



Consolidated financial statements

The Municipality of the District of Guysborough

March 31, 2020

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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](#)

X   
Chief Administrative Officer

X   
Director of Finance

July 22, 2020

# Independent auditor's report

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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, 2020, 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, 2020, and the results of its operations, changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

## Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Other matters

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

## Responsibilities of management and those charged with governance for the consolidated financial statements

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

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

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

# Independent auditor's report (continued)

## Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Entity and the organizations it controls to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*Grant Thornton LLP*

Antigonish, Canada  
July 22, 2020

Chartered Professional Accountants

# The Municipality of the District of Guysborough

## Consolidated statement of operations

Year ended March 31

2020

2019

	<u>Page</u>	<u>Budget</u> (Note 12)	<u>Actual</u>	<u>Actual</u>
<b>Revenue</b>				
Taxes	21	\$ 5,002,392	\$ 5,019,038	\$ 5,699,329
Grants in lieu of taxes	22	406,895	416,916	404,145
Sale of services	22	12,409,288	13,171,280	12,467,100
Other revenue from own sources	23	3,397,569	3,639,032	3,731,099
Unconditional transfers from other governments	23	123,510	192,737	142,374
Conditional transfers from other governments and agencies	23	1,558,921	269,439	2,422,314
Interest		23,843	422,656	421,568
Gain on disposal of tangible capital assets		-	6,850	33,864
Other		-	273,193	266,939
		<u>22,922,418</u>	<u>23,411,141</u>	<u>25,588,732</u>
<b>Expenses</b>				
General government services	24	2,742,099	2,933,761	2,707,216
Protection services	25	2,409,933	2,295,987	2,239,923
Transportation services	25	397,779	541,903	615,137
Environmental services	26	4,899,263	8,249,176	5,420,073
Rest Home - operations		6,086,271	6,337,349	6,102,354
Public health and welfare	26	72,000	134,902	72,000
Recreation and cultural services	27	1,003,256	1,711,451	1,233,914
Water operations	27	397,958	410,226	341,808
Infrastructure improvement expense	24	-	38,356	51,952
		<u>18,008,559</u>	<u>22,653,111</u>	<u>18,784,377</u>
<b>Annual surplus from continuing operations</b>		<u>\$ 4,913,859</u>	<u>\$ 758,030</u>	<u>\$ 6,804,355</u>
<b>Discontinued operations (Note 13)</b>				
Revenue				
Electric operations		\$ 897,110	\$ 596,776	\$ 884,019
Expenditures				
Electric operations	27	<u>870,595</u>	<u>841,944</u>	<u>996,627</u>
<b>Excess (deficiency) of expenses over revenue of discontinuing operations</b>		<u>26,515</u>	<u>(245,168)</u>	<u>(112,608)</u>
<b>Annual Surplus</b>		<u>\$ 4,940,374</u>	<u>\$ 512,862</u>	<u>\$ 6,691,747</u>
Accumulated surplus, beginning of year			\$ 62,168,371	\$ 55,476,624
Annual surplus			<u>512,862</u>	<u>6,691,747</u>
Accumulated surplus, end of year			<u>\$ 62,681,233</u>	<u>\$ 62,168,371</u>

# The Municipality of the District of Guysborough

## Consolidated statement of financial position

March 31

2020

2019

### Financial assets

Cash and cash equivalents	\$ 20,636,821	\$ 22,078,304
Receivables: taxes, rates and interest, net of valuation allowance	529,504	610,703
other, net of valuation allowance	2,054,532	2,315,183
Investments, at market value	<u>1,140,836</u>	<u>1,137,716</u>

### Total financial assets

\$ 24,361,693      \$ 26,141,906

### Liabilities

Payables and accruals	\$ 3,027,307	\$ 4,241,940
Deferred revenue (note 9)	1,095,912	393,719
Refundable deposits	4,560	27,829
Long term debt (note 3)	9,654,864	10,580,190
Prepayment of taxes	100,867	103,958
Closure and post closure liability for landfill	<u>4,950,451</u>	<u>4,398,753</u>

18,833,961      19,746,389

### Net financial assets

5,527,732      6,395,517

### Non financial assets

Tangible capital assets, net of amortization (pages 8 & 9)	56,793,542	55,449,777
Prepays	309,218	255,732
Vested property	-	7,476
Inventories of materials and supplies	<u>50,741</u>	<u>59,869</u>

57,153,501      55,772,854

### Accumulated surplus

\$ 62,681,233      \$ 62,168,371

Contingencies (note 6)

Approved on behalf of the Municipality of the District of Guysborough

X 

Warden

X 

CAO

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

Year ended March 31	Budget (Note 12)	2020	2019
Annual surplus	\$ 4,940,374	\$ 512,862	\$ 6,691,747
Acquisition of tangible capital assets	(5,152,257)	(5,278,851)	(6,534,394)
Amortization of tangible capital assets	159,096	3,623,082	3,545,966
Other	-	-	15,753
Proceeds on disposal of tangible capital assets	-	131,144	33,864
Loss (gain) on disposal of tangible capital asset	-	180,860	(33,864)
	<u>(4,993,161)</u>	<u>(1,343,765)</u>	<u>(2,972,675)</u>
Other items	-	(36,882)	143,295
Change in net financial assets	<u>\$ (52,787)</u>	(867,785)	3,862,367
Net financial assets, beginning of year		<u>6,395,517</u>	<u>2,533,150</u>
Net financial assets, end of year		<u>\$ 5,527,732</u>	<u>\$ 6,395,517</u>



# The Municipality of the District of Guysborough

## Consolidated statement of cash flows

Year ended March 31

2020

2019

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

### Operating activities

Annual surplus	\$ 512,862	\$ 6,691,747
Amortization	3,623,082	3,545,966
Adjustment of capital assets, net	-	15,753
Amortization of discount on debenture	5,597	5,597
Loss (gain) on disposal of tangible capital asset	<u>180,860</u>	<u>(33,864)</u>
	<u>4,322,401</u>	<u>10,225,199</u>

### Changes in non-cash working capital

Taxes, rates and interest receivable	81,199	(192,772)
Other receivables	260,651	898,025
Payables and accruals	(1,214,633)	107,939
Deferred revenue, deposits and prepayment of taxes	675,833	(1,631,909)
Prepays and other non-financial assets	<u>(36,882)</u>	<u>143,295</u>
	<u>4,088,569</u>	<u>9,549,777</u>

### Investing activities

Investments	<u>(3,120)</u>	<u>(2,503)</u>
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### Financing activities

Repayment of long term debt	(1,012,190)	(983,267)
Issuance of long term debt	81,267	24,381
Closure and post closure liability for landfill	<u>551,698</u>	<u>(2,603,064)</u>
	<u>(379,225)</u>	<u>(3,561,950)</u>

### Capital

Acquisition of tangible capital assets	(5,278,851)	(6,534,394)
Proceeds on disposal of tangible capital assets	<u>131,144</u>	<u>33,864</u>
	<u>(5,147,707)</u>	<u>(6,500,530)</u>

### Net decrease in cash and cash equivalents

	(1,441,483)	(515,206)
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### Cash and cash equivalents

Beginning of year	<u>22,078,304</u>	<u>22,593,510</u>
End of year	<u>\$ 20,636,821</u>	<u>\$ 22,078,304</u>

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

Year ended March 31, 2020

	<u>Land</u>	<u>Buildings</u>	<u>Machinery and Equipment</u>	<u>Water and Sewers</u>	<u>Sidewalks and Street Lamps</u>	<u>Signage</u>	<u>Cells</u>	<u>Vehicles</u>
<b>Cost:</b>								
Balance, beginning 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
Acquisition of tangible capital assets	7,475	171,671	1,552,255	40,512	28,694	-	3,311,297	120,807
Other adjustments	-	-	-	-	-	-	-	-
Disposals during the year	<u>(820)</u>	<u>-</u>	<u>(356,234)</u>	<u>-</u>	<u>(774,093)</u>	<u>-</u>	<u>-</u>	<u>(102,273)</u>
Balance, end of year	<u>5,365,036</u>	<u>19,041,017</u>	<u>8,573,083</u>	<u>15,265,913</u>	<u>613,513</u>	<u>215,086</u>	<u>20,626,561</u>	<u>3,225,724</u>
<b>Accumulated amortization:</b>								
Balance, beginning of year	-	2,794,720	3,675,850	4,916,006	1,010,603	78,154	14,303,473	1,345,292
Annual amortization	-	500,351	681,783	264,783	27,967	19,491	985,004	168,142
Amortization on disposals	-	-	(231,956)	-	(599,282)	-	-	(96,961)
Other adjustments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Balance, end of year	<u>-</u>	<u>3,295,071</u>	<u>4,125,677</u>	<u>5,180,789</u>	<u>439,288</u>	<u>97,645</u>	<u>15,288,477</u>	<u>1,416,473</u>
<b>Net book value of tangible capital assets</b>	<u>\$ 5,365,036</u>	<u>\$ 15,745,946</u>	<u>\$ 4,447,406</u>	<u>\$ 10,085,124</u>	<u>\$ 174,225</u>	<u>\$ 117,441</u>	<u>\$ 5,338,084</u>	<u>\$ 1,809,251</u>
<b>2019 net book value of tangible capital assets</b>	<u>\$ 5,358,381</u>	<u>\$ 16,074,626</u>	<u>\$ 3,701,212</u>	<u>\$ 10,309,395</u>	<u>\$ 348,309</u>	<u>\$ 136,932</u>	<u>\$ 3,011,791</u>	<u>\$ 1,861,898</u>

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

Year ended March 31, 2020

	Wharves and Canals	Land Improvements	Wind Turbines	Office Furnishings	Office Equipment	Lagoons	Roads	2020 Total	2019 Total
<b>Cost:</b>									
Balance, beginning of year	\$ 180,137	\$ 1,164,665	\$16,376,369	\$ 376,280	\$ 516,984	\$ 941,382	\$ 1,669,437	\$90,151,896	\$ 83,649,811
Acquisition of tangible capital assets	-	33,140	-	3,174	9,826	-	-	5,278,851	6,534,394
Other adjustments	-	-	-	-	-	-	-	-	(32,309)
Disposals during the year	-	-	-	-	(39,482)	-	-	(1,272,902)	-
Balance, end of year	<u>180,137</u>	<u>1,197,805</u>	<u>16,376,369</u>	<u>379,454</u>	<u>487,328</u>	<u>941,382</u>	<u>1,669,437</u>	<u>94,157,845</u>	<u>90,151,896</u>
<b>Accumulated amortization:</b>									
Balance, beginning of year	34,896	1,133,017	3,299,254	340,428	441,967	615,960	712,499	34,702,119	31,172,709
Annual amortization	7,205	2,831	818,818	9,594	23,267	47,069	66,777	3,623,082	3,545,966
Amortization on disposals	-	-	-	-	(32,699)	-	-	(960,898)	-
Other adjustments	-	-	-	-	-	-	-	-	(16,556)
Balance, end of year	<u>42,101</u>	<u>1,135,848</u>	<u>4,118,072</u>	<u>350,022</u>	<u>432,535</u>	<u>663,029</u>	<u>779,276</u>	<u>37,364,303</u>	<u>34,702,119</u>
Net book value of tangible capital assets	<u>\$ 138,036</u>	<u>\$ 61,957</u>	<u>\$12,258,297</u>	<u>\$ 29,432</u>	<u>\$ 54,793</u>	<u>\$ 278,353</u>	<u>\$ 890,161</u>	<u>\$56,793,542</u>	<u>\$ 55,449,777</u>
2019 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>		

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# The Municipality of the District of Guysborough

## Notes to the consolidated financial statements

March 31, 2020

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### 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.

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# The Municipality of the District of Guysborough

## Notes to the consolidated financial statements

March 31, 2020

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### 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
Cell caps	100

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

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.

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# The Municipality of the District of Guysborough

## Notes to the consolidated financial statements

March 31, 2020

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### 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.

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# The Municipality of the District of Guysborough

## Notes to the consolidated financial statements

March 31, 2020

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

#### (k) Cash and cash equivalents

Cash and cash equivalents includes unrestricted cash of \$2,793,016 (2019 - \$4,257,010) and internally designated cash of \$17,897,087 (2019 - \$17,821,294). 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 20, 2019 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.

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### 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 \$134,902 (2019 - \$72,000) for its share of deficits of the Housing Authority in the District of Guysborough in 2020.

#### Eastern Counties Regional Library

During 2019-2020, the Municipality of the District of Guysborough paid \$35,341 (2019 - \$35,341) to the Regional Library.

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# The Municipality of the District of Guysborough

## Notes to the consolidated financial statements

March 31, 2020

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3. Long term debt	<u>2020</u>	<u>2019</u>
<b>Milford Haven Corporation</b>		
4.388% - 5.644% rest home debenture maturing in fiscal 2025, repayable in yearly principal payments of \$127,900.	\$ 640,400	\$ 768,300
1.052% - 3.449% debenture maturing in fiscal 2031, repayable in yearly principal payments of \$15,084, interest payable semi-annually.	165,908	180,992
3.95% rest home debenture repayable in monthly payments of \$1,108, maturing in fiscal 2021.	10,815	22,349
Term loan with a 3.95% interest rate, payable in monthly payments of \$1,119 maturing in fiscal 2023.	43,923	-
Term loan with a 3.91% interest rate, payable in monthly payments of \$723 maturing in fiscal 2022.	11,936	-
Term loan with a 3.77% interest rate, payable in monthly payments of \$1,276 maturing in fiscal 2021.	6,320	-
<b>Canso Seaside Manor</b>		
4.329% - 4.939% rest home debenture maturing in fiscal 2025, repayable in yearly principal payments of \$40,135.	200,676	240,810
Prime plus 2.25%, repayable in monthly payments of \$260, plus interest, due on demand.	23,667	28,000
1.93 - 3.073% debenture maturing in fiscal 2028, repayable in yearly principal payments of \$17,500 interest payable semi-annually.	140,000	157,500
<b>Municipality of the District of Guysborough</b>		
1.632% - 3.449% debenture maturing in fiscal 2031, repayable in yearly principal payments of \$764,950, interest payable semi-annually.	8,414,454	9,179,404
4.329 - 4.939% debenture maturing in fiscal 2025, repayable in yearly principal payments of \$11,667, interest payable semi-annually.	<u>58,330</u>	<u>69,997</u>
Total	<b>9,716,429</b>	10,647,352
Less debenture discount	<u>61,565</u>	<u>67,162</u>
	<b><u>\$ 9,654,864</u></b>	<b><u>\$ 10,580,190</u></b>

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

2021	\$1,038,303
2022	\$993,197
2023	\$990,119
2024	\$983,986
2025	\$977,237

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# The Municipality of the District of Guysborough

## Notes to the consolidated financial statements

March 31, 2020

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### 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 1<sup>st</sup> and 2<sup>nd</sup> generation landfill facility. During the March 31, 2020 fiscal year the Municipality has recognized net closure costs of \$500,000 and post closure costs of \$128,570 as an estimate of the costs related to the fiscal 2020 activity. During the year costs of \$983,210 were expended relating to closure and post closure costs of the landfill. As at March 31, 2020 a total of \$2,115,929 has been recorded as a landfill closure liability while \$1,982,741 has been recorded as a landfill post closure liability and \$851,781 has been recorded to cover the estimated potential closure and post closure liability. The liability is sufficient to cover engineering estimates of landfill closure and post closure costs for the 1<sup>st</sup> generation site as well as for the proportionate share of the expired useful life of the 2<sup>nd</sup> 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 1<sup>st</sup> generation site has been closed while the 2<sup>nd</sup> generation site is currently in operation. In the 2<sup>nd</sup> generation the 1<sup>st</sup> cell has reached its capacity of 240,000 tonnes. The 2<sup>nd</sup> and 3<sup>rd</sup> cells combined have reached 100% of their 460,000 tonne combined capacity. Cell #4 has reached 90% of its 250,000 tonne capacity. The 2<sup>nd</sup> 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.

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### 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	\$ 42,887	\$ 5,141
Dave Hanhams	Councillor	21,509	1,336
Neil DeCoff	Councillor	22,536	2,576
Janet Peitzsche	Councillor	25,828	1,853
Sheila Pelly	Deputy-Warden	26,367	1,875
Miles MacDonald	Councillor	22,536	742
Ricky MacLaren	Councillor	22,536	3,521
Fin Armsworthy	Councillor	23,505	1,019
Barry Carroll	Chief Administrative Officer	163,126	2,705

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### 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	\$64,908
Canso/Hazel Hill Fire Department	\$150,000

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**The Municipality of the District of Guysborough**  
**Notes to the consolidated financial statements**  
March 31, 2020

7. Segment information

	General Government <u>Services</u>	Protection <u>Services</u>	Transportation <u>Services</u>	Environmental <u>Services</u>	Rest Home <u>Operations</u>	Water <u>Operations</u>
<b>Revenues</b>						
Taxes	\$ 4,252,827	\$ 594,097	\$ 76,568	\$ 95,546	\$ -	\$ -
Grants in lieu of taxes	404,821	12,095	-	-	-	-
Sale of services	-	26,043	-	5,967,567	6,705,329	373,211
Other revenue from own sources	274,954	7,809	-	3,327,585	-	-
Unconditional transfers from other governments	192,737	-	-	-	-	-
Conditional transfers from other governments and agencies	-	5,409	-	208,393	-	-
Interest	387,344	-	-	-	13,189	13,907
Gain on disposal of tangible capital assets	-	-	11,128	(4,278)	-	-
Electric rates	-	-	-	-	-	-
Other	-	-	-	273,193	-	-
	<u>5,512,683</u>	<u>645,453</u>	<u>87,696</u>	<u>9,868,006</u>	<u>6,718,518</u>	<u>387,118</u>
<b>Expenditures</b>						
Salaries and benefits	1,947,416	126,774	-	1,478,668	5,059,054	131,051
Goods and services and other	774,007	2,154,677	366,033	3,968,353	1,167,731	187,845
Amortization	107,963	14,536	175,870	2,557,998	48,964	89,231
Interest	10,589	-	-	244,157	61,600	2,099
Loss on disposal of tangible capital assets	-	-	-	-	-	-
Valuation allowance	92,240	-	-	-	-	-
	<u>2,933,761</u>	<u>2,295,987</u>	<u>541,903</u>	<u>8,249,176</u>	<u>6,337,349</u>	<u>410,226</u>
<b>Annual surplus</b>	<u>\$ 2,578,922</u>	<u>\$ (1,650,534)</u>	<u>\$ (454,207)</u>	<u>\$ 1,618,830</u>	<u>\$ 381,169</u>	<u>\$ (23,108)</u>

**The Municipality of the District of Guysborough**  
**Notes to the consolidated financial statements**  
 March 31, 2020

7. Segment information (continued)

	Infrastructure Improvement Expense	Electric Operations	Public Health and Welfare	Recreation and Cultural Services	2020	2019
<b>Revenues</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 5,019,038	\$ 5,699,329
Grants in lieu of taxes	-	-	-	-	416,916	404,145
Sale of services	-	-	-	99,130	13,171,280	12,467,100
Other revenue from own sources	-	-	-	28,684	3,639,032	3,731,099
Unconditional transfers from other governments	-	-	-	-	192,737	142,374
Conditional transfers from other governments and agencies	-	-	-	55,637	269,439	2,422,314
Interest	-	8,216	-	-	422,656	421,568
Gain and disposal of tangible capital assets	-	-	-	-	6,850	33,864
Electric rates	-	596,776	-	-	596,776	884,019
Water rates	-	-	-	-	273,193	266,939
	<u>-</u>	<u>604,992</u>	<u>-</u>	<u>183,451</u>	<u>24,007,917</u>	<u>26,472,751</u>
<b>Expenditures</b>						
Salaries and benefits	-	79,145	-	508,527	9,330,635	8,976,480
Goods and services and other	38,356	760,028	134,902	575,950	10,127,882	6,840,454
Amortization	-	-	-	626,974	3,623,082	3,545,966
Interest	-	696	-	-	319,141	329,422
Valuation allowance	-	2,075	-	-	94,315	88,682
	<u>38,356</u>	<u>841,944</u>	<u>134,902</u>	<u>1,711,451</u>	<u>23,495,055</u>	<u>19,781,004</u>
<b>Annual surplus</b>	\$ <u>(38,356)</u>	\$ <u>(236,952)</u>	\$ <u>(134,902)</u>	\$ <u>(1,528,000)</u>	\$ <u>512,862</u>	\$ <u>6,691,747</u>

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# The Municipality of the District of Guysborough

## Notes to the consolidated financial statements

March 31, 2020

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### 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 \$453,418 (2019 - \$454,419).

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.

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### 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>2020</u>	<u>2019</u>
Balance, beginning of year	\$ 393,719	\$ 2,026,456
Revenue		
Grants received and interest earned	702,193	396,829
Expenditure		
Grants spent	<u>-</u>	<u>2,029,566</u>
Balance, end of year	<u>\$ 1,095,912</u>	<u>\$ 393,719</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.

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### 10. Rate of return on rate base

For the year ended March 31, 2020, the Canso-Hazel Hill Water Utility had a rate of return on rate base of (0.2)% (2019 - 0.5%).

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### 11. Comparative figures

Certain comparative figures have been reclassified from those previously presented to conform with the preparation of the 2020 consolidated financial statements.

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# The Municipality of the District of Guysborough

## Notes to the consolidated financial statements

March 31, 2020

### 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
<b>Revenue</b>			
Taxes	\$ 6,448,001	\$ (1,445,609)	\$ 5,002,392
Grants in lieu of taxes	406,895	-	406,895
Sales of services	12,425,057	(15,769)	12,409,288
Electric operations	1,033,388	(136,278)	897,110
Other revenue from own sources	3,423,579	(26,010)	3,397,569
Unconditional transfers from other governments	123,510	-	123,510
Conditional transfers from other governments and agencies	1,914,729	(355,808)	1,558,921
Interest	<u>23,843</u>	<u>-</u>	<u>23,843</u>
	<u>25,799,002</u>	<u>(1,979,474)</u>	<u>23,819,528</u>
<b>Expense</b>			
General government services	2,800,608	(58,509)	2,742,099
Protection services	2,474,395	(64,462)	2,409,933
Transportation services	419,595	(21,816)	397,779
Environmental services	4,270,693	628,570	4,899,263
Rest Home – operations	72,000	-	72,000
Public health and welfare services	6,152,040	(65,769)	6,086,271
Recreational and cultural services	2,390,356	(1,387,100)	1,003,256
Water operations	410,963	(13,005)	397,958
Electric operations	883,600	(13,005)	870,595
Fiscal services	<u>5,832,206</u>	<u>(5,832,206)</u>	<u>-</u>
	<u>25,706,456</u>	<u>(6,827,302)</u>	<u>18,879,154</u>
Annual surplus	<u>\$ 92,546</u>	<u>\$ 4,847,828</u>	<u>\$ 4,940,374</u>

### 13. Discontinued operations

The NSUARB approved the sale of all of the Utility's physical assets and transfer of its undertaking from the Municipality of the District of Guysborough to an arm's length party effective January 1, 2020 pursuant to Section 62 and 63 of the *Public Utilities Act* in accordance with the terms of an agreement of purchase of sale. As per the agreement of purchase and sale the Utility received \$1 for all their non-financial assets.

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# The Municipality of the District of Guysborough

## Notes to the consolidated financial statements

March 31, 2020

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### 13. Subsequent events

Subsequent to the year-end, the Municipality has been in discussions to transfer the remaining financial assets of the Canso Electric Light Utility pending approval from the Nova Scotia Utility and Review Board.

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### 14. Impact of Covid-19

Since March 31, 2020, the spread of COVID-19 has continued to impact many local economies around the globe, with Nova Scotia extending their state of emergency. The Municipality has not yet experienced a significant impact on its operations, however it anticipates seeing a slight decline in revenues, particularly in terms of deed transfer taxes and recreation revenue. The Municipality will be able to absorb the anticipated decrease through their operating reserve. The Municipality has determined that no events have taken place that impact the financial results of operations as of and for the year ended March 31, 2020 and accordingly have not made any adjustments to reflect the impact of these events. The duration and impact of the COVID-19 pandemic remains unclear at this time. It is not possible to reliably estimate the duration and severity of the impact the pandemic will have on the financial position and results of the Municipality for future periods.

# The Municipality of the District of Guysborough

## Schedules to consolidated statement of operations

Year ended March 31

	2020		2019
	<u>Budget</u> (Note 12)	<u>Actual</u>	<u>Actual</u>
<b>1. Taxes</b>			
Assessable property			
Residential	\$ 1,938,592	\$ 1,945,015	\$ 1,774,828
Commercial	<u>3,245,191</u>	<u>3,213,710</u>	<u>4,103,650</u>
	<u>5,183,783</u>	<u>5,158,725</u>	<u>5,878,478</u>
Resource			
Taxable assessments	274,774	273,893	252,021
Forest property			
Less than 50,000 acres	30,104	30,282	30,306
50,000 acres or more	260	260	260
Farmland acreage tax	<u>12,066</u>	<u>13,109</u>	<u>12,917</u>
	<u>317,204</u>	<u>317,544</u>	<u>295,504</u>
Area rates			
Protective services	593,440	594,097	595,336
Transportation services	76,398	76,568	72,273
Pump house	<u>214</u>	<u>2,093</u>	<u>223</u>
	<u>670,052</u>	<u>672,758</u>	<u>667,832</u>
Business property			
Based on revenue (Bell-Aliant)	<u>45,000</u>	<u>39,306</u>	<u>41,105</u>
Other			
Deed transfer taxes	80,000	124,078	95,389
Wind farm	<u>93,453</u>	<u>93,453</u>	<u>92,528</u>
	<u>173,453</u>	<u>217,531</u>	<u>187,917</u>
Less: Education	<u>(1,387,100)</u>	<u>(1,386,826)</u>	<u>(1,371,507)</u>
	<u>\$ 5,002,392</u>	<u>\$ 5,019,038</u>	<u>\$ 5,699,329</u>

## The Municipality of the District of Guysborough

### Schedules to consolidated statement of operations

Year ended March 31

	2020		2019
	<u>Budget</u> (Note 12)	<u>Actual</u>	<u>Actual</u>
<b>2. Grants in lieu of taxes</b>			
Federal government	\$ 55,274	\$ 54,399	\$ 49,446
Canada Post	1,983	1,983	-
Provincial government			
Crown timber	116,595	125,254	122,338
Property of supported institutions	79,761	79,783	80,211
Fire protection	15,504	12,095	12,701
Nova Scotia Power Inc.	125,000	130,624	126,108
Nova Scotia Liquor Commission	<u>12,778</u>	<u>12,778</u>	<u>13,341</u>
	<u>\$ 406,895</u>	<u>\$ 416,916</u>	<u>\$ 404,145</u>
<b>3. Sale of services</b>			
Sewer rates	<u>\$ 78,294</u>	<u>\$ 77,616</u>	<u>\$ 87,834</u>
Environmental health services			
Other municipal units	5,115,560	5,230,568	4,976,470
Other	<u>291,620</u>	<u>585,999</u>	<u>561,011</u>
	<u>5,407,180</u>	<u>5,816,567</u>	<u>5,537,481</u>
Recreation and cultural	<u>42,500</u>	<u>123,816</u>	<u>69,379</u>
Inspection and sub-division fees			
Other municipal units	<u>126,790</u>	<u>74,741</u>	<u>61,726</u>
Water	<u>369,450</u>	<u>373,211</u>	<u>360,964</u>
Senior care	<u>6,385,074</u>	<u>6,705,329</u>	<u>6,349,716</u>
	<u>\$12,409,288</u>	<u>\$13,171,280</u>	<u>\$12,467,100</u>



# The Municipality of the District of Guysborough

## Schedules to consolidated statement of operations

Year ended March 31

	2020		2019
	Budget (Note 12)	Actual	Actual
<b>4. Other revenue from own sources</b>			
Licenses and permits	\$ 10,000	\$ 11,659	\$ 12,598
Fines	5,000	11,261	8,141
Interest on taxes	70,000	115,404	86,424
Miscellaneous	4,000	44,684	854
Interest on investments	12,000	53,324	49,092
Rent - office space	41,495	52,138	59,167
Chedabucto Lifestyle Complex fundraising	-	28,684	61,088
Wind turbines	3,162,900	3,229,704	3,362,270
Rent – Sable Wind	92,174	92,174	91,465
	<u>\$3,397,569</u>	<u>\$3,639,032</u>	<u>\$3,731,099</u>
<b>5. Unconditional transfers from other governments</b>			
Provincial government			
HST offset program	\$ 60,000	\$ 108,059	\$ 57,696
Unconditional funding	63,510	84,678	84,678
	<u>\$ 123,510</u>	<u>\$ 192,737</u>	<u>\$ 142,374</u>
<b>6. Conditional transfers from other governments and agencies</b>			
Federal government agencies			
Work projects	\$ 6,000	\$ -	\$ -
Federal gas tax rebate	-	-	2,029,566
Other projects	20,000	37,758	4,693
	<u>26,000</u>	<u>37,758</u>	<u>2,034,259</u>
Provincial			
Nova Scotia Health Promotion - operating	25,000	35,637	25,000
Emergencies Measures Organization	2,500	2,477	2,508
Resource Recovery Fund Board	3,000	1,288	1,202
Resource Recovery Fund Board - ERSWMC	126,664	169,348	169,800
Chedabucto Lifestyle Complex funding	-	-	151,059
Socio-Economic Effects Management Plan	-	2,931	296
Strait Regional School Board	5,000	-	5,000
Nova Scotia Health and Wellness	5,000	-	3,500
Department of Community Service/Recreation	20,000	20,000	20,000
Infrastructure funding	1,345,757	-	9,690
	<u>1,532,921</u>	<u>231,681</u>	<u>388,055</u>
	<u>\$ 1,558,921</u>	<u>\$ 269,439</u>	<u>\$ 2,422,314</u>

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

Year ended March 31

	2020		2019
	<u>Budget</u> (Note 12)	<u>Actual</u>	<u>Actual</u>
<b>7. Infrastructure improvement expense</b>			
Canso infrastructure expenses	\$ -	\$ 38,356	\$ 51,952
<b>8. General government services</b>			
Legislative			
Warden stipend	\$ 40,251	\$ 40,564	\$ 39,726
Council stipend	160,335	159,692	154,426
Other legislative services	44,175	34,711	38,198
	<u>244,761</u>	<u>234,967</u>	<u>232,350</u>
General administrative			
Administrative	549,897	680,733	502,848
Financial management	420,659	345,414	352,779
Taxation - reduced taxes	77,038	71,041	71,000
- other	76,225	58,633	65,456
Assessment costs	176,974	176,974	174,879
	<u>1,300,793</u>	<u>1,332,795</u>	<u>1,166,962</u>
Municipal properties			
Common services	968,715	965,442	910,679
Amortization	-	109,509	107,967
Valuation allowance	15,000	92,240	84,770
Other general government services			
Grants to organizations and individuals	84,000	88,830	101,450
Insurance	46,000	47,728	39,837
Election	11,630	7,330	824
Dues	11,900	9,955	7,658
Other	59,300	44,965	54,719
	<u>212,830</u>	<u>198,808</u>	<u>204,488</u>
	<u>\$ 2,742,099</u>	<u>\$ 2,933,761</u>	<u>\$ 2,707,216</u>

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

Year ended March 31

	2020		2019
	<u>Budget</u> (Note 12)	<u>Actual</u>	<u>Actual</u>
<b>9. Protection services</b>			
Police protection	<u>\$ 1,287,923</u>	<u>\$1,271,516</u>	<u>\$ 1,259,008</u>
Law enforcement			
Transfer to correctional services	94,000	90,877	91,805
Prosecuting attorney	<u>1,200</u>	<u>8,208</u>	<u>7,047</u>
	<u>95,200</u>	<u>99,085</u>	<u>98,852</u>
Fire protection			
Community fire department			
Appropriation of levy	593,440	594,850	587,761
Grants	89,000	89,000	106,080
Fire dispatch	31,000	25,811	28,157
Fire service	76,000	8,250	18,431
Firemen's disability insurance	<u>26,800</u>	<u>26,102</u>	<u>21,096</u>
	<u>816,240</u>	<u>744,013</u>	<u>761,525</u>
Emergency measures			
Honorarium and other expenses	<u>70,100</u>	<u>40,453</u>	<u>8,117</u>
Amortization	<u>-</u>	<u>14,536</u>	<u>15,394</u>
Other			
By-law enforcement	24,500	25,915	22,946
Protective inspection - building	<u>115,970</u>	<u>100,469</u>	<u>74,081</u>
	<u>140,470</u>	<u>126,384</u>	<u>97,027</u>
	<u>\$ 2,409,933</u>	<u>\$2,295,987</u>	<u>\$ 2,239,923</u>
<b>10. Transportation services</b>			
Road transport			
Roads and streets	\$ 265,800	\$ 231,801	\$ 284,087
Amortization	-	175,870	207,555
Street lighting commissions			
Appropriation of levy	55,581	61,470	52,093
Grant	<u>76,398</u>	<u>72,762</u>	<u>71,402</u>
	<u>\$ 397,779</u>	<u>\$ 541,903</u>	<u>\$ 615,137</u>

# The Municipality of the District of Guysborough

## Schedules to consolidated statement of operations

Year ended March 31

	2020		2019
	<u>Budget</u> (Note 12)	<u>Actual</u>	<u>Actual</u>
<b>11. Environmental services</b>			
Health services			
Solid waste collection and disposal			
Collection and recyclable disposal/trucking	\$ 410,850	\$ 383,351	\$ 380,983
Operations and maintenance	<u>1,275,168</u>	<u>2,189,682</u>	<u>1,915,824</u>
	<u>1,686,018</u>	<u>2,573,033</u>	<u>2,296,807</u>
Pollution and waste control			
Maintenance	163,613	182,826	149,506
Other	<u>42,000</u>	<u>14,000</u>	<u>189,870</u>
	<u>205,613</u>	<u>196,826</u>	<u>339,376</u>
Landfill closure and post closure	<u>628,570</u>	<u>551,698</u>	<u>(2,603,064)</u>
Amortization	<u>-</u>	<u>2,557,998</u>	<u>2,929,408</u>
Development services			
Planning, zoning and economic development	<u>2,379,062</u>	<u>2,369,621</u>	<u>2,457,546</u>
	<u>\$ 4,899,263</u>	<u>\$ 8,249,176</u>	<u>\$ 5,420,073</u>
<b>12. Public health and welfare</b>			
Social welfare			
Deficit of Regional Housing Authority	<u>\$ 72,000</u>	<u>\$ 134,902</u>	<u>\$ 72,000</u>

# The Municipality of the District of Guysborough

## Schedules to consolidated statement of operations

Year ended March 31

	2020		2019
	Budget (Note 12)	Actual	Actual
<b>13. Recreation and cultural services</b>			
Recreation			
Administration	\$ 242,425	\$ 246,720	\$ 240,914
Programs	574,106	664,601	631,673
Grants	43,250	30,455	34,865
Community projects	<u>75,500</u>	<u>87,690</u>	<u>137,592</u>
	<u>935,281</u>	<u>1,029,466</u>	<u>1,045,044</u>
Cultural buildings and facilities			
Local library			
Operations	31,975	19,670	19,832
Regional	<u>36,000</u>	<u>35,341</u>	<u>35,341</u>
	<u>67,975</u>	<u>55,011</u>	<u>55,173</u>
Amortization	-	<u>626,974</u>	<u>133,697</u>
	<u>\$1,003,256</u>	<u>\$1,711,451</u>	<u>\$1,233,914</u>
<b>14. Water operating</b>			
Transmission and distribution	\$ 256,881	\$ 254,865	\$ 203,741
Administration	51,846	66,130	48,836
Amortization	<u>89,231</u>	<u>89,231</u>	<u>89,231</u>
	<u>\$ 397,958</u>	<u>\$ 410,226</u>	<u>\$ 341,808</u>
<b>15. Electric operating</b>			
Transmission and distribution	\$ 99,500	\$ 65,223	\$ 86,101
Electricity purchases	680,000	493,137	690,119
Administration	71,095	95,874	203,311
Loss on disposal of tangible capital assets	-	187,710	-
Amortization	<u>20,000</u>	<u>-</u>	<u>17,096</u>
	<u>\$ 870,595</u>	<u>\$ 841,944</u>	<u>\$ 996,627</u>

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## **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	2020	2019
Revenue			
Operating			
Metered and flat rate sales	\$ 368,650	\$ 372,411	\$ 360,164
Sprinkler service	800	800	800
Public fire protection	<u>64,462</u>	<u>64,462</u>	<u>64,462</u>
	<u>433,912</u>	<u>437,673</u>	<u>425,426</u>
Operating expenditures			
Source of supply (page 32)	26,967	25,947	25,614
Power and pumping (page 32)	48,834	34,648	30,709
Water treatment (page 32)	128,760	129,626	107,605
Transmission and distribution (page 32)	52,320	64,644	39,813
Administration (page 32)	64,326	77,036	61,326
Taxes	30,500	30,689	30,319
Depreciation	<u>89,231</u>	<u>89,231</u>	<u>89,231</u>
	<u>440,938</u>	<u>451,821</u>	<u>384,617</u>
Operating (loss) income	<u>(7,026)</u>	<u>(14,148)</u>	<u>40,809</u>
Non-operating revenue			
Interest earned	1,750	2,586	2,182
Miscellaneous	<u>2,400</u>	<u>2,346</u>	<u>3,047</u>
	<u>4,150</u>	<u>4,932</u>	<u>5,229</u>
Non-operating expenditures			
Bank charges and interest	<u>525</u>	<u>2,099</u>	<u>515</u>
Excess of (expenditures over revenue) revenue over expenditures	<u>\$ (3,401)</u>	<u>(11,315)</u>	<u>45,523</u>
Surplus, beginning of year		<u>294,890</u>	<u>249,367</u>
Surplus, end of year		<u>\$ 283,575</u>	<u>\$ 294,890</u>


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

March 31	2020	2019
<b>Financial assets</b>		
Cash and cash equivalents	\$ 244,105	\$ 257,111
Receivables		
Rates (less allowance for doubtful accounts \$5,374)	90,925	86,449
Due from own funds and agencies		
General operating	<u>181,976</u>	<u>114,382</u>
<b>Total financial assets</b>	<b><u>\$ 517,006</u></b>	<b><u>\$ 457,942</u></b>
<b>Financial liabilities</b>		
Payables and accruals		
Trade	\$ 19,049	\$ 19,050
Customers' deposits	4,560	4,785
Due to own funds and agencies		
Water capital	<u>248,279</u>	<u>177,674</u>
<b>Total financial liabilities</b>	<b><u>271,888</u></b>	<b><u>201,509</u></b>
<b>Net financial assets</b>	<b><u>245,118</u></b>	<b><u>256,433</u></b>
<b>Non-financial assets</b>		
Inventory of supplies	<u>38,457</u>	<u>38,457</u>
<b>Net assets</b>	<b><u>\$ 283,575</u></b>	<b><u>\$ 294,890</u></b>
<b>Surplus</b>	<b><u>\$ 283,575</u></b>	<b><u>\$ 294,890</u></b>

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 2020 2019

**Financial assets**

Depreciation fund		
Cash and cash equivalents	\$ 848,552	\$ 839,712
Short term investments	10,870	10,736
Due from own fund and agencies – water operating	<u>248,279</u>	<u>177,674</u>
<b>Total financial assets</b>	<b><u>\$ 1,107,701</u></b>	<b><u>\$ 1,028,122</u></b>

**Financial liabilities**

Payables and accruals		
Due to own funds and agencies		
General operating	<u>\$ 67,077</u>	<u>\$ 44,487</u>
<b>Total financial liabilities</b>	<u>67,077</u>	<u>44,487</u>


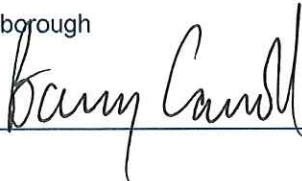
**Net financial assets** 1,040,624 983,635

**Non-financial assets**

Utility plant and equipment net of accumulated amortization of \$1,423,229 (2019 - \$1,333,998)	<u>4,867,475</u>	<u>4,915,489</u>
<b>Net assets</b>	<b><u>\$ 5,908,099</u></b>	<b><u>\$ 5,899,124</u></b>

Investment in capital assets (page 16) \$ 5,908,099 \$ 5,899,124

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	2020	2019
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	107,116	104,377
Hydrants	92,043	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	53,503	34,877
Water treatment equipment	<u>14,116</u>	<u>-</u>
	<u>\$ 6,290,704</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	2020	2019
Balance, beginning of year	\$ 5,899,124	\$ 5,891,593
Interest earned	<u>8,975</u>	<u>7,531</u>
Balance, end of year	<u>\$ 5,908,099</u>	<u>\$ 5,899,124</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	2020	2019
<b>Source of supply</b>			
Salaries and training	\$ 25,947	\$ 25,947	\$ 25,614
Other	<u>1,020</u>	<u>-</u>	<u>-</u>
	<u>\$ 26,967</u>	<u>\$ 25,947</u>	<u>\$ 25,614</u>
<b>Power and pumping</b>			
Power purchased	\$ 38,099	\$ 29,648	\$ 30,709
Supervision	5,000	5,000	-
Fuel	1,020	-	-
Maintenance	<u>4,715</u>	<u>-</u>	<u>-</u>
	<u>\$ 48,834</u>	<u>\$ 34,648</u>	<u>\$ 30,709</u>
<b>Water treatment</b>			
Chemicals	\$ 18,000	\$ 21,248	\$ 12,572
Maintenance	18,700	15,448	5,732
Salaries and training	78,242	82,263	76,844
Supplies	6,000	2,284	8,184
Other	<u>7,818</u>	<u>8,383</u>	<u>4,273</u>
	<u>\$ 128,760</u>	<u>\$ 129,626</u>	<u>\$ 107,605</u>
<b>Transmission and distribution</b>			
Maintenance	\$ 38,120	\$ 26,631	\$ 27,197
Other	<u>14,200</u>	<u>38,013</u>	<u>12,616</u>
	<u>\$ 52,320</u>	<u>\$ 64,644</u>	<u>\$ 39,813</u>
<b>Administration</b>			
Consumer accounting and collecting	\$ 750	\$ -	\$ -
Salaries	20,850	22,841	22,305
Professional fees	13,700	19,612	12,610
Administrative supplies and support services	450	1,451	-
Insurance	1,941	2,116	1,906
Regulatory expense	1,500	-	-
Rent	13,005	13,005	13,005
Other	<u>12,130</u>	<u>18,011</u>	<u>11,500</u>
	<u>\$ 64,326</u>	<u>\$ 77,036</u>	<u>\$ 61,326</u>

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

Year ended March 31	Budget	2020	2019
Revenue	\$ 11,521	\$ 7,399	\$ 11,385
Expenditures			
Bank charges	<u>900</u>	<u>696</u>	<u>683</u>
Excess of revenue over expenses from continuing operations	<u>10,621</u>	<u>6,703</u>	<u>10,702</u>
Discontinued operations (note 13)			
Revenue			
Domestic and commercial light and power	944,899	\$ 640,463	\$ 933,735
Street lighting	21,816	16,313	21,559
Miscellaneous	<u>2,211</u>	<u>1,408</u>	<u>2,185</u>
Total revenue	968,926	658,184	957,479
Expenses			
Power purchased	680,000	493,137	690,119
Distribution	99,500	65,223	86,101
Administrative	82,805	75,461	78,388
Depreciation	20,000	-	17,096
Provision for doubtful accounts	1,295	2,075	-
Sale of electric utility expenses	<u>-</u>	<u>31,343</u>	<u>137,245</u>
Total expenses from discontinued operations	<u>883,600</u>	<u>667,239</u>	<u>1,008,949</u>
Excess (deficiency) of revenue over expenses from discontinued operations	<u>85,326</u>	<u>(9,055)</u>	<u>(51,470)</u>
Excess (deficiency) of revenue over expenses	\$ <u>95,947</u>	(2,352)	(40,768)
(Deficit) surplus, beginning of year		<u>(21,024)</u>	<u>19,744</u>
Deficit, end of year		\$ <u>(23,376)</u>	\$ <u>(21,024)</u>

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

Year ended March 31	2020	2019
Cash and cash equivalents	\$ 431,665	\$ 225,540
<b>Financial assets</b>		
Receivables		
Operating accounts (note 3)	100	230,479
HST receivable	<u>2,548</u>	<u>-</u>
	<u>434,313</u>	<u>456,019</u>
<b>Non-financial assets</b>		
Inventory of supplies	<u>-</u>	<u>9,128</u>
	<u>\$ 434,313</u>	<u>\$ 465,147</u>
<b>Financial liabilities</b>		
Payables and accruals		
Trade	\$ 56,625	\$ 51,500
Customers' deposits	-	23,044
HST payable	-	10,563
Due to own funds and agencies		
Electric capital fund	<u>401,064</u>	<u>401,064</u>
<b>Total financial liabilities</b>	<u>457,689</u>	<u>486,171</u>
<b>Surplus</b>	<u>(23,376)</u>	<u>(21,024)</u>
	<u>\$ 434,313</u>	<u>\$ 465,147</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 2020 2019

**Financial assets**

Depreciation fund		
Short term investments	\$ 66,442	\$ 65,624
Due from own funds and agencies		
Electric operating fund	<u>401,064</u>	<u>401,064</u>
	<u>467,506</u>	<u>466,688</u>

**Non-financial assets**

Distribution system (page 36)	<u>-</u>	<u>876,203</u>
	<u>\$ 467,506</u>	<u>\$1,342,891</u>

**Non-financial liabilities**

Accumulated allowance for depreciation	\$ <u>-</u>	\$ <u>688,492</u>
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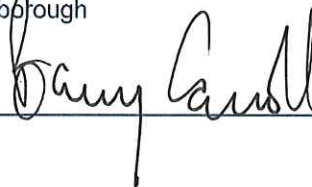
**Utility position**

Depreciation fund reserve (page 36)	467,506	466,689
Investment in capital assets (page 36)	<u>-</u>	<u>187,710</u>
	<u>467,506</u>	<u>654,399</u>
	<u>\$ 467,506</u>	<u>\$1,342,891</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	2020	2019
Tangible assets		
Working capital	\$ -	\$ 6,000
Tangible plant and equipment		
Overhead conductors	-	142,718
Poles and fixtures	-	127,357
Street and highway lighting	-	231,260
Transformers - line and installation	-	143,910
Services	-	84,093
Meters and installation	-	44,755
Land	-	13
Equipment	-	65,527
Engineering and superintendence	-	13,878
Land	-	807
Interest	-	767
Computer	-	13,153
Telephone system	-	1,965
	-	870,203
	\$ -	\$ 876,203

**Canso Electric Light Utility  
Statement of investment in capital assets**

Year ended March 31	2020	2019
Balance, beginning of year	\$ 187,710	\$ 204,805
Depreciation	-	(17,095)
Loss on disposal of assets (note 5)	(187,710)	-
Balance, end of year	\$ -	\$ 187,710

**Canso Electric Light Utility  
Statement of depreciation fund reserve**

Year ended March 31	2020	2019
Balance, beginning of year	\$ 466,689	\$ 448,799
Depreciation	-	17,095
Interest earned	817	795
Balance, end of year	\$ 467,506	\$ 466,689