

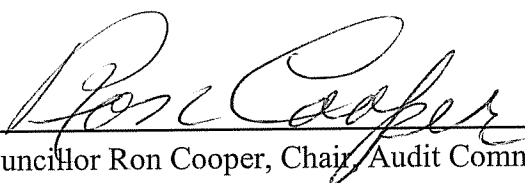
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PO Box 1749  
Halifax, Nova Scotia  
B3J 3A5 Canada

Halifax Regional Council  
October 5, 2004

**TO:** Mayor Kelly and Members of Halifax Regional Council

**SUBMITTED BY:**   
Councillor Ron Cooper, Chair, Audit Committee

**DATE:** September 29, 2004

**SUBJECT:** **Audited Financial Statements - Miscellaneous Trust Funds, March 31, 2004**

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**ORIGIN**

Audit Committee meeting of September 29, 2004.

**RECOMMENDATION**

It is recommended that:

The audited financial statements of the Halifax Regional Municipality - Miscellaneous Trust Funds for the year ended March 31, 2004 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 (2003 - \$5.3 million) and total equity of \$5.3 million (2003 - \$5.2 million) as of March 31, 2004.

**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.

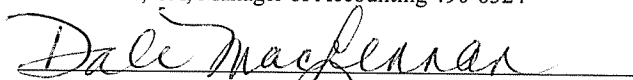
**ATTACHMENTS**

- Draft audited Financial Statements for the Halifax Regional Municipality - Miscellaneous Trust Funds for the year ended March 31, 2004.
- 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

Financial Statements of

**HALIFAX REGIONAL  
MUNICIPALITY**  
MISCELLANEOUS TRUST FUNDS

Year ended March 31, 2004

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## **AUDITORS' REPORT**

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

We have audited the balance sheet of Halifax Regional Municipality – Miscellaneous Trust Funds as at March 31, 2004 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 fund as at March 31, 2004 and the results of its operations for the year then ended in accordance with generally accepted accounting principles adopted for Nova Scotia municipalities.

These financial statements, which have not been, and were not intended to be, prepared in accordance with Canadian generally accepted accounting principles, are intended for the information and use of the Trustees and Service Nova Scotia and Municipal Relations and may not be appropriate for any other use.

Chartered Accountants

Halifax, Canada  
June 30, 2004

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**HALIFAX REGIONAL MUNICIPALITY**  
MISCELLANEOUS TRUST FUNDS  
Balance Sheet

**DRAFT**

March 31, 2004, with comparative figures for 2003

	2004	2003
<b>Assets</b>		
Cash	4,385,220	4,352,113
Accounts Receivable	973,065	870,581
Investments	61,229	61,194
	<u>5,419,514</u>	<u>5,283,888</u>
<b>Liabilities and Fund Equity</b>		
Payable to Halifax Regional Municipality Own Funds and Agencies	78,026	82,758
Fund equity (Schedule)	5,341,488	5,201,130
	<u>5,419,514</u>	<u>5,283,888</u>

See accompanying notes to financial statements.

Approved on behalf of the Halifax Regional Municipality:

\_\_\_\_\_ Mayor

\_\_\_\_\_ Municipal Clerk

**HALIFAX REGIONAL MUNICIPALITY****DRAFT**

## MISCELLANEOUS TRUST FUNDS

## Statement of Income, Expenditures and Fund Equity

Year ended March 31, 2004, with comparative figures for 2003

	2004	2003
Income:		
Investment Income	\$ 180,079	\$ 175,937
Tax Sales	332,426	162,442
	<u>512,505</u>	<u>338,379</u>
Expenditure:		
Transfer to Halifax Regional Municipality Operating Fund	146,671	143,092
Net transactions with trustors	307,769	225,373
	<u>454,439</u>	<u>368,465</u>
Excess of income over expenditures (expenditures over income)	58,066	(30,086)
Capital contributions received during year	82,292	45,153
	<u>140,358</u>	<u>15,067</u>
Fund equity, beginning of year	5,201,130	5,186,063
Fund equity, end of year	<u>\$ 5,341,488</u>	<u>\$ 5,201,130</u>

See accompanying notes to financial statements.

**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:**

	2004	2003
Shares, cost	6,409	6,409
Bonds, amortized cost	54,820	54,785
	61,229	61,194
Face value of bonds	55,000	55,000
Market value, shares (estimated)	217,000	157,400
Market value, bonds (estimated)	74,200	72,000
	291,200	229,400

The market value shown for investments represents the estimated value of the securities as at March 31, 2004.

**HALIFAX REGIONAL MUNICIPALITY**

## MISCELLANEOUS TRUST FUNDS

## Schedule of Fund Equity

**DRAFT**

Year ended March 31, 2004 with comparative figures for 2003

	Balance March 31 2003	Income	Transfer to Operating Fund	Net transactions with trustors	Contributions	Balance March 31 2004
J.L. Dillman Park Maintenance	125,090	3,792				128,882
Tax sales	587,810	332,426		(89,866)		830,370
J.D. Shatford Memorial	61,000	1,824	(1,824)			61,000
Sackville Landfill	1,913,621	87,469	(59,702)	(217,618)		1,723,771
Camphill Cemetery Trust	125,473	3,819	(3,819)		1,170	126,643
Camphill Cemetery Perpetual Care	566,109	21,663	(21,663)			566,109
Camphill Cemetery Fence	12,064	366	(366)			12,064
Fairview Cemetery Trust	1,687,336	57,433	(57,433)		81,090	1,768,426
Fairview Cemetery Maintenance	45,000	1,364	(1,364)			45,000
Titanic Trust	24,857	754			32	25,643
Commons Commutation	16,491	500	(500)			16,491
Harbour Championship	11,897	357		(285)		11,968
Other	24,382	739				25,121
	5,201,130	512,505	(146,671)	(307,769)	82,292	5,341,488



# HALIFAX REGIONAL MUNICIPALITY

## MISCELLANEOUS TRUST FUNDS

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The following describes the various Trust funds included in the March 31, 2004 HRM Miscellaneous Trust Funds financial statements:

	<u>2004</u>	<u>2003</u>
<b>T118 J. L Dillman Park maintenance</b>	\$128,882	\$125,090

This trust fund was established by Leighton Dillman to be administered by the former City of Dartmouth. \$50,000 was designated as the principal amount which is 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>2004</u>	<u>2003</u>
<b>T123, T126 &amp; T127 Tax Sale Surplus</b>	\$830,370	\$587,810

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>2004</u>	<u>2003</u>
<b>T124 J. D. Shatford Memorial</b>	\$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>2004</u>	<u>2003</u>
<b>T125 Sackville Landfill</b>	\$1,723,771	\$1,913,621

Bill No. 43, 1<sup>st</sup> Session, 56<sup>th</sup> 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.

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	<u>2004</u>	<u>2003</u>
<b>T106 Camphill Cemetery</b>	\$126,643	\$125,473

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>2004</u>	<u>2003</u>
<b>T105 Camphill Cemetery perpetual care</b>	\$566,109	\$566,109

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>2004</u>	<u>2003</u>
<b>T107 Camphill Cemetery fence</b>	\$12,064	\$12,064

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>2004</u>	<u>2003</u>
<b>T101 Fairview Cemetery</b>	\$1,768,426	\$1,687,336

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>2004</u>	<u>2003</u>
<b>T102 Fairview Cemetery maintenance</b>	\$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>2004</u>	<u>2003</u>
<b>T113 Commons Commutation</b>	\$16,491	\$16,491

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

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	<u>2004</u>	<u>2003</u>
<b>T112 Harbour championship</b>	\$11,968	\$11,897

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.

	<u>2004</u>	<u>2003</u>
<b>T128 Titanic Trust</b>	\$25,643	\$24,857

This trust was established in 2002. Money transferred into this trust came from the White Star Ocean Steam Navigation Trust (established with Royal Trust in 1929 to be used for perpetual upkeep and care of burial plots of Titanic victims). Interest on this trust account will be transferred annually into the Titanic Commemorative Reserve to be used for perpetual upkeep and maintenance of HRM owned Titanic victim grave sites.

## Other

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

	<u>2004</u>	<u>2003</u>
Fairview Cemetery:		
<b>T103 L. G. Haverstock</b>	\$3,536	\$3,432
<b>T104 Enos MacLeod</b>	675	655
City Home and TB Hospital:		
<b>T108 Hugh and Annie Ross</b>	2,945	2,858
<b>T109 Isabella Brown</b>	3,706	3,597
<b>T110 T. B. Hospital Comfort</b>	2,540	2,465
<b>T111 Elsie Taylor</b>	22	21
Books for the Library:		
<b>T114 Josephine Shannon Bequest</b>	2,365	2,295
<b>T115 Stewart L Gibson</b>	2,409	2,338
<b>T116 Portia White</b>	3,612	3,506
<b>T117 L. D. Currie</b>	211	205
<b>T119 J. L. Dillman water fowl</b>	<u>3,101</u>	<u>3,010</u>
	<u>\$25,121</u>	<u>\$24,382</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.