

Consolidated financial statements

Municipality of the County of Colchester

March 31, 2015

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## Management's responsibility for financial reporting

The accompanying consolidated financial statements of the Municipality of the County of Colchester are the responsibility of management and have been approved by the Mayor and Council.

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards as recommended by the Chartered Professional Accountants of Canada and as such include amounts that are best estimates and judgements of management.

Management is responsible for the integrity and objectivity of these consolidated financial statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

The Mayor and Council are responsible for ensuring that management fulfils its responsibilities for financial reporting and internal control and is ultimately responsible for reviewing and approving the consolidated financial statements.

The Mayor and Council meet periodically with management, as well as with the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the consolidated financial statements and the external independent auditor's report.

The external auditors, Grant Thornton LLP, conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the consolidated financial statements. The external auditors have full and free access to financial management of the Municipality of the County of Colchester and meet when required.

On behalf of the Municipality of the County of Colchester

  
\_\_\_\_\_  
Mayor

  
\_\_\_\_\_  
Chief Administrative Officer

June 25, 2015

## Independent auditor's report

Grant Thornton LLP  
733 Prince Street  
Truro, NS  
B2N 1G7  
T +1 902 893 1150  
F +1 902 893 9757  
[www.GrantThornton.ca](http://www.GrantThornton.ca)

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, 2015, the consolidated statements of operations, changes in net debt and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's responsibility for the 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 on behalf 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, annual surplus and cash flows from operations for the years ended March 31, 2015 and March 31, 2014, assets and/or liabilities as at March 31, 2015 and March 31, 2014 and accumulated surplus as at April 1, 2014 and April 1, 2013 and March 31, 2015 and 2014. Our audit opinion on the consolidated financial statements for the year ended March 31, 2015 was modified accordingly because of the possible effects of this limitation in scope.

**Qualified opinion**

In our opinion, except for the possible effect of the matter described in the Basis for qualified opinion paragraph above, 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, 2015 and the consolidated results of its operations, changes in net debt and cash flows 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 37 to 42 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 25, 2015

Chartered Accountants



# The Municipality of the County of Colchester

## Consolidated statement of financial position

March 31

2015

2014

### Financial assets

Cash and cash equivalents	\$ <u>14,971,988</u>	\$ <u>18,626,779</u>
Receivables		
Taxes (Note 2)	1,847,168	1,781,527
Due from federal government and its agencies	520,528	1,876,018
Due from provincial government and its agencies	690,061	1,265,057
Due from other municipal governments and agencies	4,304,949	6,714,502
Other		
Trade account	1,038,176	1,668,749
Frontage rates (Note 4)	85,489	128,442
	<u>8,486,371</u>	<u>13,434,295</u>
Loans and advances	<u>1,127,628</u>	<u>864,898</u>
	<u>24,585,987</u>	<u>32,925,972</u>

### Financial liabilities

Payables and accruals		
Trade accounts	<u>4,860,828</u>	<u>5,519,435</u>
Other liabilities		
Accrued pension benefit liability (Note 10)	1,122,086	1,069,360
Balefill closure liability (Note 9)	1,562,109	1,417,200
Other	109,175	95,325
	<u>2,793,370</u>	<u>2,581,885</u>
Bridge loan (Note 14)	-	3,000,000
Prepayment of taxes	<u>1,349,676</u>	<u>1,241,507</u>
Deferred revenue (Notes 1 and 5)		
Street improvement rates	149,889	179,681
Colchester Park	4,442,018	4,393,300
Debert Air Industrial Park	494,166	494,166
Gas tax	2,684,935	3,615,839
Other deferred revenue	721,234	797,141
	<u>8,492,242</u>	<u>9,480,127</u>
Tax sale surplus (Note 6)	<u>453,936</u>	<u>470,492</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 34)	<u>21,929,663</u>	<u>20,841,433</u>
	<u>40,079,715</u>	<u>43,334,879</u>
<b>Net debt</b>	<u>(15,493,728)</u>	<u>(10,408,907)</u>

See accompanying notes to the consolidated financial statements

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# The Municipality of the County of Colchester

## Consolidated statement of financial position

March 31

2015

2014

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### Non-financial assets (liabilities)

Tangible capital assets (Pages 12 and 13)		
Property and equipment (Pages 9 and 10)	183,415,710	168,477,117
Accumulated depreciation	<u>(74,355,816)</u>	<u>(68,471,783)</u>
	109,059,894	100,005,334
Prepays	105,016	85,641
Other assets	<u>178,084</u>	<u>212,965</u>
	<u>109,342,994</u>	<u>100,303,940</u>
<b>Accumulated surplus</b>	<b>\$ 93,849,266</b>	<b>\$ 89,895,033</b>


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Commitments (Note 11)

Contingency (Note 16)

On Behalf of The Municipality of the County of Colchester

  
\_\_\_\_\_  
Mayor

  
\_\_\_\_\_  
Chief Administrative Officer



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## Municipality of the County of Colchester

### Consolidated statement of changes in net debt

Year ended March 31	2015 Budget	2015 Actual	2014 Actual
<b>Annual surplus</b>	\$ <u>9,369,978</u>	\$ <u>3,954,233</u>	\$ <u>7,185,109</u>
Acquisition of tangible capital assets	(18,240,111)	<b>(15,090,471)</b>	(9,421,943)
Loss (gain) on disposal of tangible capital assets	-	<b>79,640</b>	(36,000)
Proceeds on disposal of tangible capital assets	-	<b>55,000</b>	36,000
Depreciation expense - URB	-	<b>52,789</b>	52,789
Depreciation of tangible capital assets	<u>4,420,009</u>	<u><b>5,848,482</b></u>	<u>4,935,241</u>
	<u>(13,820,102)</u>	<u><b>(9,054,560)</b></u>	<u>(4,433,913)</u>
Acquisition of prepaids and other assets, net	<u>-</u>	<u><b>15,506</b></u>	<u>180,826</u>
Change in net debt	(4,450,124)	<b>(5,084,821)</b>	2,932,022
Net debt, beginning of year	<u>(10,408,907)</u>	<u><b>(10,408,907)</b></u>	<u>(13,340,929)</u>
Net debt, end of year	\$ <u>(14,859,031)</u>	\$ <u><b>(15,493,728)</b></u>	\$ <u>(10,408,907)</u>

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See accompanying notes to the consolidated financial statements

# The Municipality of the County of Colchester

## Consolidated statement of cash flows

Year ended March 31

2015

2014

### Operating activities

Annual surplus	\$	<b>3,954,233</b>	\$	7,185,109
Depreciation expense – URB		<b>52,789</b>		52,789
Depreciation of tangible capital assets		<b>5,848,482</b>		4,935,241
Loss (gain) on disposal of tangible capital assets		<b>79,640</b>		(36,000)
		<u><b>9,935,144</b></u>		<u>12,137,139</u>

### Changes in non-cash working capital

Receivables		<b>4,947,924</b>		(2,020,675)
Loans and advances		<b>(262,730)</b>		(70,462)
Prepays and other assets		<b>15,506</b>		180,826
Payables and accruals		<b>(658,607)</b>		(1,605,845)
Other liabilities		<b>(3,684,787)</b>		967,220
		<u><b>10,292,450</b></u>		<u>9,588,203</u>

### Capital

Proceeds on sale of tangible capital assets		<b>55,000</b>		36,000
Purchase of tangible capital assets		<b>(15,090,471)</b>		(9,421,943)
		<u><b>(15,035,471)</b></u>		<u>(9,385,943)</u>

### Financing activities

Debt proceeds (repaid), net		<u><b>1,088,230</b></u>		<u>2,388,529</u>
Change in net cash and cash equivalents		<b>(3,654,791)</b>		2,590,789
Opening, cash and cash equivalents		<u><b>18,626,779</b></u>		<u>16,035,990</u>
Closing, cash and cash equivalents	\$	<u><b>14,971,988</b></u>	\$	<u>18,626,779</u>

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 2015 (Unaudited)	Total 2014 (Unaudited)
<b>General government services:</b>						
Land	3,110,125				3,110,125	2,227,897
Court house	1,395,260		78,702	275,381	1,749,343	1,475,940
Kemptown	174,943				174,943	174,943
Other buildings	755,183				755,183	839,339
<b>Protection services:</b>						
Central dispatch			332,136		332,136	332,136
Fire service			128,885		128,885	128,885
<b>Transportation services:</b>						
Street improvements				1,387,921	1,387,921	485,719
Urban sidewalks	9,238,967		425,897	18,359	9,683,223	8,289,098
Rural sidewalks	489,374			973,496	1,462,870	839,222
Signage				25,761	25,761	25,761
Roads				12,124,111	12,124,111	11,991,611
<b>Environmental health services:</b>						
Public works sewers			4,631,290		4,631,290	1,020,500
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	12,295,901		16,139,147	4,434,362	32,869,410	32,535,475
Urban collection system	19,743		532,746	5,085,067	5,637,556	5,637,556
Lift stations			600,812	1,088,974	1,689,786	1,431,847
Brookfield	998,751		746,234	3,227,893	4,972,878	4,972,878
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	4,028,687
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 2015 (Unaudited)	Total 2014 (Unaudited)
<b>Garbage and waste collection and disposal:</b>					
Regional landfill site	8,241,425	2,211,118	987,639	11,440,182	11,331,699
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	4,844,299	4,855,826	2,038,208
Invesel composting	-	8,769,944	146,297	8,916,241	5,694,636
Material recovery	3,579,124	2,208,931	186,318	5,974,373	5,919,539
Compost containers	-	1,610,674	-	1,610,674	1,625,554
<b>Recreation and community services:</b>					
Library	1,091,790	40,375	83,135	1,215,300	1,215,300
Civic centre	22,458,641	6,744,212	4,489,845	33,692,698	33,692,698
Land	180,603	-	-	180,603	180,604
Parks and trails	1,108,851	180,410	536,074	1,825,335	1,411,806
Lighthouse	54,127	2,700	-	56,827	56,827
<b>Tatamagouche water utility:</b>					
Land	7,097	-	-	7,097	7,097
Structures and improvements	307,615	2,394,581	-	2,702,196	2,702,196
Equipment	-	272,528	103,440	375,968	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
<b>Debert water utility:</b>					
Structures and improvements	912,937	-	-	912,937	912,937
Mains	-	2,659,766	-	2,659,766	2,659,766
Services	-	-	40,254	40,254	40,254
Meters	-	-	56,875	56,875	56,875
Hydrants	-	-	58,212	58,212	58,212
	<b>\$ 72,846,615</b>	<b>\$ 53,772,969</b>	<b>\$ 56,796,126</b>	<b>\$ 183,415,710</b>	<b>\$ 168,477,117</b>

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 2015	Total 2014
Balance, beginning of year	\$ 80,377,214	\$ 2,032,592	\$ 632,393	\$ 83,042,199	\$ 81,428,756
Capital purchases (Page 33)	15,079,680	10,791	-	15,090,471	9,421,943
Acquisition of long term debt	(3,232,588)	-	-	(3,232,588)	(4,370,000)
Payment on long term debt	1,696,452	14,000	-	1,710,452	1,549,530
Depreciation of assets (non-contributory)	(5,653,182)	(125,542)	(69,758)	(5,848,482)	(4,935,241)
Depreciation of water utility assets (contributory)	-	(34,819)	(17,970)	(52,789)	(52,789)
Disposal of tangible capital asset (net of accumulated amortization of \$2,360)	(134,640)	-	-	(134,640)	-
Balance, end of year	\$ 88,132,936	\$ 1,897,022	\$ 544,665	\$ 90,574,623	\$ 83,042,199

See accompanying notes to the consolidated financial statements

# The Municipality of the County of Colchester

## Schedule of tangible capital assets

Year ended March 31, 2015

### General capital

	Land	Land Improvements	Municipal Buildings	Buildings/Plants	Electric Data	Office Equipment	Machinery
<b>Cost:</b>							
Balance, beginning of year	\$ 6,226,652	\$ 1,817,674	\$ 26,506,707	\$ 66,682,896	\$ 23,117	\$ 279,585	\$ 13,029,185
Acquisition of tangible capital assets	882,228	309,800	-	3,310,257	279,028	9,486	628,266
Disposal of tangible capital assets	(78,000)	-	-	(59,000)	-	-	(14,880)
Balance, end of year	7,030,880	2,127,474	26,506,707	69,934,153	602,145	289,071	13,642,571
<b>Accumulated depreciation:</b>							
Balance, beginning of year	-	(113,504)	(762,938)	(36,715,589)	(323,096)	(195,282)	(4,630,507)
Annual depreciation	-	(72,699)	(662,668)	(2,391,414)	(7)	(20,140)	(944,258)
Accumulated depreciation on disposals	-	-	-	2,360	-	-	14,880
Balance, end of year	-	(186,203)	(1,425,606)	(39,104,643)	(323,103)	(215,422)	(5,559,885)
<b>Net book value of tangible capital assets</b>	<b>\$ 7,030,880</b>	<b>\$ 1,941,271</b>	<b>\$ 25,081,101</b>	<b>\$ 30,829,510</b>	<b>\$ 279,042</b>	<b>\$ 73,649</b>	<b>\$ 8,082,686</b>

	Vehicles	Roads	Sidewalks	Sewer	Landfill	Total
<b>Cost:</b>						
Balance, beginning of year	\$ 2,083,606	\$ 12,477,405	\$ 8,828,006	\$ 16,260,017	\$ 6,449,438	\$ 60,964,288
Acquisition of tangible capital assets	81,023	1,034,702	1,873,655	3,853,617	2,817,618	15,079,680
Disposal of tangible capital assets	-	-	-	-	-	(151,880)
Balance, end of year	2,164,629	13,512,107	10,701,661	20,113,634	9,267,056	175,892,088
<b>Accumulated depreciation:</b>						
Balance, beginning of year	(1,955,369)	(4,670,575)	(4,772,467)	(5,921,111)	(3,633,345)	(63,693,783)
Annual depreciation	(60,253)	(491,870)	(427,400)	(324,495)	(257,978)	(5,653,182)
Accumulated depreciation on disposals	-	-	-	-	-	17,240
Balance, end of year	(2,015,622)	(5,162,445)	(5,199,867)	(6,245,606)	(3,891,323)	(69,329,725)
<b>Net book value of tangible capital assets</b>	<b>\$ 149,007</b>	<b>\$ 8,349,662</b>	<b>\$ 5,501,794</b>	<b>\$ 13,868,028</b>	<b>\$ 5,375,733</b>	<b>\$ 106,562,363</b>

See accompanying notes to the consolidated financial statements

# The Municipality of the County of Colchester

## Schedule of tangible capital assets

Year ended March 31, 2015

### Debert Water Utility

	<u>Buildings</u>	<u>Machinery</u>	<u>Water Lines</u>	<u>Vehicles</u>	<u>Total</u>
<b>Cost:</b>					
Balance, beginning of year	\$ 2,409,239	\$ 68,257	\$ 1,211,108	\$ 39,443	\$ 3,728,047
Acquisition of tangible capital assets	-	-	-	-	-
Balance, end of year	2,409,239	68,257	1,211,108	39,443	3,728,047
<b>Accumulated depreciation:</b>					
Balance, beginning of year	(2,152,148)	(31,050)	(845,261)	(8,546)	(3,037,005)
Accumulated depreciation contributory	-	-	-	-	(58,648)
Annual depreciation	(28,169)	(7,835)	(25,865)	(7,889)	(17,970)
Balance, end of year	(2,180,317)	(38,885)	(871,126)	(16,435)	(3,183,381)
Net book value of tangible capital assets	\$ 228,922	\$ 29,372	\$ 339,982	\$ 23,008	\$ 544,666

### Tatamagouche Water Utility

	<u>Land</u>	<u>Buildings</u>	<u>Machinery</u>	<u>Water Lines</u>	<u>Vehicles</u>	<u>Office Equipment</u>	<u>Total</u>
<b>Cost:</b>							
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	-	-	10,791	-	-	-	10,791
Balance, end of year	7,097	2,951,530	114,447	702,354	15,735	4,411	3,795,574
<b>Accumulated depreciation:</b>							
Balance, beginning of year	-	(960,742)	(91,870)	(450,309)	(13,260)	(4,411)	(1,520,592)
Accumulated depreciation contributory	-	-	-	-	-	-	(161,756)
Annual depreciation	-	(108,162)	(1,315)	(14,047)	(2,018)	-	(34,819)
Balance, end of year	-	(1,068,904)	(93,185)	(464,356)	(15,278)	(4,411)	(1,842,709)
Net book value of tangible capital assets	\$ 7,097	\$ 1,882,626	\$ 21,262	\$ 237,998	\$ 457	\$ -	\$ 1,952,865
<b>Total net book value of all tangible capital assets</b>							<b>\$ 109,059,894</b>

See accompanying notes to the consolidated financial statements

# The Municipality of the County of Colchester

## Schedule of reserve funds

Year ended March 31, 2015

Revenues	Special Capital	Special Operating	Balefill Site	Vehicle Reserve	MRF Equipment Reserve	Recreation Reserve	Fire Insurance Reserve	Liner Replacement Reserve	Courthouse Reserve
Interest	\$ 4,391	\$ 43,537	\$ 5,753	\$ 4,715	\$ 6,958	\$ 103	\$ 4,878	\$ 9,247	\$ 8,445
Insurance proceeds	-	-	-	-	-	-	37,632	-	-
Net revenues	4,391	43,537	5,753	4,715	6,958	103	42,510	9,247	8,445
Net transfers (to) from	98,538	(217,574)	(84,419)	11,444	19,884	16,412	31,928	(1,499,905)	100,000
Change in fund balances	102,929	(174,037)	(78,666)	16,159	26,842	16,515	74,438	(1,490,658)	108,445
Opening fund balances	364,781	3,830,523	550,733	344,879	584,892	-	402,762	1,148,910	704,776
Closing fund balances	\$ 467,710	\$3,656,486	\$ 472,067	\$ 361,038	\$ 611,734	\$ 16,515	\$ 477,200	\$ (341,748)	\$ 813,221

Revenues	Trail Reserve	Municipal Infrastructure	Major Floods	Street Repaving	Balefill Improvements	Bible Hill Plan	Salmon River School	Total 2015	Total 2014
Interest	\$ 1,910	\$ 4,503	\$ 2,633	\$ 3,382	\$ 546	\$ 19,142	\$ 231	\$ 120,374	\$ 85,242
Insurance proceeds	-	-	-	-	-	-	-	37,632	-
Net revenues	1,910	4,503	2,633	3,382	546	19,142	231	158,006	85,242
Net transfers (to) from	(147,625)	-	(141,588)	(370,413)	(4,989)	(126,655)	8,165	(2,306,797)	(237,707)
Change in fund balances	(145,715)	4,503	(138,955)	(367,031)	(4,443)	(107,513)	8,396	(2,148,791)	(152,465)
Opening fund balances	195,344	406,042	209,097	433,432	-	1,861,182	20,839	11,058,192	11,210,657
Closing fund balances	\$ 49,629	\$ 410,545	\$ 70,142	\$ 66,401	\$ (4,443)	\$ 1,753,669	\$ 29,235	\$ 8,909,401	\$ 11,058,192

See accompanying notes to the consolidated financial statements



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# The Municipality of the County of Colchester

## Notes to the consolidated financial statements

March 31, 2015

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### 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.

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# The Municipality of the County of Colchester

## Notes to the consolidated financial statements

March 31, 2015

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### 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 \$2,161,732 (2014: \$2,134,270).

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# The Municipality of the County of Colchester

## Notes to the consolidated financial statements

March 31, 2015

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### 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 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	20 - 40
Machinery and equipment	5 - 20
Vehicles	5
Sewers	50
Sidewalks	20
Roads	25
Landfill	25

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# The Municipality of the County of Colchester

## Notes to the consolidated financial statements

March 31, 2015

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### 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, 2015

### 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			2015	2014
	Current Year	Prior Years	Total	Total
Balance, beginning of year	\$ -	\$ 1,624,511	\$ 1,624,511	\$ 1,685,754
Current year's tax levy	<u>30,635,910</u>	<u>-</u>	<u>30,635,910</u>	<u>29,599,610</u>
	<u>30,635,910</u>	<u>1,624,511</u>	<u>32,260,421</u>	<u>31,285,364</u>
Deduct:				
Current year's collection	29,123,299	1,332,267	30,455,566	29,529,492
Write-offs	505	1,865	2,370	31,150
Reduced taxes	<u>132,174</u>	<u>-</u>	<u>132,174</u>	<u>100,211</u>
	<u>29,255,978</u>	<u>1,334,132</u>	<u>30,590,110</u>	<u>29,660,853</u>
Balance, end of year	\$ <u>1,379,932</u>	\$ <u>290,379</u>	<u>1,670,311</u>	1,624,511
Interest receivable, end of year			<u>176,857</u>	<u>157,016</u>
Balance, end of year, including interest			\$ <u>1,847,168</u>	\$ <u>1,781,527</u>

3. Tax collections	2015	2014
Total taxes collected *	\$ <u>29,255,978</u>	\$ <u>28,222,977</u>
Percentage current period's taxes collected	<u>95.6%</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>0.85</u>
Commercial assessments	\$ <u>2.25</u>	\$ <u>2.25</u>

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# The Municipality of the County of Colchester

## Notes to the consolidated financial statements

March 31, 2015

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<b>4. Frontage rates receivable</b>	<u>2015</u>	<u>2014</u>
Street improvements	\$ 75,445	\$ 120,221
Interest receivable	<u>10,044</u>	<u>8,221</u>
Balance, end of year, including interest	<u>\$ 85,489</u>	<u>\$ 128,442</u>

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### 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 \$4,442,018 (2014 - \$4,393,300) at March 31, 2015. 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 2015, \$nil (2014 - \$ nil) 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 2015, \$2,609,626 (2014 - \$2,540,699) has been recognized in revenues by the Municipality.

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### 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, \$26,651 can be transferred in 2034 and \$2,515 can be transferred in 2035.

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### 7. Rate of return on rate base

For the year ended March 31, 2015, the Tatamagouche Water Utility had a rate of return on rate base of (2.91) % (2014 - (1.70%)).

For the year ended March 31, 2015, the Debert Water Utility had a rate of return on rate base of 11.65% (2014 - (0.27%)).

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# The Municipality of the County of Colchester

## Notes to the consolidated financial statements

March 31, 2015

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### 8. Long term debt

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

2016	\$ 2,323,896
2017	\$ 2,892,740
2018	\$ 1,861,090
2019	\$ 1,707,788
2020	\$ 1,523,489

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

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### 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 \$12,144,000. At March 31, 2015, the liability balance is \$1,562,109 (2014 - \$1,417,200).

Current capacity of the site is estimated at 4,791,670 cubic meters. At March 31, 2015, 12.86% of the capacity, or 616,363 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, 2015.

It is expected that post closure costs will continue for an indefinite time after closure of the site. The \$12,144,000 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 was completed in fiscal 2015.

# The Municipality of the County of Colchester

## Notes to the consolidated financial statements

March 31, 2015

### 10. Employee benefits

The Municipality operates a defined benefit pension plan, which provides benefits to employees upon retirement. The most recent actuarial valuation was at December 31, 2013. On a going-concern basis, the value of accrued benefits, at December 31, 2013, exceeded the value of the plan assets by \$33,701. On a wind-up basis, the liabilities exceed the assets by \$988,486. As a result of the December 2010 actuarial valuation, the Municipality made special payments into the plan during fiscal 2015 of \$98,811. This fully funded the going concern deficit of \$33,701, as determined in the December 2013 actuarial valuation. No further special payments will be required. The next actuarial valuation will be completed as at December 31, 2016.

The assumptions and methods used in the valuation, as selected by management following consultation with the Municipality's Actuary, conform to the requirements of PS 3250.

	<u>December 31, 2014</u>		<u>December 31, 2013</u>
Market Value of Assets	\$ 8,845,920	\$	7,517,316
Accrued Benefit Obligation	<u>12,809,070</u>		<u>9,423,841</u>
Surplus/ (Deficit)	\$ <u>(3,963,150)</u>	\$	<u>(1,906,525)</u>
	EARSL 11 years		EARSL 12 years

### Components of Pension Expense under PS 3250:

The main components of pension expense under PS 3250 for the year January 1, 2014 to December 31, 2014.

		<u>2014</u>
Employer's Current Service Cost	\$	578,417
Interest Cost on Accrued Benefit Obligation		464,706
Expected Return on Plan Assets		(506,895)
Amortization of net actuarial loss/ (gain)		<u>69,764</u>
Pension Expense/(Income) for 2014	\$	<u>605,992</u>

In accordance with PS 3250, actuarial gains and losses will be amortized on a straight line basis over EARSL (expected average remaining service lifetime) of the members. For the fiscal 2015 year, the cumulative actuarial gain/loss at the beginning of the year is amortized over EARSL.

### Accrued Benefit Liability / (Asset) on the consolidated statement of financial position:

		<u>2014</u>
Balance January 1, 2014	\$	1,069,360
Pension Expense/(Income) for 2014		605,992
Municipality's Contributions		<u>(553,266)</u>
Balance December 31, 2014	\$	<u>1,122,086</u>



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# The Municipality of the County of Colchester

## Notes to the consolidated financial statements

March 31, 2015

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### 10. Employee benefits (continued)

The significant actuarial assumptions adopted measuring the Municipality's accrued benefit obligations as at December 31, 2014 were as follows:

Expected long-term rate of return on plan assets:	6.50%
Rate of compensation increase:	3.00%
Discount rate used to determine benefit obligation:	3.5% per annum as at December 31, 2014 4.75% per annum as at December 31, 2013
EARSL:	11 years
The Actuarial Cost Method:	Projected Accrued Benefit prorated on Service
Post-retirement mortality:	2014 Canadian Pensioners Mortality Table for Public Sector Employees (CPM 2014 Public) with generational projection using improvement factors from scale B1-2014 at December 31, 2014.

All plan assets are held by various Standard Life Funds.

During the year, the Municipality and employees contributed \$549,475 (including special payments) and \$293,967 respectively, to the plan. Benefit payments for the year totaled \$156,143.

Members are required to contribute 6.5% of earnings up to their YMPE (Year's Maximum Pensionable Earnings) plus 8.0% of earnings in excess of the YMPE, increasing to 7.0% of pensionable earnings up to their YMPE plus 8.5% of pensionable earnings in excess of their YMPE effective July 1, 2014. The Municipality contributes the balance of the cost required to fund the benefits, at a rate of 132.5% of employee contributions, plus any special payments determined by actuarial valuation.

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### 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 four years are as follows:

2016	\$	45,338
2017	\$	19,068
2018	\$	10,693
2019	\$	1,091

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# The Municipality of the County of Colchester

## Notes to the consolidated financial statements

March 31, 2015

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### 11. Commitments (continued)

- (ii) In previous years, the Municipality by resolution provided guarantees as follows:
- guarantee of \$900,000 for the Valley Kemptown & District Fire Brigade for the purchase of a new aerial platform fire apparatus. As of March 31, 2015 the loan is \$398,457.
  - guarantee of \$60,000 for the Great Village & District Fire Brigade for the manufacture of a box for an equipment utility truck. As of March 31, 2015 the loan is \$23,000.
- (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, 2015, 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.

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### 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	\$ 23,932	\$ 1,148	\$ 25,080
Ronald Cavanaugh, Councillor	\$ 23,932	\$ 779	\$ 24,711
Mike Cooper, Councillor	\$ 23,932	\$ 382	\$ 24,314
Lloyd Gibbs, Councillor	\$ 23,932	\$ 2,409	\$ 26,341
Michael Gregory, Councillor	\$ 23,932	\$ 1,946	\$ 25,878
Doug MacInnes, Councillor	\$ 23,932	\$ 935	\$ 24,867
Karen MacKenzie, Councillor	\$ 23,932	\$ 382	\$ 24,314
Bill Masters, Councillor	\$ 29,283	\$ 1,524	\$ 30,807
Wade Parker, Councillor	\$ 23,932	\$ 478	\$ 24,410
Geoff Stewart, Councillor	\$ 23,932	\$ 1,740	\$ 25,672
Tom Taggart, Councillor	\$ 23,932	\$ 3,283	\$ 27,215
Robert Taylor, Mayor	\$ 46,954	\$ 6,251	\$ 53,205
Ramesh Ummat, CAO	\$ 124,923	\$ 9,855	\$ 134,778

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# The Municipality of the County of Colchester

## Notes to the consolidated financial statements

March 31, 2015

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### 13. Trust funds

The Municipality holds trust funds at March 31, 2015, totaling \$375,503 (2014 - \$311,959) for specific purposes. These assets and corresponding liabilities are set out on Page 42 and are not recorded in these consolidated financial statements.

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### 14. 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, 2015, the Municipality has used \$16,137 of revolving term facility of \$30,000 and \$Nil (2014 - \$3,000,000) of the bridge loan facility of \$6,000,000 with interest at prime.

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### 15. Accumulated surplus

	<u>2015</u>	<u>2014</u>
General operating fund (Page 37)	\$ (5,614,103)	\$ (4,114,906)
Tatamagouche water operating fund (Page 38)	(201,670)	(144,438)
Tatamagouche water capital fund (Page 39)	207,368	161,758
Debert water operating fund (Page 40)	(121,048)	(184,497)
Debert water capital fund (Page 41)	94,695	76,725
Reserve funds (Page 14)	<u>8,909,401</u>	<u>11,058,192</u>
	<u>3,274,643</u>	6,852,834
Investment in tangible capital assets (Page 11)	<u>90,574,623</u>	83,042,199
	<u>\$ 93,849,266</u>	<u>\$ 89,895,033</u>

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### 16. Contingency

As at March 31, 2015, there is currently a litigation claim against the Municipality of the County of Colchester and the Town of Truro by the PCL Constructors Canada Inc. This is a claim arising out of the construction contract for the Rath Eastlink Community Centre. The claim was filed February 2, 2015. A counter claim was also filed by the Municipality of the County of Colchester and the Town of Truro. The stated value of the PCL claim is \$2.5 million. At this stage in the proceedings, it is not possible to reasonably measure any potential liability or recovery that may exist in the PCL claim or counter claim.

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### 17. Comparative figures

Certain of the prior year comparative figures have been reclassified to conform to the current year financial statement presentation.

# The Municipality of the County of Colchester

## Schedules to the consolidated statement of operations

Year ended March 31

2015 Budget

2015 Actual

2014 Actual

### 1. Taxes

Assessable property			
Residential	\$ <u>15,841,748</u>	\$ <b><u>15,841,908</u></b>	\$ <u>15,158,082</u>
Commercial			
Based on taxable assessments	<u>5,886,464</u>	<b><u>5,926,299</u></b>	<u>5,772,419</u>
Resource			
Taxable assessments	461,221	<b>464,892</b>	428,376
Forest property tax			
Less than 50,000 acres	84,415	<b>84,458</b>	84,696
50,000 acres or more	<u>77,098</u>	<b><u>77,058</u></b>	<u>76,977</u>
	<u>622,734</u>	<b><u>626,408</u></b>	<u>590,049</u>
Area rates			
Protective services	2,247,707	<b>2,282,358</b>	2,233,109
Transportation services	1,468,034	<b>1,467,223</b>	1,393,964
Environmental health services	2,931,723	<b>2,940,675</b>	2,904,359
Recreation and cultural services	<u>48,319</u>	<b><u>74,031</u></b>	<u>76,605</u>
	<u>6,695,783</u>	<b><u>6,764,287</u></b>	<u>6,608,037</u>
Special assessments			
Frontage rates			
Transportation services	<u>34,149</u>	<b><u>29,792</u></b>	<u>34,808</u>
Business property			
Based on revenue (Aliant Telecom)	141,000	<b>145,199</b>	141,484
Nova Scotia Power Corporation	20,000	<b>18,678</b>	18,110
Harmonized sales tax grant	<u>137,000</u>	<b><u>93,588</u></b>	<u>173,163</u>
	<u>298,000</u>	<b><u>257,465</u></b>	<u>332,757</u>
Other			
Deed transfer tax	1,000,000	<b>1,181,973</b>	1,067,453
Inter-municipal tax sharing	<u>53,000</u>	<b><u>66,024</u></b>	<u>53,170</u>
	<u>1,053,000</u>	<b><u>1,247,997</u></b>	<u>1,120,623</u>
	\$ <u>30,431,878</u>	\$ <b><u>30,694,156</u></b>	\$ <u>29,616,775</u>

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# The Municipality of the County of Colchester

## Schedules to the consolidated statement of operations

Year ended March 31

2015 Budget

2015 Actual

2014 Actual

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### 2. Grants in lieu of taxes

Federal government	\$ <u>67,500</u>	\$ <u>63,712</u>	\$ <u>62,580</u>
Provincial government			
Property of supported institutions	83,156	<b>85,023</b>	83,077
Forest property	64,000	<b>64,882</b>	64,733
Other property	316,319	<b>385,387</b>	357,796
Wind turbine	<u>314,422</u>	<u><b>317,514</b></u>	<u>309,630</u>
	<u>777,897</u>	<u><b>852,833</b></u>	<u>815,236</u>
	\$ <u>845,397</u>	\$ <u><b>916,545</b></u>	\$ <u>877,816</u>

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### 3. Services to other governments

Other local governments			
STP recovery	\$ 951,946	\$ <b>1,081,838</b>	\$ 1,100,592
Solid waste recovery	<u>51,169</u>	<u><b>45,314</b></u>	<u>41,406</u>
	\$ <u>1,003,115</u>	\$ <u><b>1,127,152</b></u>	\$ <u>1,141,998</u>

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### 4. Sale of services

Other local governments			
Materials recovery facility	\$ 550,200	\$ <b>456,166</b>	\$ 423,287
Sale of water - Tatamagouche	235,185	<b>237,057</b>	212,692
Sale of water - Debert	<u>232,571</u>	<u><b>240,017</b></u>	<u>230,268</u>
	\$ <u>1,017,956</u>	\$ <u><b>933,240</b></u>	\$ <u>866,247</u>

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### 5. Water fire protection

Tatamagouche public fire protection	\$ 63,821	\$ <b>64,181</b>	\$ 60,607
Debert public fire protection	<u>110,719</u>	<u><b>119,122</b></u>	<u>110,620</u>
	\$ <u>174,540</u>	\$ <u><b>183,303</b></u>	\$ <u>171,227</u>

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# The Municipality of the County of Colchester

## Schedules to the consolidated statement of operations

Year ended March 31 2015 Budget 2015 Actual 2014 Actual

### 9. Other revenue

Deferred revenue	\$ 5,100,147	\$ 2,609,626	\$ 2,540,699
Transfer of capital – roads	-	132,500	715,499
Tatamagouche water	7,275	29,636	41,806
Water utilities	324,501	9,225	8,001
Other	-	-	48,498
	<u>\$ 5,431,923</u>	<u>\$ 2,780,987</u>	<u>\$ 3,354,503</u>

### 10. General government services

Legislative			
Mayor	\$ 46,965	\$ 47,146	\$ 43,924
Council	268,660	269,695	243,919
Other	34,100	93,843	34,933
	<u>349,725</u>	<u>410,684</u>	<u>322,776</u>
General administrative			
Administrative	1,134,322	1,071,573	1,348,118
Financial management	365,754	342,107	300,854
Taxation	559,832	606,191	569,555
Common services	1,165,512	1,088,515	1,059,728
Newsletter	40,000	41,376	41,438
Other	22,763	21,140	20,658
	<u>3,288,183</u>	<u>3,170,902</u>	<u>3,340,351</u>
Other general government services			
Conventions	26,500	22,084	26,184
Grants to other organizations and individuals	159,218	181,404	141,258
	<u>185,718</u>	<u>203,488</u>	<u>167,442</u>
Fiscal costs			
Transfers to assessment services	684,000	664,157	668,118
Transfer to North Shore Rink Trust	-	50,000	50,000
Transfer from Scholarship Trust	-	(1,208)	-
Depreciation expense	7,519	99,310	55,178
Adjustment to valuation allowance	10,000	(6,180)	(11,149)
Appeals allowance	75,000	72,468	76,420
	<u>776,519</u>	<u>878,547</u>	<u>838,567</u>
	<u>\$ 4,600,145</u>	<u>\$ 4,663,621</u>	<u>\$ 4,669,136</u>









# The Municipality of the County of Colchester

## Schedules to the consolidated statement of operations

Year ended March 31

2015 Budget

2015 Actual

2014 Actual

### 19. Capital purchases

Civic centre	\$	-	\$	-	\$	1,596,789
Compost containers		5,000		-		44,647
Courthouse renovations		10,000		9,486		11,464
Software		50,000		263,917		-
Debert Phase I		66,500		-		14,603
Debert water utility		318,000		10,791		18,077
Landfill equipment		51,135		98,054		9,594
Landfill improvements		-		10,429		494,492
Landfill liner		-		2,817,618		-
Materials recovery facility		10,000		55,116		113,469
Compost system		6,950,476		3,221,604		3,597,611
Regional STP/Marshland Drive		2,600,000		250,002		235,010
Sewer equipment		-		15,111		-
Sewer lines		4,000,000		3,595,679		593,649
Sidewalks		1,585,000		1,873,655		955,096
Street equipment		361,000		143,836		21,672
Street improvement		812,000		902,202		-
Trails		-		282,407		155,554
Municipal parks		35,000		47,156		7,942
Land		800,000		882,228		-
Nelson park		50,000		60,759		31,145
Stewiacke park		18,000		11,823		37,524
Lift stations		480,000		257,939		600,812
Broderick park		23,000		11,383		54,127
Regional STP		15,000		83,932		113,167
EMO renovations		-		12,590		-
SHRU renovations		-		40,254		-
Salmon River School		-		-		137,000
County owned roads		-		132,500		578,499
	\$	18,240,111	\$	15,090,471	\$	9,421,943

# The Municipality of the County of Colchester

## Schedule of consolidated debt charges and term debt

Year ended March 31, 2015

	Fiscal Year of Issue	Fiscal Year of Maturity	Interest Rate	Balance March 31/14	Acquired	Payments	Balance March 31/15	Interest 2015	Serial Instalment 2015	Total Debt Charges
<u>Unmatured Debenture and Term Debt</u>										
Kemptown bailefill	2006	2016	4.475%-4.56%	\$ 800,000	-	\$ 400,000	\$ 400,000	\$ 27,180	\$ 400,000	\$ 427,180
Phase 4B regional sewage plant	2007	2017	4.765%-4.88%	675,000	-	225,000	450,000	24,369	225,000	249,369
Phase 4C/4D regional sewage plant	2007	2017	4.285%-4.41%	495,000	-	165,000	330,000	21,508	165,000	186,508
Brookfield Fire Hall	2007	2017	4.765%-4.88%	750,095	-	42,880	707,215	47,549	42,880	90,429
Tatamagouche water utility	2009	2019	4.565%-5.095%	70,000	-	14,000	56,000	3,404	14,000	17,404
Civic Centre – Phase 1	2012	2022	1.767%-3.645%	2,528,630	-	155,750	2,372,880	80,799	155,750	236,549
Civic Centre – Phase 2	2013	2023	1.905%-3.480%	4,939,448	-	327,496	4,611,952	146,363	327,496	473,859
Civic Centre – Phase 3A	2013	2023	1.63%-3.160%	3,085,057	-	174,756	2,910,301	85,337	174,756	260,093
Civic Centre – Phase 3A1	2014	2024	1.33%-2.979%	2,670,000	-	150,950	2,519,050	65,300	150,950	216,250
Civic Centre – Phase 3B	2014	2024	1.285%-3.614%	1,700,000	-	97,500	1,602,500	50,328	97,500	147,828
WWTP Phase 4	2015	2030	1.245%-3.792%	-	3,232,588	-	3,232,588	48,732	-	48,732
Subtotal – long term debt not including Regional hospital				17,713,230	3,232,588	1,753,332	19,192,486	600,869	1,753,332	2,354,201
Regional hospital #1	2007	2017	4.765%-4.88%	533,331	-	66,667	466,664	25,239	66,667	91,906
Regional hospital #2	2008	2018	4.465%-4.625%	800,000	-	100,000	700,000	34,443	100,000	134,443
Regional hospital #3	2009	2019	4.491%-4.884%	861,540	-	107,692	753,848	38,576	107,692	146,268
Regional hospital #4	2010	2020	3.212%-4.889%	933,332	-	116,667	816,665	38,537	116,667	155,204
Subtotal – Regional hospital long term debt				3,128,203	-	391,026	2,737,177	136,795	391,026	527,821
<b>Totals</b>				<b>\$ 20,841,433</b>	<b>\$ 3,232,588</b>	<b>\$ 2,144,358</b>	<b>\$ 21,929,663</b>	<b>\$ 737,664</b>	<b>\$ 2,144,358</b>	<b>\$ 2,882,022</b>

# The Municipality of the County of Colchester

## Schedule of Capital Funding

Year ended March 31, 2015

Project	\$ Cost	\$ Balefill Capital Reserve	\$ Balefill Equip. Reserve	\$ Public Works Vehicle Reserve	\$ Special Operating Reserve	\$ Bible Hill Master Reserve	\$ MRF Equip. Reserve	\$ Street Paving Reserve	\$ BCF Fed/Prov.	\$ Temp. Financing	\$ Active Transp. Area Rate	\$ Donated Capital	\$ Gas Tax	\$ COOR	\$ Trails Reserve	\$ Sewer Capital	\$ Total
General Operating																	
Pumping Station 13 & 14 upgrade	238,396	-	-	-	-	-	-	-	-	-	-	-	119,198	-	119,198	-	238,396
Vehicles/Building upgrade	83,932	-	-	54,137	-	-	-	-	-	-	-	-	29,795	-	-	-	83,932
WWTP - Central Plant upgrade	76,568	-	-	-	-	-	-	-	-	-	-	-	38,284	-	-	-	76,568
Centrifuge WIP	223,873	-	-	-	-	-	-	-	-	223,873	-	-	-	-	-	-	223,873
Stewiacke River Park upgrade	11,823	-	-	-	-	-	-	-	-	-	-	-	11,823	-	-	-	11,823
Nelson Park upgrade	60,759	-	-	-	-	-	-	-	-	-	-	-	60,759	-	-	-	60,759
Laserfish	96,139	-	-	-	-	-	-	-	-	-	-	-	96,139	-	-	-	96,139
Diamond	167,778	-	-	-	-	-	-	-	-	-	-	-	167,778	-	-	-	167,778
Zero Turn Mower	13,792	-	-	-	-	-	-	-	-	-	-	-	13,792	-	-	-	13,792
Office Equipment	9,486	-	-	-	-	-	-	-	-	-	-	-	9,486	-	-	-	9,486
GPS Unit (sewer)	15,111	-	-	-	-	-	-	-	-	-	-	-	15,111	-	-	-	15,111
Westin Drive paving	293,780	-	-	-	-	-	-	292,903	-	-	-	877	-	-	-	-	293,780
Ventura Drive	344,345	-	-	-	-	-	-	177,510	-	-	-	166,835	-	-	-	-	344,345
Retson Drive paving	264,077	-	-	-	-	-	-	-	-	-	-	264,077	-	-	-	-	264,077
Municipal Park upgrades	30,243	-	-	-	-	-	-	-	-	-	-	-	30,243	-	-	-	30,243
Municipal Park upgrades	16,913	-	-	-	-	-	-	-	-	-	-	-	16,913	-	-	-	16,913
Municipal Trails Capital	282,407	-	-	-	-	-	-	-	-	-	-	-	93,500	188,907	-	-	282,407
Scalehouse - paving	10,429	10,429	-	-	-	-	-	-	-	-	-	-	-	-	-	-	10,429
Flatbed truck	98,054	98,054	-	-	-	-	-	-	-	-	-	-	-	-	-	-	98,054
Dryer	898	-	-	-	-	-	898	-	-	-	-	-	-	-	-	-	898
Forklift	54,218	-	-	-	-	-	54,218	-	-	-	-	-	-	-	-	-	54,218
EOC - Roof	12,590	-	-	-	-	-	-	-	-	-	-	-	12,590	-	-	-	12,590
Balefill Cell #3	2,752,498	1,450,387	-	-	-	-	-	-	-	1,302,111	-	-	-	-	-	-	2,752,498
Urban Sidewalk	733,055	-	-	-	-	-	-	-	-	-	733,055	-	-	-	-	-	733,055
Hidden Sidewalk Hwy#2	5,522	-	-	-	-	-	-	-	-	-	5,522	-	-	-	-	-	5,522

# The Municipality of the County of Colchester Schedule of Capital Funding (continued)

Year ended March 31, 2015

Project General	\$ Cost	\$ Capital Reserve	\$ Balefill Equip. Reserve	\$ Public Works Vehicle Reserve	\$ Special Operating Reserve	\$ Bible Hill Master Reserve	\$ MRF Equip. Reserve	\$ Street Paving Reserve	\$ BCF Fed/Prov.	\$ Temp. Financing	\$ Active Transp. Area Rate	\$ Donated Capital	\$ Gas Tax	\$ COOR	\$ Trails Reserve	\$ Sewer Capital	\$ Total
Operating																	
Civic Centre	64,843	-	-	-	-	-	-	-	-	-	64,843	-	-	-	-	-	64,843
Sidewalk																	
East Prince Street	397,652	-	-	-	-	-	-	-	-	-	397,652	-	-	-	-	-	397,652
Sidewalk																	
Robie Street Sidewalk	6,381	-	-	-	-	-	-	-	-	-	6,381	-	-	-	-	-	6,381
Brookfield Sidewalk	610,387	-	-	-	-	-	-	-	-	-	-	-	610,387	-	-	-	610,387
T. Weatherby Land	126,655	-	-	-	-	126,655	-	-	-	-	-	-	-	-	-	-	126,655
Pallisse Property- Land	755,574	-	-	-	755,574	-	-	-	-	-	-	-	-	-	-	-	755,574
County Roads	132,500	-	-	-	-	-	-	-	132,500	-	-	-	-	-	-	-	132,500
Broderick Lane Park	11,383	-	-	-	-	-	-	-	-	-	-	-	11,383	-	-	-	11,383
Composting Facility	3,028,691	-	-	-	-	-	-	-	1,340,482	847,889	-	-	840,320	-	-	-	3,028,691
Loader	192,913	-	192,913	-	-	-	-	-	-	-	-	-	-	-	-	-	192,913
SCBA Gear and Harness	40,254	-	-	-	-	-	-	-	-	-	-	-	40,254	-	-	-	40,254
Granville Drive Sewer	3,156,494	-	-	-	-	-	-	-	-	2,600,000	-	-	556,494	-	-	-	3,156,494
Mingo Corner Sewer	13,154	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	13,154
Sidewalk Plow	130,045	-	-	130,045	-	-	-	-	-	-	-	-	-	-	-	-	130,045
	14,563,612	1,558,870	192,913	184,182	755,574	126,655	55,116	470,413	1,340,482	4,973,873	1,207,453	132,500	2,609,626	647,850	188,907	119,198	14,563,612
Water Utility																	
Water Purification System	10,791	-	-	-	-	-	-	-	-	-	-	-	-	10,791	-	-	10,791
	10,791	-	-	-	-	-	-	-	-	-	-	-	-	10,791	-	-	10,791
	14,574,403	1,558,870	192,913	184,182	755,574	126,655	55,116	470,413	1,340,482	4,973,873	1,207,453	132,500	2,609,626	658,641	188,907	119,198	14,574,403

\*Not including holdbacks of \$516,068



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

Year ended March 31	2015 Budget	2015 Actual	2014 Actual
<b>Revenues</b>			
Sale of water	\$ 235,185	\$ 237,057	\$ 212,692
Public fire protection	63,821	64,181	60,607
Other	7,275	31,636	41,806
<b>Total revenues</b>	<u>306,281</u>	<u>332,874</u>	<u>315,105</u>
<b>Expenditures</b>			
Source of supply	3,745	8,398	4,786
Power and pumping	36,785	34,594	35,261
Water treatment	56,496	79,927	52,513
Transmission and distribution	71,881	96,556	77,143
Administrative	60,404	67,579	78,539
Filter replacement	12,300	12,300	12,300
Depreciation	-	125,542	126,535
Depreciation – URB	42,266	34,819	34,819
Interest on long term debt	3,404	3,404	4,015
Taxes	-	27,738	27,711
<b>Total expenditures</b>	<u>287,281</u>	<u>490,857</u>	<u>453,622</u>
Annual surplus (deficit)	\$ 19,000	(157,983)	(138,517)
Debt principal repayment	(14,000)	(14,000)	(14,000)
Transfer of depreciation expense		125,542	126,535
Transfer of depreciation expense – URB		34,819	34,819
Net transfers to water capital fund, net		(45,610)	(34,819)
Change in surplus		(57,232)	(25,982)
Opening surplus		(144,438)	(118,456)
Closing surplus		\$ (201,670)	\$ (144,438)



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

Year ended March 31	2015 Budget	2015 Actual	2014 Actual
<b>Revenues</b>			
Interest	\$ -	\$ -	-
<b>Expenditures</b>			
Capital expenditures	<u>5,000</u>	<u>-</u>	<u>-</u>
Annual surplus (deficit)	<u>\$ (5,000)</u>	-	-
Net transfers from water operating fund		<u>45,610</u>	<u>34,819</u>
Change in surplus		<u>45,610</u>	<u>34,819</u>
Opening surplus		<u>161,758</u>	<u>126,939</u>
Closing surplus		<u>\$ 207,368</u>	<u>\$ 161,758</u>

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## The Municipality of the County of Colchester

### Schedule of changes in Debert water operating fund

Year ended March 31	2015 Budget	2015 Actual	2014 Actual
<b>Revenues</b>			
Sale of water	\$ 232,571	\$ 240,017	\$ 230,268
Public fire protection	110,719	119,122	110,620
Other	<u>324,501</u>	<u>7,225</u>	<u>8,001</u>
<b>Total revenues</b>	<u>667,791</u>	<u>366,364</u>	<u>348,889</u>
<b>Expenditures</b>			
Source of supply	7,852	5,918	12,122
Power and pumping	71,425	77,810	64,117
Water treatment	24,997	30,776	41,084
Transmission and distribution	106,112	100,835	115,397
Administrative	74,870	69,606	99,925
Depreciation	-	69,758	66,142
Depreciation – URB	<u>17,970</u>	<u>17,970</u>	<u>17,970</u>
<b>Total expenditures</b>	<u>303,226</u>	<u>372,673</u>	<u>416,757</u>
Annual surplus (deficit)	\$ <u>364,565</u>	<u>(6,309)</u>	<u>(67,868)</u>
Transfer of depreciation expense		69,758	66,142
Transfer of depreciation expense – URB		17,970	17,970
Net transfers to other funds, net		<u>(17,970)</u>	<u>(36,048)</u>
Change in surplus		63,449	(19,804)
Opening surplus		<u>(184,497)</u>	<u>(164,693)</u>
Closing surplus		\$ <u>(121,048)</u>	\$ <u>(184,497)</u>



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

March 31, 2015

	Recreation Subdivision Fund	Host Community Fund	Scholarship Fund	North Shore Rink Fund	Total 2015
<b>Assets</b>					
Cash	\$ 182,987	\$ 41,092	\$ -	\$ 151,424	\$ 375,503
<b>Reserve</b>					
Trust fund reserve	\$ 182,987	\$ 41,092	\$ -	\$ 151,424	\$ 375,503

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

Year ended March 31, 2015

	Recreation Subdivision Fund	Host Community Fund	Scholarship Fund	North Shore Rink Fund	Total 2015
Balance, beginning of year	\$ 170,116	\$ 40,642	\$ 1,201	\$ 100,000	\$ 311,959
Contributions	10,931	-	-	50,000	60,931
Interest income	1,940	450	7	1,424	3,821
Fund payment	-	-	(1,208)	-	(1,208)
Balance, end of year	\$ 182,987	\$ 41,092	\$ -	\$ 151,424	\$ 375,503