

Spruce Grove Specialized Transit Service

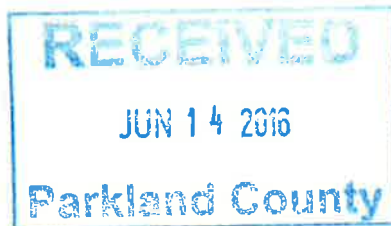


c/o 315 Jespersen Avenue, Spruce Grove, Alberta T7X 3E8 Phone 962-2456

June 07, 2016

Manager of Community and Protective Services
Parkland County, 53109 Hwy 779
Parkland County, AB
T7Z 1R1

Attention: Dave Cross



Re: 2016 Seniors and Disabled Transportation Grant

Specialized Transit Service offers transportation to seniors and disabled persons in Spruce Grove and a designated area of Parkland County.

We are currently in Year two of our Three Year Business Plan. We have determined our goals for this year to be developing /obtaining a computer system for transit bookings which will increase our efficiency in booking our ridership and allow us opportunities for growth and partnerships in the future, and to continue to provide outstanding service to those in our area whom are accessing our service.

We expect our revenues to be maintained over the next 2 year period and we will continue to be vigilant about maintaining costs as much as we are able in these economic times. Even though prices of items and services rise around us we feel we will be able to maintain our expenditures and therefore we are requesting a grant at the same level as the previous 2 years, \$12,000.00 from the County. Please find attached a copy of our Financial Audit to determine our revenues and expenditures.

Being the second largest financial supporter of STS, we would be unable to continue to provide the transportation needs of seniors and the mobility challenged individuals in the City of Spruce Grove and a designated area of Parkland County without your support. Your grant of \$12,000.00 is a wonderful testimony of your commitment to ensure we remain a viable resource to those citizens who require those services.

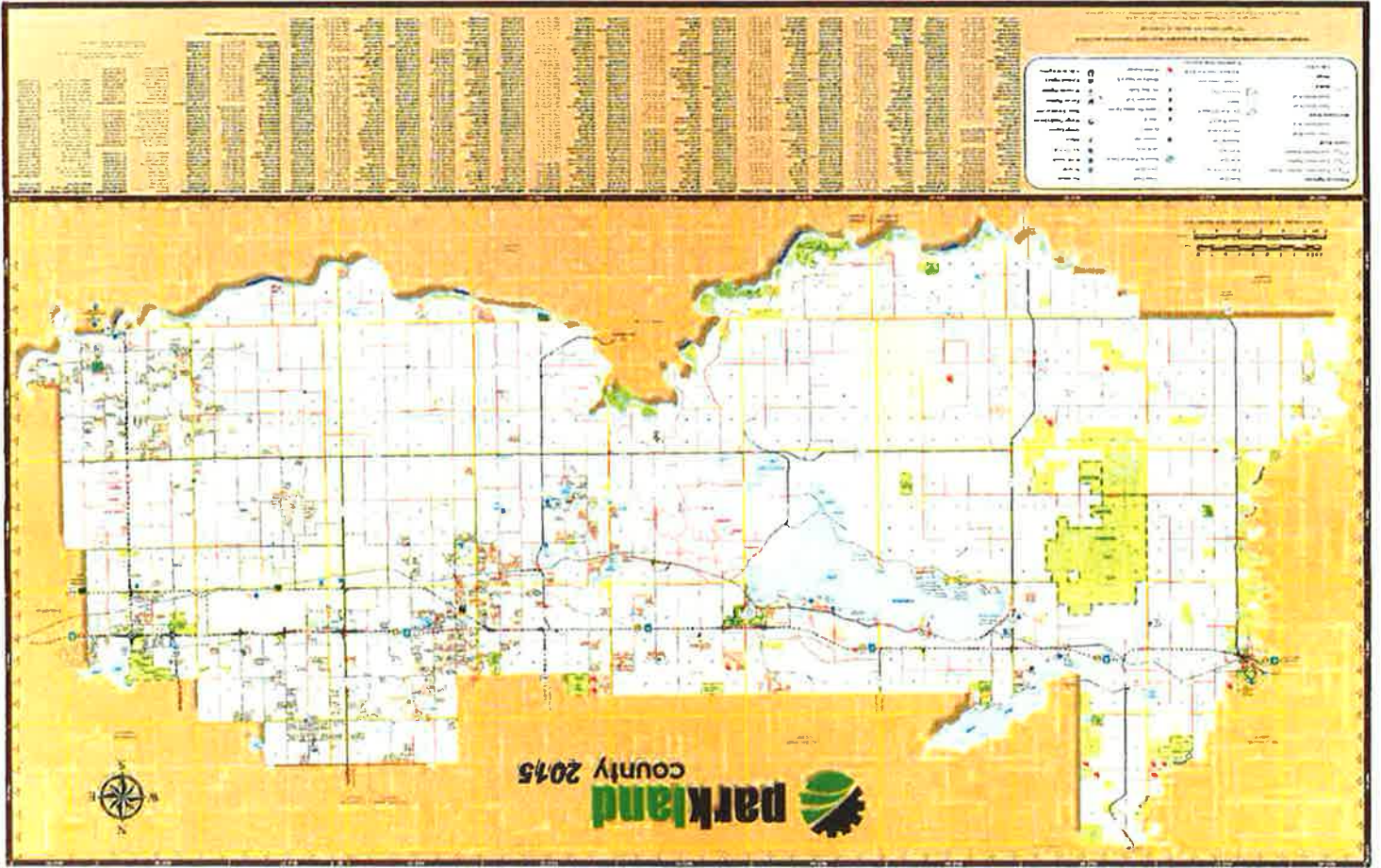
Once again let me thank you for your continuing support on behalf of our board, staff and especially our clients.

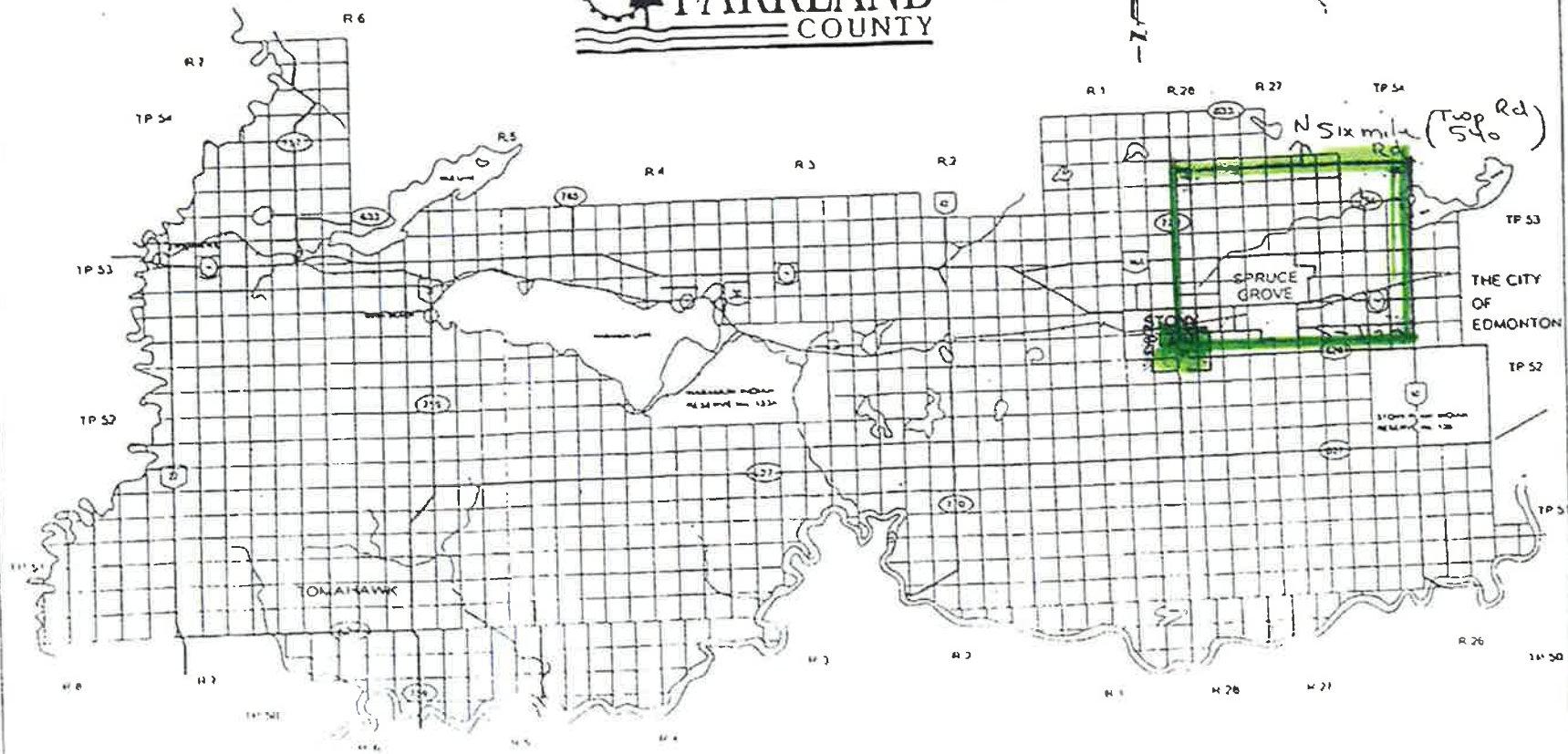
Should you have any further questions or concerns, please feel free to contact our STS manager Bonnie Foster at (780) 962-2456, or myself at (587) 983-3397.

Sincerely,


Lee Peters,
President
Specialized Transit Service

LP/bf





**SPRUCE GROVE SPECIALIZED
TRANSIT SERVICE**
Spruce Grove, Alberta
Financial Statements
For The Year Ended December 31, 2015



HAWKINGS EPP DUMONT LLP

CHARTERED ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To the Members of Spruce Grove Specialized Transit Service

Report on Financial Statements

We have audited the accompanying financial statements of Spruce Grove Specialized Transit Service, which comprise the statement of financial position as at December 31, 2015 and the statements of operations, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, 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.

Auditors' 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 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 financial statements.

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

Basis for Qualified Opinion

In common with many not-for-profit organizations, Spruce Grove Specialized Transit Service derives revenue from donations the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of Spruce Grove Specialized Transit Service. Therefore, we were not able to determine whether any adjustments might be necessary to donation revenue, excess of revenues over expenses, and cash flows from operations, assets, liabilities, and net assets for the year ended December 31, 2015.

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EDMONTON

10476 Mayfield Road
Edmonton, AB T5P 4P4
1.877.489.9606
T: 780.489.9606
F: 780.484.9689

STONY PLAIN

#101, 5300 – 50 Street
PO Box 3188, Station Main
Stony Plain, AB T7Z 1T8
T: 780.963.2727
F: 780.963.1294

LLOYDMINSTER

5102 – 48 Street
PO Box 10099
Lloydminster, AB T9V 3A2
T: 780.875.7433
F: 780.875.5304

HAWKINGS.COM



Independent Auditors' Report to the Members of Spruce Grove Specialized Transit Service (continued)

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Spruce Grove Specialized Transit Service as at December 31, 2015 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Hawkings Epp Dumont LLP

Edmonton, Alberta
March 15, 2016

Hawkings Epp Dumont LLP
Chartered Accountants

SPRUCE GROVE SPECIALIZED TRANSIT SERVICE
Statement of Financial Position
As At December 31, 2015

	2015	2014
ASSETS		
CURRENT		
Cash (Note 2)	\$ 249,799	\$ 212,737
Goods and Services Tax recoverable	1,149	1,664
	<u>250,948</u>	<u>214,401</u>
SERVUS CREDIT UNION COMMON SHARES	<u>2,116</u>	<u>2,040</u>
	<u>\$ 253,064</u>	<u>\$ 216,441</u>
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities	\$ 5,969	\$ 5,788
NET ASSETS		
Unrestricted	<u>247,095</u>	<u>210,653</u>
	<u>\$ 253,064</u>	<u>\$ 216,441</u>

ON BEHALF OF THE BOARD:

_____ Director

_____ Director

The accompanying notes are an integral part of the financial statements.

SPRUCE GROVE SPECIALIZED TRANSIT SERVICE**Statement of Operations****For The Year Ended December 31, 2015**

	Budget 2015 (Note 8)	2015	2014
REVENUE			
Grants (Note 3)	\$ 163,000	\$ 164,000	\$ 156,000
Fares	47,000	39,819	40,262
Donations	6,000	7,100	9,395
Investment income	2,000	1,404	1,479
Miscellaneous	-	277	268
	218,000	212,600	207,404
EXPENSES			
Driver remuneration	120,000	106,543	105,836
Salaries, wages and benefits	49,000	43,059	41,733
Fleet fuel	28,000	12,612	13,375
Office and computer	5,500	5,161	4,005
Professional fees	5,000	3,525	13,475
Telephone and cellular	4,000	2,271	1,987
Insurance	2,000	1,307	1,195
Workers' Compensation Board	2,500	882	1,047
Advertising and promotion	1,000	573	72
Professional development	1,000	225	615
	218,000	176,158	183,340
EXCESS OF REVENUE OVER EXPENSES	\$ -	\$ 36,442	\$ 24,064

SPRUCE GROVE SPECIALIZED TRANSIT SERVICE
Statement of Changes in Net Assets
For The Year Ended December 31, 2015

	2015	2014
BALANCE - BEGINNING OF YEAR	\$ 210,653	\$ 186,589
Excess of revenue over expenses	<u>36,442</u>	<u>24,064</u>
BALANCE - END OF YEAR	<u>\$ 247,095</u>	<u>\$ 210,653</u>

The accompanying notes are an intregal part of the financial statements.

SPRUCE GROVE SPECIALIZED TRANSIT SERVICE**Statement of Cash Flows****For The Year Ended December 31, 2015**

	2015	2014
OPERATING ACTIVITIES		
Excess of revenue over expenses	\$ 36,442	\$ 24,064
Changes in non-cash working capital:		
Accounts payable and accrued liabilities	181	(221)
Goods and Services Tax recoverable	515	2,822
	696	2,601
	37,138	26,665
INVESTING ACTIVITIES		
Servus Credit Union common share dividends received	(76)	(79)
INCREASE IN CASH FLOW	37,062	26,586
CASH - BEGINNING OF YEAR	212,737	186,151
CASH - END OF YEAR (Note 2)	\$ 249,799	\$ 212,737

SPRUCE GROVE SPECIALIZED TRANSIT SERVICE
Notes to Financial Statements
December 31, 2015

NATURE OF OPERATIONS

Spruce Grove Specialized Transit Service (the "Service") is a not-for-profit organization and was incorporated under the Societies Act of Alberta on January 25, 1994. *The Service is a registered charity and is exempt from the payment of income taxes under the Income Tax Act.*

The Service is committed to providing door-to-door public transportation services at a reasonable cost for all seniors and for youth, adults, and families in Spruce Grove and area who are unable to use regular transportation because of a physical or mental disability.

1. SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO), Part III of the CICA Handbook - Accounting.

Cash

Cash consists of deposits held with a Canadian financial institution less any cheques written in excess of the bank balance.

Revenue recognition

The Service follows the deferral method of accounting for contributions, which include donations and government grants. Restricted contributions are recognized as revenue in the year in which the related expenditures are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Fare revenue is recognized when the service is rendered by the Service.

Investment revenue is recognized in the year earned.

Tangible capital assets

Tangible capital assets are recorded as expenses on the Statement of Operations in the year in which they are purchased. There were no tangible capital assets expensed in 2015 (2014 - \$0).

Contributed services

Volunteers contribute a significant amount of their time each year. Contributed services are not recognized in the financial statements due to the difficulty in determining their fair value.

Use of estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

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SPRUCE GROVE SPECIALIZED TRANSIT SERVICE

Notes to Financial Statements

December 31, 2015

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments

Measurement of financial instruments

The Service initially measures its financial assets and financial liabilities at fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instruments.

The Service subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in net income.

Financial assets measured at amortized cost include cash and Servus Credit Union common shares.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

The Service has no financial assets or liabilities measured at fair value.

Impairment

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in net income. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in net income.

2. CASH

	2015	2014
High Yield Savings Account	\$ 208,736	\$ 175,447
Chequing Account	41,063	37,290
	<u>\$ 249,799</u>	<u>\$ 212,737</u>

3. GRANTS

	2015 (Note 8)	2015	2014
City of Spruce Grove	\$ 152,000	\$ 152,000	\$ 144,000
Parkland County	11,000	12,000	12,000
	<u>\$ 163,000</u>	<u>\$ 164,000</u>	<u>\$ 156,000</u>

SPRUCE GROVE SPECIALIZED TRANSIT SERVICE

Notes to Financial Statements

December 31, 2015

4. FINANCIAL INSTRUMENTS

It is management's opinion that the Service is not exposed to significant credit, market, currency or other price risk through its financial instruments. The following analysis provides information about the Service's risk exposure and concentration as of December 31, 2015.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Service is exposed to this risk mainly in respect of its receipt of funds from its customers and other related sources and accounts payable and accrued liabilities.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the Service manages exposure through its normal operating and financing activities. The Service is exposed to interest rate risk primarily through its high yield savings account.

The Service mitigates these risks by monitoring cash activities and expected outflows through extensive budgeting and maintaining investments that may be converted to cash in the near-term if unexpected cash outflows arise.

5. ECONOMIC DEPENDENCE

The Service's primary source of revenue is grant revenue from the City of Spruce Grove and Parkland County. The Service's ability to continue viable operations is dependent on this funding.

6. AGREEMENT WITH CITY OF SPRUCE GROVE

The City of Spruce Grove (the "City") and the Service have an agreement for a three year term from October 1, 2014 to September 30, 2017, at which time it will be reviewed by both parties.

Under this Agreement the Service will administer services that will assist seniors and residents with a physical or mental disability who cannot utilize an alternate means of transport in accessing essential services and maintaining a reasonable quality of life.

The City has agreed to provide general maintenance, parts and labour on the Service's vehicles in accordance with established City practices, and federal Department of Transport Regulations. The City will purchase replacement vehicles and will provide a garage for storage of the Service's vehicles, including rent, upkeep and utilities.

7. BUDGET FIGURES

Budget figures have been provided for information purposes only and are unaudited.

EMERGENCY COMMUNICATIONS SERVICES

Release of Information Between:

"Town of Beaumont"
Hereinafter referred to as "The Municipality"

- and -

Parkland County
Hereinafter referred to as "Parkland County"

The Municipality agrees to allow Parkland County to have access to their electronic GIS Mapping Information currently in use by Alberta Health Services. This authorizes Alberta Health Services to release all pertinent current and future GIS mapping information to Parkland County. Parkland County acknowledges that the information will only be used for the receiving of 9-1-1 calls and the Dispatching of Fire Departments and other agencies that provide Medical First Response or Assistance in the Municipality. Parkland County agrees to not sell or share the information collected from Alberta Health Services.

PARKLAND COUNTY

Per: _____
Authorized Parkland County Representative

Date: _____

THE MUNICIPALITY

Per: _____
Authorized Representative

Date: 12/9/16

The Municipality agrees to allow Parkland County to have access to their electronic GIS Mapping Information currently in use by AltaLIS. This authorizes AltaLIS to release all pertinent current and future GIS mapping information to Parkland County. Parkland County acknowledges that the information will only be used for the receiving of 9-1-1 calls and the Dispatching of Fire Departments and other agencies that provide Medical First Response or Assistance in the Municipality. Parkland County agrees to not sell or share the information collected from AltaLIS.

PARKLAND COUNTY

Per: _____
Authorized Representative

Date: _____

THE MUNICIPALITY

Per: _____
Authorized Representative

Date: 12/9/16

For information about dispatch services, contact Karen Clark, Supervisor of Emergency Communications Services,

kclark@parklandcounty.com

For information about digital data, contact Stacey Corbett, GIS Supervisor,

scorbett@parklandcounty.com