

Consolidated financial statements

Municipality of the County of Colchester

March 31, 2022

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## Management's responsibility for financial reporting

The accompanying consolidated financial statements of the Municipality of the County of Colchester are the responsibility of management and have been approved by the Mayor and Council.

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards as recommended by the Chartered Professional Accountants of Canada and as such include amounts that are best estimates and judgements of management.

Management is responsible for the integrity and objectivity of these consolidated financial statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

The Mayor and Council are responsible for ensuring that management fulfils its responsibilities for financial reporting and internal control and is ultimately responsible for reviewing and approving the consolidated financial statements.

The Mayor and Council meet periodically with management, as well as with the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the consolidated financial statements and the external independent auditor's report.

The external auditors, Grant Thornton LLP, conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the consolidated financial statements. The external auditors have full and free access to financial management of the Municipality of the County of Colchester and meet when required. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the consolidated financial statements.

On behalf of the Municipality of the County of Colchester



Chief Administrative Officer



Director of Corporate Services

October 13, 2022

# Independent auditor's report

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## To the Mayor and Members of Council of the Municipality of the County of Colchester

### Opinion

We have audited the consolidated financial statements of Municipality of the County of Colchester (“the Entity”) on pages 4-37, which comprise the consolidated statement of financial position as at March 31, 2022, and the consolidated statements of operations and surplus, changes in net financial assets (debt) 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 Colchester as at March 31, 2022, and its results of operations, its changes in its net debt, 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 Entity 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 Matters – Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The supplementary information included on pages 38-41 is presented for purposes of additional information and is not a required part of the consolidated financial statements. Such supplementary information has been subjected to the auditing procedures applied, only to the extent necessary to express an opinion on the audit of consolidated financial statements as a whole.

### Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of 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 Entity's ability to continue as a going concern, disclosing, as applicable, matters related to a going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity'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 Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the 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 Entity and the organizations it controls to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

Truro, Canada  
October 13, 2022

Chartered Professional Accountants



# The Municipality of the County of Colchester

## Consolidated statement of financial position

March 31

2022

2021

### Financial assets

Cash and cash equivalents (Note 1)	\$ <u>26,811,854</u>	\$ <u>25,569,789</u>
Investment (Note 1)	<u>1,558,955</u>	<u>1,400,000</u>
Receivables		
Taxes, net of allowances (Note 2)	2,725,409	2,998,274
Due from federal government and its agencies	1,180,934	333,252
Due from other government entities and its agencies	2,474,546	2,810,606
Other		
Trade account, net of allowances of \$41,227 (2021 - \$53,265)	2,873,072	2,028,136
Frontage rates (Note 4)	<u>22,113</u>	<u>34,153</u>
	<u>9,276,074</u>	<u>8,204,421</u>
Loans and advances	<u>307,585</u>	<u>369,103</u>
Land inventory available for sale (Note 1)	<u>492,468</u>	<u>676,026</u>
	<u>38,446,936</u>	<u>36,219,339</u>

### Financial liabilities

Payables and accruals	<u>3,219,140</u>	<u>3,423,257</u>
Other liabilities		
Accrued pension benefit liability (Note 10)	-	11,416
Accrued sick leave benefit liability (Note 11)	51,618	51,417
Balefill closure liability (Note 9)	2,606,318	2,334,376
Filter replacement	130,799	118,499
Other	<u>650,723</u>	<u>30,973</u>
	<u>3,439,458</u>	<u>2,546,681</u>
Prepayment of taxes	<u>1,988,765</u>	<u>1,793,002</u>
Deferred revenue (Note 5)		
Street improvement rates	15,139	36,142
Colchester Park	3,007,013	3,005,367
Debert Business Park	494,166	494,166
Gas tax	1,634,117	4,636,088
Other deferred revenue	<u>1,126,138</u>	<u>1,166,235</u>
	<u>6,276,573</u>	<u>9,337,998</u>
Tax sale surplus (Note 6)	<u>794,524</u>	<u>515,830</u>
Long term debt (Note 8 and Page 37)	<u>14,382,188</u>	<u>16,095,196</u>
	<u>30,100,648</u>	<u>33,711,964</u>

### Net financial assets

\$ <u>8,346,288</u>	\$ <u>2,507,375</u>
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# The Municipality of the County of Colchester

## Consolidated statement of financial position

March 31

2022

2021

### Non-financial assets (liabilities)

Tangible capital assets (Pages 35 and 36)		
Property and equipment	\$ 226,140,831	\$ 216,664,232
Accumulated amortization	<u>(119,938,816)</u>	<u>(113,884,805)</u>
	106,202,015	102,779,427
Prepays	244,276	224,799
Land inventory under development (Note 1)	3,112,752	2,991,114
Other assets	<u>21,870</u>	<u>40,787</u>
	<u>109,580,913</u>	<u>106,036,127</u>
<b>Accumulated surplus</b>	<b>\$ 117,927,201</b>	<b>\$ 108,543,502</b>

Commitments (Note 12)

Contingencies (Note 17)

On Behalf of The Municipality of the County of Colchester

  
Mayor

  
Chief Administrative Officer



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**Municipality of the County of Colchester**  
**Consolidated statement of changes in net financial**  
**assets (debt)**

Year ended March 31	2022 Budget	2022 Actual	2021 Actual
Annual surplus	\$ 737,819	\$ <b>9,383,699</b>	\$ 8,212,760
Acquisition of tangible capital assets	(11,768,515)	<b>(9,549,054)</b>	(6,181,500)
Amortization of tangible capital assets	6,791,704	<b>6,074,866</b>	6,340,553
Loss on disposal of tangible capital assets	-	<b>51,600</b>	51,300
	<u>(4,976,811)</u>	<u><b>(3,422,588)</b></u>	<u>210,353</u>
Change in land inventory under development	-	<b>(121,638)</b>	418,871
Acquisition of prepaids and other assets, net	-	<b>(560)</b>	255,380
Change in financial assets	(4,238,992)	<b>5,838,913</b>	9,097,364
Net financial assets (debt), beginning of year	749,744	<b>2,507,375</b>	(6,589,989)
Net (debt) financial assets, end of year	\$ <u>(3,489,248)</u>	\$ <u><b>8,346,288</b></u>	\$ <u>2,507,375</u>

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# The Municipality of the County of Colchester

## Consolidated statement of cash flows

Year ended March 31

2022

2021

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Increase (decrease) in cash and cash equivalents

### Operating activities

Annual surplus	\$	9,383,699	\$	8,212,760
Amortization of tangible capital assets		6,074,866		6,340,553
Loss on disposal of tangible capital assets		51,600		51,300
		<u>15,510,165</u>		<u>14,604,613</u>

### Changes in non-cash working capital

Receivables	(1,071,653)	(87)
Loans and advances	61,518	61,518
Prepays and other assets	(560)	255,380
Payables and accruals	(204,117)	(752,190)
Other liabilities	(1,694,191)	(4,368,840)
Land inventory available for sale	183,558	(357,311)
Land inventory under development	(121,638)	418,871
	<u>12,663,082</u>	<u>9,861,954</u>

### Investing activities

Acquisition of tangible capital assets	<u>(9,549,054)</u>	<u>(6,181,500)</u>
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### Financing activities

Purchase of investment	(158,955)	-
Repayment of debt, net of refinancing	<u>(1,713,008)</u>	<u>(1,674,417)</u>
	<u>(1,871,963)</u>	<u>(1,674,417)</u>

Net increase in cash and cash equivalents 1,242,065 2,006,037

Opening, cash and cash equivalents 25,569,789 23,563,752

Closing, cash and cash equivalents \$ 26,811,854 \$ 25,569,789

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# The Municipality of the County of Colchester

## Notes to the consolidated financial statements

March 31, 2022

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### 1. Summary of significant accounting policies

#### **Principles and basis of consolidation**

The consolidated financial statements of the Municipality of the County of Colchester are the representations of management prepared in accordance with Canadian Public Sector Accounting Standards as recommended by CPA Canada Public Sector Accounting Board (PSAB).

#### **Reporting entity**

The consolidated financial statements reflect the assets, liabilities, revenues, expenses and changes in fund balances and in financial position of the reporting entity. The reporting entity is comprised of all operations accountable for the administration of their affairs and resources to the Municipality and which are owned or controlled by the Municipality. These include the Tatamagouche and Debert water operating and capital funds, and the County's proportionate share of the Central Nova Scotia Civic Centre Society (operating as the "Rath Eastlink Community Centre") and Truro/Colchester Regional Enterprise Network.

Interdepartmental and organizational transactions and balances are eliminated.

#### **Basis of accounting**

The basis of accounting followed in the consolidated financial statement presentation includes revenues in the period in which the transactions or events occurred that gave rise to the revenues and expenses in the period in which the good 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 for the general operations, water utility, the proportionate share of the Central Nova Scotia Civic Centre Society and the proportionate share of the Truro/Colchester Regional Enterprise Network.

#### **Budget figures**

The budget figures contained in these consolidated financial statements were approved by Council on April 29, 2021 in its original fiscal plan; they also include budgets prepared and approved by controlled entities and are adjusted for amortization in accordance with Public Sector requirements. Note 16 outlines the original fiscal plan and the adjustments made to come to the budget figures shown in these consolidated financial statements.

#### **Reserves for future expenses**

Certain amounts, as approved by Municipal Council, are set aside in reserves and reserve funds for future operating and capital expenses.

#### **Segmented information**

The Municipality of the County of Colchester is a diversified municipal unit that provides a wide range of services to its residents. For management reporting purposes, the Municipality's operations and activities are organized and reported by fund. This presentation is in accordance with the Provincial Financial Reporting and Accounting Manual and was created for the purpose of recording specific activities to attain certain objectives in accordance with special regulations, restrictions or limitations. Municipal Services are provided by departments and their activity is reported in these funds. The services provided by these departments are as follows:

##### General government services - Administration

This segment is responsible for the overall local government administration. Its tasks include direction for Municipality services, such as planning, engineering, finance, and information technology in adherence to the Municipal Government Act.

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# The Municipality of the County of Colchester

## Notes to the consolidated financial statements

March 31, 2022

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### 1. Summary of significant accounting policies (continued)

#### Segmented information (continued)

##### Protective services

This segment is primarily responsible for police, fire protection and by-law administration for its residents. The Municipality engages the services of various not for profit, volunteer fire departments in order to fulfill its fire protection role. The Municipality collects area rates for each fire department. Other protective services include fees paid to the Province for correctional services.

##### Transportation services

The Municipality is responsible for the maintenance of certain local roads and street lights within its jurisdiction.

##### Environmental health services - Public Works and Solid Waste

This segment is responsible for the maintenance and operations of waste and sewer services provided to residents and other customers. Its tasks include the provision of waste collection through contract, recycling, and composting.

##### Public health services

This segment is to provide financial assistance in the areas of public housing and health services.

##### Environmental development services

This segment is responsible for the issuance of development permits and approving subdivision applications. This segment also includes municipal contributions to the regional economic development authorities, who are mandated to promote development with our respective communities.

##### Recreation and cultural services

This segment is responsible for promoting and offering recreation opportunities and activities to the Municipality's residents, specializing in maintaining and assisting recreational facilities within the Municipality such as parks, rinks, swimming pools, trails and libraries.

##### Water treatment and distribution

This segment manages water treatment and distribution facilities and services within the Municipality and includes activities such as source of supply, power and pumping, water treatment, transmission and distribution.

#### **Revenue recognition**

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-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, water fire protection and other revenues are recognized when services are performed and/or when earned as long as amounts can be reasonably estimated and collection is reasonably assured.

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# The Municipality of the County of Colchester

## Notes to the consolidated financial statements

March 31, 2022

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### 1. Summary of significant accounting policies (continued)

#### Revenue recognition (continued)

All non-government contributions or grant revenues that are externally restricted such that they must be used for a specified purpose are recognized as revenue in the period in which the resources are used for the purpose or purposes specified. Any externally restricted inflow received before the criterion has been met is reported as a liability until the resources are used for the purpose or purposes specified.

Unrestricted revenue is recognized when received or receivable if the amount to be received can be reasonably estimated and ultimate collection is reasonably assured.

The Municipality collected revenue on behalf of the Villages of Bible Hill and Tatamagouche. Revenue collected is not recorded in the consolidated financial statements of the Municipality. The amount collected and remitted to the Villages is \$2,534,022 (2021: \$2,484,605).

#### Use of estimates

The preparation of the consolidated financial statements in conformity with Canadian Public Sector Accounting Standards requires the Municipality's management to make estimates and assumptions that affect the amounts of assets and liabilities and disclosure of contingent liabilities at the date of the consolidated financial statements and reported amounts of revenue and expenses during the year. Estimates in the consolidated financial statements include the allowance for doubtful accounts, amortization expense based on estimated useful lives of tangible capital assets, accrued pension benefit liability, sick leave liability and balefill closure liability, impairment provisions. Actual results could differ from those reported.

#### 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 excess of revenues over expenses, provides the consolidated change in net debt for the year.

#### Cash and cash equivalents (bank indebtedness)

Cash and cash equivalents include unrestricted cash (bank indebtedness) of \$4,513,274 (2021 – \$1,555,004) and internally designated cash of \$22,298,580 (2021 - \$24,014,785). These totals include cash on hand, balances with banks and guarantee investment certificates.

#### Investment

The Municipality accounts for their current investment at cost. The investment held is in the form of principal protected note which is a fixed income security that guarantees a minimum return equal to the Municipality's initial investment.

#### Land inventory under development and available for sale

Since 2012, the Debert Industrial Park has been under development with the intention of selling commercial building lots to developers. The primary object of this venture is to increase commercial tax-based revenues for the Municipality. The development of this land is expected to extend beyond the next 12 months and has been recorded as a non-financial asset. Land inventory available for sale consists of 18.24 acres which is expected to be sold in the next 12 months with a cost of \$492,468. The average cost of land inventory at year-end is \$26,999.

Currently Debert Industrial Park land inventory under development consists of a total cost of \$3,112,752. This consists of 115.29 acres of land. The average cost per acre at year-end is \$26,999. Inventory is recognized at lessor of cost and net realizable value ("NRV"). Inventories held for consumption or use are written down when a reduction in the value of their service potential can be measured and the reduction is expected to be permanent.

# The Municipality of the County of Colchester

## Notes to the consolidated financial statements

March 31, 2022

### 1. Summary of significant accounting policies (continued)

#### Land inventory under development and available for sale (continued)

Land Inventory was tested for impairment during fiscal 2019-20. A market appraisal was obtained to determine the NRV for land inventory. Listed below are the parcels of land held in land inventory with their NRV, the cost per acre and total historical cost, impairment expense recognized during fiscal 2019-2020, and the current asset value for the parcels of land.:

PID#	Acres	NRV	Cost/Acre	Historical cost	Impairment	Carrying value
20117966	10	18,000	35,672	356,718	176,718	180,000
20117966	17	18,000	35,672	606,420	300,420	306,000
20117966	13	18,000	35,672	463,733	229,733	234,000
20153458	2.28	18,000	35,672	81,332	40,292	41,040
20153466	2.94	18,000	35,672	104,875	51,955	52,920
20153490	3.44	18,000	35,672	122,711	60,791	61,920
20153508	5.9	18,000	35,672	210,463	104,263	106,200
20153516	8.9	18,000	35,672	317,479	157,279	160,200
20153649	2.07	18,000	35,672	73,841	36,581	37,260
20464418	10	51,000	35,672	356,718	-	356,718
20465662	20	43,300	35,672	713,435	-	713,435
20465662	18	37,000	35,672	642,092	-	642,092
20465662	20	37,000	35,672	713,435	-	713,435
	<u>133.53</u>			<u>4,763,251.45</u>	<u>1,158,031.09</u>	<u>3,605,220</u>

No reversal or write-downs have occurred for land inventory in fiscal 2021-2022.

The average cost method is used to measure inventory. In 2021-2022, 3.44 acres of PID 20153482 were sold and \$61,920 of land inventory was expensed for this transaction.

#### Financial instruments

The Municipality's financial instruments consist of cash and cash equivalents, investment, receivables, prepaids, loans and advances, payables and accruals, other liabilities and long-term debt and are carried at cost which approximates their fair value.

#### 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.

#### Deferred revenue

Deferred revenue relating to the Colchester and Debert Parks will be recognized in the period that the resources are used for the specified purposes outlined in its agreement and as the Municipality discharges its obligations, in accordance with the terms and conditions of the agreement.

Canada Community Building Fund and other deferred grant revenue will be recognized in the period in which any stipulations and eligibility criteria been met.

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# The Municipality of the County of Colchester

## Notes to the consolidated financial statements

March 31, 2022

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### 1. Summary of significant accounting policies (continued)

#### **Tangible capital assets**

Tangible capital assets are recorded at cost less accumulated amortization and impairment, which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the assets. The cost, less residual value, of the tangible capital assets is amortized on a straight-line basis over the estimated useful life as follows:

	<u>Years</u>
Land improvements	25
Buildings	20 - 40
Machinery and equipment	5 - 20
Vehicles	5
Sewers	50
Sidewalks	20
Roads	25
Landfill	25

No amortization is charged in the year of acquisition. Assets under construction are not amortized until the asset is available for productive use.

#### Contributed capital assets

Tangible capital assets received as contributions are recorded at fair value at the date of receipt and are also recorded as revenue.

#### General and other funds

The Municipality records its capital assets in a separate investment in tangible capital asset fund which consists of the historical asset cost less the related long term debt and accumulated depreciation.

#### Water capital funds

In the Tatamagouche Water Capital Fund and Debert Water Capital Fund, depreciation is also calculated based on approval received from the Nova Scotia Utilities and Review Board (NSUARB). The depreciation charge is transferred to a special bank account in the Water Capital Fund which is used to help fund replacement of existing plant and equipment or subject to approval by the NSUARB, to repay principal of capital debt.

When conditions indicate that a tangible capital asset no longer contributes to the Municipality's ability to provide goods and services, or that the value of future economic benefits associated with the tangible capital asset is less than its net book value, the cost of the tangible capital asset is reduced to reflect the decline in the asset's value. The net write-downs of tangible capital assets are accounted for as expenses in the statement of operations and such write-downs are not reversed.

#### **Allocation of municipal costs to water utility funds**

Where identifiable, costs incurred by the Municipality of the County of Colchester on behalf of the water utilities are charged to the utility funds. Salary and wage related costs are charged directly or allocated in proportion to time spent performing functions on behalf of the water utilities.

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# The Municipality of the County of Colchester

## Notes to the consolidated financial statements

March 31, 2022

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### 1. Summary of significant accounting policies (continued)

#### Employee benefits plans

Employees of the Municipality participate in the Public Service Superannuation Plan ("PSSP"), a contributory pension plan administered by the Pension Services Superannuation Plan Trustee Incorporated, which provides pension benefits based on length of service and earnings. Employer contributions are recognized as an expense in the period (Note 10).

For municipal employees at the Materials Recovery Facility who became employees of the Municipality on December 1, 2010, or who have been hired to work at the facility since that date, participate in a Registered Retirement Savings Plan (RRSP). The managers at the Materials Recovery Facility participate in the PSSP.

#### Solid waste management facilities liabilities

The Municipality accrues landfill closure and post-closure care requirements that include final covering and landscaping of the landfill, pumping of ground water and leachates from the site, and ongoing environmental monitoring, site inspection and maintenance. The reported liability for closure and post-closure care is recognized as the landfill site's capacity is used. Closure costs are included in the annual operating costs as each cell of the landfill site is filled and capped. The present value of the estimated annual post closure costs are being accrued over the remaining life of the landfill site.

Future events may result in significant changes to the estimated total expenses, capacity used or total capacity and the estimated liability, and would be recognized prospectively, as a change in estimate, when applicable.

#### Liability for 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 of the County of Colchester:
  - 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.

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# The Municipality of the County of Colchester

## Notes to the consolidated financial statements

March 31, 2022

2. Taxes receivable	Current Year	Prior Years	2022	2021
			Total	Total
Balance, beginning of year	\$ -	\$ 2,765,660	\$ 2,765,660	\$ 3,051,801
Current year's tax levy	<u>36,828,915</u>	<u>-</u>	<u>36,828,915</u>	<u>36,190,515</u>
	36,828,915	2,765,660	<b>39,594,575</b>	39,242,316
Deduct:				
Current year's collection	34,796,283	1,832,868	<b>36,629,151</b>	36,137,276
Write-offs	-	20,352	<b>20,352</b>	25,711
Reduced taxes	<u>374,235</u>	<u>-</u>	<u>374,235</u>	<u>313,669</u>
	<u>35,170,518</u>	<u>1,853,220</u>	<u><b>37,023,738</b></u>	<u>36,476,656</u>
Balance, end of year	\$ <u>1,658,397</u>	<u>912,440</u>	<u><b>2,570,837</b></u>	<u>2,765,660</u>
Allowance for uncollectible accounts			<b>(160,000)</b>	(160,000)
Interest receivable, end of year			<u><b>314,572</b></u>	<u>392,614</u>
Balance, end of year, including interest			<u><b>\$ 2,725,409</b></u>	<u>\$ 2,998,274</u>

3. Tax collections	2022	2021
Total taxes collected *	\$ <u><b>35,170,518</b></u>	\$ <u>34,462,112</u>
Percentage current period's taxes collected	<u><b>95.5%</b></u>	<u>95.2%</u>

\* Collections include taxes reduced through granting of exemptions.

The tax levy was as follows:

Residential assessments	\$ <u><b>.885</b></u>	\$ <u>.885</u>
Commercial assessments	\$ <u><b>2.28</b></u>	\$ <u>2.28</u>

4. Frontage rates receivable	2022	2021
Street improvements	\$ <b>10,078</b>	\$ 13,695
Hub Centre Drive	<b>5,267</b>	12,091
Interest receivable	<u><b>6,768</b></u>	<u>8,367</u>
Balance, end of year, including interest	\$ <u><b>22,113</b></u>	\$ <u>34,153</u>

# The Municipality of the County of Colchester

## Notes to the consolidated financial statements

March 31, 2022

### 5. Deferred revenue

In the agreement with the former Colchester Regional Development Agency, the Municipality received funds related to the sale of houses in the Colchester Park. These funds including interest earned, less expenditures totals \$3,007,013 (2021 - \$3,005,367) at March 31, 2022. The revenue will be recognized as upgrading and maintenance for the Debert Area infrastructure as it occurs.

The Municipality and the Province of Nova Scotia have signed an agreement which initially turned over the water and sewer operations within the Debert Business Park to the Municipality. As part of this agreement, the province initially turned over \$1,735,000 towards capital upgrades that were in progress at the time of the transfer. The Municipality will recognize these funds as revenue as the related capital upgrades are incurred. During 2022, \$Nil (2021 - \$Nil) has been recognized.

The Province of Nova Scotia signed an agreement with the Federal government which would enable the Province to transfer gas tax rebates to municipalities for specific capital improvements. The program, the Canada Community Building Fund, was to initially run for five years but has been extended past this five-year time frame. In 2022, \$6,416,067 (2021 - \$3,684,359) has been recognized as revenues by the Municipality, of which \$265,510 was transferred to the Village of Bible Hill.

The Federal government, through the provincial government has provided Covid-19 relief through the means of the Safe Restart funding. This funding was provided for items such as lost revenue and personal protective equipment. In 2022, \$86,823 has been recognized as revenues by the Municipality the remaining \$457,998 is included in other deferred revenues.

	Street Improvement Rates	Colchester Park	Debert Business Park	Canada Community Building Fund	Other	Total
Balance, beginning of year	\$36,142	\$3,005,367	\$494,166	\$4,636,088	\$1,166,235	\$9,337,998
Contributions and interest earned	-	1,646	-	3,414,096	251,418	3,667,160
Amounts recognized as revenue	(21,003)	-	-	(6,416,067)	(291,515)	(6,728,585)
Balance, end of year	\$15,139	\$3,007,013	\$494,166	\$1,634,117	\$1,126,138	\$ 6,276,573

### 6. Tax sale surplus

The Municipality is required to hold these funds in the Operating Fund statement of financial position for 20 years. After the expiry date, the cash will then be transferred to the Capital Reserve Fund. Of the total amount of \$794,524, the following can be transferred:

2024	\$ 43,611	2033	\$ 32,669
2025	\$ 7,525	2034	\$ 23,915
2026	\$ 84,304	2035	\$ 2,515
2027	\$ 100,052	2036	\$ 355
2028	\$ 1,790	2037	\$ 12,350
2029	\$ 46,256	2039	\$ 12,352
2030	\$ 13,964	2040	\$ 8,901
2031	\$ 63,039	2041	\$ 39,103
		2042	\$301,823

### 7. Rate of return on rate base

For the year ended March 31, 2022, the Tatamagouche Water Utility had a rate of return on rate base of 5.43% (2021: 3.35%).

For the year ended March 31, 2022, the Debert Water Utility had a rate of return on rate base of 2.10% (2021: (2.62%)).

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# The Municipality of the County of Colchester

## Notes to the consolidated financial statements

March 31, 2022

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### 8. Long term debt

Schedule of consolidated debt changes and term debt is detailed on page 39. Principal repayments in each of the next five years are due as follows:

2023	\$ 4,658,061
2024	\$ 2,639,803
2025	\$ 679,003
2026	\$ 679,003
2027	\$ 678,998

All long term debt outstanding at year end has been properly authorized by Service Nova Scotia and Municipal Relations.

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### 9. Balefill closure liability

The Kempton Balefill facility opened to accept solid waste in July of 1995. The facility's original useful life was estimated by the project consultants at 35 years. A consultant's study completed in 2013 has estimated that the site's useful life is extended to 2086. At that time, the Municipality implemented a closure reserve which would provide funding to remediate the site and to monitor environmental conditions. In 2005, the Municipality recognized the closure as a liability and accordingly, set up the liability in general operations by transferring the reserve fund balance.

The estimated liability for closure and post closure costs at this date is \$14,086,787. At March 31, 2022, the liability balance is \$2,606,318 (2021 - \$2,334,376).

Current capacity of the site is estimated at 4,791,670 cubic meters. At March 31, 2022, 18.50% of the capacity, or 886,548 cubic meters of the site has been used.

It is expected that post closure costs will continue for an indefinite time after closure of the site. The \$14,086,787 closure costs are reviewed annually as cells are capped as the capping of the cells impact the estimated liability closure.

The Municipality constructed the third cell and liner in 2006. Eleven cells are expected to be completed and filled at the time of site closure. The fourth cell construction was completed in fiscal 2015.

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# The Municipality of the County of Colchester

## Notes to the consolidated financial statements

March 31, 2022

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### 10. Employee retirement benefits

In prior years, the Municipality maintained a contributory defined benefit pension plan ("Colchester Plan"), providing pensions based on length of service and annual earnings.

In March 2021, the Municipality and the Public Service Superannuation Plan Trustee Incorporated entered into an agreement (the "Transfer Agreement") to transfer the assets and liabilities of the Colchester Plan into the Nova Scotia Public Service Superannuation Plan (the "PSSP") effective April 1, 2021. On that date, assets and liabilities from the Municipality Pension Plan were transferred to the PSSP and members of the original plan became members of the PSSP.

The PSSP is a contributory multi-employer defined benefit pension plan administered by the Public Service Superannuation Plan Trustee Inc.(PSSPTI).

The PSSP is accounted for as a defined contribution plan as the obligation to pay retirement obligations does not reside with the Municipality. As such, the accrued pension liability as of March 31, 2021 of \$11,416 was adjusted to \$Nil on March 31, 2022.

The PSSP provides pension benefits based on length of service and earnings. The PSSP is funded by equal employee and employer contributions at rates set by PSSPTI. Employer contributions as of March 31, 2022 of \$478,571 (2021: \$565,041) are included in operating expenses.

# The Municipality of the County of Colchester

## Notes to the consolidated financial statements

March 31, 2022

### 11. Sick leave benefit liability

Section 3255 of the CPA Canada Public Sector Accounting Handbook (PS 3255) requires that a liability and expense be recorded for compensated absences that vest or that accumulate. The Municipality has two unionized workforces that have sick benefits that are accumulating and non-vesting. The Municipality also provides sick leave benefits for its non-union employees. However, because the benefit does not vest or accumulate it is not included in the valuation. The valuation was completed as at March 31, 2022.

#### Actuarial Method:

The actuarial cost method used was the "Projected Unit Credit" method (also known as the "Projected Accrued Benefit" method) pro - rated on service.

<b>Components of benefit expense under PS3250:</b>	<u>2022</u>	<u>2021</u>
Current service cost	\$ 6,975	\$ 6,489
Amortization of gains and losses	-	-
Benefit expense	<u>\$ 6,975</u>	<u>\$ 6,489</u>

#### Accrued benefit liability / (asset) on the consolidated statement of financial position:

	<u>2022</u>	<u>2021</u>
Balance, beginning of year	\$ 51,417	\$ 52,938
Benefit expense	6,975	6,489
Interest expense	1,498	1,739
Municipality contribution and adjustments	<u>(8,272)</u>	<u>(9,749)</u>
Balance, end of year (unfunded)	<u>\$ 51,618</u>	<u>\$ 51,417</u>

#### Assumptions:

Discount rate:	3.63% per annum (2021: 2.90%)
Salary increases:	3.00% per annum (2021: 3.00%)
Termination:	Rates from 12% to 0% (2021: Ontario Light termination rate table)
Pre-retirement mortality:	Nil
Pre-retirement disability:	Nil
Retirement age:	10% at age 59, 20% at age 60, 10% at each year from age 61-64, 50% at each year from age 65-69, 100% at age 70 If greater than age-based rate it is assumed that 20% will retire at each year after achieving a combined score of 80 or more when calculating age plus years of service. It is assumed 40% of eligible employees will retire at 35 years of service if younger than 65.
Excess sick leave utilization:	1.7 days per year (Local 3945) and 1 days per year (Local 4106)

#### Plan Provisions:

##### Local 3945

The Municipality provides eligible employees who are members of Local 3945 with sick leave that accumulates at 18 days per year (1.5 days per month) up to a maximum of 95 days. If an employee is sick more than 18 days in a year, they can draw on their accumulated sick leave. No benefit in respect of accumulated sick leave is payable upon termination, retirement, or death.

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# The Municipality of the County of Colchester

## Notes to the consolidated financial statements

March 31, 2022

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### 11. Sick leave benefit liability (continued)

#### Local 4106

The Municipality provides eligible employees who are members of Local 4106 with sick leave that accumulates at 12 days per year (1 day per month) up to a maximum of 100 days. If an employee is sick more than 12 days in a year, they can draw on their accumulated sick leave. No benefit in respect of accumulated sick leave is payable upon termination, retirement, or death.

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### 12. Commitments

- (i) The Municipality has entered into agreements to lease motor vehicles and information technology (IT) equipment for various periods until 2027. Payments for each of the next five years are as follows:

2023	\$75,219	2026	\$8,366
2024	\$51,611	2027	\$1,172
2025	\$24,644		

- (ii) The Municipality by resolution provided guarantees as follows:
- guarantee of \$449,949 for the North River Fire Brigade to finance construction of a New Fire Station. As of March 31, 2022, the loan is \$355,014.
  - guarantee of \$750,000 for the Valley-Kemptown Brigade to finance the fire apparatus unit replacement. As of March 31, 2022, the loan was not advanced.
- (iii) Under the terms and conditions of the agreement relating to the transfer of infrastructure system assets of the Debert Business Park from the Province of Nova Scotia to the Municipality, the Municipality has agreed to incur capital expenditures for infrastructure development in the amount of \$3,000,000 within four years of the asset transfer date of March 31, 2008. As of March 31, 2022, the Municipality has incurred approximately \$1,660,000 in expenditures in a ten year period towards the treatment plant, lift stations, sewer lines, highway entrance and sidewalk. The Province is aware of the delays in the project and the funding has not been recalled.
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# The Municipality of the County of Colchester

## Notes to the consolidated financial statements

March 31, 2022

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### 13. Remuneration

The gross earnings paid during the year and expenses paid on behalf of each member of council and CAO are as follows:

<u>Name and Position</u>	<u>Gross Earnings</u>	<u>Expenses</u>	<u>Total</u>
Eric Boutilier, Councillor	\$ 43,611	\$ 900	<b>\$ 44,511</b>
Lisa Patton, Councillor	\$ 43,611	\$ 1,516	<b>\$ 45,137</b>
Mike Cooper, Councillor	\$ 43,611	\$ 248	<b>\$ 43,859</b>
Tim Johnson, Councillor	\$ 43,611	\$ 900	<b>\$ 44,511</b>
Michael Gregory, Councillor	\$ 43,611	\$ 1,176	<b>\$ 44,787</b>
Marie Beniot, Councillor	\$ 43,611	\$ 2,414	<b>\$ 46,025</b>
Karen MacKenzie, Councillor	\$ 43,611	\$ 282	<b>\$ 43,893</b>
Laurie Sandeson, Councillor	\$ 43,611	\$ 1,523	<b>\$ 45,134</b>
Wade Parker, Councillor	\$ 43,611	\$ 900	<b>\$ 44,511</b>
Victoria Lomond, Councillor (4 Months)	\$ 13,775	\$ 709	<b>\$ 14,484</b>
Tom Taggart, Councillor, (5 Months)	\$ 19,086	\$ 327	<b>\$ 19,413</b>
Geoff Stewart, Councillor/Deputy Mayor	\$ 50,689	\$ 5,148	<b>\$ 55,837</b>
Christine Blair, Mayor	\$ 68,946	\$ 4,834	<b>\$ 73,780</b>
Robert Simonds, CAO	\$ 182,500	\$ 3,407	<b>\$ 185,907</b>

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### 14. Trust funds

The Municipality holds trust funds at March 31, 2022, totaling \$944,736 (2021 - \$689,146) for specific purposes. These assets and corresponding liabilities are not recorded in these consolidated financial statements.

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### 15. Credit facilities

The Municipality has the following credit facilities:

Revolving line of credit	\$ 9,550,000
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# The Municipality of the County of Colchester

## Notes to the consolidated financial statements

March 31, 2022

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### 16. Budget figures

The County budgets for rate setting purposes in the general operating fund. Council approves a budget in the general operating fund which is a budget for County wide operations. Council also approves separate area rates which may budget for surplus funds, and water utility budgets which have regulated rates. Council also approves a five-year capital budget. The following adjustments reconcile the general operating budget to the financial reporting presentation under Canadian Public Sector Accounting Standards ("PSAB"). These adjustments include adjustments for area rates, water utility budget, Central Nova Scotia Civic Centre Society budget, Truro/Colchester Regional Enterprise Network budget, fiscal transfers between funds, and reclassifications of revenues and expenses between categories.

	<u>Original Operating Budget</u>	<u>Adjustments</u>	<u>Fiscal Budget Per Consolidated Financial Statements</u>
<b>REVENUE</b>			
Property Taxes	\$ 28,804,252	\$ (374,000)	\$ 28,430,252
Grants in Lieu Own Sources, Other and Capital	1,220,927	-	1,220,927
Government Transfers	1,017,633	11,242,978	12,260,611
	<u>1,869,540</u>	<u>(259,910)</u>	<u>1,609,630</u>
<b>Total Revenue</b>	<b><u>\$ 32,912,352</u></b>	<b><u>\$ 10,609,068</u></b>	<b><u>\$ 43,521,420</u></b>
<b>EXPENSE</b>			
General Government Services	\$ 6,436,446	\$ (162,212)	\$ 6,274,234
Protective Services	539,586	9,881,923	10,421,509
Transportation Services	2,316,917	965,710	3,282,627
Environmental and Health Services	8,562,400	8,417,103	16,979,503
Recreation, Parks, Rinks	2,997,512	2,103,343	5,100,855
Transfers to other Govts.	14,941,763	(14,941,763)	-
Water Treatment	-	724,873	724,873
Other Transfers	3,744,323	(3,744,323)	-
Amortization	<u>(6,626,595)</u>	<u>6,626,595</u>	<u>-</u>
<b>Total Expense</b>	<b><u>\$ 32,912,352</u></b>	<b><u>\$ 9,871,249</u></b>	<b><u>\$ 42,783,601</u></b>
<b>Net Financial position</b>	<b><u>\$ -</u></b>	<b><u>\$ 737,819</u></b>	<b><u>\$ 737,819</u></b>

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# The Municipality of the County of Colchester

## Notes to the consolidated financial statements

March 31, 2022

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### 17. Contingencies

#### Litigation

- i) As at March 31, 2022, there remains a litigation claim against the Municipality of the County of Colchester and the Town of Truro by PCL Constructors Canada Inc. This is a claim arising out of the construction contract for the Rath Eastlink Community Centre. The claim was filed February 2, 2015. A counter claim was also filed by the Municipality of the County of Colchester and the Town of Truro. The stated value of the PCL claim is \$2.5 million. At this stage in the proceedings, it is not possible to reasonably measure any potential liability or recovery that may exist in the PCL claim or counter claim.

#### Wastewater treatment services

As of March 31, 2022, there currently remains an outstanding dispute regarding the sale of wastewater treatment services to the Town of Truro. The Municipality of the County of Colchester and the Town of Truro's agreement for wastewater has expired and a replacement agreement has not been renegotiated. The Municipality of Colchester has invoiced Truro based on recommended flow calculations for fiscal year ending 2020, 2021 and 2022. Fiscal year ending 2019 was invoiced on the previously existing agreement which was in place. It is not expected that any material changes in revenue from the Town for the services will occur as a part of renegotiation of the wastewater agreement.

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### 18. Government partnerships

Government partnerships entered into or continued by the Municipality during the current year of operations are recorded using the proportionate consolidation method. Government partnerships include:

Partnership with the Town of Truro to maintain and operate the Central Nova Civic Centre Society at 50%

Partnership with various parties to operate Truro/Colchester Regional Enterprise Network at 33%.

Partnership with the Town of Truro for the construction and operation costs to maintain the building which hosts the Colchester – East Hants Public Library Truro Branch at 40%

Government partnerships accounted for using the proportionate consolidation method have the following impact on the consolidated statement of financial position and operations as at March 31,

	<u>2022</u>	<u>2021</u>
Total Assets	\$ 2,802,553	\$ 2,719,523
Total Liabilities	<u>325,239</u>	<u>227,116</u>
Net Assets	\$ <u>2,477,314</u>	\$ <u>2,492,407</u>
Total Revenues	\$ 1,151,308	\$ 774,808
Total Expenses	<u>1,210,649</u>	<u>665,146</u>
Annual (Deficit) Surplus	\$ <u>(59,341)</u>	\$ <u>109,662</u>

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# The Municipality of the County of Colchester

## Notes to the consolidated financial statements

March 31, 2022

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### 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.

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# The Municipality of the County of Colchester

## Notes to the consolidated financial statements

March 31, 2022

### 20. Segment disclosures – March 31, 2022

	General Government	Protective Services	Transportation Services	Environmental Health	Public Health Services	Environmental Development Services	Recreation and Cultural Services	Water Utilities	Rath Eastlink Community Centre	Regional Enterprise Network	Consolidated
<b>Revenues</b>											
Taxes	\$4,750,845	\$7,965,373	\$2,552,262	\$10,612,388	\$188,901	\$685,863	\$2,568,224	\$-	\$-	\$-	\$29,323,856
Grants-in-lieu of taxes	196,811	329,978	105,731	439,634	7,826	28,412	106,393	-	-	-	1,214,785
Services to other governments	-	-	-	873,246	-	-	-	-	-	-	873,246
Sale of services	-	-	-	609,955	-	-	-	535,660	-	-	1,145,615
Water fire protection	-	-	-	-	-	-	-	209,208	-	-	209,208
Other revenue from own sources	878,905	123,555	-	5,642,490	-	-	82,344	-	1,047,524	103,284	7,878,102
Unconditional transfer from other governments	139,423	233,759	74,901	311,441	5,544	20,128	75,369	-	-	-	860,565
Conditional transfers from other governments	86,823	167,726	-	758,368	-	15,150	217,600	-	-	-	1,245,667
Other revenue	6,150,557	-	33,750	-	-	147,752	-	42,231	-	-	6,374,290
Capital revenue	74,476	-	-	-	-	-	-	-	-	-	74,476
Interest and other revenue	130,649	-	-	-	-	-	-	-	-	-	130,649
	<b>\$12,408,489</b>	<b>\$8,820,391</b>	<b>\$2,766,644</b>	<b>\$19,247,522</b>	<b>\$202,271</b>	<b>\$ 897,305</b>	<b>\$3,049,930</b>	<b>\$787,099</b>	<b>\$1,047,524</b>	<b>\$103,284</b>	<b>\$49,330,459</b>
<b>Expenses</b>											
Salaries, wages and benefits	\$2,965,363	\$297,405	\$359,852	\$4,567,724	\$ -	\$301,525	\$556,811	\$239,767	\$530,567	\$32,450	\$9,851,464
Goods and services	1,227,848	3,808,193	1,019,617	5,751,332	-	426,669	1,099,351	321,884	1,027,845	58,853	14,741,592
Third party services/transfers	680,526	5,811,720	593,400	-	237,628	-	320,448	-	-	-	7,643,722
Debt Servicing	-	69,693	-	225,109	171	-	249,233	-	-	-	544,206
Community grants and exemptions	952,483	32,448	-	-	-	-	105,979	-	-	-	1,090,910
Amortization	150,089	70,247	1,237,740	3,030,760	-	134,584	1,148,100	303,346	-	-	6,074,866
	<b>\$5,976,309</b>	<b>\$10,089,706</b>	<b>\$3,210,609</b>	<b>\$13,574,925</b>	<b>\$237,799</b>	<b>\$862,778</b>	<b>\$3,479,922</b>	<b>\$864,997</b>	<b>\$1,558,412</b>	<b>\$91,303</b>	<b>\$39,946,760</b>

# The Municipality of the County of Colchester

## Notes to the consolidated financial statements

March 31, 2022

### 20. Segment disclosures – March 31, 2021

	General Government	Protective Services	Transportation Services	Environmental Health	Public Health Services	Environmental Development Services	Recreation and Cultural Services	Water Utilities	Rath Eastlink Community Centre	Regional Enterprise Network	Consolidated
<b>Revenues</b>											
Taxes	\$2,584,073	\$ 8,064,214	\$ 2,596,408	\$ 10,849,715	\$ 110,879	\$ 1,254,926	\$ 2,710,342	\$ -	\$ -	\$ -	\$ 28,170,557
Grants-in-lieu of taxes	111,794	348,881	112,328	469,389	4,797	54,292	117,257	-	-	-	1,218,738
Services to other governments	-	-	-	658,675	-	-	-	-	-	-	658,675
Sale of services	-	-	-	442,143	-	-	-	548,164	-	-	990,307
Water fire protection	-	-	-	-	-	-	-	207,883	-	-	207,883
Other revenue from own sources	834,820	110,465	-	4,186,931	-	-	43,607	-	627,542	147,266	5,950,631
Unconditional transfer from other governments	51,661	161,220	51,907	216,908	2,217	25,089	54,185	-	-	-	563,187
Conditional transfers from other governments	479,843	170,585	-	747,612	-	20,238	251,580	-	-	-	1,669,858
Other revenue	3,802,280	-	-	-	-	95,000	-	44,877	-	-	3,942,157
Capital revenue	885,025	-	-	-	-	-	-	-	-	-	885,025
Interest and other revenue	195,123	-	-	-	-	-	-	-	-	-	195,123
	<b>\$ 8,944,619</b>	<b>\$ 8,855,365</b>	<b>\$ 2,760,643</b>	<b>\$ 17,571,373</b>	<b>\$ 117,893</b>	<b>\$ 1,449,545</b>	<b>\$ 3,176,971</b>	<b>\$ 800,924</b>	<b>\$ 627,542</b>	<b>\$ 147,266</b>	<b>\$ 44,452,141</b>
<b>Expenses</b>											
Salaries, wages and benefits	\$ 2,826,573	\$ 352,034	\$ 329,506	\$ 4,145,257	\$ -	\$ 312,752	\$ 473,149	\$ 238,029	\$ 217,127	\$ 43,371	\$8,937,798
Goods and services	(1,572,364)	3,573,121	949,528	5,538,059	-	1,107,460	1,208,803	385,536	767,332	100,403	12,057,878
Third party services/transfers	689,355	5,562,777	589,295	-	131,906	-	275,586	-	-	-	7,248,919
Debt Servicing	-	70,910	-	236,152	1,490	-	282,236	-	-	-	590,788
Community grants and exemptions	924,096	34,473	-	-	-	-	104,876	-	-	-	1,063,445
Amortization	206,443	71,067	1,220,449	3,223,886	-	72,692	1,161,903	384,113	-	-	6,340,553
	<b>\$ 3,074,103</b>	<b>\$ 9,664,382</b>	<b>\$ 3,088,778</b>	<b>\$ 13,143,354</b>	<b>\$ 133,396</b>	<b>\$1,492,904</b>	<b>\$ 3,506,553</b>	<b>\$1,007,678</b>	<b>\$ 984,459</b>	<b>\$ 143,774</b>	<b>\$ 36,239,381</b>



















# The Municipality of the County of Colchester

## Schedule of consolidated tangible capital assets

Year ended March 31, 2022

### General capital

	<u>Land</u>	<u>Land Improvements</u>	<u>Municipal Buildings</u>	<u>Buildings/Plants</u>	<u>Electric Data</u>	<u>Office Equipment</u>	<u>Machinery</u>
<b>Cost:</b>							
Balance, beginning of year	\$7,081,172	\$4,398,692	\$32,791,908	\$74,254,255	\$1,015,370	\$624,448	\$16,340,711
Acquisition of tangible capital assets		100,549	1,650,705	150,010	6,966	23,172	1,920,525
Disposal of tangible capital assets	(51,600)	-	-	-	-	-	(20,855)
Balance, end of year	<u>7,029,572</u>	<u>4,499,241</u>	<u>34,442,613</u>	<u>74,404,265</u>	<u>1,022,336</u>	<u>647,620</u>	<u>18,240,381</u>
<b>Accumulated amortization:</b>							
Balance, beginning of year	-	(889,425)	(5,700,849)	(53,283,455)	(963,150)	(476,853)	(11,559,387)
Annual amortization	-	(175,939)	(800,863)	(1,512,579)	(24,166)	(61,353)	(1,117,279)
Accumulated amortization on disposals	-	-	-	-	-	-	20,855
Balance, end of year	<u>-</u>	<u>(1,065,364)</u>	<u>(6,501,712)</u>	<u>(54,796,034)</u>	<u>(987,316)</u>	<u>(538,206)</u>	<u>(12,655,811)</u>
Net book value of tangible capital assets	<u>\$7,029,572</u>	<u>\$3,433,877</u>	<u>\$27,940,901</u>	<u>\$19,608,231</u>	<u>\$35,020</u>	<u>\$109,414</u>	<u>\$5,584,570</u>
	<u>Vehicles</u>	<u>Roads</u>	<u>Sidewalks</u>	<u>Sewer</u>	<u>Landfill</u>	<u>Total</u>	
<b>Cost:</b>							
Balance, beginning of year	\$2,666,719	\$15,741,641	\$17,333,221	\$24,033,466	\$9,521,409	<b>\$205,803,012</b>	
Acquisition of tangible capital assets	22,103	166,419	1,375,598	5,041	3,762,681	<b>9,183,769</b>	
Disposal of tangible capital assets	-	-	-	-	-	<b>(72,455)</b>	
Balance, end of year	<u>2,688,822</u>	<u>15,908,060</u>	<u>18,708,819</u>	<u>24,038,507</u>	<u>13,284,090</u>	<b><u>214,914,326</u></b>	
<b>Accumulated amortization:</b>							
Balance, beginning of year	(2,384,724)	(8,504,510)	(8,368,291)	(8,806,272)	(6,123,088)	<b>(107,060,004)</b>	
Annual amortization	(100,418)	(574,920)	(661,986)	(470,657)	(271,360)	<b>(5,771,520)</b>	
Accumulated amortization on disposals	-	-	-	-	-	<b>20,855</b>	
Balance, end of year	<u>(2,485,142)</u>	<u>(9,079,430)</u>	<u>(9,030,277)</u>	<u>(9,276,929)</u>	<u>(6,394,448)</u>	<b><u>(112,810,669)</u></b>	
Net book value of tangible capital assets	<u>\$203,680</u>	<u>\$6,828,630</u>	<u>\$9,678,542</u>	<u>\$14,761,578</u>	<u>\$6,889,642</u>	<b><u>\$102,103,657</u></b>	

# The Municipality of the County of Colchester

## Schedule of consolidated tangible capital assets

Year ended March 31, 2022

### Debert Water Utility

	<u>Buildings</u>	<u>Machinery</u>	<u>Water Lines</u>	<u>Vehicles</u>	<u>Total</u>
<b>Cost:</b>					
Balance, beginning of year	\$5,363,825	\$76,848	\$1,442,252	\$116,590	\$6,999,515
Acquisition of tangible capital assets	6,653	-	138,384	-	145,037
	<u>5,370,478</u>	<u>76,848</u>	<u>1,580,636</u>	<u>116,590</u>	<u>7,144,552</u>
<b>Accumulated amortization:</b>					
Balance, beginning of year	(2,691,671)	(68,262)	(1,062,274)	(54,785)	(3,876,992)
Annual amortization	(130,149)	(2,222)	(30,488)	(15,429)	(178,288)
Balance, end of year	<u>(2,821,820)</u>	<u>(70,484)</u>	<u>(1,092,762)</u>	<u>(70,214)</u>	<u>(4,055,280)</u>
Net book value of tangible capital assets	<u>\$2,548,658</u>	<u>\$6,364</u>	<u>\$487,874</u>	<u>\$46,376</u>	<u>\$3,089,272</u>

### Tatamagouche Water Utility

	<u>Land</u>	<u>Buildings</u>	<u>Machinery</u>	<u>Water Lines</u>	<u>Vehicles</u>	<u>Office Equipment</u>	<u>Total</u>
<b>Cost:</b>							
Balance, beginning of year	\$7,097	\$2,992,931	\$114,447	\$712,814	\$30,005	\$ 4,411	\$3,861,705
Acquisition of tangible capital assets	-	-	-	179,061	41,187	-	220,248
Balance, end of year	<u>7,097</u>	<u>2,992,931</u>	<u>114,447</u>	<u>891,875</u>	<u>71,192</u>	<u>4,411</u>	<u>4,081,953</u>
<b>Accumulated amortization:</b>							
Balance, beginning of year	-	(2,122,248)	(113,437)	(663,530)	(44,183)	(4,411)	(2,947,809)
Annual amortization	-	(109,818)	(1,010)	(14,230)	-	-	(125,058)
Balance, end of year	<u>-</u>	<u>(2,232,066)</u>	<u>(114,447)</u>	<u>(677,760)</u>	<u>(44,183)</u>	<u>(4,411)</u>	<u>(3,072,867)</u>
Net book value of tangible capital assets	<u>\$7,097</u>	<u>\$760,865</u>	<u>\$ -</u>	<u>\$214,115</u>	<u>\$27,009</u>	<u>\$ -</u>	<u>\$1,009,086</u>

**Total net book value of all tangible capital assets**

**\$106,202,015**

# The Municipality of the County of Colchester

## Schedule of consolidated debt charges

Year ended March 31, 2022

	Fiscal Year of Issue	Fiscal Year of Maturity	Interest Rate	Balance March 31/21	Refinanced	Redeemed	Balance March 31/22	Interest 2022	Serial Instalment 2022	Total Debt Charges
<u>Unmatured Debenture and Term Debt</u>										
Regional Hospital #1	2017	2032	2.004%-3.475%	\$ 66,666	-	66,666	-	171	66,666	66,837
Brookfield Fire Hall	2017	2032	2.004%-3.475%	369,103	-	61,518	307,585	8,175	61,518	69,693
Civic Centre – Phase 1	2019	2022	3.645%	1,334,870	-	1,334,870	-	29,727	1,334,870	1,364,597
Civic Centre – Phase 1 (refinanced)	2022	2032	0%-2.259%	-	1,133,560	-	1,133,560	7,460	-	7,460
Civic Centre – Phase 2	2013	2023	3.340%-3.480%	2,506,201	-	385,876	2,120,325	75,429	385,876	461,305
Civic Centre – Phase 3A	2013	2023	3.000%-3.160%	1,774,542	-	208,609	1,565,933	53,307	208,609	261,916
Civic Centre – Phase 3A1	2014	2024	2.644%-2.979%	1,554,500	-	174,000	1,380,500	41,412	174,000	215,412
Civic Centre – Phase 3B	2014	2024	3.251%-3.614%	984,000	-	110,900	873,100	33,651	110,900	144,551
WWTP Phase 4	2015	2030	2.769%-3.792%	2,262,814	-	161,629	2,101,185	76,164	161,629	237,793
Landfill cell and compost facility	2016	2031	2.056%-3.205%	1,612,500	-	107,500	1,505,000	45,028	107,500	152,528
Granville Drive sanitary sewer	2016	2031	2.056%-3.205%	1,950,000	-	130,000	1,820,000	54,452	130,000	184,452
WWTP Phase 5	2017	2032	2.004%-3.475%	1,680,000	-	105,000	1,575,000	49,464	105,000	154,464
Totals				\$ 16,095,196	1,133,560	2,846,568	14,382,188	474,440	2,846,568	3,321,008



# **SUPPLEMENTARY SCHEDULES**



# The Municipality of the County of Colchester

## Schedule of changes in Tatamagouche water operating fund

Year ended March 31	2022 Budget	2022 Actual	2021 Actual
<b>Revenues</b>			
Sale of water	\$ 335,000	\$ 337,301	\$ 334,860
Public fire protection	74,000	73,562	71,829
Other	<u>32,405</u>	<u>35,711</u>	<u>32,754</u>
<b>Total revenues</b>	<u>441,405</u>	<u>446,574</u>	<u>439,443</u>
<b>Expenses</b>			
Source of supply	6,389	6,451	6,467
Power and pumping	37,355	39,262	36,267
Water treatment	92,110	105,370	109,679
Transmission and distribution	91,160	56,879	77,217
Administrative	65,753	61,971	63,836
Filter replacement	12,300	12,300	12,300
Depreciation	73,796	125,058	202,144
Taxes	<u>28,005</u>	<u>28,005</u>	<u>28,019</u>
<b>Total expenses</b>	<u>406,868</u>	<u>435,296</u>	<u>535,929</u>
Annual surplus (deficit)	\$ <u>34,537</u>	\$ <u>11,278</u>	\$ <u>(96,486)</u>
Net transfers to other funds, net		<u>-</u>	<u>127,038</u>
Change in surplus		11,278	30,552
Opening deficit		<u>(154,543)</u>	<u>(185,095)</u>
Closing deficit		\$ <u>(143,265)</u>	\$ <u>(154,543)</u>

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**The Municipality of the County of Colchester**  
**Tatamagouche water operating fund**  
**Schedule of financial position**

Year ended March 31	2022 Actual	2021 Actual
<b>Assets</b>		
Receivables	\$ <u>74,145</u>	\$ <u>94,673</u>
<b>Liabilities</b>		
Bank indebtedness	131,337	195,961
Due to Tatamagouche water capital fund	51,262	-
Payables	13,661	33,605
Other	<u>21,150</u>	<u>19,650</u>
	<u>217,410</u>	<u>249,216</u>
<b>Accumulated deficit</b>	<b>\$ <u>(143,265)</u></b>	<b>\$ <u>(154,543)</u></b>

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**Tatamagouche water capital fund**  
**Schedule of financial position**

Year ended March 31	2022 Actual	2021 Actual
<b>Assets</b>		
Cash, depreciation fund	\$ 513,566	\$ 646,483
Due from Tatamagouche water operating fund	51,262	-
Utility plant and Equipment	<u>4,081,953</u>	<u>3,861,705</u>
	<u>\$ 4,646,781</u>	<u>\$ 4,508,188</u>
<b>Liabilities</b>		
Filter replacement reserve	\$ 130,799	\$ 118,499
Accumulated allowance for depreciation	<u>3,076,113</u>	<u>2,949,820</u>
	<u>3,206,912</u>	<u>3,068,319</u>
<b>Investment in capital assets</b>	<u>1,439,869</u>	<u>1,439,869</u>
	<u>\$ 4,646,781</u>	<u>\$ 4,508,188</u>

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## The Municipality of the County of Colchester

### Schedule of changes in Debert water operating fund

Year ended March 31	2022 Budget	2022 Actual	2021 Actual
<b>Revenues</b>			
Sale of water	\$ 225,000	\$ 198,359	\$ 213,304
Public fire protection	136,000	135,646	136,054
Other	<u>5,800</u>	<u>6,520</u>	<u>12,123</u>
<b>Total revenues</b>	<u>366,800</u>	<u>340,525</u>	<u>361,481</u>
<b>Expenses</b>			
Source of supply	6,389	5,913	5,809
Power and pumping	49,679	43,561	44,650
Water treatment	46,777	53,178	45,690
Transmission and distribution	127,754	83,127	134,878
Administrative	69,436	65,636	58,753
Depreciation	<u>17,970</u>	<u>178,288</u>	<u>181,969</u>
<b>Total expenses</b>	<u>318,005</u>	<u>429,703</u>	<u>471,749</u>
Annual surplus (deficit)	\$ <u>48,795</u>	<u>(89,178)</u>	<u>(110,268)</u>
Net transfers to other funds, net		<u>(6,653)</u>	<u>28,304</u>
Change in surplus		<u>(95,831)</u>	<u>(81,964)</u>
Opening surplus		<u>103,698</u>	<u>185,662</u>
Closing (deficit) surplus		\$ <u>7,867</u>	\$ <u>103,698</u>

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**The Municipality of the County of Colchester**  
**Debert water operating fund**  
**Schedule of financial position**

Year ended March 31	2022 Actual	2021 Actual
<b>Assets</b>		
Cash (bank indebtedness)	\$ 134,264	\$ (62,307)
Receivables	<u>46,470</u>	<u>176,853</u>
	<b>180,734</b>	<b>114,546</b>
<b>Liabilities</b>		
Due to Debert water capital fund	160,318	-
Other	<u>12,549</u>	<u>10,848</u>
	<b>172,867</b>	<b>10,848</b>
<b>Accumulated surplus</b>	<b>\$ <u>7,867</u></b>	<b>\$ <u>103,698</u></b>

**Debert water capital fund**  
**Schedule of financial position**

Year ended March 31	2022 Actual	2021 Actual
<b>Assets</b>		
Cash, depreciation fund	\$ 199,163	\$ 182,427
Due from Debert water operating fund	160,318	-
Utility plant and Equipment	<u>7,144,552</u>	<u>6,999,515</u>
	<b>\$ <u>7,504,033</u></b>	<b>\$ <u>7,181,942</u></b>
<b>Liabilities</b>		
Accumulated allowance for depreciation	<u>\$ 4,052,035</u>	<u>\$ 3,874,981</u>
<b>Investment in capital assets</b>	<u>3,451,998</u>	<u>3,306,961</u>
	<b>\$ <u>7,504,033</u></b>	<b>\$ <u>7,181,942</u></b>