

Financial Reporting and Accounting Manual

Tracking Document for Changes made in July 2007

Section 3 - Specific Accounting Policies for Nova Scotia Municipalities

Section 3.2 has been updated in paragraph (iii) to start the numbering at 3.14.

Section 3.14 on page 3.14.2, the second to last paragraph has been added as follows:

The monies received as part of the Gas Tax Rebate Program are to be recorded in the Capital Reserve Fund. As the monies are spent, they are to be transferred to the Capital Fund. Any unspent monies are to remain in the Capital Reserve Fund.

Section 6 – SOE Requirements

6.1 Definition of Standard Expenditures and the Change in Accounting Policy – the last paragraph has been modified as follows:

“environmental services” means the information required to be included in Line **1024331 Transfer to the Capital Reserve for Solid Waste Landfill Closure/Post-Closure Costs, Line 1024332 Other Current Expenditure for Solid Waste Landfill Costs**, Line 1024999 Other Environmental Health Services and Line 1024998 Transitional Expenditures related to Environmental Health Services, both in Schedule G of Appendix C.

Appendix A – Line Number Dictionary for Reporting to Service Nova Scotia and Municipal Relations

Line 0066000 **Addition in title-** Transfers *from (to)* own reserve funds and Agencies

Addition in description Transfers *from (to)* the municipality’s reserves, funds or agencies for internal financing purposes. This should not be used to report revenues or expenditures.

Line 0090091 **Addition in title-** Investment in capital assets *(excluding water and electric)*

Addition in description The cumulative additions and disposals of the investment in capital assets to date, *excluding water and electric*. These would be represented by asset additions, debt repayments and other transactions of the capital fund.

Addition in Introduction **General Operating Fund Line Number Definitions**
Actual and budgeted operating expenditures should exclude any capital expenditures (capital area rates), capital grants or transfers to reserves (except for the transfer to the capital reserve for landfill closure/post-closure costs). These items must be excluded from the calculation of the Standard Expenditures.

Transfers to the Joint Expenditure Board – Expenditures for the Joint Expenditure Board should be reported in their respective functional area.

Line 1011110 **Addition in description** *Provincial grants in lieu of taxes are not to be included (see 1012310).*

Line 1011180 **Addition in description** *Include area fire rates, area street lighting and sidewalk rates, area garbage rates and area recreation rates.*

Line 1011200 **Addition in description** Revenue from special assessments. This would include frontage rates for paving and for sewer, flat charges, lot levies, user fees *for garbage, sewer and water* and infrastructure charges.

Addition in Line Heading **Line numbers 1014000 to 1014900 should be used to report revenues from SALES OF SERVICES**

Most municipalities recoup all, or part, of the cost of certain services through charges based on the amount of such service supplied to individuals. Such services are supplied in easily measurable amounts, e.g. water; or are discrete and capable of being costed on an individual basis, e.g. snow plowing. Fees charged for certain purposes, e.g. search fees, are also considered to be sales of services except where the fee confers certain privileges on the payer when it (the fee) is classified as a license or permit. The individual purchasing the service includes not only the residents of the municipality but also any other person, corporation or government purchasing the service for its own use or consumption and not on behalf of others whom the purchaser would otherwise supply from its own resources.

Line 1014001 **Addition in title** *Sales of service (excluding transit)*

Addition in description *Sales of service (excluding transit). This line appears only on the Statement of Estimates.*

Line 1014002 **Addition in title** *Sales of service – transit only*

	Addition in description	<i>Sales of services – transit only. This line appears only on the Statement of Estimates.</i>
Line 1014301	Addition in title	<i>Transit</i>
	Addition in description	<i>Part of transportation services.</i>
<i>Line 1014302</i>	Addition in title	<i>Other.</i>
	Addition in description	<i>Part of transportation services.</i>
<i>Line 1015700</i>	Addition in title	<i>Revenue collected for other Governments/Agencies</i>
	Addition in description	<i>This account is to incorporate those amounts that are rated for and collected for other entities but are not revenues of the municipal unit.</i>
<i>Line 1015750</i>	Addition in title	<i>Less: transmission of revenue collected for other Governments/Agencies (must be negative)</i>
	Addition in description	<i>This account is to incorporate those amounts collected in 1015700 and transmitted to the other entity. It must be a negative number.</i>
Line 1016281	Addition in title	Provincial government – <i>Service Nova Scotia and Municipal Relations</i> Municipal Grants Act – equalization
Line 1016286	Addition in title	Provincial government – <i>Service Nova Scotia and Municipal Relations</i> – Municipal Government

Act –farm property acreage

Line 1016289	Addition in title	Provincial government – <i>Service Nova Scotia and Municipal Relations</i> – other - Specify
Line 1017100	Addition in description	<i>Multi-function grants</i>
Line 1017200	Addition in title	Federal agencies
	Addition in description	<i>Includes CMHC</i>
Line 1011111	Addition in description	<i>Should include payments made for committee work.</i>
Line 1021131	Addition in description	<i>Should include payments made for committee work.</i>
Line 1021210	Addition in description	Expenditures related to general administration of general government services. <i>-chief administrator(commissioner,manager, comptroller) -municipal clerk -personnel -office buildings -legal services -office expenses -other administrative services</i>
Line 1021249	Addition in description	<i>Administration, tax billing, and other taxation</i>
Line 1021790	Addition in description	<i>Debenture discounts, cost of issuing and selling new debentures, banking service charges and other</i>

Line 1021990	Addition in description	<i>Conventions and delegations; general accident and damage claims and public liability insurance; intergovernmental relations (Union of N.S. Municipalities dues); other general services.</i>
Line 1021998	Addition in description	accruals related to the change in accounting policy for post-employment benefits, retirement benefits and/or pension valuation liabilities, <i>on the Statement of Estimates.</i>
Line 1022210	Addition in description	Expenditures related to police protection, excluding debt charges, valuation allowances and transitional expenditures on the Statement of Estimates, <i>which includes police commission; administration (police chief and employer's liability insurance); crime investigation prevention and protective services; traffic activities; training; police stations and buildings; police automotive equipment; detention and custody of prisoners (lock up facilities); and DNA costs</i>
Line 1022290	Addition in description	<i>Administration; prosecuting attorney; witnesses, jurors and interpreters; and other (by-law enforcement).</i>
Line 1022400	Addition in description	Expenditures related to fire protection, excluding debt charges, valuation allowances and transitional expenditures, <i>on the Statement of Estimates</i>

Line 1022490 **Addition in description** *Expenditures related to fire protection including administration; fire fighting force (grants to rural units, area rate levy in rural municipality); fire alarm systems; fire investigation and prevention; training; fire stations and buildings (maintenance and operation – not capital expenditures); fire fighting equipment; and other.*

Line 1022790 **Addition in description** *Debenture discounts, cost of issuing and selling new debentures, banking service charges and other*

Line 1022850 **Addition in title** *Protective inspections*

Addition in description **Building, electrical, plumbing, gas, trench, fire inspections**

Line 1022900 **Addition in description** *Include animal and pest control*

Addition in Line Heading **Line number 1022998 should be used to report Transitional Expenditures related to Protective Services *on the Statement of Estimates***

Line 1022998 **Addition in description** These transitional expenditures should relate specifically to:

- accruals related to the change in accounting policy for post-employment benefits, retirement benefits and/or pension valuation liabilities, *on the Statement of Estimates.*

Line 1023100 **Addition in description** Activities that are related to, or benefit, several transportation functions and that cannot be reasonably allocated to those specific functions *which includes administration; engineering services; general equipment; small tools and equipment; workshops, yards and other buildings; research, planning and design; liability insurance; and other.*

Line 1023250 **Addition in description** *Street signs*

Line 1023790 **Addition in description** *Debenture discounts, cost of issuing and selling new debentures, banking service charges and other.*

Addition in Line Heading **Line number 1023998 should be used to report Transitional Expenditures related to Transportation Services, on the Statement of Estimates.**

Line 1023998 **Addition in description** These transitional expenditures should relate specifically to:

- accruals related to the change in accounting policy for post-employment benefits, retirement benefits and/or pension valuation liabilities, *on the Statement of Estimates.*

Line 1024331 **Addition in description** The amount that the general operating fund transfers to the capital reserve for the estimated annual provision of closure/post-closure costs. This transfer is different from the other transfers made by the

operating fund to the capital reserve, as it is specifically allowed as an expenditure of the operating fund, *for purposes of calculating the standard expenditures.*

Line 1024360	Addition in title	<i>Garbage and waste collection and disposal – other</i>
Line 1024790	Addition in description	<i>Debenture discounts, cost of issuing and selling new debentures, banking service charges and other.</i>
Line 1024900	Addition in description	Environmental health services that do not fall within the environmental health services defined above, <i>which includes administration; smoke abatement; other air pollution: water pollution control; other pollution control; noise abatement; and other (derelict vehicles).</i>
Addition in Line Heading		<u>Line number 1024998 should be used to report Transitional Expenditures related to Environmental Health Services, on the Statement of Estimates</u>
Line 1024999	Addition in description	Expenditures related to environmental health services, excluding <i>transfer to the capital reserve for solid waste landfill closure/post closure costs, other current expenditures for solid waste landfill costs</i> , debt charges, valuation allowances and transitional expenditures, on the Statement of Estimates.

Line 1025100 **Addition in description** Public health activities.

- *Cemeteries and crematoriums*
- *Morgues*
- *General public health (occupational health, vital statistics, other)*
- *Other public health*

Line 1025790 **Addition in description** *Debenture discounts, cost of issuing and selling new debentures, banking service charges and other*

Line 1025900 **Addition in description** Other costs for public health that are not included in the above accounts *which would include hospital care*

Addition in Line Heading **Line number 1025998 should be used to report Transitional Expenditures related to Public Health Services, *on the Statement of Estimates.***

Line 1025998 **Addition in description** These transitional expenditures should relate specifically to: accruals related to the change in accounting policy for post-employment benefits, retirement benefits and/or pension valuation liabilities, *on the Statement of Estimates.*

Line 1025999 **Addition in description** Expenditures related to public health services, excluding debt charges and transitional expenditures, on the Statement of Estimates *which would include Deficit of Regional Housing Authority.*

Line 1026190 **Addition in description** *Planning boards; administration; research and planning; and other.*

Addition in Line Heading

Line numbers 1026250 to 1026290 should be used to report expenditures related to Community Development.

This could include activities that enhance local economic and agricultural development, including transfers to regional *development authorities* and community development.

Line 1026290

Addition in description

Administration; general land assembly; urban renewal projects; beautification and land rehabilitation; and other

Line 1026400

Addition in description

Activities related to the development of natural resources *which would include agriculture (destruction of pests, weed control, drainage, assistance to agriculture); water resources and conservation; and other (including oil and gas).*

Line 1026600

Addition in description

Activities related to the development of industrial parks *which would include administration; assistance to industrial development; and other.*

Line 1026790

Addition in description

Debenture discounts, cost of issuing and selling new debentures, banking service charges and other.

Line 1026990

Addition in description

Public receptions (convention facilities, promotion of convention facilities, other); markets; and other.

Addition in Line Heading

Line number 1026998 should be used to report Transitional Expenditures related to Environmental Development Services, *on the Statement of Estimates.*

Line 1026998

Addition in description

These transitional expenditures should relate specifically to:

- accruals related to the change in accounting policy for post-employment benefits, retirement benefits and/or pension valuation liabilities, *on the Statement of Estimates.*

Line 1027190

Addition in description

*-Community centres and halls
-Amusement parks, exhibitions and
-fairs
-Stadiums
-Other*

Line 1027290

Addition in description

*Historic sites; art galleries;
museums; theatre; concert halls;
auditoriums; heritage properties;
and other*

Line 1027790

Addition in description

*Debenture discounts, cost of issuing
and selling new debentures,
banking service charges and other*

Line 1027900

Addition in description

Other recreation and cultural services that do not fall within the recreation and cultural functions defined above, *which includes film, radio, television, physical fitness and other services.*

Addition in Line Heading

Line number 1027998 should be used to report Transitional Expenditures related to Recreation and Cultural Services, *on the Statement of Estimates.*

Line 1027998

Addition in description

These transitional expenditures should relate specifically to:

- accruals related to the change in accounting policy for post-employment benefits, retirement benefits and/or pension valuation liabilities, *on the Statement of Estimates.*

Line 1029100

Addition in description

(Specify revenue item)

Line 1029200

Addition in description

(Specify expenditure item)

Addition in Line Heading

Line numbers 1029991 to 1029997 should be used to report the allocation to various functions of the transitional expenditures that will be included in the municipality's calculation of taxes, *on the Statement of Estimates only.*

These transitional expenditures should relate specifically to:

- accruals related to the change in accounting policy for post-employment benefits, retirement benefits and/or pension valuation liabilities; and/or
- accruals related to landfill closure/post-closure costs.
- *on the Statement of Estimates only.*

Addition in Line Heading

Line numbers 1066000 to 1068090 should be used to report transfers to or from the municipality's own reserves, funds or agencies for internal financing purposes.

This should not be used to report revenues or expenditures.

Line 1066000	Addition in title	Transfers <i>from (to)</i> own reserves, funds and Agencies
Line 1066010	Addition in title	Transfer <i>(to)</i> – operating reserve
Line 1066020	Addition in title	Transfer <i>(to)</i> - capital reserve
Line 1066030	Addition in title	Transfer <i>(to)</i> - general capital fund
	Addition in description	<i>Transfer to general capital fund for capital expenditures out of revenue, capital area rates or capital grants.</i>
Line 1066090	Addition in title	Transfer <i>(to)</i> - other
Line 2011001	Addition in title	<i>From federal government</i>
<i>Line 2011002</i>	Addition in title	<i>From provincial government</i>
	Addition in description	<i>Amounts received from governmental entities by the fund.</i>
<i>Line 2011003</i>	Addition in title	<i>From other local governments</i>
	Addition in description	<i>Amounts received from governmental entities by the fund.</i>
Line 2065010	Addition in title	Transfers <i>from (to)</i> own reserves, funds and agencies
	Addition in description	Transfers <i>from (to)</i> the municipality's reserves, funds or agencies for internal financing purposes. This should not be used to report revenues or expenditures.

<i>Line 5013000</i>	Addition in title	<i>Gas tax rebate</i>
	Addition in description	<i>Amounts received from the Federal gas tax rebate program. If the amounts are not used in the year, they must remain in the reserves until transferred to other funds for use in accordance with the requirements of the program.</i>

Line 5064000	Addition in title	Transfers <i>from (to)</i> own reserves, funds and agencies
	Addition in description	Transfers <i>from (to)</i> the municipality's reserves, funds or agencies for internal financing purposes. This should not be used to report revenues or expenditures.

Addition in Introduction **Statistical Line Number Definitions**
 Lines 10S1010 to 10S1***202*** should be used to report select financial and non-financial information. **Specific definitions for the amounts to be included in these lines can be found in the August 2002 Municipal Indicators handbook.**

<u>Line #</u>	<u>Title</u>
10S1050	<i>Number of full-time equivalent positions with a succession plan</i>
10S1070	Total kilometres of sewer line <i>(storm and sanitary)</i>
10S1080	Number of sewer main backups <i>in a year</i>
10S1130	Number of breaks in water mains <i>in a year</i>
<i>10S1150</i>	<i>Number of wards</i>

- 10S1160 Number of councilors***
- 10S1170 Municipal strategic plan (yes or no)***
- 10S1180 Streets and roads kilometers (paved and unpaved)***
- 10S1190 Total liters of water treated (cubic meters)***
- 10S1200 Tons of solid waste collected***
- 10S1201 Tons of solid waste disposed***
- 10S1202 Tons of recycled material diverted***