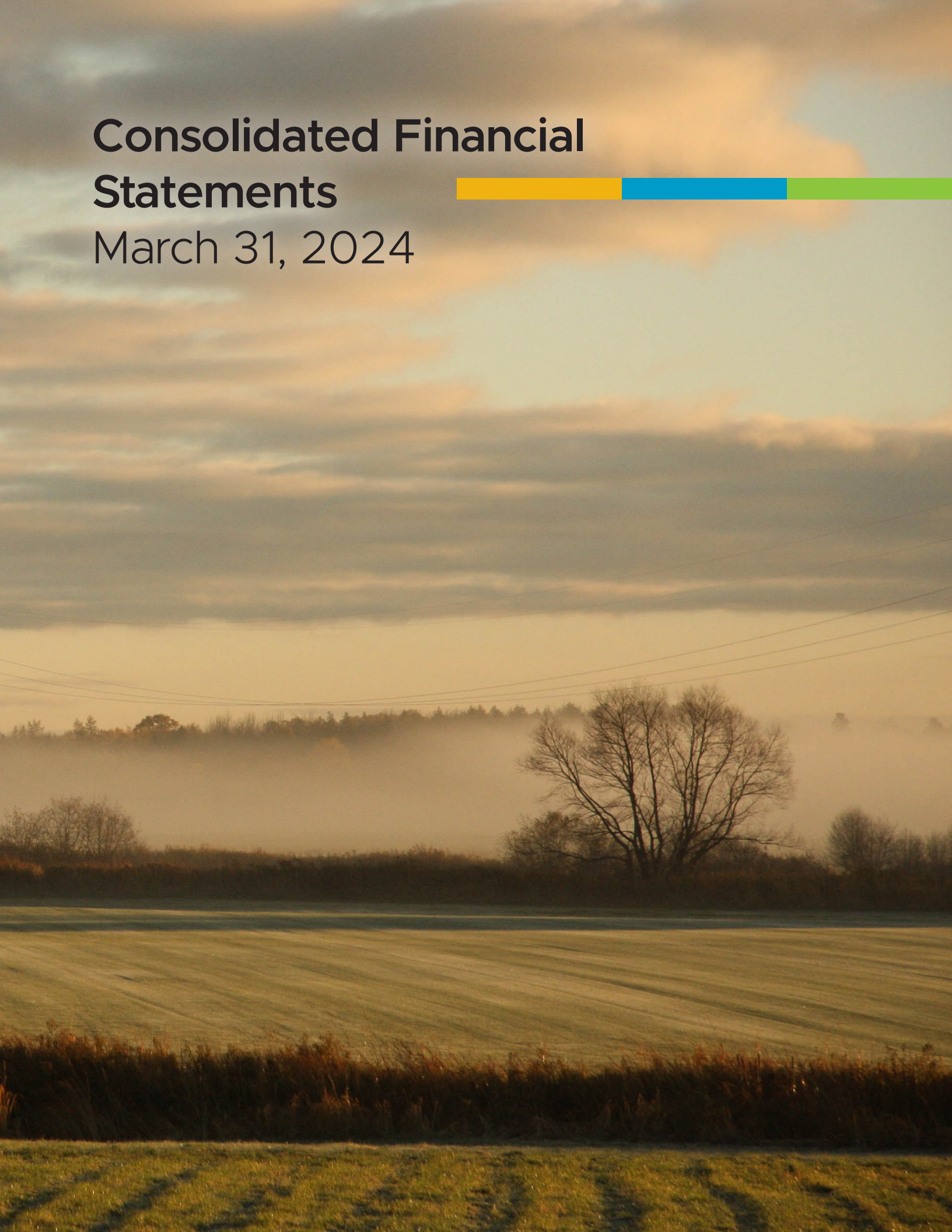
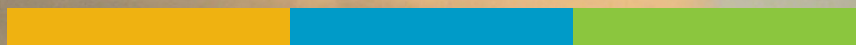




Elmsdale - Photo by Lori Simmonds, winner of the 2023 East Hants Photo Contest

Consolidated Financial Statements

March 31, 2024



Consolidated Financial Statements

The Municipality’s financial statements have been prepared by Management in accordance with the provincial Financial Reporting and Accounting Manual and the reporting standards set by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants Canada (CPA Canada). The financial statements have been audited by Deloitte who have expressed their opinion that these statements present fairly, in all material aspects, the financial position of East Hants as at March 31, 2024.

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

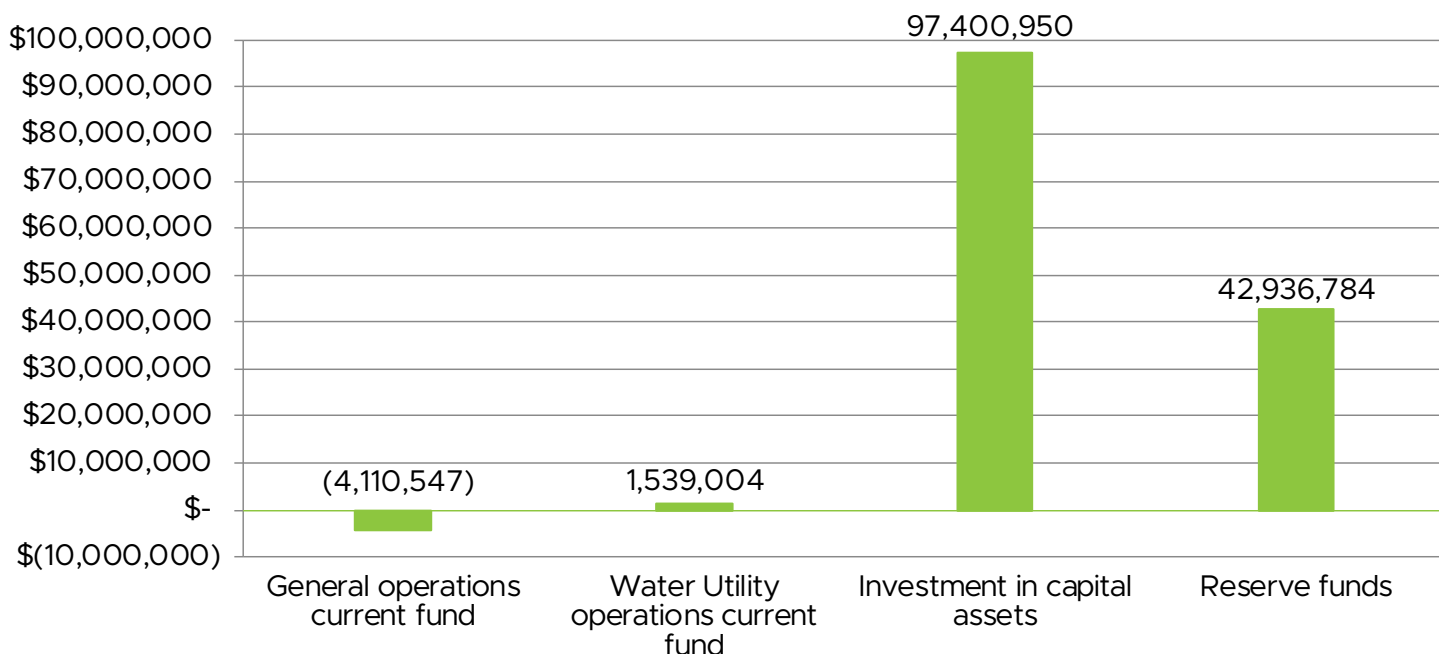
There are four required PSAS financial statements: Statement of Financial Position; Statement of Operations; Statement of Changes in Net Assets; and, Statement of Cash Flow. We are pleased to also offer several schedules to support the statements and provide clarification to the reader.

Consolidated Statement of Financial Position

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

As a result of the significant investment in tangible capital assets, there is a large accumulated surplus (\$137.8M) and net debt has been recovered (see Statement of Changes in Net Assets). The following table shows a breakdown of the accumulated surplus by fund.

2023/2024 Accumulated Surplus Breakdown



Consolidated Statement of Operations

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

The Consolidated Statement of Operations shows an annual surplus for the year of \$14,451,661 with a budgeted surplus of \$8,191,946. The variance of \$6,259,715 is accounted for as follows:

Description	Amount
Variance from Budget to Actual - Consolidated Surplus	
General tax rate variance as per the General Operations section	\$2,111,069
Urban service tax rate variance as per the Urban Service Rate section	47,704
Transfers (see below)	1,677,213
Net gain on the sale/disposal of Municipal assets	117,621
Pension adjustment for the unamortized actuarial loss (Note 11 Financial Report)	(266,752)
Insurance proceeds - Centre Rawdon Hall	157,856
Non-urban streetlights, variance to budgeted surplus	3,741
Water Utility variance as per the Water Utility section	413,751
Interest earned on capital reserves	2,178,693
Asset retirement obligation accretion	(16,631)
Principal payments General Fund - Local Improvement - John Murray Dr (Provincial)	(12,600)
Principal payments General Fund - Lantz Fire Department recoverable	(151,950)
Net Variance from Budget to Actual	\$6,259,715

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

Description	Amount
Pension surplus - budget pension expense at 10.5% (GTR)	\$321,879
Pension special payments	(163,377)
Legal fees - as per Council policy, transfer unspent funds to reserves	104,193
Professional fees/contracts - as per Council policy, transfer unspent funds to reserve	279,574
Grants - as per Council policy, transfer unspent funds to reserve	197,596
Training	21,741
Sidewalks contracts & snow removal	69,633
Projects carried forward to 2024/2025	826,679
Other variances affecting to (from) reserves (contracts, computer support, etc.)	19,295
Total Transfers	\$1,677,213

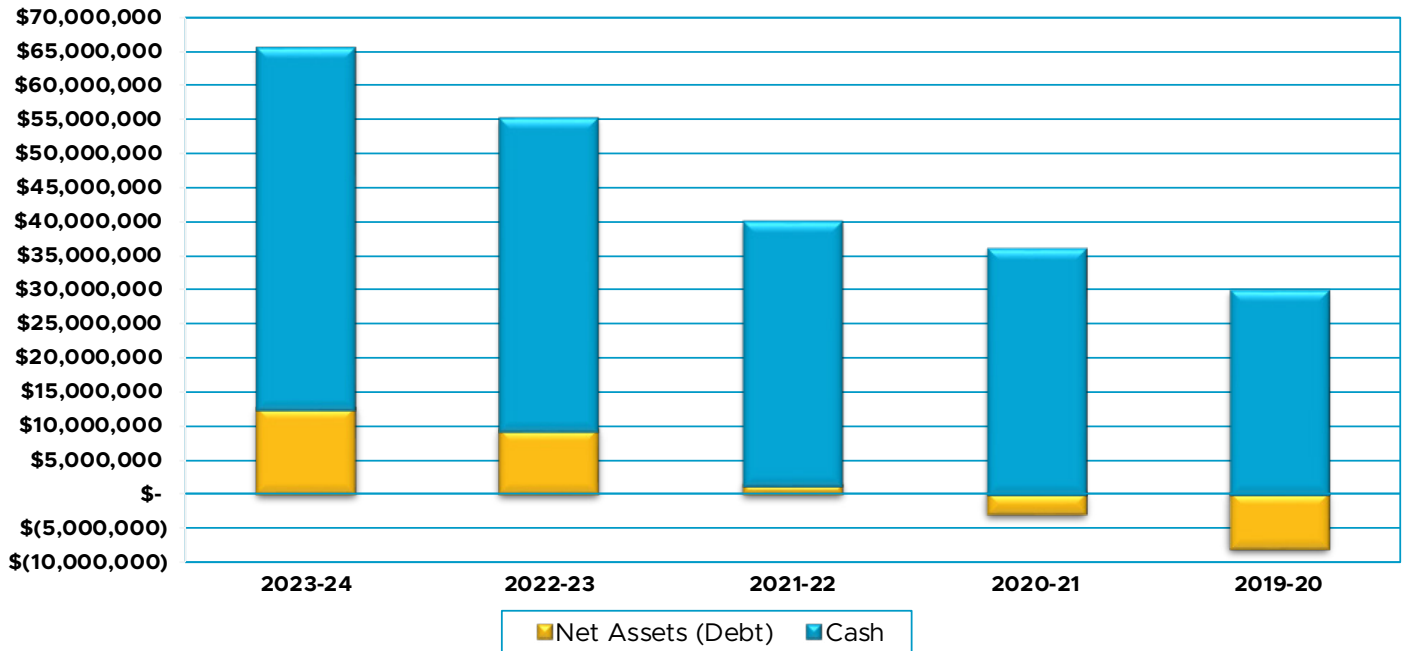
Statement of Changes in Net Assets (Debt)

The statement is unique to PSAS reporting; the statement outlines the changes in net assets (debt) as a result of annual operations, tangible capital asset transactions and changes in other non-financial assets (pre-paid expenses and inventories). East Hants continues to strengthen its financial position as net assets grew to \$12.5 million in 2023/2024. This is largely attributed to development growth (contributed assets) and a focus on reducing debt.

Statement of Cash Flow

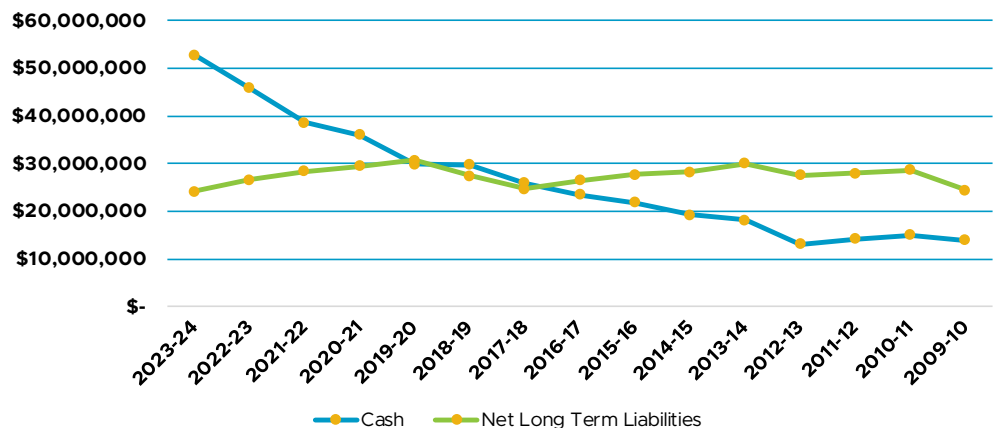
The Statement of Cash Flow reports changes in cash and cash equivalents resulting from operating activity and shows how the Municipality financed its activities during the year and met its cash requirements. East Hants values fiscal responsibility and as such has a reserve program; including reserve balance, as of 2024, the consolidated cash balance is \$52.8 million.

5 Year Cash vs. Net Assets (Debt)



As of March 31, 2024, East Hants' consolidated cash balance (\$52.8 million) is higher than its total long-term liabilities (\$24.2 million) and it reiterates the organization's goal to reduce debt and demonstrate overall fiscal responsibility, as shown in the graph to the right:

15 Year Cash & Net Long Term Liabilities Trend



March 31, 2024 - Consolidated Financial Statements

Municipality of the District of East Hants

Table of Contents

March 31, 2024

Independent Auditors' Report	100
Consolidated Statement of Financial Position	102
Consolidated Statement of Operations	103
Consolidated Statement of Changes in Net Assets	104
Consolidated Statement of Cash Flow	105
Notes to the Consolidated Financial Statements	106
Schedule of Current Fund Operations - Municipal Operations	121
Schedule of Financial Position - Municipal Operations	122
Schedule of Current Fund Operations - Water Utility	123
Schedule of Financial Position - Water Utility	124
Schedule of Capital Fund Operations - Municipal Operations	125
Schedule of Financial Position - Municipal Capital Fund	126
Schedule of Reserve Operations	127
Schedule of Financial Position - Reserves Fund	128
Reconciliation of the Financial Plan to the PSAS Budget (Unaudited)	129
Consolidated Schedule of Operations by Function	130

Independent Auditor's Report

Her Worship the Warden and
Members of Council of the
Municipality of the District of East Hants

Opinion

We have audited the consolidated financial statements of the Municipality of the District of East Hants (the "Municipality"), which comprise the consolidated statement of financial position as at March 31, 2024, and the consolidated statements of operations, changes in net debt and cash flow for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Municipality as at March 31, 2024, and the results of its operations, changes in net debt, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards ("PSAS").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Municipality in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other 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.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

Deloitte LLP


Chartered Professional Accountants
July 2, 2024

Municipality of the District of East Hants
Consolidated Statement of Financial Position
As at March 31, 2024

	2024	2023
FINANCIAL ASSETS		
Cash (Note 2)	\$ 52,779,533	\$ 45,877,769
Taxes and water rates receivable (Note 3)	2,523,667	2,195,491
Accounts receivable (Note 4)	3,879,402	3,144,975
	<u>59,182,602</u>	<u>51,218,235</u>
LIABILITIES		
Accounts payable and accrued liabilities (Note 5)	3,758,652	2,622,407
Deferred revenue - general (Note 6)	11,572,981	2,204,149
Deferred revenue - obligatory reserve (Note 7)	2,032,970	5,683,303
Employee future benefits (Note 10 & 11)	4,138,668	3,858,916
Tax sale surplus	547,164	547,164
Long-term liabilities (Note 9)	24,233,541	26,651,578
Asset Retirement Obligation (Note 12)	385,351	426,509
	<u>46,669,327</u>	<u>41,994,026</u>
NET ASSETS	<u>12,513,275</u>	<u>9,224,209</u>
NON FINANCIAL ASSETS		
Net tangible capital assets (Note 8)	112,934,365	109,035,851
Work in progress (Note 8)	11,993,161	4,503,208
Inventory and prepaid expenses	325,390	366,140
	<u>125,252,916</u>	<u>113,905,199</u>
ACCUMULATED SURPLUS (Note 13d)	<u>\$ 137,766,191</u>	<u>\$ 123,129,408</u>

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

.....Warden

.....Clerk

Municipality of the District of East Hants

Consolidated Statement of Operations

Year Ended March 31, 2024

	2024 Budget (Unaudited - Note 16)	2024 Actual	2023 Actual
Revenues			
Property taxes (Note 14)	\$ 34,172,713	\$ 35,598,294	\$ 32,620,810
Grants in lieu of taxes	221,867	229,863	222,618
Sale of services	3,417,257	3,349,657	3,399,053
Other revenue from own sources	1,265,382	3,486,286	2,446,700
Unconditional transfers from other governments	165,910	167,134	171,220
Conditional transfers from federal or provincial government	488,035	514,445	655,514
Government grants	5,521,283	5,521,283	3,631,194
Development and other contributions applied	5,926,959	6,044,897	10,986,985
Water utility	2,507,075	2,516,130	2,506,908
Total Revenues	53,686,481	57,427,989	56,641,002
Expenses			
General government services	7,914,035	7,686,745	6,638,911
Protective services	10,450,934	10,442,175	8,928,521
Education services (Note 14)	6,398,653	6,398,652	5,835,048
Social services (Note 14)	95,111	91,039	54,228
Transportation services	2,352,267	1,968,974	1,906,922
Environmental health services	6,741,242	6,602,264	5,423,808
Environmental development services	1,943,129	1,130,743	1,206,251
Recreation and cultural services	6,469,904	5,908,892	6,012,840
Water utility	3,129,260	2,746,844	2,574,501
Total Expenses	45,494,535	42,976,328	38,581,030
Annual Surplus	8,191,946	14,451,661	18,059,972
Accumulated Surplus, Beginning of Year	123,129,408	123,129,408	105,100,085
Adjustment for Sportsplex Fund Balance	-	185,122	(30,649)
Accumulated Surplus, End of Year	\$ 131,321,354	\$ 137,766,191	\$ 123,129,408

Municipality of the District of East Hants
Consolidated Statement of Changes in Net Assets
Year Ended March 31, 2024

	2024 Budget (Unaudited - Note 16)	2024 Actual	2023 Actual
Annual Surplus	\$ 8,191,946	\$ 14,451,661	\$ 18,059,972
Adjustment for Sportsplex Fund Balance	-	185,122	(30,649)
	<u>8,191,946</u>	<u>14,636,783</u>	<u>18,029,323</u>
Tangible Capital Assets and Work-in-Progress			
Acquisition of tangible capital assets and work-in-progress	(21,651,063)	(16,472,184)	(14,243,228)
Amortization of tangible capital assets	4,264,262	4,264,261	3,760,567
Net gain on sale of tangible capital assets	-	(59,831)	(428,127)
Proceeds on sale of tangible capital assets	-	879,287	848,167
	<u>(17,386,801)</u>	<u>(11,388,467)</u>	<u>(10,062,621)</u>
Other Non-Financial Assets			
Decrease in inventory and prepaid expenses	-	40,750	17,692
	<u>-</u>	<u>40,750</u>	<u>17,692</u>
Increase (decrease) in Net Assets	(9,194,855)	3,289,066	7,984,394
Net Assets, Beginning of Year	9,224,209	9,224,209	1,239,815
Net Assets, End of Year	<u>\$ 29,354</u>	<u>\$ 12,513,275</u>	<u>\$ 9,224,209</u>

Municipality of the District of East Hants
Consolidated Statement of Cash Flow
Year Ended March 31, 2024

	2024	2023
Operating Transactions		
Annual surplus	\$ 14,451,661	\$ 18,059,972
Adjustment for Sportsplex Fund Balance	185,122	(30,649)
Add amortization of tangible capital assets	4,264,261	3,760,567
Net gain on sale of tangible capital assets	(59,832)	(428,128)
	<u>18,841,212</u>	<u>21,361,762</u>
Changes in Non-Cash Assets and Liabilities		
Increase in accounts receivable	(734,427)	(388,351)
Increase in taxes receivable	(328,176)	(338,905)
Increase in accounts payable and accruals	1,136,245	88,960
Increase in tax sale surplus	-	177,961
Increase in deferred revenue	5,718,499	605,668
Increase in employee benefits/other obligations	279,752	478,089
Decrease in inventory and prepaid expenses	40,750	17,692
(Decrease) increase in asset retirement obligation (Note 12)	(41,158)	426,509
	<u>6,071,485</u>	<u>1,067,623</u>
Net Change in Cash From Operations	<u>24,912,697</u>	<u>22,429,385</u>
Financing Transactions		
Long-term liabilities issued (Note 9e)	844,730	3,221,360
Long-term liabilities retired (Note 9c)	(3,262,766)	(4,991,637)
	<u>(2,418,036)</u>	<u>(1,770,277)</u>
Capital Transactions		
Acquisition of tangible capital assets and work-in-progress	(16,472,184)	(14,243,227)
Proceeds on sale of tangible capital assets	879,287	848,167
	<u>(15,592,897)</u>	<u>(13,395,060)</u>
Increase in Cash Position	<u>6,901,764</u>	<u>7,264,048</u>
Cash Position, Beginning of Year	<u>45,877,769</u>	<u>38,613,721</u>
Cash Position, End of Year	<u>\$ 52,779,533</u>	<u>\$ 45,877,769</u>

1. **Significant Accounting Policies**

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

a) Reporting Entity

These consolidated financial statements reflect the assets, liabilities, revenues, expenditures, changes in net debt and cash flows of the reporting entity. The reporting entity is comprised of all organizations and enterprises accountable to the Municipality for the administration of their financial affairs and resources and which are owned or controlled by the Municipality, namely:

- General Operating and Capital
- Water Utility Operating and Capital

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

b) Fund Accounting

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

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

c) Revenue and Expenditure Recognition

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

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

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

d) **Tangible Capital Assets**

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

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

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

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

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

e) **Deferred Revenue**

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

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

f) **Government Contributions**

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

g) **Investment Income**

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

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

h) Employee Future Benefits

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

i) Asset Retirement Obligation

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

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

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

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

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

j) Budget Figures

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

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

k) **PSAS Budget**

The consolidated financial statements include an unaudited PSAS budget.

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

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

l) **Use of Estimates**

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

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

m) **Segmented Information**

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

The major segments are as follows:

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

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

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

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

m) **Segmented Information (Continued)**

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

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

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

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

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

Water Utility: Activities related to the operations of the East Hants Water Utility, a 3,096 (2023 - 3,010) customer utility that operates two modern water treatment plants and related infrastructure.

2. **Cash**

Cash is comprised of:

	<u>2024</u>	<u>2023</u>
Bank	\$ 51,229,563	\$ 40,752,466
Restricted cash (obligatory reserves)	1,549,970	5,125,303
	<u>\$ 52,779,533</u>	<u>\$ 45,877,769</u>

Administered bank accounts:

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

3. **Taxes and Water Rates Receivable**

Taxes and water rates receivable have been recorded net of an allowance for doubtful accounts of \$18,798 (2023 - \$20,950), representing management's estimate of uncollectible accounts.

Municipality of the District of East Hants
Notes to the Consolidated Financial Statements
Year Ended March 31, 2024

4. **Accounts Receivable**

Allowance for doubtful accounts is nil for 2024 and 2023. The accounts receivable balance is comprised of the following:

	<u>2024</u>	<u>2023</u>
Provincial government	\$ 973,218	\$ 967,586
Federal government	634,731	1,002,030
Loan to Lantz Volunteer Fire Department	-	155,564
Local Improvement Loan	440,432	43,800
Other	1,831,021	975,995
	<u>\$ 3,879,402</u>	<u>\$ 3,144,975</u>

In 2008/2009 the Municipality loaned the Lantz Volunteer Fire Department the amount of \$370,000 as per section 66(4)(e) of the Municipal Government Act ("MGA"). The loan period is for 15 years and it is interest bearing at a rate that escalates from 3.10% in year one to 5.48% in year 15. The loan was paid off in full in 2023/2024.

5. **Accounts Payable and Accrued Liabilities**

	<u>2024</u>	<u>2023</u>
Salaries and wages payable	\$ 236,861	\$ 259,375
Trade payables and accruals	3,521,791	2,363,032
	<u>\$ 3,758,652</u>	<u>\$ 2,622,407</u>

6. **Deferred Revenue - General**

	<u>2024</u>	<u>2023</u>
General deferred revenue	\$ 2,734,869	\$ 1,874,107
Water Utility deferred revenue	91,687	82,713
Capital deferred funding	8,744,668	35,843
Provincial funding - recreation projects	1,757	211,486
	<u>\$ 11,572,981</u>	<u>\$ 2,204,149</u>

Municipality of the District of East Hants
Notes to the Consolidated Financial Statements
Year Ended March 31, 2024

7. Deferred Revenue - Obligatory Reserve

	<u>2024</u>	<u>2023</u>
Sewer balance March 31, 2023	\$ 2,985,991	\$ 2,868,606
Sewer developer charges	316,403	478,951
Sewer developer interest	139,571	96,563
Transfer - Capital Projects	(3,076,191)	(458,129)
Transfer - Service Capacity Study	(35,082)	-
Sewer balance March 31, 2024	<u>\$ 330,692</u>	<u>\$ 2,985,991</u>
Water balance March 31, 2023	\$ 1,949,895	\$ 1,666,408
Water developer charges	319,403	472,348
Water developer interest	53,763	53,878
Transfer - Capital Projects	(1,477,846)	(242,739)
Transfer - Service Capacity Study	(33,926)	-
Water balance March 31, 2024	<u>\$ 811,289</u>	<u>\$ 1,949,895</u>
Green Space balance March 31, 2023	\$ 747,417	\$ 303,974
Green Space contributions	119,803	430,950
Green Space interest	42,626	12,493
Transfer - Capital Projects	(18,857)	-
Green Space balance March 31, 2024	<u>\$ 890,989</u>	<u>\$ 747,417</u>
Sewer Developer Charges	\$ 330,692	\$ 2,985,991
Water Developer Charges	811,289	1,949,895
Green Space Contributions	890,989	747,417
	<u>\$ 2,032,970</u>	<u>\$ 5,683,303</u>

Municipality of the District of East Hants
Notes to the Consolidated Financial Statements
Year Ended March 31, 2024

8. Tangible Capital Asset Continuity Schedule

	General Capital Assets					Infrastructure				2023 TOTAL
	Land & Land Improvements	Buildings	Machinery & Equipment	Vehicles	Engineered Structures	Industrial Parks	Water Utilities	Assets in WIP	2024 TOTAL	
Cost										
Opening Costs	\$ 6,575,672	\$ 40,499,174	\$ 4,426,573	\$ 486,834	\$ 67,312,621	\$ 8,452,904	\$ 32,487,433	\$ 4,503,208	\$ 164,744,419	\$ 151,299,140
Additions during year	3,027,937	108,524	479,696	69,400	1,046,608	647,398	3,637,965	8,464,756	17,482,284	18,488,505
Disposals & Transfers	(6,568)	(983,962)	-	-	-	(365,856)	(35,298)	(974,803)	(2,366,487)	(5,043,226)
Closing Costs	9,597,041	39,623,736	4,906,269	556,234	68,359,229	8,734,446	36,090,100	11,993,161	179,860,216	164,744,419
Accumulated Amortization										
Opening Accum. Amortization	408,574	7,675,345	3,279,655	240,326	29,484,993	2,323,925	7,792,542	-	51,205,360	47,822,702
Amortization in Year	121,414	1,504,297	271,250	58,332	1,596,170	212,782	500,016	-	4,264,261	3,760,567
Adj./Disposals - Accum Amort	-	(510,254)	-	26,474	-	(26,677)	(26,474)	-	(536,931)	(377,909)
Acc Amort - End of Year	529,988	8,669,388	3,550,905	325,132	31,081,163	2,510,030	8,266,084	-	54,932,690	51,205,360
Net Book Value	\$ 9,067,053	\$ 30,954,348	\$ 1,355,364	\$ 231,102	\$ 37,278,066	\$ 6,224,416	\$ 27,824,016	\$ 11,993,161	\$ 124,927,526	\$ 113,539,059

Municipality of the District of East Hants
Notes to the Consolidated Financial Statements
Year Ended March 31, 2024

9. Long-Term Liabilities

a) Certain payments represent a burden on general Municipal Revenues, as they are to be recovered in future years from other sources.

	<u>2024</u>	<u>2023</u>
General revenues	\$ 9,453,908	\$ 10,091,608
Local improvement charges	31,200	43,800
Area rates	5,605,370	6,326,415
Sale of land in Business Parks	2,474,072	2,724,464
Water charges	2,571,170	2,851,567
Tenants rent	4,097,821	4,461,774
Loan to Lantz fire department	-	151,950
	<u>\$ 24,233,541</u>	<u>\$ 26,651,578</u>

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

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

	<u>2024/2025</u>	<u>2025/2026</u>	<u>2026/2027</u>	<u>2027/2028</u>	<u>2028/2029</u>
Transportation	\$ 440,664	\$ 346,600	\$ 342,055	\$ 657,121	\$ 100,600
Environmental Development	250,625	250,872	251,135	245,080	645,080
Sewers	111,387	617,978	-	-	-
Recreation	252,135	1,443,190	53,040	53,040	53,040
Buildings	366,278	368,678	371,278	373,928	1,733,753
Water Utilities	297,681	298,253	481,624	284,827	284,827
Hospital	146,686	134,471	123,201	10,792	10,792
Tourism	28,000	28,000	28,000	-	-
East Hants Aquatic Centre	400,000	400,000	400,000	400,000	400,000
Total:	<u>\$ 2,293,456</u>	<u>\$ 3,888,042</u>	<u>\$ 2,050,333</u>	<u>\$ 2,024,788</u>	<u>\$ 3,228,092</u>

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

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

	<u>2024</u>	<u>2023</u>
Principal	\$ 3,262,766	\$ 4,991,637
Interest	817,840	901,478
	<u>\$ 4,080,606</u>	<u>\$ 5,893,115</u>

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

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

	<u>2024</u>	<u>2023</u>
General revenues	\$ 1,549,076	\$ 1,774,200
Local improvement charges	42,784	13,861
Area rates	1,678,505	1,919,585
Sale of land in business parks	319,114	357,988
Water charges	491,126	1,827,481
	<u>\$ 4,080,606</u>	<u>\$ 5,893,115</u>

e) Total long-term liabilities assumed in 2023/2024 were as follows:

<u>Project</u>	<u>2024</u>	<u>Term & Interest Rate</u>
Sidewalks Refinancing	714,000	10 years: 4.897%-5.46%
Enfield Water Treatment Plant Refinancing	130,730	5 years: 3.55%-4.714%
	<u>\$ 844,730</u>	

10. **Employee Future Benefits**

The Municipality provides certain employee benefits that require funding in future periods. Under the personnel policies of the Municipality, unused sick leave can accumulate and employees may become entitled to a cash payment when they leave the Municipality's employment. An actuarial valuation of the sick leave liability was completed as of March 31, 2023 and has been recorded in the Consolidated Statement of Financial Position. The Municipality obtains a revised actuarial report every three fiscal years. As of March 31, 2024, the Municipality estimates this obligation to be \$342,758 (2023 - \$329,759).

11. **Pension Plan**

The Municipality operates a defined benefit pension plan, which provides benefits to employees upon retirement. The accrued benefit obligation as at March 31, 2024, is based on an actuarial valuation for accounting purposes as at December 31, 2023. The next actuarial valuation for accounting purposes is to be prepared as of December 31, 2025. All plan assets are held by various Manulife Funds.

	Estimated <u>Dec. 31, 2023</u>	Estimated <u>Dec. 31, 2022</u>
Accrued Benefit Obligation	\$20,592,975	\$18,227,314
Fair Value Plan Assets	<u>14,656,570</u>	<u>13,231,307</u>
Funded Status - Plan Deficit	<u>\$ (5,936,405)</u>	<u>\$ (4,996,007)</u>

11. Pension Plan (Continued)

The significant actuarial assumptions adopted in measuring the Municipality's accrued benefit obligation as at December 31, 2023 were as follows:

	<u>Dec. 31, 2023</u>	<u>Dec. 31, 2022</u>
Expected long-term rate of return on plan assets	5.65%	6.00%
Rate of compensation increase	3.00%	3.00%
Discount rate used to determine benefit obligation	4.65%	5.00%

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

An actuarial valuation of the pension plan was performed for accounting purposes using the projected benefit method prorated on service. The unamortized actuarial loss is amortized over the expected average remaining service life ("EARSL") of the employee group; EARSL in 2024 was 20 years (2023 - 20 years).

	<u>Dec. 31, 2023</u>	<u>Dec. 31, 2022</u>
Accrued benefit obligation, net of plan assets	\$5,936,405	\$4,996,007
Unamortized actuarial loss	<u>(2,140,496)</u>	<u>(1,466,850)</u>
Benefit liability recorded in the Statement of Financial Position	<u>\$3,795,909</u>	<u>\$3,529,157</u>

During the year, the Municipality contributed \$698,868 (December 2022 - \$604,155) and the employees contributed \$385,722 (December 2022 - \$334,665) to the plan. Benefit payments for the year totaled \$720,184 (December 2022 - \$838,373).

Administrative fees paid during the year totaled \$11,736 (2023 - \$14,973); Plan Valuation costs were \$6,765 (2023 - \$4,360).

12. Asset Retirement Obligations

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

a) Landfill obligation

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

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

12. **Asset Retirement Obligations (Continued)**

b) Asbestos obligation

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

c) Wastewater treatment obligation

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

Changes to the asset retirement obligations during the year are as follows:

Asset Retirement Obligation	March 31, 2023	Additions (Disposals)	Accretion Expense	March 31, 2024
Buildings	\$ 239,951	\$ (57,789)	\$ 3,545	\$ 185,707
Engineered Structures	80,409	-	4,234	84,643
Landfill Closure/Post Closure	66,034	-	4,622	70,656
Water Utilities	40,115	-	4,230	44,345
	<u>\$ 426,509</u>	<u>\$ (57,789)</u>	<u>\$ 16,631</u>	<u>\$ 385,351</u>

13. Municipal Fund Balances

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

	<u>2024</u>	<u>2023</u>
Long term liabilities to fund Hospital	\$ (469,110)	\$ (620,170)
Unfunded pension liability	(3,795,910)	(3,529,158)
Sportsplex fund	154,473	(30,649)
	<u>(4,110,547)</u>	<u>(4,179,977)</u>
Water utility operation	1,539,004	1,745,301
	<u>\$ (2,571,543)</u>	<u>\$ (2,434,676)</u>

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

	<u>2024</u>	<u>2023</u>
Tangible capital assets	\$ 112,934,365	\$ 109,035,851
Work in progress	11,993,161	4,503,208
Long term financing overage (shortage)	(3,407,995)	(144,820)
Long term liabilities capital	(23,733,230)	(25,835,657)
Asset retirement obligation	(385,351)	(426,509)
	<u>\$ 97,400,950</u>	<u>\$ 87,132,073</u>

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

	<u>2024</u>	<u>2023</u>
Working funds	\$ 29,072,578	\$ 25,547,661
Replacement of equipment/assets	13,716,816	12,744,237
Landfill closure/post closure liability	147,390	140,113
	<u>\$ 42,936,784</u>	<u>\$ 38,432,011</u>

Municipality of the District of East Hants
Notes to the Consolidated Financial Statements
Year Ended March 31, 2024

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

d) Consolidated Accumulated Surplus:

	<u>2024</u>	<u>2023</u>
Operating fund	\$ (4,110,547)	\$ (4,179,977)
Water Utility fund	1,539,004	1,745,301
Capital fund	97,400,950	87,132,073
Reserves fund	42,936,784	38,432,011
	<u>\$ 137,766,191</u>	<u>\$ 123,129,408</u>

14. **Taxation**

	<u>2024</u>	<u>2023</u>
Taxation from real property	\$ 35,598,294	\$ 32,620,810
Less: Taxation collected to pay mandatory provincial taxes for:		
Education Services	(6,398,652)	(5,835,048)
Social Services	(91,039)	(54,228)
Corrections	(299,209)	(292,963)
Net taxes available for municipal purposes	<u>\$ 28,809,394</u>	<u>\$ 26,438,571</u>

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

	<u>Stipend/Salary</u>	<u>Expenses</u>	<u>Total</u>
Council			
Warden Eleanor Roulston	\$ 66,042	\$ 10,411	\$ 76,453
Sandra Garden-Cole	32,479	707	33,186
Norval Mitchell	32,479	4,270	36,749
Eldon Hebb	32,479	916	33,395
Carl MacPhee	32,953	2,576	35,529
Keith Rhyno	33,429	707	34,136
Wayne Greene	37,380	707	38,087
Walter Tingley	32,479	6,327	38,806
Michael Perry	38,427	4,332	42,759
Elie Moussa	34,376	745	35,121
Tom Isenor	32,479	3,263	35,742
Chief Administrative Officer	195,795	12,848	208,643
	<u>\$ 600,797</u>	<u>\$ 47,809</u>	<u>\$ 648,606</u>

16. **Budget Figures**

The Municipality's Operating, Water Utility, and Capital budgets are approved by Council. The budget figures, including the financial plan, are not subject to audit procedures. See Reconciliation of the Financial Plan to the PSAS Budget per page 28 of the financial statements for supporting reconciliation schedule.

Municipality of the District of East Hants
Schedule of Operations – Operating Fund
Year Ended March 31, 2024

	2024 Budget (Unaudited - Note 16)	2024 Actual	2023 Actual
Revenue			
Property taxes	\$ 34,172,713	\$ 35,598,294	\$ 32,620,810
Grants in lieu of taxes	221,867	229,863	222,618
Sale of services	3,417,257	3,409,657	3,399,053
Other revenue from own sources	2,528,602	2,479,952	2,461,099
Unconditional transfers from other governments	165,910	167,134	171,220
Conditional transfers from federal or provincial government agencies	488,035	514,445	655,514
Development and other contributions applied	75,000	35,082	64,921
Other transfers	871,500	871,500	847,600
	<u>41,940,884</u>	<u>43,305,927</u>	<u>40,442,835</u>
Expenses			
General government services	8,375,515	7,690,234	7,152,676
Protective services	10,981,551	10,961,051	9,523,786
Education	6,398,653	6,398,652	5,835,048
Social services	95,111	91,039	54,228
Transportation services	1,471,949	1,088,656	1,038,711
Environmental health services	6,720,039	6,554,015	5,632,465
Environmental development services	1,730,347	1,451,501	1,343,094
Landfill closure/post closure costs (recovery)	-	-	(135,301)
Recreation and cultural services	5,358,248	4,852,878	5,231,328
	<u>41,131,413</u>	<u>39,088,026</u>	<u>35,676,035</u>
Annual Surplus	<u>809,471</u>	<u>4,217,901</u>	<u>4,766,800</u>
Financing and Transfers			
Debt principal repayment	2,028,752	1,973,090	2,211,483
Decrease in amounts to be recovered	-	(266,752)	(316,992)
Transfer to capital fund	60,000	58,931	45,772
Transfer from capital reserves	(430,100)	(526,640)	(437,012)
Transfer to operating reserves	(849,181)	2,979,272	3,263,549
	<u>809,471</u>	<u>4,217,901</u>	<u>4,766,800</u>
Change in Fund Balance	-	-	-
Opening Fund Balance	(4,179,977)	(4,179,977)	(3,870,017)
Change in Long-Term Liabilities	151,060	151,060	37,681
Change in Unfunded Pension Liability	-	(266,752)	(452,293)
Change in Landfill Liability	-	-	135,301
Change in Sportsplex Fund	-	185,122	(30,649)
Closing Fund Balance (Note 13a)	<u>\$ (4,028,917)</u>	<u>\$ (4,110,547)</u>	<u>\$ (4,179,977)</u>

Municipality of the District of East Hants
 Schedule of Financial Position - Operating Fund
 Year Ended March 31, 2024

	2024	2023
FINANCIAL ASSETS		
Cash	\$ 4,544,321	\$ 7,739,931
Taxes and rates receivable	1,734,107	1,444,517
Accounts receivable	1,584,322	1,445,675
	<u>7,862,750</u>	<u>10,630,123</u>
LIABILITIES		
Accounts payable and accrued liabilities	2,323,631	2,154,843
Deferred revenue - general	2,736,626	2,085,593
Deferred revenue - obligatory reserve	2,032,970	5,683,303
Employee benefits and other obligations	4,138,668	3,858,916
Tax sale surplus	547,164	547,164
Long term liabilities	500,311	815,921
	<u>12,279,370</u>	<u>15,145,740</u>
NET DEBT	<u>(4,416,620)</u>	<u>(4,515,617)</u>
NON FINANCIAL ASSETS		
Inventory and prepaid expenses	306,073	335,640
ACCUMULATED DEFICIT	<u>\$ (4,110,547)</u>	<u>\$ (4,179,977)</u>

Municipality of the District of East Hants
 Schedule of Operations - Water Utility Fund
 Year Ended March 31, 2024

	2024 Budget (Unaudited - Note 16)	2024 Actual	2023 Actual
Revenue	<u>\$ 3,073,521</u>	<u>\$ 3,070,835</u>	<u>\$ 3,133,767</u>
Expenses			
Operating	2,486,810	2,303,591	2,125,246
Interest on debt	303,098	79,998	93,256
Amortization expense	510,134	500,016	491,568
	<u>3,300,042</u>	<u>2,883,605</u>	<u>2,710,070</u>
Annual Surplus	<u>(226,521)</u>	<u>187,230</u>	<u>423,697</u>
Transfers and Financing			
Principal debt payment	280,398	280,397	255,034
Transfer to capital	114,400	113,130	21,665
	<u>394,798</u>	<u>393,527</u>	<u>276,699</u>
Change in Fund Balance	<u>(621,319)</u>	<u>(206,297)</u>	<u>146,998</u>
Opening Fund Balance	<u>1,745,301</u>	<u>1,745,301</u>	<u>1,598,303</u>
Closing Fund Balance (Note 13a)	<u>\$ 1,123,982</u>	<u>\$ 1,539,004</u>	<u>\$ 1,745,301</u>

Municipality of the District of East Hants
 Schedule of Financial Position - Water Utility Fund
 Year Ended March 31, 2024

	2024	2023
FINANCIAL ASSETS		
Cash	\$ 856,624	\$ 1,104,471
Water rates receivable	789,560	750,974
Accounts receivable	51,865	60,389
	<u>1,698,049</u>	<u>1,915,834</u>
LIABILITIES		
Accounts payable and accrued liabilities	86,675	118,320
Deferred revenue - general	91,687	82,713
	<u>178,362</u>	<u>201,033</u>
NET ASSETS	<u>1,519,687</u>	<u>1,714,801</u>
NON FINANCIAL ASSETS		
Inventory and prepaid expenses	19,317	30,500
ACCUMULATED SURPLUS	<u>\$ 1,539,004</u>	<u>\$ 1,745,301</u>

Municipality of the District of East Hants

Schedule of Operations - Capital Fund

Year Ended March 31, 2024

	2024 Actual	2023 Actual
Revenue		
Government grants	\$ 2,847,888	\$ 1,364,322
Development and other contributions applied	5,851,959	10,888,039
	<u>8,699,847</u>	<u>12,252,361</u>
Expenses		
General government services	770,381	263,865
Protective services	35,829	31,594
Transportation services	880,318	868,211
Environmental health services	1,048,717	906,828
Environmental development services	(320,758)	(136,843)
Recreation and cultural services	1,244,544	907,215
Water Utility	4,230	-
	<u>3,663,261</u>	<u>2,840,870</u>
Annual Surplus	<u>5,036,586</u>	<u>9,411,491</u>
Financing and Transfers		
Principal payments	(2,102,427)	(2,428,836)
Transfers from reserves	(2,957,800)	274,427
Transfers from operations	(172,064)	(67,437)
	<u>(5,232,291)</u>	<u>(2,221,846)</u>
Change in Fund Balance	10,268,877	11,633,337
Opening Fund Balance	87,132,073	75,498,736
Closing Fund Balance (Note 13b)	<u>\$ 97,400,950</u>	<u>\$ 87,132,073</u>

Municipality of the District of East Hants
 Schedule of Financial Position - Capital Fund
 Year Ended March 31, 2024

	2024	2023
FINANCIAL ASSETS		
Cash	\$ 4,441,804	\$ -
Accounts receivable	2,243,215	1,638,911
	<u>6,685,019</u>	<u>1,638,911</u>
LIABILITIES		
Bank Indebtedness	-	1,398,644
Accounts payable and accrued liabilities	1,348,346	349,244
Deferred revenue - general	8,744,668	35,843
Long term liabilities	23,733,230	25,835,657
Asset Retirement Obligation	385,351	426,509
	<u>34,211,595</u>	<u>28,045,897</u>
NET DEBT	<u>(27,526,576)</u>	<u>(26,406,986)</u>
NON FINANCIAL ASSETS		
Net tangible capital assets	112,934,365	109,035,851
Work in progress	11,993,161	4,503,208
	<u>124,927,526</u>	<u>113,539,059</u>
ACCUMULATED SURPLUS	<u>\$ 97,400,950</u>	<u>\$ 87,132,073</u>

Municipality of the District of East Hants

Schedule of Operations - Reserves Fund

Year Ended March 31, 2024

	2024 Actual	2023 Actual
Revenue		
Investment income	\$ 2,178,693	\$ 1,157,090
Government grants	2,673,395	2,266,872
Developments & Other Contributions Applied	157,856	34,025
Annual Surplus	5,009,944	3,457,987
Net Transfers From/To Other Funds		
Transfers from Current Fund	(2,452,629)	(2,826,537)
Transfers to Capital Fund	2,957,800	(274,424)
	505,171	(3,100,961)
Net Change in Reserve Funds	4,504,773	6,558,948
Opening Reserve Fund Balance	38,432,011	31,873,063
Closing Reserve Fund Balance (Note 13c)	\$ 42,936,784	\$ 38,432,011
Analyzed as follows:		
Reserves set aside for specific purposes		
Operating Contingencies/Surplus	\$ 9,105,376	\$ 7,796,412
General Government	2,442,597	2,291,922
Solid Waste Management Facilities/Equipment	2,926,959	2,773,578
Office Equipment	357,132	322,400
Computer Hardware/Software	658,264	566,209
Aquatic Centre	572,966	519,845
Building and Equipment	360,799	342,344
Transportation and Equipment	2,553,125	2,315,805
Recreation and Leisure	886,497	580,312
Active Transportation	545,313	750,312
Emergency Measures	294,993	284,113
Passenger Vehicles	220,877	230,650
Canada Community Building Fund (formerly Gas Tax)	5,909,413	4,957,595
Sustainable Services Growth Fund	430,667	1,123,728
Lloyd E. Matheson Centre	380,515	340,815
Uniacke District Recreation Civic Centre	35,792	34,025
Business Park Land Development (fr Sales)	1,459,835	2,567,075
Landfill Closure/Post Closure Costs	147,390	140,113
District Beautification Funds	44,808	41,470
Emergency Grant Fund-Fire Departments	924,651	881,169
Tourism Operating/Capital	347,842	426,219
Economic Development Operations	69,202	67,925
District Recreation Grant Fund	657,300	547,852
Urban Service Rate Contingencies	2,257,636	2,095,201
Lights Urban Service Rate	137,788	130,037
Lights Other	298,243	261,678
Sportsplex Area Rate	1,357,176	732,903
Sportsplex - Operating Surplus	27,905	123,266
Wastewater System	1,064,384	974,973
Sidewalks Excess Debenture/Operations	1,510,717	1,188,350
Asset Retirement Obligation	381,312	360,475
East Hants Water system	3,089,095	2,663,240
Housing Accelerator Fund	1,480,215	-
	\$ 42,936,784	\$ 38,432,011

Municipality of the District of East Hants
 Schedule of Financial Position - Reserves Fund
 Year Ended March 31, 2024

	2024	2023
FINANCIAL ASSETS		
Cash	\$ 42,936,784	\$ 38,432,011
	<u>42,936,784</u>	<u>38,432,011</u>
ACCUMULATED SURPLUS	<u>\$ 42,936,784</u>	<u>\$ 38,432,011</u>

Municipality of the District of East Hants
 Reconciliation of the Financial Plan to the PSAS Budget (Unaudited - Note 16)

Year Ended March 31, 2024

	Financial Plan General	Financial Plan Utility	Amortization (TCA)	Financial Plan Capital	Transfers Reserves	Debt Charges Principal	Elimination Entries	PSAS Budget
REVENUE								
Taxes	\$ 34,172,713	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 34,172,713
Water utility	-	3,073,521	-	-	-	-	(566,446)	2,507,075
Grants in lieu of taxes	221,867	-	-	-	-	-	-	221,867
Sale of services	3,417,257	-	-	-	-	-	-	3,417,257
Other revenue from own sources	2,528,602	-	-	-	-	-	(1,263,220)	1,265,382
Unconditional transfers from other	165,910	-	-	-	-	-	-	165,910
Conditional transfers from government	488,035	-	-	-	-	-	-	488,035
Government grants	97,000	-	-	5,424,283	-	-	-	5,521,283
Development and other contributions applied	75,000	-	-	5,851,959	-	-	-	5,926,959
Other transfers	871,500	-	-	-	-	-	(871,500)	-
Total revenue	42,037,884	3,073,521	-	11,276,242	-	-	(2,701,166)	53,686,481
EXPENSES								
General government services	8,375,515	-	350,912	-	-	-	(812,392)	7,914,035
Protective services	10,981,551	-	35,829	-	-	-	(566,446)	10,450,934
Education services	6,398,653	-	-	-	-	-	-	6,398,653
Social Services	95,111	-	-	-	-	-	-	95,111
Transportation services	1,471,949	-	880,318	-	-	-	-	2,352,267
Environmental health services	6,720,039	-	1,039,861	-	-	-	(1,018,658)	6,741,242
Water utility	-	3,300,042	-	-	-	-	(170,782)	3,129,260
Environmental development services	1,730,347	-	212,782	-	-	-	-	1,943,129
Recreation and cultural services	5,358,248	-	1,244,544	-	-	-	(132,888)	6,469,904
Transfer to capital	60,000	114,400	-	-	(174,400)	-	-	-
Debt charges - principal payment	2,028,752	280,398	-	(2,102,427)	-	(206,723)	-	-
Transfer to reserves (capital/operating)	(1,279,281)	-	-	-	1,279,281	-	-	-
Total expenses	41,940,884	3,694,840	3,764,246	(2,102,427)	1,104,881	(206,723)	(2,701,166)	45,494,535
Surplus (Deficit)	\$ 97,000	\$ (621,319)	\$ (3,764,246)	\$ 13,378,669	\$ (1,104,881)	\$ 206,723	\$ -	\$ 8,191,946

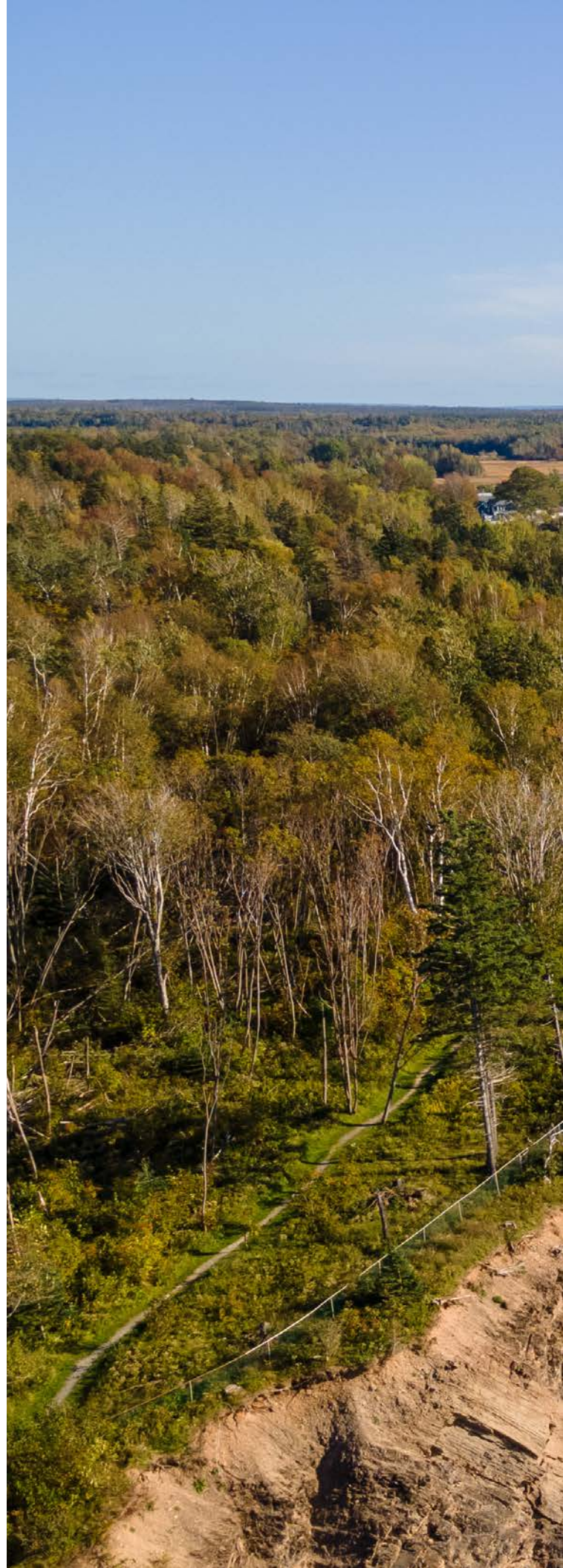
Municipality of the District of East Hants
 Consolidated Schedule of Operations by Function
 Year Ended March 31, 2024

	*General Government	Protective Services	Transportation Services	Environmental Health Services	Environmental Development Services	Other
REVENUE						
Property taxes	\$ 28,514,620	\$ 3,694,228	\$ 106,622	\$ 2,705,623	\$ -	\$ -
Grants in lieu of taxes	221,492	-	-	8,371	-	-
Sale of services	711,714	-	-	908,495	29,750	-
Other revenue from own sources	1,581,306	103,664	-	217,124	200,635	2,178,693
Unconditional transfers from other governments	83,150	-	-	83,984	-	-
Conditional transfers from federal or provincial government	-	-	-	95,807	167,587	-
Government grants	97,000	-	-	-	-	5,424,283
Development and other contributions applied	-	-	-	-	-	6,044,897
Other transfers	-	-	-	871,500	-	-
Water utility	-	-	-	-	-	-
Elimination Entries	(1,172,356)	-	-	(871,500)	-	-
Total revenue	\$ 30,036,926	\$ 3,797,892	\$ 106,622	\$ 4,019,404	\$ 397,972	\$ 13,647,873
EXPENSES						
Salaries, wages and benefits	\$ 4,127,652	\$ 583,927	\$ -	\$ 1,728,294	\$ 1,154,009	\$ -
Operating costs	3,449,248	10,356,470	960,368	4,790,236	226,422	6,489,691
Elimination Entries	(773,867)	(554,705)	-	(1,000,468)	-	-
Amortization	350,912	35,829	880,318	1,039,861	212,782	-
Asset Retirement accretion	3,545	-	-	8,856	-	-
Interest on long term debt	113,338	20,654	128,288	35,483	71,071	-
Total expenses	\$ 7,270,828	\$ 10,442,175	\$ 1,968,974	\$ 6,602,262	\$ 1,664,284	\$ 6,489,691
Net gain (loss) on sale of TCA	\$ (473,708)	\$ -	\$ -	\$ -	\$ 533,540	\$ -
Net gain on disposal of asset retirement obligation	57,789	-	-	-	-	-
Total gain (loss)	\$ (415,919)	\$ -	\$ -	\$ -	\$ 533,540	\$ -
Surplus (Deficit)	\$ 22,350,179	\$ (6,644,283)	\$ (1,862,352)	\$ (2,582,858)	\$ (732,772)	\$ 7,158,182

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

Municipality of the District of East Hants
 Consolidated Schedule of Operations by Function
 Year Ended March 31, 2024

	Recreation and Culture Services	Water Utility	2024 Total	2023 Total
REVENUE				
Property taxes	\$ 577,201	\$ -	\$ 35,598,294	\$ 32,620,810
Grants in lieu of taxes	-	-	229,863	222,618
Sale of services	1,759,698	-	3,409,657	3,399,053
Other revenue from own sources	377,220	-	4,658,642	3,618,186
Unconditional transfers from other governments	-	-	167,134	171,220
Conditional transfers from federal or provincial government	251,051	-	514,445	655,514
Government grants	-	-	5,521,283	3,631,194
Development and other contributions applied	-	-	6,044,897	10,986,985
Other transfers	-	-	871,500	847,600
Water utility	-	3,070,835	3,070,835	3,133,767
Elimination entries	(60,000)	(554,705)	(2,658,561)	(2,645,945)
Total revenue	\$ 2,905,170	\$ 2,516,130	\$ 57,427,989	\$ 56,641,002
EXPENSES				
Salaries, wages and benefits	\$ 1,815,736	\$ 696,995	\$ 10,106,613	\$ 9,645,386
Operating costs	2,668,133	1,606,596	30,547,164	27,347,671
Elimination entries	(188,530)	(140,991)	(2,658,561)	(2,645,945)
Amortization	1,244,544	500,016	4,264,262	3,760,567
Asset Retirement accretion	-	4,230	16,631	-
Interest on long term debt	369,008	79,998	817,840	901,478
Total expenses	\$ 5,908,891	\$ 2,746,844	\$ 43,093,949	\$ 39,009,157
Net gain (loss) on sale of TCA	\$ -	\$ -	59,832	\$ 428,127
Net gain on disposal of asset retirement obligation	-	-	57,789	-
Total gain	\$ -	\$ -	\$ 117,621	\$ 428,127
Surplus (Deficit)	\$ (3,003,721)	\$ (230,714)	\$ 14,451,661	\$ 18,059,972



Cover Photo: Walton
Photos above, top to bottom:
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