



Consolidated Financial Statements

City of St. John's

December 31, 2015

CITY OF ST. JOHN'S
December 31, 2015

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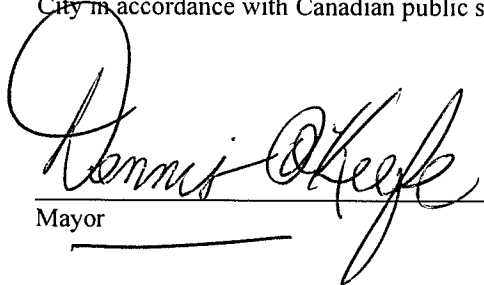
Statement of Responsibility

The accompanying financial statements are the responsibility of the management of the City of St. John's (the "City") and have been prepared in compliance with legislation, and in accordance with generally accepted accounting principles established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

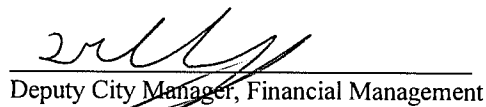
In carrying out its responsibilities, management maintains appropriate systems of internal and administrative controls designed to provide reasonable assurance that transactions are executed in accordance with proper authorization, that assets are properly accounted for and safeguarded, and that financial information produced is relevant and reliable.

Prior to their submission to Council, the City's Audit Committee met with management and its external auditors to review a draft of the financial statements and to discuss any significant financial reporting or internal control matters prior to their approval of the finalized financial statements.

Grant Thornton LLP, as the City's appointed external auditors, has audited the financial statements. The auditor's report is addressed to the Mayor and Councillors and appears on the following page. Their opinion is based upon an examination conducted in accordance with Canadian generally accepted auditing standards, performing such tests and other procedures as they consider necessary to obtain reasonable assurance that the financial statements are free of material misstatement and present fairly the financial position and results of the City in accordance with Canadian public sector accounting standards.



Mayor



Deputy City Manager, Financial Management



Grant Thornton LLP
Suite 300
15 International Place
St. John's, NL
A1A 0L4
T +1 709 778 8800
F +1 709 722 7892
www.GrantThornton.ca

Independent auditors' report

To His Worship the Mayor and Councillors, City of St. John's

We have audited the accompanying consolidated financial statements of the City of St. John's, which comprise the consolidated statement of financial position as at December 31, 2015, and the consolidated statements of operations, change in net debt and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

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

Auditor's responsibility

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

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

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

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the City of St. John's, as at December 31, 2015, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

St. John's, Canada

Grant Thornton LLP

November 7, 2016

Audit • Tax • Advisory
Grant Thornton LLP. A Canadian Member of Grant Thornton International Ltd

Chartered Professional Accountants

CITY OF ST. JOHN'S**Consolidated Statement of Operations and Accumulated Surplus**

Year ended December 31, 2015

	Budget 2015	Actual 2015	Actual 2014
	\$	\$	\$
	(Schedule 8)		
Revenues (Schedule 5)			
Taxation	189,134,830	187,730,985	182,257,671
Grants in lieu of taxes	9,400,000	6,505,174	9,304,382
Grants and transfers	27,362,220	29,306,064	73,121,133
Sales of goods and services	46,269,596	48,586,313	50,779,298
Other revenue from own sources	32,669,312	23,618,179	25,973,929
	<u>304,835,958</u>	<u>295,746,715</u>	<u>341,436,413</u>
Expenditures (Schedule 6)			
General government services	60,038,634	63,982,146	50,708,440
Fiscal services	19,367,423	18,351,617	18,618,248
Transportation services	58,290,864	56,963,278	56,229,553
Protective services	35,297,367	35,038,643	33,828,465
Environmental health services	55,330,288	50,516,222	44,546,450
Recreation and cultural services	28,958,067	28,509,679	29,652,638
Environmental development services	6,731,907	6,983,681	6,474,935
Amortization and allowances	46,090,185	41,994,182	42,933,553
	<u>310,104,735</u>	<u>302,339,448</u>	<u>282,992,282</u>
Excess of (expenditures over revenues) revenues over expenditures	(5,268,777)	(6,592,733)	58,444,131
Accumulated surplus, beginning of year	831,774,256	831,774,256	773,330,125
Accumulated surplus, end of year (Note 12)	<u>826,505,479</u>	<u>825,181,523</u>	<u>831,774,256</u>

See accompanying notes to the consolidated financial statements

CITY OF ST. JOHN'S
Consolidated Statement of Financial Position
As at December 31, 2015

	2015	2014
	\$	\$
Financial assets		
Cash and cash equivalents (Note 2)	40,093,154	1,455,801
Accounts receivable - current (Note 3)	38,492,732	64,090,145
Accounts receivable - long-term (Note 4)	19,605,663	24,847,102
Investment in rental housing projects	199,434	238,328
Portfolio investments (Sinking funds) (Note 12 and Schedule 2)	106,071,312	97,214,142
	204,462,295	187,845,518
Financial liabilities		
Payables and accruals (Note 5 and Note 14)	147,807,162	81,658,614
Employee benefits (Note 6)	191,727,400	176,930,052
Deferred credits	-	60,080
Debenture debt (Note 7 and Schedule 2)	324,500,000	329,500,000
Long-term debt (Note 8)	20,852,382	25,914,819
Trust funds payable	30,851	30,729
	684,917,795	614,094,294
Net debt	(480,455,500)	(426,248,776)
Non-financial assets		
Tangible capital assets (Schedule 1)	1,299,026,575	1,252,958,681
Inventory of materials and supplies	3,066,644	2,889,087
Prepaid expenditures	3,543,804	2,174,308
Unamortized bond discount	-	956
	1,305,637,023	1,258,023,032
Accumulated surplus (Note 12)	825,181,523	831,774,256

Contingencies and commitments (Note 15)

See accompanying notes to the consolidated financial statements

On behalf of Council

Mayor

Deputy City Manager, Financial Management

CITY OF ST. JOHN'S
Consolidated Statement of Changes in Net Debt

Year ended December 31, 2015

	Budget 2015	2015	2014
	\$	\$	\$
Excess of revenues over expenditures	(5,268,777)	(6,592,733)	58,444,131
Changes in tangible capital assets			
Acquisition of tangible capital assets	(139,662,240)	(88,162,624)	(139,662,240)
Net book value of tangible capital assets disposals/adjustments	15,967	35,790	15,967
Amortization of tangible capital assets	42,058,940	42,058,940	40,076,826
Increase in net book value of tangible capital assets	(97,587,333)	(46,067,894)	(99,569,447)
Changes in other non-financial assets			
Change in prepaid expenditures and unamortized bond discounts	-	(1,368,540)	(15,840)
Acquisition of inventory and supplies, net of usage	-	(177,557)	(234,854)
Increase in other non-financial assets	-	(1,546,097)	(250,694)
Increase in net debt	(102,856,110)	(54,206,724)	(41,376,010)
Net debt, beginning of year	(426,248,776)	(426,248,776)	(384,872,766)
Net debt, end of year	(529,104,886)	(480,455,500)	(426,248,776)

See accompanying notes to the consolidated financial statements

CITY OF ST. JOHN'S
Consolidated Statement of Cash Flows
Year ended December 31, 2015

	2015	2014
	\$	\$
Operating transactions		
Excess of revenues over expenditures	(6,592,733)	58,444,131
Non-cash charges to operations:		
Amortization of tangible capital assets	42,058,940	40,076,826
Employee benefits	14,797,348	10,115,912
(Gain) loss on disposal of tangible capital assets	(10,273)	(7,519)
	50,253,282	108,629,350
Net change in other (Note 13)	20,138,828	(1,555,430)
	70,392,110	107,073,920
Capital transactions		
Acquisition of tangible capital assets	(88,162,624)	(139,662,240)
Proceeds from sale of tangible capital assets	46,063	23,486
	(88,116,561)	(139,638,754)
Financing transactions		
Decrease in long-term accounts receivable	5,241,439	5,752,512
Proceeds from long-term debt	-	753,700
Repayment of debenture debt	(5,000,000)	-
Repayment of long-term debt	(5,062,437)	(5,624,673)
Increase (decrease) in bank indebtedness	70,000,000	-
Other	956	1,250
	65,179,958	882,789
Investing transactions		
Increase in sinking fund investments	(8,857,170)	(13,733,704)
Decrease (increase) of short-term investments	-	9,107,000
Increase (decrease) in trust funds payable	122	300
Decrease in investment in rental housing projects	38,894	36,433
	(8,818,154)	(4,589,971)
(Decrease) increase in cash and cash equivalents	38,637,353	(36,272,016)
Cash and cash equivalents, beginning of year	1,455,801	37,727,817
Cash and cash equivalents, end of year	40,093,154	1,455,801

Supplementary cash flow information (Note 13)

See accompanying notes to the consolidated financial statements

CITY OF ST. JOHN'S
Notes to the Consolidated Financial Statements
December 31, 2015

1. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards ("PSAS") as recommended by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants of Canada and reflect the following significant accounting policies:

Basis of consolidation

The consolidated financial statements include all the accounts of the City of St. John's (the "City"), St. John's Transportation Commission and St. John's Sports & Entertainment Ltd., which are wholly-owned and operated by the City. Any inter-company transactions have been eliminated on consolidation. Any internal revenue and expenses for the City's Urban Living Non-Profit Housing Fund, Regional Fire Department, Regional Waste Water System, Robin Hood Bay Regional Waste Management Facility, and Regional Water Supply System have also been eliminated on consolidation.

Revenue recognition

Revenues are recognized as earned and when collection is reasonably assured. Property tax billings are prepared by the City based on the assessed values of the respective property. The tax rates are approved annually by Council.

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

Cash and cash equivalents

Cash and cash equivalents include cash on hand, balances with banks (net of overdrafts) and short-term deposits with original maturities of three months or less. Bank borrowings are considered to be financing activities.

Inventories

Inventories of material and supplies are carried at the lower of cost and net realizable value.

Investments in rental housing projects

Investments in rental housing projects are recorded at cost.

Short-term investments

Short-term investments consist of City bonds and are recorded at cost plus accumulated interest.

CITY OF ST. JOHN'S
Notes to the Consolidated Financial Statements
December 31, 2015

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Tangible capital assets

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

Buildings	25-45 years
Parking spaces - garage	50-75 years
Vehicles	
Transit buses	7-12 years
Vehicles	7-20 years
Computer hardware and software	5 years
Other	
Machinery and equipment	10-30 years
Water and waste plants and networks	
Underground networks	75 years
Sewage treatment plants and lift stations	45 years
Water pumping stations and reservoirs	45 years
Flood stations and other infrastructure	45 years
Waste management facility and infrastructure	10-40 years
Transportation	
Roads	15-35 years
Bridges and structures	50 years

One-half of the annual amortization is charged in the year of acquisition and in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

Contribution of tangible capital assets

Contributions of tangible capital assets are recorded at fair value at the date of receipt. The contribution is recorded as revenue.

Leases

Leases are classified as capital or operating leases. Leases which transfer substantially all the benefits and risks incidental to ownership of property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expense.

Bond discounts

Bond discounts are amortized and expensed over the term of the related bond issue.

CITY OF ST. JOHN'S
Notes to the Consolidated Financial Statements
December 31, 2015

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assessments

Assessments for water and sewer installations and street improvements are recorded on an accrual basis.

Portfolio investments (Sinking funds)

Sinking funds established for the retirement of debentures are held and administered by a third party and accounted for in the City's records on an accrual basis.

Reserve for snow and ice management

The City has established a snow and ice management reserve, to a maximum of \$2,000,000, to accumulate funds to be used in years of severe winter conditions.

Reserve for Civic Centre financing

The City has established a Civic Centre financing reserve to accumulate its share of revenue received from the accommodation tax. The accommodation tax, which was legislated effective January 1, 1999, represents a four percent room levy on all fixed roof accommodations in the City of St. John's. The funds in the reserve are used to reduce the debt related to the construction of the St. John's Convention Centre and to pay for capital improvements for the facility.

Solid waste landfill closure and post-closure costs

The liability for closure and post-closure care of the City's Robin Hood Bay landfill is recognized as the landfill site's capacity is used. Closure costs are included in annual operating costs as each section of the landfill site is filled and placed out of service. The present value of the estimated annual post-closure costs is being accrued over the remaining life of the landfill site.

Severance & Accrued Sick Leave Benefits

The cost and obligation of severance and accrued non-vesting sick leave benefits earned by employees are actuarially determined using the projected accrued benefit method prorated on service and management's best estimate of assumptions of future service, future benefit usage, salary changes, and retirement ages of those employees.

The discount rate used for determining the benefit obligation is the City's cost of borrowing.

Past service costs resulting from changes to these benefits are recognized at the date of amendment.

CITY OF ST. JOHN'S
Notes to the Consolidated Financial Statements
December 31, 2015

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accrued pension benefits

The cost and obligation of pension benefits, earned by employees and members of Council, are actuarially determined using the accrued benefit method prorated on service and management's best estimate of assumptions of future investment returns for funded plans, salary changes and retirement ages of employees. For the purpose of calculating the expected return on plan assets, those assets are valued at fair value.

The discount rate used for determining the benefit obligation is the expected rate of return on plan assets or the City's cost of borrowing.

Past service costs resulting from plan amendments are recognized at the date of amendment.

The excess of the net actuarial gain (loss) is amortized over the average remaining service period of active employees which is 15 years for the employee plan and 2 years for the Mayor and Councillors' plan.

Employee future benefits

The City provides post-retirement benefits in the form of extended life and health coverage to employees. The cost and obligations of these benefits earned by employees are actuarially determined using the accrued benefit method prorated on service and management's best estimate of assumptions and future claim rates and costs. There is no requirement to fund these future obligations on a current basis.

Use of estimates

In preparing the City's financial statements in conformity with PSAS, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and reported amounts of revenue and expenses during the year. Items subject to management estimate include allowance for doubtful accounts, useful life of tangible capital assets, impairment of assets, employee future benefits, and closure and post-closure costs related to Robin Hood Bay Landfill. Actual results could differ from these estimates.

CITY OF ST. JOHN'S
Notes to the Consolidated Financial Statements
December 31, 2015

2. CASH AND CASH EQUIVALENTS

	2015	2014
	\$	\$
Cash (bank indebtedness)	22,784,442	(14,323,939)
Restricted cash deposits:		
Accommodation tax	2,761,063	1,915,391
Robin Hood Bay post closure costs (Note 16)	8,128,564	6,808,671
Robin Hood Bay equipment replacement	3,373,898	3,185,284
Convention Centre equipment replacement	-	1,218,720
Riverhead waste/water equipment replacement	851,599	703,082
Advance payments from developers	30,851	30,593
Urban living non-profit housing:		
Tenants' security deposits	107,628	106,781
Replacement reserve fund	2,055,109	1,811,218
	17,308,712	15,779,740
	40,093,154	1,455,801

The City has agreements with Canada Mortgage and Housing Corporation ("CMHC") and Newfoundland and Labrador Housing Corporation ("NLHC") which stipulate that cash be set aside for a replacement reserve fund. As at December 31, 2015 the City held cash of \$2,055,109 (2014-\$1,811,218).

3. ACCOUNTS RECEIVABLE – CURRENT

	2015	2014
	\$	\$
Taxes	14,661,969	17,949,113
Other governments	17,914,146	36,366,537
Other	5,916,617	9,774,495
	38,492,732	64,090,145

CITY OF ST. JOHN'S
Notes to the Consolidated Financial Statements
December 31, 2015

4. ACCOUNTS RECEIVABLE - LONG-TERM

The Government of Canada, through CMHC, has agreed to pay grants to the City as a share of the cost of the Rennie's River trunk sewer. The Province of Newfoundland and Labrador has agreed to pay grants to the City as a share of the costs of water and sewer, street paving and reconstruction, and recreational facilities. These grants are payable by annual instalments and have maturity dates to December, 2026.

	2015	2014
	\$	\$
Government of Canada		
Rennie's River trunk sewer	60,403	136,100
Government of Newfoundland and Labrador		
Water and sewer projects	15,804,823	19,567,206
Civic Centre	2,045,437	3,941,112
	17,850,260	23,508,318
Other		
Federation of Canadian Municipalities - interest grant	-	60,080
Civic assessments	1,695,000	1,142,604
	1,695,000	1,202,684
	19,605,663	24,847,102

The Federal and Provincial governments' share of cost shared loans is recorded in the accounts of the City as debt charges recoverable. For the next five years the amounts are as follows:

	Federal	Provincial	Total
	\$	\$	\$
2016	28,765	5,705,813	5,734,578
2017	31,638	3,535,491	3,567,129
2018	-	3,349,218	3,349,218
2019	-	2,588,221	2,588,221
2020	-	1,734,096	1,734,096
Thereafter		937,421	937,421

CITY OF ST. JOHN'S
Notes to the Consolidated Financial Statements
December 31, 2015

5. PAYABLES AND ACCRUALS

	2015	2014
	\$	\$
Trade	51,290,017	56,884,806
Deposits and prepayments	23,723,385	21,887,857
Accrued interest	2,573,993	2,703,664
Other governments	219,767	182,287
	77,807,162	81,658,614

6. EMPLOYEE BENEFITS

	2015	2014
	\$	\$
Employee future benefits (Note 10)	138,826,989	123,647,725
Accrued pension benefits (Note 9)	25,777,399	27,601,872
Severance & sick leave benefits (Note 11)	27,123,012	25,680,455
	191,727,400	176,930,052

7. DEBENTURE DEBT

	2015	2014
	\$	\$
Debenture debt outstanding (Schedule 2)	324,500,000	329,500,000
Less: debt charges recoverable from the Province of Newfoundland and Labrador (Schedule 2)	15,804,823	19,567,206
Less: portfolio investments (sinking funds) available (Schedule 2)	106,071,312	97,214,142
	202,623,865	212,718,652

CITY OF ST. JOHN'S
Notes to the Consolidated Financial Statements
December 31, 2015

7. DEBENTURE DEBT (Continued)

The annual requirements over the next five years and thereafter relating to scheduled sinking funds less debt charges recoverable from the Province of Newfoundland and Labrador (the "Province") are as follows:

Year	Scheduled Sinking Fund Requirements \$	Province of Newfoundland and Labrador \$	Net Amount \$
2016	8,112,500	(3,660,376)	4,452,124
2017	8,112,500	(3,535,491)	4,577,009
2018	8,112,500	(3,349,218)	4,763,282
2019	8,112,500	(2,588,221)	5,524,279
2020	8,112,500	(1,734,096)	6,378,404
Thereafter	60,281,250	(937,421)	59,343,829

8. LONG-TERM DEBT

	2015 \$	2014 \$
Long-term debt (Schedule 3)	2,168,104	6,216,001
Mortgages - Urban living non-profit housing (Schedule 4)	9,590,278	11,125,258
St. John's Transportation Commission	9,094,000	8,573,560
	20,852,382	25,914,819
Less: debt charges recoverable (Schedule 3)	(2,105,840)	(4,077,212)
	18,746,542	21,837,607

CITY OF ST. JOHN'S
Notes to the Consolidated Financial Statements
December 31, 2015

8. LONG-TERM DEBT (Continued)

Annual principal repayments over the next five years and thereafter relating to retirement of long-term debt are as follows:

Year	Long-term Debt	Non-Profit Housing Mortgages	St. John's Transportation Commission	Newfoundland and Labrador and Canada Share	Net Amount
	\$	\$	\$	\$	\$
2016	2,103,862	1,559,871	9,094,000	(2,074,202)	10,683,531
2017	64,243	1,594,302	-	(31,638)	1,626,907
2018	-	1,478,577	-	-	1,478,577
2019	-	1,101,094	-	-	1,101,094
2020	-	796,068	-	-	796,068
Thereafter	-	3,060,365	-	-	3,060,365

The Province's portion of cost shared loans is recorded in the accounts of the City as debt charges recoverable in accounts receivable.

Mortgages of the Urban Living Non-Profit Housing Fund are secured by specific rental properties situated in St. John's and an assignment of rental income.

The Commission has, guaranteed by the City, a \$15,000,000 credit facility, which was renewed on April 29, 2016, bearing interest at 1.94% and matures on May 30, 2016. Under the terms of its lending arrangements, the Commission issues bankers acceptances. At December 31, 2015 the outstanding banker's acceptances bear interest at 1.87% and mature on January 29, 2016.

9. ACCRUED PENSION BENEFITS

	2015	2014
	\$	\$
City of St. John's - Employees	21,956,700	24,451,500
City of St. John's - Mayor and Councillors	4,102,500	3,573,000
St. John's Transportation Commission	(281,801)	(422,628)
	25,777,399	27,601,872

CITY OF ST. JOHN'S
Notes to the Consolidated Financial Statements
December 31, 2015

9. ACCRUED PENSION BENEFITS (Continued)

Pension plans

The City maintains a defined benefit plan which provides pension benefits to its employees and the employees of St. John's Sports & Entertainment Ltd. The City also maintains a supplementary retirement arrangement for the members of Council. Both plans provide benefits based on length of service and average earnings.

An actuarial valuation of the plans was completed as at December 31, 2012 for Council, December 31, 2014 for employees and extrapolated to December 31, 2015.

	Employees	Mayor and Councillors	Supplementary Plan	2015	2014
	\$	\$		\$	\$
<i>Accrued benefit obligation</i>					
Balance, beginning of year	313,017,100	4,222,100	115,100	317,354,300	283,528,400
Current service cost	14,143,600	96,000	4,500	14,244,100	13,031,800
Interest cost	17,316,000	150,400	4,200	17,470,600	16,393,700
Benefits paid	(10,711,700)	(182,300)	-	(10,894,000)	(8,709,100)
Cost of plan amendments	807,700	-	-	807,700	94,400
Past services and Flexible Ancillary Benefit					
Account ("FABA") contributions	71,100	-	-	71,100	312,500
Actuarial loss (gain)	(4,285,900)	(81,400)	423,400	(3,943,900)	12,702,600
Balance, end of year	330,357,900	4,204,800	547,200	335,109,900	317,354,300
<i>Plan assets</i>					
Fair value, beginning of year	254,807,100	-	-	254,807,100	218,303,400
Return on plan assets	17,127,900	-	-	17,127,900	23,599,100
Benefits paid	(10,711,700)	-	-	(10,711,700)	(8,536,300)
City contributions to plan	17,481,900	-	-	17,481,900	15,492,900
Past services and FABA contributions	878,800	-	-	878,800	312,500
Employee contributions to plan	6,045,300	-	-	6,045,300	5,635,500
Fair value, end of year	285,629,300	-	-	285,629,300	254,807,100
Funded status - deficit	(44,728,600)	(4,204,800)	(547,200)	(49,480,600)	(62,547,200)
Unamortized amounts	22,889,500	102,300	429,600	23,421,400	34,522,700
Accrued benefit liability	(21,839,100)	(4,102,500)	(117,600)	(26,059,200)	(28,024,500)

CITY OF ST. JOHN'S
Notes to the Consolidated Financial Statements
December 31, 2015

9. ACCRUED PENSION BENEFITS (Continued)

	Employees	Mayor and Councillors	Supplementary Plan	2015	2014
	\$	\$		\$	\$
<i>Significant assumptions used for 2015</i>					
Discount rate	5.75%	3.80%	3.80%		
Expected long-term rate of return on plan assets	5.75%	-	-		
Rate of compensation increase	4.00%	4.00%	4.00%		
Average remaining service period of active employees	15 years	2 years	3 years		
<i>Significant assumptions used for 2014</i>					
Discount rate	5.50%	3.60%	3.60%		
Expected long-term rate of return on plan assets	5.50%				
Rate of compensation increase	3.00%	3.00%	3.00%		
Average remaining service period of active employees	15 years	2 years	2 years		
<i>Net benefit expense for the year</i>					
Current service cost	14,143,600	96,000	4,500	14,244,100	13,031,800
Interest cost	17,316,000	150,400	4,200	17,470,600	16,483,800
Amortization of losses	3,930,300	465,400	6,300	4,402,000	4,106,500
Employee contributions	(6,045,300)	-		(6,045,300)	(5,635,500)
Expected return on plan assets	(14,372,500)	-		(14,372,500)	(12,923,500)
Net benefit expense	14,972,100	711,800	15,000	15,698,900	15,063,100

CITY OF ST. JOHN'S
Notes to the Consolidated Financial Statements
December 31, 2015

9. ACCRUED PENSION BENEFITS (Continued)

St. John's Transportation Commission ("Commission")

Defined benefit pension plans

The Commission maintains two defined benefit plans which provide pension benefits to its union and non-union employees. The plans provide benefits based on length of service and average earnings.

Based on an actuarial valuation of the plans completed as at December 31, 2014, the following results have been extrapolated to December 31, 2015:

	2015	2014
	\$	\$
<i>Accrued benefit obligation</i>		
Balance, beginning of year	45,739,400	38,456,956
Current service cost	1,946,589	1,556,743
Interest cost	2,490,539	2,379,200
Benefits paid	(1,463,522)	(1,400,125)
Participant contributions	32,906	35,534
Actuarial loss (gain) on accrued benefit obligation	(219,522)	4,711,092
Balance, end of year	48,526,390	45,739,400
<i>Plan assets</i>		
Fair value, beginning of year	39,446,927	33,156,495
Return on plan assets	2,376,554	4,054,540
Benefits paid	(1,463,521)	(1,400,125)
Employer contributions to plan	2,038,103	2,910,924
Employee contributions to plan	736,925	725,093
Fair value, end of year	43,134,988	39,446,927
Funded status (deficit)	(5,391,402)	(6,292,473)
Unamortized amounts	5,673,203	6,715,101
Accrued benefit asset (liability)	281,801	422,628
<i>Significant assumptions used</i>		
Discount rate	5.25%	5.50%
Expected long-term rate of return on plan assets	5.50%	6.25%
Rate of compensation increase	3.50%	3.50%
Average remaining service period of active employees	15.7 years	16.1 years

CITY OF ST. JOHN'S
Notes to the Consolidated Financial Statements
December 31, 2015

9. ACCRUED PENSION BENEFITS (Continued)

	2015	2014
	\$	\$
<i>Net benefit expense for the year</i>		
Current service cost	1,946,589	1,556,743
Interest cost	2,490,539	2,379,200
Amortization of losses	620,153	392,560
Liability increase due to flexible contributions	32,906	35,534
Employee contributions	(736,925)	(725,093)
Expected return on plan assets	(2,174,331)	(2,115,958)
Net benefit expense	2,178,931	1,522,986

During 2014 the City agreed on a new pension plan structure for all union and non-union groups except the International Association of Firefighters Local 1075. This agreement will see the defined benefit pension plan effectively closed to new entrants as of January 1, 2015. Employees in the defined benefit plan as of that date will continue to accrue benefits under the defined benefit plan. Employees hired on or after January 1, 2015 will be enrolled into a defined contribution pension plan.

CITY OF ST. JOHN'S
Notes to the Consolidated Financial Statements
December 31, 2015

10. EMPLOYEE FUTURE BENEFITS

The City and the Commission provide post-retirement health and life benefits to their retired employees. The numbers presented below are based on an extrapolation from the actuarial valuation dated December 31, 2013 for the City and as at December 31, 2015 for the Commission.

	City	Commission	2015 Total	2014 Total
	\$	\$	\$	\$
<i>Accrued benefit obligation</i>				
Balance, beginning of year	157,883,400	12,172,585	170,055,985	135,333,268
Current service cost	6,588,400	439,793	7,028,193	5,230,154
Interest cost	5,746,400	441,039	6,187,439	6,134,738
Estimated claims and expenses	(3,111,200)	(282,803)	(3,394,003)	(3,242,173)
Impact of plan amendments	-	-	-	-
Actuarial loss (gain) on accrued benefit obligation	(6,247,000)	1,026,380	(5,220,620)	26,599,998
Balance, end of year	160,860,000	13,796,994	174,656,994	170,055,985
Funded status - deficit	160,860,000	13,796,994	174,656,994	170,055,985
Unamortized amounts	(32,405,900)	(3,424,105)	(35,830,005)	(46,408,260)
Accrued benefit liability	128,454,100	10,372,889	138,826,989	123,647,725
<i>Significant assumptions used for 2015</i>				
Discount rate	3.80%	3.60%		
Average remaining service period of active employees	12 years	13.9 years		
<i>Significant assumptions used for 2014</i>				
Discount rate	3.60%	4.50%		
Average remaining service period of active employees	12 years	14.8 years		
<i>Net benefit expense for the year</i>				
Current service cost	6,588,400	439,793	7,028,193	5,230,154
Cost of plan amendments	-	-	-	-
Amortization of actuarial losses	5,119,000	238,635	5,357,635	3,171,380
Interest cost	5,746,400	441,039	6,187,439	6,134,738
Net benefit expense	17,453,800	1,119,467	18,573,267	14,536,272

CITY OF ST. JOHN'S
Notes to the Consolidated Financial Statements
December 31, 2015

11. SEVERANCE AND SICK LEAVE BENEFITS

The City provides severance for employees hired before December 31, 1979 as a payout of their accumulated sick leave upon retirement or termination. Severance for those hired after December 31, 1979 consists of one week's salary for each year worked and is only paid upon retirement. These employees are also allowed to accumulate sick leave which is non-vesting.

As of June 1, 2015, retiring employees of the St. John's Transportation Commission who have completed at least 10 years of services will be paid a severance equal to 1 day for each year of service. The liability at December 31, 2015 is \$359,674 (2014 - \$Nil).

Sick pay benefits accrue to employees of the St. John's Transportation Commission at the rate of 12 days per year. Employees can accumulate up to 30 days of sick pay benefits to be paid to them upon retirement, termination, or illness. Any excess is paid out to the employee annually. The liability at December 31, 2015 is \$883,026 (2014 - \$809,880).

Based on an actuarial valuation completed for the City as at December 31, 2013, the following results have been extrapolated to December 31, 2015:

	Severance	Sick leave	2015 Total	2014 Total
	\$	\$	\$	\$
<i>Accrued benefit obligation</i>				
Balance, beginning of year	19,499,820	6,206,697	25,706,517	23,075,810
Current period benefit cost	1,215,110	708,701	1,923,811	1,694,923
Interest cost	701,279	223,473	924,752	1,035,103
Benefits payments/contributions	(1,254,789)	(706,917)	(1,961,706)	(1,841,935)
Loss (gain) on benefits obligation	(1,987)	50,150	48,163	1,742,616
Balance, end of year	20,159,433	6,482,104	26,641,537	25,706,517
Funded status - deficit	20,159,433	6,482,104	26,641,537	25,706,517
Unamortized amounts	(961,809)	(251,988)	(1,213,797)	(1,271,720)
Accrued benefit liability	19,197,624	6,230,116	25,427,740	24,434,797
<i>Significant assumptions used</i>				
Discount rate			3.80%	3.60%
Average remaining service period of active employees	12 years	14.8 years		
<i>Net benefit expense for the year</i>				
Current period benefit cost	1,215,110	708,701	1,923,811	1,694,923
Amortization of actuarial (gains) losses	87,742	18,344	106,086	(39,132)
Interest cost	701,279	223,473	924,752	1,035,103
Net benefit expense	2,004,131	950,518	2,954,649	2,690,894

CITY OF ST. JOHN'S
Notes to the Consolidated Financial Statements
December 31, 2015

11. SEVERANCE AND SICK LEAVE BENEFITS (Continued)

St. John's Sports and Entertainment

St. John's Sports and Entertainment provides severance for full time employees and part time box office employees consisting of one week's salary for each year of service and is only paid upon retirement.

Sick leave benefits accrue to employees at the rate of 12 hours per month up to a maximum of 2,080 hours.

The following are the results of an actuarial valuation completed as of December 31, 2015. Prior to 2015 the cost of severance and sick leave benefits for St. John's Sports & Entertainment Ltd. had been prorated based on the City's actuarial valuation adjustment resulting in a liability of \$435,778 at December 31, 2014.

	Severance	Sick leave	2015 Total
	\$	\$	\$
<i>Accrued benefit obligation</i>			
Balance, beginning of year	326,190	109,588	435,778
Current period benefit cost	32,374	15,533	47,907
Interest cost	13,555	3,428	16,983
Benefits payments/contributions	(37,350)	(13,882)	(51,232)
Loss (gain) on benefits obligation	36,830	(17,470)	19,360
Balance, end of year	371,599	97,197	468,796
Funded status - deficit	371,599	97,197	468,796
Unamortized amounts	(32,427)	16,203	(16,224)
Accrued benefit liability	339,172	113,400	452,572
<i>Significant assumptions used</i>			
Discount rate			3.80%
Average remaining service period of active employees			12 years
<i>Net benefit expense for the year</i>			
Current period benefit cost	32,374	15,533	47,907
Amortization of actuarial (gains) losses	4,403	(1,267)	3,136
Interest cost	13,555	3,428	16,983
Net benefit expense	50,332	17,694	68,026

CITY OF ST. JOHN'S
Notes to the Consolidated Financial Statements
December 31, 2015

12. ACCUMULATED SURPLUS

	2015	2014
	\$	\$
Accumulated surplus, beginning of year	831,774,256	773,330,125
Excess of (expenditures over revenues)		
revenues over expenditures	(6,592,733)	58,444,131
Accumulated surplus, end of year	825,181,523	831,774,256
Appropriated surplus		
Sinking fund - reserve for retirement of debentures	106,071,312	97,214,142
Reserve for Shoal Bay treatment plant	448,180	403,360
Reserve for landfill capital improvements	2,640,597	7,863,587
Urban living non-profit housing - replacement reserve	2,055,109	1,811,218
Reserve for snow and ice management	2,000,000	2,000,000
Reserve for salt savings	1,096,591	1,096,591
Reserve for Civic Centre financing	3,326,174	3,925,919
Reserve for capital	24,233,114	21,127,095
Reserve for employee benefits stabilization fund	1,997,091	1,985,775
Reserve for Robin Hood Bay equipment replacement	3,373,898	3,185,285
Reserve for Robin Hood Bay post-closure costs (Note 16)	8,128,564	6,808,671
Reserve for Riverhead Waste/water equipment replacement	851,599	703,082
	156,222,229	148,124,725
Unappropriated surplus	668,959,294	683,649,531
	825,181,523	831,774,256

13. SUPPLEMENTARY CASH FLOW INFORMATION

	2015	2014
	\$	\$
Changes in other balances:		
Accounts receivable	25,597,414	(8,839,695)
Inventory of materials and supplies	(177,557)	(234,854)
Prepaid expenditures	(1,369,496)	(17,089)
Payables and accruals	(3,851,453)	7,656,368
Deferred credits	(60,080)	(120,160)
	20,138,828	(1,555,430)
Interest paid	18,271,553	18,541,313

CITY OF ST. JOHN'S
Notes to the Consolidated Financial Statements
December 31, 2015

14. INTERIM FINANCING

The City has demand facilities with the Royal Bank totalling \$70,000,000 (2014 - \$30,000,000), bearing interest on advances at Royal Bank prime rate minus 0.5%. Drawings on the facility at December 31, 2015 were \$70,000,000 (2014 - \$Nil).

15. CONTINGENCIES AND COMMITMENTS

Expropriation and other claims

The City has received notices of claims. No provision has been made for these claims either because the City is not expected to incur any significant liability, or because an estimate of loss, if any, is not determinable at this time

The Commission is contingently liable for claims below \$50,000 which are not covered under its current insurance policy.

Lease commitments

Under the terms of long-term operating leases on equipment, the City is required to make annual lease payments for the next five years:

2016	2,277,399
2017	2,155,997
2018	1,642,056
2019	1,361,709
2020	1,164,288
Thereafter	8,601,448

Greenbelt Tennis Club

The City has guaranteed a loan of \$150,000 for the replacement of an air supported structure.

CITY OF ST. JOHN'S
Notes to the Consolidated Financial Statements
December 31, 2015

16. ROBIN HOOD BAY CLOSURE AND POST-CLOSURE COSTS

The liability for closure and post-closure care of the Robin Hood Bay landfill is recognized as the landfill site's capacity is used. Closure costs include the final cover and landscaping while post-closure costs include cap maintenance, groundwater and leachate monitoring, continued gas management operations, inspections and annual reports. The liability recognized in the consolidated financial statement is subject to measurement uncertainty. The recognized amounts are based on the City's best information and judgement. Amounts could materially change in the long-term.

Estimated closure and post-closure costs over the next 35 years	\$47,000,000
Discount rate	5%
Discounted cost	\$9,394,009
Expected year capacity will be reached	2049
Percent utilized	17.5%
Liability based on the percentage utilized	\$1,643,952

The tipping fees charged by the City to all users, including the City itself, other municipalities and commercial users include a provision for closure and post-closure costs which is contributed to an interest-bearing reserve to accumulate the funds that will be required at each closure and post-closure phase. The balance in the reserve at December 31, 2015 was \$8,128,564 (2014 - \$6,808,671).

17. SEGMENTED INFORMATION

The Consolidated Statement of Operations and Accumulated Surplus has been prepared in accordance with PSAB Handbook Section 2700 (PS 2700) Segment Disclosures. The segments selected enhance the ability to understand the City's major revenue and expense activities. (Schedule 7)

For each reported segment, revenues and expenses represent amounts directly attributable to each segment. The segments have been selected based on there being a functional difference within the segments. Each segment has its own budget and financial reporting process. The segments include:

City of St. John's includes those operations primarily funded through property tax revenues.

Non Profit Housing includes revenues and expenses related to the provision of housing to qualifying individuals. This segment includes Federal assistance through Canada Mortgage and Housing Corporation as well as through Newfoundland and Labrador Housing Corporation to reduce the operating costs for certain City projects.

CITY OF ST. JOHN'S
Notes to the Consolidated Financial Statements
December 31, 2015

17. SEGMENTED INFORMATION (Continued)

St. John's Transportation Commission includes those revenues and expenses related to provision of public transit services.

St. John's Sports & Entertainment Ltd. includes those revenues and expenses related to the operation of Mile One Centre and the St. John's Convention Centre.

18. EXPENDITURES BY OBJECT

	2015	2014
	\$	\$
Personnel	151,755,854	136,511,055
Contractual services	53,044,792	47,181,126
Materials and supplies	24,135,060	25,955,721
Grants and subsidies	6,373,767	6,263,272
Financial charges	22,162,021	21,182,269
Amortization and allowances	41,994,182	42,933,553
Other	2,873,772	2,965,286
	302,339,448	282,992,282

19. SUBSEQUENT EVENTS

On March 24, 2016, the City of St. John's issued 4.215% non-callable sinking fund bonds in the principal amount of \$120,000,000. These bonds are due to mature March 24, 2036.

CITY OF ST. JOHN'S

Consolidated Schedule of Tangible Capital Assets

Year Ended December 31, 2015

Schedule 1

	Land	Buildings & Permanent Improvements		Capital Lease-Parking Spaces	Roads & Underground Networks		Equipment, Vehicles & Moveable Plant	Fire Department Buildings & Equipment	Work in Process	Urban Living Non-profit Housing Buildings		2014 Totals
		\$	\$		\$	\$				\$	\$	
Cost												
Balance, beginning of year	57,582,699	332,039,273	5,104,167	869,345,649	194,672,271	28,280,796	133,801,132	45,867,132	1,666,693,119	1,529,460,450		
Add: Additions during the year	2,014,744	61,697,559	3,348,000	33,963,285	13,279,875	403,362	88,640,975	-	203,347,800	220,266,936		
Less: Disposals during the year	-	-	-	-	(2,654,261)	(7,512)	-	-	(2,661,773)	(2,429,571)		
Adjustments	-	-	-	-	-	-	(115,185,175)	-	(115,185,175)	(80,604,696)		
Balance, end of year	59,597,443	393,736,832	8,452,167	903,308,934	205,297,885	28,676,646	107,256,932	45,867,132	1,752,193,971	1,666,693,119		
Accumulated amortization												
Balance, beginning of year	-	77,187,109	51,042	222,017,782	86,544,579	9,184,316	-	18,749,610	413,734,438	376,071,216		
Add: Additions during the year	-	9,005,857	124,403	19,243,740	11,466,457	983,534	-	1,234,949	42,058,940	40,076,826		
Less: Disposals during the year	-	-	-	-	(2,618,470)	(7,512)	-	-	(2,625,982)	(2,413,604)		
Adjustments	-	-	-	-	-	-	-	-	-	-		
Balance, end of year	-	86,192,966	175,445	241,261,522	95,392,566	10,160,338	-	19,984,559	453,167,396	413,734,438		
Net book value of tangible capital assets	59,597,443	307,543,866	8,276,722	662,047,412	109,905,319	18,516,308	107,256,932	25,882,573	1,299,026,575	1,252,958,681		

CITY OF ST. JOHN'S
Consolidated Schedule of Debenture Debt
December 31, 2015

Schedule 2

Date of Maturity	Interest Rate	Amount Issued	Amount Outstanding	2015		2014	
				Sinking Funds Available	Sinking Fund Requirement in 2016	Sinking Funds Available	Sinking Fund Requirement in 2015
		\$	\$	\$	\$	\$	\$
Oct. 2015	9.400%	5,000,000	-	1,022	-	5,065,346	125,000
Dec. 2020	6.840%	7,000,000	7,000,000	5,450,716	175,000	5,119,506	175,000
Dec. 2021	7.380%	15,000,000	15,000,000	10,921,691	375,000	9,890,932	375,000
Apr. 2022	7.250%	16,500,000	16,500,000	10,486,157	412,500	9,397,935	412,500
Feb. 2023	6.680%	11,000,000	11,000,000	7,478,232	275,000	6,719,368	275,000
Feb. 2024	6.162%	25,000,000	25,000,000	13,354,435	625,000	11,903,094	625,000
June 2025	5.534%	18,000,000	18,000,000	8,704,253	450,000	7,691,773	450,000
Mar. 2026	5.300%	25,000,000	25,000,000	9,954,808	625,000	8,706,186	625,000
Dec. 2026	4.975%	35,000,000	35,000,000	19,653,206	875,000	16,989,648	875,000
Dec. 2027	5.400%	15,000,000	15,000,000	3,743,362	375,000	3,197,331	375,000
Nov. 2029	5.539%	27,000,000	27,000,000	4,748,414	675,000	3,859,441	675,000
Aug. 2031	4.622%	70,000,000	70,000,000	9,231,223	1,750,000	7,155,335	1,750,000
Dec. 2033	4.500%	60,000,000	60,000,000	2,343,793	1,500,000	1,518,247	1,500,000
		329,500,000	324,500,000	106,071,312	8,112,500	97,214,142	8,237,500

For the debenture debt that matures in 2021, 2023, 2024, 2025, and 2026, there are debt recoverable charges from the Province of Newfoundland and Labrador of \$322,153, \$1,793,003, \$3,398,563, \$3,418,010 and \$6,873,094 respectively, for a total of \$15,804,823.

CITY OF ST. JOHN'S
Consolidated Schedule of Long-Term Debt
December 31, 2015

Schedule 3

				2015		2014 ⁵	
	Date of Maturity	Interest Rate	Amount Issued	Amount Outstanding	Principal Requirement in 2016	Amount Outstanding	Principal Requirement in 2015
			\$	\$	\$	\$	\$
Canada Mortgage and Housing Corporation							
Rennies River trunk sewer	Oct. 2015	10.375%	1,011,991	-	-	99,088	99,088
Rennies River trunk sewer	Oct. 2017	9.750%	681,350	120,807	57,530	173,112	52,305
Wedgewood Park water and sewer	Jan. 2017	7.875%	12,410	1,860	894	2,689	828
Federation of Canadian Municipalities							
Harbour Sewage Treatment Plant	Aug. 2015	2.450%	15,000,000	-	-	1,500,000	1,500,000
Harbour Sewage Treatment Plant	Dec. 2015	2.660%	5,000,000	-	-	500,000	500,000
Newfoundland Municipal Financing Corporation							
Mile One Stadium	Sept. 2016	7.750%	19,006,737	2,045,437	2,045,438	3,941,112	1,895,675
			40,712,488	2,168,104	2,103,862	6,216,001	4,047,896

For the long-term debt that matures from 2016 to 2017, there are debt recoverable charges from the Province of Newfoundland and Labrador of \$2,045,437 and a debt recoverable charges from the Government of Canada of \$60,403, for a total of \$2,105,840.

CITY OF ST. JOHN'S
Consolidated Schedule of Mortgages - Urban Living
Non-Profit Housing

Schedule 4

December 31, 2015

	Date of Maturity	Interest Rate	Amount Issued	2015 Amount Outstanding	2014 Amount Outstanding
			\$	\$	\$
Newfoundland & Labrador Housing Corporation					
Hamlyn Road	Aug. 1, 2022	2.040%	2,207,290	751,388	855,568
Infill 1987	Apr. 1, 2023	2.040%	2,070,285	766,687	862,658
Gear Street - Infill 1988	Sept. 1, 2025	2.040%	1,929,560	890,156	971,875
Brookfield Road	Dec. 1, 2025	2.040%	2,203,600	1,030,922	1,122,956
Cochrane Street	Nov. 1, 2027	1.710%	745,887	384,306	414,306
Infill 1990	Nov. 1, 2026	1.640%	1,628,008	778,286	842,884
Campbell Avenue	Feb. 1, 2028	1.620%	968,952	519,523	557,869
Infill 1992	Dec. 1, 2028	2.040%	1,682,553	807,545	861,274
Canada Mortgage and Housing Corporation					
Forest Road	Jan. 1, 2018	1.620%	1,647,890	210,098	308,582
Cuckholds Cove Road	Apr. 1, 2018	1.670%	804,200	111,979	158,659
Infill 1982	July 1, 2018	2.350%	651,550	102,052	139,936
Rawlins Cross	Dec. 1, 2018	2.110%	1,249,485	222,376	293,456
Hamilton Avenue - Riverhead Towers	Feb. 1, 2019	1.920%	3,736,230	668,493	871,319
Fahey's Row - Infill 1983	May 1, 2019	1.820%	962,163	200,138	256,415
Alexander Street - Hamilton Avenue	June 1, 2019	1.820%	1,920,998	406,649	518,186
Carnell Street - Larkin Square	Jan. 1, 2020	1.120%	1,910,065	467,071	579,712
Carter's Hill	Jan. 1, 2020	1.390%	1,406,630	351,542	433,235
Infill 1985	Apr. 1, 2021	2.260%	880,530	270,254	317,410
Carter's Hill - Sebastian Court	Aug. 1, 2021	1.800%	2,031,175	650,813	758,958
			30,637,051	9,590,278	11,125,258
Current portion				1,559,871	1,524,548

Mortgages are secured by specific rental properties situated in St. John's and assignment of rental income.

CITY OF ST. JOHN'S
Consolidated Schedule of Revenues
Year ended December 31, 2015

Schedule 5

	2015	2014
	\$	\$
Taxation		
Real property and business	146,685,738	141,632,410
Water	30,596,451	30,251,699
Utility	7,362,574	7,076,743
Accommodation	3,086,222	3,296,819
	187,730,985	182,257,671
Grants in lieu of taxes		
Government of Canada	2,864,567	5,142,961
Government of Canada agencies	619,439	1,008,521
Water tax grant	3,021,168	3,152,900
	6,505,174	9,304,382
Grants and transfers		
Government of Canada		
Capital grant	6,372,187	8,244,527
St. John's Transportation Commission	106,178	56,414
Gas tax rebate	4,291,477	2,145,739
Government of Newfoundland and Labrador		
Municipal capital grant	13,468,295	24,863,904
Capital Grant - Non-Profit Housing	61,513	319,728
Recovery of debt charges	1,143,886	1,309,296
Rental housing projects	1,256,181	1,123,362
City of Mount Pearl public transit contribution	1,013,657	1,066,145
Capital contribution from Developers	375,000	32,050,555
Other capital grants	303,284	473,323
Real Program Grants / ACOA	914,406	1,468,140
	29,306,064	73,121,133
Sales of goods and services		
Environmental health services		
Water sales - commercial and shipping	7,808,828	8,905,041
Tipping fees	11,104,216	11,807,895
Recycling materials	639,369	739,621
Regional Fire recovery	6,875,848	6,465,996

CITY OF ST. JOHN'S
Consolidated Schedule of Revenues
Year ended December 31, 2015

Schedule 5 (continued)

	2015	2014
	\$	\$
Sales of goods and services (continued)		
Environmental health services (continued)		
Regional Water recovery	6,778,105	6,268,635
Regional Waste Water recovery	769,911	1,390,748
Other	217,714	230,283
General government services	1,038,562	1,037,378
Transportation services		
Parking meters	1,986,418	2,058,515
Parking permits	281,451	240,081
Other	51,503	62,832
Third party charges	125,278	439,120
Sale of land	15,210	110,986
Gain on disposal of equipment	10,273	7,519
Recreation, parks and tourism	1,656,753	1,414,363
St. John's Sports & Entertainment Ltd.	5,033,881	8,440,517
Railway Coastal Museum	118,071	118,176
Other general services	4,074,922	1,041,592
	48,586,313	50,779,298
Other revenue from own sources		
Interest on tax arrears	2,154,719	2,388,912
Interest earned on portfolio investments	4,792,902	4,664,570
Interest savings, Green Municipal Infrastructure Fund	60,080	120,160
Fines	1,921,115	2,005,820
Construction and other permits	3,725,788	6,347,378
Interest earned	371,064	728,807
Business and amusement licenses	161,447	446,873
Rents, concessions and franchises	74,796	66,132
Apartment rentals	3,027,757	3,009,815
St. John's Transportation Commission		
Passenger fares	5,490,567	5,534,961
Charters	58,962	66,248
Transit advertising	252,941	220,426
Sundry	104,212	108,412
Civic assessments	1,213,855	218,290
Sub - division assessments	207,974	47,125
	23,618,179	25,973,929
Total revenue	295,746,715	341,436,413

CITY OF ST. JOHN'S
Consolidated Schedule of Expenditures

Schedule 6

Year ended December 31, 2015

	2015	2014
	\$	\$
General government services		
Legislative	1,006,812	884,778
General government	24,914,828	22,948,149
Engineering services	9,518,121	7,553,727
Pensions and employee benefits	14,907,199	8,089,476
Employee future benefits	13,126,642	10,723,057
Other general government	508,544	509,253
	63,982,146	50,708,440
Fiscal services		
Debt service charges		
Interest	17,705,714	17,815,834
Amortization	956	1,250
Long-term debt interest	137,050	261,038
Non-Profit Housing mortgage interest	196,207	241,107
St. John's Transportation Commission interest	188,595	196,746
Interest on temporary bank loans	43,031	25,338
Other debt charges	80,064	76,935
	18,351,617	18,618,248
Transportation services		
Road transport		
Administration	3,574,349	3,314,360
Fleet services	1,394,969	1,542,993
Snow clearing	17,148,775	14,663,553
Streets, roads and sidewalks	6,734,292	9,331,810
Maintenance depot	1,769,489	1,609,588
Traffic services	131,364	1,112,547
Street cleaning	261,424	209,800
Street lighting	4,272,504	4,243,758
St. John's Transportation Commission	17,850,695	17,343,968
St. John's Para-Transit System	3,393,002	2,702,349
Parking meters	432,415	154,827
	56,963,278	56,229,553

CITY OF ST. JOHN'S
Consolidated Schedule of Expenditures
Year ended December 31, 2015

Schedule 6 (continued)

	2015	2014
	\$	\$
Protective services		
Fire protection	27,066,537	25,811,321
Protective inspections	3,908,397	3,841,657
Traffic enforcement	2,640,851	2,837,693
Animal and pest control	1,422,858	1,337,794
	35,038,643	33,828,465
Environmental health services		
Water supply and distribution	21,909,255	15,233,989
Regional Water system	7,098,340	7,010,399
Regional Waste Water system	3,756,750	3,241,754
Regional Robin Hood Bay landfill	12,334,097	13,760,723
Garbage, waste collection and disposal	4,810,674	4,647,020
Sewage collection and disposal	607,106	652,565
	50,516,222	44,546,450
Recreation and cultural services		
Parks and open spaces	9,148,739	8,320,382
Recreation	8,177,535	7,865,472
St. John's Sports & Entertainment Ltd.	7,201,260	9,312,471
Railway Coastal Museum	392,194	431,869
Destination St. John's	1,501,124	1,275,167
Other recreation and cultural services	2,088,827	2,447,277
	28,509,679	29,652,638
Environmental development services		
Environmental planning and zoning	1,650,305	1,291,491
Housing and real estate	3,120,041	2,515,129
Other environmental development services	2,213,335	2,668,315
	6,983,681	6,474,935
Amortization and allowances		
Allowance for uncollectible accounts	(136,478)	2,831,682
Allowance for obsolete inventory	71,720	25,045
Amortization	42,058,940	40,076,826
	41,994,182	42,933,553
Total expenditures	302,339,448	282,992,282

CITY OF ST. JOHN'S

Consolidated Schedule of Segmented Information

Year ended December 31, 2015

Schedule 7

	City	Non Profit Housing	St. John's Transportation Commission	St. John's Sports & Entertainment Ltd.	Non Profit Housing eliminations	St. John's Transportation Commission eliminations	St. John's Sports & Entertainment Ltd. eliminations	Consolidated 2015	2014
								\$	\$
Revenue (Schedule 5)									
Taxation	188,365,877				(634,892)			187,730,985	182,257,671
Grants in lieu of taxes	6,505,174							6,505,174	9,304,382
Grants and transfers	27,010,697	1,301,082	15,821,489	2,200,000	(125,550)	(14,701,654)	(2,200,000)	29,306,064	73,121,133
Sales of goods and services	44,111,152			5,033,881	(558,720)			48,586,313	50,779,298
Other revenue from own sources	14,631,450	3,080,796	5,920,944		(15,011)			23,618,179	25,973,929
	280,624,350	4,381,878	21,742,433	7,233,881	(1,334,173)	(14,701,654)	(2,200,000)	295,746,715	341,436,413
Expenditure (Schedule 6)									
General government services	63,982,145				(125,550)			63,982,145	50,708,440
Fiscal services	17,966,815	321,757	188,595					18,351,617	18,618,248
Transportation services	53,817,028		17,847,904			(14,701,654)		56,963,278	56,229,553
Protective services	35,038,643							35,038,643	33,828,465
Environmental health services	50,516,222							50,516,222	44,546,450
Recreation and cultural services	23,508,419			7,201,260			(2,200,000)	28,509,679	29,652,638
Environmental development services	5,483,534	2,708,770			(1,208,623)			6,983,681	6,474,935
Amortization and allowances	36,710,531	1,234,949	2,869,357	1,179,346				41,994,183	42,933,553
	287,023,337	4,265,476	20,905,856	8,380,606	(1,334,173)	(14,701,654)	(2,200,000)	302,339,448	282,992,282
Excess of (expenditures over revenues) revenues over expenditures	(6,398,987)	116,402	836,577	(1,146,725)	-	-	-	(6,592,733)	58,444,131
Accumulated surplus, beginning of year								831,774,256	773,330,125
Accumulated surplus, end of year (Note 12)								825,181,523	831,774,256

CITY OF ST. JOHN'S
Consolidated PSAB Budget
 Year ended December 31, 2015

Schedule 8

	City	St. John's Transportation Commission	St. John's Sports & Entertainment Ltd.	Adopted Budget	Consolidating Entries and PSAB Adjustments	Consolidated Budget
	\$	\$	\$	\$	\$	\$
Revenues					(Page 35)	
Taxation	211,522,183			211,522,183	(22,387,353)	189,134,830
Grants in lieu of taxes	9,400,000			9,400,000	-	9,400,000
Grants and transfers	26,546,675	14,271,830	1,400,000	42,218,505	(14,856,285)	27,362,220
Sales of goods and services	19,706,126		6,140,266	25,846,392	20,423,204	46,269,596
Other revenue from own sources	22,250,214	7,079,060		29,329,274	3,340,038	32,669,312
	289,425,198	21,350,890	7,540,266	318,316,354	(13,480,396)	304,835,958
Expenditures						
General government services	45,822,828			45,822,828	14,215,806	60,038,634
Fiscal services	31,339,367	270,320		31,609,687	(12,242,264)	19,367,423
Transportation services	54,372,244	21,080,570		75,452,814	(17,161,950)	58,290,864
Protective services	31,879,039			31,879,039	3,418,328	35,297,367
Environmental health services	74,332,511			74,332,511	(19,002,223)	55,330,288
Recreation and cultural services	22,097,730		7,540,266	29,637,996	(679,929)	28,958,067
Environmental development services	11,714,923			11,714,923	(4,983,016)	6,731,907
Amortization and allowances	17,866,556			17,866,556	28,223,629	46,090,185
	289,425,198	21,350,890	7,540,266	318,316,354	(8,211,619)	310,104,735
Excess of revenues over expenditures	-	-	-	-	(5,268,777)	(5,268,777)

Council approved the City's 2015 budget on December 8, 2014

CITY OF ST. JOHN'S
Consolidating Entries and PSAB Adjustments
Year ended December 31, 2015

Schedule 8 (continued)

	\$
Revenues	
1. Eliminate transfers from reserves	(1,428,864)
2. Eliminate grants to SJSE	(1,400,000)
3. Eliminate grants to SJTC	(15,275,652)
4. Eliminate subsidy to NPH	(24,000)
5. Eliminate property taxes paid by City entities	(736,170)
6. Eliminate water revenue paid by City entities	(4,717,433)
7. Eliminate tipping fees paid by City entities	(2,360,573)
8. Eliminate general government charges	(819,170)
9. Eliminate debt charges recoverable	(18,760,914)
10. Record provincial capital grants	13,529,809
11. Record federal capital grants	6,372,188
12. Record other capital grants	303,284
13. Record capital contribution from developers	375,000
14. Record recovery of fire protection services	6,643,714
15. Record interest earned on sinking funds	4,792,902
16. Record gain on sale of capital assets	25,483
	<u>(13,480,396)</u>

Expenses	
1. Eliminate transfers from reserves	(4,045,329)
2. Eliminate grants to SJSE	(2,200,000)
3. Eliminate grants to SJTC	(15,275,652)
4. Eliminate subsidy to NPH	(24,000)
5. Eliminate property taxes paid by City entities	(736,170)
6. Eliminate water revenue paid by City entities	(4,717,433)
7. Eliminate tipping fees paid by City entities	(2,360,573)
8. Eliminate general government charges	(819,170)
9. Eliminate debt charges recoverable	(16,287,531)
10. Eliminate capital expenditures	(9,698,112)
11. Eliminate sinking fund payments	(11,051,612)
12. Eliminate principal payments on LTD	(1,715,255)
13. Eliminate recovery of fire protection services	6,643,714
14. Record amortization of capital assets	42,058,940
15. Record employee post retirement benefits	12,016,564
	<u>(8,211,619)</u>