

**TOWN OF TABER**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**For the year ended December 31, 2015**

---

**TOWN OF TABER**  
**TABLE OF CONTENTS**  
**December 31, 2015**

---

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS	1
INDEPENDENT AUDITORS' REPORT	2
FINANCIAL STATEMENTS	
CONSOLIDATED STATEMENT OF FINANCIAL POSITION	3
CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS	4
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS	5
CONSOLIDATED STATEMENT OF CASH FLOWS	6
CONSOLIDATED SCHEDULE OF CHANGES IN ACCUMULATED SURPLUS	7
CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS	8
CONSOLIDATED SCHEDULE OF TAXES LEVIED AND NET TAXES AVAILABLE FOR MUNICIPAL PURPOSES	9
CONSOLIDATED SCHEDULE OF GOVERNMENT TRANSFERS	10
CONSOLIDATED SCHEDULE OF EXPENSES BY OBJECT	10
CONSOLIDATED SCHEDULE OF SEGMENTED DISCLOSURE	11
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS	12 - 27

## Management's Responsibility for the Consolidated Financial Statements

The accompanying consolidated financial statements of the Town of Taber (the "Town") are the responsibility of the Town's management and have been prepared in compliance with legislation, and in accordance with Public Sector Accounting Standards established by the Public Sector Accounting Board of The Canadian Institute of Chartered Accountants. A summary of the significant accounting policies are described in Note 1 to the consolidated financial statements. The preparation of consolidated financial statements necessarily involves the use of estimates based on management's judgement, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The Town's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the consolidated financial statements. These systems are monitored and evaluated by management.

Council meets with management and the external auditors to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the financial statements.

The consolidated financial statements have been audited by KPMG LLP, independent external auditors appointed by the Town. The accompanying Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the Town's consolidated financial statements.



---

Chief Administrative Officer



---

Director of Finance

## Independent Auditors' Report

To the Mayor and Members of Council of the Town of Taber

We have audited the accompanying consolidated financial statements of Town of Taber (the "Town") which comprise the consolidated statement of financial position as at December 31, 2015, the consolidated statements of operations and accumulated surplus, change in net financial assets and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the Consolidated Financial Statements*

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

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Town'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 Town'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 consolidated 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 consolidated financial statements present fairly, in all material respects, the financial position of Town of Taber as at December 31, 2015, and results of its operations, its changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

The image shows a handwritten signature in black ink that reads "KPMG LLP". The signature is written in a cursive, slightly slanted style. Below the signature, there is a horizontal line that starts under the "K" and extends to the right, ending under the "P".

Chartered Accountants

April 11, 2016

Lethbridge, Canada

---

## TOWN OF TABER

### Consolidated Statement of Financial Position

As at December 31, 2015, with comparative information for 2014

	2015	2014
<b>Financial assets</b>		
Cash and temporary investments (note 3)	\$ 14,781,843	\$ 15,279,412
Taxes and grants in lieu receivable (note 4)	558,554	436,289
Trade and other receivables	1,308,921	1,705,870
Long-term investments (note 5)	1,717,193	2,226,780
Debt charges recoverable	513,165	580,804
Other financial assets	8,568	1,122
	<hr/> 18,888,244	<hr/> 20,230,277
<b>Liabilities</b>		
Accounts payable and accrued liabilities	1,809,712	1,245,821
Employee benefit obligations (note 6)	523,198	385,426
Deposit liabilities	707,287	1,523,576
Deferred revenue and government transfers (note 7)	2,342,572	2,755,619
Provision for landfill post-closure costs (note 8)	297,177	309,380
Long-term debt (note 9)	7,591,057	8,186,641
	<hr/> 13,271,003	<hr/> 14,406,463
<b>Net financial assets</b>	<hr/> 5,617,241	<hr/> 5,823,814
<b>Non-financial assets</b>		
Tangible capital assets (schedule 2, note 11)	120,990,449	117,610,595
Land held for resale	655,789	817,599
Inventory held for consumption	28,756	53,965
Prepaid expenses	28,619	24,103
	<hr/> 121,703,613	<hr/> 118,506,262
<b>Accumulated surplus (schedule 1, note 12)</b>	<hr/> 127,320,854	<hr/> 124,330,076
Contingent liabilities (note 16)		
Commitments (note 17)		

---

# TOWN OF TABER

## Consolidated Statement of Operations and Accumulated Surplus For the year ended December 31, 2015, with comparative information for 2014

	Budget	2015	2014
<b>Revenue</b>			
Net taxes available for municipal purposes (schedule 3)	\$ 8,145,910	\$ 8,115,558	\$ 7,956,331
Sales and user fees	7,399,608	8,081,862	7,682,525
Government transfers for operating (schedule 4)	1,127,046	1,201,813	949,194
Penalties and costs of taxes	147,500	160,564	150,167
Fines	428,450	671,670	579,091
Franchise and concession contracts	1,467,800	1,678,172	1,590,212
Investment income	300,250	259,717	303,281
Licenses and permits	242,110	260,321	293,944
Rentals	729,372	712,293	872,590
Other	503,236	376,922	230,489
	20,491,282	21,518,892	20,607,824
<b>Expenses (schedule 5)</b>			
Council and other legislative	316,744	316,842	325,310
General government	1,994,066	1,925,215	1,821,312
Police	3,099,255	3,212,741	2,942,662
Fire	745,191	741,357	690,326
Disaster	17,960	14,398	7,255
Bylaw	171,749	166,193	159,305
Roads, walks and street lighting	3,818,254	3,783,572	3,565,867
Other transportation	52,400	52,400	42,000
Stormwater	619,633	562,130	524,323
Water supply and distribution	1,975,347	2,076,241	1,861,563
Wastewater treatment and disposal	3,366,499	3,345,356	3,451,205
Waste management	1,260,330	1,180,296	1,289,428
Family and community support	57,467	56,971	55,837
Cemeteries	166,302	181,941	123,244
Land use planning, zoning and development	666,820	567,358	432,475
Subdivision land and development	94,175	230,073	137,603
Public housing	1,085	1,085	3,161
Land, housing and building rentals	561,864	676,128	505,636
Parks and recreation	2,868,036	2,885,007	2,465,886
Culture	761,409	756,011	670,967
	22,614,586	22,731,315	21,075,365
<b>Annual surplus (deficit) before other</b>	(2,123,304)	(1,212,423)	(467,541)
<b>Other</b>			
Contributed assets	-	656,227	3,003,684
Government transfers for capital (schedule 4)	7,205,691	3,546,974	132,088
<b>Annual surplus (deficit)</b>	5,082,387	2,990,778	2,668,231
<b>Accumulated surplus, beginning of year</b>	124,330,076	124,330,076	121,661,845
<b>Accumulated surplus, end of year</b>	\$ 129,412,463	\$ 127,320,854	\$ 124,330,076

## TOWN OF TABER

### Consolidated Statement of Change in Net Financial Assets

For the year ended December 31, 2015, with comparative information for 2014

	Budget	2015	2014
<b>Annual surplus (deficit)</b>	\$ 5,082,387	\$ 2,990,778	\$ 2,668,231
Acquisition of tangible capital assets	(14,510,740)	(7,213,522)	(2,088,753)
Contributed tangible capital assets	-	(656,227)	(3,003,684)
Amortization of tangible capital assets	4,166,683	4,296,125	4,166,683
Transfer of land held for resale	-	-	59,633
Loss on disposal of tangible capital assets	-	189,483	23,144
Proceeds on disposal of tangible capital assets	-	4,287	27,893
	(5,261,670)	(389,076)	1,853,147
Acquisition of inventories of supplies	-	(28,756)	(53,965)
Acquisition of prepaid expenses	-	(28,619)	(24,103)
Disposal of land held for resale	-	161,810	(17,950)
Consumption of inventories of supplies	-	53,965	51,007
Use of prepaid expenses	-	24,103	23,059
	-	182,503	(21,952)
<b>Increase (decrease) in net financial assets</b>	(5,261,670)	(206,573)	1,831,195
<b>Net financial assets, beginning of year</b>	5,823,814	5,823,814	3,992,619
<b>Net financial assets, end of year</b>	\$ 562,144	\$ 5,617,241	\$ 5,823,814

# TOWN OF TABER

## Consolidated Statement of Cash Flows

For the year ended December 31, 2015, with comparative information for 2014

	2015	2014
<b>Cash flows provided by (used in) the following activities:</b>		
<b>Operating</b>		
Annual surplus (deficit)	\$ 2,990,778	\$ 2,668,231
Items not involving cash:		
Amortization of tangible capital assets	4,296,125	4,166,683
Contributed tangible capital assets	(656,227)	(3,003,684)
Transfer of land held for resale	-	59,633
Loss on disposal of tangible capital assets	189,483	23,144
Change in non-cash assets and liabilities:		
Taxes and grants in lieu receivable	(122,265)	(6,248)
Trade and other receivables	396,949	(193,034)
Debt charges recoverable	67,639	(371,422)
Other financial assets	(7,446)	1,024
Accounts payable and accrued liabilities	563,891	213,105
Employee benefit obligations	137,772	(9,582)
Deposit liabilities	(816,289)	999,863
Deferred revenue and government transfers	(413,047)	1,202,759
Provision for landfill post-closure costs	(12,203)	8,612
Due (to) from funds	-	-
Land held for resale	161,810	(17,950)
Inventory held for consumption	25,209	(2,958)
Prepaid expenses	(4,516)	(1,044)
	6,797,663	5,737,132
<b>Capital</b>		
Proceeds on disposal of tangible capital assets	4,287	27,893
Purchase of tangible capital assets:		
Funded from reserves	(3,450,139)	(1,876,544)
Funded from operations	(3,763,383)	(212,209)
	(7,209,235)	(2,060,860)
<b>Investing</b>		
Redemption (purchase) of long-term investments	509,587	(19,118)
	509,587	(19,118)
<b>Financing</b>		
Proceeds of debt charges recoverable issued	-	425,000
Repayment of debt charges recoverable	(67,639)	(53,577)
Repayment of long-term debt	(527,945)	(524,872)
	(595,584)	(153,449)
<b>Net increase (decrease) in cash and cash equivalents</b>	(497,569)	3,503,705
<b>Cash and cash equivalents, beginning of year</b>	15,279,412	11,775,707
<b>Cash and cash equivalents, end of year</b>	\$ 14,781,843	\$ 15,279,412



# TOWN OF TABER

## Consolidated Schedule of Changes in Accumulated Surplus

For the year ended December 31, 2015, with comparative information for 2014

### Schedule 1

	Unrestricted Net Assets	Reserves	Equity in tangible capital assets	2015	2014
<b>Beginning balance</b>	\$ 2,611,719	\$ 11,713,599	\$ 110,004,758	\$ 124,330,076	\$ 121,661,845
<b>Annual surplus (deficit)</b>	2,990,778	-	-	2,990,778	2,668,231
<b>Operating reserves</b>					
Transfers to reserves	(288,361)	288,361	-	-	-
Transfers from reserves	872,636	(872,636)	-	-	-
<b>Capital reserves</b>					
Transfers to reserves	(2,544,561)	2,544,561	-	-	-
Transfers from reserves for operating purposes	155,486	(155,486)	-	-	-
Transfers from reserves for capital purposes	-	(3,450,139)	3,450,139	-	-
<b>Capital investing</b>					
Capital assets internally funded	(3,763,383)	-	3,763,383	-	-
Contributed assets	(656,227)	-	656,227	-	-
Amortization of tangible capital assets	4,296,125	-	(4,296,125)	-	-
Proceeds on disposal of tangible capital assets	4,287	-	(4,287)	-	-
Loss on disposal of tangible capital assets	189,483	-	(189,483)	-	-
<b>Capital financing</b>					
Principal payment of capital debt	(527,945)	-	527,945	-	-
<b>Total</b>	\$ 3,340,037	\$ 10,068,260	\$ 113,912,557	\$ 127,320,854	\$ 124,330,076

## TOWN OF TABER

### Consolidated Schedule of Tangible Capital Assets

For the year ended December 31, 2015, with comparative information for 2014

#### Schedule 2

Cost	2014	Additions	Disposals	Transfers of assets under construction	2015
Land	\$ 1,275,518	\$ 100,000	\$ -	\$ -	\$ 1,375,518
Land improvements	3,648,548	108,171	17,000	-	3,739,719
Buildings	15,139,032	1,371,287	13,292	7,694	16,504,721
Engineering structures	154,881,610	4,766,076	933,288	57,712	158,772,110
Machinery and equipment	6,250,471	1,004,389	46,568	168,190	7,376,482
Vehicles	3,026,890	97,371	32,187	-	3,092,074
Assets under construction	410,573	422,455	-	(233,596)	599,432
<b>Total</b>	<b>\$ 184,632,642</b>	<b>\$ 7,869,749</b>	<b>\$ 1,042,335</b>	<b>\$ -</b>	<b>\$ 191,460,056</b>

Accumulated amortization	2014	Amortization expense	Disposals	2015
Land	\$ -	\$ -	\$ -	\$ -
Land improvements	1,477,228	136,273	12,920	1,600,581
Buildings	5,758,819	377,468	7,975	6,128,312
Engineering structures	54,706,796	2,989,440	756,571	56,939,665
Machinery and equipment	3,429,452	572,421	38,912	3,962,961
Vehicles	1,649,752	220,523	32,187	1,838,088
<b>Total</b>	<b>\$ 67,022,047</b>	<b>\$ 4,296,125</b>	<b>\$ 848,565</b>	<b>\$ 70,469,607</b>

Net book value	2014	2015
Land	\$ 1,275,518	\$ 1,375,518
Land improvements	2,171,320	2,139,138
Buildings	9,380,213	10,376,409
Engineering structures	100,174,814	101,832,445
Machinery and equipment	2,821,019	3,413,521
Vehicles	1,377,138	1,253,986
Assets under construction	410,573	599,432
<b>Total</b>	<b>\$ 117,610,595</b>	<b>\$ 120,990,449</b>

---

## TOWN OF TABER

### Consolidated Schedule of Taxes Levied and Net Taxes Available for Municipal Purposes

For the year ended December 31, 2015, with comparative information for 2014

#### Schedule 3

	Budget	2015	2014
Taxation:			
Real property taxes	\$ 10,331,891	\$ 10,356,170	\$ 10,181,236
Linear property taxes	229,028	229,028	232,518
Government grants in place of property taxes	90,875	45,684	91,491
	10,651,794	10,630,882	10,505,245
Requisition:			
Alberta School Foundation Fund	2,127,113	2,133,768	2,163,229
Holy Spirit School Division	305,677	308,189	316,000
Taber & District Housing Authority	73,094	73,367	69,685
	2,505,884	2,515,324	2,548,914
Net taxes available for municipal purposes	\$ 8,145,910	\$ 8,115,558	\$ 7,956,331

## TOWN OF TABER

### Consolidated Schedule of Government Transfers

For the year ended December 31, 2015, with comparative information for 2014  
Schedule 4

	Budget	2015	2014
Transfers for operating:			
Provincial government	\$ 683,155	\$ 773,059	\$ 542,188
Federal government	3,800	16,660	14,062
Other local governments	440,091	412,094	392,944
	1,127,046	1,201,813	949,194
Transfers for capital:			
Provincial government	7,205,691	3,546,974	119,589
Federal government	-	-	-
Other local governments	-	-	12,499
	7,205,691	3,546,974	132,088
Total government transfers	\$ 8,332,737	\$ 4,748,787	\$ 1,081,282

### Consolidated Schedule of Expenses by Object

For the year ended December 31, 2015, with comparative information for 2014  
Schedule 5

	Budget	2015	2014
Salaries, wages and benefits	\$ 8,080,570	\$ 8,350,935	\$ 7,453,741
Contracted and general services	6,967,478	6,489,888	6,139,269
Materials, goods and supplies	2,639,680	2,529,789	2,351,250
Provision for allowances	-	11,136	18,963
Transfers to local boards and agencies	244,369	230,674	288,351
Bank charges and short-term interest	11,725	7,866	8,576
Interest on long-term debt	462,780	462,739	487,993
Amortization of tangible capital assets	4,166,683	4,296,125	4,166,683
Loss on disposal of tangible capital assets	-	189,483	23,144
Other	41,301	162,680	137,395
	\$ 22,614,586	\$ 22,731,315	\$ 21,075,365

## TOWN OF TABER

### Consolidated Schedule of Segmented Disclosure

For the year ended December 31, 2015

#### Schedule 6

	General Government	Protective Services	Transportation Services	Environmental Services	Public Health Services	Planning and Development	Parks and Recreation	Culture and Libraries	Total
<b>Revenue</b>									
Net taxes available for municipal purposes	\$ 8,115,558	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,115,558
Sales and user fees	10,905	179,805	384,833	6,697,617	61,476	620,615	123,814	2,797	8,081,862
Government transfers for operating	-	748,760	2,641	187,247	2,856	-	182,615	77,694	1,201,813
Penalties and costs of taxes	117,074	-	-	43,490	-	-	-	-	160,564
Fines	-	665,051	-	-	-	-	-	6,619	671,670
Franchise and concession contracts	1,678,172	-	-	-	-	-	-	-	1,678,172
Investment income	257,813	451	-	-	-	-	-	1,453	259,717
Licenses and permits	99,925	2,535	-	-	1,191	156,670	-	-	260,321
Rentals	47,534	25	-	50,650	-	130,090	436,680	47,314	712,293
Other	32,132	180,332	3,925	1,573	-	26,279	61,811	70,870	376,922
	10,359,113	1,776,959	391,399	6,980,577	65,523	933,654	804,920	206,747	21,518,892
<b>Expenses</b>									
Salaries, wages and benefits	1,252,042	3,155,451	1,087,133	339,413	143,361	758,042	1,313,063	302,430	8,350,935
Contracted and general services	657,943	456,412	871,409	3,361,139	14,950	418,211	576,339	133,485	6,489,888
Materials, goods and supplies	106,969	208,401	611,074	834,452	7,529	49,218	561,226	150,920	2,529,789
Provision for allowances	5,210	-	-	5,926	-	-	-	-	11,136
Transfers to local boards and agencies	62,954	-	52,400	-	56,971	-	-	58,349	230,674
Bank charges and short-term interest	4,660	-	-	-	-	-	1,500	1,706	7,866
Interest on long-term debt	-	-	19,213	377,213	-	14,585	3,832	47,896	462,739
Amortization of tangible capital assets	149,398	318,710	1,641,302	1,628,132	16,101	64,379	419,650	58,453	4,296,125
Loss on disposal of tangible capital assets	2,878	(4,286)	115,571	65,923	-	-	9,397	-	189,483
Other	2	-	-	(10,305)	-	170,210	-	2,773	162,680
	2,242,056	4,134,688	4,398,102	6,601,893	238,912	1,474,645	2,885,007	756,012	22,731,315
<b>Annual surplus (deficit) before other</b>	8,117,057	(2,357,729)	(4,006,703)	378,684	(173,389)	(540,991)	(2,080,087)	(549,265)	(1,212,423)
<b>Other</b>									
Contributed assets	-	-	-	-	-	656,227	-	-	656,227
Government transfers for capital	-	130,411	3,371,291	24,211	-	21,061	-	-	3,546,974
<b>Annual surplus (deficit)</b>	\$ 8,117,057	\$ (2,227,318)	\$ (635,412)	\$ 402,895	\$ (173,389)	\$ 136,297	\$ (2,080,087)	\$ (549,265)	\$ 2,990,778

---

# TOWN OF TABER

## Notes to Consolidated Financial Statements

For the year ended December 31, 2015

---

### 1. Significant accounting policies

The consolidated financial statements of the Town of Taber (the "Town") are the representations of management prepared in accordance with Canadian Public Sector Accounting Standards. Significant accounting policies adopted by the Town are as follows:

#### (a) Reporting entity:

The consolidated financial statements reflect the assets, liabilities, revenues and expenses, change in net financial assets of the reporting entity. This entity is comprised of the municipal operations plus all of the organizations that are owned or controlled by the Town and are, therefore, accountable to the Council for the administration of their financial affairs and resources. Included with the town are the following:

Taber Public Library  
Taber Police Commission

Taxes levied also include requisitions for educational, health care, social and other external organizations that are not part of the Town.

The statements exclude trust assets that are administered for the benefit of external parties. A schedule of these trust assets is included in Note 13.

Interdepartmental and organizational transactions and balances have been eliminated.

#### (b) Basis of accounting:

The financial statements are prepared using the accrual basis of accounting in accordance with Canadian Public Sector Accounting Standards.

#### (c) Expenses:

Expenses are recognized as they are incurred and measurable based upon receipt of goods or services and/or the obligation to pay.

#### (d) Pension expenses:

The Municipality participates in a multi-employer defined benefit pension plan. This plan is accounted for as a defined contribution plan whereby contributions are expensed as incurred.

#### (e) Cash and cash equivalents:

Cash and cash equivalents includes cash and deposits redeemable at managements discretion held with Canadian financial institutions.

#### (f) Investments:

Investments are recorded at amortized cost. Investment premiums and discounts are amortized on the net present value basis over the term of the respective investments. When there has been a loss in value that is other than a temporary decline, the respective investment is written down to recognize the loss.

---

# TOWN OF TABER

## Notes to Consolidated Financial Statements

For the year ended December 31, 2015

---

**(g) Debt charges recoverable:**

Debt charges recoverable consist of amounts that are recoverable from municipal agencies or other local governments with respect to outstanding debentures or other long-term debt pursuant to annexation orders or joint capital undertakings. These recoveries are recorded at a value that equals the offsetting portion of the un-matured long-term debt, less actuarial requirements for the retirement of any sinking fund debentures.

**(h) Requisition over-levy and under-levy:**

Over-levies and under-levies arise from the difference between the actual property tax levy made to cover each requisition and the actual amount requisitioned.

If the actual levy exceeds the requisition, the over-levy is accrued as a liability and property tax revenue is reduced. Where that actual levy is less than the requisition amount, the under-levy is accrued as a receivable and as property tax revenue.

Requisition tax rates in the subsequent year are adjusted for any over-levies or under-levies of the prior year.

**(i) Revenues:**

Revenue is recorded when it is earned and measurable. Sales and user fees are accounted for in the period in which the events occurred that gave rise to the revenues. Revenue is recognized in the period when the related expenses are incurred, services performed or the tangible capital assets are acquired.

**(j) Tax revenue:**

Tax revenues are recognized once Town Council passes the bylaw approving the current year's tax assessment and tax rate. Tax rate categories include: real property taxes (residential and non-residential), linear property taxes and local improvement taxes. Requisitions operating as flow through arrangements are excluded from revenue. See Schedule 3.

Taxes receivable are measured once the tax rate of the local improvement tax rate bylaw is passed. Taxes receivable are measured at their net realizable value. Net realizable value excludes individually identified taxes in arrears considered uncollectable through the tax recovery process. Taxes received in advance of the next tax year are recorded as a customer credit and liability until the bylaw is passed.

**(k) Deferred revenue:**

Funds from external parties and earnings thereon restricted by agreement or legislation are accounted for as deferred revenue until used for the purpose specified. Deferred revenue includes amounts received for services yet to be performed as well as government transfers where the stipulations have not yet been met.

**(l) Government transfers:**

Government transfers are the transfer of assets from senior levels of government that are not the result of an exchange transaction, are not expected to be repaid in the future, or the result of a direct financial return.

Government transfers are recognized in the financial statements in the period that gives rise to the transfer occurring, providing the transfers are authorized, the Town has met any eligible criteria and a reasonable estimate of the amounts can be made.

---

# TOWN OF TABER

## Notes to Consolidated Financial Statements

For the year ended December 31, 2015

---

**(m) Landfill closure and post-closure liability:**

Pursuant to the Alberta Environmental Protection and Enhancement Act, the Town is required to fund the closure of its landfill site and provide for post-closure care of the facility. Closure and post-closure activities include the final clay cover, landscaping, as well as surface and ground water monitoring, leachate control, and visual inspection. The landfill site has been closed.

**(n) Non-financial assets:**

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

**(i) Tangible capital assets:**

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

	Years
Land improvements	25-45
Buildings	25-75
Engineered structures	25-75
Machinery and equipment	4-40
Vehicles	4-25

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

**(ii) Tangible capital assets disclosed at nominal values:**

Where an estimate of fair value could not be made or where there was no future benefit related to the asset, the tangible capital asset was recognized at a nominal value. Land, land improvements, buildings and machinery and equipment are the categories where nominal values were assigned.

**(ii) Contributions of tangible capital assets:**

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

**(iii) Inventories:**

Inventories held for consumption are recorded at the lower of cost and replacement cost.

**(iv) Interest capitalization:**

The Town does not capitalize interest costs associated with the acquisition or construction of tangible capital assets.

**(v) Land held for resale:**

Land held for resale is recorded at the lower of cost or net realizable value. Cost includes costs for land acquisition and improvements required to prepare the land for servicing such as clearing, stripping and leveling charges. Related development costs incurred to provide infrastructure such as water and wastewater services, roads, sidewalks and street lighting are recorded as capital assets under their respective function.



---

## TOWN OF TABER

### Notes to Consolidated Financial Statements

For the year ended December 31, 2015

---

**(o) Use of estimates:**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Where measurement uncertainty exists, the financial statements have been prepared within reasonable limits of materiality.

Contributions of tangible capital assets are recorded at fair value at the date of receipt.

Actual results could differ from those estimates.

**(p) Future accounting pronouncements:**

The following summarizes the upcoming changes to the Public Sector Accounting Standards by the Public Sector Accounting Standards Board (PSAB). In 2016, the Town will continue to assess the impact and prepare for the adoption of these standards. While the timing of standard adoption can vary, certain standards must be adopted concurrently.

(i) PS 1201 - Financial Statement Presentation

The implementation of this standard requires a new statement of re-measurement gains and losses separate from the statement of operations. This new statement will include the unrealized gains and losses arising from the remeasurement of financial instruments and items denominated in foreign currency. This standard is effective for fiscal years beginning on or after April 1, 2019.

(ii) PS 3450 - Financial Instruments

This section establishes recognition, measurement, and disclosure requirements for derivative and non-derivative instruments. The standard requires fair value measurements of derivative instruments and equity instruments; all other financial instruments can be measured at either cost or fair value depending upon elections made by the government. Unrealized gains and losses will be presented on the new statement of remeasurement gains and losses arising from the adoption of PS 1201. There will also be a requirement to disclose the nature and extent of risks arising from financial instruments and clarification is given for the de-recognition of financial liabilities. As the Town does not invest in derivatives or equity instruments based on its investment policy, it is anticipated that the adoption of this standard will have a minimal impact on the Town. This standard is effective for fiscal years beginning on or after April 1, 2019.

(iii) PS 2601 - Foreign Currency Translation

This section establishes guidance on the recognition, measurement, presentation and disclosure of assets and liabilities denominated in foreign currencies. The section requires monetary assets and liabilities, denominated in a foreign currency and non-monetary items valued at fair value denominated in a foreign currency to be adjusted to reflect the exchange rates in effect at the financial statement date. The resulting unrealized gains and losses are to be presented in the new statement of remeasurement gains and losses. This standard is effective for fiscal years beginning on or after April 1, 2019.

---

## TOWN OF TABER

### Notes to Consolidated Financial Statements

For the year ended December 31, 2015

---

**(p) Future accounting pronouncements (continued):**

(iv) PS 3041 - Portfolio Investments

This section removes the distinction between temporary and portfolio investments and provides additional guidance on recognition, measurement, presentation and disclosure of these types of investments. Upon adoption of this section and PS 3450, PS 3040 - Portfolio investments will no longer be application. This standard is effective for fiscal years beginning on or after April 1, 2019.

(v) PS 2200 - Related Party Disclosures

This section provides guidance on the definition of a related party and establishes the disclosure requirements for transactions between related parties. This standard is effective for fiscal years beginning on or after April 1, 2017.

(vi) PS 3420 - Inter-Entity Transactions

This section provides guidance on the recognition, measurement and presentation of transactions between entities controlled by a government within the government reporting entity from both the perspective of both parties. This standard is effective for fiscal years beginning on or after April 1, 2017.

(vii) PS 3210 - Assets

This section provides guidance on the various components related to the definition of an asset and establishes the related disclosure requirements. This standard is effective for fiscal years beginning on or after April 1, 2017.

(viii) PS 3320 - Contingent Assets

This section provides a general application standard providing guidance on the definition and disclosures standards related to contingent assets. It is noted that specific types of contingent assets are excluded from this standard. This standard is effective for fiscal years beginning on or after April 1, 2017.

(ix) PS 3430 - Restructure Transactions

This section provides guidance on the recognition, measurement and presentation on restructuring transactions by both the transferor and recipients of assets or liabilities, together with related program or operating responsibilities. This section is effective for fiscal years beginning on or after April 1, 2018.

(x) PS 3380 - Contractual Rights

This section provides guidance on the disclosure of rights, including their nature, extent, and timing. This section is effective for years beginning on or after April 1, 2017.

The requirements in PS 1201, PS 3450, PS 2601, and PS 3041 are required to be implemented at the same time.

## 2. Change in accounting standard

In June 2010, the Public Sector Accounting Board issued PS 3260 (Liability for Contaminated Sites). This accounting standard is effective for fiscal years starting on or after April 1, 2014. Contaminated sites are a result of contamination being introduced into air, soil, water, sediment of material (chemical, organic, radioactive) or live organism that exceeds an environmental standard. The adoption of this standard did not result in any adjustments to these consolidated financial statements.

# TOWN OF TABER

## Notes to Consolidated Financial Statements For the year ended December 31, 2015

### 3. Cash and temporary investments

	2015	2014
Cash	\$ 1,578,555	\$ 382,948
Temporary investments (market value 2015 - \$13,276,108; 2014 - \$15,079,439)	13,203,288	14,896,464
	\$ 14,781,843	\$ 15,279,412

The temporary investments are comprised of short-term deposits issued by a Canadian financial institution. These investments mature between February 7, 2016 to August 12, 2016, but are redeemable at managements discretion.

Included in temporary investments are restricted amounts of \$1,485,502, and \$422,874 received from Municipal Sustainability Initiative, and Federal Gas Tax Fund respectively and held exclusively for capital infrastructure projects (note 7).

### 4. Taxes and grants in lieu receivable

	2015	2014
Current taxes and grants in lieu of taxes	\$ 450,312	\$ 329,384
Tax arrears	108,242	106,905
	\$ 558,554	\$ 436,289

### 5. Long-term investments

	2015		2014	
	Cost	Market Value	Cost	Market Value
Guaranteed Investment Certificates	\$ 753,397	\$ 774,977	\$ 1,096,255	\$ 1,119,592
Corporate bonds	960,300	971,611	1,127,048	1,136,322
Patronage reserves - United Farmers of Alberta	3,402	3,402	3,384	3,384
Shares in Alberta Capital Finance Authority	40	40	40	40
Shares in 1st Choice Savings & Credit Union Ltd.	54	54	53	53
	\$ 1,717,193	\$ 1,750,084	\$ 2,226,780	\$ 2,259,391

Guaranteed Investment Certificates have effective interest rates of 2.50% to 2.91% (2014 - 2.50% to 3.75%) with maturity dates from February 5, 2018 to May 16, 2019.

Corporate bonds have effective yield rates of 2.49% to 2.94% (2014 - 2.48% to 2.94%) with maturity dates from September 26, 2017 to December 6, 2019.

## TOWN OF TABER

### Notes to Consolidated Financial Statements For the year ended December 31, 2015

#### 6. Employee benefit obligations

	2015	2014
Vacation and other entitlements	\$ 523,198	\$ 385,426

The Vacation and other entitlements liability consists of the vacation, overtime, flex and sick leave that employees are deferring to future years. Employees have either earned the benefits or are entitled to these benefits within the next budgetary year.

#### 7. Deferred revenue and government transfers

	2015	2014
Deferred revenue	306,722	457,575
Government contributions <sup>(1)</sup>	1,999,584	2,264,356
Prepaid Taxes	36,266	33,688
	\$ 2,342,572	\$ 2,755,619

<sup>(1)</sup> Government contributions in deferred revenue consist of the following:

	2014 Balance	Grants Received & Interest Recognized	Government Transfer Revenue	2015 Balance
Municipal Sustainability Initiative Grant	\$ 2,042,737	\$ 2,937,914	\$ (3,495,149)	\$ 1,485,502
Regional Collaboration Program	130,411	451	(130,862)	-
Federal Gas Tax Fund	-	447,084	(24,210)	422,874
Other Grants	91,208	91,208	(91,208)	91,208
	\$ 2,264,356	\$ 3,476,657	\$ (3,741,429)	\$ 1,999,584

#### 8. Provision for landfill post-closure costs

Alberta Environmental law requires closure and post-closure of landfill sites, which includes final covering and landscaping, pumping of ground water and leachates from the site, and on-going environmental monitoring, site inspections and maintenance.

The estimated total liability of \$297,177 for 2015 (2014 - \$309,380) is based on the sum of discounted future cash flows for post-closure activities for 14 years (2014 - 15 years) using a discount rate of 1.5% (2014 - 2.0%) and assuming annual inflation of 1.9% (2014 - 2.0%).

The Town has not designated assets for settling post-closure liabilities.

# TOWN OF TABER

## Notes to Consolidated Financial Statements For the year ended December 31, 2015

### 9. Long-term debt

	2015	2014
Tax supported:		
Debenture issued for the construction of library building	\$ 1,046,003	\$ 1,118,711
Self supported:		
Debenture from debt charges recoverable (Taber & District Housing Authority)	-	33,585
Debenture from debt charges recoverable (Taber Golf Club)	99,438	122,219
Debenture from debt charges recoverable (Taber Gymnastics Fitness Club)	413,727	425,000
Amortization fund bearing interest at 6.5% (note 17)	6,031,889	6,487,126
	7,591,057	8,186,641
Current portion	566,376	595,584
	\$ 7,024,681	\$ 7,591,057

	Principal	Interest	Total
2016	\$ 566,376	\$ 429,052	\$ 995,428
2017	570,936	395,748	966,684
2018	575,686	362,256	937,942
2019	580,633	328,565	909,198
2020	558,697	294,903	853,600
Thereafter	4,738,729	1,202,706	5,941,435
	\$ 7,591,057	\$ 3,013,230	\$ 10,604,287

The Town was under agreement with the Taber & District Housing Authority for the repayment of a debenture to construct seniors housing in the community. The full principal and interest costs for the debenture were recovered from the Housing Authority. The debenture amount matured in the current year.

The Town is under agreement with the Taber Golf Club for the repayment of a debenture taken out for the benefit of the club. The full principal and interest costs for the debenture are recovered from the club.

The Town is under agreement with the Taber Gymnastics Fitness Club for the repayment of a debenture taken out for the benefit of the club. The full principal and interest costs for the debenture are recovered from the club.

Debenture debt issued for the construction of the library building is repayable to Alberta Capital Finance Authority and bears interest at 4.365% and matures in 2026.

Debenture debt issued to Taber Golf Club is repayable to Alberta Capital Finance Authority and bears interest at 3.494% and matures in 2019.

---

## TOWN OF TABER

### Notes to Consolidated Financial Statements

For the year ended December 31, 2015

---

#### 9. Long-term debt (continued)

Debenture debt issued to Taber Gymnastics Fitness Club is repayable to Alberta Capital Finance Authority and bears interest at 3.228% and matures in 2039.

During the year, on a cash basis, the Town paid \$464,315 on interest on long-term debt.

Debenture debt is issued on the credit and security of the Town at large.

The amortization fund is owing to the operator of the agreement described in note 17. It bears interest at 6.5% and matures in 2029.

#### 10. Debt limits

Section 276(2) of the Municipal Government Act requires that debt and debt limits as defined by Alberta Regulation 255/00 for the Town be disclosed as follows:

	2015	2014
Total debt limit	\$ 32,278,338	\$ 30,930,485
Total debt	(7,591,057)	(8,186,641)
Amount of debt limit unused	\$ 24,687,281	\$ 22,743,844
Debt servicing limit	\$ 5,379,723	\$ 5,155,081
Debt servicing	(995,428)	(1,059,899)
Amount of debt servicing limit unused	\$ 4,384,295	\$ 4,095,182

The debt limit is calculated at 1.5 times revenue of the Town (as defined in Alberta Regulation 255/00) and the debt service limit is calculated at 0.25 times such revenue. Incurring debt beyond these limitations requires approval by the Minister of Municipal Affairs. These thresholds are guidelines used by Alberta Municipal Affairs to identify municipalities which could be at financial risk if further debt is acquired. The calculation taken alone does not represent the financial stability of the Town. Rather, the financial statements must be interpreted as a whole.

---

## TOWN OF TABER

### Notes to Consolidated Financial Statements For the year ended December 31, 2015

---

#### 11. Tangible capital assets

	2015	2014
Land for Municipal Use	\$ 1,375,518	\$ 1,275,518
Land Improvements	2,139,138	2,171,320
Buildings	10,376,409	9,380,213
Engineering Structures	101,832,445	100,174,814
Machinery & Equipment	3,413,521	2,821,019
Vehicles	1,253,986	1,377,138
Work in Progress	599,432	410,573
	<hr/>	<hr/>
	\$ 120,990,449	\$ 117,610,595

Contributed capital assets received and recognized in the year is from the Taber Gymnastics Fitness Club for various buildings and machinery & equipment, and recorded on the consolidated financial statements is \$656,227. Contributed capital assets received in 2014 relate primarily to a private subdivision developer contributing roads, curbs and sidewalks, water distribution systems, sanitary waste collection systems, and storm water systems (\$2,668,615); and a community spray park project (\$335,069).

#### 12. Accumulated surplus

	2015	2014
General government operations	\$ 127,119,394	\$ 124,127,138
Taber Public Library	201,460	202,938
	<hr/>	<hr/>
	\$ 127,320,854	\$ 124,330,076

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

	2015	2014
Unrestricted surplus	\$ 3,340,037	\$ 2,611,719
Reserves	10,068,260	11,713,599
Equity in tangible capital assets	113,912,557	110,004,758
	<hr/>	<hr/>
	\$ 127,320,854	\$ 124,330,076

---

## TOWN OF TABER

### Notes to Consolidated Financial Statements For the year ended December 31, 2015

---

#### 12. Accumulated surplus (continued)

Reserves are comprised of funds internally restricted as follows:

	2014	Transfers in	Transfers out	2015
General operations	\$ 1,008,938	\$ 259,410	\$ (509,613)	\$ 758,735
Off street parking	6,700	-	-	6,700
Continuing projects	340,000	-	(340,000)	-
Police Commission	32,282	-	-	32,282
Health and safety	78,002	28,951	(23,023)	83,930
Repairs and maintenance	-	-	-	-
General capital	3,218,134	-	(1,000,000)	2,218,134
Infrastructure	2,684,663	1,340,143	(1,822,208)	2,202,598
Buildings	459,637	136,148	(107,520)	488,265
Equipment	602,679	258,423	(482,811)	378,291
Land	999,749	433,342	(100,000)	1,333,091
Vehicles	1,068,222	192,255	(93,085)	1,167,392
Energy conservation	121,932	132,800	-	254,732
Funds held in place of municipal reserves	136,813	51,450	(35,871)	152,392
Development levies	955,848	-	35,870	991,718
	<b>\$ 11,713,599</b>	<b>\$ 2,832,922</b>	<b>\$ (4,478,261)</b>	<b>\$ 10,068,260</b>

Equity in tangible capital assets

	2015	2014
Net book value of tangible capital assets	\$ 120,990,449	\$ 117,610,595
Long-term debt	(7,591,057)	(8,186,641)
Debt charges recoverable	513,165	580,804
	<b>\$ 113,912,557</b>	<b>\$ 110,004,758</b>



# TOWN OF TABER

## Notes to Consolidated Financial Statements

For the year ended December 31, 2015

### 13. Trust funds

The Town administers the following trusts on behalf of parties external to the reporting entity:

	2014	Increases	Decreases	2015
Community trust	\$ 107,218	\$ 2,173	\$ -	\$ 109,391
Highway 3 Association	14,606	212	-	14,818
Transfer station trust	105,015	1,885	-	106,900
Police trust	1,491	-	-	1,491
	\$ 228,330	\$ 4,270	\$ -	\$ 232,600

These amounts are not reflected in the financial position of the Town.

### 14. Salary and benefits disclosure

Disclosure of salaries and benefits for municipal officials, the chief administrative officer and designated officers as required by Alberta Regulation 313/2000 is as follows:

			2015	2014
	Salary <sup>(1)</sup>	Benefits & Allowances <sup>(2,3)</sup>	Total	Total
Members of Council				
Mayor H. DeVlieger	30,000	817	30,817	30,817
Councillors:				
R. Popadynetz	18,250	429	18,679	18,421
R. Sparks	18,500	437	18,937	19,196
J. Brewin	18,250	429	18,679	19,196
J. Strojwas	19,000	454	19,454	18,421
A. Prokop	18,000	421	18,421	18,421
L. Ross-Giroux	18,000	421	18,421	18,421
Chief Administrative Officer	140,010	30,047	170,057	165,354

(1) Salary includes regular base pay, bonuses, overtime, lump sum payments, gross honoraria and any other direct cash remuneration.

(2) Benefits and allowances figures include the Town's share of all employee benefits and contributions or payments made on behalf of the employee.

(3) Benefits and allowances figures also include the Town's share of the costs of additional taxable benefits including travel allowances and car allowances.

---

# TOWN OF TABER

## Notes to Consolidated Financial Statements

For the year ended December 31, 2015

---

### 15. Pension plans

Employees of the Town qualify to belong to one of the following defined-benefits pension plans:

(a) Local Authorities Pension Plan

The Town participates in a multi-employer defined benefit pension plan. The plan is accounted for as a defined contribution plan.

Employees of the Town, with the exception of police officers, participate in the Local Authorities Pension Plan (LAPP), which is one of the plans covered by the Alberta Public Sector Pension Plans Act. The LAPP serves about 237,612 people and 423 employers. The LAPP is financed by employer and employee contributions and by investment earnings of the LAPP Fund.

Contributions for current services are recorded as expenses in the year in which they become due.

The Town is required to make current service contributions to the LAPP of 11.39% of pensionable earnings up to the year's maximum pensionable earnings under the Canada Pension Plan and 15.84% on pensionable earnings above this amount. Employees of the Town are required to make current service contributions of 10.39% of pensionable earnings up to the year's maximum pensionable earnings and 14.84% on pensionable earnings above this amount.

Total current service contributions by the Town to the LAPP in 2015 were \$407,357 (2014 - \$406,588). Total current service contributions by the employees of the Town to the LAPP in 2015 were \$374,077 (2014 - \$373,423).

At December 31, 2014 the LAPP disclosed an actuarial deficit of \$2.455 billion.

(b) Special Forces Pension Plan

The Town participates in a multi-employer defined benefit pension plan. The plan is accounted for as a defined contribution plan.

Police officers employed by the Town, including management, participate in the Special Forces Pension Plan (SFPP), which is one of the plans covered by the Alberta Public Sector Pension Plans Act. The SFPP serves about 6,878 people and 7 employers. The plan is financed by employer and employee contributions and by investment earnings of the SFPP Fund.

Contributions for current services are recorded as expenses in the year in which they become due.

The Town is required to make current service contributions to the SFPP of 14.55% of pensionable earnings up to the year's maximum pensionable earnings under the Canada Pension Plan and 14.55% on pensionable earnings above this amount. Police officers of the Town are required to make current service contributions of 13.45% of pensionable earnings up to the year's maximum pensionable earnings and 13.45% on pensionable earnings above this amount.

Total current service contributions by the Town to the SFPP in 2015 were \$204,007 (2014 - \$208,182). Total current service contributions by the police officers of the Town to the SFPP in 2015 were \$188,584 (2014 - \$192,443).

At December 31, 2014 the SFPP Plan disclosed an actuarial deficit of \$191.0 million.

---

## TOWN OF TABER

### Notes to Consolidated Financial Statements

For the year ended December 31, 2015

---

#### 16. Contingent liabilities

- (a) Various claims have been made against the Town as at December 31, 2015. If proven, it is possible that these claims may have an adverse effect on the financial position of the Town. The Town believes that these claims are without substantial merit and as such, the Town is disputing the claims. As the outcomes are not determinable at this time, no amount has been accrued in the financial statements.
- (b) The Town has not recognized liabilities relating to certain obligations, primarily environmental and other liabilities relating to facilities, equipment and land. These liabilities are not recognized as the dates of remediation are unknown and as such the fair value of these liabilities cannot be reasonably determined.

#### 17. Commitments

The Town has entered into an agreement with a service provider to construct, operate and finance the upgrade and operation of its water, waste water and certain storm water functions. The term of the agreement is for 20 years from the effective date, with an option to extend the contract for an additional 10 year period. Under the terms of the agreement, the Town transferred specific inventories held for consumption and tangible capital assets related to the service provider, at a nominal amount.

Consideration to be paid for services as stipulated in the agreement includes:

- (a) an amortization fund, aggregating \$18,498,136, to be paid to the Operator by the Town in 240 consecutive monthly blended payments including interest at 6.5%. The Town is able to apply specific grant funding it receives to this fund to reduce the future payments required;
- (b) an operational component comprised of annual operating fees of approximately \$1,866,602 per annum, paid to the operator and adjusted annually for certain factors as outlined in the agreement;
- (c) a cost plus variable management fee component for any future capital additions required for operations.

Upon termination of the agreement, title of all related assets will transfer to the Town.

#### 18. Financial instruments

The Town's financial instruments consist of cash and temporary investments, taxes and grants in lieu receivable, trade and other receivables, long-term investments, debt charges recoverable, accounts payable and accrued liabilities, employee benefit obligations, deposit liabilities and long-term debt. It is management's opinion that the Town is not exposed to significant interest, currency or liquidity risk arising from these financial instruments.

The Town is subject to credit risk with respect to taxes and grants in lieu receivable, and trade and other receivables. Credit risk arises from the possibility that taxpayers and entities to which the Town provides services may experience financial difficulty and be unable to fulfill their obligations. The large number and diversity of taxpayers and customers minimized the credit risk.

---

# TOWN OF TABER

## Notes to Consolidated Financial Statements

For the year ended December 31, 2015

---

### 19. Segmented disclosure

Segmented disclosures (Schedule 6) have been identified based upon lines of service provided by the Town. Town services are provided by departments and their activities are reported by functional area in the body of the consolidated financial statements. Certain lines of service that have been separately disclosed in the segmented financial information, along with the services they provide, are as follows:

(a) General government

The mandate of general government includes all taxation, Council and administrative functional activities.

(b) Protective services

The mandate of protective services is to provide for the rescue and protection of people and property within the Town through effective and efficient management and coordination of emergency service systems and resources.

(c) Transportation services

The mandate of transportation services is the delivery of municipal public works services relating to the planning, development and maintenance of roadway systems, streets, walks, lighting, storm water flows and public transit.

(d) Environmental services

The mandate of environmental services is the delivery of utility services including water supply and distribution services, wastewater treatment and disposal activities, and solid waste and recycling management.

(e) Public health services

The mandate of public health services is the contribution to Family and Community Support Services (FCSS) and the administration and maintenance of the cemetery.

(f) Planning and development

The mandate of planning and development is the administration of residential, commercial and industrial development services, and operation and maintenance of Town owned buildings.

(g) Parks and recreation

The mandate of parks and recreation includes the operation and maintenance of parks, sportsfields, and recreation and community facilities within the Town.

(h) Culture and libraries

The mandate of culture and libraries includes the operation and maintenance of the community auditorium and meeting rooms, and the support of the Taber Public Library and the ownership of the building.

For each reported segment, revenues and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. The accounting policies used in these segments are consistent with those adopted by the Town as a whole.

---

## **TOWN OF TABER**

### **Notes to Consolidated Financial Statements**

**For the year ended December 31, 2015**

---

#### **20. Related party transactions**

During the year, the Town entered into transactions aggregating \$571,651 (2014 - \$85,419) related to construction with a company in which an elected official has a financial interest. The transactions were carried out in the normal course of operations pursuant to the Town's purchasing and procurement policies.

During the year, the Town received fees aggregating \$2,052 (2014 - \$19,793) related to development permits with a company in which an elected official has a financial interest. The transactions were carried out in the normal course of operations pursuant to the Town's fee schedules.

During the year, the Town received contributed assets aggregating \$nil (2014 - \$2,668,615) related to a private subdivision development with a company in which an elected official has a financial interest. The transactions were carried out in the normal course of operations pursuant to the Town's development agreement.

#### **21. Comparative figures**

The comparative figures for the 2014 year have been reclassified to conform with the 2015 financial statement presentation.

#### **22. Budget**

The budget information was approved by Council on April 13, 2015.

#### **23. Approval of financial statements**

These financial statements have been approved by Council and Management.