

Consolidated financial statements

The Municipality of the District of Guysborough

March 31, 2017

Contents

	Page
Independent auditor's report	1
Consolidated statement of operations	2
Consolidated statement of financial position	3
Consolidated statement of changes in net financial assets	4
Consolidated statement of cash flows	5
Consolidated schedule of tangible capital assets	6 - 7
Notes to the consolidated financial statements	8 - 19
Schedules to consolidated statement of operations	20 - 26
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Supplementary schedules	
Canso-Hazel Hill water utility - operating fund – statement of operations	27
Canso-Hazel Hill water utility - operating fund – statement of financial position	28
Canso-Hazel Hill water utility - capital fund – statement of financial position	29
Canso-Hazel Hill water utility - utility plant and equipment	30
Canso-Hazel Hill water utility - statement of investment in capital assets	30
Canso-Hazel Hill water utility - operating fund - schedules to statement of operations	31
Canso electric utility - operating fund – statement of operations	32
Canso electric utility - operating fund - statement of financial position	33
Canso electric utility - capital fund - statement of financial position	34
Canso electric utility - utility plant and equipment	35
Canso electric utility - statement of investment in capital assets	35



Independent auditor's report

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

We have audited the accompanying consolidated financial statements of the Municipality of the District of Guysborough on pages 2 - 26 which comprise the consolidated statement of financial position as at March 31, 2017, and the consolidated statements of operations, changes in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the consolidated financial statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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 consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Municipality of the District of Guysborough as at March 31, 2017, and the consolidated results of its operations, changes in net financial assets and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

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 27 to 35 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.

Grant Thornton LLP

Antigonish, Canada
July 26, 2017

Chartered Professional Accountants
Licensed Public Accountants

The Municipality of the District of Guysborough

Consolidated statement of operations

Year ended March 31

2017

2016

	<u>Page</u>	<u>Budget</u> (Note 15)	<u>Actual</u>	<u>Actual</u>
Revenue				
Taxes	20	\$ 5,543,203	\$ 5,671,420	\$ 5,724,021
Grants in lieu of taxes	21	399,419	399,733	398,194
Sale of services	21	12,317,879	12,934,110	12,663,791
Other revenue from own sources	22	3,263,391	3,686,690	3,575,712
Unconditional transfers from other governments	22	316,000	312,976	314,687
Conditional transfers from other governments and agencies	22	1,310,123	875,218	366,050
Interest		13,006	218,016	124,905
Gain on disposal of tangible capital assets		-	23,000	819,661
Other		-	252,691	500,000
		<u>23,163,021</u>	<u>24,373,854</u>	<u>24,487,021</u>
Expenses				
General government services	23	2,827,639	3,385,122	3,494,371
Protection services	24	2,150,826	2,143,548	2,173,019
Transportation services	24	427,826	709,321	526,171
Environmental services	25	5,917,481	8,579,885	7,215,487
Rest Home - operations		5,439,296	5,623,180	5,877,579
Public health and welfare	25	72,000	70,548	51,256
Recreation and cultural services	26	994,055	1,059,189	1,148,551
Water operations	26	388,093	324,104	384,854
Electric operations	26	1,032,930	1,032,309	945,817
Infrastructure improvement funding	23	-	-	-
		<u>19,250,146</u>	<u>22,927,206</u>	<u>21,817,105</u>
Annual surplus		<u>\$ 3,912,875</u>	<u>\$ 1,446,648</u>	<u>\$ 2,669,916</u>
<hr/>				
Accumulated surplus, beginning of year			\$ 47,320,999	\$ 44,651,083
Annual surplus			<u>1,446,648</u>	<u>2,669,916</u>
Accumulated surplus, end of year			<u>\$ 48,767,647</u>	<u>\$ 47,320,999</u>

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

March 31

2017

2016

Financial assets

Cash and cash equivalents	\$ 26,662,756	\$ 24,758,705
Receivables: taxes, rates and interest, net of valuation allowance	441,980	467,912
other, net of valuation allowance	2,484,620	2,235,608
Investments, at cost	<u>1,133,732</u>	<u>1,131,594</u>

Total financial assets

\$ 30,723,088 \$ 28,593,819

Liabilities

Payables and accruals	\$ 3,552,571	\$ 3,713,850
Deferred revenue (note 11)	2,351,279	1,297,796
Refundable deposits	26,761	27,491
Long term debt (note 3)	12,316,283	13,290,731
Prepayment of taxes	89,574	87,482
Closure and post closure liability for landfill	<u>6,406,252</u>	<u>5,710,270</u>
	<u>24,742,720</u>	<u>24,127,620</u>

Net financial assets

5,980,368 4,466,199

Non financial assets

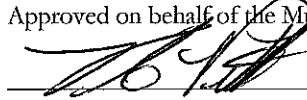
Tangible capital assets, net of amortization (pages 6 & 7)	42,280,222	42,391,753
Prepays	446,187	368,548
Vested property	1	57,362
Inventories of materials and supplies	<u>60,869</u>	<u>37,137</u>
	<u>42,787,279</u>	<u>42,854,800</u>

Accumulated surplus (note 10)

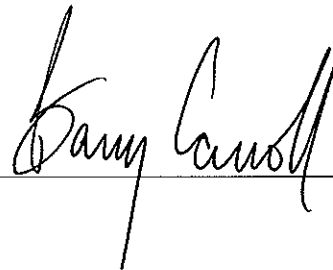
\$ 48,767,647 \$ 47,320,999

Contingencies (note 7)

Approved on behalf of the Municipality of the District of Guysborough



Warden



CAO

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

Year ended March 31	Budget	2017	2016
Annual surplus	\$ 3,912,875	\$ 1,446,648	\$ 2,669,916
Acquisition of tangible capital assets	(3,211,700)	(3,008,954)	(5,255,816)
Amortization of tangible capital assets	114,143	3,120,485	2,487,532
Proceeds on disposal of tangible capital assets	-	23,000	3,153,105
Gain on disposal of tangible capital asset	-	(23,000)	(819,661)
	<u>(3,097,557)</u>	<u>111,531</u>	<u>(434,840)</u>
Other items	-	(44,010)	375,358
Change in net financial assets	<u>\$ 815,318</u>	1,514,169	2,610,434
Net financial assets, beginning of year		<u>4,466,199</u>	<u>1,855,765</u>
Net financial assets, end of year		<u>\$ 5,980,368</u>	<u>\$ 4,466,199</u>

The Municipality of the District of Guysborough

Consolidated statement of cash flows

Year ended March 31

2017

2016

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

Operating activities

Annual surplus	\$ 1,446,648	\$ 2,669,916
Amortization	3,120,485	2,487,532
Amortization of discount on debenture	5,595	-
Gain on disposal of tangible capital asset	<u>(23,000)</u>	<u>(819,661)</u>
	4,549,728	4,337,787

Changes in non-cash working capital

Taxes, rates and interest receivable	25,932	(14,198)
Other receivables	(249,012)	11,008
Payables and accruals	(160,639)	(1,353,206)
Deferred revenue, deposits and prepayment of taxes	1,054,205	369,826
Prepays and other non-financial assets	<u>(44,010)</u>	<u>375,358</u>
	<u>5,176,204</u>	<u>3,726,575</u>

Investing activities

Investments	<u>(2,138)</u>	<u>(238,987)</u>
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Financing activities

Repayment of long term debt	(980,043)	(200,723)
Issuance of long term debt, net of debenture discount	-	11,656,542
Closure and post closure liability for landfill	<u>695,982</u>	<u>743,066</u>
	<u>(284,061)</u>	<u>12,198,885</u>

Capital

Acquisition of tangible capital assets	(3,008,954)	(5,255,816)
Proceeds on disposal of tangible capital assets	<u>23,000</u>	<u>3,153,105</u>
	<u>(2,985,954)</u>	<u>(2,102,711)</u>

Net increase in cash and cash equivalents

1,904,051 13,583,762

Cash and cash equivalents

Beginning of year	<u>24,758,705</u>	<u>11,174,943</u>
End of year	<u>\$ 26,662,756</u>	<u>\$ 24,758,705</u>

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

Year ended March 31, 2017

	Land	Buildings	Machinery and Equipment	Water and Sewers	Sidewalks and Street Lamps	Signage	Cells	Vehicles
Cost:								
Balance, beginning of year	\$ 4,163,627	\$ 6,789,530	\$ 4,871,138	\$ 13,255,257	\$ 1,314,729	\$ 94,956	\$ 14,731,014	\$ 1,418,009
Acquisition of tangible capital assets	284,612	284,955	129,811	6,779	-	25,480	580,822	131,502
Disposal of tangible capital assets	-	-	-	-	-	-	-	(74,307)
Balance, end of year	<u>4,448,239</u>	<u>7,074,485</u>	<u>5,000,949</u>	<u>13,262,036</u>	<u>1,314,729</u>	<u>120,436</u>	<u>15,311,836</u>	<u>1,475,204</u>
Accumulated amortization:								
Balance, beginning of year	-	2,306,996	2,548,231	4,200,165	866,301	41,139	11,350,917	1,003,254
Annual amortization	-	154,699	464,840	227,201	50,219	9,496	1,035,608	180,381
Accumulated amortization disposal	-	-	-	-	-	-	-	(74,307)
Balance, end of year	<u>-</u>	<u>2,461,695</u>	<u>3,013,071</u>	<u>4,427,366</u>	<u>916,520</u>	<u>50,635</u>	<u>12,386,525</u>	<u>1,109,328</u>
Net book value of tangible capital assets	<u>\$ 4,448,239</u>	<u>\$ 4,612,790</u>	<u>\$ 1,987,878</u>	<u>\$ 8,834,670</u>	<u>\$ 398,209</u>	<u>\$ 69,801</u>	<u>\$ 2,925,311</u>	<u>\$ 365,876</u>
2016 net book value of tangible capital assets	<u>\$ 4,163,627</u>	<u>\$ 4,482,534</u>	<u>\$ 2,322,907</u>	<u>\$ 9,055,092</u>	<u>\$ 448,428</u>	<u>\$ 53,817</u>	<u>\$ 3,380,097</u>	<u>\$ 414,755</u>

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

Year ended March 31, 2017

	Wharves and Canals	Land Improvements	Wind Turbines	Office Furnishings	Office Equipment	Lagoons	Roads	Construction In Progress	2017 Total	2016 Total
Cost:										
Balance, beginning of year	\$ 180,137	\$ 1,164,665	\$ 16,376,369	\$ 364,431	\$ 460,271	\$ 941,382	\$ 1,610,135	\$ 603,853	\$ 68,339,503	\$ 65,728,973
Acquisition of tangible capital assets	-	-	-	36,882	33,883	-	-	1,494,228	3,008,954	5,255,816
Disposals during the year	-	-	-	-	-	-	-	-	(74,307)	(2,645,286)
Balance, end of year	<u>180,137</u>	<u>1,164,665</u>	<u>16,376,369</u>	<u>401,313</u>	<u>494,154</u>	<u>941,382</u>	<u>1,610,135</u>	<u>2,098,081</u>	<u>71,274,150</u>	<u>68,339,503</u>
Accumulated amortization:										
Balance, beginning of year	13,281	1,124,474	842,797	312,105	346,415	474,763	516,912	-	25,947,750	23,771,807
Annual amortization	7,205	2,857	818,819	15,370	42,316	47,069	64,405	-	3,120,485	2,487,532
Accumulated amortization of disposals	-	-	-	-	-	-	-	-	(74,307)	(311,589)
Balance, end of year	<u>20,486</u>	<u>1,127,331</u>	<u>1,661,616</u>	<u>327,475</u>	<u>388,731</u>	<u>521,832</u>	<u>581,317</u>	<u>-</u>	<u>28,993,928</u>	<u>25,947,750</u>
Net book value of tangible capital assets	<u>\$ 159,651</u>	<u>\$ 37,334</u>	<u>\$ 14,714,753</u>	<u>\$ 73,838</u>	<u>\$ 105,423</u>	<u>\$ 419,550</u>	<u>\$ 1,028,818</u>	<u>\$ 2,098,081</u>	<u>\$ 42,280,222</u>	<u>\$ 42,391,753</u>
2016 net book value of tangible capital assets	<u>\$ 166,856</u>	<u>\$ 40,191</u>	<u>\$ 15,533,572</u>	<u>\$ 52,326</u>	<u>\$ 113,856</u>	<u>\$ 466,619</u>	<u>\$ 1,093,223</u>	<u>\$ 603,853</u>		

The Municipality of the District of Guysborough

Notes to the consolidated financial statements

March 31, 2017

1. 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, the electric utility and the water utility operations, they include the following:

Milford Haven Corporation
Canso Seaside Manor

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, the water utility, the electric utility, Milford Haven Corporation and Canso Seaside Manor.

(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.

The Municipality of the District of Guysborough

Notes to the consolidated financial statements

March 31, 2017

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

(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.

(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
Cells	Volume
Lagoons	20
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

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.

2nd Generation solid waste facility is amortized as the cell reaches capacity. The first cell reached capacity in 2012 and the second and third cells reached capacity in 2017.

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, 2017

1. 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 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.

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. 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.

Electric operations

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

Rest home operations

This department is responsible for the operations of two long term care facilities.

The Municipality of the District of Guysborough

Notes to the consolidated financial statements

March 31, 2017

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

(k) Cash and cash equivalents

Cash and cash equivalents includes unrestricted cash of \$2,611,266 (2016 - \$3,119,278) and internally designated cash of \$24,051,490 (2016 - \$21,639,427). These totals include cash on hand and balances with banks.

(l) Investments

Investments include guarantee investment certificates and a term deposit.

(m) Budget figures

The budget figures contained in these consolidated financial statements were approved by Council on March 23, 2016 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 15 outlines the original fiscal plan and the adjustments made to come to the budget figures shown in these consolidated financial statements.

2. 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 \$70,548 (2016 - \$51,256) for its share of deficits of the Housing Authority in the District of Guysborough in 2017.

Eastern Counties Regional Library

During 2016-2017, the Municipality of the District of Guysborough paid \$35,341 (2016 - \$35,341) to the Regional Library.

The Municipality of the District of Guysborough
Notes to the consolidated financial statements
 March 31, 2017

3. Long term debt	<u>2017</u>	<u>2016</u>
4.038% - 5.644% rest home debenture maturing in fiscal 2025, repayable in yearly principal payments of \$127,900.	\$ 1,024,100	\$ 1,152,000
3.649% - 4.939% rest home debenture maturing in fiscal 2025, repayable in yearly principal payments of \$40,135.	321,081	361,214
Prime plus 2.25%, repayable in monthly payments of \$333, plus interest, maturing in fiscal 2026.	35,667	39,667
Prime plus 2.25% demand loan, repaid during the year.	-	2,860
1.04% - 3.449% debenture maturing in fiscal 2031, repayable in yearly principal payments of \$764,950, interest payable semi-annually.	10,709,304	11,474,254
4.88% debenture, repaid during the year.	-	13,450
1.04% - 3.449% debenture maturing in fiscal 2031, repayable in yearly principal payments of \$15,084, interest payable semi-annually.	211,158	226,241
3.649 - 4.939% debenture maturing in fiscal 2025, repayable in yearly principal payments of \$11,667, interest payable semi-annually.	<u>93,331</u>	<u>104,998</u>
Total	12,394,641	13,374,684
Less debenture discount	<u>78,358</u>	<u>83,953</u>
	<u>\$ 12,316,283</u>	<u>\$ 13,290,731</u>

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

2018	\$ 995,403
2019	\$ 959,736
2020	\$ 959,736
2021	\$ 959,736
2022	\$ 959,736

The Municipality of the District of Guysborough

Notes to the consolidated financial statements

March 31, 2017

4. Investment in tangible capital assets

The Municipality has allocated a portion of its accumulated surplus as investment in tangible capital assets. The continuity of this allocation is as follows:

	2017	2016
Balance, beginning of year	\$ <u>29,101,022</u>	\$ <u>31,254,574</u>
Acquisition of tangible capital assets	3,008,954	5,255,816
Repayment of long term debt	<u>980,043</u>	<u>200,723</u>
	<u>3,988,997</u>	<u>5,456,539</u>
Disposal of tangible capital asset	(74,307)	(2,645,286)
Accumulated amortization on disposition	74,307	311,589
Temporary financing	-	8,867,680
Issuance of long term debt, net debenture discount	-	(11,656,542)
Amortization of discount on debt indenture	(5,595)	-
Amortization of tangible capital assets	<u>(3,120,485)</u>	<u>(2,487,532)</u>
	<u>(3,126,080)</u>	<u>(7,610,091)</u>
Balance, end of year (note 10)	\$ <u>29,963,939</u>	\$ <u>29,101,022</u>
Represented by:		
Tangible capital assets (pages 6 & 7)	\$ 71,274,150	\$ 68,339,503
Accumulated amortization (pages 6 & 7)	(28,993,928)	(25,947,750)
Long term debt (note 3)	<u>(12,316,283)</u>	<u>(13,290,731)</u>
	\$ <u>29,963,939</u>	\$ <u>29,101,022</u>

5. Landfill closure and post closure costs

The Municipality of the District of Guysborough has estimated landfill closure and post closure costs relating to their 1st and 2nd generation landfill facility. During the March 31, 2017 fiscal year the Municipality has recognized net closure costs of \$567,005 and post closure costs of \$128,978 as an estimate of the costs related to the fiscal 2017 activity. As at March 31, 2017 a total of \$4,877,368 has been recorded as a landfill closure liability while \$1,528,884 has been recorded as a landfill post closure liability. The liability is sufficient to cover engineering estimates of landfill closure and post closure costs for the 1st generation site as well as for the proportionate share of the expired useful life of the 2nd generation site. \$320,000 in assets have been designated and invested into interest-bearing instruments while the Municipality has set aside in a restricted bank account the remaining funds required to fund the liability.

The 1st generation site has been closed while the 2nd generation site is currently in operation. In the 2nd generation the 1st cell has reached its capacity of 240,000 tonnes. The 2nd and 3rd cells combined have reached 100% of their 460,000 tonne combined capacity. Cell #4 has reached 21% of its 250,000 tonne capacity. The 2nd generation site is anticipated to have eight cells with a total capacity of 1,400,000 tonnes and has an anticipated remaining life of 10 years. Engineering estimates that post closure care will be performed until 2046 on the site.

The Municipality of the District of Guysborough

Notes to the consolidated financial statements

March 31, 2017

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>
Vernon Pitts	Warden	\$ 38,931
Blair George	Councillor	21,629
Neil DeCoff	Councillor	21,629
Janet Peitzsche	Former Deputy-Warden	23,798
Sheila Pelly	Deputy-Warden	23,136
Miles MacDonald	Councillor	21,629
Ricky MacLaren	Councillor	21,629
Fin Armsworthy	Councillor	21,629
Barry Carroll	Chief Administrative Officer	144,798

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>
Seven Communities Volunteer Fire Department	\$120,000
Erinville and District Volunteer Fire Department	\$ 54,000
Queensport – Chedabucto Volunteer Fire Department	\$120,000
Milford Haven Fire and Emergency Services	\$303,800

The Municipality of the District of Guysborough
Notes to the consolidated financial statements

March 31, 2017

8. Segment information

	General Government Services	Protection Services	Transportation Services	Environmental Services	Rest Home Operations	Water Operations
Revenues						
Taxes	\$ 4,926,304	\$ 563,009	\$ 92,073	\$ 90,034	\$ -	\$ -
Grants in lieu of taxes	386,023	13,710	-	-	-	-
Sale of services	-	15,158	-	5,743,594	5,886,989	368,988
Other revenue from own sources	315,324	5,884	-	3,349,391	16,091	-
Unconditional transfers from other governments	312,976	-	-	-	-	-
Conditional transfers from other governments and agencies	39,653	2,520	-	747,058	-	-
Interest	193,437	-	-	-	8,668	6,324
Gain and disposal of tangible capital assets	8,000	-	-	-	15,000	-
Other	-	-	-	252,691	-	-
	<u>6,181,717</u>	<u>600,281</u>	<u>92,073</u>	<u>10,182,768</u>	<u>5,926,748</u>	<u>375,312</u>
Expenditures						
Salaries and benefits	2,147,963	104,733	-	1,433,126	4,605,885	116,799
Goods and services and other	1,109,712	2,029,252	516,077	4,363,536	890,634	118,376
Amortization	116,170	9,563	193,244	2,511,220	50,498	88,443
Interest	11,529	-	-	272,003	76,163	486
Valuation allowance	(252)	-	-	-	-	-
	<u>3,385,122</u>	<u>2,143,548</u>	<u>709,321</u>	<u>8,579,885</u>	<u>5,623,180</u>	<u>324,104</u>
Annual surplus	<u>\$ 2,796,595</u>	<u>\$ (1,543,267)</u>	<u>\$ (617,248)</u>	<u>\$ 1,602,883</u>	<u>\$ 307,568</u>	<u>\$ 51,208</u>

The Municipality of the District of Guysborough
Notes to the consolidated financial statements

March 31, 2017

8. Segment information (continued)

	<u>Electric Operations</u>	<u>Public Health and Welfare</u>	<u>Recreation and Cultural Services</u>	<u>2017</u>	<u>2016</u>
Revenues					
Taxes	\$ -	\$ -	-	\$ 5,671,420	\$ 5,724,021
Grants in lieu of taxes	-	-	-	399,733	398,194
Sale of services	888,833	-	30,548	12,934,110	12,663,791
Other revenue from own sources	-	-	-	3,686,690	3,575,712
Unconditional transfers from other governments	-	-	-	312,976	314,687
Unconditional transfers from other governments and agencies	-	-	85,987	875,218	366,050
Interest	9,587	-	-	218,016	124,905
Gain and disposal of tangible capital assets	-	-	-	23,000	819,661
Water rates	-	-	-	<u>252,691</u>	<u>500,000</u>
	<u>898,420</u>	<u>116,535</u>	<u>116,535</u>	<u>24,373,854</u>	<u>24,487,021</u>
Expenditures					
Salaries and benefits	68,134	-	405,073	8,881,713	8,496,414
Goods and services and other	937,861	70,548	528,425	10,564,421	10,663,880
Amortization	25,660	-	125,691	3,120,489	2,487,536
Interest	654	-	-	360,835	165,271
Valuation allowance	-	-	-	<u>(252)</u>	<u>4,004</u>
	<u>1,032,309</u>	<u>70,548</u>	<u>1,059,189</u>	<u>22,927,206</u>	<u>21,817,105</u>
Annual surplus	<u>\$ (133,889)</u>	<u>\$ (70,548)</u>	<u>\$ (942,654)</u>	<u>\$ 1,446,648</u>	<u>\$ 2,669,916</u>

The Municipality of the District of Guysborough

Notes to the consolidated financial statements

March 31, 2017

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. Milford Haven and Canso Seaside Manor participated in a multi-employer defined benefit pension plan which is accounted for as a defined contribution plan. Total consolidated contributions for the year were \$458,235 (2016 - \$434,444).

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. Accumulated surplus	2017	2016
General operating fund	\$ 18,442	\$ 898,757
Reserve funds	<u>18,785,266</u>	<u>17,321,220</u>
	18,803,708	18,219,977
Investment in tangible capital assets (note 4)	<u>29,963,939</u>	<u>29,101,022</u>
	<u>\$ 48,767,647</u>	<u>\$ 47,320,999</u>

11. Deferred revenue

Deferred revenue is comprised of deferred gas tax revenue and other deferred funding for the Chedabucto Lifestyle Complex. The breakdown of the deferred revenue that is reported on the consolidated statement of financial position is as follows:

	Gas tax	Other	2017	2016
Balance, beginning of year	\$ 1,267,614	\$ 30,182	\$ 1,297,796	\$ 934,043
Revenue				
Grants received and interest earned	373,319	885,254	1,258,573	363,753
Expenditure				
Grants spent	<u>-</u>	<u>205,090</u>	<u>205,090</u>	<u>-</u>
Balance, end of year	<u>\$ 1,640,933</u>	<u>\$ 710,346</u>	<u>\$ 2,351,279</u>	<u>\$ 1,297,796</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.

Other deferred revenues represent funds received from federal, provincial, municipal and outside sources specifically for Chedabucto Lifestyle Complex project. These funds will be taken into income as the project is completed.

The Municipality of the District of Guysborough
Notes to the consolidated financial statements
March 31, 2017

12. Rate of return on rate base

For the year ended March 31, 2017, the Canso-Hazel Hill Water Utility had a rate of return on rate base of 0.9% (2016 - 0.7%).

13. Comparative figures

Certain comparative figures have been reclassified from those previously presented to conform with the preparation of the 2016 consolidated financial statements.

The Municipality of the District of Guysborough

Notes to the consolidated financial statements

March 31, 2017

15. 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:

	<u>Approved Fiscal Plan</u>	<u>Adjustments</u>	<u>Fiscal Plan Per Financial Statements</u>
Revenue			
Taxes	\$ 6,973,103	\$ (1,429,900)	\$ 5,543,203
Grants in lieu of taxes	399,419	-	399,419
Sales of services	12,472,522	(154,643)	12,317,879
Other revenue from own sources	3,288,391	(25,000)	3,263,391
Unconditional transfers from other governments	316,000	-	316,000
Conditional transfers from other governments and agencies	1,678,025	(367,902)	1,310,123
Interest	<u>13,006</u>	<u>-</u>	<u>13,006</u>
	<u>25,140,466</u>	<u>(1,977,445)</u>	<u>23,163,021</u>
Expense			
General government services	2,882,421	(54,782)	2,827,639
Protection services	2,215,338	(64,512)	2,150,826
Transportation services	449,700	(21,874)	427,826
Environmental services	5,188,399	729,082	5,917,481
Rest Home – operations	5,507,553	(68,257)	5,439,296
Public health and welfare services	72,000	-	72,000
Recreational and cultural services	2,368,955	(1,374,900)	994,055
Water operations	400,593	(12,500)	388,093
Electric operations	1,045,430	(12,500)	1,032,930
Fiscal services	<u>5,125,555</u>	<u>(5,125,555)</u>	<u>-</u>
	<u>25,255,944</u>	<u>(6,005,798)</u>	<u>19,250,146</u>
Annual surplus (deficit)	<u>\$ (115,478)</u>	<u>\$ 4,028,353</u>	<u>\$ 3,912,875</u>

The Municipality of the District of Guysborough
Schedules to consolidated statement of operations
Year ended March 31

	2017		2016
	Budget (Note 15)	Actual	Actual
1. Taxes			
Assessable property			
Residential	\$ 1,597,280	\$ 1,597,241	\$ 1,576,980
Commercial	<u>4,189,051</u>	<u>4,197,531</u>	<u>4,406,032</u>
	<u>5,786,331</u>	<u>5,794,772</u>	<u>5,983,012</u>
Resource			
Taxable assessments	219,418	217,864	214,076
Forest property			
Less than 50,000 acres	31,222	31,254	32,074
50,000 acres or more	260	260	260
Farmland acreage tax	<u>12,225</u>	<u>12,601</u>	<u>12,503</u>
	<u>263,125</u>	<u>261,979</u>	<u>258,913</u>
Area rates			
Protective services	562,826	563,009	565,163
Transportation services	91,500	92,073	89,756
Pump house	<u>221</u>	<u>221</u>	<u>197</u>
	<u>654,547</u>	<u>655,303</u>	<u>655,116</u>
Business property			
Based on revenue (Bell-Aliant)	<u>45,000</u>	<u>45,545</u>	<u>47,293</u>
Other			
Deed transfer taxes	80,000	198,608	107,923
Wind farm	<u>88,800</u>	<u>89,813</u>	<u>37,015</u>
	<u>168,800</u>	<u>288,421</u>	<u>144,938</u>
Less: Education	<u>(1,374,600)</u>	<u>(1,374,600)</u>	<u>(1,365,251)</u>
	<u>\$ 5,543,203</u>	<u>\$ 5,671,420</u>	<u>\$ 5,724,021</u>

The Municipality of the District of Guysborough
Schedules to consolidated statement of operations
Year ended March 31

	2017		2016
	Budget (Note 15)	Actual	Actual
2. Grants in lieu of taxes			
Federal government	\$ 49,602	\$ 46,867	\$ 47,384
Canada Post	1,876	2,040	1,840
Provincial government			
Crown timber	122,220	122,269	121,712
Property of supported institutions	75,542	74,785	76,189
Fire protection	16,482	13,710	16,618
Nova Scotia Power Inc.	120,000	126,365	120,549
Nova Scotia Liquor Commission	13,697	13,697	13,902
	<u>\$ 399,419</u>	<u>\$ 399,733</u>	<u>\$ 398,194</u>
3. Sale of services			
Sewer rates	\$ 71,315	\$ 74,870	\$ 72,572
Protection			
Province of Nova Scotia	-	-	20,376
Environmental health services			
Other municipal units	4,918,360	4,780,432	4,812,506
Other	241,640	844,706	472,853
	<u>5,160,000</u>	<u>5,625,138</u>	<u>5,285,359</u>
Recreation and cultural	28,000	30,548	32,524
Inspection and sub-division fees			
Other municipal units	89,525	58,744	31,367
Water	362,981	368,988	417,203
Electric	866,420	888,833	861,402
Senior care	5,739,638	5,886,989	5,942,988
	<u>\$ 12,317,879</u>	<u>\$ 12,934,110</u>	<u>\$ 12,663,791</u>

The Municipality of the District of Guysborough
Schedules to consolidated statement of operations
Year ended March 31

	2017		2016
	Budget (Note 15)	Actual	Actual
4. Other revenue from own sources			
Licenses and permits	\$ 10,000	\$ 8,394	\$ 11,068
Fines	5,000	4,605	3,526
Interest on taxes	60,000	73,558	72,659
Miscellaneous	5,101	105,799	89,301
Interest on investments	10,000	33,252	36,568
Rent - office space	4,200	3,865	4,473
Chedabucto Lifestyle Complex fundraising	-	165,437	-
Sale of land	-	-	77,355
Wind turbines	3,094,790	3,174,559	3,252,179
Rent – Sable Wind	74,300	117,221	28,583
	<u>\$ 3,263,391</u>	<u>\$ 3,686,690</u>	<u>\$ 3,575,712</u>
5. Unconditional transfers from other governments			
Provincial government			
HST offset program	\$ 50,000	\$ 46,976	\$ 48,687
Unconditional funding	266,000	266,000	266,000
	<u>\$ 316,000</u>	<u>\$ 312,976</u>	<u>\$ 314,687</u>
6. Conditional transfers from other governments and agencies			
Federal government agencies			
Work projects	\$ 3,300	\$ 5,992	\$ 3,302
ACOA projects	73,211	103,031	63,224
	<u>76,511</u>	<u>109,023</u>	<u>66,526</u>
Provincial			
Nova Scotia Health Promotion - operating	25,000	25,000	30,000
Emergencies Measures Organization	2,000	2,520	2,563
Resource Recovery Fund Board	3,000	952	2,862
Resource Recovery Fund Board - ERSWMC	138,400	168,419	172,755
FCM	-	-	7,612
Other – studies and recoveries	-	25,000	20,000
Chedabucto Lifestyle Complex funding	-	39,653	-
Socio-Economic Effects Management Plan	-	17,992	-
Strait Regional School Board	5,000	5,000	5,000
Nova Scotia Health and Wellness	5,000	4,995	-
Department of Community Service/Recreation	20,000	20,000	20,000
Infrastructure funding	1,035,212	456,664	38,732
	<u>1,233,612</u>	<u>766,195</u>	<u>299,524</u>
	<u>\$ 1,310,123</u>	<u>\$ 875,218</u>	<u>\$ 366,050</u>

The Municipality of the District of Guysborough

Schedules to consolidated statement of operations

Year ended March 31

	2017		2016
	Budget (Note 15)	Actual	Actual
7. Infrastructure improvement funding			
Revenue			
Service Nova Scotia and Municipal Relations			
Canso infrastructure	\$ 360,000	\$ 352,524	\$ 360,000
Less: Canso infrastructure expenses not capitalized	<u>(360,000)</u>	<u>(352,524)</u>	<u>(360,000)</u>
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
8. General government services			
Legislative			
Warden stipend	\$ 38,782	\$ 38,931	\$ 36,459
Council stipend	154,485	155,131	144,255
Other legislative services	<u>64,633</u>	<u>40,542</u>	<u>42,954</u>
	<u>257,900</u>	<u>234,604</u>	<u>223,668</u>
General administrative			
Administrative	554,939	1,077,754	984,954
Financial management	498,800	486,569	513,625
Taxation - reduced taxes	81,401	75,828	74,193
- other	78,219	66,143	78,536
Assessment costs	<u>172,780</u>	<u>172,780</u>	<u>174,195</u>
	<u>1,386,139</u>	<u>1,879,074</u>	<u>1,825,503</u>
Municipal properties			
Common services	<u>888,000</u>	<u>909,163</u>	<u>1,029,923</u>
Amortization	<u>-</u>	<u>116,170</u>	<u>118,217</u>
Valuation allowance	<u>19,000</u>	<u>(252)</u>	<u>4,004</u>
Other general government services			
Grants to organizations and individuals	105,000	104,994	175,150
Insurance	32,300	34,162	32,856
Election	50,000	30,288	5,480
Dues	11,200	7,262	6,403
Other	<u>78,100</u>	<u>69,657</u>	<u>73,167</u>
	<u>276,600</u>	<u>246,363</u>	<u>293,056</u>
	<u>\$ 2,827,639</u>	<u>\$ 3,385,122</u>	<u>\$ 3,494,371</u>

The Municipality of the District of Guysborough
Schedules to consolidated statement of operations
Year ended March 31

	2017		2016
	Budget (Note 15)	Actual	Actual
9. Protection services			
Police protection	\$ 1,203,900	\$ 1,198,976	\$ 1,154,376
Law enforcement			
Transfer to correctional services	101,400	94,615	96,459
Prosecuting attorney	<u>1,200</u>	<u>6,784</u>	<u>5,569</u>
	<u>102,600</u>	<u>101,399</u>	<u>102,028</u>
Fire protection			
Community fire department			
Appropriation of levy	562,826	563,009	565,163
Grants	105,950	105,950	108,154
Fire dispatch	31,000	28,158	30,434
Fire service	8,350	5,840	77,756
Firemen's disability insurance	<u>16,800</u>	<u>16,650</u>	<u>16,650</u>
	<u>724,926</u>	<u>719,607</u>	<u>798,157</u>
Emergency measures			
Honorarium and other expenses	<u>13,600</u>	<u>13,705</u>	<u>7,010</u>
Amortization	<u>-</u>	<u>9,563</u>	<u>9,563</u>
Other			
Veterinary assistance board	500	-	-
By-law enforcement	24,800	21,997	23,671
Protective inspection - building	<u>80,500</u>	<u>78,301</u>	<u>78,214</u>
	<u>105,800</u>	<u>100,298</u>	<u>101,885</u>
	<u>\$ 2,150,826</u>	<u>\$ 2,143,548</u>	<u>\$ 2,173,019</u>
10. Transportation services			
Road transport			
Roads and streets	\$ 265,700	\$ 372,375	\$ 174,820
Amortization	-	193,244	197,551
Street lighting commissions			
Appropriation of levy	70,626	73,285	69,074
Grant	<u>91,500</u>	<u>70,417</u>	<u>84,726</u>
	<u>\$ 427,826</u>	<u>\$ 709,321</u>	<u>\$ 526,171</u>

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

Year ended March 31

	<u>2017</u>		<u>2016</u>
	<u>Budget</u> (Note 15)	<u>Actual</u>	<u>Actual</u>
11. Environmental services			
Health services			
Solid waste collection and disposal			
Collection and recyclable disposal/trucking	\$ 387,800	\$ 385,927	\$ 332,678
Operations and maintenance	<u>1,986,650</u>	<u>1,976,026</u>	<u>1,658,052</u>
	<u>2,374,450</u>	<u>2,361,953</u>	<u>1,990,730</u>
Pollution and waste control			
Maintenance	181,394	158,632	199,434
Other	<u>43,500</u>	<u>207,243</u>	<u>241,167</u>
	<u>224,894</u>	<u>365,875</u>	<u>440,601</u>
Landfill closure and post closure	<u>729,082</u>	<u>695,982</u>	<u>743,066</u>
Amortization	<u>-</u>	<u>2,511,220</u>	<u>1,879,331</u>
Development services			
Planning, zoning and economic development	<u>2,589,055</u>	<u>2,644,855</u>	<u>2,161,759</u>
	<u>\$ 5,917,481</u>	<u>\$ 8,579,885</u>	<u>\$ 7,215,487</u>
12. Public health and welfare			
Social welfare			
Deficit of Regional Housing Authority	<u>\$ 72,000</u>	<u>\$ 70,548</u>	<u>\$ 51,256</u>

The Municipality of the District of Guysborough

Schedules to consolidated statement of operations

Year ended March 31

	2017		2016
	Budget (Note 15)	Actual	Actual
13. Recreation and cultural services			
Recreation			
Administration	\$ 221,300	\$ 220,356	\$ 206,010
Programs	231,500	426,360	445,620
Grants	78,500	77,066	78,990
Community projects	<u>388,655</u>	<u>149,837</u>	<u>236,110</u>
	<u>919,955</u>	<u>873,619</u>	<u>966,730</u>
Cultural buildings and facilities			
Local library			
Operations	38,100	24,538	24,512
Regional	<u>36,000</u>	<u>35,341</u>	<u>35,341</u>
	<u>74,100</u>	<u>59,879</u>	<u>59,853</u>
Amortization	-	<u>125,691</u>	<u>121,968</u>
	<u>\$ 994,055</u>	<u>\$ 1,059,189</u>	<u>\$ 1,148,551</u>
14. Water operating			
Transmission and distribution	\$ 252,494	\$ 191,624	\$ 250,321
Administration	47,156	44,037	46,090
Amortization	<u>88,443</u>	<u>88,443</u>	<u>88,443</u>
	<u>\$ 388,093</u>	<u>\$ 324,104</u>	<u>\$ 384,854</u>
15. Electric operating			
Transmission and distribution	\$ 100,400	\$ 112,291	\$ 150,620
Electricity purchases	715,000	716,754	708,971
Administration	191,830	177,604	60,566
Amortization	<u>25,700</u>	<u>25,660</u>	<u>25,660</u>
	<u>\$ 1,032,930</u>	<u>\$ 1,032,309</u>	<u>\$ 945,817</u>

SUPPLEMENTARY SCHEDULES

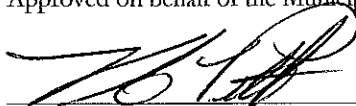
The Municipality of the District of Guysborough
 Supplementary schedule
 Canso-Hazel Hill water utility - operating fund
 Statement of operations

Year ended March 31	Budget	2017	2016
Revenue			
Operating			
Metered and flat rate sales	\$ 362,181	\$ 368,988	\$ 414,803
Sprinkler service	800	-	2,400
Public fire protection	<u>64,512</u>	<u>64,262</u>	<u>60,932</u>
	<u>427,493</u>	<u>433,250</u>	<u>478,135</u>
Operating expenditures			
Source of supply (page 31)	25,893	24,968	25,431
Power and pumping (page 31)	51,820	32,330	50,892
Water treatment (page 31)	127,214	100,714	127,282
Transmission and distribution (page 31)	47,567	33,612	46,716
Administration (page 31)	59,196	56,556	58,138
Taxes	29,949	29,949	29,949
Depreciation	<u>88,443</u>	<u>88,443</u>	<u>88,443</u>
	<u>430,082</u>	<u>366,572</u>	<u>426,851</u>
Operating income	<u>(2,589)</u>	<u>66,678</u>	<u>51,284</u>
Non-operating revenue			
Interest earned	1,500	1,473	2,396
Miscellaneous	<u>1,800</u>	<u>2,136</u>	<u>2,821</u>
	<u>3,300</u>	<u>3,609</u>	<u>5,217</u>
Non-operating expenditures			
Bank charges and interest	<u>460</u>	<u>486</u>	<u>452</u>
Excess of revenue over expenditures	<u>\$ 251</u>	69,801	56,049
Surplus, beginning of year		<u>157,545</u>	<u>101,496</u>
Surplus, end of year		<u>\$ 227,346</u>	<u>\$ 157,545</u>

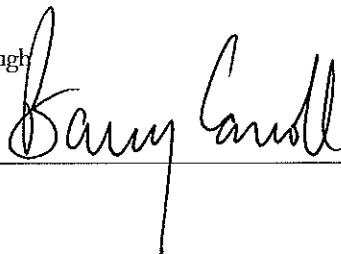
The Municipality of the District of Guysborough
Supplementary schedule
Canso-Hazel Hill water utility – operating fund
Statement of financial position

March 31	2017	2016
Financial assets		
Cash and cash equivalents	\$ 145,541	\$ 123,289
Receivables		
Rates (less allowance for doubtful accounts \$5,374)	<u>79,294</u>	<u>80,734</u>
Total financial assets	<u>\$ 224,835</u>	<u>\$ 204,023</u>
Financial liabilities		
Payables and accruals		
Trade	\$ 28,290	\$ 38,819
Customers' deposits	4,665	4,875
Due to own funds and agencies		
General operating	<u>2,991</u>	<u>15,694</u>
Total financial liabilities	<u>35,946</u>	<u>59,388</u>
Net financial assets	<u>188,889</u>	<u>144,635</u>
Non-financial assets		
Inventory of supplies	<u>38,457</u>	<u>12,910</u>
Net assets	<u>\$ 227,346</u>	<u>\$ 157,545</u>
Surplus	<u>\$ 227,346</u>	<u>\$ 157,545</u>

Approved on behalf of the Municipality of the District of Guysborough



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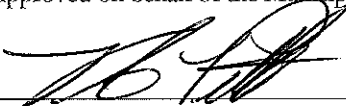


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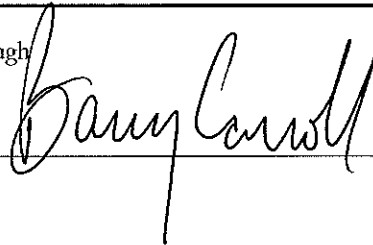
The Municipality of the District of Guysborough
Supplementary schedule
Canso-Hazel Hill water utility – capital fund
Statement of financial position

March 31	2017	2016
Financial assets		
Depreciation fund		
Cash and cash equivalents	\$ 828,254	\$ 743,957
Short term investments	<u>10,527</u>	<u>10,454</u>
Total financial assets	<u>\$ 838,781</u>	<u>\$ 754,411</u>
Net financial assets	<u>\$ 838,781</u>	<u>\$ 754,411</u>
Non-financial assets		
Utility plant and equipment net of accumulated amortization of \$1,156,325 (2016 - \$1,067,882)	<u>5,048,674</u>	<u>5,130,338</u>
Net assets	<u>\$ 5,887,455</u>	<u>\$ 5,884,749</u>
Investment in capital assets (page 30)	<u>\$ 5,887,455</u>	<u>\$ 5,884,749</u>

Approved on behalf of the Municipality of the District of Guysborough



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

March 31	2017	2016
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	610,297
Services	137,632	137,632
Meters	104,377	104,377
Hydrants	80,373	80,373
Office furniture and equipment	27,142	27,142
Tools and equipment	10,762	10,762
Transportation equipment	105,294	105,294
Water Treatment Plant	5,015,836	5,015,836
Generator	8,278	8,278
Pumping equipment	34,877	34,877
	<u>\$ 6,204,999</u>	<u>\$ 6,198,220</u>

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

Year ended March 31	2017	2016
Balance, beginning of year	\$ 5,884,749	\$ 5,882,026
Interest earned	<u>2,706</u>	<u>2,723</u>
Balance, end of year	<u>\$ 5,887,455</u>	<u>\$ 5,884,749</u>

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

Year ended March 31	Budget	2017	2016
Source of supply			
Salaries and training	\$ 24,968	24,968	24,521
Other	<u>925</u>	<u>-</u>	<u>910</u>
	<u>\$ 25,893</u>	<u>\$ 24,968</u>	<u>\$ 25,431</u>
Power and pumping			
Power purchased	\$ 41,644	\$ 26,272	\$ 40,900
Supervision	5,396	5,396	5,300
Fuel	102	662	100
Maintenance	<u>4,678</u>	<u>-</u>	<u>4,592</u>
	<u>\$ 51,820</u>	<u>\$ 32,330</u>	<u>\$ 50,892</u>
Water treatment			
Chemicals	\$ 24,054	\$ 2,728	\$ 23,624
Maintenance	7,326	15,032	7,194
Salaries and training	77,408	74,596	78,366
Supplies	4,103	6,411	4,030
Other	<u>14,323</u>	<u>1,947</u>	<u>14,068</u>
	<u>\$ 127,214</u>	<u>\$ 100,714</u>	<u>\$ 127,282</u>
Transmission and distribution			
Shop	\$ 7	\$ -	\$ 7
Maintenance	34,936	18,522	34,311
Other	<u>12,624</u>	<u>15,090</u>	<u>12,398</u>
	<u>\$ 47,567</u>	<u>\$ 33,612</u>	<u>\$ 46,716</u>
Administration			
Consumer accounting and collecting	\$ 1,840	\$ (598)	\$ 1,809
Salaries	17,819	17,235	17,549
Professional fees	10,844	11,873	10,650
Administrative supplies and support services	743	143	681
Insurance	1,821	1,828	1,788
Regulatory expense	810	795	795
Rent	13,005	13,005	12,773
Other	<u>12,314</u>	<u>12,275</u>	<u>12,093</u>
	<u>\$ 59,196</u>	<u>\$ 56,556</u>	<u>\$ 58,138</u>

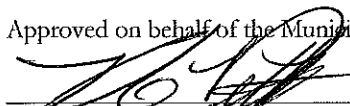
The Municipality of the District of Guysborough
 Supplementary schedule
 Canso electric utility - operating fund
 Statement of operations

Year ended March 31	2017	2016
Revenue		
Operating		
Domestic and commercial light and power	\$ 917,420	\$ 936,137
Street lighting	<u>21,874</u>	<u>21,559</u>
	939,294	957,696
Non-operating		
Miscellaneous	<u>9,706</u>	<u>9,145</u>
		<u>9,805</u>
Total revenue	<u>949,000</u>	<u>966,841</u>
Expenditures		
Operating		
Power purchased	715,000	716,756
Billing adjustment	111,625	111,625
Distribution	100,400	112,291
Administrative	92,205	78,330
Depreciation	<u>25,700</u>	<u>25,660</u>
	<u>1,044,930</u>	<u>1,044,662</u>
Non-operating		
Bank charges	500	654
Provision for doubtful accounts	4,000	(252)
Capital expenditures	<u>15,500</u>	<u>-</u>
	<u>20,000</u>	<u>402</u>
Total expenditures	<u>1,064,930</u>	<u>1,045,064</u>
Excess of expenditures over revenue	\$ <u>(115,930)</u>	(78,223)
Surplus, beginning of year		<u>47,546</u>
(Deficit) surplus, end of year		<u>\$ (30,677)</u>

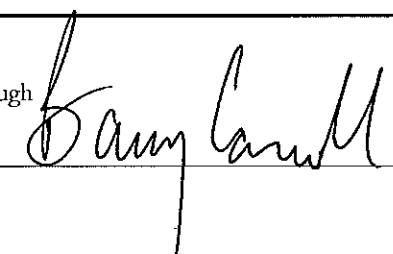
The Municipality of the District of Guysborough
Supplementary schedule
Canso electric utility - operating fund
Statement of financial position

Year ended March 31	2017	2016
Financial assets		
Cash and cash equivalents	\$ 265,204	\$ 347,334
Receivables		
Operating accounts	125,979	121,905
Non-operating accounts	<u>5,335</u>	<u>15,705</u>
Total financial assets	<u>\$ 396,518</u>	<u>\$ 484,944</u>
Financial liabilities		
Payables and accruals		
Trade	\$ 151,307	\$ 182,500
Customers' deposits	22,096	22,616
Due to own funds and agencies		
Electric capital fund	<u>358,309</u>	<u>332,650</u>
Total financial liabilities	<u>531,712</u>	<u>537,766</u>
Net financial debt	<u>(135,194)</u>	<u>(52,822)</u>
Non-financial assets		
Deferred expenses relating to sale of electric utility	94,389	88,425
Inventory of supplies	<u>10,128</u>	<u>11,943</u>
	<u>104,517</u>	<u>100,368</u>
Net (debt) assets	<u>\$ (30,677)</u>	<u>\$ 47,546</u>
(Deficit) surplus	<u>\$ (30,677)</u>	<u>\$ 47,546</u>

Approved on behalf of the Municipality of the District of Guysborough



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The Municipality of the District of Guysborough
Supplementary schedule
Canso electric utility - capital fund
Statement of financial position

Year ended March 31	2017	2016
Financial assets		
Depreciation fund		
Short term investments	\$ 64,370	\$ 63,926
Due from own funds and agencies		
Electric operating fund	<u>358,309</u>	<u>332,650</u>
	<u>\$ 422,679</u>	<u>\$ 396,576</u>
Net financial assets		
	<u>\$ 422,679</u>	<u>\$ 396,576</u>
Non-financial assets		
Utility plant and equipment net of accumulated amortization of \$645,737 (2016 - \$620,078)	<u>230,466</u>	<u>256,125</u>
Net assets	<u>\$ 653,145</u>	<u>\$ 652,701</u>
Investment in capital assets (page 35)		
	<u>\$ 653,145</u>	<u>\$ 652,701</u>

Approved on behalf of the Municipality of the District of Guysborough



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The Municipality of the District of Guysborough
Supplementary schedule
Canso electric utility
Utility plant and equipment

March 31	2017	2016
Tangible assets		
Working capital	\$ 6,000	\$ 6,000
Tangible plant and equipment		
Overhead conductors	142,718	142,718
Poles and fixtures	127,357	127,357
Street and highway lighting	231,260	231,260
Transformers - line and installation	143,910	143,910
Services	84,093	84,093
Meters and installation	44,755	44,755
Land	13	13
Equipment	65,527	65,527
Engineering and superintendence	13,878	13,878
Land	807	807
Interest	767	767
Computer	13,153	13,153
Telephone system	1,965	1,965
	<u>870,203</u>	<u>870,203</u>
	<u>\$ 876,203</u>	<u>\$ 876,203</u>

Canso electric utility
Statement of investment in capital assets

Year ended March 31	2017	2016
Balance, beginning of year	\$ 652,701	\$ 637,190
Interest earned	444	561
Capital expenditure from operations	-	14,950
Balance, end of year	<u>\$ 653,145</u>	<u>\$ 652,701</u>