

TOWN OF STELLARTON
CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2024



Contents

	<u>Page</u>
Management's Responsibility for Financial Reporting	1
Independent Auditors' Report	2 - 3
Consolidated Statement of Financial Position	4
Consolidated Statement of Operations	5
Consolidated Statement of Changes in Net Financial Debt	6
Consolidated Statement of Cash Flows	7
Schedules to Consolidated Statement of Operations	8 - 13
Notes to the Consolidated Financial Statements	14 - 25
Consolidated Schedule of Tangible Capital Assets	26
Consolidated Schedule of Segmented Disclosure	27 - 28
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Supplementary Schedules	
Water Utility - Operating Fund - Schedule of Financial Position	29
Water Utility - Operating Fund - Schedule of Financial Operations	30
Water Utility - Capital Fund - Schedule of Financial Position	31
Water Utility - Schedule of Investment in Plant and Equipment	32
Water Utility - Schedule of Investment in Capital Assets	32
Water Utility - Schedule of Depreciation Funds	32

Town of Stellarton

Management's Responsibility for Financial Reporting

March 31, 2024

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 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

June 10, 2024

Independent auditor's report

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To the Mayor and Council of the 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, 2024, and the consolidated statements of operations, changes in net financial 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, 2024, and its results of operations, its changes in its net financial 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Town and the organizations it controls to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance 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.

Grant Thornton LLP

New Glasgow, Canada
June 10, 2024

Chartered Professional Accountants

Town of Stellarton

Consolidated Statement of Financial Position

March 31

2024

2023

Financial Assets

Cash and cash equivalents	\$ 6,219,685	\$ 5,327,138
Receivables		
Taxes (Note 3)	304,450	419,738
Water rates (net of allowance - \$12,000; 2023 - \$12,000)	130,387	106,660
Federal / Provincial government	359,713	255,652
Harmonized sales tax receivable	62,386	138,456
Trade accounts (net of allowance - \$6,000; 2023 - \$24,690)	50,392	92,791
Land held for resale	1,328,687	1,802,181
Total Financial Assets	8,455,700	8,142,616

Financial Liabilities

Accounts payable and accrued liabilities	1,270,783	921,765
Deferred revenue (Note 12)	806,418	684,999
Sick leave benefit liability (Note 13)	424,200	390,300
Long term debt (Note 5)	7,690,242	7,268,822
Asset retirement obligation (Note 10)	218,229	206,852
Total Financial Liabilities	10,409,872	9,472,738

Net Financial Debt

(1,954,172) **(1,330,122)**

Non-Financial Assets (Liabilities)

Capital assets, net of accumulated amortization (page 26)	34,476,263	33,861,830
Deferred capital contributions, net of accumulated amortization	(272,776)	(283,067)
Prepaid expenses	12,325	18,312
	34,215,812	33,597,075

Accumulated Surplus

\$ 32,261,640 **\$ 32,266,953**

Commitments (Note 8)

Contingencies (Note 9)

On Behalf of the Town of Stellarton



 Mayor



 Chief Administrative Officer

Town of Stellarton

Consolidated Statement of Operations

Year Ended March 31

2024

2023

	Page	Budget (Note 11)	Actual	Actual
Revenue				
Taxes	8	\$ 6,770,551	\$ 6,844,452	\$ 5,985,641
Water rates	8	1,550,374	1,597,829	1,471,195
Grants in lieu of taxes	9	194,473	194,473	179,302
Services provided to other local governments	9	92,674	85,638	92,287
Sale of services	9	28,500	34,118	30,052
Other revenue from own sources	9	95,820	473,787	350,489
Unconditional transfers from other governments	9	500,684	500,684	500,684
Conditional transfers from other governments	9	130,000	125,840	364,001
Capital contributions and grants	10	361,000	876,771	780,819
Total Revenue		<u>9,724,076</u>	<u>10,733,592</u>	<u>9,754,470</u>
Expenses				
General government services	11	1,217,574	1,229,482	1,203,534
Protective services	11	2,451,834	2,608,987	2,360,918
Transportation services	12	3,064,716	3,099,581	3,074,872
Environmental health services	12	924,741	1,058,335	1,019,588
Environmental development services	12	128,432	227,260	192,083
Recreation and cultural services	13	906,848	992,616	885,227
Water treatment and distribution services	13	1,615,051	1,522,644	1,535,625
Total Expenses		<u>10,309,196</u>	<u>10,738,905</u>	<u>10,271,847</u>
Annual Deficit		<u>\$ (585,120)</u>	<u>\$ (5,313)</u>	<u>\$ (517,377)</u>
<hr/>				
Accumulated Surplus, beginning of year			\$ 32,266,953	\$ 32,784,330
Annual Deficit			<u>(5,313)</u>	<u>(517,377)</u>
Accumulated Surplus, end of year			<u>\$ 32,261,640</u>	<u>\$ 32,266,953</u>

Town of Stellarton**Consolidated Statement of Changes in Net Financial Debt**

Year Ended March 31

Budget

2024

2023

(Note 11)

Annual Deficit	\$ (585,120)	\$ (5,313)	\$ (517,377)
Changes in Tangible Capital Assets			
Acquisition of capital assets	(1,493,700)	(2,573,557)	(2,646,247)
Amortization of capital assets	1,280,000	1,922,833	1,800,798
Adjustment on adoption of asset retirement obligation standard	-	-	(196,069)
Gain on sale of assets	-	(40,000)	-
Proceeds on sale of assets	-	40,000	-
Loss on sale of assets	-	26,000	-
Writedown on disposition of assets	-	-	10,347
	<u>(213,700)</u>	<u>(624,724)</u>	<u>(1,031,171)</u>
Decrease (increase) in prepaid expenses	<u>-</u>	<u>5,987</u>	<u>(18,312)</u>
Change in Net Financial Debt	(798,820)	(624,050)	(1,566,860)
Net Financial Assets (Debt), beginning of year	<u>(1,330,122)</u>	<u>(1,330,122)</u>	<u>236,738</u>
Net Financial Debt, end of year	<u>\$ (2,128,942)</u>	<u>\$ (1,954,172)</u>	<u>\$ (1,330,122)</u>

Town of Stellarton

Consolidated Statement of Cash Flows

Year Ended March 31

2024

2023

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

Operating

Annual deficit	\$ (5,313)	\$ (517,377)
Amortization, net of deferred capital contributions	1,922,833	1,800,798
Gain from disposal of tangible capital assets	(40,000)	-
Loss from disposal of land held for resale	101,828	73,112
Loss from disposal of tangible capital assets	26,000	-
Writedown on disposition of tangible capital assets	-	10,347
Accretion expense	11,377	10,783
	<u>2,016,725</u>	<u>1,377,663</u>

Change in non-cash working capital

Taxes receivable	115,288	(236,744)
Government capital grants receivable	(104,061)	(255,652)
Water rates receivable	(23,727)	(15,078)
Trade accounts and harmonized sales tax receivables	118,469	(109,415)
Accounts payable and accrued liabilities	349,018	120,244
Deferred revenue	121,419	85,135
Sick leave benefit liability	33,900	32,300
Prepaid expenses	5,987	(18,312)
	<u>2,633,018</u>	<u>980,141</u>

Net change in cash from operations

	<u>2,633,018</u>	<u>980,141</u>
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Capital

Purchase of tangible capital assets	(2,573,557)	(2,646,247)
Proceeds from disposal of tangible capital assets	40,000	-
Proceeds from disposal of land held for resale	371,666	266,851
	<u>(2,161,891)</u>	<u>(2,379,396)</u>

Financing

Long term debt issued	1,165,000	210,000
Long term debt repaid	(743,580)	(735,180)
	<u>421,420</u>	<u>(525,180)</u>

Change in cash and cash equivalents

	892,547	(1,924,435)
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Cash and cash equivalents

Beginning of year	<u>5,327,138</u>	<u>7,251,573</u>
End of year	<u>\$ 6,219,685</u>	<u>\$ 5,327,138</u>

Town of Stellarton

Schedules to Consolidated Statement of Operations

Year Ended March 31

2024

2023

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Taxes			
Assessable property			
Residential	\$ 4,020,404	\$ 4,015,796	\$ 3,523,408
Commercial	3,567,318	3,565,025	3,188,927
Resource	14,374	14,312	13,230
Other	108	108	102
	<u>7,602,204</u>	<u>7,595,241</u>	<u>6,725,667</u>
Special tax agreements			
Bell Aliant - based on revenues	18,765	18,766	19,752
Nova Scotia Power Inc - Grant in lieu of taxes	14,681	14,681	12,972
Nova Scotia Power Inc - HST rebate	35,000	26,592	37,403
Other - Heritage Gas	7,000	7,228	7,038
	<u>75,446</u>	<u>67,267</u>	<u>77,165</u>
Other			
Deed transfer tax	100,000	182,189	161,922
Total tax levied	<u>7,777,650</u>	<u>7,844,697</u>	<u>6,964,754</u>
Less taxes collected on behalf of others:			
Regional centre for education	(845,099)	(845,100)	(821,364)
Provincial correctional service	(52,000)	(48,175)	(49,429)
Regional housing authority	(110,000)	(106,970)	(108,320)
	<u>(1,007,099)</u>	<u>(1,000,245)</u>	<u>(979,113)</u>
	<u>\$ 6,770,551</u>	<u>\$ 6,844,452</u>	<u>\$ 5,985,641</u>
Water rates			
Metered sales	\$ 240,821	\$ 245,783	\$ 204,995
Flat rate sales	947,842	999,086	906,582
Public fire protection	358,111	347,385	354,763
Special services	3,600	5,575	4,855
	<u>\$ 1,550,374</u>	<u>\$ 1,597,829</u>	<u>\$ 1,471,195</u>

Town of Stellarton

Schedules to Consolidated Statement of Operations

Year Ended March 31

2024

2023

	Budget	Actual	Actual
Grants in lieu of taxes			
Federal government	\$ 30,367	\$ 30,367	\$ 27,386
Federal government agencies	10,754	10,754	9,242
Provincial government			
Fire Protection	75,486	75,486	72,965
Department of Mines	77,565	77,565	69,434
Department of Transportation and Industry	301	301	275
	<u>\$ 194,473</u>	<u>\$ 194,473</u>	<u>\$ 179,302</u>

Other revenue from own sources

Services provided to other local governments	\$ 92,674	\$ 85,638	\$ 92,287
Sale of services			
Police services	7,000	5,111	6,832
Recreation services	14,000	17,127	14,924
Planning and development	7,500	11,880	8,296
	<u>28,500</u>	<u>34,118</u>	<u>30,052</u>
Other			
Licenses and permits	2,000	3,560	2,050
Fines	7,520	16,351	8,231
Gain on sale of assets	-	40,000	-
Interest	52,000	331,193	221,281
Penalties and interest on taxes	25,000	65,405	58,727
Asset management	-	-	49,500
Miscellaneous	9,300	17,278	10,700
	<u>95,820</u>	<u>473,787</u>	<u>350,489</u>
	<u>\$ 216,994</u>	<u>\$ 593,543</u>	<u>\$ 472,828</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	\$ 5,000	\$ 6,090	\$ 8,349
Hurricane Fiona grant	-	-	230,652
Provincial government			
Safe communities funding	100,000	100,000	100,000
Wages and other grants	25,000	19,750	25,000
	<u>\$ 130,000</u>	<u>\$ 125,840</u>	<u>\$ 364,001</u>

Town of Stellarton
Schedules to Consolidated Statement of Operations

Year Ended March 31

2024

2023

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Capital contributions and grants			
Canada Community-Building Fund	\$ 336,000	\$ 220,139	\$ 780,819
Federal / Provincial ICIP funding	-	656,632	-
Contributions	<u>25,000</u>	<u>-</u>	<u>-</u>
	<u>\$ 361,000</u>	<u>\$ 876,771</u>	<u>\$ 780,819</u>

Town of Stellarton

Schedules to Consolidated Statement of Operations

Year Ended March 31

2024

2023

	Budget	Actual	Actual
General government services			
Legislative	\$ 114,334	\$ 107,465	\$ 101,733
General administration	560,085	529,872	527,475
Office building maintenance	143,500	143,357	129,536
Professional services	68,750	82,629	35,047
Asset management	-	-	57,879
Damage claims	20,000	-	12,077
Insurance	95,853	81,756	85,694
Miscellaneous	14,700	14,141	19,168
	<u>902,888</u>	<u>851,755</u>	<u>866,876</u>
Grants to other organizations	106,318	98,867	99,392
Interest and service charges	9,500	9,149	9,377
Taxation exemptions	13,800	17,100	13,500
Assessment services	52,734	52,734	54,035
Loss on sale of assets	-	26,000	-
Valuation allowances (recovery)	3,000	-	(3,000)
	<u>185,352</u>	<u>203,850</u>	<u>173,304</u>
	1,202,574	1,163,070	1,141,913
Sick leave benefit	-	33,900	32,300
Accretion	-	5,567	5,276
Amortization	15,000	26,945	24,045
	<u>\$ 1,217,574</u>	<u>\$ 1,229,482</u>	<u>\$ 1,203,534</u>

Protective services

Police protection			
Crime investigation, prevention and protection	\$ 2,192,329	\$ 2,276,322	\$ 2,114,235
Traffic control	25,000	26,948	24,461
Animal control	10,100	10,114	10,022
Safe communities	12,000	14,088	12,650
	<u>2,239,429</u>	<u>2,327,472</u>	<u>2,161,368</u>
Fire protection			
Fire fighting force	68,040	67,375	67,861
Fire stations and buildings	89,955	87,928	90,532
	<u>157,995</u>	<u>155,303</u>	<u>158,393</u>
Emergency measures	8,200	6,572	7,061
Joint fire inspector	1,000	-	-
Interest on long term debt	15,210	19,998	-
	<u>24,410</u>	<u>26,570</u>	<u>7,061</u>
	2,421,834	2,509,345	2,326,822
Accretion	-	1,271	1,205
Amortization	30,000	98,371	32,891
	<u>\$ 2,451,834</u>	<u>\$ 2,608,987</u>	<u>\$ 2,360,918</u>

Town of Stellarton

Schedules to Consolidated Statement of Operations

Year Ended March 31

2024

2023

	Budget	Actual	Actual
Transportation services			
Common services			
Salary and wages	\$ 1,210,356	\$ 1,192,969	\$ 1,079,339
Equipment maintenance	251,500	213,656	210,088
Town barn operating	75,200	82,892	75,394
Road transport			
Salt	100,000	139,141	78,270
Street and sidewalk repairs	145,000	123,622	142,175
Street lighting	67,000	73,720	66,695
Traffic lights	18,000	13,304	11,521
Supplies	60,700	54,588	58,802
Equipment rental	35,000	25,289	24,610
Landscape and beautification	32,000	17,843	24,906
Hurricane Fiona	-	-	230,652
Write-down of assets	-	-	10,347
Miscellaneous	23,500	52,632	16,582
Public Transit	71,000	71,680	70,680
Interest on long term debt	60,460	62,230	44,090
	<u>2,149,716</u>	<u>2,123,566</u>	<u>2,144,151</u>
Amortization	915,000	976,015	930,721
	<u>\$ 3,064,716</u>	<u>\$ 3,099,581</u>	<u>\$ 3,074,872</u>

Environmental health services

Sewage collection and disposal	\$ 405,370	\$ 543,120	\$ 505,080
Sewer maintenance	60,000	34,273	60,877
Solid waste collection, disposal and recycling	293,721	292,360	270,848
Interest on long term debt	10,650	10,506	10,918
	<u>769,741</u>	<u>880,259</u>	<u>847,723</u>
Amortization	155,000	178,076	171,865
	<u>\$ 924,741</u>	<u>\$ 1,058,335</u>	<u>\$ 1,019,588</u>

Environmental development services

Planning and development	\$ 86,900	\$ 82,321	\$ 72,998
Tourism	4,602	4,602	6,102
Loss on sale of land held for resale	-	101,828	73,112
Interest on long term debt	31,930	31,261	32,544
	<u>123,432</u>	<u>220,012</u>	<u>184,756</u>
Amortization	5,000	7,248	7,327
	<u>\$ 128,432</u>	<u>\$ 227,260</u>	<u>\$ 192,083</u>

Town of Stellarton

Schedules to Consolidated Statement of Operations

Year Ended March 31

2024

2023

	Budget	Actual	Actual
Recreation and cultural services			
Recreation facilities			
Administration and programs	\$ 114,428	\$ 84,491	\$ 104,904
Parks and playgrounds	83,260	96,892	47,798
Community Centres	12,260	10,785	12,019
Share of Pictou County Wellness Centre	346,000	342,836	271,823
Wellness Centre - Deed Transfer Tax	100,000	182,189	161,922
Cultural buildings and facilities			
Regional library board	43,000	41,680	41,680
Branch library	27,900	23,797	26,891
Homecoming committee	20,000	20,666	26,812
	746,848	803,336	693,849
Accretion	-	4,539	4,302
Amortization	160,000	184,741	187,076
	<u>\$ 906,848</u>	<u>\$ 992,616</u>	<u>\$ 885,227</u>

Water treatment and distribution

Operating expenditures			
Power and pumping	\$ 211,143	\$ 201,667	\$ 202,535
Purification	697,678	603,957	624,463
Transmission and distribution	204,230	174,183	178,783
Administrative and general	26,400	36,963	26,301
Interest on long term debt	55,600	54,438	56,669
	1,195,051	1,071,208	1,088,751
Amortization	420,000	451,436	446,874
	<u>\$ 1,615,051</u>	<u>\$ 1,522,644</u>	<u>\$ 1,535,625</u>

Town of Stellarton

Notes to the Consolidated Financial Statements

March 31, 2024

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, 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, 2024

(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 \$3,610,178 (2023 - \$3,286,414) and internally designated cash of \$2,609,507 (2023 - \$2,040,724). 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, 2024

(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 which are directly attributable to the development of land in the Albion Business Park are capitalized as part of the land cost.

(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 June 12, 2023 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 11 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, 2024

(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, 2024, there is one contaminated site identified with contaminants in the soil on Town owned land that is currently being assessed for remediation. An estimate of the cost of remediation is not determinable at this time and no liability has been recognized.

Town of Stellarton

Notes to the Consolidated Financial Statements

March 31, 2024

(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, 2024

(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. Change in accounting policy

Effective April 1, 2023, the Town adopted new Public Sector Accounting Standards Section PS 3400 *Revenue*. New Section PS 3400 *Revenue* establishes standards on how to account for and report on revenue. It does not apply to revenues for which specific standards already exist, such as government transfers, tax revenue or restricted revenues. The section distinguishes between revenue that arises from transactions that include performance obligations (i.e., exchange transactions) and transactions that do not have performance obligations (i.e., non-exchange transactions). Revenue from transactions with performance obligations will be recognized when (or as) the performance obligation is satisfied by providing the promised goods or services to the payor. Revenue from transactions with no performance obligations will be 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. The adoption of this new standard did not have a significant impact on the financial results of the Town.

3. Taxes receivable

	2024	2023
Balance, beginning of year	\$ 471,702	\$ 234,958
Current period tax and interest	7,660,646	6,784,394
	<u>8,132,348</u>	<u>7,019,352</u>
Less:		
Collections	(7,757,244)	(6,547,650)
Balance, end of year	375,104	471,702
Valuation allowance (Note 4)	(70,654)	(51,964)
Balance, net of valuation allowance end of year	<u>\$ 304,450</u>	<u>\$ 419,738</u>

4. Valuation allowance - uncollected taxes and rates

	2024	2023
Balance, beginning of year	\$ 51,964	\$ 51,964
Change in allowance	18,690	-
Balance, end of year	<u>\$ 70,654</u>	<u>\$ 51,964</u>

Town of Stellarton

Notes to the Consolidated Financial Statements

March 31, 2024

5. Long term debt

	<u>2024</u>	<u>2023</u>
0.775 - 2.259% business park debenture maturing in fiscal 2032, repayable in equal annual principal instalments of \$220,000, interest payable semi-annually.	\$ 1,760,000	\$ 1,980,000
2.884 - 3.2995% equipment debenture maturing in fiscal 2029, repayable in equal annual principal instalments of \$55,000, interest payable semi-annually.	275,000	330,000
3.048 - 3.551% sewer and paving debenture maturing in fiscal 2034, repayable in equal annual principal instalments of \$21,600, interest payable semi-annually.	432,000	453,600
2.131 - 2.712% equipment debenture maturing in fiscal 2030, repayable in equal annual principal instalments of \$28,500, interest payable semi-annually.	171,000	199,500
0.565 - 2.809% public works building debenture maturing in fiscal 2037, repayable in equal annual principal instalments of \$27,000, interest payable semi-annually.	621,000	648,000
2.575 - 4.119% public works building debenture maturing in fiscal 2038, repayable in equal annual principal instalments of \$8,400, interest payable semi-annually.	201,600	210,000
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.	495,000	-
0.000 - 5.463% fire truck debenture maturing in fiscal 2039, repayable in equal annual principal instalments of \$44,667, interest payable semi-annually.	670,000	-
0.775 - 2.259% water capital debenture maturing in fiscal 2032, repayable in equal annual principal instalments of \$383,080, interest payable semi-annually.	<u>3,064,642</u>	<u>3,447,722</u>
	<u>\$ 7,690,242</u>	<u>\$ 7,268,822</u>

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

	<u>Total</u>
2025	\$ 812,997
2026	812,997
2027	812,997
2028	812,997
2029	812,997

Town of Stellarton

Notes to the Consolidated Financial Statements

March 31, 2024

6. 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 \$121,355 for the defined contribution plan in the year ending March 31, 2024 (2023 - \$116,454).

The Town's 2024 contribution to the police pension representing current year contributions was \$102,309 (2023 - \$90,185).

7. Other

Total remuneration 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>
MacGillivray	Mayor	\$ 23,345	\$ 3,511	\$ 26,856
Campbell	Councillor	16,060	-	16,060
Knight	Councillor / Deputy Mayor	16,330	148	16,478
Lawand	Councillor	15,386	1,968	17,354
Pentz	Councillor / Deputy Mayor	15,386	-	15,386
Higdon	CAO	111,739	951	112,690

Town of Stellarton

Notes to the Consolidated Financial Statements

March 31, 2024

8. 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, 2024 the amount transferred was \$182,189 (2023 - \$161,922).

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.

9. 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.

10. 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>2024</u>	<u>2023</u>
Balance, beginning of year	\$ 206,852	\$ -
Liability recognized on adoption of PS 3280	-	196,069
Accretion expense	<u>11,377</u>	<u>10,783</u>
Balance, end of year	<u>\$ 218,229</u>	<u>\$ 206,852</u>

Town of Stellarton

Notes to the Consolidated Financial Statements

March 31, 2024

11. 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:

	<u>Budget</u>
Approved budgeted deficit for the year	
General operations	\$ -
Water utility operations	(409,700)
Approved budget deficit	<u>(409,700)</u>
Add:	
Grants for tangible capital assets	361,000
Capital debt repayments	743,580
Less:	
Annual amortization	<u>(1,280,000)</u>
Net PSA adjustments	<u>(175,420)</u>
PSA adjusted budgeted deficit for the year	<u><u>\$ (585,120)</u></u>

12. Deferred revenue

	<u>2024</u>	<u>2023</u>
Canada Community-Building Fund	\$ 127,270	\$ -
Sustainable Services Growth Fund	477,659	477,659
Other	201,489	207,340
	<u>\$ 806,418</u>	<u>\$ 684,999</u>
Balance, beginning of year	\$ 684,999	\$ 599,864
Contributions from:		
Canada Community-Building Fund	347,409	336,137
Sustainable Services Growth Fund	-	477,659
Other	-	52,158
	<u>347,409</u>	<u>865,954</u>
Utilized for:		
Canada Community-Building Fund	(220,139)	(780,819)
Other	(5,851)	-
	<u>(225,990)</u>	<u>(780,819)</u>
Balance, end of year	<u><u>\$ 806,418</u></u>	<u><u>\$ 684,999</u></u>

Town of Stellarton

Notes to the Consolidated Financial Statements

March 31, 2024

13. 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 2023 amounts were projected from the March 31, 2020 valuation.

Actuarial Method:

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

Components of benefit expense under PS 3255:

	<u>2024</u>	<u>2023</u>
Current period benefit expense	\$ 55,700	\$ 54,300
Interest expense	10,100	9,200
Total sick leave benefit expense	<u>\$ 65,800</u>	<u>\$ 63,500</u>

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

	<u>2024</u>	<u>2023</u>
Balance, beginning of year	\$ 390,300	\$ 358,000
Benefit expense	55,700	54,300
Interest expense	10,100	9,200
Benefit payments	(31,900)	(31,200)
Balance, end of year	<u>\$ 424,200</u>	<u>\$ 390,300</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, 2024

14. 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, 2024:

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.

Town of Stellarton

Consolidated Schedule of Tangible Capital Assets

March 31, 2024

	Land	Land improvements	Buildings	Engineered structures	Machinery and equipment	Vehicles	2024	2023
Cost:								
Balance, beginning of year	\$ 706,907	\$ 4,661,705	\$ 9,623,713	\$ 43,453,435	\$ 4,009,662	\$ 1,738,405	\$ 64,193,827	\$ 61,527,707
Asset retirement obligations	-	-	-	-	-	-	-	196,069
Acquisition of tangible capital assets	26,000	87,252	-	1,003,086	654,024	788,105	2,558,467	2,646,247
Disposal of tangible capital assets	(26,000)	(75,943)	-	(45,234)	(25,175)	(305,575)	(477,927)	(176,196)
Construction-in-process	-	2,489	-	12,601	-	-	15,090	-
Balance, end 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
Accumulated amortization:								
Balance, beginning of year	-	2,867,759	5,815,473	18,133,790	2,076,289	1,438,686	30,331,997	28,686,755
Disposal of tangible capital assets	-	(75,943)	-	(45,234)	(25,175)	(305,575)	(451,927)	(165,849)
Amortization of asset retirement obligations	-	-	26,578	-	-	-	26,578	26,578
Annual amortization	-	151,583	274,035	1,097,996	206,548	176,384	1,906,546	1,784,513
Balance, end of year	-	2,943,399	6,116,086	19,186,552	2,257,662	1,309,495	31,813,194	30,331,997
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	\$ 33,861,830
2023 Net book value of tangible capital assets	\$ 706,907	\$ 1,793,946	\$ 3,808,240	\$ 25,319,645	\$ 1,933,373	\$ 299,719	\$ 33,861,830	

Town of Stellarton

Consolidated Schedule of Segmented Disclosure

March 31, 2024

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>

Town of Stellarton

Consolidated Schedule of Segmented Disclosure

March 31, 2024

March 31, 2023

	General Government Services	Protective Services	Transportation Services	Environmental Health Services	Environmental Development Services	Recreation and Cultural Services	Water	Consolidated
Revenue								
Taxes	\$ 871,229	\$ 1,568,477	\$ 2,059,532	\$ 739,755	\$ 133,345	\$ 613,303	\$ -	\$ 5,985,641
Water rates	-	-	-	-	-	-	1,471,195	1,471,195
Grants in lieu of taxes	26,098	46,984	61,694	22,160	3,994	18,372	-	179,302
Services provided to other local governments	-	92,287	-	-	-	-	-	92,287
Sale of services	-	6,832	-	-	8,296	14,924	-	30,052
Other revenue from own sources	266,910	8,231	-	-	-	-	75,348	350,489
Unconditional transfers from other governments	72,876	131,199	172,275	61,879	11,154	51,301	-	500,684
Conditional transfers from other governments	2,738	100,000	236,263	-	-	25,000	-	364,001
Capital contributions and grants	-	-	286,893	493,926	-	-	-	780,819
	<u>\$ 1,239,851</u>	<u>\$ 1,954,011</u>	<u>\$ 2,816,657</u>	<u>\$ 1,317,719</u>	<u>\$ 156,790</u>	<u>\$ 722,900</u>	<u>\$ 1,546,543</u>	<u>\$ 9,754,470</u>
Expenses								
Salaries, wages and benefits	\$ 553,100	\$ 1,936,036	\$ 1,142,602	\$ -	\$ -	\$ 85,715	\$ 450,245	\$ 4,167,698
Operating materials and supplies	142,732	191,957	564,868	60,877	-	94,250	460,098	1,514,782
Contracted services	256,317	172,489	330,768	775,928	72,998	475,425	112,168	2,196,093
Rents and financial expenses	109,172	26,340	95,566	10,918	32,544	11,647	66,240	352,427
Community grants and exemptions	112,892	-	-	-	6,102	26,812	-	145,806
Accretion	5,276	1,205	-	-	-	4,302	-	10,783
Amortization & writedowns	24,045	32,891	941,068	171,865	80,439	187,076	446,874	1,884,258
	<u>\$ 1,203,534</u>	<u>\$ 2,360,918</u>	<u>\$ 3,074,872</u>	<u>\$ 1,019,588</u>	<u>\$ 192,083</u>	<u>\$ 885,227</u>	<u>\$ 1,535,625</u>	<u>\$ 10,271,847</u>

SUPPLEMENTARY SCHEDULES

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

March 31

2024

2023

Assets

Cash	\$ 672,970	\$ 1,072,970
Receivables		
Rates (less allowance for doubtful accounts - \$12,000; 2023 - \$12,000)	130,387	106,660
Due from own funds and agencies		
General operating fund	136,883	-
Prepays	-	2,607
	<u>\$ 940,240</u>	<u>\$ 1,182,237</u>

Liabilities

Payables and accruals	\$ 60,530	\$ 41,392
Deferred revenue	28,536	30,910
Due to own funds and agencies		
Water capital fund	22,769	6,943
General operating fund	-	46,709
	<u>111,835</u>	<u>125,954</u>

Equity

Surplus	828,405	1,056,283
	<u>\$ 940,240</u>	<u>\$ 1,182,237</u>

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

Year ended March 31

	2024		2023
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Operating revenue			
Metered sales	\$ 240,821	\$ 245,783	\$ 204,995
Flat rate sales	947,842	999,086	906,582
Public fire protection	740,097	717,930	733,177
Investment earnings	25,000	42,791	35,897
Special services	3,600	5,575	4,855
	<u>1,957,360</u>	<u>2,011,165</u>	<u>1,885,506</u>
Operating expenditures			
Power and pumping	211,143	201,667	202,535
Purification	697,678	603,957	624,463
Transmission and distribution	204,230	174,183	178,783
Administration and general	256,400	266,963	246,301
Depreciation	420,000	415,826	414,609
Taxes	138,929	138,929	134,082
	<u>1,928,380</u>	<u>1,801,525</u>	<u>1,800,773</u>
Operating income	<u>28,980</u>	<u>209,640</u>	<u>84,733</u>
Non-operating revenue			
Transfer from depreciation funds	<u>-</u>	<u>-</u>	<u>150,000</u>
Non-operating expenditures			
Debt charges			
Interest	55,600	54,438	56,669
Principal	383,080	383,080	383,080
	<u>438,680</u>	<u>437,518</u>	<u>439,749</u>
Excess of expenditures over revenue	<u>\$ (409,700)</u>	<u>(227,878)</u>	<u>(205,016)</u>
Surplus, beginning of year		<u>1,056,283</u>	<u>1,261,299</u>
Surplus, end of year		<u>\$ 828,405</u>	<u>\$ 1,056,283</u>

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

March 31	2024	2023
Assets		
Cash	\$ 518,846	\$ 823,846
Due from own funds and agencies		
Water utility operating fund	22,769	6,943
General operating fund	223,593	-
Utility plant and equipment (page 32)	<u>22,238,762</u>	<u>21,513,308</u>
	<u><u>\$ 23,003,970</u></u>	<u><u>\$ 22,344,097</u></u>
Liabilities		
Payables and accruals	\$ 104,714	\$ 70,130
Due to own funds and agencies		
General operating fund	-	70,313
Accumulated allowance for depreciation	7,619,757	7,158,029
Deferred contributions (net of accumulated amortization of \$380,126; 2023 - \$334,224)	2,793,245	2,581,824
Debt		
Province of Nova Scotia	<u>3,064,642</u>	<u>3,447,722</u>
	<u>13,582,358</u>	<u>13,328,018</u>
Equity		
Investment in capital assets (page 32)	<u>9,421,612</u>	<u>9,016,079</u>
	<u><u>\$ 23,003,970</u></u>	<u><u>\$ 22,344,097</u></u>

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

March 31	2024	2023
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	7,142,088	6,804,004
Services	113,316	113,316
Meters	1,093,196	718,653
Hydrants	262,188	249,361
Equipment	532,536	532,536
Weir	163,486	163,486
	<u>\$ 22,238,762</u>	<u>\$ 21,513,308</u>

Schedule of Investment in Capital Assets

Year ended March 31	2024	2023
Balance, beginning of year	\$ 9,016,079	\$ 8,743,548
Interest earned on depreciation funds	22,453	39,451
Term debt retired	383,080	383,080
Depreciation funds utilized for debt service	-	(150,000)
	<u>405,533</u>	<u>272,531</u>
Balance, end of year	<u>\$ 9,421,612</u>	<u>\$ 9,016,079</u>

Schedule of Depreciation Funds

Year ended March 31	2024	2023
Balance, beginning of year	\$ 690,346	\$ 1,690,539
Interest earned on depreciation funds	22,453	39,451
Assets acquired	(468,131)	(1,304,253)
Current year's depreciation	415,826	414,609
Depreciation funds utilized for debt service	-	(150,000)
	<u>(29,852)</u>	<u>(1,000,193)</u>
Balance, end of year	<u>\$ 660,494</u>	<u>\$ 690,346</u>
Consisting of:		
Cash in bank	\$ 518,846	\$ 823,846
Payables and accruals	(104,714)	(70,130)
Due from (to) general operating fund	223,593	(70,313)
Due from (to) water utility operating fund	22,769	6,943
	<u>\$ 660,494</u>	<u>\$ 690,346</u>