

Municipality of the County of Pictou
Consolidated Financial Statements
March 31, 2018



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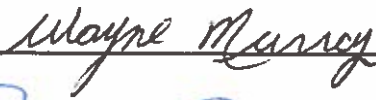
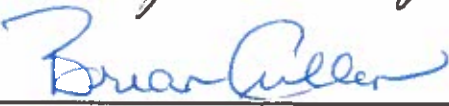



Municipality of the County of Pictou
Management's Responsibility for Financial Reporting
March 31, 2018

The accompanying consolidated financial statements of the Municipality of the County of Pictou (the Municipality) are the responsibility of the Municipality's management and have been prepared in compliance with legislation, and in accordance with generally accepted accounting principles for local governments established by the Public Sector Accounting Board of The Chartered Professional Accountants of Canada. A summary of significant accounting policies are described in Note 1 to the consolidated financial statements. The preparation of financial statements necessarily involves the use of the estimates based on management's judgement, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

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

The consolidated financial statements have been audited by MacDonald & Murphy Inc., independent external auditors appointed by the Municipality. The accompanying Independent Auditors' Report outlines their responsibilities, the scope to their examination and their opinion of the Municipal's consolidated financial statements.

| | |
|--|------------------------------|
|  _____ | Audit Committee Chairperson |
|  _____ | Chief Administrative Officer |
|  _____ | Date |

INDEPENDENT AUDITORS' REPORT

To the Warden and Council of the
Municipality of the County of Pictou
Pictou, Nova Scotia

We have audited the accompanying financial statements of the Municipality of the County of Pictou, which comprise the consolidated statement of financial position as at March 31, 2018, and the consolidated statement of financial activities and statement of changes in net debt and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian Accounting Standards for local governments, as recommended by the Public Sector Accounting Board, 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 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 in our audit is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Municipality of the County of Pictou as at March 31, 2018, and the results of its operations and its cash flows for the year then ended in accordance with Canadian Accounting Standards for local governments, as recommended by the Public Sector Accounting Board.

*MacDonald +
Murphy Inc.*

New Glasgow, Nova Scotia
November 5, 2018

Chartered Professional Accountants
Licenced Public Accountants

Municipality of the County of Pictou
Consolidated Statement of Financial Position

March 31

2018

2017

FINANCIAL ASSETS

| | | |
|---|------------------|------------------|
| Cash | \$ 5,250,872 | \$ 4,678,084 |
| Receivables | | |
| Taxes (Note 3) | 1,056,107 | 699,608 |
| Due from Federal Government and its Agencies | | |
| Conditional Transfers | | 5,155 |
| Harmonized Sales Tax | 874,872 | 503,596 |
| Due from Provincial Government and its Agencies | | |
| Conditional Transfers | 830,357 | 646,238 |
| Other Receivables | | |
| Trade Accounts | 155,305 | 145,697 |
| New Scotland Business Development Inc. | 182,016 | 160,968 |
| Riverton Guest Home Corporation (Note 15) | 54,315 | 81,473 |
| Receivable from Residents (Notes 3 & 4) | 349,546 | 198,914 |
| | <u>8,753,390</u> | <u>7,119,733</u> |

FINANCIAL LIABILITIES

| | | |
|-------------------------|------------------|------------------|
| Payables | | |
| Joint Expenditure Board | 226,929 | 224,372 |
| Trade Accounts | 1,957,316 | 1,869,024 |
| Prepaid Accounts | 305,751 | 303,008 |
| Deferred Revenue | 25,000 | 25,000 |
| | <u>2,514,996</u> | <u>2,421,404</u> |

NET FINANCIAL ASSETS

| | | |
|--|------------------|------------------|
| | <u>6,238,394</u> | <u>4,698,329</u> |
|--|------------------|------------------|

NON-FINANCIAL ASSETS

| | | |
|--|------------|------------|
| Capital Assets - Net of Accumulated Amortization (Page 13) | 49,262,907 | 43,967,396 |
| Investment, New Scotland Business Development | | |
| Incorporated (Note 14) | 128,960 | 73,100 |
| Prepaid Expenses | 140,562 | 161,170 |

NET NON-FINANCIAL ASSETS

| | | |
|--|-------------------|-------------------|
| | <u>49,532,429</u> | <u>44,201,666</u> |
|--|-------------------|-------------------|

ACCUMULATED SURPLUS (Page 14)

| | | |
|--|----------------------|----------------------|
| | <u>\$ 55,770,823</u> | <u>\$ 48,899,995</u> |
|--|----------------------|----------------------|

On Behalf of the Council

Robert Parker Warden

Brian Miller Clerk

Municipality of the County of Pictou

Consolidated Statement of Financial Activities

Year Ended March 31

2018

2017

| | Page | Budget | Actual | Actual |
|---|------|---------------------|-----------------------------|-----------------------------|
| Revenue | | | | |
| Taxes | 25 | \$ 13,714,888 | \$ 13,768,766 | \$ 13,534,121 |
| | 26 | 245,700 | 259,516 | 259,369 |
| Intermunicipal Agreements | 26 | | 2,767 | |
| Other Revenue from Own Sources | 26 | 733,133 | 829,254 | 835,724 |
| Transfers from Government | 26 | 438,895 | 443,357 | 445,485 |
| Water Revenue | 27 | 287,732 | 300,292 | 191,478 |
| Grants for Capital | 27 | 7,873,346 | 5,559,632 | 1,834,107 |
| Other Revenue | 27 | | 600,559 | 138,785 |
| Sale of Assets | 27 | | 28,306 | 2,576 |
| Total Revenue | | <u>23,293,694</u> | <u>21,792,449</u> | <u>17,241,645</u> |
| Expenditures | | | | |
| General Government Services | 29 | 2,962,877 | 2,055,265 | 2,759,866 |
| Protective Services | 30 | 6,367,708 | 6,218,726 | 5,982,774 |
| Transportation Services | 30 | 581,997 | 649,257 | 902,415 |
| Environmental Health Services | 31 | 2,563,448 | 3,351,362 | 3,400,597 |
| Environmental Development Services | 31 | 476,930 | 604,721 | 546,714 |
| Recreation Services | 32 | 287,032 | 290,837 | 269,043 |
| Cultural Services | 32 | 249,264 | 244,483 | 237,625 |
| Water Utility Services | 32 | 414,629 | 392,687 | 395,105 |
| Other Transfers and Grants | 32 | 675,000 | 1,019,629 | 1,064,565 |
| Cost of Assets Disposed | | | 94,654 | 349,782 |
| Total Expenditures | | <u>14,578,885</u> | <u>14,921,621</u> | <u>15,908,486</u> |
| Net surplus | | <u>\$ 8,714,809</u> | <u>6,870,828</u> | <u>1,333,159</u> |
| Accumulated surplus, beginning of year | | | <u>48,899,995</u> | <u>47,566,836</u> |
| Accumulated surplus, end of year | | | <u><u>\$ 55,770,823</u></u> | <u><u>\$ 48,899,995</u></u> |



Municipality of the County of Pictou
Consolidated Statement of Change in Net Financial Assets

Year Ended March 31

2018

2017

| | | |
|--|----------------------------|----------------------------|
| Change in municipal position | \$ 6,870,828 | \$ 1,333,159 |
| Acquisition of capital assets | (7,005,646) | (2,651,240) |
| Amortization of capital assets | 1,615,481 | 1,521,212 |
| Cost of assets sold/disposed | 94,654 | 332,739 |
| | <u>(55,860)</u> | <u>(51,600)</u> |
| | <u>(5,351,371)</u> | <u>(848,889)</u> |
| Acquisition of prepaid expense | (140,562) | (161,170) |
| Use of prepaid expense | 161,170 | 13,651 |
| | <u>20,608</u> | <u>(147,519)</u> |
| Change in net financial assets | 1,540,065 | 336,751 |
| Net financial assets, beginning of year | <u>4,698,329</u> | <u>4,361,578</u> |
| Net financial assets, end of year | <u>\$ 6,238,394</u> | <u>\$ 4,698,329</u> |

Municipality of the County of Pictou
Consolidated Statement of Cash Flow

Year Ended March 31

2018

2017

Increase (Decrease) in Cash**Operating Activities**

| | | |
|--|------------------|------------------|
| Net surplus (Page 4) | \$ 6,870,828 | \$ 1,333,159 |
| Add back amortization | 1,615,481 | 1,521,212 |
| | (1,060,869) | (1,255,200) |
| Changes in other assets | 20,608 | (147,519) |
| Changes in accounts payable and accrued liabilities | 93,592 | 405,482 |
| Changes in deferred revenue | | (30,000) |
| | <u>7,539,639</u> | <u>1,827,134</u> |

Investing Activities

| | | |
|--|--------------------|--------------------|
| Purchase of capital assets and investments | (7,061,505) | (2,702,840) |
| Disposal of capital assets | 94,654 | 332,739 |
| | <u>(6,966,851)</u> | <u>(2,370,101)</u> |

Net Increase (Decrease) in Cash

572,788 (542,967)

Cash

| | | |
|-------------------|---------------------|---------------------|
| Beginning of Year | <u>4,678,084</u> | <u>5,221,051</u> |
| End of Year | <u>\$ 5,250,872</u> | <u>\$ 4,678,084</u> |



Municipality of the County of Pictou

Schedule of General Operating Fund

Year Ended March 31

2018

2017

| | Page | Budget | Actual | Actual |
|--|------|-------------------|--------------------|-------------------|
| Revenue | | | | |
| Taxes | 25 | \$ 13,714,888 | \$ 13,768,766 | \$ 13,534,121 |
| Grants in Lieu of Taxes | 26 | 245,700 | 259,516 | 259,369 |
| Intermunicipal Agreements | 26 | | 2,767 | |
| | 26 | 733,133 | 829,254 | 835,724 |
| Transfers from Governments | 26 | 438,895 | 443,357 | 445,485 |
| Total Revenue | | <u>15,132,616</u> | <u>15,303,660</u> | <u>15,074,699</u> |
| Expenditures | | | | |
| General Government Services | 29 | 2,962,877 | 1,929,477 | 2,634,078 |
| Protective Services | 30 | 6,367,708 | 6,218,726 | 5,982,774 |
| Transportation Services | 30 | 581,997 | 353,474 | 628,539 |
| Environmental Health Services | 31 | 2,563,448 | 2,416,037 | 2,534,530 |
| Environmental Development Services | 31 | 476,930 | 386,027 | 328,020 |
| Recreation Services | 32 | 287,032 | 290,837 | 269,043 |
| Cultural Services | 32 | 249,264 | 244,483 | 237,625 |
| Other transfers and grants | 32 | 675,000 | 785,237 | 774,014 |
| Total Expenditures | | <u>14,164,256</u> | <u>12,624,298</u> | <u>13,388,623</u> |
| Net Revenues | | <u>968,360</u> | <u>2,679,362</u> | <u>1,686,076</u> |
| Financing and Transfers | | | | |
| Transfers (to) from Reserve Funds | | | | |
| Transfers to Operating Reserve | | (200,000) | (200,000) | (250,000) |
| Municipal Services Grant | | (250,000) | (250,000) | (250,000) |
| Interest Earned on Reserve Funds | | | 35,429 | 23,238 |
| Interest on Interfund Loan | | (12,420) | (12,420) | (17,940) |
| Lease payments for LRO space | | (96,284) | (96,284) | (96,284) |
| Transfers to Water Capital Fund | | | | |
| Capital out of Revenue | | | | |
| Transfers to Water Operating Fund | | | | |
| Fire Protection Charge | | (79,082) | (79,082) | (77,036) |
| Transfers to General Capital Fund | | | | |
| Capital out of Revenue | | (328,074) | (771,151) | (215,733) |
| Net Financing and Transfers | | <u>(965,860)</u> | <u>(1,373,508)</u> | <u>(883,755)</u> |
| Change in General Operating Fund | | <u>\$</u> | <u>1,305,854</u> | <u>802,321</u> |
| General Operating Fund, Beginning of Year | | | | |
| Transfer of Surplus to Operating Reserve Fund | | | <u>(1,305,854)</u> | <u>(802,321)</u> |
| General Operating Fund, End of Year | | | <u>\$</u> | <u>\$</u> |

**Municipality of the County of Pictou
Schedule of Water Operating Fund
Statement of Changes in Fund Balance**

Year Ended March 31

2018

2017

| | Page | Budget | Actual | Actual |
|---|------|-------------|--------------|--------------|
| Water Revenue | 27 | \$ 287,732 | \$ 300,292 | \$ 191,478 |
| Water Utility Services Expenses | 32 | 352,129 | 352,796 | 358,318 |
| Net Expenditures | | (64,397) | (52,504) | (166,840) |
| Financing and Transfers | | | | |
| Transfer to water capital fund | | | | |
| Depreciation charge | | (62,500) | (39,891) | (36,787) |
| Transfer from general operating fund | | | | |
| Fire protection charge | | 79,082 | 79,082 | 77,036 |
| Net Financing and Transfers | | 16,582 | 39,191 | 40,249 |
| Change in Water Operating Fund | | \$ (47,815) | (13,313) | (126,591) |
| Water Operating Fund, Beginning of Year | | | (503,404) | (376,813) |
| Water Operating Fund, End of Year | | | \$ (516,717) | \$ (503,404) |

**Municipality of the County of Pictou
Schedule of Water Operating Fund
Statement of Financial Position**

March 31

2018

2017

| | | | |
|--|--|------------|------------|
| Assets | | | |
| Receivables | | | |
| Rates (less allowance for doubtful accounts - 0; 2017 - 0) | | \$ 92,957 | \$ 61,577 |
| Harmonized Sales Tax | | 9,210 | 15,476 |
| | | \$ 102,167 | \$ 77,053 |
| Liabilities | | | |
| Bank indebtedness | | \$ 569,249 | \$ 537,959 |
| Payables and accruals | | 46,466 | 38,665 |
| Prepaid water charges | | 3,169 | 3,833 |
| | | 618,884 | 580,457 |
| Equity | | | |
| Deficit | | (516,717) | (503,404) |
| | | \$ 102,167 | \$ 77,053 |

Municipality of the County of Pictou

Schedule of General Capital Fund

Year Ended March 31

2018

2017

| | <u>Page</u> | <u>Budget</u> | <u>Actual</u> | <u>Actual</u> |
|---|-------------|--------------------|--------------------|--------------------|
| Revenue | | | | |
| Province of Nova Scotia - Clean Water and Wastewater Fund | 27 | \$ 6,857,338 | \$ 4,344,639 | \$ 805,171 |
| Total Revenue | | <u>6,857,338</u> | <u>4,344,639</u> | <u>805,171</u> |
| Expenditures | | | | |
| Transportation services | | 845,001 | 516,837 | 463,049 |
| Environmental services | | 9,638,522 | 6,081,925 | 1,779,630 |
| Environmental development services | | 163,003 | 127,739 | |
| New Scotland Business Development investment | | 51,600 | 55,860 | 51,600 |
| Total Expenditures (Page 34) | | <u>10,698,126</u> | <u>6,782,361</u> | <u>2,294,279</u> |
| Net Expenditures | | <u>(3,840,788)</u> | <u>(2,437,722)</u> | <u>(1,489,108)</u> |
| Financing and Transfers | | | | |
| Long term borrowing | | 1,803,198 | | |
| Transfer from general operating fund | | | | |
| Capital out of revenue | | 328,074 | 771,151 | 215,733 |
| Transfer from reserve funds | | | | |
| Operating reserve | | 949,116 | 1,500,954 | 359,775 |
| Gas tax | | 760,400 | 165,617 | 913,600 |
| Net Financing and Transfers | | <u>3,840,788</u> | <u>2,437,722</u> | <u>1,489,108</u> |
| Change in General Capital Fund | | <u>\$</u> | | |
| General Capital Fund, Beginning of Year | | | | |
| General Capital Fund, End of Year | | | <u>\$</u> | <u>\$</u> |

Municipality of the County of Pictou
Schedule of Water Capital Fund
Statement of Changes in Fund Balance

Year Ended March 31

2018

2017

| | Page | Budget | Actual | Actual |
|---|------|------------------|-------------------|-------------------|
| Revenue | | | | |
| Province of Nova Scotia - Clean Water and Wastewater Fund | 27 | \$ 1,016,008 | \$ 178,308 | \$ 2,953 |
| Water transmission and distribution | 34 | 1,354,676 | 279,144 | 408,561 |
| Net Expenditures (Page 34) | | <u>(338,668)</u> | <u>(100,836)</u> | <u>(405,608)</u> |
| Financing and Transfers | | | | |
| Transfer from reserve funds | | | | |
| Operating reserve | | 338,668 | 86,504 | 984 |
| Gas tax reserve | | | | 404,624 |
| Transfer from water operating fund | | | | |
| Depreciation charge | | | 39,891 | 36,787 |
| Net Financing and Transfers | | <u>338,668</u> | <u>126,395</u> | <u>442,395</u> |
| Change in Water Capital Fund | | <u>\$</u> | <u>25,559</u> | <u>36,787</u> |
| Water Capital Fund, Beginning of Year | | | <u>509,539</u> | <u>472,752</u> |
| Water Capital Fund, End of Year | | | <u>\$ 535,098</u> | <u>\$ 509,539</u> |

**Municipality of the County of Pictou
Schedule of Water Capital Fund
Statement of Financial Position**

| March 31 | 2018 | 2017 |
|--|---------------------|---------------------|
| Assets | | |
| Cash | \$ 535,098 | \$ 509,359 |
| Utility plant and equipment | <u>4,001,816</u> | <u>3,722,672</u> |
| | <u>\$ 4,536,914</u> | <u>\$ 4,232,031</u> |
| Liabilities | | |
| Accumulated Allowance For Depreciation | \$ 535,098 | \$ 509,359 |
| Equity | | |
| Investment in capital assets | <u>4,001,816</u> | <u>3,722,672</u> |
| | <u>\$ 4,536,914</u> | <u>\$ 4,232,031</u> |

**Municipality of the County of Pictou
Schedule of Water Capital Fund
Statement of Investment in Capital Assets**

| Year ended March 31 | 2018 | 2017 |
|----------------------------|---------------------|---------------------|
| Balance, Beginning of Year | \$ 3,722,672 | \$ 3,314,111 |
| Capital additions | 279,144 | 408,561 |
| Balance, End of Year | <u>\$ 4,001,816</u> | <u>\$ 3,722,672</u> |

Municipality of the County of Pictou

Schedule of Reserve Funds

Year Ended March 31

2018

2017

| | Page | Budget | Actual | Actual |
|--|------|-----------------------|---------------------|---------------------|
| Revenue | | | | |
| Investment income | | \$ | \$ 47,868 | \$ 30,366 |
| Residents share of capital costs | | | 101,853 | 108,419 |
| Canada - N.S. Gas Tax Agreement | 27 | | 1,036,685 | 1,025,983 |
| Reimbursement from NSPI | 27 | | 282,918 | |
| | 27 | | 167,920 | |
| Proceeds from sale/disposal of assets | 27 | | 28,306 | 2,576 |
| Total Revenue | | | 1,665,550 | 1,167,344 |
| Expenditures | | | | |
| Municipal services grants | 33 | | 226,892 | 280,551 |
| Refugee Assistance | | | 7,500 | 10,000 |
| Total Expenditures | | | 234,392 | 290,551 |
| Net Revenues | | | 1,431,158 | 876,793 |
| Financing and Transfers | | | | |
| Transfer (to) from general operating fund | | | | |
| Transfers | | 200,000 | 200,000 | 250,000 |
| Municipal services grant | | 250,000 | 250,000 | 250,000 |
| Interest earned on reserve funds | | | (35,429) | (23,238) |
| Interest on interfund loan | | 12,420 | 12,420 | 17,940 |
| Lease payments for LRO space | | 96,284 | 96,284 | 96,284 |
| Transfer (to) from general capital fund | | | | |
| Operating reserve | | (949,116) | (1,500,954) | (359,775) |
| Gas tax reserve | | (760,400) | (165,617) | (913,600) |
| Transfer (to) from water capital fund | | | | |
| Operating reserve | | (338,668) | (86,504) | (984) |
| Gas tax reserve | | | | (404,624) |
| Net Financing and Transfers | | (1,489,480) | (1,229,800) | (1,087,997) |
| Change in Reserve Funds | | \$ (1,489,480) | 201,358 | (211,204) |
| Reserve Funds, Beginning of Year | | | 4,853,362 | 4,262,245 |
| Transfer of General Operating Surplus | | | 1,305,854 | 802,321 |
| Reserve Funds, End of Year | | | \$ 6,360,574 | \$ 4,853,362 |
| Reserves | | | | |
| Capital Reserve | | | \$ 400,529 | \$ 342,935 |
| Street Light Replacement Reserve | | | 59,192 | |
| Canada - NS Gas Tax Reserve | | | 1,190,505 | 314,922 |
| Valley View Replacement Reserve | | | 113,141 | 111,842 |
| Municipal Services Grant Reserve (Page 33) | | | 119,506 | 96,398 |
| Tax Sale Surplus Reserve (Note 8) | | | 176,724 | 199,385 |
| General Operating Reserve | | | 4,300,977 | 3,787,880 |
| | | | \$ 6,360,574 | \$ 4,853,362 |



Municipality of the County of Pictou Consolidated Statement of Property and Equipment

March 31

| | Land | Buildings | Engineered structures / environmental health | Roads and paving | Street lights | Machinery and equipment | Vehicles | Wind towers | 2018 | 2017 |
|---------------------------------------|-------------------|---------------------|--|---------------------|---------------------|-------------------------|------------------|---------------------|----------------------|----------------------|
| General capital | | | | | | | | | | |
| Cost: | | | | | | | | | | |
| Balance, beginning of year | \$ 263,353 | \$ 4,708,718 | \$ 43,071,620 | \$ 2,398,257 | \$ 1,976,487 | \$ 34,678 | \$ 175,990 | \$ 3,280,412 | \$ 55,909,515 | \$ 54,027,253 |
| Acquisition of capital assets | | | 6,081,926 | 410,545 | 44,763 | 12,639 | 61,529 | 115,100 | 6,726,502 | 2,242,679 |
| Disposition of capital assets | (17,921) | | | | | | (22,325) | (115,100) | (155,346) | (360,417) |
| Balance, end of year | <u>245,432</u> | <u>4,708,718</u> | <u>49,153,546</u> | <u>2,808,802</u> | <u>2,021,250</u> | <u>47,317</u> | <u>215,194</u> | <u>3,280,412</u> | <u>62,480,671</u> | <u>55,909,515</u> |
| Accumulated amortization: | | | | | | | | | | |
| Balance, beginning of year | | 1,069,993 | 11,910,792 | 810,137 | 297,732 | 26,299 | 138,707 | 901,591 | 15,155,251 | 13,698,504 |
| Annual amortization | | 120,736 | 935,325 | 114,353 | 162,995 | 5,052 | 18,435 | 218,694 | 1,575,590 | 1,484,425 |
| Accumulated amortization on disposals | | | | | | | (22,325) | (38,367) | (60,692) | (27,678) |
| Balance, end of year | | <u>1,190,729</u> | <u>12,846,117</u> | <u>924,490</u> | <u>460,727</u> | <u>31,351</u> | <u>134,817</u> | <u>1,081,918</u> | <u>16,670,149</u> | <u>15,155,251</u> |
| Net book value of general capital | <u>\$ 245,432</u> | <u>\$ 3,517,989</u> | <u>\$ 36,307,429</u> | <u>\$ 1,884,312</u> | <u>\$ 1,560,523</u> | <u>\$ 15,966</u> | <u>\$ 80,377</u> | <u>\$ 2,198,494</u> | <u>\$ 45,810,522</u> | <u>\$ 40,754,264</u> |
| Water capital | | | | | | | | | | |
| Cost: | | | | | | | | | | |
| Balance, beginning of year | \$ | \$ | \$ 3,134,857 | \$ | \$ | \$ 587,815 | \$ | \$ | \$ 3,722,672 | \$ 3,314,111 |
| Acquisition of capital assets | | | 273,913 | | | 5,231 | | | 279,144 | 408,561 |
| Disposition of capital assets | | | | | | | | | | |
| Balance, end of year | | | <u>3,408,770</u> | | | <u>593,046</u> | | | <u>4,001,816</u> | <u>3,722,672</u> |
| Accumulated amortization: | | | | | | | | | | |
| Balance, beginning of year | | | 426,729 | | | 82,811 | | | 509,540 | 472,753 |
| Annual amortization | | | 23,622 | | | 16,269 | | | 39,891 | 36,787 |
| Accumulated amortization on disposals | | | | | | | | | | |
| Balance, end of year | | | <u>450,351</u> | | | <u>99,080</u> | | | <u>549,431</u> | <u>509,540</u> |
| Net book value of water capital | <u>\$</u> | <u>\$</u> | <u>\$ 2,958,419</u> | <u>\$</u> | <u>\$</u> | <u>\$ 493,966</u> | <u>\$</u> | <u>\$</u> | <u>\$ 3,452,385</u> | <u>\$ 3,213,132</u> |
| | <u>\$ 245,432</u> | <u>\$ 3,517,989</u> | <u>\$ 39,265,848</u> | <u>\$ 1,884,312</u> | <u>\$ 1,560,523</u> | <u>\$ 509,932</u> | <u>\$ 80,377</u> | <u>\$ 2,198,494</u> | <u>\$ 49,262,907</u> | <u>\$ 43,967,396</u> |

Municipality of the County of Pictou

Consolidated Municipal Position

Year Ended March 31

2018

2017

Operating and Reserve Funds

| | | | | |
|---------------------------------|----|------------------|----|------------------|
| General Operating Fund (Page 7) | \$ | | \$ | |
| Water Operating Fund (Page 8) | | (516,717) | | (503,404) |
| General Capital Fund (Page 9) | | | | |
| | | 535,098 | | 509,539 |
| Reserve Funds (Page 12) | | <u>6,360,574</u> | | <u>4,853,362</u> |
| | \$ | <u>6,378,955</u> | \$ | <u>4,859,497</u> |

Investment in Capital Assets

| | | | | |
|--|----|-------------------|----|-------------------|
| Balance, Beginning of Year | \$ | 44,040,498 | \$ | 43,208,652 |
| Capital funding from | | | | |
| Operations | | 771,151 | | 215,733 |
| Operating reserve | | 1,753,075 | | 360,759 |
| Depreciation reserve | | 14,332 | | |
| Government grants | | 4,522,947 | | 2,126,348 |
| Amortization expense - General capital | | (1,575,590) | | (1,484,425) |
| Amortization expense - Water capital | | (39,891) | | (36,787) |
| Cost of assets sold/disposed | | <u>(94,654)</u> | | <u>(349,782)</u> |
| Balance, End of Year | \$ | <u>49,391,868</u> | \$ | <u>44,040,498</u> |
| | | | | |
| Consolidated municipal position | \$ | <u>55,770,823</u> | \$ | <u>48,899,995</u> |

Municipality of the County of Pictou

Notes to Consolidated Financial Statements

March 31, 2018

1. Significant Accounting Policies

The consolidated financial statements of the Municipality of the County of Pictou are prepared by management in accordance with Canadian generally accepted accounting principles for local governments, as recommended by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants.

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

(a) Reporting Entity

- (i) The consolidated financial statements reflect the assets, liabilities, revenues, expenditures and changes in fund balances and in financial position of the reporting entity. The operating funds, capital funds and reserves funds include the activities of all committees of Council. Interdepartmental and organization transactions and balances are eliminated.
- (ii) The financial activities of certain entities associated with the Municipality are not consolidated. The Municipality's contributions to these entities are recorded in the consolidated statement of financial activities as disclosed in Note 10.
- (iii) The taxation, other revenues, expenditures, assets and liabilities with respect to the operations of the school board are not reflected in the municipal fund balances of the financial statements.

(b) Basis of Accounting

Revenues are recorded on the accrual basis of accounting, whereby revenues are recognized as they are earned and measurable. Certain sources of revenue are recorded on a cash basis. Expenditures are recognized in the period goods and services are acquired and a liability is incurred or transfers are due.

(c) Fund Accounting

Funds within the consolidated financial statements consist of the operating funds, capital funds and reserves funds. Transfers between funds are recorded as adjustments to the appropriate municipal fund balance.

The operating funds reflects the financial activities associated with the provision of municipal government services for general and water operations.

The capital funds reflects the financial activities associated with the acquisition, construction and funding of capital assets.

The reserves funds reflect funds authorized by Municipal Council to be set aside for the funding of future operating or capital assets, or the repayment of long term debt.

Municipality of the County of Pictou

Notes to Consolidated Financial Statements

March 31, 2018

(d) Capital Assets

General and Other Funds

Capital assets and projects in progress are recorded at cost. Funds received through capital assistance programs, cost-sharing arrangements or loan forgiveness are treated as additions to the Investment in Capital Assets. Interest incurred during construction on significant capital projects is capitalized.

For years beginning on or after January 1, 2009, municipalities are required to adopt Public Sector Accounting Standards Section PS 3150 Tangible Capital Assets. This section requires amortization of tangible capital assets recorded in the General Capital Fund be recorded each year based on rates that represent the assets useful economic life.

The Municipality of the County of Pictou has established a policy of straight line amortization at the following rates:

| | |
|-------------------------|----------|
| Sewer lines | 50 years |
| Buildings | 40 years |
| Streets | 20 years |
| Vehicles | 5 years |
| Machinery and equipment | 5 years |
| Wind towers | 15 years |

Water Capital Fund

Capital assets and projects in progress are recorded at the utility's net cost on a non-consolidated basis. Funds received through capital assistance programs or cost-sharing arrangements are treated as a reduction in the cost of the asset acquired for amortization calculation purposes. The capital assistance program funds are added to the investment in capital assets for consolidation purposes. Interest incurred during construction on significant water capital projects is capitalized. Interest is calculated at the prevailing prime rate for projects temporarily funded by general or water utility operations.

Depreciation - Water Capital Fund

Depreciation of fixed assets is recorded in the water capital fund calculated on a formula prescribed by the NS Utility and Review Board. Depreciation is not recorded on fixed assets donated to the water utility.

The depreciation charge in the water operating fund is transferred to a special bank account in the water capital fund which is used to help fund replacement of existing plant and equipment or, subject to approval by the NS Utility and Review Board, to repay principal of capital debt.

Non-Municipal Owned Assets

Contributions by the Municipality towards the cost of non-municipal owned assets are recorded as current expenditures out of operations in the applicable operating fund to the extent they are not funded by the issuance of long term debt.

Contributions funded by the issuance of long term debt are recorded at a value equal to the financing and are written down on the same basis as the principal retirement on the debt.

Municipality of the County of Pictou

Notes to Consolidated Financial Statements

March 31, 2018

(e) **Inventory**

Inventory is valued at the lower of cost and net realizable value.

Government Transfers

Government transfers are recognized in the financial statements as revenues in the period in which the events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met and reasonable estimates of the amounts can be made.

(g) **Investment Income**

Investment income earned on operating and reserves funds surplus are reported as revenue in the period earned.

(h) **Valuation Allowances**

Uncollected Taxes

The allowance for uncollected taxes represents taxes in arrears (all taxes outstanding other than current).

Other Receivables

The Municipality provides a valuation allowance for all current receivables which are outstanding for more than one fiscal period, along with providing for any possible losses on receivables that are due beyond a one year period.

(i) **Cash**

Cash include cash on hand and balances with banks, bank overdrafts, and short-term deposits with original maturities of three months or less.

(f) **Use of Estimates**

The preparation of financial statements in accordance with Canadian generally accepted accounting principles for municipal governments requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Where estimation uncertainty exists, the financial statements have been prepared within reasonable limits of materiality.

Actual results could differ from those estimates.

Municipality of the County of Pictou

Notes to Consolidated Financial Statements

March 31, 2018

(j) Segmented information

The Municipality of Pictou County is a diversified municipal unit that provides a wide range of services to its residents. For management reporting purposes, the Municipality's operations and activities are organized and reported by fund. This presentation is in accordance with the Provincial Financial Reporting and Accounting Manual, and was created for the purpose of recording specific activities to attain certain objectives in accordance with special regulations, restrictions or limitations. Municipal services are provided by departments and their activity is reported in these funds. The services provided by these departments are as follows:

General government services

This department is responsible for the overall financial and local government administration. Its tasks include tax administration, trade payables and receivables, budgets, financial statements and adherence to the *Municipal Government Act*.

Protective services

The Municipality is primarily responsible for fire protection for its residents. The Municipality remits funds to volunteer fire departments that has been collected from residents. Other protective services include fees paid to the province for police and correctional services.

Transportation services

The Municipality is responsible for the maintenance and construction of local roads and sidewalks including snow removal. They are also responsible for the street lighting within the Municipality.

Environmental health services

This department is responsible for the maintenance and operations of waste and sewer services provided to the residents and other customers.

Recreation and cultural services

This department is responsible for promoting and offering recreation opportunities and activities to the Municipality's residents. This department is also responsible for the maintenance and operations of parks and recreation facilities for the benefit of all residents.

2. Due From Other Funds

General Operating Fund

As at March 31, 2018 there is an interfund loan in the amount of \$200,000 due for the new Municipal Administration building with a repayment schedule of 10 years beginning in fiscal year 2009-10 and ending in fiscal year 2018-19. The interest rate starts at 1.17% in the first year and increases to 3.22% in the final year.

Municipality of the County of Pictou

Notes to Consolidated Financial Statements

March 31, 2018

3.

A) Taxes Receivable

| | Current Year | Prior Year | 2018 Total | 2017 Total |
|-------------------------------------|---------------------|---------------------|---------------------|-------------------|
| Balance, Beginning of Year | \$ | \$ 2,270,907 | \$ 2,270,907 | \$ 2,067,636 |
| Current year's tax levy | | | | |
| Residential | 10,209,051 | | 10,209,051 | 9,936,207 |
| Commercial | 3,098,847 | | 3,098,847 | 3,140,933 |
| Resource | 686,239 | | 686,239 | 600,249 |
| Forest | 113,076 | | 113,076 | 123,104 |
| Area rates - current | 3,370,967 | | 3,370,967 | 3,417,055 |
| | <u>17,478,180</u> | <u>2,270,907</u> | <u>19,749,087</u> | <u>19,285,184</u> |
| Deduct | | | | |
| Current year's tax collections | 16,387,251 | 1,073,736 | 17,460,987 | 16,979,604 |
| Reduced taxes | 31,180 | | 31,180 | 32,084 |
| Write Offs | 3,641 | | 3,641 | 2,589 |
| | <u>16,422,072</u> | <u>1,073,736</u> | <u>17,495,808</u> | <u>17,014,277</u> |
| Balance, End of Year | <u>\$ 1,056,107</u> | <u>\$ 1,197,171</u> | <u>2,253,278</u> | <u>2,270,907</u> |
| Interest Outstanding at Year End | | | <u>459,218</u> | <u>443,593</u> |
| Total Taxes and Interest | | | <u>2,712,496</u> | <u>2,714,500</u> |
| Valuation Allowance (Note 5) | | | <u>1,656,389</u> | <u>2,014,892</u> |
| Financial Statement Tax Receivables | | | <u>\$ 1,056,107</u> | <u>\$ 699,608</u> |
| Percentage of Taxes Collected | 93.8% | 47.3% | 88.4% | 88.0% |

B) Taxes Receivable (con't)

| Resident Receivables | Water Rates | Road Paving Capital Charges | Sewer Capital Charges | 2018 Total | 2017 Total |
|--|------------------|-----------------------------------|-----------------------------|-------------------|-------------------|
| Balance, End of Year | \$ 92,557 | \$ 256,989 | \$ 6,476 | \$ 356,022 | \$ 206,224 |
| Deduct | | | | | |
| Valuation Allowance (Note 6) | | | 6,476 | 6,476 | 7,310 |
| Financial Statement Other Receivables | <u>\$ 92,557</u> | <u>\$ 256,989</u> | <u>\$</u> | <u>\$ 349,546</u> | <u>\$ 198,914</u> |

Municipality of the County of Pictou

Notes to Consolidated Financial Statements

March 31, 2018

4. Receivable - Residents

Certain costs related to paving projects are recoverable from the residents. This amount is receivable over a 10 year period if levied prior to 2005 and over a 3 year period if levied after 2005 with interest calculated in accordance with the Municipality of Pictou County Interest Rate Policy.

| 5. Valuation Allowance - Uncollected Taxes | 2018 | 2017 |
|--|---------------------|---------------------|
| Balance, Beginning of Year | \$ 2,014,892 | \$ 2,119,817 |
| Add: Provision for the year | (354,862) | (102,336) |
| | 1,660,030 | 2,017,481 |
| Deduct: Write-offs | (3,641) | (2,589) |
| Balance, End of Year | <u>\$ 1,656,389</u> | <u>\$ 2,014,892</u> |
| Comprised of | | |
| Interest | \$ 459,218 | \$ 443,593 |
| Taxes | 1,197,171 | 1,571,299 |
| | <u>1,656,389</u> | <u>2,014,892</u> |

| 6. Valuation Allowance - Other Receivables | 2018 | 2017 |
|--|-----------------|-----------------|
| Balance, Beginning of Year | \$ 7,310 | \$ 7,310 |
| Add: Provision for the year - current | (834) | |
| Balance, End of Year | <u>\$ 6,476</u> | <u>\$ 7,310</u> |

7. Pension plans

The Municipality has a defined contribution pension plan for the employees. The Municipality of the County of Pictou realized a pension expense of \$77,152 (2017 - \$87,134) representing the County's contribution for the current fiscal period.

Municipality of the County of Pictou

Notes to Consolidated Financial Statements

March 31, 2018

8. Restricted Tax Sale Surplus

Funds accumulated from tax sale surplus have been transferred to the capital reserve and are restricted for a period of 20 years. At the expiration of the restricted period, the funds can be used for capital purposes. The following is the schedule of expiration periods:

| | <u>2018</u> | | <u>2017</u> |
|------|-------------------|------|-------------------|
| 2019 | 4,782 | 2018 | 41,200 |
| 2021 | 9,194 | 2019 | 4,782 |
| 2024 | 26,762 | 2021 | 9,194 |
| 2025 | 21,509 | 2024 | 26,762 |
| 2027 | 8,348 | 2025 | 21,509 |
| 2028 | 7,769 | 2027 | 8,348 |
| 2030 | 45,743 | 2028 | 7,769 |
| 2034 | 34,079 | 2030 | 45,743 |
| 2036 | 18,538 | 2034 | 34,079 |
| | <u>\$ 176,724</u> | | <u>\$ 199,386</u> |

9. Area Rates

The following is an accumulated schedule of area rates levied and provided to residents for the specified services. The surplus balance at the end of the year has been transferred from the operating surplus to the operating reserve fund.

| | <u>Street Lights</u> | <u>Fire Protection</u> | <u>Fire Hydrant Protection</u> | <u>Sewer Services</u> | <u>Road Maintenance</u> | <u>2018 Total</u> |
|--------------------------------------|--------------------------|----------------------------|------------------------------------|---------------------------|-----------------------------|-----------------------|
| Balance, Beginning of Year | \$ (102,909) | \$ 5,936 | \$ (100,828) | \$ 396,795 | \$ 8,840 | \$ 207,834 |
| Add: | | | | | | |
| Rates levied for current year | 219,656 | 1,805,437 | 484,163 | 861,711 | | 3,370,967 |
| County contribution | | | 285,985 | | | 285,985 |
| | 116,747 | 1,811,373 | 669,320 | 1,258,506 | 8,840 | 3,864,786 |
| Deduct: | | | | | | |
| Services provided in current year | 57,555 | 1,825,477 | 803,834 | 734,222 | | 3,421,087 |
| Capital expenditures | | | | 70,716 | 8,840 | 79,556 |
| Transfer to replacement reserve | 59,192 | | | | | 59,192 |
| | 116,747 | 1,825,477 | 803,834 | 804,938 | 8,840 | 3,559,835 |
| Balance, End of Year | <u>\$</u> | <u>\$ (14,103)</u> | <u>\$ (134,514)</u> | <u>\$ 453,568</u> | <u>\$</u> | <u>\$ 304,950</u> |

Municipality of the County of Pictou

Notes to Consolidated Financial Statements

March 31, 2018

10. Contributions to Boards and Commissions

Non-Consolidated Boards

The Municipality of the County of Pictou is required to finance the operations of various Boards and Commissions, along with the other Municipal units in Pictou County, to the extent of its participation

| <u>Board</u> | <u>Contribution</u> | |
|---|---------------------|-------------|
| | <u>2018</u> | <u>2017</u> |
| East River Environmental Control Centre | \$ 132,900 | \$ 131,070 |
| Pictou County Solid Waste Management System | 1,453,110 | 1,552,286 |
| Pictou-Antigonish Regional Library | 186,904 | 186,904 |
| Chignecto-Central Regional School Board (a) | 4,770,074 | 4,650,156 |
| Pictou Regional Housing Commission (b) | 96,745 | 90,232 |
| Pictou County Wellness Centre | 261,608 | 238,084 |

(a) Payments for the year ended March 31, 2018 are based on \$0.32/\$100 of uniform assessment (year ended March 31, 2017 - \$0.32/\$100) as approved by the Nova Scotia Department of Education.

(b) The Municipality is charged 11.5% to 12.5% of the operating deficit of all Section 43 and 10-1/4% of the deficit of all Section 40 projects located in the Municipality.

11. Other commitments

The Municipality of the County of Pictou has implemented a deed transfer tax of 1% on all properties acquired in the county. The proceeds from this tax will be contributed to the new Pictou County Wellness Centre project as well as the renovations and improvements to the Aberdeen Hospital. Since these projects will benefit all residents of Pictou County, a similar tax has been implemented by other municipalities within the County.

Pictou County Wellness Centre Building Authority

The Municipality of the County of Pictou together with other municipalities in the County have provided security for a debenture. The balance of this debenture March 31, 2018 is \$8,800,000 (2017 - \$9,240,000)

Pictou County Shared Services Authority - Aberdeen Hospital Renovation Project

The Municipality of the County of Pictou has provided security for a temporary borrowing resolution for the Aberdeen Hospital Renovation project that is being administered by Pictou County Shared Services Authority in the amount of \$3,239,620 with the remaining portion of the total \$6,800,000 being secured by other municipal units.

At March 31, 2018 the balance of the loan outstanding for this project is \$6,271,750; of which the Municipality provides security for \$2,985,353 (47.6% of the total).

Municipality of the County of Pictou

Notes to Consolidated Financial Statements

March 31, 2018

11. Other commitments (continued)

The Municipality of the County of Pictou has issued a loan guarantee for the Linacy Fire Department borrowings of \$200,000 to purchase firefighting equipment during year ending March 31, 2017.

guarantee, the Municipality shall institute an area rate to recover from the residents of that district.

12. Other

Total remuneration paid to elected and senior appointed officials of the Municipality are as follows:

| | <u>Position</u> | <u>Remuneration</u> |
|--------------|--------------------------------------|---------------------|
| Parker, R | Warden | \$ 49,530 |
| Murray, W. | Deputy Warden | 24,056 |
| Baillie, R. | Councillor | 18,400 |
| Boyles, P. | Councillor | 18,400 |
| Butler, D. | Councillor | 18,400 |
| Dewar, C | Councillor | 18,400 |
| MacKeil, D. | Councillor | 18,400 |
| Palmer, R. | Councillor | 18,400 |
| Parker, D. | Councillor | 18,400 |
| Thompson, A. | Councillor | 18,400 |
| Turner, L. | Councillor | 18,400 |
| Wadden, D | Councillor | 18,400 |
| Cullen, B. | C.A.O. - Municipal Clerk - Treasurer | 115,989 |

13. Segmented amortization

The following are the current year amortization amounts recognized in the General Capital fund as a result of PS 3150 of the Public Sector Accounting Standards. These results have been provided to assist the County in the preparation of provincial financial reporting requirements.

| | <u>2018</u> | <u>2017</u> |
|-------------------------------|---------------------|---------------------|
| General government services | \$ 125,788 | \$ 125,788 |
| Transportation services | 295,783 | 273,876 |
| Environmental health services | 935,325 | 866,067 |
| Environmental development | 218,694 | 218,694 |
| | <u>\$ 1,575,590</u> | <u>\$ 1,484,425</u> |

Municipality of the County of Pictou

Notes to Consolidated Financial Statements

March 31, 2018

14. Investment in New Scotland Business Development Incorporated

The New Scotland Business Development Incorporated (NSBDI) was incorporated December 31, 2014 pursuant to Section 60 of the Municipal Government Act. The Municipality of the County of Pictou and the Town of New Glasgow entered into an inter-municipal services agreement representing equal ownership of NSBDI.

As a result of this agreement, the Municipality of the County of Pictou , together with the Town of New Glasgow have jointly guaranteed a bank loan for New Scotland Business Development Inc. to a maximum of \$6,250,000 for purchase of land for a business park. The outstanding balance of the mortgage loan at March 31, 2018 is \$2,951,880.

The value of the investment at March 31, 2018 represents capital contributions only. There is no other income or loss generated from NSBDI up to March 31, 2018.

15. Related party

Riverton Guest Home Corporation - 100% Interest

| | <u>2018</u> | <u>2017</u> |
|---|-------------|-------------|
| Loan to Riverton Guest Home Corporation | \$ 54,315 | \$ 81,473 |

Nature of the relationship

Under the articles of incorporation, the Municipality of the County of Pictou has undertaken to fund any accumulated operating deficit of the Corporation if the Home is unable to have rate increases approved by the Department of Health which will be sufficient to cover the deficit in future years and if a formal request is made to Municipal Council.

At March 31, 2018, the Corporation had an operating deficit of \$52,548 (2017 - \$480,408) and an accumulated operating deficit of \$1,481,934 (2017 - \$1,429,680)

Transactions

During the course of the year ending March 31, 2018 the following transactions occurred:

| | |
|---------------------------|-----------|
| Payments received on loan | \$ 27,158 |
|---------------------------|-----------|

These transactions are not the normal course of operations and were the result of a special funding request from the Corporation. The transactions are measured at their exchange amount, which is the amount of consideration established and agreed to by the related parties.

The financial results of the Corporation are not consolidated with the County's financial results.

Municipality of the County of Pictou

Schedules to Consolidated Statement of Financial Activities

Year Ended March 31

2018

2017

| | Budget | Actual | Actual |
|--|----------------------|----------------------|----------------------|
| Taxes | | | |
| Assessable Property | | | |
| Residential | \$ 10,231,591 | \$ 10,209,051 | \$ 9,936,207 |
| Commercial | | | |
| Based on taxable assessments | 3,105,807 | 3,098,847 | 3,140,933 |
| Resource | | | |
| Based on taxable assessments | 694,059 | 680,622 | 600,249 |
| Non Profit Acres | 5,600 | 5,617 | 8,050 |
| Forest - less than 50,000 acres | 70,147 | 70,402 | 72,320 |
| Forest - more than 50,000 acres | 42,674 | 42,674 | 42,734 |
| | <u>812,480</u> | <u>799,315</u> | <u>723,353</u> |
| Area Rates | | | |
| Fire protection | 1,805,476 | 1,805,437 | 1,716,173 |
| Fire hydrant fees | 485,650 | 484,163 | 448,333 |
| Street lighting | 220,161 | 219,656 | 409,400 |
| Sewer | 866,558 | 861,711 | 827,354 |
| Road maintenance | 7,500 | 7,500 | 15,795 |
| | <u>3,385,345</u> | <u>3,370,967</u> | <u>3,417,055</u> |
| Business Property | | | |
| Based on revenue | 208,566 | 208,567 | 216,340 |
| Nova Scotia Power Corp. | 10,631 | 10,631 | 10,316 |
| H.S.T. Offset grant | 40,000 | 49,054 | 47,196 |
| | <u>259,197</u> | <u>268,252</u> | <u>273,852</u> |
| Other Taxes | | | |
| Deed transfer tax | 450,000 | 523,630 | 423,403 |
| Wind Energy | 675,401 | 675,401 | 668,558 |
| | <u>1,125,401</u> | <u>1,199,031</u> | <u>1,091,961</u> |
| Total tax levied | <u>18,919,821</u> | <u>18,945,463</u> | <u>18,583,361</u> |
| Less taxes collected on behalf of others; | | | |
| Regional school board | (4,770,055) | (4,770,074) | (4,650,156) |
| Provincial correctional service | (309,878) | (309,878) | (308,852) |
| Regional housing authority | (125,000) | (96,745) | (90,232) |
| | <u>(5,204,933)</u> | <u>(5,176,697)</u> | <u>(5,049,240)</u> |
| | <u>\$ 13,714,888</u> | <u>\$ 13,768,766</u> | <u>\$ 13,534,121</u> |

Municipality of the County of Pictou

Schedules to Consolidated Statement of Financial Activities

Year Ended March 31

2018

2017

| | Budget | Actual | Actual |
|-----------------------------------|-------------------|-------------------|-------------------|
| Grants in Lieu of Taxes | | | |
| Federal Government | \$ 5,450 | \$ 5,036 | \$ 5,155 |
| Federal Government Agencies | | | |
| Canadian Broadcasting Corporation | 1,287 | 1,421 | 1,467 |
| Canada Post | 3,998 | 4,297 | 4,317 |
| Provincial Government | | | |
| Real property | 234,965 | 248,762 | 248,430 |
| | <u>\$ 245,700</u> | <u>\$ 259,516</u> | <u>\$ 259,369</u> |

| | | | |
|----------------------------------|-----------|-----------------|-----------|
| Intermunicipal Agreements | | | |
| Town of Pictou | <u>\$</u> | <u>\$ 2,767</u> | <u>\$</u> |

Other Revenue from Own Sources

| | | | |
|---------------------------------|-------------------|-------------------|-------------------|
| Licenses and Permits | | | |
| Dogs | \$ 800 | \$ 614 | \$ 910 |
| Building permits | 60,000 | 35,982 | 49,988 |
| Fines | 18,000 | 19,807 | 28,884 |
| Interest on bank accounts | 50,000 | 46,806 | 29,470 |
| Interest on tax arrears | 200,000 | 218,340 | 213,997 |
| Leases | 126,868 | 126,868 | 126,868 |
| Wind revenue | 230,000 | 212,402 | 228,117 |
| Tax sale expense recovery | 31,400 | 600 | 36,749 |
| Solid waste expense recovery | 16,065 | 17,325 | 16,065 |
| Capital recovery from residents | | 143,881 | 79,661 |
| Miscellaneous | | 6,629 | 25,015 |
| | <u>\$ 733,133</u> | <u>\$ 829,254</u> | <u>\$ 835,724</u> |

Transfers from Government

| | | | |
|------------------------------------|-------------------|-------------------|-------------------|
| Federal Government | \$ 6,516 | \$ 6,516 | \$ 5,992 |
| Provincial Government | | | |
| Equalization grant | 270,601 | 270,601 | 270,601 |
| Farm property acreage grant | 153,778 | 153,778 | 156,404 |
| 911 Civic addressing database | 8,000 | 8,048 | 8,048 |
| Service NS and Municipal Relations | | 4,414 | 4,440 |
| | <u>\$ 438,895</u> | <u>\$ 443,357</u> | <u>\$ 445,485</u> |

Municipality of the County of Pictou

Schedules to Consolidated Statement of Financial Activities

Year Ended March 31

2018

2017

| | <u>Budget</u> | <u>Actual</u> | <u>Actual</u> |
|---|---------------------|---------------------|---------------------|
| Water Revenue | | | |
| Metered sales | \$ 227,441 | \$ 234,530 | \$ 151,796 |
| Flat rate sales | 54,260 | 54,155 | 32,576 |
| Sprinkler/Hydrant service | 1,751 | 4,486 | 2,046 |
| Interest on water accounts | 1,280 | 1,157 | 1,278 |
| Interest income | 3,000 | 5,964 | 3,782 |
| | <u>\$ 287,732</u> | <u>\$ 300,292</u> | <u>\$ 191,478</u> |
| Grants for Capital | | | |
| Canada - N.S. Gas Tax Agreement | \$ | \$ 1,036,685 | \$ 1,025,983 |
| Province of Nova Scotia - Clean Water and Wastewater Fund | 7,873,346 | 4,522,947 | 808,124 |
| | <u>\$ 7,873,346</u> | <u>\$ 5,559,632</u> | <u>\$ 1,834,107</u> |
| Other Revenue | | | |
| Interest on operating reserve | \$ | \$ 35,429 | \$ 23,238 |
| Interest on capital reserve | | 7,924 | 5,133 |
| Interest on gas tax reserve | | 4,515 | 1,995 |
| Residents share of capital costs | | 101,853 | 108,419 |
| Reimbursement from NSPI | | 282,918 | |
| PCSWM surplus refunded | | 167,920 | |
| | <u>\$</u> | <u>\$ 600,559</u> | <u>\$ 138,785</u> |
| Proceeds from Sale of Assets | | | |
| Property | <u>\$</u> | <u>\$ 28,306</u> | <u>\$ 2,576</u> |

Municipality of the County of Pictou

Schedules to Consolidated Statement of Financial Activities

Year Ended March 31

2018

2017

| | Budget | Actual | Actual |
|------------------------------------|------------------|------------------|------------------|
| General Government Services | | | |
| Legislative | | | |
| Warden | \$ 72,458 | \$ 59,052 | \$ 64,689 |
| Council | 309,989 | 279,338 | 295,301 |
| Other legislative services | 650 | 650 | 750 |
| | <u>383,097</u> | <u>339,040</u> | <u>360,740</u> |
| General administrative | | | |
| Administrative | | | |
| CAO | 149,236 | 143,897 | 143,516 |
| Administration | 169,531 | 165,876 | 148,619 |
| Finance | 394,298 | 363,906 | 321,393 |
| Office expense | 252,570 | 235,291 | 227,591 |
| Legal services | 50,000 | 18,923 | 29,309 |
| Buildings maintenance | 507,444 | 196,060 | 204,945 |
| Banking fees | 7,500 | 8,338 | 7,496 |
| Financial management | 25,000 | 20,857 | 22,427 |
| Human resources management | 20,000 | 948 | 732 |
| Taxation | | | |
| Exemptions | 32,000 | 31,180 | 32,084 |
| Tax sale expenses | 42,500 | 1,038 | 28,321 |
| Assessment services | 488,400 | 488,400 | 484,723 |
| Reserve for uncollected taxes | 103,349 | (354,862) | 104,542 |
| Other general government services | | | |
| Liability insurance | 55,021 | 55,021 | 66,177 |
| Intergovernmental relations | 14,100 | 14,203 | 14,110 |
| Pensions | | | 23,429 |
| Elections | | 196 | 199,530 |
| Sundry | 67,831 | 658 | 1,560 |
| | <u>2,378,780</u> | <u>1,389,930</u> | <u>2,060,504</u> |
| Sub-total | <u>2,761,877</u> | <u>1,728,970</u> | <u>2,421,244</u> |

Municipality of the County of Pictou
Schedules to Consolidated Statement of Financial Activities

Year Ended March 31

2018

2017

| | Budget | Actual | Actual |
|--|---------------------|---------------------|---------------------|
| General Government Services (cont'd) | \$ 2,761,877 | \$ 1,728,970 | \$ 2,421,244 |
| Other general government services | | | |
| Grants to Comm. Service Organizations | 201,000 | | |
| Association of Municipal Administrators | | 1,000 | |
| Autism Pictou County | | 1,000 | |
| Canadian Red Cross (Fort McMurray Relief Fund) | | | 10,000 |
| CHAD Transit System | | 57,800 | 56,410 |
| Chignecto East Regional | | 250 | |
| Dr W A MacLeod Consolidated | | 500 | |
| Durham Community Hall | | | 4,000 |
| East Pictou Middle School | | 500 | |
| Eastern District NS Association of Garden Clubs | | | 2,500 |
| FCM Legal Fee Grant | | 112 | |
| Federation of Canadian Municipalities | | 1,095 | |
| Festival of the Tartans | | 500 | |
| Junior Achievement NS | | 500 | |
| Lyons Brook Women's Institute | | | 5,000 |
| Mental Health Foundation of NS | | 500 | |
| Molly's Rainbows Society | | 100 | |
| Multicultural Assoc of Pictou County | | 2,500 | |
| New Glasgow Farmers Market (Town) | | 5,000 | 3,000 |
| New Glasgow Riverfront Jubilee | | 5,000 | 5,000 |
| Northumberland High School | | 2,500 | 2,000 |
| North Nova Educational Center | | 2,500 | 2,000 |
| Pictou Agricultural Society | | 10,000 | 7,000 |
| Pictou Antigonish Regional Library | | | 1,200 |
| Pictou County 4H | | 38,250 | 38,250 |
| Pictou County Chamber of Commerce | | 1,000 | |
| Pictou County Christmas Fund | | 500 | 500 |
| Pictou County Council of Seniors Outreach | | 5,000 | 5,000 |
| Pictou County Crime Prevention | | 5,000 | 5,000 |
| Pictou County Cruise Committee | | 2,000 | 2,000 |
| Pictou County Firefighters Association | | 3,000 | 3,000 |
| Pictou County Food Bank | | | 1,000 |
| Pictou County Mental Illness | | 1,000 | |
| Pictou County Military | | | 2,000 |
| Pictou County Roots for Youth | | 5,000 | 5,000 |
| Pictou County Scouting | | 5,000 | 8,256 |
| Pictou County Sports Hall of Fame | | 500 | |
| Pictou County Women's Centre | | | 4,000 |
| Pictou Island Heritage Society | | 2,500 | |
| Pictou Lobster Carnival | | 7,000 | 6,000 |
| Pictou West Food Bank | | | 1,000 |
| Plymouth Community & Recreation Assoc. | | 5,000 | 17,500 |
| Read by the Sea | | 3,500 | 3,500 |
| Remembering Canada's Heros | | 800 | 1,000 |
| River John Community | | 2,000 | |
| River John Festival Days Assoc/RJ Action Society | | 4,000 | |
| River John Lions Club | | 2,400 | 1,000 |
| Salt Springs Elementary School | | 500 | |
| Scotsburn Elementary School | | 500 | |
| Thorburn Consolidated School | | 500 | |
| Town of Pictou | | | 1,150 |
| Victorian Order of Nurses | | 5,000 | 5,000 |
| Viola's Place Society | | 8,000 | |
| West Pictou Consolidated School | | 500 | |
| Other | | 700 | 4,568 |
| | <u>2,962,877</u> | <u>1,929,477</u> | <u>2,634,078</u> |
| Amortization | | <u>125,788</u> | <u>125,788</u> |
| | <u>\$ 2,962,877</u> | <u>\$ 2,055,265</u> | <u>\$ 2,759,866</u> |

Municipality of the County of Pictou

Schedules to Consolidated Statement of Financial Activities

Year Ended March 31

2018

2017

| | <u>Budget</u> | <u>Actual</u> | <u>Actual</u> |
|--|---------------------|---------------------|---------------------|
| Protective Services | | | |
| Provincial Prosecution Service | \$ 27,000 | \$ 17,877 | \$ 32,127 |
| Police Protection | 3,236,700 | 3,237,200 | 3,118,240 |
| By-Law Enforcement | 77,175 | 73,727 | 71,112 |
| Dog Control and Unsightly Premises | 65,000 | 23,970 | 14,189 |
| | <u>142,175</u> | <u>97,697</u> | <u>85,301</u> |
| Fire Protection | | | |
| District charges | 1,805,476 | 1,825,477 | 1,716,859 |
| Fire hydrant fees - District charges | 485,650 | 517,849 | 455,371 |
| Fire hydrant fees - County cost | 206,903 | 206,903 | 208,949 |
| Grants to fire brigades | 133,000 | 128,312 | 132,439 |
| Insurance on fire brigade members | 49,653 | 49,643 | 50,490 |
| Fire inspector | 61,652 | 2,879 | 1,052 |
| | <u>2,742,334</u> | <u>2,731,063</u> | <u>2,565,160</u> |
| Emergency Measures | | | |
| Emergency Measures Organization | 23,551 | 23,550 | 18,915 |
| Other | | | |
| Building inspection - wages and expenses | 195,948 | 111,339 | 163,031 |
| | <u>\$ 6,367,708</u> | <u>\$ 6,218,726</u> | <u>\$ 5,982,774</u> |

Transportation Services

| | | | |
|-----------------------------------|-------------------|-------------------|-------------------|
| Street lighting district charges | \$ 220,161 | \$ 116,747 | \$ 373,796 |
| Street lighting - intersections | 8,000 | 1,033 | 4,204 |
| Street lighting - maintenance | | 2,217 | |
| Roads and streets | 158,336 | 158,336 | 155,996 |
| Road maintenance - County | 120,000 | 49,463 | 53,899 |
| Road maintenance district charges | 7,500 | | 4,970 |
| Sidewalks | 68,000 | 25,678 | 35,674 |
| | <u>581,997</u> | <u>353,474</u> | <u>628,539</u> |
| Amortization | | <u>295,783</u> | <u>273,876</u> |
| | <u>\$ 581,997</u> | <u>\$ 649,257</u> | <u>\$ 902,415</u> |

Municipality of the County of Pictou

Schedules to Consolidated Statement of Financial Activities

Year Ended March 31

2018

2017

| | Budget | Actual | Actual |
|--------------------------------------|---------------------|---------------------|---------------------|
| Environmental Health Services | | | |
| Sewer - District charges | \$ 606,558 | \$ 474,219 | \$ 521,675 |
| Sewer - connection supplies | 40,000 | 45,037 | 13,206 |
| Garbage collection | 16,700 | 12,931 | 557,520 |
| Recycling collection | 778,062 | 778,062 | 328,770 |
| Garbage disposal | 604,551 | 624,377 | 615,925 |
| Administration | 50,671 | 50,671 | 50,071 |
| Public Works Department | | | |
| Salaries and expenses | 461,906 | 427,030 | 444,336 |
| Other | 5,000 | 3,710 | 3,027 |
| | <u>2,563,448</u> | <u>2,416,037</u> | <u>2,534,530</u> |
| Amortization | | <u>935,325</u> | <u>866,067</u> |
| | <u>\$ 2,563,448</u> | <u>\$ 3,351,362</u> | <u>\$ 3,400,597</u> |

Environmental Developmental Services

| | | | |
|---------------------------------------|-------------------|-------------------|-------------------|
| G. I. S. | \$ 89,559 | \$ 83,784 | \$ 85,114 |
| Community Sustainability and Planning | 10,000 | 8,693 | 76,616 |
| Development Officer (Sub-divisions) | 37,000 | 21,095 | 19,708 |
| Regional development expenses | 204,000 | 148,380 | 53,044 |
| Wind turbines expenses | 80,674 | 78,379 | 56,819 |
| Marketing - Pictou County Tourism | 19,697 | 19,696 | 19,719 |
| Other community grants | 26,000 | 26,000 | 17,000 |
| Industrial park expenses | 10,000 | | |
| | <u>476,930</u> | <u>386,027</u> | <u>328,020</u> |
| Amortization | | <u>218,694</u> | <u>218,694</u> |
| | <u>\$ 476,930</u> | <u>\$ 604,721</u> | <u>\$ 546,714</u> |

Municipality of the County of Pictou
Schedules to Consolidated Statement of Financial Activities

Year Ended March 31

2018

2017

| | <u>Budget</u> | <u>Actual</u> | <u>Actual</u> |
|--|-------------------|---------------------|---------------------|
| Recreation Services | | | |
| Recreation | | | |
| Grants | \$ 26,761 | \$ 33,696 | \$ 66,596 |
| DeCoste Entertainment Centre | 15,000 | 15,000 | 15,000 |
| District 13 Recreation & Plann. Comm. | 49,039 | 49,039 | |
| Hector Arena Commission | 15,000 | 15,000 | 24,000 |
| Highland Soccer Association | 7,500 | 7,500 | 500 |
| L.O.R.D.A. | 6,000 | 6,000 | 6,000 |
| Pictou County Historical Society | 500 | 500 | |
| Pictou County Snow Riders | | | 2,500 |
| Pictou County Trails Association | 20,000 | 20,000 | 20,000 |
| Planning Strategy Assistance | 5,000 | 5,000 | |
| Riverview Home Corp | 1,000 | 1,000 | |
| Valley View Villa | 1,000 | 1,000 | |
| Westville Curling Club | | | 2,500 |
| Recreation program expenses | 14,333 | 12,103 | 12,986 |
| Recreation department - salary and exp | 113,399 | 111,823 | 107,797 |
| Council programs | 3,000 | 3,282 | 2,154 |
| Newsletter | 9,500 | 9,894 | 9,010 |
| | <u>\$ 287,032</u> | <u>\$ 290,837</u> | <u>\$ 269,043</u> |
| Cultural Services | | | |
| Regional Library | \$ 186,904 | \$ 186,904 | \$ 186,904 |
| Branch Library | 50,360 | 46,579 | 50,721 |
| Cultural grants | 12,000 | 11,000 | |
| | <u>\$ 249,264</u> | <u>\$ 244,483</u> | <u>\$ 237,625</u> |
| Water Utility Services | | | |
| Operating expenditures | | | |
| Source of supply | \$ 221,234 | \$ 233,533 | \$ 229,718 |
| Pumping | 9,000 | 7,238 | 6,972 |
| Water treatment | 38,500 | 39,630 | 38,537 |
| Transmission and distribution | 35,000 | 27,557 | 46,086 |
| Administrative and general | 44,795 | 38,326 | 33,378 |
| Interest on operating account | 3,600 | 6,512 | 3,627 |
| | <u>352,129</u> | <u>352,796</u> | <u>358,318</u> |
| Amortization | <u>62,500</u> | <u>39,891</u> | <u>36,787</u> |
| | <u>\$ 414,629</u> | <u>\$ 392,687</u> | <u>\$ 395,105</u> |
| Other Transfers and Grants | | | |
| Municipal services grants | \$ | \$ 226,892 | \$ 280,551 |
| Riverton Guest Home Corporation | | | 112,527 |
| Refugee assistance fund | | 7,500 | 10,000 |
| Pictou County Wellness Centre | 225,000 | 261,608 | 238,084 |
| Deed transfer tax | 450,000 | 523,630 | 423,403 |
| | <u>\$ 675,000</u> | <u>\$ 1,019,629</u> | <u>\$ 1,064,565</u> |

Municipality of the County of Pictou

Allocation of Municipal Services Grant Reserve

Year Ended March 31, 2018

| District | Balance April 1 2017 | Revenue Allocation | Expenditures | Balance March 31 2018 | Committed at March 31, 2018 |
|----------|----------------------------|-----------------------|-------------------|-----------------------------|--------------------------------|
| 1 | \$ 1,177 | \$ 21,428 | \$ 20,399 | \$ 2,206 | \$ |
| | 5,892 | 26,073 | 718 | 31,247 | |
| 3 | 4,706 | 24,085 | 26,268 | 2,523 | |
| 4 | 26,108 | 24,003 | 20,008 | 30,103 | 22,106 |
| 5 | 18,340 | 18,921 | 33,238 | 4,023 | |
| 6 | 16,741 | 18,252 | 16,480 | 18,513 | |
| 7 | 20,977 | 18,270 | 25,573 | 13,674 | |
| 8 | 82 | 20,167 | 12,477 | 7,772 | |
| 9 | 818 | 18,526 | 19,177 | 167 | |
| 10 | 765 | 19,705 | 17,452 | 3,018 | |
| 11 | 731 | 20,631 | 21,153 | 209 | |
| 12 | 61 | 19,180 | 13,190 | 6,051 | |
| 31 | | 759 | 759 | | |
| | <u>\$ 96,398</u> | <u>\$ 250,000</u> | <u>\$ 226,892</u> | <u>\$ 119,506</u> | <u>\$ 22,106</u> |

Municipality of the County of Pictou
Supplementary Schedule of Capital Projects Funding

March 31, 2018

| | Total Capital Cost | Gas Tax Reserve Fund | Province of NS Clean Water and Wastewater Fund | Operating Reserve Fund | Water Depreciation Fund | General Operating Fund |
|------------------------------------|-----------------------|----------------------------|--|------------------------------|-------------------------------|------------------------------|
| GENERAL CAPITAL | | | | | | |
| Paving | | | | | | |
| Green Acres | \$ 292,888 | \$ | \$ | \$ | \$ | \$ 292,888 |
| TIR | 117,657 | | | | | 117,657 |
| Street signs | 9,229 | | | | | 9,229 |
| Street lights | 35,534 | | | | | 35,534 |
| Vehicles | 61,529 | | | | | 61,529 |
| | <u>516,837</u> | | | | | <u>516,837</u> |
| Environmental health services | | | | | | |
| Alma Springfield Estates | 269,374 | | 178,461 | 90,913 | | |
| Plymouth MacLellans Brook | 5,496,609 | | 4,121,471 | 1,375,138 | | |
| Birch St Fraser Mountain | 3,754 | | | | | 3,754 |
| Priestville Walkerville PS1 & PS2 | 165,617 | 165,617 | | | | |
| Thorburn Plant Upgrade | 25,025 | | | | | 25,025 |
| Coalburn Lift Station Upgrade | 4,937 | | | | | 4,937 |
| Hopewell Pump Project | 23,731 | | | | | 23,731 |
| Abercrombie Extension | 79,610 | | 44,707 | 34,903 | | |
| Lyons Brook - Lift Station Drive | 7,665 | | | | | 7,665 |
| Lyons Brook-Town Pictou Upgrade | 5,603 | | | | | 5,603 |
| | <u>6,081,925</u> | <u>165,617</u> | <u>4,344,639</u> | <u>1,500,954</u> | | <u>70,715</u> |
| Environmental development services | | | | | | |
| Wind towers | 115,100 | | | | | 115,100 |
| GIS Plotter | 12,639 | | | | | 12,639 |
| | <u>127,739</u> | | | | | <u>127,739</u> |
| New Scotland Business Dev. Inc | | | | | | |
| | <u>55,860</u> | | | | | <u>55,860</u> |
| | <u>6,782,361</u> | <u>165,617</u> | <u>4,344,639</u> | <u>1,500,954</u> | | <u>771,151</u> |
| WATER CAPITAL | | | | | | |
| Service laterals | 9,101 | | | | 9,101 | |
| Water meters | 5,231 | | | | 5,231 | |
| Alma Springfield Estates | 264,812 | | 178,308 | 86,504 | | |
| | <u>279,144</u> | | <u>178,308</u> | <u>86,504</u> | 14,332 | |
| | <u>\$ 7,061,505</u> | <u>\$ 165,617</u> | <u>\$ 4,522,947</u> | <u>\$ 1,587,458</u> | <u>\$ 14,332</u> | <u>\$ 771,151</u> |