

MUNICIPALITY OF THE DISTRICT
OF WEST HANTS
CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2011

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AUDITOR'S REPORT

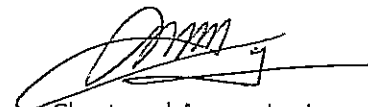
To the Warden and Councillors of
the Municipality of the District of West Hants

I have audited the consolidated statement of financial position of the Municipality of the District of West Hants as at March 31, 2011 and the consolidated statements of financial activities, cash flows and changes in net financial assets (debt) for the year then ended. These consolidated financial statements are the responsibility of the municipality's management. My responsibility is to express an opinion on these consolidated financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall consolidated financial statement presentation.

In my opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Municipality of the District of West Hants as at March 31, 2011 and the results of its operations and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

My audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in the schedules is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subject to the auditing procedures applied in the audit of basic financial statements and, in my opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.



Chartered Accountant
R. E. Harvey Incorporated

Windsor, Nova Scotia
August 2, 2011

MUNICIPALITY OF THE DISTRICT OF WEST HANTS
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED MARCH 31, 2011

	2011	2011	(Restated)
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
	\$	\$	\$
Revenues			
Taxes	8,328,501	8,470,127	7,948,027
Grants in lieu of taxes	102,159	97,807	99,640
Services to other governments	310,982	371,837	280,457
Sale of services - water	637,884	664,408	588,586
Water fire protection	223,970	227,424	211,646
Other revenue from own sources	173,782	231,022	210,145
Unconditional transfers from other governments	156,768	161,071	197,343
Conditional transfers from other governments	55,563	687,641	738,229
Interest	42,731	61,306	24,534
Sale of assets		808	1,267
		<hr/>	<hr/>
Total revenues	10,032,340	10,973,451	10,299,874
		<hr/>	<hr/>
Expenditures			
General government services	1,472,719	1,562,652	1,448,790
Protective services	3,211,350	3,249,792	3,110,253
Transportation services	425,985	434,990	363,922
Environmental health services	1,148,250	1,105,107	975,968
Environmental development services	471,290	452,431	438,662
Recreation and cultural services	443,528	422,953	402,625
Water treatment and distribution	696,553	705,659	632,112
Fiscal services	2,367,499	2,263,463	2,332,292
Amortization	104,677	557,212	337,945
		<hr/>	<hr/>
Total expenditures	10,341,851	10,754,259	10,042,569
		<hr/>	<hr/>
Net revenues	(309,511)	219,192	257,305
		<hr/>	<hr/>

MUNICIPALITY OF THE DISTRICT OF WEST HANTS
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

MARCH 31, 2011

	<u>2011</u>	<u>(Restated)</u> <u>2010</u>
	\$	\$
Financial assets		
Cash and cash equivalents	8,055,295	6,267,335
Receivables		
Taxes (Note 2)	850,450	819,737
Due from federal government and its agencies	62,326	226,665
Due from other municipal governments and agencies	205,982	971,011
Other		
Trade account	305,274	468,111
Long term receivable (Note 3)	44,924	60,371
	<u>1,468,956</u>	<u>2,545,895</u>
Total financial assets	<u>9,524,251</u>	<u>8,813,230</u>
Liabilities		
Bank loan (Note 9)	3,000,000	3,500,000
Payables and accruals		
Trade accounts	1,181,021	1,551,187
Landfill closure costs (Note 7)	117,853	165,892
	<u>4,298,874</u>	<u>5,217,079</u>
Deferred revenue	212,219	230,446
Tax sale surplus	158,453	128,858
Long term debt (Note 5)	2,982,000	843,700
Trust funds	15,377	29,073
Total liabilities	<u>7,666,923</u>	<u>6,449,156</u>
Net financial assets	<u>1,857,328</u>	<u>2,364,074</u>

MUNICIPALITY OF THE DISTRICT OF WEST HANTS
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
MARCH 31, 2011

	(Restated)	
	<u>2011</u>	<u>2010</u>
	\$	\$
Non-financial assets (liabilities)		
Property and equipment	22,924,317	19,251,517
Accumulated depreciation	(4,826,505)	(4,273,138)
Prepaid expenses	233,293	146,293
	<u>18,331,105</u>	<u>15,124,672</u>
Net assets	<u>20,188,433</u>	<u>17,488,746</u>
Fund balances		
General Operating Fund	854,814	837,339
Falmouth Water Operating Fund	79,333	66,416
TMP-Wentworth Water Operating Fund	29,345	36,035
Operating Reserves Fund (Note 8)	420,632	597,692
Special Reserve Fund	4,589,194	3,994,228
	<u>5,973,318</u>	<u>5,531,710</u>
Investment in capital assets	<u>14,215,115</u>	<u>11,957,036</u>
	<u>20,188,433</u>	<u>17,488,746</u>

ON BEHALF OF THE MUNICIPALITY OF THE
DISTRICT OF WEST HANTS

Richard Daughice / Warden
C. Chirlett CAO

MUNICIPALITY OF THE DISTRICT OF WEST HANTS
CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS (DEBT)
MARCH 31, 2011

	(Restated)	
	<u>2011</u>	<u>2010</u>
	\$	\$
Annual surplus	<u>219,192</u>	<u>257,305</u>
Changes in tangible capital assets		
Acquisition of tangible capital assets	(3,672,800)	(4,604,786)
Amortization	557,212	337,945
Capital grants and donated assets	<u>2,476,650</u>	<u>1,851,375</u>
	<u>(638,938)</u>	<u>(2,415,466)</u>
Changes in prepaids	<u>(87,000)</u>	<u>(75,810)</u>
Decrease in net financial assets (debt)	(506,746)	(2,233,971)
Net financial assets (debt), beginning of year	<u>2,364,074</u>	<u>4,598,045</u>
Net financial assets (debt), end of year	<u><u>1,857,328</u></u>	<u><u>2,364,074</u></u>

MUNICIPALITY OF THE DISTRICT OF WEST HANTS
CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED MARCH 31, 2011

	<u>2011</u>	<u>2010</u>	<u>(Restated)</u>
	\$	\$	
Operating activities			
Net revenue	219,192	257,305	
Changes in non-cash working capital			
Receivables	1,076,935	(472,574)	
Prepaid expenses	(87,000)	(75,810)	
Payables	(418,205)	19,482	
Deferred revenue	(18,227)	(1,546)	
Tax sale surplus	29,595	(24,088)	
	802,290	(297,231)	
Financing activities			
Proceeds (repayment) of bank loan	(500,000)	2,000,000	
Net proceeds from long term debt	2,138,300	776,300	
Change in trust funds	(13,696)	13,860	
	1,624,604	2,790,160	
Capital Activities			
Increase in book values of tangible capital assets	(3,119,433)	(4,184,693)	
Capital grants and donated assets	2,480,499	1,769,227	
	(638,934)	(2,415,466)	
Change in cash and cash equivalents	1,787,960	77,463	
Cash and cash equivalents, beginning of year	6,267,335	6,189,872	
Cash and cash equivalents, end of year	8,055,295	6,267,335	

MUNICIPALITY OF THE DISTRICT OF WEST HANTS
CONSOLIDATED STATEMENT OF INVESTMENT IN CAPITAL ASSETS

MARCH 31, 2011

	<u>General</u> <u>Capital</u> \$	<u>School</u> <u>Capital</u> \$	<u>Falmouth</u> <u>Water</u> \$	<u>TMP</u> <u>Wentworth</u> <u>Water</u> \$	<u>Total</u> <u>2011</u> \$	<u>(Restated)</u> <u>Total</u> <u>2010</u> \$
Balance, beginning of year (restated)	7,156,993	156,400	2,388,456	2,255,187	11,957,036	10,185,064
Add:						
Sale of equipment			808		808	
Capital revenue			3,297	(684)	2,613	7,550
Capital expenditures	230,646		398,935	383,290	1,012,871	149,242
Transfer	40,191		42,000		82,191	271,204
Interest	2,643		147	5,086	7,876	6,121
Long term debt	117,185		33,700		150,885	84,659
Capital grant	1,470,141				1,470,141	1,619,985
	9,017,799	156,400	2,867,343	2,642,879	14,684,421	12,323,825
Less:						
Interest paid	16,771				16,771	28,844
Amortization	435,423	17,112			452,535	337,945
Balance, end of year	8,565,605	139,288	2,867,343	2,642,879	14,215,115	11,957,036

MUNICIPALITY OF THE DISTRICT OF WEST HANTS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2011

1. Significant Accounting Policies

Principles and Basis of Consolidation

The consolidated financial statements of the Municipality of the District of West Hants 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 Canadian Institute of Chartered Accountants.

The focus of PSAB financial statements is on the financial position of the municipality and the changes thereto. The consolidated statements of financial position includes all of the assets and liabilities of the municipality.

Basis of Accounting

The accrual basis of accounting recognizes revenues as they become available and measurable. Expenditures are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

Use of Estimates

The preparation of the financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates that affect the amounts recorded in the financial statements. Actual results could differ from these estimates.

Financial Instruments

The fair values of cash, receivables, payables and bank loan are assumed to approximate their carrying amounts because of their short term to maturity. The fair value of long term debt is assumed to approximate its carrying amount.

Pension Benefits

Municipalities are required to record unfunded pension benefits as a liability in the consolidated financial statements. As of the last actuarial valuation done March 31, 2008 this pension was fully funded and no liability is required to be recorded.

MUNICIPALITY OF THE DISTRICT OF WEST HANTS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2011

1. Significant Accounting Policies (Cont'd)

Property and Equipment

The Municipality previously recorded tangible capital assets at cost in the period they were acquired on the statement of financial position and as an expenditure on the statement of financial activities. Except for assets held by the water utilities the Municipality did not record amortization on other assets and these assets were written off after a period of years as a charge against investment in capital assets.

Effective January 1, 2009, the new requirements for Public Sector Accounting require assets to be amortized over their useful lives.

These financial statements have recorded a provision for amortization as outlined below.

Land	0
Building	40 years straight line
Vehicles	5 years straight line
Sewer lagoon	50 years straight line
Sewer	50 years straight line
Roads	50 years straight line
Office and computer equipment	5 years straight line
Water utility assets	as prescribed by the Utilities and Review Board

In the water utilities the amortization is transferred to a special bank account in the water capital fund which is used to help fund the replacement of existing plant and equipment or subject to approval by the Utilities and Review Board, to repay principal of capital debt.

Allocation of Municipal Costs to Water Utility Funds

Where identifiable, costs incurred by the Municipality of the District of West Hants on behalf of the water utility are charged to the utility funds. Salary and wages related costs are allocated in proportion to time spent performing functions on behalf of the water utility.

2. Receivables - Taxes	<u>2011</u>	<u>2010</u>
	\$	\$
Taxes	766,396	770,385
Water rates	171,111	155,168
Allowance for doubtful	(87,057)	(105,816)
	<u>850,450</u>	<u>819,737</u>
Balance, March 31, 2011		

MUNICIPALITY OF THE DISTRICT OF WEST HANTS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2011

3. Long Term Receivable

The cost of roads paved by the municipality will be recovered by an area rate assessment.

Paving Projects	<u>2011</u>	<u>2010</u>
	\$	\$
2002 - Chelsea, Avonview, Wilewood, Valleyview	18,780	27,503
2003 - Palmeter, Dill, Kimball	<u>22,424</u>	<u>29,774</u>
	<u>41,204</u>	<u>57,277</u>
Employee computer purchase plan	<u>3,720</u>	<u>3,094</u>
	<u><u>44,924</u></u>	<u><u>60,371</u></u>

4. Remuneration and Expenses

The Municipal Act requires the total remuneration paid to each member of council and the chief administrative officer be disclosed in a note to the financial statements. These are as follows for the year ended March 31, 2011.

	<u>Salary and</u> <u>Chair Fees</u>
	\$
Councillors	
R. Dauphinee - Warden	37,054
G. Cochrane - Deputy Warden	21,558
R. Allen	16,694
S. Pineo	18,340
R. Matheson	17,044
G. Shanks	16,844
T. Brown	16,844
R. Gaudet	17,192
P. Ainslie	16,744
Employees	
C. Chislett - CAO	79,963

MUNICIPALITY OF THE DISTRICT OF WEST HANTS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2011

	<u>2011</u>	<u>2010</u>
	\$	\$
5. Long Term Debt		
Water capital		
Debenture debt, repayable in yearly payments of \$33,700, with interest of 6.75%		33,700
General capital		
N.S. Municipal Finance Corporation, repayable in annual instalments of \$54,000 plus interest at rates from .9% to 4.939%.	756,000	810,000
N.S. Municipal Finance Corporation, repayable in annual principal instalments of \$89,040 plus interest at rates from 1.55% to 2.57%.	2,226,000	
	<u>2,982,000</u>	<u>843,700</u>

Principal payments required during the next five years are:

2011/12	143,040
2012/13	143,040
2013/14	143,040
2014/15	143,000
2015/16	143,000

MUNICIPALITY OF THE DISTRICT OF WEST HANTS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2011

6. Tangible Capital Assets

	2011		2010	
	<u>Cost</u> \$	<u>Accumulated Amortization</u> \$	<u>Net Book Value</u> \$	<u>Net Book Value</u> \$
<u>General Capital</u>				
Land	2,443,886		2,443,886	2,443,886
Buildings	5,127,895	695,230	4,432,665	4,084,073
Motor vehicles	83,687	62,266	21,421	40,501
Sewer lagoon	159,293	13,786	145,507	143,803
Sewers	7,967,653	2,052,993	5,914,660	4,001,937
Roads	168,549	22,077	146,472	149,843
Equipment	179,888	70,093	109,795	122,336
	<u>16,130,851</u>	<u>2,916,445</u>	<u>13,214,406</u>	<u>10,986,379</u>
<u>Water Utilities</u>				
Falmouth	3,533,837	813,491	2,720,346	2,218,019
TMP/Wentworth	2,575,157	551,386	2,023,771	1,617,578
	<u>6,108,994</u>	<u>1,364,877</u>	<u>4,744,117</u>	<u>3,835,597</u>
<u>School Board</u>				
	684,472	545,184	139,288	156,400
	<u>22,924,317</u>	<u>4,826,506</u>	<u>18,097,811</u>	<u>14,978,376</u>

MUNICIPALITY OF THE DISTRICT OF WEST HANTS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2011

7. Landfill Closure Costs

The Cogmagun landfill site previously looked after the solid waste of the Municipality of the District of West Hants and the Town of Windsor.

The Municipality of the District of West Hants has a special reserve fund to provide for these costs. As of March 31, 2011 the balance in this account including interest was \$83,848.

As of July 1, 1998 the municipality started charging tipping fees, a portion of which is to be transferred to the special reserve fund to fund closure costs. The balance in this fund including interest was \$779,760 as of March 31, 2011.

The present facility was closed December 31, 2005. The Municipality of the District of West Hants' share of the estimated future landfill closure cost in the amount of \$117,853 is recorded as a liability in these consolidated financial statements.

8. Operating Reserves Fund

	<u>2011</u>	<u>2010</u>
	\$	\$
Reserves for future expenditures		
Equipment	53,945	157,068
Dozer repairs	50,276	50,276
GIS system		2,127
Sewer repairs	90,126	34,910
Fire protection capital	1,406	1,406
Training and development	6,007	6,007
Land acquisition	198,995	200,563
Septic lagoon	15,483	15,483
Energy audit	4,208	4,208
Appeals assessment reserve		100,000
Valuation reserve	186	25,644
	<u>420,632</u>	<u>597,692</u>

9. Bank Loan

The bank loan is a Bank of Nova Scotia demand loan at 2.75% interest.

MUNICIPALITY OF THE DISTRICT OF WEST HANTS
GENERAL SECTION
STATEMENT OF OPERATIONS - REVENUES
YEAR ENDED MARCH 31, 2011

	<u>2011</u>	<u>2011</u>	<u>2010</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
	\$	\$	\$
Taxes			
Assessable properties	6,903,391	6,957,537	6,570,029
Resource properties	335,191	326,472	338,780
Special assessments	493,915	520,141	400,236
Business properties	188,004	191,483	230,929
Other taxes	408,000	474,494	408,053
	<u>8,328,501</u>	<u>8,470,127</u>	<u>7,948,027</u>
Grant in lieu of taxes			
Federal taxes	51,572	48,771	48,923
Provincial government	50,587	49,036	50,717
	<u>102,159</u>	<u>97,807</u>	<u>99,640</u>
Services provided to other governments			
Courthouse and jail	55,959	73,865	52,997
Other local governments	255,023	297,972	356,188
	<u>310,982</u>	<u>371,837</u>	<u>409,185</u>
Other revenue from own sources			
Licenses and permits	45,000	30,458	48,864
Fines	12,000	28,832	13,672
Rentals	6,820	6,252	12,094
Return on investments	40,000	37,460	35,492
Penalties and interest on taxes	80,000	107,355	62,874
Miscellaneous	29,962	20,665	37,149
	<u>213,782</u>	<u>231,022</u>	<u>210,145</u>
Unconditional transfers from other governments			
Provincial governments	156,768	161,071	197,343
Conditional transfers from other governments	55,563	61,573	76,803
Other transfers			
Surplus of prior years	183,658	142,901	
Reserves	256,380	269,263	99,711
	<u>440,038</u>	<u>412,164</u>	<u>99,711</u>
	<u>9,607,793</u>	<u>9,805,601</u>	<u>9,040,854</u>

MUNICIPALITY OF THE DISTRICT OF WEST HANTS
GENERAL SECTION
STATEMENT OF OPERATIONS - EXPENDITURES
YEAR ENDED MARCH 31, 2011

	<u>2011</u>	<u>2011</u>	<u>2010</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
General government services	\$	\$	\$
Legislative	198,304	195,729	196,228
General administrative	945,403	1,002,185	899,684
Other general government services	329,012	364,738	352,878
	<u>1,472,719</u>	<u>1,562,652</u>	<u>1,448,790</u>
Protective services			
Police protection	1,528,436	1,496,753	1,494,503
Fire protection	1,494,126	1,503,369	1,305,964
Emergency measures	27,316	68,112	163,224
Courthouse and jail	55,959	74,133	52,997
Other	105,513	107,425	101,159
	<u>3,211,350</u>	<u>3,249,792</u>	<u>3,117,847</u>
Transportation services			
Road transport	425,985	434,990	385,973
Environment health services			
Sewage collection and disposal	476,196	504,590	396,692
Garbage/waste collection and disposal	625,773	610,383	582,183
Recycling	46,281	38,173	33,969
	<u>1,148,250</u>	<u>1,153,146</u>	<u>1,012,844</u>
Environmental development services			
Environmental planning and zoning	227,423	211,434	174,163
Community development	81,245	81,245	87,833
Industrial park	154,622	151,752	168,666
Other	8,000	8,000	8,000
	<u>471,290</u>	<u>452,431</u>	<u>438,662</u>
Recreation and cultural services and education	<u>443,528</u>	<u>422,953</u>	<u>402,625</u>
Fiscal services			
Debt charges		10,099	6,008
Transfer to own agencies	94,623	87,334	85,526
Appropriations to regional school board	2,271,718	2,271,828	2,210,909
	<u>2,366,341</u>	<u>2,369,261</u>	<u>2,302,443</u>
Excess of revenue over expenditures	9,539,463	9,645,225	9,109,184
	68,330	160,376	(68,330)
	<u>9,607,793</u>	<u>9,805,601</u>	<u>9,040,854</u>

MUNICIPALITY OF THE DISTRICT OF WEST HANTS
GENERAL SECTION
STATEMENT OF FINANCIAL POSITION - REVENUE FUND
MARCH 31, 2011

	<u>2011</u>	<u>2010</u>
	\$	\$
<u>ASSETS</u>		
Cash and investments - operating	2,508,646	727,915
Receivables		
Taxes	679,339	768,659
Federal government and its agencies	62,326	226,665
Other local governments	348,369	1,099,327
	<u>1,090,034</u>	<u>2,094,651</u>
Prepaid expenses	233,293	146,293
Long term receivables	44,924	60,371
	<u>3,876,897</u>	<u>3,029,230</u>
<u>LIABILITIES</u>		
Payables		
Bank loan	500,000	
Federal government and its agencies	15,141	997
Other local governments	1,258,632	721,021
Trade	433,640	495,942
Debenture instalments	3,122	3,122
	<u>2,210,535</u>	<u>1,221,082</u>
Other liabilities		
Deferred revenue	212,219	230,446
Other liabilities	20,244	13,816
Tax sale surplus	158,453	128,855
	<u>390,916</u>	<u>373,117</u>
Surplus	<u>1,275,446</u>	<u>1,435,031</u>
	<u>3,876,897</u>	<u>3,029,230</u>

ON BEHALF OF THE MUNICIPALITY OF
THE DISTRICT OF WEST HANTS

Richard Dauphinee / Warden
Chillett CAO

MUNICIPALITY OF THE DISTRICT OF WEST HANTS

GENERAL SECTION

STATEMENT OF REVENUE FUND SURPLUS

YEAR ENDED MARCH 31, 2011

	<u>2011</u>	<u>2010</u>
	\$	\$
Surplus, beginning of year	1,435,031	1,499,332
Add:		
Excess of expenditures over revenue	160,376	(68,330)
Increase in reserves for future expenditures	82,591	54,368
	<u>242,967</u>	<u>(13,962)</u>
Less:		
Transfer to revenue	142,901	
Transfer from reserve for future expenditures	259,651	50,339
	<u>402,552</u>	<u>50,339</u>
Surplus, end of year	<u>1,275,446</u>	<u>1,435,031</u>
Allocated		
Reserves for future expenditures		
Equipment	53,945	157,068
Dozer repairs	50,276	50,276
GIS system		2,127
Sewer repairs	90,126	34,910
Fire protection capital	1,406	1,406
Training and development	6,007	6,007
Land acquisition	198,995	200,563
Septic lagoon	15,483	15,483
Energy audit	4,208	4,208
Appeals assessment reserve		100,000
Valuation reserve	186	25,644
Un-Allocated	<u>854,814</u>	<u>837,339</u>
	<u>1,275,446</u>	<u>1,435,031</u>

MUNICIPALITY OF THE DISTRICT OF WEST HANTS
GENERAL SECTION
STATEMENT OF FINANCIAL POSITION - CAPITAL FUND
MARCH 31, 2011

	(Restated)	
	<u>2011</u>	<u>2010</u>
	\$	\$
<u>ASSETS</u>		
Cash	472,925	1,025,426
Receivables	549,721	370,731
Tangible assets, at cost		
Land	2,443,886	2,443,886
Buildings	5,127,895	4,669,098
Motor vehicles	83,687	83,687
Sewer lagoon	159,293	153,628
Sewers	7,967,653	5,777,976
Roads	168,549	168,549
Equipment	179,888	170,576
	16,130,851	13,467,400
Less: Accumulated amortization	(2,916,444)	(2,481,021)
	13,214,407	10,986,379
	<u>14,237,053</u>	<u>12,382,536</u>
<u>LIABILITIES</u>		
Bank loan (Note 9)	2,500,000	3,500,000
Accounts payable - deposits	65,248	65,222
- payables	108,823	835,064
Debenture debt	2,982,000	810,000
Trust reserves		
Falmouth schools	7,962	7,889
Newport schools	6,131	6,095
Summerville wharf	1,284	1,273
	<u>8,565,605</u>	<u>7,156,993</u>
Investment in capital assets	8,565,605	7,156,993
ON BEHALF OF THE MUNICIPALITY OF THE DISTRICT OF WEST HANTS	<u>14,237,053</u>	<u>12,382,536</u>

Richard J. Daughlin / Warden
C. Christ / CAO

MUNICIPALITY OF THE DISTRICT OF WEST HANTS
GENERAL SECTION
STATEMENT OF INVESTMENT IN CAPITAL ASSETS
YEAR ENDED MARCH 31, 2011

	<u>2011</u>	<u>(Restated)</u> <u>2010</u>
	\$	\$
Capital surplus		
Balance, beginning of year (re-stated)	7,030,489	5,595,988
Add:		
Interest on capital funds	2,643	2,281
Capital expenditures from revenue	19,840	11,710
Transfer from special reserve	12,708	24,380
Brooklyn Fire Department	210,806	122,163
Other capital contributions	7,483	3,659
Capital grants	1,470,141	1,619,985
Principal payment on loan	117,185	
	8,871,295	7,380,166
Less:		
Interest on capital loan	16,771	28,844
Amortization	435,423	320,833
	8,419,101	7,030,489
Capital reserves		
Balance, beginning of year	126,504	102,302
Allocation from operations	20,000	24,202
	146,504	126,504
Total investment in capital assets	8,565,605	7,156,993

MUNICIPALITY OF THE DISTRICT OF WEST HANTS
FALMOUTH WATER UTILITY
STATEMENT OF OPERATIONS
YEAR ENDED MARCH 31, 2011

	<u>2011</u>	<u>2011</u>	<u>2010</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
	\$	\$	\$
Operating Revenue			
Sales	323,253	345,530	321,962
Public fire protection	112,171	112,171	112,171
Sprinklers	320	591	320
Interest	750	1,251	1,049
Other	350	1,710	350
	<u>436,844</u>	<u>461,253</u>	<u>435,852</u>
Operating Expenditures			
Source of supply	29,458	35,650	23,265
Pumping	26,476	29,934	30,048
Water treatment	105,944	103,159	101,055
Transmission and distribution	88,057	94,899	58,286
Administration and general	37,136	44,696	64,535
Professional fees	2,450	3,076	3,310
Amortization	60,737	60,737	54,379
	<u>350,258</u>	<u>372,151</u>	<u>334,878</u>
Operating profit	<u>86,586</u>	<u>89,102</u>	<u>100,974</u>
Non-Operating Revenue			
Interest	681	673	785
Revenue from surplus			7,000
	<u>681</u>	<u>673</u>	<u>7,785</u>
Non-Operating Expenditures			
Debt charges			
Principal	33,700	33,700	84,659
Interest	1,158	1,158	5,667
Capital expenditures out of revenue			5,855
Transfer to reserve - sludge			10,000
	<u>34,858</u>	<u>34,858</u>	<u>106,181</u>
Excess of revenue over expenditures	<u>52,409</u>	<u>54,917</u>	<u>2,578</u>

MUNICIPALITY OF THE DISTRICT OF WEST HANTS
FALMOUTH WATER UTILITY
OPERATING FUND - STATEMENT OF FINANCIAL POSITION
MARCH 31, 2011

	<u>2011</u>	<u>2010</u>
	\$	\$
<u>ASSETS</u>		
Cash	101,596	248,906
Accounts receivable		
Consumers	87,862	80,839
Other		113,208
	<u>189,458</u>	<u>442,953</u>
<u>LIABILITIES</u>		
Payables and accruals		
Trade	515	
Other	109,610	376,537
<u>EQUITY</u>		
Surplus	<u>79,333</u>	<u>66,416</u>
	<u>189,458</u>	<u>442,953</u>

ON BEHALF OF THE MUNICIPALITY OF
THE DISTRICT OF WEST HANTS

Richard Daughineas/Warden
Charles CAO

STATEMENT OF OPERATING FUND SURPLUS
YEAR ENDED MARCH 31, 2011

	<u>2011</u>	<u>2010</u>
	\$	\$
Unrestricted		
Balance, beginning of year	56,416	183,452
Add: Excess of revenue over expenditures	54,917	2,578
Less: Transfer to revenue		(7,000)
Transfer to capital	(32,000)	(122,614)
Balance, end of year	79,333	56,416
Restricted		
Reserve for sludge		10,000
Total operating fund surplus, end of year	<u>79,333</u>	<u>66,416</u>

MUNICIPALITY OF THE DISTRICT OF WEST HANTS
FALMOUTH WATER UTILITY
CAPITAL FUND - STATEMENT OF FINANCIAL POSITION
MARCH 31, 2011

	<u>2011</u>	<u>2010</u>
	\$	\$
<u>ASSETS</u>		
Cash and investments - capital	16,102	6,555
- amortization	145,661	30,091
Receivable		167,491
Utility plant in service	<u>3,533,837</u>	<u>2,974,621</u>
	<u>3,695,600</u>	<u>3,178,758</u>
<u>LIABILITIES</u>		
Payables and accruals	14,766	
Long term debenture debt		33,700
Accumulated allowance for amortization	813,491	756,602
<u>EQUITY</u>		
Surplus	<u>2,867,343</u>	<u>2,388,456</u>
ON BEHALF OF THE MUNICIPALITY OF THE DISTRICT OF WEST HANTS	<u>3,695,600</u>	<u>3,178,758</u>

Richard Dauphinee/Warden
Ch. Dauphinee CAO

STATEMENT OF INVESTMENT IN CAPITAL ASSETS
YEAR ENDED MARCH 31, 2011

	<u>2011</u>	<u>2010</u>
	\$	\$
Balance, beginning of year	2,388,456	2,118,458
Add:		
Debt retired	33,700	84,659
Interest earned on capital accounts	147	1,403
Capital revenue	3,297	4,289
Capital expenditures		57,033
Transfer from revenue	32,000	122,614
Donated assets	398,935	
Transfer of reserve for sludge	10,000	
Proceeds from sale of equipment	808	
Balance, end of year	<u>2,867,343</u>	<u>2,388,456</u>

MUNICIPALITY OF THE DISTRICT OF WEST HANTS
THREE MILE PLAINS - WENTWORTH WATER UTILITY
STATEMENT OF OPERATIONS
YEAR ENDED MARCH 31, 2011

	<u>2011</u>	<u>2011</u>	<u>2010</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
	\$	\$	\$
Operating Revenue			
Sales	313,021	313,261	266,624
Public fire protection	111,799	111,799	90,215
Sprinklers	640	250	640
Interest	300	1,579	1,354
Miscellaneous	300	3,907	400
	<hr/>	<hr/>	<hr/>
	426,060	430,796	359,233
Operating Expenditures			
Source of supply	237,321	227,477	224,180
Pumping	2,562	1,554	2,716
Transmission and distribution	139,934	131,810	86,955
Administration and general	24,809	30,328	96,669
Professional fees	2,406	3,076	3,310
Amortization	43,940	43,940	39,402
	<hr/>	<hr/>	<hr/>
	450,972	438,185	453,232
Operating profit	<hr/>	<hr/>	<hr/>
	(24,912)	(7,389)	(93,999)
Non-Operating Revenue			
Revenue from surplus	45,000	30,000	50,000
Interest	1,000	699	1,967
	<hr/>	<hr/>	<hr/>
	46,000	30,699	51,967
Non-Operating Expenditures			
Portion of new truck			5,855
			<hr/>
Excess of revenue over expenditures	<hr/>	<hr/>	<hr/>
	21,088	23,310	(47,887)

MUNICIPALITY OF THE DISTRICT OF WEST HANTS
THREE MILE PLAINS - WENTWORTH WATER UTILITY
OPERATING FUND - STATEMENT OF FINANCIAL POSITION
MARCH 31, 2011

	<u>2011</u>	<u>2010</u>
	\$	\$
<u>ASSETS</u>		
Cash	71,599	161,764
Accounts receivable		
Consumers	83,249	74,319
	154,848	236,083
<u>LIABILITIES</u>		
Payables and accruals		
Trade	547	
Other funds	124,956	200,048
<u>EQUITY</u>		
Surplus	29,345	36,035
ON BEHALF OF THE MUNICIPALITY OF THE DISTRICT OF WEST HANTS	154,848	236,083

Richard Dauphinais/Warden
Richard Dauphinais
Richard Dauphinais
 WARDEN

STATEMENT OF OPERATING FUND SURPLUS
YEAR ENDED MARCH 31, 2011

	<u>2011</u>	<u>2010</u>
	\$	\$
Balance, beginning of year	36,035	182,752
Add:		
Excess of revenue over expenditures	23,310	(47,887)
	59,345	134,865
Less:		
Transfer to revenue	(30,000)	(50,000)
Transfer to capital		(48,830)
	29,345	36,035
Balance, end of year	29,345	36,035

MUNICIPALITY OF THE DISTRICT OF WEST HANTS
THREE MILE PLAINS - WENTWORTH WATER UTILITY
CAPITAL FUND - STATEMENT OF FINANCIAL POSITION

MARCH 31, 2011

	<u>2011</u>	<u>2010</u>
	\$	\$
<u>ASSETS</u>		
Cash and investments - capital	91,692	114,978
- amortization	526,097	438,572
Due from other funds	1,319	84,059
Utility plant in service	2,575,157	2,125,024
	<u>3,194,265</u>	<u>2,762,633</u>
<u>LIABILITIES</u>		
Accumulated allowance for amortization	551,386	507,446
<u>EQUITY</u>		
Surplus	2,642,879	2,255,187
ON BEHALF OF THE MUNICIPALITY OF THE DISTRICT OF WEST HANTS	<u>3,194,265</u>	<u>2,762,633</u>

Richard Dauphinais, Warden
Chief CAO

STATEMENT OF INVESTMENT IN CAPITAL ASSETS
YEAR ENDED MARCH 31, 2011

	<u>2011</u>	<u>2010</u>
	\$	\$
Balance, beginning of year	2,255,187	2,194,804
Add:		
Interest earned on capital accounts	5,086	2,437
Transfer from operating		48,830
Capital expenditures from operating		5,855
Capital revenue	(684)	3,261
Donated assets	383,290	
	<u>383,290</u>	
Balance, end of year	<u>2,642,879</u>	<u>2,255,187</u>

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MUNICIPALITY OF THE DISTRICT OF WEST HANTS
SCHEDULE OF CHANGES IN CAPITAL SECTION RESERVE
YEAR ENDED MARCH 31, 2011

	<u>Gas Tax</u> <u>Reserve</u> \$	<u>Landfill</u> <u>Tipping Fees</u> \$	<u>Landfill</u> <u>Post-</u> <u>Closure</u> \$	<u>Landfill</u> <u>Pre</u> <u>Closure</u> \$
Balance, beginning of year	1,329,983	1,418,535	776,354	83,100
Add: Interest	12,995	10,822	3,406	748
Grant	626,068			
Sale of assets				
Less: Expenditures	<u>(61,947)</u>	<u>(62,824)</u>		
	<u>1,907,099</u>	<u>1,366,533</u>	<u>779,760</u>	<u>83,848</u>
Less: Accrued landfill closure costs				
Balance, end of year				

<u>Capital Grants</u>	<u>Tax Sale Surplus</u>	<u>Total 2011</u>	<u>Total 2010</u>
\$	\$	\$	\$
532,801	19,347	4,160,120	3,592,370
17,040	619	45,630	11,800
		626,068	661,426
			1,267
		(124,771)	(106,743)
<u>549,841</u>	<u>19,966</u>	<u>4,707,047</u>	<u>4,160,120</u>
		<u>117,853</u>	<u>165,892</u>
		<u>4,589,194</u>	<u>3,994,228</u>