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Grant Thornton

Consolidated financial statements

The Municipality of the District of Guysborough

March 31, 2019

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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 24, 2019

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, 2019, 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, 2019, 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 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.

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 24, 2019

Grant Thornton LLP

Chartered Professional Accountants
Licensed Public Accountants

The Municipality of the District of Guysborough

Consolidated statement of operations

Year ended March 31

2019

2018

	<u>Page</u>	<u>Budget</u> (Note 12)	<u>Actual</u>	<u>Actual</u>
Revenue				
Taxes	20	\$ 5,701,580	\$ 5,699,329	\$ 5,533,775
Grants in lieu of taxes	21	371,002	404,145	415,503
Sale of services	21	12,896,386	13,351,119	13,015,140
Other revenue from own sources	22	3,281,090	3,731,099	3,905,079
Unconditional transfers from other governments	22	145,000	142,374	171,423
Conditional transfers from other governments and agencies	22	1,221,614	2,422,314	4,075,958
Interest		20,772	421,568	292,016
Gain on disposal of tangible capital assets		-	33,864	56,653
Other		-	266,939	275,592
		<u>23,637,444</u>	<u>26,472,751</u>	<u>27,741,139</u>
Expenses				
General government services	23	2,604,653	2,707,216	2,686,751
Protection services	24	2,292,828	2,239,923	2,174,227
Transportation services	24	392,083	615,137	594,328
Environmental services	25	5,750,761	5,420,073	7,231,797
Rest Home - operations		5,825,022	6,102,354	5,841,262
Public health and welfare	25	72,000	72,000	45,442
Recreation and cultural services	26	1,088,686	1,233,914	1,162,286
Water operations	26	391,597	341,808	373,564
Electric operations	26	916,395	996,627	890,533
Infrastructure improvement expense	23	-	51,952	31,972
		<u>19,334,025</u>	<u>19,781,004</u>	<u>21,032,162</u>
Annual surplus		<u>\$ 4,303,419</u>	<u>\$ 6,691,747</u>	<u>\$ 6,708,977</u>
<hr/>				
Accumulated surplus, beginning of year			\$ 55,476,624	\$ 48,767,647
Annual surplus			<u>6,691,747</u>	<u>6,708,977</u>
Accumulated surplus, end of year			<u>\$ 62,168,371</u>	<u>\$ 55,476,624</u>

The Municipality of the District of Guysborough

Consolidated statement of financial position

March 31

2019

2018

Financial assets

Cash and cash equivalents	\$ 22,078,304	\$ 22,593,510
Receivables: taxes, rates and interest, net of valuation allowance	610,703	417,931
other, net of valuation allowance	2,315,183	3,053,786
Investments, at market value	<u>1,137,716</u>	<u>1,135,213</u>

Total financial assets

\$ 26,141,906 \$ 27,200,440

Liabilities

Payables and accruals	\$ 4,241,940	\$ 3,982,686
Deferred revenue (note 9)	393,719	2,026,456
Refundable deposits	27,829	27,001
Long term debt (note 3)	10,580,190	11,533,479
Prepayment of taxes	103,958	95,851
Closure and post closure liability for landfill	<u>4,398,753</u>	<u>7,001,817</u>

19,746,389 24,667,290

Net financial assets

6,395,517 2,533,150

Non financial assets

Tangible capital assets, net of amortization (pages 8 & 9)	55,449,777	52,477,102
Prepays	255,732	403,898
Vested property	7,476	1
Inventories of materials and supplies	<u>59,869</u>	<u>62,473</u>

55,772,854 52,943,474

Accumulated surplus

\$ 62,168,371 \$ 55,476,624

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 changes
in net financial assets

Year ended March 31	Budget	2019	2018
Annual surplus	<u>\$ 5,700,509</u>	<u>\$ 6,691,747</u>	<u>\$ 6,708,977</u>
Acquisition of tangible capital assets	(5,062,000)	(6,534,394)	(12,375,661)
Amortization of tangible capital assets	-	3,545,966	2,178,781
Other	-	15,753	-
Proceeds on disposal of tangible capital assets	-	33,864	56,653
Gain on disposal of tangible capital asset	<u>-</u>	<u>(33,864)</u>	<u>(56,653)</u>
	<u>(5,062,000)</u>	<u>(2,972,675)</u>	<u>(10,196,880)</u>
Other items	<u>-</u>	<u>143,295</u>	<u>40,685</u>
Change in net financial assets	<u>\$ (638,509)</u>	<u>3,862,367</u>	<u>(3,447,218)</u>
Net financial assets, beginning of year		<u>2,533,150</u>	<u>5,980,368</u>
Net financial assets, end of year		<u>\$ 6,395,517</u>	<u>\$ 2,533,150</u>

The Municipality of the District of Guysborough

Consolidated statement of cash flows

Year ended March 31

2019

2018

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

Operating activities

Annual surplus	\$ 6,691,747	\$ 6,708,977
Amortization	3,545,966	2,178,781
Adjustment of capital assets, net	15,753	-
Amortization of discount on debenture	5,597	5,599
Gain on disposal of tangible capital asset	<u>(33,864)</u>	<u>(56,653)</u>
	10,225,199	8,836,704

Changes in non-cash working capital

Taxes, rates and interest receivable	(192,772)	24,049
Other receivables	898,025	(569,166)
Payables and accruals	107,939	430,115
Deferred revenue, deposits and prepayment of taxes	(1,631,909)	(318,306)
Prepays and other non-financial assets	<u>143,295</u>	<u>40,685</u>
	<u>9,549,777</u>	<u>8,444,081</u>

Investing activities

Investments	<u>(2,503)</u>	<u>(1,481)</u>
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Financing activities

Repayment of long term debt	(983,267)	(963,403)
Issuance of long term debt	24,381	175,000
Closure and post closure liability for landfill	<u>(2,603,064)</u>	<u>595,565</u>
	<u>(3,561,950)</u>	<u>(192,838)</u>

Capital

Acquisition of tangible capital assets	(6,534,394)	(12,375,661)
Proceeds on disposal of tangible capital assets	<u>33,864</u>	<u>56,653</u>
	<u>(6,500,530)</u>	<u>(12,319,008)</u>

Net decrease in cash and cash equivalents

(515,206) (4,069,246)

Cash and cash equivalents

Beginning of year	<u>22,593,510</u>	<u>26,662,756</u>
End of year	<u>\$ 22,078,304</u>	<u>\$ 22,593,510</u>

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

Year ended March 31, 2019

	Land	Buildings	Machinery and Equipment	Water and Sewers	Sidewalks and Street Lamps	Signage	Cells	Vehicles
Cost:								
Balance, beginning of year	\$ 4,950,660	\$ 7,243,828	\$ 5,250,978	\$ 15,058,213	\$ 1,358,912	\$ 154,751	\$15,315,264	\$ 1,641,893
Acquisition of tangible capital assets	-	1,987,175	2,126,084	73,015	-	60,335	2,000,000	272,134
Other adjustment	-	-	-	-	-	-	-	-
Transferred from construction in progress	407,721	9,638,343	-	94,173	-	-	-	1,293,163
Balance, end of year	5,358,381	18,869,346	7,377,062	15,225,401	1,358,912	215,086	17,315,264	3,207,190
Accumulated amortization:								
Balance, beginning of year	-	2,621,957	3,288,093	4,654,567	966,739	62,679	12,736,369	1,222,739
Annual amortization	-	172,763	387,757	261,439	43,864	15,475	1,567,104	122,553
-Other adjustment	-	-	-	-	-	-	-	-
Balance, end of year	-	2,794,720	3,675,850	4,916,006	1,010,603	78,154	14,303,473	1,345,292
Net book value of tangible capital assets	\$ 5,358,381	\$ 16,074,626	\$ 3,701,212	\$ 10,309,395	\$ 348,309	\$ 136,932	\$ 3,011,791	\$ 1,861,898
2018 net book value of tangible capital assets	\$ 4,950,660	\$ 4,621,871	\$ 1,962,885	\$ 10,403,646	\$ 392,173	\$ 92,072	\$ 2,578,895	\$ 419,154

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

Year ended March 31, 2019

	Wharves and Canals	Land Improvements	Wind Turbines	Office Furnishings	Office Equipment	Lagoons	Roads	Construction In Progress	2019 Total	2018 Total
Cost:										
Balance, beginning of year	\$ 180,137	\$ 1,164,665	\$ 16,376,369	\$ 408,589	\$ 501,333	\$ 941,382	\$ 1,669,437	\$ 11,433,400	\$ 83,649,811	\$ 71,274,150
Acquisition of tangible capital assets	-	-	-	-	15,651	-	-	-	6,534,394	12,375,661
Other adjustment	-	-	-	(32,309)	-	-	-	-	(32,309)	-
Transferred from construction in progress	-	-	-	-	-	-	-	(11,433,400)	-	-
Balance, end of year	<u>180,137</u>	<u>1,164,665</u>	<u>16,376,369</u>	<u>376,280</u>	<u>516,984</u>	<u>941,382</u>	<u>1,669,437</u>	<u>-</u>	<u>90,151,896</u>	<u>83,649,811</u>
Accumulated amortization:										
Balance, beginning of year	27,691	1,130,178	2,480,435	344,906	421,733	568,901	645,722	-	31,172,709	28,993,928
Annual amortization	7,205	2,839	818,819	12,078	20,234	47,059	66,777	-	3,545,966	2,178,781
Other adjustment	-	-	-	(16,556)	-	-	-	-	(16,556)	-
Balance, end of year	<u>34,896</u>	<u>1,133,017</u>	<u>3,299,254</u>	<u>340,428</u>	<u>441,967</u>	<u>615,960</u>	<u>712,499</u>	<u>-</u>	<u>34,702,119</u>	<u>31,172,709</u>
Net book value of tangible capital assets	<u>\$ 145,241</u>	<u>\$ 31,648</u>	<u>\$ 13,077,115</u>	<u>\$ 35,852</u>	<u>\$ 75,017</u>	<u>\$ 325,422</u>	<u>\$ 956,938</u>	<u>\$ -</u>	<u>\$ 55,449,777</u>	<u>\$ 52,477,102</u>
2018 net book value of tangible capital assets	<u>\$ 152,446</u>	<u>\$ 34,487</u>	<u>\$ 13,895,934</u>	<u>\$ 63,683</u>	<u>\$ 79,600</u>	<u>\$ 372,481</u>	<u>\$ 1,023,715</u>	<u>\$ 11,433,400</u>		

The Municipality of the District of Guysborough

Notes to the consolidated financial statements

March 31, 2019

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, 2019

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, 2019

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 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.

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, 2019

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

(k) Cash and cash equivalents

Cash and cash equivalents includes unrestricted cash of \$4,257,010 (2018 - \$2,853,664) and internally designated cash of \$17,821,294 (2018 - \$19,739,846). 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 21, 2018 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.

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 \$72,000 (2018 - \$45,442) for its share of deficits of the Housing Authority in the District of Guysborough in 2019.

Eastern Counties Regional Library

During 2018-2019, the Municipality of the District of Guysborough paid \$35,341 (2018 - \$35,342) to the Regional Library.

The Municipality of the District of Guysborough

Notes to the consolidated financial statements

March 31, 2019

3. Long term debt	<u>2019</u>	<u>2018</u>
Milford Haven Corporation		
4.388% - 5.644% rest home debenture maturing in fiscal 2025, repayable in yearly principal payments of \$127,900.	\$ 768,300	\$ 896,200
1.052% - 3.449% debenture maturing in fiscal 2031, repayable in yearly principal payments of \$15,084, interest payable semi-annually.	180,992	196,076
3.95% rest home debenture repayable in monthly payments of \$1,108, maturing in fiscal 2021.	22,349	-
Canso Seaside Manor		
3.902% - 4.939% rest home debenture maturing in fiscal 2025, repayable in yearly principal payments of \$40,135.	240,810	280,944
Prime plus 2.25%, repayable in monthly payments of \$260, plus interest, due on demand.	28,000	32,000
0 - 3.073% debenture maturing in fiscal 2028, repayable in yearly principal payments of \$17,500 interest payable semi-annually.	157,500	175,000
Municipality of the District of Guysborough		
1.394% - 3.449% debenture maturing in fiscal 2031, repayable in yearly principal payments of \$764,950, interest payable semi-annually.	9,179,404	9,944,354
4.124 - 4.939% debenture maturing in fiscal 2025, repayable in yearly principal payments of \$11,667, interest payable semi-annually.	<u>69,997</u>	<u>81,664</u>
Total	10,647,352	11,606,238
Less debenture discount	<u>67,162</u>	<u>72,759</u>
	<u>\$ 10,580,190</u>	<u>\$ 11,533,479</u>

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

2020	\$ 1,016,499
2021	\$ 988,051
2022	\$ 977,236
2023	\$ 977,236
2024	\$ 977,236

The Municipality of the District of Guysborough

Notes to the consolidated financial statements

March 31, 2019

4. 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, 2019 fiscal year the Municipality has recognized net closure costs of \$648,721 and post closure costs of \$124,825 as an estimate of the costs related to the fiscal 2019 activity. During the year costs of \$1,701,306 were expended relating to closure and post closure costs of the landfill. As at March 31, 2019 a total of \$2,538,843 has been recorded as a landfill closure liability while \$1,819,550 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 73% 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.

5. 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	\$39,726	\$ 4,992
Blair George	Councillor	18,251	638
Neil DeCoff	Councillor	22,071	4,366
Janet Peitzsche	Councillor	22,071	3,913
Sheila Pelly	Deputy-Warden	25,823	2,534
Miles MacDonald	Councillor	22,071	2,845
Ricky MacLaren	Councillor	22,071	5,218
Fin Armsworthy	Councillor	22,071	2,502
Barry Carroll	Chief Administrative Officer	148,292	10,211

6. Contingencies

- 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.
- 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>
Milford Haven Fire and Emergency Services	\$120,000

The Municipality of the District of Guysborough

Notes to the consolidated financial statements

March 31, 2019

7. Segment information

	General Government Services	Protection Services	Transportation Services	Environmental Services	Rest Home Operations	Water Operations
Revenues						
Taxes	\$ 4,938,969	\$ 595,336	\$ 72,273	\$ 92,751	\$ -	\$ -
Grants in lieu of taxes	391,444	12,701	-	-	-	-
Sale of services	-	17,676	-	5,676,246	6,349,716	360,964
Other revenue from own sources	201,802	10,073	-	3,458,216	-	-
Unconditional transfers from other governments	142,374	-	-	-	-	-
Conditional transfers from other governments and agencies	-	2,508	-	2,366,306	-	-
Interest	382,355	-	-	-	12,088	12,760
Gain on disposal of tangible capital assets	33,864	-	-	-	-	-
Other	-	-	-	266,939	-	-
	<u>6,090,808</u>	<u>638,294</u>	<u>72,273</u>	<u>11,860,458</u>	<u>6,361,804</u>	<u>373,724</u>
Expenditures						
Salaries and benefits	1,927,912	100,099	-	1,443,563	4,829,181	124,763
Goods and services and other	575,710	2,124,430	407,582	791,675	1,163,732	127,299
Amortization	107,963	15,394	207,555	2,929,408	45,622	89,231
Interest	10,861	-	-	255,427	61,936	515
Valuation allowance	84,770	-	-	-	1,883	-
	<u>2,707,216</u>	<u>2,239,923</u>	<u>615,137</u>	<u>5,420,073</u>	<u>6,102,354</u>	<u>341,808</u>
Annual surplus	<u>\$ 3,383,592</u>	<u>\$ (1,601,629)</u>	<u>\$ (542,864)</u>	<u>\$ 6,440,385</u>	<u>\$ 259,450</u>	<u>\$ 31,916</u>

The Municipality of the District of Guysborough

Notes to the consolidated financial statements

March 31, 2019

7. Segment information (continued)

	Infrastructure Improvement Expense	Electric Operations	Public Health and Welfare	Recreation and Cultural Services	2019	2018
Revenues						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 5,699,329	\$ 5,533,775
Grants in lieu of taxes	-	-	-	-	404,145	415,503
Sale of services	-	884,019	-	62,498	13,351,119	13,015,140
Other revenue from own sources	-	-	-	61,008	3,731,099	3,905,079
Unconditional transfers from other governments	-	-	-	-	142,374	171,423
Conditional transfers from other governments and agencies	-	-	-	53,500	2,422,314	4,075,958
Interest	-	14,365	-	-	421,568	292,016
Gain and disposal of tangible capital assets	-	-	-	-	33,864	56,653
Water rates	-	-	-	-	266,939	275,592
	-	898,384	-	177,006	26,472,751	27,741,139
Expenditures						
Salaries and benefits	51,952	81,272	-	469,690	8,976,480	8,671,131
Goods and services and other	-	895,547	72,000	630,527	6,840,454	9,785,836
Amortization	-	17,096	-	133,697	3,545,966	2,178,781
Interest	-	683	-	-	329,422	348,555
Valuation allowance	-	2,029	-	-	88,682	47,859
	51,952	996,627	72,000	1,233,914	19,781,004	21,032,162
Annual surplus	\$ (51,952)	\$ (98,243)	\$ (72,000)	\$ (1,056,908)	\$ 6,691,747	\$ 6,708,977

The Municipality of the District of Guysborough

Notes to the consolidated financial statements

March 31, 2019

8. 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 \$454,419 (2018 - \$443,341).

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.

9. Deferred revenue

Deferred revenue is comprised of deferred gas tax revenue. The breakdown of the deferred revenue that is reported on the consolidated statement of financial position is as follows:

	<u>2019</u>	<u>2018</u>
Balance, beginning of year	\$ 2,026,456	\$ 2,351,279
Revenue		
Grants received and interest earned	396,829	385,523
Expenditure		
Grants spent	<u>2,029,566</u>	<u>710,346</u>
Balance, end of year	<u>\$ 393,719</u>	<u>\$ 2,026,456</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.

10. Rate of return on rate base

For the year ended March 31, 2019, the Canso-Hazel Hill Water Utility had a rate of return on rate base of 0.5% (2018 - 0.3%).

11. Comparative figures

Certain comparative figures have been reclassified from those previously presented to conform with the preparation of the 2019 consolidated financial statements.

The Municipality of the District of Guysborough

Notes to the consolidated financial statements

March 31, 2019

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	\$ 7,106,842	\$ (1,405,262)	\$ 5,701,580
Grants in lieu of taxes	371,002	-	371,002
Sales of services	13,037,313	(140,927)	12,896,386
Other revenue from own sources	3,307,100	(26,010)	3,281,090
Unconditional transfers from other governments	145,000	-	145,000
Conditional transfers from other governments and agencies	1,589,516	(367,902)	1,221,614
Interest	<u>20,772</u>	<u>-</u>	<u>20,772</u>
	<u>25,577,545</u>	<u>(1,940,101)</u>	<u>23,637,444</u>
Expense			
General government services	2,661,415	(56,762)	2,604,653
Protection services	2,357,340	(64,512)	2,292,828
Transportation services	414,000	(21,917)	392,083
Environmental services	4,977,215	773,546	5,750,761
Rest Home – operations	5,879,520	(54,498)	5,825,022
Public health and welfare services	72,000	-	72,000
Recreational and cultural services	2,437,186	(1,348,500)	1,088,686
Water operations	404,602	(13,005)	391,597
Electric operations	929,400	(13,005)	916,395
Fiscal services	<u>5,408,592</u>	<u>(5,408,592)</u>	<u>-</u>
	<u>25,541,270</u>	<u>(6,207,245)</u>	<u>19,334,025</u>
Annual surplus	<u>\$ 36,275</u>	<u>\$ 4,267,144</u>	<u>\$ 4,303,419</u>

The Municipality of the District of Guysborough

Schedules to consolidated statement of operations

Year ended March 31

	2019		2018
	<u>Budget</u> (Note 12)	<u>Actual</u>	<u>Actual</u>
1. Taxes			
Assessable property			
Residential	\$ 1,773,202	\$ 1,774,828	\$ 1,637,111
Commercial	<u>4,103,415</u>	<u>4,103,650</u>	<u>4,121,787</u>
	<u>5,876,617</u>	<u>5,878,478</u>	<u>5,758,898</u>
Resource			
Taxable assessments	252,795	252,021	229,154
Forest property			
Less than 50,000 acres	30,214	30,306	30,314
50,000 acres or more	260	260	260
Farmland acreage tax	<u>12,127</u>	<u>12,917</u>	<u>12,617</u>
	<u>295,396</u>	<u>295,504</u>	<u>272,345</u>
Area rates			
Protective services	587,366	595,336	569,718
Transportation services	72,350	72,273	70,330
Pump house	<u>223</u>	<u>223</u>	<u>221</u>
	<u>659,939</u>	<u>667,832</u>	<u>640,269</u>
Business property			
Based on revenue (Bell-Aliant)	<u>45,600</u>	<u>41,105</u>	<u>46,726</u>
Other			
Deed transfer taxes	80,000	95,389	72,657
Wind farm	<u>92,528</u>	<u>92,528</u>	<u>91,071</u>
	<u>172,528</u>	<u>187,917</u>	<u>163,728</u>
Less: Education	<u>(1,348,500)</u>	<u>(1,371,507)</u>	<u>(1,348,191)</u>
	<u>\$ 5,701,580</u>	<u>\$ 5,699,329</u>	<u>\$ 5,533,775</u>

The Municipality of the District of Guysborough

Schedules to consolidated statement of operations

Year ended March 31

	2019		2018
	<u>Budget</u> (Note 12)	<u>Actual</u>	<u>Actual</u>
2. Grants in lieu of taxes			
Federal government	\$ 53,210	\$ 49,446	\$ 59,383
Canada Post	1,925	-	2,013
Provincial government			
Crown timber	122,271	122,338	122,271
Property of supported institutions	52,476	80,211	72,693
Fire protection	7,785	12,701	17,629
Nova Scotia Power Inc.	120,000	126,108	127,787
Nova Scotia Liquor Commission	<u>13,335</u>	<u>13,341</u>	<u>13,727</u>
	<u>\$ 371,002</u>	<u>\$ 404,145</u>	<u>\$ 415,503</u>
3. Sale of services			
Sewer rates	<u>\$ 81,854</u>	<u>\$ 87,834</u>	<u>\$ 81,525</u>
Environmental health services			
Other municipal units	5,007,610	4,976,470	5,006,449
Other	<u>283,220</u>	<u>561,011</u>	<u>601,020</u>
	<u>5,290,830</u>	<u>5,537,481</u>	<u>5,607,469</u>
Recreation and cultural	<u>21,500</u>	<u>69,379</u>	<u>21,565</u>
Inspection and sub-division fees			
Other municipal units	<u>122,655</u>	<u>61,726</u>	<u>64,205</u>
Water	<u>373,867</u>	<u>360,964</u>	<u>370,173</u>
Electric	<u>884,331</u>	<u>884,019</u>	<u>873,563</u>
Senior care	<u>6,121,349</u>	<u>6,349,716</u>	<u>5,996,640</u>
	<u>\$12,896,386</u>	<u>\$13,351,119</u>	<u>\$13,015,140</u>

The Municipality of the District of Guysborough

Schedules to consolidated statement of operations

Year ended March 31

	2019		2018
	<u>Budget</u> (Note 12)	<u>Actual</u>	<u>Actual</u>
4. Other revenue from own sources			
Licenses and permits	\$ 10,000	\$ 12,598	\$ 10,394
Fines	5,000	8,141	3,908
Interest on taxes	70,000	86,424	81,687
Miscellaneous	5,100	854	18,697
Interest on investments	10,000	49,092	39,555
Rent - office space	3,195	59,167	3,515
Chedabucto Lifestyle Complex fundraising	-	61,088	193,172
Wind turbines	3,086,300	3,362,270	3,468,494
Rent – Sable Wind	91,495	91,465	85,657
	<u>\$3,281,090</u>	<u>\$3,731,099</u>	<u>\$3,905,079</u>
5. Unconditional transfers from other governments			
Provincial government			
HST offset program	\$ 60,000	\$ 57,696	\$ 86,745
Unconditional funding	85,000	84,678	84,678
	<u>\$ 145,000</u>	<u>\$ 142,374</u>	<u>\$ 171,423</u>
6. Conditional transfers from other governments and agencies			
Federal government agencies			
Work projects	\$ 6,000	\$ -	\$ 7,277
Federal gas tax rebate	-	2,029,566	-
Other projects	20,000	4,693	-
	<u>26,000</u>	<u>2,034,259</u>	<u>7,277</u>
Provincial			
Nova Scotia Health Promotion - operating	25,000	25,000	25,000
Emergencies Measures Organization	2,500	2,508	2,520
Resource Recovery Fund Board	3,000	1,202	9,192
Resource Recovery Fund Board - ERSWMC	135,114	169,800	161,554
Chedabucto Lifestyle Complex funding	-	151,059	3,259,286
Socio-Economic Effects Management Plan	-	296	-
Strait Regional School Board	5,000	5,000	(1,000)
Nova Scotia Health and Wellness	5,000	3,500	4,950
Department of Community Service/Recreation	20,000	20,000	20,000
Infrastructure funding	1,000,000	9,690	587,179
	<u>1,195,614</u>	<u>388,055</u>	<u>4,068,681</u>
	<u>\$ 1,221,614</u>	<u>\$ 2,422,314</u>	<u>\$ 4,075,958</u>

The Municipality of the District of Guysborough

Schedules to consolidated statement of operations

Year ended March 31

	2019		2018
	Budget (Note 12)	Actual	Actual
7. Infrastructure improvement expense			
Revenue			
Service Nova Scotia and Municipal Relations			
Canso infrastructure	\$ -	\$ -	\$ 7,476
Less: Canso infrastructure expenses not capitalized	-	(51,952)	(39,448)
	<u>\$ -</u>	<u>\$ (51,952)</u>	<u>\$ (31,972)</u>
8. General government services			
Legislative			
Warden stipend	\$ 39,726	\$ 39,726	\$ 39,286
Council stipend	158,246	154,426	156,492
Other legislative services	<u>41,646</u>	<u>38,198</u>	<u>42,365</u>
	<u>239,618</u>	<u>232,350</u>	<u>238,143</u>
General administrative			
Administrative	527,484	502,848	373,126
Financial management	390,163	352,779	404,986
Taxation - reduced taxes	77,879	71,000	71,175
- other	81,035	65,456	71,252
Assessment costs	<u>174,880</u>	<u>174,879</u>	<u>172,595</u>
	<u>1,251,441</u>	<u>1,166,962</u>	<u>1,093,134</u>
Municipal properties			
Common services	<u>892,594</u>	<u>910,679</u>	<u>959,520</u>
Amortization	-	<u>107,967</u>	<u>107,227</u>
Valuation allowance	<u>15,000</u>	<u>84,770</u>	<u>43,947</u>
Other general government services			
Grants to organizations and individuals	107,000	101,450	129,750
Insurance	38,000	39,837	36,710
Election	1,000	824	-
Dues	11,500	7,658	4,556
Other	<u>48,500</u>	<u>54,719</u>	<u>73,764</u>
	<u>206,000</u>	<u>204,488</u>	<u>244,780</u>
	<u>\$ 2,604,653</u>	<u>\$ 2,707,216</u>	<u>\$ 2,686,751</u>

The Municipality of the District of Guysborough

Schedules to consolidated statement of operations

Year ended March 31

	2019		2018
	<u>Budget</u> (Note 12)	<u>Actual</u>	<u>Actual</u>
9. Protection services			
Police protection	<u>\$ 1,266,401</u>	<u>\$1,259,008</u>	<u>\$ 1,244,731</u>
Law enforcement			
Transfer to correctional services	94,000	91,805	92,726
Prosecuting attorney	<u>1,200</u>	<u>7,047</u>	<u>4,759</u>
	<u>95,200</u>	<u>98,852</u>	<u>97,485</u>
Fire protection			
Community fire department			
Appropriation of levy	587,366	587,761	562,014
Grants	106,080	106,080	107,772
Fire dispatch	31,000	28,157	28,157
Fire service	32,000	18,431	3,753
Firemen's disability insurance	<u>21,096</u>	<u>21,096</u>	<u>21,096</u>
	<u>777,542</u>	<u>761,525</u>	<u>722,792</u>
Emergency measures			
Honorarium and other expenses	<u>49,950</u>	<u>8,117</u>	<u>2,331</u>
Amortization	<u>-</u>	<u>15,394</u>	<u>12,286</u>
Other			
By-law enforcement	24,000	22,946	20,954
Protective inspection - building	<u>79,735</u>	<u>74,081</u>	<u>73,648</u>
	<u>103,735</u>	<u>97,027</u>	<u>94,602</u>
	<u>\$ 2,292,828</u>	<u>\$2,239,923</u>	<u>\$ 2,174,227</u>
10. Transportation services			
Road transport			
Roads and streets	\$ 268,300	\$ 284,087	\$ 271,070
Amortization	-	207,555	193,893
Street lighting commissions			
Appropriation of levy	51,433	52,093	54,360
Grant	<u>72,350</u>	<u>71,402</u>	<u>75,005</u>
	<u>\$ 392,083</u>	<u>\$ 615,137</u>	<u>\$ 594,328</u>

The Municipality of the District of Guysborough

Schedules to consolidated statement of operations

Year ended March 31

	2019		2018
	<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	\$ 414,000	\$ 380,983	\$ 379,502
Operations and maintenance	<u>1,950,865</u>	<u>1,915,824</u>	<u>1,901,171</u>
	<u>2,364,865</u>	<u>2,296,807</u>	<u>2,280,673</u>
Pollution and waste control			
Maintenance	163,988	149,506	154,916
Other	<u>123,000</u>	<u>189,870</u>	<u>191,648</u>
	<u>286,988</u>	<u>339,376</u>	<u>346,564</u>
Landfill closure and post closure	<u>773,546</u>	<u>(2,603,064)</u>	<u>595,565</u>
Amortization	<u>-</u>	<u>2,929,408</u>	<u>1,570,421</u>
Development services			
Planning, zoning and economic development	<u>2,325,362</u>	<u>2,457,546</u>	<u>2,438,574</u>
	<u>\$ 5,750,761</u>	<u>\$ 5,420,073</u>	<u>\$ 7,231,797</u>
12. Public health and welfare			
Social welfare			
Deficit of Regional Housing Authority	<u>\$ 72,000</u>	<u>\$ 72,000</u>	<u>\$ 45,442</u>

The Municipality of the District of Guysborough

Schedules to consolidated statement of operations

Year ended March 31

	2019		2018
	<u>Budget</u> (Note 12)	<u>Actual</u>	<u>Actual</u>
13. Recreation and cultural services			
Recreation			
Administration	\$ 236,625	\$ 240,914	\$ 241,321
Programs	534,761	631,673	494,579
Grants	52,000	34,865	62,882
Community projects	<u>197,000</u>	<u>137,592</u>	<u>173,658</u>
	<u>1,020,386</u>	<u>1,045,044</u>	<u>972,440</u>
Cultural buildings and facilities			
Local library			
Operations	32,300	19,832	23,807
Regional	<u>36,000</u>	<u>35,341</u>	<u>35,342</u>
	<u>68,300</u>	<u>55,173</u>	<u>59,149</u>
Amortization	-	<u>133,697</u>	<u>130,697</u>
	<u>\$1,088,686</u>	<u>\$1,233,914</u>	<u>\$1,162,286</u>
14. Water operating			
Transmission and distribution	\$ 254,850	\$ 203,741	\$ 236,683
Administration	48,304	48,836	48,438
Amortization	<u>88,443</u>	<u>89,231</u>	<u>88,443</u>
	<u>\$ 391,597</u>	<u>\$ 341,808</u>	<u>\$ 373,564</u>
15. Electric operating			
Transmission and distribution	\$ 77,795	\$ 86,101	\$ 71,001
Electricity purchases	741,000	690,119	700,487
Administration	71,600	203,311	93,385
Amortization	<u>26,000</u>	<u>17,096</u>	<u>25,660</u>
	<u>\$ 916,395</u>	<u>\$ 996,627</u>	<u>\$ 890,533</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	2019	2018
Revenue			
Operating			
Metered and flat rate sales	\$ 373,067	\$ 360,164	\$ 369,373
Sprinkler service	800	800	800
Public fire protection	<u>64,512</u>	<u>64,462</u>	<u>64,462</u>
	<u>438,379</u>	<u>425,426</u>	<u>434,635</u>
Operating expenditures			
Source of supply (page 31)	27,609	25,614	25,293
Power and pumping (page 31)	50,134	30,709	39,115
Water treatment (page 31)	127,100	107,605	128,538
Transmission and distribution (page 31)	50,007	39,813	43,737
Administration (page 31)	60,799	61,326	59,610
Taxes	29,950	30,319	29,949
Depreciation	<u>88,443</u>	<u>89,231</u>	<u>88,443</u>
	<u>434,042</u>	<u>384,617</u>	<u>414,685</u>
Operating income	<u>4,337</u>	<u>40,809</u>	<u>19,950</u>
Non-operating revenue			
Interest earned	1,500	2,182	1,819
Miscellaneous	<u>2,000</u>	<u>3,047</u>	<u>2,085</u>
	<u>3,500</u>	<u>5,229</u>	<u>3,904</u>
Non-operating expenditures			
Bank charges and interest	<u>510</u>	<u>515</u>	<u>1,833</u>
Excess of revenue over expenditures (expenditures over revenue)	<u>\$ 7,327</u>	45,523	22,021
Surplus, beginning of year		<u>249,367</u>	<u>227,346</u>
Surplus, end of year		<u>\$ 294,890</u>	<u>\$ 249,367</u>

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

March 31	2019	2018
Financial assets		
Cash and cash equivalents	\$ 257,111	\$ 202,337
Receivables		
Rates (less allowance for doubtful accounts \$5,374)	86,449	85,531
Due from own funds and agencies		
General operating	<u>114,382</u>	<u>44,699</u>
Total financial assets	<u>\$ 457,942</u>	<u>\$ 332,567</u>
Financial liabilities		
Payables and accruals		
Trade	\$ 19,050	\$ 28,549
Customers' deposits	4,785	4,665
Due to own funds and agencies		
Water capital	<u>177,674</u>	<u>88,443</u>
Total financial liabilities	<u>201,509</u>	<u>121,657</u>
Net financial assets	<u>256,433</u>	<u>210,910</u>
Non-financial assets		
Inventory of supplies	<u>38,457</u>	<u>38,457</u>
Net assets	<u>\$ 294,890</u>	<u>\$ 249,367</u>
Surplus	<u>\$ 294,890</u>	<u>\$ 249,367</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 - capital fund
Schedule of financial position

March 31 2019 2018

Financial assets

Depreciation fund		
Cash and cash equivalents	\$ 839,712	\$ 832,314
Short term investments	10,736	10,604
Due from own fund and agencies – water operating	<u>177,674</u>	<u>88,443</u>
Total financial assets	<u>\$ 1,028,122</u>	<u>\$ 931,361</u>

Financial liabilities

Payables and accruals		
Due to own funds and agencies		
General operating	<u>\$ 44,487</u>	<u>\$ 44,487</u>
Total financial liabilities	<u>44,487</u>	<u>44,487</u>

Net financial assets **983,635** 886,874

Non-financial assets

Utility plant and equipment net of accumulated amortization of \$1,333,999 (2018 - \$1,244,768)	<u>4,915,489</u>	<u>5,004,719</u>
Net assets	<u>\$ 5,899,124</u>	<u>\$ 5,891,593</u>

Investment in capital assets (page 30) **\$ 5,899,124** \$ 5,891,593

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	2019	2018
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
Services	137,632	137,632
Meters	104,377	104,377
Hydrants	86,307	86,307
Office furniture and equipment	27,142	27,142
Tools and equipment	10,762	10,762
Transportation equipment	105,294	105,294
Water Treatment Plant	5,054,390	5,054,390
Generator	8,278	8,278
Pumping equipment	<u>34,877</u>	<u>34,877</u>
	<u>\$ 6,249,487</u>	<u>\$ 6,249,487</u>

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

(Unaudited – see advisory to readers)

Year ended March 31	2019	2018
Balance, beginning of year	\$ 5,891,593	\$ 5,887,455
Interest earned	<u>7,531</u>	<u>4,138</u>
Balance, end of year	<u>\$ 5,899,124</u>	<u>\$ 5,891,593</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	2019	2018
Source of supply			
Salaries and training	\$ 26,647	\$ 25,614	\$ 25,293
Other	<u>962</u>	<u>-</u>	<u>-</u>
	\$ 27,609	\$ 25,614	\$ 25,293
Power and pumping			
Power purchased	\$ 39,399	\$ 30,709	\$ 39,115
Supervision	5,000	-	-
Fuel	1,020	-	-
Maintenance	<u>4,715</u>	<u>-</u>	<u>-</u>
	\$ 50,134	\$ 30,709	\$ 39,115
Water treatment			
Chemicals	\$ 22,000	\$ 12,572	\$ 21,312
Maintenance	18,719	5,732	23,113
Salaries and training	75,967	76,844	75,543
Supplies	1,646	8,184	1,616
Other	<u>8,768</u>	<u>4,273</u>	<u>6,954</u>
	\$ 127,100	\$ 107,605	\$ 128,538
Transmission and distribution			
Maintenance	\$ 36,720	\$ 27,197	\$ 29,187
Other	<u>13,287</u>	<u>12,616</u>	<u>14,550</u>
	\$ 50,007	\$ 39,813	\$ 43,737
Administration			
Consumer accounting and collecting	\$ 750	\$ -	\$ -
Salaries	18,942	22,305	20,922
Professional fees	11,700	12,610	10,006
Administrative supplies and support services	450	-	-
Insurance	1,896	1,906	1,862
Regulatory expense	800	-	795
Rent	13,005	13,005	13,005
Other	<u>13,256</u>	<u>11,500</u>	<u>13,020</u>
	\$ 60,799	\$ 61,326	\$ 59,610

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

Year ended March 31	Budget	2019	2018
Revenue			
Operating			
Domestic and commercial light and power	\$ 927,331	\$ 933,735	\$ 916,375
Street lighting	<u>21,917</u>	<u>21,559</u>	<u>21,658</u>
	949,248	955,294	938,033
Non-operating			
Miscellaneous	<u>9,100</u>	<u>13,570</u>	<u>11,032</u>
Total revenue	<u>958,348</u>	<u>968,864</u>	<u>949,065</u>
Expenditures			
Operating			
Power purchased	715,000	690,119	700,487
Distribution	102,500	86,101	96,661
Administrative	83,705	78,388	79,874
Provision for expenditures relating to the sale of the electric utility	-	137,245	-
Depreciation	<u>26,000</u>	<u>17,096</u>	<u>25,660</u>
	<u>927,205</u>	<u>1,008,949</u>	<u>902,682</u>
Non-operating			
Bank charges	900	683	856
Provision for doubtful accounts	<u>1,295</u>	<u>-</u>	<u>2,029</u>
	<u>2,195</u>	<u>683</u>	<u>2,885</u>
Total expenses	<u>929,400</u>	<u>1,009,632</u>	<u>905,567</u>
Excess of (expenses over revenue) revenue over expenses	<u>\$ 28,948</u>	(40,768)	43,498
Surplus (deficit), beginning of year		<u>19,744</u>	<u>(23,754)</u>
(Deficit) surplus, end of year		<u>\$ (21,024)</u>	<u>\$ 19,744</u>

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

Year ended March 31

2019

2018

Financial assets

Cash and cash equivalents	\$ 225,540	\$ 215,417
Receivables		
Operating accounts	230,479	125,930
Non-operating accounts	<u>-</u>	<u>3,664</u>
Total financial assets	<u>\$ 456,019</u>	<u>\$ 345,011</u>

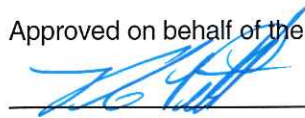
Financial liabilities

Payables and accruals		
Trade	\$ 51,500	\$ 38,090
Customers' deposits	23,044	22,336
Non-operating accounts	10,563	-
Due to own funds and agencies		
Electric capital fund	<u>401,064</u>	<u>383,969</u>
Total financial liabilities	<u>486,171</u>	<u>444,395</u>
Net financial debt	<u>(30,152)</u>	<u>(99,384)</u>

Non-financial assets

Deferred expenses relating to sale of electric utility	-	107,375
Inventory of supplies	<u>9,128</u>	<u>11,753</u>
	<u>9,128</u>	<u>119,128</u>
Net (debt) assets	<u>\$ (21,024)</u>	<u>\$ 19,744</u>
(Deficit) surplus	<u>\$ (21,024)</u>	<u>\$ 19,744</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
Schedule of financial position

Year ended March 31	2019	2018
Financial assets		
Depreciation fund		
Short term investments	\$ 65,624	\$ 64,829
Due from own funds and agencies		
Electric operating fund	<u>401,064</u>	<u>383,969</u>
	<u>\$ 466,688</u>	<u>\$ 448,798</u>
<hr/>		
Net financial assets	<u>\$ 466,688</u>	<u>\$ 448,798</u>
Non-financial assets		
Utility plant and equipment net of accumulated amortization of \$688,492 (2018 - \$671,397)	<u>187,711</u>	<u>204,806</u>
Net assets	<u>\$ 654,399</u>	<u>\$ 653,604</u>
<hr/>		
Investment in capital assets (page 35)	<u>\$ 654,399</u>	<u>\$ 653,604</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	2019	2018
Tangible assets		
Working capital	<u>\$ 6,000</u>	<u>\$ 6,000</u>
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	<u>1,965</u>	<u>1,965</u>
	<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

(Unaudited – see advisory to readers)

Year ended March 31	2019	2018
Balance, beginning of year	\$ 653,604	\$ 653,145
Interest earned	<u>795</u>	<u>459</u>
Balance, end of year	<u>\$ 654,399</u>	<u>\$ 653,604</u>