



COUNTY *of* ANNAPOLIS
NATURALLY ROOTED

Consolidated Financial Statements

For the fiscal year April 1, 2021 – March 31, 2022



COUNTY *of* ANNAPOLIS
NATURALLY ROOTED

Contents

	Page
Management's responsibility letter	1
Independent auditor's report	2-3
Consolidated statement of financial position	4
Consolidated statement of operation	5
Consolidated statement of changes in net financial assets	6
Consolidated statement of cash flows	7
Notes to the consolidated financial statements	8-21
Fund statements (unaudited)	23-38



COUNTY of ANNAPOLIS

NATURALLY ROOTED

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October 3, 2023

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 the Canadian public sector accounting standards and the integrity and objectivity of these statements is management's responsibility. Management is also responsible for all of the notes to the consolidated financial statements and supplementary schedules herein enclosed. A summary of the significant accounting policies are described in Note 1 to the consolidated financial statements and details the approach for the use of estimates. Estimates are necessary and based on management's professional judgement, particularly when transactions affecting the current accounting period cannot be finalized until future years.

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

Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal controls and exercises these responsibilities through the Audit Committee. Council reviews internal financial statements on a regular basis and external audited consolidated financial statements annually. The Audit Committee also discusses 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 as to whether the financial statements are free from material misstatement. The external auditors have full and free access to the financial management of the Municipality of the County of Annapolis. The accompanying Auditor's Report outlines their responsibilities, scope of their examination, and their opinion on the consolidated financial statements.

On behalf of the Municipality of the County of Annapolis

Chris McNeill
Chief Administrative Officer

Angela Anderson, CPA
Director of Finance

Independent Auditor's Report

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To the Council of Municipality of the County of Annapolis

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, 2022, 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, 2022, 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 23 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.

Grant Thornton LLP

Halifax, Canada
October 3, 2023

Chartered Professional Accountants

Municipality of the County of Annapolis

Consolidated statement of financial position

March 31

2022

2021

Financial assets

Cash (Note 3)	\$ 9,829,529	\$ 9,977,292
Investments (Note 3)	9,874,156	-
Taxes receivable (Note 4)	678,036	725,740
Accounts receivable (Note 5)	4,428,681	2,301,976
	<u>24,810,402</u>	<u>13,005,008</u>

Liabilities

Accounts payable	\$ 8,636,846	\$ 5,355,518
Temporary borrowings (Note 12)	1,884,117	8,019,884
Deferred revenue (Note 6)	4,066,144	2,779,275
Tax sale surplus (Note 9)	683,329	656,508
Long term debt (Note 8)	2,286,695	2,828,459
	<u>17,557,131</u>	<u>19,639,644</u>

Net financial assets (debt)

7,253,271 (6,634,636)

Non-financial assets

Tangible capital assets (Note 7)	39,719,945	46,535,667
Assets held for resale	600,000	600,000
Other assets	47,273	52,923
	<u>40,367,218</u>	<u>47,188,590</u>

Accumulated surplus

\$ 47,620,489 \$ 40,553,954

Commitments and contingencies (Note 16)

Subsequent events (Note 17)

Approved by Municipal Council:

Warden

Municipal Clerk

Municipality of the County of Annapolis

Consolidated statement of operations

For the year ended March 31

Budget

2022

2021

Revenue

Taxation	\$ 14,813,807	\$ 14,695,893	\$ 13,353,528
Taxation from other governments	331,412	885,139	323,376
User fees and charges	1,845,943	1,727,454	1,842,961
Government transfers	1,038,264	8,100,871	4,291,946
Investment income	45,000	68,575	43,841
Other revenues	524,888	493,754	63,623
	<u>18,599,314</u>	<u>25,971,686</u>	<u>19,919,275</u>

Expenses

General government	4,004,056	4,282,999	4,140,922
Protective	5,415,419	3,825,753	3,639,433
Transportation	1,640,477	2,120,500	1,771,348
Environmental	3,116,129	3,356,770	4,208,800
Recreation and cultural	1,553,301	647,937	1,461,055
Planning and development	1,162,052	694,950	417,371
Water utility	1,364,910	1,238,863	1,033,684
Transfer to other agencies	396,728	501,843	205,642
Uncollectible accounts	-	-	1,314,154
	<u>18,653,072</u>	<u>16,669,615</u>	<u>18,192,409</u>

Net revenue (53,758) **9,302,071** 1,726,866

Other (revenue) expenses

Loss on sale of assets (Note 18) **2,235,536** -

Annual surplus **7,066,535** 1,726,866

Accumulated surplus, beginning of year **40,553,954** 38,827,088

Accumulated surplus, end of year **\$ 47,620,489** **\$ 40,553,954**

Municipality of the County of Annapolis**Consolidated statement of changes in net financial assets**

For the year ended March 31

2022**2021**

Annual surplus	\$ 7,066,535	\$ 1,726,866
Acquisition of tangible capital assets	(14,462,229)	(9,610,453)
Purchase of assets for resale	-	(600,000)
Transfer of property acquired at tax sale	-	5,161
Proceeds of disposal of assets	17,690,603	-
Loss (gain) on sale of tangible capital assets	2,235,536	-
Amortization of tangible capital assets	1,351,812	1,491,786
	<u>13,882,257</u>	<u>(6,986,640)</u>
 Change in inventory and prepaid expenses	 <u>5,650</u>	 <u>(594,083)</u>
 Change in net financial assets	 <u>13,887,907</u>	 <u>(7,580,723)</u>
 Net financial assets, beginning of year	 <u>(6,634,636)</u>	 <u>946,087</u>
 Net financial assets, end of year	 <u>\$ 7,253,271</u>	 <u>\$ (6,634,636)</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

2022

2021

Increase (decrease) in cash and cash equivalents

Operating activities

Annual surplus \$ 7,066,535 \$ 1,726,866

Items not involving cash

Loss (gain) on sale of tangible capital assets 2,235,536 -

Amortization of tangible capital assets 1,351,812 1,491,786

Revenue from donated assets (4,919,974) -

Changes in non-cash operating balances

Taxes receivable 47,704 (2,549)

Accounts receivable (2,126,705) 223,688

Prepaid expenses 5,650 5,917

Accounts payable 3,281,328 4,197,149

Tax sale surplus 26,821 -

Deferred revenue 1,286,869 (579,046)

8,255,576 7,063,811

Investing activities

Purchase of investments (9,874,156) -

Acquisition of tangible capital assets (9,542,255) (10,210,453)

Purchase of assets held for resale - (600,000)

Proceeds from disposition of tangible capital assets 17,690,603 -

(1,725,808) (10,810,453)

Financing activities

Acquisition of short-term debt 3,538,727 6,163,486

Repayment of short-term debt (9,674,494) -

Repayment of long-term debt (541,764) (535,230)

(6,677,531) 5,628,256

Increase (decrease) in cash and cash equivalents

(147,763) 1,881,614

Cash and cash equivalents, beginning of year

9,977,292 8,095,678

Cash and cash equivalents, end of year

\$ 9,829,529 \$ 9,977,292

Municipality of the County of Annapolis

Notes to the consolidated financial statements

March 31, 2022

1. Summary of significant accounting policies

Principals 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 April 20, 2021 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 Guaranteed Investment Certificates (GIC) with maturity dates of three months or less with guaranteed returns.

Municipality of the County of Annapolis

Notes to the consolidated financial statements

March 31, 2022

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.

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.

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

Municipality of the County of Annapolis

Notes to the consolidated financial statements

March 31, 2022

1. Summary of significant accounting policies (continued)

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, 2022

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 at March 31, 2022 there are no known contaminated sites identified.

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 includes 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.

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 offer to the residents promoting healthy, active living, and cultural services represent cultural experience and the Annapolis Valley Regional Library Board.

Municipality of the County of Annapolis

Notes to the consolidated financial statements

March 31, 2022

1. Summary of significant accounting policies (continued)

Segmented information (continued)

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, 1201 financial statement

The Municipality is in the process of determining the impact of these new sections on the financial statements.

Assets held for resale

Assets held for sale are recorded at cost less accumulated amortization and impairment recognized up until the assets were deemed held for sale. Upon classification as held for sale, the assets are no longer amortized.

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 \$175,832 during 2022 (2021 - \$132,593) as its portion of the deficit for the Housing Corporation.

Annapolis Valley Regional Library Board

The Municipality paid \$130,700 during 2022 (2021 - \$120,718) 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 \$3,955,140 during 2021-22 (2020-21 - \$3,852,036) as its portion of the operation of the Annapolis Valley Regional School Board serving Annapolis, Kings, and West Hants.

Inter-municipal Services Agreement (IMSA)

The Municipality was contracted to pay \$24,870 during 2021-22, however the commencement of the Agreement is on the hire date of the Executive Officer, which was not completed within this fiscal. Future proportionate obligation under the contract is \$134,476 (Note 16).

Municipality of the County of Annapolis

Notes to the consolidated financial statements

March 31, 2022

3. Cash and cash equivalents	<u>2022</u>	<u>2021</u>
Unrestricted cash and cash equivalents	\$ 5,169,153	\$ 6,213,467
Restricted cash and cash equivalents	3,977,047	3,107,317
Restricted cash – tax sale surplus	<u>683,329</u>	<u>656,508</u>
	<u>\$ 9,829,529</u>	<u>\$ 9,977,292</u>
Investments:		
GIC – 30 days, 1.00%	\$ 4,000,000	-
GIC – 90 days, 1.25%	<u>5,874,156</u>	<u>-</u>
	<u>\$ 9,874,156</u>	<u>-</u>

4. Taxes receivable

Taxes have been recorded net of allowance for doubtful accounts of \$15,144 (2021 - \$17,474), representing management's estimate of uncollectible accounts. The taxes receivable balance includes prepayment of taxation and sewer accounts in the amount of \$756,431

	<u>2022</u>	<u>2021</u>
Balance, beginning of year	\$ 743,214	\$ 224,155
Levy	15,287,533	14,835,097
Collections for other governments	310,381	305,163
Interest	<u>113,734</u>	<u>-</u>
	<u>16,454,862</u>	<u>15,364,415</u>
Current year collections	15,450,415	14,809,466
Collection for future taxes	(158,314)	(653,627)
Transfer to other governments	<u>310,381</u>	<u>305,163</u>
	<u>15,602,482</u>	<u>14,461,002</u>
Subtotal	<u>852,380</u>	<u>903,413</u>
Write offs, adjustments, and exemptions	<u>(159,200)</u>	<u>(160,199)</u>
	<u>693,180</u>	<u>743,214</u>
Valuation allowance	<u>(15,144)</u>	<u>(17,474)</u>
	<u>\$ 678,036</u>	<u>\$ 725,740</u>

Municipality of the County of Annapolis

Notes to the consolidated financial statements

March 31, 2022

5. Accounts receivable

The accounts receivable balance is comprised of the following:

	<u>2022</u>	<u>2021</u>
Due from Provincial Government	\$ 1,986,947	\$ 463,077
Due from Federal Government	5,985	739,285
Municipal Housing Corporation	17,293	18,072
Other	<u>2,418,456</u>	<u>1,081,542</u>
	<u>\$ 4,428,681</u>	<u>\$ 2,301,976</u>

6. Deferred revenue

	<u>2022</u>	<u>2021</u>
Taxation and sewer prepayments	\$ 811,942	\$ 691,217
Canada Community Building Fund (Gas Tax)	3,120,160	2,015,137
Other deferred revenues	<u>134,042</u>	<u>72,921</u>
	<u>\$ 4,066,144</u>	<u>\$ 2,779,275</u>

Taxation and sewer prepayments represents any payments for future fiscal years beyond March 31, 2022.

Gas Tax represents the funds from the Federal Government that have not yet been utilized or applied to specific projects under the terms of the Gas Tax Agreement. 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, 2022

7. Tangible capital assets

	Land and land rights	Land improvements	Buildings	Engineered assets	Vehicles & equipment	Process equipment	Mains	Meters	Hydrants	Services	Structures & improvements	Wells	Other	Work in In process	2022 total	2021 total
Cost																
Beginning of year	\$ 6,187,804	\$ 1,006,224	\$ 10,620,345	\$ 27,407,287	\$ 3,454,897	\$ 1,797,382	\$ 6,692,638	\$ 406,383	\$ 294,226	\$ 394,285	\$ 1,180,044	\$ 1,299,901	\$ 298,278	\$ 9,479,256	\$ 70,518,950	\$ 60,313,659
Acquisitions	2,363,980	224,904	2,622,512	218,723	1,131,444	223,837	-	28,266	15,935	-	-	3,293	-	7,629,335	14,462,229	10,210,453
Disposals	-	(190,709)	(4,677,792)	(989,207)	(320,212)	-	-	-	(6,883)	-	-	-	-	(16,356,126)	(22,540,929)	(5,166)
End of year	<u>8,551,784</u>	<u>1,040,419</u>	<u>8,565,065</u>	<u>26,636,803</u>	<u>4,266,129</u>	<u>2,021,219</u>	<u>6,692,638</u>	<u>434,649</u>	<u>303,278</u>	<u>394,285</u>	<u>1,180,044</u>	<u>1,303,194</u>	<u>298,278</u>	<u>752,465</u>	62,440,250	70,518,946
Accumulated amortization																
Beginning of year	653,333	382,562	3,628,365	13,954,342	2,334,387	734,063	1,238,626	190,492	42,228	46,963	231,856	379,054	167,010	-	23,983,281	22,491,493
Disposals	-	(14,099)	(1,446,554)	(841,353)	(305,899)	-	-	-	(6,883)	-	-	-	-	-	(2,614,788)	-
Annual amortization	76,798	37,403	129,096	639,654	203,846	76,320	80,940	17,169	2,245	6,825	25,261	43,287	12,968	-	1,351,812	1,491,786
End of year	<u>730,131</u>	<u>405,866</u>	<u>2,310,907</u>	<u>13,752,643</u>	<u>2,232,334</u>	<u>810,383</u>	<u>1,319,566</u>	<u>207,661</u>	<u>37,590</u>	<u>53,788</u>	<u>257,117</u>	<u>422,341</u>	<u>179,978</u>	-	22,720,305	23,983,279
Net book value	<u>\$ 7,821,653</u>	<u>\$ 634,553</u>	<u>\$ 6,254,158</u>	<u>\$ 12,884,160</u>	<u>\$ 2,033,795</u>	<u>\$ 1,210,836</u>	<u>\$ 5,373,072</u>	<u>\$ 226,988</u>	<u>\$ 265,688</u>	<u>\$ 340,497</u>	<u>\$ 922,927</u>	<u>\$ 880,853</u>	<u>\$ 118,300</u>	<u>\$ 752,465</u>	\$ 39,719,945	\$ 46,535,667

The municipality recognized a donated asset for receipt of the Sports Hub from the Province of Nova Scotia. The value of the Sports Hub at acquisition was \$4,916,974 and makes up a substantial portion of the acquisitions in land, land improvements, and buildings.

Municipality of the County of Annapolis

Notes to the consolidated financial statements

March 31, 2022

8. Long-term debt	<u>2022</u>	<u>2021</u>
Municipal Finance Corporation (MFC) debenture; Variable interest from 4.760% - 4.770%; Annual principal repayments \$106,500 - \$121,500; Maturity 2022.	\$ 121,500	\$ 238,500
MFC debenture; Variable interest from 1.948% - 2.712%; Annual principal payments \$60,000; Maturity 2029.	480,000	540,000
MFC debenture; Variable interest from 2.134% - 2.894%; Annual principal payments \$78,562; Maturity 2025.	314,247	392,809
MFC debenture; Variable interest from 2.134% - 2.894%; Annual principal payments \$37,500; Maturity 2025.	150,000	187,500
MFC debenture; Variable interest from 3.874% - 4.597%; Annual principal payments \$10,265; Maturity 2021.	-	10,265
MFC debenture; Variable interest from 3.645% - 3.645%; Annual principal payments \$15,000; Maturity 2021.	-	15,000
MFC debenture; Variable interest from 3.00% - 3.16%; Annual principal payments \$10,100; Maturity 2022.	10,100	20,200
MFC debenture; Variable interest from 3.00% - 3.16%; Annual principal payments \$2,000; Maturity 2022.	2,000	4,000
MFC debenture; Variable interest from 3.00% - 3.16%; Annual principal payments \$6,400; Maturity 2022.	6,400	12,800
MFC debenture; Variable interest from 2.644% - 2.979%; Annual principal payments \$13,667; Maturity 2023.	27,329	40,996
MFC debenture; Variable interest from 2.769% - 3.792%; Annual principal payments \$3,320; Maturity 2024.	9,960	13,280
MFC debenture; Variable interest from 2.769% - 3.792%; Annual principal payments \$6,600; Maturity 2029.	85,800	92,400
Canada Mortgage and Housing Corporation debenture; Interest 3.98%; Annual repayment \$31,513; Maturity 2024.	87,486	114,444
MFC debenture; Variable interest from 3.874% - 4.597%; Annual principal payments \$3,246; Maturity 2021.	-	3,246
MFC debenture; Variable interest from 5.190% - 5.210%; Annual principal payments \$11,146; Maturity 2022.	66,873	78,019
MFC debenture; Variable interest from 4.221% - 4.597%; Annual principal payments \$65,000; Maturity 2026.	650,000	715,000

Municipality of the County of Annapolis

Notes to the consolidated financial statements

March 31, 2022

8. Long-term debt (continued)	<u>2022</u>	<u>2021</u>
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>275,000</u>	<u>350,000</u>
	<u>\$ 2,286,695</u>	<u>\$ 2,828,459</u>

Principal repayments over the next 5 years and thereafter:

2023	\$ 574,556
2024	368,792
2025	356,289
2026	297,661
2027	456,600
Thereafter	<u>232,797</u>
	<u>\$ 2,286,695</u>

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

9. 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 2022 \$4,619 (2021 - \$Nil) 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>2022</u>	<u>2021</u>
2002	\$ -	\$ 4,619
2003	5,522	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	76,815	141,751
2021	113,878	113,878
2022	97,130	-
Accumulated Interest	<u>7,508</u>	<u>8,262</u>
	<u>\$ 683,329</u>	<u>\$ 656,508</u>

Municipality of the County of Annapolis

Notes to the consolidated financial statements

March 31, 2022

10. 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 \$260,430 (2021 - \$271,307) toward the pension plan.

11. 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 2022 is \$32,486 (2021 – \$nil).

12. Temporary borrowings

The Municipality of the County of Annapolis had two short-term RBC lines of credit for specific capital projects. The first is for the Gordonstoun School Project and is ongoing with Upper Clements Park redesign. The other line of credit was for the Internet Project, which as of March 29, 2022 has been sold to Xplornet. As a result the line of credit associated with the project has been repaid in full.

	<u>2022</u>	<u>2021</u>
RBC Term Loan; Interest Prime plus 0.75%; Interest only payments; Credit limit \$2,500,000. Gordonstoun School Project.	\$ 1,884,117	\$ 1,808,000
RBC Term Loan; Interest Prime plus 1.00%; Interest only payments; Credit limit \$13,000,000. Internet Project.	<u>-</u>	<u>6,211,884</u>
	<u>\$ 1,884,117</u>	<u>\$ 8,019,884</u>

Municipality of the County of Annapolis

Notes to the consolidated financial statements

March 31, 2022

13. 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, 2021 to March 31, 2022:

	<u>District</u>	<u>Remuneration</u>	<u>Expenses</u>
Alan Parish, Warden	3	\$ 73,045	\$ -
Michael Gunn, Deputy Warden	8	44,448	2,828
Bruce Prout, Councilor	1	33,507	1,754
Brian Connell, Councilor	2	33,507	509
Clyde Barteaux, Councilor	4	33,507	500
Lynn Longmire, Councilor	5	33,507	252
Alex Morrison, Councilor	6	36,522	2,302
David Hundson, Councilor	7	36,522	653
Wendy Sheridan, Councilor	9	33,507	810
Brad Redden, Councilor	10	33,507	35
Diane LeBlanc, Councilor	11	33,507	1,837
		<u>\$ 425,086</u>	<u>\$ 11,480</u>
Louis Coutinho, CAO		\$ 19,800	\$ 2,025
David Dick, CAO		153,688	1,730
		<u>\$ 173,488</u>	<u>\$ 3,755</u>

14. Water rate of return

Water rate of return for the Annapolis County Water Utility is 3.25% for 2022 (2.94% in 2021) and for the Bridgetown Water Utility is 8.41% (10.37% in 2021).

15. Accumulated surplus

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

	<u>2022</u>	<u>2021</u>
Operating fund	\$ -	\$ 272,865
Capital fund	23,281,318	21,248,586
Capital reserve fund	1,060,501	184,489
Canada Community Building Fund	-	2
Operating reserve fund	4,593,458	1,317,025
Special purpose reserves	4,353,884	3,973,023
County of Annapolis Water Utility	9,263,015	9,136,469
Bridgetown Water Utility	2,515,645	4,421,495
Deferred contributions to cash	2,520,168	-
Accrued sick leave	32,500	-
	<u>\$ 47,620,489</u>	<u>\$ 40,553,954</u>

Municipality of the County of Annapolis

Notes to the consolidated financial statements

March 31, 2022

16. 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 \$182,931 (2021 - \$330,360).

In 2021-22 the Municipality entered into a contract via an Inter-municipal Services Agreement (IMSA) with the commitment to pay \$24,870 during 2021-22 and a future proportionate obligation of \$134,476 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.

17. Subsequent events

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

The Municipality has a pending land sale in regards to the school property in the Town of Bridgetown. Any proceeds will be held for future capital reinvestment in the Town of Bridgetown per the dissolution agreement until 2025.

The Municipality has listed the administration building in the Village of Lawrencetown for sale in the 2022/23 fiscal year.

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

18. Loss (Gain) on disposal of assets

During the year the municipality disposed of several assets including the Basinview Property Sale, the Internet Sale, as well other miscellaneous disposals. The result of all sales was a total loss in the period of \$2,235,536 (2021 – \$Nil). The loss is broken down as follows:

Basinview Property Sale - \$	3,471,272
Internet Sale-	\$ (1,216,426)
Miscellaneous disposals-	\$ (19,310)
Total Loss (gain):	\$ 2,235,536

The sale of Basinview Property resulted in \$100,000 of proceeds and disposition of asset net book value of \$3,571,272 resulting in a loss on sale of \$3,471,272. This was not a cash-based loss, but the reduction of investment in tangible capital assets.

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.

Municipality of the County of Annapolis

Notes to the consolidated financial statements

March 31, 2022

20. Segment disclosures

	General government services	Protective services	Transportation Services	Environmental health services	Planning and development services	Recreation & Cultural services	Water Utility	Other	2022 Consolidated	2021 Consolidated
Revenues										
Taxes	\$ 12,096,293	\$ 1,051,428	\$ 200,895	\$ 1,347,277	\$ -	\$ -	\$ -	\$ -	\$ 14,695,893	\$ 13,353,528
Payment in lieu of taxes	885,139	-	-	-	-	-	-	-	885,139	323,376
Sales of services	14,836	980	-	-	-	1,480	-	-	17,296	50,625
Own sources	246,755	54,697	-	6,346	18,715	14,460	-	-	340,973	508,749
Unconditional transfers from Other governments	1,820,218	-	-	-	-	4,919,974	-	-	6,740,192	1,375,766
Conditional transfers from Other governments	1,790,590	-	-	33,000	(98,809)	43,050	(845,567)	-	922,264	2,916,180
Other transfers	-	-	438,415	-	-	-	-	-	438,415	-
Water rates	-	-	-	-	-	-	1,356,862	-	1,356,862	1,283,587
Interest	70,061	-	-	-	-	-	15,358	-	85,419	43,841
Other	34,787	-	-	-	2,878	4,004	454,446	(6,882)	489,233	63,623
	<u>16,958,679</u>	<u>1,107,105</u>	<u>639,310</u>	<u>1,386,623</u>	<u>(77,216)</u>	<u>4,982,968</u>	<u>981,099</u>	<u>(6,882)</u>	<u>25,971,686</u>	<u>19,919,275</u>
Expenses										
Salaries, wages & benefits	1,951,583	425,515	464,200	325,127	461,196	272,815	264,842	-	4,165,278	4,306,508
Operating	2,241,175	3,368,565	1,343,878	2,505,218	230,207	282,778	599,654	501,843	11,073,318	12,308,646
Amortization	89,071	24,145	295,321	510,991	3,547	92,344	336,393	-	1,351,812	1,491,876
Interest	1,169	7,528	17,101	15,435	-	-	37,974	-	79,207	85,379
Loss on disposal of tangible capital assets	8,521	-	(14,500)	-	(567,418)	3,381,485	-	(572,552)	2,235,536	-
	<u>4,291,519</u>	<u>3,825,753</u>	<u>2,106,000</u>	<u>3,356,771</u>	<u>127,532</u>	<u>4,029,422</u>	<u>1,238,863</u>	<u>(70,709)</u>	<u>18,905,151</u>	<u>18,192,409</u>
Annual surplus	<u>\$ 12,667,160</u>	<u>\$ (2,718,648)</u>	<u>\$ (1,466,690)</u>	<u>\$ (1,970,148)</u>	<u>\$ (204,748)</u>	<u>\$ 953,546</u>	<u>\$ (257,764)</u>	<u>\$ 63,827</u>	<u>\$ 7,066,535</u>	<u>\$ 1,726,866</u>



COUNTY *of* ANNAPOLIS
NATURALLY ROOTED

Unaudited Fund Statements

For the fiscal year April 1, 2021 – March 31, 2022



Municipality of the County of Annapolis
Operating Fund - Statement of Financial Position
for the year ended March 31, 2022
(Unaudited)

	2022	2021
Financial Assets		
Cash	683,410	656,508
Investments	9,230,282	-
Taxes Receivable	678,037	725,616
Accounts Receivable	1,773,374	1,729,404
Interfund Receivables	3,465,157	4,354,599
	<u>15,830,260</u>	<u>7,466,126</u>
Financial Liabilities		
Bank Indebtedness	2,331,269	410,198
Accounts Payable	7,863,576	5,354,863
Interfund Payables	657,933	129,455
Deferred revenues	938,227	695,160
Tax Sale Surplus	683,329	656,508
	<u>12,474,334</u>	<u>7,246,184</u>
Net Financial Assets (Liabilities)	<u>3,355,926</u>	<u>219,942</u>
Non-Financial Assets		
Prepaid Expenses	47,273	52,923
	<u>47,273</u>	<u>52,923</u>
Change in Surplus	<u>3,403,199</u>	<u>272,865</u>
Transfer Surplus to Operating Reserve	3,403,199	-
Accumulated Surplus	<u>-</u>	<u>272,865</u>

Municipality of the County of Annapolis
Operating Fund - Statement of Operations

for the year ended March 31, 2022
(Unaudited)

	Budget	2022	2021
Revenue			
Property taxation	16,487,525	17,775,852	16,170,688
Grants in lieu of taxation	923,659	885,139	838,623
User fees and charges	2,216,844	1,347,277	1,595,564
Conditional government transfers	357,562	458,131	721,867
Unconditional government transfers	1,000,593	1,820,218	1,000,852
Investment income	45,000	20,605	22,724
Other revenues	268,874	358,269	533,226
Other transfers	305,979	310,381	317,953
	<u>21,606,036</u>	<u>22,975,871</u>	<u>21,201,497</u>
Expenses			
Governance	938,558	823,689	934,371
General Government	3,091,226	3,485,738	3,237,220
Protective	5,279,055	5,095,935	4,090,648
Transportation	1,550,764	1,690,483	1,520,210
Environmental	3,041,131	2,944,836	3,873,770
Public health	112,885	175,833	132,593
Recreation and cultural	1,642,083	555,593	1,231,037
Planning and development	1,062,052	691,403	456,114
Education	3,983,604	3,955,140	3,852,036
Other transfers	305,979	303,944	305,163
	<u>21,007,337</u>	<u>19,722,593</u>	<u>19,633,162</u>
Net revenue	<u>598,699</u>	<u>3,253,278</u>	<u>1,568,335</u>
Other revenue (expenses)			
Debt principal repayment	(274,927)	(345,373)	(269,341)
Transfer to/(from) reserves and own agencies	(339,745)	(350,123)	(901,549)
(Gain)/Loss		572,552	-
Transfer current year surplus		(3,403,199)	
	<u>(614,672)</u>	<u>(3,526,143)</u>	<u>(1,170,890)</u>
Opening Fund Balance		272,865	(124,580)
Closing Fund Balance		<u><u>-</u></u>	<u><u>272,865</u></u>

Municipality of the County of Annapolis
Capital Fund - Statement of Financial Position
for the year ended March 31, 2022
(Unaudited)

	2022	2021
Financial Assets		
Investments	643,874	-
Accounts Receivable	121,501	238,501
Interfund Receivables	954,238	7,757
	<u>1,719,613</u>	<u>246,258</u>
Liabilities		
Temporary Borrowing	1,884,117	8,019,884
Accounts Payable	-	2,509,934
Interfund Payables	705,081	194,720
Deferred Revenues	7,757	7,757
Interfund Debt	63,122	72,875
Long Term Debt	965,747	1,171,309
Private Loan	225,000	350,000
	<u>3,850,824</u>	<u>12,326,479</u>
Net Financial Assets (Debt)	<u>(2,131,211)</u>	<u>(12,080,221)</u>
Non-Financial Assets		
Tangible capital assets, cost	34,881,085	43,790,758
Accumulated Amortization	(14,635,557)	(16,438,432)
Assets held for resale	600,000	600,000
	<u>20,845,528</u>	<u>27,952,326</u>
Accumulated Surplus	<u>18,714,317</u>	<u>15,872,105</u>

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

for the year ended March 31, 2022
(Unaudited)

	2022	2021
Revenue		
Government transfers	438,415	15,457
	<u>438,415</u>	<u>15,457</u>
Expenses		
General government	75,348	92,500
Protective	24,145	29,641
Transportation	221,717	272,190
Environmental	405,326	497,596
Recreation and cultural	32,847	40,324
Planning and development	5,899	7,242
Allowance for uncollectibles	-	1,314,154
	<u>765,281</u>	<u>2,253,647</u>
Net Revenues (Expenditures)	<u>(326,866)</u>	<u>(2,238,190)</u>
Financing and Transfers		
Other Capital	500,760	-
Principal loan repayments	213,562	213,562
Transfers (to) from reserves	110,312	1,438,461
Transfer (to) from operations	235,558	121,545
Donated Assets	4,919,974	-
	<u>5,980,166</u>	<u>1,773,568</u>
Gain (loss) on sale of assets	(2,811,088)	-
Change in Fund Balance	<u>2,842,212</u>	<u>(464,622)</u>
Opening Fund Balance	15,872,105	16,395,535
Prior period adjustment		(58,809)
Closing Fund Balance	<u><u>18,714,317</u></u>	<u><u>15,872,105</u></u>

Municipality of the County of Annapolis
Bridgetown Capital Fund - Statement of Financial Position
for the year ended March 31, 2022
(Unaudited)

	2022	2021
Financial Assets		
Cash	317,046	315,560
Accounts Receivable	1,000	-
Loans and advances	1,732	2,732
	<u>319,778</u>	<u>318,292</u>
Liabilities		
Interfund Payables	145,809	22,934
Long-term debt	379,075	510,885
	<u>524,884</u>	<u>533,819</u>
Net Financial Assets (Debt)	<u>(205,106)</u>	<u>(215,527)</u>
Non-Financial Assets		
Tangible capital assets	9,146,246	9,008,599
Accumulated Amortization	(3,873,382)	(3,631,094)
	<u>5,272,864</u>	<u>5,377,505</u>
Accumulated Surplus	<u>5,067,758</u>	<u>5,161,978</u>

Municipality of the County of Annapolis
Bridgetown Capital Fund - Statement of Operations
for the year ended March 31, 2022
(Unaudited)

	2022	2021
Revenue		
Government transfers	-	20,340
Interest income	1,486	1,684
	<u>1,486</u>	<u>22,024</u>
Expenses		
General government	13,723	13,878
Transportation	73,604	74,432
Environmental	99,942	101,066
Recreation and cultural	59,497	60,165
	<u>246,767</u>	<u>249,541</u>
Net Revenues (Expenditures)	<u>(245,281)</u>	<u>(227,517)</u>
Financing and Transfers		
Principal loan repayments	131,810	130,779
Transfers (to) from reserves	16,250	52,266
Gain/ (loss) on sale of asset(s)	3,000	
	<u>151,060</u>	<u>183,045</u>
Change in Fund Balance	<u>(94,222)</u>	<u>(44,472)</u>
Opening Fund Balance	5,161,978	5,206,450
Closing Fund Balance	<u>5,067,756</u>	<u>5,161,978</u>

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

for the year ended March 31, 2022
(Unaudited)

	2022	2021
Financial Assets		
Accounts Receivable	222,741	202,011
Other Receivables	698,997	2,313
Interfund Receivables	135,234	133,995
	<u>1,056,972</u>	<u>338,319</u>
Financial Liabilities		
Bank Indebtedness	949,384	611,577
Accounts Payable	61,732	54,907
Interfund Payables	443,207	191,323
Internal Financing - Operations	47,495	191,188
	<u>1,501,819</u>	<u>1,048,995</u>
Net Financial Assets (Liabilities)	<u>(444,847)</u>	<u>(710,676)</u>
Accumulated Surplus/(Deficit)	<u>(444,847)</u>	<u>(710,676)</u>

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

for the year ended March 31, 2022
(Unaudited)

	Budget	2022	2021
Revenue			
Water Rates	668,563	725,550	630,934
Sales of Services	104,165	96,445	104,966
Cost Recovery - Fire Protection	170,363	190,141	170,363
	<u>943,091</u>	<u>1,012,136</u>	<u>906,263</u>
Expenses			
Source of Supply	21,433	8,203	99,332
Power and Pumping	20,385	21,118	20,191
Treatment	231,388	302,764	249,120
Distribution	169,720	322,138	103,185
Administrative	81,808	67,943	87,771
Amortization	239,633	204,271	155,927
Property Taxes	33,557	32,323	32,040
	<u>797,924</u>	<u>958,760</u>	<u>747,566</u>
Operating Income (loss)	<u>145,167</u>	<u>53,376</u>	<u>158,697</u>
Other revenue (expenses)			
Non-operating revenue	2,083	247,772	2,246
Long term debt	(13,500)	(16,567)	(17,250)
Capital expenditures out of operating	-	(18,750)	-
	<u>(11,417)</u>	<u>212,455</u>	<u>(15,004)</u>
Change in Fund Balance	<u>133,750</u>	<u>265,831</u>	<u>143,692</u>
Opening Fund Balance	(710,677)	(710,677)	(854,369)
Closing Fund Balance	<u>(576,927)</u>	<u>(444,846)</u>	<u>(710,677)</u>

Municipality of the County of Annapolis

Annapolis County Water Capital Fund - Statement of Financial Position

for the year ended March 31, 2022

(Unaudited)

	2022	2021
Financial Assets		
Cash	927,436	923,092
Interfund Receivables	204,270	-
	<u>1,131,706</u>	<u>923,092</u>
Financial Liabilities		
Interfund Payables	492,281	292,869
Loans and advances	54,000	67,500
	<u>546,281</u>	<u>360,369</u>
Net Financial Assets (Liabilities)	<u>585,425</u>	<u>562,723</u>
Non-Financial Assets		
Tangible Capital Assets	11,969,769	11,490,677
Accumulated allowance for depreciation	(2,403,639)	(2,206,252)
Deferred government contributions	(443,694)	(393,009)
	<u>9,122,436</u>	<u>8,891,416</u>
Accumulated Surplus	<u>9,707,861</u>	<u>9,454,139</u>

Municipality of the County of Annapolis

Annapolis County Water Capital Fund - Statement of Operations

for the year ended March 31, 2022

(Unaudited)

	2022	2021
Revenue		
Investment Income	4,347	2,988
Other Revenues	-	4,086
Insurance Proceeds	214,055	10,096
	<u>218,402</u>	<u>17,170</u>
Financing and Transfers		
Repayment of interfund loans	13,500	13,500
Deferred government contributions	3,073	-
Interfund transfers	18,750	-
	<u>35,323</u>	<u>13,500</u>
Change in Fund Balance	<u>253,725</u>	30,671
Opening Fund Balance	9,454,138	9,423,467
Closing Fund Balance	<u>9,707,863</u>	<u>9,454,138</u>

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

for the year ended March 31, 2022
(Unaudited)

	2022	2021
Balance, beginning of year	393,009	244,072
Contributions		
Federal Gas Tax	50,000	136,678
Canada Water Wastewater Fund	3,757	-
Canada/NS Infrastructure		12,259
Amortization	(3,073)	-
	<u>50,684</u>	<u>148,937</u>
Balance, end of year	<u><u>443,693</u></u>	<u><u>393,009</u></u>

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

for the year ended March 31, 2022
(Unaudited)

	2022	2021
Balance, beginning of year	670,812	679,648
Interest income	4,166	2,816
Interfund transfers - depreciation	204,270	155,927
Tangible Capital Assets	(199,412)	(167,579)
	<u>9,024</u>	<u>(8,836)</u>
Balance, end of year	<u><u>679,836</u></u>	<u><u>670,812</u></u>
Comprised of		
Cash	888,868	884,702
Interfund receivables (payables)	(209,032)	(213,890)
	<u><u>679,836</u></u>	<u><u>670,812</u></u>

Municipality of the County of Annapolis
Bridgetown Water Operating Fund - Statement of Financial Position
for the year ended March 31, 2022
(Unaudited)

	2022	2021
Financial Assets		
Cash	272,165	87,426
Accounts Receivable	151,211	146,857
Other Receivables	195,952	926
Interfund receivables	5,570	23,702
	<u>624,898</u>	<u>258,911</u>
Financial Liabilities		
Accounts Payable	28,345	51,061
Interfund Transfers	494,005	92,867
Internal Financing - Operations	-	115,417
	<u>522,350</u>	<u>259,345</u>
Net Financial Assets (Liabilities)	<u>102,548</u>	<u>(434)</u>
Accumulated Surplus (Deficit)	<u>102,548</u>	<u>(434)</u>

Municipality of the County of Annapolis
Bridgetown Water Operating Fund - Statement of Operations
for the year ended March 31, 2022
(Unaudited)

	Budget	2022	2021
Revenue			
Water Rates	536,575	533,542	537,150
Sales of Services	1,850	1,325	9,942
Cost Recovery - Fire Protection	193,502	193,502	193,502
	<u>731,927</u>	<u>728,369</u>	<u>740,594</u>
Expenses			
Source of Supply	23,685	45,302	38,078
Power and Pumping	19,811	21,226	13,200
Treatment	91,653	73,333	86,408
Distribution	127,461	83,281	69,773
Administrative	142,839	138,555	144,231
Amortization	156,138	135,195	146,825
Property taxes	19,691	17,646	17,717
	<u>581,278</u>	<u>514,538</u>	<u>516,232</u>
Operating Income (loss)	<u>150,649</u>	<u>213,831</u>	<u>224,362</u>
Other revenue (expenses)			
Other revenue	2,695	3,451	23,824
Long term debt	(118,344)	(114,299)	(116,402)
	<u>(115,649)</u>	<u>(110,848)</u>	<u>(92,578)</u>
Annual Surplus	<u>35,000</u>	<u>102,983</u>	<u>131,784</u>
Opening Fund Balance	(434)	(434)	(132,218)
Closing Fund Balance	<u>34,566</u>	<u>102,549</u>	<u>(434)</u>

Municipality of the County of Annapolis

Bridgetown Water Capital Fund - Statement of Financial Position

for the year ended March 31, 2022

(Unaudited)

	2022	2021
Financial Assets		
Cash	694,014	690,762
Interfund receivables	141,216	6,021
	<u>835,230</u>	<u>696,783</u>
Financial Liabilities		
Interfund payables	249,207	-
Internal financing - operations	716,873	796,265
	<u>966,080</u>	<u>796,265</u>
Net Financial Assets (Liabilities)	<u>(130,850)</u>	<u>(99,482)</u>
Non-financial Assets		
Capital assets, cost	6,443,147	6,228,914
Accumulated amortization	(1,807,724)	(1,707,504)
Deferred government contributions	(2,091,477)	(2,160,259)
	<u>2,543,946</u>	<u>2,361,151</u>
Accumulated Surplus	<u>2,413,096</u>	<u>2,261,669</u>

Municipality of the County of Annapolis
Bridgetown Water Capital Fund - Statement of Operations
for the year ended March 31, 2022
(Unaudited)

	2022	2021
Revenue		
Investment income	3,252	2,328
Other revenue	68,783	68,807
Insurance proceeds	-	14,055
	<u>72,035</u>	<u>85,190</u>
Operating Income (loss)	<u>72,035</u>	<u>85,190</u>
Other revenue (expenses)		
Long term debt	79,392	79,388
	<u>79,392</u>	<u>79,388</u>
Annual Surplus	<u>151,427</u>	<u>164,578</u>
Opening Fund Balance	2,261,669	2,097,091
Closing Fund Balance	<u><u>2,413,096</u></u>	<u><u>2,261,669</u></u>

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

for the year ended March 31, 2022
(Unaudited)

	2022	2021
Balance, beginning of year	2,160,259	2,229,066
Amortization	(68,782)	(68,807)
	<u>(68,782)</u>	<u>(68,807)</u>
Balance, end of year	<u><u>2,091,477</u></u>	<u><u>2,160,259</u></u>

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

for the year ended March 31, 2022
(Unaudited)

	2022	2021
Balance, beginning of year	696,405	564,821
Interest income	3,251	2,326
Interfund transfers - depreciation	135,195	146,825
Tangible Capital Assets	(249,207)	(17,567)
	<u>(110,761)</u>	<u>131,584</u>
Balance, end of year	<u><u>585,644</u></u>	<u><u>696,405</u></u>
Comprised of		
Cash	693,634	690,384
Interfund receivables (payables)	(107,990)	6,021
	<u><u>585,644</u></u>	<u><u>696,405</u></u>