

**CITY OF MOUNT PEARL**  
**CONSOLIDATED FINANCIAL STATEMENTS**

December 31, 2018

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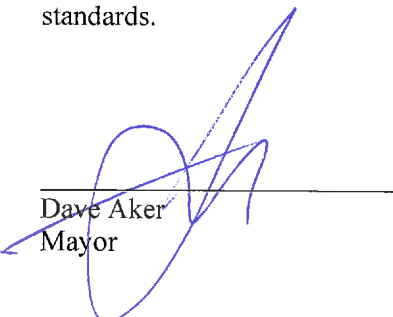
## Statement of Responsibility

The accompanying consolidated financial statements are the responsibility of the management of the City of Mount Pearl. The consolidated financial statements have been prepared by management in compliance with legislation and in accordance with Canadian public sector accounting standards.

In carrying out its responsibilities, management maintains appropriate systems of internal and administrative controls designed to provide reasonable assurance that transactions are executed in accordance with proper authorization, that assets are properly accounted for and safeguarded, and that financial information produced is relevant and reliable.

The Council of the City of Mount Pearl met with management and its external auditors to review a draft of the consolidated financial statements and to discuss any significant financial reporting or internal control matters prior to their approval of the finalized consolidated financial statements.

BDO Canada LLP, the City of Mount Pearl's appointed external auditors, have audited the accompanying consolidated financial statements. The Auditor's Report is addressed to the Mayor and members of City Council and appears on the following page. Their opinion is based upon an examination conducted in accordance with Canadian generally accepted auditing standards, performing such tests and other procedures as they consider necessary to obtain reasonable assurance that the consolidated financial statements are free of material misstatement and present fairly, the consolidated financial position and results of operations of the City of Mount Pearl in accordance with Canadian public sector accounting standards.



\_\_\_\_\_  
Dave Aker  
Mayor



\_\_\_\_\_  
Jason Silver  
Director of Corporate Services



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300 Kenmount Road, Suite 100  
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## Independent Auditor's Report

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**To the Mayor and members of Council of the City of Mount Pearl**

### **Opinion**

We have audited the accompanying consolidated financial statements of the City of Mount Pearl (the "City"), which comprise the consolidated statement of financial position as at December 31, 2018, and the consolidated statements of operations and accumulated surplus, changes in net debt and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the City as at December 31, 2018, and its results of consolidated operations, its consolidated changes in net debt, and 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 Financial Statements* section of our report. We are independent of the City in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Emphasis of Matter - Restatement of Comparative Information**

We draw attention to Note 3 of the consolidated financial statements which explains that certain comparative information for the year ended December 31, 2018 has been restated. The consolidated financial statements for the year ended December 31, 2018 (prior to the adjustments that were applied to restate certain comparative information explained in Note 3) were audited by another auditor who expressed an unmodified opinion on those financial statements on July 19, 2018. Our opinion is not modified in respect of this matter.

### **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 City's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the City or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the City'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 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 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 City'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 City'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, the future events or conditions may cause the City 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.

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.

*BDO Canada LLP*

Chartered Professional Accountants  
St. John's, Newfoundland and Labrador  
September 18, 2019

**City of Mount Pearl**  
**Consolidated Statement of Financial Position**  
Year ended December 31

	<b>2018</b>	<b>2017</b> Restated (Note 3)
<b>Financial Assets</b>		
Current		
Cash and cash equivalents	\$ 21,171,659	\$ 14,293,665
Receivables (Note 4)	<u>8,238,456</u>	<u>6,457,602</u>
	29,410,115	20,751,267
Long-term receivables (Note 4)	<u>2,645,763</u>	<u>2,781,670</u>
	<u>32,055,878</u>	<u>23,532,937</u>
<b>Liabilities</b>		
Accounts payable and accrued liabilities (Note 6)	11,081,056	10,563,816
Deferred revenue	638,453	576,516
Long term debt (Note 7)	35,782,749	32,157,266
Unfunded pension liability (Note 8)	913,529	1,124,379
Accrued post-retirement benefits (Note 9)	5,390,700	5,244,600
Accrued employee benefits (Note 10)	2,077,819	2,005,083
Accrued early retirement pension benefit (Note 11)	<u>395,171</u>	<u>436,417</u>
	<u>56,279,477</u>	<u>52,108,077</u>
<b>Net Debt</b>	<u>(24,223,599)</u>	<u>(28,575,140)</u>
<b>Non-Financial Assets</b>		
Tangible capital assets (Note 12)	213,820,187	204,795,845
Inventories	1,054,768	929,599
Prepaid expenses	<u>83,750</u>	<u>75,165</u>
	<u>214,958,705</u>	<u>205,800,609</u>
<b>Accumulated Surplus</b>	<u>\$ 190,735,106</u>	<u>\$ 177,225,469</u>

Commitments (Note 13)

On behalf of Council

\_\_\_\_\_  
Dave Aker, Mayor

\_\_\_\_\_  
Jason Silver, Director of Corporate Services

*The accompanying notes form an integral part of these financial statements*

**City of Mount Pearl**  
**Consolidated Statement of Changes in Net Debt**  
Year ended December 31

	<b>2018 Budget (Note 15)</b>	<b>2018 Actual</b>	<b>2017 Actual Restated (Note 3)</b>
<b>Annual surplus</b>	\$ 521,777	\$ 13,509,637	\$ 32,535,253
Acquisition of capital assets	(29,572,219)	(17,865,346)	(34,075,540)
Amortization of capital assets	8,127,000	8,700,002	8,138,916
Disposals of capital assets, net	<u>-</u>	<u>141,002</u>	<u>505,125</u>
	<u>(21,445,219)</u>	<u>(9,024,342)</u>	<u>(25,431,499)</u>
Acquisition (use) of supplies inventories	-	(125,169)	109,815
Acquisition (use) of prepaid expenses	<u>-</u>	<u>(8,585)</u>	<u>506,986</u>
	<u>-</u>	<u>(133,754)</u>	<u>616,801</u>
<b>Decrease in net debt</b>	(20,923,442)	4,351,541	7,720,555
<b>Net debt, beginning of year</b>	<u>(28,575,140)</u>	<u>(28,575,140)</u>	<u>(36,295,695)</u>
<b>Net debt, end of year</b>	<u>\$ (49,498,582)</u>	<u>\$ (24,223,599)</u>	<u>\$ (28,575,140)</u>

**City of Mount Pearl**  
**Consolidated Statement of Operations and Accumulated Surplus**  
Year ended December 31

	<b>2018 Budget (Note 15)</b>	<b>2018 Actual</b>	<b>2017 Actual Restated (Note 3)</b>
<b>Revenues (Schedule A)</b>			
Taxation and utility fees	\$ 45,888,484	\$ 48,113,865	\$ 45,799,441
Grants from other governments	3,046,606	9,230,980	4,303,370
Sales of goods and services	2,277,018	2,246,351	2,392,543
Other revenue from own sources	820,200	1,348,942	1,144,448
Developer donated assets	-	-	27,753,923
Revenues from land sales	-	-	2,200
Grants in lieu of taxes	<u>18,916</u>	<u>18,916</u>	<u>18,916</u>
Total revenues	<u>52,051,224</u>	<u>60,959,054</u>	<u>81,414,841</u>
<b>Expenses (Schedule B and note 14)</b>			
General government services	6,046,994	4,826,301	4,597,561
Transportation services	16,968,425	16,740,672	16,561,331
Protective services	5,922,968	6,322,354	6,043,532
Community services	11,194,711	11,075,192	10,449,137
Environmental health services	8,346,557	6,026,655	8,160,472
Planning and development	1,241,823	1,002,855	1,148,397
Fiscal services	<u>1,807,969</u>	<u>1,455,388</u>	<u>1,919,158</u>
Total expenditures	<u>51,529,447</u>	<u>47,449,417</u>	<u>48,879,588</u>
<b>Annual surplus</b>	521,777	13,509,637	32,535,253
<b>Accumulated surplus, beginning of year</b>	177,225,469	177,225,469	106,854,707
<b>Prior Period Adjustment (Note 3)</b>	<u>-</u>	<u>-</u>	<u>37,835,509</u>
<b>Accumulated surplus, end of year</b>	<u>\$ 177,747,246</u>	<u>\$ 190,735,106</u>	<u>\$ 177,225,469</u>



**City of Mount Pearl**  
**Consolidated Statement of Cash Flows**  
Year ended December 31

	<b>2018</b>	<b>2017</b> <b>Restated</b> <b>(Note 3)</b>
Cash derived from (applied to)		
<b>Operating activities</b>		
Annual surplus	\$ 13,509,637	\$ 32,535,253
Add non-cash items		
Developer donated assets	-	(27,753,923)
Amortization of tangible capital assets	8,700,002	8,138,916
Unfunded pension liability	(210,850)	(1,102,762)
Accrued post-retirement benefits	146,100	146,100
Accrued employee benefits	72,736	16,581
Accrued early retirement pension benefit	(41,246)	(37,193)
Loss on disposal of tangible capital assets	<u>67,642</u>	<u>482,098</u>
	22,244,021	12,425,070
 Change in non-cash working capital		
Receivables	(1,780,854)	1,672,039
Inventories	(125,169)	109,815
Long-term receivables	135,907	135,907
Prepaid expenses	(8,585)	506,986
Accounts payables and accrued liabilities	517,240	201,321
Deferred revenue	<u>61,937</u>	<u>-</u>
	<u>21,044,497</u>	<u>15,051,138</u>
 <b>Financing activity</b>		
Proceeds from long-term debt	5,200,000	-
Repayment of long-term debt	<u>(1,574,517)</u>	<u>(1,490,249)</u>
	<u>3,625,483</u>	<u>(1,490,249)</u>
 <b>Capital activities</b>		
Acquisition of tangible capital assets	(17,865,346)	(6,321,617)
Proceeds on disposal of tangible capital assets	<u>73,360</u>	<u>23,027</u>
	<u>(17,791,986)</u>	<u>(6,298,590)</u>
 <b>Net change in cash and cash equivalents</b>	6,877,994	7,262,299
 <b>Cash and cash equivalents, beginning of year</b>	<u>14,293,665</u>	<u>7,031,366</u>
 <b>Cash and cash equivalents, end of year</b>	<u>\$ 21,171,659</u>	<u>\$ 14,293,665</u>

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**City of Mount Pearl**  
**Notes to the Consolidated Financial Statements**  
Year ended December 31, 2018

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**1. Status of the City of Mount Pearl**

The incorporated City of Mount Pearl is a municipal government that was incorporated in 1955 pursuant to the Province of Newfoundland and Labrador's Municipalities Act. The municipality was granted city status in 1988 pursuant to the passing of The City of Mount Pearl Act in the provincial legislature. The City provides or funds municipal services such as fire, public transportation, public works, community services programming, library services, and recreation and general government operations.

**2. Significant Accounting Policies**

The consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards (PSAS).

**a) The reporting entity**

The reporting entity includes the accounts and financial activities of organizations, which are controlled by the City of Mount Pearl ("the City"). These organizations are accountable to Council for the administration of their financial affairs.

The financial position and results of operations of the following organization which is controlled by the City has been included in the City's consolidated financial statements.

Admiralty House Museum & Archives

**b) Purchased services**

The City has agreements in place for the purchase of certain municipal services provided on a regional basis including; public transit services, regional fire services, landfill services, the supply of potable water and wastewater treatment services. These services are billed to the City on a cost of supply or consumption basis and are provided by the following organizations:

St. John's Regional Fire Department  
St. John's Regional Water Authority  
St. John's Transportation Commission  
Robin Hood Bay Solid Waste Treatment Facility  
Riverhead Wastewater Treatment Facility

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**City of Mount Pearl**  
**Notes to the Consolidated Financial Statements**  
Year ended December 31, 2018

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**2. Significant Accounting Policies (continued)**

**c) Basis of accounting**

The financial statements have been prepared using Canadian public sector accounting standards.

**d) Cash and cash equivalents**

Cash and cash equivalents includes cash on hand, cash on deposit and short-term liquid investments that are readily convertible to cash and are not subject to significant risk of changes in value. Short-term liquid investments have a maturity date of ninety days or less from the date of acquisition.

**e) Inventories held for consumption**

Inventories of supplies held for consumption are recorded at the lower of estimated cost and replacement value. Allowances have been made for unusable and obsolete parts.

**f) Non-financial assets**

Non-financial assets are used to provide the organization's services in future periods. These assets do not normally provide resources to discharge the liabilities of the organization unless they are sold. The organization's non-financial assets include all assets of a fixed or permanent nature, claims to goods and services and consumable goods

**g) Post-retirement benefits**

The City provides defined post-retirement benefits to certain employee groups. These benefits include life insurance, accidental death and dismemberment coverage, health care and dental benefits. The costs of post-retirement future benefits are actuarially determined using management's best estimate of health care costs, disability recovery rates and discount rates. Actuarial gains and losses are amortized on a straight-line basis over the expected average remaining service life of the employee groups.

**h) Pension Plan**

All qualified permanent employees of the City are covered by a pension plan administered by Mercer Canada Limited. Contributions to the plan are required by the employees and the City at the rate of 8.75% of regular pay for a career average plan or 9.75% of regular pay for a best five years plan. The annual contributions for pensions as well as special payments to address the current unfunded liability in the pension plan are recognized in the consolidated financial statements on an accrual basis. The total of the current unfunded liability within the pension plan has been accrued in the City's consolidated financial statements.

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**City of Mount Pearl**  
**Notes to the Consolidated Financial Statements**  
Year ended December 31, 2018

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**2. Significant Accounting Policies (continued)**

**i) Employee benefits**

The City's employee benefits consist of severance and vacation pay, which are accounted for on an accrual basis. Severance pay is calculated based upon unused sick leave or years of service. Entitlement to severance pay is earned after 5 years of service for management employees and 10 years of service for unionized employees. Management employees hired after January 1<sup>st</sup>, 2016 are not eligible for severance payments upon retirement. No provision has been recorded for employees with less than the required years of service. The amount is payable when the employee ceases employment with the City. The accrual does not include any additional compensation which an employee may be entitled to if the City declares an employee's position redundant. Vacation pay is calculated based upon employees' unused vacation leave entitlement at year end.

**j) Use of estimates**

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. These estimates include amortization of tangible capital assets and valuation of unfunded pension liability, accrued post-retirement benefits, accrued employee benefits, and accrued early retirement pension benefits. Actual results could differ from these estimates.

**k) Tangible capital assets**

Tangible capital assets are recorded at cost, which includes all amounts that are directly attributable to the acquisition, construction, development or betterment of the asset.

Tangible capital assets under construction, development or that have been removed from service are not amortized until they are available to be put into service.

Tangible capital assets are written down when conditions indicate that they no longer contribute to the City's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the statement of operations.

Contributed tangible capital assets are recorded at their fair value on the date of contribution, except in unusual circumstances where fair value cannot be reasonably determined, in which case they are recognized at nominal value.

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**City of Mount Pearl**  
**Notes to the Consolidated Financial Statements**  
Year ended December 31, 2018

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**2. Significant Accounting Policies (continued)**

**k) Tangible capital assets (continued)**

The cost of tangible capital assets is amortized on a straight line basis over the estimated useful lives as follows:

General Tangible Capital Assets

Buildings	40 years
Vehicles	5 years
Machinery and heavy equipment	10 to 15 years
Computer hardware	4 years
Computer software	5 years
Office furniture and equipment	10 years
Recreation equipment	5 to 20 years

Infrastructure Assets

Water and sewer	
Underground networks	35 to 75 years
Culverts, dams and detention ponds	35 to 50 years
Transportation	
Road surface	12 to 20 years
Road bed	30 years
Sidewalks, curbs and gutters	30 years
Traffic lights	20 years

**l) Bonding**

As required by Section 89 of The City of Mount Pearl Act, we report that all employees whose duties include collecting, receiving and depositing of cash are bonded.

**m) Revenue recognition**

Taxes are recorded at estimated amounts when they meet the definition of an asset, have been authorized and the taxable event occurs. For property taxes, the taxable event is the period for which the tax is levied. As taxes recorded are initially based on management's best estimate of the taxes that will be received, it is possible that changes in future conditions, such as reassessments due to audits, appeals and court decisions, could result in a change in the amount of tax revenue recognized. Taxes receivable are recognized net of an allowance for anticipated amounts.

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**City of Mount Pearl**  
**Notes to the Consolidated Financial Statements**  
Year ended December 31, 2018

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**2. Significant Accounting Policies (continued)**

**m) Revenue recognition (continued)**

Other revenue mainly consists of sales of goods and services which are recognized when significant risks and rewards of ownership have been transferred and there are no significant obligations remaining, sales price is fixed and determinable, persuasive evidence of an arrangement exists and collection is reasonably assured. This usually coincides with the provision of the goods and services.

Government transfers are recognized as revenue in the financial statements when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

**3. Prior Period Adjustment**

During the year, the City determined that capital contributions received in previous years had been incorrectly deferred. Canadian Public Sector Accounting Standards require recognition of revenue from government transfers (capital or otherwise) in the period the transfer is authorized and all eligibility criteria have been met, except when that the transfer gives rise to an obligation that meets the definition of a liability for the City. The City had no liability associated with the deferred capital contributions. The error resulted in an overstatement of liabilities of \$38,993,887, an understatement of grants from other governments of \$1,158,378 and an understatement of opening accumulated surplus of \$37,835,509. The comparative financial statement amounts presented have been restated.

**4. Receivables**

	<b>2018</b>	<b>2017</b>
Taxes and rates receivable	\$ 2,821,914	\$ 2,031,365
Interest on arrears	68,473	102,047
Accounts receivable	3,292,126	3,188,809
Capital works funding receivable	4,009,133	3,208,976
Other receivables	<u>850,990</u>	<u>725,354</u>
	11,042,636	9,256,551
Long-term receivables	(2,645,763)	(2,781,670)
Less: Allowance for doubtful accounts	<u>(158,417)</u>	<u>(17,279)</u>
	<u>\$ 8,238,456</u>	<u>\$ 6,457,602</u>

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**City of Mount Pearl**  
**Notes to the Consolidated Financial Statements**  
Year ended December 31, 2018

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**4. Receivables (continued)**

**Long-term Receivables**

Long-term receivables are comprised of interest free loans due from the Mount Pearl Soccer Association, Campia Gymnastics and the Mount Pearl Men's Softball Association for the construction of recreation facilities.

	<b>2018</b>	<b>2017</b>
<b>Mount Pearl Soccer Association</b>		
Repayable in 80 quarterly installments of \$8,750 payable by March 1 <sup>st</sup> , June 1 <sup>st</sup> , September 1 <sup>st</sup> and December 1 <sup>st</sup> of each year, commencing June 1, 2014. The remaining principal balance of \$7,960 is payable upon maturity.	\$ 541,710	\$ 576,710
<b>Campia Gymnastics</b>		
Repayable in 25 annual installments of \$82,840 on June 30 <sup>th</sup> of each year, commencing June 30 <sup>th</sup> , 2017	1,905,320	1,988,160
<b>Mount Pearl Men's Softball Association</b>		
Repayable in 15 annual installments of \$18,067 payable by February 28 <sup>th</sup> of each year, commencing February 28 <sup>th</sup> , 2015.	<u>198,733</u>	<u>216,800</u>
	<u>\$ 2,645,763</u>	<u>\$ 2,781,670</u>

**5. Bank Indebtedness**

The City's borrowing facility available is \$3,000,000 bearing interest at prime minus 0.375% per annum. At December 31, 2018, the borrowing facility was not drawn upon (2017 - \$nil).

Subsequent to year end, the City re-financed the borrowing facility with another financial institution at an interest rate of prime minus 0.90%.

**6. Payables and Accruals**

	<b>2018</b>	<b>2017</b>
Trade payables	\$ 8,495,753	\$ 7,668,585
Other accruals	<u>2,585,303</u>	<u>2,895,231</u>
	<u>\$ 11,081,056</u>	<u>\$ 10,563,816</u>

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**City of Mount Pearl**  
**Notes to the Consolidated Financial Statements**  
Year ended December 31, 2018

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**7. Long Term Debt**

	<b>2018</b>	<b>2017</b>
<b>Royal Bank</b>		
5.28% bank loan, repayable in monthly principal and interest instalments of \$80,546, maturing June 2023	3,863,825	4,604,994
5.16% bank loan, repayable in monthly principal and interest instalments of \$89,100, maturing June 2038	13,352,600	13,722,272
0.39% banker's acceptance loan combined with a 2.48%, 25 year interest rate swap, repayable in monthly principal and interest instalments of \$70,000, maturing April 2040	13,381,000	13,830,000
<b>TD Bank</b>		
3.83% bank load, repayable in monthly principal and interest installments of \$31,046 to Nov 2038	<u>5,185,324</u>	<u>-</u>
	<b><u>\$ 35,782,749</u></b>	<b><u>\$ 32,157,266</u></b>

Estimated principal repayments on long term debt over the next five years are as follows:

<b>2019</b>	\$ 1,810,522
<b>2020</b>	\$ 1,892,715
<b>2021</b>	\$ 1,980,612
<b>2022</b>	\$ 2,071,791
<b>2023</b>	\$ 1,679,476



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**City of Mount Pearl**  
**Notes to the Consolidated Financial Statements**  
Year ended December 31, 2018

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**8. Pension Plan**

The City maintains a defined benefit pension plan (“the Plan”) which provides pension benefits to both management and unionized employees. The Plan is a multi-employer plan administered by Newfoundland and Labrador Municipal Employee Benefits Inc. The Plan is equally funded by participating employers and members.

For years of service prior to December 31, 2012, on retirement, on or after the normal retirement age, the retiree will receive a lifetime benefit representing 2% of the average earnings of the best five consecutive years prior to retirement, multiplied by the number of years of Plan membership up to December 31, 2012. This pension benefit was frozen as of December 31, 2012.

Commencing January 1, 2013 the pension plan benefit calculation has been modified such that, for years of service after January 1, 2013, participants over the age of 50 at January 1, 2013 could enroll in a retirement plan in which the retirement benefit will be calculated on a career average basis or a new best five years plan. Participants under the age of 50 at January 1, 2013 were enrolled in the new best five years plan.

Under the career average plan, on retirement, on or after the normal retirement age, the retiree will receive a lifetime benefit representing 2% of the career average earnings of the years subsequent to January 1, 2013 to retirement, multiplied by the number of years of Plan membership after January 1, 2013.

Under the new best five years plan, for years of service commencing on January 1, 2013, on retirement, on or after the normal retirement age, the retiree will receive a lifetime benefit representing 2% of the average earnings of the best five consecutive years prior to retirement, multiplied by the number of years of Plan membership subsequent to January 1, 2013.

Normal retirement age under both Plans is 60 years of age. Early retirement is permitted at any time after age 50 on a reduced pension. The pension reduction is calculated at ½ of 1% for each month that early retirement precedes normal retirement age. On January 1<sup>st</sup> of each year after retirement, retirement benefits in the career average plan are adjusted by the percentage change in the Consumer Price Index up to a maximum increase of 6% per year. On January 1<sup>st</sup> of each year after retirement, retirement benefits in the best five years plan are adjusted by 85% of the percentage change in the Consumer Price Index up to a maximum increase of 6% per year.

During the year ended December 31, 2018 the City contributed \$1,967,932.72 (2017: \$2,260,315) to the Plans. Since January 1<sup>st</sup>, 2013 the City and the members are each contributing 9.75% of regular earnings to the best five years plan or 8.75% of regular earnings to the career average plan. The City is also contributing special payments in an effort to retire the current unfunded liability. During the year ended December 31, 2018 the City contributed special payments of \$225,737 (2017: \$225,737) to the Plans.

The last actuarial valuation of the plan was calculated as of December 31<sup>st</sup>, 2016. The next actuarial valuation is scheduled to be calculated for the year ended December 31<sup>st</sup>, 2019.

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**City of Mount Pearl**  
**Notes to the Consolidated Financial Statements**  
Year ended December 31, 2018

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**9. Post-Retirement Benefits**

The City provides an extension of AD&D, life insurance benefits and health and dental benefits to employees and elected officials who retire from the municipality. Life insurance and AD&D coverage is provided to a maximum of \$30,000. Health and dental benefits provided to retirees are similar to those of active employees. The City engaged Johnson Inc. to complete an actuarial valuation of the City's Post-Retirement Benefit Plan. The actuarial valuation was completed with a valuation date of March 31, 2017. The accrued liability recorded in the City's financial statements was adjusted to reflect the actuarially calculated liability. The liability amounts recorded are as follows:

	<b>2018</b>	<b>2017</b>	<b>Expense</b>
Life and AD&D benefits	\$ 33,300	\$ 32,600	\$ 700
Health benefits	4,296,600	4,178,200	118,400
Dental benefits	<u>1,060,800</u>	<u>1,033,800</u>	<u>27,000</u>
	<u>\$ 5,390,700</u>	<u>\$ 5,244,600</u>	<u>\$ 146,100</u>

Significant assumptions used in benefit calculations:

Retirement age	60
Discount rate	5.00%
Annual rate of increase in Retiree health care costs	4.00%
Annual rate of increase in Retiree dental costs	3.00%

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**City of Mount Pearl**  
**Notes to the Consolidated Financial Statements**  
Year ended December 31, 2018

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**10. Employee Benefits**

The City provides severance benefits to employees upon the cessation of employment. Severance payments are calculated based upon unused sick leave or years of service. Entitlement to severance payments is earned after 5 years of service for management employees and 10 years of service for unionized employees. Management employees hired after January 1<sup>st</sup>, 2016 are not eligible for severance payments upon retirement. The amount of the severance benefit is calculated as the number of completed years of service or the remaining unused sick leave credits, up to the equivalent of a maximum of 24 weeks pay. No benefit provision has been recorded for employees with less than the required years of service. The accrual does not include any additional compensation which an employee may be entitled to if the City declares an employee's position redundant.

Vacation pay is calculated based upon employees' unused vacation leave entitlement at year end.

All severance and vacation benefits are calculated and recorded in the financial statements during the year it is earned.

	<b>2018</b>	<b>2017</b>
Accrued severance benefit	\$ 1,768,349	\$ 1,747,310
Accrued vacation benefit	<u>309,470</u>	<u>257,773</u>
	<u>\$ 2,077,819</u>	<u>\$ 2,005,083</u>

**11. Early Retirement Pension Benefit**

Prior to July 1<sup>st</sup>, 1999, the City's pension plan ("the Old Plan") established a normal retirement age of 65. Subsequent to July 1<sup>st</sup>, 1999 the City's pension plan ("the New Plan") established a normal retirement age of 60. Pursuant to an agreement dated November 19<sup>th</sup>, 2003, the City agreed to reimburse retirees for any penalties calculated on the Old Plan benefits arising from retirement prior to attaining age 65 but subsequent to attaining age 60. To be eligible to receive the early retirement benefit an employee must continue to be employed by the City up until the attainment of age 60. Retirement prior to age 60 or resignation from employment with the City will result in the forfeiture of this benefit. This benefit liability has not been actuarially calculated.

**City of Mount Pearl**  
**Notes to the Consolidated Financial Statements**  
Year ended December 31, 2018

**12. Tangible Capital Assets**

**2018 General Capital Assets**

	<b>Land</b>	<b>Buildings</b>	<b>Vehicles &amp; Equip</b>	<b>Playing Surfaces &amp; Trails</b>	<b>Computer Hardware Software</b>	<b>Recreation Equipment</b>	<b>Office Furniture</b>	<b>Totals</b>
Cost, Jan 1 <sup>st</sup>	\$ 11,233,312	\$ 85,866,231	\$ 16,541,582	\$ 7,050,899	\$ 1,170,884	\$ 5,142,045	\$ 366,043	\$127,370,996
Additions	47,179	35,466	1,117,825	2,492,562	-	644,330	120	4,337,482
Disposals	-	-	(848,648)	-	-	-	-	(848,648)
Transfers	-	-	-	-	-	-	-	-
<b>Cost, Dec 31<sup>st</sup></b>	<b>11,280,491</b>	<b>85,901,697</b>	<b>16,810,759</b>	<b>9,543,461</b>	<b>1,170,884</b>	<b>5,786,375</b>	<b>366,163</b>	<b>130,859,830</b>
Accumulated amortization, Jan 1 <sup>st</sup>	-	16,764,353	9,915,227	2,524,552	950,000	2,315,645	243,427	32,713,204
Amortization	-	2,266,365	1,055,281	365,852	91,304	393,096	26,891	4,198,789
Disposals	-	-	(707,646)	-	-	-	-	(707,646)
<b>Accumulated amortization, Dec 31<sup>st</sup></b>	<b>-</b>	<b>19,030,718</b>	<b>10,262,862</b>	<b>2,890,404</b>	<b>1,041,304</b>	<b>2,708,741</b>	<b>270,318</b>	<b>36,204,347</b>
<b>Net Book Value, Dec 31<sup>st</sup></b>	<b>\$ 11,280,491</b>	<b>\$ 66,870,979</b>	<b>\$ 6,547,897</b>	<b>\$ 6,653,057</b>	<b>\$ 129,580</b>	<b>\$ 3,077,634</b>	<b>\$ 95,845</b>	<b>\$ 94,655,483</b>

**City of Mount Pearl**  
**Notes to the Consolidated Financial Statements**  
Year ended December 31, 2018

**12. Tangible Capital Assets (continued)**

	2018 Infrastructure Assets						
	Roads Curbs & Sidewalks	Traffic Lights	Work in Progress	Water & Wastewater Networks	Pumping & Lift Stations	Tools & Equipment	Total
Cost, Jan 1 <sup>st</sup>	\$ 73,772,217	\$ 2,699,422	\$ 14,191,439	\$ 88,884,583	\$ 783,026	\$ 3,414,926	\$ 183,745,613
Additions	2,638,404	187,875	10,446,521	102,538	-	152,526	13,527,864
Disposals	-	-	-	-	-	-	-
Transfers	6,433,487	-	(6,433,487)	-	-	-	-
Cost, Dec 31 <sup>st</sup>	82,844,108	2,887,297	18,204,473	88,987,121	783,026	3,567,452	197,273,477
Accumulated amortization, Jan 1 <sup>st</sup>	42,634,574	1,499,587	-	27,576,967	516,117	1,380,315	73,607,560
Amortization Disposals	2,770,238	109,569	-	1,385,795	28,883	206,728	4,501,213
Accumulated amortization, Dec 31 <sup>st</sup>	45,404,812	1,609,156	-	28,962,762	545,000	1,587,043	78,108,773
Net Book Value, Dec 31 <sup>st</sup>	\$ 37,439,296	\$ 1,278,141	\$ 18,204,473	\$ 60,024,359	\$ 238,026	\$ 1,980,409	\$ 119,164,704
Total Net Book Value December 31 <sup>st</sup> , 2018							\$ 213,820,187

**City of Mount Pearl**  
**Notes to the Consolidated Financial Statements**  
Year ended December 31, 2018

**12. Tangible Capital Assets (continued)**

		<u>2017 General Capital Assets</u>							
		Land	Buildings	Vehicles & Equip	Playing Surfaces & Trails	Computer Hardware Software	Recreation Equipment	Office Furniture	Totals
Cost, Jan 1 <sup>st</sup>	\$ 10,741,312	\$ 85,471,106	\$ 16,913,985	\$ 6,705,865	\$ 1,136,179	\$ 4,838,083	\$ 357,265	\$126,163,795	
Additions	492,000	555,751	65,402	345,034	89,404	303,963	11,887	1,863,441	
Disposals	-	(160,626)	(437,805)	-	(54,699)	-	(3,109)	(656,239)	
Cost, Dec 31 <sup>st</sup>	<u>11,233,312</u>	<u>85,866,231</u>	<u>16,541,582</u>	<u>7,050,899</u>	<u>1,170,884</u>	<u>5,142,046</u>	<u>366,043</u>	<u>127,370,997</u>	
Accumulated amortization, Jan 1 <sup>st</sup>	-	14,672,874	9,216,170	2,209,172	892,750	1,950,009	212,647	29,153,622	
Amortization Disposals	-	2,252,106	1,088,160	315,380	111,948	365,637	33,385	4,166,616	
	-	(160,626)	(389,103)	-	(54,699)	-	(2,605)	(607,033)	
Accumulated amortization, Dec 31 <sup>st</sup>	-	<u>16,764,354</u>	<u>9,915,227</u>	<u>2,524,552</u>	<u>949,999</u>	<u>2,315,646</u>	<u>243,427</u>	<u>32,713,205</u>	
Net Book Value, Dec 31 <sup>st</sup>	\$ <u>11,233,312</u>	\$ <u>69,101,877</u>	\$ <u>6,626,355</u>	\$ <u>4,526,347</u>	\$ <u>220,885</u>	\$ <u>2,826,400</u>	\$ <u>122,616</u>	\$ <u>94,657,792</u>	

**City of Mount Pearl**  
**Notes to the Consolidated Financial Statements**  
Year ended December 31, 2018

**12. Tangible Capital Assets (continued)**

	<u>2017 Infrastructure Assets</u>					<b>Total</b>
	<b>Roads Curbs &amp; Sidewalks</b>	<b>Traffic Lights</b>	<b>Work in Progress</b>	<b>Water &amp; Wastewater Networks</b>	<b>Pumping &amp; Lift Stations</b>	
Cost, Jan 1 <sup>st</sup>	\$ 64,948,925	\$ 2,760,184	\$ 17,961,078	\$ 63,887,255	\$ 726,532	\$ 3,414,926
Additions	10,291,731	138,655	5,078,613	25,494,858	56,494	-
Disposals	<u>(1,468,439)</u>	<u>(199,417)</u>	<u>(8,848,252)</u>	<u>(497,530)</u>	<u>-</u>	<u>-</u>
Cost, Dec 31 <sup>st</sup>	<u>73,772,217</u>	<u>2,699,422</u>	<u>14,191,439</u>	<u>88,884,583</u>	<u>783,026</u>	<u>3,414,926</u>
Accumulated amortization, Jan 1 <sup>st</sup>	41,465,143	1,562,983	-	26,654,011	486,005	1,176,585
Amortization	2,441,616	99,371	-	1,197,471	30,112	203,730
Disposals	<u>(1,272,185)</u>	<u>(162,767)</u>	<u>-</u>	<u>(274,515)</u>	<u>-</u>	<u>-</u>
Accumulated amortization, Dec 31 <sup>st</sup>	<u>42,634,574</u>	<u>1,499,587</u>	<u>-</u>	<u>27,576,967</u>	<u>516,117</u>	<u>1,380,315</u>
Net Book Value, Dec 31 <sup>st</sup>	<u>\$ 31,137,643</u>	<u>\$ 1,199,835</u>	<u>\$ 14,191,439</u>	<u>\$ 61,307,616</u>	<u>\$ 266,909</u>	<u>\$ 2,034,611</u>
Total Net Book Value December 31 <sup>st</sup> , 2017						
	<u>\$ 153,698,900</u>					<u>\$ 110,138,053</u>
	41,060,351					<u>204,795,845</u>
	<u>(11,013,638)</u>					<u>(1,709,467)</u>
	<u>183,745,613</u>					<u>73,607,560</u>

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**City of Mount Pearl**  
**Notes to the Consolidated Financial Statements**  
Year ended December 31, 2018

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**13. Commitments and Contractual Obligations**

The City has commitments under long term leases and other agreements for office equipment, communication and maintenance services requiring payments as follows:

<b>2019</b>	17,001
<b>2020</b>	7,250
<b>2021</b>	925
<b>2022</b>	462

Leases and service agreements are renewed or replaced as they expire.

**14. Schedule of Expenditure by Object**

	<b>2018</b>	<b>2018</b>	<b>2017</b>
	<b>Budget</b>	<b>Actual</b>	<b>Actual</b>
Amortization	\$ 8,127,000	\$ 8,700,002	\$ 8,138,916
Debt and financing charges	2,167,226	1,845,178	1,437,060
Grants and subsidies	307,713	243,655	688,367
Loss on disposal of tangible capital assets	-	67,642	482,098
Professional development	428,650	231,633	111,493
Purchased services	12,413,405	10,540,587	17,260,332
Professional services	187,319	305,495	1,349,116
Salaries and employee benefits	19,185,908	17,381,579	16,500,517
Supplies and parts	<u>8,712,226</u>	<u>8,133,646</u>	<u>2,911,689</u>
	<u>\$ 51,529,447</u>	<u>\$ 47,449,417</u>	<u>\$ 48,879,588</u>



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**City of Mount Pearl**  
**Notes to the Consolidated Financial Statements**  
Year ended December 31, 2018

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**15. Budget**

In accordance with The City of Mount Pearl Act, council must adopt a financial plan for each fiscal year in a form approved by the Minister. The financial plan is prepared on a revenue and expenditure basis that does not meet the recommendations of PSAB. For comparative purposes the City of Mount Pearl has modified its financial plan to present a budget that is consistent with the scope and accounting principles used to report actual results. The budget figures reported in these consolidated financial statements have been approved by council.

The reconciliation between the City's cash based financial plan and the PSAB accrual based budget figures reported in these consolidated financial statements is disclosed in Schedule C - Reconciliation of the Cash Based Financial plan to the Budget.

**16. Comparative Information**

Certain comparative figures have been restated where necessary to conform with the current period financial statement presentation.

**City of Mount Pearl**  
**Schedule A**  
**Consolidated Statement of Revenues**  
Year ended December 31, 2018

	<b>2018</b>	<b>2017</b>
<b>Taxation</b>		
Residential property tax	\$ 16,861,050	\$ 16,761,550
Residential water and wastewater fees	6,210,000	6,160,562
Commercial property tax	8,429,068	8,435,918
Commercial business tax	12,749,034	10,522,633
Commercial water and wastewater fees	2,286,698	2,314,796
Cable and utility tax	1,379,085	1,405,422
Waste management fees	<u>198,930</u>	<u>198,560</u>
	<u>48,113,865</u>	<u>45,799,441</u>
<b>Sales of goods and services</b>		
Rental income	119,850	120,022
Recreation fees	2,072,476	2,142,996
Planning and development fees	4,600	9,200
Engineering fees	3,375	74,275
Waste management fees	<u>46,050</u>	<u>46,050</u>
	<u>2,246,351</u>	<u>2,392,543</u>
<b>Other revenues from own sources</b>		
Investment income	450,791	255,419
Interest on taxes	268,075	237,692
Compliance letter fees	42,000	38,250
Tax certificate fees	59,700	61,500
Business permits	178,343	184,587
Local improvement assessments	60,052	189,341
Residential occupancy permits	37,345	60,068
Contractor's permits and licensing	21,988	19,308
Traffic fines	55,121	62,617
Other revenues	150,522	28,298
Animal control fees	5,574	3,818
Taxi licensing	2,000	1,670
Transportation fees	<u>17,431</u>	<u>1,880</u>
	<u>1,348,942</u>	<u>1,144,448</u>

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**City of Mount Pearl**  
**Schedule A**  
**Consolidated Statement of Revenues**  
Year ended December 31, 2018

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	<b>2018</b>	<b>2017</b>
<b>Grants from other governments</b>		
Government of Canada		
Special projects grants	2,671,950	101,660
Government of Newfoundland and Labrador		
Cost shared grants	4,332,312	2,759,421
Provincial gas tax program	1,914,749	1,304,184
Other grants	<u>311,969</u>	<u>138,105</u>
Grants from other governments	<u>9,230,980</u>	<u>4,303,370</u>
<b>Other revenues</b>		
Developer donated assets	-	27,753,923
Net revenues from land sales	-	2,200
Grants in lieu of taxes	<u>18,916</u>	<u>18,916</u>
	<u>18,916</u>	<u>27,775,039</u>
<b>Consolidated revenues</b>	<u>\$ 60,959,054</u>	<u>\$ 81,414,841</u>

**City of Mount Pearl**  
**Schedule B**  
**Consolidated Statement of Expenditures**  
Year ended December 31, 2018

	2018	2017
<b>General government services</b>		
Council and administration	1,741,088	989,271
Community marketing	42,825	145,733
Finance	1,115,875	1,157,833
Human resources	612,489	792,113
Information technology	803,525	978,633
Amortization	200,170	219,411
Other general government services	<u>310,329</u>	<u>314,567</u>
	<u>4,826,301</u>	<u>4,597,561</u>
<b>Transportation services</b>		
Transportation administration	\$ 1,872,454	\$ 1,941,256
Snow removal	3,058,283	2,692,710
Fleet	2,799,159	2,869,803
Roads and streets	2,385,006	2,837,252
Public transit	1,798,520	1,624,194
Traffic and street lights	991,385	971,615
Amortization	<u>3,835,865</u>	<u>3,624,501</u>
	<u>16,740,672</u>	<u>16,561,331</u>
<b>Protective services</b>		
Fire protection	5,490,768	5,185,220
Municipal enforcement	710,580	749,525
Animal control	106,535	107,077
Emergency response preparedness	14,162	1,402
Other protective services	<u>309</u>	<u>308</u>
	<u>6,322,354</u>	<u>6,043,532</u>
<b>Environmental health services</b>		
Water and waste water	1,803,431	4,236,548
Waste water	1,140,677	1,339,341
Garbage disposal	923,505	896,882
Amortization	1,966,430	1,684,206
Other environmental services	<u>192,612</u>	<u>3,495</u>
	<u>6,026,655</u>	<u>8,160,472</u>

**City of Mount Pearl**  
**Schedule B**  
**Consolidated Statement of Expenditures**  
Year ended December 31, 2018

	2018	2017
<b>Community services</b>		
Recreation administration	825,853	843,130
Healthy living program	586,198	552,035
Glacier	1,409,853	1,295,483
Summit / Reid Centre	3,249,641	3,100,701
Gloria Pearson Community Centre	144,451	161,523
Admiralty House Museum	135,990	128,588
Legion	14,274	21,029
Library	17,392	24,038
Parks	1,325,202	1,112,064
Youth development	329,542	318,650
Community events	284,994	237,165
Amortization	2,697,537	2,602,787
Other recreation services	<u>54,265</u>	<u>51,944</u>
	<u>11,075,192</u>	<u>10,449,137</u>
<b>Planning and development</b>		
Planning and zoning	692,828	661,632
Inspections	310,027	379,411
Economic development	-	95,115
Community marketing	-	5,000
Amortization	<u>-</u>	<u>7,239</u>
	<u>1,002,855</u>	<u>1,148,397</u>
<b>Fiscal services</b>		
Interest on long term debt	1,387,746	1,437,060
Loss on disposal of tangible capital assets	<u>67,642</u>	<u>482,098</u>
	<u>1,455,388</u>	<u>1,919,158</u>
<b>Consolidated expenditures</b>	<u>\$ 47,449,417</u>	<u>\$ 48,879,588</u>

**City of Mount Pearl  
Schedule C**

**Reconciliation of the Cash Based Financial Plan to the PSAB Budget**

Year ended December 31, 2018

	City of Mount Pearl	Admiralty House	Capital Fund Adjustments	Other Government Grants	Amortization	Debt Payments & Reserves	Consolidated PSAB Totals
<b>Revenues</b>							
Taxation	\$ 45,685,664	\$ -	\$ 202,820	\$ -	\$ -	\$ -	\$ 45,888,484
Grants from other governments	197,300	114,306	-	2,735,000	-	-	3,046,606
Sales of goods and services	2,259,893	17,125	-	-	-	-	2,277,018
Own source revenues	820,200	-	-	-	-	-	820,200
Grants in lieu of taxes	18,916	-	-	-	-	-	18,916
	<u>48,981,973</u>	<u>131,141</u>	<u>202,820</u>	<u>2,735,000</u>	<u>-</u>	<u>-</u>	<u>\$ 52,051,224</u>
<b>Expenditures</b>							
Debt servicing	3,740,902	-	-	-	-	(1,932,933)	1,807,969
Transportation	13,009,984	-	358,441	-	3,600,000	-	16,968,425
General government	5,906,631	-	-	-	220,000	(79,637)	6,046,994
Protective services	5,922,968	-	-	-	-	-	5,922,968
Community services	8,479,964	145,257	34,490	(65,000)	2,600,000	-	11,194,711
Environmental health	6,627,662	-	18,895	-	1,700,000	-	8,346,557
Planning and development	1,065,953	-	168,870	-	7,000	-	1,241,823
Transfers to capital fund	4,227,909	-	(29,950,095)	20,586,096	-	5,136,090	-
	<u>\$ 48,981,973</u>	<u>\$ 145,257</u>	<u>\$(29,369,399)</u>	<u>\$ 20,521,096</u>	<u>\$ 8,127,000</u>	<u>\$ 3,123,520</u>	<u>\$ 51,529,447</u>

**City of Mount Pearl  
Schedule D**

**Consolidated Reconciliation to Core Government Results**

Year ended December 31, 2018

	Core Government		Controlled Entities		Total
	2018	2017	2018	2017	
<b>Revenues</b>					
Taxation	\$ 48,113,865	\$ 45,799,441	\$ -	\$ -	\$ 48,113,865
Sales of goods and services	2,224,221	2,368,031	22,130	24,512	2,246,351
Grants and transfers	9,196,128	4,265,241	34,852	38,129	9,230,980
Investment income	-	255,419	-	-	255,419
Own source revenues	1,348,942	889,029	-	-	1,348,942
Other revenues	<u>18,916</u>	<u>27,775,039</u>	-	-	<u>18,916</u>
	<u>60,902,072</u>	<u>81,352,200</u>	<u>56,982</u>	<u>62,641</u>	<u>60,959,054</u>
<b>Expenditures</b>					
Personnel services	17,294,114	16,418,881	87,465	81,636	17,381,579
Contract services	10,503,745	15,097,140	36,842	31,438	10,540,587
Utilities	1,908,128	2,118,338	8,780	13,416	1,916,908
Materials and supplies	6,216,738	2,911,282	-	407	6,216,738
Grants and contributions	243,655	688,367	-	-	243,655
Interest on long-term debt	1,845,178	1,437,060	-	-	1,845,178
Amortization	8,700,002	8,138,144	-	772	8,700,002
Professional services	297,709	1,343,996	7,786	5,120	305,495
Professional development	231,633	110,574	-	919	231,633
Loss on disposal of tangible capital assets	<u>67,642</u>	<u>482,098</u>	-	-	<u>67,642</u>
	<u>47,308,544</u>	<u>48,745,880</u>	<u>140,873</u>	<u>133,708</u>	<u>47,449,417</u>
<b>Surplus (Deficit)</b>	<u>\$ 13,593,528</u>	<u>\$ 32,606,320</u>	<u>\$ (83,891)</u>	<u>\$ (71,067)</u>	<u>\$ 13,509,637</u>
					<u>\$ 32,535,253</u>

**City of Mount Pearl  
Schedule E**

**Consolidated Statement of Operations by Program**

Year ended December 31, 2018

	General Government		Protective Services		Transportation Services		Environmental Health Services	
	2018	2017	2018	2017	2018	2017	2018	2017
<b>Revenues</b>								
Taxation	\$ 48,113,865	\$ 37,125,522	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,673,919
Sales of goods and Services	119,850	120,022	-	-	18,660	74,275	-	46,050
Grants and transfers	277,117	245,782	-	-	8,909,011	2,759,421	-	-
Investment income	-	-	-	-	-	-	-	-
Own source revenues	760,867	347,786	11,533	64,787	160,494	5,599	-	-
Other revenues	<u>18,916</u>	<u>27,775,039</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>49,290,615</u>	<u>65,614,151</u>	<u>11,533</u>	<u>64,787</u>	<u>9,088,165</u>	<u>2,839,295</u>	<u>-</u>	<u>8,719,969</u>
<b>Expenditures</b>								
Personnel services	2,377,358	1,968,720	786,876	813,756	5,761,378	5,477,025	1,838,453	1,830,456
Contract services	1,147,479	1,064,840	5,514,061	5,219,883	1,914,861	3,484,741	1,876,959	4,267,586
Utilities	-	204,916	-	-	1,171,014	1,149,307	-	-
Materials and supplies	252,312	99,709	4,335	6,281	3,968,283	2,171,157	344,813	376,410
Grants and contributions	-	323,450	-	-	-	-	-	-
Interest on long-term debt	457,432	-	-	-	-	-	-	-
Amortization	200,170	219,411	-	-	3,835,865	3,624,501	1,966,430	1,684,206
Professional services	254,301	656,167	-	-	51,194	640,948	-	1,814
Professional development	137,249	60,348	17,082	3,612	38,077	13,652	-	-
Loss on disposal of tangible capital assets	-	-	-	-	-	-	-	-
	<u>4,826,301</u>	<u>4,597,561</u>	<u>6,322,354</u>	<u>6,043,532</u>	<u>16,740,672</u>	<u>16,561,331</u>	<u>6,026,655</u>	<u>8,160,472</u>
<b>Surplus (Deficit)</b>	<u>\$ 44,464,314</u>	<u>\$ 61,016,590</u>	<u>\$ (6,310,821)</u>	<u>\$ (5,978,745)</u>	<u>\$ (7,652,507)</u>	<u>\$ (13,722,036)</u>	<u>\$ (6,026,655)</u>	<u>\$ 559,497</u>



**City of Mount Pearl  
Schedule E**

**Consolidated Statement of Operations by Program**

Year ended December 31, 2018

	Planning and Development		Community Services		Fiscal Services		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
<b>Revenues</b>								
Taxation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 48,113,865	\$ 45,799,441
Sales of goods and Services	20,915	9,200	2,086,926	2,142,996	-	-	2,246,351	4,303,370
Grants and transfers	-	-	44,852	139,789	-	-	9,230,980	3,144,992
Investment income	-	-	-	-	-	255,419	-	255,419
Own source revenues	354,948	462,457	1,400	8,400	59,700	-	1,348,942	889,029
Other revenues	-	-	-	-	-	-	18,916	27,775,039
	<u>375,863</u>	<u>471,657</u>	<u>2,133,178</u>	<u>2,291,185</u>	<u>59,700</u>	<u>255,419</u>	<u>60,959,054</u>	<u>81,414,841</u>
<b>Expenditures</b>								
Personnel services	921,633	1,066,069	5,695,881	5,344,491	-	-	17,381,579	16,500,517
Contract services	81,222	22,061	6,005	1,069,467	-	-	10,540,587	15,128,578
Utilities	-	-	745,894	777,531	-	-	1,916,908	2,131,754
Materials and supplies	-	8,265	1,646,995	249,867	-	-	6,216,738	2,911,689
Grants and contributions	-	5,000	243,655	359,917	-	-	243,655	688,367
Interest on long-term debt	-	-	-	-	1,387,746	1,437,060	1,845,178	1,437,060
Amortization	-	7,239	2,697,537	2,603,559	-	-	8,700,002	8,138,916
Professional services	-	36,049	-	14,138	-	-	305,494	1,349,116
Professional development	-	3,714	39,225	30,167	-	-	231,633	111,493
Loss on disposal of tangible capital assets	-	-	-	-	67,642	482,098	67,642	482,098
	<u>1,002,855</u>	<u>1,148,397</u>	<u>11,075,192</u>	<u>10,449,137</u>	<u>1,455,388</u>	<u>1,919,158</u>	<u>47,449,417</u>	<u>48,879,588</u>
<b>Surplus (Deficit)</b>	\$ <u>(626,992)</u>	\$ <u>(676,740)</u>	\$ <u>(8,942,014)</u>	\$ <u>(8,157,952)</u>	\$ <u>(1,395,688)</u>	\$ <u>(1,663,739)</u>	\$ <u>13,509,637</u>	\$ <u>32,535,253</u>