

**Municipality of The County of
Antigonish
Consolidated Financial Statements**
March 31, 2023

To the Warden and Councillors of Municipality of the County of Antigonish:

Opinion

We have audited the consolidated financial statements of Municipality of the County of Antigonish (the "Municipality"), which comprise the consolidated statement of financial position as at March 31, 2023, and the consolidated statements of operations, changes in net financial assets, cash flows and the related schedules 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 consolidated financial position of the Municipality as at March 31, 2023, and the results of its consolidated operations, changes in its net financial assets and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

Sydney, Nova Scotia
December 17, 2024

MNP LLP
Chartered Professional Accountants

MNP

**Municipality of the County of Antigonish
Consolidated Financial Statements**

For the year ended March 31, 2023

	Page
Independent Auditor's Report	
Consolidated Statement of Financial Position.....	1
Consolidated Statement of Operations and Accumulated Surplus.....	2
Consolidated Statement of Change in Net Financial Assets.....	3
Consolidated Statement of Cash Flows	4
Notes to Consolidated Financial Statements	5
Schedules	
Schedule of Remuneration and Expenses of Members of Council and Clerk.....	18
Schedule of Segment Disclosure.....	19

Municipality of the County of Antigonish
Consolidated Statement of Financial Position

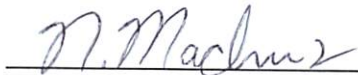
As at March 31, 2023

	2023	2022
FINANCIAL ASSETS		
Cash (Note 3)	\$ 17,685,311	\$ 17,460,094
Taxes receivable (Note 4)	547,599	486,388
Accounts receivable (Note 5)	2,374,068	824,944
Short-term investments (Note 6)	619,701	913,157
	21,226,679	19,684,583
FINANCIAL LIABILITIES		
Accounts payable and accrued liabilities (Note 7)	1,749,873	1,432,967
Asset retirement obligation (Note 8)	216,755	-
Deferred revenue	1,544,710	798,659
Tax sale surplus	208,283	208,283
Long-term debt (Note 9)	1,866,431	2,565,040
	5,586,052	5,004,949
NET FINANCIAL ASSETS	15,640,627	14,679,634
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 10)	29,574,836	28,412,298
Properties acquired at tax sale	19,866	19,866
Inventory, prepaid expenses and other	44,871	52,130
	29,639,573	28,484,294
ACCUMULATED SURPLUS	\$ 45,280,200	\$ 43,163,928
ACCUMULATED SURPLUS		
Fund balances		
Water operating fund	\$ 907,117	\$ 926,235
General capital fund	14,321,342	14,978,682
Water capital fund	12,917,223	10,615,192
Reserve funds	12,780,990	12,013,147
Gas tax reserve	4,353,528	4,630,672
TOTAL ACCUMULATED SURPLUS	\$ 45,280,200	\$ 43,163,928

Contingencies (Note 12)

See accompanying notes to consolidated financial statements.

On behalf of the Municipality of the County of Antigonish:

 Warden

 CAO

Municipality of the County of Antigonish
Consolidated Statement of Operations

For the year ended March 31, 2023

	2023		2022
	Budget	Actual	Actual
REVENUES			
Taxes	\$ 10,906,492	\$ 10,890,645	\$ 10,296,123
Grants in lieu of taxes	217,944	230,200	214,668
Sale of services	1,510,884	1,523,330	1,426,987
Revenue from own sources	477,607	1,262,669	731,574
Conditional transfers from other governments	862,589	764,196	1,399,201
Unconditional transfers from other governments	52,430	93,680	51,787
Capital grants	-	-	51,450
Water utility revenue	1,121,900	1,152,509	1,078,752
	<u>15,149,846</u>	<u>15,917,229</u>	<u>15,250,542</u>
EXPENSES			
General government services	3,530,841	3,179,339	3,015,696
Protective services	3,183,011	3,163,416	2,908,149
Transportation services	652,977	649,592	561,948
Environmental health services	3,399,774	3,560,669	3,133,357
Public health and welfare services	108,000	111,800	112,000
Recreation and cultural services	1,555,058	1,372,263	1,012,846
Environmental development services	370,109	316,738	306,258
Water utility expenses	1,530,600	1,447,140	1,433,074
	<u>14,330,370</u>	<u>13,800,957</u>	<u>12,483,328</u>
ANNUAL SURPLUS	819,476	2,116,272	2,767,214
ACCUMULATED SURPLUS, BEGINNING OF YEAR	43,163,928	43,163,928	40,396,714
ACCUMULATED SURPLUS, END OF YEAR	<u>\$ 43,983,404</u>	<u>\$ 45,280,200</u>	<u>\$ 43,163,928</u>

See accompanying notes to consolidated financial statements.

Municipality of the County of Antigonish
Consolidated Statement of Change in Net Financial Assets

For the year ended March 31, 2023

	2023		2022
	Budget	Actual	Actual
ANNUAL SURPLUS	\$ 819,476	\$ 2,116,272	\$ 2,767,214
Other non-financial assets			
Amortization of tangible capital assets	-	1,288,944	1,101,966
Additions to tangible capital assets	-	(2,451,482)	(3,750,566)
Decrease in inventory, prepaid expenses and other	-	7,259	14,718
INCREASE IN NET FINANCIAL ASSETS	819,476	960,993	133,332
NET FINANCIAL ASSETS, BEGINNING OF YEAR	14,679,634	14,679,634	14,546,302
NET FINANCIAL ASSETS, END OF YEAR	\$ 15,499,110	\$ 15,640,627	\$ 14,679,634

See accompanying notes to consolidated financial statements.

Municipality of the County of Antigonish
Consolidated Statement of Cash Flows

For the year ended March 31, 2023

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Annual surplus	\$ 2,116,272	\$ 2,767,214
Add		
Amortization of tangible capital assets	1,288,944	1,101,966
Accretion of asset retirement obligation	11,300	-
	3,416,516	3,869,180
Change in non-cash items		
Taxes receivable	(61,211)	(32,556)
Accounts receivable	(1,549,124)	329,237
Accounts payable and accrued liabilities	316,906	73,019
Deferred revenue	746,051	165,604
Inventory, prepaid expenses and other	7,259	14,718
Net change in cash from operating activities	(540,119)	550,022
CASH FLOWS FROM CAPITAL ACTIVITIES		
Additions to tangible capital assets	(2,246,027)	(3,750,566)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of long-term debt	(698,609)	(218,610)
CASH FLOWS FROM INVESTING ACTIVITIES		
Decrease in short-term investments, net	293,456	629,809
INCREASE IN CASH AND CASH EQUIVALENTS	225,217	1,079,835
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	17,460,094	16,380,259
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 17,685,311	\$ 17,460,094
Supplementary cash flow information		
Additions to tangible capital assets related to asset retirement obligations	\$ 205,455	\$ -

See accompanying notes to consolidated financial statements.

Municipality of the County of Antigonish

Notes to Consolidated Financial Statements

For the year ended March 31, 2023

1. CHANGE IN ACCOUNTING POLICY

Asset retirement obligation

Effective April 1, 2022, the County adopted the Public Sector Accounting Board's (PSAB) new standard for the recognition, measurement and disclosure of asset retirement obligations under PS 3280 Asset Retirement Obligations. In accordance with the transition provision of PS 3280, the change in policy was adopted on the prospective basis as of April 1, 2022.

The County recognized the discounted obligation of \$205,455 on April 1, 2022 as an increase to tangible capital assets and an increase to asset retirement obligation liability. The liability represents the decommissioning and contamination removal of specific assets held (Note 8).

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of presentation

These consolidated financial statements of the Municipality of the County of Antigonish (the "County") have been prepared, in all material respects, in accordance with Canadian public sector accounting standards.

(b) Basis of consolidation

These consolidated financial statements reflect the assets, liabilities, revenue, expenses and changes in fund balances of all funds of the County. The County is comprised of all organizations, committees and local boards accountable for the administration of their financial affairs and resources to the County and that are owned or controlled by the County. Inter-fund and inter-corporate balances and transactions have been eliminated. The entities included are as follows:

- Operating, capital and reserve funds of the Municipality of the County of Antigonish
- Operating and capital funds of the Municipality of the County of Antigonish Water Utility

(c) Segment information

The County is a diversified entity that provides a wide range of services to its residents. For management reporting purposes, the County'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. County services are provided by departments and their activity is reported in these funds. The services provided by these departments are as follows:

General government services

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

Municipality of the County of Antigonish
Notes to Consolidated Financial Statements
For the year ended March 31, 2023

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Segment information (Continued)

Protective services

This segment is primarily responsible for police, fire protection and bylaw administration for its residents. The County engages the services of the volunteer fire department in order to fulfill its fire protection role. The County collects a rate for the fire department.

Transportation services

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

Environmental health services

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 and welfare services

This segment is responsible for issuance of grants and contributions related to public health.

Recreation and cultural services

This segment is responsible for promoting and offering recreation opportunities and activities to the County's residents, specializing in maintaining and assisting recreational facilities within the County such as recreation facilities and the library.

Environmental development services

This segment is responsible for the issuance of development permits and approving subdivision applications.

Water Utility

This segment manages water treatment and distribution facilities and services within the County and includes activities such as plant operation and pumping, water treatment, transmission and distribution.

Municipality of the County of Antigonish **Notes to Consolidated Financial Statements**

For the year ended March 31, 2023

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) School boards

The assets, liabilities, taxation and other revenue and expenses with respect to the operations of the school boards are not reflected in these consolidated financial statements as they are provincial government entities.

School boards in Nova Scotia were created by the Province under provisions in the Education Act, and, under provincial statute, every County is required to make a mandatory contribution to its school board. The mandatory contribution is set at the value of the Education Rate, set by the Province each year, multiplied by the previous year's Uniform Assessment. The funding for this contribution to the Strait Regional School Board are recovered by the County by an area rate levied on the assessed value of the taxable property and business occupancy assessments and is shown on the consolidated statement of financial activities as a reduction of taxation revenues.

(e) R.K. MacDonald Nursing Home Corporation

The R.K. MacDonald Nursing Home Corporation is jointly governed by the Municipality of the County of Antigonish and the Town of Antigonish. The County does not consolidate the financial statements of the Nursing Home.

(f) Fund accounting

The resources and operations of the County are comprised of the operating, capital and reserve funds. Transfers between funds are recorded as adjustments to the appropriate fund balance. Supporting schedules to the consolidated financial statements are included to show the financial activities and change in the balance of each fund.

(g) Basis of accounting

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

(h) Cash and cash equivalents

The County considers cash on hand, deposits held in banks net of outstanding cheques and deposits and temporary lines of credit and overdrafts as cash and cash equivalents.

(i) Short-term investments

Short-term investments are initially recorded at cost and are subsequently measured at fair market value with any changes recorded on the consolidated statement of operations.

Municipality of the County of Antigonish
Notes to Consolidated Financial Statements

For the year ended March 31, 2023

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Tangible capital assets

Tangible capital assets are reported in the consolidated statement of financial position at cost net of accumulated amortization. They are amortized on a straight-line basis over their estimated useful lives at the following rates:

Asset	Basis	Rate
Capital fund		
Buildings	Straight-line	40 years
Equipment	Straight-line	5-10 years
Streets and sidewalks	Straight-line	20-50 years
Parking grounds	Straight-line	20 years
Garbage collection and disposal	Straight-line	25 years
Sewer collection and disposal	Straight-line	50 years
Water fund		
Structures and improvements	Straight-line	75 years
Equipment	Straight-line	5-20 years
Mains	Straight-line	75 years
Services and other	Straight-line	50 years
Meters	Straight-line	20 years
Hydrants	Straight-line	50 years

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

(k) Reserve funds

Certain amounts, as approved by the Council of the County, are set aside in reserve funds for future operating and capital purposes. Transfers to and or from reserves funds are an adjustment to the respective fund when approved.

(l) Asset retirement obligation

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

- a) There is a legal obligation to incur retirement costs in relation to a tangible capital asset;
- b) The past transaction or event giving rise to the liability has occurred;
- c) It is expected that future economic benefits will be given up; and
- d) A reasonable estimate of the amount can be made.

The liability associated with the remediation of contaminants present within a number of buildings and landfill owned by the County has been recognized based on estimated future expenses of remediation.

Municipality of the County of Antigonish

Notes to Consolidated Financial Statements

For the year ended March 31, 2023

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Government transfers

Government transfers are recognized in the consolidated financial statements in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made.

(n) Deferred revenue

Deferred revenue represents user charges, prepayment of taxes, and other fees that have been collected, for which the related services have yet to be performed. These amounts will be recognized as revenue in the fiscal year the services are performed.

(o) Taxation and related revenue

Property tax billings are prepared by the County based on assessment rolls issued by the Province of Nova Scotia (the "Province"). Tax rates are established annually by Council, incorporating amounts to be raised for local services and the requisition made by the Province in respect of education taxes. Taxation revenues are recorded at the time tax billings are due. Assessments and the related property taxes are subject to appeal. Tax adjustments as a result of appeals are recorded when the results of the appeal process are known. An allowance for unresolved assessment appeals is also provided.

(p) Service and other revenue

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

(q) Financial instruments

Initial measurement

Financial instruments are measured at fair value when issued or acquired. For financial instruments subsequently measured at cost or amortized cost, fair value is adjusted by the amount of the related financing fees and transaction costs. Transaction costs and financing fees relating to financial instruments that are measured subsequently at fair value are recognized in operations in the year in which they are incurred.

Financial instruments consist of cash and cash equivalents, short-term investments, taxes and rates receivable, other accounts receivable, due from government and its agencies, accounts payable and accrued liabilities, other accruals and long-term debt.

Subsequent measurement

At each reporting date, the County measures its financial assets and liabilities at cost or amortized cost (less impairment in the case of financial assets), except for investments, which must be measured at fair value. The County uses the effective interest rate method to amortize any premiums, discounts, transaction fees and financing fees to the statement of operations. The financial instruments measured at amortized cost are cash, taxes and rates receivable, other accounts receivable, accounts payable and accrued liabilities and long-term debt.

Municipality of the County of Antigonish
Notes to Consolidated Financial Statements

For the year ended March 31, 2023

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(q) Financial instruments (Continued)

Impairment

For financial assets measured at cost or amortized cost, the County regularly assesses whether there are any indications of impairment. If there is an indication of impairment, and the County determines that there is a significant adverse change in the expected timing or amount of future cash flows from the financial asset, it recognizes an impairment loss in the statement of operations. Any reversals of previously recognized impairment losses are recognized in operations in the year the reversal occurs.

Unless otherwise noted, it is management's opinion that the County is not exposed to significant interest or credit risks arising from financial instruments.

(r) Use of estimates

The preparation of consolidated financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period.

Amortization is based on the estimated useful lives of tangible capital assets.

Taxes, rates and other account receivables are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary.

Asset retirement obligations are recognized based upon assumptions and estimates related to the amount and timing of costs for future removal and site restoration.

By their nature, these judgments are subject to measurement uncertainty, and the effect on the consolidated financial statements of changes in such estimates and assumptions in future years could be material. These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in operations in the years in which they become know.

Municipality of the County of Antigonish
Notes to Consolidated Financial Statements

For the year ended March 31, 2023

3. CASH

	2023	2022
Operating fund	\$ 1,342,371	\$ 118,796
Capital funds	1,868,439	1,685,963
Reserves funds	14,474,501	15,655,335
	\$ 17,685,311	\$ 17,460,094

4. TAXES RECEIVABLE

	2023	2022
Balance, beginning of year	\$ 705,414	\$ 672,858
Current year's levy of property taxes and rates	14,122,325	13,122,648
	14,827,739	13,795,506
Less		
Current year's collections	13,892,278	12,946,004
Reduced taxes	168,777	144,088
	14,061,055	13,090,092
Gross taxes receivable, end of year	766,684	705,414
Less allowance for uncollectible taxes	(219,085)	(219,026)
Taxes receivable	\$ 547,599	\$ 486,388

5. ACCOUNTS RECEIVABLE

	2023	2022
Federal government	\$ 690,747	\$ 215,977
Provincial government	296,260	9,173
Canadian Community Building Fund	682,435	-
Water rates	208,342	202,820
Other receivables	510,272	410,962
	2,388,056	838,932
Less allowance for doubtful accounts	13,988	13,988
	\$ 2,374,068	\$ 824,944

Municipality of the County of Antigonish
Notes to Consolidated Financial Statements

For the year ended March 31, 2023

6. SHORT-TERM INVESTMENTS

	2023		2022	
	Cost	Fair Market Value	Cost	Fair Market Value
Portfolio investments	\$ 343,830	\$ 619,701	\$ 637,286	\$ 913,157

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2023	2022
Trade accounts payable	\$ 1,672,016	\$ 1,336,698
Payable to other governments	77,857	96,269
	\$ 1,749,873	\$ 1,432,967

8. ASSET RETIREMENT OBLIGATION

The County's asset retirement obligation consists of the liability for the remediation of contaminants present within a number of buildings owned by the County and the closure and long-term maintenance of a landfill site under the Nova Scotia Environmental Protection Act. A requirement of the Act is that the County is required to plan and provide closure and post closure maintenance of their landfill site. The contaminants present in the buildings represent a health hazard upon demolition and therefore there is a legal obligation for removal of these contaminants on decommissioning. The buildings and landfill have expected useful lives of 7-66 years. Estimated costs have been discounted to the present value using a discount rate of 5.5% per annum.

Changes to the asset retirement obligation in the year are as follows:

	2023	2022
Opening balance	\$ -	\$ -
Acquired upon adoption	205,455	-
Accretion expense	11,300	-
	\$ 216,755	\$ -

Municipality of the County of Antigonish
Notes to Consolidated Financial Statements

For the year ended March 31, 2023

9. LONG-TERM DEBT

	2023	2022
Municipal Finance Corporation, repayable in annual principal payments of \$44,400, plus interest at 5.26 – 5.48%, maturing in 2024	\$ 488,400	\$ 532,800
Municipal Finance Corporation, repayable in annual principal payments of \$32,814, plus interest at 2.81 – 4.579%, maturing in 2026	377,458	410,272
Municipal Finance Corporation, repayable in annual principal payments of \$65,629, plus interest at 2.81 – 4.597%, maturing in 2026	733,792	799,421
Municipal Finance Corporation, repayable in annual principal payments of \$27,766, plus interest at 2.81 – 4.597%, maturing in 2026	266,781	294,547
Municipal Finance Corporation, repaid during the year	–	528,000
	\$ 1,866,431	\$ 2,565,040

Principal payments required in each of the next five years on debt held as of March 31, 2023 are as follows:

2024	\$	614,609
2025		126,209
2026		126,209
2027		126,209
2028		873,195

Municipality of the County of Antigonish
Notes to Consolidated Financial Statements
For the year ended March 31, 2023

10. TANGIBLE CAPITAL ASSETS

	2023		2022							
	Cost Beginning of Year	Additions	Disposals and Transfers	Cost End of Year	Amortization Beginning of Year	Additions	Disposals	Amortization End of Year	Net Book Value	Net Book Value
General government services										
Land	\$ 788,737	\$ 26,501	\$ (303,081)	\$ 512,157	\$ -	\$ -	\$ -	\$ -	\$ 512,157	\$ 788,737
Buildings	1,894,306	5,508	-	1,899,814	960,730	47,450	-	1,008,180	891,634	933,576
Equipment	600,790	-	-	600,790	351,285	91,435	-	442,720	158,070	249,505
Other	112,584	-	-	112,584	112,584	-	-	112,584	-	-
Protective services										
Buildings	348,538	68,831	-	415,369	177,756	10,384	-	188,140	227,229	170,782
Public works										
Equipment	385,852	199,833	-	585,685	375,353	41,487	-	416,820	168,865	10,499
Streets and sidewalks	7,449,762	25,992	-	7,475,754	1,897,316	171,132	-	2,068,448	5,407,306	5,552,446
Environmental health services										
Other	458,612	-	-	458,612	458,612	-	-	458,612	-	-
Buildings	2,079,544	226,965	-	2,306,509	740,592	62,990	-	803,582	1,502,927	1,338,952
Equipment	3,412,274	598,028	-	4,010,302	2,230,354	263,547	-	2,493,901	1,516,401	1,181,920
Sewer collection and disposal	12,875,208	-	-	12,875,208	5,965,021	257,504	-	6,222,525	6,652,683	6,910,187
Vehicles	140,345	114,075	-	254,420	138,254	45,807	-	184,061	70,359	2,091
Recreation and cultural services										
Buildings	1,092,416	-	-	1,092,416	304,840	27,310	-	332,150	760,266	787,576
Equipment	132,987	-	-	132,987	55,855	3,325	-	59,180	73,807	77,132
Water utility plant and equipment										
	12,929,202	1,187,749	303,081	14,420,032	2,520,307	266,593	-	2,786,900	11,633,132	10,408,895
	\$ 44,701,157	\$ 2,451,482	\$ -	\$ 47,152,639	\$ 10,268,859	\$ 1,288,944	\$ -	\$ 17,577,803	\$ 29,574,836	\$ 28,412,298

Municipality of the County of Antigonish
Notes to Consolidated Financial Statements

For the year ended March 31, 2023

11. R. K. MACDONALD NURSING HOME CORPORATION

R. K. MacDonald Nursing Home Corporation is jointly governed by the County and Town of Antigonish and is not consolidated. The following table provides condensed supplementary financial information for the Nursing Home:

	2023	2022
STATEMENT OF FINANCIAL POSITION		
Current assets	\$ 6,559,288	\$ 6,134,550
Capital assets	9,362,045	9,733,891
Total assets	15,921,333	15,868,441
Current liabilities	2,822,263	2,628,552
Long-term liabilities	7,788,691	8,545,200
Total liabilities	10,610,954	11,173,752
NET ASSETS	\$ 5,310,379	\$ 4,694,689

STATEMENT OF OPERATIONS

Revenues	\$ 15,738,583	\$ 14,131,760
Operating expenses	(14,079,514)	(12,167,615)
Financing and capital	(1,043,379)	(1,087,311)
EXCESS OF REVENUES OVER EXPENSES	\$ 615,690	\$ 876,834

STATEMENT OF CASH FLOWS

Cash flows from		
Operating activities	\$ 529,770	\$ 1,218,156
Financing and investing activities	(652,662)	(605,929)

Municipality of the County of Antigonish

Notes to Consolidated Financial Statements

For the year ended March 31, 2023

12. CONTINGENCIES

The County has guaranteed the following loans:

- R. K. MacDonald Nursing Home Corporation for capital purposes. The maximum amount guaranteed is \$4,325,928.
- Antigonish County Volunteer Fire Department for capital purposes for \$100,000 and \$294,400.
- Auld's Cove Volunteer Fire Department for capital purposes for \$145,000 and \$40,000.
- Pomquet Volunteer Fire Department for capital purposes for \$120,000 and \$150,000.
- Four Valley's Volunteer Fire Department for capital purposes for \$400,000.

13. FINANCIAL INSTRUMENTS

(a) Fair value of financial instruments

The fair value of the County's financial instruments that are comprised of cash, taxes receivable, accounts receivable and accounts payable and accrued liabilities approximate their carrying value due to their short-term nature.

Short-term investments are recorded at fair market value.

The fair value of long-term debt is based on rates currently available to the County with similar terms and maturities and approximates its carrying value.

(b) Credit risk

The County is exposed to credit-related losses in the event of non-performance by counterparties to the financial instruments. Credit exposure is minimized by dealing with only credit worthy counterparties.

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The County's debentures are long term with fixed range of rates thereby mitigating its interest rate risk.

Municipality of the County of Antigonish
Notes to Consolidated Financial Statements

For the year ended March 31, 2023

14. TRANSFERS TO PROVINCIAL BOARDS AND COMMISSIONS

- (a) The Eastern Mainland Housing Authority

The County shared in the operations of the Authority for the year ended March 31, 2023 in the amount of \$234,961 (2022 - \$97,811).

- (b) Assessment Services

The County is required to pay a share of the cost of operating the provincial assessment system based on the total provincial assessment cost times the average of the County's share of the Uniform Assessment and the County's share of assessment accounts. For the year ended March 31, 2023, the County's share of these costs was \$321,786 (2022 - \$324,045).

- (c) Correctional Services

Municipalities in Nova Scotia are required to make a mandatory contribution to fund the cost of correctional services. The contribution is set by Provincial formula. For the year ended March 31, 2023, the County's contribution for these costs was \$209,254 (2022 - \$208,787).

- (d) Strait-Richmond Regional School Board

The County provided a mandatory contribution in the amount of \$3,944,521 (2022 - \$3,826,707) to the Strait-Richmond Regional Center for Education.

15. BUDGET INFORMATION

The disclosed budget information has been approved by the Warden and Council at the council meeting on June 7, 2022.

The County budgets for rate settling purposes. These budgeted amounts do not include amortization or revenue from Canada Community Building Fund. The following adjustments to the annual surplus reconcile the operating budgets to the financial reporting presentation under Canadian Public Sector Accounting Standards ("PSAB").

	2023
Approved budgeted deficit for the year	
General operations	\$ 1,085,485
Water utility operations	63,490
Approved budget deficit	1,148,975
Adjustments:	
Canada Community Building Fund	682,435
Amortization of tangible capital assets	(1,011,934)
Net PSAB adjustments	(329,499)
Adjusted budget	\$ 819,476

Municipality of the County of Antigonish
Schedule of Remuneration and Expenses of Members of Council and Clerk

For the year ended March 31, 2023

Name	Title	Number of months as an elected official	Remuneration	Expenses
Owen McCarron	Warden	12	53,549	8,261
Hugh Stewart	Deputy Warden	12	32,857	3,812
Shawn Brophy	Councillor	12	27,967	2,400
Remi Deveau	Councillor	12	27,967	5,545
John Dunbar	Councillor	12	27,967	4,316
Donald MacDonald	Councillor	12	27,967	5,358
William MacFarlane	Councillor	12	27,967	1,481
Mary MacLellan	Councillor	12	27,967	3,795
Gary Mattie	Councillor	12	27,967	3,423
Harris McNamara	Councillor	12	27,967	4,486
Glenn Horne	Clerk/Treasurer	N/A	140,406	10,420

Municipality of the County of Antigonish
Schedule of Segment Disclosure
For the year ended March 31, 2023

Segment reporting is designed to assist users in identifying the resources allocated to support the major activities of the County and to better understand the performance of segments

The following schedules provide segment information for the 2023 and 2022 fiscal years. Segment results represent the activities of that segment and are based on the same accounting policies as described in the significant accounting policies as described in Note 2. The County has determined that the following segments represent the major activities of government, with expenses reported by object

Year ended March 31, 2023	General Government Services	Protective Services	Transportation Services	Environmental Health Services	Public Health and Welfare Services	Recreation and Cultural Services	Environmental Development Services	Water Utility	Total
REVENUES									
Taxation	\$ 9,208,818	\$ 1,680,827	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,890,645
Grants in lieu of taxes	230,200	-	-	-	-	-	-	-	230,200
Sale of services	1,414,447	-	-	-	-	108,883	-	-	1,523,330
Revenue from own sources	1,262,669	-	-	-	-	-	-	-	1,262,669
Conditional transfers from other governments	764,196	-	-	-	-	-	-	-	764,196
Unconditional transfers from other governments	93,660	-	-	-	-	-	-	-	93,660
Water utility revenue	-	-	-	-	-	-	-	1,152,509	1,152,509
	<u>12,975,010</u>	<u>1,680,827</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>108,883</u>	<u>-</u>	<u>1,152,509</u>	<u>15,917,229</u>
EXPENSES									
Salaries, wages and benefits	1,341,740	6,850	179,398	931,718	-	573,713	-	273,757	3,307,176
Interest on long-term debt	14,414	-	5,047	49,211	-	17,035	-	12,167	97,874
Other operating expenditures	1,684,391	1,967,397	252,547	1,960,221	-	750,880	-	894,623	7,510,059
External transfers and grants	-	1,178,763	-	-	111,800	-	316,738	286,593	1,873,914
Amortization	138,794	10,388	212,600	619,519	-	30,635	-	-	1,011,934
	<u>3,179,339</u>	<u>3,163,418</u>	<u>649,592</u>	<u>3,560,669</u>	<u>111,800</u>	<u>1,372,263</u>	<u>316,738</u>	<u>1,447,140</u>	<u>13,600,957</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$ 9,795,671	\$ (1,482,591)	\$ (649,592)	\$ (3,560,669)	\$ (111,800)	\$ (1,263,380)	\$ (316,738)	\$ (294,631)	\$ 2,116,272

Municipality of the County of Antigonish
Schedule of Segment Disclosure

For the year ended March 31, 2023

Year ended March 31, 2022	General Government Services	Protective Services	Transportation Services	Environmental Health Services	Public Health and Welfare Services	Recreation and Cultural Services	Environmental Development Services	Water Utility	Total
REVENUES									
Taxation	\$ 8,722,022	\$ 1,574,101	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,296,123
Grants in lieu of taxes	214,668	-	-	-	-	-	-	-	214,668
Sale of services	1,384,498	-	-	-	-	42,489	-	-	1,426,987
Revenue from own sources	731,574	-	-	-	-	-	-	-	731,574
Conditional transfers from other governments	1,399,201	-	-	-	-	-	-	-	1,399,201
Unconditional transfers from other governments	51,787	-	-	-	-	-	-	-	51,787
Capital grants	17,167	-	27,283	-	-	7,000	-	-	51,450
Water utility revenue	-	-	-	-	-	-	-	1,078,752	1,078,752
	<u>12,520,917</u>	<u>1,574,101</u>	<u>27,283</u>	<u>-</u>	<u>-</u>	<u>49,489</u>	<u>-</u>	<u>1,078,752</u>	<u>15,250,542</u>
EXPENSES									
Salaries, wages and benefits	1,307,830	6,003	164,286	864,912	-	342,783	-	272,136	2,957,962
Interest on long-term debt	15,597	-	6,309	55,793	-	18,433	-	48,831	144,963
Other operating expenditures	1,569,191	1,770,425	220,009	1,878,731	-	620,995	-	877,820	6,737,171
External transfers and grants	-	1,123,008	-	-	112,000	-	306,258	234,287	1,775,553
Amortization	123,078	8,713	171,332	533,921	-	30,635	-	-	867,679
	<u>3,015,696</u>	<u>2,908,149</u>	<u>561,948</u>	<u>3,133,357</u>	<u>112,000</u>	<u>1,012,848</u>	<u>306,258</u>	<u>1,433,074</u>	<u>12,483,328</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$ 8,505,221	\$ (1,334,048)	\$ (534,665)	\$ (3,133,357)	\$ (112,000)	\$ (963,357)	\$ (306,258)	\$ (354,322)	\$ 2,787,214