

Non-consolidated financial statements

(Unaudited – see advisory to readers)

Municipality of the County of Victoria

March 31, 2024

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Advisory to readers

The Municipality of the County of Victoria prepares both consolidated and non-consolidated financial statements.

Non-consolidated financial statements are prepared to show the details of the individual funds managed by the Municipality. In particular, they provide information as to how each of the funds performed compared to the approved Operating Budget of the Municipality. For all other purposes, readers are advised to refer to the consolidated financial statements that have been audited.

These non-consolidated financial statements have not been audited. The non-consolidated financial statements are not presented in full accordance with Canadian generally accepted accounting principles.

Municipality of the County of Victoria
General section
Non-consolidated operating fund balance sheet

(Unaudited – see advisory to readers)

March 31	2024	2023
Assets		
Cash	<u>\$ 8,901,668</u>	<u>\$ 4,242,520</u>
Receivables		
Taxes (note 3)	878,889	574,827
Other (note 4)	488,695	434,968
Due from water utility	<u>1,091,408</u>	<u>512,061</u>
	<u>11,360,660</u>	<u>1,521,856</u>
Long-term receivable	<u>866,474</u>	<u>914,612</u>
Deferred charges		
Prepays	<u>855</u>	<u>855</u>
	<u>\$12,227,989</u>	<u>\$ 6,679,843</u>
Liabilities and operating equity		
Payables		
Due to operating reserve	\$ 1,195,717	\$ 611,517
Due to capital reserve	7,165,420	1,044,564
Trade accounts and other liabilities	<u>2,061,558</u>	<u>2,191,180</u>
	<u>10,422,695</u>	<u>3,847,261</u>
Other liabilities		
MFC operating loan	-	1,202,000
Prepayment of taxes	567,959	487,303
Tax sale surplus	<u>1,237,335</u>	<u>1,143,279</u>
	<u>1,805,294</u>	<u>2,832,582</u>
Operating surplus	<u>-</u>	<u>-</u>
	<u>\$12,227,989</u>	<u>\$ 6,679,843</u>

On behalf of the Municipality of the County of Victoria

 Warden

 CAO

See accompanying notes to the non-consolidated financial statements.

Municipality of the County of Victoria

General section

Non-consolidated statement of operations

(Unaudited – see advisory to readers)

Year ended March 31

2024

2023

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Revenues (Schedule A)			
Taxes (page 7)	\$ 11,314,800	\$ 11,268,511	\$ 10,621,879
Grants in lieu of taxes (page 8)	2,840,000	2,871,110	2,306,433
Services provided to other governments (page 8)	20,000	28,651	56,675
Other revenue from own sources (page 8)	1,016,000	1,404,452	1,142,879
Transfers from other governments (page 9)	645,000	606,792	374,710
Collections for other governments (page 9)	<u>-</u>	<u>(729)</u>	<u>277,838</u>
	<u>15,835,800</u>	<u>16,178,787</u>	<u>14,780,414</u>
Expenses (Schedule B)			
General government services (page 10)	4,042,378	3,619,581	3,373,295
Protective services (page 11)	3,276,321	3,233,456	3,166,936
Transportation services (page 11)	799,300	577,477	496,612
Environmental health services (page 11)	3,758,475	3,648,121	2,985,199
Economic development services (page 12)	226,000	116,169	112,023
Recreation and cultural services (page 12)	511,825	466,947	420,220
Fiscal services (page 13)	3,263,700	3,288,186	3,324,846
Miscellaneous (page 13)	-	-	39,322
Transfer to own reserves (page 13)	<u>(42,199)</u>	<u>1,228,850</u>	<u>861,961</u>
	<u>15,835,800</u>	<u>16,178,787</u>	<u>14,780,414</u>
Annual surplus	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to the non-consolidated financial statements.

Municipality of the County of Victoria

General section

Non-consolidated statement of operating fund surplus

(Unaudited – see advisory to readers)

Year ended March 31

	2024	2023
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Operating fund surplus, beginning of year	\$ -	\$ -
Annual surplus	<u>-</u>	<u>-</u>
Operating fund surplus, end of year	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to the non-consolidated financial statements.

Municipality of the County of Victoria
General section
Non-consolidated general capital fund balance sheet

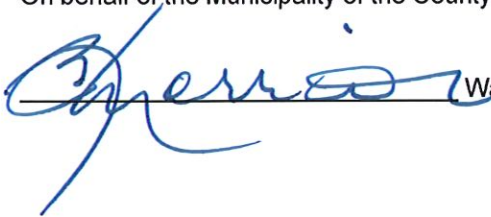
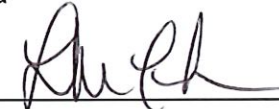
(Unaudited – see advisory to readers)
 March 31

2024

2023

Assets		
Property and equipment	<u>\$ 3,526,128</u>	<u>\$ 3,346,500</u>
<hr/>		
Liabilities		
Asset retirement obligation	\$ 260,052	\$ 238,682
Equity		
Investment in capital assets (page 6)	<u>\$ 3,266,076</u>	<u>\$ 3,107,818</u>
	<u>\$ 3,526,128</u>	<u>\$ 3,346,500</u>

On behalf of the Municipality of the County of Victoria

 Warden  CAO

See accompanying notes to the non-consolidated financial statements.

Municipality of the County of Victoria
General section
Non-consolidated statement of investment in
capital assets

(Unaudited – see advisory to readers)

Year ended March 31

2024

2023

Balance, beginning of year	\$ 3,107,818	\$ 2,982,407
Accretion expense	(11,763)	(11,763)
Amortization of asset retirement obligation	(21,370)	(14,927)
Amortization of capital assets	(219,358)	(215,472)
Capital out of revenue	557,161	367,573
Retirement of assets	<u>(146,412)</u>	<u>-</u>
Balance, end of year	<u>\$ 3,266,076</u>	<u>\$ 3,107,818</u>

See accompanying notes to the non-consolidated financial statements.

Municipality of the County of Victoria

General section

Schedule A - details of revenue

(Unaudited – see advisory to readers)
Year ended March 31

2024

2023

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Taxes			
Assessable property			
Residential	\$ 8,203,400	\$ 8,199,810	\$ 7,427,243
Commercial			
Based on taxable assessment	1,337,600	1,303,290	1,273,930
Resource			
Based on taxable assessment	1,201,700	1,194,525	1,149,905
Forest property tax	<u>14,200</u>	<u>13,008</u>	<u>14,191</u>
	<u>10,756,900</u>	<u>10,710,633</u>	<u>9,865,269</u>
Business property			
Based on revenue – Aliant Inc.	<u>57,900</u>	<u>57,958</u>	<u>56,744</u>
Other			
Deed transfer tax	<u>500,000</u>	<u>499,920</u>	<u>699,866</u>
	<u>\$ 11,314,800</u>	<u>\$ 11,268,511</u>	<u>\$ 10,621,879</u>

See accompanying notes to the non-consolidated financial statements.

Municipality of the County of Victoria

General section

Schedule A - details of revenue (continued)

(Unaudited – see advisory to readers)

Year ended March 31

2024

2023

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Grants in lieu of taxes			
Federal government	\$ 253,000	\$ 262,637	\$ 255,110
Provincial government			
Crown timber lands	148,000	148,220	148,229
Provincial property	141,000	162,497	151,069
Farm acreage	15,000	15,092	14,614
Provincial government agencies			
Nova Scotia Liquor Commission	15,000	13,830	14,407
Nova Scotia Power Inc.	<u>2,268,000</u>	<u>2,268,834</u>	<u>1,723,004</u>
	<u>\$ 2,840,000</u>	<u>\$ 2,871,110</u>	<u>\$ 2,306,433</u>
Services provided to other governments			
Solid waste collection and policing services			
- Inverness County	\$ 20,000	\$ 20,150	\$ 32,650
Commission on taxes – Village of Baddeck	<u>-</u>	<u>8,501</u>	<u>24,025</u>
	<u>\$ 20,000</u>	<u>\$ 28,651</u>	<u>\$ 56,675</u>
Other revenue from own sources			
Licenses and permits	\$ 2,000	\$ 1,735	\$ 1,530
Rentals	1,000	-	-
Interest on investments	120,000	337,834	182,837
Interest on taxes	118,000	209,961	123,138
Recycling and landfill tipping fees	770,000	845,310	827,555
Miscellaneous	<u>5,000</u>	<u>9,612</u>	<u>7,819</u>
	<u>\$ 1,016,000</u>	<u>\$ 1,404,452</u>	<u>\$ 1,142,879</u>

See accompanying notes to the non-consolidated financial statements.

Municipality of the County of Victoria

General section

Schedule A - details of revenue (continued)

(Unaudited – see advisory to readers)

Year ended March 31

2024

2023

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Transfers from other governments			
Provincial government			
Active living program	\$ 15,000	\$ 15,000	\$ 13,000
ACOA	-	172,476	43,912
Miscellaneous	25,000	72,188	53,847
Fuel tax rebate	-	18,808	19,695
Department of Municipal Affairs			
HST offset grant	25,000	34,751	23,671
Canada Community Building Fund	565,000	256,321	206,551
Service Canada Grants	-	20,425	-
Department of Justice			
Fines	15,000	16,823	14,034
	<u>\$ 645,000</u>	<u>\$ 606,792</u>	<u>\$ 374,710</u>
Collections for other governments			
Village of Baddeck	\$ -	\$ (729)	\$ 277,838

See accompanying notes to the non-consolidated financial statements.

Municipality of the County of Victoria

General section

Schedule B - details of expenses

(Unaudited – see advisory to readers)

Year ended March 31

2024

2023

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
General government services			
Legislative			
Council stipend	\$ 234,222	\$ 241,635	\$ 222,372
Other legislative services	<u>47,600</u>	<u>63,009</u>	<u>44,531</u>
	<u>281,822</u>	<u>304,644</u>	<u>266,903</u>
Administrative			
Administrative	923,575	1,029,525	1,172,255
Financial management	290,481	283,286	279,018
Taxation			
Administration	138,200	154,800	89,496
Reduced taxes	95,000	100,858	75,089
Tax sales and other	81,200	61,150	68,270
Allowance valuation adjustment	-	(80,175)	-
Common services	<u>510,500</u>	<u>330,908</u>	<u>248,690</u>
	<u>2,038,956</u>	<u>1,880,352</u>	<u>1,932,818</u>
Other general government services			
Memberships and training	42,100	29,210	33,508
Information technology	165,500	135,188	75,504
Grants to organizations	844,000	712,647	725,576
Other	<u>670,000</u>	<u>557,540</u>	<u>338,986</u>
	<u>1,721,600</u>	<u>1,434,585</u>	<u>1,173,574</u>
	<u>\$ 4,042,378</u>	<u>\$ 3,619,581</u>	<u>\$ 3,373,295</u>

See accompanying notes to the non-consolidated financial statements.

Municipality of the County of Victoria

General section

Schedule B - details of expenses (continued)

(Unaudited – see advisory to readers)

Year ended March 31

2024

2023

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Protective services			
Fire protection			
Insurance for volunteers	\$ 27,700	\$ 22,692	\$ 15,947
Public fire protection	298,148	294,858	330,607
Fire fighting force	<u>673,240</u>	<u>653,385</u>	<u>632,491</u>
	<u>999,088</u>	<u>970,935</u>	<u>979,045</u>
Other protection			
Dog control	37,800	26,454	29,837
Protective inspection	<u>198,183</u>	<u>199,827</u>	<u>188,754</u>
	<u>235,983</u>	<u>226,281</u>	<u>218,591</u>
Law enforcement			
Police protection - RCMP	2,014,950	2,014,950	1,900,152
Prosecutorial services	<u>26,300</u>	<u>21,290</u>	<u>69,148</u>
	<u>2,041,250</u>	<u>2,036,240</u>	<u>1,969,300</u>
	<u>\$ 3,276,321</u>	<u>\$ 3,233,456</u>	<u>\$ 3,166,936</u>
Transportation services			
Road transport			
Transit	\$ 100,000	\$ 100,000	\$ 75,000
Road contribution	153,100	153,168	144,003
Street lighting	281,900	264,584	239,188
Sidewalks and other	<u>264,300</u>	<u>59,725</u>	<u>38,421</u>
	<u>\$ 799,300</u>	<u>\$ 577,477</u>	<u>\$ 496,612</u>
Environmental health services			
Waste collection and disposal			
Administration	\$ 283,575	\$ 180,695	\$ 116,104
Waste collection operations	1,067,800	1,060,269	1,103,712
Landfills, transfer stations	<u>2,407,100</u>	<u>2,407,157</u>	<u>1,765,383</u>
	<u>\$ 3,758,475</u>	<u>\$ 3,648,121</u>	<u>\$ 2,985,199</u>

See accompanying notes to the non-consolidated financial statements.

Municipality of the County of Victoria

General section

Schedule B - details of expenses (continued)

(Unaudited – see advisory to readers)

Year ended March 31

2024

2023

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Economic development services			
Housing initiatives	\$ 100,000	\$ 3,129	\$ -
Community economic development	<u>126,000</u>	<u>113,040</u>	<u>112,023</u>
	<u>\$ 226,000</u>	<u>\$ 116,169</u>	<u>\$ 112,023</u>
Recreation and cultural services			
Recreation			
Administration	\$ 206,325	\$ 155,210	\$ 79,352
Recreation programs	63,200	50,676	48,770
Active living program	95,600	126,250	75,528
Tourism	<u>146,700</u>	<u>134,811</u>	<u>216,570</u>
	<u>\$ 511,825</u>	<u>\$ 466,947</u>	<u>\$ 420,220</u>

See accompanying notes to the non-consolidated financial statements.

Municipality of the County of Victoria

General section

Schedule B - details of expenses (continued)

(Unaudited – see advisory to readers)

Year ended March 31

2024

2023

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Fiscal services			
Debt charge			
Interest on short term borrowings	\$ 8,800	\$ 6,030	\$ 7,051
Debenture interest	<u>7,000</u>	<u>4,636</u>	<u>17,859</u>
	<u>\$ 15,800</u>	<u>\$ 10,666</u>	<u>\$ 24,910</u>
Conditional transfers to other governments and agencies			
Assessment cost recovery	220,300	220,311	220,201
Protective services			
Municipal corrections contributions	139,500	130,396	131,271
Public health and welfare services			
Cape Breton Island Housing Authority	62,900	52,477	96,498
Recreation, cultural and education services			
Cape Breton-Victoria Regional Centre for Education	2,654,800	2,676,734	2,497,486
Libraries	105,400	69,072	69,424
Transmission of revenues to Village of Baddeck	-	59,142	218,522
Canada Community Building Fund – Village of Baddeck	<u>65,000</u>	<u>69,388</u>	<u>66,534</u>
	<u>3,247,900</u>	<u>3,277,520</u>	<u>3,299,936</u>
	<u>\$ 3,263,700</u>	<u>\$ 3,288,186</u>	<u>\$ 3,324,846</u>
Miscellaneous			
Emergency storm repairs	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 39,322</u>
Transfers to (from) own reserves			
Transfer to (from) capital reserve	\$ 125,000	\$ 33,133	\$ 250,445
Transfer to (from) operating reserve	<u>(167,199)</u>	<u>1,195,717</u>	<u>611,516</u>
	<u>\$ (42,199)</u>	<u>\$ 1,228,850</u>	<u>\$ 861,961</u>

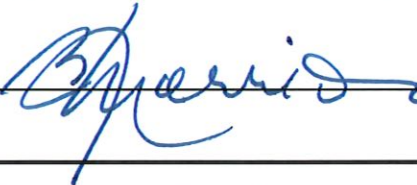

See accompanying notes to the non-consolidated financial statements.

Municipality of the County of Victoria
Reserve funds section
Non-consolidated capital reserve balance sheet

(Unaudited – see advisory to readers)

March 31	2024	2023
Assets		
Cash	\$ 5,517,078	\$ 4,239,050
Due from operating fund	<u>7,165,420</u>	<u>1,044,564</u>
	<u>\$12,682,498</u>	<u>\$ 5,283,614</u>
Reserve		
Capital reserve	<u>\$12,682,498</u>	<u>\$ 5,283,614</u>

On behalf of the Municipality of the County of Victoria

 Warden  CAO

Reserve funds section
Non-consolidated statement of capital reserve

(Unaudited – see advisory to readers)

Year ended March 31	2024	2023
Balance, beginning of year	\$ 5,283,614	\$ 4,165,769
Interest	233,464	73,280
Canada Community Building Fund (expenses)		
revenues, net	(256,321)	237,007
Sustainable Services Growth Fund revenue	-	557,113
Disposal of assets	41,570	-
Transfer from operations	<u>7,380,171</u>	<u>250,445</u>
Balance, end of year	<u>\$12,682,498</u>	<u>\$ 5,283,614</u>

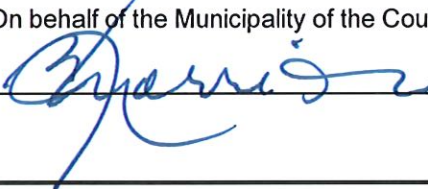
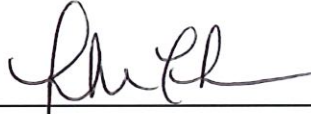
See accompanying notes to the non-consolidated financial statements.

Municipality of the County of Victoria
Reserve funds section
Non-consolidated operating reserve balance
sheet

(Unaudited – see advisory to readers)
 March 31

	2024	2023
Assets		
Cash	\$ 7,725,936	\$ 6,727,403
Due from operating fund	<u>1,195,717</u>	<u>611,517</u>
	<u>\$ 8,921,653</u>	<u>\$ 7,338,920</u>
Reserve		
Operating reserve	<u>\$ 8,921,653</u>	<u>\$ 7,338,920</u>

On behalf of the Municipality of the County of Victoria

 Warden  CAO

Reserve Funds Section
Non-consolidated statement of operating reserve

(Unaudited – see advisory to readers)
 Year ended March 31

	2024	2023
Balance, beginning of year	\$ 7,338,920	\$ 6,499,150
Interest earned	387,016	228,253
Transfer from operations	<u>1,195,717</u>	<u>611,517</u>
Balance, end of year	<u>\$ 8,921,653</u>	<u>\$ 7,338,920</u>

See accompanying notes to the non-consolidated financial statements.

Municipality of the County of Victoria

Notes to the non-consolidated financial statements

(Unaudited – see advisory to readers)

March 31, 2024

1. Summary of significant accounting policies

Operating funds

i) **Properties acquired at tax sale.**

Properties acquired at tax sale are stated at cost.

ii) **Valuation allowances**

Uncollected taxes and interest

The Municipality provides a valuation allowance for uncollected taxes equal to, at minimum, the combined following, which it feels represents a reasonable estimate of potential losses:

- 80% of specific accounts deemed uncollectible;
- 15% of balances outstanding for greater than three years

iii) **Other receivables**

The Municipality provides a valuation allowance for all other receivables which are outstanding for more than one year.

iv) **Revenue and expenses**

Major revenue and expense items are recorded on the accrual basis.

Principal and interest payments relating to long term debt are recorded as an expense when due for payment.

Property and equipment acquired with operating funds are recorded as an expense when incurred.

Capital funds

i) **General purpose assets**

Capitalized debt expense

The Municipality capitalizes interest incurred on funds borrowed for construction in progress activity.

Property and equipment

Property, equipment, furnishings and projects in progress are recorded at cost. Funds received through capital assistance programs, cost sharing arrangements or loan forgiveness are treated as deductions from the cost of the related assets. The Municipality does not record amortization on its property and equipment in the non-consolidated financial statements.

Municipality of the County of Victoria

Notes to the non-consolidated financial statements

(Unaudited – see advisory to readers)

March 31, 2024

2. Inter-fund balances

The Municipality accounts contained certain inter-fund balances at March 31, 2024, which under public sector accounting standards adopted for Nova Scotia municipalities were required to be repaid or a portion thereof included in current operations. Any additional unauthorized transfers are required under those principles to be repaid or included in the estimates in the following year.

3. Taxes receivable	<u>2024</u>	<u>2023</u>
Balance, beginning of year	\$ 915,948	\$ 1,076,917
Levy	11,268,511	10,621,879
Collections for other governments	(729)	277,838
Interest	<u>209,961</u>	<u>123,138</u>
	12,393,691	12,099,772
Collections	<u>11,233,174</u>	<u>11,108,734</u>
	1,160,517	991,038
Write offs and exemptions	100,857	75,090
Valuation adjustment	<u>(80,175)</u>	<u>-</u>
	1,139,835	915,948
Valuation allowance (note 5)	<u>260,946</u>	<u>341,121</u>
	\$ 878,889	\$ 574,827

4. Other receivables	<u>2024</u>	<u>2023</u>
HST receivable	\$ 137,220	\$ 43,086
Water supply lending program	36,308	21,630
Tax receivable instalment program	443	11,875
Sundry receivables	<u>314,724</u>	<u>358,377</u>
	\$ 488,695	\$ 434,968

Municipality of the County of Victoria

Notes to the non-consolidated financial statements

(Unaudited – see advisory to readers)

March 31, 2024

5. Asset valuation allowances	<u>2024</u>	<u>2023</u>
For uncollected taxes		
Balance, beginning	\$ 341,121	\$ 341,121
Decrease in allowance	<u>(80,175)</u>	<u>-</u>
Balance, ending	<u>\$ 260,946</u>	<u>\$ 341,121</u>

6. Contributions to boards and commissions

The Municipality is required to finance the operations of various boards and commissions, along with the other local municipal units to the extent of its participation based on assessment, population or prescribed formula.

In addition to any budgeted contributions, the municipal units share in the deficits or surpluses of these boards based on their sharing percentages. A municipal unit's share of any deficit must be paid in the next fiscal year while a surplus may be taken into the next year's estimates. Alternatively, the Municipality may provide for its share of the surplus or deficit in the current year.

Details of contributions to these boards and commissions are as follows:

	<u>2024</u>	<u>2023</u>
Cape Breton Island Housing Authority	\$ 52,478	\$ 96,498
Cape Breton Regional Library	48,000	48,000
Eastern District Planning Commission	167,183	166,132
Cape Breton-Victoria Regional Centre for Education	2,676,734	2,497,486

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

Municipality of the County of Victoria

Notes to the non-consolidated financial statements

(Unaudited – see advisory to readers)

March 31, 2024

- 7. Transactions between the Municipality of the County of Victoria and the Victoria County Water Utility**
- (a) In general, and where identifiable, costs incurred by the Municipality of the County of Victoria on behalf of the water utility are charged to the Utility.
 - (b) Salary and wage related costs are allocated in proportion to time spent performing functions on behalf of the water utility.
 - (c) The water utility provides public fire protection to the Municipality. The charge for this service, included in operating expenses, amounted to \$242,448 (2023 - \$275,829) and the charge is governed by the Utility and Review Board.
 - (d) The water utilities are exempt from municipal taxation by council by-law.
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