
Town of Trenton

Schedules to consolidated statement of financial operations

Year ended March 31

2019

2018

Services provided to other local governments

Fire protection	\$ 15,000	\$ 15,000
Planning and zoning	<u>134,371</u>	<u>132,143</u>
	<u>\$ 149,371</u>	<u>\$ 147,143</u>

Other revenue from own sources

Licenses and permits	\$ 2,026	\$ 1,971
Fines	1,017	673
Rentals	4,600	4,600
Sales of assets	6,303	17,500
Miscellaneous	<u>12,652</u>	<u>21,085</u>
	<u>\$ 26,598</u>	<u>\$ 45,829</u>

Unconditional transfers from other governments

Provincial government		
Equalization	<u>\$ 420,922</u>	<u>\$ 420,922</u>

Conditional transfers from other governments

Federal government		
Job development programs	\$ 10,807	\$ 4,882
Provincial government		
Fuel tax rebate	1,611	1,676
Job development program	5,556	-
Recreation inclusion consultant	<u>15,099</u>	<u>-</u>
	<u>\$ 33,073</u>	<u>\$ 6,558</u>

Town of Trenton

Schedules to consolidated statement of financial operations

Year ended March 31

2019

2018

General government services

Legislative

Mayor	\$ 17,456	\$ 16,446
Council	37,629	34,726
Other	8,168	11,126

General administrative

Administrative	325,696	350,388
Financial management	168,118	96,579

Taxation	15,343	16,805
Amortization	72,268	72,563

Common services

Civic building	48,267	48,977
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Other general government services

Grants to organizations	9,363	5,396
Interest	12,045	15,309
Assessment service cost	<u>31,958</u>	<u>32,105</u>

\$ 746,311	\$ 700,420
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Town of Trenton

Schedules to consolidated statement of financial operations

Year ended March 31

2019

2018

Protective services

Police protection

Traffic activities

\$ 10,825 \$ 16,024

Pension plan adjustment

- 12,127

Correctional centres

26,571 27,102

Policing services contract

571,315 558,240

608,711 613,493

Fire protection

Administration

8,286 7,574

Fire fighting force

23,194 21,148

Fire alarm system

2,379 2,419

Training

4,120 5,730

Fire station

6,102 6,153

Fire fighting equipment

54,560 42,570

98,641 85,594

Emergency measures

2,468 1,747

Other protection

Interest

9,189 -

Dog control

295 60

9,484 60

Amortization

15,643 15,643

\$ 734,947 \$ 716,537

Town of Trenton

Schedules to consolidated statement of financial operations

Year ended March 31

2019

2018

Transportation services

Common services

Administration	\$ 62,165	\$ 49,667
General equipment	81,892	107,446
Workshops and yards	55,300	44,661
Interest	<u>35,960</u>	<u>13,158</u>
	<u>235,317</u>	<u>214,932</u>

Road transport

Streets	175,202	219,004
Sidewalks	8,478	5,610
Storm sewers	38,138	38,284
Snow and ice removal	124,056	73,497
Street lighting	<u>17,348</u>	<u>17,889</u>

363,222 354,284

Amortization

284,502 278,196

Other transportation

C.H.A.D. transit	<u>9,200</u>	<u>9,200</u>
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\$ 892,241 \$ 856,612

Environmental health services

Sewage collection and disposal

Sewage collection system	\$ 28,551	\$ 15,002
Sewage treatment and disposal	<u>157,380</u>	<u>153,885</u>
	<u>185,931</u>	<u>168,887</u>

Garbage and waste collection and disposal

158,645 156,286

Interest

44,548 33,763

Amortization

130,196 128,146

\$ 519,320 \$ 487,082

Town of Trenton

Schedules to consolidated statement of financial operations

Year ended March 31

2019

2018

Environmental development services

Planning and zoning	\$ 179,421	\$ 177,739
Unsuitably and dangerous premises	6,779	1,500
Other environmental development		
Public relations and planning	<u>18,741</u>	<u>16,004</u>
	<u>\$ 204,941</u>	<u>\$ 195,243</u>

Recreation and cultural services

Recreation facilities

Administration	\$ 117,997	\$ 176,746
Community rink	329,657	351,653
Parks and playgrounds	1,451	2,247
Pool	66,834	47,903
Steeltown Park	116,175	135,968
Youth/senior centre	14,632	12,946
Other recreation	63,174	46,346
Transfer of deed transfer tax (Note 9)	24,968	13,766
Pictou County Wellness Centre	<u>38,577</u>	<u>52,646</u>

773,465 840,221

Cultural facility

Library	<u>23,624</u>	<u>23,238</u>
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Interest

12,940 10,507

Amortization

171,532 168,029

\$ 981,561 \$ 1,041,995

Town of Trenton

Notes to the consolidated financial statements

March 31, 2019

1. Summary of significant accounting policies

The consolidated financial statements of the Town of Trenton have been prepared by management to conform in all material respects to generally accepted accounting principles for local governments using the standards established by the Public Sector Accounting Board ("PSAB") of Chartered Professional Accountants (CPA) Canada. Significant aspects of the accounting policies adopted by the Town are as follows:

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 activities under the control of Council and included in the reporting entity are the General Operating Fund, General Capital Fund, Water Operating Fund, Water Capital Fund, Non-operating Reserve Fund, and the Operating Reserve Fund.

Interdepartmental and organizational transactions and balances have been eliminated.

Basis of accounting

The basis of accounting followed in the consolidated financial statement presentation includes revenues in the period in which the transactions or events occurred that gave rise to the revenues and expenses in the period in which the goods and services are acquired and a liability is incurred or transfers are due.

Reserves for future expenses

Certain amounts, as approved by Town Council, are set aside in reserves and reserve funds for future operating and capital expenses.

Revenue recognition

All non-government contributions or grant revenues that are externally restricted such that they must 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 restricted inflow received before the criterion has been met is reported as a liability until the resources are used for the purpose or purposes specified.

Unrestricted revenue is recognized when received or receivable if the amount to be received can be reasonably estimated and ultimate collection is reasonably assured.

Government transfers

Government transfers received are recognized in the financial statements as revenue when the transfers are authorized and all eligibility criteria have been met except when there is a stipulation that gives rise to an obligation that meets the definition of a liability. In that case, the transfer is recorded as a liability and recognized as revenue as the stipulations are met.

Government transfers to individuals and other entities are recognized as an expense when the transfers are authorized and all eligibility criteria have been met.

Non-financial assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the normal course of operations. The change in non-financial assets during the year, together with the annual surplus, provides the consolidated change in net debt for the year.

Town of Trenton

Notes to the consolidated financial statements

March 31, 2019

1. Summary of significant accounting policies (continued)

Tangible capital assets

Tangible capital assets are recorded at cost less accumulated amortization and impairment 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	5 – 40
Buildings	10 – 40
Machinery and equipment	5 – 10
Vehicles	3 – 20
Sewers	50
Roads and sidewalks	15 – 25

Construction in progress is not amortized until the asset is available for productive use.

When conditions indicate that a tangible capital asset no longer contributes to the Town's ability to provide goods and services, or that the value of future economic benefits associated with the tangible capital asset is less than its net book value, the cost of the tangible capital asset is reduced to reflect the decline in the asset's value. The net write-downs of tangible capital assets are accounted for as expenses in the statement of operations and such write-downs are not reversed.

Segmented information

The Town of Trenton is a diversified municipal unit 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. Municipal services are provided by departments and their activity is reported in these funds. The services provided by these departments are as follows:

General government services

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

Protective services

The Town is primarily responsible for police and fire protection for its residents. The Town pays the operating and capital expenditures for the fire department. As of January 1, 2012, policing services are provided by the Town of New Glasgow for an agreed upon fee as disclosed in Note 9. Other protective services include fees paid to the province for correctional services.

Transportation services

The Town is responsible for the maintenance and construction of local roads and sidewalks including snow removal as well as overhead cross walk signage within its jurisdiction. They are also responsible for the street lighting within the Town.

Environmental health services

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

Environmental development services

This department is responsible for the development and administration of land use planning and zoning strategies.

Recreation and cultural services

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

Town of Trenton

Notes to the consolidated financial statements

March 31, 2019

1. Summary of significant accounting policies (continued)

Cash and cash equivalents

Cash and cash equivalents includes unrestricted cash of \$184,985 (2018 - \$231,947) and internally designated cash of \$694,031 (2018 - \$516,209). These totals include cash on hand and balances with banks.

Use of estimates

The preparation of consolidated financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Budget figures

The budget figures contained in these consolidated financial statements were approved by Council on April 10, 2018 in its original fiscal plan; they also include budgets prepared and approved by controlled entities and are adjusted for amortization in accordance with Public Sector requirements. Note 12 outlines the original fiscal plan and the adjustments made to come to the budget figures shown in these consolidated financial statements.

2. Contributions to Boards and Commissions

The Town of Trenton is required to finance the operations of various Boards and Commissions, along with the other municipal units in Pictou County based on various determinants such as uniform assessment.

In addition to any budgeted contributions, the municipal units share in the deficits or surpluses of these Boards based on their sharing percentage. The municipal units' share of the surplus or deficit is set up as a payable or receivable from the Boards.

Contribution to Regional Housing Authority

The Town of Trenton is required to help finance its share of the operating deficit of the Eastern Mainland Housing Authority. The deficit financed for 2018/19 was \$45,012 (2017/18 - \$55,204).

Contribution to Regional Library Board

During the current year the Town of Trenton paid \$23,238 (2017/18 - \$23,238) to the Pictou-Antigonish Regional Library as its share of operations.

Contribution to East River Environmental Control Centre

During the current year the Town of Trenton paid \$157,380 (2017/18 - \$153,885) to help finance the operations of the East River Pollution Abatement System.

Contribution to the Pictou County Solid Waste Management System

The Town of Trenton paid \$154,338 (2017/18 - \$151,783) to Pictou County Solid Waste Management System for waste and recycling collection and for tipping fees.

Town of Trenton

Notes to the consolidated financial statements

March 31, 2019

3. Contribution to Provincial Government Departments and Agencies

The Town of Trenton is required to finance the operations of various provincial government departments and boards, along with other municipal units in the province, based on rates applied to the Town's uniform assessment.

Education Contribution

The Town's mandatory contribution to the Chignecto-Central Regional School Board in 2018/19 is \$338,147 (2017/18 - \$342,828).

Corrections Contribution

The Town's mandatory corrections contribution paid to the Province of Nova Scotia in 2018/19 is \$26,571 (2017/18 - \$27,102).

Assessment Services Contribution

The Town's mandatory assessment services contribution paid to the Province of Nova Scotia in 2018/19 is \$31,958 (2017/18 - \$32,105).

4. Taxes, user fees and water rates receivable	2019	2018
Balance, beginning of year	\$ 547,093	\$ 584,508
Current year's tax levy, user fee levy and revenue from rates	<u>3,394,821</u>	<u>3,399,878</u>
	3,941,914	3,984,386
Collections and write offs	<u>3,369,044</u>	<u>3,437,293</u>
Balance, end of year	<u>\$ 572,870</u>	<u>\$ 547,093</u>

5. Long term debt	2019	2018
3.3635% - 4.22% main street revitalization debenture maturing in fiscal 2022, repayable in equal annual instalments of \$20,000.	\$ 60,000	\$ 80,000
2.792% - 3.48% salt truck debenture maturing in fiscal 2023, repayable in equal annual instalments of \$13,700.	54,800	68,500
2.460% - 4.11% rink floor debenture maturing in fiscal 2029, repayable in equal annual instalments of \$17,500 and one balloon payment of \$105,000 in fiscal 2029.	262,500	280,000
1.441% - 3.48% storm sewer and street light debenture maturing in fiscal 2032, repayable in equal annual instalments of \$80,167 to fiscal 2027 and of \$46,667 in fiscal 2028 to 2032.	874,666	954,833
1.20% - 3.21% storm sewer debenture maturing in fiscal 2033, repayable in equal annual instalments of \$29,250 to fiscal 2032 and a payment of \$175,500 in fiscal 2033.	555,750	585,000
2.06% - 3.50% storm sewer, culvert, vehicles and equipment debenture maturing in fiscal 2034, repayable in equal annual instalments of \$122,000 to fiscal 2029 and equal annual instalments of 75,000 to fiscal 2034.	<u>1,595,000</u>	<u>-</u>
Total	<u>\$ 3,402,716</u>	<u>\$ 1,968,333</u>

Town of Trenton

Notes to the consolidated financial statements

March 31, 2019

5. Long term debt (continued)

Repayments required during the next five years are as follows:

2020	\$282,617
2021	\$282,617
2022	\$282,617
2023	\$262,617
2024	\$248,917

6. Deferred revenue

Deferred revenue is comprised of unearned donations and government funding. This amount is reported on the consolidated statement of financial position as follows:

	<u>2019</u>	<u>2018</u>
Balance, beginning of year	\$ 32,775	\$ 1,635
Revenue received	76,600	32,775
Expenditures	<u>(17,873)</u>	<u>(1,635)</u>
Balance, end of year	<u>\$ 91,502</u>	<u>\$ 32,775</u>

The balance at the end of the year consists of the following:

Unearned donation revenue	\$ 75,000	\$ 32,775
Unearned government funding	<u>16,502</u>	<u>-</u>
	<u>\$ 91,502</u>	<u>\$ 32,775</u>

7. Valuation allowance

2019

2018

Uncollectible taxes and water rates

Balance, beginning of year	\$ 120,000	\$ 205,300
Increase (decrease) in required provision	<u>53,159</u>	<u>(85,300)</u>
Balance, end of year	<u>\$ 173,159</u>	<u>\$ 120,000</u>
