



# Consolidated Financial Statements

March 31, 2023

## Consolidated Financial Statements

The Municipality’s financial statements have been prepared by Management in accordance with the provincial Financial Reporting and Accounting Manual and the reporting standards set by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants Canada (CPA Canada). The financial statements have been audited by Deloitte who have expressed their opinion that these statements present fairly, in all material aspects, the financial position of East Hants as at March 31, 2023.

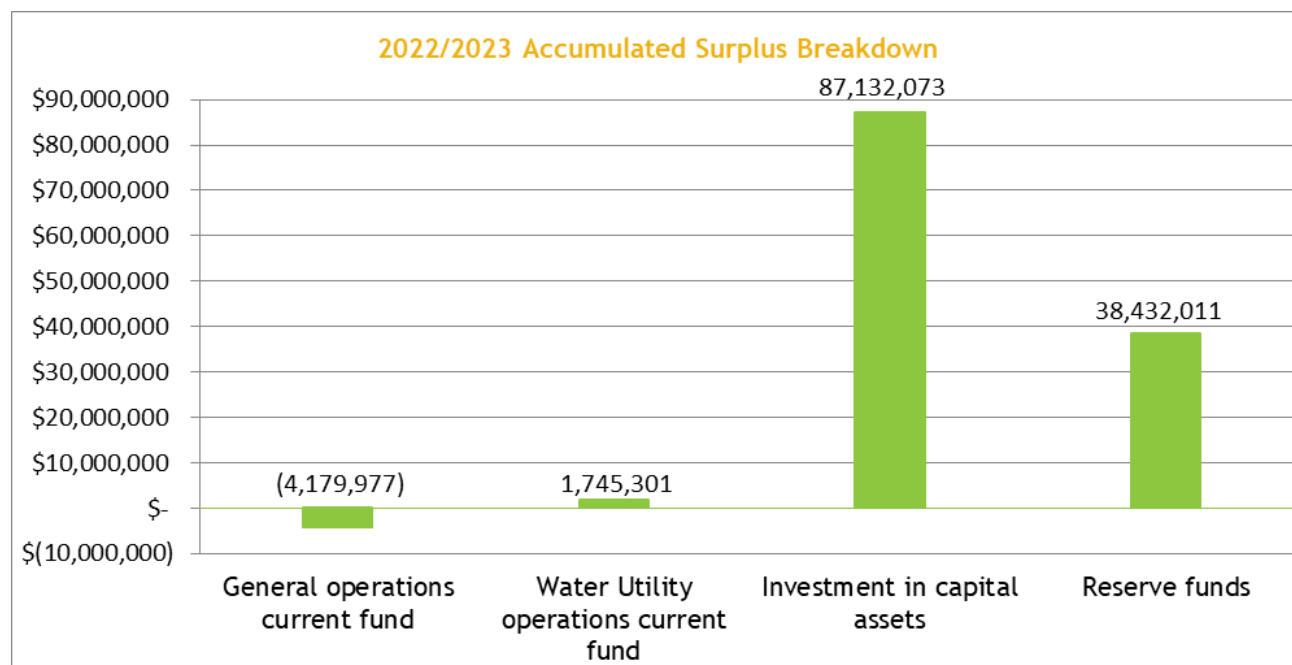
Management is responsible for such internal controls as determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error. The Audited Financial Statements are available on the Municipal website at [easthants.ca](http://easthants.ca).

There are four required PSAS financial statements: **Statement of Financial Position; Statement of Operations; Statement of Changes in Net Assets (Debt); and Statement of Cash Flow**. We are pleased to also offer several schedules to support the statements and provide clarification to the reader.

## Consolidated Statement of Financial Position

This statement highlights the cash resources of the Municipality, the liabilities, the net assets (which is the difference between the financial assets and liabilities), the assets that are held for service provision and the accumulated surplus.

As a result of the significant investment in tangible capital assets, there is a large accumulated surplus (\$123.1M) and net debt has been recovered (see Statement of Changes in Net Assets/Debt). The following table shows a breakdown of the accumulated surplus by fund.



## Consolidated Statement of Operations

The Consolidated Statement of Operations provides a summary of the revenues, expenses and surplus for the reporting period. The statement consists of the funds for the general operations, the water utility and capital.

The Consolidated Statement of Operations shows an annual surplus for the year of \$18,059,972 with a budgeted surplus of \$12,421,297. The variance of \$5,638,675 is accounted for as follows:

Description	Amount
<b>Variance from Budget to Actual - Consolidated Surplus</b>	
General tax rate variance as per the General Operations section	\$2,570,299
Urban service tax rate variance as per the Urban Service Rate section	(6,577)
Transfers (See below)	1,580,020
Net gain on the sale/disposal of Municipal assets	428,127
Pension adjustment for the unamortized actuarial loss (Note 10 Financial Report)	(452,293)
Landfill liability adjustment based on PSAS requirements	135,301
Non-Urban Streetlights, variance to budgeted surplus	14,709
Water Utility variance as per the Water Utility section	211,734
Interest earned on reserves	1,157,090
Contribution Uniacke District Recreation Civic Centre	34,025
Principal payments General Fund - Local Improvement - John Murray Dr (Provincial)	(12,600)
Principal payments General Fund - Lantz Fire Department Recoverable	(21,160)
<b>Net Variance from Budget to Actual</b>	<b>\$5,638,675</b>

Council has established policies that require unspent funds in particular areas to be transferred at year end to an operating reserve. Also, throughout the year, Council decisions are made that affect transfers to and from reserves. The following is a list of Council approved transfers to (from) reserves that varied from the approved budget:

Description	Amount
Pension surplus - Budget pension expense at 10.5% (GTR \$174,991 & USR \$9,075)	\$184,066
Pension Special Payments	(109,300)
Legal Fees - as per Council policy, transfer unspent funds to reserves	89,536
Professional Fees/Contracts - as per Council policy, transfer unspent funds to reserve	58,689
Grants - as per Council policy, transfer unspent funds to reserve	128,760
Training	62,073
Sidewalks Contracts & Snow removal	74,980
Projects carried forward to 2023/2024	743,653
Other variances affecting to (from) reserves (contracts, computer support, etc)	347,563
<b>Total Transfers</b>	<b>\$1,580,020</b>

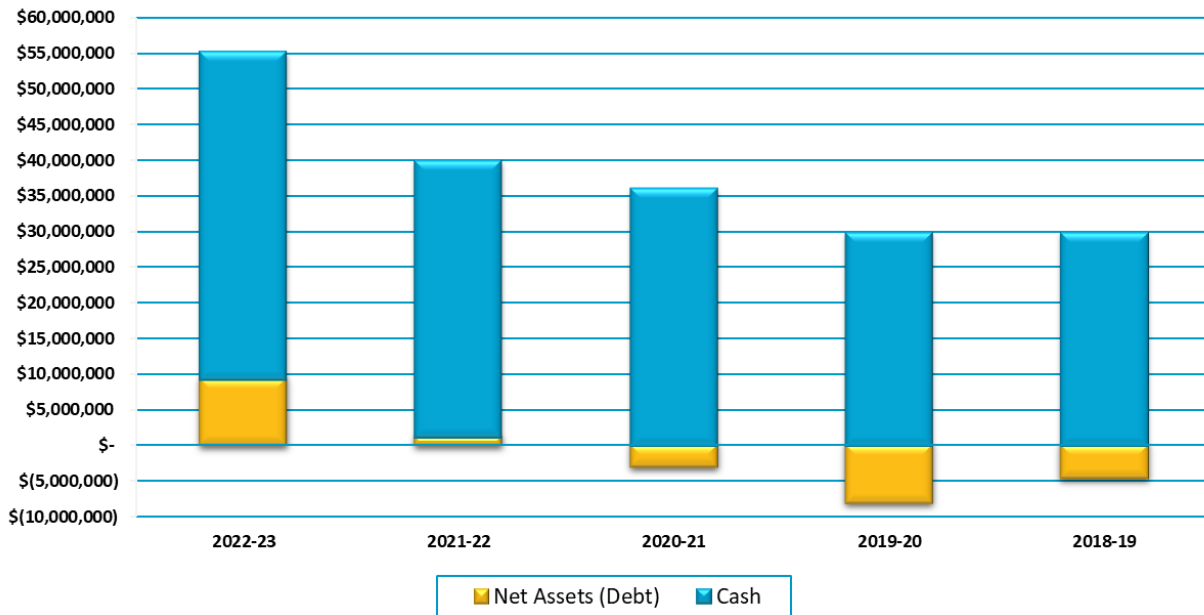
# Statement of Changes in Net Assets (Debt)

The statement is unique to PSAS reporting; the statement outlines the changes in net assets (debt) as a result of annual operations, tangible capital asset transactions and changes in other non-financial assets (pre-paid expenses and inventories). East Hants continues to strengthen its financial position as net assets grew to \$9.2 million in 2022/2023. This is largely attributed to development growth (contributed assets) and a focus on reducing debt.

# Statement of Cash Flow

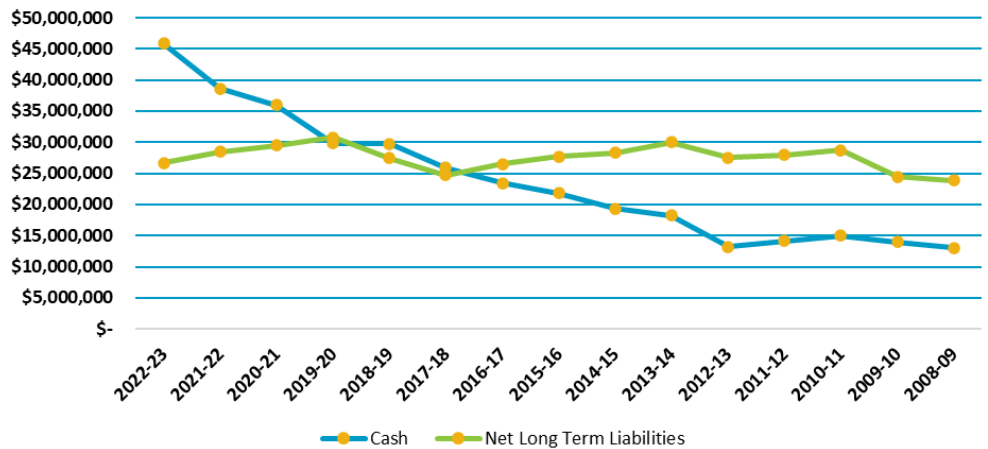
The Statement of Cash Flow reports changes in cash and cash equivalents resulting from operating activity and shows how the Municipality financed its activities during the year and met its cash requirements. East Hants values fiscal responsibility and as such has a reserve program; including reserve balance, as of 2023, the consolidated cash balance is \$45.9 million.

5 Year Cash vs. Net Assets (Debt)



As of March 31, 2023, East Hants' consolidated cash balance (\$45.9 million) is higher than its total long-term liabilities (\$26.7 million) and it reiterates the organization's goal to reduce debt and demonstrate overall fiscal responsibility, as shown in the graph to the right:

15 Year Cash & Net Long Term Liabilities Trend



# March 31, 2023 – Consolidated Financial Statements

Municipality of the District of East Hants

Table of Contents

March 31, 2023

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Independent Auditors' Report (see audited statements)	
Consolidated Statement of Financial Position	96
Consolidated Statement of Operations	97
Consolidated Statement of Changes in Net Assets (Debt)	98
Consolidated Statement of Cash Flow	99
Notes to the Consolidated Financial Statements	100
Schedule of Current Fund Operations - Municipal Operations	115
Schedule of Financial Position - Municipal Operations	116
Schedule of Current Fund Operations - Water Utility	117
Schedule of Financial Position - Water Utility	118
Schedule of Capital Fund Operations - Municipal Operations	119
Schedule of Financial Position - Municipal Capital Fund	120
Schedule of Reserve Operations	121
Schedule of Financial Position - Reserves Fund	122
Reconciliation of the Financial Plan to the PSAS Budget (Unaudited)	123
Consolidated Schedule of Operations by Function	124

**Municipality of the District of East Hants  
Consolidated Statement of Financial Position  
As at March 31, 2023**

	2023	2022
<b>FINANCIAL ASSETS</b>		
Cash (Note 2)	\$ 45,877,769	\$ 38,613,721
Taxes and water rates receivable (Note 3)	2,195,491	1,856,586
Accounts receivable (Note 4)	3,144,975	2,756,624
	<u>51,218,235</u>	<u>43,226,931</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities (Note 5)	2,622,407	2,533,447
Deferred revenue - general (Note 6)	2,204,149	2,442,796
Deferred revenue - obligatory reserve (Note 7)	5,683,303	4,838,988
Employee future benefits (Note 10 & 11)	3,858,916	3,380,830
Tax sale surplus	547,164	369,200
Long-term liabilities (Note 9)	26,651,578	28,421,855
Asset Retirement Obligation (Note 12)	426,509	-
	<u>41,994,026</u>	<u>41,987,116</u>
<b>NET ASSETS</b>	<u>9,224,209</u>	<u>1,239,815</u>
<b>NON FINANCIAL ASSETS</b>		
Net tangible capital assets (Note 8)	109,035,851	97,482,038
Work in progress (Note 8)	4,503,208	5,994,400
Inventory and prepaid expenses	366,140	383,832
	<u>113,905,199</u>	<u>103,860,270</u>
<b>ACCUMULATED SURPLUS (Note 13d)</b>	<u>\$ 123,129,408</u>	<u>\$ 105,100,085</u>

Contingency (Note 16)

Approved on Behalf of the Municipality  
of the District of East Hants

.....Warden

.....Clerk

**Municipality of the District of East Hants  
Consolidated Statement of Operations  
Year Ended March 31, 2023**

	2023 Budget (Unaudited - Note 17)	2023 Actual	2022 Actual
<b>Revenues</b>			
Property taxes (Note 14)	\$ 30,822,086	\$ 32,620,810	\$ 30,416,588
Grants in lieu of taxes	219,197	222,618	220,453
Sale of services	3,045,953	3,399,053	2,952,945
Other revenue from own sources	789,094	2,446,700	1,124,214
Unconditional transfers from other governments	163,050	171,220	253,891
Conditional transfers from federal or provincial government	686,936	655,514	1,292,142
Government grants	3,631,194	3,631,194	3,055,981
Development and other contributions applied	11,163,039	10,986,985	4,053,889
Water utility	2,302,235	2,506,908	2,290,632
<b>Total Revenues</b>	<b>52,822,784</b>	<b>56,641,002</b>	<b>45,660,735</b>
<b>Expenses</b>			
General government services	7,133,602	6,638,911	6,513,366
Protective services	9,103,350	8,928,521	7,945,058
Education services (Note 14)	5,835,046	5,835,048	5,682,864
Social services (Note 14)	95,111	54,228	92,697
Transportation services	2,180,810	1,906,922	2,331,139
Environmental health services	5,629,685	5,423,808	4,975,815
Environmental development services	1,827,449	1,206,251	787,867
Recreation and cultural services	6,001,563	6,012,840	4,938,232
Water utility	2,594,871	2,574,501	2,305,836
<b>Total Expenses</b>	<b>40,401,487</b>	<b>38,581,030</b>	<b>35,572,874</b>
<b>Annual Surplus</b>	<b>12,421,297</b>	<b>18,059,972</b>	<b>10,087,861</b>
Accumulated Surplus, Beginning of Year	105,100,085	105,100,085	93,053,507
Adjustment for Sportsplex Fund Balance	-	(30,649)	-
Adjustment for Sportsplex Asset	-	-	1,958,717
<b>Accumulated Surplus, End of Year</b>	<b>\$ 117,521,382</b>	<b>\$ 123,129,408</b>	<b>\$ 105,100,085</b>

**Municipality of the District of East Hants**  
**Consolidated Statement of Changes in Net Assets (Debt)**  
**Year Ended March 31, 2023**

	2023 Budget (Unaudited - Note 17)	2023 Actual	2022 Actual
Annual Surplus	\$ 12,421,297	\$ 18,059,972	\$ 10,087,861
Adjustment for Sportsplex Fund Balance	-	(30,649)	-
	<u>12,421,297</u>	<u>18,029,323</u>	<u>10,087,861</u>
<b>Tangible Capital Assets and Work-in-Progress</b>			
Acquisition of tangible capital assets and work-in-progress	(12,565,377)	(14,243,228)	(10,149,938)
Amortization of tangible capital assets	3,760,567	3,760,567	3,799,494
Net gain on sale of tangible capital assets	-	(428,127)	(737,717)
Proceeds on sale of tangible capital assets	-	848,167	1,207,734
	<u>(8,804,810)</u>	<u>(10,062,621)</u>	<u>(5,880,427)</u>
<b>Other Non-Financial Assets</b>			
Decrease (increase) in inventory and prepaid expenses	-	17,692	(14,879)
<b>Increase in Net Assets</b>	<b>3,616,487</b>	<b>7,984,394</b>	<b>4,192,555</b>
<b>Net Assets (Debt), Beginning of Year</b>	<b>1,239,815</b>	<b>1,239,815</b>	<b>(2,952,740)</b>
<b>Net Assets, End of Year</b>	<u><b>\$ 4,856,302</b></u>	<u><b>\$ 9,224,209</b></u>	<u><b>\$ 1,239,815</b></u>



**Municipality of the District of East Hants  
Consolidated Statement of Cash Flow  
Year Ended March 31, 2023**

	2023	2022
<b>Operating Transactions</b>		
Annual surplus	\$ 18,059,972	\$ 10,087,861
Adjustment for Sportsplex Fund Balance	(30,649)	-
Add amortization of tangible capital assets	3,760,567	3,799,494
Net gain on sale of tangible capital assets	(428,128)	(737,717)
	<u>21,361,762</u>	<u>13,149,638</u>
<b>Changes in Non-Cash Assets and Liabilities</b>		
Decrease in accounts receivable	(388,351)	(1,182,936)
(Increase) decrease in taxes receivable	(338,905)	151,960
Increase in accounts payable and accruals	88,960	345,384
Increase in tax sale surplus	177,961	-
Increase (decrease) in deferred revenue	605,668	(354,284)
Increase in employee benefits/other obligations	478,089	541,357
Decrease (increase) in inventory and prepaid expenses	17,692	(14,879)
Increase in asset retirement obligation (Note 12)	426,509	-
	<u>1,067,623</u>	<u>(513,398)</u>
<b>Net Change in Cash From Operations</b>	<u>22,429,385</u>	<u>12,636,240</u>
<b>Financing Transactions</b>		
Long-term liabilities issued (Note 9e)	3,221,360	2,958,615
Long-term liabilities retired (Note 9c)	(4,991,637)	(4,012,887)
	<u>(1,770,277)</u>	<u>(1,054,272)</u>
<b>Capital Transactions</b>		
Acquisition of tangible capital assets and work-in-progress	(14,243,227)	(10,149,938)
Proceeds on sale of tangible capital assets	848,167	1,207,734
	<u>(13,395,060)</u>	<u>(8,942,204)</u>
<b>Increase in Cash Position</b>	<u>7,264,048</u>	<u>2,639,764</u>
<b>Cash Position, Beginning of Year</b>	<u>38,613,721</u>	<u>35,973,957</u>
<b>Cash Position, End of Year</b>	<u>\$ 45,877,769</u>	<u>\$ 38,613,721</u>

**1. Significant Accounting Policies**

The consolidated financial statements of the Municipality of East Hants (the “Municipality”) are the representations of management prepared in accordance with Canadian Public Sector accounting standards (“PSAS”) established by the Public Sector Accounting Board (“PSAB”) of the Chartered Professional Accountants of Canada (“CPA Canada”). Significant aspects of the accounting policies adopted by the Municipality of East Hants are as follows:

**a) Reporting Entity**

These consolidated financial statements reflect the assets, liabilities, revenues, expenditures, changes in net debt and cash flows 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, namely:

- General Operating and Capital
- Water Utility Operating and Capital

Inter-departmental and inter-organizational transactions and balances between these entities and organizations are eliminated on consolidation.

**b) Fund Accounting**

Funds within the consolidated financial statements consist of current, capital and reserve funds.

Council approves certain amounts to be set aside in reserves and reserve funds for future operating and capital purposes. Transfers between funds are recorded as adjustments to the appropriate fund balance.

**c) Revenue and Expenditure Recognition**

Revenues are recorded using the accrual basis of accounting as they are earned and measurable. Funds from external parties and earnings thereon restricted by agreement or legislation are accounted for as Deferred Revenue - Obligatory Reserve Funds until used for the purpose specified. Expenditures are recognized using the accrual method of accounting.

Property tax revenue is based on assessments determined in accordance with the Province of Nova Scotia legislation. Tax rates are set annually. Taxation revenues are recorded at the time tax billings are issued. Assessments are subject to appeal. Penalties on overdue taxes are recorded in the period levied.

1. Significant Accounting Policies (Continued)

d) **Tangible Capital Assets**

Tangible capital assets are recorded in accordance with section 3150 of the PSAS Handbook and are recorded at cost less accumulated amortization.

Amortization has been calculated on a straight-line basis over an asset's useful life as follows:

Land Improvements	20 years
Municipal Buildings	25 - 40 years
Machinery and Equipment	5 - 10 years
Vehicles - residual value \$10,000	4 years
Engineered Structures	
Roadway Systems	50 years
Sidewalks	20 years
LED Streetlights	10 years
Wastewater Collection and Disposal	40 - 50 years
Wastewater Treatment Plants	25 years
Landfill Infrastructure	25 years
Industrial Park Infrastructure	40 years

Water Utility tangible capital assets are depreciated in accordance with the Nova Scotia Utility and Review Board Accounting and Reporting Handbook section 3040 and 3042.

Work in progress ("WIP") is not amortized until completed and put into use.

e) **Deferred Revenue**

Deferred revenue consists of user charges and fees which have been collected but for which the related services have yet to be performed, at which time they will be recognized as revenues.

The Municipality receives infrastructure charge contributions and payments in lieu of green space under provisions of Municipal By-Laws. These funds by their nature are restricted in their use and until applied to applicable capital works, are recorded as Deferred Revenue - Obligatory Reserve Funds. As applied to capital projects, they are recorded as revenue in the year the funds are expended.

f) **Government Contributions**

Government contributions are recognized as revenue in the period the transfer is authorized and all eligibility criteria have been met. Exceptions to this are when the transfer includes stipulations which have not yet been met and cause the Municipality to incur a liability.

g) **Investment Income**

Investment income earned on surplus current funds, capital funds, and reserve funds (other than obligatory reserve funds) is reported as revenue in the period earned. Investment income earned on obligatory reserve funds is reported as part of the respective deferred revenue balance.

1. **Significant Accounting Policies (Continued)**

h) **Employee Future Benefits**

The present value of the cost of providing employees with future benefits programs is expensed as employees earn these entitlements through service. The cost of the benefits earned by employees is actuarially determined using the projected cost method pro-rated on service and management's best estimate of retirement ages of employees and expected health care and other costs.

i) **Asset Retirement Obligation**

During the year the Municipality adopted the new PSAS section 3280 outlining the accounting treatment for Asset Retirement Obligations. Management has utilized the transitional provision under PS 3280.72 which allows for prospective application of the standard. The following is the Municipality's accounting policy and the impact of the adoption of this new section can be seen in Note 12.

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

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

The liability for all asset retirement obligations has been recognized based on estimated future expenses.

The liability is discounted using a present value calculation, and adjusted yearly for accretion expense. The increase to the tangible capital assets is being amortized in accordance with the depreciation accounting policies outlined in (d).

j) **Budget Figures**

Council completes separate budget reviews for its operating, water utility and capital budgets each year. The approved operating and water utility budget for 2022 is reflected on the Schedule of Current Fund Municipal Operations and Schedule of Current Fund Water Utility. For capital spending, budgets are set for individual projects and funding for these activities is determined annually and made by transfers from reserve funds, transfers from the operating/water utility funds, by the application of applicable grants, other funds available and by debt financing. As many capital projects are carried out over one or more years, it is not practical to present annualized budget information on the Schedule of Capital Fund Operations.

1. **Significant Accounting Policies (Continued)**

k) **PSAS Budget**

The consolidated financial statements include an unaudited PSAS budget.

With the exception of the water utility budget, amortization is not contemplated during the development of the budget and, as such, have been included using actual figures for the budget value.

The reconciliation between the financial plan and the budget figures used in these statements is disclosed as a schedule - Reconciliation of the Financial Plan to the PSAS Budget.

l) **Use of Estimates**

The preparation of these consolidated financial statements in accordance with PSAS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ materially from these estimates. The Municipality relies on estimates to calculate the pension liability, sick leave liability, allowance for doubtful accounts and the amortization expenses.

In addition, the Municipality's implementation of PS 3280 Asset Retirement Obligations has resulted in the requirement for management to make estimates regarding the useful lives of affected tangible capital assets and the expected retirement costs, as well as the timing and duration of these retirement costs.

m) **Segmented Information**

East Hants is a diversified municipal government that provides a wide range of municipal programs and services to its constituents, including fire, RCMP, waste and recycling services, water supply and distribution, wastewater treatment, libraries, recreation, and tourism. Segmented information has been prepared by major functional classification, consistent with the Consolidated Statement of Operations and provincially legislated requirements.

The major segments are as follows:

**General government services:** Activities that provide for the overall operation of the Municipality and that are common to, or affect all of the services provided by the Municipality. This includes the administrative arm of the Municipality (finance, taxation & collection, facilities management including interest on debt charges, information services, Chief Administrative Office and human resources) and legislative activities related to the Warden and Council of the Municipality, including their remuneration and expenses.

**Protective services:** Activities that provide for the public safety of the inhabitants of the Municipality, such as RCMP protection, transfers to correctional services, bylaw enforcement, building inspection, emergency measures, fire department grants and levies and fire hydrants.

**Education services:** Mandatory education transferred to Chignecto-Central Regional School Board.

1. **Significant Accounting Policies (Continued)**

Social services: Payments made to Housing Nova Scotia to cover the deficits of the public housing authorities in the region.

Transportation services: Activities, transfers and related debt for roads, sidewalks and LED lighting.

Environmental health services: Activities that provide environmentally regulated services, including wastewater collection, treatment & disposal, waste management center operations, multi stream waste collection and disposal programs and engineering/environmental stewardship.

Environmental development services: Activities that support and control the Municipality's economic development including environmental planning and zoning, industrial park development, tourism and community development.

Recreation and cultural services: Activities that provide recreation and cultural services, including recreational facilities, libraries, and cultural buildings.

Water Utility: Activities related to the operations of the East Hants Water Utility, a 3,010 (2022 - 2,908) customer utility that operates two modern water treatment plants and related infrastructure.

2. **Cash**

Cash is comprised of:

	<u>2023</u>	<u>2022</u>
Bank	\$ 40,752,466	\$ 34,172,733
Restricted cash (obligatory reserves)	5,125,303	4,440,988
	<u>\$ 45,877,769</u>	<u>\$ 38,613,721</u>

Administered bank accounts:

The Municipality administers bank accounts for Enfield, Gore, Lantz, Maitland, Milford, Mount Uniacke, Nine Mile River, Noel, Rawdon, Shubenacadie and Walton Fire Departments. These bank accounts are held in the name of the Municipality of the District of East Hants but do not belong to the Municipality and therefore these accounts are not included in the consolidated financial statements.

3. **Taxes and Water Rates Receivable**

Taxes and water rates receivable have been recorded net of an allowance for doubtful accounts of \$20,950 (2022 - \$31,963), representing management's estimate of uncollectible accounts.

**Municipality of the District of East Hants**  
**Notes to the Consolidated Financial Statements**  
**Year Ended March 31, 2023**

**4. Accounts Receivable**

The balance for accounts receivable on the consolidated Statement of Financial Position totaled \$3,144,975 (2022 - \$2,756,624). Allowance for doubtful accounts is nil for 2023 and 2022. The accounts receivable balance is comprised of the following:

	<u>2023</u>	<u>2022</u>
Amounts owing - Provincial government	\$ 967,586	\$ 640,409
Amounts owing - Federal government	1,002,030	795,505
Loan to Lantz Volunteer Fire Department	155,564	177,223
Local Improvement Loan	43,800	56,400
Other	975,995	1,087,087
	<u>\$ 3,144,975</u>	<u>\$ 2,756,624</u>

In 2008/2009 the Municipality loaned the Lantz Volunteer Fire Department the amount of \$370,000 as per section 66(4)(e) of the Municipal Government Act (MGA). The loan period is for 15 years and it is interest bearing at a rate that escalates from 3.10% in year one to 5.48% in year 15. At this time the loan is in good standing but the Municipality has the ability (if needed) to withhold the Fire Levy as collateral on the loan.

**5. Accounts Payable and Accrued Liabilities**

	<u>2023</u>	<u>2022</u>
Liability for landfill closure/post closure	\$ -	\$ 135,301
Salaries and wages payable	259,375	425,568
Trade payables and accruals	2,363,032	1,972,578
	<u>\$ 2,622,407</u>	<u>\$ 2,533,447</u>

**6. Deferred Revenue - General**

	<u>2023</u>	<u>2022</u>
General deferred revenue	\$ 1,874,107	\$ 1,806,673
Water Utility deferred revenue	82,713	75,099
Capital deferred funding	35,843	47,598
Provincial funding - recreation projects	211,486	513,426
	<u>\$ 2,204,149</u>	<u>\$ 2,442,796</u>

**Municipality of the District of East Hants**  
**Notes to the Consolidated Financial Statements**  
**Year Ended March 31, 2023**

**7. Deferred Revenue - Obligatory Reserve**

	<u>2023</u>	<u>2022</u>
Sewer balance March 31, 2022	\$ 2,868,606	\$ 2,779,639
Sewer developer charges	478,951	454,087
Sewer developer interest	96,563	22,752
Transfer - Capital Projects	(458,129)	(387,872)
Sewer balance March 31, 2023	<u>\$ 2,985,991</u>	<u>\$ 2,868,606</u>
Water balance March 31, 2022	\$ 1,666,408	\$ 1,401,061
Water developer charges	472,348	430,837
Water developer interest	53,878	10,723
Transfer - Capital Projects	(242,739)	(176,212)
Water balance March 31, 2023	<u>\$ 1,949,895</u>	<u>\$ 1,666,408</u>
Green Space balance March 31, 2022	\$ 303,974	\$ 197,430
Green Space contributions	430,950	120,629
Green Space interest	12,493	1,723
Transfer - Capital Projects	-	(15,808)
Green Space balance March 31, 2023	<u>\$ 747,417</u>	<u>\$ 303,974</u>
Sewer Developer Charges	\$ 2,985,991	\$ 2,868,606
Water Developer Charges	1,949,895	1,666,408
Green Space Contributions	747,417	303,974
	<u>\$ 5,683,303</u>	<u>\$ 4,838,988</u>



Municipality of the District of East Hants  
Notes to the Consolidated Financial Statements  
Year Ended March 31, 2023

8. Tangible Capital Asset Continuity Schedule

	General Capital Assets										2023 TOTAL	2022 TOTAL					
	Land & Land Improvements			Buildings		Machinery & Equipment		Vehicles		Engineered Structures			Infrastructure				
<b>Cost</b>																	
Opening Costs	\$ 5,856,154	\$ 30,837,220	\$ 4,357,642	\$ 449,020	\$ 63,144,387	\$ 9,081,400	\$ 31,578,917	\$ 5,994,400	\$ 151,299,140	\$ 139,693,361							
Additions during year	667,458	9,470,531	68,931	110,847	4,087,825	33,918	868,401	2,754,085	18,061,996	12,320,395							
Asset Retirement Obligation (Note 12)	66,034	239,951	-	-	80,409	-	40,115	-	426,509	-							
Disposals & Transfers	(13,974)	(48,528)	-	(73,033)	-	(662,414)	-	(4,245,277)	(5,043,226)	(714,616)							
Closing Costs	6,575,672	40,499,174	4,426,573	486,834	67,312,621	8,452,904	32,487,433	4,503,208	164,744,419	151,299,140							
<b>Accumulated Amortization</b>																	
Opening Accum. Amortization	293,983	6,566,732	3,008,996	231,740	28,021,135	2,377,025	7,323,091	-	47,822,702	44,056,067							
Amortization in Year	114,591	1,157,141	270,659	37,505	1,463,858	225,245	491,568	-	3,760,567	3,799,494							
Asset Retirement Obligation (Note 12)	-	-	-	-	-	-	-	-	-	-							
Adj/Disposals - Accum Amort	-	(48,528)	-	(51,036)	-	(278,345)	-	-	(377,909)	(32,859)							
Acc Amort - End of Year	408,574	7,675,345	3,279,655	218,209	29,484,993	2,323,925	7,814,659	-	51,205,360	47,822,702							
<b>Net Book Value</b>	\$ 6,167,098	\$ 32,823,829	\$ 1,146,918	\$ 268,625	\$ 37,827,628	\$ 6,128,979	\$ 24,672,774	\$ 4,503,208	\$ 113,539,059	\$ 103,476,438							

**Municipality of the District of East Hants**  
**Notes to the Consolidated Financial Statements**  
**Year Ended March 31, 2023**

**9. Long-Term Liabilities**

- a) Of the \$26,651,578 long-term liabilities (2022 - \$28,421,855) certain payments represent a burden on general Municipal Revenues, as they are to be recovered in future years from other sources.

	<u>2023</u>	<u>2022</u>
General revenues	\$ 10,091,608	\$ 10,192,468
Local improvement charges	43,800	56,400
Area rates	6,326,415	7,061,194
Sale of land in Business Parks	2,724,464	3,008,455
Water charges	2,851,567	3,106,601
Tenants rent	4,461,774	4,823,627
Loan to Lantz fire department	151,950	173,110
	<u>\$ 26,651,578</u>	<u>\$ 28,421,855</u>

The long-term liabilities balance above is comprised of 23 (2022 - 23) Nova Scotia Municipal Finance Corporation debentures, bearing interest at rates between 0.4% to 5.644% (2022 - 0.4% to 5.644%) and maturing at various dates between Spring 2023 and Spring 2037 (2022 - Spring 2022 and Fall 2036).

- b) The total principal repayments in each of the next five years are as follows:

	<u>2023/2024</u>	<u>2024/2025</u>	<u>2025/2026</u>	<u>2026/2027</u>	<u>2027/2028</u>
Transportation	\$ 1,156,698	\$ 369,264	\$ 275,200	\$ 270,655	\$ 585,721
Environmental Development	250,392	250,625	250,872	251,135	245,080
Sewers	107,230	111,387	617,978	-	-
Recreation	242,357	252,135	1,443,190	53,040	53,040
Buildings	363,953	366,278	368,678	371,278	373,928
Water Utilities	411,127	297,681	298,253	481,624	284,827
Hospital	151,060	146,686	134,471	123,201	10,792
Lantz Fire Department	151,950	-	-	-	-
Tourism	28,000	28,000	28,000	28,000	-
East Hants Aquatic Centre	400,000	400,000	400,000	400,000	400,000
Total:	<u>\$ 3,262,767</u>	<u>\$ 2,222,056</u>	<u>\$ 3,816,642</u>	<u>\$ 1,978,933</u>	<u>\$ 1,953,388</u>

Note: Principal Payments include balloon payments that may be re-financed

- c) Total charges for the year for long-term liabilities are as follows:

	<u>2023</u>	<u>2022</u>
Principal	\$ 4,991,637	\$ 4,012,887
Interest	901,478	997,677
	<u>\$ 5,893,115</u>	<u>\$ 5,010,564</u>

**Municipality of the District of East Hants**  
**Notes to the Consolidated Financial Statements**  
**Year Ended March 31, 2023**

**9. Long-Term Liabilities (Continued)**

d) Total charges for the year for long-term liabilities were recorded as follows:

	<u>2023</u>	<u>2022</u>
General revenues	\$ 1,774,200	\$ 1,943,748
Local improvement charges	13,861	17,360
Area rates	1,919,585	969,435
Sale of land in business parks	357,988	325,987
Water charges	1,827,481	1,754,034
	<u>\$ 5,893,115</u>	<u>\$ 5,010,564</u>

e) Total long-term liabilities assumed in 2022/2023 were as follows:

<u>Project</u>	<u>2023</u>	<u>Term &amp; Interest Rate</u>
Mill and Pave Local Roads	\$ 730,000	15 years: 2.575%-4.119%
Sidewalks Refinancng	904,250	5 years: 3.847%-4.177%
Enfield Water Treatment Plant Refinancing	1,079,191	10 years: 2.575%-4.119%
Enfield Water Treatment Plant Refinancing	400,000	10 years: 3.847%-4.177%
Hospital Refinancing	107,919	10 years: 2.575%-4.119%
	<u>\$ 3,221,360</u>	

**10. Employee Future Benefits**

The Municipality provides certain employee benefits that require funding in future periods. Under the personnel policies of the Municipality, unused sick leave can accumulate and employees may become entitled to a cash payment when they leave the Municipality's employment. An actuarial valuation of the sick leave liability was completed as of March 31, 2023 and has been recorded in the Consolidated Statement of Financial Position. The Municipality obtains a revised actuarial report every three fiscal years. As of March 31, 2023, the Municipality estimates this obligation to be \$329,759 (2022 - \$303,966).

**11. Pension Plan**

The Municipality operates a defined benefit pension plan, which provides benefits to employees upon retirement. The accrued benefit obligation as at March 31, 2023, is based on an actuarial valuation for accounting purposes as at December 31, 2022. The next actuarial valuation for accounting purposes is to be prepared as of December 31, 2025. The accrued benefit obligation has changed due to, among other assumption changes, an increase in the expected long-term rate of return on plan assets, partially offset by an increase in the discount rate. All plan assets are held by various Manulife Funds.

	Estimated <u>Dec. 31, 2022</u>	Estimated <u>Dec. 31, 2021</u>
Accrued Benefit Obligation	\$18,227,314	\$22,565,652
Fair Value Plan Assets	13,231,307	14,289,121
Funded Status - Plan Deficit	<u>\$ (4,996,007)</u>	<u>\$ (8,276,531)</u>

**11. Pension Plan (Continued)**

The significant actuarial assumptions adopted in measuring the Municipality's accrued benefit obligation as at December 31, 2022 were as follows:

	<u>Dec. 31, 2022</u>	<u>Dec. 31, 2021</u>
Expected long-term rate of return on plan assets	6.00%	4.85%
Rate of compensation increase	3.00%	3.00%
Discount rate used to determine benefit obligation	5.00%	3.00%

The Post-retirement mortality assumption was based on CPM2014 Public Sector Mortality with generational projection.

An actuarial valuation of the pension plan was performed for accounting purposes using the projected benefit method prorated on service. The unamortized actuarial loss is amortized over the expected average remaining service life ("EARSL") of the employee group; EARSL in 2022 was 20 years (2022 - 17 years).

	<u>Dec. 31, 2022</u>	<u>Dec. 31, 2021</u>
Accrued benefit obligation, net of plan assets	\$4,996,007	\$8,276,531
Unamortized actuarial loss	<u>(1,466,850)</u>	<u>(5,199,667)</u>
Benefit liability recorded in the Statement of Financial Position	<u>\$3,529,157</u>	<u>\$3,076,864</u>

During the year, the Municipality contributed \$774,422 (December 2021 - \$529,037) and the employees contributed \$380,687 (December 2021 - \$268,982) to the plan. Benefit payments for the year totaled \$838,373 (December 2021 - \$880,974).

Administrative fees paid during the year totaled \$14,973 (2022 - \$16,476); Plan Valuation costs were \$4,360 (2022 - \$3,715).

**12. Asset Retirement Obligations**

The Municipality's Asset retirement obligation consists of several obligations as follows:

a) Landfill obligation

The Municipality owns one landfill site for which the permit to operate expired December 31, 2005. As of March 31, 2007, the site has been capped in accordance with all applicable environmental regulations. The site, although not used as a residual waste disposal site, will continue to be used as a construction and demolition disposal site into the future. In addition, the site has an organics and waste transfer facility in operation. East Hants waste has been shipped to a facility outside of its borders since January 1, 2006.

The liability is now being recognized under PS 3280 - Asset Retirement Obligation. The costs were based upon the presently known obligations that will exist at the estimated year of closure of the sites and for 14 years post this date. Post-closure care is estimated to be required for 14 years from the date of site closure. These costs were discounted to March 31, 2023 using a discount rate of 5.00% per annum.

12. Asset Retirement Obligations (Continued)

b) Asbestos obligation

The Municipality owns and operates several buildings that were constructed prior to 1991. Only one building is confirmed to contain asbestos and all other buildings have been included under PS 3280 - Asset retirement obligations as it is unknown if asbestos is present. The uncertainty could present a health hazard upon demolition of the building and there is a legal obligation to remove it. Following the adoption of PS 3280, the Municipality recognized an obligation relating to the removal and post-removal care of the asbestos in these buildings as estimated at March 31, 2023. Estimated costs have been discounted to the present value using a discount rate of 5.00% per annum. The transition and recognition of asset retirement obligations involved an accompanying increase to the Buildings capital asset carrying value.

c) Wastewater treatment obligation

The Municipality owns and operates wastewater treatment facilities which include tanks, ponds and a lagoon that fall within PS 3280. Upon retirement of these facilities, there is an obligation to eliminate any environmental impact and restore the land to its prior state. Estimated costs have been discounted to the present value using a discount rate of 5.00% per annum. The transition and recognition of asset retirement obligations involved an accompanying increase to the Engineered Structures capital asset carrying value.

Asset retirement obligations recognized as at March 31, 2023 include the following:

Asset Retirement Obligation Description	Years Remaining	2023 Present Value Cost	Asset Category (Note 8)
Regional Water Treatment Plant	9	\$ 22,346	Water Utilities
Regional Water Treatment Plant	42	17,769	Water Utilities
Former Elmsdale School	10	124,195	Buildings
Elmsdale CN Train Station	5	13,156	Buildings
EH Horne School Community Centre	19	57,789	Buildings
Tinsmith Museum	10	44,811	Buildings
Lantz Wastewater Lagoon	10	28,877	Engineered Structures
Shubie Wastewater Treatment Plant	1	35,000	Engineered Structures
Milford Wastewater Treatment Plant	39	16,532	Engineered Structures
Landfill Closure/Post Closure	14	66,034	Land Improvements
Total		\$ 426,509	

13. Municipal Fund Balances

a) The current fund balance is comprised of the following:

	<u>2023</u>	<u>2022</u>
Long term liabilities to fund Hospital	\$ (620,170)	\$ (657,853)
Unfunded pension liability	(3,529,158)	(3,076,863)
Sportsplex fund	(30,649)	-
Landfill liability funded by reserves	-	(135,301)
	<u>(4,179,977)</u>	<u>(3,870,017)</u>
Water utility operation	1,745,301	1,598,303
	<u>\$ (2,434,676)</u>	<u>\$ (2,271,714)</u>

b) The capital asset fund balance is comprised of the following:

	<u>2023</u>	<u>2022</u>
Tangible capital assets	\$ 109,035,851	\$ 97,482,038
Work in progress	4,503,208	5,994,400
Long term financing overage (shortage)	(144,820)	(443,209)
Long term liabilities capital	(25,835,657)	(27,534,493)
Asset retirement obligation	(426,509)	-
	<u>\$ 87,132,073</u>	<u>\$ 75,498,736</u>

c) Reserves and reserve funds set aside for specific purposes by Council or required by legislation are comprised of the following:

	<u>2023</u>	<u>2022</u>
Working funds	\$ 25,547,661	\$ 21,780,433
Replacement of equipment/assets	12,744,237	9,957,329
Landfill closure/post closure liability	140,113	135,301
	<u>\$ 38,432,011</u>	<u>\$ 31,873,063</u>

**Municipality of the District of East Hants**  
**Notes to the Consolidated Financial Statements**  
**Year Ended March 31, 2023**

**13. Municipal Fund Balances (Continued)**

d) Consolidated Accumulated Surplus:

	<u>2023</u>	<u>2022</u>
Current fund	\$ (2,434,676)	\$ (2,271,714)
Capital asset fund	87,132,073	75,498,736
Reserve fund	38,432,011	31,873,063
	<u>\$ 123,129,408</u>	<u>\$ 105,100,085</u>

**14. Taxation**

	<u>2023</u>	<u>2022</u>
Taxation from real property	\$ 32,620,810	\$ 30,416,588
Less: Taxation collected to pay mandatory provincial taxes for:		
Education Services	(5,835,048)	(5,682,864)
Social Services	(54,228)	(92,697)
Corrections	(292,963)	(292,216)
Net taxes available for municipal purposes	<u>\$ 26,438,571</u>	<u>\$ 24,348,811</u>

**15. Remuneration and Expenses Paid to Council Members and the CAO**

<b>Council</b>	<u>Stipend/Salary</u>	<u>Expenses</u>	<u>Total</u>
Warden Eleanor Roulston	\$ 61,548	\$ 4,216	\$ 65,764
Sandra Garden-Cole	30,269	707	30,976
Norval Mitchell	37,373	5,289	42,662
Eldon Hebb	30,269	866	31,135
Ian Knockwood	2,467	54	2,521
Carl MacPhee	20,947	814	21,761
Keith Rhyno	31,154	707	31,861
Wayne Greene	31,595	707	32,302
Walter Tingley	30,269	2,631	32,900
Michael Perry	31,966	1,558	33,524
Elie Moussa	32,037	707	32,744
Tom Isenor	30,269	2,029	32,298
Chief Administrative Officer	182,571	6,055	188,626
	<u>\$ 552,734</u>	<u>\$ 26,340</u>	<u>\$ 579,074</u>

**16. Contingency**

The Municipality has guaranteed a loan on behalf of the Lantz Fire Department totaling \$151,950 (2022 - \$173,110).

**17. Budget Figures**

The Municipality's Operating, Water Utility, and Capital budgets are approved by Council. The budget figures, including the financial plan, are not subject to audit procedures. See Reconciliation of the Financial Plan to the PSAS Budget per page 26 of the financial statements for supporting reconciliation schedule.

**18. Comparative Figures**

Certain figures for 2022 have been reclassified to conform to the presentation adopted in 2023.



**Municipality of the District of East Hants**  
**Schedule of Current Fund Operations – Municipal Operations**  
**Year Ended March 31, 2023**

	2023 Budget (Unaudited - Note 17)	2023 Actual	2022 Actual
<b>Revenue</b>			
Property taxes	\$ 30,822,086	\$ 32,620,810	\$ 30,416,588
Grants in lieu of taxes	219,197	222,618	220,453
Sale of services	3,045,953	3,399,053	2,952,945
Other revenue from own sources	1,951,974	2,461,099	1,921,507
Unconditional transfers from other governments	163,050	171,220	474,661
Conditional transfers from federal or provincial government agencies	686,936	655,514	1,292,142
Development and other contributions applied	175,000	64,921	-
Other transfers	847,600	847,600	854,200
	<u>37,911,796</u>	<u>40,442,835</u>	<u>38,132,496</u>
<b>Expenses</b>			
General government services	7,564,780	7,152,676	6,903,507
Protective services	9,621,751	9,523,786	8,465,887
Education	5,835,046	5,835,048	5,682,864
Social services	95,111	54,228	92,697
Transportation services	1,312,599	1,038,711	1,293,133
Environmental health services	5,707,716	5,632,465	5,139,116
Environmental development services	1,602,204	1,343,094	1,302,641
Landfill closure/post closure costs (recovery)	-	(135,301)	(47,179)
Recreation and cultural services	5,213,489	5,231,328	4,403,087
	<u>36,952,696</u>	<u>35,676,035</u>	<u>33,235,753</u>
<b>Net Revenue</b>	<u>959,100</u>	<u>4,766,800</u>	<u>4,896,743</u>
<b>Financing and Transfers</b>			
Debt principal repayment	2,245,251	2,211,483	2,364,823
Decrease in amounts to be recovered	-	(316,992)	(485,196)
Transfer to capital fund	70,000	45,772	60,000
Transfer from capital reserves	(437,000)	(437,012)	(444,599)
Transfer to operating reserves	(919,151)	3,263,549	3,401,715
	<u>959,100</u>	<u>4,766,800</u>	<u>4,896,743</u>
<b>Change in Fund Balance</b>	-	-	-
<b>Opening Fund Balance</b>	(3,870,017)	(3,870,017)	(5,551,039)
<b>Change in Long-Term Liabilities</b>	37,681	37,681	2,166,217
<b>Change in Unfunded Pension Liability</b>	-	(452,293)	(532,374)
<b>Change in Landfill Liability</b>	-	135,301	47,179
<b>Change in Sportsplex Fund</b>	-	(30,649)	-
<b>Closing Fund Balance (Note 13a)</b>	<u>\$ (3,832,336)</u>	<u>\$ (4,179,977)</u>	<u>\$ (3,870,017)</u>

**Municipality of the District of East Hants**  
**Schedule of Financial Position – Municipal Operations**  
**Year Ended March 31, 2023**

	2023	2022
<b>FINANCIAL ASSETS</b>		
Cash	\$ 7,739,931	\$ 6,986,929
Taxes and rates receivable	1,444,517	1,102,747
Accounts receivable	1,445,675	1,371,783
	<u>10,630,123</u>	<u>9,461,459</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	2,154,843	1,894,479
Deferred revenue - general	2,085,593	2,320,100
Deferred revenue - obligatory reserve	5,683,303	4,838,988
Employee benefits and other obligations	3,858,916	3,380,830
Tax sale surplus	547,164	369,200
Long term liabilities	815,921	887,362
	<u>15,145,740</u>	<u>13,690,959</u>
<b>NET DEBT</b>	<u>(4,515,617)</u>	<u>(4,229,500)</u>
<b>NON FINANCIAL ASSETS</b>		
Inventory and prepaid expenses	335,640	359,483
<b>ACCUMULATED DEFICIT</b>	<u>\$ (4,179,977)</u>	<u>\$ (3,870,017)</u>

**Municipality of the District of East Hants**  
**Schedule of Current Fund Operations – Water Utility**  
**Year Ended March 31, 2023**

	2023 Budget (Unaudited - Note 17)	2023 Actual	2022 Actual
<b>Revenue</b>	<u>\$ 2,952,230</u>	<u>\$ 3,133,767</u>	<u>\$ 2,845,621</u>
<b>Expenses</b>			
Operating	2,183,299	2,125,246	1,831,281
Interest on debt	71,822	93,256	138,694
Amortization expense	485,146	491,568	456,294
	<u>2,740,267</u>	<u>2,710,070</u>	<u>2,426,269</u>
<b>Net Revenue</b>	<u>211,963</u>	<u>423,697</u>	<u>419,352</u>
<b>Transfers and Financing</b>			
Principal debt payment	255,035	255,034	507,725
Transfer to capital	32,750	21,665	32,750
	<u>287,785</u>	<u>276,699</u>	<u>540,475</u>
<b>Change in Fund Balance</b>	<u>(75,822)</u>	<u>146,998</u>	<u>(121,123)</u>
<b>Opening Fund Balance</b>	1,598,303	1,598,303	1,719,426
<b>Closing Fund Balance (Note 13a)</b>	<u>\$ 1,522,481</u>	<u>\$ 1,745,301</u>	<u>\$ 1,598,303</u>

**Municipality of the District of East Hants  
Schedule of Financial Position – Water Utility  
Year Ended March 31, 2023**

	2023	2022
<b>FINANCIAL ASSETS</b>		
Cash	\$ 1,104,471	\$ 971,856
Water rates receivable	750,974	753,839
Accounts receivable	60,389	45,903
	<u>1,915,834</u>	<u>1,771,598</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	118,320	122,545
Deferred revenue - general	82,713	75,099
	<u>201,033</u>	<u>197,644</u>
<b>NET ASSETS</b>	<u>1,714,801</u>	<u>1,573,954</u>
<b>NON FINANCIAL ASSETS</b>		
Inventory and prepaid expenses	30,500	24,349
<b>ACCUMULATED SURPLUS</b>	<u>\$ 1,745,301</u>	<u>\$ 1,598,303</u>

**Municipality of the District of East Hants**  
**Schedule of Capital Fund Operations – Municipal Operations**  
**Year Ended March 31, 2023**

	2023 Actual	2022 Actual
<b>Revenue</b>		
Government grants	\$ 1,364,322	\$ 812,820
Development and other contributions applied	10,888,039	4,053,889
	<u>12,252,361</u>	<u>4,866,709</u>
<b>Expenses</b>		
General government services	263,865	321,894
Protective services	31,594	34,160
Transportation services	868,211	1,038,006
Environmental health services	906,828	850,722
Environmental development services	(136,843)	(514,774)
Recreation and cultural services	907,215	875,475
	<u>2,840,870</u>	<u>2,605,483</u>
<b>Net Revenue</b>	9,411,491	2,261,226
<b>Financing and Transfers</b>		
Principal payments	(2,428,836)	(2,665,048)
Transfers from reserves	274,427	(1,891,414)
Transfers from operations	(67,437)	(92,750)
	<u>(2,221,846)</u>	<u>(4,649,212)</u>
<b>Change in Fund Balance</b>	11,633,337	6,910,438
<b>Opening Fund Balance</b>	75,498,736	68,588,298
<b>Closing Fund Balance (Note 13b)</b>	<u>\$ 87,132,073</u>	<u>\$ 75,498,736</u>

**Municipality of the District of East Hants**  
**Schedule of Financial Position – Municipal Capital Fund**  
**Year Ended March 31, 2023**

	2023	2022
<b>FINANCIAL ASSETS</b>		
Accounts receivable	\$ 1,638,911	\$ 1,338,938
	<u>1,638,911</u>	<u>1,338,938</u>
<b>LIABILITIES</b>		
Bank Indebtedness	1,398,644	1,218,127
Accounts payable and accrued liabilities	349,244	516,423
Deferred revenue - general	35,843	47,597
Long term liabilities	25,835,657	27,534,493
Asset Retirement Obligation	426,509	-
	<u>28,045,897</u>	<u>29,316,640</u>
<b>NET DEBT</b>	<u>(26,406,986)</u>	<u>(27,977,702)</u>
<b>NON FINANCIAL ASSETS</b>		
Net tangible capital assets	109,035,851	97,482,038
Work in progress	4,503,208	5,994,400
	<u>113,539,059</u>	<u>103,476,438</u>
<b>ACCUMULATED SURPLUS</b>	<u>\$ 87,132,073</u>	<u>\$ 75,498,736</u>

**Municipality of the District of East Hants**  
**Schedule of Reserve Operations**  
**Year Ended March 31, 2023**

	2023 Actual	2022 Actual
<b>Revenue</b>		
Investment income	\$ 1,157,090	\$ 267,378
Government grants	2,266,872	2,243,161
Developments & Other Contributions Applied	34,025	-
	<u>3,457,987</u>	<u>2,510,539</u>
<b>Net Transfers From/To Other Funds</b>		
Transfers from Current Fund	(2,826,537)	(2,957,116)
Transfers to Capital Fund	(274,424)	1,891,414
	<u>(3,100,961)</u>	<u>(1,065,702)</u>
<b>Net Change in Reserve Funds</b>	6,558,948	3,576,241
<b>Opening Reserve Fund Balance</b>	31,873,063	28,296,822
<b>Closing Reserve Fund Balance (Note 13c)</b>	<u>\$ 38,432,011</u>	<u>\$ 31,873,063</u>
<b>Analyzed as follows:</b>		
Reserves set aside for specific purposes		
Operating Contingencies/Surplus	\$ 7,796,412	\$ 6,826,828
General Government	2,291,922	2,176,811
Solid Waste Management Facilities/Equipment	2,773,578	2,779,201
Office Equipment	322,400	275,913
Computer Hardware/Software	566,209	477,089
Aquatic Centre	519,845	468,028
Building and Equipment	342,344	246,873
Transportation and Equipment	2,315,805	1,592,652
Recreation and Leisure	580,312	561,496
Active Transportation	750,312	450,068
Emergency Measures	284,113	264,297
Passenger Vehicles	230,650	248,035
Canada Community Building Fund (formerly Gas Tax)	4,957,595	4,106,370
Lloyd E. Matheson Centre	340,815	339,757
Business Park Land Development (fr Sales)	2,567,075	2,062,807
District Beautification Funds	41,470	35,727
Emergency Grant Fund-Fire Departments	881,169	838,696
Tourism Grant Fund/Capital	218,391	189,095
Economic Development Operations	67,925	98,069
District Recreation Grant Fund	547,852	486,456
Tourism Economic Development Fund	42,923	41,436
Rural Economic Development Fund	164,905	159,194
Urban Service Rate Contingencies	2,095,201	2,021,672
Lights Urban Service Rate	130,037	124,120
Lights Other	261,678	230,941
Sportsplex Area Rate	732,903	209,798
Sportsplex - Operating Surplus	123,266	238,449
Wastewater System	974,973	750,984
Sidewalks Excess Debenture/Operations	1,188,350	891,004
Landfill Closure/Post Closure Costs	140,113	135,301
East Hants Water system	2,663,240	2,545,896
Sustainable Services Growth Fund	1,123,728	-
Uniacke District Recreation Civic Centre	34,025	-
Asset Retirement Obligation	360,475	-
	<u>\$ 38,432,011</u>	<u>\$ 31,873,063</u>

**Municipality of the District of East Hants  
 Schedule of Financial Position – Reserves Fund  
 Year Ended March 31, 2023**

	2023	2022
<b>FINANCIAL ASSETS</b>		
Cash	\$ 38,432,011	\$ 31,873,063
	<u>38,432,011</u>	<u>31,873,063</u>
<b>ACCUMULATED SURPLUS</b>	<u>\$ 38,432,011</u>	<u>\$ 31,873,063</u>



**Municipality of the District of East Hants  
Reconciliation of the Financial Plan to the PSAS Budget (Unaudited – Note 17)  
Year Ended March 31, 2023**

	Financial Plan General	Financial Plan Utility	Amortization (TCA)	Financial Plan Capital	Transfers Reserves	Debt Charges Principal	Elimination Entries	PSAS Budget
<b>REVENUE</b>								
Taxes	\$ 30,822,086	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,822,086
Water utility	-	2,852,230	-	-	-	-	(549,995)	2,302,235
Grants in lieu of taxes	219,197	-	-	-	-	-	-	219,197
Sale of services	3,045,953	-	-	-	-	-	-	3,045,953
Other revenue from own sources	1,951,974	-	-	-	-	-	(1,162,880)	789,094
Unconditional transfers from other	163,050	-	-	-	-	-	-	163,050
Conditional transfers from government	686,936	-	-	3,631,194	-	-	-	686,936
Government grants	-	100,000	-	10,888,039	-	-	-	3,631,194
Development and other contributions applied	175,000	-	-	-	-	-	-	11,163,039
Other transfers	847,600	-	-	-	-	-	(847,600)	-
<b>Total revenue</b>	<b>37,911,796</b>	<b>2,952,230</b>	<b>-</b>	<b>14,519,233</b>	<b>-</b>	<b>-</b>	<b>(2,560,475)</b>	<b>52,822,784</b>
<b>EXPENSES</b>								
General government services	7,564,780	-	327,799	-	-	-	(758,977)	7,133,602
Protective services	9,621,751	-	31,594	-	-	-	(549,995)	9,103,350
Education services	5,835,046	-	-	-	-	-	-	5,835,046
Social Services	95,111	-	-	-	-	-	-	95,111
Transportation services	1,312,599	-	868,211	-	-	-	-	2,180,810
Environmental health services	5,707,716	-	906,828	-	-	-	(984,859)	5,629,685
Water utility	-	2,740,267	-	-	-	-	(145,396)	2,594,871
Environmental development services	1,602,204	-	225,245	-	-	-	(121,248)	1,827,449
Recreation and cultural services	5,213,489	-	909,322	-	-	-	-	6,001,563
Transfer to capital	70,000	32,750	-	-	(102,750)	-	-	-
Debt charges - principal payment	2,245,251	255,035	-	(2,428,836)	-	(71,450)	-	-
Transfer to reserves (capital/operating)	(1,356,151)	-	-	-	1,356,151	-	-	-
<b>Total expenses</b>	<b>37,911,796</b>	<b>3,028,052</b>	<b>3,268,999</b>	<b>(2,428,836)</b>	<b>1,253,401</b>	<b>(71,450)</b>	<b>(2,560,475)</b>	<b>40,401,487</b>
<b>Surplus (Deficit)</b>	<b>\$ -</b>	<b>\$ (75,822)</b>	<b>\$ (3,268,999)</b>	<b>\$ 16,948,069</b>	<b>\$ (1,253,401)</b>	<b>\$ 71,450</b>	<b>\$ -</b>	<b>\$ 12,421,297</b>

**Municipality of the District of East Hants  
Consolidated Schedule of Operations by Function  
Year Ended March 31, 2023**

	*General Government	Protective Services	Transportation Services	Environmental Health Services	Environmental Development Services	Other
<b>REVENUE</b>						
Property taxes	\$ 26,394,032	\$ 3,126,933	\$ 97,480	\$ 2,501,079	\$ -	\$ -
Grants in lieu of taxes	214,704	-	-	7,914	-	-
Sale of services	685,853	-	-	742,722	54,150	-
Other revenue from own sources	1,568,488	101,401	-	211,988	200,823	1,157,090
Unconditional transfers from other governments	90,897	-	-	80,323	-	-
Conditional transfers from federal or provincial government	34,048	-	-	123,531	142,241	-
Government grants	-	-	-	-	-	3,631,194
Development and other contributions applied	-	-	-	-	-	10,986,985
Other transfers	-	-	-	847,600	-	-
Water utility	-	-	-	-	-	-
Elimination Entries	(1,171,486)	-	-	(847,600)	-	-
<b>Total revenue</b>	<b>\$ 27,816,536</b>	<b>\$ 3,228,334</b>	<b>\$ 97,480</b>	<b>\$ 3,667,557</b>	<b>\$ 397,214</b>	<b>\$ 15,775,269</b>
<b>EXPENSES</b>						
Salaries, wages and benefits	\$ 3,889,828	\$ 461,120	\$ -	\$ 1,447,314	\$ 1,076,653	\$ -
Operating costs	3,138,683	9,037,001	888,374	4,007,082	189,556	5,889,276
Elimination Entries	(777,630)	(626,859)	-	(980,184)	-	-
Amortization	327,799	31,594	868,211	906,828	225,245	-
Interest on long term debt	124,165	25,665	150,337	42,768	76,884	-
<b>Total expenses</b>	<b>\$ 6,702,845</b>	<b>\$ 8,928,521</b>	<b>\$ 1,906,922</b>	<b>\$ 5,423,808</b>	<b>\$ 1,568,338</b>	<b>\$ 5,889,276</b>
Net gain (loss) on sale of TCA	63,934	-	-	-	362,087	-
<b>Surplus (Deficit)</b>	<b>\$ 21,177,625</b>	<b>\$ (5,700,187)</b>	<b>\$ (1,809,442)</b>	<b>\$ (1,756,251)</b>	<b>\$ (809,037)</b>	<b>\$ 9,885,993</b>

\* General government includes revenues and expenses that cannot be attributed to a particular sector.

Municipality of the District of East Hants  
 Consolidated Schedule of Operations by Function  
 Year Ended March 31, 2023

	Recreation and Culture Services	Water Utility	2023 Total	2022 Total
<b>REVENUE</b>				
Property taxes	\$ 501,286	\$ -	\$ 32,620,810	\$ 30,416,588
Grants in lieu of taxes	-	-	222,618	220,453
Sale of services	1,916,328	-	3,399,053	2,952,945
Other revenue from own sources	378,396	-	3,618,186	2,188,885
Unconditional transfers from other governments	-	-	171,220	474,661
Conditional transfers from federal or provincial government	355,694	-	655,514	1,292,142
Government grants	-	-	3,631,194	3,055,981
Development and other contributions applied	-	-	10,986,985	4,053,889
Other transfers	-	-	847,600	854,200
Water utility	-	3,133,767	3,133,767	2,845,621
Elimination entries	-	(626,859)	(2,645,945)	(2,694,630)
<b>Total revenue</b>	<b>\$ 3,151,704</b>	<b>\$ 2,506,908</b>	<b>\$ 56,641,002</b>	<b>\$ 45,660,735</b>
<b>EXPENSES</b>				
Salaries, wages and benefits	\$ 2,095,837	\$ 674,634	\$ 9,645,386	\$ 8,646,234
Operating costs	2,747,087	1,450,612	27,347,671	25,561,817
Elimination entries	(125,703)	(135,569)	(2,645,945)	(2,694,630)
Amortization	909,322	491,568	3,760,567	3,799,493
Interest on long term debt	388,403	93,256	901,478	997,677
<b>Total expenses</b>	<b>\$ 6,014,946</b>	<b>\$ 2,574,501</b>	<b>\$ 39,009,157</b>	<b>\$ 36,310,591</b>
Net gain on sale of TCA	2,106	-	428,127	737,717
<b>Surplus (Deficit)</b>	<b>\$ (2,861,136)</b>	<b>\$ (67,593)</b>	<b>\$ 18,059,972</b>	<b>\$ 10,087,861</b>