

LISTUGUJ MI'GMAQ GOVERNMENT

SECTION 95 HOUSING
OPERATING AGREEMENT

FOR THE YEAR ENDED
MARCH 31, 2018



Allen Paquet & Arseneau LLP
CHARTERED PROFESSIONAL ACCOUNTANTS • COMPTABLES PROFESSIONNELS AGRÉÉS

LISTUGUJ MI'GMAQ GOVERNMENT

SECTION 95 HOUSING OPERATING AGREEMENT

INDEX

TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2018

	<u>Page</u>
Independent Auditors' Report	1.
Statutory Information	2.
Statement of Revenue and Expenditures (Program 16-202-699)	3.
Statement of Revenue and Expenditures (Program 19-072-537)	4.
Statement of Changes in Accumulated Surplus (Deficit)	5.
Balance Sheet	6.
Cash Flow Statement	7.
Statement of Funded Reserves	8.
Notes To The Financial Statements	9 - 16.
Other Information	
Schedules	
A - Statement of Revenue and Expenditures Detailed (16-202-699)	17.
B - Statement of Revenue and Expenditures Detailed (19-072-537)	18.





Allen, Paquet & Arseneau LLP

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1.

INDEPENDENT AUDITORS' REPORT

To The Members of
Listuguj Mi'gmaq Government

Report on the Financial Statements

We have audited the accompanying financial statements of Listuguj Mi'gmaq Government's program entitled Section 95 Housing Operating Agreement, which comprise the balance sheet as at March 31, 2018, and the statements of revenue and expenditures, changes in accumulated surplus (deficit), cash flow and funded reserves for the year then ended, and a summary of significant accounting policies and other explanatory information. These financial statements have been prepared by management of the Listuguj Mi'gmaq Government based on the funding agreement between Listuguj Mi'gmaq Government and Canada Mortgage and Housing Corporation (CMHC).

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the funding agreement between the Listuguj Mi'gmaq Government and CMHC, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free of material misstatement, whether due to fraud or error.

Auditors' Responsibility

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 comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements of Listuguj Mi'gmaq Government's program entitled Section 95 Housing Operating Agreement for the year ended March 31, 2018 are prepared, in all material respects, in accordance with the funding agreement between the Listuguj Mi'gmaq Government and CMHC.

Basis of Accounting and Restriction on Use

Without modifying our opinion, we draw attention to Note 2 to the financial statements, which describes the basis of accounting. The financial statements are prepared to assist Listuguj Mi'gmaq Government to comply with the reporting provisions of the funding agreement referred to above. As a result, the financial statements may not be suitable for another purpose. Our report is intended solely for Listuguj Mi'gmaq Government and CMHC and should not be used by parties other than the Listuguj Mi'gmaq Government and CMHC.

Campbellton, NB
July 31, 2018

Allen, Paquet & Arseneau LLP
Chartered Professional Accountants

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LISTUGUJ MI'GMAQ GOVERNMENT
Section 95 Housing Operating Agreement

Statutory Information

For The Year Ended March 31, 2018

Listuguj Mi'gmaq Government is located at: 17 Riverside West Street, Listuguj, QC, G0C 2R0

Chief: Darcy Gray
Councillors: Lloyd Alcon
Annette Barnaby
Calvin Barnaby
Gordon Isaac Jr.
Dr. Cathy Martin
Sky Metallic
Wendell Metallic
Kevin Methot
Lorna Sook
Sheila Swasson
John Murvin Vicaire
Chris Wysote

CMHC reference numbers under agreement:

16-202-699 phases 001 to 004

19-072-537 phases 001 to 021

Number of units: Pre-1997 program: 22 units, which includes one unit that is rented to an individual who lost her home due to a fire and is living there rent free
Post-1996 program: 76 units



LISTUGUJ MI'GMAQ GOVERNMENT
Section 95 Housing Operating Agreement

Statement of Revenue and Expenditures

For The Year Ended March 31, 2018

Program 16-202-699

	<u>2018</u>	<u>2017</u>
<u>Revenue</u>		
Income-Tested Occupants (Program 16-202-699)	\$ 87,976	\$ 89,738
Federal Assistance (Program 16-202-699)	31,895	35,521
Retrofit Initiative Revenues (Program 16-202-699)	100,000	71,484
Contribution Funds From Replacement Reserve (Program 16-202-699)	-	63,107
	<u>219,871</u>	<u>259,850</u>
<u>Expenditures</u>		
Administration	7,024	5,384
Amortization	50,442	53,542
Annual Contribution - Replacement Reserve (Program 16-202-699)	9,174	8,280
Bad Debts	12,296	10,405
Insurance	9,052	8,789
Mortgage Interest	4,846	6,157
Professional Fees	1,800	1,600
Repairs and Maintenance	6,475	14,350
Repairs - Replacement Reserve	-	63,107
Retrofit Initiative Expenses	100,000	57,968
Snow and Garbage Removal	13,800	8,800
Water and Sewerage	4,400	4,400
	<u>219,309</u>	<u>242,782</u>
<u>Operating Net Income (Schedule A - Page 17)</u>	562	17,068
<u>Transfer to Subsidy Surplus Reserve</u>	-	-
<u>Net Income For The Year - to Page 5</u>	<u>\$ 562</u>	<u>\$ 17,068</u>



LISTUGUJ MI'GMAQ GOVERNMENT
Section 95 Housing Operating Agreement

Statement of Revenue and Expenditures

For The Year Ended March 31, 2018

Program 19-072-537

	<u>2018</u>	<u>2017</u>
<u>Revenue</u>		
Rent (Program 19-072-537)	\$ 249,040	\$ 243,940
Federal Assistance (Program 19-072-537)	276,061	265,677
Retrofit Initiative Revenues (Program 19-072-537)	114,693	62,816
Contribution Funds From Replacement Reserve (Program 19-072-537)	-	26,381
	<u>639,794</u>	<u>598,814</u>
<u>Expenditures</u>		
Administration	19,923	14,637
Amortization	208,979	199,492
Annual Contribution - Replacement Reserve (Program 19-072-537)	59,853	57,453
Bad Debts	33,649	16,465
Heat and Lights	7,265	7,725
Insurance	27,305	25,019
Mortgage Interest	47,974	46,049
Professional Fees	10,746	8,367
Repairs and Maintenance	17,931	25,145
Repairs - Replacement Reserve	-	26,381
Retrofit Initiative Expenses	112,877	54,694
Snow and Garbage Removal	40,400	28,000
Water and Sewerage	15,200	14,000
	<u>602,102</u>	<u>523,427</u>
<u>Operating Income</u> (Schedule B - Page 18)	37,692	75,387
<u>Transfer to Subsidy Surplus Reserve</u>	-	-
<u>Net Income For The Year - to Page 5</u>	<u>\$ 37,692</u>	<u>\$ 75,387</u>



LISTUGUJ MI'GMAQ GOVERNMENT
Section 95 Housing Operating Agreement

Statement of Changes in Accumulated Surplus (Deficit)

For The Year Ended March 31, 2018

	<u>2018</u>	<u>2017</u>
Balance, Beginning of Year	\$(284,989)	\$(332,280)
Prior Year Adjustments Requested by CMHC (Operating Fund)	(111,513)	(72,579)
Prior Year Adjustments Requested by CMHC (Pre-97 Deficit, 2014-2016)	<u>-</u>	<u>27,415</u>
Adjusted Balance	(396,502)	(377,444)
<u>Add (Deduct):</u>		
Surplus Revenue Compared to Expenditures (16-202-699 Program) - Page 3	562	17,068
Surplus Revenue Compared to Expenditures (19-072-537 Program) - Page 4	<u>37,692</u>	<u>75,387</u>
Balance, End of Year - Page 6	<u>\$(358,248)</u>	<u>\$(284,989)</u>



LISTUGUJ MI'GMAQ GOVERNMENT
Section 95 Housing Operating Agreement

Balance Sheet as at March 31, 2018

	<u>2018</u>	<u>2017</u>
<u>Assets</u>		
<u>Current Assets</u>		
Cash	\$ 43,925	\$ 56,558
Accounts Receivable - Retrofit Initiative	214,693	-
Accounts Receivable (16-202-699) (Note 3a)	54,479	55,326
Account Receivable (19-072-537) (Note 3b)	147,666	140,706
C.M.H.C. Subsidies Receivable (Note 3c)	27,313	25,087
	<u>488,076</u>	<u>277,677</u>
<u>Restricted Funds</u>		
Replacement Reserve Fund (Program 16-202-699) (Note 4a)	76,483	103,837
Replacement Reserve Fund (Program 19-072-537) (Note 4b)	460,457	320,103
Operating Reserve Fund (Program 19-072-537) (Note 4d)	429,473	229,001
	<u>966,413</u>	<u>652,941</u>
<u>Capital Assets</u>		
Capital Assets (Program 16-202-699) (Note 5)	892,247	942,689
Capital Assets (Program 19-072-537) (Note 6)	5,718,838	5,120,410
	<u>6,611,085</u>	<u>6,063,099</u>
<u>Total Assets</u>	\$ <u>8,065,574</u>	\$ <u>6,993,717</u>
<u>Liabilities</u>		
<u>Current Liabilities</u>		
Accounts Payable and Accrued Liabilities (Note 7)	\$ 42,519	\$ 30,626
Due to Listuguj Mi'gmaq Government Operating Fund	733,788	327,706
Long Term Debt Due Within One Year (Program 16-202-699)	37,594	50,447
Long Term Debt Due Within One Year (Program 19-072-537)	227,974	202,479
	<u>1,041,875</u>	<u>611,258</u>
<u>Long Term Debt</u>		
Long Term Debt (Program 16-202-699) (Note 8)	83,439	121,028
Long Term Debt (Program 19-072-537) (Note 9)	3,305,968	3,084,931
	<u>3,389,407</u>	<u>3,205,959</u>
<u>Total Liabilities</u>	<u>4,431,282</u>	<u>3,817,217</u>
<u>Funded Reserves</u>		
Replacement Reserve Fund (Program 16-202-699) (Page 8)	76,483	40,729
Replacement Reserve Fund (Program 19-072-537) (Page 8)	520,162	452,187
Operating Reserve Fund (Program 19-072-537) (Page 8)	440,654	364,737
	<u>1,037,299</u>	<u>857,653</u>
<u>Equity</u>		
Contributed Surplus (Note 10)	2,955,241	2,603,836
Accumulated Surplus (Deficit) (Page 5)	(358,248)	(284,989)
<u>Total Equity</u>	<u>2,596,993</u>	<u>2,318,847</u>
	\$ <u>8,065,574</u>	\$ <u>6,993,717</u>

Approved on Behalf of the Listuguj Mi'gmaq Government




Chief

Councillor



Allen, Paquet & Arseneau LLP

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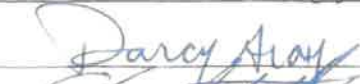

LISTUGUJ MI'GMAQ GOVERNMENT
Section 95 Housing Operating Agreement

Statement of Cash Flow

For The Year Ended March 31, 2018

	<u>2018</u>	<u>2017</u>
<u>Cash Flows From Operating Activities</u>		
Cash Receipts From CMHC	\$ 305,730	\$ 435,577
Cash Receipts From Tenants	330,903	322,024
Payments for Operating Expenses	(573,685)	(416,100)
Payments for Mortgage Interest	(52,820)	(52,206)
	<u>10,128</u>	<u>289,295</u>
<u>Cash Flows From Financing Activities</u>		
Mortgage Proceeds	456,000	258,000
Repayment of Mortgage Principal	(259,421)	(253,034)
Increase (Decrease) in Due From Listuguj Mi'gmaq Government Operating Fund	406,082	(100,864)
Decrease in Due to Replacement Reserve Fund	(9,271)	(111,736)
Increase (Decrease) in Due to Operating Reserve Fund	(124,555)	72,579
CMHC Prior Year Adjustment	(35,596)	-
Increase in Contributed Surplus	<u>351,405</u>	<u>82,268</u>
	<u>784,644</u>	<u>(52,787)</u>
<u>Cash Flows From Investing Activity</u>		
Purchase of Capital Assets	(807,405)	(340,268)
<u>Decrease in Unrestricted Cash During The Year</u>	(12,633)	(103,760)
<u>Unrestricted Cash, Beginning of Year</u>	<u>56,558</u>	<u>160,318</u>
<u>Unrestricted Cash, End of Year</u>	<u>\$ 43,925</u>	<u>\$ 56,558</u>

Approved on Behalf of the Listuguj Mi'gmaq Government

 Chief
 Councillor



Allen, Paquet & Arseneau LLP

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LISTUGUJ MI'GMAQ GOVERNMENT
Section 95 Housing Operating Agreement

Statement of Funded Reserves

For The Year Ended March 31, 2018

	<u>Capital</u>	<u>Interest</u>	<u>2018</u>	<u>Total</u> <u>2017</u>
<u>Replacement Reserve Fund (16-202-699) (Note 4a)</u>				
Balance, Beginning of Year	\$ 40,729	\$ -	\$ 40,729	\$ 139,943
<u>Add:</u> Allocation For The Year	8,280	-	8,280	8,280
CMHC Prior Year Adjustment	27,474	-	27,474	-
<u>Less:</u> Reserve Withdrawal	-	-	-	(63,108)
Transfer To (19-072-537)	-	-	-	(44,386)
Balance, End of Year	<u>76,483</u>	<u>-</u>	<u>76,483</u>	<u>40,729</u>
<u>Replacement Reserve Fund (19-072-537) (Note 4b)</u>				
Balance, Beginning of Year	452,187	-	452,187	376,729
<u>Add:</u> Allocation For The Year	59,853	-	59,853	57,453
CMHC Prior Year Adjustment	8,122	-	8,122	-
Transfer From (16-202-699)	-	-	-	44,386
Reserve Withdrawal	-	-	-	(26,381)
Balance, End of Year	<u>520,162</u>	<u>-</u>	<u>520,162</u>	<u>452,187</u>
<u>Subsidy Surplus Reserve Fund (Note 4c)</u>				
Balance, Beginning of Year	-	-	-	-
<u>Add:</u> CMHC Prior Year Adjustment	-	-	-	-
Balance, End of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Operating Reserve Fund (Note 4d)</u>				
Balance, Beginning of Year	364,737	-	364,737	292,158
<u>Add:</u> Transfer From (To)				
General Surplus	<u>75,917</u>	<u>-</u>	<u>75,917</u>	<u>72,579</u>
Balance, End of Year	<u>440,654</u>	<u>-</u>	<u>440,654</u>	<u>364,737</u>
<u>Total Funded Reserves</u>	<u>\$ 1,037,299</u>	<u>\$ -</u>	<u>\$ 1,037,299</u>	<u>\$ 857,653</u>



LISTUGUJ MI'GMAQ GOVERNMENT
Section 95 Housing Operating Agreement

Notes To The Financial Statements

For The Year Ended March 31, 2018

1. Significant Accounting Policies

a. Accounting Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the amounts recorded in the financial statements and notes to financial statements. These estimates are based on management's best knowledge of current events and actions that the First Nation may undertake in the future. Actual results may differ from those estimates.

b. Revenue Recognition

Operating revenues are recorded based on the accrual method of accounting and are recognized when they are earned, specifically when:

- Services are provided or products are delivered to customers.
- There is a clear proof that an arrangement exists.
- Amounts are fixed or can be determined.
- Our ability to collect is reasonably assured.

c. Capital Assets and Amortization

Capital assets are recorded at cost of acquisition less any subsidies received for the capital assets. CMHC permits amortization for buildings purchased using loans that it has insured, at a rate equal to the annual reduction of the principal on the loans. No amortization is allocated to other capital elements, but a replacement reserve is maintained for future replacement of capital assets.

d. Expenditures

Expenditures are recorded according to the accrual basis of accounting.

e. Replacement Reserve

The replacement reserve account is funded through an annual allocation, as opposed to allocation of surplus.

3. Accounts Receivable

a. Program 16-202-699

	<u>2018</u>	<u>2017</u>
Accounts Receivable	\$ 130,584	\$ 119,135
Less: Allowance for Doubtful Accounts	(76,105)	(63,809)
	<u>\$ 54,479</u>	<u>\$ 55,326</u>
<u>Collecting Rate (Program 16-202-699)</u>		
Collecting Rate for the Current Year	<u>74 %</u>	
Past Amounts Collected During the Current Year	<u>\$ 11,195</u>	
Lost Rent for Vacancies of the Current Year	<u>\$ 5,775</u>	



LISTUGUJ M'GMAO GOVERNMENT
Section 95 Housing Operating Agreement

Notes To The Financial Statements

For The Year Ended March 31, 2018

3. <u>Account Receivable (Cont'd)</u>	<u>2018</u>	<u>2017</u>
b. <u>Program 19-072-537</u>		
Accounts Receivable	\$ 306,046	\$ 265,436
<u>Less: Allowance for Doubtful Accounts</u>	<u>(158,380)</u>	<u>(124,730)</u>
	<u>\$ 147,666</u>	<u>\$ 140,706</u>
c. <u>C.M.H.C. Subsidies Receivable</u>		
Program 16-202-699	\$ 2,235	\$ 2,960
Program 19-072-537	<u>25,078</u>	<u>22,127</u>
	<u>\$ 27,313</u>	<u>\$ 25,087</u>

4. Contractual Obligations

a. Replacement Reserve Fund (Program 16-202-699)

Under the agreement with Canada Mortgage and Housing Corporation, an amount must be credited to the replacement reserve. These funds and the accrued interest must be placed in a separate bank account and/or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or in any other way approved by CMHC from time to time. Any use of the funds from the account must be approved by CMHC. At the end of the fiscal year, the replacement reserve included the following elements:

Term Savings	\$ <u>76,483</u>	\$ <u>103,837</u>
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b. Replacement Reserve Fund (Program 19-072-537)

Under the agreement with Canada Mortgage and Housing Corporation, an amount set forth in Appendix B of the operating agreement must be credited to the replacement reserve. The annual amount may be increased by the First Nation. These funds and the accrued interest must be placed in a separate bank account and/or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or in any other way approved by CMHC from time to time. Any use of the funds from the account must be approved by CMHC. At the end of the fiscal year, the replacement reserve included the following elements:

Term Savings	\$ <u>460,457</u>	\$ <u>320,103</u>
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LISTUGUJ MI'GMAO GOVERNMENT
Section 95 Housing Operating Agreement

Notes To The Financial Statements

For The Year Ended March 31, 2018

4: Contractual Obligations (Cont'd)

c. Subsidy Surplus Reserve Fund (Program 16-202-699)

Under the agreement with the Canada Mortgage and Housing Corporation, surplus federal assistance payments received may be kept in a subsidy surplus reserve, the balance of which may not exceed \$500 per unit plus interest. The funds in this reserve must be placed in a separate bank account and/or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or in any other way approved by CMHC from time to time. The funds in this account must only be used to make up the difference between the maximum federal assistance amount and the future subsidy needs of income-tested tenants. Withdrawals are first applied to interest, then to the principal. The current reserve balance is nil.

d. Operating Reserve Fund (Project 19-072-537)

Once all costs and expenses are paid, particularly the allocation to the replacement reserve, the First Nation keeps all excess income in an operating reserve. The First Nation agrees to keep the funds and accrued interest in the operating fund in a separate bank account or to invest it only in accounts or instruments insured by the Canada Deposit Insurance Corporation, or as agreed by common consent by the First Nation and CMHC. The housing project's operating reserve is to be used only for the operating expenses of housing projects that made undertakings as part of the 1997 On-Reserve Housing Program. The reserve may thus be used to cover deficits from previous years. Withdrawals are first applied to interest, then to the principal. At the end of the fiscal year, the operating reserve included the following elements:

Term Savings	\$ <u>429,473</u>	\$ <u>229,001</u>
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e. Canada Mortgage and Housing Corporation Subsidy

The First Nation receives a subsidy under a program administered by Canada Mortgage and Housing Corporation under the terms of Section 95 of the National Housing Act. This subsidy is tied to compliance with the conditions set forth in the agreement signed by the First Nation and CMHC. The amount of assistance received in the 2017/18 fiscal year was \$307,956.



LISTUGUJ MITGMAQ GOVERNMENT
Section 95 Housing Operating Agreement

Notes To The Financial Statements

For The Year Ended March 31, 2018

5. Capital Assets (Program 16-202-699)

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	
			<u>2018</u>	<u>2017</u>
Land	\$ 11,500	\$ -	\$ 11,500	\$ 11,500
Buildings	<u>1,578,726</u>	<u>697,979</u>	<u>880,747</u>	<u>931,189</u>
	<u>\$ 1,590,226</u>	<u>\$ 697,979</u>	<u>\$ 892,247</u>	<u>\$ 942,689</u>

6. Capital Assets (Program 19-072-537)

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	
			<u>2018</u>	<u>2017</u>
Buildings	<u>\$ 7,515,415</u>	<u>\$ 1,796,577</u>	<u>\$ 5,718,838</u>	<u>\$ 5,120,410</u>

7. Accounts Payable and Accrued Liabilities

Other Payables		\$ 9,591	\$ 977
Accrued Professional Fees		9,200	9,200
Accrued Mortgage Payments		<u>23,728</u>	<u>20,449</u>
		<u>\$ 42,519</u>	<u>\$ 30,626</u>

8. Long Term Debt (Program 16-202-699)

	<u>Portion Due Within One Year</u>	<u>2018</u>	<u>2017</u>
Project #001, CMHC File #16-202-699 RBC Mortgage, 3.05%, repayable in equal monthly instalments of \$623, principal and interest, renewable in February 2019, due in July 2020	\$ 7,046	\$ 17,388	\$ 24,222
Project #002, CMHC File #16-202-699 RBC Mortgage, repaid during the year	-	-	13,984
Project #003, CMHC File #16-202-699 RBC Mortgage, 3.09%, repayable in equal monthly instalments of \$763, principal and interest, renewable in February 2019, due in May 2022	8,147	36,405	44,303
Project #004, CMHC File #16-200-699 RBC Mortgage, 3.05%, repayable in equal monthly instalments of \$2,012, principal and interest, renewable in February 2019, due in January 2021	<u>22,401</u>	<u>67,240</u>	<u>88,966</u>
	<u>\$ 37,594</u>	<u>121,033</u>	<u>171,475</u>
<u>Less: Amount Due Within One Year</u>		<u>37,594</u>	<u>50,447</u>
		<u>\$ 83,439</u>	<u>\$ 121,028</u>



LISTUGUJ MFGMAO GOVERNMENT
Section 95 Housing Operating Agreement

Notes To The Financial Statements

For The Year Ended March 31, 2018

	<u>Portion Due Within</u> <u>One Year</u>	<u>2018</u>	<u>2017</u>
9. Long Term Debt (Program 19-072-537)			
Project #001, CMHC File #19-072-537 CMHC Mortgage, 1.08%, repayable in equal monthly instalments of \$1,466, principal and interest, renewable in August 2020, due in May 2021	\$ 17,098	\$ 53,318	\$ 70,234
Project #002, CMHC File #19-072-537 CMHC Mortgage, 1.08%, repayable in equal monthly instalments of \$1,341, principal and interest, renewable in August 2020, due in May 2024	15,146	94,726	109,712
Project #003, CMHC File #19-072-537 CMHC Mortgage, 1.97%, repayable in equal monthly instalments of \$1,264, principal and interest, renewable in December 2022, due in November 2026	12,922	119,691	132,555
Project #004, CMHC File #19-072-537 CMHC Mortgage, 1.67%, repayable in equal monthly instalments of \$1,356, principal and interest, renewable in June 2018, due in May 2027	14,091	137,098	150,965
Project #005, CMHC File #19-072-537 CMHC Mortgage, 1.08% repayable in equal monthly instalments of \$522, principal and interest, renewable in August 2020, due in August 2028	5,635	61,273	66,849
Project #006, CMHC File #19-072-537 CMHC Mortgage, 1.08%, repayable in equal monthly instalments of \$1,085, principal and interest, renewable in August 2020, due in August 2028	11,703	127,262	138,842
Project #007, CMHC File #19-072-537 CMHC Mortgage, 1.14%, repayable in equal monthly instalments of \$815, principal and interest, renewable in June 2021, due in June 2029	<u>8,652</u>	<u>102,463</u>	<u>111,020</u>
Amount Carried Forward	<u>85,247</u>	<u>695,831</u>	<u>780,177</u>



LISTUGUJ MI'GMAO GOVERNMENT
Section 95 Housing Operating Agreement

Notes To The Financial Statements

For The Year Ended March 31, 2018

9. Long Term Debt (Post-1997 Program)(Cont'd)

	Portion Due Within <u>One Year</u>	<u>2018</u>	<u>2017</u>
Amount Brought Forward	\$ 85,247	\$ 695,831	\$ 780,177
Project #008, CMHC File #19-072-537 CMHC Mortgage, 1.84%, repayable in equal monthly instalments of \$1,784, principal and interest, renewable in September 2022, due July 2030	17,238	234,772	251,776
Project #009, CMHC File #19-072-537 CMHC Mortgage, 1.67%, repayable in equal monthly instalments of \$1,448, principal and interest, renewable in June 2018, due in April 2031	14,090	202,949	216,817
Project #010, CMHC File #19-072-537 CMHC Mortgage, 1.67%, repayable in equal monthly instalments of \$515, principal and interest, renewable in June 2018, due in April 2031	5,008	72,138	77,068
Project #011, CMHC File #19-072-537 CMHC Mortgage, 1.67%, repayable in equal monthly instalments of \$1,123, principal and interest, renewable in June 2018, due in April 2031	10,932	157,460	168,220
Project #012, CMHC File #19-072-537 CMHC Mortgage, 1.39%, repayable in equal monthly instalments of \$732, principal and interest, renewable in June 2020, due to May 2033	7,167	119,465	126,538
Project #013, CMHC File #19-072-537 CMHC Mortgage, 1.39%, repayable in equal monthly instalments of \$1,468, principal and interest, renewable in June 2020, due in May 2035	13,981	267,807	281,606
Project #014, CMHC File #19-072-537 CMHC Mortgage, 1.39%, repayable in equal monthly instalments of \$750, principal and interest, renewable in June 2020, due in May 2035	<u>7,146</u>	<u>136,874</u>	<u>143,926</u>
Amount Carried Forward	<u>160,809</u>	<u>1,887,296</u>	<u>2,046,128</u>



LISTUGUJ M'GMAO GOVERNMENT
Section 95 Housing Operating Agreement

Notes To The Financial Statements

For The Year Ended March 31, 2018

9. Long Term Debt (Post-1997 Program) (Cont'd)

	Portion Due Within <u>One Year</u>	<u>2018</u>	<u>2017</u>
Amount Brought Forward	\$ 160,809	\$ 1,887,296	\$ 2,046,128
Project #015, CMHC File #19-072-537 CMHC Mortgage, 1.39%, repayable in equal monthly instalments of \$1,396, principal and interest, renewable in June 2020, due in May 2034	13,483	241,398	254,705
Project #16, CMHC File #19-072-537 CMHC Mortgage, 1.43%, repayable in equal monthly instalments of \$1,112, principal and interest, renewable in April 2022, due in March 2037	10,247	221,087	231,225
Project #17, CMHC File #19-072-537 CMHC Mortgage, 1.86%, repayable in equal monthly instalments of \$1,190, principal and interest, renewable in August 2022, due in August 2037	10,056	231,969	242,031
Project #18, CMHC File #19-072-537 CMHC Mortgage, 2.35%, repayable in equal monthly instalments of \$502, principal and interest, renewable in September 2018, due in September 2038	3,772	97,670	101,365
Project #19, CMHC File #19-072-537 CMHC Mortgage, 1.04%, repayable in equal monthly instalments of \$640, principal and interest, renewable in October 2020, due to October 2039	6,167	147,849	153,956
Project #20, CMHC File #19-072-537 CMHC Mortgage, 1.84%, repayable in equal monthly instalments of \$1,073, principal and interest, renewable in September 2022, due in September 2042	8,300	253,216	258,000
Project #21, CMHC File #19-072-537 CMHC Mortgage, 2.39%, repayable in equal monthly instalments of \$2,147, principal and interest, renewable in February 2023, due in February 2041	15,140	453,457	-
	<u>\$ 227,974</u>	<u>3,533,942</u>	<u>3,287,410</u>
<u>Less: Amount Due Within One Year</u>		<u>227,974</u>	<u>202,479</u>
		<u>\$ 3,305,968</u>	<u>\$ 3,084,931</u>



LISTUGUJ MI'GMAQ GOVERNMENT
Section 95 Housing Operating Agreement

Notes To The Financial Statements

For The Year Ended March 31, 2018

	<u>2018</u>	<u>2017</u>
10. <u>Contributed Surplus</u>		
Listuguj Mi'gmaq Government	\$ 1,489,813	\$ 1,138,408
Indigenous and Northern Affairs Canada	<u>1,465,428</u>	<u>1,465,428</u>
	<u>\$ 2,955,241</u>	<u>\$ 2,603,836</u>

11. Financial Instruments

a. Credit Risk

The Listuguj Mi'gmaq Government is exposed to normal credit risk on the accounts receivable from its tenants.

b. Fair Values

The carrying amount of current assets and current liabilities approximates their fair value due to the short term maturities of these items.

The long term debt is carried at an amount which approximates the fair value as the outstanding interest rates are close to or at market rates.

12. Management of Net Assets

The objective of Listuguj Mi'gmaq Government in managing its net assets is to remain a sustainable operation while fulfilling its overall mandate as prescribe by the Section 95 Housing Operating Agreement program. It achieves its objective by strong day to day management of its cash flows and by regularly monitoring revenues and expenditures against its annual operating and capital budgets. When necessary, Listuguj Mi'gmaq Government takes prompt action to raise additional revenues when actual revenues do not meet its budget and to reduce expenditures or curtail programs when alternate sources of revenue can not be found.



LISTUGUJ MI'GMAQ GOVERNMENT
Section 95 Housing Operating Agreement

Schedule A
Statement of Revenue and Expenditures - Detailed

For The Year Ended March 31, 2018

Program 16-202-699

	<u>#001</u>	<u>#002</u>	<u>#003</u>	<u>#004</u>	<u>Total</u>
<u>Revenue</u>					
Income-Tested Occupants	\$ 16,800	\$ 16,613	\$ 16,500	\$ 38,063	\$ 87,976
Federal Assistance	4,335	5,077	5,319	17,164	31,895
Retrofit Initiative Revenues	<u>12,000</u>	<u>25,509</u>	<u>7,300</u>	<u>55,191</u>	<u>100,000</u>
	<u>33,135</u>	<u>47,199</u>	<u>29,119</u>	<u>110,418</u>	<u>219,871</u>
<u>Expenditures</u>					
Administration	1,333	1,329	1,320	3,042	7,024
Amortization	6,834	13,984	7,898	21,726	50,442
Annual Contribution - Replacement Reserve	1,440	2,154	1,840	3,740	9,174
Bad Debts (Recovered)	2,150	10,158	(650)	638	12,296
Insurance	1,652	1,652	1,652	4,096	9,052
Mortgage Interest	990	182	1,259	2,415	4,846
Professional Fees	450	450	450	450	1,800
Repairs and Maintenance	96	459	807	5,113	6,475
Retrofit Initiative Expenses	12,000	25,509	7,300	55,191	100,000
Snow and Garbage Removal	6,600	1,600	1,600	4,000	13,800
Water and Sewerage	<u>800</u>	<u>800</u>	<u>800</u>	<u>2,000</u>	<u>4,400</u>
	<u>34,345</u>	<u>58,277</u>	<u>24,276</u>	<u>102,411</u>	<u>219,309</u>
<u>Operating Surplus (Deficit)</u>	(1,210)	(11,078)	4,843	8,007	562
<u>Transfer to Subsidy Surplus Reserve</u>					
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Surplus (Deficit) For The Year</u>	<u>\$(1,210)</u>	<u>\$(11,078)</u>	<u>\$ 4,843</u>	<u>\$ 8,007</u>	<u>\$ 562</u>



LISTUGUJ MI'GMAQ GOVERNMENT
Section 95 Housing Operating Agreement

Schedule B
Statement of Revenue and Expenditures

For The Year Ended March 31, 2018

Program 19-072-537

	<u>#001</u>	<u>#002</u>	<u>#003</u>	<u>#004</u>	<u>#005</u>
<u>Revenue</u>					
Rent	\$ 19,560	\$ 17,400	\$ 16,050	\$ 21,600	\$ 6,600
Federal Assistance	16,579	16,579	13,749	16,777	11,221
Retrofit Initiative Revenues	<u>16,065</u>	<u>-</u>	<u>73,685</u>	<u>24,943</u>	<u>-</u>
	<u>52,204</u>	<u>33,979</u>	<u>103,484</u>	<u>63,320</u>	<u>17,821</u>
 <u>Expenditures</u>					
Administration	1,478	1,479	1,284	1,728	557
Amortization	16,916	14,986	12,863	13,866	8,578
Annual Contribution					
- Replacement Reserve	2,520	1,580	2,100	2,700	753
Bad Debts (Recovered)	-	1,322	4,120	3,767	4,420
Heat and Lights	-	-	-	-	7,265
Insurance	1,858	1,858	1,981	2,411	641
Mortgage Interest	673	1,109	2,109	2,407	693
Professional Fees	250	200	450	450	275
Repairs and Maintenance	3,140	3,139	2,418	2,161	615
Retrofit Initiative Expenses	16,916	-	73,685	22,276	-
Snow and Garbage Removal	2,900	2,900	2,100	3,200	1,100
Water and Sewerage	<u>1,100</u>	<u>1,100</u>	<u>800</u>	<u>1,200</u>	<u>400</u>
	<u>47,751</u>	<u>29,673</u>	<u>103,910</u>	<u>56,166</u>	<u>25,297</u>
 <u>Operating Surplus (Deficit)</u>	 4,453	 4,306	 (426)	 7,154	 (7,476)
 <u>Transfer to Subsidy Surplus Reserve</u>	 <u>-</u>	 <u>-</u>	 <u>-</u>	 <u>-</u>	 <u>-</u>
 <u>Surplus (Deficit) For The Year</u>	 <u>\$ 4,453</u>	 <u>\$ 4,306</u>	 <u>\$(426)</u>	 <u>\$ 7,154</u>	 <u>\$(7,476)</u>



<u>#006</u>	<u>#007</u>	<u>#008</u>	<u>#009</u>	<u>#010</u>	<u>#011</u>	<u>#012</u>
\$ 7,325	\$ 7,800	\$ 21,000	\$ 14,925	\$ 6,000	\$ 13,200	\$ 6,100
11,221	12,199	24,352	20,007	7,177	15,494	8,924
-	-	-	-	-	-	-
<u>18,546</u>	<u>19,999</u>	<u>45,352</u>	<u>34,932</u>	<u>13,177</u>	<u>28,694</u>	<u>15,024</u>
557	624	1,680	1,194	480	1,056	488
8,578	8,557	17,004	13,869	4,930	10,760	7,073
2,250	2,400	6,300	5,000	2,000	4,000	2,000
3,325	150	-	750	1,860	(650)	-
-	-	-	-	-	-	-
641	793	2,775	1,982	793	1,585	233
1,439	1,218	4,338	3,503	1,245	2,718	1,709
400	450	450	450	450	450	450
615	160	1,771	564	-	327	70
-	-	-	-	-	-	-
1,100	1,100	3,700	2,700	1,100	2,100	1,100
400	400	1,400	1,000	400	800	400
<u>19,305</u>	<u>15,852</u>	<u>39,418</u>	<u>31,012</u>	<u>13,258</u>	<u>23,146</u>	<u>13,523</u>
(759)	4,147	5,934	3,920	(81)	5,548	1,501
-	-	-	-	-	-	-
<u>\$(759)</u>	<u>\$ 4,147</u>	<u>\$ 5,934</u>	<u>\$ 3,920</u>	<u>\$(81)</u>	<u>\$ 5,548</u>	<u>\$ 1,501</u>



<u>#013</u>	<u>#014</u>	<u>#015</u>	<u>#016</u>	<u>#017</u>	<u>#018</u>
\$ 13,872	\$ 6,936	\$ 12,768	\$ 13,200	\$ 12,204	\$ 6,300
17,779	9,231	19,061	16,541	11,766	8,554
-	-	-	-	-	-
<u>31,651</u>	<u>16,167</u>	<u>31,829</u>	<u>29,741</u>	<u>23,970</u>	<u>14,854</u>
1,110	555	1,021	1,056	976	504
13,799	7,052	13,307	10,139	10,062	3,695
4,400	2,400	4,800	4,800	3,450	2,000
1,427	4,280	(904)	-	2,512	2,865
-	-	-	-	-	-
2,031	793	1,271	1,320	1,239	660
3,816	1,950	3,446	3,231	4,023	2,331
450	450	450	450	450	450
140	-	638	447	874	319
-	-	-	-	-	-
2,100	1,100	2,100	2,100	1,600	1,100
800	400	800	800	600	400
<u>30,073</u>	<u>18,980</u>	<u>26,929</u>	<u>24,343</u>	<u>25,786</u>	<u>14,324</u>
1,578	(2,813)	4,900	5,398	(1,816)	530
-	-	-	-	-	-
<u>\$ 1,578</u>	<u>\$(2,813)</u>	<u>\$ 4,900</u>	<u>\$ 5,398</u>	<u>\$(1,816)</u>	<u>\$ 530</u>



<u>#019</u>	<u>#020</u>	<u>#021</u>	<u>Total</u>
\$ 8,700	\$ 10,200	\$ 7,300	\$ 249,040
8,565	6,302	3,983	276,061
-	-	-	114,693
<u>17,265</u>	<u>16,502</u>	<u>11,283</u>	<u>639,794</u>
696	816	584	19,923
6,107	4,784	2,054	208,979
2,000	1,400	1,000	59,853
4,405	-	-	33,649
-	-	-	7,265
806	991	643	27,305
1,569	2,990	1,457	47,974
450	1,650	1,221	10,746
-	-	533	17,931
-	-	-	112,877
1,100	1,100	3,000	40,400
400	400	1,200	15,200
<u>17,533</u>	<u>14,131</u>	<u>11,692</u>	<u>602,102</u>
(268)	2,371	(409)	37,692
-	-	-	-
<u>\$ (268)</u>	<u>\$ 2,371</u>	<u>\$ (409)</u>	<u>\$ 37,692</u>

