

***CITY OF DIEPPE***

**CONSOLIDATED ANNUAL FINANCIAL REPORT**

Year ended December 31, 2018



**CITY OF DIEPPE**

---

**TABLE OF CONTENTS**

Year ended December 31, 2018

---

COUNCIL, OFFICERS AND GENERAL STATISTICS	i
INDEPENDENT AUDITOR'S REPORT	1
Consolidated statement of operations and accumulated surplus	4
Consolidated statement of financial position	5
Consolidated statement of changes in net debt	6
Consolidated statement of cash flows	7
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS	8

# **CITY OF DIEPPE**

---

## **COUNCIL, OFFICERS AND GENERAL STATISTICS**

Year ended December 31, 2018

---

### **MAYOR**

Yvon Lapierre

### **DEPUTY MAYOR**

Ernest Thibodeau

### **COUNCILLORS**

Patricia Arsenault

Jean-Claude Cormier

Edward Gaudet

Daniel Allain

Jean-Marc Brideau

Lise LeBouthillier

Roger LeBlanc

### **OFFICERS**

Chief Administrative Officer / Clerk

Marc Melanson

Assistant Clerk

Stéphane Simard

Treasurer

Stéphane Thériault

Fire Chief

Vacant

Chief of Public Works

David Knowles

Chief of Culture, Leisure and Community Life

Luc Bujold

Director of Public Engineering

Angèle Spencer

Director of Leisure and Recreation Facilities

Raymond Bourque

Director of Communications

Annie Duguay

Director of Planning and Development

André Frenette

Director of Human Resources

Martine Savoie

Director of Organizational Performance

Luc Richard

Director of Information Technologies

Shaun Daigle

Main solicitors

McIntyre Finn

Auditor

Ernst & Young

Chartered Professional Accountants

### **GENERAL STATISTICS**

Population: 25,384 (2016 census)

### **TAX BASE AND TAX RATE**

	Tax base	Tax rate
2018 - Dieppe	\$ 3,030,003,202	\$ 1.6295
2018 - Dieppe - outside	\$ 309,763	\$ 1.1443
2019 - Dieppe	\$ 3,158,615,200	\$ 1.6295
2019 - Dieppe - outside	\$ 302,900	\$ 1.3060

## INDEPENDENT AUDITOR'S REPORT

---

### To His Worship the Mayor and Members of Council

#### Opinion

We have audited the consolidated financial statements of the CITY OF DIEPPE and its controlled entities (the Group), which comprise the consolidated statement of financial position as at December 31, 2018, and the consolidated statement of operations and accumulated surplus, consolidated statement of changes in net debt and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2018, and the consolidated results of its operations and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

#### Basis for Opinion

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

#### Other information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, and in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We obtained the Annual Report prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

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

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

## **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

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

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

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

Dieppe, Canada  
April 8, 2019

*Ernst & Young LLP*

Chartered Professional Accountants

**CITY OF DIEPPE**

**CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS**

Year ended December 31,

	2018 Budget	2018 Actual	2017 Actual
<b>REVENUE</b>			
Warrant of assessment	\$ 49,377,446	\$ 49,377,446	\$ 48,410,667
Services to other governments			
Other municipalities (note 21)	136,360	189,371	138,800
Province of New Brunswick (note 21)	162,114	157,054	146,718
Sale of services (note 21)	12,304,701	12,299,550	11,828,462
Other revenue from own sources (note 21)	600,300	1,055,811	1,000,235
Community funding and equalization grant	1,053,001	1,053,001	995,217
Other grants	-	-	150,000
Adjustment in lieu of taxes	4	4	4
Interest earned	77,500	418,415	222,512
Contributions from other governments			
towards capital assets	-	4,904,937	5,276,523
Capital assets contributed by developers	-	1,676,446	1,202,580
Other contributions	-	107,725	817,210
Gain on sale of land (note 3)	-	47,415	133,534
	<b>\$ 63,711,426</b>	<b>\$ 71,287,175</b>	<b>\$ 70,322,462</b>
<b>EXPENSES</b>			
General government services (note 21)	\$ 6,385,311	\$ 5,520,167	\$ 5,775,568
Protective services (note 21)	12,154,240	12,084,484	11,637,102
Transportation services (note 21)	8,969,171	7,561,554	7,150,589
Environmental health services (note 21)	1,130,227	1,144,502	1,099,917
Economic development services (note 21)	2,102,896	2,241,293	2,536,138
Recreation and cultural services (note 21)	7,582,401	7,131,709	7,250,788
Water supply (note 21)	4,910,195	4,643,336	4,566,264
Sewerage collection and disposal (note 21)	4,015,358	3,975,139	3,707,061
Fiscal services - general (note 21)	2,156,354	2,186,207	2,279,376
Fiscal services - water (note 21)	633,300	631,454	680,136
Fiscal services - sewer (note 21)	313,300	312,154	331,909
Amortization of tangible capital assets	-	11,703,210	10,874,292
Decrease in value of land inventory	-	39,413	-
Loss on disposal of tangible capital assets	-	144,726	214,994
	<b>50,352,753</b>	<b>59,319,348</b>	<b>58,104,134</b>
<b>ANNUAL SURPLUS</b> (notes 17 and 20)	<b>\$ 13,358,673</b>	<b>\$ 11,967,827</b>	<b>\$ 12,218,328</b>
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR</b>		<b>229,113,519</b>	216,895,191
<b>ACCUMULATED SURPLUS, END OF YEAR</b>		<b>\$ 241,081,346</b>	<b>\$ 229,113,519</b>

The accompanying notes are an integral part of these financial statements

**CITY OF DIEPPE**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

December 31,

2018

2017

**FINANCIAL ASSETS**

Cash	\$ 3,193,562	\$ 16,207,183
Term deposits (note 4)	13,026,000	-
Accounts receivable		
General	2,057,417	2,876,991
Sales tax receivable	823,332	1,294,874
Governments	3,554,861	5,519,738
	<u>22,655,172</u>	<u>25,898,786</u>

**LIABILITIES**

Bank overdraft	589,606	839,212
Accounts payable	5,560,501	7,790,012
Withholding taxes payable	57,420	45,302
Due to other governments	312,490	1,604,457
Accrued sick leave (note 7)	1,200,000	1,145,000
Deferred revenue	1,265,726	573,410
Security deposits	416,168	381,010
Long-term debt and capital lease obligations (note 5)	86,706,590	94,037,468
	<u>96,108,501</u>	<u>106,415,871</u>

**NET DEBT**

(73,453,329)      (80,517,085)

**NON-FINANCIAL ASSETS**

Tangible capital assets (note 15)	432,122,024	417,414,803
Accumulated amortization	(121,820,890)	(111,764,360)
	<u>310,301,134</u>	<u>305,650,443</u>
Inventory	22,582	21,109
Land inventory	4,191,911	3,844,460
Prepaid expenses	19,048	114,592
	<u>314,534,675</u>	<u>309,630,604</u>

**ACCUMULATED SURPLUS**

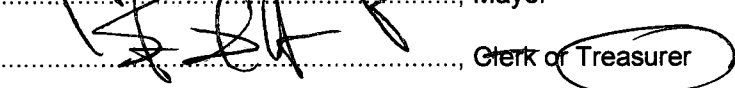
\$ 241,081,346      \$ 229,113,519

**CONTINGENCIES (note 8) AND COMMITMENTS (note 9)**

The accompanying notes are an integral part of these financial statements

APPROVED BY

  
....., Mayor

  
....., Clerk of Treasurer



**CITY OF DIEPPE****CONSOLIDATED STATEMENT OF CHANGES IN NET DEBT**

Year ended December 31,

**2018****2017**

Annual surplus	<b>\$ 11,967,827</b>	<b>\$ 12,218,328</b>
Acquisition of tangible capital assets	<b>(16,863,187)</b>	<b>(25,203,389)</b>
Proceeds on sale of tangible capital assets	<b>364,560</b>	<b>119,127</b>
Amortization of tangible capital assets	<b>11,703,210</b>	<b>10,874,292</b>
Loss on disposal of tangible capital assets	<b>144,726</b>	<b>214,994</b>
	<b>7,317,136</b>	<b>(1,776,648)</b>
Acquisition of inventory	<b>(22,582)</b>	<b>(21,109)</b>
Acquisition of prepaid expenses	<b>(19,048)</b>	<b>(114,592)</b>
Consumption of inventory	<b>21,109</b>	<b>23,873</b>
Use of prepaid expenses	<b>114,592</b>	<b>15,359</b>
Decrease in value of land inventory	<b>39,413</b>	<b>-</b>
Change in land inventory	<b>(386,864)</b>	<b>(130,469)</b>
	<b>(253,380)</b>	<b>(226,938)</b>
Decrease (increase) in net debt	<b>7,063,756</b>	<b>(2,003,586)</b>
Net debt, beginning of year	<b>(80,517,085)</b>	<b>(78,513,499)</b>
Net debt, end of year	<b>\$ (73,453,329)</b>	<b>\$ (80,517,085)</b>

The accompanying notes are an integral part of these financial statements

**CITY OF DIEPPE****CONSOLIDATED STATEMENT OF CASH FLOWS**

Year ended December 31,

**2018****2017****OPERATING ACTIVITIES**

Annual surplus	\$ 11,967,827	\$ 12,218,328
Items not affecting cash and cash equivalents:		
Loss on disposal of tangible capital assets	144,726	214,994
Decrease in value of land inventory	39,413	-
Amortization of tangible capital assets	11,703,210	10,874,292
Capital assets contributed by developers	(1,676,446)	(1,202,580)
	<u>22,178,730</u>	<u>22,105,034</u>
Change in non-cash items:		
Accounts receivable	3,255,993	(232,368)
Accounts payable, withholding taxes payable and due to other governments	(3,509,360)	744,156
Change in inventory, land inventory and prepaid expenses	61,047	(226,938)
Other	782,474	148,829
	<u>22,768,884</u>	<u>22,538,713</u>

**CAPITAL ACTIVITIES**

Acquisition of tangible capital assets net of contributions from developers	(15,186,741)	(22,214,990)
Proceeds on sale of tangible capital assets	364,560	119,127
	<u>(14,822,181)</u>	<u>(22,095,863)</u>

**INVESTING ACTIVITIES**

Acquisition of term deposits	(66,279,955)	(18,081,909)
Proceeds on disposition of term deposits	53,253,955	18,081,909
	<u>(13,026,000)</u>	<u>-</u>

**FINANCING ACTIVITIES**

Additional financing	600,000	9,919,000
Repayment of long-term debt and capital lease obligations	(8,284,718)	(7,717,833)
	<u>(7,684,718)</u>	<u>2,201,167</u>

**NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS****(12,764,015)**      2,644,017**CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR****15,367,971**      12,723,954**CASH AND CASH EQUIVALENTS, END OF YEAR****\$ 2,603,956**      \$ 15,367,971

Cash and cash equivalents are comprised of the following:

Cash	\$ 3,193,562	\$ 16,207,183
Bank overdraft	(589,606)	(839,212)
	<u>\$ 2,603,956</u>	<u>\$ 15,367,971</u>

The accompanying notes are an integral part of these financial statements

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

December 31, 2018

---

**1. STATUTES OF INCORPORATION AND PURPOSE OF THE ENTITY**

---

The City of Dieppe (the "City") was incorporated as a town by the Municipalities Act of the Province of New Brunswick on January 1<sup>st</sup>, 1952 and was approved for status as a city effective January 1<sup>st</sup>, 2003 by an amendment of New Brunswick Regulation 85-6 under the Municipalities Act. As a municipality, the City is exempt from income tax under section 149(1)(c) of the Income Tax Act of Canada. The City has the following vision statement: "The City of Dieppe's strong Acadian pride is reflected in its hospitality. It is a great place in which to live and raise a family thanks to its careful development and concern for the environment."

**2. SIGNIFICANT ACCOUNTING POLICIES**

---

The consolidated financial statements of the City of Dieppe are the representations of management prepared in accordance with Canadian generally accepted accounting principles for local governments, as recommended by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada.

The focus of financial statements prepared in accordance with public sector accounting (PSA) standards is on the financial position of the City and the changes thereto. The consolidated statement of financial position includes all of the assets and liabilities of the City.

The following entities are included in the consolidated financial statements:

- City of Dieppe
- Expansion Dieppe Inc.
- Gestion 1604 Inc.

Significant aspects of the accounting policies adopted by the City are as follows:

**Reporting entity**

The consolidated financial statements reflect the assets, liabilities, revenues, expenditures and changes in net debt and cash flows of the reporting entity. The reporting entity is comprised of all organizations and enterprises accountable for the administration of the affairs and resources of the City and which are owned or controlled by the City.

Interdepartmental and organizational transactions and balances are eliminated.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
December 31, 2018

---

**2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

---

**Budget**

The budget figures contained in these consolidated financial statements were approved by Council on December 11, 2017 and the Minister of Local Government on January 17, 2018.

**Revenue recognition**

Unrestricted revenue is recorded on an accrual basis and is recognized when collection is reasonably assured. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred.

Other revenue is recorded when it is earned.

Capital contributions received from a third party, such as a contribution from another government to assist with the construction or purchase of a capital asset owned by the City, are recognized as revenue.

**Use of estimates**

The preparation of the consolidated financial statements in compliance with PSA standards requires management to make estimates that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amount of revenues and expenses during the reporting period. These estimates are reviewed periodically and, as adjustments become necessary, they are reported in earnings in the period in which they become known. Actual results may differ from those estimates.

**Financial instruments**

The City's financial instruments are initially recorded at fair value and subsequently at amortized cost.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

December 31, 2018

---

**2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

---

**Tangible capital assets**

Tangible capital assets are recorded at cost, which includes all amounts that are directly attributable to the acquisition, construction, development or betterment of the asset. The cost of the tangible capital assets is amortized on a straight-line basis over their estimated useful life as follows:

<b><u>Asset type</u></b>	<b><u>Years</u></b>
Land improvements	10 to 25
Machinery and equipment	3 to 30
Fleet	5 to 10
Buildings	20 to 50
Transportation network ("transportation")	10 to 50
Water and wastewater networks ("water and wastewater")	30 to 100

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

Where the City is contributing to the cost of capital works on a provincially-designated highway or route, its share of the cost of the work is recorded as a tangible capital asset. The capital assets contributed by developers are recorded at fair value at the date of receipt.

**Impairment**

Tangible capital assets are reviewed for impairment whenever events or changes in circumstances indicate that the tangible capital asset no longer contributes to the City's ability to provide goods and services, or that the value of future economic benefits associated with the tangible capital asset is less than its net book value. Impairment is assessed by comparing the carrying amount to the estimate of the value of the asset's remaining service potential to the City. Any impairment results in a write-down of the asset and a charge to income during the year. An impairment loss is not reversed if the long-term value of the asset subsequently increases.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

December 31, 2018

---

**2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

---

**Segmented information**

The City is a diversified municipal government that provides a wide range of services to its residents. For management reporting purposes, the City's operations and activities are organized and reported by function. This presentation was created for the purpose of recording specific activities to attain certain objectives in accordance with special regulations, restrictions or limitations. Municipal services are provided by the following departments:

General government services

This department is responsible for the overall governance and financial administration of the City. This includes council functions, general and financial management, legal matters and compliance with legislation as well as civic relations.

Protective services

This department is responsible for the provision of policing services, fire protection, emergency measures, animal control, building inspection and other protective measures.

Transportation services

This department is responsible for common services, road and street maintenance, traffic services and other transportation-related functions.

Environmental health services

This department is responsible for the provision of waste collection and disposal.

Economic development services

This department is responsible for planning and zoning, economic development, tourism and other municipal development and promotion services.

Recreation and cultural services

This department is responsible for the maintenance and operation of recreational and cultural facilities, including swimming pools, arenas, parks and playgrounds and other recreational and cultural facilities.

Water and sewerage systems

This department is responsible for the provision of water and sewer services, including the maintenance and operation of the underground networks, treatment plants, reservoirs and lagoons.

**CITY OF DIEPPE**

---

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
December 31, 2018

---

**2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

---

**Inventory**

Inventory is valued at the lower of cost and net replacement cost with cost being determined using the average cost method.

**Land inventory**

Land inventory is valued at the lower of cost and fair market value. Cost is determined using the specific cost method for the land that is comprised of a single lot and using the average cost method for the other properties.

**Post-employment benefits**

The City offers a sick leave benefit plan, as described in note 7.

The City provides a defined contribution pension plan to its employees. Pension costs related to current services are charged to expenses for the period during which contributions are due by the employer.

<b>3. GAIN ON SALE OF LAND</b>	<b>2018</b>	<b>2017</b>
Sale of land	\$ 71,392	\$ 187,650
Cost of land sold	(23,977)	(54,116)
	<b>\$ 47,415</b>	<b>\$ 133,534</b>

---

**4. TERM DEPOSITS**

---

The term deposits bear interest at 2.40% and come to maturity in November 2019.

## CITY OF DIEPPE

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS December 31, 2018

<b>5. LONG-TERM DEBT AND CAPITAL LEASE OBLIGATIONS</b>	<b>2018</b>	<b>2017</b>
<b>Capital lease obligations</b>		
Lease contract for a fire truck with a net book value of \$1,174,285 repayable in monthly instalments of \$12,149, including interest calculated at the rate of 3.19%, maturing in February 2027, with a purchase option of \$1.	\$ 1,178,446	\$ 1,324,233
Lease contract for a fire truck with a net book value of \$495,520, repayable in monthly instalments of \$5,206, including interest calculated at the rate of 3.19%, maturing in July 2027, with a purchase option of \$1.	531,013	593,485
Interest included in instalments	(207,326)	(257,982)
	<b>1,502,133</b>	<b>1,659,736</b>
<b>Promissory note</b>		
Promissory note, directly assumed for the repurchase of land that is included in the land inventory, repayable in annual instalments of \$70,768, without interest, maturing in 2023.	353,840	-
<b>Loan</b>		
Loan, guaranteed by the City Hall land and building having a net book value of \$6,970,512, repayable in monthly instalments of \$72,689 including interest calculated at the rate of 5.62%, maturing in October 2031.	7,962,617	8,389,732
<b>Debentures</b>		
1) Debenture, 0.95% to 3.50%, portion due in 2030 and 2035.	6,770,000	7,221,000
2) Debenture, 1.05% to 3.65%, due in 2030.	6,358,000	7,541,000
3) Debenture, 1.20% to 3.10%, due in 2024.	2,831,000	3,670,000
4) Debenture, 1.20% to 3.80%, portion due in 2031 and 2036.	12,261,000	13,775,000
5) Debenture, 2.10% to 5.55%, renewable in 2023, portion due in 2028 and 2033.	4,277,000	4,603,000
6) Debenture, 1.00% to 4.50%, renewable in 2019, portion due in 2024, 2029 and 2034.	7,008,000	7,476,000
7) Debenture, 1.50% to 3.85%, renewable in 2020, portion due in 2025, 2030, 2035 and 2040.	8,324,000	8,908,000
To carry forward.	\$ 57,647,590	\$ 63,243,468



## CITY OF DIEPPE

---

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2018

---

<b>5. LONG-TERM DEBT AND CAPITAL LEASE OBLIGATIONS (continued)</b>	<b>2018</b>	<b>2017</b>
Carried forward.	<b>\$ 57,647,590</b>	\$ 63,243,468
8) Debenture, 1.35% to 3.45%, renewable in 2021, portion due in 2026, 2031 and 2036.	<b>3,774,000</b>	3,993,000
9) Debenture, 1.35% to 3.80%, renewable in 2032, due in 2037.	<b>7,270,000</b>	7,649,000
10) Debenture, 1.25% to 4.40%, portion due in 2028 and 2033.	<b>3,471,000</b>	3,979,000
11) Debenture, 1.65% to 3.20%, portion due in 2027 and 2032.	<b>13,944,000</b>	15,173,000
12) Debenture, 2.10% to 3.60%, due in 2033.	<b>600,000</b>	-
Total	<b>\$ 86,706,590</b>	\$ 94,037,468

Approval of the Municipal Capital Borrowing Board has been obtained for the loan and the debentures.

The long-term debt principal repayments and the minimum capital lease payments for the next five years are estimated as follows, assuming the renewal of the debts as planned:

Loans	Capital lease payments
2019 - \$ 8,079,884	\$ 208,259
2020 - \$ 7,858,255	\$ 208,259
2021 - \$ 7,405,742	\$ 208,259
2022 - \$ 6,931,296	\$ 208,259
2023 - \$ 6,713,038	\$ 208,259

### 6. SHORT-TERM BORROWING

---

#### Operating borrowing

As prescribed in the Local Governance Act, borrowing to finance General Fund operations is limited to 4% of the municipality's operating budget. Borrowing to finance Water and Sewerage Fund operations is limited to 50% of the operating budget for the year. In 2018, the City has complied with these restrictions.

#### Inter-fund borrowing

The Municipal Financial Reporting Manual requires that short-term inter-fund borrowings be repaid in the following year unless the borrowing is for a capital project. The amounts payable between the funds are in compliance with this requirement.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
December 31, 2018

---

**7. EMPLOYEE FUTURE BENEFITS**

---

**Accrued sick leave**

The City provides sick leave that accumulates at the rate of 8 hours per month for full-time non-administrative employees and 7 hours per month for full-time administrative employees. All employees can take a leave with pay for a maximum of 5 consecutive days and a maximum of 12 days per year.

An actuarial valuation was performed in accordance with PS 3255. The actuarial method used was the projected benefit method pro rated on services. The valuation was based on a number of assumptions about future events, such as interest rates, salaries and employee turnover and retirement. The assumptions used reflect the City's best estimates.

The following summarizes the major assumptions in the valuation:

- annual salary increase is 3.0%;
- the discount rate used to determine the accrued benefit obligation is 4.5%;
- retirement age is 62; and
- estimated net utilization rate of sick leave varies with age.

The sick leave is an unfunded benefit. As such, there are no applicable assets. Benefits are paid out of general revenue as they come due.

**Pension plan**

During the year, the City contributed \$1,100,967 (2017 - \$1,054,462) to the pension plan. The City's contributions are from 4.5% to 11.5% of the employees' earnings, depending on the category of the employee.

**8. CONTINGENCIES**

---

In the normal course of operations, the City is involved in various claims or proceedings. Legal counsel is of the opinion that neither the possible outcome nor the amount of any possible settlement can be foreseen at this time. Therefore, no provision has been accounted for in the financial statements.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

December 31, 2018

---

**9. COMMITMENTS**

---

The City has committed to buy its water from the City of Moncton until 2032. The City of Moncton bills monthly based on the number of cubic metres of water used by the City as per the water meter and as per the annual rate per cubic metre used calculated annually by the City of Moncton.

The City has also committed to purchase its operation and treatment of wastewater services from the Greater Moncton Wastewater Commission. The Greater Moncton Wastewater Commission bills quarterly based on the number of residential units and meter equivalents and based on a fixed rate per unit calculated annually.

The City has also committed to share 90% of the operation costs of the Codiac Regional Police Service with the City of Moncton and the Town of Riverview until 2032. Under this commitment, the municipal police services are provided by the Royal Canadian Mounted Police.

The City has also committed to purchase waste collection and disposal services from Fero Waste and Recycling Inc. until 2020. The balance of the commitment under this contract is \$792,966. The following payments will be made over the next two years:

2019 - \$528,644

2020 - \$264,322

The City has also committed to purchase construction services for the new intergenerational community complex from Pomerleau Inc., which is expected to be completed in 2020. An approximate amount of \$29,800,000 is expected to be paid over the next two years to complete construction.

**10. FINANCIAL INSTRUMENTS**

---

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The City is exposed to this risk on its long-term debt because it bears interest at fixed rates.

Management believes that the City is not exposed to any other significant risks arising from its financial instruments.

# CITY OF DIEPPE

---

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2018

---

### 11. TRANSFERS TO RESERVE FUNDS

---

The transfers between the reserve funds were authorized by Council through a resolution dated December 10, 2018, with the exception of the following transfers from the Reserve Fund: a transfer of \$109,000 was authorized on January 8, 2018, transfers of \$4,131 and \$175,577 were authorized on February 12, 2018, transfers of \$915,000, \$660,000, \$200,000, \$455,000 and \$185,000 were authorized on April 23, 2018, transfers of \$300,000, \$5,000, \$32,500 and \$12,500 were authorized on May 14, 2018, transfers of \$72,000 and \$100,000 were authorized on June 11, 2018, a transfer of \$437,000 was authorized on October 22, 2018 and a transfer of \$250,000 was authorized on December 14, 2018.

### 12. WATER AND SEWERAGE FUND SURPLUS/DEFICIT

---

The Local Governance Act requires water and sewerage fund surplus/deficit amounts to be absorbed into one or more of four operating budgets commencing with the second ensuing year. The balance of the surplus/deficit at the end of the year consists of:

	2018	2017
2018 surplus	\$ 79,760	\$ -
2017 surplus	42,745	42,745
2016 surplus	-	145,691
	<u>\$ 122,505</u>	<u>\$ 188,436</u>

---

### 13. WATER COST TRANSFER

---

The City's water cost transfer for fire protection is within the maximum allowable by Regulation 81-195 under the Local Governance Act based upon the applicable percentage of water system expenditures for the population.

### 14. COMPARATIVE FIGURES

---

Certain comparative figures have been reclassified to conform with the presentation used in the current year.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2018

## 15. SCHEDULE OF TANGIBLE CAPITAL ASSETS

	Land	Land improvements	Machinery and equipment	Fleet	Buildings	Transportation	Water and wastewater	Work in progress	Total 2018	Total 2017
<b>COST</b>										
Balance, beginning of year	\$ 26,272,409	\$ 14,196,051	\$ 4,300,847	\$ 12,774,488	\$ 64,164,809	\$ 170,200,119	\$ 120,813,169	\$ 4,692,911	\$ 417,414,803	\$ 394,775,143
Add:										
Additions during the year	640,700	508,970	1,220,509	431,472	-	4,706,013	2,433,602	-	9,941,266	30,341,955
Disposals during the year	(356,745)	(174,149)	(66,663)	(667,586)	-	(325,765)	(565,058)	-	(2,155,966)	(2,563,729)
Reclassifications	-	-	(32,000)	-	-	2,208,039	(2,176,039)	-	-	-
Net change in work in progress	-	-	-	-	-	-	-	6,921,921	6,921,921	(5,138,566)
Balance, end of year	26,556,364	14,530,872	5,422,693	12,538,374	64,164,809	176,788,406	120,505,674	11,614,832	432,122,024	417,414,803
<b>ACCUMULATED AMORTIZATION</b>										
Balance, beginning of year	-	4,254,757	2,011,717	5,368,104	22,157,045	48,883,322	29,089,415	-	111,764,360	103,119,676
Add:										
Amortization for the year	-	749,313	428,579	921,030	2,296,645	5,824,916	1,482,727	-	11,703,210	10,874,292
Accumulated amortization of disposals	-	(129,469)	(66,663)	(660,773)	-	(278,596)	(511,179)	-	(1,646,680)	(2,229,608)
Balance, end of year	-	4,874,601	2,373,633	5,628,361	24,453,690	54,429,642	30,060,963	-	121,820,890	111,764,360
<b>NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS</b>										
	\$ 26,556,364	\$ 9,656,271	\$ 3,049,060	\$ 6,910,013	\$ 39,711,119	\$ 122,358,764	\$ 90,444,711	\$ 11,614,832	\$ 310,301,134	\$ 305,650,443

During the year, fleet assets in the amount of \$0 (2017 - \$1,785,819) were acquired through capital lease contracts. At December 31, 2018, the City's leased capital assets were composed of fleet assets with a cost of \$1,785,819 (2017 - \$1,785,819) and accumulated amortization of \$116,014 (2017 - \$38,671).

During the year, land for \$0 (2017 - \$80,800), transportation assets for \$1,559,353 (2017 - \$544,415) and water and wastewater assets for \$117,093 (2017 - \$577,365) were received as contributions from developers.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2018

16. SCHEDULE OF SEGMENT INFORMATION

	General government	Protective	Transportation	Environmental health	Economic development	Recreation and cultural	Water and sewerage	2018 Consolidated	2017 Consolidated
<b>Revenue</b>									
Warrant of assessment	\$ 7,145,517	\$ 13,211,325	\$ 16,801,852	\$ 1,032,148	\$ 1,920,411	\$ 9,266,193	\$ -	\$ 49,377,446	\$ 48,410,667
Services provided to other governments	-	189,371	157,054	-	-	-	-	346,425	285,518
Sale of services	-	-	-	-	-	1,550,542	10,749,008	12,299,550	11,828,462
Community funding and equalization grant	152,382	281,739	358,308	22,011	40,954	197,607	-	1,053,001	995,217
Other grants	-	-	-	-	-	-	-	-	150,000
Interest earned	53,471	98,863	125,732	7,724	14,371	69,341	48,913	418,415	222,512
Other	69,160	594,513	4,076,293	6,711	353,431	1,425,076	1,267,154	7,792,338	8,430,086
	<b>7,420,530</b>	<b>14,375,811</b>	<b>21,519,239</b>	<b>1,068,594</b>	<b>2,329,167</b>	<b>12,508,759</b>	<b>12,065,075</b>	<b>71,287,175</b>	<b>70,322,462</b>
<b>Expenses</b>									
Salaries and benefits	2,291,126	5,502,176	3,430,018	-	1,112,148	4,113,360	2,796,711	19,245,539	18,124,824
Goods and services	2,614,435	6,582,308	4,131,536	1,144,502	1,129,145	2,998,953	5,821,764	24,422,643	24,955,158
Amortization	748,670	583,437	6,764,205	-	2,386	1,906,608	1,697,904	11,703,210	10,874,292
Interest	458,222	203,162	1,150,731	-	-	374,092	943,608	3,129,815	3,291,421
Other	614,606	(1,588)	48,703	-	39,413	63,128	53,879	818,141	858,439
	<b>6,727,059</b>	<b>12,869,495</b>	<b>15,525,193</b>	<b>1,144,502</b>	<b>2,283,092</b>	<b>9,456,141</b>	<b>11,313,866</b>	<b>59,319,348</b>	<b>58,104,134</b>
<b>Surplus (deficit) for the year</b>	<b>\$ 693,471</b>	<b>\$ 1,506,316</b>	<b>\$ 5,994,046</b>	<b>\$ (75,908)</b>	<b>\$ 46,075</b>	<b>\$ 3,052,618</b>	<b>\$ 751,209</b>	<b>\$ 11,967,827</b>	<b>\$ 12,218,328</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2018

## 17. RECONCILIATION OF ANNUAL SURPLUS

	General Operating	General Capital	Water and Sewerage Operating	Water and Sewerage Capital	Industrial Park	Reserve Funds	Total
<b>2018 annual fund surplus (deficit)</b>	\$ 583,007	\$ 18,208,364	\$ 79,760	\$ 4,738,307	\$ (25,445)	\$ (524,629)	\$ 23,059,364
<b>Adjustments to annual surplus (deficit)</b>							
Second previous year's surplus	(598,449)	-	(145,691)	-	-	-	(744,140)
Elimination of inter-fund transfers							
General operating fund reserve	93,500	-	-	-	-	(93,500)	-
General capital fund reserve	2,638,000	(2,176,262)	-	-	-	(461,738)	-
Inter-fund transfer	5,360,519	(5,360,519)	586,919	(586,919)	-	-	-
Water and sewerage operating fund reserve	-	-	157,500	-	-	(157,500)	-
Water and sewerage capital fund reserve	-	-	325,500	(1,789,000)	-	1,463,500	-
Long-term debt principal repayment	6,292,375	(6,292,375)	1,819,000	(1,819,000)	-	-	-
Internal revenue elimination	1,550,000	-	(1,550,000)	-	-	-	-
Amortization expense	-	(10,002,920)	-	(1,697,904)	-	-	(11,700,824)
Capital assets contributed by developers	-	1,559,353	-	117,093	-	-	1,676,446
Expenses reclassified as capital assets	(135,331)	-	-	-	-	-	(135,331)
Fees in lieu of land for public purposes, recorded as deferred revenue	-	-	-	-	-	(3,400)	(3,400)
Loss on disposal of capital assets	-	(100,593)	-	(53,879)	-	-	(154,472)
Surplus (deficit) from other consolidated entities	7,333	-	(37,149)	-	-	-	(29,816)
<b>Total adjustments to 2018 annual surplus (deficit)</b>	<b>15,207,947</b>	<b>(22,373,316)</b>	<b>1,156,079</b>	<b>(5,829,609)</b>	<b>-</b>	<b>747,362</b>	<b>(11,091,537)</b>
<b>2018 annual surplus (deficit) under PSA standards</b>	<b>\$ 15,790,954</b>	<b>\$ (4,164,952)</b>	<b>\$ 1,235,839</b>	<b>\$ (1,091,302)</b>	<b>\$ (25,445)</b>	<b>\$ 222,733</b>	<b>\$ 11,967,827</b>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2018

18. STATEMENT OF RESERVES

	General Operating Reserve	General Capital Reserve	Water and Sewerage Operating Reserve	Water and Sewerage Capital Reserve	Land for public purposes	Total 2018	Total 2017
<b>Assets and accumulated surplus</b>	\$ 2,661,981	\$ 8,696,629	\$ 626,404	\$ 2,190,364	\$ 170,196	\$ 14,345,574	\$ 14,870,203
<b>Revenue</b>							
Interest	44,718	124,633	6,962	43,580	2,870	222,763	140,997
Transfer from the general operating fund	420,000	3,014,577	-	-	-	3,434,577	5,373,000
Transfer from the water and sewerage operating fund	-	-	275,000	381,500	-	656,500	666,000
Sale of land	-	-	-	-	4,131	4,131	-
Fees in lieu of land for public purposes	-	-	-	-	3,400	3,400	3,304
	<b>464,718</b>	<b>3,139,210</b>	<b>281,962</b>	<b>425,080</b>	<b>10,401</b>	<b>4,321,371</b>	<b>6,183,301</b>
<b>Expenses</b>							
Transfer to the general operating fund	326,500	-	-	-	-	326,500	9,000
Transfer to the general capital fund	-	2,557,000	-	-	-	2,557,000	2,814,825
Transfer to the water and sewerage operating fund	-	-	117,500	-	-	117,500	125,000
Transfer to the water and sewerage capital fund	-	-	-	1,845,000	-	1,845,000	2,650,962
	<b>326,500</b>	<b>2,557,000</b>	<b>117,500</b>	<b>1,845,000</b>	<b>-</b>	<b>4,846,000</b>	<b>5,599,787</b>
<b>Annual surplus (deficit)</b>	\$ 138,218	\$ 582,210	\$ 164,462	\$ (1,419,920)	\$ 10,401	\$ (524,629)	\$ 583,514



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2018

19. INFORMATION ON CONTROLLED ENTITIES

	City of Dieppe	Expansion Dieppe Inc.	Gestion 1604 Inc.	2018 Total	2017 Total
<b>Assets</b>	\$ 325,627,313	\$ 3,534,479	\$ 8,028,055	\$ 337,189,847	\$ 335,529,390
<b>Liabilities</b>	87,054,147	1,050,904	8,003,450	96,108,501	106,415,871
<b>Accumulated surplus</b>	238,573,166	2,483,575	24,605	241,081,346	229,113,519
<b>Revenue</b>	69,358,900	1,442,192	486,083	71,287,175	70,322,462
<b>Expenses</b>	57,361,257	1,496,613	461,478	59,319,348	58,104,134
<b>Annual surplus (deficit)</b>	\$ 11,997,643	\$ (54,421)	\$ 24,605	\$ 11,967,827	\$ 12,218,328

The entities listed above are included in the consolidated financial statements.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2018

## 20. OPERATING BUDGET RECONCILED TO THE BUDGET PRESENTED IN ACCORDANCE WITH PSA STANDARDS

	General operating budget	Water and sewerage operating budget	Amortization of tangible capital assets	Internal revenue	Second previous year's surplus	Transfers	Consolidated entities' transfers	Total
<b>Revenue</b>								
Warrant of assessment	\$ 49,377,446	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	49,377,446
Services provided to other governments	298,474	-	-	-	-	-	-	298,474
Sale of services	1,456,350	10,848,351	-	-	-	-	-	12,304,701
Other revenue from own sources	600,300	1,550,000	-	(1,550,000)	-	-	-	600,300
Community funding and equalization grant	1,053,001	-	-	-	-	-	-	1,053,001
Transfers from the reserves to the operating funds	486,499	60,000	-	-	-	(546,499)	-	-
Adjustment in lieu of taxes	4	-	-	-	-	-	-	4
Interest earned	65,000	12,500	-	-	-	-	-	77,500
Contribution from Expansion Dieppe Inc.	133,962	25,611	-	-	-	-	(159,573)	-
Second previous year's surplus	598,450	145,691	-	-	(744,141)	-	-	-
	<b>54,069,486</b>	<b>12,642,153</b>	<b>-</b>	<b>(1,550,000)</b>	<b>(744,141)</b>	<b>(546,499)</b>	<b>(159,573)</b>	<b>63,711,426</b>
<b>Expenses</b>								
General government services	6,385,311	-	-	-	-	-	-	6,385,311
Protective services	13,704,240	-	-	(1,550,000)	-	-	-	12,154,240
Transportation services	8,969,171	-	-	-	-	-	-	8,969,171
Environmental health services	1,130,227	-	-	-	-	-	-	1,130,227
Economic development services	2,102,896	-	-	-	-	-	-	2,102,896
Recreational and cultural services	7,582,401	-	-	-	-	-	-	7,582,401
Water supply	-	4,910,195	-	-	-	-	-	4,910,195
Sewerage collection and disposal	-	4,015,358	-	-	-	-	-	4,015,358
Interest on long-term debt	2,156,354	946,600	-	-	-	-	-	3,102,954
Long-term debt payments	6,292,847	1,819,000	-	-	-	(8,111,847)	-	-
Transfers from the operating funds to the capital funds	4,380,039	765,000	-	-	-	(5,145,039)	-	-
Transfers from the operating funds to the reserves	1,366,000	186,000	-	-	-	(1,552,000)	-	-
	<b>54,069,486</b>	<b>12,642,153</b>	<b>-</b>	<b>(1,550,000)</b>	<b>-</b>	<b>(14,808,886)</b>	<b>-</b>	<b>50,352,753</b>
<b>Surplus (deficit)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>(744,141)\$</b>	<b>14,262,387 \$</b>	<b>(159,573)\$</b>	<b>13,358,673</b>

**CITY OF DIEPPE**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

December 31, 2018

**21. REVENUE AND EXPENSE SUPPORT**

	2018 Budget	2018 Actual	2017 Actual
<b>Revenue</b>			
<i>Services to other governments</i>			
Other municipalities			
Fire	\$ 136,360	\$ 189,371	\$ 138,800
<hr/>			
Province of New Brunswick			
Roads and streets	\$ 145,935	\$ 139,363	\$ 137,852
Lanemarking	16,179	17,691	8,866
	<hr/>	<hr/>	<hr/>
	\$ 162,114	\$ 157,054	\$ 146,718
<hr/>			
<i>Sale of services</i>			
Arenas	\$ 713,500	\$ 787,201	\$ 702,139
Aquatic and Sports Centre	608,300	627,557	593,909
Mobile stage - rental and sponsors	-	-	3,000
Programs	122,550	121,977	127,619
Rental of sports fields	12,000	13,807	16,866
Water	5,533,630	5,437,251	5,300,706
Sewerage	5,164,721	5,088,246	4,819,740
Connections, services and other	75,000	144,802	161,647
Interest on sale of services	75,000	78,709	102,836
	<hr/>	<hr/>	<hr/>
	\$ 12,304,701	\$ 12,299,550	\$ 11,828,462
<hr/>			
<i>Other revenue from own sources</i>			
Building and other permits	\$ 346,300	\$ 482,145	\$ 463,236
Fines			
Municipal by-laws	21,000	26,475	34,115
Rental - equipment and buildings	195,000	263,801	241,508
Miscellaneous	38,000	283,390	261,376
	<hr/>	<hr/>	<hr/>
	\$ 600,300	\$ 1,055,811	\$ 1,000,235
<hr/>			

**CITY OF DIEPPE**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

December 31, 2018

21. REVENUE AND EXPENSE SUPPORT (continued)	2018 Budget	2018 Actual	2017 Actual
<b>Expenses</b>			
<i>General government services</i>			
Legislative			
Mayor	\$ 37,114	\$ 36,117	\$ 36,777
Councillors	153,863	132,545	141,055
Other	36,500	27,532	29,722
	227,477	196,194	207,554
Administrative			
Clerk	299,385	239,885	297,092
Manager	1,565,832	1,459,154	1,457,265
Buildings	631,959	605,803	563,373
Solicitor	225,000	163,810	249,580
Other	1,451,697	920,891	1,038,238
	4,173,873	3,389,543	3,605,548
Financial management			
Administration	208,255	202,760	189,361
Accounting	296,837	261,930	278,880
External audit	50,000	40,152	46,277
	555,092	504,842	514,518
Common services			
Cost of assessment	587,881	587,881	579,935
Other general government services			
Conventions	13,858	13,995	12,710
Public liability insurance	213,000	213,106	207,788
Grant - Capitol Theatre	83,430	83,430	83,430
Grant - others	515,700	520,890	540,611
Other	15,000	10,286	23,474
	840,988	841,707	868,013
	\$ 6,385,311	\$ 5,520,167	\$ 5,775,568

**CITY OF DIEPPE****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

December 31, 2018

<b>21. REVENUE AND EXPENSE SUPPORT (continued)</b>	<b>2018 Budget</b>	<b>2018 Actual</b>	<b>2017 Actual</b>
<i>Protective services</i>			
Police			
RCMP contract and municipal costs	\$ 5,460,857	\$ 5,460,857	\$ 5,662,103
<i>Fire</i>			
Administration	429,956	410,390	369,724
Firefighting force	4,374,525	4,555,834	4,022,596
Fire investigation and prevention	10,000	9,333	11,373
Station and building	471,500	422,727	421,646
Firefighting equipment	664,500	405,469	381,317
Training	65,000	145,939	94,847
	6,015,481	5,949,692	5,301,503
Emergency measures	6,000	5,375	6,921
<i>Other</i>			
Building inspection	338,353	331,688	356,209
Application of by-laws	244,842	249,205	222,954
Animal and pest control	3,000	1,767	2,597
Insect control	85,707	85,900	84,815
	671,902	668,560	666,575
	\$ 12,154,240	\$ 12,084,484	\$ 11,637,102

**CITY OF DIEPPE****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
December 31, 2018

<b>21. REVENUE AND EXPENSE SUPPORT (continued)</b>	<b>2018 Budget</b>	<b>2018 Actual</b>	<b>2017 Actual</b>
<i>Transportation services</i>			
Common services			
Administration	\$ 374,211	\$ 358,972	\$ 369,572
Training and development	17,750	24,205	16,849
Civil engineering, planning and monitoring	901,912	808,490	814,506
General equipment	140,181	138,382	113,666
Workshops and other buildings	1,158,910	1,099,422	1,034,251
	<b>2,592,964</b>	<b>2,429,471</b>	<b>2,348,844</b>
Roads and streets			
Summer maintenance	1,671,137	1,478,229	1,417,091
Sidewalks	68,000	25,551	71,855
Storm sewers and culverts	388,800	71,104	86,178
Snow and ice removal	1,350,879	1,453,740	1,308,801
	<b>3,478,816</b>	<b>3,028,624</b>	<b>2,883,925</b>
Street lighting	475,000	493,731	477,511
Traffic services			
Street signs	39,440	41,484	32,153
Traffic lanemarking	49,951	26,768	42,600
Traffic signals	94,500	104,011	44,878
	<b>183,891</b>	<b>172,263</b>	<b>119,631</b>
Public transit	1,763,500	1,437,465	1,317,178
Equipment program	475,000	-	3,500
	<b>\$ 8,969,171</b>	<b>\$ 7,561,554</b>	<b>\$ 7,150,589</b>

**CITY OF DIEPPE**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
December 31, 2018

<b>21. REVENUE AND EXPENSE SUPPORT (continued)</b>	<b>2018 Budget</b>	<b>2018 Actual</b>	<b>2017 Actual</b>
<i>Environmental health services</i>			
Dumps and garbage collection	\$ 1,130,227	\$ 1,144,502	\$ 1,099,917
<i>Economic development services</i>			
Community planning	\$ 37,461	\$ 37,460	\$ 16,034
Planning and development	561,250	518,125	486,780
General land assembly	123,000	145,706	145,689
Expansion Dieppe	1,052,084	1,255,893	1,627,080
Economic development commissions	149,101	149,101	149,101
Tourism promotion and public receptions	101,500	61,052	41,017
Beautification and land rehabilitation	78,500	73,956	70,437
	\$ 2,102,896	\$ 2,241,293	\$ 2,536,138
<i>Recreation and cultural services</i>			
Administration	\$ 624,899	\$ 615,525	\$ 563,003
Community centres	700,993	507,430	521,986
Aquatic and Sports Centre	1,523,088	1,632,016	1,542,147
Arenas	1,629,490	1,482,925	1,712,049
Parks and playgrounds	2,539,914	2,411,342	2,433,014
Other recreation facilities	536,022	445,335	451,560
Training and development	8,600	17,740	8,625
Library	19,395	19,396	18,404
	\$ 7,582,401	\$ 7,131,709	\$ 7,250,788

**CITY OF DIEPPE**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
December 31, 2018

<b>21. REVENUE AND EXPENSE SUPPORT (continued)</b>	<b>2018 Budget</b>	<b>2018 Actual</b>	<b>2017 Actual</b>
<i>Water supply</i>			
Administration	\$ 546,469	\$ <b>489,567</b>	\$ 541,288
Transmission and distribution	2,190,060	<b>1,970,167</b>	1,909,880
Power and pumping	249,666	<b>282,475</b>	223,293
Water purchase	1,838,000	<b>1,756,177</b>	1,773,761
Test water source	-	<b>6,057</b>	37,874
Billing and collections	86,000	<b>138,893</b>	80,168
	<b>\$ 4,910,195</b>	<b>\$ 4,643,336</b>	<b>\$ 4,566,264</b>
<i>Sewerage collection and disposal</i>			
Administration	\$ 270,217	\$ <b>233,715</b>	\$ 267,183
Sewerage collection system	1,188,199	<b>1,149,395</b>	990,743
Sewerage lift stations	34,327	<b>26,639</b>	33,093
Sewerage treatment and disposal	2,442,615	<b>2,443,269</b>	2,341,687
Billing and collections	80,000	<b>122,121</b>	74,355
	<b>\$ 4,015,358</b>	<b>\$ 3,975,139</b>	<b>\$ 3,707,061</b>
<i>Fiscal services - general</i>			
Debt charges			
Interest on long-term debt	\$ 1,693,000	\$ <b>1,727,985</b>	\$ 1,793,292
Loan - City Hall			
Interest on long-term debt	463,354	<b>458,222</b>	486,084
	<b>\$ 2,156,354</b>	<b>\$ 2,186,207</b>	<b>\$ 2,279,376</b>
<i>Fiscal services - water</i>			
Debt charges			
Interest on long-term debt	\$ 633,300	\$ <b>631,454</b>	\$ 680,136
<i>Fiscal services - sewerage</i>			
Debt charges			
Interest on long-term debt	\$ 313,300	\$ <b>312,154</b>	\$ 331,909