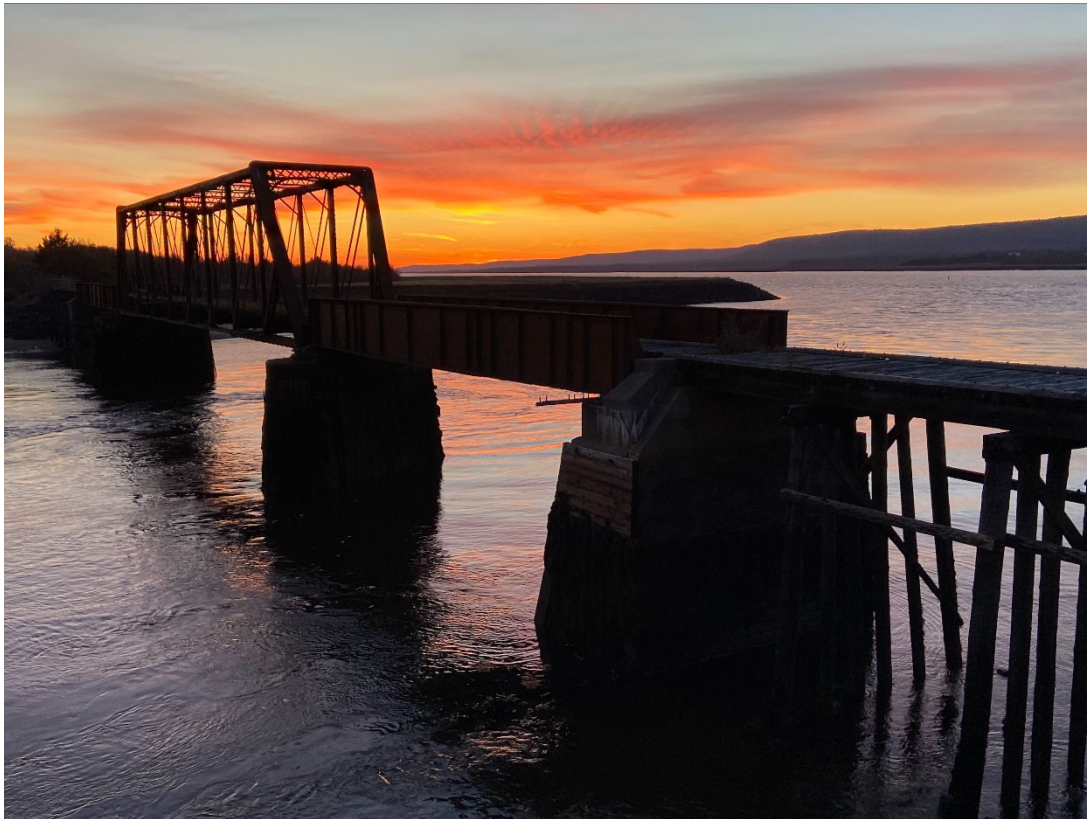




COUNTY *of* ANNAPOLIS
NATURALLY ROOTED

Consolidated Financial Statements

For the fiscal year April 1, 2022 – March 31, 2023



COUNTY *of* ANNAPOLIS
NATURALLY ROOTED

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Municipality of the County of Annapolis

Consolidated Financial Statements

March 31, 2023

Management's Responsibility for the Consolidated Financial Statements

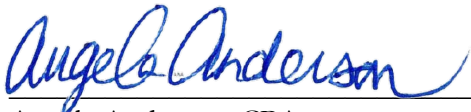
The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards, and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all of the notes to the consolidated financial statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the consolidated financial statements. A summary of the significant accounting policies are described in Note 1 to the consolidated financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced. The internal controls are designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the consolidated financial statements.

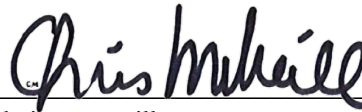
The Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control, and exercises these responsibilities through the Audit Committee. The Council reviews internal consolidated financial statements on a monthly basis and external audited consolidated financial statements annually. The Audit Committee also discuss any significant financial reporting or internal control matters prior to their approval of the consolidated financial statements.

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 Shelburne and meet when required. The accompanying 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 County of Annapolis



Angela Anderson, CPA
Director of Finance/Treasurer



Chris McNeill
Chief Administrative Officer

July 16, 2024

Independent Auditor's Report

To the Council of Municipality of the County of Annapolis

Grant Thornton LLP
Nova Centre, North Tower
Suite 1000, 1675 Grafton Street
Halifax, NS
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F +1 902 420 1068

Opinion

We have audited the consolidated financial statements of Municipality of the County of Annapolis ("the Municipality"), which comprise the consolidated statement of financial position as at March 31, 2023, and the consolidated statements of operations, change in net financial assets and cash flow for the year then ended, and notes to the consolidated 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 Municipality of the County of Annapolis as at March 31, 2023, and its results of operations, its changes in its 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 Consolidated Financial Statements* section of our report. We are independent of the Municipality in accordance with the ethical requirements that are relevant to our audit of the consolidated 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 Matter – Supplementary Information

Our audit was conducted for the purposes of forming an opinion on the financial statements taken as a whole. The schedules starting on page 24 are presented for purposes of additional information and is not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements, and, accordingly, we express no opinion on it.

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 consolidated 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 Municipality'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 Municipality or to cease operations, or has no realistic alternative but to do so.

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

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 Municipality'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 Municipality'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 consolidated 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 Municipality 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 consolidated 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 group 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 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.

The logo for Grant Thornton LLP, featuring the company name in a stylized, cursive script font.

Halifax, Canada
July 16, 2024

Chartered Professional Accountants

Municipality of the County of Annapolis
Consolidated statement of financial position

March 31

2023

2022

Financial assets

Cash (Note 3)	\$ 14,910,126	\$9,829,529
Investments (Note 3)	4,000,000	9,874,156
Taxes receivable (Note 4)	879,384	678,036
Accounts receivable (Note 5)	<u>3,001,355</u>	<u>4,428,681</u>
	<u>22,790,865</u>	<u>24,810,402</u>

Liabilities

Accounts payable	\$ 3,798,030	8,636,846
Temporary borrowings (Note 13)	3,079,555	1,884,117
Deferred revenue (Note 6)	4,444,942	4,066,144
Tax sale surplus (Note 10)	780,515	683,329
Long term debt (Note 8)	1,712,141	2,286,695
Asset Retirement Obligation (Note 9)	<u>140,869</u>	<u>-</u>
	<u>13,956,052</u>	<u>17,557,131</u>

Net financial assets

8,834,813 7,253,271

Non-financial assets

Tangible capital assets (Note 7)	42,613,155	39,719,945
Assets held for resale	-	600,000
Other assets	<u>58,230</u>	<u>47,273</u>
	<u>42,671,385</u>	<u>40,367,218</u>

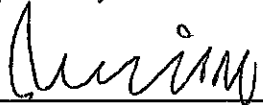
Accumulated surplus

\$ 51,506,198 \$ 47,620,489

Commitments and contingencies (Note 17)

Subsequent events (Note 18)

Approved by the Board:


 Warden


 Chief Administrative Officer

Municipality of the County of Annapolis

Consolidated statement of operations

For the year ended March 31

Budget

2023

2022

Revenue

Taxation	\$ 14,535,293	\$ 15,196,414	\$ 14,385,512
Taxation from other governments	892,522	924,497	885,139
User fees and charges	1,306,214	1,706,127	1,727,454
Government transfers	1,450,453	2,846,295	8,100,871
Investment income	35,700	376,863	68,575
Other revenues	196,800	395,260	804,135
	<u>18,416,982</u>	<u>21,445,456</u>	<u>25,971,686</u>

Expenses

General government	4,798,482	4,278,078	4,282,999
Protective	4,828,753	4,329,739	3,825,753
Transportation	1,879,949	2,240,413	2,120,500
Environmental	3,159,137	3,391,924	3,356,770
Recreation and cultural	742,311	762,983	647,937
Planning and development	644,150	650,612	694,950
Water utility	1,407,919	1,399,297	1,238,863
Transfer to other agencies	30,000	386,531	501,843
	<u>17,490,701</u>	<u>17,439,577</u>	<u>16,669,615</u>

Net revenue	926,281	4,005,879	9,302,071
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Other (revenue) expenses

Loss on disposal of assets (Note 20)		109,292	2,235,536
Accretion Expense		10,878	-
		<u>120,170</u>	<u>2,235,536</u>

Annual surplus		3,885,709	7,066,535
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Accumulated surplus, beginning of year		<u>47,620,489</u>	<u>40,553,954</u>
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Accumulated surplus, end of year		<u>\$ 51,506,198</u>	<u>\$ 47,620,489</u>
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Municipality of the County of Annapolis**Consolidated statement of changes in net financial assets**

For the year ended March 31

2023**2022**

Annual surplus	\$ 3,885,709	\$ 7,066,535
Acquisition of tangible capital assets	(4,041,780)	(14,462,229)
Proceeds of disposal of assets	66,637	17,690,603
Loss on disposal of assets	109,292	2,235,536
Amortization of tangible capital assets	<u>1,572,641</u>	<u>1,351,812</u>
	<u>1,592,499</u>	<u>13,882,257</u>
Change in other assets	<u>(10,957)</u>	<u>5,650</u>
Change in net financial assets	<u>1,581,542</u>	<u>13,887,907</u>
Net financial assets, beginning of year	<u>7,253,271</u>	<u>(6,634,636)</u>
Net financial assets, end of year	<u>\$ 8,834,813</u>	<u>\$ 7,253,271</u>

See accompanying notes to the consolidated financial statements

Municipality of the County of Annapolis

Consolidated statement of cash flows

For the year ended March 31

2023

2022

Increase (decrease) in cash and cash equivalents

Operating activities

Annual surplus	\$ 3,885,709	\$ 7,066,535
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Items not involving cash

Loss on disposal of assets	109,292	2,235,536
Amortization of tangible capital assets	1,572,641	1,351,812
Accretion expense	10,878	-
Revenue from donated assets	-	(4,919,974)

Changes in non-cash operating balances

Taxes receivable	(201,348)	47,704
Accounts receivable	1,427,326	(2,126,705)
Other assets	(10,957)	5,650
Accounts payable	(4,838,816)	3,281,328
Tax sale surplus	97,186	26,821
Deferred revenue	378,798	1,286,869
	<u>2,430,709</u>	<u>8,255,576</u>

Investing activities

Purchase of investments	(4,000,000)	(9,874,156)
Proceeds from investments	9,874,156	-
Acquisition of tangible capital assets	(3,911,789)	(9,542,255)
Proceeds from disposition of tangible capital assets	66,637	17,690,603
	<u>2,029,004</u>	<u>(1,725,808)</u>

Financing activities

Acquisition of short-term debt	1,195,437	3,538,727
Repayment of short-term debt	-	(9,674,494)
Repayment of long-term debt	(574,553)	(541,764)
	<u>620,884</u>	<u>(6,677,531)</u>

Increase (decrease) in cash and cash equivalents	5,080,597	(147,763)
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Cash and cash equivalents, beginning of year	<u>9,829,529</u>	<u>9,977,292</u>
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Cash and cash equivalents, end of year	<u>\$ 14,910,126</u>	<u>\$ 9,829,529</u>
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Municipality of the County of Annapolis

Notes to the consolidated financial statements

March 31, 2023

1. Summary of significant accounting policies

Principles and basis of consolidation

The consolidated financial statements of the Municipality of the County of Annapolis are prepared by management in accordance with Canadian Public Sector Accounting Standards (PSAS), as recommended by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada. Significant aspects of the accounting policies adopted by the Municipality are as follows:

Reporting entity

The consolidated financial statements reflect the assets, liabilities, revenues, expenses and changes in accumulated surplus and in the 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, namely:

- General operating and capital fund;
- Annapolis County Water Utility; and
- Bridgetown Water Utility.

Trust funds administered by the Municipality have not been included in the Consolidated Statement of Financial Position nor have these operations been included in the Consolidated Statement of Operations.

Inter-departmental and inter-organizational transactions and balances between these entities and organizations are eliminated on consolidation.

Basis of accounting

The basis of accounting followed in the consolidated financial statements 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.

Fund accounting

Funds within the consolidated financial statements consist of the operating, capital and reserve funds. Transfers between funds are recorded as adjustments to the appropriate fund balance.

Budget figures

The budget figures contained in these consolidated financial statements were approved by Council on May 3, 2022, in its original fiscal plan.

Valuation allowance

The Municipality provides a valuation allowance for estimated losses that will be incurred in collecting receivables outstanding.

Cash and cash equivalents

Cash and cash equivalents include cash on hand and balances with banks, bank overdrafts, and highly liquid temporary money instruments with original maturities of three months or less. Bank borrowings are considered to be financing activities. Refer to Note 3.

Investments

The Municipality accounts for their current investments at cost. The investments held are principal protected notes, callable annually, with maturity in 10 years.

Municipality of the County of Annapolis

Notes to the consolidated financial statements

March 31, 2023

1. Summary of significant accounting policies (continued)

Use of estimates

The preparation of consolidated financial statements in conformity with PSAS requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Significant items subject to such estimates and assumptions include the carrying amount of tangible capital assets, valuation allowances for receivables, assets and obligations related to employee future benefits. Actual results could differ from those reported.

In addition, the Municipality's implementation of PS3280 Asset Retirement Obligations has resulted in the requirement for management to make estimates regarding the useful lives of the affected tangible capital assets, expected retirement costs, as well as the timing and duration of these costs.

Revenue and expenditure recognition

Sources of financing and expenses are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they are earned and measurable; expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

Tax revenues are property tax billings which are prepared by the Municipality based on assessment rolls. Tax rates are established annually by Municipal Council. Taxes are billed based on the assessment rolls provided by the Property Services Valuation Corporation a non-for-profit organization responsible for assessment under the Nova Scotia Assessment Act. Taxation revenues are recorded at the time tax billings are issued. Assessments and the related property taxes are subject to appeal. Any supplementary billing adjustments made necessary by the determination of such changes will be recognized in the fiscal year they are determined.

The Municipality is entitled to collect interest and penalties on overdue taxes. These revenues are recorded in the period the interest and penalties are levied.

Revenues from services to other governments, sale of services, after fire protection and other revenues are recognized at the time when services are performed and/or when earned as long as amounts can be reasonably estimated, and collection is reasonably assured. Fire protection and other revenues are recognized when received.

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.

Government transfers

Government transfers received are recognized in the consolidated 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.

Municipality of the County of Annapolis

Notes to the consolidated financial statements

March 31, 2023

1. Summary of significant accounting policies (continued)

Government transfers (continued)

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

Deferred revenue

Receipts which are restricted by legislation or agreement with external parties are deferred and reported as restricted revenue on the consolidated financial statements. When qualifying expenses are incurred restricted revenues are brought into revenue at equal amounts. Revenue received in advance of expenses, which will be incurred in a later period, are deferred until they are earned by being matched against these expenses.

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 debt for the year.

Tangible capital assets

Tangible capital assets are recorded at cost less accumulated amortization and impairment, which includes costs that are directly attributable to the acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital asset is amortized using the following rates and bases.

Land improvements	20-25 years
Land rights	75-100 years
Buildings	15-40 years
Engineered assets	25-50 years
Vehicles and equipment	3-20 years
Process equipment	5-20 years
Mains	75-100 years
Meters	20-25 years
Hydrants	50-77 years
Services	50 years
Wells, structures and improvements	30-77 years
Other	25-50 years

Full amount of the annual amortization is charged in the year of acquisition. Assets under construction are not amortized until the asset is available for productive use.

All costs associated with placing an asset in service, including freight, installation costs, site preparation costs, alterations and professional fees are included in the capitalized value.

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 on 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.

Municipality of the County of Annapolis

Notes to the consolidated financial statements

March 31, 2023

1. Summary of significant accounting policies (continued)

Contaminated sites

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

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

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

Asset Retirement Obligations

An asset retirement obligation is recognized when, as of the financial reporting date, the following criteria are met:

- i. there is a legal obligation to incur retirement costs in relation to a tangible capital asset;
- ii. the past transaction or event giving rise to the liability has occurred;
- iii. it is expected that future economic benefits will be given up; and
- iv. a reasonable estimate of the amount can be made.

The liability recognized relates to the remediation of asbestos and lead paint in Municipal facilities. The liability is recognized as the present value of estimated future costs of remediation. It is adjusted annually for accretion expense. The recognition of the liability is coupled with an increase in tangible capital assets and amortized according to the accounting policies in this section.

Segmented information

General government services

Legislative – Municipal Council serves as elected representatives of the Municipality of the County of Annapolis. In this role Council provides strategic direction and policy to guide the Chief Administrative Officer.

Administration – This includes all support functions to the various end user services, such as finance, human resources, information services, clerking functions, and the Chief Administrative Officer. The tasks performed include, but are not limited to recruitment and talent management, budgeting, financial analysis, financial reporting, revenue collection and billings, etc.

Protective services

Policing services are contracted to the Royal Canadian Mounted Police (RCMP) by the Municipality.

Fire services are provided via grants to eleven (11) volunteer fire departments throughout the Municipality to cover its large geographic spread.

Protective services also include animal control, by-law enforcement, emergency management, and building inspections.

Transportation services

Administration and provision of engineering works for linear roads related infrastructure and LED street lighting.

Municipality of the County of Annapolis

Notes to the consolidated financial statements

March 31, 2023

1. Summary of significant accounting policies (continued)

Environmental health services

Environmentally regulated services including wastewater collection and treatment, and solid waste collection (garbage) and recycling.

Public health services

In the Municipality of the County of Annapolis this represents the contribution to Housing Nova Scotia.

Environmental development services

This includes planning and zoning services from development and administration of the associated policies to enforcement of the by-laws and regulations pertaining to the Municipal Planning Strategy.

Recreation and cultural services

Recreation activities are those offered to the residents promoting healthy, active living, and cultural services representing cultural experiences and the Annapolis Valley Regional Library Board.

Water treatment and distribution

The Municipality of the County of Annapolis has two water utilities: The Annapolis County Water Utility and Bridgetown Water Utility. These utilities supply, treat, and distribute clean water to their respective stakeholders.

New accounting standards

As of the date of authorization of these financial statements, several new, but not yet effective accounting standards have been published by the PSAB. None of these standards have been adopted early by the Municipality.

Effective for the fiscal period beginning on April 1, 2022, the Municipality is required to adopt the following Public Sector Accounting standards:

- Section 3280 asset retirement obligations, which establishes the recognition, measurement, and disclosure requirements for reporting liabilities associated with the retirement of capital assets;
- Section 3450 financial instruments, which establishes standards for recognizing and measuring financial assets, financial liabilities and non-financial derivatives; and
- Section 2601 foreign currency translation which establishes standards for recognizing and measuring foreign exchange gains/losses.

Assets held for sale

Assets held for sale are recorded at cost less accumulated amortization and impairment recognized up until the assets were deemed held for sale.

2. Contributions to Boards, Regional Authorities and Other Entities

The Municipality of the County of Annapolis is required to contribute to the various Boards and Regional Authorities, along with the other municipalities in the region, to the extent of its participation based on predetermined formulas.

Housing Nova Scotia

The Municipality paid \$107,456 during 2023 (2022 - \$175,832) as its portion of the deficit for the Housing Corporation.

Municipality of the County of Annapolis

Notes to the consolidated financial statements

March 31, 2023

2. Contributions to Boards, Regional Authorities and Other Entities (continued)

Annapolis Valley Regional Library Board

The Municipality paid \$130,700 during 2023 (2022 - \$130,700) as its share in the operation of the Annapolis Valley Regional Library Board serving Annapolis, Kings, and West Hants.

Annapolis Valley Regional Center for Education

The Municipality paid \$4,045,272 during 2023 (2022 - \$3,955,140) as its portion of the operations of the Annapolis Valley Regional School Board serving Annapolis, Kings, and West Hants.

Inter-municipal Services Agreement (IMSA)

The Municipality was contracted to pay \$67,238 during 2023, however the commencement of the Agreement is on the hire date of the Executive Officer, which was not completed within this fiscal year. Future proportionate obligation under the contract is \$42,368 (Note 17).

3. Cash and cash equivalents

	<u>2023</u>	<u>2022</u>
Unrestricted cash and cash equivalents	\$ 10,781,064	\$ 6,026,040
Restricted cash and cash equivalents	3,348,547	3,120,160
Restricted cash – tax sale surplus	<u>780,515</u>	<u>683,329</u>
	<u>\$ 14,910,126</u>	<u>\$ 9,829,529</u>
Investments:		
GIC – 30 days, 1.00%	\$ -	\$ 4,000,000
GIC – 90 days, 1.25%	-	5,874,156
PPN – 10 years; callable; 6.65% cumulative annual	<u>4,000,000</u>	<u>-</u>
	<u>\$ 4,000,000</u>	<u>\$ 9,874,156</u>

Municipality of the County of Annapolis

Notes to the consolidated financial statements

March 31, 2023

4. Taxes receivable

Taxes have been recorded net of allowance for doubtful accounts of \$12,467 (2022 - \$15,144), representing management's estimate of uncollectible accounts. The taxes receivable balance includes prepayment of taxation and sewer accounts in the amount of \$903,892 (2022 - \$811,942).

	<u>2023</u>	<u>2022</u>
Balance, beginning of year	\$ 693,181	\$ 743,214
Levy	16,335,835	15,287,533
Collections for other governments	336,228	310,381
Interest	143,140	113,734
	<u>17,508,384</u>	<u>16,454,862</u>
Current year collections	16,147,050	15,450,415
Collection for future taxes	(30,640)	(158,314)
Transfer to other governments	335,531	310,381
	<u>16,451,941</u>	<u>15,602,482</u>
Subtotal	<u>1,056,443</u>	<u>852,380</u>
Write offs, adjustments, and exemptions	<u>(164,592)</u>	<u>(159,200)</u>
	891,851	693,180
Valuation allowance	<u>(12,467)</u>	<u>(15,144)</u>
	<u>\$ 879,384</u>	<u>\$ 678,036</u>

5. Accounts receivable

The accounts receivable balance is comprised of the following:

	<u>2023</u>	<u>2022</u>
Due from Provincial Government	\$ 1,198,179	\$ 1,099,899
Due from Federal Government	887,048	893,033
Municipal Housing Corporation	15,060	17,293
Other	901,068	2,418,456
	<u>\$ 3,001,355</u>	<u>\$ 4,428,681</u>

Municipality of the County of Annapolis

Notes to the consolidated financial statements

March 31, 2023

6. Deferred revenue	<u>2023</u>	<u>2022</u>
Taxation and sewer prepayments	\$ 903,892	\$ 811,942
Canada Community Building Fund (Gas Tax)	3,348,548	3,120,160
Other deferred revenues	<u>192,502</u>	<u>134,042</u>
	<u>\$ 4,444,942</u>	<u>\$ 4,066,144</u>

Taxation and sewer prepayments represent any payments for future fiscal years beyond March 31, 2023.

Canada Community Building Fund (CCBF) represents the funds from the Federal Government that have not yet been utilized or applied to specific projects under the terms of the agreement, formerly known as gas tax funds. These remain in deferred revenue until authorized expenditures occur.

Other deferred revenue represents timing differences between generation of funds for a specific purpose and the expenses for the associated good/service.

Municipality of the County of Annapolis

Notes to the consolidated financial statements

March 31, 2023

7. Tangible Capital Assets

	Land/ Land Rights	Land Improvements	Buildings	Engineered Assets	Vehicles/ Equipment	Mains	Water Utility	Wells	Other	Work in Process	2023 Total	2022 Total
Cost												
Beginning of year	\$ 8,551,784	\$ 1,040,419	\$ 8,565,065	\$ 26,636,803	\$ 6,287,348	\$ 6,692,638	\$ 2,312,256	\$ 1,303,194	\$ 298,278	\$ 752,465	\$ 62,440,250	70,518,950
Adjustments/reclassifications	600,000		129,991								729,991	-
Adjusted Balance	9,151,784	1,040,419	8,695,056	26,636,803	6,287,348	6,692,638	2,312,256	1,303,194	298,278	752,465	63,170,241	70,518,950
Acquisitions	508,338	118,288	382,184	705,132	400,607	-	106,759	-	-	1,690,480	3,911,788	14,462,229
Disposals	(2,100)	-	(378,103)	(53,245)	(660,564)	-	(54,180)	-	(59,697)	-	(1,207,889)	(22,540,929)
End of Year	<u>9,658,022</u>	<u>1,158,707</u>	<u>8,699,137</u>	<u>27,288,690</u>	<u>6,027,391</u>	<u>6,692,638</u>	<u>2,364,835</u>	<u>1,303,194</u>	<u>238,581</u>	<u>2,442,945</u>	<u>65,874,140</u>	<u>62,440,250</u>
Accumulated Amortization												
Beginning of year	730,131	405,866	2,310,907	13,752,643	3,042,717	1,319,566	556,156	422,341	179,978	-	22,720,305	23,983,281
Disposals	-	-	(310,837)	(47,680)	(584,080)	-	(29,667)	-	(59,697)	-	(1,031,961)	(2,614,788)
Annual amortization	76,977	93,455	149,569	689,043	375,616	81,134	53,917	43,440	9,490	-	1,572,641	1,351,812
End of Year	<u>807,108</u>	<u>499,321</u>	<u>2,149,639</u>	<u>14,394,006</u>	<u>2,834,253</u>	<u>1,400,700</u>	<u>580,406</u>	<u>465,781</u>	<u>129,771</u>	<u>-</u>	<u>23,260,985</u>	<u>22,720,305</u>
Net Book Value	<u>\$ 8,850,914</u>	<u>\$ 659,386</u>	<u>\$ 6,549,498</u>	<u>\$ 12,894,684</u>	<u>\$ 3,193,138</u>	<u>\$ 5,291,938</u>	<u>\$ 1,784,429</u>	<u>\$ 837,413</u>	<u>\$ 108,810</u>	<u>\$ 2,442,945</u>	<u>42,613,155</u>	<u>39,719,945</u>

The municipality recognized Asset Retirement Obligations (ARO) as an increase in Buildings assets of \$129,991 and a subsequent increase in annual amortization of \$25,316.

Municipality of the County of Annapolis

Notes to the consolidated financial statements

March 31, 2023

8. Long-term debt	<u>2023</u>	<u>2022</u>
Municipal Finance Corporation (MFC) debenture; Variable interest from 4.770%; Annual principal repayments \$106,500 - \$121,500; Maturity 2022.	\$ -	\$ 121,500
MFC debenture; Variable interest from 2.039% - 2.712%; Annual principal payments \$60,000; Maturity 2029.	420,000	480,000
MFC debenture; Variable interest from 2.373% - 2.894%; Annual principal payments \$78,562; Maturity 2025.	235,685	314,247
MFC debenture; Variable interest from 2.373% - 2.894%; Annual principal payments \$37,500; Maturity 2025.	112,500	150,000
MFC debenture; Variable interest from 3.16%; Annual principal payments \$10,100; Maturity 2022.	-	10,100
MFC debenture; Variable interest from 3.16%; Annual principal payments \$2,000; Maturity 2022.	-	2,000
MFC debenture; Variable interest from 3.16%; Annual principal payments \$6,400; Maturity 2022.	-	6,400
MFC debenture; Variable interest from 2.644% - 2.979%; Annual principal payments \$13,667; Maturity 2023.	13,661	27,329
MFC debenture; Variable interest from 3.003% - 3.792%; Annual principal payments \$3,320; Maturity 2024.	6,640	9,960
MFC debenture; Variable interest from 3.003% - 3.792%; Annual principal payments \$6,600; Maturity 2029.	79,200	85,800
Canada Mortgage and Housing Corporation debenture; Interest 3.98%; Annual repayment \$31,513; Maturity 2024.	59,455	87,486
MFC debenture; Variable interest from 5.210%; Annual principal payments \$11,146; Maturity 2022.	-	66,873
MFC debenture; Variable interest from 4.301% - 4.597%; Annual principal payments \$65,000; Maturity 2026.	585,000	650,000
Private Loan authorized by Nova Scotia Department of Municipal Affairs; Non-interest bearing, repayable in six instalments of \$75,000 and one \$50,000; Maturity 2026.	<u>200,000</u>	<u>275,000</u>
	<u>\$ 1,712,141</u>	<u>\$ 2,286,695</u>

Municipality of the County of Annapolis

Notes to the consolidated financial statements

March 31, 2023

8. Long-term debt (continued)

Principal repayments over the next 5 years and thereafter:

2024	\$ 368,791
2025	356,289
2026	297,661
2027	456,600
2028	66,600
Thereafter	<u>166,200</u>
	<u>\$ 1,712,141</u>

All outstanding long-term debt has been authorized by Nova Scotia Department of Municipal Affairs including the private loan listed.

9. Asset Retirement Obligations

A liability has been recognized for the future retirement of facilities owned by the Municipality that may require remediation upon disposal, following adoption of PS 3280 - Asset Retirement Obligations. This obligation applies to hazardous materials present in various facilities such as asbestos and lead paint and would require remediation for health and safety purposes or to meet environmental regulations.

The liability is calculated using the current estimated costs of remediation (\$183,900) inflated using a long term inflation rate of 3.6%. A discount rate of 5.5% has been used to determine the net present value of the liability as of April 1, 2022 (\$129,991) for the purposes of the financial statements and represents current interest rates. The current liability can be funded through the operating reserve if and when required.

	<u>2023</u>	<u>2022</u>
Beginning balance, April 1, 2022	129,991	-
Accretion	<u>10,878</u>	<u>-</u>
Ending Balance, March 31, 2023	<u>\$ 140,869</u>	<u>\$ -</u>

Municipality of the County of Annapolis

Notes to the consolidated financial statements

March 31, 2023

10. Tax sale surplus

The Municipal Government Act requires that all funds received by way of tax sale be held for a period of 20 years. Once that term is expired the funds can be transferred to the capital reserve fund. In 2023 \$5,522 (2022 - \$4,619) was eligible to be transferred to the capital reserve fund.

The tax sale surplus account amounts and the years in which they arose are as follows:

	<u>2023</u>	<u>2022</u>
2003	-	5,522
2004	23,909	23,909
2005	588	588
2006	2,181	2,181
2007	14,122	14,122
2008	34,522	34,522
2009	20,669	20,669
2011	36,244	36,244
2012	27,716	27,716
2013	30,850	30,850
2014	38,320	38,320
2015	20,838	20,838
2016	6,408	6,408
2017	39,726	39,726
2018	13,514	13,514
2019	72,869	72,869
2020	117,983	117,983
2021	79,357	79,357
2022	93,476	93,476
2023	105,721	-
Accumulated Interest	<u>1,502</u>	<u>4,515</u>
	<u>\$ 780,515</u>	<u>\$ 683,329</u>

11. Pension plans

Defined contribution plan

The Municipality currently makes contributions to a pension plan on behalf of employees who have opted to participate in the plan. The pension plan is a defined contribution plan administered by Manulife on behalf of the Municipality. Contributions to this plan are shared by the Municipality and its employees with both contributing 5-9% of base salary. During the year, the Municipality contributed \$278,523 (2022 - \$260,430) toward the pension plan.

12. Employee future benefits – accrued sick leave benefit liability

The Municipality recorded post-employment benefits per PS 3255 in recognition of an approximate liability for sick leave. This was calculated as the total value of sick time outstanding for all employees adjusted for average number of days used in a given year. The total amount of the liability for 2023 is \$28,808 (2022 – \$32,486).

Municipality of the County of Annapolis

Notes to the consolidated financial statements

March 31, 2023

13. Temporary borrowings

The Municipality of the County of Annapolis has one remaining short-term RBC line of credit for projects associated with the Upper Clements property. This includes the previous Gordonstoun project, and the Upper Clements Park demolition for health and safety purposes.

The current debt figure in the consolidated statement of financial position includes bank indebtedness for the water utility in the amount of \$471,415 representing timing differences between receipt of revenues and outlay of expenditures. This is eliminated following the next billing cycle.

	<u>2023</u>	<u>2022</u>
RBC Term Loan; Interest Prime plus 0.75%; Interest only payments; Credit limit \$5,000,000.	<u>\$ 3,079,555</u>	<u>\$ 1,884,117</u>

14. Remuneration

The total remuneration paid to each member of Council and the Chief Administrative Officer (CAO) is as follows for the fiscal period April 1, 2022, to March 31, 2023:

	<u>District</u>	<u>Remuneration</u>	<u>Expenses</u>
Alan Parish, Warden	3	\$ 48,972	\$ -
Michael Gunn, Deputy Warden/Councilor	8	47,535	3,591
Bruce Prout, Councilor	1	37,159	4,649
Brian Connell, Councilor	2	36,415	2,960
Clyde Barteaux, Councilor	4	41,789	8,450
Lynn Longmire, Councilor	5	37,897	6,322
Alex Morrison, Councilor/Warden	6	49,973	11,687
David Hudson, Councilor	7	37,463	3,066
Wendy Sheridan, Councilor	9	41,737	3,272
Brad Redden, Councilor/Deputy Warden	10	42,951	477
Diane LeBlanc, Councilor	11	38,972	6,210
Dustin Enslow, Councilor	3	3,502	75
		<u>\$ 464,365</u>	<u>\$ 50,759</u>
David Dick, CAO		\$ 244,092	\$ 1,128
Doug Patterson, Interim CAO		54,699	-
		<u>\$ 298,791</u>	<u>\$ 1,128</u>

In the 2022/23 fiscal year, re-election occurred for the Warden and Deputy Warden positions. As a result, the new Warden is Alex Morrison, and the new Deputy Warden is Brad Redden. This has been reflected in the part-year salary changes.

15. Water rate of return

Water rate of return for the Annapolis County Water Utility is 1.60% for 2023 (3.25% in 2022) and for the Bridgetown Water Utility is 4.38% (8.41% in 2022).

Municipality of the County of Annapolis

Notes to the consolidated financial statements

March 31, 2023

16. Accumulated surplus

The consolidated statement of financial position is made up of the following fund balances:

	<u>2023</u>	<u>2022</u>
Operating fund	\$ -	\$ -
Capital fund	24,135,131	23,281,318
Capital reserve fund	2,653,103	1,060,501
Operating reserve fund	5,804,539	4,593,458
Special purpose reserves	4,119,316	4,353,884
County of Annapolis Water Utility	9,453,348	9,263,015
Bridgetown Water Utility	2,864,652	2,515,645
Deferred contributions to cash	2,447,301	2,520,168
Accrued sick leave	28,808	32,500
	<u>\$ 51,506,198</u>	<u>\$ 47,620,489</u>

17. Commitments and contingencies

The Municipality has issued a guarantee of several long-term debentures taken by the Valley Waste Resource Management Authority (VWRMA). A guarantee is an obligation to cover the debentures should VWRMA not pay the loan amounts. The value of these loans amounts to \$141,020 (2022 - \$182,931).

In 2021-22 the Municipality entered into a contract via an Inter-municipal Services Agreement (IMSA) with the commitment to pay \$67,238 during 2022-23 and a future proportionate obligation of \$42,368 payable over the subsequent fiscal years.

The Municipality currently has a contract dispute and employment matter dispute. The probability of an unfavourable outcome for each cannot be confirmed at this time, nor can the matters be estimated accurately and are disclosed in the notes section of the financial statements only.

The Municipality is subject to ongoing legal matters; however, the likelihood and magnitude are currently undeterminable and therefore no amounts have yet been accrued.

18. Subsequent events

The following events have occurred subsequent to year-end and may be pertinent to the stakeholders:

The Municipality has sold the Bridgetown School Property in the fiscal year 2023/24 for proceeds of \$250,000.

The Municipality has listed the administration building in the Village of Lawrencetown for sale in the 2022/23 fiscal year. Currently there is a pending sale on the facility.

The Municipality renewed the \$7.2M temporary borrowing resolution for the Upper Clements Park project (formerly referred to as Gordonstoun).

Municipality of the County of Annapolis

Notes to the consolidated financial statements

March 31, 2023

19. Comparative figures

Certain of the prior year figures have been reclassified to conform to the consolidated financial statement presentation adopted for the current year.

20. Loss (Gain) on disposal of assets

During the year the municipality disposed of several assets. The result of all sales was a total loss in the period of \$109,292 (2022 - \$2,235,536).

	<u>2023</u>	<u>2022</u>
Sale of Basinview Property	\$ -	\$ 3,471,272
Internet Sale	-	(1,216,426)
Miscellaneous Disposals	<u>109,292</u>	<u>(19,310)</u>
Total Loss (Gain)	<u>\$ 109,292</u>	<u>\$ 2,235,536</u>

Municipality of the County of Annapolis

Notes to the consolidated financial statements

March 31, 2023

21. Segment disclosures

	General government services	Protective services	Transportation services	Environmental health services	Planning and development services	Recreation & cultural services	Water Utility	Other	2023 Consolidated	2022 Consolidated
Revenues										
Taxes	\$ 12,470,700	\$ 1,112,392	\$ 206,670	\$ 1,406,652	\$ -	\$ -	\$ -	\$ -	\$ 15,196,414	\$ 14,695,893
Payment in lieu of taxes	924,497	-	-	-	-	-	-	-	924,497	885,139
Sales of services	22,352	-	-	600	-	7,874	114,510	-	145,336	17,296
Own sources	211,624	59,310	-	44,656	14,535	502	-	-	330,627	340,973
Unconditional transfers from Other governments	998,667	-	-	-	-	-	-	-	998,667	6,740,192
Conditional transfers from Other governments	839,009	10,712	25,000	-	7,084	59,472	-	906,352	1,847,629	922,264
Other transfers	336,228	-	-	-	-	-	-	-	336,228	438,415
Water rates	-	-	-	-	-	-	1,230,163	-	1,230,163	1,356,862
Interest	311,915	-	-	-	-	-	64,949	-	376,864	85,419
Other	36,250	-	-	21,647	-	-	1,134	-	59,031	489,233
	<u>16,151,242</u>	<u>1,182,414</u>	<u>231,670</u>	<u>1,473,555</u>	<u>21,619</u>	<u>67,848</u>	<u>1,410,757</u>	<u>906,352</u>	<u>21,445,456</u>	<u>25,971,686</u>
Expenses										
Salaries, wages & benefits	2,172,166	564,408	605,049	326,917	480,113	266,689	226,850	-	4,642,192	4,165,278
Operating	1,881,102	3,743,430	1,264,477	2,575,038	165,697	305,367	742,379	397,409	11,074,899	11,073,318
Amortization	122,986	15,212	357,886	501,267	4,802	190,927	379,561	-	1,572,641	1,351,812
Interest	101,823	6,689	13,001	10,460	-	-	28,750	-	160,723	79,207
Loss on disposal of tangible capital assets	5,483	-	70,745	-	-	8,550	24,514	-	109,292	2,235,536
	<u>4,283,560</u>	<u>4,329,739</u>	<u>2,311,158</u>	<u>3,413,682</u>	<u>650,612</u>	<u>771,533</u>	<u>1,402,054</u>	<u>397,409</u>	<u>17,559,747</u>	<u>18,905,151</u>
Annual surplus	<u>\$ 11,867,682</u>	<u>\$ (3,147,325)</u>	<u>\$ (2,079,488)</u>	<u>\$ (1,940,127)</u>	<u>\$ (628,993)</u>	<u>\$ (703,685)</u>	<u>\$ 8,702</u>	<u>\$ 508,943</u>	<u>\$ 3,885,709</u>	<u>\$ 7,066,535</u>



COUNTY *of* ANNAPOLIS
NATURALLY ROOTED

Unaudited Fund Statements

For the fiscal year April 1, 2022 – March 31, 2023



Municipality of the County of Annapolis
Operating Fund - Statement of Financial Position
for the year ended March 31, 2023

	2023	2022
Financial Assets		
Cash and cash equivalents	2,153,992	683,410
Investments	4,000,000	9,230,282
Taxes Receivable	879,384	678,037
Accounts Receivable	1,374,867	1,773,374
Interfund Receivables	5,048,065	3,465,157
	<u>13,456,308</u>	<u>15,830,260</u>
Financial Liabilities		
Bank Indebtedness	-	2,331,269
Accounts Payable	3,588,460	7,863,576
Interfund Payables	6,908,339	657,933
Deferred Revenues	994,999	938,227
Tax Sale Surplus	780,515	683,329
	<u>12,272,313</u>	<u>12,474,334</u>
Net Financial Assets (Liabilities)	<u>1,183,995</u>	<u>3,355,926</u>
Non-Financial Assets		
Prepaid Expenses	58,230	47,273
Change in Surplus	<u>1,242,225</u>	<u>3,403,199</u>
Transfer Surplus to Operating Reserve	<u>(1,242,225)</u>	<u>(3,403,199)</u>
Accumulated Surplus	<u>-</u>	<u>-</u>

Municipality of the County of Annapolis
Operating Fund - Statement of Operations
for the year ended March 31, 2023

	Budget	2023	2022
Revenue			
Property taxation	19,314,273	19,649,683	17,775,852
<i>Less: mandatory expenditures</i>			
Appropriation to school board	(4,000,000)	(4,045,272)	(3,955,140)
Correctional services	(257,783)	(250,534)	(252,728)
Nova Scotia housing	(145,000)	(107,456)	(175,833)
Net Assessable Property Taxation	14,911,490	15,246,420	13,392,151
Grants in Lieu of Taxation	832,886	924,497	885,139
Sales of Services	62,802	30,827	44,306
Other Own Source Revenues	302,118	495,232	1,302,971
Unconditional Grants	1,415,199	998,667	1,820,218
Conditional Grants	93,737	152,268	458,131
Other Revenues	-	116,111	378,874
Other Transfers	329,190	336,228	310,381
	17,947,422	18,300,250	18,592,171
Expenses			
Governance	1,052,846	963,724	823,689
General Government	3,250,091	3,175,373	3,485,738
Protective	5,433,196	5,409,858	4,843,207
Transportation	1,879,949	1,882,527	1,690,483
Environmental Health	3,159,137	3,161,344	2,944,836
Recreation and cultural	594,150	572,056	555,593
Environmental Development	742,212	645,810	691,403
Other transfers	114,616	335,531	303,944
	16,226,197	16,146,223	15,338,893
Net revenue	1,721,225	2,154,027	3,253,278
Other revenue (expenses)			
Debt principal repayment	(360,934)	(324,395)	(345,373)
Transfer to/(from) reserves, funds and own agencies	(578,160)	(587,408)	(350,123)
(Gain)/Loss on asset disposal	-	-	572,552
Transfer current year surplus	-	(1,242,225)	(3,403,199)
	(939,094)	(2,154,028)	(3,526,143)
Opening Fund Balance		-	272,865
Closing Fund Balance		-	-

Municipality of the County of Annapolis
General Capital Fund - Statement of Financial Position
for the year ended March 31, 2023

	2023	2022
Financial Assets		
Cash	325,391	317,046
Investments	-	643,874
Accounts receivable	27,379	124,233
Interfund receivables	742,005	954,238
	1,094,774	2,039,391
Financial Liabilities		
Temporary borrowing	3,079,555	1,884,117
Interfund payables	591,431	850,890
Deferred revenues	84,748	7,757
Interfund debt	53,368	63,122
Long Term debt	1,127,141	1,569,822
Asset Retirement Obligations	140,869	-
	5,077,112	4,375,708
Net Financial Assets (Liabilities)	(3,982,338)	(2,336,317)
Non-Financial Assets		
Tangible capital assets, cost	47,052,528	43,526,571
Accumulated amortization	(18,935,059)	(18,508,939)
Assets held for sale	-	600,000
	28,117,469	25,617,632
Accumulated Surplus	24,135,131	23,281,315

Municipality of the County of Annapolis
General Capital Fund - Statement of Operations
for the year ended March 31, 2023

	2023	2022
Revenue		
Government grants	-	438,415
Other revenue	52,306	1,486
	<u>52,306</u>	<u>439,901</u>
Expenses		
General Government	122,986	89,071
Protective	15,212	24,145
Transportation	357,886	295,321
Environmental Health	501,267	505,269
Recreation and cultural	190,927	92,344
Environmental Development	4,802	5,898
	<u>1,193,080</u>	<u>1,012,048</u>
Net revenue	<u>(1,140,774)</u>	<u>(572,147)</u>
Financing and Transfers		
Other capital	(11,325)	-
Long term debt repayment	321,179	345,373
Accretion Expense - ARO	10,878	-
Interfund transfers - reserves	1,728,403	122,558
Interfund transfers - operations	14,622	235,558
Interfund transfers - trusts	15,611	4,004
Donated assets	-	4,919,974
	<u>2,079,368</u>	<u>5,627,467</u>
Gain (loss) on sale of assets	(84,778)	(2,808,088)
Change in Fund Balance	853,816	2,247,232
Opening Fund Balance	23,281,315	21,034,083
Closing Fund Balance	<u><u>24,135,131</u></u>	<u><u>23,281,315</u></u>

Municipality of the County of Annapolis

Reserve Funds - Statement of Financial Position and Operations

for the year ended March 31, 2023

	Capital Reserve Fund	Operating Reserve	County Sewer	Bridgetown Sewer	Recreation and Culture	Gas Tax	Balance Forward
Assets							
Cash	287,430	1,326,659	763,525	312,146	212,249	3,977,047	6,879,057
Accounts receivable		-				887,048	887,048
Interfund receivables	2,427,404	4,717,180	316,695	41,844	1,253	1,039,698	8,544,074
	2,714,833	6,043,840	1,080,220	353,990	213,503	5,903,793	16,310,179
Liabilities							
Accounts payable						-	-
Deferred revenues							-
Interfund payables	61,731	239,301	416,183	166,794	25,596	2,555,246	3,464,850
	61,731	239,301	416,183	166,794	25,596	2,555,246	3,464,850
Accumulated Surplus	2,653,103	5,804,539	664,037	187,196	187,907	3,348,547	12,845,328
Revenue							
Government Transfers	906,352					887,048	1,793,400
Investment Income	8,523	12,315	21,744	8,890	6,045	130,348	187,864
Other Revenues		130					130
	914,875	12,445	21,744	8,890	6,045	1,017,396	1,981,394
Expenses							
To (From) Operations	(549,287)	(1,242,225)		(40,000)	3,596	119,568	(1,708,348)
To (From) Capital	(128,441)	43,589	(140,239)	166,794	22,000	618,441	582,144
To (From) Water Utility							-
External Transfers						51,000	51,000
	(677,727)	(1,198,636)	(140,239)	126,794	25,596	789,009	(1,075,204)
Change in Fund Balance	1,592,602	1,211,081	161,983	(117,904)	(19,551)	228,387	3,056,598
Opening Fund Balance	1,060,501	4,593,458	502,054	305,100	207,458	3,120,160	9,788,730
Closing Fund Balance	2,653,103	5,804,539	664,037	187,196	187,907	3,348,547	12,845,328

Municipality of the County of Annapolis

Reserve Funds - Statement of Financial Position and Operations

for the year ended March 31, 2023

	<i>Balance Carryforward</i>	Fire Services	LED Streetlight	Parks Levy	Letter of Intent	Safe Restart	2023	2022
Assets								
Cash	6,879,057	1,988,239	158,526	47,105	940,266	107,679	10,120,874	8,325,716
Accounts Receivable	887,048	-			319,420	543	1,207,011	332,473
Interfund Transfers	8,544,074	625,986	42,633	278	5,551		9,218,521	267,423
	16,310,179	2,614,225	201,159	47,383	1,265,238	108,222	20,546,406	8,925,612
Liabilities								
Accounts Payable	-	31,115					31,115	-
Deferred Revenues	-	-					-	61,220
Interfund Transfers	3,464,850	-	3,489	42	1,013,182	108,222	4,589,786	1,374,719
	3,464,850	31,115	3,489	42	1,013,182	108,222	4,620,901	1,435,939
Reserve	12,845,328	2,583,110	197,669	47,342	252,055	-	15,925,505	7,489,673
Revenue								
Government Transfers	1,793,400					-	1,793,400	1,239,064
Investment Income	187,864	57,160	4,515	1,342	26,778	-	277,658	45,663
Other Revenues	130					-	130	6,125
	1,981,394	57,160	4,515	1,342	26,778	-	2,071,189	1,290,852
Expenses								
(To) From Operations	(1,708,348)	(712,972)	(41,697)			-	(2,463,017)	-
(To) From Capital	582,144	129,840		42	973,679	-	1,685,705	970,752
(To) From Water Utility	-					-	-	136,678
External transfers	51,000						51,000	
	(1,075,204)	(583,132)	(41,697)	42	973,679	-	(726,312)	1,107,430
Change in Fund Balance	3,056,598	640,293	46,211	1,300	(946,901)	-	2,797,501	2,398,282
Opening Fund Balance	9,788,730	1,942,817	151,458	46,042	1,198,957		13,128,004	7,306,251
Closing Fund Balance	12,845,328	2,583,110	197,669	47,342	252,055	-	15,925,505	9,704,533

Municipality of the County of Annapolis
Annapolis County Water Operating Fund - Statement of Financial
Position

for the year ended March 31, 2023

	2023	2022
Financial Assets		
Accounts Receivable	240,080	227,831
Other Receivables	716	698,997
Interfund Receivables	420,013	130,144
	<u>660,809</u>	<u>1,056,972</u>
Financial Liabilities		
Bank Indebtedness	471,415	949,384
Accounts Payable	71,727	61,732
Interfund Transfers	414,318	443,207
Internal Financing - Operations	47,495	47,495
	<u>1,004,956</u>	<u>1,501,819</u>
Net Financial Assets (Liabilities)	<u>(344,147)</u>	<u>(444,847)</u>
Accumulated Surplus/(Deficit)	<u>(344,147)</u>	<u>(444,847)</u>

Municipality of the County of Annapolis

Annapolis County Water Operating Fund - Statement of Operations

for the year ended March 31, 2023

	Budget	2023	2022
Revenue			
Water Rates	668,563	705,086	725,550
Sales of Services	104,165	111,960	96,445
Cost Recovery - Fire Protection	170,363	188,506	190,141
	<u>943,091</u>	<u>1,005,552</u>	<u>1,012,136</u>
Expenses			
Source of Supply	21,433	38,845	8,203
Power and Pumping	20,385	4,130	21,118
Treatment	231,388	401,742	302,764
Distribution	169,720	78,295	322,138
Administrative	81,808	63,812	67,943
Amortization	239,633	242,263	204,271
Property Taxes	33,557	32,361	32,323
	<u>797,924</u>	<u>861,447</u>	<u>958,760</u>
Operating Income (loss)	<u>145,167</u>	<u>144,105</u>	<u>53,376</u>
Other revenue (expenses)			
Non-operating revenue	2,083	6,070	247,770
Long term debt	(13,500)	(14,864)	(16,567)
Capital expenditures out of operating	-	(34,612)	(18,750)
	<u>(11,417)</u>	<u>(43,405)</u>	<u>212,453</u>
Change in Fund Balance	<u>133,750</u>	<u>100,700</u>	<u>265,828</u>
Opening Fund Balance	(444,847)	(444,847)	(710,675)
Closing Fund Balance	<u>(311,097)</u>	<u>(344,147)</u>	<u>(444,847)</u>

Municipality of the County of Annapolis
Annapolis County Water Capital Fund - Statement of Financial
Position

for the year ended March 31, 2023

	2023	2022
Financial Assets		
Cash	1,400,130	927,436
Interfund Receivables	6,836	204,270
	<u>1,406,966</u>	<u>1,131,706</u>
Financial Liabilities		
Interfund Payables	568,066	492,281
Loans and advances	40,500	54,000
	<u>608,566</u>	<u>546,281</u>
Net Financial Assets (Liabilities)	<u>798,400</u>	<u>585,425</u>
Non-Financial Assets		
Tangible Capital Assets	12,020,014	11,969,769
Accumulated allowance for depreciation	(2,596,314)	(2,403,639)
Deferred government assistance	(424,605)	(443,694)
	<u>8,999,095</u>	<u>9,122,436</u>
Accumulated Surplus	<u>9,797,495</u>	<u>9,707,861</u>

Municipality of the County of Annapolis
Annapolis County Water Capital Fund - Statement of
Operations

for the year ended March 31, 2023

	2023	2022
Revenue		
Investment income	32,528	4,347
Insurance proceeds	-	214,055
	32,528	218,402
Financing and Transfers		
Repayment of interfund loans	13,500	13,500
Deferred government assistance	19,089	3,073
Interfund transfers	24,515	18,750
	57,103	35,323
Change in Fund Balance	89,631	253,726
Opening Fund Balance	9,707,864	9,454,138
Closing Fund Balance	9,797,495	9,707,864

Municipality of the County of Annapolis
Annapolis County Water Capital Fund Statement of Deferred Contributions

for the year ended March 31, 2023

	2023	2022
Balance, beginning of year	443,693	393,009
Contributions		
Federal Gas Tax	(19,088)	50,000
Canada Water Wastewater Fund	-	3,757
Amortization	-	(3,073)
	<u>(19,088)</u>	<u>50,684</u>
Balance, end of year	<u>424,605</u>	<u>443,693</u>

Municipality of the County of Annapolis
Annapolis County Water Capital Fund Statement of Depreciation Funds

for the year ended March 31, 2023

	2023	2022
Balance, beginning of year	679,836	670,812
Interest income	31,403	4,166
Interfund transfers - depreciation	242,262	204,270
Tangible Capital Assets	(75,316)	(199,412)
	<u>198,349</u>	<u>9,024</u>
Balance, end of year	<u>878,185</u>	<u>679,836</u>
Comprised of		
Cash	1,360,670	888,868
Interfund receivables (payables)	(482,484)	(209,032)
	<u>878,186</u>	<u>679,836</u>

Municipality of the County of Annapolis

Bridgetown Water Operating Fund - Statement of Financial Position

for the year ended March 31, 2023

	2023	2022
Financial Assets		
Cash	389,737	272,165
Accounts Receivable	151,304	151,211
Other Receivables	-	195,952
Interfund receivables	193,170	5,570
	<u>734,211</u>	<u>624,898</u>
Financial Liabilities		
Accounts Payable	62,060	28,345
Interfund Transfers	562,411	494,005
	<u>624,471</u>	<u>522,350</u>
Net Financial Assets (Liabilities)	<u>109,740</u>	<u>102,549</u>
Accumulated Surplus (Deficit)	<u>109,740</u>	<u>102,549</u>

Municipality of the County of Annapolis**Bridgetown Water Operating Fund - Statement of Operations***for the year ended March 31, 2023*

	Budget	2023	2022
Revenue			
Water Rates	536,575	525,077	533,542
Sales of Services	1,850	2,550	1,325
Cost Recovery - Fire Protection	193,502	193,852	193,502
	<u>731,927</u>	<u>721,480</u>	<u>728,369</u>
Expenses			
Source of Supply	23,685	15,096	45,302
Power and Pumping	19,811	10,905	21,226
Treatment	91,653	88,914	73,333
Distribution	127,461	123,428	83,281
Administrative	142,839	198,272	138,555
Amortization	156,138	137,380	135,195
Property taxes	19,691	13,860	17,646
	<u>581,278</u>	<u>587,854</u>	<u>514,538</u>
Operating Income (loss)	<u>150,649</u>	<u>133,625</u>	<u>213,831</u>
Other revenue (expenses)			
Other revenue	2,695	4,683	3,451
Long term debt	(118,344)	(131,117)	(114,299)
	<u>(115,649)</u>	<u>(126,435)</u>	<u>(110,848)</u>
Annual Surplus	<u>35,000</u>	<u>7,191</u>	<u>102,983</u>
Opening Fund Balance	102,549	102,549	(434)
Closing Fund Balance	<u>137,549</u>	<u>109,740</u>	<u>102,549</u>

Municipality of the County of Annapolis

Bridgetown Water Capital Fund - Statement of Financial Position

for the year ended March 31, 2023

	2023	2022
Financial Assets		
Cash	991,417	694,014
Interfund Receivables	5,205	141,216
	<u>996,621</u>	<u>835,230</u>
Financial Liabilities		
Interfund Payables	705,999	249,207
Long term debt	585,000	716,873
	<u>1,290,999</u>	<u>966,080</u>
Net Financial Assets (Liabilities)	<u>(294,378)</u>	<u>(130,850)</u>
Non-financial Assets		
Capital Assets, cost	6,931,586	6,443,147
Accumulated Amortization	(1,859,599)	(1,807,724)
Deferred Contributions	(2,022,696)	(2,091,477)
	<u>3,049,290</u>	<u>2,543,946</u>
Accumulated Surplus	<u>2,754,913</u>	<u>2,413,096</u>

Municipality of the County of Annapolis

Bridgetown Water Capital Fund - Statement of Operations

for the year ended March 31, 2023

	2023	2022
Revenue		
Investment Income	24,014	3,252
Other Revenue	-	68,783
	<u>24,014</u>	<u>72,035</u>
Operating Income (loss)	<u>24,014</u>	<u>72,035</u>
Other revenue (expenses)		
Long term debt	131,873	79,392
Gain/loss on asset disposal	(24,514)	-
Interfund transfers	141,663	-
Deferred contributions	68,780	-
	<u>317,803</u>	<u>79,392</u>
Annual Surplus	<u>341,817</u>	<u>151,427</u>
Opening Fund Balance	2,413,096	2,261,669
Closing Fund Balance	<u>2,754,913</u>	<u>2,413,096</u>

Municipality of the County of Annapolis

Bridgetown Water Capital Fund Statement of Deferred Contributions

for the year ended March 31, 2023

	2023	2022
Balance, beginning of year	2,091,477	2,160,259
Amortization	(68,781)	(68,782)
	(68,781)	(68,782)
Balance, end of year	2,022,696	2,091,477

Municipality of the County of Annapolis

Bridgetown Water Capital Fund Statement of Depreciation Funds

for the year ended March 31, 2023

	2023	2022
Balance, beginning of year	696,405	564,821
Interest income	9,922	2,326
Interfund transfers - depreciation	141,665	146,825
Tangible Capital Assets	(389)	(17,567)
	151,198	131,584
Balance, end of year	847,603	696,405
Comprised of		
Cash	991,027	690,384
Interfund receivables (payables)	(153,335)	6,021
	847,603	696,405