

TOWN OF TRENTON
CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2023

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Town of Trenton

Management's Responsibility for Financial Reporting

March 31, 2023

The accompanying consolidated financial statements of the Town of Trenton are the responsibility of management and have been approved by the Mayor and Council.

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards as recommended by the Chartered Professional Accountants of Canada and as such include amounts that are best estimates and judgements of management.

Management is responsible for the integrity and objectivity of these consolidated financial statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

The Mayor and Council are responsible for ensuring that management fulfils its responsibilities for financial reporting and internal control and is ultimately responsible for reviewing and approving the consolidated financial statements.

The Mayor and Council meet periodically with management, as well as with the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the consolidated financial statements and the external independent auditor's report.

The external auditors, Grant Thornton LLP, conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the consolidated financial statements. The external auditors have full and free access to financial management of the Town of Trenton and meet when required. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the consolidated financial statements.

On behalf of the Town of Trenton:



Mayor



CAO



Date

Independent auditor's report

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To the Mayor and Council of the Town of Trenton

Opinion

We have audited the consolidated financial statements of Town of Trenton ("the Town") on pages 4 - 26, which comprise the consolidated statement of financial position as at March 31, 2023, and the consolidated statements of operations, changes in net debt and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Town of Trenton as at March 31, 2023, and its results of operations, its changes in its net debt, and its cash flows 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 the ethical requirements that are relevant to our audit of the consolidated 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 - Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The supplementary information included on pages 27 - 30 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 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 related to a 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 Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 consolidated 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Town and the organizations it controls to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

The logo for Grant Thornton LLP, featuring the company name in a stylized, cursive script font.

New Glasgow, Canada
September 21, 2023

Chartered Professional Accountants

Town of Trenton

Consolidated Statement of Financial Position

March 31	2023	2022
Financial Assets		
Cash and cash equivalents (note 1)	\$ 1,698,263	\$ 2,019,175
Receivables		
Taxes (note 3)	220,406	162,081
Water rates (net of allowance - \$3,502; 2022 - \$5,306)	98,615	106,619
Federal / Provincial government capital grants	-	173,805
Harmonized sales tax receivable	123,278	75,435
Trade accounts	222,970	83,757
Total Financial Assets	2,363,532	2,620,872
Financial Liabilities		
Accounts payable and accrued liabilities	783,387	899,402
Prepaid taxes, user fees and water	128,535	115,546
Deferred revenue (note 14)	812,459	475,476
Asset retirement obligation (note 8)	102,540	-
Long term debt (note 5)	2,477,248	2,554,865
Total Financial Liabilities	4,304,169	4,045,289
Net Debt	(1,940,637)	(1,424,417)
Non-Financial Assets (Liabilities)		
Capital assets, net of accumulated amortization (page 24)	16,969,849	16,680,701
Inventory not held for resale	12,838	5,539
Prepaid expenses	30,852	1,749
Tax sale surplus	(23,992)	(8,793)
	16,989,547	16,679,196
Accumulated Surplus	\$ 15,048,910	\$ 15,254,779

Commitments (note 9)
Contingencies (note 10)
Subsequent event (note 11)

On Behalf of the Town of Trenton

Mayor

CAO

Town of Trenton

Consolidated Statement of Operations

Year Ended March 31

2023

2022

	Page	Budget (note 13)	Actual	Actual
Revenue				
Taxes	8	\$ 3,347,946	\$ 3,345,952	\$ 3,141,668
Water rates	8	351,988	352,453	355,754
Grants in lieu of taxes	9	3,700	157,139	3,709
Services provided to other local governments	9	15,000	15,000	15,000
Sales of services	9	228,910	224,714	172,915
Other revenue from own sources	9	80,525	164,031	97,007
Unconditional transfers from other governments	9	420,922	420,922	841,844
Conditional transfers from other governments	9	41,834	114,636	31,745
Capital contributions and grants	10	162,000	449,154	1,652,882
Total revenue		<u>4,652,825</u>	<u>5,244,001</u>	<u>6,312,524</u>
Expenses				
General government services	11	921,993	943,836	825,242
Protective services	11	778,823	930,812	768,327
Transportation services	12	1,202,311	1,239,884	1,170,512
Environmental health services	12	533,350	563,964	501,222
Environmental development services	12	63,894	68,230	61,656
Recreation and cultural services	13	987,345	1,110,294	774,935
Water treatment and distribution services	13	606,062	592,850	528,415
Total expenses		<u>5,093,778</u>	<u>5,449,870</u>	<u>4,630,309</u>
Annual surplus (deficit)		<u>\$ (440,953)</u>	<u>\$ (205,869)</u>	<u>\$ 1,682,215</u>
<hr/>				
Accumulated surplus, beginning of year			\$ 15,254,779	\$ 13,572,564
Annual surplus (deficit)			<u>(205,869)</u>	<u>1,682,215</u>
Accumulated surplus, end of year			<u>\$ 15,048,910</u>	<u>\$ 15,254,779</u>

Town of Trenton

Consolidated Statement of Changes in Net Debt

Year Ended March 31	Budget (note 13)	2023	2022
Annual surplus (deficit)	\$ (440,953)	\$ (205,869)	\$ 1,682,215
Changes in Tangible Capital Assets			
Acquisition of capital assets	(4,338,550)	(1,172,688)	(2,217,561)
Amortization of capital assets	671,000	922,547	698,157
Adjustment on adoption of asset retirement obligation standard (note 2)	-	(97,194)	-
Gain on sale of assets	-	-	(7,340)
Loss on sale of assets	-	-	43,657
Proceeds on sale of assets	-	-	11,134
Writedown on disposition of assets	-	58,187	10,193
	<u>(3,667,550)</u>	<u>(289,148)</u>	<u>(1,461,760)</u>
Decrease (increase) in inventory	-	(7,299)	3,304
Decrease (increase) in prepaid expenses	-	(29,103)	5,743
Increase in tax sale surplus	-	15,199	-
	<u>-</u>	<u>15,199</u>	<u>-</u>
Change in Net Debt	(4,108,503)	(516,220)	229,502
Net Debt, beginning of year	<u>(1,424,417)</u>	<u>(1,424,417)</u>	<u>(1,653,919)</u>
Net Debt, end of year	<u>\$ (5,532,920)</u>	<u>\$ (1,940,637)</u>	<u>\$ (1,424,417)</u>

Town of Trenton

Consolidated Statement of Cash Flows

Year Ended March 31

2023

2022

Net inflow (outflow) of cash and cash equivalents related to the following activities:

Operating		
Annual surplus (deficit)	\$ (205,869)	\$ 1,682,215
Amortization	922,547	698,157
Gain on sale of tangible capital assets	-	(7,340)
Loss on sale of tangible capital assets	-	43,657
Writedown on disposition of tangible capital assets	58,187	10,193
Accretion expense	5,346	-
	<u>780,211</u>	<u>2,426,882</u>
Change in non-cash working capital		
Receivables	(63,572)	100,203
Payables and accrued liabilities	(116,015)	186,949
Prepaid taxes, user fees and water	12,989	(9,116)
Deferred revenue	336,983	282,590
Inventory	(7,299)	3,304
Prepays	(29,103)	5,743
Tax sale surplus	15,199	-
	<u>929,393</u>	<u>2,996,555</u>
Net change in cash from operations		
Capital		
Purchase of tangible capital assets	(1,172,688)	(2,217,561)
Proceeds from disposal of tangible capital assets	-	11,134
	<u>(1,172,688)</u>	<u>(2,206,427)</u>
Financing		
Long term debt received	185,000	-
Long term debt repaid	(262,617)	(282,617)
	<u>(77,617)</u>	<u>(282,617)</u>
Change in cash and cash equivalents	(320,912)	507,511
Cash and cash equivalents		
Beginning of year	<u>2,019,175</u>	<u>1,511,664</u>
End of year	<u>\$ 1,698,263</u>	<u>\$ 2,019,175</u>

Town of Trenton

Schedules to Consolidated Statement of Operations

Year Ended March 31

2023

2022

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Taxes			
Assessable property			
Residential	\$ 1,893,057	\$ 1,885,105	\$ 1,737,137
Commercial	141,684	141,934	141,996
Resource	20,233	20,247	19,215
	<u>2,054,974</u>	<u>2,047,286</u>	<u>1,898,348</u>
Special assessments			
Solid waste user charges	158,000	157,315	157,622
Hydrant user charges	116,500	122,861	119,013
	<u>274,500</u>	<u>280,176</u>	<u>276,635</u>
Special tax agreements			
Nova Scotia Power Inc - Grant in lieu of taxes	1,389,917	1,389,917	1,292,422
Nova Scotia Power Inc - HST offset	10,000	14,404	11,251
Bell Aliant - based on revenues	7,745	7,831	8,539
	<u>1,407,662</u>	<u>1,412,152</u>	<u>1,312,212</u>
Other			
Deed transfer tax	75,000	82,011	114,128
Total tax levied	<u>3,812,136</u>	<u>3,821,625</u>	<u>3,601,323</u>
Less taxes collected on behalf of others:			
Regional centre for education	(376,408)	(376,405)	(373,500)
Provincial correctional service	(25,782)	(25,781)	(26,155)
Regional housing authority	(62,000)	(73,487)	(60,000)
	<u>(464,190)</u>	<u>(475,673)</u>	<u>(459,655)</u>
	<u>\$ 3,347,946</u>	<u>\$ 3,345,952</u>	<u>\$ 3,141,668</u>

Water rates

Metered sales	\$ 320,000	\$ 317,527	\$ 323,250
Flat rate sales	2,300	2,919	2,270
Public fire protection	20,168	20,168	20,168
Private fire protection	6,520	6,520	6,520
Penalties and interest on water	3,000	5,319	3,546
	<u>\$ 351,988</u>	<u>\$ 352,453</u>	<u>\$ 355,754</u>

Town of Trenton

Schedules to Consolidated Statement of Operations

Year Ended March 31

2023

2022

	Budget	Actual	Actual
Grants in lieu of taxes			
Federal government agencies	\$ 3,610	\$ 3,695	\$ 3,618
Provincial government	90	93	91
Provincial government agencies	-	153,351	-
	<u>\$ 3,700</u>	<u>\$ 157,139</u>	<u>\$ 3,709</u>

Other revenue from own sources

Services provided to other local governments	\$ 15,000	\$ 15,000	\$ 15,000
Sales of services			
General government services	6,000	7,035	5,979
Recreation services	222,910	217,679	166,936
	<u>228,910</u>	<u>224,714</u>	<u>172,915</u>
Other			
Licenses and permits	2,700	2,806	4,672
Fines	100	285	33
Rentals	5,200	5,345	5,345
Gain on sale of assets	-	-	7,340
Interest	3,500	58,467	8,904
Penalties and interest on taxes	39,000	47,538	39,088
Miscellaneous	30,025	49,590	31,625
	<u>80,525</u>	<u>164,031</u>	<u>97,007</u>
	<u>\$ 324,435</u>	<u>\$ 403,745</u>	<u>\$ 284,922</u>

Transfers from government

Unconditional transfers from other governments			
Provincial government			
Municipal Financial Capacity Grant	\$ 420,922	\$ 420,922	\$ 841,844
Conditional transfers from other governments			
Federal government			
Wage grants	\$ 16,834	\$ 16,299	\$ 10,875
Hurricane Fiona funding	-	42,862	-
Safe restart agreement funding	-	-	16,180
Provincial government			
Wages and other grants	25,000	55,475	4,690
	<u>\$ 41,834</u>	<u>\$ 114,636</u>	<u>\$ 31,745</u>

Town of Trenton
Schedules to Consolidated Statement of Operations

Year Ended March 31

2023

2022

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Capital contributions and grants			
Canada/Nova Scotia ICIP Rural NS Agreement	\$ -	\$ 167,940	\$ 1,602,882
Canada Community-Building Fund	150,000	133,237	-
Province of Nova Scotia	12,000	42,977	-
Contributions	-	105,000	50,000
	<u>\$ 162,000</u>	<u>\$ 449,154</u>	<u>\$ 1,652,882</u>

Town of Trenton

Schedules to Consolidated Statement of Operations

Year Ended March 31

2023

2022

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
General government services			
Legislative	\$ 84,768	\$ 72,449	\$ 73,167
General administration	240,600	277,723	202,794
Financial management	262,975	251,088	235,249
Insurance	128,500	126,743	105,536
Taxation	12,500	13,703	18,714
Civic Building	60,650	62,929	61,544
Grants to organizations	9,000	5,840	8,700
	<u>714,225</u>	<u>738,026</u>	<u>632,537</u>
Assessment services	33,000	31,633	32,228
Valuation allowances	5,000	21,170	18,091
Interest and service charges	10,000	12,190	8,819
Disposition of asset	-	2,700	-
	<u>48,000</u>	<u>67,693</u>	<u>59,138</u>
	846,993	878,168	764,842
Accretion	-	3,372	-
Amortization	75,000	62,296	60,400
	<u>\$ 921,993</u>	<u>\$ 943,836</u>	<u>\$ 825,242</u>

Protective services

Police protection			
Policing services contract	\$ 635,000	\$ 715,036	\$ 616,422
Traffic control	15,000	13,570	14,131
	<u>650,000</u>	<u>728,606</u>	<u>630,553</u>
Fire protection			
Fire fighting force	41,050	47,358	45,237
Fire station and operations	10,650	14,074	10,351
Fire fighting equipment	30,500	95,163	41,067
	<u>82,200</u>	<u>156,595</u>	<u>96,655</u>
Other			
Emergency measures	3,000	2,703	2,454
Animal control	7,600	5,411	354
Interest on long term debt	6,023	5,843	6,657
	<u>16,623</u>	<u>13,957</u>	<u>9,465</u>
	748,823	899,158	736,673
Amortization	30,000	31,654	31,654
	<u>\$ 778,823</u>	<u>\$ 930,812</u>	<u>\$ 768,327</u>

Town of Trenton

Schedules to Consolidated Statement of Operations

Year Ended March 31

2023

2022

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Transportation services			
Common services			
Wages and benefits	\$ 407,815	\$ 407,764	\$ 411,350
Administration	35,050	36,797	28,640
General equipment	100,000	82,151	96,694
Town barn operating	45,100	33,642	35,474
Road transport			
Street and sidewalk repairs	158,407	116,684	85,834
Snow and ice	80,000	71,152	96,861
Storm sewers	20,000	31,476	6,337
Street lighting	18,500	19,622	15,650
Disposition of assets	-	30,833	10,193
Loss on sale of assets	-	-	43,657
Other			
Hurricane Fiona net of insurance recovery	-	47,862	-
Public Transit	9,200	10,110	9,200
Interest on long term debt	28,239	28,928	25,153
	<u>902,311</u>	<u>917,021</u>	<u>865,043</u>
Accretion	-	291	-
Amortization	<u>300,000</u>	<u>322,572</u>	<u>305,469</u>
	<u>\$ 1,202,311</u>	<u>\$ 1,239,884</u>	<u>\$ 1,170,512</u>

Environmental health services			
Sewage treatment and disposal	\$ 179,223	\$ 179,222	\$ 167,964
Sewer maintenance	15,400	28,332	4,248
Solid waste collection, disposal and recycling	167,097	163,062	158,288
Environmental fine	-	25,000	-
Interest on long term debt	36,630	35,598	37,972
	<u>398,350</u>	<u>431,214</u>	<u>368,472</u>
Amortization	<u>135,000</u>	<u>132,750</u>	<u>132,750</u>
	<u>\$ 533,350</u>	<u>\$ 563,964</u>	<u>\$ 501,222</u>

Environmental development services			
Planning and development	\$ 36,000	\$ 36,224	\$ 39,535
Tourism	1,200	1,884	1,134
Regional economic network	18,194	18,194	18,194
Other economic development	8,500	11,928	2,793
	<u>\$ 63,894</u>	<u>\$ 68,230</u>	<u>\$ 61,656</u>

Town of Trenton

Schedules to Consolidated Statement of Operations

Year Ended March 31

2023

2022

	Budget	Actual	Actual
Recreation and cultural services			
Recreation facilities			
Administration	\$ 155,565	\$ 153,474	\$ 116,644
Minor sports community centre	275,715	266,166	243,791
Steeltown Park	139,400	97,829	48,783
Pool	45,250	35,066	2,584
Youth/senior centre	23,900	21,783	15,255
Recreation programs and other	54,160	46,656	22,092
Share of Pictou County Wellness Centre	52,000	51,012	65,722
Wellness Centre - Deed Transfer Tax	75,000	82,011	114,128
Cultural buildings and facilities			
Regional library board	24,256	24,257	24,257
Branch library	1,000	-	-
Other			
Disposition of assets	-	24,654	-
Interest on long term debt	10,099	9,818	10,644
	856,345	812,726	663,900
Accretion	-	1,683	-
Amortization	131,000	295,885	111,035
	<u>\$ 987,345</u>	<u>\$ 1,110,294</u>	<u>\$ 774,935</u>

Water treatment and distribution

Operating expenditures			
Source of supply	\$ 3,966	\$ 15,727	\$ 4,534
Power and pumping	47,350	43,655	39,409
Purification	321,345	295,944	334,491
Transmission and distribution	82,154	119,550	63,610
Administrative and general	39,645	40,584	29,522
Interest on long term debt	25,000	-	-
	519,460	515,460	471,566
Amortization	86,602	77,390	56,849
	<u>\$ 606,062</u>	<u>\$ 592,850</u>	<u>\$ 528,415</u>

Town of Trenton

Notes to the Consolidated Financial Statements

March 31, 2023

1. Summary of significant accounting policies

Principles and basis of consolidation

The consolidated financial statements of the Town of Trenton are prepared by management in accordance with Canadian generally accepted accounting principles for local governments, as recommended by the Public Sector Accounting Board (PSAB) of Chartered Professional Accountants (CPA) Canada. Significant aspects of the accounting policies adopted by the Town are as follows:

(a) Reporting entity

The consolidated financial statements reflect the assets, liabilities, revenues, expenses and changes in fund balances and in financial position of the reporting entity. The activities under the control of Council and included in the reporting entity are the General Operating Fund, General Capital Fund, Water Operating Fund, Water Capital Fund, Capital Reserve Fund, and the Operating Reserve Fund.

Interdepartmental and organizational transactions and balances are eliminated.

(b) Basis of accounting

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

(c) Tangible capital assets

Tangible capital assets are recorded at cost less accumulated amortization and impairment, which includes costs that are directly attributable to the acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital asset is amortized on a straight-line basis using the following rates:

	<u>Years</u>
Buildings	10 - 40
Land improvements	5 - 40
Machinery and equipment	5 - 10
Vehicles	3 - 20
Engineered Structures	15 - 50

Assets under construction are not amortized until the asset is available for productive use.

Tangible capital assets received as contributions are recorded at fair value at the date of receipt and are also recorded as revenue.

Town of Trenton

Notes to the Consolidated Financial Statements

March 31, 2023

(c) Tangible capital assets (continued)

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

(d) Government transfers

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

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

(e) Use of estimates

The preparation of consolidated financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Estimates in the consolidated financial statements include the allowance for doubtful accounts, amortization expense based on estimated useful lives of tangible capital assets and sick leave liability.

Additionally, the Town's implementation of PS 3280 Asset retirement obligations has resulted in the requirement for management to make estimates regarding the useful lives of affected tangible capital assets and the expected retirement costs, as well as the timing and duration of these retirement costs.

Actual results could differ from those estimates.

(f) Cash and cash equivalents

Cash and cash equivalents includes unrestricted cash of \$1,012,940 (2022 - \$1,397,331) and internally designated cash of \$685,323 (2022 - \$621,844). These totals include cash on hand and balances with banks.

(g) Revenue recognition

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

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

Town of Trenton

Notes to the Consolidated Financial Statements

March 31, 2023

(h) **Non-financial assets**

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

(i) **Budget figures**

The budget figures contained in these consolidated financial statements were approved by Council on June 14, 2022 in its original fiscal plan; they also include budgets prepared and approved by controlled entities and are adjusted for amortization in accordance with Public Sector requirements. Note 13 outlines the original fiscal plan and the adjustments made to come to the budget figures shown in these consolidated financial statements.

(j) **Financial instruments**

The Town's financial instruments consist of cash and cash equivalents, receivables, payables and accrued liabilities, deferred revenue and long term debt and are carried at cost which approximates their fair value.

Initial measurement

Financial instruments are measured at fair value when issued or acquired. For financial instruments subsequently measured at cost or amortized cost, fair value is adjusted by the amount of the related financing fees and transaction costs. Transaction costs and financing fees relating to financial instruments that are measured subsequently at fair value are recognized in operations in the year in which they are incurred. Financial instruments consist of receivables, accounts payable and accrued liabilities, and long term debt.

Subsequent measurement

At each reporting date, the Town measures its financial assets and liabilities at cost or amortized cost (less impairment in the case of financial assets), except for investments, which must be measured at fair value. The Town uses the effective interest rate method to amortize any premiums, discounts, transaction fees and financing fees to the statement of revenues and expenses. The financial instruments measured at amortized cost are receivables, accounts payable and accrued liabilities, and long term debt. For financial assets measured at cost or amortized cost, the Town regularly assesses whether there are any indications of impairment. If there is an indication of impairment, and the Town determines that there is a significant adverse change in the expected timing or amount of future cash flows from the financial asset, it recognizes an impairment loss in the statement of operations. Any reversals of previously recognized impairment losses are recognized in operations in the year the reversal occurs.

(k) **Deferred revenue**

Deferred revenue relating to operations is recognized as related expenses occur. Deferred revenue relating to capital projects is recognized in the period that the resources are used for the specified purposes outlined in its agreement and as the Town discharges its obligations, in accordance with the terms and conditions of the agreement.

Deferred Canada Community-Building Fund funding and other deferred revenue is recognized in the period in which the resources are used for the purposes specified.

Town of Trenton

Notes to the Consolidated Financial Statements

March 31, 2023

(l) Contaminated sites

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability would be recorded net of any expected recoveries. A liability for remediation of contaminated sites would be recognized when the following criteria are met:

- i. an environmental standard exists;
- ii. contamination exceeds the environmental standard;
- iii. the Town of Trenton is directly responsible; or accepts responsibility; and
- iv. a reasonable estimate of the amount can be made.

As of March 31, 2023, there are no known contaminated sites identified.

(m) Segmented information

The Town of Trenton is a diversified municipal unit that provides a wide range of services to its residents. For management reporting purposes, the Town's operations and activities are organized and reported by fund. This presentation is in accordance with the Provincial Financial Reporting and Accounting Manual, and was created for the purpose of recording specific activities to attain certain objectives in accordance with special regulations, restrictions or limitations. Municipal services are provided by departments and their activity is reported in these funds. The services provided by these departments are as follows:

General government services

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

Protective services

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

Transportation services

This department is responsible for the maintenance and construction of local roads and sidewalks including snow removal. It is also responsible for the street lighting within the Town.

Environmental health services

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

Environmental development services

This department is responsible for planning and development of the Town's resources for the benefit of the residents as well as regional economic development activities.

Recreation and cultural services

This department is responsible for promoting and offering recreation opportunities and activities for residents as well as maintaining or assisting recreational and cultural facilities within the Town.

Water treatment and distribution services

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

Town of Trenton

Notes to the Consolidated Financial Statements

March 31, 2023

(n) Asset retirement obligation

An asset retirement obligation is recognized when, as at the financial reporting date, all of the following criteria are met:

- i. There is a legal obligation to incur retirement costs in relation to a tangible capital asset;
- ii. The past transaction or event giving rise to the liability has occurred;
- iii. It is expected that future economic benefits will be given up; and
- iv. A reasonable estimate of the amount can be made.

The liability associated with the remediation of contaminants present within a number of buildings owned by the Town has been recognized based on estimated future expenses on closure of the sites and post-closure care.

The liability is discounted using a present value calculation and adjusted annually for accretion expense. The recognition of a liability resulted in an accompanying increase to the respective capital assets. The increase to tangible capital assets is being amortized in accordance with the amortization accounting policies outlined above.

2. Change in accounting policy

Asset retirement obligations:

On April 1, 2022, the Town adopted Public Sector Accounting Standard PS 3280 - Asset retirement obligations ("PS 3280"). The new accounting standard addresses the reporting of legal obligations associated with the retirement of certain tangible capital assets, including the removal and remediation of contaminants in retired buildings by public sector entities. The standard was adopted on the prospective basis at the date of adoption as the event giving rise to the obligation arose prior to April 1, 2022 and the obligation has not been previously recognized. Under the prospective basis of adoption, the discount rate and assumptions used on initial recognition are those as of the date of adoption of the standard.

The Town recognized an asset retirement obligation upon adoption of PS 3280 on April 1, 2022. The liability represents the required remediation of contaminants present within a number of buildings owned by the Town. These buildings have expected useful lives ranging from 15 to 44 years. As of the date of adoption of the standard the relevant discount rate on tangible assets held was 5.5% per annum.

In accordance with the provisions of this new standard, the Town has reflected the following adjustments as at April 1, 2022:

- a) An asset retirement obligation in the amount of \$97,194, representing the original \$316,777 obligation discounted to the present value using a discount rate of 5.5% per annum.
- b) An increase to tangible capital assets, representing the original estimate of the obligation as at the date of transition.

Town of Trenton

Notes to the Consolidated Financial Statements

March 31, 2023

3. Taxes receivable	2023	2022
Balance, beginning of year	\$ 297,331	\$ 252,535
Current period tax and interest	2,375,000	2,214,071
	2,672,331	2,466,606
Collections	(2,295,505)	(2,169,275)
Balance, end of year	376,826	297,331
Valuation allowance (note 4)	(156,420)	(135,250)
Balance, net of valuation allowance end of year	\$ 220,406	\$ 162,081

4. Valuation allowance - uncollected taxes and rates	2023	2022
Balance, beginning of year	\$ 135,250	117,159
Increase in allowance	21,170	18,091
Balance, end of year	\$ 156,420	\$ 135,250

5. Long term debt	2023	2022
3.48% salt truck debenture which was fully repaid during fiscal 2023.	\$ -	\$ 13,700
3.469 - 4.114% rink floor debenture maturing in fiscal 2029, repayable in equal annual instalments of \$17,500 and one balloon payment of \$105,000 in fiscal 2029.	192,500	210,000
2.218 - 3.475% storm sewer and street light debenture maturing in fiscal 2032, repayable in equal annual instalments of \$80,167 to fiscal 2027 and of \$46,667 in fiscal 2028 to 2032.	553,998	634,165
1.860 - 3.209% storm sewer debenture maturing in fiscal 2033, repayable in equal annual instalments of \$29,250 to fiscal 2032 and a payment of \$175,500 in fiscal 2033.	438,750	468,000
2.761 - 3.501% storm sewer, culvert, vehicles and equipment debenture maturing in fiscal 2034, repayable in equal annual instalments of \$122,000 to fiscal 2029 and equal annual instalments of \$75,000 to fiscal 2034.	1,107,000	1,229,000
2.575 - 3.782% backhoe debenture maturing in fiscal 2032, repayable in equal annual instalments of \$18,500.	185,000	-
	\$ 2,477,248	\$ 2,554,865

Town of Trenton

Notes to the Consolidated Financial Statements

March 31, 2023

5. Long term debt (continued)

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

	<u>Total</u>
2024	\$ 267,417
2025	267,417
2026	267,417
2027	267,417
2028	233,917

6. Pension Plan

The Town operates a defined contribution savings plan for their employees. The assets of the plan are held separate from those of the Town in independently administered funds.

Contributions paid and expensed by the Town in the current year amounted to \$62,234 (2022 - \$57,970).

7. Other

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

	<u>Position</u>	<u>Remuneration</u>	<u>Expenses</u>	<u>Total</u>
D. Hussher	Mayor	\$ 16,168	\$ -	\$ 16,168
S. Cotter	Councillor	10,000	-	10,000
V.J. Earle	Councillor / Deputy Mayor	10,833	-	10,833
H. Hughes-Head	Councillor	10,000	-	10,000
N. Leblanc	Councillor / Deputy Mayor	11,167	-	11,167
A. MacDonald	CAO	89,433	3,245	92,678

8. Asset retirement obligation

The Town's asset retirement obligation consists of the liability for the remediation of contaminants present within a number of buildings owned by the Town. These contaminants represent a health hazard upon demolition and therefore there is a legal obligation for removal of these contaminants on decommissioning. Following the adoption of PS 3280 - Asset retirement obligations, the Town recognized an obligation relating to this remediation of contaminants as estimated as at April 1, 2022. These buildings have expected useful lives ranging from 15 to 44 years. Estimated costs have been discounted to the present value using the discount rate of 5.5% per annum.

Changes to the asset retirement obligation in the year are as follows:

	<u>2023</u>	<u>2022</u>
Balance, beginning of year	\$ -	\$ -
Liability recognized on adoption of PS 3280	97,194	-
Accretion expense	5,346	-
Balance, end of year	<u>\$ 102,540</u>	<u>\$ -</u>

Town of Trenton

Notes to the Consolidated Financial Statements

March 31, 2023

9. Commitments

Policing Services Contract

Effective January 1, 2011, the Town of Trenton entered into a policing services contract with the Town of New Glasgow ending March 31, 2016. The contract was renewed for a further five years upon expiry of the initial term. The contract for subsequent years is currently being negotiated. During the year, \$635,486 was paid to the Town of New Glasgow for policing services.

Pictou County Wellness Centre Building Authority and Aberdeen Hospital Renovation Project

The Town of Trenton has implemented a deed transfer tax on all properties sold in the town. The proceeds from this tax will be contributed to the Pictou County Wellness Centre project as well as towards the renovations and improvements to the Aberdeen Hospital. Since these projects will benefit all residents of Pictou County, a similar tax has been implemented by other municipalities within the County. During the year ending March 31, 2023 the amount transferred was \$82,011 (2022 - \$114,128).

In addition to the contributions through deed transfer tax, the municipal units have also provided a guarantee for borrowings not exceeding \$11,000,000 for the purpose of constructing the Pictou County Wellness Centre and \$8,700,000 for the Aberdeen Hospital Renovation project. The Town's share of the guarantee of the borrowing is based on the Town's total population of Pictou County.

10. Contingencies

There are claims and litigation in which the Town is involved that arise out of the ordinary course of operations. Many of the claims are being handled by the Town's insurers. The outcome of these actions is not determinable as at the date of reporting. Management believes that any liability which may result from the resolution of these actions will either be covered by the Town's insurers or will not be material to the Town's financial position.

11. Subsequent event

In May 2023, the Town received \$360,000 in debenture funds from the Province of Nova Scotia bearing interest from 3.832% - 4.714%. This debenture is amortized to May 2033 with annual principal payments of \$36,000.

12. Financial instruments

In the normal course of operations, the Town is exposed to a number of risks in relation to financial instruments. The following analysis provides a measure of the Town's risk exposures and concentrations as March 31, 2023:

Credit risk

The Town is exposed to credit risk through its receivables. Credit risk arises from the possibility that the entities and residents to which the Town provides services may experience financial difficulty and be unable to fulfil their obligations. Management believes the reserves for uncollectable balances appropriately addresses the risk of loss.

Liquidity risk

Liquidity risk is the risk that the Town will encounter difficulty in meeting the obligations associated with its financial liabilities. The Town is exposed to this risk through its payables and accruals. Management believes that it has access through its working capital to sufficient funds to sustain operations and meet the Town's obligations as they come due.

Interest rate risk

Interest rate risk is the potential for financial loss caused by fluctuations in the fair value or future cash flows of financial instruments because of changes in market interest rates. The Town is exposed to interest rate risk on its fixed interest rate financial instruments through its long-term debt. The fixed-rate instruments subject the Town to a fair value risk.

Town of Trenton

Notes to the Consolidated Financial Statements

March 31, 2023

13. Budget figures

Public Sector Accounting Standards ("PSA") require a comparison of the results for the period with those originally planned on the same basis as that used for the actual results. The fiscal plan presented in the Consolidated statement of operations and Consolidated statement of changes in net debt has been adjusted to be presented on a basis consistent with the actual results. A reconciliation of the approved and reported budgets is set out below:

	<u>Budget</u>
Approved budgeted deficit for the year	
General operations	\$ -
Water utility operations	<u>(214,570)</u>
Approved budget deficit	<u>(214,570)</u>
Add:	
Grants for tangible capital assets	162,000
Capital debt repayments	262,617
Transfer to general capital	20,000
Less:	
Amortization of tangible capital assets	<u>(671,000)</u>
Net PSA adjustments	<u>(226,383)</u>
PSA adjusted budgeted surplus for the year	<u><u>\$ (440,953)</u></u>

14. Deferred revenue

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

	<u>2023</u>	<u>2022</u>
Canada Community-Building Fund	\$ 446,604	\$ 427,351
Sustainable Services Growth Fund	324,605	-
Unearned donations	<u>41,250</u>	<u>48,125</u>
	<u><u>\$ 812,459</u></u>	<u><u>\$ 475,476</u></u>
Balance, beginning of year	\$ 475,476	\$ 192,886
Contributions from:		
Canada Community-Building Fund	152,490	305,645
Sustainable Services Growth Fund	<u>324,605</u>	<u>-</u>
	<u>477,095</u>	<u>305,645</u>
Utilized for:		
Canada Community-Building Fund	(133,237)	-
Safe restart funding	-	(16,180)
Donations	<u>(6,875)</u>	<u>(6,875)</u>
	<u>(140,112)</u>	<u>(23,055)</u>
Balance, end of year	<u><u>\$ 812,459</u></u>	<u><u>\$ 475,476</u></u>

Town of Trenton

Notes to the Consolidated Financial Statements

March 31, 2023

15. Sick leave benefit liability

Section 3255 of the CPA Canada Public Sector Accounting Handbook requires that a liability and expense be recorded for compensated absences that are both accumulating and non-vesting as well as vesting and accumulating. The valuation of the non-vesting accumulating sick leave benefits provided to employees of the Town was completed as at March 31, 2023. The results are reflected below.

Actuarial Method:

The actuarial cost method used was the "Projected Unit Credit" method pro-rated on service.

Components of benefit expense under PS 3255:	2023	2022
Current period benefit expense	\$ 5,155	\$ -
Interest expense	1,176	-
Total sick leave benefit expense	\$ 6,331	\$ -

Accrued sick leave benefit liability on the consolidated statement of financial position:

	2023	2022
Balance, beginning of year	\$ 47,237	\$ 72,040
Benefit expense	5,155	-
Interest expense	1,176	-
Benefit payments	(5,519)	(24,803)
Balance, end of year	\$ 48,049	\$ 47,237

Assumptions:

Discount rate	5.015% per annum
Salary increases	3.0% per annum
Termination	Ontario Light termination rate table
Retirement age	Age 65
Attribution period	Date of hire to date of assumed excess sick leave usage

Plan Provisions:

Union employees hired on or before June 10, 2011

The Town provides eligible employees with sick leave that accumulates at 18 days per year (1.5 days per month) up to a maximum of 155 days. If an employee is sick more than 18 days in a year, they can draw on their accumulated sick leave. The accumulated sick leave balance is paid out at termination, retirement, or death provided the employee was not terminated with just cause.

Union employees hired after June 10, 2011

The Town provides eligible employees with sick leave that accumulates at 18 days per year (1.5 days per month) up to a maximum of 120 days. If an employee is sick more than 18 days in a year, they can draw on their accumulated sick leave. No benefit in respect of accumulated sick leave is paid out on retirement, termination or death.

Non-union employees

The Town provides eligible employees with sick leave that accumulates at 18 days per year (1.5 days per month) up to a maximum of 130 days. If an employee is sick more than 18 days in a year, they can draw on their accumulated sick leave. No benefit in respect of accumulated sick leave is paid out on retirement, termination or death.

Town of Trenton Consolidated Schedule of Tangible Capital Assets

March 31, 2023

	Land	Land improvements	Buildings	Engineered structures	Machinery and equipment	Vehicles	2023	2022
Cost:								
Balance, beginning of year	\$ 483,080	\$ 4,813,071	\$ 4,333,870	\$ 16,998,098	\$ 2,289,368	\$ 1,437,832	\$ 30,355,319	\$ 28,494,685
Asset retirement obligations	-	-	97,194	-	-	-	97,194	-
Acquisition of tangible capital assets	5,800	179,942	9,647	168,242	197,516	360,005	921,152	532,350
Disposal of tangible capital assets	(2,700)	(72,456)	(50,131)	(80,826)	-	(45,487)	(251,600)	(356,927)
Construction-in-process	-	(976,045)	976,045	239,196	12,340	-	251,536	1,685,211
Balance, end of year	486,180	3,944,512	5,366,625	17,324,710	2,499,224	1,752,350	31,373,601	30,355,319
Accumulated amortization:								
Balance, beginning of year	-	488,971	2,687,477	7,817,857	1,780,787	899,526	13,674,618	13,275,744
Disposal of tangible capital assets	-	(65,600)	(32,333)	(49,993)	-	(45,487)	(193,413)	(299,283)
Amortization of asset retirement obligations	-	-	5,079	-	-	-	5,079	-
Annual amortization	-	182,126	153,973	361,488	123,954	95,927	917,468	698,157
Balance, end of year	-	605,497	2,814,196	8,129,352	1,904,741	949,966	14,403,752	13,674,618
Net book value of tangible capital assets	\$ 486,180	\$ 3,339,015	\$ 2,552,429	\$ 9,195,358	\$ 594,483	\$ 802,384	\$ 16,969,849	\$ 16,680,701
2022 Net book value of tangible capital assets	\$ 483,080	\$ 4,324,100	\$ 1,646,393	\$ 9,180,241	\$ 508,581	\$ 538,306	\$ 16,680,701	

Town of Trenton

Consolidated Schedule of Segmented Disclosure

March 31, 2023

March 31, 2023

	General Government Services	Protective Services	Transportation Services	Environmental Health Services	Environmental Development Services	Recreation and Cultural Services	Water	Consolidated
Revenue								
Taxes	\$ 680,172	\$ 698,590	\$ 869,108	\$ 452,566	\$ 49,539	\$ 595,978	\$ -	\$ 3,345,952
Water rates	-	-	-	-	-	-	352,453	352,453
Grants in lieu of taxes	34,863	29,509	44,547	15,133	2,539	30,547	-	157,139
Services provided to other local governments	-	15,000	-	-	-	-	-	15,000
Sale of services	7,035	-	-	-	-	217,679	-	224,714
Other revenue from own sources	116,200	33,352	-	-	2,806	3,500	8,173	164,031
Unconditional transfers from other governments	93,386	79,046	119,326	40,537	6,802	81,826	-	420,922
Conditional transfers from other governments	-	-	42,862	-	-	71,774	-	114,636
Capital contributions and grants	-	-	133,237	-	-	284,631	31,286	449,154
	<u>\$ 931,655</u>	<u>\$ 855,497</u>	<u>\$ 1,209,080</u>	<u>\$ 508,236</u>	<u>\$ 61,685</u>	<u>\$ 1,285,936</u>	<u>\$ 391,912</u>	<u>\$ 5,244,001</u>
Expenses								
Salaries, wages and benefits	\$ 343,835	\$ 44,875	\$ 411,490	\$ -	\$ -	\$ 383,235	\$ 219,752	\$ 1,403,187
Operating materials and supplies	116,365	110,433	257,585	1,211	12,308	235,658	214,411	947,971
Contracted services	243,240	738,005	188,185	369,405	54,038	159,360	69,397	1,821,630
Rents and financial expenses	160,103	5,845	28,928	60,598	-	9,819	11,900	277,193
Community grants and exemptions	11,925	-	-	-	1,884	-	-	13,809
Accretion	3,372	-	291	-	-	1,683	-	5,346
Amortization & writedowns	64,996	31,654	353,405	132,750	-	320,539	77,390	980,734
	<u>\$ 943,836</u>	<u>\$ 930,812</u>	<u>\$ 1,239,884</u>	<u>\$ 563,964</u>	<u>\$ 68,230</u>	<u>\$ 1,110,294</u>	<u>\$ 592,850</u>	<u>\$ 5,449,870</u>

Town of Trenton

Consolidated Schedule of Segmented Disclosure

March 31, 2023

March 31, 2022

	General Government Services	Protective Services	Transportation Services	Environmental Health Services	Environmental Development Services	Recreation and Cultural Services	Water	Consolidated
Revenue								
Taxes	\$ 648,084	\$ 620,791	\$ 925,942	\$ 429,429	\$ 48,773	\$ 468,649	\$ -	\$ 3,141,668
Water rates	-	-	-	-	-	-	355,754	355,754
Grants in lieu of taxes	839	650	1,199	352	63	607	-	3,709
Services provided to other local governments	-	15,000	-	-	-	-	-	15,000
Sale of services	5,979	-	-	-	-	166,936	-	172,915
Other revenue from own sources	64,419	12,800	7,340	-	4,672	5,394	2,382	97,007
Unconditional transfers from other governments	190,429	147,440	272,073	79,866	14,331	137,705	-	841,844
Conditional transfers from other governments	16,180	-	-	-	-	15,565	-	31,745
Capital contributions and grants	-	-	-	-	-	1,652,882	-	1,652,882
	<u>\$ 925,930</u>	<u>\$ 796,681</u>	<u>\$ 1,206,554</u>	<u>\$ 509,647</u>	<u>\$ 67,839</u>	<u>\$ 2,447,738</u>	<u>\$ 358,136</u>	<u>\$ 6,312,524</u>
Expenses								
Salaries, wages and benefits	\$ 316,258	\$ 43,448	\$ 411,351	\$ -	\$ 2,334	\$ 262,338	\$ 215,823	\$ 1,251,552
Operating materials and supplies	119,997	51,921	269,025	1,835	3,477	177,811	192,267	816,333
Contracted services	180,630	634,647	105,664	328,665	54,711	213,107	53,526	1,570,950
Rents and financial expenses	132,446	6,657	25,153	37,972	-	10,644	9,950	222,822
Community grants and exemptions	15,511	-	-	-	1,134	-	-	16,645
Accretion	-	-	-	-	-	-	-	-
Amortization & writedowns	60,400	31,654	359,319	132,750	-	111,035	56,849	752,007
	<u>\$ 825,242</u>	<u>\$ 768,327</u>	<u>\$ 1,170,512</u>	<u>\$ 501,222</u>	<u>\$ 61,656</u>	<u>\$ 774,935</u>	<u>\$ 528,415</u>	<u>\$ 4,630,309</u>

SUPPLEMENTARY SCHEDULES

Town of Trenton
Supplementary Schedules
Water Utility Operating Fund
Schedule of Financial Position

March 31	2023	2022
Assets		
Cash	\$ 56,942	\$ 271,942
Receivables		
Rates (less allowance for doubtful accounts - \$3,502; 2022 - \$5,306)	98,615	106,619
	<u>\$ 155,557</u>	<u>\$ 378,561</u>
Liabilities		
Payables and accruals	\$ 59,828	\$ 44,566
Prepaid water rates	22,661	27,181
Due to own funds and agencies		
Water capital fund	119,199	46,504
General operating fund	10,778	123,937
	<u>212,466</u>	<u>242,188</u>
Equity		
Surplus (deficit)	(56,909)	136,373
	<u>\$ 155,557</u>	<u>\$ 378,561</u>

Town of Trenton
Supplementary Schedules
Water Utility Operating Fund
Schedule of Financial Operations

Year ended March 31

	2023		2022
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Operating revenue			
Metered sales	\$ 320,000	\$ 317,527	\$ 323,250
Flat rate sales	2,300	2,919	2,270
Public fire protection	136,672	136,672	136,672
Private fire protection	6,520	6,520	6,520
Penalties and interest on water	3,000	5,319	3,546
Interest	-	-	593
	<u>468,492</u>	<u>468,957</u>	<u>472,851</u>
Operating expenditures			
Source of supply	3,966	15,727	4,534
Power and pumping	47,350	43,655	39,409
Purification	321,345	295,944	334,491
Transmission and distribution	82,154	119,550	63,610
Administration and general	84,645	85,584	71,522
Depreciation	86,602	69,734	55,451
Taxes	32,000	32,045	31,889
	<u>658,062</u>	<u>662,239</u>	<u>600,906</u>
Operating loss	<u>(189,570)</u>	<u>(193,282)</u>	<u>(128,055)</u>
Non-operating expenditures			
Debt charges			
Interest	25,000	-	-
	<u>25,000</u>	<u>-</u>	<u>-</u>
Excess of expenditures over revenue	<u>\$ (214,570)</u>	<u>(193,282)</u>	<u>(128,055)</u>
Surplus, beginning of year		<u>136,373</u>	<u>264,428</u>
Surplus (deficit), end of year		<u>\$ (56,909)</u>	<u>\$ 136,373</u>

Town of Trenton
Supplementary Schedules
Water Utility Capital Fund
Schedule of Financial Position

March 31	2023	2022
Assets		
Cash	\$ 6,657	\$ 516,657
Due from own funds and agencies		
Water utility operating fund	119,199	46,504
General operating fund	4,694	-
Utility plant and equipment (page 30)	<u>3,031,731</u>	<u>2,674,720</u>
	<u>\$ 3,162,281</u>	<u>\$ 3,237,881</u>
Liabilities		
Payables and accruals	\$ 13,404	\$ 40,885
Due to own funds and agencies		
General operating fund	-	157,312
Accumulated allowance for depreciation	1,371,511	1,294,121
Deferred contributions (net of accumulated amortization of \$14,649; 2022 - \$6,993)	<u>121,421</u>	<u>97,791</u>
	1,506,336	1,590,109
Equity		
Investment in capital assets (page 30)	<u>1,655,945</u>	<u>1,647,772</u>
	<u>\$ 3,162,281</u>	<u>\$ 3,237,881</u>

Town of Trenton
Supplementary Schedules
Water Utility
Schedule of Investment in Plant and Equipment

March 31	2023	2022
Tangible plant and equipment		
Land	\$ 16,584	\$ 16,584
Wells	180,728	180,728
Structures and improvements		
Pumping	391,836	354,298
Distribution reservoirs	565,246	342,045
Treatment	117,720	117,720
Equipment		
Pumping	141,605	141,605
Water treatment	248,248	235,909
Tools and work equipment	181,480	111,009
Other	76,981	76,981
Mains		
Transmission	132,403	132,403
Distribution	774,700	761,238
Meters	170,650	170,650
Hydrants	33,550	33,550
	<u>\$ 3,031,731</u>	<u>\$ 2,674,720</u>

Schedule of Investment in Capital Assets

Year ended March 31	2023	2022
Balance, beginning of year	\$ 1,647,772	\$ 1,645,983
Interest	8,173	1,789
Balance, end of year	<u>\$ 1,655,945</u>	<u>\$ 1,647,772</u>

Schedule of Depreciation Funds

Year ended March 31	2023	2022
Balance, beginning of year	\$ 364,964	\$ 550,387
Interest earned on depreciation funds	8,173	1,789
Assets acquired	(325,725)	(242,663)
Current year's depreciation	69,734	55,451
	<u>(247,818)</u>	<u>(185,423)</u>
Balance, end of year	<u>\$ 117,146</u>	<u>\$ 364,964</u>
Consisting of:		
Cash in bank	\$ 6,657	\$ 516,657
Due from (to) general operating fund	4,694	(157,312)
Due from water utility operating fund	119,199	46,504
Payables and accruals	(13,404)	(40,885)
	<u>\$ 117,146</u>	<u>\$ 364,964</u>