

# Non-consolidated financial statements

(Unaudited – see advisory to readers)

Municipality of the County of Richmond

March 31, 2024

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# 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.

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# Municipality of the County of Richmond

## General section

### Operating fund statement of financial position

(Unaudited - see advisory to readers)

March 31	2024	2023
<b>Financial assets</b>		
Cash	<u>\$ 3,469,978</u>	<u>\$ 2,532,108</u>
Receivables		
Taxes (Note 4)	1,290,458	1,252,818
Interest on taxes	<u>1,063,867</u>	<u>1,001,473</u>
	2,354,325	2,254,291
Less: allowance for doubtful accounts (Note 11)	<u>1,294,201</u>	<u>1,165,857</u>
	1,060,124	1,088,434
Sewer - special assessments	265,798	264,502
Due from provincial governments and its agencies (Note 5)	386,215	50,797
Due from federal government and its agencies (Note 5)	732,516	56,161
Due from own funds and agencies (Note 6)	525,490	567,016
Due from other local organizations (Note 7)	235,000	253,852
Defined benefit pension asset (Note 18)	148,500	-
Other	<u>162,800</u>	<u>206,605</u>
	<u>6,986,421</u>	<u>5,019,475</u>
Loans and advances		
Employee loans (Note 3)	<u>9,251</u>	<u>8,423</u>
Total financial assets	<u>\$ 6,995,672</u>	<u>\$ 5,027,898</u>

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See accompanying notes to the non-consolidated financial statements.

# Municipality of the County of Richmond

## General section

### Operating fund statement of financial position

(Unaudited - see advisory to readers)

March 31 2024 2023

**Financial liabilities**

Term loan (Note 13) (Schedule D)	<u>\$ 235,000</u>	<u>\$ 312,143</u>
Due to own funds and agencies (Note 8)	1,858,512	1,976,067
Due to other local organizations (Note 9)	295,779	67,442
Trade and other payables	2,690,445	875,759
Retirement benefits (Note 16 and 18)	<u>139,625</u>	<u>604,172</u>

	<u>4,984,361</u>	<u>3,523,440</u>
Other liabilities		
Prepayment of taxes	372,211	305,624
Tax sale surplus (Note 10)	1,686,703	1,301,237
Deferred Revenue	<u>143,128</u>	<u>-</u>
	<u>2,202,042</u>	<u>1,606,861</u>
	<u>7,421,403</u>	<u>5,442,444</u>

**Net financial (liabilities) assets** (425,731) 414,546

**Non-financial assets**

Land acquired for special assessments	351,499	351,499
Prepaid expense	<u>74,232</u>	<u>63,047</u>
Total non-financial assets	<u>425,731</u>	<u>414,546</u>

**Net assets and fund balance (page 5)** \$ - \$ -

Commitments and contingencies (Note 15)

On behalf of the Municipality of the County of Richmond

Signed by: Lois Landry Warden  
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Signed by: Bret J... Deputy Warden  
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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	2024	2023	
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Revenue (Schedule A)			
Taxes	\$ 10,331,513	<b>\$ 9,323,968</b>	\$ 8,857,884
Grants in lieu of taxes	2,477,627	<b>2,465,503</b>	2,233,814
Other revenue from own sources	812,550	<b>879,025</b>	900,458
Conditional transfers from federal and provincial governments and agencies	93,620	<b>98,712</b>	81,292
Recreation and cultural services	238,500	<b>281,820</b>	226,730
Collections for other government	<u>202,000</u>	<u><b>201,691</b></u>	<u>186,814</u>
	<u>14,155,810</u>	<u><b>13,250,719</b></u>	<u>12,486,992</u>
Expenditures (Schedule B)			
General government services	4,178,644	<b>2,573,574</b>	3,267,947
Protective services	3,615,487	<b>3,561,889</b>	3,339,612
Transportation services	655,971	<b>677,568</b>	664,497
Environmental health services	2,551,786	<b>3,164,673</b>	2,570,347
Public health and welfare services	130,000	<b>93,923</b>	127,893
Environmental development services	671,331	<b>651,146</b>	626,291
Recreation and cultural services	1,381,158	<b>1,209,709</b>	1,101,891
Collections for other government	202,000	<b>212,299</b>	186,814
Extraordinary and special items	<u>10,000</u>	<u>-</u>	<u>-</u>
	<u>13,396,377</u>	<u><b>12,144,781</b></u>	<u>11,885,292</u>
Excess of revenue over expenditures	<u>759,433</u>	<u><b>1,105,938</b></u>	<u>601,700</u>
Financing and transfers			
Debenture principal instalment – general capital	(121,959)	<b>(121,957)</b>	(119,733)
Transfer from (to) general capital fund	(645,474)	<b>(4,058)</b>	418,080
Transfer from capital reserve	8,000	-	7,680
Transfers from operating reserve	-	-	-
Transfer to operating reserve – current years surplus	<u>-</u>	<u><b>(979,923)</b></u>	<u>(907,727)</u>
	<u>(759,433)</u>	<u><b>(1,105,938)</b></u>	<u>(601,700)</u>
Change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to the non-consolidated financial statements.

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

(Unaudited - see advisory to readers)

Year ended March 31	2024	2023
Operating fund surplus, beginning of year	\$ -	\$ -
Change in fund balance	<u>-</u>	<u>-</u>
Operating fund surplus, end of year	<u>\$ -</u>	<u>\$ -</u>

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See accompanying notes to the non-consolidated financial statements.

# Municipality of the County of Richmond

## General section

### Capital fund statement of financial position

(Unaudited - see advisory to readers)

March 31	2024	2023
<b>Financial liabilities</b>		
Due to general operating fund		
Temporary financing – other	\$ 465,443	\$ 462,946
Long-term debt (Note 13) (Schedule D)		
Serial debentures and term debt payable	<u>398,793</u>	<u>520,750</u>
<b>Net financial liabilities</b>	<u><b>864,236</b></u>	<u><b>983,696</b></u>
<b>Non-financial assets</b>		
Tangible assets		
Property acquired at tax sale	99,433	99,433
Plant and equipment (Schedule C)	12,950,651	12,772,207
Work in progress	<u>4,028,031</u>	<u>3,677,241</u>
	<u><b>17,078,115</b></u>	<u><b>16,548,881</b></u>
<b>Net assets</b>	<u><b>\$ 16,213,879</b></u>	<u><b>\$ 15,565,185</b></u>
<b>Investment in capital assets (page 7)</b>	<u><b>\$ 16,213,879</b></u>	<u><b>\$ 15,565,185</b></u>

On behalf of the Municipality of the County of Richmond

Signed by:  
  
 \_\_\_\_\_ Warden  
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Signed by:  
  
 \_\_\_\_\_ Deputy Warden  
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See accompanying notes to the non-consolidated financial statements.

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**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	2024	2023
Balance, beginning of year	<b>\$ 15,565,185</b>	\$ 15,245,242
Debtures and term debt retired	<b>121,957</b>	119,733
Transfer from capital reserve – Canada Community Building Fund (CCBF)	<b>107,721</b>	3,129
Transfer from sewer reserve	<b>28,365</b>	-
Grant and contributions for tangible capital asset additions	<b>428,376</b>	615,161
Capital out of revenue	<b>567,561</b>	113,816
Disposal of assets	<b><u>(61,188)</u></b>	<u>-</u>
	<b><u>1,192,792</u></b>	<u>851,839</u>
Current year amortization	<b><u>(544,098)</u></b>	<u>(531,896)</u>
Balance, end of year	<b><u>\$ 16,213,879</u></b>	<b><u>\$ 15,565,185</u></b>

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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

		2024	2023
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
<b>Taxes</b>			
Assessable property			
Residential	\$ 6,618,396	<b>\$ 5,855,940</b>	\$ 5,318,645
Commercial			
Based on taxable assessment	2,752,903	<b>2,753,901</b>	2,483,421
Resource			
Based on taxable assessment	1,171,521	<b>1,099,596</b>	1,100,304
Forest property tax (less than 50,000 acres)	13,575	<b>13,638</b>	13,596
Forest property tax (50,000 acres or more)	<u>7,315</u>	<u><b>7,315</b></u>	<u>6,953</u>
	<u>10,563,710</u>	<u><b>9,730,390</b></u>	<u>8,922,919</u>
Area rates			
Fire protection	996,100	<b>995,319</b>	908,009
Environmental health services	<u>23,100</u>	<u><b>22,994</b></u>	<u>21,180</u>
	<u>1,019,200</u>	<u><b>1,018,313</b></u>	<u>929,189</u>
Business property			
Based on revenue	<u>31,194</u>	<u><b>31,817</b></u>	<u>31,983</u>
Other			
Deed transfer tax	<u>800,000</u>	<u><b>623,859</b></u>	<u>947,753</u>
Special assessments			
Sewer services by-law	<u>795,269</u>	<u><b>797,449</b></u>	<u>765,042</u>
	13,209,373	<b>12,201,828</b>	11,596,886
Education expenditure as a reduction of tax revenue			
Appropriation to regional school board	<u>(2,877,860)</u>	<u><b>(2,877,860)</b></u>	<u>(2,739,002)</u>
	<u>\$ 10,331,513</u>	<u><b>\$ 9,323,968</b></u>	<u>\$ 8,857,884</u>
<b>Grants in lieu of taxes</b>			
Federal government	\$ 32,000	<b>\$ 34,127</b>	\$ 32,347
Provincial government			
Property	70,461	<b>72,269</b>	70,764
Crown timber lands	42,478	<b>43,567</b>	42,660
Other			
Nova Scotia Power Incorporated	2,165,113	<b>2,165,118</b>	1,922,126
Windmills	<u>167,575</u>	<u><b>150,422</b></u>	<u>165,917</u>
	<u>\$ 2,477,627</u>	<u><b>\$ 2,465,503</b></u>	<u>\$ 2,233,814</u>

# Municipality of the County of Richmond

## General section

### Schedule A - Details of revenue (Continued)

(Unaudited - see advisory to readers)

Year ended March 31 2024 2023

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
<b>Other revenue from own sources</b>			
Licenses and permits	\$ 43,750	\$ 58,963	\$ 54,634
Return on investments	200,000	284,502	290,894
Penalties and interest on taxes and special assessments	255,200	253,128	241,594
Miscellaneous	<u>313,600</u>	<u>282,432</u>	<u>313,336</u>
	<u>\$ 812,550</u>	<u>\$ 879,025</u>	<u>\$ 900,458</u>
<b>Conditional transfers from federal and provincial governments and agencies</b>			
Federal government			
Recreation and cultural services			
Summer student grant	\$ 22,120	\$ 20,085	\$ 11,156
Provincial government			
Programs-Grants	64,000	69,400	63,762
Environmental health services recycling	<u>7,500</u>	<u>9,227</u>	<u>6,374</u>
	<u>\$ 93,620</u>	<u>\$ 98,712</u>	<u>\$ 81,292</u>
<b>Recreation and cultural services</b>			
User fees recreation programs	\$ 80,000	\$ 95,525	\$ 82,038
Arena revenue	<u>158,500</u>	<u>186,295</u>	<u>144,692</u>
	<u>\$ 238,500</u>	<u>\$ 281,820</u>	<u>\$ 226,730</u>
<b>Collections for other government</b>			
Village of St. Peters	<u>\$ 202,000</u>	<u>\$ 201,691</u>	<u>\$ 186,814</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

2024

2023

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
<b>General government services</b>			
Legislative			
Warden			
Stipend	\$ 49,610	\$ <b>49,609</b>	\$ 48,637
Travel and meeting fees	20,000	<b>18,869</b>	8,113
Council			
Stipend	112,737	<b>112,734</b>	110,523
Travel and meeting fees	<u>15,000</u>	<u><b>7,550</b></u>	<u>4,463</u>
	<u>197,347</u>	<u><b>188,763</b></u>	<u>171,736</u>
Administrative			
Salaries and wages	630,247	<b>644,877</b>	617,842
Employee benefits	969,441	<b>286,746</b>	969,238
Office buildings	246,218	<b>224,797</b>	177,861
Legal services	40,000	<b>21,529</b>	13,737
Office expenses	350,500	<b>223,254</b>	166,124
Other administrative services	21,000	<b>23,920</b>	126,905
Financial management	42,000	<b>48,955</b>	44,980
Taxation			
Transfer for assessment services	271,487	<b>271,487</b>	272,178
Exemption to halls	403,000	<b>402,478</b>	391,815
Capped assessment	<u>843,404</u>	<u>-</u>	<u>-</u>
	<u>3,817,297</u>	<u><b>2,148,043</b></u>	<u>2,780,680</u>
Debt charges			
Interest and bank charges	<u>5,000</u>	<u><b>1,824</b></u>	<u>991</u>
Valuation allowance			
Uncollectible taxes	65,000	<b>28,770</b>	56,147
Uncollectible interest	<u>65,000</u>	<u><b>99,574</b></u>	<u>153,243</u>
	<u>130,000</u>	<u><b>128,344</b></u>	<u>209,390</u>
Other general services			
Amortization	-	<b>76,451</b>	78,014
Intergovernmental relations	<u>29,000</u>	<u><b>30,150</b></u>	<u>27,136</u>
	<u>29,000</u>	<u><b>106,601</b></u>	<u>105,150</u>
	<u>\$ 4,178,644</u>	<u><b>\$ 2,573,574</b></u>	<u>\$ 3,267,947</u>

# Municipality of the County of Richmond

## General section

### Schedule B - Details of expenditures (Continued)

(Unaudited - see advisory to readers)

Year ended March 31

2024

2023

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
<b>Protective services</b>			
Police protection			
Contracted policing	\$ 1,943,203	\$ 1,943,847	\$ 1,833,795
Law enforcement			
Transfer to correctional services	<u>142,584</u>	<u>142,584</u>	<u>145,224</u>
	<u>2,085,787</u>	<u>2,086,431</u>	<u>1,979,019</u>
<b>Fire protection</b>			
Fire fighting force			
Fire services	122,000	98,258	82,827
Area rate levies	996,100	995,319	908,009
Water supply and hydrants	<u>321,000</u>	<u>321,000</u>	<u>321,000</u>
	<u>1,439,100</u>	<u>1,414,577</u>	<u>1,311,836</u>
<b>Other</b>			
Amortization	-	331	331
Maintenance area rate	23,100	22,994	21,180
Animal and pest control	2,500	1,912	1,747
Emergency measures	<u>65,000</u>	<u>35,644</u>	<u>25,499</u>
	<u>90,600</u>	<u>60,881</u>	<u>48,757</u>
	<u>\$ 3,615,487</u>	<u>\$ 3,561,889</u>	<u>\$ 3,339,612</u>
<b>Transportation services</b>			
Transportation fee	\$ 220,943	\$ 196,459	\$ 189,266
Street lighting	418,000	378,287	367,778
Amortization	-	85,886	89,978
Air transport	15,000	15,000	15,000
Interest on long-term debt	<u>2,028</u>	<u>1,936</u>	<u>2,475</u>
	<u>\$ 655,971</u>	<u>\$ 677,568</u>	<u>\$ 664,497</u>

# Municipality of the County of Richmond

## General section

### Schedule B - Details of expenditures (Continued)

(Unaudited - see advisory to readers)

Year ended March 31 2024 2023

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
<b>Environmental health services</b>			
Administration	\$ 257,510	\$ 252,742	\$ 216,587
Sewage collection and disposal			
Central treatment plant	629,979	596,257	593,807
Garbage collection and disposal			
Garbage and waste collection	580,000	586,437	476,723
Municipal dumps	1,067,796	1,357,935	926,325
Amortization	-	355,548	336,770
Interest on long-term debt	<u>16,501</u>	<u>15,754</u>	<u>20,135</u>
	<u>\$ 2,551,786</u>	<u>\$ 3,164,673</u>	<u>\$ 2,570,347</u>
<b>Public health and welfare services</b>			
Housing			
Deficit of Cape Breton Island			
Housing Authority (Richmond district)	<u>\$ 130,000</u>	<u>\$ 93,923</u>	<u>\$ 127,893</u>
<b>Environmental development services</b>			
Transfer to			
Eastern District Planning Commission	\$ 177,115	\$ 177,115	\$ 178,812
Economic development and tourism	<u>494,216</u>	<u>474,031</u>	<u>447,479</u>
	<u>\$ 671,331</u>	<u>\$ 651,146</u>	<u>\$ 626,291</u>
<b>Recreation and cultural services</b>			
Recreation facilities			
Administration	\$ 907,165	\$ 809,400	\$ 659,189
Amortization	-	25,787	26,802
Programs and grants	262,779	208,530	256,929
Canada works program	<u>54,115</u>	<u>45,088</u>	<u>37,764</u>
	1,224,058	1,088,805	980,684
Cultural buildings and facilities			
Libraries	78,000	41,804	42,107
Transfer to regional library	<u>79,100</u>	<u>79,100</u>	<u>79,100</u>
	<u>\$ 1,381,158</u>	<u>\$ 1,209,709</u>	<u>\$ 1,101,891</u>

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**Municipality of the County of Richmond**  
**General section**

**Schedule B - Details of expenditures** (Continued)

(Unaudited - see advisory to readers)

Year ended March 31 **2024** 2023

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	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
<b>Collections for other government</b>			
Village of St. Peter's	\$ 202,000	\$ <b>212,299</b>	\$ 186,814
<b>Extraordinary and special items</b>			
Other	\$ 10,000	\$ -	\$ -

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See accompanying notes to the non-consolidated financial statements.

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

(Unaudited - see advisory to readers)

	Year ended March 31	<b>2024</b>	2023	
	<u>Cost</u>	<u>Accumulated amortization</u>	<u>Net book value</u>	<u>Net book value</u>
Land	\$ 719,575	\$ -	<b>\$ 719,575</b>	\$ 719,575
Buildings and land Improvements	18,575,404	9,357,985	<b>9,217,419</b>	9,296,411
Machinery and equipment	1,817,058	1,171,051	<b>646,007</b>	368,520
Vehicles	381,198	201,220	<b>179,978</b>	98,136
Sidewalks	2,542,334	588,523	<b>1,953,811</b>	2,035,220
Landfill	467,494	255,207	<b>212,287</b>	228,964
Road Signs	<u>52,568</u>	<u>30,994</u>	<b><u>21,574</u></b>	<u>25,381</u>
	<b><u>\$24,555,631</u></b>	<b><u>\$11,604,980</u></b>	<b><u>\$ 12,950,651</u></b>	<b><u>\$12,772,207</u></b>

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See accompanying notes to the non-consolidated financial statements.

# Municipality of the County of Richmond

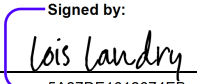

## Reserve funds section

### Capital reserve statement of financial position

(Unaudited - see advisory to readers)

March 31	2024	2023
<b>Financial assets (liabilities)</b>		
Cash	\$ 4,528,159	\$ 3,634,973
Due from operating fund	<u>750,563</u>	<u>814,902</u>
	<b>\$ 5,278,722</b>	<b>\$ 4,449,875</b>
<b>Reserve</b>		
Canada Community Building Fund (CCBF)	\$ 3,908,231	\$ 3,361,164
Landfill closure	113,099	113,099
Capital	<u>1,257,392</u>	<u>975,612</u>
	<b>\$ 5,278,722</b>	<b>\$ 4,449,875</b>

On behalf of the Municipality of the County of Richmond

Signed by:  Warden Signed by:  Deputy Warden  
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## Reserve funds section

### Capital reserve statement of financial activities

(Unaudited - see advisory to readers)

Year ended March 31	2024	2023
Canada Community Building Fund (CCBF) revenue	\$ 511,380	\$ 491,101
Sustainability Services Growth Fund (SSGF) revenue	-	594,276
Province of Nova Scotia grant revenue	234,100	-
Interest earned – CCBF	162,908	129,427
Interest earned – other capital	51,729	7,680
Budgeted transfer from operating fund	-	166,944
Transfer from operating fund – tax sale surplus	5,083	-
Proceeds on sale of assets	<u>70,950</u>	<u>-</u>
	<b>1,036,151</b>	<b>1,389,428</b>
Transfer to operating fund – non-capital expenditures (CCBF)	(19,500)	(10,000)
Transfer of CCBF to fund general capital	(107,721)	(3,129)
Transfer of reserve to fund general capital	(43,033)	-
Transfer to operating fund – landfill closure	-	(553,717)
Transfer to operating fund – other capital interest	<u>(37,049)</u>	<u>(7,680)</u>
Change in fund balance	<b>828,846</b>	<b>814,902</b>
Balance, beginning of year	<u>4,449,875</u>	<u>3,634,973</u>
Balance, end of year	<b>\$ 5,278,722</b>	<b>\$ 4,449,875</b>

See accompanying notes to the non-consolidated financial statements.

# Municipality of the County of Richmond

## Reserve funds section

### Operating reserve statement of financial position

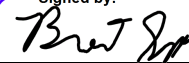
(Unaudited - see advisory to readers)

March 31	2024	2023
<b>Financial assets (liabilities)</b>		
Cash	\$ 7,826,499	\$ 6,471,234
Due from operating fund	<u>979,923</u>	<u>1,032,983</u>
	<b>\$ 8,806,422</b>	<b>\$ 7,504,217</b>
<b>Reserve</b>		
General operating reserve	\$ 5,972,144	\$ 4,641,574
Tax rate stabilization reserve	2,737,387	2,737,387
Sewer reserve	<u>96,891</u>	<u>125,256</u>
	<b>\$ 8,806,422</b>	<b>\$ 7,504,217</b>

On behalf of the Municipality of the County of Richmond

Signed by:  
  
 5A27DE1612674EB...

Warden

Signed by:  
  
 B056EA73005A41C...

Deputy Warden

## Reserve funds section

### Operating reserve statement of financial activities

(Unaudited - see advisory to readers)

Year ended March 31	2024	2023
<b>Financing and transfers</b>		
Transfer from operating fund – current year surplus	\$ 979,923	\$ 907,727
Transfer from operating fund – sewer reserve	-	125,256
Interest earned on operating reserve	<u>350,647</u>	-
Change in fund balance	<b>1,330,570</b>	1,032,983
Transfer of sewer reserve to fund general capital	<u>(28,365)</u>	-
Balance, beginning of year	<u>7,504,217</u>	<u>6,471,234</u>
Balance, end of year	<b>\$ 8,806,422</b>	<b>\$ 7,504,217</b>

See accompanying notes to the non-consolidated financial statements.

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# Municipality of the County of Richmond

## Notes to the non-consolidated financial statements

(Unaudited - see advisory to readers)

March 31, 2024

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### 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.

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### 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.

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# Municipality of the County of Richmond

## Notes to the non-consolidated financial statements

(Unaudited - see advisory to readers)  
March 31, 2024

### 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 \$9,251 as at March 31, 2024, represents the cost of computers acquired less any repayments to date.

4. Taxes receivable	<u>2024</u>	<u>2023</u>
Balance, beginning of year	\$ 1,252,818	\$ 1,373,769
Levy	<u>10,748,702</u>	<u>10,530,729</u>
	12,001,520	11,904,498
Collections	<u>10,711,062</u>	<u>10,651,680</u>
	<u>\$ 1,290,458</u>	<u>\$ 1,252,818</u>
Allocation of balance:		
Current	\$ 583,821	\$ 595,079
Prior year	<u>706,637</u>	<u>657,739</u>
	<u>\$ 1,290,458</u>	<u>\$ 1,252,818</u>

5. Due from governments and agencies	<u>2024</u>	<u>2023</u>
Provincial		
Provincial – Sundry	<u>\$ 386,215</u>	<u>\$ 50,797</u>
Federal		
Federal Grants (CCBF)	\$ 511,380	\$ -
Harmonized sales tax	<u>221,136</u>	<u>56,161</u>
	<u>\$ 732,516</u>	<u>\$ 56,161</u>

6. Due from own funds and agencies	<u>2024</u>	<u>2023</u>
Own funds		
Capital fund – temporary financing	\$ 465,443	\$ 462,946
Water Utility fund	<u>60,047</u>	<u>104,070</u>
	<u>\$ 525,490</u>	<u>\$ 567,016</u>

# Municipality of the County of Richmond

## Notes to the non-consolidated financial statements

(Unaudited - see advisory to readers)

March 31, 2024

<b>7. Due from other local organizations</b>	<b><u>2024</u></b>	<b><u>2023</u></b>
St. Peter's Fire Department	\$ 235,000	\$ 246,117
Loch Lomond Fire Department	-	5,911
Isle Madame Fire Department	-	1,200
District 10 Fire Department	-	624
	<u>\$ 235,000</u>	<u>\$ 253,852</u>

<b>8. Due to own funds and agencies</b>	<b><u>2024</u></b>	<b><u>2023</u></b>
Own funds		
Capital Reserve	\$ 750,563	\$ 814,902
Operating reserve	979,923	1,032,983
Own agencies		
Cape Breton Island Housing Authority	127,892	127,892
Joint Development Commission	133	290
	<u>\$ 1,858,512</u>	<u>\$ 1,976,067</u>

<b>9. Due to other local organizations</b>	<b><u>2024</u></b>	<b><u>2023</u></b>
Louisdale Fire Department	\$ 93,038	\$ 59,618
St. Peters Fire Department	70,957	-
Isle Madame Fire Department	97,012	-
Grand River Fire Department	27,475	7,631
Framboise Fourchu Fire Department	-	1
Loch Lomond Fire Department	7,297	-
L'Ardoise Fire Department	-	192
	<u>\$ 295,779</u>	<u>\$ 67,442</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:

2025	\$ 17,613	2035	\$ 13,706
2027	\$ 18,937	2036	\$ 23,922
2029	\$ 18,400	2038	\$ 372,317
2030	\$ 13,400	2039	\$ 82,317
2031	\$ 12,092	2042	\$ 329,117
2032	\$ 8,643	2043	\$ 268,124
2034	\$ 117,565	2044	\$ 390,550

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# Municipality of the County of Richmond

## Notes to the non-consolidated financial statements

(Unaudited - see advisory to readers)  
 March 31, 2024

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<b>11. Asset valuation allowances</b>	<u>2024</u>	<u>2023</u>
For uncollected taxes		
Balance, beginning of year	\$ 371,990	\$ 361,251
Provision for the year	<u>28,770</u>	<u>10,739</u>
Balance, end of year	<u>\$ 400,760</u>	<u>\$ 371,990</u>
For uncollected interest		
Balance, beginning of year	\$ 793,867	\$ 746,021
Provision for the year	<u>99,574</u>	<u>47,846</u>
Balance, end of year	<u>\$ 893,441</u>	<u>\$ 793,867</u>
	<u>\$ 1,294,201</u>	<u>\$ 1,165,857</u>

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### 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.

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### 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>
2025	\$ 85,941	\$ 30,000
2026	\$ 88,328	\$ 30,000
2027	\$ 47,280	\$ 30,000
2028	\$ 48,260	\$ 30,000
2029	\$ 49,279	\$ 30,000

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

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# Municipality of the County of Richmond

## Notes to the non-consolidated financial statements

(Unaudited - see advisory to readers)  
March 31, 2024

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### 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>2024</u>	<u>2023</u>
Cape Breton Island Housing Authority	\$ 93,923	\$ 127,893
Eastern Counties Regional Library	79,100	79,100
Eastern District Planning Commission	177,115	178,812
Development Commission	-	773

The Municipality has no further financial obligations in connection with the operating results of the above-mentioned entities for the year ended March 31, 2024.

- (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 (2023 - \$200,000) on behalf of the Housing Corporation which is indebted to the bank in the amount of \$Nil as at March 31, 2024 (2023 - \$Nil).

The Housing Corporation had an accumulated operating surplus of \$2,182,845 as at March 31, 2024, (2023 - \$1,900,287 surplus).

- ii) Municipality of the County of Richmond Water Utility

During the year the Municipality paid \$147,063 (2023 - \$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 Nova Scotia Utilities and Review Board. The Municipality, through its public works department, provided water maintenance services for the Utility during the year, in the amount of \$ 80,495 (2023 - \$262,313).

The Utility has an accumulated operating surplus of \$295,688 as at March 31, 2024, (2023 - \$505,059).

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# Municipality of the County of Richmond

## Notes to the non-consolidated financial statements

(Unaudited - see advisory to readers)  
March 31, 2024

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### 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 \$147,358 (2023 - \$127,618).

#### Assets retirement obligation related to landfill sites

The Municipality is required to properly close and monitor its old landfill sites. During the prior year, the Municipality engaged a 3<sup>rd</sup> party consultant to assess costs related to these activities for their landfill sites. As a result, of the assessment, a liability and corresponding asset was recorded on the consolidated financial statements. No adjustment was made to record assets retirement obligations in these non-consolidated financial statements.

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### 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 benefit payable is \$139,265 (2023 - \$117,972) related to these benefits.

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### 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	\$ 49,609	\$ 18,869
Brent Sampson	Deputy Warden (April/Oct)	\$ 30,356	\$ 4,739
Michael Diggdon	Councillor	\$ 26,554	\$ 1,629
Shawn Samson	Deputy Warden (Nov/March)	\$ 29,270	\$ -
Melanie Sampson	Councillor	\$ 26,554	\$ 1,042
Troy MacCulloch	CAO	\$ 132,112	\$ 9,452

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# Municipality of the County of Richmond

## Notes to the non-consolidated financial statements

(Unaudited - see advisory to readers)

March 31, 2024

### 18. Pension agreements

The Municipality provides a defined benefit pension plan for a limited number of current and former employees. On December 31, 2023 the Municipality signed a termination agreement for the plan. Effective January 1, 2024 all active employees still remaining on the defined benefit pension plan were transferred to the defined contribution plan. As at the audit report date the plan settlement was not finalized. As part of the termination settlement the actuary has estimated wind-up expenses of approximately \$200,000 that are not noted in the asset balance below. This pension asset is based on an actuarial valuation completed December 31, 2022 and extrapolated to March 31, 2024. The valuation assumes a discount rate of 5.15%, rate of return of 5.15%, 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, 2024:

	<u>2024</u>	<u>2023</u>
Liability – Statement of financial position		
Accrued benefit obligation end of year	\$ 9,115,100	\$ 9,070,000
Pension fund assets end of year	(9,671,000)	(9,326,800)
Unamortized actuarial (losses) gains	<u>407,400</u>	<u>743,000</u>
Total (asset) liability	<u>\$ (148,500)</u>	<u>\$ 486,200</u>
Expenses – Statement of operations		
Current service cost	\$ 119,500	\$ 133,000
Amortization of actuarial (gains) losses	(419,500)	229,800
Curtailement	1,200	-
Regular contributions by employees	(10,300)	(15,900)
Interest on average pension liability during the year	<u>(20,700)</u>	<u>37,500</u>
Total expense	<u>\$ (329,800)</u>	<u>\$ 384,400</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 and projected until March 31, 2024.

#### 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>2024</u>	<u>2023</u>
Current service cost	\$ 12,600	\$ 12,200
Interest expense	<u>4,100</u>	<u>4,200</u>
Benefit expense	<u>\$ 16,700</u>	<u>\$ 16,400</u>

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# Municipality of the County of Richmond

## Notes to the non-consolidated financial statements

(Unaudited - see advisory to readers)

March 31, 2024

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19. Sick leave benefit liability (continued)	<u>2024</u>	<u>2023</u>
Balance, beginning of year (unfunded)	\$ 92,100	\$ 108,500
Benefit expense	16,700	16,400
Benefit payments	<u>(8,200)</u>	<u>(32,800)</u>
Balance, end of year (unfunded)	<u>\$ 100,600</u>	<u>\$ 92,100</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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### 20. Comparative figures

Comparative figures have been adjusted to conform to changes in the current year presentation.

# Municipality of the County of Richmond

## Schedule D - Debt charges and term debt

(Unaudited - see advisory to readers)

Year ended March 31, 2024

	Fiscal year due date	Interest rate	Loan Continuity			Balance March 31, 2024	Interest
			Balance March 31, 2023	Additions	Redeemed		
<b>General capital</b>							
<b>Municipal purposes</b>							
Serial debentures							
Sidewalks	2024	5.0-5.09%	38,318	-	38,318	-	531
Sewer	2030	2.77-3.79%	<u>154,464</u>	<u>-</u>	<u>22,067</u>	<b><u>132,397</u></b>	<u>4,877</u>
			192,782	-	60,385	<b>132,397</b>	5,408
<b>Term debt</b>							
CMHC	2026 - 2031	3.65-3.89%	<u>327,968</u>	<u>-</u>	<u>61,572</u>	<b><u>266,396</u></b>	<u>12,466</u>
			<b><u>\$ 520,750</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 121,957</u></b>	<b><u>\$ 398,793</u></b>	<b><u>\$ 17,874</u></b>

	Fiscal year due date	Interest rate	Loan Continuity			Balance March 31, 2024	Interest
			Balance March 31, 2023	Additions	Redeemed		
<b>General operating</b>							
<b>Term debt</b>							
Royal Bank	2031	Prime +.50%	\$ 265,000	\$ -	\$ 30,000	<b>\$ 235,000</b>	\$ 18,539
Royal Bank	2024	Prime +.50%	<u>47,143</u>	<u>-</u>	<u>47,143</u>	<u>-</u>	<u>-</u>
			<b><u>\$ 312,143</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 77,143</u></b>	<b><u>\$ 235,000</u></b>	<b><u>\$ 18,539</u></b>