

Non-consolidated financial statements

(Unaudited – see advisory to readers)

Municipality of the County of Richmond

March 31, 2022

Contents

	<u>Page</u>
Advisory to readers	1
General section	
Operating fund statement of financial position	2 - 3
Operating fund statement of financial activities	4
Operating fund statement of fund balance	5
Capital fund statement of financial position	6
Capital fund statement of investment in capital assets	7
Schedule A - Details of revenue	8 - 9
Schedule B - Details of expenditures	10 - 13
Schedule C - Details of plant and equipment	14
Reserve funds section	
Capital reserve statement of financial position	15
Capital reserve statement of financial activities	15
Operating reserve statement of financial position	16
Operating reserve statement of financial activities	16
Notes to the non-consolidated financial statements	17 - 24
Schedule D - Debt charges and term debt	25

Advisory to readers

The Municipality of the County of Richmond prepares both consolidated and 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 generally accepted accounting principles.

Municipality of the County of Richmond

General section

Operating fund statement of financial position

(Unaudited - see advisory to readers)

March 31	2022	2021
Financial assets		
Cash	\$ <u>2,223,201</u>	\$ <u>916,880</u>
Receivables		
Taxes (Note 4)	1,373,769	1,607,937
Interest on taxes	<u>1,118,456</u>	<u>1,179,068</u>
	2,492,225	2,787,005
Less: allowance for doubtful accounts (Note 11)	<u>1,107,272</u>	<u>1,149,384</u>
	1,384,953	1,637,621
Sewer - special assessments	250,453	254,731
Due from provincial governments and its agencies (Note 5)	65,778	51,200
Due from federal government and its agencies (Note 5)	58,078	126,063
Due from own funds and agencies (Note 6)	550,002	654,018
Due from other local organizations (Note 7)	401,333	159,481
Other	<u>134,411</u>	<u>74,472</u>
	<u>5,068,209</u>	<u>3,874,466</u>
Loans and advances		
Employee loans (Note 3)	<u>3,926</u>	<u>6,557</u>
Total financial assets	\$ <u>5,072,135</u>	\$ <u>3,881,023</u>

See accompanying notes to the non-consolidated financial statements.

Municipality of the County of Richmond

General section

Operating fund statement of financial activities

(Unaudited - see advisory to readers)

Year ended March 31	2022	2021	
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Revenue (Schedule A)			
Taxes	\$ 8,324,368	\$ 8,652,286	\$ 8,195,113
Grants in lieu of taxes	2,141,358	2,131,165	2,150,801
Other revenue from own sources	715,150	636,837	721,117
Conditional transfers from federal and provincial governments and agencies	67,600	46,967	46,037
Recreation and cultural services	263,500	179,505	162,395
Collections for other government	155,000	154,953	152,051
	<u>11,666,976</u>	<u>11,801,713</u>	<u>11,427,514</u>
Expenditures (Schedule B)			
General government services	3,958,437	3,751,798	3,864,558
Protective services	3,090,915	3,029,841	2,929,779
Transportation services	579,736	671,789	588,655
Environmental health services	1,844,029	2,177,158	2,190,951
Public health and welfare services	107,517	116,478	85,803
Environmental development services	591,249	579,630	464,106
Recreation and cultural services	967,998	870,507	730,292
Collections for other government	155,000	154,953	152,051
Extraordinary and special items	10,000	-	-
	<u>11,304,881</u>	<u>11,352,154</u>	<u>11,006,195</u>
Excess of revenue over expenditures	<u>362,095</u>	<u>449,559</u>	<u>421,319</u>
Financing and transfers			
Debenture principal instalment – general capital	(237,595)	(237,595)	(235,534)
Transfer from (to) general capital fund	(132,500)	411,100	444,572
Transfer from capital reserve	8,000	7,680	7,680
Transfers from operating reserve – Safe Restart funding	-	186,881	-
Transfer to operating reserve – current years surplus	-	(817,625)	(638,037)
	<u>(362,095)</u>	<u>(449,559)</u>	<u>(421,319)</u>
Change in fund balance	\$ -	\$ -	\$ -

See accompanying notes to the non-consolidated financial statements.

Municipality of the County of Richmond
General section
Operating fund statement of fund balance

(Unaudited - see advisory to readers)

Year ended March 31	2022	2021
Operating fund surplus, beginning of year	\$ -	\$ -
Change in fund balance	<u>-</u>	<u>-</u>
Operating fund surplus, end of year	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to the non-consolidated financial statements.

Municipality of the County of Richmond
General section
Capital fund statement of investment in capital assets

(Unaudited - see advisory to readers)
Year ended March 31

	2022	2021
Balance, beginning of year	\$ 14,670,544	\$ 13,945,136
Debtures and term debt retired	237,595	235,534
Transfer from capital reserve – Canada Community Building Fund (CCBF)	93,450	218,132
Grant and contributions for tangible capital asset additions	674,237	624,178
Capital out of revenue	93,353	141,068
Write off of work in progress	(28,005)	-
Disposal of assets	(655)	-
Adjustment of asset over depreciated	<u>9,468</u>	<u>-</u>
	<u>1,079,443</u>	<u>1,218,912</u>
Current year amortization	<u>(504,745)</u>	<u>(493,504)</u>
Balance, end of year	<u>\$ 15,245,242</u>	<u>\$ 14,670,544</u>

See accompanying notes to the non-consolidated financial statements.

Municipality of the County of Richmond

General section

Schedule A - Details of revenue

(Unaudited - see advisory to readers)

Year ended March 31

		2022	2021
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Taxes			
Assessable property			
Residential	\$ 5,321,911	\$ 5,316,772	\$ 5,144,629
Commercial			
Based on taxable assessment	2,660,231	2,557,552	2,647,562
Resource			
Based on taxable assessment	1,012,178	1,009,312	986,735
Forest property tax (less than 50,000 acres)	13,575	13,558	13,562
Forest property tax (50,000 acres or more)	<u>6,689</u>	<u>6,689</u>	<u>6,548</u>
	<u>9,014,584</u>	<u>8,903,883</u>	<u>8,799,036</u>
Area rates			
Fire protection	803,500	805,468	789,665
Environmental health services	<u>20,200</u>	<u>20,080</u>	<u>19,888</u>
	<u>823,700</u>	<u>825,548</u>	<u>809,553</u>
Business property			
Based on revenue	<u>33,788</u>	<u>32,999</u>	<u>36,124</u>
Other			
Deed transfer tax	<u>480,303</u>	<u>850,914</u>	<u>574,128</u>
Special assessments			
Sewer services by-law	<u>683,576</u>	<u>750,525</u>	<u>670,822</u>
	11,035,951	11,363,869	10,889,663
Education expenditure as a reduction of tax revenue			
Appropriation to regional school board	<u>(2,711,583)</u>	<u>(2,711,583)</u>	<u>(2,694,550)</u>
	<u>\$ 8,324,368</u>	<u>\$ 8,652,286</u>	<u>\$ 8,195,113</u>
Grants in lieu of taxes			
Federal government	\$ 30,500	\$ 30,554	\$ 30,554
Provincial government			
Property	68,419	68,950	68,316
Crown timber lands	42,500	42,542	42,629
Other			
Nova Scotia Power Incorporated	1,835,673	1,824,845	1,846,655
Windmills	<u>164,266</u>	<u>164,274</u>	<u>162,647</u>
	<u>\$ 2,141,358</u>	<u>\$ 2,131,165</u>	<u>\$ 2,150,801</u>

Municipality of the County of Richmond

General section

Schedule A - Details of revenue (Continued)

(Unaudited - see advisory to readers)

Year ended March 31

2022

2021

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Other revenue from own sources			
Licenses and permits	\$ 49,750	\$ 35,304	\$ 31,520
Return on investments	75,000	52,805	55,696
Penalties and interest on taxes and special assessments	274,200	244,058	293,003
Miscellaneous	<u>316,200</u>	<u>304,670</u>	<u>340,898</u>
	<u>\$ 715,150</u>	<u>\$ 636,837</u>	<u>\$ 721,117</u>
Conditional transfers from federal and provincial governments and agencies			
Federal government			
Recreation and cultural services			
Summer student grant	\$ 13,600	\$ 16,313	\$ 14,056
Provincial government			
Programs-Grants	40,000	30,000	22,835
Environmental health services recycling	<u>14,000</u>	<u>654</u>	<u>9,146</u>
	<u>\$ 67,600</u>	<u>\$ 46,967</u>	<u>\$ 46,037</u>
Recreation and cultural services			
User fees recreation programs	\$ 60,000	\$ 57,369	\$ 41,922
Arena revenue	<u>203,500</u>	<u>122,136</u>	<u>120,473</u>
	<u>\$ 263,500</u>	<u>\$ 179,505</u>	<u>\$ 162,395</u>
Collections for other government			
Village of St. Peters	<u>\$ 155,000</u>	<u>\$ 154,953</u>	<u>\$ 152,051</u>

See accompanying notes to the non-consolidated financial statements.

Municipality of the County of Richmond

General section

Schedule B - Details of expenditures

(Unaudited - see advisory to readers)

Year ended March 31

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
General government services			
Legislative			
Warden			
Stipend	\$ 47,683	\$ 47,683	\$ 55,630
Travel and meeting fees	4,000	1,692	2,055
Council			
Stipend	108,359	108,356	126,417
Travel and meeting fees	<u>6,000</u>	<u>2,951</u>	<u>6,225</u>
	<u>166,042</u>	<u>160,682</u>	<u>190,327</u>
Administrative			
Salaries and wages	625,379	611,054	662,812
Employee benefits	1,240,517	1,119,172	1,165,327
Office buildings	174,600	170,241	152,516
Legal services	40,200	96,161	25,536
Office expenses	177,500	149,553	157,939
Other administrative services	27,500	27,870	9,928
Financial management	40,000	41,629	32,243
Taxation			
Transfer for assessment services	273,897	273,897	277,873
Exemption to halls	380,000	380,470	381,799
Capped assessment	<u>653,502</u>	<u>653,502</u>	<u>648,788</u>
	<u>3,633,095</u>	<u>3,523,549</u>	<u>3,514,761</u>
Debt charges			
Interest on short term debt			
General operations interest	<u>2,000</u>	<u>10,913</u>	<u>5,531</u>
Valuation allowance			
Uncollectible taxes	65,000	(28,244)	(12,474)
Uncollectible interest	<u>65,000</u>	<u>(13,867)</u>	<u>21,716</u>
	<u>130,000</u>	<u>(42,111)</u>	<u>9,242</u>
Other general services			
Amortization	-	72,377	67,398
Municipal Election	-	-	50,424
Intergovernmental relations	<u>27,500</u>	<u>26,388</u>	<u>26,875</u>
	<u>27,500</u>	<u>98,765</u>	<u>144,697</u>
	<u>\$ 3,958,437</u>	<u>\$ 3,751,798</u>	<u>\$ 3,864,558</u>

Municipality of the County of Richmond

General section

Schedule B - Details of expenditures (Continued)

(Unaudited - see advisory to readers)

Year ended March 31

2022

2021

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Protective services			
Police protection			
Contracted policing	\$ 1,655,734	\$ 1,641,224	\$ 1,563,865
Law enforcement			
Transfer to correctional services	<u>147,481</u>	<u>147,481</u>	<u>149,394</u>
	<u>1,803,215</u>	<u>1,788,705</u>	<u>1,713,259</u>
Fire protection			
Fire fighting force			
Fire services	100,000	73,949	53,000
Area rate levies	803,500	805,468	789,665
Water supply and hydrants	<u>321,000</u>	<u>321,000</u>	<u>321,000</u>
	<u>1,224,500</u>	<u>1,200,417</u>	<u>1,163,665</u>
Other			
Amortization	-	345	359
Maintenance area rate	20,200	20,080	19,888
Animal and pest control	3,000	1,416	2,246
Emergency measures	<u>40,000</u>	<u>18,878</u>	<u>30,362</u>
	<u>63,200</u>	<u>40,719</u>	<u>52,855</u>
	<u>\$ 3,090,915</u>	<u>\$ 3,029,841</u>	<u>\$ 2,929,779</u>
Transportation services			
Transportation fee	\$ 189,899	\$ 181,484	\$ 177,131
Street lighting	370,000	411,156	361,868
Amortization	-	59,748	28,365
Air transport	15,000	15,000	15,000
Interest on long-term debt	<u>4,837</u>	<u>4,401</u>	<u>6,291</u>
	<u>\$ 579,736</u>	<u>\$ 671,789</u>	<u>\$ 588,655</u>

Municipality of the County of Richmond

General section

Schedule B - Details of expenditures (Continued)

(Unaudited - see advisory to readers)

Year ended March 31	2022	2021	
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Environmental health services			
Administration	\$ 182,372	\$ 179,272	\$ 182,567
Sewage collection and disposal			
Central treatment plant	533,062	598,195	509,361
Garbage collection and disposal			
Garbage and waste collection	395,000	389,214	383,621
Municipal dumps	704,855	639,883	713,586
Amortization	-	344,441	367,945
Interest on long-term debt	28,740	26,153	33,871
	<u>\$ 1,844,029</u>	<u>\$ 2,177,158</u>	<u>\$ 2,190,951</u>
Public health and welfare services			
Housing			
Deficit of Cape Breton Island			
Housing Authority (Richmond district)	\$ 107,517	\$ 116,478	\$ 85,803
Environmental development services			
Transfer to			
Eastern District Planning Commission	\$ 177,299	\$ 175,031	\$ 174,079
Economic development and tourism	413,950	404,599	290,027
	<u>\$ 591,249</u>	<u>\$ 579,630</u>	<u>\$ 464,106</u>
Recreation and cultural services			
Recreation facilities			
Administration	\$ 692,097	\$ 609,997	\$ 499,886
Amortization	-	27,545	28,174
Programs and grants	128,332	99,416	84,028
Canada works program	43,064	30,943	21,647
	863,493	767,901	633,735
Cultural buildings and facilities			
Libraries	43,000	41,101	35,052
Transfer to regional library	61,505	61,505	61,505
	<u>\$ 967,998</u>	<u>\$ 870,507</u>	<u>\$ 730,292</u>

Municipality of the County of Richmond
General section

Schedule B - Details of expenditures (Continued)

(Unaudited - see advisory to readers)

Year ended March 31

2022

2021

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Collections for other government			
Village of St. Peter's	\$ 155,000	\$ 154,953	\$ 152,051
Extraordinary and special items			
Other	\$ 10,000	\$ -	\$ -

See accompanying notes to the non-consolidated financial statements.

Municipality of the County of Richmond
General section
Schedule C – Details of plant and equipment

(Unaudited - see advisory to readers)

	Year ended March 31		2022	2021
	<u>Cost</u>	<u>Accumulated amortization</u>	<u>Net book value</u>	<u>Net book value</u>
Land	\$ 719,575	\$ -	\$ 719,575	\$ 719,575
Buildings and land improvements	18,312,643	8,666,323	9,646,320	9,601,867
Machinery and equipment	1,584,199	1,178,595	405,604	433,221
Vehicles	229,775	152,896	76,879	52,471
Sidewalks	2,542,334	422,313	2,120,021	513,789
Landfill	467,494	220,288	247,206	267,174
Road Signs	<u>52,568</u>	<u>22,708</u>	<u>29,860</u>	<u>35,131</u>
	<u>\$23,908,588</u>	<u>\$10,663,123</u>	<u>\$ 13,245,465</u>	<u>\$ 11,623,228</u>

See accompanying notes to the non-consolidated financial statements.

Municipality of the County of Richmond

Reserve funds section

Capital reserve statement of financial position

(Unaudited - see advisory to readers)

March 31	2022	2021
Financial assets (liabilities)		
Cash	\$ 2,760,880	\$ 2,439,533
Due from operating fund	<u>874,093</u>	<u>321,347</u>
	\$ 3,634,973	\$ 2,760,880
Reserve		
Canada Community Building Fund (CCBF)	\$ 2,753,764	\$ 1,896,603
Landfill closure	499,872	484,872
Capital	<u>381,337</u>	<u>379,405</u>
	\$ 3,634,973	\$ 2,760,880

On behalf of the Municipality of the County of Richmond

_____ Warden _____ Deputy Warden

Reserve funds section

Capital reserve statement of financial activities

(Unaudited - see advisory to readers)

Year ended March 31	2022	2021
Canada Community Building Fund (CCBF) revenue	\$ 971,629	\$ 475,057
Interest earned – CCBF	14,850	9,263
Interest earned – other capital	7,680	7,680
Budgeted transfer from operating fund	15,000	81,726
Transfer from operating fund – tax sale surplus	826	27,178
Proceeds on sale of assets	<u>1,105</u>	<u>-</u>
	1,011,090	600,904
Transfer to operating fund – non-capital expenditures	(35,867)	(53,745)
Transfer of CCBF to fund general capital	(93,450)	(218,132)
Transfer to operating fund – other capital interest	<u>(7,680)</u>	<u>(7,680)</u>
Change in fund balance	874,093	321,347
Balance, beginning of year	<u>2,760,880</u>	<u>2,439,533</u>
Balance, end of year	\$ 3,634,973	\$ 2,760,880

See accompanying notes to the non-consolidated financial statements.

Municipality of the County of Richmond

Reserve funds section

Operating reserve statement of financial position

(Unaudited - see advisory to readers)

March 31 2022 2021

Financial assets (liabilities)

Cash	\$ 5,840,490	\$ 5,015,572
Due from operating fund	<u>630,744</u>	<u>824,918</u>
	<u>\$ 6,471,234</u>	<u>\$ 5,840,490</u>

Reserve

General operating reserve	\$ 3,733,847	\$ 3,103,103
Tax rate stabilization reserve	<u>2,737,387</u>	<u>2,737,387</u>
	<u>\$ 6,471,234</u>	<u>\$ 5,840,490</u>

On behalf of the Municipality of the County of Richmond

_____ Warden _____ Deputy Warden

Reserve funds section

Operating reserve statement of financial activities

(Unaudited - see advisory to readers)

Year ended March 31 2022 2021

Financing and transfers		
Transfer from operating fund – current year surplus	\$ 817,625	\$ 638,037
Safe restart funding	<u>(186,881)</u>	<u>186,881</u>
Change in fund balance	630,744	824,918
Balance, beginning of year	<u>5,840,490</u>	<u>5,015,572</u>
Balance, end of year	<u>\$ 6,471,234</u>	<u>\$ 5,840,490</u>

See accompanying notes to the non-consolidated financial statements.

Municipality of the County of Richmond

Notes to the non-consolidated financial statements

(Unaudited - see advisory to readers)

March 31, 2022

1. Summary of significant accounting policies

Operating funds

i) Properties acquired at tax sale

Properties acquired at tax sale are stated at cost.

ii) Revenue and expenditures

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

Tangible capital assets

Tangible assets are recorded at cost using the declining balance method at the following rates:

Buildings and land improvements	2.5% - 4%
Office equipment	20%
Machinery & equipment	20%
Computer equipment	30%
Vehicles	30%
Sidewalks	4%
Road Signs	15%

One-half year's amortization is taken in the year of acquisition.

Use of estimates

The preparation of financial statements for municipal governments requires that management 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 financial statements, and the reported amounts of revenues and expenditures during the reporting period. Where estimation uncertainty exists the financial statements have been prepared within reasonable limits of materiality. Actual results could differ from those estimates.

2. Inter-fund balances

The various funds of the Municipality and its Water Utility include a series of inter-fund balances as noted in the respective funds. It is anticipated that all inter-fund balances will be settled within the next fiscal year, except where noted or where there is a longer term plan in place to fund such balances.

Municipality of the County of Richmond

Notes to the non-consolidated financial statements

(Unaudited - see advisory to readers)
 March 31, 2022

3. Loans and advances, employees, and elected officials

Municipal Council has approved a computer purchase program which is available to all elected officials and full-time employees. The Municipality provides a three year, interest free loan up to a maximum of \$4,000 per employee or elected official towards the purchase of a personal computer. The amount outstanding of \$3,926 as at March 31, 2022, represents the cost of computers acquired less any repayments to date.

4. Taxes receivable	<u>2022</u>	<u>2021</u>
Balance, beginning of year	\$ 1,607,937	\$ 1,423,488
Levy	<u>9,230,881</u>	<u>8,959,801</u>
	10,838,818	10,383,289
Collections	<u>9,465,049</u>	<u>8,775,352</u>
	<u>\$ 1,373,769</u>	<u>\$ 1,607,937</u>
Allocation of balance:		
Current	\$ 1,198,018	\$ 1,185,497
Prior year	<u>175,751</u>	<u>422,440</u>
	<u>\$ 1,373,769</u>	<u>\$ 1,607,937</u>

5. Due from governments and agencies	<u>2022</u>	<u>2021</u>
Provincial		
Provincial – Sundry	<u>\$ 65,778</u>	<u>\$ 51,200</u>
Federal		
FCM	\$ -	\$ 50,000
Harmonized sales tax	<u>58,078</u>	<u>76,063</u>
	<u>\$ 58,078</u>	<u>\$ 126,063</u>

6. Due from own funds and agencies	<u>2022</u>	<u>2021</u>
Own funds		
Capital fund – temporary financing	\$ 445,181	\$ 512,860
Water Utility fund	<u>104,821</u>	<u>141,158</u>
	<u>\$ 550,002</u>	<u>\$ 654,018</u>

Municipality of the County of Richmond

Notes to the non-consolidated financial statements

(Unaudited - see advisory to readers)

March 31, 2022

7. Due from other local organizations	<u>2022</u>	<u>2021</u>
St. Peter's Fire Department	\$ 369,098	\$ 117,938
Loch Lomond Fire Department	2,364	-
St. Peter's-Samsonville & Area Water Utility/Village SA	108	-
Louisdale Fire Department	-	2,190
Grand River Fire Department	2,574	875
District 10 Fire Department	<u>27,189</u>	<u>38,478</u>
	<u>\$ 401,333</u>	<u>\$ 159,481</u>

8. Due to own funds and agencies	<u>2022</u>	<u>2021</u>
Own funds		
Capital Reserve	\$ 874,093	\$ 321,347
Operating reserve	630,744	824,918
Own agencies		
Cape Breton Island Housing Authority	116,478	85,951
Joint Development Commission	<u>1,063</u>	<u>819</u>
	<u>\$ 1,622,378</u>	<u>\$ 1,233,035</u>

9. Due to other local organizations	<u>2022</u>	<u>2021</u>
Louisdale Fire Department	\$ 131,051	\$ -
Isle Madame Fire Department	5,980	64,612
Loch Lomond Fire Department	-	93
Framboise Fourchu Fire Department	848	971
L'Ardoise Fire Department	<u>803</u>	<u>345</u>
	<u>\$ 138,682</u>	<u>\$ 66,021</u>

10. Tax sale surplus

There is a twenty year period of holding these funds in trust, after which cash must be transferred to the Capital Reserve Fund. Of the total amount, the following can be transferred:

2023	\$ 5,083	2034	\$ 117,565
2024	\$ 500	2035	\$ 13,706
2025	\$ 17,113	2036	\$ 23,922
2027	\$ 18,937	2038	\$ 372,317
2029	\$ 18,400	2039	\$ 82,317
2030	\$ 13,400	2042	\$ 330,342
2031	\$ 12,092		
2032	\$ 8,643		

Municipality of the County of Richmond

Notes to the non-consolidated financial statements

(Unaudited - see advisory to readers)
 March 31, 2022

11. Asset valuation allowances	<u>2022</u>	<u>2021</u>
For uncollected taxes		
Balance, beginning of year	\$ 389,495	\$ 403,581
Provision for the year	<u>(28,244)</u>	<u>(14,086)</u>
Balance, end of year	<u>\$ 361,251</u>	<u>\$ 389,495</u>
For uncollected interest		
Balance, beginning of year	\$ 759,888	\$ 739,885
Provision for the year	<u>(13,867)</u>	<u>20,004</u>
Balance, end of year	<u>\$ 746,021</u>	<u>\$ 759,889</u>
	<u>\$ 1,107,272</u>	<u>\$ 1,149,384</u>

12. Schools

On January 1, 1982, the Municipality of the County of Richmond joined with the Town of Port Hawkesbury to form the Richmond 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, now operating as part of the Strait Regional Centre for Education, until such time as the Centre no longer requires the asset for school purposes. At that time, control will revert back to the Municipality.

13. Long-term debt

Principal repayments required during the next five years on long-term debt are approximately as follows:

	<u>General capital</u>	<u>General operations</u>
2023	\$ 119,733	\$ 87,143
2024	\$ 121,959	\$ 83,214
2025	\$ 85,941	\$ 40,000
2026	\$ 88,328	\$ 33,333
2027	\$ 47,280	\$ 30,000

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

Municipality of the County of Richmond

Notes to the non-consolidated financial statements

(Unaudited - see advisory to readers)
March 31, 2022

14. 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>2022</u>	<u>2021</u>
Cape Breton Island Housing Authority	\$ 116,478	\$ 85,803
Eastern Counties Regional Library	61,505	61,505
Eastern District Planning Commission	175,031	174,079
Development Commission	(244)	(244)

The Municipality has no further financial obligations in connection with the operating results of the above-mentioned entities for the year ended March 31, 2022.

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

- i) Richmond Housing Corporation (Richmond Villa)

The Municipality has guaranteed a line of credit in the amount of \$200,000 (2021 - \$200,000) on behalf of the Housing Corporation which is indebted to the bank in the amount of \$Nil as at March 31, 2022 (2021 - \$Nil).

The Housing Corporation had an accumulated operating surplus of \$1,202,522 as at March 31, 2022, (2021 - \$352,441 deficit).

- ii) Municipality of the County of Richmond Water Utility

During the year the Municipality paid \$147,063 (2021 - \$147,063) in respect of public fire protection. The annual utility charge is determined under a formula as set out in the utility rate structure which has been approved by the Board of Public Utilities. The Municipality, through its public works department, provided water maintenance services for the Utility during the year, in the amount of \$233,398 (2021 - \$226,600).

The Utility has an accumulated operating surplus of \$589,672 as at March 31, 2022, (2021 - \$661,007).

Municipality of the County of Richmond

Notes to the non-consolidated financial statements

(Unaudited - see advisory to readers)
March 31, 2022

15. Commitments and contingencies

Pension costs and obligations

During the year the Municipality contributed to the registered pension plan for full time employees to a maximum of 9% of each employee's gross pay. Total contributions during the year by the Municipality were \$109,362 (2021 - \$100,170).

Landfill closure costs

The Municipality is required to properly close and monitor its old landfill sites. During the prior year, the Municipality engaged a 3rd party consultant to assess costs related to these activities for several old landfill sites. As a result, of the assessment, a liability was recorded on the consolidated financial statements. No liability amount is recorded in these non-consolidated financial statements.

16. Retirement benefits

The Municipality has a policy to pay a retirement benefit to employees upon retirement or termination due to disability, or to the employee's estate in the case of death, for employees who have been employed with the Municipality for at least ten years. The benefit is graduated based on years of service. Included in retirement payable is \$183,370 (2021 - \$128,486) related to these benefits.

17. Other

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

<u>Official</u>	<u>Position</u>	<u>Remuneration</u>	<u>Expenses</u>
Amanda Mombourquette	Warden	\$ 47,683	\$ 1,692
Michael Diggdon	Deputy Warden	\$ 29,177	\$ 704
Shawn Samson	Councillor	\$ 25,523	\$ 391
Melanie Sampson	Councillor	\$ 28,133	\$ 463
Brent Sampson	Councillor	\$ 25,523	\$ 1,394
Don Marchand	CAO	\$ 139,788	\$ 1,064

Municipality of the County of Richmond

Notes to the non-consolidated financial statements

(Unaudited - see advisory to readers)
 March 31, 2022

18. Pension agreements

The Municipality provides a defined benefit pension plan for a limited number of current and former employees. Included in payables is an estimated pension liability of \$828,900. This liability is based on an actuarial valuation completed December 31, 2019 and extrapolated to March 31, 2022. The valuation assumes a discount rate of 4.50%, rate of return of 4.50%, salary increases of 2.50% and an inflation rate of 2.00% post retirement.

The following summarizes the plan for the fiscal year ended March 31, 2022:

	<u>2022</u>	<u>2021</u>
Liability – Statement of financial position		
Accrued benefit obligation end of year	\$ 9,777,100	\$ 9,655,500
Pension fund assets end of year	(8,662,000)	(7,845,400)
Unamortized actuarial (losses) gains	<u>(286,200)</u>	<u>(806,000)</u>
Total liability	<u>\$ 828,900</u>	<u>\$ 1,004,100</u>
Expenses – Statement of operations		
Current service cost	\$ 163,500	\$ 149,000
Amortization of actuarial (gains) losses	358,700	419,200
Regular contributions by employees	(25,500)	(25,000)
Interest on average pension liability during the year	<u>69,500</u>	<u>98,100</u>
Total expense	<u>\$ 566,200</u>	<u>\$ 641,300</u>

19. Sick leave benefit liability

Section 3255 of the CPA Canada Public Sector Accounting Handbook requires that a liability and expense be recorded for compensated absences that are both accumulating and non-vesting and accumulating and vesting. 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.

Components of benefit expense under PS3250:

	<u>2022</u>	<u>2021</u>
Current service cost	\$ 7,900	\$ 7,600
Interest expense	<u>3,600</u>	<u>3,500</u>
Benefit expense	<u>\$ 11,500</u>	<u>\$ 11,100</u>

Municipality of the County of Richmond

Notes to the non-consolidated financial statements

(Unaudited - see advisory to readers)

March 31, 2022

19. Sick leave benefit liability (continued)	<u>2022</u>	<u>2021</u>
Balance, beginning of year (unfunded)	\$ 102,900	\$ 98,200
Benefit expense	11,500	11,100
Benefit payments	<u>(5,900)</u>	<u>(6,400)</u>
Balance, end of year (unfunded)	<u>\$ 108,500</u>	<u>\$ 102,900</u>

Assumptions:

Discount rate:	3.7% per annum
Salary increases:	2.0% per annum.
Mortality rate:	CPM-2014 and scale CPM-B
Retirement age:	Age 62 or in one year if currently over 62
Current sick leave utilization:	8 days each year from that year's allotment of sick leave

Plan Provisions:

The main provisions of the program are as follows:

- Eligible employees are granted 1.5 sick leave days per month (i.e., 18 days per year based on an employee working full time).
 - Employees may accumulate 100% of their unused sick time, up to a maximum of 115 days in a sick leave bank.
 - Unused accumulative sick leave banks (to a maximum of 30 days) are paid at retirement, termination or death provided the member has at least 10 years of employment with the Municipality.
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Municipality of the County of Richmond

Schedule D - Debt charges and term debt

(Unaudited - see advisory to readers)

Year ended March 31, 2022

	Fiscal year due date	Interest rate	Loan Continuity			Balance March 31, 2022	Interest
			Balance March 31, 2021	Additions	Redeemed		
General capital							
Municipal purposes							
Serial debentures							
Landfill	2022	4.59-4.59%	\$ 120,000	\$ -	\$ 120,000	\$ -	\$ 3,124
Sidewalks	2024	5.0-5.09%	114,943	-	38,312	76,631	4,401
Sewer	2030	2.77-3.79%	<u>198,598</u>	<u>-</u>	<u>22,067</u>	176,531	<u>6,215</u>
			433,541	-	180,379	253,162	13,740
Term debt							
CMHC	2026 - 2031	3.65-3.89%	<u>444,537</u>	<u>-</u>	<u>57,216</u>	387,321	<u>16,814</u>
			<u>\$ 878,078</u>	<u>\$ -</u>	<u>\$ 237,595</u>	\$ 640,483	<u>\$ 30,554</u>

	Fiscal year due date	Interest rate	Loan Continuity			Balance March 31, 2022	Interest
			Balance March 31, 2021	Additions	Redeemed		
General operating							
Term debt							
Royal Bank	2031	Prime +.50%	\$ -	\$ 300,000	\$ 5,000	\$ 295,000	\$ 1,481
Royal bank	2024	Prime +.50%	137,500	-	40,119	97,381	3,443
Royal bank	2026	Prime +.50%	<u>43,333</u>	<u>-</u>	<u>10,000</u>	33,333	<u>1,150</u>
			<u>\$ 180,833</u>	<u>\$ 300,000</u>	<u>\$ 55,119</u>	\$ 425,714	<u>\$ 6,074</u>