

TOWN OF NORTH RUSTICO
Consolidated Financial Statements
March 31, 2023

TOWN OF NORTH RUSTICO
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March 31, 2023

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MANAGEMENT'S RESPONSIBILITY FOR CONSOLIDATED FINANCIAL STATEMENTS

The accompanying consolidated financial statements of the Town of North Rustico are the responsibility of management and have been prepared in accordance with Canadian Accounting Standards for the Public Sector. A summary of the significant accounting policies are described in the consolidated financial statements. The preparation of consolidated financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current period cannot be finalized with a certainty until future periods.

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

Mayor and Council meet with management and the external auditors to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the consolidated financial statements.

The consolidated financial statements have been audited by MRSB Chartered Professional Accountants Inc., independent external auditors appointed by the Town. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the consolidated financial statements.

On behalf of the Town of North Rustico:



Mayor

INDEPENDENT AUDITOR'S REPORT

To the Mayor and Councillors of the Town of North Rustico

Qualified Opinion

We have audited the consolidated financial statements of Town of North Rustico (the Town), which comprise the consolidated statement of financial position as at March 31, 2023, and the consolidated statements of operations, changes in net debt and cash flows for the year then ended, and accompanying notes and schedules to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Town as at March 31, 2023, and the results of its operations and its cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

Basis for Qualified Opinion

In common with many not-for-profit organizations, the Town derives revenue from lotteries, donations and fundraising events, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to amounts reported in the records and we were not able to determine whether any adjustments might be necessary to lottery, donations and fundraising revenues, annual surplus and cash flows for the year ended March 31, 2023 and March 31, 2022, and current assets as at March 31 for both the 2023 and 2022 periods and net assets as at April 1 and March 31 for both 2023 and 2022 years. Our audit opinion on the consolidated financial statements for the year ended March 31, 2022 was modified accordingly because of the possible effects of this limitation in scope.

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 Town 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 those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

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

Management is responsible for the preparation and fair presentation of the 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.

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

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

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

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

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

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

MRSB Chartered Professional Accountants Inc.

MRSB CHARTERED PROFESSIONAL ACCOUNTANTS INC.

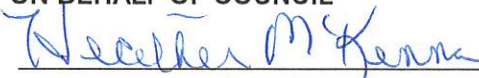
Charlottetown, PE

December 4, 2023

TOWN OF NORTH RUSTICO
Consolidated Statement of Financial Position
March 31, 2023

	2023	2022
Financial assets		
Cash		
Unrestricted cash	\$ 1,388,818	\$ 674,032
Restricted cash	317,744	103,343
Accounts receivable (Note 3)	1,111,043	1,495,779
Land held for resale	-	6,652
	2,817,605	2,279,806
Liabilities		
Operating loan (Note 4)	40,000	55,000
Accounts payable and accrued liabilities	1,378,578	306,710
Deferred revenue (Note 5)	544,520	551,791
Long term debt (Note 6)	5,168,945	3,253,858
	7,132,043	4,167,359
Contingent liability (Note 7)		
Lease commitments (Note 8)		
Net debt (Statement 6)	(4,314,438)	(1,887,553)
Non-financial assets		
Prepaid expense	28,422	1,693
Tangible capital assets (Schedules 1 and 2)	25,781,511	14,998,151
	25,809,933	14,999,844
Accumulated surplus (Statement 5)	\$ 21,495,495	\$ 13,112,291

ON BEHALF OF COUNCIL

 Mayor

 Councillor

Notes 1 - 17 are an integral part of these consolidated financial statements

TOWN OF NORTH RUSTICO
Consolidated Statement of Operations
Year Ended March 31, 2023

	Budget 2023	Actual 2023	Actual 2022
Revenues			
Town (Schedule 3)	\$ 595,460	\$ 664,286	\$ 558,859
Sewer Utility (Schedule 5)	178,200	182,262	174,718
Water Utility (Schedule 6)	166,000	161,140	154,373
Fire Department (Schedule 7)	113,615	739,354	99,336
Eliyahu Wellness Centre (Schedule 8)	1,003,240	357,672	-
	<u>2,056,515</u>	<u>2,104,714</u>	<u>987,286</u>
Expenditures			
Town (Schedule 3)	605,360	801,347	714,713
Sewer Utility (Schedule 5)	163,280	204,958	210,284
Water Utility (Schedule 6)	125,680	145,799	167,553
Fire Department (Schedule 7)	104,665	101,844	71,164
Eliyahu Wellness Centre (Schedule 8)	841,000	357,321	-
	<u>1,839,985</u>	<u>1,611,269</u>	<u>1,163,714</u>
Operating Surplus (Deficit)	<u>216,530</u>	<u>493,445</u>	<u>(176,428)</u>
Other revenues			
Town (Schedule 3)	10,000	7,643,910	5,754,300
Sewer Utility (Schedule 5)	5,000	245,849	18,240
Eliyahu Wellness Centre (Schedule 8)	350,270	-	-
	<u>365,270</u>	<u>7,889,759</u>	<u>5,772,540</u>
Annual Surplus	<u>581,800</u>	<u>8,383,204</u>	<u>5,596,112</u>
Accumulated surplus - beginning of year	<u>13,112,291</u>	<u>13,112,291</u>	<u>7,516,179</u>
Accumulated surplus - end of year (Note 10)	<u>\$ 13,694,091</u>	<u>\$ 21,495,495</u>	<u>\$ 13,112,291</u>

Notes 1 - 17 are an integral part of these consolidated financial statements

TOWN OF NORTH RUSTICO
Consolidated Statement of Changes in Net Debt
Year Ended March 31, 2023

	Budget 2023	Actual 2023	Actual 2022
Annual Surplus	\$ 581,800	\$ 8,383,204	\$ 5,596,112
Amortization of tangible capital assets	-	306,254	232,610
Purchase of tangible capital assets	(1,558,975)	(11,096,872)	(6,553,838)
Proceeds on disposal of tangible capital assets	-	6,200	-
Loss on disposal of tangible capital assets	-	1,056	-
Increase in prepaid expense	-	(26,727)	(109)
	<u>(1,558,975)</u>	<u>(10,810,089)</u>	<u>(6,321,337)</u>
Increase in net debt	(977,175)	(2,426,885)	(725,225)
Net debt - beginning of year	(1,887,553)	(1,887,553)	(1,162,328)
Net debt - end of year	\$ (2,864,728)	\$ (4,314,438)	\$ (1,887,553)

Notes 1 - 17 are an integral part of these consolidated financial statements

TOWN OF NORTH RUSTICO
Consolidated Statement of Cash Flows
Year Ended March 31, 2023

	2023	2022
Cash flows from operating activities		
Annual surplus	\$ 8,383,204	\$ 5,596,112
Items not affecting cash:		
Amortization of tangible capital assets	306,254	232,610
Loss on disposal of tangible capital assets	1,056	-
	<u>8,690,514</u>	<u>5,828,722</u>
Changes in non-cash working capital:		
Accounts receivable	384,736	(776,926)
Land held for resale	6,652	219,721
Prepaid expense	(26,729)	(109)
Operating loan	(15,000)	55,000
Accounts payable and accrued liabilities	1,071,872	212,473
Deferred revenue	(7,271)	144,813
	<u>1,414,260</u>	<u>(145,028)</u>
	<u>10,104,774</u>	<u>5,683,694</u>
Cash flows from capital activity		
Purchase of property and equipment	(11,096,872)	(6,553,838)
Proceeds on disposal of property and equipment	6,200	-
	<u>(11,090,672)</u>	<u>(6,553,838)</u>
Cash flows from financing activities		
Repayment of long term debt	(67,295)	(67,401)
Proceeds from long term debt	1,982,380	1,416,631
	<u>1,915,085</u>	<u>1,349,230</u>
Increase in cash	<u>929,187</u>	<u>479,086</u>
Cash - beginning of year	<u>777,375</u>	<u>298,289</u>
Cash - end of year	<u>\$ 1,706,562</u>	<u>\$ 777,375</u>
Cash consists of:		
Unrestricted cash	\$ 1,388,818	\$ 674,032
Restricted cash	317,744	103,343
	<u>\$ 1,706,562</u>	<u>\$ 777,375</u>

Notes 1 - 17 are an integral part of these consolidated financial statements

TOWN OF NORTH RUSTICO
Notes to Consolidated Financial Statements
Year Ended March 31, 2023

1. DESCRIPTION OF BUSINESS

The Town of North Rustico (the "Town") was incorporated under the Prince Edward Island Municipalities Act. The Town is a non-profit organization under the Income Tax Act. Its principal activities include the provision of local government services to residents of the incorporated area. These include fire protection, town development, infrastructure maintenance, maintenance of sewer and water systems, and parks and recreation.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

These consolidated financial statements of the Town of North Rustico have been prepared by management in accordance with Canadian Accounting Standards for the Public Sector.

These consolidated financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting records revenue as it is earned and measurable. Expenditures are recognized as they are incurred and measurable based upon receipt of goods or services and/or the legal obligation to pay. Funds from external parties and earnings thereon restricted by agreement or legislation are accounted for as deferred revenue until used for the purpose specified.

Government transfers, contributions and other amounts are received from third parties pursuant to legislation, regulation or agreement and may only be used for certain programs in the completion of specific work. In addition, certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the year when the related expenditures are incurred, services are performed or the tangible capital assets are acquired.

Basis of consolidation

These consolidated financial statements for the Town of North Rustico reflect the assets, liabilities, revenues, expenditures, change in net debt and annual surplus of the Town. The Town is comprised of the municipal operations plus all of the organizations that are owned or controlled by the Town and are, therefore, accountable to the Town Council for the administration of their financial affairs and resources. Included with the municipality are the following:

North Rustico Fire Department
North Rustico Sewer and Water Utility Corporation
Eliyahu Wellness Centre

Cash

Cash and cash equivalents include cash on hand, restricted and unrestricted balances on deposit with financial institutions.

Accounts receivable

Accounts receivable arise from sewer dues, grants receivable, and Harmonized Sales Tax receivable. An allowance for bad debts has been calculated through discussions with management, assessment of the other circumstances influencing the collectibility of amounts, and using historical loss experience. Amounts deemed non-collectible are written off and deducted from the carrying value of the receivable. Amounts subsequently recovered from accounts previously written off are credited to the allowance account in the period of recovery.

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TOWN OF NORTH RUSTICO
Notes to Consolidated Financial Statements
Year Ended March 31, 2023

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Land held for resale

Land held for resale is recorded at the lower of cost or net realizable value. Costs include costs for land acquisition and improvements required to prepare land for servicing. Related development costs incurred to provide infrastructure are recorded as physical assets under the respective function.

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, less residual value, of the tangible capital assets is amortized on a straight-line basis over the estimated useful life as follows:

Buildings	25 years
Park equipment	15 years
Furniture and equipment	10 years
Fire hall	25 years
Fire equipment	10 years
Fire trucks	15 years
Jaws of life	20 years
Downtown economic project	15 years
Computer equipment	3 years
Vehicles	10 years
Parks and boardwalk	25 years
Celebration of life park	15 years
Wellness Centre	50 years
Wellness Centre equipment	25 years
Treatment plant	83 1/3 years
Sewer system	83 1/3 years
Water system	83 1/3 years
Wellsite upgrades	83 1/3 years
Treatment and disposal equipment	83 1/3 years
Vehicles	5 years
Utility Equipment	5 and 20 years
Computers	5 years

Full amount of the annual amortization is charged in the year of acquisition.

Assets under construction are not amortized until the asset is available for productive use. As at March 31, 2023, the booster pumping station in the amount of \$147,999 and fire truck of \$132,363 was not yet completed and are not being amortized.

The Utility tangible capital assets are amortized using the straight-line method over the estimated useful life as directed by the Island Regulatory and Appeals Commission.

The Town regularly reviews its tangible capital assets to eliminate obsolete items.

Interest capitalization

Interest costs relating to major capital projects in progress are capitalized as part of tangible capital assets. Capitalization of interest ceases when the asset is substantially complete and ready for its intended productive use. During the year, \$76,830 (2022 - \$9,994) interest relating to the Wellness Centre loan was capitalized.

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TOWN OF NORTH RUSTICO
Notes to Consolidated Financial Statements
Year Ended March 31, 2023

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Impairment of long lived assets

The Town tests for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Recoverability is assessed by comparing the carrying amount to the projected future net cash flows the long-lived assets are expected to generate through their direct use and eventual disposition. When a test for impairment indicates that the carrying amount of an asset is not recoverable, an impairment loss is recognized to the extent the carrying value exceeds its fair value.

Asset Retirement Obligations

Liabilities are recognized for statutory, contractual or legal obligations associated with the retirement of tangible capital assets when those obligations result from the acquisition, construction, development or normal operation of the assets. The obligations are measured initially at fair value, determined using present value methodology, and the resulting costs capitalized into the carrying amount of the related tangible capital asset. In subsequent periods, the liability is adjusted for accretion and any changes in the amount or timing of the underlying future cash flows. The capitalized asset retirement cost is amortized on the same basis as the related asset and accretion expense is included in the Consolidated Statement of Operations. As at March 31, 2023, no asset retirement obligations have been identified by management.

Government transfers

Government transfers are the transfer of assets from senior levels of government that are not the result of an exchange transaction, are not expected to be repaid in the future, or the result of a direct financial return.

Government transfers are recognized in the consolidated financial statements as revenue in the year in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates on the amounts can be determined.

Non-financial assets

Non-financial assets are not available to discharge existing liabilities and are held for the use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the normal course of operations. The change in non-financial assets during the year, together with the annual surplus, provides the consolidated change in net debt for the period.

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TOWN OF NORTH RUSTICO
Notes to Consolidated Financial Statements
Year Ended March 31, 2023

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition

Property tax billings are based on the assessed value of real property in the Town and are payable in each calendar year. Municipal tax rates are reviewed, established, and approved annually by the Town Council. These revenues are recognized monthly when received from the Province.

Sewer and water dues are charged based on rates approved by the Island Regulatory and Appeals Commission (IRAC). These charges are assessed annually and are recognized when billings come due.

Fire dues are based on the assessed value of property in the town and are payable each calendar year.

Land sale revenue is recorded at the time the sale is finalized and ownership of the land has been transferred to the purchaser.

The Town follows the deferral method of accounting for grants and contributions. Restricted contributions are recognized as revenue in the year in which the related expenditures are incurred, with recognition of excess amounts being deferred until the related expenditure is incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Financial instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments that are subsequently measured at amortized cost are shown as an adjustment to the carrying value of the related financial instrument

Use of estimates

The presentation of the consolidated financial statements in conformity with Canadian Accounting Standards for the Public Sector requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosures of contingent 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 from management's best estimates as additional information becomes available in the future. The following are areas in which management makes significant accounting estimates:

- The amounts recorded for amortization of tangible capital assets on the consolidated statement of operations is subject to management's assessment of the estimated useful life of the Town's tangible capital assets
- The recognized amounts of potential claims and liabilities depend on management's assessment of future costs and the probability these events will occur.

TOWN OF NORTH RUSTICO
Notes to Consolidated Financial Statements
Year Ended March 31, 2023

3. ACCOUNTS RECEIVABLE

	2023	2022
Government funding receivable	\$ 810,257	\$ 756,297
Trade receivables	157,102	589,201
HST receivable	89,374	55,849
Sewer and water fees receivable	53,168	91,770
Other receivables	1,142	2,662
	\$ 1,111,043	\$ 1,495,779

4. OPERATING LOAN

	2023	2022
<u>Utility</u>		
RBC - prime + 0.25%, maximum limit of \$150,000, secured by guarantee and postponement of claim in the amount of \$1,825,000 signed by Town of North Rustico, due on demand.	\$ 40,000	\$ 55,000

In addition, the Town has an approved line of credit with Royal Bank of Canada with interest at Prime + .25%; maximum limit of \$250,000; secured by general security agreement.

5. DEFERRED REVENUE

	2023	2022
<u>Town</u>		
Canada Community Building Fund	\$ 365,759	\$ 238,460
Insurance proceeds	112,296	-
Prepaid summer rentals	15,400	-
Wellness Centre memberships	12,590	-
Tourism PEI Hauling Day	12,450	12,450
Innovation PEI Canada Day Grant	2,000	-
Wellness Centre sponsorships	-	282,345
Active Transportation	-	5,000
	520,495	538,255
<u>Utility</u>		
Sewer and water fees	24,025	13,536
	24,025	13,536
	\$ 544,520	\$ 551,791

Under the Canada Community Building Fund for Incorporated Communities, the Town is allocated \$100,000 per year for fiscal years ending March 31, 2019 to 2024. These funds, along with interest earned, must be used for eligible infrastructure and capacity building projects. Any funds received under this program, including interest earned, but not yet spent are recognized as deferred revenue at the end of the period.

During the year, the Town received Canada Community Building funding of \$200,000, earned interest of \$2,709, and incurred eligible expenditures of \$192,080. The Town also received Municipal Strategic Component funding of \$149,332, and incurred eligible expenditures of \$32,661.

TOWN OF NORTH RUSTICO
Notes to Consolidated Financial Statements
Year Ended March 31, 2023

6. LONG TERM DEBT

	2023	2022
<u>Town</u>		
RBC - prime plus .25%, repayable in monthly interest installments only, approved maximum of \$3,400,000. The loan matures on December 31, 2023 and is secured by Town borrowing resolution.	\$ 3,399,012	\$ 1,416,631
RBC - 2.36%, repayable in monthly blended installments of \$706. The loan matures on February 8, 2026 and is secured by Town borrowing resolution.	120,977	126,526
RBC - 2.36%, repayable in monthly blended installments of \$624. The loan matures on February 9, 2026 and is secured by Town borrowing resolution.	107,355	112,250
Kubota Canada Ltd - 0%, repayable in monthly principal installments of \$167. The loan matured on May 10, 2022.	-	334
	3,627,344	1,655,741
<u>Utility</u>		
RBC - 2.37%, repayable in monthly blended installments of \$5,573. The loan matures on February 8, 2026 and is secured by guarantee and postponement of claim in the amount of \$1,825,000 signed by the Town of North Rustico.	1,131,504	1,171,047
RBC - 2.37%, repayable in monthly blended installments of \$2,243. The loan matures on February 8, 2026 and is secured by guarantee and postponement of claim in the amount of \$1,825,000 signed by the Town of North Rustico.	410,097	427,070
	1,541,601	1,598,117
	\$ 5,168,945	\$ 3,253,858

Principal repayments of long term debt are expected to be repaid over the next three years as follows:

2024	\$ 3,467,587
2025	70,217
2026	1,631,141

7. CONTINGENT LIABILITY

A statement of claim has been filed against the Town on January 27, 2023 for payment of services and materials in connection with the new arena and wellness centre. The Town has entered a statement of defense and a resolution is being explored outside the courts. The potential liability to the Town is uncertain at this time.

A statement of claim has been filed against the Town in respect of services and materials delivered by the plaintiff in connection with the construction of the new arena and wellness centre. The Town filed a statement of defense and the claim is in the case management process with the Supreme Court. The potential liability to the Town is uncertain at this time.

TOWN OF NORTH RUSTICO
Notes to Consolidated Financial Statements
Year Ended March 31, 2023

8. LEASE COMMITMENTS

The Town has entered into a lease agreement with Sharp Direct for the lease of a photocopier. The minimum lease payments due over the next four years are as follows:

2024	\$	2,129
2025		2,129
2026		2,129
2027		710

9. GOVERNMENT TRANSFERS

	2023	2022
<u>Government Transfers for Capital</u>		
<u>Town</u>		
Investing In Canada Infrastructure Program	\$ 1,450,305	\$ 4,785,694
Municipal Capital Expenditure Grant	855,945	588,922
ACOA	550,270	-
Province of PEI - Rural Growth Initiative	50,000	-
Province of PEI - Fire Equipment	37,975	10,000
	2,944,495	5,384,616
<u>Sewer Utility</u>		
Canada Community Building Fund	224,742	16,720
Municipal Capital Expenditure Grant	21,107	1,520
	245,849	18,240
	3,190,344	5,402,856
 <u>Government Transfers for Operations</u>		
<u>Town</u>		
Province of PEI wage grants	9,120	8,382
Active Transportation	5,000	-
	14,120	8,382
	\$ 3,204,464	\$ 5,411,238

10. ACCUMULATED SURPLUS

	2023	2022
Unrestricted surplus	\$ 882,924	\$ 1,367,998
Investment in tangible capital assets (Note 11)	20,612,571	11,744,293
	\$ 21,495,495	\$ 13,112,291

TOWN OF NORTH RUSTICO
Notes to Consolidated Financial Statements
Year Ended March 31, 2023

11. INVESTMENT IN TANGIBLE CAPITAL ASSETS

	2023	2022
Tangible capital assets - Schedule 1 and 2	\$ 28,993,812	\$ 17,906,296
Accumulated amortization - Schedule 1 and 2	(3,212,296)	(2,908,145)
Long-term debt (Note 6)	(5,168,945)	(3,253,858)
	\$ 20,612,571	\$ 11,744,293

12. RATE REGULATION

The Town is subject to rate regulation on the water and sewerage utilities provided to residents in Prince Edward Island under the Island Regulatory and Appeals Commission Act. The purpose of this Act, which is administered by the Island Regulatory and Appeals Commission (IRAC), is to regulate the rate municipalities may charge for water and sewerage utilities provided to residents within Prince Edward Island and to ensure at all times a just and reasonable price for water and sewerage services. Changes in water and sewerage rates can only be implemented with approval from IRAC.

13. ADMINISTRATION

During the year, the Town received a management fee totaling \$20,000 (2022 - \$20,000) from the Town of North Rustico Water and Sewer Utility Corporation for payment of the administration costs incurred by the Town on behalf of the Sewer and Water Utility. The transaction was in the ordinary course of business and is reflected at the exchange amount.

14. BUDGET FIGURES

A reconciliation of the 2023 fiscal operating budget prepared by Council to the budget figures disclosed in the consolidated financial statements is as follows:

Town of North Rustico budgeted annual surplus	\$	100
Sewer and Water budgeted annual surplus		17,660
Fire Department budgeted annual surplus		-
Eliyahu Wellness Centre annual budgeted surplus		-
Add: Debt repayment		204,820
Add: Capital expenditures		359,220
	\$	581,800

The budget figures provided on Statements 5 and 6 and Schedules 3 to 8 have not been audited or reviewed by the external auditor.

TOWN OF NORTH RUSTICO
Notes to Consolidated Financial Statements
Year Ended March 31, 2023

15. FINANCIAL INSTRUMENTS

The Town's financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities and long term debt.

The Town is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Town's risk exposure and concentration as of March 31, 2023.

(a) Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Town is exposed to credit risk from customers. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The Town has a significant number of customers which minimizes concentration of credit risk.

(b) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Town is exposed to this risk mainly in respect of its receipt of government funding and customer payments, long term debt and accounts payable and accrued liabilities.

(c) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the Town manages exposure through its normal operating and financing activities. The Town is exposed to interest rate risk primarily through its credit facilities.

16. SEGMENT DISCLOSURES

The Town is a diversified municipal unit that provides a wide range of services to its citizens. For management reporting purposes, the Town's operations and activities are organized and reported by segment.

The major segments are as follows:

General Government

This segment is responsible for the overall financial and local government administration. Its tasks include, but are not limited to, daily accounting functions, preparation and coordination of annual consolidated audited financial statements, development of the annual budget, human resource functions for the entire Town, maintenance of bylaws and policies, oversight of public works, maintenance of Town facilities, and administration of Town services.

Water and Sewer Utility

This segment is responsible for the maintenance and operations of water and sewer services provided to residents and other customers.

Fire Department

This segment is responsible for providing fire protection services for residents. Its tasks include providing critical, life saving services in preventing or minimizing loss of life and property from fire and natural or man made emergencies.

Eliyahu Wellness Centre

This segment is responsible for providing recreation facilities for residents.

TOWN OF NORTH RUSTICO
Schedules to Consolidated Financial Statements
Tangible Capital Assets
Year Ended March 31, 2023

(Schedule 1)

	Cost beginning of year	Additions	Disposals and write downs	Cost end of year	Accum amort beginning of year	Amort in the year	Disposals and write downs	Accum amort end of year	Net book value
Town									
Land	\$ 116,032	-	\$ -	\$ 116,032	-	-	\$ -	\$ -	116,032
Buildings	183,011	-	-	183,011	83,970	6,840	-	90,810	92,201
Park equipment	183,169	-	-	183,169	83,939	12,212	-	96,151	87,018
Furniture and equipment	71,163	-	-	71,163	36,929	5,473	-	42,402	28,761
Fire hall	281,850	-	-	281,850	220,363	8,709	-	229,072	52,778
Fire equipment	180,326	12,370	-	192,696	106,231	16,152	-	122,383	70,313
Fire trucks	522,888	280,758	(9,356)	794,290	394,793	27,836	(2,100)	420,529	373,761
Jaws of life	41,375	-	-	41,375	27,404	2,069	-	29,473	11,902
Downtown economic project	263,262	-	-	263,262	176,110	17,550	-	193,660	69,602
Computer equipment	30,718	1,271	-	31,989	28,680	2,462	-	31,142	847
Vehicles	31,799	-	-	31,799	22,756	3,180	-	25,936	5,863
Parks and boardwalk	1,433,022	-	-	1,433,022	317,442	57,320	-	374,762	1,058,260
Celebration of life park	16,940	-	-	16,940	4,878	677	-	5,555	11,385
Wellness Centre	7,579,034	9,677,030	-	17,256,064	-	57,520	-	57,520	17,198,544
Wellness Centre equipment	19,130	870,855	-	889,985	-	5,933	-	5,933	884,052
	\$ 10,953,719	\$ 10,842,284	\$ (9,356)	\$ 21,786,647	\$ 1,503,495	\$ 223,933	\$ (2,100)	\$ 1,725,328	\$ 20,061,319

Notes 1 - 17 are an integral part of these consolidated financial statements
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TOWN OF NORTH RUSTICO
Schedules to Consolidated Financial Statements
Tangible Capital Assets
Year Ended March 31, 2023

(Schedule 1)

	Cost beginning of year	Additions	Disposals and write downs	Cost end of year	Accum amort beginning of year	Amort in the year	Disposals and write downs	Accum amort end of year	Net book value
Sewer and Water Utility									
Land	\$ 59,252	\$ 22,385	\$ -	\$ 81,637	\$ -	\$ -	\$ -	\$ -	\$ 81,637
Treatment plant	3,386,276	11,550	-	3,397,826	417,385	40,772	-	458,157	2,939,669
Sewer system	782,236	-	-	782,236	175,955	9,386	-	185,341	596,895
Water system	922,187	72,654	-	994,841	162,687	11,938	-	174,625	820,216
Wellsite upgrades	1,313,977	-	-	1,313,977	178,127	15,768	-	193,895	1,120,082
Treatment and disposal equipment	398,885	-	-	398,885	390,102	816	-	390,918	7,967
Vehicles	59,934	-	-	59,934	59,934	-	-	59,934	-
Equipment	25,989	-	-	25,989	18,139	3,131	-	21,270	4,719
Computers	3,841	-	-	3,841	2,321	507	-	2,828	1,013
Booster pump	-	147,999	-	147,999	-	-	-	-	147,999
	\$ 6,952,577	\$ 254,588	\$ -	\$ 7,207,165	\$ 1,404,650	\$ 82,318	\$ -	\$ 1,486,968	\$ 5,720,197
Total	\$ 17,906,296	\$ 11,096,872	\$ (9,356)	\$ 28,993,812	\$ 2,908,145	\$ 306,254	\$ (2,100)	\$ 3,212,296	\$ 25,781,511



TOWN OF NORTH RUSTICO
Schedules to Consolidated Financial Statements
Tangible Capital Assets
Year Ended March 31, 2022

(Schedule 2)

Town	Cost beginning of year	Additions	Disposals and write downs	Cost end of year	Accum amort beginning of year	Amort in the year	Disposals and write downs	Accum amort end of year	Net book value
Land	\$ 116,032	-	\$ -	\$ 116,032	-	-	\$ -	-	\$ 116,032
Buildings	183,011	-	-	183,011	76,649	7,323	-	83,971	99,040
Park equipment	183,169	-	-	183,169	71,728	12,211	-	83,939	99,230
Furniture and equipment	71,163	-	-	71,163	31,456	5,473	-	36,929	34,234
Fire hall	281,850	-	-	281,850	211,654	8,709	-	220,363	61,487
Fire equipment	170,151	10,175	-	180,326	90,276	15,955	-	106,231	74,095
Fire trucks	522,888	-	-	522,888	376,228	18,565	-	394,793	128,095
Jaws of life	41,375	-	-	41,375	25,336	2,068	-	27,404	13,971
Downtown economic project	263,262	-	-	263,262	158,559	17,551	-	176,110	87,152
Computer equipment	30,718	-	-	30,718	26,641	2,039	-	28,680	2,038
Vehicles	31,799	-	-	31,799	19,576	3,180	-	22,756	9,043
Parks and boardwalk	1,433,022	-	-	1,433,022	260,121	57,321	-	317,442	1,115,580
Celebration of life park	16,940	-	-	16,940	4,200	678	-	4,878	12,062
Wellness Centre	1,071,221	6,507,813	-	7,579,034	-	-	-	-	7,579,034
Wellness Centre equipment	-	19,130	-	19,130	-	-	-	-	19,130
	\$ 4,416,601	\$ 6,537,118	\$ -	\$ 10,953,719	\$ 1,352,424	\$ 151,073	\$ -	\$ 1,503,496	\$ 9,450,223

Notes 1 - 17 are an integral part of these consolidated financial statements
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TOWN OF NORTH RUSTICO
Schedules to Consolidated Financial Statements
Tangible Capital Assets
Year Ended March 31, 2022

(Schedule 2)

	Cost beginning of year	Additions	Disposals and write downs	Cost end of year	Accum amort beginning of year	Amort in the year	Disposals and write downs	Accum amort end of year	Net book value
Sewer and Water Utility									
Land	\$ 59,252	\$ -	\$ -	\$ 59,252	\$ -	\$ -	\$ -	\$ -	\$ 59,252
Treatment plant	3,369,556	16,720	-	3,386,276	376,750	40,634	-	417,384	2,968,892
Sewer system	782,236	-	-	782,236	166,568	9,387	-	175,955	606,281
Water system	922,187	-	-	922,187	151,621	11,066	-	162,687	759,500
Wellsite upgrades	1,313,977	-	-	1,313,977	162,359	15,768	-	178,127	1,135,850
Treatment and disposal equipment	398,885	-	-	398,885	389,286	816	-	390,102	8,783
Vehicles	59,934	-	-	59,934	59,934	-	-	59,934	-
Equipment	25,989	-	-	25,989	14,779	3,360	-	18,139	7,850
Computers	3,841	-	-	3,841	1,814	507	-	2,321	1,520
	\$ 6,935,857	\$ 16,720	\$ -	\$ 6,952,577	\$ 1,323,111	\$ 81,538	\$ -	\$ 1,404,649	\$ 5,547,928
Total	\$ 11,352,458	\$ 6,553,838	\$ -	\$ 17,906,296	\$ 2,675,535	\$ 232,610	\$ -	\$ 2,908,145	\$ 14,998,151



TOWN OF NORTH RUSTICO
Statement of Operations - Town
Year Ended March 31, 2023

(Schedule 3)

	Budget 2023	Actual 2023	Actual 2022
Revenues			
Property tax	\$ 456,260	\$ 512,057	\$ 450,132
Canada Day and special events	56,500	33,975	13,000
Land sales - net	-	31,607	39,375
Miscellaneous	500	27,533	-
Administration transfer from Utility (Note 13)	20,000	20,000	20,000
Government transfers for operations (Note 9)	23,000	14,120	8,382
Buildings permits and subdivision fees	10,000	11,258	12,226
Retail space	26,700	6,335	7,109
Interest	-	4,351	63
Donations	2,500	3,050	8,572
	<u>595,460</u>	<u>664,286</u>	<u>558,859</u>
Expenditures			
Administration (Schedule 4)	298,395	369,635	310,153
Amortization of tangible capital assets	-	160,481	151,072
Advertising and Promotions (Schedule 4)	5,000	3,120	1,870
Fire protection	46,765	45,669	45,669
Infrastructure (Schedule 4)	64,000	82,681	76,507
Office and Building (Schedule 4)	31,500	34,154	34,448
Professional Services (Schedule 4)	62,700	55,870	83,964
Special Events (Schedule 4)	97,000	49,737	11,030
	<u>605,360</u>	<u>801,347</u>	<u>714,713</u>
Operating deficit	<u>(9,900)</u>	<u>(137,061)</u>	<u>(155,854)</u>
Other revenues (expenditures)			
Canada Games funding	-	3,275,000	-
Government transfers for capital (Note 9)	10,000	2,944,495	5,384,616
Wellness Centre sponsorships and fundraising	-	1,425,471	369,684
Loss on disposal of tangible capital assets	-	(1,056)	-
	<u>10,000</u>	<u>7,643,910</u>	<u>5,754,300</u>
Annual surplus	<u>\$ 100</u>	<u>\$ 7,506,849</u>	<u>\$ 5,598,446</u>

Notes 1 - 17 are an integral part of these consolidated financial statements

TOWN OF NORTH RUSTICO
Statement of Expenditures - Town
Year Ended March 31, 2023

(Schedule 4)

	Budget 2023	Actual 2023	Actual 2022
Administration			
Dues and fees	\$ 3,000	\$ 1,548	\$ 2,079
Honorariums	17,000	19,400	19,446
Insurance	14,000	20,281	27,221
Interest and bank charges	20,000	6,558	8,610
Interest on long term debt	-	58,533	8,501
Mayoral discretionary fund	5,000	4,870	3,946
Miscellaneous	3,500	1,385	1,889
Office supplies and postage	10,000	17,793	16,557
Salaries and benefits	223,395	235,283	216,388
Sewer and water	-	1,967	2,467
Travel and meetings	2,500	2,017	3,049
	<u>298,395</u>	<u>369,635</u>	<u>310,153</u>
Advertising and Promotions			
Advertising	3,000	2,101	1,008
Newsletters	2,000	1,019	862
	<u>5,000</u>	<u>3,120</u>	<u>1,870</u>
Infrastructure			
EMO	2,500	5,318	-
Hydrants	15,000	15,573	15,573
North Star Arena	-	8,467	14,642
Park and boardwalk	10,000	8,405	7,524
Public property	3,500	9,929	7,134
Snow removal	2,000	1,136	1,151
Street lights	29,000	28,676	26,954
Waste watch	2,000	5,177	3,529
	<u>64,000</u>	<u>82,681</u>	<u>76,507</u>
Office and Building			
Electricity and heat	4,000	3,949	3,527
Property tax	7,500	6,128	10,945
Repairs and maintenance	4,000	14,662	10,369
Telephone	16,000	9,415	9,607
	<u>31,500</u>	<u>34,154</u>	<u>34,448</u>
Professional Services			
Accounting fees	13,000	13,360	12,903
Development officer	15,000	14,811	13,862
Legal fees	30,000	15,612	32,084
Other professional fees	4,700	12,087	25,115
	<u>62,700</u>	<u>55,870</u>	<u>83,964</u>
Special Events			
Canada Day	45,000	39,819	4,141
Special events	52,000	9,918	6,889
	<u>97,000</u>	<u>49,737</u>	<u>11,030</u>

Notes 1 - 17 are an integral part of these consolidated financial statements

TOWN OF NORTH RUSTICO
Statement of Operations - Sewer Utility
Year Ended March 31, 2023

(Schedule 5)

	Budget 2023	Actual 2023	Actual 2022
Revenues			
Sewer rates	\$ 178,000	\$ 181,816	\$ 174,618
Miscellaneous	200	256	100
Interest	-	190	-
	<u>178,200</u>	<u>182,262</u>	<u>174,718</u>
Expenditures			
Administration	10,000	10,000	10,000
Amortization of tangible capital assets	-	52,540	52,515
Contract labour	60,000	60,097	55,482
Dues and fees	2,500	1,996	1,969
Electricity	22,000	27,637	24,092
Honorariums	-	-	474
Insurance	2,900	2,722	2,722
Interest and bank charges	-	636	727
Interest on long term debt	28,380	29,883	30,947
Professional fees	5,000	3,627	3,806
Property tax	500	2,160	2,172
Repairs and maintenance	25,000	9,562	20,585
Telephone	7,000	4,098	4,793
	<u>163,280</u>	<u>204,958</u>	<u>210,284</u>
Operating surplus (deficit)	<u>14,920</u>	<u>(22,696)</u>	<u>(35,566)</u>
Other revenues			
Government transfers for capital (Note 9)	5,000	245,849	18,240
Annual surplus (deficit)	<u>\$ 19,920</u>	<u>\$ 223,153</u>	<u>\$ (17,326)</u>

Notes 1 - 17 are an integral part of these consolidated financial statements

TOWN OF NORTH RUSTICO
Statement of Operations - Water Utility
Year Ended March 31, 2023

(Schedule 6)

	Budget 2023	Actual 2023	Actual 2022
Revenues			
Water rates	\$ 166,000	\$ 161,140	\$ 154,373
Expenditures			
Administration	10,000	10,000	10,000
Amortization of tangible capital assets	-	29,781	29,023
Contract labour	60,000	53,788	52,018
Dues and fees	2,500	1,996	1,969
Electricity	10,500	14,716	12,451
Honorariums	1,500	-	474
Insurance	2,200	2,722	2,722
Interest and bank charges	-	1,588	1,785
Interest on long term debt	10,380	7,306	7,566
Office	-	601	21
Professional fees	5,000	3,627	3,806
Property tax	500	404	406
Repairs and maintenance	11,100	8,041	29,829
Telephone	6,000	5,299	6,197
Water testing	6,000	5,930	9,286
	125,680	145,799	167,553
Annual surplus (deficit)	\$ 40,320	\$ 15,341	\$ (13,180)

Notes 1 - 17 are an integral part of these consolidated financial statements

TOWN OF NORTH RUSTICO
Statement of Operations - Fire Department
Year Ended March 31, 2023

(Schedule 7)

	Budget 2023	Actual 2023	Actual 2022
Revenues			
Fundraising	\$ 22,199	\$ 645,035	\$ 9,554
Fire dues	91,416	94,319	89,463
Miscellaneous	-	-	319
	<u>113,615</u>	<u>739,354</u>	<u>99,336</u>
Expenditures			
Building maintenance and utilities	8,100	8,976	6,854
Fundraising, social and uniforms	25,200	17,028	4,749
Honorariums	20,000	20,008	19,799
Insurance	10,476	10,681	9,133
Medical supplies, equipment maintenance and office	16,916	13,730	5,479
Telephone	10,473	9,656	9,508
Training	4,000	9,071	3,168
Truck repairs and fuel	9,500	12,694	12,474
	<u>104,665</u>	<u>101,844</u>	<u>71,164</u>
Annual surplus	<u>\$ 8,950</u>	<u>\$ 637,510</u>	<u>\$ 28,172</u>

Notes 1 - 17 are an integral part of these consolidated financial statements

TOWN OF NORTH RUSTICO
Statement of Operations - Eliyahu Wellness Center (Schedule 8)
Year Ended March 31, 2023

	Budget 2023	Actual 2023	Actual 2022
Revenues			
Canada Games venue rental	\$ -	\$ 325,000	\$ -
Ice rentals	305,100	22,272	-
Government transfers for operations	18,500	8,500	-
Rentals	84,000	1,900	-
Sponsorship	297,000	-	-
Canteen	268,240	-	-
Miscellaneous	2,500	-	-
Memberships	27,900	-	-
	<u>1,003,240</u>	<u>357,672</u>	<u>-</u>
Expenditures			
Amortization of tangible capital assets	-	63,453	-
Food products	8,000	-	-
Food services	109,100	-	-
Insurance	30,000	13,185	-
Interest and bank charges	2,000	-	-
Interest on long term debt	90,000	-	-
Internet	4,800	-	-
Office	10,700	14,631	-
Professional fees	21,000	604	-
Propane	2,500	-	-
Property tax	14,000	-	-
Repairs and maintenance	10,500	39,463	-
Supplies	10,000	17,148	-
Sewer	18,000	4,065	-
Snow removal and ice	11,000	17,795	-
Telephone	2,400	5,726	-
Utilities	127,000	31,018	-
Wages and levies	368,000	150,233	-
Waste watch	2,000	-	-
	<u>841,000</u>	<u>357,321</u>	<u>-</u>
Operating surplus	<u>162,240</u>	<u>351</u>	<u>-</u>
Other revenues			
Government transfers for capital	350,270	-	-
Annual surplus	<u>\$ 512,510</u>	<u>\$ 351</u>	<u>\$ -</u>

Notes 1 - 17 are an integral part of these consolidated financial statements

TOWN OF NORTH RUSTICO
Schedules to Consolidated Financial Statements
Segment Disclosures
Year Ended March 31, 2023

(Schedule 9)

	General Government	Wellness Center	Sewer	Water	Fire	Elimination	Consolidated 2023
Revenues							
Property taxes	\$ 512,057	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 512,057
Donations and fundraising	3,050	-	-	-	645,035	-	648,085
Sewer and water dues	-	-	181,816	161,140	-	(21,604)	321,352
Fire dues	-	-	-	-	94,319	(45,669)	48,650
Miscellaneous	65,859	-	446	-	-	-	66,305
Land sales	31,607	-	-	-	-	-	31,607
Government transfers for operations	14,120	8,500	-	-	-	-	22,620
Administration	20,000	-	-	-	-	(20,000)	-
Building permits and subdivision fees	11,258	-	-	-	-	-	11,258
Retail space	6,335	-	-	-	-	-	6,335
Rentals	-	349,172	-	-	-	-	349,172
	664,286	357,672	182,262	161,140	739,354	(87,273)	2,017,441
Expenditures							
Salaries and benefits	254,683	150,233	60,097	53,788	20,008	-	538,809
Goods and services	321,092	143,635	61,802	53,336	81,836	(87,273)	574,428
Amortization of tangible capital assets	160,481	63,453	52,540	29,781	-	-	306,255
Interest	65,091	-	30,519	8,894	-	-	104,504
	801,347	357,321	204,958	145,799	101,844	(87,273)	1,523,996
Operating surplus (deficit)	(137,061)	351	(22,696)	15,341	637,510	-	493,445
Government transfers for capital	2,944,495	-	245,849	-	-	-	3,190,344
Other revenues	4,700,471	-	-	-	-	-	4,700,471
Loss on disposal of tangible capital assets	(1,056)	-	-	-	-	-	(1,056)
Annual surplus (deficit)	\$ 7,506,849	\$ 351	\$ 223,153	\$ 15,341	\$ 637,510	\$ -	\$ 8,383,204

Notes 1 - 17 are an integral part of these consolidated financial statements
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TOWN OF NORTH RUSTICO
Schedules to Consolidated Financial Statements (Schedule 10)
Segment Disclosures
Year Ended March 31, 2022

	General Government	Sewer Utility	Water Utility	Fire Department	Elimination	Consolidated 2022
Revenues						
Property taxes	\$ 450,132	\$ -	\$ -	-	-	\$ 450,132
Donations	8,572	-	-	-	-	8,572
Sewer and water dues	-	174,618	154,373	-	(18,040)	310,951
Fire dues	-	-	-	89,463	(45,669)	43,794
Land sales - net	39,375	-	-	-	-	39,375
Government transfers for operations	8,382	-	-	-	-	8,382
Administration	20,000	-	-	-	(20,000)	-
Building permits and subdivision fees	12,226	-	-	-	-	12,226
Retail space	7,109	-	-	-	-	7,109
Miscellaneous	13,063	100	-	9,873	-	23,036
	558,859	174,718	154,373	99,336	(83,709)	903,577
Expenditures						
Salaries and benefits	235,834	55,482	52,018	19,799	-	363,133
Goods and services	310,696	70,613	77,161	51,365	(83,709)	426,126
Amortization for tangible capital assets	151,072	52,515	29,023	-	-	232,610
Interest	17,111	31,674	9,351	-	-	58,136
	714,713	210,284	167,553	71,164	(83,709)	1,080,005
Operating surplus (deficit)	(155,854)	(35,566)	(13,180)	28,172	-	(176,428)
Government transfers for capital	5,384,616	18,240	-	-	-	5,402,856
Other revenues	369,684	-	-	-	-	369,684
Annual surplus (deficit)	\$ 5,598,446	\$ (17,326)	\$ (13,180)	\$ 28,172	\$ -	\$ 5,596,112

Notes 1 - 17 are an integral part of these consolidated financial statements
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