



**WEST HANTS REGIONAL MUNICIPALITY**  
**Audit Committee – Meeting Agenda**  
**October 22, 2020, 6:00 p.m.**  
**Virtual Meeting via ZOOM**

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1. Call to Order
2. Declaration(s) of Conflict of Interest
3. Announcements
4. Approval of September 9, 2020 Minutes, including additions or deletions
5. Approval of Agenda, including additions or deletions
6. Presentation(s)
  - (a.) Draft Consolidated Financial Statements March 31, 2020 – Town of Windsor
  - (b.) Draft Consolidated Financial Statements March 31, 2020 - Region of Windsor and West Hants Municipality, Coordinating Committee
  - (c.) Draft Consolidated Financial Statements March 31, 2020 – Municipality of the District of West Hants
7. New Business
  - (a.) Recommendation Report – 2019-2020 Audited Financial Statements
  - (b.) Information Report – 2018-2019 Financial Condition Index Report Results
  - (c.) Information Report – Quarterly budget report, Month ending June 30, 2020 (Report to follow)
8. Date of Next Meeting
9. Adjournment



**WEST HANTS REGIONAL MUNICIPALITY**  
**Audit Committee – Meeting Agenda **AMENDED****  
**September 9, 2020, 6:00 p.m.**  
**Virtual Meeting via ZOOM**

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1. Call to Order
2. Declaration(s) of Conflict of Interest
3. Announcements
4. Approval of July 22, 2020 Minutes, including additions or deletions
5. Approval of Agenda, including additions or deletions
6. Presentation(s)
  - (a.) Finance Process, Municipality of West Hants – Director Rochon
  - (b.) Finance Process, Town of Windsor – Director Rochon
  - (c.) **Financial Policies, Municipality of West Hants – Director Rochon**
  - (d.) **Financial Policies, Town of Windsor – Director Rochon**
7. New Business
8. Date of Next Meeting
9. Adjournment



**WEST HANTS REGIONAL MUNICIPALITY**  
**Audit Committee – Meeting Minutes**  
**September 9, 2020, 6:00 p.m.**  
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<b>Present:</b>	Abraham Zebian	Mayor / Committee Chair
	Mark McLean	Councillor, District 3
	Ed Sherman	Councillor, District 7
	Glenn Robinson	Citizen Member
	Jane Davis	Citizen Member
	Carlee Rochon	Director of Finance
	Mark Phillips	Chief Administrative Officer (CAO)
	Carmen Dewar-Miller	Administrative Assistant

1. **Call to Order**

Mayor Zebian, called the meeting to order at 6 pm.

2. **Declaration(s) of Conflict of Interest**

No declarations.

3. **Announcements**

No announcements.

4. **Approval of Minutes**

Mayor Zebian asked for a motion to approve the meeting minutes taken on July 22, 2020.

**MOVED by Citizen Member Robinson and Councillor McLean that the minutes be approved.**  
**Motion Carried.**

5. **Approval of Agenda, including additions or deletions**

There were no additions or deletions. Mayor Zebian asked for a motion to approve the agenda.

**MOVED by Councillor Sherman and Councillor McLean that the agenda be approved.**  
**Motion Carried.**



**WEST HANTS REGIONAL MUNICIPALITY**  
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**6. Presentation(s)**

(a.) Finance Process, West Hants

Prior to Director Rochon beginning her review of the finance process for West Hants, Mayor Zebian and the Director clarified that the audits taking place relate to the 2019 tax year and prior to consolidation. They are the final audits for the former municipality and former town. Going forward there will only be one audit for West Hants Regional Municipality. There will continue to be separate audits for Region 6, the Hantsport Fire Department Compilation and the former Town of Windsor Fire Department Compilation.

Director Rochon advised that regarding the presentation order, she would be reviewing both finance processes first, then both financial policies.

Director Rochon reviewed the processes for the various financial operations within the former municipality, supported by an accompanying PowerPoint presentation.

Director Rochon then asked for questions.

Councillor McLean asked how many years Kent & Duffett have performed the audit for West Hants? Director Rochon replied that K&D were engaged for five years and their services will end with the final audit for the former Municipality of West Hants. The new region will be putting out an RFP for audit services.

Councillor McLean then asked if the Audit Committee can adopt a procedure for reviewing cheques. Director Rochon responded that reviewing cheques is an operational function and that the Audit Committee is governance oriented (to overlook the audit and financial controls). CAO Phillips reiterated that a cheque review would be operational and that the Audit Committee and Council's responsibility is fiscal approval (budget) and oversight. This committee's specific role is to ensure that internal controls as well as the advice received from the audit are executed. Soon to be providing projections and more detail from a fiscal oversight. Approving or reviewing cheques is not a governance function. Director Rochon added that the committee will start seeing



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projections and 2018 Financial Indicator reports for both the former municipality and town. We will have those to compare and when looking at those financial indicators for ways to improve.

(b.) Finance Process, Town of Windsor

Director Rochon reviewed the financial process for the former Town of Windsor with an accompanying PowerPoint presentation.

Director Rochon asked if there were any questions.

Citizen Member Robinson asked if the town and municipality had the same accounting system pre-amalgamation and if the same system is in use in the new region? Director Rochon responded yes to both questions. Microsoft Dynamics (Diamond) was being used by both former entities and is being used in the new region. This made for a smooth transition of information and lessened training requirements for staff.

(c.) Financial Policies, Municipality of West Hants

Director Rochon reviewed the financial policies for the former municipality, with an accompanying PowerPoint presentation. She emphasized the need to review financial policies, as these will have an impact on the financial statements that the Audit Committee will be reviewing with the auditors.

Director Rochon asked if there were any questions. Citizen Member Davis asked if the Audit Committee has any input regarding the content of the policies. Director Rochon responded that policies do not go to the Audit Committee directly, but through Committee of the Whole and then to Council. Participation of the Audit Committee would be dependent on the risk. If high-risk, a policy could be brought to the Audit Committee first for review and recommendation.

Citizen Member Davis (in relation to a talking point brought up in the presentation), asked about the number of people who allow their water to be tested? Director Rochon responded that it is a very low number, she is only aware of one but she can confirm back on the actual number.

(d.) Financial Policies, Town of Windsor



**WEST HANTS REGIONAL MUNICIPALITY**  
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Director Rochon reviewed the former Town of Windsor financial policies with an accompanying PowerPoint presentation. Very similar policies to West Hants.

Director Rochon asked if there were any questions. There were no questions.

Director Rochon added that new region policies and financial processes will come with training in January and April.

Mayor Zebian asked if the new policies will be a hybrid mix of the two former entities? Director Rochon responded that with consolidation, all policies and by-laws migrated to the new region. As policies are updated, the old policies are rescinded. Some policies have been blended, some changed, some are area-specific and some come from one or the other of the two entities and have been adopted by the new region (such as the residential tax assistance program from the former town). Also looking to see what other Municipalities are doing to ensure best practices are being followed for policies going forward.

**7. New Business**

No new business.

**8. Date of Next Meeting**

Looking at the first week of October for the Audit presentations.

**9. Adjournment**

Mayor Zebian called for a motion to adjourn the meeting.

**MOVED by Councillor McLean and Councillor Sherman that the meeting be adjourned.**

**Motion Carried.**

Meeting adjourned at 7:05 pm.



**WEST HANTS REGIONAL MUNICIPALITY**  
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**September 9, 2020, 6:00 p.m.**  
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Abraham Zebian, Chair



# Town of Windsor

For the year ended March 31, 2020

Report to Audit Committee  
Audit results

October 22, 2020

**Gloria Banks, CPA, CA**  
Principal  
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**Jessica Clahane, CPA, CA**  
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# Contents

Executive summary	1
Audit risks and results	2
Adjustments and uncorrected misstatements	6
Other reportable matters	7

# Appendices

Appendix A – Draft independent auditor’s report
Appendix B – Draft management representation letter
Appendix C – Cybersecurity
Appendix D – Journal entries

# Executive summary

## Purpose of report and scope

The purpose of this report is to engage in an open dialogue with you regarding our audit of the consolidated financial statements of Town of Windsor (the "Town") for the year ended March 31, 2020. This communication will assist Audit Committee in understanding the results of audit procedures and includes comments on misstatements, significant accounting policies, sensitive estimates and other matters.

The information in this document is intended solely for the information and use of the Audit Committee. It is not intended to be distributed or used by anyone other than these specified parties.

We were engaged to provide the following deliverables:

Deliverable	Timing/Status
Discussions and communications regarding planning	Complete
Report on the March 31, 2020 consolidated financial statements	October 22, 2020
Communication of audit strategy and results	October 22, 2020

## Status of our audit

We have substantially completed our audit of the consolidated financial statements of the Town and the results of that audit are included in this report.

We will finalize our report upon resolution of the following items that were outstanding as at October 22, 2020:

- Receipt of signed management representation letter (a draft has been attached in the appendices)
- Approval of the consolidated financial statements by Council
- Updating procedures regarding subsequent events

## Independence

We confirm that there have been no changes to our status with respect to independence since we confirmed our independence to you on July 22, 2020.

## Audit risks and results

There were no findings resulting from our planned response to the significant risks and other audit risks outlined in the planning document.

# Audit risks and results

We highlight our significant findings in respect of COVID-19 impacts on audit risks and responses, significant transactions, accounting practices and other areas of focus.

## COVID-19 impact on audit risks and responses

Area of focus	Matter	Our response and findings
Going concern	<p>The preparation of the consolidated financial statements on a going concern basis is appropriate if management has determined that the Town has the ability to continue as a going concern for a period of at least twelve months from the balance sheet date. Management's assessment generally takes into consideration all available information about the future, including events that have occurred after the year-end. Current circumstances related to COVID-19 have resulted in many entities encountering financial difficulties, which could call into question use of the going concern assumption.</p> <p>If there is material uncertainty about the Town's ability to continue as a going concern, the Town should include going concern disclosure in the notes to its consolidated financial statements and there will be an impact on the auditor's report. If management concludes that the Town may be liquidated (either by choice or because it has no realistic alternative but to do so), the going concern assumption would not be appropriate and the consolidated financial statements may have to be prepared on another basis, such as a liquidation basis.</p>	<ul style="list-style-type: none"><li>• Discussion with management on impact of the pandemic to operations.</li><li>• Determination that COVID-19 does not have a significant impact on the Town's ability to continue as a going concern.</li></ul>

Area of focus	Matter	Our response and findings
<b>Subsequent events</b>	<ul style="list-style-type: none"> <li>In determining whether the impact of COVID-19 requires adjustments to the Town's consolidated financial statements, management must first determine whether the impact occurred during the fiscal year, or subsequent to year-end. Entities are required to distinguish between subsequent events that are adjusting (provide further evidence of conditions that existed at the balance sheet date) and non-adjusting (indicate conditions that arose after the balance sheet date). Adjusting subsequent events are reflected in the recognition and measurement of amounts reported in the consolidated financial statements, while the impact of non-adjusting subsequent events may be required to be disclosed in the notes to the consolidated financial statements. Significant subsequent events that may require adjustment or disclosure include items such as: supply chain disruptions, waivers or modifications of contractual terms in lending arrangements or other contractual arrangements, announcing or commencing the implementation of a major restructuring or downsizing, and/or declines in fair values of investments after the reporting period.</li> </ul>	<ul style="list-style-type: none"> <li>Discussed with management on impact of the pandemic to operations.</li> <li>Determined that COVID-19 does not have an adjusting subsequent event requirement on the consolidated financial statements as at March 31, 2020.</li> </ul>
<b>Disclosures</b>	<ul style="list-style-type: none"> <li>In addition to the quantitative impact that COVID-19 may have on the Town's consolidated financial statements, management must also consider how the Town's consolidated financial statement note disclosures could be impacted. The Town may need to revise existing disclosures in its consolidated financial statements and/or add new disclosures (e.g., subsequent events, financial instrument risk, measurement uncertainty, going concern). Transparent and carefully worded disclosures will need to be included in the consolidated financial statements to convey how the Town's financial performance and financial position are impacted by COVID-19, and what new risks and uncertainties exist as a result of the pandemic.</li> </ul>	<ul style="list-style-type: none"> <li>We reviewed with management existing consolidated financial statements disclosures to determine how they may be impacted by COVID-19 and considered what additional disclosures may be necessary.</li> </ul>

## Areas of focus

The following is a summary of areas of focus, and the related matters and findings we would like to communicate to Audit Committee.

Area of focus	Matter	Our response and findings
<b>Fraud risk from revenue recognition</b>	<p>There is a presumed risk of fraud in revenue.</p> <p>The risk primarily relates to sales of services and other revenue from own sources.</p>	<p>In response to this risk we:</p> <ul style="list-style-type: none"> <li>Performed a recalculation of tax revenue from assessments provided by PVSC and approved tax rates.</li> <li>Sampled transactions from the population to perform test of details procedures on. A test of details involves selecting a sample and tracing the items selected to the underlying supporting documentation, either in the form of invoices, statements of accounts, service contracts, or other similar items.</li> </ul> <p>No instances of fraud or suspected fraud were identified through audit procedures performed on other revenues.</p>
<b>Fraud risk from management override / segregation of duties</b>	<p>This is a presumed fraud risk.</p> <ul style="list-style-type: none"> <li>Management is in a unique position where they are responsible for the design and implementation of controls over the financial reporting process while also able to circumvent controls in order to realize personal gain.</li> </ul>	<p>In response to this risk we:</p> <ul style="list-style-type: none"> <li>Performed testing of journal entries, considered potential biases especially any bias relating to accounting estimates and evaluated any significant transactions identified outside the normal course of operations.</li> </ul> <p>No instances of fraud or suspected fraud were identified through audit procedures performed on journal entries or in relation to identified bias or transactions outside the normal course of operations.</p>
<b>Payables</b>	<p>The payables balance may be understated due to unidentified obligations as at the year end date.</p>	<p>In response to this risk we:</p> <ul style="list-style-type: none"> <li>Performed a search for unrecorded liabilities.</li> <li>Performed inquiry procedures, including corroborated follow-up investigations where considered necessary</li> </ul> <p>No issues were noted as a result of the audit procedures performed.</p>

## Other audit risks

Other matters and findings we would like to communicate to Audit Committee

Area of focus	Matter	Our response and findings
<b>Sick Pay Accrual</b>	<p>There is uncertainty regarding the balance of the sick pay accrual, as it is an estimate.</p> <p>PS 3255 Post-employment benefits, compensated absences, and termination benefits requires that obligations for employee future benefits be reported and that costs be attributed to the appropriate periods. While ordinarily the valuation of such obligations should be performed by an Actuary, it was deemed by management that the cost of obtaining the valuation exceeded the possible benefits. Management has since developed its own estimated to evaluate this liability.</p>	<ul style="list-style-type: none"> <li>• Obtained an understanding of the employees affected, sick pay policies, and current sick bank balances.</li> <li>• Obtained an understanding of management's estimates, factors considered in the development of those estimates and other inputs.</li> <li>• Evaluated management's estimate and factors considered, including the reasonability and volatility of various inputs.</li> </ul> <p>No issues were noted as a result of the audit procedures performed.</p>
<b>Defined Benefit Plan Obligation</b>	<p>There is uncertainty regarding the balance of the defined benefit plan obligation.</p> <p>PS 3250 Retirement benefits requires that obligations for defined benefit plans be reported and that costs be attributed to the appropriate periods. While ordinarily the valuation of such obligations should be performed by an Actuary, it was deemed by management that the cost of obtaining the valuation exceeded the possible benefits. Management has since developed its own estimates to evaluate this liability.</p>	<ul style="list-style-type: none"> <li>• Obtained an understanding of the employee affected, retirement policies, and current obligations</li> <li>• Obtained an understanding of management's estimates, factors considered in the development of those estimates and other inputs</li> <li>• Evaluated management's estimate and factors considered, including the reasonability and volatility of various inputs</li> </ul> <p>No issues were noted as a result of the audit procedures performed</p>
<b>Amalgamation disclosure</b>	<p>There is a need to ensure sufficient and appropriate disclosure regarding the amalgamation.</p> <p>PS 3430 Restructuring transactions requires a description of the restructuring and an estimate of its financial effect in the notes of the financial statements of the reporting period preceding the restructuring.</p>	<ul style="list-style-type: none"> <li>• Evaluated management's proposed disclosure</li> </ul> <p>No issues were noted as a result of the audit procedures performed.</p>

# Adjustments and uncorrected misstatements

## Adjustments

There were no uncorrected misstatements identified as a result of our audit procedures. Adjusting entries were identified as a result of our audit procedures and late adjusting entries identified by the Town and made by us after we received the original trial balance from the Town are recorded and reflected in the consolidated financial statements. Additionally, reclassification and elimination entries are made for presentation purposes in preparing the consolidated financial statements. Please see the attached listing in Appendix D.

## Uncorrected misstatements

We have no non-trivial unadjusted misstatements to report.

## Summary of disclosure matters

Our audit did not identify any unadjusted non-trivial misstatements of disclosure matters.

# Other reportable matters

## Internal control

The audit is designed to express an opinion on the consolidated financial statements. We obtain an understanding of internal control over financial reporting to the extent necessary to plan the audit and to determine the nature, timing and extent of our work. Accordingly, we do not express an opinion on the effectiveness of internal control.

If we become aware of a deficiency in your internal control over financial reporting, the auditing standards require us to communicate to Audit Committee those deficiencies we consider significant. However, a consolidated financial statement audit is not designed to provide assurance on internal control.

Based on the results of our audit, we identified the following reportable observation:

### *Segregation of duties*

As is common with many smaller municipal units, segregation of duties issues continues to exist in your organization. Within the day-to-day operations, the duties are adequately segregated; however, one person has access to all modules of the accounting system and the same person is responsible for the executing, recording and reporting of transactions. During the 2018/19 fiscal year, processes were put in place to ensure separate individuals were generating, posting, and approving entries.

## Cybersecurity

Cybersecurity is the practice of protecting computers, data and other electronic systems from malicious attacks. As organizations become increasingly dependent on digital technology, the opportunities for cyber-criminals continue to grow. The explosion of data generated by digital technology, combined with a new degree of connectedness among organizations, means there is ripe opportunity for the technologically savvy and criminally minded to take advantage. This can not only create a reputational risk to you, it can also create financial liabilities. In Appendix C, we examine the nature of the threat and how organizations can go about improving cybersecurity.

# **Appendix A – Draft independent auditor’s report**

## Independent auditors' report

Grant Thornton LLP  
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Kenville, NS  
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www.GrantThornton.ca

To the Mayor and Members of the Council of the West Hants Regional Municipality

### Opinion

We have audited the consolidated financial statements of the Town of Windsor ("the Town"), which comprise the consolidated statement of financial position as at March 31, 2020, and the consolidated statements of operations, change in net debt and cash flow for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly in all material respects, the financial position of the Town of Windsor as at March 31, 2020, and its results of operations, its changes in its net debt, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### Basis for Opinion

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

### Other matters

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The supplementary information on pages 20 to 33 is presented for purposes of additional information and is not a required part of the consolidated financial statements. Such supplementary information has been subjected to the auditing procedures applied, only to the extent necessary to express an opinion, in the audit of the consolidated financial statements taken as a whole.

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

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

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

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Town's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Town to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Kentville, Canada  
October 27, 2020

Chartered Professional Accountants

DRAFT

# **Appendix B – Draft management representation letter**

**Town of Windsor  
PO Box 158  
Windsor NS B0N 2T0**

October 22, 2020

Ms. Gloria Banks, CPA, CA  
Grant Thornton LLP  
Chartered Professional Accountants  
15 Webster Street  
Kentville NS B4N 1H4

Dear Ms. Banks:

We are providing this letter in connection with your audit of the consolidated financial statements of Town of Windsor ("the Town") as of March 31, 2020, and for the year then ended, for the purpose of expressing an opinion as to whether the consolidated financial statements present fairly, in all material respects, the financial position, results of operations, and cash flows of Town of Windsor in accordance with Canadian public sector accounting standards.

We acknowledge that we have fulfilled our responsibilities for the preparation of the consolidated financial statements in accordance with Canadian public sector accounting standards and for the design and implementation of internal controls to prevent and detect fraud and error. We have assessed the risk that the consolidated financial statements may be materially misstated as a result of fraud, and have determined such risk to be low. Further, we acknowledge that your examination was planned and conducted in accordance with Canadian generally accepted auditing standards (GAAS) so as to enable you to express an opinion on the consolidated financial statements. We understand that while your work includes an examination of the accounting system, internal controls and related data to the extent you considered necessary in the circumstances, it is not designed to identify, nor can it necessarily be expected to disclose, fraud, shortages, errors and other irregularities, should any exist.

Certain representations in this letter are described as being limited to matters that are material. An item is considered material, regardless of its monetary value, if it is probable that its omission from or misstatement in the consolidated financial statements would influence the decision of a reasonable person relying on the consolidated financial statements.

We confirm, to the best of our knowledge and belief, as of October 22, 2020, the following representations made to you during your audit.

**Consolidated Financial statements**

- 1 The consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Town as at March 31, 2020 and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards, as agreed to in the terms of the audit engagement.

#### Completeness of information

- 2 We have made available to you all financial records and related data and all minutes of the meetings of council, as agreed in the terms of the audit engagement. Summaries of actions of recent meetings for which minutes have not yet been prepared have been provided to you. All significant board and committee actions are included in the summaries.
- 3 We have provided you with unrestricted access to persons within the Town from whom you determined it necessary to obtain audit evidence.
- 4 There are no material transactions that have not been properly recorded in the accounting records underlying the consolidated financial statements. The adjusting journal entries which have been proposed by you are approved by us and will be recorded on the books of the Town.
- 5 There were no restatements made to correct a material misstatement in the prior period consolidated financial statements that affect the comparative information.
- 6 We are unaware of any known or probable instances of non-compliance with the requirements of regulatory or governmental authorities, including their financial reporting requirements.
- 7 We are unaware of any violations or possible violations of laws or regulations the effects of which should be considered for disclosure in the consolidated financial statements or as the basis of recording a contingent loss.
- 8 We have disclosed to you all known deficiencies in the design or operation of internal control over financial reporting of which we are aware.
- 9 We have identified to you all known related parties and related party transactions, including sales, purchases, loans, transfers of assets, liabilities and services, leasing arrangements guarantees, non-monetary transactions and transactions for no consideration.
- 10 You provided a non-audit service by assisting us with drafting the consolidated financial statements and related notes. In connection with this non-audit service, we confirm that we have made all management decisions and performed all management functions, have the knowledge to evaluate the accuracy and completeness of the consolidated financial statements, and accept responsibility for such consolidated financial statements.

#### Fraud and error

- 11 We have no knowledge of fraud or suspected fraud affecting the Town involving management; employees who have significant roles in internal control; or others, where the fraud could have a non-trivial effect on the consolidated financial statements.
- 12 We have no knowledge of any allegations of fraud or suspected fraud affecting the Town's consolidated financial statements communicated by employees, former employees, analysts, regulators or others.

- 13 We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud.

Recognition, measurement and disclosure

- 14 We believe that the significant assumptions used by us in making accounting estimates, including those used in arriving at the fair values of financial instruments as measured and disclosed in the consolidated financial statements, are reasonable and appropriate in the circumstances.
- 15 We have no plans or intentions that may materially affect the carrying value or classification of assets and liabilities, both financial and non-financial, reflected in the consolidated financial statements.
- 16 All related party transactions have been appropriately measured and disclosed in the consolidated financial statements.
- 17 The nature of all material measurement uncertainties has been appropriately disclosed in the consolidated financial statements, including all estimates where it is reasonably possible that the estimate will change in the near term and the effect of the change could be material to the consolidated financial statements.
- 18 All outstanding and possible claims, whether or not they have been discussed with legal counsel, have been disclosed to you and are appropriately reflected in the consolidated financial statements.
- 19 All liabilities and contingencies, including those associated with guarantees, whether written or oral, have been disclosed to you and are appropriately reflected in the consolidated financial statements.
- 20 All "off-balance sheet" financial instruments have been properly recorded or disclosed in the consolidated financial statements.
- 21 With respect to environmental matters:
- a) at year end, there were no liabilities or contingencies that have not already been disclosed to you;
  - b) liabilities or contingencies have been recognized, measured and disclosed, as appropriate, in the consolidated financial statements; and
  - c) commitments have been measured and disclosed, as appropriate, in the consolidated financial statements.
- 22 The Town has satisfactory title to (or lease interest in) all assets, and there are no liens or encumbrances on the Town's assets nor has any been pledged as collateral.

- 23 We have disclosed to you, and the Town has complied with, all aspects of contractual agreements that could have a material effect on the consolidated financial statements in the event of non-compliance, including all covenants, conditions or other requirements of all outstanding debt.
- 24 The Goods and Services Tax (GST) and Harmonized Sales Tax (HST) transactions recorded by the Town are in accordance with the federal and provincial regulations. The GST and HST liability/receivable amounts recorded by the Town are considered complete.
- 25 Employee future benefit costs, assets, and obligations have been determined, accounted for and disclosed in accordance with the requirements of Section 3250 *Retirement benefits* and 3255 *Post-employment benefits, compensated absences and termination benefits* of the Chartered Professional Accountants of Canada (CPA Canada) Public Sector Handbook.
- 26 There have been no events subsequent to the balance sheet date up to the date hereof that would require recognition or disclosure in the consolidated financial statements, except as disclosed in note 12. Further, there have been no events subsequent to the date of the consolidated financial statements that would require adjustment of those consolidated financial statements and related notes.

Other

- 27 We have considered whether or not events have occurred or conditions exist which may cast significant doubt on the Town's ability to continue as a going concern and have concluded that no such events or conditions are evident, except as disclosed in note 12 of the consolidated financial statements.

Yours sincerely,

---

Carlee Rochon, Director of Finance

# Appendix C – Cybersecurity

Cybersecurity is the practice of protecting computers, data, networks and other electronic systems from malicious attacks. Below, we summarize the cybersecurity threat and how we can help you manage that threat.

Cybersecurity risk	How Grant Thornton can help
<p>As organizations become increasingly dependent on digital technology, storing valuable information in multiple places, the opportunities for cyber criminals continue to grow. Cyber-attacks today are more focused, skilful and ambitious, and geographical borders are meaningless. Regulators and stakeholders, including customers, are increasing the pressure on organizations to manage these risks. In order to properly protect themselves, organizations must understand what weaknesses attackers could exploit, how to respond to security incidents and how areas such as access to confidential data should be managed.</p> <p>Management needs to respond to these risks by:</p> <ul style="list-style-type: none"><li>• Assessing the people, processes and technology associated with their cybersecurity program, including management of the program, data security, cybersecurity awareness and training, and assessment of external risks</li><li>• Improving the cybersecurity function by remediating identified vulnerabilities, developing new strategies, enhancing existing facilities, and establishing policies, controls and processes</li><li>• Developing a cybersecurity breach or attack response plan, which involves providing training for the people who will execute the response, determining the procedures that will be followed, and securing external resources to support the process as needed</li></ul>	<p>Our cybersecurity solutions address a variety of complex security requirements, helping you build a resilient business that is prepared for cyber-attacks.</p> <p>We can help you:</p> <ul style="list-style-type: none"><li>• Prepare We help you understand your current exposure to cybersecurity risk and support you to develop an effective security capability. Our services include cybersecurity risk and threat assessments; security policy development; security process or technical assessments; and third-party cybersecurity assurance.</li><li>• Protect We develop and implement the technical framework and broader processes required to protect. We can help you with security architecture; security technology implementations; security process design and implementation; identity and access management; privacy and data protection; data classification; enterprise application integrity; business continuity and disaster recovery; and penetration testing.</li><li>• React We work with you to support and monitor your cybersecurity operations, and help you to respond rapidly and forensically in the event of a security or data breach.</li><li>• Change We can help you improve and better manage your cybersecurity capability. Our services include security program strategy and planning, security governance; and security awareness.</li></ul> <p>If you would like to discuss cybersecurity risks in more detail or learn more about how Grant Thornton can help your organization respond to cybersecurity risks, we would be happy to arrange a meeting to discuss this topic with you in detail or, alternatively, you may contact our cybersecurity team directly at +1-844-40-CYBER (+1-844-402-9237).</p>

# Appendix D – Journal entries

**Town of Windsor**

**AJE**

**Year End: March 31, 2020**

**Adjusting Journal Entries**

**Date: 04/01/2019 To 03/31/2020**

Number	Date	Name	Account No	Debit	Credit
1	03/31/2020	Interest on Bank Balances	10-015-0000-000-5525 GO10	522.61	
1	03/31/2020	Due To Gas Tax Res	50-532-0000-000-1245 RES		522.61
To adjust interfund balance					
2	03/31/2020	Other Income	GT4 GC2122		10,091.61
2	03/31/2020	S/E Town Oper Resv Fnds Balan	50-549-0000-000-4034 RES		2,598.39
2	03/31/2020	S/E Rec Comm Cap Res Funds Ba	50-549-0000-000-4036 RES	12,690.00	
To adjust opening reserve balances to actual					
C1	03/31/2020	Land lease-Scotian WEB	10-015-0000-000-5485 GO10		28,004.40
C1	03/31/2020	Land lease-Scotian WEB	10-015-0000-000-5485 GO10		28,044.40
C1	03/31/2020	Accounts Receivable- Year End	10-032-0000-000-1268 GO10	28,004.40	
C1	03/31/2020	Accounts Receivable- Year End	10-032-0000-000-1268 GO10	28,044.40	
Client provided entry to reverse Scotian web lease - JE 18733 and correct JE - Scotian web lease					
C2	03/31/2020	Contribution To Operating Reserve	10-028-2810-000-8085 GO10	56,048.80	
C2	03/31/2020	Due To Operating Reserve	10-042-0000-000-3145 GO10		56,048.80
C2	03/31/2020	Due To Operating Reserve	50-532-0000-000-1250 RES	56,048.80	
C2	03/31/2020	S/E Town Oper Resv Fnds Balan	50-549-0000-000-4034 RES		56,048.80
Client provided Adj 1 - Operating Surplus 19/20					
C3	03/31/2020	Retirement Allowance- CUPE Contract provision	10-023-2310-000-6128 GO10		3,600.00
C3	03/31/2020	Retirement Allowance- CUPE Contract accrual	10-042-0000-000-3406 GO10	3,600.00	
Client provided entry - to record CUPE retirement allowance accrual					
C4	03/31/2020	Contribution To Operating Reserve	10-028-2810-000-8085 GO10		3,600.00
C4	03/31/2020	Due To Operating Reserve	10-042-0000-000-3145 GO10	3,600.00	
C4	03/31/2020	Due To Operating Reserve	50-532-0000-000-1250 RES		3,600.00
C4	03/31/2020	S/E Town Oper Resv Fnds Balan	50-549-0000-000-4034 RES	3,600.00	
Client provided - to adjust operating surplus for C3 entry					
C5	03/31/2020	Residential Metered	30-311-0000-000-5810 WO30	220,007.38	
C5	03/31/2020	Commercial / Institutional	30-311-0000-000-5815 WO30	145,799.73	
C5	03/31/2020	Industrial Meters	30-311-0000-000-5820 WO30	16,026.26	
C5	03/31/2020	Fire Protection Other - Private Hydrants	30-313-0000-000-5850 WO30	950.00	
C5	03/31/2020	Sprinkler Service	30-314-0000-000-5860 WO30	1,450.00	
C5	03/31/2020	Three Mile Plains Water Utility	30-315-0000-000-5870 WO30	73,927.31	
C5	03/31/2020	Wentworth Water Utility	30-315-0000-000-5875 WO30	796.18	
C5	03/31/2020	Dill Road Utility	30-315-0000-000-5880 WO30	16,881.05	
C5	03/31/2020	West Hants- Underwood Meter (Crossing Develk	30-315-0000-000-5881 WO30	110.43	

**Town of Windsor**

**AJE-1**

**Year End: March 31, 2020**

**Adjusting Journal Entries**

**Date: 04/01/2019 To 03/31/2020**

Number	Date	Name	Account No	Debit	Credit
C5	03/31/2020	West Hants Service Charge	30-315-0000-000-5885 WO30	24,880.03	
C5	03/31/2020	Account Receivable - Other	30-332-0000-000-1287 WO30		500,828.37
		Client provided - to reverse PY water receivables			
C6	03/31/2020	Residential Metered	30-311-0000-000-5810 WO30		151,444.02
C6	03/31/2020	Commercial / Institutional	30-311-0000-000-5815 WO30		100,362.53
C6	03/31/2020	Industrial Meters	30-311-0000-000-5820 WO30		11,031.82
C6	03/31/2020	Fire Protection Other - Private Hydrants	30-313-0000-000-5850 WO30		950.00
C6	03/31/2020	Sprinkler Service	30-314-0000-000-5860 WO30		1,450.00
C6	03/31/2020	Three Mile Plains Water Utility	30-315-0000-000-5870 WO30		73,927.31
C6	03/31/2020	Wentworth Water Utility	30-315-0000-000-5875 WO30		796.18
C6	03/31/2020	Dill Road Utility	30-315-0000-000-5880 WO30		16,881.05
C6	03/31/2020	West Hants- Underwood Meter (Crossing Develc	30-315-0000-000-5881 WO30		110.43
C6	03/31/2020	West Hants Service Charge	30-315-0000-000-5885 WO30		24,880.03
C6	03/31/2020	Water Accounts Receivable	30-332-0000-000-1150 WO30	381,833.37	
		Client provided - to set up water receivable			
				<b>1,074,820.75</b>	<b>1,074,820.75</b>
<b>Net Income (Loss)</b>			<b>377,283.12</b>		



**WEST HANTS REGIONAL MUNICIPALITY  
RECOMMENDATION REPORT**

**To:** **Audit Committee Members**

**Submitted by:** \_\_\_\_\_

Carlee Rochon, Director, Financial Services

**Date:** **October 22, 2020**

**Subject:** 2019-2020 Audited Financial Statements

---

**LEGISLATIVE AUTHORITY**

Municipal Government Act, Section 42

**RECOMMENDATION**

Audit Committee recommends that:

Council approve the audited Municipality of the District of West Hants Consolidated Financial Statement on March 31, 2020 as presented to the Audit Committee.

Council approve the audited Town of Windsor Consolidated Financial Statement on March 31, 2020 as presented to the Audit Committee.

Council approve the audited Region of Windsor and West Hants Municipality Consolidated Financial Statement on March 31, 2020 as presented to the Audit Committee.

**BACKGROUND**

An official recommendation for approval is required by the Municipal Government Act, based on the presentation provided by Kent & Duffett and Grant Thornton on the Consolidated Financial Statements ending March 31, 2020.

**NEXT STEPS**

Approval by West Hants Regional Council, and submission to regulatory bodies.

**ATTACHMENTS**

- Draft Consolidated Financial Statements March 31, 2020 – Town of Windsor
- Draft Consolidated Financial Statements March 31, 2020 – Region of Windsor and West Hants Municipality, Coordinating Committee

- Draft Consolidated Financial Statements March 31, 2020 – Municipality of the District of West Hants

Report Reviewed by: \_\_\_\_\_  
Carlee Rochon, Director, Financial Services



# Consolidated Financial Statements

Town of Windsor

Windsor, Nova Scotia

March 31, 2020

DRAFT



# Contents

	<b>Page</b>
Independent auditor's report	1-3
Management's responsibility for the consolidated financial statements	4
Consolidated statement of operations	5
Consolidated statement of financial position	6
Consolidated statement of change in net debt	7
Consolidated statement of cash flows	8
Notes to the consolidated financial statements	9-20
Schedules to the consolidated statement of operations	21-28
Schedule of changes in reserve funds	29
Schedule of trust funds	30
Water Utility	
Statement of operations – operating fund	31
Statement of financial position – operating fund	32
Statement of financial position – capital fund	33
Utility plant in service	34
Statement of investment in capital assets	34

# Independent auditors' report

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To the Mayor and Members of the Council of the West Hants Regional Municipality

## Opinion

We have audited the consolidated financial statements of the Town of Windsor (“the Town”), which comprise the consolidated statement of financial position as at March 31, 2020, and the consolidated statements of operations, change in net debt and cash flow for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly in all material respects, the financial position of the Town of Windsor as at March 31, 2020, and its results of operations, its changes in its net debt, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

## Basis for Opinion

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

## Other matters

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The supplementary information on pages 20 to 33 is presented for purposes of additional information and is not a required part of the consolidated financial statements. Such supplementary information has been subjected to the auditing procedures applied, only to the extent necessary to express an opinion, in the audit of the consolidated financial statements taken as a whole.

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

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Town's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Town to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Kentville, Canada  
October 27, 2020

Chartered Professional Accountants

# Management's responsibility for the consolidated financial statements

The consolidated financial statements have been prepared by management in accordance with Canadian Public Sector Accounting Standards, and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all of the notes to the consolidated financial statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the consolidated financial statements. A summary of the significant accounting policies are described in Note 1 to the consolidated financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced. The internal controls are designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the consolidated financial statements.

The Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control, and exercises these responsibilities through the Council. The Council reviews internal financial statements on a timely basis and external audited consolidated financial statements yearly. The Council also discusses any significant financial reporting or internal control matters prior to their approval of the consolidated financial statements.

The external auditors, Grant Thornton LLP, conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the consolidated financial statements. The external auditors have full and free access to financial management of the Town of Windsor and meet when required. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the consolidated financial statements.

On behalf of the Mayor and Members of the Council of the West Hants Regional Municipality

\_\_\_\_\_ Mayor

\_\_\_\_\_ CAO

# Town of Windsor

## Consolidated statement of operations

Year ended March 31

		2020	2020	2019
		<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
	<u>Page</u>			
<b>Revenue</b>				
Taxes	20	\$ 5,679,560	\$ 5,824,063	\$ 5,571,103
Grants in lieu of taxes	20	120,460	120,592	138,797
Services provided to other governments	21	55,280	45,057	69,351
Sales of services	21	462,620	361,358	404,537
Other revenue from own sources	21	231,740	365,371	435,715
Unconditional transfers from other governments	21	432,650	432,700	432,654
Conditional transfers from Federal and Provincial governments	22	531,592	527,532	280,271
Conditional transfers from other local governments	22	112,630	72,602	107,526
Water fund revenue		<u>1,496,880</u>	<u>1,602,446</u>	<u>1,576,109</u>
		<u>9,123,412</u>	<u>9,351,721</u>	<u>9,016,063</u>
<b>Expenditure</b>				
General government services	23	1,364,270	1,584,515	1,298,203
Protective services	24	1,603,263	1,451,243	1,486,111
Transportation services	25	1,718,036	1,715,264	1,672,091
Environmental health services	25	1,552,139	1,491,466	1,467,959
Public health and welfare services	26	127,940	151,931	96,850
Environmental development services	26	236,001	236,132	251,559
Recreation and cultural services	27	1,012,887	1,010,461	945,956
Water fund expenses		<u>1,395,891</u>	<u>1,333,426</u>	<u>1,283,226</u>
		<u>9,010,427</u>	<u>8,974,438</u>	<u>8,501,955</u>
Annual surplus		\$ <u>112,985</u>	\$ <u>377,283</u>	\$ <u>514,108</u>
Accumulated surplus, beginning of year			<u>30,536,819</u>	<u>30,022,711</u>
Accumulated surplus, end of year			\$ <u>30,914,102</u>	\$ <u>30,536,819</u>

# Town of Windsor

## Consolidated statement of financial position

March 31

2020

2019

### Financial Assets

Cash and cash equivalents	\$ 6,369,359	\$ 6,920,577
Receivables (Note 2)	1,040,666	955,786
Debenture discount	<u>44,637</u>	<u>48,702</u>
	<u>7,454,662</u>	<u>7,925,065</u>

### Financial Liabilities

Payables and accruals	689,197	790,390
Retirement allowance (Note 5)	233,690	234,336
Deferred revenue (Note 6)	95,276	82,038
Temporary borrowings (Note 7)	-	216,239
Long term debt (Note 7)	<u>7,365,383</u>	<u>7,832,031</u>
	<u>8,383,546</u>	<u>9,155,034</u>

### Net Debt

(928,884) (1,229,969)

### Non-Financial Assets

Tangible capital assets (Note 3)	31,331,097	31,240,016
School land (Note 8)	433,795	433,795
Inventory	76,186	84,219
Prepays	<u>1,908</u>	<u>8,758</u>
	<u>31,842,986</u>	<u>31,766,788</u>

### Accumulated surplus

\$ 30,914,102 \$ 30,536,819

On behalf of the Town

\_\_\_\_\_ Mayor

\_\_\_\_\_ CAO

# Town of Windsor

## Consolidated statement of change in net debt

Year ended March 31

2020

2019

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Annual surplus	\$ <u>112,985</u>	\$ <u>377,283</u>	\$ <u>514,108</u>
Changes in tangible capital assets			
Acquisition of tangible capital assets	(5,458,460)	(1,591,625)	(1,495,059)
Water capital adjustment	-	-	-
Loss on disposal	-	2,629	9,588
Amortization	<u>1,497,915</u>	<u>1,497,915</u>	<u>1,460,637</u>
	<u>(3,847,560)</u>	<u>(91,081)</u>	<u>(24,834)</u>
Acquisition of prepaids (net of usage)		8,033	(3,999)
Acquisition of inventory (net of usage)		<u>6,850</u>	<u>(18,231)</u>
Increase (decrease) in non-financial assets		<u>14,883</u>	<u>(22,230)</u>
(Increase) decrease in net debt	\$ <u>(3,847,560)</u>	\$ <u>301,085</u>	\$ <u>467,044</u>
Opening, net debt		<u>(1,229,969)</u>	<u>(1,697,013)</u>
Closing, net debt		\$ <u>(928,884)</u>	\$ <u>(1,229,969)</u>

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# Town of Windsor

## Consolidated statement of cash flows

Year ended March 31

2020

2019

### Operations

Annual surplus	\$ 377,283	\$ 514,108
Amortization	1,497,915	1,460,637
Loss on disposal	2,629	9,588
Changes in non-cash working capital		
Receivables	(84,880)	178,744
Debenture discount	4,065	7,243
Payables and accruals	(101,193)	(76,525)
Retirement allowance	(646)	5,926
Deferred revenue (deficit)	13,238	(18,509)
Inventory	8,033	(18,231)
Prepays	6,850	(3,999)

Cash from operating activities 1,723,294 2,058,982

### Capital transactions

Acquisition of tangible capital assets (1,591,625) (1,495,059)

Cash from capital transactions (1,591,625) (1,495,059)

### Financing

Long term debt, principal repayment	(684,398)	(684,398)
Proceeds from long term borrowing	217,750	-
Temporary borrowing, principal repayment	(216,239)	-
Proceeds from temporary borrowing	-	216,239

Cash from financing activities (682,887) (468,159)

Change in net cash and cash equivalents (551,218) 95,764

Opening, net cash and cash equivalents 6,920,577 6,824,813

Closing, net cash and cash equivalents \$ 6,369,359 \$ 6,920,577

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# Town of Windsor

## Notes to the consolidated financial statements

March 31, 2020

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### 1. Summary of significant accounting policies

#### Principles and basis of consolidation

The consolidated financial statements of the Town of Windsor are the representations of management prepared in accordance with Canadian public sector accounting standards as established by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada.

The focus of public sector accounting standards (PSAS) financial statements is on the financial position of the Town and the changes thereto. The consolidated statement of financial position includes all of the assets and liabilities of the Town operating fund, capital fund, water operating fund, water capital fund and reserves, excluding Trust assets and liabilities.

#### Reporting entity

The consolidated financial statements reflect the assets, liabilities, revenues, expenditures and changes in fund balances and in financial position of the reporting entity. The reporting entity is comprised of all resources controlled by the Town including all funds and reserves. Interdepartmental transactions and balances are eliminated upon consolidation.

#### Basis of accounting

The accrual basis of accounting recognizes revenues as they become available and measurable. Expenditures (including expenditures of a capital nature and inventory items) are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

Taxes collected on behalf of other organizations and the advances of the funds are not included in revenue or expenditures.

#### Cash and cash equivalents

Cash and cash equivalents include cash on hand and balances with banks, bank overdrafts and short term highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value. Cash equivalents are held for the purpose of meeting short term cash commitments rather than for investing or other purposes.

#### Inventory

Inventory consists of supplies on hand and is recorded at invoice cost.

#### Tangible capital assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to the acquisition, construction, development or betterment of the asset. Donated assets are recorded at their estimated fair market value upon acquisition.

The cost, less residual value, of the tangible capital asset is amortized on a straight-line basis over its useful life. Assets under construction are not amortized until the asset is put into use. Amortization is recorded as an expense commencing in the year following acquisition.

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# Town of Windsor

## Notes to the consolidated financial statements

March 31, 2020

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### 1. Summary of significant accounting policies (continued)

#### Depreciation – General Capital Fund

Depreciation of capital assets recorded in the General Capital fund is calculated on a straight-line basis over their estimated useful lives.

The estimated useful lives are as follows:

<b>Asset</b>	<b>Year</b>
Land improvements	20 – 25 years
Buildings/plants (sewer)	20 – 25 years
Fibre optic network	5 – 10 years
Machinery and equipment	10 – 15 years
Municipal buildings	40 years
Sewage treatment lagoons	50 years
Sewer lines	50 years
Small equipment	5 years
Streets, roads, curbs and sidewalks	20 – 30 years
Traffic and street lights	25 – 30 years
Vehicles	5 years

#### Depreciation – Water Capital Fund

Depreciation of capital assets recorded in the Water Capital Fund is calculated on a straight-line basis over their estimated useful lives as prescribed by the Nova Scotia Utility and Review Board. Assets that are fully depreciated are removed from the Water Utility Capital Fund accounts.

The depreciation charge in the Water Operating Fund is transferred to a special bank account in the Water Capital Fund, which is used to help fund replacement of existing plant and equipment, or, subject to approval by the Nova Scotia Utility and Review Board, to repay principal of capital debt. Interest earned on the Depreciation Fund bank account is retained in the Water Utility Capital Fund.

#### Assets held for resale

Assets held for resale are held at the lower of cost and net realizable value.

#### Use of estimates

In preparing the Town's consolidated financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Estimates include the expected useful life of assets and the defined pension obligations.

#### Budget

The budget figures contained in these consolidated financial statements were approved by Council on March 26, 2019, in its original fiscal plan. The budget figures contained in these consolidated financial statements have been adjusted to include amortization in accordance with Public Sector accounting requirements. Note 11 outlines the original fiscal plan and the adjustments made to come to the budget figures shown in these consolidated financial statements.

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# Town of Windsor

## Notes to the consolidated financial statements

March 31, 2020

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### 1. Summary of significant accounting policies (continued)

#### Revenue

- a) Tax revenue is property tax billings which are prepared by the Town based on assessment rolls issued by the Property Valuation Services Corporation (PVSC). Tax rates are established annually by Town Council. Taxation revenues are recorded at the time tax billings are issued. Assessments and the related property taxes are subject to appeal. Any supplementary billing adjustments made necessary by the determination of such changes will be recognized in the fiscal year they are determined. The Town is entitled to collect interest on overdue taxes and is recorded in the period the interest is levied.
- b) Grant revenue from other governments without eligibility criteria or stipulations is recognized as revenue by the Town when the transfer is authorized. Revenue with eligibility criteria is recognized as revenue by the Town when the transfer is authorized and all eligibility criteria have been met. Revenue with stipulations is recognized as revenue by the Town when the transfer is authorized and all stipulations have been met.
- c) Other revenue is recorded when it is earned and collection is reasonably expected.

#### Related party transactions

The Town follows Public Section Accounting section 2200, related party transactions, which establishes the disclosure requirements for the reporting of related party transactions. Management has determined that there are no transactions to disclose at this time.

#### Contractual rights

The Town follows Public Section Accounting section 3380, contractual rights, which establishes the disclosure requirements for contractual rights. Management has determined that there are no contractual rights to disclose at this time.

#### Inter-entity transactions

The Town follows Public Section Accounting section 3420, inter-entity transactions, which establishes how to account for and report transactions between public sector entities that comprise a government's reporting entity from both a provider and recipient perspective. Management has determined that there are no inter-entity transactions to disclose at this time.

#### Restructuring Transactions

Effective for the fiscal period beginning April 1, 2018, the Town was required to adopt Public Sector Accounting Standard 3430 Restructuring Transactions, which establishes how to account for and report restructuring transactions. Management has determined that there are no restructuring transactions to report in the current year.

## Town of Windsor

### Notes to the consolidated financial statements

March 31, 2020

2. Receivables			<u>2020</u>	<u>2019</u>
	Current Year	Prior Years	<u>Total</u>	<u>Total</u>
Taxes receivable				
Balance, beginning of year		\$ 214,245	\$ 214,245	\$ 318,621
Current levy	\$ 5,239,431		<u>5,239,431</u>	<u>5,156,019</u>
	5,239,431	214,245	<b>5,453,676</b>	5,474,640
Collections	<u>5,020,100</u>	<u>167,947</u>	<u>5,188,047</u>	<u>5,260,395</u>
	\$ <u>219,331</u>	\$ <u>46,298</u>	<b>265,629</b>	214,245
Valuation allowance			<u>(26,255)</u>	<u>(26,255)</u>
Balance, end of year			<b>239,374</b>	187,990
Water rates			<b>425,622</b>	352,045
Sewer receivable			<b>263,729</b>	214,323
Receivable (payable) from (to) Federal Government			<b>(32,975)</b>	69,943
Receivable from Provincial Government			<b>6,717</b>	11,216
Other receivables			<u>138,199</u>	<u>120,269</u>
			<b>\$ 1,040,666</b>	<b>\$ 955,786</b>

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# Town of Windsor

## Notes to the consolidated financial statements

March 31, 2020

### 3. Tangible capital assets

	Beginning Cost	Additions	Disposals and Write-off of Fully Amortized Assets	WIP Transfers	Ending Cost	Opening Accumulated Amortization	Adjustments	Amortization	Ending Accumulated Amortization	2020 Net Book Value	2019 Net Book Value
Land	\$ 309,464	\$ -			\$ 309,464					\$ 309,464	\$ 309,464
Land improvements	339,666		\$ 4,201		335,465	\$ 103,420	\$ 4,201	\$ 18,227	\$ 117,446	218,019	236,246
Building/plants (sewer)	6,804,476	31,284			6,835,760	386,558		272,179	658,737	6,177,023	6,417,918
Machinery and equipment	1,396,743	611,240	201,239		1,806,744	716,246	201,239	137,124	652,131	1,154,613	680,497
Municipal buildings	3,567,107		9,718		3,557,389	2,235,548	9,718	136,077	2,361,907	1,195,482	1,331,559
Sewage treatment lagoons	3,325,430	34,518			3,359,948	732,547		66,518	799,065	2,560,883	2,592,883
Sewer lines	8,328,789	76,598		5,879	8,411,266	2,698,540		171,248	2,869,788	5,541,478	5,630,249
Small equipment	248,411	28,485	68,035	17,503	226,364	90,881	68,035	49,682	72,528	153,836	157,530
Streets, roads, curbs and sidewalks	9,969,760	552,635	28,843	13,614	10,507,166	4,107,659	28,843	398,805	4,477,621	6,029,545	5,862,101
Traffic and street lights	16,675				16,675	6,670		667	7,337	9,338	10,005
Vehicles	-				-	-	-	-	-	-	-
Work in progress	36,996	1,410		(36,996)	1,410					1,410	36,996
Subtotal General	34,343,517	1,336,170	312,036	-	35,367,651	11,078,069	312,036	1,250,527	12,016,560	23,351,091	23,265,448
Water utility	11,279,724	255,455	33,842	1,001	11,502,338	3,314,604	31,213	247,388	3,530,779	7,971,559	7,965,120
Water utility work in progress	9,448			(1,001)	8,447					8,447	9,448
Subtotal Water	11,289,172	255,455	33,842	-	11,510,785	3,314,604	31,213	247,388	3,530,779	7,980,006	7,974,568
	\$ 45,632,689	\$ 1,591,625	\$ 345,878	\$ -	\$ 46,878,436	\$ 14,392,673	\$ 343,249	\$ 1,497,915	\$ 15,547,339	\$ 31,331,097	\$ 31,240,016

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## Town of Windsor

### Notes to the consolidated financial statements

March 31, 2020

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#### 4. Pension plan

The Town's employees are members of a defined contribution pension plan. The Town's obligation is to contribute 6% of employees' earnings to the pension plan. During the year, the Town contributed \$112,754 (2019 - \$113,651).

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#### 5. Retirement allowance

This retirement allowance represents the Town of Windsor's expected amount to be paid in regular instalments to a former employee of the Town. Payments commenced upon the individual's retirement, are funded through operations and are indexed annually with the Consumer Price Index to a maximum of 6%. Payments will continue at a reduced rate to the individuals surviving spouse. The Town estimates its obligation to the retired employee based on estimated life expectancy and consumer price index amounts, discounted by a rate of 3.35%.

	<u>2020</u>	<u>2019</u>
Retirement allowance obligation	\$ 234,336	\$ 228,410
Life expectancy adjustment	39,845	45,223
Annual cost	<u>(40,491)</u>	<u>(39,297)</u>
	<u>\$ 233,690</u>	<u>\$ 234,336</u>

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#### 6. Deferred revenue

Funds received with specific spending criteria and stipulations are recorded in deferred revenue until these funds are spent on eligible expenditures.

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#### 7. Long term debt

	<u>2020</u>	<u>2019</u>
Debenture debt, repayable in the amount of \$58,933 annually plus interest, bearing interest between 4.889% and 5.644%, maturing in 2025.	\$ 294,670	\$ 353,603
Debenture debt, repayable in the amount of \$98,595 annually plus interest, bearing interest between 2.06% and 2.884%, maturing in 2024.	394,380	492,975
Debenture debt, repayable in the amount of \$43,050 annually plus interest, bearing interest between 4.67% and 4.77%, maturing in 2023.	426,865	467,995
Debenture debt, repayable in the amount of \$4,315 annually plus interest, bearing interest between 5.11% and 5.21%, maturing in 2023.	<u>43,215</u>	<u>47,330</u>
Balance carried forward	<u>1,159,130</u>	<u>1,361,903</u>

# Town of Windsor

## Notes to the consolidated financial statements

March 31, 2020

7. Long-term debt (continued)	<u>2020</u>	<u>2019</u>
Balance carried forward	\$ 1,159,130	\$ 1,361,903
Debenture debt, repayable in the amount of \$63,187 annually plus interest, bearing interest between 4.67% and 4.77%, maturing in 2023.	<b>505,496</b>	568,683
Debenture debt, repaid during the year.	-	16,526
Debenture debt, repayable in the amount of \$9,507 annually plus interest, bearing interest between 4.914% and 5.088%, maturing in 2024.	<b>38,023</b>	47,530
Debenture debt, repayable in the amount of \$174,270 annually plus interest, bearing interest between 4.36% and 4.875%, maturing in 2026.	<b>1,783,106</b>	1,957,377
Debenture debt, repayable in the amount of \$20,513 annually plus interest, bearing interest between 4.36% and 4.875%, maturing in 2026.	<b>225,658</b>	246,171
Debenture debt, repayable in the amount of \$4,307 annually plus interest, bearing interest between 2.74% and 4.114%, maturing in 2029.	<b>38,758</b>	43,065
Debenture debt, repayable in the amount of \$11,740 annually plus interest, bearing interest between 1.632% and 3.449%, maturing in 2031.	<b>129,140</b>	140,880
Debenture debt, repayable in the amount of \$181,574 annually plus interest, bearing interest between 1.93% and 3.382%, maturing in 2033.	<b><u>3,486,072</u></b>	<u>3,449,896</u>
	<b>\$ <u>7,365,383</u></b>	<b>\$ <u>7,832,031</u></b>

Principal repayments required during the next five years are due as follows:

2020/21	\$680,880
2021/22	\$680,880
2022/23	\$680,880
2023/24	\$680,880
2024/25	\$582,285

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# Town of Windsor

## Notes to the consolidated financial statements

March 31, 2020

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### 7. Long term debt (continued)

In addition to the debt indicated above, the Town uses temporary borrowing loans authorized by the Department of Municipal Affairs to assist in financing capital projects. The funds for these borrowings are currently being drawn from the Royal Bank and the amounts will vary from year to year. As at March 31, 2020, the amount drawn was \$0 (2019 – \$216,239). The temporary borrowing bears interest as per agreement.

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### 8. School land

The Annapolis Valley Regional School Board declared Windsor Regional High School surplus and control of the land and building reverted to the Town of Windsor and the Municipality of the District of West Hants who, until the 2005/2006 fiscal year, were joint owners of the property. During the 2004/2005 fiscal year, the building was demolished, and during the 2005/2006 year, the Town of Windsor purchased the Municipality of West Hants' portion of the property. The Town intends to sell the remaining land in the future for development.

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### 9. Remuneration of elected officials and Chief Administrative Officer

All municipal units are required to set out total remuneration and expenses paid to each member of the Council and the Chief Administrative Officer.

<u>Name</u>	<u>Remuneration</u>	<u>Expenses</u>	<u>Total</u>
<u>Council</u>			
Mayor – Anna Allen	\$ 32,724	\$ 8,357	\$ 41,081
Deputy Mayor – Laurie Murley	21,564	2,121	23,685
Councillor John Bregante	18,720	-	18,720
Councillor Shelley Bibby	18,720	121	18,841
Councillor Jim Ivey	<u>18,720</u>	<u>321</u>	<u>19,041</u>
Total Council	110,448	10,920	121,368
Chief Administrative Officer (3 months unfilled)	<u>90,449</u>	<u>5,273</u>	<u>95,722</u>
	<u>\$ 200,897</u>	<u>\$ 16,193</u>	<u>\$ 217,090</u>

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### 10. Comparative figures

Certain of the comparative figures have been reclassified to conform to the consolidated financial statement presentation adopted in the current year.

# Town of Windsor

## Notes to the consolidated financial statements

March 31, 2020

### 11. Budget figures

Public Sector Accounting Standards require a comparison of the results for the period with those originally planned on the same basis as that used for actual results. The fiscal plan in the consolidated statement of operations and consolidated statement of change in net debt has been adjusted to be on a consistent basis as actual results. Below is a reconciliation of the figures from the approved fiscal plan to the fiscal plan per the consolidated financial statements. Adjustments consist of budgeted capital funding and amortization of tangible capital assets:

	<u>Approved Fiscal Plan</u>	<u>Adjustments</u>	<u>Fiscal Plan per Consolidated Financial Statements</u>
Taxes	\$ 6,461,460	\$ (781,900)	\$ 5,679,560
Grants in lieu of taxes	120,460		120,460
Services provided to other governments	55,280		55,280
Sales of services	462,620		462,620
Other revenue from own sources	241,430	(9,690)	231,740
Unconditional transfers from other governments	432,650		432,650
Conditional transfers from Federal and Provincial governments	66,390	465,202	531,592
Conditional transfers from other local governments	112,630		112,630
Water fund revenue	<u>1,850,850</u>	<u>(353,970)</u>	<u>1,496,880</u>
	<u>9,803,770</u>	<u>(680,358)</u>	<u>9,123,412</u>
Expenditures			
General government services	2,119,630	(755,360)	1,364,270
Protective services	1,935,800	(332,537)	1,603,263
Transportation services	1,290,540	427,496	1,718,036
Environmental health services	1,270,730	281,409	1,552,139
Public health and welfare services	127,940		127,940
Environmental development services	234,980	1,021	236,001
Recreational and cultural services	973,300	39,587	1,012,887
Water fund expenses	<u>1,858,420</u>	<u>(462,529)</u>	<u>1,395,891</u>
	<u>9,811,340</u>	<u>(800,913)</u>	<u>9,010,427</u>
Annual surplus	\$ <u>(7,570)</u>	\$ <u>120,555</u>	\$ <u>112,985</u>

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# Town of Windsor

## Notes to the consolidated financial statements

March 31, 2020

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### 12. Subsequent Event - Amalgamation

By virtue of the Region of Windsor and West Hants Municipality Act passed by the Provincial Legislature, on April 1, 2020, the Province incorporated the Region of Windsor and West Hants Municipality ("Region"). Upon its incorporation, both the Town of Windsor and West Hants Municipality were dissolved and all of their assets and liabilities were vested into the new amalgamated Region of Windsor and West Hants Municipality. As a result of the restructuring transaction, the Town of Windsor transferred its entire operation, including all assets, liabilities into the newly formed entity.

As determined by Utility and Review Board, the Town's accumulated surplus represented by reserves as at March 31, 2020 must be use utilized for the future benefit of the Town's current boundaries and its debt must be repaid from resources from the same boundaries.

All restructuring costs were incurred by the newly formed Region.

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### 13. Segmented information

The Town of Windsor is a diversified municipal unit that provides a wide range of services to its citizens. For management reporting purposes the Town's operations and activities are organized and reported by fund. Funds were created for the purpose of recording specific activities to attain certain objectives in accordance with special regulations, restrictions or limitations.

Municipal services are provided by departments and their activity is reported in these funds. The services provided by these departments are as follows.

#### General Government Services

This department is responsible for the overall financial and local government administration. Its tasks include tax, water and sewer billings and payments, payables and receivables, budgets and financial statements, Municipal Government Act administration and maintenance of bylaws.

#### Protective Services

This department is responsible for ensuring the safety of the residents. Its tasks include policing, bylaw enforcement, animal control, building inspection, emergency measures and fire protection.

#### Transport Services

This department is responsible for transportation services within the Town. Its tasks include maintaining roads and sidewalks, and street lighting.

#### Environmental Health Services

This department is responsible for the maintenance and operations of waste and sewer services provided to residents and other customers. Its tasks include recycling, composting and sewer treatment and disposal.

#### Public Health Services

This department is responsible for their portion of the Regional Housing Authority deficit and cemetery maintenance.

#### Environmental Development Services

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This department is responsible for the planning and development within the Town. Its tasks include developing strategies and planning reports, issuing development permits and approving subdivision applications.

Recreation and Cultural Services

This department is responsible for promoting and offering recreation opportunities and activities to the Town's residents.

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# Town of Windsor

## Notes to the consolidated financial statements

March 31, 2020

### 13. Segmented information (continued)

	General Government Services	Protective Services	Transportation Services	Environmental Health Services	Public Health and Welfare Services	Environmental Development Services	Recreation and Cultural Services	Water Utility	2020 Consolidated	2019 Consolidated
<b>Revenue</b>										
Taxes	\$ 868,999	\$ 1,021,229	\$ 1,094,336	\$ 1,962,502	\$ 81,494	\$ 150,325	\$ 645,178	\$ -	\$ 5,824,063	\$ 5,571,103
Grants in lieu of taxes	90,937	29,655							120,592	138,797
Services provided to other governments				45,057					45,057	69,351
Sales of services	2,121						359,237		361,358	404,537
Other revenue from own sources	365,371								365,371	435,715
Unconditional transfers from other governments	79,410	90,623	97,110	87,733	7,232	13,340	57,252		432,700	432,654
Conditional transfers from Federal and Provincial governments	8,518	1,187		505,202		-	12,625	-	527,532	280,271
Conditional transfers other local governments	12,432	-	3,000	-			57,170		72,602	107,526
Water fund revenue								1,602,446	1,602,446	1,576,109
Water amortization adjustment								-	-	-
	<u>1,427,788</u>	<u>1,142,694</u>	<u>1,194,446</u>	<u>2,600,494</u>	<u>88,726</u>	<u>163,665</u>	<u>1,131,462</u>	<u>1,602,446</u>	<u>9,351,721</u>	<u>9,016,063</u>
<b>Expenses</b>										
Salaries and benefits	690,172	204,187	563,618	266,329	44,279	126,093	531,844	459,682	2,886,204	2,819,934
Goods and services	324,745	1,177,656	559,587	587,375	107,651	108,754	395,115	562,817	3,823,700	3,434,920
Amortization	111,450	58,193	492,916	510,159	-	1,021	76,787	247,388	1,497,914	1,460,637
Interest	14,101	-	95,085	117,747	-	-	965	56,444	284,342	306,646
Other	444,128	11,133	4,056	9,854	-	265	5,749	7,093	482,278	479,818
	<u>1,584,596</u>	<u>1,451,169</u>	<u>1,715,262</u>	<u>1,491,464</u>	<u>151,930</u>	<u>236,133</u>	<u>1,010,460</u>	<u>1,333,424</u>	<u>8,974,438</u>	<u>8,501,955</u>
	\$ (156,808)	\$ (308,475)	\$ (520,816)	\$ 1,109,030	\$ (63,204)	\$ (72,468)	\$ 121,002	\$ 269,022	\$ 377,283	\$ 514,108

# Town of Windsor

## Schedules to the consolidated statement of operations

Year ended March 31

	2020	2020	2019
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
<b>1. Taxes</b>			
Assessable property			
Residential	\$ 3,277,150	\$ 3,272,756	\$ 3,196,143
Commercial			
Commercial property and			
Equipment	2,004,550	2,009,878	2,014,718
Based on special tax agreements			
or legislation	(31,440)	(14,528)	(25,182)
Fire protection area rate	27,040	27,338	27,417
Taxation rebates or cancellations			
Partial tax exemption – income	(3,500)	(2,200)	(2,800)
Partial tax exemption – by-law	(64,440)	(64,441)	(64,812)
	<u>5,209,360</u>	<u>5,228,803</u>	<u>5,145,484</u>
Resource			
Taxable assessments	10,630	10,630	10,536
Special assessments			
Environmental health services	926,320	973,838	897,013
Business property			
Based on revenue – Bell Aliant	15,400	19,446	20,313
Grant in lieu – Nova Scotia Power	3,880	3,998	3,881
HST Grant (UNSM)			
– Nova Scotia Power	32,360	29,979	32,360
	<u>51,640</u>	<u>53,423</u>	<u>56,554</u>
Other			
Deed transfer tax	163,350	239,113	134,272
	<u>6,361,300</u>	<u>6,505,807</u>	<u>6,243,859</u>
Less: School Board Appropriation	681,740	681,744	672,756
	<u>\$ 5,679,560</u>	<u>\$ 5,824,063</u>	<u>\$ 5,571,103</u>

### 2. Grants in lieu of taxes

Federal government	\$ 64,130	\$ 64,204	\$ 67,343
Provincial government			
Property of supported institutions	26,690	26,733	41,810
Fire protection	29,640	29,655	29,644
	<u>56,330</u>	<u>56,388</u>	<u>71,454</u>
	<u>\$ 120,460</u>	<u>\$ 120,592</u>	<u>\$ 138,797</u>

# Town of Windsor

## Schedules to the consolidated statement of operations

Year ended March 31 2020 2020 2019

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
<b>3. Services provided to other governments</b>			
Local governments			
Environmental health services	\$ <u>55,280</u>	\$ <u>45,057</u>	\$ <u>69,351</u>
<b>4. Sales of services</b>			
General government services	\$ 720	\$ 2,120	\$ 720
Recreation and cultural services	<u>461,900</u>	<u>359,238</u>	<u>403,817</u>
	<u>\$ 462,620</u>	<u>\$ 361,358</u>	<u>\$ 404,537</u>
<b>5. Other revenue from own sources</b>			
Licenses and permits	\$ 10,930	\$ 19,179	\$ 9,125
Fines	23,080	31,232	24,387
Rentals	51,740	55,578	51,085
Return on investments – general	15,850	124,753	117,620
Return on investments – trust funds	5,470	5,612	5,614
Penalties and interest on taxes	61,130	60,738	59,867
Miscellaneous	<u>63,540</u>	<u>68,279</u>	<u>168,017</u>
	<u>\$ 231,740</u>	<u>\$ 365,371</u>	<u>\$ 435,715</u>
<b>6. Unconditional transfers from other governments</b>			
Provincial government			
Department of Municipal Affairs			
Municipal Grants Act	\$ 430,400	\$ 430,404	\$ 430,403
Farm acreage	<u>2,250</u>	<u>2,296</u>	<u>2,251</u>
	<u>\$ 432,650</u>	<u>\$ 432,700</u>	<u>\$ 432,654</u>

**Town of Windsor**  
**Schedules to the consolidated statement of operations**

Year ended March 31	2020	2020	2019
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
<b>7. Conditional transfers from Federal and Provincial governments</b>			
Federal government			
Federal gas tax	\$ 505,202	\$ 505,203	\$ 257,081
Other federal	4,950	5,202	4,840
Provincial governments			
Provincial capital grants	-	-	-
Other provincial	21,440	17,127	18,350
Joint federal and provincial capital grants	-	-	-
	<u>\$ 531,592</u>	<u>\$ 527,532</u>	<u>\$ 280,271</u>
<b>8. Conditional transfers from other local governments</b>			
Municipality of West Hants			
Swimming pool grant	\$ 42,150	\$ 33,648	\$ 44,574
Cole Drive maintenance	5,000	-	5,628
Sidewalk plowing	3,000	3,000	3,000
Sewage operations service	-	-	-
Tourist Bureau	18,000	12,259	11,027
Street lights	1,800	-	1,765
IT service agreement	14,600	12,432	14,242
Library share agreement	12,000	7,465	10,932
Afterschool program	14,080	3,798	2,725
Inspection services	-	-	10,833
IT firewall funding	-	-	-
	<u>110,630</u>	<u>72,602</u>	<u>104,726</u>
Town of Berwick			
IT service agreement	1,000	-	1,500
Village of Kingston			
IT firewall funding	-	-	-
IT service agreement	1,000	-	1,300
	<u>2,000</u>	<u>-</u>	<u>2,800</u>
Total conditional transfers from other local governments	<u>\$ 112,630</u>	<u>\$ 72,602</u>	<u>\$ 107,526</u>

# Town of Windsor

## Schedules to the consolidated statement of operations

Year ended March 31	2020	2020	2019
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
<b>9. General government services</b>			
Legislative			
Mayor and councillors	\$ 126,170	\$ 121,753	\$ 111,284
Other	<u>6,340</u>	<u>3,918</u>	<u>13,863</u>
	<u>132,510</u>	<u>125,671</u>	<u>125,147</u>
General administrative			
Administrative	480,510	429,986	427,417
IT services	124,250	112,235	109,751
Allowance (recovery) for uncollectible taxes	-	-	(6,102)
Financial management	33,010	38,460	33,140
Assessment services	43,150	43,145	42,761
Common services	130,860	103,588	120,632
Civic building	<u>163,890</u>	<u>169,065</u>	<u>172,947</u>
	<u>975,670</u>	<u>896,479</u>	<u>900,546</u>
Interest on long term debt	<u>15,000</u>	<u>14,101</u>	<u>17,738</u>
Other general government services			
Grants to other agencies	32,250	281,600	28,075
Other general services	<u>97,390</u>	<u>155,214</u>	<u>115,247</u>
	<u>129,640</u>	<u>436,814</u>	<u>143,322</u>
Amortization	<u>111,450</u>	<u>111,450</u>	<u>111,450</u>
	<u>\$ 1,364,270</u>	<u>\$ 1,584,515</u>	<u>\$ 1,298,203</u>

**Town of Windsor**  
**Schedules to the consolidated statement of operations**

Year ended March 31	2020	2020	2019
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
<b>10. Protective services</b>			
Police protection			
Administration	\$ 61,530	\$ 60,507	\$ 60,652
Crime investigation, prevention and protective services	<u>1,022,890</u>	<u>912,604</u>	<u>957,576</u>
	<u>1,084,420</u>	<u>973,111</u>	<u>1,018,228</u>
Law enforcement			
Correctional services	45,000	44,014	44,120
By-law enforcement	26,010	25,547	24,645
Other	<u>13,580</u>	<u>4,346</u>	<u>15,854</u>
	<u>84,590</u>	<u>73,907</u>	<u>84,619</u>
Fire protection			
Administration	43,640	36,566	71,727
Fire fighting force	44,000	44,002	41,667
Fire alarm systems	12,800	11,498	11,861
Fire investigations	-	-	-
Firefighting equipment	114,600	142,304	86,450
Training	15,000	13,425	14,439
Other	<u>18,750</u>	<u>15,555</u>	<u>21,400</u>
	<u>248,790</u>	<u>263,350</u>	<u>247,544</u>
Emergency measures	<u>29,260</u>	<u>-</u>	<u>21,389</u>
Other			
Building inspection	92,100	76,632	70,266
Other	<u>5,910</u>	<u>6,050</u>	<u>7,853</u>
	<u>98,010</u>	<u>82,682</u>	<u>78,119</u>
Amortization	<u>58,193</u>	<u>58,193</u>	<u>36,212</u>
	<u>\$ 1,603,263</u>	<u>\$ 1,451,243</u>	<u>\$ 1,486,111</u>

# Town of Windsor

## Schedules to the consolidated statement of operations

Year ended March 31 2020 2020 2019

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
<b>11. Transportation services</b>			
Common services			
Engineering services	\$ 364,100	\$ 371,297	\$ 334,780
Equipment	12,200	10,779	15,600
Workshop	79,930	98,335	74,933
Other	<u>41,090</u>	<u>25,232</u>	<u>25,041</u>
	<u>497,320</u>	<u>505,643</u>	450,354
Road transport			
Roads and streets	569,650	559,906	553,195
Traffic services	12,900	13,470	31,144
Street lighting	<u>48,000</u>	<u>48,244</u>	<u>47,759</u>
	<u>630,550</u>	<u>621,620</u>	632,098
Interest on long term debt	<u>97,350</u>	<u>95,085</u>	103,561
Amortization	<u>492,816</u>	<u>492,916</u>	486,078
	<u>\$ 1,718,036</u>	<u>\$ 1,715,264</u>	<u>\$ 1,672,091</u>

### 12. Environmental health services

Sewage collection and disposal			
Sewage administration	\$ 52,760	\$ 30,164	\$ 32,872
Sewage collection systems	107,150	127,824	102,438
Sewage lift stations	81,150	75,905	74,437
Sewage treatment and disposal	<u>315,640</u>	<u>277,963</u>	<u>286,387</u>
	<u>556,700</u>	<u>511,856</u>	496,134
Garbage and waste collection and disposal			
Garbage and waste collection	104,250	101,619	96,139
Recycling collection	<u>262,060</u>	<u>250,085</u>	<u>244,981</u>
	<u>366,310</u>	<u>351,704</u>	341,120
Interest on long-term debt	<u>118,970</u>	<u>117,747</u>	122,568
Amortization	<u>510,159</u>	<u>510,159</u>	508,137
	<u>\$ 1,552,139</u>	<u>\$ 1,491,466</u>	<u>\$ 1,467,959</u>

**Town of Windsor**  
**Schedules to the consolidated statement of operations**

Year ended March 31 2020 2020 2019

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
<b>13. Public health and welfare services</b>			
Regional Housing Authority	\$ 36,620	\$ 31,495	\$ 40,164
Cemetery	<u>91,320</u>	<u>120,436</u>	<u>56,686</u>
	<u>\$ 127,940</u>	<u>\$ 151,931</u>	<u>\$ 96,850</u>

**14. Environmental development services**

Environmental planning and zoning Planning services	\$ <u>80,580</u>	\$ <u>80,923</u>	\$ <u>117,270</u>
Community development Community Development	70,920	84,263	62,244
Valley Regional Enterprise Network	<u>17,750</u>	<u>16,524</u>	<u>17,372</u>
	<u>88,670</u>	<u>100,787</u>	<u>79,616</u>
Industrial Park	<u>3,550</u>	<u>3,598</u>	<u>3,530</u>
Other environmental development services Tourism	<u>62,180</u>	<u>49,803</u>	<u>50,122</u>
Amortization	<u>1,021</u>	<u>1,021</u>	<u>1,021</u>
	<u>\$ 236,001</u>	<u>\$ 236,132</u>	<u>\$ 251,559</u>

## Town of Windsor

### Schedules to the consolidated statement of operations

Year ended March 31	2020	2020	2019
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
<b>15. Recreation and cultural services</b>			
Recreation facilities			
Administration	\$ 141,860	\$ 136,949	\$ 134,037
Community Centre	167,400	157,743	161,279
Swimming pool	171,200	173,232	163,808
Rink	211,050	194,497	189,277
Parks and playgrounds	67,530	96,468	44,586
Other	101,900	101,552	100,743
Hockey Heritage Arena	-	-	16,986
	<u>860,940</u>	<u>860,441</u>	<u>810,716</u>
Cultural buildings and facilities			
Library	25,860	25,695	21,598
Regional library assessment	26,800	23,779	23,779
	<u>52,660</u>	<u>49,474</u>	<u>45,377</u>
Festivals	<u>9,000</u>	<u>7,664</u>	<u>11,715</u>
Other recreation and cultural services	<u>13,500</u>	<u>16,095</u>	<u>2,806</u>
Amortization	<u>76,787</u>	<u>76,787</u>	<u>75,342</u>
	<u>\$ 1,012,887</u>	<u>\$ 1,010,461</u>	<u>\$ 945,956</u>

**Town of Windsor**  
**Schedule of changes in reserve funds**

Year ended March 31	Capital Reserve	Rink Capital Reserve	Fire Capital Reserve	Public Works Capital Reserve	Operating Reserve	2020 Total	2019 Total
Revenue							
Interest	\$ 47,006	\$ 4,057			\$ 47,814	\$ 98,877	\$ 84,318
Proceeds on subdivision approvals	-	-			-	-	-
Gain (loss) on sale of assets	-	-			-	-	-
	<u>47,006</u>	<u>4,057</u>			<u>47,814</u>	<u>98,877</u>	<u>84,318</u>
Net transfers from other funds	<u>(319,681)</u>	<u>-</u>	\$ <u>2,810</u>	\$ <u>73,000</u>	<u>(106,066)</u>	<u>(349,937)</u>	<u>(160,750)</u>
Change in fund balances	(272,675)	4,057	2,810	73,000	(58,252)	<b>(251,060)</b>	(76,432)
Opening fund balances	<u>1,584,142</u>	<u>198,886</u>	<u>419,123</u>	<u>387,714</u>	<u>2,681,405</u>	<u>5,271,270</u>	<u>5,347,702</u>
Closing fund balances	\$ <u>1,311,467</u>	\$ <u>202,943</u>	\$ <u>421,933</u>	\$ <u>460,714</u>	\$ <u>2,623,153</u>	\$ <u>5,020,210</u>	\$ <u>5,271,270</u>

**Town of Windsor  
Schedule of trust funds**

March 31	Cemetery Perpetual Care Fund	B. MacLatchy Cemetery Fund	Grace B. Wallace Fund	Youth Recreation and Sport Fund	K. Anslow Old Parish Burying Ground Fund	2020 Total	2019 Total
<b>Assets</b>							
Cash	\$ 56,018	\$ 5,017		\$ 30,277	\$ 3,286	\$ 94,598	\$ 93,386
Investments, at cost	<u>232,870</u>	<u>10,000</u>	\$ 5,000	<u>-</u>	<u>-</u>	<u>247,870</u>	<u>247,870</u>
	<u>\$ 288,888</u>	<u>\$ 15,017</u>	<u>\$ 5,000</u>	<u>\$ 30,277</u>	<u>\$ 3,286</u>	<u>\$ 342,468</u>	<u>\$ 341,256</u>
<b>Reserve</b>							
Trust Funds Reserve							
Balance, beginning of year	\$ <u>288,567</u>	\$ <u>14,932</u>	\$ <u>5,000</u>	\$ <u>30,156</u>	\$ <u>3,230</u>	\$ <u>341,256</u>	\$ <u>340,590</u>
Add:							
Investment income received	6,416	85	145	521	56	7,224	6,805
Deposits received (transfer)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(400)</u>	<u>-</u>	<u>(400)</u>	<u>2,290</u>
	<u>6,416</u>	<u>85</u>	<u>145</u>	<u>121</u>	<u>56</u>	<u>6,824</u>	<u>9,095</u>
Less:							
Investment cost adjustment	-	-	-	-	-	-	2,941
Transfer to General Operating Fund	<u>5,466</u>	<u>-</u>	<u>145</u>	<u>-</u>	<u>-</u>	<u>5,612</u>	<u>5,488</u>
	<u>5,466</u>	<u>-</u>	<u>145</u>	<u>-</u>	<u>-</u>	<u>8,429</u>	<u>8,429</u>
Balance, end of year	<u>\$ 288,887</u>	<u>\$ 15,017</u>	<u>\$ 5,000</u>	<u>\$ 30,277</u>	<u>\$ 3,286</u>	<u>\$ 342,468</u>	<u>\$ 341,256</u>

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# Town of Windsor

## Water utility

### Non-consolidated statement of operations – operating fund

Year ended March 31

	2020	2020	2019
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Operating revenue			
Metered sales	\$ 1,002,120	\$ 1,044,074	\$ 1,023,907
Public fire protection	478,100	478,095	478,103
Sprinkler services	5,760	5,839	5,846
Sales to other utilities	318,120	400,578	409,723
Other	<u>13,900</u>	<u>14,191</u>	<u>10,516</u>
	<u>1,818,000</u>	<u>1,942,777</u>	<u>1,928,095</u>
Operating expenditure			
Source of supply	51,640	49,967	49,692
Water treatment	428,620	463,214	444,154
Transmission and distribution	469,480	449,901	413,858
Administrative and general	340,130	301,704	292,445
Depreciation	237,670	247,388	242,397
Taxes	<u>30,990</u>	<u>30,827</u>	<u>30,620</u>
	<u>1,558,530</u>	<u>1,543,001</u>	<u>1,473,166</u>
Operating profit	<u>259,470</u>	<u>399,776</u>	<u>454,929</u>
Non-operating revenue			
Interest	6,180	11,737	6,584
Other	<u>1,200</u>	<u>1,200</u>	<u>1,200</u>
	<u>7,380</u>	<u>12,937</u>	<u>7,784</u>
Non-operating expenditure			
Debt, interest, and other charges	<u>247,380</u>	<u>238,964</u>	<u>242,333</u>
Excess of revenue over expenditures	\$ <u>19,470</u>	\$ <u>173,749</u>	\$ <u>220,380</u>
Annualized rate of return		<u>5.01%</u>	<u>5.70%</u>
Surplus, beginning of year		610,434	502,146
Excess of revenue over expenditures		173,749	220,380
Transfer of prior year surplus		<u>(127,445)</u>	<u>(112,092)</u>
Surplus, end of year		\$ <u>656,738</u>	\$ <u>610,434</u>

**Town of Windsor**  
**Water utility**  
**Statement of financial position – operating fund**

March 31	2020	2019
<b>Assets</b>		
Cash and cash equivalents	\$ 283,900	\$ 402,838
Receivables		
Rates	425,622	352,045
Other	-	1,739
Depreciation Fund	135,542	8,142
Federal government	-	-
General Operating	-	-
Water Capital	<u>8,772</u>	<u>9,448</u>
	<b>853,836</b>	<b>774,212</b>
Inventories, at cost	<u>54,790</u>	<u>52,979</u>
	<b>\$ 908,626</b>	<b>\$ 827,191</b>
<b>Liabilities</b>		
Payables and accruals	\$ 48,460	\$ 84,180
Prepaid water accounts	22,250	8,948
Payable to Town general Operating Fund	56,620	59,485
Payable to Depreciation Fund	<u>124,558</u>	<u>64,144</u>
	<b>251,888</b>	<b>216,757</b>
<b>Surplus</b>	<u><b>656,738</b></u>	<u><b>610,434</b></u>
	<b>\$ 908,626</b>	<b>\$ 827,191</b>

On behalf of the Town

\_\_\_\_\_ Mayor

\_\_\_\_\_ CAO

**Town of Windsor**  
**Water utility**  
**Statement of financial position – capital fund**

March 31 2020 2019

**Assets**

Cash and cash equivalents		
Depreciation Fund	\$ 671,171	\$ 475,082
Paint Reserve Fund	-	-
Receivable – Provincial	-	-
Receivable – General Operating	1,017	-
Receivable – Water Operating	<u>124,558</u>	<u>64,144</u>
	796,746	539,226
Utility plant in service (page 33)	11,510,785	11,289,172
Unamortized debenture discount	<u>6,913</u>	<u>6,265</u>
	<u>\$ 12,314,444</u>	<u>\$ 11,834,663</u>

**Liabilities**

Temporary borrowings	\$ -	\$ 216,239
Long term debt	1,475,766	1,438,416
Accumulated allowance for depreciation	3,530,779	3,314,604
Payable to Water operating from depreciation	135,542	8,142
Payable to Water operating	<u>8,772</u>	<u>9,448</u>
	<u>5,150,859</u>	<u>4,986,849</u>

**Equity**

Paint Reserve Fund	-	-
Investment in capital assets (page 33)	<u>7,163,585</u>	<u>6,847,814</u>
	<u>7,163,585</u>	<u>6,847,814</u>
	<u>\$ 12,314,444</u>	<u>\$ 11,834,663</u>

On behalf of the Town

\_\_\_\_\_ Mayor

\_\_\_\_\_ CAO

**Town of Windsor**  
**Water utility**  
**Utility plant in service**

March 31	2020	2019
Tangible plant		
Land and land rights		
Source of supply	\$ 263,400	\$ 263,400
Reservoir	230,897	230,897
Water treatment	22,508	22,508
Transmission	4,888	4,888
Source of supply structure	601,244	601,244
Purification building	200,751	200,751
Water treatment structures and improvements	1,825,548	1,825,548
Other structures and improvements	804,157	804,157
Water treatment equipment	1,125,575	1,082,058
Transmission mains	2,535,978	2,535,978
Distribution mains	3,677,791	3,464,853
Services	9,029	9,029
Meters	140,175	174,016
Hydrants	60,397	60,397
Work in progress	8,447	9,448
	<u>\$ 11,510,785</u>	<u>\$ 11,289,172</u>

**Town of Windsor**  
**Water utility**  
**Statement of investment in capital assets**

March 31	2020	2019
Balance, beginning of year	\$ <u>6,847,814</u>	\$ <u>6,522,377</u>
Add: Debentures retired	180,400	180,400
Transfer of prior year operating surplus	127,445	112,092
Transfer of paint reserve	-	38,795
Interest earned on deposits	9,114	6,268
	<u>316,959</u>	<u>337,555</u>
	<u>7,164,773</u>	<u>6,859,932</u>
Less: Debenture discount	1,188	2,530
Loss on write-off	-	9,588
	<u>1,188</u>	<u>12,118</u>
Balance, end of year	\$ <u>7,163,585</u>	\$ <u>6,847,814</u>

**DRAFT**

# **THE REGION OF WINDSOR AND WEST HANTS MUNICIPALITY**

**FINANCIAL STATEMENTS**

**MARCH 31, 2020**



**THE REGION OF WINDSOR AND WEST HANTS MUNICIPALITY**

**FINANCIAL STATEMENTS**

**March 31, 2020**

	<u>Page</u>
Management's Responsibility for the Financial Statements	1
Independent Auditor's Report	2
Statement of Financial Activities	3
Statement of Financial Position	4
Statement of Change in Net Assets	5
Statement of Cash Flows	6
Notes to Financial Statements	7-8
Schedule of Operations by Function	9

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**Management's Responsibility for the Financial Statements**

The accompanying financial statements are the responsibility of the Municipality's management and have been prepared in compliance with legislation, and in accordance with Canadian public sector accounting standards established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada ("CPA"). A summary of the significant accounting policies are described in Note 1 to the financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgement, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The Municipality's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the financial statements. These systems are monitored and evaluated by management.

The audit committee meets with management and the external auditors to review the financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the financial statements.

The financial statements have been audited by Kent & Duffett, independent external auditors appointed by the Municipality. The accompanying Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the Municipality's consolidated financial statements.

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Mark Phillips  
CAO  
October 14, 2020

## INDEPENDENT AUDITOR'S REPORT

### Region of Windsor and West Hants Municipality

#### *Opinion*

We have audited the consolidated financial statements of the **Region of Windsor and West Hants Municipality** which comprise the statement of financial position as at March 31, 2020, statements of financial activities, change in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Municipality are prepared, in all material respects, in accordance with Canadian public sector accounting standards.

#### *Basis for Opinion*

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

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

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

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

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

## **INDEPENDENT AUDITOR'S REPORT (continued)**

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*Kent & Duffett*

**THE REGION OF WINDSOR AND WEST HANTS MUNICIPALITY**

**STATEMENT OF FINANCIAL ACTIVITIES**

**YEAR ENDED MARCH 31, 2020**

**DRAFT**

	<u>Budget</u> (unaudited)	<u>2020</u>	<u>2019</u>
<b>REVENUES</b>			
Grants	\$ -	\$ 50,000	\$ -
Interest	-	18,658	-
Revenue recognized from reserves - transition funding (note 4)	1,381,000	1,404,366	-
	<u>1,381,000</u>	<u>1,473,024</u>	<u>-</u>
<b>EXPENSES</b>			
General government services			
Administrative	\$ 270,000	\$ 125,281	\$ 2,903
Election	85,000	56,862	-
Professional fees	60,000	102,718	2,156
Transition professional services	536,000	526,040	76,739
Transition wages and expenses	240,000	245,013	112,575
Wages and benefits	190,000	161,470	2,525
	<u>1,381,000</u>	<u>1,217,384</u>	<u>196,898</u>
<b>ANNUAL SURPLUS (DEFICIT)</b>	-	<b>255,640</b>	(196,898)
<b>ACCUMULATED SURPLUS AT BEGINNING OF</b>		<b>(196,898)</b>	-
<b>ACCUMULATED SURPLUS (DEFICIT) AT END OF YEAR</b>		<b>\$ 58,742</b>	<b>\$ (196,898)</b>

**THE REGION OF WINDSOR AND WEST HANTS MUNICIPALITY**

**STATEMENT OF FINANCIAL POSITION**

**AS AT MARCH 31, 2020**

**DRAFT**

	<u>2020</u>	<u>2019</u>
<b>FINANCIAL ASSETS</b>		
Cash (note 1(e))	\$ 210,167	\$ -
Harmonized sales tax rebate	<u>108,296</u>	<u>8,660</u>
	<u>318,463</u>	<u>8,660</u>
<b>LIABILITIES</b>		
Accounts payable	146,555	107,333
Consolidation funding reserve	95,634	-
Due to Municipality of the District of West Hants	<u>34,632</u>	<u>98,225</u>
	<u>276,821</u>	<u>205,558</u>
<b>NET ASSETS (DEBT) (page 5)</b>	<u>41,642</u>	<u>(196,898)</u>
<b>NON-FINANCIAL ASSETS</b>		
Prepaid expenses	<u>17,100</u>	-
	<u>17,100</u>	-
<b>ACCUMULATED SURPLUS (DEFICIT)</b>	<u>\$ 58,742</u>	<u>\$ (196,898)</u>

On behalf of the Region of Windsor and West Hants Municipality

\_\_\_\_\_ Transition Coordinator

\_\_\_\_\_ Chief Administrative Officer

\_\_\_\_\_ Chief Administrative Officer

**THE REGION OF WINDSOR AND WEST HANTS MUNICIPALITY**

**STATEMENT OF CHANGE IN NET ASSETS**

**AS AT MARCH 31, 2020**

**DRAFT**

	<u>2020</u>	<u>2019</u>
<b>ANNUAL SURPLUS (DEFICIT) [page 3]</b>	<b>\$ 255,640</b>	<b>\$ (196,898)</b>
Change in inventory and prepaid expenses	<u>(17,100)</u>	<u>-</u>
<b>CHANGE IN NET ASSETS</b>	<b>238,540</b>	<b>(196,898)</b>
Net assets at beginning of year	<b>(196,898)</b>	<b>-</b>
<b>NET ASSETS (DEBT) AT END OF YEAR</b>	<b><u>\$ 41,642</u></b>	<b><u>\$ (196,898)</u></b>

**THE REGION OF WINDSOR AND WEST HANTS MUNICIPALITY**

**STATEMENT OF CASH FLOWS**

**AS AT MARCH 31, 2020**

**DRAFT**

	<u>2020</u>	<u>2019</u>
<b>OPERATING TRANSACTIONS</b>		
Annual surplus (deficit)	\$ 255,640	\$ (196,898)
(Increase) decrease in harmonized sales tax rebate	(99,636)	(8,660)
Increase (decrease) in accounts payable	39,222	107,333
Increase (decrease) in amounts due to other local governments	(63,593)	98,225
Increase (decrease) in consolidation funding reserve	95,634	-
Increase (decrease) in non-financial assets	(17,100)	-
	<u>210,167</u>	<u>-</u>
<b>INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>210,167</b>	<b>-</b>
Cash and cash equivalents at beginning of year	<u>-</u>	<u>-</u>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<u><u>\$ 210,167</u></u>	<u><u>\$ -</u></u>

**DRAFT**

**1. SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Region of Windsor and West Hants Municipality are prepared by management in accordance with Canadian generally accepted accounting standards for local governments as recommended by the Public Sector Accounting Board of Chartered Professional Accountants of Canada. Significant aspects of the accounting policies adopted by the Municipality are as follows:

**(a) Reporting entity**

The financial statements reflect the assets, liabilities, revenues, expenditures and changes in fund balances and in financial position of the reporting entity. The reporting entity is comprised of all organizations and enterprises accountable to the Municipality for the administration of their financial affairs and resources and which are owned or controlled by the Municipality.

**(b) Basis of accounting**

The basis of accounting followed in the financial statement presentation includes revenues in the period in which the transactions or events occurred that gave rise to the revenues and expenditures in the period in which the goods and services are acquired and a liability is incurred or transfers are due.

**(c) Fund accounting**

Funds within the financial statements consist of the operating, capital and reserve funds. Transfers between funds are recorded as adjustments to the appropriate fund balance.

**(d) Use of estimates**

In preparing the Municipality's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities and reported amounts of revenue and expenses. Actual amounts could differ from these estimates.

**(e) Cash and cash equivalents**

Cash and cash equivalents include cash on hand and balances with banks, bank overdrafts, and highly liquid temporary money instruments with original maturities of three months or less. Bank borrowings are considered to be financing activities.

**(f) Revenue and expenditure**

The accrual basis of accounting is used for all funds. The accrual basis of accounting recognizes revenues as they are earned and measurable; expenses are recognized as they are incurred and measurable as a result of a legal obligation to pay.

**(g) Financial instruments**

The Municipality's financial instruments include cash and cash equivalents, receivables, payables and accruals and other debt. Unless otherwise noted, it is management's opinion that the Municipality is not exposed to significant interest, currency or credit risks arising from financial instruments. The fair market value of these instruments approximate their carrying value.

**DRAFT**

**2. DISCLOSURE OF REMUNERATION**

The total remuneration paid to those charged with oversight is as follows:

	Remuneration	Expenses
Transition Coordinator	\$ 237,725	\$ 7,287
	<u>\$ 237,725</u>	<u>\$ 7,287</u>

**3. SEGMENTED INFORMATION**

The Region of Windsor and West Hants Municipality is a municipal unit that provides a wide range of services to its residents. The Municipality's operations and activities are organized and reported by fund for the purpose of recording specific activities to meet objectives as outlined by legislation, special regulation, or other limitations and restrictions.

Services are provided by department and their activity is reported in these funds.

**General government services**

Administrative - This department is responsible for financial and local government administration. Functions include budget and financial statement preparation, tax collection, the Municipal Government Act administration, and accounts payable and receivable.

**4. FUNDING AGREEMENT**

As a part of the consolidation of West Hants and Windsor into one entity, the Province of Nova Scotia has agreed to provide the following funding:

- \$1,500,000 in pre-consolidation funding to cover costs associated with the transition.
- No less than \$2,152,015 in equalization funding over a five year period, beginning April 1, 2020.

**THE REGION OF WINDSOR AND WEST HANTS MUNICIPALITY**

**NOTES TO FINANCIAL STATEMENTS**

**YEAR ENDED MARCH 31, 2020**

**DRAFT**

**SCHEDULE OF OPERATIONS BY FUNCTION**

	2020	2019
	General Government	General Government
<b>REVENUE</b>		
Grants	50,000	-
Interest	18,658	-
Other - revenue recognized from reserves	1,404,366	-
<b>TOTAL REVENUE</b>	<b>1,473,024</b>	<b>-</b>
<b>EXPENDITURES</b>		
Salaries, wages and benefits	\$ 399,196	\$ 112,308
Operating costs	818,188	84,590
<b>TOTAL EXPENDITURES</b>	<b>1,217,384</b>	<b>196,898</b>
<b>SURPLUS (DEFICIT)</b>	<b>\$ 255,640</b>	<b>\$ (196,898)</b>

**DRAFT**

**MUNICIPALITY OF THE DISTRICT OF  
WEST HANTS**

**CONSOLIDATED FINANCIAL STATEMENTS**

**MARCH 31, 2020**

**MUNICIPALITY OF THE DISTRICT OF WEST HANTS**

**CONSOLIDATED FINANCIAL STATEMENTS**

**MARCH 31, 2020**

**DRAFT**

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	<u>Page</u>
Management's Responsibility for the Consolidated Financial Statements	1
Independent Auditor's Report	2(a)-2(b)
Consolidated Statement of Financial Activities	3
Consolidated Statement of Financial Position	4
Consolidated Statement of Change in Net Assets	5
Consolidated Statement of Cash Flows	6
Notes to Consolidated Financial Statements	7-22
Consolidated Schedule of Operations by Function	23
General Operating Fund	
Non-Consolidated Statement of Financial Position	24
Non-Consolidated Statement of Financial Activities	25
Non-Consolidated Schedule of General Operating Fund Revenues	26-28
Non-Consolidated Schedule of General Operating Fund Expenditures	29-31
Non-Consolidated Schedule of Financing and Transfers	32
General Capital Fund	
Non-Consolidated Statement of Financial Position	33
Non-Consolidated Statement of Financial Activities	34
Water Utility Operating Fund	
Non-Consolidated Statement of Financial Position	35
Non-Consolidated Statement of Financial Activities	36
Non-Consolidated Schedule of Expenditures	37
Water Utility Capital Fund	
Non-Consolidated Statement of Financial Position	38
Non-Consolidated Statement of Financial Activities	39
Non-Consolidated Statement of Financial Position of the Operating Reserve Funds	40
Non-Consolidated Statement of Financial Activities of the Operating Reserve Funds	41-42
Non-Consolidated Statement of Financial Position of the Special Reserve Funds	43
Non-Consolidated Statement of Financial Activities of the Special Reserve Funds	44-47
Non-Consolidated Statement of Financial Position of the Capital Reserve Funds	48
Non-Consolidated Statement of Financial Activities of the Capital Reserve Funds	49
Non-Consolidated Statement of Financial Position of the School Funds	50
Non-Consolidated Statement of Financial Position of the Cemetery Fund	51
Non-Consolidated Statement of Financial Activities of the Cemetery Fund	52
Non-Consolidated Statement of Financial Position of the Trust Funds	53

**MUNICIPALITY OF THE DISTRICT OF WEST HANTS**

**CONSOLIDATED FINANCIAL STATEMENTS**

**YEAR ENDED MARCH 31, 2020**

**DRAFT**

**Management's Responsibility for the Consolidated Financial Statements**

The accompanying consolidated financial statements of the Municipality of the District of West Hants are the responsibility of the Municipality's management and have been prepared in compliance with legislation, and in accordance with Canadian public sector accounting standards established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada ("CPA"). A summary of the significant accounting policies are described in Note 1 to the consolidated financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The Municipality's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the consolidated financial statements. These systems are monitored and evaluated by management.

The audit committee meets with management and the external auditors to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the consolidated financial statements.

The consolidated financial statements have been audited by Kent & Duffett, independent external auditors appointed by the Municipality. The accompanying Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the Municipality's consolidated financial statements.

---

A. Zebian  
Warden  
October 22, 2020

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M. Phillips  
Chief Administrative Officer  
October 22, 2020

## INDEPENDENT AUDITOR'S REPORT

### **His Worship the Warden and Members of Council of the Municipality of the District of West Hants**

#### ***Opinion***

We have audited the consolidated financial statements of the **Municipality of the District of West Hants** which comprise the consolidated statement of financial position as at March 31, 2020, consolidated statement of financial activities, consolidated change in net assets and consolidated cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Municipality are prepared, in all material respects, in accordance with Canadian public sector accounting standards.

#### ***Basis for Opinion***

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

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

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

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

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

## INDEPENDENT AUDITOR'S REPORT (continued)

### *Auditor's Responsibilities for the Audit of the Financial Statements*

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

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

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Kentville, Nova Scotia  
October 22, 2020

  
Chartered Professional Accountants  
Registered Municipal Auditor

**MUNICIPALITY OF THE DISTRICT OF WEST HANTS****CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**

YEAR ENDED MARCH 31, 2020

**DRAFT**

	<u>Budget</u> (unaudited)	<u>2020</u> <u>Actual</u>	<u>2019</u> <u>Actual</u>
<b>REVENUES</b>			
Taxes	\$ 11,525,588	\$ 11,892,336	\$ 10,989,562
Payments in lieu of taxes	119,726	128,044	129,019
Services provided to other governments	828,377	507,953	480,180
Sales of services	205,080	195,854	204,055
Other revenue from own sources	448,876	572,256	740,802
Unconditional transfers from other governments	222,566	223,164	222,493
Conditional transfers from Federal and Provincial governments and agencies	73,437	5,070,623	1,934,354
Conditional transfers from other local governments	315,386	214,062	125,208
Water rates	1,373,023	2,114,414	1,528,572
Interest	2,000	73,982	54,268
Proceeds on sale of school	-	-	-
	<u>15,114,059</u>	<u>20,992,688</u>	<u>16,408,513</u>
<b>EXPENSES</b>			
General government services	2,150,334	2,619,705	2,435,842
Protective services	4,341,274	4,291,728	4,319,706
Transportation services	658,296	669,242	639,733
Environmental health services	2,246,945	1,758,401	2,135,402
Public health services	60,000	68,192	53,799
Environmental development services	619,961	707,433	628,726
Recreation and cultural services	968,699	945,844	825,676
Other transfers	176,991	162,139	263,174
Water treatment and distribution	1,602,057	1,543,964	1,441,978
Write off of tangible capital assets	-	74,289	99,641
Amortization	379,526	2,043,512	2,034,654
	<u>13,204,083</u>	<u>14,884,449</u>	<u>14,878,331</u>
<b>ANNUAL SURPLUS, BEFORE OTHER</b>	<b>1,909,976</b>	<b>6,108,239</b>	<b>1,530,182</b>
<b>OTHER - CONTRIBUTED TANGIBLE CAPITAL ASSETS</b>		<b>-</b>	<b>-</b>
<b>ANNUAL SURPLUS</b>		<b>6,108,239</b>	<b>1,530,182</b>
<b>ACCUMULATED SURPLUS AT BEGINNING OF YEAR</b>		<b>36,189,284</b>	<b>34,659,102</b>
<b>ACCUMULATED SURPLUS AT END OF YEAR</b>		<b>\$ 42,297,523</b>	<b>\$ 36,189,284</b>

note 11

**MUNICIPALITY OF THE DISTRICT OF WEST HANTS****DRAFT****CONSOLIDATED STATEMENT OF FINANCIAL POSITION****AS AT MARCH 31, 2020**

	<u>2020</u>	<u>2019</u>
<b>FINANCIAL ASSETS</b>		
Cash (note 1(e))	\$ 8,424,967	\$ 10,936,167
Accounts receivable (net of valuation allowance) (note 3)	5,330,402	4,219,251
Land held for resale	144,713	144,713
Equity in Valley Waste Resource Management	152,558	152,558
	<u>14,052,640</u>	<u>15,452,689</u>
<b>LIABILITIES</b>		
Accounts payable	3,017,603	2,224,486
Deferred revenue (note 8)	5,857,318	4,888,057
Tax sales surplus	290,677	595,804
Long-term debt (note 4)	8,628,008	8,581,083
Accrued landfill closure cost	368,816	298,292
	<u>18,162,422</u>	<u>16,587,722</u>
<b>NET ASSETS (DEBT) (page 5)</b>	<u>(4,109,782)</u>	<u>(1,135,033)</u>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (note 5)	46,292,257	37,155,002
Prepaid expenses	72,852	94,735
Inventory	42,196	74,580
	<u>46,407,305</u>	<u>37,324,317</u>
<b>ACCUMULATED SURPLUS</b>	<u>\$ 42,297,523</u>	<u>\$ 36,189,284</u>

note 11

On behalf of the Municipality of the District of West Hants

\_\_\_\_\_  
Warden\_\_\_\_\_  
Chief Administrative Officer

**MUNICIPALITY OF THE DISTRICT OF WEST HANTS****CONSOLIDATED STATEMENT OF CHANGE IN NET ASSETS****AS AT MARCH 31, 2020****DRAFT**

	<u>Budget</u> (unaudited)	<u>2020</u>	<u>2019</u>
<b>ANNUAL SURPLUS</b> (page 3)	<b>\$ 1,909,976</b>	<b>\$ 6,108,239</b>	<b>\$ 1,530,182</b>
Acquisition of tangible capital assets	(11,429,034)	(11,127,121)	(2,194,879)
Amortization of tangible capital assets	2,050,303	2,043,512	2,034,654
Other items affecting tangible capital assets	-	(53,646)	113,490
	<u>(7,468,755)</u>	<u>(3,029,016)</u>	<u>1,483,447</u>
Change in inventory and prepaid expenses		<u>54,267</u>	<u>46,509</u>
<b>CHANGE IN NET ASSETS</b>	<b>(7,468,755)</b>	<b>(2,974,749)</b>	<b>1,529,956</b>
Net assets at beginning of year		<u>(1,135,033)</u>	<u>(2,664,989)</u>
<b>NET ASSETS (DEBT) AT END OF YEAR</b>		<u><b>\$ (4,109,782)</b></u>	<u><b>\$ (1,135,033)</b></u>

**MUNICIPALITY OF THE DISTRICT OF WEST HANTS****CONSOLIDATED STATEMENT OF CASH FLOWS****AS AT MARCH 31, 2020****DRAFT**

	<u>2020</u>	<u>2019</u>
<b>OPERATING TRANSACTIONS</b>		
Annual surplus	\$ 6,108,239	\$ 1,530,182
Amortization of tangible capital assets	2,043,512	2,034,654
Other items affecting tangible capital assets	<u>(53,646)</u>	<u>113,490</u>
	<b>8,098,105</b>	<b>3,678,326</b>
(Increase) decrease in accounts receivables	(1,111,151)	(922,282)
(Increase) decrease in land held for resale	-	(6,970)
Increase (decrease) in accounts payable	793,117	326,820
Increase (decrease) in deferred revenue	969,261	(447,476)
Increase (decrease) in tax sale surplus	(305,127)	417,168
Increase (decrease) in accrued landfill closure	70,524	(39,751)
(Increase) decrease in non-financial assets	<u>54,267</u>	<u>46,510</u>
	<b>8,568,996</b>	<b>3,052,345</b>
<b>CAPITAL TRANSACTIONS</b>		
Acquisition of tangible capital assets	<u>(11,127,121)</u>	<u>(2,194,879)</u>
<b>FINANCING ACTIVITIES</b>		
Proceeds from issuance of new debt	759,350	1,331,105
Repayment of long term debt	<u>(712,425)</u>	<u>(1,987,754)</u>
	<b>46,925</b>	<b>(656,649)</b>
<b>INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(2,511,200)</b>	<b>200,817</b>
Cash and cash equivalents at beginning of year	<u>10,936,167</u>	<u>10,735,350</u>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<u><b>\$ 8,424,967</b></u>	<u><b>\$ 10,936,167</b></u>

# MUNICIPALITY OF THE DISTRICT OF WEST HANTS

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

AS AT MARCH 31, 2020

**DRAFT**

### 1. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the Municipality of the District of West Hants are prepared by management in accordance with Canadian generally accepted accounting standards for local governments as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. Significant aspects of the accounting policies adopted by the Municipality are as follows:

#### (a) Reporting entity

The consolidated financial statements reflect the assets, liabilities, revenues, expenditures and changes in fund balances and in financial position of the reporting entity. The reporting entity is comprised of all organizations and enterprises accountable to the Municipality for the administration of their financial affairs and resources and which are owned or controlled by the Municipality.

Trust funds administered by the Municipality amounting to \$160,601 have not been included in the Consolidated Statement of Financial Position nor have these operations been included in the Consolidated Statement of Financial Activities.

Interdepartmental and organizational transactions and balances have been eliminated.

#### (b) Basis of accounting

The basis of accounting followed in the consolidated financial statement presentation includes revenues in the period in which the transactions or events occurred that gave rise to the revenues and expenditures in the period in which the goods and services are acquired and a liability is incurred or transfers are due.

#### (c) Fund accounting

Funds within the consolidated financial statements consist of the operating, capital and reserve funds. Transfers between funds are recorded as adjustments to the appropriate fund balance.

#### (d) Use of estimates

In preparing the Municipality's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities and reported amounts of revenue and expenses. Actual amounts could differ from these estimates.

#### (e) Cash and cash equivalents

Cash and cash equivalents include cash on hand and balances with banks, bank overdrafts, and highly liquid temporary money instruments with original maturities of three months or less. Bank borrowings are considered to be financing activities.

#### (f) Accounts receivable

##### Uncollected taxes and rates

Accounts receivable are shown net of allowance for doubtful accounts. The Municipality provides a valuation allowance for estimated losses that will be incurred on collecting receivables outstanding.

# MUNICIPALITY OF THE DISTRICT OF WEST HANTS

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

AS AT MARCH 31, 2020

**DRAFT**

### 1. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (g) Revenue and expenditure

The accrual basis of accounting is used for all funds. The accrual basis of accounting recognizes revenues as they are earned and measurable; expenses are recognized as they are incurred and measurable as a result of a legal obligation to pay.

##### Tax and related revenue

Property tax billings are prepared by the Municipality based on assessment rolls issued by the Property Valuation Services Corporation. Tax rates are established annually by Council during the budget approval process. Tax adjustments as a result of appeals and re-assessment are recorded when the result of the appeals process is known.

##### Government transfers

Federal and/or provincial transfers for operating and capital purposes are recognized in the period in which all eligibility criteria and/or stipulations have been met and the amounts are authorized. Any funding received prior to satisfying these conditions is deferred until conditions have been met. When revenue is received without any eligibility criteria or stipulations, it is recognized when the transfer(s) from the Federal government and/or the Province of Nova Scotia are authorized.

##### Interest revenue

Interest earned on investments in the depreciation fund or on any other fund is recorded within the respective funds, unless otherwise approved by the Nova Scotia Utility and Review Board.

##### Other revenues

Other revenues are recognized as services or goods are provided, the exchange amount is measurable and collectability of the amount is reasonably assured.

#### (h) Tangible capital assets

Capital assets are recorded at cost which includes all amounts that are directly attributed to acquisition, construction, development or betterment of the asset.

Amortization is recorded in the financial statements on a straight line basis over an asset's estimated useful life as noted below.

Tangible capital assets are written down when conditions indicate that they no longer contribute to the Municipality's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write downs are accounted for as expenses in the consolidated statement of financial activities.

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

# MUNICIPALITY OF THE DISTRICT OF WEST HANTS

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

AS AT MARCH 31, 2020

# DRAFT

### 1. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (h) Tangible capital assets (continued)

<u>Capital</u>	<u>Years</u>	<u>Water Utility</u>	<u>Years</u>
Land improvements		Structures, improvements,	
Buildings	40	and wells	50-77
Small equipment	5	Equipment	5-20
Vehicles	5	Transmission	77
Roads and streets	30-50	Distribution	77
Sidewalk	20	Meters	20
Sewer system	25-50	Hydrants	50-77
Fire department vehicles		Services	50
and equipment	10		
Parks	25		
Schools	40		

#### (i) Depreciation - water utility

In accordance with the Nova Scotia Utility and Review Board regulations, the depreciation expense in the Water Operating Fund are transferred to a special bank account in the Water Capital Fund which is used to help fund replacement of existing plant and equipment or, subject to approval by the Utility and Review Board, to repay the principal of capital debt.

#### (j) Financial instruments

The Municipality's financial instruments include cash and cash equivalents, temporary investments, receivables, payables and accruals and long-term debt. Unless otherwise noted, it is management's opinion that the Municipality is not exposed to significant interest, currency or credit risks arising from financial instruments. The fair market value of these instruments approximate their carrying value.

#### (k) Allocation of municipal costs to water utility funds

Where identifiable, costs incurred by the Municipality on behalf of the Water Utility are charged to the Utility funds. Salary and wage related costs are allocated in proportion to time spent performing functions on behalf of the Water Utility. Administration and general expenses incurred for the benefit of both the Municipality and Water Utility are partially allocated to the Water Utility.

#### (l) Deferred revenue

Deferred revenue includes government transfers received with eligibility criteria that have not been met. When criteria have been met, deferred revenue is recognized as revenue in the fiscal year in a manner consistent with the circumstances and evidence used to support the initial recognition of the contributions received as a liability as detailed in Note 1(g).

# MUNICIPALITY OF THE DISTRICT OF WEST HANTS

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

AS AT MARCH 31, 2020

**DRAFT**

### 1. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (m) Asset retirement obligation

Liabilities are recognized for statutory, contractual or legal obligations, associated with the retirement of property, plant, and equipment when those obligations result from the acquisition, construction, development or normal operations of the assets. The obligations are measured initially at fair value, determined using the present value methodology and the resulting costs capitalized into the carrying amount of the related asset. In subsequent periods, the liability is adjusted for the accretion of discount and any changes in the amount or timing of the underlying cash flows. The capitalized asset retirement cost is amortized on the same basis as the related asset and the discount accretion is included in determining the results of the operations.

#### (n) Equity in Valley Waste Resource Management

The Valley Region Solid Waste-Resource Management Authority is a corporate body formed under an Inter-Municipal Services Agreement encompassing the Municipality of Annapolis County, the Municipality of the County of Kings, and the Towns of Annapolis Royal, Berwick, Kentville, Middleton, Wolfville and in prior years the former town of Hantsport, for the purpose of collaborative resource management in the region. The Municipality records the investment in Valley Regional Solid Waste-Resource Management under the modified equity method.

### 2. CONTRIBUTIONS TO BOARDS, REGIONAL AUTHORITIES, AND OTHER ENTITIES

The Municipality of the District of West Hants is required to finance the operations of various Boards and Regional Authorities, along with other municipalities in the Annapolis Valley, to the extent of its participation based upon assessment and/or population formula.

In addition to any budgeted contributions, the Municipality shares in the deficits or surpluses of some of these organizations based upon the relevant cost-sharing percentage. The Municipality's share of any deficit is to be paid in the next fiscal year and any surplus is to be taken into operations in the estimates of the organization in the next fiscal year.

#### Nova Scotia Housing Development Corporation

An amount of \$68,192 (2019 - \$53,799) was provided for as at March 31, 2020 as the Municipality's share of the deficit of the Nova Scotia Housing Development Corporation for the period April 1, 2019 to March 31, 2020.

#### Annapolis Valley Regional Library Board

During 2019-20, the Municipality paid \$95,764 (2019 - \$95,764) as its share of the operations of the Annapolis Valley Regional Library Board, which serves Annapolis, Kings, and West Hants.

#### Annapolis Valley Regional School Board

During 2019-20, the Municipality paid \$3,519,672 (2019 - \$3,423,169) as its share of the operations of the Annapolis Valley Regional School Board, which serves Annapolis, Kings, and West Hants.

**MUNICIPALITY OF THE DISTRICT OF WEST HANTS**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**AS AT MARCH 31, 2020**

**DRAFT**

<b>3. ACCOUNTS RECEIVABLE</b>			<u>2020</u>	<u>2019</u>
	Current year	Prior years	Total	Total
Taxes receivable				
Balance, net of prepaid taxes, beginning of year	\$ -	\$ 1,686,375	\$ 1,686,375	\$ 1,533,431
Current year tax levy	<b>13,058,548</b>	-	<b>13,058,548</b>	12,406,164
	<b>13,058,548</b>	<b>1,686,375</b>	<b>14,744,923</b>	13,939,595
Deduct:				
Current year collections	<b>12,183,088</b>	<b>1,155,718</b>	<b>13,338,806</b>	12,313,852
Reduced taxes	-	-	-	54,671
Collections for future taxes	<b>(365,666)</b>	-	<b>(365,666)</b>	(313,792)
	<b>11,817,422</b>	<b>1,155,718</b>	<b>12,973,140</b>	12,054,731
Total taxes receivable	<b>\$ 1,241,126</b>	<b>\$ 530,657</b>	<b>1,771,783</b>	1,884,864
Valuation allowance			<b>(35,796)</b>	(37,962)
Net taxes receivable			<b>1,735,987</b>	1,846,902
Water rates and Sewer charges			<b>678,339</b>	328,418
Due from federal government and its agencies			<b>537,080</b>	147,847
Due from Region 6 Waste Management			<b>31,208</b>	499,732
Due from Region of Windsor and West Hants Municipality			<b>34,631</b>	98,225
Due from province of Nova Scotia			<b>597,881</b>	656,769
Due from other local governments			<b>1,715,276</b>	641,358
			<b>\$ 5,330,402</b>	<b>\$ 4,219,251</b>
<b>4. LONG-TERM DEBT</b>			<u>2020</u>	<u>2019</u>
Royal Bank of Canada, Demand loan, bearing interest at 0.6% plus			\$ 759,350	\$ -
Municipal Finance Corporation debenture, bearing interest at a variable rate from 1.39% to 1.90%, with annual principal repayments of \$89,000 plus interest; maturing in 2020.			<b>1,424,000</b>	1,513,000
Municipal Finance Corporation debenture, bearing interest at a variable rate from 4.76% to 4.88%, with annual principal repayments of \$43,333 plus interest; maturing in 2020.			<b>693,338</b>	736,671
Municipal Finance Corporation debenture, bearing interest at a variable rate from 4.12% to 4.94%, repayable in annual instalments of \$54,000 plus interest; maturing in 2024.			<b>270,000</b>	324,000
Carried forward			<b>3,146,688</b>	2,573,671

**MUNICIPALITY OF THE DISTRICT OF WEST HANTS****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****AS AT MARCH 31, 2020****DRAFT**

	<u>2020</u>	<u>2019</u>
<b>4. LONG TERM DEBT (continued)</b>		
Brought forward	<b>3,146,688</b>	2,573,671
Municipal Finance Corporation debenture, bearing interest at a variable rate from 2.99% to 4.03%, repayable in annual instalments of \$37,667 plus interest; maturing in 2026.	<b>263,664</b>	301,331
Municipal Finance Corporation debenture, bearing interest at a variable rate from 4.18% to 4.88%, with annual principal repayments of \$35,400 plus interest; maturing in 2025.	<b>209,400</b>	244,800
Municipal Finance Corporation debenture, bearing interest at a variable rate from 2.79% to 3.86%, with annual principal repayments of \$20,500 plus interest; maturing in 2027.	<b>141,500</b>	162,000
Municipal Finance Corporation debenture, bearing interest at a variable rate from 4.67% to 4.89%, with annual principal repayments of \$23,050 plus interest; maturing in 2019.	-	23,050
Municipal Finance Corporation debenture, bearing interest at a variable rate from 1.92% to 3.35%, with annual principal repayments of \$4,500 plus interest; maturing in 2024.	<b>22,500</b>	27,000
Municipal Finance Corporation debenture, bearing interest at a variable rate from 1.25% to 3.11%, with annual principal repayments of \$154,000 plus interest; maturing in 2031.	<b>1,478,000</b>	1,632,000
Municipal Finance Corporation debenture, bearing interest at a variable rate from 1.44% to 2.93%, with annual principal repayments of \$218,603 plus interest; maturing in 2026.	<b>1,530,223</b>	1,748,826
Municipal Finance Corporation debenture, bearing interest at a variable rate from 1.73% to 3.07%, with annual principal repayments of \$59,700 plus interest; maturing in 2027.	<b>477,600</b>	537,300
Municipal Finance Corporation debenture, bearing interest at a variable rate from 2.063% to 3.50%, with annual principal repayments of \$49,944 plus interest; maturing in 2033.	<b>1,198,659</b>	1,248,603
Municipal Finance Corporation debenture, bearing interest at a variable rate from 2.015% to 2.265%, with annual principal repayments of \$18,754 plus interest; maturing in 2024.	<b>93,772</b>	-
Carried forward	<b>8,562,006</b>	<b>8,498,581</b>

**MUNICIPALITY OF THE DISTRICT OF WEST HANTS**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**AS AT MARCH 31, 2020**

**DRAFT**

	<u>2020</u>	<u>2019</u>
<b>4. LONG TERM DEBT (continued)</b>		
Brought forward	<b>8,562,006</b>	8,498,581
 Municipal Finance Corporation debenture, bearing interest at a variable rate from 0% to 3.05%, with annual principal repayments of \$16,500 plus interest; maturing in 2024.	 <b>66,002</b>	 82,502
	<u><b>\$ 8,628,008</b></u>	<u>\$ 8,581,083</u>

All long-term debt outstanding has been authorized by Nova Scotia Department of Municipal Affairs.

**MUNICIPALITY OF THE DISTRICT OF WEST HANTS**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**AS AT MARCH 31, 2020**



**5. TANGIBLE CAPITAL ASSETS**

General Capital Fund

	Cost 2019	Additions	Disposals	Cost 2020	Accumulated Amortization 2019	Adjustments	Amortization Expense	Accumulated Amortization 2020	Net Book Value 2020
Land	\$ 2,943,527	\$ 289,418	\$ -	\$ 3,232,945	\$ -	\$ -	\$ -	\$ -	\$ 3,232,945
Parks	536,139	229,234	-	765,373	202,024	-	30,426	232,450	532,923
Buildings	8,742,109	8,508,524	-	17,250,633	2,517,591	-	216,119	2,733,710	14,516,923
Motor vehicles	731,598	45,946	-	777,544	566,578	-	91,677	658,255	119,289
Sewer lagoon	159,293	-	-	159,293	39,273	-	3,186	42,459	116,834
Sewers	11,806,426	311,151	-	12,117,577	4,454,256	(6,301)	331,193	4,779,148	7,338,429
Roads	5,354,484	642,646	-	5,997,130	1,213,303	-	163,854	1,377,157	4,619,973
Equipment	8,682,081	82,486	-	8,764,567	4,161,818	-	787,845	4,949,663	3,814,904
Donated assets (sewer)	1,589,523	-	-	1,589,523	107,359	-	72,368	179,727	1,409,796
	<b>\$ 40,545,180</b>	<b>\$ 10,109,405</b>	<b>\$ -</b>	<b>\$ 50,654,585</b>	<b>\$ 13,262,202</b>	<b>-\$ 6,301</b>	<b>\$ 1,696,668</b>	<b>\$ 14,952,569</b>	<b>\$ 35,702,016</b>

**MUNICIPALITY OF THE DISTRICT OF WEST HANTS**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**DRAFT**

**AS AT MARCH 31, 2020**

**5. TANGIBLE CAPITAL ASSETS (continued)**

**General Capital Fund**

	Cost 2018	Additions	Disposals	Cost 2019	Accumulated Amortization 2018	Amortization Expense	Accumulated Amortization 2019	Net Book Value 2019
Land	\$ 2,943,527	\$ -	\$ -	\$ 2,943,527	\$ -	\$ -	\$ -	\$ 2,943,527
Parks	453,637	82,502	-	536,139	182,286	19,738	202,024	334,115
Buildings	8,697,901	44,208	-	8,742,109	2,300,356	217,235	2,517,591	6,224,518
Motor vehicles	702,097	29,501	-	731,598	467,187	99,391	566,578	165,020
Sewer lagoon	159,293	-	-	159,293	36,087	3,186	39,273	120,020
Sewers	11,485,343	321,083	-	11,806,426	4,129,286	324,970	4,454,256	7,352,170
Roads	4,889,011	465,473	-	5,354,484	1,013,918	199,385	1,213,303	4,141,181
Equipment	8,215,911	466,170	-	8,682,081	3,361,346	800,472	4,161,818	4,520,263
Donated assets (sewer)	1,589,523	-	-	1,589,523	80,077	27,282	107,359	1,482,164
	<b>\$ 39,136,243</b>	<b>\$ 1,408,937</b>	<b>\$ -</b>	<b>\$ 40,545,180</b>	<b>\$ 11,570,543</b>	<b>\$ 1,691,659</b>	<b>\$ 13,262,202</b>	<b>\$ 27,282,978</b>

**MUNICIPALITY OF THE DISTRICT OF WEST HANTS**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**AS AT MARCH 31, 2020**



**5. TANGIBLE CAPITAL ASSETS (continued)**

**Water Capital**

	Cost 2019	Additions	Disposals	Cost 2020	Accumulated Amortization 2019	Adjustments	Amortization Expense	Accumulated Amortization 2020	Net Book Value 2020
<b>Intangible assets</b>	\$ 5,928	\$ -	\$ -	\$ 5,928	\$ -	\$ -	\$ -	\$ -	\$ 5,928
<b>Land and land rights</b>									
Land	257,055	-	-	257,055	-	-	-	-	257,055
Source of supply	256,840	-	-	256,840	95,225	-	3,339	98,564	158,276
<b>Structures and improvements</b>									
Water treatment structures	191,733	40,240	-	231,973	65,454	-	3,881	69,335	162,638
Falmouth water plant	1,020,298	-	-	1,020,298	270,583	-	20,406	290,989	729,309
Water treatment building	631,272	-	-	631,272	186,190	-	9,531	195,721	435,551
Reservoir	786,528	-	-	786,528	200,189	-	10,225	210,414	576,114
Sludge pond	63,088	-	-	63,088	9,906	-	820	10,726	52,362
<b>Equipment</b>									
Pumping	89,929	9,068	-	98,997	21,320	-	1,980	23,300	75,697
Water treatment	2,669,077	-	-	2,669,077	872,854	-	113,344	986,198	1,682,879
<b>Mains</b>	3,320,789	423,701	-	3,744,490	719,885	(51,004)	51,064	719,945	3,024,545
<b>Meters</b>	1,007,683	11,691	(152)	1,019,222	498,219	-	50,961	549,180	470,042
<b>Transportation</b>	88,887	44,265	-	133,152	92,083	-	18,921	111,004	22,148
<b>Hydrants</b>	395,096	15,000	-	410,096	166,560	-	5,822	172,382	237,714
<b>Services</b>	439,028	430,892	-	869,920	104,898	-	17,399	122,297	747,623
<b>Other assets</b>	133,643	4,255	-	137,898	122,117	1,205	7,460	130,782	7,116
<b>Donated assets</b>	2,083,711	38,604	-	2,122,315	187,971	-	31,691	219,662	1,902,653
	\$ 13,440,585	\$ 1,017,716	-\$ 152	\$ 14,458,149	\$ 3,613,454	-\$ 49,799	\$ 346,844	\$ 3,910,499	\$ 10,547,650

**MUNICIPALITY OF THE DISTRICT OF WEST HANTS**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**AS AT MARCH 31, 2020**

**DRAFT**

**5. TANGIBLE CAPITAL ASSETS (continued)**

**Falmouth Water Capital**

	Cost 2018	Additions	Disposals	Cost 2019	Accumulated Amortization 2018	Amortization Expense	Accumulated Amortization 2019	Net Book Value 2019
<b>Intangible assets</b>	\$ 1,292	\$ -	\$ -	\$ 1,292	\$ -	\$ -	\$ -	\$ 1,292
<b>Land and land rights</b>								
Land	151,060	-	-	151,060	-	-	-	151,060
Source of supply	173,135	-	-	173,135	46,444	2,251	48,695	124,440
<b>Structures and improvements</b>								
Water treatment structures	93,853	-	-	93,853	21,457	1,877	23,334	70,519
Falmouth water plant	477,689	542,609	-	1,020,298	250,177	20,406	270,583	749,715
Water treatment building	189,292	-	-	189,292	104,945	3,786	108,731	80,561
Reservoir	786,528	-	-	786,528	189,944	10,245	200,189	586,339
Sludge pond	63,088	-	-	63,088	9,086	820	9,906	53,182
<b>Equipment</b>								
Pumping	76,870	13,059	-	89,929	19,521	1,799	21,320	68,609
Water treatment	98,971	-	-	98,971	65,654	4,949	70,603	28,368
<b>Mains</b>								
Transmission	58,404	-	-	58,404	28,588	759	29,347	29,057
Distribution	472,089	-	-	472,089	216,574	6,137	222,711	249,378
<b>Meters</b>	486,192	15,632	1,837	499,987	231,625	24,456	256,081	243,906
<b>Transportation</b>	50,341	-	-	50,341	51,940	1,599	53,539	(3,198)
<b>Hydrants</b>	75,857	-	-	75,857	39,583	986	40,569	35,288
<b>Services</b>	163,430	-	2,180	161,250	33,828	3,269	37,097	124,153
<b>Other assets</b>	66,042	2,411	-	68,453	55,670	13,691	69,361	(908)
<b>Donated assets</b>	574,035	-	-	574,035	79,932	11,481	91,413	482,622
	\$ 4,058,168	\$ 573,711	\$ 4,017	\$ 4,627,862	\$ 1,444,968	\$ 108,511	\$ 1,553,479	\$ 3,074,383

**MUNICIPALITY OF THE DISTRICT OF WEST HANTS**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**AS AT MARCH 31, 2020**

**DRAFT**

**5. TANGIBLE CAPITAL ASSETS (continued)**

**Hantsport Water Capital**

	Cost 2018	Additions	Disposals	Cost 2019	Accumulated Amortization 2018	Amortization Expense	Adjustment	Accumulated Amortization 2019	Net Book Value 2019
<b>Land and land rights</b>									
Land	\$ 105,995	\$ -	\$ -	\$ 105,995	\$ -	\$ -	\$ -	\$ -	\$ 105,995
Source of supply	51,275	-	-	51,275	37,542	667	-	38,209	13,066
<b>Structures and improvements</b>									
Water pumping structures	37,323	-	-	37,323	21,365	571	-	21,936	15,387
Water treatment building	441,980	-	-	441,980	71,713	5,746	-	77,459	364,521
Water rate study	-	2,418	-	2,418	-	482	-	482	1,936
<b>Equipment</b>									
Water treatment equipment	2,558,462	-	-	2,558,462	684,647	105,960	-	790,607	1,767,855
Safety equipment	4,792	-	-	4,792	4,792	-	-	4,792	-
<b>Mains</b>	1,503,073	-	-	1,503,073	197,681	19,540	-	217,221	1,285,852
<b>Meters</b>	78,576	-	-	78,576	50,944	3,929	-	54,873	23,703
<b>Hydrants</b>	97,899	-	-	97,899	19,799	1,958	-	21,757	76,142
<b>Services</b>	75,031	-	-	75,031	24,190	1,501	-	25,691	49,340
	<b>\$4,954,406</b>	<b>\$ 2,418</b>	<b>\$ -</b>	<b>\$ 4,956,824</b>	<b>\$ 1,112,673</b>	<b>\$ 140,354</b>	<b>\$ -</b>	<b>\$ 1,253,027</b>	<b>\$ 3,703,797</b>

**MUNICIPALITY OF THE DISTRICT OF WEST HANTS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**AS AT MARCH 31, 2020**

**DRAFT**

**5. TANGIBLE CAPITAL ASSETS (continued)**

**Three Mile Plains Water Capital**

	Cost 2018	Additions	Disposals	Cost 2019	Accumulated Amortization 2018	Amortization Expense	Adjustment	Accumulated Amortization 2019	Net Book Value 2019
<b>Intangible assets</b>	\$ 4,636	\$ -	\$ -	\$ 4,636	\$ -	\$ -	\$ -	\$ -	\$ 4,636
<b>Land and land rights</b>									
Source of supply	32,430	-	-	32,430	7,899	422	-	8,321	24,109
<b>Structures and improvements</b>									
Water pumping structures	53,057	11,188	3,688	60,557	18,973	1,211	-	20,184	40,373
<b>Equipment</b>									
Safety equipment	6,852	-	-	6,852	6,852	-	-	6,852	-
<b>Mains</b>	22,478	-	-	22,478	1,143	292	-	1,435	21,043
Transmission	276,067	-	-	276,067	109,077	3,589	-	112,666	163,401
Distribution	988,678	163,347	163,347	988,678	187,359	12,853	63,707	136,505	852,173
<b>Meters</b>	418,338	16,926	6,144	429,120	165,809	21,456	-	187,265	241,855
<b>Transportation</b>	38,546	-	-	38,546	38,544	-	-	38,544	2
<b>Hydrants</b>	221,340	-	-	221,340	101,447	2,877	-	104,324	117,016
<b>Services</b>	202,137	610	-	202,747	38,056	4,054	-	42,110	160,637
<b>Other assets</b>	45,030	17,742	-	62,772	41,720	10,554	-	52,274	10,498
<b>Donated assets</b>	1,509,676	-	-	1,509,676	76,848	19,710	-	96,558	1,413,118
	\$ 3,819,265	\$ 209,813	\$ 173,179	\$ 3,855,899	\$ 793,727	\$ 77,018	\$ 63,707	\$ 807,038	\$ 3,048,861

# MUNICIPALITY OF THE DISTRICT OF WEST HANTS

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

AS AT MARCH 31, 2020

# DRAFT

### 6. RATE OF RETURN ON RATE BASE

For the year ended March 31, 2020 the Water Utility had a rate of return on rate base of 2.29% (1.92% in 2019). The rate of return is calculated using the amortization approved by the Nova Scotia Utility and Review Board.

### 7. DISCLOSURE OF REMUNERATION

The total remuneration paid to each member of Municipal Council and to the Chief Administrative Officer is as follows:

Council

Abraham Zebian Warden  
Paul Morton Deputy Warden (District #8)  
Rupert Jannasch Councillor (District # 1)  
Kathy Monroe Councillor (District #2)  
David Keith Councillor (District #3)  
Tanya Leopold Councillor (District #4)  
Debbie Francis Councillor (District #5)  
Randy Hussey Councillor (District #6)  
Jennifer Daniels Councillor (District #7)  
Robbie Zwicker Councillor (District #10)

Elected Officials

	<u>Salary</u>	<u>Allowance</u>
	\$ 46,335	\$ 1,579
	27,260	-
	22,617	1,994
	22,667	1,233
	22,617	60
	22,617	410
	22,717	-
	22,317	-
	22,417	746
	22,467	-
	<u>\$ 254,031</u>	<u>\$ 6,022</u>
<u>Chief Administrative Officer</u>	<u>\$ 172,640</u>	<u>\$ 3,918</u>

### 8. DEFERRED REVENUE

	<u>2020</u>	<u>2019</u>
Tax and user charges	\$ 365,666	\$ 313,792
Gas tax	4,659,522	3,972,973
Other	832,130	601,292
	<u>\$ 5,857,318</u>	<u>\$ 4,888,057</u>

Tax and user charges represent funds collected for which the related services have yet to be performed.

Gas tax represents funds received from the Federal Government that have not yet been used to fund eligible projects under the terms of the Gas Tax Agreement. These funds remain in deferred revenue until the stipulations for their use have been met.

Tax Sale Surplus - the Municipal Government Act requires a twenty year holding period for maintaining these funds.

# MUNICIPALITY OF THE DISTRICT OF WEST HANTS

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

AS AT MARCH 31, 2020

**DRAFT**

### 9. PENSION PLANS

#### Defined contribution plan

The Municipality provides its employees with a defined contribution pension plan. The Municipality will match the employees contribution up to a maximum of 6%. During the year the Municipality contributed \$114,028

#### Defined benefit plan

The Municipality provides a pension to the surviving spouse of a retired former Town of Hantsport clerk and uses the accrual method of accounting. The Municipality estimates its obligation based on the present value of the remaining term of the agreement.

Pension cost	\$	17,439
Accrued benefit obligation	\$	124,147

The Municipality provides a pension to a retired Municipal clerk and uses the accrual method of accounting. The Municipality estimates its obligation to the retired clerk based on estimated life expectancy and future inflation rate of 2%.

Pension cost	\$	16,074
Accrued benefit obligation	\$	99,108

### 10. SEGMENTED INFORMATION

The Municipality of the District of West Hants is a municipal unit that provides a wide range of services to its residents. The Municipality's operations and activities are organized and reported by fund for the purpose of recording specific activities to meet objectives as outlined by legislation, special regulation, or other limitations and restrictions.

Services are provided by department and their activity is reported in these funds.

#### General government services

**Legislative** - The council serves as elected representatives of the Municipality of the District of West Hants. It facilitates the decision-making process. In this role it formulates policy and provides strategic direction to guide the Chief Administrative Officer.

**Administrative** - This department is responsible for financial and local government administration. Functions include budget and financial statement preparation, tax collection, the Municipal Government Act administration, and accounts payable and receivable.

#### Protection services

The Municipality contracts with the Royal Canadian Mounted Police for police services. Fire protection is provided by grants to fire departments throughout the Municipality.

The Municipality supplies animal control services through this department.

**10. SEGMENTED INFORMATION (continued)**

Transportation services

Transportation services provides the administration and provision of engineering and works, and street lighting.

Environmental health services

This department provides for sewage collection and treatment, solid waste collection and recycling.

Public health services

Public health services provides a transfer to the Regional Housing Authority.

Environmental development services

Environmental planning and zoning administers policy and enforces codes, by-laws, and regulations pertaining to the Municipal Planning Strategy.

Recreation and cultural services

This department is responsible for promoting and offering opportunities and activities to residents.

Water treatment and distribution

The water utilities provide the delivery of drinking water through supply, pumping, treatment, and distribution to its users.

**11. COMPARATIVE FIGURES**

In some instances, the comparative prior year figures have been reclassified to conform to the current year's financial statement presentation.

**12. OTHER MATTERS**

An April 1, 2020 the Municipality of the District of West Hants transferred all assets, liabilities and reserves to the Region of Windsor and West Hants Municipality. Reserves and debt balances held by the former Municipality shall be restricted to the responsibilities and benefit of the former Municipality boundaries as determined by the utility and Review Board, prior to April 1, 2020

The Transfer was due to the voluntary consolidation of the former Town of Windsor and Municipality of the District of West Hants, mandated by Provincial Legislation under Bill 55. All restructuring costs were incurred by the Region of Windsor and West Hants Municipality,

**MUNICIPALITY OF THE DISTRICT OF WEST HANTS**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**YEAR ENDED MARCH 31, 2020**

**DRAFT**

**13. CONSOLIDATED SCHEDULE OF OPERATIONS BY FUNCTION**

	General Gov't	Protective Services	Transportation Services	Env. Health Services	Public Health Services	Env. Development Services	Recreation and Cultural Services	Water Utility	2020
<b>REVENUE</b>									
TAXES	\$ 10,848,949	\$ -	\$ -	\$ 1,043,387	\$ -	\$ -	\$ -	\$ -	\$ 11,892,336
PAYMENTS IN LIEU OF TAXES	126,894	-	1,150	-	-	-	-	-	128,044
SERVICES PROVIDED TO OTHER LOCAL GOVERNMENTS	80,356	31,064	-	396,533	-	-	-	-	507,953
SALE OF SERVICES	169,694	-	-	-	-	-	26,160	-	195,854
OTHER REVENUE FROM OWN SOURCES	566,188	-	-	-	2,468	-	3,600	-	572,256
UNCONDITIONAL TRANSFERS FROM OTHER GOV'TS	218,031	5,133	-	-	-	-	-	-	223,164
CONDITIONAL TRANSFERS FROM FEDERAL OR PROVINCIAL GOVERNMENTS AND AGENCIES	9,083	116,623	31,200	-	-	-	57,156	-	214,062
CONDITIONAL TRANSFERS FROM OTHER LOCAL GOVERNMENTS	1,385,687	-	101,900	20,297	-	-	3,562,739	-	5,070,623
WATER RATES	-	-	-	-	-	-	-	2,114,414	2,114,414
INTEREST	64,066	-	-	2,574	-	-	-	7,342	73,982
<b>TOTAL REVENUE</b>	<b>13,468,948</b>	<b>152,820</b>	<b>134,250</b>	<b>1,462,791</b>	<b>2,468</b>	<b>-</b>	<b>3,649,655</b>	<b>2,121,756</b>	<b>20,992,688</b>
<b>EXPENDITURES</b>									
SALARIES, WAGES AND BENEFITS	1,153,344	315,400	167,688	293,185	-	583,469	395,469	-	2,908,555
OPERATING COSTS	1,266,245	3,976,328	501,554	1,452,071	68,192	123,964	550,375	1,501,408	9,440,137
AMORTIZATION	1,095,641	-	163,854	406,747	-	-	30,426	346,844	2,043,512
OTHER	162,139	-	-	-	-	-	-	74,289	236,428
INTEREST ON LONG-TERM DEBT	200,115	-	-	13,145	-	-	-	42,556	255,816
<b>TOTAL EXPENDITURES</b>	<b>3,877,484</b>	<b>4,291,728</b>	<b>833,096</b>	<b>2,165,148</b>	<b>68,192</b>	<b>707,433</b>	<b>976,270</b>	<b>1,965,097</b>	<b>14,884,448</b>
<b>SURPLUS (DEFICIT)</b>	<b>\$ 9,591,464</b>	<b>\$ (4,138,908)</b>	<b>\$ (698,846)</b>	<b>\$ (702,357)</b>	<b>\$ (65,724)</b>	<b>\$ (707,433)</b>	<b>\$ 2,673,385</b>	<b>\$ 156,659</b>	<b>\$ 6,108,240</b>

**MUNICIPALITY OF THE DISTRICT OF WEST HANTS****NON-CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
OF THE GENERAL OPERATING FUND  
AS AT MARCH 31, 2020****DRAFT**

	<u>2020</u>	<u>2019</u>
<b>ASSETS</b>		
Cash	\$ 736,550	\$ 1,715,251
Taxes receivable (net of valuation allowance \$35,796, 2019 - \$37,962)	1,735,986	1,849,683
Sewer rates receivable	305,079	6,120
Due from other local governments	1,236,308	372,630
Due from Province of Nova Scotia	597,881	656,769
Due from Regional 6 Waste Management	31,208	499,732
Due from Region of Windsor and West Hants Municipality	34,632	98,225
Harmonized sales tax	534,655	145,422
Due from		
General capital	5,557,517	1,895,192
Water operating	94,194	407,276
Water capital	-	19,446
Hantsport cemetery	2,817	1,882
Due from library reserve	2,571	-
Prepaid expenses	72,852	94,735
	<u>\$ 10,942,250</u>	<u>\$ 7,762,363</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	\$ 2,517,996	\$ 1,841,643
Pension liability	124,147	141,586
Due to trust funds	2,540	2,510
Due to		
Capital reserve	1,769,658	1,522,642
Special reserves	1,670,678	463,156
Operating reserve	2,721,777	2,129,699
Water capital	201,177	375,764
	<u>9,007,973</u>	<u>6,477,000</u>
<b>OTHER LIABILITIES</b>		
Prepayment of taxes and sewer charges	365,666	316,569
Diversion credits	12,320	12,320
Deferred revenue	344,048	226,537
Tax sale surplus	290,677	595,804
	<u>1,012,711</u>	<u>1,151,230</u>
	<u>10,020,684</u>	<u>7,628,230</u>
<b>ACCUMULATED SURPLUS (DEFICIT)</b>	<u>921,566</u>	<u>134,133</u>
	<u>\$ 10,942,250</u>	<u>\$ 7,762,363</u>

On behalf of the Municipality of the District of West Hants

Warden

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**MUNICIPALITY OF THE DISTRICT OF WEST HANTS****NON-CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES  
OF THE GENERAL OPERATING FUND**

YEAR ENDED MARCH 31, 2020

**DRAFT**

	<u>Budget</u> (unaudited)	<u>2020</u> <u>Actual</u>	<u>2019</u> <u>Actual</u>
<b>REVENUE</b>			
Assessable property taxes (page 26)	\$ 11,619,638	\$ 11,892,336	\$ 11,027,468
Grants in lieu of taxes (page 27)	119,726	128,044	129,018
Services provided to other governments (page 27)	828,377	786,352	757,472
Sales of services (page 27)	205,080	195,854	204,055
Other revenue from own sources (page 27)	448,876	566,073	716,661
Unconditional transfers from other governments (page 28)	222,566	223,164	222,493
Conditional transfers from federal and provincial governments and agencies (page 28)	73,437	71,606	50,087
Conditional transfers from other local governments (page 28)	315,386	169,062	125,207
	<u>13,833,086</u>	<u>14,032,491</u>	<u>13,232,461</u>
<b>EXPENDITURES</b>			
General government services (page 29)	2,205,784	2,633,097	2,455,191
Protective services (page 29)	5,103,389	4,298,428	4,773,527
Transportation services (page 30)	658,296	680,514	656,333
Environmental health services (page 30)	2,246,945	1,831,859	2,244,076
Public health services (page 31)	60,000	68,192	53,799
Environmental development services (page 31)	619,961	707,433	628,726
Recreation and cultural services (page 31)	968,699	912,105	800,458
Other transfers (page 31)	176,991	162,139	164,784
	<u>12,040,065</u>	<u>11,293,767</u>	<u>11,776,894</u>
<b>NET REVENUE</b>	<u>1,793,021</u>	<u>2,738,724</u>	<u>1,455,567</u>
<b>FINANCING AND TRANSFERS</b>			
Debenture principal instalments	(1,217,166)	(913,984)	(711,120)
Net transfer from (to) own reserves, funds and agencies	(575,855)	(903,051)	(610,584)
	<u>(1,793,021)</u>	<u>(1,817,035)</u>	<u>(1,321,704)</u>
<b>Change in fund balance</b>	-	<b>921,689</b>	133,863
<b>Opening fund balance</b>		<b>134,133</b>	1,072,860
Opening surplus transferred to operating reserve		<b>134,256</b>	1,072,590
<b>Closing fund balance</b>		<u><u>\$ 921,566</u></u>	<u><u>\$ 134,133</u></u>

**MUNICIPALITY OF THE DISTRICT OF WEST HANTS**

**NON-CONSOLIDATED SCHEDULE OF GENERAL  
OPERATING FUND REVENUES**

**YEAR ENDED MARCH 31, 2020**

**DRAFT**

	<u>Budget</u> (unaudited)	<u>2020</u> <u>Actual</u>	<u>2019</u> <u>Actual</u>
<b>Taxes</b>			
Assessable property			
Residential	\$ 10,727,503	\$ 10,710,175	\$ 10,090,734
Commercial	1,242,484	1,247,890	1,200,696
Resource			
Taxable assessments	399,033	397,536	374,199
Resource non-profit	5,655	5,653	5,653
Forest property tax (less than 50,000 acres)	22,955	22,838	22,921
Forest property tax (50,000 acres or more)	19,431	14,050	19,329
Area rates			
Hantsport Community Rate - Residential	388,291	387,800	389,031
Hantsport Community Rate - Commercial	283,255	272,181	303,176
Hantsport Community Rate - Resource	-	425	425
Business property			
Aliant	69,920	65,007	69,920
Nova Scotia Power - Grant in lieu	200,127	200,127	192,906
HST Rebate	50,000	46,335	71,846
Special assessments			
Sewer rates	1,012,100	1,043,387	842,260
Falmouth sewer		-	-
Falmouth sewer capital charge		-	118,275
Deed transfer tax	702,622	987,199	738,423
Subdivision by-law	16,000	11,405	10,843
	<u>15,139,376</u>	<u>15,412,008</u>	<u>14,450,637</u>
Less:			
Appropriation to Regional School Board	3,519,738	3,519,672	3,423,169
<b>Total taxes</b>	<u><u>\$ 11,619,638</u></u>	<u><u>\$ 11,892,336</u></u>	<u><u>\$ 11,027,468</u></u>

# MUNICIPALITY OF THE DISTRICT OF WEST HANTS

## NON-CONSOLIDATED SCHEDULE OF GENERAL OPERATING FUND REVENUES (CONTINUED)

# DRAFT

YEAR ENDED MARCH 31, 2020

	<u>Budget</u> (unaudited)	<u>2020</u> <u>Actual</u>	<u>2019</u> <u>Actual</u>
<b>Grants in lieu of taxes</b>			
Federal government	\$ 61,579	\$ 59,105	\$ 58,842
Federal government agencies			
Canada Post	-	10,268	10,252
Provincial government			
Property of supported institutions	25,729	25,106	25,657
Crown land	32,418	32,415	32,569
Fire protection	-	-	-
Street lights	-	1,150	1,698
<b>Total grants in lieu of taxes</b>	<u>\$ 119,726</u>	<u>\$ 128,044</u>	<u>\$ 129,018</u>
<b>Services provided to other governments</b>			
Protective services - REMO	\$ 28,827	\$ 31,064	\$ 21,389
Environmental Health Services - recycling	66,500	7,207	19,848
Environmental Development Services - host fees	360,000	396,533	358,056
Closed landfill	72,360	57,846	65,078
Fiscal services courthouse	71,201	71,998	73,550
Administrative	229,489	221,704	219,551
<b>Total services provided to other governments</b>	<u>\$ 828,377</u>	<u>\$ 786,352</u>	<u>\$ 757,472</u>
<b>Sales of services</b>			
Wind farms	\$ 169,080	\$ 169,694	\$ 168,236
Summer programs and St. Croix rental	36,000	26,160	35,819
<b>Total sales of services</b>	<u>\$ 205,080</u>	<u>\$ 195,854</u>	<u>\$ 204,055</u>
<b>Other revenue from own sources</b>			
Licenses and permits	\$ 40,000	\$ 42,505	\$ 45,922
Fines and fees	21,000	21,687	22,671
Rentals	3,600	3,600	3,600
Return on investment	50,000	62,918	72,628
Penalties and interest on taxes	240,000	268,624	279,381
Interest on receivables	-	1,148	1,090
Other	94,276	165,591	91,369
Diversion credit revenue	-	-	200,000
<b>Total other revenue from own sources</b>	<u>\$ 448,876</u>	<u>\$ 566,073</u>	<u>\$ 716,661</u>

**MUNICIPALITY OF THE DISTRICT OF WEST HANTS**

**NON-CONSOLIDATED SCHEDULE OF GENERAL  
OPERATING FUND REVENUES (CONTINUED)**

**YEAR ENDED MARCH 31, 2020**

**DRAFT**

	<u>Budget</u> <u>(unaudited)</u>	<u>2020</u> <u>Actual</u>	<u>2019</u> <u>Actual</u>
<b>Unconditional transfers from other governments</b>			
Provincial governments			
Equalization grant	\$ 132,305	\$ 132,305	\$ 132,305
Farm property acreage grant	85,151	85,151	84,494
911 cost recovery	5,110	5,133	5,119
Other	-	575	575
<b>Total unconditional transfers from other governments</b>	<u>\$ 222,566</u>	<u>\$ 223,164</u>	<u>\$ 222,493</u>
<b>Conditional transfers from federal and provincial governments and agencies</b>			
Provincial government	\$ 73,437	\$ 71,606	\$ 50,087
<b>Total conditional transfers from federal and provincial governments and agencies</b>	<u>\$ 73,437</u>	<u>\$ 71,606</u>	<u>\$ 50,087</u>
<b>Conditional transfers from other local governments</b>			
Based on special tax agreement	\$ 135,363	\$ -	\$ 10,338
Kings transit surplus	-	31,200	-
Kings County fire service	59,955	63,207	57,578
West Hants fire grant	-	25,000	-
Glooscap fire grant	7,065	7,064	7,064
Glooscap miscellaneous	30,000	9,083	18,110
Kings County capital fire grant	83,003	21,352	21,540
West Hants recreation grant	-	12,156	10,577
<b>Total conditional transfers from other local governments</b>	<u>\$ 315,386</u>	<u>\$ 169,062</u>	<u>\$ 125,207</u>
<b>Total Revenues</b>	<u>\$ 13,833,086</u>	<u>\$ 14,032,491</u>	<u>\$ 13,232,461</u>

# MUNICIPALITY OF THE DISTRICT OF WEST HANTS

## NON-CONSOLIDATED SCHEDULE OF GENERAL OPERATING FUND EXPENDITURES YEAR ENDED MARCH 31, 2020

# DRAFT

	<u>Budget</u> <u>(unaudited)</u>	<u>2020</u> <u>Actual</u>	<u>2019</u> <u>Actual</u>
<b>General government services</b>			
Legislative			
Warden and Deputy Warden	\$ 49,080	\$ 47,913	\$ 44,422
Council	245,400	223,400	199,222
General administrative			
Administrative	508,846	537,992	583,850
Financial management	486,894	509,431	446,939
Other legislative services	93,797	248,583	17,640
Taxation	55,450	65,089	45,855
Assessment services contribution	285,741	286,455	279,847
Common services	1,050	176	2,275
Other general services			
Other general administrative services	444,529	383,443	511,629
General and public liability insurance	97,000	92,451	94,320
Grants to organizations	31,500	38,049	44,460
Debt charges			
Debenture interest	200,977	200,115	184,732
<b>Total general government services</b>	<u>\$ 2,205,784</u>	<u>\$ 2,633,097</u>	<u>\$ 2,455,191</u>
<b>Protective services</b>			
RCMP services	\$ 2,393,546	\$ 2,417,092	\$ 2,359,640
By-law enforcement	86,239	76,735	77,342
Fire protection			
Brooklyn fire department	322,729	305,735	372,374
Tonge Hill fire department	103,950	98,576	107,250
Summerville fire department	229,950	212,469	258,000
Walton fire department	42,165	42,165	38,850
Southwest Hants fire department	79,786	103,957	103,224
Mount Uniacke fire department	30,089	30,089	33,432
Hantsport fire department	188,908	246,605	194,337
Gardlands Crossing fire department	32,040	29,913	38,910
Municipal fire services	55,700	46,029	41,238
Falmouth water utility	594,710	-	103,763
Three Mile Plains/Wentworth water utility	-	-	215,039
Hantsport water utility	-	-	151,964
Windsor water utility	167,405	155,095	155,095
Emergency measures	87,354	55,506	58,566
Other protective services	315,692	274,740	261,507
Transfer to correction services	203,722	203,722	202,996
Other interest	169,404	-	-
<b>Total protective services</b>	<u>\$ 5,103,389</u>	<u>\$ 4,298,428</u>	<u>\$ 4,773,527</u>

**MUNICIPALITY OF THE DISTRICT OF WEST HANTS****NON-CONSOLIDATED SCHEDULE OF GENERAL  
OPERATING FUND EXPENDITURES (CONTINUED)**

YEAR ENDED MARCH 31, 2020

**DRAFT**

	<u>Budget</u> <u>(unaudited)</u>	<u>2020</u> <u>Actual</u>	<u>2019</u> <u>Actual</u>
<b>Transportation services</b>			
Roads and streets	\$ 631,796	\$ 654,875	\$ 630,870
Street lighting	26,500	25,639	25,463
<b>Total transportation services</b>	<u>\$ 658,296</u>	<u>\$ 680,514</u>	<u>\$ 656,333</u>
<b>Environmental health services</b>			
Three Mile Plains/Wentworth sewer			
Sewage collection system	\$ 23,500	\$ 1,147	\$ 5,489
Administration	833,726	192,570	114,777
Lift station	60,600	65,163	49,988
Sewage treatment and disposal	142,456	55,446	54,277
Falmouth sewer			
Sewage collection system	-	383	6,288
Administration	-	122,633	177,659
Lift station	-	26,603	26,931
Sewage treatment and disposal	-	119,424	104,058
Sewage treatment and disposal Kings County	-	94,853	41,224
Hantsport sewer			
Sewage collection system	-	548	1,727
Administration	-	23,020	42,558
Lift station	-	3,725	3,122
Garbage and waste collection	1,053,873	1,048,147	1,513,098
Landfill	59,300	57,845	66,645
Recycling	47,200	7,207	15,227
Debt charges			
Debenture interest	26,290	13,145	21,008
<b>Total environmental health services</b>	<u>\$ 2,246,945</u>	<u>\$ 1,831,859</u>	<u>\$ 2,244,076</u>

**MUNICIPALITY OF THE DISTRICT OF WEST HANTS****NON-CONSOLIDATED SCHEDULE OF GENERAL  
OPERATING FUND EXPENDITURES (CONTINUED)**

YEAR ENDED MARCH 31, 2020

**DRAFT**

	<u>Budget</u> (unaudited)	<u>2020</u> <u>Actual</u>	<u>2019</u> <u>Actual</u>
<b>Public health services</b>			
Regional Housing Authority	\$ 60,000	\$ 68,192	\$ 53,799
<b>Total public health services</b>	<u>\$ 60,000</u>	<u>\$ 68,192</u>	<u>\$ 53,799</u>
<b>Environmental development services</b>			
Administration	\$ 545,445	\$ 623,959	\$ 510,517
Other	68,016	77,909	115,881
Industrial parks	6,500	5,565	2,328
Planning	-	-	-
<b>Total environmental development services</b>	<u>\$ 619,961</u>	<u>\$ 707,433</u>	<u>\$ 628,726</u>
<b>Recreation and cultural services</b>			
Administration	\$ 121,634	\$ 130,888	\$ 135,420
Active living coordinator	70,724	71,254	47,536
Recreation sites	131,095	124,781	152,030
Maintenance	168,469	153,739	158,338
Building and facilities	155,288	95,385	47,610
Day camp programs	110,455	129,073	99,107
After school programs	5,474	13,313	8,953
Recreation grants	121,000	109,797	94,664
Hantsport memorial community centre	84,560	83,875	56,800
<b>Total recreation and cultural services</b>	<u>\$ 968,699</u>	<u>\$ 912,105</u>	<u>\$ 800,458</u>
<b>Other transfers</b>			
Valley Regional Economic Network	\$ 48,891	\$ 48,891	\$ 50,262
Hantsport library	8,500	8,010	9,284
Regional library	107,600	95,764	95,764
Windsor library	12,000	9,474	9,474
<b>Total other transfers</b>	<u>\$ 176,991</u>	<u>\$ 162,139</u>	<u>\$ 164,784</u>
<b>Total Expenditures</b>	<u>\$ 12,040,065</u>	<u>\$ 11,293,767</u>	<u>\$ 11,776,894</u>

**MUNICIPALITY OF THE DISTRICT OF WEST HANTS****NON-CONSOLIDATED SCHEDULE OF FINANCING AND  
TRANSFERS OF THE GENERAL OPERATING FUND**

YEAR ENDED MARCH 31, 2020

**DRAFT**

	<u>Budget</u> <u>(unaudited)</u>	<u>2020</u> <u>Actual</u>	<u>2019</u> <u>Actual</u>
<b>Financing and transfers</b>			
<b>Principal instalments</b>			
Debenture principal	\$ 1,117,556	\$ 814,374	\$ 582,970
Debenture principal - Hantsport	<u>99,610</u>	<u>99,610</u>	<u>128,150</u>
	<u>\$ 1,217,166</u>	<u>\$ 913,984</u>	<u>\$ 711,120</u>
<b>Transfer to (from) own reserves funds and agencies</b>			
Transfer from - Hantsport dissolution reserves	\$ (17,000)	\$ (78,026)	\$ (59,427)
Transfer (to) from - Water capital	-	-	-
Transfer from - Capital	-	-	(214,308)
Transfer to - Sewer capital reserves	-	351,244	222,021
Transfer to - Capital	(9,319)	21,411	89,211
Transfer to - General operating reserves	-	-	-
Transfer to - Cemetery fund	37,674	37,674	30,174
Transfer to - Capital reserves	548,500	570,748	542,913
Transfer to - 5% reserve	<u>16,000</u>	<u>-</u>	<u>-</u>
	<u>\$ 575,855</u>	<u>\$ 903,051</u>	<u>\$ 610,584</u>
<b>Total Financing and Transfers</b>	<u><u>\$ 1,793,021</u></u>	<u><u>\$ 1,817,035</u></u>	<u><u>\$ 1,321,704</u></u>

**MUNICIPALITY OF THE DISTRICT OF WEST HANTS****NON-CONSOLIDATED STATEMENT OF FINANCIAL  
POSITION OF THE GENERAL CAPITAL FUND**

AS AT MARCH 31, 2020

**DRAFT**

	<u>2020</u>	<u>2019</u>
<b>ASSETS</b>		
Cash	\$ 124,829	\$ 3,826
Receivables		
Third party gas tax	471,762	258,403
Due from		
Capital reserves	146,843	162,740
Operating reserves	1,388,703	18,052
Water capital	82,260	-
Special reserves	150,021	1,066,638
	<u>2,364,418</u>	<u>1,509,659</u>
Property and equipment, at cost	50,654,585	40,545,180
Accumulated amortization	(14,952,569)	(13,262,202)
Land held for resale	144,713	144,713
Investment in Valley Waste Resource Management	152,558	152,558
	<u>35,999,287</u>	<u>27,580,249</u>
	<u>\$ 38,363,705</u>	<u>\$ 29,089,908</u>
<b>LIABILITIES</b>		
Payables and accruals		
Trade accounts	\$ 847	\$ 847
Due to		
Municipal operating	5,557,516	1,895,192
Water operating	1,780	3,607
Water capital	-	5,823
Customer deposits	49,371	49,440
Deferred revenue	471,762	258,403
Debentures issued to provincial government or its agencies		
Nova Scotia Municipal Finance Corporation	6,974,520	7,626,812
Royal Bank of Canada	759,350	-
	<u>13,815,146</u>	<u>9,840,124</u>
<b>FUND BALANCE</b>	<u>24,548,559</u>	<u>19,249,784</u>
	<u>\$ 38,363,705</u>	<u>\$ 29,089,908</u>
On behalf of the Municipality of the District of West Hants		

Warden

CAO

**MUNICIPALITY OF THE DISTRICT OF WEST HANTS****NON-CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES  
OF THE GENERAL CAPITAL FUND**

YEAR ENDED MARCH 31, 2020

**DRAFT**

	<u>2020</u>	<u>2019</u>
<b>REVENUE</b>		
Province of Nova Scotia	\$ 3,517,739	\$ -
Other grants and contributions	65,297	-
Sewer deposits	3,714	12,374
Town of Windsor contribution to capital project	45,000	-
	<u>3,631,750</u>	<u>12,374</u>
<b>EXPENDITURES</b>		
Amortization	1,696,667	1,691,659
	<u>1,696,667</u>	<u>1,691,659</u>
<b>NET EXPENDITURES</b>	<u>1,935,083</u>	<u>(1,679,285)</u>
<b>FINANCING AND TRANSFERS</b>		
Transfers (to) from own reserves, funds & agencies		
Gas tax reserve	184,323	829,478
Capital reserve	154,259	110,670
Operating reserve	1,608,817	18,053
Hantsport transition roads capital reserve	566,045	189,016
Transfers to other reserves	-	37,661
Other transfers	264,606	86,399
Debt repayment	585,642	714,923
Total financing and transfers	<u>3,363,692</u>	<u>1,986,200</u>
<b>Change in fund balance</b>	<b>5,298,775</b>	<b>306,915</b>
<b>Opening fund balance</b>	<u>19,249,784</u>	<u>18,942,869</u>
<b>Closing fund balance</b>	<u>\$ 24,548,559</u>	<u>\$ 19,249,784</u>

**MUNICIPALITY OF THE DISTRICT OF WEST HANTS****NON-CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
OF THE WATER UTILITY OPERATING FUND****AS AT MARCH 31, 2020****DRAFT**

	<u>2020</u>	<u>2019</u>
<b>ASSETS</b>		
Cash	\$ 175,834	\$ 168,804
Receivables		
Water rates (net of valuation allowance \$30,938)	370,963	328,418
Other	5,300	5,300
Inventory	-	74,581
Due from		
Municipal operating	-	-
Water capital	-	134,416
General capital	1,780	3,607
	<u>\$ 553,877</u>	<u>\$ 715,126</u>
<b>LIABILITIES</b>		
Payables and accruals	\$ 158,574	\$ 128,534
Deferred revenue	23,313	48,669
Customer deposits	30,185	57,352
Due to		
Municipal operating	94,194	407,275
Water capital	109,328	-
Reserve for future expenditures	62,362	42,361
	<u>477,956</u>	<u>684,191</u>
<b>ACCUMULATED SURPLUS</b>	<u>75,921</u>	<u>30,935</u>
	<u>\$ 553,877</u>	<u>\$ 715,126</u>

On behalf of the Municipality of the District of West Hants

\_\_\_\_\_  
Warden\_\_\_\_\_  
CAO

**MUNICIPALITY OF THE DISTRICT OF WEST HANTS****NON-CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES  
OF THE WATER UTILITY OPERATING FUND**

YEAR ENDED MARCH 31, 2020

**DRAFT**

	<u>Budget</u> <u>(unaudited)</u>	<u>2020</u> <u>Actual</u>	<u>2019</u> <u>Actual</u>
<b>OPERATING REVENUE</b>			
Revenue from water rates	\$ 1,513,800	\$ 1,391,079	\$ 1,449,259
Water supply for fire protection	605,838	710,584	524,438
Other	11,000	11,850	15,476
Interest	2,000	3,844	3,427
Sprinkler service	1,000	900	2,860
	<u>2,133,638</u>	<u>2,118,257</u>	<u>1,995,460</u>
<b>OPERATING EXPENDITURES</b>			
Source of supply (page 37)	430,500	519,069	445,867
Power and pumping (page 37)	42,500	116,545	40,150
Water treatment (page 37)	311,379	310,736	282,287
Transmission and distribution (page 37)	640,378	479,669	580,391
Administration and general (page 37)	215,900	174,749	187,887
Depreciation	379,526	344,453	325,883
	<u>2,020,183</u>	<u>1,945,221</u>	<u>1,862,465</u>
<b>NET OPERATING REVENUE (EXPENDITURES)</b>	<u>113,455</u>	<u>173,036</u>	<u>132,995</u>
<b>NON-OPERATING REVENUE</b>			
Other	3,500	3,491	6,592
	<u>3,500</u>	<u>3,491</u>	<u>6,592</u>
<b>NON-OPERATING EXPENDITURES</b>			
Capital expenditures out of revenue	-	8,852	-
Transfer to reserves	10,000	20,000	
Debenture principal	60,133	60,133	
Interest repayment	46,822	42,556	
	<u>116,955</u>	<u>131,541</u>	<u>-</u>
<b>Change in fund balance</b>	-	44,986	139,587
<b>Opening fund balance</b>		<u>30,935</u>	<u>172,845</u>
<b>Closing fund balance</b>		<u>\$ 75,921</u>	<u>\$ 312,432</u>

**MUNICIPALITY OF THE DISTRICT OF WEST HANTS****NON-CONSOLIDATED SCHEDULE OF EXPENDITURES OF THE  
WATER UTILITY OPERATING FUND**

YEAR ENDED MARCH 31, 2020

**DRAFT**

	<u>Budget</u> <u>(unaudited)</u>	<u>2020</u> <u>Actual</u>	<u>2019</u> <u>Actual</u>
<b>Source of supply</b>			
Supervision and engineering	\$ 36,000	\$ 110,455	\$ 34,389
Supplies and other expenses	7,500	8,011	
Water purchased	385,500	400,467	409,723
Maintenance of plant	1,500	136	1,755
	<u>\$ 430,500</u>	<u>\$ 519,069</u>	<u>\$ 445,867</u>
<b>Power and pumping</b>			
Supervision and engineering	\$ 36,000	\$ 110,455	\$ 34,389
Power purchased	6,000	5,284	5,309
Maintenance	500	806	452
	<u>\$ 42,500</u>	<u>\$ 116,545</u>	<u>\$ 40,150</u>
<b>Water treatment</b>			
Supervision and engineering	\$ 105,000	\$ 110,455	\$ 97,371
Power purchased	60,000	18,044	59,599
Supplies and expenses	64,000	79,616	62,866
Insurance	-	-	2,953
Maintenance of structures and improvements	40,379	44,066	40,634
Maintenance of equipment	42,000	58,555	18,864
	<u>\$ 311,379</u>	<u>\$ 310,736</u>	<u>\$ 282,287</u>
<b>Transmission and distribution</b>			
Supervision and engineering	\$ 451,500	\$ 288,887	\$ 344,829
Maintenance	115,878	106,210	157,841
Rent	1,500	247	7,506
Transportation	53,500	38,915	31,687
Other	18,000	45,410	38,528
	<u>\$ 640,378</u>	<u>\$ 479,669</u>	<u>\$ 580,391</u>
<b>Administration and general</b>			
General office expenses	\$ 144,100	\$ 147,063	\$ 123,831
Professional fees	13,000	13,557	14,069
Regulatory fees	8,000	3,975	2,813
Insurance	9,200	9,859	7,720
Taxes	38,600	139	37,911
Other	3,000	156	1,543
	<u>\$ 215,900</u>	<u>\$ 174,749</u>	<u>\$ 187,887</u>

**MUNICIPALITY OF THE DISTRICT OF WEST HANTS****NON-CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
OF THE WATER UTILITY CAPITAL FUND****AS AT MARCH 31, 2020****DRAFT**

	<u>2020</u>	<u>2019</u>
<b>ASSETS</b>		
Cash	\$ 386,012	\$ 425,566
Cash - depreciation	394,896	393,838
Receivables	4,204	4,204
Due from		
General operating	201,176	375,764
General capital	-	5,823
Water operating	109,328	-
Special reserves	170,762	475,722
	<u>1,266,378</u>	<u>1,680,917</u>
Capital assets at cost	14,458,149	13,440,579
Accumulated amortization	(3,910,499)	(3,613,538)
	<u>10,547,650</u>	<u>9,827,041</u>
	<u>\$ 11,814,028</u>	<u>\$ 11,507,958</u>
<b>LIABILITIES</b>		
Deposits	\$ 11,643	\$ 18,643
Payables and accruals	-	809
Deferred government assistance	1,085,179	1,075,371
Deferred capital contributions	508,331	508,331
Nova Scotia Municipal Finance Corporation	894,138	954,271
Due to		
General operating	-	19,446
General capital	82,260	-
Water operating	-	134,416
	<u>2,581,551</u>	<u>2,711,287</u>
<b>FUND BALANCE</b>	<u>9,232,477</u>	<u>8,796,671</u>
	<u>\$ 11,814,028</u>	<u>\$ 11,507,958</u>

On behalf of the Municipality of the District of West Hants

\_\_\_\_\_  
Warden\_\_\_\_\_  
CAO

**MUNICIPALITY OF THE DISTRICT OF WEST HANTS****NON-CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES  
OF THE WATER UTILITY CAPITAL FUND**

YEAR ENDED MARCH 31, 2020

**DRAFT**

	<u>2020</u>	<u>2019</u>
<b>REVENUE</b>		
Interest income	\$ 16,155	\$ 18,098
Connection charge	-	-
	<u>16,155</u>	<u>18,098</u>
<b>EXPENDITURES</b>		
Write off of water assets	74,289	99,641
Amortization	344,453	325,883
	<u>418,742</u>	<u>425,524</u>
<b>NET EXPENDITURES</b>	<u>(402,587)</u>	<u>(407,426)</u>
<b>FINANCING AND TRANSFERS</b>		
Repayment of debt	60,133	60,133
Net transfers from own reserves, funds and agencies		
Gas tax reserve	411,360	427,500
Other funds	22,447	-
Water reserve (depreciation fund)	344,453	325,883
Total financing and net transfers	<u>838,393</u>	<u>813,516</u>
<b>Change in fund balance</b>	435,806	406,090
<b>Opening fund balance</b>	<u>8,796,671</u>	<u>8,390,581</u>
<b>Closing fund balance</b>	<u>\$ 9,232,477</u>	<u>\$ 8,796,671</u>

**MUNICIPALITY OF THE DISTRICT OF WEST HANTS**

**NON-CONSOLIDATED STATEMENT OF  
FINANCIAL POSITION OF THE OPERATING RESERVE FUNDS**

**AS AT MARCH 31, 2020**

**DRAFT**

	<u>2020</u>	<u>2019</u>
<b>ASSETS</b>		
Cash	\$ 465,075	\$ 833,476
Due from		
Municipal operating	2,721,777	2,129,699
Special reserves	433,963	433,963
	<u>\$ 3,620,815</u>	<u>\$ 3,397,138</u>
Due to		
General capital	\$ 1,388,703	\$ 18,052
<b>RESERVE</b>	<u>2,232,112</u>	<u>3,379,086</u>
	<u>\$ 3,620,815</u>	<u>\$ 3,397,138</u>

**MUNICIPALITY OF THE DISTRICT OF WEST HANTS**

**NON-CONSOLIDATED STATEMENT OF  
FINANCIAL ACTIVITIES OF THE OPERATING RESERVE FUNDS**

**YEAR ENDED MARCH 31, 2020**

**DRAFT**

	Operating	Equipment Operating Reserve	Landfill Reserve	TMP Sewer Reserve	Carryover Reserve	General Fund Snow Removal Reserve	Hantsport Snow Removal Reserve	Balance forward
								2020
<b>REVENUE</b>								
Interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Conditional transfers	-	-	-	-	-	-	-	-
<b>EXPENDITURES</b>								
	-	-	-	-	-	-	-	-
<b>NET REVENUE</b>								
	-	-	-	-	-	-	-	-
<b>FINANCING AND TRANSFERS</b>								
Transfer (to) from Municipal operating	134,133	-	-	-	139,825	-	-	273,958
Transfer (to) from General capital	(1,408,549)	-	-	-	-	-	-	(1,408,549)
Total financing and transfers	(1,274,416)	-	-	-	139,825	-	-	(1,134,591)
<b>Change in fund balance</b>	(1,274,416)	-	-	-	139,825	-	-	(1,134,591)
<b>Opening fund balance</b>	3,048,737	25,444	692	242	20,005	17,851	27,105	3,140,076
<b>Closing fund balance</b>	\$ 1,774,321	\$ 25,444	\$ 692	\$ 242	\$ 159,830	\$ 17,851	\$ 27,105	\$ 2,005,485

**MUNICIPALITY OF THE DISTRICT OF WEST HANTS**

**NON-CONSOLIDATED STATEMENT OF  
FINANCIAL ACTIVITIES OF THE OPERATING RESERVE FUNDS (CONTINUED)**

**YEAR ENDED MARCH 31, 2020**

**DRAFT**

	Acquisition of Land	5% Res Land and Improvement	Operating Reserve Surplus/Deficit	Election Reserve	Boundary Review	Balance brought forward	2020	2019
<b>REVENUE</b>								
Interest	\$ -	\$ -	\$ 10,370	\$ -	\$ -	\$ -	\$ 10,370	\$ 7,046
Conditional transfers	-	-	-	-	-	-	-	-
	-	-	10,370	-	-	-	10,370	7,046
<b>EXPENDITURES</b>								
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
<b>NET REVENUE</b>	-	-	10,370	-	-	-	10,370	7,046
<b>FINANCING AND TRANSFERS</b>								
Transfer (to) from Municipal operating	-	22,247	-	-	-	273,958	296,205	1,070,096
Transfer (to) from General capital	-	(45,000)	-	-	-	(1,408,549)	(1,453,549)	(232,358)
Total financing and transfers	-	(22,753)	-	-	-	(1,134,591)	(1,157,344)	837,738
<b>Change in fund balance</b>	-	(22,753)	10,370	-	-	(1,134,591)	(1,146,974)	844,784
<b>Opening fund balance</b>	120,815	62,540	15,790	13,785	26,080	3,140,076	3,379,086	2,534,302
<b>Closing fund balance</b>	\$ 120,815	\$ 39,787	\$ 26,160	\$ 13,785	\$ 26,080	\$ 2,005,485	\$ 2,232,112	\$ 3,379,086

**MUNICIPALITY OF THE DISTRICT OF WEST HANTS**

**NON-CONSOLIDATED STATEMENT OF  
FINANCIAL POSITION OF THE SPECIAL RESERVE FUNDS**

**AS AT MARCH 31, 2020**

**DRAFT**

	<u>2020</u>	<u>2019</u>
<b>ASSETS</b>		
Cash	\$ 5,706,785	\$ 7,265,241
Accounts Receivable	2,425	2,425
Due from		
Municipal operating	1,670,677	463,156
General capital	-	-
	<u>\$ 7,379,887</u>	<u>\$ 7,730,822</u>
Due to		
General capital	\$ 150,020	\$ 1,066,638
Water capital	170,763	7,499
Municipal operating	433,964	433,963
Falmouth water capital	-	468,223
	<u>754,747</u>	<u>1,976,323</u>
	<u>6,625,140</u>	<u>5,754,499</u>
<b>RESERVE</b>	<u>\$ 7,379,887</u>	<u>\$ 7,730,822</u>

**MUNICIPALITY OF THE DISTRICT OF WEST HANTS**

**NON-CONSOLIDATED STATEMENT OF  
FINANCIAL ACTIVITIES OF THE SPECIAL RESERVE FUNDS**

**YEAR ENDED MARCH 31, 2020**

**DRAFT**

	Gas Tax Reserve	Capital Grant Reserve	Sale of Land Reserve	Sinking Fund Reserve	Landfill Closure Reserve	Equipment Reserve	Interest Earned Reserve	Balance forward 2020
<b>REVENUE</b>								
Interest	\$ 126,828	\$ -	\$ -	\$ -	\$ 376	\$ -	\$ 6,085	\$ 133,289
Conditional transfers	1,589,479	-	-	-	-	-	-	1,589,479
Proceeds from sale of school	-	-	-	-	-	-	-	-
Gain on disposal of asset	-	-	-	-	-	-	-	-
	<b>1,716,307</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>376</b>	<b>-</b>	<b>6,085</b>	<b>1,722,768</b>
<b>EXPENDITURES</b>								
Contributions to other organizations	-	-	-	-	-	-	-	-
<b>NET REVENUE</b>	<b>1,716,307</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>376</b>	<b>-</b>	<b>6,085</b>	<b>1,722,768</b>
<b>FINANCING AND TRANSFERS</b>								
Transfer (to) from Municipal operating	-	-	548	-	(59,297)	-	-	(58,749)
Transfer (to) from General capital	(1,029,758)	-	(548)	-	-	-	-	(1,030,306)
Total financing and transfers	(1,029,758)	-	-	-	(59,297)	-	-	(1,089,055)
<b>Change in fund balance</b>	<b>686,549</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(58,921)</b>	<b>-</b>	<b>6,085</b>	<b>633,713</b>
<b>Opening fund balance</b>	<b>3,972,973</b>	<b>2,327</b>	<b>4,583</b>	<b>765</b>	<b>393,595</b>	<b>-</b>	<b>1,283</b>	<b>4,375,526</b>
<b>Closing fund balance</b>	<b>\$ 4,659,522</b>	<b>\$ 2,327</b>	<b>\$ 4,583</b>	<b>\$ 765</b>	<b>\$ 334,674</b>	<b>\$ -</b>	<b>\$ 7,368</b>	<b>\$ 5,009,239</b>

**MUNICIPALITY OF THE DISTRICT OF WEST HANTS**

**NON-CONSOLIDATED STATEMENT OF  
FINANCIAL ACTIVITIES OF THE SPECIAL RESERVE FUNDS (CONTINUED)**

**YEAR ENDED MARCH 31, 2020**

**DRAFT**

	Capital Reserve	Sale of Land Reserve	Tax Sale Surplus Reserve	Sports Complex Reserve	Special Reserve Surplus/Deficit	Balance brought forward	Balance forward 2020
<b>REVENUE</b>							
Interest	\$ -	\$ -	\$ -	\$ -	\$ 11,834	\$ 133,289	\$ 145,123
Conditional transfers	-	-	-	-	-	1,589,479	1,589,479
Proceeds from sale of school	-	-	-	-	-	-	-
Gain on disposal of asset	-	-	-	-	-	-	-
	-	-	-	-	11,834	1,722,768	1,734,602
<b>EXPENDITURES</b>							
Contributions to other organizations	-	-	-	-	-	-	-
<b>NET REVENUE</b>	-	-	-	-	11,834	1,722,768	1,734,602
<b>FINANCING AND TRANSFERS</b>							
Transfer (to) from Municipal operating	-	-	483	89,834	4,068	(58,749)	35,636
Transfer (to) from General capital	-	-	-	-	-	(1,030,306)	(1,030,306)
Total financing and transfers	-	-	483	89,834	4,068	(1,089,055)	(994,670)
<b>Change in fund balance</b>	-	-	483	89,834	15,902	633,713	739,932
<b>Opening fund balance</b>	56,802	1,479	26,705	-	22,279	4,375,526	4,482,791
<b>Closing fund balance</b>	\$ 56,802	\$ 1,479	\$ 27,188	\$ 89,834	\$ 38,181	\$ 5,009,239	\$ 5,222,723

**MUNICIPALITY OF THE DISTRICT OF WEST HANTS**

**NON-CONSOLIDATED STATEMENT OF  
FINANCIAL ACTIVITIES OF THE SPECIAL RESERVE FUNDS (CONTINUED)**

**YEAR ENDED MARCH 31, 2020**

**DRAFT**

	Hantsport - Smoothing Reserve	Roads - Hantsport Dissolution Reserve	Roads - Operating Reserve	Post Transition - Hantsport Dissolution Reserve	Dissolution sale of asset Reserve	Balance brought forward	Balance forward 2020
<b>REVENUE</b>							
Interest	\$ -	\$ -	\$ -	\$ 11,834	\$ -	\$ 145,123	\$ 156,957
Conditional transfers	-	-	-	61,000	-	1,589,479	1,650,479
Proceeds from sale of school	-	-	-	-	-	-	-
Gain on disposal of asset	-	-	-	-	-	-	-
	-	-	-	72,834	-	1,734,602	1,807,436
<b>EXPENDITURES</b>							
Contributions to other organizations	-	-	-	-	-	-	-
<b>NET REVENUE</b>	-	-	-	72,834	-	1,734,602	1,807,436
<b>FINANCING AND TRANSFERS</b>							
Transfer (to) from Municipal operating	-	78,463	23,400	(69,041)	-	35,636	68,458
Transfer (to) from General capital	-	(171,563)	(23,400)	-	-	(1,030,306)	(1,225,269)
Total financing and transfers	-	(93,100)	-	(69,041)	-	(994,670)	(1,156,811)
<b>Change in fund balance</b>	-	(93,100)	-	3,793	-	739,932	650,625
<b>Opening fund balance</b>	300,150	93,100	-	376,857	29,757	4,482,791	5,282,655
<b>Closing fund balance</b>	\$ 300,150	\$ -	\$ -	\$ 380,650	\$ 29,757	\$ 5,222,723	\$ 5,933,280

**MUNICIPALITY OF THE DISTRICT OF WEST HANTS**

**NON-CONSOLIDATED STATEMENT OF  
FINANCIAL ACTIVITIES OF THE SPECIAL RESERVE FUNDS (CONTINUED)**

**YEAR ENDED MARCH 31, 2020**

**DRAFT**

	Infrastructure - Hantsport Dissolution Reserve	Hantsport Infrastructure Reserve	Balance brought forward	2020	2019
<b>REVENUE</b>					
Interest	\$ -	\$ -	\$ 156,957	\$ 156,957	\$ 124,627
Conditional transfers	366,000	-	1,650,479	2,016,479	1,120,633
Proceeds from sale of school	-	-	-	-	-
Gain on disposal of asset	-	-	-	-	26,507
	<b>366,000</b>	<b>-</b>	<b>1,807,436</b>	<b>2,173,436</b>	<b>1,271,767</b>
<b>EXPENDITURES</b>					
Contributions to other organizations	-	-	-	-	98,388
<b>NET REVENUE</b>	<b>366,000</b>	<b>-</b>	<b>1,807,436</b>	<b>2,173,436</b>	<b>1,173,379</b>
<b>FINANCING AND TRANSFERS</b>					
Transfer (to) from Municipal operating	-	-	68,458	68,458	83,965
Transfer (to) from General capital	(394,484)	248,500	(1,225,269)	(1,371,253)	(1,291,410)
Total financing and transfers	(394,484)	248,500	(1,156,811)	(1,302,795)	(1,207,445)
<b>Change in fund balance</b>	<b>(28,484)</b>	<b>248,500</b>	<b>650,625</b>	<b>870,641</b>	<b>(34,066)</b>
<b>Opening fund balance</b>	<b>277,844</b>	<b>194,000</b>	<b>5,282,655</b>	<b>5,754,499</b>	<b>5,788,565</b>
<b>Closing fund balance</b>	<b>\$ 249,360</b>	<b>\$ 442,500</b>	<b>\$ 5,933,280</b>	<b>\$ 6,625,140</b>	<b>\$ 5,754,499</b>

**MUNICIPALITY OF THE DISTRICT OF WEST HANTS**

**NON-CONSOLIDATED STATEMENT OF  
FINANCIAL POSITION OF THE CAPITAL RESERVE FUNDS**

**AS AT MARCH 31, 2020**

**DRAFT**

	<u>2020</u>	<u>2019</u>
<b>ASSETS</b>		
Cash	\$ 433,178	\$ 128,392
Due from		
Municipal operating	<u>1,769,657</u>	<u>1,522,642</u>
	<u>\$ 2,202,835</u>	<u>\$ 1,651,034</u>
Due to		
General capital	\$ 93,467	\$ 162,740
<b>RESERVE</b>	<u>2,109,368</u>	<u>1,488,294</u>
	<u>\$ 2,202,835</u>	<u>\$ 1,651,034</u>

**MUNICIPALITY OF THE DISTRICT OF WEST HANTS**

**NON-CONSOLIDATED STATEMENT OF  
FINANCIAL ACTIVITIES OF THE CAPITAL RESERVE FUNDS**

**YEAR ENDED MARCH 31, 2020**

**DRAFT**

	Building Reserve	Transportation Reserve	Vehicle Reserve	TMP Sewer Reserve	Falmouth Sewer Reserve	Hantsport Sewer Reserve	Interest Earned Reserve	2020	2019
<b>REVENUE</b>									
Interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,948	\$ 9,948	\$ 2,755
Conditional transfers	-	-	-	-	-	-	-	-	-
							<b>9,948</b>	<b>9,948</b>	<b>2,755</b>
<b>EXPENDITURES</b>									
Contributions to other organizations	-	-	-	-	-	-	-	-	-
<b>NET REVENUE</b>	-	-	-	-	-	-	<b>9,948</b>	<b>9,948</b>	<b>2,755</b>
<b>FINANCING AND TRANSFERS</b>									
Transfer (to) from Municipal operating	160,161	125,372	10,525	110,741	219,935	20,566	-	647,300	519,681
Transfer (to) from General capital	(8,656)	(24,388)	-	-	-	-	-	(33,044)	(132,314)
Transfer (to) from Transportation reserve	-	-	-	-	-	-	-	-	-
Transfer (to) from TMP Sewer reserve	-	-	-	(1,565)	(1,565)	-	-	(3,130)	-
Transfer (to) from Falmouth Sewer reserve	-	-	-	-	-	-	-	-	-
Total financing and transfers	151,505	100,984	10,525	109,176	218,370	20,566	-	611,126	387,367
<b>Change in fund balance</b>	151,505	100,984	10,525	109,176	218,370	20,566	9,948	621,074	390,122
<b>Opening fund balance</b>	528,948	137,873	37,830	293,876	452,605	31,400	5,762	1,488,294	1,098,172
<b>Closing fund balance</b>	<b>\$ 680,453</b>	<b>\$ 238,857</b>	<b>\$ 48,355</b>	<b>\$ 403,052</b>	<b>\$ 670,975</b>	<b>\$ 51,966</b>	<b>\$ 15,710</b>	<b>\$ 2,109,368</b>	<b>\$ 1,488,294</b>

**MUNICIPALITY OF THE DISTRICT OF WEST HANTS**

**NON-CONSOLIDATED STATEMENT OF FINANCIAL  
POSITION OF THE SCHOOL FUNDS**

**AS AT MARCH 31, 2020**

**DRAFT**

	<u>2020</u>	<u>2019</u>
<b>ASSETS</b>		
Falmouth District School	\$ 277,199	\$ 277,199
School Bus garage	<u>407,273</u>	<u>407,273</u>
	684,472	684,472
Accumulated amortization	<u>(684,472)</u>	<u>(682,080)</u>
	<u>\$ -</u>	<u>\$ 2,392</u>
<b>SURPLUS</b>	<u>\$ -</u>	<u>\$ 2,392</u>

**MUNICIPALITY OF THE DISTRICT OF WEST HANTS**

**NON-CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES  
OF THE SCHOOL FUNDS**

**YEAR ENDED MARCH 31, 2020**

	<u>2020</u>	<u>2019</u>
<b>Expense</b>		
Amortization	\$ 2,392	\$ 17,112
<b>Change in fund balance</b>	<u>(2,392)</u>	<u>(17,112)</u>
<b>Opening fund balance</b>	2,392	19,504
<b>Closing fund balance</b>	<u>\$ -</u>	<u>\$ 2,392</u>

On behalf of the Municipality of the District of West Hants

\_\_\_\_\_  
Warden

\_\_\_\_\_  
CAO

**MUNICIPALITY OF THE DISTRICT OF WEST HANTS**

**NON-CONSOLIDATED STATEMENT OF  
FINANCIAL POSITION OF THE CEMETERY FUND**

**AS AT MARCH 31, 2020**

**DRAFT**

	<u>2020</u>	<u>2019</u>
<b>ASSETS</b>		
Cash	\$ 1,808	\$ 1,772
Land	<u>42,591</u>	<u>42,591</u>
	<u>\$ 44,399</u>	<u>\$ 44,363</u>
Due to		
Municipal operating	\$ 2,817	\$ 1,882
Deferred revenue	<u>1,000</u>	<u>1,000</u>
	<u>3,817</u>	<u>2,882</u>
<b>ACCUMULATED SURPLUS</b>	<u>40,582</u>	<u>41,481</u>
	<u>\$ 44,399</u>	<u>\$ 44,363</u>

**MUNICIPALITY OF THE DISTRICT OF WEST HANTS**

**NON-CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES  
OF THE CEMETERY FUND**

**YEAR ENDED MARCH 31, 2020**

**DRAFT**

	<u>2020</u> <u>Actual</u>	<u>2019</u> <u>Actual</u>
<b>REVENUE</b>		
Operating grant	\$ 37,674	\$ 30,175
Interest income	37	46
Sale of lots	1,023	878
Care of lots	1,445	1,445
	<u>40,179</u>	<u>32,544</u>
<b>EXPENDITURES</b>		
Wages	36,870	22,800
Ground maintenance	1,446	1,056
Equipment maintenance	1,772	353
General projects	-	4,468
Tree planting	-	-
Miscellaneous	990	1,287
	<u>41,078</u>	<u>29,964</u>
<b>Change in fund balance</b>	(899)	2,580
<b>Opening fund balance</b>	<u>41,481</u>	<u>38,901</u>
<b>Closing fund balance</b>	<u>\$ 40,582</u>	<u>\$ 41,481</u>

**MUNICIPALITY OF THE DISTRICT OF WEST HANTS**

**NON-CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF THE TRUST FUNDS**

**AS AT MARCH 31, 2020**

**DRAFT**

	Perpetual Care Cemetery	Grace Oulton	Ellen Beazley Scholarship	<u>2020</u>	<u>2019</u>
<b>ASSETS</b>					
Cash	\$ 79,493		\$ (14)	\$ 79,479	\$ 72,819
Investment	62,058	19,033	-	81,091	79,442
Due from					
Municipal operating	-	-	8,370	8,370	8,370
Land	-	1	-	1	1
	<u>\$ 141,551</u>	<u>\$ 19,034</u>	<u>\$ 8,356</u>	<u>\$ 168,941</u>	<u>\$ 160,632</u>
Due to					
Municipal operating	\$ 7,315	\$ 1,025	\$ -	\$ 8,340	\$ 3,291
<b>TRUST BALANCE</b>	<b>134,236</b>	<b>18,009</b>	<b>8,356</b>	<b>160,601</b>	<b>157,341</b>
	<u>\$ 141,551</u>	<u>\$ 19,034</u>	<u>\$ 8,356</u>	<u>\$ 168,941</u>	<u>\$ 160,632</u>

**MUNICIPALITY OF THE DISTRICT OF WEST HANTS**

**NON-CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES OF THE TRUST FUNDS**

**YEAR ENDED MARCH 31, 2020**

	Perpetual Care Cemetery	Grace Oulton	Ellen Beazley Scholarship	<u>2020</u>	<u>2019</u>
<b>REVENUE</b>					
Interest earned	\$ -	\$ -	\$ -	\$ -	\$ -
Investment income	3,260	-	-	3,260	2,754
Donations	-	-	-	-	-
	<u>3,260</u>	<u>-</u>	<u>-</u>	<u>3,260</u>	<u>2,754</u>
<b>NET REVENUE</b>	<b>3,260</b>	<b>-</b>	<b>-</b>	<b>3,260</b>	<b>2,754</b>
<b>Change in fund balance</b>	<b>3,260</b>	<b>-</b>	<b>-</b>	<b>3,260</b>	<b>2,754</b>
<b>Opening fund balance</b>	<b>130,976</b>	<b>18,009</b>	<b>8,356</b>	<b>157,341</b>	<b>154,587</b>
<b>Closing fund balance</b>	<u><b>\$ 134,236</b></u>	<u><b>\$ 18,009</b></u>	<u><b>\$ 8,356</b></u>	<u><b>\$ 160,601</b></u>	<u><b>\$ 157,341</b></u>

On behalf of the Municipality of the District of West Hants

Warden

CAO



## REGION OF WINDSOR AND WEST HANTS MUNICIPALITY INFORMATION REPORT

**To:** **Members Audit Committee**

**Submitted by:** \_\_\_\_\_

Carlee Rochon, Director, Financial Services

**Date:** October 22, 2020

**Subject:** **2018-19 Financial Condition Index**

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### LEGISLATIVE AUTHORITY

Municipal Government Act 44 (f)

### BACKGROUND

The FCI helps Municipal Councils and Nova Scotians make sense of municipal financial information by providing various forms of analysis in a single document. The Index is organized into three financial dimensions:

1. Roof – Assesses the overall health of the municipality
2. Structure – Factors that impact the overall health of the municipality
3. Base – Factors that the municipality does not have control over but impacts the financial health of the municipality.

The index was developed jointly by the Province of Nova Scotia, the Nova Scotia Federation of Municipalities (formally the UNSM), and the Association of Municipal Administrators.

Thresholds have been established which compare individual municipal performances against the performance of other Nova Scotian municipalities.

Financial data used to create the FCI results for West Hants and Windsor comes from the 2018-19 Financial Information Return, which is based on the audited statements.

### DISCUSSION

#### West Hants

The 2018-19 FCI summary has the overall Financial Condition rating of West Hants at Low Risk. West Hants moved from three “Yellow” indicator in 2017-18 to two “Yellow” indicators in 2018-19.



Since the 2016-17 FCI summary, we have improved on the Combined Reserve indicator by 30.0% (47.6% - 17.6%) moving this item from “Red” indicator to a “Green” indicator. Through the work of Council and staff, the Combined Reserves indicator is now a low risk. It was recognized by staff that the contributions to reserve funds as dictated by the Reserves Policy may not be enough to support capital expenditures going forward.

As part of the regional consolidation staff presented Council with a revised Reserve Policy that better supports a long-term funding strategy while ensuring healthy reserve balances. But expenditures influence this indicator, and there were a large number of major capital expenditures in 2019-20 and budgeted draws on reserves in 2020-21 that will cause in this indicator fluctuate. So, the committee should expect this factor to increase to moderate or high over the next two to three Financial Condition Index reports.

The first "Yellow" indicator relates to the 5-year budget accuracy. Based on the FCI the operating expenses were 6.4% below what was budgeted in 2017-18. This will take five reporting periods before the indicator returns to "Green".

The last "Yellow" indicator relates to tax collection. This is the third year this indicator has been at a moderate risk. Every effort is made to ensure effective tax collection is carried out, including annual tax bills, reminder letters, and the tax sale process. Late in 2018-19 the Municipality hired a Customer and Revenue Services Clerk; this individual is assisting with the monitoring and collection of outstanding accounts. Though the full benefit was not seen in the 2018-19 FCI, we hope to continually improve our collections of all outstanding receivables. In 2018-19 we also started setting minimum bids for tax sale tenders for large uncollectable tax accounts that have not sold at our annual municipal tax sale. This resulted in a cleanup of significant outstanding balances with any uncollectable portion of taxes being written off, but the full impact of this process will not show until the 2019-20 FCI report.

#### Windsor

Windsor has moved from an overall low risk assessment in 2017-18 to a moderate risk assessment in 2018-19. This is because one of the former "Green" indicators moved to a "Yellow" indicator. Resulting in three "Yellow" indicators in 2018-19, and one "Red" indicator.



The 5-year budget accuracy indicator shows that three of the last five years the Town consistently maintained their expenditure spending within the budget limits. But in 2013, 2017 and 2018, the Municipality's actual expenditures were 7.6%, 5.2% and 6.4% less than the budget. This is why the indicator is "Red" and it will take time to move this back to a "Green" status. Budget accuracy indicator shows how precise expenses were estimated to fairly set tax rates.

The "Yellow" residential tax effort result indicates the current affordability of the Town's taxes in relation to the current service levels. 4.8% of the median household income is required to pay the average tax bill, which shows a limited ability to raise tax revenues without increasing this indicator.

The Town's tax base is not keeping up with the cost of municipal services and programs, this is shown by the "Yellow" indicator for three-year change in tax base. This is determined by comparing property assessment growth to the change in the Customer Price Index.

The last "Yellow" indicator for debt servicing was "Green" in 2017-18 but has moved from 8.2% to moderate risk at 11.5%. Which means the Town spent 3.3% of revenue on debt principal and interest payments. This indicator ensure the Town has adequate cash flows to support increases in borrowing to help fund capital purchases. Moderate risk means there is less flexibility in the Town's cash flows and increase risk in borrowing.

**FINANCIAL IMPLICATIONS**

There are no financial implications.

**ATTACHMENTS**

- FCI Municipal Report – Municipality of the District of West Hants
- FCI Municipal Report – Town of Windsor

Report Prepared by: \_\_\_\_\_  
Carlee Rochon, Director, Financial Services

Report Reviewed by:  \_\_\_\_\_  
Mark Phillips, Chief Administrative Officer



# Municipal Report



**Municipality of the  
District of West Hants  
Department of Municipal Affairs  
and Housing**

Municipal Profile and  
Financial Condition Indicators Results

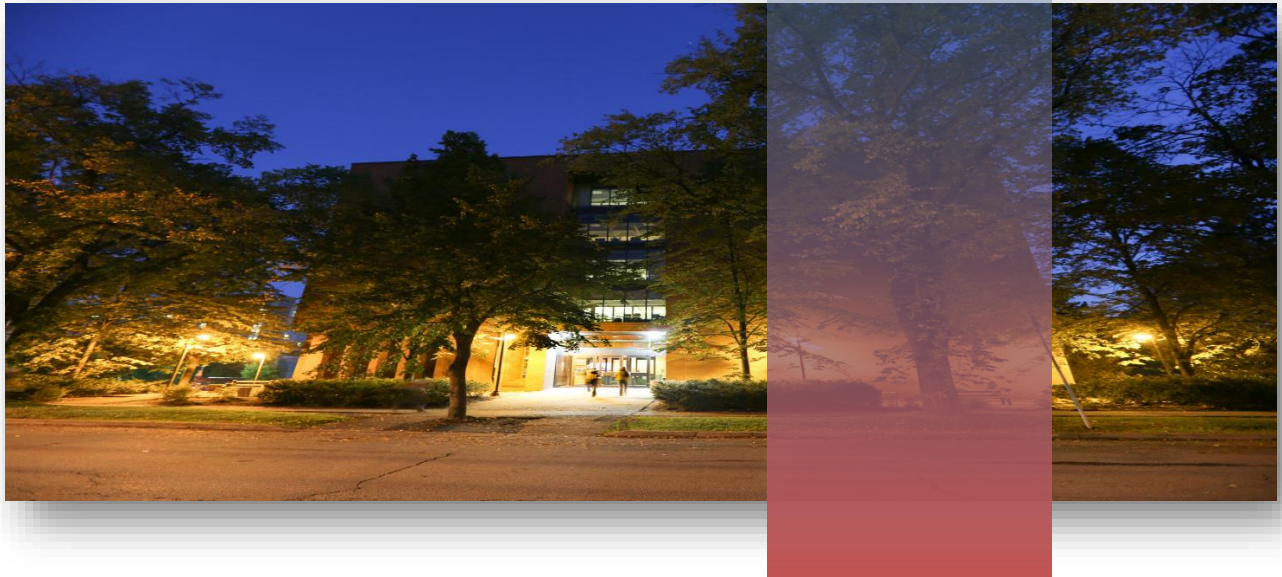
2019



Table of Contents	
Introduction.....	4
Chapter 1 - Highlights .....	5
Municipal Highlights.....	5
About the Municipality .....	5
Population Highlights .....	5
Financial Highlights .....	6
Revenue.....	6
Expenses .....	6
Annual Surplus.....	6
Debt .....	6
Financial Condition Indicators Highlights .....	7
Chapter 2 - Municipal Profile.....	9
Municipal Composition .....	10
Population Trends.....	10
Economic Indicators.....	12
Chapter 3 - Financial Information.....	13
General Overview: .....	13
Financial Reporting Compliance: .....	13
Revenue:.....	14
Property Assessment Information .....	16
Expenses: .....	17
Accumulated Surplus (Deficit) .....	20
Debt .....	21
Chapter 4 - Financial Condition Indicators:.....	22
House Model .....	22
The Model:.....	22
West Hants' Overall Assessment .....	23
West Hants' House Model.....	24
The Base FCI Indicators.....	26
Reliance on a Single Business or Institution .....	26
Three-Year Change in Tax Base.....	27
Residential Tax Effort.....	28
FCI Indicators – Structure (Management) Indicators .....	29
Debt Service.....	29
Outstanding Operating Debt .....	30
Operating Reserve .....	31
Uncollected Taxes.....	32
Undepreciated Assets .....	33
5-Year Budget Accuracy .....	34
FCI- Key Performance Indicators – .....	35
Reliance on Government Transfers .....	35
Number of Deficits in the Last 5 Years.....	36

District of West Hants

Liquidity.....37  
Combined Reserves.....38  
Appendix I – Additional Resources ..... 39



## Introduction

The Department of Municipal Affairs and Housing compiles municipal indicators on behalf of the Nova Scotia Government and Association of Municipal Administrators of Nova Scotia (AMANS) that focus on three areas:

- financial matters;
- administration of the municipality; and
- characteristics of the community.

This report creates a snapshot from those financial and demographic statistics to help community members and decision makers better understand:

- the municipality in which they live;
- the municipality's key characteristics; and
- the municipality's financial risks.

The snapshot makes it easy to:

- compare the Three-Year Change in Tax Base indicator to understand the municipality's revenue growth in comparison to cost of living; and
- use the change in population to indicate whether a community's population is growing or declining and its potential impact on municipal revenues and expenses.

# Chapter 1 - Highlights

## Municipal Highlights

### About the Municipality

Name: District of West Hants  
County: Hants County  
Approximate size: 1,240 km<sup>2</sup>  
Number of dwellings: 7,656

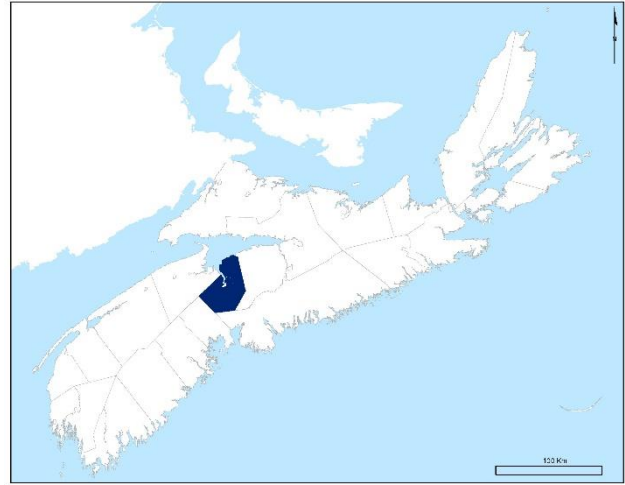


Figure 1- Location of Municipality

### Population Highlights

Population 2016: 15,370  
Population 5-year trend: +0.3%  
County 5-year trend: +0.6%  
Demographic trend: Aging

Up to 19 Yrs.	21%
20 to 59 Yrs.	51%
Over 60 Yrs.	28%

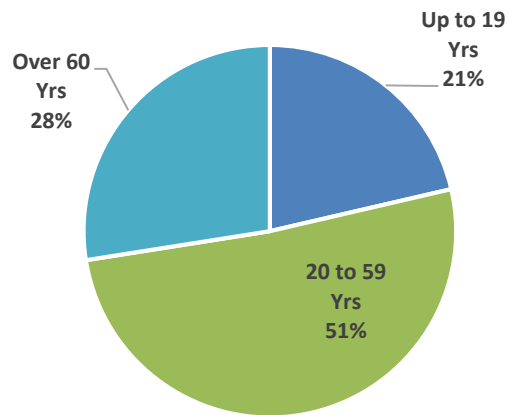


Figure 2 - Age Breakdown

## Financial Highlights

### Revenue

Total consolidated revenue:	\$16.2 million
Revenue generated from own revenue <sup>1</sup> :	85%
Total operating revenue:	\$13.0million
Largest operating revenue:	83%
	Property taxes and payments in lieu of Taxes

### Expenses

Total consolidated expenses:	\$14.6 million
Total operating fund expenses:	\$11.6 million
Largest operating fund expense:	41%
	Protective services: police and fire

### Annual Surplus

Annual consolidated surplus(deficit):	\$1.5 million
Consolidated accumulated surplus (deficit):	\$36.2 million
Annual operating surplus (deficit):	\$104 K

### Debt

Total consolidated long-term debt:	\$8.6 million
Total general fund long-term debt:	\$7.6 million
Operating fund bank indebtedness:	\$0

---

<sup>1</sup> Consolidated revenue excluding government transfers

## Financial Condition Indicators Highlights

Overall Assessment Green (low risk)

The overall Financial Conditions Index assessment for the District of West Hants is green (low risk). This means that, although the Municipality has a few challenges, it is considered low risk for fiscal instability.

As shown in the House model below, West Hants's FCIs are comprised of:

Low risk (green): 11 indicators

Moderate risk (yellow): 2 indicators

High risk (red): 0 indicator

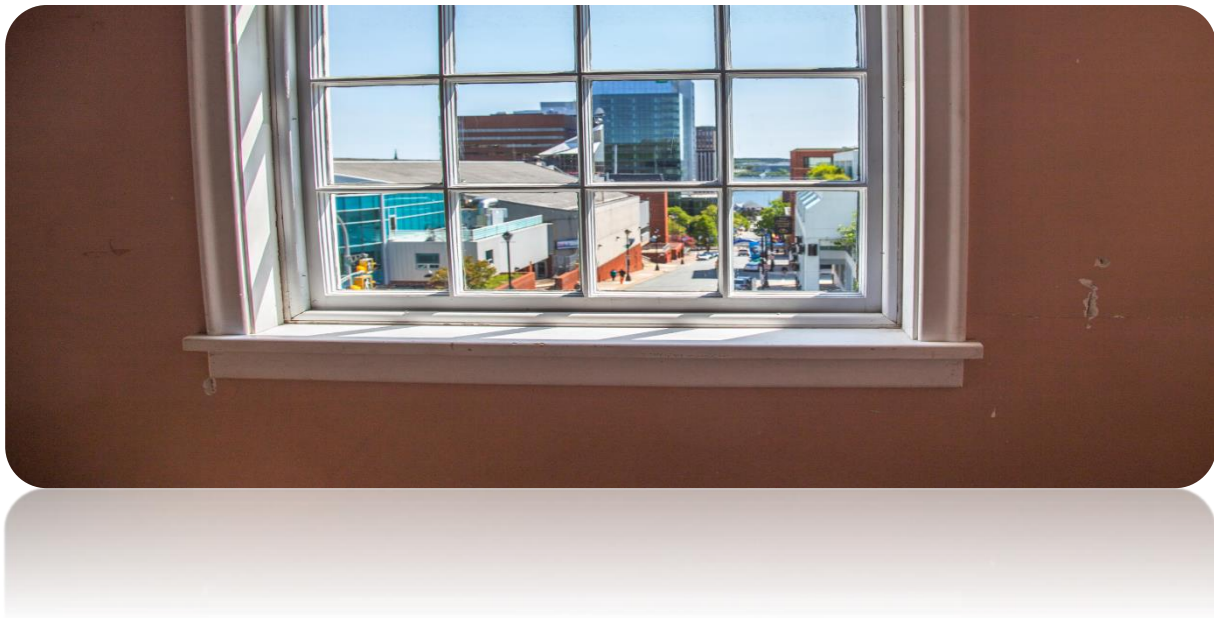
Details on the individual FCI assessments and the Municipality's specific challenges are provided below.

For more in-depth information, refer to Chapter 4.



## Two-Year Comparison of Financial Condition Indicators

BASE	2019	2018	+/-	2019 Rural Avg.
3-year Change in Tax Base*	● 8.9%	● 16.4%	-7.5%	6.9%
Reliance on a Single Business or Institution	● 1.0%	● 1.0%	-0.1%	3.3%
Residential Tax Effort	● 2.4%	● 2.4%	0.0%	2.1%
<b>STRUCTURE</b>				
Uncollected Taxes	● 13.8%	● 13.5%	0.3%	8.2%
5 Year Budget Accuracy	● 4/5	● 4/5	0	3.6/5
Operating Reserves	● 27.6%	● 22.8%	4.8%	48.7%
Debt Service	● 6.9%	● 6.8%	0.2%	4.3%
Outstanding Operating Debt	● 0.0%	● 0.0%	0.0%	3.3%
Undepreciated Assets	● 66.2%	● 69.3%	-3.1%	60.1%
<b>ROOF</b>				
Deficits in the Last 5 Years	● 0/5	● 0/5	0	0.3/5
Liquidity	● 1.8	● 3.6	-1.8	3.6
Reliance on Government Transfers	● 1.5%	● 7.5%	-6.0%	3.4%
Combined Reserve	● 47.6%	● 30.3%	17.4%	79.6%



## Chapter 2 - Municipal Profile

Municipalities are diverse and operate within unique demographic and economic characteristics. These characteristics have a significant impact on municipal performance and subsequent strategies required to ensure a sustainable environment. This chapter outlines the unique demographic and economic characteristics of the Municipality, specifically its composition, population trends, demographics, median household income levels, employment rates, and educational attainment. The municipal profile trends could have impacts on the current and potential future tax base for a municipality.

## Municipal Composition

Name: District of West Hants  
County: Hants County  
Government: 10 elected councillors (including the Warden)  
Geographic area: 1,240 km<sup>2</sup>  
Number of dwellings: 7,656

## Population Trends

Population: 15,370  
Provincial population: 1.7%  
20-year trend: Growing [supported by Figure 3 below]  
Age trend: Majority between 40-69 years of age [supported by Figure 4 below]

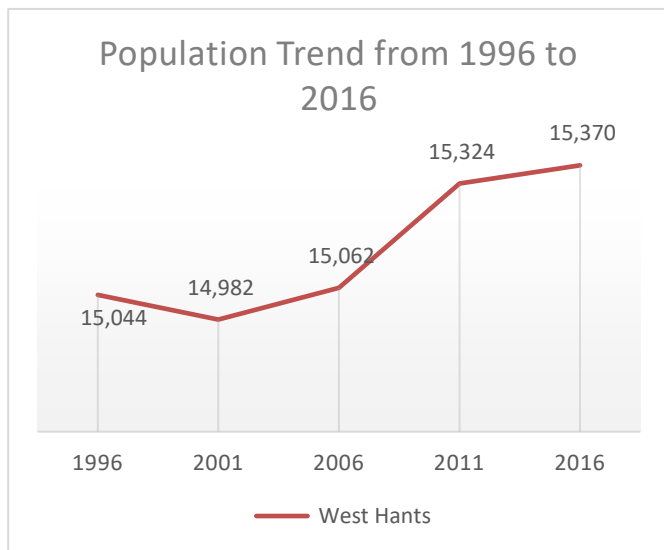


Figure 3-- Population from 1996–2016. Source: Statistics Canada

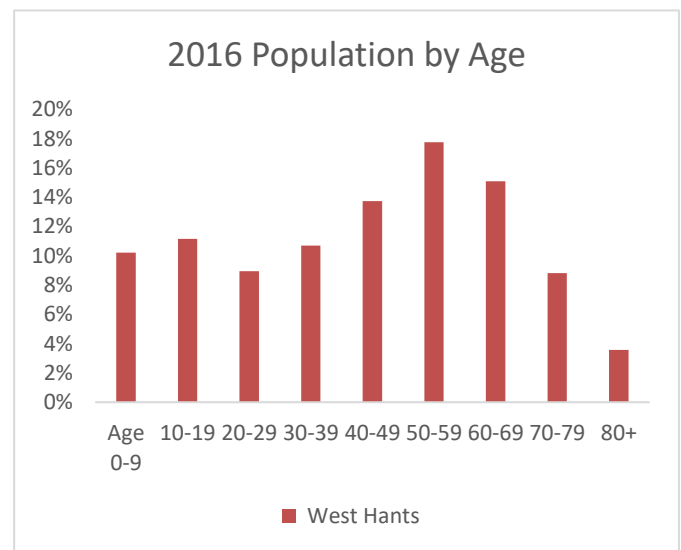


Figure 4- Population by Age, Source: Statistics Canada

## District of West Hants

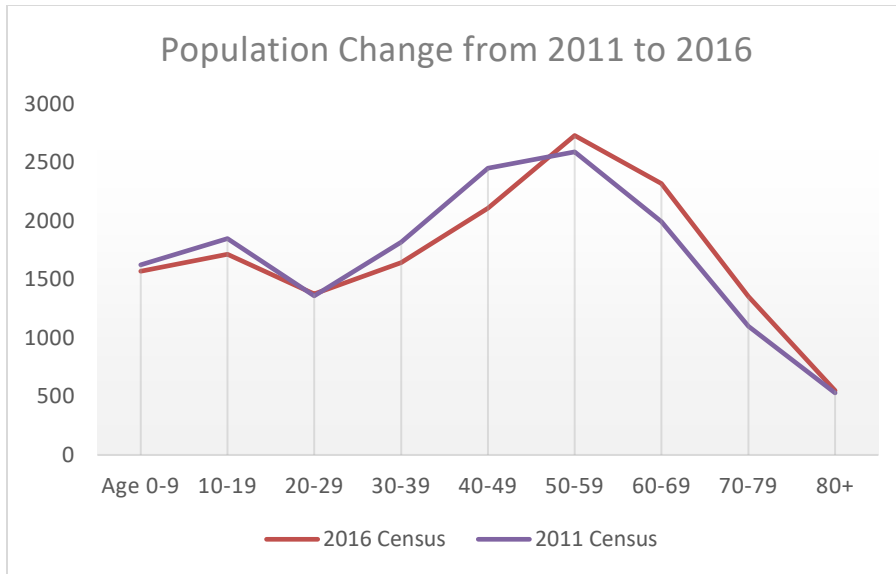


Figure 5- Population Age Change from 2011 to 2016. Source: Statistics Canada

According to the 2016 Census, similar to most rurals in Nova Scotia, the majority of West Hants's citizens are between the ages of 40 and 69.

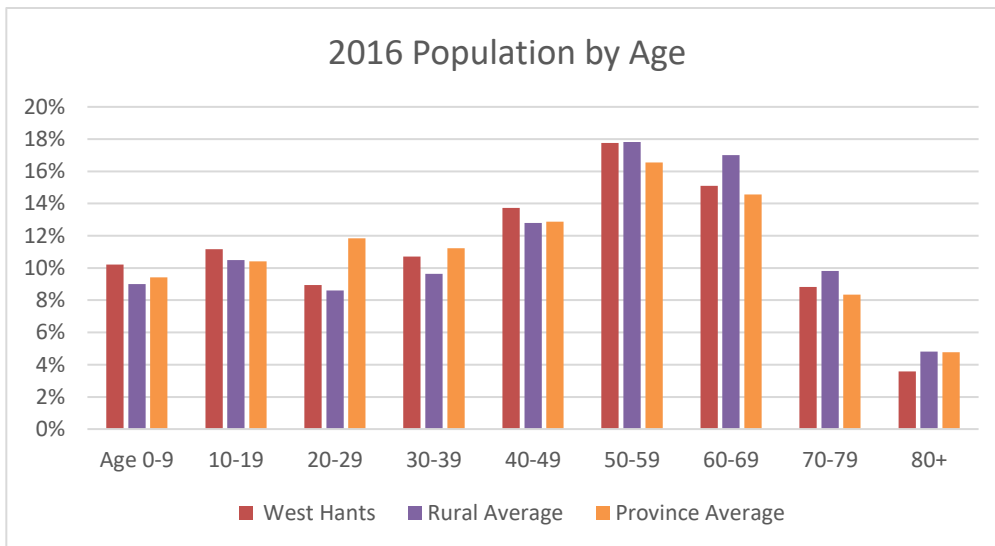


Figure 6 - Comparison of Population by Age for 2011 and 2016. Source: Statistics Canada

## Economic Indicators

Along with population trends, employment rates and median household income are important economic indicators. Education levels can also play a crucial role in economic and social progress and can help improve income distribution. These factors provide an indication of the wellbeing of the economy and labour force.

	<b>2016 Census</b>	<b>2011 Census</b>	<b>+/-</b>	<b>Rural Average</b>
<b>Median Household Income</b>	\$62,087	\$58,182	\$3,905	\$57,294
<b>Employment Rate</b>	53.9%	56.5%	-2.6%	50.1%
<b>Education Beyond High School</b>	52.5%	50.0%	2.5%	49.4%

Source: 2011 and 2016 Statistics Canada

Median household income: West Hants’s median household income is higher than the Provincial rural average, and has increased since 2011.

Employment rate: In a healthy economy, the employment rate is between 97% and 95%. The District of West Hants’s employment rate is above the Provincial rural average, although it has decreased.

Education level: West Hants’s education level is higher than the Provincial rural average and has increased since 2011.

## Chapter 3 - Financial Information

### General Overview:

Audited financial statements are presented on a consolidated basis. These consolidated financial statements present all municipal entities as one single reporting entity:

- all the individual funds managed by the Municipality
- organizations or enterprises that the Municipality owns or controls, such as:
  - Water Utility

The Municipality's non-consolidated financial statements present only the individual funds managed by the Municipality, such as the General Operating Fund, General Capital Fund, Water Operating Fund, Water Capital Fund, Non-operating Reserve Fund, and the Operating Reserve Fund. Non-consolidated financial statements are reconciled but not audited.<sup>2</sup>

### Financial Reporting Compliance:

Audited financial statements and financial information return submitted:	yes
Submission of financial information:	Before deadline <sup>3</sup>
Financial statements include:	
Remuneration and Expenses for Elected Officials and CAO/Clerk Note:	yes
Unqualified Opinion:	yes
Quarterly Expenditure report posted online:	yes
Summary Expenditure Report submitted:	yes
Statement of Estimates and assessment information submitted:	yes

---

<sup>2</sup> Please be advised that, although the Department reconciles, at a high level, a municipality's non-consolidated financial statements to the consolidated financial statements, the non-consolidated financial statements are usually not audited nor presented in full accordance with Canadian public sector accounting standards.

<sup>3</sup> Annually, municipalities are required to submit their financial information by Sept 30<sup>th</sup>.

**Revenue:**

**\$16.2 M**  
2019 Consolidated Revenue

Total consolidated revenue:	\$16.2 million
Largest revenue:	66% Taxes and Grants-in-lieu of Taxes
Revenue generated from own revenue <sup>4</sup> :	85%

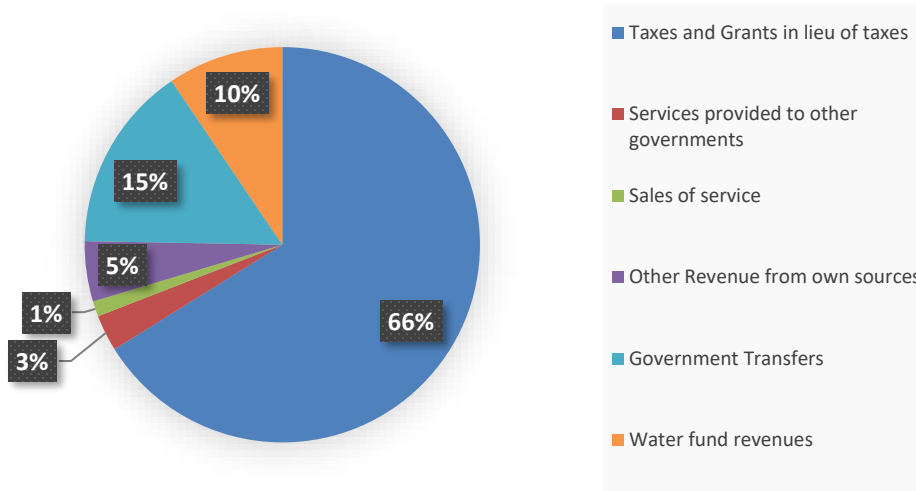


Figure 7- Consolidated Revenue Source: 2019 Financial Information Return (FIR)

The graph above and table below show the Municipality’s revenue divided into six categories on a consolidated basis.

	Consolidated Revenue
Taxes and Grants-in-lieu of taxes:	\$10.7 million
Services provided to other governments:	0.5 million
Sales of services:	0.2 million
Other revenue from own sources:	0.8 million
Government Transfers:	2.5 million
Net Income from government business enterprises:	n/a
Water Fund revenues:	1.5 million

<sup>4</sup> Consolidated revenue excluding government transfers

## \$13.0 M 2019 General Operating Revenue

Total operating revenue:	\$13.0 million
Largest revenue:	83% Property taxes and payments in lieu of taxes
Uncollected Taxes:	13.8%
Reliance on Government transfers	1.5%

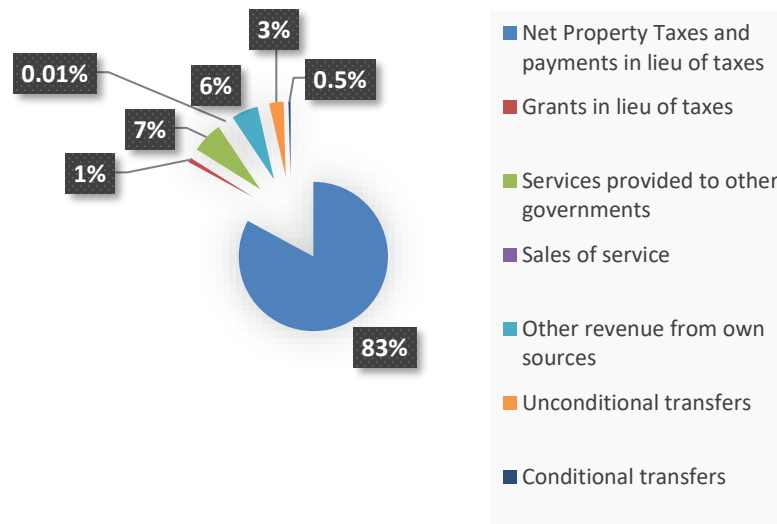


Figure 8 – General Operating Revenue Source: 2019 Financial Information Return (FIR)

The graph above and table below show the Municipality's operating fund revenue divided into 7 categories.

Net property taxes and payments in lieu of taxes:	10.8 million
Grants-in-lieu of taxes:	0.1 million
Services provided to other governments:	0.9 million
Sales of services:	8 thousand
Other revenue from own sources:	0.8 million
Unconditional transfers from other governments:	0.4 million
Conditional transfers from other governments:	60 thousand

## Property Assessment Information

Since property taxes are a primary source of revenue for most municipalities, special emphasis has been placed on reviewing assessment trends.

Three-year change in uniform assessment:<sup>5</sup> 8.9%  
 growth keeps pace with the cost of living

Highest reliance on a single business or institution: 1.0% not dependent (low risk)

Residential Tax Effort: 2.4% has some flexibility (low risk)

The line graphs below show the five-year trend for the residential and commercial portion of the municipality's uniform assessment.

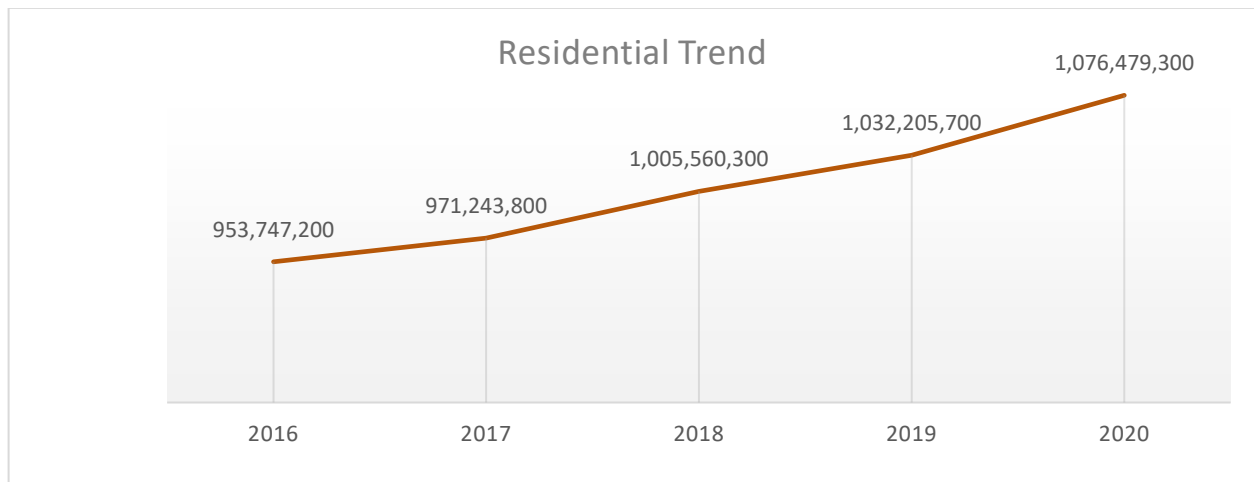


Figure 9- Residential assessment value over the last five years. Source: 2015-2019 Statement of Estimates Assessment

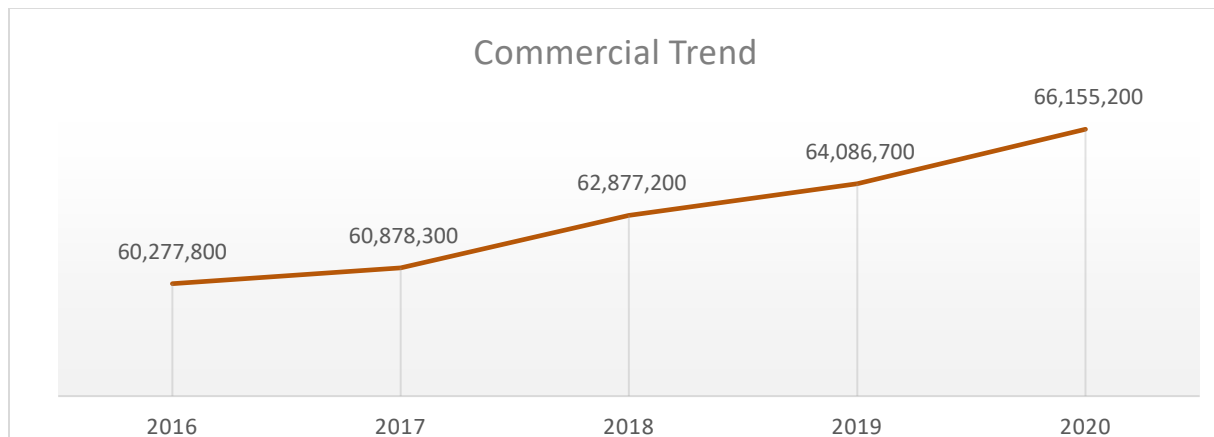


Figure 10- Commercial assessment value over the last five years. Source: 2015-2019 Statement of Estimates Assessment

<sup>5</sup> Uniform assessment is the value of a municipality's taxable property assessment plus the capitalized value of payments made in lieu of taxes.

**Expenses:**

**\$14.6 M**  
2019 Consolidated Expenses

Total consolidated expenses: \$14.6 million  
 Largest expense: 35%  
 Protective services: police and fire

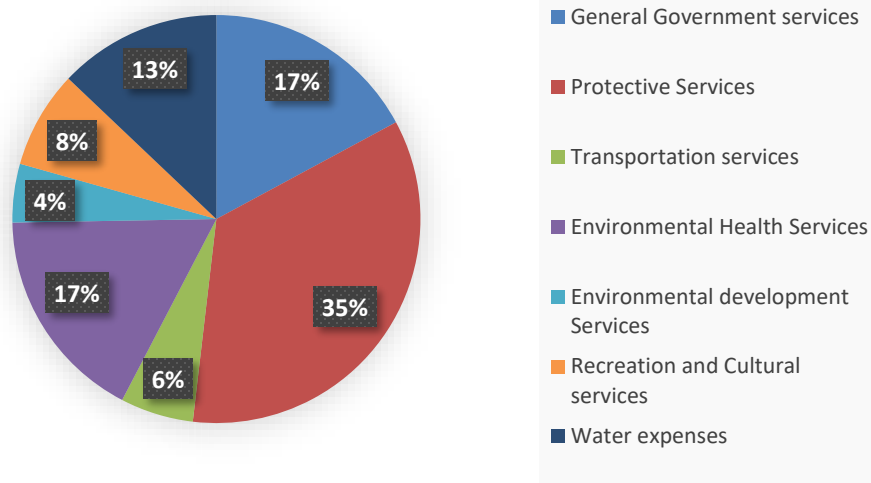


Figure 11- Consolidated Expenses Source: 2019 Financial Information Return

The graph above and table below show the Municipality’s consolidated expenses divided into seven functions.

	Consolidated Expenses
General government:	\$2.5 million
Protective services:	5.1 million
Transportations:	0.8 million
Environmental health services:	2.5 million
Public health services:	n/a
Environmental development services:	0.7 million
Recreation and Cultural:	1.1 million
Extraordinary or special items:	n/a
Water expenses:	1.9 million

# \$11.6 M

## 2019 General Expenses

Total operating fund expenses: \$11.6 million  
Largest operating fund expense: 41%  
Protective services: police and fire  
Operating reserves as percentage of expenses: 27.6% (low risk)

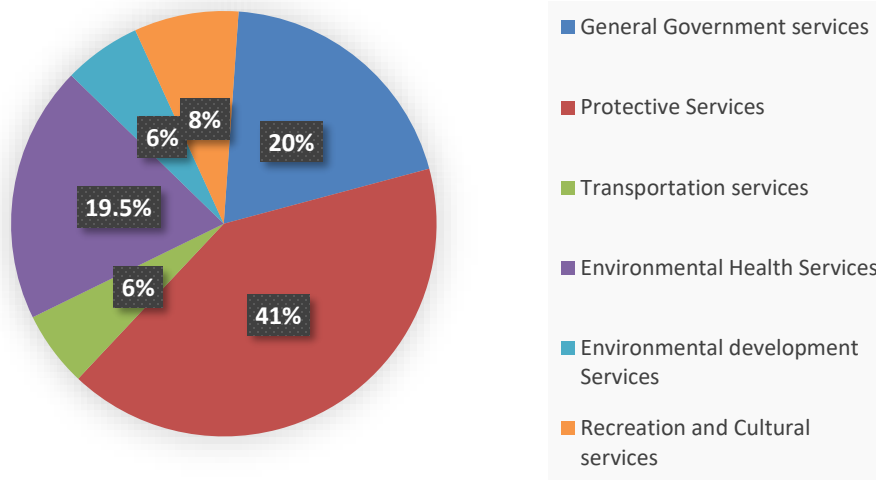


Figure 12- Operating General Fund Expenses. Source: 2019 Financial Information Return

As shown in the pie chart above, expenses for West Hants are comprised of:

General Government services:	2.3 million
Protective services:	4.7 million
Transportation services:	0.7 million
Environmental Health services:	2.2 million
Public Health services:	30 thousand
Environmental Development services:	0.7 million
Recreation and Cultural services:	0.9 million

## District of West Hants

The graph below shows the expenses by function for the municipal operations or General Operating Fund expenses compared to the provincial rural average.

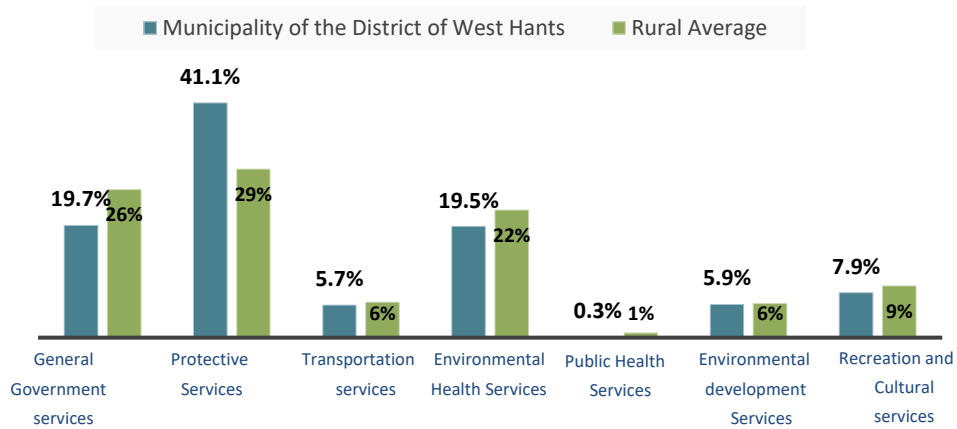


Figure 13 – Comparison of General Fund Expenses to Provincial Rural Average. Source: 2019 Financial Information Return

## Accumulated Surplus (Deficit)

Annual Surplus: Revenue - expenses

Note: This amount is added to the accumulated surplus (deficit).

Total annual consolidated surplus(deficit):	\$1.5 million
Total consolidated accumulated surplus (deficit):	\$36.2 million
Total annual operating surplus (deficit):	\$104 K
Number of operating deficits in the last 5 years:	0

## Municipality of the District of West Hants

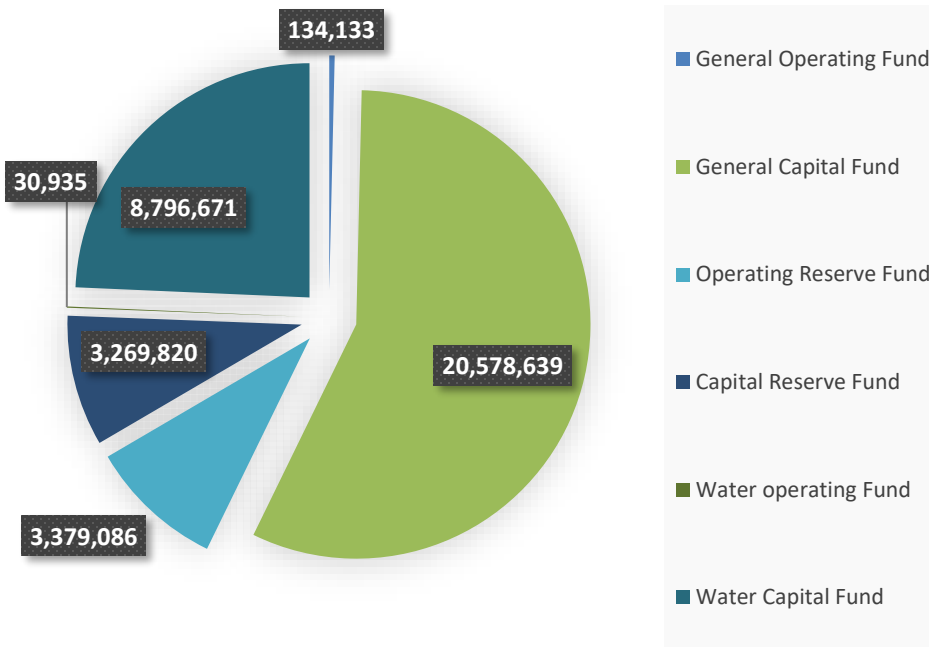


Figure 14- Consolidated Accumulated Surplus by Fund. Source: 2019 Financial Information Return

## Debt

Total consolidated long-term debt:	\$8.6 million
Total general operating fund long-term debt:	\$7.6 million
Debt Service Ratio:	6.9%
Operating fund bank indebtedness:	\$0
Outstanding operating debt as percentage of: Net Property Taxes/Payments in Lieu of Taxes, Grants in Lieu of Taxes, and Government Transfers	0.0%

## Chapter 4 - Financial Condition Indicators: House Model

The Financial Condition Indicators (FCIs)<sup>6</sup> condense multiple sources of information into a single visual “House Model” graph. The House Model gives a quick visual of a municipality’s strengths and possible areas where a municipality may want to focus its attention.

### The Model:

The Model consists of 13 indicators organized into base, structure and roof, focusing on:

- roof: 4 key performance indicators;
- structure: 6 financial indicators that concern management and debt; and
- base: 3 indicators relating to internal and external factors that could impact the municipality’s revenue stream.

### Risk thresholds:

Each indicator is assessed against a risk threshold:

- low risk (**green**);
- moderate risk (**yellow**); and
- high risk (**red**).

### Overall assessment:

The Department calculates an overall assessment for fiscal instability:

- low risk (**green**): 10–13 FCIs meets low risk threshold;
- Moderate risk (**yellow**): 8–9 FCIs meets low risk threshold; and
- High risk (**red**): 7 or less FCIs meets low risk threshold.

## West Hants's Overall Assessment

**Overall Assessment for:** West Hants

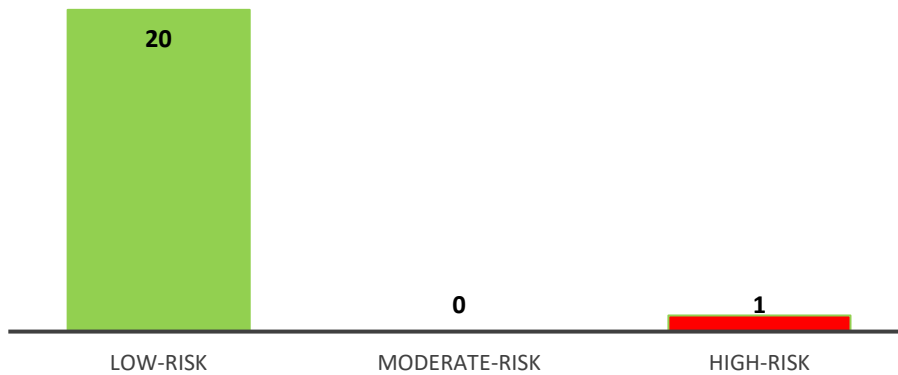
**Financial Condition:** **Low risk**

The overall Financial Conditions Index assessment for the District of West Hants is green (low risk).

This means that, although the Municipality has a few challenges, it is considered low risk for fiscal instability.

**Comparison:** Most of rurals municipalities are at low risk (see chart below).

### Rural's Overall Results 2018-2019



## West Hants's House Model

As shown in the House model below, West Hants' FCIs are comprised of:

**Low risk:** 11 indicators

**Moderate risk:** 2 indicators

**High risk:** 0 indicator

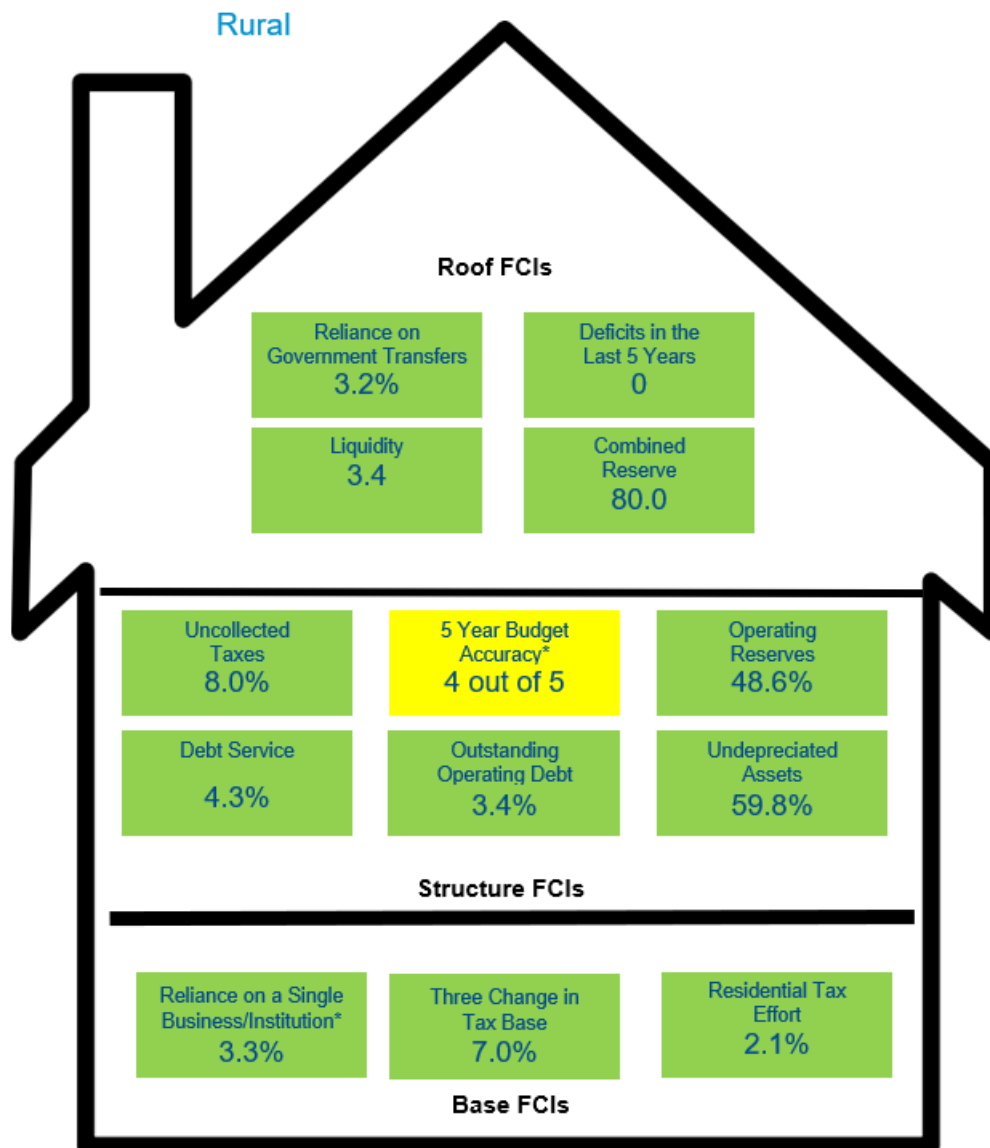
The House Model below provides details on the individual FCI assessments and the Municipality's specific challenges.



Please note FCIs are based on non-consolidated data.

### Rurals' Average House Model

The model below shows that, in general Nova Scotia's rurals are experiencing a few challenges.



On average, the Rurals' challenges are concerning budget accuracy

## The Base FCI Indicators

### Reliance on a Single Business or Institution

**2019 Results:**            **Low risk: 1.0%**

The largest single commercial or institutional account is only 1.0% of the Municipality's total Uniform Assessment.

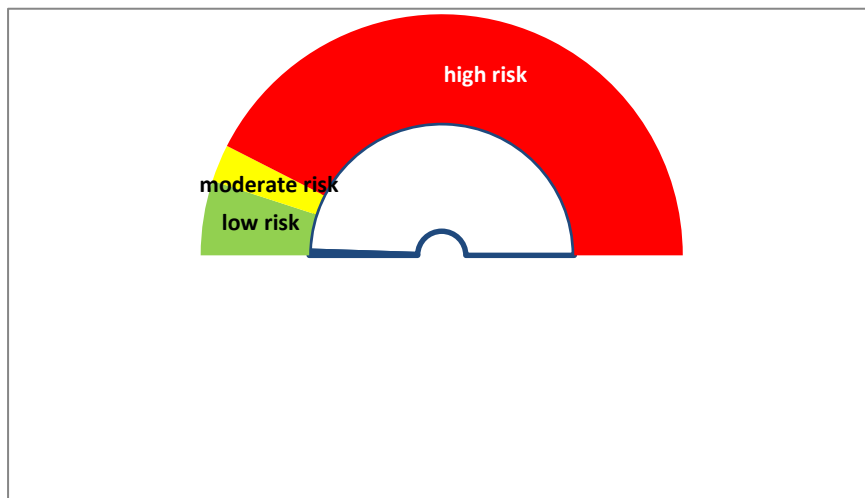
**What does it mean?**    The Municipality is showing no vulnerability in this area.

The Municipality's tax base is not dependent on one single business or institution.

**Calculation:**            
$$\frac{\text{Taxable assessment value of the largest business or institution}}{\text{Uniform Assessment}} = 1.0\%$$

**Risk Thresholds:**

	Low: Less than 10%
	Moderate: 10% to 15%
	High: Greater than 15%



*West Hants's tachometer is at 1.0%.*



## Residential Tax Effort

**2019 Results:** **Low risk:** 2.4% of median household income is required to pay the average tax bill.

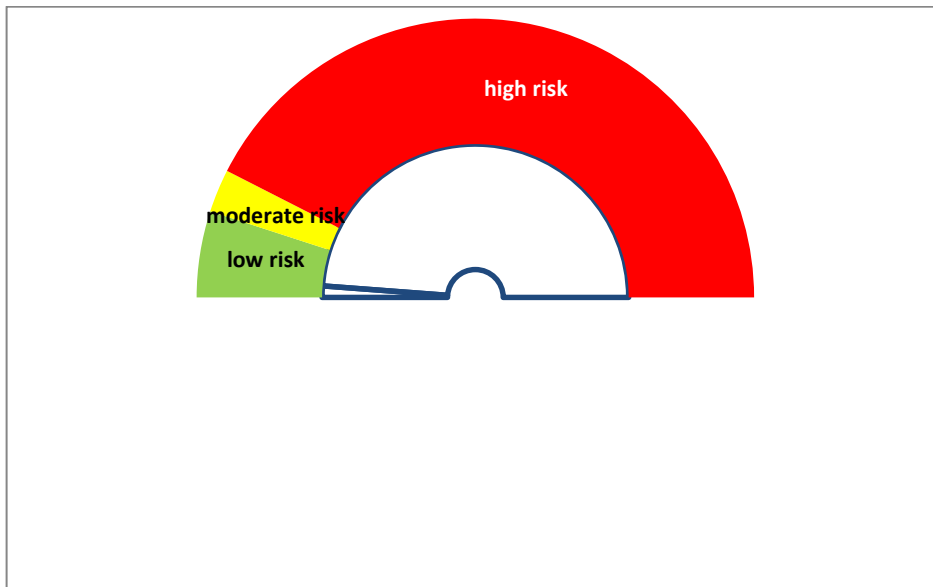
**What does it mean?** The Municipality has some flexibility to increase the taxes, if required.

This indicator helps council assess the affordability of municipal taxes in relation to the current service levels.

**Calculation:** 
$$\frac{\text{Total residential tax revenue per dwelling unit}}{\text{Median Household Income}} = 2.4\%$$

**Risk Thresholds:**

	Low risk: less than 4%
	Moderate risk: 4–6%
	High risk: greater than 6%



*West Hants's tachometer is at 2.4%.*





## Operating Reserve

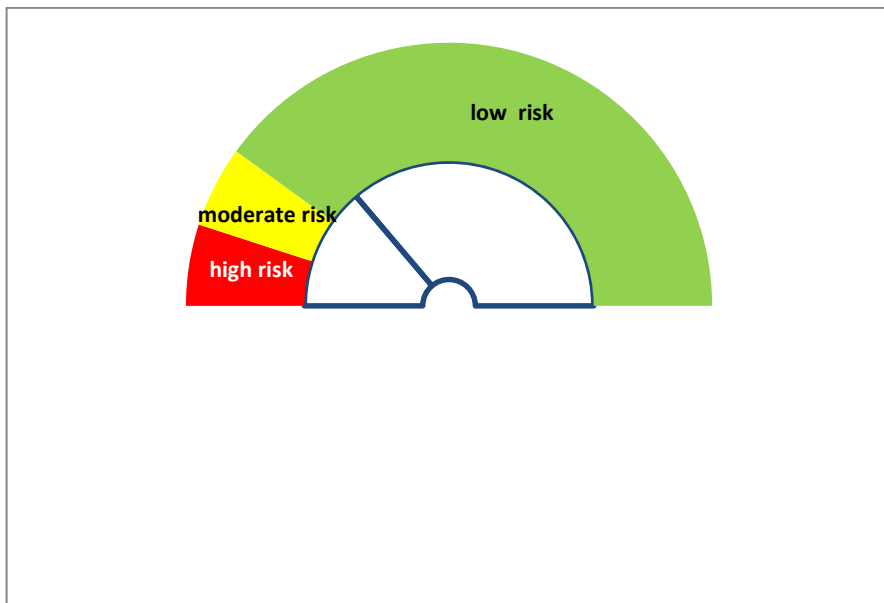
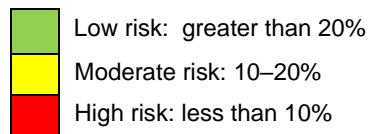
**2019 Results:**            **Low risk: 27.6%**

**What does it mean?**    The Municipality has set aside sufficient funds to help mitigate any unforeseen risks or future needs.

This indicator provides the value of funds set aside for planned future need, to smooth expenses or for unexpected expenses.

**Calculation:**            
$$\frac{\text{Total Operating Reserve Fund Balance}}{\text{Total Operating Expenditures}} = 27.6\%$$

**Risk Thresholds:**



*West Hants's tachometer is at 27.6%.*




## Uncollected Taxes

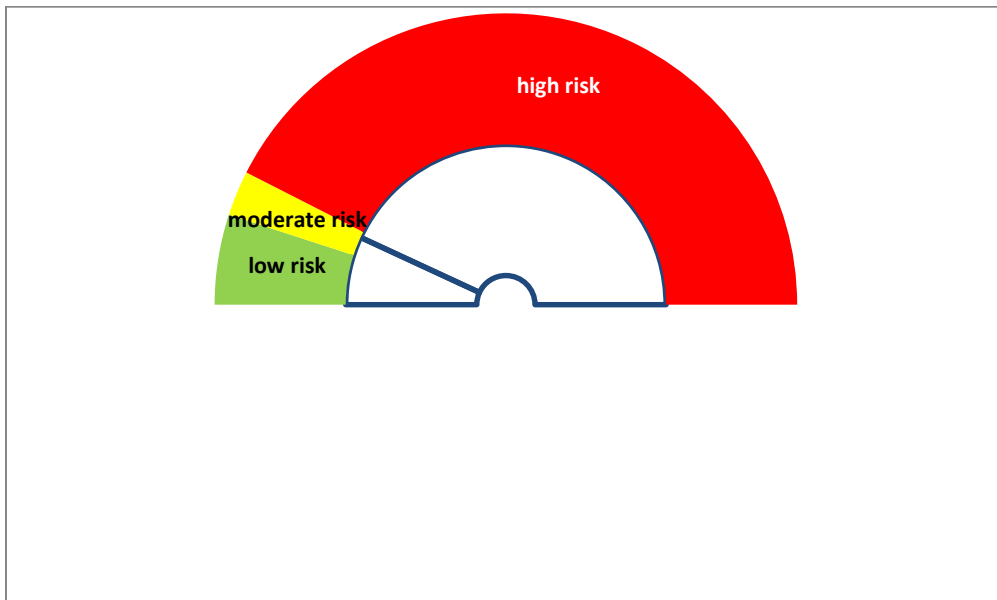
**2019 Results:**                    **Moderate risk: 13.8%**

**What does it mean?**    The Municipality is experiencing some challenges managing tax revenue collection.

**Calculation:**                     $\frac{\text{Total Cumulative Uncollected Taxes}}{\text{Total Taxes Billed in Current Fiscal Year}} = 13.8\%$

**Risk Thresholds:**

	Low risk: less than 10%
	Moderate risk: 10–15%
	High risk: greater than 15%



*West Hants's tachometer is at 13.8%.*

## Undepreciated Assets

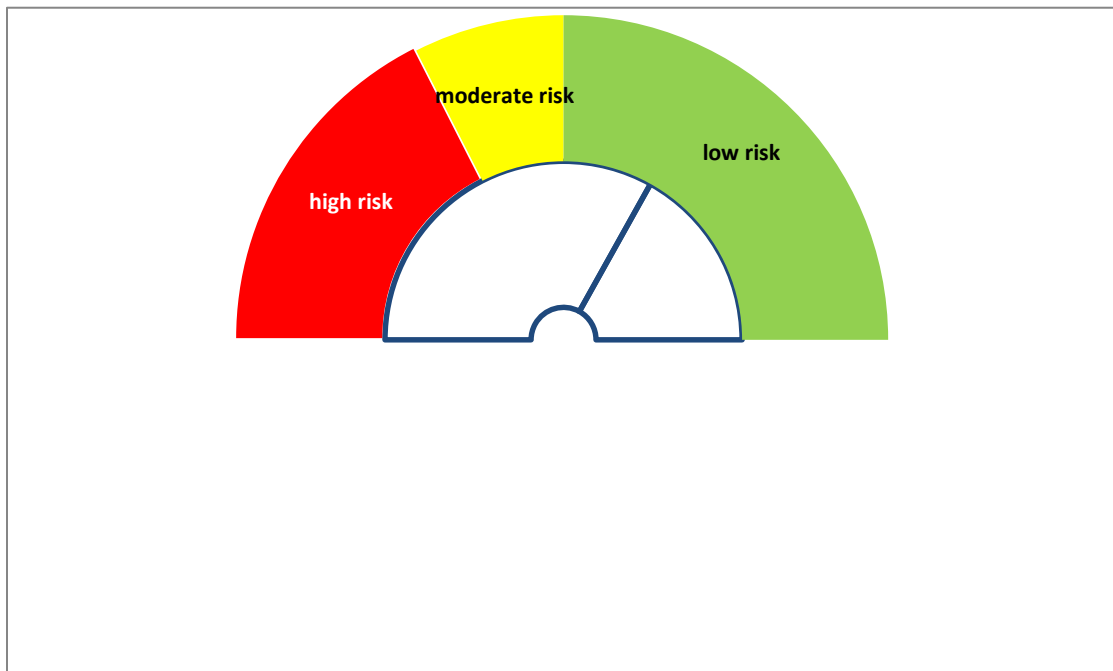
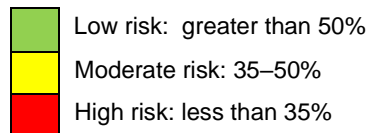
**2019 Results:**            **Low risk: 66.2%**

**What does it mean?**    This indicator estimates that the Municipality's capital assets have 66.2% of useful life remaining.

Municipalities across Canada are facing sufficient infrastructure challenges. This indicates that the Municipality is experiencing less of an infrastructure challenge than other municipalities.

**Calculation:**             $\frac{\text{Total Net Book Value of Capital Assets}}{\text{Gross Costs of Capital Assets}} = 66.2\%$

**Risk Thresholds:**



*West Hants's tachometer is at 66.2%.*

## 5-Year Budget Accuracy

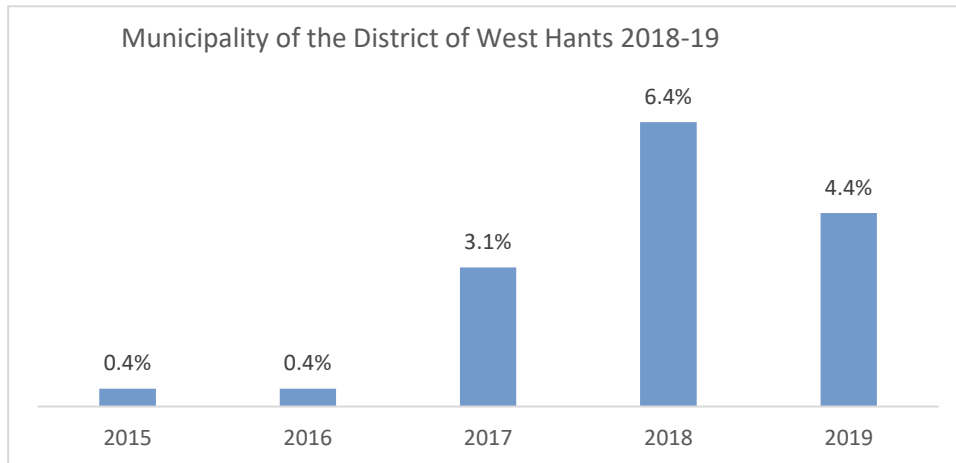
**2019 Results:**            **Moderate risk:** 4 of the last 5 years, actual expenditures were within +/- 5% of budget.

**What does it mean?**    The Municipality did not consistently maintain expenditure spending within budget limits.  
  
In 2018, actual expenses were 6.4% less than the budget.

**Calculation:**            
$$\frac{\text{Total budget expenditures} - \text{Total actual expenditures}}{\text{Total budget expenditures}} = 4.4\%$$

### Risk Thresholds:

- Low: 5 out of 5 years, expenditures were within +/- 5% or expenditure and revenue variances were within +/- 5% of each other
- Moderate: 4 out of 5 years, expenditures were within +/- 5%
- High: Less than 4 out of 5 years, expenditures were within +/- 5%



*Figure 16- Operating budget variance over the last 5 years.  
Source: Financial Information Return and Statement of Estimates Budget.*

## FCI- Key Performance Indicators –

the ability to meet current and future needs in a balanced and independent manner

### Reliance on Government Transfers

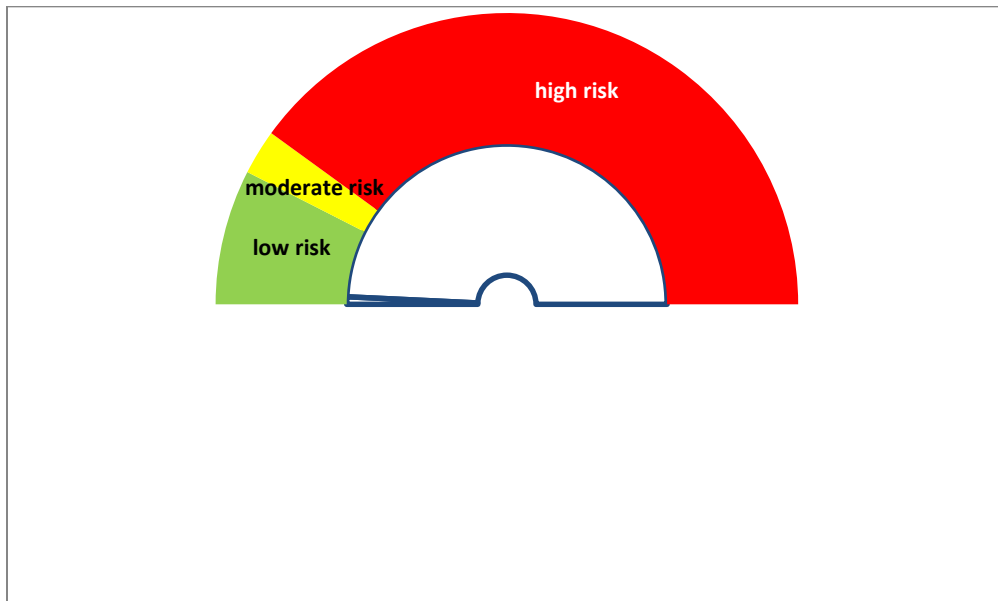
**2019 Results:**            **Low risk: 1.5%**

**What does it mean?**    The Municipality is not dependent on another level of government to meet its service obligations.

**Calculation:**            
$$\frac{\text{Total Government Transfers}}{\text{Total Revenue}} = 1.5\%$$

**Risk Thresholds:**

	Low risk: less than 15%
	Moderate risk: 15–20%
	High risk: greater than 20%



*West Hants's tachometer is at 1.5%.*




## Number of Deficits in the Last 5 Years

**2019 Results:**            **Low risk:** 0 operating deficits in the last five years

**What does it mean?**    Deficits are important indications of financial health. The result indicates that the municipality is able to meet its needs in a balanced manner and maintain a balanced budget.

**Calculation:**            The number of non-consolidated operating deficits in the last five years = 0.

### Risk Thresholds:

-  Low risk: 0 in the last 5 years
-  Moderate 1 or more in the last 5 years
-  High risk: 1 or more in the last 2 years with one material deficit (0.5% of operating expenses)

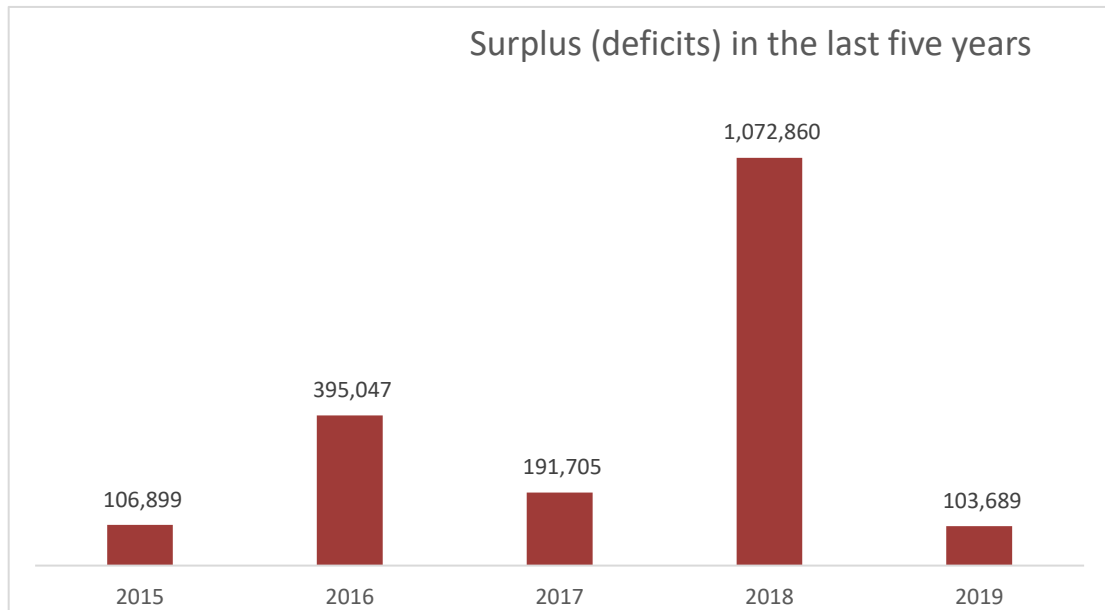


Figure 17- Annual operating fund surplus (deficits) for the last 5 years Source: Financial Information Return

## Liquidity

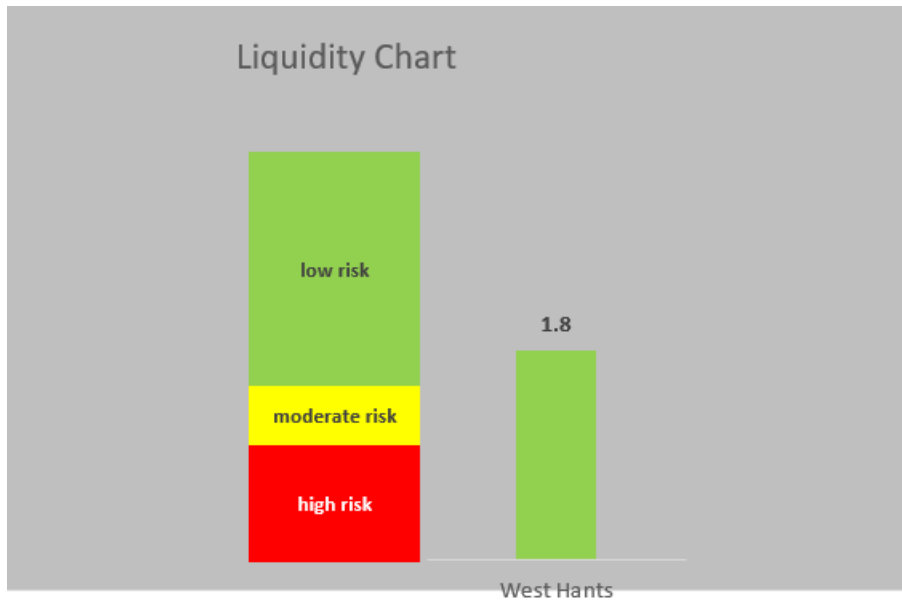
**2019 Results:**            **Low risk: 1.8**

**What does it mean?**    Liquidity is key to financial performance. The result indicates that the Municipality does not have a cash flow problem and is able to meet its service obligations.

**Calculation:**            
$$\frac{\text{Total Current Financial Assets}}{\text{Total Current Liabilities}} = 1.8$$

**Risk Thresholds:**

	Low risk: greater than 1.5
	Moderate risk: 1 to 1.5
	High risk: less than 1






## Combined Reserves

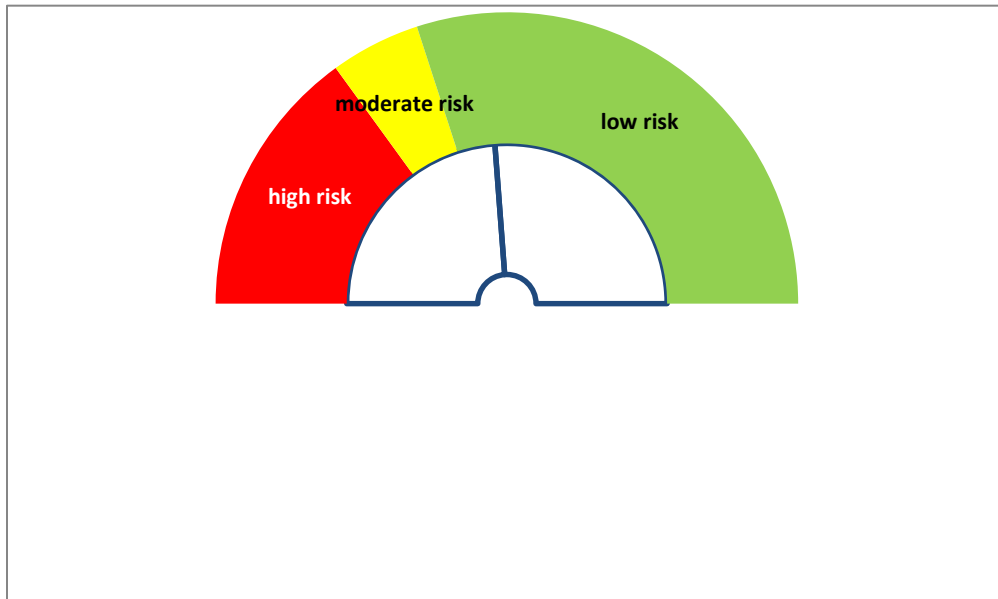
**019 Results:**            **Low risk:** 47.6% combined reserves

**What does it mean?**    This result indicates that the Municipality does appear to have sufficient reserves needed to address unexpected events or provide flexibility to address future projects.  
Reserves are critical components of a municipality's long-term sustainability. This indicator shows the value of the funds held in the reserves compared to a single year's operation, including amortization expenses.

**alculation:**             $\frac{\text{Total Operating and Capital Reserves.}}{\text{Total Operating Expenses plus Amortization Expense}} = 47.6\%$

**Risk Thresholds:**

-  Low risk: greater than 40%
-  Moderate risk: 30–40%
-  High risk: less than 30%



*West Hants's tachometer is at 47.6%.*

## Appendix I – Additional Resources

### Nova Scotia Government's Open Data Portal ([data.novascotia.ca](http://data.novascotia.ca))

This portal provides access to various government data in a free, accessible, machine-readable format.

Financial datasets currently published through the Nova Scotia Government's Open Data Portal:

- 911 Municipal Grants
- Consolidated Revenues and Expenses by Municipality
- Municipal Affairs Funding Programs
- Emergency Services Provider Fund
- Farm Land Grant
- Financial Condition Indicators by Municipality
- Municipal Contributions to Roads
- Municipal Financial Capacity Grant (formally equalization program)
- Municipal Operating Fund- Summary of Revenue and Expenses by Municipality
- Municipal Operating Expenses by Function -10 Year Summary
- Municipal Operating Revenue by Source -10 Year Summary
- Municipal Property Tax Rates
- Nova Scotia Power Grant-in-Lieu
- Uniform Assessment

### Municipal website

[Wesrhants.ca](http://Wesrhants.ca)

A municipality's website can be a helpful resource to access various financial information. Currently, most municipal websites provide:

- audited Financial Statements
- approved Operating Budget
- quarterly municipal Expense Report
- quarterly municipal Hospitality Expense Report

### Contact Municipal Affairs and Housing

For more information, for support in action plan development, or to obtain a guide on action plan development:

Katharine Cox-Brown  
Director, Municipal Finance and Operating Grants  
[Katharine.Cox-Brown@novascotia.ca](mailto:Katharine.Cox-Brown@novascotia.ca)  
902.424.4643







# Municipal Report



## **Town of Windsor**

### **Department of Municipal Affairs and Housing**

Municipal Profile and  
Financial Condition Indicators Results

2019



Table of Contents

Introduction ..... 4

Chapter 1 - Highlights ..... 5

    Municipal Highlights ..... 5

        About the Municipality ..... 5

        Population Highlights ..... 5

    Financial Highlights ..... 6

        Revenue ..... 6

        Expenses ..... 6

        Annual Surplus ..... 6

        Debt ..... 6

    Financial Condition Indicators Highlights ..... 7

Chapter 2 - Municipal Profile ..... 9

    Municipal Composition ..... 10

    Population Trends ..... 10

    Economic Indicators ..... 12

Chapter 3 - Financial Information ..... 13

    General Overview: ..... 13

    Financial Reporting Compliance: ..... 13

    Revenue: ..... 14

    Property Assessment Information ..... 16

    Expenses: ..... 17

    Accumulated Surplus (Deficit) ..... 20

    Debt ..... 21

Chapter 4 - Financial Condition Indicators: ..... 22

House Model ..... 22

    The Model: ..... 22

        Windsor’s Overall Assessment ..... 23

        Windsor’s House Model ..... 24

    The Base FCI Indicators ..... 26

        Reliance on a Single Business or Institution ..... 26

        Three-Year Change in Tax Base ..... 27

        Residential Tax Effort ..... 28

FCI Indicators – Structure (Management) Indicators ..... 29

    Debt Service ..... 29

    Outstanding Operating Debt ..... 30

    Operating Reserve ..... 31

    Uncollected Taxes ..... 32

    Undepreciated Assets ..... 33

Town of Windsor

5-Year Budget Accuracy.....	34
FCI- Key Performance Indicators – .....	35
Reliance on Government Transfers.....	35
Number of Deficits in the Last 5 Years .....	36
Liquidity.....	37
Combined Reserves.....	38
Appendix I – Additional Resources .....	39



## Introduction

The Department of Municipal Affairs and Housing compiles municipal indicators on behalf of the Nova Scotia Government and Association of Municipal Administrators of Nova Scotia (AMANS) that focus on three areas:

- financial matters;
- administration of the municipality; and
- characteristics of the community.

This report creates a snapshot from those financial and demographic statistics to help community members and decision makers better understand:

- the municipality in which they live;
- the municipality's key characteristics; and
- the municipality's financial risks.

The snapshot makes it easy to:

- compare the Three-Year Change in Tax Base indicator to understand the municipality's revenue growth in comparison to cost of living; and
- use the change in population to indicate whether a community's population is growing or declining and its potential impact on municipal revenues and expenses.

# Chapter 1 - Highlights

## Municipal Highlights

### About the Municipality

Name: Town of Windsor  
County: Hants County  
Approximate size: 9 km<sup>2</sup>  
Number of dwellings: 1,771



Figure 1- Location of Municipality

### Population Highlights

Population 2016: 3,650  
Population 5-year trend: -3.6%  
County 5-year trend: 0.6%  
Demographic trend: Aging

Up to 19 Yrs.	21%
20 to 59 Yrs.	43%
Over 60 Yrs.	36%

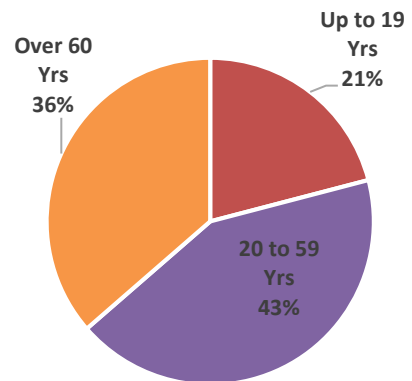


Figure 2 - Age Breakdown

## Financial Highlights

### Revenue

Total consolidated revenue:	\$9.0 million
Revenue generated from own revenue <sup>1</sup> :	91%
Total operating revenue:	\$7.0 million
Largest operating revenue:	79%
	Property taxes and payments in lieu of Taxes

### Expenses

Total consolidated expenses:	\$8.5 million
Total operating fund expenses:	\$6.1 million
Largest operating fund expense:	30%
	Protective services: police and fire

### Annual Surplus

Annual consolidated surplus(deficit):	\$0.5 million
Consolidated accumulated surplus (deficit):	\$30.5 million
Annual operating surplus (deficit):	\$198 thousand

### Debt

Total consolidated long-term debt:	\$7.8 million
Total general fund long-term debt:	\$6.4 million
Operating fund bank indebtedness:	0.0

---

<sup>1</sup> Consolidated revenue excluding government transfers

## Financial Condition Indicators Highlights

Overall Assessment Yellow (Moderate risk)

The overall Financial Conditions Index assessment for the Town of Windsor is yellow (Moderate risk). This means that, although the Municipality has a few challenges, it is considered moderate risk for fiscal instability.

As shown in the House model below, Windsor's FCIs are comprised of:

Low risk (green): 9 indicators



























Moderate risk (yellow): 3 indicators

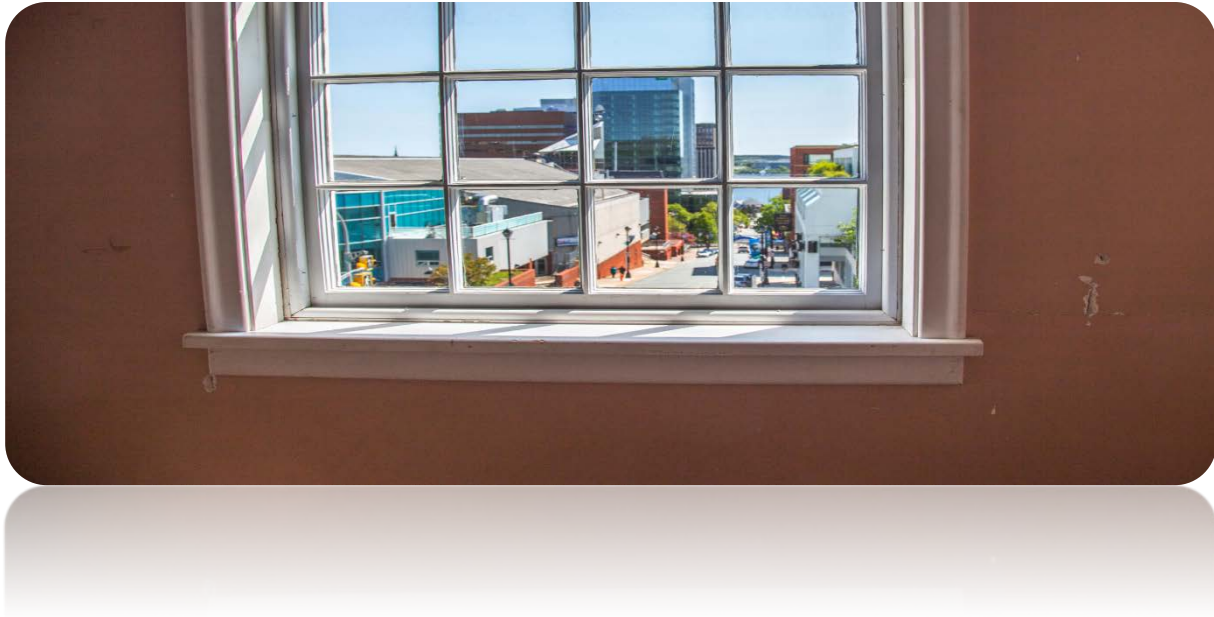
High risk (red): 1 indicator

Details on the individual FCI assessments and the Municipality's specific challenges are provided below. For more in-depth information, refer to Chapter 4.



## Two-Year Comparison of Financial Condition Indicators

<b>BASE</b>	<b>2019</b>	<b>2018</b>	<b>+/-</b>
3-year Change in Tax Base	 1.1%	 3.4%	-2.3%
Reliance on a Single Business or Institution	 4.2%	 2.7%	1.5%
Residential Tax Effort	 4.8%	 4.7%	0.2%
<b>STRUCTURE</b>			
Uncollected Taxes	 6.5%	 8.1%	-1.6%
5 Year Budget Accuracy	 3/5	 3/5	0
Operating Reserves	 40.5%	 43.6%	-3.1%
Debt Service	 11.5%	 8.2%	3.4%
Outstanding Operating Debt	 0.0%	 0.0%	0.0%
Undepreciated Assets	 67.7%	 70.0%	-2.2%
<b>ROOF</b>			
Deficits in the Last 5 Years	 0/5	 0/5	0
Liquidity	 3.7	 3.4	0.3
Reliance on Government Transfers	 8.0%	 8.2%	-0.2%
Combined Reserve	 73.4%	 86.7%	-13.4%



## Chapter 2 - Municipal Profile

Municipalities are diverse and operate within unique demographic and economic characteristics. These characteristics have a significant impact on municipal performance and subsequent strategies required to ensure a sustainable environment. This chapter outlines the unique demographic and economic characteristics of the Municipality, specifically its composition, population trends, demographics, median household income levels, employment rates, and educational attainment. The municipal profile trends could have impacts on the current and potential future tax base for a municipality.

## Municipal Composition

Name: Town of Windsor

County: Hants County

Government: 5 elected councillors (including the Mayor)

Geographic area: 9 km<sup>2</sup>

Number of dwellings: 1,771

## Population Trends

Population: 3,650

Provincial population: 0.4%

20-year trend: Overall declining, with increases in population in 2001 and 2011.  
[supported by Figure 3 below]

Age trend: Majority between 40-69 years of age [supported by Figure 4 below]

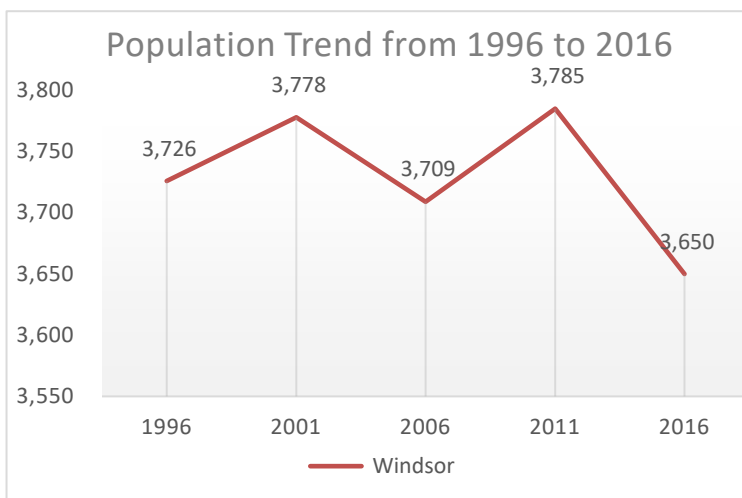


Figure 3-- Population from 1996–2016. Source: Statistics Canada

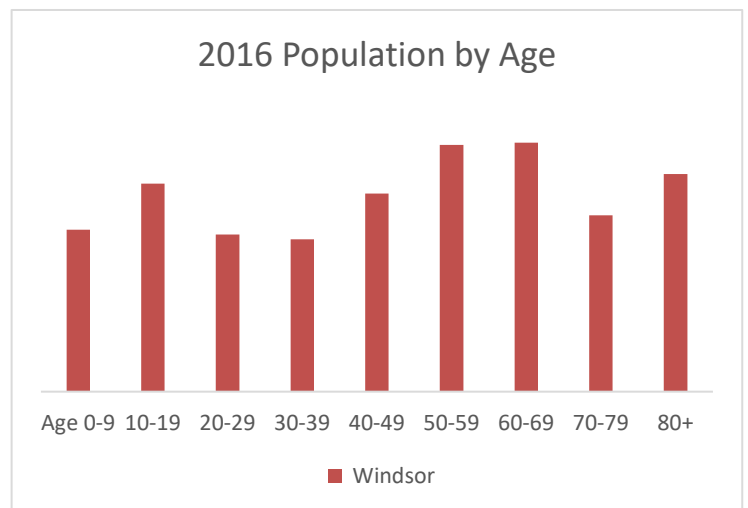


Figure 4- Population by Age, Source: Statistics Canada

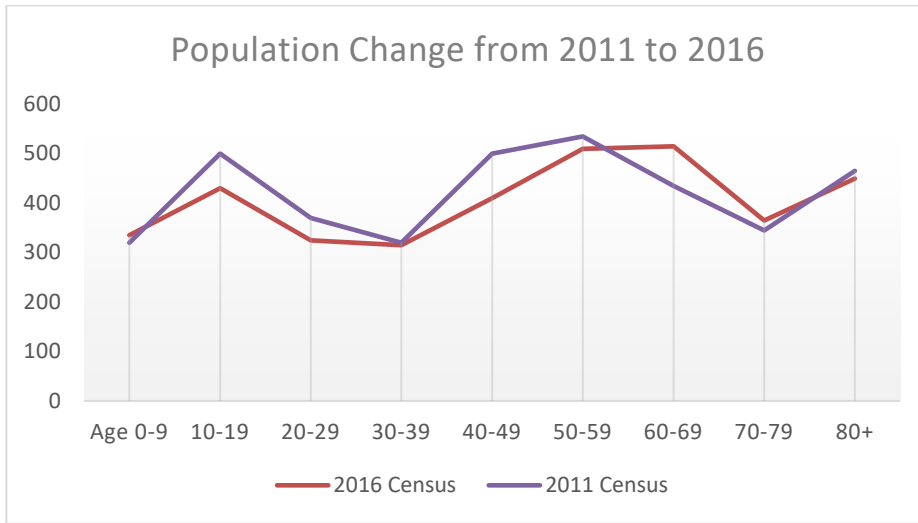


Figure 5 - Population Age Change from 2011 to 2016. Source: Statistics Canada

According to the 2016 Census, although Windsor’s population is aging, it has more youth population than most towns.

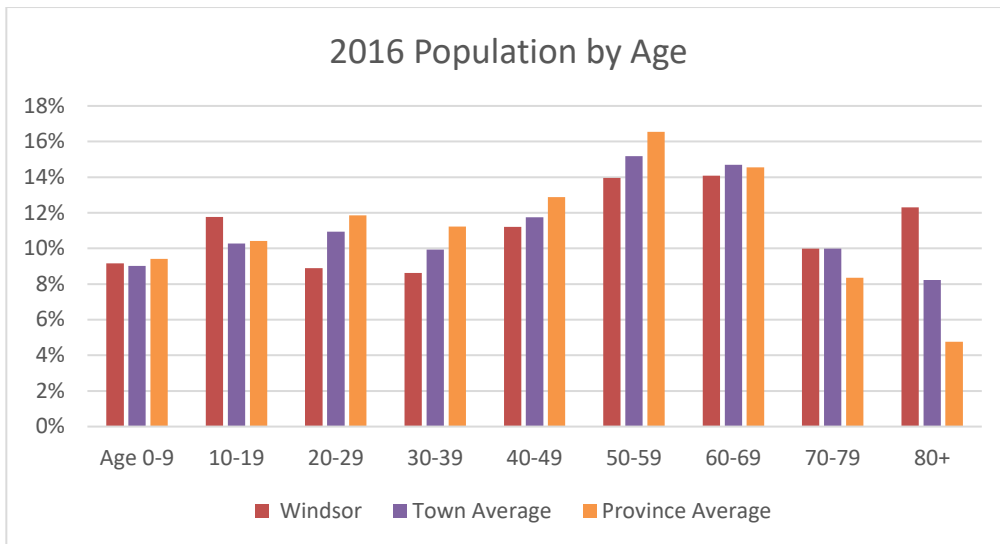


Figure 6 - Comparison of Population by Age for 2011 and 2016. Source: Statistics Canada

## Economic Indicators

Along with population trends, employment rates and median household income are important economic indicators. Education levels can also play a crucial role in economic and social progress and can help improve income distribution. These factors provide an indication of the wellbeing of the economy and labour force.

	2016 Census	2011 Census	+/-	2016 Town Avg.
<b>Median Household Income</b>	\$43,922	\$41,859	\$2,063	\$48,934
<b>Employment Rate</b>	47.6%	46.3%	1.3%	48.3%
<b>Education Beyond High School</b>	49.0%	46.8%	2.2%	52.0%

Source: 2011 and 2016 Statistics Canada Census

- Median household income: Windsor’s median household income is lower than the provincial town average, although it has increased since 2011.
- Employment rate: In a healthy economy, the employment rate is between 97% and 95%. The Town of Windsor’s employment rate is below the provincial town average, although it has increased.
- Education level: Windsor’s education level is lower than the provincial town average, although it has increased since 2011.

## Chapter 3 - Financial Information

### General Overview:

Audited financial statements are presented on a consolidated basis. These consolidated financial statements present all municipal entities as one single reporting entity:

- all the individual funds managed by the Municipality
- organizations or enterprises that the Municipality owns or controls, such as:
  - Water Utility

The Municipality's non-consolidated financial statements present only the individual funds managed by the Municipality, such as the General Operating Fund, General Capital Fund, Water Operating Fund, Water Capital Fund, Non-operating Reserve Fund, and the Operating Reserve Fund. Non-consolidated financial statements are reconciled but not audited.<sup>2</sup>

### Financial Reporting Compliance:

Audited financial statements and financial information return submitted:	yes
Submission of financial information:	Before deadline <sup>3</sup>
Financial statements include:	
Remuneration and Expenses for Elected Officials and CAO/Clerk Note:	yes
Unqualified Opinion:	yes
Quarterly Expenditure report posted online:	yes
Summary Expenditure Report submitted:	yes
Statement of Estimates and assessment information submitted:	yes

---

<sup>2</sup> Please be advised that, although the Department reconciles, at a high level, a municipality's non-consolidated financial statements to the consolidated financial statements, the non-consolidated financial statements are usually not audited nor presented in full accordance with Canadian public sector accounting standards.

<sup>3</sup> Annually, municipalities are required to submit their financial information by Sept 30<sup>th</sup>.

**Revenue:**

**\$9.0 M**  
2019 Consolidated Revenue

Total consolidated revenue:	\$9.0 million
Largest revenue:	63% Taxes and Grant-in-lieu of taxes
Revenue generated from own revenue <sup>4</sup> :	91%



Figure 7- Consolidated Revenue Source: 2019 Financial Information Return (FIR)

The graph above and table below show the Municipality’s revenue divided into six categories on a consolidated basis.

	Consolidated Revenue
Taxes and Grants-in-lieu of taxes:	\$5.7 million
Services provided to other governments:	69 thousand
Sales of services:	0.4 million
Other revenue from own sources:	0.4 million
Government Transfers:	0.9 million
Net Income from government business enterprises:	n/a
Water Fund revenues:	1.6 million
Electric Fund revenues:	n/a

<sup>4</sup> Consolidated revenue excluding government transfers

## \$7.0 M

### 2019 General Operating Revenue

Total operating revenue:	\$7.0 million
Largest revenue:	79% Property taxes and payments in lieu of taxes
Uncollected Taxes:	6.5%
Reliance on Government transfers	8.0%

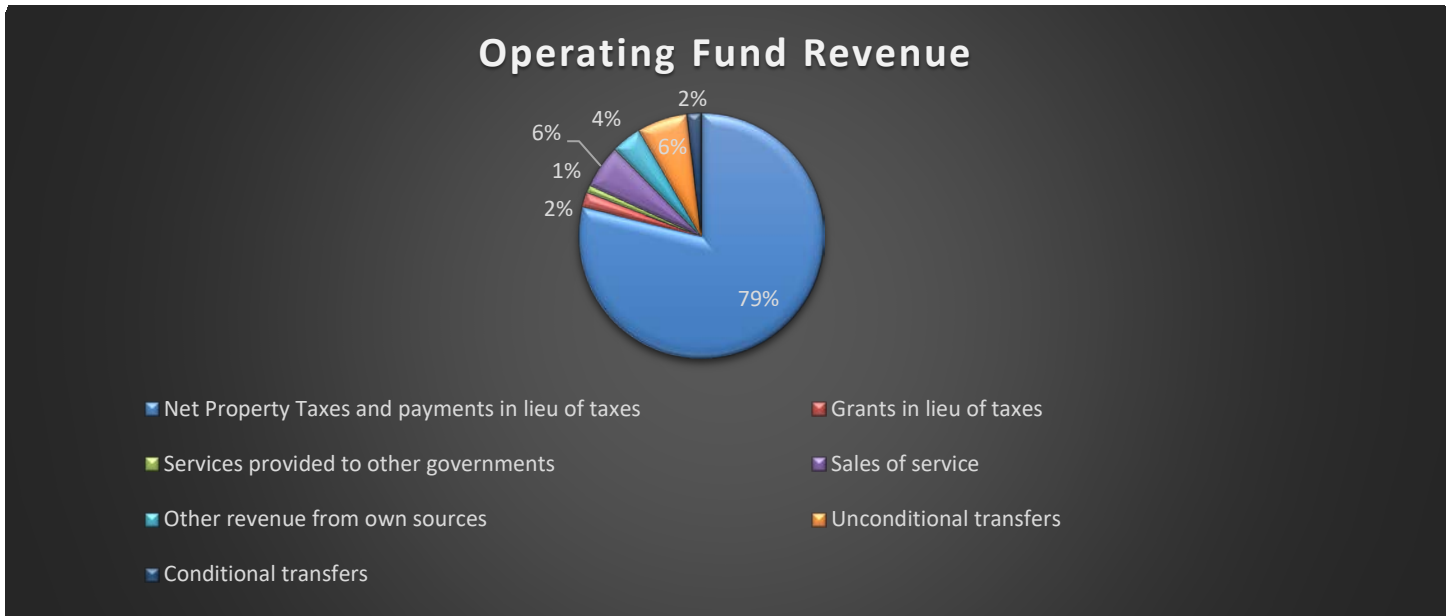


Figure 8 – General Operating Revenue Source: 2019 Financial Information Return (FIR)

The graph above and table below show the Municipality's operating fund revenue divided into 7 categories.

Net property taxes and payments in lieu of taxes:	5.5 million
Grants-in-lieu of taxes:	0.1 million
Services provided to other governments:	69 thousand
Sales of services:	0.4 million
Other revenue from own sources:	0.3 million
Unconditional transfers from other governments:	0.5 million
Conditional transfers from other governments:	0.1 million

## Property Assessment Information

Since property taxes are a primary source of revenue for most municipalities, special emphasis has been placed on reviewing assessment trends.

Three-year change in assessment <sup>5</sup> :	1.1%	growth does not keep pace with the cost of living
Highest reliance on a single business or institution:	4.2%	not dependent (low risk)
Residential Tax Effort:	4.8%	limited flexibility (moderate risk)

The line graphs below show the five-year trend of residential and commercial portion of the municipality's uniform assessment:

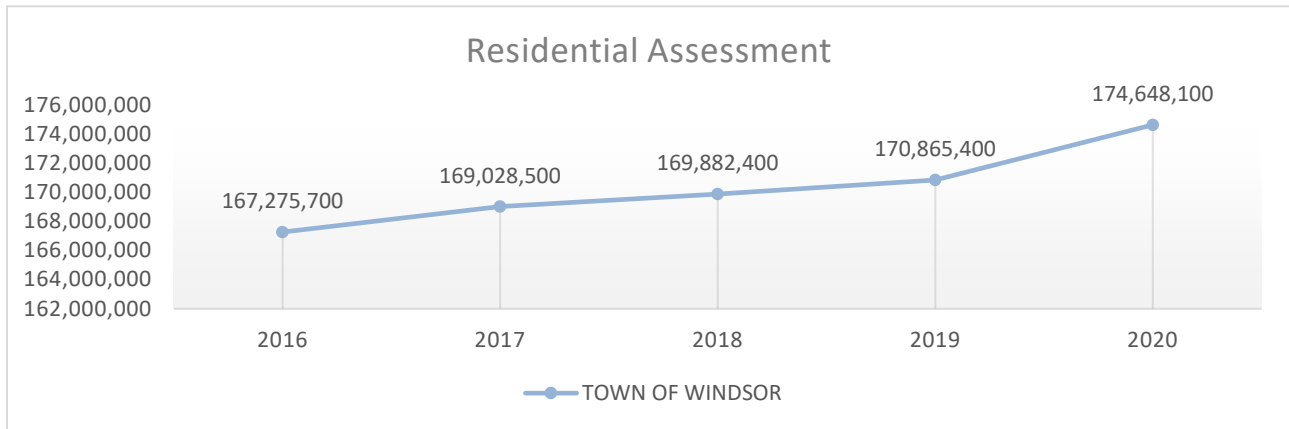


Figure 9- Residential assessment value over the last five years. Source: 2015-2019 Statement of Estimates Assessment

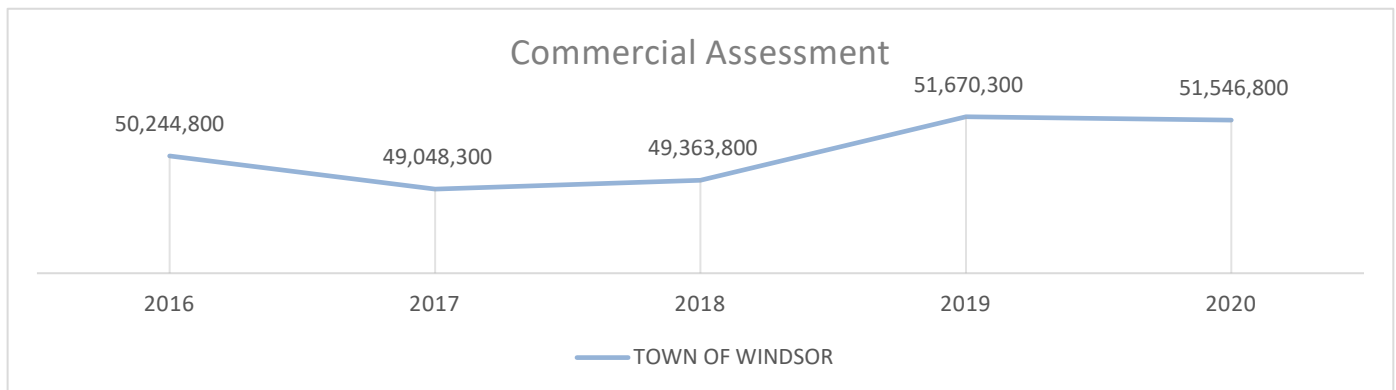


Figure 10- Commercial assessment value over the last five years. Source: 2015-2019 Statement of Estimates Assessment

<sup>5</sup> Uniform assessment is the value of a municipality's taxable property assessment plus the capitalized value of payments in lieu of taxes.

**Expenses:**

**\$8.5 M**  
2019 Consolidated Expenses

Total consolidated expenses: \$8.5 million  
 Largest expense: 20%  
 Transportation Services

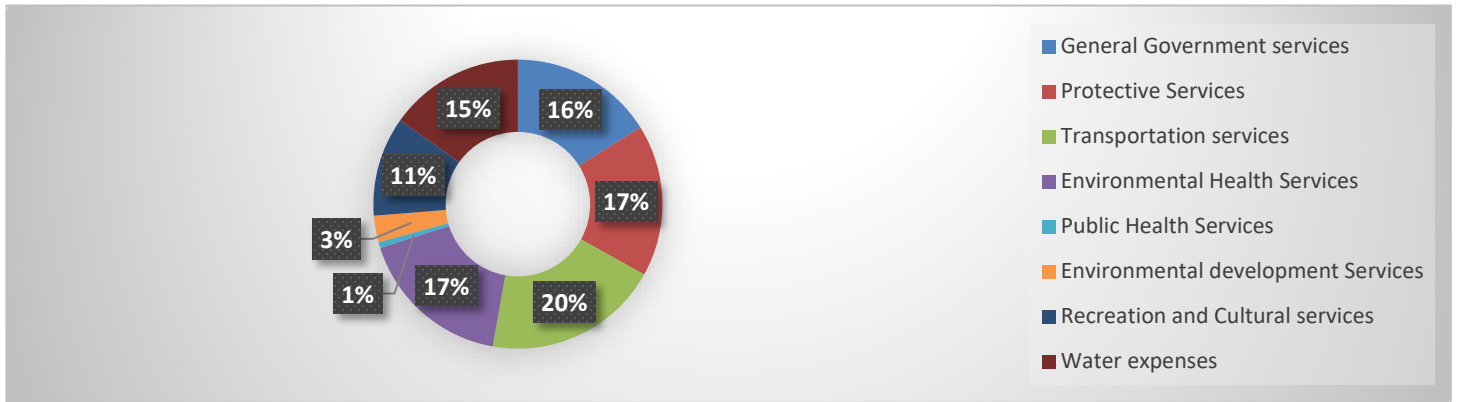


Figure 11- Consolidated Expenses Source: 2019 Financial Information Return

The graph above and table below show the Municipality's consolidated expenses divided into eight functions.

	Consolidated Expenses
General government:	\$1.4 million
Protective services:	1.4 million
Transportation:	1.7 million
Environmental health services:	1.5 million
Public Health services:	57 thousand
Environmental development services:	0.3 million
Recreation and Cultural:	0.9 million
Extraordinary or special items:	n/a
Water expenses:	1.3 million
Electric Fund expenses:	n/a

# \$6.1 M

## 2019 General Expenses

Total operating fund expenses: \$6.1 million  
Largest operating fund expense: 30%  
Protective services: police and fire  
Operating reserves as percentage of expenses: 40.5% (Low risk)

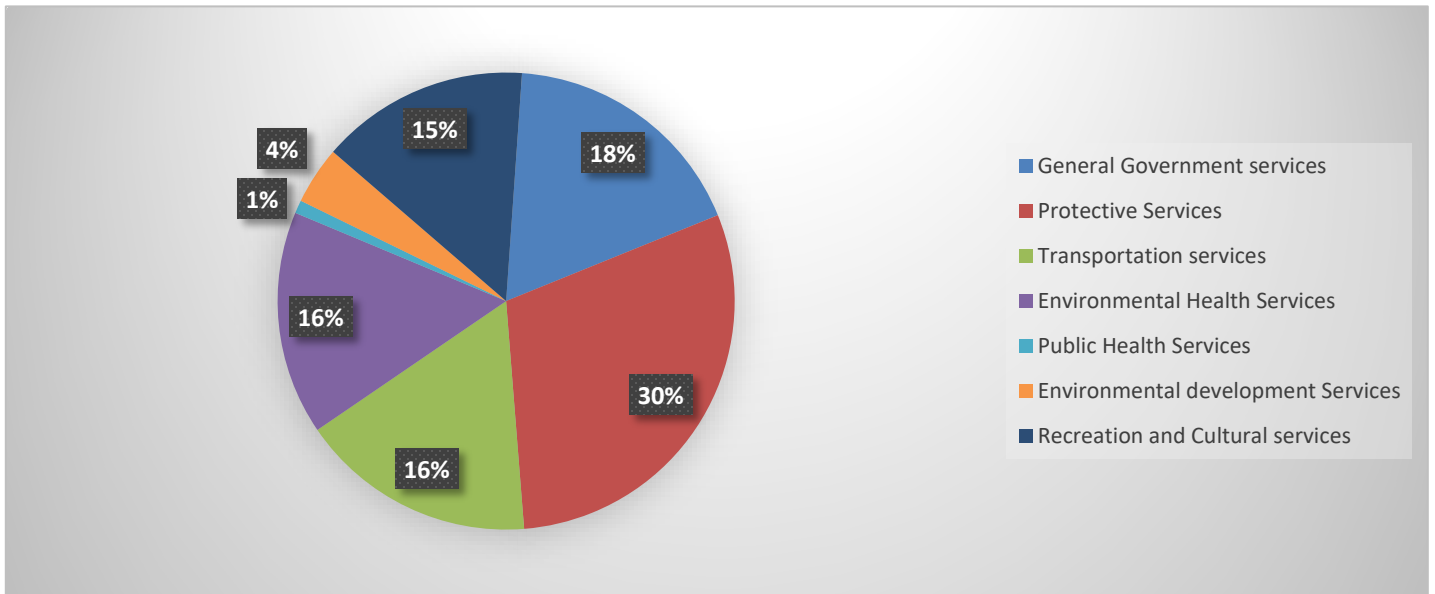


Figure 12- Operating General Fund Expenses. Source: 2019 Financial Information Return

As shown in the pie chart above, expenses for Windsor are comprised of:

General Government services:	1.1 million
Protective services:	1.8 million
Transportation services:	1.0 million
Environmental Health services:	1.0 million
Public Health services:	57 thousand
Environmental Development services:	0.3 million
Recreation and Cultural services:	0.9 million

The graph below shows the expenses by function for the municipal operations or General Operating Fund expenses compared to the provincial town average.

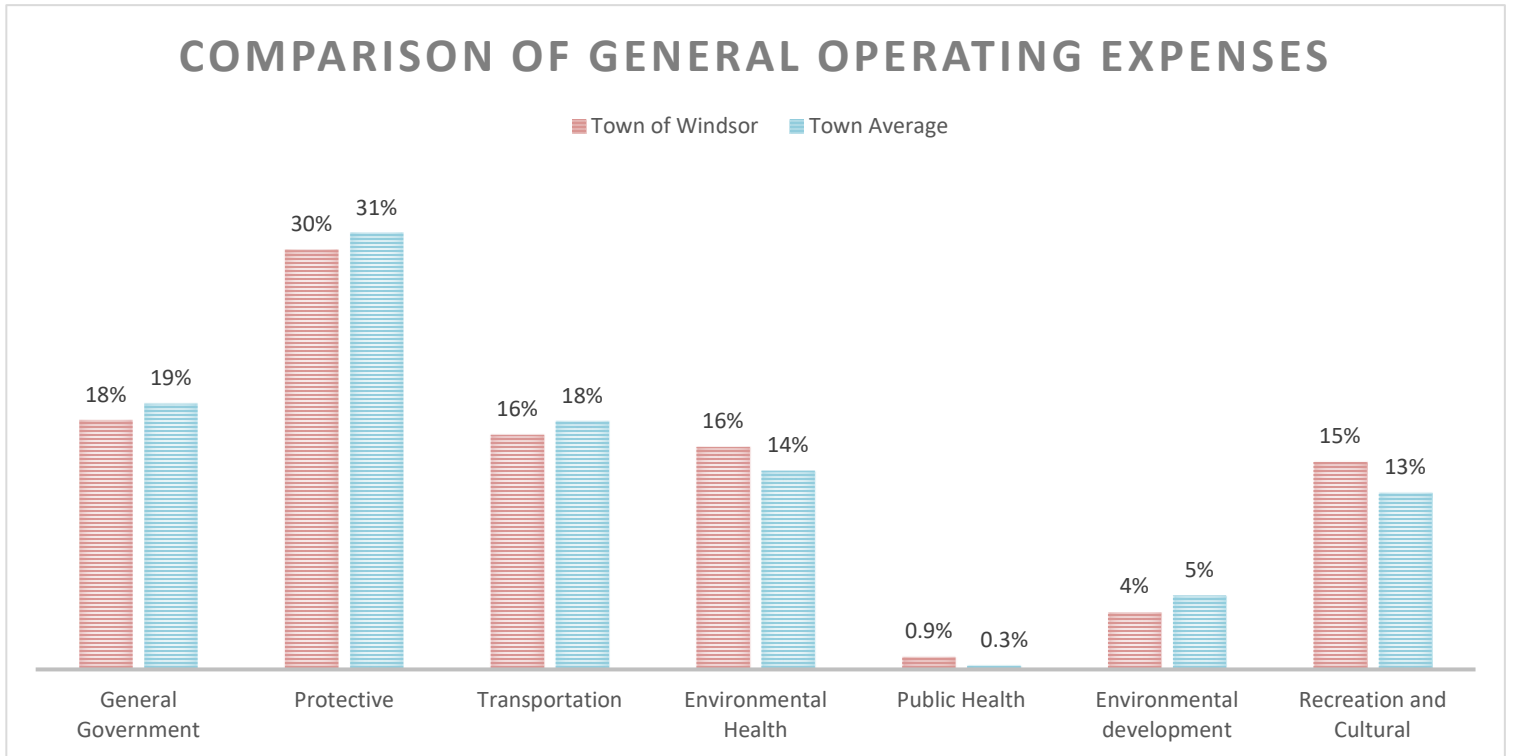


Figure 13 – Comparison of General Fund Expenses to Provincial Town Average. Source: 2019 Financial Information Return

## Accumulated Surplus (Deficit)

Annual Surplus: Revenue - expenses

Note: This amount is added to the accumulated surplus (deficit).

Total annual consolidated surplus(deficit): \$514 thousand

Total consolidated accumulated surplus (deficit): \$30.5 million

Total annual operating surplus (deficit): \$198 thousand

Number of operating deficits in the last 5 years: 0

### Consolidated Accumulated Surplus by Fund

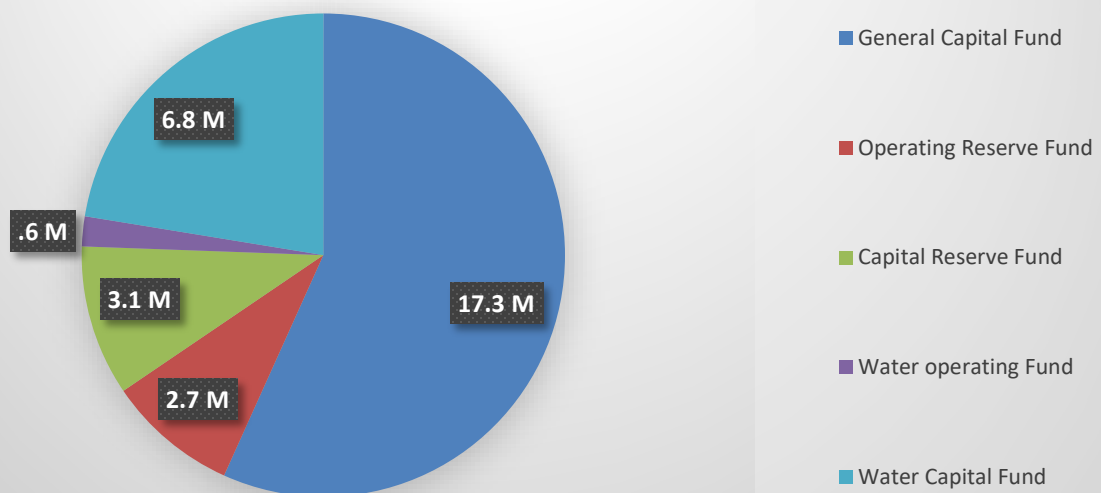


Figure 14- Consolidated Accumulated Surplus by Fund. Source: 2019 Financial Information Return

## Debt

Total consolidated long-term debt:	\$7.8 million
Total general fund long-term debt:	\$6.4 million
Debt Service Ratio:	11.5%
Operating fund bank indebtedness:	0.0
Outstanding operating debt as percentage of: Net Property Taxes/Payments in Lieu of Taxes, Grants in Lieu of Taxes, and Government Transfers	0.0%

## Chapter 4 - Financial Condition Indicators: House Model

The Financial Condition Indicators (FCIs)<sup>6</sup> condense multiple sources of information into a single visual “House Model” graph. The House Model gives a quick visual of a municipality’s strengths and possible areas where a municipality may want to focus its attention.

### The Model:

The Model consists of 13 indicators organized into base, structure and roof, focusing on:

- roof: 4 key performance indicators;
- structure: 6 financial indicators that concern management and debt; and
- base: 3 indicators relating to internal and external factors that could impact the municipality’s revenue stream.

### Risk thresholds:

Each indicator is assessed against a risk threshold:

- low risk (**green**);
- moderate risk (**yellow**); and
- high risk (**red**).

### Overall assessment:

The Department calculates an overall assessment for fiscal instability:

- low risk (**green**): 10–13 FCIs meets low risk threshold;
- Moderate risk (**yellow**): 8–9 FCIs meets low risk threshold; and
- High risk (**red**): 7 or less FCIs meets low risk threshold.

## Windsor's Overall Assessment

**Overall Assessment for:** Windsor

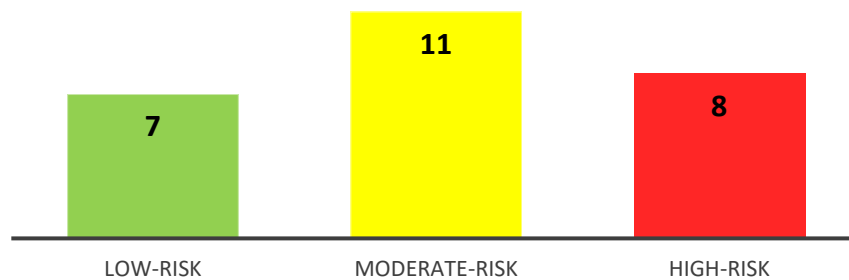
**Financial Condition:** **Moderate risk**

The overall Financial Conditions Index assessment for the Town of Windsor is Yellow (Moderate risk).

This means that, although the Municipality has a few challenges, it is considered moderate risk for fiscal instability.

**Comparison:** Majority of towns are at moderate risk (see chart below).

Summary of Towns Overall Results for 2018-2019



## Windsor's House Model

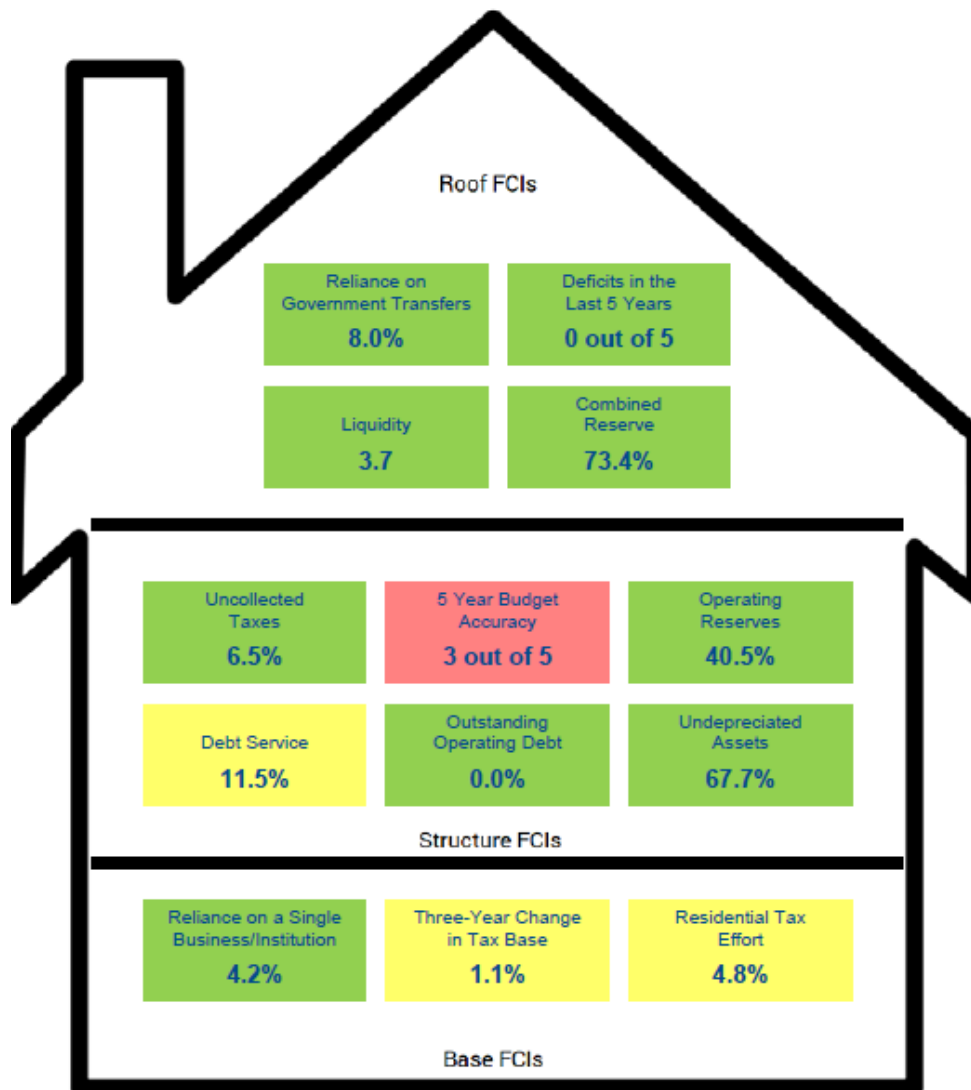
As shown in the House model below, Windsor's FCIs are comprised of:

**Low risk:** 9 indicators

Moderate risk: 3 indicators

**High risk:** 1 indicators

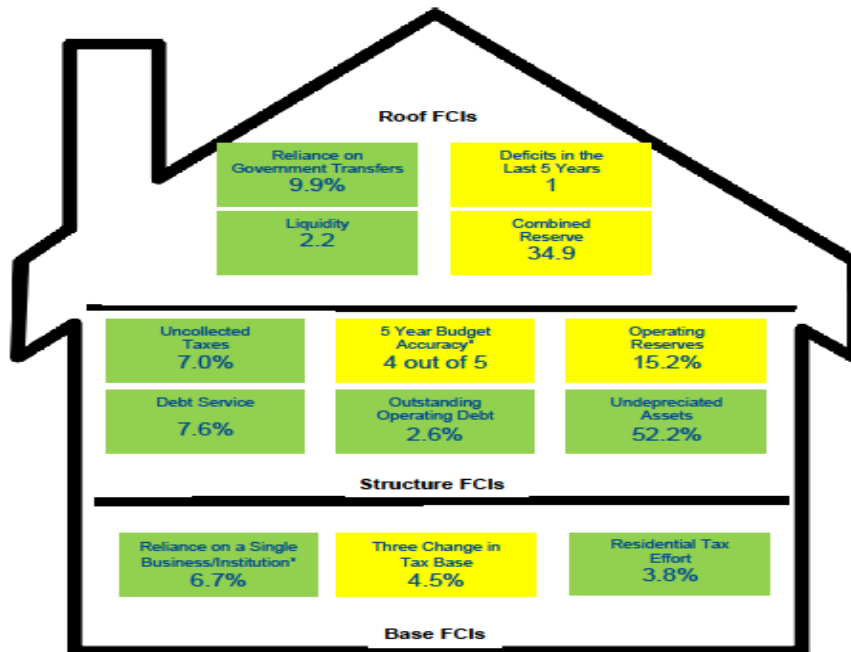
The House Model below provides details on the individual FCI assessments and the Municipality's specific challenges.



Please note FCIs are based on non-consolidated data.

### Town's Average House Model

The model below shows that, in general Nova Scotia's towns are experiencing challenges.



On average, the Towns' challenges are: Deficits;

Maintaining adequate reserves (combined and operating);

Budget accuracy; and

Three-year change in tax base is below the three-year change in the cost of living.

## The Base FCI Indicators

### Reliance on a Single Business or Institution

**2019 Results:**            **Low risk: 4.2%**

The largest single commercial or institutional account is only 4.2% of the Municipality's total Uniform Assessment.

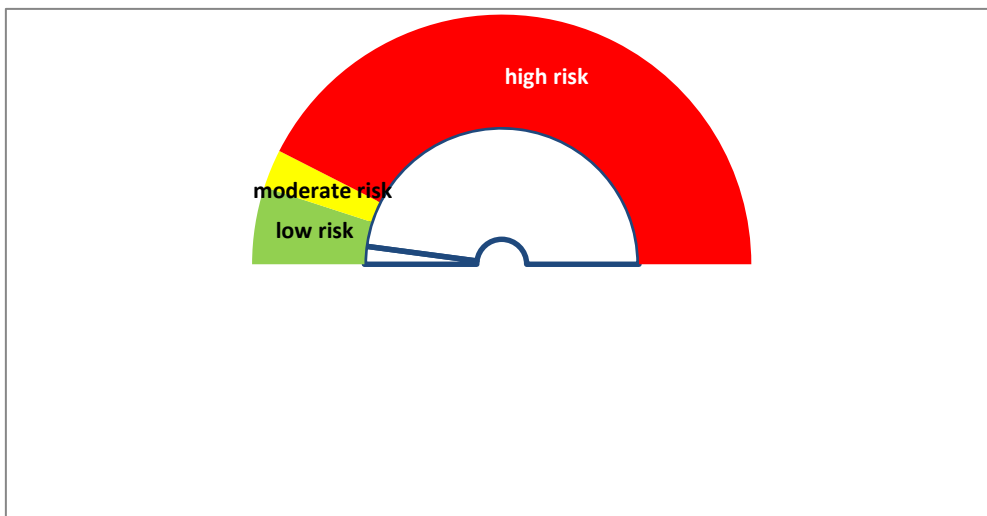
**What does it mean?**    The Municipality is showing no vulnerability in this area.

The Municipality's tax base is not dependent on one single business or institution.

**Calculation:**            
$$\frac{\text{Taxable assessment value of the largest business or institution}}{\text{Uniform Assessment}} = 4.2\%$$

**Risk Thresholds:**

	Low: Less than 10%
	Moderate: 10% to 15%
	High: Greater than 15%



*Windsor's tachometer indicates 4.2%*

## Three-Year Change in Tax Base

**2019 Results:**            **Moderate risk:** 1.1% growth

**What does it mean?**    Growth is below the CPI % change of 5.2%.  
The municipality's tax base is not keeping up with the cost of municipal services and programs

**Calculation:**            Current Uniform Assessment-Uniform Assessment 3 Years Prior = 1.1% growth  
Uniform Assessment 3 Years Prior

**Risk Thresholds:**

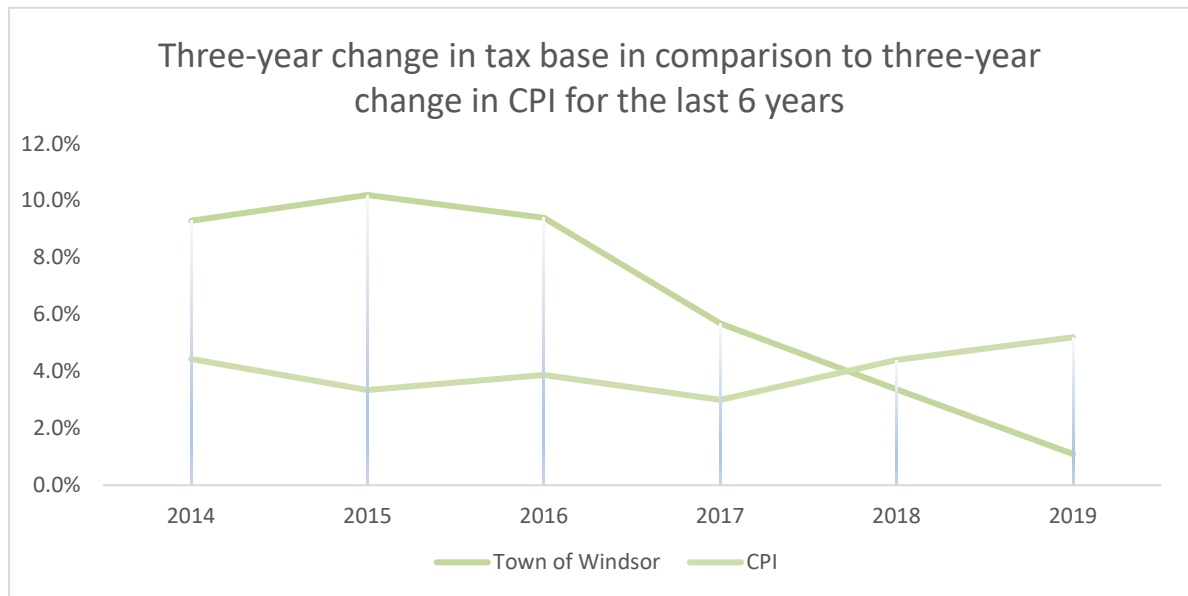
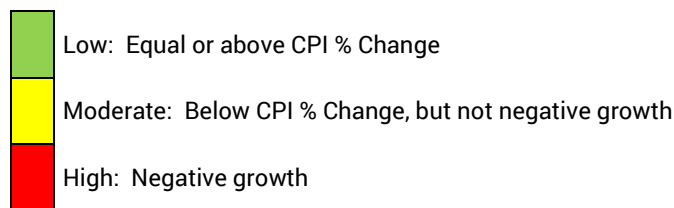


Figure 15- Three-year change in tax base as a comparison to CPI for the last six years, Source: Statement of Estimates Assessment and Statistics Canada.







## Operating Reserve

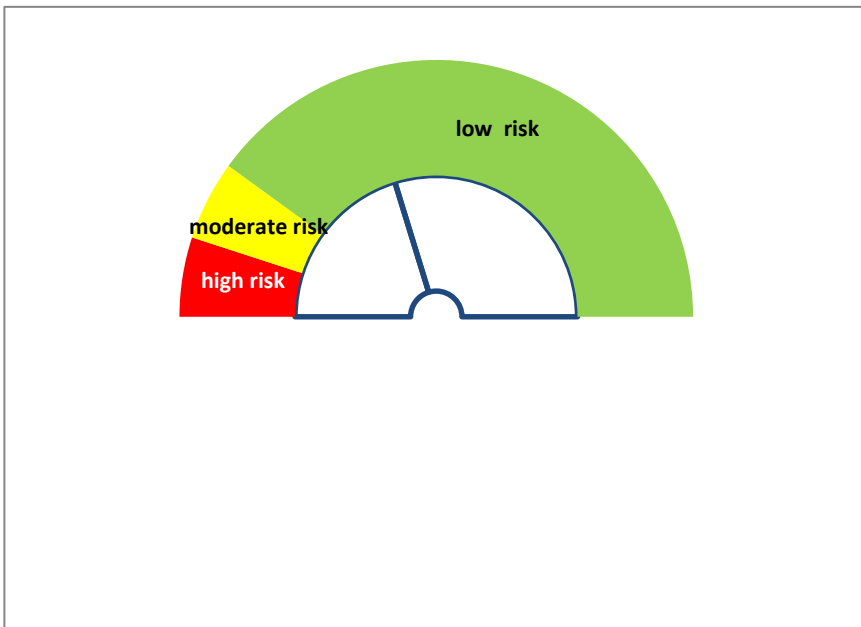
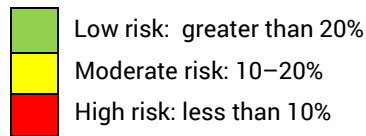
**2019 Results:**            **Low risk: 40.5%**

**What does it mean?**    The Municipality is setting aside sufficient funds to help mitigate any unforeseen risks or future needs.

This indicator provides the value of funds set aside for planned future need, to smooth expenses or for unexpected expenses.

**Calculation:**            
$$\frac{\text{Total Operating Reserve Fund Balance}}{\text{Total Operating Expenditures}} = 40.5\%$$

**Risk Thresholds:**



*Windsor's Tachometer indicates 40.5%*



## Undepreciated Assets




**2019 Results:**            **Low risk: 67.7%**

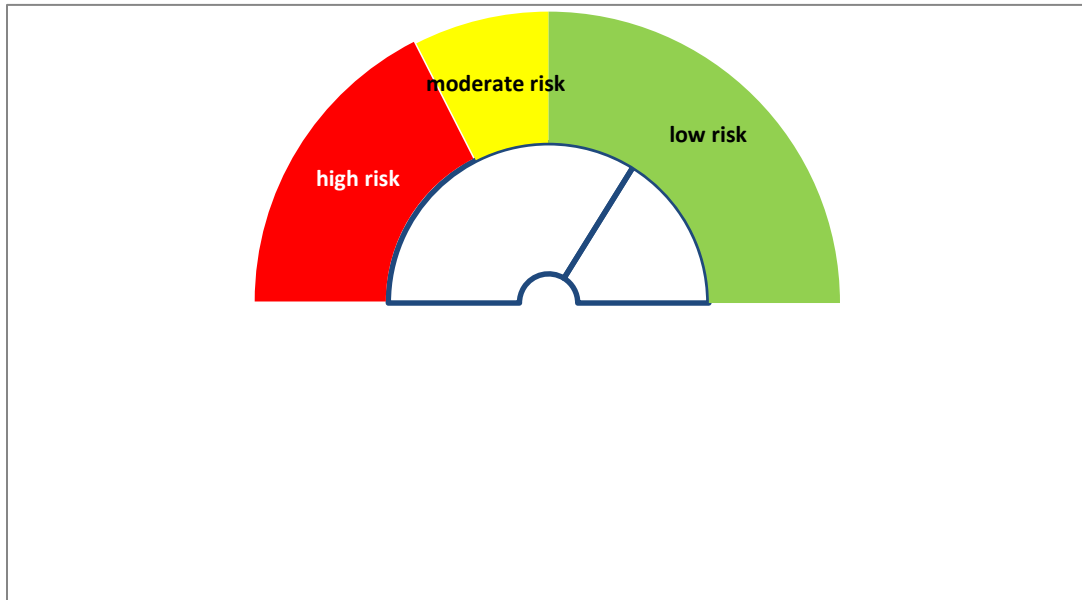
**What does it mean?**    This indicator estimates that the Municipality's capital assets have 67.7% of useful life remaining.

Municipalities across Canada are facing sufficient infrastructure challenges. This indicates that the Municipality is experiencing less of an infrastructure challenge than other municipalities.

**Calculation:**            Total Net Book Value of Capital Assets = 67.7%  
Gross Costs of Capital Assets

**Risk Thresholds:**

-  Low risk: greater than 50%
-  Moderate risk: 35–50%
-  High risk: less than 35%



*Windsor's tachometer indicates 67.7%.*

## 5-Year Budget Accuracy

**2019 Results:**            **High risk:** 3 of the last 5 years,  
actual expenditures were within +/- 5% of budget.




**What does it mean?**    The Municipality did not consistently maintain expenditure  
spending within budget limits.

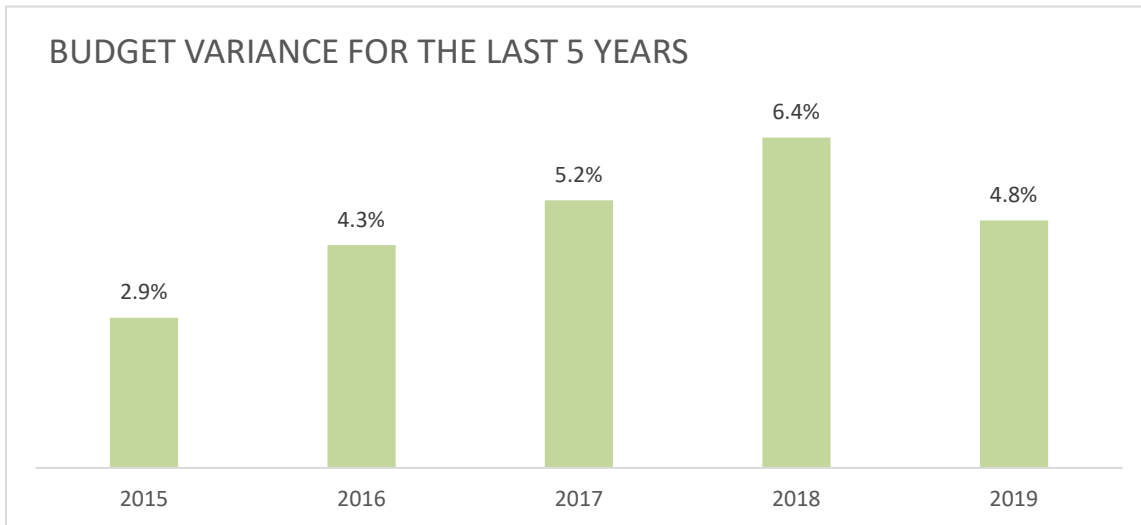
In 2017, actual expenses were 5.2% less than the budget.

In 2018, actual expenses were 6.4% less than the budget.

**Calculation:**            Total budget expenditures - Total actual expenditures = 4.8%  
Total budget expenditures

### Risk Thresholds:

-  Low: 5 out of 5 years, expenditures were within +/- 5% or expenditure and revenue variances were within +/- 5% of each other
-  Moderate: 4 out of 5 years, expenditures were within +/- 5%
-  High: Less than 4 out of 5 years, expenditures were within +/- 5%



*Figure 16- Operating budget variance over the last 5 years. Source: Financial Information Return and Statement of Estimates Budget.*

## FCI- Key Performance Indicators –

the ability to meet current and future needs in a balanced and independent manner

### Reliance on Government Transfers

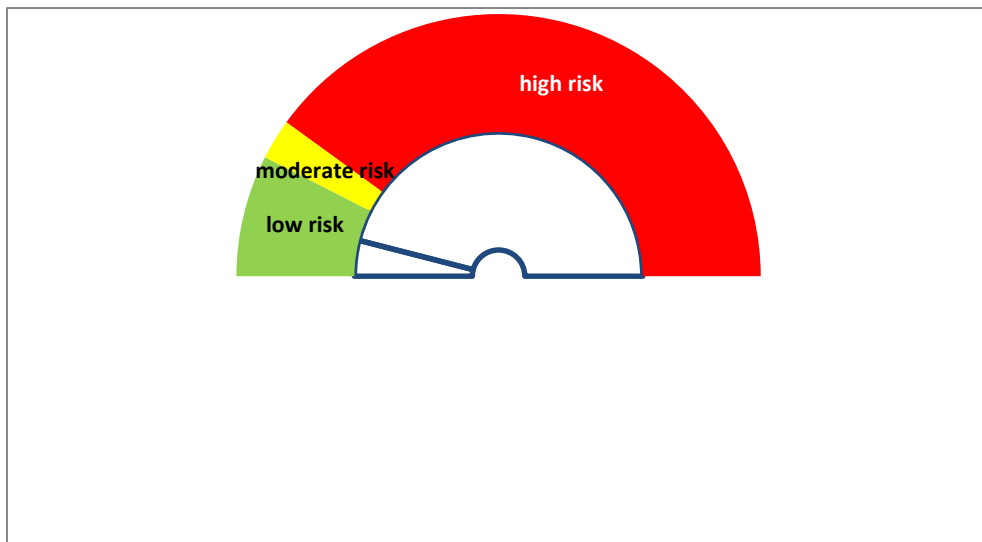
**2019 Results:**                    **Low risk: 8.0%**

**What does it mean?**        The Municipality is not dependent on another level of government to meet its service obligations.

**Calculation:**                    
$$\frac{\text{Total Government Transfers}}{\text{Total Revenue}} = 8.0\%$$

**Risk Thresholds:**

	Low risk: less than 15%
	Moderate risk: 15–20%
	High risk: greater than 20%



*Windsor's tachometer indicates 8.0%.*

## Number of Deficits in the Last 5 Years

**2019 Results:**            **Low risk:** 0 operating deficits in the last five years

**What does it mean?**    Deficits are important indications of financial health. The result indicates that the municipality is able to meet its needs in a balanced manner and maintain a balanced budget.

**Calculation:**            The number of non-consolidated operating deficits in the last five years = 0.

### Risk Thresholds:

- Low risk: 0 in the last 5 years
- Moderate 1 or more in the last 5 years
- High risk: 1 or more in the last 2 years with one material deficit (0.5% of operating expenses)

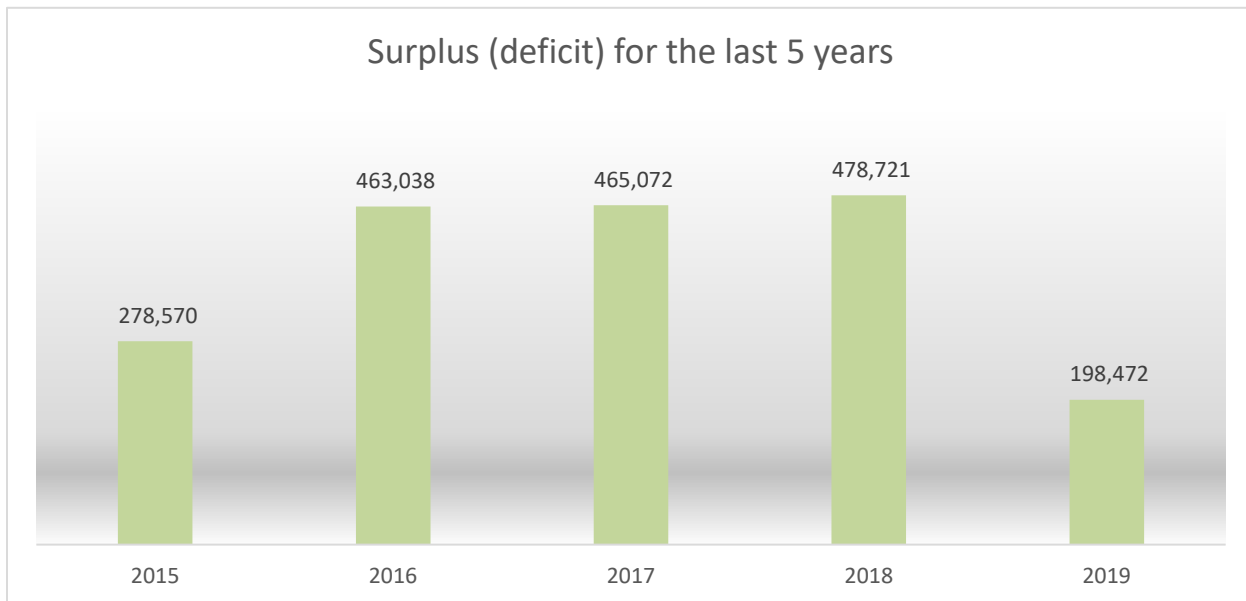


Figure 17- Annual operating fund surplus (deficits) for the last 5 years Source: Financial Information Return




## Liquidity

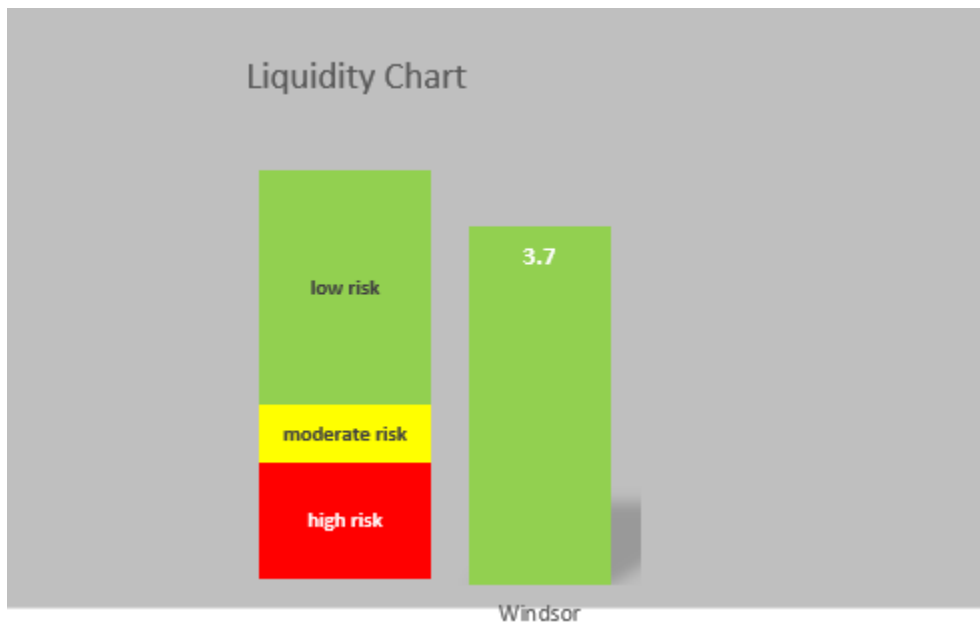
**2019 Results:**            **Low risk: 3.7**

**What does it mean?**    Liquidity is key to financial performance. The result indicates that the Municipality does not have a cash flow problem and is able to meet its service obligations.

**Calculation:**            
$$\frac{\text{Total Current Financial Assets}}{\text{Total Current Liabilities}} = 3.7$$

**Risk Thresholds:**

	Low risk: greater than 1.5
	Moderate risk: 1 to 1.5
	High risk: less than 1






## Combined Reserves

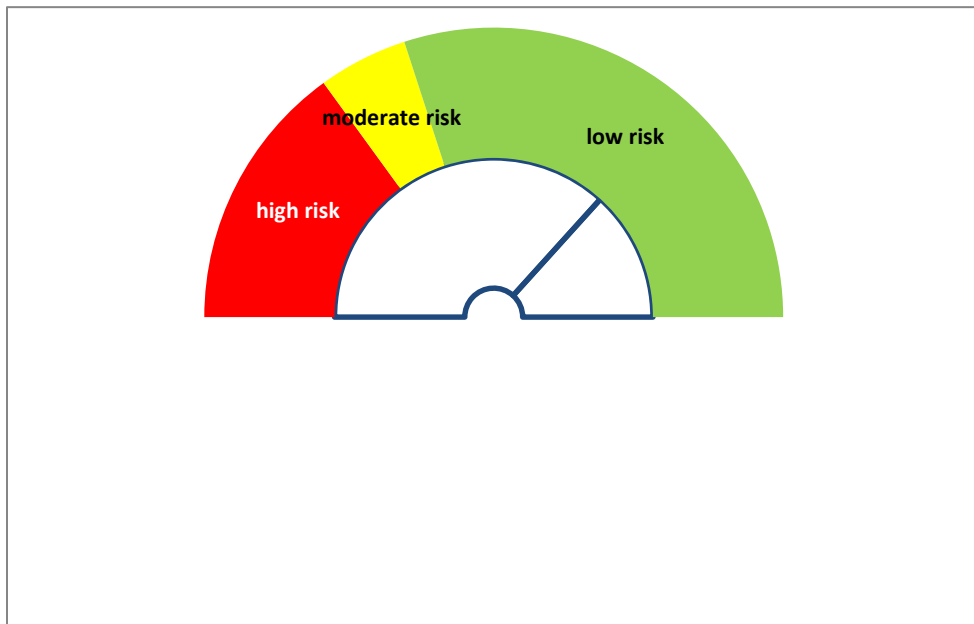
**2019 Results:**            **Low risk:** 73.4% combined reserves

**What does it mean?**    This result indicates that the Municipality does appear to have sufficient reserves needed to address unexpected events or provide flexibility to address future projects.  
Reserves are critical components of a municipality's long-term sustainability. This indicator shows the value of the funds held in the reserves compared to a single year's operation, including amortization expenses.

**Calculation:**             $\frac{\text{Total Operating and Capital Reserves.}}{\text{Total Operating Expenses plus Amortization Expense}} = 73.4\%$

**Risk Thresholds:**

-  Low risk: greater than 40%
-  Moderate risk: 30–40%
-  High risk: less than 30%



*Windsor's tachometer indicates 73.4%.*

## Appendix I – Additional Resources

### Nova Scotia Government's Open Data Portal ([data.novascotia.ca](http://data.novascotia.ca))

This portal provides access to various government data in a free, accessible, machine-readable format.

Financial datasets currently published through the Nova Scotia Government's Open Data Portal:

- 911 Municipal Grants
- Consolidated Revenues and Expenses by Municipality
- Municipal Affairs Funding Programs
- Emergency Services Provider Fund
- Farm Land Grant
- Financial Condition Indicators by Municipality
- Municipal Contributions to Roads
- Municipal Financial Capacity Grant (formally equalization program)
- Municipal Operating Fund- Summary of Revenue and Expenses by Municipality
- Municipal Operating Expenses by Function -10 Year Summary
- Municipal Operating Revenue by Source -10 Year Summary
- Municipal Property Tax Rates
- Nova Scotia Power Grant-in-Lieu
- Uniform Assessment

### Municipal website

[town.windsor.ns.ca](http://town.windsor.ns.ca)

A municipality's website can be a helpful resource to access various financial information. Currently, most municipal websites provide:

- audited Financial Statements
- approved Operating Budget
- quarterly municipal Expense Report
- quarterly municipal Hospitality Expense Report

### Contact Municipal Affairs and Housing

For more information, for support in action plan development, or to obtain a guide on action plan development:

Katharine Cox-Brown  
Director, Municipal Finance and Operating Grants  
[Katharine.Cox-Brown@novascotia.ca](mailto:Katharine.Cox-Brown@novascotia.ca)  
902.424.4643





**West Hants Regional Municipality**  
**Income Statement - Actual vs. Budget**  
**For the Six Months Ending September 30, 2020**

	<u>Budget</u>	<u>YTD Actuals</u>	<u>Remaining Funds</u>	<u>Forecast</u>	<u>Percentage</u>
<b>TOTAL REVENUES</b>					
<b>ASSESSABLE PROPERTIES</b>					
RESIDENTIAL	5,204,967.00	5,384,863.27	(179,896.27)	5,384,863.27	3.46%
COMMERCIAL	1,224,147.00	1,155,594.35	68,552.65	1,155,594.35	(5.60%)
RESOURCES	223,173.00	215,018.20	8,154.80	135,363.00	(39.35%)
SPECIAL TAX AGREEMENT	-	71,113.28	71,113.28	71,113.28	(100.00%)
WEST HANTS AREA RATES	7,417,582.00	7,444,388.80	(26,806.80)	7,444,388.80	0.36%
WINDSOR AREA RATES	3,974,304.00	4,141,351.05	(167,047.05)	4,141,351.05	4.20%
HANTSPORT AREA RATES	677,902.00	673,624.68	4,277.32	673,624.68	(0.63%)
<b>TOTAL</b>	<b>18,722,075.00</b>	<b>19,085,953.63</b>	<b>363,878.63</b>	<b>19,006,298.43</b>	<b>1.52%</b>
<b>SPECIAL ASSESSMENT</b>					
WEST HANTS SEWER	1,078,390.00	254,282.53	824,107.47	1,013,401.03	(6.03%)
WINDSOR SEWER	981,600.00	254,227.27	727,372.73	1,158,103.24	17.98%
<b>TOTAL</b>	<b>2,059,990.00</b>	<b>508,509.80</b>	<b>770,048.00</b>	<b>2,171,504.27</b>	<b>5.41%</b>
<b>BUSINESS PROPERTY</b>					
MT&T	76,541.00	62,948.00	13,593.00	62,948.00	(17.76%)
NS POWER	207,445.00	207,455.00	(10.00)	207,455.00	0.00%
<b>TOTAL</b>	<b>283,986.00</b>	<b>270,403.00</b>	<b>4,913.00</b>	<b>270,403.00</b>	<b>(4.78%)</b>
<b>OTHER</b>					
DEED TRANSFER TAX	692,778.00	599,442.64	93,335.36	1,198,885.28	73.05%
5% SUBDIVISION	8,000.00	1,570.00	6,430.00	3,140.00	(60.75%)
<b>TOTAL</b>	<b>700,778.00</b>	<b>601,012.64</b>	<b>235,101.00</b>	<b>1,202,025.28</b>	<b>71.53%</b>
<b>GRANTS-IN-LIEU</b>					
FEDERAL	94,451.00	10.00	94,441.00	94,461.00	0.01%
PROVINCIAL	20,097.00	10.00	20,087.00	20,107.00	0.05%
<b>TOTAL</b>	<b>114,548.00</b>	<b>20.00</b>	<b>114,528.00</b>	<b>114,568.00</b>	<b>0.02%</b>
<b>LOCAL GOVERNMENT</b>					
ENVIRONMENTAL HEALTH SERVICES	101,130.00	-	101,130.00	101,130.00	0.00%
HOST COMMUNITY FEES	360,000.00	182,597.04	177,402.96	365,194.08	1.44%
STREET LIGHTS	-	595.56	-	595.56	0.00%
COURTHOUSE	77,060.00	35,999.16	41,060.84	77,060.00	0.00%
SERVICES TO OTHER LOCAL GOV.	2,000.00	-	2,000.00	2,000.00	0.00%
CLOSED LANDFILL	57,969.00	-	57,969.00	57,969.00	0.00%
ADMINISTRATION FEES	502,885.00	3,503.41	499,381.59	502,885.00	0.00%
KINGS COUNTY FIRE GRANT	53,679.00	26,839.50	26,839.50	53,679.00	0.00%
GLOOSCAP FIRE GRANT	7,065.00	-	7,065.00	7,065.00	0.00%
CAPITAL FIRE GRANT - KINGS	24,776.00	-	24,776.00	4,776.00	(80.72%)

**West Hants Regional Municipality**  
**Income Statement - Actual vs. Budget**  
**For the Six Months Ending September 30, 2020**

	<b>YTD</b>		<b>Remaining</b>		<b>Percentage</b>
	<b>Budget</b>	<b>Actuals</b>	<b>Funds</b>	<b>Forecast</b>	
MISC GLOOSCAP	30,000.00	-	30,000.00	20,000.00	(33.33%)
<b>TOTAL</b>	<b>1,216,564.00</b>	<b>249,534.67</b>	<b>967,029.33</b>	<b>1,192,353.64</b>	<b>(1.99%)</b>
<b>LICENSES &amp; PERMITS</b>					
LICENCES	5,093.00	600.00	4,493.00	1,200.00	(76.44%)
WH BUILDING	45,837.00	59,250.92	(13,413.92)	130,376.16	184.43%
<b>TOTAL</b>	<b>50,930.00</b>	<b>59,850.92</b>	<b>(8,920.92)</b>	<b>131,576.16</b>	<b>158.35%</b>
FINES	44,080.00	27,657.48	16,422.52	55,314.96	25.49%
<b>RENTALS</b>					
RENTALS	147,486.00	600.00	146,886.00	147,486.00	0.00%
COMMUNITY DEVE. RENTALS & FEES	312,496.00	3,934.14	308,561.86	312,496.00	0.00%
<b>TOTAL</b>	<b>459,982.00</b>	<b>4,534.14</b>	<b>455,447.86</b>	<b>459,982.00</b>	<b>0.00%</b>
RETURN ON INTESTMENT	65,990.00	-	65,990.00	65,990.00	0.00%
INTEREST & PENALTIES	301,130.00	146,015.00	155,115.00	602,260.00	100.00%
<b>OTHER</b>					
TAX CERTIFICATES	10,000.00	7,300.00	2,700.00	14,600.00	46.00%
SUBDIVISION FEE	2,000.00	-	2,000.00	2,000.00	0.00%
WIND FARM REVENUE	169,080.00	-	169,080.00	169,080.00	0.00%
WATER SALES	13,000.00	36,750.00	(23,750.00)	73,500.00	465.38%
MISC	18,600.00	4,269.40	14,330.60	8,269.40	(55.54%)
<b>TOTAL</b>	<b>212,680.00</b>	<b>48,319.40</b>	<b>164,360.60</b>	<b>267,449.40</b>	<b>25.75%</b>
RECREATION	40,100.00	6,933.78	33,166.22	25,633.73	(36.08%)
<b>SERVICE NS &amp; MUN RELATIONS</b>					
EQUALIZATION GRANTS	463,476.00	140,677.00	322,799.00	463,476.00	0.00%
FARM PROPERTY ACREAGE	87,447.00	88,918.00	(1,471.00)	88,918.00	1.68%
HST OFFSET GRANT	112,360.00	75,910.00	36,450.00	112,360.00	0.00%
911 COST RECOVERY	6,300.00	-	6,300.00	6,300.00	0.00%
<b>TOTAL</b>	<b>669,583.00</b>	<b>305,505.00</b>	<b>364,078.00</b>	<b>671,054.00</b>	<b>0.22%</b>
GOVERNMENT GRANTS	146,637.00	54,280.00	92,357.00	171,510.00	16.96%
OTHER FUNDS GENERAL	83,346.00	575.00	82,771.00	83,346.00	0.00%
<b>TOTAL REVENUE</b>	<b>25,172,400.00</b>	<b>21,369,104.46</b>	<b>3,803,295.54</b>	<b>26,491,268.87</b>	<b>5.24%</b>

**West Hants Regional Municipality**  
**Income Statement - Actual vs. Budget**  
**For the Six Months Ending September 30, 2020**

	<b>YTD</b>		<b>Remaining</b>		<b>Percentage</b>
	<b>Budget</b>	<b>Actuals</b>	<b>Funds</b>	<b>Forecast</b>	
<b>LEGISLATIVE</b>					
WARDEN	56,000.00	24,630.20	31,369.80	49,260.40	(12.04%)
COUNCIL	326,527.00	221,400.00	105,127.00	442,800.00	35.61%
CONSOLIDATION & TRANSITION		59,285.00	(59,285.00)	59,285.00	0.00%
OTHER LEGISLATIVE	28,000.00	2,250.00	25,750.00	17,500.00	(37.50%)
<b>TOTAL</b>	<b>410,527.00</b>	<b>307,565.20</b>	<b>102,961.80</b>	<b>568,845.40</b>	<b>38.56%</b>
<b>GENERAL ADMINISTRATION</b>					
ADMINISTRATIVE MANAGMENT	445,254.00	272,046.95	173,207.05	542,250.29	21.78%
FINANCIAL MANAGEMENT	825,839.00	381,156.44	444,682.56	830,807.84	0.60%
LEGAL/AUDITOR	116,630.00	21,107.00	95,523.00	82,214.00	(29.51%)
TAXATION	55,450.00	58,345.64	(2,895.64)	101,845.64	83.67%
COMMON SERVICES	1,050.00	-	1,050.00	1,050.00	0.00%
OTHER GENERAL ADMIN					
OFFICE ADMIN	128,346.00	29,400.35	98,945.65	118,800.70	(7.44%)
FACILITIES	250,566.00	97,867.28	152,698.72	225,734.56	(9.91%)
LIBRARIES	36,475.00	5,063.43	31,411.57	30,126.86	(17.40%)
DATA SERVICES	465,177.00	75,494.16	389,682.84	350,988.32	(24.55%)
INSURANCE	97,000.00	315,244.73	(218,244.73)	315,244.73	224.99%
GRANTS TO ORGANIZATIONS	66,500.00	61,000.00	5,500.00	61,000.00	(8.27%)
OTHER	26,450.00	10,823.03	15,626.97	22,517.13	(14.87%)
<b>TOTAL</b>	<b>2,514,737.00</b>	<b>1,327,549.01</b>	<b>1,187,187.99</b>	<b>2,682,580.07</b>	<b>6.67%</b>
<b>PROTECTIVE SERVICES</b>					
POLICE	5,300,764.00	1,395,976.85	3,904,787.15	5,300,764.00	0.00%
BYLAW ENFORCEMENT	159,969.00	30,536.16	129,432.84	122,144.64	(23.64%)
FIRE PROTECTION	2,510,380.00	599,141.03	1,911,238.97	2,289,335.06	(8.81%)
EMERGENCY	34,280.00	18,554.04	15,725.96	37,108.08	8.25%
BUILDING INSPECTION	370,195.00	120,063.96	250,131.04	262,804.92	(29.01%)
FOOD BANK	7,000.00	503.03	6,496.97	3,406.06	(51.34%)
<b>TOTAL</b>	<b>8,382,588.00</b>	<b>2,164,775.07</b>	<b>6,217,812.93</b>	<b>8,015,562.76</b>	<b>(4.38%)</b>
<b>TRANSPORTATION</b>					
ROADS & STREETS	1,362,362.00	457,680.32	904,681.68	1,102,454.64	(19.08%)
ROADS & STREETS - WEST HANTS	112,176.00	-	112,176.00	72,914.40	(35.00%)
ROADS & STREETS - WINDSOR	220,996.00	107,569.20	113,426.80	215,138.20	(2.65%)
ROADS & STREETS - HANTSPORT	143,205.00	13,369.58	129,835.42	161,194.16	12.56%
<b>TOTAL</b>	<b>1,838,739.00</b>	<b>578,619.10</b>	<b>1,260,119.90</b>	<b>1,551,701.40</b>	<b>(15.61%)</b>
<b>ENVIRONMENTAL HEALTH SERVICES</b>					
<i>WEST HANTS SEWERS</i>					
ADMINISTRATION	584,126.27	116,844.68	467,281.59	398,292.63	(31.81%)
OPERATING COSTS	314,600.00	70,811.11	243,788.89	186,622.22	(40.68%)

**West Hants Regional Municipality**  
**Income Statement - Actual vs. Budget**  
**For the Six Months Ending September 30, 2020**

	<b>YTD</b>		<b>Remaining</b>		<b>Percentage</b>
	<b>Budget</b>	<b>Actuals</b>	<b>Funds</b>	<b>Forecast</b>	
LONG TERM DEBT	114,392.26	-	114,392.26	91,667.00	(19.87%)
<i>WINDSOR SEWERS</i>					
ADMINISTRATION	414,904.73	111,443.54	303,461.19	390,977.08	(5.77%)
OPERATING COSTS	316,450.00	123,045.67	193,404.33	291,091.34	(8.01%)
LONG TERM DEBT	325,463.00		325,463.00	325,463.00	0.00%
<b>SUB-TOTAL</b>	<b>2,069,936.26</b>	<b>422,145.00</b>	<b>1,647,791.26</b>	<b>1,684,113.27</b>	<b>(18.64%)</b>
<i>GARBAGE &amp; RECYCLING</i>					
GARBAGE & WASTE - WEST HANTS	1,034,072.00	446,384.39	587,687.61	902,768.78	(12.70%)
GARBAGE & WASTE - WINDSOR	409,109.00	127,991.15	281,117.85	255,982.30	(37.43%)
CLOSED LANDFILL	57,970.00	16,722.46	41,247.54	33,444.92	(42.31%)
RECYCLING/ENFORCEMENT	101,130.00	306.39	100,823.61	101,130.00	0.00%
<b>SUB-TOTAL</b>	<b>1,602,281.00</b>	<b>591,404.39</b>	<b>1,010,876.61</b>	<b>1,293,326.00</b>	<b>(19.28%)</b>
TOTAL ENVIRO HEALTH SERVICES	3,672,217.26	1,013,549.39	2,658,667.87	2,977,439.27	(18.92%)
<b>ENVIRONMENTAL DEVELOPMENT SERVICES</b>					
PLANNING	658,119.00	259,606.29	398,512.71	534,212.58	(18.83%)
MCAPP/VCFN/REN/TOURISM	95,700.00	6,260.53	89,439.47	95,700.00	0.00%
INDUSTRIAL PARK	6,500.00	1,209.96	5,290.04	2,419.92	(62.77%)
<b>TOTAL</b>	<b>760,319.00</b>	<b>267,076.78</b>	<b>493,242.22</b>	<b>632,332.50</b>	<b>(16.83%)</b>
<b>RECREATION &amp; CULTURAL SERVICES</b>					
ADMINISTRATION	291,312.00	199,211.12	92,100.88	389,422.24	33.68%
RECREATION SITES & MAINTENANCE	407,936.00	173,591.02	234,344.98	407,936.00	0.00%
PROGRAMS	279,073.00	110,665.12	168,407.88	165,378.20	(40.74%)
POOL	40,480.00	9,340.20	31,139.80	30,680.40	(24.21%)
COMMUNITY CENTRE	181,247.00	40,929.15	140,317.85	81,858.30	(54.84%)
SPORT COMPLEX & WINDSOR ARENA	380,488.00	44,962.71	335,525.29	380,488.00	0.00%
COMMUNITY ECONOMIC DEVELOPMENT	229,613.00	2,915.70	226,697.30	23,331.40	(89.84%)
HMCC	86,082.00	31,450.93	54,631.07	86,082.00	0.00%
WBES (WINDSOR TOWNSHIP)	58,872.00	21,415.29	37,456.71	58,872.00	0.00%
MAPLEWOOD CEMETERY	25,539.00		25,539.00	25,539.00	0.00%
RIVERBANK CEMETERY	32,805.00		32,805.00	32,805.00	0.00%
<b>TOTAL</b>	<b>2,013,447.00</b>	<b>634,481.24</b>	<b>1,378,965.76</b>	<b>1,682,392.54</b>	<b>(16.44%)</b>
-					
<b>FISCAL SERVICES</b>					
-					
VALUATION ALLOWANCE & BAD DEBTS	45,000.00	-	45,000.00	45,000.00	0.00%
HOUSING AUTHORITY	97,000.00	90,604.89	6,395.11	90,604.89	(6.59%)
ASSESSMENT	332,405.00	166,202.50	166,202.50	332,405.00	0.00%
CORRECTIONAL	248,531.00	62,133.00	186,398.00	248,532.00	0.00%
REGIONAL LIBRARY	119,543.00	65,936.01	53,606.99	119,543.00	0.00%
EDUCATION	4,683,280.00	2,180,400.00	2,502,880.00	4,683,280.00	0.00%
<b>TOTAL</b>	<b>5,525,759.00</b>	<b>2,565,276.40</b>	<b>2,960,482.60</b>	<b>5,519,364.89</b>	<b>(0.12%)</b>
-					
COURTHOUSE	77,060.00	33,659.39	43,400.61	67,318.78	(12.64%)

**West Hants Regional Municipality  
Income Statement - Actual vs. Budget  
For the Six Months Ending September 30, 2020**

	<b>YTD</b>		<b>Remaining</b>	<b>Forecast</b>	<b>Percentage</b>
	<b>Budget</b>	<b>Actuals</b>	<b>Funds</b>		
			-		
LONG TERM DEBT	1,505,579.74		1,505,579.74	1,509,579.74	0.27%
EXTRAORDINARY EXPENSES		-	-	-	0.00%
TRANSFER TO RESERVES	(1,528,574.00)	-	(1,528,574.00)	(2,428,574.00)	58.88%
<b>TOTAL EXPENDITURES</b>	<b>25,172,400.00</b>	<b>8,892,551.58</b>	<b>16,279,847.42</b>	<b>22,778,543.35</b>	<b>(9.51%)</b>
			-		
<b>SURPLUS/(DEFICIT)</b>	-	<b>12,476,552.88</b>	<b>(12,476,552.88)</b>	<b>3,712,725.52</b>	