

TOWN OF NEW GLASGOW
CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2014

Contents

	<u>Page</u>
Auditors' Report	1
Consolidated Statement of Financial Position	2
Consolidated Statement of Financial Activities	3
Consolidated Statement of Change in Net Debt	4
Consolidated Statement of Cash Flow	5
Schedule of General Operating Fund	6
Schedule of Water Operating Fund	7
Schedule of Stadium Operating Fund	8
Schedule of General Capital Fund	9
Schedule of Water Capital Fund	10
Schedule of Stadium Capital Fund	11
Schedule of Reserve Funds	12
Consolidated Statement of Property and Equipment	13,14
Consolidated Municipal Position	15
Notes to the Financial Statements	16-28
Schedules to Consolidated Statement of Financial Activities	29-35
Schedule of Capital Projects Funding	36
Statement of Trust Funds	37



Auditors' Report

To the Mayor and Council of the
Town of New Glasgow
New Glasgow, Nova Scotia

We have audited the accompanying financial statements of Town of New Glasgow, which comprise the consolidated statement of financial position as at March 31, 2014, and the consolidated statement of financial activities and statement of changes in net debt and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian Accounting Standards for local governments, as recommended by the Public Sector Accounting Board, and for such internal control as management determines is necessary to enable the preparation of 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 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the 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 entity'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 financial statements.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Town of New Glasgow as at March 31, 2014, and the results of its operations and its cash flows for the year then ended in accordance with Canadian Accounting Standards for local governments, as recommended by the Public Sector Accounting Board.

New Glasgow, Nova Scotia
September 15, 2014

Kevin MacDonald
+ Associates Inc.
Chartered Accountants

Town of New Glasgow

Consolidated Statement of Financial Position

March 31

2014

2013

(in thousands)

FINANCIAL ASSETS

		(Restated) (Note 16)
Cash	\$ 2,351.5	\$ 2,134.4
Receivables		
Taxes (Note 3)	1,211.4	1,078.3
Due from Federal Government and its agencies	179.7	345.8
Due from Provincial Government and its agencies	220.3	190.8
Due from Town of Westville	28.6	39.1
Due from Town of Trenton	125.5	139.9
Due from Town of Pictou	17.1	5.6
Due from Town of Stellarton	3.5	4.9
Due from Municipality of Pictou County	37.6	19.3
Trade accounts	164.4	208.4
Water rates	247.3	495.2
	<u>4,586.9</u>	<u>4,661.7</u>

FINANCIAL LIABILITIES

Bank indebtedness (Note 6)	912.9	534.2
Trade payables	2,788.8	2,426.3
Prepaid taxes	126.7	102.4
Long term debt (Note 7)	9,537.0	9,973.1
Capital lease obligations (Note 8)	425.0	497.0
Term loan obligations (Note 9)	758.9	795.0
	<u>14,549.3</u>	<u>14,328.0</u>

NET FINANCIAL LIABILITIES

(9,962.4) (9,666.3)

NON-FINANCIAL ASSETS

Capital assets - net of accumulated amortization (Page 13)	56,438.6	55,805.6
Inventories	387.3	337.4
Unamortized debt discount	11.1	13.4
Prepaid expenses	64.5	63.5

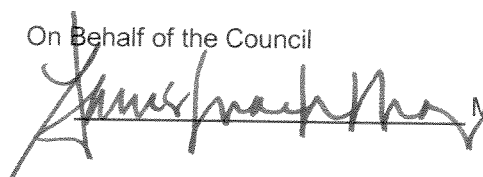
NET NON-FINANCIAL ASSETS

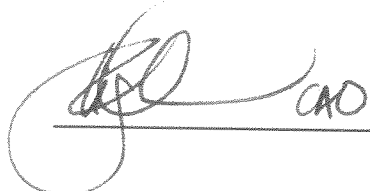
56,901.5 56,219.9
\$ 46,939.1 \$ 46,553.6

MUNICIPAL POSITION

Fund balances (Page 15)	\$ 1,884.6	\$ 2,641.8
Investment in capital assets (Page 15)	45,054.5	43,911.8
	<u>\$ 46,939.1</u>	<u>\$ 46,553.6</u>

On Behalf of the Council

 Mayor

 Clerk



Kevin MacDonald
& Associates Inc.

Town of New Glasgow

Consolidated Statement of Financial Activities

Year Ended March 31

2014

2013

(in thousands)

	Page	Budget	Actual	Actual
Revenue				
Taxes	29	\$ 14,928.0	\$ 14,924.2	\$ 14,364.5
Less: School board requisition		(1,607.5)	(1,607.5)	(1,565.8)
		13,320.5	13,316.7	12,798.7
Grants in lieu of taxes	29	77.1	75.7	77.7
Sale of services	29	772.0	800.8	751.1
Other revenue from own sources	30	476.9	619.2	540.9
Transfers from government	30	1,040.6	1,041.9	979.9
Stadium revenues	30	180.5	8.6	187.3
Water revenues	30	2,612.4	2,259.8	2,777.9
Grants for capital	31	1,465.0	995.7	898.3
Other revenue	31		36.5	9.0
Other proceeds	31		45.1	139.6
Total revenue		19,945.0	19,200.0	19,160.4
Expenditures				
General government services	32	2,106.5	1,730.7	1,725.4
Protective services	32	5,350.2	5,465.0	4,860.0
Transportation services	33	4,521.7	4,369.3	3,678.1
Environmental health services	33	2,601.6	1,684.5	1,432.4
Public health services	33	5.0	5.0	
Marketing and communications	34	327.2	310.7	282.0
Community development	34	947.6	1,069.0	1,051.2
Stadium expenses	34	437.2	211.7	495.7
Water treatment and distribution	35	3,423.5	2,883.6	3,192.1
Other transfers and grants	35	1,226.1	1,040.4	1,133.1
Interest and bank charges	35	453.1	523.2	430.7
Reserve for taxes and other receivables	35	5.0	145.0	32.3
Financing of pension deficit per valuation		9.3	9.3	138.8
Total expenditures		21,414.0	19,447.4	18,451.8
Net revenue (expenditures)		(1,469.0)	(247.4)	708.6
Changes from debt financing				
Short term financing		1,910.0	673.7	618.3
Term loan financing		227.0	159.8	566.5
Capital lease financing		180.0	217.8	
Debt principal repayment		(1,133.4)	(1,271.1)	(976.9)
Capital lease obligation repayment		(435.0)	(289.9)	(302.1)
		748.6	(509.7)	(94.2)
Change in operating and reserve fund balances		(720.4)	(757.1)	614.4
Changes in investment in capital assets				
General capital amortization expense (Note 5)			(1,854.0)	(1,752.7)
Stadium capital amortization expense			(70.9)	(80.9)
Water capital amortization expense			(449.0)	(455.4)
Acquisition of capital assets	36	4,884.0	3,029.5	2,984.5
Cost of assets sold			(22.7)	(28.4)
Changes from debt financing		(748.6)	509.7	94.2
		4,135.4	1,142.6	761.3
Change in municipal position		\$ 3,415.0	385.5	1,375.7
Municipal position				
Beginning of year, (restated)			46,553.6	45,177.9
End of year			\$ 46,939.1	\$ 46,553.6



Kevin MacDonald
& Associates Inc.

Town of New Glasgow

Consolidated Statement of Change in Net Debt

Year Ended March 31

2014

2013

(in thousands)

	Actual	Actual
Change in municipal position	\$ 385.5	\$ 1,375.7
Acquisition of capital assets	(3,029.5)	(2,984.5)
Amortization of capital assets	2,373.9	2,289.0
Cost of assets sold	22.7	28.4
	<u>(632.9)</u>	<u>(667.1)</u>
Acquisition of inventories	(387.3)	(337.4)
Acquisition of prepaid expense	(64.5)	(63.6)
Amortization of debt discount	2.3	2.3
Consumption of inventories	337.3	408.5
Use of prepaid expense	63.5	91.4
	<u>(48.7)</u>	<u>101.3</u>
Change in net financial liabilities	(296.1)	809.9
Net debt at beginning of year	(9,666.3)	(10,476.2)
Net debt at end of year	\$ (9,962.4)	\$ (9,666.3)

Town of New Glasgow

Consolidated Statement of Cash Flow

Year Ended March 31

2014

2013

(in thousands)

Increase (decrease) in cash and cash equivalents

Operating activities

Net revenues (Page 3)	\$ (247.4)	\$ 708.5
Change in taxes receivable	(133.1)	164.3
Change in water rates receivable	247.9	5.6
Change in accounts receivable	177.1	347.3
Change in other assets	(48.7)	101.3
Change in accounts payable and accrued liabilities	386.8	37.0
	<u>382.6</u>	<u>1,364.0</u>

Financing activities

Long term debt issued	1,016.8	3,244.4
Debt principal repayment	(1,271.1)	(976.9)
Capital lease obligation repayment	(289.9)	(302.1)
	<u>(544.2)</u>	<u>1,965.4</u>

Net change in cash and cash equivalents

(161.6) 3,329.4

Cash and cash equivalents

Beginning of year	<u>1,600.2</u>	<u>(1,729.2)</u>
End of year	<u>\$ 1,438.6</u>	<u>\$ 1,600.2</u>

Comprised of

Cash	\$ 2,351.5	\$ 2,134.4
Bank indebtedness	(912.9)	(534.2)
	<u>\$ 1,438.6</u>	<u>\$ 1,600.2</u>

Town of New Glasgow

Schedule of General Operating Fund

Year Ended March 31

2014

2013

(in thousands)

	Page	Budget	Actual	Actual
Revenue				
Taxes	29	\$ 14,928.0	\$ 14,924.2	\$ 14,364.5
Less: School board requisition		(1,607.5)	(1,607.5)	(1,565.8)
		13,320.5	13,316.7	12,798.7
Grants in lieu of taxes	29	77.1	75.7	77.7
Sale of services	29	772.0	800.8	751.1
Other revenue from own sources	30	476.9	619.2	540.9
Transfers from governments	30	1,040.6	1,041.9	979.9
Other revenue	31		26.7	
Total revenue		15,687.1	15,881.0	15,148.3
Expenditures				
General government services	32	1,472.9	1,514.4	1,465.0
Protective services	32	5,263.8	5,347.2	4,736.0
Transportation services	33	2,782.7	2,749.9	2,595.4
Environmental health services	33	1,491.6	1,488.5	1,312.2
Public health services	33	5.0	5.0	
Marketing and communications	34	327.2	310.7	282.0
Community development	34	749.6	690.6	635.2
Other transfers and grants	35	1,226.1	1,040.4	1,133.1
Interest and bank charges	35	328.7	431.6	327.4
Reserve for taxes and other receivables	35	5.0	145.0	32.3
Net expenditures		13,652.6	13,723.3	12,518.6
Financing of pension deficit per valuation		9.3	9.3	138.8
Total expenditures		13,661.9	13,732.6	12,657.4
Net revenues		2,025.2	2,148.4	2,490.9
Financing and transfers				
Repayment of capital lease obligation		(403.1)	(252.6)	(257.1)
Debt principal repayment		(705.6)	(886.6)	(579.2)
Transfers to operating fund reserve		(135.3)	(210.0)	
Transfers from (to) general capital fund				
Capital out of revenue			(16.0)	(17.1)
Transfers from (to) water operating fund				
Fire protection charge		(617.2)	(617.2)	(617.2)
Tax levy		136.0	132.3	132.3
Transfers to stadium operating fund		(300.0)	(246.1)	(352.4)
Net financing and transfers		(2,025.2)	(2,096.3)	(1,690.7)
Change in general operating fund		\$	52.1	800.2
General operating fund, beginning of year			210.4	(589.8)
General operating fund, end of year			\$ 262.5	\$ 210.4

Town of New Glasgow

Schedule of Water Operating Fund

Year Ended March 31

2014

2013

(in thousands)

	Page	Budget	Actual	Actual
Revenue				
Water revenue		\$ 2,565.1	\$ 2,209.4	\$ 2,766.6
Other revenue		47.3	50.4	11.3
Total revenue	30	<u>2,612.4</u>	<u>2,259.8</u>	<u>2,777.9</u>
Expenditures				
Transmission and distribution	35	2,306.5	2,382.0	2,210.9
Interest and bank charges		117.5	85.0	95.0
Total expenditures		<u>2,424.0</u>	<u>2,467.0</u>	<u>2,305.9</u>
Net revenues (expenditures)		<u>188.4</u>	<u>(207.2)</u>	<u>472.0</u>
Financing and transfers				
Repayment of capital lease obligation		(18.0)	(23.4)	(31.9)
Debt principal repayment		(405.3)	(362.0)	(375.2)
Transfers from (to) general operating fund				
Fire protection charge		617.2	617.2	617.2
Tax levy		(136.0)	(132.3)	(132.3)
Transfers to water capital fund				
Land reserve		(35.0)	(35.0)	(35.0)
Capital out of revenue		(90.0)	(45.6)	(47.4)
Depreciation charge		(430.0)	(449.0)	(455.4)
Net financing and transfers		<u>(497.1)</u>	<u>(430.1)</u>	<u>(460.0)</u>
Change in water operating fund		<u>\$ (308.7)</u>	<u>(637.3)</u>	12.0
Water operating fund, beginning of year			<u>173.0</u>	<u>161.0</u>
Water operating fund, end of year			<u>\$ (464.3)</u>	<u>\$ 173.0</u>

Town of New Glasgow

Schedule of Stadium Operating Fund

Year Ended March 31

2014

2013

(in thousands)

	Page	Budget	Actual	Actual
Stadium revenue	30	\$ 180.5	\$ 8.6	\$ 187.3
Expenditures				
Stadium expenses	34	437.2	211.7	495.7
Interest and bank charges		6.9	6.6	8.4
Total expenditures		444.1	218.3	504.1
Net expenditures		(263.6)	(209.7)	(316.8)
Financing and transfers				
Debt principal repayment		(22.5)	(22.5)	(22.5)
Repayment of capital lease obligation		(13.9)	(13.9)	(13.1)
Transfers from general operating fund		300.0	246.1	352.4
Net financing and transfers		263.6	209.7	316.8
Change in stadium operating fund		\$	\$	\$
Stadium operating fund, beginning of year				
Stadium operating fund, end of year			\$	\$

Town of New Glasgow

Schedule of General Capital Fund

Year Ended March 31

2014

2013

(in thousands)

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Revenue			
Government grants	\$ 700.0	\$ 102.6	\$ 141.1
Expenditures			
General government	633.6	216.3	260.4
Protective services	86.4	117.8	124.0
Transportation services	1,739.0	1,619.4	1,082.7
Environmental health services	1,110.0	196.0	120.2
Recreation services	198.0	378.4	416.0
Total expenditures (Page 36)	<u>3,767.0</u>	<u>2,527.9</u>	<u>2,003.3</u>
Net expenditures	<u>(3,067.0)</u>	<u>(2,425.3)</u>	<u>(1,862.2)</u>
Financing and transfers			
Short term financing	1,265.0	673.7	618.3
Conditional sales contracts	227.0	159.8	426.0
Capital lease financing		217.8	
Transfers from general operating fund			
Capital out of revenue		16.0	17.1
Transfers from (to) reserve funds			
Equipment reserve			25.0
Special reserve	25.0	43.6	23.6
Gas tax reserve	1,550.0	1,314.4	743.5
Parkland reserve			8.7
Net financing and transfers	<u>3,067.0</u>	<u>2,425.3</u>	<u>1,862.2</u>
Change in general capital fund	<u>\$</u>		
General capital fund, beginning of year		<u>0.2</u>	<u>0.2</u>
General capital fund, end of year		<u>\$ 0.2</u>	<u>\$ 0.2</u>
Cash - unrestricted		<u>\$ 0.2</u>	<u>\$ 0.2</u>

Town of New Glasgow

Schedule of Water Capital Fund

Year Ended March 31

2014

2013

(in thousands)

	Budget	Actual	Actual
Revenue			
Government grants	\$	\$ 128.8	\$
Interest income		4.5	3.5
Total revenue		133.3	3.5
Expenditures (Page 36)			
Water treatment and distribution	1,117.0	501.6	981.2
Net expenditures	(1,117.0)	(368.3)	(977.7)
Financing and transfers			
Capital lease financing	180.0		140.5
Short term financing	645.0		
Transfers from water operating fund			
Capital out of revenue	90.0	45.6	47.4
Depreciation charge	430.0	449.0	455.4
Land reserve	35.0	35.0	35.0
Net financing and transfers	1,380.0	529.6	678.3
Change in water capital fund	\$ 263.0	161.3	(299.4)
Water capital fund, beginning of year		779.6	1,079.0
Water capital fund, end of year		\$ 940.9	\$ 779.6
Allocation of fund balance			
Land reserve		\$ 465.1	\$ 454.6
Depreciation cash		475.8	325.0
		\$ 940.9	\$ 779.6

Town of New Glasgow **Schedule of Stadium Capital Fund**

Year Ended March 31

2014

2013

(in thousands)

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Expenditures (Page 36)			
Stadium capital	<u>\$</u>	<u>\$</u>	<u>\$</u>
Net expenditures	<u></u>	<u></u>	<u></u>
Financing and transfers	<u></u>	<u></u>	<u></u>
Change in stadium capital fund	<u>\$</u>		
Stadium capital fund, beginning of year		<u></u>	<u></u>
Stadium capital fund, end of year		<u>\$</u>	<u>\$</u>

Town of New Glasgow

Schedule of Reserves

Year Ended March 31

2014

2013

(in thousands)

	Budget	Actual	Actual
Revenue			
Investment income	\$	\$ 5.3	\$ 5.5
Parkland transfers			1.1
Canada/NS Gas tax agreement	765.0	764.3	757.2
Proceeds from sale of assets		45.1	138.5
Total revenue	765.0	814.7	902.3
Financing and transfers			
Transfers from general operating fund	135.3	210.0	
Transfers to general capital fund			
Equipment reserve			(25.0)
Special reserve	(25.0)	(43.6)	(23.6)
Gas tax reserve	(1,550.0)	(1,314.4)	(743.5)
Parkland reserve			(8.7)
Net financing and transfers	(1,439.7)	(1,148.0)	(800.8)
Change in reserve funds balance	\$ (674.7)	(333.3)	101.5
Reserve funds balance			
Beginning of year		1,478.6	1,377.1
End of year		\$ 1,145.3	\$ 1,478.6
Reserves			
Equipment		\$ 159.7	\$ 159.7
Special		269.9	278.8
Power Board		0.7	0.7
Canada/NS Gas Tax		91.8	637.4
Water capital reserve		72.5	72.5
Central treatment plant		36.7	36.7
Stadium sign rental		94.1	83.6
Parkland transfers		68.5	67.7
General operating		351.4	141.5
		\$ 1,145.3	\$ 1,478.6

Town of New Glasgow

Consolidated Statement of Property and Equipment

March 31

2014

2013

(in thousands)

	Cost	Less Accumulated Amortization	Net Book Value	Net Book Value
General capital				
General Government Services				
Land	\$ 762.0	\$	\$ 762.0	\$ 762.0
Buildings	2,518.2	660.4	1,857.8	1,873.5
Infrastructure Development	689.4	157.4	532.0	508.3
Equipment	1,133.8	701.0	432.8	432.2
Protective services				
Land	51.5		51.5	51.5
Buildings	2,413.3	1,167.8	1,245.5	1,272.7
Land improvements	24.2	3.7	20.5	21.3
Equipment	2,495.7	1,608.8	886.9	965.4
Transportation services				
Buildings	666.6	353.3	313.3	329.3
Equipment	3,233.1	1,908.3	1,324.8	1,247.6
Road transport				
Street	15,466.5	9,132.1	6,334.4	5,876.8
Sidewalks	3,801.2	1,908.8	1,892.4	1,838.1
Bridges	703.2	365.0	338.2	360.6
Traffic lights	1,029.6	549.1	480.5	427.5
Street lights	862.2	85.6	776.6	811.0
Traffic study	30.4	7.8	22.6	24.1
Parking grounds	305.4		305.4	305.4
Environmental health				
Sewage collection and disposal	6,419.2	2,136.8	4,282.4	4,211.6
Equity in central disposal system	4,441.6		4,441.6	4,441.6
Equity in garbage and waste collection and disposal	392.7		392.7	392.7
Equity in recycling collection and disposal	417.8		417.8	417.8
Equity in Planning Commission	49.7		49.7	49.7
Recreation and community services				
Land	911.8		911.8	911.8
Buildings	4,371.5	1,604.0	2,767.5	2,813.6
Land improvements	1,981.2	938.8	1,042.4	966.1
Equipment	878.7	328.6	550.1	444.1
John Brother MacDonald Stadium				
Land	12.5		12.5	12.5
Buildings	2,724.0	1,089.0	1,635.0	1,700.8
Land improvements	6.1	5.2	0.9	0.9
Equipment	360.5	306.3	54.2	81.9
School capital assets				
School buildings	3,865.0		3,865.0	3,865.0
Land	21.2		21.2	21.2
Water utility (Page 14)	25,972.9	7,556.3	18,416.6	18,366.9
	<u>\$ 89,012.7</u>	<u>\$ 32,574.1</u>	<u>\$ 56,438.6</u>	<u>\$ 55,805.6</u>

Town of New Glasgow

Consolidated Statement of Property and Equipment

March 31

2014

2013

(in thousands)

Water Utility

	Cost	Less Accumulated Amortization	Net Book Value	Net Book Value
Intangible asset				
Working capital	\$ 80.0	\$	\$ 80.0	\$ 80.0
Tangible plant				
Land and land rights				
Source of supply	196.8		196.8	167.9
Reservoir	5.5		5.5	5.5
Transmission	7.7		7.7	7.7
Structures and improvements				
Source of supply	230.6	77.7	152.9	155.2
Intakes	449.6	128.7	320.9	327.7
Pumping	325.9	250.7	75.2	82.4
Water treatment plant	6,946.7	1,220.7	5,726.0	5,815.4
Distribution reservoirs and standpipes	867.5	358.8	508.7	469.0
Storage barn	5.5	5.5		
Equipment				
Pumping	57.5	54.4	3.1	
Water treatment plant	190.1	190.1		
Office furniture and equipment	35.1	35.1		
Transportation	1,371.2	1,051.6	319.6	375.2
Tools and work equipment	147.0	90.4	56.6	
G.I.S. system	35.4	35.4		
Other	363.1	243.5	119.6	149.3
Mains				
Transmission	2,496.7	809.0	1,687.7	1,712.9
Distribution	10,017.3	1,739.9	8,277.4	8,091.0
Services	616.4	250.6	365.8	377.7
Meters	1,034.0	899.5	134.5	148.1
Hydrants	104.9	76.3	28.6	33.0
Wind turbine	372.3	22.3	350.0	357.7
Other	16.1	16.1		11.2
	<u>\$ 25,972.9</u>	<u>\$ 7,556.3</u>	<u>\$ 18,416.6</u>	<u>\$ 18,366.9</u>

Town of New Glasgow

Consolidated Municipal Position

March 31

2014

2013

(in thousands)

Fund balances

General operating fund (Page 6)	\$ 262.5	\$ 210.4
Water operating fund (Page 7)	(464.3)	173.0
Stadium operating fund (Page 8)		
General capital fund (Page 9)	0.2	0.2
Water capital fund (Page 10)	940.9	779.6
Stadium capital fund (Page 11)		
Reserve funds (Page 12)	1,145.3	1,478.6
	<u>\$ 1,884.6</u>	<u>\$ 2,641.8</u>

Investment in capital assets

Balance, beginning of year, restated (Note 16)	\$ 43,911.8	\$ 43,150.4
Capital funding from		
General operations	16.0	17.1
Water operations	45.6	47.4
Gas tax reserve	1,314.4	743.5
Depreciation funds	298.2	793.3
Special reserve	43.6	23.6
Equipment reserve		25.0
Parkland reserve		8.7
Water land reserve	28.9	
Capital grants	231.4	141.4
Repayment of long term debt	1,271.1	976.9
Capital lease obligation repayment	289.9	302.1
Amortization expense - general capital	(1,854.0)	(1,752.9)
Amortization expense - stadium capital	(70.9)	(80.9)
Amortization expense - water capital	(449.0)	(455.4)
Cost of assets sold	(22.7)	(28.4)
Balance, end of year	<u>\$ 45,054.5</u>	<u>\$ 43,911.8</u>

Town of New Glasgow

Notes to Consolidated Financial Statements

March 31, 2014

1. Significant accounting policies

The consolidated financial statements of the Town of New Glasgow are prepared by management in accordance with Canadian generally accepted accounting principles for local governments, as recommended by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants.

Significant aspects of the accounting policies adopted by the Town are as follows:

(a) Reporting entity

- (i) The consolidated financial statements reflect the assets, liabilities, revenues, expenditures and changes in fund balances and in financial position of the reporting entity. The operating funds, capital funds and reserve funds include the activities of all committees of Council. Interdepartmental and organization transactions and balances are eliminated.
- (ii) The financial activities of certain entities associated with the Town are not consolidated. The Town's contributions to these entities are recorded in the Consolidated Statements of Financial Activities as disclosed in Note 11.
- (iii) The taxation, other revenues, expenditures, assets and liabilities with respect to the operations of the school board are not reflected in the municipal fund balances of the financial statements.

(b) Basis of accounting

Revenues are recorded on the accrual basis of accounting, whereby revenues are recognized as they are earned and measurable. Certain sources of revenue are recorded on a cash basis. Expenditures are recognized in the period goods and services are acquired and a liability is incurred or transfers are due.

(c) Fund accounting

Funds within the consolidated financial statements consist of the operating funds, capital funds and reserve funds. Transfers between funds are recorded as adjustments to the appropriate municipal fund balance.

The operating funds reflects the financial activities associated with the provision of municipal government services for general, water and stadium operations.

The capital funds reflects the financial activities associated with the acquisition, construction and funding of capital assets.

The reserve funds reflects funds authorized by Council to be set aside for the funding of future operations, capital assets or the retirement of long term debt.

Town of New Glasgow

Notes to Consolidated Financial Statements

March 31, 2014

(d) Capital assets

General and Other Funds

Capital assets and projects in progress are recorded at cost. Funds received through capital assistance programs, cost-sharing arrangements or loan forgiveness are treated as additions to the Investment in Capital Assets. Interest incurred during construction on significant capital projects is capitalized.

For years beginning on or after January 1, 2009, municipalities are required to adopt Public Sector Accounting Standards Section PS 3150 Tangible Capital Assets. This section requires amortization of tangible capital assets recorded in the General Capital Fund be recorded each year based on rates that represent the assets useful economic life.

The Town of New Glasgow has established a policy of straight line amortization, 1/2 in year of acquisition, at the following rates:

Sewer lines	50 years
Buildings	40 years
Sidewalks	30 years
Land improvements	25 years
Streets	20 years
Bridges	20 years
Traffic and street lights	20 years
Playground structures	20 years
Machinery and heavy equipment	10 years
Vehicles	5 years
Equipment	5 years
Computer equipment	3 years

Water capital fund

Capital assets and projects in progress are recorded at the utility's net cost on a non-consolidated basis. Funds received through capital assistance programs or cost-sharing arrangements are treated as a reduction in the cost of the asset acquired for amortization calculation purposes. The capital assistance program funds are added to the investment in capital assets for consolidation purposes.

Amortization - water capital fund

Amortization of fixed assets is recorded in the water capital fund calculated on a straight line basis over their estimated lives as prescribed by the Nova Scotia Utility and Review Board.

The depreciation charge in the water operating fund 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 NS Utility and Review Board, to repay principal of capital debt.

(e) Allocation of municipal costs to water utility funds

Where identifiable, costs incurred by the Town general operating fund 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. Administration and general expenses incurred for the benefit of both the municipal units and water utility are allocated on a percentage basis to each fund.

Town of New Glasgow

Notes to Consolidated Financial Statements

March 31, 2014

(f) **Unamortized deferred charges**

The discount on the 2004 Water (Distribution Infrastructure) capital fund debenture is being amortized to the water operating fund on a straight line basis over 10 years. The discount on the 2000 Water (Water Treatment Plant) debenture is being amortized on a straight line basis over 20 years. All other debenture issue discounts have been expensed in the year the debt was incurred.

(g) **Inventory**

Inventory is valued at the lower of cost and net realizable value.

(h) **Government transfers**

Government transfers are recognized in the financial statements as revenues in the period in which the events giving rise to the transfer occur, provided the transfers are authorized, any eligibility criteria have been met and reasonable estimates of the amounts can be made.

(i) **Investment income**

Investment income earned on operating, capital and reserve funds are reported as revenue in the period earned.

(j) **Valuation allowances**

Uncollected taxes

The Town is required to provide a valuation allowance in accordance with the requirements of the NS Financial Reporting and Accounting Manual, based on an estimate of future losses on taxes, rates and interest outstanding at fiscal year end.

Other receivables

In the water utility, a valuation allowance is provided for estimated losses that will be incurred on rates receivable outstanding.

(k) **Use of estimates**

The preparation of financial statements in accordance with Canadian generally accepted accounting principles for municipal governments required 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 financial statements, and the reported amounts of revenues and expenditures during the reporting period. Where estimation uncertainty exists, the financial statements have been prepared within reasonable limits of materiality. Actual results could differ from those estimates.

Town of New Glasgow

Notes to Consolidated Financial Statements

March 31, 2014

(I) Segmented information

The Town of New Glasgow 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 fire protection for its residents. The Town pays the operating and capital expenditures for the police and fire departments. 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. 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 the residents and other customers.

Marketing and communications

This department is responsible for promoting the Town of New Glasgow, Town events and works with the mayor and all departments to communicate Town activities to the residents.

Community development

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 facilities for the benefit of all residents.

2. Depreciation fund

	2014	2013
	(in thousands)	
Cash, beginning of year	\$ 325.0	\$ 663.1
Add: depreciation	449.0	455.2
Less: funds used for capital projects	(298.2)	(793.3)
Balance, end of year	<u>\$ 475.8</u>	<u>\$ 325.0</u>

Town of New Glasgow

Notes to Consolidated Financial Statements

March 31, 2014

3. Taxes and rates receivable

			2014	2013
			(in thousands)	
	Current Year	Prior Years	Total	Total
Balance, beginning of year	\$	\$ 1,018.5	\$ 1,018.5	\$ 1,100.8
Current period tax & rate levy	15,056.4		15,056.4	14,496.8
	15,056.4	1,018.5	16,074.9	15,597.6
Collections & write-offs	(14,493.4)	(373.9)	(14,867.3)	(14,579.1)
Balance, end of year	\$ 563.0	\$ 644.6	1,207.6	1,018.5
Pollution control receivable			268.9	241.2
Interest receivable			132.4	103.8
			1,608.9	1,363.5
Less: Valuation allowance (Note 4)			(397.5)	(285.2)
			\$ 1,211.4	\$ 1,078.3

4. Valuation allowance - uncollected taxes and rates

	2014	2013
	(in thousands)	
Balance, beginning of year	\$ 285.2	\$ 253.3
Approved write offs	(20.2)	
Increase in allowance for year	132.5	32.3
Balance, end of year	\$ 397.5	\$ 285.2

5. Segmented amortization

The following are the current year amortization amounts recognized in the General Capital fund as a result of PS 3150 of the Public Sector Accounting Standards.

	2014	2013
	(in thousands)	
General government services	\$ 249.4	\$ 225.3
Protective services	224.6	215.8
Transportation services	1,009.9	955.8
Environmental health services	125.3	122.8
Community development	244.8	233.0
	\$ 1,854.0	\$ 1,752.7

6. Bank indebtedness

The Town has a consolidated operating line of credit with The Bank of Nova Scotia to an approved consolidated limit of \$4,000,000. The line of credit limit has been approved by the bank based on a resolution of the Town's Council authorizing the borrowing limit. The bank does not hold security on this debt and charges interest at prime minus 0.60% per annum.

Town of New Glasgow

Notes to Consolidated Financial Statements

March 31, 2014

7. Long term debt

	2014	2013
	(in thousands)	
Debentures Issued to Provincial Government or its agencies		
NS Municipal Finance Corporation		
Streets 25-A-1 due 2021	\$ 225.6	\$ 257.8
Police and equipment 27-A-1 due 2017	309.4	386.8
Equipment 26-A-1 due 2021	190.6	205.3
Equipment FCM 27-A due 2017	70.6	94.2
Equipment 28-A-1 due 2018	278.1	303.2
Water treatment plant 20-A-1 due 2020	1,400.0	1,600.0
Water 24-A-1 due 2014	65.1	130.3
Water 31-A-1 due 2021	386.4	434.6
Stadium 25-A-1 due 2021	28.0	42.0
Stadium 26-A-1 due 2012	10.4	13.9
Stadium 28-A-1 due 2018	75.2	80.2
Equipment 29-A-1 due 2019	387.3	415.0
Equipment 30-A-1 due 2020	1,207.3	1,315.4
Glasgow Square 30-A-1 due 2025	1,020.0	1,080.0
Equipment 31-A-1 due 2021	829.7	933.5
Equipment 32-A-1 due 2022	1,994.1	2,215.7
Equipment 32-B-1 due 2022	418.7	465.2
Equipment 33-A-1 due 2023	640.5	
	<u>\$ 9,537.0</u>	<u>\$ 9,973.1</u>

The above debentures bear interest at rates that range between 2% and 6%.

Principal repayments required during the next five years, assuming rates and terms remain the same on renewal, are as follows:

	General Capital	Water Capital	Stadium Capital	Total
2015	\$ 804.6	\$ 313.4	\$ 22.5	\$ 1,140.5
2016	804.6	248.3	22.5	1,075.4
2017	804.6	248.3	8.5	1,061.4
2018	781.0	248.3	5.0	1,034.3
2019	933.6	248.3	55.2	1,237.1

A temporary borrowing resolution has been issued until permanent financing is secured with the NS Municipal Finance Corporation. A debenture will be floated to finance capital acquisitions incurred to March 31, 2014 for the following purposes:

Protective services capital	\$ 74.0
Transportation	169.4
Recreation	293.8
Environmental health services	23.3
General government	113.2
	<u>\$ 673.7</u>

Town of New Glasgow

Notes to Consolidated Financial Statements

March 31, 2014

8. Capital lease obligations

	<u>2014</u>	<u>2013</u>
	(in thousands)	
Capital lease obligation, repaid during the year.	\$	\$ 5.9
Capital lease obligation, repaid during the year.		33.6
Capital lease obligation, repaid during the year.		25.9
Capital lease obligation, repaid during the year.		57.0
Capital lease obligation, with interest of 5.70% implicit in the lease payments, payable in monthly instalments of \$2,492. The obligation is secured by the 2007 JCB loader.	19.5	47.5
Capital lease obligation, with interest of 7.46% implicit in the lease payments, payable in monthly instalments of \$979. The obligation is secured by the 2007 GMC truck.	2.9	14.0
Capital lease obligation, with interest of 5.084% implicit in the lease payments, payable in monthly instalments of \$2,766. The obligation is secured by the 2008 Salt truck.	32.3	63.0
	\$ 54.7	\$ 246.9

Continues on next page

Town of New Glasgow

Notes to Consolidated Financial Statements

March 31, 2014

8. Capital lease obligations (continued)

	2014	2013
	(in thousands)	
Balance forward	\$ 54.7	\$ 246.9
Capital lease obligation, with interest of 5.95% implicit in the lease payments, payable in monthly instalments of \$2,306. The obligation is secured by the 2008 Trackless heavy equipment vehicle.	29.0	54.1
Capital lease obligation, with interest of 5.47% implicit in the lease payments, payable in monthly instalments of \$2,086. The obligation is secured by the 2008 Komatsu excavator.	16.4	39.8
Capital lease obligation, with interest of 6.197% implicit in the lease payments, payable in monthly instalments of \$1,218. The obligation is secured by the 2007 Zamboni.	3.6	17.5
Capital lease obligation, with interest of 4.36% implicit in the lease payments, payable in monthly instalments of \$2,976. The obligation is secured by the 2010 Salt truck.	108.7	138.7
Capital lease obligation, with interest of 3.56% implicit in the lease payments, payable in monthly instalments of \$2,925. The obligation is secured by the 2014 Salt truck.	212.6	
	<u>\$ 425.0</u>	<u>\$ 497.0</u>

Principal repayments required during the next three years are as follows:

	General Capital	Water Capital	Stadium Capital	Total
2015	\$ 140.8	\$ 16.4	\$ 3.6	\$ 160.8
2016	108.6			108.6
2017	30.0			30.0
2018	31.1			31.1
2019	32.3			32.3

Town of New Glasgow

Notes to Consolidated Financial Statements

March 31, 2014

9. Term debt obligations

	2014	2013
	(in thousands)	
Term loan, with interest at prime plus .50% , payable in monthly instalments of \$1,333 plus interest. The obligation is secured by a 2002 Grader.	\$ 32.0	\$ 49.3
Term loan, with interest at prime plus .50% , payable in monthly instalments of \$396 plus interest. The obligation is secured by radio equipment.	9.5	14.6
Term loan, with interest at prime plus .50% , payable in monthly instalments of \$1,271 plus interest. The obligation is secured by two Ford Crown Victoria's.	15.3	31.8
Term loan, with interest at prime plus .50% , payable in monthly instalments of \$629 plus interest. The obligation is secured by a 2011 Dump truck.	15.1	23.3
Term loan, repaid during the year.		5.8
Term loan, repaid during the year.		6.5
Term loan, repaid during the year.		6.3
Term loan, with interest at prime plus .50% , payable in monthly instalments of \$527 plus interest. The obligation is secured by a 2010 Ford Escape.	6.3	13.2
Term loan, with interest at prime plus .50% , payable in monthly instalments of \$1,224 plus interest. The obligation is secured by a 2010 Backhoe.	58.7	74.6
Term loan, with interest at prime plus .50% , payable in monthly instalments of \$458 plus interest. The obligation is secured by a 2010 Toyota truck.	10.9	16.9
Term loan, repaid during the year.		1.8
Term loan, with interest at prime plus .50% , payable in monthly instalments of \$829 plus interest. The obligation is secured by a 2012 Chev truck with dump box.	29.8	39.8
Term loan, with interest at 4.23%, payable in monthly instalments of \$1,136 including interest. The obligation is secured by a 2012 Ford truck.	62.3	71.8
Term loan, with interest at prime plus .50%, payable in monthly instalments of \$395 plus interest. The obligation is secured by a 2007 Chev Uplander van.	1.2	5.9
Term loan, with interest at prime plus .50%, payable in monthly instalments of \$383 plus interest. The obligation is secured by a 2008 Chev Impala.	1.1	5.7
Term loan, with interest at 3.88%, payable in monthly instalments of \$2,513 including interest. The obligation is secured by a 2013 John Deere loader.	159.2	182.7
	\$ 401.4	\$ 550.0

Continues on next page



Town of New Glasgow

Notes to Consolidated Financial Statements

March 31, 2014

9. Term debt obligations (continued)

	2014	2013
	(in thousands)	
Balance forward	\$ 401.4	\$ 550.0
Term loan, with interest at 4.36%, payable in monthly instalments of \$1,314 including interest. The obligation is secured by a 2012 Trackless.	106.3	117.2
Term loan, with interest at 3.62%, payable in monthly instalments of \$308.23 including interest. The obligation is secured by a 2008 Dodge Charger.	6.8	10.2
Term loan, with interest at 3.2%, payable in monthly instalments of \$554.24 including interest. The obligation is secured by a 2014 Dodge Van.	20.5	
Term loan, with interest at 3.2%, payable in monthly instalments of \$549.3 including interest. The obligation is secured by a 2013 Snow blower.	20.3	
Term loan, with interest at 3.22%, payable in monthly instalments of \$1370.76 including interest. The obligation is secured by computer equipment.	50.7	
Term loan, with interest at 3.4%, payable in monthly instalments of \$1,197.70 including interest. The obligation is secured by a 2013 Roadpak line paint machine	61.9	
Term loan, with interest at 4.99%, payable in monthly instalments of \$2,658.70 including interest. The obligation is secured by a 2014 Mack dump truck.	91.0	117.6
	<u>\$ 758.9</u>	<u>\$ 795.0</u>

Principal repayments required during the next five years are as follows:

	General Capital	Water Capital	Total
2015	\$ 108.8	\$ 48.2	\$ 157.0
2016	103.2	49.6	152.8
2017	103.3	45.6	148.9
2018	74.3	17.3	91.6
2019	65.7		65.7

10. Pension Plans

The Town of New Glasgow sponsors a contributory defined benefit pension plan for substantially all employees. The most recent actuarial valuation at July 31, 2013 provided the value of the pension fund assets and the present value of the pension obligations as follows:

Going Concern Financial Position	
Pension fund assets	\$ 11,933,400
Pension fund obligation	<u>\$ 11,848,600</u>

The net difference of \$84,800 represents a surplus in the plan.

Solvency Financial Position (Valuation method required by the Nova Scotia Pension Benefits Act)	
Pension fund assets	\$ 11,833,400
Pension fund obligation	<u>\$ 15,028,400</u>

The net difference of \$3,195,000 represents a deficit in the plan.

The Plan has a going concern surplus and an unfunded liability on a solvency basis.

The Plan satisfies the definition of a Municipality Pension Plan in the regulations of the Nova Scotia Pension Benefits Act and therefore is exempt from solvency special payments after December 31, 2012.

The going concern surplus and exemption under the Pension Benefits Act means no special payments are required.



Kevin MacDonald
& Associates Inc.

Town of New Glasgow

Notes to Consolidated Financial Statements

March 31, 2014

11. Contributions to Boards and Commissions

(a) Scotia Rink Commission - 100% interest

The Town is to finance each period deficit of the Scotia Rink Commission out of its current operations. At year end, the appropriation recorded in the accounts of the Town was \$203,097 operating and \$43,050 debt repayment for a total of \$246,147 (2013 - \$352,400).

(b) Glasgow Square - 100% interest

The Town is to finance the operations of Glasgow Square out of its current operations. Contributions from the Town of New Glasgow for operational purposes during the fiscal year ended March 31, 2014 was \$51,383 (2013 - \$55,479).

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 next year's estimates.

<u>Board</u>	<u>Contribution</u>	
	<u>2014</u>	<u>2013</u>
	(in thousands)	
Pictou Antigonish Regional Library	\$ 73.1	\$ 67.4
Pictou County Shared Services Authority		
Planning and Development Division	149.6	299.2
East River Environmental Control Centre	787.6	761.9
Eastern Mainland Housing Authority (a)	198.6	221.3
District School Board (b)	1,607.5	1,565.8
Pictou Regional Development Agency		40.1

- (a) The Town is charged 25% of the operating deficit of all Section 43 and 12 - 1/2% of the deficit of all Section 40 projects located in the Town.
- (b) The amount paid by the Town to the Board to finance its operations is based on an approved budget. The Town does not share in any deficit nor receive credit for any surplus.

12. Contingencies

Glen Haven Manor Corporation

The Town of New Glasgow, together with the Towns of Stellarton, Trenton 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 plus a \$10,513 discount on bond issue. The outstanding balance of this bank loan at March 31, 2014 is \$568,080.

Town of New Glasgow

Notes to Consolidated Financial Statements

March 31, 2014

13. School Capital Fund

As part of the Town of New Glasgow's agreement with the Chignecto - Central Regional School Board, all school buildings owned by the Town will remain assets of the Town but will be under the operational control of the District School Board until such time as the Board no longer requires the assets for school purposes. At that time, control will revert back to the Town.

Pursuant to the Education Act, the Province of Nova Scotia assumed responsibility for debt servicing costs of approved borrowings for school construction purposes. At March 31, 1994, the Province of Nova Scotia reflected such debt in its statement of financial position, thereby eliminating the need to reflect the debt in the financial statements of the Town.

14. Other

Total remuneration paid to elected and senior appointed officials of the Town of New Glasgow are as follows:

	<u>Position</u>	<u>Remuneration</u>
Barrie MacMillian	Mayor	\$ 33,723
Troy MacCulloch	Councillor	21,358
Trudy Vince	Councillor	21,358
Henderson Paris	Councillor	21,358
Jack Lewis	Deputy Mayor	23,186
Clyde Fraser	Councillor	21,358
Nancy Dicks	Councillor	21,358
Lisa MacDonald	CAO	113,351

15. Other Commitments

Pictou County Solid Waste Management System

The Town of New Glasgow is committed to a portion of long term debt secured by a recycling truck purchased by Pictou County Solid Waste Management System. The Town of New Glasgow's commitment is \$19,613 per year for five years beginning in 2009.

Pictou County Wellness Centre Building Authority

The Town of New Glasgow has implemented a deed transfer tax on all properties sold in the town. The proceeds from this tax will be contributed to the new Pictou County Wellness Centre project as well as towards the renovations and improvements to the Aberdeen Hospital. Since these projects will benefit all residents of Pictou County, a similar tax has been implemented by other municipalities within the County. During the year ending March 31, 2014 the amount transferred was \$533,592 (2013- \$268,123).

The agreement with the Pictou County Wellness Centre also stipulates that the Town of New Glasgow, along with the other municipalities within the County, will cover the annual deficit of the Wellness Centre. At March 31, 2014, the Town's portion of the deficit was \$280,000 which has been recorded as a liability in the financial statements.

Crombie Developments Limited

The Town of New Glasgow has entered into a eighteen month lease agreement with Crombie Developments Limited to lease space located at the Aberdeen Shopping Centre on East River Road. The lease will expire on March 31, 2015. The monthly commitment for the lease is \$6,940.

Town of New Glasgow

Notes to Consolidated Financial Statements

March 31, 2014

16. Restatement of prior period

The previous period has been restated due to a misclassification of a capital asset that was purchased. A Mack truck with box was recorded as an operating lease in the financial statements for the year ended March 31, 2013, however, the asset was actually purchased with a term loan. Capital assets, term loan obligations, and fund balances in the prior year have been adjusted by \$146,510 for this restatement.

Town of New Glasgow

Schedules to Consolidated Statement of Financial Activities

Year Ended March 31

2014

2013

(in thousands)

	Budget	Actual	Actual
Taxes			
Assessable property			
Residential	\$ 7,342.5	\$ 7,342.2	\$ 7,097.2
Commercial	6,173.6	6,187.2	6,068.6
Resource	34.9	35.2	31.6
	<u>13,551.0</u>	<u>13,564.6</u>	<u>13,197.4</u>
Business property			
Business occupancy			131.4
Based on revenue (Aliant)	76.0	75.6	76.9
Nova Scotia Power Corp.	1.0	1.0	1.1
H.S.T. offset grant	100.0	100.3	99.6
	<u>177.0</u>	<u>176.9</u>	<u>309.0</u>
Special assessments			
Environmental Health Services			
Pollution control	886.3	849.7	812.0
Solid waste disposal	267.6	268.6	
Fire Protection Charges	46.1	64.4	46.1
	<u>1,200.0</u>	<u>1,182.7</u>	<u>858.1</u>
	<u>\$ 14,928.0</u>	<u>\$ 14,924.2</u>	<u>\$ 14,364.5</u>

Grants in lieu of taxes

Federal Government	\$ 66.0	\$ 65.4	\$ 66.6
Provincial Government	11.0	10.3	11.0
Cape Breton and Central Nova Scotia Railway Limited	0.1		0.1
	<u>\$ 77.1</u>	<u>\$ 75.7</u>	<u>\$ 77.7</u>

Sales of services

Parking meters	\$ 90.0	\$ 89.9	\$ 97.0
Sale of IT services	180.0	167.1	165.2
Sale of policing services	502.0	502.3	488.9
Sale of planning and inspection services		41.5	
	<u>\$ 772.0</u>	<u>\$ 800.8</u>	<u>\$ 751.1</u>

Town of New Glasgow

Schedules to Consolidated Statement of Financial Activities

Year Ended March 31

2014

2013

(in thousands)

	Budget	Actual	Actual
Other revenue from own sources			
Licenses and permits	\$ 0.9	\$ 0.7	\$ 0.9
Fines	140.0	167.1	142.8
Rentals	119.0	143.1	121.7
Interest on taxes and rates	139.0	159.7	148.1
HST rebates (gas and diesel)		48.5	46.3
Mortgage service fees	14.0	14.6	14.0
Recreation revenue	13.0	18.4	12.4
Engineering contract work	45.0	58.8	44.6
Miscellaneous	6.0	8.3	10.1
	<u>\$ 476.9</u>	<u>\$ 619.2</u>	<u>\$ 540.9</u>

Transfers from government

Unconditional transfers from Provincial Government	\$ 1,037.2	\$ 1,037.2	\$ 978.0
Conditional transfers from Federal and Provincial Governments and agencies			
Civic addressing initiative	3.0	3.1	
Prisoner's board	0.4	1.6	1.9
	<u>\$ 1,040.6</u>	<u>\$ 1,041.9</u>	<u>\$ 979.9</u>

Stadium revenue

Building rentals	\$ 6.0	\$ 6.0	\$ 4.8
Canteen			0.2
Bar/lounge	3.5	1.9	5.4
Ice rental	150.3	0.7	152.7
Sign rental	20.0		22.0
Skating receipts	0.7		1.8
Miscellaneous			0.4
	<u>\$ 180.5</u>	<u>\$ 8.6</u>	<u>\$ 187.3</u>

Water revenues

Metered sales	\$ 2,374.0	\$ 2,016.5	\$ 2,574.1
Flat rate sales	186.1	186.1	185.7
Public fire protection	5.0	6.8	6.8
Other	47.3	50.4	11.3
	<u>\$ 2,612.4</u>	<u>\$ 2,259.8</u>	<u>\$ 2,777.9</u>

Town of New Glasgow

Schedules to Consolidated Statement of Financial Activities

Year Ended March 31

2014

2013

(in thousands)

	Budget	Actual	Actual
Grants for capital			
Canada/Nova Scotia Gas Tax Agreement	\$ 765.0	\$ 764.3	\$ 757.2
NS Sport and Recreation	700.0	20.0	95.6
Infrastructure Renewal - PNS		128.8	45.5
West Side Community Centre		10.0	
ACOA		54.7	
Special Hazards Response Unit of Nova Scotia		11.2	
Chiefs of Police of Nova Scotia		6.7	
	<u>\$ 1,465.0</u>	<u>\$ 995.7</u>	<u>\$ 898.3</u>

Other revenue

Interest on operating account	\$	\$ 26.7	\$
Interest on capital and reserve funds		9.8	9.0
	<u>\$</u>	<u>\$ 36.5</u>	<u>\$ 9.0</u>

Other proceeds

Sale of assets	\$	\$ 45.1	\$ 138.5
Parkland transfers			1.1
	<u>\$</u>	<u>\$ 45.1</u>	<u>\$ 139.6</u>

Town of New Glasgow

Schedules to Consolidated Statement of Financial Activities

Year Ended March 31

2014

2013

(in thousands)

	Budget	Actual	Actual
General government services			
Legislative	\$ 207.0	\$ 188.8	\$ 188.4
General administration	729.2	768.2	716.6
Taxation exemptions	108.0	105.6	106.5
Employee benefits	9.3	63.2	38.5
Computer services	354.4	346.5	336.0
Safety	35.0	5.8	12.0
Other	30.0	36.3	67.0
	<u>1,472.9</u>	<u>1,514.4</u>	<u>1,465.0</u>
Capital expenditures	633.6	216.3	260.4
	<u>\$ 2,106.5</u>	<u>\$ 1,730.7</u>	<u>\$ 1,725.4</u>

Protective services

Police protection			
Crime investigation, prevention and protective services	\$ 3,872.8	\$ 3,941.1	\$ 3,379.8
Police station and building	154.5	137.6	117.8
Police automotive equipment	232.0	219.2	214.4
	<u>4,259.3</u>	<u>4,297.9</u>	<u>3,712.0</u>
Fire protection			
Fire fighting force	814.0	849.8	830.7
Fire stations and buildings	62.0	77.0	69.1
Fire fighting equipment	54.5	53.2	55.8
Other	40.0	43.1	38.7
	<u>970.5</u>	<u>1,023.1</u>	<u>994.3</u>
Animal control			
Administration	25.0	18.3	21.7
Emergency measures	9.0	7.9	8.0
	<u>5,263.8</u>	<u>5,347.2</u>	<u>4,736.0</u>
Capital expenditures	86.4	117.8	124.0
	<u>\$ 5,350.2</u>	<u>\$ 5,465.0</u>	<u>\$ 4,860.0</u>

Town of New Glasgow

Schedules to Consolidated Statement of Financial Activities

Year Ended March 31

2014

2013

(in thousands)

	Budget	Actual	Actual
Transportation services			
Common services			
Engineering	\$ 397.5	\$ 415.0	\$ 368.6
Planning, inspection and unsightly		112.4	
Equipment	504.0	374.0	444.8
Workshop	167.1	236.5	243.5
Employee benefits	447.1	487.9	520.4
Road transport			
Streets	857.0	734.5	677.0
Street lighting	61.0	73.0	65.4
Storm sewers & catchpits	95.0	68.4	33.9
Traffic activities	106.0	98.7	125.5
Parking and other	148.0	149.5	116.3
	<u>2,782.7</u>	<u>2,749.9</u>	<u>2,595.4</u>
Capital expenditures	<u>1,739.0</u>	<u>1,619.4</u>	<u>1,082.7</u>
	<u>\$ 4,521.7</u>	<u>\$ 4,369.3</u>	<u>\$ 3,678.1</u>

Environmental health services

Sewage treatment and disposal	\$ 209.0	\$ 99.1	\$ 102.2
Central treatment plant operation	787.6	787.6	762.0
Garbage and waste collection and disposal			
Municipal collection and disposal	495.0	601.8	448.0
	<u>1,491.6</u>	<u>1,488.5</u>	<u>1,312.2</u>
Capital expenditures	<u>1,110.0</u>	<u>196.0</u>	<u>120.2</u>
	<u>\$ 2,601.6</u>	<u>\$ 1,684.5</u>	<u>\$ 1,432.4</u>

Public health services

Social welfare			
Other	\$ 5.0	\$ 5.0	\$

Town of New Glasgow

Schedules to Consolidated Statement of Financial Activities

Year Ended March 31

2014

2013

(in thousands)

	Budget	Actual	Actual
Marketing and communications			
Festivals and events	\$	\$ 28.7	\$ 25.7
Salaries and benefits	138.8	138.9	128.8
Communication and event marketing	62.0	26.3	30.0
Public grants	33.2	24.4	13.4
Town owned buildings	93.2	92.4	84.1
	<u>\$ 327.2</u>	<u>\$ 310.7</u>	<u>\$ 282.0</u>

Community development

Administration	\$ 210.0	\$ 204.3	\$ 173.4
Recreation instruction and sundry	246.6	199.6	188.5
Marina	1.0	1.2	1.2
Community centres	42.0	32.2	32.0
Parks and playgrounds	125.0	127.2	129.5
Summer grounds maintenance	125.0	126.1	110.6
	749.6	690.6	635.2
Capital expenditures	198.0	378.4	416.0
	<u>\$ 947.6</u>	<u>\$ 1,069.0</u>	<u>\$ 1,051.2</u>

Stadium expenses

Bar/lounge operation			
Advertising & supplies	\$ 0.2	\$	\$ 0.1
Administration & maintenance	1.7	2.7	2.5
Wages & training	0.5	0.1	0.6
	<u>2.4</u>	<u>2.8</u>	<u>3.2</u>
General			
Advertising		0.4	0.1
Audit	2.0	1.0	1.0
Bad debt expense		3.0	2.2
Heating oil and propane	26.2	18.5	35.4
Insurance	6.0	5.9	5.6
Light and power	70.0	25.7	98.5
Water & environmental charge	6.0	2.3	6.7
Maintenance & repairs	106.0	24.5	106.0
Office supplies	2.0	0.6	2.1
Health and safety	4.0	0.5	1.0
Employee benefits	26.0	15.0	33.3
Sports grants and ice subsidies		40.4	
Sundry	0.2		0.1
Telephone	4.0	3.1	3.5
Training and conventions	2.0	1.0	0.9
Wages	180.4	67.0	196.1
	<u>434.8</u>	<u>208.9</u>	<u>492.5</u>
	<u>\$ 437.2</u>	<u>\$ 211.7</u>	<u>\$ 495.7</u>



Town of New Glasgow

Schedules to Consolidated Statement of Financial Activities

Year Ended March 31

2014

2013

(in thousands)

	Budget	Actual	Actual
Water treatment and distribution			
Operating expenditures			
Source of supply	\$ 69.0	\$ 56.0	\$ 89.0
Pumping	100.5	136.2	102.1
Water treatment	558.8	545.8	548.4
Transmission and distribution	675.0	738.3	681.6
Employee Benefits	355.2	322.6	267.2
Fleet	180.0	150.2	135.1
Administrative and general	368.0	432.9	387.5
	<u>2,306.5</u>	<u>2,382.0</u>	<u>2,210.9</u>
Capital expenditures	<u>1,117.0</u>	<u>501.6</u>	<u>981.2</u>
	<u>\$ 3,423.5</u>	<u>\$ 2,883.6</u>	<u>\$ 3,192.1</u>
Other transfers and grants			
Deficit of Housing Authority	\$ 215.0	\$ 198.6	\$ 221.3
Deficit of Pictou County Wellness Centre	280.0	280.0	160.6
Riverfront - Glasgow Square	45.0	51.4	55.5
Province of Nova Scotia			
Department of Corrections	122.0	121.9	123.7
Assessment Services	123.0	123.0	125.8
Planning and development services			
Pictou County Shared Services Authority	315.2	149.6	299.2
Tourism and education services			
Pictou-Antigonish Regional Library	73.2	73.2	67.4
Pictou County Tourist Association	9.6	9.6	8.7
Construction Engineering Flight	1.2	1.2	
Transportation services			
Public Transit - CHAD	31.9	31.9	30.9
Economic development Services			
REN	10.0		40.0
	<u>\$ 1,226.1</u>	<u>\$ 1,040.4</u>	<u>\$ 1,133.1</u>
Interest and bank charges			
Debenture discount	\$ 7.7	\$ 5.4	\$ 23.2
Interest on long term debt	427.8	491.4	259.5
Interest on capital leases	1.6	19.6	137.8
Interest and service charges	16.0	6.8	10.2
	<u>\$ 453.1</u>	<u>\$ 523.2</u>	<u>\$ 430.7</u>
Reserves for taxes and appeals			
Reserve for uncollectible taxes	\$ 5.0	\$ 132.5	\$ 32.3
Reserve for other uncollectible balances		12.5	
	<u>\$ 5.0</u>	<u>\$ 145.0</u>	<u>\$ 32.3</u>



Town of New Glasgow
Schedule of Capital Projects Funding

March 31, 2014

(in thousands)	Total Capital Cost	Land reserve	Capital lease	Special Reserve	Depreciation Fund	Canada/NS Gas Tax Agreement	Capital out of Revenue	Debt/ure Loan	Conditional Sales Contracts	External Funding
GENERAL CAPITAL										
Sidewalks, Street and curbs	\$ 1,160.1	\$	\$	\$	\$	\$ 1,141.7	\$	\$ 18.4	\$	\$ 6.8
Protective Services Capital	75.3						0.9	46.6	21.0	
Public Works			217.8				3.7	23.8	86.8	
- equipment	332.1							100.9		
- traffic	100.9							26.3		
- building	26.3							23.3		
Sewer	196.0					172.7		218.8		84.6
Recreation Capital	303.4						3.9	27.4	52.0	11.2
Fire Capital	42.5						7.5	72.6		
Town Office - Equipment	132.1							40.6		
Town buildings	40.6							13.9		
Glasgow Square	13.9							61.1		
Library upgrades	61.1									
Legion building	43.6			43.6						
Sub-total	2,527.9		217.8	43.6		1,314.4	16.0	673.7	159.8	102.6
WATER CAPITAL										
Capital Equipment	59.8				59.8					
Source of supply										
- land	28.9	28.9								
- equipment	59.1				13.4		45.6			
Waterlines	289.5				160.7					128.8
Meters	64.3				64.3					
Sub-total	501.6	28.9			298.2		45.6			128.8
Total	\$ 3,029.5	\$ 28.9	\$ 217.8	\$ 43.6	\$ 298.2	\$ 1,314.4	\$ 61.6	\$ 673.7	\$ 159.8	\$ 231.4

TOWN OF NEW GLASGOW
TRUST FUND BALANCE SHEET
YEAR ENDED MARCH 31, 2014

ASSETS	A.E. Fraser Trust	James Roy Trust	Margaret C. Cameron Trust	W.G. Matheson Bursary	George Sylvester Trust	Lincoln Fraser Memorial	Carmichael Scholarship	Graduation Class 95	Graduation Class Trust	Bruce Stewart Trust	Eric Doucette Trust	MacGregor Trust	J.D. MacInnis Trust	Ivan Goodman Trust	H. Philip Grant Trust	War Memorial Trust	2013 Total	2014 Total	2015 Total
Cash	\$ 33,388	\$155,567	\$ 4,463	\$ 1,973	\$ 1,019	\$ 3,855	\$ 1,639	\$ 12,735	\$ 982	\$ 1,406	\$ 71	\$ 1,346	\$ 10,633	\$ 2,640	\$ 727	\$ 626	\$ 1,033	\$234,113	\$244,081
Investments, at cost	104,284							63,855		500								168,557	
	137,672	155,567	4,463	1,973	1,019	3,855	1,639	76,590	982	1,406	571	1,346	10,633	2,640	727	626	1,033	402,752	410,638
RESERVE																			
Trust Fund Reserve	\$137,672	\$155,567	\$4,463	\$1,973	\$1,019	\$3,855	\$1,639	\$76,590	\$982	\$1,406	\$571	\$1,346	\$10,633	\$2,640	\$727	\$626	\$1,033	\$402,752	\$410,638

STATEMENT OF TRUST FUND RESERVES

Balance, beginning year	\$ 136,183	\$154,007	\$ 4,531	\$ 2,001	\$ 1,033	\$ 3,914	\$ 1,661	\$ 87,304	\$ 1,005	\$ 1,426	\$ 590	\$ 1,274	\$ 10,527	\$ 2,681	\$ 739	\$ 739	\$ 1,023	\$ 410,538	\$424,527
Add																			
interest earned	415	1,560	47	22	11	41	18	326	12	15	6	72	106	29	8	9	10	2,707	2,648
1,122 investment gain								960										2,082	978
investment allocation	4,988																	4,988	
	142,708	155,567	4,578	2,023	1,044	3,955	1,679	88,590	1,017	1,441	596	1,346	10,633	2,710	747	748	1,033	420,415	428,153
Deduct:																			
transfers																			
book purchases	5,036							12,000	25	35	25			70	20	122		12,627	12,623
investment loss																		5,036	4,827
	5,036	115		50	25	100	40	12,000	25	35	25			70	20	122		17,663	17,515
Balance, end of year	\$137,672	\$155,567	\$ 4,463	\$ 1,973	\$ 1,019	\$ 3,855	\$ 1,639	\$ 76,590	\$ 992	\$ 1,406	\$ 571	\$ 1,346	\$ 10,633	\$ 2,640	\$ 727	\$ 626	\$ 1,033	\$ 402,752	\$410,638

ON BEHALF OF THE TOWN

Mayor

Clerk.