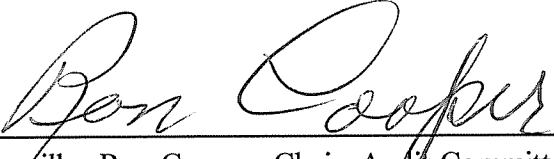

Halifax Regional Council
January 21, 2003

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY: 
Councillor Ron Cooper, Chair, Audit Committee

DATE: January 15, 2003

SUBJECT: Audited Financial Statements - Miscellaneous Trust Funds, March 31, 2002

ORIGIN

Audit Committee meeting of January 15, 2003.

RECOMMENDATION

It is recommended that :

The audited financial statements of the Halifax Regional Municipality - Miscellaneous Trust Funds for the year ended March 31, 2002 be approved, and that the Mayor and Municipal Clerk be authorized to sign the financial statements on behalf of Council

BACKGROUND

Legislation requires that audited financial statements be prepared annually.

DISCUSSION

The audited financial statements show total assets of \$5.4 million (2001 - \$5.5 million) and total equity of \$5.2 million (2001 - \$5.3 million) as of March 31, 2002.

BUDGET IMPLICATIONS

None.

FINANCIAL MANAGEMENT POLICIES / BUSINESS PLAN

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Capital and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Capital and Operating reserves, as well as any relevant legislation.

ALTERNATIVES

N/A.

ATTACHMENTS

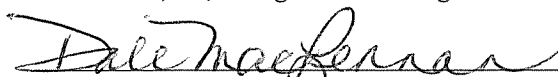
Audited Financial Statements for the Halifax Regional Municipality - Miscellaneous Trust Funds for the year ended March 31, 2002.

Background information on the Miscellaneous Trust Funds

Additional copies of this report, and information on its status, can be obtained by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by: Pam Caswill, CA, Manager of Accounting 490-6324

Report Approved by:


S. Dale MacLennan, CA, Director, Financial Services 490-6308

DRAFT Financial Statements of

**HALIFAX REGIONAL
MUNICIPALITY**

MISCELLANEOUS TRUST FUNDS

Year ended March 31, 2002

AUDITORS' REPORT

To the Trustees of the Miscellaneous
Trust Funds of Halifax Regional Municipality

We have audited the balance sheet of the Miscellaneous Trust Funds of Halifax Regional Municipality as at March 31, 2002 and the statement of income, expenditures and fund equity for the year then ended. These financial statements are the responsibility of the Municipality's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, these financial statements present fairly, in all material respects, the financial position of the funds as at March 31, 2002 and the results of its operations for the year then ended in accordance with generally accepted accounting principles adopted for Nova Scotia Municipalities.

Chartered Accountants

Halifax, Canada
May 29, 2002

HALIFAX REGIONAL MUNICIPALITY

MISCELLANEOUS TRUST FUNDS

Balance Sheet

DRAFT

March 31, 2002, with comparative figures for 2001

	2002	2001
Assets		
Cash	\$ 4,383,353	\$ 4,346,647
Accounts receivable	901,134	933,733
Investments	156,132	239,967
	<u>\$ 5,440,619</u>	<u>\$ 5,520,347</u>
Liabilities and Fund Equity		
Accounts payable	\$ 160,000	\$ 22,102
Payable to Halifax Regional Municipality Own Funds and Agencies	94,556	165,757
Fund equity (Schedule)	5,186,063	5,332,488
	<u>\$ 5,440,619</u>	<u>\$ 5,520,347</u>

See accompanying notes to financial statements.

Approved on behalf of the Halifax Regional Municipality:

_____ Mayor

_____ Municipal Clerk

HALIFAX REGIONAL MUNICIPALITY

MISCELLANEOUS TRUST FUNDS

Statement of Income, Expenditures and Fund Equity

DRAFT

Year ended March 31, 2002, with comparative figures for 2001

	2002	2001
Income:		
Investment income	\$ 368,688	\$ 545,896
Expenditure:		
Transfer to Halifax Regional Municipality Operating Fund	166,809	235,996
Net transactions with trustors	439,834	395,809
	606,643	631,805
Excess of expenditures over income	(237,955)	(85,909)
Capital contributions received during year	91,530	12,128
	(146,425)	(73,781)
Fund equity, beginning of year	5,332,488	5,406,269
Fund equity, end of year	\$ 5,186,063	\$ 5,332,488

See accompanying notes to financial statements.

HALIFAX REGIONAL MUNICIPALITY

MISCELLANEOUS TRUST FUNDS

DRAFT Notes to Financial Statements

Year ended March 31, 2002

1. Significant accounting policy:

Investments:

Discounts and premiums arising on the purchase of bonds are being amortized in the accounts during the period they are held in the funds.

2. Investments:

	2002	2001
Cost	\$ 156,132	\$ 239,967
Face value	\$ 150,000	\$ 234,000
Market value (estimated)	\$ 244,397	\$ 338,330

The market value shown for investments represents the value of the securities as at March 31, 2001 assuming an annual yield of 5.0% (2001 - 5.0%) short-term and 5.9% (2001 - 5.6%) for mid-term.

HALIFAX REGIONAL MUNICIPALITY

MISCELLANEOUS TRUST FUNDS

DRAFT Schedule of Fund Equity

Year ended March 31, 2002, with comparative figures for 2001

	Balance March 31 2001	Income	Transfer to Operating Fund	Net transactions with trustors	Contributions	Balance March 31 2002
J.L. Dillman Park maintenance	\$ 117,622	\$ 4,176	\$ -	\$ -	\$ -	\$ 121,798
Halifax County Rehabilitation	83,520	2,502	-	(40,955)	-	45,067
Tax sales	450,015	149,310	-	(79,154)	-	520,171
J.D. Shatford Memorial	61,000	2,092	(2,092)	-	-	61,000
Sackville landfill	2,244,829	108,759	(64,044)	(319,047)	-	1,970,497
Camphill Cemetery Trust	124,888	4,350	(4,350)	-	-	124,888
Camphill Cemetery Perpetual Care	557,459	27,124	(27,227)	-	-	557,356
Camphill Cemetery Fence	12,177	424	(424)	-	-	12,177
Fairview Cemetery Trust	1,584,511	66,535	(66,535)	-	91,530	1,676,041
Fairview Cemetery maintenance	45,000	1,567	(1,567)	-	-	45,000
Common commutation	16,377	570	(570)	-	-	16,377
Harbour championship	12,147	411	-	(608)	-	11,950
Other	22,943	868	-	(70)	-	23,741
	\$ 5,332,488	\$ 368,688	\$ (166,809)	\$ (439,834)	\$ 91,530	\$ 5,186,063

HALIFAX REGIONAL MUNICIPALITY

MISCELLANEOUS TRUST FUNDS

The following describes the various Trust funds included in the March 31, 2002 HRM Miscellaneous Trust Funds financial statements:

	<u>2002</u>	<u>2001</u>
T118 J. L Dillman Park maintenance	\$121,798	\$117,622

This trust fund was established by Leighton Dillman to be administered by the former City of Dartmouth. The principal amount of \$50,000 was designated never to be used for any purpose other than to earn interest from investment. Principal and interest to be accumulated in the funds until the year 2000. In the year 2000 and every three years thereafter the interest portion shall be used in whole or in part to provide for the painting of the Dartmouth Scenic Garden Fence.

	<u>2002</u>	<u>2001</u>
T120 Halifax County Rehabilitation	\$45,066	\$83,520

Funds held in trust for residents of Halifax County Regional Rehabilitation Centre. This facility was sold subsequent to March 31, 2002 and funds will be transferred to the new owners.

	<u>2002</u>	<u>2001</u>
T123, T126 & T127 Tax Sale Surplus	\$520,171	\$450,015

Any purchase money received at a tax sale in excess of balances owing is credited to the tax sale surplus account. A person with an interest in land sold for taxes may apply to the Supreme Court of Nova Scotia for an order directing the payment of all, or part, of the balance to that person. Where a balance remains in the tax sale surplus account 20 years after the sale, the balance is transferred to Capital Surplus Reserve (MGA Sections 146 and 147)

	<u>2002</u>	<u>2001</u>
T124 J. D. Shatford Memorial	\$61,000	\$61,000

Agreement dated October 1969 between the J. D. Shatford Memorial Trust Association and the former County of Halifax. The principal to be held in trust and income thereof applied against the cost of the operation and maintenance of the J. D. Shatford Memorial Library in the community of Hubbards. The trust fund is to revert to the Trust if the Municipality should ever cease to operate the library.

	<u>2002</u>	<u>2001</u>
T125 Sackville Landfill	\$1,970,497	\$2,244,829

Bill No. 43, 1st Session, 56th General Assembly, N.S., November, 1993. An act respecting compensation to the Community of Sackville for hosting the landfill site of the Metropolitan

Authority. The fund shall be held in trust and administered by the Municipality for the Community of Sackville. Included in this account is \$500,000 invested in trust for an Education Bursary Fund. In June 1994, Sackville Community Council approved that the \$500,000 be invested to help, but not completely fund, as many youth as possible in the Community of Sackville to continue onto post secondary education or Community College.

	<u>2002</u>	<u>2001</u>
T106 Camphill Cemetery	\$124,888	\$124,888

The trust was instituted some years ago from the sale of the lots closing out paths at Camphill Cemetery. This is covered by Section 645 City Charter plan M-3-8667. Interest from investment of these funds to be applied to the upkeep and maintenance of the cemetery.

	<u>2002</u>	<u>2001</u>
T105 Camphill Cemetery perpetual care	\$557,356	\$557,459

This trust was instituted some years ago from an amount charged per lot for perpetual care upon sale of 6,158 lots in Camphill Cemetery. Interest from investment of these funds to be applied to the upkeep of these lots.

	<u>2002</u>	<u>2001</u>
T107 Camphill Cemetery fence	\$12,177	\$12,177

The trust was instituted some years ago from the sale of lots in Camphill Cemetery as shown on plan #1601. Interest from investment of these funds to be applied to the maintenance of the fence around the cemetery.

	<u>2002</u>	<u>2001</u>
T101 Fairview Cemetery Trust	\$1,676,041	\$1,584,511

The trust came into being when the City of Halifax acquired Fairview Cemetery on September 22, 1944 and certain securities amounting to \$34,600 were turned over to the City at that time. Effective September 1, 1955, under ordinance 12A, the City increased the rates for lots in Fairview Cemetery and Council approved 90% of the new price for lots be set aside in this trust fund. Income of this fund is applied against the perpetual care of certain lots in the cemetery.

	<u>2002</u>	<u>2001</u>
T102 Fairview Cemetery maintenance	\$45,000	\$45,000

This trust was acquired from the sale of Fairview Cemetery land to the Halifax Co-operative Housing Group. According to Charter 62, Section 3 of the Acts of Nova Scotia, 1954, any sums

received from the sale of such land shall be invested and interest received applied to the upkeep and maintenance of the cemetery.

	<u>2002</u>	<u>2001</u>
T113 Commons Commutation	\$16,377	\$16,377

City Charter 662 regarding lot sales Halifax Commons. Interest from investment of this fund to be used in the improvement of the Commons.

	<u>2002</u>	<u>2001</u>
T112 Harbour championship	\$11,950	\$12,147

This trust was established in 1883 by Charles Cogswell of London, Great Britain, to provide for the winner of the champions belt in the annual single scullers race in the Harbour of Halifax. The prize associated with the race is to consist of 90 percent of the interest earned on the fund in the past year. The remaining 10% is to be reinvested into the capital portion of the fund

Other

The balance included in the Financial Statement's Schedule of Equity as "Other" is made up of the following:

	<u>2002</u>	<u>2001</u>
Fairview Cemetery:		
L. G. Haverstock	\$3,342	\$ 3,230
Enos MacLeod	637	616
City Home and TB Hospital:		
Hugh and Annie Ross	2,783	2,689
Isabella Brown	3,502	3,384
T. B. Hospital comfort	2,400	2,320
Elsie Taylor	20	19
Books for the Library:		
Josephine Shannon Bequest	2,235	2,160
Stewart L Gibson	2,277	2,200
Portia White	3,413	3,299
L. D. Currie	200	193
J. L. Dillman water fowl	<u>2,932</u>	<u>2,833</u>
	<u>\$23,741</u>	<u>\$22,943</u>

Fairview Cemetery:

Income from the L. G. Haverstock fund is for the maintenance of the Haverstock family plot at Fairview Cemetery and flowers for the grave of the late Clarence Haverstock and his wife. Income from the Enos MacLeod fund is to be applied to the general maintenance and care of flowers and shrubs at the Fairview Cemetery.

City Home and TB Hospital:

These are money donated by former patients of the TB Hospital for the patients' comfort fund and individual bequests, income from which is to be used for the comfort of patients at City Home and the TB Hospital. These are being followed up with Legal Services to determine how to close these funds on HRM's books now that the facilities are closed.

Books for the Library:

Individual bequests, income from which is to be used for the purchase of books for the Regional Library.

JL Dillman water fowl:

This trust fund was established by Leighton Dillman in 1984 to be administered by the former City of Dartmouth. \$1,000 was designated as the principal amount which is never to be used for any purpose other than to earn interest. The principal and interest accumulated in the fund until 1990 and then in 1990 and every three years thereafter, the interest portion is to be used to provide for the welfare of the water fowl at Sullivans Pond. If a situation arises which makes it impossible to carry-out the object of the fund, there is a clause in the agreement such that the fund shall be transferred to a charitable institution set up to assist the blind.