First Line Credit Union bearing interest at prime. No balance was drawn on the line of credit as at December 31, 2014 (2013 – nil).

**The Corporation of the Village of Cumberland
Notes to Financial Statements
Year Ended DECEMBER 31, 2014**

6. DEFERRED REVENUE

	Balance			Recognized	Interest	Balance
	31-Dec-13	Collections	Adjustments	As Revenue	Income	31-Dec-14
Deferred Revenue – DCC						
Storm Drainage	\$253,905	3,922	5,211	(159,958)	4,341	\$107,421
Sanitary Sewer	598,763	32,283	51,541	(102,453)	10,816	590,950
Waterworks	23,722	19,962	22,715	-	492	66,891
Roads	299,544	18,740	12,821	-	5,566	336,671
Parks	95,742	8,357	13,003	-	1,718	118,820
	<u>1,271,676</u>	<u>83,264</u>	<u>105,291</u>	<u>(262,411)</u>	<u>22,933</u>	<u>1,220,753</u>
Other Deferred	<u>1,185,891</u>	<u>323,311</u>	<u>(812,847)</u>	<u>(260,674)</u>	<u>15,109</u>	<u>450,790</u>
	<u><u>2,457,567</u></u>	<u><u>406,575</u></u>	<u><u>(707,556)</u></u>	<u><u>(523,085)</u></u>	<u><u>38,042</u></u>	<u><u>1,671,543</u></u>

Adjustments for Development Cost Charge (DCC) deferred revenue are accounts receivable due from the developer of a subdivision that was approved in 2014. This is permitted by the Local Government Act B.C. Regulations 255/2011, July 1, 2012 which allows a developer to elect to pay DCC charges by installments over a period of three years.

Adjustments for Other Deferred Revenue are the reallocation of community works funds and developer amenity funds to a restricted reserve.

7. CONTINGENT LIABILITIES

- a) The Municipality's loan agreements with the Comox Valley Regional District and the Municipal Finance Authority provide that if at any time the scheduled payments required are not sufficient to meet obligations in regards to borrowings, the resulting deficiency becomes a joint and several liability of the Municipality and the other member Municipalities.
- b) The Municipality is involved with a number of legal actions, the outcomes of which cannot be determined at this time. Management has determined that any potential liabilities arising from these outstanding claims are not significant.
- c) As at December 31, 2014, there were various assessment appeals pending with respect to properties. The outcome of those appeals may result in adjustments to property taxes receivable for the current and prior years. The Municipality makes a provision against property taxes receivable where the results of a specific appeal are reasonably determinable.
- d) The Municipality is a Subscribed member of the Municipal Insurance Association of British Columbia (the "Exchange") as provided by Section 3.02 of the Insurance Act of the Province of British Columbia. The main purpose of the Exchange is to pool the risks of liability so as to lessen the impact upon any Subscriber. Under the Reciprocal Insurance Exchange Agreement the Municipality is assessed a premium and specific deductible for its claims based on population. The obligation of the Municipality with respect to the Exchange and/or contracts and obligations entered in to by the Exchange on behalf of its Subscribers in connection with the Exchange are in every case several, and not joint and several.

**The Corporation of the Village of Cumberland
Notes to Financial Statements
Year Ended DECEMBER 31, 2014**

8. LONG-TERM DEBT

- a) The Municipality is party to several capital leases financed through the Municipal Finance Authority for the acquisition of vehicles and operating equipment. Lease terms are five years or less. The vehicles and equipment under capital leases have a carrying value of \$438,687 (2013 - \$433,806) and are recorded as non-financial assets in the statements.

The following is a schedule of future minimum lease payments under the capital leases with various expiry dates to 2019 together with the balance of the obligations under capital lease, which is included in the debenture and long-term debt as detailed in Schedule 2:

2015	\$96,378
2016	94,064
2017	69,041
2018	63,225
2019	<u>26,556</u>
Total minimum lease payments	349,264
Less: amount representing interest	<u>(12,545)</u>
Obligations under capital lease	<u><u>\$336,719</u></u>

- b) Principal payments on debenture and long-term debt over the next five years are as follows:

2015	\$96,542
2016	100,499
2017	104,619
2018	97,915
2019	101,832
Thereafter	<u>1,819,406</u>
	<u><u>\$2,320,813</u></u>

9. DEPOSITS AND RESERVES – MUNICIPAL FINANCE AUTHORITY

Under borrowing arrangements with the Municipal Finance Authority (MFA), the Village is required to lodge security by means of demand notes and interest-bearing cash deposits based on the amount of the borrowing. As the debt principal is retired, demand notes are released and the cash deposits are refunded and recorded as operating income in the period received.

As a condition of these borrowings, a portion of the debenture proceeds is withheld by the MFA as a debt reserve fund. These deposits, which are contingent in nature, are held by the MFA to act as security against the possibility of debt repayment default, and together with the demand notes are not recorded in the accounts. If the debt is repaid without default, the deposits are refunded to the Village. Details of the cash deposits are as follows:

	<u>2014</u>	<u>2013</u>
Cash deposits	\$34,428	\$33,458

**The Corporation of the Village of Cumberland
Notes to Financial Statements
Year Ended DECEMBER 31, 2014**

10. UNFUNDED LIABILITY

Employee Benefits

Employees who retire qualify for a one time payout of up to 72 days of their accumulated unused sick leave bank after 10 years of service. The Village calculates the value of this liability for employees based on review of the total vested and non-vested accrued time to date. Probabilities of 10 – 90% are assigned based on years of service and length of time to retirement and discounted at 2.49%. At December 31, 2014, the value of sick leave for all vested employees is calculated at \$46,264 (2013 - \$50,367). The total estimated employee retirement benefit liability at December 31, 2014 is \$136,867 (2013 - \$119,896). Employee retirement benefit payments are being funded by an accounting charge on sick time accrued during the year and are included in the accounts payable and accrued liabilities.

11. PENSION LIABILITY

The municipality and its employees contribute to the Municipal Pension Plan (the Plan), a jointly trustee pension plan. The Board of trustees, representing Plan members and employers, is responsible for overseeing the management of the Plan, including investment of the assets and administration of benefits. The pension plan is a multi-employer contributory pension plan. Basic pension benefits provided are based on a formula. The Plan has about 182,000 active members and approximately 75,000 retired members. Active members include approximately 23 contributors from the Corporation of the Village of Cumberland.

The most recent actuarial valuation as at December 31, 2012 indicated a \$1.370 billion funding deficit for basic pension benefits. The next valuation will be as at December 31, 2015 with results available in 2016. Employers participating in the plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the Plan records accrued liabilities and accrued assets for the plan in aggregate with the result that there is no consistent and reliable basis for allocating the obligation, assets and cost to the individual employers participating in the Plan. The Corporation of the Village of Cumberland paid \$125,859 (2013 - \$120,414) for employer contributions while employees contributed \$109,832 (2013 - \$104,758) to the plan in fiscal 2014.

12. TRUST FUNDS

The following assets are held in trust by the Village for cemetery care. Neither the assets nor related liability have been recorded in the financial statements.

	<u>2014</u>	<u>2013</u>
Cash and cash equivalents	<u>\$47,304</u>	<u>\$44,827</u>

**The Corporation of the Village of Cumberland
Notes to Financial Statements
Year Ended DECEMBER 31, 2014**

13. ANNUAL BUDGET

Budget figures are based on the *2014-2018 Financial Plan Bylaw No. 1005, 2014* approved by Council in May of 2014. Figures are presented on the basis used for actual results and were adjusted as follows to comply with financial statement presentation:

Surplus per 2014 – 2018 Financial Plan	\$ -
Remove proceeds from borrowing	(956,510)
Remove principal payments on debt	218,655
Add back amortization	(860,845)
Remove capital acquisitions	2,588,740
Transfer to reserves	<u>(125,490)</u>
Surplus restated for financial statement purposes	<u><u>\$864,550</u></u>

	Original Financial Plan Bylaw 1005	Final Amended Financial Plan Bylaw 1015	Difference
Revenues	\$ (5,679,365)	\$ (5,998,620)	\$ (319,255)
Expenses			
General government services	683,105	667,865	(15,240)
Transportation services	1,112,035	1,106,255	(5,780)
Protective services	513,940	499,735	(14,205)
Environmental health services	1,600,130	1,437,820	(162,310)
Public health services	65,105	68,705	3,600
Environmental planning and development services	327,615	287,615	(40,000)
Recreation and cultural services	<u>808,525</u>	<u>756,185</u>	<u>(52,340)</u>
	<u>5,110,455</u>	<u>4,824,180</u>	<u>(286,275)</u>
Net (Revenues) Expenses	<u>(568,910)</u>	<u>(1,174,440)</u>	<u>(605,530)</u>
Adjustments	990,040	615,910	(374,130)
Transfers (from) to reserves	(125,490)	849,700	975,190
Development costs charges	<u>(295,640)</u>	<u>(291,170)</u>	<u>4,470</u>
	<u>568,910</u>	<u>1,174,440</u>	<u>605,530</u>
Transfer to/(from) accumulated surplus	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

14. ENVIRONMENTAL REGULATIONS

The Municipality makes every reasonable effort to comply with all environmental regulations that apply to its operations. These regulations may require future expenditures to meet applicable standards. Amounts required to meet these obligations will be charged to operations when incurred or set aside as future reserves when they can be reasonably estimated.

**The Corporation of the Village of Cumberland
Notes to Financial Statements
Year Ended DECEMBER 31, 2014**

15. FEDERAL GAS TAX AGREEMENT FUNDS

Gas Tax Agreement funding is provided by the Government of Canada. The use of the funding is established by a funding agreement between the local government and the Union of British Columbia Municipalities. Gas Tax Agreement funding may be used towards designated categories that include public transit, community energy, water, wastewater, solid waste, transportation, tourism, sports, culture and recreation infrastructure, disaster mitigation and capacity building projects, as specified in the funding agreements.

During 2014 the Village entered into a Renewed Gas Tax Agreement that differed in several key ways from the previous agreement. The result of these differences, and in accordance with the Village's accounting policy for Government Transfers, is that revenues under the Community Works Fund portion of the program will be recognized when allocated to the Village.

The Renewed Gas Tax Agreement also provides that any unspent amounts from the previous agreement will be brought forward to the new agreement. These amounts were previously recorded as deferred revenue. The impact of this new agreement is a significant increase to revenue in 2014 to recognize the amounts previously deferred.

The Village continues to track the unspent amounts in the Community Works Reserve Fund. The continuity of this fund is presented in the table below:

	<u>2014</u>	<u>2013</u>
Opening Balance of Unspent Deferred Funds	\$ -	\$ 456,013
Add:		
Transfer of Community Works Funds from 2013	489,338	-
Amounts received during the year	189,463	161,289
Interest earned on funds	9,779	6,050
Less:		
Amounts allocated to projects during the year	<u>(123,148)</u>	<u>(134,014)</u>
Closing balance of unspent funds	<u>\$ 565,432</u>	<u>\$ 489,338</u>

**The Corporation of the Village of Cumberland
Notes to Financial Statements
Year Ended DECEMBER 31, 2014**

16. ACCUMULATED SURPLUS

Operating Funds - comprise the principal operating activities of the Village and are separated into General, Water, and Sanitary Sewer Funds.

Reserve Funds - created to hold cash, and investments for specific future requirements.

Equity In Tangible Capital Assets - used to record the acquisition and disposal of tangible capital assets and related financing and similarly separated into General, Water and Sanitary Sewer Funds.

Accumulated Surplus:	2014	2013
Operating Funds **: <ul style="list-style-type: none"> General Fund Water Fund Sanitary Sewer Fund 	\$ 3,876,100 744,188 416,150 <hr/> 5,036,438 <hr/>	\$ 2,555,646 709,347 352,256 <hr/> 3,617,249 <hr/>
Reserve Funds: <ul style="list-style-type: none"> General Capital Works Water Capital Works Sanitary Sewer Capital Works Parkland Reserve Land Sale Reserve 	108,927 63,863 57,595 126,414 332,216 <hr/> 689,015 <hr/>	86,799 90,088 32,862 125,934 338,705 <hr/> 674,388 <hr/>
Equity In Tangible Capital Assets: <ul style="list-style-type: none"> General Fund Water Fund Sanitary Sewer Fund 	13,299,545 9,319,765 11,356,897 <hr/> 33,976,207 <hr/>	13,155,155 9,263,012 11,010,821 <hr/> 33,428,988 <hr/>
Accumulated Surplus	\$ 39,701,660 <hr/>	\$ 37,720,625 <hr/>

** The operating funds above have balances reserved within them for specific purposes and Community Works is included in the reserved funds.

**The Corporation of the Village of Cumberland
Notes to Financial Statements
Year Ended DECEMBER 31, 2014**

17. SEGMENTED INFORMATION

The Municipality is a diversified local government institution that provides a wide range of services to its citizens, including the provision of water, sewer, garbage disposal, recreation, parks, and cemetery services. The services and functions of the Municipality have been segregated or grouped based on factors such as delivery method, similarity in regulations, restrictions or cost recovery and the nature of the service as voluntary or essential services. Consideration has been given to comparability to other Municipal bodies.

The segments are categorized and described as follows:

General Government

This segment includes activities pertaining to the general administration and governance of the organization and those services that are provided on a centralized basis for all other segments and departments of the organization. Council, management, corporate and financial services are included as are other general costs which are not easily allocated to individual activity areas.

Transportation Services

This segment includes general road way maintenance and upgrade, street lighting, sidewalk and other general duties of the Public Works department. The Department is responsible to ensure transportation infrastructure is safe and well maintained.

Protective Services

This segment includes fire protection services, emergency preparedness, bylaw enforcement and animal control. The function's mandate is to ensure the safety of the lives and property of citizens and preserve peace and good order.

Environmental Health Services

The Water and Waste segment consists of three distinct utilities: sewerage and drainage, water, and solid waste disposal. The department provides collection and treatment of sewage and storm water, treatment and delivery of drinking water and contracts garbage collection and recycling services. Ensuring environmental and public safety standards are the key concern for the functions within this segment.

Public Health Services

The Municipality owns and/or operates three cemeteries. Although some of the maintenance activities are similar to those provided in the Parks function, a larger portion of the cost and activity is specific to performing cemetery services. The function has been segregated due to the unique regulatory requirements and because these services would be delivered as a separate business function in the private sector. The administrative and maintenance services for this function are divided between two departments but costs for administration are not substantial nor easily attributed to this function and are, therefore, not reallocated from General Government.

Environmental Planning and Development Services

The Planning Department manages land use planning, building and development functions. The department is responsible for ensuring that these functions are planned and managed to address environmental and building regulations, heritage matters and community and public concerns.

Recreation and Cultural Services

This segment captures all activities relating to the health and well being of the citizens and community. The function includes recreational services such as a fitness centre and gym, facilities rentals and contributions to community and cultural events as well as provision and maintenance of parks and park facilities. The services in this category are not considered essential services but are important for economic and community development.

**The Corporation of the Village of Cumberland
Notes to Financial Statements
Year Ended DECEMBER 31, 2014**

For each reported segment, revenues represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Property taxes, payments in lieu and the small community grant funds are apportioned based on budget with any variance in actual revenue being attributed back to General Government. All other revenues can be directly attributed to a particular segment. With the exception of some general fiscal services and centralized supply and services charged directly to the General Government function, all other costs are instigated for and charged directly to the specific segments when incurred.

18. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to current year presentation.

THE CORPORATION OF THE VILLAGE OF CUMBERLAND
Tangible Capital Assets
For the Year Ended December 31, 2014

	Land	Building	Equipment /	Engineering Structures			Land Improvements	Assets Under Development	2014 Total	2013 Total
			Furniture / Vehicles	Water	Sewer / Drainage	Roads				
Cost										
Opening balance	\$ 4,346,549	\$1,401,072	\$ 2,885,381	\$10,387,350	\$15,237,510	\$19,655,261	\$ 1,287,975	\$ 308,784	\$ 55,509,882	\$ 54,372,644
Add: Additions	423,069	-	308,429	626,622	460,534	267,477	309,089	119,933	2,515,153	2,343,241
Less: disposals	-	-	(64,616)	(41,360)	(68,725)	(499,343)	-	(282,820)	(956,864)	(1,206,003)
Less: write-downs	-	-	-	-	-	-	-	-	-	-
Closing balance	4,769,618	1,401,072	3,129,194	10,972,612	15,629,319	19,423,395	1,597,064	145,897	57,068,171	55,509,882
Accumulated Amortization										
Opening balance	-	1,366,742	1,396,650	2,320,844	2,128,323	11,312,105	905,263	-	19,429,927	18,748,639
Add: amortization	-	4,140	230,122	111,799	161,997	304,431	68,473	-	880,962	835,014
Less: disposals	-	-	(53,847)	(11,938)	(12,588)	(160,215)	-	-	(238,588)	(153,726)
Closing balance	-	1,370,882	1,572,925	2,420,705	2,277,732	11,456,321	973,736	-	20,072,301	19,429,927
Net Book Value, December 31, 2014	\$ 4,769,618	\$ 30,190	\$ 1,556,269	\$ 8,551,907	\$13,351,587	\$ 7,967,074	\$ 623,328	\$ 145,897	\$ 36,995,870	
Net Book Value, December 31, 2013	\$ 4,346,549	\$ 34,330	\$ 1,488,732	\$ 8,066,506	\$13,109,187	\$ 8,343,156	\$ 382,712	\$ 308,784		\$ 36,079,955

THE CORPORATION OF THE VILLAGE OF CUMBERLAND
Debenture and Long-Term Debt
As at December 31, 2014

	<u>2014</u>	<u>2013</u>
General Capital Fund		
Capital asset leases with various expiry dates to 2019, interest charged at prime less 1%, secured by equipment with carrying value of \$438,687 (2013 - \$433,806)	\$ 336,719	\$ 237,412
Water Capital Fund		
Debenture Debt Water Bylaw #702, due 2018, interest charged at 6.9%, annual principal payment of \$4,143	29,937	38,982
Interim Construction Financing Temporary Borrowing Bylaw #982, interest charged at 1.5%	362,132	-
	<u>392,069</u>	<u>38,982</u>
Sewer Capital Fund		
Debenture Debt Sanitary Sewer Improvements Bylaw #781, interest charged at 4.43%, annual principal payment of \$15,797	740,438	761,227
Sanitary Sewer Improvements Bylaw #914, interest charged at 3.25%, annual principal payment of \$58,164	1,550,437	1,613,346
	<u>2,290,875</u>	<u>2,374,573</u>
Total Debenture and Long-Term Debt	<u>\$ 3,019,663</u>	<u>\$ 2,650,967</u>

SCHEDULE 3

THE CORPORATION OF THE VILLAGE OF CUMBERLAND
Segment Disclosure
For the Year Ended December 31, 2014

	General government services		Transportation services		Protective services		Environmental health services		Public health services		Environmental planning and development services		Recreation and cultural services		Total	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Revenue																
Tax revenue	\$ 439,156	\$ 483,734	\$ 788,935	\$ 817,738	\$ 296,478	\$ 216,527	\$ 177,525	\$ 177,452	\$ 5,848	\$ 5,091	\$ 60,023	\$ 136,536	\$ 509,113	\$ 420,094	\$ 2,277,078	\$ 2,257,172
Sale of services	-	-	-	-	109,001	134,736	1,234,031	1,164,203	18,490	12,535	-	-	76,370	62,547	1,437,892	1,374,021
Transfer from other governments	876,328	614,666	181,211	296,715	85,724	77,790	-	95,625	32,773	871	49,919	149,341	132,652	94,785	1,358,607	1,329,793
Other revenues and contributions	125,301	71,553	501,521	98,932	264,398	45,729	509,351	621,123	232	147	122,968	148,966	263,778	222,850	1,787,549	1,209,300
Total revenues	1,440,785	1,169,953	1,471,667	1,213,385	755,601	474,782	1,920,907	2,058,403	57,343	18,644	232,910	434,843	981,913	800,276	6,861,126	6,170,286
Expenses																
Wages, salaries and benefits	292,202	285,787	374,201	356,757	252,127	252,568	559,520	504,786	9,314	13,380	147,216	147,814	397,806	341,104	2,032,386	1,902,196
Good and services	278,051	235,915	184,914	210,976	140,923	160,283	392,564	313,526	49,834	6,271	88,799	211,956	286,206	211,301	1,421,291	1,350,228
Debt expense	6,800	3,779	10,526	8,258	3,897	4,380	101,773	101,773	-	-	-	-	-	-	122,996	118,190
Amortization	24,700	22,714	378,236	371,991	66,043	59,013	338,742	336,106	1,902	1,902	-	-	71,339	43,288	880,962	835,014
Loss on disposal of assets	-	-	336,898	9,282	-	-	85,558	232,480	-	-	-	-	-	-	422,456	241,762
Total Expenses	601,753	548,195	1,284,775	957,264	462,990	476,244	1,478,157	1,488,671	61,050	21,553	236,015	359,770	755,351	595,693	4,880,091	4,447,390
Annual Surplus (Deficit)	\$ 839,032	\$ 621,758	\$ 186,892	\$ 256,121	\$ 292,611	\$ (1,462)	\$ 442,750	\$ 569,732	\$ (3,707)	\$ (2,909)	\$ (3,105)	\$ 75,073	\$ 226,562	\$ 204,583	\$ 1,981,035	\$ 1,722,896

SCHEDULE 4

THE CORPORATION OF THE VILLAGE OF CUMBERLAND
 Segment Disclosure With Budget Information
 For the Year Ended December 31, 2014

	General government services		Transportation services		Protective services		Environmental health services		Public health services		Environmental planning and development services		Recreation and cultural services		Total	
	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
Revenue																
Tax revenue	\$ 439,156	\$440,025	\$ 788,935	\$ 790,155	\$296,478	\$296,995	\$ 177,525	\$ 177,450	\$ 5,848	\$ 5,860	\$ 60,023	\$ 60,240	\$509,113	\$509,935	\$2,277,078	\$2,280,660
Sale of services	-	-	-	-	109,001	128,130	1,234,031	1,183,795	18,490	12,050	-	-	76,370	64,850	1,437,892	1,388,825
Transfer from other governments	876,328	434,275	181,211	372,395	85,724	85,985	-	136,275	32,773	33,645	49,919	51,370	132,652	167,195	1,358,607	1,281,140
Other revenue and contributions	125,301	57,590	501,521	63,380	264,398	269,775	509,351	342,910	232	205	122,968	159,010	263,778	131,510	1,787,549	1,024,380
Total revenue	1,440,785	931,890	1,471,667	1,225,930	755,601	780,885	1,920,907	1,840,430	57,343	51,760	232,910	270,620	981,913	873,490	6,861,126	5,975,005
Expenses																
Wages, salaries and benefits	292,202	315,310	374,201	413,015	252,127	279,560	559,520	602,490	9,314	14,160	147,216	157,770	397,806	398,120	2,032,386	2,180,425
Good and services	278,051	339,705	184,914	298,695	140,923	169,565	392,564	542,535	49,834	49,040	88,799	169,845	286,206	365,945	1,421,291	1,935,330
Debt expense	6,800	4,920	10,526	17,840	3,897	4,640	101,773	106,455	-	-	-	-	-	-	122,996	133,855
Amortization	24,700	23,170	378,236	382,485	66,043	60,175	338,742	348,650	1,902	1,905	-	-	71,339	44,460	880,962	860,845
Loss on disposal of assets	-	-	336,898	-	-	-	85,558	-	-	-	-	-	-	-	422,456	-
Total expenses	601,753	683,105	1,284,775	1,112,035	462,990	513,940	1,478,157	1,600,130	61,050	65,105	236,015	327,615	755,351	808,525	4,880,091	5,110,455
2014 Annual Surplus (Deficit)	\$ 839,032	\$248,785	\$ 186,892	\$ 113,895	\$292,611	\$266,945	\$ 442,750	\$ 240,300	\$(3,707)	\$(13,345)	\$ (3,105)	\$(56,995)	\$226,562	\$ 64,965	\$1,981,035	\$ 864,550