

TOWN OF STELLARTON
CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2025



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Town of Stellarton

Management's Responsibility for Financial Reporting

March 31, 2025

The accompanying consolidated financial statements of Town of Stellarton are the responsibility of the Town's management and have been prepared in compliance with legislation, and in accordance with generally accepted accounting principles for local governments established by the Public Sector Accounting Board of The Chartered Professional Accountants of Canada. A summary of significant accounting policies are described in Note 1 to the consolidated financial statements. The preparation of financial statements necessarily involves the use of the estimates based on management's judgement, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

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

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

The consolidated financial statements have been audited by Doane Grant Thornton LLP, independent external auditors appointed by the Town. The accompanying Independent Auditors' Report outlines their responsibilities, the scope to their examination and their opinion of the Town's consolidated financial statements.



Mayor



Chief Administrative Officer



Date

Independent auditor's report

To the Mayor and Council of Town of Stellarton

Opinion

We have audited the consolidated financial statements of Town of Stellarton (the "Town"), 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 flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Town of Stellarton as at March 31, 2025, and its results of operations, its changes in its net debt, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Town in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matters – Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The supplementary information included on pages 29 - 32 is presented for purposes of additional information and is not a required part of the consolidated financial statements. Such supplementary information has been subjected to the auditing procedures applied, only to the extent necessary to express an opinion on the audit of consolidated financial statements as a whole.

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

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

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

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

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

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

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

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

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.

Doane Grant Thornton LLP

New Glasgow, Canada
July 14, 2025

Chartered Professional Accountants

Town of Stellarton

Consolidated Statement of Financial Position

March 31

2025

2024

Financial Assets

Cash and cash equivalents	\$ 4,864,355	\$ 6,219,685
Receivables		
Taxes (Note 2)	377,831	304,450
Water rates (net of allowance - \$12,000; 2024 - \$12,000)	152,488	130,387
Federal / Provincial government	407,784	359,713
Harmonized sales tax receivable	161,683	62,386
Trade accounts (net of allowance - \$6,000; 2024 - \$6,000)	109,041	50,392
Land held for resale (Note 1)	-	1,328,687

Total Financial Assets

6,073,182

8,455,700

Financial Liabilities

Accounts payable and accrued liabilities	1,089,228	1,270,783
Deferred revenue (Note 11)	1,742,926	806,418
Sick leave benefit liability (Note 12)	457,000	424,200
Long term debt (Note 4)	7,238,545	7,690,242
Asset retirement obligation (Note 9)	229,327	218,229

Total Financial Liabilities

10,757,026

10,409,872

Net Financial Debt

(4,683,844)

(1,954,172)

Non-Financial Assets (Liabilities)

Capital assets, net of accumulated amortization (page 26)	38,108,280	34,476,263
Deferred capital contributions, net of accumulated amortization	(262,486)	(272,776)
Prepaid expenses	-	12,325

37,845,794

34,215,812

Accumulated Surplus

\$ 33,161,950

\$ 32,261,640

Commitments (Note 7)

Contingencies (Note 8)

Subsequent events (Note 14)

On Behalf of the Town of Stellarton

Mayor

Chief Administrative Officer

Blaine Murray (Acting CAO)

Town of Stellarton

Consolidated Statement of Operations

Year Ended March 31

2025

2024

	Page	Budget (Note 10)	Actual	Actual
Revenue				
Taxes	8	\$ 7,470,549	\$ 7,594,443	\$ 6,844,452
Water rates	8	1,749,570	1,818,572	1,597,829
Grants in lieu of taxes	9	203,084	211,644	194,473
Services provided to other local governments	9	84,500	131,847	85,638
Sale of services	9	12,000	35,618	34,118
Other revenue from own sources	9	94,820	473,622	473,787
Unconditional transfers from other governments	9	500,684	500,684	500,684
Conditional transfers from other governments	9	102,500	106,384	125,840
Capital contributions and grants	10	2,119,500	2,251,881	876,771
Total Revenue		<u>12,337,207</u>	<u>13,124,695</u>	<u>10,733,592</u>
Expenses				
General government services	11	1,356,437	1,486,958	1,229,482
Protective services	11	2,580,424	2,689,309	2,608,987
Transportation services	12	3,362,579	3,315,503	3,099,581
Environmental health services	12	1,001,867	1,015,527	1,058,335
Environmental development services	12	126,823	1,231,021	227,260
Recreation and cultural services	13	880,090	910,136	992,616
Water treatment and distribution services	13	1,687,863	1,575,931	1,522,644
Total Expenses		<u>10,996,083</u>	<u>12,224,385</u>	<u>10,738,905</u>
Annual Surplus (Deficit)		<u>\$ 1,341,124</u>	<u>\$ 900,310</u>	<u>\$ (5,313)</u>
<hr/>				
Accumulated Surplus, beginning of year			\$ 32,261,640	\$ 32,266,953
Annual Surplus (Deficit)			<u>900,310</u>	<u>(5,313)</u>
Accumulated Surplus, end of year			<u>\$ 33,161,950</u>	<u>\$ 32,261,640</u>

Town of Stellarton

Consolidated Statement of Changes in Net Financial Debt

Year Ended March 31

Budget

2025

2024

(Note 10)

Annual Surplus (Deficit)	\$ 1,341,124	\$ 900,310	\$ (5,313)
Changes in Tangible Capital Assets			
Acquisition of capital assets	(5,295,000)	(5,800,331)	(2,573,557)
Amortization of capital assets	1,280,000	2,080,455	1,922,833
Gain on sale of assets	-	(21,298)	(40,000)
Proceeds on sale of assets	-	21,483	40,000
Writedown on disposition of assets	-	77,384	-
Loss on sale of assets	-	-	26,000
	<u>(4,015,000)</u>	<u>(3,642,307)</u>	<u>(624,724)</u>
Decrease in prepaid expenses	<u>-</u>	<u>12,325</u>	<u>5,987</u>
Change in Net Financial Debt	(2,673,876)	(2,729,672)	(624,050)
Net Financial Debt, beginning of year	<u>(1,954,172)</u>	<u>(1,954,172)</u>	<u>(1,330,122)</u>
Net Financial Debt, end of year	<u>\$ (4,628,048)</u>	<u>\$ (4,683,844)</u>	<u>\$ (1,954,172)</u>

Town of Stellarton

Consolidated Statement of Cash Flows

Year Ended March 31

2025

2024

Net inflow (outflow) of cash and cash equivalents related to the following activities:

	2025	2024
Operating		
Annual surplus (deficit)	\$ 900,310	\$ (5,313)
Amortization, net of deferred capital contributions	2,080,455	1,922,833
Gain from disposal of tangible capital assets	(21,298)	(40,000)
(Gain) loss from disposal of land held for resale	(116,174)	101,828
Writedown of land held for resale	970,167	-
Writedown on disposition of tangible capital assets	77,384	-
Accretion expense	11,098	11,377
Loss from disposal of tangible capital assets	-	26,000
	<u>3,901,942</u>	<u>2,016,725</u>
Change in non-cash working capital		
Taxes receivable	(73,381)	115,288
Government capital grants receivable	(48,071)	(104,061)
Water rates receivable	(22,101)	(23,727)
Trade accounts and harmonized sales tax receivables	(157,946)	118,469
Accounts payable and accrued liabilities	(181,555)	349,018
Deferred revenue	936,508	121,419
Sick leave benefit liability	32,800	33,900
Prepaid expenses	12,325	5,987
	<u>4,400,521</u>	<u>2,633,018</u>
Net change in cash from operations		
	<u>4,400,521</u>	<u>2,633,018</u>
Capital		
Purchase of tangible capital assets	(5,800,331)	(2,573,557)
Proceeds from disposal of tangible capital assets	21,483	40,000
Proceeds from disposal of land held for resale	474,694	371,666
	<u>(5,304,154)</u>	<u>(2,161,891)</u>
Financing		
Long term debt issued	361,300	1,165,000
Long term debt repaid	(812,997)	(743,580)
	<u>(451,697)</u>	<u>421,420</u>
Change in cash and cash equivalents		
	<u>(1,355,330)</u>	<u>892,547</u>
Cash and cash equivalents		
Beginning of year	<u>6,219,685</u>	<u>5,327,138</u>
End of year	<u>\$ 4,864,355</u>	<u>\$ 6,219,685</u>

Town of Stellarton

Schedules to Consolidated Statement of Operations

Year Ended March 31

2025

2024

	Budget	Actual	Actual
Taxes			
Assessable property			
Residential	\$ 4,297,332	\$ 4,292,969	\$ 4,015,796
Commercial	3,928,708	3,839,461	3,565,025
Resource	14,743	15,059	14,312
Other	100	112	108
	<u>8,240,883</u>	<u>8,147,601</u>	<u>7,595,241</u>
Special tax agreements			
Bell Aliant - based on revenues	15,000	17,996	18,766
Nova Scotia Power Inc - Grant in lieu of taxes	14,000	15,146	14,681
Nova Scotia Power Inc - HST rebate	20,000	38,022	26,592
Other - Heritage Gas	6,000	8,825	7,228
	<u>55,000</u>	<u>79,989</u>	<u>67,267</u>
Other			
Deed transfer tax	100,000	157,003	182,189
Marketing levy	-	135,182	-
Total tax levied	<u>8,395,883</u>	<u>8,519,775</u>	<u>7,844,697</u>
Less taxes collected on behalf of others:			
Regional centre for education	(925,334)	(925,332)	(845,100)
Provincial correctional service	-	-	(48,175)
Regional housing authority	-	-	(106,970)
	<u>(925,334)</u>	<u>(925,332)</u>	<u>(1,000,245)</u>
	<u>\$ 7,470,549</u>	<u>\$ 7,594,443</u>	<u>\$ 6,844,452</u>

Water rates

Metered sales	\$ 282,350	\$ 306,838	\$ 245,783
Flat rate sales	1,126,960	1,170,774	999,086
Public fire protection	336,660	336,660	347,385
Special services	3,600	4,300	5,575
	<u>\$ 1,749,570</u>	<u>\$ 1,818,572</u>	<u>\$ 1,597,829</u>

Town of Stellarton

Schedules to Consolidated Statement of Operations

Year Ended March 31

2025

2024

	Budget	Actual	Actual
Grants in lieu of taxes			
Federal government	\$ 31,046	\$ 31,046	\$ 30,367
Federal government agencies	11,967	12,130	10,754
Provincial government			
Fire Protection	75,486	83,883	75,486
Department of Mines	84,275	84,275	77,565
Department of Transportation and Industry	310	310	301
	<u>\$ 203,084</u>	<u>\$ 211,644</u>	<u>\$ 194,473</u>

Other revenue from own sources			
Services provided to other local governments	\$ 84,500	\$ 131,847	\$ 85,638
Sale of services			
Police services	1,000	5,381	5,111
Recreation services	4,000	8,835	17,127
Planning and development	7,000	21,402	11,880
	<u>12,000</u>	<u>35,618</u>	<u>34,118</u>
Other			
Licenses and permits	2,000	3,550	3,560
Fines	7,520	22,093	16,351
Gain on sale of assets	-	137,472	40,000
Interest	52,000	231,941	331,193
Penalties and interest on taxes	25,000	58,233	65,405
Miscellaneous	8,300	20,333	17,278
	<u>94,820</u>	<u>473,622</u>	<u>473,787</u>
	<u>\$ 191,320</u>	<u>\$ 641,087</u>	<u>\$ 593,543</u>

Transfers from government			
Unconditional transfers from other governments			
Provincial government			
Municipal Financial Capacity Grant	\$ 500,684	\$ 500,684	\$ 500,684
Conditional transfers from other governments			
Federal government			
Culture and wage grants	\$ 2,500	\$ 6,384	\$ 6,090
Provincial government			
Safe communities funding	100,000	100,000	100,000
Wages and other grants	-	-	19,750
	<u>\$ 102,500</u>	<u>\$ 106,384</u>	<u>\$ 125,840</u>

Town of Stellarton

Schedules to Consolidated Statement of Operations

Year Ended March 31

2025

2024

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Capital contributions and grants			
Canada Community-Building Fund	\$ 347,000	\$ 471,579	\$ 220,139
Federal / Provincial ICIP funding	1,277,500	1,272,643	656,632
Provincial SSGF funding	495,000	477,659	
Provincial Emergency Services Fund	-	20,000	-
Contributions	-	10,000	-
	<u>\$ 2,119,500</u>	<u>\$ 2,251,881</u>	<u>\$ 876,771</u>

Town of Stellarton

Schedules to Consolidated Statement of Operations

Year Ended March 31

2025

2024

	Budget	Actual	Actual
General government services			
Legislative	\$ 124,735	\$ 126,472	\$ 107,465
General administration	573,398	592,075	529,872
Office building maintenance	166,270	158,922	143,357
Professional services	87,500	116,878	82,629
Election	25,000	23,802	-
Damage claims	20,000	16,093	-
Insurance	105,850	89,939	81,756
Miscellaneous	26,200	17,065	14,141
	<u>1,004,218</u>	<u>1,014,774</u>	<u>851,755</u>
Grants to other organizations	124,484	119,332	98,867
Community Advisory Board	-	750	-
Interest and service charges	10,000	9,514	9,149
Taxation exemptions	20,000	19,500	17,100
Assessment services	55,000	51,913	52,734
Loss on disposition of assets	-	77,384	26,000
Valuation allowance	3,000	-	-
	<u>212,484</u>	<u>278,393</u>	<u>203,850</u>
	1,341,437	1,419,639	1,163,070
Sick leave benefit	-	32,800	33,900
Accretion	-	5,873	5,567
Amortization	15,000	28,646	26,945
	<u>\$ 1,356,437</u>	<u>\$ 1,486,958</u>	<u>\$ 1,229,482</u>

Protective services

Police protection			
Crime investigation, prevention and protection	\$ 2,269,274	\$ 2,331,042	\$ 2,276,322
Traffic control	29,000	27,523	26,948
Animal control	10,200	9,965	10,114
Safe communities	15,000	330	14,088
	<u>2,323,474</u>	<u>2,368,860</u>	<u>2,327,472</u>
Fire protection			
Fire fighting force	69,000	67,899	67,375
Fire stations and buildings	113,950	106,784	87,928
	<u>182,950</u>	<u>174,683</u>	<u>155,303</u>
Emergency measures	8,200	7,397	6,572
Joint fire inspector	1,000	-	-
Interest on long term debt	34,800	33,652	19,998
	<u>44,000</u>	<u>41,049</u>	<u>26,570</u>
	2,550,424	2,584,592	2,509,345
Accretion	-	1,341	1,271
Amortization	30,000	103,376	98,371
	<u>\$ 2,580,424</u>	<u>\$ 2,689,309</u>	<u>\$ 2,608,987</u>

Town of Stellarton

Schedules to Consolidated Statement of Operations

Year Ended March 31

2025

2024

	Budget	Actual	Actual
Transportation services			
Common services			
Salary and wages	\$ 1,362,218	\$ 1,221,113	\$ 1,192,969
Equipment maintenance	274,300	246,893	213,656
Town barn operating	83,500	85,048	82,892
Road transport			
Salt	150,000	105,701	139,141
Street and sidewalk repairs	150,000	192,187	123,622
Street lighting	78,000	73,474	73,720
Traffic lights	18,000	22,528	13,304
Supplies	62,750	66,964	54,588
Equipment rental	40,000	12,921	25,289
Landscape and beautification	28,500	27,036	17,843
Miscellaneous	50,500	45,129	52,632
Public Transit	72,680	72,730	71,680
Interest on long term debt	77,131	63,763	62,230
	<u>2,447,579</u>	<u>2,235,487</u>	<u>2,123,566</u>
Amortization	915,000	1,080,016	976,015
	<u>\$ 3,362,579</u>	<u>\$ 3,315,503</u>	<u>\$ 3,099,581</u>

Environmental health services			
Sewage collection and disposal	\$ 464,500	\$ 460,305	\$ 543,120
Sewer maintenance	60,000	30,290	34,273
Solid waste collection, disposal and recycling	312,165	296,005	292,360
Interest on long term debt	10,202	9,992	10,506
	<u>846,867</u>	<u>796,592</u>	<u>880,259</u>
Amortization	155,000	218,935	178,076
	<u>\$ 1,001,867</u>	<u>\$ 1,015,527</u>	<u>\$ 1,058,335</u>

Environmental development services			
Planning and development	\$ 87,000	\$ 85,239	\$ 82,321
Marketing levy	-	135,182	-
Tourism	4,602	4,602	4,602
Loss on sale of land held for resale	-	-	101,828
Writedown of land held for resale	-	970,167	-
Interest on long term debt	30,221	29,136	31,261
	<u>121,823</u>	<u>1,224,326</u>	<u>220,012</u>
Amortization	5,000	6,695	7,248
	<u>\$ 126,823</u>	<u>\$ 1,231,021</u>	<u>\$ 227,260</u>

Town of Stellarton

Schedules to Consolidated Statement of Operations

Year Ended March 31

2025

2024

	Budget	Actual	Actual
Recreation and cultural services			
Recreation facilities			
Administration and programs	\$ 33,700	\$ 43,541	\$ 84,491
Parks and playgrounds	110,100	82,982	96,892
Community Centres	11,340	12,523	10,785
Share of Pictou County Wellness Centre	375,000	344,207	342,836
Wellness Centre - Deed Transfer Tax	100,000	157,003	182,189
Cultural buildings and facilities			
Regional library board	42,000	41,680	41,680
Branch library	25,950	25,338	23,797
Homecoming committee	22,000	23,354	20,666
	<u>720,090</u>	<u>730,628</u>	<u>803,336</u>
Accretion	-	3,884	4,539
Amortization	160,000	175,624	184,741
	<u>\$ 880,090</u>	<u>\$ 910,136</u>	<u>\$ 992,616</u>

Water treatment and distribution

Operating expenditures			
Source of supply	\$ 37,545	\$ 30,197	\$ -
Power and pumping	219,393	153,912	201,667
Purification	710,300	648,342	603,957
Transmission and distribution	215,501	193,099	174,183
Administrative and general	27,500	32,491	36,963
Interest on long term debt	52,624	50,729	54,438
	<u>1,262,863</u>	<u>1,108,770</u>	<u>1,071,208</u>
Amortization	425,000	467,161	451,436
	<u>\$ 1,687,863</u>	<u>\$ 1,575,931</u>	<u>\$ 1,522,644</u>

Town of Stellarton

Notes to the Consolidated Financial Statements

March 31, 2025

1. Summary of significant accounting policies

Principles and basis of consolidation

The consolidated financial statements of the Town of Stellarton (the "Town") are prepared by management in accordance with Canadian generally accepted accounting principles for local governments (Canadian Public Sector Accounting Standards), as recommended by the Public Sector Accounting Board (PSAB) of Chartered Professional Accountants (CPA) Canada. Significant aspects of the accounting policies adopted by the Town are as follows:

(a) Reporting entity

The consolidated financial statements reflect the assets, liabilities, revenues, expenses and changes in fund balances and in financial position of the reporting entity. The reporting entity is comprised of all organizations and enterprises accountable for the administration of their affairs and resources to the Town and which are owned or controlled by the Town. These include the Town of Stellarton and the Town of Stellarton Water Utility.

Interdepartmental and organizational transactions and balances are eliminated.

(b) Basis of accounting

The basis of accounting followed in the consolidated financial statement presentation includes revenues in the period in which the transactions or events occurred that gave rise to the revenues and expenses in the period the goods and services are acquired and a liability is incurred or transfers are due.

(c) Fund accounting

Funds within the consolidated financial statements consist of the operating, capital and reserve funds for general operations and the water utility.

(d) Tangible capital assets

Tangible capital assets are recorded at cost less accumulated amortization and impairment, which includes costs that are directly attributable to the acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital asset is amortized on a straight-line basis using the following rates:

	<u>Years</u>
Buildings	10 - 40
Land improvements	5 - 25
Machinery and equipment	5 - 10
Vehicles	3 - 10
Engineered Structures	20 - 50

Assets under construction are not amortized until the asset is available for productive use.

Tangible capital assets received as contributions are recorded at fair value at the date of receipt and are also recorded as revenue.

Town of Stellarton

Notes to the Consolidated Financial Statements

March 31, 2025

(d) **Tangible capital assets (continued)**

When conditions indicate that a tangible capital asset no longer contributes to the Town's ability to provide goods and services, or that the value of future economic benefits associated with the tangible capital asset is less than its net book value, the cost of the tangible capital asset is reduced to reflect the decline in the asset's value. The net write-downs of tangible capital assets are accounted for as expenses in the statement of operations and such write-downs are not reversed.

(e) **Government transfers**

Government transfers received are recognized in the consolidated financial statements as revenue when the transfers are authorized and all eligibility criteria have been met except when there is a stipulation that gives rise to an obligation that meets the definition of a liability. In that case, the transfer is recorded as a liability and recognized as revenue as the stipulations are met.

(f) **Use of estimates**

The preparation of consolidated financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Estimates in the consolidated financial statements include the allowance for doubtful accounts, amortization expense based on estimated useful lives of tangible capital assets and sick leave liability.

Additionally, the Town'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.

Actual results could differ from those estimates.

(g) **Cash and cash equivalents**

Cash and cash equivalents includes unrestricted cash of \$3,313,572 (2024 - \$3,610,178) and internally designated cash of \$1,550,783 (2024 - \$2,609,507). These totals include cash on hand and balances with banks.

(h) **Revenue recognition**

All non-government contributions or grant revenues that are externally restricted such that they must be used for a specified purpose are recognized as revenue in the period in which the resources are used for the purpose or purposes specified. Any externally restricted inflow received before the criterion has been met is reported as a liability until the resources are used for the purpose or purposes specified.

Town of Stellarton

Notes to the Consolidated Financial Statements

March 31, 2025

(h) **Revenue recognition (continued)**

Unrestricted revenue is recognized when received or receivable if the amount to be received can be reasonably estimated and ultimate collection is reasonably assured.

Revenues earned from transactions with performance obligations include services provided to other local governments, sale of services and other revenue from own sources, and are recognized when the performance obligation is satisfied by providing the promised goods and/or services to the payor. Revenue from transactions with no performance obligations, if any, are recognized when a public sector entity has the authority to claim or retain the revenue and identifies a past transaction or event that gives rise to an asset.

(i) **Land held for resale**

Costs incurred directly attributable to the development of land in the Albion Business Park were capitalized as part of the land cost. During the year ended March 31, 2025, the balance of the land cost was written off due to contaminants in the soil as described in Note 1(n) to the consolidated financial statements. Although there is no legal obligation to remediate, the lands are not saleable in their current state and are therefore not expected to generate future cash flows for the Town.

(j) **Non-financial assets**

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

(k) **Budget figures**

The budget figures contained in these consolidated financial statements were approved by Council on April 8, 2024 in its original fiscal plan. They also include budgets prepared and approved by controlled entities and are adjusted for amortization in accordance with Public Sector requirements. Note 10 outlines the original fiscal plan and the adjustments made to come to the budget figures shown in these consolidated financial statements.

(l) **Financial instruments**

The Town's financial instruments consist of receivables, accounts payable and accrued liabilities, and long term debt and are carried at cost which approximates their fair value.

Initial measurement

Financial instruments are measured at fair value when issued or acquired. For financial instruments subsequently measured at cost or amortized cost, fair value is adjusted by the amount of the related financing fees and transaction costs. Transaction costs and financing fees relating to financial instruments that are measured subsequently at fair value are recognized in operations in the year in which they are incurred.

Town of Stellarton

Notes to the Consolidated Financial Statements

March 31, 2025

(l) Financial instruments (continued)

Subsequent measurement

At each reporting date, the Town measures its financial assets and liabilities at cost or amortized cost (less impairment in the case of financial assets), except for investments, which must be measured at fair value. The Town uses the effective interest rate method to amortize any premiums, discounts, transaction fees and financing fees to the statement of revenues and expenses. The financial instruments measured at amortized cost are receivables, accounts payable and accrued liabilities, and long term debt. For financial assets measured at cost or amortized cost, the Town regularly assesses whether there are any indications of impairment. If there is an indication of impairment, and the Town determines that there is a significant adverse change in the expected timing or amount of future cash flows from the financial asset, it recognizes an impairment loss in the statement of operations. Any reversals of previously recognized impairment losses are recognized in operations in the year the reversal occurs.

(m) Deferred revenue

Deferred revenue relating to operations is recognized as related expenses occur.

Deferred revenue relating to capital projects is recognized in the period that the resources are used for the specified purposes outlined in its agreement and as the Town discharges its obligations, in accordance with the terms and conditions of the agreement.

Deferred Canada Community-Building Fund funding and other deferred revenue is recognized in the period in which the resources are used for the purposes specified.

(n) Contaminated sites

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability would be recorded net of any expected recoveries. A liability for remediation of contaminated sites would be recognized when the following criteria are met:

- i. An environmental standard exists;
- ii. Contamination exceeds the environmental standard;
- iii. The Town of Stellarton is directly responsible; or accepts responsibility; and
- iv. A reasonable estimate of the amount can be made.

As of March 31, 2025, there is one contaminated site identified with contaminants in the soil on Town owned land that is currently being assessed for remediation. Based on information obtained by the Town, there is no legal obligation to remediate the lands and as a result, no liability has been recognized. The costs associated with the lands have been written off during the year, as although there is no legal obligation to remediate, sale of the lands to a third party in their current state is unlikely.

Town of Stellarton

Notes to the Consolidated Financial Statements

March 31, 2025

(o) **Segmented information**

The Town of Stellarton is a diversified municipal unit that provides a wide range of services to its residents. For management reporting purposes, the Town's operations and activities are organized and reported by fund. This presentation is in accordance with the Provincial Financial Reporting and Accounting Manual, and was created for the purpose of recording specific activities to attain certain objectives in accordance with special regulations, restrictions or limitations. Municipal services are provided by departments and their activity is reported in these funds. The services provided by these departments are as follows:

General government services

This department is responsible for the overall financial and local government administration. Its tasks include tax administration, trade payables and receivables, budgets, financial statements and adherence to the *Municipal Government Act*.

Protective services

This department is primarily responsible for public safety, fire protection and bylaw administration for its residents.

Transportation services

This department is responsible for the maintenance and construction of local roads and sidewalks including snow removal. It is also responsible for the street lighting within the Town.

Environmental health services

This department is responsible for the maintenance and operations of waste management and sewer services provided to the residents and other customers.

Environmental development services

This department is responsible for planning and development of the Town's resources for the benefit of the residents as well as regional economic development activities.

Recreation and cultural services

This department is responsible for promoting and offering recreation opportunities and activities for residents as well as maintaining or assisting recreational and cultural facilities within the Town.

Water treatment and distribution services

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

Town of Stellarton

Notes to the Consolidated Financial Statements

March 31, 2025

(p) **Asset retirement obligation**

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

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

The liability associated with the remediation of contaminants present within a number of buildings owned by the Town has been recognized based on estimated future expenses on closure of the sites and post-closure care.

The liability is discounted using a present value calculation and adjusted annually for accretion expense. The recognition of a liability resulted in an accompanying increase to the respective capital assets. The increase to tangible capital assets is being amortized in accordance with the amortization accounting policies outlined above.

2. Taxes receivable	2025	2024
Balance, beginning of year	\$ 375,104	\$ 471,702
Current period tax and interest	8,205,834	7,660,646
	8,580,938	8,132,348
Less:		
Collections	(8,132,453)	(7,757,244)
Balance, end of year	448,485	375,104
Valuation allowance (Note 3)	(70,654)	(70,654)
Balance, net of valuation allowance end of year	\$ 377,831	\$ 304,450

3. Valuation allowance - uncollected taxes and rates	2025	2024
Balance, beginning of year	\$ 70,654	\$ 51,964
Change in allowance	-	18,690
Balance, end of year	\$ 70,654	\$ 70,654

Town of Stellarton

Notes to the Consolidated Financial Statements

March 31, 2025

4. Long term debt

	<u>2025</u>	<u>2024</u>
1.041 - 2.259% business park debenture maturing in fiscal 2032, repayable in equal annual principal instalments of \$220,000, interest payable semi-annually.	\$ 1,540,000	\$ 1,760,000
2.9915 - 3.2995% equipment debenture maturing in fiscal 2029, repayable in equal annual principal instalments of \$55,000, interest payable semi-annually.	220,000	275,000
3.141 - 3.551% sewer and paving debenture maturing in fiscal 2034, repayable in equal annual principal instalments of \$21,600, interest payable semi-annually.	410,400	432,000
2.218 - 2.712% equipment debenture maturing in fiscal 2030, repayable in equal annual principal instalments of \$28,500, interest payable semi-annually.	142,500	171,000
0.850 - 2.809% public works building debenture maturing in fiscal 2037, repayable in equal annual principal instalments of \$27,000, interest payable semi-annually.	594,000	621,000
2.908 - 4.119% public works building debenture maturing in fiscal 2038, repayable in equal annual principal instalments of \$8,400, interest payable semi-annually.	193,200	201,600
3.550 - 4.714% curbs and paving debenture maturing in fiscal 2044, repayable in equal annual principal instalments of \$24,750, interest payable semi-annually.	470,250	495,000
4.897 - 5.463% fire truck debenture maturing in fiscal 2039, repayable in equal annual principal instalments of \$44,667, interest payable semi-annually.	625,333	670,000
3.428 - 4.242% equipment debenture maturing in fiscal 2035, repayable in equal annual principal instalments of \$36,130, interest payable semi-annually.	361,300	-
1.041 - 2.259% water capital debenture maturing in fiscal 2032, repayable in equal annual principal instalments of \$383,080, interest payable semi-annually.	2,681,562	3,064,642
	<u>\$ 7,238,545</u>	<u>\$ 7,690,242</u>

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

	Total
2026	\$ 849,127
2027	849,127
2028	849,127
2029	849,127
2030	794,127

Town of Stellarton

Notes to the Consolidated Financial Statements

March 31, 2025

5. Pension Plans

The Town has a defined contribution pension plan for all employees other than police officers.

For police officers, the Town contributes to a defined benefit plan administered by the Police Association of Nova Scotia ("PANS"). These plan assets are administered by PANS and the Town is responsible for contributing its portion of any going concern deficiency. The most recent actuarial valuation for this plan was completed for December 31, 2022 and indicated this plan is fully funded on a going concern basis with assets exceeding the actuarial liabilities by \$14,093,300.

On a solvency basis the actuarial liabilities exceed the value of assets by \$1,785,800. Under changes to the Regulations of the Nova Scotia Pension Benefits Act in 2012, effective January 1, 2013 the Town is exempted from funding on a solvency basis.

The Town recognized pension expense of \$117,169 for the defined contribution plan in the year ending March 31, 2025 (2024 - \$121,355).

The Town's 2025 contribution to the police pension representing current year contributions was \$106,697 (2024 - \$102,309). An additional \$18,475 was paid as a transfer deficiency.

6. Other

Total remuneration and expenses paid to elected and senior appointed officials of the Town are as follows:

	<u>Position</u>	<u>Remuneration</u>	<u>Expenses</u>	<u>Total</u>
Stroud	Mayor	\$ 10,466	\$ 2,843	\$ 13,309
MacGillivray	Mayor	14,652	6,432	21,084
Eis	Councillor / Deputy Mayor	7,623	884	8,507
Campbell	Councillor / Deputy Mayor	17,571	359	17,930
Fortune	Councillor	6,898	528	7,426
Knight	Councillor	9,657	1,166	10,823
Lawand	Councillor	9,657	-	9,657
Pentz	Councillor	16,555	-	16,555
Higdon	CAO	114,345	4,479	118,824

Town of Stellarton

Notes to the Consolidated Financial Statements

March 31, 2025

7. Commitments

Pictou County Wellness Centre Building Authority and Aberdeen Hospital Renovation Project

The Town of Stellarton has implemented a deed transfer tax on all properties sold in the town. The proceeds from this tax will be contributed to the Pictou County Wellness Centre project as well as towards the renovations and improvements to the Aberdeen Hospital. Since these projects will benefit all residents of Pictou County, a similar tax has been implemented by other municipalities within the County. During the year ending March 31, 2025 the amount transferred was \$157,003 (2024 - \$182,189).

In addition to the contributions through deed transfer tax, the municipal units have also provided guarantees for borrowings not exceeding \$12,770,240 for the purposes of constructing and retrofitting the Pictou County Wellness Centre and \$8,700,000 for the Aberdeen Hospital Renovation project. The Town's share of the guarantee of the borrowing is based on the Town's total population of Pictou County.

Tourism Marketing Levy

The Town of Stellarton has implemented a tourism marketing levy on the purchase price of accommodations. The proceeds from this levy will be contributed to DEANS Tourism Association to be used to promote Pictou County. A similar levy has been implemented by other municipalities within Pictou County. During the year ending March 31, 2025 the amount transferred was \$135,182 (2024 - \$nil).

8. Contingencies

There are claims and litigation in which the Town is involved that arise out of the ordinary course of operations. These claims are being handled by the Town's insurers. The outcome of these actions is not determinable as at the date of reporting. Management believes that any liability which may result from the resolution of these actions will either be covered by the Town's insurers or will not be material to the Town's financial position.

9. Asset retirement obligation

The Town's asset retirement obligation consists of the liability for the remediation of contaminants present within a number of buildings owned by the Town. These contaminants represent a health hazard upon demolition and therefore there is a legal obligation for removal of these contaminants on decommissioning. Following the adoption of PS 3280 - Asset Retirement Obligations, the Town recognized an obligation relating to this remediation of contaminants as estimated as at April 1, 2022. These buildings have expected useful lives ranging from 2 to 16 years. Estimated costs have been discounted to the present value using the discount rate of 5.5% per annum.

Changes to the asset retirement obligation in the year are as follows:

	<u>2025</u>	<u>2024</u>
Balance, beginning of year	\$ 218,229	\$ 206,852
Accretion expense	11,098	11,377
Balance, end of year	<u>\$ 229,327</u>	<u>\$ 218,229</u>

Town of Stellarton

Notes to the Consolidated Financial Statements

March 31, 2025

10. Budget figures

Public Sector Accounting Standards ("PSA") require a comparison of the results for the period with those originally planned on the same basis as that used for the actual results. The fiscal plan presented in the Consolidated statement of operations and Consolidated statement of changes in net debt has been adjusted to be presented on a basis consistent with the actual results. A reconciliation of the approved and reported budgets is set out below:

	Budget
Approved budgeted deficit for the year	
General operations	\$ -
Water utility operations	(311,373)
Approved budget deficit	(311,373)
Add:	
Grants for tangible capital assets	2,119,500
Capital debt repayments	812,997
Less:	
Annual amortization	(1,280,000)
Net PSA adjustments	1,652,497
PSA adjusted budgeted deficit for the year	\$ 1,341,124

11. Deferred revenue

	2025	2024
Provincial GRID Program	\$ 1,384,114	\$ -
Provincial Recreation Facilities Upgrade	150,000	-
Canada Community-Building Fund	-	127,270
Sustainable Services Growth Fund	-	477,659
Other	208,812	201,489
	<u>\$ 1,742,926</u>	<u>\$ 806,418</u>
Balance, beginning of year	\$ 806,418	\$ 684,999
Contributions from:		
Canada Community-Building Fund	344,309	347,409
Provincial GRID Program	1,384,114	-
Provincial Recreation Facilities Upgrade	150,000	-
Other	7,323	-
	<u>1,885,746</u>	<u>347,409</u>
Utilized for:		
Canada Community-Building Fund	(471,579)	(220,139)
Sustainable Services Growth Fund	(477,659)	-
Other	-	(5,851)
	<u>(949,238)</u>	<u>(225,990)</u>
Balance, end of year	<u>\$ 1,742,926</u>	<u>\$ 806,418</u>

Town of Stellarton

Notes to the Consolidated Financial Statements

March 31, 2025

12. Sick leave benefit liability

Section 3255 of the CPA Canada Public Sector Accounting Handbook requires that a liability and expense be recorded for compensated absences that are both accumulating and non-vesting as well as vesting and accumulating. The valuation of the non-vesting accumulating sick leave benefits provided to employees of the Town was completed as at March 31, 2024. The fiscal 2025 amounts were projected from the March 31, 2024 valuation.

Actuarial Method:

The actuarial cost was determined using the "Projected Unit Credit" method.

Components of benefit expense under PS 3255:

	<u>2025</u>	<u>2024</u>
Current period benefit expense	\$ 49,500	\$ 55,700
Interest expense	18,900	10,100
Total sick leave benefit expense	<u>\$ 68,400</u>	<u>\$ 65,800</u>

Accrued sick leave benefit liability on the consolidated statement of financial position:

	<u>2025</u>	<u>2024</u>
Balance, beginning of year	\$ 424,200	\$ 390,300
Benefit expense	49,500	55,700
Interest expense	18,900	10,100
Benefit payments	(35,600)	(31,900)
Balance, end of year	<u>\$ 457,000</u>	<u>\$ 424,200</u>

Assumptions:

Discount rate	5.00% per annum
Salary growth rate	Police 3.0%; Other 2.0% per annum
Payroll taxes	20%
Withdrawal prior to retirement	Ontario Medium Table of rates
Retirement age	Police age 62; Other age 65
Current year sick leave utilization	8.7 days each year

Plan Provisions:

The main provisions of the program are as follows.

- Eligible employees are granted 18 sick leave days per year prorated for those employed less than full-time.
 - Employees may accumulate 100% of their unused sick days to a maximum of 180 days for police and 175 days for other employees.
 - Unused accumulated sick leave at termination or retirement is forfeited.
-

Town of Stellarton

Notes to the Consolidated Financial Statements

March 31, 2025

13. Financial instruments

In the normal course of operations, the Town is exposed to a number of risks in relation to financial instruments. The following analysis provides a measure of the Town's risk exposures and concentrations as March 31, 2025:

Credit risk

The Town is exposed to credit risk through its receivables. Credit risk arises from the possibility that the entities and residents to which the Town provides services may experience financial difficulty and be unable to fulfil their obligations. Management believes the reserves for uncollectable balances appropriately addresses the risk of loss.

Liquidity risk

Liquidity risk is the risk that the Town will encounter difficulty in meeting the obligations associated with its financial liabilities. The Town is exposed to this risk through its payables and accruals and long term debt. Management believes that it has access through its working capital to sufficient funds to sustain operations and meet the Town's obligations as they come due.

Interest rate risk

Interest rate risk is the potential for financial loss caused by fluctuations in the fair value or future cash flows of financial instruments because of changes in market interest rates. The Town is exposed to interest rate risk on its fixed interest rate financial instruments through its long-term debt. The fixed-rate instruments subject the Town to a fair value risk.

14. Subsequent events

In May 2025, the Town received \$2,080,000 in debenture funds from the Province of Nova Scotia bearing interest from 2.72% - 4.847%. This debenture is amortized to May 2045 with annual principal payments of \$83,200 and a balloon payment of \$499,200 in the final year of which \$416,000 is expected to be refinanced over a further 5 years.

Town of Stellarton Consolidated Schedule of Tangible Capital Assets

March 31, 2025

	Land	Land improvements	Buildings	Engineered structures	Machinery and equipment	Vehicles	2025	2024
Cost:								
Balance, beginning of year	\$ 706,907	\$ 4,675,503	\$ 9,623,713	\$ 44,423,888	\$ 4,638,511	\$ 2,220,935	\$ 66,289,457	\$ 64,193,827
Acquisition of tangible capital assets	-	168,172	42,860	4,997,914	476,391	114,994	5,800,331	2,558,467
Disposal of tangible capital assets	(69,187)	-	(17,649)	(323,721)	(18,766)	(56,078)	(485,401)	(477,927)
Construction-in-process	-	-	-	-	-	-	-	15,090
Balance, end of year	637,720	4,843,675	9,648,924	49,098,081	5,096,136	2,279,851	71,604,387	66,289,457
Accumulated amortization:								
Balance, beginning of year	-	2,943,399	6,116,086	19,186,552	2,257,662	1,309,495	31,813,194	30,331,997
Disposal of tangible capital assets	-	-	(9,267)	(323,721)	(18,766)	(56,078)	(407,832)	(451,927)
Amortization of asset retirement obligations	-	-	19,185	-	-	-	19,185	26,578
Annual amortization	-	155,907	274,237	1,214,546	234,880	191,990	2,071,560	1,906,546
Balance, end of year	-	3,099,306	6,400,241	20,077,377	2,473,776	1,445,407	33,496,107	31,813,194
Net book value of tangible capital assets	\$ 637,720	\$ 1,744,369	\$ 3,248,683	\$ 29,020,704	\$ 2,622,360	\$ 834,444	\$ 38,108,280	\$ 34,476,263
2024 Net book value of tangible capital assets	\$ 706,907	\$ 1,732,104	\$ 3,507,627	\$ 25,237,336	\$ 2,380,849	\$ 911,440	\$ 34,476,263	

Town of Stellarton

Consolidated Schedule of Segmented Disclosure

March 31, 2025

March 31, 2025

	General Government Services	Protective Services	Transportation Services	Environmental Health Services	Environmental Development Services	Recreation and Cultural Services	Water	Consolidated
Revenue								
Taxes	\$ 1,088,487	\$ 1,794,978	\$ 2,422,349	\$ 743,388	\$ 885,468	\$ 659,772	\$ -	\$ 7,594,443
Water rates	-	-	-	-	-	-	1,818,572	1,818,572
Grants in lieu of taxes	30,334	50,023	67,507	20,717	24,676	18,387	-	211,644
Services provided to other local governments	-	131,847	-	-	-	-	-	131,847
Sale of services	-	5,381	-	-	21,402	8,835	-	35,618
Other revenue from own sources	418,323	22,093	-	-	-	-	33,206	473,622
Unconditional transfers from other governments	71,761	118,339	159,700	49,010	58,377	43,497	-	500,684
Conditional transfers from other governments	-	100,000	6,384	-	-	-	-	106,384
Capital contributions and grants	-	30,000	1,012,044	650,704	-	-	559,133	2,251,881
	<u>\$ 1,608,905</u>	<u>\$ 2,252,661</u>	<u>\$ 3,667,984</u>	<u>\$ 1,463,819</u>	<u>\$ 989,924</u>	<u>\$ 730,491</u>	<u>\$ 2,410,911</u>	<u>\$ 13,124,695</u>
Expenses								
Salaries, wages and benefits	\$ 602,174	\$ 1,955,986	\$ 1,221,115	\$ -	\$ -	\$ 25,795	\$ 433,472	\$ 4,238,542
Operating materials and supplies	189,408	227,144	646,088	30,290	-	121,549	507,268	1,721,747
Contracted services	322,434	335,238	253,721	756,310	220,421	542,890	92,811	2,523,825
Rents and financial expenses	122,207	66,224	114,563	9,992	29,136	17,040	75,219	434,381
Community grants and exemptions	138,832	-	-	-	4,602	23,354	-	166,788
Accretion	5,873	1,341	-	-	-	3,884	-	11,098
Amortization & writedowns	106,030	103,376	1,080,016	218,935	976,862	175,624	467,161	3,128,004
	<u>\$ 1,486,958</u>	<u>\$ 2,689,309</u>	<u>\$ 3,315,503</u>	<u>\$ 1,015,527</u>	<u>\$ 1,231,021</u>	<u>\$ 910,136</u>	<u>\$ 1,575,931</u>	<u>\$ 12,224,385</u>

Town of Stellarton

Consolidated Schedule of Segmented Disclosure

March 31, 2025

March 31, 2024

	General Government Services	Protective Services	Transportation Services	Environmental Health Services	Environmental Development Services	Recreation and Cultural Services	Water	Consolidated
Revenue								
Taxes	\$ 938,072	\$ 1,845,071	\$ 2,360,277	\$ 807,490	\$ 164,331	\$ 729,211	\$ -	\$ 6,844,452
Water rates	-	-	-	-	-	-	1,597,829	1,597,829
Grants in lieu of taxes	26,654	52,424	67,063	22,943	4,669	20,719	-	194,473
Services provided to other local governments	-	85,638	-	-	-	-	-	85,638
Sale of services	-	5,111	-	-	11,880	17,127	-	34,118
Other revenue from own sources	392,192	16,351	-	-	-	-	65,244	473,787
Unconditional transfers from other governments	68,622	134,970	172,658	59,069	12,021	53,343	-	500,684
Conditional transfers from other governments	-	100,000	6,090	-	-	19,750	-	125,840
Capital contributions and grants	-	-	183,935	348,262	-	87,251	257,323	876,771
	<u>\$ 1,425,539</u>	<u>\$ 2,239,566</u>	<u>\$ 2,790,023</u>	<u>\$ 1,237,765</u>	<u>\$ 192,901</u>	<u>\$ 927,402</u>	<u>\$ 1,920,396</u>	<u>\$ 10,733,592</u>
Expenses								
Salaries, wages and benefits	\$ 568,298	\$ 2,023,373	\$ 1,192,970	\$ -	\$ -	\$ 62,658	\$ 454,675	\$ 4,301,974
Operating materials and supplies	154,227	176,084	537,791	34,273	-	138,558	438,658	1,479,591
Contracted services	235,433	260,485	275,457	835,480	82,321	566,705	101,126	2,357,007
Rents and financial expenses	97,045	49,403	117,348	10,506	31,261	14,749	76,749	397,061
Community grants and exemptions	115,967	-	-	-	4,602	20,666	-	141,235
Accretion	5,567	1,271	-	-	-	4,539	-	11,377
Amortization & writedowns	52,945	98,371	976,015	178,076	109,076	184,741	451,436	2,050,660
	<u>\$ 1,229,482</u>	<u>\$ 2,608,987</u>	<u>\$ 3,099,581</u>	<u>\$ 1,058,335</u>	<u>\$ 227,260</u>	<u>\$ 992,616</u>	<u>\$ 1,522,644</u>	<u>\$ 10,738,905</u>

SUPPLEMENTARY SCHEDULES

Town of Stellarton
Supplementary Schedules
Water Utility Operating Fund
Schedule of Financial Position

March 31

2025

2024

Assets

Cash	\$	672,970	\$	672,970
Receivables				
Rates (less allowance for doubtful accounts - \$12,000; 2024 - \$12,000)		152,488		130,387
Due from own funds and agencies				
General operating fund		464,413		136,883
	\$	<u>1,289,871</u>	\$	<u>940,240</u>

Liabilities

Payables and accruals	\$	106,861	\$	60,530
Deferred revenue		30,031		28,536
Due to own funds and agencies				
Water capital fund		413,784		22,769
		<u>550,676</u>		<u>111,835</u>

Equity

Surplus		739,195		828,405
	\$	<u>1,289,871</u>	\$	<u>940,240</u>

Town of Stellarton
Supplementary Schedules
Water Utility Operating Fund
Schedule of Financial Operations

Year ended March 31

	2025		2024
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Operating revenue			
Metered sales	\$ 282,350	\$ 306,838	\$ 245,783
Flat rate sales	1,126,960	1,170,774	999,086
Public fire protection	695,764	695,764	717,930
Investment earnings	25,000	23,350	42,791
Special services	3,600	4,300	5,575
	<u>2,133,674</u>	<u>2,201,026</u>	<u>2,011,165</u>
Operating expenditures			
Source of supply	37,545	30,197	-
Power and pumping	219,393	153,912	201,667
Purification	710,300	648,342	603,957
Transmission and distribution	215,501	193,099	174,183
Administration and general	262,675	267,666	266,963
Depreciation	425,000	424,282	415,826
Taxes	138,929	138,929	138,929
	<u>2,009,343</u>	<u>1,856,427</u>	<u>1,801,525</u>
Operating income	<u>124,331</u>	<u>344,599</u>	<u>209,640</u>
Non-operating expenditures			
Debt charges			
Interest	52,624	50,729	54,438
Principal	383,080	383,080	383,080
	<u>435,704</u>	<u>433,809</u>	<u>437,518</u>
Excess of expenditures over revenue	<u>\$ (311,373)</u>	<u>(89,210)</u>	<u>(227,878)</u>
Surplus, beginning of year		<u>828,405</u>	<u>1,056,283</u>
Surplus, end of year		<u>\$ 739,195</u>	<u>\$ 828,405</u>

Town of Stellarton
Supplementary Schedules
Water Utility Capital Fund
Schedule of Financial Position

March 31	2025	2024
Assets		
Cash	\$ 518,846	\$ 518,846
Due from own funds and agencies		
Water utility operating fund	413,784	22,769
General operating fund	-	223,593
Utility plant and equipment (page 32)	<u>23,685,560</u>	<u>22,238,762</u>
	<u>\$ 24,618,190</u>	<u>\$ 23,003,970</u>
Liabilities		
Payables and accruals	\$ -	\$ 104,714
Due to own funds and agencies		
General operating fund	744,428	-
Accumulated allowance for depreciation	8,078,444	7,619,757
Deferred contributions (net of accumulated amortization of \$433,297; 2024 - \$380,126)	3,299,208	2,793,245
Debt		
Province of Nova Scotia	<u>2,681,562</u>	<u>3,064,642</u>
	<u>14,803,642</u>	<u>13,582,358</u>
Equity		
Investment in capital assets (page 32)	<u>9,814,548</u>	<u>9,421,612</u>
	<u>\$ 24,618,190</u>	<u>\$ 23,003,970</u>

Town of Stellarton
Supplementary Schedules
Water Utility
Schedule of Investment in Plant and Equipment

March 31	2025	2024
Land and rights	\$ 68,583	\$ 68,583
Structures and improvements		
Buildings	47,908	47,908
Reservoirs	4,094,335	4,094,335
Water treatment plant	6,011,546	6,011,546
Pumping equipment	187,866	187,866
Purification equipment	783,753	783,753
Transmission mains	1,737,961	1,737,961
Distribution mains	8,413,397	7,142,088
Services	113,316	113,316
Meters	1,160,118	1,093,196
Hydrants	356,254	262,188
Equipment	547,037	532,536
Weir	163,486	163,486
	<u>\$ 23,685,560</u>	<u>\$ 22,238,762</u>

Schedule of Investment in Capital Assets

Year ended March 31	2025	2024
Balance, beginning of year	\$ 9,421,612	\$ 9,016,079
Interest earned on depreciation funds	9,856	22,453
Term debt retired	383,080	383,080
	<u>392,936</u>	<u>405,533</u>
Balance, end of year	<u>\$ 9,814,548</u>	<u>\$ 9,421,612</u>

Schedule of Depreciation Funds

Year ended March 31	2025	2024
Balance, beginning of year	\$ 660,494	\$ 690,346
Interest earned on depreciation funds	9,856	22,453
Assets acquired	(906,430)	(468,131)
Current year's depreciation	424,282	415,826
	<u>(472,292)</u>	<u>(29,852)</u>
Balance, end of year	<u>\$ 188,202</u>	<u>\$ 660,494</u>
Consisting of:		
Cash in bank	\$ 518,846	\$ 518,846
Payables and accruals	-	(104,714)
Due from (to) general operating fund	(744,428)	223,593
Due from (to) water utility operating fund	413,784	22,769
	<u>\$ 188,202</u>	<u>\$ 660,494</u>