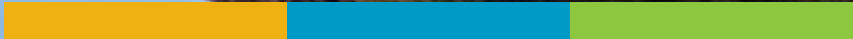


# Consolidated Financial Statements

March 31, 2025



# 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 of the Chartered Professional Accountants 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, 2025.

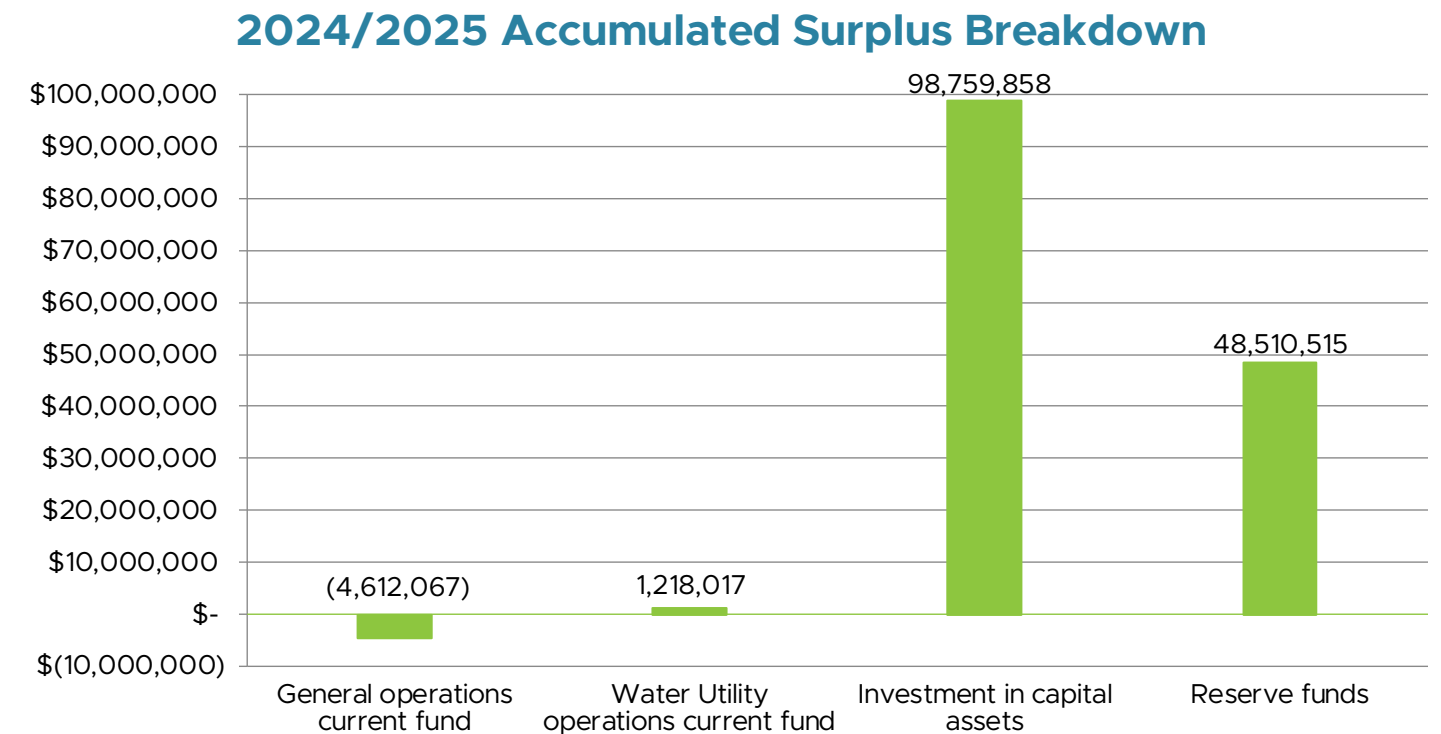
Management is responsible for such internal controls as determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error. The Audited Financial Statements are available on the Municipal website at [easthants.ca](http://easthants.ca).

Under Public Sector Accounting Standards (PSAS), there are four required 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.





# 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 \$6,110,130 with a budgeted deficit of \$23,233. The variance of \$6,133,363 is accounted for as follows:

Description	Amount
<b>Variance from Budget to Actual - Consolidated Surplus</b>	
General tax rate variance as per the General Operations section	\$2,239,401
Urban service tax rate variance as per the Urban Service Rate section	291,437
Transfers (see below)	1,770,675
Net gain on the sale/disposal of Municipal assets	31,640
Pension adjustment for the unamortized actuarial loss (Note 11 Financial Report)	(648,206)
Proceeds - streetlight contribution	4,516
Non-urban streetlights, variance to budgeted surplus	17,498
Water Utility variance as per the Water Utility section	328,333
Interest earned on capital reserves	2,159,679
Asset retirement obligation accretion	(16,631)
Principal payments General Fund - Local Improvement - John Murray Drive (Provincial)	(12,600)
Other minor variances	(32,379)
<b>Net Variance from Budget to Actual</b>	<b>\$6,133,363</b>

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

Description	Amount
Pension surplus - budget pension expense at 10.5% (GTR)	\$344,891
Pension special payments	(148,200)
Legal fees - as per Council policy, transfer unspent funds to reserves	67,910
Snow removal/contracts - as per Council policy, transfer unspent funds to reserve	140,263
Grants - as per Council policy, transfer unspent funds to reserve	74,407
Training	96,975
Sidewalks contracts & snow removal	70,025
Projects carried forward to 2025/2026	336,942
Other variances affecting to (from) reserves (contracts, computer support, etc.)	787,462
<b>Total Transfers</b>	<b>\$1,770,675</b>

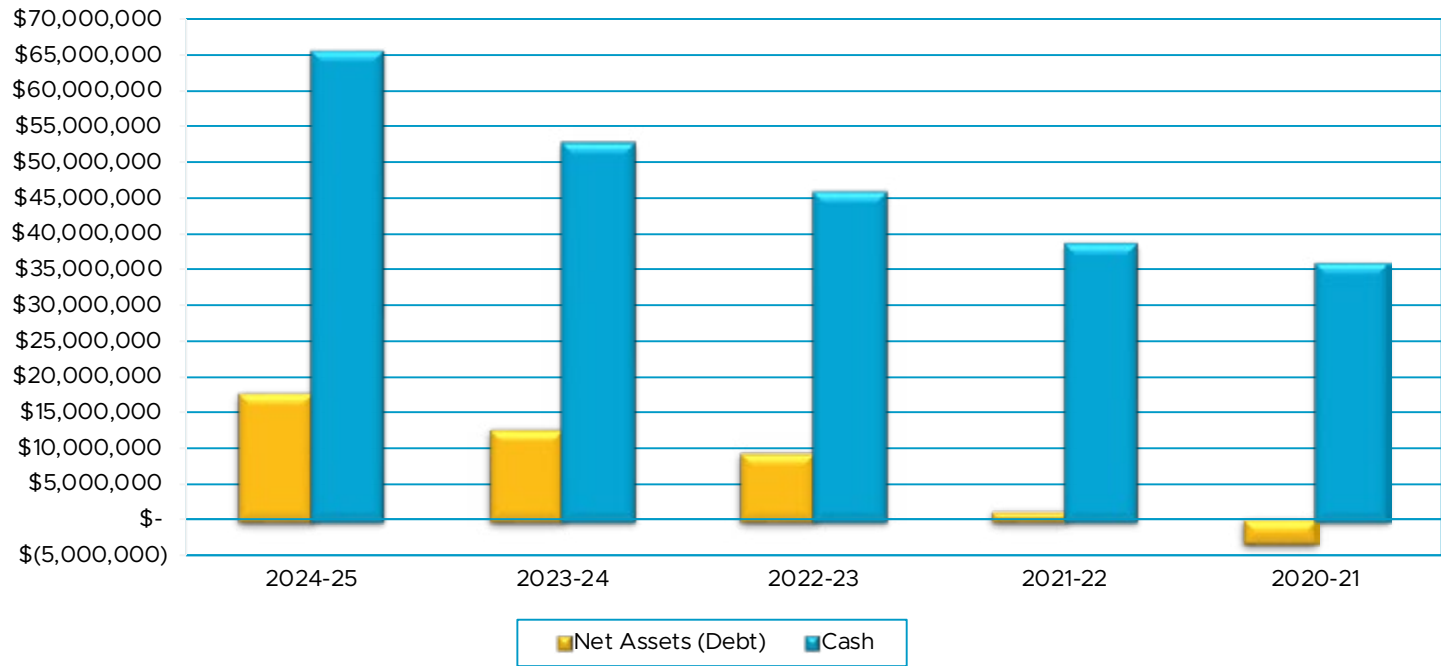
# Statement of Changes in Net Assets (Debt)

The statement is unique to PSAS reporting; the statement outlines the changes in net assets (debt) as a result of annual operations, tangible capital asset transactions and changes in other non-financial assets (pre-paid expenses and inventories). East Hants continues to strengthen its financial position as net assets grew to \$17.5 million in 2024/2025. This is largely attributed to development growth (contributed assets) and a focus on reducing debt.

# Statement of Cash Flow

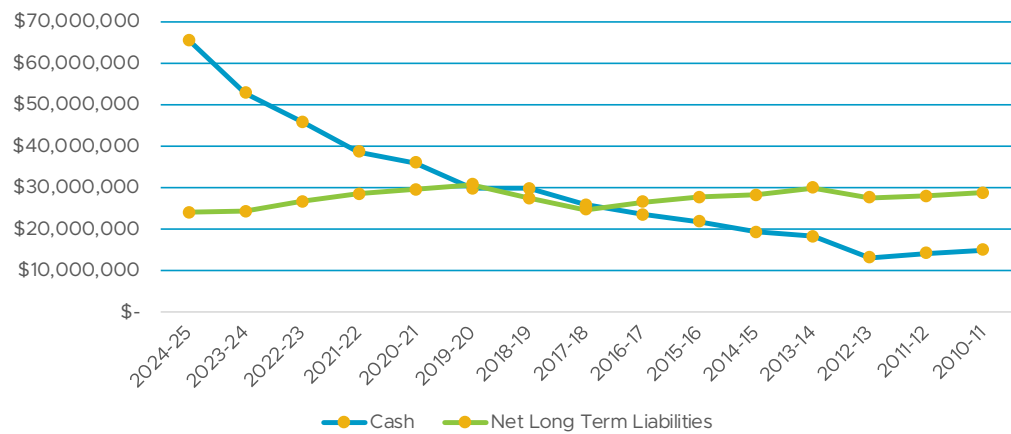
The Statement of Cash Flow reports changes in cash and cash equivalents resulting from operating activity and shows how the Municipality financed its activities during the year and met its cash requirements. East Hants values fiscal responsibility and as such has a reserve program; including reserve balance, as of 2025, the consolidated cash balance is \$65.5 million.

5 Year Cash vs. Net Assets (Debt)



As of March 31, 2025, East Hants’ consolidated cash balance (\$65.5 million) is higher than its total long-term liabilities (\$24 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



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## 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, 2025, 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, 2025, 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.

The signature of Deloitte LLP is written in a cursive, handwritten style.

Chartered Professional Accountants  
June 25, 2025

**Municipality of the District of East Hants**  
**Consolidated Statement of Financial Position**  
**As at March 31, 2025**

	2025 Actual	2024 Actual
<b>FINANCIAL ASSETS</b>		
Cash and cash equivalents (Note 2)	\$ 65,517,413	\$ 52,779,533
Taxes and water rates receivable (Note 3)	2,825,628	2,523,667
Accounts receivable (Note 4)	2,533,963	3,879,402
	<u>70,877,004</u>	<u>59,182,602</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities (Note 5)	4,423,864	3,758,652
Deferred revenue - general (Note 6)	12,798,879	11,572,981
Deferred revenue - obligatory reserve (Note 7)	3,156,745	2,032,970
Employee future benefits (Note 10 & 11)	4,791,870	4,138,668
Tax sale surplus	772,345	547,164
Long-term liabilities (Note 9)	27,048,085	24,233,541
Asset Retirement Obligation (Note 12)	366,982	385,351
	<u>53,358,770</u>	<u>46,669,327</u>
<b>NET ASSETS</b>	<u>17,518,234</u>	<u>12,513,275</u>
<b>NON FINANCIAL ASSETS</b>		
Net tangible capital assets (Note 8)	121,318,523	112,934,365
Work in progress (Note 8)	4,667,569	11,993,161
Inventory and prepaid expenses	371,996	325,390
	<u>126,358,088</u>	<u>125,252,916</u>
<b>ACCUMULATED SURPLUS (Note 13d)</b>	<u>\$ 143,876,322</u>	<u>\$ 137,766,191</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, 2025**

	2025 Budget (Unaudited - Note 16)	2025 Actual	2024 Actual
<b>Revenues</b>			
Property taxes (Note 14)	\$ 38,673,353	\$ 40,023,361	\$ 35,598,294
Grants in lieu of taxes	228,348	245,122	229,863
Sale of services	3,731,230	2,445,351	3,349,657
Other revenue from own sources	1,125,696	4,765,294	3,486,286
Unconditional transfers from other governments	164,940	224,949	167,134
Conditional transfers from federal or provincial government	365,477	523,998	514,445
Government grants	3,026,262	3,026,262	5,521,283
Development and other contributions applied	797,200	367,559	6,044,897
Water utility	2,494,150	2,631,319	2,516,130
<b>Total Revenues</b>	<b>50,606,656</b>	<b>54,253,215</b>	<b>57,427,989</b>
<b>Expenses</b>			
General government services	8,842,136	8,259,434	7,686,745
Protective services	11,320,056	11,659,134	10,442,175
Education services (Note 14)	7,378,570	7,378,572	6,398,652
Social services (Note 14)	-	-	91,039
Transportation services	2,314,824	2,126,997	1,968,974
Environmental health services	7,917,835	7,011,563	6,602,264
Environmental development services	2,224,627	2,018,160	1,130,743
Recreation and cultural services	7,372,364	6,618,277	5,908,892
Water utility	3,259,478	3,070,948	2,746,844
<b>Total Expenses</b>	<b>50,629,889</b>	<b>48,143,085</b>	<b>42,976,328</b>
<b>Annual Surplus (Deficit)</b>	<b>(23,233)</b>	<b>6,110,130</b>	<b>14,451,661</b>
<b>Accumulated Surplus, Beginning of Year</b>	<b>137,766,191</b>	<b>137,766,191</b>	<b>123,129,408</b>
<b>Adjustment for Sportsplex Fund Balance</b>	<b>-</b>	<b>-</b>	<b>185,122</b>
<b>Accumulated Surplus, End of Year</b>	<b>\$ 137,742,958</b>	<b>\$ 143,876,322</b>	<b>\$ 137,766,191</b>

Municipality of the District of East Hants  
Consolidated Statement of Changes in Net Assets  
Year Ended March 31, 2025

	2025 Budget (Unaudited - Note 16)	2025 Actual	2024 Actual
Annual Surplus	\$ (23,233)	\$ 6,110,130	\$ 14,451,661
Adjustment for Sportsplex Fund Balance	-	-	185,122
	<u>(23,233)</u>	<u>6,110,130</u>	<u>14,636,783</u>
<b>Tangible Capital Assets and Work-in-Progress</b>			
Acquisition of tangible capital assets and work-in-progress	(11,044,146)	(5,371,074)	(16,472,184)
Amortization of tangible capital assets	4,302,508	4,302,508	4,264,261
Net gain on sale of tangible capital assets	-	3,360	(59,831)
Proceeds on sale of tangible capital assets	-	6,640	879,287
	<u>(6,741,638)</u>	<u>(1,058,566)</u>	<u>(11,388,467)</u>
<b>Other Non-Financial Assets</b>			
Decrease in inventory and prepaid expenses	-	(46,606)	40,750
<b>Increase (decrease) in Net Assets</b>	<b>(6,764,871)</b>	<b>5,004,958</b>	<b>3,289,066</b>
<b>Net Assets, Beginning of Year</b>	<b>12,513,275</b>	<b>12,513,275</b>	<b>9,224,209</b>
<b>Net Assets, End of Year</b>	<b>\$ 5,748,404</b>	<b>\$ 17,518,234</b>	<b>\$ 12,513,275</b>

Municipality of the District of East Hants  
Consolidated Statement of Cash Flow  
Year Ended March 31, 2025

	2025 Actual	2024 Actual
<b>Operating Transactions</b>		
Annual surplus	\$ 6,110,130	\$ 14,451,661
Adjustment for Sportsplex Fund Balance	-	185,122
Add amortization of tangible capital assets	4,302,508	4,264,261
Net gain on sale of tangible capital assets	3,360	(59,832)
	<u>10,415,998</u>	<u>18,841,212</u>
<b>Changes in Non-Cash Assets and Liabilities</b>		
Decrease (increase) in accounts receivable	1,345,439	(734,427)
Increase in taxes receivable	(301,961)	(328,176)
Increase in accounts payable and accruals	665,213	1,136,245
Increase in tax sale surplus	225,181	-
Increase in deferred revenue	2,349,673	5,718,499
Increase in employee benefits/other obligations	653,202	279,752
(Increase) decrease in inventory and prepaid expenses	(46,606)	40,750
Decrease in asset retirement obligation (Note 12)	(18,369)	(41,158)
	<u>4,871,772</u>	<u>6,071,485</u>
<b>Net Change in Cash From Operations</b>	<u>15,287,770</u>	<u>24,912,697</u>
<b>Financing Transactions</b>		
Long-term liabilities issued (Note 9e)	5,108,000	844,730
Long-term liabilities retired (Note 9c)	(2,293,456)	(3,262,766)
	<u>2,814,544</u>	<u>(2,418,036)</u>
<b>Capital Transactions</b>		
Acquisition of tangible capital assets and work-in-progress	(5,371,074)	(16,472,184)
Proceeds on sale of tangible capital assets	6,640	879,287
	<u>(5,364,434)</u>	<u>(15,592,897)</u>
<b>Increase in Cash Position</b>	<u>12,737,880</u>	<u>6,901,764</u>
<b>Cash Position, Beginning of Year</b>	<u>52,779,533</u>	<u>45,877,769</u>
<b>Cash Position, End of Year</b>	<u>\$ 65,517,413</u>	<u>\$ 52,779,533</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 2024 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 3,202 (2024 - 3,096) customer utility that operates two modern water treatment plants and related infrastructure.

2. **Cash**

Cash is comprised of:

	<b><u>2025</u></b>	<b><u>2024</u></b>
Bank	\$ 62,690,668	\$ 51,229,563
Restricted cash (obligatory reserves)	2,826,745	1,549,970
	<b><u>\$ 65,517,413</u></b>	<b><u>\$ 52,779,533</u></b>

Administered bank accounts:

The Municipality administers bank accounts for the following fire departments: Enfield, Gore, Lantz, Maitland, Milford, Mount Uniacke, Nine Mile River, Noel, Rawdon, Shubenacadie and Walton. 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 \$25,887 (2024 - \$18,798), representing management's estimate of uncollectible accounts.

4. **Accounts Receivable**

The accounts receivable balance is comprised of the following:

	<b><u>2025</u></b>	<b><u>2024</u></b>
Provincial government	\$ 552,247	\$ 973,218
Federal government	68,364	634,731
Local Improvement Loan	169,368	440,432
Other	1,743,984	1,831,021
	<b><u>\$ 2,533,963</u></b>	<b><u>\$ 3,879,402</u></b>

Allowance for doubtful accounts is nil for 2025 and 2024.

5. **Accounts Payable and Accrued Liabilities**

	<b><u>2025</u></b>	<b><u>2024</u></b>
Salaries and wages payable	\$ 389,531	\$ 236,861
Trade payables and accruals	4,033,164	3,521,791
	<b><u>\$ 4,422,695</u></b>	<b><u>\$ 3,758,652</u></b>

6. **Deferred Revenue - General**

	<b><u>2025</u></b>	<b><u>2024</u></b>
General deferred revenue	\$ 3,464,878	\$ 2,734,869
Water Utility deferred revenue	99,069	91,687
Capital deferred funding	9,234,932	8,744,668
Provincial funding - recreation projects	-	1,757
	<b><u>\$ 12,798,879</u></b>	<b><u>\$ 11,572,981</u></b>

Municipality of the District of East Hants  
Notes to the Consolidated Financial Statements  
Year Ended March 31, 2025

7. Deferred Revenue - Obligatory Reserve

	<u>2025</u>	<u>2024</u>
Sewer balance March 31, 2024	\$ 330,692	\$ 2,985,991
Sewer developer charges	457,513	316,403
Sewer developer interest	6,564	139,571
Transfer - Capital Projects	(160)	(3,076,191)
Transfer - Service Capacity Study	-	(35,082)
Sewer balance March 31, 2025	<u>\$ 794,609</u>	<u>\$ 330,692</u>
Water balance March 31, 2024	\$ 811,289	\$ 1,949,895
Water developer charges	457,513	319,403
Water developer interest	24,945	53,763
Transfer - Capital Projects	(65,385)	(1,477,846)
Transfer - Service Capacity Study	-	(33,926)
Water balance March 31, 2025	<u>\$ 1,228,362</u>	<u>\$ 811,289</u>
Green Space balance March 31, 2024	\$ 890,989	\$ 747,417
Green Space contributions	241,082	119,803
Green Space interest	42,981	42,626
Transfer - Capital Projects	(41,278)	(18,857)
Green Space balance March 31, 2025	<u>\$ 1,133,774</u>	<u>\$ 890,989</u>
Sewer Developer Charges	\$ 794,609	\$ 330,692
Water Developer Charges	1,228,362	811,289
Green Space Contributions	1,133,774	890,989
	<u>\$ 3,156,745</u>	<u>\$ 2,032,970</u>



Municipality of the District of East Hants  
Notes to the Consolidated Financial Statements  
Year Ended March 31, 2025

8. Tangible Capital Asset Continuity Schedule

	General Capital Assets					Infrastructure					2025 TOTAL	2024 TOTAL
	Land & Land Improvements	Buildings	Machinery & Equipment	Vehicles	Engineered Structures	Industrial Parks	Water Utilities	Assets in WIP				
<b>Cost</b>												
Opening 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		
Additions during year	2,503,762	151,197	151,573	146,083	8,518,655	-	1,225,396	1,246,310	13,942,976	17,482,284		
Asset Retirement Obligation (Note 12)	-	-	-	-	(35,000)	-	-	-	(35,000)	(57,789)		
Disposals & Transfers	-	-	-	(34,975)	-	-	-	(8,571,902)	(8,606,877)	(2,308,698)		
Closing Costs	12,100,803	39,774,933	5,057,842	667,343	76,842,884	8,734,446	37,315,496	4,667,569	185,161,316	179,860,216		
<b>Accumulated Amortization</b>												
Opening Accum. Amortization	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		
Amortization in Year	151,062	1,385,818	276,201	63,629	1,682,472	220,583	522,744	-	4,302,508	4,264,261		
Asset Retirement Obligation (Note 12)	-	-	-	-	(35,000)	-	-	-	(35,000)	(2,788)		
Adj./Disposals - Accum Amort	-	-	-	(24,975)	-	-	-	-	(24,975)	(534,143)		
Acc Amort - End of Year	681,050	10,055,206	3,827,106	363,786	32,728,635	2,730,613	8,788,828	-	59,175,224	54,932,690		
<b>Net Book Value</b>	\$ 11,419,753	\$ 29,719,727	\$ 1,230,736	\$ 303,557	\$ 44,114,249	\$ 6,003,833	\$ 28,526,668	\$ 4,667,569	\$ 125,986,092	\$ 124,927,526		

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.

	<b><u>2025</u></b>	<b><u>2024</u></b>
General revenues	\$ 8,850,022	\$ 9,453,908
Local improvement charges	18,600	31,200
Area rates	6,650,984	5,605,370
Sale of land in Business Parks	2,223,447	2,474,072
Water charges	5,573,489	2,571,170
Tenants rent	3,731,543	4,097,821
	<b><u>\$ 27,048,085</u></b>	<b><u>\$ 24,233,541</u></b>

The long-term liabilities balance above is comprised of 23 (2024 - 23) Nova Scotia Municipal Finance Corporation debentures, bearing interest at rates between 0.4% to 5.644% (2024 - 0.4% to 5.644%) and maturing at various dates between 2024 and 2037.

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

	<b><u>2025/2026</u></b>	<b><u>2026/2027</u></b>	<b><u>2027/2028</u></b>	<b><u>2028/2029</u></b>	<b><u>2029/2030</u></b>
Transportation	\$ 346,600	\$ 342,055	\$ 657,121	\$ 100,600	\$ 100,600
Environmental Development	250,872	251,135	245,080	645,080	165,080
Sewers	690,298	72,320	1,663,360	-	-
Recreation	1,443,190	53,040	53,040	53,040	53,040
Buildings	368,678	371,278	373,928	1,733,753	291,953
Water Utilities	430,253	613,624	3,320,827	284,827	258,681
Hospital	134,471	123,201	10,792	10,792	10,792
Tourism	28,000	28,000	-	-	-
East Hants Aquatic Centre	400,000	400,000	400,000	400,000	400,000
Total:	<b><u>\$ 4,092,362</u></b>	<b><u>\$ 2,254,653</u></b>	<b><u>\$ 6,724,148</u></b>	<b><u>\$ 3,228,092</u></b>	<b><u>\$ 1,280,146</u></b>

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

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

	<b><u>2025</u></b>	<b><u>2024</u></b>
Principal	\$ 7,401,456	\$ 3,262,766
Interest	884,225	817,840
	<b><u>\$ 8,285,681</u></b>	<b><u>\$ 4,080,606</u></b>

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

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

	<u>2025</u>	<u>2024</u>
General revenues	\$ 1,334,929	\$ 1,549,076
Local improvement charges	41,800	42,784
Area rates	4,292,249	1,678,505
Sale of land in business parks	313,856	319,114
Water charges	2,302,846	491,126
	<u>\$ 8,285,681</u>	<u>\$ 4,080,606</u>

e) Total long-term liabilities assumed in 2024/2025 were as follows:

<u>Project</u>	<u>2025</u>	<u>Term &amp; Interest Rate</u>
Grand Lake Land Purchase	3,300,000	3 Years: 4.433%-4.94%
Shubenacadie WWTP	1,808,000	3 Years: 3.45%-3.5%
	<u>\$ 5,108,000</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, 2025, the Municipality estimates this obligation to be \$347,756 (2024 - \$342,758).

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, 2025, is based on an actuarial valuation for accounting purposes as at December 31, 2024. 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.

	<u>Estimated Dec. 31, 2024</u>	<u>Estimated Dec. 31, 2023</u>
Accrued Benefit Obligation	\$22,161,090	\$20,592,975
Fair Value Plan Assets	16,477,841	14,656,570
Funded Status - Plan Deficit	<u>\$ (5,683,249)</u>	<u>\$ (5,936,405)</u>

**11. Pension Plan (Continued)**

The significant actuarial assumptions adopted in measuring the Municipality's accrued benefit obligation as at December 31, 2024 were as follows:

	<u>Dec. 31, 2024</u>	<u>Dec. 31, 2023</u>
Expected long-term rate of return on plan assets	5.65%	5.65%
Rate of compensation increase	3.00%	3.00%
Discount rate used to determine benefit obligation	4.65%	4.65%

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 2025 was 20 years (2024 - 20 years).

	<u>Dec. 31, 2024</u>	<u>Dec. 31, 2023</u>
Accrued benefit obligation, net of plan assets	\$5,683,249	\$5,936,405
Unamortized actuarial loss	<u>(1,239,135)</u>	<u>(2,140,496)</u>
Benefit liability recorded in the Statement of Financial Position	<u>\$4,444,114</u>	<u>\$3,795,909</u>

During the year, the Municipality contributed \$542,857 (December 2023 - \$694,445) and the employees contributed \$433,201 (December 2023 - \$381,298) to the plan. Benefit payments for the year totaled \$747,987 (December 2023 - \$720,184).

Administrative fees paid during the year totaled \$14,666 (2024 - \$11,736); Plan Valuation costs were \$1,463 (2024 - \$6,765).

**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, 2024	Additions (Disposals)	Accretion Expense	March 31, 2025
Buildings	\$ 185,707	\$ -	\$ 3,545	\$ 189,252
Engineered Structures	84,643	(35,000)	4,234	\$ 53,878
Landfill Closure/Post Closure	70,656	-	4,622	\$ 75,278
Water Utilities	44,345	-	4,230	\$ 48,574
	<u>\$ 385,351</u>	<u>\$ (35,000)</u>	<u>\$ 16,631</u>	<u>\$ 366,982</u>



**13. Municipal Fund Balances**

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

	<u>2025</u>	<u>2024</u>
Long term liabilities to fund Hospital	\$ (322,423)	\$ (469,110)
Unfunded pension liability	(4,444,114)	(3,795,910)
Sportsplex fund	154,473	154,473
	(4,612,067)	(4,110,547)
Water utility operation	1,218,017	1,539,004
	<u>\$ (3,394,050)</u>	<u>\$ (2,571,543)</u>

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

	<u>2025</u>	<u>2024</u>
Tangible capital assets	\$ 121,318,523	\$ 112,934,365
Work in progress	4,667,569	11,993,161
Long term financing overage (shortage)	(152,192)	(3,407,995)
Long term liabilities capital	(26,707,060)	(23,733,230)
Asset retirement obligation	(366,982)	(385,351)
	<u>\$ 98,759,858</u>	<u>\$ 97,400,950</u>

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

	<u>2025</u>	<u>2024</u>
Working funds	\$ 35,976,724	\$ 29,072,578
Replacement of equipment/assets	12,375,648	13,716,816
Landfill closure/post closure liability	158,141	147,390
	<u>\$ 48,510,514</u>	<u>\$ 42,936,784</u>

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

d) Consolidated Accumulated Surplus:

	<b><u>2025</u></b>	<b><u>2024</u></b>
Operating fund	\$ (4,612,067)	\$ (4,110,547)
Water Utility fund	1,218,017	1,539,004
Capital fund	98,759,858	97,400,950
Reserves fund	48,510,514	42,936,784
	<b><u>\$ 143,876,322</u></b>	<b><u>\$ 137,766,191</u></b>

14. **Taxation**

	<b><u>2025</u></b>	<b><u>2024</u></b>
Taxation from real property	\$ 40,023,361	\$ 35,598,294
Less: Taxation collected to pay mandatory provincial taxes for:		
Education Services	(7,378,572)	(6,398,652)
Social Services	-	(91,039)
Corrections	-	(299,209)
Net taxes available for municipal purposes	<b><u>\$ 32,644,789</u></b>	<b><u>\$ 28,809,394</u></b>

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

	<u>Stipend/Salary</u>	<u>Expenses</u>	<u>Total</u>
<b>Council</b>			
Warden Eleanor Roulston	\$ 68,417	\$ 7,790	\$ 76,207
Sandra Garden-Cole	33,647	707	34,354
Norval Mitchell	33,647	6,799	40,446
Eldon Hebb	33,647	889	34,536
Carl MacPhee	37,600	4,955	42,555
Keith Rhyno	34,632	1,151	35,782
Wayne Greene	25,449	408	25,857
Walter Tingley	33,647	4,688	38,335
Michael Perry	35,121	1,123	36,245
Elie Moussa	35,612	3,896	39,508
Tom Isenor	19,724	3,626	23,350
Craig Merriam	14,257	1,833	16,090
Cecil Dixon	14,052	295	14,347
<b>Chief Administrative Officer</b>	206,460	14,320	220,780
	<u>\$ 625,911</u>	<u>\$ 52,481</u>	<u>\$ 678,392</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, 2025

	2025 Budget (Unaudited - Note 16)	2025 Actual	2024 Actual
<b>Revenue</b>			
Property taxes	\$ 38,673,353	\$ 40,023,361	\$ 35,598,294
Grants in lieu of taxes	228,348	245,122	229,863
Sale of services	3,731,230	2,445,351	3,409,657
Other revenue from own sources	2,467,950	3,908,747	2,479,952
Unconditional transfers from other governments	164,940	224,949	167,134
Conditional transfers from federal or provincial government agencies	365,477	523,998	514,445
Development and other contributions applied	434,157	-	35,082
Other transfers	969,138	969,138	871,500
	<u>47,034,593</u>	<u>48,340,666</u>	<u>43,305,927</u>
<b>Expenses</b>			
General government services	9,376,318	8,780,796	7,690,234
Protective services	11,928,293	12,245,200	10,961,051
Education	7,378,570	7,378,572	6,398,652
Social services	-	-	91,039
Transportation services	1,507,794	1,319,967	1,088,656
Environmental health services	7,924,091	7,033,355	6,554,015
Environmental development services	2,004,044	1,797,577	1,451,501
Recreation and cultural services	6,230,134	5,474,024	4,852,878
	<u>46,349,244</u>	<u>44,029,491</u>	<u>39,088,026</u>
<b>Annual Surplus</b>	<u>685,349</u>	<u>4,311,175</u>	<u>4,217,901</u>
<b>Financing and Transfers</b>			
Debt principal repayment	1,995,779	1,983,175	1,973,090
Decrease in amounts to be recovered	-	(648,204)	(266,752)
Transfer to capital fund	60,000	60,000	58,931
Transfer from capital reserves	(423,000)	(488,995)	(526,640)
Transfer to operating reserves	(947,430)	3,405,199	2,979,272
	<u>685,349</u>	<u>4,311,175</u>	<u>4,217,901</u>
<b>Change in Fund Balance</b>	-	-	-
<b>Opening Fund Balance</b>	(4,110,547)	(4,110,547)	(4,179,977)
<b>Change in Long-Term Liabilities</b>	146,686	146,686	151,060
<b>Change in Unfunded Pension Liability</b>	-	(648,206)	(266,752)
<b>Change in Sportsplex Fund</b>	-	-	185,122
<b>Closing Fund Balance (Note 13a)</b>	<u>\$ (3,963,861)</u>	<u>\$ (4,612,067)</u>	<u>\$ (4,110,547)</u>

Municipality of the District of East Hants  
Schedule of Financial Position - Operating Fund  
Year Ended March 31, 2025

	2025 Actual	2024 Actual
<b>FINANCIAL ASSETS</b>		
Cash	\$ 7,663,674	\$ 4,544,321
Taxes and rates receivable	1,944,466	1,734,107
Accounts receivable	2,004,835	1,584,322
	<u>11,612,975</u>	<u>7,862,750</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	4,038,391	2,323,631
Deferred revenue - general	3,464,878	2,736,626
Deferred revenue - obligatory reserve	3,156,745	2,032,970
Employee benefits and other obligations	4,791,870	4,138,668
Tax sale surplus	772,345	547,164
Long term liabilities	341,025	500,311
	<u>16,565,253</u>	<u>12,279,370</u>
<b>NET DEBT</b>	<u>(4,952,278)</u>	<u>(4,416,620)</u>
<b>NON FINANCIAL ASSETS</b>		
Inventory and prepaid expenses	340,211	306,073
<b>ACCUMULATED DEFICIT</b>	<u>\$ (4,612,067)</u>	<u>\$ (4,110,547)</u>



Municipality of the District of East Hants  
Schedule of Operations - Water Utility Fund  
Year Ended March 31, 2025

	2025 Budget (Unaudited - Note 16)	2025 Actual	2024 Actual
Revenue	\$ 3,144,241	\$ 3,259,239	\$ 3,070,835
Expenses			
Operating	2,711,002	2,529,120	2,303,591
Interest on debt	228,645	197,165	79,998
Amortization expense	522,717	522,744	500,016
	<u>3,462,364</u>	<u>3,249,029</u>	<u>2,883,605</u>
Annual Surplus	<u>(318,123)</u>	<u>10,210</u>	<u>187,230</u>
Transfers and Financing			
Principal debt payment	297,681	297,681	280,397
Transfer to capital	37,500	33,516	113,130
	<u>335,181</u>	<u>331,197</u>	<u>393,527</u>
Change in Fund Balance	<u>(653,304)</u>	<u>(320,987)</u>	<u>(206,297)</u>
Opening Fund Balance	1,539,004	1,539,004	1,745,301
Closing Fund Balance (Note 13a)	<u>\$ 885,700</u>	<u>\$ 1,218,017</u>	<u>\$ 1,539,004</u>

Municipality of the District of East Hants  
Schedule of Financial Position - Water Utility Fund  
Year Ended March 31, 2025

	2025 Actual	2024 Actual
<b>FINANCIAL ASSETS</b>		
Cash	\$ 490,954	\$ 856,624
Water rates receivable	881,162	789,560
Accounts receivable	69,506	51,865
	<u>1,441,622</u>	<u>1,698,049</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	156,321	86,675
Deferred revenue - general	99,069	91,687
	<u>255,390</u>	<u>178,362</u>
<b>NET ASSETS</b>	<u>1,186,232</u>	<u>1,519,687</u>
<b>NON FINANCIAL ASSETS</b>		
Inventory and prepaid expenses	31,785	19,317
<b>ACCUMULATED SURPLUS</b>	<u>\$ 1,218,017</u>	<u>\$ 1,539,004</u>

Municipality of the District of East Hants  
Schedule of Operations - Capital Fund  
Year Ended March 31, 2025

	2025 Actual	2024 Actual
<b>Revenue</b>		
Government grants	\$ 315,281	\$ 2,847,888
Development and other contributions applied	363,043	5,851,959
	<u>678,324</u>	<u>8,699,847</u>
<b>Expenses</b>		
General government services	310,099	770,381
Protective services	41,854	35,829
Transportation services	897,982	880,318
Environmental health services	1,014,335	1,048,717
Environmental development services	220,583	(320,758)
Recreation and cultural services	1,275,671	1,244,544
Water Utility	4,230	4,230
	<u>3,764,754</u>	<u>3,663,261</u>
<b>Annual Surplus</b>	<u>(3,086,430)</u>	<u>5,036,586</u>
<b>Financing and Transfers</b>		
Principal payments	(2,134,170)	(2,102,427)
Transfers from reserves	(2,217,649)	(2,957,800)
Transfers from operations	(93,519)	(172,064)
	<u>(4,445,338)</u>	<u>(5,232,291)</u>
<b>Change in Fund Balance</b>	<u>1,358,908</u>	<u>10,268,877</u>
<b>Opening Fund Balance</b>	<u>97,400,950</u>	<u>87,132,073</u>
<b>Closing Fund Balance (Note 13b)</b>	<u>\$ 98,759,858</u>	<u>\$ 97,400,950</u>

Municipality of the District of East Hants  
Schedule of Financial Position - Capital Fund  
Year Ended March 31, 2025

	2025 Actual	2024 Actual
<b>FINANCIAL ASSETS</b>		
Cash	\$ 8,852,270	\$ 4,441,804
Accounts receivable	459,622	2,243,215
	<u>9,311,892</u>	<u>6,685,019</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	229,152	1,348,346
Deferred revenue - general	9,234,932	8,744,668
Long term liabilities	26,707,060	23,733,230
Asset Retirement Obligation	366,982	385,351
	<u>36,538,126</u>	<u>34,211,595</u>
<b>NET DEBT</b>	<u>(27,226,234)</u>	<u>(27,526,576)</u>
<b>NON FINANCIAL ASSETS</b>		
Net tangible capital assets	121,318,523	112,934,365
Work in progress	4,667,569	11,993,161
	<u>125,986,092</u>	<u>124,927,526</u>
<b>ACCUMULATED SURPLUS</b>	<u>\$ 98,759,858</u>	<u>\$ 97,400,950</u>

Municipality of the District of East Hants

Schedule of Operations - Reserves Fund

Year Ended March 31, 2025

	2025 Actual	2024 Actual
<b>Revenue</b>		
Investment income	\$ 2,159,679	\$ 2,178,693
Government grants	2,710,981	2,673,395
Developments & Other Contributions Applied	4,516	157,856
<b>Annual Surplus</b>	<b>4,875,175</b>	<b>5,009,944</b>
<b>Net Transfers From/To Other Funds</b>		
Transfers from Current Fund	(2,916,204)	(2,452,629)
Transfers to Capital Fund	2,217,649	2,957,800
	(698,555)	505,171
<b>Net Change in Reserve Funds</b>	<b>5,573,730</b>	<b>4,504,773</b>
<b>Opening Reserve Fund Balance</b>	<b>42,936,784</b>	<b>38,432,011</b>
<b>Closing Reserve Fund Balance (Note 13c)</b>	<b>\$ 48,510,514</b>	<b>\$ 42,936,784</b>
<b>Analyzed as follows:</b>		
Reserves set aside for specific purposes		
Operating Contingencies/Surplus	\$ 11,724,680	\$ 9,105,376
General Government	1,620,468	2,442,597
Solid Waste Management Facilities/Equipment	2,920,665	2,926,959
Office Equipment	358,942	357,132
Computer Hardware/Software	453,343	658,264
Aquatic Centre	576,976	572,966
Building and Equipment	404,860	360,799
Transportation and Equipment	3,409,507	2,553,125
Recreation and Leisure	1,235,375	886,497
Active Transportation	371,008	545,313
Emergency Measures	300,217	294,993
Passenger Vehicles	171,474	220,877
Canada Community Building Fund (formerly Gas Tax)	6,895,146	5,909,413
Sustainable Services Growth Fund	-	430,667
Lloyd E. Matheson Centre	420,153	380,515
Uniacke District Recreation Civic Centre	38,403	35,792
Business Park Land Development (fr Sales)	1,305,787	1,459,835
Landfill Closure/Post Closure Costs	158,141	147,390
District Beautification Funds	28,630	44,808
Emergency Grant Fund-Fire Departments	842,918	924,651
Tourism Operating/Capital	304,266	347,842
Economic Development Operations	84,609	69,202
District Recreation Grant Fund	675,948	657,300
Urban Service Rate Contingencies	2,657,437	2,257,636
Lights Urban Service Rate	155,922	137,788
Lights Other	-	298,243
Sportsplex Area Rate	1,367,717	1,357,176
Sportsplex - Operating Surplus	29,346	27,905
Wastewater System	1,193,095	1,064,384
Sidewalks Excess Debenture/Operations	1,814,692	1,510,717
Asset Retirement Obligation	400,991	381,312
East Hants Water system	3,313,951	3,089,095
Housing Accelerator Fund	2,495,309	1,480,215
Growth Management Grant - Municipal Buildings and Property	503,208	-
Growth Management Grant - Mount Uniacke	212,375	-
Growth Management Grant - Sportsplex	64,956	-
	<b>\$ 48,510,514</b>	<b>\$ 42,936,784</b>

Municipality of the District of East Hants  
Schedule of Financial Position - Reserves Fund  
Year Ended March 31, 2025

	2025 Actual	2024 Actual
<b>FINANCIAL ASSETS</b>		
Cash	\$ 47,642,974	\$ 42,936,784
Interest receivable	867,540	-
	<u>48,510,514</u>	<u>42,936,784</u>
<b>ACCUMULATED SURPLUS</b>	<u>\$ 48,510,514</u>	<u>\$ 42,936,784</u>

Municipality of the District of East Hants

Reconciliation of the Financial Plan to the PSAS Budget (Unaudited - Note 16)

Year Ended March 31, 2025

	Financial Plan General	Financial Plan Utility	Amortization (TCA)	Financial Plan Capital	Transfers Reserves	Debt Charges Principal	Elimination Entries	PSAS Budget
<b>REVENUE</b>								
Taxes	\$ 38,673,353	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 38,673,353
Water utility	-	3,144,241	-	-	-	-	(650,091)	2,494,150
Grants in lieu of taxes	228,348	-	-	-	-	-	-	228,348
Sale of services	3,731,230	-	-	-	-	-	-	3,731,230
Other revenue from own sources	2,467,950	-	-	-	-	-	(1,342,254)	1,125,696
Unconditional transfers from other	164,940	-	-	-	-	-	-	164,940
Conditional transfers from government	365,477	-	-	-	-	-	-	365,477
Government grants	44,000	-	-	2,982,262	-	-	-	3,026,262
Development and other contributions applied	434,157	-	-	363,043	-	-	-	797,200
Other transfers	969,138	-	-	-	-	-	(969,138)	-
<b>Total revenue</b>	<b>47,078,593</b>	<b>3,144,241</b>	<b>-</b>	<b>3,345,305</b>	<b>-</b>	<b>-</b>	<b>(2,961,483)</b>	<b>50,606,656</b>
<b>EXPENSES</b>								
General government services	9,376,318	-	303,196	-	-	-	(837,378)	8,842,136
Protective services	11,928,293	-	41,854	-	-	-	(650,091)	11,320,056
Education services	7,378,570	-	-	-	-	-	-	7,378,570
Social Services	-	-	-	-	-	-	-	-
Transportation services	1,507,794	-	897,982	-	-	-	(90,952)	2,314,824
Environmental health services	7,924,091	-	1,040,479	-	-	-	(1,046,735)	7,917,835
Water utility	-	3,462,364	-	-	-	-	(202,886)	3,259,478
Environmental development services	2,004,044	-	220,583	-	-	-	-	2,224,627
Recreation and cultural services	6,230,134	-	1,275,671	-	-	-	(133,441)	7,372,364
Transfer to capital	60,000	37,500	-	-	(97,500)	-	-	-
Debt charges - principal payment	1,995,779	297,681	-	(2,134,170)	-	(159,290)	-	-
Transfer to reserves (capital/operating)	(1,370,430)	-	-	-	1,370,430	-	-	-
<b>Total expenses</b>	<b>47,034,593</b>	<b>3,797,545</b>	<b>3,779,764</b>	<b>(2,134,170)</b>	<b>1,272,930</b>	<b>(159,290)</b>	<b>(2,961,483)</b>	<b>50,629,889</b>
<b>Surplus (Deficit)</b>	<b>\$ 44,000</b>	<b>\$ (653,304)</b>	<b>\$ (3,779,764)</b>	<b>\$ 5,479,475</b>	<b>\$ (1,272,930)</b>	<b>\$ 159,290</b>	<b>\$ -</b>	<b>\$ (23,233)</b>



Municipality of the District of East Hants  
Consolidated Schedule of Operations by Function  
Year Ended March 31, 2025

	*General Government	Protective Services	Transportation Services	Environmental Health Services	Environmental Development Services	Other
<b>REVENUE</b>						
Property taxes	\$ 32,164,288	\$ 4,075,662	\$ 32,935	\$ 3,105,285	\$ -	\$ -
Grants in lieu of taxes	236,970	-	-	8,152	-	-
Sale of services	797,932	-	-	887,493	34,175	-
Other revenue from own sources	1,875,395	103,731	-	254,450	252,806	2,159,680
Unconditional transfers from other governments	74,116	-	-	150,833	-	-
Conditional transfers from federal or provincial government	12,578	-	-	139,166	198,990	-
Government grants	-	-	-	-	-	2,982,262
Development and other contributions applied	-	-	-	-	-	367,559
Other transfers	-	-	90,952	878,186	-	-
Water utility	-	-	-	-	-	-
Elimination Entries	(1,303,129)	-	(90,952)	(878,186)	-	-
Total revenue	\$ 33,858,150	\$ 4,179,393	\$ 32,935	\$ 4,545,379	\$ 485,971	\$ 5,509,501
<b>EXPENSES</b>						
Salaries, wages and benefits	\$ 5,041,860	\$ 583,933	\$ -	\$ 2,006,205	\$ 1,326,562	\$ -
Operating costs	3,639,046	11,646,117	1,213,400	4,975,220	406,027	7,378,568
Elimination Entries	(831,461)	(627,920)	(90,952)	(1,036,127)	-	-
Amortization	303,196	41,854	897,982	1,040,479	220,583	-
Asset Retirement accretion	3,545	-	-	8,856	-	-
Interest on long term debt	99,887	15,150	106,567	51,930	64,988	-
Total expenses	\$ 8,256,073	\$ 11,659,134	\$ 2,126,997	\$ 7,046,563	\$ 2,018,160	\$ 7,378,568
Net gain (loss) on sale of TCA	\$ (3,360)	\$ -	\$ -	\$ -	\$ -	\$ -
Net gain on disposal of asset retirement obligation	-	-	-	35,000	-	-
Total gain (loss)	\$ (3,360)	\$ -	\$ -	\$ 35,000	\$ -	\$ -
Surplus (Deficit)	\$ 25,598,717	\$ (7,479,741)	\$ (2,094,062)	\$ (2,466,184)	\$ (1,532,189)	\$ (1,869,067)

\* 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, 2025

	Recreation and Culture Services	Water Utility	2025 Total	2024 Total
<b>REVENUE</b>				
Property taxes	\$ 645,191	\$ -	\$ 40,023,361	\$ 35,598,294
Grants in lieu of taxes	-	-	245,122	229,863
Sale of services	725,751	-	2,445,351	3,409,657
Other revenue from own sources	1,422,361	-	6,068,423	4,658,642
Unconditional transfers from other governments	-	-	224,949	167,134
Conditional transfers from federal or provincial government	173,264	-	523,998	514,445
Government grants	44,000	-	3,026,262	5,521,283
Development and other contributions applied	-	-	367,559	6,044,897
Other transfers	-	-	969,138	871,500
Water utility	-	3,259,239	3,259,239	3,070,835
Elimination entries	-	(627,920)	(2,900,187)	(2,658,561)
Total revenue	\$ 3,010,567	\$ 2,631,319	\$ 54,253,215	\$ 57,427,989
<b>EXPENSES</b>				
Salaries, wages and benefits	\$ 2,467,007	\$ 788,062	\$ 12,213,629	\$ 10,106,613
Operating costs	2,658,480	1,741,055	33,657,917	30,547,164
Elimination entries	(131,418)	(182,308)	(2,900,186)	(2,658,561)
Amortization	1,275,671	522,744	4,302,509	4,264,262
Asset Retirement accretion	-	4,230	16,631	16,631
Interest on long term debt	348,538	197,165	884,225	817,840
Total expenses	\$ 6,618,278	\$ 3,070,948	\$ 48,174,725	\$ 43,093,949
Net gain (loss) on sale of TCA	\$ -	\$ -	(3,360)	\$ 59,832
Net gain on disposal of asset retirement obligation	-	-	35,000	57,789
Total gain	\$ -	\$ -	\$ 31,640	\$ 117,621
Surplus (Deficit)	\$ (3,607,711)	\$ (439,629)	\$ 6,110,130	\$ 14,451,661