

MUNICIPALITY OF THE DISTRICT OF SHELBURNE
Financial Statements
Year Ended March 31, 2016

MUNICIPALITY OF THE DISTRICT OF SHELBURNE

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MUNICIPALITY OF THE DISTRICT OF SHELBURNE
Consolidated Financial Statements
Year Ended March 31, 2016
Section A

MUNICIPALITY OF THE DISTRICT OF SHELBURNE

SECTION A

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MUNICIPALITY OF THE DISTRICT OF SHELBURNE

Consolidated Financial Statements

Year Ended March 31, 2016

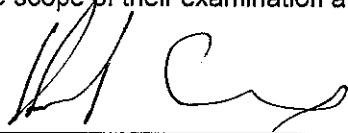
Management's Responsibility for the Consolidated Financial Statements

The accompanying consolidated financial statements of the Municipality of the District of Shelburne (the "Municipality") is the responsibility of the Municipality's management and have been prepared in compliance with legislation, and in accordance with Canadian public sector accounting standards established by the Public Sector Accounting Board of The Canadian Institute of Chartered Accountants. A summary of the significant accounting policies are described in Note 1 to the consolidated financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgement, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The Municipality's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the consolidated financial statements. These systems are monitored and evaluated by management.

The audit committee meets with management and the external auditors to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the consolidated financial statements.

The consolidated financial statements have been audited by Belliveau Veinotte Inc., independent external auditors appointed by the Municipality. The accompanying Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the Municipality's consolidated financial statements.



Kirk Cox
CAO



Michelle Williams
Director of Finance



Belliveau Veinotte Inc.

CHARTERED PROFESSIONAL ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

July 25, 2016

The Warden and
Members of the Council
Municipality of the District of Shelburne
Shelburne, Nova Scotia

We have audited the accompanying consolidated financial statements of the Municipality of the District of Shelburne (the "Municipality"), which comprise the consolidated statement of financial position as at March 31, 2016 and the consolidated statements of financial activities, changes in financial position and changes in net financial assets (liabilities) for the year then ended, and the related notes, which comprise 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 consolidated financial statements in accordance with Canadian Public Sector Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Municipality's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Municipality's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the consolidated financial statements.

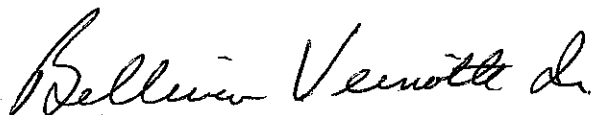
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Municipality of the District of Shelburne as at March 31, 2016, and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian Public Sector Accounting Standards.

Other matters

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



REGISTERED MUNICIPAL AUDITORS
CHARTERED PROFESSIONAL ACCOUNTANTS

MUNICIPALITY OF THE DISTRICT OF SHELBURNE

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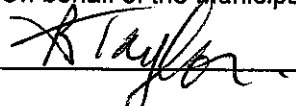
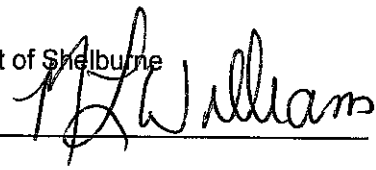
Consolidated Statement of Financial Position

Year Ended March 31, 2016

| | 2016 | 2015 |
|---|---------------------|---------------------|
| ASSETS | | |
| Financial assets | | |
| Cash and bank balances | \$ 2,847,072 | \$ 777,835 |
| Accounts receivables (net of allowance for doubtful accounts) (Note 10) | 892,531 | 1,386,296 |
| Tax sale surplus (Note 3) | 329,239 | 272,632 |
| Investments, term deposits at cost plus accrued interest | - | 1,058,410 |
| | 4,068,842 | 3,495,173 |
| LIABILITIES | | |
| Payables | 422,821 | 235,945 |
| Tax sale surplus (Note 3) | 329,239 | 272,632 |
| Deferred revenue | 130,942 | 50,421 |
| Long term debt (Note 5) | 14,200 | 28,400 |
| | 897,202 | 587,398 |
| NET FINANCIAL ASSETS | 3,171,640 | 2,907,775 |
| NON FINANCIAL ASSETS | | |
| Vested properties | 4,152 | 4,152 |
| Tangible capital assets (Note 6) | 5,205,403 | 5,555,965 |
| Prepaid expenses | 3,313 | 18,619 |
| | 5,212,868 | 5,578,736 |
| NET ASSETS | \$ 8,384,508 | \$ 8,486,511 |
| MUNICIPAL POSITION | | |
| General Operating Fund | \$ - | \$ - |
| General Capital Fund | - | 58,733 |
| Reserve funds | 3,179,105 | 3,143,566 |
| Investment in capital assets | 5,205,403 | 5,284,212 |
| TOTAL MUNICIPAL POSITION | \$ 8,384,508 | \$ 8,486,511 |

Commitments (Note 7 – A-14)
Contingencies (Note 7 – A-14)

On behalf of the Municipality of the District of Shelburne


 _____ Warden
 
 _____ Director of Finance

MUNICIPALITY OF THE DISTRICT OF SHELBURNE

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Consolidated Statement of Financial Activities

Year Ended March 31, 2016

| | 2016 | | 2015 |
|---|------------------|---------------------|---------------------|
| | Budget | Actual | Actual |
| REVENUES | | | |
| Assessable property taxes | \$ 3,953,854 | \$ 4,002,974 | \$ 3,859,165 |
| Grants in lieu of taxes | 198,376 | 203,620 | 205,102 |
| Gas tax revenues | 227,599 | 227,599 | 229,725 |
| Sale of services | 85,573 | 62,207 | 36,902 |
| Other revenue from own sources | 209,166 | 395,414 | 289,442 |
| Unconditional transfers from other governments | 78,051 | 113,853 | 78,047 |
| Interest | - | 14,676 | 14,243 |
| Kids Fair Play donations | - | 27,941 | 34,231 |
| Financing and transfers | - | - | 8,212 |
| Infrastructure funding | - | - | 375,746 |
| | 4,752,619 | 5,048,284 | 5,130,815 |
| EXPENDITURES | | | |
| General government services | 1,341,694 | 1,655,464 | 1,241,222 |
| Protective services | 1,224,571 | 1,176,495 | 1,182,455 |
| Transportation services | 279,330 | 217,639 | 268,619 |
| Environmental health services | 722,816 | 739,598 | 726,899 |
| Public Health services | - | - | 549 |
| Environmental development services | 222,096 | 76,116 | 99,655 |
| Recreational and cultural services | 373,454 | 331,142 | 319,339 |
| Financing and transfers | 14,200 | 14,200 | - |
| District Grant expenditures | - | 36,223 | 37,232 |
| Kids Fair Play expenditures | - | 22,197 | 22,461 |
| Reserve expenditures | 574,458 | 499,126 | - |
| Amortization | - | 382,088 | 378,209 |
| | 4,752,619 | 5,150,287 | 4,276,640 |
| NET REVENUES (EXPENDITURES) FOR THE YEAR | \$ - | (102,003) | 854,175 |
| Municipal Position, beginning of year | | 8,486,511 | 7,632,336 |
| MUNICIPAL POSITION, END OF YEAR | | \$ 8,384,508 | \$ 8,486,511 |

MUNICIPALITY OF THE DISTRICT OF SHELBURNE
Consolidated Statement of Changes in Financial Position
Year Ended March 31, 2016

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| | 2016 | 2015 |
|--|---------------------|-------------------|
| OPERATING ACTIVITIES | | |
| Net revenues (expenditures) | \$ (102,003) | \$ 854,175 |
| Amortization of tangible capital assets | 382,088 | 385,129 |
| Changes in non-cash working capital: | | |
| Tax sale surplus assets | (56,607) | 26,671 |
| Receivables | 493,765 | 284,360 |
| Investments | 1,058,410 | (14,242) |
| Payables and accruals | 186,876 | (29,223) |
| Tax sale surplus liability | 56,607 | (26,671) |
| Prepays | 15,306 | 3,247 |
| Deferred revenues | 80,521 | 37,508 |
| Changes in non-cash working capital | 1,834,878 | 281,650 |
| Cash flow from (used by) operating activities | 2,114,963 | 1,520,955 |
| FINANCING ACTIVITIES | | |
| Changes in long-term debt | (14,200) | (13,271) |
| Cash flow from (used by) financing activities | (14,200) | (13,271) |
| CAPITAL ACTIVITIES | | |
| Purchase of tangible capital assets | (31,526) | (914,075) |
| Cash flow from (used by) capital activities | (31,526) | (914,075) |
| INCREASE IN CASH AND CASH EQUIVALENTS | 2,069,237 | 593,608 |
| Cash and cash equivalents - beginning of year | 777,835 | 184,227 |
| CASH AND CASH EQUIVALENTS – END OF YEAR | \$ 2,847,072 | \$ 777,835 |
| CASH AND CASH EQUIVLANETS CONSISTS OF: | | |
| Cash | \$ 2,952,040 | \$ 777,835 |
| Bank Indebtedness | (104,968) | - |
| | \$ 2,847,072 | \$ 777,835 |

MUNICIPALITY OF THE DISTRICT OF SHELBURNE
Consolidated Statement of Changes in Net Financial Assets
Year Ended March 31, 2016

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| | Budget | 2016 Actual | 2015 Actual |
|--|---------------------|------------------------|------------------------|
| Annual Surplus (Deficit) | \$ - | \$ (102,003) | \$ 854,175 |
| Acquisition of tangible capital assets | (680,213) | (31,526) | (914,075) |
| Amortization of tangible capital assets | - | 382,088 | 385,129 |
| Acquisition (consumption) of prepaid expenses | - | 15,306 | 3,247 |
| INCREASE (DECREASE) IN NET FINANCIAL ASSETS | \$ (680,213) | 263,865 | 318,475 |
| Net financial assets, beginning of year | | 2,907,775 | 2,579,300 |
| NET FINANCIAL ASSETS, END OF YEAR | | \$ 3,171,640 | \$ 2,907,775 |

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICING AND REPORTING PRACTICES

These consolidated financial statements of the Municipality of the District of Shelburne ("Municipality") are the representations of management and are prepared in accordance with generally accepted accounting principles for local governments established by the Public Sector Accounting Board ("PSAB") of the Canadian Institute of Chartered Accountants.

Reporting Entity

These consolidated statements reflect the assets, liabilities, revenues, expenditures and changes in fund balances and in financial position of the reporting entity. The reporting entity is comprised of all organizations and enterprises accountable for the administration of their financial affairs and resources to Municipal Council and which are owned or controlled by the Municipality of the District of Shelburne.

(a) Consolidated Entities

The consolidated financial statements reflect the assets, liabilities, revenues, expenditures and changes in fund balances and in financial position of the reporting entity. The reporting entity is comprised of all organizations and enterprises accountable for the administration of their affairs and resources to the Municipality and which are owned or controlled by the Municipality including the Shared Services.

Interdepartmental and organizational transactions and balances are eliminated.

(b) Non-Consolidated Entities

The following local boards, commissions and agencies are not consolidated:

Southwest Regional School Board

The Municipality provides funding to this Board and the Board administers its own operations

Western Counties Regional Library Board

The Municipality provides funding to the Regional Library Board and the board administers its own operations. The Municipality has one member on the board.

Shelburne Regional Housing Authority – 10.5% interest

During 2016, the Municipality accrued \$15,291 (2015: \$15,524) to the Regional Housing Authority to fund its share of the deficit. Management estimates for accruals may differ from the actual amounts paid.

Fund Accounting

In accordance with practices common to Nova Scotia municipalities, the municipality follows the fund basis of accounting. The capital fund is used principally to account for assets acquired or obligations incurred which are to be financed from the future revenue of the Municipality and it is the annual interest cost of this financing that is paid from current (operating fund) operations. Reserve funds are generally created by appropriations from current (operating fund) operations. The uses of these funds are restricted to the purposes for which the reserve funds are created.

Taxes and Other Receivables

Taxes and other receivables are reported net of any allowance for doubtful accounts.

(continues)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICING AND REPORTING PRACTICES (cont'd)Tangible Capital Assets

Effective April 1, 2009, the Municipality adopted Section 3150 of the Public Sector Accounting Handbook of the Canadian Institute of Chartered Accountants ("CICA") with respect to the disclosure of tangible capital assets of local governments. Prior to April 1, 2009, 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 within the capital fund. Assets were not amortized and they were written off at the end of their estimated useful life.

As of April 1, 2009, tangible capital assets are recorded at cost in the period they are acquired and recorded as expenditures within the capital fund. Donated tangible capital assets are capitalized and recorded at their fair value upon acquisition. If historical cost information was not available during adoption of PSAB 3150, tangible capital assets were recorded using historical appraisal values. The Municipality does not capitalize interest as part of the costs of its tangible capital assets.

Amortization recorded on tangible capital assets in the general capital fund are calculated on a straight line basis over the asset's estimated useful life.

Estimated useful lives are as follows:

| | |
|-----------------------|----------|
| Buildings | 40 years |
| Sewer lines | 50 years |
| Treatment plants | 25 years |
| Trucks and generators | 5 years |
| Equipment | 5 years |

Capital assets that are classified as work in progress are not amortized until the asset is available for productive use.

Use of Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditure during the period. Where measurement uncertainty exists, the financial statements have been prepared within reasonable limits of materiality. Actual results could differ from those estimates.

2. FINANCIAL INSTRUMENTS

The Municipality's financial instruments consists of cash and temporary investments, accounts receivable, investments, bank indebtedness, accounts payable and accrued liabilities, deposit liabilities, short term borrowings and long-term debt. It is management's opinion that the Municipality is not exposed to significant interest or currency risks arising from these financial instruments.

The Municipality is subject to credit risk with respect to taxes and grants in lieu of taxes receivables and trade and other receivables. Credit risk arises from the possibility that taxpayers and entities to which the Municipality provides services may experience financial difficulty and be unable to fulfill their obligations. The large number and diversity of taxpayers and customers minimizes the credit risk.

Unless otherwise noted, the carrying value of the financial instrument approximates fair value.

3. TAX SALE SURPLUS

The following analysis details the year in which the funds held in trust were received. After twenty years these funds may then be transferred to the Capital Reserve Fund. During the current year \$3,820 was transferred to the Capital Reserve Fund

| Year Received | Amount | Year of Transfer |
|-------------------|----------|------------------|
| March 31, 1997 | \$ 2,008 | 2017 |
| March 31, 1999 | 702 | 2019 |
| March 31, 2000 | 45,734 | 2020 |
| March 31, 2002 | 7,102 | 2022 |
| March 31, 2003 | 8,435 | 2023 |
| March 31, 2004 | 7,018 | 2024 |
| March 31, 2005 | 3,686 | 2025 |
| March 31, 2010 | 81,921 | 2030 |
| March 31, 2012 | 38,139 | 2032 |
| March 31, 2013 | 7,183 | 2033 |
| March 31, 2014 | 7,931 | 2034 |
| March 31, 2015 | 23,058 | 2035 |
| March 31, 2016 | 96,322 | 2036 |
| \$ 329,239 | | |

4. MUNICIPAL POSITION

The consolidated statement of financial position reflects the following fund balances:

| | 2016 | 2015 |
|-------------------------------------|---------------------|--------------|
| Reserve Funds | | |
| Operating Reserve fund | \$ 1,170,120 | \$ 1,421,274 |
| District Grant fund | 31,632 | 32,693 |
| Kids Fair Play fund | 41,609 | 36,273 |
| Gas Tax Reserve fund | 805,923 | 575,901 |
| Capital Reserve fund | 1,129,821 | 1,077,425 |
| | \$ 3,179,105 | 3,143,566 |
| Investment in Capital Assets | | |
| General Capital | \$ 4,842,184 | \$ 4,867,809 |
| Shared Services Capital | 198,059 | 251,243 |
| School Capital | 165,160 | 165,160 |
| | \$ 5,205,403 | \$ 5,284,212 |
| | \$ 8,384,508 | \$ 8,427,778 |

The operating reserve fund 2015 balance has been increased by \$327,588 for the transfer of the general operating surplus from the prior year financial statements.

5. LONG-TERM DEBT

| | 2016 | 2015 |
|---|-----------|-----------|
| Municipal Finance Corporation Debenture (Carleton Gunning Cover Fire Department) | \$ 14,200 | \$ 28,400 |

| | Due | Opening Balance | Issues | Redeemed | Closing Balance | Interest | Interest Rate |
|---|-----|--------------------|--------|-----------|--------------------|----------|------------------|
| Municipal Finance Corporation Debenture 2017 | | \$ 28,400 | - | \$ 14,200 | \$ 14,200 | 724 | 4.3824% |

Principal repayments required for the next year is as follows:

| | |
|------|-----------|
| 2017 | \$ 14,200 |
|------|-----------|

MUNICIPALITY OF THE DISTRICT OF SHELburnE
Notes to Consolidated Financial Statements
Year Ended March 31, 2016

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6. Schedule of Tangible Capital Assets 2016

| | Cost | | Disposals | Additions | 31-Mar-16 | Accum Amort 1-Apr-15 | Current Amort | Adjustments | Accum Amort 31-Mar-16 | Net Book Value |
|-----------------------------|--------------|--------------|-----------|-----------|--------------|----------------------|---------------|-------------|-----------------------|----------------|
| | 1-Apr-15 | 31-Mar-16 | | | | | | | | |
| Land | | | | | | | | | | |
| Municipal Land | \$ 154,543 | \$ 154,543 | - | - | \$ - | - | - | - | - | \$ 154,543 |
| Prop from Tax Sales | 2,118 | 2,118 | - | - | - | - | - | - | - | 2,118 |
| Muni Parking Lot | 7,049 | 7,049 | - | - | - | - | - | - | - | 7,049 |
| | \$ 163,709 | \$ 163,710 | - | - | \$ - | - | - | - | - | \$ 163,710 |
| Land Improvements | | | | | | | | | | |
| Recreation Property | \$ 125,382 | \$ 125,382 | - | - | \$ 85,578 | \$ 25,076 | \$ - | \$ - | \$ 110,654 | \$ 14,728 |
| Municipal Property | 192,447 | 192,447 | - | - | 173,113 | 19,334 | - | - | 192,447 | - |
| | \$ 317,829 | \$ 317,829 | - | - | \$ 258,691 | \$ 44,410 | \$ - | \$ - | \$ 303,101 | \$ 14,728 |
| Buildings | | | | | | | | | | |
| Municipal Building | \$ 907,422 | \$ 907,422 | - | - | \$ 662,823 | \$ 15,562 | \$ - | \$ - | \$ 678,405 | \$ 229,017 |
| Sewage Treatment Plant | 3,567,020 | 3,567,020 | - | - | 936,169 | 134,386 | - | - | 1,070,555 | 2,496,465 |
| PW Building | 70,747 | 70,747 | - | - | 32,592 | 1,769 | - | - | 34,361 | 36,386 |
| Storage Shed | 1,504 | 1,504 | - | - | 1,007 | 38 | - | - | 1,044 | 460 |
| HHW Depot | 28,679 | 28,679 | - | - | 13,765 | 1,147 | - | - | 14,912 | 13,766 |
| Industrial Park | 1,164,547 | 1,164,547 | - | - | 46,582 | 46,582 | - | - | 93,164 | 1,071,383 |
| Septage Receiving Station | 514,961 | 514,961 | - | - | 52,531 | 20,568 | - | - | 73,130 | 441,831 |
| Treatment Plant Shed | 1,640 | 1,640 | - | - | 991 | 66 | - | - | 1,046 | 593 |
| | \$ 6,256,520 | \$ 6,256,520 | - | - | \$ 1,746,450 | \$ 220,168 | \$ - | \$ - | \$ 1,966,617 | \$ 4,289,901 |
| Equipment | | | | | | | | | | |
| Equipment Muni Office | \$ 209,612 | \$ 209,612 | - | - | \$ 180,428 | \$ 16,593 | \$ - | \$ - | \$ 197,121 | \$ 12,491 |
| Equipment Fire Depts | 369,431 | 369,431 | - | - | 369,431 | - | - | - | 369,431 | - |
| Equip Other | 108,090 | 108,090 | - | - | 108,090 | - | - | - | 108,090 | - |
| | \$ 687,133 | \$ 687,133 | - | - | \$ 657,949 | \$ 16,593 | \$ - | \$ - | \$ 674,642 | \$ 12,491 |
| Vehicles | | | | | | | | | | |
| Muni Truck | \$ 100,540 | \$ 100,540 | - | - | \$ 60,552 | \$ 20,108 | \$ - | \$ - | \$ 80,660 | \$ 19,880 |
| Rec Truck | 52,278 | 52,278 | - | - | 29,300 | 5,745 | - | - | 35,045 | 17,233 |
| | \$ 152,818 | \$ 152,818 | - | - | \$ 89,852 | \$ 25,853 | \$ - | \$ - | \$ 115,705 | \$ 37,113 |
| Other | | | | | | | | | | |
| COMFIT Project | \$ 459,625 | \$ 459,625 | - | - | \$ 188,203 | \$ 65,661 | \$ - | \$ - | \$ 253,864 | \$ 205,761 |
| Generators | 40,157 | 50,557 | - | 10,400 | 40,157 | - | - | - | 40,157 | 10,399 |
| Software | - | 21,126 | - | 21,126 | - | - | - | - | - | 21,126 |
| Sewers | 123,683 | 123,683 | - | - | 34,257 | 2,474 | - | - | 36,731 | 86,952 |
| | \$ 623,465 | \$ 654,991 | - | \$ 31,526 | \$ 262,617 | \$ 68,135 | \$ - | \$ - | \$ 330,752 | \$ 324,238 |
| Joint Services Board | | | | | | | | | | |
| Video surveillance | \$ 2,269 | \$ 2,269 | - | - | \$ 2,269 | \$ - | \$ - | \$ - | \$ 2,269 | \$ - |
| GPS | 324 | 324 | - | - | 324 | - | - | - | 324 | - |
| Office | 584 | 584 | - | - | 584 | - | - | - | 584 | - |
| Buildings | 4,570 | 4,570 | - | - | 1,142 | 114 | - | - | 1,256 | 3,314 |
| Truck GMC 1/2 ton | 15,964 | 15,964 | - | - | 15,964 | - | - | - | 15,964 | - |
| Signs | 1,819 | 1,819 | - | - | 1,819 | - | - | - | 1,819 | - |
| Scale | 5,316 | 5,316 | - | - | 5,316 | - | - | - | 5,316 | - |
| C & D Site | 272,240 | 272,240 | - | - | 70,779 | 6,715 | - | - | 77,494 | 194,746 |
| | \$ 303,086 | \$ 303,086 | - | - | \$ 98,197 | \$ 6,829 | \$ - | \$ - | \$ 105,026 | \$ 198,060 |
| School Capital Fund | | | | | | | | | | |
| | \$ 165,160 | \$ 165,160 | - | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 165,160 |
| Total | \$ 8,669,720 | \$ 8,701,247 | \$ - | \$ 31,526 | \$ 3,113,756 | \$ 382,088 | \$ - | \$ - | \$ 3,495,843 | \$ 5,205,403 |

MUNICIPALITY OF THE DISTRICT OF SHELburnE
Notes to Consolidated Financial Statements
Year Ended March 31, 2016

6. Schedule of Tangible Capital Assets 2016

| | Cost 1-Apr-14 | Additions | Disposals | Cost 31-Mar-15 | Accum Amort 1-Apr-14 | Current Amort | Adjustments | Accum Amort 31-Mar-15 | Net Book Value |
|-----------------------------|------------------|------------|-----------|-------------------|----------------------------|------------------|-------------|-----------------------------|----------------------|
| Land | | | | | | | | | |
| Municipal Land | \$ 154,543 | \$ - | \$ - | \$ 154,543 | \$ - | \$ - | \$ - | \$ - | \$ 154,543 |
| Prop from Tax Sales | 2,118 | - | - | 2,118 | - | - | - | - | 2,118 |
| Muni Parking Lot | 7,049 | - | - | 7,049 | - | - | - | - | 7,049 |
| | \$ 163,709 | \$ - | \$ - | \$ 163,710 | \$ - | \$ - | \$ - | \$ - | \$ 163,710 |
| Land Improvements | | | | | | | | | |
| Recreation Property | \$ 125,382 | \$ - | \$ - | \$ 125,382 | \$ 60,502 | \$ 25,076.00 | \$ - | \$ 85,578 | \$ 39,804 |
| Municipal Property | 192,447 | - | - | 192,447 | 153,779 | 19,334.00 | - | 173,113 | 19,334 |
| | \$ 317,829 | \$ - | \$ - | \$ 317,829 | \$ 214,281 | \$ 44,410.00 | \$ - | \$ 259,691 | \$ 59,138 |
| Buildings | | | | | | | | | |
| Municipal Building | \$ 907,422 | \$ - | \$ - | \$ 907,422 | \$ 647,080 | \$ 15,743.00 | \$ - | \$ 662,823 | \$ 244,589 |
| Sewage Treatment Plant | 3,567,020 | - | - | 3,567,020 | 801,326 | 134,843.00 | - | 936,169 | 2,630,851 |
| PW Building | 70,747 | - | - | 70,747 | 30,823 | 1,789.00 | - | 32,592 | 38,155 |
| Storage Shed | 1,504 | - | - | 1,504 | 989 | 38.00 | - | 1,007 | 498 |
| HHW Depot | 28,678 | - | - | 28,678 | 12,618 | 1,147.00 | - | 13,765 | 14,914 |
| Industrial Park | 374,533 | 790,014 | - | 1,164,547 | - | 46,582.00 | - | 46,582 | 1,117,965 |
| Septage Receiving Station | 505,335 | 9,626 | - | 514,961 | 31,933 | 20,598.00 | - | 52,531 | 462,429 |
| Treatment Plant Shed | 1,640 | - | - | 1,640 | 915 | 65.00 | - | 981 | 659 |
| | \$ 5,456,878 | \$ 799,640 | \$ - | \$ 6,256,520 | \$ 1,525,664 | \$ 220,786.00 | \$ - | \$ 1,746,450 | \$ 4,510,070 |
| Equipment | | | | | | | | | |
| Equipment Muni Office | \$ 209,612 | \$ - | \$ - | \$ 209,612 | \$ 167,344 | \$ 13,084.00 | \$ - | \$ 180,428 | \$ 29,184 |
| Equipment Fire Depts | 369,431 | - | - | 369,431 | 369,431 | - | - | 369,431 | - |
| Equip Other | 108,090 | - | - | 108,090 | 107,866 | 204.00 | - | 108,090 | - |
| | \$ 687,133 | \$ - | \$ - | \$ 687,133 | \$ 644,661 | \$ 13,288.00 | \$ - | \$ 657,949 | \$ 29,184 |
| Vehicles | | | | | | | | | |
| Muni Truck | \$ 67,839 | \$ 32,701 | \$ - | \$ 100,540 | \$ 40,444 | \$ 20,108.00 | \$ - | \$ 60,552 | \$ 39,988 |
| Rec Truck | 23,556 | 28,722 | - | 52,278 | 23,556 | 5,744.00 | - | 29,300 | 22,978 |
| | \$ 91,395 | \$ 61,423 | \$ - | \$ 152,818 | \$ 64,000 | \$ 25,852.00 | \$ - | \$ 89,852 | \$ 62,966 |
| Other | | | | | | | | | |
| COMFIT Project | \$ 459,625 | \$ - | \$ - | \$ 459,625 | \$ 122,542 | \$ 65,660.85 | \$ - | \$ 188,203 | \$ 271,422 |
| Generators | 40,157 | - | - | 40,157 | 34,421 | 5,736.68 | - | 40,157 | - |
| Sewers | 70,670 | 53,013 | - | 123,683 | 31,783 | 2,473.66 | - | 34,257 | 89,428 |
| | \$ 570,452 | \$ 53,013 | \$ - | \$ 623,465 | \$ 188,746 | \$ 73,872.00 | \$ - | \$ 262,617 | \$ 360,848 |
| Joint Services Board | | | | | | | | | |
| Video surveillance | \$ 2,269 | \$ - | \$ - | \$ 2,269 | \$ 2,269 | \$ - | \$ - | \$ 2,269 | \$ - |
| GPS | 324 | - | - | 324 | 324 | - | - | 324 | - |
| Office | 584 | - | - | 584 | 584 | - | - | 584 | - |
| Buildings | 4,570 | - | - | 4,570 | 1,028 | 114 | - | 1,142 | 3,428 |
| Truck GMC 1/2 ton | 15,964 | - | - | 15,964 | 15,964 | - | - | 15,964 | - |
| Signs | 1,819 | - | - | 1,819 | 1,819 | - | - | 1,819 | - |
| Scale | 5,316 | - | - | 5,316 | 5,316 | - | - | 5,316 | - |
| C & D Site | 272,240 | - | - | 272,240 | 63,973 | 6,808 | - | 70,779 | 201,461 |
| | \$ 303,086 | \$ - | \$ - | \$ 303,086 | \$ 91,277 | \$ 6,920 | \$ - | \$ 98,197 | \$ 204,889 |
| School Capital Fund | | | | | | | | | |
| | \$ 165,160 | \$ - | \$ - | \$ 165,160 | \$ - | \$ - | \$ - | \$ - | \$ 165,160 |
| Total | \$ 7,755,843 | \$ 914,076 | \$ - | \$ 8,669,921 | \$ 2,728,629 | \$ 385,128 | \$ - | \$ 3,113,756 | \$ 5,556,965 |

7. CONTINGENT LIABILITIES AND OTHER COMMITMENTS

The Municipality of the District of Shelburne is contingently liable as guarantor of other loans issued by the Canadian Imperial Bank of Commerce and the Royal Bank of Canada to two fire departments in the Municipality. As at March 31, 2016, the total principal balance of the loans is approximately \$46,560 (2015 - \$72,651)

The Municipality of the District of Shelburne is contingently liable as guarantor of a Commerce Expense Account VISA system issued by the Canadian Imperial Bank of Commerce. As at March 31, 2016, the spending limit was \$24,500 (March 31, 2015 - \$24,500).

On August 11, 2003 the Municipality of the District of Shelburne entered into a solid waste agreement with Queens County through to 2027. The monetary commitment could not be determined by management at the date of these financial statements.

On April 1, 2015 the Municipality of the District of Shelburne entered into a contract with G.E.'s All Trucking for the collection and transportation of 3 streams of solid waste for a 5 year term with a 2 year extension before tendered if all parties are satisfied. This contract will expire March 31, 2022.

On April 1, 2016 subsequent to year end the Municipality of the District of Shelburne entered into an agreement with the Region of Queen's for delivery of Organic and Recyclable material to their facility at Queen's landfill. This agreement will expire on March 31, 2020.

The Municipality recognizes that a potential liability exists with respect to a school closure where the facility is of no use to the Tri County School Board. The Municipality has requested the Board perform an environmental and ground water assessment and remediate any violations identified. Should the Municipality be required to accept all or partial ownership of such a school, there could be a financial implication with respect to safety, restoration or demolition. The potential amount of any eventual liability is not determinable by management as at the date of these financial statements.

8. PENSION PLAN, POST-EMPLOYMENT AND RETIREMENT BENEFITS

Previously, under provincial legislation, Municipalities were required to provide a defined benefit pension plan for municipal clerks for a benefit equal to 2 ½ year times the clerk's years of service to April 1, 1993 times the average of the final five years of salary before actual retirement. A special actuarial valuation was completed as of January 1, 2012. The total amount of the actuarially determined pension benefits surplus was \$39,419 at January 1, 2012

9. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.

Notes to Consolidated Financial Statements

Year Ended March 31, 2016

10. REMUNERATION

Remuneration of Council and the Chief Administrative Officer were as follows:

| | 2015/16 Total Remuneration |
|-----------------------------|-------------------------------|
| Taylor, R | \$ 16,926 |
| Wallet, N | 13,079 |
| Holmes, C | 11,002 |
| Levy, D | 11,002 |
| Roscoe, J | 11,002 |
| Townsend, D | 11,002 |
| VanBuskirk, A | 11,002 |
| | 85,015 |
| Chief Administrator Officer | 95,146 |
| | \$ 180,161 |

11. DETAILED BREAKDOWN OF TAXES AND OTHER RECEIVABLES AND VALUATION ALLOWANCES

Tax rates for 2015-2016: \$1.26 – Residential (2014-2015 \$1.26)

\$1.82 – Commercial (2014-2015 \$1.82)

| | Current Year | Prior Year | 2016 Ending | 2015 Ending |
|---|-------------------|-------------------|-------------------|---------------------|
| Balance beginning of year | \$ - | \$ 801,113 | \$ 801,113 | \$ 764,238 |
| Current year levy | 4,930,460 | - | 4,930,460 | 4,775,185 |
| Collected | (4,567,404) | (254,253) | (4,821,657) | (4,697,422) |
| Reduced taxes | (124,237) | - | (124,237) | (58,490) |
| | \$ 238,819 | \$ 546,860 | 785,679 | 801,113 |
| Interest | | | 180,949 | 184,945 |
| Due from Provincial Government and its agencies | | | - | 128,815 |
| Due from Fire Departments | | | 14,200 | 28,400 |
| Shared Services receivable | | | 82,137 | 89,792 |
| Harmonized sales taxes receivable | | | 20,425 | 86,792 |
| Shelburne County Arena Association receivable | | | - | 15,000 |
| Miscellaneous receivables | | | 59,141 | 121,933 |
| Total Outstanding | | | 1,142,531 | 1,456,796 |
| Less: | | | | |
| Allowance for Doubtful Accounts | | | (250,000) | (70,500) |
| Net Receivable | | | \$ 892,531 | \$ 1,386,296 |

MUNICIPALITY OF THE DISTRICT OF SHELBURNE
Supplementary Financial Information
Non-Consolidated Financial Statements
Year Ended March 31, 2016
Section B

MUNICIPALITY OF THE DISTRICT OF SHELBURNE

SECTION B

SUPPLEMENTARY FINANCIAL INFORMATION

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MUNICIPALITY OF THE DISTRICT OF SHELBURNE
 Supplementary Financial Information
 General Section – Statement of Operations
 Year Ended March 31, 2016

B-1

| | Page | Budget | 2016 Actual | 2015 Actual |
|--|----------|--------------|---------------------|----------------|
| REVENUE | | | | |
| Assessable property taxes | B-2 | \$ 3,953,854 | \$ 4,002,974 | \$ 3,859,165 |
| Grants in lieu of taxes | B-2 | 198,376 | 203,620 | 205,102 |
| Sale of services | B-3 | 85,573 | 62,207 | 36,902 |
| Other revenue from own sources | B-3 | 209,166 | 395,414 | 289,442 |
| Unconditional transfers from other governments | B-3 | 78,051 | 113,853 | 78,047 |
| | | 4,525,020 | 4,778,068 | 4,845,653 |
| EXPENDITURES | | | | |
| General government services | B-3, B-4 | 1,341,694 | 1,655,464 | 1,626,474 |
| Protective services | B-5 | 1,224,571 | 1,176,495 | 1,182,455 |
| Transportation services | B-6 | 279,330 | 217,639 | 268,619 |
| Environmental health services | B-6 | 722,816 | 739,598 | 726,899 |
| Public Health services | B-6 | - | - | 549 |
| Environmental development services | B-6 | 222,096 | 76,116 | 99,655 |
| Recreational and cultural services and education | B-7 | 373,454 | 331,142 | 319,339 |
| Financing and transfers | B-7 | 361,059 | 581,614 | 231,192 |
| | | 4,525,020 | 4,778,068 | 4,455,182 |
| EXCESS OF REVENUE OVER EXPENDITURES | | \$ - | \$ - | 390,471 |

MUNICIPALITY OF THE DISTRICT OF SHELBURNE
 Supplementary Financial Information
 General Section – Schedules to Statement of Operations
 Year Ended March 31, 2016

B-2

| | 2016 | 2015 |
|--|---------------------|---------------------|
| 1. TAXES | | |
| Assessable property | | |
| Residential | \$ 3,688,640 | \$ 3,607,420 |
| Commercial | 579,193 | 510,733 |
| Resource | 634,286 | 640,493 |
| Forest property tax < 50,000 acres | 15,905 | 15,806 |
| Forest property tax > 50,000 acres | 733 | 733 |
| Special assessments | 11,704 | 32,269 |
| Sewer rates – Residential | 70,469 | 70,369 |
| | 5,000,930 | 4,877,823 |
| Business property | | |
| Based on Revenue (BellAliant) | 33,444 | 33,423 |
| Nova Scotia Power – Grant in lieu of taxes | 27,194 | 26,508 |
| Nova Scotia Power – HST rebate | 17,233 | 18,199 |
| | 77,871 | 78,130 |
| Other | | |
| Deed transfer tax | 170,829 | 119,098 |
| | 170,829 | 119,098 |
| Expenditures as a reduction in tax revenue | | |
| Appropriations to regional school board | (1,151,465) | (1,120,127) |
| Transfer to correctional services | (79,900) | (80,235) |
| Deficit of Regional Housing Authority | (15,291) | (15,524) |
| | (1,246,656) | (1,215,886) |
| | \$ 4,002,974 | \$ 3,859,165 |
| 2. GRANTS IN LIEU OF TAXES | | |
| Federal Government – property | \$ 6,826 | \$ 6,500 |
| Federal Government Agencies | | |
| Canadian Broadcasting Corporation | 319 | 319 |
| Provincial government | | |
| Property of Supported Institution | 73,985 | 84,378 |
| Fire Protection – Hayden Lake | 573 | 556 |
| Conservation Property Tax Exemption | 8,194 | - |
| Crown Timber Lands | 113,723 | 113,349 |
| | 196,475 | 198,283 |
| | \$ 203,620 | \$ 205,102 |

MUNICIPALITY OF THE DISTRICT OF SHELBURNE
Supplementary Financial Information
General Section – Schedules to Statement of Operations
Year Ended March 31, 2016

B-3

| | 2016 | 2015 |
|--|-------------------|-------------------|
| 3. SALE OF SERVICES | | |
| Recreation and cultural services | \$ 22,626 | \$ - |
| Wind power | 22,089 | 23,008 |
| Septage receiving fees | 12,393 | 6,550 |
| Subdivision approval and other | 5,099 | 7,344 |
| | \$ 62,207 | \$ 36,902 |
| 4. OTHER REVENUE FROM OWN SOURCES | | |
| Rentals | \$ 57,328 | \$ 75,913 |
| Penalties and interest | 142,820 | 138,164 |
| Fines | 10,804 | 2,998 |
| Interest earned | 3,955 | 13,684 |
| License and permits | 1,755 | 858 |
| Tax sale | 39,071 | 1,810 |
| Other | 139,681 | 56,015 |
| | \$ 395,414 | \$ 289,442 |
| 5. UNCONDITIONAL TRANSFERS FROM OTHER GOVERNMENTS | | |
| Municipal Grants Act - Equalization | \$ 75,129 | \$ 75,128 |
| Municipal Government Act -- Farm property acreage | 1,651 | 1,619 |
| Federal Government Funding | 37,073 | - |
| Resource Recover Fund Board | - | 1,300 |
| | \$ 113,853 | \$ 78,047 |
| 6. GENERAL GOVERNMENT SERVICES | | |
| Legislative | | |
| Warden Honorarium | \$ 24,673 | \$ 24,824 |
| Warden expenses | 2,343 | 1,999 |
| Councillors Honorarium | 98,998 | 98,885 |
| Councillors expenses | 13,736 | 9,830 |
| Other Council fees and costs | 2,616 | 8,159 |
| | 142,366 | 143,697 |
| General administrative | | |
| Staff salaries | 350,484 | 304,264 |
| Staff benefits | | |
| Medical/dental plan | 13,768 | 9,104 |
| Defined contribution pension plan | 15,405 | 12,409 |
| Workers' compensation | 4,977 | 4,461 |
| Canada Pension Plan | 13,887 | 11,886 |
| Life and disability insurance | 24,782 | 16,024 |
| Employment Insurance | 7,845 | 6,770 |
| | \$ 431,148 | \$ 364,918 |

MUNICIPALITY OF THE DISTRICT OF SHELBURNE
 Supplementary Financial Information
 General Section – Schedules to Statement of Operations
 Year Ended March 31, 2016

B-4

| | 2016 | 2015 |
|---|---------------------|---------------------|
| 6. GENERAL GOVERNMENT SERVICES (continued) | | |
| Contracted administrative support | \$ 40,083 | \$ 30,328 |
| Solicitor | 24,191 | 18,145 |
| Auditor and accounting services | 19,814 | 27,323 |
| Supplies | 12,336 | 8,594 |
| Postage | 21,745 | 15,111 |
| Telephone | 21,354 | 25,827 |
| Advertising | 14,890 | 15,387 |
| Computer | 52,105 | 24,662 |
| Special projects | 48,920 | 450,948 |
| Building services | 80,250 | 76,825 |
| Tax billing | 1,930 | 1,592 |
| Tax sale expense | 31,649 | 14,999 |
| Other general services | 39,438 | 26,117 |
| | 408,705 | 725,358 |
| Tax rebates or cancellations | | |
| Individuals | 17,907 | 21,943 |
| Organizations | 107,710 | 31,521 |
| Allowance for losses on appeals | (1,380) | 5,025 |
| | 124,237 | 58,489 |
| Transfer for assessment services | | |
| Assessment services | 140,466 | 140,988 |
| Financial Management | | |
| Salaries | 84,448 | 78,140 |
| Benefits | 4,748 | 5,573 |
| | 89,196 | 83,713 |
| Debt charges | | |
| Operations interest | 122 | 9,294 |
| Valuation Allowances | | |
| Uncollectible taxes | 263,238 | 50,000 |
| Other general government services | | |
| Conventions and dues | 2,385 | 10,730 |
| Elections | - | (3,359) |
| Wind turbine expenses | 19,101 | 7,846 |
| Grants to organizations and individuals | 34,500 | 34,800 |
| | 55,986 | 50,017 |
| | \$ 1,655,464 | \$ 1,626,474 |

MUNICIPALITY OF THE DISTRICT OF SHELBURNE
Supplementary Financial Information
General Section – Schedules to Statement of Operations
Year Ended March 31, 2016

B-5

| | 2016 | 2015 |
|---------------------------------------|---------------------|---------------------|
| 7. PROTECTIVE SERVICES | | |
| Police Protection | | |
| RCMP | \$ 652,967 | \$ 639,146 |
| Fire Protection | | |
| Grants to fire departments | 309,808 | 305,652 |
| Other | 4,191 | 3,495 |
| Levy | 11,704 | 32,268 |
| Radio license | 3,313 | 3,313 |
| Insurance | 6,345 | 9,601 |
| Capital assistance | 37,041 | 30,327 |
| | 372,402 | 384,656 |
| Water supply hydrants | 33,627 | 44,292 |
| Animal control and by-law enforcement | | |
| Salary | 79,538 | 84,446 |
| Vehicle | 6,871 | 8,184 |
| Other | 2,823 | 1,248 |
| | 89,232 | 93,878 |
| Emergency measures | | |
| Search and rescue | 4,260 | 4,391 |
| Shelburne County EMO | 18,200 | 15,680 |
| | 22,460 | 20,071 |
| Debt charges | | |
| Debenture interest | 727 | - |
| Other protective services | | |
| Public prosecution | 5,080 | 412 |
| | \$ 1,176,495 | \$ 1,182,455 |

MUNICIPALITY OF THE DISTRICT OF SHELBURNE
 Supplementary Financial Information
 General Section – Schedules to Statement of Operations
 Year Ended March 31, 2016

B-6

| | 2016 | 2015 |
|---|-------------------|-------------------|
| 8. TRANSPORTATION SERVICES | | |
| Street lighting | \$ 178,309 | \$ 229,752 |
| Public transit | 7,934 | 7,934 |
| Class J roads | 31,396 | 30,933 |
| | \$ 217,639 | \$ 268,619 |
| 9. ENVIRONMENTAL HEALTH SERVICES | | |
| Sewer collection and disposal | | |
| Administrative | \$ 55,581 | \$ 6,185 |
| Other | 46,952 | 53,458 |
| | 102,533 | 59,643 |
| Garbage and waste collection and disposal | | |
| Appropriation to Joint Service Board | 637,063 | 667,256 |
| | 637,063 | 667,256 |
| | \$ 739,596 | \$ 726,899 |
| 10. PUBLIC HEALTH AND WELFARE SERVICES | | |
| Welfare | | |
| Social Welfare | \$ - | \$ 549 |
| | \$ - | \$ 549 |
| 11. ENVIRONMENTAL DEVELOPMENT SERVICES | | |
| Community Development Services | | |
| Economic development | \$ 15,861 | \$ 26,818 |
| ICSP implementation | 20,880 | 27,029 |
| Amalgamation study | 7,969 | - |
| Ant-litter campaign | 3,000 | 2,500 |
| Health services | 5,022 | 9,784 |
| Senior Volunteer Program | 6,434 | 6,524 |
| Other environmental development services | | |
| Tourism | 16,950 | 27,000 |
| | \$ 76,116 | \$ 99,655 |

MUNICIPALITY OF THE DISTRICT OF SHELBURNE
Supplementary Financial Information
General Section – Schedules to Statement of Operations
Year Ended March 31, 2016

B-7

| | 2016 | 2015 |
|---|-------------------|-------------------|
| 12. RECREATION AND CULTURAL SERVICES | | |
| Recreation facilities | | |
| Salaries and benefits | \$ 178,776 | \$ 157,514 |
| Parks, playgrounds and sports fields | 9,727 | 4,801 |
| Programs | 31,089 | 18,382 |
| Arena capital | - | 13,000 |
| Museums | 10,000 | 6,000 |
| Trail and bridges | 11,336 | 52,919 |
| Facilities development | 28,556 | 2,828 |
| Other | 32,258 | 34,495 |
| | 301,742 | 289,939 |
| Cultural buildings and facilities | | |
| Transfers to regional library | 29,400 | 29,400 |
| | \$ 331,142 | \$ 319,339 |
| 13. FINANCING AND TRANSFER | | |
| Principal instalments | | |
| Debenture principal | \$ 14,200 | \$ 13,271 |
| | 14,200 | 13,271 |
| Transfer to other governments and agencies | | |
| Capital reserve | 50,194 | - |
| General capital fund | 31,527 | 233,971 |
| District Grant fund | 35,000 | - |
| Operating reserve | 450,693 | - |
| Other | - | (16,050) |
| | 567,414 | 217,921 |
| | \$ 581,614 | \$ 231,192 |

MUNICIPALITY OF THE DISTRICT OF SHELBURNE
 Supplementary Financial Information
 Shared Services Board - Statement of Operations
 Year Ended March 31, 2016

B-8

| | Budget | 2016 Actual | 2015 Actual |
|---|------------|----------------|----------------|
| REVENUE | | | |
| Contributions from Municipal Units | | | |
| Municipality of the District of Shelburne | \$ 608,481 | \$ 608,481 | \$ 667,108 |
| Town of Lockeport | 114,408 | 114,408 | 125,815 |
| Town of Shelburne | 233,460 | 233,460 | 254,474 |
| Service revenues | | | |
| Correction centre contributions | 85,621 | 81,984 | 73,520 |
| Diversion credit | 37,500 | 38,159 | 78,359 |
| Building permit | 18,200 | 17,373 | 9,095 |
| Construction and demolition waste tipping fees | 80,500 | 56,221 | 54,142 |
| | 1,178,170 | 1,150,086 | 1,262,513 |
| EXPENDITURE | | | |
| Administration | 76,683 | 72,455 | 82,281 |
| Protection of person and property | 85,621 | 98,422 | 84,540 |
| Building inspector's department | 129,069 | 131,707 | 121,232 |
| Fire Inspection | 17,300 | 15,939 | 15,565 |
| Waste diversion department | 75,649 | 85,224 | 70,915 |
| C & D waste department | 169,567 | 189,438 | 176,550 |
| Garbage collection and disposal | 631,200 | 631,838 | 709,478 |
| | 1,185,089 | 1,225,023 | 1,260,561 |
| OTHER REVENUES | | | |
| Transfer from Shared Services Capital Fund | - | 46,355 | - |
| Transfer from the Municipality of the District of Shelburne | - | 28,582 | - |
| | - | 74,937 | - |
| EXCESS OF REVENUE OVER EXPENDITURE | \$ (6,919) | \$ - | \$ 1,952 |

MUNICIPALITY OF THE DISTRICT OF SHELBURNE
 Supplementary Financial Information
 District Grant Fund – Statement of Operations and Net Assets
 Year Ended March 31, 2016

B-9

| | 2016 | 2015 |
|---|------------------|------------------|
| ASSETS | | |
| Cash | \$ 31,632 | \$ 32,647 |
| Due to General Operating Fund | - | 46 |
| TOTAL ASSETS | 31,632 | 32,693 |
| Beginning net assets | 32,693 | 34,925 |
| Net transfers from General Operating Fund | 35,000 | 35,000 |
| Interest earned | 161 | - |
| Expenditures | (211) | - |
| Grants paid | (36,011) | (37,232) |
| ENDING NET ASSETS | \$ 31,632 | \$ 32,693 |

MUNICIPALITY OF THE DISTRICT OF SHELBURNE
 Supplementary Financial Information
 Kids Fair Play Fund – Statement of Operations and Net Assets
 Year Ended March 31, 2016

B-10

| | 2016 | 2015 |
|---|------------------|------------------|
| ASSETS | | |
| Cash | \$ 41,609 | \$ 21,654 |
| Investments at cost | - | 13,718 |
| Due to General Operating Fund | - | 900 |
| TOTAL ASSETS | 41,609 | 36,273 |
| Beginning net assets | 36,273 | 19,070 |
| Net transfers from General Operating Fund | - | 5,247 |
| Donations | 27,940 | 34,231 |
| Interest earned | 304 | 185 |
| Grants paid | (22,197) | (22,461) |
| Expenditures | (711) | - |
| ENDING NET ASSETS | \$ 41,609 | \$ 36,273 |

MUNICIPALITY OF THE DISTRICT OF SHELburnE

B-11

Supplementary Financial Information

Operating Reserve Fund – Statement of Operations and Net Assets

Year Ended March 31, 2016

| | 2016 | 2015 |
|-------------------------------|---------------------|---------------------|
| ASSETS | | |
| Cash | \$ 891,154 | \$ 291,267 |
| Investments at cost | - | 174,191 |
| Due to General Operating Fund | 278,967 | 955,813 |
| TOTAL ASSETS | 1,170,121 | 1,421,271 |
| | | |
| Beginning net assets | \$ 1,380,448 | \$ 1,419,063 |
| Interest earned | 2,426 | 2,208 |
| Transfer from General Fund | 430,149 | - |
| Transfer to General Fund | (283,725) | - |
| Expenditures | (450,000) | - |
| ENDING NET ASSETS | \$ 1,079,296 | \$ 1,421,271 |

| | Arena Reserve | Economic Development Reserve | Operating Reserve | Total |
|-----------------------------|------------------|------------------------------|---------------------|---------------------|
| Beginning net assets | \$ - | \$ 40,823 | \$ 1,380,448 | 1,421,271 |
| Interest earned | - | - | 2,426 | 2,426 |
| Transfer from General Fund | 50,000 | - | 430,149 | 480,149 |
| Transfer to General Fund | - | - | (283,725) | (283,725) |
| Expenditures | - | - | (450,000) | (450,000) |
| ENDING NET ASSETS | \$ 50,000 | \$ 40,823 | \$ 1,079,296 | \$ 1,170,121 |

MUNICIPALITY OF THE DISTRICT OF SHELburnE
 Supplementary Financial Information

B-12

Capital Reserve Fund – Statement of Operations and Net Assets
 Year Ended March 31, 2016

| | 2016 | 2015 |
|---------------------------------|--------------------------|------------------------|
| ASSETS | | |
| Cash | \$ 1,126,000 | \$ 200,052 |
| Investments at cost | - | 12,362 |
| Due to Capital Fund | - | (114,089) |
| Due from General Operating Fund | 3,821 | 979,099 |
| TOTAL ASSETS | 1,129,821 | 1,077,425 |
| Beginning net assets | | |
| Interest earned | - | 3,105 |
| Proceeds on sale of assets | - | - |
| Transfer from General Fund | 20,000 | 53,821 |
| Expenditures | (23,626) | (903) |
| | Equipment Reserve | Capital Reserve |
| | \$ 78,095 | \$ 999,329 |
| | 3,105 | 3,105 |
| | - | - |
| | 20,000 | 53,821 |
| | (23,626) | (903) |
| | Total | Total |
| | 1,077,425 | 1,137,119 |
| | 3,105 | 165 |
| | - | 9,572 |
| | 73,821 | - |
| | (24,530) | (69,432) |
| ENDING NET ASSETS | \$ 74,469 | \$ 1,051,531 |
| | \$ 1,129,821 | \$ 1,077,425 |

MUNICIPALITY OF THE DISTRICT OF SHELBURNE**B-13**

Supplementary Financial Information

Gas Tax Reserve Fund – Statement of Operations and Net Assets

Year Ended March 31, 2016

| | 2016 | 2015 |
|---------------------------------|-------------------|-------------------|
| ASSETS | | |
| Cash | \$ 805,923 | \$ - |
| Investments at cost | - | 799,835 |
| Due from General Operating Fund | - | (223,934) |
| TOTAL ASSETS | 805,923 | 575,901 |
| Beginning net assets | 575,901 | 455,258 |
| Interest earned | 8,680 | 10,959 |
| Gas tax revenues | 227,599 | 229,725 |
| Expenditures | (6,257) | (120,041) |
| ENDING NET ASSETS | \$ 805,923 | \$ 575,901 |

MUNICIPALITY OF THE DISTRICT OF SHELBURNE

B-14

Supplementary Financial Information

General Capital Fund – Statement of Operations, Net Assets and Investment in Capital Assets

Year Ended March 31, 2016

| | 2016 | 2015 |
|-----------------------------|-----------------|------------------|
| ASSETS | | |
| Cash | \$ - | \$ 431 |
| Investment at cost | - | 58,301 |
| TOTAL ASSETS | - | 58,733 |
| Beginning net assets | 58,733 | 57,575 |
| Interest earned | - | 727 |
| Other revenue | - | 431 |
| Internal transfers | (58,733) | - |
| ENDING NET ASSETS | \$ - | \$ 58,733 |

| | 2016 | 2015 |
|---|---------------------|---------------------|
| ASSETS | | |
| Capital Assets | \$ 4,842,184 | \$ 5,185,916 |
| Due from General Operating Fund | - | (318,107) |
| TOTAL ASSETS | 4,842,184 | 4,867,809 |
| Beginning investment in capital assets | 4,867,809 | 4,476,469 |
| Assets acquired | 31,526 | 914,075 |
| Amortization | (375,259) | (378,208) |
| Internal transfers | 318,108 | (144,527) |
| ENDING INVESTMENT IN CAPITAL ASSETS | \$ 4,842,184 | \$ 4,867,809 |