



Incorporated April 1st 1995

19th Annual Report 2013

Dedicated in Memory of Mr. Ross Lefurgey



**Mayor of the Town of Summerside
1981 - 1982**

Who Passed Away July 19th, 2013

2013 Annual Report

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Mayor Basil L. Stewart



**Deputy Mayor Bruce MacDougall, Councillor Cory Thomas
Councillor Jeff Sullivan, Councillor Ron Dowling,
Councillor Jim Steele, Councillor Peter Holman
Councillor Tina Mundy, Councillor Frank Costa**



**Chief Administrative Officer
Bob Ashley**



Gordon MacFarlane (Human Resources & Legal Services) David Poirier (Police Services)

Aaron MacDonald (Technical Services) Rob Philpott (Financial Services)

Lorri Laughlin (Communications) JP Desrosiers (Community Services)

Greg Gaudet (Municipal Services) Jim Peters (Fire Services)

Mike Thususka (Economic Development)

2013 Annual Report

Organization - Management

Mayor: Basil L. Stewart
Deputy Mayor: Bruce MacDougall

Councillors: Cory Thomas
Frank Costa
Jim Steele
Ron Dowling
Jeff Sullivan
Tina Mundy
Peter Holman

Chief Administrative Officer: Bob Ashley

Department Heads: Aaron MacDonald
Dave Poirier
Greg Gaudet
JP Desrosier
Mike Thususka
Jim Peters
Lorri Laughlin
Rob Philpott
Gordon MacFarlane

Solicitor: McInnes Cooper
Auditor: Grant Thornton
Population: 14,500
Area: 28.5 sq. km.

2013 Annual Report

Organization – Staff

Administration Karen Evans

Economic Development

Joanne King Lori Ellis Fred Horne Nancy Quinn
Marlene Campbell

Fire Services

Lawrence LaPierre

Financial Services

Angie Blanchard Diane MacLaren Kristen Dunsford Cathy Gaudet
Ashley Schurman Mysie Merrett Jeannie Short Tanya Walsh
Roger Ahem

**Human Resources
& Legal Affairs**

Michelle MacLeod Brian Hawrylak

Municipal Services

Rory Chaisson Sam Arsenault Owen MacDonald Wilfred DesRoches
Joe Noonan Robert Irving Rob Steele Mark Miner
Joey McCarthy Joe Pendergast Willie Noye Adam Blacquiere
Bobby Dunn Jeff MacDonald Allan MacDougall Frank Murphy
Everett Moase Debbie Cameron Paul Cormier Randy McCourt
John Hastings David Holt Jamie Rodgerson Andrew Peters
Josh King Jason MacAusland Paul Kelly Paul MacAusland
Fred Gallant Larry Blacquiere Jordon Bigelow Rick Morrison
Jason Muttart Nick Gallant Brody Cahill Lee Fraser
Robert McFeely Robbie Betton Owen Sonier

Police Services

Cathy Arsenault Stuart Andrews Barry Arsenault Scott Baker
Richard MacLeod Jason Blacquiere David Buell Connie Perry
Dale Corish Lorna DeWare Faye Gallant Grant MacLeod
Joel Robichaud Charlene Ciplolla Ronald MacLean Shawn McCarthy
Patrick Daley Brett Murphy Ashley MacKenzie Mike Stevenson
Milo Murray Amy Walfield Joe Peters Wade Ryder
Dennis Sherren Mike Rioux Lindsay Rogers Sinclair Walker
Tanya Yeo-Campbell Erin Blacquiere

Community Services

Sheila Laughlin Trent Williams Paul Gallant Barb McNeil
Steven Leard Allan McNeil Dale Martin Brenda Hickox
Chantal Wadman Todd Richard Ryan Ellis
Melanie Ramsay Wayne Carruthers Maurice Gallant
Leah Stetson Gerard Paznokaitis Sean Murphy

Technical Services

Mike Straw Tony Gallant Gary McInnis Phil Hardy
Sandra Corkum Linda Irving Thayne Jenkins

2013 Annual Report

Organization – Volunteers

Fire Services

Marcel Arsenault
James Arsenault
Adam Blacquiere
Craig Blacquiere
James Blacquiere
Jean Bouchard
Dale Cameron
Gordon Campbell
Jeff Bernard
Jason Cameron
Kent Moase
Kenny Culleton
Steven DesRoches
Jamie Rogerson
Lindsay MacLeod

Ron Enman
Brent Gallant
Douglas Gallant
Clifford Gallant
Tyler DesRoches
Tony Gallant
Mike Glover
John Hastings
Steve Gunning
Robert Irving
Darren Kelly
Pat Kelly
Paul Kelly
Lawrence LaPierre
Neil Harris

Wallace MacAusland
Jason MacAusland
Josh Cameron
Gordon MacFadyen
Steve MacIsaac
Jamie Thompson
Wayne MacKinnon
Ryan Pinkham
Raymond McCourt
Brian Morrison
Rick Morrison
Tony Perry
Bernie Peters
Robert MacFeely

Tom Peters
Elliott Olscamp
Jason Kelly
Robert Rankin
Danny Richard
Adam Rogers
Chris Ross
Kenny Blanchard
Leo Stewart
Jason McCarville
Barry Whalen
Clay Moase
James MacAusland
Mitchell Cameron



Summerside City Hall

2013 Annual Report

Mayor Basil L. Stewart

December 31, 2013

2013 has been another busy year for the City of Summerside and for the office of the Mayor. Each individual councillor will report on each department as well as the Chief Administrative Officer (CAO) and directors.

A number of changes were made within the senior management positions. In January, we welcomed our first Director of Communications Ms. Lorri Laughlin. In April we welcomed our new Director of Financial Services, Mr. Rob Philpott, replacing retiring Director Mr. Malcom Millar, CA. We thank Malcolm Millar for his 10 years of dedicated service. In July, Mr. J.P. Desrosiers was promoted to the position of Director of Community Services. In October, Mr. Bob Ashley was appointed CAO replacing Mr. Terry Murphy. We thank Terry Murphy for his 20 years of service. We also thank Mr. Gordon MacFarlane for his time as acting CAO for the city.

The year began with a large crowd attending the City of Summerside's Levee on January 1st at City Hall. In January, 2013, the new Summerset Manor was officially opened.

On March 11th the Junior Mayor and Council were sworn in at City Hall. On March 16th we attended the official opening of the Canadian Men's and Women's Senior Curling Championship at our beautiful Silver Fox Curling Club.

On April 1st, the Mayor's Good Neighbor award was presented to Ms. Rachel Parise. On April 13th we attended the Annual General Meeting of the Prince County Horsemen's Club. On April 24th, I attended the Atlantic Mayor's meetings in Halifax. On April 29th, we attended the PEI Municipalities Annual General Meeting in Cornwall, PEI.

In May our city and our Jr. A Hockey team, the Summerside Western Capitals, hosted the RBC Cup. It was very successful with our Jr. Team claiming silver in the championship game against Brooks, Alberta.

We attended the Three Oaks High School graduation which was held at Credit Union Place. Sadly in June, our city planner Mr. Murray Pinchuk passed away.

On July 1st we attended our Canada Day ceremonies. The Citizen of the Year Mr. Ray McCourt was presented with the George Key Senior Trophy. The C Ross MacKenzie award was presented to the College of Piping. On July 8th, we attended the opening of the Maritime Fire Chief's Convention in Summerside. Lobster Carnival week was very successful as was the Governor's plate at the Summerside Raceway. Former Mayor, Ross Lefurgey passed away on July 19th. We are honored to dedicate our 2013 Annual Report in memory of late Mayor Lefurgey. We lost a great community person who served his community well for many years. May he rest in peace.

On August 30th, we attended the Atlantic Police Academy graduation.

In September we attended the United Way launch and also in September all welcomed the cruise ship Yorktown to Summerside.

On October 5th, we attended the 150th anniversary of our Fire Department at the Summerside Fire Station. On October 9th, we attended the Chamber Business Excellence Awards. On October 16th, I attended the fall meeting of the Atlantic Mayors' in Sydney, Cape Breton. On October 23rd the Mayor's Medal of Honor was presented to Mr. John Turner.

On November 11th we attended the Remembrance Day Service which was held inside at Credit Union Place. On November 18th we attended the Swearing in of Madam Justice Nancy Key at the Summerside Court House. On November 30th I attended the Consolidated Credit Union 45th Annual General Meeting.

In December we attended the Kinsmen Christmas appeal.

Also during the year we attended many meetings in office and outside appointments as well as many special birthdays and anniversaries.

We held a number of meetings with our MLA's and MP. At this time I would like to thank the Federal and Provincial Governments and all organizations for their continued support.

A special thank you to the Deputy Mayor, City Council and all staff for their hard work and dedication. I thank our assistant Karen Evans for her great work.

I want to thank my wife Gail and our family for their support not only for 2013 but for all of my 28 years as Mayor.

Respectfully submitted,



Mayor Basil L. Stewart

2013 Annual Report

Acting Chief Administrative Officer Gordon MacFarlane

October 14th, 2013

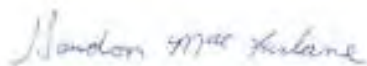
On behalf of the entire City of Summerside administrative team I am pleased to issue my second annual report as Acting Chief Administrative Officer to the Mayor and Council and to the citizens of Summerside.

When I reflect on what was accomplished in 2013 I am extremely proud of the work we have completed and the high quality services we have delivered to the citizens of Summerside, our neighbours, and the many visitors we've welcomed to our beautiful little city.

The office of the Chief Administrative Officer garners its strength from the dedicated, professional and effective group of directors who lead the various departments within the municipal government. Throughout 2013 I was extremely fortunate to have the counsel of veteran directors Aaron MacDonald, Greg Gaudet, Mike Thususka, Bobby Dunn, Chief Dave Poirier and Chief Jim Peters. The leadership that these gentlemen provided on a day to day basis provided the "steady hand on the wheel" that allowed city services to be delivered in the efficient and effective manner that our residents expect and deserve.

This past year was also a year of transition as we added key new Directors to our senior leadership team. Lorri Laughlin in Communications, Rob Philpott in Finance, and JP Desrosiers in Community Services have brought to our team a fresh way of looking at challenges and opportunities, enhanced transparency and public consultation, and strong voices at the table that increased the level of healthy debate that leads to good decision making processes. Our transition became complete in October when we were pleased to welcome Bob Ashley to our team as our new Chief Administrative Officer.

In conclusion I would like to thank Mayor and Council and all the dedicated staff that we have in our City for trusting me to serve in this leadership opportunity in 2013. Summerside is a community like no other and it has been an honor to serve the Council, staff, and citizens as the Acting Chief Administrative Officer. The future is bright for Summerside.
Respectively submitted,



Gordon MacFarlane
Acting Chief Administrative Officer (January 1st to October 14th, 2014)

2013 Annual Report

Chief Administrative Officer

Bob Ashley

December 31st, 2013

I'm excited, honoured, and grateful to the City of Summerside for inviting me to assume the role of Chief Administrative Officer.

Long before I started work for the city, in the autumn of 2013, I admired the community from afar. I am not alone, because I have ties with CAOs across the country who characterized my move to Summerside as very good fortune indeed, in finding my professional placement in such a progressive and beautiful city. But more than that, the city has earned national esteem. By advocating on behalf of all Canadian municipalities our elected officials' participation and leadership in the Federation of Canadian Municipalities are making a difference to Canadians.

Active leadership in the Federation of Prince Edward Island Municipalities (FPEIM) has also been a draw for me. From the beginning of my tenure I've stated my goal to keep company with leaders whose reach not only extends into the community they serve, but also beyond it.

I'm both humbled and thrilled to inherit a dedicated team of public professionals leading our various departments and branches. They bring top-notch talents, skills and experience to their work, day in, day out, delivering a great range of innovative services and programs, always striving for the highest standards.

Equally comforting has been the kind hearted welcome I've received from many citizens, business people, and leaders of local community groups.

I look forward to long, healthy and productive relationships which share a common vision of a healthy, sustainable, prosperous future for the City of Summerside.

Respectfully submitted,



Robert (Bob) Ashley
Chief Administrative Officer

2013 Annual Report

Communications

December 31, 2013

2013 being the first year the City of Summerside had a Communications department I thought I would take this opportunity to begin by giving a brief overview of the roles and responsibilities of the department. The Communications department directs and coordinates communications between the City of Summerside and the public we serve. This means not only communicating information out to residents but it also means listening to information coming back in to the city from residents. Communications is also responsible for guiding and organizing internal communications with staff. Below are some of the key responsibilities of the department:

- Maintains an open and proactive relationship with all newspaper, television, radio and online media.
- Issues news releases and public service announcements to provide media with accurate and timely information.
- Informs the public on all of the municipality's activities, issues, and initiatives.
- Manages issues in crisis and emergency situations.
- Oversees the city's online presence on the internet.
- Coordinates the city's communications efforts through social media networks.
- Provides internal and external communications advice, council and strategy.
- Directs and oversees the production of print publications such brochures, guides and reports.
- Manages the preparation of written briefing materials, speaking notes, letters, and messages.
- Coordinates the city's corporate print, broadcast and online advertising campaigns.
- Ensures uniform visual brand identity and marketing activities for the city.
- Monitors and responds to public feedback gathered through public opinion research.
- Provides tours of City Hall and Council Chambers.
- Directs the Junior Mayor and Council Program.
- Plans Civic Award Presentations.

2013 was a very busy and exciting year for the Communications department with many issues, events and activities the following are just a few of the highlights.

One major highpoint of 2013 for Communications has been our collaboration with Finance on the public disclosure of City of Summerside travel related expenses on our city website. Summerside is quickly becoming known as a leading municipality in Canada when it comes to transparency and accountability to the people we serve. The city was even acknowledged by the PEI Information and Privacy Commission for our efforts in being proactively open to the public with this information.

As stated earlier good communication is not just about talking but it is also about listening and to this end Communications was very pleased to partner with Technical Services and Financial Services on two public consultation processes related to the mandates of their departments. In March the City held stakeholder consultation sessions with individuals involved in the planning and development community – builders, engineers and realtors etc... to explore issues related to improving the business climate of the city. In December Communications worked with Financial Services on two consultation sessions to gather input and ideas for the 2014 budget one internal session with staff another external session with the public. Proactively engaging with the public in consultation meetings like these are a step in the right direction and a building block for even more future opportunities for the public's voice to be heard by the city.

Over the course of the department's inaugural year it was also involved in the coordination and organization of 34 special events such as the Queen's Jubilee Medal Award's Ceremoney, Volunteer of the Year Award Presentation, Junior Mayor and Council Tour Day, Annual General Meeting, City of Summerside Presence at the Spring Trade Show, Good Neighbour Awards and Reception, Newcomers Immigrant Investor Business Mixer, Opening Ceremony of the PEI Sports Hall of Fame Exhibit at Credit Union Place, Canada Day Ceremony, City of Summerside's Annual Strategic Planning Session, Legends Field Induction Ceremony and the Mayor's Medal of Honour Awards Presentation just to name a few.

Communications also lead the City of Summerside's corporate advertising campaign in 2013 which consisted of approximately 412 newspaper, magazine and radio advertisements. The focus of many of these ads was to promote and market City of Summerside's programs, services and events in the areas of parks and recreation as well as arts, heritage and culture to residents and visitors to our city. Other advertisements focused on the day to day workings of the municipality such as tenders, requests for proposals, planned power interruptions, public rezoning meetings and staff recruitments.

Communications also received and coordinated the City of Summerside's response to an estimated 476 enquiries from the media in 2013. This includes conducting research on the topic of the enquiry the gathering of factual information for journalists and the coordination of on camera, face to face and phone interviews by the city's 19 official spokespersons – the Mayor and Council and the CAO and Directors.

Good media relations is not only about being reactive to enquires from journalists it is also about being proactive in getting the media as much information as possible on everything that is happen in the city. From a water main break to power interruptions, from swimming lessons to ice skating and from special events to art exhibits there is always something to say in a busy little city like Summerside. To this end the Communications department issued about 156 news releases, media advisories, public service announcements and official statements in 2013.

Communications also took on a growing role in the coordination of the City of Summerside's corporate presence on social media websites like Facebook and Twitter this year. Our followings have grown 2256 people on Facebook and 3866 individuals following us on Twitter for a combined social media following of 7122. As 2013 progressed Communications made concentrated efforts to increase our followers on social media specifically trying to attract individuals with past ties to Summerside in an effort to stay connected for possible repatriation.

The keys to a good brand strategy are consistency and repetition, the current City of Summerside brand identity (including logo and tag lines) were first introduced in 2007 and since then there has been varying degrees of take up and application of the brand throughout the various city departments. Communications made some in roads on this front in 2013 but as with many things there is always room for improvement. We look forward to working with all the departments in 2014 to make the City of Summerside brand strong so we can be even more transparent and accountable to the people we service.

All in all 2013 was a great year – a year of new beginnings, a year of introductions, a year of learning and a year of building. Much has been done but there is also much left to do. In a world in which communications is ever changing and ever evolving Communications is an exciting role to have especially in great organizations like the City of Summerside. I look forward to 2014 with much enthusiasm and anticipation. I know it will be a great year for Summerside. We may be a *“Small city”* but we are also a *“Big community”*

Respectively Submitted



Lorri Laughlin
Director of Communications

2013 Annual Report

Community Services

December 31, 2013

The department of Community Services is certainly one of the most diverse operations in the City of Summerside. Operating eastern Canada's most vibrant and attractive sport and recreation, entertainment and meeting facility, Credit Union Place, while managing and operating at the same time hundreds of programs and events, hundreds of acres of parks and green spaces as well as community centers, a library and a seniors center is a daunting task. This is not to mention the fact that we are becoming known as a major leader in the sport hosting and entertainment industry. The department's work continues to be a driving force and major contributor to the vibrancy, health and wellness and civic pride that is found here in the City of Summerside.

2013 has been a fantastic year filled with amazing community events, new initiatives and programs. We are experiencing a new energy in the many areas that are the focus of the department of Community Services. The department has made strong commitments this year to financial stewardship, efficiencies in facility management and enhanced quality and customer care.

A high priority for 2013 was the enhancement of the city's sport hosting strategy. The City of Summerside has long been known as a fantastic host city and the department has made significant strides to act as a conduit between the many minor and amateur sport organizations in order to encourage more hosting. The department's work on this initiative has already netted dramatic results with sporting events showing an increase of more than 60% anticipated for 2014. The department envisions a continued rise in these hosting figures long into the future. Strategically, the department is committed to serving as a strong support mechanism to all sport organizations in the region.

Credit Union Place continues to be a focal point for the department and for the community. This ultramodern facility continues to be an amazing asset for the community for a plethora of reasons. In 2013, Credit Union Place welcomed over half a million visitors for a broad range of services. These service offerings continue to diversify with new products emerging every year. This year new tenants were welcomed into the facility including the PEI Sports Hall of Fame, the Summerside Western Capitals' official apparel store "Clutch Clothing" as well as Pita Plus. A long term contract was negotiated with the Summerside Western Capitals who will now continue to call Credit Union Place home for many years to come.

A wide range of signature events were hosted at Credit Union Place this year. This is as a result of the department's ongoing commitment to attract top quality entertainment to the city. 2013 saw some fantastic concert events with performers such as Alan Jackson, Sting, Reba McIntyre and the Trews taking the stage at Credit Union Place. The facility also played host to the 2013 RBC Cup where the Summerside Western Capitals were runners up for the national title in front of a record breaking 4,500 fans at Eastlink Arena. The Credit Union Place box office had a record setting year processing nearly 150,000 events tickets in 2013.

Credit Union Place continues to be a regional leader in the meetings and conventions industry offering a diverse product offering that is unmatched by most. Similar to sport hosting and special events, the hosting of meetings and conventions continues to be a significant economic driver for the region. The Veterans Convention Centre continues to pull its weight as a strong contributor to the local economy. In 2013 the facility hosted over 900 meetings and conventions.

As a community recreation center, Credit Union Place continues to be a driving force in the promotion and enhancement of the health and wellness of our community. With a membership of more than 1,500 the City of Summerside's aquatics facilities and Fitstop fitness center at Credit Union Place continue to be vibrant and welcoming places for the physically active. In 2013 the Credit Union Place saw almost 50,000 visits to its walking and running track and had over 6,000 attendees to aqua fit and other aquatics fitness programs. The Fitstop team has added a broad range of fitness programs to its menu such as Kettlebell, Zumba, and Get Back to Fitness. Over 1,500 fitness classes have taken place throughout year. In addition, squash continues to be a very popular sports activity in western PEI. This is evident in the over 900 games of squash that were played in the Fitstop's squash facilities this year.

The City of Summerside Bowling Lanes at Credit Union Place continues to be a thriving facility. In 2013 35,000 games of bowling were played. Staff has made strong commitments to the growth of youth bowling in the city and because of their work has seen significant registration increases this year. This shows great promise for the sport of bowling here in Summerside.

Our greenspace division continues to maintain hundreds of acres of parkland, trail systems, boardwalks, beaches, play grounds and sports fields. In 2013 Summerside was a finalist in the annual Communities in Bloom national competition. 2013 saw many new initiatives in our parks and open spaces such as the inclusion of the city's first community vegetable garden created in partnership with the Summerside Boys and Girls Club, the resurrection of the annual Naturefest community event along with the reinvestment and installation of new playground equipment at Notre Dame Park and Meadow Heights Park.

In closing, it has been a fantastic year in the department of Community Services with many highlights and accomplishments. This is a result of the hard work and dedication of all department staff, volunteers and corporate partners.

We are looking forward to an even more successful 2014.

Respectfully submitted,



Jim Steele - Chair of Community Services



JP Desrosiers - Director of Community Services

2013 Annual Report

Economic Development

December 31, 2013

In 2013, Summerside's Economic Development department continued to provide a high level of service to our current and prospective business clients. Some key highlights from our 2013 activities are shown below:

InvestinSummerside.ca

In 2013 we developed a streamlined service for investors and developers that consolidated various resources and services geared to this audience in a single place. The companion printed materials will serve us well as we look forward to our participation at MIPIM in March 2014.

Skills Matcher Tool

This system is designed to match candidates with positions in a seamless manner that is more efficient for both candidates and employers. Candidates enter their skills into a talent pool to be automatically considered for every job opportunity, and employers can enter criteria and receive a qualified list of candidates to contact at their convenience. The service is free for both candidates and employers. Through outreach and advertising this promotional campaign has reached well over 1.5 million viewers, and we have seen a 19% increase in candidates and 12% increase in employers using the system over the course of the year. <http://summerside.skillsmatcher.ca>.

Available Sites

The Available Sites Tool provides an online listing of commercial and retail properties for current and prospective businesses. Business users can browse properties based on criteria such as size, price and lease/sale. They can email listings to colleagues or generate custom reports of properties they are interested in. <http://summerside.availablesites.ca>.

Health IT Tradeshow Participation

In December, Summerside's Economic Development department attended RSNA 2013 – one of the largest annual e-Health tradeshows in North America. A significant marketing and outreach effort leading up to the tradeshow supported our efforts at the event, and the Economic Development department has since been working to personally follow up with these companies with the goal of bringing more Health IT firms to our community.

Major 2013 Investments:

- Institutional - Holland College renovations \$786,000
- Commercial - Prince Alex Resort, permits for \$2,142,264 (continuing construction)
- Commercial - CrombieREIT \$1,480,000 - major renovations
- Commercial Office – Central Street Doctor's office \$680,000
- Residential/Commercial - Apartment building with Commercial element (MacEwen Drive) \$2,400,000 (new construction)
- Residential/Commercial The Hub –\$600,000

In Summary

Summerside is reaping the rewards of some strategic thinking, key partnerships, an aggressive marketing program and city-led infrastructure programs and investments. Looking ahead to 2014, we will continue to work with, and on behalf of, our growing business community to create a strong investment climate in Summerside. We will continue to aggressively promote our city online and offline, at home and abroad.

Culture

2013 has proven to be a very powerful year at Culture Summerside. Staff quickly immersed themselves in the community as proposals were prepared and partnerships strengthened for 2014 initiatives. Through this important community building exercise Culture Summerside and our partner Wyatt Heritage Properties Incorporated were jointly awarded \$175,000.00 toward creating exciting projects slotted for next year. Work has begun in efforts to make Summerside the place to be in 2014.

In 2013 Culture Summerside continued to build on its past successes through the delivery of our most popular and robust 12 month roster of programs and tours ever. As we look specifically at overall tour visitation we can report an increase of almost 25% in visitorship to the Wyatt Historic House Museum over last year, and our International Fox Museum and Hall of Fame has reported an increase in attendance of just over 23%. New and innovative approaches in programming and marketing have led to these handsome increases. 2013 saw strong numbers at our Olde Fashioned Carnival, children's summer program and Ghostwalk and a record number of school children registered to participate in our prestigious Christmas program with the theme of "Charity and the Act of Giving".

Culture Summerside in partnership Wyatt Heritage Properties Incorporated garnered an additional \$ 69,264.58 in grant monies for a variety of anniversaries, programs, and community celebrations and delivers a total of \$244,264.58 dollars back into the hands of community artists, artisans, students and creative industry professionals for the 2013 / 2014 year to date. This number will increase as the 2014 year unfolds.

Culture Summerside continues to partner with many stakeholders in the development, and growth of our community's cultural products and assets and can report on a very busy year in the delivery of objectives related to our Cultural Plan. Partnerships have been strengthened and marketing, programming and awareness have progressed among other improvements as suggested by the plan's recommendations.

Feedback is positive, and community and participants are reacting confidently. One participant of the "Sixty Days of Fame" exhibit series claims if it were not for the opportunity she would not have had the encouragement or confidence to open up her own studio in Summerside. Other artists who have participated in the "Arts in Motion" festival presented by Wyatt Heritage Properties Incorporated have noted that sales have increased at their shops and outlets due to involvement. Confidence is growing and we are redefining our capacities as a healthy and creative community. We look forward to 2014 where we will continue our lasting commitment to the care and preservation of the City's heritage and material collections, our most valuable community assets after our citizens.

Respectfully submitted,



Councillor Ron Dowling
Chair of Economic Development



Peter Holman
Chair of Heritage & Culture



Mike Thususka
Director of Economic Development

2013 Annual Report

Financial Services

December 31, 2013

As Chair of the Finance Committee, it gives me great pleasure to present to you this annual report on behalf of the department of Financial Services.

The mandate of the department is to provide leadership and support to senior management, Mayor and Council in making decisions regarding the assets and resources under the city's stewardship. In doing so, the department strives to ensure that both groups have sufficient, timely and appropriate information on which to make decisions regarding the effective and efficient use and operation of city resources and services.

On a broader level, municipal government is tasked with the responsibility of providing services to the public, and it strives to ensure that these services are provided to residents as promptly and cost effectively as possible. The department plays a lead role in ensuring that senior leadership and Council are provided with the necessary information to evaluate and assess the quality and performance of these services, and to inform current and future policy direction for the growth and betterment of the community.

While the department has a strategic role to play in managing the fiscal resources of the city, it is very busy from an operational perspective as the department manages the administration of items that occupy a central role in the everyday lives of residents such as utility bills, fines and other items.

In reflecting on the year just past, it was one of transition for the department. The city appointed a new Director, Rob Philpott to lead the department and to continue the good work that was initiated by Kristen Dunsford in an acting capacity. The department also undertook several initiatives aimed at enhancing openness and accountability for results. For example, in keeping with best practices of accountability, Council initiated regular monthly meetings of Finance Committee whereby staff provided reports to Council on the city's financial performance and any major risk management issues.

In the interest of good governance and accountability, a municipality needs to hear from its citizens on how it's managing public resources. As a city we need to reach out and address the growing needs of our community. To that end, and in the spirit of enhancing openness and transparency, the department led and facilitated pre-budget consultations with city staff as well as the general public. This received many positive reviews from staff and residents as well as the city's business community, and also offered important building blocks for future public engagement, whatever the purpose may be. We have also adopted a broader role for Council in the development of the city's

budget, which will help ensure stronger oversight of the city's finances. We are committed to meaningful engagement with our staff, elected officials and residents, and we look forward to doing more of this in the future.

As well, the department and the city continue to enjoy a good working relationship with other levels of government, such as its federal partners at the Atlantic Canada Opportunities Agency. This partnership, along with funding from the Gas Tax Community Fund, has resulted in over \$2 million in funding for various capital projects in 2013, and we look forward to building upon this partnership in the future, while exploring opportunities for collaboration with other stakeholders.

It is an exciting time to be a resident of this great city. With an infusion of new leadership comes new ideas, new approaches, and a renewed optimism for the future. As well, our commercial and residential tax base is growing, and with that comes the expectation that services will align with the needs of our growing base. Our department is pleased to provide leadership in ensuring that the public's expectations for fiscal accountability and sustainability will be met now and into the future.

Looking ahead to 2014, the department will be looking at effecting performance improvements in a number of areas, including capital planning, priority-based budgeting, and forecasting, all with the intent of providing better information to senior management, Finance Committee, and Council to make decisions. We look forward to the results of these projects and ultimately to enhanced transparency and accountability for financial results.

On a final note, I want to take this opportunity to express my sincere appreciation to all staff of the department for the great work they do in support of transparency, accountability and public engagement. I look forward to continuing to work with the department as it builds upon its accomplishments of this past year and setting a foundation for continued success.

Respectfully submitted,



Deputy Mayor Bruce MacDougall
Chair of Financial Services



Rob Philpott
Director of Financial Services

2013 Annual Report

Fire Services

December 31, 2013

During the year 2013, the losses totaled \$1,082,500 within Summerside Fire Services' coverage area as compared to \$270,500 the previous year. Firefighters responded to 205 incidents. The types of responses included:

	2013	2012	2011	2010
Mutual Aid	1	1	1	3
Rescue	4	14	20	19
Alarm Panel	47	43	57	43
Flue Fires	2	2	2	0
Dumpster/Rubbish	6	33	7	5
Electrical	9	2	0	0
Grass Fires	5	14	3	3
Vehicle Fires	17	15	9	10
Structural Fires	21	15	20	16
Appliance Fires	3	0	3	1
Accidental False	5	1	10	0
Malicious False	0	0	1	0
Miscellaneous	46	35	35	53
Carbon Monoxide	4	5	7	2
Cancelled Calls	35	25	25	33
Suspected Arson	0	3	3	1

The breakdown of responses since 2007 is as follows:

Year	Responses	Fire Losses	Fire Deaths
2007	227	\$321,307	0
2008	226	\$464,200	0
2009	197	\$4,235,703	0

2010	188	\$175,500	0
2011	200	\$6,912,500	0
2012	205	\$270,500	0
2013	205	\$1,082,500	1

Training

Fire fighters received a total of 3,185 hours of training for an average of 58 hours per fire fighter.

Training Officer, Tony Gallant, organizes the training program for the department.

Fire Prevention

Captain Ron Enman organized the Lunch and Learn Program for students of all elementary schools in the city. As well, Lawrence LaPierre hosted children from many schools and daycare centers for a fire safety talk at Summerside's Fire Station One during 2013.

Equipment

Engine 1	1991 Spartan, 1050 GPM - 800 gallons
Engine 2	1991 Spartan, 1050 GPM - 800 gallons
Engine 3	1995 Spartan, 1050 GPM - 800 gallons
Engine 4	2005 Pierce, 1050 GPM - 2300 gallons
Ladder	2002 Smeal, 1750 GPM - 85 foot
Rescue	2007 Metalfab Custom Rescue Truck
Auxiliary Company	1991 Grumman Olsen
Utility Truck	2007 Ford Van
Command Vehicle	2008 Ford Escape

The Fire department celebrated our 150th Year Anniversary in 2013, by hosting the Maritime Fire Chief's Conference in July. We hosted over 700 members for the five day event and have been awarded the Conference again in 2015. We celebrated our 150th Birthday in October with the reenactment of the 1906 fire, and hosted a play and party afterwards at Summerside's Fire Station One.

Respectfully submitted



Councillor Tina Mundy
Chair of Fire Services



James Peters
Fire Chief

2013 Annual Report

Human Resources & Legal Affairs

December 31, 2013

On behalf of the Human Resources and Legal Affairs Committee of the City of Summerside, I am pleased to submit the annual report for 2013. This has been a busy and rewarding year for the department. In addition to providing payroll services, benefits assistance, Council support, legal advice and guidance, representation and health and wellness initiatives for our staff and their families, some of our department's accomplishments have included:

Staffing - The department was busy this past year with job competitions and staffing, including unionized, non-unionized and management positions as well as student interns and seasonal employees.

Retirements:

Susan Jeffery, Malcolm Millar, Mary Drummond, Lori Gandy and Kevin Gaudet

Internal Position Changes:

Adam Blacquiere – Foreman
Jason Blacquiere – Police Corporal
Dale Corish – Police Corporal
Gary McInnis – Asst. Municipal Engineer
Jamie Rodgerson – Operator
Jason Muttart – IT Supervisor
Joe Noonan – Laborer Semi Skilled
Joel Robichaud – Police Constable
Linda Irving – Development Officer
Mike Stevenson – Police Constable
Patrick Daly – Police Constable
Owen MacDonald – Operations Supervisor
Robbie Betton – Laborer Semi Skilled
Thayne Jenkins – City Planner
Tony Gallant – Municipal Engineer
JP Desrosiers – Director of Community Services

New Full-Time Employees

Lee Fraser – Waste Water Treatment Plant Operator
Mark Minor – Waste Water Treatment Plant Operator
Maurice Gallant – Facility Supervisor

Rob Steele – Production Supervisor
Rory Chaisson – Asst. IT Supervisor
Sandra Corkum – Steno Technical Services
Tanya Walsh – Accounting Clerk
Nicholas Gallant – Internet Installer
Bob Ashley – Chief Administrative Officer
Lorri Laughlin – Director of Communications
Rob Philpott – Director of Finance

Sadly, in 2013 our City Planner Murray Pinchuk passed away. Murray's contribution to the city through his creative mind and quick wit was second to none and he will be greatly missed by his colleagues and friends.

2013 saw several health and wellness initiatives including management and supervisor training, lunch and learns contests and team building activities including photo contests, fitness challenges and recognition events. The monthly newsletter continues to be a wealth of health and wellness information and an opportunity to celebrate department, staff, and family achievements. In May the sixth annual Green Commute Club encouraged city staff to walk, bike, or carpool to work from May until October. City employees taking part in this challenge saw tremendous health, environmental, and financial benefits from participation. City businesses and teachers were also invited to participate.

In April a rewards and recognition ceremony was held where employees were recognized for their long service with the former municipalities and now the City of Summerside.

The confidential Employees Assistance Program continues to be provided by Sheppel fgi. Statistics show that the program is well used by City of Summerside employees and their families.

Occupational health and safety remains paramount in our commitment to the health and safety of our most valuable asset – our people. Training, workplace inspections, active safety committees and a genuine commitment to continually working to compliance is paying dividends in terms of employee safety, engagement, and trust.

In closing I would like to thank the staff of Human Resources and Legal Affairs for their support at over 100 meetings this year and their continued dedication towards maintaining the City of Summerside as a challenging, fulfilling and rewarding place to work and provide services to the citizens of Summerside.



Respectfully Submitted,
Councillor Peter Holman - Chair of Human Resources &
Legal Affairs, Heritage & Culture

Gordon MacFarlane
Director of Human Resources & Legal Affairs

2013 Annual Report

Municipal Services

December 31, 2013

As Chair of the Municipal Services Committee, I am very pleased to present the 2013 Municipal Services Annual Report.

In 2013 our Public Works division cleared snow from the streets 37 times, sidewalks 31 times, salted the streets 50 times, salted sidewalks 29 times, cleared the downtown core of snow 12 times, city parking lots 32 times and cleared out fire hydrants 5 times. In 2013 our public works division spent approximately \$180,000 on new capital equipment such as a new salt truck to replace aging equipment and a new sidewalk snow clearing and salting machine to replace aging equipment.

The following infrastructure was repaired during the year: 43 Driveway culverts, 2 road culverts were replaced, 112.5 kilometers of roadway were patched, 48.6 kilometers of sidewalks were repaired, 7 catch basins, hauled seaweed from Green Shore, loaded bio-solids material and performed grass cutting in ditches and vacant lots owned by the city. The public works section introduced a new speed hump program in conjunction with police services to abate speeding cars in certain areas of the city. The humps are portable and can be placed in any area of the city.

Our Water and Sewer division experienced 20 water main breaks in 2013 and 5 water valves were repaired. Our Water and Sewer division also assisted Technical Services in its capital work on new water and sewer main replacements and providing sampling for testing of the mains for potable water before bringing the new mains on line. Staff performed 140 water disconnects, repaired 18 water services, and repaired 5 fire hydrants in 2013. The staff installed 46 new water taps and/or sewer services this year. The staff responded to 150 sewer calls, performed 24 video inspections on sewer laterals and mains were necessary, repaired 11 sewer manholes and repaired 18 sewer laterals in 2013.

In 2013, the Water and Sewer utilities spent approximately \$1,000,000 on infrastructure upgrades, some of those being: completion of the Harbour Drive Lift Station upgrade, two work vehicles, sewer line reconstructions and replacement, and new water line constructions and replacement. The city continued to chlorinate the water system, take bi-weekly samples to ensure safe drinking water for residents and test for chlorine residuals three to four times weekly. The city publishes on its website all drinking water test results for 2013 by the end of April of 2014.

The year 2013 was the sixth full year of operation for the City of Summerside's tertiary Waste Water Treatment Plant. The treatment plant exceeded effluent quality expectations for 2013. The average total suspended solids were 5 mm/l. The carbonaceous biological oxygen demand averaged less than 17 mm/l for 2013, while our effluent fecal coliform count averaging less than 200 MPN per 100 ml for the year. The bio solids processing/handling facility (N-Viro process) produced 3,684 tons of class A fertilizer which was sold to Agromart. The Summerside facility continues to handle all of the hauled septage from the western half of Prince Edward Island and received in 2013 a total of 856,603 gallons. The treatment plant operations were modified slightly to practically eliminate landfill tonnage of sludge products from the plant. The plant's usage flow was 612,191,484 (699,267,360 2012 number) imperial gallons which is a decrease of 12.5% over 2012.

All in all Municipal Services had a busy year with the operations of a waste water treatment facility, new constructions/developments throughout the city, capital projects, and weather conditions for 2013 causing major efforts in snow and salting services.

In recognition of this, I wish to take this opportunity to thank the Municipal Services staff for their dedication and hard work during the year.

As Chair of the Electric Committee, I am very pleased to present the 2013 Electric Services Annual Report.

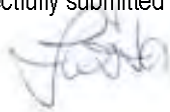
The electric utility's distribution revenue from kWh sales increased by 5.8% over 2012 mainly due to an increase in electric consumption in the residential sector. The residential sector increased by 10.3%, the commercial sector increased by 3.6%, the industrial sector increased by 1.8% and lighting increased by 1.9%. This was mainly due to the major increase in electricity use to heat homes in the residential sector by the addition of heat pumps and the city's "Heat for Less" consumer program. Revenue from total sales averaged 14.56 cents per kilowatt sold which was an increase of 0.5% over 2012 due to rate increase to customers in March of 2013 which continued throughout 2013. Exports of wind power to NB was reduced from 4,103,000 kWh's to 3,108,000 by our continued offering of our Heat for Less Now program, an additional 995,000 kWh's staying to benefit customers locally. The city entered into its 2nd year of a 5 year energy supply contract with NB Power on September 2013 and continues until August 31, 2017 for part of its electricity supply. The city's energy makeup for 2013 came from NB Power at 54.3%, the City of Summerside Wind Farm at 24.0% and the remainder from the supply contract of wind energy from West Cape Energy at 21.7%. The City of Summerside continues into the 7th year of a 20 year power purchase agreement with West Cape Energy and the 5th year of commercial operations of its own wind farm which saw 45.7% of its energy needs being supplied with renewable energy this year from the wind farm in West Cape and the City's own wind farm; more impressively, Summerside Electric customers were supplied with 100% wind power for 1,584 hours of 2013 or 18.1% of the time. The City of Summerside 12MW Wind Farm has delivered 31,551,000 kWh's to Summerside Electric customers, which is 6.8% above target performance for 2013. The kilowatt hours consumption increased by 5.3% over 2012 largely because consumption was up in residential customer sectors by 11.7% and by 2.4% in the commercial customer sector with all other sectors relatively flat. Generation at our Harvard Street Station decreased to 433,825 kilowatts hours from 966,141 in 2012. The need to run generation in 2013 was directly related to overloading of the submarine cable that connects Prince Edward Island to New Brunswick.

Distribution lines were extended on Gillespie Avenue, Balcolm Drive, Duke Street, South Drive, Centennial Drive and Carvell Streets to support developments and provide electrical services for a total of 2.83 km of primary circuit kilometers, 0.9 km of lines were disposed and 0.5 km was replaced. In 2013, the utility had 57 new customers a decrease from 2012 which saw 114 new customers. This resulted in a 0.8% customer growth for Summerside Electric. Summerside Electric undertook \$1,770,000 of capital work to enhance infrastructure throughout the utility. Some of those items was the completion of a new 2.0 MW generator to bring our capacity at the power plant to 13 megawatts, continuing with the 2nd phase of the MyPowerNet initiative, primary circuit extensions for developments, transformers for developments, a recloser for the substation, two voltage regulators for the substation, and a new email server and software.

Summerside Electric continued its initiative in 2013 with its Heat for Less Now program and its Smart Grid projects, which is now called "MyPowerNet". The Heat for Less Now program continued throughout 2013 and increased its heating appliances to a total of 178 which have been sold to customers offering them significant savings with electric heat versus oil. There were 68 room heaters, 85 hot water heaters and 25 furnaces sold to customers. The increased annual kWh sales to the electrical utility from this initiative are 4,339,454 kWh's. The MyPowerNet project's 2nd phase was completed in late July of 2013. By the end of 2013 there have been 550 smart meters deployed in the City of Summerside. Route 2 experienced an increase in revenue of 11.0% in 2013 over 2012, the residential services increased by 13.3%, the business services reduced by 8.2%, and institutional remained flat. The increased revenue is largely due to rate increases to customers to cover rising costs in service provisions.

As presented, Summerside Electric had a busy year with the operations of the Heat for Less Now program, new constructions/developments throughout the city, the MyPowerNet initiative, capital projects and distribution line upgrades for 2013. In recognition of this, I wish to take this opportunity to thank Summerside Electric staff for their dedication and hard work during the year.

Respectfully submitted



Councillor Frank Costa
Chair of Municipal Services



Councillor Jeff Sullivan
Chair of Electric Services



Greg Gaudet
Director of Municipal Services

2013 Annual Report

Police Services

December 31, 2013

On behalf of Summerside Police Services this 2013 departmental annual Report is being presented to the residents of the City of Summerside.

In 2013 Summerside Police Services opened 7993 new files compared to 8694 new files in 2012. Actual Criminal Code offences increased in 2013 to 2351 as compared to 2202 in 2012. Our motor vehicle accident rate has increased from last year with a total of 351 accidents reported compared to 293 in 2012. Of these, 121 were accidents with more than \$2,000.00 damage, and 152 were accidents with less than \$2,000.00 damage. The number of injury accidents increased from 22 in 2012 to 37 in 2013, and we were successful again in having a fatality free year.

The general patrol section consists of 18 uniformed positions in addition to six part-time officers. Our members patrol the city 24 hours per day, 7 days a week with visibility being a priority, along with traffic duties, foot patrols, answering calls, school talks, and any other assignment as determined by the shift commander of that particular day. Our police service continues to use the Police Reporting & Occurrence System as our reporting and filing system.

The Major Crime Unit of the Summerside Police Service is currently comprised of four full time members with one person positioned full time in a Joint Forces Drug Unit with the RCMP. The Major Crime Unit deals with occurrences that require specialized and /or extended periods of investigation into reports of murder, manslaughter, serious assaults including sexual assaults, major break and enters, major frauds, computer crime, car thefts and child pornography investigations. The unit also assists in conducting search and seizures pertaining to the Controlled Drugs and Substances Act and coordinates court-ordered DNA sample taking. Members on a regular basis assist patrol members with active investigations they have, in supplying information, direction, and any other assistance they can provide.

This unit also monitors criminal activity and offender trends, and works with CISPEI in identifying target groups in this jurisdiction that are involved in criminal activity as well as providing assistance to local businesses by identifying problems of criminal activity such as fraud, theft, counterfeiting, and internal thefts and formulates solutions to benefit the security of these businesses. The unit also identifies and processes all counterfeit currency that comes to the attention of Police Services. Members of this unit also assist in VIP visits to the city and participate in crime prevention presentations to the community.

In 2013, the Prince District Joint Forces Drug Unit (RCMP & SPS) conducted 35 searches of residences and vehicles, in the Prince County & Summerside area. These searches resulted in the seizure of cocaine, marijuana, hash, hash oil, marijuana plants, synthetic drugs such as ecstasy, methamphetamine and amphetamine along with contraband cigarettes, and prescription medications. Also seized during the searches were pepper spray, 20 cell phones & nine sets of scales. As a result of search warrants executed and arrests in 2013, the JFO Drug Section seized drugs with a street value in excess of \$250,000 dollars. There was approximately \$6000 seized which is directly related to the sale of illicit drugs. As a result of these searches & seizures, 39 people were arrested and 53 drug related charges have been laid along with 11 Criminal Code charges. This unit is expecting another busy year in 2014.

Police Services also has three members in the Tactical Troop in partnership with our counterparts in the municipal forces, and the Royal Canadian Mounted Police. The Troop is utilized for crowd control in cases of major disturbances or demonstrations where large crowds are present. Police Services also has one member on the provincial Emergency Response Team. (ERT)

The traffic by-law officer and patrol members issued 1512 municipal by-law tickets in 2013 along with 897 warning tickets. Under numerous Memorandums of Understanding with local malls, our police service continues to enforce disabled parking and fire lane areas. In the fall of 2013, our Animal Control Officer who enforces our Animal Control By-Law resigned and the city is looking at replacing this position.

Dave Ellis of the Youth Intervention Outreach Program (YIOP) is employed by the provincial government through Community and Correctional Services. His office space is made available for the outreach program in the Summerside Police Services Station. The program goal is to decrease the number of youth aged 12 - 18 years from entering the formal justice system. Police officers who have identified youth at risk can make referrals to the outreach program in lieu of formal charges. In 2013, Dave received twenty-seven (27) referrals from Summerside Police Officers. Typical reasons for referrals include shoplifting, theft, property damage, assault, drug /alcohol use and family conflict. Some intervention programs offered in 2013 were: anti-bullying presentations, anger management, conflict resolution, guitar lessons, music productions in conjunction with Summerside Intermediate School, fishing trips, job search, introduction to community organizations, victim/offender mediation, and life skills program for kids in custody and extensive one-on-one counseling.

Dave created a program in 2012 named 'Operation Graffiti Wipeout' which is intended to help curb the graffiti problem in Summerside. The program's goal is to hold offenders accountable for their actions, encourage, and educate offenders to find better ways to express their artistic talent and decrease the amount of graffiti in Summerside. Operation Graffiti Wipeout continues to be a successful program. The YIOP offers police officers the opportunity to divert youth away from the formal justice system while still holding youth accountable for their actions. The program helps youth deal with underlying root causes for their behaviour.

Police Services continues to emphasize the importance of ongoing training. During 2013, several members were sent to the Canadian Police College in Ottawa and Atlantic Police Academy for specialized training. With the implementation of the Police Act in 2010, the mandatory training standards which are included in the Regulations of the Act will continue in 2014 with a detailed report to the Minister due by March 31, 2014.

Our dispatch centre employs four full-time and two part-time Dispatchers. They receive thousands of calls from the public each year for emergencies and other services. They also monitor over a hundred alarms, monitor our police officers on patrol through GPS, and conduct numerous computer database queries for them.

Last, but certainly not least, our police service also has a Court Liaison Officer, an Administrative Assistant and a Data Input person, who are all an integral part of our Police Services team.

We wish to take this opportunity to express sincere thanks to the Police Services staff, for their commitment and dedication throughout the past year.

Respectfully submitted,



Councillor Tina Mundy
Chair of Police Services



J. David Poirier
Chief of Police

2013 Annual Report

Technical Services

December 31, 2013

On behalf of Technical Services this 2013 departmental annual report is being presented to the residents of the City of Summerside.

It was a busy year for the department with building permits issued totalling \$17.8 million. The department is responsible for the following: administering the Official Plan, zoning, subdivision and building bylaws and providing engineering for the city's water, sewer, electric, street and drainage systems including all capital works.

A comprehensive review of the Official Plan is underway and a working group is meeting to provide a review of the issues, proposals for a vision and development goals for the next 5 years. It is expected that the plan will be completed by the fall of 2014.

Numerous other improvements have been made to our bylaws and in particular, studies have been undertaken to find ways to reduce development costs thus improving the city's competitiveness and will be incorporated into Official Plan proposals in the upcoming year.

The department organized a stakeholder's consultation session in March of 2013 to explore issues related to development and improving the business climate in the city. Staffs continue to review and bring forward the ideas and suggestions that came forward from that session.

The City of Summerside's Recreation and Green Space Plan – a secondary plan of the City's Official Plan developed in consultation with Community Services was adopted by Summerside City Council in early 2013.

The city will work with key partners including Downtown Summerside Inc. to enhance revitalization and the Summerside Port Authority's vision for the waterfront area.

A number of requests for subdivisions were approved for residential building lots. Other subdivision approvals were granted for minor subdivisions, lot consolidations, appendages as well as commercial, institutional and industrial lots.

A number of residential and commercial site plans were reviewed for conformance with parking and building setbacks to property lines. Staff provided assistance and advice to the public and development community concerning property complaints, zoning bylaw interpretations and other zoning issues.

Several requests were processed by Council under the City Official Plan and Zoning Bylaw including official plan and zoning amendments, variance requests, discretionary use requests, and conditional use permits. Staff attends and participate at Island Regulatory & Appeals Commission (IRAC) hearings on land use appeals, as required. There were no appeals in 2013.

Development in the city for 2013 has resulted in 220 building permits issued with an estimated construction value of \$17.8 million. Construction for 2013 saw 87 new construction starts, 72 additions/ alterations to existing commercial and residential buildings. Our Building Inspector completed approximately 400 inspections this year, relating to both fire and building related inspections.

Staff coordinated various projects with the electric utility, assisted developers in accessing city utility services, overviewed a few applications for telecommunication companies, issued various permits for residential and commercial constructions, finished a remote generator project being integrated into our power system, initialized and over viewed #2 generator installation project, maintained substation equipment and completed annually maintenance, reviewed the monthly load.

Water and sewer capital projects carried out in 2013 included the replacement of the water and sewer mains on North Drive from Route #2 to the Lagoon Road. Duplicate water and triplicate sewer mains were eliminated on Water Street between MacEwen Road and Autumn Street. The new Harbour Drive lift station was completed and brought on line in 2013.

Approximately 3.8 km of streets were resurfaced. The City also replaced approximately 1.2 km of deteriorated sidewalks and installed 1 km of new sidewalk. Ditch infilling was performed on Matheson Street, Baglole Avenue and North Drive. Glovers Shore Road was widened this year and a deteriorating culvert at the intersection of Water Street East and Gillespie Avenue was rehabilitated with a HDPE liner. A second geothermal return well was hooked up to the system at Credit Union Place.

Land Development Office (LDO) software is utilized by staff, for planning and development applications. The 3.2 version of the ArcGIS software is being phased out and the 10.2 version is being implemented. The implementation is being carried out in phases. Phase 1 was a pilot involving 4 installs of the new version being utilized mainly by Technical Services staff. It is intended to carry out phase 2 of the implementation in the Spring/Summer of 2014. Data is added to the GIS as it becomes available, such as new streets and trails. The water, sewer and storm drainage system schematics are being updated as new projects are completed each year. This data requires a verification process upon each update. Once verified, the data is catalogued so "as-built" information in regards to the water; sewer and storm sewer system is available on the GIS and can be accessed by users so operations staff have current information. The 911 civic address data and the property assessment data is downloaded from the Province via ftp site on a bi-weekly basis and this data is also used to support our GIS. The civic address and the property assessment information are used daily by Technical Services as well as Financial Services, Municipal Services, Police Services and Economic Development. The city was involved with the Towns of Stratford, Cornwall and Kensington, in a GIS Collaboration Project which was funded by the three levels of government. The city's deliverables were, aerial photography flown in May 2012 (delivered in October 2012) and updates to some vector data for the city which was delivered in April of 2013.

A number of staff changes occurred in the department this year, Phil Hardy retired and Tony Gallant moved into the Municipal Engineer position, Gary McInnis moved over from Municipal Services into the Assistant Municipal Engineer position. After the passing of Murray Pinchuk, Thayne Jenkins moved into the City Planner position and Linda Irving moved into the Development Officer position. Recently Jason Hill has replaced Clifford Yue as the electrical engineer and Jan Cameron has replaced Linda in the GIS technicians' position. We wish Phil well and we welcome Gary, Jason and Jan. In closing, we would like to would like to express my thanks to the Technical Services staff for the excellent cooperation and assistance they have provided over the past year.

Respectfully submitted,



Councillor Cory Thomas
Chair of Technical Services



Aaron MacDonald
Director of Technical Services

Highlights

The Mayor's Medal of Honor

**Presented by the City of Summerside
to**

John Turner



John Turner and Mayor Basil Stewart

Volunteer of the Year

Presented by the City of Summerside
to
Roger Ahern



Roger Ahern and Mayor Basil Stewart

The Mayor's Good Neighbour Award
Presented by the City of Summerside
(In Memory of Her Worship the late Frances O. Perry)
to
Rachel Parise



**Jo-Anne Praught, Picture of Rachel Parise,
Mayor Basil Stewart and Thelma Parise**

**The George Key Senior Memorial Trophy
for
Citizen of the Year**

**Presented by the City of Summerside
to**

Ray McCourt



Ray McCourt and Derek Key

2013 Junior Mayor and Council



Junior Mayor
Deputy Mayor/ Financial Services Chair

Hannah Taylor
Hailey Johnson

Councillors

Economic Development Chair
Human Resources Chair
Police/Fire Services Chair
Community Services Chair
Municipal Services Chair
Electric Services Chair
Technical Services Chair

Morgan Mollins
Griffin Blanchard
Mikaila Murray
Alexa MacDougall
Emma Banman
Keirstin Trainor
Sarah Meister

Report to the City of Summerside from The Junior Mayor and Council 2013

I am Hannah Taylor, your 2013 Junior Mayor. It has been an honor to have had the opportunity to participate in this positive experience with my fellow Junior Council members. We would like to sincerely thank each of you for allowing us to take part in learning about all that Summerside has to offer. 😊

During our time as Junior Mayor and Council we had the chance to travel around Summerside's many wonderful amenities allowing us to learn about the history, work and constant effort that goes into making Summerside the wonderful community it is. 😊

Throughout my time as Junior Mayor my fellow council members and I met to discuss what we feel are some areas within Summerside that could be improved upon. We appreciate this opportunity to share our thoughts and suggestions about how together we could develop our city. 😊

To start off, we would like to focus on teens. We feel that Summerside should offer more activities for teens. Credit Union Place is a great facility and could be utilized to house events for teens. Some of the ideas we discussed were; teen dances, a place for young people to show case their musical talent and video game challenges. We would be willing to meet with Mr. Desrosiers and help plan and organize such events. 😊

Another idea that we had was to improve the outdoor basketball courts attached to Queen Elizabeth Park. This would benefit youth and attract teens to a safe, fun place to shoot hoops. 😊

Summerside is a beautiful city and we think the following suggestions would help increase this beauty: more graffiti boards to help make Summerside look more presentable, more flower beds around town to enhance its look and more garbage cans for people to dispose of their trash. Also, on our tour of Summerside we noticed some old, unused buildings. We believe these should be either refurbished or torn down so new buildings can be put in their place. 😊

Another area we believe needs attention is the mall. There are a number of vacant stores, we feel that bringing new stores to Summerside could create jobs and bring more people to Summerside for shopping. If the County Fair Mall had more stores for teens we would not have to go to other communities for our shopping needs. 😊

Summerside has been moving towards becoming a greener city. With the four windmills already in operation we are well on our way. The junior council and I believe that solar energy maybe another avenue to investigate. This would bring a unique form of energy to Summerside, which could benefit everyone, teach us about solar energy and would be another cool attraction in Summerside. 😊

One of the main attractions in Summerside is Wyatt Heritage Properties. They are a big part of Summerside history. A large amount of funds is put towards maintaining these properties and we feel increased advertising to attract even more people would help justify the amount of the city's budget that is spent on these properties. 😊

Or perhaps reallocating some of these funds to other areas could benefit additional needs in the city. For instance, a new fire hall, when we visited the fire hall we realized just how small and dated it was. We all agreed, after talking to the fire fighters, that a new fire station should be a priority of the city. 😊

Two topics that were discussed in detail by the junior council that I would like to mention before I close, are concerts and free libraries. We all agreed that the concerts offered by the city are great! We would love to see the city continue to attract performers for both indoor and outdoor concerts. These concerts help bring the community together and also attract others to our city. 😊

Finally, we would love to see the city adopt the "little free library" program for neighborhoods in Summerside. These libraries are small units that can be placed around a community and filled with books. Citizens may take a book to read or leave a book for others to read. We feel that literacy of a community is important for all its citizens and this would be one way to promote it throughout our community. I have included a link to the Little Free Library website for more information - <http://www.littlefreelibrary.org/>. 😊

Summerside is an amazing city and I would like to thank everyone here for all the time and effort you put in to make it such a great place to live. We appreciated all of the staff that took time out of their busy schedules to provide tours of Summerside's facilities. We learned a great deal about the community we live in. Thank you also for continuing the Junior Mayor and Council tradition, it is a great opportunity and we are glad to have been a part of it. It has been an honor to have served you as Junior Mayor. Thank you. 😊

Hannah,

Hannah Taylor
Junior Mayor 2013

2013 Annual Report

Retirements

Susan Jeffery
Malcolm Millar
Mary Drummond
Lori Gandy
Kevin Gaudet

2013 Annual Report

Financial Statements

I am pleased to present the City of Summerside's 2013 audited financial statements, which have been prepared by the management of the city and reviewed by our auditors, Grant Thornton. This report demonstrates the city's efforts in working towards the highest standards of performance measurement, accountability, transparency, and service delivery. The Consolidated Financial Statements of the city provide information about the economic resources, obligations and accumulated surplus of the city.

Operating Results Summary

Overall the city had a surplus of \$1.1 million dollars in 2013 (on a consolidated basis) due in part to a change in accounting standards which now compel us to report government revenues in the year they were received, rather than spread them over the life of the projects they support. These are basically government-funded infrastructure projects, such as the water treatment system at Credit Union Place.

Our electric utility benefitted from higher -than-projected wind energy sales resulting in a \$559,000 surplus. The water utility had a \$134,000 deficit due to a higher-than-normal frequency of water main breaks, and the sewer utility had a \$16,400 surplus. Collectively our three utilities had a surplus of \$441,000 in 2013.

Our general fund experienced higher-than-budgeted energy consumption costs to operate our facilities and maintenance on building and equipment, and we also spent more than anticipated on human resource costs to deliver on programs in 2013, resulting in our general fund having a deficit of \$131,000 for 2013.

Financial Position

The Consolidated Statement of Financial Position reports the city's financial and non-financial assets and liabilities, and accumulated surplus as at December 31, 2013, on a comparative basis to the 2012 results. The statement is used to evaluate the city's ability to finance its operations and to meet its obligations and commitments. The accumulated surplus, which represents the net assets of the city, is one of the key indicators on the Consolidated Statement of Financial Position. The annual change in the accumulated surplus is equal to the yearly excess of revenues over expenses for the year, which was \$1.2 million in 2013.

This increase in surplus is primarily attributable to the capital contributions from other levels of government, which must be recorded as revenue in the year received. As well, additional operating revenues were generated by increases in higher-than-expected wind energy sales by our electric utility. There are other factors which contribute to the city's financial position, and these factors are discussed in the following paragraphs.

One of the key measures of the city's financial position involves what is known as "net debt". This represents the total of the city's liabilities after one takes into account the city's financial assets (such as accounts receivable and short-term investments, and other assets that can be easily converted into cash). Stated another way, if the city were to cease operations today, net debt would be a picture of really what is owed by the city, after you take cash and other assets out of the equation.

The amount of the city's net debt is due in part to the size of its long term debt, which is reflective of an accumulation of loans that were taken on from 2000 to 2007 to finance several large infrastructure projects in

the city (e.g. Boardwalk, Wastewater Treatment Plant, Credit Union Place and the City of Summerside Wind Farm). More importantly, the city has adhered to a systemic and consistent program of debt reduction for the last few years, which has brought the city's long term debt down to \$66.7 million as of the end of 2013.

In terms of employee benefits, the city provides pension, sick leave, and severance pay benefit plans for qualifying employees. The cost of these plans is actuarially determined each year, based on best estimates of a number of assumptions. Some examples are the long-term expected rate of return on plan assets, inflation, increase in salaries, discount (interest) rates, and employee related factors such as retirement age, mortality, turnover, used sick leave, etc.

The city contributes to a defined benefit pension plan for employees as well as to a supplementary retirement plan for the members of Council, both providing benefits based on length of service and average annual income. As disclosed in Note 3 to the Consolidated Financial Statements, the most current actuarial valuation of the city's employee pension plan was as of December 31, 2012. At that time, the unfunded liability was \$4.7 million, with the expectation that the liability would be paid off in 15 years (all things being equal).

The 2013 actuarial valuation will be forthcoming later this year, and a determination of any required action will be made at that time. The reason for the size of the unfunded liability primarily relates to the market performance of pension fund assets which have been below expectations.

Turning to what the city owns, it has physical assets such as land, buildings, equipment, vehicles, roads, underground networks, etc. These assets are recorded at cost, which includes all amounts that are directly attributable to acquisition, construction, and/or development of the assets. The cost, less estimated residual value of the assets are amortized on a straight-line basis over the assets' estimated useful lives, ranging from 5 to 100 years.

In 2013, the city made total capital investments of almost \$7 million under various projects. Major outlays were in buildings and permanent improvements; equipment, vehicles and moveable plant; and in work in progress of projects from earlier years. The ending book value of the city's tangible capital assets stood at \$190.5 million as at December 31, 2013.

Consolidated Statement of Cash Flow

The Consolidated Statement of Cash Flow summarizes how the city's cash position changed during the year by highlighting the city's sources and uses of cash. The statement is useful in determining the short term viability of the city, particularly its ability to pay bills. The statement reconciles the cash position of the city over the fiscal year ended December 31, 2013 by starting with income earned during the year, adding back amortization of tangible capital assets as well as other non-cash expenditures, adding cash provided by borrowing and other financing activities, and deducting capital expenditures and principal payments on debt. As of December 31, 2013, the city's cash position stood at an overdraft of \$10.3 million, a small increase of \$1.2 million over the previous year.

Consolidated Statement of Change in Net Debt

The city relies on borrowed funds to finance some of its capital expenditures as there is a gap between capital expenditure needs and ongoing revenue sources. However, debt has remained at sustainable levels. The Consolidated Statement of Change in Net Debt reconciles the net debt of the city, year-on-year, where net debt is the city's financial assets (cash and equivalents) less financial liabilities. The statement reports on the extent to which expenditures in the year have been met by revenues recognized in the year. In 2013, the city's net debt decreased by \$2.6 million.

Comparison to Budget

The city prepares its annual budget on a cash basis rather than the full accrual basis now mandated for its annual consolidated financial statements by generally accepted accounting principles in Canada. There are many differences between the cash basis financial results derived from the cash budget, and the results provided by accrual based financial statement accounting. In order to compare the city's operating results to the approved budget for 2013 we must do it on a cash basis. The schedule in Note 9 to the financial statements provides that comparison.

Conclusion

The City of Summerside prepares its annual consolidated financing statements in accordance with generally accepted accounting principles in Canada as noted previously. It is hoped that readers of these statements will use them as one tool in assessing the city's accountability for the use of public funds, that assets are maintained and replaced as required and financed responsibly. Furthermore, the statements are a vehicle for assessing the city's performance and serve as a benchmark for future comparison, policy direction and planning.

Respectfully submitted,



Director of Finance/Chief Financial Officer
City of Summerside



Financial Statements

December 31, 2013



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Independent auditor's report

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To His Worship the Mayor and
Members of the City Council

We have audited the accompanying consolidated financial statements of the City of Summerside, which comprise the consolidated statement of financial position as at December 31, 2013, the consolidated statements of operations, cash flows and changes in net debt for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian Public Sector Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the City of Summerside as at December 31, 2013, and its financial performance and its cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

Grant Thornton LLP

Summerside, Prince Edward Island

March 20, 2014

Chartered Accountants



Consolidated Statement of Operations
Year Ended December 31

	2013 Budget (Note 9)	2013 Actual	2012 Actual (Restated – Note 2)
Revenue			
General Fund	\$ 17,187,767	\$ 19,241,245	\$ 21,749,602
Electric Utility	18,500,634	18,967,333	18,111,766
Water Utility	1,644,516	1,635,265	1,604,882
Sewer Utility	2,924,621	3,359,491	2,825,144
Summerside Community Network	628,453	580,615	607,545
Electro Thermal Storage Program	261,353	246,005	219,306
	<u>41,147,344</u>	<u>44,029,954</u>	<u>45,118,245</u>
Expenses			
General Fund	17,421,181	18,722,777	18,972,281
Electric Utility	18,666,519	18,241,181	20,232,434
Water Utility	1,480,895	1,646,042	1,594,797
Sewer Utility	3,262,996	3,435,351	3,177,188
Summerside Community Network	653,335	605,497	1,554,556
Electro Thermal Storage Program	272,429	257,081	223,909
	<u>41,757,355</u>	<u>42,907,929</u>	<u>45,755,165</u>
Annual Surplus (Deficit) Before Other	\$ <u>(610,011)</u>	1,122,025	(636,920)
Other (Note 7)		<u>77,486</u>	<u>37,044</u>
Annual Surplus (Deficit)		\$ <u>1,199,511</u>	\$ <u>(599,876)</u>
Accumulated Surplus, Beginning of Year			
As previously stated		\$ 46,840,028	\$ 47,701,327
Prior Period Adjustment (Note 2)		<u>66,907,741</u>	<u>66,646,318</u>
As Restated		113,747,769	114,347,645
Annual Surplus		<u>1,199,511</u>	<u>(599,876)</u>
Accumulated Surplus, End of Year		<u>\$114,947,280</u>	<u>\$113,747,769</u>



Consolidated Statement of Financial Position
December 31

	2013	2012 (Restated – Note 2)
Financial Assets		
Receivables	\$ 7,175,065	\$ 6,004,839
Restricted Short Term Investments	76,155	61,488
Sinking Fund Investments, at Market Value	<u>1,934,182</u>	<u>1,807,792</u>
	<u>9,185,402</u>	<u>7,874,119</u>
Liabilities		
Bank Indebtedness (Note 4)	10,374,397	9,018,207
Payables and Accruals		
Trade and Customer Deposits	5,006,324	4,872,534
Accrued Interest	363,622	513,785
Deferred Revenue	1,767,642	1,418,840
Long Term Debt (Note 11)		
Interim	-	1,442,523
Long Term	66,684,397	68,376,631
Sick Leave	1,728,717	1,533,452
Future Pension Payments	<u>205,465</u>	<u>274,340</u>
	<u>86,130,564</u>	<u>87,450,312</u>
NET DEBT	<u>(76,945,162)</u>	<u>(79,576,193)</u>
Non-Financial Assets		
Intangibles, Net of Amortization	-	3,473
Tangible Capital Assets, Net of Amortization (Note 10)	190,503,404	192,008,025
Inventory of Materials and Supplies, at Cost	<u>1,389,038</u>	<u>1,312,464</u>
	<u>191,892,442</u>	<u>193,323,962</u>
Accumulated Surplus (Note 5)	<u>\$ 114,947,280</u>	<u>\$ 113,747,769</u>

Commitments and Contingencies (Note 6)

On Behalf of the Council

On Behalf of Management



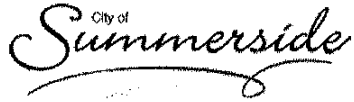
Consolidated Statement of Cash Flows
Year Ended December 31

	2013	2012 (Restated – Note 2)
Increase (Decrease) in Cash and Cash Equivalents		
Operating		
Annual Surplus (Deficit)	\$ 1,199,511	\$ (599,876)
Amortization	7,448,029	8,337,934
Change in Non-Cash Operating Working Capital	(911,274)	1,634,611
Change in Short Term Investments	(14,292)	(5,929)
Change in Sinking Funds	(126,390)	(30,918)
Change in Sick Leave and Pension Liability	126,390	30,918
	<u>7,721,974</u>	<u>9,366,740</u>
Financing		
Change in Long Term Debt	<u>(3,134,757)</u>	<u>(3,933,533)</u>
Investing		
Change in Tangible Capital Assets		
Additions	(6,972,713)	(6,041,762)
Reduction of Work in Progress	987,269	111,983
Disposals		
Cost	961,537	1,206,148
Accumulated Amortization	(919,500)	(1,178,526)
	<u>(5,943,407)</u>	<u>(5,902,157)</u>
Net Increase in Bank Indebtedness	(1,356,190)	(468,950)
Bank Indebtedness, Beginning of Year	<u>(9,018,207)</u>	<u>(8,549,257)</u>
Bank Indebtedness, End of Year	<u>\$ (10,374,397)</u>	<u>\$ (9,018,207)</u>



Consolidated Statement of Change in Net Debt
Year Ended December 31

	2013 Budget (Note 9)	2013 Actual	2012 Actual (Restated – Note 2)
Annual Surplus (Deficit)	\$ (610,011)	\$ 1,199,511	\$ (599,876)
Change in Intangibles	3,473	3,473	4,843
Change in Inventory	(76,574)	(76,574)	101,645
Acquisition of Tangible Capital Assets, net	(6,335,122)	(5,943,408)	(5,902,159)
Amortization of Tangible Capital Assets	<u>7,448,029</u>	<u>7,448,029</u>	<u>8,337,934</u>
Decrease in Net Debt	429,795	2,631,031	1,942,387
Net Debt, Beginning of Year	<u>(79,576,193)</u>	<u>(79,576,193)</u>	<u>(81,518,580)</u>
Net Debt, End of Year	\$ <u>(79,146,398)</u>	\$ <u>(76,945,162)</u>	\$ <u>(79,576,193)</u>



Notes to the Consolidated Financial Statements

December 31, 2013

1. Summary of Significant Accounting Policies

The consolidated financial statements of the City of Summerside are prepared by management in accordance with Canadian Public Sector Accounting Standards of the Canadian Institute of Chartered Accountants. Significant aspects of the accounting policies adopted by the City are as follows:

a) Reporting Entity

The consolidated financial statements reflect the assets, liabilities, revenues, expenses, surplus of the reporting entity. The reporting entity is comprised of all organizations and committees that are accountable to the City for administration of their financial affairs and resources, and which are owned or controlled by the City.

b) Consolidated Entities

In addition to the General Fund, the organizations included in the consolidated financial statements are as follows:

City of Summerside Electric Utility	City of Summerside Sewer Utility
City of Summerside Water Utility	Summerside Community Network
Electro Thermal Storage Program	

c) Basis of Accounting

The accrual basis of accounting is used for all funds. The accrual basis of accounting recognizes revenues as they are earned and measurable; expenses are recognized as they are incurred and measurable as a result of legal obligation to pay.

d) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and balance's with financial institutions. Bank borrowings are considered to be financing activities.

e) Revenues and Expenditures

Major revenue and expenditure items are recorded on an accrual basis. Certain sources of revenue are recorded on a cash basis.

f) Investments

Short term investments consist of Guaranteed Investment Certificates and are recorded at quoted market value. Sinking fund investments consist of equity and fixed income investments and are recorded at quoted market value.



Notes to the Consolidated Financial Statements December 31, 2013

1. Summary of Significant Accounting Policies (cont'd)

g) 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 revenue over expenses, provides the consolidated change in net financial assets (net debt) for the year.

h) Tangible Capital Assets

Tangible capital assets and projects in progress are recorded at cost.

In compliance with Section 3150 the City records amortization of its assets over their estimated useful lives. The straight-line method of amortization is used. Amortization begins in the year following acquisition, except for major projects with revenue streams, for which amortization begins upon substantial completion.

Asset Useful Lives (In Years)	
Plants, Buildings, Structures	20-40
Equipment and Vehicles	
Engines – Generation	50
Internet/IT	5
Other Equipment and Vehicles	10-20
Electro Thermal Storage Equipment	10
Distribution and Collection Systems	
Electric	40
Water	83
Sewer	83
Summerville Community Network	7
Streets	
Local	25
Collector	10
Sidewalks	40
Storm lines	83
Wind Farm	25

i) Government Transfers Policy

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

Government transfers are recognized in the consolidated financial statements as revenue in the financial period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met including performance and return requirements, and reasonable estimates of the amounts can be determined.



Notes to the Consolidated Financial Statements
December 31, 2013

1. Summary of Significant Accounting Policies (cont'd)

j) Management Estimates

The presentation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those reported. Significant estimates include pension amounts, severance amounts and the amortization of tangible capital assets.

k) Sick Leave

Accumulated sick leave credits earned up to December 31, 2013 are recognized based on related assets available to fund the future payments. The costs will be recognized in the financial statements only when payments are made. The accumulated credits and liabilities are allocated as follows:

2013			
	Accumulated Credits		2013 Liability
	Early Retirement	Regular Retirement	
General Fund	\$ 1,050,039	\$ 1,483,298	\$ 582,189
Electric Fund	235,214	345,580	793,733
Water and Sewer	121,656	166,914	352,795
	<u>\$ 1,406,909</u>	<u>\$ 1,995,792</u>	<u>\$ 1,728,717</u>
2012			
	Accumulated Credits		2012 Liability
	Early Retirement	Regular Retirement	
General Fund	\$ 1,079,205	\$ 1,548,117	\$ 516,429
Electric Fund	206,512	305,493	704,078
Water and Sewer	99,599	129,259	312,945
	<u>\$ 1,385,316</u>	<u>\$ 1,982,869</u>	<u>\$ 1,533,452</u>

The fair market value of the sinking funds available to fund future liabilities is \$1,728,717 (2012-\$1,533,452).



Notes to the Consolidated Financial Statements December 31, 2013

2. Change in Accounting Policy

Effective January 1, 2013 the City has restated its consolidated financial statements to comply with the provisions of the new PSA Handbook Section PS 3410 "Government Transfers", which replaced the existing standard of the same name. Government transfers are the transfer of funds from senior levels of government that are not expected to be repaid in the future or are not the result of a direct financial return. The standard requires that government transfers be recognized in the consolidated financial statements as revenue in the financial period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met including performance and return requirements, and reasonable estimates of the amounts can be determined. The standard can be applied on a prospective or retrospective basis. The City chose to record government transfers on a retrospective basis, with restatement of prior years. Under previous standards, the City had the option to defer and amortize government contributions received for capital over the useful life of the related assets. This is no longer an option under PS 3410. This accounting change had the following impact on the City's consolidated financial statements:

	Previously Stated <u>2012</u>	Adjustment <u>2012</u>	Restated <u>2012</u>
Statement of operations and surplus:			
Revenue	\$ 41,894,419	\$ 3,223,826	\$ 45,118,245
Expenses	<u>42,755,718</u>	<u>2,962,403</u>	<u>45,718,121</u>
Surplus	<u>(861,299)</u>	<u>261,423</u>	<u>(599,876)</u>
Statement of financial position:			
Accumulated surplus,			
Beginning of year	47,701,327	66,646,318	114,347,645
End of year	46,840,028	66,907,741	113,747,769
Contributions in aid of construction	(66,907,741)	66,907,741	-



Notes to the Consolidated Financial Statements December 31, 2013

3. Pension Plans

The City maintains a non-contributory defined benefit final average pension plan, which covers employee services prior to November 1966. The plan provides pensions based on length of service and the final five-year average earnings. The most recent actuarial report was completed as of December 31, 1999. It indicated an actuarial present value of accrued pension benefits of \$1,471,075 and an actuarial unfunded liability of \$251,681. Net assets available for benefits at December 31, 2013 are \$205,465 (2012 - \$274,341).

The City maintains a separate contributory defined benefit career average pension plan which covers employee service after November 1966. The plan provides pensions based on a specific percentage of an individual's salary during all years of service. Effective September 1, 2012 both the City and plan members agreed to increase contributions from 9% to 12% of pensionable earnings. Future contribution rates will be subject to an annual review. The amendment did not directly increase liabilities under the plan. Under the terms of the plan the City has the right to amend the plan to reduce benefits accordingly for service accruing after the next anniversary date of the plan or to temporarily increase the City's contributions. Total contributions are used to provide basic benefits under the plan, including amortization of any deficits. Any remaining contributions are allocated to members as Member Contribution Credits (MCC's). The MCC's vest with the members. Accumulated MCC's will be used by the member to improve entitlements under the plan in the following order:

1. Increase normal retirement benefits by increasing earnings used in formula to maximum of highest average three-year earnings.
2. Reduce or eliminate early retirement reduction subject to *Income Tax Act* limit.
3. Provide pre- and post-retirement indexation to maximum levels permitted under the *Income Tax Act*.
4. Provide temporary bridge benefit from retirement date to age 65 subject to *Income Tax Act* limits.
5. Improve survivor benefits up to limits specified in *Income Tax Act*.

The superannuation plan is a registered pension plan which allows employee contributions to be tax deductible by the employee and investment earnings in the trust funds to be tax sheltered. In order to maintain their registered status, the pension administrators must agree to administer the plan in accordance with certain rules set forth by Canada Revenue Agency.



Notes to the Consolidated Financial Statements
December 31, 2013

3. Pension Plans (cont'd)

The most recent actuarial report was completed in August 2013 for the year ended December 31, 2012 and indicates the present value of the accrued pension benefits and the net assets available to provide for these benefits as shown below. Actuarial reports are prepared annually and the report for the year ended December 31, 2013 is expected to be completed in mid 2014.

	2012
Accrued Benefit Obligations	<u>\$ 27,062,261</u>
Plan Assets	
Fair Value, Beginning of Year	20,126,551
Return on Plan Assets	2,162,691
Administrative and Investment	
Management Fees	(157,890)
Benefits Paid	(958,100)
Employee Contributions	719,010
Employer Contributions	<u>719,065</u>
Fair Value, End of Year	<u>22,611,327</u>
Funded Status – Plan Deficit	(4,450,934)
Investment Valuation Reserve	<u>(245,504)</u>
Actuarial Deficit	<u>\$ (4,696,438)</u>

The basis used to determine the present value of accrued pension benefits is the projected unit credit cost method with a 0% salary assumption. The significant actuarial assumptions adopted in measuring the Company's accrued benefit obligations are as follows:

Expected long term rate of return on plan assets	6.25%
Inflation rate	2.5%



Notes to the Consolidated Financial Statements December 31, 2013

4. Bank Indebtedness

Bank indebtedness consists of a \$2,204,609 advance on the City's line of credit and \$2,362,926 of outstanding deposits, transfers, cheques and other bank balances. The City has an authorized operating line of credit of \$6,000,000, with an interest rate of prime less .50%, all of which \$1,432,465 was unused at December 31, 2013. The City has a capital line of credit of \$2,500,000, which was used as interim funding for 2012 capital expenditures. The interest rate is prime less .50%.

At December 31, 2013 prime was 3.00%.

5. Revenue and Capital Funds

	2013	2012 (Restated – Note 2)
Revenue Fund Balances		
General	\$ (778,325)	\$ (647,279)
Electric	(4,002,844)	(4,561,710)
Water	(174,176)	(39,943)
Sewer	-	(16,360)
Summerside Community Network	13,275	13,275
Electro Thermal Storage Program	-	-
Capital Fund Balances		
Investment in Tangible Capital Assets	118,529,130	117,717,053
Reserves	898,466	820,979
Equity Investment in Electric	461,754	461,754
Revenue and Capital Fund Balances	<u>\$ 114,947,280</u>	<u>\$ 113,747,769</u>

6. Commitments and Contingencies

The City has been named as defendant in several legal actions and is subject to various risks and contingencies arising in the normal course of business. The City is defending itself against these legal actions. The likelihood of any liability is not determinable at this time.

Two agreements for the purchase of power have been signed. The first agreement, which terminates in October 2028, is with West Cape Wind Energy Inc. for the purchase of wind generation power. The second agreement, which is with NB Power will terminate August 31, 2017.

The City has a maintenance agreement with Vestas-Canadian Wind Technology, Inc. Under the terms of the agreement the City is committed to an annual fee of \$93,000 per turbine until December 2014.

The City has provided a \$240,000 loan guarantee to a lender in support of a loan obtained by Downtown Summerside Inc. The principal balance of the loan at December 31, 2013 was \$115,000.

The City has agreed to pay Slemon Park Corporation \$85,000 annually until 2029 in connection with the development and operation of the wind farm.



Notes to the Consolidated Financial Statements
December 31, 2013

7. Other

	2013	2012
Increase (Decrease) in:		
Parkland Dedication Reserve	\$ 27	\$ 2,100
World Softball Reserve	(11,916)	(5,575)
Accommodation Levy Reserve	28,421	9,404
Reserve for Future Spending – Water	-	(16,876)
Raceway Reserve	60,954	44,500
Reserve for Debt Reduction SCN	-	3,491
	<hr/>	<hr/>
Total Other	\$ <u>77,486</u>	\$ <u>37,044</u>

8. Internally Generated Revenues

The City generates revenues internally through the billing of services to other departments at rates consistent with that of billings to third parties. The following revenues have been generated through internal billings which result in expenses to various departments. Both the revenues and the expenses have not been eliminated from the consolidated statement of operations:

	2013	2012
Electric	\$ 1,719,508	\$ 1,635,964
Fire Alarm Monitoring	15,120	13,440
Fire Protection	483,000	483,000
IT Services	374,114	428,718
Internet Services	22,785	19,794
Storage Rental – Venture Centre	31,822	30,514
Water & Sewer	32,986	30,588
Wind Farm Energy	2,697,257	2,493,118
Wind Farm Royalties	52,240	45,472
Building Rentals	73,800	91,800
Electro Thermal Storage Program	57,060	81,857
Wyatt Heritage Properties Contribution	419,851	418,506
Electric Utility Grant	650,000	2,141,800
Health/Safety Training	907	7,050
	<hr/>	<hr/>
	\$ <u>6,630,450</u>	\$ <u>7,921,621</u>



Notes to the Consolidated Financial Statements
December 31, 2013

9. Budget

Public Sector Accounting Standards require a comparison of the results for the period with those originally planned on the same basis as that used for actual results. The fiscal plan in the statement of operations and statement of changes in net debt has been adjusted to be presented on a consistent basis as actual results. Below is a reconciliation of the figures from the approved fiscal plan to the consolidated financial statements:

Statement of operations:

	Approved Budget	Less: Principal Debt Repayments	Add: Amortization	Budget per Financial Statements
Revenue	\$ 41,147,344	\$ -	\$ -	\$ 41,147,344
Expenses:				
General Fund	14,528,967	(2,603,700)	5,495,914	17,421,181
Electric Utility	18,499,118	(572,444)	739,845	18,666,519
Water Utility	1,604,573	(406,400)	282,722	1,480,895
Sewer Utility	2,908,261	(442,300)	797,035	3,262,996
Summerside Community Network	628,453	(92,500)	117,382	653,335
Electro Thermal Storage Program	261,353	(4,055)	15,131	272,429
	<u>38,430,725</u>	<u>\$ (4,121,399)</u>	<u>\$ 7,448,029</u>	<u>41,757,355</u>
Annual Surplus	2,716,619			\$ (610,011)
Capital Expenditures	(2,010,661)			
Approved Budget	\$ <u>705,958</u>			

**Statement of changes in
net debt:**

	Approved Fiscal Plan	Adjustments	Adjusted Fiscal Plan
Annual Surplus	\$ 705,958	\$ (1,315,969)	\$ (610,011)
Change in Intangibles	-	3,473	3,473
Change in Inventory	-	(76,574)	(76,574)
Acquisition of Tangible Capital Assets	(6,335,122)	-	(6,335,122)
Amortization of Tangible Capital Assets	-	7,448,029	7,448,029
Debt Principal Repayments	4,121,399	(4,121,399)	-
Change in Net Financial Debt	<u>\$ (1,507,765)</u>	<u>\$ 1,937,560</u>	<u>\$ 429,795</u>



Notes to the Consolidated Financial Statements

December 31, 2013

10. Tangible Capital Assets

	Cost			Accumulated Amortization			Net Book Value	
	Beginning of Year	Additions	Disposals	End of Year	Beginning of Year	Amortization Expenses		Adjustments
Land	\$ 4,902,378	\$ 30,000	\$ -	\$ 4,932,378	\$ -	\$ -	\$ -	\$ 4,932,378
Plants, Buildings and Structures	122,512,838	1,863,391	-	124,376,229	26,029,557	3,174,878	-	96,171,794
Equipment and Vehicles	9,081,500	589,525	(241,614)	9,409,411	4,123,179	585,232	(199,578)	4,908,833
Distribution and Collection Systems	44,884,796	2,160,618	(395,557)	46,649,857	20,592,300	605,839	(395,557)	25,847,175
Streets	33,309,001	489,359	(143,767)	33,653,593	17,205,152	1,976,409	(143,767)	14,615,789
Sidewalks	6,270,837	443,551	(174,293)	6,540,095	1,950,999	156,771	(174,293)	4,807,218
Stromlines	17,648,718	-	(6,306)	18,943,737	5,068,504	212,635	-	13,668,905
Wind Farm	29,432,360	-	-	29,432,360	2,118,095	736,165	-	26,578,100
Work in Progress	1,052,797	115,944	(967,269)	181,472	-	-	-	181,472
	<u>\$ 268,095,225</u>	<u>\$ 6,972,713</u>	<u>\$ (1,948,806)</u>	<u>\$ 274,113,132</u>	<u>\$ 77,067,165</u>	<u>\$ 7,448,029</u>	<u>\$ (919,501)</u>	<u>\$ 190,503,409</u>

2013

	Cost			Accumulated Amortization			Net Book Value	
	Beginning of Year	Additions	Disposals	End of Year	Beginning of Year	Amortization Expenses		Adjustments
Land	\$ 4,423,658	\$ 478,720	\$ -	\$ 4,902,378	\$ -	\$ -	\$ -	\$ 4,902,378
Plants, Buildings and Structures	121,712,727	827,433	(27,322)	122,512,838	22,851,680	3,179,273	(1,366)	96,453,271
Equipment and Vehicles	8,331,657	978,646	(228,605)	9,081,500	3,790,678	569,442	(227,139)	4,936,321
Distribution and Collection Systems	43,957,735	1,077,664	(160,803)	44,884,796	19,243,288	1,609,814	(160,802)	24,292,496
Streets	33,368,370	354,793	(434,162)	33,309,001	15,651,696	1,967,616	(434,163)	16,103,849
Sidewalks	6,059,279	368,488	(156,930)	6,270,837	1,955,847	151,482	(156,930)	4,320,438
Stromlines	16,943,825	906,018	(188,125)	17,648,718	5,062,487	204,142	(188,125)	12,560,213
Wind Farm	29,432,360	-	-	29,432,360	1,361,930	736,165	-	27,314,265
Work in Progress	111,963	1,052,797	(111,963)	1,052,797	-	-	-	1,052,797
	<u>\$ 264,371,584</u>	<u>\$ 6,041,761</u>	<u>\$ (1,318,130)</u>	<u>\$ 269,095,225</u>	<u>\$ 69,927,767</u>	<u>\$ 8,337,834</u>	<u>\$ (1,178,525)</u>	<u>\$ 192,008,029</u>

2012



Notes to the Consolidated Financial Statements
December 31, 2013

11. Long Term Debt

	Interest Rate %	Maturity Date	2013	2012
Long Term				
Loans Repaid During Year				6,620,908
Royal Bank	P-.65%	Demand	6,450,000	6,450,000
Metro Credit Union	P-.50%	Demand	2,700,000	2,700,000
TD Canada Trust	2.65	2014	51,998	102,640
TD Canada Trust	1.73	2014	326,638	647,700
Bank of Montreal	4.99	2014	1,091,324	1,166,997
TD Canada Trust	2.94	2014	13,479	26,407
TD Canada Trust	3.41	2015	336,838	359,227
TD Canada Trust	3.41	2015	126,388	134,787
TD Canada Trust	3.41	2015	151,293	161,328
TD Canada Trust	3.41	2015	439,362	468,549
TD Canada Trust	2.92	2015	52,361	77,453
TD Canada Trust	3.44	2015	375,022	391,024
TD Canada Trust	3.44	2015	727,528	758,572
Bank of Montreal	5.06	2016	3,017,696	3,363,098
TD Canada Trust	3.47	2016	312,855	409,465
Bank of Montreal	4.92	2017	1,380,070	1,478,645
TD Canada Trust	2.17	2017	91,692	113,400
TD Canada Trust	4.51	2019	572,566	611,733
TD Canada Trust	4.66	2019	215,133	223,954
TD Canada Trust	4.51	2019	2,389,011	2,552,427
RBC	3.13	2021	916,923	1,016,232
RBC	3.57	2021	862,233	895,794
RBC	3.57	2021	947,233	984,116
RBC	2.34	2021	71,348	94,039
TD Canada Trust	3.08	2022	1,704,754	1,769,800
TD Canada Trust	3.08	2022	827,043	858,600
TD Canada Trust	2.74	2022	41,945	46,000
TD Canada Trust	2.74	2022	973,678	1,067,800
TD Canada Trust	2.74	2022	1,670,516	1,832,000
TD Canada Trust	2.63	2022	1,163,600	-
TD Canada Trust	2.63	2022	105,300	-
TD Canada Trust	2.08	2022	125,900	-
TD Canada Trust	2.97	2022	435,000	-
TD Canada Trust	2.97	2022	680,600	-
TD Canada Trust	3.01	2022	1,675,000	-
TD Canada Trust	2.63	2023	2,670,000	-
C.I.B.C	4.96	2027	23,808,877	24,969,509
CMHC – Wind Farm	4.28	2030	7,183,194	7,466,950
Total Long Term Debt			\$ 66,684,398	\$ 69,819,154

Prime rate at December 31, 2013 was 3.00 % (Prime rate December 31, 2012 was 3.00%).

Scheduled principal repayments in each of the next five years are due as follows:
 2014 - \$4,944,945; 2015 - \$3,925,959; 2016 - \$3,907,392; 2017 - \$3,906,620;
 2018 - \$4,020,695.



Notes to the Consolidated Financial Statements

December 31, 2013

12. Segmented Reporting

The City of Summerside is a diversified municipal unit that provides a wide range of services to its citizens. For management purposes, the City's operations and activities are organized and reported by fund. Funds were created for the purpose of recording specific activities to attain certain objectives in accordance with special regulations, restrictions and limitations. Segmented information on the consolidated statement of operations is presented on page 17.



Schedule of Segmented Disclosure December 31, 2013

2013						
	General Fund	Electric Utility	Water Utility	Sewer Utility	Summerside Community Network	Electro Thermal Storage Program
Revenues						
Taxes	7,515,789					
Contributions from Other Levels of Governments	8,603,129					
Electric Utility Grant	650,000			462,723		
Wind Energy Sales	2,123,791					
Sale of Electricity		18,967,333				
Sale of Water & Sewer Services			1,635,265			
Internet Services				2,896,768		
Electro Thermal Storage Program Sales					580,615	
Third Party Revenues	348,535					
	19,241,245	18,967,333	1,635,265	3,359,491	580,615	246,005
Expenses						
Salaries and Benefits	9,193,647					
Goods and Services	2,363,511					
Amortization	5,495,914					
Interest on Long Term Debt	1,659,705					
	18,722,777	18,241,181	1,648,041	3,435,352	605,497	257,081
Surplus (Deficit)	\$ 518,468	\$ 726,152	\$ (10,776)	\$ (75,861)	\$ (24,882)	\$ (11,076)
						Consolidated
						7,515,789
						8,603,129
						462,723
						650,000
						2,123,791
						18,967,333
						4,532,033
						580,615
						246,005
						348,536
						44,029,954
						11,698,599
						20,943,758
						7,448,029
						2,857,543
						42,907,929
						1,122,025
						Consolidated
						7,350,035
						10,066,811
						2,141,800
						1,831,236
						18,111,766
						4,430,026
						607,545
						219,306
						359,720
						45,118,245
						11,369,945
						22,932,692
						133,277
						4,603
						8,337,933
						3,114,626
						45,755,166
						(636,921)
						Consolidated
						7,350,035
						10,066,811
						2,141,800
						1,831,236
						18,111,766
						4,430,026
						607,545
						219,306
						359,720
						45,118,245
						11,369,945
						22,932,692
						133,277
						4,603
						8,337,933
						3,114,626
						45,755,166
						(636,921)



Supplemental Information
December 31, 2013



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Management Report

The City is required to present annual audited consolidated financial statements prepared in accordance with generally accepted accounting principles for local governments, as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants.

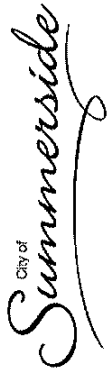
To augment the consolidated financial statements, this supplemental information provides specific details about the various funds included in the City's operations. The finances of each individual fund are combined to form the foundation for the overall financial administration of the City including the management of funds, debt, budgeting and rate setting. As such, this unaudited, non-consolidated supplementary information measures certain items, such as principal debt repayment, as a relevant expenditure for the purposes of measuring fund requirements, balances and performance.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Rob Philpott", written over a thin horizontal line.

Rob Philpott

Director of Financial Services



Non-Consolidated Summary Statement of Revenue Funds (Unaudited) Year Ended December 31

	Per Consolidated		Adjustments				Non-Consolidated				
	Financial Statements	\$	Government Transfers - Capital	Capital Spending	Debt Repayment	Amortization	Gain/Loss on Disposal	2013 Actual		2013 Budget	2012 Actual
			(1,690,814)	1,892,411	2,602,387	(5,495,914)	-				
General Revenue Fund											
Revenue	\$ 19,241,245	\$ (1,690,814)						\$ 17,550,431	\$ 17,187,767	\$ 18,525,776	
Expenses	18,722,777				2,602,387	(5,495,914)	(40,185)	17,681,476	16,539,628	18,525,521	
Surplus (Deficit)	518,468	(1,690,814)			2,602,387	(5,495,914)	(40,185)	(131,046)	648,139	255	
Utility Revenue Funds											
Revenue	18,967,333							18,967,333	18,500,634	18,111,766	
Electric Utility	1,635,265							1,635,265	1,644,516	1,604,882	
Water Utility	3,369,491							2,896,768	2,924,621	2,825,144	
Sewer Utility	580,615		(462,723)					580,615	628,453	607,545	
Summerside Community Network	246,005							246,005	261,353	219,306	
ETS - Heat For Less	24,788,709		(462,723)					24,325,986	23,959,577	23,368,643	
Expenses, Financing and Transfers											
Electric Utility	18,241,181				907,131	(739,845)		18,408,467	18,499,118	20,222,806	
Water Utility	1,712,053			406,178	(282,722)			1,835,509	1,604,573	1,644,825	
Sewer Utility	3,369,341			242,091	(797,085)			2,814,397	2,908,261	2,841,504	
Summerside Community Network	605,497			92,500	(117,382)			580,615	628,453	607,544	
ETS - Heat For Less	257,082			4,055	(15,131)			246,006	261,353	219,307	
	24,185,154			1,651,955	(1,952,115)			23,884,994	23,901,758	25,535,986	
Combined Utility Surplus/(Deficit)	603,555		(462,723)		1,651,955	(1,952,115)		440,992	57,819	(2,167,343)	
Total Surplus/(Deficit)	\$ 1,122,025	\$ (2,153,537)	\$ 1,892,411	\$ 4,254,342	\$ (7,448,029)	\$ (40,185)	\$ 309,946	\$ 705,958	\$ (2,167,087)		



General Fund
Non-Consolidated Statement of Operations
(Unaudited)
Year Ended December 31

	2013 Actual	2013 Budget	2012 Actual
Revenue	<u>\$ 17,550,431</u>	<u>\$ 17,187,767</u>	<u>\$ 18,525,776</u>
Expenses, Net of Recoveries			
General Government	586,644	529,350	574,844
Financial Services	1,386,431	1,150,646	1,884,163
Human Resources and Legal Affairs	209,840	188,082	291,318
Economic Development and Heritage	792,413	765,424	792,190
Technical Services	444,569	431,384	382,596
Fire Services	633,853	612,514	615,502
Police Services	3,800,278	3,811,073	3,312,537
Municipal Services	2,388,412	2,157,397	2,293,828
Community Services	2,755,254	2,279,397	2,924,065
Capital Spending			
Tangible Capital Assets	1,892,411	2,010,661	2,734,262
Other Projects	188,985	-	377,997
	<u>15,079,090</u>	<u>13,935,928</u>	<u>16,183,302</u>
Financing and Transfers			
Debt Principal Repayments	2,602,387	2,603,700	2,342,219
Expenses, Financing and Transfers	<u>17,681,477</u>	<u>16,539,628</u>	<u>18,525,521</u>
Change in General Revenue Fund Balance	(131,046)	648,139	255
Opening Fund Balance	<u>(647,279)</u>	<u>(647,279)</u>	<u>(647,534)</u>
Ending Fund Balance	<u>\$ (778,325)</u>	<u>\$ 860</u>	<u>\$ (647,279)</u>



General Fund
Non-Consolidated Revenue Fund Statement of Financial Position
(Unaudited)
December 31

	2013	2012
Financial Assets		
Receivables	\$ 3,787,077	\$ 3,057,507
Restricted Short Term Investments	54,472	40,207
Receivable from Other Funds		
Electricity Revenue Fund	3,238,719	3,655,536
Water and Sewer Revenue Fund	2,828,718	3,137,997
Summerville Community Network Capital Fund	54,237	146,320
Electro Thermal Storage Program Revenue Fund	269,781	196,491
Electro Thermal Storage Program Capital Fund	34,299	105,312
Electric Utility Equity	461,754	461,754
Sinking Fund Investments, at Market Value	582,189	516,429
	<u>11,311,246</u>	<u>11,317,553</u>
Liabilities		
Bank Indebtedness (Note 2)	4,697,179	4,950,032
Payables and Accruals		
Trade	4,732,471	4,647,849
Accrued Interest	363,622	513,785
Payable to Other Funds		
Summerville Community Network Revenue Fund	26,270	26,270
General Capital Fund	867,787	577,403
Sick Leave	582,189	516,429
	<u>11,269,518</u>	<u>11,231,768</u>
NET FINANCIAL ASSETS	41,728	85,785
Non-Financial Assets		
Inventory of Materials and Supplies, at Cost	9,814	19,344
NET ASSETS	\$ 51,542	\$ 105,129
Fund Balances		
Reserves for Future Expenditures (Note 5)	\$ 368,113	\$ 290,654
Appropriated Surplus for Electric Utility Equity	461,754	461,754
Fund Balance	<u>(778,325)</u>	<u>(647,279)</u>
	\$ 51,542	\$ 105,129



General Fund
Non-Consolidated Capital Fund Statement of Financial Position
(Unaudited)
December 31

	2013	2012
Financial Assets		
Government Grants Receivable	\$ -	\$ 157,992
Restricted Short Term Investments	21,308	21,281
Investment in		
Electric Utility	6,913,697	7,081,878
Water Utility	8,175,554	8,052,098
Sewer Utility	15,902,953	15,995,175
Summerville Community Network	(267,632)	(242,750)
Electro Thermal Storage	(15,679)	(4,603)
Summerville Regional Development Corporation, at Cost	375	375
Receivable from Other Funds		
General Revenue Fund	867,787	577,403
	<u>31,598,363</u>	<u>31,638,849</u>
Liabilities		
Bank Indebtedness (Note 2)	2,498,200	1,568,200
Long Term Debt (Note 3)	35,077,509	37,679,896
Payable to Other Funds		
Electric Capital Fund	7,183,194	8,909,474
	<u>44,758,903</u>	<u>48,157,570</u>
NET DEBT	<u>(13,160,540)</u>	<u>(16,518,721)</u>
Non-Financial Assets		
Tangible Capital Assets, Net of Amortization (Note 4)	<u>131,710,978</u>	<u>134,257,055</u>
NET ASSETS	<u>\$ 118,550,438</u>	<u>\$ 117,738,334</u>
Fund Balances		
Reserves (Note 5)	\$ 21,308	\$ 21,281
Investment in Tangible Capital Assets (Page 6)	<u>118,529,130</u>	<u>117,717,053</u>
	<u>\$ 118,550,437</u>	<u>\$ 117,738,334</u>



General Fund
Non-Consolidated Statement of Investment in Tangible Capital
Assets
(Unaudited)
Year Ended December 31

	2013	2012
Tangible Capital Asset Expenditures from Revenue Fund (Page 3)	\$ 1,892,411	\$ 2,734,262
Long Term Debt Retired	2,602,387	2,342,219
Increase (Decrease) in Investment in		
Electric Utility	(168,181)	302,565
Water Utility	123,456	1,157,915
Sewer Utility	(92,220)	10,676,370
Summerside Community Network	(24,882)	(48,919)
Electro Thermal Storage	(11,076)	(4,603)
Wind Turbines	335,467	272,109
Government Transfers	1,690,814	3,223,826
	<u>6,348,176</u>	<u>20,655,744</u>
Deduct:		
Amortization	5,495,914	5,496,866
Loss on Disposal	40,185	26,374
	<u>5,536,099</u>	<u>5,523,240</u>
Change in Investment in Tangible Capital Assets	812,077	15,132,504
Balance, Beginning of Year	<u>117,717,053</u>	<u>102,584,549</u>
Balance, End of Year	<u>\$ 118,529,130</u>	<u>\$ 117,717,053</u>



Notes to the General Fund
(Unaudited)
December 31, 2013

1. Summary of Significant Accounting Policies

Tangible Capital Assets

Tangible capital assets and projects in progress are recorded at cost. During construction, the City capitalizes interest as part of the cost of its capital assets. There was no interest capitalized during the year.

In compliance with Section 3150 the City records amortization of its assets over their estimated useful lives. The straight-line method of amortization is used. Amortization begins in the year following acquisition, except for major projects with revenue streams, for which amortization begins upon substantial completion.

Asset Useful Lives (In Years)

Parks, Gardens and Trails	40
Parking Lots	20
Buildings	40
Sports and Events Fields	15-20
Equipment and Vehicles	10-20
Streets	
Local	25
Collector	10
Sidewalks	40
Storm Lines	83
Wind Farm	25

2. Bank Indebtedness

Bank indebtedness consists of a \$2,204,609 advance on an operating line of credit and \$2,635,926 of outstanding deposits, transfers, cheques and other bank balances. The City has an authorized operating line of credit of \$6,000,000, with an interest rate of prime less .50%, all of which \$1,432,465 was unused at December 31, 2013.

Capital Fund bank indebtedness consists of a \$1,568,200 advance on an authorized capital line of credit of \$2,500,000, which was used as interim funding for 2013 capital expenditures. The interest rate is prime less .50%.

At December 31, 2013 prime was 3.00%.



Notes to the General Fund
 (Unaudited)
December 31, 2013

3. Long Term Debt

	Interest Rate %	Maturity Date	2013	2012
Loans Repaid During the Year				\$ 2,513,538
Metro Credit Union	P-.50%	Demand	\$ 2,700,000	2,700,000
TD Canada Trust – 2012 Capital	1.73	2014	326,638	647,700
Bank of Montreal	4.99	2014	1,091,325	1,166,997
Bank of Montreal	5.06	2016	1,205,030	1,297,725
TD Canada Trust – Issue 81	2.74	2022	1,670,516	1,832,000
TD Canada Trust – Issue 82	2.63	2023	1,886,112	-
C.I.B.C	4.96	2027	<u>23,808,877</u>	<u>24,969,509</u>
			32,688,498	35,127,469
Loan Excluded from City's Debt Limit				
Summerside Raceway				
TD Canada Trust	4.51	2019	<u>2,389,011</u>	<u>2,552,427</u>
Total Payable			<u>\$ 35,077,509</u>	<u>\$ 37,679,896</u>

Prime rate at December 31, 2013 was 3.00%.

Scheduled principal repayments in each of the next five years are due as follows:
 2014 - \$2,975,528; 2015 - \$1,976,577; 2016 - \$2,061,553; 2017 - \$2,150,496;
 2018 - \$2,243,609



Notes to the General Fund
(Unaudited)
December 31, 2013

4. Tangible Capital Assets

General Fund	2013				2012				Net Book Value
	Beginning of Year	Cost	End of Year	Accumulated Amortization	Beginning of Year	Cost	End of Year	Accumulated Amortization	
		Additions	Disposals	Expenses		Additions	Disposals	Expenses	
Land	4,372,404	30,000	-	-	4,402,404	-	-	-	4,402,404
Parks, Gardens and Trails	10,007,614	-	-	1,231,223	10,007,614	-	-	250,191	8,526,200
Parking Lots	112,286	-	-	90,328	112,286	-	-	1,220	20,738
Buildings	56,403,661	478,663	-	1,409,633	56,880,644	-	-	1,409,633	44,894,542
Sports and Events Fields	4,125,051	-	-	544,302	4,125,051	-	-	183,240	3,387,509
Equipment and Vehicles	33,309,001	400,845	(217,266)	3,138,010	33,653,593	(217,266)	-	3,329,261	3,441,760
Streets	6,270,837	443,551	(143,767)	1,978,409	6,570,621	(143,767)	-	1,978,409	14,615,798
Sidewalks	17,648,717	1,301,325	(174,293)	1,950,393	18,943,737	(174,293)	-	1,932,872	4,607,223
Stormlines	29,432,358	-	(6,306)	2,116,095	29,432,358	(6,306)	-	736,165	13,668,903
Wind Farm	-	-	-	-	-	-	-	-	26,576,096
Summerside Raceway	226,778	-	-	-	226,778	-	-	-	226,778
Raceway	8,119,710	-	-	585,711	8,119,710	-	-	202,971	7,331,027
Buildings	149,191	-	(149,191)	-	-	-	-	-	-
Work in Progress	-	-	-	-	-	-	-	-	-
	<u>176,765,051</u>	<u>3,141,063</u>	<u>(690,822)</u>	<u>42,507,988</u>	<u>178,215,292</u>	<u>(690,822)</u>	<u>(499,595)</u>	<u>5,495,914</u>	<u>131,710,978</u>

General Fund	2012				2011				Net Book Value
	Beginning of Year	Cost	End of Year	Accumulated Amortization	Beginning of Year	Cost	End of Year	Accumulated Amortization	
		Additions	Disposals	Expenses		Additions	Disposals	Expenses	
Land	3,893,684	478,720	-	-	4,372,404	-	-	-	4,372,404
Parks, Gardens and Trails	9,933,753	73,861	-	982,879	10,007,614	-	-	246,344	8,776,391
Parking Lots	112,286	-	-	86,108	112,286	-	-	1,220	21,968
Buildings	56,267,101	163,882	(27,322)	9,187,119	56,403,661	-	-	1,410,516	45,827,391
Sports and Events Fields	3,713,804	411,247	-	361,062	4,125,051	-	-	544,302	3,580,749
Equipment and Vehicles	6,160,345	626,051	(198,963)	2,964,138	6,587,443	(198,963)	-	371,170	3,449,432
Streets	33,388,370	354,763	(434,162)	15,681,699	33,309,001	(434,162)	-	1,987,616	16,103,848
Sidewalks	6,059,279	368,488	(159,930)	1,950,393	6,270,837	(159,930)	-	151,462	4,320,444
Stormlines	16,943,824	903,018	(198,125)	5,062,487	16,943,824	(198,125)	-	204,142	12,580,213
Wind Farm	29,432,358	-	-	1,381,930	29,432,358	-	-	736,165	27,314,263
Summerside Raceway	226,778	-	-	-	226,778	-	-	-	226,778
Raceway	8,117,543	2,167	-	362,739	8,119,710	-	-	202,971	7,533,999
Buildings	111,993	149,191	(111,993)	-	149,191	-	-	-	149,191
Work in Progress	-	-	-	-	-	-	-	-	-
	<u>174,361,107</u>	<u>3,531,428</u>	<u>(1,127,487)</u>	<u>37,969,002</u>	<u>176,765,051</u>	<u>(1,127,487)</u>	<u>(967,862)</u>	<u>5,496,866</u>	<u>134,257,055</u>



Notes to the General Fund
(Unaudited)
December 31, 2013

5. Reserves for Future Expenditures

	2013	2012
<u>General Revenue Fund</u>		
Funded Through Restricted Short Term Investments		
Accumulated Funds – World Softball	\$ 37,216	\$ 49,132
Accommodation Levy	<u>19,496</u>	<u>(8,925)</u>
Total General Revenue Funded Reserves	<u>56,712</u>	<u>40,207</u>
Unfunded		
Summerside Raceway	136,401	75,447
Business Park Fund	120,000	120,000
Attraction Fund	<u>55,000</u>	<u>55,000</u>
Total General Revenue Unfunded Reserves	<u>311,401</u>	<u>250,447</u>
Total General Revenue Reserves	<u>\$ 368,113</u>	<u>\$ 290,654</u>
<u>General Capital Fund</u>		
Funded Through Restricted Short Term Investments		
Parkland Dedication	<u>\$ 21,308</u>	<u>\$ 21,281</u>

6. Federal Gas Tax

Under the New Deal Gas Tax Funding for Incorporated Communities, funding will be allocated to incorporated communities for eligible project categories including public transit infrastructure, water infrastructure, wastewater treatment systems, storm sewer drainage systems, energy systems (including wind power), solid waste management and local roads and bridges. In prior years the following allocations have been received: 2006/07 \$412,702; 2007/08 \$550,270; 2008/09 \$687,837, 2009/10 \$1,374,774, 2012/2013 \$1,390,814, 2012/13 \$1,390,814. During 2013, the City received \$1,390,814. The monies received in 2007, 2008, 2009, 2010, 2012, have been applied against the wind generation project.



Electric Utility
Non-Consolidated Statement of Operations
(Unaudited)
Year Ended December 31

	2013 Actual	2013 Budget	2012 Actual
Revenue	\$ <u>18,967,333</u>	\$ <u>18,500,634</u>	\$ <u>18,111,766</u>
Expenses			
Power Purchased	\$ <u>11,085,238</u>	\$ <u>11,312,822</u>	\$ 11,482,080
Generation	462,574	440,700	633,079
Operations	194,506	175,742	174,501
Substation	69,089	54,042	105,243
Underground Conduit and Cables	9,034	19,153	27,209
Overhead Conductors	126,257	86,318	103,984
Poles and Fixtures	69,928	105,498	99,254
Transformers	20,875	34,454	58,484
Services	41,277	47,059	53,677
Street Lighting	77,710	73,172	88,168
Meters	59,460	98,073	79,613
Customer Service	88,818	75,600	75,426
Administration	845,125	878,366	872,487
Fiscal and Other	1,033,505	1,152,467	881,297
Interfund Allocations	3,317,940	3,373,208	4,751,084
	<u>17,501,336</u>	<u>17,926,674</u>	19,485,586
Financing and Transfers			
Debt Principal Repayments	<u>907,131</u>	<u>572,444</u>	<u>737,220</u>
Expenses, Financing and Transfers	<u>18,408,467</u>	<u>18,499,118</u>	<u>20,222,806</u>
Change in Electric Utility Revenue Fund Balance	558,866	1,516	(2,111,040)
Opening Fund Balance	<u>(4,561,710)</u>	<u>(4,561,710)</u>	<u>(2,450,670)</u>
Ending Fund Balance	\$ <u>(4,002,844)</u>	\$ <u>(4,560,194)</u>	\$ <u>(4,561,710)</u>



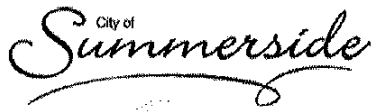
Electric Utility
Non-Consolidated Revenue Fund Statement of Financial Position
(Unaudited)
December 31

	2013	2012
Financial Assets		
Receivables	\$ 2,326,237	\$ 1,844,039
Receivable from Other Funds		
Electric Utility Capital Fund	1,883,275	1,275,584
Sinking Fund Investments, at Market Value	<u>965,898</u>	<u>933,369</u>
	<u>5,175,410</u>	<u>4,052,992</u>
Liabilities		
Bank Indebtedness	3,179,017	2,499,975
Payables and Accruals		
Trade and Customer Deposits	122,688	127,003
Deferred Revenue	1,767,642	1,418,840
Payable to Other Funds		
General Revenue Fund	3,238,719	3,655,536
Sick Leave	793,733	704,078
Future Pension Payments	<u>172,165</u>	<u>229,291</u>
	<u>9,273,964</u>	<u>8,634,723</u>
NET DEBT	(4,098,554)	(4,581,731)
Non-Financial Assets		
Inventories, at Cost	<u>1,053,514</u>	<u>977,825</u>
NET DEFICIENCY	\$ (3,045,040)	\$ (3,603,906)
Fund Balances		
Reserve for Deferred Line Maintenance	\$ 53,748	\$ 53,748
Reserve for Deferred Engine Maintenance	50,000	50,000
Reserve for Future Capital Expenditure	392,302	392,302
Equity Investment from General Revenue Fund	461,754	461,754
Fund Balance	<u>(4,002,844)</u>	<u>(4,561,710)</u>
	<u>\$ (3,045,040)</u>	<u>\$ (3,603,906)</u>



Electric Utility
Non-Consolidated Capital Fund Statement of Financial Position
(Unaudited)
December 31

	2013	2012
Financial Assets		
Due from General Capital Fund	<u>\$ 7,183,194</u>	<u>\$ 8,909,474</u>
	<u>7,183,194</u>	<u>8,909,474</u>
Liabilities		
Long Term Debt (Note 2)		
Interim	-	1,442,523
Long Term	<u>13,677,684</u>	<u>13,369,507</u>
	<u>13,677,684</u>	14,812,030
Payable to Other Funds		
Electric Utility Revenue Fund	<u>1,883,275</u>	<u>1,275,584</u>
	<u>15,560,959</u>	<u>16,087,614</u>
NET DEBT	(8,377,765)	(7,178,140)
Non-Financial Assets		
Tangible Capital Assets, Net of Amortization (Note 3)	<u>15,291,462</u>	14,260,018
NET ASSETS	<u>\$ 6,913,697</u>	<u>\$ 7,081,878</u>
Fund Balances		
Investment in Tangible Capital Assets	<u>\$ 6,913,697</u>	<u>\$ 7,081,878</u>



Electric Utility
Non-Consolidated Statement of Investment in Tangible Capital
Assets
(Unaudited)
Year Ended December 31

	2013	2012
Long Term Debt Retirement		
Electric Utility Assets	\$ 907,131	\$ 737,220
General Fund Wind Farm	(335,467)	(272,109)
	<u>571,664</u>	<u>465,111</u>
Deduct:		
Amortization	739,845	746,848
Disposal of Assets, Net of Amortization	-	-
	<u>739,845</u>	<u>746,848</u>
Change in Investment in Tangible Capital Assets	(168,181)	(281,737)
Balance, Beginning of Year	<u>7,081,878</u>	<u>7,363,615</u>
Balance, End of Year	<u>\$ 6,913,697</u>	<u>\$ 7,081,878</u>



Notes to the Electric Utility
(Unaudited)
December 31, 2013

1. Summary of Significant Accounting Policies

Tangible Capital Assets

In compliance with Section 3150 the City records amortization of its assets over their estimated useful lives. The straight-line method of amortization is used. Amortization begins in the year following acquisition, except for major projects with revenue streams, for which Amortization begins upon substantial completion.

Asset Useful Lives (In Years)

Buildings	40
Substation	40
Generating Equipment	
Engines – Generation	50
Other Generating Equipment	20
Distribution and Collection Systems	40
Equipment and Vehicles	10-20



Notes to the Electric Utility
 (Unaudited)
December 31, 2013

2. Long Term Debt

	Interest Rate %	Maturity Date	2013	2012
Long Term				
Loans Repaid During the Year				2,381,302
TD Canada Trust	3.41	2015	336,838	359,227
TD Canada Trust	3.41	2015	439,362	468,549
TD Canada Trust	3.47	2016	189,981	248,363
Bank of Montreal	5.06	2016	641,525	754,335
Bank of Montreal	4.92	2017	643,600	689,570
TD Canada Trust – 84	4.51	2019	336,823	359,702
RBC – 2010 Capital	3.13	2021	916,924	1,016,232
TD Canada Trust – 2011	1.73	2022	973,678	1,067,800
TD Canada Trust – 2012	2.63	2023	1,163,600	-
TD Canada Trust – 96	3.01	2023	852,159	-
CMHC – Wind Farm	4.28	2030	7,183,194	7,466,950
Total Long Term Debt			\$ 13,677,684	\$ 14,812,030

Prime rate at December 31, 2013 was 3.00%.

Scheduled principal repayments in each of the next five years are as follows:

2014 - \$940,998; 2015 - \$968,693; 2016 – \$924,000; 2017 - \$885,033; 2018 - \$913,605

The above noted interim loan is bridge financing for construction projects and is payable on demand. It is management's intention that this loan will be paid from contributions by other orders of government through various infrastructure funding programs as per the following scheduled payments.

	2013	2014	2015	Total
Building Canada Fund	\$ -	\$ -	\$ -	\$ -
Gas Tax	<u>1,390,814</u>	<u>51,709</u>	<u>-</u>	<u>1,442,523</u>
Total Bridge Financing	\$ <u>1,390,814</u>	\$ <u>51,709</u>	\$ <u>-</u>	\$ <u>1,442,523</u>



Notes to the Electric Utility
(Unaudited)

December 31, 2013

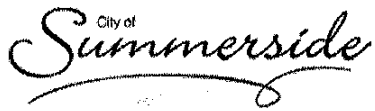
3. Tangible Capital Assets

2013

	Cost			Accumulated Amortization			Net Book Value
	Beginning of Year	Additions	Disposals	End of Year	Expenses	Amortization Adjustments	
Electric Utility							
Land	\$ 64,334	\$ -	\$ -	\$ 64,334	\$ -	\$ -	\$ 64,334
Buildings	597,927	-	-	597,927	14,258	-	84,816
Substation	3,403,497	-	-	3,403,497	85,841	-	1,546,995
Generating Equipment	9,095,052	1,089,947	-	10,184,999	302,034	-	4,086,347
Distribution System	12,487,008	1,220,611	(131,128)	13,576,490	291,347	(131,128)	8,751,154
Equipment and Vehicles	802,534	-	-	802,534	46,365	-	574,343
Work in Progress	720,740	115,944	(655,212)	181,473	-	-	181,473
	<u>\$ 27,171,091</u>	<u>\$ 2,426,503</u>	<u>\$ (786,340)</u>	<u>\$ 28,811,254</u>	<u>\$ 739,843</u>	<u>\$ (131,128)</u>	<u>\$ 15,291,462</u>

2012

	Cost			Accumulated Amortization			Net Book Value
	Beginning of Year	Additions	Disposals	End of Year	Expenses	Amortization Adjustments	
Electric Utility							
Land	\$ 64,334	\$ -	\$ -	\$ 64,334	\$ -	\$ -	\$ 64,334
Buildings	597,927	-	-	597,927	14,257	-	99,074
Substation	3,403,497	-	-	3,403,497	85,841	-	1,632,836
Generating Equipment	9,094,419	633	-	9,095,052	302,002	-	3,300,433
Distribution System	12,178,497	381,464	(72,954)	12,487,008	304,462	(72,954)	7,821,890
Equipment and Vehicles	741,729	60,805	-	802,534	40,285	-	620,709
Work in Progress	-	720,740	-	720,740	-	-	720,740
	<u>\$ 26,060,403</u>	<u>\$ 1,163,642</u>	<u>\$ (72,954)</u>	<u>\$ 27,171,091</u>	<u>\$ 746,843</u>	<u>\$ (72,954)</u>	<u>\$ 14,260,018</u>



Water Utility
Non-Consolidated Statement of Operations
(Unaudited)
Year Ended December 31

	2013 Actual	2013 Budget	2012 Actual
Revenue			
Sales to Customers	\$ 1,139,747	\$ 1,147,533	\$ 1,111,682
Fire Protection	483,000	483,000	483,000
Other	12,518	13,983	10,200
	<u>1,635,265</u>	<u>1,644,516</u>	<u>1,604,882</u>
Expenses			
Distribution Expenses	560,820	427,058	493,419
Pumping	146,049	126,695	130,159
Administration and Other	44,867	48,420	38,384
Overhead	250,061	247,700	244,668
Interfund Allocations	361,523	348,300	420,564
	<u>1,363,320</u>	<u>1,198,173</u>	<u>1,327,194</u>
Financing and Transfers			
Debt Principal Repayments	406,178	406,400	334,509
Reserve for Future Expenditures	-	-	(16,878)
	<u>1,769,498</u>	<u>1,604,573</u>	<u>1,644,825</u>
Change in Water Utility Revenue Fund Balance	(134,233)	39,943	(39,943)
Opening Fund Balance	(39,943)	(39,943)	-
Ending Fund Balance	\$ (174,176)	\$ -	\$ (39,943)



Sewer Utility
Non-Consolidated Statement of Operations
(Unaudited)
Year Ended December 31

	2013 Actual	2013 Budget	2012 Actual
Revenue	\$ <u>2,896,768</u>	\$ <u>2,924,621</u>	\$ <u>2,825,144</u>
Expenses			
Distribution - Sewer	403,957	281,166	348,184
Operations -- Pollution	1,329,921	1,328,800	1,285,993
Administration and Other	125,545	60,115	45,285
Overhead	328,487	332,250	330,439
Interfund Allocations	<u>450,407</u>	<u>387,497</u>	<u>378,172</u>
	2,638,317	2,465,961	2,388,073
Financing and Transfers			
Debt Principal Repayments	<u>242,091</u>	<u>442,300</u>	<u>453,431</u>
Expenses, Financing and Transfers	<u>2,880,408</u>	<u>2,908,261</u>	<u>2,841,504</u>
Change in Sewer Utility Revenue Fund Balance	16,360	16,360	(16,360)
Opening Fund Balance	<u>(16,360)</u>	<u>(16,360)</u>	-
Closing Fund Balance	\$ <u>-</u>	\$ <u>-</u>	\$ <u>(16,360)</u>



**Water and Sewer Utilities
 Non-Consolidated Combined Revenue Fund Statement of
 Financial Position
 (Unaudited)
 December 31**

	2013	2012
Financial Assets		
Receivables	\$ 940,705	\$ 900,323
Sinking Fund Investments, at Market Value	386,095	357,994
Receivable from Other Funds		
Water Utility Capital Fund	1,121,025	1,031,139
Sewer Utility Capital Fund	567,003	1,084,507
	<u>3,014,828</u>	<u>3,373,963</u>
Liabilities		
Payables and Accruals		
Trade and Customer Deposits	151,165	97,680
Payable to Other Funds		
General Revenue Fund	2,828,719	3,137,999
Sick Leave	352,795	312,945
Future Pension Payments	33,300	45,049
	<u>3,365,979</u>	<u>3,593,673</u>
NET FINANCIAL ASSETS (LIABILITIES)	(351,151)	(219,710)
Non-Financial Assets		
Inventories of Materials and Supplies, at Cost	176,975	163,407
NET ASSETS	\$ (174,176)	\$ (56,303)
Fund Balances		
Reserve for Future Expenditures	\$ -	\$ -
Fund Balance	(174,176)	(56,303)
	<u>\$ (174,176)</u>	<u>\$ (56,303)</u>



Water Utility

Non-Consolidated Capital Fund Statement of Financial Position

(Unaudited)

December 31

	2013	2012
Financial Assets		
Receivable from Other Funds		
Sewer Utility Capital Fund	\$ 344,666	\$ 344,666
	<u>344,666</u>	<u>344,666</u>
Liabilities		
Long Term Debt (Note 2)	6,038,008	6,009,185
Payable to Other Funds		
Water and Sewer Utilities	1,121,025	1,031,139
	<u>7,159,033</u>	<u>7,040,324</u>
NET DEBT	<u>(6,814,367)</u>	<u>(6,695,658)</u>
Non-Financial Assets		
Tangible Capital Assets, Net of Amortization (Note 4)	14,989,921	14,744,283
Intangible Assets, Net of Amortization	-	3,473
	<u>14,989,921</u>	<u>14,747,756</u>
NET ASSETS	<u>\$ 8,175,554</u>	<u>\$ 8,052,098</u>
Fund Balances		
Investment in Tangible Capital Assets	\$ <u>8,175,554</u>	\$ <u>8,052,098</u>



Water Utility
Non-Consolidated Statement of Investment in Tangible Capital Assets
(Unaudited)
Year Ended December 31

	2013	2012
Long Term Debt Retirement	\$ 406,178	\$ 334,509
Deduct:		
Amortization	282,722	284,482
Disposal of Assets, Net of Amortization	-	-
	<u>282,722</u>	<u>284,842</u>
Change in Investment in Tangible Capital Assets	123,456	49,667
Balance, Beginning of Year	<u>8,052,098</u>	<u>8,101,765</u>
Balance, End of Year	\$ <u>8,175,554</u>	\$ <u>8,052,098</u>



Sewer Utility
Non-Consolidated Capital Fund Statement of Financial Position
(Unaudited)
December 31

	<u>2013</u>	<u>2012</u>
Liabilities		
Long Term Debt (Note 3)	\$ 11,219,532	\$ 10,781,024
Payable to Other Funds		
Water Utility Capital Fund	344,666	344,666
Water and Sewer Utilities Revenue Funds	<u>567,003</u>	<u>1,084,507</u>
	<u>12,131,201</u>	12,210,197
NET DEBT	<u>(12,131,201)</u>	<u>(12,210,197)</u>
Non-Financial Assets		
Tangible Capital Assets, Net of Amortization (Note 5)	<u>28,034,154</u>	<u>28,205,370</u>
NET ASSETS	<u>\$ 15,902,953</u>	<u>\$ 15,995,173</u>
Fund Balances		
Investment in Tangible Capital Assets	<u>\$ 15,902,953</u>	<u>\$ 15,995,173</u>



Sewer Utility
Non-Consolidated Statement of Investment in Tangible Capital Assets
(Unaudited)
Year Ended December 31

	2013	2012
Government Transfers	\$ 462,724	\$ -
Long Term Debt Retirement	<u>242,091</u>	<u>453,431</u>
	704,815	453,431
Deduct:		
Amortization	797,035	789,116
Disposal of Assets, Net of Amortization	<u>-</u>	<u>-</u>
	<u>797,035</u>	<u>789,116</u>
Change in Investment in Tangible Capital Assets	(92,220)	(335,685)
Balance, Beginning of Year	<u>15,995,173</u>	<u>16,330,858</u>
Balance, End of Year	<u>\$ 15,902,953</u>	<u>\$ 15,995,173</u>



Notes to the Water and Sewer Utilities
 (Unaudited)
 December 31, 2013

1. Summary of Significant Accounting Policies

Tangible Capital Assets

In compliance with Section 3150 the City records amortization of its assets over their estimated useful lives. The straight-line method of amortization is used. Amortization begins in the year following acquisition, except for major projects with revenue streams, for which Amortization begins upon substantial completion.

Assets Useful Lives (In Years)

Water Utility

Wells and Springs	83
Buildings	40
Water Towers	83
Distribution and Collection Systems	83
Equipment and Vehicles	10-20

Sewer Utility

Buildings	40
Lagoon	50
Distribution and Collection Systems	83
Equipment and Vehicles	10-20

2. Long Term Debt – Water Utility

	Interest Rate %	Maturity Date	2013	2012
Loans Repaid During the Year				\$ 847,712
TD Canada Trust	2.65	2014	\$ 51,998	102,640
TD Canada Trust	3.14	2015	126,388	134,787
TD Canada Trust	3.44	2015	375,022	391,024
TD Canada Trust	3.47	2016	29,138	38,203
Bank of Montreal	5.06	2016	896,015	1,014,170
Bank of Montreal	4.92	2017	581,700	623,250
TD Canada Trust	4.51	2019	179,409	191,804
RBC	3.57	2021	862,233	895,795
TD Canada Trust	3.08	2022	1,704,755	1,769,800
TD Canada Trust	2.63	2023	453,357	-
TD Canada Trust	2.97	2023	435,000	-
TD Canada Trust	3.01	2023	342,993	-
Total			\$ <u>6,038,008</u>	\$ <u>6,009,185</u>

Prime rate at December 31, 2013 was 3.00%.

Scheduled principal repayments in each of the next five years are as follows:

2014 - \$436,009; 2015 - \$391,248; 2016 - \$348,765; 2017 - \$346,074; 2018 - \$353,694



Notes to the Water and Sewer Utilities
 (Unaudited)
 December 31, 2013

3. Long Term Debt – Sewer Utility

	Interest Rate %	Maturity Date	2013	2012
Loans Repaid During the Year				\$ 768,622
Royal Bank	P- 0.65%	Demand	\$ 6,450,000	6,450,000
TD Canada Trust	3.44	2015	727,528	758,572
TD Canada Trust	3.41	2015	151,293	161,328
TD Canada Trust	3.47	2016	93,736	122,899
Bank of Montreal	5.06	2016	229,361	247,583
Bank of Montreal	4.92	2017	135,450	145,125
TD Canada Trust	4.66	2019	215,133	223,954
TD Canada Trust	4.51	2019	22,327	23,870
TD Canada Trust	4.51	2019	34,007	36,356
RBC	3.57	2021	947,232	984,115
TD Canada Trust	3.08	2022	827,043	858,600
TD Canada Trust	2.63	2023	44,365	-
TD Canada Trust	2.97	2023	680,600	-
TD Canada Trust	3.01	2023	375,293	-
TD Canada Trust	2.63	2023	286,165	-
Total			\$ 11,219,533	\$10,781,024

Prime rate at December 31, 2013 was 3.00%.

Scheduled principal repayments in each of the next five years are as follows:
 2014 - \$459,585; 2015 - \$467,247; 2016 - \$475,306; 2017 - \$450,002; 2018 - \$457,326.



Notes to the Water and Sewer Utilities
(Unaudited)
December 31, 2013

4. Tangible Capital Assets – Water Utility

	2013						Net Book Value
	Beginning of Year	Additions	Disposals	End of Year	Beginning of Year	End of Year	
Water Utility							
Land	\$ 216,322	\$ -	\$ -	\$ 216,322	\$ -	\$ -	\$ 216,322
Wells and Springs	1,475,228	-	-	1,475,228	18,391	-	1,101,528
Buildings	939,389	-	-	939,389	22,123	-	379,258
Water Towers	2,441,673	-	-	2,441,673	369,569	-	2,042,686
Distribution System	16,568,117	479,961	(169,354)	16,878,724	199,616	(169,354)	11,071,960
Equipment and Vehicles	275,116	68,512	(24,349)	319,279	13,175	(24,349)	178,168
Work in Progress	20,113	-	(20,113)	-	-	-	-
	\$ 21,935,958	\$ 548,472	\$ (213,815)	\$ 22,270,615	\$ 282,722	\$ (193,702)	\$ 14,989,921

	2012						Net Book Value
	Beginning of Year	Additions	Disposals	End of Year	Beginning of Year	End of Year	
Water Utility							
Land	\$ 216,322	\$ -	\$ -	\$ 216,322	\$ -	\$ -	\$ 216,322
Wells and Springs	1,475,228	-	-	1,475,228	18,391	-	1,119,918
Buildings	888,354	51,035	-	939,389	30,045	-	401,381
Water Towers	2,441,673	-	-	2,441,673	340,152	-	2,072,104
Distribution System	16,308,091	317,092	(57,066)	16,568,117	196,483	(57,066)	10,791,615
Equipment and Vehicles	228,413	46,703	-	275,116	10,146	-	122,831
Work in Progress	20,113	-	-	20,113	-	-	20,113
	\$ 21,558,081	\$ 434,943	\$ (57,066)	\$ 21,935,958	\$ 284,482	\$ (57,066)	\$ 14,744,283



Notes to the Water and Sewer Utilities
(Unaudited)

December 31, 2013

5. Tangible Capital Assets – Sewer Utility

2013

	Cost			Accumulated Amortization			Net Book Value
	Beginning of Year	Additions	Disposals	End of Year	Amortization Expenses	Amortization Adjustments	
Sewer Utility							
Land	\$ 22,541	\$ -	\$ -	\$ 22,541	\$ -	\$ -	\$ 22,541
Buildings	25,545,745	296,461	-	25,842,206	650,439	-	21,566,251
Lagoon	246,004	-	4,920	246,004	4,920	-	54,120
Distribution System	9,543,029	460,047	(95,075)	9,908,001	114,976	(95,075)	3,883,938
Equipment and Vehicles	444,272	32,064	-	476,336	26,699	-	246,920
Work in Progress	162,753	-	(162,753)	-	-	-	-
	<u>\$ 35,964,344</u>	<u>\$ 788,572</u>	<u>\$ (257,828)</u>	<u>\$ 38,495,088</u>	<u>\$ 797,035</u>	<u>\$ (95,075)</u>	<u>\$ 28,034,154</u>

2012

	Cost			Accumulated Amortization			Net Book Value
	Beginning of Year	Additions	Disposals	End of Year	Amortization Expenses	Amortization Adjustments	
Sewer Utility							
Land	\$ 22,541	\$ -	\$ -	\$ 22,541	\$ -	\$ -	\$ 22,541
Buildings	25,421,138	124,607	-	25,545,745	648,108	-	21,920,229
Lagoon	246,004	-	-	246,004	4,920	-	196,804
Distribution System	9,194,504	379,308	(30,783)	9,543,029	110,777	(30,783)	5,678,992
Equipment and Vehicles	430,383	13,889	-	444,272	25,311	-	224,052
Work in Progress	-	162,753	-	162,753	-	-	162,753
	<u>\$ 35,314,570</u>	<u>\$ 680,558</u>	<u>\$ (30,783)</u>	<u>\$ 35,964,344</u>	<u>\$ 789,116</u>	<u>\$ (30,783)</u>	<u>\$ 28,205,370</u>



Summerville Community Network
Non-Consolidated Statement of Operations
(Unaudited)
Year Ended December 31

	2013 Actual	2013 Budget	2012 Actual
Revenue	\$ 580,615	\$ 628,453	\$ 607,545
Expenses			
Customer Service Costs	73,484	124,186	123,704
Bandwidth Costs	60,411	62,000	63,777
Installation and Service	138,276	138,029	133,718
Equipment and System Maintenance	107,463	99,764	88,387
Building Maintenance and Operations	91,155	92,367	108,900
Interest on Long Term Debt	17,326	19,607	16,559
	488,115	535,953	535,045
Financing and Transfers			
Debt Principal Repayments	92,500	92,500	69,009
Debt Reduction Allocation	-	-	3,491
Expenses, Financing and Transfers	580,615	628,453	607,545
Change in Revenue Fund Balance	-	-	-
Opening Fund Balance	13,275	13,275	13,275
Closing Fund Balance	\$ 13,275	\$ 13,275	\$ 13,275



Summerville Community Network
Non-Consolidated Revenue Fund Statement of Financial Position
(Unaudited)
December 31

	2013	2012
Financial Assets		
Receivable from Other Funds		
General Revenue Fund	\$ <u>26,270</u>	\$ <u>26,270</u>
NET ASSETS	\$ <u>26,270</u>	\$ <u>26,270</u>
Fund Balances		
Reserve for Debt Reduction	\$ 12,995	\$ 12,995
Fund Balance	<u>13,275</u>	<u>13,275</u>
	\$ <u>26,270</u>	\$ <u>26,270</u>



Summerville Community Network
Non-Consolidated Capital Fund Statement of Financial Position
(Unaudited)
December 31

	2013	2012
Liabilities		
Long Term Debt (Note 3)	\$ 524,419	\$ 491,019
Payable to Other Funds		
General Revenue Fund	<u>54,237</u>	<u>146,320</u>
NET DEBT	<u>(578,656)</u>	<u>(637,339)</u>
Non-Financial Assets		
Tangible Capital Assets, Net of Amortization (Note 4)	<u>311,024</u>	<u>394,589</u>
NET LIABILITIES	<u>\$ (267,632)</u>	<u>\$ (242,750)</u>
Fund Balances		
Investment in Tangible Capital Assets	<u>\$ (267,632)</u>	<u>\$ (242,750)</u>



**Summerville Community Network
Non-Consolidated Statement of Investment in Tangible Capital
Assets
(Unaudited)
Year Ended December 31**

	2013	2012
Long Term Debt Retirement	\$ 92,500	\$ 69,009
Deduct:		
Amortization	<u>117,382</u>	<u>1,016,020</u>
Change in Investment in Tangible Capital Assets	(24,882)	(947,011)
Balance, Beginning of Year	<u>(242,750)</u>	<u>704,261</u>
Balance, End of Year	<u>\$ (267,632)</u>	<u>\$ (242,750)</u>



Notes to the Summerside Community Network
 (Unaudited)
 December 31, 2013

1. Nature of Operations

Summerside Community Network operates a wireless data transmission network and is an internet service provider to residential and business customers in Prince and Queen's Counties in Prince Edward Island. The provision of internet services commenced commercial operations in 2006 under the trade name of Route 2. Summerside Community Network also provides information technology, infrastructure, equipment and support to all City departments.

2. Summary of Significant Accounting Policies

Tangible Capital Assets

In compliance with Section 3150 the City records amortization of its assets over their estimated useful lives. The straight-line method of amortization is used. Amortization begins in the year following acquisition, except for major projects with revenue streams, for which amortization begins upon substantial completion.

Asset Useful Lives (In Years)

Distribution System	7
Vehicles	10
Equipment	5

3. Long Term Debt

	Interest Rate %	Maturity Date	2013	2012
Loans Repaid During Year				\$ 109,734
TD Canada Trust	2.94	2014	\$ 13,479	26,407
TD Canada Trust	2.92	2015	52,361	77,453
RBC	2.34	2016	71,348	94,039
Bank of Montreal	5.06	2016	45,765	49,286
Bank of Montreal	4.92	2017	19,320	20,700
TD Canada Trust - 2011	2.17	2017	91,691	113,400
TD Canada Trust - 2012	2.08	2018	125,900	-
TC Canada Trust - 96	3.01	2023	104,555	-
			<u>\$ 524,419</u>	<u>\$ 491,019</u>

Scheduled principal repayments in each of the next five years are as follows:
 2014 - \$119,328; 2015 - \$108,333; 2016 - \$83,533; 2017 - \$60,397; 2018 - \$37,449



Notes to the Summerside Community Network
(Unaudited)
December 31, 2013

4. Tangible Capital Assets

2013

	Cost			Accumulated Amortization			Net Book Value
	Beginning of Year	Additions	Disposals	End of Year	Amortization Expenses	Amortization Adjustments	
Summerside Community Network							
Distribution System	\$ 6,286,643	\$ -	\$ -	\$ 6,286,643	\$ -	\$ -	\$ 6,286,643
Vehicles	102,542	-	-	102,542	-	-	55,404
Equipment	718,283	33,817	-	752,100	117,382	-	488,213
	<u>\$ 7,107,468</u>	<u>\$ 33,817</u>	<u>\$ -</u>	<u>\$ 7,141,285</u>	<u>\$ 117,382</u>	<u>\$ -</u>	<u>\$ 6,830,260</u>

2012

	Cost			Accumulated Amortization			Net Book Value
	Beginning of Year	Additions	Disposals	End of Year	Amortization Expenses	Amortization Adjustments	
Summerside Community Network							
Distribution System	\$ 6,286,643	\$ -	\$ -	\$ 6,286,643	\$ 896,092	\$ -	\$ 6,286,643
Vehicles	102,542	-	-	102,542	10,254	-	55,404
Equipment	622,212	125,912	(29,842)	718,283	107,674	(29,842)	370,831
	<u>\$ 7,011,397</u>	<u>\$ 125,912</u>	<u>\$ (29,842)</u>	<u>\$ 7,107,468</u>	<u>\$ 1,016,020</u>	<u>\$ (29,842)</u>	<u>\$ 6,712,878</u>



Electro Thermal Storage Program
Non-Consolidated Statement of Operations
(Unaudited)
Year Ended December 31

	2013 Actual	2013 Budget	2012 Actual
Sales	\$ 246,005	\$ 261,353	\$ 219,306
Expenses			
Cost of Sales	213,248	207,819	226,224
Administration	11,445	23,550	11,875
Wages and Benefits	85,471	77,102	85,768
Interfund Allocations	(72,335)	(55,268)	(104,821)
Interest on Long Term Debt	4,121	4,095	260
	<u>241,950</u>	<u>257,298</u>	<u>219,306</u>
Financing and Transfers			
Debt Principal Repayments	4,055	4,055	-
Expenses, Financing and Transfers	<u>246,005</u>	<u>261,353</u>	<u>219,306</u>
Change in Revenue Fund Balance	-	-	-
Opening Fund Balance	-	-	-
Closing Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



Electro Thermal Storage Program
Non-Consolidated Revenue Fund Statement of Financial Position
(Unaudited)
December 31

	2013	2012
Financial Assets		
Receivables	\$ 121,046	\$ 44,603
Liabilities		
Payable to Other Funds		
General Revenue Fund	<u>269,781</u>	<u>196,491</u>
NET LIABILITIES	(148,735)	(151,888)
Non-Financial Assets		
Inventories of Materials and Supplies, at Cost	<u>148,735</u>	<u>151,888</u>
NET ASSETS	\$ <u>-</u>	\$ <u>-</u>
Fund Balance	\$ <u>-</u>	\$ <u>-</u>



Electro Thermal Storage Program
Non-Consolidated Capital Fund Statement of Financial Position
(Unaudited)
December 31

	2013	2012
Liabilities		
Long Term Debt (Note 3)	147,245	46,000
Payable to Other Funds	\$	\$
General Revenue Fund	<u>34,299</u>	<u>105,312</u>
NET DEBT	181,544	(151,312)
Non-Financial Assets		
Tangible Capital Assets, Net of Amortization (Note 4)	<u>165,865</u>	<u>146,709</u>
NET ASSETS	\$ (15,679)	\$ (4,603)
Fund Balances		
Investment in Tangible Capital Assets	<u>\$ (15,679)</u>	<u>\$ (4,603)</u>



Electro Thermal Storage Program
Non-Consolidated Statement of Investment in Tangible Capital
Assets
(Unaudited)
December 31

	2013	2012
Long Term Debt Retirement	\$ <u>4,055</u>	\$ <u>-</u>
Deduct:		
Amortization	<u>15,131</u>	<u>4,603</u>
Change in Investment in Tangible Capital Assets	(11,076)	(4,603)
Balance, Beginning of Year	<u>(4,603)</u>	<u>-</u>
Balance, End of Year	\$ <u>(15,679)</u>	\$ <u>(4,603)</u>



Notes to the Electro Thermal Storage Program

(Unaudited)

December 31, 2013

1. Nature of Operations

The Electro Thermal Storage Program offers water, space heating and furnace units capable of short term storage of heat energy. Units are available on a sale, lease or rental basis. Customers of Summerside Electric are eligible for discounted electrical rates which vary based on the specific unit(s) installed.

2. Summary of Significant Accounting Policies

Tangible Capital Assets

In compliance with Section 3150 the City records amortization of its assets over their estimated useful lives. The straight-line method of amortization is used. Amortization begins in the year following acquisition, except for major projects with revenue streams, for which amortization begins upon substantial completion.

Asset Useful Lives (In Years)

Thermal Room Heaters	10
Water Heaters	10
Furnaces	10
Equipment	5

3. Long Term Debt

	Interest Rate %	Maturity Date	2013	2012
TD Canada Trust – 2011 Capital	2.74	2022	41,945	46,000
TD Canada Trust – 2012 Capita	2.63	2023	105,300	-
			<u>\$ 147,245</u>	<u>\$ 46,000</u>

Scheduled principal repayments in each of the next five years are as follows:

2014 - \$13,497; 2015 - \$13,861; 2016 - \$14,235; 2017 - \$14,619; 2018 - \$15,013



Notes to the Electro Thermal Storage Program

(Unaudited)

December 31, 2013

4. Tangible Capital Assets

2013

	Cost			Accumulated Amortization			Net Book Value
	Beginning of Year	Additions	Disposals	End of Year	Beginning of Year	Amortization Expenses	
Equipment	\$ 151,312	\$ 34,287	\$ -	\$ 185,598	\$ 4,603	\$ 15,131	\$ 185,865
							\$ 19,734

2012

	Cost			Accumulated Amortization			Net Book Value
	Beginning of Year	Additions	Disposals	End of Year	Beginning of Year	Amortization Expenses	
Equipment	\$ 46,033	\$ 105,279	\$ -	\$ 151,312	\$ -	\$ 4,603	\$ 146,709