



Consolidated financial statements

Town of Stewiacke

March 31, 2018

# Contents

	<b>Page</b>
Management's responsibility for financial reporting	1
Independent auditor's report	2
Consolidated statement of operations and surplus	4
Consolidated statement of financial position	5
Consolidated statement of changes in net assets	6
Consolidated statement of cash flows	7
Notes to the consolidated financial statements	8 – 17
Schedule of tangible capital assets – general capital	18
Schedule of tangible capital assets – water utility	19
Schedules to the consolidated statement of operations	20 – 25
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Supplementary schedules	
Consolidated schedule of investment in capital assets	26
Schedule of reserve funds	27
Schedule of changes in general operating fund	28
Schedule of changes in general capital fund	29
Schedule of changes in water utility operating fund	30
Schedule of changes in water utility capital fund	31
Schedule of financial position – water utility operating fund	32
Schedule of financial position – water utility capital fund	33

## Management's responsibility for financial reporting

The accompanying consolidated financial statements of The Town of Stewiacke 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.

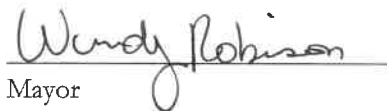
Management is responsible for the integrity and objectivity of these consolidated financial statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

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

The Mayor and Council meet periodically with management, as well as 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 Town of Stewiacke and meet when required.

On behalf of The Town of Stewiacke

  
Mayor

  
Chief Administrative Officer

July 19, 2018



## Independent auditor's report

Grant Thornton LLP  
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Truro, NS  
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To the Mayor and Members of Council of the Town of Stewiacke

We have audited the accompanying consolidated financial statements of the Town of Stewiacke, which comprise the consolidated statement of financial position as at March 31, 2018, the consolidated statements of operations, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's responsibility for the 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 Town'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 Town's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

**Opinion**

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Town of Stewiacke as at March 31, 2018, and the consolidated results of its operations, changes in net assets and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

**Other matters**

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The supplementary information included in the schedules on Pages 26 to 33 is presented for purposes of additional information and is not a required part of the consolidated financial statements. Such information has been subjected to the auditing procedures applied, only to the extent necessary to express an opinion on the audit of the consolidated financial statements taken as a whole.

*Grant Thornton LLP*

Truro, Canada  
July 19, 2018

Chartered Professional Accountants  
Licensed Public Accountants

# Town of Stewiacke

## Consolidated statement of operations and surplus

Year ended March 31	Page reference	2018 Budget (Note 11)	2018 Actual	2017 Actual
<b>Revenues</b>				
Taxes	20	\$ 1,872,118	\$ <b>1,896,706</b>	\$ 1,831,300
Grants in lieu of taxes	20	5,673	<b>5,661</b>	5,741
Sale of services	20	154,654	<b>157,164</b>	152,939
Other revenue from own sources	21	63,825	<b>203,712</b>	90,826
Unconditional transfers from other governments	21	205,474	<b>205,434</b>	205,607
Conditional transfers from other governments	21	37,500	<b>1,197,199</b>	141,433
Water rates		<u>524,627</u>	<b><u>513,232</u></b>	<u>526,972</u>
<b>Total revenues</b>		<u>2,863,871</u>	<b><u>4,179,108</u></b>	<u>2,954,818</u>
<b>Expenses</b>				
General government services	22	527,780	<b>518,193</b>	499,315
Protective services	23	428,452	<b>427,680</b>	412,925
Transportation services	23	581,444	<b>540,525</b>	518,075
Environmental health services	24	262,103	<b>217,207</b>	226,752
Environmental development services	24	40,155	<b>20,532</b>	22,906
Recreation and cultural services	24	266,315	<b>230,451</b>	194,658
Water treatment and distribution	24	368,797	<b>377,334</b>	354,679
Fiscal services	25	<u>344,701</u>	<b><u>336,444</u></b>	<u>326,963</u>
<b>Total expenses</b>		<u>2,819,747</u>	<b><u>2,668,366</u></b>	<u>2,556,273</u>
Annual surplus		\$ <u>44,124</u>	\$ <b><u>1,510,742</u></b>	\$ <u>398,545</u>
Accumulated surplus, beginning of year			\$ <b>7,956,679</b>	\$ 7,558,134
Annual surplus			<u><b>1,510,742</b></u>	<u>398,545</u>
Accumulated surplus, end of year			<u><b>9,467,421</b></u>	<u>7,956,679</u>

See accompanying notes to the consolidated financial statements

# Town of Stewiacke

## Consolidated statement of financial position

March 31 2018 2017

### Financial assets

Cash and cash equivalents	\$ 1,254,721	\$ 1,593,677
Receivables (Note 2)		
Taxes	129,880	101,249
Sewer rates	37,499	37,492
Water rates	68,974	69,615
Due from federal government and its agencies	279,364	72,970
Other	<u>2,650</u>	<u>2,752</u>
	<u>1,773,088</u>	<u>1,877,755</u>

### Liabilities

Payables and accruals		
Trade accounts	311,144	199,525
Other liabilities		
Prepayment of taxes	57,665	55,406
Short term debt (Note 4)	350,000	-
Long term debt (Note 5)	<u>1,018,296</u>	<u>1,193,732</u>
	<u>1,737,105</u>	<u>1,448,663</u>

### Net assets

35,983 429,092

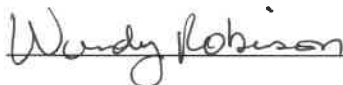
### Non-financial assets

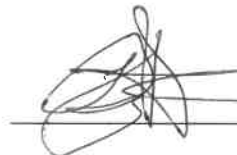
Prepays	8,533	5,604
Tangible capital assets, general capital, net (Page 18)	5,738,080	4,332,293
Tangible capital assets, water utility, net (Page 19)	<u>3,684,825</u>	<u>3,189,690</u>
	<u>9,431,438</u>	<u>7,527,587</u>

### Accumulated surplus (Note 6)

\$ 9,467,421 \$ 7,956,679

On behalf of The Town of Stewiacke

 \_\_\_\_\_ Mayor

 \_\_\_\_\_ CAO

See accompanying notes to the consolidated financial statements

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## Town of Stewiacke

### Consolidated statement of changes in net assets

Year ended March 31	2018 Budget (Note 11)	2018 Actual	2017 Actual
Annual surplus	\$ 44,124	\$ 1,510,742	\$ 398,545
Acquisition of tangible capital assets	(158,638)	(2,293,823)	(171,932)
Amortization of tangible capital assets	378,835	392,901	305,884
	<u>220,197</u>	<u>(1,900,922)</u>	<u>133,952</u>
Increase in prepaids	-	(2,929)	-
Change in net assets	\$ <u>264,321</u>	(393,109)	532,497
Net assets, beginning of year		<u>429,092</u>	(103,405)
Net assets, end of year		\$ <u>35,983</u>	\$ <u>429,092</u>

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See accompanying notes to the consolidated financial statements



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## Town of Stewiacke

### Consolidated statement of cash flows

Year ended March 31

2018

2017

**Net inflow (outflow) of cash and cash equivalents related to the following activities:**

**Operating**

Annual surplus	\$	1,510,742	\$	398,545
Amortization		<u>392,901</u>		<u>305,884</u>
		<b>1,903,643</b>		704,429

**Changes in non-cash working capital**

Receivables		(234,289)		(13,546)
Prepays		(2,929)		-
Payables and accruals		111,619		(65,714)
Prepayment of taxes		<u>2,259</u>		<u>(6,275)</u>
		<b>1,780,303</b>		618,894

**Capital**

Purchase of tangible capital assets		<u>(2,293,823)</u>		<u>(171,932)</u>
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**Financing**

Repayment of long term debt		(175,436)		(193,376)
Proceeds of short term debt		<u>350,000</u>		<u>-</u>
		<b>174,564</b>		(193,376)

Change in cash and cash equivalents		<b>(338,956)</b>		253,586
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Cash and cash equivalents

Beginning of year		<u>1,593,677</u>		<u>1,340,091</u>
End of year	\$	<b><u>1,254,721</u></b>	\$	<b><u>1,593,677</u></b>

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See accompanying notes to the consolidated financial statements

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# Town of Stewiacke

## Notes to the consolidated financial statements

March 31, 2018

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### 1. Summary of significant accounting policies

#### Principles and basis of consolidation

The consolidated financial statements of the Town of Stewiacke (the "Town") are the representations of management prepared in accordance with generally accepted accounting principles for local governments as established by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants of Canada ("CPA Canada").

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

#### Reporting entity

The consolidated financial statements reflect the assets, liabilities, revenues, expenses 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 and resources to the Town and are owned or controlled by the Town.

Interdepartmental and organizational transactions and balances are eliminated.

#### Segment information

The Town of Stewiacke is a diversified entity that provides a wide range of services to its residents. For management reporting purposes, the Town'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. Town services are provided by departments and their activity is reported in these funds. The services provided by these departments are as follows:

##### General government services

This segment is responsible for the overall local government administration. Its tasks include direction for Town 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 bylaw administration for its residents. The Town engages the services of the volunteer fire department in order to fulfil its fire protection role. The Town collects a rate for the fire department.

##### Transportation services

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

##### Environmental health services

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.

##### Environmental development services

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

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# Town of Stewiacke

## Notes to the consolidated financial statements

March 31, 2018

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### 1. Summary of significant accounting policies (continued)

#### **Segmented information (continued)**

##### Recreation and cultural services

This segment is responsible for promoting and offering recreation opportunities and activities to the Town's residents, specializing in maintaining and assisting recreational facilities within the Town such as recreation facilities and the library.

##### Water treatment and distribution

This segment manages water treatment and distribution facilities and services within the Town and includes activities such as plant operation and pumping, water treatment, transmission and distribution.

#### **Revenue recognition**

Tax revenue is property tax billings which are prepared by the Town based on assessment rolls issued by the Province of Nova Scotia. Tax rates are established annually by Town Council. 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 Town 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 sale of services, water rates 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 for operating and capital purposes are recognized as revenue in the period in which all eligibility criteria and/or stipulations have been met and the amounts are authorized. Any funding received prior to satisfying these conditions is deferred until conditions have been met. When revenue is received without eligibility criteria or stipulations, it is recognized when the transfer is authorized.

All non-government contribution or grant/revenues that are externally restricted such that they might be used for a specified purpose are recognized as revenue in the period in which the resources are used for the purpose or purposes specified. Any externally received revenues not yet used for the purpose or purposes specified are reported as deferred revenue.

Interest and other unrestricted revenues are recognized as revenue when received or receivable if the amount can be reasonably estimated and collection is reasonably assured.

#### **Use of estimates**

The preparation of the consolidated financial statements in conformity with Canadian public sector accounting standards requires the Town'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. Actual results could differ from those reported. Estimates for the Town include amortization on tangible capital assets and the valuation allowances on receivables.

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# Town of Stewiacke

## Notes to the consolidated financial statements

March 31, 2018

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### 1. Summary of significant accounting policies (continued)

#### Cash and cash equivalents

Cash and cash equivalents include cash on hand and balances with banks.

#### Financial instruments

The Town's financial instruments consist of cash and cash equivalents, receivables, payables and accruals and long term debt and are carried at cost which approximates their fair value.

#### Tangible capital assets

##### General and other funds

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>
Buildings	40
Machinery and equipment	3 – 15
Sewers	50
Sidewalks and crosswalks	20 – 25
Streets	30
Land improvements	25
Sewage treatment plant	25
Water storage plant	75
Water utility equipment	5 – 20
Water utility mains	75
Water utility services	50
Water utility meters	20
Water utility hydrants	75
Water treatment plant	50

A full year of amortization is charged in the year of acquisition. Assets under construction are not amortized until the asset is available for productive use.

#### Water capital fund

In the Water Capital Fund, depreciation is calculated as noted above. For purposes of the Nova Scotia Utility and Review Board, depreciation is based on a prescribed rate. The depreciation charge is transferred to a special bank account, which is used to help fund replacement of existing plant and equipment or subject to approval by the Nova Scotia Utility and Review Board, to repay principal of capital debt.

#### Allocation of municipal costs to water utility funds

Where identifiable, costs incurred by The Town of Stewiacke on behalf of the water utility are charged to the utility funds. Salary and wage related costs are allocated in proportion to time spent performing functions on behalf of the water utility.

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## Town of Stewiacke

### Notes to the consolidated financial statements

March 31, 2018

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<b>2. Receivables</b>	<u>2018</u>	<u>2017</u>
Taxes receivable	\$ 159,880	\$ 131,249
Less: valuation allowance	<u>(30,000)</u>	<u>(30,000)</u>
	<u>\$ 129,880</u>	<u>\$ 101,249</u>
Sewer rates receivable	\$ 38,690	\$ 38,683
Less: valuation allowance	<u>(1,191)</u>	<u>(1,191)</u>
	<u>\$ 37,499</u>	<u>\$ 37,492</u>
Water rates receivable	\$ 70,810	\$ 71,451
Less: valuation allowance	<u>(1,836)</u>	<u>(1,836)</u>
	<u>\$ 68,974</u>	<u>\$ 69,615</u>

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### 3. Bank line of credit

The Town has an available line of credit facility of \$250,000 with an interest rate at Prime, all of which is unused at March 31, 2018. As security, the Town has signed a security agreement with a first ranking security interest on specific assets.

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### 4. Short term debt

During the year, the Town received a short term loan from the Nova Scotia Municipal Finance Corporation bearing interest at the CDOR 90-day rate plus ½% and no required principal repayments. Subsequent to year end, the short term loan was refinanced by a \$347,559 long term debenture.

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### 5. Long term debt

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

	<u>General</u>	<u>Water Utility</u>	<u>Total</u>
2019	\$ 90,000	\$ 85,436	\$ 175,436
2020	\$ 55,000	\$ 226,360	\$ 281,360
2021	\$ 236,770	\$ 36,230	\$ 273,000
2022	\$ -	\$ 48,000	\$ 48,000
2023	\$ -	\$ 48,000	\$ 48,000

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

# Town of Stewiacke

## Notes to the consolidated financial statements

March 31, 2018

### 5. Long term debt (continued)

	Year of Issue	Year of Maturity	Interest Rate	Balance March 31, 2017	Repaid	Balance March 31, 2018	Interest 2018
Sidewalk	2009	2019	5.0-5.1%	\$ 70,000	\$ 35,000	\$ 35,000	\$ 3,537
Streets	2006	2021	4.7-4.9%	337,500	37,500	300,000	15,455
Streets	2010	2025	3.9-4.9%	64,270	17,500	46,770	1,081
Water	2005	2020	5.2-5.3%	225,482	28,186	197,296	11,956
Water	2010	2025	3.9-4.9%	373,480	36,750	336,730	18,881
Water	2013	2023	2.6-3.5%	123,000	20,500	102,500	3,496
<b>Totals</b>				<b>\$ 1,193,732</b>	<b>\$ 175,436</b>	<b>\$ 1,018,296</b>	<b>\$ 54,406</b>

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## Town of Stewiacke

### Notes to the consolidated financial statements

March 31, 2018

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<b>6. Accumulated surplus</b>	<b><u>2018</u></b>	<b><u>2017</u></b>
Accumulated surplus		
General operating fund	\$ 189,557	\$ 431,374
General capital fund	-	-
Water utility operating fund	473,876	396,978
Water utility capital fund	25,646	24,566
Reserve funds	<u>723,736</u>	<u>775,513</u>
	<b>1,412,815</b>	<b>1,628,431</b>
Investment in capital assets	<u>8,054,606</u>	<u>6,328,248</u>
	<b>\$ 9,467,421</b>	<b>\$ 7,956,679</b>

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#### 7. Contributions to boards and commissions

The Town of Stewiacke is required to finance the operations of various boards and commissions, along with other municipal units in Colchester County, to the extent of its participation based on assessment or population formula.

In addition to any budgeted contributions, the municipal units share in the deficits or surpluses of these boards based on their sharing percentages. A municipal unit's share of the deficit is to be paid in the next fiscal year while a surplus is to be taken into the next year's estimates.

##### Regional housing authority – 12% interest

During the year, the Town contributed \$29,877 (2017 - \$24,435) to the Regional Housing Authority to fund its share of the prior year's deficit.

##### Regional library – 2% interest

During the year, the Town contributed \$9,326 (2017 - \$9,326) to the regional library.

##### Chignecto-Central Regional School Board

During the year, the Town contributed \$258,842 (2017 - \$255,086) to the regional school board based on uniform assessments.

##### Provincial corrections

The Town's mandatory contribution to the Province of Nova Scotia for the year was \$17,390 (2017 - \$17,305).

##### Assessment services

The Town's mandatory assessment services contribution to the Province of Nova Scotia for the year was \$21,009 (2017 - \$20,811).

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# Town of Stewiacke

## Notes to the consolidated financial statements

March 31, 2018

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### 8. Remuneration

The following amounts were paid on account of remuneration for elected officials and senior staff:

<u>Elected official</u>	<u>Position</u>	<u>Remuneration</u>
W. Robinson	Mayor	\$ 11,642
S. Creelman	Deputy Mayor	\$ 9,054
R. Stoddart	Councilor	\$ 7,757
C. Ramsey	Councilor	\$ 7,757
M. Commo	Councilor	\$ 7,757
R. Chapman	Councilor	\$ 7,797
R. Rogers-Laing	Councilor	\$ 7,757
<u>Employee</u>		
S. Dorey	Former CAO	\$ 43,120
A. MacDonnel	Former CAO	\$ 24,231
G. Cooke	Acting CAO	\$ 14,640

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### 9. Outstanding inter-fund accounts

The following amounts were due (to) from other funds at March 31, 2018:

General operating fund	\$ (169,671)
General capital fund	\$ (2,189)
Water utility fund	\$ 37,778
Water capital fund	\$ (242,428)
Reserve funds	\$ 376,510

These inter-fund balances were eliminated upon consolidation.

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### 10. Pension costs

The Town operates a defined contribution plan for their employees. The assets of the plan are held separately from those of the Town in independently administered funds.

Contributions paid and expensed by the Town in the current year amounted to \$24,661 (2017 - \$28,624).



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## Town of Stewiacke

### Notes to the consolidated financial statements

March 31, 2018

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#### 11. Budget figures

The budget figures contained in these consolidated financial statements were approved by the Council on April 27, 2017 in its original fiscal plan. Public Sector Accounting Standards require a comparison of the results for the year with those originally planned on the same basis as that used for the actual results. The fiscal plan presented in the consolidated statement of operations and consolidated statement of changes in net debt has been adjusted to be presented on a basis consistent with the actual results. A reconciliation of the approved and reported budget is set out below:

Approved budgeted revenues – operating	\$	2,389,373
Approved budgeted revenues – water		<u>524,627</u>
		2,914,000
Less: interfund charges eliminated on consolidation		<u>(50,129)</u>
Revenues		2,863,871
Approved budgeted expenses – operating		2,416,253
Approved budgeted expenses – water		<u>524,862</u>
		2,941,115
Less: interfund charges eliminated on consolidation		(50,129)
Less: capital expenditures		(158,638)
Less: debt repayments		(228,936)
Add: amortization not budgeted		<u>316,335</u>
Expenses		<u>2,819,747</u>
Budgeted annual surplus reported	\$	<u>44,124</u>

# Town of Stewiacke

## Notes to the consolidated financial statements

March 31, 2018

### 12. Segment disclosure

	General government services	Protective services	Transportation services	Environmental health services	Environmental development services	Recreation and cultural services	Water treatment and distribution	2018
Revenues								
Taxes	\$ 1,896,706	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,896,706
Grants in lieu of taxes	5,661	-	-	-	-	-	-	5,661
Sale of services	-	-	-	157,164	-	-	-	157,164
Other revenue from own sources	65,274	-	-	-	3,781	133,577	1,080	203,712
Unconditional transfers from other governments	205,434	-	-	-	-	-	-	205,434
Conditional transfers from other governments	1,157,180	-	-	-	-	40,019	-	1,197,199
Water rates	-	161,465	-	-	-	-	351,767	513,232
	3,330,255	161,465	-	157,164	3,781	173,596	352,847	4,179,108
Expenses								
Salaries, wages and benefits	383,251	6,432	132,153	21,408	-	98,971	68,489	710,704
Operating materials, supplies and general expenses	116,062	421,248	189,320	114,871	20,532	96,243	189,595	1,147,871
Amortization	3,920	-	198,110	80,928	-	33,377	76,567	392,902
Rents and financial expenses	11,616	-	20,903	-	-	-	38,020	70,539
Other	339,786	-	41	-	-	1,860	4,663	346,350
	854,635	427,680	540,527	217,207	20,532	230,451	377,334	2,668,366
Annual surplus	\$ 2,475,620	\$ (266,215)	\$ (540,527)	\$ (60,043)	\$ (16,751)	\$ (56,855)	\$ (24,487)	\$ 1,510,742

# Town of Stewiacke

## Notes to the consolidated financial statements

March 31, 2018

### 12. Segment disclosure (continued)

	General government services	Protective services	Transportation services	Environmental health services	Environmental development services	Recreation and cultural services	Water treatment and distribution	2017
<b>Revenues</b>								
Taxes	\$ 1,831,300	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,831,300
Grants in lieu of taxes	5,741	-	-	-	-	-	-	5,741
Sale of services	-	-	-	152,939	-	-	-	152,939
Other revenue from own sources	67,143	-	-	-	6,310	16,927	446	90,826
Unconditional transfers from other governments	205,607	-	-	-	-	-	-	205,607
Conditional transfers from other governments	93,436	-	-	-	-	47,997	-	141,433
Water rates	-	161,465	-	-	-	-	365,507	526,972
	2,203,227	161,465	-	152,939	6,310	64,924	365,953	2,954,818
<b>Expenses</b>								
Salaries, wages and benefits	360,247	6,189	137,299	24,231	-	84,270	65,233	677,469
Operating materials, supplies and general expenses	113,831	406,736	202,648	134,267	22,906	84,835	186,183	1,151,406
Amortization	5,241	-	150,715	68,254	-	19,413	62,261	305,884
Rents and financial expenses	8,027	-	25,257	-	-	-	36,547	69,831
Other	338,932	-	2,156	-	-	6,140	4,455	351,683
	826,278	412,925	518,075	226,752	22,906	194,658	354,679	2,556,273
Annual surplus	\$ 1,376,949	\$ (251,460)	\$ (518,075)	\$ (73,813)	\$ (16,596)	\$ (129,734)	\$ 11,274	\$ 398,545

# Town of Stewiacke

## Schedule of tangible capital assets – general capital

Year ended March 31, 2018

	Land	Buildings	Machinery and Equipment	Sewers	Sidewalks	Streets	Land Improvements	Sewage Treatment Plant	Perry Lake Development	2017	2018	2017
<b>Cost:</b>												
Balance, beginning of year	\$ 242,817	\$ 781,460	\$ 516,173	\$ 1,274,470	\$ 565,163	\$ 3,383,103	\$ 327,394	\$ 1,069,111	\$ 266,000	\$ 8,425,691	\$ 8,425,691	\$ 8,257,210
Acquisition of tangible capital assets	-	-	234,246	688,664	3,792	574,336	99,084	-	122,000	1,722,122	1,722,122	168,481
Balance, end of year	242,817	781,460	750,419	1,963,134	568,955	3,957,439	426,478	1,069,111	388,000	10,147,813	10,147,813	8,425,691
<b>Accumulated amortization:</b>												
Balance, beginning of year	-	459,699	432,394	628,535	259,111	1,299,890	148,702	865,067	-	4,093,398	4,093,398	3,849,775
Annual amortization	-	19,131	55,472	39,263	20,624	125,754	14,425	41,666	-	316,335	316,335	243,623
Balance, end of year	-	478,830	487,866	667,798	279,735	1,425,644	163,127	906,733	-	4,409,733	4,409,733	4,093,398
<b>Net book value of tangible capital assets</b>	<b>\$ 242,817</b>	<b>\$ 302,630</b>	<b>\$262,553</b>	<b>\$1,295,336</b>	<b>\$ 289,220</b>	<b>\$ 2,531,795</b>	<b>\$ 263,351</b>	<b>\$ 162,378</b>	<b>\$ 388,000</b>	<b>\$ 5,738,080</b>	<b>\$ 5,738,080</b>	<b>\$ 4,332,293</b>
2017 net book value of tangible capital assets	\$ 242,817	\$ 321,761	\$ 83,779	\$ 645,935	\$ 306,052	\$ 2,083,213	\$ 178,692	\$ 204,044	\$ 266,000			

# Town of Stewiacke

## Schedule of tangible capital assets – water utility

Year ended March 31, 2018

Cost:	Water Storage Plant	Equipment	Mains	Services	Meters	Hydrants	Water Treatment Plant	<u>2018</u>	<u>2017</u>
Balance, beginning of year	\$1,715,660	\$ 147,075	\$ 1,480,862	\$ 51,222	\$ 41,626	\$ 77,718	\$ 405,785	\$ 3,919,948	\$3,916,497
Acquisition of tangible capital assets	1,154	200,266	370,281	-	-	-	-	571,701	3,451
Balance, end of year	1,716,814	347,341	1,851,143	51,222	41,626	77,718	405,785	4,491,649	3,919,948
<b>Accumulated amortization:</b>									
Balance, beginning of year	190,819	94,682	250,965	14,300	23,752	17,139	138,601	730,258	667,997
Annual amortization	22,891	16,736	24,682	1,024	2,081	1,036	8,116	76,566	62,261
Balance, end of year	213,710	111,418	275,647	15,324	25,833	18,175	146,717	806,824	730,258
<b>Net book value of tangible capital assets</b>	<b>\$ 1,503,104</b>	<b>\$ 235,923</b>	<b>\$ 1,575,496</b>	<b>\$ 35,898</b>	<b>\$ 15,793</b>	<b>\$ 59,543</b>	<b>\$ 259,068</b>	<b>\$ 3,684,825</b>	<b>\$3,189,690</b>
2017 net book value of tangible capital assets	\$1,524,841	\$ 52,393	\$ 1,229,897	\$ 36,922	\$ 17,874	\$ 60,579	\$ 267,184		

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# Town of Stewiacke

## Schedules to the consolidated statement of operations

Year ended March 31

	2018 Budget	2018 Actual	2017 Actual
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(Note 11)

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### Taxes

Assessable property			
Residential	\$ 1,278,475	\$ 1,274,755	\$ 1,230,305
Commercial	345,325	352,054	352,121
Resource			
Taxable assessments	22,105	21,897	18,750
Forest property tax			
Less than 50,000 acres	74	128	135
More than 50,000 acres	454	249	279
	<u>22,633</u>	<u>22,274</u>	<u>19,164</u>
Business property			
Based on revenue (Aliant Telecom)	6,631	7,338	6,631
Area rates			
Environmental health services	94,903	95,811	94,212
Protective services	87,351	88,215	85,712
	<u>182,254</u>	<u>184,026</u>	<u>179,924</u>
Other			
Deed transfer tax	36,800	56,261	43,155
	<u>36,800</u>	<u>56,261</u>	<u>43,155</u>
	\$ <u>1,872,118</u>	\$ <u>1,896,706</u>	\$ <u>1,831,300</u>

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### Grants in lieu of taxes

Federal government			
Royal Canadian Mounted Police	\$ 3,300	\$ 3,286	\$ 3,368
Provincial government agencies			
Department of Transportation	2,373	2,375	2,373
	<u>2,373</u>	<u>2,375</u>	<u>2,373</u>
	\$ <u>5,673</u>	\$ <u>5,661</u>	\$ <u>5,741</u>

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### Sale of services

Environmental health services	\$ 153,654	\$ 154,164	\$ 151,939
Sewer connections	1,000	3,000	1,000
	<u>154,654</u>	<u>157,164</u>	<u>152,939</u>

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## Town of Stewiacke

### Schedules to the consolidated statement of operations

Year ended March 31

2018 Budget  
(Note 11)

2018 Actual

2017 Actual

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#### General government services

##### Legislative

Mayor	\$ 11,856	\$ 11,642	\$ 11,489
Council	48,708	48,573	46,771
Other	15,000	14,250	12,539
	<u>75,564</u>	<u>74,465</u>	<u>70,799</u>

##### General administrative

Administrative	214,036	222,081	190,718
Common services			
Equipment rental	5,500	8,042	4,019
Maintenance agreements	3,000	1,494	5,257
Postage	5,000	4,132	5,062
Stationery and supplies	8,000	9,265	7,547
Telecommunications	6,125	7,420	6,305
Other	3,000	3,342	4,207
Financial management	40,000	36,614	40,727
Other			
Building maintenance	30,364	19,721	24,382
Elections	-	-	7,761
Employee benefits	68,530	67,686	69,385
Employee pension plans	29,720	24,769	28,682
Union of Nova Scotia Municipalities	2,000	3,614	2,327
	<u>415,275</u>	<u>408,180</u>	<u>396,379</u>

##### Other general government services

Amortization	3,920	3,920	5,241
Insurance	11,321	12,125	9,640
Interest and bank charges	3,600	3,576	4,008
Town days, lighting, volunteer week and levees	18,100	15,927	13,248
	<u>36,941</u>	<u>35,548</u>	<u>32,137</u>
	\$ 527,780	\$ 518,193	\$ 499,315

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# Town of Stewiacke

## Schedules to the consolidated statement of operations

Year ended March 31

	2018 Budget	2018 Actual	2017 Actual
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(Note 11)

### Protective services

Police protection			
Prosecution services	\$ 100	\$ 188	\$ 226
Royal Canadian Mounted Police	154,668	155,593	149,872
Security services	<u>1,270</u>	<u>1,619</u>	<u>2,276</u>
	<u>156,038</u>	<u>157,400</u>	<u>152,374</u>
Fire protection			
Fire dispatch service	3,655	1,970	3,566
Fire fighting force	80,696	80,696	76,956
Water supply and hydrants	<u>161,065</u>	<u>161,065</u>	<u>161,065</u>
	<u>245,416</u>	<u>243,731</u>	<u>241,587</u>
Emergency measures	<u>6,719</u>	<u>7,896</u>	<u>4,292</u>
Other protective services			
Dog control	8,000	7,121	7,674
Ground search and rescue	5,100	5,100	809
Other	<u>7,179</u>	<u>6,432</u>	<u>6,189</u>
	<u>20,279</u>	<u>18,653</u>	<u>14,672</u>
	<u>\$ 428,452</u>	<u>\$ 427,680</u>	<u>\$ 412,925</u>

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### Transportation services

Common services			
Amortization	\$ 51,732	\$ 51,732	\$ 22,759
Equipment operation and maintenance	53,756	59,325	53,054
Public works wage	87,311	88,191	84,132
Seminars and training	4,500	6,140	4,181
Shop tools and equipment	6,500	3,779	4,676
Workshops, yards and other buildings	<u>20,930</u>	<u>20,154</u>	<u>20,772</u>
	<u>224,729</u>	<u>229,321</u>	<u>189,574</u>
Road transport			
Amortization	\$ 146,378	\$ 146,378	\$ 127,956
Drainage ditches	4,000	6,656	2,156
Interest and bank charges	21,154	15,120	25,257
Roadway services	107,823	72,448	91,955
Snow and ice removal	6,500	39	-
Miscellaneous	43,500	44,022	57,304
Street lighting	<u>27,360</u>	<u>26,541</u>	<u>23,873</u>
	<u>356,715</u>	<u>311,204</u>	<u>328,501</u>
	<u>\$ 581,444</u>	<u>\$ 540,525</u>	<u>\$ 518,075</u>

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# Town of Stewiacke

## Schedules to the consolidated statement of operations

Year ended March 31                                  2018 Budget      2018 Actual      2017 Actual  
(Note 11)

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### Environmental health services

Amortization	\$	80,928	\$	<b>80,928</b>	\$	68,254
Garbage disposal		89,412		<b>78,765</b>		82,448
Sewage collection and disposal						
Sewage collection systems		28,354		<b>22,803</b>		24,440
Sewage lift stations		33,678		<b>10,966</b>		28,964
Sewage treatment and disposal		29,731		<b>23,745</b>		22,646
	\$	<u>262,103</u>	\$	<b><u>217,207</u></b>	\$	<u>226,752</u>

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### Environmental development services

Building inspection	\$	11,500	\$	<b>10,195</b>	\$	10,180
Industrial park study		15,000		-		-
Planning and zoning		9,000		<b>7,136</b>		8,267
Promotional development		3,500		<b>1,611</b>		3,327
Tourism		1,155		<b>1,590</b>		1,132
	\$	<u>40,155</u>	\$	<b><u>20,532</u></b>	\$	<u>22,906</u>

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### Recreation and cultural services

Recreation facilities						
Amortization	\$	33,377	\$	<b>33,377</b>	\$	19,413
Community Centre		41,580		<b>43,671</b>		45,509
Recreation		190,558		<b>152,968</b>		129,381
Cultural buildings and facilities						
Library		800		<b>435</b>		355
	\$	<u>266,315</u>	\$	<b><u>230,451</u></b>	\$	<u>194,658</u>

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### Water treatment and distribution

Administration	\$	9,493	\$	<b>4,663</b>	\$	4,455
Amortization		62,500		<b>76,567</b>		62,262
Interest and bank charges		40,239		<b>33,252</b>		36,547
Plant operation and pumping		121,862		<b>131,515</b>		124,552
Taxes		31,563		<b>31,614</b>		31,685
Transmission and distribution		52,940		<b>42,254</b>		49,002
Water treatment		50,200		<b>57,469</b>		46,176
	\$	<u>368,797</u>	\$	<b><u>377,334</u></b>	\$	<u>354,679</u>

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## Town of Stewiacke

### Schedules to the consolidated statement of operations

Year ended March 31

	2018 Budget	2018 Actual	2017 Actual
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(Note 11)

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#### Fiscal services

Assessment costs	\$ 20,227	\$ 21,009	\$ 20,811
Unconditional transfers to other governments and agencies	8,000	-	-
Conditional transfers to other governments and agencies			
Protective services			
Provincial corrections	17,305	17,390	17,305
Public health and welfare services			
Nova Scotia Housing Commission	31,000	29,877	24,435
Recreation, cultural services and education			
Appropriation to regional school board	258,844	258,842	255,086
Regional library	9,325	9,326	9,326
	<u>\$ 344,701</u>	<u>\$ 336,444</u>	<u>\$ 326,963</u>

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#### Fund transfers, net

General operating	\$ (1,580,903)	\$ (32,788)
General capital	(15)	(10)
Water utility – operating	(8,870)	(26,626)
Water capital	-	-
Investment in capital assets – general	1,233,287	32,798
Investment in capital assets – water utility	493,071	26,626
Reserves	<u>(136,570)</u>	<u>-</u>
	<u>\$ -</u>	<u>\$ -</u>



**Supplementary schedules**

## Town of Stewiacke

### Consolidated statement of investment in capital assets

(unaudited)

Year ended March 31

	General	Water Utility	Total 2018	Total 2017
Balance, beginning of year	\$ 3,860,521	\$ 2,467,727	\$ 6,328,248	\$ 6,268,824
Acquisition of capital assets	1,722,122	571,701	2,293,823	171,932
Payment on long term debt	90,000	85,436	175,436	193,376
Proceeds of short term debt	(262,500)	(87,500)	(350,000)	-
Amortization of capital assets	(316,335)	(76,566)	(392,901)	(305,884)
Balance, end of year	\$ 5,093,808	\$ 2,960,798	\$ 8,054,606	\$ 6,328,248

**Town of Stewiacke**  
**Schedule of reserve funds**

(unaudited)  
 Year ended March 31

5 Year

	Restricted for Economic Development	Contributions to Capital Reserve	Gas Tax Reserve	Special Capital	Special Operating	Total 2018	Total 2017
<b>Revenues</b>							
Interest	\$ -	\$ -	\$ 2,360	\$ -	\$ 1,081	\$ 3,441	\$ 2,243
Government grants (Nova Scotia Federal Gas Tax Rebate)	-	-	81,352	-	-	81,352	81,766
	-	-	83,712	-	1,081	84,793	84,009
Transfer from general operating	-	-	-	40,000	79,258	119,258	-
Transfer to investment in tangible capital assets	-	-	-	(255,828)	-	(255,828)	-
Opening fund balances	14,442	125,000	244,172	253,079	138,820	775,513	691,504
Closing fund balances	\$ 14,442	\$ 125,000	\$ 327,884	\$ 37,251	\$ 219,159	\$ 723,736	\$ 775,513

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## Town of Stewiacke

### Schedule of changes in general operating fund

(unaudited)  
Year ended March 31

2018 Budget  
(Note 11)

2018 Actual

2017 Actual

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#### Revenues

Taxes	\$ 1,872,118	\$ 1,896,706	\$ 1,831,300
Grants in lieu of taxes	5,673	5,661	5,741
Sale of services	204,783	207,293	203,068
Other revenue from own sources	63,825	199,177	88,127
Unconditional transfers from other governments	205,474	205,434	205,607
Conditional transfers from other governments	37,500	1,115,847	59,667
<b>Total revenues</b>	<u>2,389,373</u>	<u>3,630,118</u>	<u>2,393,510</u>

#### Expenses

General government services	527,780	518,193	499,315
Protective services	428,452	427,680	412,925
Transportation services	581,444	540,525	518,075
Environmental health services	262,103	217,207	226,752
Environmental development services	40,155	20,532	22,906
Recreation and cultural services	266,315	230,451	194,658
Fiscal services	340,888	336,444	326,963
<b>Total expenses</b>	<u>2,447,137</u>	<u>2,291,032</u>	<u>2,201,594</u>

Annual surplus	\$ <u>(57,764)</u>	1,339,086	191,916
Transfer of amortization		316,335	243,623
Transfer to other funds		<u>(1,897,238)</u>	<u>(276,411)</u>
Change in fund balance		(241,817)	159,128
Opening fund balance		<u>431,374</u>	<u>272,246</u>
Closing fund balance		\$ <u>189,557</u>	\$ <u>431,374</u>

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**Town of Stewiacke**  
**Schedule of changes in general capital fund**

(unaudited)

Year ended March 31

**2018**

**2017**

Revenue		
Capital contributions	\$ <u>15</u>	\$ <u>10</u>
Annual surplus	<b>15</b>	10
Transfer to other funds	<u>(15)</u>	<u>(10)</u>
Change in fund balance	-	-
Opening fund balance	<u>-</u>	<u>-</u>
Closing fund balance	\$ <u>-</u>	\$ <u>-</u>

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## Town of Stewiacke

### Schedule of changes in water utility operating fund

(unaudited)  
Year ended March 31

2018 Budget  
(Note 11)

2018 Actual

2017 Actual

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#### Revenues

Sale of water	\$ 360,162	\$ 346,819	\$ 362,468
Public fire protection	161,065	161,065	161,065
Other	3,400	5,348	3,439
<b>Total revenues</b>	<u>524,627</u>	<u>513,232</u>	<u>526,972</u>

#### Expenses

Administrative	59,622	54,792	54,584
Amortization	62,500	76,566	62,262
Interest on long term debt	40,239	33,252	36,547
Power and pumping	121,862	131,515	124,552
Taxes	31,563	31,614	31,685
Transmission and distribution	52,940	42,256	49,002
Water treatment	50,200	57,469	46,176
<b>Total expenses</b>	<u>418,926</u>	<u>427,464</u>	<u>404,808</u>

Annual surplus	\$ <u>105,701</u>	85,768	122,164
Transfer of amortization		76,566	62,261
Transfers to other funds		<u>(85,436)</u>	<u>(88,887)</u>
Change in fund balance		76,898	95,538
Opening fund balance		<u>396,978</u>	<u>301,440</u>
Closing fund balance		\$ <u>473,876</u>	\$ <u>396,978</u>

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**Town of Stewiacke**  
**Schedule of changes in water utility capital fund**

(unaudited)

Year ended March 31

**2018**

**2017**

Revenue			
Interest	\$	<u>1,080</u>	\$ <u>446</u>
Annual surplus		<b>1,080</b>	446
Transfer to other funds		<u>-</u>	<u>-</u>
Change in fund balance		<b>1,080</b>	446
Opening fund balance		<u>24,566</u>	<u>24,120</u>
Closing fund balance	\$	<u><b>25,646</b></u>	\$ <u>24,566</u>

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## Town of Stewiacke

### Schedule of financial position - water utility operating fund

(unaudited)

March 31

2018

2017

#### Financial assets

Cash and cash equivalents	\$	466,181	\$	389,516
Receivables				
Rates		68,975		69,615
Due from federal government and its agencies		16,032		13,966
Due from other funds		37,778		35,735
		<u>588,966</u>		<u>508,832</u>

#### Liabilities

Payables and accruals		<u>115,090</u>		<u>111,854</u>
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#### Net financial assets (Page 30)

	\$	<u>473,876</u>	\$	<u>396,978</u>
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## Town of Stewiacke

### Schedule of financial position – water utility capital fund

(unaudited)

March 31

2018

2017

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#### Financial assets

Cash and cash equivalents	\$	97,919	\$	96,841
Cash and cash equivalents – depreciation fund		<u>170,154</u>		<u>170,154</u>
		<u>268,073</u>		<u>266,995</u>

#### Liabilities

Due to other funds		242,428		242,430
Short term debt		87,500		-
Long term debt		<u>636,526</u>		<u>721,962</u>
		<u>966,454</u>		<u>964,392</u>

#### Net financial liabilities

(698,381)      (697,397)

#### Non-financial assets

Tangible capital assets, net		<u>3,684,825</u>		<u>3,189,690</u>
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#### Accumulated surplus

\$ 2,986,444      \$ 2,492,293

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Fund balance (Page 31)	\$	25,646	\$	24,566
Investment in capital assets		<u>2,960,798</u>		<u>2,467,727</u>
	\$	<u>2,986,444</u>	\$	<u>2,492,293</u>

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