



Grant Thornton

Consolidated financial statements

Municipality of the County of Colchester

March 31, 2014



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Independent auditor's report

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To the Mayor and Members of Council of the Municipality of the County of Colchester

We have audited the accompanying consolidated financial statements of the Municipality of the County of Colchester, which comprise the consolidated statement of financial position as at March 31, 2014, the consolidated statements of operations, changes in net financial liabilities and changes in financial position for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the consolidated financial statements

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

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 Municipality's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Municipality'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 qualified audit opinion.

Basis for qualified opinion

The Municipality of the County of Colchester has collected donations from the public for the construction of the Central Nova Scotia Civic Centre Society (operating as “Rath Eastlink Community Centre”), the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Municipality and we were not able to determine whether any adjustments might be necessary to revenues, net revenues, assets and/or liabilities and surplus.

Qualified opinion

In our opinion, except for the effect of adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the completeness of donation revenues referred to in the preceding paragraph, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Municipality of the County of Colchester as at March 31, 2014 and the consolidated results of its operations, changes in net liabilities, and changes in financial position for the year then ended in accordance with Canadian public sector accounting standards.

Other matter

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The supplementary information included on Pages 39 to 44 is presented for purposes of additional information and is not a required part of the consolidated financial statements. Such supplementary information has been subjected to the auditing procedures applied, only to the extent necessary to express an opinion on the audit of consolidated financial statements taken as a whole.



Truro, Canada
June 26, 2014

Chartered Accountants

The Municipality of the County of Colchester

Consolidated statement of operations

(Restated)

Year ended March 31	2014 Budget	2014 Actual	2013 Actual
Revenues			
Taxes (Page 30)	\$ 29,150,889	\$ 29,616,775	\$ 28,857,741
Grants in lieu of taxes (Page 31)	847,916	877,816	803,800
Services to other governments (Page 31)	871,791	1,141,998	827,358
Sale of services (Page 31)	850,857	866,247	833,033
Water fire protection (Page 31)	170,679	171,227	161,210
Other revenue from own sources (Page 32)	4,160,115	4,968,109	4,383,068
Unconditional transfers from other governments (Page 32)	585,572	537,518	578,107
Conditional transfers from other governments (Page 32)	2,018,629	8,064,077	17,897,064
Interest	-	85,242	54,474
Other revenue (Page 33)	<u>2,171,226</u>	<u>3,354,503</u>	<u>1,879,130</u>
Total revenues	<u>40,827,674</u>	<u>49,683,512</u>	<u>56,274,985</u>
Expenditures			
General government services (Page 33)	4,422,462	4,665,881	4,324,998
Protective services (Page 34)	7,973,904	8,233,018	8,077,211
Transportation services (Page 34)	1,787,371	2,135,254	2,066,854
Environmental health services (Page 35)	9,735,440	13,266,621	12,207,109
Public health services (Page 35)	243,186	260,943	277,522
Environmental development services (Page 35)	690,016	318,109	646,240
Recreation and cultural services (Page 36)	2,009,561	6,230,638	11,731,476
Water treatment and distribution (Page 36)	794,733	870,379	939,085
Fiscal services (Page 36)	<u>6,517,559</u>	<u>6,517,560</u>	<u>6,180,720</u>
Total expenditures	<u>34,174,232</u>	<u>42,498,403</u>	<u>46,451,215</u>
Net revenues	<u>\$ 6,653,442</u>	<u>\$ 7,185,109</u>	<u>\$ 9,823,770</u>

See accompanying notes to the consolidated financial statements

The Municipality of the County of Colchester

Consolidated statement of financial position

(Restated)

March 31

2014

2013

Financial assets

Cash and cash equivalents	\$ <u>18,626,779</u>	\$ <u>16,035,990</u>
Receivables		
Taxes (Note 2)	1,781,527	1,856,701
Due from federal government and its agencies	1,876,018	1,448,938
Due from provincial government and its agencies	1,265,057	2,112,221
Due from other municipal governments and agencies	6,714,502	4,983,875
Other		
Trade account	1,655,816	869,433
Frontage rates (Note 4)	128,442	142,452
	<u>13,421,362</u>	<u>11,413,620</u>
Loans and advances	<u>864,898</u>	<u>794,436</u>
	<u>32,913,039</u>	<u>28,244,046</u>

Liabilities

Payables and accruals		
Trade accounts	<u>5,546,572</u>	<u>7,125,280</u>
Other liabilities		
Accrued pension benefit liability (Note 10)	1,069,360	816,173
Balefill closure liability (Note 9)	1,417,200	785,581
Other	95,325	82,075
	<u>2,581,885</u>	<u>1,683,829</u>
Bridge loan (Note 16)	<u>3,000,000</u>	<u>3,000,000</u>
Prepayment of taxes	<u>1,241,507</u>	<u>1,167,013</u>
Deferred revenue (Notes 1 and 5)		
Street improvement rates	179,681	148,393
Colchester Park	4,393,300	4,344,392
Debert Air Industrial Park	494,166	494,166
Gas tax	3,615,839	4,358,311
Other deferred revenue	757,071	173,937
	<u>9,440,057</u>	<u>9,519,199</u>
Tax sale surplus (Note 6)	<u>470,492</u>	<u>436,750</u>
Asset valuation allowances		
for uncollectible taxes and other receivables	<u>200,000</u>	<u>200,000</u>
Long term debt (Note 8 and Page 38)	<u>20,841,433</u>	<u>18,452,904</u>
	<u>43,321,946</u>	<u>41,584,975</u>
Net financial liabilities	<u>(10,408,907)</u>	<u>(13,340,929)</u>

See accompanying notes to the consolidated financial statements

The Municipality of the County of Colchester
Consolidated statement of financial position

(Restated)

March 31

2014

2013

Non-financial assets (liabilities)

Tangible capital assets (Pages 11 and 12)		
Property and equipment (Pages 8 and 9)	168,477,117	159,086,553
Accumulated depreciation	<u>(68,471,783)</u>	<u>(63,515,132)</u>
	100,005,334	95,571,421
Prepays	85,641	357,399
Other assets	<u>212,965</u>	<u>122,033</u>
	<u>100,303,940</u>	<u>96,050,853</u>
Net assets	\$ <u>89,895,033</u>	\$ <u>82,709,924</u>

Accumulated surplus, beginning of year	\$ 82,709,924	\$ 76,796,409
Prior period adjustment (Note 18)	<u>-</u>	<u>(3,910,255)</u>
Accumulated surplus, as restated	82,709,924	72,886,154
Net revenues	<u>7,185,109</u>	<u>9,823,770</u>
Accumulated surplus, end of year (Note 17)	\$ <u>89,895,033</u>	\$ <u>82,709,924</u>

Commitments (Note 11)

On Behalf of The Municipality of the County of Colchester

Mayor

Chief Administrative Officer

Municipality of the County of Colchester
Consolidated statement of changes in
net financial liabilities

Year ended March 31	2014	(Restated) 2013
Net revenues	\$ <u>7,185,109</u>	\$ <u>9,823,770</u>
Acquisition of tangible capital assets	(9,421,943)	(20,453,728)
(Gain) loss on disposal of tangible capital assets	(36,000)	42,081
Proceeds on disposal of tangible capital assets	36,000	200,845
Depreciation expense - URB	52,789	52,789
Depreciation of tangible capital assets	<u>4,935,241</u>	<u>4,821,336</u>
	<u>(4,433,913)</u>	<u>(15,336,677)</u>
Acquisition of prepaids and other assets, net	<u>180,826</u>	<u>(137,141)</u>
Change in net financial liabilities	2,932,022	(5,650,048)
Net financial liabilities, beginning of year	<u>(13,340,929)</u>	<u>(7,690,881)</u>
Net financial liabilities, end of year	\$ <u>(10,408,907)</u>	\$ <u>(13,340,929)</u>

See accompanying notes to the consolidated financial statements

The Municipality of the County of Colchester

Consolidated statement of changes in financial position

Year ended March 31	2014	(Restated) 2013
Operating activities		
Net revenues	\$ 7,185,109	\$ 9,823,770
Depreciation expense – URB	52,789	52,789
Depreciation of tangible capital assets	4,935,241	4,821,336
(Gain) loss on disposal of tangible capital assets	<u>(36,000)</u>	<u>42,081</u>
	12,137,139	14,739,976
Changes in non-cash working capital		
Receivables	(2,007,742)	1,639,361
Loans and advances	(70,462)	363,532
Prepays and other assets	180,826	(137,141)
Payables and accruals	(1,578,708)	(2,251,421)
Other liabilities	<u>927,150</u>	<u>1,208,170</u>
	9,588,203	15,562,477
Capital		
Proceeds on sale of tangible capital assets	36,000	200,845
Purchase of tangible capital assets	<u>(9,421,943)</u>	<u>(20,453,728)</u>
	(9,385,943)	(20,252,883)
Financing activities		
Debt proceeds (repaid), net	<u>2,388,529</u>	<u>6,690,999</u>
Change in net cash and cash equivalents	2,590,789	2,000,593
Opening, cash and cash equivalents	<u>16,035,990</u>	<u>14,035,397</u>
Closing, cash and cash equivalents	\$ 18,626,779	\$ 16,035,990

See accompanying notes to the consolidated financial statements

The Municipality of the County of Colchester

Consolidated statement of cost of property and equipment by function

March 31

	\$	Land and Buildings	Plant and Equipment	Other	Total 2014 (Unaudited)	Total 2013 (Unaudited)
General government services:						
Land	2,227,897	-	-	-	2,227,897	2,227,897
Court house	1,395,260	69,216	-	11,464	1,475,940	1,464,476
Kemptown	174,943	-	-	-	174,943	174,943
Other buildings	839,339	-	-	-	839,339	702,339
Protection services:						
Central dispatch	-	332,136	-	-	332,136	332,136
Fire service	-	128,885	-	-	128,885	128,885
Transportation services:						
Street improvements	-	-	-	485,719	485,719	485,719
Urban sidewalks	7,988,960	282,061	-	18,077	8,289,098	7,801,705
Rural sidewalks	489,374	-	-	349,848	839,222	349,848
Signage	-	-	-	25,761	25,761	25,761
Roads	-	-	-	11,991,611	11,991,611	11,413,470
Environmental health services:						
Public works sewers	-	1,020,500	-	-	1,020,500	494,559
Public works building	906,333	-	-	-	906,333	906,333
Trunk sewer line	-	-	-	9,481,127	9,481,127	9,481,127
Trunk sewer - Pictou Road	-	-	-	3,383,159	3,383,159	3,383,159
Regional STP	12,109,857	15,991,256	-	4,434,362	32,535,475	32,123,820
Urban collection system	19,743	532,746	-	5,085,067	5,637,556	5,637,556
Lift stations	-	600,812	-	831,035	1,431,847	831,035
Brookfield	998,751	746,234	-	3,227,893	4,972,878	4,968,289
Great Village	351,196	209,261	-	319,380	879,837	879,837
Tatamagouche	1,139,942	530,438	-	691,585	2,361,965	2,361,965
Debert	4,028,687	-	-	-	4,028,687	4,014,084
Debert Phase I	-	-	-	128,824	128,824	128,824
Leachate treatment plant	-	1,600,342	-	-	1,600,342	1,600,342

See accompanying notes to the consolidated financial statements

The Municipality of the County of Colchester Consolidated statement of cost of property and equipment by function

March 31

	Land and Buildings	Plant and Equipment	Other	Total 2014 (Unaudited)	Total 2013 (Unaudited)
Garbage and waste collection and disposal:					
Regional landfill site	8,230,996	2,113,064	987,639	11,331,699	10,839,140
Principal sites	-	-	88,785	88,785	88,785
Balefill Cell 2	-	-	2,529,553	2,529,553	2,529,553
Balefill Cell 3	-	11,527	2,026,681	2,038,208	2,026,681
Invessel composting	-	5,548,339	146,297	5,694,636	2,097,024
Material recovery	3,579,124	2,153,815	186,600	5,919,539	5,805,788
Compost containers	-	1,625,554	-	1,625,554	1,596,070
Recreation and community services:					
Library	1,091,790	40,375	83,135	1,215,300	1,231,799
Civic centre	22,458,641	6,744,212	4,489,845	33,692,698	32,095,909
Land	180,604	-	-	180,604	180,604
Parks and trails	726,545	149,187	536,074	1,411,806	1,179,641
Lighthouse	54,127	2,700	-	56,827	2,700
Tatamagouche water utility:					
Land	7,097	-	-	7,097	7,097
Structures and improvements	307,615	2,394,581	-	2,702,196	2,702,196
Equipment	-	261,737	103,440	365,177	365,177
Mains	-	507,816	-	507,816	507,816
Services	-	112,041	-	112,041	112,041
Meters	-	11,341	-	11,341	11,341
Hydrants	-	79,115	-	79,115	79,115
Debert water utility:					
Structures and improvements	912,937	-	-	912,937	912,937
Mains	-	2,659,766	-	2,659,766	2,659,766
Services	-	-	40,254	40,254	22,177
Meters	-	-	56,875	56,875	56,875
Hydrants	-	-	58,212	58,212	58,212
	\$ 70,219,758	\$ 46,459,057	\$ 51,798,302	\$ 168,477,117	\$ 159,086,553

See accompanying notes to the consolidated financial statements

The Municipality of the County of Colchester Consolidated statement of investment in tangible capital assets

March 31

	General	Tatamagouche Water	Debert Water	Total 2014	Total 2013
Balance, beginning of year	\$ 78,550,382	\$ 2,179,946	\$ 698,428	\$ 81,428,756	\$ 73,213,144
Capital purchases (Page 37)	9,403,866	-	18,077	9,421,943	20,453,728
Acquisition of long term debt	(4,370,000)	-	-	(4,370,000)	(8,520,000)
Payment on long term debt	1,535,530	14,000	-	1,549,530	1,398,935
Depreciation of assets (non-contributory)	(4,742,564)	(126,535)	(66,142)	(4,935,241)	(4,821,336)
Depreciation of water utility assets (contributory)	-	(34,819)	(17,970)	(52,789)	(52,789)
Write down/disposal of capital assets	-	-	-	-	(335,678)
Accumulated amortization on write-down/disposal	-	-	-	-	92,752
Balance, end of year	\$ 80,377,214	\$ 2,032,592	\$ 632,393	\$ 83,042,199	\$ 81,428,756

See accompanying notes to the consolidated financial statements

The Municipality of the County of Colchester

Schedule of tangible capital assets

Year ended March 31, 2014

General capital	Land		Land Improvements	Municipal Buildings	Buildings/Plants	Electric Data	Office Equipment	Machinery
	Land	Improvements						
Cost:								
Balance, beginning of year	\$3,340,147	\$706,872	\$1,268,994	\$92,194,836	\$323,117	\$247,243	\$10,135,128	
Acquisition of tangible capital assets	78,000	155,926	10,645	6,283,368	-	11,464	141,455	
Disposal of tangible capital assets	-	-	-	(16,499)	-	-	(14,880)	
Balance, end of year	3,418,147	862,798	1,279,639	98,461,705	323,117	258,707	10,261,703	
Accumulated depreciation:								
Balance, beginning of year	-	(85,237)	(731,213)	(34,413,941)	(305,575)	(178,251)	(3,863,916)	
Annual depreciation	-	(28,267)	(31,725)	(2,318,147)	(17,521)	(17,031)	(781,471)	
Accumulated depreciation on disposals	-	-	-	16,499	-	-	14,880	
Balance, end of year	-	(113,504)	(762,938)	(36,715,589)	(323,096)	(195,282)	(4,630,507)	
Net book value of tangible capital assets	\$ 3,418,147	\$ 749,294	\$ 516,701	\$61,746,116	\$ 21	\$ 63,425	\$ 5,631,196	
Cost:								
Balance, beginning of year	\$2,083,606	\$11,899,188	\$7,873,087	\$15,070,145	\$6,449,438	\$151,591,801		
Acquisition of tangible capital assets	-	578,217	954,919	1,189,872	-	9,403,866		
Disposal of tangible capital assets	-	-	-	-	-	(31,379)		
Balance, end of year	2,083,606	12,477,405	8,828,006	16,260,017	6,449,438	160,964,288		
Accumulated depreciation:								
Balance, beginning of year	(1,834,565)	(4,195,306)	(4,378,813)	(5,620,413)	(3,375,367)	(58,982,597)		
Annual depreciation	(120,804)	(475,269)	(393,654)	(300,698)	(257,978)	(4,742,564)		
Accumulated depreciation on disposals	-	-	-	-	-	31,379		
Balance, end of year	(1,955,369)	(4,670,575)	(4,772,467)	(5,921,111)	(3,633,345)	(63,693,782)		
Net book value of tangible capital assets	\$ 128,237	\$7,806,830	\$ 4,055,539	\$10,338,906	\$2,816,093	\$97,270,506		

See accompanying notes to the consolidated financial statements

The Municipality of the County of Colchester

Schedule of tangible capital assets

Year ended March 31, 2014

	<u>Buildings</u>	<u>Machinery</u>	<u>Water Lines</u>	<u>Vehicles</u>	<u>Total</u>
Debert Water Utility					
Cost:					
Balance, beginning of year	\$ 2,409,238	\$ 68,257	\$ 1,211,108	\$ 21,366	\$ 3,709,969
Acquisition of tangible capital assets	-	-	-	18,077	18,077
Balance, end of year	2,409,238	68,257	1,211,108	39,443	3,728,046
Accumulated depreciation:					
Balance, beginning of year	(2,123,979)	(23,215)	(819,396)	(4,273)	(2,970,863)
Accumulated depreciation contributory	-	-	-	-	(40,678)
Annual depreciation contributory	(28,169)	(7,835)	(25,865)	(4,273)	(17,970)
Annual depreciation	(2,152,148)	(31,050)	(845,261)	(8,546)	(66,142)
Balance, end of year	257,090	37,207	365,847	30,897	(3,095,653)
Net book value of tangible capital assets	\$ 2,152,148	\$ 34,550	\$ 845,261	\$ 8,546	\$ 632,393

	<u>Land</u>	<u>Buildings</u>	<u>Machinery</u>	<u>Water Lines</u>	<u>Vehicles</u>	<u>Office Equipment</u>	<u>Total</u>
Tatamagouche Water Utility							
Cost:							
Balance, beginning of year	\$ 7,097	\$ 2,951,530	\$ 103,656	\$ 702,354	\$ 15,735	\$ 4,411	\$ 3,784,783
Acquisition of tangible capital assets	-	-	-	-	-	-	-
Balance, end of year	7,097	2,951,530	103,656	702,354	15,735	4,411	3,784,783
Accumulated depreciation:							
Balance, beginning of year	-	(852,580)	(90,129)	(436,262)	(11,242)	(3,844)	(1,394,057)
Accumulated depreciation contributory	-	-	-	-	-	-	(126,937)
Annual depreciation contributory	-	(108,162)	(1,741)	(14,047)	(2,018)	(567)	(34,819)
Annual depreciation	-	(960,742)	(91,870)	(450,309)	(13,260)	(4,411)	(1,682,348)
Balance, end of year	-	1,990,788	11,786	252,045	2,475	-	2,102,435
Net book value of tangible capital assets	\$ 7,097	\$ 1,990,788	\$ 11,786	\$ 252,045	\$ 2,475	\$ -	\$ 2,102,435
Total net book value of all tangible capital assets							\$ 100,005,334

See accompanying notes to the consolidated financial statements

The Municipality of the County of Colchester

Schedule of reserve funds

Year ended March 31, 2014

	Special Capital	Special Operating	Balefill Site	Vehicle Reserve	MRF Equipment Reserve	Recreation Reserve	Fire Insurance Reserve	Liner Replacement	Courthouse Reserve
Revenues	\$ 3,960	\$ -	\$ 5,674	\$ 3,008	\$ 6,093	\$ 1	\$ 4,057	\$ 25,642	\$ 7,101
Interest Grants	-	-	-	-	-	-	-	-	-
Net revenues	3,960	-	5,674	3,008	6,093	1	4,057	25,642	7,101
Net transfers (to) from (Note 15)	36,000	(424,610)	100,148	178,591	75,000	(2)	95,616	(610,172)	160,000
Change in fund balances	39,960	(424,610)	105,822	181,599	81,093	(1)	99,673	(584,530)	167,101
Opening fund balances	324,821	4,255,133	444,911	163,280	503,799	1	303,089	1,733,440	537,675
Closing fund balances	\$ 364,781	\$ 3,830,523	\$ 550,733	\$ 344,879	\$ 584,892	\$ -	\$ 402,762	\$ 1,148,910	\$ 704,776
	Trail Reserve	Municipal Infrastructure	Major Floods	Street Repaving	Balefill Improvements	Bible Hill Plan	Salmon River School	Total 2014	Total 2013
Revenues	\$ -	\$ 4,520	\$ -	\$ 4,360	\$ 2,295	\$ 18,531	\$ -	\$ 85,242	\$ 54,474
Interest Grants	-	-	-	-	-	-	-	-	-
Net revenues	-	4,520	-	4,360	2,295	18,531	-	85,242	54,474
Net transfers (to) from (Note 15)	(162,408)	-	59,097	100,000	(157,789)	300,000	12,822	(237,707)	1,202,722
Change in fund balances	(162,408)	4,520	59,097	104,360	(155,494)	318,531	12,822	(152,465)	1,257,196
Opening fund balances	357,752	401,522	150,000	329,072	155,494	1,542,651	8,017	11,210,657	9,953,461
Closing fund balances	\$ 195,344	\$ 406,042	\$ 209,097	\$ 433,432	\$ -	\$ 1,861,182	\$ 20,839	\$ 11,058,192	\$ 11,210,657

See accompanying notes to the consolidated financial statements

The Municipality of the County of Colchester

Notes to the consolidated financial statements

March 31, 2014

1. Summary of significant accounting policies

Principles and basis of consolidation

The consolidated financial statements of the Municipality of the County of Colchester are the representations of management prepared in accordance with Canadian Public Sector Accounting Standards as recommended by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants.

The consolidated statement of financial position includes all of the assets and liabilities of the Municipality.

Reporting entity

The consolidated financial statements reflect the assets, liabilities, revenues, expenditures and changes in fund balances and in financial position of the reporting entity. The reporting entity is comprised of all operations accountable for the administration of their affairs and resources to the Municipality and which are owned or controlled by the Municipality. These include the Tatamagouche and Debert water operating and capital funds, and the County's proportionate share of the Central Nova Scotia Civic Centre Society (operating as the "Rath Eastlink Community Centre").

Interdepartmental and organizational transactions and balances are eliminated.

Segmented information

The Municipality of the County of Colchester 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 - administration

This segment is responsible for the overall local government administration. Its tasks include direction for Municipality services, such as planning, engineering, finance, and information technology in adherence to the Municipal Government Act.

Protective services

This segment is primarily responsible for police, fire protection and by-law administration for its residents. The Municipality engages the services of various not for profit, volunteer fire departments in order to fulfill its fire protection role. The Municipality collects area rates for each fire department. Other protective services include fees paid to the Province for correctional services.

Transportation services

The Municipality is responsible for the maintenance of certain local roads and street lights within its jurisdiction.

Environmental health services - Public Works and Solid Waste

This segment is responsible for the maintenance and operations of waste and sewer services provided to residents and other customers. Its tasks include the provision of waste collection through contract, recycling, and composting.

The Municipality of the County of Colchester

Notes to the consolidated financial statements

March 31, 2014

1. Summary of significant accounting policies (continued)

Segmented information (continued)

Public health services

This segment is to provide financial assistance in the areas of public housing and health services.

Environmental development services

This segment is responsible for the issuance of development permits and approving subdivision applications.

This segment also includes municipal contributions to the regional economic development authorities, who are mandated to promote development with our respective communities.

Recreation and cultural services

This segment is responsible for promoting and offering recreation opportunities and activities to the Municipality's residents, specializing in maintaining and assisting recreational facilities within the Municipality such as parks, rinks, swimming pools, trails and libraries.

Water treatment and distribution

This segment manages water treatment and distribution facilities and services within the Municipality and includes activities such as source of supply, power and pumping, water treatment, transmission and distribution.

Revenue recognition

Tax revenues are property tax billings which are prepared by the Municipality based on assessment rolls issued by the Province of Nova Scotia. Tax rates are established annually by Municipal Council. Taxes are billed based on the assessment rolls provided by the Province of Nova Scotia. Taxation revenues are recorded at the time tax billings are issued. Assessments and the related property taxes are subject to appeal. Any supplementary billing adjustments made necessary by the determination of such changes will be recognized in the fiscal year they are determined.

The Municipality is entitled to collect interest and penalties on overdue taxes. These revenues are recorded in the period the interest and penalties are levied.

Revenues from services to other governments, sale of services, water fire protection and other revenues are recognized when services are performed and/or when earned as long as amounts can be reasonably estimated and collection is reasonably assured.

Unconditional and conditional transfers from other governments are recognized as revenues in the period that events giving rise to the transfers occurred as long as the transfer is authorized, eligibility criteria (if any) have been met and a reasonable amount of the transfer amount can be estimated.

Expenditures are recognized as they are incurred and are measured as a result of receipt of goods or services and the creation of a legal obligation.

The Municipality collected revenue on behalf of the Villages of Bible Hill and Tatamagouche. Revenue collected is not recorded in the consolidated financial statements of the Municipality. The amount collected and remitted to the Villages is \$2,134,270 (2013: \$2,006,407).

The Municipality of the County of Colchester

Notes to the consolidated financial statements

March 31, 2014

1. Summary of significant accounting policies (continued)

Use of estimates

The preparation of the consolidated financial statements in conformity with Canadian Public Sector Accounting Standards requires the Municipality's management to make estimates and assumptions that affect the amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and reported amounts of revenue and expenditures during the year. Estimates in the consolidated financial statements include the allowance for doubtful accounts, depreciation expense based on estimated useful lives of tangible capital assets, accrued pension benefit liability and balefill closure liability. Actual results could differ from those reported.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, balances with banks and guaranteed investment certificates.

Financial instruments

The Municipality's financial instruments consist of cash and cash equivalents, receivables, loans and advances, payables and accruals, other accruals, bridge loan, and long term debt and are carried at cost which approximates their fair value.

Deferred revenue

Deferred revenue related to local street improvement billings is recognized as revenue on a straight line basis over 10 years.

Deferred revenue relating to the Colchester and Debert Parks will be recognized in the period that the resources are used for the specified purposes outlined in its agreement and as the Municipality discharges its obligations, in accordance with the terms and conditions of the agreement.

Gas Tax and other deferred revenue will be recognized in the period in which the resources are used for the purposes specified.

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 assets. The cost, less residual value, of the tangible capital assets is amortized on a straight-line basis over the estimated useful life as follows:

	<u>Years</u>
Land improvements	25
Buildings	25 - 40
Machinery and equipment	5 - 10
Vehicles	5
Sewers	50
Sidewalks	20
Roads	25
Landfill	25

The Municipality of the County of Colchester

Notes to the consolidated financial statements

March 31, 2014

1. Summary of significant accounting policies (continued)

Tangible capital assets (continued)

No amortization is charged in the year of acquisition. Assets under construction are not amortized until the asset is available for productive use.

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

General and other funds

The Municipality records its capital assets in a separate investment in tangible capital asset fund which consists of the historical asset cost less the related long term debt and accumulated depreciation.

Capital assets transferred from other governments and other entities are recorded at fair value at the time of transfer.

Water capital funds

In the Tatamagouche Water Capital Fund and Debert Water Capital Fund, depreciation is also calculated based on approval received from the Provincial Utilities and Review Board. The depreciation charge 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 Utilities and Review Board, to repay principal of capital debt.

Allocation of municipal costs to water utility funds

Where identifiable, costs incurred by the Municipality of the County of Colchester on behalf of the water utilities are charged to the utility funds. Salary and wage related costs are charged directly or allocated in proportion to time spent performing functions on behalf of the water utilities.

Employee benefits plans

For municipal employees, except those employees working at the Materials Recovery Facility under the Collective Agreement, the Municipality accrues its obligation under an employee benefit plan and the related costs, net of plan assets. The Municipality has adopted the following policies:

- The cost of pensions earned by employees is actuarially determined using the accrued benefit (or unit credit) method. The solvency liability is equal to the actuarial present value of all benefits earned by members for service prior to the valuation date assuming the plan is wound up on the valuation date (and treating all members as vested).
- For purposes of calculating the expected return on plan assets, the solvency assets are equal to the sum of the net market value and the solvency asset adjustment, less an allowance for windup expenses.

For municipal employees at the Materials Recovery Facility who became employees of the Municipality on December 1, 2010, or who have been hired to work at the facility since that date, participate in a Registered Retirement Savings Plan (RRSP). The managers at the Materials Recovery Facility were allowed to transfer to the defined benefit plan effective December 1, 2010.

As described above and in Note 10, the Municipality has a defined benefit plan and registered retirement savings plan covering essentially all of its employees.

The Municipality of the County of Colchester

Notes to the consolidated financial statements

March 31, 2014

1. Summary of significant accounting policies (continued)

Solid waste management facilities liabilities

The Municipality accrues landfill closure and post-closure care requirements that include final covering and landscaping of the landfill, pumping of ground water and leachates from the site, and ongoing environmental monitoring, site inspection and maintenance. The reported liability is based on estimates and assumptions using the best information available to management.

Future events may result in significant changes to the estimated total expenses, capacity used or total capacity and the estimated liability, and would be recognized prospectively, as a change in estimate, when applicable.

2. Taxes receivable	Current Year	Prior Years	2014 Total	2013 Total
Balance, beginning of year	\$ -	\$ 1,685,754	\$ 1,685,754	\$ 1,589,434
Current year's tax levy	<u>29,599,610</u>	<u>-</u>	<u>29,599,610</u>	<u>28,820,429</u>
	<u>29,599,610</u>	<u>1,685,754</u>	<u>31,285,364</u>	<u>30,409,863</u>
Deduct:				
Current year's collection	28,121,617	1,407,875	29,529,492	28,615,699
Write-offs	1,149	30,001	31,150	-
Reduced taxes	<u>100,211</u>	<u>-</u>	<u>100,211</u>	<u>108,410</u>
	<u>28,222,977</u>	<u>1,437,876</u>	<u>29,660,853</u>	<u>28,724,109</u>
Balance, end of year	<u>\$ 1,376,633</u>	<u>\$ 247,878</u>	1,624,511	1,685,754
Interest receivable, end of year			<u>157,016</u>	<u>170,947</u>
Balance, end of year, including interest			<u>\$ 1,781,527</u>	<u>\$ 1,856,701</u>

3. Tax collections	2014	2013
Total taxes collected *	\$ <u>28,222,977</u>	\$ <u>27,447,391</u>
Percentage current period's taxes collected	<u>95.4%</u>	<u>95.2%</u>

* Collections include taxes reduced through granting of exemptions.

The tax levy was as follows:

Residential assessments	\$ <u>0.85</u>	\$ <u>0.84</u>
Commercial assessments	\$ <u>2.25</u>	\$ <u>2.25</u>

The Municipality of the County of Colchester

Notes to the consolidated financial statements

March 31, 2014

4. Frontage rates receivable	<u>2014</u>	<u>2013</u>
Street improvements	\$ 120,221	\$ 134,216
Interest receivable	<u>8,221</u>	<u>8,236</u>
Balance, end of year, including interest	<u>\$ 128,442</u>	<u>\$ 142,452</u>

5. Deferred revenue

In the agreement with the former Colchester Regional Development Agency, the Municipality received funds related to the sale of houses in the Colchester Park. These funds including interest earned, less expenditures totals \$4,393,300 (2013 - \$4,344,392) at March 31, 2014. The revenue will be recognized as upgrading and maintenance for the Debert Area infrastructure as it occurs.

The Municipality and the Province of Nova Scotia have signed an agreement which initially turned over the water and sewer operations within the Debert Air Industrial Park to the Municipality. As part of this agreement, the province initially turned over \$1,735,000 towards capital upgrades that were in progress at the time of the transfer. The Municipality will recognize these funds as revenue as the related capital upgrades are incurred. During 2014, \$nil (2013 - \$1,800) has been recognized.

The Province of Nova Scotia signed an agreement with the Federal government which would enable the Province to transfer gas tax rebates to municipalities for specific capital improvements. The program was to initially run for five years, but has been extended past this five year time frame. In 2014, \$2,540,699 (2013 - \$1,333,276) has been recognized in revenues by the Municipality.

6. Tax sale surplus

The Municipality is required to hold these funds in the Operating Fund statement of financial position for 20 years. After the expiry date, the cash will then be transferred to the Capital Reserve Fund. Of the total amount, \$11,897 can be transferred in 2021, \$19,663 can be transferred in 2022, \$43,611 can be transferred in 2024, \$7,525 can be transferred in 2025, \$84,304 can be transferred in 2026, \$100,052 can be transferred in 2027, \$1,790 can be transferred in 2028, \$46,256 can be transferred in 2029, \$13,964 can be transferred in 2030, \$63,039 can be transferred in 2031, \$32,669 can be transferred in 2033 and \$45,722 can be transferred in 2034.

7. Rate of return on rate base

For the year ended March 31, 2014, the Tatamagouche Water Utility had a rate of return on rate base of (1.49) % (2013 - (4.51%)).

For the year ended March 31, 2014, the Debert Water Utility had a rate of return on rate base of 0.26% (2013 - (1.13%)).

The Municipality of the County of Colchester

Notes to the consolidated financial statements

March 31, 2014

8. Long term debt

Principal repayments in each of the next five years are due as follows:

2015	\$ 2,144,358
2016	\$ 2,162,267
2017	\$ 2,731,111
2018	\$ 1,699,461
2019	\$ 1,546,159

All long term debt outstanding at year end has been properly authorized by Service Nova Scotia and Municipal Relations.

9. Balefill closure liability

The Kemptown Balefill facility opened to accept solid waste in July of 1995. The facility's original useful life was estimated by the project consultants at 35 years. A consultant's study completed in 2013 has estimated that the site's useful life is extended to 2086. At that time, the Municipality implemented a closure reserve which would provide funding to remediate the site and to monitor environmental conditions. In 2005, the Municipality recognized the closure as a liability and accordingly, set up the liability in general operations by transferring the reserve fund balance.

A determination of the requirement for closure has been based on limited information from a similar operation. As more information becomes available, the liability for the site will be adjusted accordingly.

The estimated liability for closure and post closure costs at this date is \$12,000,000. At March 31, 2014, the liability balance is \$1,417,200 (2013 - \$785,581).

Current capacity of the site is estimated at 5,380,663 cubic meters. At March 31, 2014, 11.81% of the capacity, or 635,417 cubic meters of the site has been used. This differs from the prior year capacity calculation. A review of the landfill's volume was conducted which revealed that the total volume is greater than the original calculation. Cell construction was seven meters higher than the original cell designs. As a result of this capacity review, the balefill closure liability calculation was adjusted for the year ended March 31, 2014.

It is expected that post closure costs will continue for an indefinite time after closure of the site. The \$12,000,000 closure costs are reviewed annually as cells are capped as the capping of the cells impact the estimated liability closure.

The Municipality constructed the third cell and liner in 2006. Eleven cells are expected to be completed and filled at the time of site closure. The fourth cell construction is estimated to be completed in 2014/15.

The Municipality of the County of Colchester

Notes to the consolidated financial statements

March 31, 2014

10. Employee benefits

The Municipality has a defined benefit plan and registered retirement savings plan, providing pension benefits to most of its employees.

The net expense for the Municipality's benefit plans are as follows: 2014 2013

Defined benefit plan	\$ <u>753,176</u>	\$ <u>595,864</u>
Registered retirement savings plan	\$ <u>20,819</u>	\$ <u>21,096</u>

The most recent actuarial valuation was conducted at December 31, 2010.

Actuarial value of assets	\$ 5,035,791
Actuarial liabilities	<u>5,511,018</u>
Actuarial deficit	\$ <u>(475,227)</u>

The next actuarial report will be for December 31, 2013. It will not be finalized until later in the 2015 fiscal year.

Information about the Municipality's defined benefit plan as at December 31, 2013 per the extrapolation in the actuarial report adjusted for accounting purposes is as follows:

Accrued benefit obligation	\$ 9,423,841
Fair value of plan assets	<u>7,517,316</u>
Funded status – plan deficit	1,906,525
Unamortized actuarial losses and past service costs	<u>(837,165)</u>
Calculated/reported accrued pension benefit liability at December 31, 2013	\$ <u>1,069,360</u>

The significant actuarial assumptions adopted in measuring the Municipality's accrued benefit obligations are as follows:

Discount rate	4.75%
Expected long term rate of return on plan assets	6.50%

Contributions and expenses incurred to the Municipality's defined benefit plan for 2013 are as follows:

Employer contribution	\$ 458,728
Employee's contribution	\$ 231,157
Benefit payments	\$ 268,579

At December 31, 2013, the asset mix of the plan was as follows:

Canadian equities	33.57%
Foreign equities	31.50%
Bonds and mortgages	25.49%
Cash, short term and other	9.44%

The Municipality of the County of Colchester

Notes to the consolidated financial statements

March 31, 2014

11. Commitments

- (i) The Municipality has entered into agreements to lease motor vehicles, office equipment, and information technology (IT) equipment for various periods until 2016. Payments for each of the next two years are as follows:

2015	\$	28,311
2016	\$	26,270

- (ii) In previous years, the Municipality by resolution provided guarantees as follows:
- guarantee of \$450,000 for the Village of Bible Hill for the purchase of a fire vehicle. As of March 31, 2014, the loan balance is \$36,000;
 - guarantee of \$400,000 for the Salmon River Fire Commission for the purchase of fire rescue equipment and a fire truck. As of March 31, 2014, the loan balance is \$41,984;
 - guarantee of \$220,000 for the Hilden Fire Brigade for the purchase of a pumper tanker. As of March 31, 2014, the loan balance is \$41,024;
 - guarantee of \$900,000 for the Valley Kempton & District Fire Brigade for the purchase of a new aerial platform fire apparatus. As of March 31, 2014 the loan is \$557,942.
- (iii) Under the terms and conditions of the agreement relating to the transfer of infrastructure system assets of the Debert Air Industrial Park (DAIP) from the Province of Nova Scotia to the Municipality, the Municipality has agreed to incur capital expenditures for infrastructure development in the amount of \$3,000,000 within four years of the asset transfer date of March 31, 2008. As of March 31, 2014, the Municipality has incurred approximately \$1,660,000 in expenditures in a six year period towards the treatment plant, lift stations, sewer lines, highway entrance and sidewalk. The Province is aware of the delays in the project and the funding has not been recalled.
- (iv) The Municipality commenced construction of a new compost handling facility in the current fiscal year, which is estimated to cost approximately \$4,300,000. Under the Build Canada Fund (BCF), funding approval has been received in the amount of \$1,667,000. The remaining cost is to be funded by the Municipality through gas tax revenues and tipping fees from its balefill facility. The construction will continue into fiscal 2015.

The Municipality of the County of Colchester

Notes to the consolidated financial statements

March 31, 2014

12. Remuneration

The gross earnings paid during the year and expenses paid on behalf of each member of council and CAO are as follows:

<u>Name and Position</u>	<u>Gross Earnings</u>	<u>Expenses</u>	<u>Total</u>
Christine Blair, Councillor	\$ 21,585	\$ 2,046	\$ 23,631
Ronald Cavanaugh, Councillor	\$ 21,585	\$ 761	\$ 22,346
Mike Cooper, Councillor	\$ 21,585	\$ -	\$ 21,585
Lloyd Gibbs, Councillor	\$ 21,585	\$ 977	\$ 22,562
Michael Gregory, Councillor	\$ 21,585	\$ 1,688	\$ 23,273
Doug MacInnes, Councillor	\$ 21,585	\$ 930	\$ 22,515
Karen MacKenzie, Councillor	\$ 21,585	\$ -	\$ 21,585
Bill Masters, Councillor	\$ 27,043	\$ 1,447	\$ 28,490
Wade Parker, Councillor	\$ 21,585	\$ 63	\$ 21,648
Geoff Stewart, Councillor	\$ 21,585	\$ 1,017	\$ 22,602
Tom Taggart, Councillor	\$ 21,585	\$ 3,604	\$ 25,189
Robert Taylor, Mayor	\$ 43,745	\$ 4,231	\$ 47,976
Ramesh Ummat, CAO	\$ 117,152	\$ 4,037	\$ 121,189

13. Outstanding inter-fund transfers

The following outstanding transfers did not clear the bank before year end:

<u>Amount</u>	<u>From</u>	<u>To</u>	<u>Date Transfer Cleared</u>
(892)	General Bank	Debert Water	Apr 2/14
300,406	Gas Tax	General Bank	Apr 28/14
531,494	Gas Tax	General Bank	Apr 28/14
11,527	Liner Replacement	General Bank	Apr 28/14
31,560	Special Operating	General Bank	Apr 28/14
294,530	Gas Tax	General Bank	Apr 28/14
659,366	Gas Tax	General Bank	Apr 28/14
(75,000)	General Bank	Debert Water	Apr 28/14
287,408	Trails	General Bank	Apr 28/14
(23,368)	General Bank	Equipment Reserve	Apr 28/14
(37,772)	General Bank	Liner Replacement	Apr 28/14
(22,515)	General Bank	Balefill Capital	Apr 28/14
(8,205)	General Bank	Balefill Closure	Apr 28/14
(114)	General Bank	Host Community	Apr 28/14
(1,019)	General Bank	Special Capital	Apr 28/14
(475)	General Bank	Recreation	Apr 28/14
(964)	General Bank	Vehicle	Apr 28/14
(1,635)	General Bank	MRF Equipment	Apr 28/14
(3)	General Bank	Scholarship	Apr 28/14
(1,970)	General Bank	Courthouse	Apr 28/14
(1,135)	General Bank	Municipal Infrastructure	Apr 28/14
(14,768)	General Bank	Gas Tax	Apr 28/14
(1,211)	General Bank	Street Re-Paving	Apr 28/14
(12,278)	General Bank	Debert Sale of Houses	Apr 28/14
(1,131)	General Bank	Fire Department Insurance	Apr 28/14
(3,748)	General Bank	Bible Hill Master Plan	Apr 28/14
350,521	Debert Water	General Bank	

The Municipality of the County of Colchester

Notes to the consolidated financial statements

March 31, 2013

13. Outstanding inter-fund transfers (continued)

<u>Amount</u>	<u>From</u>	<u>To</u>	<u>Date Transfer Cleared</u>
133,851	Tatamagouche Water	General Bank	
(3)	General Bank	Debert Water	
(403,672)	General Bank	Civic Centre	
656,686	Civic Centre	General Bank	
2,000	Fire Depart. Insurance	General Bank	Apr 28/14
(9)	General Bank	North Shore Rink Reserve	Apr 28/14
(12,822)	General Bank	Salmon River School	Apr 28/14
754,903	Gas Tax	General Bank	Apr 28/14
173,082	Liner Replacement	General Bank	Apr 28/14
140,903	Major Flood Reserve	General Bank	Apr 28/14
252,938	Balefill Capital	General Bank	Apr 30/14
691,234	Special Operating	General Bank	
45,151	Special Operating	General Bank	
1,160,899	Special Operating	General Bank	
584,145	Special Operating	General Bank	

14. Trust funds

The Municipality holds trust funds at March 31, 2014, totaling \$311,959 (2013 - \$254,161) for specific purposes. These assets and corresponding liabilities are set out on Page 44 and are not recorded in these consolidated financial statements.

The Municipality of the County of Colchester

Notes to the consolidated financial statements

March 31, 2014

15. Transfers	General Operating	Investment in Capital Assets	Special Operating	Special Capital	Balefill Site	Vehicle Reserve	MRF Equipment Reserve	Bible Hill Master Plan	Fire Insurance Reserve	Liner Replacement	River School Reserve	Salmon Shore Rink
County owned roads	(578,499)	578,499	-	-	-	-	-	-	-	-	-	-
Salmon River school	(137,000)	137,000	-	-	-	-	-	-	-	-	-	-
Debert Water - depreciation	-	-	-	-	-	-	-	-	-	-	-	-
Tatamagouche water - depreciation	-	-	-	-	-	-	-	-	-	-	-	-
Trails reserve	287,408	-	-	-	-	-	-	-	-	-	-	-
Major flood projects	(200,000)	-	-	-	-	-	-	-	-	-	-	-
Major flood projects	140,903	-	-	-	-	-	-	-	-	-	-	-
Recreation Playspace	60,002	-	-	-	-	-	-	-	-	-	-	-
Fire Brigade costs - 3	204,384	-	-	-	-	-	-	-	(204,384)	-	-	-
North Shore Rink	(50,000)	-	-	-	-	-	-	-	-	-	-	50,000
Ground Search Rescue	37,000	-	(37,000)	-	-	-	-	-	-	-	-	-
Recreation Playspace	(60,000)	-	-	-	-	-	-	-	-	-	-	-
Trails expense	(125,000)	-	-	-	-	-	-	300,000	-	-	-	-
Bible Hill master plan	(300,000)	-	-	-	-	-	-	-	-	(598,645)	-	-
Fire insurance reserve	(300,000)	-	-	-	-	-	-	-	300,000	-	-	-
Liner replacement	598,645	-	-	-	-	-	-	-	-	-	-	-
Balefill capital improvement	(95,149)	-	-	-	-	-	-	-	-	-	-	-
Vehicle reserve	(178,591)	-	-	-	-	178,591	-	-	-	-	-	-
Street paving reserve	(100,000)	-	-	-	-	-	-	-	-	-	-	-
Equipment reserve	(100,148)	-	-	-	100,148	-	-	-	-	-	-	-
MRF equipment reserve	(75,000)	-	-	-	-	-	75,000	-	-	-	-	-
Courthouse	(160,000)	-	-	-	-	-	-	-	-	-	12,822	-
Salmon River school	(12,822)	-	-	-	-	-	-	-	-	-	-	-
Transfer to operating reserve	(804,849)	-	804,849	-	-	-	-	-	-	-	-	-
Transfer from operating reserve	1,160,899	-	(1,160,899)	-	-	-	-	-	-	-	-	-
Trails capital	(155,554)	155,554	-	-	-	-	-	-	-	-	-	-
Capital costs												
CCWWTF	(113,167)	113,167	-	-	-	-	-	-	-	-	-	-
Parking lot - courthouse	(7,942)	7,942	-	-	-	-	-	-	-	-	-	-
Courthouse equipment	(11,464)	11,464	-	-	-	-	-	-	-	-	-	-
Lift stations	(600,812)	600,812	-	-	-	-	-	-	-	-	-	-

The Municipality of the County of Colchester

Notes to the consolidated financial statements

March 31, 2014

15. Transfers	General Operating	Investment in Capital Assets	Special Operating	Special Capital	Balefill Site	Vehicle Reserve	MRF Equipment Reserve	Bible Hill Master Plan	Fire Insurance Reserve	Liner Replacement	Salmon River School Reserve	North Shore Rink
Capital costs (continued)												
Sewer lines - 3	(557,499)	589,059	(31,560)	-	-	-	-	-	-	-	-	-
Street equipment	(21,672)	21,672	-	-	-	-	-	-	-	-	-	-
Urban sidewalks	(465,721)	465,721	-	-	-	-	-	-	-	-	-	-
Brookfield sidewalk	(489,375)	489,375	-	-	-	-	-	-	-	-	-	-
Compost Waste System	(3,597,611)	3,597,611	-	-	-	-	-	-	-	(11,527)	-	-
Balefill liner	-	11,527	-	-	-	-	-	-	-	-	-	-
Balefill-Scalehouse	-	482,965	-	-	-	-	-	-	-	-	-	-
Balefill-Scalehouse	(230,027)	-	-	-	-	-	-	-	-	-	-	-
Balefill-Equipment	(9,594)	9,594	-	-	-	-	-	-	-	-	-	-
MRF equipment - 2	(113,469)	113,469	-	-	-	-	-	-	-	-	-	-
Stewiacke park	(37,524)	37,524	-	-	-	-	-	-	-	-	-	-
Nelson park	(31,145)	31,145	-	-	-	-	-	-	-	-	-	-
Brookfield sewer	(4,589)	4,589	-	-	-	-	-	-	-	-	-	-
Debert STP #1	(14,603)	14,603	-	-	-	-	-	-	-	-	-	-
Brodenck Lane	(54,127)	54,127	-	-	-	-	-	-	-	-	-	-
Civic Centre	(1,596,789)	1,596,789	-	-	-	-	-	-	-	-	-	-
CCWWTF -- master plan	(235,010)	235,010	-	-	-	-	-	-	-	-	-	-
Waste diversion equipment	(44,647)	44,647	-	-	-	-	-	-	-	-	-	-
Debert water	-	-	-	-	-	-	-	-	-	-	-	-
Disposal of assets	31,379	(31,379)	-	36,000	-	-	-	-	-	-	-	-
Proceeds on sale of properties and equipment	(36,000)	-	-	-	-	-	-	-	-	-	-	-
	\$(9,184,779)	\$9,372,486	\$(424,610)	\$ 36,000	\$ 100,148	\$ 178,591	\$ 75,000	\$ 300,000	\$ 95,616	\$ (610,172)	\$ 12,822	\$ 50,000

The Municipality of the County of Colchester

Notes to the consolidated financial statements

March 31, 2014

15. Transfers	Courthouse Reserve	Trails Reserve	Recreation playspace	Balefill Improvements	Street Repaving	Major Floods	Tata Operating	Tata Capital	Debert Operating	Debert Capital
County owned roads	-	-	-	-	-	-	-	-	-	-
Salmon River school	-	-	-	-	-	-	-	-	-	-
Debert Water - depreciation	-	-	-	-	-	-	-	-	(17,970)	17,970
Tatamagouche water - depreciation	-	(287,408)	-	-	-	-	(34,819)	34,819	-	-
Trails expense	-	-	-	-	-	200,000	-	-	-	-
Major flood projects	-	-	-	-	-	(140,903)	-	-	-	-
Major flood projects	-	-	-	-	-	-	-	-	-	-
Recreation Playspace	-	-	(60,002)	-	-	-	-	-	-	-
Fire Brigade costs - 3	-	-	-	-	-	-	-	-	-	-
North Shore Rink	-	-	-	-	-	-	-	-	-	-
Ground Search Rescue	-	-	60,000	-	-	-	-	-	-	-
Recreation Playspace	-	125,000	-	-	-	-	-	-	-	-
Trails expense	-	-	-	-	-	-	-	-	-	-
Bible Hill master plan	-	-	-	-	-	-	-	-	-	-
Fire insurance reserve	-	-	-	-	-	-	-	-	-	-
Liner replacement	-	-	-	95,149	-	-	-	-	-	-
Balefill capital improvement	-	-	-	-	-	-	-	-	-	-
Vehicle reserve	-	-	-	-	100,000	-	-	-	-	-
Street paving reserve	-	-	-	-	-	-	-	-	-	-
Equipment reserve	-	-	-	-	-	-	-	-	-	-
MRF equipment reserve	-	-	-	-	-	-	-	-	-	-
Courthouse	160,000	-	-	-	-	-	-	-	-	-
Salmon River school	-	-	-	-	-	-	-	-	-	-
Transfer to operating reserve	-	-	-	-	-	-	-	-	-	-
Transfer from operating reserve	-	-	-	-	-	-	-	-	-	-
Trails capital	-	-	-	-	-	-	-	-	-	-
Capital costs	-	-	-	-	-	-	-	-	-	-
CCWWTF	-	-	-	-	-	-	-	-	-	-
Parking lot - courthouse	-	-	-	-	-	-	-	-	-	-
Courthouse equipment	-	-	-	-	-	-	-	-	-	-
Lift stations	-	-	-	-	-	-	-	-	-	-

The Municipality of the County of Colchester

Notes to the consolidated financial statements

March 31, 2014

15. Description	Courthouse Reserve	Trails Reserve	Recreation playspace	Balefill Improvements	Street Repaving	Major Floods	Tata Operating	Tata Capital	Debert Operating	Debert Capital
Capital costs (continued)	-	-	-	-	-	-	-	-	-	-
Sewer lines - 3	-	-	-	-	-	-	-	-	-	-
Street equipment	-	-	-	-	-	-	-	-	-	-
Urban sidewalks	-	-	-	-	-	-	-	-	-	-
Brookfield sidewalk	-	-	-	-	-	-	-	-	-	-
Compost Waste System	-	-	-	-	-	-	-	-	-	-
Balefill liner	-	-	-	(252,938)	-	-	-	-	-	-
Balefill-Scalahouse	-	-	-	-	-	-	-	-	-	-
Balefill-Scalahouse	-	-	-	-	-	-	-	-	-	-
Balefill-Equipment	-	-	-	-	-	-	-	-	-	-
MRF equipment - 2	-	-	-	-	-	-	-	-	-	-
Stewiacke park	-	-	-	-	-	-	-	-	-	-
Nelson park	-	-	-	-	-	-	-	-	-	-
Brookfield sewer	-	-	-	-	-	-	-	-	-	-
Debert STP #1	-	-	-	-	-	-	-	-	-	-
Broderick Lane	-	-	-	-	-	-	-	-	-	-
Civic Centre	-	-	-	-	-	-	-	-	-	-
CCWWTF - master plan	-	-	-	-	-	-	-	-	(18,077)	18,077
Waste diversion equipment	-	-	-	-	-	-	-	-	-	-
Debert water	-	-	-	-	-	-	-	-	-	-
Disposal of assets	-	-	-	-	-	-	-	-	-	-
Proceeds on sale of properties and equipment	\$ 160,000	\$ (162,408)	\$ (2)	\$ (157,789)	\$ 100,000	\$ 59,097	\$ (34,819)	\$ 34,819	\$ (36,047)	\$ 36,047

The Municipality of the County of Colchester

Notes to the consolidated financial statements

March 31, 2014

16. Credit facilities

The Municipality has the following credit facilities:

Revolving line of credit	\$	3,900,000
Revolving line of credit	\$	50,000
Revolving term facility	\$	30,000
Bridge loan	\$	6,000,000

As of March 31, 2014, the Municipality has used \$15,166 of revolving term facility of \$30,000 and \$3,000,000 of the bridge loan facility of \$6,000,000 with interest at prime.

17. Accumulated surplus

	<u>2014</u>	(Restated) <u>2013</u>
General operating fund (Page 39)	\$ (4,114,906)	\$ (9,813,957)
Tatamagouche water operating fund (Page 40)	(144,438)	(118,456)
Tatamagouche water capital fund (Page 41)	161,758	126,939
Debert water operating fund (Page 42)	(184,497)	(164,693)
Debert water capital fund (Page 43)	76,725	40,678
Reserve funds (Page 13)	<u>11,058,192</u>	<u>11,210,657</u>
	6,852,834	1,281,168
Investment in tangible capital assets (Page 10)	<u>83,042,199</u>	<u>81,428,756</u>
	<u>\$ 89,895,033</u>	<u>\$ 82,709,924</u>

18. Prior period adjustment

In the fiscal period ending March 31, 2007, the Municipality of the County of Colchester committed \$7,000,000 of funding towards the construction of the Municipality's new hospital, the Colchester East Hants Health Authority (the "CEHHA"). To fund part of this project, since fiscal 2007, the Municipality entered into debentures totaling \$5,200,000. The remaining balance of \$1,800,000 was funded by the Municipality. Over the fiscal years beginning in fiscal 2007, as debentures were entered into and recorded as liabilities, a corresponding deferred expense (loans and advances) was also recorded as an asset on the statement of financial position. In subsequent fiscal years, this deferred expense was amortized into the statement of operations equal to the principal payments made on the debentures. The asset treatment and amortization was not in accordance with the PSAS. As a result, a prior period adjustment has been made to reduce the accumulated surplus by \$3,910,255, to reduce the deferred expense assets (loans and advances) on the consolidated statement of financial position by \$3,519,229, and to increase net revenues on the consolidated statement of operations by \$391,026 for the year ending March 31, 2013.

As at March 31, 2014, the Municipality has a total balance of \$3,128,203 in long term debenture liabilities on its consolidated statement of financial position with respect to the funding provided to the CEHHA. The final payment for the CEHHA hospital debentures is scheduled for June 1, 2019.

The Municipality of the County of Colchester

Schedules to the consolidated statement of operations

Year ended March 31

2014 Budget

2014 Actual

2013 Actual

1. Taxes

Assessable property			
Residential	\$ <u>15,151,293</u>	\$ <u>15,158,082</u>	\$ <u>14,595,196</u>
Commercial			
Based on taxable assessments	<u>5,761,620</u>	<u>5,772,419</u>	<u>5,790,939</u>
Resource			
Taxable assessments	426,957	428,376	429,130
Forest property tax			
Less than 50,000 acres	85,023	84,696	84,832
50,000 acres or more	<u>77,974</u>	<u>76,977</u>	<u>77,701</u>
	<u>589,954</u>	<u>590,049</u>	<u>591,663</u>
Area rates			
Protective services	2,353,742	2,233,109	2,194,354
Transportation services	1,131,605	1,393,964	1,323,648
Environmental health services	2,818,499	2,904,359	2,866,051
Recreation and cultural services	<u>76,695</u>	<u>76,605</u>	<u>73,700</u>
	<u>6,380,541</u>	<u>6,608,037</u>	<u>6,457,753</u>
Special assessments			
Frontage rates			
Transportation services	<u>12,481</u>	<u>34,808</u>	<u>35,542</u>
Business property			
Business occupancy	-	-	9,961
Based on revenue (Aliant Telecom)	145,000	141,484	141,445
Nova Scotia Power Corporation	20,000	18,110	19,278
Harmonized sales tax grant	<u>120,000</u>	<u>173,163</u>	<u>117,715</u>
	<u>285,000</u>	<u>332,757</u>	<u>288,399</u>
Other			
Deed transfer tax	940,000	1,067,453	1,050,248
Inter-municipal tax sharing	<u>30,000</u>	<u>53,170</u>	<u>48,001</u>
	<u>970,000</u>	<u>1,120,623</u>	<u>1,098,249</u>
	<u>\$ 29,150,889</u>	<u>\$ 29,616,775</u>	<u>\$ 28,857,741</u>

The Municipality of the County of Colchester

Schedules to the consolidated statement of operations

Year ended March 31	2014 Budget	2014 Actual	2013 Actual
9. Other revenue			
Deferred revenue	\$ 2,098,675	\$ 2,540,699	\$ 1,335,076
Transfer of capital – roads	-	715,499	460,803
Tatamagouche water	38,122	41,806	32,415
Debert water	34,429	8,001	49,430
Other	-	48,498	1,406
	<u>\$ 2,171,226</u>	<u>\$ 3,354,503</u>	<u>\$ 1,879,130</u>
10. General government services			
Legislative			
Mayor	\$ 39,988	\$ 43,924	\$ 39,338
Council	211,392	243,919	207,955
Elections	-	-	57,181
Other	77,400	34,933	31,713
	<u>328,780</u>	<u>322,776</u>	<u>336,187</u>
General administrative			
Administrative	1,035,004	1,348,118	959,073
Financial management	358,560	300,854	356,823
Taxation	556,112	569,555	569,528
Common services	1,122,458	1,059,728	993,944
Newsletter	51,000	41,438	42,916
Other	20,171	20,658	19,342
	<u>3,143,305</u>	<u>3,340,351</u>	<u>2,941,626</u>
Other general government services			
Conventions	26,500	26,184	24,292
Grants to other organizations and individuals	152,508	141,258	186,765
	<u>179,008</u>	<u>167,442</u>	<u>211,057</u>
Fiscal costs			
Transfers to assessment services	684,000	668,118	670,455
Transfer to North Shore Rink Trust	-	50,000	50,000
Gain on disposal of assets	-	-	(25,419)
Depreciation expense	7,369	51,923	49,444
Adjustment to valuation allowance	10,000	(11,149)	10,001
Appeals allowance	70,000	76,420	81,647
	<u>771,369</u>	<u>835,312</u>	<u>836,128</u>
	<u>\$ 4,422,462</u>	<u>\$ 4,665,881</u>	<u>\$ 4,324,998</u>

The Municipality of the County of Colchester

Schedules to the consolidated statement of operations

Year ended March 31 2014 Budget 2014 Actual 2013 Actual

11. Protective services

Police protection						
Crime Investigation Prevention and Protective Services	\$	<u>4,288,578</u>	\$	<u>4,281,667</u>	\$	<u>4,198,899</u>
Fire protection						
Administration		164,919		372,100		442,257
Fire liaison		35,731		28,448		-
Fire fighting force		2,236,054		2,180,351		2,131,676
Water supply and hydrants		<u>26,512</u>		<u>27,110</u>		<u>26,512</u>
		<u>2,463,216</u>		<u>2,608,009</u>		<u>2,600,445</u>
Emergency measures		<u>56,960</u>		<u>43,224</u>		<u>48,184</u>
Other protective services						
Building inspections		341,198		338,689		347,674
Dog control		135,844		145,107		139,574
Flood control		100,000		128,088		38,337
Other		<u>49,088</u>		<u>101,284</u>		<u>96,506</u>
		<u>626,130</u>		<u>713,168</u>		<u>622,091</u>
Fiscal costs						
Transfer to Correctional Services		507,064		476,070		478,923
Depreciation expense		31,956		45,291		50,878
Debt charges - interest		-		24,674		38,751
Debt charges - principal		-		<u>40,915</u>		<u>39,040</u>
		<u>539,020</u>		<u>586,950</u>		<u>607,592</u>
	\$	<u>7,973,904</u>	\$	<u>8,233,018</u>	\$	<u>8,077,211</u>

12. Transportation services

Roads and streets	\$	877,098	\$	903,161	\$	814,472
Street paving		12,481		34,808		35,542
Street lighting		<u>3,700</u>		<u>267,954</u>		<u>247,926</u>
		<u>893,279</u>		<u>1,205,923</u>		<u>1,097,940</u>
Fiscal costs						
Debt charges - interest		-		518		6,415
Depreciation expense		894,092		928,813		887,499
Loss on disposal of assets		-		-		75,000
		<u>894,092</u>		<u>929,331</u>		<u>968,914</u>
	\$	<u>1,787,371</u>	\$	<u>2,135,254</u>	\$	<u>2,066,854</u>

The Municipality of the County of Colchester

Schedules to the consolidated statement of operations

Year ended March 31

2014 Budget

2014 Actual

2013 Actual

19. Capital purchases

	2014 Budget	2014 Actual	2013 Actual
Branch library	\$ -	\$ -	\$ 40,375
Civic centre	-	1,596,789	14,939,288
Compost containers	5,000	44,647	38,973
Courthouse renovations	10,000	11,464	46,098
Debert Phase I	50,000	14,603	-
Debert water utility	-	18,077	6,393
Landfill equipment/improvements	10,000	9,594	863
Landfill improvements	540,000	494,492	12,063
Waste diversion equipment	-	-	8,833
Materials recovery facility	10,000	113,469	1,003
Compost system	2,660,000	3,597,611	54,525
Office equipment and furniture	-	-	7,468
Regional STP/Marshland Drive	1,500,000	235,010	4,117,891
Sewer lines	15,000	593,649	47,169
Leachate pre-treatment	-	-	74,050
Sewer lines - leachate	-	-	183,002
Sidewalks	739,154	955,096	53,048
Street equipment	25,000	21,672	-
Trails	-	155,554	32,716
Municipal parks	35,000	7,942	14,620
Land	-	-	16,992
Nelson park	30,000	31,145	11,675
Stewiacke park	40,000	37,524	29,284
Lift stations	-	600,812	26,716
Broderick park	40,000	54,127	32,821
Vehicles	20,000	-	139,413
Regional STP	10,000	113,167	51,061
SHRU renovations	-	-	6,585
Salmon river school	-	137,000	-
County owned roads	-	578,499	460,803
	<u>\$ 5,739,154</u>	<u>\$ 9,421,943</u>	<u>\$ 20,453,728</u>

The Municipality of the County of Colchester

Schedule of consolidated debt charges and term debt

Year ended March 31, 2014

	Fiscal Year of Issue	Fiscal Year of Maturity	Interest Rate	Balance March 31/13	Acquired	Redeemed	Balance March 31/14	Interest 2014	Serial Instalment 2014	Total Debt Charges
Unmatured Debenture and Term Debt										
Kemptown baileff	2006	2016	4.365%-4.56%	\$ 1,200,000	-	\$ 400,000	\$ 800,000	\$ 39,030	\$ 400,000	\$ 439,030
Phase 4B regional sewage plant	2007	2017	4.695%-4.88%	900,000	-	225,000	675,000	34,316	225,000	259,316
Phase 4C/4D regional sewage plant	2007	2017	4.22%-4.41%	660,000	-	165,000	495,000	25,447	165,000	190,447
Invessel expansion	2009	2014	4.370%-4.884%	53,434	-	53,434	-	638	53,400	54,038
Hilden sidewalk	2009	2014	4.370%-4.884%	43,366	-	43,366	-	518	43,400	43,918
Regional hospital #1	2007	2017	4.695%-4.88%	599,998	-	66,667	533,331	26,435	66,667	93,102
Regional hospital #2	2008	2018	4.42%-4.625%	900,000	-	100,000	800,000	33,504	100,000	133,504
Regional hospital #3	2009	2019	4.370%-4.884%	969,232	-	107,692	861,540	42,280	107,692	149,972
Regional hospital #4	2010	2020	2.847%-4.889%	1,049,999	-	116,667	933,332	40,968	116,667	157,635
Brookfield Fire Hall	2007	2017	4.695%-4.88%	791,010	-	40,915	750,095	24,674	40,915	65,589
Tatamagouche water utility	2009	2019	4.362%-5.095%	84,000	-	14,000	70,000	4,015	14,000	18,015
Civic Centre - Phase 1	2012	2022	1.49%-3.645%	2,681,865	-	153,235	2,528,630	82,190	153,235	235,425
Civic Centre - Phase 2	2013	2023	1.636%-3.480%	5,263,000	-	323,552	4,939,448	150,163	323,552	473,715
Civic Centre - Phase 3A	2013	2023	1.510%-3.160%	3,257,000	-	171,943	3,085,057	86,954	171,943	258,897
Civic Centre - Phase 3A1	2014	2024	1.33%-2.979%	-	2,670,000	-	2,670,000	58,981	-	58,981
Civic Centre - Phase 3B	2014	2024	0%-3.614%	-	1,700,000	-	1,700,000	18,804	-	18,804
Totals				\$ 18,452,904	\$ 4,370,000	\$ 1,981,471	\$ 20,841,433	\$ 668,917	\$ 1,981,471	\$ 2,650,388

The Municipality of the County of Colchester

Schedules of changes in general operating fund

Year ended March 31	2014 Budget	2014 Actual	2013 Actual
Revenues			
Taxes	\$ 29,150,889	\$ 29,616,775	\$ 28,857,741
Grants in lieu of taxes	847,916	877,816	803,800
Services to other governments	871,791	1,141,998	827,358
Sale of services	418,974	423,287	398,278
Other revenue from own sources	4,160,115	4,968,109	4,383,068
Unconditional transfers from other governments	585,572	537,518	578,107
Conditional transfers from other governments	2,018,629	8,064,077	17,897,064
Other	<u>2,098,675</u>	<u>3,304,698</u>	<u>1,797,285</u>
Total revenues	<u>40,152,561</u>	<u>48,934,278</u>	<u>55,542,701</u>
Expenditures			
General government services	4,422,462	4,665,881	4,324,998
Protective services	7,973,904	8,233,018	8,077,211
Transportation services	1,787,371	2,135,254	2,066,854
Environmental health services	9,735,440	13,266,079	12,207,109
Public health services	243,186	260,943	277,522
Environmental development services	690,016	318,109	646,240
Recreation and cultural services	2,009,561	6,230,638	11,731,476
Fiscal services	<u>6,517,559</u>	<u>6,517,560</u>	<u>6,180,720</u>
Total expenditures	<u>33,379,499</u>	<u>41,627,482</u>	<u>45,512,130</u>
Net revenues	\$ <u>6,773,062</u>	<u>7,306,796</u>	<u>10,030,571</u>
Debt principal repayment		(1,535,530)	(1,384,935)
Transfer of debenture proceeds		4,370,000	8,520,000
Transfer of depreciation expense		4,742,564	4,628,472
Transfer of disposal of tangible capital assets		-	242,926
Transfers to other funds, net (Note 15)		<u>(9,184,779)</u>	<u>(21,650,057)</u>
Change in fund balance		5,699,051	386,977
Opening fund balance		(9,813,957)	(6,290,679)
Prior year adjustment (Note 18)		-	<u>(3,910,355)</u>
Opening fund balance as restated		<u>(9,813,957)</u>	(10,200,934)
Closing fund balance		\$ <u>(4,114,906)</u>	\$ <u>(9,813,957)</u>

The Municipality of the County of Colchester
Schedule of changes in Tatamagouche water
operating fund

Year ended March 31	2014 Budget	2014 Actual	2013 Actual
Revenues			
Sale of water	\$ 215,492	\$ 212,693	\$ 220,506
Public fire protection	60,812	60,606	58,850
Other	<u>38,122</u>	<u>41,806</u>	<u>32,415</u>
Total revenues	<u>314,426</u>	<u>315,105</u>	<u>311,771</u>
Expenditures			
Source of supply	3,636	4,786	5,476
Power and pumping	35,612	35,261	35,086
Water treatment	49,510	52,513	63,928
Transmission and distribution	69,787	77,143	83,906
Administrative	58,645	78,539	71,457
Filter replacement	12,300	12,300	12,300
Depreciation	127,000	126,535	126,850
Depreciation – URB	34,819	34,819	34,819
Interest on long term debt	4,015	4,015	4,070
Taxes	<u>27,847</u>	<u>27,711</u>	<u>27,709</u>
Total expenditures	<u>423,171</u>	<u>453,622</u>	<u>465,601</u>
Net expenditures	\$ <u>(108,745)</u>	<u>(138,517)</u>	<u>(153,830)</u>
Debt principal repayment	(14,000)	(14,000)	(14,000)
Transfer of depreciation expense		126,535	126,850
Transfer of depreciation expense – URB		34,819	34,819
Net transfers to water capital fund, net (Note 15)		<u>(34,819)</u>	<u>(34,819)</u>
Change in fund balance		(25,982)	(40,980)
Opening fund balance		<u>(118,456)</u>	<u>(77,476)</u>
Closing fund balance		\$ <u>(144,438)</u>	\$ <u>(118,456)</u>

The Municipality of the County of Colchester
Schedule of changes in Tatamagouche water
capital fund

Year ended March 31	2014 Budget	2014 Actual	2013 Actual
Revenues			
Interest	\$ 348	\$ -	\$ -
Expenditures			
Capital expenditures	<u>5,000</u>	-	-
Net expenditures	\$ <u>(4,652)</u>	-	-
Net transfers from water operating fund (Note 15)		<u>34,819</u>	<u>34,819</u>
Change in fund balance		34,819	34,819
Opening fund balance		<u>126,939</u>	<u>92,120</u>
Closing fund balance		\$ <u>161,758</u>	\$ <u>126,939</u>

The Municipality of the County of Colchester

Schedule of changes in Debert water operating fund

Year ended March 31	2014 Budget	2014 Actual	2013 Actual
Revenues			
Sale of water	\$ 216,391	\$ 230,268	\$ 214,249
Public fire protection	109,867	110,620	102,360
Other	<u>34,429</u>	<u>8,001</u>	<u>49,430</u>
Total revenues	<u>360,687</u>	<u>348,889</u>	<u>366,039</u>
Expenditures			
Source of supply	5,770	12,123	8,646
Power and pumping	68,682	64,117	67,667
Water treatment	103,347	41,084	93,478
Transmission and distribution	81,465	115,397	138,639
Administrative	28,328	99,925	81,070
Depreciation	66,000	66,142	66,014
Depreciation – URB	<u>17,970</u>	<u>17,970</u>	<u>17,970</u>
Total expenditures	<u>371,562</u>	<u>416,758</u>	<u>473,484</u>
Net expenditures	\$ <u>(10,875)</u>	<u>(67,869)</u>	<u>(107,445)</u>
Transfer of depreciation expense		66,142	66,014
Transfer of depreciation expense – URB		17,970	17,970
Net transfers to other funds, net (Note 15)		<u>(36,047)</u>	<u>(24,363)</u>
Change in fund balance		(19,804)	(47,824)
Opening fund balance		<u>(164,693)</u>	<u>(116,869)</u>
Closing fund balance		\$ <u>(184,497)</u>	\$ <u>(164,693)</u>

The Municipality of the County of Colchester

Schedule of changes in Debert water capital fund

Year ended March 31	2014 Budget	2014 Actual	2013 Actual
Expenditures			
Capital expenditures	\$ 30,000	\$ -	\$ -
Net transfers from Debert water operating fund (Note 15)		<u>36,047</u>	<u>17,970</u>
Change in fund balance		36,047	17,970
Opening fund balance		<u>40,678</u>	<u>22,708</u>
Closing fund balance		\$ <u>76,725</u>	\$ <u>40,678</u>

**The Municipality of the County of Colchester
Schedule of statement of financial position – trust funds**

March 31, 2014

	Recreation Subdivision Fund	Host Community Fund	Scholarship Fund	North Shore Rink Fund	Total 2014
Assets					
Cash	\$ 170,116	\$ 40,642	\$ 1,201	\$ 100,000	\$ 311,959
Reserve					
Trust fund reserve	\$ 170,116	\$ 40,642	\$ 1,201	\$ 100,000	\$ 311,959

**The Municipality of the County of Colchester
Schedule of statement of changes in trust funds reserves**

Year ended March 31, 2014

	Recreation Subdivision Fund	Host Community Fund	Scholarship Fund	North Shore Rink Fund	Total 2014
Balance, beginning of year	\$ 161,789	\$ 40,188	\$ 2,184	\$ 50,000	\$ 254,161
Contributions	7,422	-	-	50,000	57,422
Interest income	905	454	17	-	1,376
Fund payment	-	-	(1,000)	-	(1,000)
Balance, end of year	\$ 170,116	\$ 40,642	\$ 1,201	\$ 100,000	\$ 311,959