



AGENDA

Audit Committee Meeting

Thursday, June 4, 2020 at 12:00 p.m. (noon)

Lunenburg Town Hall, 2nd Floor, 120 Cumberland Street

1. Welcome and introductions - Mayor *Bailey, Chair*.
2. Agenda - *motion to approve*.
3. Approval of November 19, 2019 Audit Committee Meeting Minutes
4. Municipal audit 2020/21 audit process - *Belliveau Veinotte Inc. Chartered Accountants and Town Auditors overview*
 - Audit approach overview
 - Extent, timing and completion of the audit including level of materiality
 - Identification of any potential areas of risk by the Committee for the Auditors' consideration
 - Internal controls
 - Estimated and final audit fee
 - Review of 2018/19 Audit letter
5. Adjournment - *motion to approve*.

cc: Paul and Michael Belliveau, Town Auditors
Jamie Green, Citizen Representative

AUDIT COMMITTEE MEETING MINUTES

TUESDAY, NOVEMBER 19, 2019 AT 1:00 P.M.

(LUNENBURG TOWN HALL)

PRESENT: Mayor Rachel Bailey
Councillor Ronnie Bachman
Councillor Joseph Carnevale
Councillor Danny Croft
Deputy Mayor John McGee
Councillor Matt Risser

ALSO PRESENT: Lisa Dagley, Finance Director
Kathleen Rafuse, Accountant
Bea Renton, Chief Administrative Officer
Michael Belliveau, Belliveau Veinotte Inc., Chartered Professional Accountants
Kathy Cox-Brown, Director of Municipal Finance and Operating Grants, Department of Municipal Affairs and Housing
Bongsun Cho-MacDonald, Acting Manager of Municipal Finances and Operating Grants, Department of Municipal Affairs and Housing
Jason Haughn, Municipal Advisor, Department of Municipal Affairs and Housing
Marilynn Hay, Municipal Advisor, Department of Municipal Affairs and Housing

ABSENT: Jamie Green, Citizen Appointment
Councillor Peter Mosher

The Mayor called the meeting to order at 1:10 p.m.

1. Agenda

Motion: moved and seconded to approve the agenda as circulated. Motion carried.

2. September 17, 2019 Audit Committee Meeting Minutes

Motion: moved and seconded to approve the September 17, 2019 meeting minutes. Motion carried.

3. Department of Municipal Affairs Audit committee training modules - Audit Purpose/Requirements, External Auditor, Financial Reporting, Fraud, Alleged Wrongdoing, Internal Controls, Financial Risk Management and Financial Condition Indicator review

Department of Municipal Affairs and Housing staff reviewed the above noted information with Council (**Schedule "A"**). They advised that this training is a new mandatory requirement of the Province to help ensure the financial well-being and public accountability.

Department of Municipal Affairs expressed appreciation to Town staff for their financial expertise.

4. Adjournment

Motion: moved and seconded to adjourn the meeting. Motion carried.

The meeting was adjourned at 4:56 p.m.

Bea Renton, Chief Administrative Officer

September 17, 2019

Mayor Rachel Bailey and Council
Town of Lunenburg
PO Box 129
Lunenburg, Nova Scotia
B0J 2C0

Dear Mayor Bailey:

We have completed our audit of the Town of Lunenburg for the year ended March 31, 2019. We wish to provide you with the following comments.

During our audit process we do make enquiries of management and employees to determine if they are aware of any fraudulent or illegal acts carried on by any of the Town employees. Management advised us they were not aware of any such acts.

We have performed tests to determine if controls are being effectively carried out, such as ensuring proper rates are charged for taxes, water, electricity, that paid invoices are properly authorized and approved, employees are paid approved rates, etc. Management has been very conscientious in ensuring that proper procedures are followed and have ensured there is as much segregation of duties as possible, considering the limited size of your staff.

Annually the Audit Committee must review the annual summary of Remuneration and Expenses for Reportable Individuals. For the Town of Lunenburg, reportable individuals include Council and the CAO/Clerk. This review is to ensure remuneration agrees to the salary scales set out by Council, and that expenses are reasonable. As a committee you are also required to review the annual hospitality expenses, in the current year there were no hospitality expenses incurred. The remuneration and expense details can be found in Note 13 of the financial statements. (Financial Reporting and Accounting Manual 3(3)(b) vi and 3(3)(c) vi)

As requested by the Province in the current year a transfer of \$168,376 was made from the operating fund to reserves. The \$168,376 was the surplus in the operating fund that has accrued over the years. As practice going forward management will be transferring any operating surpluses to reserves the following year. In the current year the operating fund shows a surplus of \$998 and next year this will be transferred to reserves.

The primary purpose of our examination is to enable us to form an opinion on the financial statements of the Town of Lunenburg for the year ended March 31, 2019. We reviewed and tested the Town's financial system and related accounting controls to the extent we considered necessary to evaluate the

Town of Lunenburg
September 17, 2019
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system as required by generally accepted auditing standards. Our study and evaluation with respect to these financial systems was not designed for the purpose of expressing an opinion on the internal accounting control, and it would not necessarily disclose all weaknesses in the system.

If you have any questions regarding any of the items listed above, please do not hesitate to contact our office.

Yours very truly,

Paul F. Belliveau, FCPA, FCA
Partner

PFB/dm

cc Beatrice Renton – Chief Administrative Officer (CAO)/Clerk
Lisa Dagley – Finance Director
Department of Municipal Affairs

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TOWN OF LUNENBURG
Financial Statements
Year Ended March 31, 2019

TOWN OF LUNENBURG

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TOWN OF LUNENBURG
Consolidated Financial Statements
Year Ended March 31, 2019
Section A

TOWN OF LUNENBURG

SECTION A

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Management's Responsibility for the Consolidated Financial Statements

The accompanying consolidated financial statements of the Town of Lunenburg (the "Town") are the responsibility of the Town'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 Chartered Professional Accountants of Canada (CPA Canada). 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.

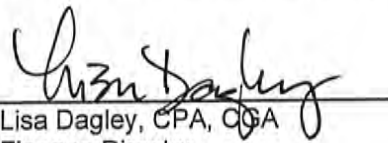
The Town's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely 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 Town. The accompanying Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the Town's consolidated financial statements.



Bea Renton
Chief Administrative Officer (CAO)/Clerk



Lisa Dagley, CPA, CGA
Finance Director

INDEPENDENT AUDITOR'S REPORT

September 17, 2019

Her Worship the Mayor and
Members of the Council
Town of Lunenburg
Lunenburg, Nova Scotia

Opinion

We have audited the accompanying consolidated financial statements of the Town of Lunenburg (the "Town"), which comprise the consolidated statement of financial position as at March 31, 2019 and the consolidated statement 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.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Town of Lunenburg as at March 31, 2019, 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.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Town in accordance with ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 on the audit of consolidated financial statements taken as a whole.

Responsibilities of Management and Those Charged with Governance for the Consolidated 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.

In preparing the consolidated financial statements, management is responsible for assessing the Town's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Town or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Town's financial reporting process.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Town's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Town's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Town to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Belliveau Veinotte Inc.

REGISTERED MUNICIPAL AUDITORS
CHARTERED PROFESSIONAL ACCOUNTANTS

Bridgewater, Nova Scotia
September 17, 2019

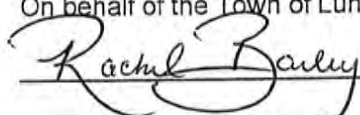
TOWN OF LUNENBURG
 Consolidated Statement of Financial Position
 Year Ended March 31, 2019

	2019	2018
ASSETS		
Financial assets		
Cash and bank balances	\$ 4,389,399	\$ 2,843,174
Taxes receivable (less allowance for doubtful accounts)	224,670	204,672
Other receivables (less allowance for doubtful accounts \$156,431; 2018 - \$118,525) (Note 16 – A-19 – A-21)	2,339,553	3,040,757
Due from Hillcrest Cemetery Perpetual Care Fund	15,000	80,000
	\$ 6,968,622	\$ 6,168,603
LIABILITIES		
Financial liabilities		
Temporary borrowing	\$ 847,114	\$ 1,116,639
Due to Governments	19,307	-
Payables	1,933,724	1,645,884
Long-term debt (Note 5 – A-11)	3,986,547	3,515,118
Other liabilities	284,799	205,782
	7,071,491	6,483,423
NET FINANCIAL ASSETS (LIABILITIES)	\$ (102,869)	\$ (314,820)
NON FINANCIAL ASSETS		
Tangible capital assets (Note 6 – A-12, A-13)	\$37,492,722	\$37,033,832
Inventory not held for resale	172,367	163,503
Prepaid expenses	279,263	40,615
	37,944,352	37,237,950
NET ASSETS	\$37,841,483	\$36,923,130
MUNICIPAL POSITION		
Surplus	\$ 719,396	\$ 885,530
Reserve funds	4,463,025	3,635,524
Investment in capital assets	32,659,062	32,402,076
TOTAL MUNICIPAL POSITION	\$37,841,483	\$36,923,130

Commitments (Note 7 – A-14, A-15)
 Contingencies (Note 8 – A-15)

See accompanying notes to the consolidated financial statements

On behalf of the Town of Lunenburg

 Mayor



Town Manager /Clerk

TOWN OF LUNENBURG

Consolidated Statement of Financial Activities

Year Ended March 31, 2019

	Budget	2019 Actual	2018 Actual
REVENUES			
Assessable property taxes (net of school board appropriations)	\$ 4,633,400	\$ 4,706,731	\$ 4,526,739
Grants in lieu of taxes	233,400	233,320	229,422
Sales of services	8,074,500	8,377,376	8,019,858
Other revenue from own sources	2,200,450	957,401	793,830
Unconditional transfers from other governments	50,100	75,889	71,843
Conditional transfers from federal provincial governments or agencies	1,640,850	945,902	4,190,728
Conditional transfers from other local governments	191,700	152,214	347,557
	17,024,400	15,448,833	18,179,977
EXPENDITURES			
General government services	515,767	475,242	505,245
Protective services	1,616,901	1,638,897	1,508,201
Transportation services	1,667,400	1,180,921	1,189,862
Environmental health services	2,690,800	1,697,252	1,629,834
Public health services	105,600	96,320	105,783
Environmental development services	1,094,590	535,573	482,580
Recreational and cultural services	1,061,342	893,781	806,699
Water utility services	1,637,000	1,319,362	1,238,217
Electric utility services	6,635,000	6,693,132	6,088,913
	17,024,400	14,530,480	13,555,334
NET REVENUES FOR THE YEAR	\$ -	918,353	4,624,643
Municipal Position, beginning of year		36,923,130	32,298,487
MUNICIPAL POSITION, END OF YEAR		\$ 37,841,483	\$ 36,923,130

See accompanying notes to the consolidated financial statements

TOWN OF LUNENBURG

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Consolidated Statement of Changes in Financial Position

Year Ended March 31, 2019

	2019	2018
OPERATING ACTIVITIES		
Net revenues for the year	\$ 918,353	\$ 4,624,643
Amortization of tangible capital assets	1,713,745	1,365,210
Loss on write down of tangible capital assets	282,517	307,302
Items not affecting cash:		
Taxes receivable	(123,554)	81,603
Other receivables	701,204	(1,836,953)
Hillcrest Cemetery Perpetual Care Fund	65,000	(51,800)
Inventory	(8,864)	28,380
Prepaid assets	(238,648)	(15,506)
Payables	309,302	762,797
Other liabilities	180,416	(29,271)
Changes in non-cash working capital	884,856	(1,060,750)
Cash flow from (used by) operating activities	3,799,471	5,236,405
FINANCING ACTIVITIES		
Short-term debt issued	640,655	1,116,639
Short-term debt redeemed	(910,180)	(777,900)
Long-term debt issued	925,580	857,900
Long-term debt redeemed	(454,149)	(384,359)
Cash flow from (used by) financing activities	201,906	812,280
CAPITAL ACTIVITIES		
Purchase of tangible capital assets	(2,455,152)	(7,577,406)
Cash flow from (used by) capital activities	(2,455,152)	(7,577,406)
INCREASE IN CASH AND BANK BALANCES	1,546,225	(1,528,721)
Cash and cash equivalents - beginning of year	2,843,174	4,371,895
CASH AND BANK BALANCES – END OF YEAR	\$ 4,389,399	\$ 2,843,174

See accompanying notes to the consolidated financial statements

TOWN OF LUNENBURG**A-7****Consolidated Statement of Changes in Net Financial Assets (Liabilities)**

Year Ended March 31, 2019

	Budget	2019 Actual	2018 Actual
Annual Surplus (Deficit)	\$ -	\$ 918,353	\$ 4,624,643
Acquisition of tangible capital assets	(3,261,100)	(2,455,152)	(7,577,406)
Amortization of tangible capital assets	498,050	1,713,745	1,365,210
Loss on write down of tangible capital assets	-	282,517	307,302
Consumption (acquisition) of inventory	-	(8,864)	28,380
Consumption (acquisition) of prepaid expenses	-	(238,648)	(15,506)
INCREASE (DECREASE) IN NET FINANCIAL ASSETS	\$(2,763,050)	211,951	(1,267,377)
Net financial assets (liabilities), beginning of year		(314,820)	952,557
NET FINANCIAL ASSETS (LIABILITIES), END OF YEAR		\$ (102,869)	\$ (314,820)

See accompanying notes to the consolidated financial statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICING AND REPORTING PRACTICES

These consolidated financial statements of the Town of Lunenburg ("Town") 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 Chartered Professional Accountants of Canada (CPA Canada).

Reporting Entity

These consolidated statements reflect the assets, liabilities, revenues, expenditures and changes in fund balances and 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 Town Council and which are owned or controlled by the Town of Lunenburg.

(a) Consolidated Entities

In addition to the general Town of Lunenburg departments, the reporting entity includes the following where deemed material:

- The Town of Lunenburg Electric Utility
- The Town of Lunenburg Water Utility
- Hillcrest Cemetery

Inter-departmental and organizational transactions have been eliminated.

(b) Non-Consolidated Entities

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

- South Shore Regional Enterprise Network
- South Shore Housing Authority
- South Shore Regional Library Board

(c) Hillcrest Cemetery Perpetual Care Fund (Page B-25)

This fund and its related operations administered by the Town are not consolidated, but are reported separately on the trust funds' statement of continuity and statement of financial position. The total of these funds as of March 31, 2019 are \$223,920 (2018; \$221,165).

Fund Accounting

In accordance with practices common to public sector entities, the Town 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 Town 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 use 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.

Inventories

Inventories held by the Town are not viewed as financial assets. The inventory on hand will be used for future operational or capital purposes, and accordingly have been reflected as non-financial assets in the consolidated statement of financial position.

(continues)

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

Tangible Capital Assets

Effective April 1, 2009, the Town adopted Section 3150 of the Public Sector Accounting Handbook of CPA Canada with respect to the disclosure of tangible capital assets of local governments. Prior to April 1, 2009, the Town 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 Town 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 is calculated on a straight line basis over the asset's estimated useful life. Amortization recorded on assets of the electric and water utilities are calculated based on the Nova Scotia Utility and Review Board approved rates.

Estimated useful lives are as follows:

Buildings - municipal	40 years
Buildings - plants	20 - 25 years
Land improvements	20 - 25 years
Land	Not amortized
Machinery and equipment	10 - 15 years
Office equipment and furniture	5 years
Sewer lines	50 years
Sidewalks	20 - 25 years
Streets, roads and curbs	25 - 30 years
Vehicles	5 years
Electric utility, all assets	28.5 years
Water utility	
Structures and improvements	25 - 75 years
Equipment	5 - 20 years
Mains (Transmission and distribution)	75 years
Meters	20 - 25 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 the Canadian Public Sector Accounting Standards of CPA Canada 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 Town's financial instruments consists of cash and bank balances, amounts receivable, accounts payable and accrued liabilities, deposit liabilities, temporary borrowings and long-term debt. It is management's opinion that the Town is not exposed to significant interest or currency risks arising from these financial instruments.

The Town 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 Town provides services may experience financial difficulty and be unable to fulfill their obligations. The large number and diversity of taxpayers and customers minimizes credit risk.

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

3. CONTRIBUTIONS TO NON-CONSOLIDATED JOINT BOARDS, AGENCIES AND COMMISSIONS

The following contributions were made by the Town to non-consolidated board, agencies, and commissions:

	2019 Budget	2019 Actual	2018 Actual
South Shore Housing Authority (a)	\$ 22,000	\$ 19,307	\$ 18,617
South Shore Regional Library Board (b)	14,700	14,760	14,760
South Shore Regional Enterprise Network (c)	7,500	3,240	7,451
	\$ 44,200	\$ 37,307	\$ 40,828

(a) South Shore Housing Authority

The Town is required to finance its share of the operating deficit in the South Shore Housing Authority out of its current year's operations, based on a loss sharing ratio agreed upon by all participating units. The Town is responsible for approximately 10% of the annual deficit of the Housing Authorities projects in the Town's jurisdiction.

(b) South Shore Regional Library Board

The Town is responsible for its share of the South Shore Library Board's operations based on a per capita funding formula.

(c) South Shore Regional Enterprise Network

The SSREN wound up as of September 30, 2018.

4. MUNICIPAL POSITION

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

	2019	2018
Surplus Funds		
General	\$ 997	\$ 168,376
Water	251,881	251,822
Electric	466,518	465,332
Reserve Funds		
Town Operating	370,239	150,752
Town Capital	1,261,596	1,270,894
Town Capital - Solid Waste Closure	12,010	35,577
Water Capital	1,961,287	1,504,397
Electric Capital	857,893	673,904
Investment in Capital Assets		
Town Capital	20,002,099	19,233,898
Cemetery Capital	12,301	12,301
Water Capital	10,608,904	10,843,686
Electric Capital	2,035,758	2,312,191
	\$ 37,841,483	\$36,923,130

5. LONG-TERM DEBT

The balance of the net long-term liabilities reported on the consolidated statement of financial position is made up of the following Town agencies. Further details are reported on Page B-29 and B-30.

	2019	2018
Town General (including temporary borrowings)	\$ 3,503,911	\$ 3,161,257
Water Utility	529,750	570,500
Electric Utility	900,000	900,000
	\$ 4,833,661	\$ 4,631,757

Principal repayments required for the next five (5) years are as follows:

2020	\$ 1,382,073
2021	\$ 493,479
2022	\$ 975,679
2023	\$ 339,239
2024	\$ 282,038

TOWN OF LUNENBURG
Notes to Consolidated Financial Statements
Year Ended March 31, 2019

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6. TANGIBLE CAPITAL ASSETS 2019

TOWN	Opening Cost	Additions	Disposals	Write-Downs	Ending Cost	Amortization	Accumulated Amortization	Net book Value
Land	\$ 286,697	\$ -	\$ -	\$ -	\$ 286,697	\$ -	\$ -	\$ 286,697
Land Improvements	141,328	-	-	-	141,328	5,492	94,024	47,304
Buildings	11,361,136	942,295	-	-	12,303,432	331,639	3,440,157	8,863,276
Engineered Structures	21,947,827	1,273,649	5,243	-	23,216,233	682,699	10,468,254	12,747,980
Furniture & Equipment	564,037	13,079	-	-	577,116	35,545	439,852	137,264
Heritage & Cultural Equipment	177,097	-	-	-	177,097	5,575	169,244	7,853
Machinery & Equipment	2,579,497	28,204	-	-	2,607,701	120,559	1,507,770	1,099,930
Parks & Playgrounds	781,027	-	-	-	781,027	38,866	463,625	317,403
Work in Progress	-	-	-	-	-	-	-	-
ELECTRIC								
Land	2,371	-	-	-	2,371	-	-	2,371
Transmission	2,649,389	27,340	-	-	2,676,729	89,064	1,255,197	1,421,532
Distribution	1,640,858	98,768	-	-	1,739,626	42,117	1,420,067	319,560
Highway Lighting	221,186	15,964	-	-	237,149	8,227	177,172	59,977
Transformers	1,148,159	18,164	-	46,018	1,120,306	33,765	600,596	519,709
Services	276,190	5,063	-	-	281,252	6,807	146,160	135,093
Meters	345,883	4,802	-	41,617	309,068	8,418	111,304	197,764
Buildings	93,329	-	-	-	93,329	1,704	72,667	20,663
Equipment	757,417	-	483,439	-	273,978	9,310	114,884	159,094
Work in Progress	-	-	-	-	-	-	-	-
WATER								
Land & Land Rights	133,454	-	-	-	133,454	-	-	133,454
Structures & Improvements	6,205,739	5,264	-	-	6,211,002	103,822	1,061,377	5,149,626
Equipment	2,399,308	22,560	-	-	2,421,868	123,172	1,064,744	1,357,124
Mains	5,298,146	-	9,399	125,834	5,162,913	61,126	903,756	4,259,158
Services	179,734	-	-	-	179,734	3,595	35,024	144,710
Meters	55,785	-	-	-	55,785	707	11,526	44,259
Hydrants	116,015	-	-	-	116,015	1,536	65,691	50,324
Work in Progress	-	-	-	-	-	-	-	-
CEMETERY								
Land	12,301	-	-	-	12,301	-	-	12,301
Equipment	-	-	-	-	-	-	-	-
	\$ 59,373,909	\$ 2,455,152	\$ 498,081	\$ 213,468	\$ 61,117,512	\$ 1,713,744	\$ 23,623,089	\$ 37,494,423

TOWN OF LUNENBURG
Notes to Consolidated Financial Statements
Year Ended March 31, 2019

6. TANGIBLE CAPITAL ASSETS 2018

TOWN	Opening Cost	Additions	Disposals	Write-Downs	Ending Cost	Amortization	Accumulated Amortization	Net book Value
Land	\$ 286,697	-	-	\$ -	\$ 286,697	\$ -	\$ -	\$ 286,697
Land Improvements	141,328	-	-	-	141,328	5,763	88,532	52,796
Buildings	9,068,136	2,292,058	-	-	11,360,195	187,210	3,108,518	8,251,678
Engineered Structures	18,119,322	3,828,506	-	-	21,947,827	720,444	9,785,555	12,162,273
Furniture & Equipment	564,037	-	-	-	564,037	35,545	404,307	159,730
Heritage & Cultural Equipment	177,097	-	-	-	177,097	5,575	163,669	13,428
Machinery & Equipment	2,624,503	156,902	281,908	-	2,499,497	(88,171)	1,387,211	1,112,285
Parks & Playgrounds	762,927	18,100	-	-	781,027	38,897	424,759	356,269
ELECTRIC								
Land	2,371	-	-	-	2,371	-	-	2,371
Transmission	2,633,004	16,385	-	-	2,649,389	89,046	1,166,133	1,483,256
Distribution	1,542,235	98,623	-	-	1,640,858	38,665	1,377,950	262,908
Highway Lighting	192,610	28,576	-	-	221,186	7,227	168,945	52,241
Transformers	1,073,598	74,561	-	-	1,148,159	30,975	605,316	542,843
Services	272,269	3,922	-	-	276,191	6,670	139,353	136,838
Meters	230,456	115,428	-	-	345,884	4,377	144,503	201,381
Buildings	77,494	15,835	-	-	93,329	1,149	70,963	22,366
Equipment	723,557	33,860	-	-	757,417	24,165	249,425	507,992
WATER								
Land & Land Rights	133,454	-	-	-	133,454	-	-	133,454
Structures & Improvements	6,205,739	-	-	-	6,205,739	103,822	957,555	5,248,184
Equipment	2,420,090	4,612	25,394	-	2,399,308	122,109	941,572	1,457,736
Mains	4,416,701	881,445	-	-	5,298,146	51,425	968,464	4,329,682
Services	171,143	8,590	-	-	179,734	3,423	31,429	148,305
Meters	55,785	-	-	-	55,785	752	10,819	44,966
Hydrants	116,015	-	-	-	116,015	1,536	64,155	51,860
CEMETERY								
Land	12,301	-	-	-	12,301	-	-	12,301
	\$ 52,022,868	\$ 7,577,403	\$ 307,302	\$ -	\$ 59,292,970	\$ 1,390,604	\$ 22,259,132	\$ 37,033,837

7. COMMITMENTS

(a) Garbage Collection

The Town is committed to a contract for garbage collection over the next five years, 2019/20, \$228,300; (2020/21, \$211,800; 2021/22, \$216,600; 2022/23, \$221,400; 2023/24, \$226,400).

(b) Garbage Disposal Site

Commencing April 1, 1991, the Town entered into an agreement with the Town of Bridgewater, Town of Mahone Bay and the Municipality of the District of Lunenburg to share in the capital cost of the site. The cost sharing is based on the average of waste collected and uniform assessment over the last five (5) years. Each of the units have a vested interest in this site, however, no unit can receive this vested interest unless all units mutually agree to close the site to solid waste disposal.

The Town of Lunenburg officially withdrew from this agreement on March 31, 2012. Negotiations are unresolved to determine the Town's future obligations for Site Closure Liability and the value of the Town's share of the Solid Waste Site's net assets.

The Town of Lunenburg can no longer control or derive any future economic benefit associated with its share of the capital assets at the garbage disposal site. According to PSAB 3150, these are no longer considered assets of the Town for financial statement reporting purposes. As such, the value of these assets were reduced to \$Nil in the 2012/2013 consolidated financial statements.

The Town's share of these assets has not been reduced in the non-consolidated financial statements which are not subject to PSAB accounting rules. Capital assets recorded to date are estimates based on the last known value at March 31, 2013. They are recorded as expenditures in accordance with note 1 in regard to the cost of this site which were allocated as follows:

Apportionment of capital costs	
Town of Bridgewater	\$ 3,455,616
Town of Lunenburg	1,062,115
Town of Mahone Bay	436,260
Municipality of the District of Lunenburg	8,122,619
	<hr/>
	13,076,610
Other Municipal units' vested interest	(12,014,495)
	<hr/>
Town of Lunenburg vested interest	\$ 1,062,115
	<hr/>

(continues)

7. COMMITMENTS *(cont'd)*

On October 10, 2004, the Town, together with the Town of Bridgewater, Town of Mahone Bay and the Municipality of the District of Lunenburg entered into a twenty year agreement with the District of Chester, commencing January 2, 2006, and terminating on March 31, 2026, to ship all second generation waste resources ("solid waste") from the Lunenburg Regional Community Recycling Centre ("LRCRC") to the second generation solid waste disposal site at Kaizer Meadow Landfill, located in the District of Chester.

The price per metric tonne is subject to an annual escalation clause effective April 1, 2006, which shall be the lesser of the amount of the increase in the consumer price index for all items for Nova Scotia for the previous calendar year, or the sum of 2.5% per annum. The agreement also guarantees a minimum tonnage delivered to the District of Chester's disposal site of 10,000 tonnes.

As a result of this agreement, if at the end of any year, the amount paid by the LRCRC is less than the minimum amount based on the minimum tonnage clause, the LRCRC is obligated to pay the District of Chester the difference to make up the minimum annual payment.

This agreement was not re-negotiated as Chester will continue to add the Town of Lunenburg's solid waste tonnage to that of the LRCRC. Tonnage shortages will be addressed only if the need arises.

8. CONTINGENCIES

As previously noted, the Town, in partnership with the Municipality of the District of Lunenburg and the Towns of Bridgewater and Mahone Bay operated the waste disposal site at Whynott's Settlement. The Closure of the Site was substantially complete at March 31, 2014. The Town has a balance of \$12,595 left in reserve funds after \$124,369 of Site Closure and well monitoring costs were recorded, which Council has not yet agreed to pay. There is an estimated liability of \$25,750 remaining for Site Closure.

The Town has given the Municipal Finance Corporation a guarantee in support of the Lunenburg Home for Special Care Corporation's loan, not to exceed \$908,000 and has agreed to share in the operating deficit of the expansion to the Home that was completed in 1984. No provision for the operating deficit has been made in these statements as the Home adjusts its rates to recoup any deficit so incurred.

9. COMPARATIVE FIGURES

Certain accounts in the prior year financial statements have been reclassified for comparative purposes to conform to the presentation in the current year's financial statements.

10. LUNENBURG DISTRICT'S 1 AND 2 FIRE COMMISSION (THE "DISTRICT")

In 1996, the Town entered into an agreement with the District to provide fire protection services to their area. Under the agreement the District pays for 50% of the approved operating costs plus 6.5% administration fee. This contribution is shown as Town revenues as detailed on page B-7, #7 of these statements.

The District has also contributed towards or directly purchased fire protection assets.

Only the Town's equity in the new fire hall, fire fighting vehicle and equipment has been reported in these financial statements. The District's equity is noted below.

The summary of equity in all firefighting assets is as follows:

	2019	2018
Building, net of accumulated amortization	\$ 897,217	\$ 946,397
Equipment, net of accumulated amortization	1,021,691	1,144,980
Training area, net of accumulated amortization	27,479	30,380
Total Equity	1,946,387	2,121,757
Lunenburg District's 1 & 2 Fire Commission equity	(589,847)	(662,366)
Town of Lunenburg Equity	\$ 1,356,540	\$ 1,459,391

11. PENSION PLAN, POST-EMPLOYMENT AND RETIREMENT BENEFITS

The Town of Lunenburg has a defined contribution pension plan consisting of an employee chosen mix of pension and RRSP funds at matched employer contribution rate of 6%.

The Town provides retirement benefits in the form of a cash award equal to 1 ¼ days of the employee's daily rate of pay at the time of retirement multiplied by the number of complete years of service that the employee has served with the Town. Additionally, existing employees will receive a payout of accumulated sick leave at a rate of 1 day's pay for every 2 days of unused sick leave. Sick leave is accumulated at a rate of 1 ½ days per month to a maximum accumulation of 140 days.

In 2015, the Town adopted accrual accounting for these retirement benefits. Prior to that date the Town recognized benefit expenses equal to its payments for the actual costs incurred by the retirees and no liability for retirement benefits was recorded in the statement of financial position. An annual accrual is now made for employees who are within 5 years of retirement. No actuarial valuation is made; the accrual is based on the qualifying employees' current rate of pay.

12. SUBSEQUENT EVENT

Subsequent to year end the Town of Lunenburg entered into a purchase/sale agreement on the former library property and building. The property and building were purchased by the Town from the Province of Nova Scotia for \$1 and have a nominal value so no transfer was made to assets held for sale.

13. REMUNERATION AND HOSPITALITY EXPENSE

Remuneration of Council and the Chief Administrative Officer (CAO)/Clerk were as follows:

	2018/19 Remuneration	2018/19 Expenses	2018/19 Total
Mayor Rachel Bailey	\$ 26,417	\$ 4,379	\$30,796
Councillor Peter Mosher	18,015	-	18,015
Councillor Ronald Bachman	13,797	811	14,608
Councillor Joseph Carnevale	13,797	65	13,862
Councillor Danny Croft	13,797	-	13,797
Deputy Mayor John McGee	16,914	75	16,989
Councillor Matthew Risser	13,797	-	13,797
	116,534	5,330	121,864
Chief Administrative Officer (CAO)/Clerk (Salary \$118,237; car allowance \$480; meeting pay \$2,000)	120,717	2,498	123,215
(See B-34 for more information)	\$237,251	\$ 7,828	\$245,079

Hospitality expenses

Commencing January 1, 2019, the Province of Nova Scotia requires that Municipal Units report any hospitality expenses. For the period of January 1, 2019 to March 31, 2019 there were no hospitality expenditures for the Town of Lunenburg.

14. SEGMENT DISCLOSURE (SEE A-22 FOR BREAKDOWN)

The Town of Lunenburg is a diversified municipal government that provides a wide range of services to its citizens. For management reporting purposes, the Government's operations and activities are organized and reported by Fund. Funds were 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 activities are reported in these funds. Functional activities of certain departments have been separately disclosed in the segmented information to identify key areas of accountability:

General Government Services:

Activities that provide for the overall operation of the Town and that are common to or affect all of the services provided by the Town. This includes the activities of Council as well as the following administrative activities: human resources, legal services, facilities management, finance and administration, communications and technology.

Protective Services:

Activities that provide for the public safety of the citizens of the Town of Lunenburg. These services include police and fire protection as well as by-law enforcement, building inspection services and EMO.

Transportation Services:

The activities performed by the Engineering and Works Department and include management, maintenance and development of a wide variety of municipal infrastructure. This department's activities include but are not limited to road maintenance, sidewalk maintenance, snow removal and salting. Activities also include the operation of a sewer treatment facility and a water treatment facility.

Environmental Health Services:

The activities provide provincially regulated environmental services for the Town of Lunenburg. These services include the collection of solid waste materials, and the sanitary wastewater collection and treatment facility and infrastructure.

Environmental Development Services:

The activities include the support and management of the Municipality's physical and economic development. These activities include activities related to land use planning, zoning and development and other services to support the business community.

Recreation and Cultural Services:

Activities related to the Town of Lunenburg's recreation and cultural facilities, including the operation and maintenance of the Lunenburg War Memorial Community Centre and Arena facilities, parks, trails and various other facilities including a library. This also includes the expenditures for various recreational programming and special events as well as support of volunteer organizations.

Water Treatment and Distribution:

Activities related to the treatment and distribution of drinking water residents and businesses of the Town of Lunenburg following the Province of Nova Scotia regulations.

Electric Utility:

The Town of Lunenburg owns and operates its own electric utility providing residential and commercial services. The Lunenburg Electric Utility distributes electricity in its service district extending to Mason's Beach and Blue Rocks in the Municipality of the District of Lunenburg.

15. DETAILED BREAKDOWN OF TAXES AND VALUATION ALLOWANCES

Property taxes

	Beginning	Tax Billings	Collected	2019 Ending	2018 Ending
Prior Year Billings	\$ 110,606	\$ -	\$ 39,137	\$ 71,469	\$ 92,700
Current Year Billings	-	4,400,464	4,266,226	134,238	96,416
	\$ 110,606	\$ 4,400,464	\$4,305,363	205,707	189,116
Interest				28,453	25,046
Total Outstanding				234,160	214,162
Less: Allowance for Doubtful Accounts				(9,490)	(9,490)
Net Taxes Receivable				\$ 224,670	\$ 204,672
Tax account prepayments (included in other liabilities)				(117,927)	(103,556)

16. DETAILED BREAKDOWN OF OTHER RECEIVABLES AND VALUATION ALLOWANCES

Sewer Charges

	Beginning	Sewer Billings	Collected	2019 Ending	2018 Ending
Prior Year Billings	\$ 30,799	\$ -	\$ 25,662	\$ 5,137	\$ 3,990
Current Year Billings	-	869,982	840,984	28,998	24,652
Interest	\$ 30,799	\$ 869,982	\$ 866,646	34,135 2,074	28,642 2,157
Total Outstanding				36,209	30,799
Add: Accrued Receivable for Sewer Revenue				135,538	128,060
Less: Allowance for Doubtful Accounts				-	-
Net Sewer Charges Receivable				\$ 171,747	\$ 158,859

Miscellaneous Other Town Receivables

	Beginning	Billings	Collected	2019 Ending	2018 Ending
Prior Year Billings	\$ 271,779	\$ -	\$ 271,779	\$ -	\$ -
Current Year Billings	-	3,779,870	3,702,371	77,499	270,698
Interest	\$ 271,779	\$ 3,779,870	\$ 3,974,150	77,499 138	270,698 1,081
Total Outstanding				77,637	271,779
Less: Allowance for Doubtful Accounts				-	-
Net Miscellaneous Receivables				\$ 77,637	\$ 271,779

Arena and Community Centre Receivables

	Beginning	Billings	Collected	2019 Ending	2018 Ending
Prior Year Billings	\$ 14,525	\$ -	\$ 13,954	\$ 571	\$ 235
Current Year Billings	-	248,007	227,417	20,590	14,194
Interest	\$ 14,525	\$ 248,007	\$ 241,371	21,161 255	14,429 96
Total Outstanding				21,416	14,525
Less: Allowance for Doubtful Accounts				-	-
Net Arena and Community Centre Receivables				\$ 21,416	\$ 14,525

(continued)

16. DETAILED BREAKDOWN OF OTHER RECEIVABLES AND VALUATION ALLOWANCES
(continued)

Cemetery Receivables

	Beginning	Billings	Collected	2019 Ending	2018 Ending
Prior Year Billings	\$ 721	\$ -	\$ -	\$ 721	\$ 362
Current Year Billings	-	23,510	22,052	1,458	-
Interest	\$ 721	\$ 23,510	\$ 22,052	2,179 403	362 359
Total Outstanding				2,582	721
Less: Allowance for Doubtful Accounts				(721)	(721)
Net Cemetery Receivables				\$ 1,861	\$ -

Water Billings

	Beginning	Billings	Collected	2019 Ending	2018 Ending
Prior Year Billings	\$ 233,186	\$ -	\$ 229,296	\$ 3,890	\$ 2,161
Current Year Billings	-	1,506,684	1,252,008	254,676	227,355
Interest	\$ 233,186	\$ 1,506,684	\$1,481,304	258,566 5,492	229,516 3,670
Total Outstanding				264,058	233,186
Less: Allowance for Doubtful Accounts				(15,386)	(12,753)
Net Water Billings Receivable				\$ 248,672	\$ 220,433

(continues)

16. DETAILED BREAKDOWN OF OTHER RECEIVABLES AND VALUATION ALLOWANCES
(continued)

Electric Billings

	Beginning	Billings	Collected	2019 Ending	2018 Ending
Prior Year Billings	\$ 753,799	\$ -	\$ 702,591	\$ 51,208	\$ 49,235
Current Year Billings	-	6,414,928	5,802,434	612,494	662,809
	\$ 753,799	\$ 6,414,928	\$ 6,505,025	663,702	712,044
Interest				47,792	41,755
Total Outstanding				711,494	753,799
Add: Accrued Receivable for Electric Revenue				261,085	244,292
Less: Allowance for Doubtful Accounts				(127,359)	(105,051)
Net Electric Billings Receivable				\$ 845,220	\$ 893,040

Miscellaneous Electric Receivables

	Beginning	Billings	Collected	2019 Ending	2018 Ending
Prior Year Billings	\$ 70,355	\$ -	\$ 59,671	\$ 10,684	\$ -
Current Year Billings	-	26,350	34,265	(7,915)	70,355
	\$ 70,355	\$ 26,350	\$ 93,936	2,769	70,355
Interest				2,334	188
Total Outstanding				5,103	70,543
Less: Allowance for Doubtful Accounts				(12,965)	-
Miscellaneous Electric Receivables				\$(7,862)	\$ 70,543

Total Other Receivables

Total Outstanding Other Receivables				\$ 2,495,984	\$ 3,040,757
Less:					
Total Allowance for Doubtful Accounts				(156,431)	(118,525)
Total Net Other Receivable				\$ 2,339,553	\$ 2,922,232

Notes to Consolidated Financial Statements
Year Ended March 31, 2019

17. CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE

Town of Lunenburg Consolidated Schedule of Segment Disclosure For the Year Ended March 31, 2019									
	General Government	Protective Services	Transportation Services	Environmental Health Services	Environmental Development Services	Recreation and Cultural Services	Water Utility	Electric Utility	2019
Revenues									
Property Taxes	\$ 3,836,749.00	\$ -	\$ -	\$ 869,982.00	\$ -	\$ -	\$ -	\$ -	\$ 4,706,731.00
Grants in Lieu of Taxes	227,533	5,019	768	-	-	-	-	-	233,320
Sales of Service	8,852	-	136,507	16,354	1,248	291,963	1,507,524	6,414,928	8,377,376
Other Revenue from Own Sources	182,892	5,815	10,833	-	476,326	67,483	27,101	186,951	957,401
Unconditional Tran other govts	68,985	-	-	-	-	-	6,904	-	75,889
Conditional Transfer from Fed & Prov	-	1,000	-	787,216	157,686	-	-	-	945,902
Cond Trans from other local Govt	-	152,214	-	-	-	-	-	-	152,214
	4,325,011	164,048	148,108	1,673,552	635,260	359,446	1,541,529	6,601,879	15,448,833
Expenditures									
Salaries, Benefits	216,872	82,853	474,164	215,237	164,700	441,963	500,606	545,588	2,641,983
Interest	2,582	10,905	19,057	15,523	11,108	6,662	21,115	39,192	126,144
Materials and Other Operating	148,160	-	504,388	747,461	272,418	222,381	558,665	5,559,928	8,013,401
Amortization	34,622	119,145	254,978	504,036	162,605	144,990	202,276	199,412	1,622,064
Utilities	8,402	15,180	2,337	214,995	21,062	77,785	27,301	1,894	368,956
Grants	25,606	-	-	-	-	-	-	-	25,606
Fire Department	-	194,656	-	-	-	-	-	-	194,656
Fire Protection Rate	-	325,360	-	-	-	-	-	-	325,360
Policing & Corrections	-	830,091	-	-	-	-	-	-	830,091
Other Protective Services	-	60,707	-	-	-	-	-	-	60,707
Reduced Taxes	38,994	-	-	-	-	-	-	-	38,994
Assets Retired	-	-	(74,003)	-	-	-	9,399	347,121	282,517
	475,238	1,638,897	1,180,921	1,697,252	631,893	893,781	1,319,362	6,693,135	14,530,479
	\$ 3,849,773	\$ (1,474,849)	\$ (1,032,813)	\$ (23,700)	\$ 3,367	\$ (534,335)	\$ 222,167	\$ (91,256)	\$ 918,354

TOWN OF LUNENBURG
Supplementary Financial Information
Non-Consolidated Financial Statements
Year Ended March 31, 2019
Section B

TOWN OF LUNENBURG

SECTION B

SUPPLEMENTARY FINANCIAL INFORMATION

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TOWN OF LUNENBURG
 Supplementary Financial Information
 General Section - Statement of Operations
 Year Ended March 31, 2019

B-1

	Page	Budget	2019 Actual	2018 Actual
REVENUE				
Taxes	B-6	\$ 5,417,900	\$ 5,513,115	\$ 5,319,669
Grants in lieu of taxes	B-6	233,400	233,320	229,422
Sales of services	B-6	445,900	454,924	401,438
Other revenue from own sources	B-7	341,500	365,930	293,977
Unconditional transfers from Federal and Provincial governments and agencies	B-7	72,100	69,096	71,843
Conditional transfers from Federal and Provincial governments and agencies	B-7	1,500	1,000	1,600
Conditional transfers from other local governments	B-7	161,700	152,214	145,982
Other transfers	B-7	18,300	41,567	26,697
		6,692,300	6,831,166	6,490,628
EXPENDITURES				
General government services	B-8	430,500	440,616	470,623
Protective services	B-9	1,541,700	1,519,752	1,436,546
Transportation services	B-9	918,600	999,947	845,522
Environmental health services	B-10	1,149,400	1,193,215	1,097,669
Public Health services	B-10	81,800	65,386	74,566
Environmental development services	B-10	403,800	372,967	397,087
Recreational and cultural services and education	B-11	733,900	749,792	687,803
Fiscal services	B-11	1,432,600	1,488,494	1,480,042
		6,692,300	6,830,169	6,489,858
EXCESS OF REVENUE OVER EXPENDITURES		-	997	770
Accumulated Surplus, Beginning of Year			168,376	167,606
Transfer of Surplus to Operating Reserve			(168,376)	-
SURPLUS – END OF YEAR			\$ 997	\$ 168,376

TOWN OF LUNENBURG

Supplementary Financial Information

General Section – Operating Fund Statement of Financial Position

Year Ended March 31, 2019

	2019	2018
ASSETS		
Cash	\$ 1,424	\$ 1,424
Bank balance	188,494	582,365
Receivables		
Taxes and accrued interest (less allowance for doubtful accounts 2019, \$9,490; 2018, \$9,490)	224,670	204,672
Due from Federal Government and its agencies	36,856	387,078
Due from Provincial Government and its agencies, conditional transfers	80,410	466,397
Due from other Local Governments	13,126	13,993
Sewer receivables	171,747	158,859
Due from Cemetery Fund	4,423	-
Due from Operating Reserve	-	-
Due from Perpetual Care Reserve	15,000	80,000
Other	900,226	1,305,900
	1,636,376	3,200,691
Inventories of materials and supplies, at cost	37,711	30,163
Prepaid expenses	242,456	30,237
	\$ 1,916,543	\$ 3,261,091
LIABILITIES		
Payables		
Trade balances	\$ 608,396	\$ 1,239,554
Employee benefits – short term	224,011	189,001
Due to Electric Utility	64,168	5,524
Due to Water Utility	460,172	921,774
Due to Capital Reserve	56,632	518,850
Due to Cemetery Fund	-	4,139
Due to Operating Reserve	213,271	32,813
	1,626,650	2,911,655
Funds received and held for special projects	7,938	8,449
Deferred revenue	168,602	103,759
Employee benefits – long term	112,356	68,852
	1,915,546	3,092,715
NET ASSETS		
Surplus	997	168,376
	\$ 1,916,543	\$ 3,261,091

On behalf of the Town, of Lunenburg

Rachel Bailey

Mayor

RA

Town Manager/Clerk

TOWN OF LUNENBURG

B-3

Supplementary Financial Information

General Section – Capital Fund Statement of Financial Position

Year Ended March 31, 2019

	2019	2018
ASSETS		
Due from Town	\$ -	\$ -
	-	-
Property and equipment (<i>page B-5</i>)	24,535,405	23,424,548
	\$ 24,535,405	\$ 23,424,548
LIABILITIES		
Temporary borrowings	\$ 847,114	\$ 1,116,639
	847,114	1,116,639
Long-term debt		
Due to Perpetual Care Fund	163,820	173,960
Due to Municipal Finance Corporation	2,492,979	1,870,658
	3,503,913	3,161,257
NET ASSETS		
Investment in capital assets (<i>page B-4</i>)	21,031,490	20,263,291
	\$ 24,535,403	\$ 23,424,548

On behalf of the Town of Lunenburg



Mayor



Town Manager/Clerk

TOWN OF LUNENBURG**B-4**

Supplementary Financial Information

General Section – Statement of Investment in Capital Assets

Year Ended March 31, 2019

	2019	2018
BALANCE - BEGINNING OF YEAR	\$ 20,263,291	\$ 16,107,925
Contributions, other	227,654	264,100
Capital from revenue, fiscal services	127,487	117,528
Grants for capital purposes:		
Federal Gas Tax	168,672	56,458
Nova Scotia Department of Communities, Culture and Heritage	160,857	663,304
Nova Scotia ACOA	-	176,529
Nova Scotia Clean Water Waste Water	578,337	2,507,770
Parks Canada	157,686	856,844
Long-term debt retired	313,399	243,609
Transfer from Capital Reserve Fund	180,481	456,395
Capital assets retired	(5,998)	(281,908)
Capital assets revalued (retired)	80,000	-
Depreciation expense	(1,220,376)	(905,263)
INCREASE (DECREASE) IN INVESTMENT IN CAPITAL ASSETS	768,199	4,155,366
BALANCE - END OF YEAR	\$ 21,031,490	\$ 20,263,291

TOWN OF LUNENBURG
 Supplementary Financial Information
 General Section – Capital Assets
 Year Ended March 31, 2019

B-5

	Buildings	Plant Equipment	Other	2019 Total	2018 Total
General government Services	\$ 1,457,328	\$ 99,530	\$ -	\$ 1,556,858	\$ 1,505,816
Protective services Fire	2,241,254	941,361	46,855	3,229,470	3,203,365
Transportation services					
Common services	132,979	740,537	-	873,516	777,879
Road transport					
streets and sidewalks	-	-	7,246,372	7,246,372	7,008,799
Parking lot	-	-	15,102	15,102	15,102
Heritage signage	-	-	98,993	98,993	98,993
Parking meters	-	-	121,838	121,838	113,708
Tanyard sea wall	-	-	47,147	47,147	26,150
Flying Fish Sculptures Project	-	-	22,356	22,356	22,356
UNESCO Plaza	-	-	24,940	24,940	24,940
Interpretive KIOSKS	-	-	30,807	30,807	30,807
Boat launch	-	-	339,259	339,259	273,943
Environmental health services					
Sewage collection and disposal	-	-	15,568,355	15,568,355	14,623,835
Pollution abatement system	-	-	692,624	692,624	692,624
Garbage site	1,085,728	350,398	490,476	1,926,602	1,926,602
Environmental development services					
Lunenburg Academy	6,252,256	-	-	6,252,256	5,453,810
New Town School (Annex)	12,500	-	-	12,500	12,500
Recreation and community services					
Community Centre/Arena	1,549,045	1,051,941	-	2,600,986	2,580,469
Library	53,244	135,477	-	188,721	141,517
Public washrooms	122,252	-	-	122,252	117,360
Capt. Angus J. Walters House Museum	245,436	128,872	-	374,308	363,455
Parks, common lands, etc.	-	-	517,837	517,837	517,832
Victoria Road – Blue Barn	101,662	-	-	101,662	101,662
Victoria Road Playground	-	-	50,778	50,778	50,778
	13,253,684	3,448,116	25,313,739	42,015,539	39,684,307
Accumulated amortization	(3,887,135)	(2,258,727)	(11,334,272)	(17,480,134)	(16,259,759)
	\$ 9,366,549	\$ 1,189,389	\$ 13,979,467	\$ 24,535,405	\$ 23,424,548

TOWN OF LUNENBURG
 Supplementary Financial Information
 General Section – Schedules to Statement of Operations
 Year Ended March 31, 2019

B-6

	2019	2018
1. TAXES		
Assessable property		
Residential	\$ 2,978,338	\$ 2,888,481
Commercial	1,415,185	1,388,938
Resource	6,941	6,774
	4,400,464	4,284,193
Business property		
Based on Revenue (Bell Aliant)	19,195	17,575
	19,195	17,575
Other		
Sewer annual charge	869,982	823,773
Deed transfer tax	223,474	194,128
	\$ 5,513,115	\$ 5,319,669
2. GRANTS IN LIEU OF TAXES		
Provincial Government		
Provincial building (DNR)	\$ 227,533	\$ 223,642
Property of supported institutions (TIR)	768	761
Fire Protection (Museum)	5,019	5,019
	\$ 233,320	\$ 229,422
3. SALES OF SERVICES		
Parking meters	\$ 109,306	\$ 76,498
Transportation services	27,201	29,149
Miscellaneous	26,936	23,490
	163,443	129,137
Recreational services		
Admissions	23,173	24,242
Rentals and concessions	193,100	180,447
Rentals – School Board	31,371	31,278
Grants	43,473	35,921
Sundry	364	413
	291,481	272,301
	\$ 454,924	\$ 401,438

TOWN OF LUNENBURG

Supplementary Financial Information

General Section – Schedules to Statement of Operations

Year Ended March 31, 2019

	2019	2018
4. OTHER REVENUE FROM OWN SOURCES		
Licenses and permits	\$ 13,882	\$ 15,105
Fines	10,833	14,913
Rentals	237,209	173,662
Interest on investments	17,555	11,219
Interest on taxes	83,190	76,061
Miscellaneous including donations	3,261	3,017
	\$ 365,930	\$ 293,977
5. UNCONDITIONAL TRANSFERS FROM FEDERAL AND PROVINCIAL GOVERNMENTS AND AGENCIES		
HST offset grant	\$ 18,985	\$ 21,725
Equalization grant	50,000	50,000
Farm acreage	111	118
	\$ 69,096	\$ 71,843
6. CONDITIONAL TRANSFERS FROM FEDERAL AND PROVINCIAL GOVERNMENTS AND AGENCIES		
Federal government		
Canada Day Grant	\$ -	\$ 600
Provincial government		
Emergency Measures Organization	1,000	1,000
	1,000	1,000
	\$ 1,000	\$ 1,600
7. CONDITIONAL TRANSFERS FROM OTHER LOCAL GOVERNMENTS		
Municipal Fire District 1 and 2 Commission		
Fire protection reimbursements	\$152,214	\$ 145,982
8. OTHER TRANSFERS		
Transfer from Operating and Capital Reserves	\$ 41,567	\$ 26,697

TOWN OF LUNENBURG**B-8**

Supplementary Financial Information

General Section – Schedules to Statement of Operations

Year Ended March 31, 2019

	2019	2018
9. GENERAL GOVERNMENT SERVICES		
Legislative		
Stipend		
Mayor	\$ 7,867	\$ 7,701
Councillors	26,709	25,573
Travel	555	1,346
Other legislative services	6,008	7,331
	41,139	41,951
General administrative		
Salaries and benefits	149,779	165,468
Office buildings	65,703	62,112
Legal and other professional service	14,364	14,028
Financial management	30,807	30,478
Interest on capital loan	2,582	3,233
Tax rebates or exemptions (low income)	4,933	7,467
Tax exemptions (Section 71 MGA)	34,061	35,110
Transfer to Assessment Services	47,067	46,899
Other general administrative services	11,031	7,258
	360,327	372,053
Other general government		
Election costs	-	19,190
Insurance	8,233	7,839
Grants to organizations including in-kind services	25,606	23,966
Other general services	5,311	5,624
	39,150	56,619
	\$ 440,616	\$ 470,623
10. PROTECTIVE SERVICES		
Police Protection		
RCMP	\$ 789,040	\$ 780,149
By-Law Enforcement		
Contracted services	3,143	4,901
Legal	12,399	9,012
Supplies and expense	349	-
Transfer to Correction Service	41,051	41,429
	\$ 56,942	\$ 55,342

(continues)

TOWN OF LUNENBURG
 Supplementary Financial Information
 General Section – Schedules to Statement of Operations
 Year Ended March 31, 2019

	2019	2018
10. PROTECTIVE SERVICES (cont'd)		
Fire Protection		
Fire fighting force	\$ 75,305	\$ 79,122
Water supply and hydrants	325,360	281,312
Training	12,441	8,192
Fire stations and buildings	80,809	81,074
Firefighting equipment	115,287	94,752
Other	19,753	22,041
	628,955	566,493
Emergency Measures Organization	7,282	3,705
Building Inspector and other	37,533	30,857
	\$ 1,519,752	\$ 1,436,546
11. TRANSPORTATION SERVICES		
Common services		
Administrative	\$ 173,740	\$ 151,376
General equipment	124,460	120,905
Small tools and equipment	4,891	2,358
Workshop, yards and other buildings	8,284	9,326
Worker's Compensation	10,153	9,443
	321,528	293,408
Roads and streets		
Labour	224,289	202,266
Supplies	42,939	33,235
Street cleaning	20,672	23,958
Snow and ice control	143,324	85,287
Street and sidewalk maintenance	81,658	49,943
Interest on loans	19,056	17,078
Street lighting	107,525	107,334
Traffic services	14,111	14,495
Parking meters	24,845	18,518
	678,419	552,114
	\$ 999,947	\$ 845,522

Supplementary Financial Information

General Section – Schedules to Statement of Operations

Year Ended March 31, 2019

	2019	2018
12. ENVIRONMENTAL HEALTH SERVICES		
Transfer to Capital Reserve for Solid Waste Landfill		
Solid Waste Landfill costs	\$ 168,049	\$ 154,275
	168,049	154,275
Sewage collection and disposal		
Labour, benefits and supplies	141,196	133,015
Sewer lift stations	85,689	87,539
Sewage treatment plant	549,825	492,583
Interest on sewer loans	15,523	5,103
	792,233	718,240
Garbage and waste collection and disposal		
Collection contract and other	232,933	225,154
	232,933	225,154
	\$ 1,193,215	\$ 1,097,669
13. PUBLIC HEALTH SERVICES		
Public Health		
Cemetery	\$ 46,079	\$ 55,950
Housing		
Deficit of Regional Housing Authority	19,307	18,616
	\$ 65,386	\$ 74,566
14. ENVIRONMENTAL DEVELOPMENT SERVICES		
Environmental planning and zoning		
Salaries and benefits	\$ 90,078	\$ 93,203
Advertising and other	3,240	5,603
Legal	1,708	1,032
	95,026	99,838
Community development		
South Shore Regional Enterprise Network Costs	3,282	7,451
Old Fire Hall	30,828	33,500
CNR station	19,624	19,584
Lunenburg Academy	183,752	189,494
Annex – 17 Tannery Road	1,211	1,038
Tourism – general	12,416	18,595
Communications	10,000	14,790
Visitors service centre	16,828	12,797
	277,941	297,249
	\$ 372,967	\$ 397,087

TOWN OF LUNENBURG**B-11**

Supplementary Financial Information

General Section – Schedules to Statement of Operations

Year Ended March 31, 2019

	2019	2018
15. RECREATIONAL AND CULTURAL SERVICES AND EDUCATION		
Recreational facilities		
Salaries, wages and benefits	\$ 314,726	\$ 283,988
Administration	13,592	7,922
Maintenance, fields and grounds	4,702	7,146
Maintenance, community centre	40,396	49,460
Maintenance, arena	109,519	111,553
Small tools	1,546	2,172
Program costs	15,528	14,155
Parks and playgrounds	57,064	53,004
Interest on capital loans	6,662	1,379
	563,735	530,779
Cultural buildings and facilities		
Library, local branch	45,290	20,180
Transfer to Regional Library	14,760	14,760
Heritage projects	115,534	105,766
Capt. Angus J. Walters House Museum	1,883	1,452
Other services and public celebrations	8,590	14,866
	186,057	157,024
	\$ 749,792	\$ 687,803
16. FISCAL SERVICES		
Principal instalments		
Debenture principal	\$ 313,399	\$ 243,609
	313,399	243,609
Transfer to own reserves, funds and agencies		
Reserve Fund, Operating Reserve	62,640	112,847
Reserve Fund, Capital Reserve	305,960	330,656
	368,600	443,503
Education		
Appropriation to South Shore Regional Centre for Education	806,494	792,930
	\$1,488,493	\$1,480,042

TOWN OF LUNENBURG
 Supplementary Financial Information
 Cemetery Fund – Statement of Operations
 Year Ended March 31, 2019

B-12

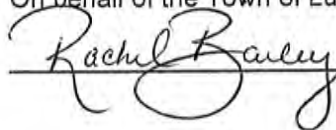
	Budget	2019 Actual	2018 Actual
REVENUE			
Sale of lots	\$ 1,800	\$ 1,890	\$ 3,960
Burials	16,500	20,690	20,905
Bases for headstones, etc.	1,000	930	878
Interest on cemetery trust and care payments	4,500	7,424	5,474
Appropriations from town general funds	59,800	46,079	55,950
	83,600	77,013	87,167
EXPENDITURES			
Labour and benefits	63,000	59,622	62,753
Legal fees	500	499	1,042
Supplies and repairs to equipment	14,500	12,529	20,298
Lighting and water	1,200	1,280	1,222
Sundry, insurance and portable radio	800	844	760
Audit fees	1,100	1,043	1,043
Provision for doubtful accounts	-	-	49
Road maintenance	2,500	1,196	-
	83,600	77,013	87,167
EXCESS OF REVENUE OVER EXPENDITURES	\$ -	\$ -	\$ -

TOWN OF LUNENBURG
 Supplementary Financial Information
 Cemetery Fund – Statement of Financial Position
 Year Ended March 31, 2019

B-13

	2019	2018
ASSETS		
Cash	\$ 3,441	\$ 3,945
Accounts receivable (less allowance for doubtful accounts 2019 \$721; 2018 \$721)	4,938	-
Due from Town General	-	4,139
	8,379	8,084
Cemetery and improvements	12,301	12,301
	\$ 20,680	\$ 20,385
LIABILITIES		
Accounts payable – trade	\$ 1,000	\$ 2,582
Deferred revenue	2,156	-
Due to Perpetual Care Fund	800	4,340
Due to Water Utility	4,423	-
Due to Electric Utility	-	1,162
	8,379	8,084
NET ASSETS		
Investment in capital assets	12,301	12,301
	\$ 20,680	\$ 20,385

On behalf of the Town of Lunenburg



Mayor



Town Manager/Clerk

TOWN OF LUNENBURG
 Supplementary Financial Information
 Water Utility – Statement of Operations
 Year Ended March 31, 2019

B-14

	Page	Budget	2019 Actual	2018 Actual
OPERATING REVENUE				
Metered sales		\$ 525,000	\$ 505,330	\$ 483,791
Flat rate sales		637,000	656,372	613,151
Public fire protection		325,400	325,360	281,312
Sprinkler service		7,000	6,800	6,800
Other		11,100	13,662	11,942
		1,505,500	1,507,524	1,396,996
OPERATING EXPENDITURES				
Source of supply	B-19	28,000	22,883	25,685
Pumping	B-19	49,800	38,538	43,572
Water treatment	B-19	299,300	262,542	243,610
Transmission and distribution	B-19	220,700	173,092	188,604
Administrative and general	B-19	375,900	379,895	338,913
Depreciation		294,550	293,957	283,066
Taxes		42,600	42,987	42,547
		1,310,850	1,213,894	1,165,997
NET OPERATING REVENUE		194,650	293,630	230,999
NON-OPERATING REVENUE				
Interest earned		3,000	5,484	1,403
Grants from Province of Nova Scotia		8,000	6,904	9,311
Miscellaneous		500	360	100
		11,500	12,748	10,814
NON-OPERATING EXPENDITURES				
Interest charges – short-term		-	(46)	(41)
Debt charges				
Principal		40,750	40,750	40,750
Interest and discount		21,600	21,115	22,261
Transfer to capital fund		37,800	138,500	97,000
Transfer to Reserve				
Reserve for land purchase		5,000	5,000	5,000
Reserve for membrane replacement		26,000	26,000	26,000
		131,150	231,319	190,970
NET NON-OPERATING REVENUE (EXPENDITURES)		(119,650)	(218,571)	(180,156)
EXCESS OF REVENUE OVER EXPENDITURES		\$ 75,000	75,059	50,843
Surplus, beginning of year			251,822	250,979
Dividend to Town Capital Reserve		(75,000)	(75,000)	(50,000)
SURPLUS, END OF YEAR			\$ 251,881	\$ 251,822

TOWN OF LUNENBURG**B-15**

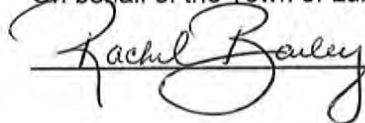
Supplementary Financial Information

Water Utility – Operating Fund Statement of Financial Position

Year Ended March 31, 2019

	2019	2018
ASSETS		
Bank balances	\$ 33,857	\$ -
Receivables		
Consumer accounts (less allowance for doubtful accounts 2019, \$15,385; 2018, \$12,753)	248,672	220,433
Accounts Receivable – Town General	460,171	921,774
Accounts Receivable – Town Capital	-	1,700
Other Governments	67	207,548
	742,767	1,351,455
Inventories of materials and supplies, at cost	50,356	44,558
Prepaid expenses	10,012	9,019
	\$ 803,135	\$ 1,405,032
LIABILITIES		
Payables		
Bank indebtedness	\$ -	\$ 115,454
Trade payables	101,860	96,577
Due to Electric Light Utility	17,161	75,584
Due to Water Capital Reserve	432,233	865,595
	551,254	1,153,210
NET ASSETS		
Surplus	251,881	251,822
	\$ 803,135	\$ 1,405,032

On behalf of the Town of Lunenburg


 Rachel Bailey

Mayor





Town Manager/Clerk

TOWN OF LUNENBURG
 Supplementary Financial Information
 Water Utility – Capital Fund Statement of Financial Position
 Year Ended March 31, 2019

	2019	2018
ASSETS		
Bank balances	\$ 1,529,055	\$ 638,802
Due from Operating Fund	432,233	865,595
	1,961,288	1,504,397
Waterworks plant in service <i>(page B-17)</i>	11,138,653	11,414,186
	\$13,099,941	\$12,918,583
LIABILITIES		
Long-term debt, Municipal Finance Corporation	\$ 529,750	\$ 570,500
Reserve for capital purchases <i>(page B-18)</i>	1,961,287	1,504,397
	2,491,037	2,074,897
NET ASSETS		
Investment in capital assets <i>(page B-18)</i>	10,608,904	10,843,686
	\$13,099,941	\$ 12,918,583

On behalf of the Town of Lunenburg

 Mayor

 Town Manager/Clerk

TOWN OF LUNENBURG
 Supplementary Financial Information
 Water Utility - Plant and Equipment
 Year Ended March 31, 2019

B-17

	2019	2018
Land and land rights	\$ 133,454	\$ 133,454
Structures and improvements	6,211,002	6,205,739
Equipment		
Electric pumping equipment	512,020	508,260
Other pumping equipment	71,144	64,992
Purification equipment	1,651,143	1,645,551
Office furniture and equipment	13,728	13,728
Transportation equipment	69,270	69,270
Shop equipment	27,558	27,558
Tools and work equipment	11,842	11,842
Other equipment	65,162	58,105
Mains		
Transmission mains	190,144	190,144
Distribution mains	4,972,768	5,108,002
Services	179,734	179,734
Meters	55,785	55,785
Hydrants	116,015	116,015
	14,280,769	14,388,179
Accumulated amortization	(3,142,116)	(2,973,993)
	\$ 11,138,653	\$ 11,414,186

TOWN OF LUNENBURG**B-18**

Supplementary Financial Information

Water Utility – Statement of Investment in Capital Assets

Year Ended March 31, 2019

	2019	2018
BALANCE - BEGINNING OF YEAR	\$ 10,843,686	\$ 10,191,354
Long-term debt retired	40,750	40,750
Capital from operating funds	(293,957)	(283,066)
Transfer from Capital Reserve Fund	27,824	259,974
Build Canada Fund	-	-
Clean Water Waste Water Fund	-	634,674
Fixed assets written off	(9,399)	-
	(234,782)	652,332
BALANCE - END OF YEAR	\$10,608,904	\$ 10,843,686

Supplementary Financial Information

Water Utility – Statement of Capital Reserve

Year Ended March 31, 2019

	General and Equipment	Land	Depreciation Funds	2019 Total	2018 Total
BALANCE - BEGINNING OF YEAR	\$ 396,036	\$ 112,966	\$ 995,395	\$ 1,504,397	\$ 1,340,511
Interest earned	5,659	1,606	13,992	21,257	11,094
Transfer from Operating Fund	164,500	5,000	293,957	463,457	412,766
Transfer to Capital Fund	-	-	(27,824)	(27,824)	(259,974)
	170,159	6,606	280,125	456,890	163,886
BALANCE- END OF YEAR	\$ 566,195	\$ 119,572	\$ 1,275,520	\$ 1,961,287	\$ 1,504,397

TOWN OF LUNENBURG
 Supplementary Financial Information
 Water Utility – Schedules to Statement of Operations
 Year Ended March 31, 2019

B-19

	2019	2018
Source of supply		
Supervision and engineering	\$ 15,685	\$ 20,346
Operation and labour	2,229	3,067
Maintenance of plant	4,969	2,271
	\$ 22,883	\$ 25,684
Pumping		
Supervision and engineering	\$ 14,739	\$ 19,400
Operation labour	1,675	1,509
Power	20,909	21,442
Maintenance	1,215	1,220
	\$ 38,538	\$ 43,571
Water treatment		
Supervision and engineering	\$ 18,019	\$ 22,833
Operation labour	61,093	56,698
Supplies and expenses	158,046	153,127
Maintenance of structures and improvements	25,384	10,952
	\$ 262,542	\$ 243,610
Transmission and distribution		
Supervision and engineering	\$ 53,116	\$ 76,721
Operation labour	4,840	17,762
Maintenance of reservoirs	3,521	2,310
Maintenance of mains	16,571	19,156
Maintenance of other distribution plant	32,646	29,123
Stores expenses	41,990	35,402
Transportation expenses	20,408	8,130
	\$ 173,092	\$ 188,604
Administration and general		
Supervision	\$ 37,500	\$ 30,010
Salaries and wages	205,503	197,919
Consumer billing and accounting	50,041	40,874
General office expenses	23,710	13,069
Insurance	24,777	25,237
Audit and legal	32,372	25,914
Regulatory expenses	1,592	1,590
Rent	4,400	4,300
	\$ 379,895	\$ 338,913

TOWN OF LUNENBURG
 Supplementary Financial Information
 Electric Utility – Statement of Operations
 Year Ended March 31, 2019

B-20

	Budget	2019 Actual	2018 Actual
OPERATING REVENUE			
Residential, commercial and industrial electric energy sales	\$6,142,800	\$6,227,971	\$ 6,042,652
Street lighting – town and others	123,000	121,738	120,537
Customers' late charges	23,000	30,321	23,963
Miscellaneous	37,600	34,898	34,272
	6,326,400	6,414,928	6,221,424
OPERATING EXPENDITURES			
Power purchased	4,968,000	5,057,616	4,857,137
Substations	34,000	26,458	21,156
Transmission and distribution	362,000	410,190	351,723
Administration and general	646,300	613,146	612,366
Depreciation	203,500	199,412	202,276
	6,213,800	6,306,822	6,044,658
NET OPERATING REVENUE	112,600	108,106	176,766
NON-OPERATING REVENUE			
Interest earned	2,000	5,922	2,675
Miscellaneous	26,600	26,351	61,455
	28,600	32,273	64,130
NON-OPERATING EXPENDITURES			
Interest on debt	41,200	39,192	44,255
Principal repayments	100,000	100,000	100,000
	141,200	139,192	144,255
NET NON-OPERATING REVENUE (EXPENDITURES)	(112,600)	(106,919)	(80,125)
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	-	1,187	96,641
Surplus - beginning of year	-	465,332	368,691
SURPLUS - END OF YEAR	-	\$ 466,519	\$ 465,332

TOWN OF LUNENBURG**B-21**

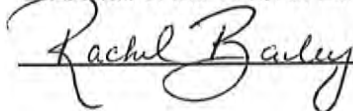
Supplementary Financial Information

Electric Utility – Operating Fund Statement of Financial Position

Year Ended March 31, 2019

	2019	2018
ASSETS		
Bank balance	\$ 578,951	\$ 241,013
Power billings (less allowance for doubtful accounts 2019, \$127,359; 2018, \$105,051)	845,220	893,040
Due from Provincial Government	23,024	51,263
Due from Town General Fund	64,166	5,524
Due from Federal Government	-	1,333
Due from Water Utility Operating	17,161	75,584
Due from Cemetery Account	-	1,162
Other	16,071	19,542
	1,544,593	1,288,461
Inventories of materials and supplies, at cost	84,300	88,782
Prepaid expenses	26,795	1,359
	\$ 1,655,688	\$ 1,378,602
LIABILITIES		
Trade payables	\$ 905,121	\$ 729,607
Due to Federal Government	83	-
Due to Electric Capital Reserve	177,659	90,086
	1,082,863	819,693
Consumers' deposits and accrued interest	106,307	93,577
	1,189,170	913,270
NET ASSETS		
Surplus	466,518	465,332
	\$ 1,655,688	\$ 1,378,602

On behalf of the Town of Lunenburg


 Rachel Bailey

Mayor

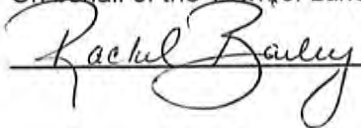


Town Manager/Clerk

TOWN OF LUNENBURG
 Supplementary Financial Information
 Electric Utility – Capital Fund Statement of Financial Position
 Year Ended March 31, 2019

	2019	2018
ASSETS		
Bank balances	\$ 680,234	\$ 583,819
Due from Operating fund	177,659	90,086
	857,893	673,905
Utility plant and equipment in service <i>(page B-23)</i>	2,835,758	3,212,190
	\$ 3,693,651	\$ 3,886,095
LIABILITIES		
Long-term debt, Municipal Finance Corporation	\$ 800,000	\$ 900,000
Reserve for capital expenditures <i>(page B-24)</i>	857,893	673,904
	1,657,893	1,573,904
NET ASSETS		
Investment in capital assets <i>(page B-24)</i>	2,035,758	2,312,191
	\$ 3,693,651	\$ 3,886,095

On behalf of the Town, of Lunenburg

 Mayor



Town Manager/Clerk

TOWN OF LUNENBURG
 Supplementary Financial Information
 Electric Utility – Plant and Equipment
 Year Ended March 31, 2019

B-23

	2019	2018
Tangible plant		
Sub-station equipment	\$ 2,642,591	\$ 2,615,251
Right-of-way land	2,371	2,371
Transmission		
Overhead conductors	10,057	10,057
Poles, towers and fixtures	24,081	24,081
Distribution		
Overhead conductors	820,534	749,967
Poles and fixtures	919,091	890,890
Street and highway lighting system	237,149	221,186
Transformers and installations	1,120,307	1,148,160
Services	281,254	276,190
Meters and installations	309,068	345,882
Buildings	93,329	93,329
Shop equipment	37,432	37,432
Mobile equipment – trucks	45,823	529,262
Communications equipment	21,674	21,674
Computer and office equipment	100,528	100,528
Computer programs	28,305	28,305
Miscellaneous equipment	40,215	40,215
	6,733,809	7,134,780
Accumulated amortization	(3,898,051)	(3,922,590)
	\$ 2,835,758	\$ 3,212,190

TOWN OF LUNENBURG**B-24**

Supplementary Financial Information

Electric Utility – Statement of Investment in Capital Assets

Year Ended March 31, 2019

	2019	2018
BALANCE – BEGINNING OF YEAR	\$ 2,312,191	\$ 2,027,276
Long-term debt retired	100,000	100,000
Other transfers	8,568	-
Transfer to Capital Reserve	(37,879)	184,915
Capital assets written off	(347,122)	-
	(276,433)	284,915
BALANCE - END OF YEAR	\$ 2,035,758	\$ 2,312,191

Supplementary Financial Information

Electric Utility – Statement of Capital Reserve

Year Ended March 31, 2019

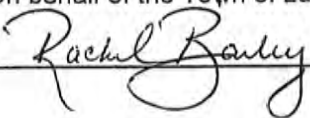
	Depreciation Funds	Equipment	Substation	2019 Total	2018 Total
BALANCE – BEGINNING OF YEAR	\$ 650,737	\$ -	\$ 23,167	\$ 673,904	\$ 850,079
Interest earned	11,938	1,746	426	14,110	8,740
Contributions, other	-	132,000	-	132,000	-
Transfer from (to) Capital Fund	(161,533)	-	-	(161,533)	(387,191)
Transfer from Operating Fund	199,412	-	-	199,412	202,276
	49,817	133,746	426	183,989	(176,175)
BALANCE - END OF YEAR	\$ 700,554	\$ 133,746	\$ 23,593	\$ 857,893	\$ 673,904

TOWN OF LUNENBURG
 Supplementary Financial Information
 Perpetual Care Funds Statement of Financial Position
 Cemetery Care Deposits
 Year Ended March 31, 2019

B-25

	2019	2018
ASSETS		
Bank balances	\$ 74,300	\$ 122,865
Due from Cemetery Fund	800	4,340
Loans		
Town Capital Fund – 3.07% March 2024	59,500	71,400
Town Capital Fund – 1.83% March 2021	16,920	22,560
Town Capital Fund – 3.7% March 2028	15,400	-
Town Capital Fund – 2.35% March 2023	72,000	80,000
	163,820	173,960
	\$ 238,920	\$ 301,165
LIABILITIES		
Due to Town Capital Fund	\$ 15,000	\$ 80,000
NET ASSETS		
Perpetual Care Funds Reserve	223,920	221,165
	\$ 238,920	\$ 301,165

On behalf of the Town of Lunenburg

 Mayor



Town Manager/Clerk

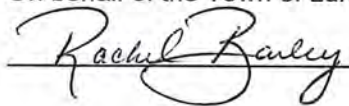
Supplementary Financial Information
 Perpetual Care Fund – Statement of Reserve
 Year Ended March 31, 2019

	2019	2018
BALANCE – BEGINNING OF YEAR	\$ 221,165	\$ 215,915
Perpetual care receipts and donations	2,755	5,250
BALANCE – END OF YEAR	\$ 223,920	\$ 221,165

TOWN OF LUNENBURG
 Supplementary Financial Information
 Operating Reserve Funds Statement of Financial Position
 Year Ended March 31, 2019

	Streets Sewers & Others	Recreation	LAFF	Pro Kids	Operating Surplus Reserve	Region 6 Diversion Spec Projects	2019 Total	2018 Total
ASSETS								
Bank balances	\$ 99,502	\$ 44,746	\$10,390	\$ -	\$ -	\$2,331	\$156,969	\$ 117,939
Due from Town General	30,340	3,000	-	11,554	168,376	-	213,270	32,813
	\$129,842	\$ 47,746	\$10,390	\$11,554	\$168,376	\$ 2,331	\$370,239	\$150,752
LIABILITIES								
Due to Town General	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
NET ASSETS								
Operating reserve	129,842	47,746	10,390	11,554	168,376	2,331	370,239	150,752
	\$129,842	\$47,746	\$10,390	\$11,554	\$168,376	\$2,331	\$370,239	\$150,752

On behalf of the Town of Lunenburg

 Mayor

 Town Manager/Clerk

TOWN OF LUNENBURG
 Supplementary Financial Information
 Statement of Operating Reserve Funds
 Year Ended March 31, 2019

	Streets Sewers & Others	Recreation	LAFF	Pro Kids	Operating Surplus Reserves	Region 6 Diversion Spec. Projects	2019 Total	2018 Total
BALANCE – BEGINNING OF YEAR	\$ 97,706	\$ 42,941	\$ 7,816	\$ -	\$ -	\$ 2,289	\$ 150,752	\$ 308,690
Donations	-	-	2,413	10,554	-	-	12,967	2,308
Interest earned	1,796	805	161	-	-	42	2,804	2,941
Contributions, other	-	4,000	-	-	-	-	4,000	4,000
Transfer, from Town General	62,640	-	-	1,000	168,376	-	232,016	112,847
Transfer (to) Town General	(32,300)	-	-	-	-	-	(32,300)	(280,034)
	32,136	4,805	2,574	11,554	168,376	42	219,487	(157,938)
BALANCE- END OF YEAR	\$ 129,842	\$ 47,746	\$ 10,390	\$11,554	\$168,376	\$ 2,331	\$ 370,239	\$ 150,752

TOWN OF LUNENBURG
 Supplementary Financial Information
 Capital Reserve Fund Statement of Financial Position
 Year Ended March 31, 2019

B-28

	Solid Waste Site Closure	Other Equipment	Fire Equipment	Fed/Prov Gas Tax Funds	Provincial Capital Funds	Deed Transfer Tax	2019 Total	2018 Total
ASSETS								
Bank balances	\$36,162	\$ 382,232	\$ 32,480	\$ 220,631	\$ 180,301	\$ 365,168	\$ 1,216,974	\$789,321
LIABILITIES								
Due to (from)								
General Operating	\$23,567	\$ 51,638	\$ -	\$ (120,467)	\$ 10,857	\$(22,227)	\$(56,632)	\$(517,150)
NET ASSETS								
Capital Reserve	12,595	330,594	32,480	341,098	169,444	387,395	1,273,606	1,306,471
	\$36,162	\$ 382,232	\$ 32,480	\$ 220,631	\$ 180,301	\$ 365,168	\$ 1,216,974	\$789,321

On behalf of the Town of Lunenburg

Rachel Bailey Mayor

 Town Manager/Clerk

TOWN OF LUNENBURG
 Supplementary Financial Information
 Statement of Capital Reserve Fund
 Year Ended March 31, 2019

B-29

	Solid Waste Site Closure	Other Equipment	Fire Equipment	Fed/Prov Gas Tax Funds	Provincial Capital Funds	Deed Transfer Tax	2019 Total	2018 Total
BALANCE, BEGINNING OF YEAR	\$ 35,577	\$ 361,748	\$ 31,955	\$ 295,299	\$ 325,479	\$ 256,412	\$ 1,306,470	\$ 1,702,468
Interest earned	585	6,020	525	5,592	4,822	6,452	23,996	20,868
Sale of Lands and Equipment	-	64	-	-	-	-	64	25,203
Deed transfer tax	-	-	-	-	-	223,474	223,474	194,128
Conditional transfers from , Provincial government	-	-	-	208,879	-	-	208,879	201,575
Transfer from Town General Fund	-	82,486	-	-	-	-	82,486	136,528
Transfer to Town Capital Fund	-	(119,724)	-	(168,672)	(160,857)	(98,943)	(548,196)	(969,033)
Transfer, other	(23,567)	-	-	-	-	-	(23,567)	(5,267)
	(22,982)	(31,154)	525	45,799	(156,035)	130,983	(32,864)	(395,998)
BALANCE – END OF YEAR	\$ 12,595	\$ 330,594	\$ 32,480	\$ 341,098	\$ 169,444	\$ 387,395	\$1,273,606	\$1,306,470

TOWN OF LUNENBURG
 Supplementary Financial Information
 Schedule of Debt Charges and Long-term Debt
 Year Ended March 31, 2019

B-30

	Due	Opening Balance	Issued	Redeemed	Closing Balance	Interest	Interest Rate
General Capital							
Equipment							Prime less
Temporary Borrowing		\$ 1,116,639	\$ 640,655	\$ 910,180	\$ 847,114	\$ -	- 1%/BA +50 pts
Paving							
Debenture – Municipal Finance Corporation	2020	27,214	-	9,071	18,143	877	3.17% - 3.87%
Debenture – Municipal Finance Corporation	2021	34,199	-	8,550	25,649	1,042	2.70% - 3.645%
Debenture – Municipal Finance Corporation	2023	39,000	-	7,800	31,200	1,024	2.25% - 3.16%
Debenture – Municipal Finance Corporation	2027	59,000	-	5,900	53,100	1,081	1.20% - 2.653%
Town of Lunenburg – Hillcrest Cemetery	2024	71,400	-	11,900	59,500	2,009	3.07%
Debenture – Municipal Finance Corporation	2019	52,000	-	26,000	26,000	674	1.62% - 2.244%
Debenture – Municipal Finance Corporation	2025	84,000	-	10,500	73,500	1,801	1.052% - 2.894%
Debenture – Municipal Finance Corporation	2027	194,000	-	19,400	174,600	4,696	1.734% - 3.073%
Parking Meters							
Town of Lunenburg – Hillcrest Cemetery	2021	7,920	-	1,980	5,940	22	1.83%
Town of Lunenburg – Hillcrest Cemetery	2023	-	8,000	-	8,000	-	2.35%
Town Hall Building							
Debenture – Municipal Finance Corporation	2020	15,598	-	5,199	10,399	502	3.17% - 3.87%
Debenture – Municipal Finance Corporation	2021	68,276	-	17,068	51,208	2,081	2.70%-3.645%
Arena Building							
Debenture – Municipal Finance Corporation	2021	20,725	-	5,182	15,543	631	2.70%-3.645%
Debenture – Municipal Finance Corporation	2027	36,000	-	3,600	32,400	871	1.734% - 3.073%
Town of Lunenburg – Hillcrest Cemetery	2023	-	7,400	-	7,400	-	2.35%
Public Works Building							
Debenture – Municipal Finance Corporation	2023	19,500	-	3,900	15,600	512	2.25% - 3.16%
Recreation-Boat Launch							
Debenture – Municipal Finance Corporation	2027	-	271,440	-	271,440	3,234	2.49% - 3.389%
Public Works Equipment							
Debenture – Municipal Finance Corporation	2027	125,000	-	12,500	112,500	3,026	1.734% - 3.073%
Town of Lunenburg – Hillcrest Cemetery	2027	80,000	-	8,000	72,000	2,189	2.88%
Fire Equipment							
Debenture – Municipal Finance Corporation	2020	3,996	-	1,334	2,662	129	3.17% - 3.87%
Debenture – Municipal Finance Corporation	2023	87,500	-	17,500	70,000	2,298	2.25% - 3.16%
Debenture – Municipal Finance Corporation	2019	8,960	-	4,480	4,480	116	1.62 - 2.244%
Debenture – Municipal Finance Corporation	2026	403,998	-	44,889	359,109	8,362	1.15% - 2.925%
Sewers							
Debenture – Municipal Finance Corporation	2020	6,590	-	2,196	4,394	212	3.17% - 3.87%
Debenture – Municipal Finance Corporation	2023	140,000	-	28,000	112,000	3,676	2.25% - 3.16%
Debenture – Municipal Finance Corporation	2019	22,000	-	11,000	11,000	285	1.62 - 2.244%
Debenture – Municipal Finance Corporation	2033	-	578,716	-	578,716	7,241	2.49% - 3.551%
Old Fire Hall Building							
Debenture – Municipal Finance Corporation	2023	-	60,024	-	60,024	660	1.052% - 2.894%
Lunenburg Academy							
Debenture – Municipal Finance Corporation	2025	59,200	-	7,400	51,800	1,269	1.052% - 2.894%
Town of Lunenburg – Hillcrest Cemetery	2021	14,640	-	3,660	10,980	339	1.83%
Debenture – Municipal Finance Corporation	2027	90,200	-	9,020	81,180	2,183	1.20% - 2.653%
Debenture – Municipal Finance Corporation	2027	273,700	-	27,370	246,330	5,016	1.734% - 3.073%
		\$ 3,161,255	\$ 1,566,235	\$ 1,223,579	\$ 3,503,911	\$ 58,058	

TOWN OF LUNENBURG
 Supplementary Financial Information
 Schedule of Debt Charges and Long-term Debt
 Year Ended March 31, 2019

B-31

Water Capital							
Water Treatment Plant							
Debenture - Municipal Finance Corporation	2026	\$ 570,500	\$ -	\$ 40,750	\$ 529,750	\$ 21,115	3.256%-4.026%
		\$ 570,500	\$ -	\$ 40,750	\$ 529,750	\$ 21,115	
Electric Capital							
Substation Upgrades							
Debenture – Municipal Finance Corporation	2026	\$ 900,000	\$ -	\$ 100,000	\$ 800,000	\$ 39,192	4.265 - 4.590%
		\$ 900,000	\$ -	\$ 100,000	\$ 800,000	\$ 39,192	
		\$ 4,631,755	\$ 1,566,235	\$ 1,364,329	\$ 4,833,661	\$ 118,365	

TOWN OF LUNENBURG
 Supplementary Financial Information
 Statement of Capital Financing
 Year Ended March 31, 2019

B-32

	2019	2018
SOURCE		
Federal and Provincial grants	\$ 1,065,552	\$ 4,895,577
Capital expenditures from revenue	127,487	117,528
Contributions, other organizations	236,221	265,042
Temporary borrowings	656,054	1,196,639
Withdrawal from Capital and Operating Reserve Funds	369,838	1,103,557
	\$ 2,455,152	\$ 7,578,344
APPLICATION		
Capital asset acquisitions	\$ 2,455,152	\$ 7,578,344
	\$ 2,455,152	\$ 7,578,344

TOWN OF LUNENBURG
 Supplementary Financial Information
 Schedule of Capital Project Funding
 Year Ended March 31, 2019

B-33

	Total Capital Cost	Federal & Provincial Grants	Borrowings	Transfer From Reserves	Contributions - Other Organizations	Expenditure From Revenue
General Capital						
Streets and sidewalks	\$ 258,570	\$ -	210,000	\$ 33,627	\$ -	\$ 14,943
Street equipment	15,638	-	-	15,638	-	-
Captain Angus L. Walters House-Roof Upgrades	10,854	-	-	-	-	10,854
Town Hall Fire Escape	51,042	-	-	-	-	51,042
Public Washroom Single Roof	4,893	-	-	-	-	4,893
Sewer system	949,763	747,009	188,454	14,300	-	-
Parking Meters	8,129	-	8,000	-	-	129
Old Fire Hall	22,421	-	-	-	-	22,421
Lunenburg Academy Building - Exterior	735,646	290,843	242,200	51,600	150,000	1,003
Lunenburg Academy Building - Library Relocation	47,203	-	-	-	38,216	8,987
Lunenburg Academy - Lot Development Plan	27,799	27,700	-	-	-	99
Lunenburg Academy - Furnace	35,000	-	-	-	35,000	-
Boat Launch Site	65,316	-	-	65,316	-	-
Fire Department Drone	4,437	-	-	-	4,437	-
Arena - Siding Repair	7,437	-	7,400	-	-	-
Arena - Compressor Overhaul	13,079	-	-	-	-	13,079
	2,257,227	1,065,552	656,054	180,481	227,653	127,487
Water Utility						
Distribution mains	-	-	-	-	-	-
Other equipment	27,824	-	-	27,824	-	-
Office equipment	-	-	-	-	-	-
	27,824	-	-	27,824	-	-
Electric Utility						
Substation equipment	27,340	-	-	18,772	8,568	-
Distribution	132,895	-	-	132,895	-	-
Services	5,064	-	-	5,064	-	-
Meters	4,802	-	-	4,802	-	-
	170,101	-	-	161,533	8,568	-
	\$ 2,455,152	\$ 1,065,552	\$ 656,054	\$ 369,838	\$ 236,221	\$ 127,487
Federal/Provincial Grants						

Town: (1) Province of Nova Scotia CWWF - \$578,337; Communities/Culture & Heritage - \$160,857
 (2) Government of Canada - Gas Tax \$168,672, Parks Canada \$157,686

TOWN OF LUNENBURG
 Supplementary Financial Information
 Schedule of Salary Ranges
 Year Ended March 31, 2019

Position	Wage Range	
Accountant	\$58,080 -	\$63,532
Assistant Municipal Clerk	\$46,725 -	\$53,783
Comm. Centre Attendant	\$42,026 -	\$49,740
Comm. Centre Attendant - Seasonal	\$17.17 per hour	
Facilities Superintendent	\$57,800 -	\$69,275
Finance Clerk	\$29,268 -	\$34,434
Finance Officer Accounts Payable	\$44,110 -	\$51,782
Finance Officer Accounts Receivable	\$38,410 -	\$48,011
Finance Director	\$86,100 -	\$103,988
Heritage Manager	\$71,443 -	\$76,696
Planning & Development Manager	\$56,800	\$60,000
Public Works Superintendent	\$65,914 -	\$74,743
Recreation Director	\$64,991 -	\$73,285
Secretary/Receptionist	\$38,610 -	\$50,116
Secretary II	\$35,412 -	\$43,283
Town Engineer	\$87,990 -	\$110,163
Town Manager/Clerk	\$93,919 -	\$116,734
Public Works - Laborer	\$46,987	+OT
Public Works - Operator	\$49,691	+OT
Public Works - Heavy Equip/Draftsman	\$51,938	+OT
WRO I - Operator in Training Certificate	\$50,586	+OT
WRO I Certificate Level I	\$55,682	+OT
WRO I Certificate Level II (a)	\$56,992	+OT
WRO I Certificate Level II (a) Operator in Overall Direct Responsible Charge	\$63,232	+OT
WRO I Certificate Level II (b)	\$59,093	+OT
WRO I Certificate Level II (b) Operator in Overall Direct Responsible Charge	\$65,333	+OT

N.B - Some employees also receive overtime pay, time in lieu, mileage allowance, and meeting pay not reflected in the above chart