



Consolidated financial statements

The Municipality of the District of Guysborough

March 31, 2023

Contents

	Page
Management's responsibility for financial reporting	1
Independent auditor's report	2 - 3
Consolidated statement of operations	4
Consolidated statement of financial position	5
Combined statement of remeasurement gains and losses	6
Consolidated statement of changes in net financial assets	7
Consolidated statement of cash flows	8
Consolidated schedule of tangible capital assets	9 - 10
Notes to the consolidated financial statements	11 - 22
Schedules to consolidated statement of operations	23- 29
<hr/>	
Supplementary information	
Canso-Hazel Hill water utility - operating fund – schedule of operations	31
Canso-Hazel Hill water utility - operating fund – schedule of financial position	32
Canso-Hazel Hill water utility - capital fund – schedule of financial position	33
Canso-Hazel Hill water utility - utility plant and equipment	34
Canso-Hazel Hill water utility - schedule of investment in capital assets	34
Canso-Hazel Hill water utility - operating fund - schedules to schedule of operations	35

Management's responsibility for financial reporting

The accompanying consolidated financial statements of the Municipality of the District of Guysborough are the responsibility of management and have been approved by the Warden and Council.

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards as recommended by the Chartered Professional Accountants of Canada and as such include amounts that are best estimates and judgements of management.

Management is responsible for the integrity and objectivity of these consolidated financial statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

The Warden and Council are responsible for ensuring that management fulfils its responsibilities for financial reporting and internal control and is ultimately responsible for reviewing and approving the consolidated financial statements.

The Warden and Council meet periodically with management, as well as with the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the consolidated financial statements and the external independent auditor's report.

The external auditors, Grant Thornton LLP, conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the consolidated financial statements. The external auditors have full and free access to financial management of the Municipality of the District of Guysborough and meet when required. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the consolidated financial statements.

On behalf of the Municipality of the District of Guysborough



Chief Administrative Officer



Director of Finance

July 19, 2023

Independent auditor's report

Grant Thornton LLP
Suite 204
220 Main Street
Antigonish, NS
B2G 2C2
T +1 902 863 4587
F +1 902 863 0917
www.GrantThornton.ca

To the Warden and Council of the
Municipality of the District of Guysborough

Opinion

We have audited the accompanying consolidated financial statements of the Municipality of the District of Guysborough (the Entity"), which comprise the consolidated statement of financial position as at March 31, 2023, and the consolidated statements of operations, changes in net financial assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Municipality of the District of Guysborough as at March 31, 2023, and the results of its operations, changes in net financial assets and its 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 Entity 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.

Other matters

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The supplementary information included on Pages 28 to 36 is presented for purposes of additional information and is not a required part of the consolidated financial statements. Such supplementary information has been subjected to the auditing procedures applied, only to the extent necessary to express an opinion in the audit of consolidated financial statements taken as a whole.

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

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Independent auditor's report (continued)

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 the 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 Canadian 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 Entity'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 Entity'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 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, future events or conditions may cause the Entity 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 financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Entity and the organizations it controls to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

Antigonish, Canada
July 19, 2023

Grant Thornton LLP
Chartered Professional Accountants

The Municipality of the District of Guysborough

Consolidated statement of operations

Year ended March 31

2023

2022

	<u>Page</u>	<u>Budget</u> <u>(Note 12)</u>	<u>Actual</u>	<u>Actual</u>
Revenue				
Taxes	21	\$ 4,213,813	\$ 4,438,045	\$ 4,179,828
Grants in lieu of taxes	22	412,978	508,742	415,731
Sale of services	22	732,499	634,827	662,646
Other revenue from own sources	23	3,484,064	3,859,359	3,511,189
Unconditional transfers from other governments	23	213,000	150,841	262,208
Conditional transfers from other governments and agencies	23	4,058,563	395,825	1,262,069
Interest and investment income		5,200	448,643	165,996
Other		<u>250,000</u>	<u>250,000</u>	<u>250,000</u>
		<u>13,370,117</u>	<u>10,686,282</u>	<u>10,709,667</u>
Expenses				
General government services	24	4,350,945	3,254,875	3,186,552
Protection services	25	2,578,459	2,501,322	2,298,791
Transportation services	25	438,800	304,194	498,518
Environmental services	26	3,307,997	5,164,942	4,390,104
Rest Home - interest		-	43,954	35,497
Public health and welfare	26	114,000	114,000	117,306
Recreation and cultural services	27	1,254,735	1,779,561	1,921,323
Water operations	27	442,162	434,515	453,347
Infrastructure improvement expense	24	<u>8,200</u>	<u>8,194</u>	<u>1,786</u>
		<u>12,495,298</u>	<u>13,605,557</u>	<u>12,903,224</u>
Annual surplus (deficit) from continuing operations		<u>874,819</u>	<u>(2,919,275)</u>	<u>(2,193,557)</u>
Discontinued operations (Note 13)				
Revenue				
Landfill operations		<u>5,943,680</u>	<u>17,227,875</u>	<u>6,235,875</u>
Expenditures				
Landfill operations		<u>2,289,085</u>	<u>1,435,278</u>	<u>3,900,702</u>
Excess revenue over expenses of discontinuing operations		<u>3,654,595</u>	<u>15,792,597</u>	<u>2,335,173</u>
Annual surplus		<u>\$ 4,529,414</u>	<u>\$ 12,873,322</u>	<u>\$ 141,616</u>
Accumulated surplus, beginning of year			\$ 66,559,746	\$ 66,418,130
Annual surplus			<u>12,873,322</u>	<u>141,616</u>
Accumulated surplus, end of year			<u>\$ 79,433,068</u>	<u>\$ 66,559,746</u>

The Municipality of the District of Guysborough Consolidated statement of financial position

March 31

2023

2022

Financial assets

Cash and cash equivalents	\$ 18,115,516	\$ 27,147,199
Receivables: taxes, rates and interest, net of valuation allowance	260,835	310,405
other, net of valuation allowance	1,055,813	1,732,841
Investments, at market value	<u>31,424,747</u>	<u>11,563</u>

Total financial assets \$ 50,856,911 \$ 29,202,008

Liabilities

Payables and accruals	\$ 3,002,331	\$ 2,112,446
Deferred revenue (note 10)	1,890,208	1,117,703
Refundable deposits	4,144	4,295
Long term debt (note 4)	6,648,156	7,637,694
Prepayment of taxes	146,939	137,656
Asset retirement obligation (note 5)	1,200,058	-
Closure and post closure liability for landfill	-	<u>4,843,070</u>
	<u>12,891,836</u>	<u>15,852,864</u>

Net financial assets 37,965,075 13,349,144

Non financial assets

Tangible capital assets, net of amortization (pages 9 & 10)	41,983,116	52,738,284
Prepays	497,285	433,861
Inventories of materials and supplies	<u>38,477</u>	<u>38,457</u>
	<u>42,518,878</u>	<u>53,210,602</u>

Accumulated surplus 79,433,068 66,559,746

Accumulated remeasurement gains (page 6) 1,050,885 -

\$ 80,483,953 \$ 66,559,746

Contingencies (note 6)

Approved on behalf of the Municipality of the District of Guysborough

 Warden

 CAO

The Municipality of the District of Guysborough
Consolidated statement of remeasurement gains and losses

March 31

2023

2022

Accumulated remeasurement gains (losses), beginning of year	\$ _____ -	\$ _____ -
Unrealized gains (losses) attributable to:		
Portfolio investments	<u>1,061,076</u>	_____ -
Amounts reclassified to the statement of operations		
Portfolio investments	<u>(10,191)</u>	_____ -
Accumulated remeasurement gains, end of year	\$ <u>1,050,885</u>	\$ _____ -

The Municipality of the District of Guysborough
Consolidated statement of changes in net financial assets

Year ended March 31	Budget (Note 12)	2023	2022
Annual surplus	\$ 4,529,414	\$ 12,873,322	\$ 141,616
Acquisition of tangible capital assets	(6,547,645)	(1,358,664)	(1,533,312)
Amortization of tangible capital assets	89,231	2,032,111	2,964,413
Proceeds on disposal of tangible capital assets	-	22,123,427	62,600
Remeasurement gain	-	1,050,885	-
Asset retirement obligation	-	(1,159,606)	-
Gain on disposal of tangible capital asset	-	(10,882,105)	-
	<u>(6,458,414)</u>	<u>11,806,048</u>	<u>1,493,701</u>
Other items	-	(63,439)	5,617
Change in net financial assets	<u>\$ (1,929,000)</u>	24,615,931	1,640,934
Net financial assets, beginning of year		<u>13,349,144</u>	<u>11,708,210</u>
Net financial assets, end of year		<u>\$ 37,965,075</u>	<u>\$ 13,349,144</u>

The Municipality of the District of Guysborough

Consolidated statement of cash flows

Year ended March 31

2023

2022

Net inflow (outflow) of cash and cash equivalents related to the following activities:

Operating activities

Annual surplus	\$ 12,873,322	\$ 141,616
Remeasurement gain	1,050,885	-
Amortization	2,032,111	2,964,413
Accretion	40,452	-
Gain on disposal of tangible capital asset	(10,882,105)	-
Amortization of discount on debenture	<u>16,791</u>	<u>-</u>
	5,131,456	3,106,029

Changes in non-cash working capital

Taxes, rates and interest receivable	49,570	1,694
Other receivables	677,028	696,486
Payables and accruals	889,885	(76,114)
Deferred revenue, deposits and prepayment of taxes	781,637	(103,189)
Prepays and other non-financial assets	<u>(63,444)</u>	<u>5,617</u>
	<u>7,466,132</u>	<u>3,630,523</u>

Investing activities

Purchase of investments	<u>(31,413,184)</u>	<u>1,085,823</u>
-------------------------	---------------------	------------------

Financing activities

Repayment of long term debt	(1,006,329)	(997,572)
Closure and post closure liability for landfill	<u>(4,843,070)</u>	<u>531,532</u>
	<u>(5,849,399)</u>	<u>(466,040)</u>

Capital

Acquisition of tangible capital assets	(1,358,664)	(1,533,312)
Proceeds on disposal of tangible capital assets	<u>22,123,432</u>	<u>62,600</u>
	<u>20,764,768</u>	<u>(1,470,712)</u>

Net (decrease) increase in cash and cash equivalents

(9,031,683) 2,779,596

Cash and cash equivalents

Beginning of year	<u>27,147,199</u>	<u>24,367,603</u>
End of year	<u>\$ 18,115,516</u>	<u>\$ 27,147,199</u>

The Municipality of the District of Guysborough

Consolidated schedule of tangible capital assets

Year ended March 31, 2023

	Land	Buildings	Machinery and Equipment	Water and Sewers	Sidewalks and Street Lamps	Signage	Cells	Vehicles
Cost:								
Balance, beginning of year	\$ 5,169,894	\$ 19,071,291	\$ 10,347,685	\$ 15,373,311	\$ 647,092	\$ 238,424	\$20,642,357	\$ 2,236,067
Acquisition of tangible capital assets	-	196,802	28,443	313,416	170,382	20,731	-	95,715
Asset retirement obligation	-	676,322	-	-	-	-	-	-
Disposals during the year	(79,115)	(3,786,648)	(5,947,160)	-	-	-	(20,642,357)	(687,695)
Balance, end of year	<u>5,090,779</u>	<u>16,157,767</u>	<u>4,428,968</u>	<u>15,686,727</u>	<u>817,474</u>	<u>259,155</u>	<u>-</u>	<u>1,644,087</u>
Accumulated amortization:								
Balance, beginning of year	-	3,538,924	5,209,459	5,715,700	504,232	137,001	16,669,720	1,735,281
Annual amortization	-	432,578	304,429	274,210	32,472	17,183	-	113,152
Amortization on disposals	-	(792,354)	(2,572,937)	-	-	-	(16,669,920)	(486,207)
Balance, end of year	<u>-</u>	<u>3,179,148</u>	<u>2,940,951</u>	<u>5,989,910</u>	<u>536,704</u>	<u>154,184</u>	<u>-</u>	<u>1,362,226</u>
Net book value of tangible capital assets	<u>\$ 5,090,779</u>	<u>\$ 12,978,619</u>	<u>\$ 1,488,017</u>	<u>\$ 9,696,817</u>	<u>\$ 280,770</u>	<u>\$ 104,971</u>	<u>\$ -</u>	<u>\$ 281,861</u>
2022 net book value of tangible capital assets	<u>\$ 5,169,894</u>	<u>\$ 15,532,367</u>	<u>\$ 5,138,226</u>	<u>\$ 9,657,611</u>	<u>\$ 142,860</u>	<u>\$ 101,423</u>	<u>\$ 3,972,636</u>	<u>\$ 500,786</u>

The Municipality of the District of Guysborough Consolidated schedule of tangible capital assets

Year ended March 31, 2023

	Construction In Progress	Wharves and Canals	Land Improvements	Wind Turbines	Office Furnishings	Office Equipment	Lagoons	Roads	2023 Total	2022 Total
Cost:										
Balance, beginning of year	\$ 753,908	\$ 180,137	\$ 1,072,796	\$ 16,376,369	\$ 44,471	\$ 380,263	\$ 941,382	\$ 1,669,437	\$95,144,870	\$ 93,674,158
Acquisition of tangible capital assets	320,337	-	31,432	-	-	6,236	-	175,170	1,358,664	1,533,312
Asset retirement obligation	-	-	-	483,284	-	-	-	-	1,159,606	-
Disposals during the year	-	-	-	-	-	(14,491)	(941,382)	(1,128,728)	(33,227,576)	(62,600)
Balance, end of year	<u>1,074,245</u>	<u>180,137</u>	<u>1,104,228</u>	<u>16,859,653</u>	<u>44,471</u>	<u>372,008</u>	<u>-</u>	<u>715,879</u>	<u>64,435,564</u>	<u>95,144,870</u>
Accumulated amortization:										
Balance, beginning of year	-	56,511	1,017,672	5,755,708	44,471	351,912	757,167	912,832	42,406,586	39,442,173
Annual amortization	-	7,206	3,534	818,818	-	6,901	-	21,628	2,032,111	2,964,413
Amortization on disposals	-	-	-	-	-	(14,491)	(757,167)	(693,383)	(21,986,249)	-
Balance, end of year	<u>-</u>	<u>63,717</u>	<u>1,021,206</u>	<u>6,574,526</u>	<u>44,471</u>	<u>344,322</u>	<u>-</u>	<u>241,077</u>	<u>22,452,448</u>	<u>42,406,586</u>
Net book value of tangible capital assets	<u>\$ 1,074,245</u>	<u>\$ 116,420</u>	<u>\$ 83,022</u>	<u>\$ 10,285,127</u>	<u>\$ -</u>	<u>\$ 27,686</u>	<u>\$ -</u>	<u>\$ 474,802</u>	<u>\$ 41,983,116</u>	<u>\$ 52,738,284</u>
2022 net book value of tangible capital assets	<u>\$ 753,908</u>	<u>\$ 123,626</u>	<u>\$ 55,124</u>	<u>\$ 10,620,661</u>	<u>\$ -</u>	<u>\$ 28,351</u>	<u>\$ 184,215</u>	<u>\$ 756,605</u>		

The Municipality of the District of Guysborough

Notes to the consolidated financial statements

March 31, 2023

1. Change in accounting policy

Asset retirement obligations:

On April 1, 2022, the Municipality adopted Public Section Accounting Standards PS 3280 - Asset Retirement Obligation ("PS 3280"). The new accounting standards addresses the reporting of legal obligations associated with the retirement on certain tangible capital assets, including the removal and remediation of contaminants in retired building by public sector entities. The standard was adopted on the prospective basis at the date of adoption as the event is giving rise to the obligation arose prior to April 1, 2022 and the obligation has not been previously recognized. Under the prospective basis of adoption, the discount rate and assumptions used on initial recognition are those as of the date of adoption of the standard.

The Municipality recognized an asset retirement obligation upon adoption of PS 3280 on April 1, 2022. The liability represents the required closure and remediation of contaminants present within buildings owned by the Municipality. These buildings have expected useful lives ranging from 10 to 4 years. As of the date of adoption of the standard, the relevant discount rates on tangible capital assets held range from 3.3% to 3.5% per annum. The Municipality also recognized costs associates with restoration of the wind turbine sites proportionate to their share of these wind turbines.

In accordance with the provisions of this new standard, the Municipality has reflected the following adjustments as of April 1, 2022:

- a) An asset retirement obligation in the amount of \$1,159,606, representing the original \$2,759,827 obligation discounted to the present value using discount rates ranging from 3.3% to 3.5% per annum.
- b) An increase to tangible capital assets, representing the original estimate of the obligation as at the date of transition.

Financial instruments:

Effective April 1, 2022, the Municipality adopted new Public Sector Accounting Standards Section PS 3450 Financial Instruments and Section 1201 Financial Statement Presentation. New Section PS 3450 requires the fair value measurement of derivatives and portfolio investments in equities quoted in an active market. All other financial assets and liability are measured at cost or amortized cost (using the effective method), or by policy choice, at fair value when the Town defines and implements a risk management or investment strategy to manage and evaluate the performance of a group of financial assets, financial liabilities or both on a fair value basis. The adoption of these new standards did not have a significant impact on the financial results of the Municipality.

The Municipality of the District of Guysborough

Notes to the consolidated financial statements

March 31, 2023

2. Summary of significant accounting policies

The consolidated financial statements of the Municipality of the District of Guysborough are prepared by management in accordance with generally accepted accounting principles for local governments, as recommended by the Public Sector Accounting Board of Chartered Professional Accountants (CPA) Canada. Significant aspects of the accounting policies adopted by the Municipality are as follows:

(a) Reporting entity

The consolidated financial statements reflect the assets, liabilities, revenues, expenses and changes in fund balances and in financial position of the reporting entity. The reporting entity is comprised of all organizations and enterprises accountable for the administration of their affairs and resources to the Municipality and which are owned or controlled by the Municipality. In addition to general government tax-supported operations, and the water utility operations.

Interdepartmental and organizational transactions and balances are eliminated.

(b) Basis of accounting

The basis of accounting followed in the consolidated financial statement presentation includes revenues in the period in which the transactions or events occurred that gave rise to the revenues and expenses in the period in which the goods and services are acquired and a liability is incurred, or transfers are due.

(c) Fund accounting

Funds within the consolidated financial statements consist of the operating, capital, reserve and trust funds for the general operations, and the water utility.

(d) Reserves for future expenses

Certain amounts, as approved by Municipal Council, are set aside in reserves and reserve funds for future operating and capital expenses.

(e) Use of estimates

The preparation of consolidated financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(f) Revenue recognition

All non-government contributions or grant revenues that are externally restricted such that they must be used for a specified purpose are recognized as revenue in the period in which the resources are used for the purpose or purposes specified. Any externally restricted inflow received before the criterion has been met is reported as a liability until the resources are used for the purpose or purposes specified.

Unrestricted revenue is recognized when received or receivable if the amount to be received can be reasonably estimated and ultimate collection is reasonably assured.

(g) Government transfers

Government transfers received are recognized in the financial statements as revenue when the transfers are authorized and all eligibility criteria have been met except when there is a stipulation that gives rise to an obligation that meets the definition of a liability. In that case, the transfer is recorded as a liability and recognized as revenue as the stipulations are met.

Government transfers to individuals and other entities are recognized as an expense when the transfers are authorized and all eligibility criteria have been met.

The Municipality of the District of Guysborough

Notes to the consolidated financial statements

March 31, 2023

2. Summary of significant accounting policies (cont'd)

(h) Non-financial assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the normal course of operations. The change in non-financial assets during the year, together with the annual surplus, provides the consolidated change in net financial assets for the year.

(i) Tangible capital assets

Tangible capital assets are recorded at cost less accumulated amortization and impairment, which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the assets. The cost, less residual value, of the tangible capital assets is amortized on a straight-line basis over the estimated useful life as follows:

	<u>Years</u>
Buildings	10 - 40
Machinery and equipment	3 - 10
Furnishings and fixtures	3 - 40
Office equipment	3 - 5
Vehicles	5 - 20
Roads	25
Sewers	50
Sidewalks	20
Signage	10
Land improvements	20
Street lamps	25
Wharves and canals	25
Wind turbines	20
Cell caps	100

Assets under construction are not amortized until the asset is available for productive use. A full year of amortization is charged in the year after acquisition and available for productive use.

Tangible capital assets received as contributions are recorded at fair value at the date of receipt and are also recorded as revenue.

When conditions indicate that a tangible capital asset no longer contributes to the Municipality's ability to provide goods and services, or that the value of future economic benefits associated with the tangible capital asset is less than its net book value, the cost of the tangible capital asset is reduced to reflect the decline in the asset's value. The net write-downs of tangible capital assets are accounted for as expenses in the statement of operations and such write-downs are not reversed.

The Municipality of the District of Guysborough

Notes to the consolidated financial statements

March 31, 2023

2. Summary of significant accounting policies (cont'd)

(j) Segmented information

The Municipality of the District of Guysborough is a diversified municipal unit that provides a wide range of services to its residents. For management reporting purposes, the Municipality's operations and activities are organized and reported by fund. This presentation is in accordance with the Provincial Financial Reporting and Accounting Manual, and was created for the purpose of recording specific activities to attain certain objectives in accordance with special regulations, restrictions or limitations. Municipal services are provided by departments and their activity is reported in these funds. The services provided by these departments are as follows:

General government services

This department is responsible for the overall financial and local government administration. Its tasks include tax administration, trade payables and receivables, budgets, financial statements and adherence to the *Municipal Government Act*.

Protection services

The Municipality is primarily responsible for police and fire protection for its residents. The Municipality engages the services of various not for profit, volunteer fire departments in order to fulfil its fire protection role. The Municipality pays operating grants to the fire departments to assist in the operating cost of the fire departments along with capital expenditure grants for acquisition of certain fire fighting apparatus and vehicles approved by Council. The Municipality engages the services of the RCMP to fulfil its policing protective role.

Transportation services

The Municipality is responsible for the maintenance of 26.28 km of J class roads under contract with the Province of Nova Scotia Transportation and Infrastructure Renewal including snow removal.

The Municipality is also responsible for sidewalks and for street lighting within the Municipality.

Environmental services

This department is responsible for the maintenance and operations of waste management and sewer services provided to residents and other customers.

Recreation and cultural services

The recreation department is responsible for promoting and offering opportunities and activities to the Municipality's residents including programs, grants for facility development and programs as well as activities of the Chedabucto Lifestyle Complex. The department also provides funding for special municipal recreation initiatives and projects along with assistance for community-based projects. The Municipality provides a municipal contribution towards the operations of the Eastern Counties Regional Library Board and pays for the operating cost, excluding wages and benefits, for the Cyril Ward Library which is a branch library of the Eastern Counties Regional Library Board.

Public Health and Welfare services

This department is responsible for supporting programs to help lower income households maintain, acquire, or rent safe, adequate and affordable housing.

Water operations

This department is responsible for the maintenance and operations of water services provided to residents and other customers.

The Municipality of the District of Guysborough

Notes to the consolidated financial statements

March 31, 2023

2. Summary of significant accounting policies (cont'd)

(k) Cash and cash equivalents

Cash and cash equivalents includes unrestricted cash of \$6,830,021 (2022 - \$2,132,148) and internally designated cash of \$11,285,495 (2022 - \$25,015,051). These totals include cash on hand and balances with banks.

(l) Financial instruments

The Municipality's financial instruments consist of cash and cash equivalents, receivables, payables and accruals, deferred revenue and long term debt and are carried at cost which approximates their fair value.

Initial measurement

Financial instruments are measured at fair value when issued or acquired. For financial instruments subsequently measured at cost or amortized cost, fair value is adjusted by the amount of the related financing fees and transaction costs. Transaction costs and financing fees relating to financial instruments that are measured subsequently at fair value are recognized in operations in the year in which they are incurred. Financial instruments consist of receivables, accounts payable and accrued liabilities, and long-term debt.

Subsequent measurement

At each reporting date, the Municipality measures its financial assets and liabilities at cost or amortized cost (less impairment in the case of financial assets), except for investments, which must be measured at fair value. The Municipality uses the effective interest rate method to amortize any premiums, discounts, transaction fees and financing fees to the statement of revenues and expenses. The financial instruments measured at amortized cost are receivables, accounts payable and accrued liabilities, and long-term debt. For financial assets measured at cost or amortized cost, the Municipality regularly assesses whether there are any indications of impairment. If there is an indication of impairment, and the Municipality determines that there is a significant adverse change in the expected timing or amount of future cash flows from the financial asset, it recognizes an impairment loss in the statement of operations. Any reversals of previously recognized impairment losses are recognized in operations in the year the reversal occurs.

(m) Budget figures

The budget figures contained in these consolidated financial statements were approved by Council on March 16, 2022 in its original fiscal plan; they also include budgets prepared and approved by controlled entities and are adjusted in accordance with Public Sector requirements. Note 12 outlines the original fiscal plan and the adjustments made to come to the budget figures shown in these consolidated financial statements.

(n) Liability for contaminated sites

Contaminated sites are a result of contamination being introduced into the air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability would be recorded net of any expected recoveries. A liability for remediation of contaminated sites would be recognized when all the following criteria are met:

- i. an environmental standards exists;
- ii. contamination exceeds the environmental standard;
- iii. The Municipality of the District of Guysborough:
 - a) is directly responsible; or
 - b) accepts responsibility; and
- iv. a reasonable estimate of the amount can be made.

As at March 31, 2023, there are no known contaminated sites identified.

The Municipality of the District of Guysborough

Notes to the consolidated financial statements

March 31, 2023

3. Contributions to boards and commissions

The Municipality of the District of Guysborough is required to finance the operations of the various Boards and Commissions, along with the other Municipal Units in Guysborough County to the extent of its participation based on assessment or population formula.

In addition to any budgeted contributions, the Municipal Units share in the deficits or surpluses of these boards based on their sharing percentage. A Municipal Unit's share of the deficit is to be paid in the year while a surplus is to be taken into income.

Senior Citizens Housing Authorities

The Municipality has provided \$114,000 (2022 - \$117,306) for its share of deficits of the Housing Authority in the District of Guysborough in 2023.

Eastern Counties Regional Library

During 2022-2023, the Municipality of the District of Guysborough paid \$40,700 (2022 - \$33,753) to the Regional Library.

4. Long-term debt	<u>2023</u>	<u>2022</u>
Milford Haven Corporation		
4.388% - 5.644% rest home debenture maturing in fiscal 2025, repayable in yearly principal payments of \$127,900.	\$ 256,700	\$ 384,600
1.052% - 3.449% debenture maturing in fiscal 2031, repayable in yearly principal payments of \$15,084, interest payable semi-annually.	120,662	135,746
Term loan with a 3.95% interest rate, payable in monthly payments of \$1,119 maturing in fiscal 2023.	4,864	18,296
Canso Seaside Manor		
4.329% - 4.939% rest home debenture maturing in fiscal 2025, repayable in yearly principal payments of \$40,135.	80,271	120,406
Prime plus 2.25%, repaid during the year.	-	15,667
1.93 - 3.073% debenture maturing in fiscal 2028, repayable in yearly principal payments of \$17,500 interest payable semi-annually.	87,500	105,000
Municipality of the District of Guysborough		
2.134% - 3.449% debenture maturing in fiscal 2031, repayable in yearly principal payments of \$764,950, interest payable semi-annually.	6,119,604	6,884,554
4.579% - 4.939% debenture maturing in fiscal 2025, repayable in yearly principal payments of \$11,667, interest payable semi-annually.	<u>23,329</u>	<u>34,996</u>
Total	6,692,930	7,699,259
Less debenture discount	<u>44,774</u>	<u>61,565</u>
	<u>\$ 6,648,156</u>	<u>\$ 7,637,694</u>

The Municipality of the District of Guysborough

Notes to the consolidated financial statements

March 31, 2023

4. Long-term debt (cont'd)

Principal payments required during the next five fiscal years are as follows:

2024	\$	977,597
2025	\$	972,727
2026	\$	921,825
2027	\$	793,025
2028	\$	793,025

5. Asset retirement obligation

The Municipality's asset retirement obligation consists of the liability for the closure and remediation of contaminants present within the buildings owned by the Municipality and decommissioning and restoration of their wind turbines sites. These contaminants represent a health hazard upon demolition and therefore there is a legal obligation for removal of these contaminants on decommissioning. Following the adoption of PS 3280 - Asset retirement obligations, the Town recognized an obligation relating to this decommissioning and remediation of contaminants as estimated as at April 1, 2022. These buildings have expected useful lives ranging from 10 to 40 years with wind turbines having expected useful life of 20 years. Estimated costs have been discounted to the present value using discount rates ranging from 3.3% to 3.4% per annum.

Changes to the asset retirement obligation in the year are as follow:

	<u>2023</u>	<u>2022</u>
Opening balance	\$ -	\$ -
Liability recognized on adoption of PS 3280	1,159,606	-
Settlement	-	-
Accretion expense	<u>40,452</u>	-
Balance, end of year	<u>\$ 1,200,058</u>	<u>\$ -</u>

6. Remuneration

Total remuneration paid to elected and senior appointed officials of the Municipality are as follows:

<u>Official</u>	<u>Position</u>	<u>Remuneration</u>	<u>Expenses</u>
Vernon Pitts	Warden	\$42,147	\$3,712
Dave Hanhams	Councillor	23,415	573
Neil DeCoff	Councillor	23,415	1,194
Janet Peitzsche	Deputy Warden	27,396	3,494
Mary Desmond	Councillor	23,415	1,313
Paul Long	Councillor	23,415	410
Hudson MacLeod	Councillor	23,415	2,046
Fin Armsworthy	Councillor	23,415	1,639
Barry Carroll	Chief Administrative Officer	162,145	2,703

The Municipality of the District of Guysborough

Notes to the consolidated financial statements

March 31, 2023

7. Contingencies

- a) The Municipality has taken expropriation action on a number of Goldboro, Melford and Black Point properties. There are still matters relating to the expropriation claims that have also been referred to the Nova Scotia Utility and Review Board in fiscal 2012. The final cost on these matters is not known at this time and has not been reflected in these financial statements.
- b) The Municipality has guaranteed loans to the following Volunteer Fire Departments to a maximum amount as indicated below:

<u>Fire Department</u>	<u>Amount</u>
Canso/Hazel Hill Fire Department	\$ 58,361
Milford Haven Fire Department	\$ 265,114

- c) Action has been brought forth by the Province of Nova Scotia (Municipal Affairs and Housing) for a refund of \$1,346,160 under a previous contribution for previous funds received. No claim has been announced and the parties continue to discuss a resolution. The amount has been accrued in the financial statements and is included in payables and accruals.
-

The Municipality of the District of Guysborough

Notes to the consolidated financial statements

March 31, 2023

8. Segment information	General Government Services	Protection Services	Transportation Services	Environmental Services	Rest Home Operations	Water Operations
Revenues						
Taxes	\$ 3,689,505	\$ 568,227	\$ 83,593	\$ 96,720	\$ -	\$ -
Grants in lieu of taxes	500,787	7,955	-	-	-	-
Sale of services	-	23,894	-	204,137	-	355,944
Other revenue from own sources	467,471	5,283	-	3,386,805	-	-
Unconditional transfers from other governments	150,841	-	-	-	-	-
Conditional transfers from other governments and agencies	-	2,471	-	322,664	-	-
Interest	420,951	-	-	-	-	27,492
Other	-	-	-	250,000	-	-
	<u>5,229,555</u>	<u>607,830</u>	<u>83,593</u>	<u>4,260,326</u>	<u>-</u>	<u>383,436</u>
Expenditures						
Salaries and benefits	1,897,413	102,949	-	1,137,678	-	164,891
Goods and services and other	1,170,219	2,391,694	250,094	2,634,349	-	176,532
Amortization	169,651	6,679	54,100	1,177,553	-	89,231
Accretion	2,125	-	-	16,915	-	574
Interest	15,467	-	-	198,447	43,954	3,287
	<u>3,254,875</u>	<u>2,501,322</u>	<u>304,194</u>	<u>5,164,942</u>	<u>43,954</u>	<u>434,515</u>
Annual (deficit) surplus	<u>\$ 1,974,680</u>	<u>\$ (1,893,492)</u>	<u>\$ (220,601)</u>	<u>\$ (904,616)</u>	<u>\$ (43,954)</u>	<u>\$ (51,079)</u>
Discontinued operations						
Revenues						
Sale of services	\$ -	\$ -	\$ -	\$ 6,345,770	\$ -	\$ -
Gain on disposal of tangible capital assets	-	-	-	10,882,105	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,227,875</u>	<u>-</u>	<u>-</u>
Expenditures						
Salaries and benefits	-	-	-	395,208	-	-
Goods and services and other	-	-	-	1,040,070	-	-
Amortization	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,435,278</u>	<u>-</u>	<u>-</u>
Annual surplus	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,887,981</u>	<u>\$ -</u>	<u>\$ -</u>

The Municipality of the District of Guysborough

Notes to the consolidated financial statements

March 31, 2023

8. Segment information (continued)						
	Infrastructure	Public Health and Welfare	Recreation and Cultural Services	2023	2022	
Revenues						
Taxes	\$ -	\$ -	\$ -	\$ 4,438,045	\$ 4,179,828	
Grants in lieu of taxes	-	-	-	508,742	415,731	
Sale of services and rest home operations	-	-	50,852	634,827	552,646	
Other revenue from own sources	-	-	-	3,859,359	3,511,189	
Unconditional transfers from other governments	-	-	-	150,841	262,208	
Conditional transfers from other governments and agencies	-	-	70,690	395,825	1,262,069	
Interest	-	-	-	448,443	165,996	
Other	-	-	-	250,000	250,000	
	-	-	121,542	10,686,282	10,709,667	
Expenditures						
Salaries and benefits	-	-	538,929	3,841,860	4,021,661	
Goods and services and other	8,194	114,000	684,897	7,429,979	9,535,957	
Amortization	-	-	534,897	2,032,111	2,964,413	
Accretion	-	-	20,838	40,452	-	
Interest	-	-	-	261,155	281,894	
	8,194	114,000	1,779,561	13,605,557	13,014,597	
Annual surplus	\$ (8,194)	\$ (114,000)	\$ (1,658,019)	(2,919,275)	\$ (2,304,930)	
Discontinued operations						
Revenues						
Sale of services	\$ -	\$ -	\$ -	\$ 6,345,770	\$ 6,235,875	
Gain on disposal of tangible capital assets	-	-	-	10,882,105	-	
	-	-	-	17,227,875	-6,235,875	
Expenditures						
Salaries and benefits	-	-	-	395,208	877,552	
Goods and services and other	-	-	-	1,040,070	2,078,915	
Amortization	-	-	-	-	544,265	
	-	-	-	1,435,278	3,900,702	
Annual surplus	\$ -	\$ -	\$ -	\$ 12,873,322	\$ 141,616	

The Municipality of the District of Guysborough

Notes to the consolidated financial statements

March 31, 2023

9. Pension plan

The Municipality's pension plan is a defined contribution plan funded in amounts of 6%, 7% and 8% depending on years of service with the Municipality. Total consolidated contributions for the year were \$195,609 (2022 - \$203,952).

In accordance with Provincial Statute-An Act to Authorize the Town of Canso to provide a retiring allowance for a former employee and in accordance with Section 12 of the January 19, 2012 Order of the Nova Scotia Utility and Review Board-Order for Dissolution, the Municipality is bound to fund this retiring allowance, indexed annually by an amount not greater than 6%; or percentage increase in the cost of living as measured by the CPI of Canada from the general tax rate of the municipality.

10. Deferred revenue

Deferred revenue is comprised of deferred gas tax revenue and funding restricted for specific projects. The breakdown of the deferred revenue that is reported on the consolidated statement of financial position is as follows:

	<u>2023</u>	<u>2022</u>
Balance, beginning of year	\$ 1,117,703	\$ 1,256,618
Revenue		
Gas tax grants received and interest earned	400,668	685,467
Sustainable services growth funding received	471,837	-
Expenditure		
Gas tax grants spent	<u>(100,000)</u>	<u>(824,382)</u>
Balance, end of year	<u>\$ 1,890,208</u>	<u>\$ 1,117,703</u>

Deferred gas tax revenue represents gas tax funding received but not spent in accordance with *PS 3410 – Government Transfers*, which the Municipality applied prospectively beginning April 1, 2012. Since *PS 3410* was applied prospectively, any gas tax funding received prior to April 1, 2012 remains in the Municipality's accumulated surplus, regardless if it has been spent or not. Gas tax funding is required to be spent on certain eligible projects in accordance with the Canada-Nova Scotia Federal Gas Tax agreement. Sustainable services growth funding is required to be spent on certain eligible projects in accordance with their agreements.

11. Rate of return on rate base

For the year ended March 31, 2023, the Canso-Hazel Hill Water Utility had a rate of return on rate base of -0.8% (2022 – (1%)).

The Municipality of the District of Guysborough

Notes to the consolidated financial statements

March 31, 2023

12. Budget figures

Public Sector Accounting Standards require a comparison of the results for the period with those originally planned on the same basis as that used for actual results. The fiscal plan in the statement of operations and statement of changes in net assets has been adjusted to be on a consistent basis as actual results. The adjustments below include netting school board appropriations against tax revenues, reclassification of revenues and expenses amongst categories, and the elimination of revenues and expenses between the Municipality and its consolidated entities. Below is a reconciliation of the figures from the approved fiscal plan to the fiscal plan per the consolidated financial statement:

	Approved Fiscal Plan	Adjustments	Fiscal Plan Per Financial Statements
Revenue			
Taxes	\$ 5,420,313	\$ (1,206,500)	\$ 4,213,813
Grants in lieu of taxes	412,978	-	412,978
Sales of services	732,499	-	732,499
Discontinued operations	5,943,680	-	5,943,680
Water operations	64,462	(64,462)	-
Other revenue from own sources	3,497,069	(13,005)	3,484,064
Unconditional transfers from other governments	213,000	-	213,000
Conditional transfers from other governments and agencies	4,414,371	(355,808)	4,058,563
Interest	5,200	-	5,200
Other	<u>250,000</u>	<u>-</u>	<u>250,000</u>
	<u>20,953,572</u>	<u>(1,639,775)</u>	<u>19,313,797</u>
Expense			
General government services	4,381,445	(30,500)	4,350,945
Protection services	2,642,921	(64,462)	2,578,459
Transportation services	438,800	-	438,800
Environmental services	3,307,997	-	3,307,997
Public health and welfare services	114,000	-	114,000
Recreational and cultural services	2,430,735	(1,176,000)	1,254,735
Water operations	455,167	(13,005)	442,162
Infrastructure improvement	8,200	-	8,200
Discontinued operations	2,289,085	-	2,289,085
Fiscal services	<u>4,956,059</u>	<u>(4,956,059)</u>	<u>-</u>
	<u>21,024,409</u>	<u>(6,240,026)</u>	<u>14,784,383</u>
Annual surplus	<u>\$ (70,837)</u>	<u>\$ 4,600,251</u>	<u>\$ 4,529,414</u>

13. Discontinued operations

Effective September 1, 2022, the Municipality of the District of Guysborough sold specific assets, including all inventory, contracts, intellectual property, tangible personal property, real property, permits, their solid waste processing and disposal facility, all goodwill and the going concern value of and transfer of its undertaking to GFL Environment Inc. ("GFL") in accordance with the terms of agreement of the purchase and sale. "GFL" will also assume specific liabilities in respect to contracts in place to be performed after the closing date, liabilities of transferred employees including sick leave benefits accrued.

The Municipality of the District of Guysborough

Schedules to consolidated statement of operations

Year ended March 31

	2023		2022
	Budget (Note 12)	Actual	Actual
1. Taxes			
Assessable property			
Residential	\$ 2,335,738	\$ 2,330,663	\$ 2,185,165
Commercial	<u>1,819,653</u>	<u>1,823,119</u>	<u>1,836,723</u>
	<u>4,155,391</u>	<u>4,153,782</u>	<u>4,021,888</u>
Resource			
Taxable assessments	318,554	318,488	310,149
Forest property			
Less than 50,000 acres	29,727	29,692	29,861
50,000 acres or more	260	260	260
Farmland acreage tax	<u>11,535</u>	<u>13,533</u>	<u>12,897</u>
	<u>360,076</u>	<u>361,973</u>	<u>353,167</u>
Area rates			
Protective services	569,097	568,227	541,784
Transportation services	83,750	83,593	82,341
Pump house	<u>214</u>	<u>436</u>	<u>229</u>
	<u>653,061</u>	<u>652,256</u>	<u>624,354</u>
Business property			
Based on revenue (Bell-Aliant)	<u>45,000</u>	<u>36,129</u>	<u>36,733</u>
Other			
Deed transfer taxes	80,000	313,260	216,017
Wind farm	<u>96,285</u>	<u>96,285</u>	<u>95,332</u>
	<u>176,285</u>	<u>409,545</u>	<u>311,349</u>
Less: Education	<u>(1,176,000)</u>	<u>(1,175,640)</u>	<u>(1,167,663)</u>
	<u>\$ 4,213,813</u>	<u>\$ 4,438,045</u>	<u>\$ 4,179,828</u>

The Municipality of the District of Guysborough
Schedules to consolidated statement of operations

Year ended March 31

	<u>2023</u>		<u>2022</u>
	<u>Budget</u> (Note 12)	<u>Actual</u>	<u>Actual</u>
2. Grants in lieu of taxes			
Federal government	\$ 51,109	\$ 50,584	\$ 50,764
Canada Post	2,003	2,254	38
Provincial government			
Crown timber	122,341	122,341	127,341
Property of supported institutions	80,782	93,326	93,822
Fire protection	15,855	7,954	7,811
Nova Scotia Power Inc.	135,000	226,391	134,770
Nova Scotia Liquor Commission	<u>5,888</u>	<u>5,892</u>	<u>6,185</u>
	<u>\$ 412,978</u>	<u>\$ 508,742</u>	<u>\$ 415,731</u>
3. Sale of services			
Sewer rates	<u>\$ 102,569</u>	<u>\$ 106,339</u>	<u>\$ 104,447</u>
Recreation and cultural	<u>95,000</u>	<u>97,109</u>	<u>141,202</u>
Inspection and sub-division fees			
Other municipal units	<u>188,211</u>	<u>75,435</u>	<u>72,032</u>
Water	<u>346,719</u>	<u>355,944</u>	<u>344,965</u>
	<u>\$ 732,499</u>	<u>\$ 634,827</u>	<u>\$ 662,646</u>

The Municipality of the District of Guysborough

Schedules to consolidated statement of operations

Year ended March 31

	2023		2022
	<u>Budget</u> (Note 12)	<u>Actual</u>	<u>Actual</u>
4. Other revenue from own sources			
Licenses and permits	\$ 10,000	\$ 16,283	\$ 18,472
Fines	5,000	11,220	10,493
Interest on taxes	70,000	95,898	52,410
Miscellaneous	3,999	90,127	17,090
Interest on investments	15,000	356,943	22,792
Rent - office space	7,600	3,515	3,515
Wind turbines	3,282,850	3,195,758	3,295,278
Rent – Sable Wind	89,615	89,615	91,139
	<u>\$3,484,064</u>	<u>\$3,859,359</u>	<u>\$3,511,189</u>
5. Unconditional transfers from other governments			
Provincial government			
HST offset program	\$ 65,000	\$ 66,163	\$ 92,852
Unconditional funding	148,000	84,678	169,356
	<u>\$ 213,000</u>	<u>\$ 150,841</u>	<u>\$ 262,208</u>
6. Conditional transfers from other governments and agencies			
Federal government agencies			
Work projects	\$ 6,000	\$ 18,350	\$ -
Federal gas tax rebate	-	100,000	824,382
Other projects	595,406	64,718	51,875
	<u>601,406</u>	<u>183,068</u>	<u>876,257</u>
Provincial			
Nova Scotia Health Promotion - operating	25,000	25,000	25,000
Emergencies Measures Organization	2,500	2,471	2,419
Resource Recovery Fund Board	3,000	464	1,287
Resource Recovery Fund Board - ERSWMC	129,543	153,947	197,905
Socio-Economic Effects Management Plan	-	3,545	1,947
Before/After School Funding	32,000	-	57,602
Strait Regional School Board	5,000	5,000	-
Department of Community Service/Recreation	20,000	20,000	20,000
Infrastructure funding	3,240,114	2,330	79,652
	<u>3,457,157</u>	<u>212,757</u>	<u>385,812</u>
	<u>\$ 4,058,563</u>	<u>\$ 395,825</u>	<u>\$ 1,262,069</u>

The Municipality of the District of Guysborough

Schedules to consolidated statement of operations

Year ended March 31

	2023		2022
	<u>Budget</u> (Note 12)	<u>Actual</u>	<u>Actual</u>
7. Infrastructure improvement expense			
Canso infrastructure expenses	\$ 8,200	\$ 8,194	\$ 1,786
8. General government services			
Legislative			
Warden stipend	\$ 42,035	\$ 42,147	\$ 41,382
Council stipend	167,443	167,889	160,619
Other legislative services	<u>44,975</u>	<u>37,570</u>	<u>16,845</u>
	<u>254,453</u>	<u>247,606</u>	<u>218,846</u>
General administrative			
Administrative	586,252	637,969	621,682
Financial management	374,200	401,518	400,509
Taxation - reduced taxes	81,783	76,083	78,839
- other	84,133	75,971	59,436
Assessment costs	<u>165,548</u>	<u>165,548</u>	<u>168,047</u>
	<u>1,291,916</u>	<u>1,357,089</u>	<u>1,328,513</u>
Municipal properties			
Common services	<u>2,498,238</u>	<u>1,204,763</u>	<u>1,103,794</u>
Amortization	<u>-</u>	<u>169,651</u>	<u>160,890</u>
Accretion	<u>-</u>	<u>2,215</u>	<u>-</u>
Valuation allowance	<u>15,000</u>	<u>11,560</u>	<u>-</u>
Other general government services			
Grants to organizations and individuals	144,000	162,250	117,500
Insurance	59,838	79,961	58,604
Election	1,000	-	3,997
Dues	12,200	8,757	9,206
Other	<u>74,300</u>	<u>11,113</u>	<u>185,202</u>
	<u>291,338</u>	<u>262,081</u>	<u>374,509</u>
	<u>\$ 4,350,945</u>	<u>\$ 3,254,875</u>	<u>\$ 3,186,552</u>

The Municipality of the District of Guysborough

Schedules to consolidated statement of operations

Year ended March 31

	2023		2022
	<u>Budget</u> (Note 12)	<u>Actual</u>	<u>Actual</u>
9. Protection services			
Police protection	<u>\$ 1,575,760</u>	<u>\$1,520,122</u>	<u>\$ 1,369,039</u>
Law enforcement			
Transfer to correctional services	82,000	81,130	82,510
Prosecuting attorney	<u>1,200</u>	<u>7,648</u>	<u>7,526</u>
	<u>83,200</u>	<u>88,778</u>	<u>90,036</u>
Fire protection			
Community fire department			
Appropriation of levy	568,897	567,827	541,584
Grants	93,123	93,123	89,000
Fire dispatch	36,400	33,789	33,789
Fire service	47,500	10,264	8,185
Firemen's disability insurance	<u>35,000</u>	<u>35,599</u>	<u>32,215</u>
	<u>780,920</u>	<u>740,602</u>	<u>704,773</u>
Emergency measures			
Honorarium and other expenses	<u>30,331</u>	<u>43,390</u>	<u>34,568</u>
Amortization	<u>-</u>	<u>6,679</u>	<u>8,216</u>
Other			
By-law enforcement	27,700	24,953	23,739
Protective inspection - building	<u>80,548</u>	<u>76,798</u>	<u>68,420</u>
	<u>108,248</u>	<u>101,751</u>	<u>92,159</u>
	<u>\$ 2,578,459</u>	<u>\$2,501,322</u>	<u>\$ 2,298,791</u>
10. Transportation services			
Road transport			
Roads and streets	\$ 270,300	\$ 104,635	\$ 247,808
Amortization	-	54,100	99,251
Street lighting commissions			
Appropriation of levy	84,750	83,593	82,657
Grant	<u>83,750</u>	<u>61,866</u>	<u>68,802</u>
	<u>\$ 438,800</u>	<u>\$ 304,194</u>	<u>\$ 498,518</u>

The Municipality of the District of Guysborough

Schedules to consolidated statement of operations

Year ended March 31

	2023		2022
	<u>Budget</u> (Note 12)	<u>Actual</u>	<u>Actual</u>
11. Environmental services			
Health services			
Solid waste collection and disposal			
Collection and recyclable disposal/trucking	\$ 385,000	\$ 587,497	\$ 405,410
Operations and maintenance	<u>321,422</u>	<u>150,945</u>	<u>204,409</u>
	<u>706,422</u>	<u>738,442</u>	<u>609,819</u>
Pollution and waste control			
Maintenance	165,073	159,114	154,771
Other	<u>14,000</u>	<u>14,780</u>	<u>14,000</u>
	<u>179,073</u>	<u>173,894</u>	<u>168,771</u>
Amortization	-	<u>1,177,553</u>	<u>1,105,831</u>
Accretion	-	<u>16,915</u>	-
Development services			
Planning, zoning and economic development	<u>2,422,502</u>	<u>3,058,138</u>	<u>2,505,683</u>
	<u>\$ 3,307,997</u>	<u>\$ 5,164,942</u>	<u>\$ 4,390,104</u>
12. Public health and welfare			
Social welfare			
Deficit of Regional Housing Authority	<u>\$ 114,000</u>	<u>\$ 114,000</u>	<u>\$ 117,306</u>

The Municipality of the District of Guysborough
Schedules to consolidated statement of operations

Year ended March 31

	<u>2023</u>		<u>2022</u>
	<u>Budget</u> (Note 12)	<u>Actual</u>	<u>Actual</u>
13. Recreation and cultural services			
Recreation			
Administration	\$ 254,825	\$ 255,146	\$ 245,928
Programs	681,005	816,204	853,032
Grants	43,250	22,360	19,900
Community projects	<u>206,500</u>	<u>72,500</u>	<u>192,316</u>
	<u>1,185,580</u>	<u>1,166,210</u>	<u>1,311,176</u>
Cultural buildings and facilities			
Local library			
Operations	28,455	16,899	19,615
Regional	<u>40,700</u>	<u>40,700</u>	<u>33,753</u>
	<u>69,155</u>	<u>57,599</u>	<u>53,368</u>
Amortization	<u>-</u>	<u>534,914</u>	<u>556,799</u>
Accretion	<u>-</u>	<u>20,838</u>	<u>-</u>
	<u>\$1,254,735</u>	<u>\$1,779,561</u>	<u>\$1,921,323</u>
14. Water operating			
Transmission and distribution	\$ 293,068	\$ 285,509	\$ 288,241
Administration	59,863	59,201	75,875
Accretion	-	574	-
Amortization	<u>89,231</u>	<u>89,231</u>	<u>89,231</u>
	<u>\$ 442,162</u>	<u>\$ 434,515</u>	<u>\$ 453,347</u>

SUPPLEMENTARY INFORMATION

**The Municipality of the District of Guysborough
Supplementary schedule
Canso-Hazel Hill water utility - operating fund
Schedule of operations**

Year ended March 31	Budget	2023	2022
Revenue			
Operating			
Metered and flat rate sales	\$ 345,919	\$ 354,344	\$ 343,165
Sprinkler service	800	1,600	1,600
Public fire protection	<u>64,462</u>	<u>64,662</u>	<u>64,662</u>
	<u>411,181</u>	<u>420,606</u>	<u>409,427</u>
Operating expenditures			
Source of supply (page 17)	27,722	26,972	26,626
Power and pumping (page 17)	52,823	45,434	60,604
Water treatment (page 17)	148,198	165,882	128,017
Transmission and distribution (page 17)	63,800	43,934	62,765
Administration (page 17)	72,868	72,206	88,880
Taxes	32,000	31,147	31,147
Depreciation	<u>89,231</u>	<u>89,231</u>	<u>89,231</u>
	<u>486,642</u>	<u>474,806</u>	<u>487,270</u>
Operating loss	<u>(75,461)</u>	<u>(54,200)</u>	<u>(77,843)</u>
Non-operating revenue			
Interest earned	2,500	17,264	3,419
Miscellaneous	<u>2,700</u>	<u>2,498</u>	<u>2,250</u>
	<u>5,200</u>	<u>19,762</u>	<u>5,669</u>
Non-operating expenditures			
Bank charges and interest	<u>525</u>	<u>3,287</u>	<u>10,229</u>
Excess of expenditures over revenue	<u>\$ (70,786)</u>	<u>(37,725)</u>	<u>(82,403)</u>
Surplus, beginning of year		<u>270,387</u>	<u>352,790</u>
Surplus, end of year		<u>\$ 232,662</u>	<u>\$ 270,387</u>

**The Municipality of the District of Guysborough
 Supplementary schedule
 Canso-Hazel Hill water utility - operating fund
 Schedule of financial position**

March 31	2023	2022
Financial assets		
Cash and cash equivalents	\$ 475,581	\$ 461,529
Receivables		
Rates (less allowance for doubtful accounts \$5,374)	95,026	93,379
Due from own funds and agencies		
General operating	<u>108,629</u>	<u>73,328</u>
Total financial assets	\$ <u>679,236</u>	\$ <u>628,236</u>
Financial liabilities		
Payables and accruals		
Trade	\$ 18,640	\$ 19,050
Customers' deposits	4,144	4,295
Due to own funds and agencies		
Water capital	<u>462,247</u>	<u>372,961</u>
Total financial liabilities	<u>485,031</u>	<u>396,306</u>
Net financial assets	<u>194,205</u>	<u>231,930</u>
Non-financial assets		
Inventory of supplies	<u>38,457</u>	<u>38,457</u>
Net assets	\$ <u>232,662</u>	\$ <u>270,387</u>
Surplus	\$ <u>232,662</u>	\$ <u>270,387</u>

Approved on behalf of the Municipality of the District of Guysborough



 _____ Warden


 _____ CAO

**The Municipality of the District of Guysborough
Supplementary schedule
Canso-Hazel Hill water utility - capital fund
Schedule of financial position**

March 31	2023	2022
Financial assets		
Depreciation fund		
Cash and cash equivalents	\$ 213,148	\$ 847,801
Short term investments	-	10,870
Due from own fund and agencies – water operating	462,247	372,961
– general operating	<u>581,308</u>	<u>372,961</u>
Total financial assets	<u>\$ 1,256,703</u>	<u>\$ 1,231,632</u>
Financial liabilities		
Payables and accruals		
Due to own funds and agencies		
General operating	<u>\$ -</u>	<u>\$ 71,579</u>
Total financial liabilities	<u>-</u>	<u>71,579</u>
Net financial assets	<u>1,256,703</u>	<u>1,160,053</u>
Non-financial assets		
Utility plant and equipment net of accumulated amortization of \$1,690,922 (2022 - \$1,601,691)	<u>4,663,562</u>	<u>4,752,482</u>
Net assets	<u>\$ 5,920,265</u>	<u>\$ 5,912,535</u>
 Investment in capital assets (page 16)	 <u>\$ 5,920,265</u>	 <u>\$ 5,912,535</u>

Approved on behalf of the Municipality of the District of Guysborough



Warden



CAO

The Municipality of the District of Guysborough
Supplementary schedule
Canso-Hazel Hill water utility
Utility plant and equipment

March 31	2023	2022
Tangible assets		
Working capital	\$ 1,000	\$ 1,000
Tangible plant and equipment		
Land	6,600	6,600
Building	47,752	47,752
Centennial Street system	8,000	8,000
Distribution mains and valves	617,076	617,076
Distribution reservoirs and stand pipes	4,501	4,501
Services	137,632	137,632
Meters	107,116	107,116
Hydrants	97,542	97,231
Office furniture and equipment	27,142	27,142
Tools and equipment	10,762	10,762
Transportation equipment	159,074	159,074
Water Treatment Plant	5,054,390	5,054,390
Generator	8,278	8,278
Pumping equipment	53,503	53,503
Water treatment equipment	<u>14,116</u>	<u>14,116</u>
	<u>\$ 6,354,484</u>	<u>\$ 6,354,173</u>

Canso-Hazel Hill water utility
Statement of investment in capital assets

(Unaudited – see advisory to readers)

Year ended March 31	2023	2022
Balance, beginning of year	\$ 5,912,535	\$ 5,910,530
Interest earned	<u>7,730</u>	<u>2,005</u>
Balance, end of year	<u>\$ 5,920,265</u>	<u>\$ 5,912,535</u>

The Municipality of the District of Guysborough
Supplementary schedule
Canso-Hazel Hill water utility - operating fund
Schedules to schedule of operations

Year ended March 31	Budget	2023	2022
Source of supply			
Salaries and training	\$ 26,972	\$ 26,972	\$ 26,626
Other	750	-	-
	<u>\$ 27,722</u>	<u>\$ 26,972</u>	<u>\$ 26,626</u>
Power and pumping			
Power purchased	\$ 38,073	\$ 38,096	\$ 36,118
Supervision	5,000	5,000	5,000
Fuel	1,750	(365)	1,549
Maintenance	8,000	2,703	17,937
	<u>\$ 52,823</u>	<u>\$ 45,434</u>	<u>\$ 60,604</u>
Water treatment			
Chemicals	\$ 20,000	\$ 23,655	\$ 18,526
Maintenance	14,900	23,405	10,396
Salaries and training	106,007	112,455	91,322
Supplies	3,000	1,409	2,207
Other	4,291	4,958	5,566
	<u>\$ 148,198</u>	<u>\$ 165,882</u>	<u>\$ 128,017</u>
Transmission and distribution			
Maintenance	\$ 36,000	\$ 20,798	\$ 29,653
Other	27,800	23,136	33,112
	<u>\$ 63,800</u>	<u>\$ 43,934</u>	<u>\$ 62,765</u>
Administration			
Consumer accounting and collecting	\$ 500	\$ -	\$ -
Salaries	24,445	25,464	45,139
Professional fees	14,500	11,996	15,305
Administrative supplies and support services	450	62	97
Insurance	2,568	3,300	2,522
Regulatory expense	5,000	5,216	1,500
Rent	13,005	13,005	13,005
Other	12,400	13,163	11,312
	<u>\$ 72,868</u>	<u>\$ 72,206</u>	<u>\$ 88,880</u>