

Non-Consolidated Financial Statements

(unaudited - See advisory to readers)

Municipality of the County of Inverness

March 31, 2023



Municipality of the County of Inverness

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Municipality of the County of Inverness

Advisory to readers

The Municipality of the County of Inverness prepares the non-consolidated financial statements.

Non-consolidated financial statements are prepared to show the details of the individual funds managed by the Municipality. In particular, they provide information as to how each of the funds performed compared to the approved Operating Budget of the Municipality. For all other purposes, readers are advised to refer to the consolidated financial statements that have been audited.

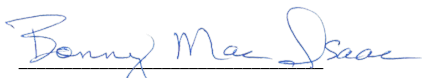
These non-consolidated financial statements have not been audited. The non-consolidated financial statements are not presented in full accordance with Canadian public sector accounting standards.

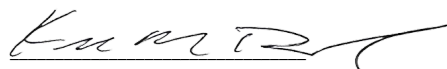
MUNICIPALITY OF THE COUNTY OF INVERNESS
General Operating Fund
Non-Consolidated Operating Fund Statement of Financial Position
(unaudited - see advisory to readers)

March 31, 2023	2023	2022
Assets		
Financial Assets		
<i>Current Financial Assets</i>		
Cash and cash equivalents	\$3,467,964	\$0
Restricted cash	\$1,528,544	\$1,187,765
Taxes receivable (net of valuation allowances) (note 2)	\$1,240,899	\$1,162,570
Other receivables (net of valuation allowances) (note 3)	\$1,464,460	\$1,851,689
Due from own funds (note 4)	\$4,925,538	\$2,576,920
Other current financial assets	\$202,767	\$202,799
	<u>\$12,830,172</u>	<u>\$6,981,743</u>
<i>Long-term Financial Assets</i>		
Long-term taxes receivable (net of valuation allowance)	\$326,535	\$387,837
	<u>\$13,156,707</u>	<u>\$7,369,580</u>
Liabilities		
<i>Current Liabilities</i>		
Bank indebtedness	\$0	\$412,581
Payables	\$1,174,936	\$2,016,196
Due to own funds/agencies (note 5)	\$618,338	\$705,800
Other current liabilities	\$8,779,689	\$1,584,613
	<u>\$10,572,963</u>	<u>\$4,719,190</u>
<i>Long-Term Liabilities</i>		
Long-term debt	\$1,055,200	\$0
Other long-term liabilities (tax sale surplus)	\$1,528,544	\$1,187,765
	<u>\$2,583,744</u>	<u>\$1,187,765</u>
	<u>\$13,156,707</u>	<u>\$5,906,955</u>
Net Financial Assets	<u>\$0</u>	<u>\$1,462,625</u>
Accumulated Surplus (Deficit)	<u>\$0</u>	<u>\$1,462,625</u>

Commitments and contingencies (note 12)

On behalf of the Municipality of the County of Inverness


Warden


CAO

See accompanying notes to the Non-Consolidated financial Statements.

MUNICIPALITY OF THE COUNTY OF INVERNESS
General Operating Fund
Non-Consolidated Operating Fund Statement of Operations
(unaudited - see advisory to readers)

March 31, 2023	Budget	2023	2022
Revenue (pages 8 - 9)			
Assessable property taxes	\$12,574,300	\$12,962,173	\$12,157,479
Grants in lieu of taxes	\$425,200	\$488,635	\$402,859
Services provided to other governments	\$295,000	\$361,720	\$317,236
Sales of services	\$325,000	\$326,700	\$349,203
Other revenues from own sources	\$288,700	\$310,735	\$278,502
Unconditional transfers from other governments	\$500,600	\$547,661	\$890,136
Conditional transfers from federal/provincial governments	\$322,100	\$871,779	\$1,469,275
	\$14,730,900	\$15,869,403	\$15,864,690
Expenditures (pages 10 - 12)			
General government services	\$3,198,550	\$3,071,493	\$2,843,123
Protective services	\$3,601,800	\$3,572,268	\$3,411,575
Transportation services	\$1,643,200	\$2,674,422	\$1,506,508
Environmental health services	\$3,959,400	\$4,338,970	\$3,758,371
Environmental development services	\$1,573,350	\$1,857,716	\$1,490,548
Recreation & cultural services	\$1,238,100	\$918,040	\$1,108,438
Extraordinary or special items	\$279,800	\$259,186	\$272,123
	\$15,494,200	\$16,692,095	\$14,390,686
Operating surplus (deficit) , before transfers	(\$763,300)	(\$822,692)	\$1,474,004
Financing and Transfers (page 12)			
Debenture and term loan principal installments	\$180,000	\$180,000	\$180,000
Transfers to own Reserves, funds and agencies	\$0	(\$59,392)	\$206,079
Transfers from Reserves - prior years surplus	(\$943,300)	(\$943,300)	(\$374,700)
	(\$763,300)	(\$822,692)	\$11,379
Ending Surplus	\$0	\$0	\$1,462,625

See accompanying notes to the Non-Consolidated financial Statements.

MUNICIPALITY OF THE COUNTY OF INVERNESS
General Operating Fund
Non-Consolidated Statement of Operating Fund Surplus
(unaudited - see advisory to readers)

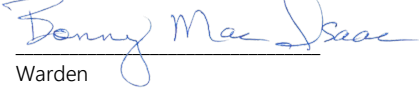
March 31, 2023	2023	2022
Operating fund surplus, beginning of the year	\$1,462,625	\$1,170,226
Transfer from Reserves - prior year surplus	(\$943,300)	(\$374,700)
Transfer to Capital Reserve	(\$519,325)	(\$795,526)
Excess of revenue over expenditures	<u>\$0</u>	<u>\$1,462,625</u>
Operating Fund surplus, end of year	<u>\$0</u>	<u>\$1,462,625</u>

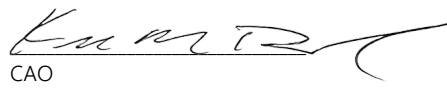
See accompanying notes to the Non-Consolidated financial Statements.

MUNICIPALITY OF THE COUNTY OF INVERNESS
General Capital Fund
Non-Consolidated General Capital Fund Statement of Financial Position
(unaudited - see advisory to readers)

March 31, 2023	2023	2022
Assets		
Financial Assets		
Receivables from federal and provincial governments	\$346,880	\$102,930
Deferred capital charges	\$906,465	\$997,731
	<u>\$1,253,345</u>	<u>\$1,100,661</u>
Liabilities		
Due to general operating fund	\$1,975,900	\$1,710,909
Long-term debt	\$720,000	\$900,000
Deferred Revenue	\$486,681	\$598,988
Asset retirement obligation	\$150,631	\$0
	<u>\$3,333,212</u>	<u>\$3,209,897</u>
Net Financial Liabilities	<u>(\$2,079,867)</u>	<u>(\$2,109,236)</u>
Non-Financial Assets		
Capital assets (note 7)	\$39,779,442	\$35,815,131
Less: accumulated amortization (note 7)	(\$15,879,686)	(\$14,688,959)
	<u>\$23,899,756</u>	<u>\$21,126,172</u>
Investment in capital assets	\$21,819,889	\$19,016,936
Funds Available	<u>\$21,819,889</u>	<u>\$19,016,936</u>

On behalf of the Municipality of the County of Inverness


Warden


CAO

See accompanying notes to the Non-Consolidated financial Statements.

MUNICIPALITY OF THE COUNTY OF INVERNESS
School Capital Fund
Non-Consolidated School Capital Fund Statement of Financial Position
(unaudited - see advisory to readers)
March 31, 2023

2023 2022

Assets

School buildings and furnishings (note 8) \$1 \$1

Equity

Investment in capital assets \$1 \$1

See accompanying notes to the Non-Consolidated financial Statements.

MUNICIPALITY OF THE COUNTY OF INVERNESS**General Capital Fund****Non-Consolidated Statement of Investment in General Capital Assets****(unaudited - see advisory to readers)**

March 31, 2023	2023	2022
Balance, beginning of year	\$19,016,936	\$17,456,474
Federal grant	\$191,288	\$105,935
Provincial grant	\$182,391	\$166,290
Transfer from gas tax reserve	\$278,239	\$0
Transfer from Operating Reserve	\$2,286,646	\$1,567,436
Transfer from capital Reserve	\$743,320	\$541,555
Transfer from operating fund	\$127,237	\$70,087
Term debt retired	\$180,000	\$180,000
Local Improvement Charges	\$16,123	\$4,124
Disposal of Capital Assets	\$0	(\$21,165)
Accretion expense	(\$11,563)	\$0
Amortization of tangible capital assets	(\$1,190,728)	(\$1,053,800)
Balance, end of year	\$21,819,889	\$19,016,936

MUNICIPALITY OF THE COUNTY OF INVERNESS**School Capital Fund****Non-Consolidated Statement of Investment in Capital Assets**

March 31, 2023	2023	2022
Balance, beginning of year	\$1	\$1
Balance, end of year	\$1	\$1

See accompanying notes to the Non-Consolidated financial Statements.

MUNICIPALITY OF THE COUNTY OF INVERNESS

General Operating Fund

Non-Consolidated General Operating Fund Revenues

(unaudited - see advisory to readers)

March 31, 2023

	Budget	2023	2022
Taxes			
Assessible property tax			
Residential Taxable	\$10,027,200	\$10,024,739	\$9,275,085
Commercial Taxable	\$1,912,600	\$1,900,827	\$1,952,719
Wind	\$40,000	\$40,669	\$40,266
Resource Taxable			
Based on taxable assessment	\$1,795,000	\$1,785,848	\$1,704,782
Resource Forest less than 50,000 acres	\$40,800	\$39,680	\$40,709
Area Rates and Special Assessments			
Environmental Health services	\$1,214,700	\$1,212,460	\$1,170,308
Sewer Rate - Special	\$112,300	\$109,880	\$112,307
	<u>\$15,142,600</u>	<u>\$15,114,103</u>	<u>\$14,296,176</u>
Business property			
Based on revenues - Aliant	\$105,000	\$104,017	\$105,352
Nova Scotia Power - grant in lieu of taxes	\$28,100	\$28,141	\$26,071
Nova Scotia Power HST Rebate	\$45,000	\$54,236	\$45,127
	<u>\$178,100</u>	<u>\$186,394</u>	<u>\$176,550</u>
Other Taxes			
Deed transfer tax	\$1,000,000	\$1,446,253	\$1,353,688
Tax sale	\$50,000	\$11,734	\$33,450
	<u>\$1,050,000</u>	<u>\$1,457,987</u>	<u>\$1,387,138</u>
Expenditures as a reduction of tax revenue			
Appropriations to regional school board	(\$3,585,000)	(\$3,584,963)	(\$3,490,437)
Transfer to correctional services	(\$211,400)	(\$211,348)	(\$211,948)
	<u>(\$3,796,400)</u>	<u>(\$3,796,311)</u>	<u>(\$3,702,385)</u>
	<u>\$12,574,300</u>	<u>\$12,962,173</u>	<u>\$12,157,479</u>
Grant in Lieu of Taxes			
Federal government	\$100,000	\$125,770	\$85,957
Federal government agencies	\$1,700	\$1,631	\$1,651
Provincial government	\$305,000	\$343,737	\$297,761
	<u>\$406,700</u>	<u>\$471,138</u>	<u>\$385,369</u>
Provincial government agencies			
Nova Scotia Liquor Corporation	\$18,500	\$17,497	\$17,490
	<u>\$425,200</u>	<u>\$488,635</u>	<u>\$402,859</u>

MUNICIPALITY OF THE COUNTY OF INVERNESS**General Operating Fund****Non-Consolidated General Operating Fund Revenues****(unaudited - see advisory to readers)****March 31, 2023**

	Budget	2023	2022
Services Provided to Other Governments			
Other local government	<u>\$295,000</u>	<u>\$361,720</u>	<u>\$317,236</u>
Sales of services			
Environmental health services	\$295,000	\$313,109	\$333,352
Recreation and cultural services	<u>\$30,000</u>	<u>\$13,591</u>	<u>\$15,851</u>
	<u>\$325,000</u>	<u>\$326,700</u>	<u>\$349,203</u>
Other Revenue from Own Sources			
License and permits	\$2,500	\$3,370	\$755
Fines	\$5,000	\$2,815	\$3,711
Rentals	\$30,700	\$26,448	\$26,621
Return on investments	\$20,000	\$63,989	\$20,752
Penalties and interest on taxes	\$170,000	\$177,879	\$199,120
Revenue collected for other governments/agencies	\$1,208,900	\$1,208,011	\$1,108,048
Less: transfer of revenue collected for other governments/agencies	(\$1,208,900)	(\$1,208,011)	(\$1,108,078)
Miscellaneous	<u>\$60,500</u>	<u>\$36,234</u>	<u>\$27,573</u>
	<u>\$288,700</u>	<u>\$310,735</u>	<u>\$278,502</u>
Unconditional operating transfers from other governments			
Provincial government			
Service NS and Municipal Relations			
Municipal Grants Act - Equalization	\$378,000	\$378,055	\$756,110
Municipal Government Act - Farm property acreage	<u>\$91,600</u>	<u>\$91,612</u>	<u>\$89,255</u>
	<u>\$469,600</u>	<u>\$469,667</u>	<u>\$845,365</u>
Other provincial			
Resource Recovery Fund Board	<u>\$31,000</u>	<u>\$77,994</u>	<u>\$44,771</u>
	<u>\$500,600</u>	<u>\$547,661</u>	<u>\$890,136</u>
Conditional transfers from other governments			
Federal agencies	\$8,000	\$514,592	\$328,690
Provincial agencies	<u>\$314,100</u>	<u>\$357,187</u>	<u>\$1,140,585</u>
	<u>\$322,100</u>	<u>\$871,779</u>	<u>\$1,469,275</u>

MUNICIPALITY OF THE COUNTY OF INVERNESS

General Operating Fund

Non-Consolidated General Operating Fund Expenditures

(unaudited - see advisory to readers)

March 31, 2023

Budget

2023

2022

General Government services

Legislative

Warden

Remuneration

\$61,900

\$62,139

\$60,370

Expenses

\$10,000

\$6,758

\$4,532

Council

Remuneration

\$205,900

\$198,026

\$191,212

Expenses

\$39,000

\$43,481

\$26,345

Other legislative services

\$13,000

\$55,733

\$11,383

\$329,800

\$366,137

\$293,842

General Administration

Administration

\$1,014,300

\$896,881

\$891,774

Financial management

\$338,100

\$374,642

\$333,304

Communications

\$121,450

\$130,733

\$73,494

Part time administration

\$5,000

\$766

\$46,091

Taxation

Tax rebates or exemptions

\$329,500

\$333,148

\$336,258

Transfer for assessment services

\$411,200

\$411,195

\$413,676

Other

\$261,500

\$196,309

\$189,682

\$2,481,050

\$2,343,674

\$2,284,279

Debt charges

Interest on short term borrowings

General operations interest

\$14,000

22,654

\$14,412

Valuation allowances

Uncollectable taxes

\$0

\$26,120

\$14,345

Other general government services

Elections and plebiscites

\$16,500

\$8,288

\$18,197

Grants to organizations

\$147,000

\$84,585

\$62,751

Other general services

\$210,200

\$220,035

\$155,297

\$373,700

\$312,908

\$236,245

\$3,198,550

\$3,071,493

\$2,843,123

MUNICIPALITY OF THE COUNTY OF INVERNESS

General Operating Fund

Non-Consolidated General Operating Fund Expenditures

(unaudited - see advisory to readers)

March 31, 2023

	Budget	2023	2022
Protective services			
Police protection	\$3,038,500	\$3,040,244	\$2,753,979
Law enforcement	\$12,000	\$11,092	\$10,717
Fire protection			
Water supply and hydrants	\$216,600	\$216,629	\$216,629
Other	\$242,400	\$274,232	\$357,104
	<u>\$3,509,500</u>	<u>\$3,542,197</u>	<u>\$3,338,429</u>
Emergency measures	\$52,600	\$1,139	\$73,146
Other protective services	\$39,700	\$28,932	\$0
	<u>\$3,601,800</u>	<u>\$3,572,268</u>	<u>\$3,411,575</u>
Transportation services			
Common services	\$1,007,100	\$964,038	\$872,716
J class road resurfacing	\$0	\$1,055,200	\$0
Roads transport			
Roads and streets	\$294,100	\$301,473	\$292,550
Street lighting	\$210,000	\$249,399	\$207,195
	<u>\$1,511,200</u>	<u>\$2,570,110</u>	<u>\$1,372,461</u>
Air transport	\$0	\$312	\$9,598
Public transit	\$132,000	\$104,000	\$124,449
	<u>\$1,643,200</u>	<u>\$2,674,422</u>	<u>\$1,506,508</u>
Environmental Health services			
Sewage collection and disposal			
Administration	\$20,000	\$5,063	\$11,559
Sewage collection systems	\$0	\$7,476	\$0
Sewage treatment and disposal	\$543,300	\$592,593	\$564,797
Lift stations	\$115,000	\$137,774	\$135,823
Other	\$536,400	\$533,464	\$465,169
	<u>\$1,214,700</u>	<u>\$1,276,370</u>	<u>\$1,177,348</u>
Garbage and waste collection and disposal			
Garbage and waste collection and disposal	\$967,600	\$1,062,640	\$986,900
Recycling collection and disposal	\$1,755,600	\$1,979,986	\$1,570,205
	<u>\$2,723,200</u>	<u>\$3,042,626</u>	<u>\$2,557,105</u>
Debt Charges			
Interest on long-term debt			
Debenture interest	\$21,500	\$19,974	\$23,918
	<u>\$3,959,400</u>	<u>\$4,338,970</u>	<u>\$3,758,371</u>

MUNICIPALITY OF THE COUNTY OF INVERNESS

General Operating Fund

Non-Consolidated General Operating Fund Expenditures

(unaudited - see advisory to readers)

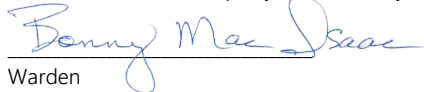
March 31, 2023

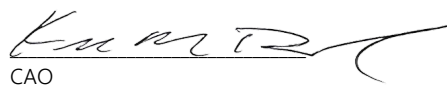
	Budget	2023	2022
Environmental Development services			
Environmental planning and zoning			
Transfer to regional planning	\$223,300	\$223,230	\$210,283
Community development			
Transfer to Regional Enterprise networks	\$100,000	\$100,269	\$100,269
Community Development Grants	\$120,000	\$120,000	\$120,000
Communities in Bloom	\$20,000	\$19,927	\$13,574
	\$240,000	\$240,196	\$233,843
Special projects			
Special projects administration	\$850,700	\$782,349	\$408,418
Climate change action plan	\$5,000	\$18,952	\$3,150
Housing initiatives	\$5,000	\$746	(\$5,567)
Municipal energy initiatives	\$8,000	\$16,686	\$18,951
	\$868,700	\$818,733	\$424,952
Tourism	\$241,350	\$575,557	\$621,470
	\$1,573,350	\$1,857,716	\$1,490,548
Recreation and Cultural Services			
Recreation services and programs	\$697,600	\$451,933	\$569,296
Cultural services and programs	\$280,400	\$189,649	\$232,693
Literacy services and programs	\$114,100	\$92,511	\$182,219
	\$394,500	\$282,160	\$414,912
Libraries			
Regional library - Eastern Counties Regional Library	\$95,000	\$124,535	\$94,655
Local libraries	\$51,000	\$59,412	\$29,575
	\$146,000	\$183,947	\$124,230
	\$1,238,100	\$918,040	\$1,108,438
Extraordinary and Special items			
Pension enhancement	\$279,800	\$259,186	\$272,123
Financing and Transfers			
Principal Instalments			
Debenture principal	\$180,000	\$180,000	\$180,000
Other funds			
Transfer to - capital Reserve	\$0	(\$743,320)	(\$265,569)
Transfer to - general capital	\$0	\$3,470,989	\$2,315,070
Transfer from - Gas Tax Reserve	\$0	(\$278,239)	(\$275,986)
Transfer from - Operating Reserve	\$0	(\$2,508,822)	(\$1,567,436)
	\$0	(\$59,392)	\$206,079
Changes in equity			
Use of prior years surplus	(\$943,300)	(\$943,300)	(\$374,700)
	(\$763,300)	(\$822,692)	\$11,379

MUNICIPALITY OF THE COUNTY OF INVERNESS
Water Utility Operating Fund
Non-Consolidated Operating Fund Statement of Financial Position
(unaudited - see advisory to readers)
March 31, 2023

	2023	2022
Assets		
Cash and cash equivalents	\$419,326	(\$161,069)
Prepays	\$6,827	\$0
Receivables		
Rates (less allowance for doubtful accounts)	\$259,129	\$363,857
Province of Nova Scotia	\$1,397	\$1,397
HST	\$62,655	\$190,392
Due from Operating Reserve	\$29,455	\$150,625
Due from Capital Reserve	\$11,390	\$33,060
Due from Gas Tax Reserve	\$284,082	\$629,019
	<u>\$648,108</u>	<u>\$1,368,350</u>
	<u>\$1,074,261</u>	<u>\$1,207,281</u>
Liabilities		
Payables and accruals		
Due to water utility section, capital fund	\$1,672,062	\$1,511,844
Due to general operating fund	\$775,200	\$590,025
Other payables and accruals	\$229,765	\$306,269
	<u>\$2,677,027</u>	<u>\$2,408,138</u>
Surplus / (Deficit)	<u>(\$1,602,766)</u>	<u>(\$1,200,857)</u>
	<u>\$1,074,261</u>	<u>\$1,207,281</u>

On behalf of the Municipality of the County of Inverness


Warden


CAO

See accompanying notes to the Non-Consolidated financial Statements.

MUNICIPALITY OF THE COUNTY OF INVERNESS**Water Utility Operating Fund****Non-Consolidated Operating Fund Statement of Operations****(unaudited - see advisory to readers)****March 31, 2023**

	Budget	2023	2022
Operating Revenues			
Metered sales	\$873,000	\$956,316	\$810,890
Flat rate sales	\$28,000	\$27,138	\$28,914
Public fire protection	\$216,600	\$216,629	\$216,629
Sprinkler	\$4,100	\$0	\$0
Other operating revenue	\$18,000	\$14,130	\$16,590
	<u>\$1,139,700</u>	<u>\$1,214,213</u>	<u>\$1,073,023</u>
Operating Expenditures			
Source of supply	\$100,000	\$94,334	\$62,336
Power and pumping	\$139,800	\$197,492	\$127,796
Water Treatment	\$366,800	\$435,189	\$392,044
Transmission and distribution	\$302,200	\$300,622	\$298,359
Administration and general	\$126,200	\$193,169	\$150,866
Depreciation	\$415,800	\$415,843	\$373,791
Other Operating Expenditures	\$500	\$7,670	(\$580)
	<u>\$1,451,300</u>	<u>\$1,644,319</u>	<u>\$1,404,612</u>
Operating Gain (Loss)	<u>(\$311,600)</u>	<u>(\$430,106)</u>	<u>(\$331,589)</u>
Non Operating Expenditures			
Debt charges			
Debenture principal payments	\$50,000	\$50,000	\$50,000
Debenture interest payments	\$19,100	\$19,076	\$20,923
	<u>\$69,100</u>	<u>\$69,076</u>	<u>\$70,923</u>
Non-operating revenue			
Amortization of deferred government assistance	\$85,000	\$97,273	\$93,393
Excess of expenditures over revenue	<u>(\$295,700)</u>	<u>(\$401,909)</u>	<u>(\$309,119)</u>
Deficit beginning of year	<u>(\$1,244,148)</u>	<u>(\$1,200,857)</u>	<u>(\$891,738)</u>
Deficit end of year	<u>(\$1,539,848)</u>	<u>(\$1,602,766)</u>	<u>(\$1,200,857)</u>

See accompanying notes to the Non-Consolidated financial Statements.

MUNICIPALITY OF THE COUNTY OF INVERNESS

Water Utility Capital Fund

Non-Consolidated Capital Fund Statement of Financial Position

(unaudited - see advisory to readers)

March 31, 2023

2023

2022

Assets

Cash		
Depreciation fund (page 16)	\$370,399	\$433,248
Deferred capital charges	\$2,987	\$2,987
Due from water utility section, operating fund	\$1,672,062	\$1,511,844
Utility plant in service (page 17)	\$15,481,702	\$13,491,472
	<u>\$17,527,150</u>	<u>\$15,439,551</u>

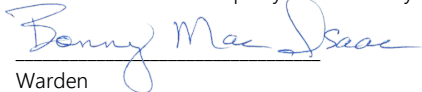
Liabilities

Payables		
Due to Operating Reserve fund	\$1,216,875	\$1,366,875
Term debt		
Debentures issued to provincial government	\$450,000	\$500,000
Short Term Borrowing - Highway 19 Debenture	\$901,812	\$0
Deferred assistance	\$2,685,168	\$2,769,840
	<u>\$5,253,855</u>	<u>\$4,636,715</u>

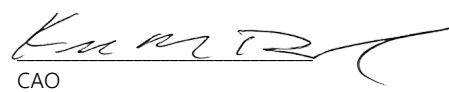
Reserve

Reserve for depreciation	<u>\$3,395,251</u>	<u>\$2,978,650</u>
Investment in capital assets	<u>\$8,878,044</u>	<u>\$7,824,185</u>
	<u>\$17,527,150</u>	<u>\$15,439,551</u>

On behalf of the Municipality of the County of Inverness



Warden



CAO

See accompanying notes to the Non-Consolidated financial Statements.

MUNICIPALITY OF THE COUNTY OF INVERNESS**Water Utility Section****Non-Consolidated Statement of Reserve for Depreciation****(unaudited - see advisory to readers)**

March 31, 2023	2023	2022
Balance, beginning of year	\$2,978,650	\$2,604,499
Depreciation for the year	\$416,601	\$374,151
Balance, end of year	\$3,395,251	\$2,978,650

MUNICIPALITY OF THE COUNTY OF INVERNESS**Water Utility Section****Non-Consolidated Statement of Investment in Capital Assets****(unaudited - see advisory to readers)**

March 31, 2023	2023	2022
Balance, beginning of year	\$7,824,185	\$5,957,524
Term debt retired	\$50,000	\$50,000
Interest	\$5,550	\$1,511
Transfer from Operating Reserve	\$451,578	\$1,077,877
Transfer from Capital Reserve	\$46,548	\$33,060
Transfer from/to Gas Tax Reserve	\$500,183	\$704,212
	\$8,878,044	\$7,824,185

MUNICIPALITY OF THE COUNTY OF INVERNESS**Water Utility Section****Non-Consolidated Statement of Depreciation Fund Cash****(unaudited - see advisory to readers)**

March 31, 2023	2023	2022
Cash, beginning of year	\$433,248	\$431,377
Transfer from depreciation fund	(\$69,557)	\$0
Interest earned on depreciation fund	\$6,708	\$1,871
Cash, end of year	\$370,399	\$433,248

See accompanying notes to the Non-Consolidated financial Statements.

MUNICIPALITY OF THE COUNTY OF INVERNESS**Water Utility Capital Fund****Schedule of Water Utility Plant and Equipment****(unaudited - see advisory to readers)****March 31, 2023****2023****2022**

Tangible Plant

Land and land rights	\$68,805	\$68,805
Source of supply	\$2,813,516	\$2,641,976
Reservoir	\$2,431,844	\$2,320,874
Structures and improvements	\$386,328	\$386,328
Electric pumping equipment	\$523,898	\$441,333
Purification equipment	\$1,921,463	\$1,806,906
Transmission maons	\$659,428	\$659,428
Distribution mains	\$3,939,524	\$2,567,508
services	\$162,562	\$141,481
Meters	\$1,284,923	\$1,191,948
Hydrants	\$219,611	\$209,753
Other tangible plant	\$96,881	\$82,212
Cheticamp Water Utility	\$972,920	\$972,920
	<hr/>	<hr/>
	\$15,481,702	\$13,491,472

See accompanying notes to the Non-Consolidated financial Statements.

MUNICIPALITY OF THE COUNTY OF INVERNESS**Capital Reserve Fund****Non-Consolidated Capital Reserve Statement of Financial Position****(unaudited - see advisory to readers)**

March 31, 2023	2023	2022
Assets		
Cash	\$2,184,650	\$2,502,840
Receivable from general section, operating fund	\$240,235	\$44,476
	<u>\$2,424,885</u>	<u>\$2,547,316</u>
Liabilities		
Receivable from water operating fund	\$11,390	\$33,060
Reserve	\$2,413,495	\$2,514,256
	<u>\$2,424,885</u>	<u>\$2,547,316</u>

See accompanying notes to the Non-Consolidated financial Statements.

MUNICIPALITY OF THE COUNTY OF INVERNESS**Capital Reserve Fund****Non-Consolidated Statement of Capital Reserve****(unaudited - see advisory to readers)**

March 31, 2023	2023	2022
Balance, beginning of year	\$2,514,256	\$1,958,475
Interest earned	\$39,400	\$10,284
Transfer to water capital fund	(\$46,548)	(\$33,060)
Transfer to general capital fund	(\$743,320)	(\$216,969)
Transfer from general operating fund	\$649,707	\$795,526
Balance, end of year	<u>\$2,413,495</u>	<u>\$2,514,256</u>

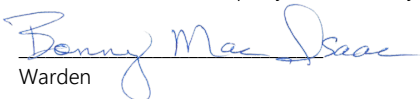
MUNICIPALITY OF THE COUNTY OF INVERNESS
Operating Reserve Fund
Non-Consolidated Operating Reserve Statement of Financial Position
(unaudited - see advisory to readers)
March 31, 2023

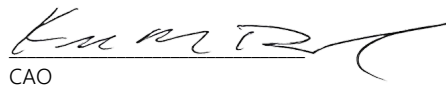
	2023	2022
Assets		
Cash	\$4,297,089	\$5,055,844
Due from water utility capital fund	\$1,216,875	\$1,366,875
Due from general operating fund	\$0	\$283,221
	<u>\$5,513,964</u>	<u>\$6,705,940</u>
Liabilities		
Due to water operating fund	\$29,455	\$150,625
Due to general operating fund	\$2,135,115	\$0
Reserve	<u>\$3,349,394</u>	<u>\$6,555,315</u>
	<u>\$5,513,964</u>	<u>\$6,705,940</u>

MUNICIPALITY OF THE COUNTY OF INVERNESS
Operating Reserve Fund
Non-Consolidated Statement of Operating Reserve
(unaudited - see advisory to readers)
March 31, 2023

	2023	2022
Balance, beginning of year	\$6,555,314	\$9,173,346
Interest earned	\$58,249	\$27,281
Transfer to general operating fund	(\$525,945)	\$0
Transfer to general capital fund	(\$2,286,646)	(\$1,567,436)
Transfer from water capital fund	(\$451,578)	(\$1,077,877)
Balance, end of year	<u>\$3,349,394</u>	<u>\$6,555,314</u>

On behalf of the Municipality of the County of Inverness


Warden


CAO

See accompanying notes to the Non-Consolidated financial Statements.

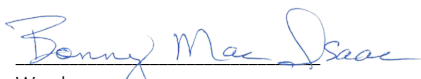
MUNICIPALITY OF THE COUNTY OF INVERNESS
Gas Tax Reserve Fund
Non-Consolidated Gas Tax Statement of Financial Position
(unaudited - see advisory to readers)
March 31, 2023

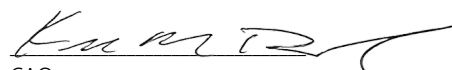
	2023	2022
Assets		
Cash	\$3,465,749	\$3,298,286
Receivable from federal government	\$0	\$735,413
	<u>\$3,465,749</u>	<u>\$4,033,699</u>
Liabilities		
Due to water utility operating fund	\$284,082	\$629,019
Due to general operating fund	\$39,323	\$275,986
	<u>\$323,405</u>	<u>\$905,005</u>
Reserve	<u>\$3,142,344</u>	<u>\$3,128,694</u>
	<u>\$3,465,749</u>	<u>\$4,033,699</u>

MUNICIPALITY OF THE COUNTY OF INVERNESS
Gas Tax Reserve Fund
Non-Consolidated Statement of Gas Tax Reserve
(unaudited - see advisory to readers)
March 31, 2023

	2023	2022
Balance, beginning of year	\$3,128,694	\$2,675,729
Interest earned	\$47,426	\$14,971
Gas Tax allocation	\$744,646	\$1,418,191
Transfer from water capital	(\$500,183)	(\$704,211)
Transfer to general operating fund	(\$278,239)	(\$275,986)
Balance, end of year	<u>\$3,142,344</u>	<u>\$3,128,694</u>

On behalf of the Municipality of the County of Inverness


 Warden


 CAO

See accompanying notes to the Non-Consolidated financial Statements.

MUNICIPALITY OF THE COUNTY OF INVERNESS
Notes to the Non-Consolidated Financial Statements
(unaudited - see advisory to readers)

March 31, 2023

1. Summary of significant accounting policies

Basis of presentation

These financial statements have been prepared to conform in all material respects to the accounting principles prescribed for Nova Scotia municipalities by the Department of Municipal Affairs and for water utilities by the Utilities and Review Board.

Operating funds

i) Properties acquired at tax sale

Properties acquired at tax sale are stated at cost.

ii) Valuation Allowances

Uncollected taxes, special assessments and rates

The Municipality provides a valuation allowance for uncollected taxes equal to, at minimum, the combined following, which it feels represents a reasonable estimate of potential losses:

- 100% of tax arrears prior to three years that remains outstanding;
- 8% of the residential and commercial taxes outstanding that are one, two or three years in arrears;

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

In the water utility, a valuation allowance is provided for estimated losses that will be incurred in collecting water rates receivable outstanding.

iii) Other receivables

The Municipality evaluates all receivables for collectability. A valuation allowance has been applied to all balances that management has determined to be uncollectable.

iv) Revenue and expenditures

Major revenue and expenditure items are recorded on an accrual basis.

Forfeited discount revenue on water rates is recorded on the accrual basis.

Principal and interest payments relating to long term debt are recorded as an expenditure when due for payment.

Property and equipment acquired with operating funds are recorded as an expenditure when incurred.

Interest earned on depreciation funds is recorded as an increase in investment in capital assets.

MUNICIPALITY OF THE COUNTY OF INVERNESS
Notes to the Non-Consolidated Financial Statements
(unaudited - see advisory to readers)
March 31, 2023

Capital Funds

i) General and school purpose assets

Capitalized debt expense

The Municipality capitalizes interest incurred on funds borrowed for construction in progress activity.

ii) Water purpose assets

Capitalized debt expense

The Municipality capitalizes interest incurred on funds borrowed for construction in progress activity.

Capital asset assistance

Funds received through capital assistance programs are treated as deferred contributions and amortized over the useful life of the asset.

Capital charges

Funds received through local capital charges are deferred and amortized over the life of the related debt.

Capital assets and related depreciation

Utility plant, none of which is donated, is recorded at cost.

Depreciation of utility plant is charged to income based on formula rates prescribed by the Utility and Review Board.

Depreciation cash

The depreciation charge in the operating fund is transferred to a designated bank account in the capital fund where it becomes available to fund new construction, extensions, additions, or replacements of existing plant.

MUNICIPALITY OF THE COUNTY OF INVERNESS
Notes to the Non-Consolidated Financial Statements
(unaudited - see advisory to readers)
March 31, 2023

1. Summary of Significant Accounting policies (continued)

Basis of presentation

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

	<u>Years</u>
Buildings	30
Engineered structures	10-20
Automotive equipment	6
Machinery and equipment	5-15
Sewer lines	50
Streets and lighting	25
Computer hardware and software	10-25
Website development	10

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

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

The Municipality does not capitalize interest as part of the costs of its capital assets. Certain assets such as surplus schools are disclosed at a nominal value as the determination of a fair market value for these types of assets is not appropriate.

2. Taxes Receivable

	<u>2023</u>	<u>2022</u>
Balance, beginning of year	\$1,786,234	\$2,036,627
Levy	\$16,171,506	\$15,251,652
Interest	\$177,878	\$199,119
	<u>\$18,135,618</u>	<u>\$17,487,398</u>
Collections	\$15,929,282	\$15,364,906
	<u>\$2,206,336</u>	<u>\$2,122,492</u>
Write offs, adjustments, and exemptions	\$333,148	\$336,258
	<u>\$1,873,188</u>	<u>\$1,786,234</u>
Valuation allowance (note 6)	\$632,289	\$623,664
Balance, end of year	<u>\$1,240,899</u>	<u>\$1,162,570</u>

MUNICIPALITY OF THE COUNTY OF INVERNESS
Notes to the Non-Consolidated Financial Statements
(unaudited - see advisory to readers)
March 31, 2023

3. Other Receivables	<u>2023</u>	<u>2022</u>
Waycobah garbage and sewer	\$403,770	\$435,419
Other federal receivable	\$344,590	\$461,153
Provincial grant in lieu	\$31,630	\$505,777
Other, net of allowance of \$5,020 (2019 - \$5,020)	\$684,470	\$449,340
	<u>\$1,464,460</u>	<u>\$1,851,689</u>

4. Due from own funds	<u>2023</u>	<u>2022</u>
Own funds		
Operating reserve section	\$2,135,115	\$0
Water utility section, operating fund	\$775,200	\$590,025
Gas tax reserve section	\$39,323	\$275,986
General capital section	\$1,975,900	\$1,710,909
	<u>\$4,925,538</u>	<u>\$2,576,920</u>

5. Due to own funds and agencies	<u>2023</u>	<u>2022</u>
Own funds		
Operating reserve section	\$0	\$283,221
Capital reserve section	\$240,235	\$44,476
Own Agencies		
Margaree Airport	\$214,036	\$214,036
Cape Breton Island Housing Authority	\$164,067	\$164,067
	<u>\$618,338</u>	<u>\$705,800</u>

MUNICIPALITY OF THE COUNTY OF INVERNESS
Notes to the Non-Consolidated Financial Statements
(unaudited - see advisory to readers)
March 31, 2023

6. Asset valuation allowances	<u>2023</u>	<u>2022</u>
For uncollected taxes		
Balance, beginning of year	\$623,664	\$606,080
Provision for the year	(\$20,119)	\$16,204
Write off of taxes	\$28,744	\$1,380
Balance, end of year	<u>\$632,289</u>	<u>\$623,664</u>
Long term taxes receivable		
Balance, beginning of year	\$132,649	\$137,434
Provision for the year	(\$10,322)	(\$4,785)
Balance, end of year	<u>\$122,327</u>	<u>\$132,649</u>
For uncollected other receivables		
Balance, beginning of year	\$0	\$0
Provision during the year	\$0	\$0
Balance, end of year	<u>\$0</u>	<u>\$0</u>
Total asset valuation allowances	<u>\$754,616</u>	<u>\$756,313</u>

7. Tangible Capital Assets			<u>2023</u>	<u>2022</u>
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Land	\$280,229	\$0	\$280,229	\$155,764
Buildings	\$14,372,291	\$6,306,850	\$8,065,441	\$7,616,537
Engineered structures	\$2,329,653	\$1,572,568	\$757,085	\$751,600
Automotive equipment	\$993,578	\$385,882	\$607,696	\$422,136
Machinery and equipment	\$3,264,245	\$1,390,763	\$1,873,482	\$1,157,701
Sewer lines	\$15,105,192	\$4,624,959	\$10,480,233	\$9,348,092
Streets and lighting	\$2,846,662	\$1,354,748	\$1,491,914	\$1,504,284
Computer hardware and software	\$376,759	\$127,094	\$249,665	\$170,059
Recreation Facilities	\$94,011	\$0	\$94,011	\$0
Website development	\$116,822	\$116,822	\$0	\$0
	<u>\$39,779,442</u>	<u>\$15,879,686</u>	<u>\$23,899,756</u>	<u>\$21,126,172</u>

MUNICIPALITY OF THE COUNTY OF INVERNESS
Notes to the Non-Consolidated Financial Statements
(unaudited - see advisory to readers)
March 31, 2023

8. School buildings and furnishings

On January 1, 1982, the Municipality of the County of Inverness joined with the Town of Port Hawkesbury to form the Inverness District School Board. Under the agreement, all school buildings on hand at December 31, 1981, will remain assets of the Municipality but will be under the operational control of the District School Board until such time as the Board no longer requires the asset for school purposes. At that time, control will revert back to the Municipality.

9. Long term debt

Principal repayments required during the next five fiscal (5) years on long term debt are approximately as follows:

	General Operating	General Capital	Water Capital	Total
2024	\$105,520	\$180,000	\$50,000	\$335,520
2025	\$105,520	\$180,000	\$50,000	\$335,520
2026	\$105,520	\$180,000	\$50,000	\$335,520
2027	\$105,520	\$180,000	\$300,000	\$585,520
2028	\$105,520	\$0	\$0	\$105,520

All existing long-term debt has been approved by the Minister of Municipal Affairs.

10. Contributions to Boards and Commissions

(a) Boards and Commissions in which the Municipality has less than a 100% interest:

The Municipality is required to finance the operations of various boards and commissions, along with the other local municipal units to the extent of its participation based on assessment, population or prescribed formulae.

In addition to any budgeted contributions, the municipal units share in the deficits or surpluses of these boards based on their sharing percentages. A municipal unit's share of any deficit must be paid in the next fiscal year while a surplus may be taken into the next year's estimates. Alternatively, the Municipality may provide for its share of the surplus or deficit in the current year.

Details of contributions to these boards and commissions are as follows:

	<u>2023</u>	<u>2022</u>
Eastern Counties Regional Library	\$124,535	\$94,655
Eastern District Planning Commission	\$223,230	\$210,283

The Municipality has no further financial obligations in connection with the operating results of the above-mentioned entities for the year ended March 31, 2023.

(b) Boards and commissions in which the Municipality has a 100% interest:

- i) Municipality of the County of Inverness Water Utility
The Municipality records a provision for its share of the utility's deficit. During the year the Municipality recorded in its expenditures a deficit of nil (2021- nil), being the utility's deficit for the year.

MUNICIPALITY OF THE COUNTY OF INVERNESS
Notes to the Non-Consolidated Financial Statements
(unaudited - see advisory to readers)
March 31, 2023

11. Transactions between the Municipality of the County of Inverness and the Water Utility

(a) In general, and where identifiable, costs incurred by the Municipality of the County of Inverness on behalf of the water utility are charged to the utility.

(b) Salary and wage related costs are allocated in proportion to time spent performing functions on behalf of the water utility.

(c) At March 31, 2023, the water utility general section owed \$775,200 to the Municipality (2022 – \$590,025). With respect to the inter-fund balances, no interest has been paid to or from the Municipality.

(d) The water utility provides public fire protection to the Municipality. The charge for this service, included in operating revenues, amounted to \$216,629 (2022 - \$216,629) and the charge is governed by the Utilities and Review Board.

(e) The water utility is exempt from municipal taxation by council by-law.

12. Commitments and contingencies

(a) Pension costs and obligations

During the year, the Municipality matched employee contributions to a money-purchase pension plan for full-time employees to a maximum percentage of each participating employee's gross pay depending on years of service. The graduated rates for employee and employer contributions are as follows:

Under 10 years	5%
10 to 20 years	7%
Over 20 years	9%

(b) Loan guarantees

The Municipality has guaranteed the bank loan for several volunteer fire departments. As of March 31, 2023, the details of these are as follows:

	2023
North East Margaree Volunteer Fire Department	\$132,751
Mabou Volunteer Fire Department	\$292,434
Cheticamp Volunteer Fire Department	\$0
Valley Mills Volunteer Fire Department	\$116,716
Lake Ainslie Volunteer Fire Department	\$0
Judique Volunteer Fire Department	\$206,636

MUNICIPALITY OF THE COUNTY OF INVERNESS
Notes to the Non-Consolidated Financial Statements
(unaudited - see advisory to readers)
March 31, 2023

13. Remuneration and Expenses

Total remuneration and expenses paid to elected and senior appointed officials of the Municipality are as follows:

<u>Elected Officials</u>	<u>Position</u>	<u>Remuneration</u>	<u>Expenses</u>
Claude Poirier	Councillor - District 1	\$40,406	\$13,954
Bonnie MacIsaac	Warden	\$62,139	\$6,758
John MacLennan	Councillor - District 4	\$40,406	\$3,721
Lynn Chisholm	Councillor - District 5	\$40,406	\$2,341
Catherine Gillis	Councillor - District 6	\$44,824	\$3,178
Blair Phillips	Councillor - District 2	\$31,983	\$7,075
<u>Senior Officials</u>			
Keith MacDonald	Chief Administrative Officer	\$137,835	\$23,750

14. Landfill closure and post closure costs

The Municipality of the County of Inverness has finalized the estimated landfill closure and post closure costs at an amount of approximately \$460,000. As at March 31, 2023, a total of \$460,000 has been transferred to the capital reserve from general operations.

MUNICIPALITY OF THE COUNTY OF INVERNESS
Notes to the Non-Consolidated Financial Statements
(unaudited - see advisory to readers)
March 31, 2023

	Balance April 1, 2022	Redeemed	Issued	Balance March 31, 2023
<u>General Operating</u>				
Municipal Finance Corporation	\$0	\$0	\$1,055,200	\$1,055,200
<i>Issued: October 25, 2022</i>				
<i>Due Date: 2032</i>				
<i>Interest Rate: Note A</i>				
<i>Interest: \$0</i>				
<u>General Capital</u>				
Municipal Finance Corporation	\$900,000	\$180,000	\$0	\$720,000
<i>Issued: May 16, 2016</i>				
<i>Due Date: 2026</i>				
<i>Interest Rate: Note A</i>				
<i>Interest: \$27,459.20</i>				
<u>Water Capital</u>				
Municipal Finance Corporation	\$500,000	\$50,000	\$0	\$450,000
<i>Issued: May 16, 2016</i>				
<i>Due Date: 2026</i>				
<i>Interest Rate: Note A</i>				
<i>Interest: \$22,678.39</i>				
Total Municipal Debt	\$1,400,000	\$230,000	\$1,055,200	\$2,225,200

Note A: Interest rate on the debenture increases over time as follows:

	General Operating	General Capital	Water Capital
2024	4.1770%	2.6580%	3.911%
2025	4.0420%	2.7990%	3.971%
2026	3.9890%	2.9250%	4.026%