



Grant Thornton

Consolidated Financial Statements

Municipality of the District of Digby

March 31, 2020

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Independent Auditor's Report

His Worship the Warden and Members of Council of the Municipality of the District of Digby

Opinion

We have audited the consolidated financial statements of the Municipality of the District of Digby ("the Municipality"), which comprise the consolidated statement of financial position as at March 31, 2020, and the consolidated statements of operations, change in net assets 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 Municipality of the District of Digby as at March 31, 2020, and its results of operations, its changes in its net assets, 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 Municipality 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 matter

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The supplementary information included on Pages 8-12 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 Municipality'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 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.

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 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 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 Municipality 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.

Grant Thornton LLP

Digby, Canada
July 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.

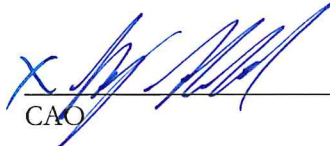
Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced. The internal controls are designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized 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 monthly 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 Municipality of the District of Digby and meet when required. The accompanying Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the consolidated financial statements.

On behalf of the Municipality of the District of Digby

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Warden

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CAO

Municipality of the District of Digby
Consolidated Statement of Operations and Accumulated Surplus
Year Ended March 31

2020

2019

	<u>Page</u>	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Revenue				
Taxes	8	\$ 5,221,337	\$ 5,219,166	\$ 5,116,447
Grants in lieu of taxes	9	811,935	824,518	717,727
Services provided to other governments	9	88,570	87,949	91,112
Sales of service	9	136,490	155,050	99,453
Other revenue from own sources	9	638,092	727,789	688,901
Unconditional transfers from other governments	9	356,956	357,186	357,131
Conditional transfers from other governments	9	176,369	136,964	62,720
		<u>7,429,749</u>	<u>7,508,622</u>	<u>7,133,491</u>
Expenditures				
General government services	10	1,662,344	1,620,407	1,502,379
Protective services	11	2,330,819	2,317,906	2,261,390
Transportation services	11	818,730	824,160	806,299
Environmental health services	12	1,559,506	1,488,531	1,505,511
Environmental development services	12	535,296	403,008	414,299
Recreational and cultural services	12	759,242	717,602	573,656
		<u>7,665,937</u>	<u>7,371,614</u>	<u>7,063,534</u>
Annual surplus before the undernoted		(236,188)	137,008	69,957
Gain on disposal of tangible capital assets		-	-	10,775
Annual surplus		<u>\$ (236,188)</u>	137,008	80,732
Accumulated surplus, beginning of the year			<u>15,744,004</u>	<u>15,663,272</u>
Accumulated surplus, end of the year			<u>\$ 15,881,012</u>	<u>\$ 15,744,004</u>

See accompanying notes and schedules to the consolidated financial statements.

**Municipality of the District of Digby
Consolidated Statement of Financial Position**

March 31

2020

2019

Financial Assets

Cash and cash equivalents	\$ 4,014,298	\$ 3,692,403
Reserve funds - Treasury Account	2,050,059	1,281,229
Tax sale surplus bank (Note 4)	607,019	621,937
Receivables (Note 2)	1,273,549	1,178,750
Pension benefit excess (Note 11)	485,961	532,100
	<u>8,430,886</u>	<u>7,306,419</u>

Liabilities

Tax sale surplus (Note 4)	607,019	621,937
Payables and accruals	605,749	574,139
Payable to fire departments	275,261	219,440
Deferred revenue (Note 6)	1,711,120	1,011,295
Long term debt (Note 7)	923,000	1,102,000
	<u>4,122,149</u>	<u>3,528,811</u>

Net Financial Assets

	<u>4,308,737</u>	<u>3,777,608</u>
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Non-Financial Assets

Tangible capital assets (Note 5)	<u>11,572,275</u>	<u>11,966,396</u>
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Accumulated Surplus

	<u>\$ 15,881,012</u>	<u>\$ 15,744,004</u>
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Commitments and contingencies (Notes 8, 9, and 14)

On behalf of the Municipality of the District of Digby:

X Jimmy MacElgine Warden

X [Signature] CAO

See accompanying notes and schedules to the consolidated financial statements.

Municipality of the District of Digby
Consolidated Statement of Change in Net Financial Assets

Year Ended March 31

2020

2019

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Annual surplus	\$ (236,188)	\$ 137,008	\$ 80,732
Acquisition of tangible capital assets	(704,470)	(149,887)	(207,691)
Proceeds on disposal of tangible capital assets	-	-	10,775
Amortization of tangible capital assets	544,008	544,008	558,171
Gain on disposal of tangible capital assets	<u>-</u>	<u>-</u>	<u>(10,775)</u>
Increase (decrease) in net financial assets	\$ <u>(396,650)</u>	531,129	431,212
Net financial assets, beginning of year		<u>3,777,608</u>	<u>3,346,396</u>
Net financial assets, end of year		\$ <u>4,308,737</u>	\$ <u>3,777,608</u>

See accompanying notes and schedules to the consolidated financial statements.

Municipality of the District of Digby
Consolidated Statement of Cash Flow

Year Ended March 31

2020

2019

Operating Activities

Annual surplus	\$	137,008	\$	80,732
Changes in non-cash working capital				
Amortization of tangible capital assets		544,008		558,171
Increase in treasury account		(768,830)		(293,678)
Decrease (increase) in tax sale surplus bank		14,918		(66,843)
(Increase) decrease in receivables		(94,799)		163,011
Decrease (increase) in pension benefit excess		46,139		(37,033)
(Decrease) increase in tax sale surplus		(14,918)		66,843
Increase (decrease) in payables		31,610		(32,485)
Increase in payable to fire departments		55,821		9,604
Increase in deferred revenue		699,825		385,961
Gain on disposal of tangible capital assets		-		(10,775)
		<u>650,782</u>		<u>823,508</u>

Investing Activities

Proceeds on disposal of tangible capital assets		-		10,775
Acquisition of tangible capital assets		(149,887)		(207,691)
		<u>(149,887)</u>		<u>(196,916)</u>

Financing Activities

Repayment of long term debt		(179,000)		(179,000)
		<u>(179,000)</u>		<u>(179,000)</u>

Change in net cash and cash equivalents		321,895		447,592
Cash and cash equivalents				
Beginning of year		<u>3,692,403</u>		<u>3,244,811</u>
End of year	\$	<u>4,014,298</u>	\$	<u>3,692,403</u>

See accompanying notes and schedules to the consolidated financial statements.

Municipality of the District of Digby
Schedules to Consolidated Statement of Operations

Year Ended March 31

2020

2019

REVENUE	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Taxes			
Assessable property			
Residential	\$ 4,810,354	\$ 4,810,201	\$ 4,634,893
Commercial property	855,371	851,548	866,026
Resource			
Taxable assessments	341,905	338,030	339,099
Recreational	1,761	1,942	1,849
Forest (less than 50,000 acres)	22,976	22,868	23,313
Forest (50,000 acres or more)	33,630	33,612	33,693
Collection for other municipalities	225,109	224,745	218,231
Protective services	4,059	2,546	2,904
Sidewalks	10,832	11,572	11,525
Street light rate	73,218	73,942	71,632
Digby Neck fire rate	26,972	26,759	26,150
Smith's Cove fire rate	25,623	25,780	24,286
Freeport fire rate	7,099	7,047	6,876
Tiverton fire rate	5,246	5,237	5,119
Westport fire rate	6,578	6,579	6,405
Brighton/Barton fire rate	50,318	50,150	47,584
Plympton fire rate	15,854	15,885	15,370
Weymouth fire rate	30,361	30,583	30,198
Bear River fire rate	11,984	11,999	11,690
Digby fire rate	64,341	64,183	62,904
Southville fire rate	11,739	11,739	11,551
J Class road rate	5,337	5,337	5,337
Sewage charges	171,568	174,848	171,807
Business property			
Based on revenue (Aliant)	38,689	38,689	45,895
NS Power HST rebate	17,000	18,611	18,032
Other taxes			
Deed transfer tax	250,000	234,503	273,044
Wind turbine tax	198,413	198,413	196,461
Transmission of taxes collected for other governments and bodies			
Fire Departments	(250,993)	(250,993)	(244,108)
Village supply	(221,918)	(221,368)	(215,117)
Deficit of Digby Housing Authority	(45,000)	(28,732)	(37,814)
Transfer to Correctional Services	(105,189)	(105,189)	(105,581)
Education expenses as a reduction of tax revenue			
Appropriation to regional school board	(1,471,900)	(1,471,900)	(1,442,807)
	<u>\$ 5,221,337</u>	<u>\$ 5,219,166</u>	<u>\$ 5,116,447</u>

See accompanying notes and schedules to the consolidated financial statements.

Municipality of the District of Digby
Schedules to Consolidated Statement of Operations

March 31

2020

2019

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Grants in Lieu of Taxes			
Federal government	\$ 23,165	\$ 25,960	\$ 22,677
Provincial government			
Crown timberland	62,150	62,083	62,159
Department of Energy	2,050	2,071	2,050
Provincial property and supported institutions	52,000	61,845	62,802
Conservation properties	6,643	6,632	6,643
Nova Scotia Power Corporation	665,927	665,927	561,396
	<u>\$ 811,935</u>	<u>\$ 824,518</u>	<u>\$ 717,727</u>
Services Provided to Other Governments			
	<u>\$ 88,570</u>	<u>\$ 87,949</u>	<u>\$ 91,112</u>
Sales of Service			
General government services	\$ 600	\$ 475	\$ 600
Protective services	58,400	58,400	23,233
Transportation services (airport)	77,490	96,175	75,620
	<u>\$ 136,490</u>	<u>\$ 155,050</u>	<u>\$ 99,453</u>
Other Revenue From Own Sources			
Licenses and permits	\$ 9,500	\$ 11,306	\$ 9,498
Fines	35,040	37,619	42,196
Return on investment	108,052	133,880	114,240
Interest on taxes	125,000	116,978	123,848
Commercial solid waste fees	125,000	126,795	120,318
Miscellaneous	35,500	29,458	38,576
Gas tax interest	-	30,586	14,488
Tax sale excess (20 years)	-	23,004	17,540
Wind turbine revenue	200,000	218,305	206,741
Tax sale fees	-	(142)	1,456
	<u>\$ 638,092</u>	<u>\$ 727,789</u>	<u>\$ 688,901</u>
Unconditional Transfers From Other Governments			
Provincial government			
Assessment Act, farm property acreage	\$ 17,340	\$ 17,340	\$ 17,397
Resource recovery fund	6,000	6,230	6,118
Department of Municipal Affairs			
Equalization grants	333,616	333,616	333,616
	<u>\$ 356,956</u>	<u>\$ 357,186</u>	<u>\$ 357,131</u>
Conditional Transfers From Other Governments			
Other			
Heritage Home Inventory	\$ -	\$ -	\$ 14,671
Intern grant	38,000	-	-
Special projects	-	11,066	-
Trail project	61,500	48,979	20,000
Grants for Capital Projects			
Haines Lake Infrastructure	-	-	25,000
Federal gas tax rebate	52,816	52,816	-
Tidal and Rain Gauges	21,000	21,071	-
Provincial Government			
EMO 911 recovery fee	3,053	3,032	3,049
	<u>\$ 176,369</u>	<u>\$ 136,964</u>	<u>\$ 62,720</u>

See accompanying notes and schedules to the consolidated financial statements.

Municipality of the District of Digby
Schedules to Consolidated Statement of Operations

Year Ended March 31

2020

2019

EXPENDITURES

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
General Government Services			
Legislative			
Warden remuneration	\$ 38,038	\$ 38,038	\$ 34,320
Council remuneration	104,961	104,960	95,821
Council expenses	57,000	33,196	41,287
Other legislative expenses	19,138	18,389	16,714
General administrative			
Administrative	118,823	115,932	109,564
Administrative support staff	276,156	283,641	258,780
Taxations			
Dangerous and unsightly premises	-	-	-
By-law exemptions	40,706	40,139	40,992
Bad debts (recovery)	-	15,886	(89,463)
Transfers for assessment services	194,662	194,662	191,705
Property tax exemption	60,000	50,379	42,644
Seasonal business reduction	14,921	14,921	14,473
Advertising	26,500	24,218	34,035
Audit and legal	38,000	33,523	29,651
Doctor recruitment	-	(22,917)	50,000
Employee benefits	165,519	152,502	156,815
Pension contributions	80,685	71,097	71,605
Pension adjustment	2,000	47,755	(35,417)
Common services	13,500	12,575	12,721
Insurance	25,913	27,356	26,190
Office operations	18,000	12,955	15,394
Office administration	77,800	66,409	66,517
Technology improvements	54,887	52,823	83,578
Bank and other fees	50,650	53,543	50,298
Other taxes	17,644	17,644	17,731
Conditional transfers to other governments and agencies	29,000	29,000	29,000
Other general government services			
Barton school	6,500	8,152	7,467
Conventions and travel - administration	13,000	9,388	10,074
Grants to organizations and individuals	88,836	84,736	77,311
	<u>1,632,839</u>	<u>1,590,902</u>	<u>1,459,807</u>
Amortization	<u>29,505</u>	<u>29,505</u>	<u>42,572</u>
	<u>\$ 1,662,344</u>	<u>\$ 1,620,407</u>	<u>\$ 1,502,379</u>

See accompanying notes and schedules to the consolidated financial statements.

Municipality of the District of Digby
Schedules to Consolidated Statement of Operations

Year Ended March 31

2020

2019

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Protective Services			
Police protection			
RCMP	\$ 1,307,833	\$ 1,303,372	\$ 1,290,484
Prosecuting attorney	15,000	12,288	17,760
Senior's safety program	16,000	16,000	16,000
Special investigations	6,000	5,211	4,065
Law enforcement			
Bylaw enforcement	-	-	-
Fire protection			
Grants - community fire departments	443,180	447,340	428,646
Hydrants	39,000	38,772	38,772
Emergency measures	9,500	11,036	9,864
Dispatch services	255,843	267,785	235,439
Other			
Animal control	31,000	28,815	28,469
Buildings - salaries	161,363	152,444	156,204
- expenses	32,700	21,443	21,662
	<u>2,317,419</u>	<u>2,304,506</u>	<u>2,247,365</u>
Amortization	<u>13,400</u>	<u>13,400</u>	<u>14,025</u>
	<u>\$ 2,330,819</u>	<u>\$ 2,317,906</u>	<u>\$ 2,261,390</u>
Transportation Services			
Road transport			
Administration	\$ 62,424	\$ 59,907	\$ 57,687
Sidewalk snow & ice removal	20,000	9,544	11,255
Street lighting	33,000	30,938	32,478
Public works - salaries	86,395	87,014	94,498
- expenses	20,500	21,102	19,154
Air transport			
Airport building	28,327	38,971	29,006
Office and telephone	18,050	16,514	15,669
Tractor	12,000	6,961	14,886
Other	2,500	2,131	2,369
Fuel and oil	65,300	88,890	59,687
Maintenance	18,500	10,339	9,554
Administration of public transit			
Kings Transit Authority (Note 12)	290,153	290,268	293,024
Le Transport de Clare Society	28,000	28,000	28,000
	<u>685,149</u>	<u>690,579</u>	<u>667,267</u>
Amortization	<u>133,581</u>	<u>133,581</u>	<u>139,032</u>
	<u>\$ 818,730</u>	<u>\$ 824,160</u>	<u>\$ 806,299</u>

See accompanying notes and schedules to the consolidated financial statements.

Municipality of the District of Digby
Schedules to Consolidated Statement of Operations
Year Ended March 31

2020 2019

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Environmental Health Services			
Sewage collection and disposal			
Sewage collection systems	\$ 69,000	\$ 68,807	\$ 61,753
Sewage lift stations	60,800	34,890	79,736
Sewage treatment and disposal	95,500	91,091	98,993
Debenture interest	17,691	16,567	19,389
Solid waste administration	19,926	19,926	20,009
Waste water administration	20,201	17,224	7,632
Garbage and waste collection and disposal			
Garbage and waste collection	<u>1,034,391</u>	<u>998,029</u>	<u>978,342</u>
	<u>1,317,509</u>	<u>1,246,534</u>	<u>1,265,854</u>
Amortization	<u>241,997</u>	<u>241,997</u>	<u>239,657</u>
	<u>\$ 1,559,506</u>	<u>\$ 1,488,531</u>	<u>\$ 1,505,511</u>
Environmental Development Services			
Community development	\$ 53,000	\$ 25,670	\$ 48,349
Subdivision and planning	36,797	25,849	28,725
Community economic development			
Western Regional Enterprise Network	39,557	39,557	39,557
Industrial Commission	20,000	20,000	20,000
Tourism	16,500	9,486	14,562
Renewable energy development	136,323	89,674	91,868
Debenture interest	12,175	11,764	12,854
Biogas generator	20,000	2,205	2,364
Wind turbines	<u>90,000</u>	<u>67,859</u>	<u>46,424</u>
	<u>424,352</u>	<u>292,064</u>	<u>304,703</u>
Amortization	<u>110,944</u>	<u>110,944</u>	<u>109,596</u>
	<u>\$ 535,296</u>	<u>\$ 403,008</u>	<u>\$ 414,299</u>
Recreation and Cultural Services			
Administration and programs	\$ 303,941	\$ 304,334	\$ 290,854
Trail coordinator	44,429	45,008	46,418
Parks & trails	55,000	48,099	8,104
Parks & open space	20,000	15,858	13,186
Lighthouses	3,247	1,578	8,097
Fundy Y	12,500	12,500	12,500
Jordantown Acaciaville Conway Betterment Association	120,000	120,000	-
Heritage programs	86,700	76,705	81,078
Regional library	49,026	48,653	48,653
Digby library	20,000	4,133	27,056
Weymouth library	26,319	22,467	20,733
Westport library	<u>3,500</u>	<u>3,687</u>	<u>3,687</u>
	<u>744,662</u>	<u>703,022</u>	<u>560,366</u>
Amortization	<u>14,580</u>	<u>14,580</u>	<u>13,290</u>
	<u>\$ 759,242</u>	<u>\$ 717,602</u>	<u>\$ 573,656</u>

See accompanying notes and schedules to the consolidated financial statements.

Municipality of the District of Digby
Notes to the Consolidated Financial Statements
March 31, 2020

1. Significant accounting policies

The consolidated financial statements of the Municipality of the District of Digby are prepared by management in accordance with Canadian public sector accounting standards, as recommended by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada. Significant aspects of the accounting policies adopted by the Municipality are as follows:

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 for the administration of their affairs and resources to the Municipality and which are owned or controlled by the Municipality.

Interdepartmental and organizational transactions and balances are eliminated.

Budget

The budget figures contained in these consolidated financial statements in Note 16 were approved by Council on June 24, 2019.

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 the goods and services are acquired and a liability is incurred or transfers are due.

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.

- (a) Operating Fund – Costs of providing services to the residents of the Municipality are budgeted based on the revenue generated from property tax assessments.
- (b) Capital Fund – The capital fund contains the capital assets which are funded from long term financing and from operations.
- (c) Reserve Funds – The reserve funds are restricted funds set by the Municipality for specific projects and are approved by council.

Valuation allowance

Uncollected taxes and rates

The Municipality provides a valuation allowance for estimated losses that will be incurred in collecting receivables outstanding through a combination of specific account identification and allowing for 5% of outstanding taxes.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, balances with banks and short term deposits with original maturities of three months or less. Bank borrowings are considered to be financing activities.

Municipality of the District of Digby
Notes to the Consolidated Financial Statements
March 31, 2020

1. Significant accounting policies (continued)

Measurement uncertainty

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management 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 financial statements and the reported amounts of revenues and expenses during the reporting year. Actual results could differ from those estimates.

Revenue recognition

(a) Tax revenue is property tax billings which are prepared by the Municipality based on assessment rolls issued by Property Valuation Services Corporation. Tax rates are established annually by Municipal 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 Municipality is entitled to collect interest on overdue taxes and is recorded in the period the interest is levied.

(b) Revenue from provincial or municipal units without eligibility criteria or stipulations is recognized as revenue by the Municipality when the transfer is authorized. Revenue with eligibility criteria is recognized as revenue by the Municipality when the transfer is authorized and all eligibility criteria have been met. Revenue with stipulations is recognized as revenue by the Municipality when the transfer is authorized and all stipulations have been met.

(c) Other revenue is recorded when it is earned.

Tangible capital assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost of the tangible capital asset is amortized on a straight line basis over the estimated useful life as follows:

Asset type	Years
Municipal buildings	40 years
Buildings and plants	25 years
Electronic data equipment	5 years
Small equipment	5 years
Machinery and equipment	15 years
Vehicles	5 years
Streets, roads and curbs	30 years
Sidewalks	25 years
Lagoons	50 years
Sanitary sewer lines	50 years
Street Lights	25 years
Wind turbine	20 years

Assets under construction are not amortized until the asset is available for productive use. Funding related to the purchase of capital assets is recorded as revenue when received. School buildings formally under operational control of the Municipality have not been recorded as tangible capital assets, as it is more likely than not they would be sold and not put into municipal use.

Municipality of the District of Digby
Notes to the Consolidated Financial Statements
 March 31, 2020

1. Significant accounting policies (continued)

Contaminated sites

The Municipality follows Public Sector Accounting Section 3260 Liability for Contaminated Sites, which establishes the recognition, measurement and disclosure requirements for reporting liabilities associated with the remediation of contaminated sites. Management has reviewed all potential sites that are owned for application to this section and has concluded there is no known liability at this time.

Related party transactions

The Municipality follows Public Sector Accounting Section 2200, Related Party Transactions, which establishes the disclosure requirements for reporting related party transactions. Management has determined that there are no transactions to disclose at this time.

Contractual rights

The Municipality follows Public Sector 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.

Restructuring transactions

The Municipality follows Public Sector Accounting Section 3430, Restructuring Transactions, which establishes the disclosure requirements for restructuring transactions. Management has determined that there are no transactions to disclose at this time.

2. Receivables			2020	2019
	<u>Current Year</u>	<u>Prior Years</u>	<u>Total</u>	<u>Total</u>
Taxes receivable				
Balance, beginning of year	\$ -	\$ 695,408	\$ 695,408	\$ 797,057
Current year's levy	<u>6,545,854</u>	<u>-</u>	<u>6,545,854</u>	<u>6,284,771</u>
	6,545,854	695,408	7,241,262	7,081,828
Add				
Interest	<u>116,978</u>	<u>-</u>	<u>116,978</u>	<u>123,848</u>
	6,662,832	695,408	7,358,240	7,205,676
Deduct				
Current year's collections	<u>(6,077,005)</u>	<u>(525,998)</u>	<u>(6,603,003)</u>	<u>(6,510,268)</u>
	(6,077,005)	(525,998)	(6,603,003)	(6,510,268)
Balance, end of year	<u>\$ 585,827</u>	<u>\$ 169,410</u>	<u>755,237</u>	<u>695,408</u>
Fire Departments			<u>309,595</u>	<u>322,263</u>
Town of Digby			<u>32,450</u>	<u>42,643</u>
HST			<u>18,746</u>	<u>19,950</u>
PACE program			<u>77,498</u>	<u>50,769</u>
Province of Nova Scotia			<u>24,160</u>	<u>19,809</u>
Digby Ground Search and Rescue			<u>25,000</u>	<u>-</u>
Other			<u>57,024</u>	<u>52,745</u>
			<u>1,299,710</u>	<u>1,203,587</u>
Asset valuation allowance for uncollectible taxes and other			<u>(26,161)</u>	<u>(24,837)</u>
			<u>\$ 1,273,549</u>	<u>\$ 1,178,750</u>

3. Bank indebtedness

The Municipality has an unsecured line of credit with a limit of \$1,000,000, and an interest rate of prime minus 0.75%, none of which is used at March 31, 2020 (2019 – nil).

4. Tax sale surplus

After a twenty year period of holding these funds in trust has expired, the cash will be transferred to the special reserve.

Municipality of the District of Digby
Notes to the Consolidated Financial Statements
March 31, 2020

5. Tangible Capital Assets

	<u>Opening Cost</u>	<u>Additions</u>	<u>Disposals</u>	<u>Ending Cost</u>
Land	\$ 319,895	\$ -	\$ -	\$ 319,895
Municipal buildings	2,356,667	32,820	-	2,389,487
Buildings - plant	1,794,688	43,184	-	1,837,872
Electronic data equipment	149,859	-	-	149,859
Small equipment	167,150	73,883	-	241,033
Machinery and equipment	1,760,408	-	-	1,760,408
Vehicles	161,161	-	-	161,161
Streets, roads and curbs	1,193,900	-	-	1,193,900
Sidewalks	217,504	-	-	217,504
Wind turbines	1,339,460	-	-	1,339,460
Street lights	716,332	-	-	716,332
Lagoons	1,484,784	-	-	1,484,784
Sanitary sewer lines	7,003,938	-	-	7,003,938
	<u>\$ 18,665,746</u>	<u>\$ 149,887</u>	<u>\$ -</u>	<u>\$ 18,815,633</u>

	<u>Opening Accumulated Amortization</u>	<u>Amortization</u>	<u>Disposals</u>	<u>Ending Accumulated Amortization</u>
Municipal buildings	\$ 1,171,636	\$ 52,272	\$ -	\$ 1,223,908
Buildings - plant	837,614	73,462	-	911,076
Electronic data equipment	127,429	6,400	-	133,829
Small equipment	167,150	-	-	167,150
Machinery and equipment	706,904	106,673	-	813,577
Vehicles	104,640	17,773	-	122,413
Streets, roads and curbs	923,732	15,875	-	939,607
Sidewalks	137,454	8,701	-	146,155
Wind turbines	140,426	66,973	-	207,399
Street lights	114,863	28,653	-	143,516
Lagoons	458,859	29,696	-	488,555
Sanitary sewer lines	1,808,643	137,530	-	1,946,173
	<u>\$ 6,699,350</u>	<u>\$ 544,008</u>	<u>\$ -</u>	<u>\$ 7,243,358</u>

	<u>NBV 2020</u>	<u>NBV 2019</u>
Land	\$ 319,895	\$ 319,895
Municipal Buildings	1,165,579	1,185,031
Buildings - plant	926,796	957,074
Electronic data equipment	16,030	22,430
Small Equipment	73,883	-
Machinery and equipment	946,831	1,053,504
Vehicles	38,748	56,521
Streets, roads and curbs	254,293	270,168
Sidewalks	71,349	80,050
Wind turbines	1,132,061	1,199,034
Street lights	572,816	601,469
Lagoons	996,229	1,025,925
Sanitary sewer lines	5,057,765	5,195,295
	<u>\$ 11,572,275</u>	<u>\$ 11,966,396</u>

Municipality of the District of Digby
Notes to the Consolidated Financial Statements
 March 31, 2020

6. Deferred revenue

Funds received with specific spending criteria and stipulations, are recorded in deferred revenue until these funds are spent on eligible expenditures. The majority of deferred revenues relate to Gas Tax funds received. These funds must be held in special reserve accounts until spent on specific expenditures in accordance with the Canada – Nova Scotia Gas Tax Agreement. The deferred revenue balance related specifically to Gas tax funds changed during the year as follows:

	<u>2020</u>	<u>2019</u>
Opening balance	\$ 1,011,295	\$ 625,334
Funding received	752,640	385,961
Eligible expenditures	<u>(52,816)</u>	<u>-</u>
Ending balance	<u>\$ 1,711,119</u>	<u>\$ 1,011,295</u>

7. Long term debt

	<u>2020</u>	<u>2019</u>
Municipal Finance Corporation debenture, bearing interest at rates from 2.46% to 3.614%, repayable in annual instalments of \$110,000 plus interest, maturing in 2023.	\$ 440,000	\$ 550,000
Municipal Finance Corporation debenture, bearing interest at rates from 1.441% to 2.925%, repayable in annual instalments of \$69,000 plus interest, maturing in 2026.	<u>483,000</u>	<u>552,000</u>
	<u>\$ 923,000</u>	<u>\$ 1,102,000</u>

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

2021	\$179,000
2022	\$179,000
2023	\$179,000
2024	\$179,000
2025	\$69,000

All long term debt outstanding at year end has been properly authorized by Service Nova Scotia and Municipal Relations.

Interest expense on the long term debt during the year was \$28,331.

Municipality of the District of Digby

Notes to the Consolidated Financial Statements

March 31, 2020

8. Commitments

Boards in which the Municipality of the District of Digby has less than 100% interest

The Municipality is required to finance the operations of various boards and commissions, along with other municipal units.

Digby Housing Authority - 10.05% interest

Under an agreement between Canada Mortgage and Housing Corporation, the Nova Scotia Department of Housing, the Municipality, Town of Digby and the Digby Housing Authority, the Digby Housing Authority has lease title to certain housing properties for control, operation, management and administration

The equity in operations, amortization expense and advances for each project is determined under the respective agreements.

The Municipality's net share of the 2020 operating deficit of the Digby Housing Authority which has been included in current expenditures was \$28,732 (2019 - \$37,814).

Regional Library - 14.06% interest

During the year ended March 31, 2020, the Municipality paid \$48,653 (2019 - \$48,653) to the Regional Library.

Digby and Area Recreation Facility - 50% interest

During the year ended March 31, 2020, the Municipality paid \$292,327 (2019 - \$278,911) as its share of operations for the Digby and Area Recreation Facility.

Digby Development Agency - 50% interest

During the year ended March 31, 2020, the Municipality paid \$20,000 (2019 - \$20,000) as its share of operations for the Digby Development Agency.

Western Regional Enterprise Network - 20.37% interest

During the year ended March 31, 2020, the Municipality contributed \$39,557 (2019 - \$39,557) to the Western Regional Enterprise Network.

Provincial police service agreement

The Municipality has entered into the Provincial Agreement to receive policing services for the period April 1, 2014 to March 31, 2032. The Municipality will be responsible for 30% of the cost to provide and maintain the Provincial Police Service. This agreement can be terminated at any point with written notice not less than 24 months prior to termination.

Curbside collection and transportation of source separated solid waste

The Municipality has entered into a contract with Digby Salvage and Disposal to collect and transport the Municipality's solid waste. The contract is effective April 1, 2015 to March 31, 2020. The monthly base cost expected for the respective fiscal years for 2016 through 2020 ranges from, \$35,000 to \$42,543. The amounts paid can be adjusted to reflect changes in fuel costs. During the year, a new contract was entered into with Digby Salvage and Disposal for the period April 1, 2020 to March 31, 2025. The monthly base cost expected for the respective fiscal years 2021 through 2025 ranges from \$43,850 to \$49,355.

Transportation and disposal of solid waste

The Municipality has entered into a contract with the Region of Queens Municipality and Waste Check to transport and dispose of the Municipality's solid waste at the solid waste disposal facility in Milton. The contract is effective January 1, 2006 to March 31, 2027. The Municipality pays a transportation and disposal fee from \$64.50 to \$78.25/tonne. The fee may be increased based on the consumer price index for Nova Scotia.

Municipality of the District of Digby
Notes to the Consolidated Financial Statements

March 31, 2020

8. Commitments (continued)

Public transit services

Effective August 29, 2014, the Municipality has entered into an agreement with the Kings Transit Authority to provide public transportation services. The Municipality is responsible for the net operating costs of the defined route to be paid monthly. This agreement is in effect unless terminated by either party. The expense for the year was \$290,268 (2019 - \$293,024). See Note 12 for detailed breakdown.

Wind turbine maintenance

The Municipality has entered into a contract with ENERCON Canada Inc. to provide maintenance services for their type E-48 800 kW wind turbine. The contract is effective August 28, 2019 to June 2, 2021 and can be terminated with 3 months notice prior to the end of an operational year. The Municipality pays \$60,000 per operational year for this service. The fee may be increased based on a price adjustment formula at the beginning of each operational year.

9. Contingencies

The Municipality has a revolving term credit in the amount of \$2,000,000 to allow individual fire departments in the Municipality to fund capital purchases (with each advance guaranteed by the Municipality) and to finance capital expenditures of smaller organizations within the Municipality. The following balances are drawn on the line of credit and guaranteed by the Municipality at year end:

	<u>2020</u>	<u>2019</u>
Brighton/Barton Fire Department	\$ 110,500	\$ 127,500
Plympton Fire Department	\$ 10,000	\$ 20,000
Digby Fire Department	\$ 264,621	\$ 308,725

The fire rates are set to take into consideration the repayment of the loans. All payments are up to date, and there is no expectation for loss to the Municipality.

The Municipality has guaranteed a loan for the Digby and Area Recreation Commission in the amount of \$61,520 (2019 - 71,773).

No amounts have been required for these guarantees in the past. Digby Area Recreation Commission is up to date with the payments and there is no expectation for loss to the Municipality.

10. Other matters

The total remuneration and expense reimbursements to each member of the council and senior management official are as follows:

<u>Council</u>	<u>2020</u> <u>Remuneration</u>	<u>2020</u> <u>Expenses</u>
MacAlpine, J. - Warden	\$ 38,038	\$ 9,207
Gregory, L. - Deputy Warden	\$ 30,251	\$ 10,256
Manzer, G. - Councillor	\$ 24,903	\$ 3,134
Ross, M. - Councillor	\$ 24,903	\$ 3,335
Tudor, D. - Councillor	\$ 24,903	\$ 2,951
<u>Senior Management</u>		
Chief Administrative Officer	\$ 115,932	\$ 4,445

Municipality of the District of Digby
Notes to the Consolidated Financial Statements
 March 31, 2020

11. Pension plans

The Municipality contributes to a defined contribution pension plan that covers most of its employees. The plan provides pensions based on accumulated contributions made equally by employees and the Municipality. The expense for the year was \$71,097 (2019 - \$71,605).

The Municipality has a defined benefit plan whereby the spouse of one former employee receives a monthly pension. Actuarial valuations for accounting purposes are performed triennially using a going concern basis. The most recent actuarial valuation was prepared at March 31, 2017 and at that time the pension plan had an accrued benefit excess of \$493,892. The actuarial valuation was based on a number of assumptions about future events. The Municipality's actuary performed an extrapolation of the March 31, 2017 valuation to determine the position of the plan as at March 31, 2020. The accrued benefit excess is estimated to be \$485,961. Benefits paid during the year were \$18,807.

The following summarizes the major assumptions in the 2017 extrapolation:

- the expected inflation rate is 2%;
- the discount rate used to determine the accrued benefit obligation is 4.5%;
- the expected rate of return is 5%; and
- mortality assumption based on CPM2014 projected with mortality improvement scale CPM-B.

12. Kings Transit Authority

Kings Transit Authority delivers public transit services on behalf of the Municipality (Note 8). Details of the revenues and expenditures relating to the transit service are as follows:

	<u>2020</u>	<u>2019</u>
<u>Revenue</u>		
Fares	\$ 66,618	\$ 57,908
Advertising	-	300
Grants and other	1,952	-
Municipal contributions	<u>241,489</u>	<u>225,427</u>
	<u>310,059</u>	<u>283,635</u>
<u>Expenses</u>		
Advertising	174	1,058
Fuel	56,128	61,375
Insurance	15,519	12,453
Management fees	34,169	30,024
Office	7,840	7,950
Rents	6,068	6,000
Repairs and maintenance	77,028	96,435
Salaries and benefits	<u>117,411</u>	<u>108,228</u>
	<u>314,337</u>	<u>323,523</u>
Current year deficit	\$ <u>(4,278)</u>	\$ <u>(39,888)</u>
Current year Municipal contributions	241,489	225,427
Prior year(s) deficits funded	<u>48,779</u>	<u>67,597</u>
Total Municipal contributions in fiscal period	\$ <u>290,268</u>	\$ <u>293,024</u>

Municipality of the District of Digby
Notes to the Consolidated Financial Statements
March 31, 2020

13. Subsequent events

Since March 31, 2020, the spread of COVID-19 has severely impacted many local economies around the globe. In many countries, including Canada, businesses are being forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, physical distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Global stock markets have also experienced great volatility and a significant weakening. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions. As a result of COVID-19, the Municipality has not issued interim tax billings and will charge the full year amount on the September 2020 billing. Also, the Municipality has stopped charging interest on overdue accounts until December 31, 2020 and effective January 1, 2021, will reduce the interest rate on overdue accounts from 15% to 10%. Thus, revenue for March 31, 2021 will be less than 2020, however, an exact impact cannot be estimated at this time.

The Municipality has determined that these are non-adjusting subsequent events. Accordingly, the financial position and results of operations as of and for the year ended March 31, 2020 have not been adjusted to reflect their impact. The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government and central bank responses, remain unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position of the Municipality for future periods.

14. Purchase commitments

During the year, the Municipality entered into a purchase agreement with City View Bus Sales and Service for an ENC El Dorado EZ Rider II transit bus. Total cost for the bus is \$627,119, including non-refundable HST. Delivery to the Municipality is expected in January 2021 at which point the total cost is payable in full.

15. Comparative figures

Prior year comparative figures have been adjusted to conform to current year presentation.

Municipality of the District of Digby
Notes to the Consolidated Financial Statements
 March 31, 2020

16. 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 statement of operations and statement of changes in net assets have 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 financial statements. The reconciling items include capital funding from other sources reported as revenue and amortization of tangible capital assets reported as expenses.

	Approved Operating <u>Fiscal Plan</u>	<u>Adjustments</u>	Fiscal Plan Per Financial Statements
Taxes	\$ 5,221,337	\$ -	\$ 5,221,337
Grants in lieu of taxes	811,935	-	811,935
Services provided to other governments	88,570	-	88,570
Sales of service	136,490	-	136,490
Other revenue from own sources	638,092	-	638,092
Unconditional transfers from other governments	356,956	-	356,956
Conditional transfers from other governments	<u>102,553</u>	<u>73,816</u>	<u>176,369</u>
	<u>7,355,933</u>	<u>73,816</u>	<u>7,429,749</u>
Expenditures			
General government services	1,632,839	29,505	1,662,344
Protective services	2,317,419	13,400	2,330,819
Transportation services	685,149	133,581	818,730
Environmental health services	1,317,509	241,997	1,559,506
Environmental development services	424,352	110,944	535,296
Recreational and cultural services	<u>624,662</u>	<u>134,580</u>	<u>759,242</u>
	<u>7,001,930</u>	<u>664,007</u>	<u>7,665,937</u>
Annual surplus (deficit)	354,003	(590,191)	(236,188)
Approved transfers	<u>(354,003)</u>	<u>354,003</u>	<u>-</u>
Planned annual result	<u>\$ -</u>	<u>\$ (236,188)</u>	<u>\$ (236,188)</u>

Municipality of the District of Digby
Notes to the Consolidated Financial Statements
March 31, 2020

17. Segmented Information

The Municipality is a diversified municipal unit that provides a wide range of services to its citizens. For management reporting purposes the Municipality'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 billings and payments, accounts payable and receivables, budgets and financial statements, the Municipal Government Act, administration and maintenance of bylaws and change of address.

Protective Services

This department is responsible for ensuring the safety of the residents. Its tasks include bylaw enforcement, animal control, emergency measures and maintaining the radio dispatch system.

Transport Services

This department is responsible for transportation services within the Municipality. Its tasks include maintaining roads and sidewalks, street lighting, maintaining the airport and administering public transit.

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 hook-up.

Public Health Services

This department is responsible for their portion of the deficit of the Digby Housing Authority.

Environmental Development Services

This department is responsible for the planning and development within the Municipality. 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 Municipality's residents.

Municipality of the District of Digby
Notes to the Consolidated Financial Statements

March 31, 2020

17. Segmented Information (continued)

Revenue	General Government Services	Protective Services	Transportation Services	Environmental Health Services	Environmental Development Services	Recreation and Cultural Services	2020 Consolidated		2019 Consolidated	
Taxes	\$ 1,147,262	\$ 1,641,098	\$ 583,512	\$ 1,053,893	\$ 285,333	\$ 508,068	\$ 5,219,166	\$ 5,116,447		
Grants in lieu of taxes	181,243	259,259	92,183	166,493	45,077	80,264	824,519	717,726		
Services provided to other governments	19,333	27,654	9,833	17,759	4,808	8,562	87,949	91,112		
Sales of services	475	58,400	96,175	-	-	-	155,050	99,453		
Other revenue from own sources	261,309	55,592	13,078	150,416	236,006	11,387	727,788	688,901		
Unconditional transfers from other governments	78,516	112,312	39,934	72,126	19,527	34,771	357,186	357,132		
Conditional transfers from other governments	-	136,964	-	-	-	-	136,964	62,720		
	<u>1,688,138</u>	<u>2,291,279</u>	<u>834,715</u>	<u>1,460,687</u>	<u>590,751</u>	<u>643,052</u>	<u>7,508,622</u>	<u>7,133,491</u>		
Expenditures										
Salaries and benefits	857,571	375,132	87,014	-	80,095	98,595	1,498,407	1,408,697		
Goods and services	447,367	1,335,851	567,620	1,229,967	170,626	604,427	4,355,858	4,083,025		
Amortization	29,505	13,401	133,581	241,997	110,944	14,580	544,008	558,172		
Interest	-	-	-	16,567	11,764	-	28,331	32,243		
Other	285,964	593,522	35,945	-	29,579	-	945,010	981,397		
	<u>1,620,407</u>	<u>2,317,906</u>	<u>824,160</u>	<u>1,488,531</u>	<u>403,008</u>	<u>717,602</u>	<u>7,371,614</u>	<u>7,063,534</u>		
Surplus (deficit) for the year	\$ <u>67,731</u>	\$ <u>(26,627)</u>	\$ <u>10,555</u>	\$ <u>(27,844)</u>	\$ <u>187,743</u>	\$ <u>(74,550)</u>	\$ <u>137,008</u>	\$ <u>69,957</u>		

Municipality of the District of Digby
Notes to the Consolidated Financial Statements
March 31, 2020

18. Reserve Funds

	Operating Surplus	Special Capital	Power Board	JACBA	Trails	Doctor Recruitment	Heritage Church	Election	Gas Tax	Heritage Conference	Lighthouses	2020 Total	2019 Total
Revenue													
Interest	\$ -	\$ 23,004	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,586	\$ -	\$ -	\$ 53,590	\$ 32,028
Recoveries	-	-	-	-	-	22,917	-	-	-	-	-	22,917	-
Gain on disposal	-	-	-	-	-	-	-	-	-	-	-	-	10,775
Transfers from (to) other funds	314,541	(24,584)	40,000	(120,000)	13,000	27,083	2,000	-	-	-	-	252,040	209,407
Annual (deficit) surplus	314,541	(1,580)	40,000	(120,000)	13,000	50,000	2,000	-	30,586	-	-	328,547	252,210
Accumulated surplus, beginning of year	4,221,787	117,959	109,379	120,000	41,400	150,000	18,864	41,881	42,596	146	39,178	4,903,190	4,650,980
Accumulated surplus, end of year	\$ 4,536,328	\$ 116,379	\$ 149,379	\$ -	\$ 54,400	\$ 200,000	\$ 20,864	\$ 41,881	\$ 73,182	\$ 146	\$ 39,178	\$ 5,231,737	\$ 4,903,190