

# Non-consolidated financial statements

(Unaudited – see advisory to readers)

Municipality of the County of Richmond

March 31, 2021

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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	2021	2020
<b>Financial assets</b>		
Cash	\$ <u>916,880</u>	\$ <u>1,104,348</u>
Receivables		
Taxes (Note 4)	1,607,937	1,423,488
Interest on taxes	<u>1,179,068</u>	<u>1,074,266</u>
	2,787,005	2,497,754
Less: allowance for doubtful accounts (Note 11)	<u>1,149,384</u>	<u>1,143,466</u>
	1,637,621	1,354,288
Sewer - special assessments	254,731	242,918
Due from provincial governments and its agencies (Note 5)	51,200	205,587
Due from federal government and its agencies (Note 5)	126,063	118,739
Due from own funds and agencies (Note 6)	654,018	555,885
Due from other local organizations (Note 7)	159,481	268,277
Other	<u>74,472</u>	<u>108,410</u>
	<u>3,874,466</u>	<u>2,854,104</u>
Loans and advances		
Employee loans (Note 3)	<u>6,557</u>	<u>5,766</u>
Total financial assets	<u>\$ 3,881,023</u>	<u>\$ 3,964,218</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 activities

(Unaudited - see advisory to readers)

Year ended March 31	2021	2020	
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Revenue (Schedule A)			
Taxes	\$ 8,001,303	\$ 8,195,113	\$ 8,166,067
Grants in lieu of taxes	2,152,064	2,150,801	2,067,306
Other revenue from own sources	695,683	721,117	996,047
Conditional transfers from federal and provincial governments and agencies	52,000	46,037	46,439
Recreation and cultural services	213,000	162,395	199,681
Collections for other government	141,000	152,051	132,434
	<u>11,255,050</u>	<u>11,427,514</u>	<u>11,607,974</u>
Expenditures (Schedule B)			
General government services	4,077,307	3,864,558	3,863,891
Protective services	2,972,828	2,929,779	2,891,293
Transportation services	570,482	588,655	584,785
Environmental health services	1,835,486	2,190,951	2,021,383
Public health and welfare services	76,000	85,803	75,149
Environmental development services	474,397	464,106	480,196
Recreation and cultural services	792,016	730,292	824,409
Collections for other government	141,000	152,051	132,434
Extraordinary and special items	10,000	-	19,531
	<u>10,949,516</u>	<u>11,006,195</u>	<u>10,893,071</u>
Excess of revenue over expenditures	<u>305,534</u>	<u>421,319</u>	<u>714,903</u>
Financing and transfers			
Debenture principal instalment – general capital	(235,534)	(235,534)	(360,209)
Transfer from (to) general capital fund	(75,000)	444,572	280,154
Transfer from capital reserve	5,000	7,680	5,604
Transfer to operating reserve – current years surplus	-	(638,037)	(640,452)
	<u>305,534</u>	<u>(421,319)</u>	<u>(714,903)</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	2021	2020
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.



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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	2021	2020
Balance, beginning of year	<u>\$ 13,945,136</u>	<u>\$ 12,234,953</u>
Debentures and term debt retired	235,534	360,209
Transfer from capital reserve - gas tax	218,132	672,596
Grant and contributions for tangible capital asset additions	624,178	943,784
Capital out of revenue	<u>141,068</u>	<u>243,588</u>
	<u>1,218,912</u>	<u>2,220,177</u>
Current year amortization	<u>(493,504)</u>	<u>(509,994)</u>
Balance, end of year	<u>\$ 14,670,544</u>	<u>\$ 13,945,136</u>

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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

		2021	2020
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
<b>Taxes</b>			
Assessable property			
Residential	\$ 5,143,726	<b>\$ 5,144,629</b>	\$ 4,979,242
Commercial			
Based on taxable assessment	2,655,001	<b>2,647,562</b>	3,028,923
Resource			
Based on taxable assessment	988,324	<b>986,735</b>	973,957
Forest property tax (less than 50,000 acres)	13,375	<b>13,562</b>	13,341
Forest property tax (50,000 acres or more)	<u>6,548</u>	<u><b>6,548</b></u>	<u>6,416</u>
	<u>8,806,974</u>	<u><b>8,799,036</b></u>	<u>9,001,879</u>
Area rates			
Fire protection	794,000	<b>789,665</b>	766,288
Environmental health services	<u>20,000</u>	<u><b>19,888</b></u>	<u>46,852</u>
	<u>814,000</u>	<u><b>809,553</b></u>	<u>813,140</u>
Business property			
Based on revenue	<u>36,946</u>	<u><b>36,124</b></u>	<u>38,598</u>
Other			
Deed transfer tax	<u>420,000</u>	<u><b>574,128</b></u>	<u>458,224</u>
Special assessments			
Sewer services by-law	<u>617,933</u>	<u><b>670,822</b></u>	<u>558,322</u>
	10,695,853	<b>10,889,663</b>	10,870,163
Education expenditure as a reduction of tax revenue			
Appropriation to regional school board	<u>(2,694,550)</u>	<u><b>(2,694,550)</b></u>	<u>(2,704,096)</u>
	<u>\$ 8,001,303</u>	<u><b>\$ 8,195,113</b></u>	<u>8,166,067</u>
<b>Grants in lieu of taxes</b>			
Federal government	\$ 30,000	<b>\$ 30,554</b>	\$ 30,226
Provincial government			
Property	68,411	<b>68,316</b>	69,942
Crown timber lands	42,500	<b>42,629</b>	41,086
Provincial government agencies			
Nova Scotia Liquor Commission	5,100	-	5,295
Other			
Nova Scotia Power Incorporated	1,843,406	<b>1,846,655</b>	1,759,720
Windmills	<u>162,647</u>	<u><b>162,647</b></u>	<u>161,037</u>
	<u>\$ 2,152,064</u>	<u><b>\$ 2,150,801</b></u>	<u>\$ 2,067,306</u>

# Municipality of the County of Richmond

## General section

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

(Unaudited - see advisory to readers)

Year ended March 31 2021 2020

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
<b>Other revenue from own sources</b>			
Licenses and permits	\$ 60,500	\$ 31,520	\$ 128,000
Return on investments	140,000	55,696	180,099
Penalties and interest on taxes and special assessments	239,583	293,003	255,397
Miscellaneous	<u>255,600</u>	<u>340,898</u>	<u>432,551</u>
	<u>\$ 695,683</u>	<u>\$ 721,117</u>	<u>\$ 996,047</u>
<b>Conditional transfers from federal and provincial governments and agencies</b>			
Federal government			
Recreation and cultural services			
Summer student grant	\$ 8,000	\$ 14,056	\$ 8,092
Provincial government			
Programs-Grants	30,000	22,835	24,187
Environmental health services recycling	<u>14,000</u>	<u>9,146</u>	<u>14,160</u>
	<u>\$ 52,000</u>	<u>\$ 46,037</u>	<u>\$ 46,439</u>
<b>Recreation and cultural services</b>			
User fees recreation programs	\$ 27,500	\$ 41,922	\$ 52,054
Arena revenue	<u>185,500</u>	<u>120,473</u>	<u>147,627</u>
	<u>\$ 213,000</u>	<u>\$ 162,395</u>	<u>\$ 199,681</u>
<b>Collections for other government</b>			
Village of St. Peters	<u>\$ 141,000</u>	<u>\$ 152,051</u>	<u>\$ 132,434</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 2021 2020

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
<b>General government services</b>			
Legislative			
Warden			
Stipend	\$ 47,683	\$ 55,630	\$ 44,470
Travel and meeting fees	5,000	2,055	2,356
Council			
Stipend	108,359	126,417	110,818
Travel and meeting fees	<u>10,000</u>	<u>6,225</u>	<u>7,736</u>
	<u>171,042</u>	<u>190,327</u>	<u>165,381</u>
Administrative			
Salaries and wages	672,704	662,812	667,564
Employee benefits	1,260,400	1,165,327	967,143
Office buildings	175,000	152,516	211,207
Legal services	40,000	25,536	46,690
Office expenses	171,500	157,939	163,337
Other administrative services	14,500	9,928	22,771
Financial management	40,000	32,243	36,816
Taxation			
Transfer for assessment services	277,873	277,873	276,618
Exemption to halls	383,000	381,799	379,939
Capped assessment	<u>648,788</u>	<u>648,788</u>	<u>635,584</u>
	<u>3,683,765</u>	<u>3,514,761</u>	<u>3,407,669</u>
Debt charges			
Interest on short term debt			
General operations interest	5,000	5,531	927
Interest on long term debt	<u>-</u>	<u>-</u>	<u>1,427</u>
	<u>5,000</u>	<u>5,531</u>	<u>2,354</u>
Valuation allowance			
Uncollectible taxes	65,000	(12,474)	73,308
Uncollectible interest	<u>65,000</u>	<u>21,716</u>	<u>114,601</u>
	<u>130,000</u>	<u>9,242</u>	<u>187,909</u>
Other general services			
Amortization	-	67,398	65,578
Municipal Election	60,000	50,424	-
Intergovernmental relations	<u>27,500</u>	<u>26,875</u>	<u>35,000</u>
	<u>87,500</u>	<u>144,697</u>	<u>100,578</u>
	<u>\$ 4,077,307</u>	<u>\$ 3,864,558</u>	<u>\$ 3,863,891</u>

# Municipality of the County of Richmond

## General section

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

(Unaudited - see advisory to readers)

Year ended March 31 2021 2020

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
<b>Protective services</b>			
Police protection			
Contracted policing	\$ 1,579,434	\$ 1,563,865	\$ 1,540,010
Law enforcement			
County court	-	-	811
Transfer to correctional services	<u>149,394</u>	<u>149,394</u>	<u>152,252</u>
	<u>1,728,828</u>	<u>1,713,259</u>	<u>1,693,073</u>
 <b>Fire protection</b>			
Fire fighting force			
Fire services	70,000	53,000	82,322
Area rate levies	794,000	789,665	766,288
Water supply and hydrants	<u>321,000</u>	<u>321,000</u>	<u>321,000</u>
	<u>1,185,000</u>	<u>1,163,665</u>	<u>1,169,610</u>
 <b>Other</b>			
Amortization	-	359	374
Maintenance area rate	20,000	19,888	19,624
Animal and pest control	9,000	2,246	1,693
Emergency measures	<u>30,000</u>	<u>30,362</u>	<u>6,919</u>
	<u>59,000</u>	<u>52,855</u>	<u>28,610</u>
	<u>\$ 2,972,828</u>	<u>\$ 2,929,779</u>	<u>\$ 2,891,293</u>
 <b>Transportation services</b>			
Transportation fee	\$ 185,739	\$ 177,131	\$ 173,483
Street lighting	363,000	361,868	357,693
Amortization	-	28,365	30,383
Air transport	15,000	15,000	15,000
Interest on long term debt	<u>6,743</u>	<u>6,291</u>	<u>8,226</u>
	<u>\$ 570,482</u>	<u>\$ 588,655</u>	<u>\$ 584,785</u>

# Municipality of the County of Richmond

## General section

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

(Unaudited - see advisory to readers)

Year ended March 31	2021		2020
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
<b>Environmental health services</b>			
Administration	\$ 184,132	\$ 182,567	\$ 176,957
Sewage collection and disposal			
Central treatment plant	467,142	509,361	382,265
Garbage collection and disposal			
Garbage and waste collection	428,000	383,621	348,787
Municipal dumps	719,344	713,586	687,697
Amortization	-	367,945	383,250
Interest on long term debt	36,868	33,871	42,427
	<u>\$ 1,835,486</u>	<u>\$ 2,190,951</u>	<u>\$ 2,021,383</u>
<b>Public health and welfare services</b>			
Public health			
Board of health	\$ 1,000	\$ -	\$ -
Housing			
Deficit of Cape Breton Island			
Housing Authority (Richmond district)	75,000	85,803	75,149
	<u>\$ 76,000</u>	<u>\$ 85,803</u>	<u>\$ 75,149</u>
<b>Environmental development services</b>			
Transfer to			
Eastern District Planning Commission	\$ 178,142	\$ 174,079	\$ 178,428
Economic development and tourism	296,255	290,027	301,768
	<u>\$ 474,397</u>	<u>\$ 464,106</u>	<u>480,196</u>
<b>Recreation and cultural services</b>			
Recreation facilities			
Administration	\$ 585,636	\$ 499,886	\$ 550,269
Amortization	-	28,174	29,139
Programs and grants	78,000	84,028	109,768
Canada works program	26,875	21,647	36,647
	690,511	633,735	725,823
Cultural buildings and facilities			
Libraries	40,000	35,052	36,207
Transfer to regional library	61,505	61,505	62,379
	<u>\$ 792,016</u>	<u>\$ 730,292</u>	<u>\$ 824,409</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

**2021**

**2020**

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	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
<b>Collections for other government</b>			
Village of St. Peter's	\$ 141,000	\$ <b>152,051</b>	\$ 132,434
<b>Extraordinary and special items</b>			
Other	\$ 10,000	\$ -	\$ 19,534

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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>2021</b>	2020	
	<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	17,912,988	8,311,121	<b>9,601,867</b>	9,798,435
Machinery and equipment	1,666,625	1,233,404	<b>433,221</b>	495,859
Vehicles	228,378	175,907	<b>52,471</b>	74,957
Sidewalks	882,350	368,561	<b>513,789</b>	535,196
Landfill	564,717	297,543	<b>267,174</b>	289,051
Road Signs	<u>52,568</u>	<u>17,437</u>	<b><u>35,131</u></b>	<u>41,331</u>
	<b><u>\$22,027,201</u></b>	<b><u>\$10,403,973</u></b>	<b><u>\$ 11,623,228</u></b>	<b><u>\$ 11,954,404</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	2021	2020
<b>Financial assets (liabilities)</b>		
Cash	\$ 2,439,533	\$ 2,229,912
Due from operating fund	<u>321,347</u>	<u>209,621</u>
	<b>\$ 2,760,880</b>	<b>\$ 2,439,533</b>
<b>Reserve</b>		
Gas tax	\$ 1,896,603	\$ 1,684,160
Landfill closure	484,872	403,146
Capital	<u>379,405</u>	<u>352,227</u>
	<b>\$ 2,760,880</b>	<b>\$ 2,439,533</b>

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	2021	2020
Gas tax revenue	\$ 475,057	\$ 968,153
Interest earned – gas tax	9,263	16,843
Interest earned – other capital	7,680	5,604
Budgeted transfer from operating fund	81,726	40,000
Transfer from operating fund – tax sale surplus	27,178	-
Proceeds on sale of assets	<u>-</u>	<u>20,000</u>
	<b>600,904</b>	1,050,600
Transfer to operating fund	-	(3,372)
Transfer to operating fund – non-capital expenditures	(53,745)	(159,407)
Transfer of gas tax to fund general capital	(218,132)	(672,556)
Transfer to operating fund – other capital interest	<u>(7,680)</u>	<u>(5,604)</u>
Change in fund balance	<b>321,347</b>	209,621
Balance, beginning of year	<u>2,439,533</u>	<u>2,229,912</u>
Balance, end of year	<b>\$ 2,760,880</b>	<b>\$ 2,439,533</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, 2021

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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, 2021

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### 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 \$6,557 as at March 31, 2021, represents the cost of computers acquired less any repayments to date.

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<b>4. Taxes receivable</b>	<b><u>2021</u></b>	<b><u>2020</u></b>
Balance, beginning of year	\$ 1,423,488	\$ 1,373,865
Levy	<u>8,959,801</u>	<u>9,012,119</u>
	<b>10,383,289</b>	10,385,984
Collections	<u>8,775,352</u>	<u>8,962,496</u>
	<b>\$ 1,607,937</b>	<b>\$ 1,423,488</b>
Allocation of balance:		
Current	\$ 1,185,497	\$ 803,618
Prior year	<u>422,440</u>	<u>619,870</u>
	<b>\$ 1,607,937</b>	<b>\$ 1,423,488</b>

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<b>5. Due from governments and agencies</b>	<b><u>2021</u></b>	<b><u>2020</u></b>
Provincial		
Provincial – Sundry	<u>\$ 51,200</u>	<u>\$ 205,587</u>
Federal		
FCM	\$ 50,000	\$ -
Harmonized sales tax	<u>76,063</u>	<u>118,739</u>
	<b>\$ 126,063</b>	<b>\$ 118,739</b>

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<b>6. Due from own funds and agencies</b>	<b><u>2021</u></b>	<b><u>2020</u></b>
Own funds		
Capital fund – temporary financing	\$ 512,860	\$ 549,008
Water Utility fund	<u>141,158</u>	<u>6,877</u>
	<b>\$ 654,018</b>	<b>\$ 555,885</b>

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# Municipality of the County of Richmond

## Notes to the non-consolidated financial statements

(Unaudited - see advisory to readers)

March 31, 2021

<b>7. Due from other local organizations</b>	<b><u>2021</u></b>	<b><u>2019</u></b>
St. Peter's Fire Department	\$ 117,938	\$ 174,922
St. Peter's-Samsonville & Area Water Utility/Village SA	-	92,181
Louisdale Fire Department	2,190	257
Grand River Fire Department	875	917
District 10 Fire Department	<u>38,478</u>	<u>-</u>
	<b><u>\$ 159,481</u></b>	<b><u>\$ 268,277</u></b>

<b>8. Due to own funds and agencies</b>	<b><u>2021</u></b>	<b><u>2019</u></b>
Own funds		
Capital Reserve	\$ 321,347	\$ 209,621
Operating reserve	824,918	640,446
Own agencies		
Cape Breton Island Housing Authority	85,951	75,149
Joint Development Commission	<u>819</u>	<u>575</u>
	<b><u>\$ 1,233,055</u></b>	<b><u>\$ 925,791</u></b>

<b>9. Due to other local organizations</b>	<b><u>2021</u></b>	<b><u>2019</u></b>
District 10 Fire Department	\$ -	\$ 1,465
Isle Madame Fire Department	64,612	4,973
Loch Lomond Fire Department	93	1,980
Framboise Fourchu Fire Department	971	9
L'Ardoise Fire Department	<u>345</u>	<u>110</u>
	<b><u>\$ 66,021</u></b>	<b><u>\$ 8,537</u></b>

### **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:

2021	\$ 827	2031	\$ 12,092
2023	\$ 5,083	2032	\$ 8,643
2024	\$ 500	2034	\$ 117,565
2025	\$ 17,113	2035	\$ 13,706
2027	\$ 18,937	2036	\$ 23,922
2029	\$ 18,400	2038	\$ 372,317
2030	\$ 13,400	2039	\$ 82,317

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# Municipality of the County of Richmond

## Notes to the non-consolidated financial statements

(Unaudited - see advisory to readers)  
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<b>11. Asset valuation allowances</b>	<u>2021</u>	<u>2020</u>
For uncollected taxes		
Balance, beginning of year	\$ 403,581	\$ 350,646
Provision for the year	<u>(14,086)</u>	<u>52,935</u>
Balance, end of year	<u>\$ 389,495</u>	<u>\$ 403,581</u>
For uncollected interest		
Balance, beginning of year	\$ 739,885	\$ 639,711
Provision for the year	<u>20,003</u>	<u>100,174</u>
Balance, end of year	<u>\$ 759,888</u>	<u>\$ 739,885</u>
	<u>\$ 1,149,383</u>	<u>\$ 1,143,466</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>
2022	\$ 237,595	\$ 57,143
2023	\$ 119,733	\$ 57,143
2024	\$ 121,959	\$ 53,214
2025	\$ 85,941	\$ 10,000
2026	\$ 88,328	\$ 3,333

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)  
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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>2021</u>	<u>2020</u>
Cape Breton Island Housing Authority	\$ 85,803	\$ 75,149
Eastern Counties Regional Library	61,505	62,379
Eastern District Planning Commission	174,079	178,428
Richmond County – Port Hawkesbury Joint 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, 2021.

- (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 (2020 - \$200,000) on behalf of the Housing Corporation which is indebted to the bank in the amount of \$Nil as at March 31, 2021 (2020 – Nil).

The Housing Corporation had an accumulated operating deficit of \$352,441 as at March 31, 2021, (2020 - \$899,303 deficit).

- ii) Municipality of the County of Richmond Water Utility

During the year the Municipality paid \$147,063 (2020 - \$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 \$226,600 (2020 - \$220,000).

The Utility has an accumulated operating surplus of \$661,007 as at March 31, 2021, (2020 - \$693,584).

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# Municipality of the County of Richmond

## Notes to the non-consolidated financial statements

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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 \$100,170 (2020 - \$93,252).

#### Landfill closure costs

The Municipality is required to properly close and monitor its old landfill sites. During the year, the Municipality engaged a 3<sup>rd</sup> 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 as a restatement to the opening accumulated surplus of fiscal 2020. No liability amount is recorded 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 payable is \$128,486 (2020 - \$86,099) 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>
Brian Marchand	Warden (Apr-Dec)	\$35,762	\$650
Alvin Martell	Deputy Warden (Apr-Dec)	\$23,840	\$655
Jason MacLean	Councillor (Apr-Dec)	\$19,142	\$635
Gilbert Boucher	Councillor (Apr-Dec)	\$19,142	\$635
James Goyetche	Councillor (Apr-Dec)	\$19,142	\$635
Amanda Mombourquette	Warden (Nov-Mar)	\$19,868	\$1,405
Michael Diggdon	Deputy Warden (Nov-Mar)	\$13,245	\$584
Shawn Samson	Councillor (Nov-Mar)	\$10,635	\$584
Melanie Sampson	Councillor (Nov-Mar)	\$10,635	\$886
Brent Sampson	Councillor (Nov-Mar)	\$10,635	\$1,611
Don Marchand	CAO	\$137,509	\$248

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# Municipality of the County of Richmond

## Notes to the non-consolidated financial statements

(Unaudited - see advisory to readers)  
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### 18. Pension agreements

The Municipality provides a defined benefit pension plan for its full time employees. Included in payables is an estimated pension liability of \$1,004,100. This liability is based on an actuarial valuation completed December 31, 2019 and extrapolated to March 31, 2021. 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, 2021:

	<u>2021</u>	<u>2020</u>
Liability – Statement of financial position		
Accrued benefit obligation end of year	\$ 9,655,500	\$ 9,576,600
Pension fund assets end of year	(7,845,400)	(7,136,300)
Unamortized actuarial (losses) gains	<u>(806,000)</u>	<u>(1,361,400)</u>
Total liability	<u>\$ 1,004,100</u>	<u>\$ 1,078,900</u>
Expenses – Statement of operations		
Current service cost	\$ 149,000	\$ 136,500
Amortization of actuarial (gains) losses	419,200	166,600
Regular contributions by employees	(25,000)	(23,800)
Interest on average pension liability during the year	<u>98,100</u>	<u>90,400</u>
Total expense	<u>\$ 641,300</u>	<u>\$ 369,700</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, 2018 and the actuary projected amounts for March 31, 2021.

#### 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>2021</u>	<u>2020</u>
Current service cost	\$ 7,600	\$ 7,300
Interest expense	<u>3,500</u>	<u>3,300</u>
Benefit expense	<u>\$ 11,100</u>	<u>\$ 10,600</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, 2021

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<b>19. Sick leave benefit liability (continued)</b>	<b><u>2021</u></b>	<b><u>2020</u></b>
Balance, beginning of year (unfunded)	\$ 98,200	94,000
Benefit expense	11,100	10,600
Benefit payments	<u>(6,400)</u>	<u>(6,400)</u>
Balance, end of year (unfunded)	<u>\$ 102,900</u>	<u>98,200</u>

### Assumptions:

Discount rate:	3.5% 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:	4 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, 2021

	Fiscal year due date	Interest rate	Loan Continuity			Balance March 31, 2021	Interest
			Balance March 31, 2020	Additions	Redeemed		
<b>General capital</b>							
<b>Municipal purposes</b>							
Serial debentures							
Landfill	2022	4.57-4.59%	\$ 240,000	\$ -	\$ 120,000	\$ 120,000	\$ 8,588
Sidewalks	2024	4.95-5.09%	153,255	-	38,312	114,943	6,290
Sewer	2030	2.52-3.79%	<u>220,665</u>	<u>-</u>	<u>22,067</u>	<u>198,598</u>	<u>6,795</u>
			613,920	-	180,379	433,541	21,673
<b>Term debt</b>							
CMHC	2026 – 2031	3.89%	<u>499,692</u>	<u>-</u>	<u>55,155</u>	<u>444,537</u>	<u>18,489</u>
			<u>\$ 1,113,612</u>	<u>\$ -</u>	<u>\$ 235,534</u>	<u>\$ 878,078</u>	<u>\$ 40,162</u>

	Fiscal year due date	Interest rate	Loan Continuity			Balance March 31, 2021	Interest
			Balance March 31, 2020	Additions	Redeemed		
<b>General operating</b>							
<b>Term debt</b>							
Royal bank	2024	Prime +.50%	\$ 188,571	\$ -	\$ 51,071	\$ 137,500	\$ 5,492
Royal bank	2026	Prime +.50%	-	50,000	6,667	43,333	926
			<u>\$188,571</u>	<u>\$50,000</u>	<u>\$57,738</u>	<u>\$180,833</u>	<u>\$6,418</u>