
Town of Trenton

Notes to the consolidated financial statements

March 31, 2019

8. Other

Total remunerations paid to elected officials and the chief administrative officer of the Town are as follows:

<u>Official</u>	<u>Position</u>	<u>Remuneration</u>	<u>Expenses</u>
S. MacInnis	Mayor	\$ 16,168	\$ 2,194
A. Dove	Councillor	8,085	-
V.J Earle	Councillor	8,085	1,605
D. Hussher	Councillor/Deputy Mayor	8,927	1,454
S. Stewart	Councillor/Deputy Mayor	9,264	1,724
C. MacGillivray	CAO (interim)	37,151	-
B. White	CAO	74,517	2,010

9. Commitments

Glen Haven Manor Corporation

The Town of Trenton, together with the Towns of New Glasgow, Stellarton and Westville, have jointly guaranteed a bank loan of the Corporation to the maximum of \$1,125,000 for the expansion of the Corporation's building. The Municipal Finance Corporation has issued permanent borrowing for \$1,125,000. The balance of the loan outstanding at March 31, 2019 was \$213,030.

Policing Services Contract

Effective January 1, 2011, the Town of Trenton entered into a policing services contract with the Town of New Glasgow ending March 31, 2017. The contract was renewed for a further five years upon expiry of the initial term. During the year, \$571,315 was paid to the Town of New Glasgow for policing services. The Town of Trenton has committed the following payments to the Town of New Glasgow for policing services for the next fiscal year:

2020	\$584,515
------	-----------

Pictou County Wellness Centre

The Town of Trenton, together with the Municipality of the County of Pictou, Town of New Glasgow, Town of Pictou, Town of Stellarton and the Town of Westville entered into an agreement to contribute up to nine million dollars, in the aggregate, to the capital costs of the Pictou County Wellness Centre. Municipal contributions will be made through the deed transfer tax collected by the Municipalities until such time as the municipal contribution has been met. In addition, the Town of Trenton has guaranteed their determined share of 5.6% of \$11,000,000 in Municipal Finance Corporation borrowings entered into by the Pictou County Wellness Centre Building Authority. The balance of the loan outstanding is approximately \$8,360,000.

The Town is responsible for 5.6% of any operational losses of the Pictou County Wellness Centre. The Town's share of operating losses for fiscal 2018 is estimated at \$53,000 and remain payable at the end of fiscal 2018 (2018: \$53,000). The Town's share of operating losses for fiscal 2019 were paid in quarterly instalments during the year totalling \$38,577.

Town of Trenton

Notes to the consolidated financial statements

March 31, 2019

10. Contingencies

There are claims and litigation in which the Town is involved that arise out of the ordinary course of operations. Many of the claims are being handled by the Town's insurers. The outcome of these actions is not determinable as at the date of reporting. Management believes that any liability which may result from the resolution of these actions will either be covered by the Town's insurers or will not be material to the Town's financial position.

11. Employee benefits

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

Contributions paid and expensed by the Town in the current year amounted to \$57,233 (2018 - \$69,094).

12. Budget figures

Public Sector Accounting Standards ("PSA") require a comparison of the results for the period with those originally planned on the same basis as that used for the actual results. The fiscal plan presented in the Consolidated statement of financial 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 budgets is set out below:

	<u>Budget</u>
Approved budgeted surplus for the year	
General operations	\$ -
Water utility operations	<u>16,429</u>
Approved budget surplus	<u>16,429</u>
Add:	
Grants for tangible capital assets	1,477,250
Capital and term debt repayments	160,617
Tangible capital assets acquired from operations	133,000
Less:	
Amortization of capital grants	1,399
Amortization of tangible capital assets	<u>637,000</u>
Net PSA adjustments	<u>1,132,468</u>
PSA adjusted budgeted surplus for the year	<u>\$ 1,148,897</u>

13. Comparative figures

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

14. Non-consolidated accumulated general operating deficit

On November 25, 2019, the Department of Municipal Affairs confirmed approval for the Town council to fund the \$101,885 accumulated general operating deficit, in full, during fiscal 2019/20.

Town of Trenton **Consolidated schedule of tangible capital assets**

Year ended March 31, 2019

	Land	Land Improvements	Buildings	Engineered Structures	Machinery and Equipment	Vehicles	2019	2018
Cost:								
Balance, beginning of year	\$ 315,193	\$ 1,442,249	\$ 4,362,929	\$ 16,427,974	\$ 2,161,717	\$ 1,240,589	\$ 25,950,651	\$ 22,410,781
Acquisition of tangible capital assets	103,971	25,334	87,121	122,884	24,283	67,786	431,379	3,933,405
Disposal of tangible capital assets	-	-	-	(5,076)	(83,375)	(20,235)	(108,686)	(430,626)
Construction-in-progress	-	-	-	24,069	-	-	24,069	37,091
Balance, end of year	419,164	1,467,583	4,450,050	16,569,851	2,102,625	1,288,140	26,297,413	25,950,651
Accumulated amortization:								
Balance, beginning of year	-	589,667	2,373,494	6,439,427	1,790,100	630,044	11,822,732	11,555,589
Disposal of tangible capital assets	-	-	-	(5,076)	(83,375)	(20,235)	(108,686)	(430,626)
Annual amortization	-	56,906	114,690	355,225	108,460	74,052	709,333	697,769
Balance, end of year	-	646,573	2,488,184	6,789,576	1,815,185	683,861	12,423,379	11,822,732
Net book value of tangible capital assets	\$ 419,164	\$ 821,010	\$ 1,961,866	\$ 9,780,275	\$ 287,440	\$ 604,279	\$ 13,874,034	\$ 14,127,919
2018 Net book value of tangible capital assets	\$ 315,193	\$ 852,582	\$ 1,989,435	\$ 9,988,547	\$ 371,617	\$ 610,545	\$ 14,127,919	

Town of Trenton

Consolidated schedule of segmented disclosure

Year ended March 31, 2019

	General Government Services	Protective Services	Transportation Services	Environmental Health Services	Public Health and Welfare	Environmental Development Services	Recreation and Cultural Services	Water	Consolidated
Revenues									
Taxes	\$ 538,463	\$ 517,563	\$ 595,800	\$ 478,760	\$ 30,057	\$ 45,771	\$ 474,872	\$ -	\$ 2,681,286
Water rates	-	-	-	-	-	-	-	344,094	344,094
Grants in lieu of taxes	826	621	914	125	46	70	729	3,331	3,331
Sale of services	6,905	-	-	-	-	-	226,302	-	233,207
Services provided to other local- governments	-	15,000	-	-	-	134,371	-	-	149,371
Other revenue from own sources	2,704	3,049	2,992	409	151	2,256	15,037	-	26,598
Capital contributions and grants	-	-	69,260	133,563	-	-	14,406	-	217,229
Unconditional transfers from other governments	104,389	78,461	115,506	15,804	5,827	8,873	92,062	-	420,922
Conditional transfers from other governments	-	-	1,611	-	-	-	31,462	-	33,073
Interest and other	94,507	-	-	-	-	-	-	19,190	113,697
	<u>\$ 747,794</u>	<u>\$ 614,694</u>	<u>\$ 786,083</u>	<u>\$ 628,661</u>	<u>\$ 36,081</u>	<u>\$ 191,341</u>	<u>\$ 854,870</u>	<u>\$ 363,284</u>	<u>\$ 4,222,808</u>
Expenses									
Salaries, wages and benefits	\$ 333,489	\$ 42,305	\$ 232,260	\$ 16,465	-	\$ 160,855	\$ 415,647	\$ 183,082	\$ 1,384,103
Operating materials and supplies	72,732	65,957	189,433	16,393	-	30,787	268,418	143,611	787,331
Contracted services	155,153	601,853	140,886	311,718	45,012	7,015	113,024	7,500	1,382,161
Rents and financial expenses	143,074	9,189	35,960	44,548	-	-	12,940	-	245,711
Community grants and exemptions	22,754	-	9,200	-	-	6,284	-	-	38,238
Amortization	72,268	15,643	284,502	130,196	-	-	171,532	35,192	709,333
	<u>\$ 799,470</u>	<u>\$ 734,947</u>	<u>\$ 892,241</u>	<u>\$ 519,320</u>	<u>\$ 45,012</u>	<u>\$ 204,941</u>	<u>\$ 981,561</u>	<u>\$ 369,385</u>	<u>\$ 4,546,877</u>

Town of Trenton

Consolidated schedule of segmented disclosure

Year ended March 31, 2019

Year ended March 31, 2018

	General Government Services	Protective Services	Transportation Services	Environmental Health Services	Public Health and Welfare	Environmental Development Services	Recreation and Cultural Services	Water	Consolidated
Revenues									
Taxes	\$ 483,503	\$ 674,420	\$ 595,650	\$ 347,288	\$ 40,474	\$ 55,293	\$ 501,063	\$ -	\$ 2,697,691
Water rates	-	-	-	-	-	-	-	359,359	359,359
Grants in lieu of taxes	1,060	824	728	424	49	68	611	-	3,764
Sale of services	17,625	9,171	-	-	-	-	255,404	-	282,200
Services provided to other local governments	-	15,000	-	-	-	-	-	-	-
Other revenue from own sources	9,330	25,697	2,304	-	-	132,143	-	-	147,143
Capital contributions and grants	7,513	-	499,755	1,236,493	-	1,661	6,837	-	45,829
Unconditional transfers from other governments	118,487	92,119	81,360	47,436	5,528	2,000	7,500	104,783	1,858,044
Conditional transfers from other governments	-	-	1,676	-	-	7,552	68,440	-	420,922
Interest and other	84,868	-	-	-	-	-	4,882	-	6,558
	\$ 722,386	\$ 817,231	\$ 1,181,473	\$ 1,631,641	\$ 46,051	\$ 198,717	\$ 844,737	\$ 479,916	\$ 5,922,152
Expenses									
Salaries, wages and benefits	\$ 315,160	\$ 56,873	\$ 248,869	\$ 12,563	\$ -	\$ 156,882	\$ 509,599	\$ 164,117	\$ 1,464,063
Operating materials and supplies	83,802	55,835	155,303	6,942	-	30,839	240,712	116,684	690,117
Contracted services	114,522	588,186	149,945	305,668	55,204	1,577	113,148	7,735	1,335,985
Rents and financial expenses	86,917	-	15,099	33,763	-	-	10,507	-	146,286
Community grants and exemptions	18,122	-	9,200	-	-	5,945	-	-	33,267
Amortization	72,563	15,643	278,196	128,146	-	-	168,029	35,192	697,769
	\$ 691,086	\$ 716,537	\$ 856,612	\$ 487,082	\$ 55,204	\$ 195,243	\$ 1,041,995	\$ 323,728	\$ 4,367,487

Supplementary schedules

Town of Trenton
Supplementary schedules
Water utility
Operating fund – schedule of financial position

March 31	2019	2018
Assets		
Cash	\$ 224,377	\$ 231,372
Receivables		
Rates (less allowance for doubtful accounts \$56,000; 2018: \$56,000)	129,764	144,114
Due from own funds and agencies		
General operating fund	<u>80,301</u>	<u>-</u>
	<u>\$ 434,442</u>	<u>\$ 375,486</u>
Liabilities		
Trade payables	\$ 14,939	\$ 9,628
Deferred revenue	15,047	11,207
Due to own funds and agencies		
Water capital fund	<u>35,192</u>	<u>-</u>
	<u>65,178</u>	<u>20,835</u>
Equity		
Surplus	<u>369,264</u>	<u>354,651</u>
	<u>\$ 434,442</u>	<u>\$ 375,486</u>

On behalf of the Town of Trenton


 _____ Mayor


 _____ CAO

Town of Trenton
Supplementary schedules
Water utility
Operating fund – schedule of financial operations

Year ended March 31

2019

2018

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Operating revenue			
Sale of water			
Domestic, commercial and industrial			
Metered rate	\$ 330,000	\$ 314,937	\$ 330,152
Flat rate	3,000	2,469	2,519
Fire protection			
Public hydrant	136,672	136,672	136,672
Private	6,520	6,520	6,520
Customers' forfeited discounts	15,000	14,473	15,774
Interest	-	4,717	-
	<u>491,192</u>	<u>479,788</u>	<u>491,637</u>
Operating expenditures			
Source of supply	21,873	20,954	13,231
Power and pumping	48,405	51,502	46,278
Purification	198,479	194,474	175,600
Transmission and distribution	54,025	67,263	53,427
Administration	65,380	64,496	67,881
Depreciation	46,000	35,192	35,192
Property tax	42,000	31,294	41,136
	<u>476,162</u>	<u>465,175</u>	<u>432,745</u>
Excess of operating revenue over expenditures	<u>15,030</u>	<u>14,613</u>	<u>58,892</u>
Non-operating revenues and expenditures			
Amortization of deferred grants	1,399	1,399	1,399
Capital expenditures from revenues	-	-	(54,732)
	<u>1,399</u>	<u>1,399</u>	<u>(53,333)</u>
Excess of revenue over expenditures	<u>\$ 16,429</u>	16,012	5,559
Surplus beginning of the year		<u>354,651</u>	<u>350,491</u>
Transfer to water capital fund		<u>370,063</u> <u>(1,399)</u>	<u>356,050</u> <u>(1,399)</u>
Surplus end of the year		<u>\$ 369,264</u>	<u>\$ 354,651</u>

Town of Trenton
Supplementary schedules
Water utility
Capital fund – schedule of financial position

March 31 2019 2018

Assets

Cash

Depreciation fund

\$ 461,679 \$ 461,679

Due from own funds and agencies

Water utility

35,192 -

General operating fund

7,539 -

Accumulated amortization of deferred grants

2,797 1,399

Work in process

19,804 19,804

Utility plant in service (Page 27)

2,477,867 2,477,867

\$ 3,004,878 \$ 2,960,749

Liabilities

Accumulated allowance for depreciation

\$ 1,246,713 \$ 1,211,522

Deferred capital grants

104,783 104,783

1,351,496 1,316,305

Equity

Investment in capital assets (Page 27)

1,653,382 1,644,444

\$ 3,004,878 \$ 2,960,749

On behalf of the Town of Trenton

 Mayor

 CAO

Town of Trenton
Supplementary schedules
Water utility
Schedule of investment in plant and equipment

March 31	2019	2018
Land	\$ 16,584	\$ 16,584
Wells	180,728	180,728
Structures and improvements		
Pumping	189,779	189,779
Distribution reservoirs	342,045	342,045
Treatment	117,720	117,720
Equipment		
Pumping	160,191	160,191
Water treatment	194,145	194,145
Tools and work equipment	65,431	65,431
Other	113,403	113,403
Mains		
Transmission	132,403	132,403
Distribution	761,238	761,238
Meters	170,650	170,650
Hydrants	33,550	33,550
	<u>\$ 2,477,867</u>	<u>\$ 2,477,867</u>

Water utility
Schedule of investment in capital assets

Year ended March 31	2019	2018
Balance, beginning of year	\$ 1,644,444	\$ 1,585,767
Capital expenditures from revenue	-	54,732
Transfer from operating fund	1,399	1,399
Interest	7,539	2,546
Balance, end of year	<u>\$ 1,653,382</u>	<u>\$ 1,644,444</u>

Water utility
Schedule of depreciation funds

Year ended March 31	2019	2018
Balance, beginning of year	\$ 461,679	\$ 423,942
Interest earned on depreciation funds	-	2,545
Current year's depreciation	-	35,192
Balance, end of year	<u>\$ 461,679</u>	<u>\$ 461,679</u>
Consisting of:		
Cash in bank	<u>\$ 461,679</u>	<u>\$ 461,679</u>